



BİRLEŞİK MAĞAZALAR A.Ş.

# RESULTS

# PRESENTATION

For the 3 months  
to 30 September 2018



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

# HEADLINES FOR Q3 2018



**8,5** TL billion  
Sales (+35% YoY)

Net sales picking up



**562** TL million  
EBITDA (63,8% YoY)  
6,6% EBITDA Margin

Strong EBITDA and  
profit margins



**200** TL million CAPEX  
at 2,4% of sales

Continued  
Expansion



**FILE**

EBITDA POSITIVE

**55** stores as of Q3 18



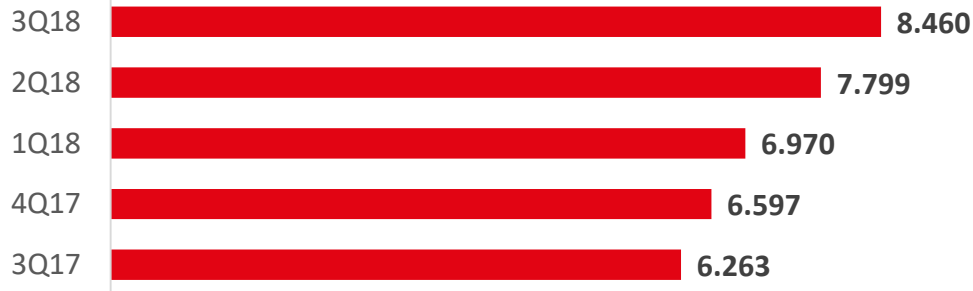
**364** TL million  
(60% YoY) Net Income



**Stores:**  
**6.556** in Turkey (BİM)  
**430** in Morocco  
**282** in Egypt

# NET SALES AND GROSS PROFIT

Net Sales, Quarterly (TL million)



Net Sales, 9 Months (TL million)



Gross Profit, Quarterly (TL million)



Gross Profit, 9 Months (TL million)



Gross Margin (%)

3Q17	4Q17	1Q18	2Q18	3Q18
17,3%	16,7%	17,5%	17,6%	18,7%

Gross Margin (%)

9M17	9M18
17,2%	18,0%

Quarterly  
Sales Growth

**35%**

Gross Profit  
(3Q17/3Q18)

**46%**

Sales Growth  
(9M17/9M18)

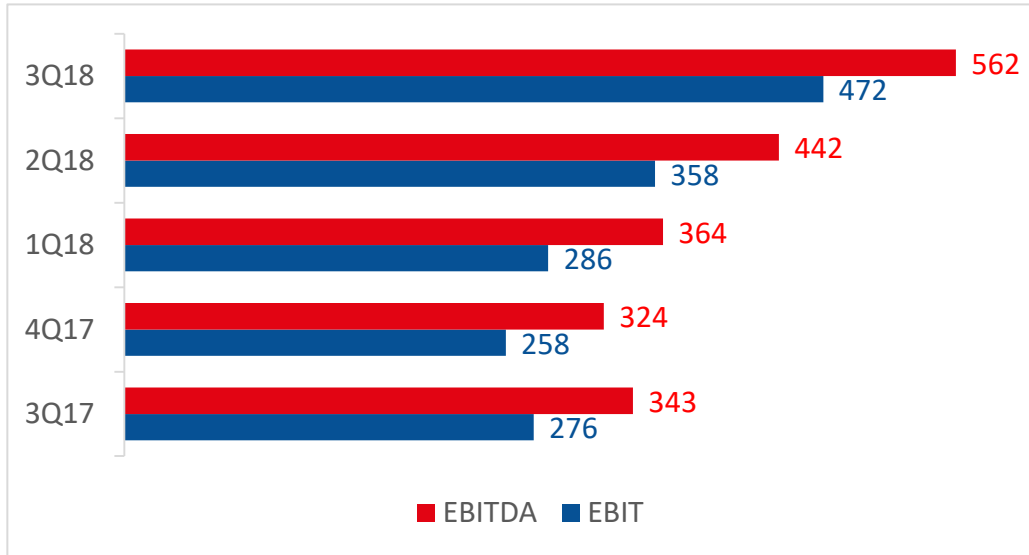
**28%**

Gross Profit  
(9M17/9M18)

