

# Arçelik

## 2012 Q1 Financial Results

- Revenues up by more than 40%
- Increase in international revenues in line with strategy
- Market share gains in key markets
- Outstanding performance of the electronic business
- Unfavorable margin impact of higher share of the electronic business; expected to stay at normalized levels in full year results
- Slight improvement in working capital, further improvements on track
- Adverse impact of the campaign in domestic market for energy efficient products on margins offset by market share gains
- Positive expectations for 2012

## ➤ **Sales Performance**

- Financial Performance
- 2012 Expectations
- Innovative Products

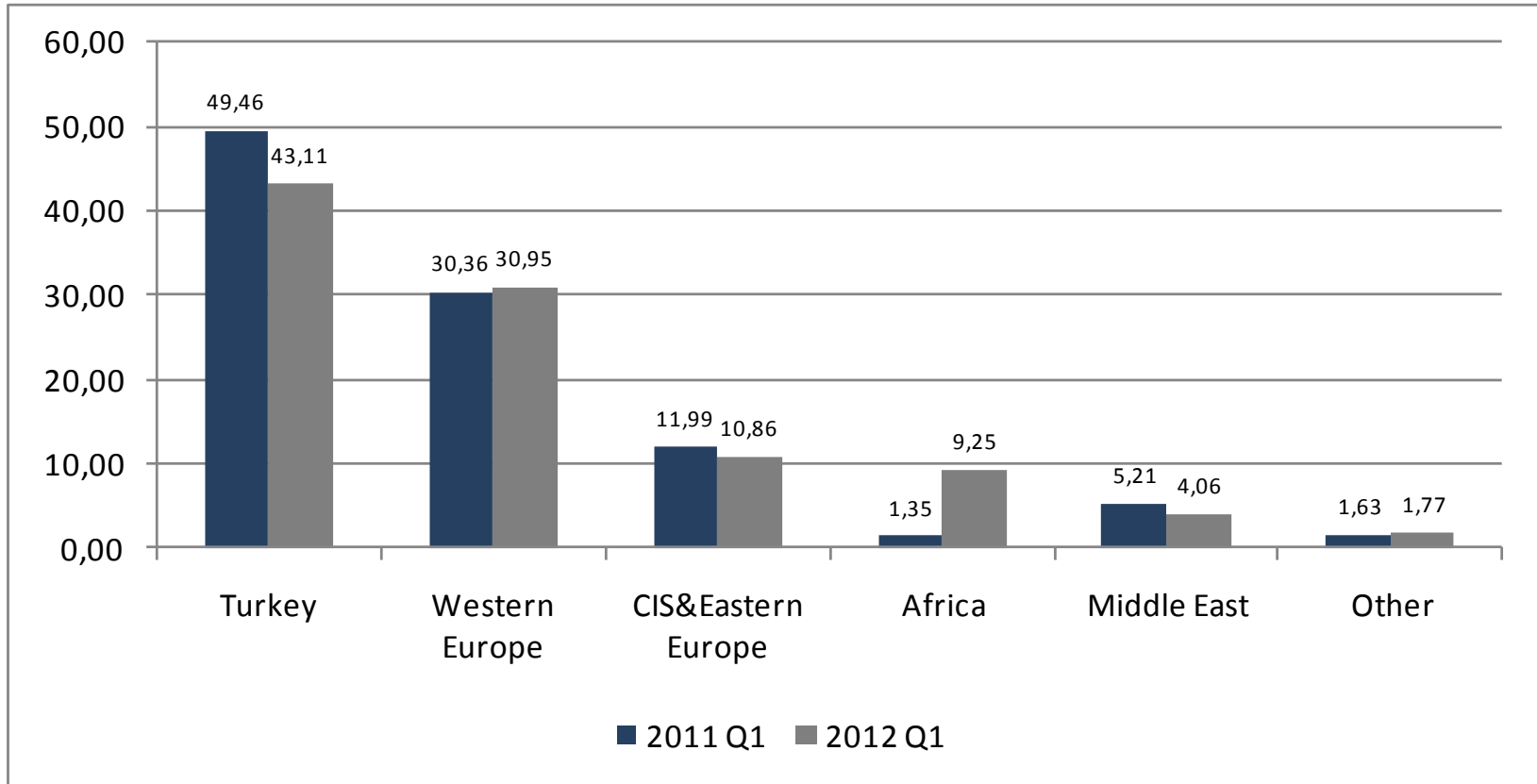
# REVENUE and GROSS PROFIT

TL Million	2012 Q1	2011 Q1	Δ%	2011 Q4
Revenue	2.406	1.699	41,6	2.394
<i>Gross Profit %</i>	<i>28,3</i>	<i>31,3</i>		<i>28,0</i>
White Goods Revenue	1.510	1.099	37,4	1.588
<i>Gross Profit %</i>	<i>31,6</i>	<i>35,5</i>		<i>30,4</i>
Electronics Revenue	485	319	52,4	498
<i>Gross Profit %</i>	<i>21,2</i>	<i>21,1</i>		<i>22,1</i>
Other	410	281	45,9	916
<i>Gross Profit %</i>	<i>24,5</i>	<i>26,5</i>		<i>24,9</i>

## REGIONAL BREAKDOWN OF REVENUE - I

TL Million	2012 Q1	2011 Q1	Δ%
Total Revenue	2.406	1.699	41,6
Turkey	1.037	841	23,4
International	1.369	859	59,4

