



BİRLEŞİK MAĞAZALAR A.Ş.

# RESULTS

# PRESENTATION

For the 3 months  
to 30 September 2019

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

# KEY FIGURES FOR THIRD QUARTER 2019



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



**10.412** TL billion  
Sales (+23 % YoY)



**8.152** total stores  
674 new openings in 2019



**845** TL million EBITDA,  
8,1% Margin, 50% YoY

(without IFRS 16 Impact, 5,6%  
Margin, 3% YoY growth,)



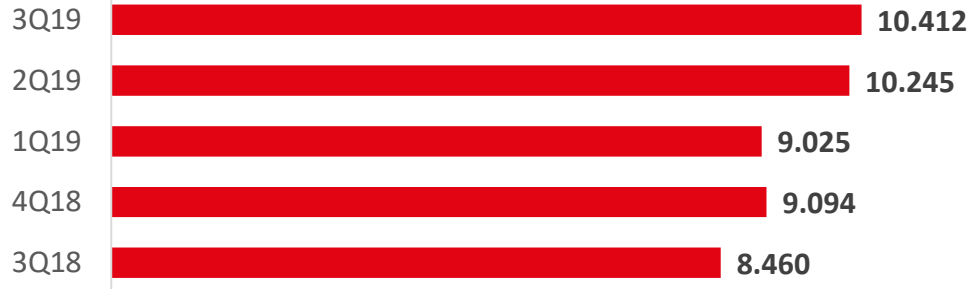
**344** TL million  
Net Income, 3,3% margin,  
-5 % YoY

(without IFRS 16 Impact, 3,7%  
margin, 7% YoY growth )

Strong Store Openings | Improving Overseas | Strong Margins

# 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 (%)

3Q18	4Q18	1Q19	2Q19	3Q19
18,7%	16,8%	17,0%	17,6%	17,8%

Gross Margin (%)

9M18	9M19
18,0%	17,5%

Sales Growth  
Q318/Q319

23%

Gross Profit Growth  
Q318/Q319

17%

Sales Growth  
(9M18/9M19)

