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# 2021 9 Months Investor Presentation

26.10.2021



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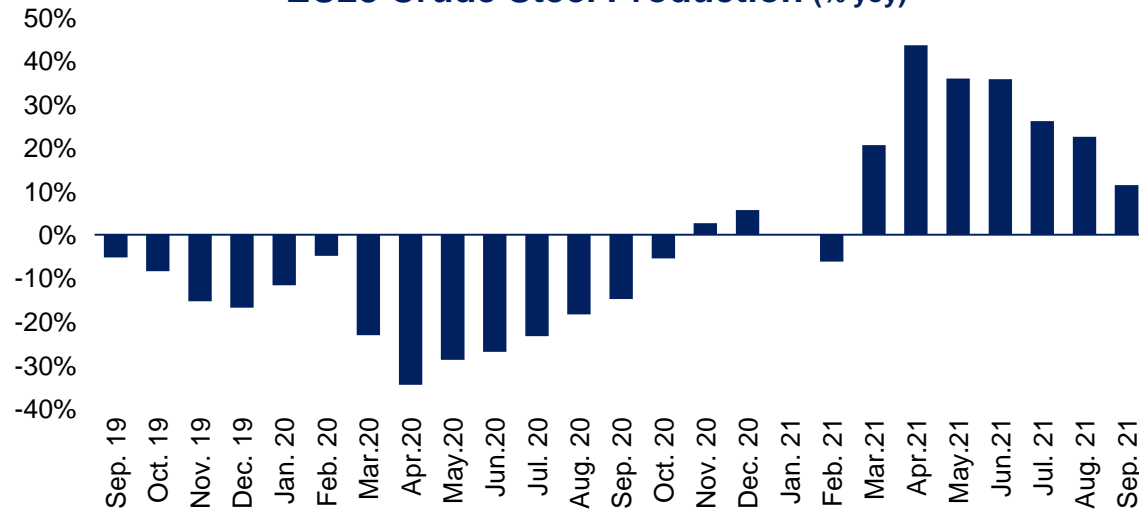
## 2021 Market Overview



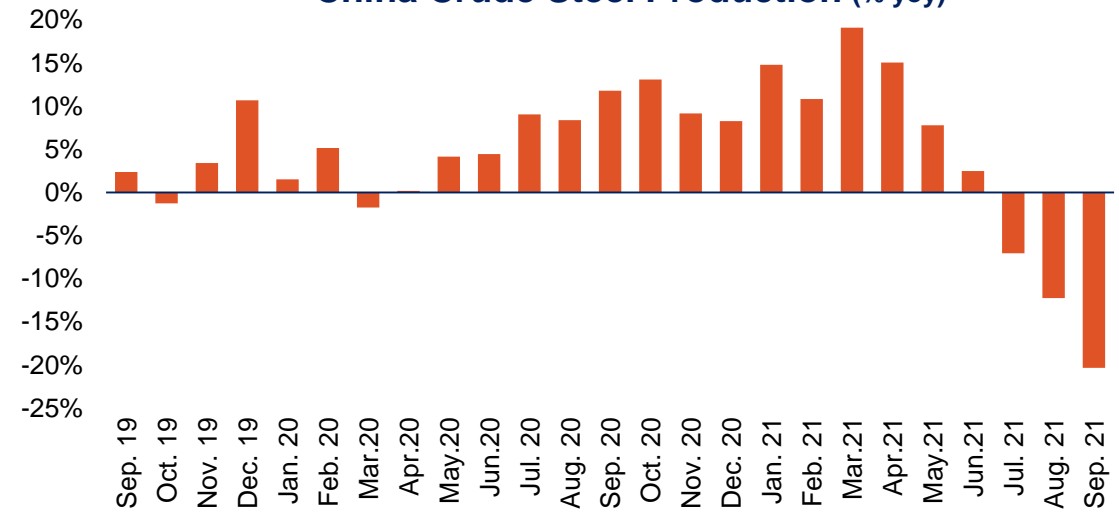
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# Crude Steel Production

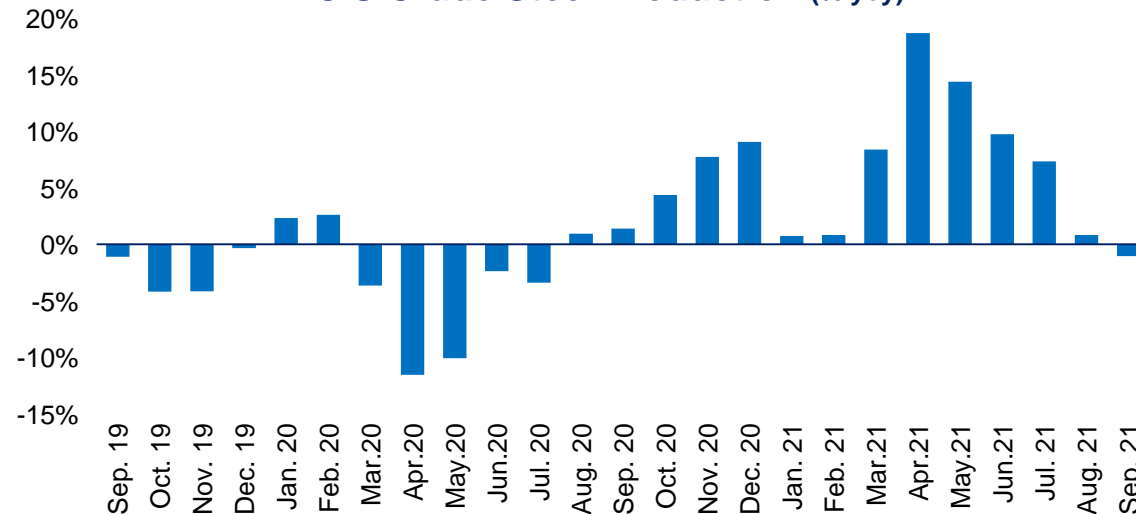
### EU28 Crude Steel Production (% yoy)



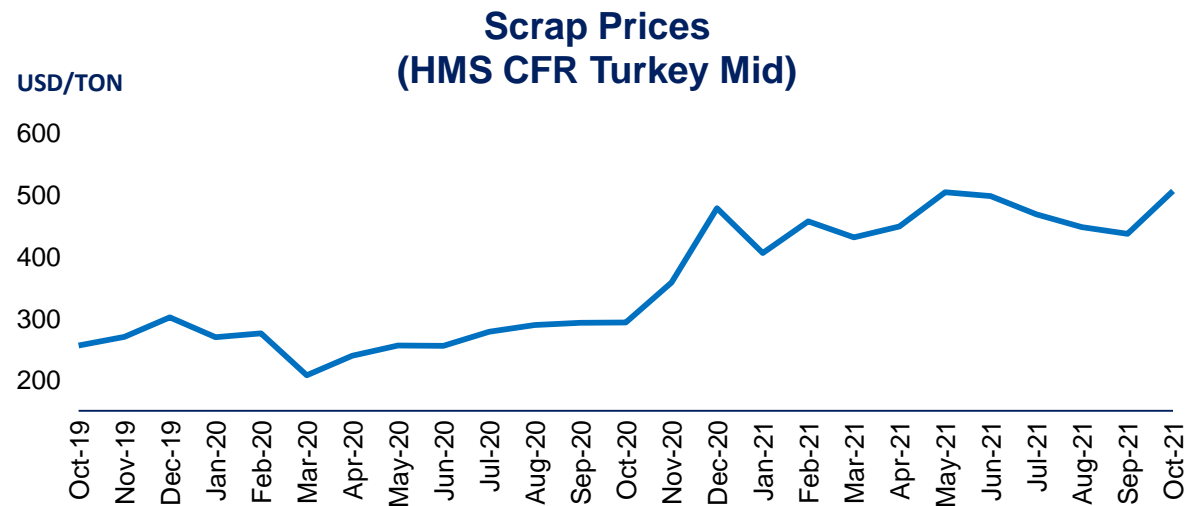
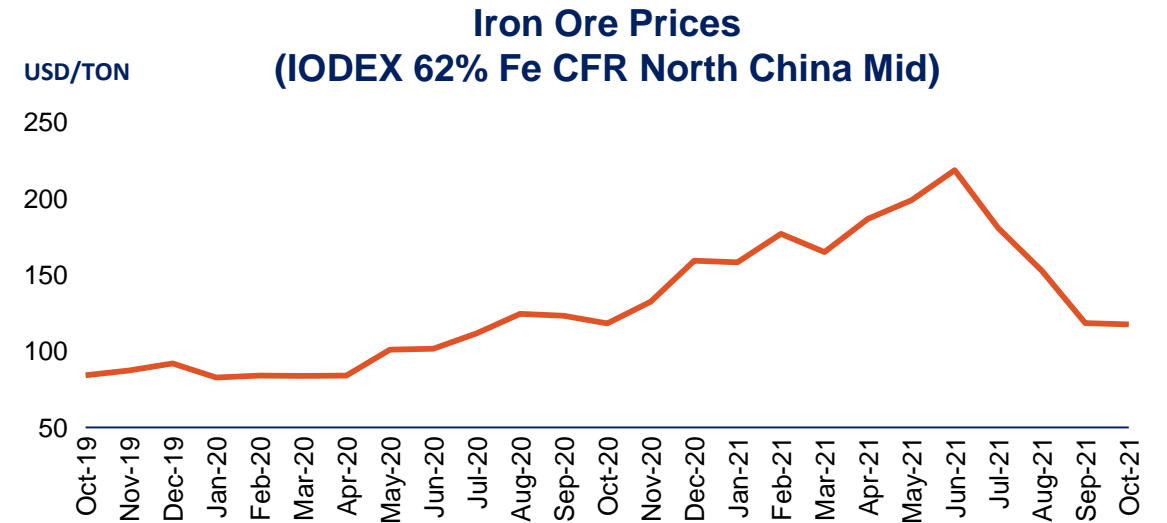
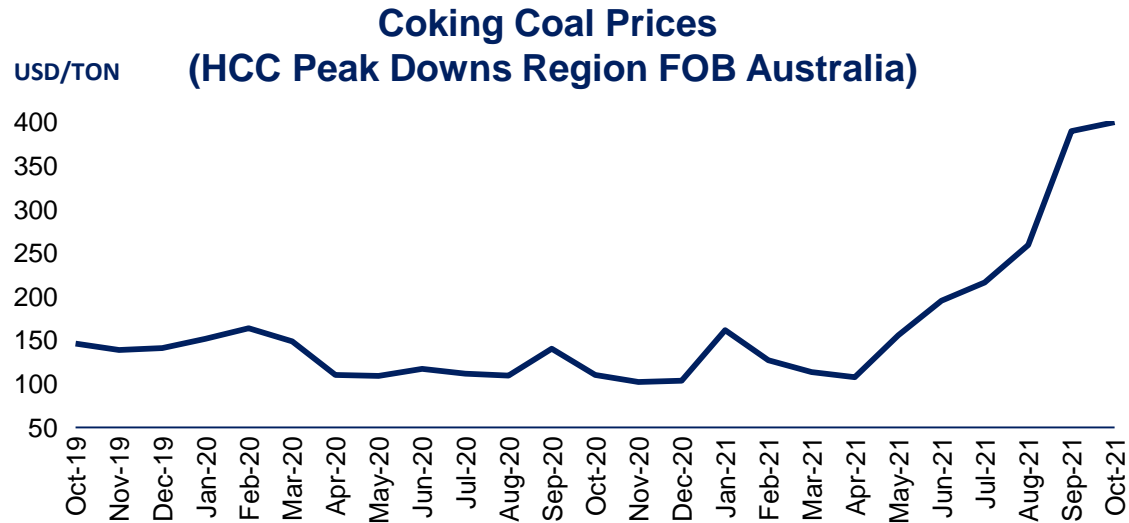
### China Crude Steel Production (% yoy)



