



PINAR ENTEGRE ET VE UN SAN. A.Ş.

2017-H1 Earnings Presentation



2017-H1 | Highlights

Delicatessen Market*

Compared to the same period of the previous year;

- Market turnover grew by 11.5%, YoY
- Volume grew by 10.0%, YoY
- The highest volume growth is in sausages (14.4%)
- Market consisted of:
31% salami
21% sausage
42% soudjouk
6% others

(*Nielsen, BiM excl.)

Consumer Price Index

- Annual Consumer Price Index (CPI) was 10.9% at the end of June
- Annual change in CPI increased in the first four months of the year compared to the previous month, then declined in May and June.
- Annual unprocessed food inflation occurred as 21.2% at the end of June
- In May, annual unprocessed food inflation (27.3%) was the highest level since October 2010

Source: TSI

Red Meat Prices

- The increase in red meat prices continued in the second quarter.
- The customs tax rate for carcass meat and butchery livestock has been reduced by the end of June.

2017-H1 Financial Summary

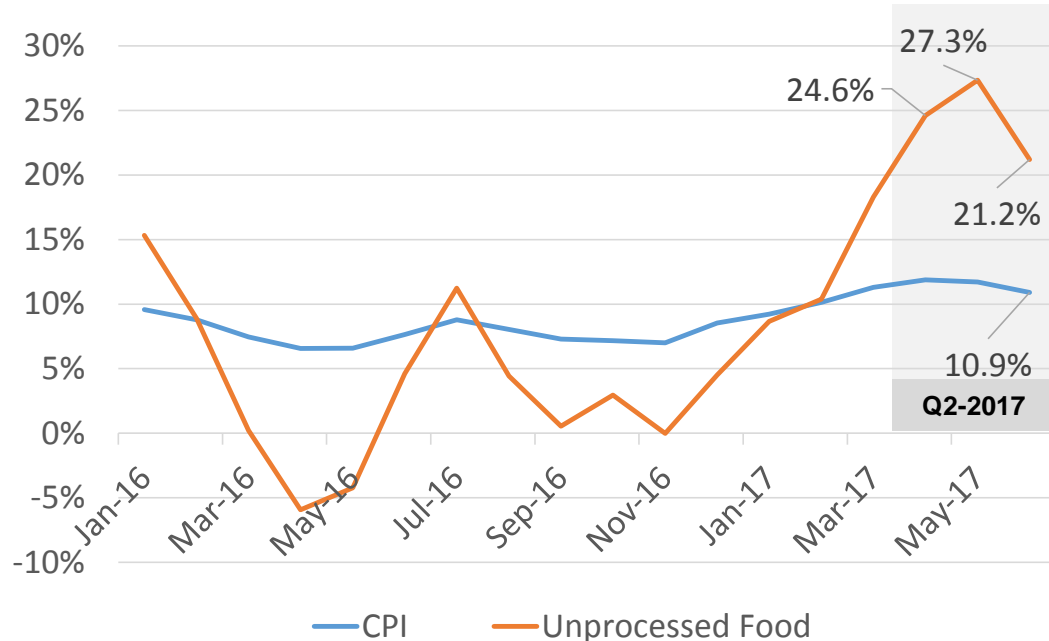
- Compared to the same period of the previous year, Turnover grew by 0.4%, YoY.
- Net Sales; 311.9 million TL
- EBITDA; 30.9 million TL
- Net profit; 25.5 million TL

2017-H1 | Market Dynamics

Unprocessed Food Prices

- In the second quarter of the year, unprocessed food prices inflation was above general inflation significantly.
- In this period, annual food inflation reached up to 14.34% due to unprocessed food prices.