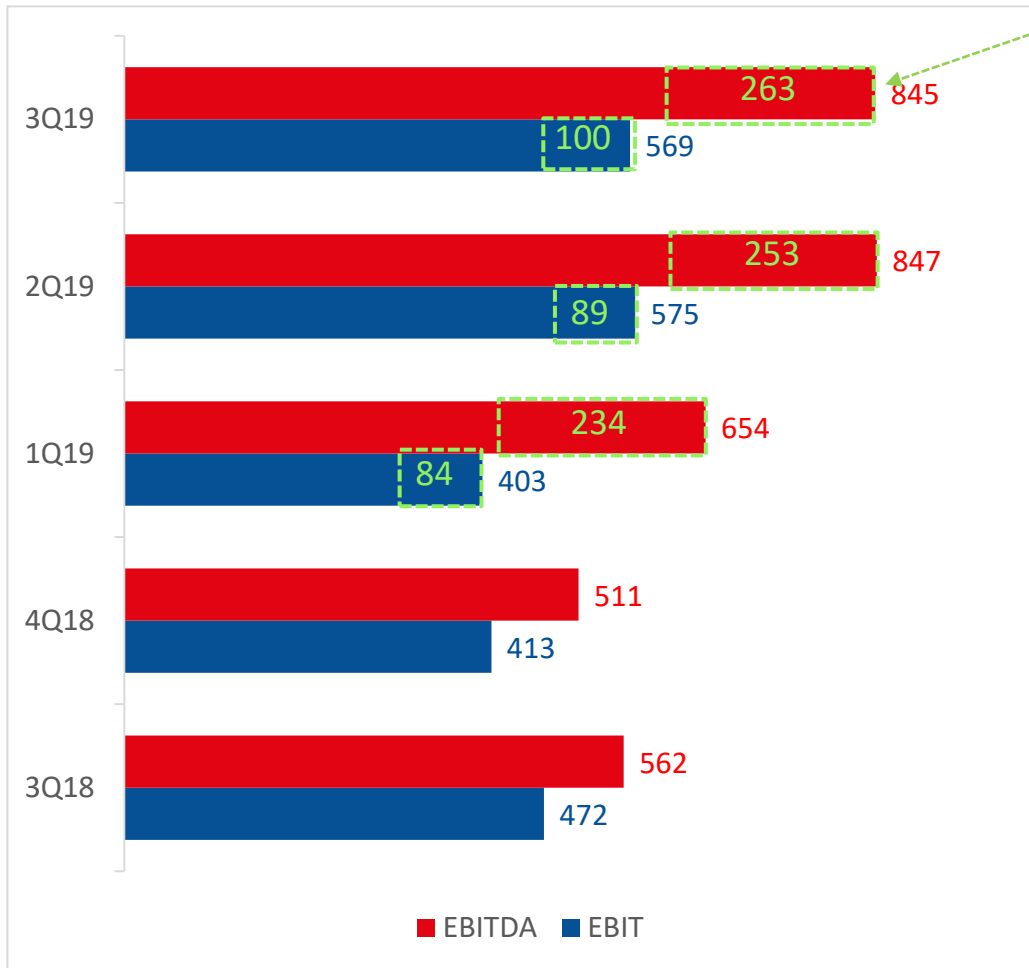
28%

Gross Profit Growth  
(9M18/9M19)

24%

# EBITDA AND EBIT QUARTERLY

EBITDA and EBIT Quarterly (TL million)



IFRS 16  
IMPACT

## EBITDA Margin (without IFRS 16)

3Q18	4Q18	1Q19	2Q19	3Q19
6,6%	5,6%	4,7%	5,8%	5,6%

## EBITDA Margin (with IFRS 16)

1Q19	2Q19	3Q19
7,2%	8,3%	8,1%

## EBIT Margin (without IFRS 16)

3Q18	4Q18	1Q19	2Q19	3Q19
5,6%	4,5%	3,5%	4,7%	4,5%

## EBIT Margin (with IFRS 16)

1Q19	2Q19	3Q19
4,5%	5,6%	5,5%

EBITDA  
(3Q18/3Q19)

50%

EBIT  
(3Q18/3Q19)

21%

EBITDA without IFRS16  
(3Q18/3Q19)

