

AYGAZ

Q2 2016 Results

August 11, 2016



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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 2016



Domestic LPG sales

291
Thousand tons

+1 % YoY 



International and
wholesale LPG sales

208
Thousand tons

-2 % YoY 



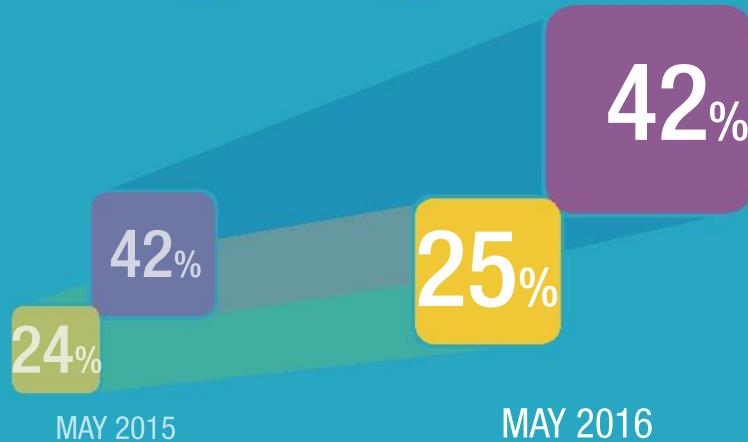
Total LPG sales

500
Thousand tons

flat



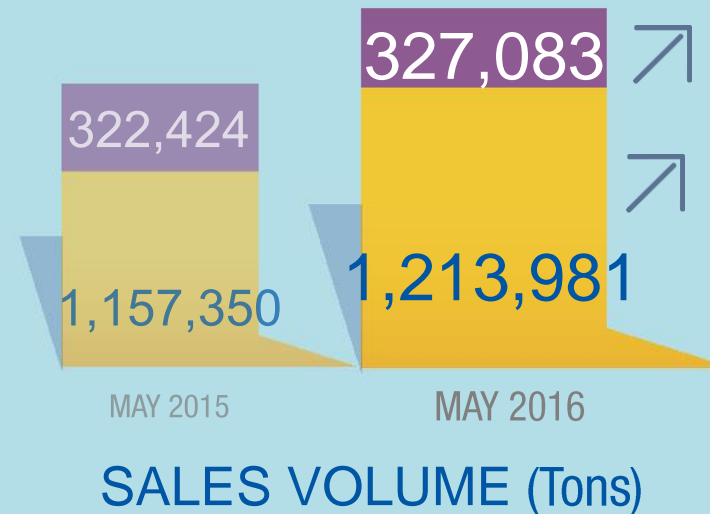
Highlights



As of May 2016 EMRA report, Aygaz cylinder and autogas market shares are 42% and 25% respectively.
(42% and 24% in May 2015)

According to May 2016 EMRA report, Turkish cylinder sales volume is 327,083 tons and auto gas volume is 1,213,981 tons.

(2015 / 5 months: Cylinder gas 322,424 tons ; Autogas 1,157,350 tons).



SALES VOLUME (Tons)

> Highlights

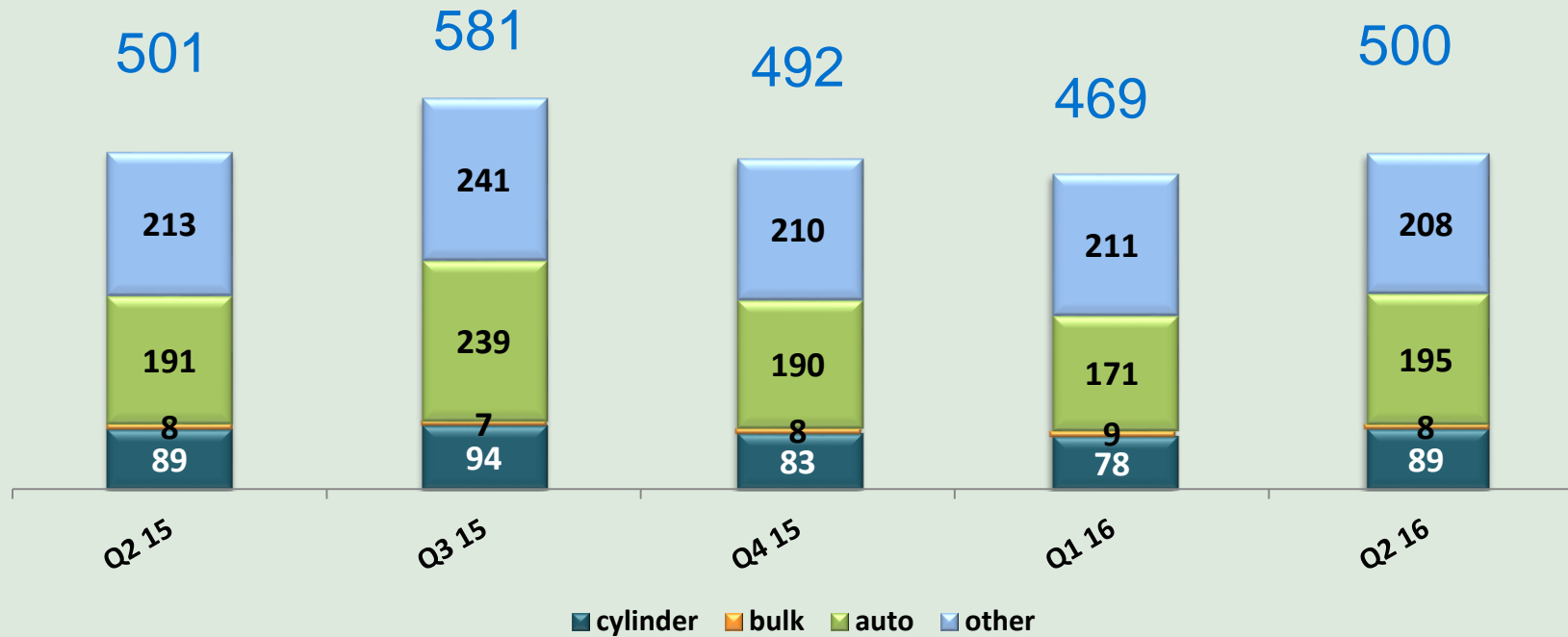
Financial (YoY)