Source: CBRT



Source: TSI, annual changes

Number of Bovine Butchered in Turkey

Total Bovine Growth	
2014	3.7 m
2015	3.8 m +1.4%
2016	3.9 m +3.6%

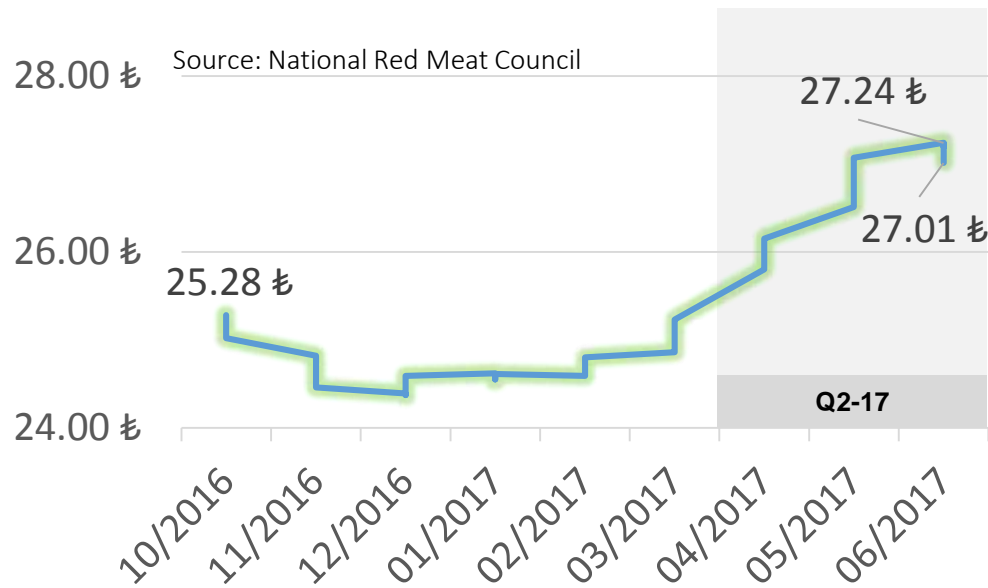
Source: TSI, million-number

- Total red meat production rose by 2.1% and reached 1.2 million tones in 2016. Total production including poultry meat is 3.1 million tones.

Source: TSI

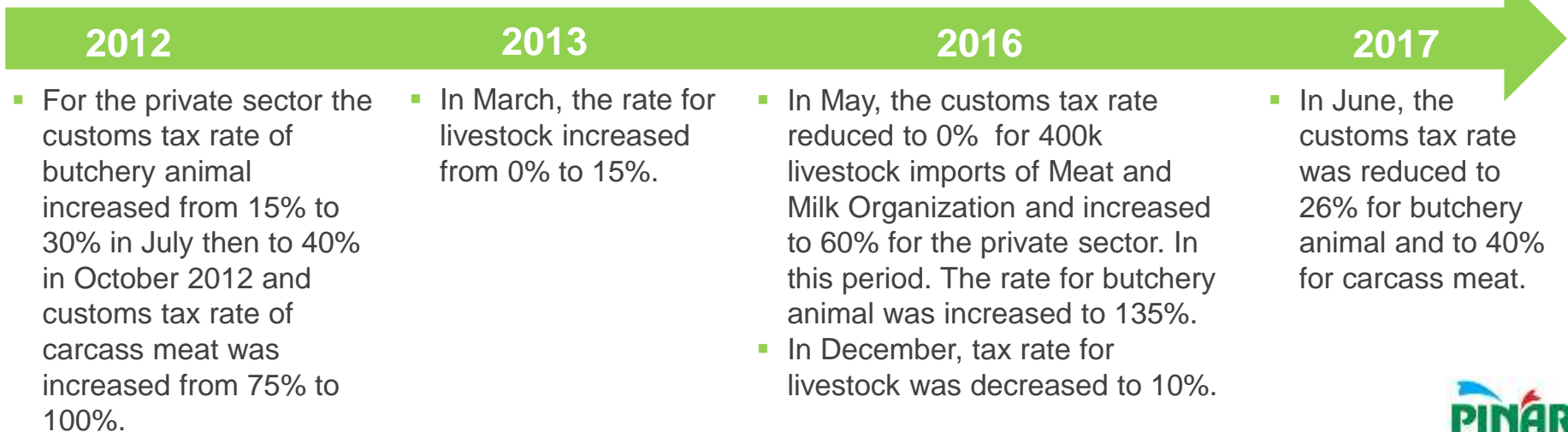
2017-H1 | Market Dynamics

Beef Fat-Free TL/KG



- The increase in red meat prices is mainly due to domestic supply deficiency.
- The price of beef has gone up by 14% since the beginning of the year.

