

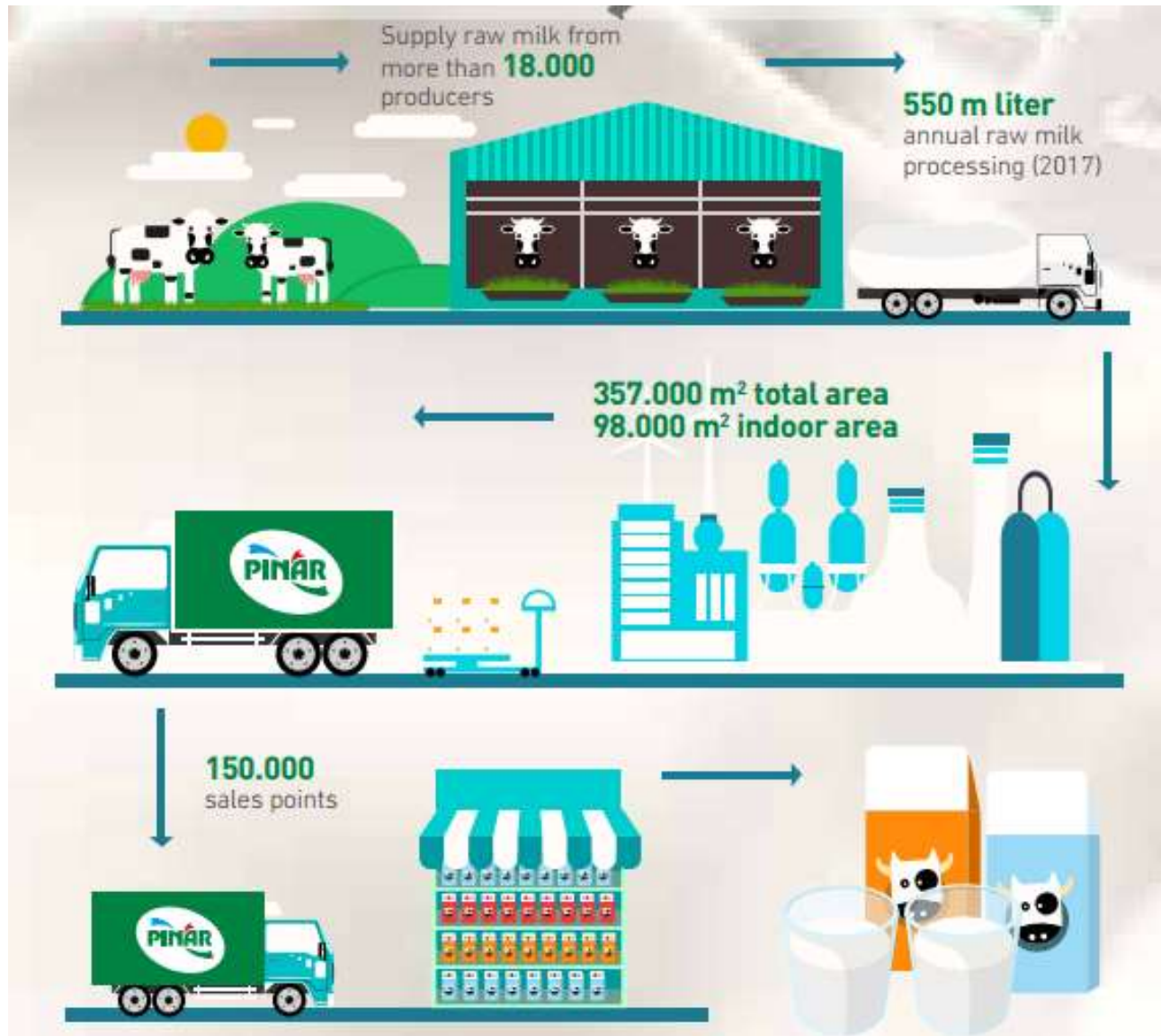


Pinar Süt

Earnings  
Presentation

20  
17

# PINAR SÜT AT A GLANCE

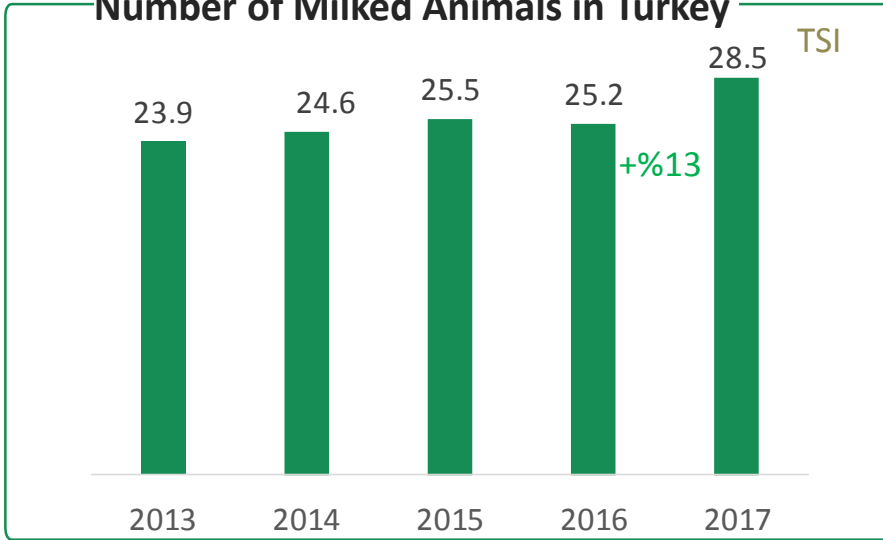




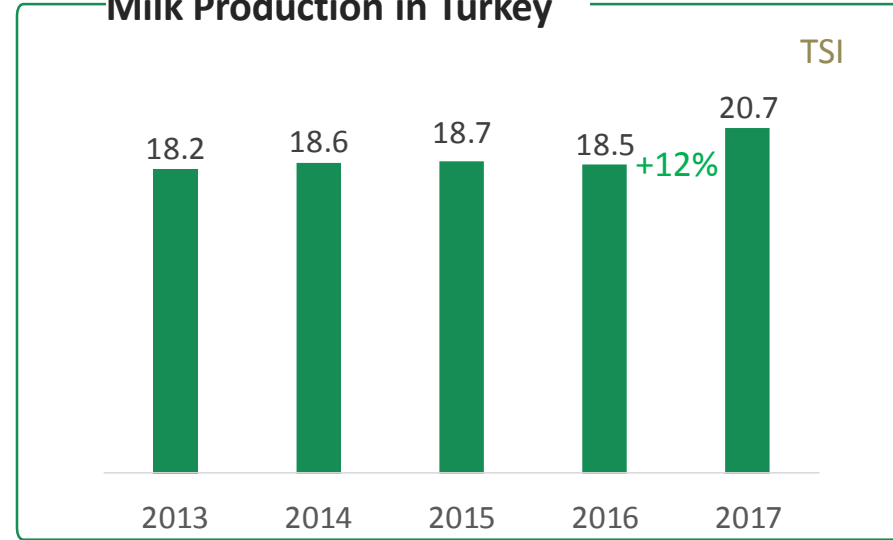
- After three price increases, the raw milk base price completed 2017 with a 21.7% rise.
- Dairy market achieved volume and turnover growth.
- Pinar Süt launched many new products especially Pinar Protein Milk and Yoghurt.
- Pinar brand has been also re-elected as one of Turkey's Superbrands in 2017.
- Pinar Süt rated as A- in category of «CDP Turkey Climate Leaders»
- Pinar Süt R&D Center went into operation.

