

The sector's leading author of innovations and firsts



Chairperson's Message

Turkey's first privately-owned and operated integrated meat plant, since the day it was founded Pinar Et has been providing consumers with wholesome, tasty, hygienic products and maintaining its standing as a sectoral pioneer through the innovations and firsts that it introduces to the market.

30 years

Three decades of uninterrupted attention to excellence have made Pinar Et a brand that consumers say they have the most confidence in.

Esteemed shareholders,

Pinar Et: The name of quality and flavor for three decades

Turkey's first privately-owned and operated integrated meat plant, since 1983 Pinar Et has been providing consumers with wholesome, tasty, hygienic products and maintaining its standing as a sectoral pioneer through the innovations and firsts that it introduces to the market.

Constantly striving to raise the bar by which its quality is judged and concentrating at all times on the rules of hygiene, Pinar Et's production conforms to international standards and complies with EU directives. Pinar Et is a member of the Yaşar Group, one of Turkey's biggest and most respected corporate groups. It is Turkey's leading maker and purveyor of charcuterie and frozen meats and meat products.

In the course of three decades, Pinar Et's perfectionist approach has always been recognized and appreciated by consumers, who have made it one of Turkey's most trusted and respected brands.

Pinar Et's 2013 performance further strengthened its stature as a market leader.

In 2013 our company booked gross sales of TL 593 million, which were up by 15% year-on, while its exports also increased by 29% last year. Our exports, which we continued to expand by entering new markets, reached USD 5.3 million in value.

In 2013 a new ministry communique governing meats and meat products went into effect in Turkey. While this constricted the overall market in some respects by imposing new rules, it also made it possible for Pinar Et to gain additional market share in every product category and segment in which it is active. In the case of charcuterie, Pinar Et boosted its share of total turnover by 2.3 percentage points to 22.9%.

A breakdown of our sales in processed meats shows that 31% consisted of soudjous, 46% of salamis, and 23% of sausages.

Pinar Et remains the leading supplier of frozen meat products in Turkey. Last year we continued to grow that market by means of an information campaign. In the manti and börek segments, which we entered not long ago to expand our presence in frozen foods, we increased our market shares to 14.8% and 24% respectively.

We introduced 14 new products to the market.

In late 2012 the Food, Agriculture and Livestock Ministry published a new communique concerning meats and meat products that went into effect in March 2013. This communique governs a host of technical issues related to the production, packaging, and marketing of meat products; it also introduced a number of radical changes pertaining to meat product definitions and content. One outcome of these new rules was to significantly constrict the market while pushing price levels up but they also fueled a trend favoring higher added-value products.

For our own part we continued without letup our efforts to expand our product portfolio in line with our charted course of differentiating Pinar Et with precisely such products and of pursuing growth in all such segments.

With its extensive product lineup, Pinar Et has the ability to satisfy the needs and expectations of different customer groups, creates new market segments with its product innovations, and sets the trends that the rest of the sector's players follow.

In 2013 Pinar Et introduced fourteen new products, of which thirteen were for the home market and one for export.

In 2013 Pınar Et completely overhauled its charcuterie and frozen food product lines in order to ensure compliance with recently introduced regulatory changes. Our company's "Aç Bitir" ("Single-Portion") line registered especially strong growth last year. Now being imitated by our competitors, these products helped Pınar Et maintain its control of the fast-growing pre-sliced salamis market.

Pınar Et spent a total of TL 23.4 million on investments in 2013. Our reorganized Red Meat Charcuterie production division commenced operations early in the year and our fully-automatic sliced products packaging line went into production in the second half of the year.

In 2013 we carried out a communication investment in the small pre-sliced salami category. We intend to follow this up by supporting our growth in the Quick-Portion segment with similar investments for small-package soudjouks and sausages that can be consumed in one go.

Sales in our "Pınar Et Gurme" line of charcuterie products were strongly up in 2013. We intend to pursue additional growth in this brand with more investments in 2014.

In the frozen foods group, our growth plans are focused especially on dough products. In 2013 we launched four new frozen böreks that we had identified as having strong market appeal.

We are fulfilling our quality commitment to the utmost.

Pınar Et employs an integrated quality management system that covers all aspects of its production processes with the aim of ensuring that its products are made and supplied to consumers under conditions that are safe, wholesome, and hygienic. All quality management system practices are rooted in strict process management principles, are compatible with internationally-recognized standards related to food safety and procurement, and are governed by the Company's FSSC 22000 Food Safety Management System and Hazard Analysis & Critical Control Point System certifications.

Pınar Et's production facilities and operations are audited annually both by the Turkish Standards Institution and by SAI Global, an internationally-respected independent food inspection agency. In 2013 the Company was again inspected by both organizations, which again assigned "A" ratings to all of its management systems.

Our corporate governance rating has risen to 9.16/10.

The pioneer and leader of the Turkish meat and meat products industry, Pınar Et is also rated on its corporate governance performance. In its report issued last year, SAHA Corporate Governance and Credit Rating Services increased the Company's corporate governance rating from 8.77 to 9.16 out of 10.

The values, tenets, and practices common to all Yaşar Group companies are naturally taken into full account at Pınar Et as well. Recognizing the principles of commitment, transparency, accountability, and sharing as essential elements of our corporate pledge to stakeholders and acknowledging them as the cornerstones of our corporate governance approach, we maximize the internalization of those principles as we regard them as the cement binding together the successful management of our sustainable, profitable growth and the fulfillment of our vision of being a future-focused company.

Consumers' confidence is what propels us forward.

The fundamental determinants of Pınar Et's growth roadmap are innovative, technology-supported production strengths, a vision informed by deep-rooted experience, and a reputation as a responsible and trusted producer.

Pınar Et keeps a close watch on consumers' wishes and expectations in all product segments continuously and in a variety of ways. It analyses its findings and observations and uses this information as input for its product development processes. While providing the quality protein that is essential to good nutrition, Pınar Et also gives the utmost priority to the issues of food safety and traceability.

One outcome of this approach is that Pınar Et's charcuterie products were preferred by 42% of households in Turkey in 2013.

As a company whose standards and principles make it a firm that is trusted, followed, and imitated in its sector, Pınar Et is determined to keep advancing along the path of quality and flavor.

In closing I thank all of our stakeholders for accompanying us on this journey while offering my sincerest gratitude to our consumers for preferring our products and to our shareholders for their steadfast support.

İdil Yığıtbaşı

Chairperson of the Board of Directors

As a company whose standards and principles make it a firm that is trusted, followed, and imitated in its sector, Pınar Et is determined to keep advancing along the path of quality and flavor.