

**AYGAZ**

# Q2 2017 Results

August 3, 2017



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# Disclaimer

This presentation contains forward-looking statements that reflect the company management's current views with respect to certain future events. Although it is believed that the expectations reflected in these statements are reasonable, they may be affected by a variety of variables and changes in underlying assumptions that could cause actual results to differ materially.

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# Highlights

## Operational In Q2 of 2017



**Domestic LPG sales**

**298**

Thousand tons

**+2% YoY**



**International and  
wholesale LPG sales**

**222**

Thousand tons

**+6% YoY**



**Total LPG sales**

**520**

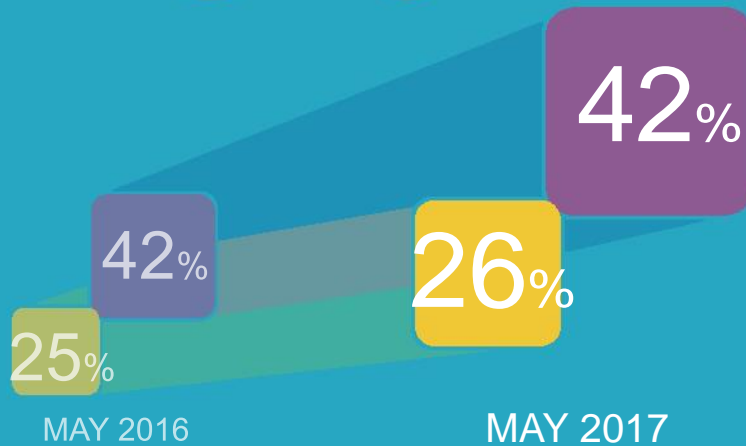
Thousand tons

**+4% YoY**





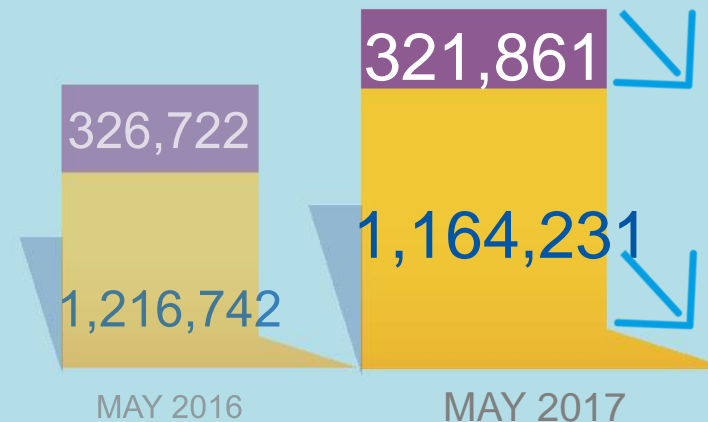
# Highlights



As of May 2017 EMRA report, Aygaz cylinder and autogas market shares are 42% and 26% respectively.  
(42% and 25% in May 2016)

According to May 2017 EMRA report, Turkish cylinder sales volume is 321,861 tons and auto gas volume is 1,164,231 tons.

(2016/5 months\*: Cylinder gas 326,722 tons ; Autogas 1,216,742 tons).



SALES VOLUME (Tons)

\*2017 Emra Report data

EMRA, Aygaz



# Highlights

## Financial (YoY)

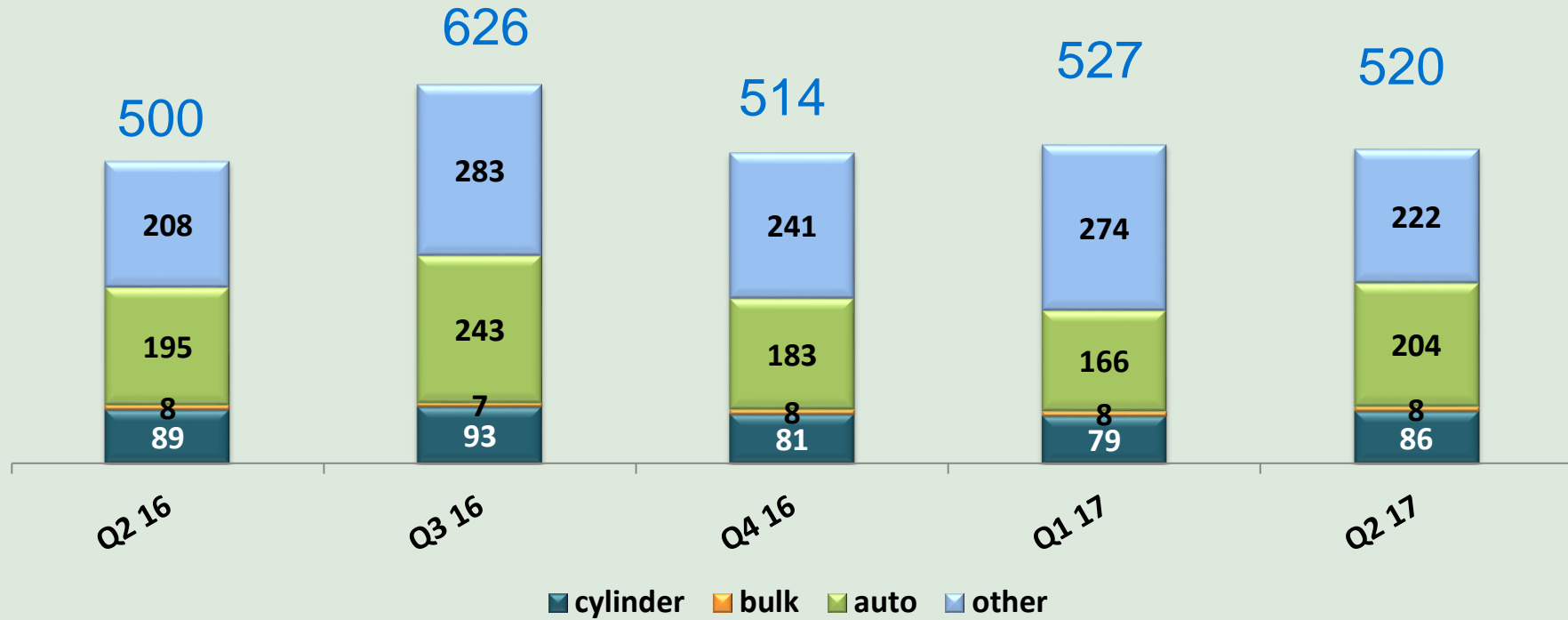
Revenue	<b>1,881</b> Million TL	+23% YoY 
Operating profit	<b>33</b> Million TL	-60% YoY 
EBITDA	<b>55</b> Million TL	-47% YoY 
Net Profit	<b>168</b> Million TL	+81% YoY 

