



BİRLEŞİK MAĞAZALAR A.Ş.

RESULTS PRESENTATION

For the 12 months to 31 December 2013



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Please note that all financial data are prepared based on IFRS accounting.

- Strong growth reached at all levels:
 - ▶ Net Sales at 11,9TL billion (+20% YoY)
 - ▶ EBITDA at 595,9 TL million (21% YoY)
 - ▶ Net income at 412,9 TL million (24% YoY)
 - ▶ CAPEX at 2,1% of sales, 245,5 TL million
 - ▶ BİMcell close to reach 1 million subscribers
 - ▶ At the end of the year we had **4.000 stores in Turkey, 164 in Morocco and 35 stores in Egypt.**

HEADLINES FOR 2013 – Nr. 1

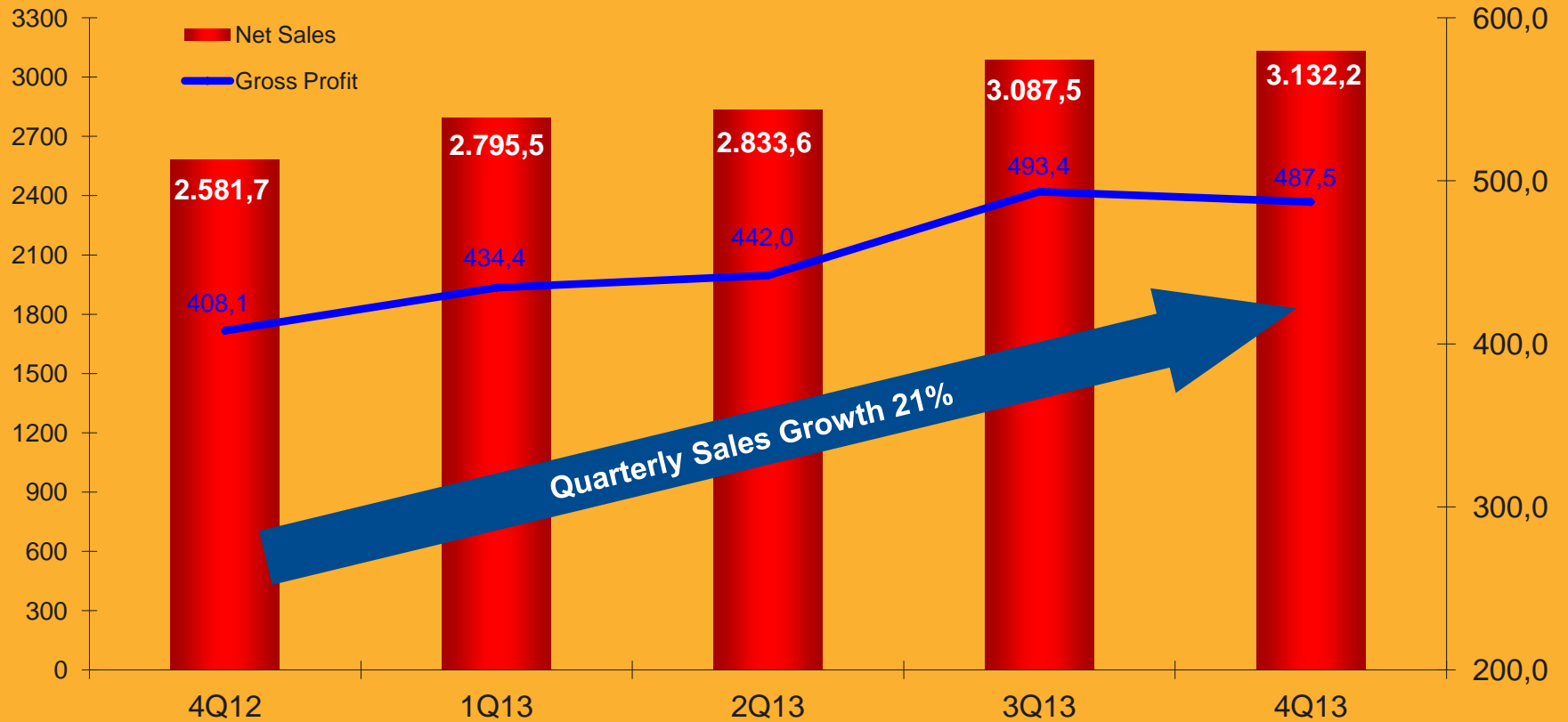


- BIM was rated as 4th in the world in “Q ratio” out of 250 retailers worldwide also known as “Tobin’s Q” in recent Deloitte Report
- 167th largest in the list and the ONLY Turkish retailer in the world
- Ranked as 9th fastest growing retailer in the world with 27% CAGR in a period of 5 years

