



Pinar Et

Earnings Presentation
2019-H1



First private
integrated meat
processing plant



150 thousand
NUMBER OF SALES
POINTS

Production inline with
Turkish Food Codex
and EU standards

102 thousand bovine
408 thousand ovine
1.8 million turkey

SLAUGHTERING AND
PROCESSING CAPACITY

Partial backward
integration



209 thousand
m² outdoor
51 thousand m²
indoor
PRODUCTION AREA



PURCHASING
SPREADS OVER
6 REGIONS

AVERAGE
350
PRODUCTS IN
5 CATEGORIES



353.5

**Million TL Net
Sales**

4.5%

Turnover Growth

29.5

Million TL EBITDA

3.2

**Million Dollar
Export Turnover**

1.9

**Million TL
Investment**

758

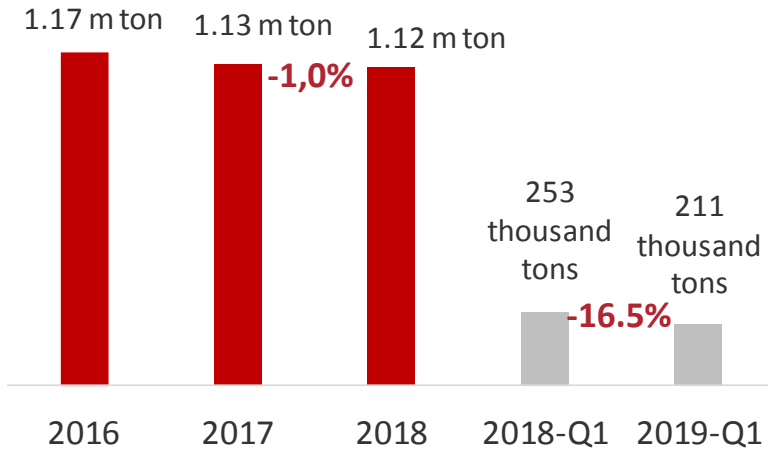
**2019-H1 Number of
Employees**

- The red meat prices rose by 7.3% in 2019-H1 compared to the same period of the last year. (*fat-free beef prices of National Red Meat Council.)
- In the first quarter of the year, red meat production in Turkey decreased by 16.5% compared to the same period of previous year as 211 thousand tons. (TSI)
- In first five months of 2019, a decrease (18%) occurred in turkey meat production compared with the first 5 months of the previous year. (TSI)
- Compared to the last year, total processed meat market in 2019-H1 in Turkey achieved a growth of 14% in turnover. However, there wasn't any significant increase in volume. (Nielsen, BIM excluded value share)