- Effect of the increase in profits from investments accounted under equity method is observed in financial figures of the second quarter of 2017.

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# Aygaz LPG Sales

(Thousand tons)

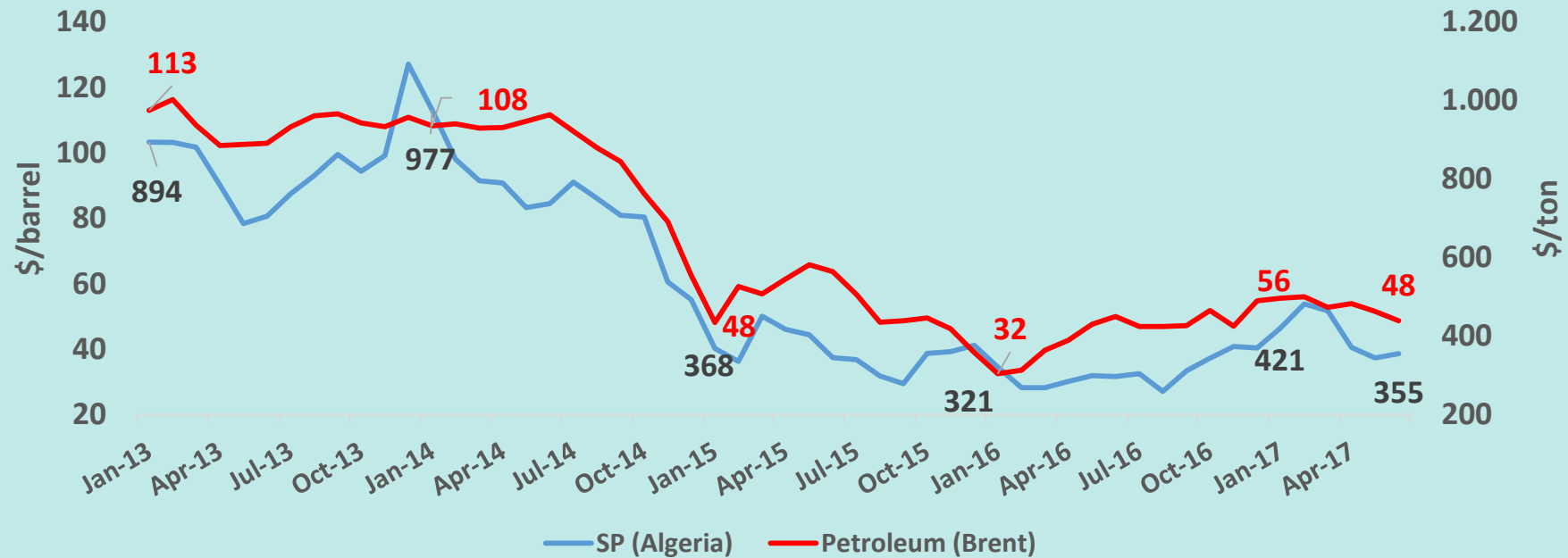


Q2 sales volumes were realized as

- 204 thousand tons in Autogas (+4.8% YoY)
- 86 thousand tons in Cylinder Gas (-3.1% YoY)

