

Highlights

| Financial Results (mn TL) | 1H21 | YoY Δ | 2Q21 | YoY Δ |
|---------------------------------------|--------|-------|--------|-------|
| Revenues | 26.787 | 77% | 10.533 | 84% |
| Export Revenues | 19.891 | 72% | 7.354 | 82% |
| Domestic Revenues | 6.896 | 94% | 3.178 | 88% |
| Operating Profit | 2.802 | 122% | 1.082 | 130% |
| EBITDA | 3.312 | 94% | 1.339 | 92% |
| EBITDA excluding other income/expense | 3.070 | 101% | 1.258 | 100% |
| Profit Before Tax | 2.793 | 213% | 975 | 248% |
| Net Income | 2.819 | 210% | 999 | 257% |

| Volumes (units) | 1H21 | YoY Δ | 2Q21 | YoY Δ |
|---------------------------|---------|----------|--------|----------|
| Total Wholesale | 164.146 | 34% | 57.457 | 39% |
| Export | 126.603 | 31% | 41.084 | 37% |
| Domestic Wholesale | 37.543 | 42% | 16.373 | 43% |
| Domestic Retail | 38.778 | 47% | 17.005 | 33% |
| Market Share | 9,5% | -0.7 pps | 8,3% | -1.4 pps |
| Production (units) | 157.670 | 34% | 54.297 | 46% |
| Capacity Utilization Rate | 69% | +18 pps | 48% | +15 pps |

In 1H21, total CUR was 69%, reaching 75% both at the Gölcük and Eskişehir Plants despite the production suspension of 41 and 21 days,

| Summary Income Statement, Million TL | 1H21 | 1H20 | YoY Δ | 2Q21 | 2Q20 | YoY Δ |
|---------------------------------------|--------|--------|-------|--------|-------|-------|
| Revenues | 26.787 | 15.094 | 77% | 10.533 | 5.727 | 84% |
| Export | 19.891 | 11.539 | 72% | 7.354 | 4.034 | 82% |
| Domestic | 6.896 | 3.555 | 94% | 3.178 | 1.693 | 88% |
| Gross Profit | 3.585 | 1.750 | 105% | 1.517 | 679 | 123% |
| Operating Profit | 2.802 | 1.265 | 122% | 1.082 | 471 | 130% |
| Financial Income/(Expense) | -11 | -373 | -97% | -105 | -190 | -45% |
| Profit Before Tax | 2.793 | 892 | 213% | 975 | 280 | 248% |
| Net Income | 2.819 | 909 | 210% | 999 | 280 | 257% |
| Other Financial Data | | | | | | |
| Depreciation and Amortization | 510 | 444 | 15% | 258 | 225 | 15% |
| EBITDA | 3.312 | 1.708 | 94% | 1.339 | 696 | 92% |
| EBITDA excluding other income/expense | 3.070 | 1.526 | 101% | 1.258 | 630 | 100% |
| Capital Expenditures | -1.006 | -343 | 193% | -670 | -187 | 259% |

1H21 financial results published in this earnings announcement have been prepared according to the International Financial Reporting Standards (IFRS).

Revenues

Turkish vehicle sales grew 58% YoY in 1H21 to 408,946 units supported by the low base year, pull forward demand (price increase expectations in the upcoming period and vehicle availability concerns) and home delivery trends. Sales grew across all segments YoY: PC 52%, LCV 86%, MCV 44% and Heavy Trucks 173%. PC industry share was 75.9% (1H20: 78.5%). LCV industry share grew to 12.8% (1H20: 10.8%). Ford Otosan maintained its CV leadership with 30.7% market share in commercial vehicles while ranking #4 in the total industry with 9.5% share (1H20: 10.2%).

The European commercial vehicle industry has started to see the green shoots of confidence returning after the COVID-induced downturn of 2020 with 44% YoY growth in 1H registrations. Ford's second quarter sales in Europe suggest a bounce-back in consumer demand, despite the semi-conductor shortage. Ford continued to be the No.1 CV brand across Europe with 14.8% market share in 1H, up 0.4 pps YoY. Ford's CV sales grew 42% YoY in 1H and 60% YoY in 2Q. Transit Custom remained Britain's best-selling vehicle. Ford Otosan is a key driver of Ford's market share and pillar of profitability for Ford of Europe, manufacturing 73% of all CVs sold in Europe in 1H21.

