# 2Q15 EARNINGS

selçuk ecza deposu

"trust, balance, stability"

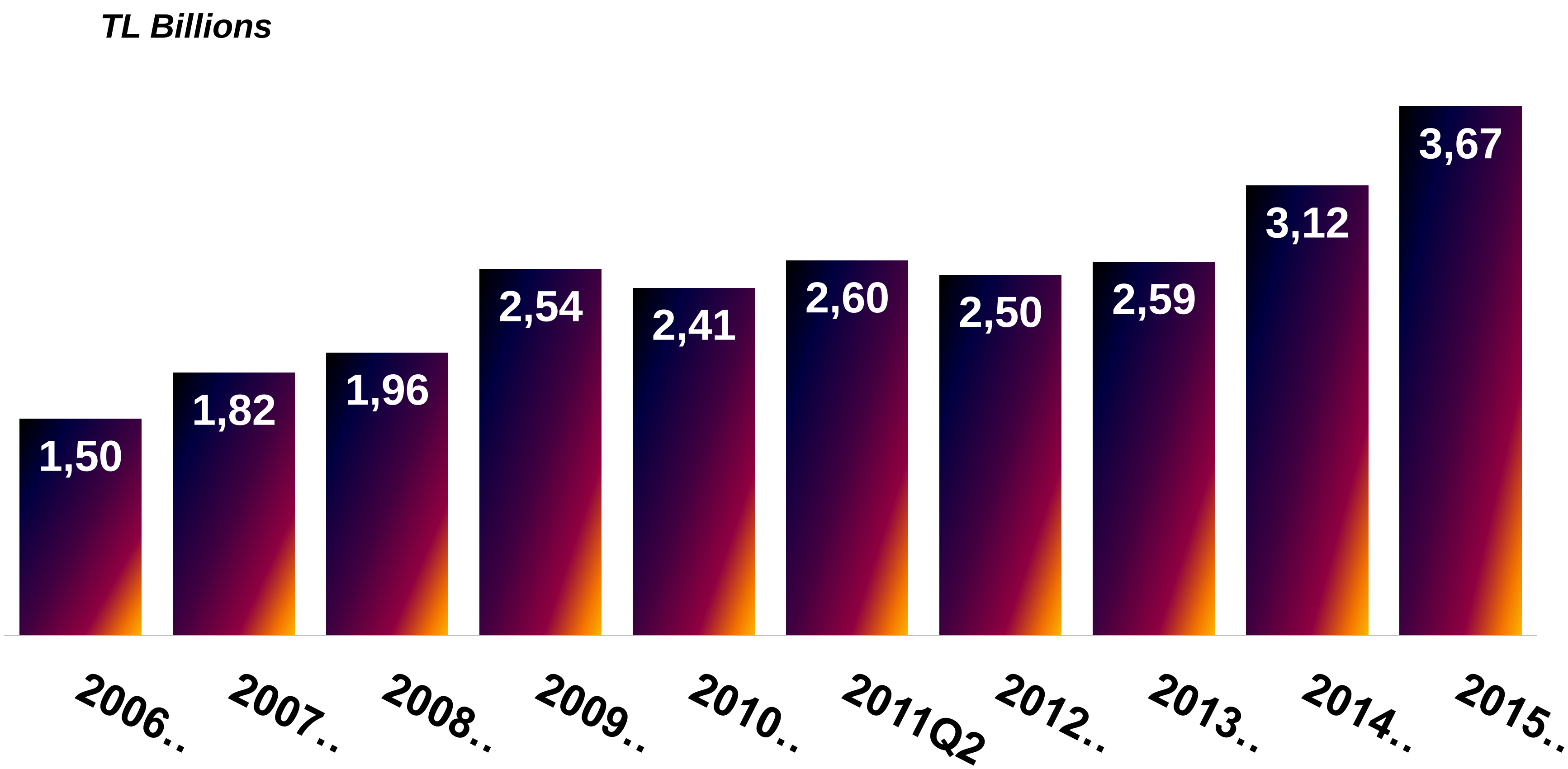
Investor Relations & Capital Markets

# Contents

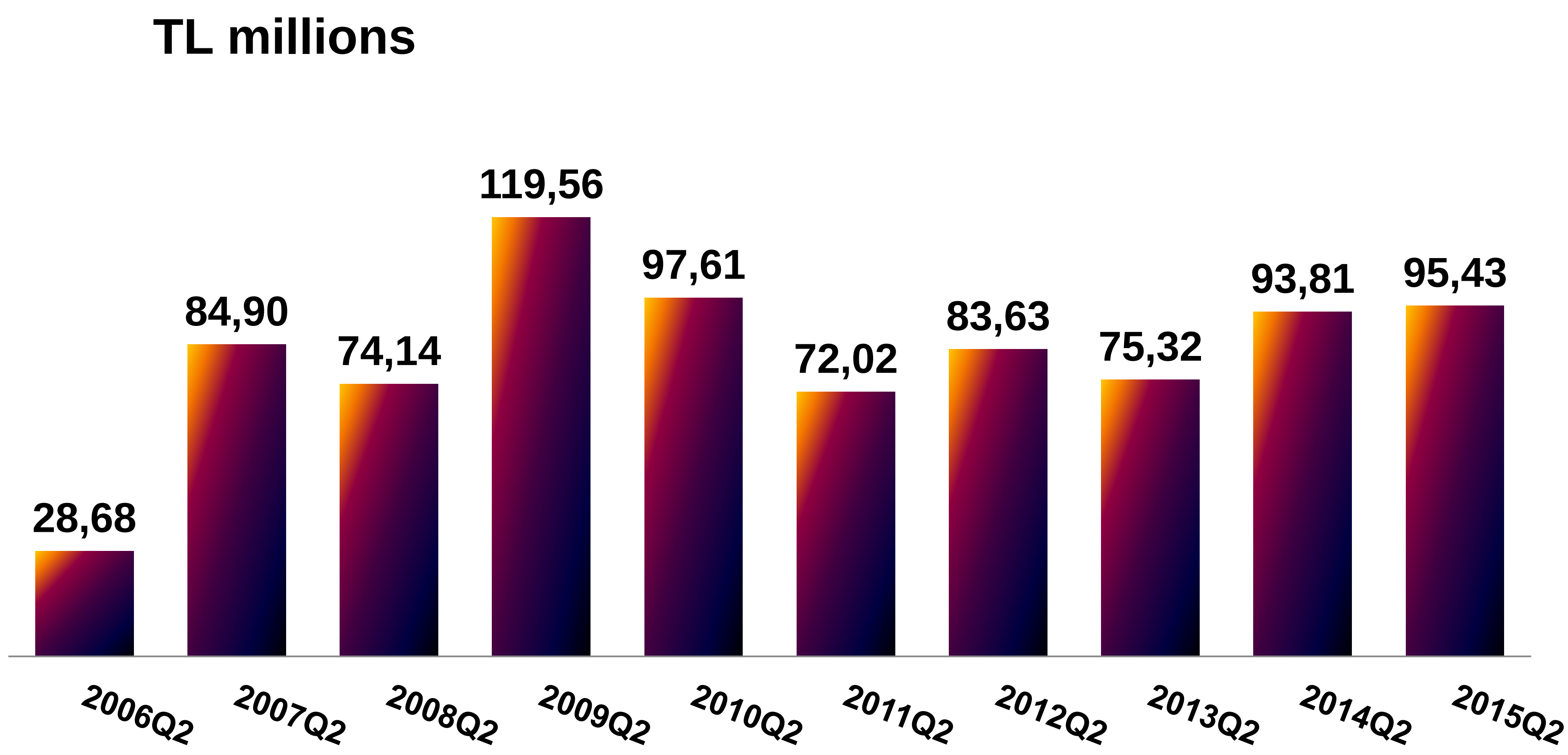
# Focused on Profitability...

| | As of June 30, | | |
|---|---|---|---|
| | **2015** | **2014** | **Chg** |
| **Revenues** | 3.674,50 | 3.126,36 | 17,53% |
| **Gross Income** | 252,31 | 232,63 | 8,46% |
| **Gross Margin** | 6,87% | 7,44% | -0,57 pts |
| **EBITDA** | 98,39 | 97,15 | 1,28% |
| **EBITDA Margin** | 2,68% | 3,11% | -0,43 pts |
| **Net Income** | 95,43 | 93,81 | 1,73% |
| **Net Income Margin** | 2,60% | 3,00% | 0,40 pts |
| **EPS** | 0,154 | 0,151 | 1,99% |

