



1Q 23 Earnings Presentation

28 April 2023

Agenda

- **1Q 23 Evaluation**
- **Domestic Sales Performance**
- **Export Performance**
- **Since We Last Met**
- **Financial Results**

1Q 23 Evaluation

1Q 23 Highlights

Rank #2 in total with 10.5% and #1 in CV segment with 29% market share in Turkey

LCV: 29.8%

MCV: 28.7%

Truck: 26.5%

Strong domestic performance in 1Q

77% rise in volumes and 187% increase in revenues

Export volume growth supported by the volumes from the Craiova Plant

72% rise in volumes and 126% increase in revenues

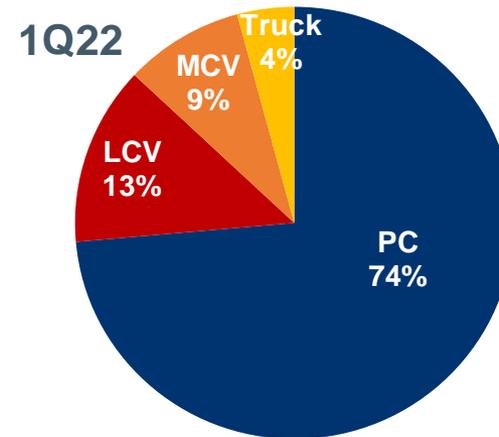
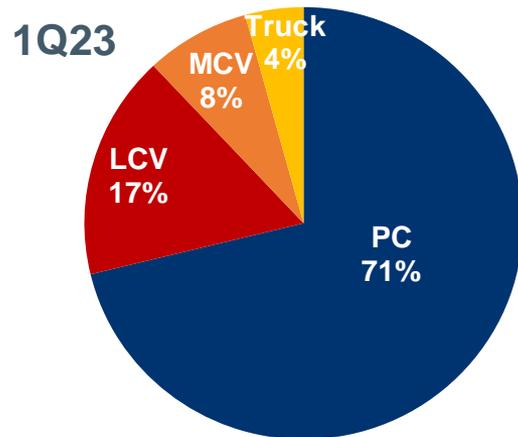
All Electric Courier was introduced in 1Q

All-New E-Transit Courier will roll-off the production line in 2H24

Domestic Sales Performance

LCV Segment Share Rose YoY

Segments	1Q23	1Q22	Δ
Passenger Cars	175,421	116,834	50%
Light Com. Vehicle	41,523	21,300	95%
Medium Com. Vehicle	19,027	13,916	37%
Truck	10,529	6,735	56%
Total*	246,500	158,785	55%



* Total industry volumes include PC, LCV, MCV, HCV and Truck sales.

Domestic Sales Performance - I

Rank	Brand	1Q23 Sales	1Q22 Sales	Market Share %	Δ, pps
Total Industry					
1	Fiat	49,704	22,427	20.2	6.0
2	Ford	25,796	15,863	10.5	0.5
3	Renault	20,663	20,618	8.4	-4.6
4	Peugeot	18,194	7,612	7.4	2.6
5	VW	17,480	10,581	7.1	0.4
Passenger Cars					
1	Fiat	34,390	12,886	19.6	8.6
2	Renault	16,591	18,464	9.5	-6.3
3	Peugeot	13,567	5,574	7.7	3.0
4	Hyundai	12,508	11,402	7.1	-2.6
5	VW	12,460	8,511	7.1	-0.2
11	Ford	5,173	2,386	2.9	0.9

