

AYGAZ

Q4 2016 Results

January 13, 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 Q4 of 2016



Domestic LPG sales

273

Thousand tons

-3% YoY



International and
wholesale LPG sales

241

Thousand tons

+15% YoY



Total LPG sales

514

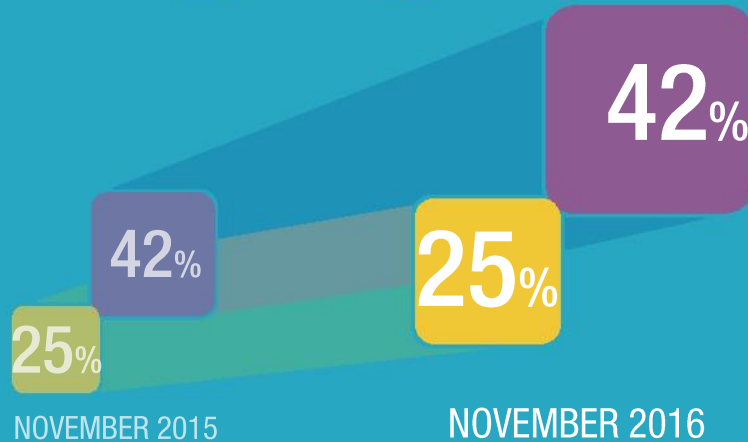
Thousand tons

+5% YoY





Highlights

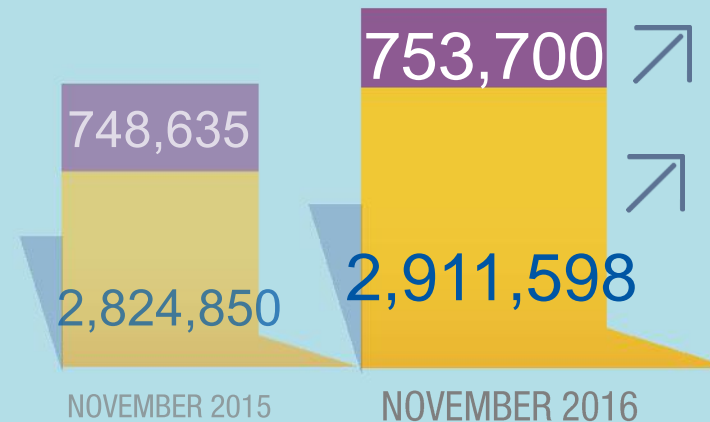


As of November 2016 EMRA report, Aygaz cylinder and autogas market shares are 42% and 25% respectively.

(42% and 25% in November 2015)

According to November 2016 EMRA report, Turkish cylinder sales volume is 753,700 tons and auto gas volume is 2,911,598 tons.

(2015 / 11 months: Cylinder gas 748,635 tons ; Autogas 2,824,850 tons).



SALES VOLUME (Tons)

EMRA, Aygaz

> Highlights

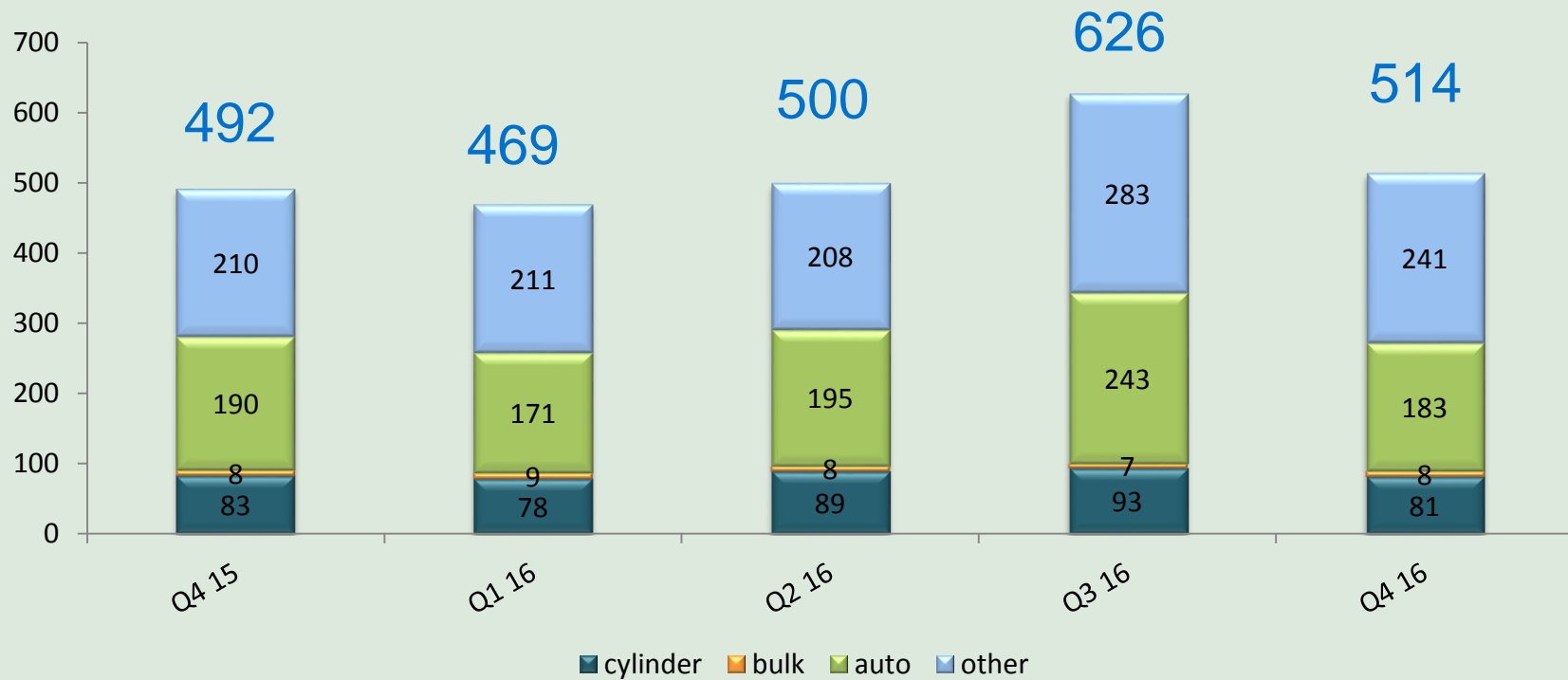
Financial (YoY)