# We have a track record of strong revenue growth…



# ...that we have leveraged into higher income



# Working Capital Management

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| mn. | FY07 | FY08 | FY09 | FY10 | FY11 | FY12 | FY13 | FY14 | 2Q2015 |
|---|---|---|---|---|---|---|---|---|---|
| A/R | 1.303 | 1.502 | 1.538 | 1.538 | 1.538 | 1.571 | 1.688 | 1.984 | 2.223 |
| Inventories | 387 | 469 | 404 | 545 | 577 | 695 | 659 | 733 | 686 |
| A/P | 1.043 | 1.234 | 1.228 | 1.362 | 1.325 | 1.342 | 1.396 | 1.709 | 1.825 |
| WC | 647 | 737 | 714 | 721 | 790 | 924 | 951 | 1.008 | 1.084 |
| WC/Sales (%) | 17,83 | 18,21 | 14,20 | 14,70 | 15,57 | 18,84 | 18,16 | 15,78 | 15,63% |

# OpEx Improvement

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| | FY07 | FY08 | FY09 | FY10 | FY11 | FY12 | FY13 | FY14 | 2Q2015 |
|---|---|---|---|---|---|---|---|---|---|
| Revenue (mn.) | 3.628 | 4.047 | 5.029 | 4.902 | 5.074 | 4.902 | 5.238 | 6.386 | 3.675 |
| # of WHs | 100 | 100 | 107 | 114 | 118 | 102 | 99 | 99 | 99 |
| # of Employees | 4.554 | 4.600 | 4.893 | 5.162 | 5.322 | 5.049 | 5.187 | 5.582 | 5.730 |
| OpEx / Sales | 4,49% | 4,57% | 3,93% | 4,28% | 4,74% | 5.37% | 5,13% | 4,74% | 4,68% |
| Personnel / Sales | 2,69% | 2,64% | 2,39% | 2,66% | 2,79% | 3,23% | 3,05% | 2,84% | 2,82% |
| Employee per WH | 46 | 46 | 46 | 45 | 45 | 50 | 52 | 56 | 58 |
| Revenue per Employee | 796.743 | 879.676 | 1.027.748 | 949.678 | 953.495 | 970.885 | 1.009.835 | 1.144.111 | 1.282.723 |

# OpEx Breakdown

| OPERATIONAL EXPENSES | 2Q2015 | % | 2Q2014 | % | 2Q2015 vs. 2Q2014 |
|---|---|---|---|---|---|
| Personnel expense | 103.788.028 | 60,30% | 88.375.202 | 51,35% | 17,44% |
| Depreciation expense | 8.200.415 | 4,76% | 6.976.941 | 4,05% | 17,54% |
| Fuel expense | 10.090.019 | 5,86% | 11.027.944 | 6,41% | -8,50% |
| Communication expense | 2.992.953 | 1,74% | 2.849.178 | 1,66% | 5,05% |
| Transportation expense | 9.608.783 | 5,58% | 8.065.936 | 4,69% | 19,13% |
| Repair and maintenance expense of motor vehicles | 3.148.774 | 1,83% | 2.842.191 | 1,65% | 10,79% |
| Rent expense | 4.705.455 | 2,73% | 3.738.033 | 2,17% | 25,88% |
| Outsourced benefits and services | 6.691.890 | 3,89% | 5.114.693 | 2,97% | 30,84% |
| Tax expense | 1.683.869 | 0,98% | 1.581.563 | 0,92% | 6,47% |
| Insurance expense | 3.664.736 | 2,13% | 3.292.356 | 1,91% | 11,31% |
| Stationery expense | 1.930.918 | 1,12% | 1.860.834 | 1,08% | 3,77% |
| Representation and host expenses | 1.401.846 | 0,81% | 980.553 | 0,57% | 42,96% |
| Advisory and audit fees | 453.585 | 0,26% | 334.925 | 0,19% | 35,43% |
| Donations and aids | 2.105.621 | 1,22% | 1.026.239 | 0,60% | 105,18% |
| Sağlık Sektörü Fuar Giderleri | 4.943.559 | 2,87% | 5.325.328 | 3,09% | -7,17% |
| **Promotion expenses** | **451.828** | **0,26%** | **427.808** | **0,25%** | **5,61%** |
| Other | 6.243.182 | 3,63% | 4.920.567 | 2,86% | 26,88% |
| | 172.105.461 | | 148.740.291 | | 15,71% |

