

**AYGAZ**

# Q3 2016 Results

October 31, 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 Q3 of 2016



Domestic LPG sales

**343**

Thousand tons

**+1 % YoY**



International and  
wholesale LPG sales

**283**

Thousand tons

**+17 % YoY**



Total LPG sales

**626**

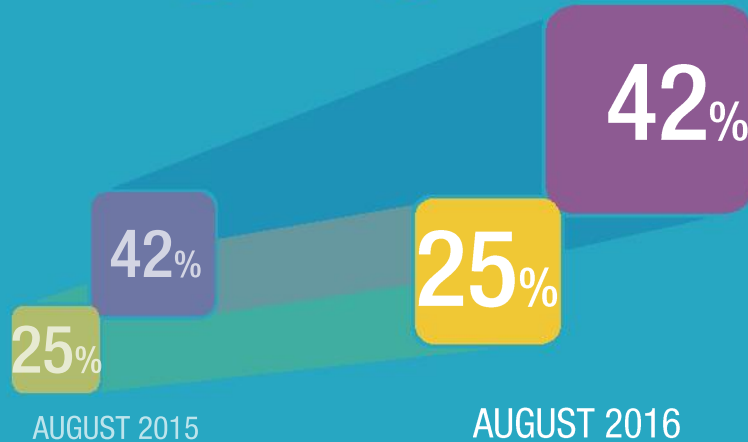
Thousand tons

**+8 % YoY**





# Highlights

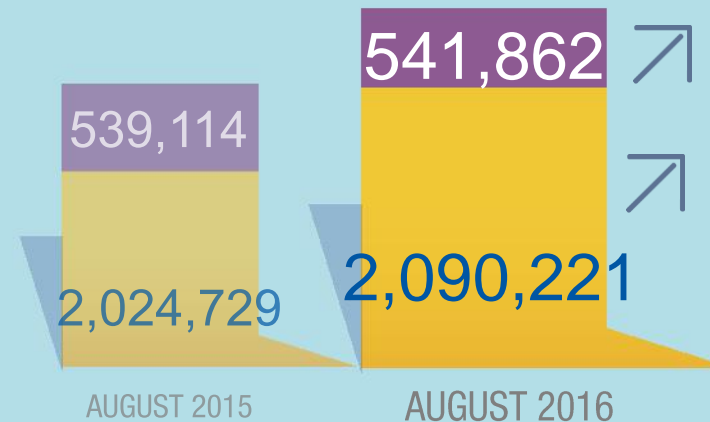


**As of August 2016 EMRA report, Aygaz cylinder and autogas market shares are 42% and 25% respectively.**

(42% and 25% in August 2015)

According to August 2016 EMRA report, Turkish cylinder sales volume is 541,862 tons and auto gas volume is 2,090,221 tons.

(2015 / 8 months: Cylinder gas 539,114 tons ; Autogas 2,024,729 tons).



**SALES VOLUME (Tons)**

EMRA, Aygaz

# > Highlights

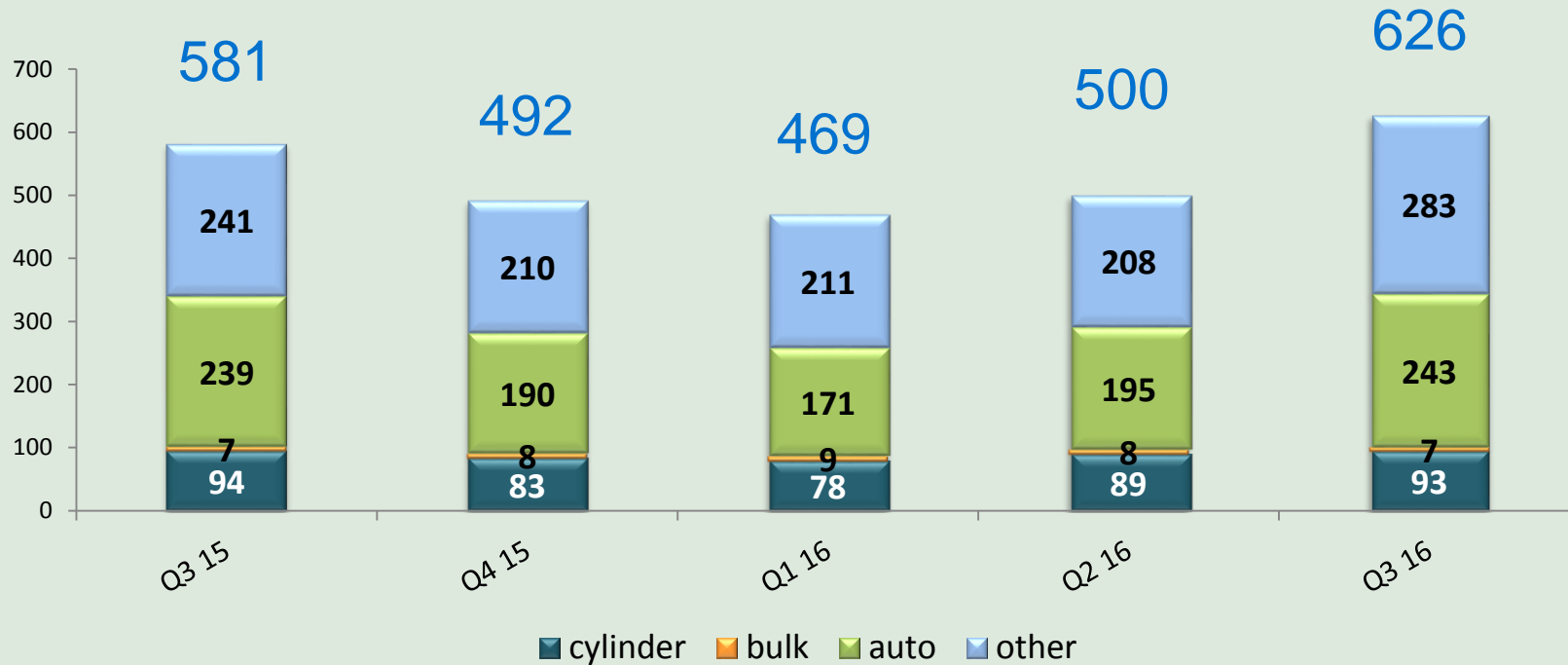
## Financial (YoY)

