



**MINING METALLURGY
GROUP**



2020 3 Months Investor Presentation

29.04.2020



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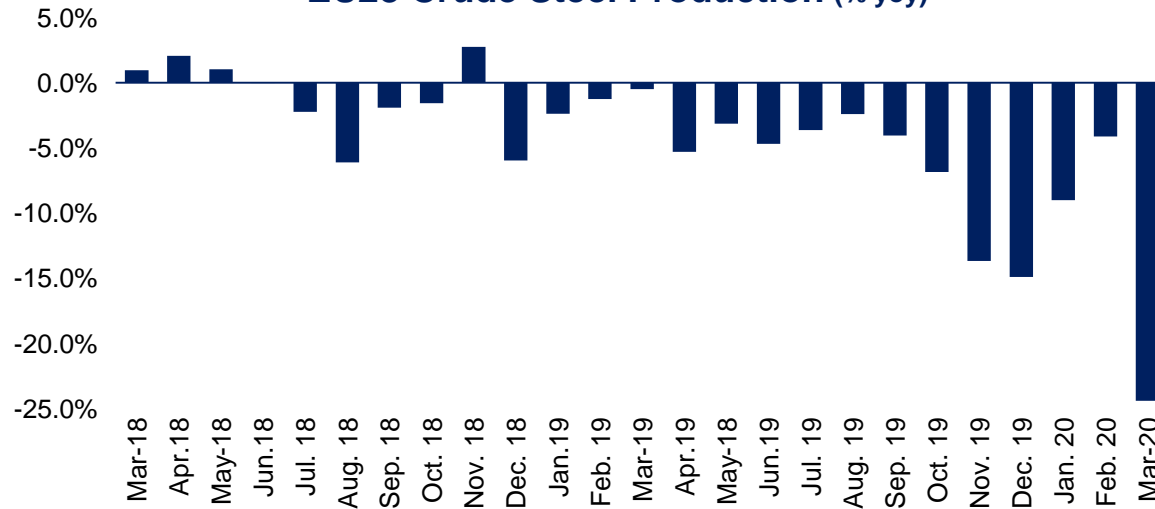
2020 Market Overview



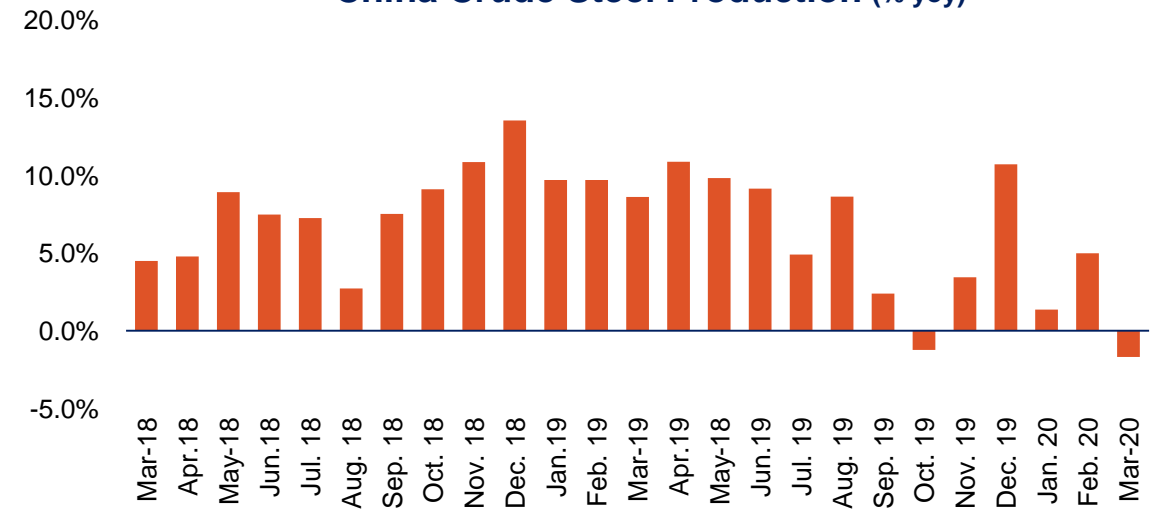
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Crude Steel Production

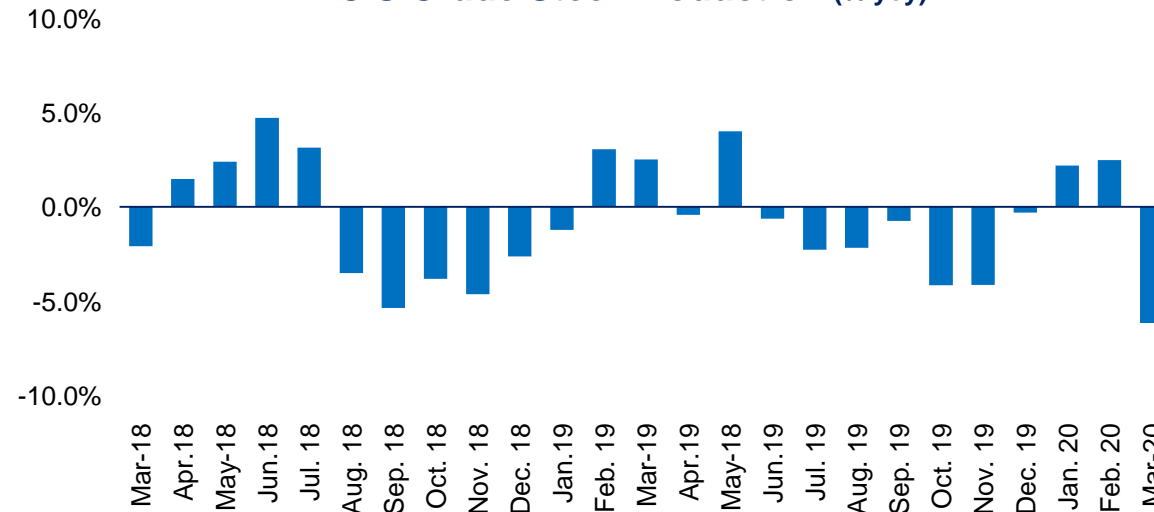
EU28 Crude Steel Production (% yoy)



China Crude Steel Production (% yoy)

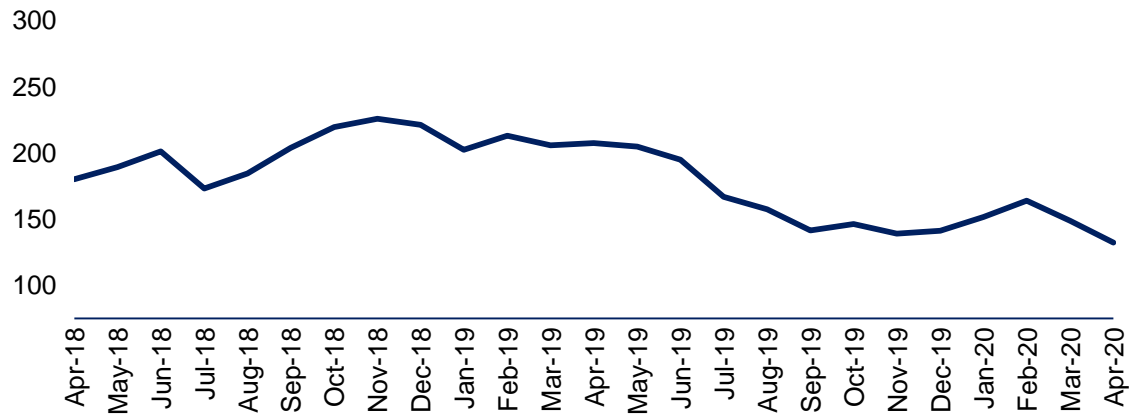


CIS Crude Steel Production (% yoy)

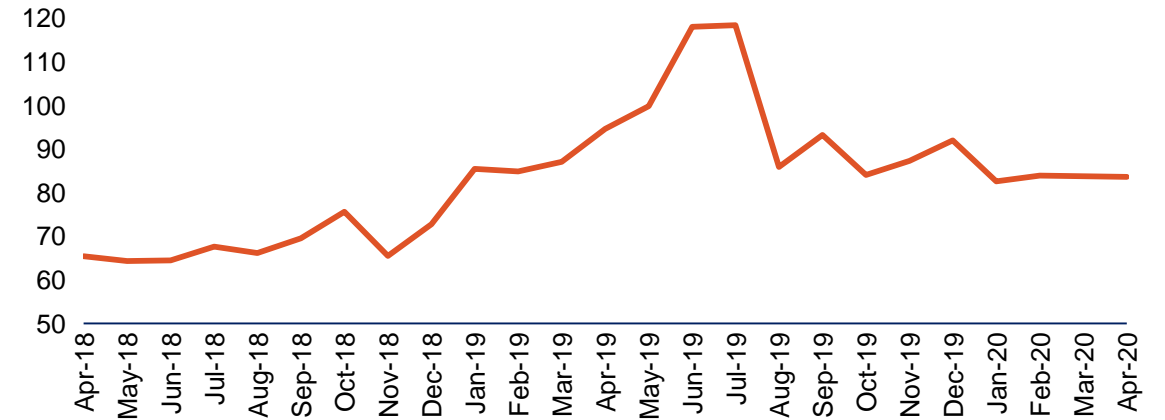


Coking Coal, Iron Ore & Scrap Prices

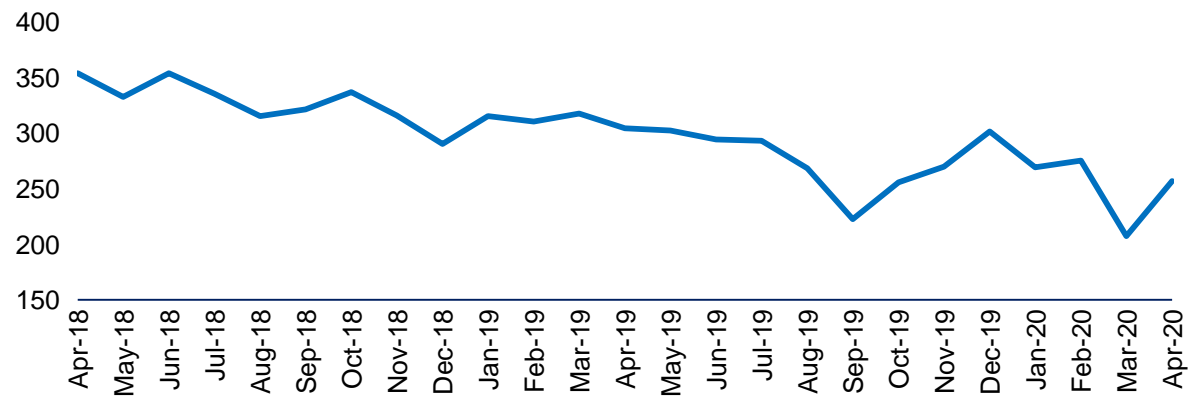
Coking Coal Prices
(HCC Peak Downs Region FOB Australia)