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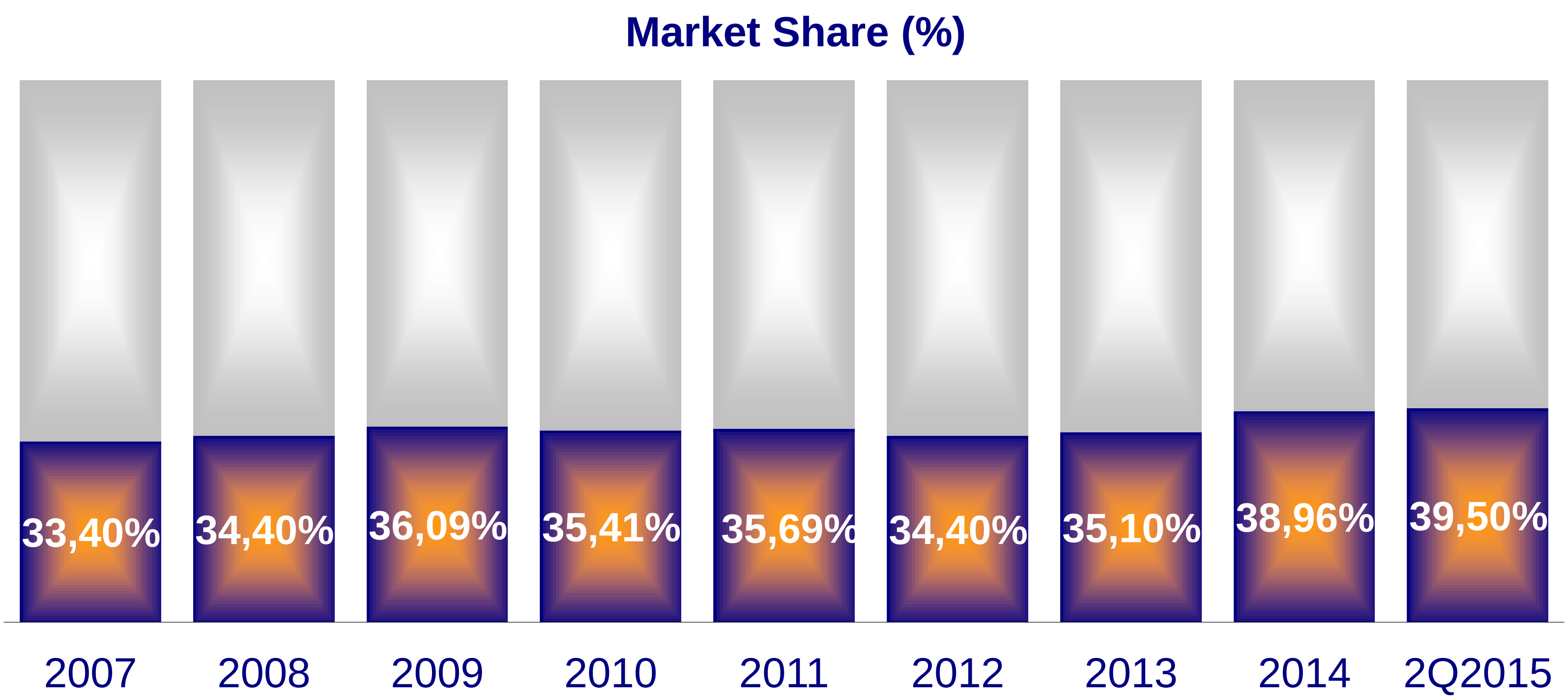
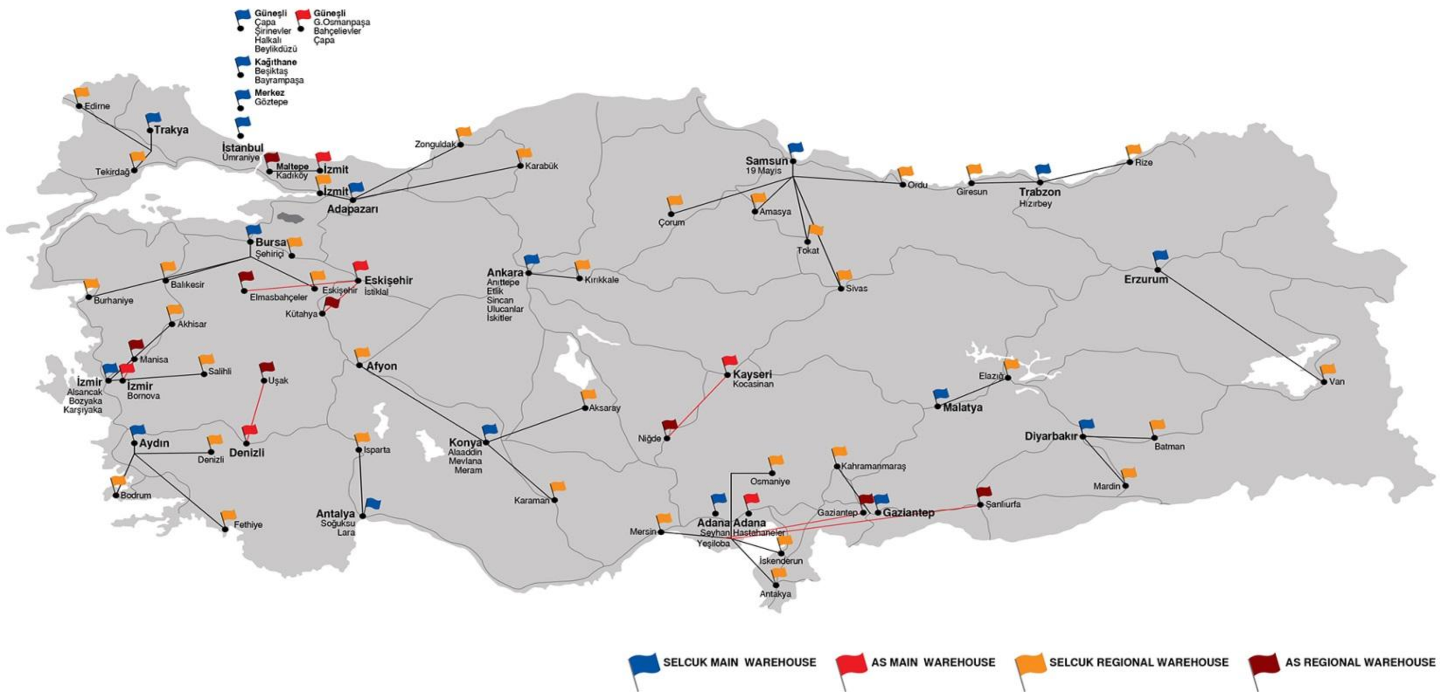
# Sustainable growth to Market Leader Position...