Revenue	<b>1,845</b> Million TL	-0.3% YoY ↓
Operating profit	<b>85</b> Million TL	+40% YoY ↑
EBITDA	<b>106</b> Million TL	+29% YoY ↑
Net Profit	<b>119</b> Million TL	+5% YoY ↑

- Sales Revenue was not much affected despite the changing agenda of the country and the economic repercussions.
- Positive contribution from both LPG and Natural Gas businesses continued to improve profitability.

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# Aygaz LPG Sales (Thousand tons)



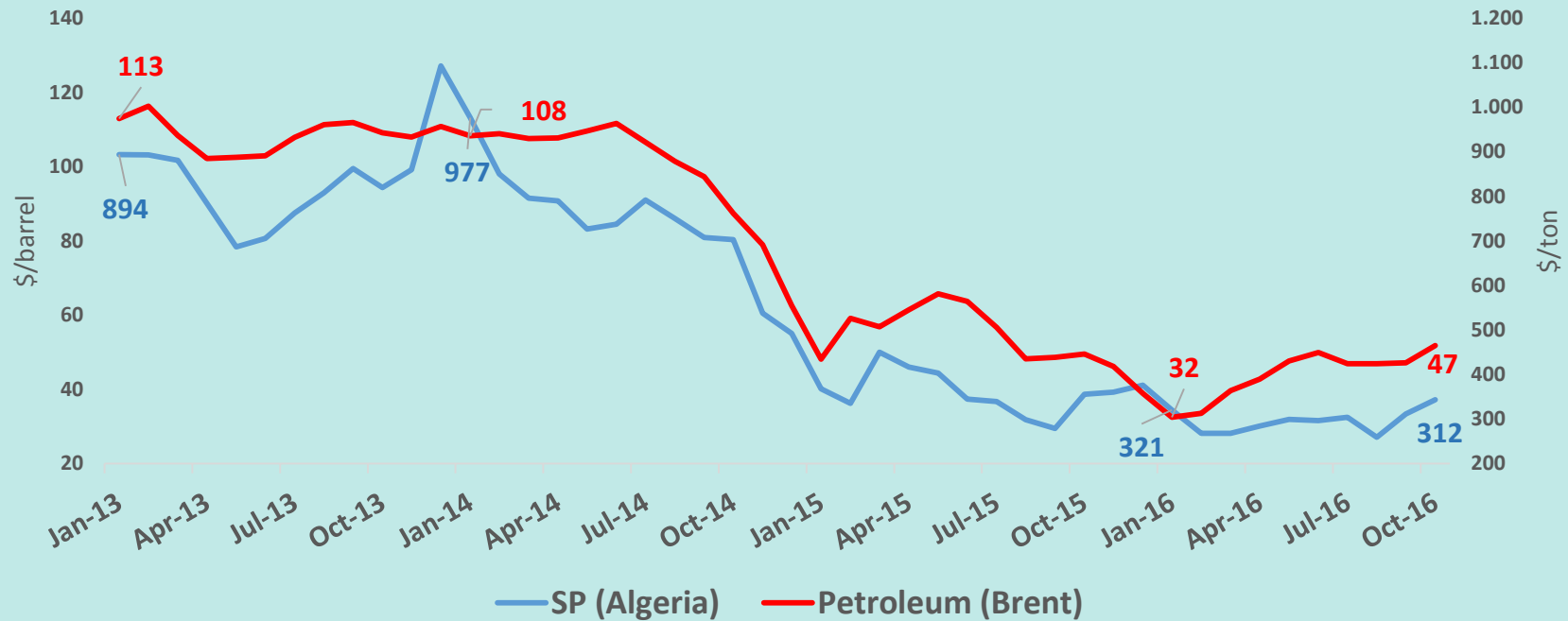
Q3 sales volumes were realized as

- 243 thousand tons in Autogas (+1.8% YoY)
- 93 thousand tons in Cylinder Gas (-0.5% YoY)

