

AYGAZ

Q1 2017 Results

May 4, 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 Q1 of 2017



Domestic LPG sales

253

Thousand tons

-2% YoY



**International and
wholesale LPG sales**

274

Thousand tons

+30% YoY



Total LPG sales

527

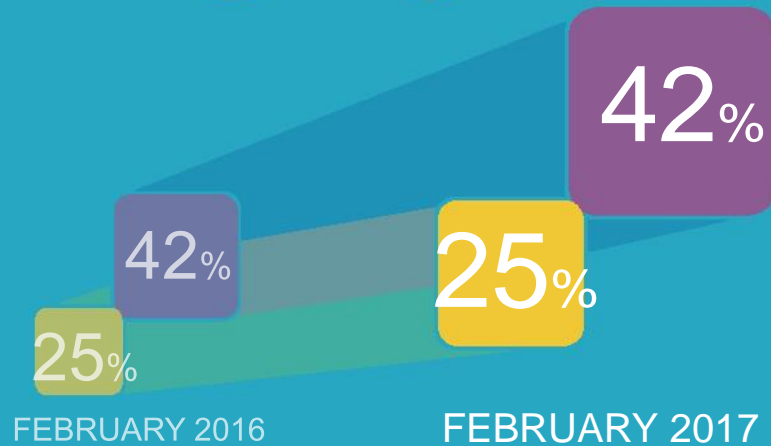
Thousand tons

+12% YoY





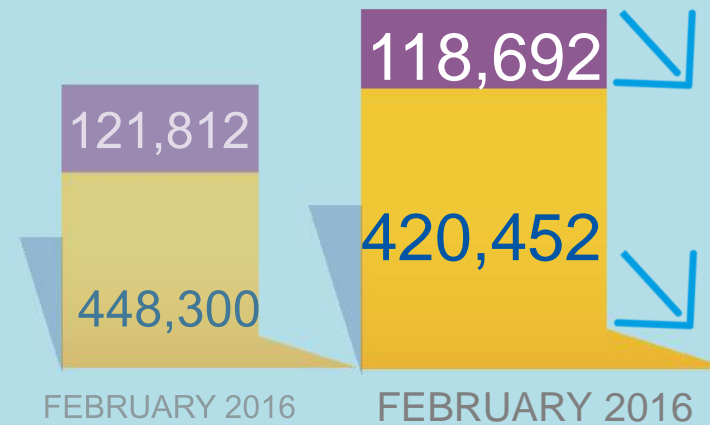
Highlights



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

According to February 2017 EMRA report, Turkish cylinder sales volume is 118,692 tons and auto gas volume is 420,452 tons.

(2016/2 months*: Cylinder gas 121,812 tons ; Autogas 448,300 tons).



SALES VOLUME (Tons)

*February 2017 Emra Report data

EMRA, Aygaz

> Highlights

Financial (YoY)

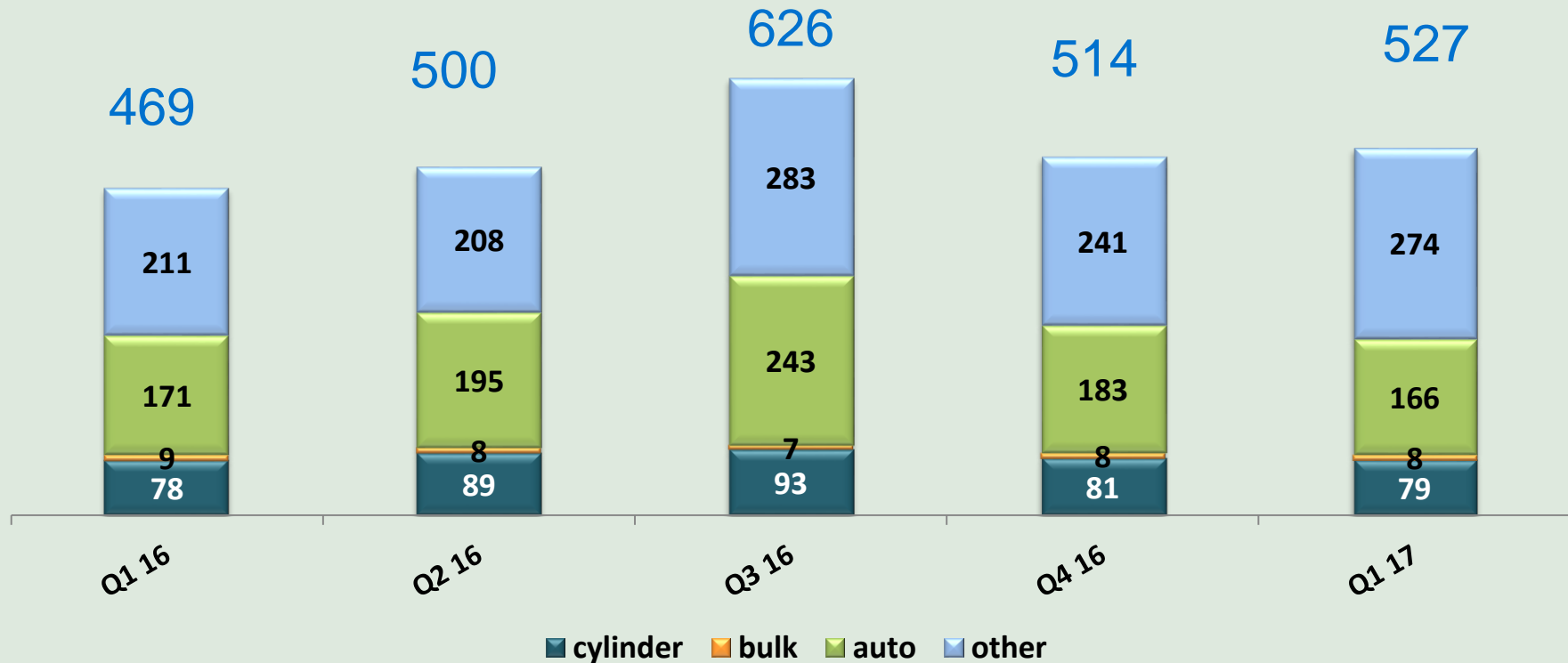
Revenue	2,065 Million TL	35% YoY ↑
Operating profit	86 Million TL	30% YoY ↑
EBITDA	107 Million TL	22% YoY ↑
Net Profit	157 Million TL	141% YoY ↑

