



Investor Presentation Q1 2023

May 2023



01 Brisa Strengths & Strategy

02 Sustainability

03 Technology

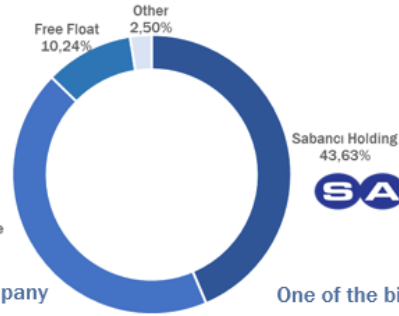
04 Market & Sales Operations

05 Financial Performance

BRISA

at a Glance

Strong Partnership



- No. 1 worldwide tyre and rubber company
- 142.000+ employees
- 150 countries, 144 plants
- 90 years of heritage

One of the biggest company groups in Turkey

- 60.000+ employees
- 12 public companies
- 9 global partnerships
- Activities in 14 countries
- Diversified Portfolio

Tyre Manufacturing in Two Plant



IZMIT



AKSARAY

Izmit Plant one of the most important manufacturing facilities of Bridgestone in the World.

Aksaray Plant is the first factory equipped with smart applications in the sector. Our factory is equipped with more than 40 years of industry experience and competence in the tyre industry, as well as Bridgestone's advanced technology and global experience.



Turkey's Leader in the Tyre Market and Mobility Solutions

Balanced Sales Channel

Domestic Sales	Export Sales	Mobility & Smart Services
RL- Replacement Channel	Lassa Export	Bandag
OE- Original Equipment	OE Export	Otopratik
	Bridgestone Export	Profleet
		Arvento
		Digital Filo

Leading and Highly Recognized Brands



Tyre brand with the strongest Top Of Mind performance.



* Every 1 consumer out of 2 answers with Lassa when asked about a tire brand.



The tyre brand with the highest reputation in Turkey.



Holds the 2nd place among the most valuable brands



Low-cost tyre with Brisa Bridgestone assurance

Broad Product Portfolio

CAR

Consumer Tyres



- PSR
- LT

Best-Better (Premium) & Fighting Segments

- UHP
- 4x4
- RFT

LCV

Commercial Tyres



- TBR
 - LSR All
- Commercial Segments

Agriculture Tyres



- AGR

Off the Road Tyres



- OTR

Technology Oriented Production: Brisa R&D Center

Smart production technologies

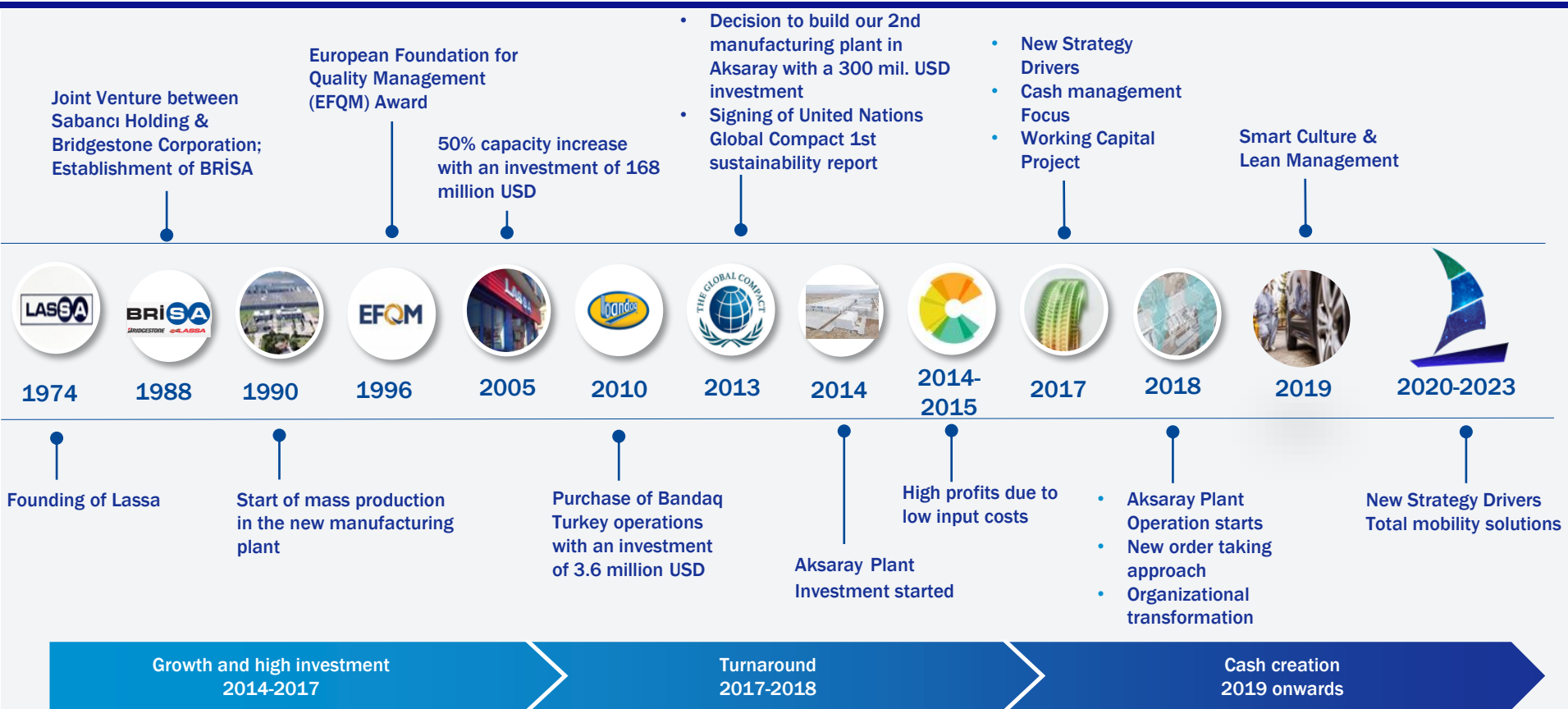
Innovative R&D studies for adaptation to new trends.