PRODUCTION AND COST

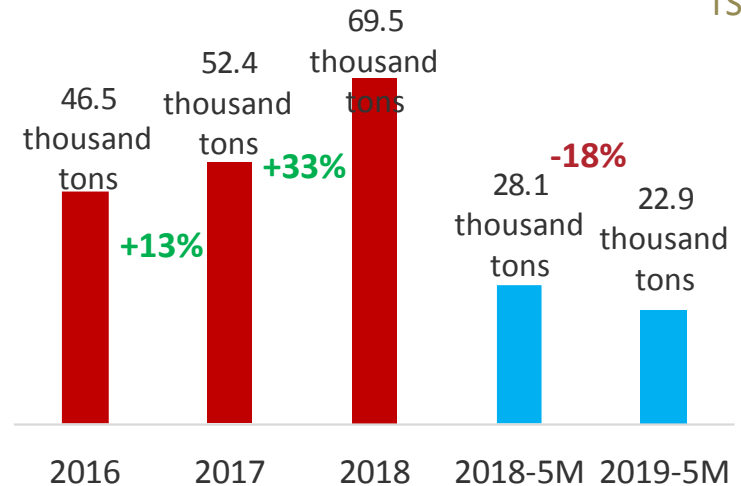
Red Meat Production in Turkey

TSI



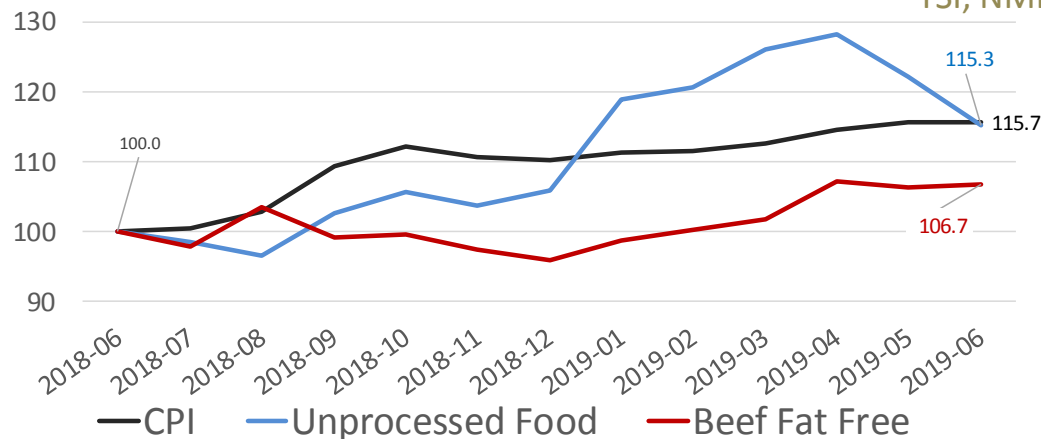
Turkey Meat Production

TSI



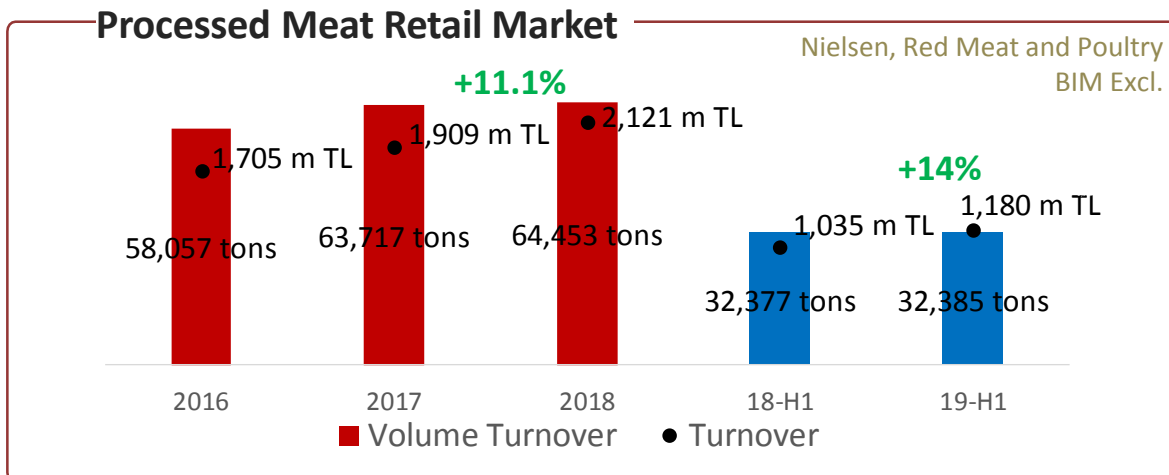
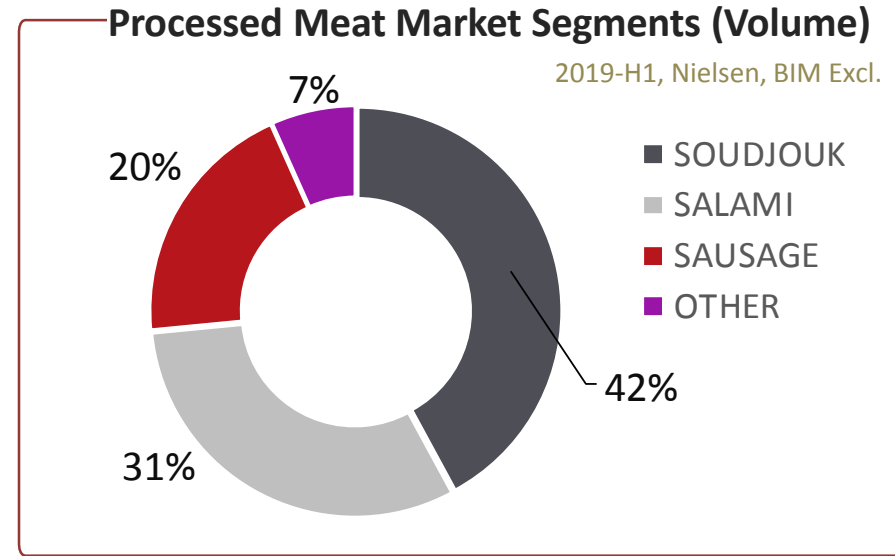
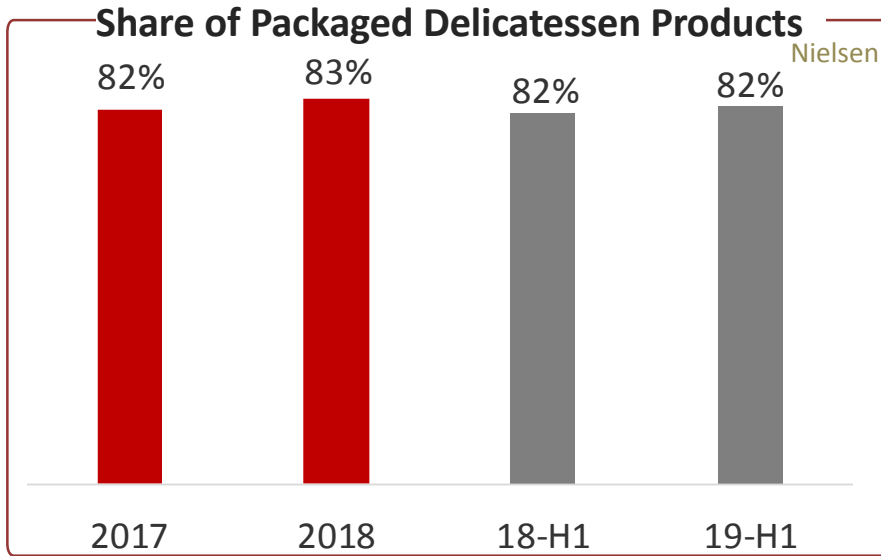
Inflation and Red Meat Prices Progress

TSI, NMRC



