



Pinar Et

Earnings Presentation
2019-Q1

PINAR ET AT A GLANCE

First private
integrated meat
processing plant

Production inline with
Turkish Food Codex
and EU standards

Partial backward
integration



150 thousand
NUMBER OF SALES
POINTS

102 thousand bovine
408 thousand ovine
1.8 million turkey
SLAUGHTERING AND
PROCESSING CAPACITY



260 thousand
m² outdoor
47 thousand m²
indoor
PRODUCTION AREA



PURCHASING
SPREADS OVER
6 REGIONS

AVERAGE
350
PRODUCTS IN
5 CATEGORIES

768

Average number
of employees in
2019-Q1

**164.9**MILLION TL
NET SALES**12.1**MILLION TL
EBITDA**7.7** thousand

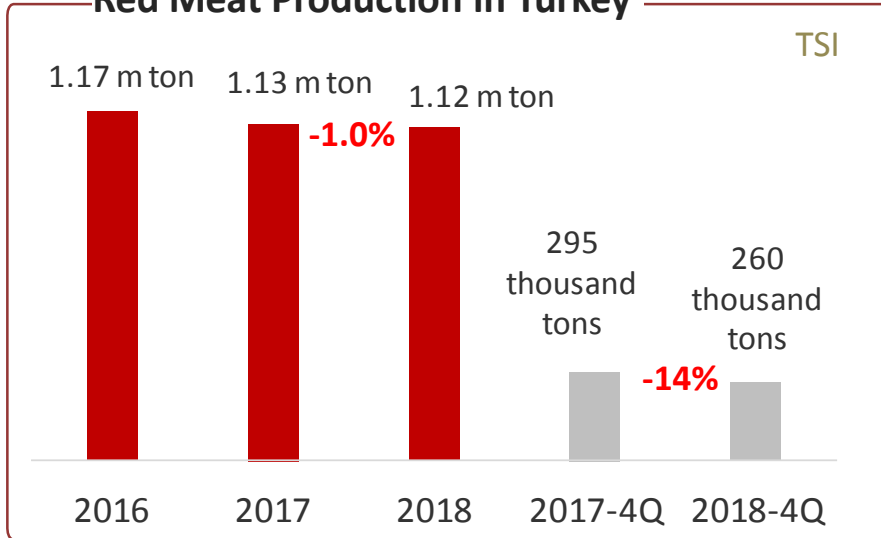
TONS SALES VOLUME

583MILLION TL
RETAIL PROCESSED MEAT MARKET*
VALUE*Nielsen,
2019-Q1
BİM Excl.

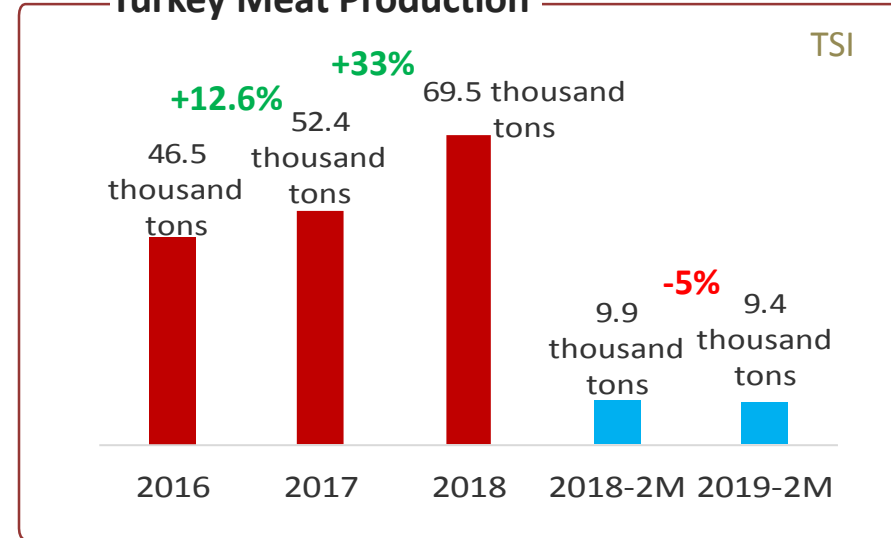
- The red meat prices rose by 7% in 2019-Q1 compared to the same quarter of the last year. (*fat-free beef prices of National Red Meat Council.)
- Red meat production in Turkey decreased by 1.0% compared to the last year as 1.12 million tons in 2018. (TSI)
- In first two months of 2019, a decrease (5%) occurred in turkey meat production compared with the same period of last year. (TSI)
- Compared to the last year, total processed meat market in 2019-Q1 in Turkey achieved a growth of 12.4% in turnover. However, there was a decrease in volume by 0.4%. (Nielsen, BİM excluded value share)