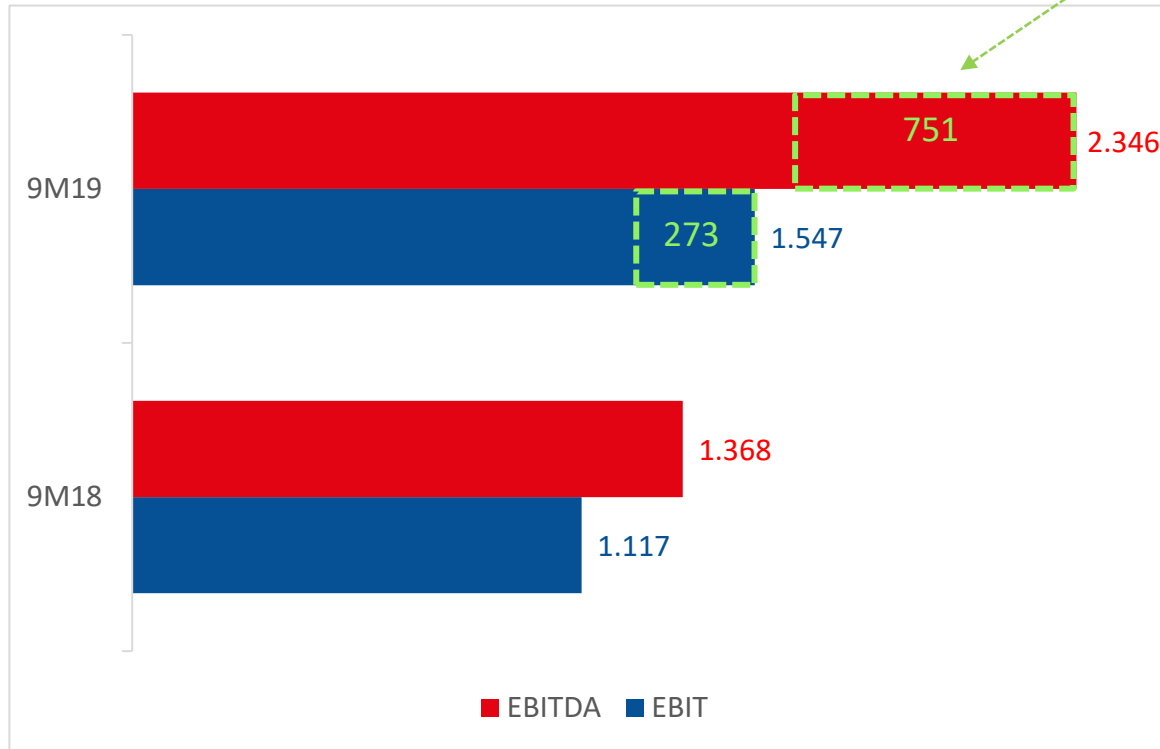
3%

EBIT without IFRS16  
(3Q18/3Q19)

-1%

# EBITDA AND EBIT 9 MONTHS

EBITDA and EBIT 9 Months (TL million)



IFRS 16  
IMPACT

EBITDA Margin	
9M18	9M19
5,9%	7,9%

EBITDA Margin (without IFRS 16)	
9M18	9M19
5,9%	5,4%

EBIT Margin	
9M18	9M19
4,8%	5,2%

EBIT Margin (without IFRS 16)	
9M18	9M19
4,8%	4,3%

**EBITDA  
(9M18/9M19)  
72%**

**EBIT  
(9M18/9M19)  
39%**

**EBITDA without IFRS16  
(9M18/9M19)  
17%**

**EBIT without IFRS16  
(9M18/9M19)  
14%**

# NET INCOME

Net Income, Quarterly (TL million)

IFRS 16 NEGATIVE IMPACT



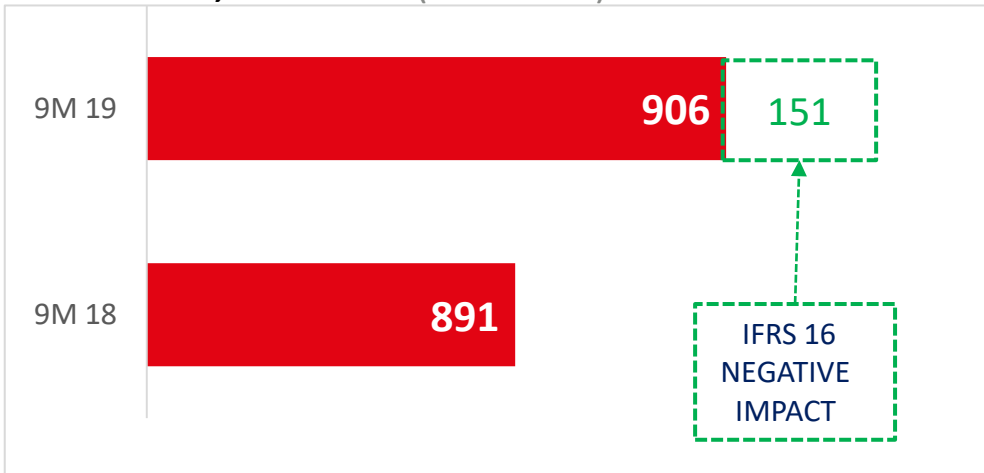
Net Income Margin (without IFRS 16)