EMRA, Aygaz

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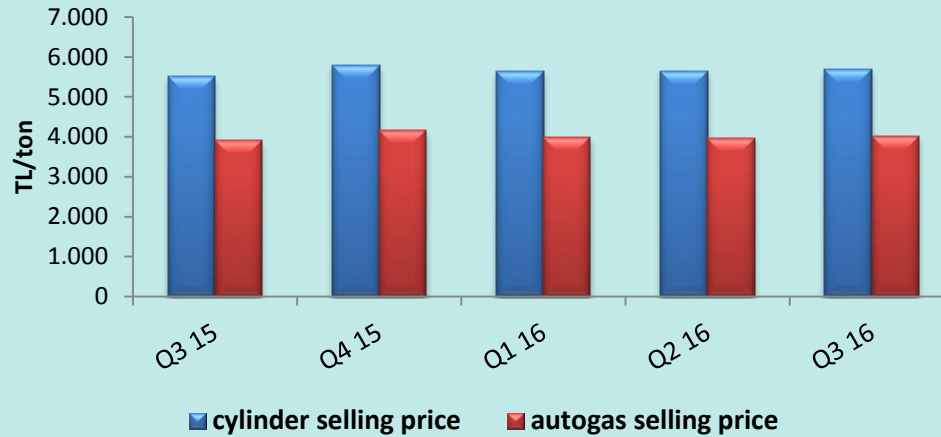
## LPG – Brent World prices



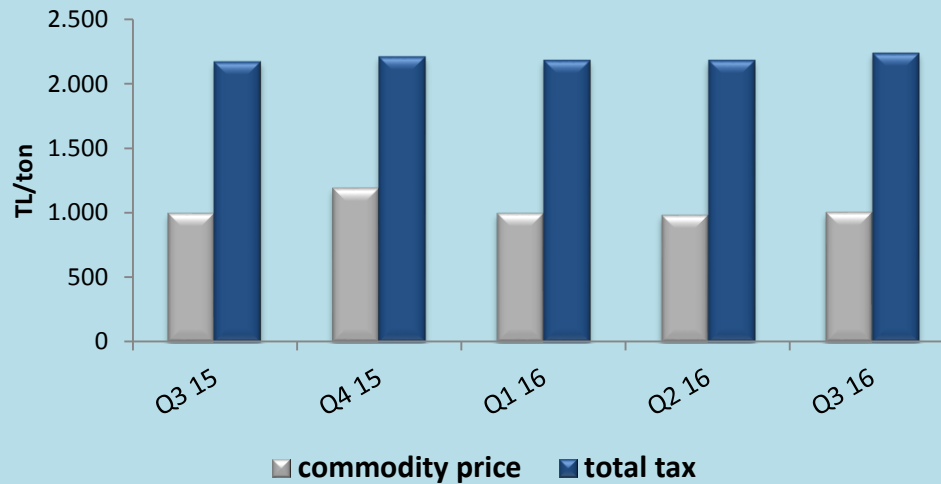
- September 2016 Sonatrach LPG price is at USD 312 and 12% higher than September 2015 price.

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## LPG Price and Tax\*



Average listed selling price for cylinder gas and auto gas increased by 3% (YoY)



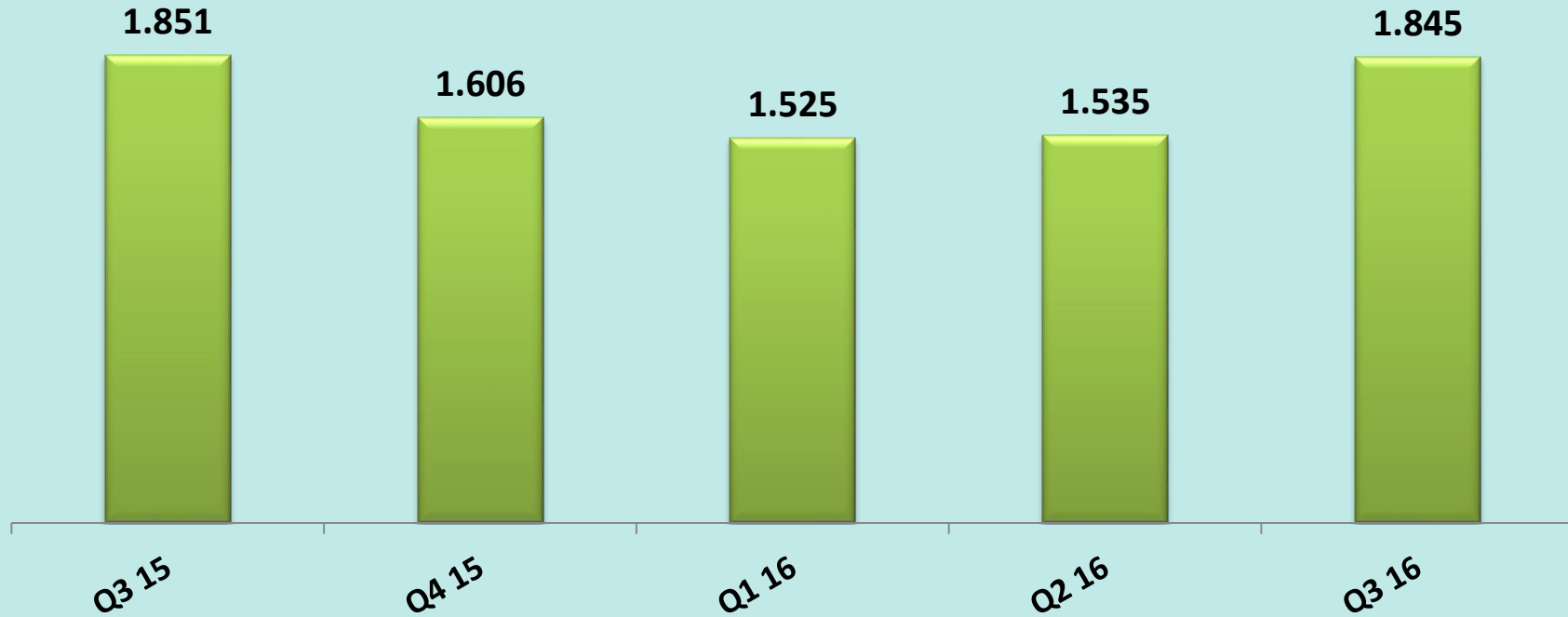
Refinery prices stayed at same levels while total tax amount increased by 1% in cylinder gas and 3% in auto gas by the effect of increase in excise tax. (YoY)

