

PINAR ENTEGRE ET VE UN SAN. A.Ş.

Earnings Presentation, 2016-Q1

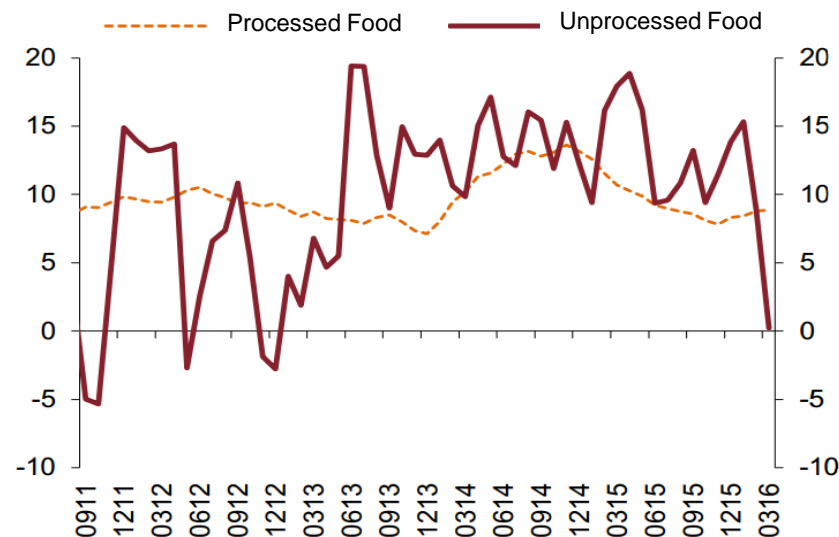


- In the first quarter of 2016, the processed meat market*, consisting of 31% salami, 17% sausage, 46% soudjouk, decreased by 0.1% in terms of value and 7.2% in terms of volume.
- The carcass meat and livestock imports by Meat and Milk Organization supported the domestic supply. In this way, red meat prices remained relatively stable.
- Net sales increased by 5.4% thus the company realized 145.4 m TL net sales, and acquired 18.0 m TL EBITDA and 16.7 m TL net profit in the first period of 2016.

Meat Prices

- Red meat prices showed an upward trend between 2013 and 2015 and remained stable in 2015-Q4. Although red meat prices increased in January 2016, they went down between February and March 2016.
- While the processed food inflation were increasing slightly, the unprocessed food inflation decreased sharply in the first quarter of 2016. (TSI)

Food Prices



Source: TSI,CBRT

- Decrease in unprocessed food prices affected the decline in Consumer Price Index (CPI) in the first quarter of 2016. In that period, annual CPI realized at 7.46% while annual food inflation was 4.06%. (CBRT)

Meat Production and Number of Animals in Turkey

	Ovine	Bovine	Total	Growth
2013	38.5 m	14.5 m	53.0 m	
2014	41.5 m	14.3 m	55.8 m	+5.3%
2015	41.9 m	14.1 m	56.1 m	+0.4%

Source: TSI

Packaged Delicatessen

	Volume Share	Penetration
2013	49.0%	88.1
2014	54.2%	88.2
2015	59.4%	90.8

Source: IPSOS

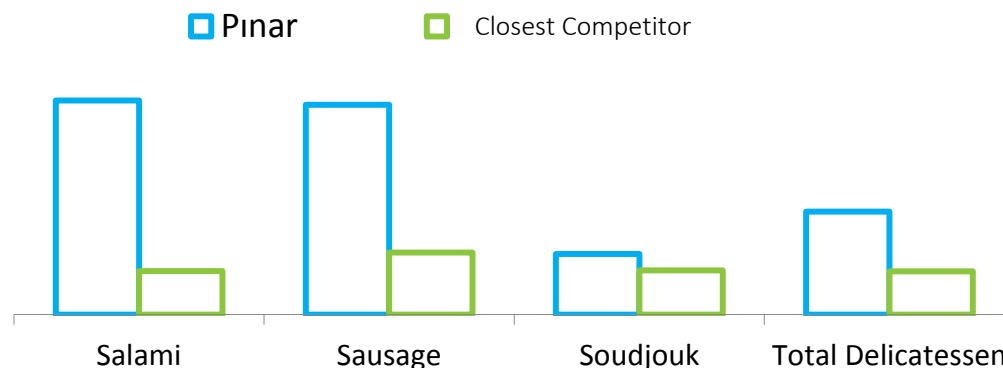
Products	Share	Position
Salami	43.2%	#1
Sausage	42.3%	#1
Soudjouk	12.2%	#1
Total Delicatessen	20.8%	#1