- Effects of the increase in profits from investments accounted under equity method and company's own operational profitability are observed in financial figures of the first quarter of 2017.

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Aygaz LPG Sales

(Thousand tons)

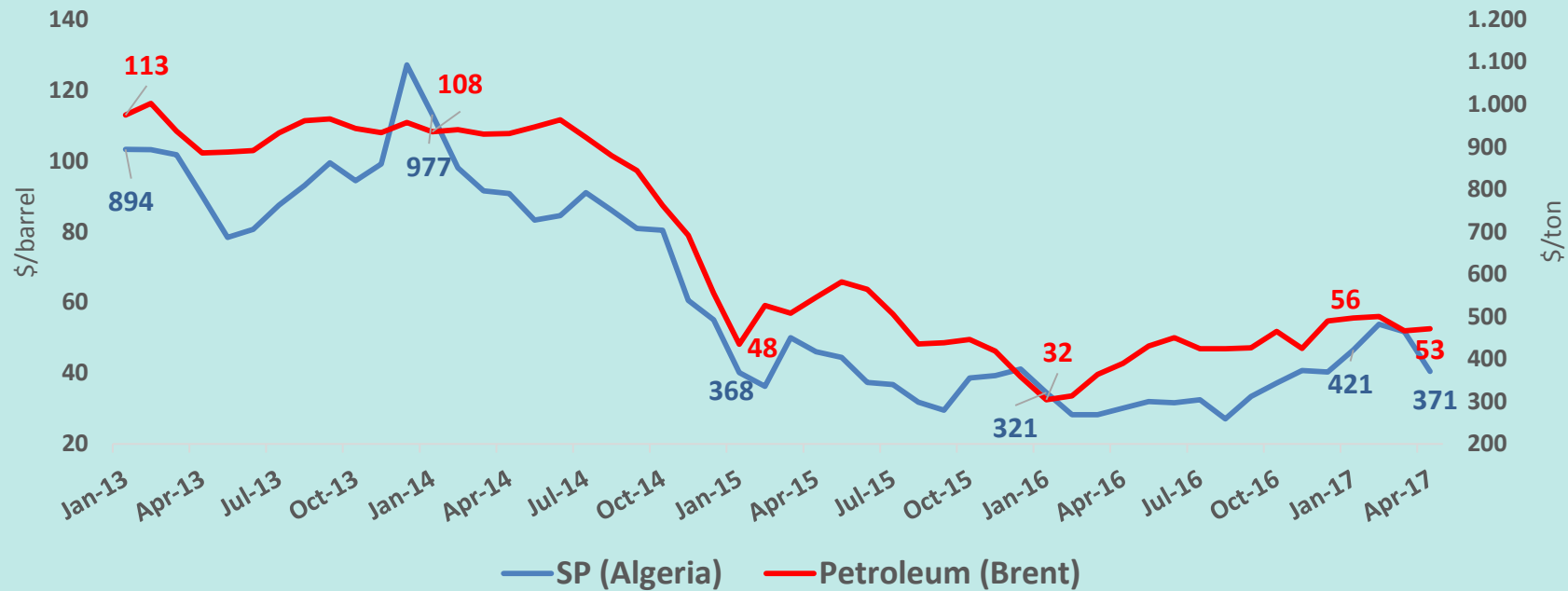


Q1 sales volumes were realized as

- 166 thousand tons in Autogas (-3.1% YoY)
- 79 thousand tons in Cylinder Gas (+0.2% YoY)