QUARTERLY NET SALES AND GROSS PROFIT



TL Million



Gross Margin

15,8%

15,5%

15,6%

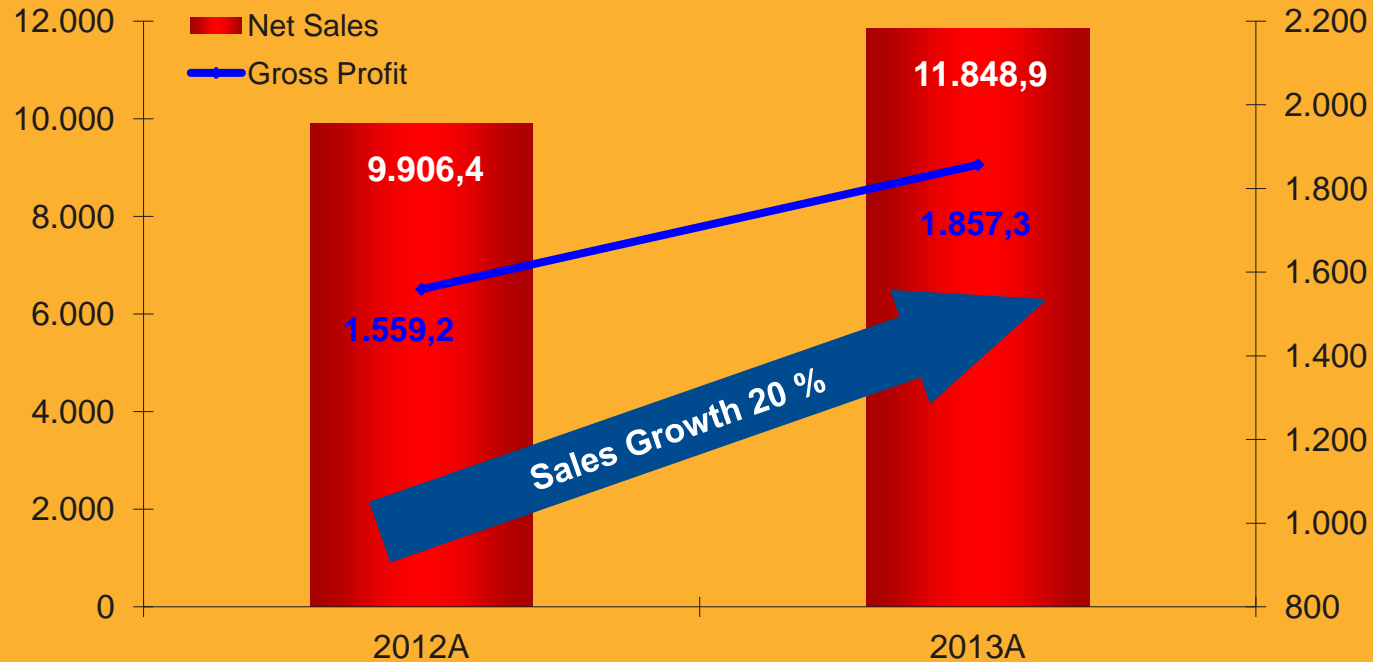
16,0%

15,6%

ANNUAL NET SALES AND GROSS PROFIT



TL Million



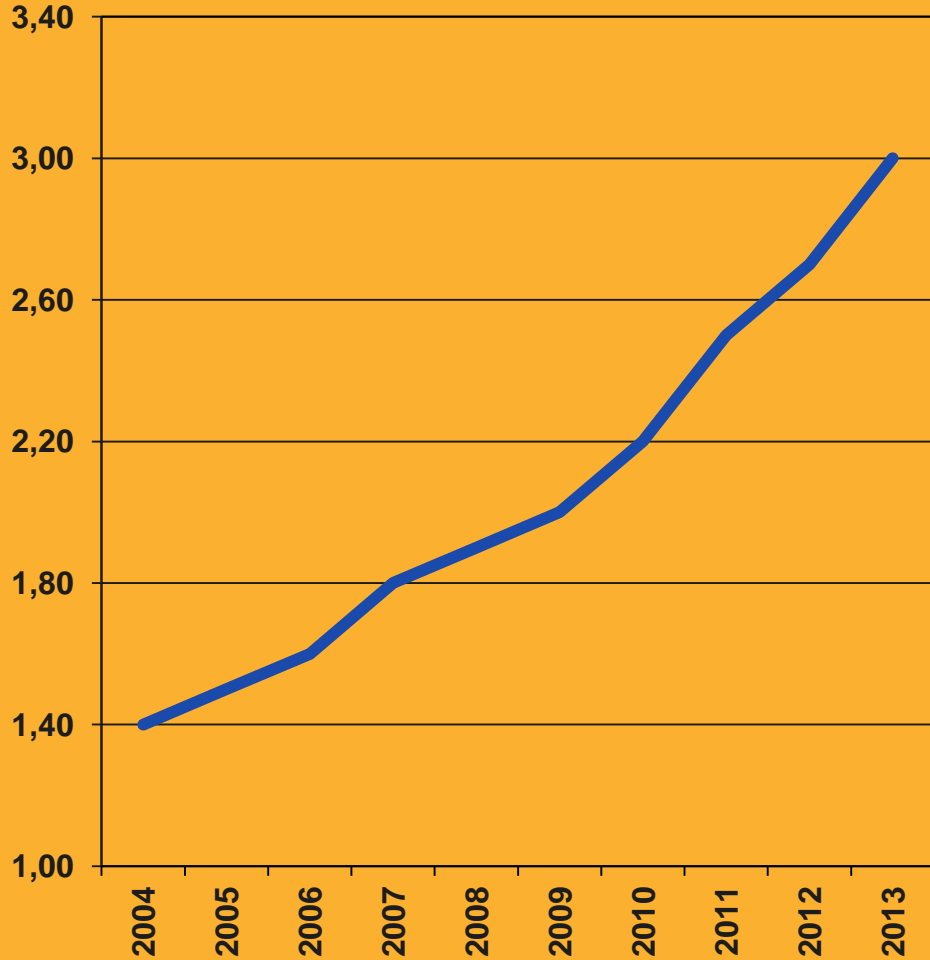
	Target	Actual
SALES GROWTH	15,0 – 20,0%	20%
GROSS MARGIN	15,5%	15,7%