3Q18	4Q18	1Q19	2Q19	3Q19
4,3%	4,0%	2,9%	3,9%	3,7%

Net Income Margin (with IFRS 16)

1Q19	2Q19	3Q19
2,4%	3,4%	3,3%

Net Income, 9 Months (TL million)



Net Income Margin (without IFRS 16)

9M 18	9M 19
3,8%	3,6%

Net Income Margin (with IFRS 16)

9M 18	9M 19
3,8%	3,1%

Net Income Growth (3Q18/3Q19)

-5%

Net Income Growth (3Q18/3Q19 without IFRS16)

7%

Net Income (9M18/9M19)




2%




Net Income Growth (9M18/9M19 without IFRS16)

19%

# LIKE FOR LIKE SALES INCREASE

## BİM TURKEY

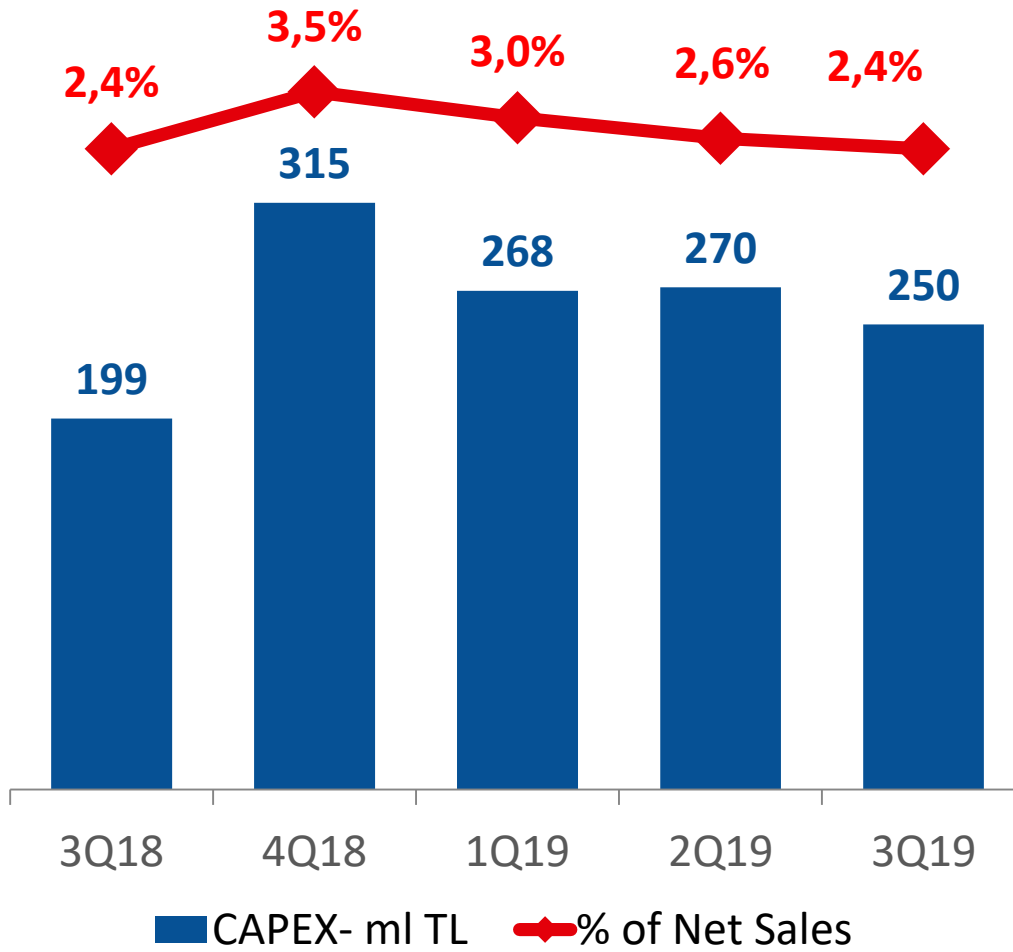
Quarterly			
	3Q 2018	3Q 2019	CHANGE
Like-For-Like Sales (per store/per day -TL)	13.654	15.573	 14,1%
Like-For-Like Basket (TL)	19,96	22,82	 14,3%
Like-For-Like Customer Traffic (Per store/per Day)	684,0	682,5	 -0.2%