PC strategy: Profitability over market share



Domestic Sales Performance - II

Rank	Brand	1Q23 Sales	1Q22 Sales	Market Share %	Δ, pps
LCV					
1	Fiat	14,382	8,983	34.6	-7.5
2	Ford	12,373	6,002	29.8	1.6
3	Peugeot	3,557	1,443	8.6	1.8
4	Citroen	3,355	726	8.1	4.7
5	Volkswagen	2,964	846	7.1	3.2
MCV					
1	Ford	5,455	5,797	28.7	-13.0
2	Volkswagen	2,056	1,224	10.8	2.0
3	Mercedes	1,900	919	10.0	3.4
4	Toyota	1,676	1,247	8.8	-0.2
5	Renault	1,646	570	8.7	4.6
Truck					
1	Mercedes	3,427	2,875	32.5	-10.1
2	Ford	2,795	1,678	26.5	1.6
3	Iveco	1,007	498	9.6	2.2
4	Scania	814	117	7.7	6.0
5	Renault	691	432	6.6	0.1

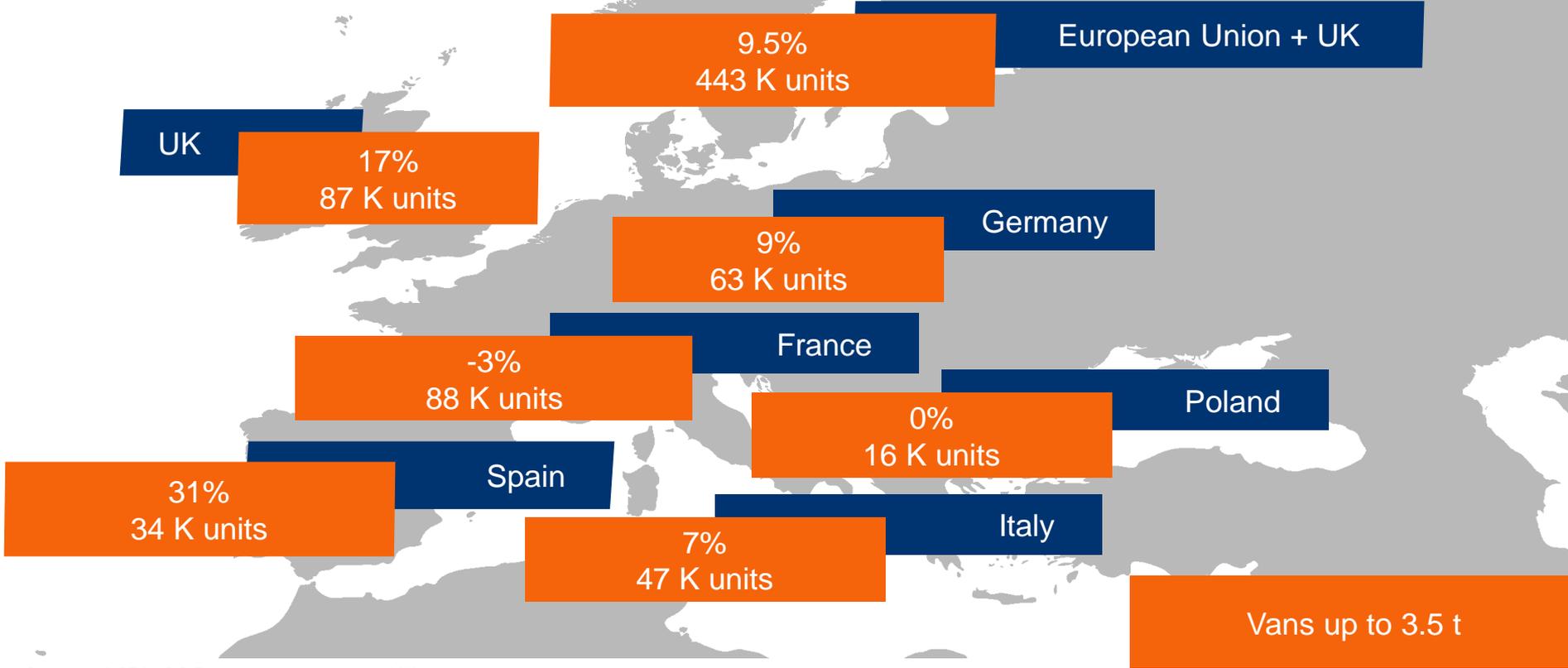
CV Strategy: Profitable growth



Export Performance

European Van Market Grew by 9.5%YoY in 1Q23

European new van registrations saw a notable increase of 9.5%, mainly due to last year's low basis



Source: ACEA; 26 European markets + UK

Ford is Europe's No.1 CV brand for 8 consecutive years and strong demand for Ford Products has continued. Ford Otosan leads the production for CV across Europe for Ford Pro, supporting the growth and leadership of the market.