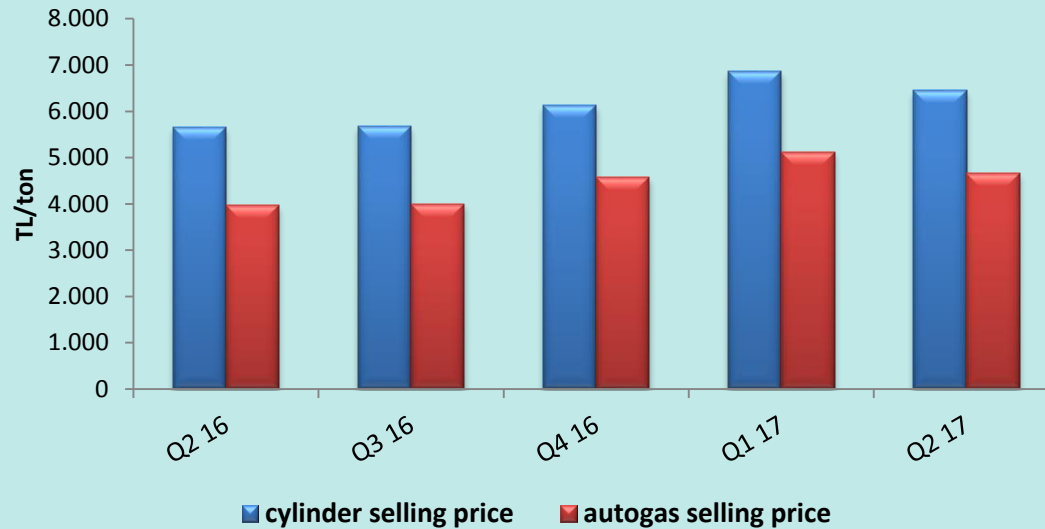
EMRA, Aygaz

# LPG – Brent World prices

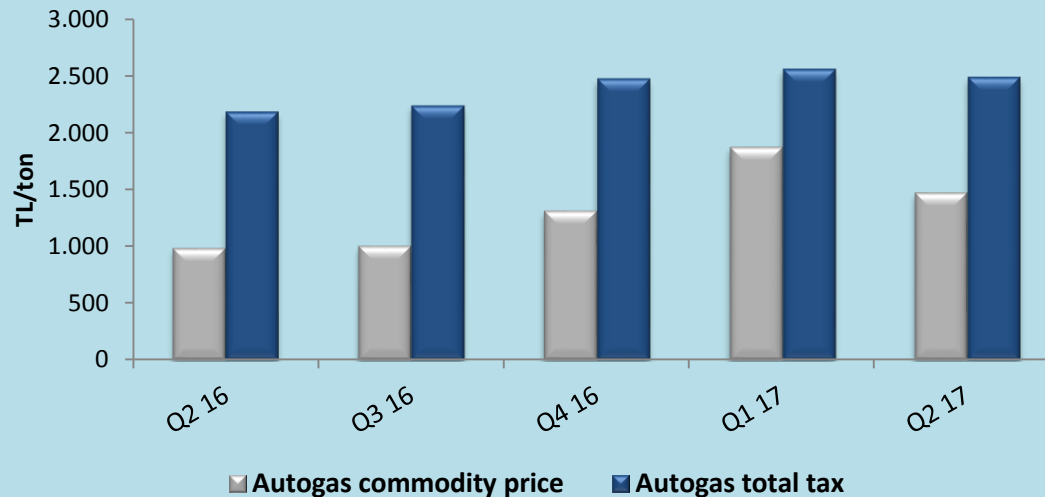


- June 2017 Sonatrach LPG price is at USD 355 and 20% higher than June 2016 price.

# LPG Price and Tax\*



In Q2 2017, average listed selling price increased by 14% for cylinder gas and 17% for auto gas. (YoY)



Refinery prices for autogas are 49% higher than Q2 2016 figures.

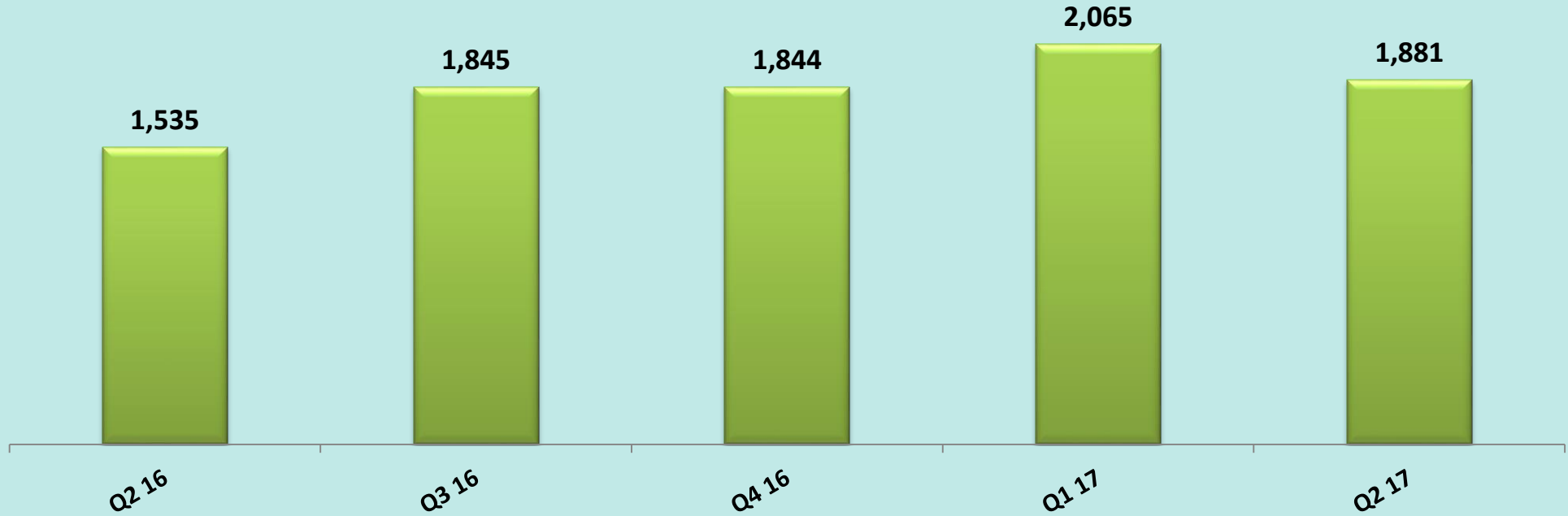
Total tax amount increased by 6% in cylinder gas while 14% in auto gas. (YoY)