PRODUCTION AND COST

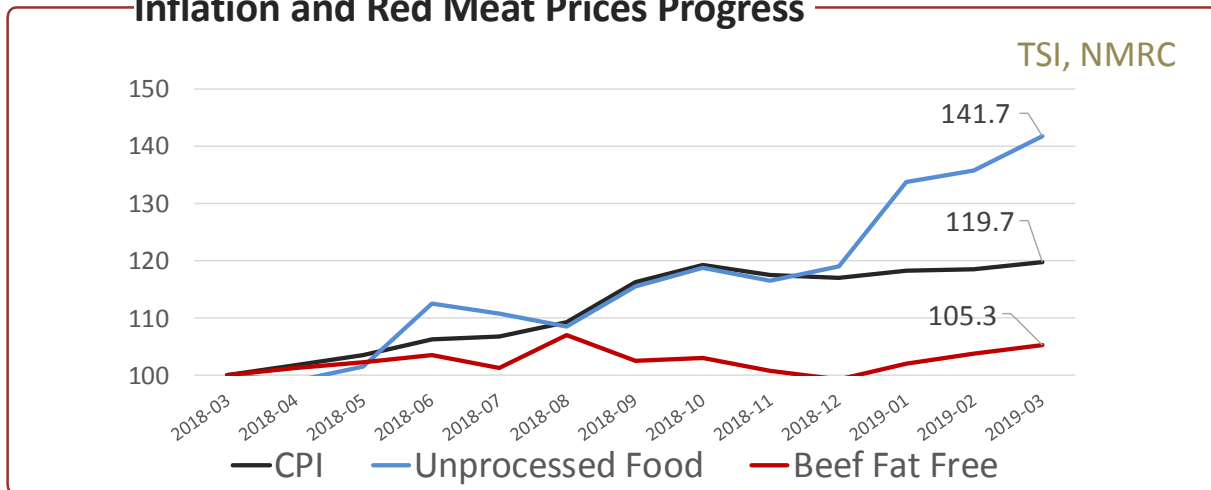
Red Meat Production in Turkey



Turkey Meat Production



Inflation and Red Meat Prices Progress

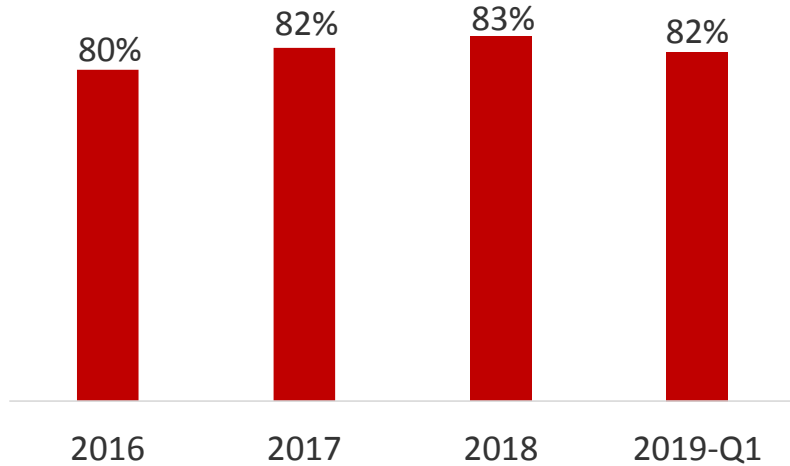


- Custom tax rate has been fixed at 0% for livestock, 26% for butchery animal (0% for Meat and Milk Organization in quota) and 40% for carcass meat until **December 31, 2019**.
- In 2018, the total sheep and cattle import in Turkey rose from 1.2 million units to 1.9 million units which is an increase of 60%.