- 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 H1 2019, animal import in Turkey reduced by 54% compared to H1-2018

CONSUMPTION AND MARKET



- In the first half of the year, a 14% increase occurred in turnover due to price increases in the sector, where there was not any change in growth in the tonnage compared to the same period of the previous year.

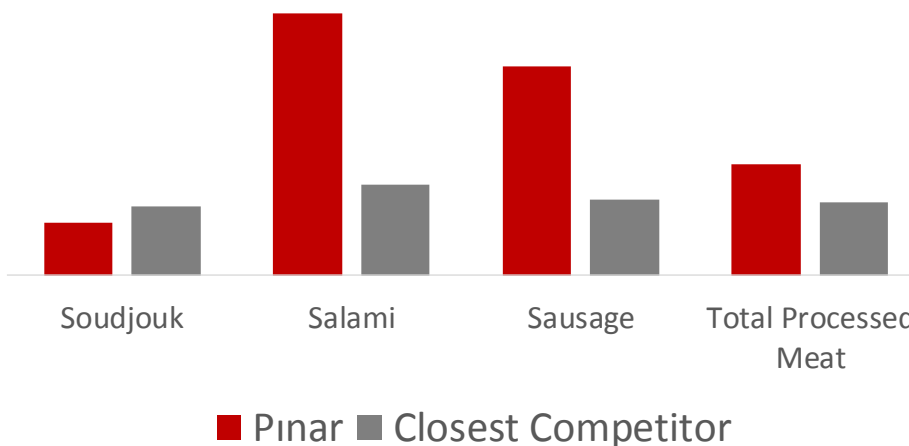
Market Shares

Nielsen, Sales value, H1-2019, BIM Excl.