Strong Local & Global Network

1300 pos locally, 6000 pos globally, 88 countries

Brisa's 50-Year Journey Created a Truly Global Company



SMART CULTURE

- Continuing Digital Transformation
- Future of Work

DAN-TOTSU

- Replacement E2E Premium Enhancement
- Enhance Sales Network
- Widen Customer Experience (Consumer & Commercial)
- OE Selective Market Share Increase

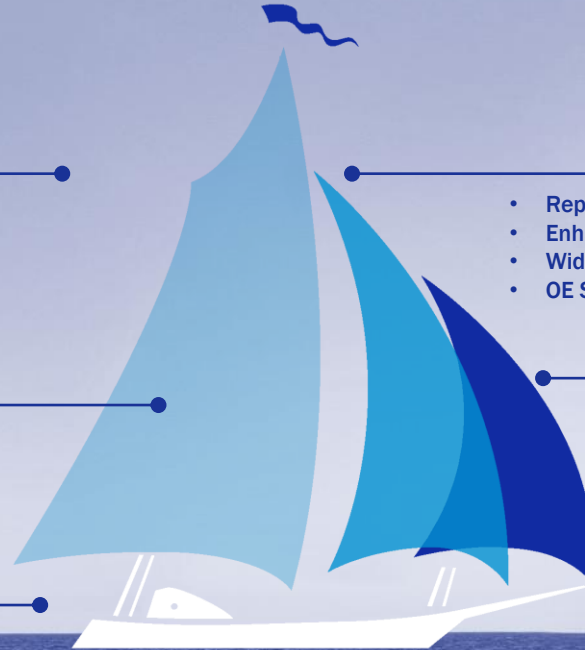
ENHANCE EXPORT

TOTAL MOBILITY SOLUTIONS

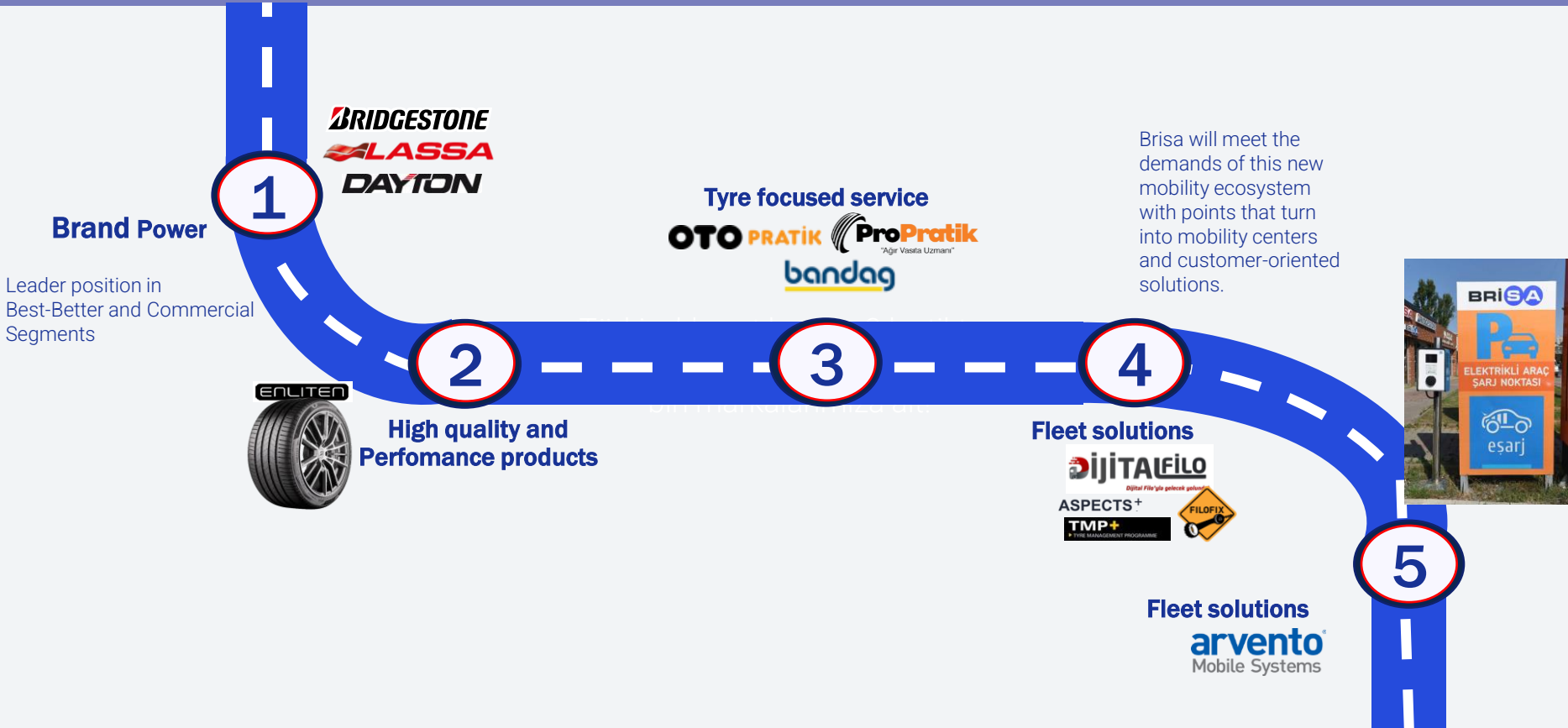
- Premium Products
- Car Mobility Solutions
- Commercial Fleet Mobility Solutions
- New Generation Retail Services

OPERATIONAL EXCELLENCE

PIONEER IN SUSTAINABILITY



Our Business Is Beyond the Tyre Manufacturing



Vehicle Tracking System Leader in Turkey- Arvento

Brisa acquired 88.89% of Arvento Mobile Systems (Arvento) for 337 MTL.