Revenue	1,535 Million TL	+1 % YoY 
Operating profit	82 Million TL	+46 % YoY 
EBITDA	104 Million TL	+33 % YoY 
Net Profit	93 Million TL	-13 % YoY 

- Revenue increased in line with the rise in domestic sales volume.
- Operating profit improved with the positive contribution from both LPG and Natural Gas businesses.

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Aygaz LPG Sales (Thousand tons)

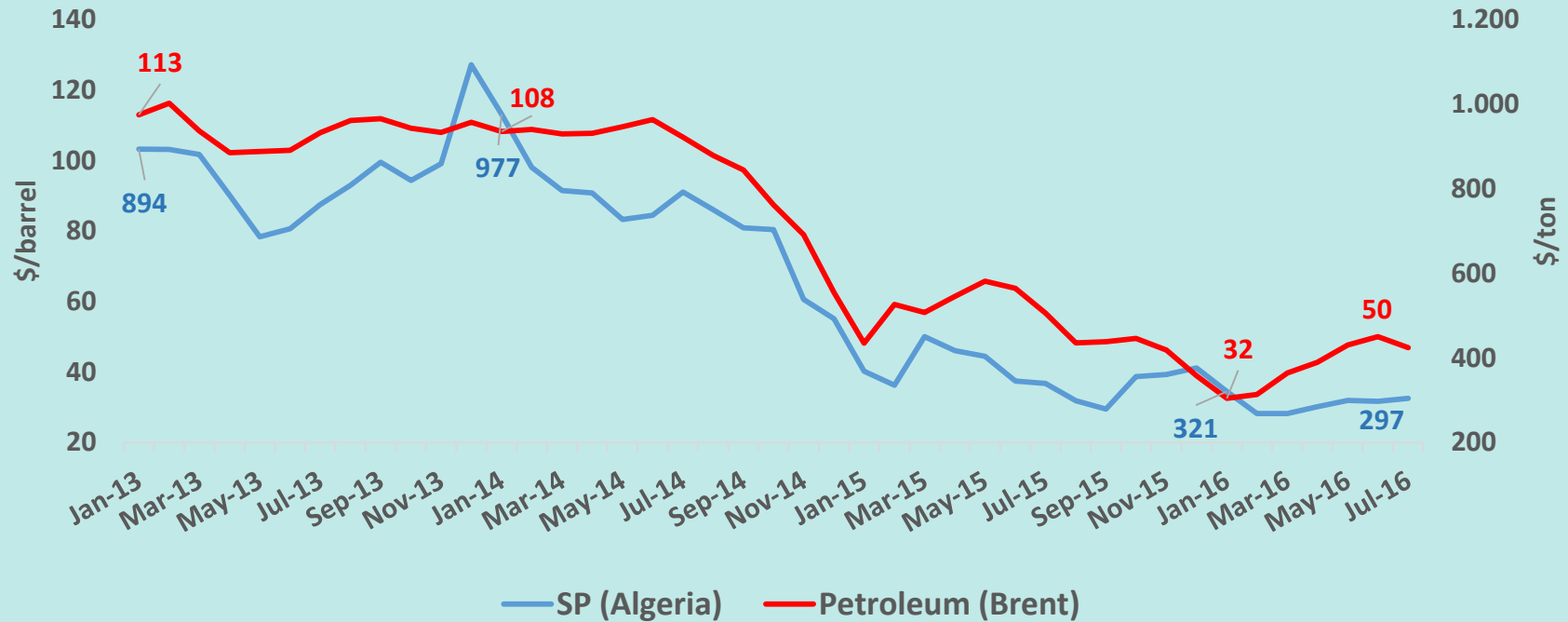


Q2 sales volumes were realized as

- 195 thousand tons in Autogas (+1.9% YoY)
- 89 thousand tons in Cylinder Gas (+0.2% YoY)