### CIS Crude Steel Production (% yoy)

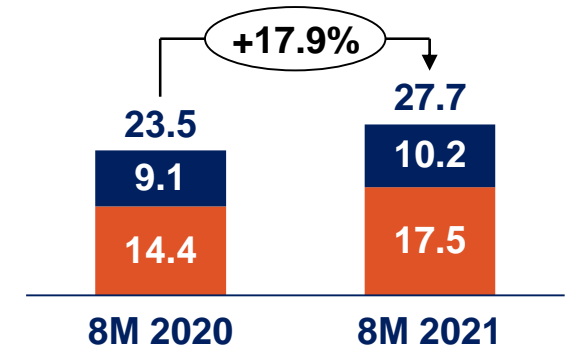
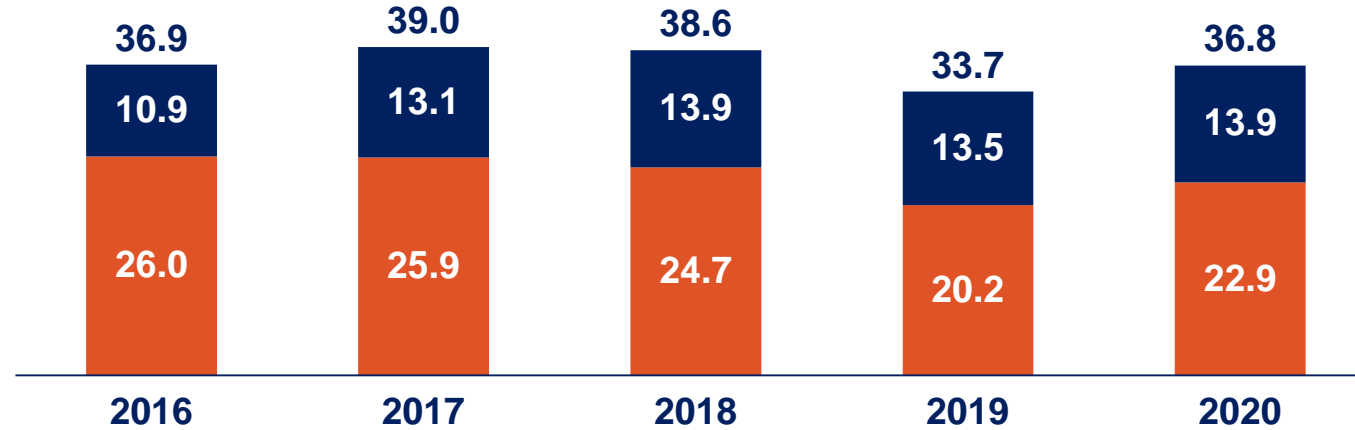


# Coking Coal, Iron Ore & Scrap Prices

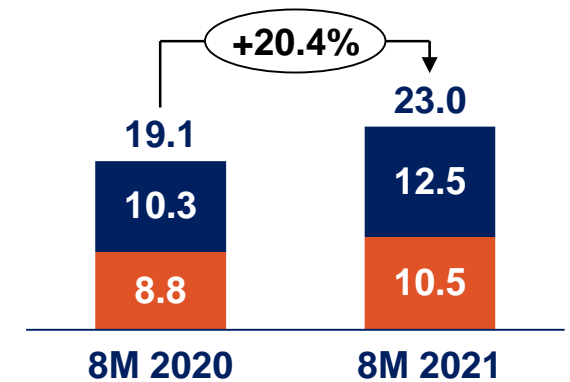
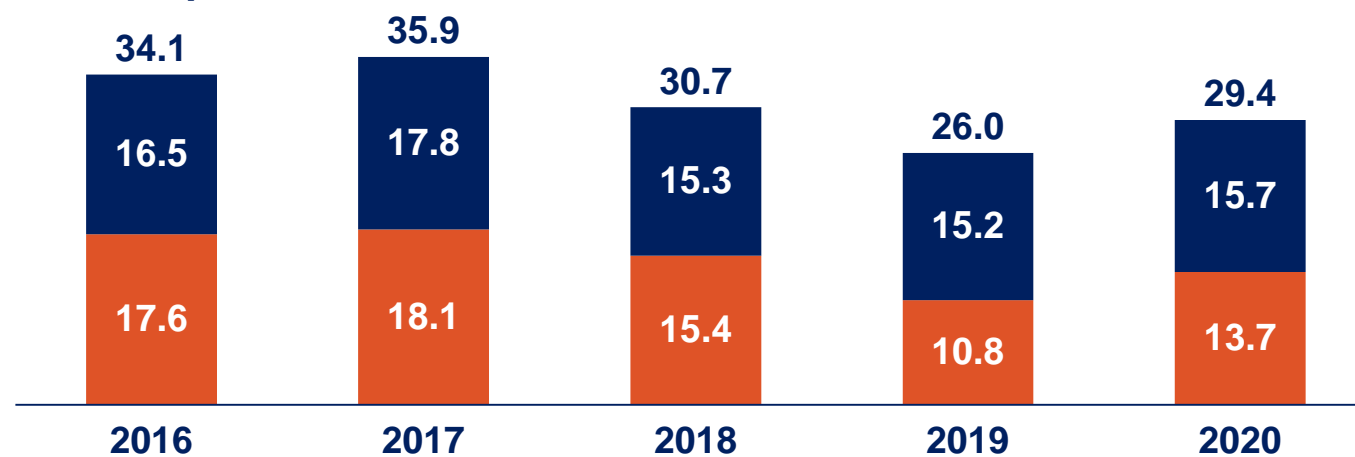


# Turkish Steel Production & Consumption

Production (mn tons)



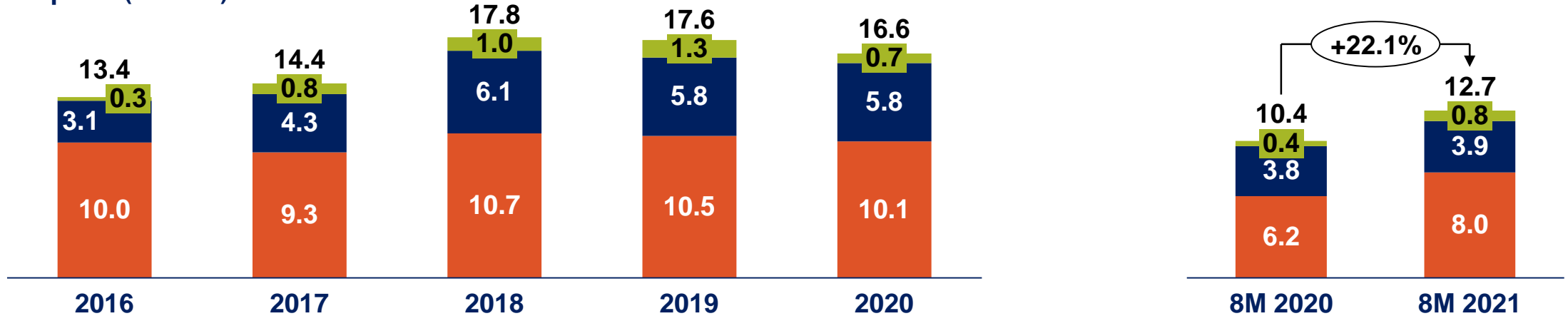
Consumption (mn tons)



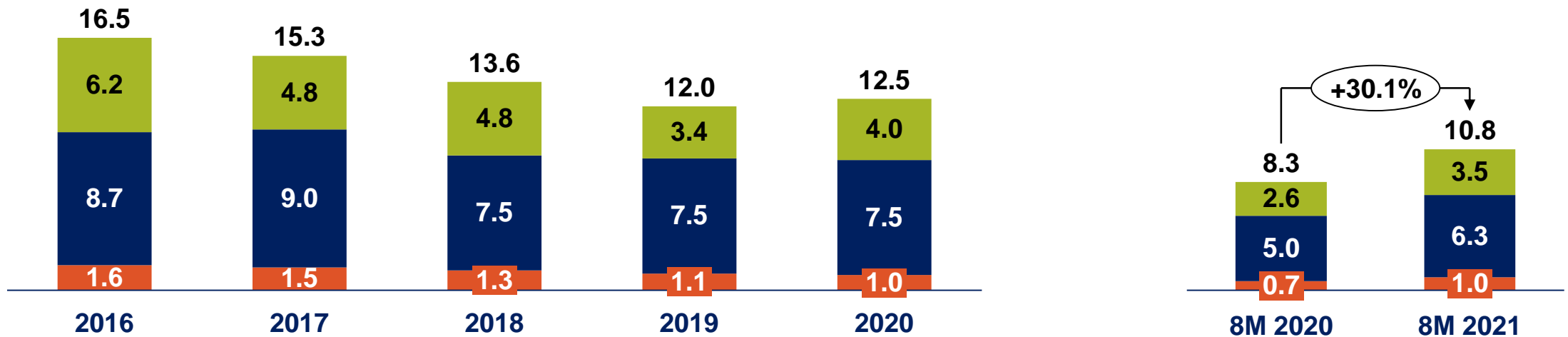
■ Flat ■ Long

# Turkish Steel Exports & Imports

Exports (mn tons)