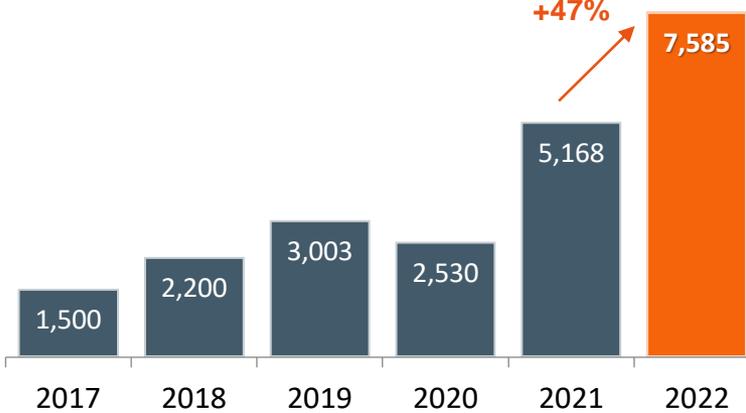


Solid Performance in Truck Business

TRUCKS

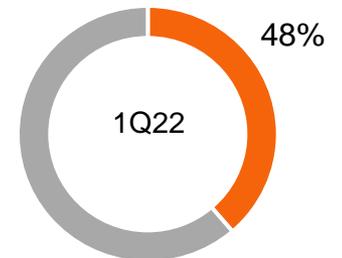
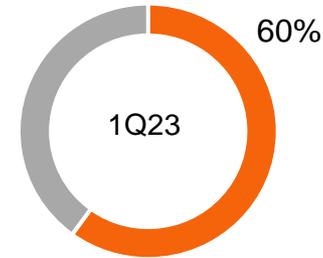
All Time High International Sales, Increased By 47% in 2022

International Sales (Units)



Volumes	Mar'22 YTD	Mar'23 YTD	YoYΔ
International Markets Industry	75.736	83.575*	10%
Ford Trucks' International Sales	1.972	2.052	4%

Share of W. Europe in Ford Trucks International Sales



2024 **50**
COUNTRIES

Now **46**
COUNTRIES

2021	2022 - 2024	2025 - 2026
Belgium ✓	Austria ✓	Sweden
Luxembourg ✓	Estonia ✓	Finland
Germany ✓	Netherlands	Norway
France ✓	Denmark	
	Switzerland	

* Estimate

Since We Last Met

Ford Pro: Redefining the Market for CVs and Services

Ford Pro, a global vehicle services and distribution business that increases uptime and reduce ownership costs, leading to higher productivity and performance.



Why Ford Pro?

Build your fleet – Shop for vehicles to suit your specific business needs

Reduce Downtime – With live vehicle health monitoring software

Monitor Vehicles – Track vehicle and driver behaviors with Telematics applications

Improve Productivity – Maximize vehicle uptime with new service and maintenance options

Manage Charging – Schedule and supervise all-electric vehicle charging with E-Telematics

Control Financing – Put vehicles, conversions, warranties, and servicing costs all in one place

One - stop shop includes:

- ✓ Vehicles
- ✓ Software
- ✓ Servicing
- ✓ Charging

Ford Pro is introduced in Türkiye in 4Q22

E-Courier - Smarter, Fully Connected, All-Electric

All-New E-Transit Courier is Scheduled to Enter Production Later in 2024



- ✓ Significantly larger and more flexible load area, and full backing from Ford Pro's connected services deliver unmatched productivity
- ✓ Fitted with an all-new electric powertrain and backed by Ford Pro's unique, integrated charging and software services to help even first-time EV operators achieve maximum productivity and uptime