ANNUAL NET SALES AND NET SALES PER STORE



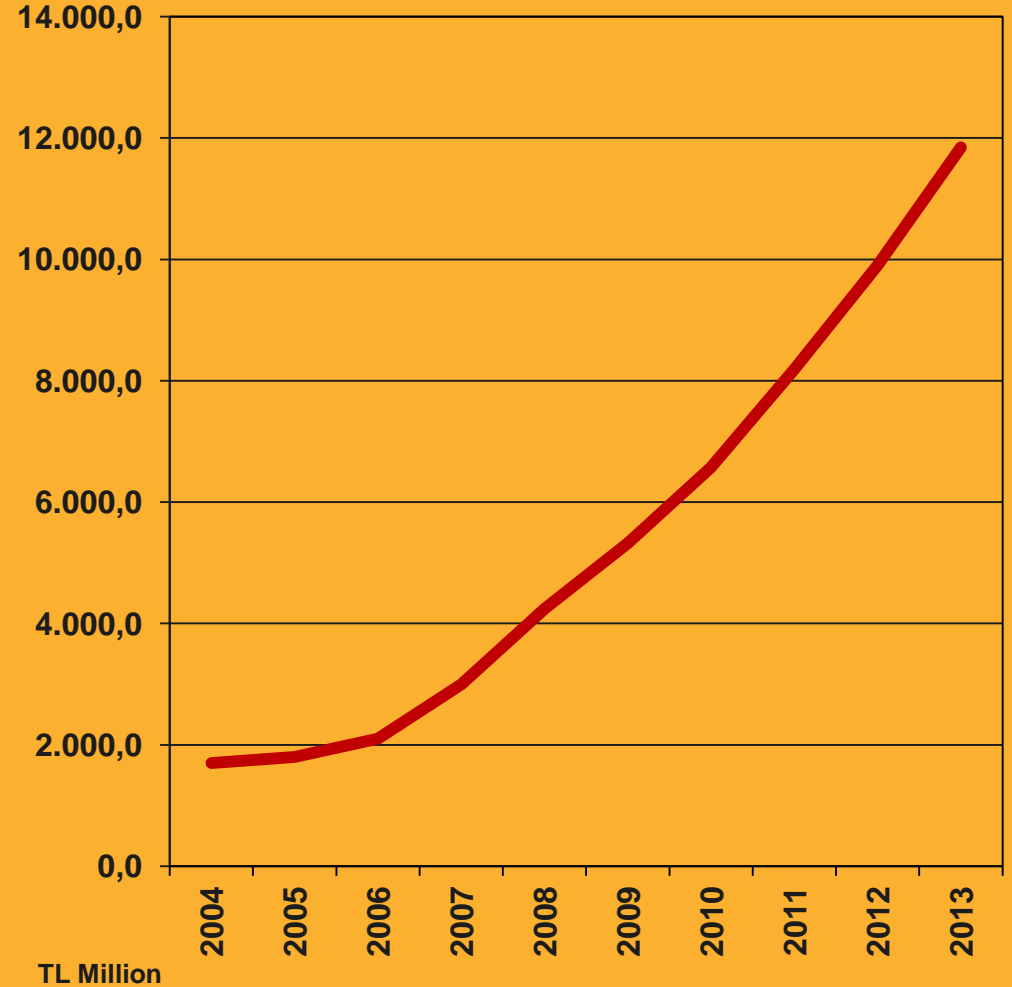
Net sales per store TL m

— Net sales per store TL m



Net sales in TL m

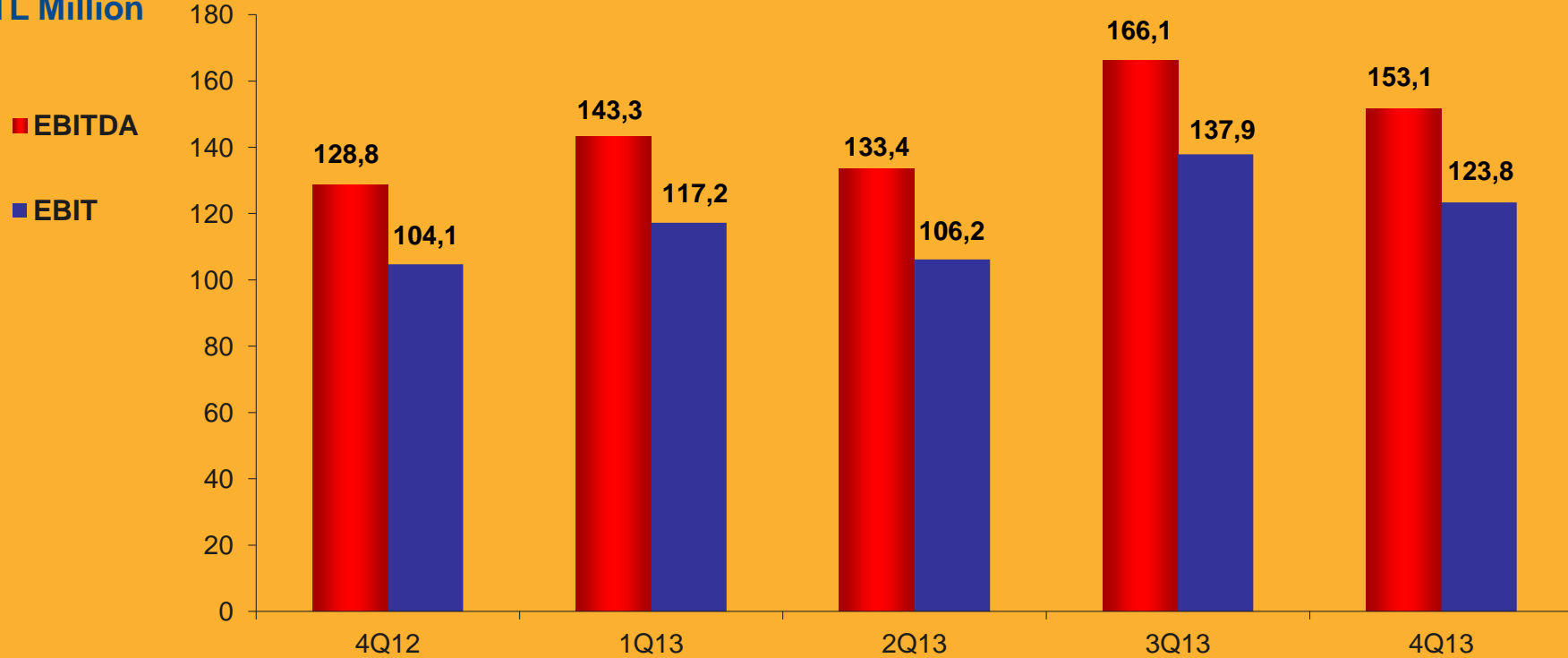
— Net sales in TL m



QUARTERLY EBITDA AND EBIT



TL Million



EBITDA	5,0%	5,1%	4,7%	5,4%	4,9%
EBIT	4,0%	4,2%	3,7%	4,5%	4,0%

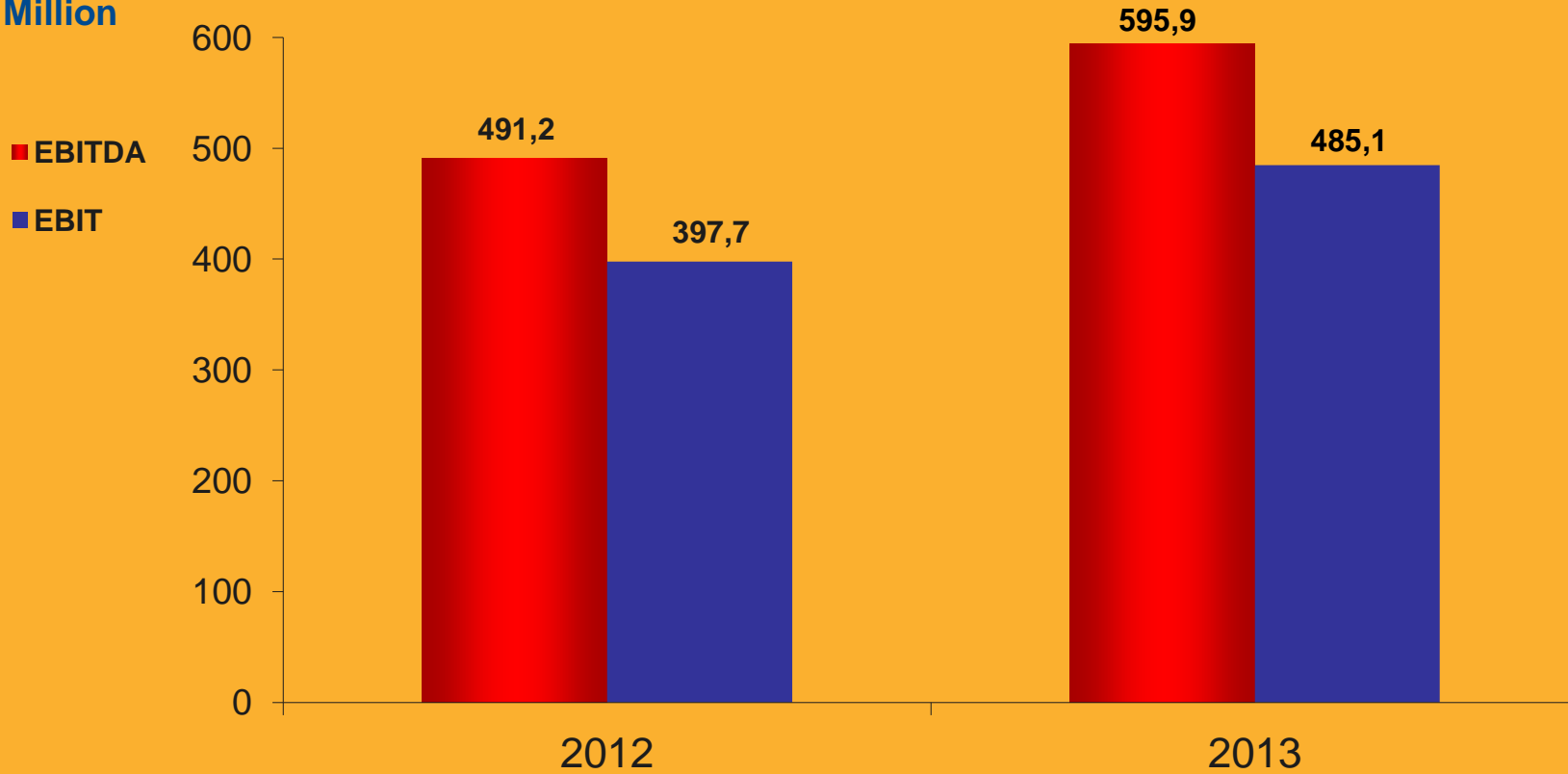
EBITDA – EARNINGS BEFORE INTEREST, TAX, DEPRECIATION AND AMORTIZATION

EBIT – EARNINGS BEFORE INTEREST AND TAX