Customs Tax Rates

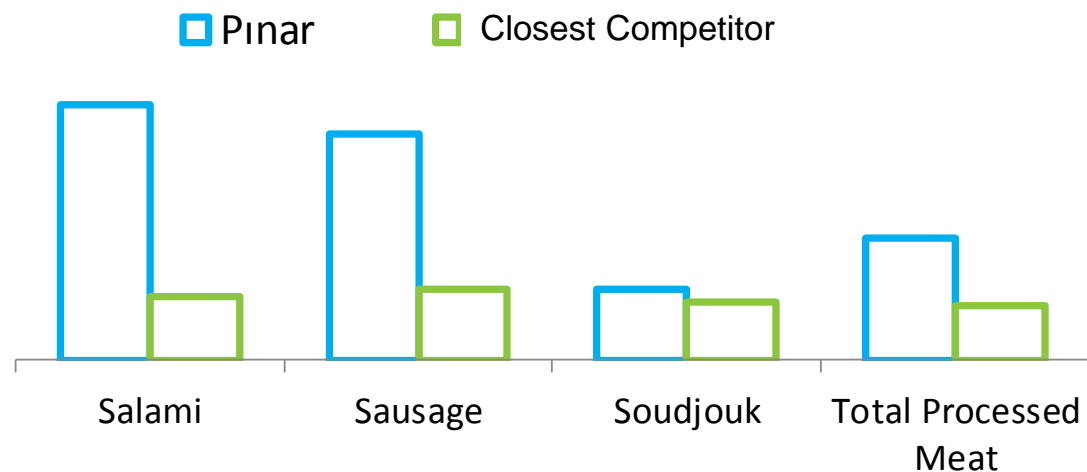


2017-H1 | Market

Products	Share	Position
Salami	41.8%	#1
Sausage	37.1%	#1
Soudjouk	11.4%	#1
Total Processed Meat	19.9%	#1

■ In the first half of 2017, total processed meat market (red meat and poultry) grew by **11.5% in turnover** and **10.0% in volume**, YoY.

- The company has a market share of **19.9%** in total processed meat market which is more than 2 fold its closest competitor.