Products	Market Share	Position
Total Processed Meat	17.7%	#1
Salami	42.0%	#1
Sausage	33.4%	#1
Soudjouk	8.4%	#2

Pinar Et and Competitors

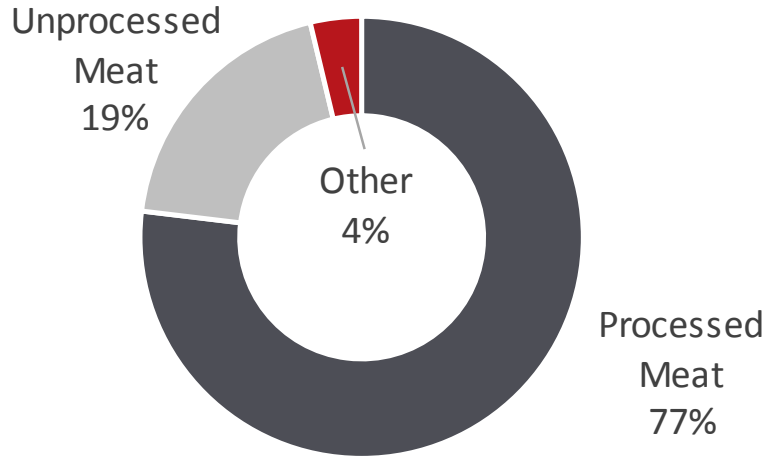
Nielsen, Sales value, Q1-2019, BIM Excl.



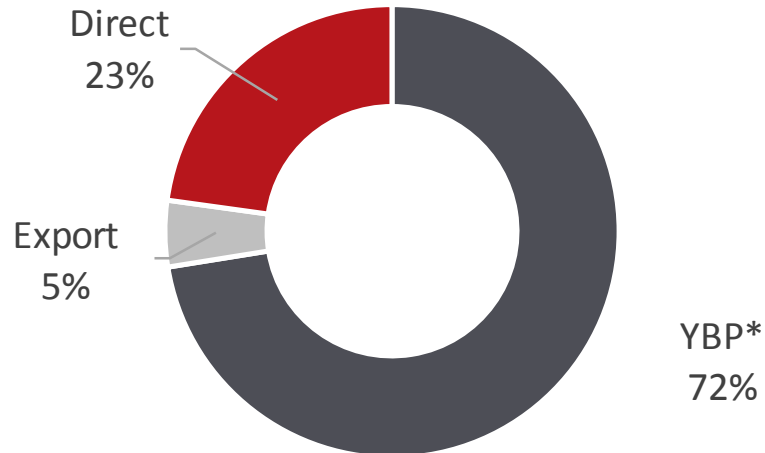
- In the total processed meat market, where our market share increased compared to the first quarter of the year; in the first 6 months of the year, Pinar Et maintained the leader position with a 17.7% of market share.