# REGIONAL BREAKDOWN OF REVENUE (%) – II



➤ Sales Performance

➤ **Financial Performance**

➤ 2012 Expectations

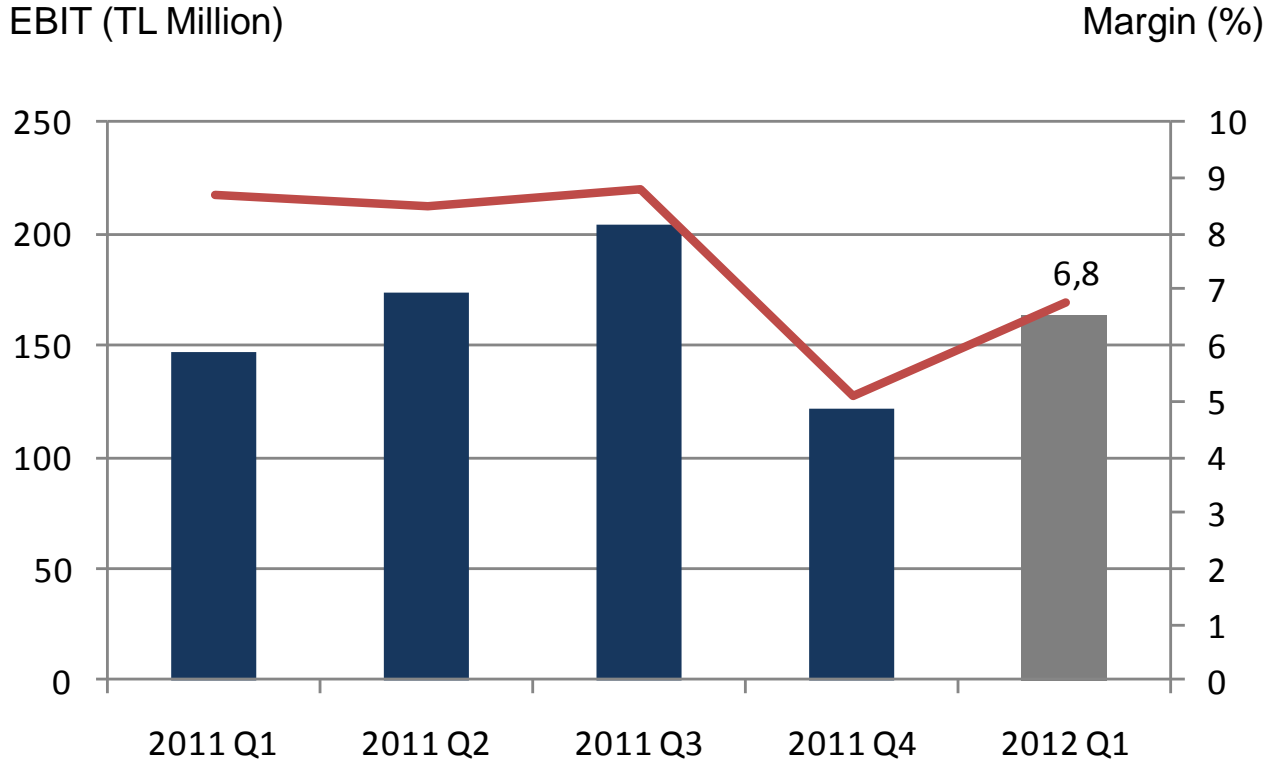
➤ Innovative Products

# INCOME STATEMENT

TL Million	2012 Q1	2011 Q1	Δ %
Revenue	2.406	1.699	41,6
Gross Profit	681	533	27,8
<i>margin</i>	<i>28,3</i>	<i>31,3</i>	
EBITDA	227	199	14,1
<i>margin</i>	<i>9,5</i>	<i>11,7</i>	
EBIT	163	147	10,9
<i>margin</i>	<i>6,8</i>	<i>8,7</i>	
Net Income	127	133	-4,4
<i>margin</i>	<i>5,3</i>	<i>7,8</i>	



# EBIT DEVELOPMENT



# BRIDGE OF THE QUARTERLY SALES

TL Million	Q1 2011	Organic Growth	Currency	Impact of Defy Acquisition	Q1 2012
Total Sales	1.699	449	112	146	2.406
Total Sales %		26	7	9	42

# BALANCE SHEET

TL Million	31.03.2012	31.12.2011		31.03.2012	31.12.2011
Current Assets	6.446	6.034	Current Liabilities	3.804	3.531
Cash and Cash Equivalents	1.370	1.174	ST Financial Liabilities	1.575	1.629
Trade Receivables	3.330	3.181	Trade Payables	1.221	1.250
Inventories	1.595	1.530	Provisions	253	232
Other	150	149	Other	756	420