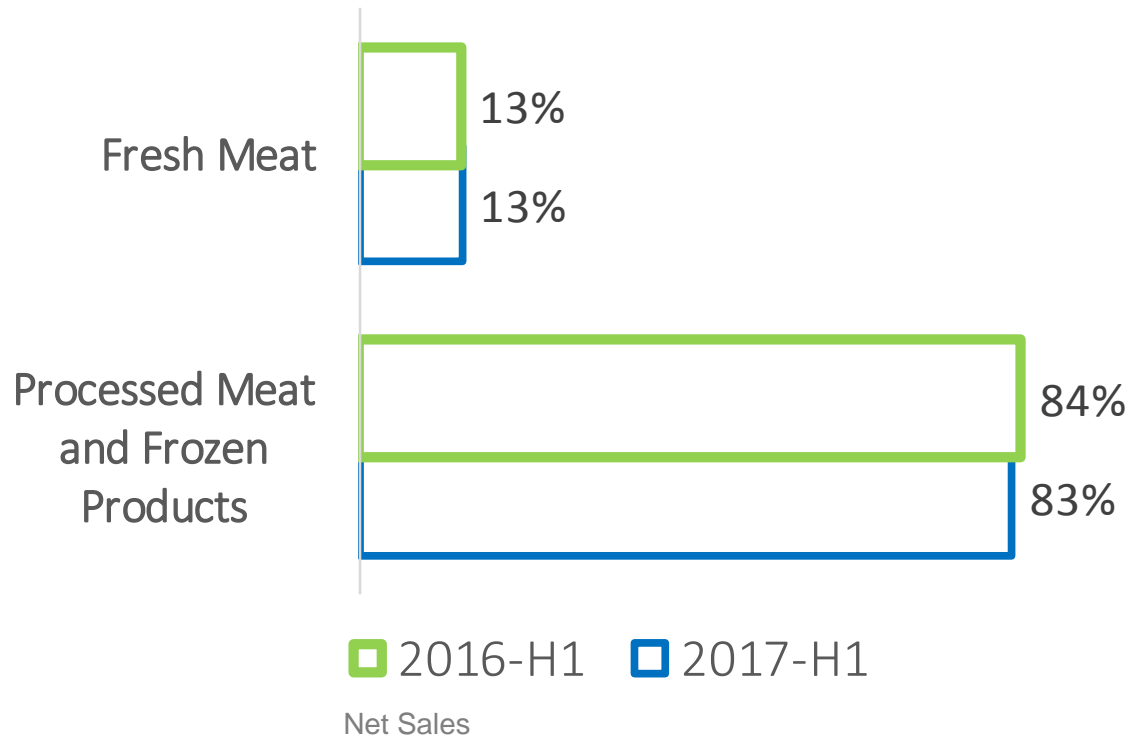
2017-H1 | New Products



- New product launches continued in both delicatessen and frozen categories.

2017-H1 | Sales Breakdown

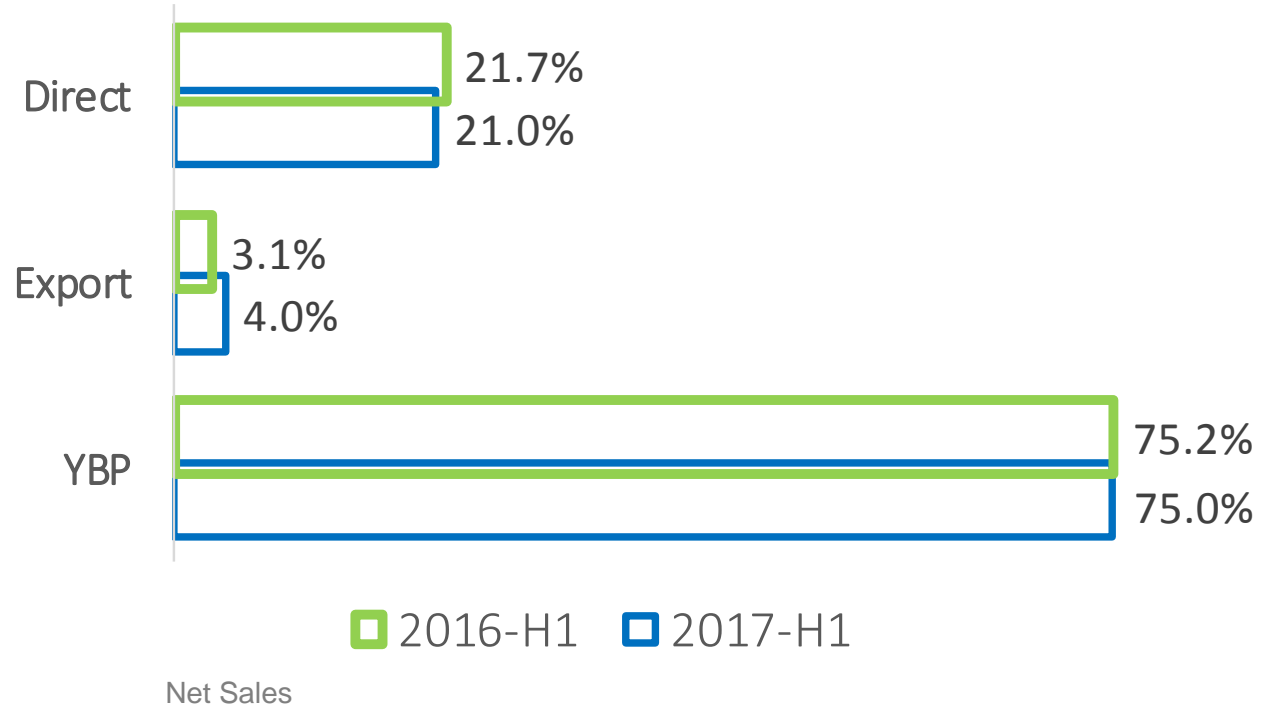
Product Portfolio



- The first half of 2017 company's turnover grew by 0.4%, YoY.