\*Periodic arithmetic averages



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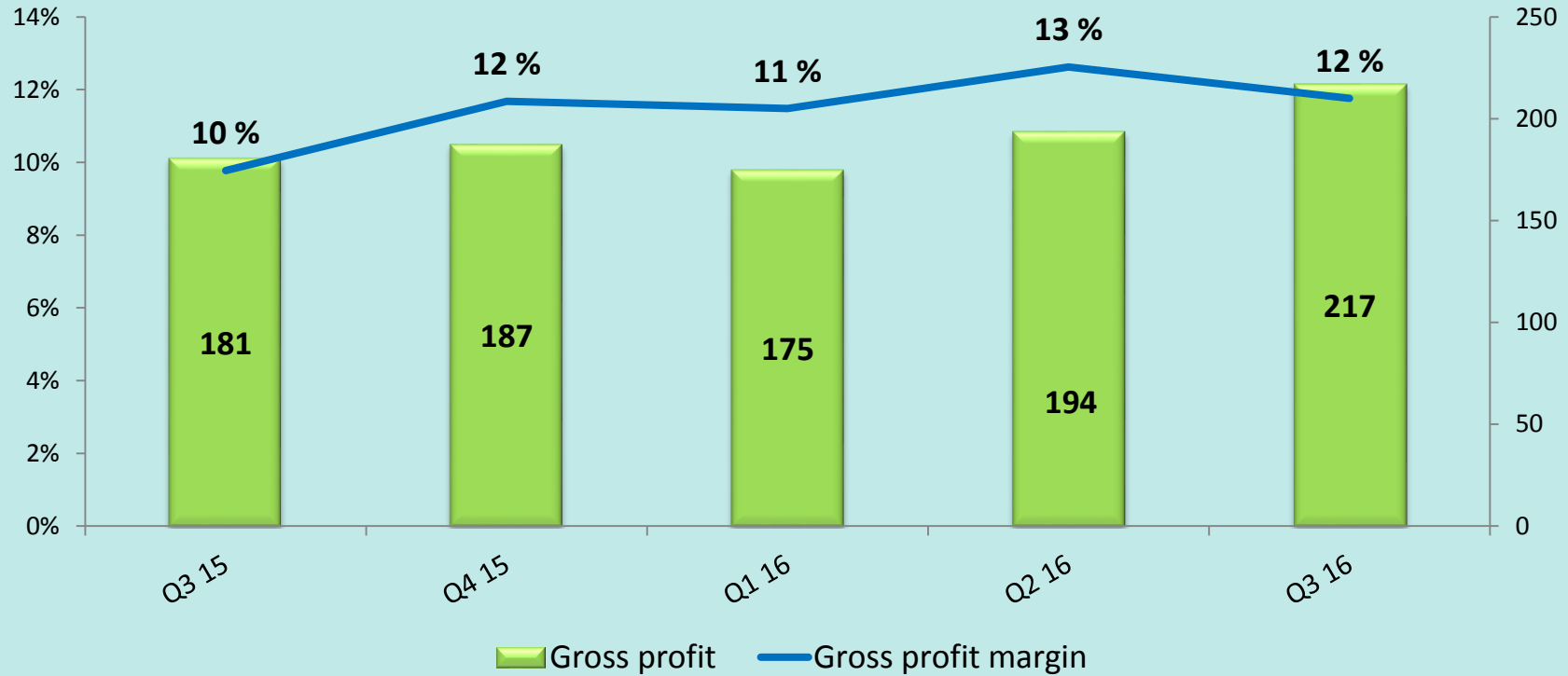
## Net Sales (m TL)