Arvento develops and produces vehicle tracking and fleet management systems, object-person tracking systems, boat tracking systems and M2M solutions.

- ✓ One of the world's top 10 companies in its sector
- ✓ Market leader in the last 15 years in Turkey
- ✓ More than 1,200,000 devices sold to over 100,000 customers
- ✓ Capacity to process more than 1,000,000,000 data packets per day



FINANCIALLY & OPERATIONALLY STRONG

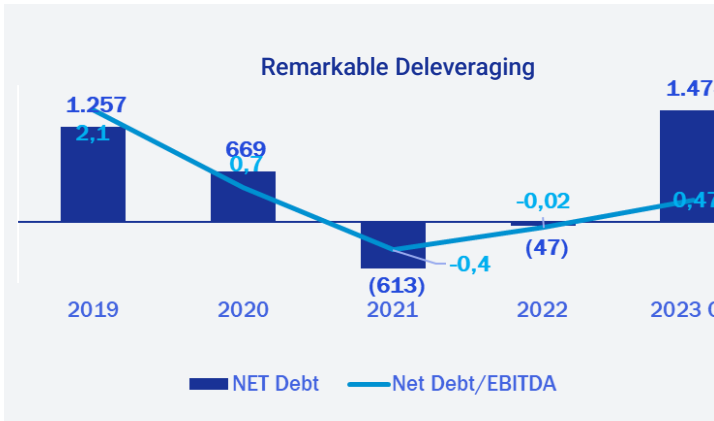
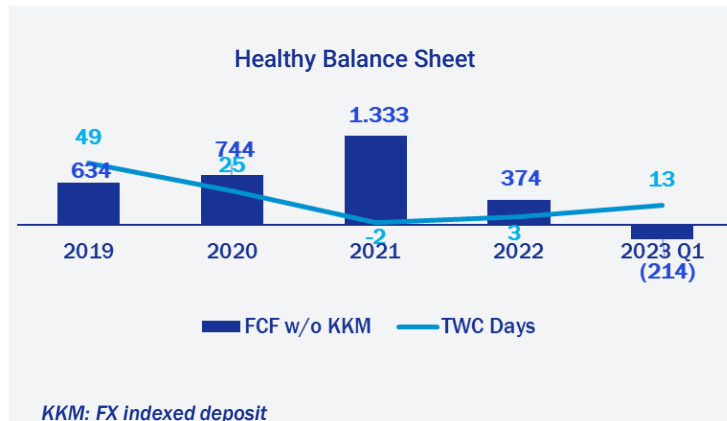
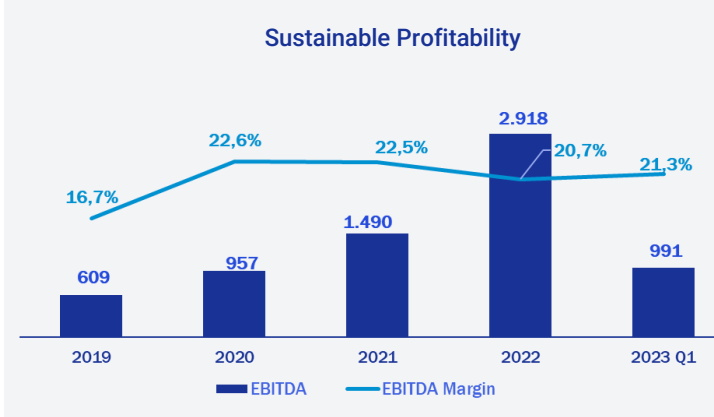
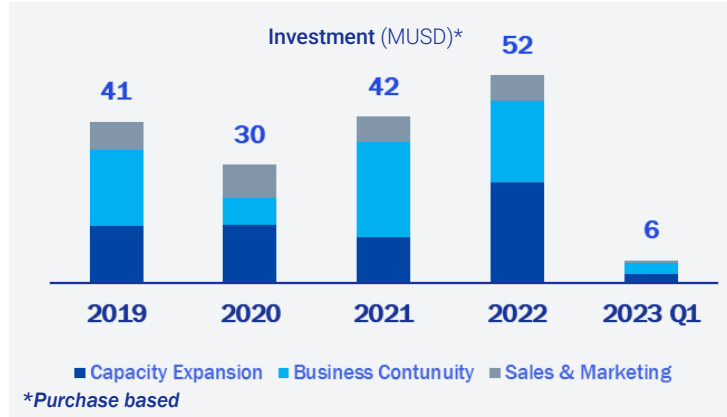
- **Balanced Portfolio (Domestic & Export markets)**
- **Market Leader in Consumer and Commercial Market in Turkey.**
- **Market share expansion in 17 export markets**
- **Strong revenue growth**
- **Solid and sustainable profitability over global competitors**
- **Low level of TWC days**

A LEADING COMPANY IN ESG

- **SBTI, Targets Set Category, per 1.5 C scenario, 1st international tyre company, 1st company in Turkey**
- **Received an "Excellent" rating from Refinitiv, ranking 1st in the world tyre industry and 3rd in the automotive industry.**
- **CDP Turkey Water Safety leader (4th time) and Climate Change Leader (6th time)**