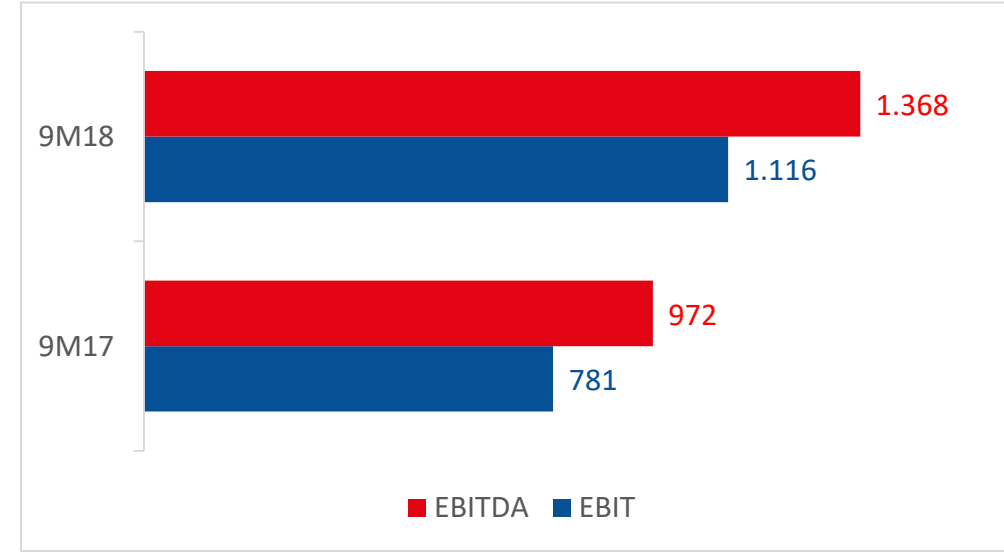
**34%**

# EBITDA AND EBIT

EBITDA and EBIT Quarterly (TL million)



EBITDA and EBIT 9 Months (TL million)



## EBITDA Margin

3Q17	4Q17	1Q18	2Q18	3Q18
5,5%	4,9%	5,2%	5,7%	6,6%

## EBIT Margin

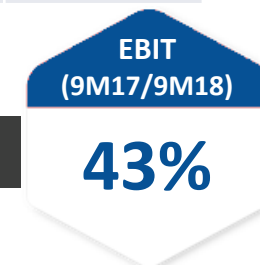
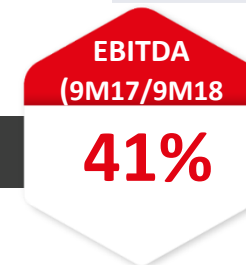
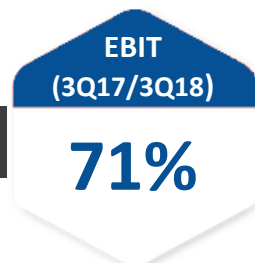
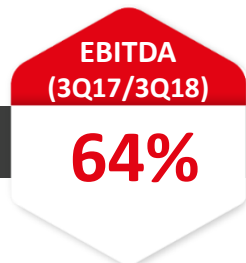
3Q17	4Q17	1Q18	2Q18	3Q18
4,4%	3,9%	4,1%	4,6%	5,6%