- Consolidated Sales Revenues is reported as 1,845 million TL (-0.3% YoY)

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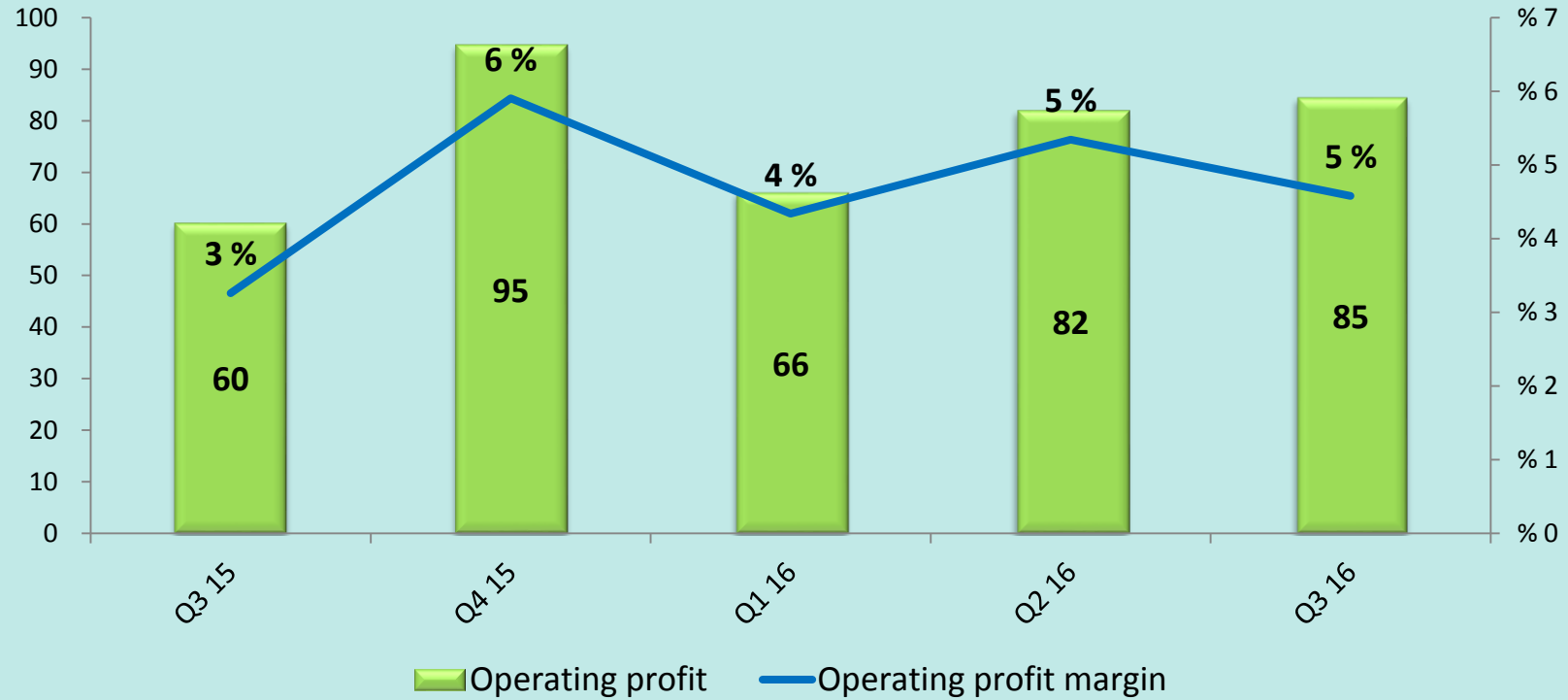
# Gross Profit (m TL)



- Gross Profit is realized as 217 million TL (20% YoY)
- Gross Profit Margin is 12%

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# Operating Profit (m TL)