- In the first quarter of 2016, total processed meat market narrowed by 0.1%, YoY. (BİM&A101 excl., Nielsen)

Source: Nielsen, 2016, Value Share

(BİM&A101 excl.)

- The company has a market share of 20.8 % in total delicatessen market which is about 2 fold than nearest competitor.



Source: Nielsen, 2016, Value Share

New Products and Packages



New Products and diversified packaging launches continued in both delicatessen and frozen products categories.

2016-Q1 | Income Statement

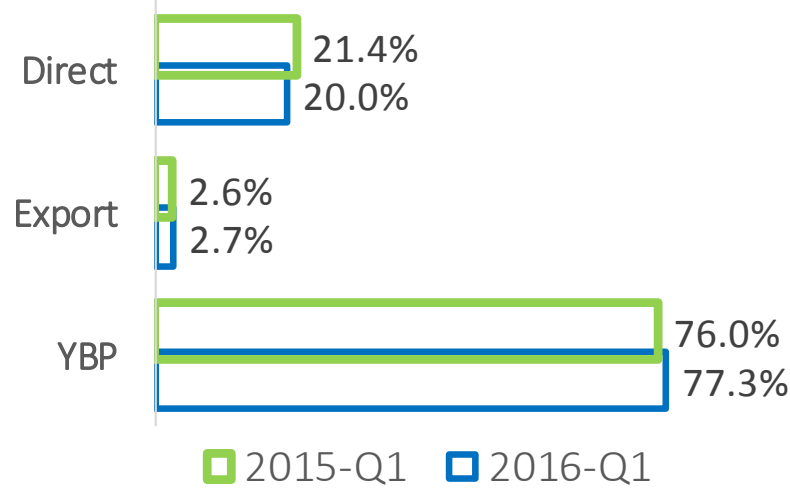
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(Million TL)	31.03.2016	31.03.2015	Difference	% Change
Net Sales	145.4	138.1	7.4	5.4
Cost of goods Sold	(118.5)	(113.1)	(5.4)	4.8
Gross Profit	26.9	24.9	2.0	8.1
R&D Expenses	(0.5)	(0.4)	(0.0)	6.8
Sales, Distribution and Marketing Expenses	(6.7)	(8.6)	1.8	(21.3)
General Administration Expenses	(5.4)	(4.6)	(0.8)	18.4
EBIT	14.3	11.3	3.0	26.1
Share of Results of Investments in Associates	4.4	3.8	0.6	15.2
Other Income	0.9	0.9	0.0	4.1
Other Expenses	(0.3)	(0.7)	0.4	(54.9)
Financial Income (Net)	0.4	0.5	(0.1)	(24.1)
Profit Before tax	19.6	15.8	3.8	24.3
Tax	(2.9)	(1.9)	(1.0)	53.7
Net Profit for the Period	16.7	13.9	2.8	20.3
EBITDA	18.0	14.6	3.4	23.1
Total Assets	536.4	471.7	64.7	13.7
Equity	376.9	330.4	46.5	14.1

