



BİRLEŞİK MAĞAZALAR A.Ş.

RESULTS

PRESENTATION

For the 3 months
to 31 March 2019

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

HEADLINES for FIRST QUARTER 2019

268,1 TL million
CAPEX at 3,0% of sales

9.025 TL million
Sales (+29,5% YoY)

7.713 total stores
235 new openings in Q1 2019

654,2 TL million
EBITDA with IFRS16 (80% YoY)

(420,2 TL million without IFRS16
impact, +15,5% YoY and 4,7% EBITDA
margin)



215,4 TL million
Net Income with IFRS16 (-8,1% YoY)

(265,8 TL million without IFRS16 impact
+13,4% YoY and 2,9% net income margin)

Expected EBITDA and profit margins | Sales trends improving | Store openings & CAPEX on track

IMPACT OF IFRS 16 (Lease Accounting)

As of 1 January 2019, BIM will report its consolidated accounts in as prescribed by IFRS 16. On the Income Statement, rents expense will be replaced by interest and depreciation.

The new IFRS standard brings most leases on-balance sheet under a single model, removing the distinction between finance and operating leases. These changes will result in the following

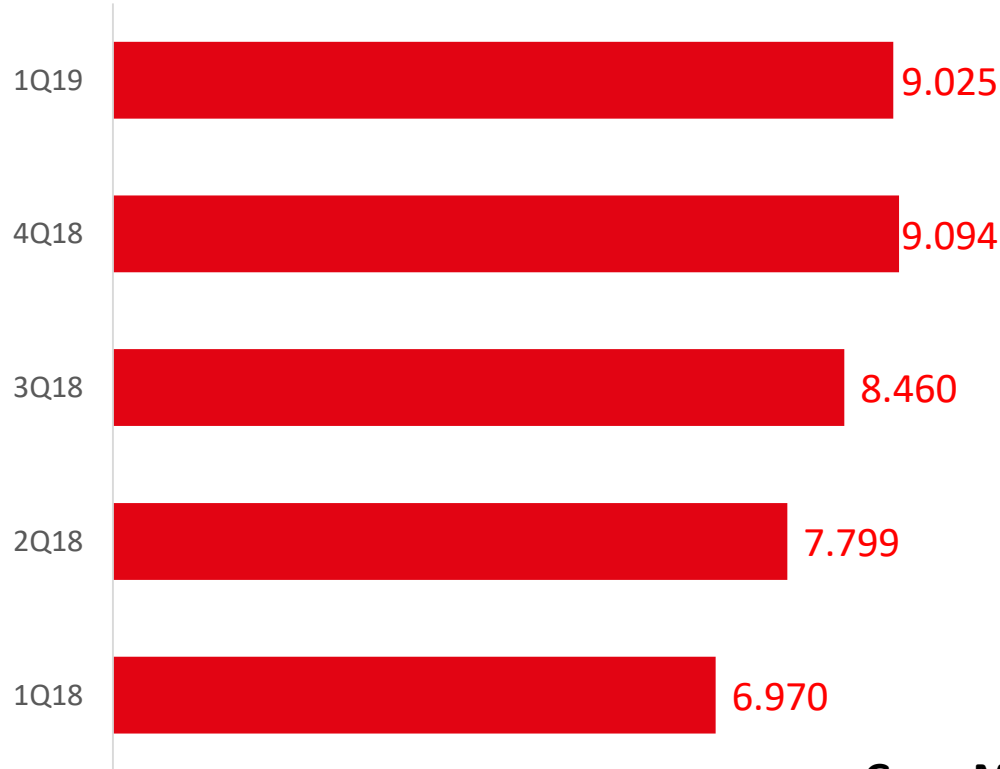
- (1) the reporting of all the leases in the same way
- (2) the displaying of the unrecorded leases in the financial statements
- (3) the submission of more transparent, correct and comparable information.

With operating leases on the balance sheet there will be significant increases in the assets and liabilities as well as a significant increase in the ratio of liability/asset and a significant decrease in return on assets.