9 Months			
	9M 2018	9M 2019	CHANGE
Like-For-Like Sales (per store/per day -TL)	12.844	15,124	 17,8%
Like-For-Like Basket (TL)	18,88	22,08	 16,9%
Like-For-Like Customer Traffic (Per store/per Day)	680,2	684,9	 0,7%

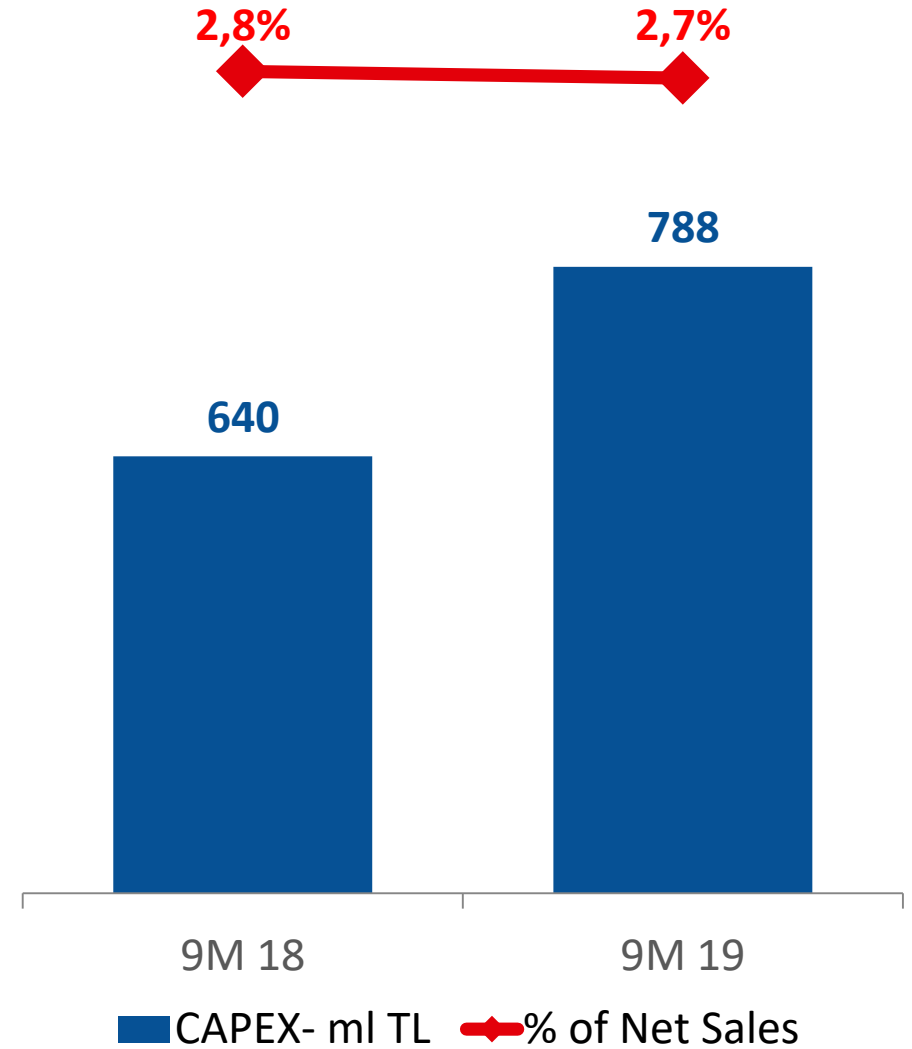
(\*Note: calculated on the basis of net sales generated in 3Q18 and 3Q19 by stores operating on 30 September 2017 and that were still open on 30 September 2019 (5.785 stores)