Iron Ore Prices
(IODEX 62% Fe CFR North China Mid)

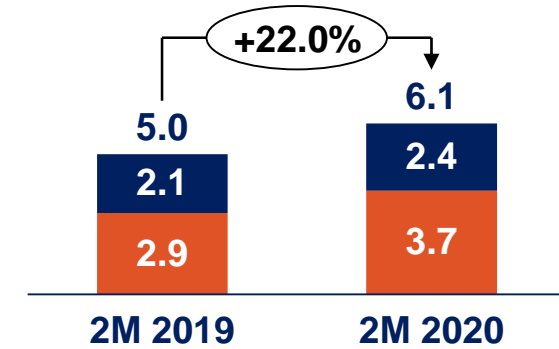
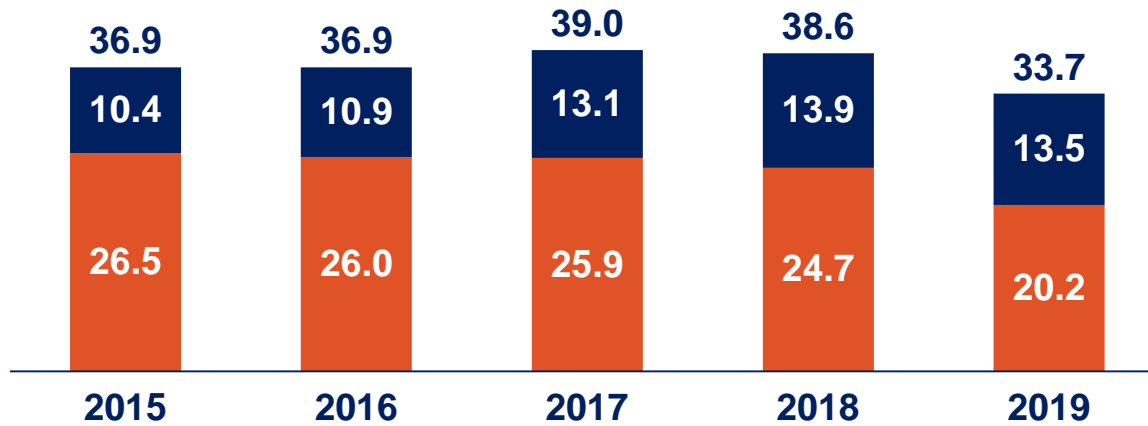


Scrap Prices
(HMS CFR Turkey Mid)

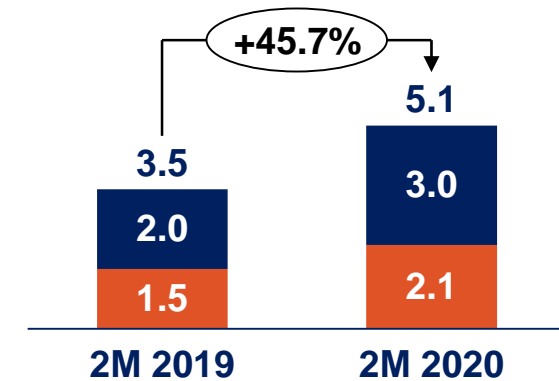
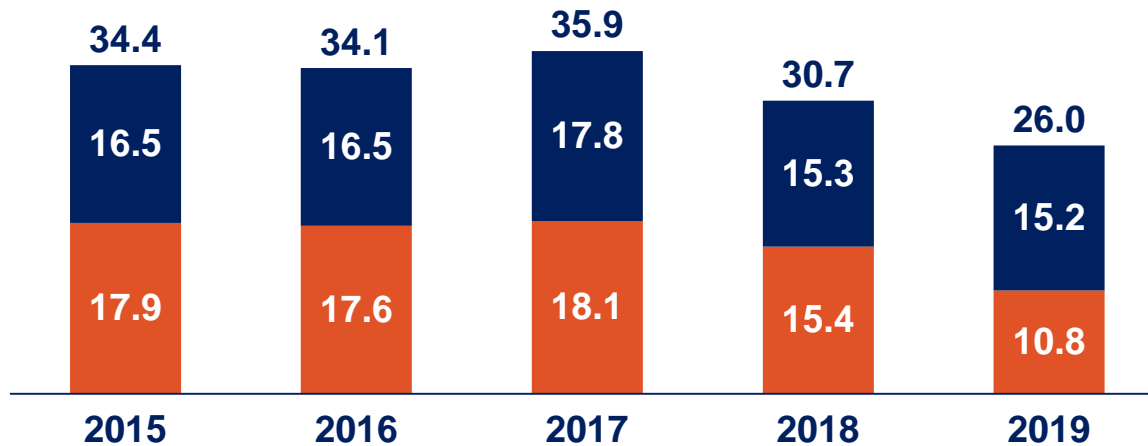


Turkish Steel Production & Consumption

Production (mn tons)



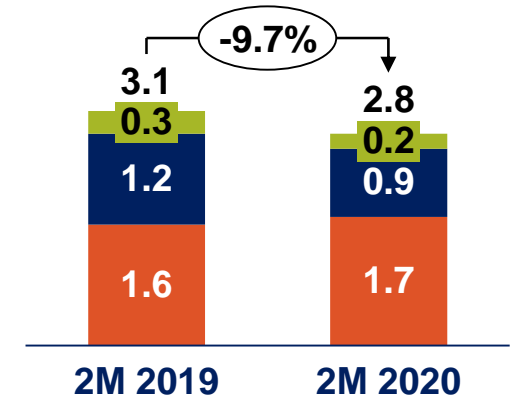
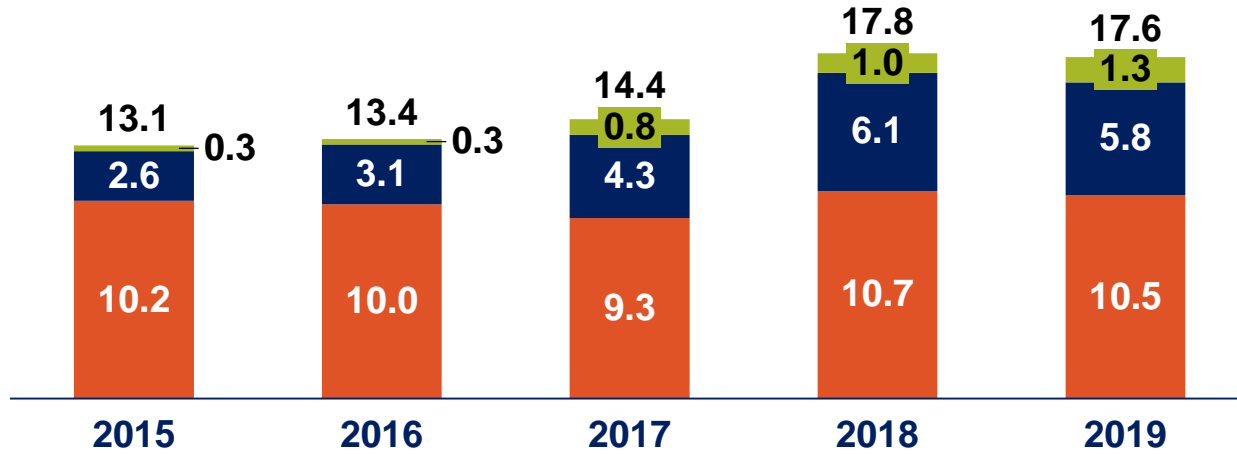
Consumption (mn tons)



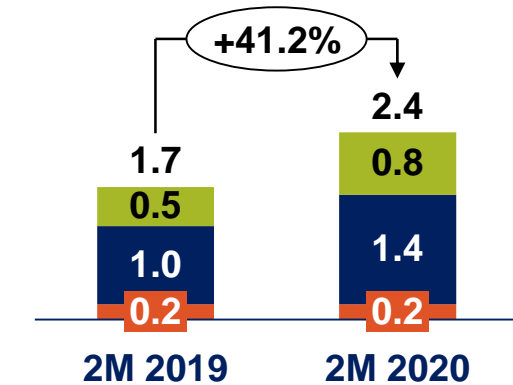
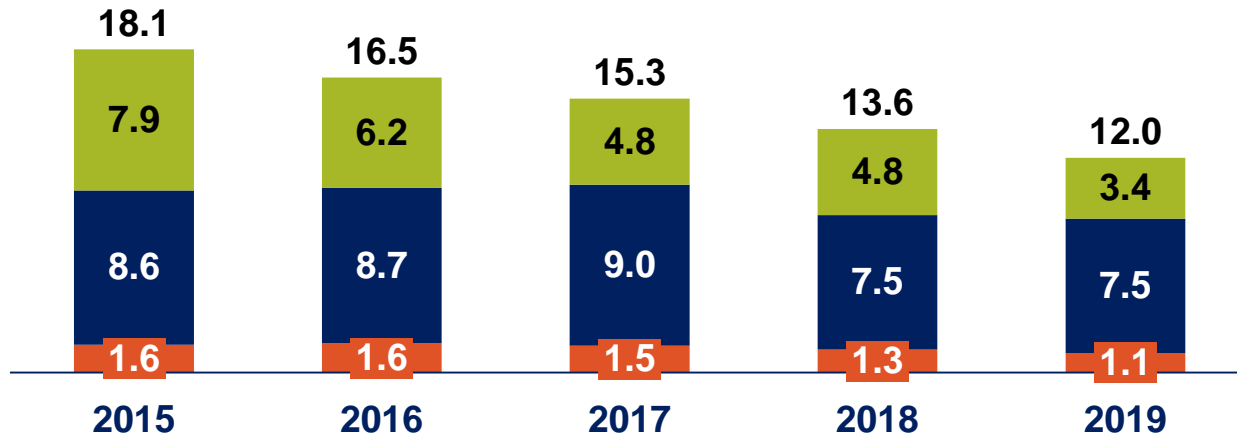
■ Flat ■ Long