2016-Q1 | Sales Breakdown

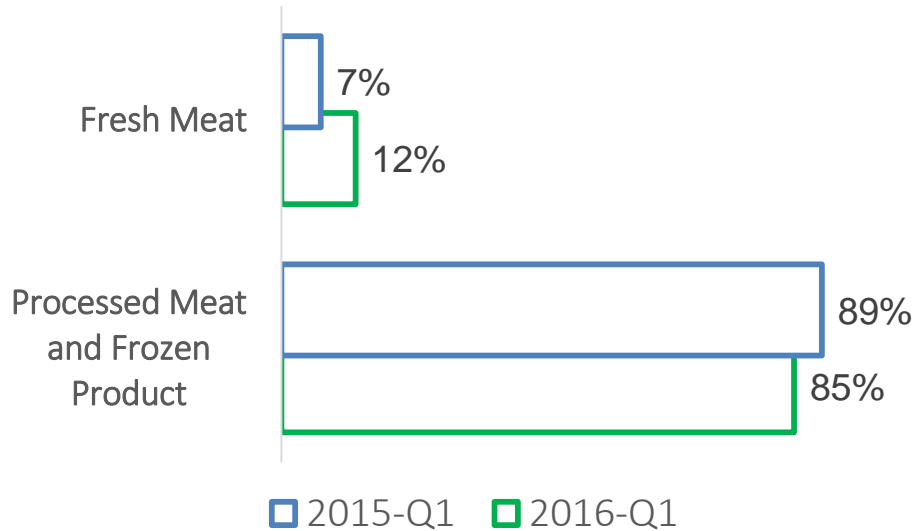
Sales Channels

Net Sales



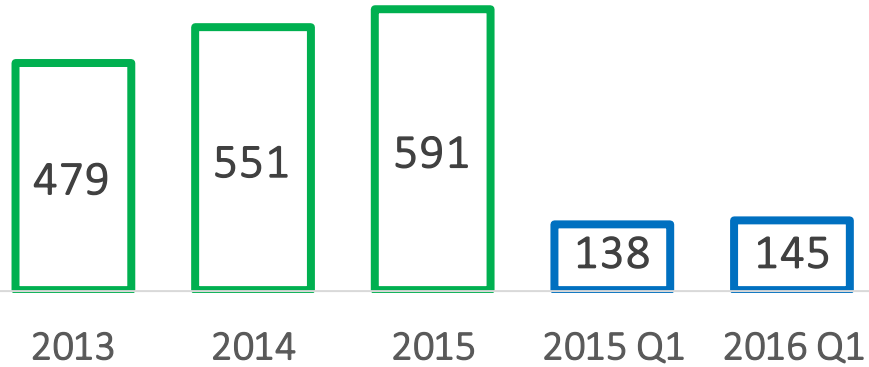
Product Portfolio

Net Sales

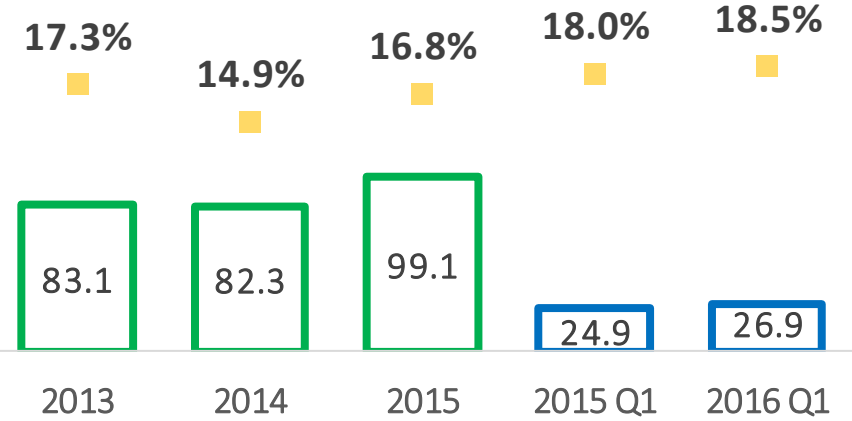