FUTURE-ORIENTED, TECHNOLOGICALLY STRONG

- **Strong R&D adaptable to the new automobile technologies.**
- **Sector Leader in Turkey R&D 250 Research**
- **Smart technologies in production**
- **Mobility leader in Turkey: Data driven tyre performance, breakdown prediction and early intervention**
- **Growing E-charge stations**



- Sustainable investment
- Sustainable profitability higher than global peers
 - Pricing agility and Strong order book
 - Cost management
 - Operational Efficiency
- Well-managed financing through profound hedging and very low leverage

02

Sustainability

Transition to Low Carbon Economy



- Carbon Emission
- Energy Management
- Water Management
- Waste Management
- Responsible Consumption & Production
- Green Procurement
- Biodiversity



Transition to Low Touch Economy



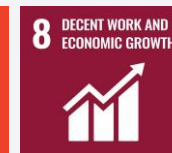
- Digital Transformation
- Mobility solutions



Social and Cultural Transformation



- Health&Safety
- Education
- Desired Workplace
- Entrepreneurship
- Equality&Diverstiy



LOW CARBON  

01

2050

Net Zero

02

2030

%56 Emission
Reduction

03

2023
ZERO DISPOSABLE
PLASTIC

04

2023
RENEWABLE
ENERGY 23% TO
29%

2025

%75 REDUCTION IN
GROUND WATER
CONSUMPTION IN İZMİT PLANT

2030

%70 REDUCTION
IN WATER WITHDRAWALS
IN AKSARAY PLANT



DRIVING AMBITIOUS CORPORATE CLIMATE ACTION



- SBTi, Targets Set Category, acc.to 1.5C scenario, 1st international tyre company
- Turkey Water Safety Leader, 4th time
- Climate Change Global Leader, 6 time in Turkey, 1st time Globally
- Supplier Engagement Global Leader, 4th time
- Leed, Gold Certificate, Academy Building
- Ecovadis Gold Status



- Refinitiv, Excellent A Grade
- SROI:

1:7	1:6	1:3
Students	Women	Women
High School & University	At Dealers	Engineers
- Digital Maturity Index Score above Turkey average
- Digital Tyre Assistant, TUSIAD Digital Transformation in Industry Program, "Sustainability of Technology" award
- Sustainable Future Award with "Emission Reduction Targets" project from Federation Of Automotive Maintenance Associations Of Turkey

03

Technology

- Certified R&D Center
- Bridgestone know-how and co-operation with technical centers
- Focus areas: Innovative products, tyres for electrical cars, mobility solutions, local raw materials, production & design

#1 in Tyre Industry

R&D Investment list in Turkey (2020)

Among The Best Factories

within 48 Bridgestone factories, in quality & cost competitiveness parameters

39

Active
Projects

32

The number of
new products in
2023 Q1

20

Million TL

Direct material
Annual cost
improvement

93

Million USD

R&D, Technology and
Business Continuity
Investments Last 5 years



Digital Maturity Level Over Turkey Average / Highest Score in Manufacturing Industry Brisa:3,7 (2021) | Target:4,01 (2023)

 SMART FACTORY	Awards <ul style="list-style-type: none">• 4th place in the Bridgestone Global Award with the Factory Smart Heating System (IoT project)• 1st place in the IDC Award with the same project
 DEALER SYSTEM	Data Analytics: Dealer Trust Index, 700 tyre sales points <ul style="list-style-type: none">• 92% of B2B customers coming from digital channels• Virtual POS at dealer points, 80% of collection
 SUPPLY CHAIN & SMART PROCESS	Self Service RPA (ROBI 2.0) <ul style="list-style-type: none">• ROBI Developer Day (Workshop and Training) Business Continuity Workshops <ul style="list-style-type: none">• At İstanbul and İzmit locations
 CUSTOMER EXPERIENCE	Digital Genba Room at the heart of field <p>Dealer Complaint Closure Period: From 30 hours to 20 mins</p> Copyrights <ul style="list-style-type: none">• 12 copyrights at software category Cyber Security <ul style="list-style-type: none">• SAHOI Cyber Security and Information Security Workshop
 TECHNOLOGY	IT Agile Transformation <ul style="list-style-type: none">• Squads , AI Cluster and Devops Cluster (Agile Teams)• Jira Implementation (Agile based Incident and Service Management Platform) Digital Maturity Index (Quarterly Review) <ul style="list-style-type: none">• 2 workshops• Executive Reports