PRODUCTION AND COST

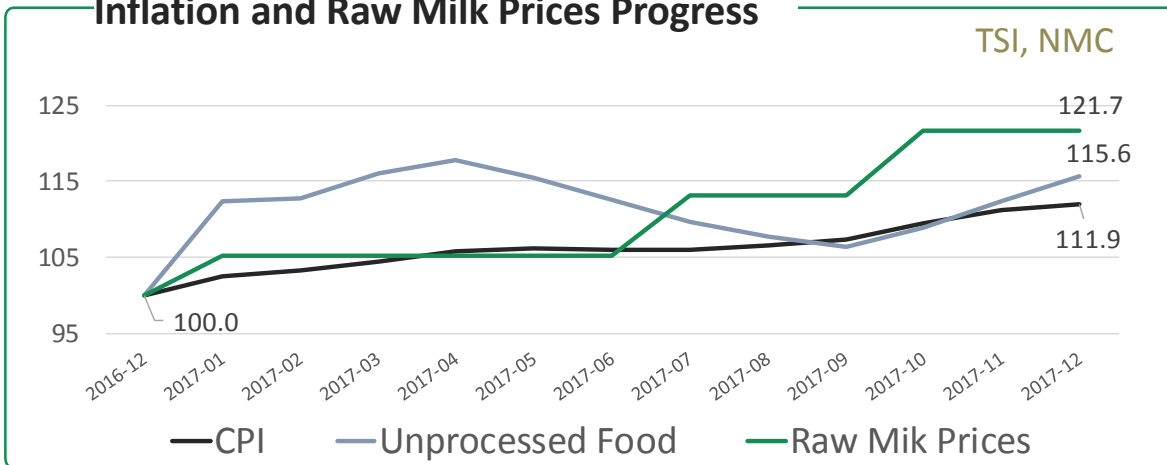
Number of Milked Animals in Turkey



Milk Production in Turkey



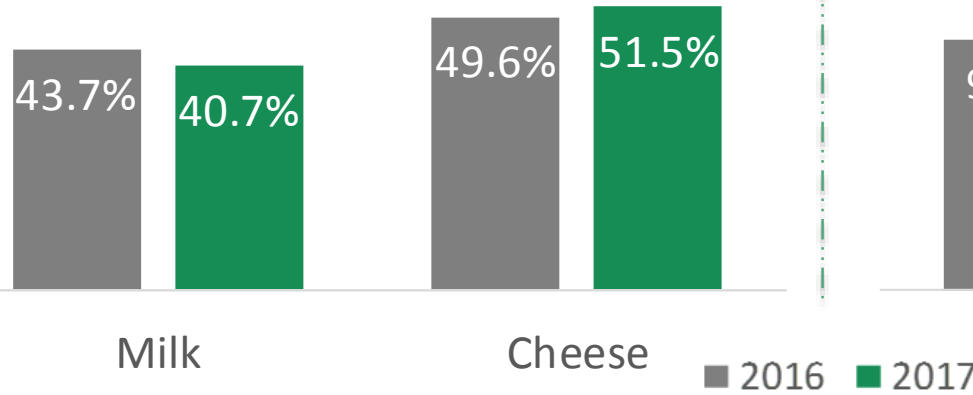
Inflation and Raw Milk Prices Progress



- The raw milk base price disclosed by National Milk Council reached up to TL 1.40 per liter in 2017 year-end which was TL 1.15 in the beginning of the year.
- For the period 2018 February-June the raw milk base price announced TL 1.53 per liter.