\*Periodic arithmetic averages



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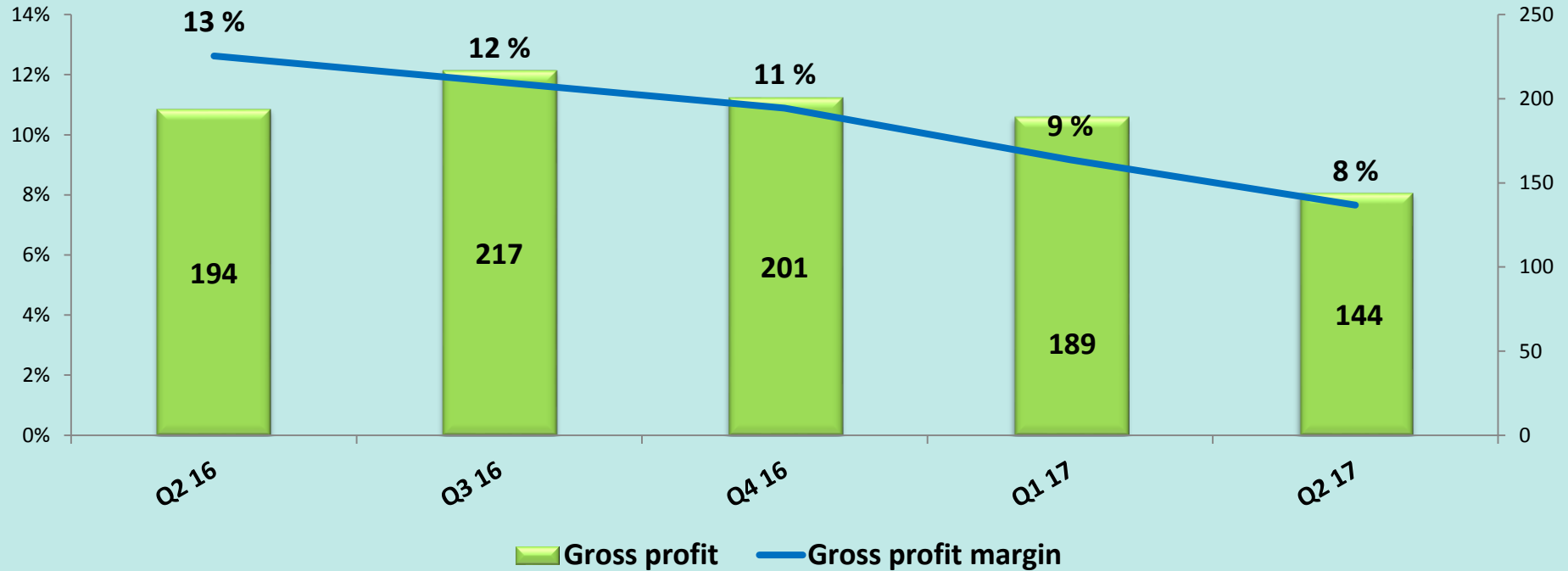
# Net Sales (m TL)



- Consolidated Sales Revenues is reported as 1,881 million TL (+23% YoY)