Domestic Revenues were TL 6,896 million in 1H21, up 94% YoY due to 42% volume growth, positive sales mix and ongoing pricing discipline. Export Revenues were TL 19,891 million in 1H21, up 72% YoY due to 31% volume growth, our cost plus export structure (higher cost base in Q2 due to low production), exchange impact (average EUR/TRY up 33% in 1H21 YoY) and sales mix. Total Revenues increased 77% YoY to TL 26,787 million and volumes were up 34% YoY. Share of exports in total revenues was 74% in 1H21 (1H20: 76%).

Profitability

Profitability was very strong in 1H21 due to i) strong export performance despite the temporary 2Q weakness due to the semi-conductor shortage, ii) robust domestic volumes, iii) pricing discipline, iv) ongoing cost reduction measures and OpEx control, v) exchange impact (average EUR/TRY up 33% in 1H21 YoY) and vi) cost-plus export contracts.

Gross Profit rose 105% YoY to TL 3,585 million supported by strong domestic sales, ongoing focus on cost reduction and pricing discipline. Net Other Income grew 33% YoY in 1H21, supported by the 65% YoY increase in Net FX Gain from Operating Activities (resulting from strong exports and currency impact). As a result, Operating Profit increased 122% YoY in 1H21 to TL 2,802 million. EBITDA grew 94% YoY to TL 3,312 million while EBITDA excluding the currency impact was up 101% YoY to TL 3,070 million. EBITDA per vehicle was EUR 1,969 in 1H and EUR 2,169 in 2Q. PBT per vehicle was EUR 1,791 in 1H.

TL 373 million Net Financial Expenses in 1H20 declined to TL 11 million in 1H21, mainly driven by the 2140% YoY growth in Net Interest Income (strong cash position and rising interest rates). As a result, Profit Before Tax increased 213% YoY to TL 2,793 million. Net Income was TL 2,819 million, up 210% YoY and higher than PBT due to Tax Income Resulting from Deferred Tax Asset.

Margins: Gross 13.4% (+1.8 pps YoY); EBITDA 12.4% (+1.1 pps YoY); EBITDA excluding other income 11.5% (+1.4 pps YoY); Operating 10.5% (+2.1 pps YoY); and Net 10.5% (+4.5 pps YoY).

| Margins | 1H21 | 1H20 | YoY Δ, pps | 2Q21 | 2Q20 | YoY Δ, pps |
|--|-------|-------|------------|-------|-------|------------|
| Gross Margin | 13,4% | 11,6% | 1,8 | 14,4% | 11,9% | 2,5 |
| EBITDA Margin | 12,4% | 11,3% | 1,1 | 12,7% | 12,1% | 0,6 |
| EBITDA Margin (excluding other income) | 11,5% | 10,1% | 1,4 | 11,9% | 11,0% | 0,9 |
| Operating Margin | 10,5% | 8,4% | 2,1 | 10,3% | 8,2% | 2,1 |
| Net Margin | 10,5% | 6,0% | 4,5 | 9,5% | 4,9% | 4,6 |

| Per Vehicle (EUR) | 1H21 | 1H20 | 1H19 | 2Q21 | 2Q20 | 2Q19 |
|-------------------|-------|-------|-------|-------|-------|-------|
| EBITDA | 1.969 | 1.739 | 1.310 | 2.169 | 2.016 | 1.342 |
| PBT | 1.791 | 1.016 | 734 | 1.681 | 895 | 685 |



Sales Performance

Ranking #4 in the total industry in 1H21 with 9.5% share, maintained leadership in total CV with 30.7% share.