CONSUMPTION AND MARKET

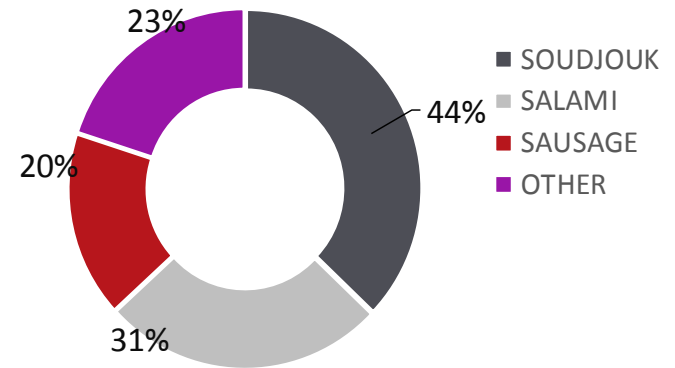
Share of Packaged Delicatessen

Nielsen



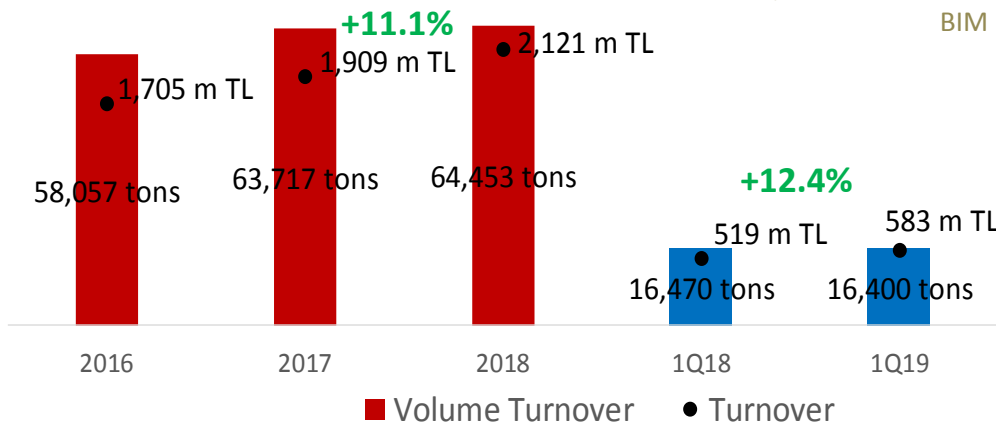
Processed Meat Market Segments (Volume)

Nielsen, BIM Excl.



Processed Meat Retail Market

Nielsen, Red Meat and Poultry
BIM Excl.



- In 2019-Q1, while any growth did not occurred in terms of volume in total processed meat market, turnover grew by 12.4% compared to the same period of the last year.

Market Shares

Nielsen, Sales value, Q1-2019, BIM Excl.

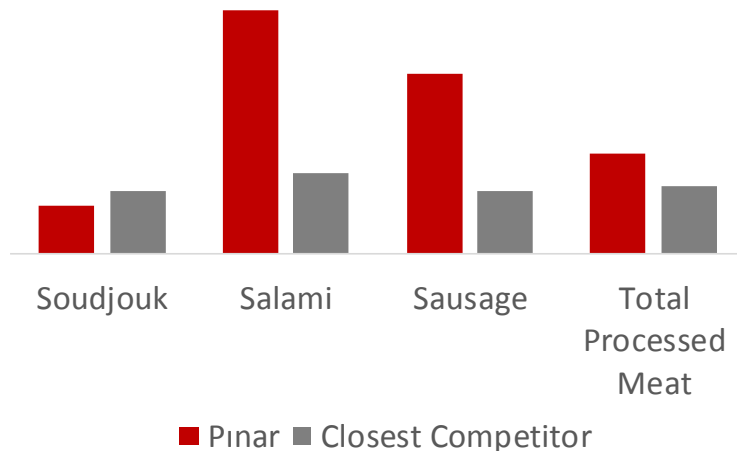
Products	Market Share	Position
Soudjouk	8.3%	#3
Salami	42.8%	#1
Sausage	31.6%	#1
Total Processed Meat	17.5%	#1

Nielsen, Sales value, Q1-2019, BIM Excl.