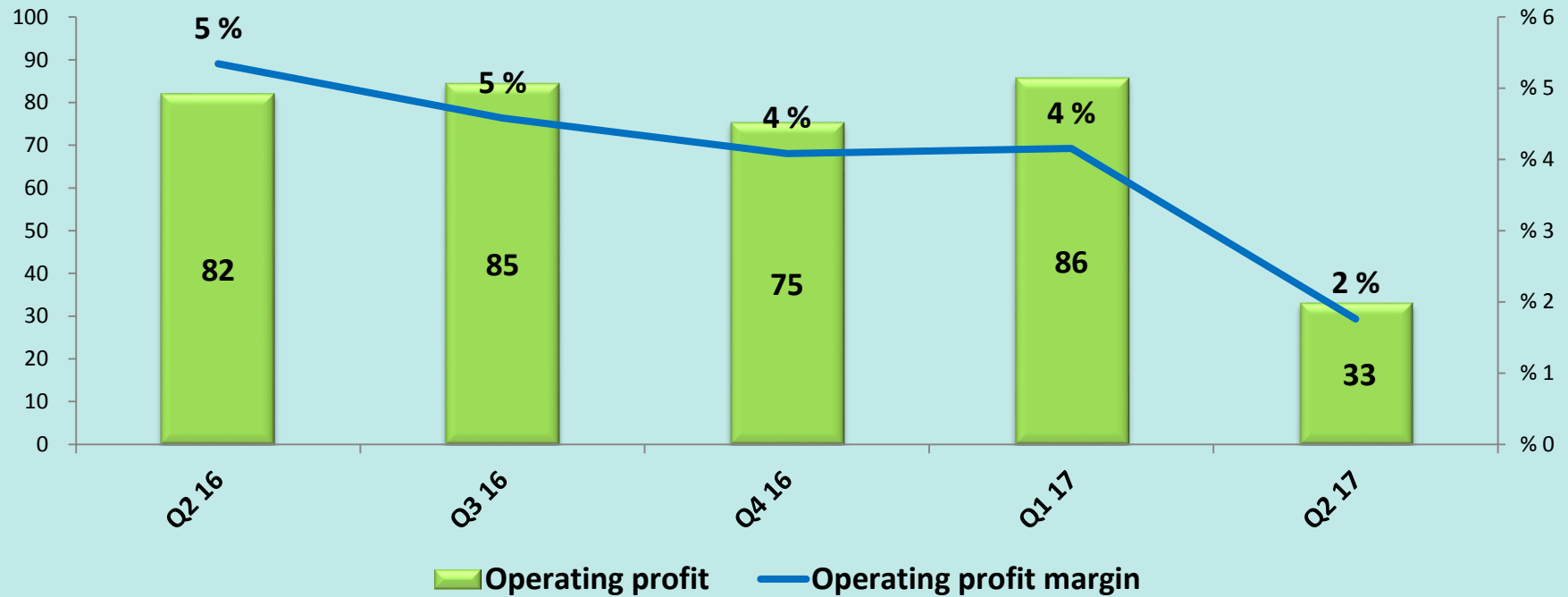
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# Gross Profit (m TL)



- Gross Profit is realized as 144 million TL (-26% YoY)
- Gross Profit Margin is 8%