Revenue	1,844 Million TL	15% YoY ↑
Operating profit	75 Million TL	-21% YoY ↓
EBITDA	97 Million TL	-17% YoY ↓
Net Profit	139 Million TL	-4% YoY ↓

- Effects of the increase both in commodity price and FX rate are observed in financial figures of the last quarter of 2016.

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Aygaz LPG Sales (Thousand tons)

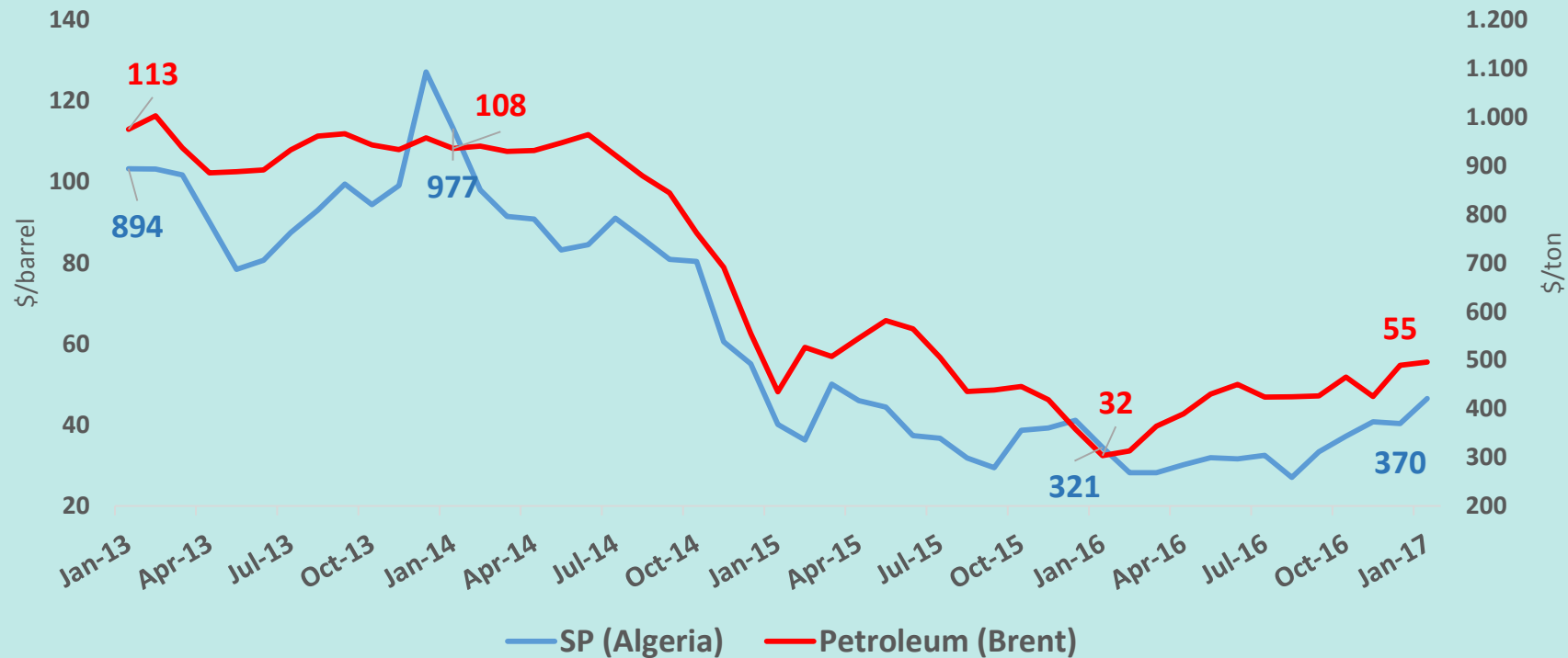


Q4 sales volumes were realized as

- 183 thousand tons in Autogas (-4% YoY)
- 81 thousand tons in Cylinder Gas (-1.6% YoY)