Turkish Steel Exports & Imports

Exports (mn tons)



Imports (mn tons)



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



2020 3M Results



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Operational and Financial Highlights

Operational Highlights	2018	2019	3M 2019	3M 2020	Growth (YoY)
Liquid Steel Production (000 tons)	9,322	8,787	2,369	2,284	-3.6%
Flat Steel Production* (000 tons)	7,743	7,257	1,813	1,714	-5,5%
Long Steel Production (000 tons)	980	1,026	315	264	-16.2%
Flat Steel Shipments (000 tons)	7,482	7,250	1,887	1,656	-12.2%
Long Steel Shipments (000 tons)	919	1,057	336	267	-20.5

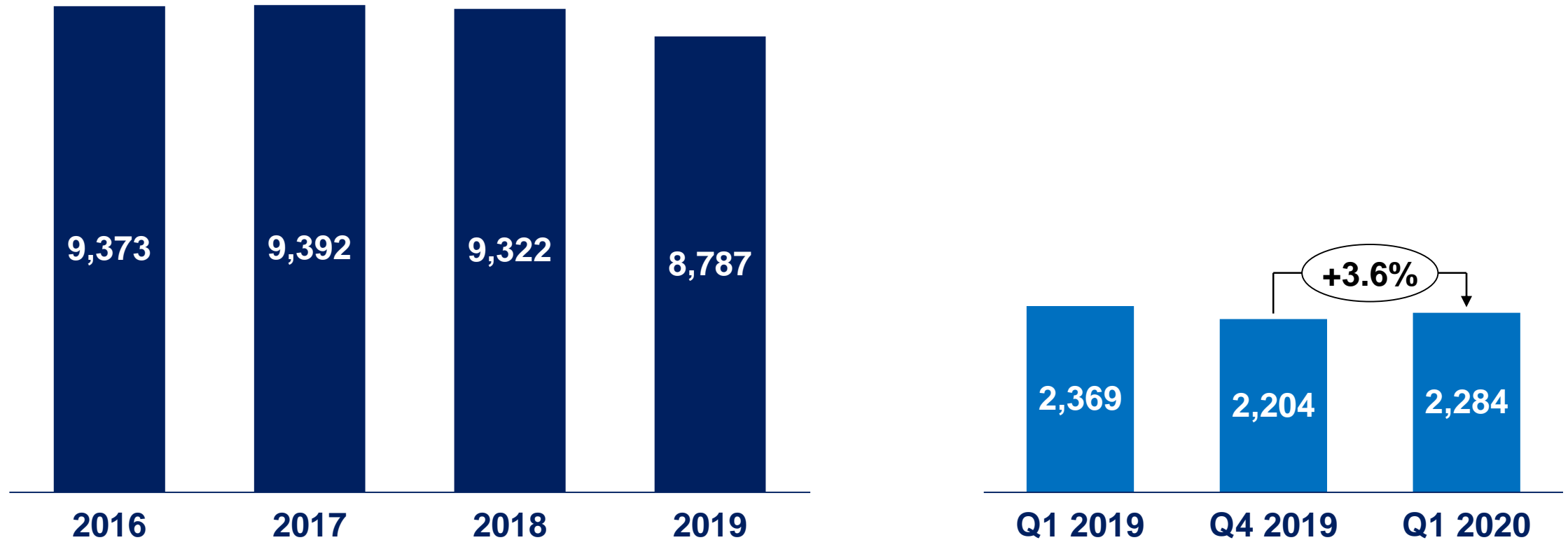
Financial Highlights	2018	2019	3M 2019	3M 2020	Growth (YoY)
Net Sales Revenue (USD mn)	5,598	4,844	1,333	1,047	-21.5%
EBITDA (USD mn)	1,720	974	323	175	-45.8%
Net Profit** (USD mn)	1,160	585	186	49	-73.7%

All figures are on IFRS consolidated basis unless stated otherwise.

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

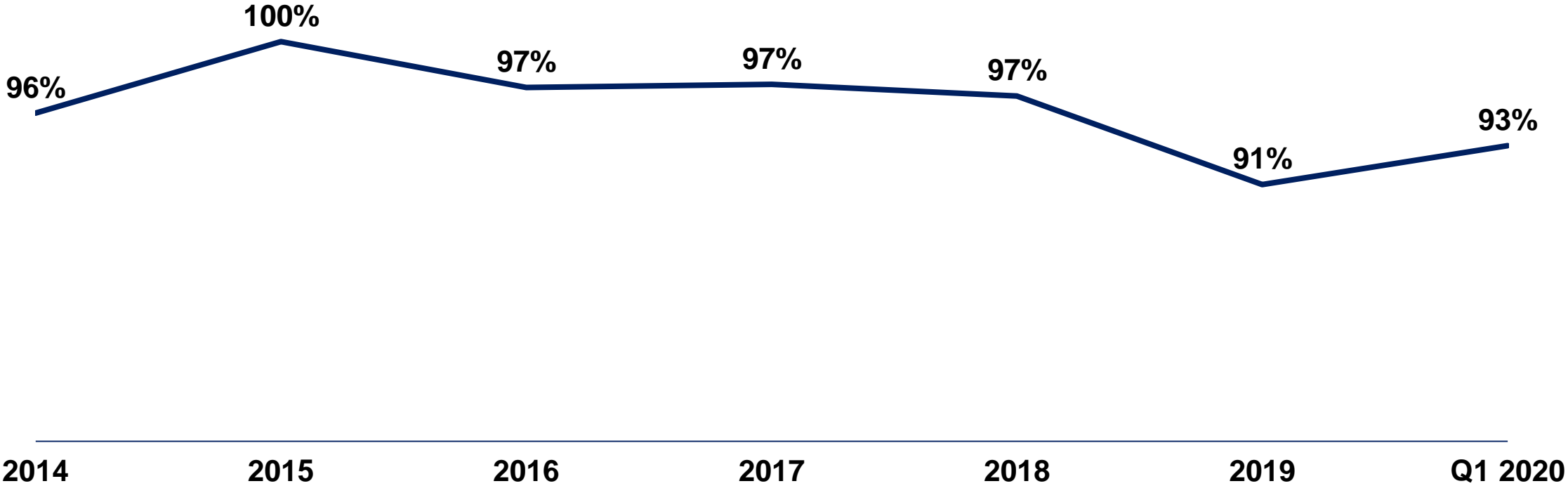
*(**) It demonstrates Net Profit of Equity Holders of the Parent.*

Liquid Steel Production (000 tons)