### Quarterly Capex



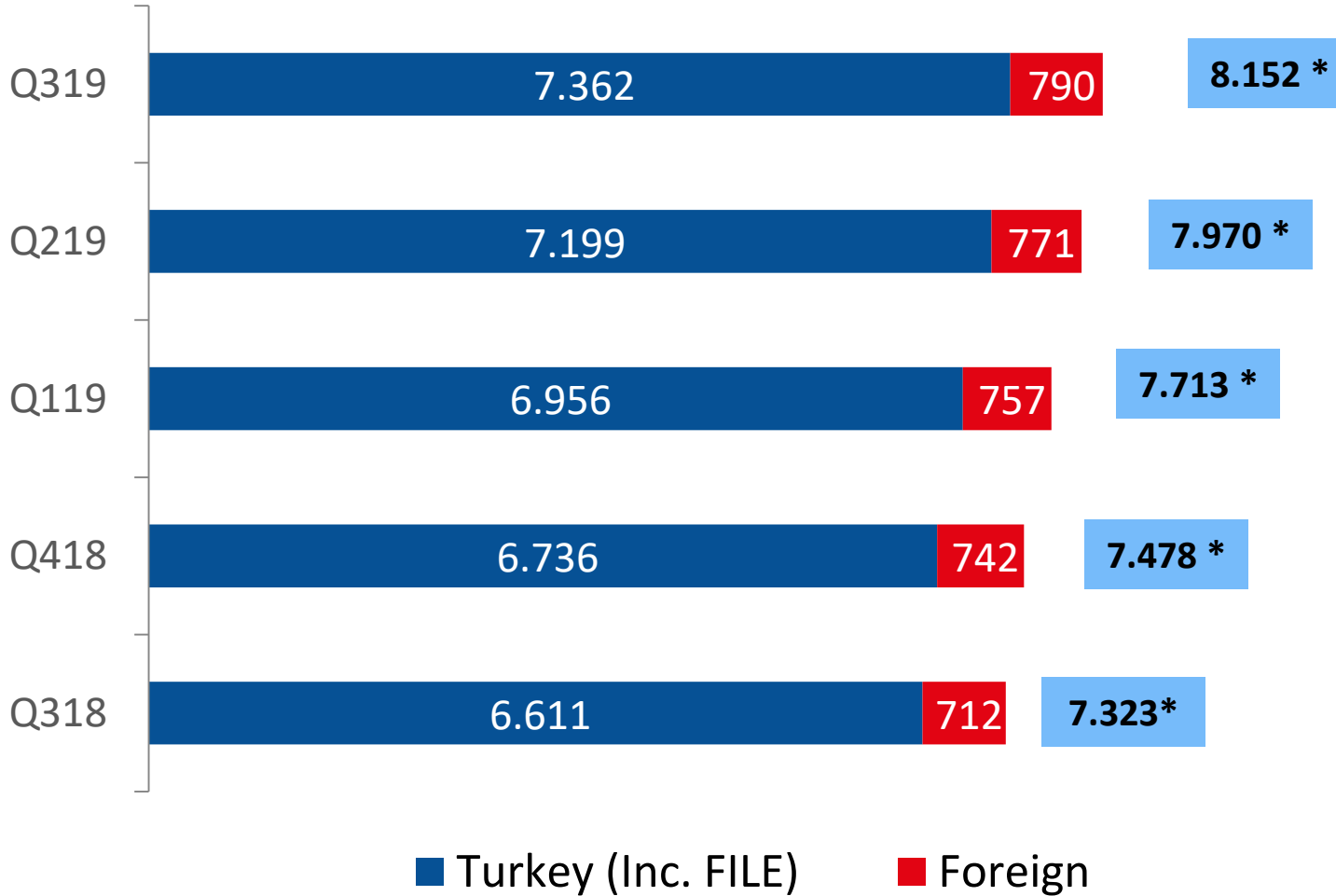
### 9 Months Capex



# STRONG STORE GROWTH CONTINUES



## Number of Stores



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

**Store Growth  
(3Q18/3Q19)**  
11%

**New Openings Q3**  
182

**New Openings  
9 Months**  
674

**New Openings  
Annually**  
829

## MOROCCO

- **15 new stores** opened
- In total we have **482 stores** in Morocco as of Q3 19
- **Net Income & EBITDA** break even before IFRS 16