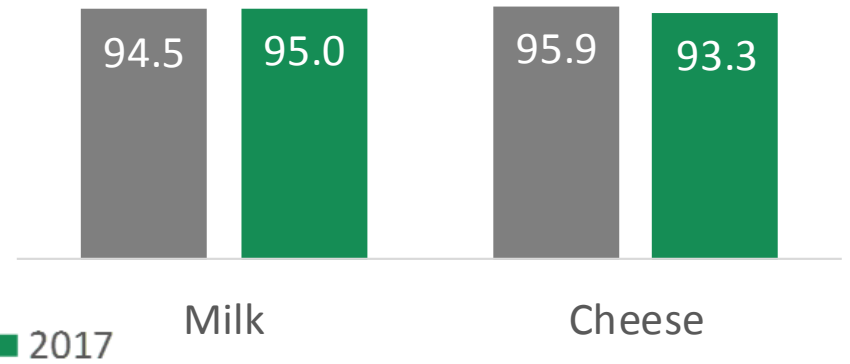
CONSUMPTION AND MARKET

Share of Packaged Products



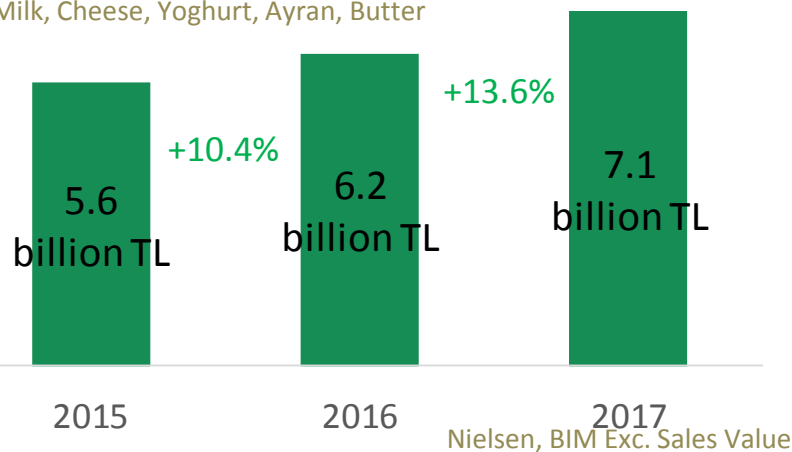
Packaged Products Penetration

IPSOS

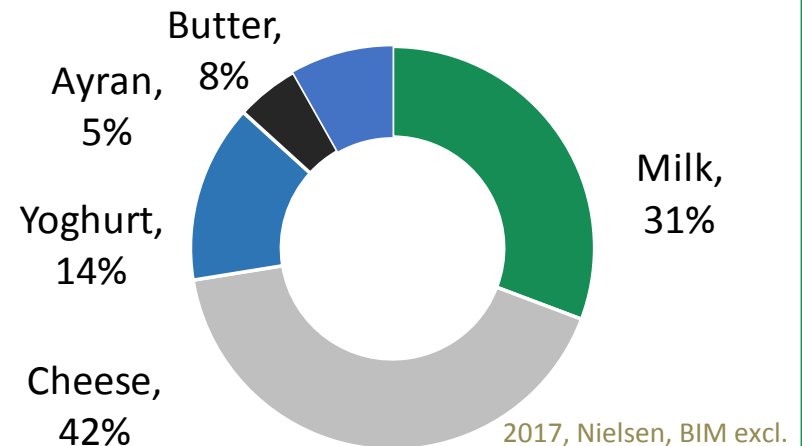


Dairy Market

Milk, Cheese, Yoghurt, Ayran, Butter



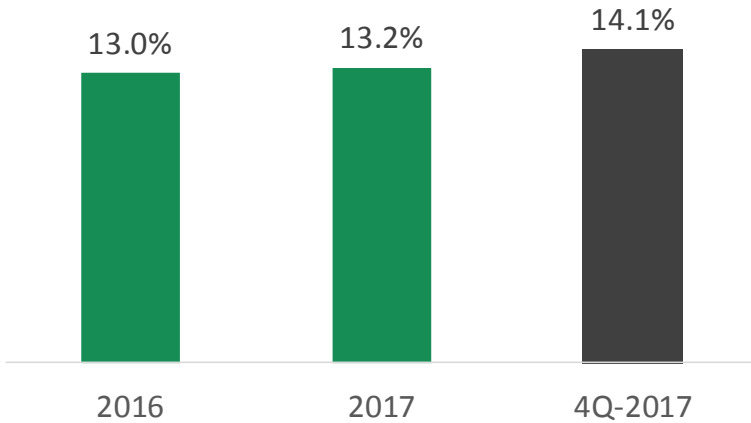
Turkey's Dairy Market Segments (Turnover)



# MARKET POSITION

## Market Share in Dairy Market

Milk, Cheese, Yoghurt, Ayran, Butter Nielsen, BIM Excl. Sales Value