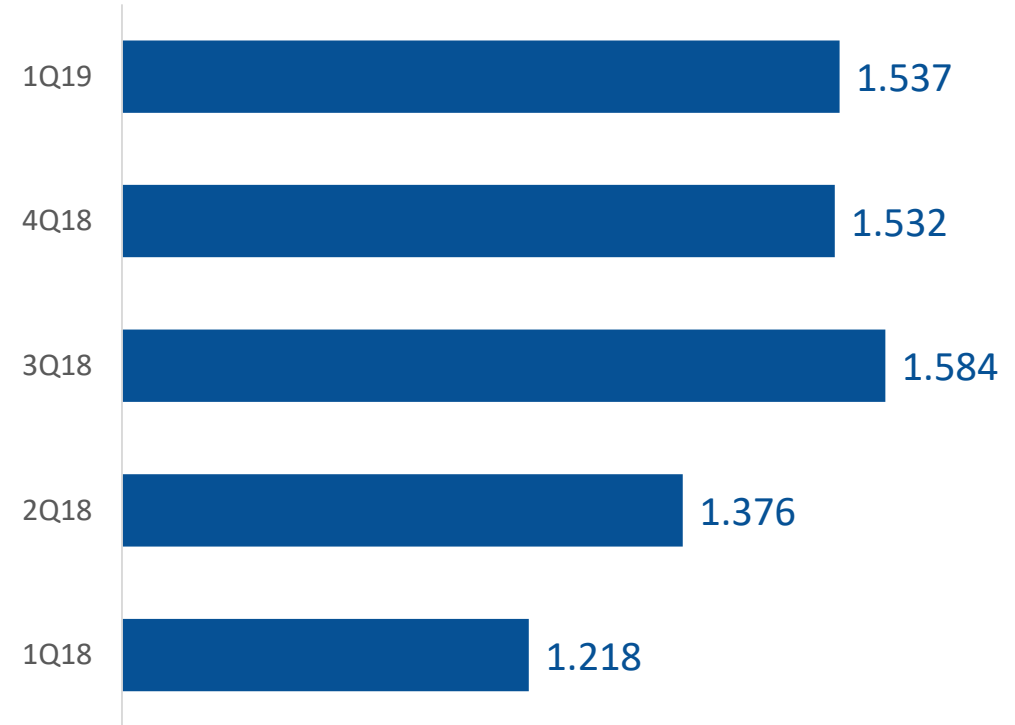
The application of IFRS 16 reporting will not affect cash or the management of the business.

QUARTERLY NET SALES AND GROSS PROFIT

Net Sales, Quarterly (TL million)



Gross Profit, Quarterly (TL million)



Gross Margin (%)

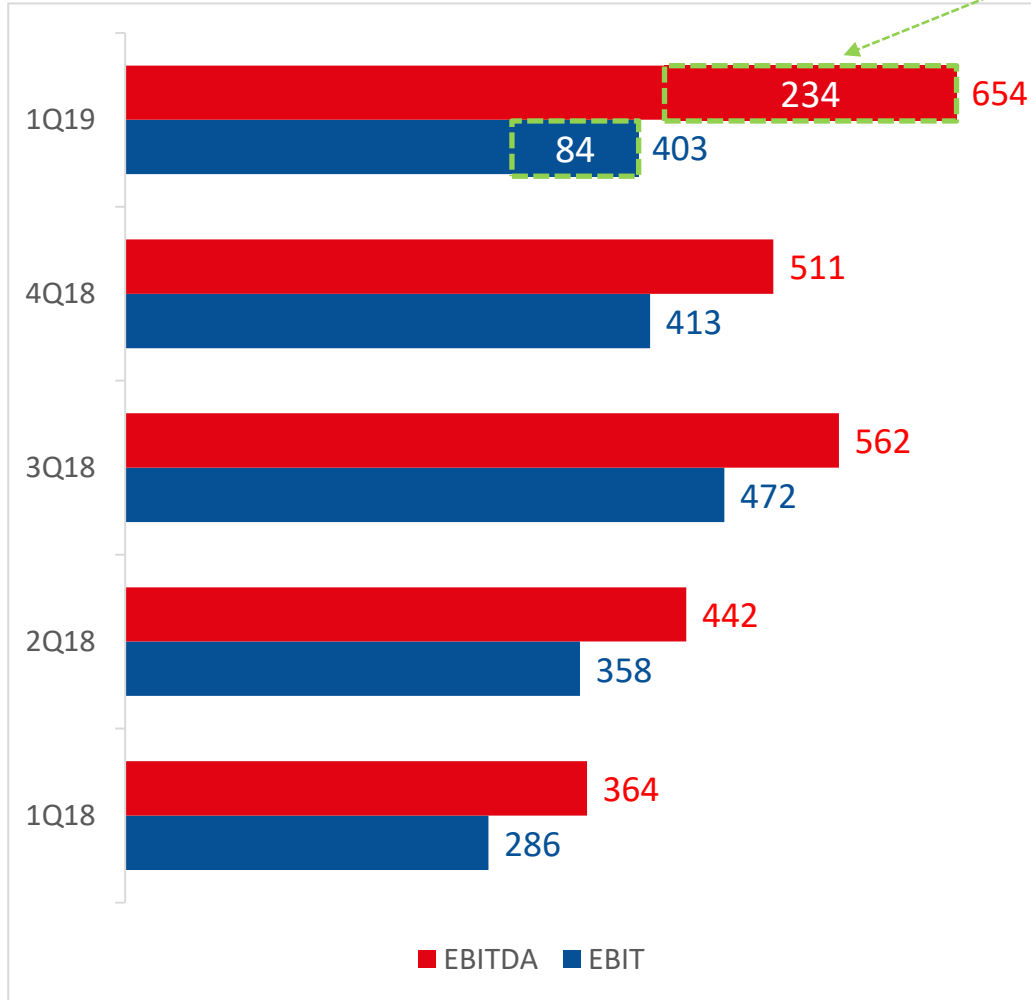
Quarter	1Q18	2Q18	3Q18	4Q18	1Q19
Gross Margin (%)	17,5%	17,6%	18,7%	16,8%	17,0%