ANNUAL EBITDA AND EBIT



TL Million

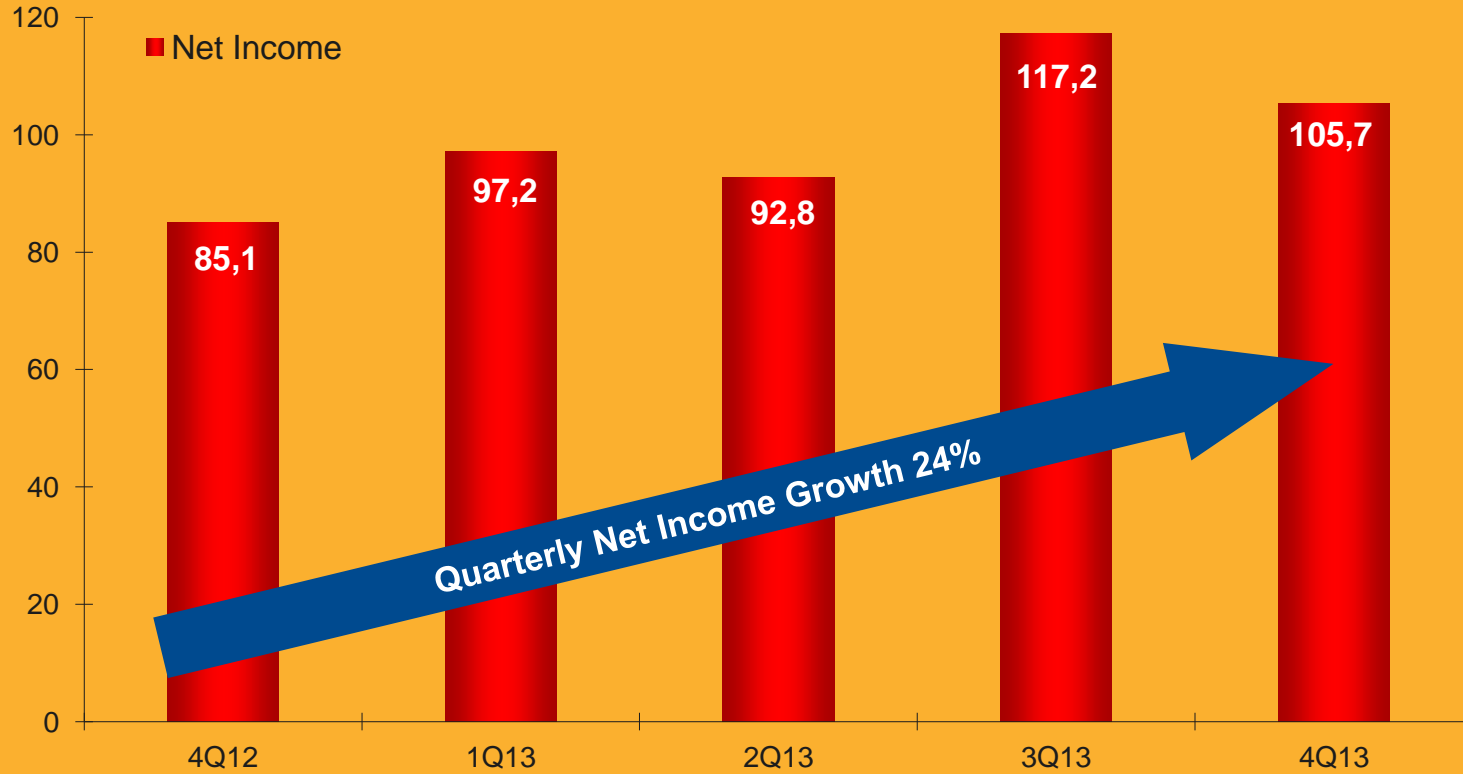


	2012	2013 Target	2013
EBITDA Margin	5,0%	5,0%	5,0%
EBIT Margin	4,0%	4,0%	4,1%

QUARTERLY NET INCOME



TL Million



Net Income
Margin

3,3%

3,5%

3,3%

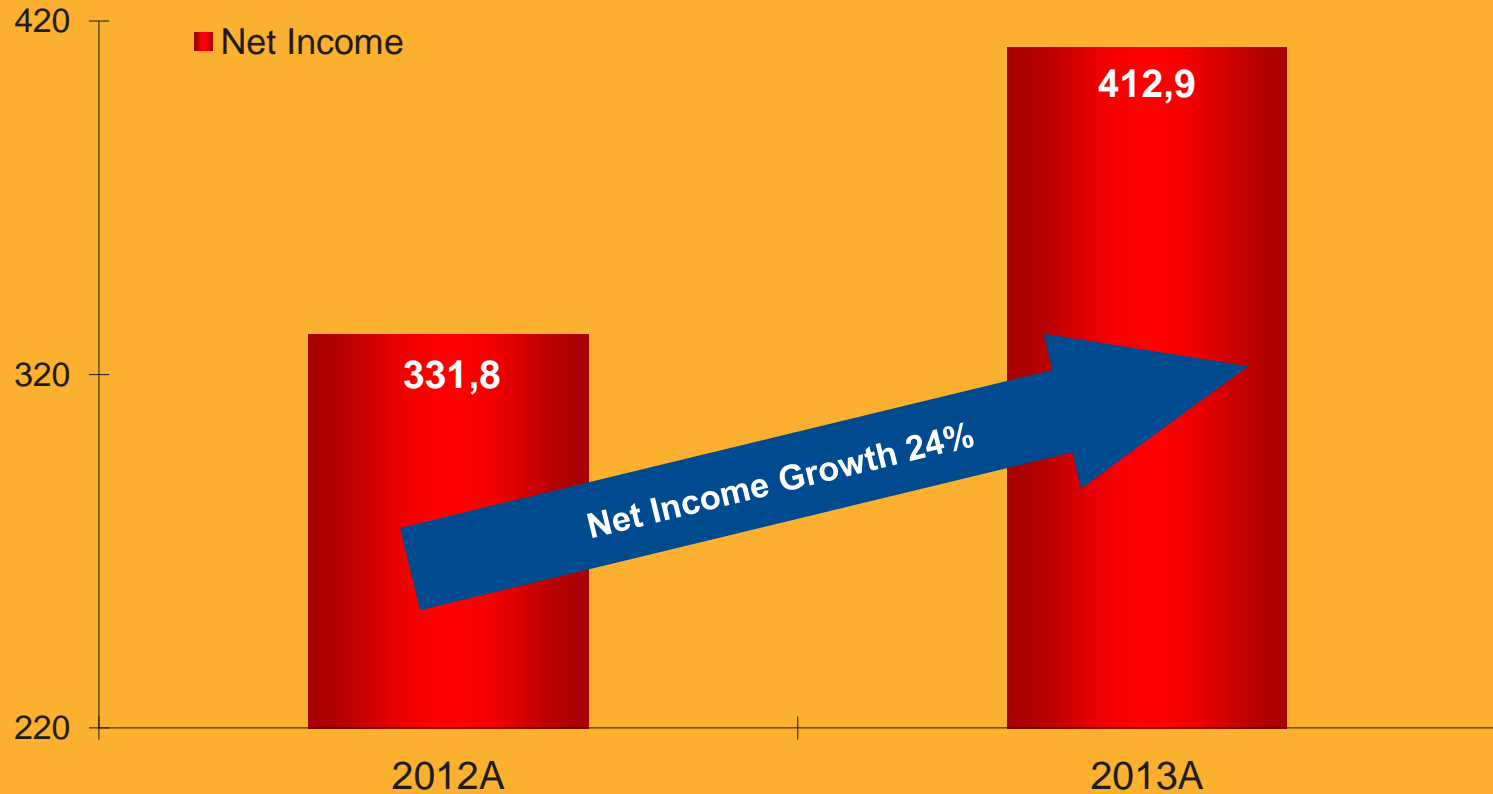
3,8%

3,4%

ANNUAL NET INCOME



TL Million

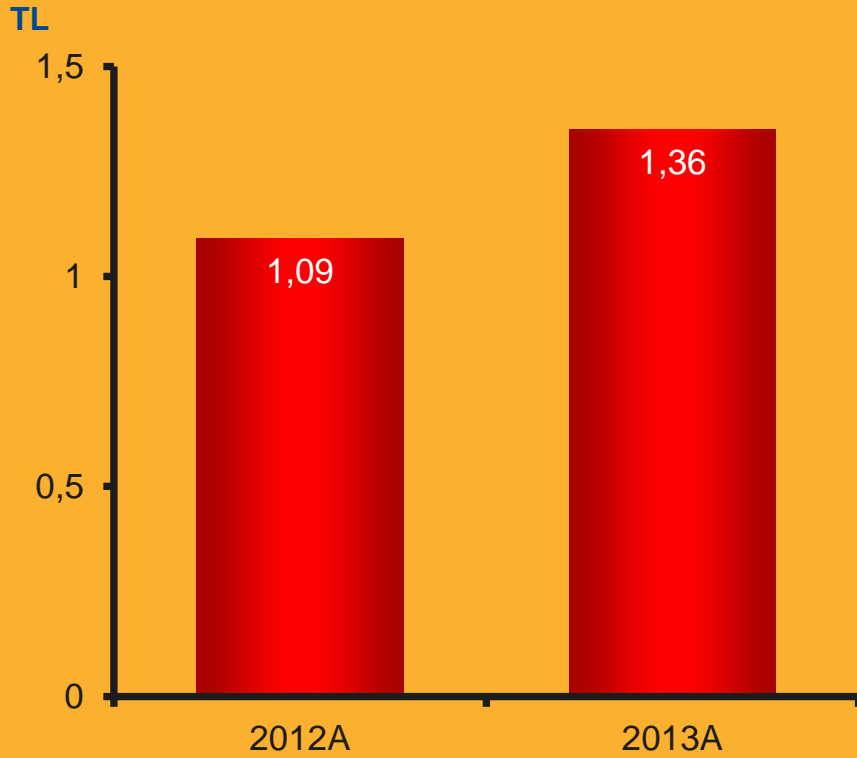


	2012	2013 Target	2013
Net Income Margin	3,3%	3,5%	3,5%

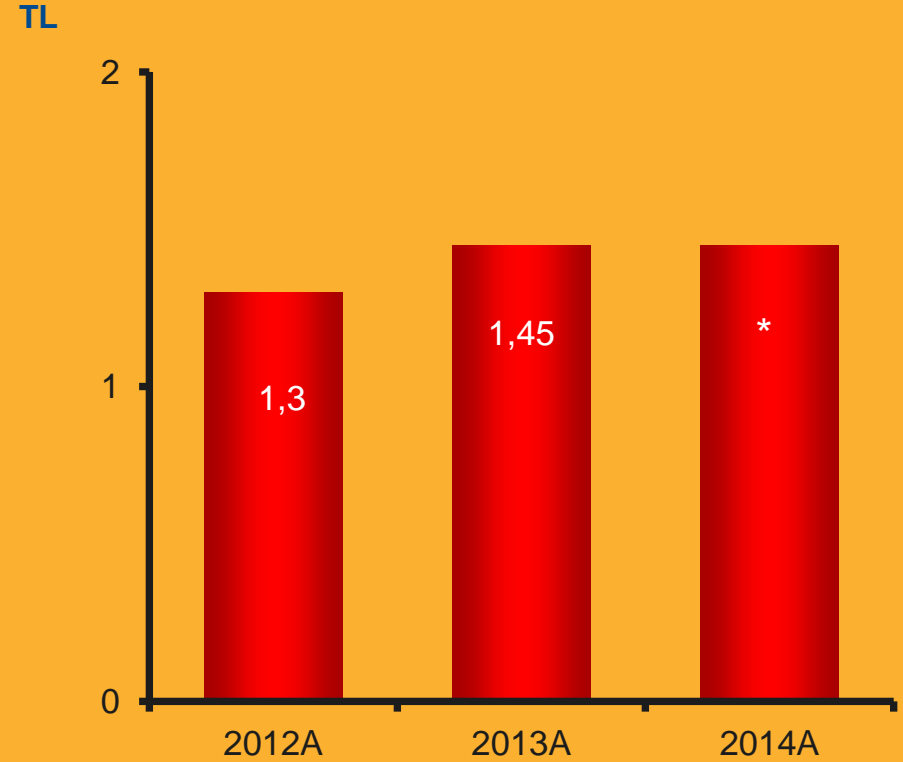