Crude Steel Capacity Utilization Ratio

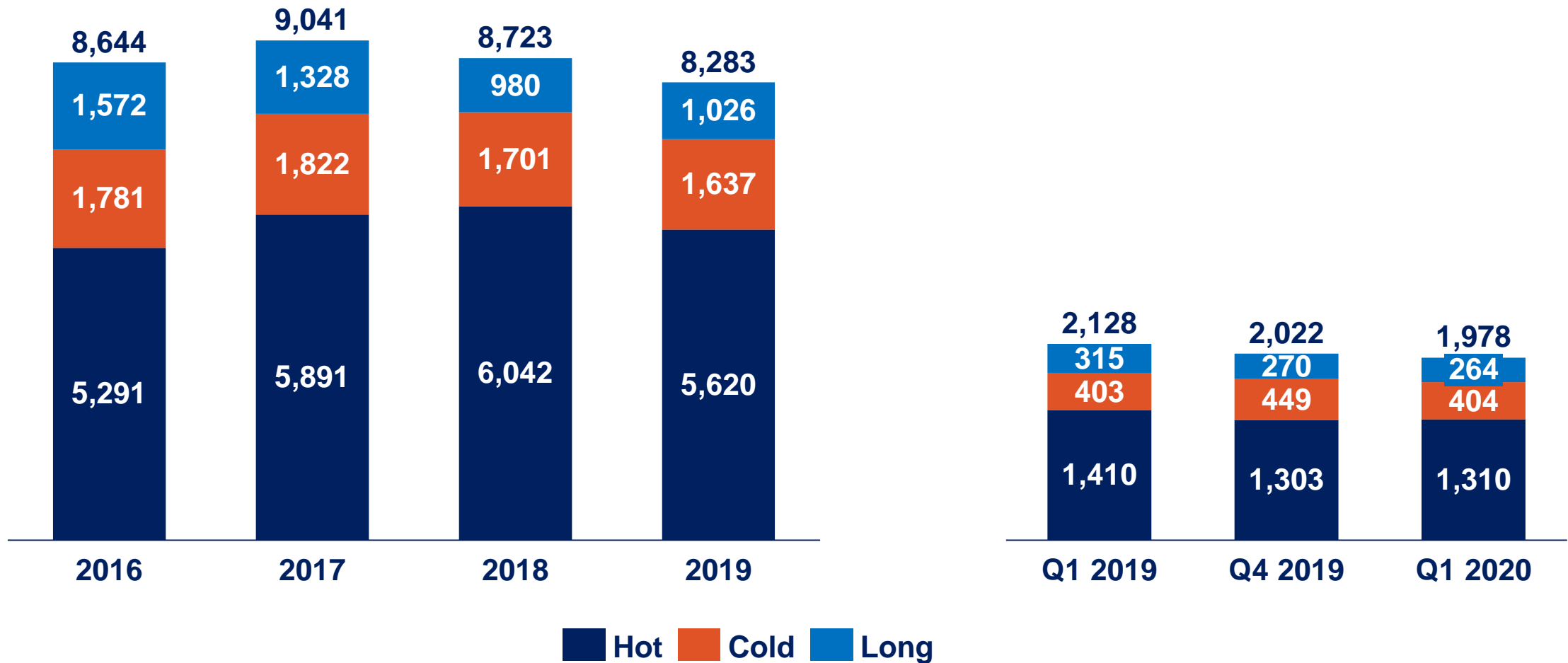


— Erdemir



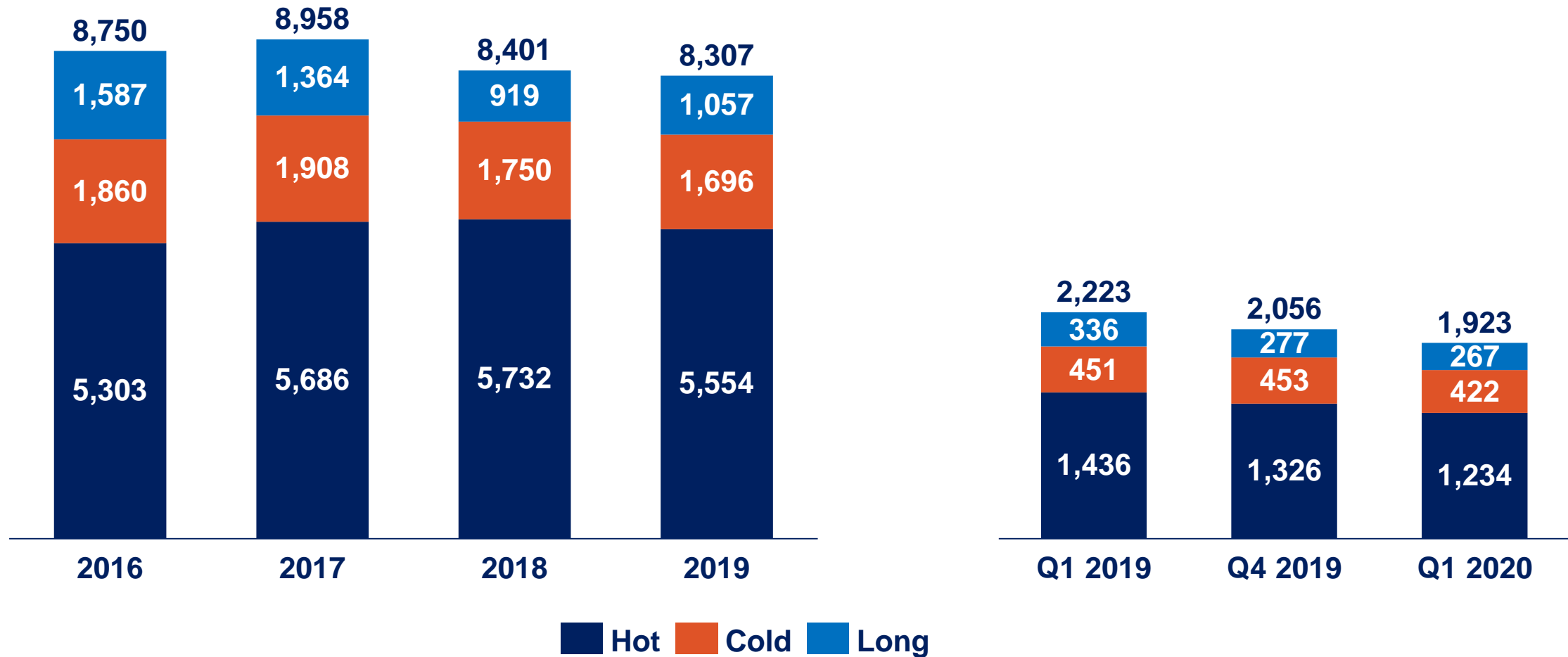
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Production (000 tons)

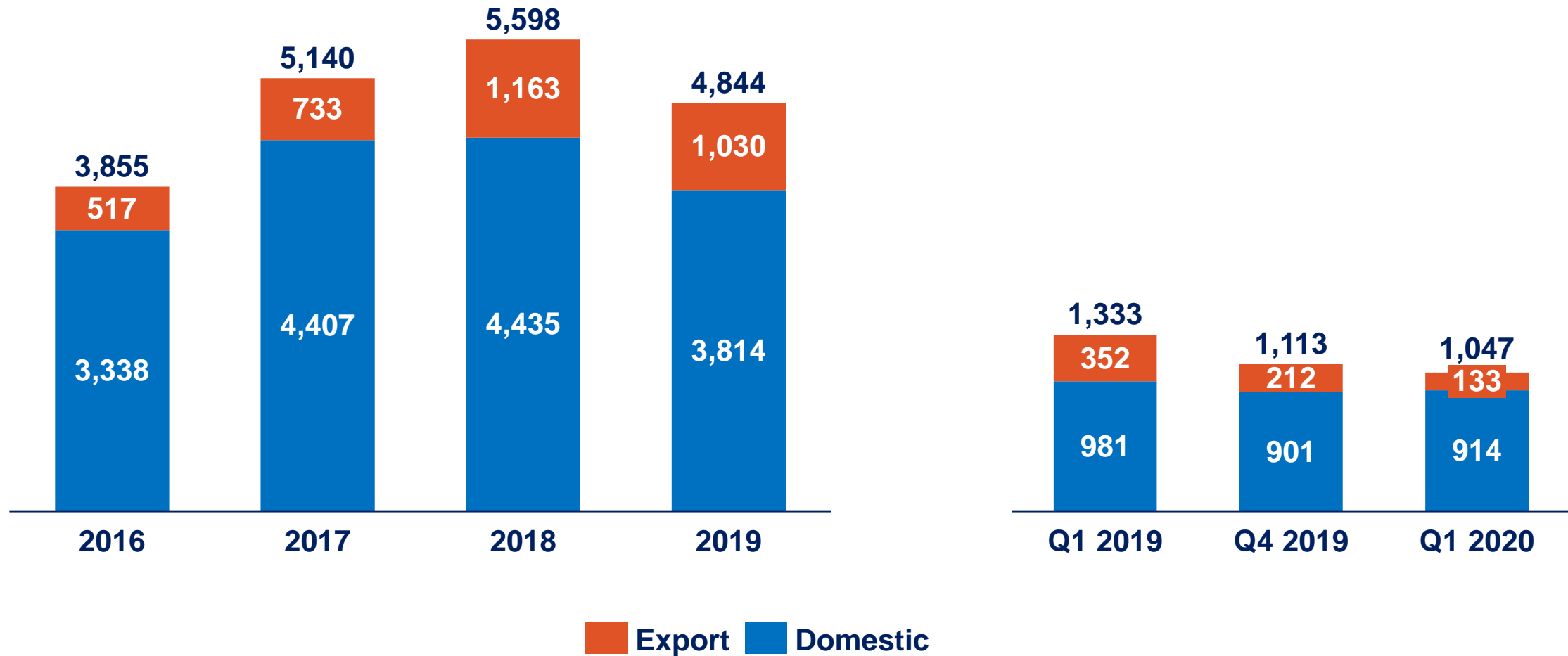


Hot Cold Long

Sales Volume (000 tons)

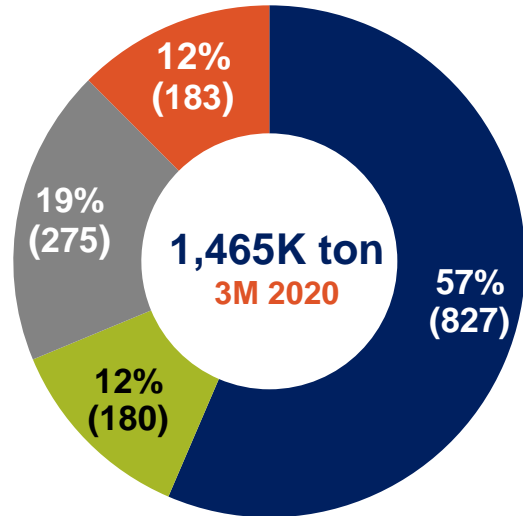


Net Sales Revenue (USD mn)

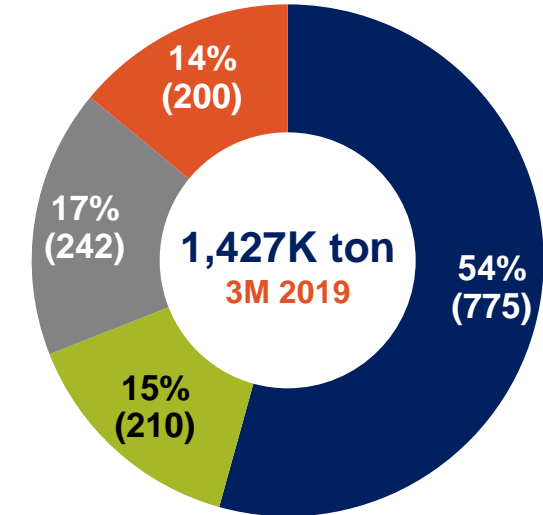


Flat & Long Steel Domestic Sales Breakdown

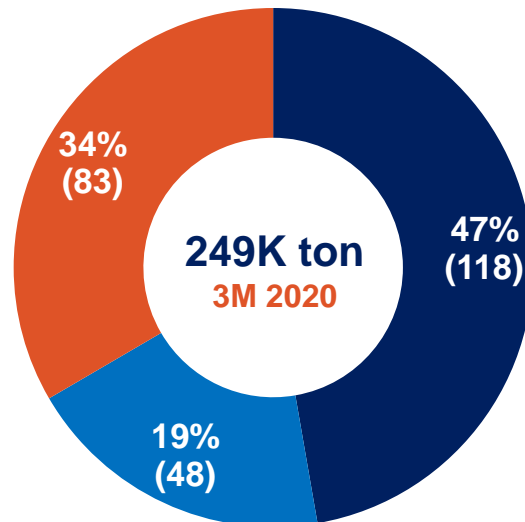
Flat Steel Domestic Sales



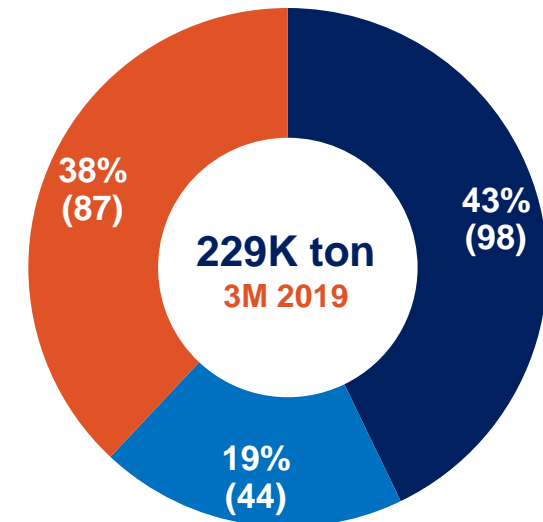
- Pipe&Profile and Rolling
- Distribution Chains
- General Manufacturing Industry
- Automotive