Imports (mn tons)



■ Semi-Product (Slab+Billet) 
 ■ Flat Steel 
 ■ Long Steel





## 2021 9M Results



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# Operational and Financial Highlights

Operational Highlights	2019	2020	9M 2020	9M 2021	Change (9M)
Liquid Steel Production (000 tons)	8,787	8,709	6,620	<b>6,949</b>	5.0%
Flat Steel Production* (000 tons)	7,257	7,266	5,423	<b>5,697</b>	5.1%
Long Steel Production (000 tons)	1,026	992	773	<b>561</b>	-27.4%
Flat Steel Shipments (000 tons)	7,250	7,489	5,395	<b>5,596</b>	3.7%
Long Steel Shipments (000 tons)	1,057	1,006	774	<b>551</b>	-28.8%

Financial Highlights	2019	2020	9M 2020	9M 2021	Change (9M)
Net Sales Revenue (USD mn)	4,844	4,575	3,265	<b>5,324</b>	63.1%
EBITDA (USD mn)	974	989	642	<b>2,090</b>	225.5%
Net Profit** (USD mn)	585	472	216	<b>1,336</b>	518.5%

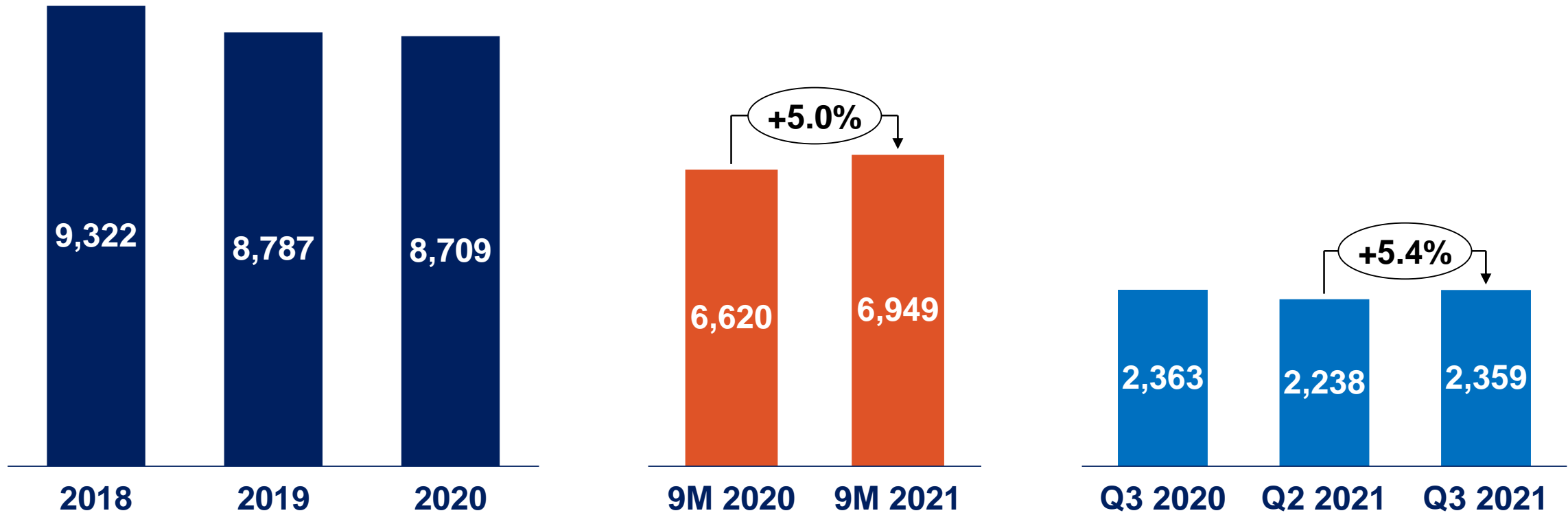
*All figures are on IFRS consolidated basis unless stated otherwise.*

*(\*) Total flat steel production of Ereğli and İskenderun Plants.*

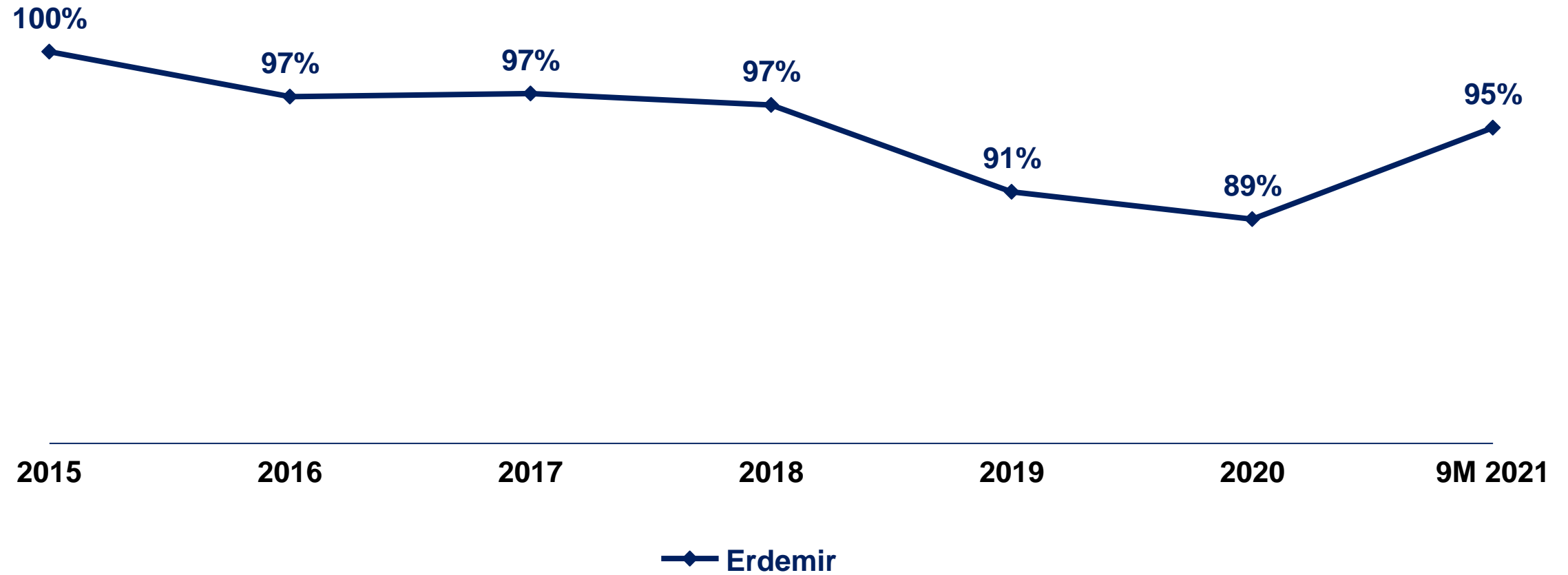
*(\*\*) It demonstrates Net Profit of Equity Holders of the Parent.*

# Liquid Steel Production (000 tons)

Liquid steel production increased by 5.4% QoQ in Q3 2021.