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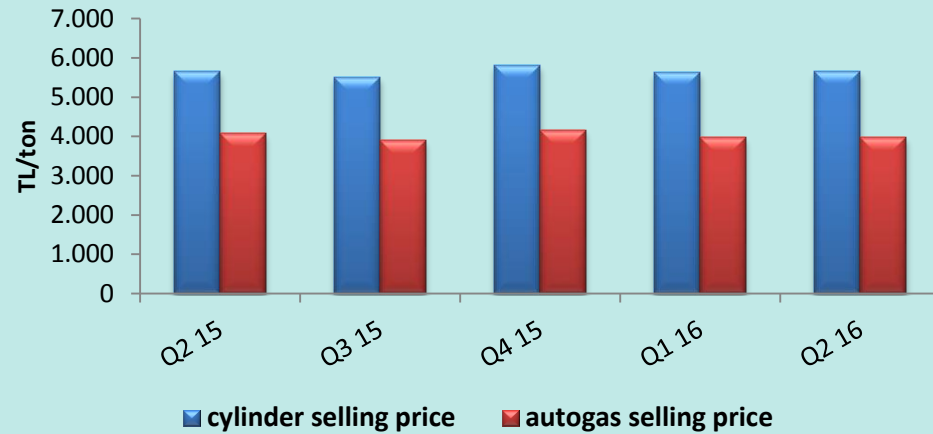
LPG – Brent World prices



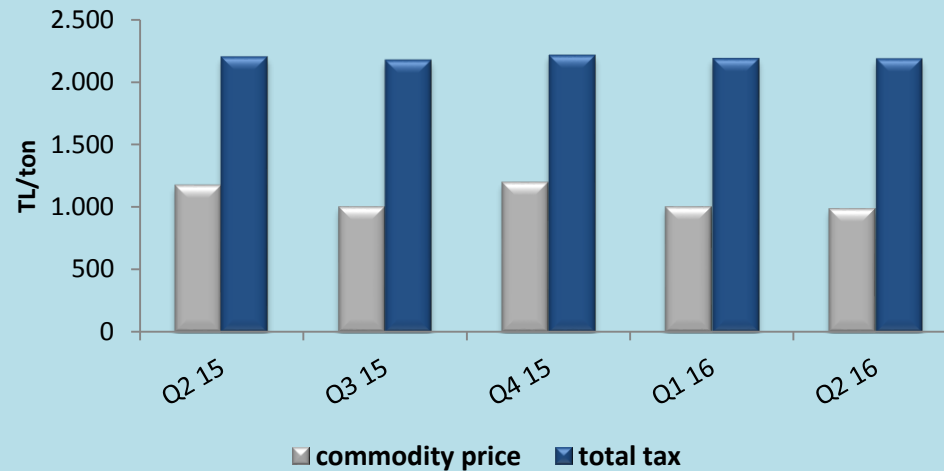
- June 2016 Sonatrach LPG price is at USD 297 and 14% lower than June 2015 price.

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LPG Price and Tax*



Average listed selling price for cylinder gas stayed the same and decreased by 3% for auto gas (YoY)

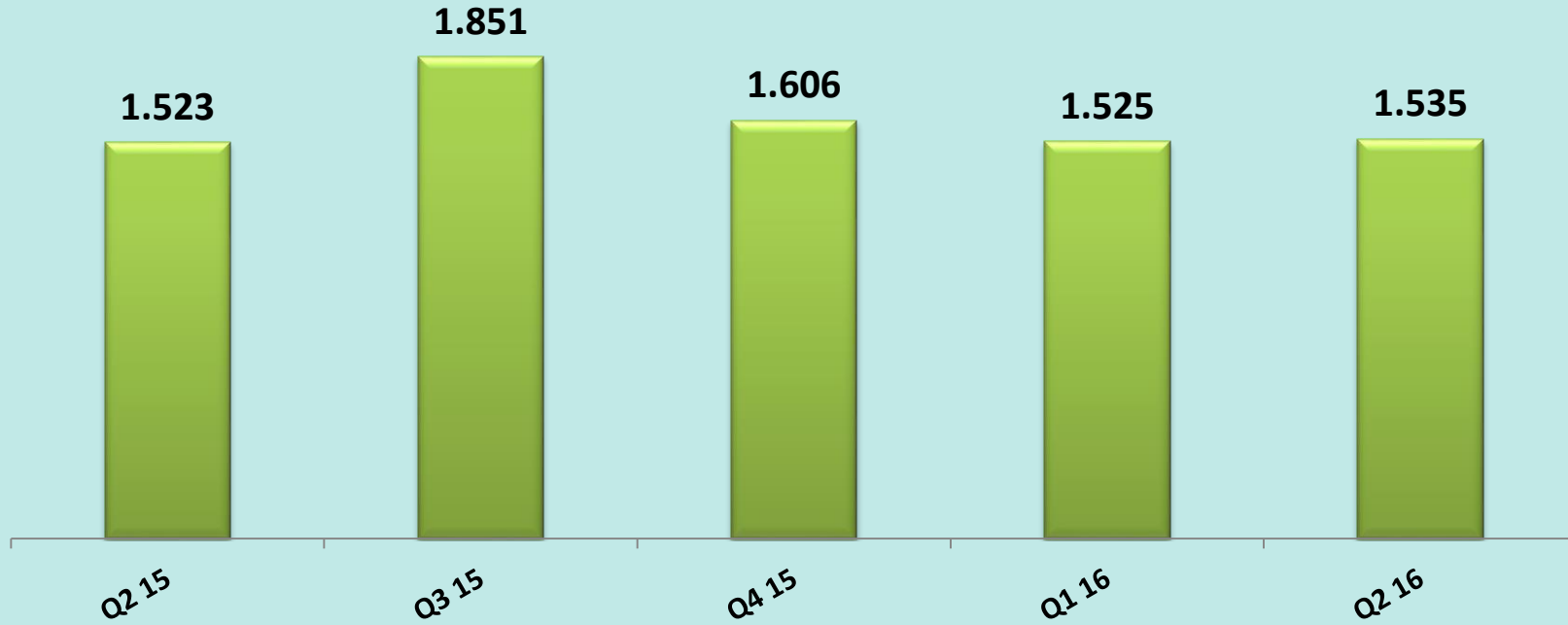


Refinery prices decreased by 18% and 16% in cylinder gas and auto gas respectively. (YoY)