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.*

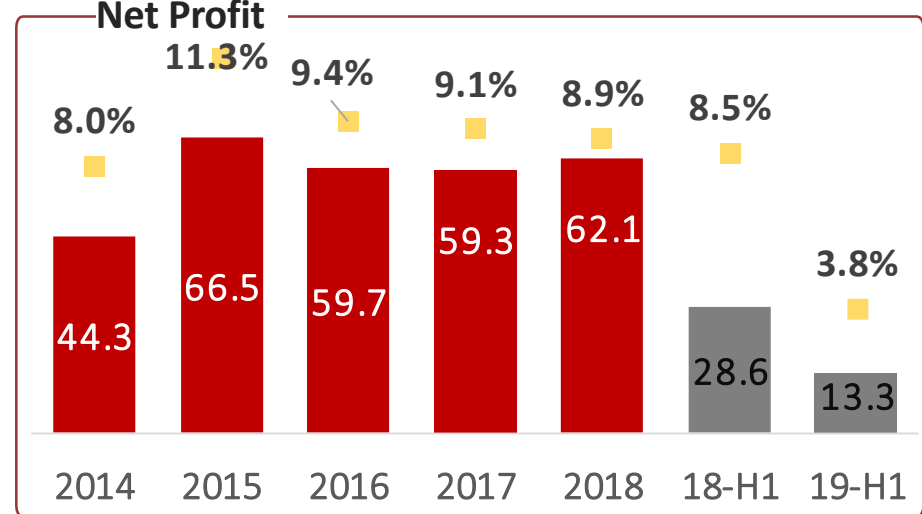
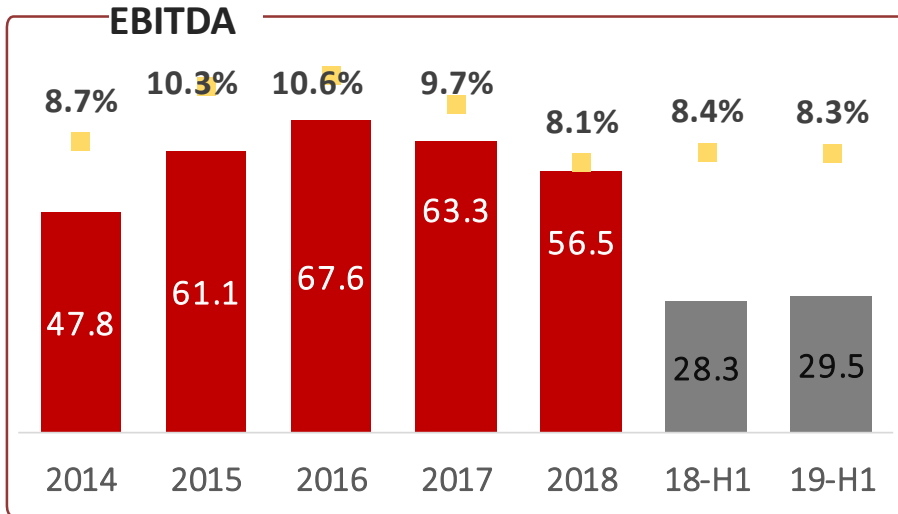
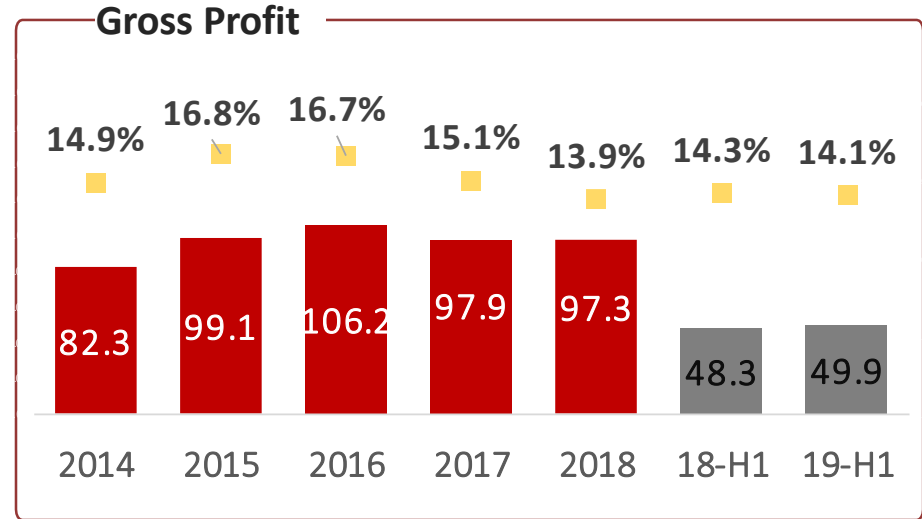
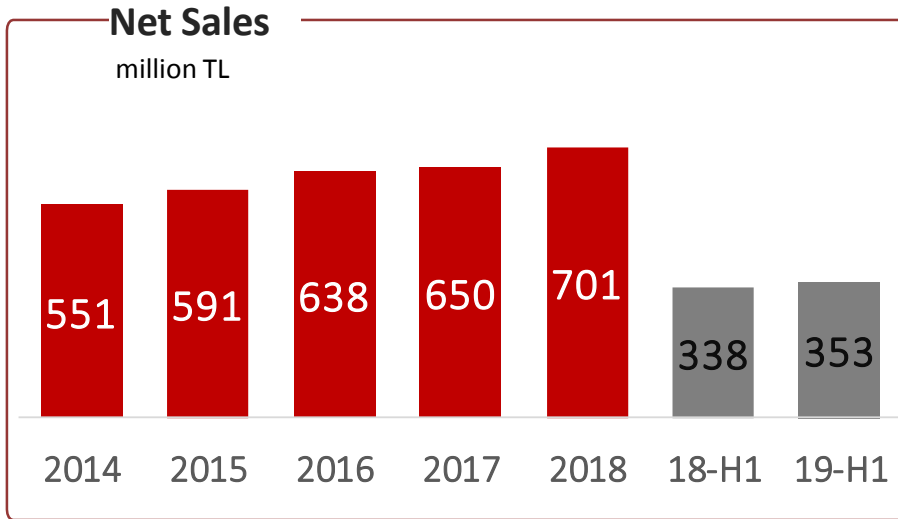