## EGYPT

- **4 new store** openings in Q3
- Steady growth continues in Egypt
- In total we have **308 stores** as of Q3 19

## FILE

- **11 new stores** opened this quarter
- Reached 88 stores as of Q3 and 92 to date

# BİM

BİRLEŞİK MAĞAZALAR A.Ş.

## Q & A





# IFRS INCOME STATEMENT - QUARTERLY

TL million	3 months ended 30 September (01.07 – 30.09)				
	2019 IFRS 16	IFRS 16 Impact	2019 without IFRS 16	2018 without IFRS 16	Change % 2018 / 2019 without IFRS 16
Net Sales	<b>10.412,3</b>	-	<b>10.412,3</b>	<b>8.460,3</b>	<b>23%</b>
(COGS)	(8.564,1)	-	(8.564,1)	(6.876,3)	25%
<b>Gross Profit</b>	<b>1.848,2</b>	-	<b>1.848,2</b>	<b>1.584,0</b>	<b>17%</b>
Total SG&A	(1.003,5)	(263,1)	(1.266,6)	(1.021,8)	24%
<b>EBITDA</b>	<b>844,7</b>	<b>(263,1)</b>	<b>581,6</b>	<b>562,2</b>	<b>3%</b>
D&A	(275,3)	163,3	(112,0)	(90,2)	24%
<b>EBIT</b>	<b>569,4</b>	<b>(99,8)</b>	<b>469,6</b>	<b>472,0</b>	<b>-1%</b>
Net financial income/(expenses)	(160,4)	160,8	0,4	10,9	-96%
Other income/(expenses)	38,9	(3,5)	35,4	(14,1)	NA
<b>PBT</b>	<b>447,9</b>	<b>57,5</b>	<b>505,4</b>	<b>468,8</b>	<b>8%</b>
Taxes	(103,9)	(11,8)	(115,7)	(105,1)	10%
<b>Net income</b>	<b>344,0</b>	<b>45,7</b>	<b>389,7</b>	<b>363,7</b>	<b>7%</b>

# IFRS INCOME STATEMENT – 9 MONTHS

TL million	9 months ended 30 September (01.01 – 30.09)				
	2019 IFRS 16	IFRS 16 Impact	2019 without IFRS 16	2018 without IFRS 16	Change % 2018 / 2019 without IFRS 16
Net Sales	29.683,0		29.683,0	23.229,1	28%
(COGS)	(24.493,1)		(24.493,1)	(19.050,8)	29%
<b>Gross Profit</b>	<b>5.189,9</b>		<b>5.189,9</b>	<b>4.178,3</b>	<b>24%</b>
Total SG&A	(2.844,2)	(750,5)	(3.594,7)	(2.810,4)	28%
<b>EBITDA</b>	<b>2.345,7</b>	<b>(750,5)</b>	<b>1.595,2</b>	<b>1.367,9</b>	<b>17%</b>
D&A	(798,9)	477,7	(321,2)	(251,4)	28%
<b>EBIT</b>	<b>1.546,8</b>	<b>(272,8)</b>	<b>1.274,0</b>	<b>1.116,5</b>	<b>14%</b>
Net financial income/(expenses)	(471,4)	466,7	(4,7)	43,2	NA
Other income/(expenses)	103,0	(3,7)	99,3	0,1	NA
<b>PBT</b>	<b>1.178,4</b>	<b>190,2</b>	<b>1.368,6</b>	<b>1.159,8</b>	<b>18,%</b>
Taxes	(272,2)	(39,3)	(311,5)	(268,6)	16%
<b>Net income</b>	<b>906,2</b>	<b>150,9</b>	<b>1.057,1</b>	<b>891,2</b>	<b>19%</b>