04

Market & Sales Operations

Strongest sales network in Turkey

1300 pos, a Brista pos makes 2.5 times of competitors' pos

Fast fit services

Otopratik and Propratik

First and leading online tyre sales platform

Lastik.com.tr



468

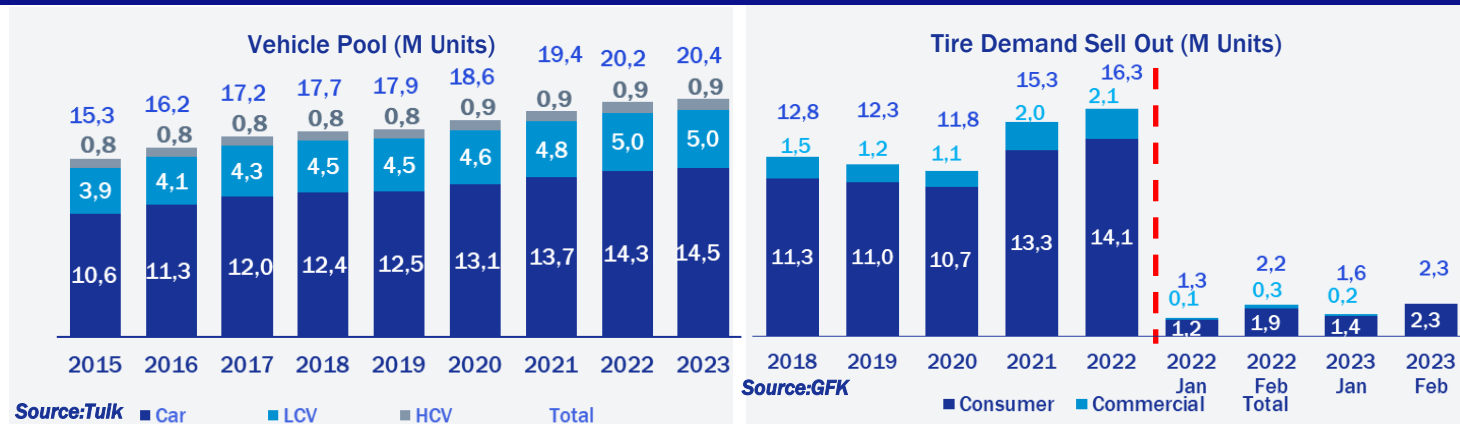
619

91

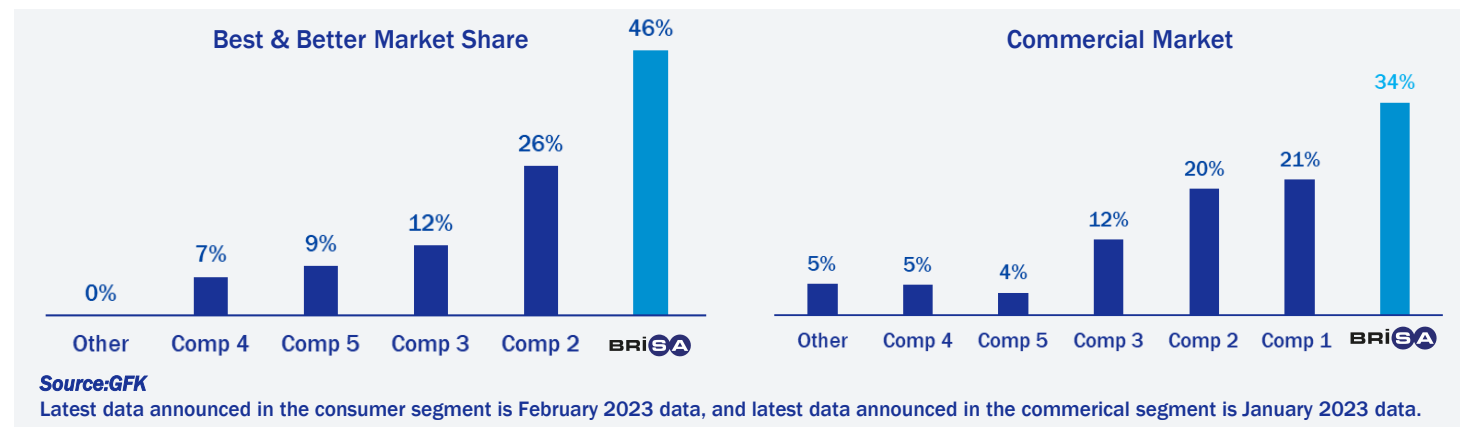
21

~85

Replacement Channel / 52% of Brisa Revenue (2023)



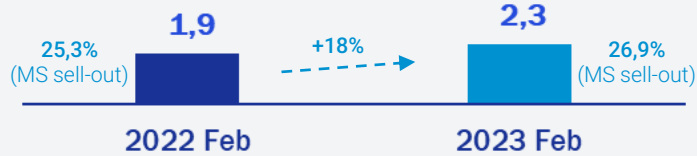
Vehicle pool CAGR +3,3% between 2015-2023



Dan totsu in Turkish Replacement Market

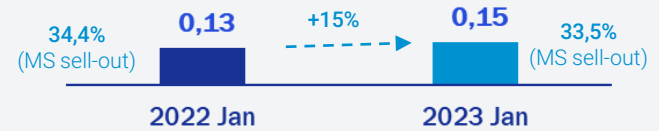
Replacement Channel - 52% of Brisa Revenue Driving Profitable Growth

Consumer Market* (M Units)



Source:GFK

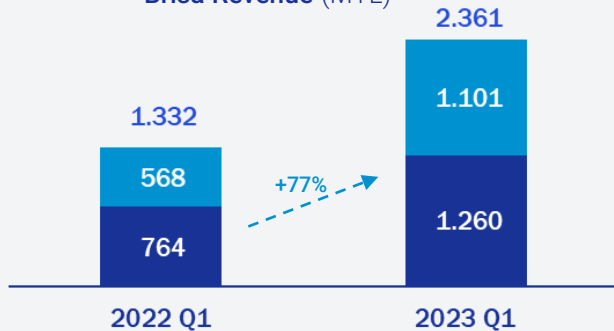
Commercial Market* (M Units)



Source:GFK

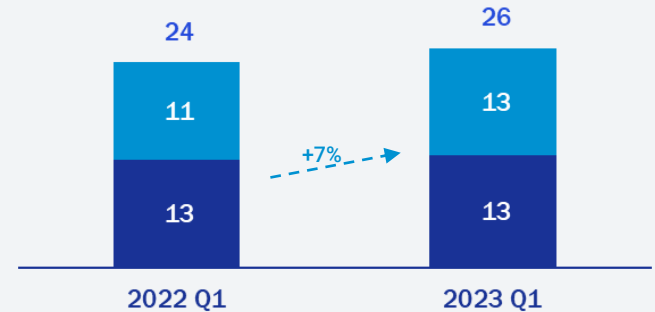
GFK couldn't publish Feb YTD data due to the earthquake

Brisa Revenue (MTL)