EARNINGS AND DIVIDEND



Earnings Per Share



Dividend Per Share in Gross



Note 1: The per share figure for 2012 and 2013 is based on 303.600.000 shares.




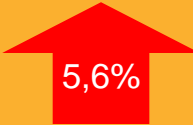


Note 2: () The Company did not take any decision yet about dividend payment in 2014*

LIKE FOR LIKE SALES INCREASE



Quarterly

Annual

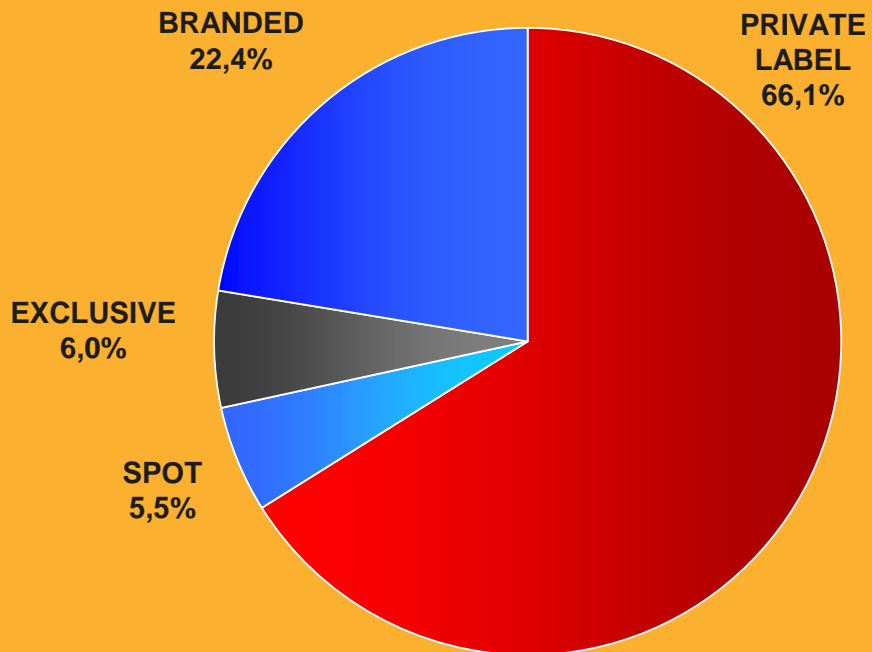
	2012 Q4	2013 Q4	INCREASE		2012 A	2013 A	INCREASE
Like For Like Sales (Mil TL)	2.308,7	2.579,1	 11,7%	Like For Like Sales (Mil TL)	9.022,5	10.000,3	 10,8%
Like For Like Basket (TL)	10,86	11,76	 8,3%	Like For Like Basket (TL)	10,70	11,30	 5,6%
Like For Like Customer Traffic (Per store/per Day)	751,5	775,5	 3,2%	Like For Like Customer Traffic (Per store/per Day)	741,3	777,9	 4,9%

* Note: calculated on the basis of net sales generated in 4Q12 and 4Q13 by stores operating on 31 Dec 2011 and that were still open on 31 Dec 2013 (3.143 stores)