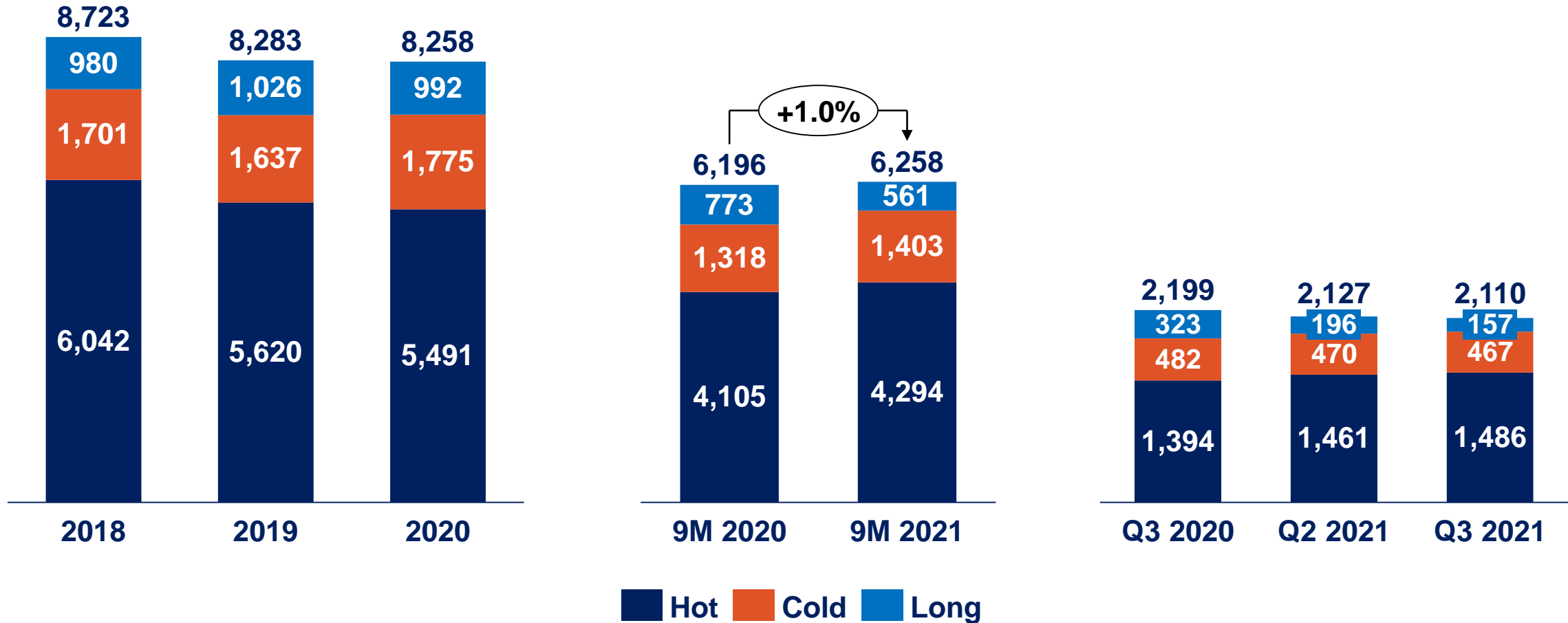


# Crude Steel Capacity Utilization Ratio



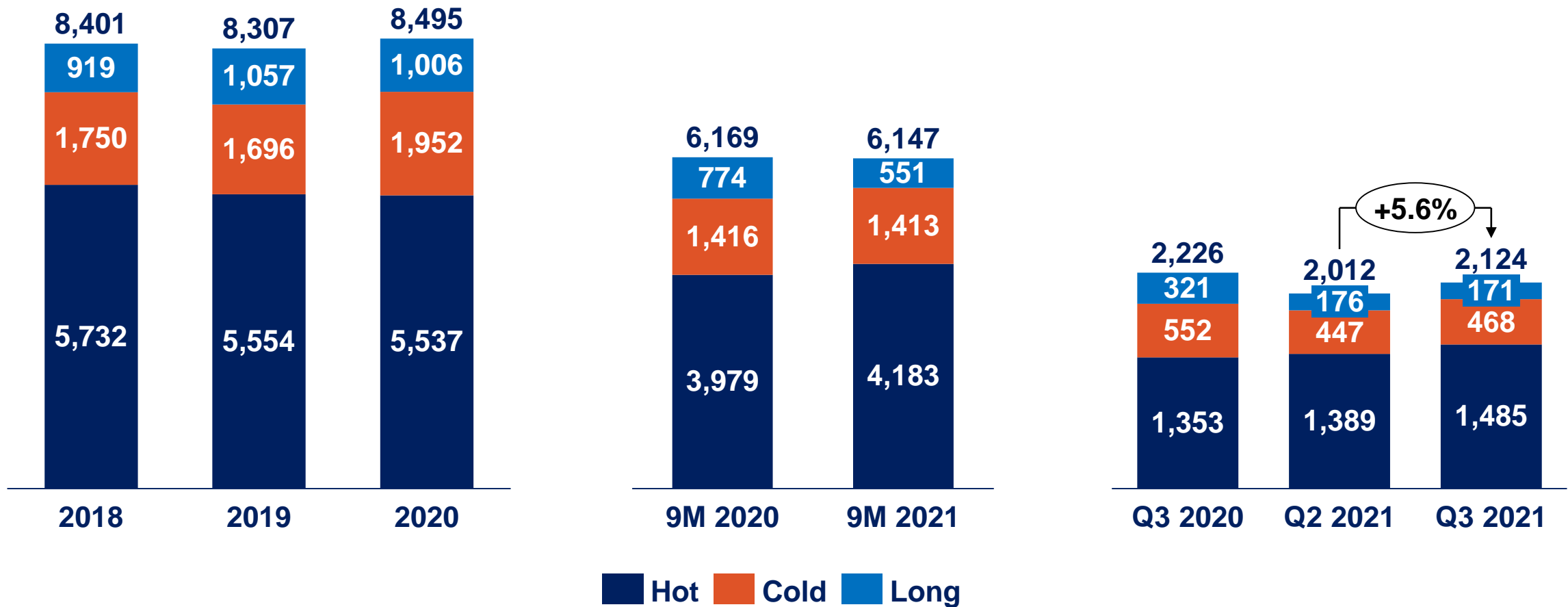
# Production (000 tons)

Cold production increased by 6.4% YoY in 9M 2021.



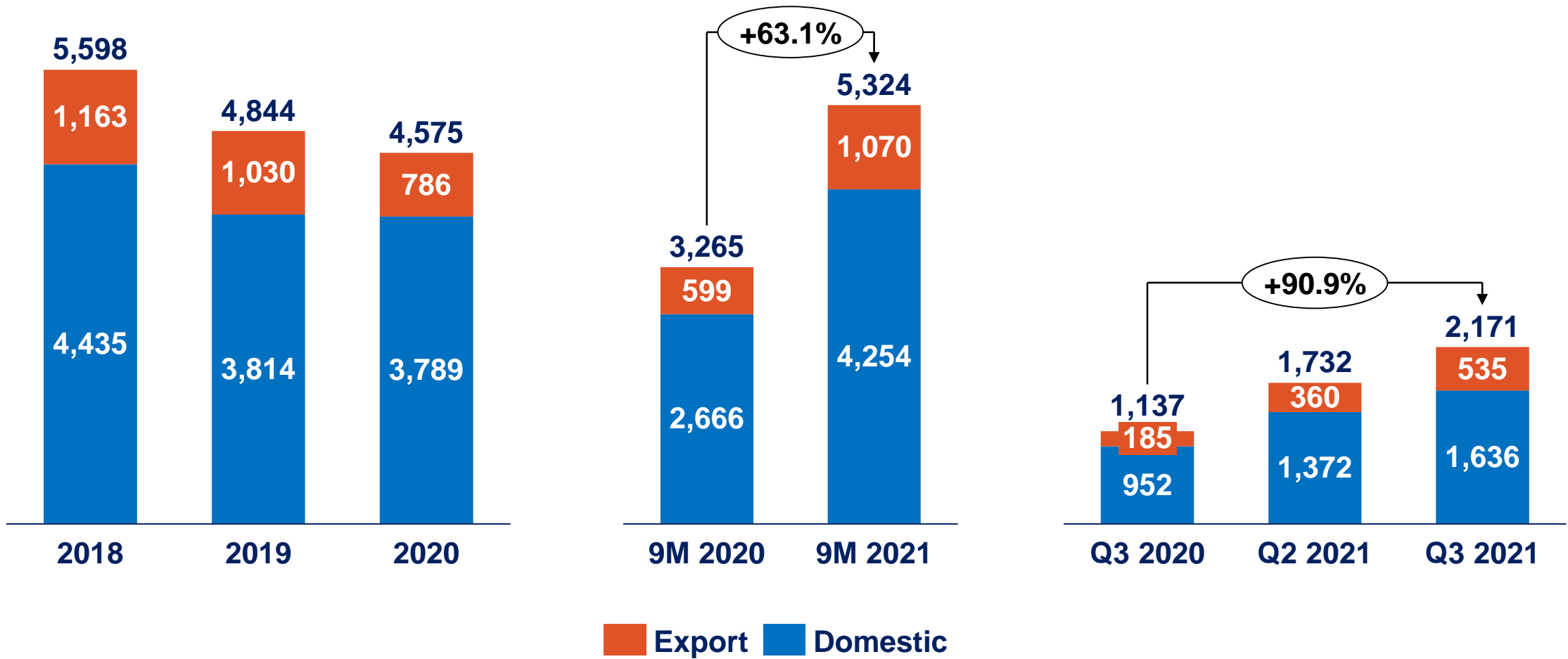
# Sales Volume (000 tons)

Total sales volume increased by 5.6% QoQ in Q3 2021.



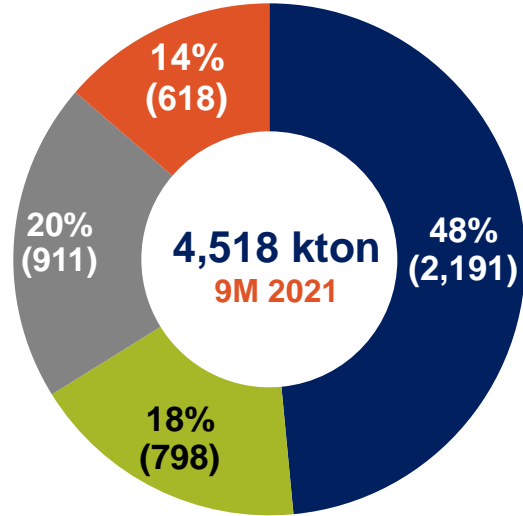
# Net Sales Revenue (USD mn)

Net sales revenue increased by 90.9% YoY in Q3 2021.

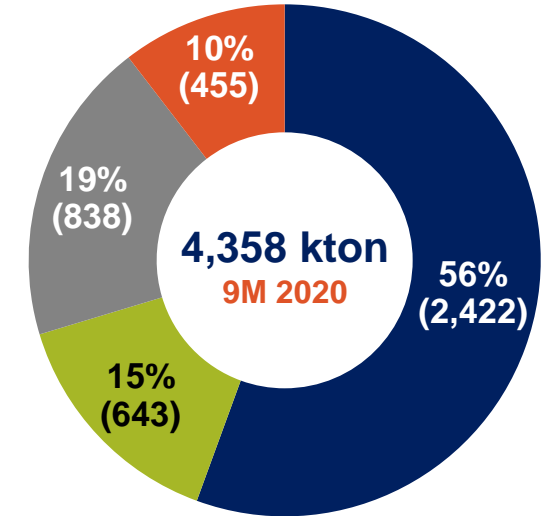


# Flat & Long Steel Domestic Sales Breakdown

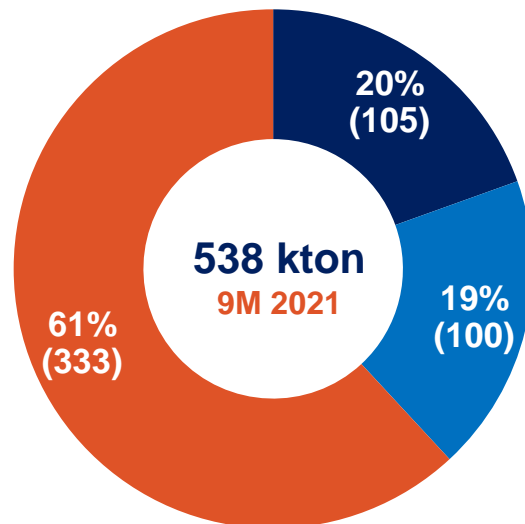
## Flat Steel Domestic Sales



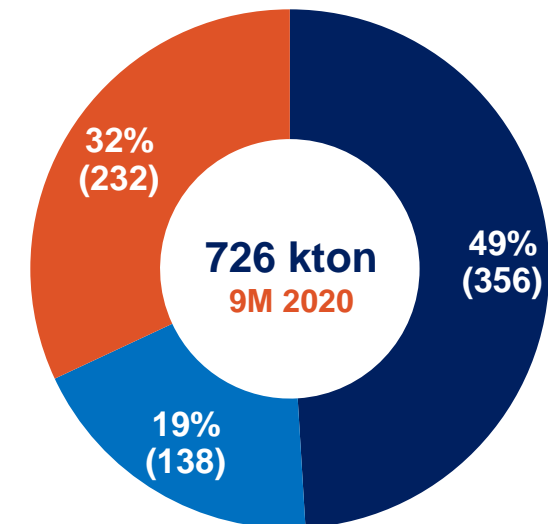
- Pipe&Profile and Rolling
- Distribution Chains
- General Manufacturing Industry
- Automotive