| Sales Volume by Model, units | 1H21 | 1H20 | YoY Δ | 2Q21 | 2Q20 | YoY Δ |
|---|----------------|----------------|------------|---------------|---------------|------------|
| Domestic Sales | 37.543 | 26.419 | 42% | 16.373 | 11.451 | 43% |
| Passenger Car | 6.283 | 5.997 | 5% | 1.568 | 2.459 | -36% |
| Courier | 17.286 | 8.720 | 98% | 9.315 | 3.946 | 136% |
| Connect | 307 | 201 | 53% | 126 | 57 | 121% |
| Light Commercial Vehicle | 17.593 | 8.921 | 97% | 9.441 | 4.003 | 136% |
| Transit | 8.060 | 7.684 | 5% | 2.654 | 3.034 | -13% |
| Custom | 1.644 | 1.932 | -15% | 692 | 774 | -11% |
| Ranger | 797 | 484 | 65% | 699 | 389 | 80% |
| Medium Commercial Vehicle | 10.501 | 10.100 | 4% | 4.045 | 4.197 | -4% |
| Truck | 3.166 | 1.401 | 126% | 1.319 | 792 | 67% |
| Export Sales | 126.603 | 96.452 | 31% | 41.084 | 29.912 | 37% |
| Custom | 70.077 | 51.898 | 35% | 19.661 | 14.442 | 36% |
| Transit | 42.802 | 33.342 | 28% | 14.238 | 11.827 | 20% |
| Courier | 11.886 | 10.323 | 15% | 6.225 | 3.148 | 98% |
| Truck | 1.820 | 886 | 105% | 960 | 493 | 95% |
| Other | 18 | 3 | 500% | 0 | 2 | -100% |
| Total Wholesale Volume | 164.146 | 122.871 | 34% | 57.457 | 41.363 | 39% |
| Total Turkish Automotive Industry Sales | 408.946 | 259.471 | 58% | 203.770 | 132.334 | 54% |
| Ford Otosan Retail Sales | 38.778 | 26.425 | 47% | 17.005 | 12.800 | 33% |
| Ford Otosan Market Share | 9,5% | 10,2% | -0.7 pps | 8,3% | 9,7% | -1.4 pps |

Balance Sheet and Cash Flow

| Summary Balance Sheet, Million TL | 30.6.2021 | 31.12.2020 | YoY Δ |
|-------------------------------------|-----------|------------|-------|
| Current Assets * | 16.179 | 17.605 | -8% |
| Current Liabilities | 12.002 | 12.481 | -4% |
| Property, Plant and Equipment - Net | 4.438 | 4.403 | 1% |
| Total Assets | 23.656 | 24.349 | -3% |
| Total Liabilities | 16.680 | 17.305 | -4% |
| Shareholders' Equity * | 6.976 | 7.044 | -1% |

* Due to doubtful receivable provision regarding past periods, the Beginning Balances of Trade Receivables and Shareholders' Equity have been restated as detailed in Footnote 2.5 of the Financial Statements.

| Financial Ratios | 30.6.2021 | 31.12.2020 |
|--|-----------|------------|
| Current Ratio | 1,35 | 1,41 |
| Liquidity Ratio | 0,92 | 1,13 |
| Net Debt / Tangible Equity | 0,67 | -0,01 |
| Net Debt / EBITDA | 0,54 | -0,01 |
| Current Assets / Total Assets | 0,68 | 0,72 |
| Current Liabilities / Total Liabilities | 0,72 | 0,72 |
| Total Liabilities/Total Liabilities & Equity | 0,71 | 0,71 |
| Return on Equity | 80,8% | 59,6% |

| Summary Cash Flow Statement, Million TL | 30.6.2021 | 30.6.2020 | YoY Δ |
|---|-----------|-----------|-------|
| Beginning Balance of Cash & Equivalents | 8.074 | 3.200 | 152% |
| Net Cash from Operating Activities | 249 | 1.459 | -83% |
| Net Cash Used in Investing Activities | -994 | -340 | 192% |
| Net Cash Used in Financing Activities | -2.320 | 868 | -367% |
| End of Period Balance of Cash&Equivalents | 5.008 | 5.188 | -3% |



2021 Guidance

Total Industry Volume 900 K - 950 K

Ford Otosan:

| | |
|----------------------|-------------------|
| Retail Sales Volume | 95 K - 105 K |
| Export Volume | 315 K - 325 K |
| Wholesale Volume | 410 K - 430 K |
| Production Volume | 390 K - 410 K |
| Capex (fixed assets) | €375 -425 million |

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