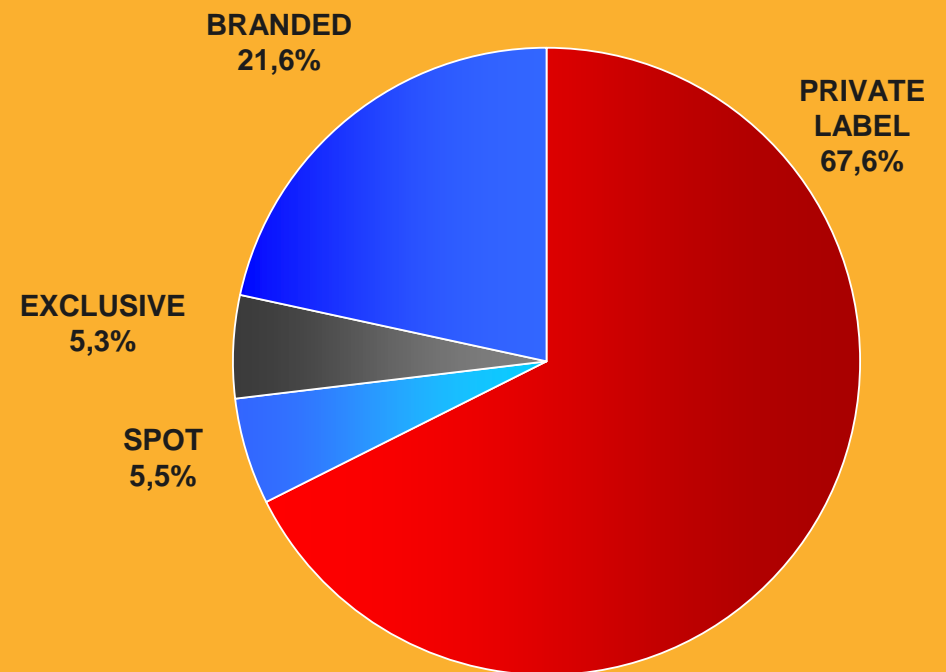
PRIVATE LABEL SALES CONTINUE TO GROW



2012A



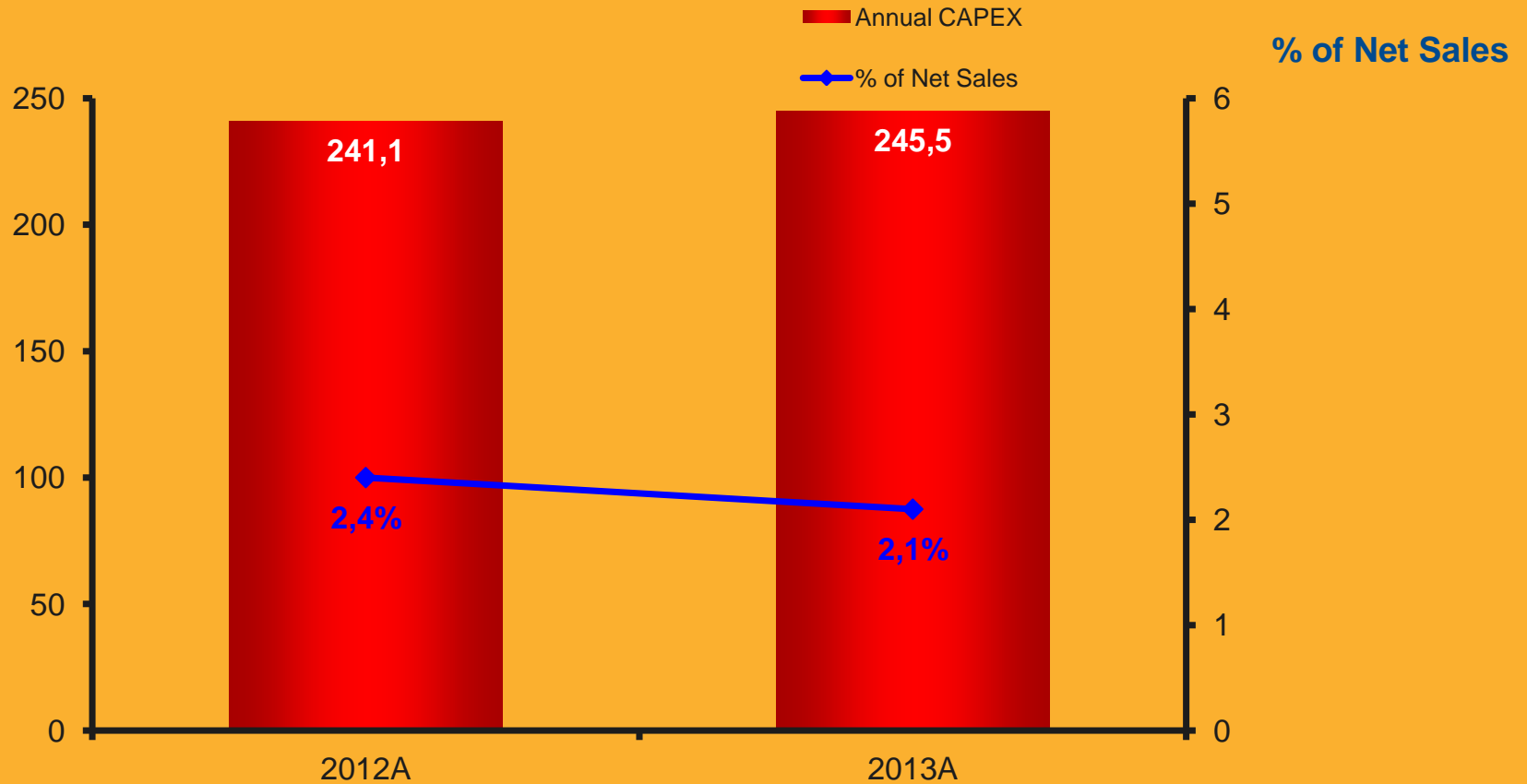
2013A



LOW-CAPEX BUSINESS MODEL



TL Million

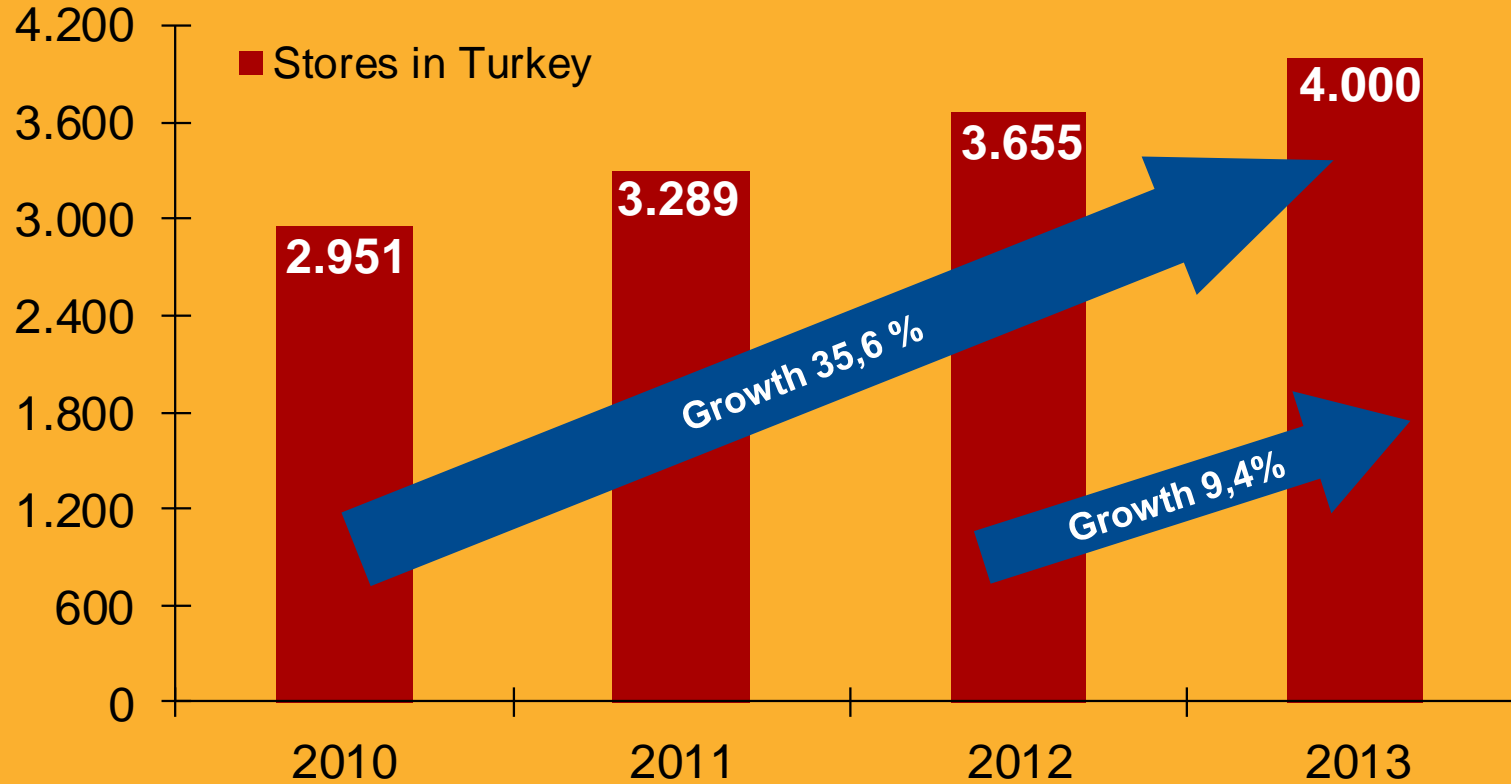


	Target	Actual
CAPEX/Sales	2.0 – 2.5%	2,1 %

STRONG STORE GROWTH CONTINUES



Number of Stores



	TARGET FOR 2013	ACHIEVED 2013
No. of Stores	350-400	345

OUR UPSIDE IS SIGNIFICANT



YEAR	STORES IN TURKEY	STORES IN MOROCCO	STORES IN EGYPT	TOTAL STORES	SHARE OF STORES IN FOREIGN MARKET
2010	2.951	44	0	2.995	1,5%
2011	3.289	76	0	3.365	2,3%
2012	3.655	110	0	3.765	2,9%
2013	4.000	164	35	4.199	4,7%
2014E	4.500	234	85	4.819	6,6%
Population in mil	76,7	32,7	85,3	194,7	
Stores per mil population (2014E)	58,67	7,16	0,99	24,75	

- 54 Stores opened in 2013
- By 31 December 2013 we have 164 stores and 175 to date
- In August we opened second warehouse
- Our aims for Morocco 2014
 - ▶ Break even by 2015
 - ▶ Open 70 more stores in 2014

- BIM Stores LLC in Egypt is developing
- First stores opened in Cairo in April 2013
- By 31 December 2013 we have 35 stores and 43 to date
- Our target for 2014 is to open 50 stores

- 650.000 new subscribers joined in 2013
- By 31 December 2013 we have 900.000 subscribers and 960.000 to date
- Expected to reach 1 million subscribers milestone in Q1
- Already started to generate cash

TARGETS VS ACTUAL



	TARGET	ACTUAL	
SALES GROWTH (%)	15 – 20	20	✓
GROSS MARGIN (%)	15,5	15,7	✓
EBITDA MARGIN (%)	5,0	5,0	✓
EBIT MARGIN (%)	4,0	4,1	✓
CAPEX/SALES RATIO (%)	2,0 – 2,5	2,1	✓
NET INCOME (%)	3,5	3,5	✓
NEW STORES (excl Morocco and Egypt)	350 – 400	345	✓

LOOKING FORWARD TO 2014



- Sales growth of 15% - 20%
- Gross margin approximately 15,5% - 16,0%
- Net income margin of approximately 3,5%
- EBITDA margin around 5,0%
- CAPEX around 400 ML TRY
- 500 new stores planned in Turkey, 70 in Morocco and 50 in Egypt



Q & A





APPENDIX

IFRS FINANCIALS



IFRS INCOME STATEMENT



TL million	3 months ended 31 December		12 months ended 31 December	
	2012	2013	2012	2013
Net Sales	2.581,7	3.132,2	9.906,4	11.848,8