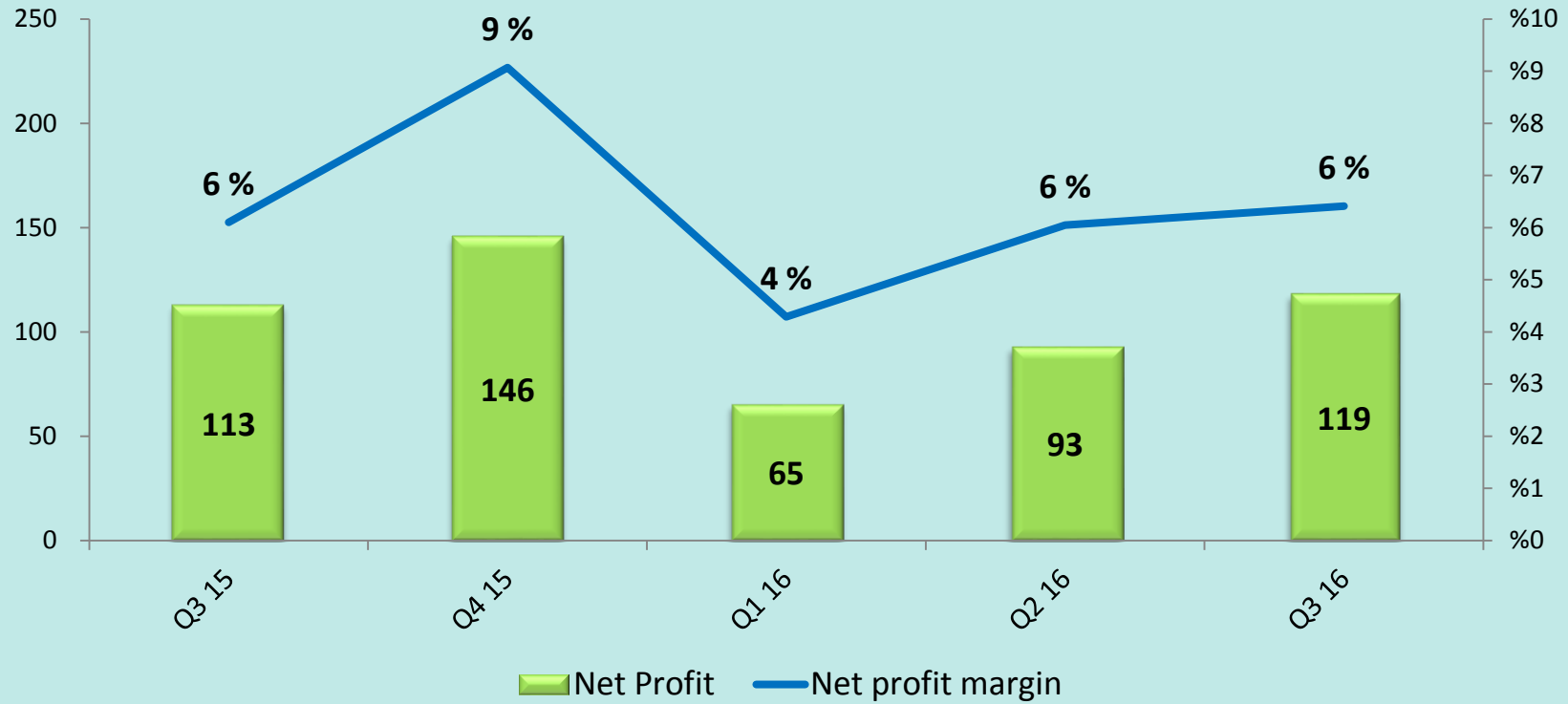


**In Q3 2016,**

- Operating Profit is 85 million TL (40% YoY)
- OP Margin is 5% up by 2 point YoY

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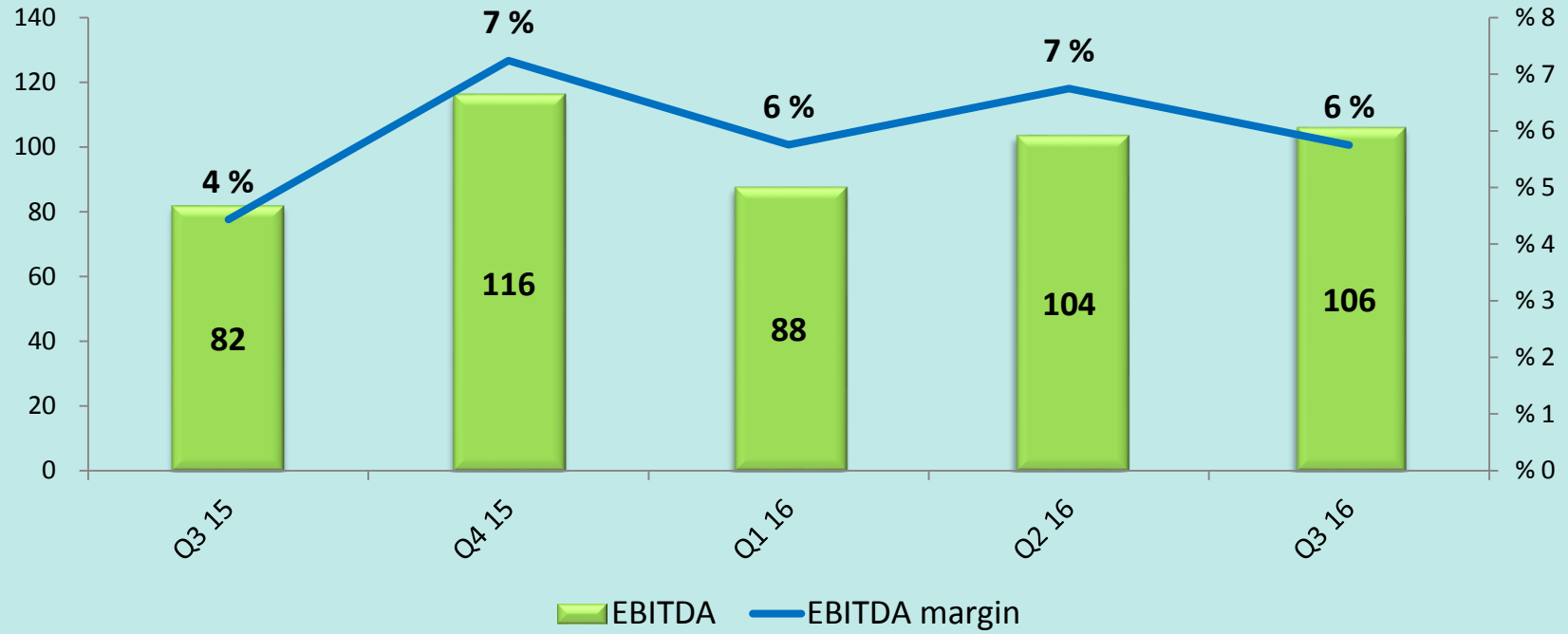
# Net Profit (m TL)