**1Q18/1Q19
Sales Growth
29,5%**

**1Q18/1Q19
Gross Profit Growth
26,2%**

QUARTERLY EBITDA AND EBIT

EBITDA and EBIT Quarterly (TL million)



IFRS 16
IMPACT

EBITDA Margin					
1Q18	2Q18	3Q18	4Q18	1Q19	1Q19 w/o IFRS 16
5,2%	5,7%	6,6%	5,6%	7,2%	4,7%

EBIT Margin					
1Q18	2Q18	3Q18	4Q17	1Q19	1Q19 w/o IFRS 16
4,1%	4,6%	5,6%	4,5%	4,5%	3,5%

EBITDA
(1Q18/1Q19)
79,9%

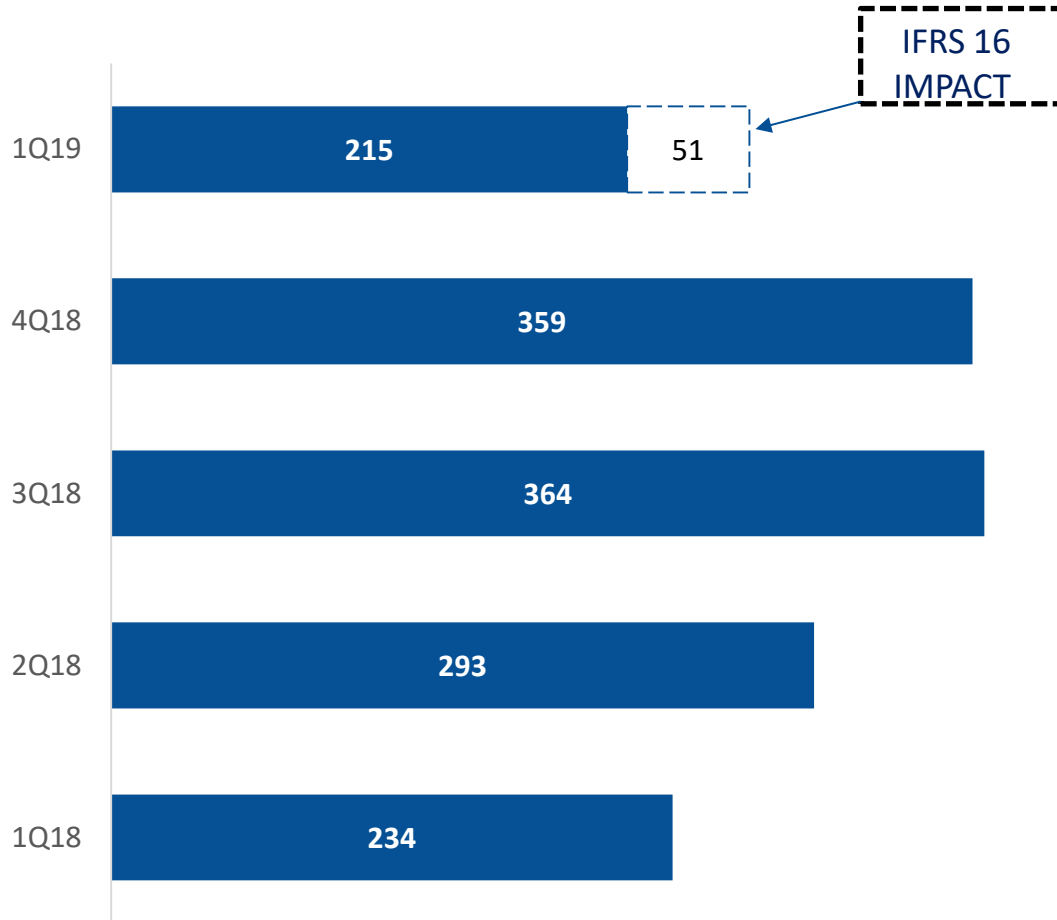
EBIT
(1Q18/1Q19)
40,6%

EBITDA w/o IFRS16 impact
(1Q18/1Q19)
15,5%

EBIT w/o IFRS16 impact
(1Q18/1Q19)
11,4%

QUARTERLY NET INCOME

Net Income, Quarterly (TL million)



Net Income Margin					
1Q18	2Q18	3Q18	4Q18	1Q19	1Q19 w/o IFRS16
3,4%	3,8%	4,3%	3,9%	2,4%	2,9%

Net Income Growth
(1Q18/1Q19)




-8,1%

Net Income Growth
(1Q18/1Q19 without IFRS16
impact)