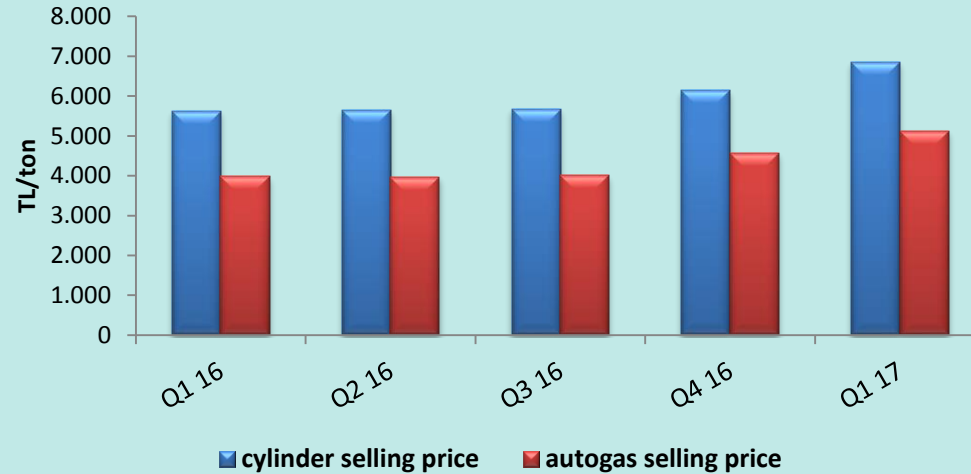
EMRA, Aygaz

LPG – Brent World prices

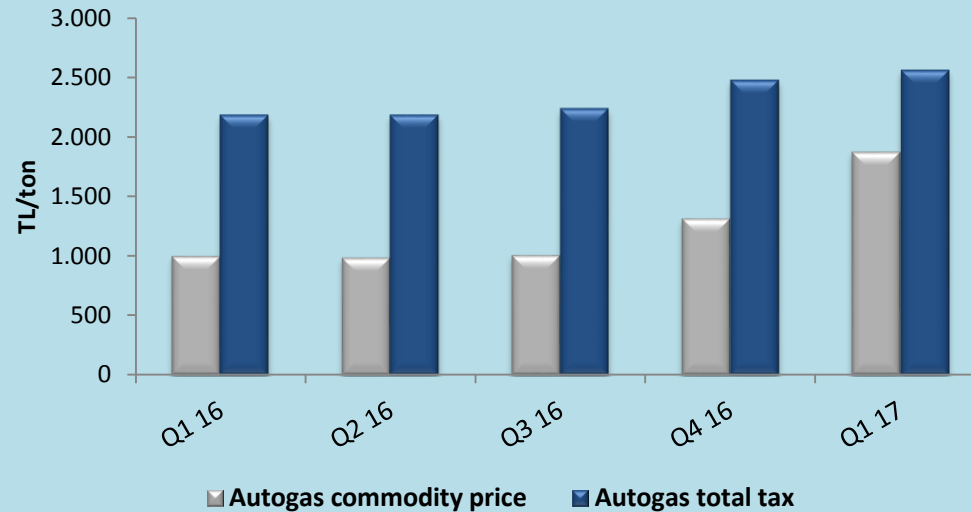


- March 2017 Sonatrach LPG price is at USD 465 and 73% higher than March 2016 price.

LPG Price and Tax*



In Q1 2017, average listed selling price increased by 22% for cylinder gas and 29% for auto gas. (YoY)