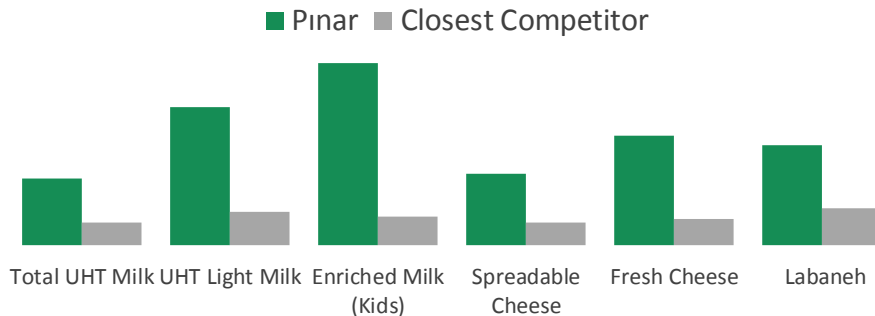
## Market Shares Based on Products

Nielsen, 2017, BIM Excl.

Product	Share	Position
Total UHT Milk	30.3%	#1
UHT Light Milk	62.5%	#1
Enriched Milk (Kids)	82.6%	#1
Total Cheese	11.4%	#2
Spreadable Cheese	32.3%	#1
Fresh Cheese	49.5%	#1
Labaneh	45.2%	#1
Cream Cheese	13.2%	#3
Cottage Cheese	17.3%	#2

## Pınar Süt and Competitors

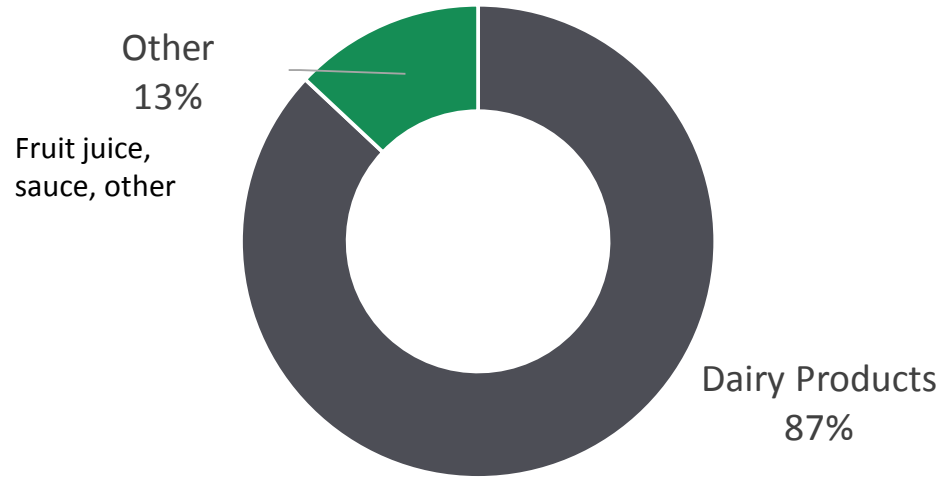
2017, Nielsen, BIM Excl.