- Pinar Et keeps up the leader position with a 17.5% of market share in the total processed meat market.

Pinar Et and Competitors

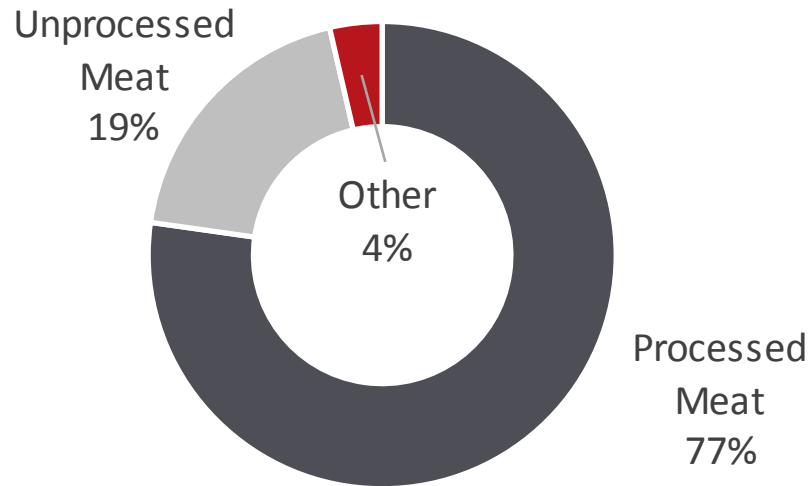
Nielsen, Sales value, Q1-2019, BIM Excl.



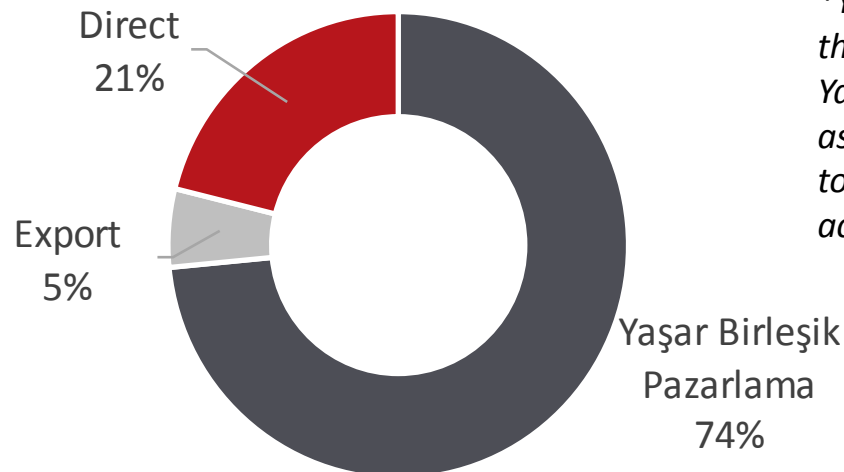
- New product launches and packaged diversifications continues.