## Long Steel Domestic Sales

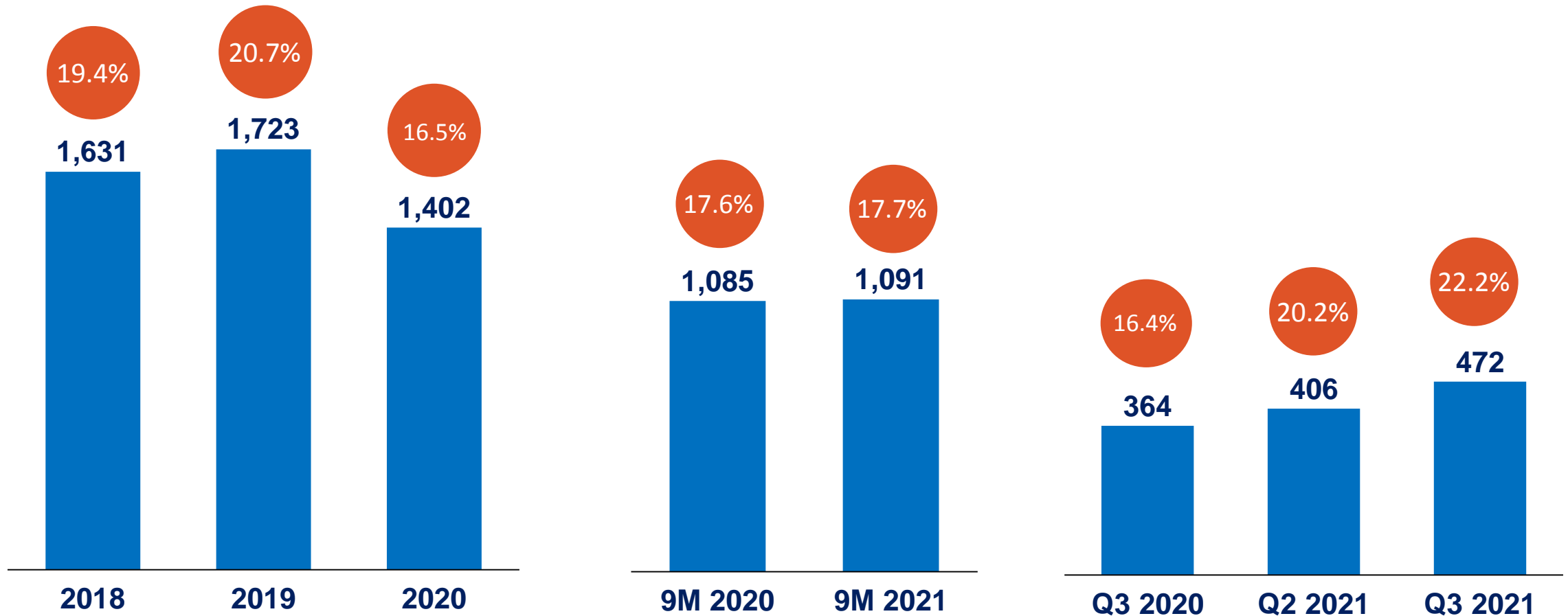


- Rebar and Profile Producers
- General Manufacturing Industry
- High Carbon and Special Qualities





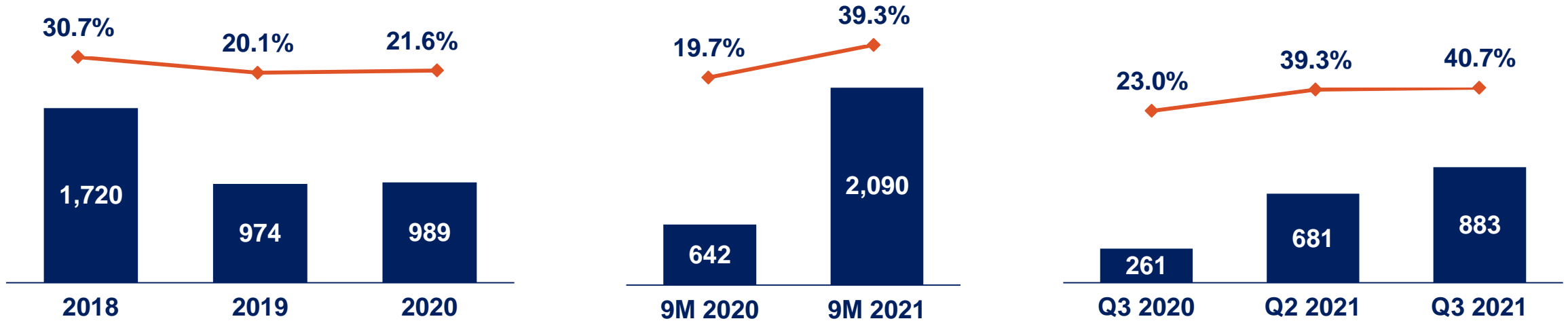
# Export Volume (000 tons)



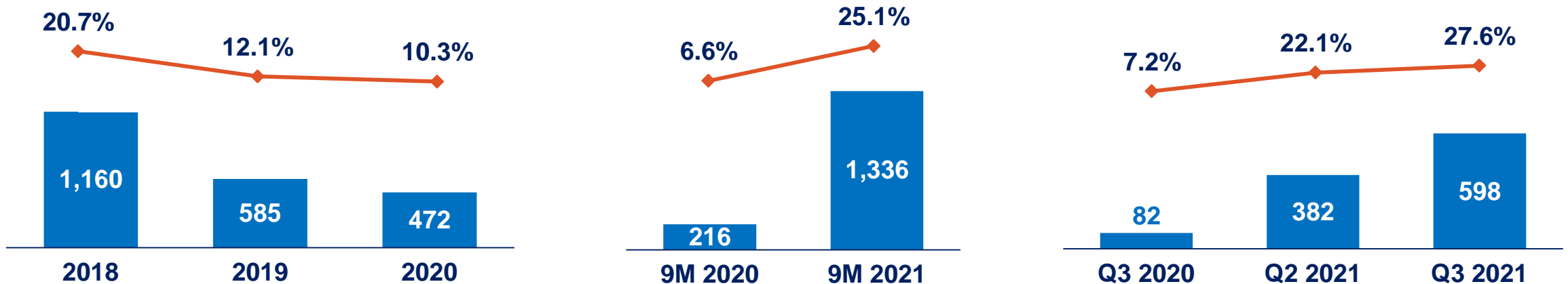
■ Export    ● Share in Total Sales

# EBITDA & Net Profit

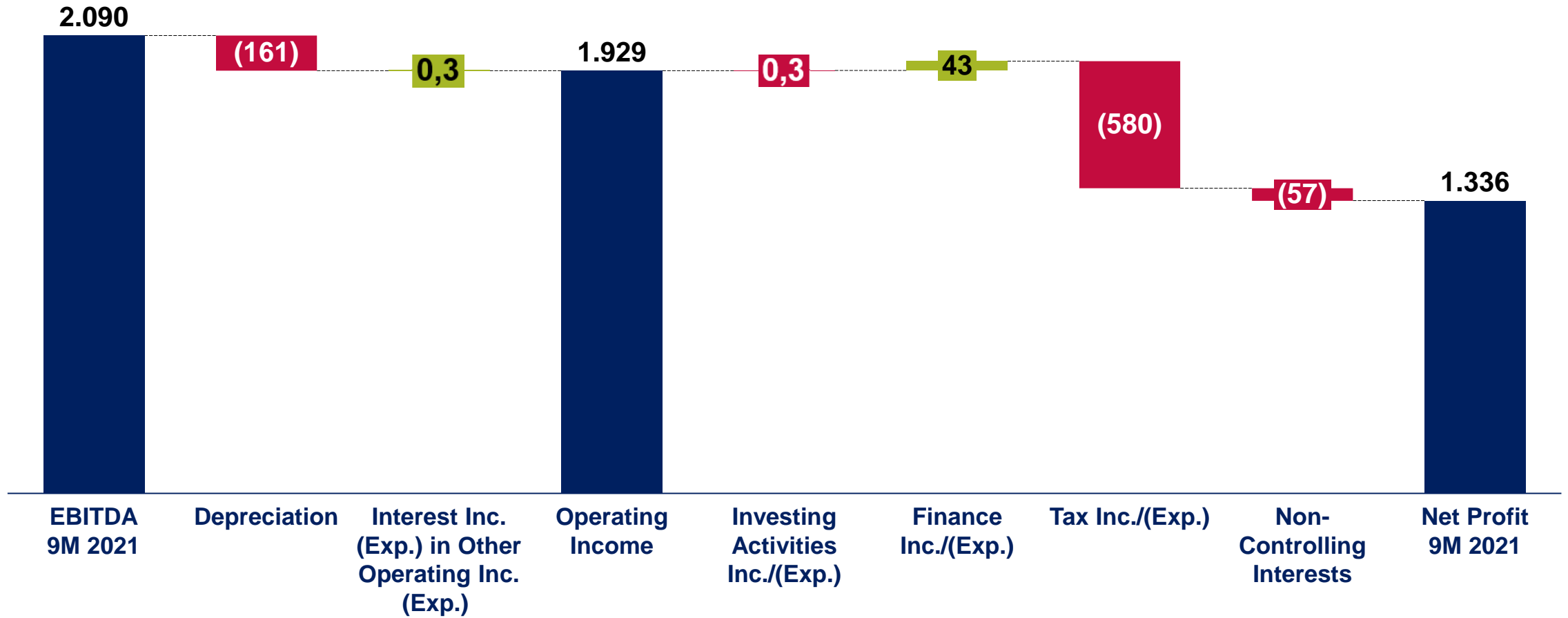
■ EBITDA (USD mn)    ◆ EBITDA Margin (%)