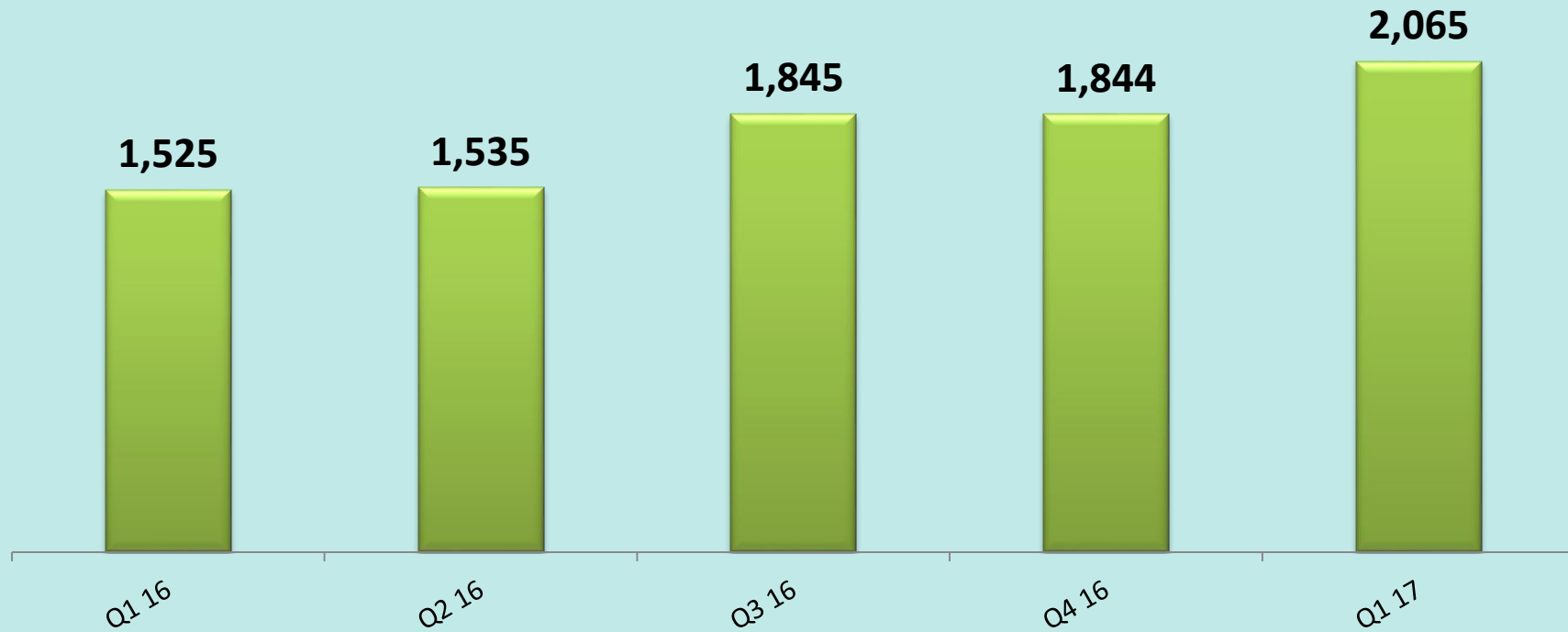


Refinery prices are 87% higher than Q1 2016 figures. Total tax amount increased by 9% in cylinder gas while 17% in auto gas by the effect of increase in excise tax. (YoY)

*Periodic arithmetic averages

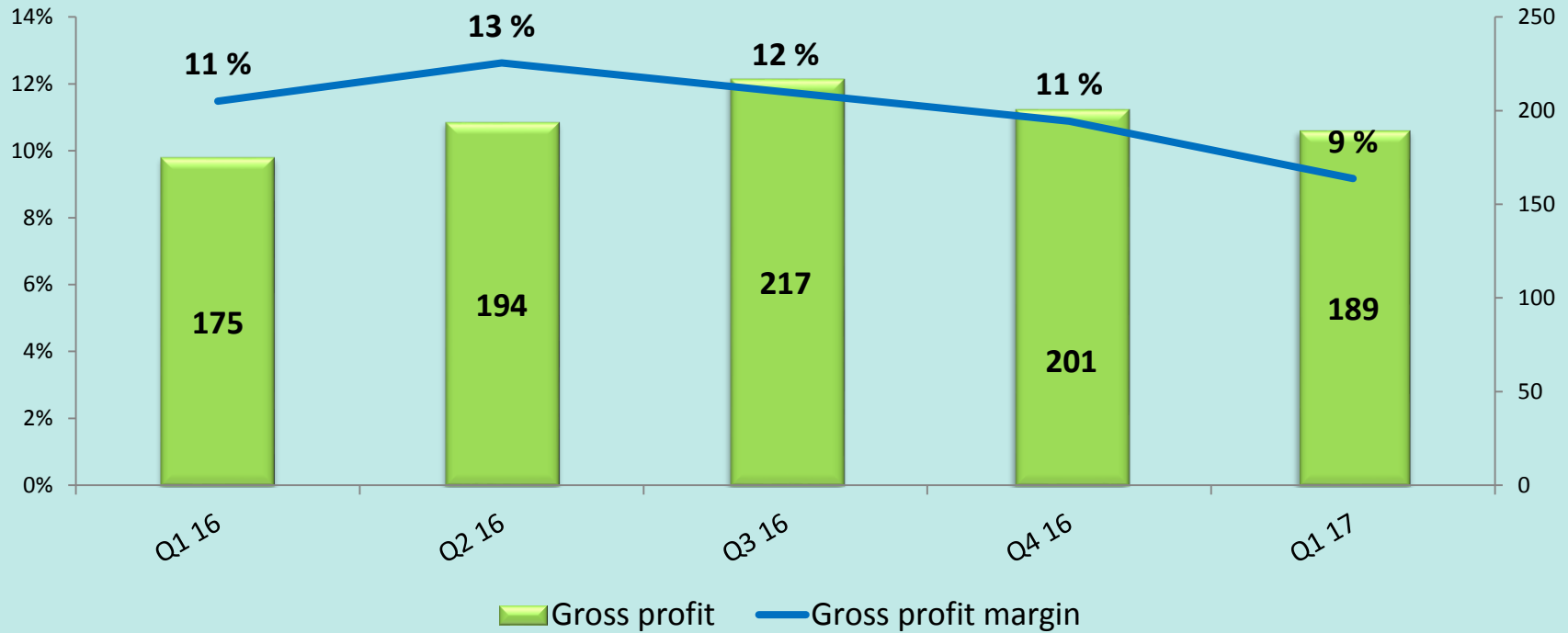
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Net Sales (m TL)