- Net Profit is 119 million TL (5% YoY)
- Net Profit Margin is 6%

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# EBITDA (m TL)



- EBITDA is 106 million TL (29% YoY)
- EBITDA Margin is 6% up by 2 points YoY

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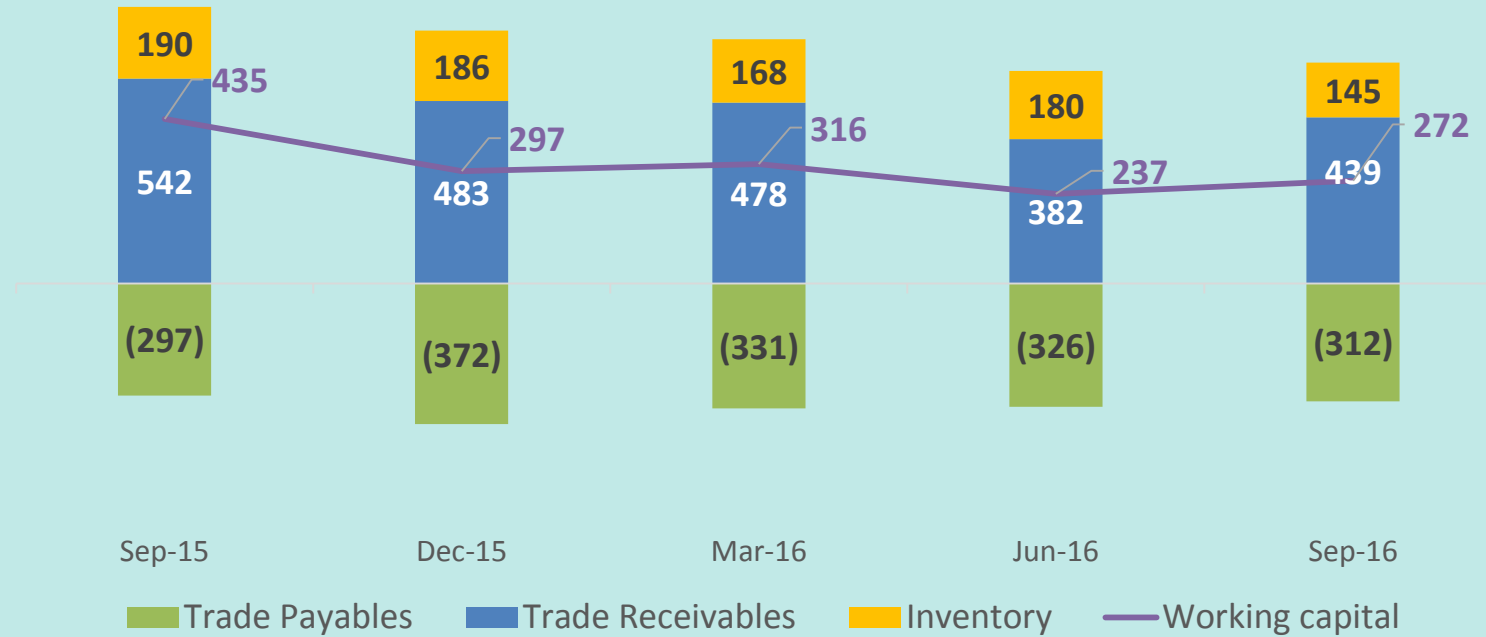
# Net Cash (m TL)



- Net debt decreased to 93 million TL as of 30 September 2016 due to better operating profit.

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# Working Capital (m TL)

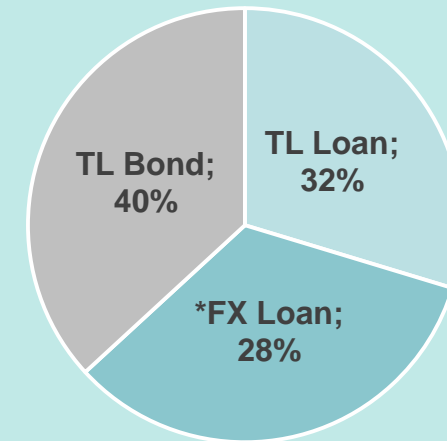


- The structure and size of working capital is being actively managed.