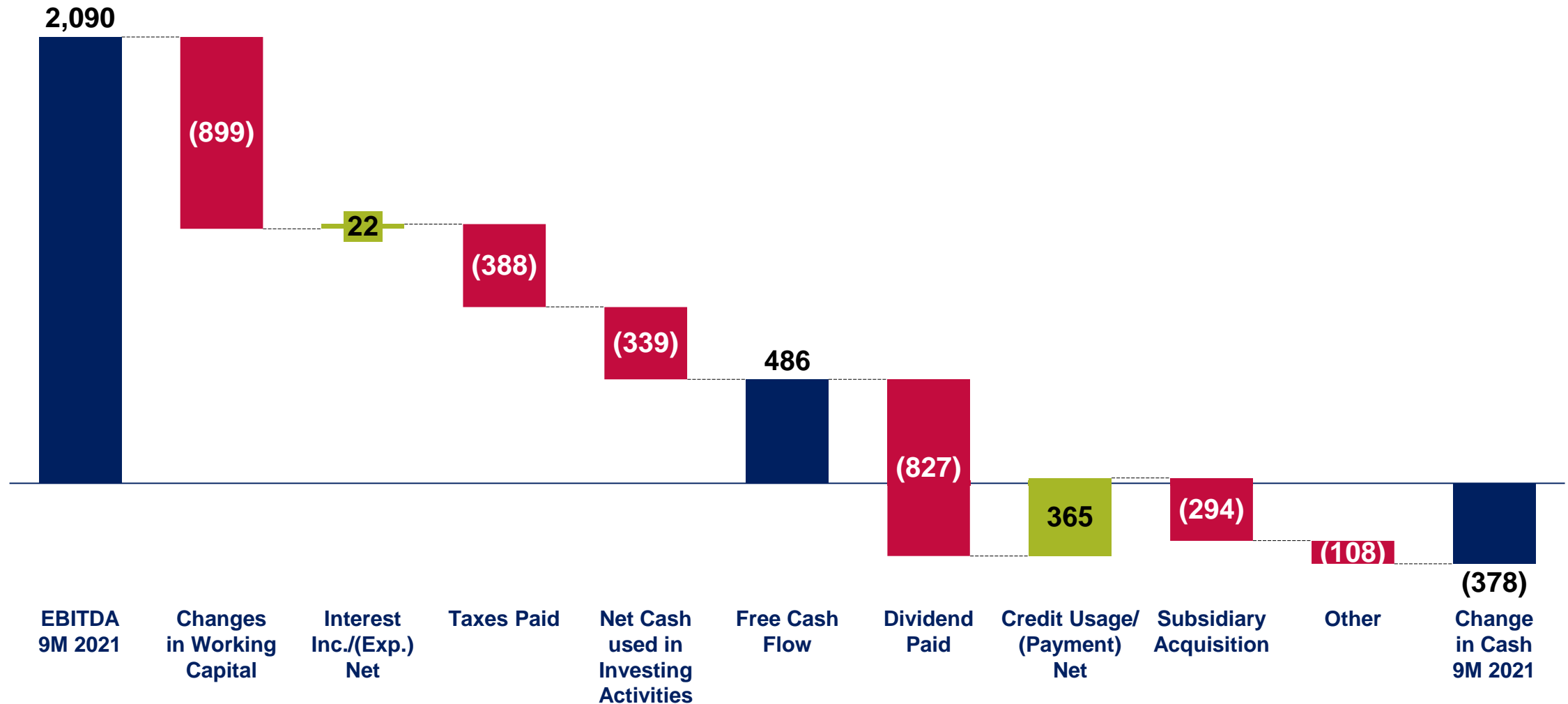
■ Net Profit\* (USD mn)    ◆ Net Profit Margin (%)



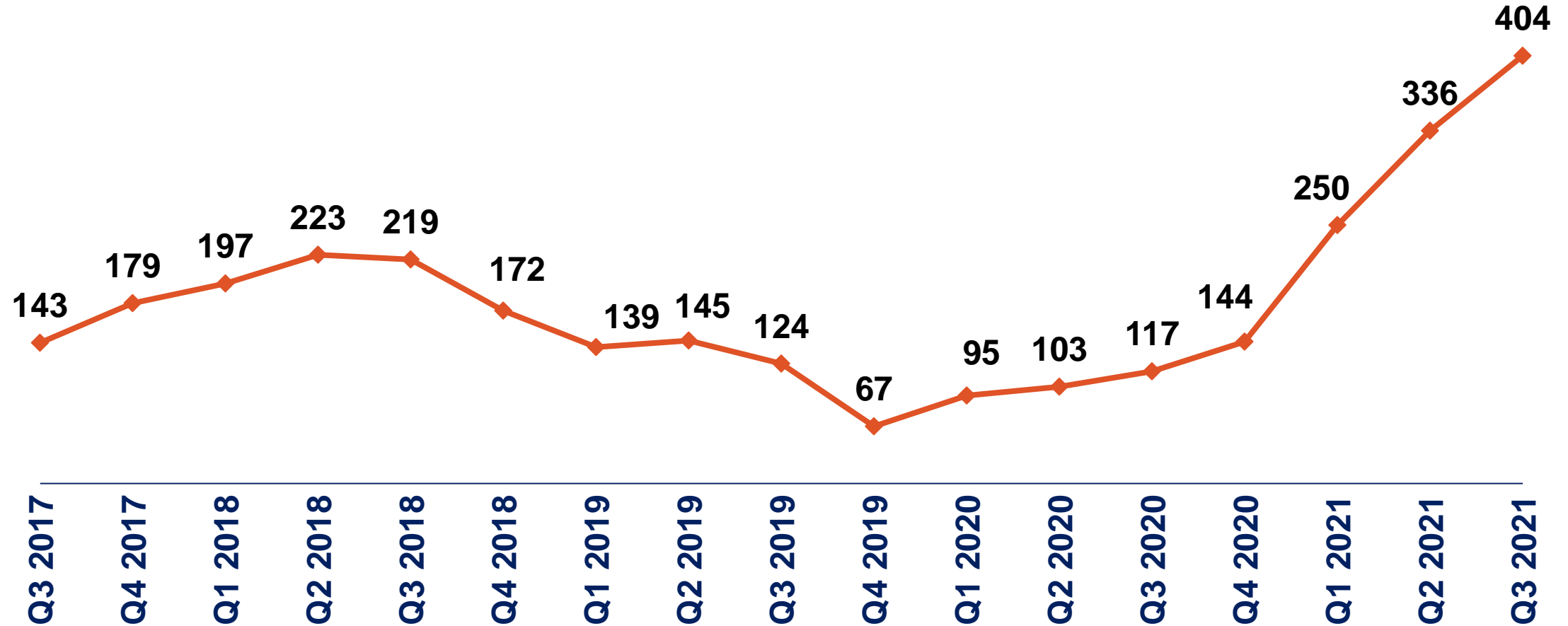
# EBITDA ➔ Net Profit (USD mn)



# EBITDA → Net Cash (USD mn)



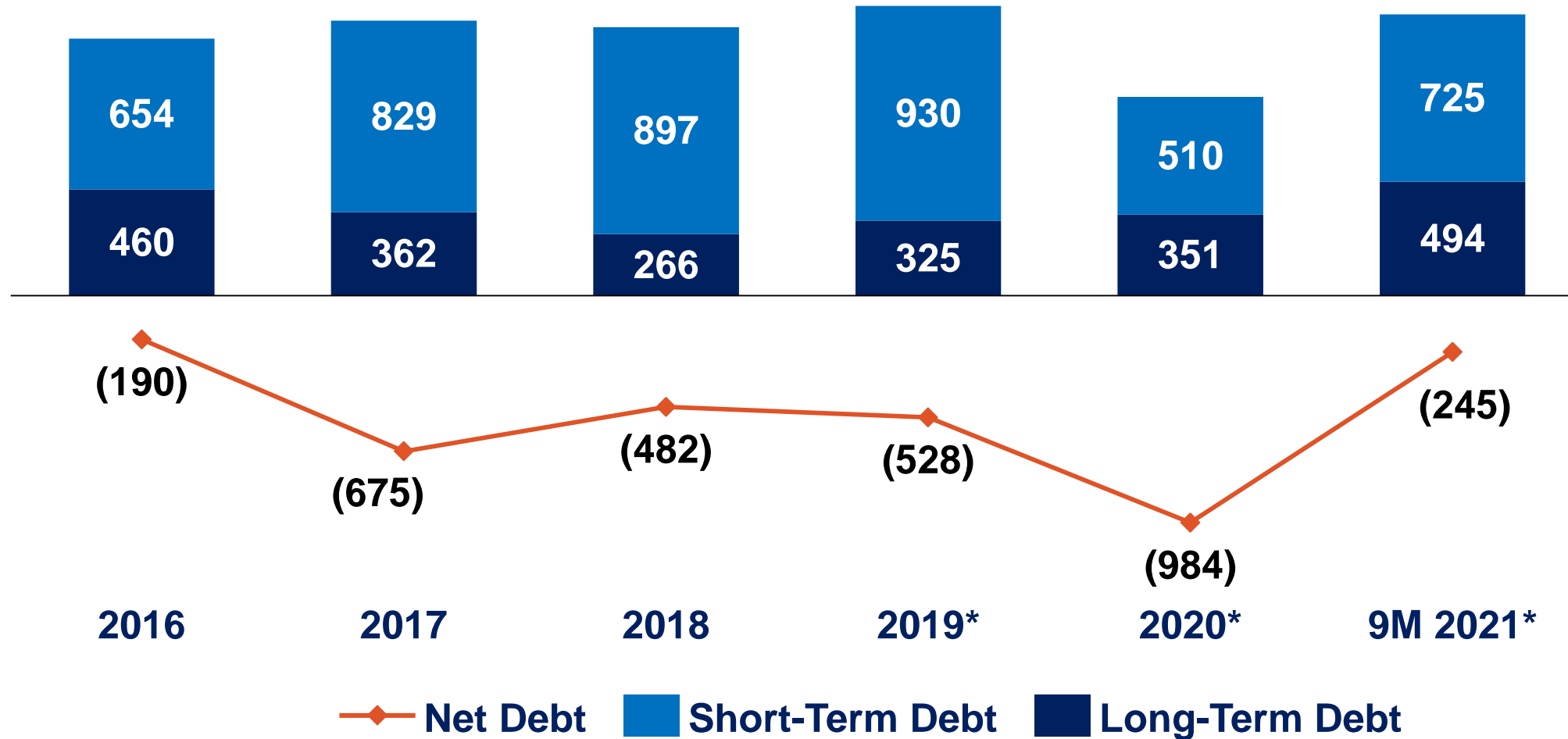
# EBITDA per Ton\* (USD/ton)