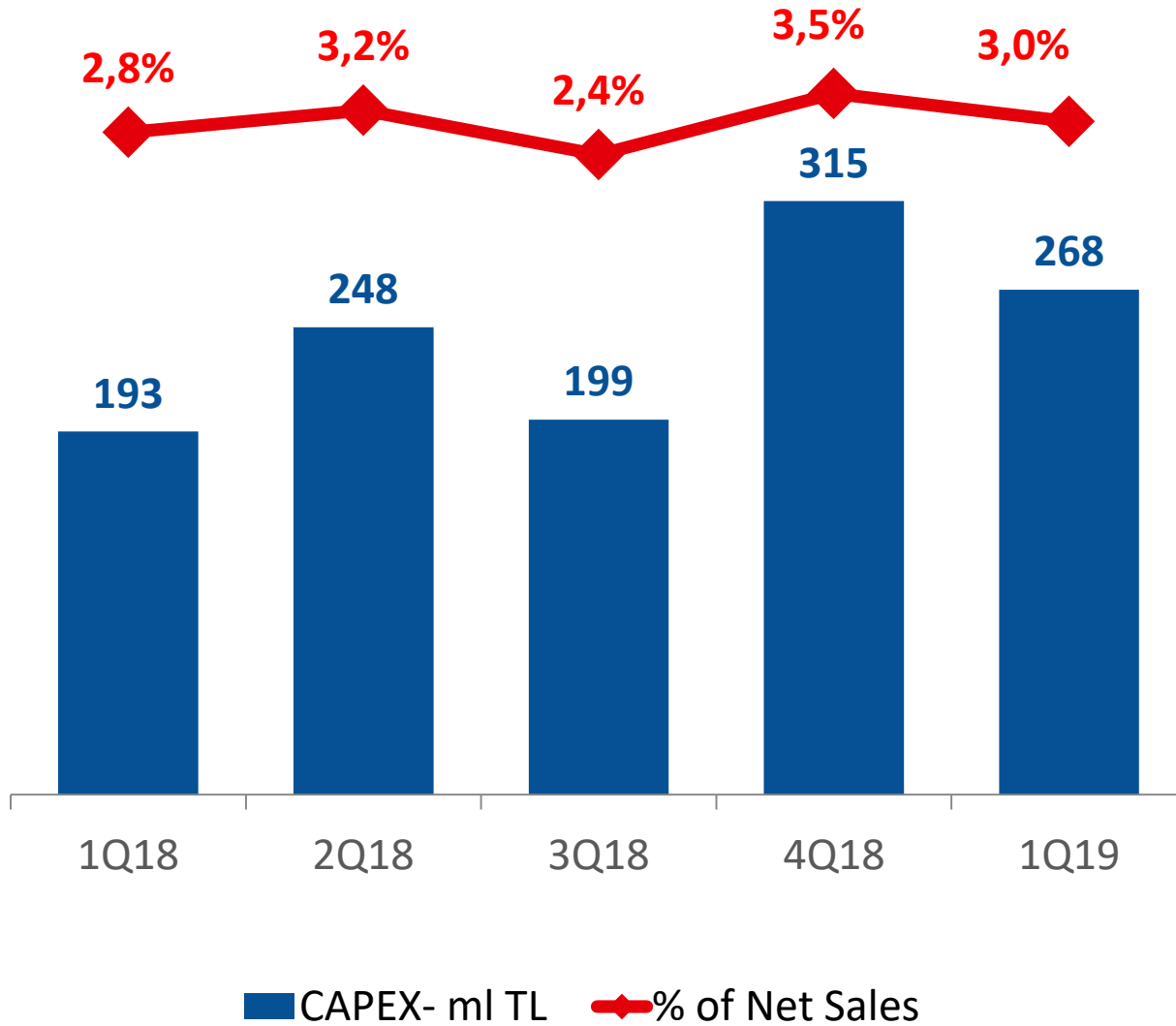
13,4%

LIKE FOR LIKE SALES INCREASE

BİM TURKEY

Quarterly			
	2018 Q1	2019 Q1	CHANGE
Like-For-Like Sales (per store/per day -TL)	12.047	14.291	 18,6%
Like-For-Like Basket (TL)	17,69	20,86	 17,9%
Like-For-Like Customer Traffic (Per store/per Day)	681,0	685,1	 0,6%

(*Note: calculated on the basis of net sales generated in 1Q18 and 1Q19 by stores operating on 31 March 2017 and that were still open on 31 March 2019 (5.545 stores)