2017-H1 | Sales Breakdown

Sales Channels



- Yaşar Birleşik Pazarlama, which is the distribution company of Yaşar Food Group, ranks 116th in 2016 in the top 500 rankings of Fortune magazine.

2017-H1 | Income Statement

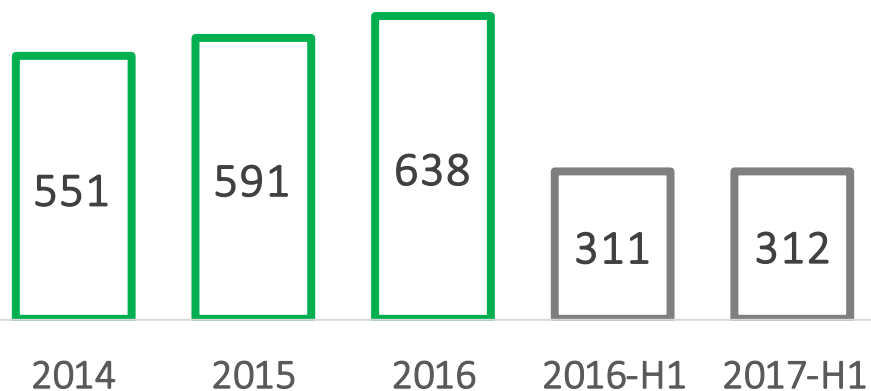
(Million TL)

	H1-2017	H1-2016	Difference	% Change
Net Sales	311.9	310.8	1.1	0.4
Cost of Goods Sold	(266.1)	(256.0)	(10.1)	4.0
Gross Profit	45.8	54.8	(9.0)	(16.4)
R&D Expenses	(0.9)	(0.9)	0.1	(8.1)
Sales, Distribution and Marketing Expenses	(12.1)	(17.7)	5.6	(31.8)
General Administration Expenses	(10.4)	(11.4)	1.0	(8.6)
EBIT	22.5	24.8	(2.3)	(9.3)
Shares of Results of Investments				
In Associates	3.8	8.8	(5.1)	(57.3)
Other Expenses (Net)	1.1	1.1	0.0	0.3
Financial Expenses (Net)	1.8	0.8	1.0	115.1
Profit Before Tax	29.2	35.6	(6.4)	(18.0)
Tax	(3.7)	(5.1)	1.4	(26.8)
Net Profit for the Period	25.5	30.5	(5.0)	(16.5)
EBITDA	30.9	32.3	(1.3)	(4.1)
Total Assets	552.7	541.9	10.8	2.0
Equity	397.4	389.7	7.7	2.0