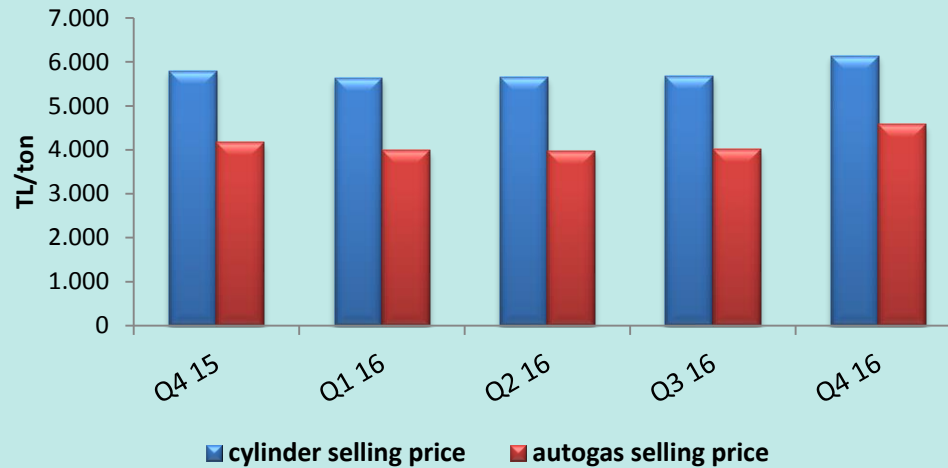
EMRA, Aygaz

LPG – Brent World prices

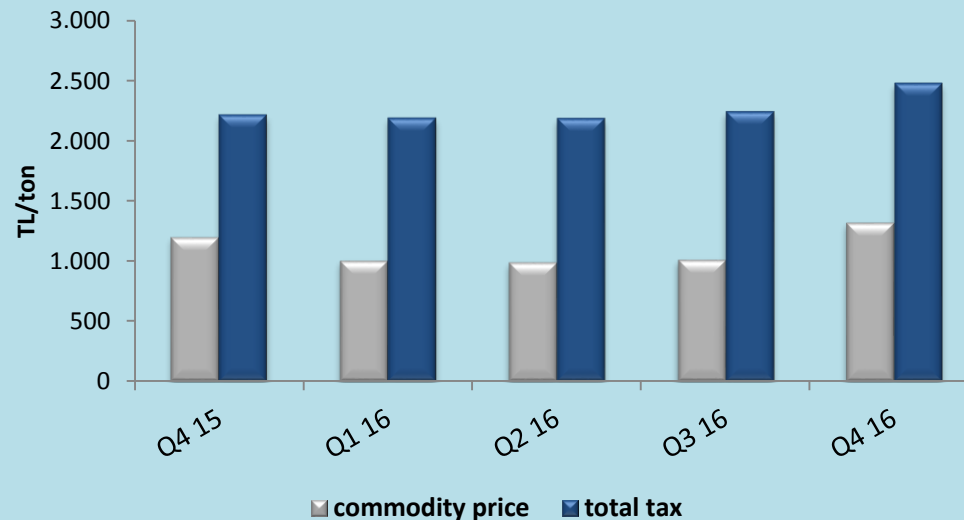


- December 2016 Sonatrach LPG price is at USD 370 and 2% lower than December 2015 price.

LPG Price and Tax*



In Q4 2016, average listed selling price increased by 6% for cylinder gas and 10% for auto gas. (YoY)