NET SALES BREAKDOWN

Based on Product Groups



Based on Sales Channel

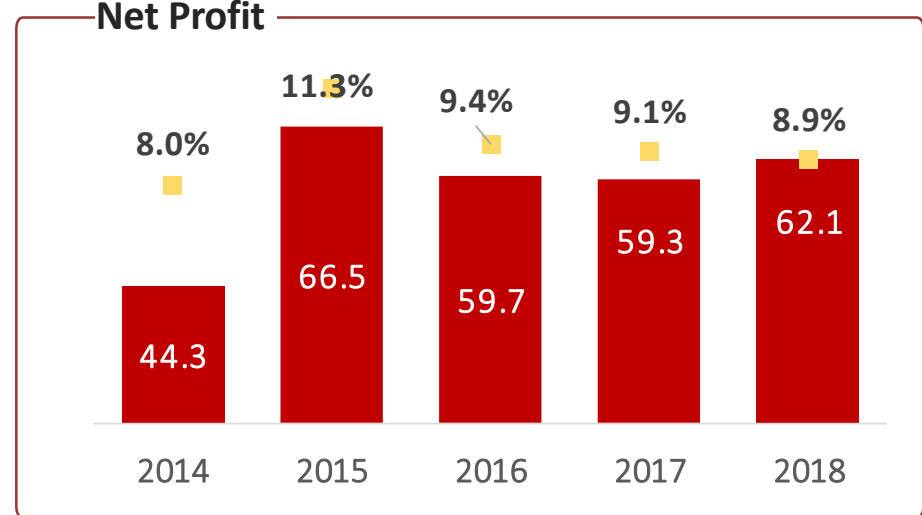
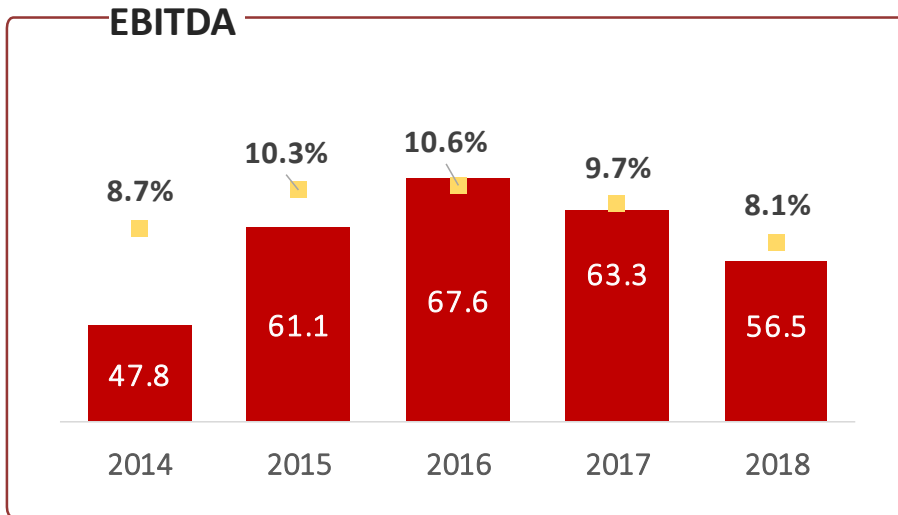
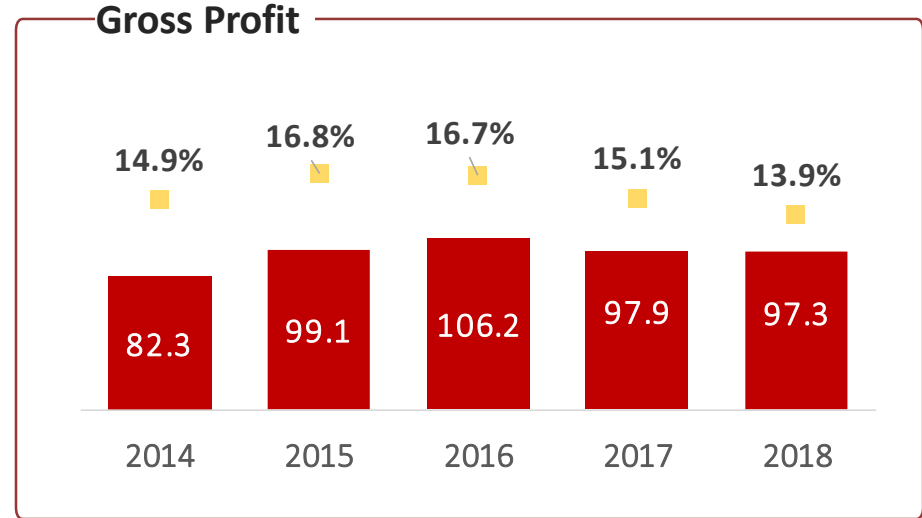
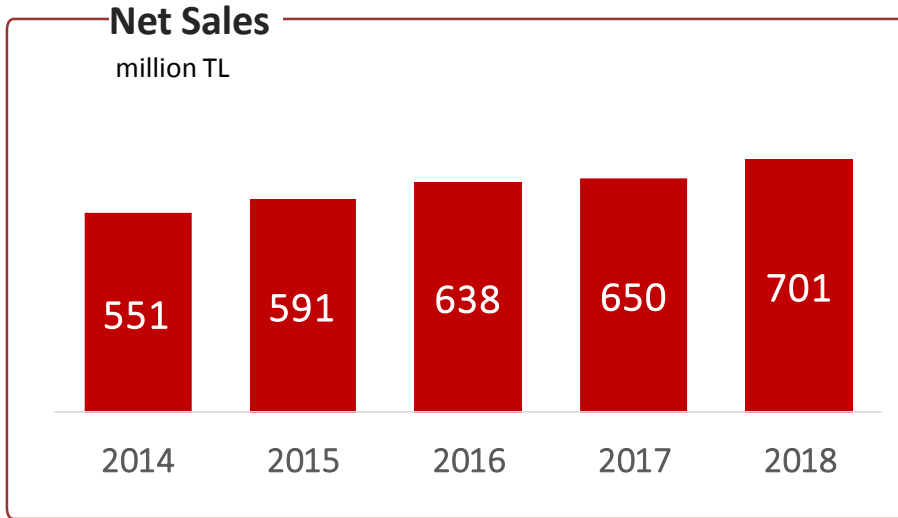