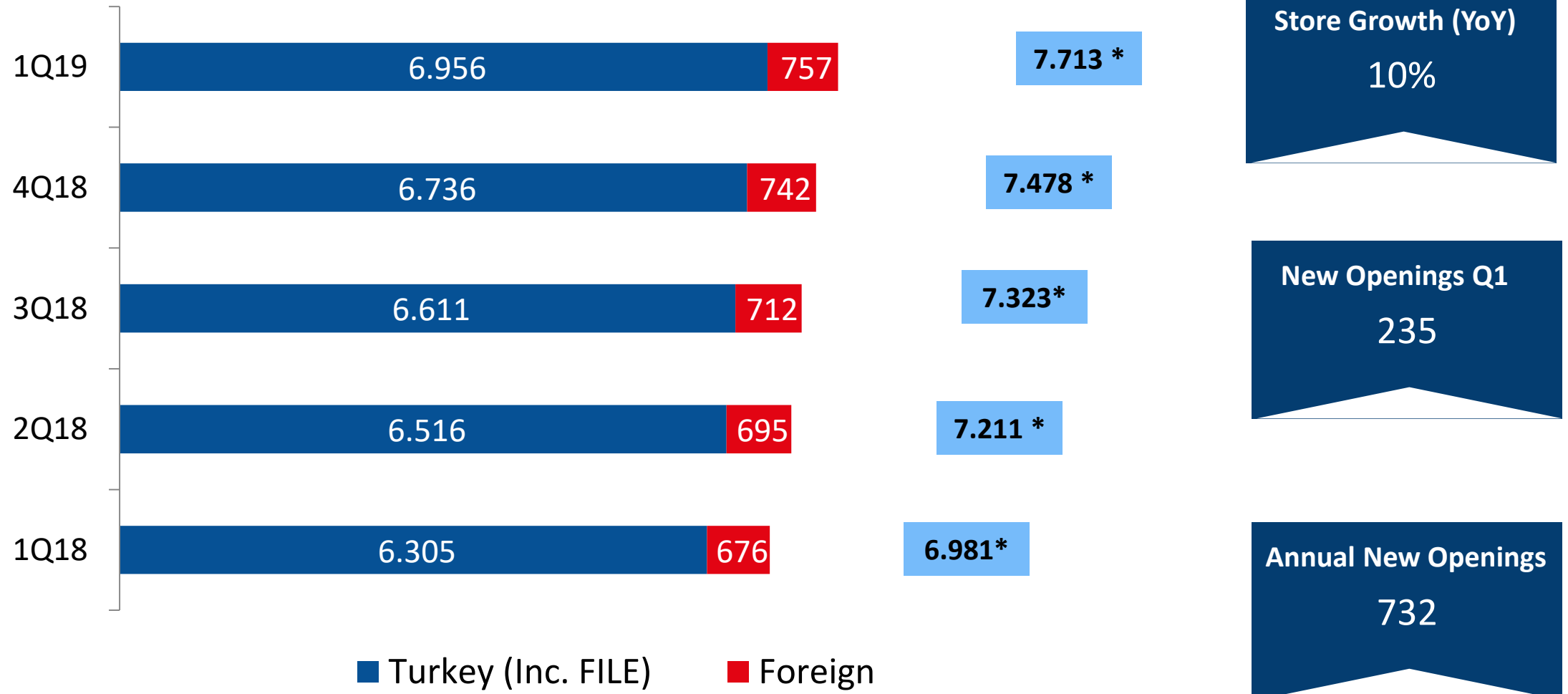


- Three new warehouses opened up to date
- Double warehouses to be opened on European side late 2019
- Q1 CAPEX corresponds to 39% YoY and 3% of sales which is in line with our annual outlook

STRONG STORE GROWTH CONTINUES



Number of Stores



Note (*): Total number of consolidated stores.

MOROCCO

- **14 new stores** opened
- In total we have **456 stores** in Morocco as at Q1 19
- **EBITDA positive**

EGYPT

- **1 new store** opened
- In total we have **301 stores** as at Q1 19
- Store opening slowing down as predicted

FILE

- **7 new stores** opened this quarter
- By the end of Q1 we have reached **71 stores**

Q&A





IFRS INCOME STATEMENT

TL million	3 months ended 31 March				
	2019 IFRS16	IFRS16 Impact	2019 without IFRS 16	2018 without IFRS 16	Change % 2018 / 2019 without IFRS 16
Net Sales	9.025,3		9.025,3	6.969,9	29,5%
(COGS)	(7.488,4)		(7.488,4)	(5.752,0)	30,2%
Gross Profit	1.536,9		1.536,9	1.217,9	26,2%
Total SG&A	(882,7)	(234,0)	(1.116,7)	(854,2)	30,7%
EBITDA	654,2	(234,0)	420,2	363,7	15,5%
D&A	(251,7)	150,3	(101,4)	(77,5)	30,9%
EBIT	402,5	(83,7)	318,8	286,2	11,4%
Net financial income/(expenses)	(152,3)	148,5	(3,8)	14,4	(126,3) %
Other income/(expenses)	29,3		29,3	5,9	396,6%
PBT	279,5	64,8	344,3	306,5	12,3%
Taxes	(64,1)	(14,4)	(78,5)	(72,2)	8,7%
Net income	215,4	50,4	265,8	234,3	13,4%

IFRS BALANCE SHEET

TL million	As at 31 March	
	Q1 2018	Q1 2019
Intangible assets	12,9	38,5
Tangible assets	3.170,2	3.861,2