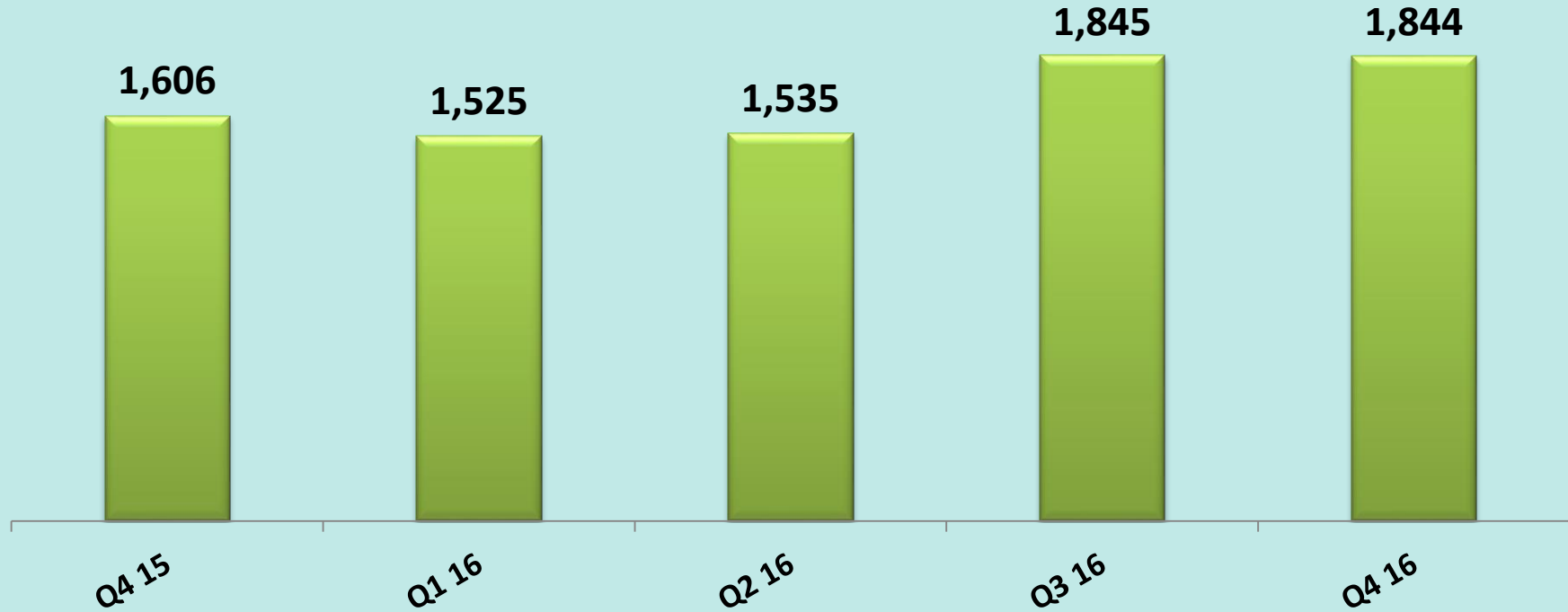


Refinery prices are 10% higher than Q4 2015 figures. Total tax amount increased by 2% in cylinder gas while 12% in auto gas by the effect of increase in excise tax. (YoY)

*Periodic arithmetic averages

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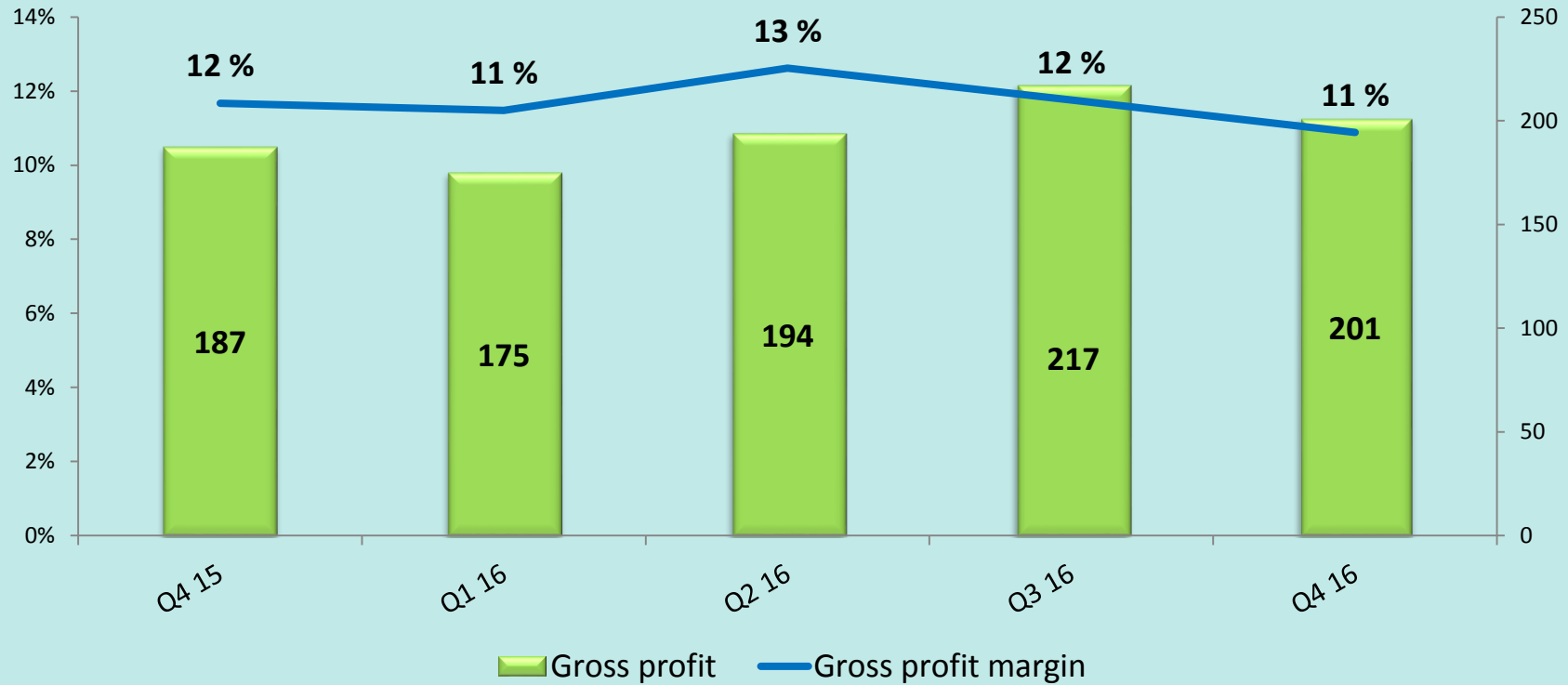
Net Sales (m TL)



- Consolidated Sales Revenues is reported as 1,844 million TL (15% YoY)