**Yaşar Birleşik Pazarlama is the distribution company of Yaşar Group which ranked as 126 in Fortune Magazine top 500 ranking in Turkey according to 2017 data.*

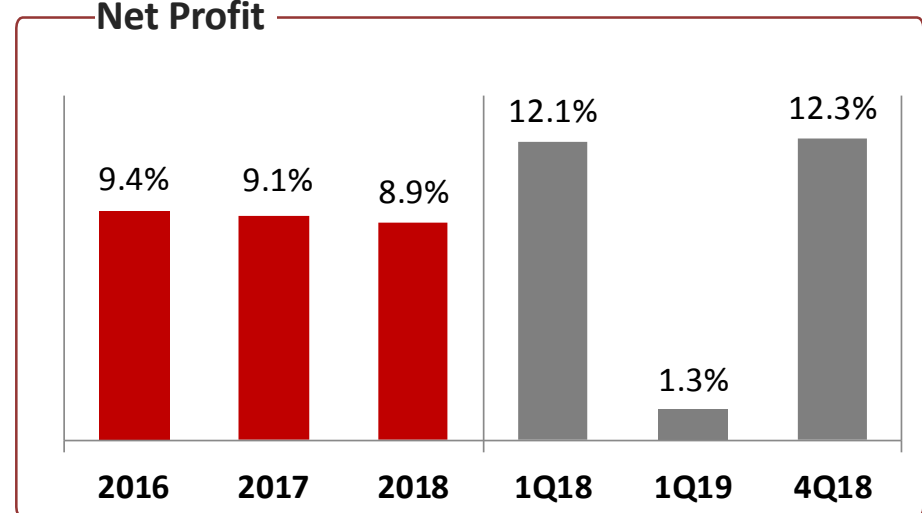
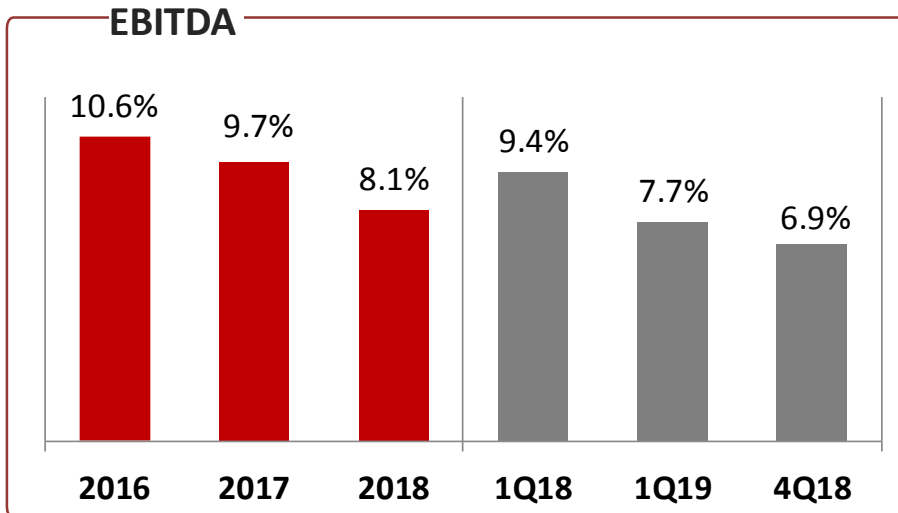
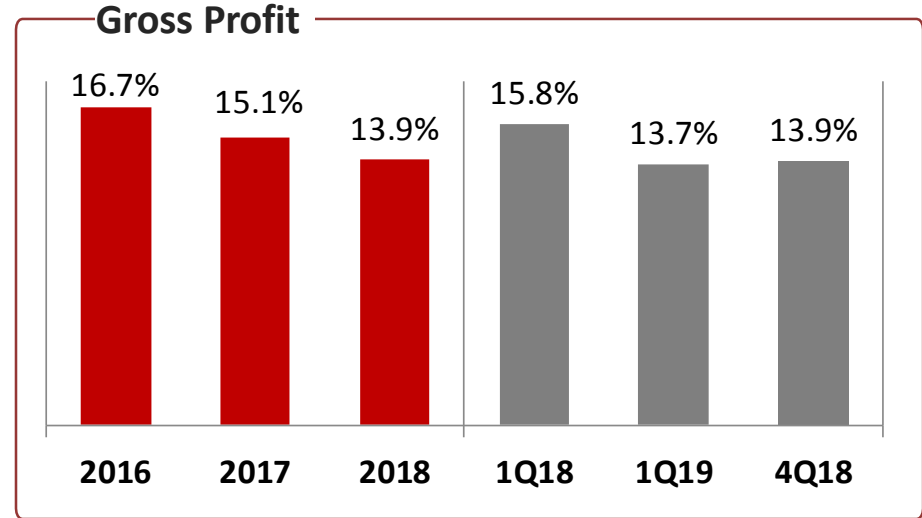
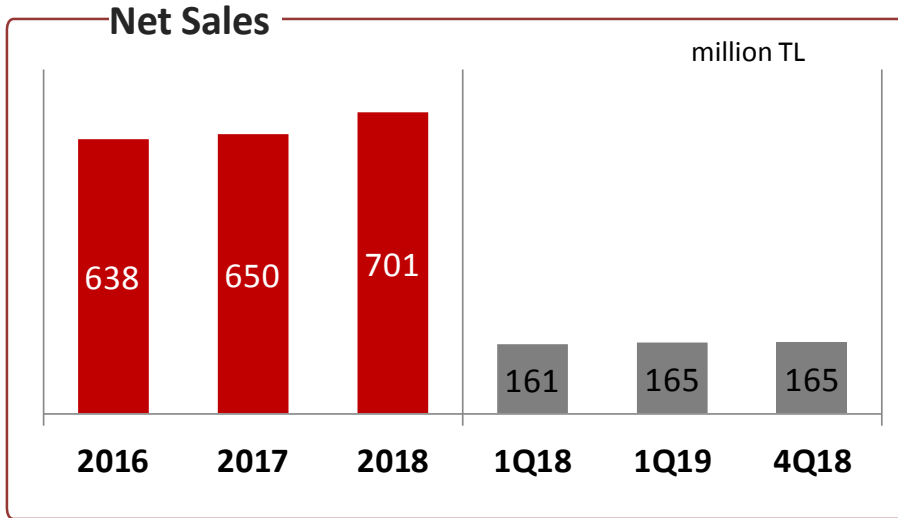
INCOME STATEMENT

