

**Highlights**

Financial Results (mn TL)	9M22	YoY Δ	3Q22	YoY Δ
Revenues	110,857	143%	50,127	166%
Export Revenues*	87,962	148%	40,144	158%
Domestic Revenues	22,895	124%	9,984	202%
Operating Profit	11,416	149%	4,247	138%
EBITDA	12,667	136%	4,914	140%
EBITDA excluding other income/expense	11,973	134%	4,853	138%
Profit Before Tax	9,271	97%	3,615	90%
Net Income	10,322	119%	3,816	102%

(\*) Export revenues and volumes include exports from Ford Otosan and Ford Romania SRL

Volumes (units)	9M22	YoY Δ	3Q22	YoY Δ
Total Wholesale	325,266	23%	139,967	40%
Export	270,998	28%	120,022	40%
Domestic Wholesale	54,268	5%	19,945	43%
Domestic Retail Sales	54,320	0%	18,660	22%
Market Share	10.0%	+0.6 pps	10.8%	+1.7 pps
<b>Production (units) <sup>(1)</sup></b>	<b>324,818</b>	<b>27%</b>	<b>133,614</b>	<b>37.4%</b>
Capacity Utilization Rate <sup>(2)</sup>	79%	+4.0 pps	74%	-11.4 pps

<sup>(1)</sup> 3Q22 Puma and Ecosport production volumes are included. 38,851 units Puma and 10,140 units Ecosport are produced.  
In 3Q22, CUR was %78 at the Craiova Plant.

<sup>(2)</sup> Revised production capacities were taken into account while calculating 9M22 CUR.

In 9M22, total CUR was 79%, reaching 77%, 85% and 82% at the Gölçük, Yeniköy and Eskişehir Plants respectively.

Summary Income Statement, Million TL	9M22	9M21	YoY Δ	3Q22	3Q21	YoY Δ
Revenues	110,857	45,657	143%	50,127	18,871	166%
Export	87,962	35,454	148%	40,144	15,563	158%
Domestic	22,895	10,203	124%	9,984	3,307	202%
Gross Profit	14,560	5,904	147%	5,687	2,319	145%
Operating Profit	11,416	4,590	149%	4,247	1,788	138%
Financial Income/(Expense)	-2,136	137	N/M	-635	148	N/M
Profit Before Tax	9,271	4,695	97%	3,615	1,902	90%
Net Income	10,322	4,711	119%	3,816	1,892	102%
<b>Other Financial Data</b>						
Depreciation and Amortization	1,251	772	62%	667	262	154%
EBITDA	12,667	5,362	136%	4,914	2,050	140%
EBITDA excluding other income/expense	11,973	5,106	134%	4,853	2,036	138%
Capital Expenditures	-8,126	-2,063	294%	-2,781	-1,057	163%

9M22 financial results published in this earnings announcement have been prepared according to the International Financial Reporting Standards (IFRS).

## Revenues

Turkish automotive market shranked by 6% YoY in 9M22 to 545,429 units. However, the industry experienced a slight increase in 3Q and went up 2% with the contribution of all segments except PC. In 9M22, sales increased in MCV and HCV whereas decreased in PC and LCV segments (YoY: PC -8%, LCV -4%, MCV 2% and Heavy Trucks 22%). PC industry share was 73.2% (9M21: 75.3%) and LCV industry share was 13.4% (9M21: 13.2%). Ford Otosan maintained its CV leadership with 32.6% market share, up 2.6 pps YoY (9M21: 30.0%) while ranking #3 in the total industry with 10.0% share (9M21: 9.4%). Our strong HCV and LCV sales in 3Q contributed to this performance.

The new registrations in the European van market went down 21% YoY in September YTD. However, UK market turned to positive in September with efforts of the manufacturers despite ongoing global semi-conductor supply constraints. On the other hand, Ford continued to be the No.1 CV brand across Europe with 15.2% market share in 9M22, up 0.5 pps YoY (reaching 16.0% ms in 3Q – the highest share ever recorded in any quarter of the year). There has been a continued strong pent-up demand and orders for Ford's products in Europe and Ford Otosan is a key driver of Ford's market performance and pillar of profitability for Ford of Europe.