2016-Q1 | Sales and Profitability

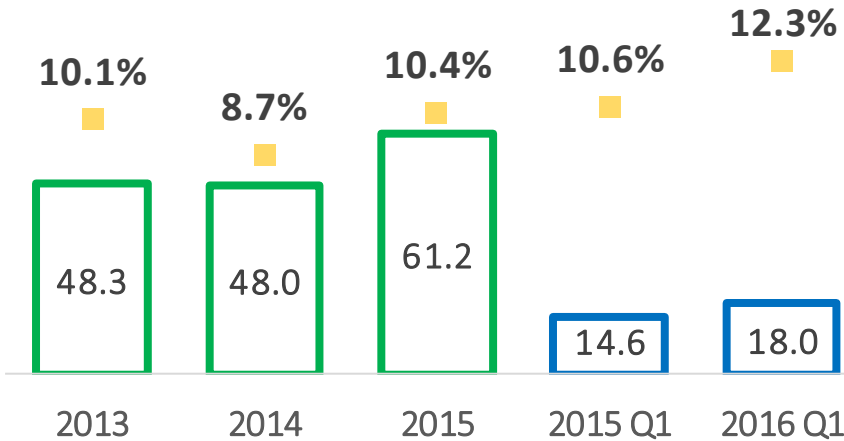
Net Sales (m TL)



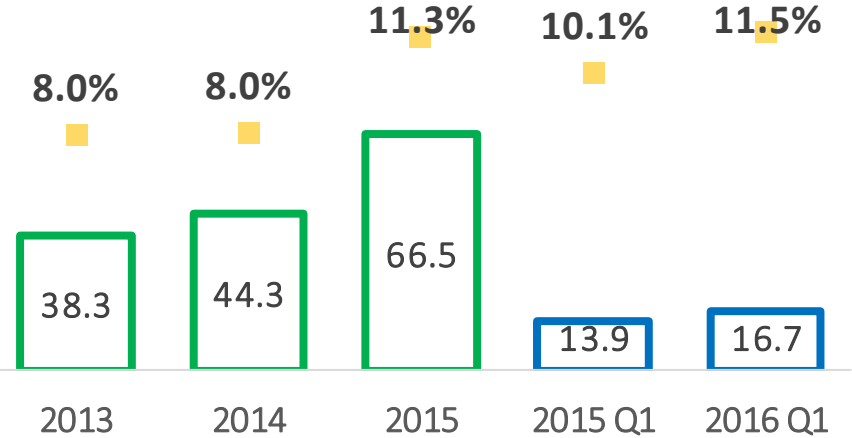
Gross Profit (m TL)



EBITDA* (m TL)



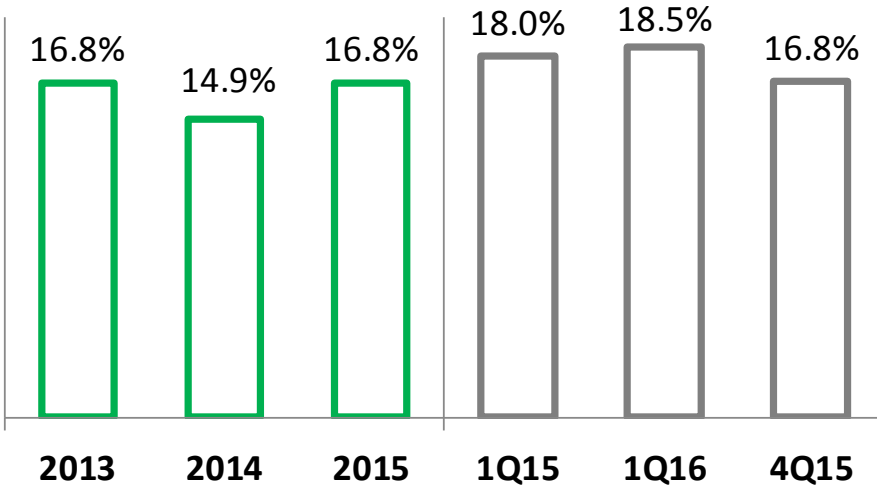
Net Profit (m TL)