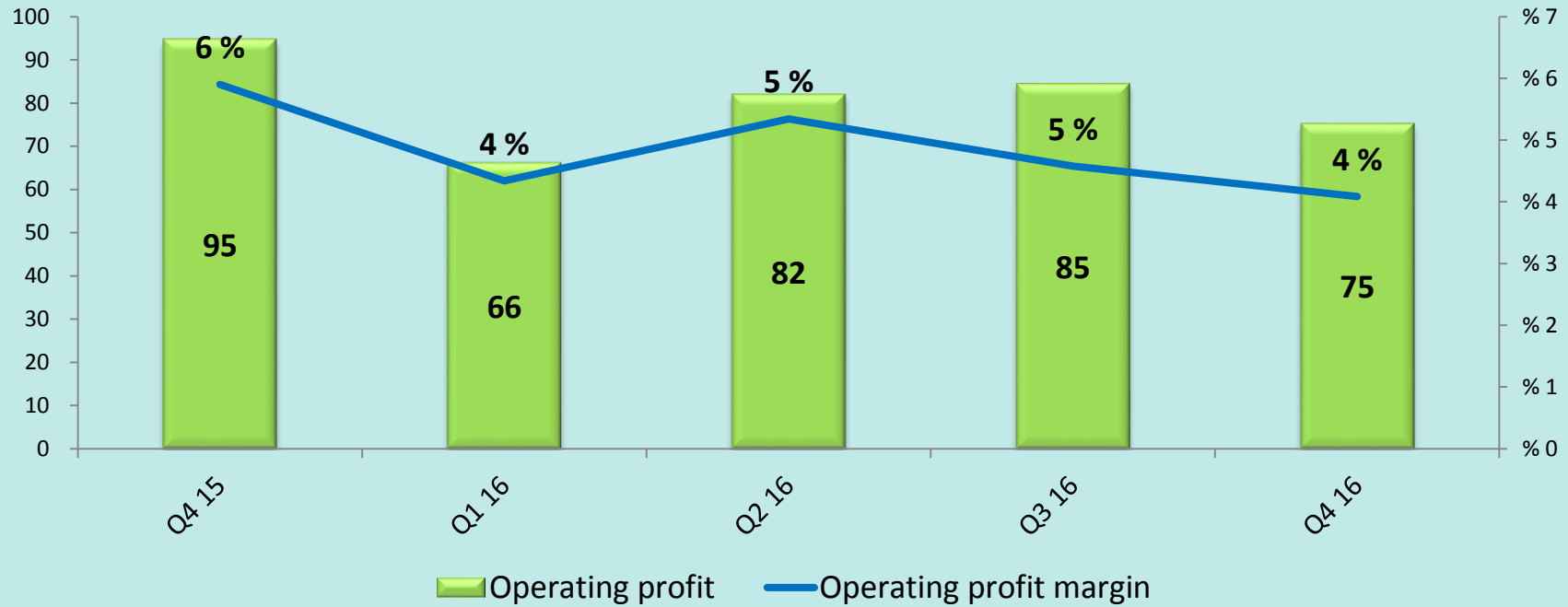
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Gross Profit (m TL)



- Gross Profit is realized as 201 million TL (7% YoY)
- Gross Profit Margin is 11%

Operating Profit (m TL)