## EBITDA Margin

9M17	9M18
5,3%	5,9%

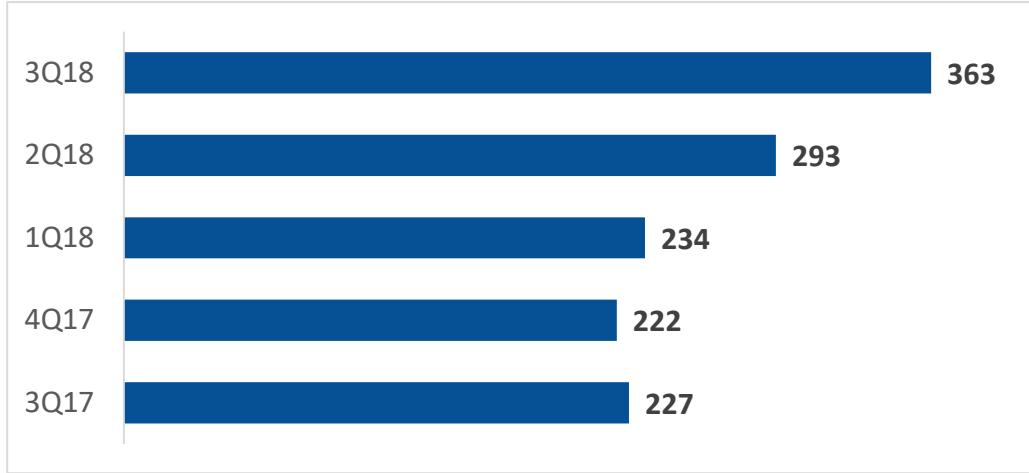
## EBIT Margin

9M17	9M18
4,3%	4,8%

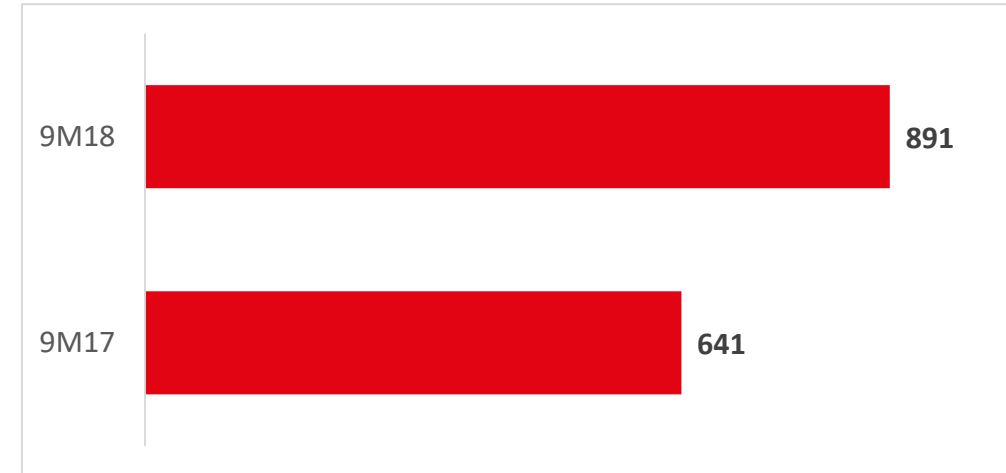


# NET INCOME

## Net Income, Quarterly (TL million)



## Net Income, 9-months (TL million)



### Net Income Margin

3Q17	4Q17	1Q18	2Q18	3Q18
3,6%	3,4%	3,4%	3,8%	4,3%

### Net Income Margin

9M17	9M18
3,5%	3,8%

Net Income Growth  
(3Q17/3Q18)

**60%**

Net Income  
Growth (9M17/9M18)