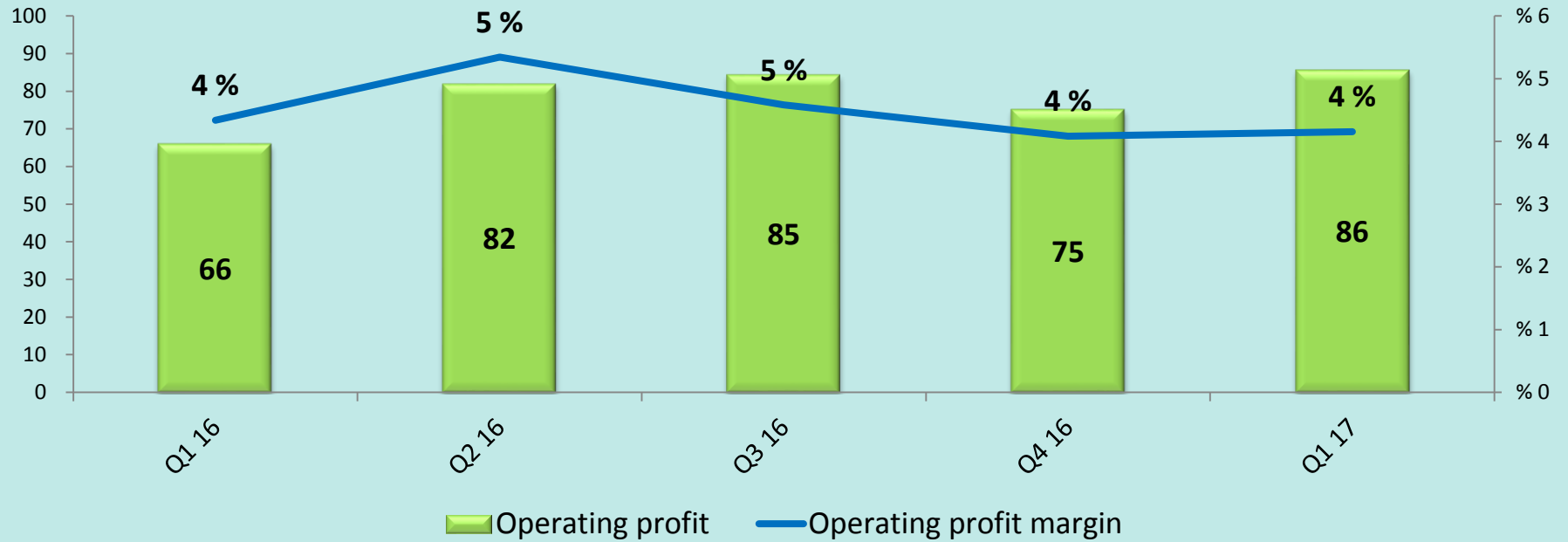
- Consolidated Sales Revenues is reported as 2,065 million TL (35% YoY)

Gross Profit (m TL)



- Gross Profit is realized as 189 million TL (8% YoY)
- Gross Profit Margin is 9%

Operating Profit (m TL)