# IFRS BALANCE SHEET



TL million	As of 30 September	
	Q3 2018	Q3 2019
Intangible assets	15,8	41,6
Tangible assets	3.526,5	4.146,3
Right of Use Assets (IFRS 16)	-	3.845,1
Financial Investments (long term)	309,7	481,7
Other non-current assets	39,3	49,2
<b>Total fixed assets</b>	<b>3.891,3</b>	<b>8.563,9</b>
Trades receivable	1.075,8	1.394,4
Financial Investment – short term	321,5	870,8
Inventories	1.922,1	2.395,1
Prepayment and other assets	399,4	387,7
Trades payable	(4.127,5)	(5.346,9)
Other payable and accrued liabilities	(853,6)	(1.003,7)
<b>Net working capital</b>	<b>(1.262,3)</b>	<b>(1.302,6)</b>
<b>Invested Capital</b>	<b>2.629,0</b>	<b>7.261,3</b>
Cash & cash equivalents	(801,5)	(1.269,7)
Short term borrowings	-	156,5
Borrowings from lease agr. (IFRS 16)		4.035,5
<b>Net debt/(cash)</b>	<b>(801,5)</b>	<b>2.922,3</b>
Severance funds	98,9	141,7
Deferred tax liabilities	164,4	149,4
Shareholders' equity	3.167,2	4.047,9
<b>Capital Employed</b>	<b>2.629,0</b>	<b>7.261,3</b>



# IFRS CASH FLOW

TL million	3 months ended 30 September		9 months ended 30 September	
	2018	2019	2018	2019
Net Income	363,7	344,0	891,2	906,2
D&A	90,2	275,3	251,4	798,9
Non cash tax expense	105,1	103,9	268,6	272,2
Other non-cash items	44,6	134,2	54,9	404,1
<b>Funds from operations</b>	<b>603,6</b>	<b>857,4</b>	<b>1.466,1</b>	<b>2.381,4</b>
Change in net working capital	26,3	518,0	(17,0)	515,5
Tax & other payments	(93,8)	(121,1)	(224,5)	(301,9)
<b>Operating cash flow</b>	<b>536,1</b>	<b>1.254,3</b>	<b>1.224,6</b>	<b>2.595,0</b>
Capital expenditures	(199,4)	(250,0)	(640,3)	(788,0)
Proceeds from sales of PPE	4,9	4,8	25,4	17,3
Change in financial investments	(321,5)	(685,1)	(321,5)	(473,9)
Dividend from investments	-	0,1	3,9	1,6
<b>Cash flow from investing activities</b>	<b>(516,0)</b>	<b>(930,2)</b>	<b>(932,5)</b>	<b>(1.243,0)</b>
<b>Free cash flow</b>	<b>20,1</b>	<b>324,1</b>	<b>292,1</b>	<b>1.352,0</b>
Dividends	-	-	(331,4)	(359,7)
Proceeds from ST borrowings	-	156,5	0,0	118,6
Proceeds from lease borrowings (IFRS 16)		(263,2)		(750,5)
Treasury shares purchase & sale, net	(32,1)	366,5	(174,6)	366,5
Profit share received from deposits account	9,7	0,2	47,9	0,4
<b>Cash flow from financing activity</b>	<b>(22,4)</b>	<b>260,0</b>	<b>(458,1)</b>	<b>(624,7)</b>
Currency translation differences	(3,6)	1,0	(8,5)	(10,8)
<b>Increase/(decrease) in cash</b>	<b>(5,9)</b>	<b>585,1</b>	<b>(174,5)</b>	<b>716,5</b>