

ANADOLU ISUZU

(BIST: ASUZU)

2020 Q1 Earnings Release, May 6, 2020

(000 TL)	2019 Q1	2020 Q1	%
Net Sales	272,786	209,208	(23.3)%
Gross Profit	46,182	42,248	(8.5)%
EBITDA	27,994	19,742	(29.5)%
Net Income (Loss)	(14,390)	(17,712)	23.1%
Free Cash Flow	55,639	(91,703)	-
Gross Profit Margin	16.9%	20.2%	
EBITDA Margin	10.3%	9.4%	
Net Profit/Loss Margin	(5.3)%	(8.5)%	

FINANCIAL PERFORMANCE:

A - NET SALES

In 1Q 2020, Net Sales decreased by 23% to TL 209.2 million, compared to 1Q 2019. This decrease was driven by 61% contraction in export volume due to Covid-19 effects. On the other hand, domestic net sales, which increased by 51% (more than commercial vehicle market growth) compared to the same period of last year, partially compensated the contraction in exports.

In 1Q 2020, domestic automotive market sales volume was 41% higher than last year, with 129 thousand units. In this period, light commercial vehicle segment contracted by 26% compared to last year. In the heavy commercial vehicle market; truck, midibus and bus segments increased by 56%, 179% and 51%, respectively.

B - EBITDA

In Q1 2020, EBITDA decreased by TL 8 million to TL 20 million compared to last year. EBITDA margin is 9.4% (Q1 2019: 10.3%).

C - NET WORKING CAPITAL

In Q1 2019 period end, Net Working Capital was TL 422 million; as a result of successful management, this figure was decreased to TL 337 million as of March 2020 period end. In the same period, Net Working Capital/Net Sales ratio improved significantly from 35.8% to 24.8%.

D - FINANCIAL DEBT

Financial debt burden of the Company decreased by 7% from TL 512 million as of Q1 2019 period end to TL 478 million as of Q1 2020 period end. In this context, Net Financial Debt / EBITDA ratio decreased from 5.84 as of Q1 2019 period end to 3.4 as of Q1 2020 period year end.

RISKS

Exchange Rate Risk: As of 31.03.2020, the Company is exposed to foreign currency exchange risk due to its net position of foreign currency assets and liabilities. Changes in the exchange rate may follow a downward/upward trend according to the risks resulted from global pandemic and the macroeconomic indicators in Turkey. The Company manages the foreign currency risk arising from the net position in the balance sheet, in accordance with its risk management policy.

Financial Risks: Interest rates have an upward trend in parallel with global economic developments and parallel with the vulnerability in the country risk score. This risk brings with it an additional contraction in demand in the automotive industry.

INVESTOR RELATIONS CONTACT INFORMATION

You may visit our website at www.anadoluisuzu.com.tr to reach the financial statements of the Company. You can contact us using any of the contact details below.

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