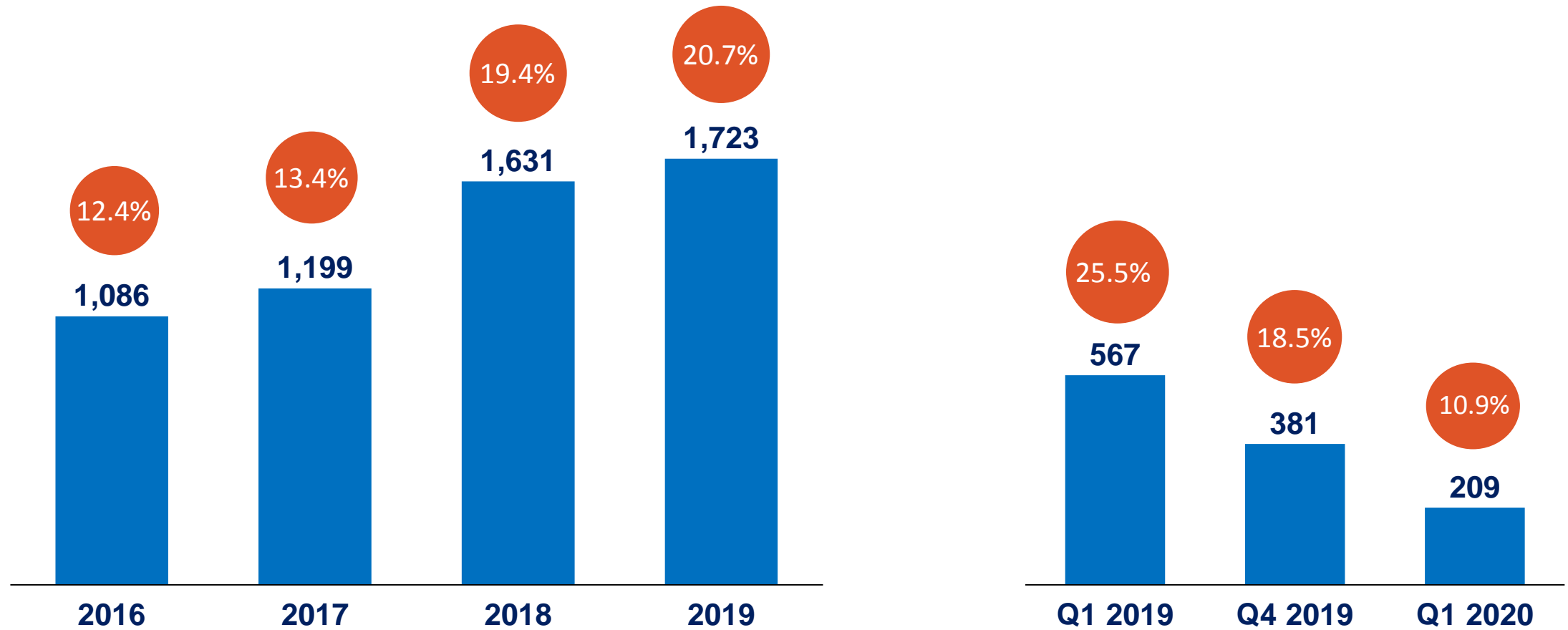
Long Steel Domestic Sales



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

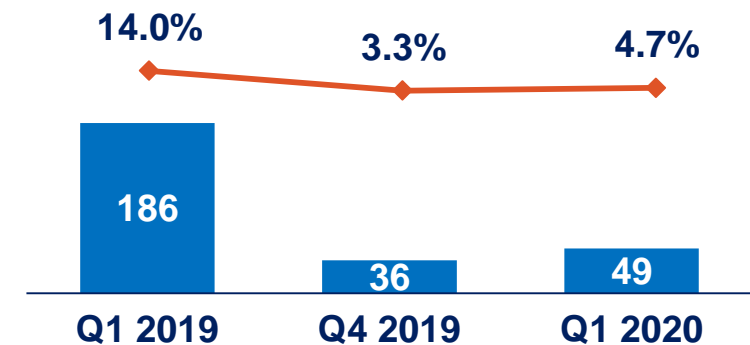
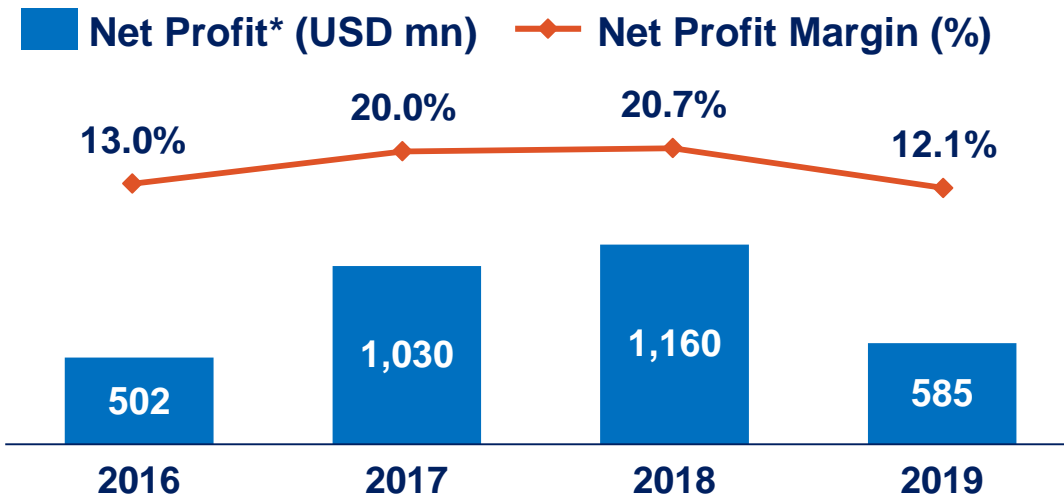
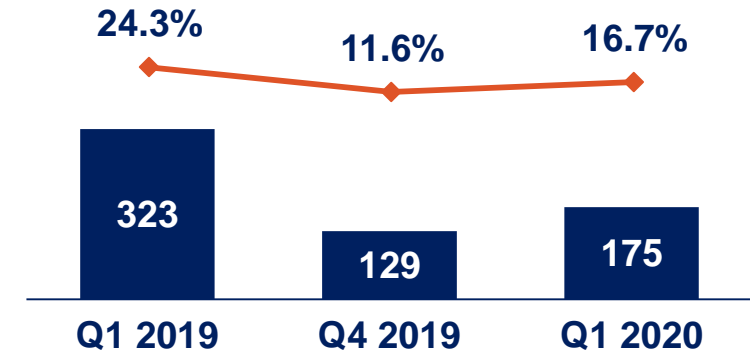
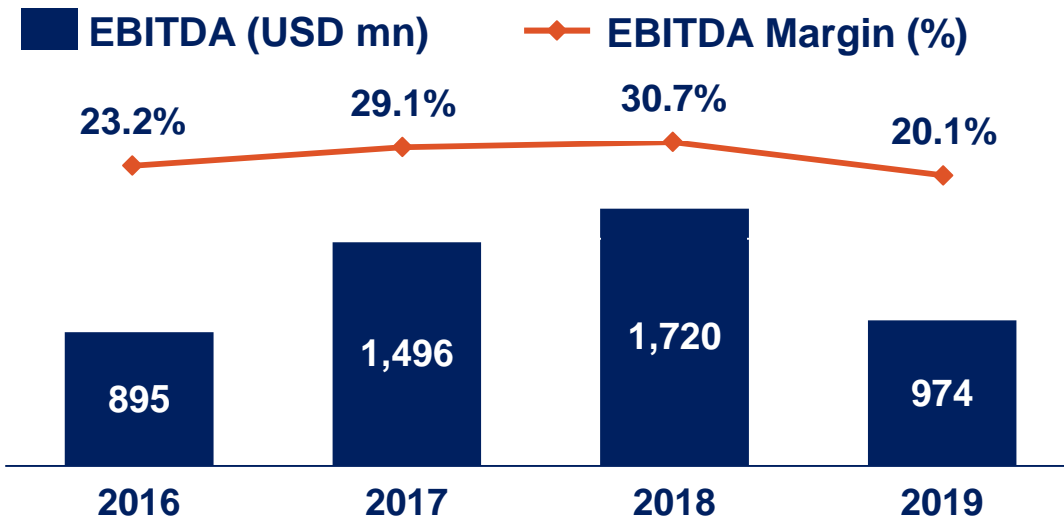


Export Volume (000 tons)