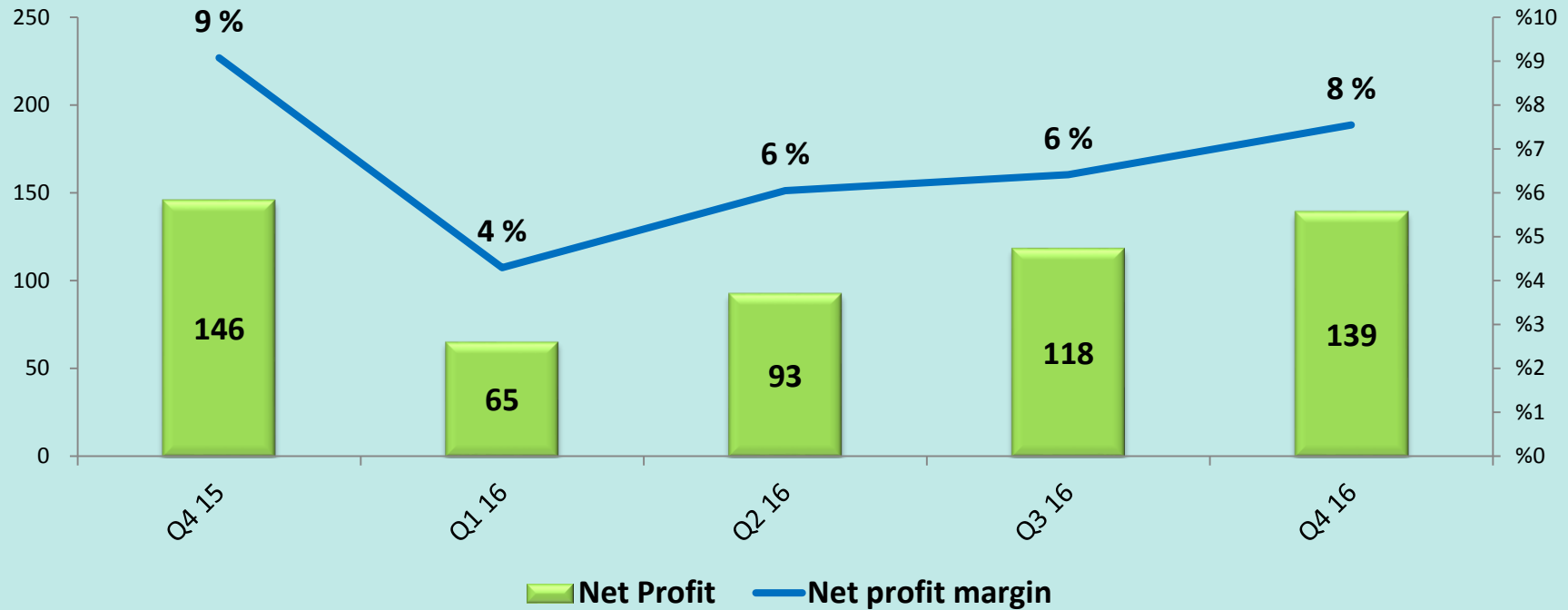


In Q4 2016,

- Operating Profit is 75 million TL
- OP Margin is 4%

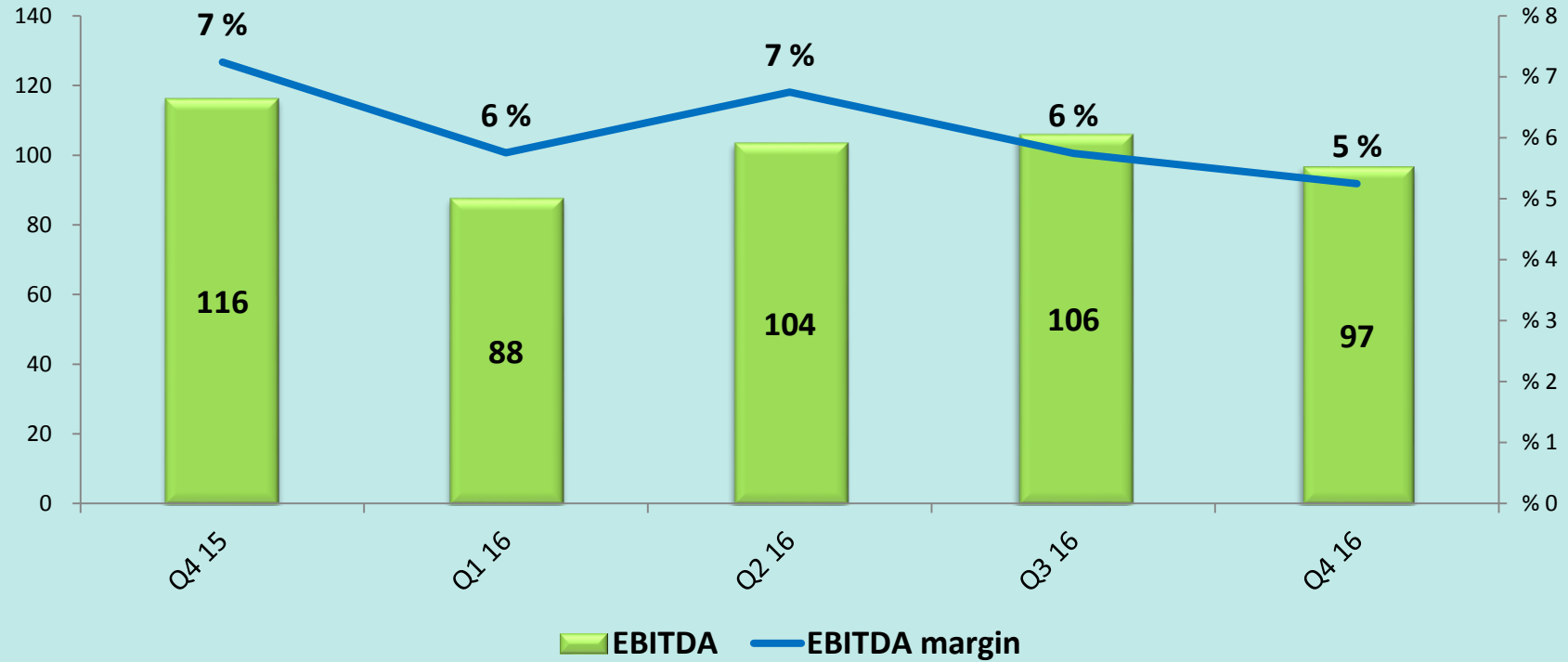
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Net Profit (m TL)