*Periodic arithmetic averages

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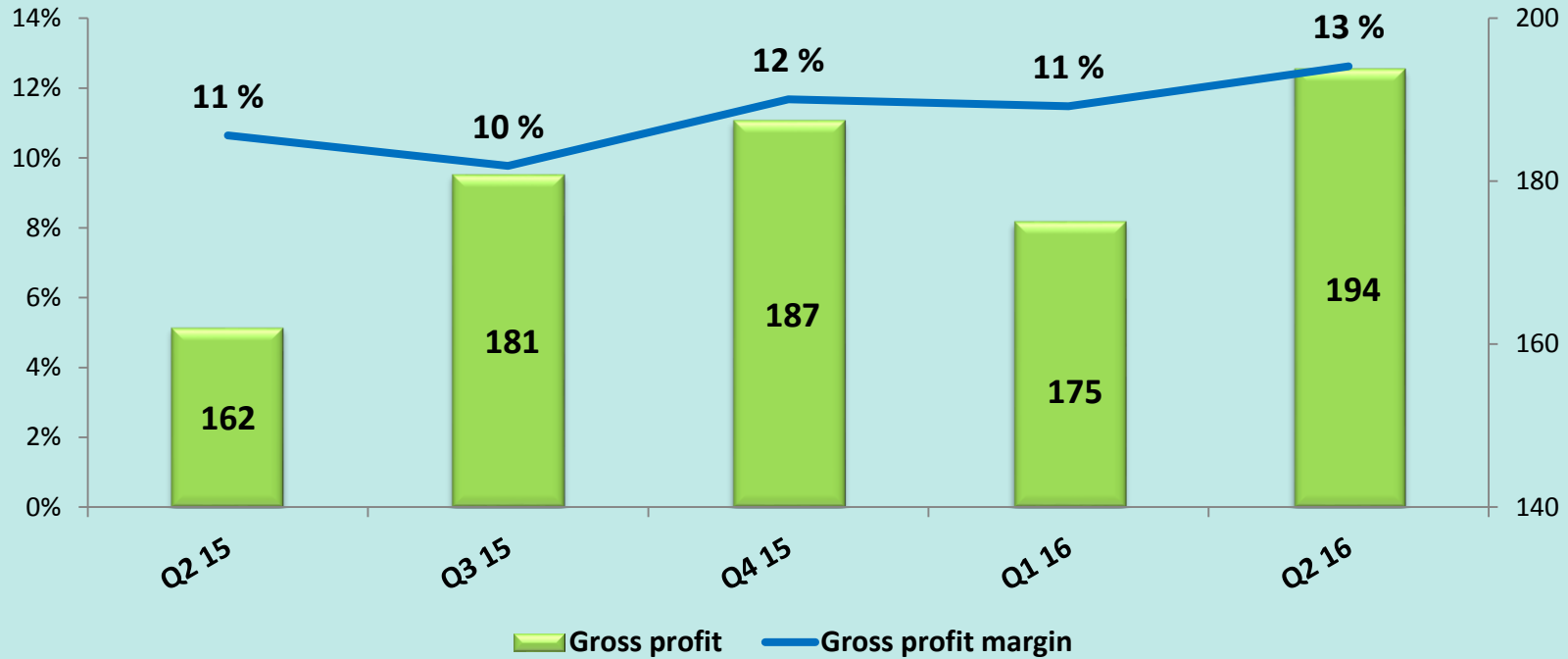
Net Sales (m TL)



- Consolidated Sales Revenues is reported as 1,535 million TL (1% YoY)