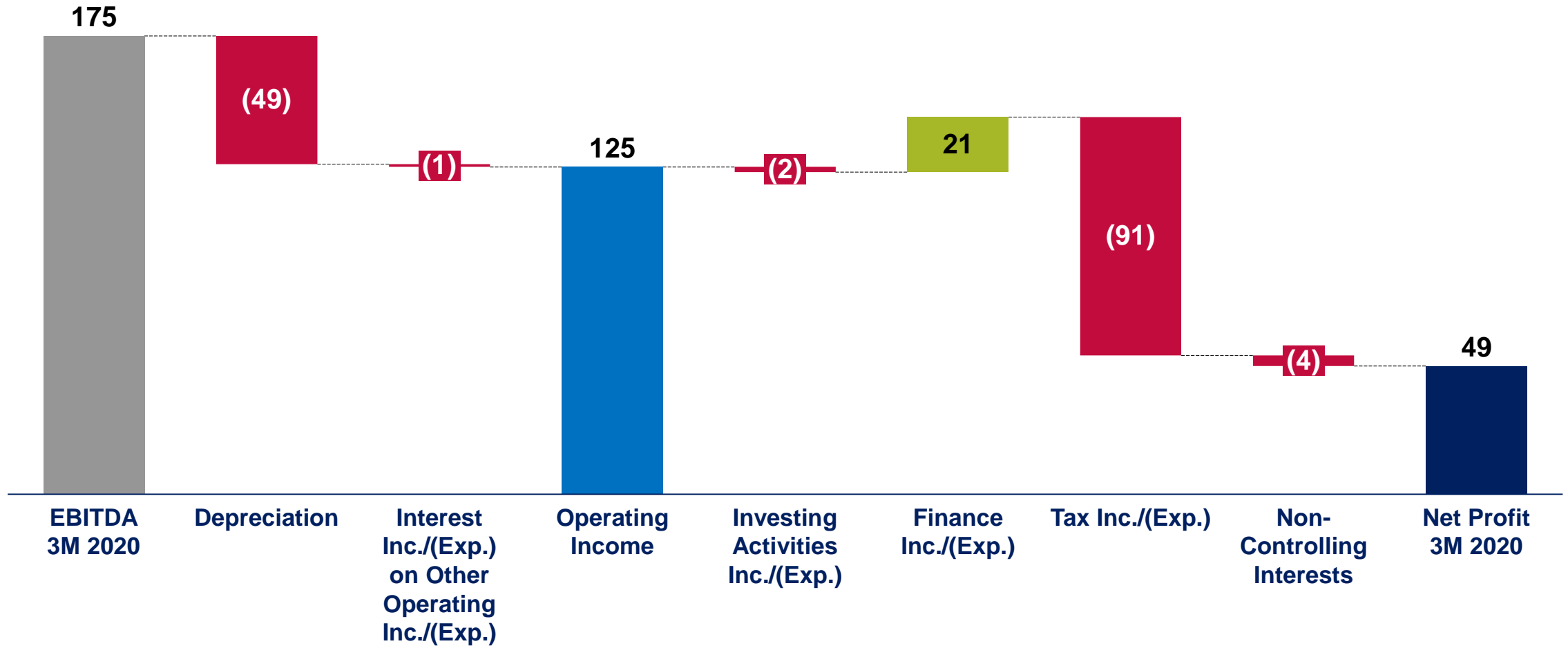


■ Export ● Share in Total Sales

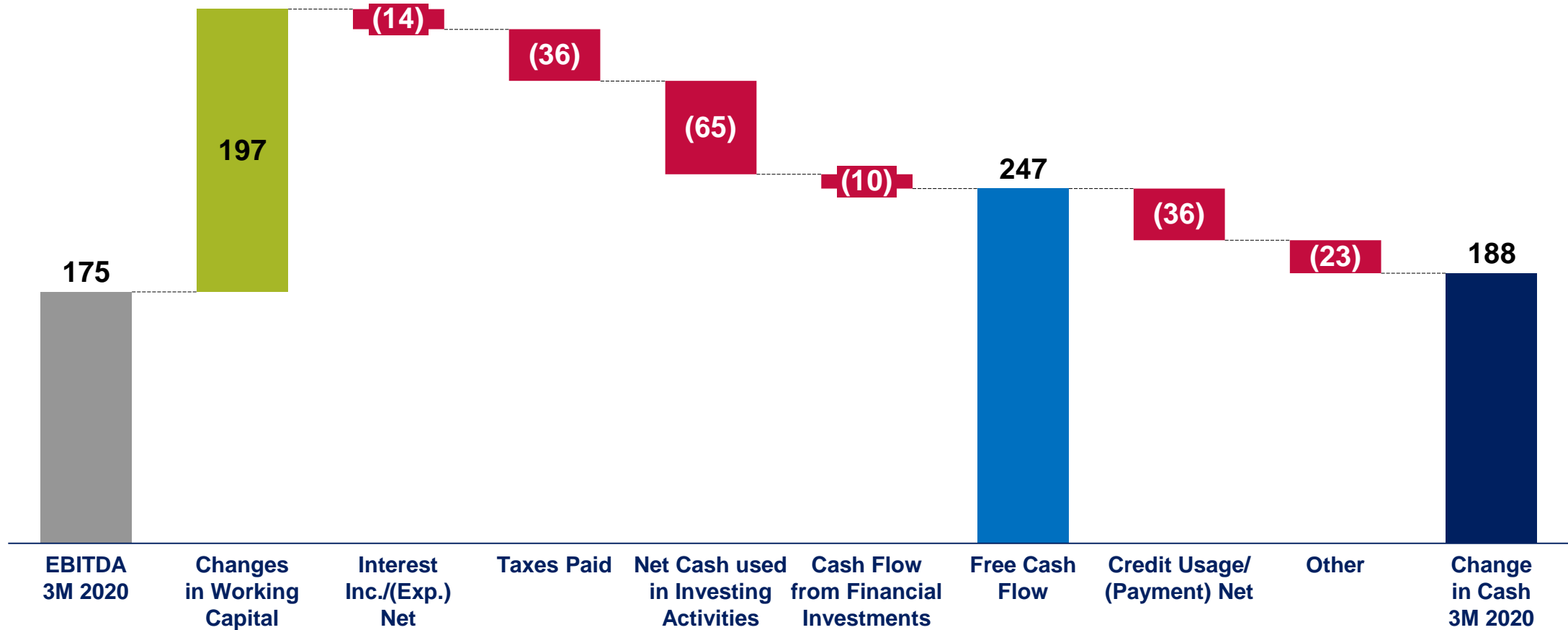
EBITDA & Net Profit



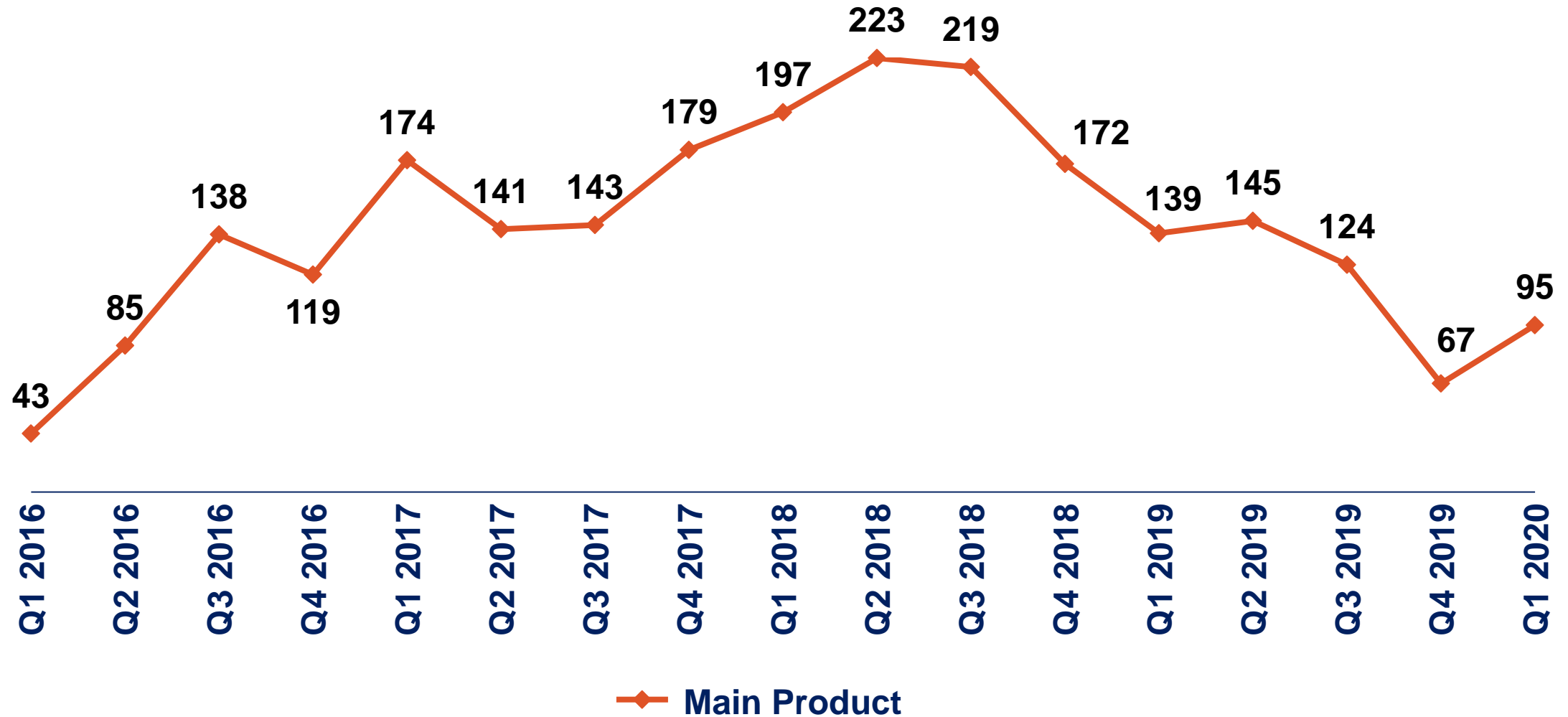
EBITDA ➔ Net Profit



EBITDA ➔ Net Cash



EBITDA per Ton* (USD/ton)