Non-current Assets	3.153	3.164	Non-current Liabilities	2.337	2.015
Property, Plant and Equipment	1.434	1.447	LT Financial Liabilities	1.853	1.528
Financial Investments	649	652	Other	484	487
Other	1.070	1.065	Equity	3.458	3.652
<b>Total Assets</b>	<b>9.599</b>	<b>9.198</b>	<b>Total Liabilities</b>	<b>9.599</b>	<b>9.198</b>

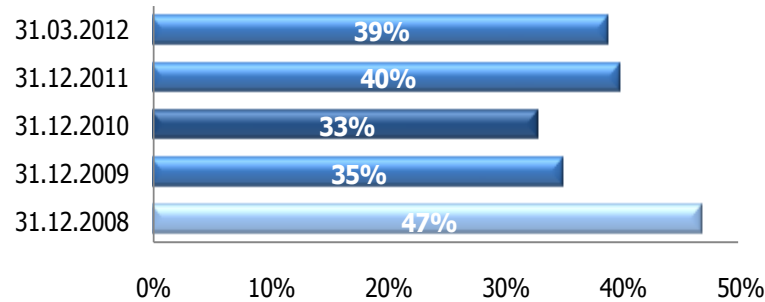
	31.03.2012	31.12.2011	31.12.2010
Net Financial Debt/Equity	0,60	0,54	0,22
Leverage	0,64	0,60	0,53

# WORKING CAPITAL

TL Million	FX Basis	TL Basis	31.03.2012		FX Basis	TL Basis	Total
ST Trade Rec.	1.374	1.956	3.330	ST Trade Payables	468	753	1.221
Other Receivables	32	92	124	Other Liabilities	173	96	269
Inventory	729	866	1.595	<b>Working Capital</b>	<b>1.494</b>	<b>2.065</b>	<b>3.559</b>

TL Million	FX Basis	TL Basis	31.12.2011		FX Basis	TL Basis	Total
ST Trade Rec.	1.439	1.742	3.181	ST Trade Payables	510	740	1.250
Other Receivables	31	95	126	Other Liabilities	159	47	206
Inventory	662	868	1.530	<b>Working Capital</b>	<b>1.463</b>	<b>1.918</b>	<b>3.381</b>