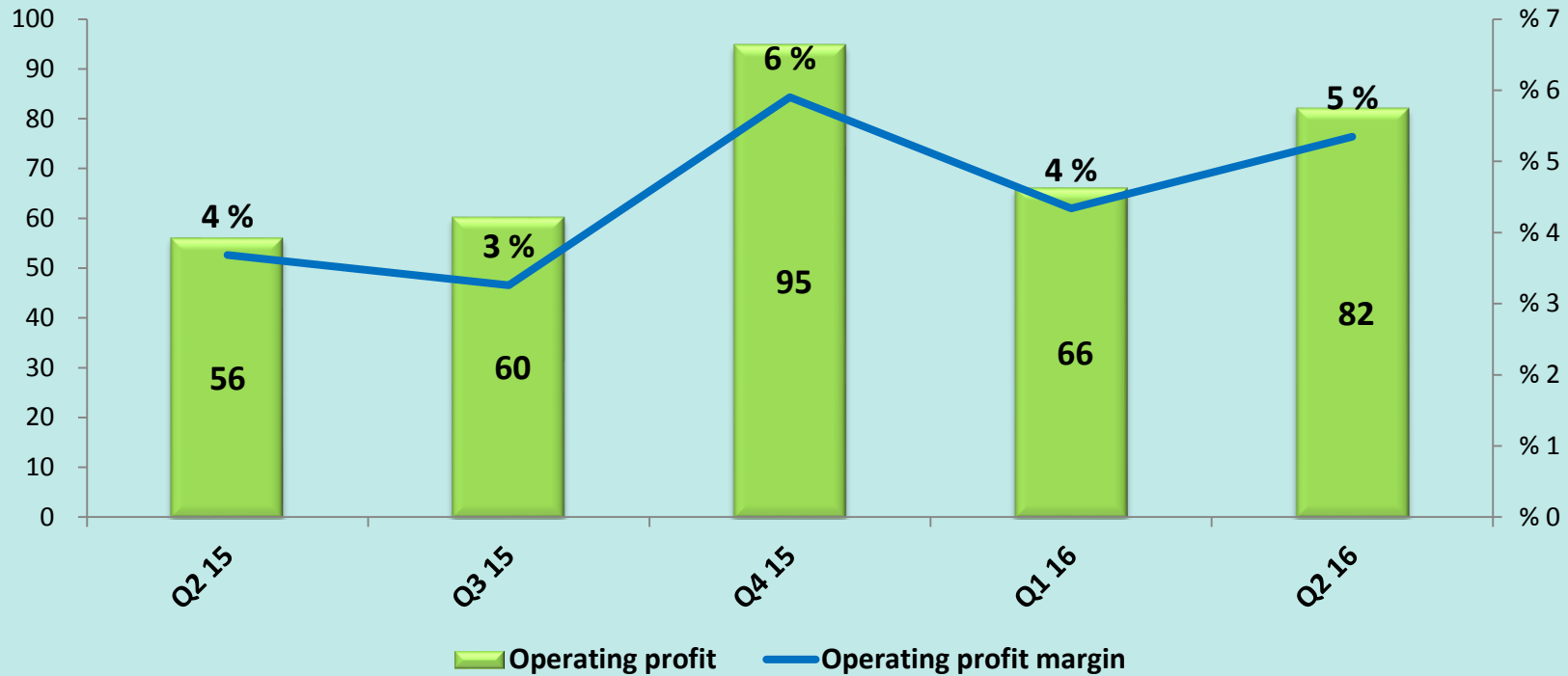
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Gross Profit (m TL)



- Gross Profit is realized as 194 million TL (20% YoY)
- Gross Profit Margin is 13%

Operating Profit (m TL)