# Operating Profit (m TL)

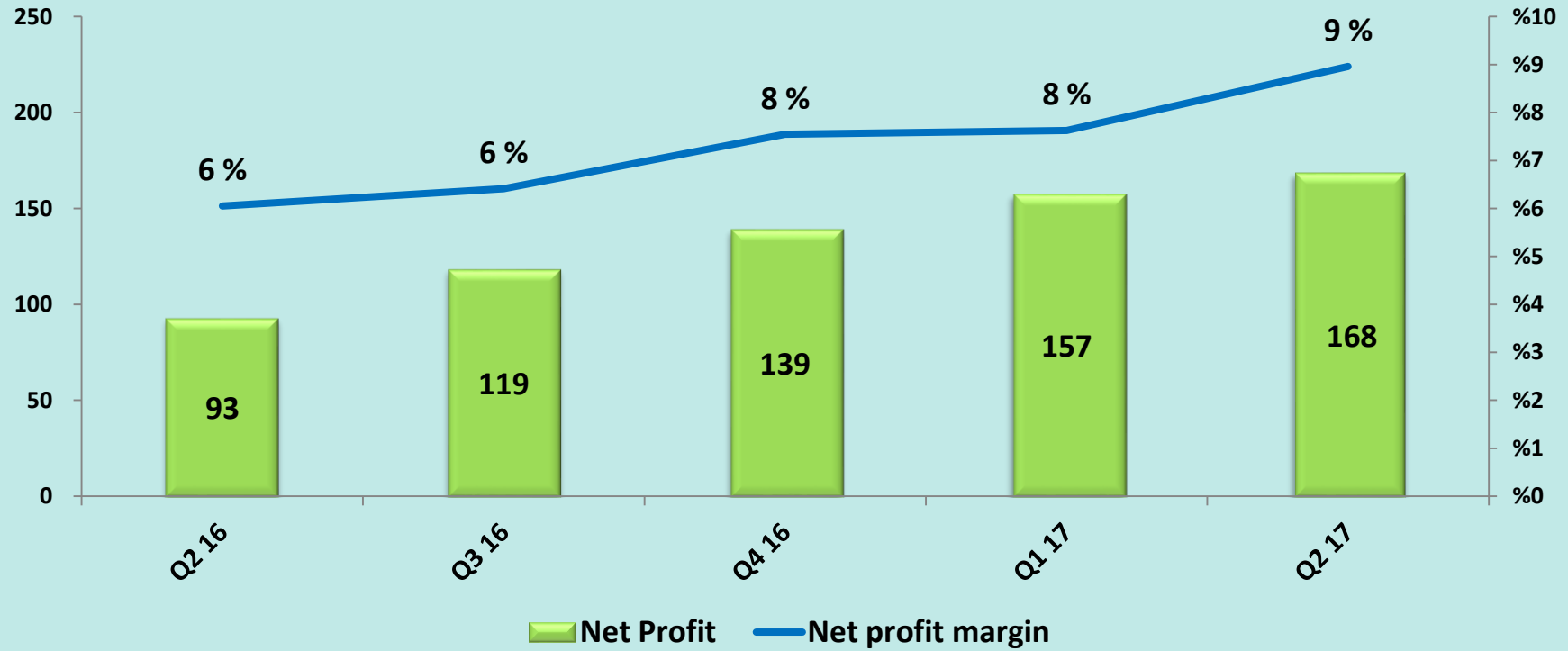


**In Q2 2017,**

- Operating Profit is 33 million TL (-60% YoY)
- OP Margin is 2%

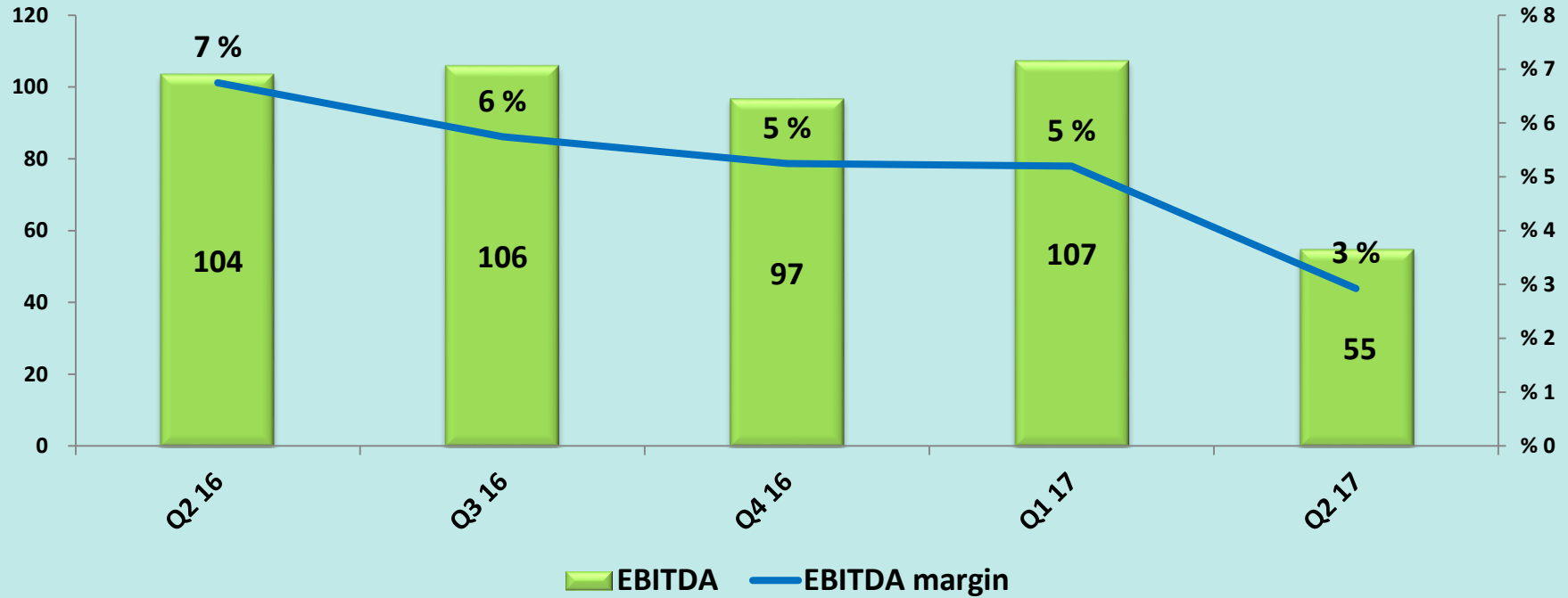
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# Net Profit (m TL)



- Net Profit is 168 million TL (+81% YoY)
- Net Profit Margin is 9%

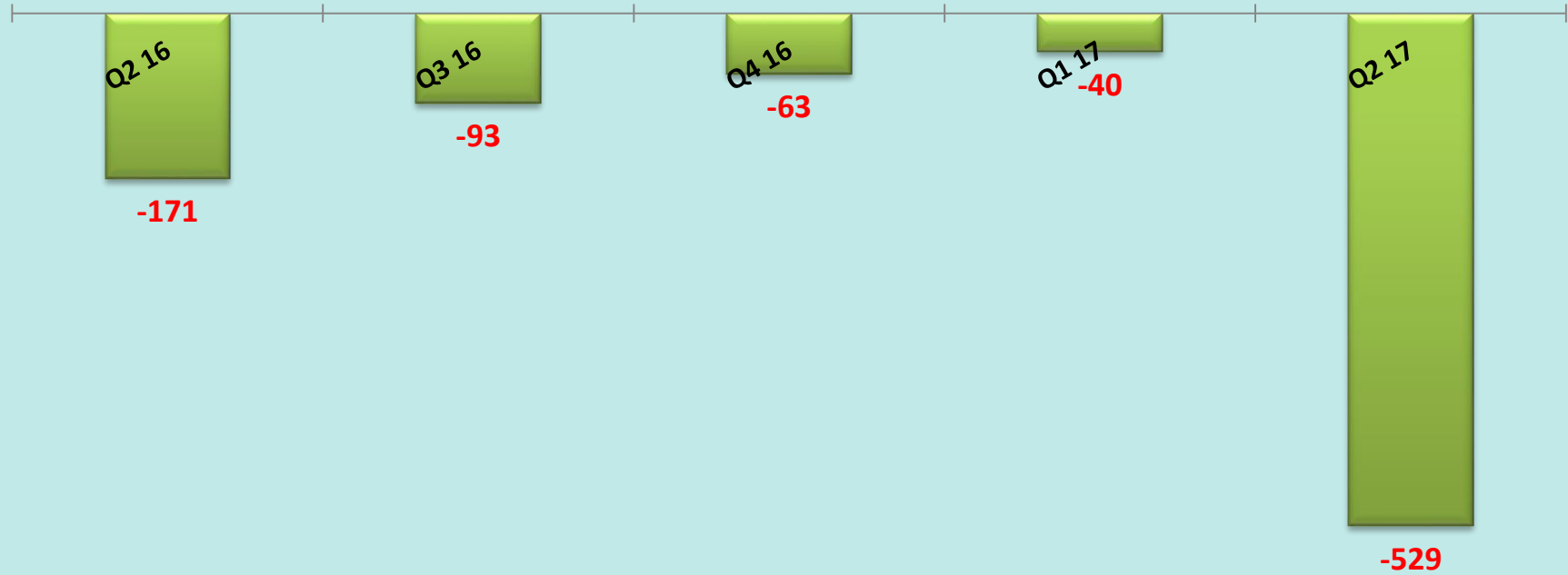
# EBITDA (m TL)