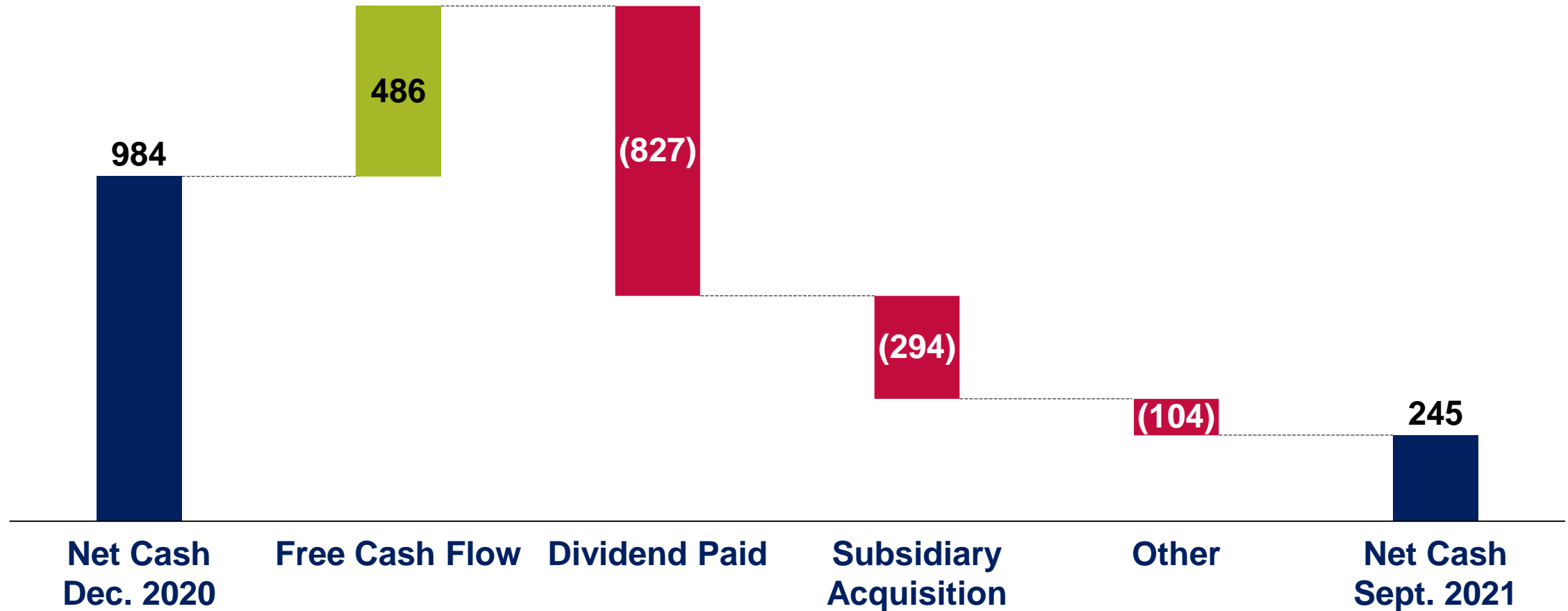
# Financial Figures

Consolidated Net Assets (USD mn)	31.12.2020	30.09.2021	Change
Cash Equivalents and Financial Investments	1,850	1,465	-21%
Working Capital	1,424	2,323	63%
Tangible and Intangible Assets	3,657	3,951	8%
Financial Liabilities	(899)	(1,256)	40%
Provisions and Other	58	17	-71%
Goodwill	-	127	-
Deferred Tax	(488)	(560)	15%
<b>Net Assets</b>	<b>5,602</b>	<b>6,067</b>	<b>8%</b>
Working Capital (USD mn)	31.12.2020	30.09.2021	Change
Trade Receivables	521	778	49%
Inventories	1,377	2,089	52%
Trade Payables	(513)	(546)	6%
Other	39	2	-95%
<b>Working Capital</b>	<b>1,424</b>	<b>2,323</b>	<b>63%</b>