- Pınar Süt carried its market share in dairy market up to 13.2%. (Nielsen, 2017 BIM excluded value share)
- Pınar Süt has maintained its leading position in many product categories.

NET SALES BREAKDOWN

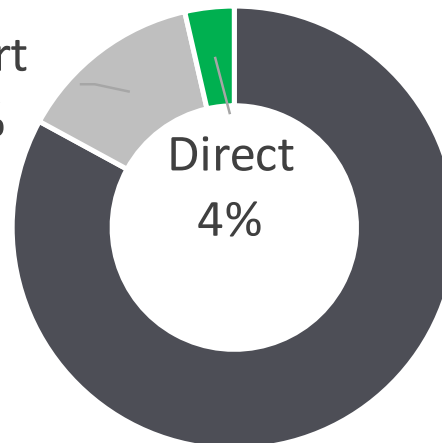
Based on Product Groups



Based on Sales Channel

45.9 m Dollar

Export 13%



YBP - Yaşar Birleşik Pazarlama is the distribution company of Yaşar Food Group.

S. Arabia	26.9%
Kuwait	12.3%
UAE	11.7%
Qatar	10.1%
Iraq	9.3%
Other	29.7%

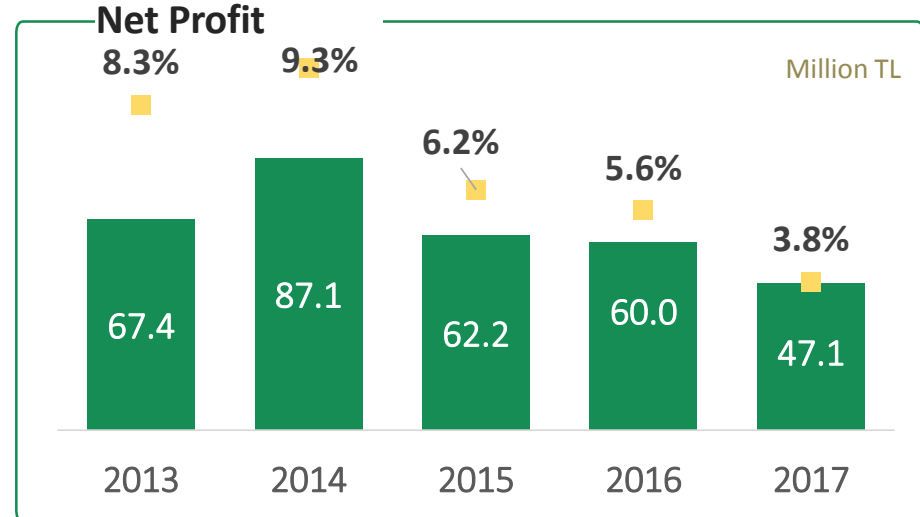
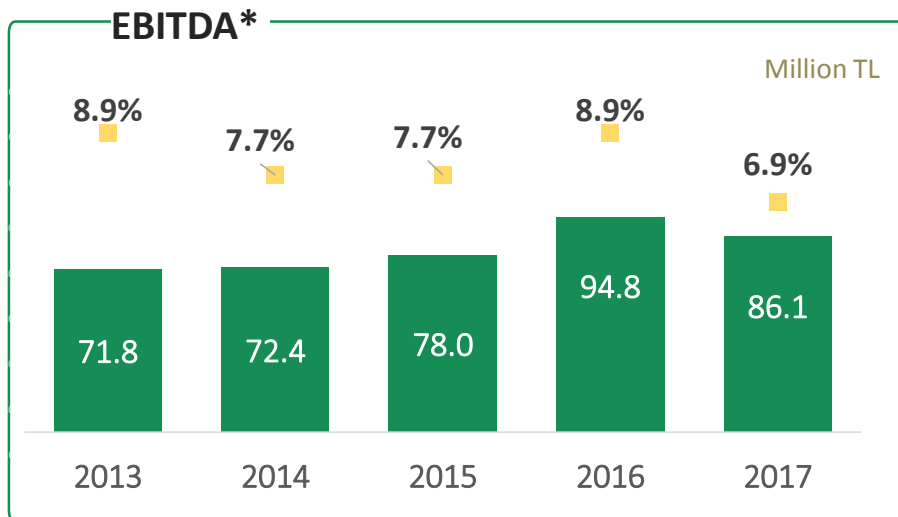
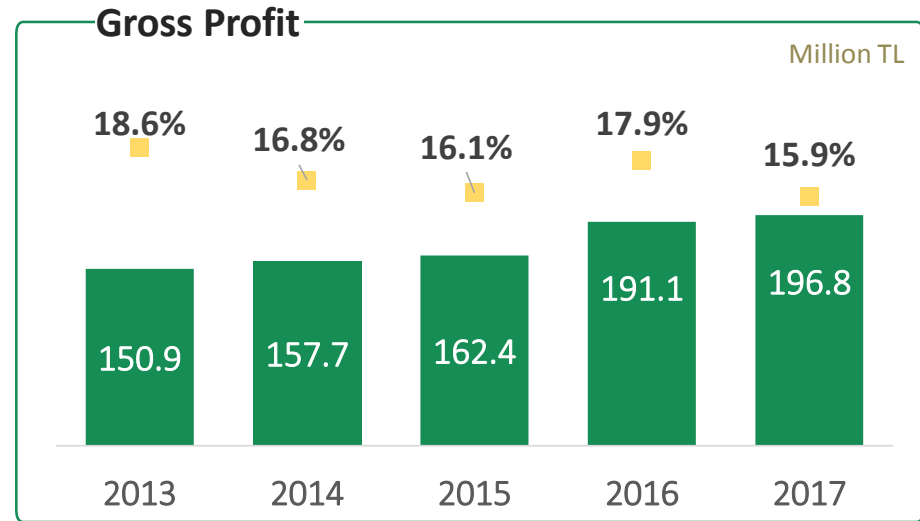
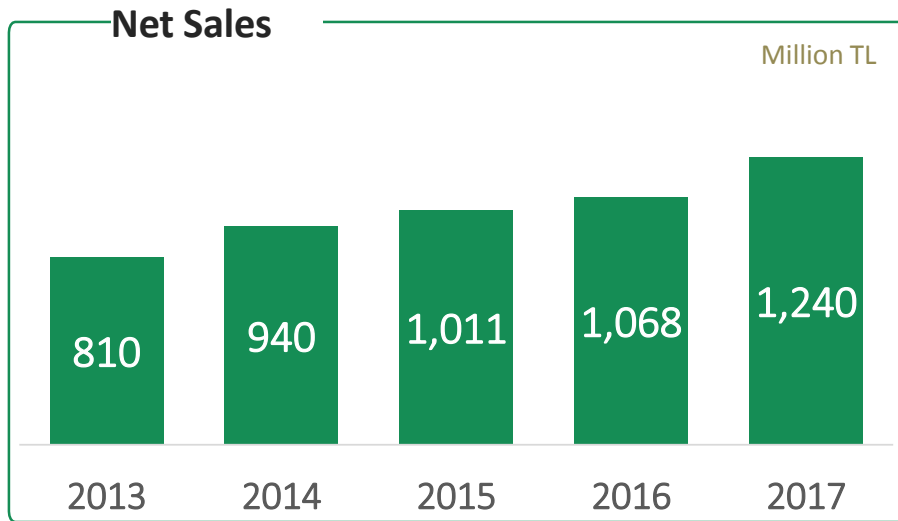


## INCOME STATEMENT

(Million TL)	1/1/2017 12/31/2017	1/1/2016 12/31/2016	Difference	Change
<b>Net Sales</b>	<b>1,240.1</b>	<b>1,067.8</b>	<b>172.3</b>	<b>16.1%</b>