# 13 Debt Profile

(m TL)	2015	9M 2016
ST Borrowings	66	3
Current portion of LT Borrowings	182	207
LT Borrowings	303	393
Total Debt	551	604
Cash and cash equivalents (-)	289	511
= Net Debt	263	93

Debt Profile as of 30/09/2016



\* 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.



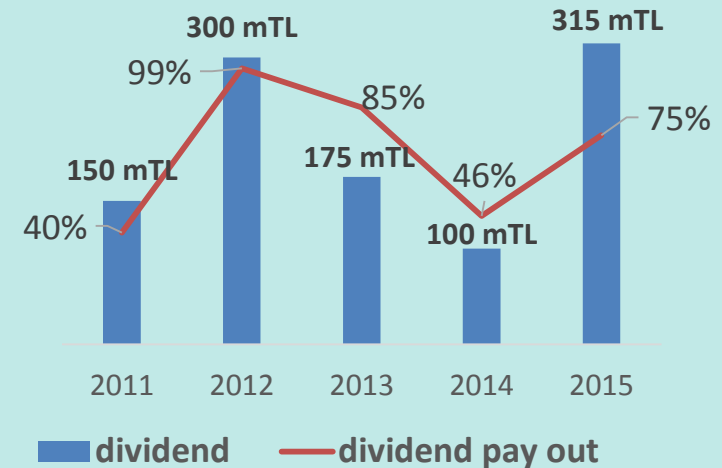
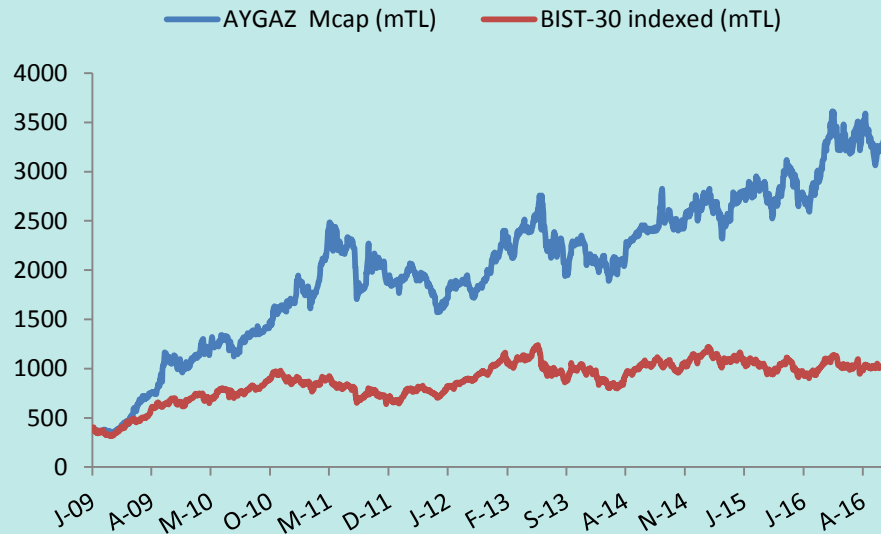
# Income Statement - Summary

Million TL	Q3 16	Q2 16	Change	Q3 16	Q3 15	Change
Revenues	<b>1,845</b>	<b>1,535</b>	20%	<b>1,845</b>	1,851	-0.3%
Gross Profit	<b>217</b>	<b>194</b>	12%	<b>217</b>	181	20%
Operating Profit	<b>85</b>	<b>82</b>	3%	<b>85</b>	60	40%
Profit Before Tax	<b>132</b>	<b>105</b>	26%	<b>132</b>	122	8%
Net Profit	<b>119</b>	<b>93</b>	27%	<b>119</b>	113	5%
EBITDA	<b>106</b>	<b>104</b>	2%	<b>106</b>	82	29%
<b>MARGINS</b>						
Gross Profit M.	<b>12%</b>	<b>13%</b>	-1	<b>12%</b>	10%	+2
Operating Profit M.	<b>5%</b>	<b>5%</b>	-	<b>5%</b>	3%	+2
Profit Before Tax M.	<b>7%</b>	<b>7%</b>	-	<b>7%</b>	7%	-
Net Profit M.	<b>6%</b>	<b>6%</b>	-	<b>6%</b>	6%	-
EBITDA M.	<b>6%</b>	<b>7%</b>	-1	<b>6%</b>	4%	+2

# Balance Sheet- Summary

Million TL	9M 16	12M 15
Cash & Cash Eq.	511	289
Trade Receivables	439	483
Inventories	145	186
Prop.Plant&Equipment	650	651
Participations	1.897	1.867
<b>Total Assets</b>	<b>4.073</b>	<b>3.916</b>
Financial Debt	604	551
Trade Payables	312	372
Total Equity	2.672	2.610
<b>Total Liabilities &amp; Equity</b>	<b>4.073</b>	<b>3.916</b>
Net Cash (Debt)	-93	-263
Working Capital	272	297

# 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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