- EBITDA is 55 million TL (-47% YoY)
- EBITDA Margin is 3%

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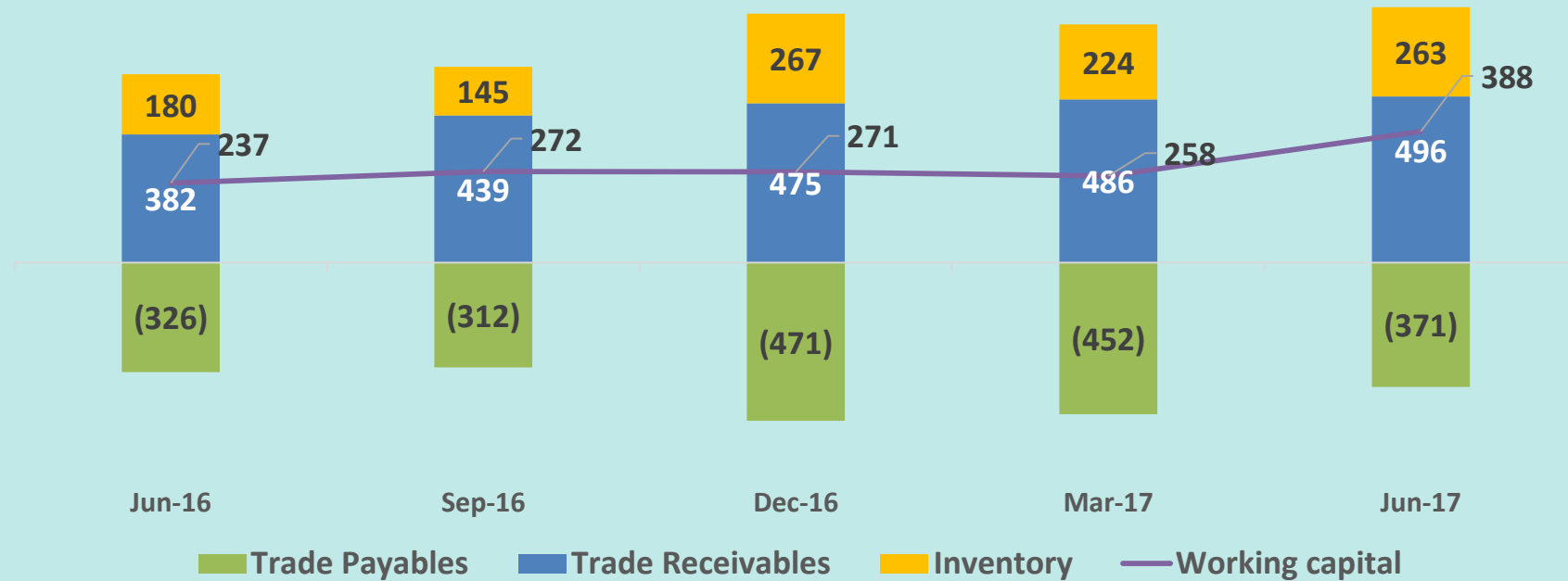
# Net Cash (m TL)



- Net debt increased to 529 million TL as of 30 June 2017.

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# Working Capital (m TL)

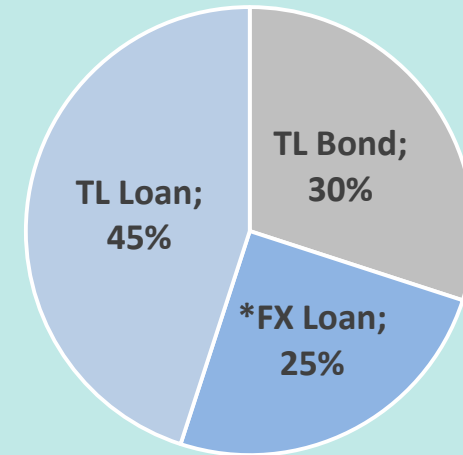


- The structure and size of working capital is being actively managed.