■ Consumer ■ Commercial

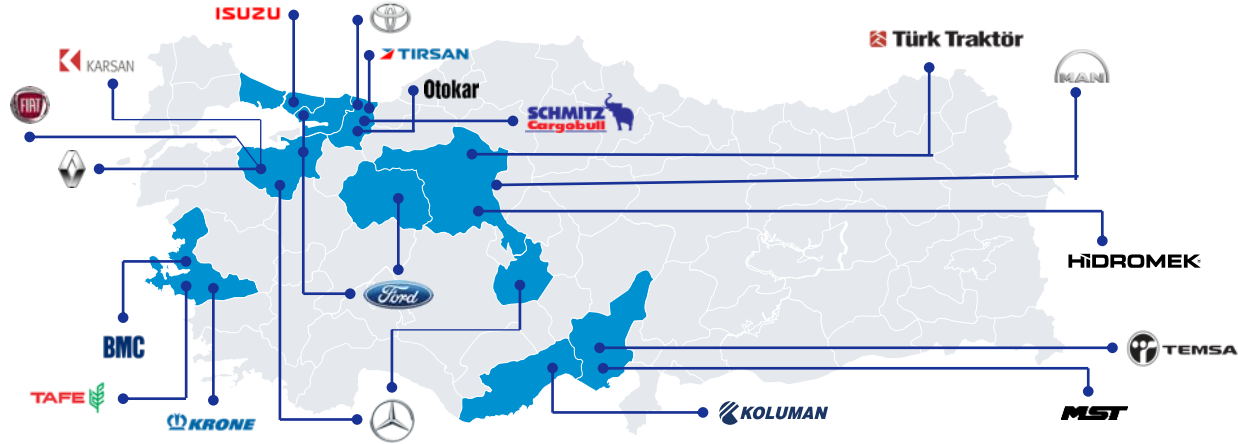
Brisa Tonnage (K Ton)



■ Consumer ■ Commercial

OE Turkey - 12% of Brisa Revenue Driving New Markets and Strengths

Strong R&D on OE,
New products
with latest technical
developments, 55 series for
Trailer segment, U-AP002 for
Coach & Buses



Iveco
1st All Season
LVR tire

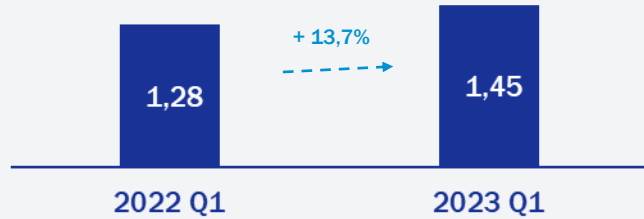
Otokar
Sultan-LSR launch

Solis/Yanmar
New AG Customer

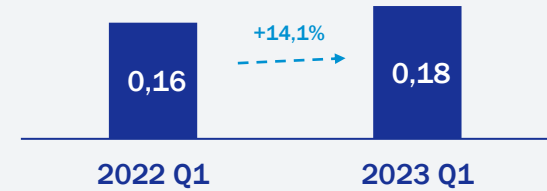
The diagram features a central blue circle with dashed arrows pointing to three boxes. The top box shows an Iveco van and text about a tire. The right box shows an Otokar bus and text about a launch. The bottom box shows the Solis/Yanmar logo and text about being a new customer.

New Global AG
Solis/Yanmar

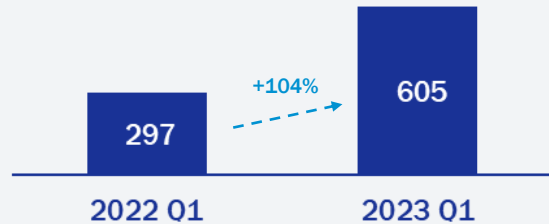
Consumer Market (M Units)



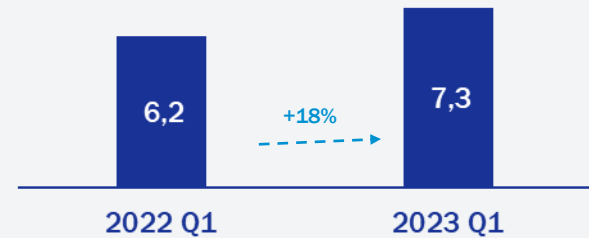
Commercial Market (M Units)



Brisa Revenue (MTL)



Brisa Sales (K Ton)