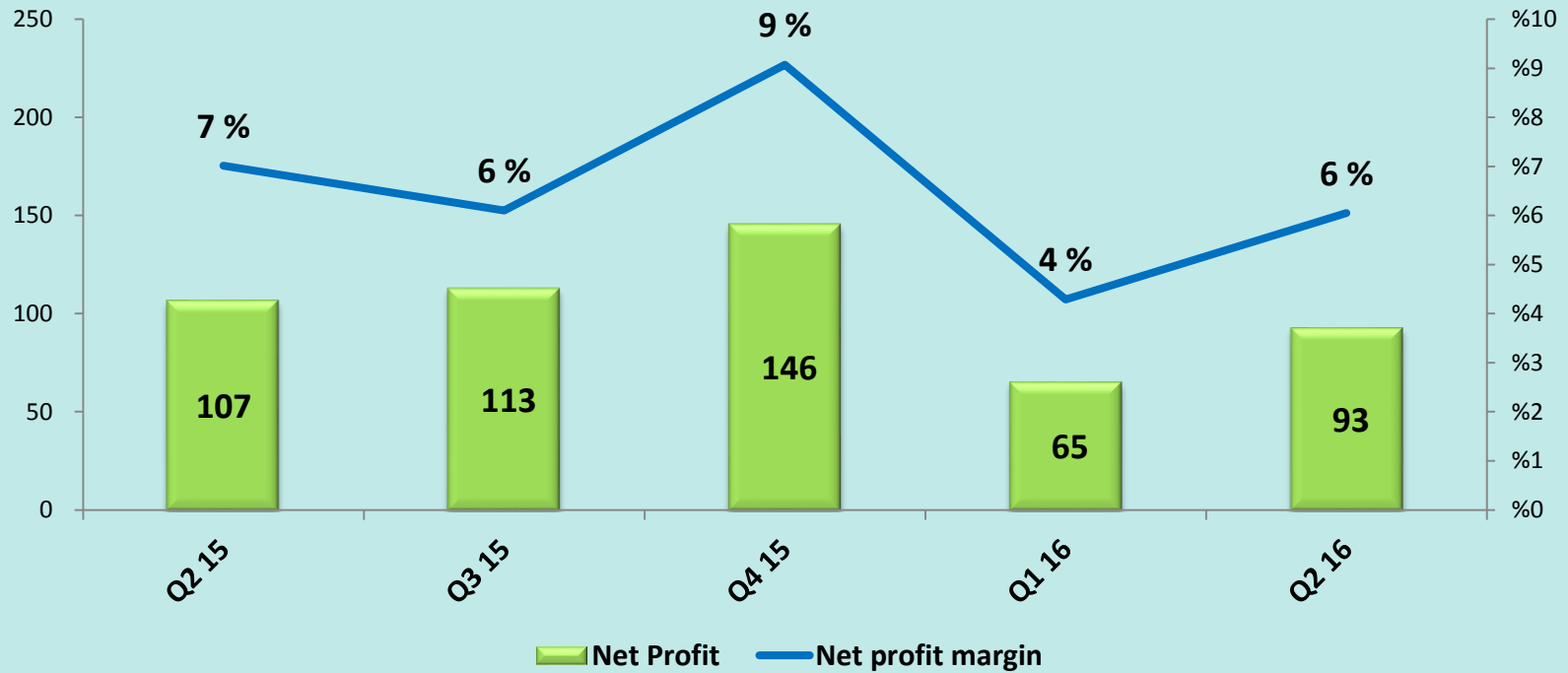


In Q2 2016,

- Operating Profit is 82 million TL (46% YoY)
- OP Margin is 5% up by 1 point YoY

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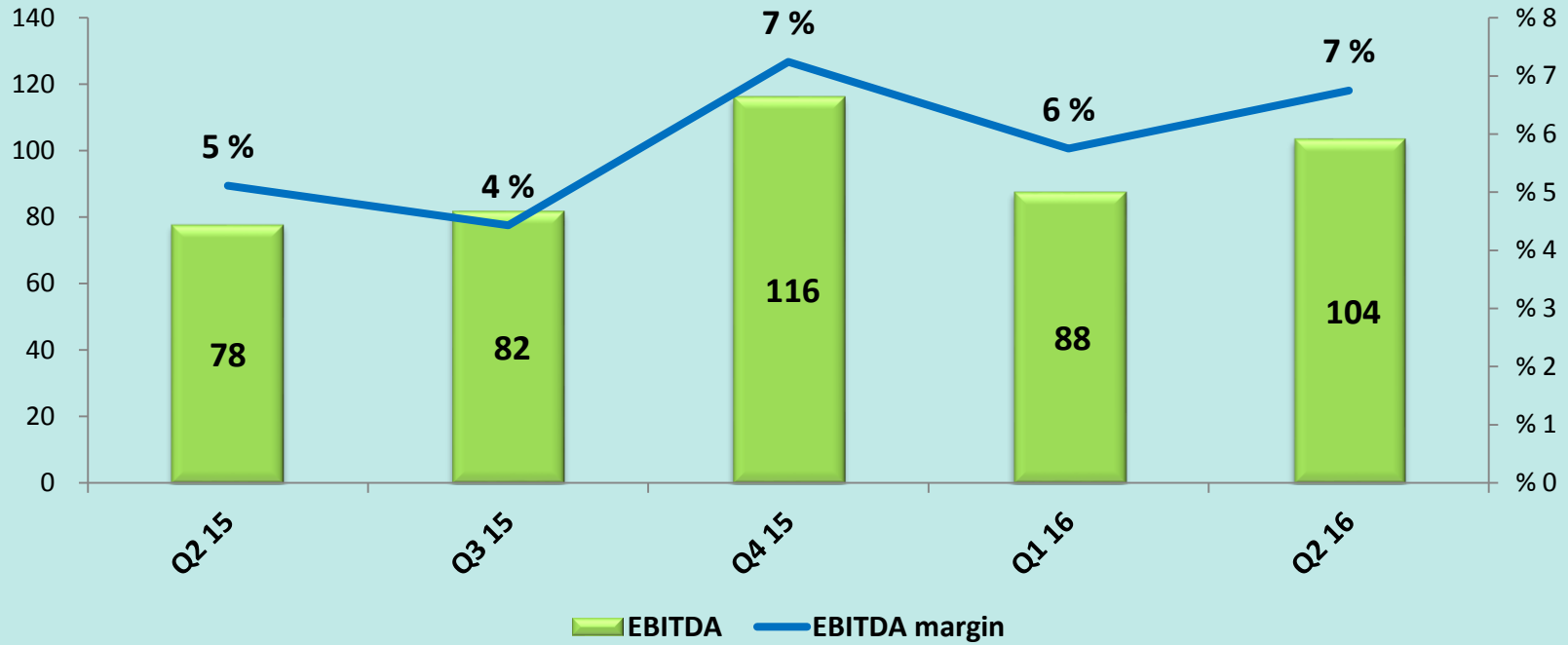
Net Profit (m TL)