# Debt Profile

(m TL)	2016	6M 2017
ST Borrowings	1	11
Current portion of LT Borrowings	229	282
LT Borrowings	400	454
Total Debt	630	748
Cash and cash equivalents (-)	568	219
= Net Debt	63	529

Debt Profile as of 30/06/2017



\* FX position is actively monitored and managed including derivatives.

**Credit Rating:** Following the comparative analysis of the sector and examination of financial/operational risks carried by the Company, as well as its domestic market position by SAHA Corporate Governance and Credit Rating Services, AYGAZ received a long term rating of (TR) AAA and a short term rating of (TR) A1+ and outlook as stable on June 22, 2017.



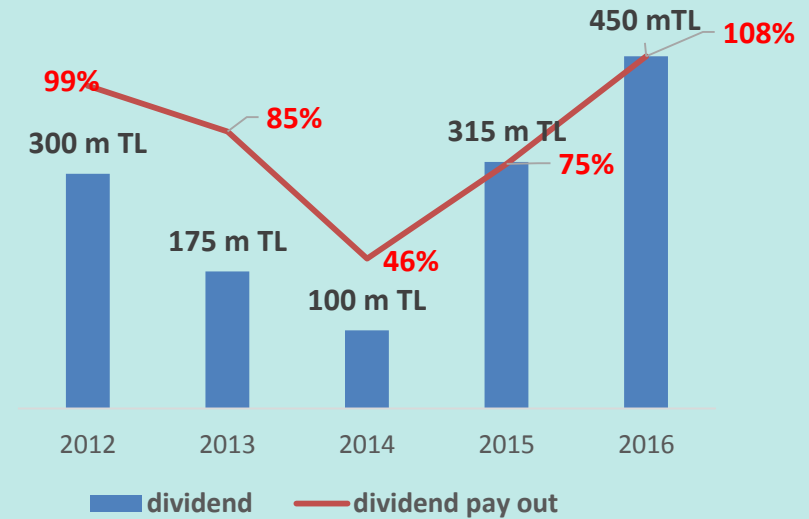
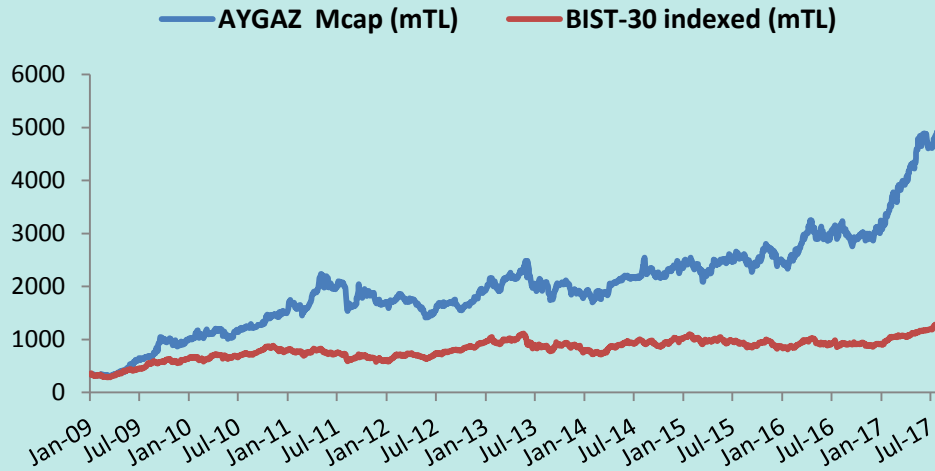
# Income Statement - Summary

Million TL	Q2 17	Q1 17	Change	Q2 17	Q2 16	Change
Revenues	1,881	2,065	-9%	1,881	1,535	23%
Gross Profit	144	189	-24%	144	194	-26%
Operating Profit	33	86	-61%	33	82	-60%
Profit Before Tax	170	170	-	170	105	63%
Net Profit	168	157	7%	168	93	81%
EBITDA	55	107	-49%	55	104	-47%
<b>MARGINS</b>						
Gross Profit M.	8%	9%	-1	8%	13%	-5
Operating Profit M.	2%	4%	-2	2%	5%	-3
Profit Before Tax M.	9%	8%	+1	9%	7%	+2
Net Profit M.	9%	8%	+1	9%	6%	+3
EBITDA M.	3%	5%	-2	3%	7%	-4

# Balance Sheet- Summary

Million TL	6M 17	12M 16
Cash & Cash Eq.	219	568
Trade Receivables	496	475
Inventories	263	267
Prop.Plant&Equipment	681	658
Participations	2,100	1,922
<b>Total Assets</b>	<b>4,305</b>	<b>4,314</b>
Financial Debt	748	630
Trade Payables	371	471
Total Equity	2,697	2,740
<b>Total Liabilities &amp; Equity</b>	<b>4,305</b>	<b>4,314</b>
Net Cash (Debt)	-529	-63
Working Capital	388	271

# Aygaz Share Value



BIST Code: **AYGAZ**

Bloomberg Code: **AYGAZ.TI**

Reuters Code: **AYGAZ.IS**

IPO Date: **13.01.1988**

Free float rate: **24.3 %**

- Sustainable operating profitability from core business; LPG
- Resistant to economic fluctuations and crisis
- High dividend payments
- Corporate governance practices at international standards

# Contacts

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