Domestic Revenues were TL 22,895 million in 9M22. Sales volume increased by 5% and revenues went up 124% YoY due to positive sales mix and ongoing pricing discipline. Export Revenues were TL 87,962 million in 9M22, up 148% YoY due to 28% volume growth (inclusion of Craiova volumes in 3Q supported this performance) and exchange impact (average EUR/TRY up 74% in 9M22 YoY). Total Revenues increased 143% YoY to TL 110,857 million and volumes were up 23% YoY. Share of exports in total revenues was 79% in 9M22 (9M21: 78%).

## Profitability

The profitability remained solid in 9M22 despite ongoing semi-conductor shortage due to i) strong domestic volumes in 3Q, ii) export volume growth, iii) pricing discipline, iv) ongoing cost reduction measures and OpEx control, v) exchange impact (average EUR/TRY up 74% in 9M22 YoY) and vi) cost-plus export contracts.

Gross Profit rose 147% YoY to TL 14,560 million supported by strong sales performance, ongoing focus on cost reduction and pricing discipline. Despite 59% YoY rise in Net Unearned Financial Expenses, Net Other Income grew by 171% YoY to TL 694 million in 9M22, supported by the 193% YoY increase in Net FX Gain from Operating Activities (resulting from YoY higher export volumes and currency impact). As a result, Operating Profit increased 149% YoY in 9M22 to TL 11,416 million. EBITDA grew 136% YoY to TL 12,667 million while EBITDA excluding the currency impact was up 134% YoY to TL 11,973 million. EBITDA per vehicle and PBT per vehicle were EUR 2,184 and EUR 1,691 in 9M22 respectively.

TL 137 million Net Financial Income in 9M21 turned to TL 2,136 million Net Financial Expenses in 9M22, mainly driven by the Net FX Expense and Net Interest Expense. As a result, Profit Before Tax increased 97% YoY to TL 9,271 million. Net Income was TL 10,322 million, up 119% YoY and higher than PBT due to Tax Income Resulting from Deferred Tax Asset.

Margins: Gross 13.1% (+0.2 pps YoY); EBITDA 11.4% (-0.3 pps YoY); EBITDA excluding other income 10.8% (-0.4 pps YoY); Operating 10.3% (+0.2 pps YoY); and Net 9.3% (-1.0 pps YoY).

Margins	9M22	9M21	YoY Δ, pps	3Q22	3Q21	YoY Δ, pps
Gross Margin	13.1%	12.9%	0.2	11.3%	12.3%	(1.0)
EBITDA Margin	11.4%	11.7%	(0.3)	9.8%	10.9%	(1.1)
EBITDA Margin (excluding other income)	10.8%	11.2%	(0.4)	9.7%	10.8%	(1.1)
Operating Margin	10.3%	10.1%	0.2	8.5%	9.5%	(1.0)
Net Margin	9.3%	10.3%	(1.0)	7.6%	10.0%	(2.4)

  

Per Vehicle (EUR)	9M22	9M21	9M20	3Q22	3Q21	3Q20
EBITDA	2,184	1,997	1,789	1,917	2,026	1,778
PBT	1,691	1,836	1,394	1,428	1,893	1,755



## Sales Performance

Ranking #3 in the total industry in 9M22 with 10% share, maintained leadership in total CV with 32.6% share.