**39%**

# LIKE FOR LIKE SALES INCREASE



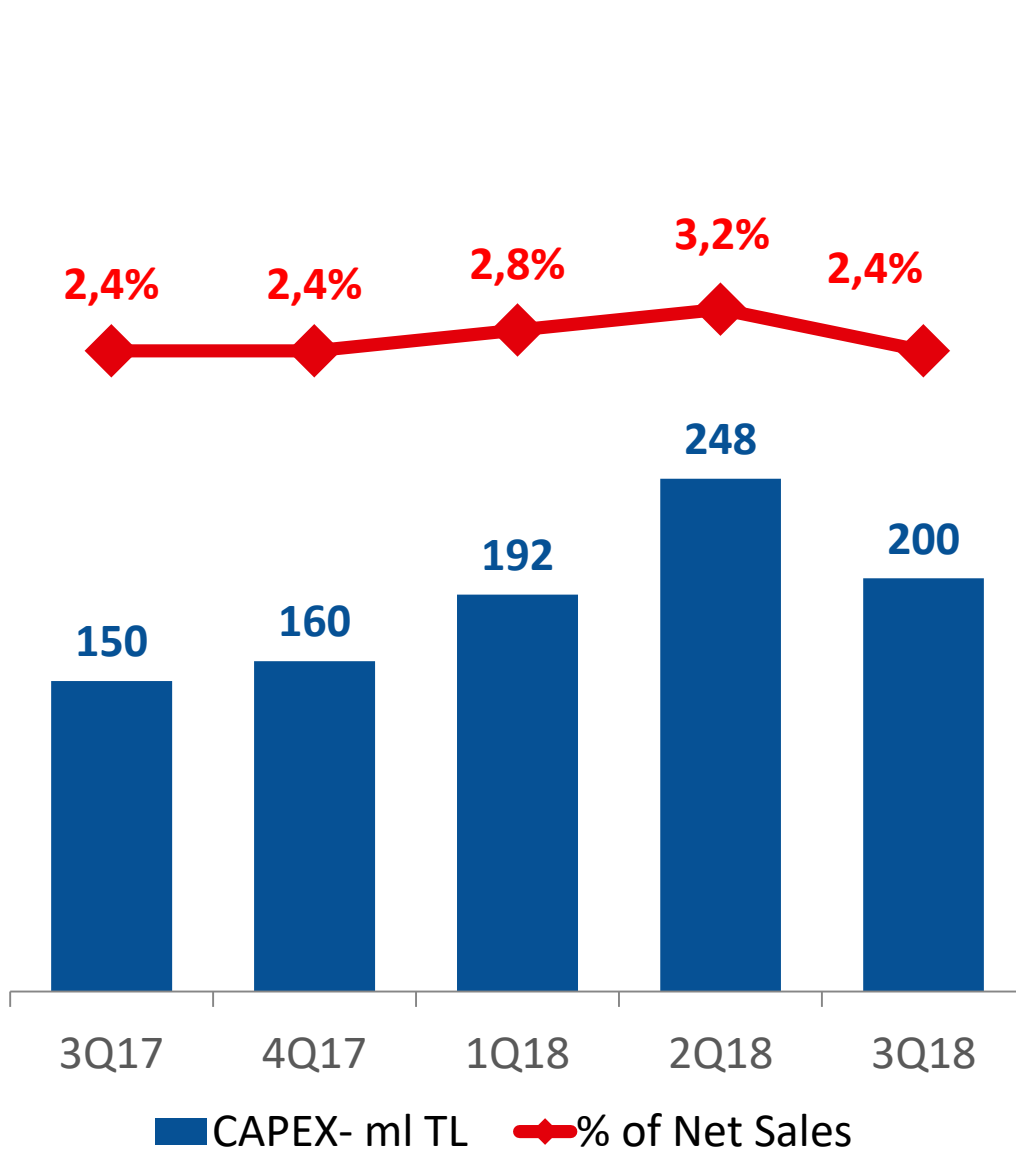
## BİM TURKEY

Quarterly			
	3Q 2017	3Q 2018	CHANGE
Like-For-Like Sales (per store/per day -TL)	11.301	13.940	23,3%
Like-For-Like Basket (TL)	16,51	19,93	20,7%
Like-For-Like Customer Traffic (Per store/per Day)	684,6	699,5	2,2%