Performance and charging

- 100 kW (136 PS) electric engine
- 11 kW AC onboard charger – 10 to 100% in 5.7 hours
- 100 kW DC fast charging – 10 to 80% in under 35 minutes
- Add 87 km of range in just 10 minutes on a 100 kW DC charger
- Significant reduction in service cost of ownership: at least 35% lower



Watch E-Transit Courier

1Q 23 Results

Financial Highlights in 1Q23

TL 66,302 million

Revenues, +138% YoY

- Total volumes +73%
- Export volumes +72%
- Domestic volumes +77%

TL 50,778 million

Export Revenues*, +126% YoY

- 72% volume increase
(supported by the inclusion of Craiova Plant)
- Exchange impact

TL 15,524 million

Domestic Revenues, +187% YoY

- 77% volume increase
- Ongoing pricing discipline
- Improvement in vehicle availability

TL 6,799 million

EBITDA, +99% YoY

- Strong domestic volumes
- Export volume growth
- Pricing discipline
- Cost reduction measures and OpEx control
- Cost-plus export contracts
- Exchange impact on our export business
(average EUR/TRY up 30% YoY)

TL 6,715 million

EBITDA excl. Currency impact, +126% YoY

TL 5,160 million

PBT, +126% YoY

- TL 137 mn Net Interest Income in 1Q22 turned to TL 296 mn Net Interest Expenses in this period. Net Financial Expenses increased by 22% in 1Q23 despite 23% decrease in Net FX Expenses.

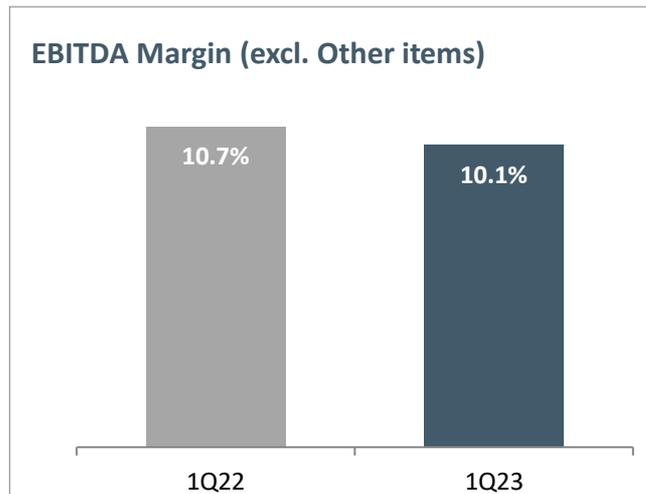
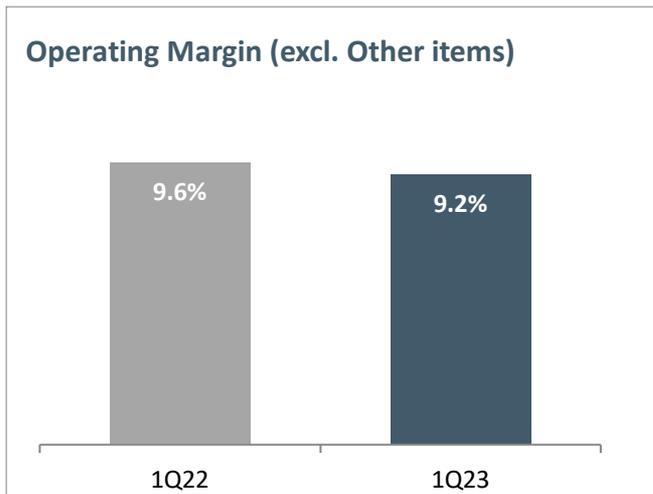
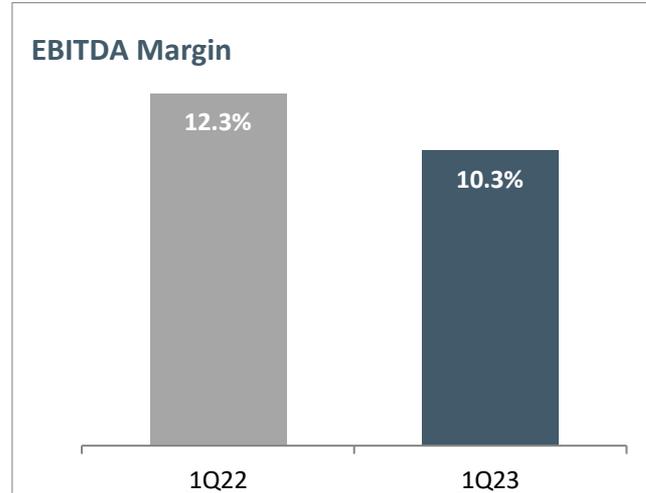
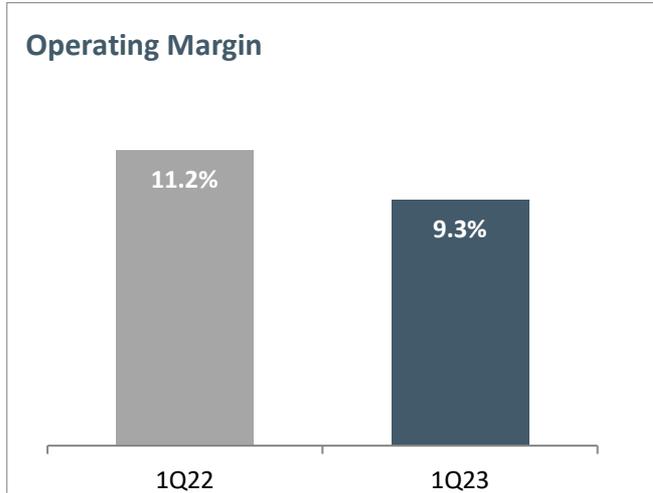
TL 5,353 million