Sales Volume by Model, units	9M22	9M21	YoY Δ	3Q22	3Q21	YoY Δ
<b>Domestic Sales</b>	<b>54,268</b>	<b>51,536</b>	<b>5%</b>	<b>19,945</b>	<b>13,993</b>	<b>43%</b>
Puma	1,055	1,174	-10%	345	386	-11%
Ecosport	1,536	1,114	38%	374	374	0%
Other	3,161	5,534	-43%	1,304	779	67%
Passenger Vehicle	5,752	7,822	-26%	2,023	1,539	31%
Courier	24,271	22,519	8%	8,859	5,233	69%
Connect	241	316	-24%	24	9	167%
Light Commercial Vehicle	24,512	22,835	7%	8,883	5,242	69%
Transit	13,963	12,135	15%	5,096	4,075	25%
Custom	3,708	2,969	25%	1,312	1,325	-1%
Ranger	524	1,143	-54%	223	346	-36%
Medium Commercial Vehicle	18,195	16,247	12%	6,631	5,746	15%
Truck	5,563	4,632	20%	2,302	1,466	57%
Rakun	246	0		106	0	
<b>Export Sales</b>	<b>270,998</b>	<b>212,259</b>	<b>28%</b>	<b>120,022</b>	<b>85,656</b>	<b>40%</b>
Custom	111,350	117,293	-5%	35,963	47,216	-24%
Transit	86,036	76,933	12%	27,014	34,131	-21%
Courier	17,835	14,601	22%	4,669	2,715	72%
Truck	5,594	3,414	64%	2,199	1,594	38%
Puma	39,403	2	-	39,403	-	-
Ecosport	10,774	2	-	10,774	-	-
Other	6	14	-57%	0	0	
<b>Total Wholesale Volume</b>	<b>325,266</b>	<b>263,795</b>	<b>23%</b>	<b>139,967</b>	<b>99,649</b>	<b>40%</b>
Total Turkish Automotive Industry Sales	545,429	577,549	-6%	172,580	168,603	2%
Ford Otosan Retail Sales	54,320	54,112	0%	18,660	15,334	22%
Ford Otosan Market Share	10.0%	9.4%	+0.6 pps	10.8%	9.1%	+1.7 pps

## Balance Sheet and Cash Flow

Summary Balance Sheet, Million TL <sup>(3)</sup>	9/30/2022	12/31/2021	YoY Δ
Current Assets	47,980	32,814	46%
Current Liabilities	41,489	20,782	100%
Property, Plant and Equipment - Net	15,622	5,149	203%
Total Assets	79,725	42,793	86%
Total Liabilities	64,085	32,644	96%
Shareholders' Equity	15,639	10,149	54%

<sup>(3)</sup> The Balance Sheet Summary of Ford Romania SRL is available in the 9M22 Financial Statements under Note 3 (Business Combination)

Financial Ratios	9/30/2022	12/31/2021
Current Ratio	1.16	1.58
Liquidity Ratio	0.73	1.25
Net Debt / EBITDA	1.20	0.47
Current Assets / Total Assets	0.60	0.77
Current Liabilities / Total Liabilities	0.65	0.64
Total Liabilities/Total Liabilities & Equity	0.80	0.76
Return on Equity	88.0%	86.7%

Summary Cash Flow Statement, Million TL	9/30/2022	9/30/2021	YoY Δ
Beginning Balance of Cash & Equivalents	14,106	8,074	75%
Net Cash from Operating Activities	7,748	5,508	41%
Net Cash Used in Investing Activities	-14,933	-2,048	629%
Net Cash Used in Financing Activities	-28	1,995	N/M
End of Period Balance of Cash&Equivalents	7,249	13,529	-46%



## 2022 Guidance

	Old Guidance (w 2Q Results)	New Guidance <sup>(4)</sup> (w 3Q Results)
Total Industry Volume	800 K - 850 K	775 K - 825 K
Ford Otosan:		
Retail Sales Volume	90 K - 100 K	80 K - 90 K
Export Volume	330 K - 340 K	410 K - 420 K
Turkey	330 K - 340 K	305 K - 310 K
Romania		105 K - 110 K
Wholesale Volume	420 K - 440 K	490 K - 510 K
Total Production Volume	410 K - 420 K	480 K - 500 K
Turkey	410 K - 420 K	380 K - 390 K
Romania		100 K - 110 K
Capex (fixed assets)	€620-670 million	€720-770 million <sup>(5)</sup>

<sup>(4)</sup> Main reasons for the downward revision in our guidance are; i) temporary slowdown in our production pace due to ongoing microchip shortage and ii) continued weak vehicle availability in the domestic market

<sup>(5)</sup> Capex for Romania Plant is included.

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