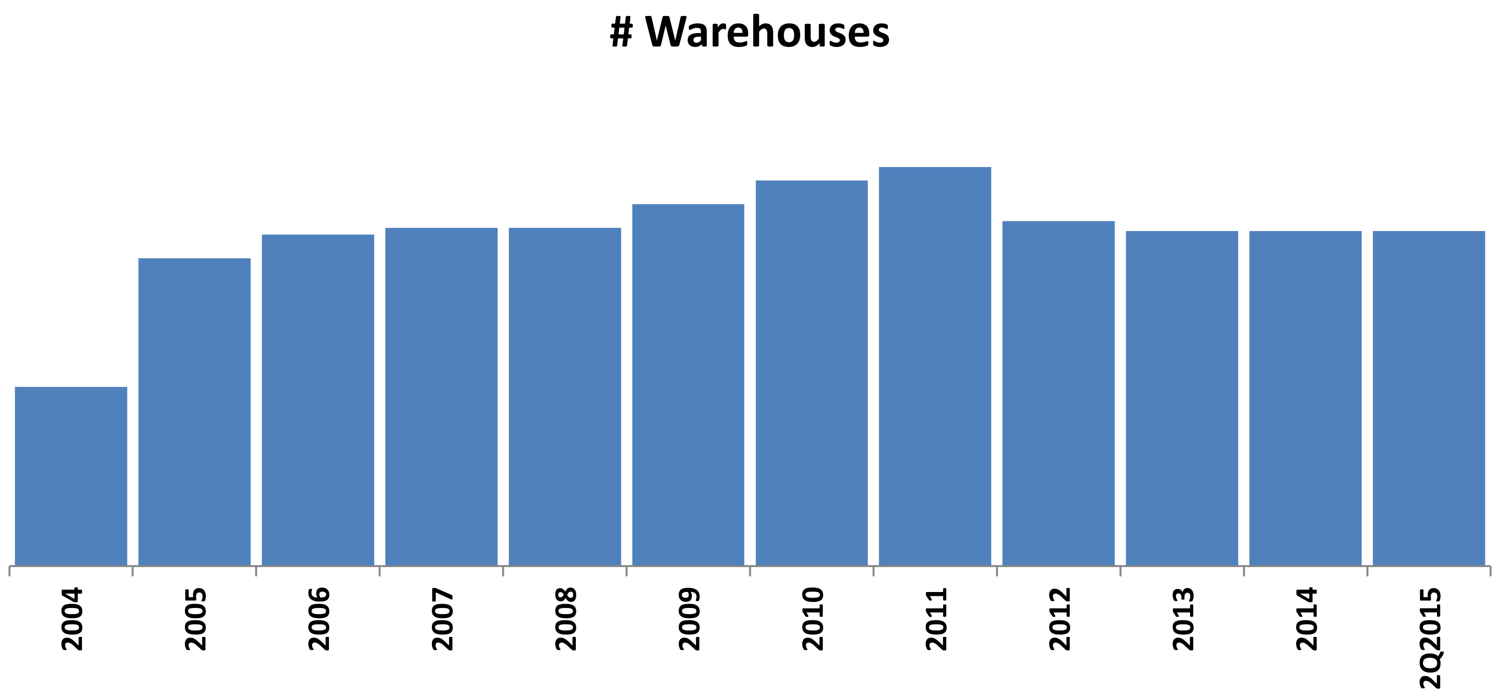


# A progressive network across the Country...

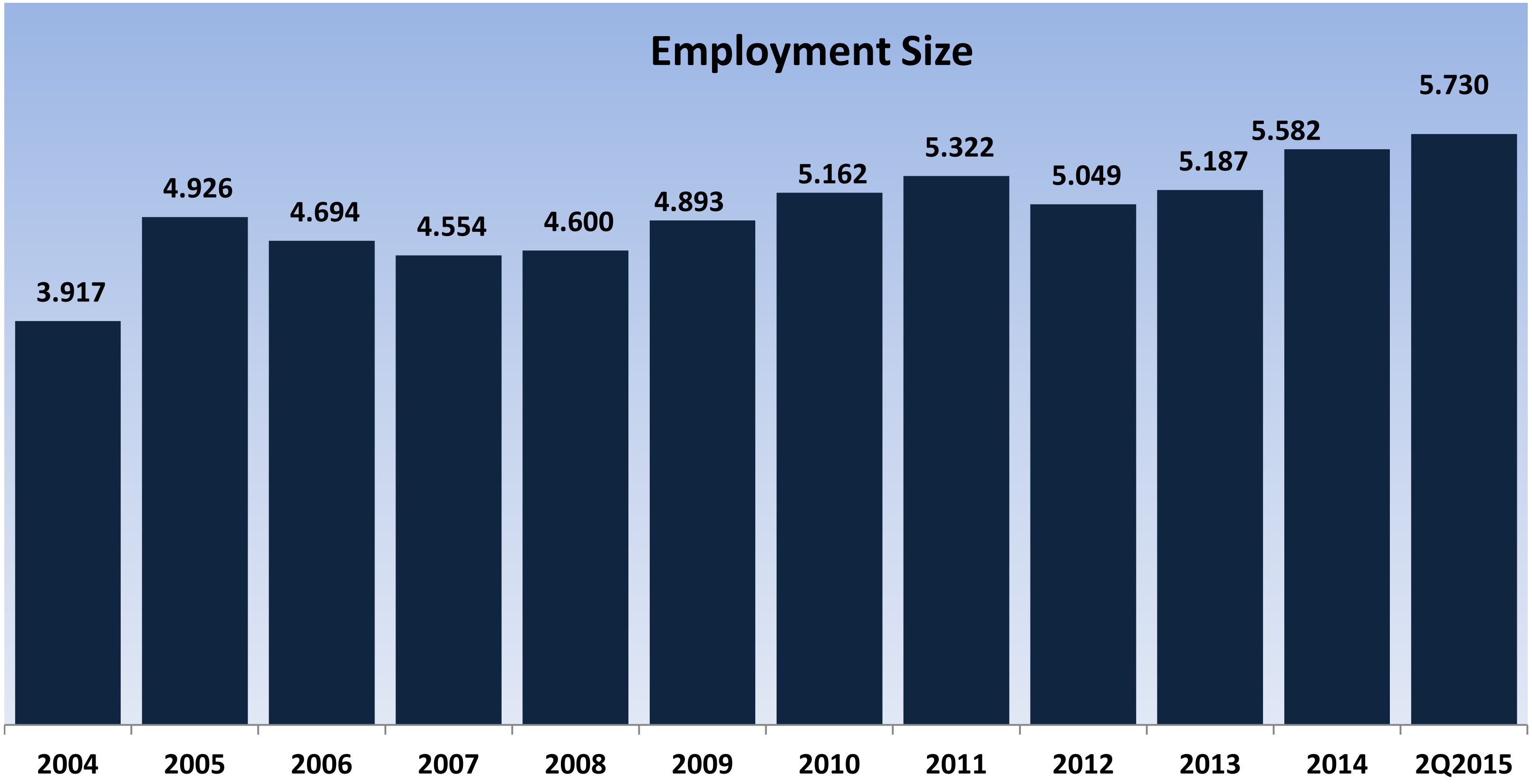



| | Main Warehouses | Regional Warehouses | Total |