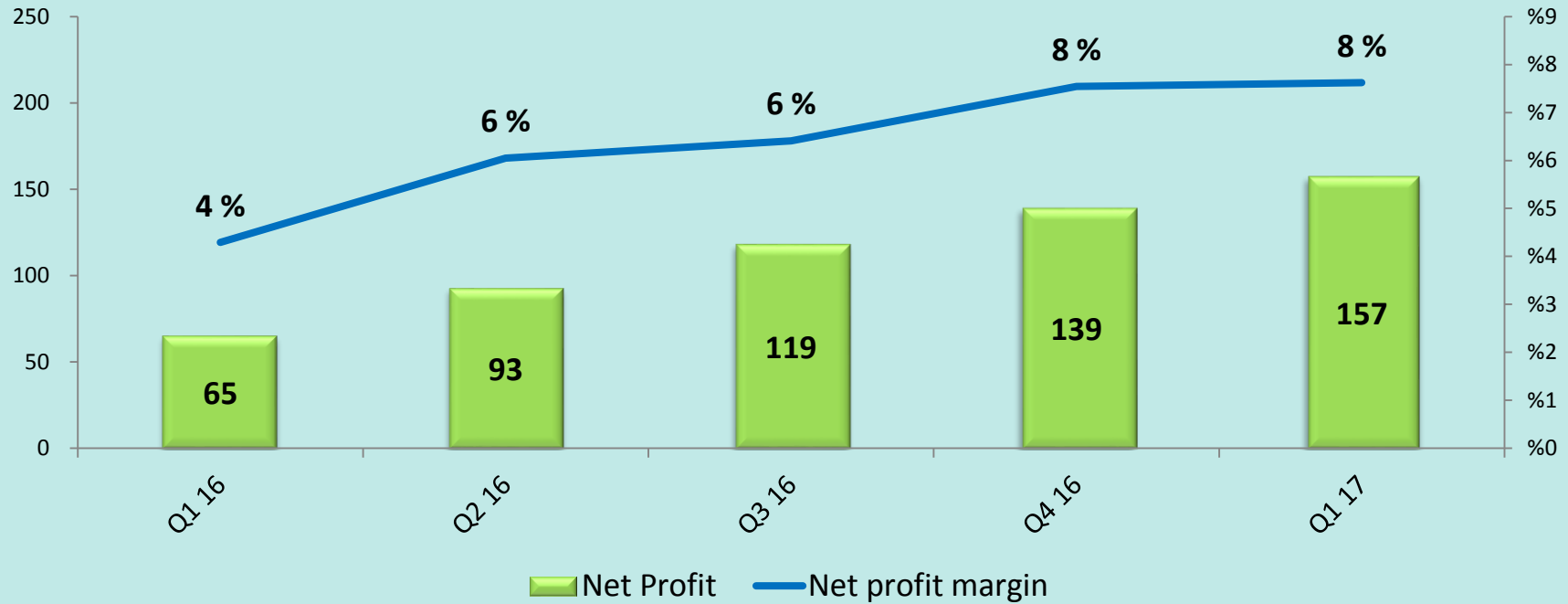


In Q1 2017,

- Operating Profit is 86 million TL (30% YoY)
- OP Margin is 4%

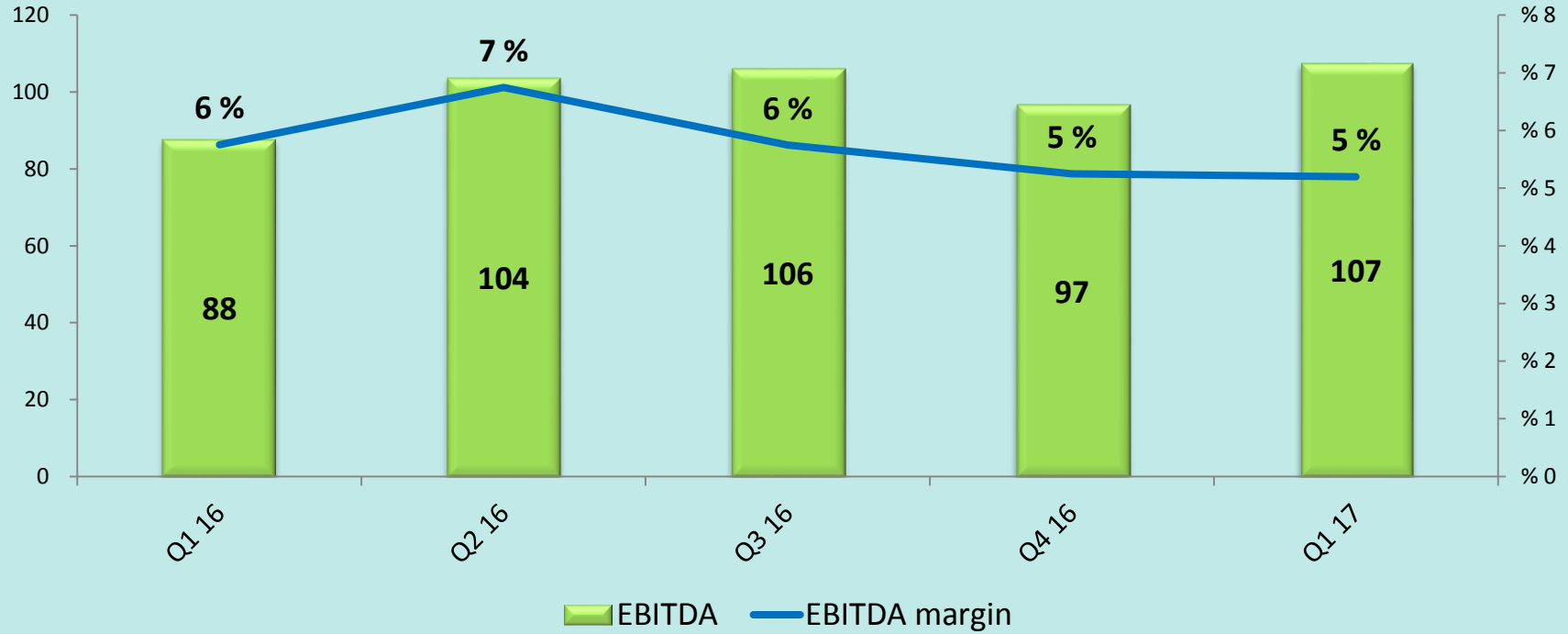
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Net Profit (m TL)