(Million TL)	1/1/2019 3/31/2019	1/1/2018 3/31/2018	Difference	Change
Net Sales	164.9	161.2	3.7	2.3%
Cost of Goods Sold	(142.4)	(136.1)	(6.3)	4.6%
Gross Profit	22.6	25.2	(2.6)	-10.3%
R&D Expenses	(0.5)	(0.8)	0.3	-38.9%
Sales, Distribution and Marketing Expenses	(8.0)	(7.7)	(0.3)	3.4%
General Administrative Expenses	(6.2)	(5.7)	(0.5)	9.0%
EBIT	8.0	11.1	(3.1)	-27.9%
EBITDA	12.1	14.5	(4.7)	-16.1%
Shares of Results of Investments in Associates	(4.9)	7.4	(12.4)	-166.1%
Other Expenses (Net)	1.0	0.8	0.2	28.5%
Financial Expenses (Net)	(0.2)	0.0	(0.2)	-9661.2%
Profit Before Tax	3.9	19.3	(15.4)	-79.9%
Tax	(1.8)	(0.0)	(1.7)	4136.8%
Net Profit for the Period	2.1	19.3	(17.2)	-89.1%

SALES AND PROFITABILITY – ANNUALLY



SALES AND PROFITABILITY - QUARTERLY





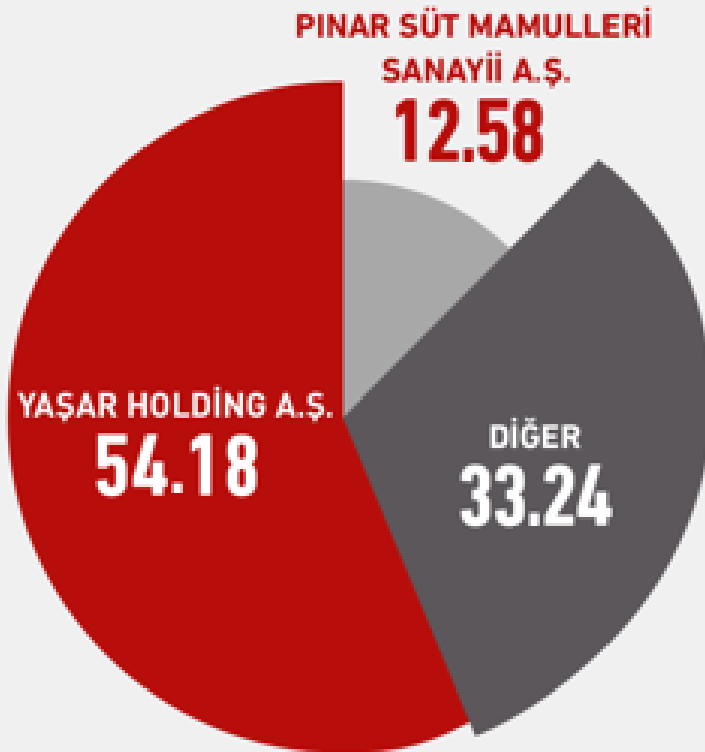
FINANCIAL RATIOS

	2015/12	2016/12	2017/12	2018/12	2019/03	
Current Ratio	1.65	1.67	1.61	1.65	1.34	
Leverage Ratio	0.22	0.23	0.23	0.24	0.29	
Current Borrowings/Total Borrowings (Fin	1.00	1.00	1.00	1.00	0.87	
Net Fin. Borrowings/EBITDA	0.02	0.04	0.05	0.07	-	0.09
Net Fin. Borrowings/Equity	0.00	0.01	0.01	0.01	-	0.01
Return on Equity (ROE)	17.7%	14.5%	12.9%	11.8%		8.9%

CAPITAL EXPENDITURES

	2015	2016	2017	2018	2018/03	2019/03
Capital Expenditures	14.7 m TL	16.0 m TL	17.9 m TL	28.9 m TL	4.2 m TL	1.0 m TL

SHAREHOLDING STRUCTURE OF PINAR ET (%)



Shareholder	Share Rate (%)	Share Amount (TL)
YAŞAR HOLDİNG A.Ş.	54.18	23,476,894.71
PINAR SÜT MAMULLERİ SANAYİİ A.Ş.	12.58	5,451,752.25
OTHER	33.24	14,406,353.04
Total	100.00	43,335,000.00

The company's shares are traded at Borsa İstanbul «Star Market» under the ticker symbol of PETUN.



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Company's financial statements are available on www.kap.gov.tr and www.pinar.com.tr websites.

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