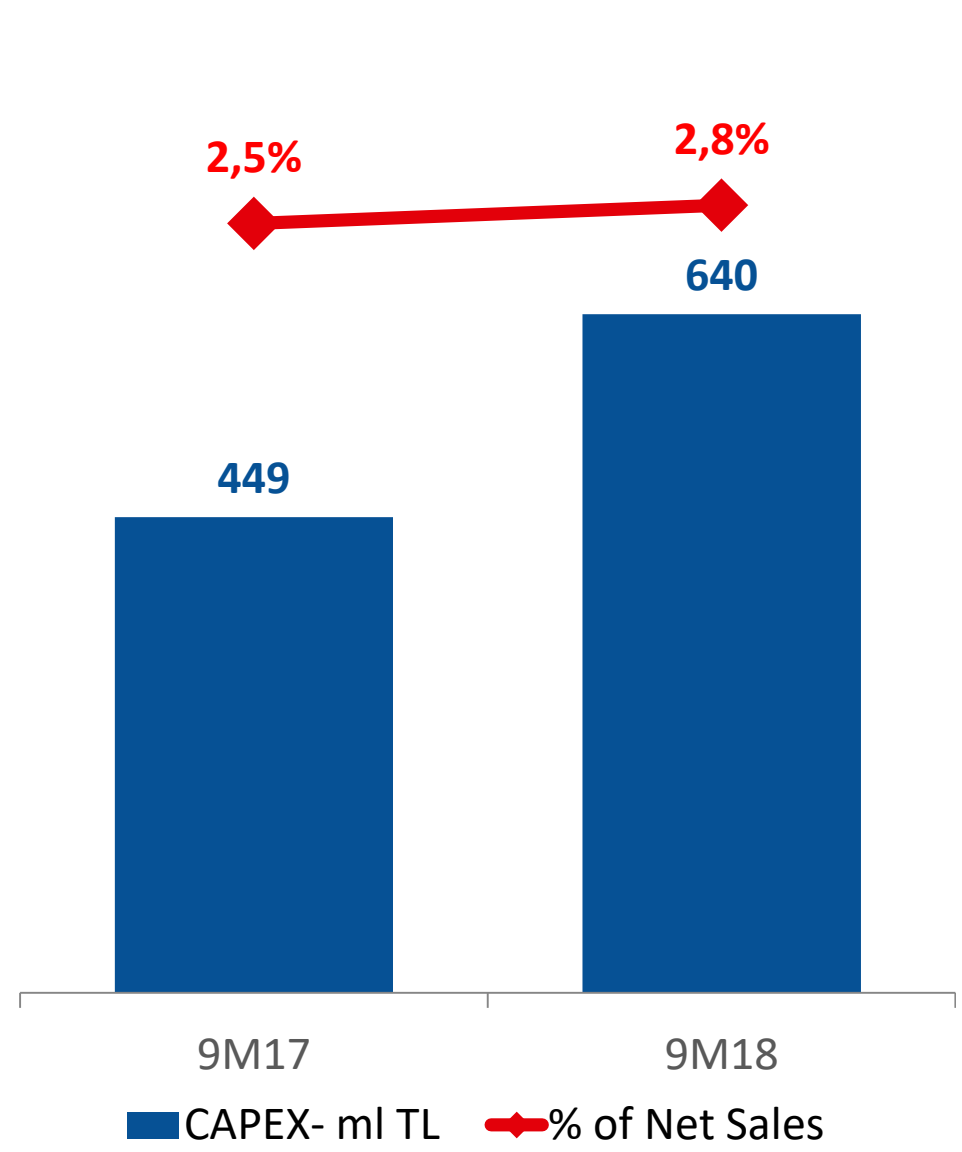
9-Months			
	9M 2017	9M 2018	CHANGE
Like-For-Like Sales (per store/per day -TL)	11.185	13.129	17,4%
Like-For-Like Basket (TL)	16,29	18,84	15,6%
Like-For-Like Customer Traffic (Per store/per Day)	686,5	697,0	1,5%

(\*Note: calculated on the basis of net sales generated in 3Q17 and 3Q18 by stores operating on 30 September 2016 and that were still open on 30 September 2018 (5.275 stores)