- Net Profit is 93 million TL
- Net Profit Margin is 6%

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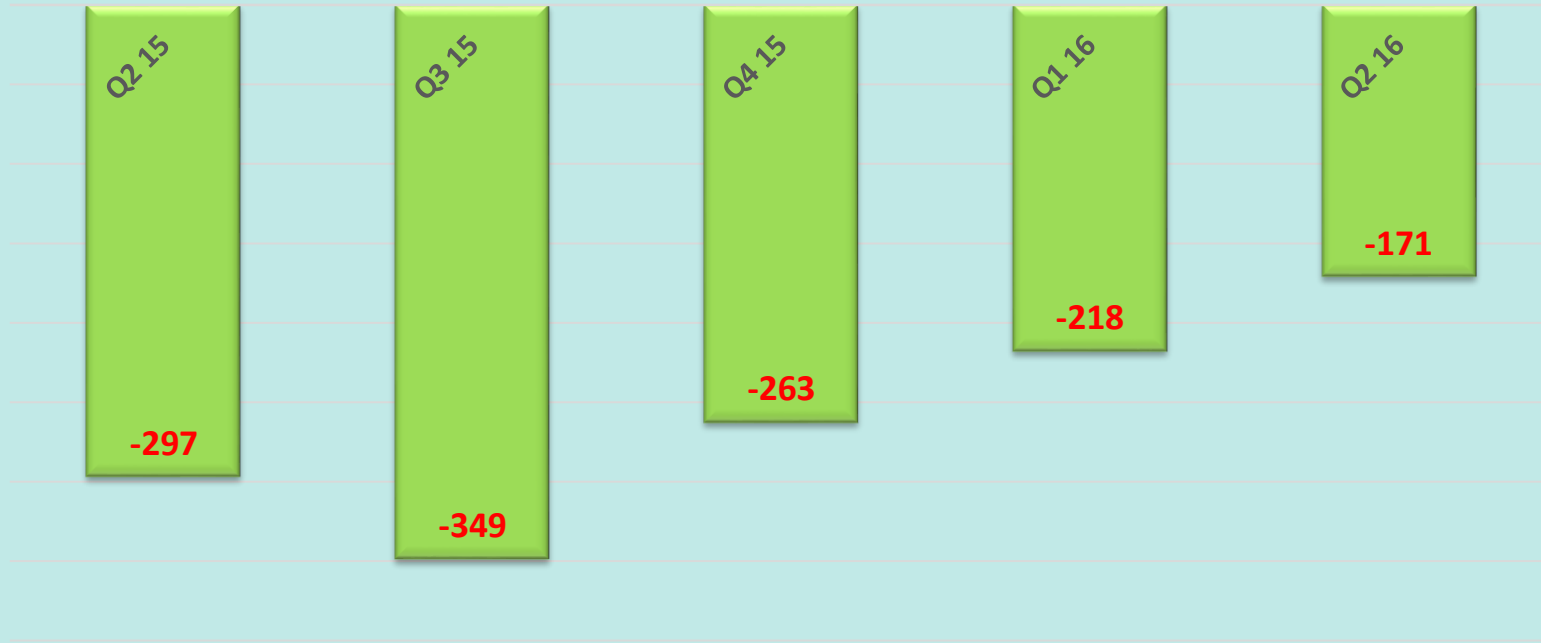
EBITDA (m TL)



- EBITDA is 104 million TL (33% YoY)
- EBITDA Margin is 7% up by 2 points YoY

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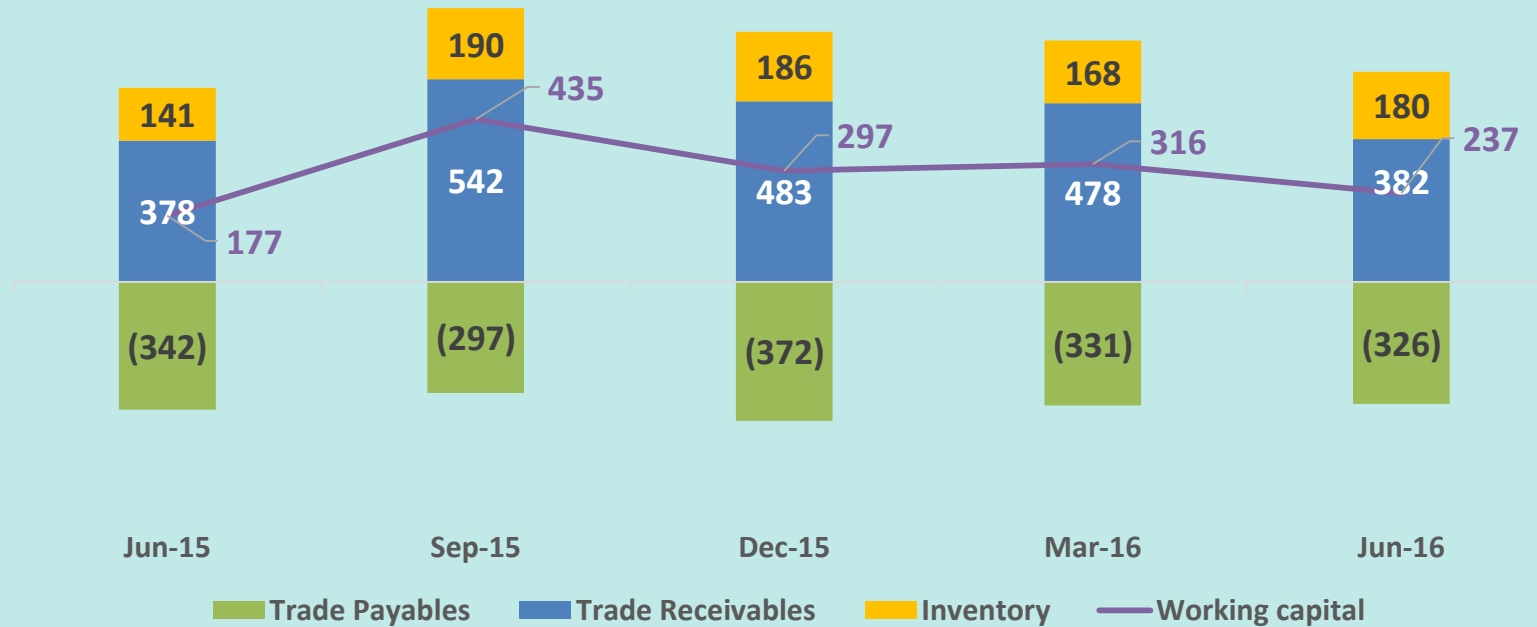
Net Cash (m TL)



- Net debt position is 171 million TL as of 30 June 2016.
- Net debt decreased due to better operating profit.