Cost of Goods Sold	(1,043.3)	(876.7)	(166.6)	19.0%
<b>Gross Profit</b>	<b>196.8</b>	<b>191.1</b>	<b>5.6</b>	<b>3.0%</b>
R&D Expenses	(12.0)	(11.0)	(1.0)	9.3%
Sales, Distribution and Marketing Expenses	(89.4)	(77.3)	(12.1)	15.7%
General Administration Expenses	(39.3)	(37.8)	(1.6)	4.2%
<b>EBIT</b>	<b>56.0</b>	<b>65.1</b>	<b>(9.1)</b>	<b>-13.9%</b>
<b>EBITDA</b>	<b>86.1</b>	<b>94.8</b>	<b>(8.6)</b>	<b>-9.1%</b>
Shares of Results of Investments in Associates	4.9	8.4	(3.5)	-41.5%
Other Expenses (Net)	6.9	2.7	4.2	155.3%
Financial Expenses (Net)	(26.9)	(12.5)	(14.4)	115.4%
<b>Profit Before Tax</b>	<b>40.9</b>	<b>63.7</b>	<b>(22.7)</b>	<b>-35.7%</b>
Tax	6.1	(3.7)	9.8	-267.8%
<b>Net Profit for the Period</b>	<b>47.1</b>	<b>60.0</b>	<b>(12.9)</b>	<b>-21.6%</b>