### Quarterly Capex



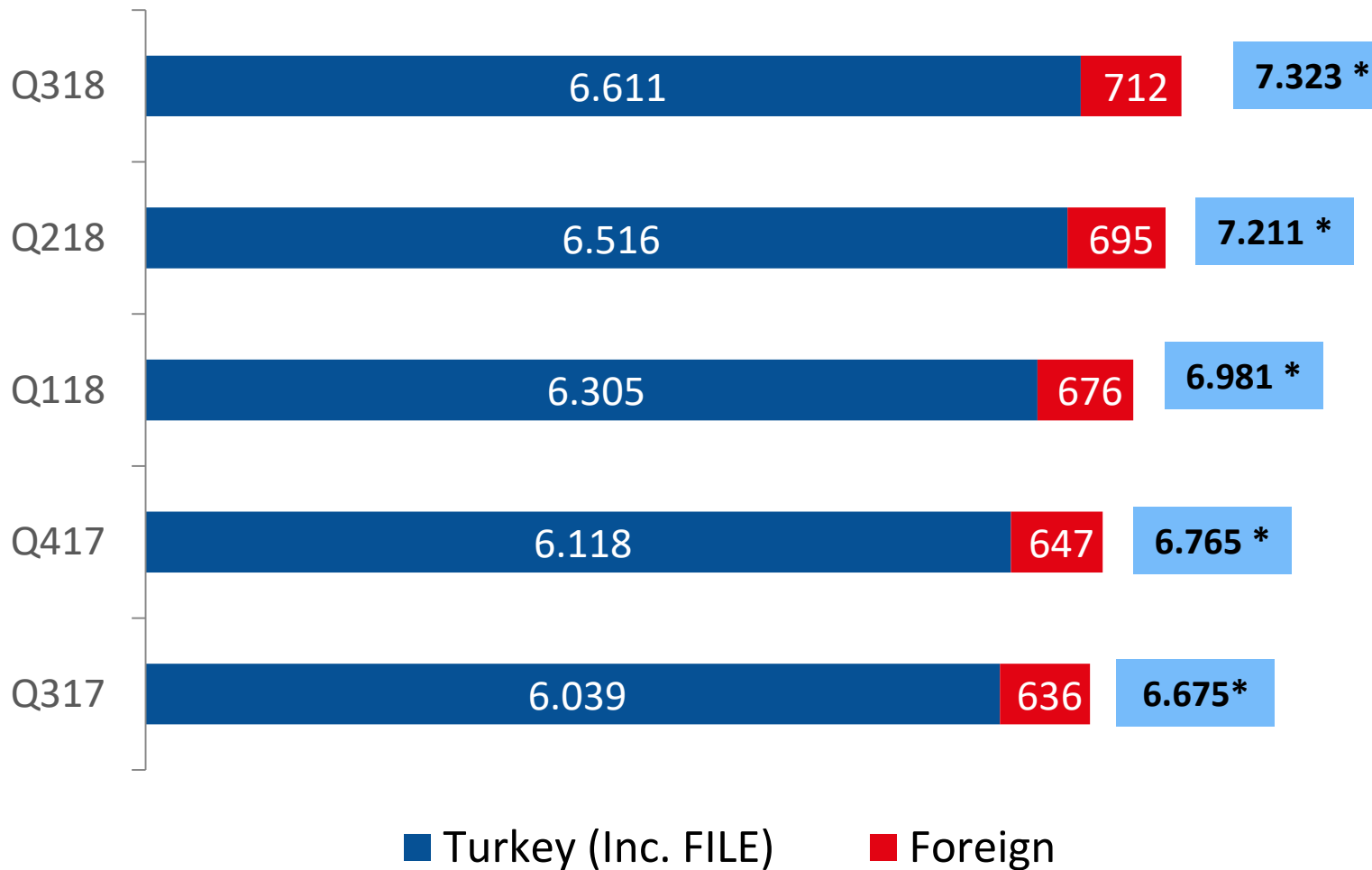
### 9 Months Capex





# STRONG STORE GROWTH CONTINUES

## Number of Stores



Store Growth  
(3Q17/3Q18)

**10%**

New  
Openings in 3Q18

**112 stores**

New Openings  
in 9M18

**558 stores**

New Openings  
annually

**648 stores**

Note (\*): Total number of consolidated stores.

## MOROCCO

- **12 new stores** opened in Q3
- In total we have **430 stores** in Morocco as of Q3 18
- **EBITDA POSITIVE** in 2018

## EGYPT

- **5 new stores** opened in Q3
- In total we have **282 stores** as of Q3 18

## FILE

- **4 new stores** opened this quarter
- By the end of Q3 we have reached 55 stores (up to date 58 stores)
- **EBITDA positive**

	2018 TARGETS
<b>SALES GROWTH (%) (REVISED)</b>	~30% (+- 200 bps) (Old 20%+)
<b>EBITDA MARGIN (%) (REVISED)</b>	5,5+ % (Old 4,5-5,5%)
<b>CAPEX mil TL</b>	~ 750
<b>CONSOLIDATED NEW STORE OPENINGS</b>	~ 730
<i>TURKEY</i>	~600
<i>MOROCCO</i>	~60
<i>EGYPT</i>	~40
<i>FILE</i>	~30