Right of Use Assets (IFRS 16)	-	3.589,1
Financial Investments (long term)	309,7	481,7
Other non-current assets	41,4	33,8
Total fixed assets	3.534,2	8.004,3
Trades receivable	939,2	1.187,1
Financial Investments (Short term)	-	320,2
Inventories	1.635,4	2.277,7
Prepayment and other assets	190,7	378,3
Trades payable	(3.564,2)	(4.704,1)
Other payable and accrued liabilities	(333,0)	(371,7)
Net working capital	(1.131,9)	(912,5)
Invested Capital	2.402,3	7.091,8
Cash & cash equivalents	(1.034,4)	(601,3)
Short term borrowings	-	-
Borrowings from lease agreements (IFRS 16)	-	3.654,2
Net debt/(cash)	(1.034,4)	3.052,9
Severance funds	100,7	134,6
Deferred tax liabilities	135,4	163,6
Shareholders' equity	3.200,6	3.740,7
Capital Employed	2.402,3	7.091,8

IFRS CASH FLOW

TL million	3 months ended 31 March	
	2018	2019
Net Income	234,3	215,4
D&A	77,5	251,7
Non cash tax expense	72,2	64,1
Other non-cash items	1,9	151,9
Funds from operations	385,9	683,1
Change in net working capital	(118,6)	(23,7)
Tax & other payments	(48,8)	(91,2)
Operating cash flow	218,5	568,2
Capital expenditures	(192,7)	(268,1)
Proceeds from sales of PPE	15,2	8,9
Change in financial investments	-	24,0
Cash flow from investing activities	(177,5)	(235,2)
Free cash flow	41,0	333,0
Cash outflow from bank borrowings	-	(37,9)
Cash outflow from lease borrowings	-	(234,5)
Profit share received from deposits account	15,7	0,4
Cash flow from financing activity	15,7	(272,0)
Currency translation differences	(2,7)	(6,6)
Increase/(decrease) in cash	54,0	54,4