- Net Profit is 157 million TL (141% YoY)
- Net Profit Margin is 8%

EBITDA (m TL)



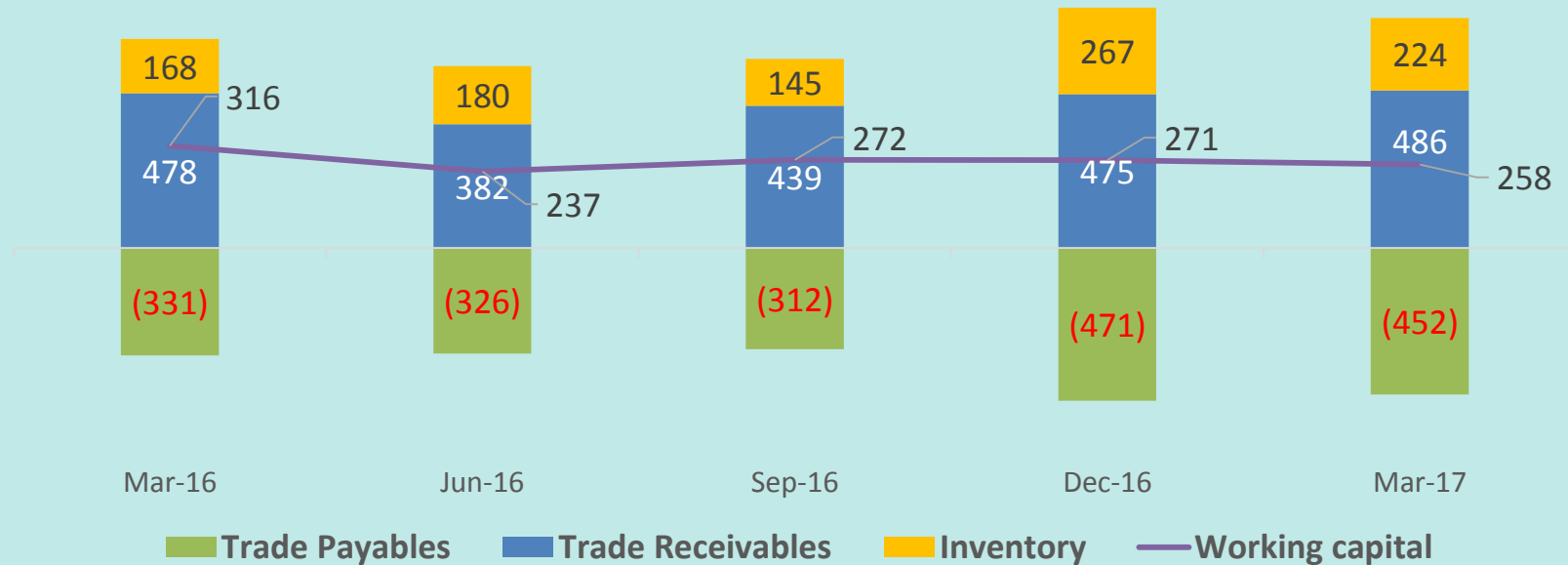
- EBITDA is 107 million TL (22% YoY)
- EBITDA Margin is 5%

Net Cash (m TL)



- Net debt decreased to 40 million TL as of 31 March 2017.

Working Capital (m TL)

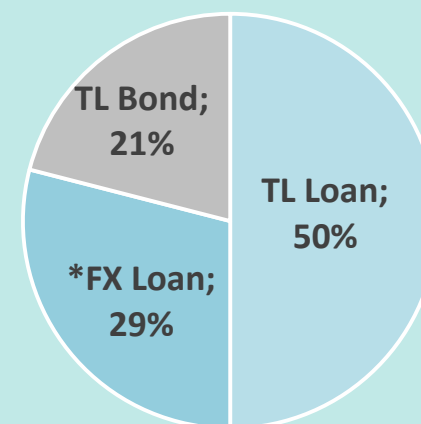


- The structure and size of working capital is being actively managed.