## IFRS Financials



# IFRS INCOME STATEMENT

TL million	3 months ended 30 September			9 months ended 30 September		
	2017	2018	Change	2017	2018	Change
Net Sales	6.262,6	8.460,3	35,1%	18.182,3	23.229,1	27,8%
(COGS)	(5.176,1)	(6.876,3)	32,8%	(15.056,5)	(19.050,8)	26,5%
<b>Gross Profit</b>	<b>1.086,5</b>	<b>1.584,0</b>	<b>45,8%</b>	<b>3.125,8</b>	<b>4.178,3</b>	<b>33,7%</b>
Total SG&A	(743,2)	(1.021,8)	37,5%	(2.154,0)	(2.810,4)	30,5%
<b>EBITDA</b>	<b>343,3</b>	<b>562,2</b>	<b>63,8%</b>	<b>971,8</b>	<b>1.367,9</b>	<b>40,8%</b>
D&A	(66,9)	(90,2)	34,8%	(190,4)	(251,4)	32,0%
<b>EBIT</b>	<b>276,4</b>	<b>472,0</b>	<b>70,8%</b>	<b>781,4</b>	<b>1.116,5</b>	<b>42,9%</b>
Net financial income/(expenses)	7,7	10,9	41,6%	22,0	43,2	96,4%
Other income/(expenses)	5,0	(14,1)	NA	13,4	0,1	(99,3)%
<b>PBT</b>	<b>289,1</b>	<b>468,8</b>	<b>62,2%</b>	<b>816,8</b>	<b>1.159,8</b>	<b>42,0%</b>
Taxes	(62,1)	(105,1)	69,2%	(175,5)	(268,6)	53,0%
<b>Net income</b>	<b>227,0</b>	<b>363,7</b>	<b>60,2%</b>	<b>641,3</b>	<b>891,2</b>	<b>39,0%</b>

# IFRS BALANCE SHEET



TL million	As of 30 September	
	Q3 2017	Q3 2018
Intangible assets	10,9	15,8
Tangible assets	2.340,7	3.526,5
Financial Investments (long term)	193,4	309,7
Other non-current assets	48,1	39,3
<b>Total fixed assets</b>	<b>2.593,1</b>	<b>3.891,3</b>
Trades receivable	728,1	1.075,8
Financial Investments (short term)	-	321,5
Inventories	1.341,0	1.922,1
Prepayment and other assets	305,5	399,4
Trades payable	(3.073,8)	(4.127,5)
Other payable and accrued liabilities	(639,3)	(853,6)
<b>Net working capital</b>	<b>(1.338,5)</b>	<b>(1.262,3)</b>
<b>Invested Capital</b>	<b>1.254,6</b>	<b>2.629,0</b>
Cash & cash equivalents	(969,5)	(801,5)
Short term borrowings	-	-
<b>Net debt/(cash)</b>	<b>(969,5)</b>	<b>(801,5)</b>
Severance funds	77,6	98,9
Deferred tax liabilities	48,7	164,4
Shareholders' equity	2.097,8	3.167,2
<b>Capital Employed</b>	<b>1.254,6</b>	<b>2.629,0</b>

# IFRS CASH FLOW

TL million	3 months ended 30 Sept		9 months ended 30 Sept	
	2017	2018	2017	2018
Net Income	227,0	363,7	641,3	891,2
D&A	66,9	90,2	190,4	251,4
Non cash tax expense	62,1	105,1	175,5	268,6
Other non-cash items	25,2	44,6	65,8	54,9
<b>Funds from operations</b>	<b>381,2</b>	<b>603,6</b>	<b>1.073,0</b>	<b>1.466,1</b>
Change in net working capital	211,9	26,3	172,7	(17,0)
Tax & other payments	(62,5)	(93,8)	(169,0)	(224,5)
<b>Operating cash flow</b>	<b>530,6</b>	<b>536,1</b>	<b>1.076,7</b>	<b>1.224,6</b>
Capital expenditures	(150,3)	(199,4)	(448,7)	(640,3)
Proceeds from sales of PPE	3,7	4,9	10,4	25,4
Change in financial investments	-	(321,5)	-	(321,5)
Dividend from investments	-	0,0	3,0	3,9
<b>Cash flow from investing activities</b>	<b>(146,6)</b>	<b>(516,0)</b>	<b>(435,3)</b>	<b>(932,5)</b>
<b>Free cash flow</b>	<b>384,0</b>	<b>20,1</b>	<b>641,4</b>	<b>292,1</b>
Dividends	-	-	(272,1)	(331,4)
Proceeds from ST borrowings	(28,0)	-	-	-
Treasury shares purchase & sale, net	-	(32,1)	-	(174,6)
Profit share received from deposits account	8,8	9,7	21,8	47,9
<b>Cash flow from financing activity</b>	<b>(19,2)</b>	<b>(22,4)</b>	<b>(250,3)</b>	<b>(458,1)</b>
Currency translation differences	(1,1)	(3,6)	(4,1)	(8,4)
<b>Increase/(decrease) in cash</b>	<b>363,7</b>	<b>(5,9)</b>	<b>387,0</b>	<b>(174,4)</b>