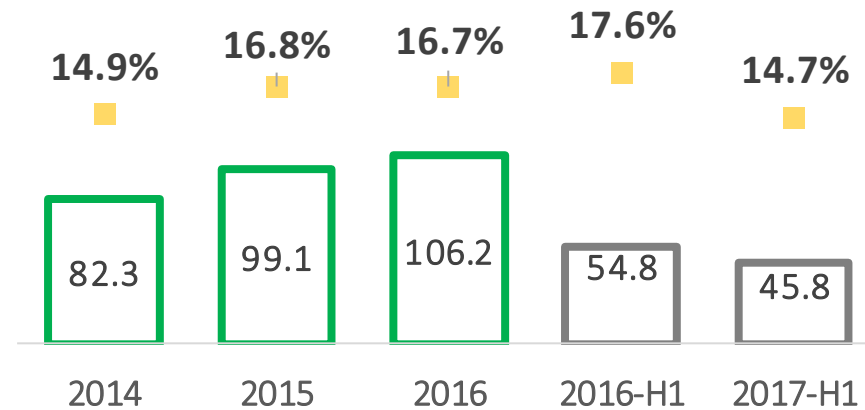
2017-H1 | Sales and Profitability

■ Profit margin

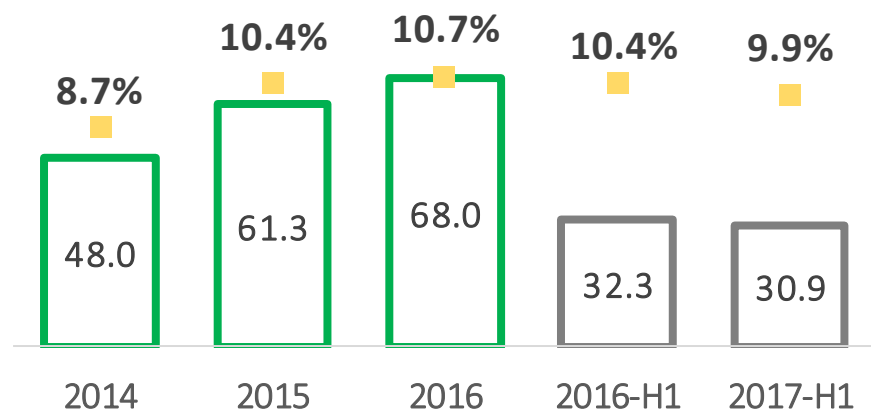
Net Sales (m TL)



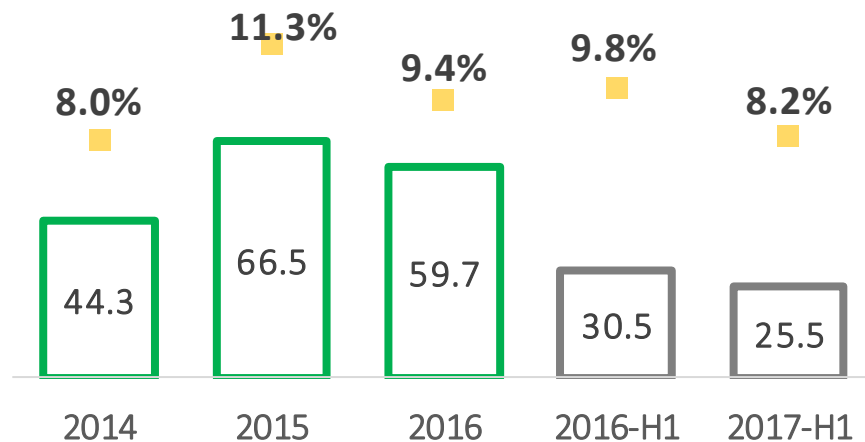
Gross Profit (m TL)



EBITDA* (m TL)



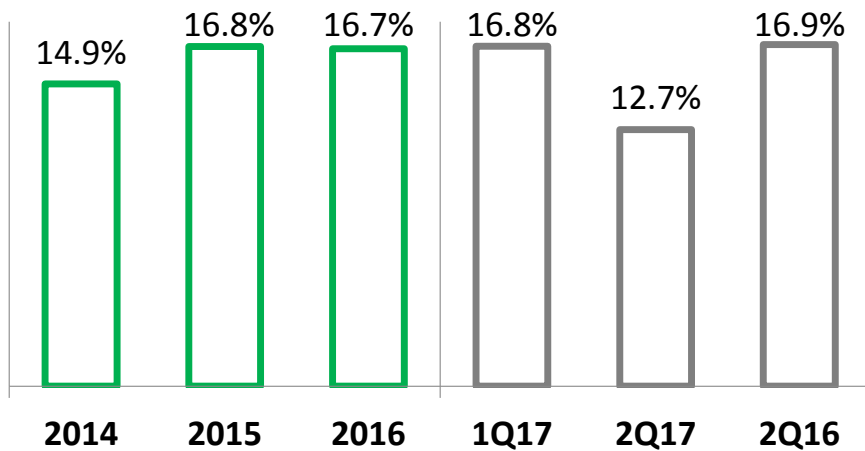
Net Profit (m TL)