INCOME STATEMENT

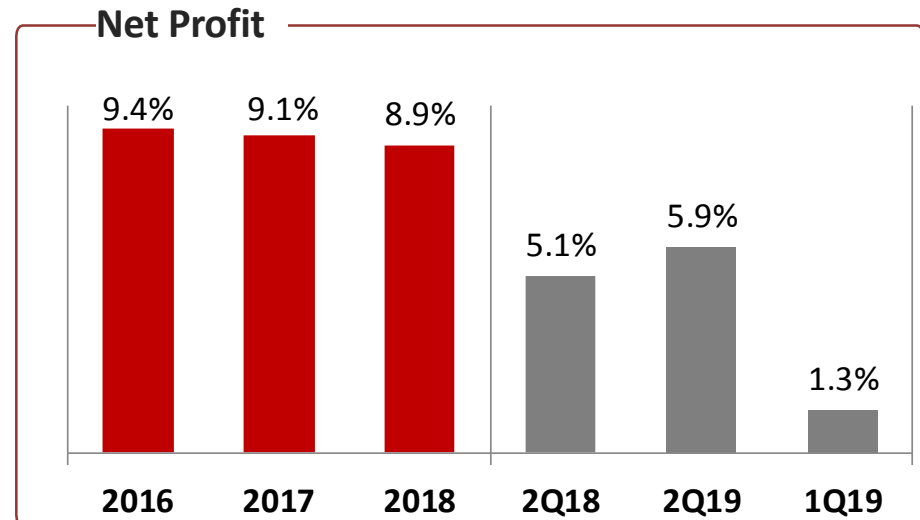
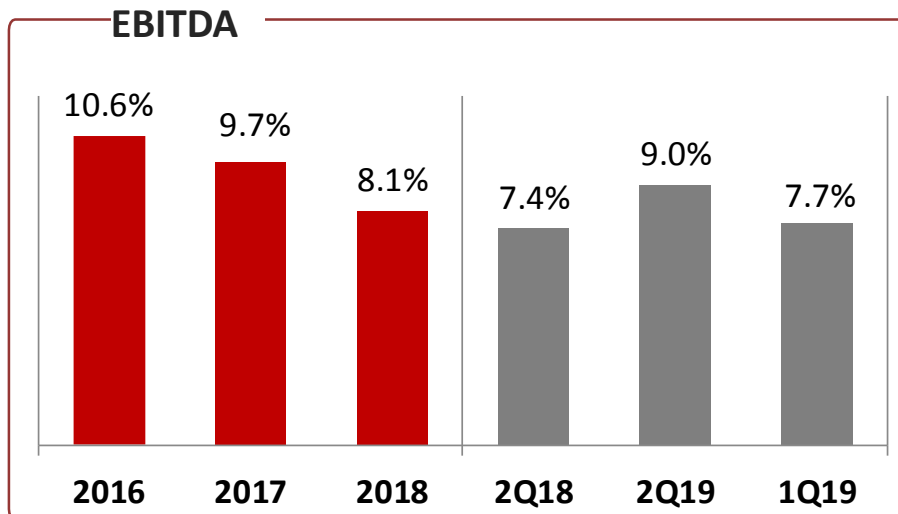
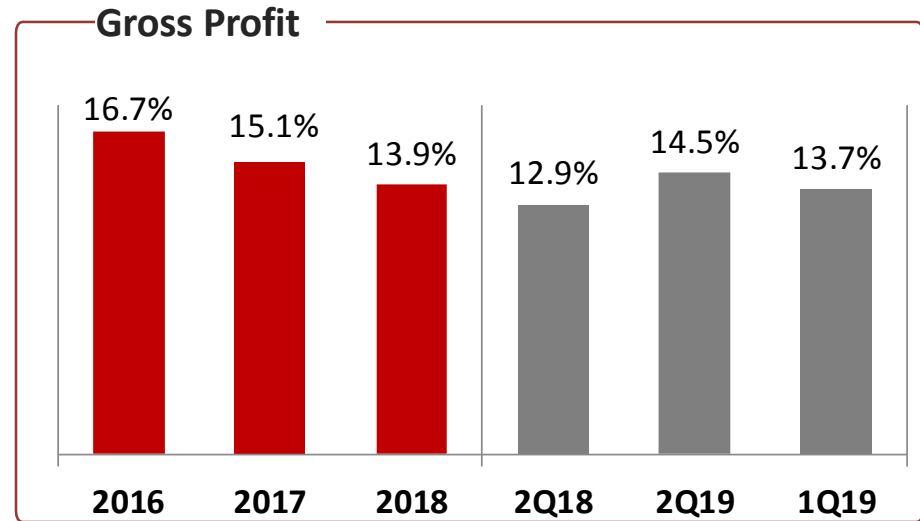
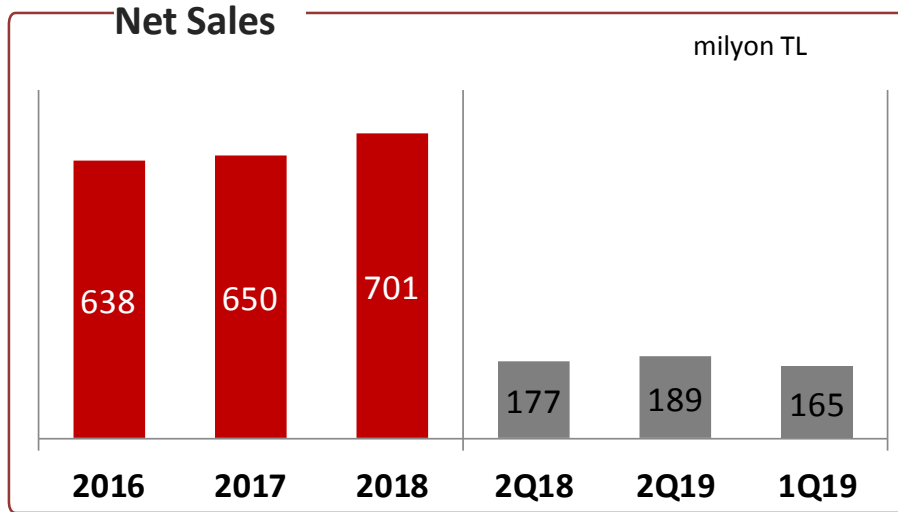
(Million TL)	1/1/2019 6/30/2019	1/1/2018 6/30/2018	Difference	Change
Net Sales	353.5	338.4	15.1	4.5%
Cost of Goods Sold	(303.6)	(290.1)	(13.5)	4.6%
Gross Profit	49.9	48.3	1.6	3.4%
R&D Expenses	(0.9)	(1.4)	0.5	-35.8%
Sales, Distribution and Marketing Expenses	(16.5)	(15.4)	(1.2)	7.6%
General Administration Expenses	(12.8)	(11.0)	(1.8)	16.0%
EBIT	19.7	20.5	(0.8)	-3.9%
EBITDA	29.5	28.3	(4.7)	4.2%
Shares of Results of Investments in Associates	(3.2)	9.9	(13.1)	-132.6%
Other Expenses (Net)	2.4	1.9	0.5	23.7%
Financial Expenses (Net)	(1.2)	(0.2)	(1.0)	597.6%
Profit Before Tax	17.7	32.2	(14.5)	-44.9%
Tax	(4.4)	(3.6)	(0.9)	24.4%
Net Profit for the Period	13.3	28.6	(15.3)	-53.6%