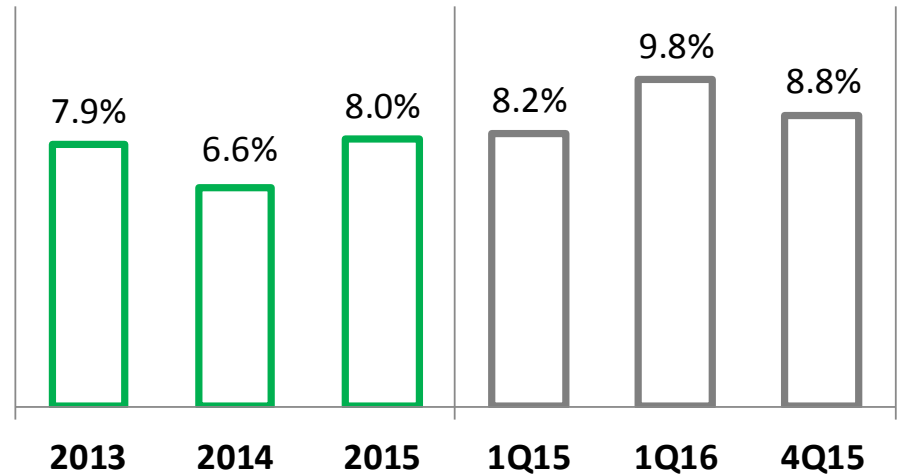
■ Profit margin

2016-Q1 | Profit Margins

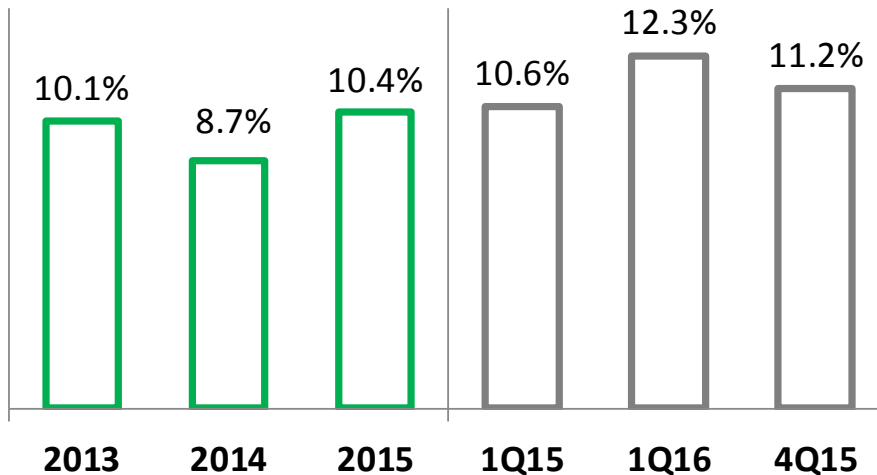
Gross Profit



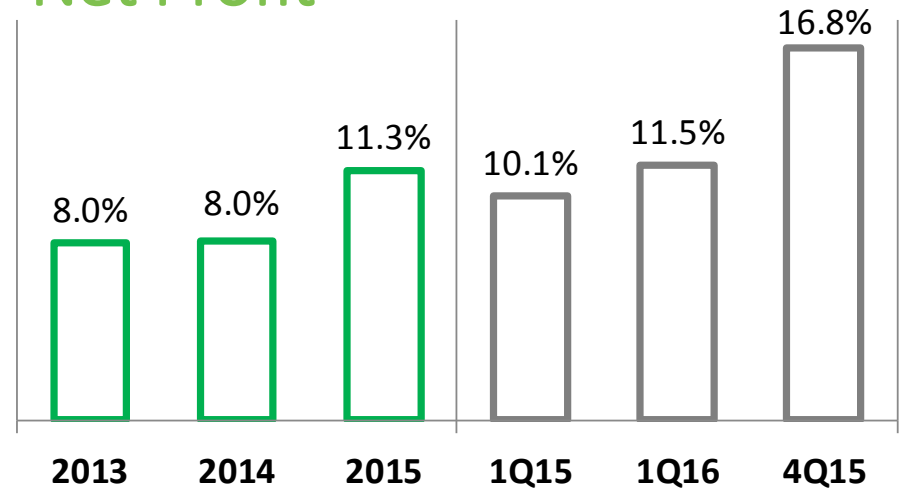
EBIT



EBITDA*



Net Profit



Balance Sheet Ratios

	2012/12	2013/12	2014/12	2015/12	2016/03
Current Ratio	1.86	1.70	1.47	1.65	1.26
Leverage Ratio	0.23	0.25	0.23	0.22	0.30
Current Borrowings/Total	1.00	1.00	1.00	1.00	1.00
Net Borrowings/EBITDA	0.24 -	0.27 -	0.01	0.09	0.07
Net Borrowings/Equity	0.04 -	0.04 -	0.00	0.003	0.003
Return on Equity (ROE)	10.43%	11.79%	13.07%	17.72%	17.71%

- Focus on risk management
- Effective working capital management
- Strong balance sheet and liquidity management

Investments

	2012	2013	2014	2015
CAPEX	10.7 m TL	23.4 m TL	20.5 m TL	14.7 m TL

1.8 m TL capital expenditure was realized in the first quarter of 2016.