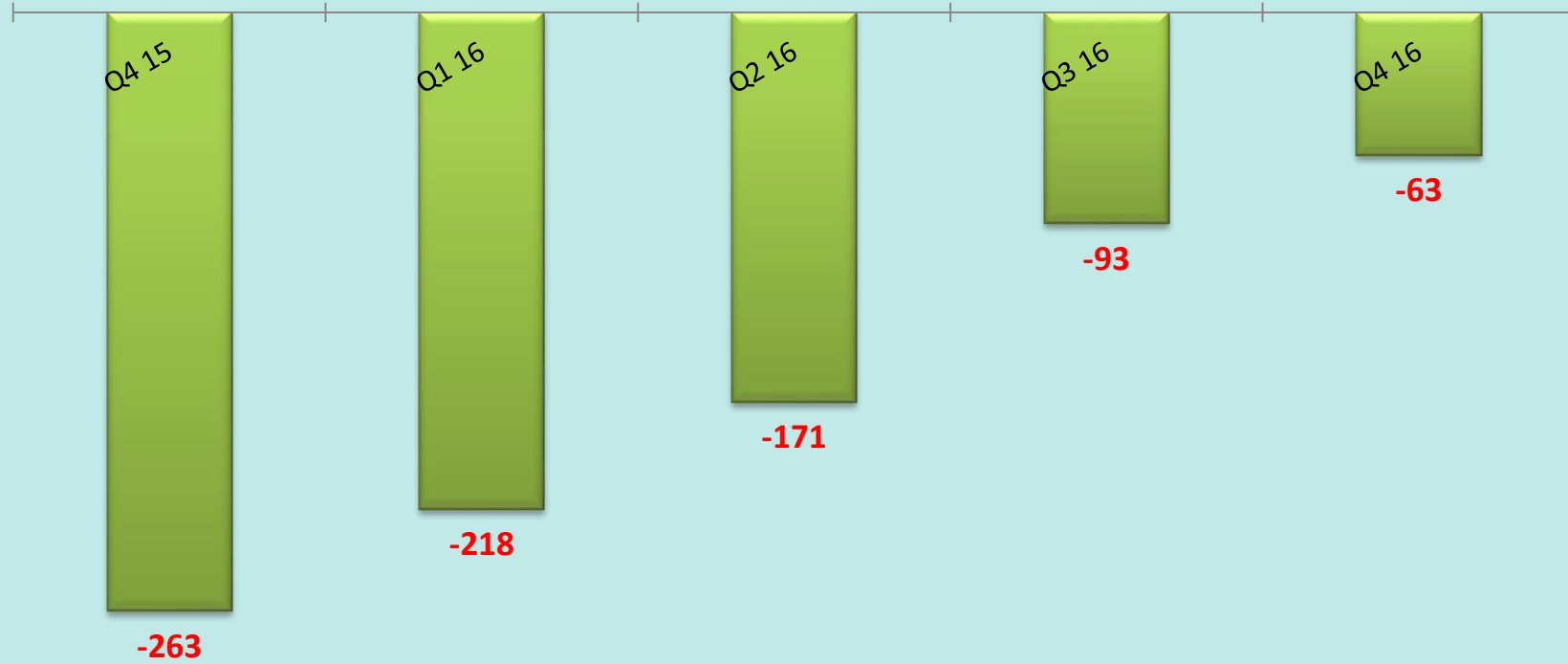
- Net Profit is 139 million TL (2016 full year net profit is in line with 2015 although 4Q figure is down by 4% YoY)
- Net Profit Margin is 8%

EBITDA (m TL)



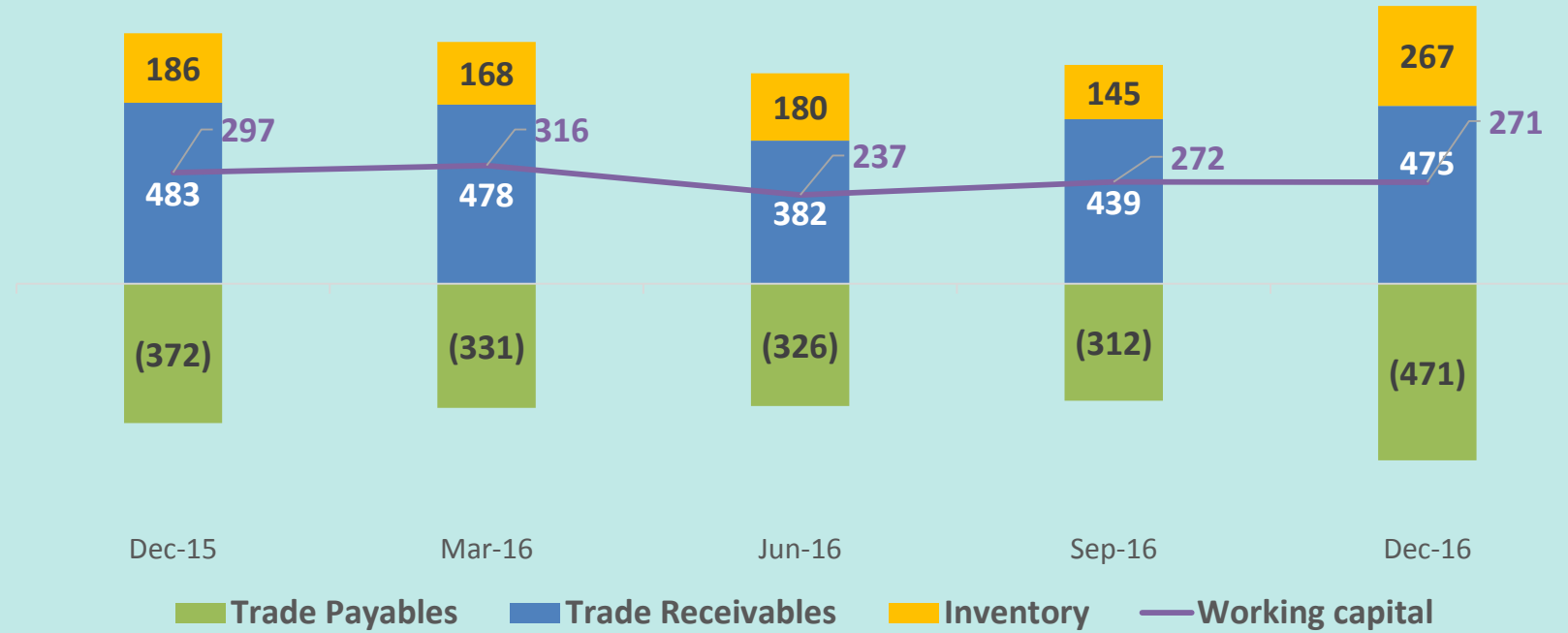
- EBITDA is 97 million TL
- EBITDA Margin is 5%

Net Cash (m TL)



- Net debt decreased to 63 million TL as of 31 December 2016.