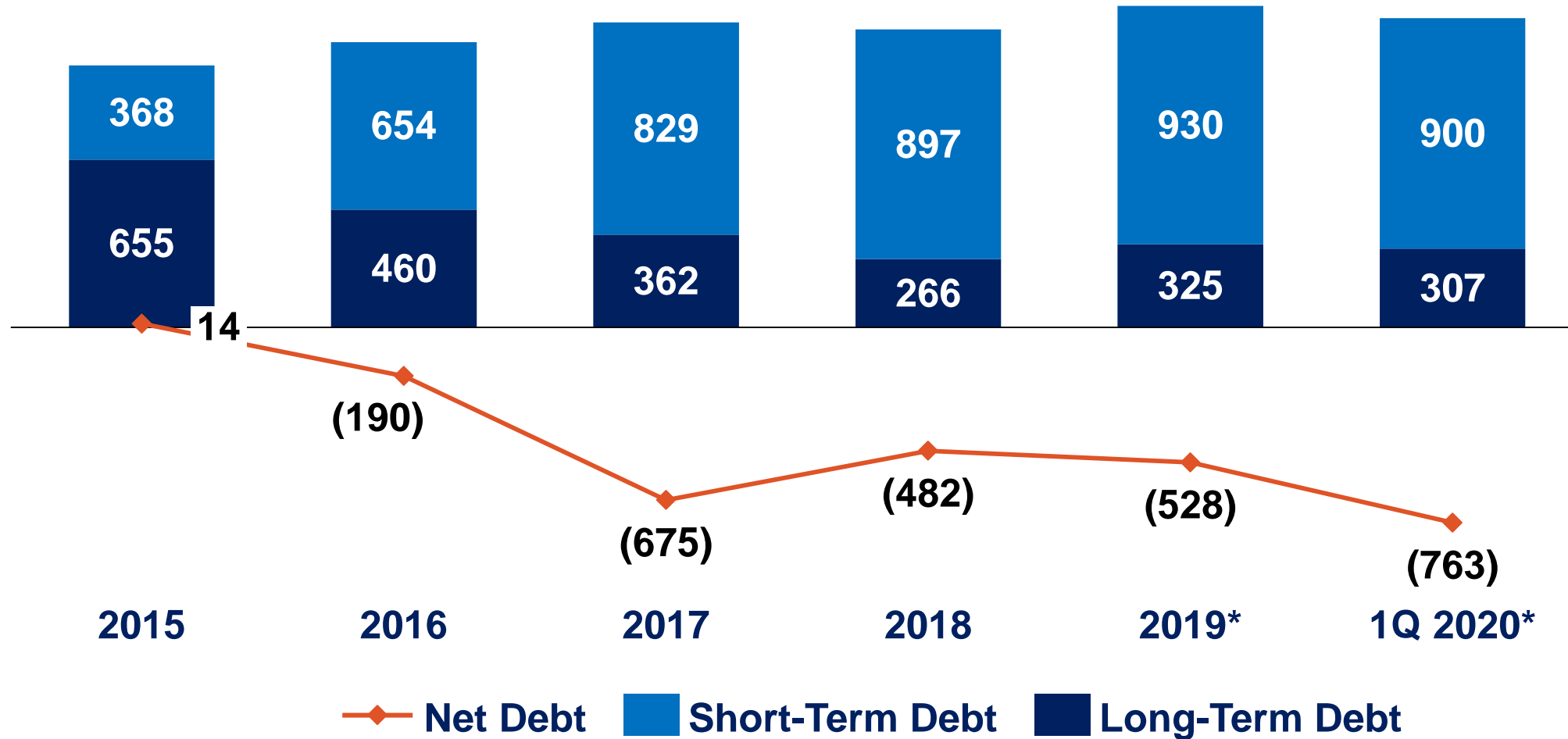


Financial Figures

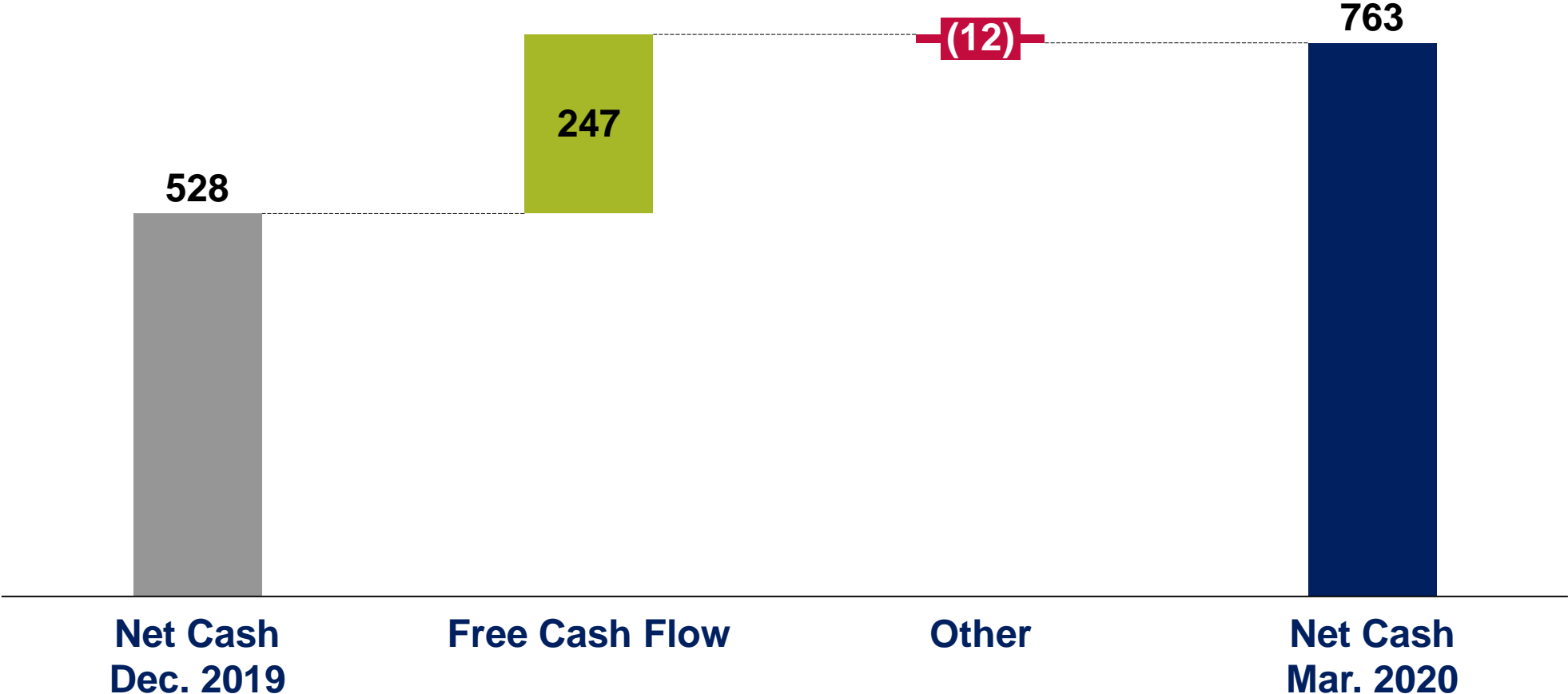
Consolidated Net Assets (USD mn)	31.12.2019	31.03.2020	Growth (YoY)
Cash Equivalents and Financial Investments	1,800	1,996	11%
Working Capital	1,729	1,532	-11%
Tangible and Intangible Assets	3,581	3,569	0%
Financial Liabilities	(1,296)	(1,246)	4%
Provisions and Other	(554)	(552)	0%
Net Assets	5,260	5,299	1%

Working Capital (USD mn)	31.12.2019	31.03.2020	Growth (YoY)
Trade Receivables	563	506	-10%
Inventories	1,571	1,436	-9%
Trade Payables	(494)	(441)	-11%
Other	89	31	-65%
Working Capital	1,729	1,532	-11%

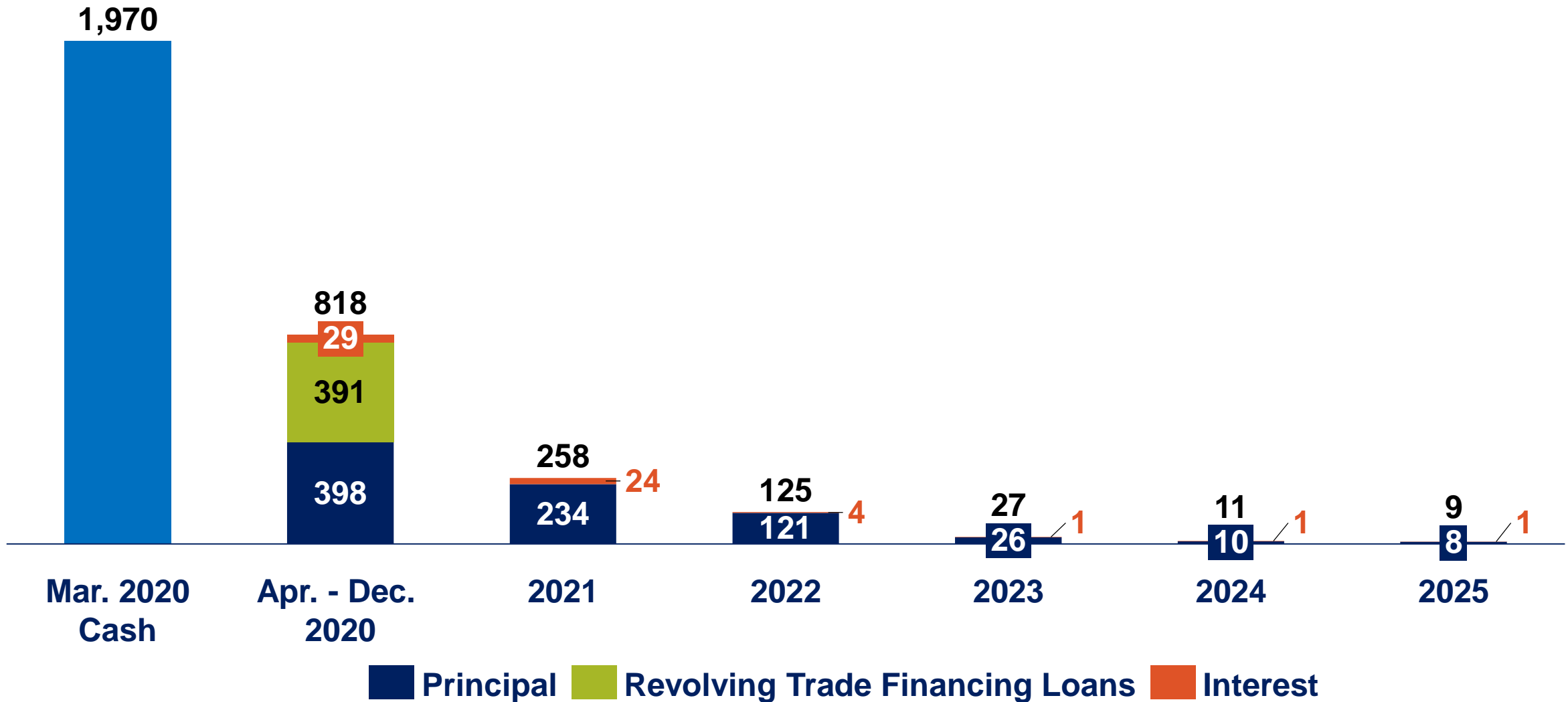
Financial Borrowings (USD mn)



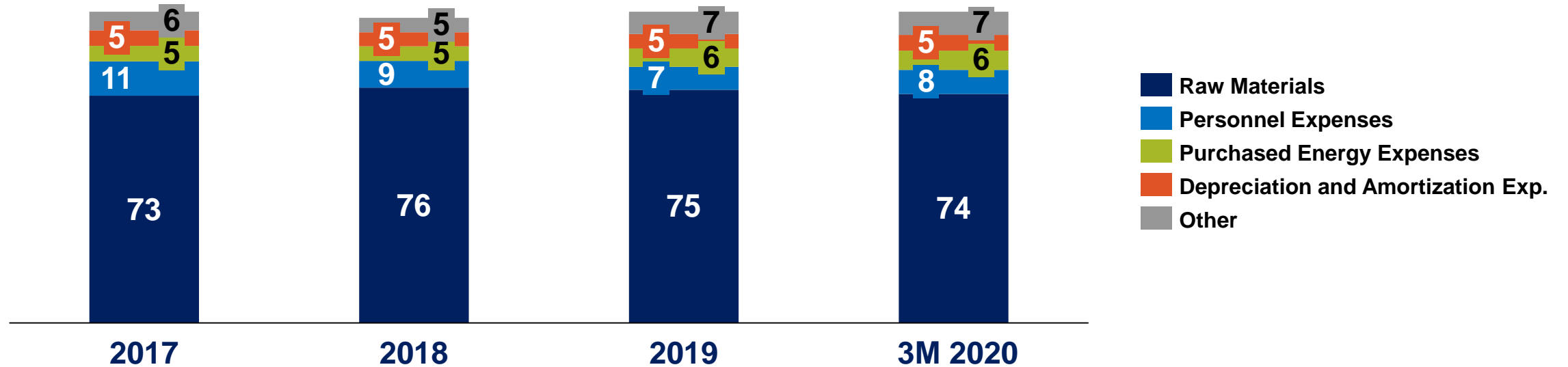
Net Debt (USD mn)