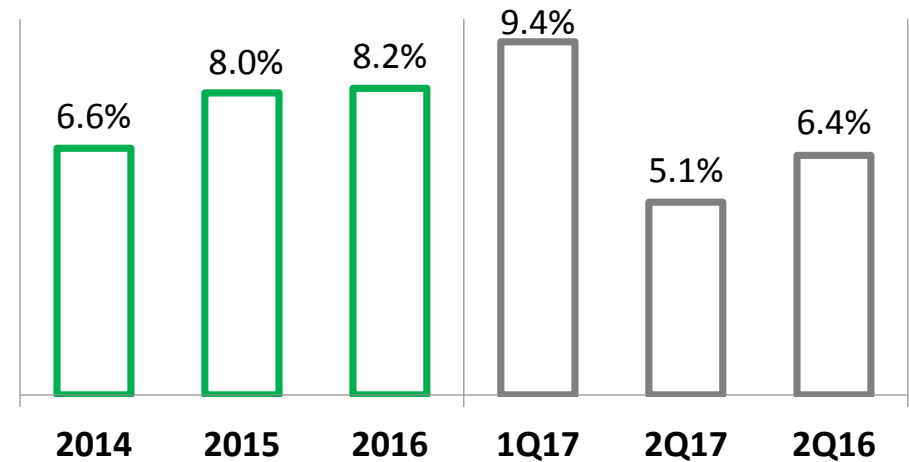
* Earnings before interest, tax, depreciation and amortization (Excl. other income and expenditures)

2017-H1 | Profit Margins

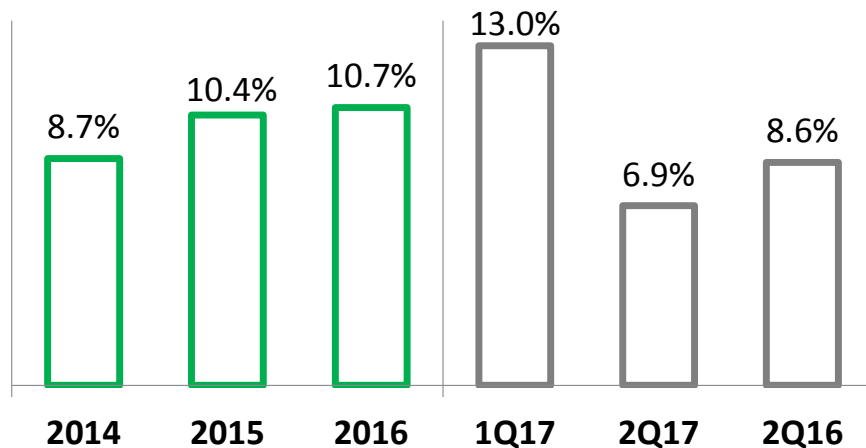
Gross Profit



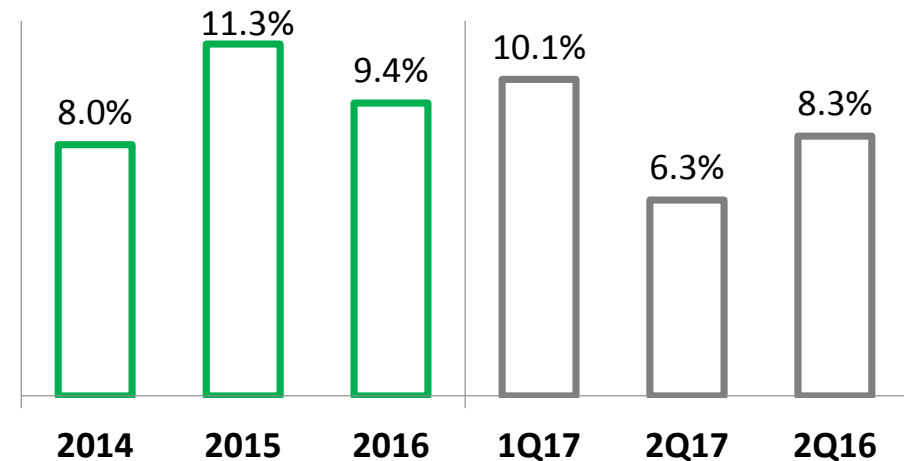
EBIT



EBITDA*



Net Profit



* Earnings before interest, tax, depreciation and amortization (Excl. other income and expenditures)