SALES AND PROFITABILITY - ANNUALLY



SALES AND PROFITABILITY - QUARTERLY





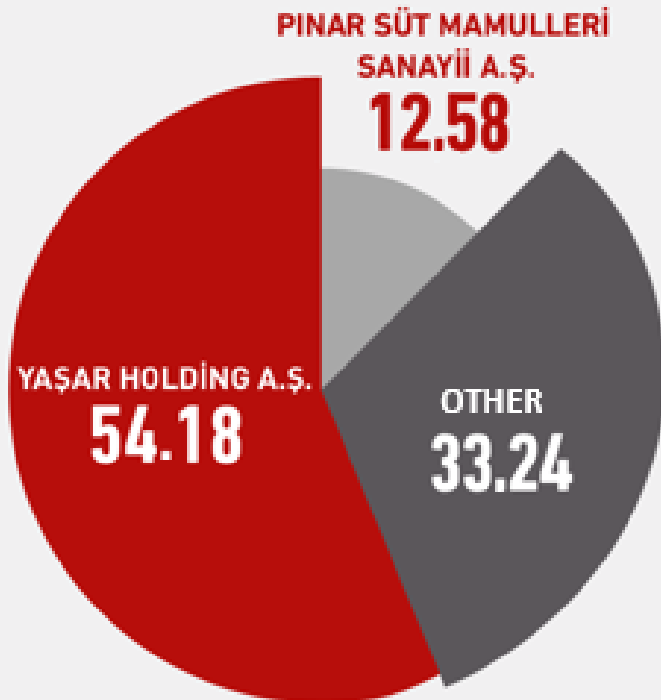
FINANCIAL RATIOS

	2015/12	2016/12	2017/12	2018/12	2019/06
Current Ratio	1.65	1.67	1.61	1.65	1.48
Leverage Ratio	0.22	0.23	0.23	0.24	0.27
Current Borrowings/Total Borrowings (Fin	1.00	1.00	1.00	1.00	0.92
Net Fin. Borrowings/EBITDA	0.02	0.04	0.05	0.07	0.21
Net Fin. Borrowings/Equity	0.00	0.01	0.01	0.01	0.02
Return on Equity (ROE)	17.7%	14.5%	12.9%	11.8%	9.0%

CAPITAL EXPENDITURES

	2015	2016	2017	2018	2018/06	2019/06
Capital Expenditures	14.7 m TL	16.0 m TL	17.9 m TL	28.9 m TL	7.3 m TL	1.9 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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