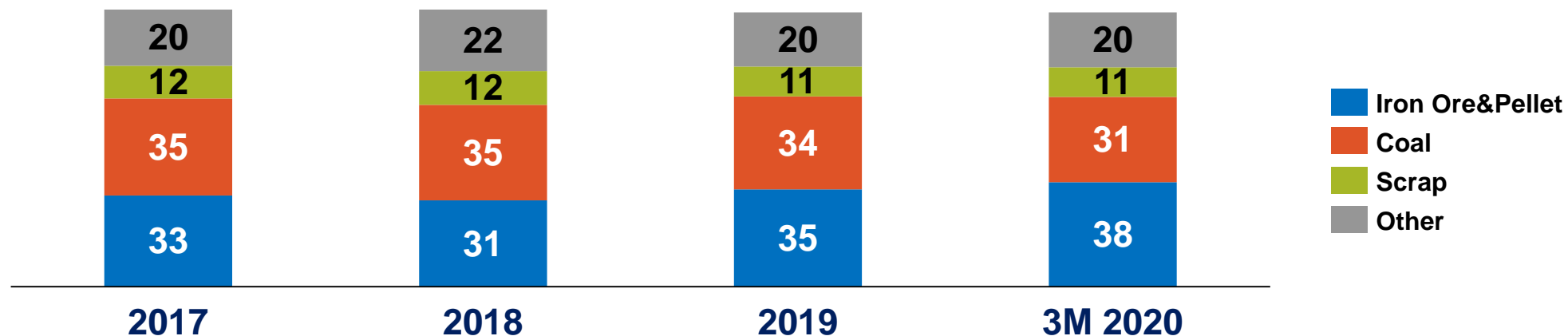
Borrowings Maturity Profile (USD mn)



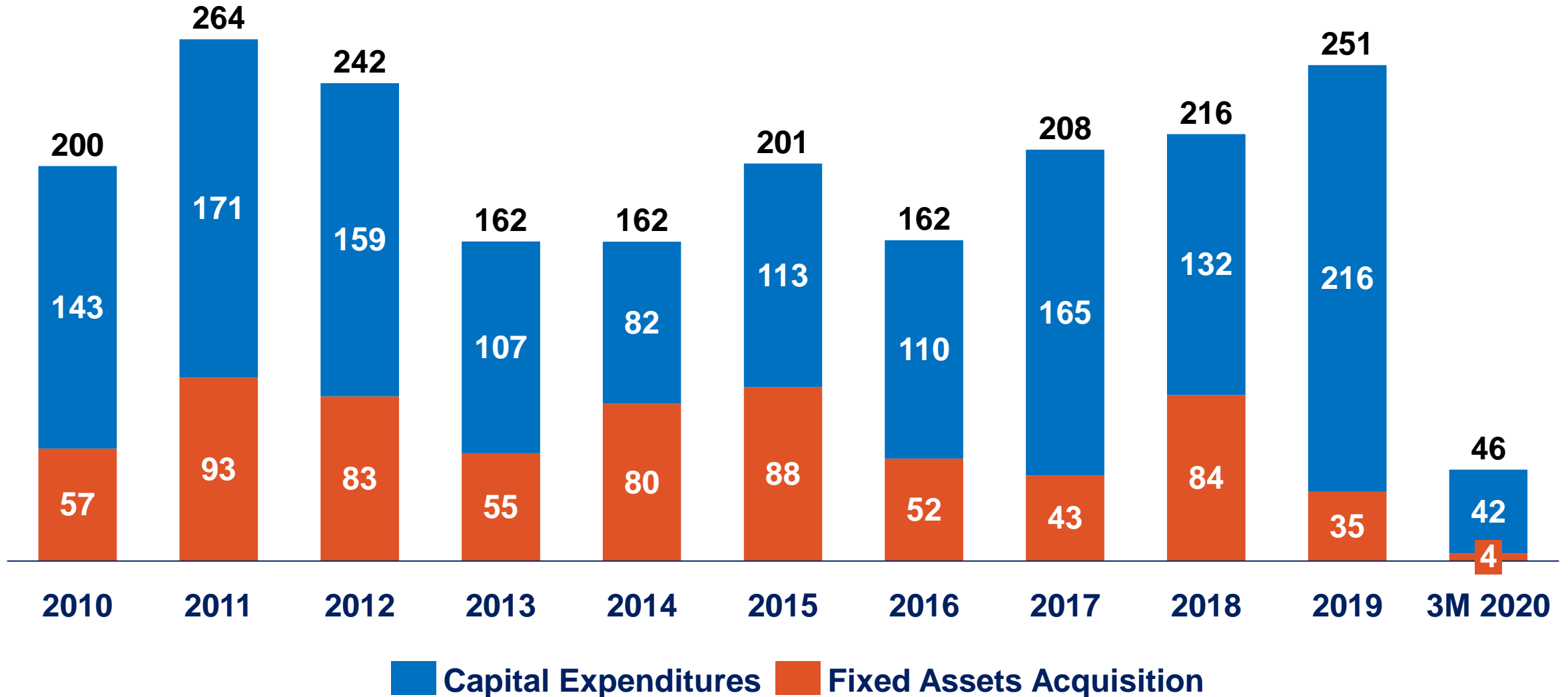
Cost of Sales Breakdown* (%)



Raw Materials Breakdown (%)

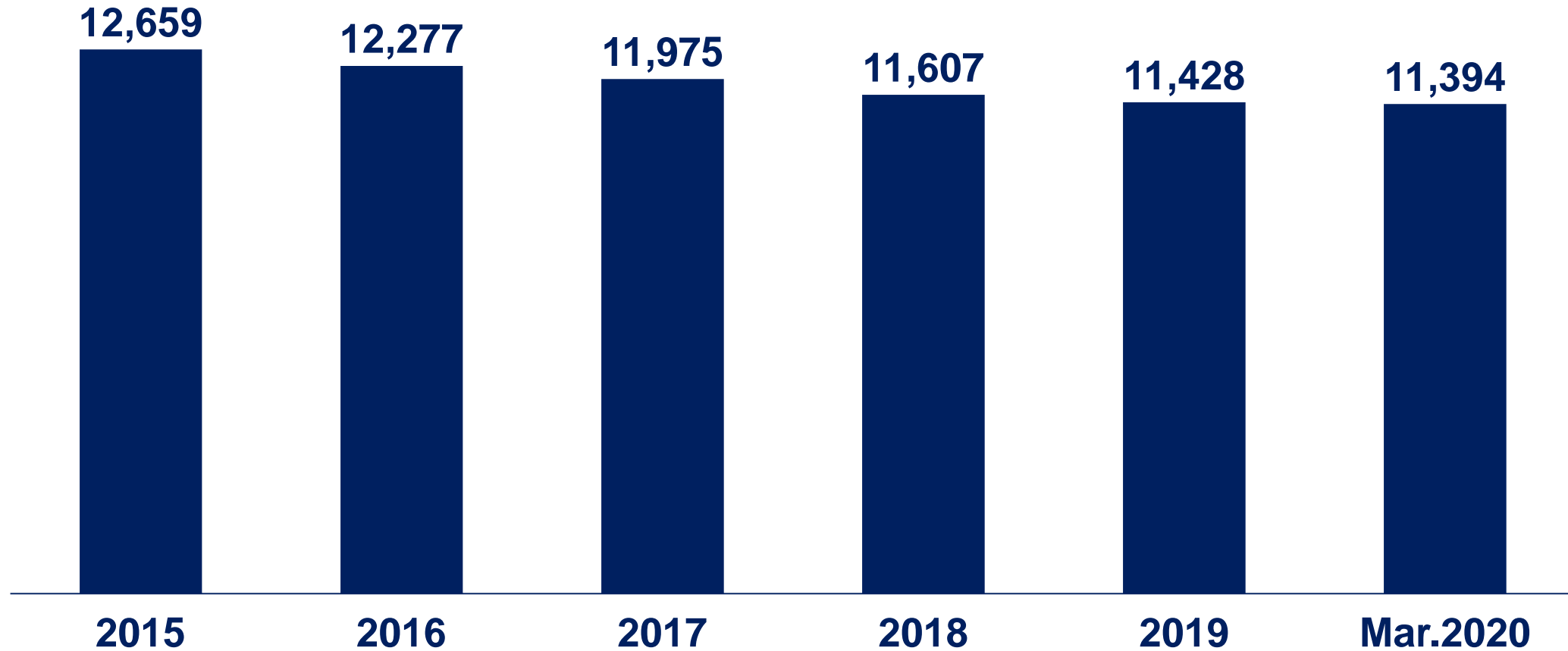


Capital Expenditures* (USD mn)



* Advance payments for capital expenditures are not included.

Number of Employees



Appendix – EBITDA Detail

	Note	01.01.2020- 31.03.2020 (Thousand USD)	01.01.2020- 31.03.2020 (Thousand TRY)
Presentation Currency Translation	2.1		6.0924
Operating Profit		125,397	763,970
Depreciation and Amortisation Expenses		49,058	298,881
Cost of Sales	13	45,213	275,456
Marketing Expenses	14	1,682	10,250
General Administrative Expenses	14	1,856	11,307
Research and Development Expenses	6	307	1,868
POA Classification		851	5,186
Interest Income for Overdue Receivables	14	(194)	(1,182)
Rediscount Expenses	14	(8)	(48)
Interest Expense for Purchase Contracts with Maturities	14	1,053	6,416
		175,306	1,068,037



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