Net Income, +91% YoY

- Higher than PBT due to Tax Income Resulting from Deferred Tax Asset in 1Q23 partially offset by additional tax related to earthquake

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

Margins



Strong EBITDA and PBT per Vehicle

EBITDA, EUR	1Q
2021	1,908
2022	2,076
2023	2,097

PBT, EUR	1Q
2021	1,914
2022	1,597
2023	1,611

Drivers:

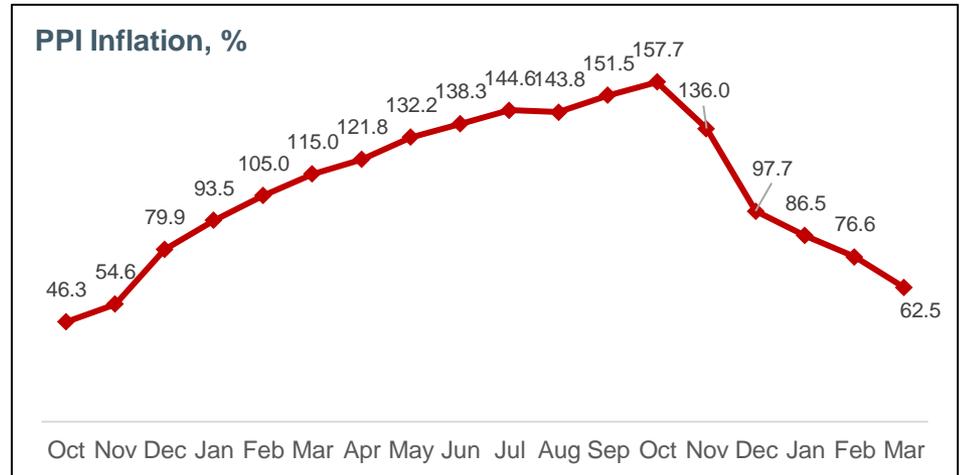
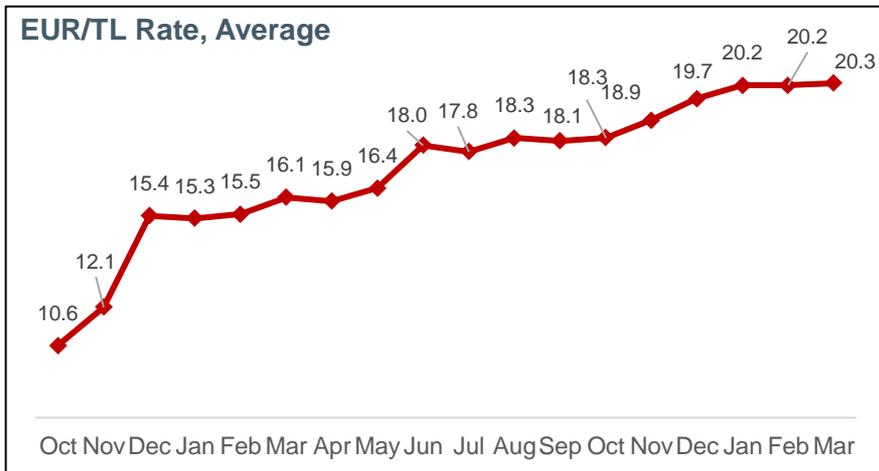
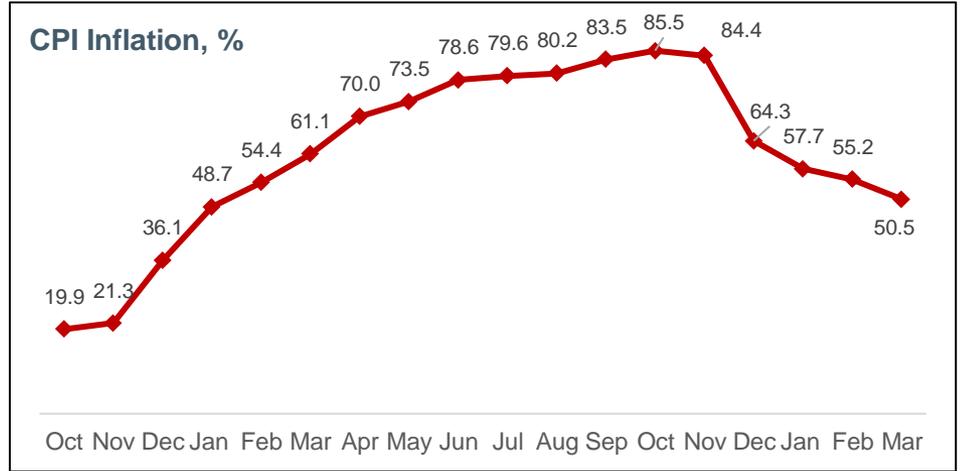
- + Strong domestic sales
- + Export volume growth
- + Pricing discipline
- + Cost reduction measures and OpEx control
- + Cost-plus export contracts
- + Exchange impact on our export business (average EUR/TRY up 30% in 1Q23 YoY)

Challenges:

- Extended global chip shortage
- Logistic problems

Cost Dynamics

	1Q23/1Q22
Production Volume	65%
Raw Material Costs	130%
€ / TL Average	30%



Source: Ford Otosan, CBT, Turkstat

Debt Profile & Financial Ratios

Cash Position (TL mn)	31.03.2023	31.12.2022
Cash & Cash Equivalents (incl. interest accrual)	21,285	10,115
Total Financial Debt	(45,664)	(37,918)
Net Financial Debt	(24,378)	(27,804)
Financial Ratios	31.03.2023	31.12.2022
Current ratio	1.14	1.19
Liquidity ratio	0.80	0.81
Net Debt / EBITDA*	1.00	1.32
Current Assets / Total Assets	0.60	0.57
Current Liabilities / Total Liabilities	0.65	0.62
Total Liabilities / Total Liabilities and Equity	0.81	0.78
Return on Equity	97.0%	86.9%
Margins	31.03.2023	31.03.2022
Gross Margin	12.8%	13.3%
EBITDA Margin	10.3%	12.3%
EBITDA Margin (excl.other items)	10.1%	10.7%
Operating Margin	9.3%	11.2%
Net Margin	8.1%	10.1%

* Capped at 3.5x. EBITDA is calculated on a rolling 4-quarter basis.