Working Capital (m TL)

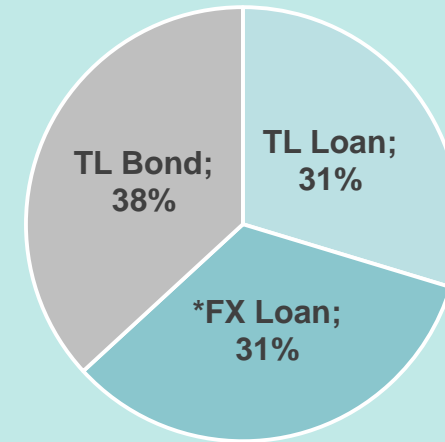


- The structure and size of working capital is being actively managed.

Debt Profile

(m TL)	2015	2016
ST Borrowings	66	1
Current portion of LT Borrowings	182	229
LT Borrowings	303	400
Total Debt	551	630
Cash and cash equivalents (-)	289	568
= Net Debt	263	63

Debt Profile as of 31/12/2016



* 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.

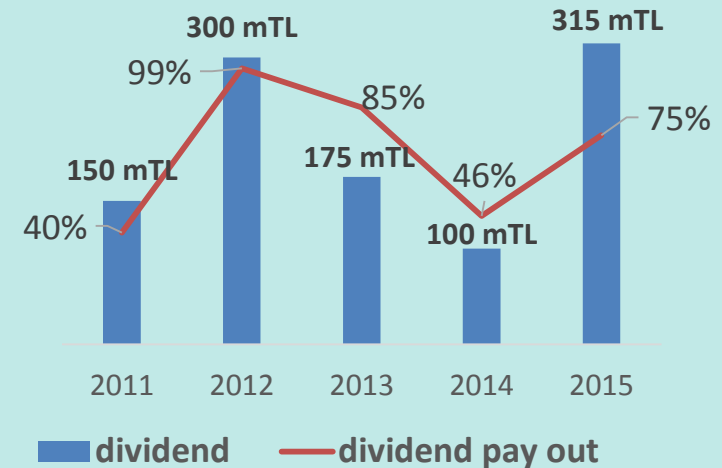
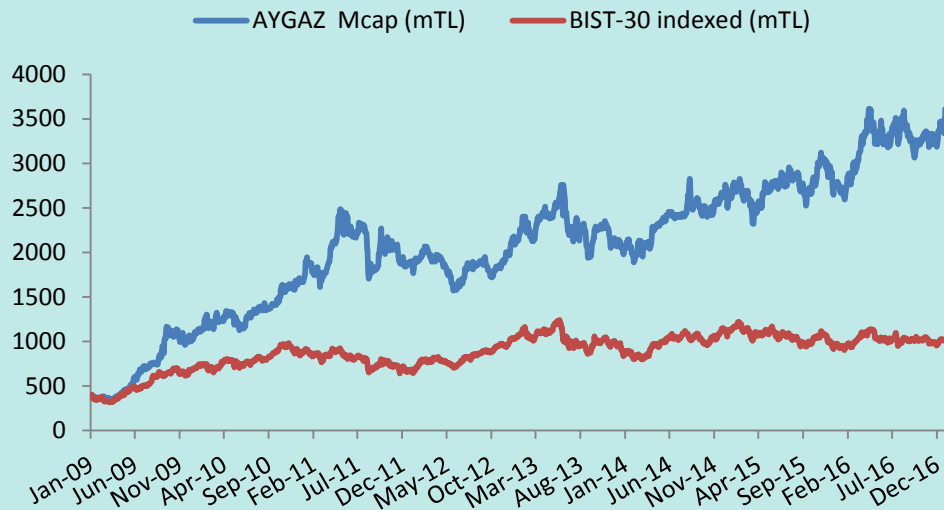
Income Statement - Summary

Million TL	Q4 16	Q3 16	Change	Q4 16	Q4 15	Change
Revenues	1,844	1,845	-	1,844	1,606	15%
Gross Profit	201	217	-7%	201	187	7%
Operating Profit	75	85	-11%	75	95	-21%
Profit Before Tax	158	132	20%	158	164	-4%
Net Profit	139	119	17%	139	146	-4%
EBITDA	97	106	-9%	97	116	-17%
MARGINS						
Gross Profit M.	11%	12%	-1	11%	12%	-1
Operating Profit M.	4%	5%	-1	4%	6%	-2
Profit Before Tax M.	9%	7%	+2	9%	10%	-1
Net Profit M.	8%	6%	+2	8%	9%	-1
EBITDA M.	5%	6%	-1	5%	7%	-2

Balance Sheet- Summary

Million TL	12M 16	12M 15
Cash & Cash Eq.	568	289
Trade Receivables	475	483
Inventories	267	186
Prop.Plant&Equipment	658	651
Participations	1,922	1,867
Total Assets	4,314	3,916
Financial Debt	630	551
Trade Payables	471	372
Total Equity	2,740	2,610
Total Liabilities & Equity	4,314	3,916
Net Cash (Debt)	-63	-263
Working Capital	271	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

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