|---|---|---|---|
| Selçuk Ecza | 19 | 58 | 77 |
| As Ecza | 7 | 15 | 22 |
| Group Total | 26 | 73 | 99 |

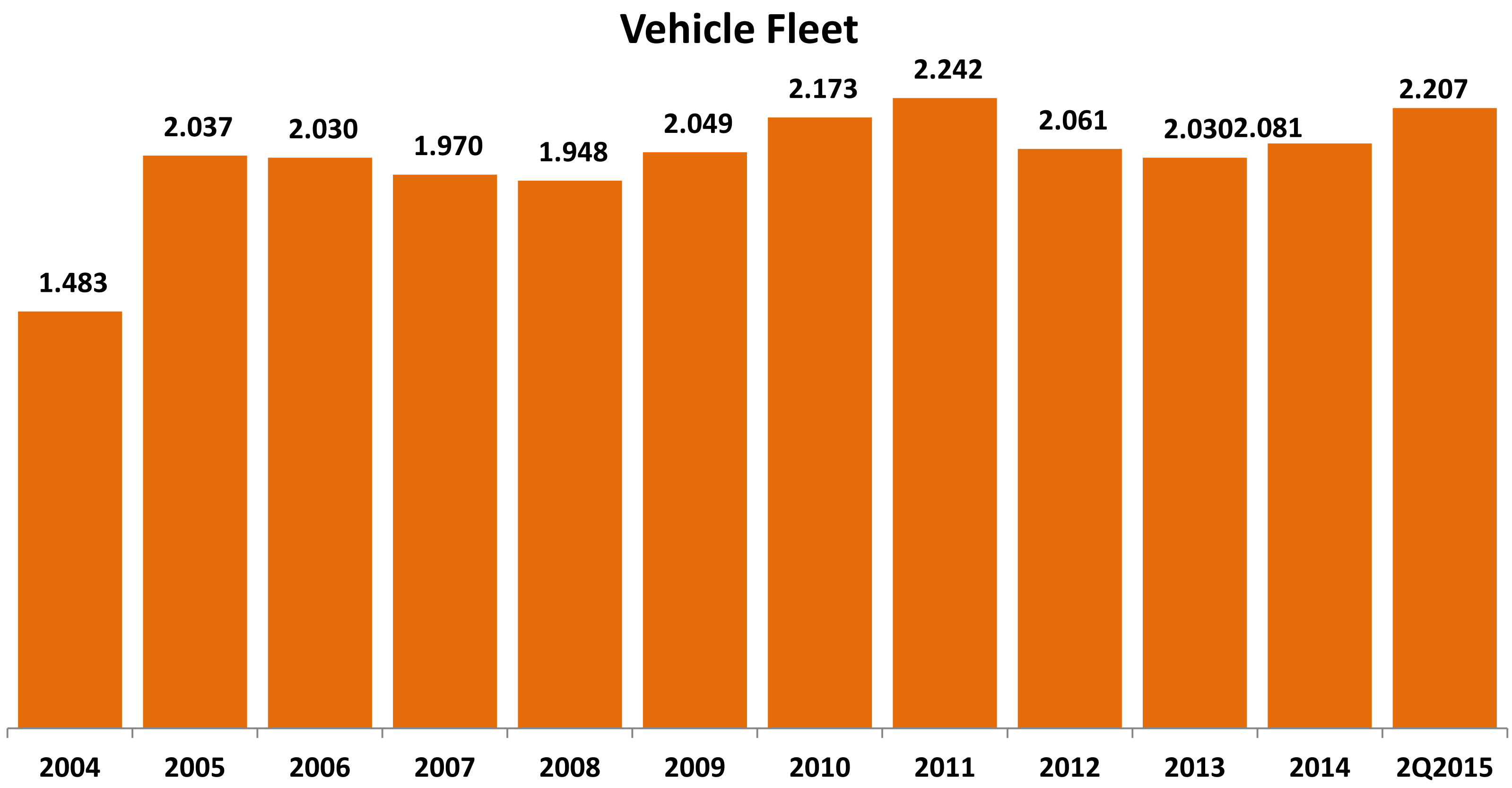
# Operational Stats I



# Operational Stats II



# Operational Stats III



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# Appendix: Summary Financials: Income Statement-Consolidated