International Sales Channel / 24% of Brisa Revenue - Lassa Export

88 Countries

600+ Lassa Branded Stores

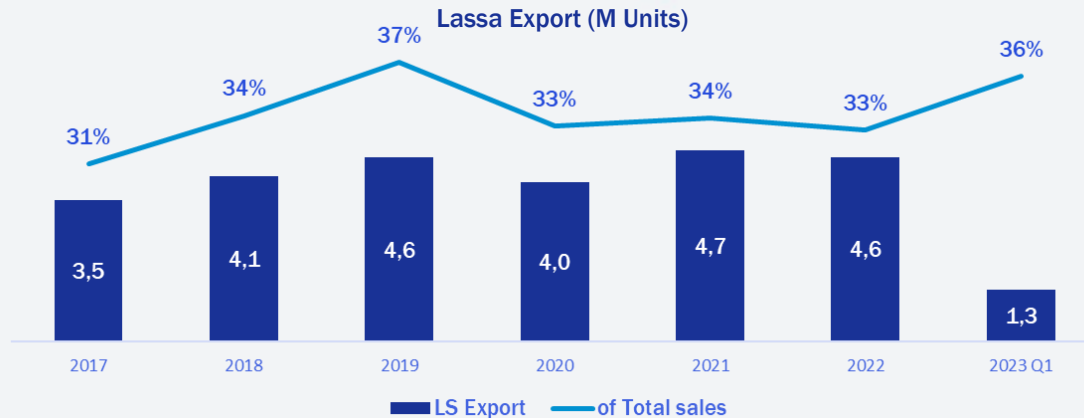


Expansion to Brazil

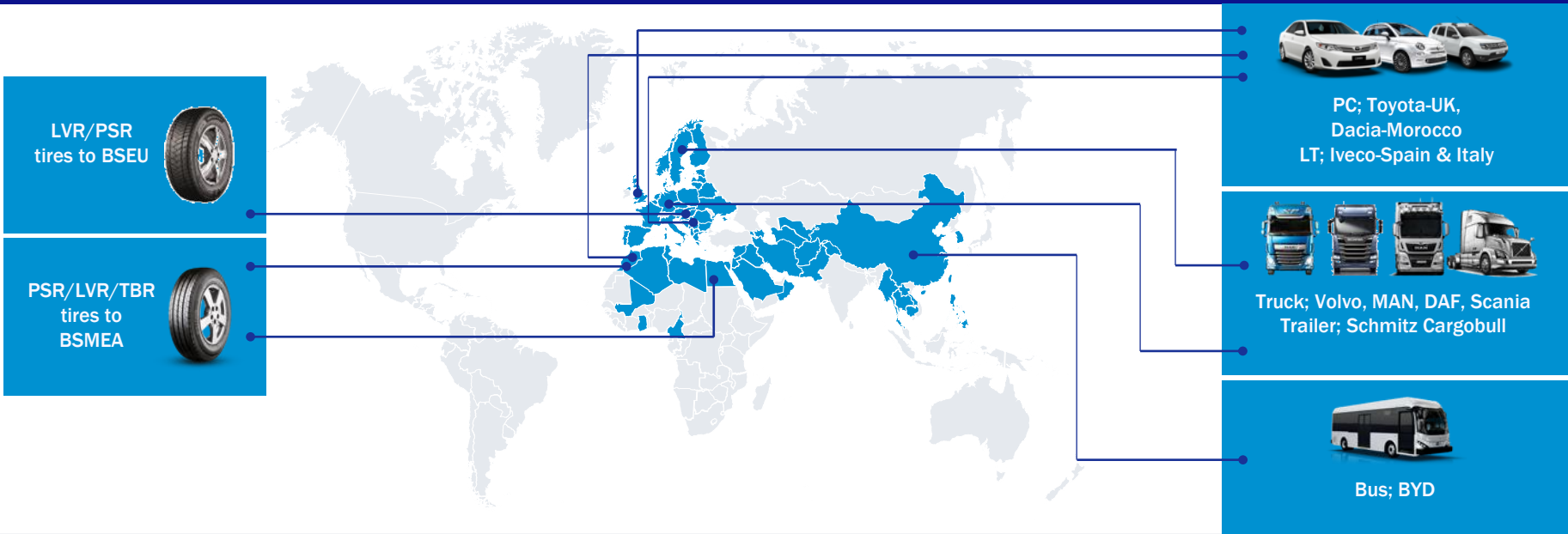
Market share gains in

17 Countries

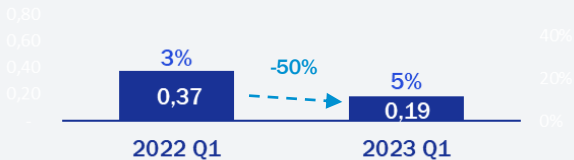
Europe: Bulgaria, Croatia, Montenegro, UK, Poland, Sweden, Italy and Hungary.
Non - Europe: Libya, Morocco, Tunisia, Algeria, Belarus, Ukraine, Kazakhstan, Iraq, and UAE



International Sales Channel - 9% of Brisa Revenue - Bridgestone Sales



Bridgestone Direct Sales Network (M Units)

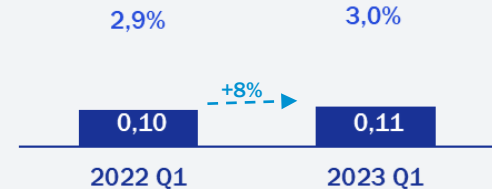


*Due to europe market recession

Dayton LVR tires export to Morocco for fighting segment

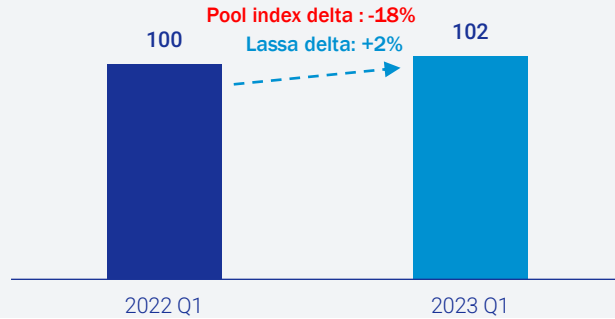
Release new Duravis All Season for light trucks

OEM Export Sales Network (M Units)



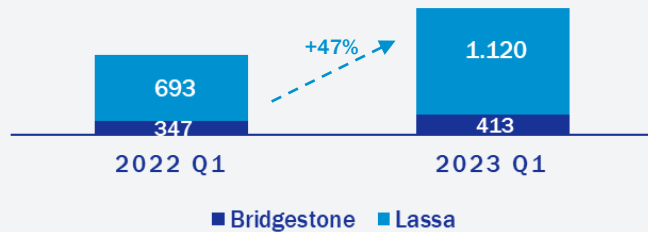
International Sales Channel - 33% of Brisa Revenue

International Markets (Index)

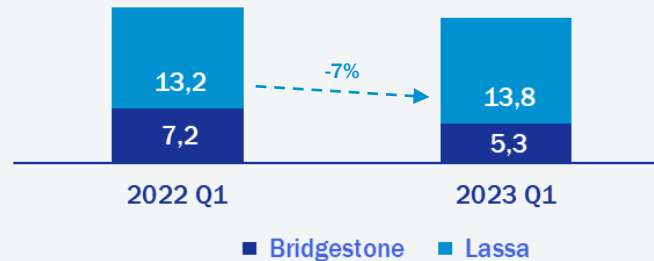


Despite tough environment, Lassa sales outperformed compared to R1&R2 market.