Debt Profile

(m TL)	2016	3M 2017
ST Borrowings	1	2
Current portion of LT Borrowings	229	258
LT Borrowings	400	396
Total Debt	630	656
Cash and cash equivalents (-)	568	617
= Net Debt	63	40

Debt Profile as of 31/03/2017



* 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 July 1, 2016.

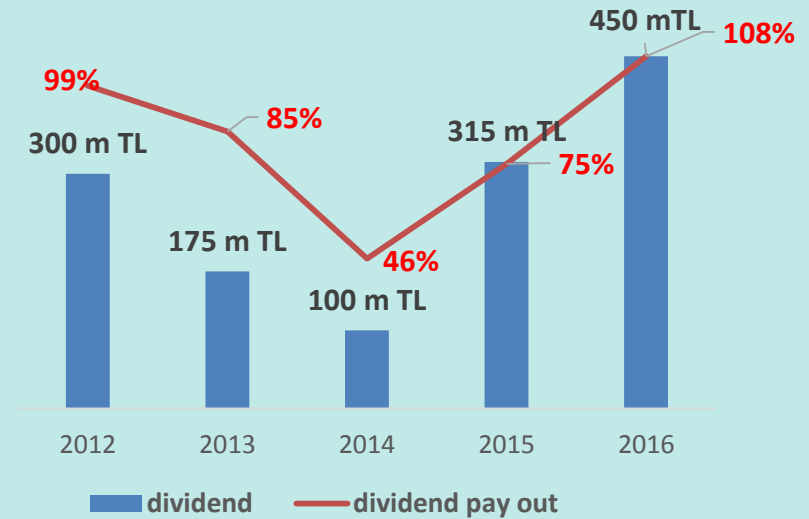
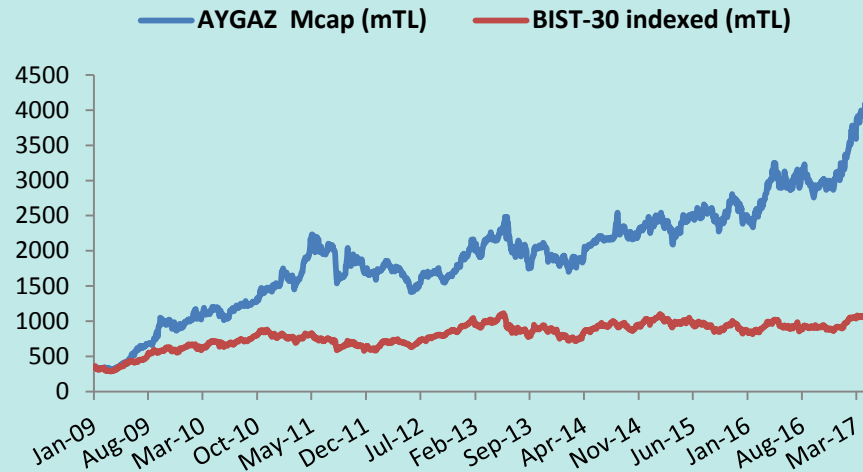
Income Statement - Summary

Million TL	Q1 17	Q4 16	Change	Q1 17	Q1 16	Change
Revenues	2,065	1,844	12%	2,065	1,525	35%
Gross Profit	189	201	-6%	189	175	8%
Operating Profit	86	75	14%	86	66	30%
Profit Before Tax	170	158	8%	170	75	127%
Net Profit	157	139	13%	157	65	141%
EBITDA	107	97	11%	107	88	22%
MARGINS						
Gross Profit M.	9%	11%	-2	9%	11%	-2
Operating Profit M.	4%	4%	-	4%	4%	-
Profit Before Tax M.	8%	9%	-1	8%	5%	+3
Net Profit M.	8%	8%	-	8%	4%	+4
EBITDA M.	5%	5%	-	5%	6%	-1

Balance Sheet- Summary

Million TL	3M 17	12M 16
Cash & Cash Eq.	617	568
Trade Receivables	486	475
Inventories	224	267
Prop.Plant&Equipment	665	658
Participations	1,917	1,922
Total Assets	4,437	4,314
Financial Debt	656	630
Trade Payables	452	471
Total Equity	2,439	2,740
Total Liabilities & Equity	4,437	4,314
Net Cash (Debt)	-40	-63
Working Capital	258	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

investor@aygaz.com.tr

Ferda Erginođlu, CFO

ferda.erginoglu@aygaz.com.tr
+90 212 354 1764

Ŗebnem Yücel, Finance Manager

sebnem.yucel@aygaz.com.tr
+90 212 354 1510

Selin Sanver, Investor Relations Manager

selin.sanver@aygaz.com.tr
+90 212 354 1659

www.aygaz.com.tr