- An effective inventory management,
- A product portfolio targeting needs of various segments
- A wide spread distribution
- An efficient utilization of social media
- Developments in “Away from Home” market
- Continuing marketing investment
- Growing beyond the market in strategic segments

Ownership | Participations | Auditors

Ownership Structure

Yaşar Holding A.Ş.	54%
Pınar Süt	13%
Free Float	33%

Participations

	Share in Capital%
Yasar Birleşik Pazarlama A.Ş.	42,8
Bintur Catering A.Ş.	1,3
Desa Enerji A.Ş.	26,4
Çamlı Yem A.Ş.	23,4
Yaşar Dış Ticaret A.Ş.	1,8
Pınar Foods Gmbh	44,9

Auditors

Financial Affairs

Price Waterhouse Coopers
Ernst&Young

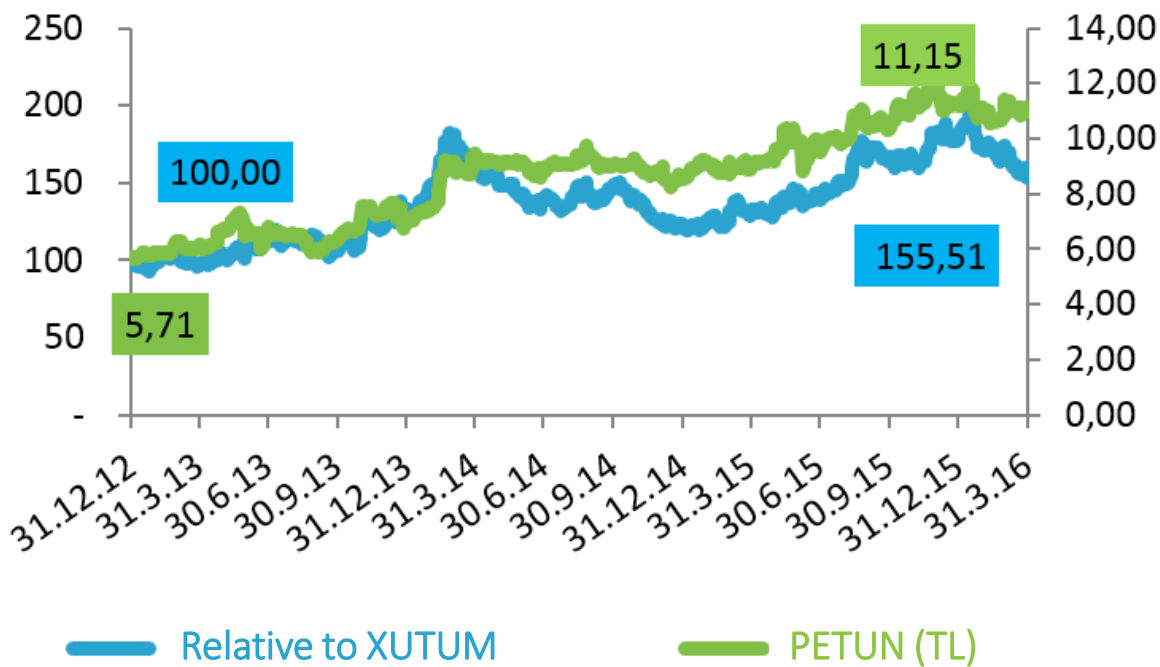
Production

SAI Global
TSE
Alberk QA
Intertek

Corporate Governance

Saha Rating

Stock Performance



(TL)

Corporate Governance Rating : 9.20

Borsa İstanbul Ticker Symbol: PETUN

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Thank you!