(COGS)	(2.173,6)	(2.644,7)	(8.347,2)	(9.991,5)
Gross Profit	408,1	487,5	1.559,2	1.857,3
Total SG&A	(279,3)	(334,4)	(1.068,0)	(1.261,4)
EBITDA	128,8	153,1	491,2	595,9
D&A	(24,7)	(29,3)	(93,5)	(110,8)
EBIT	104,1	123,8	397,7	485,1
Net financial income/(expenses)	3,4	8,5	12,1	27,6
Other income/(expenses)	0,5	3,0	10,3	13,3
PBT	108,0	135,3	420,1	526,0
Taxes	(22,9)	(29,6)	(88,3)	(113,1)
Net income	85,1	105,7	331,8	412,9

IFRS BALANCE SHEET



TL million	As at 31 December	
	2012	2013
Intangible assets	3,2	3,8
Tangible assets	851,4	981,0
Financial Investments (long term)	12,6	118,0
Other non-current assets	8,9	18,6
Total fixed assets	876,1	1.121,4
Trades receivable	312,3	344,8
Inventories	483,6	638,5
Prepayment and other assets	137,7	187,1
Trades payable	(1.198,0)	(1.457,7)
Other payable and accrued liabilities	(142,0)	(175,1)
Net working capital	(406,4)	(462,4)
Invested Capital	469,7	659,0
Cash & cash equivalents	(388,2)	(405,5)
Short term borrowings	10,4	13,1
Net debt/(cash)	(377,8)	(392,4)
Severance funds	39,8	38,1
Deferred tax liabilities	11,7	14,0
Shareholders' equity	796,0	999,3
Capital Employed	469,7	659,0

IFRS CASH FLOW



TL million	3 months ended 31 December		12 months ended 31 December	
	2012	2013	2012	2013
Net Income	85,1	105,7	331,8	412,9
D&A	24,7	29,3	93,5	110,8
Other non-cash items	(2,1)	(3,6)	(11,2)	(17,3)
Funds from operations	107,7	131,4	414,1	506,4
Change in net working capital	11,3	(80,1)	23,4	56,0
Operating cash flow	119,0	51,3	437,5	562,4
Capital expenditures	(54,5)	(59,8)	(241,1)	(245,5)
Proceeds from sales of PPE	1,9	2,0	8,5	6,5
Change in Financial Investments	-	(105,4)	(12,6)	(105,4)
Dividends From Investments	-	-	2,7	4,0
Cash flow from investing activities	(52,6)	(163,2)	(242,5)	(340,4)
Free cash flow	66,4	(111,9)	195,0	222,0
Dividends	-	-	(197,3)	(220,1)
Proceeds from ST borrowings	10,4	(27,6)	10,4	2,7
Profit share received from deposits account	2,7	4,7	17,2	16,4
Cash flow from financing activity	13,1	(22,9)	(169,7)	(201,0)
Currency translation differences	(0,9)	(3,3)	1,0	(4,6)
Increase/(decrease) in cash	78,6	(138,1)	26,3	16,4