International Sales Revenue (MTL)



International Sales Tonnage (K Ton)



05

Financial Performance

Strong 1st Quarter 2023 Performance



71,8%

Revenue
Growth



21,3%

EBITDA
Margin



66,4%

Net Sales
Revenue
per ton



3,2%

Tonnage
Change



-214

FCF**
Million TL



793 vs.PY
28%

Net Income*
Million TL



13

TWC Days



0,47

Net DEBT
EBITDA

* Excludes one-off tax expense due to additional earthquake tax and also deferred tax revenue impact arising from tax incentive. Net income including one off is 537 MTL.

** FX indexed deposit reclassification is not included as its nature is also a cash equivalent with 3 months maturity.

Revenue Channel Breakdown 1st Quarter

RL 2.361MTL

TR OE 583MTL

LS Exp 1.120MTL

BS Exp 435MTL

Other 163MTL

(*includes revenues of Arvento, Bandag, Nontyre.)

128% Growth in Net Income

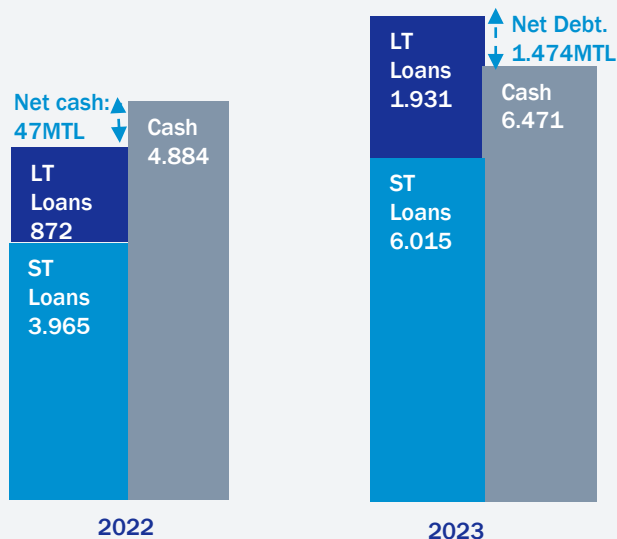
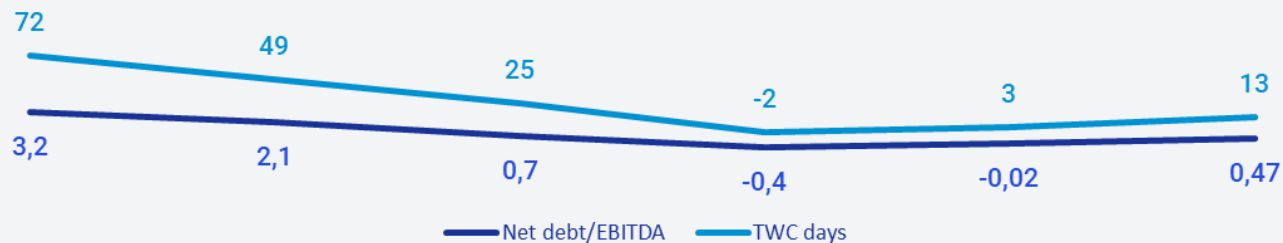
	2023 Q1			
	MTL		MUSD	
	2023 Q1	vs PY	2023 Q1	vs PY
Revenue	4.662	172%	247	126%
EBITDA	991	125%	53	91%
EBITDA Margin	21,3%	-8 pp	21,3%	-8%
Operating Profit	905	124%	48	91%
OP Margin	19,4%	-7,5%	19,4%	-8%
KKM Inc/Exp	108		6	
Net income	537	87%	28	64%
Net Income w/o one-off*	793	128%	42	94%

EBITDA margin realized at 21,3%

Successful financial management

* One-offs: Deferred tax revenue impact arising from tax incentives, earthquake additional 10% tax, and early retirement related payments.

Outstanding performance in leverage levels



(M TL)	31.12.2022	31.03.2023
Cash	4.884	6.471
Receivables	2.401	3.379
Inventory	2.364	2.411
Other	5.922	5.804
Total Asset	15.572	18.065
Payables	4.376	3.794
Total Financial Debt	6.793	9.657
Financial Debt	4.837	7.946
CCS	1.956	1.711
Other Liabilities	1.107	1.973
Equity	3.296	2.641
Liability & Equity	15.572	18.065

Normalization in TWC days

Still significantly low level of ND/EBITDA of 0,47

Cash Flow Statement

	2023 Q1				
	MTL		MUSD		2022 Q1
	2023 Q1	vs PY	2023 Q1	vs PY	
EBITDA	991	125%	53	91%	58
Oper. Cash Flow	128	176%	7	129%	5
Investment (-)	-342	161%	-18	118%	-15
Subsidiary acquired, net of cash	0		0		0
Free Cash Flow w/o KKM	-214	154%	-11	112%	-10
KKM	-192				
Free Cash Flow After KKM	-407	292%	-22	213%	-10
Change in Fin. Debt	2.994	850%	159	623%	25
Financial Expense	-149	250%	-8	183%	-4
Dividend Paid	-1.192	180%	-63	132%	-48
Other	8	3%	0	3%	18
Change in Cash	1.255	673%	67	546%	-19

Dividend of 1.192
MTL distributed

*Other: Foreign Exchange
difference gain from financial
policy



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