## Income Statement

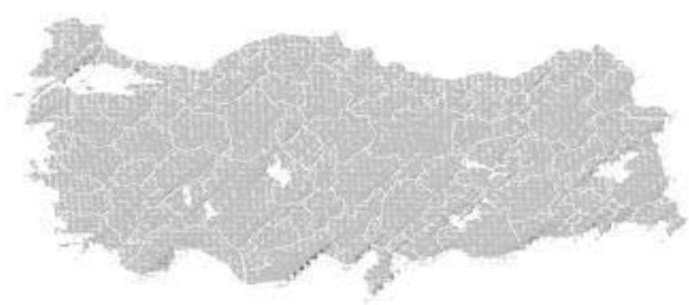
| | 30.06.2015 | 30.06.2014 | 2015 vs 2014 |
|---|---|---|---|
| Volume | | | |
| Net Sales | **3.674,50** | **3.126,36** | **17,53%** |
| Cost of sales (-) | (3.422,19) | (2.893,72) | **18,26%** |
| GROSS PROFIT | 252,31 | 232,63 | **8,46%** |
| OPEX | (172,11) | (148,74) | **15,71%** |
| Other operating income/Exp.(Net) | 29,56 | 20,50 | **44,19%** |
| OPERATING PROFIT | **109,77** | **104,40** | **5,15%** |
| Income/Expense from investment | 10,82 | 16,19 | **-33,18%** |
| Finance income /Exp.(Net) | (0,91) | (3,00) | **-69,78%** |
| EBIT | **90,19** | **90,17** | **0,02%** |
| EBIT (exc.other) | 80,21 | 83,89 | **-4,39%** |
| Income before minority Int.& Tax | 119,68 | 117,58 | **1,78%** |
| Minority interest | 0,00 | 0,00 | **-3,97%** |
| Income tax expense | (24,25) | (23,77) | **2,03%** |
| Net Income / (Loss) | 95,43 | 93,82 | **1,72%** |
| EBITDA | **98,39** | **97,15** | **1,28%** |
| EBITDA (exc.other) | 88,41 | 90,87 | **-2,71%** |
| Gross Margin | **6,87%** | **7,44%** | |
| EBIT Margin | **2,45%** | **2,88%** | |
| EBIT Margin (exc.other) | **2,18%** | **2,68%** | |
| EBITDA Margin | **2,68%** | **3,11%** | |
| EBITDA Margin (exc.other) | **2,41%** | **2,91%** | |

# Appendix: Summary Financials: Balance Sheet

## Balance Sheet

| (TL million) | | | | | |
|---|---|---|---|---|---|
| **Assets** | **30.06.2015** | **31.12.2014** | **Liabilities & Equity** | **30.06.2015** | **31.12.2014** |
| Cash and cash equivalents | 180,58 | 253,16 | Short-term debt | 38,39 | 35,03 |
| Accounts rec.& due from related parties | 2.223,44 | 1.983,82 | Accounts payable & due to related parties | 1.824,57 | 1.708,79 |
| Inventories | 686,32 | 733,21 | Provisions & other current liabilities | 50,74 | 49,85 |
| Other current assets | 74,80 | 62,95 | **Total Current Liabilieties** | **1.913,69** | **1.793,67** |
| **Total Current Assets** | **3.165,15** | **3.033,13** | Long-term debt | 0,00 | 0,00 |
| PP&E | 324,18 | 290,13 | Provision for Employee Benefits & Other Liabilities | 20,50 | 19,01 |
| Intangible Assets(Including Goodwill) | 31,81 | 31,94 | Deferred tax liability | 20,74 | 12,29 |
| Other non-current assets | 24,11 | 15,21 | Other liabilities | 0,00 | 0,00 |
| Deferred tax assets | 27,44 | 17,86 | **Total Non-Current Liabilieties** | **41,24** | **31,30** |
| **Total Non-Current Assets** | **407,53** | **355,14** | Shareholder's equity & minority interest | 1.617,75 | 1.563,30 |
| **Total Assets** | **3.572,68** | **3.388,27** | **Total Liabilities & Equity** | **3.572,68** | **3.388,27** |

# 2Q15 EARNINGS



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