# Financial Borrowings (USD mn)

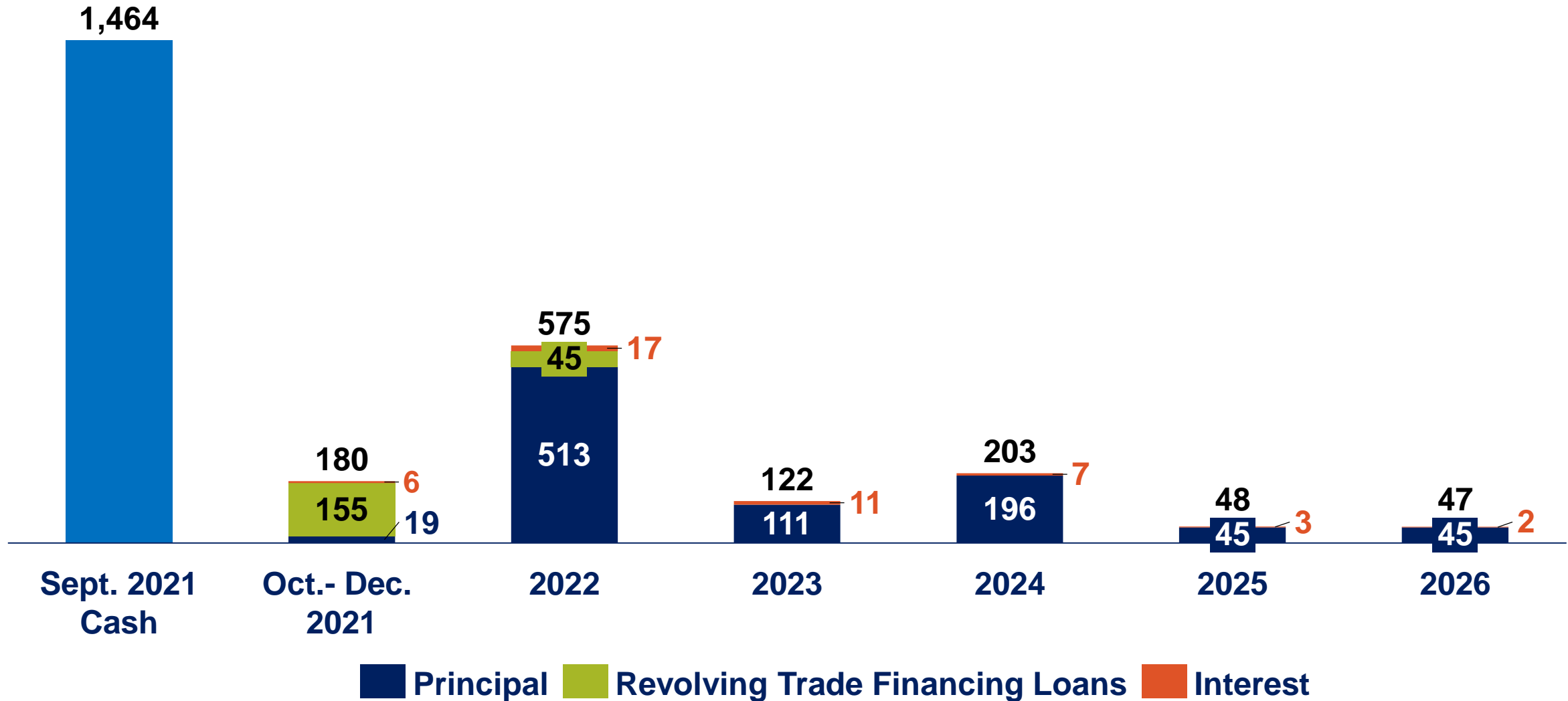


# Net Cash (USD mn)

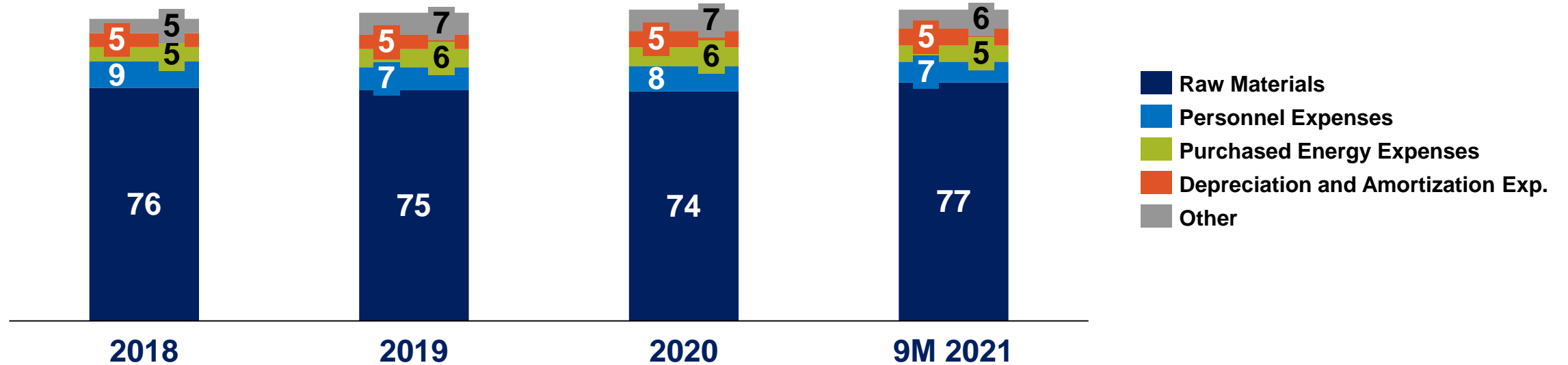




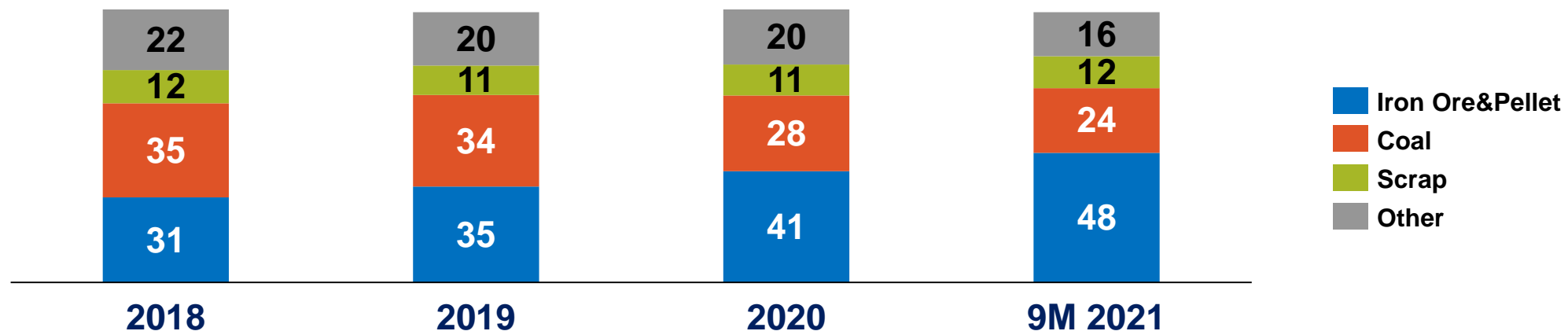
# Borrowings Maturity Profile (USD mn)



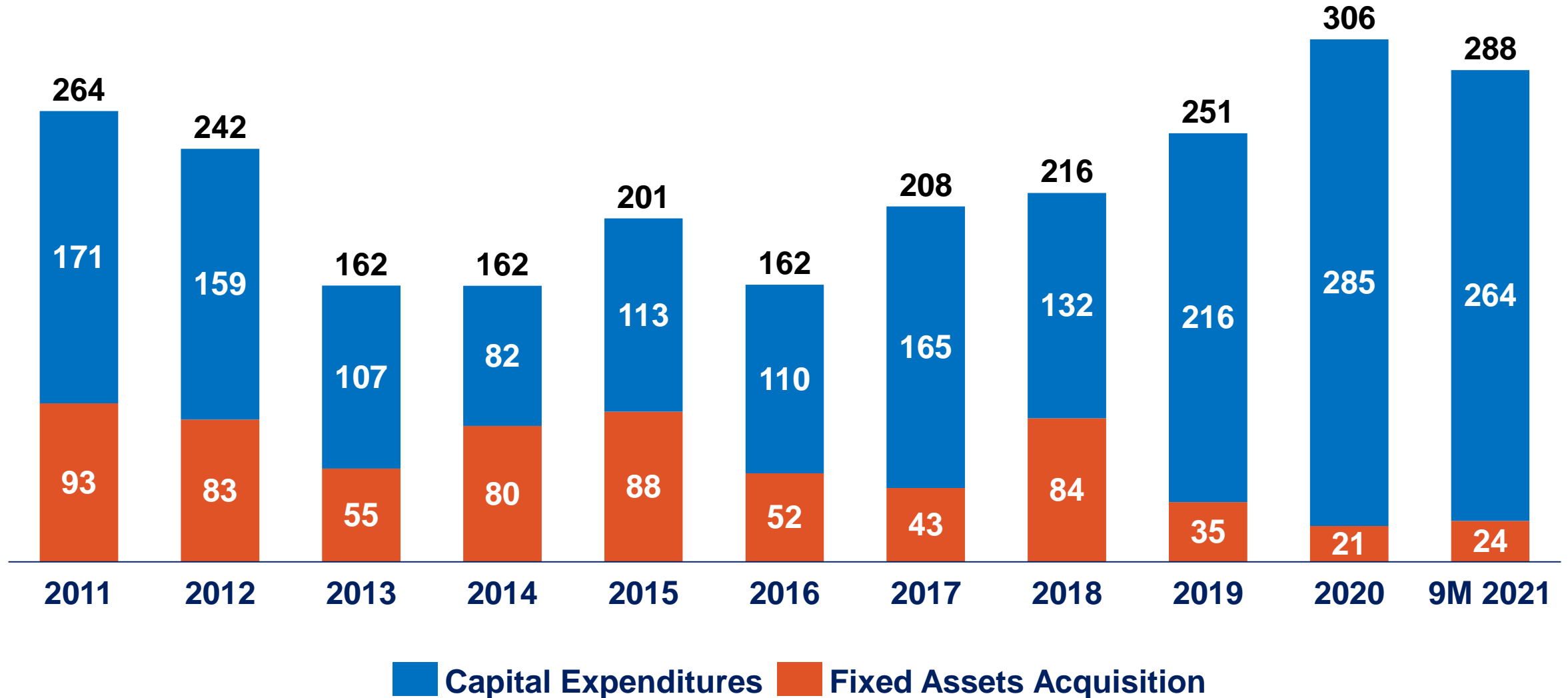
# Cost of Sales Breakdown\* (%)



## Raw Materials Breakdown (%)

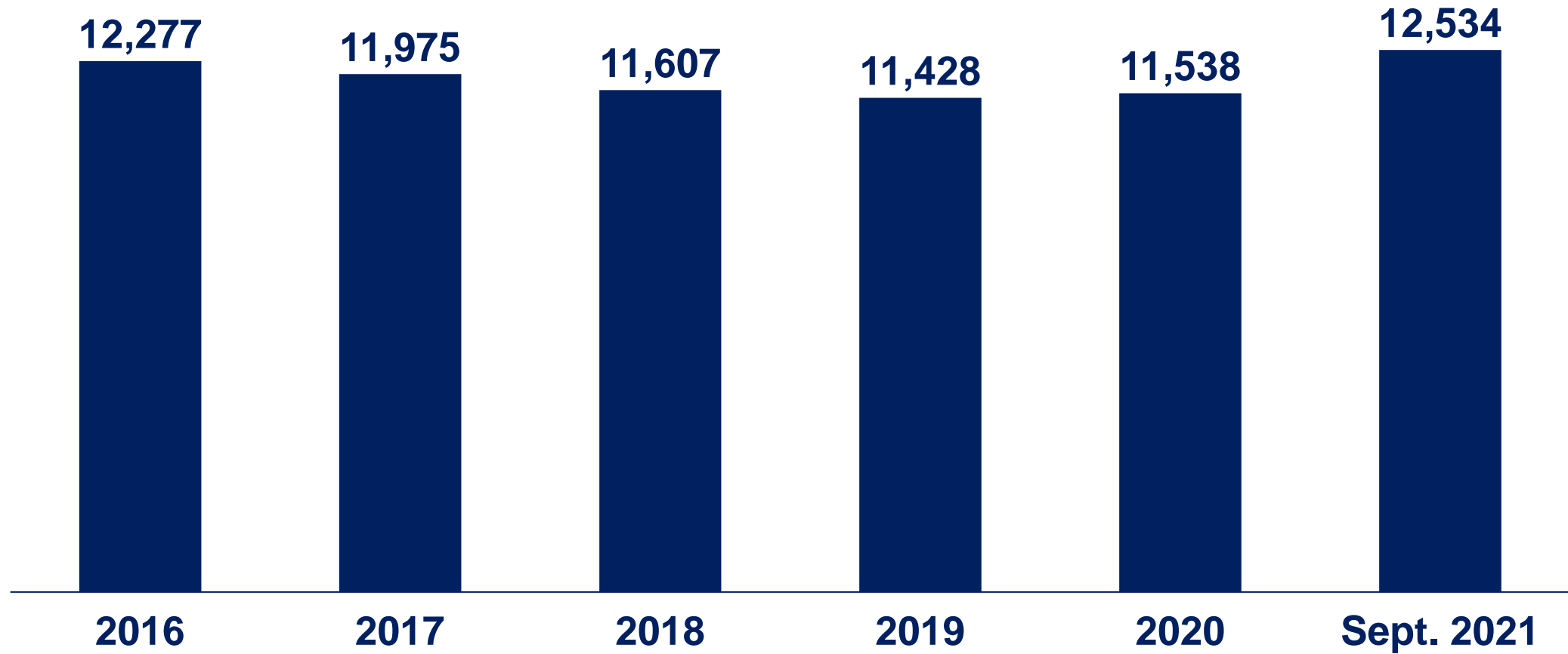


# Capital Expenditures\* (USD mn)



\* Advance payments for capital expenditures are not included.

# Number of Employees



# Appendix – EBITDA Detail



	Note	01.01.2021- 30.09.2021 (Thousand USD)	01.01.2021- 30.09.2021 (Thousand TRY)
Presentation Currency Translation	2.1		8.0877
<b>Operating Profit</b>		<b>1,929,066</b>	<b>15,601,696</b>
<b>Depreciation and Amortisation Expenses</b>		<b>161,453</b>	<b>1,305,788</b>
Cost of Sales	14	148,151	1,198,199
Marketing Expenses	15	7,042	56,957
General Administrative Expenses	15	5,247	42,440
Research and Development Expenses	6	1,013	8,192
<b>POA Classification</b>		<b>(275)</b>	<b>(2,217)</b>
Interest Income for Overdue Receivables	15	(257)	(2,075)
Rediscount Income	15	(18)	(142)
		<b>2,090,244</b>	<b>16,905,267</b>



## Erdemir Investor Relations

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