2017-H1 | Financial Ratios

Balance Sheet Ratios

	2013/12	2014/12	2015/12	2016/12	2017/06
Current Ratio	1.70	1.47	1.65	1.67	1.37
Leverage Ratio	0.25	0.23	0.22	0.23	0.28
Current Borrowings/Total Borrowings (Fin.)	1.00	1.00	1.00	1.00	1.00
Net Fin. Borrowings/EBITDA	- 0.28	- 0.02	0.02	0.04	0.07
Net Fin. Borrowings/Equity	- 0.04	- 0.00	0.00	0.01	0.01
Return on Equity (ROE)	11.79%	13.07%	17.72%	14.47%	13.89%

Investments

	2014	2015	2016	2016-06	2017-06
Capex Expenditures	20.5 m TL	14.7 m TL	16.0 m TL	3.9 m TL	5.7 m TL

Ownership | Participations | Auditors

Ownership Structure

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

Participations

	Share in Capital %
Yaşar 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

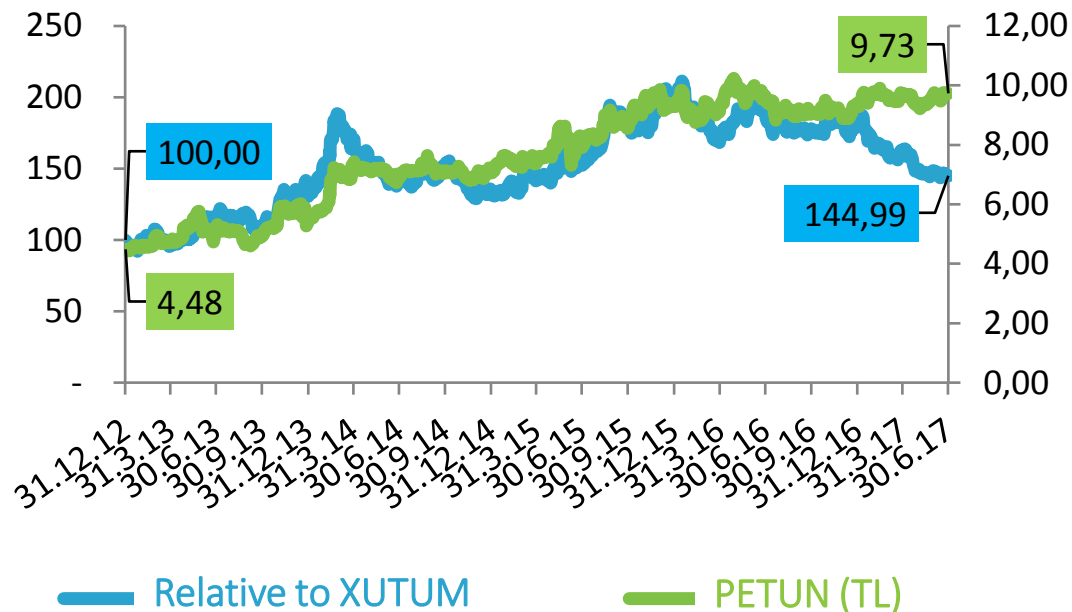
Production

TSE
SAI Global
Intertek
Tübitak
Kalite Sistem Group

Corporate Governance

Saha Rating

Stock Performance



(TL)

Corporate Governance Rating:	9.26
Borsa İstanbul Ticker Symbol:	PETUN
Date of Listing:	1986-02-03

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Thank You.

