Çimsa Çimento

Q2 2026 Financial Results

Bulletin

3 August 2026

Çimsa reports TRY 13.0 billion in consolidated net sales in 2Q26, with net income rising 44% y/y to TRY 1.6 billion.

According to the announcement made by the Public Oversight, Accounting and Auditing Standards Authority (KGK) on November 23, 2023, and the publication of 'Practice Guide on Financial Reporting in Hyperinflationary Economies', Çimsa prepared its financial statements for June 30, 2026, applying the TAS 29 Financial Reporting in Hyperinflationary Economies' Standard. The comparative amounts in the aforementioned financial statements and previous periods have been adjusted for the changes in the purchasing power of the Turkish Lira in accordance with TAS 29, and ultimately expressed in terms of the purchasing power of the Turkish Lira as of June 30, 2026.

All the information regarding 30 June 2026 and comparative periods' financials include business combination effects and inflation accounting effects.

Developments on Financials and Operations:

- According to data released by the Turkish Cement Manufacturers' Association (TCMA), cement and clinker consumption in Türkiye declined by 5.5% year-on-year in the first four months of 2026. During the same period, consumption in the regions where Çimsa operates contracted by 18.3%, exceeding the nationwide decline. The overall market contraction continued to be driven primarily by harsher winter conditions compared with the same period last year and lower consumption in earthquake-affected regions. On the export side, data from the Central Anatolian Exporters' Associations indicated that Türkiye's cement and clinker exports decreased by 4.1% year-on-year over the same period.

- Çimsa's international sales volumes increased by 7.8% year-on-year in the second quarter of the year, supported by the contribution of the U.S. grey cement grinding facility. In Türkiye, sales volumes declined by 6.8% year-on-year due to ongoing weak domestic consumption. As a result, consolidated sales volumes grew by 0.9% year-on-year in the second quarter of 2026, while consolidated net sales amounted to TRY 13.0 billion.

- Çimsa continued to enhance operational efficiency through sustainability-focused cost management and disciplined execution. Year-on-year savings in operating expenses, together with alternative fuel usage remaining at the high level achieved in the first quarter, supported profitability. As a result, Çimsa generated consolidated EBITDA of TRY 2.6 billion in the second quarter of 2026, while its EBITDA margin increased by 1.5 percentage points year-on-year to 20.1%.

- Çimsa's net income increased by 43.8% year-on-year to TRY 1.6 billion in the second quarter of 2026. The deferred tax expense impact arising from the discontinuation of inflation accounting in the statutory financial statements was offset by the positive impact of asset revaluations carried out under Article 298/Ç and the reduction in the corporate tax rate during the period. Despite this tax impact, lower foreign exchange and net financing expenses, together with a TRY 448 million year-on-year increase in monetary gains, supported the strong growth in net income. As a result, the net income margin expanded by 4.5 percentage points year-on-year to 12.2%.

- As of June 2026, Çimsa's CAPEX/Sales ratio declined by 4.8 percentage points y/y to 8.9%, reflecting the normalization of investment spending as major projects had already become operational. Çimsa's NWC/Sales ratio was 14%, marking a slight improvement compared to year-end 2025.

- As of June 2026, consolidated net debt stood at TRY 24,571 million and the leverage ratio was 2.54x.

Strategic Developments:

- In line with our Company's strategy to grow in the sustainable building materials sector and expand the capacity of value-added products, the new production facility investment made at our Mersin Plant in addition to the existing CAC (Calcium Aluminate Cement) production capacity has been commissioned following the completion of trial production and testing processes. Following the commissioning of the new CAC production facility, our Company's annual CAC clinker production capacity has increased from 131 thousand tons to 197 thousand tons. Accordingly, our Company's position as the third largest producer in the global CAC market has been further strengthened.

- The Waste Heat Recovery (WHR) Facility with an installed capacity of 5,500 kWp DC at our Eskişehir Plant, has been commissioned following the completion of the investment. In addition to reducing the energy costs of our Eskişehir Plant, the commissioned WHR Facility will also contribute positively to the carbon emission reduction targets committed under the Science Based Targets initiative (SBTi). With the commissioning of the investment, the electricity to be generated from WHR Facility is expected to meet approximately 25% of the total annual electricity consumption of the Eskişehir Plant. Combined with the solar power plant investment commissioned in March 2025, it is expected that around 40% of the plant's annual electricity needs will be met through self-generated electricity.

Summary of Financial Results - *Restated due to Inflation Accounting*

Summary Income Statement (TRYmn)	w/June 2026 pp			w/June 2026 pp		
Reported Figures	**2Q25**	**2Q26**	**Change**	**6M25**	**6M26**	**Change**
Revenue	**14,394**	**13,000**	**(9.7%)**	**26,864**	**25,447**	**(5.3%)**
Gross Profit	**3,035**	**2,682**	**(11.6%)**	**4,960**	**4,469**	**(9.9%)**
Gross Profit Margin	**21.1%**	**20.6%**	**(0.5 pp)**	**18.5%**	**17.6%**	**(0.9 pp)**
OPEX	(1,419)	(1,234)	(13.0%)	(2,863)	(2,684)	(6.2%)
EBIT exc. other income/(expenses)	**1,615**	**1,447**	**(10.4%)**	**2,097**	**1,784**	**(14.9%)**
D&A	1,064	1,172	10.1%	2,116	2,408	13.8%
EBITDA exc. other income/(expenses)	**2,680**	**2,619**	**(2.3%)**	**4,212**	**4,192**	**(0.5%)**
EBITDA Margin exc. other income/(expenses)	**18.6%**	**20.1%**	**1.5 pp**	**15.7%**	**16.5%**	**0.8 pp**
Operating Profit Before Financial Income/Expense	**1,792**	**1,741**	**(2.9%)**	**1,925**	**2,058**	**6.9%**
Financial income/(expense), net	(648)	(503)	(22.4%)	(1,086)	(803)	(26.1%)
Net monetary position gain/(loss)	201	650	222.7%	1,213	1,976	63.0%
Profit Before Tax	**1,346**	**1,888**	**40.3%**	**2,052**	**3,232**	**57.5%**
Taxes, net	(244)	(304)	24.6%	(466)	(894)	91.7%
Net Income	**1,101**	**1,583**	**43.8%**	**1,585**	**2,338**	**47.5%**
Net Income Margin	**7.7%**	**12.2%**	**4.5 pp**	**5.9%**	**9.2%**	**3.3 pp**