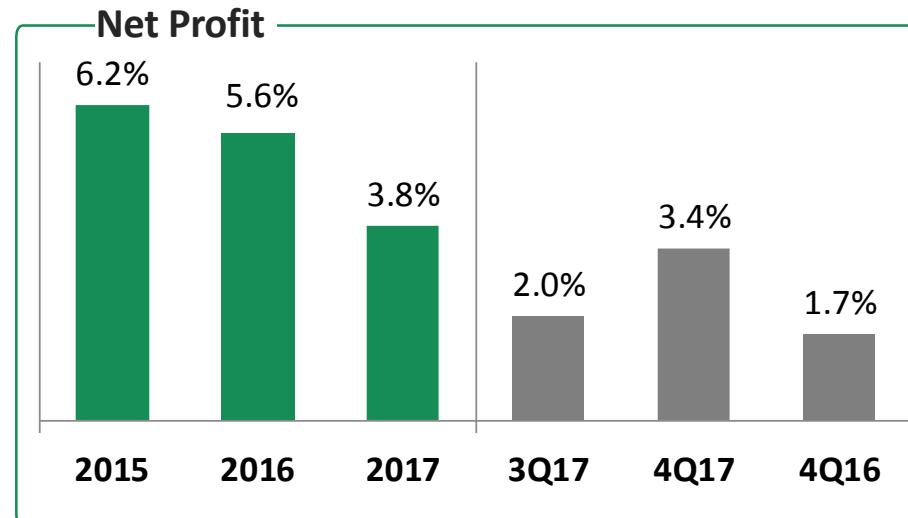
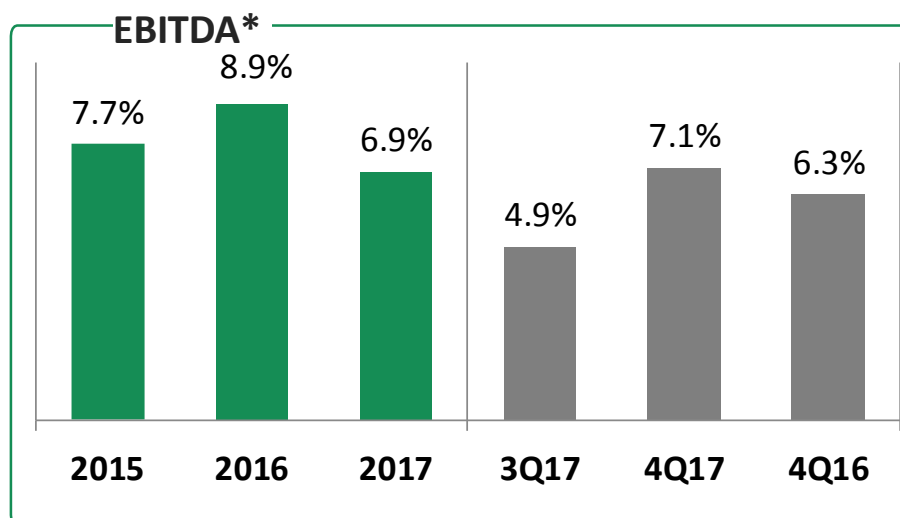
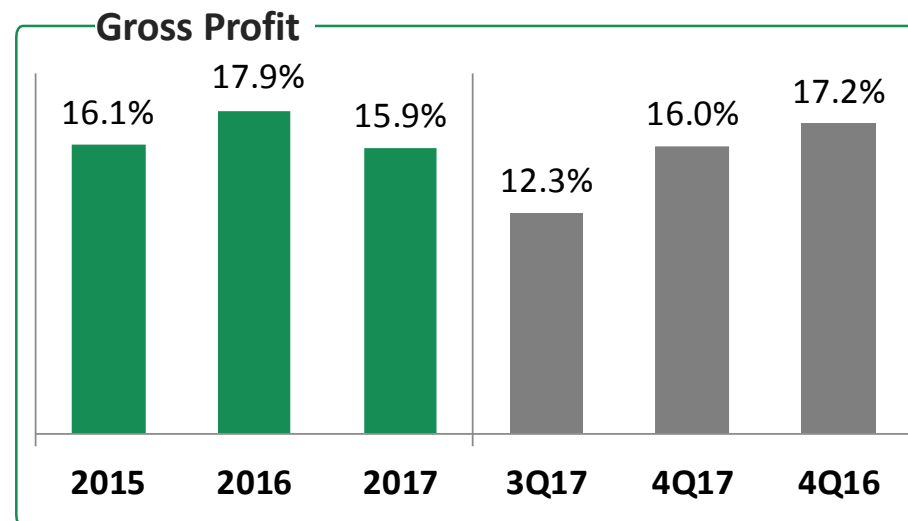
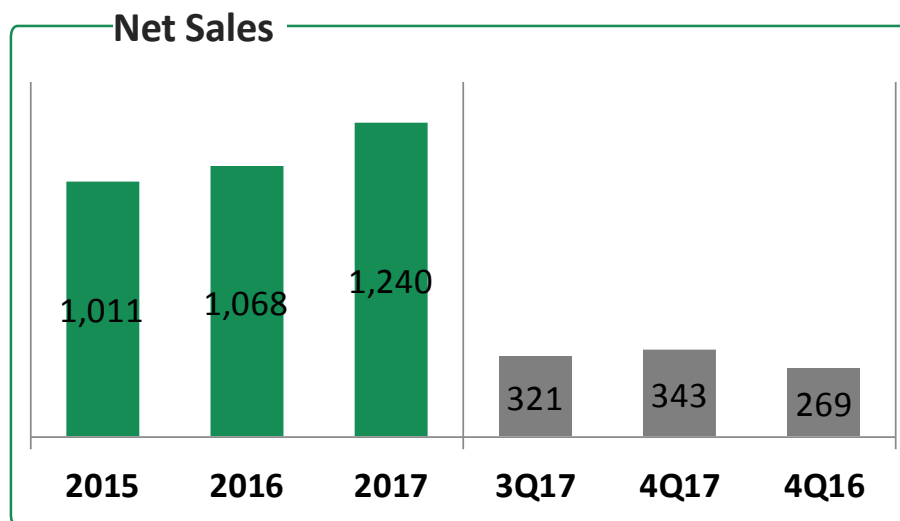
SALES AND PROFITABILITY - ANNUAL