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Working Capital (m TL)

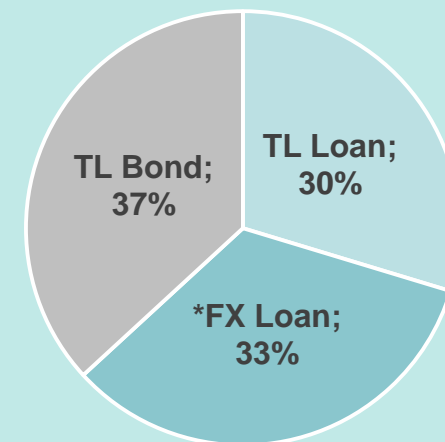


- The structure and size of working capital is being actively managed.

13 Debt Profile

(m TL)	2015	6M 2016
ST Borrowings	66	62
Current portion of LT Borrowings	182	208
LT Borrowings	303	386
Total Debt	551	657
Cash and cash equivalents (-)	289	486
= Net Debt	263	171

Debt Profile as of 30/06/2016



* 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 July 1, 2016.

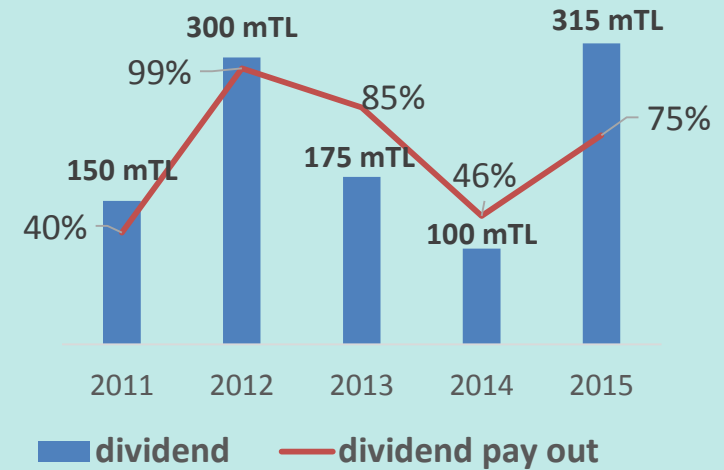
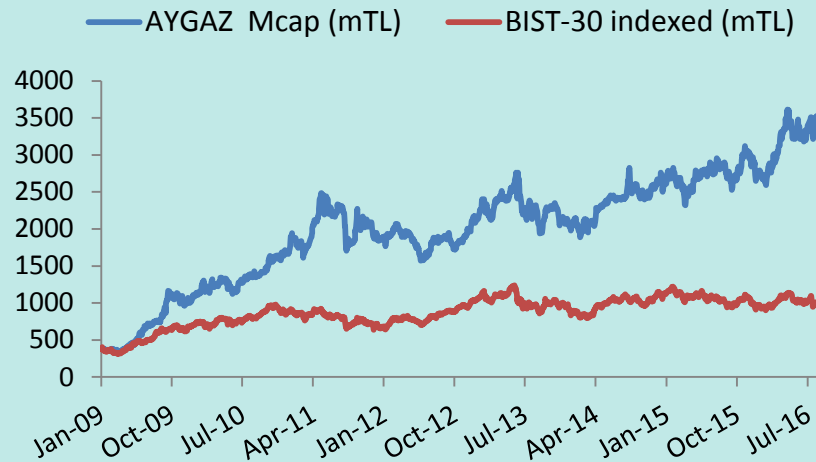
Income Statement - Summary

Million TL	Q2 16	Q1 16	Change	Q2 16	Q2 15	Change
Revenues	1,535	1,525	1%	1,535	1,523	1%
Gross Profit	194	175	11%	194	162	20%
Operating Profit	82	66	24%	82	56	46%
Profit Before Tax	105	75	41%	105	113	-7%
Net Profit	93	65	42%	93	107	-13%
EBITDA	104	88	18%	104	78	33%
MARGINS						
Gross Profit M.	13%	11%	+2	13%	11%	+2
Operating Profit M.	5%	4%	+1	5%	4%	+1
Profit Before Tax M.	7%	5%	+2	7%	8%	-1
Net Profit M.	6%	4%	+2	6%	7%	-1
EBITDA M.	7%	6%	+1	7%	5%	+2

Balance Sheet- Summary

Million TL	6M 16	12M 15
Cash & Cash Eq.	486	289
Trade Receivables	382	483
Inventories	180	186
Prop.Plant&Equipment	655	651
Participations	1.848	1.867
Total Assets	3.999	3.916
Financial Debt	657	551
Trade Payables	326	372
Total Equity	2.563	2.610
Total Liabilities & Equity	3.999	3.916
Net Cash (Debt)	-171	-263
Working Capital	237	297

Aygaz Share Value



BIST Code: **AYGAZ**

Bloomberg Code: **AYGAZ.TI**

Reuters Code: **AYGAZ.IS**

IPO Date: **13.01.1988**

Free float rate: **24.5 %**

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

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