Sales Volume by Model

	1Q23	1Q22	YoY%
Total Domestic	26,662	15,079	77%
PC	4,980	2,016	147%
Puma	727		
Other	4,253		
LCV	12,979	6,522	99%
Transit Courier	12,815	6,438	99%
Transit Connect	164	84	95%
MCV	5,788	4,772	21%
Transit	4,485	3,629	24%
Transit Custom	1,202	1,037	16%
Ranger	101	106	-5%
Truck	2,788	1,740	60%
Rakun	127	29	-
Total Export	131,378	76,447	72%
Transit Custom	39,826	38,108	5%
Transit	36,456	28,283	29%
Transit Courier	7,990	8,085	-1%
Truck	2,031	1,971	3%
Puma	45,005	-	-
Other	70	-	-
Total Wholesale	158,040	91,526	73%

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

Main Financial Indicators

Million TL	1Q23	1Q22	YoY %
Total Revenues ⁽¹⁾	66,302	27,876	138%
Export ⁽²⁾	50,778	22,469	126%
Domestic	15,524	5,408	187%
Gross Profit	8,490	3,719	128%
Operating Profit	6,164	3,123	97%
EBITDA	6,799	3,417	99%
EBITDA excluding other income/expense	6,715	2,971	126%
Profit Before Tax	5,160	2,285	126%
Net Income	5,353	2,802	91%
Other Financial Data			
Depreciation & Amortization	635	294	116%
Financial Income / (Expense)	(1,002)	(825)	22%

(1) 1Q23, Ford Romania SRL contributed TL 13,880,281 thousand to Total Revenues and TL 12,201 thousand to Net Profit

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

Summary Balance Sheet & Cash Flow Statement

Balance Sheet, Million TL	31.03.2023	31.12.2022	YoY Δ
Current Assets	68,380	55,125	24%
Current Liabilities	60,001	46,206	30%
Property, Plant and Equipment - Net	21,640	20,145	7%
Total Assets	114,781	96,052	19%
Total Liabilities	92,718	74,650	24%
Shareholders' Equity	22,063	21,402	3%

Cash Flow Statement, Million TL	31.03.2023	31.03.2022	YoY Δ
Beginning Balance of Cash & Equivalents	10,110	14,106	-28%
Net Cash from Operating Activities	13,838	3,962	249%
Net Cash Used in Investing Activities	(3,552)	(2,257)	57%
Net Cash Used in Financing Activities	886	(642)	N/M
End of Period Balance of Cash & Equivalents	21,261	15,170	40%

2023 Guidance

2023 Guidance

	2022A	2023F
Total Industry Volume	822 K	800 K- 850 K
Ford Otosan:		
Retail Sales Volume	85 K	90 K- 100 K
Export Volume	391 K	550 K - 570 K
Turkey	298 K	355 K- 365 K
Romania	93 K	195 K - 205 K
Wholesale Volume	476 K	640 K - 670 K
Total Production Volume	466 K	630 K - 660 K
Turkey	374 K	430 K- 450 K
Romania	92 K	200 K- 210 K
Capex (fixed assets)	€ 818 million	€ 1,000-1,050 million
General Investments	€ 52 million	€ 90-100 million
Product Related Investments	€ 766 million	€ 910-950 million

- Ford Otosan provides guidance 4 times a year as part of quarterly financial statements.
- This is the second guidance issued for 2023 as part of 1Q23 results in April. Next update will be in August 2023 as part of 1H23 results

Thank You