■ Profit Margin

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

SALES AND PROFITABILITY - QUARTERLY



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



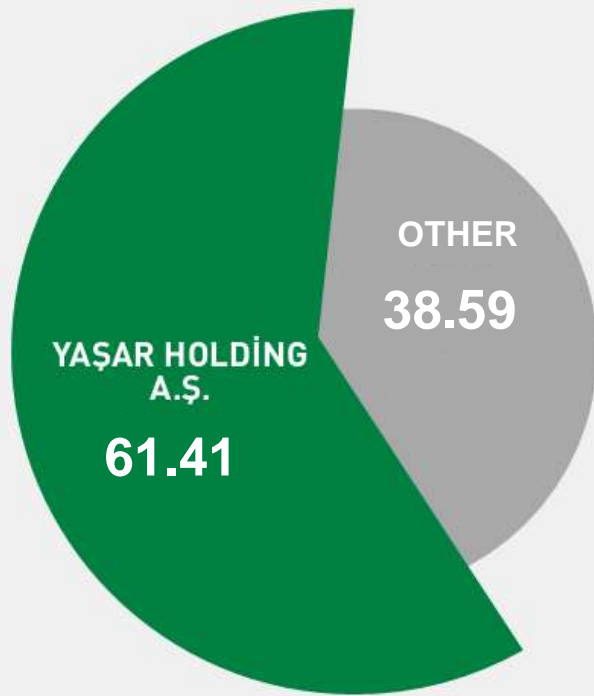
## FINANCIAL RATIOS

	2013/12	2014/12	2015/12	2016/12	2017/12
Current Ratio	1.70	1.47	1.65	1.67	1.21
Leverage Ratio	0.25	0.23	0.22	0.23	0.43
Current Borrowings/Total Borrowings	1.00	1.00	1.00	1.00	0.64
Net Fin. Borrowings/EBITDA	- 0.28	- 0.02	0.02	0.04	1.69
Net Fin. Borrowings/Equity	- 0.04	- 0.00	0.00	0.01	0.21
Return on Equity (ROE)	11.8%	13.1%	17.7%	14.5%	6.8%

## CAPITAL EXPENDITURES

	2014	2015	2016	2017
Capital Expenditures	64 m TL	37 m TL	38 m TL	55 m TL

## SHAREHOLDING STRUCTURE OF PINAR SÜT (%)



Shareholder	Share Rate (%)	Share Amount(TL)
YAŞAR HOLDİNG A.Ş.	61.41	27,603,901.57
OTHER	38.59	17,347,149.68
<b>Total</b>	<b>100.00</b>	<b>44,951,051.25</b>

The company's shares are traded at Borsa Istanbul Star Market under the ticker symbol PNSUT.

Information on privileges related to the Company's shares can be found in the Corporate Governance Principles Compliance Report.

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