## Working Capital / Sales



# CASH FLOW

<b>TL Million</b>	<b>31.03.2012</b>	<b>31.03.2011</b>
Beginning Balance	1.173	1.313
<i>Net Operational Cash Flow</i>	14	-24
<i>Fixed Asset Sales</i>	1	4
<i>CapEx</i>	-57	-41
<i>Dividend Paid</i>	0	-250
<i>Changes in Borrowings</i>	269	54
<i>Other Financial &amp; Investing Activities</i>	-23	2
<i>Differences due to FX Conversion</i>	-8	11
Changes in Cash	195	-245
Ending Balance	1.368	1.069

- Sales Performance
- Financial Performance

## ➤ **2012 Expectations**

- Innovative Products

# 2012 EXPECTATIONS

- Expectations for Arçelik ;
  - Stable or increasing market share in key regions
  - Strong operational cash flow due to working capital improvement
  - White goods volume growth :
    - Turkey\* : 5%
    - International : > 20%
  - Total revenue growth: ~ 20% in TL
  - EBITDA margin : 11-11,5%

*\*: 5 main products, in compliance with WGMA data*

- Sales Performance
- Financial Performance
- 2012 Expectations

## ➤ **Innovative Products**



# Selected Innovative Products

- World Speed Champions:
  - ❖ The fastest washing machine & dishwasher of the world
- World Energy Record in Dishwasher
  - ❖ 10% more energy saving than A+++ class with 194kW yearly consumption
- Steam Aided Dishwasher
  - ❖ More glossy glassware and china up to 30% and 43% respectively
- "ENVISION" Washing Machine
  - ❖ 30% more energy efficient than even 'A+++' energy class with 8 kg
- Heat Pump Dryer
  - ❖ 60% more energy efficient than even 'A' energy class with 8 kg
- A+++ Black Mirror
  - ❖ The World's First A+++ No-Frost Refrigerator Consuming the Lowest Energy in its own class
- Quietest Built In Refrigerator
  - ❖ The World's Quietest built in refrigerator with 29 dBA noise level

# Selected Innovative Products

"ENVISION" Washing Machine Series



# Selected Innovative Products

## The "ENVISION" washing machine

- 30% more energy efficient than even 'A+++' energy class with 8 kg,
- 20% more energy efficient than even 'A+++' with 9 kg
- Appealing new design with
  - ❖ Touch controls and informative LCD
  - ❖ Rotary encoder
  - ❖ S Side wall design
- 16 different drying programme alternatives
  - ❖ Include wool programme with woolmark certificate, autoprogramme, steam programme
  - ❖ Favorite/memory, night mode and steam auxiliary functions
- Senses the amount of your laundry and recommends the detergent amount
- Less wrinkles of dry laundries by moisturizing them slightly and provides easy and fast way of ironing with steam function and removal of bad odours
- Ensures that the laundries are purified from detergent totally by rinse sensor



## Selected Innovative Products

### “Heat Pump Dryer with A-60% energy consumption”

- The most energy saving heat pump dryer
- Detects humidity of laundry with smart sensor technology
- 16 different drying programme alternatives
  - ❖ Wool drying with drying basket option
  - ❖ Different textile drying programmes including bedding, lingerie, viscose
- High drying capacity with unique paddle design, large drum volume and BLDC motor



# Selected Innovative Products

## Innovative products in 4 categories

- The most energy saving full size
  - ❖ 10% more energy saving than A+++ class  
with 194kW yearly consumption
- The most energy saving slim size
  - ❖ A++ energy level with 211kW yearly consumption
- The most water saving
  - ❖ 6 liter water consumption in A++ energy class
- Glossy Dishes (SteamPower)
  - ❖ More glossy glassware and china up to 30% and 43% respectively



# Selected Innovative Products

➤ The most energy saving dishwasher in the world is achieved with below technologies;

- ❖ Innovative patented insulation - Allumination™
- ❖ Innovative patented drying system – Eco Fan Drying™
- ❖ Automatic door opening at the end of washing
- ❖ Concealed water tank to keep energy inside



# Selected Innovative Products

## 4DR SBS with Multizone Compartment

- Adjustable between  $-24^{\circ}\text{C}$  and  $+10^{\circ}\text{C}$
- Used either as a fridge or a chiller compartment, or even as 4 star freezer depending on the storage needs
- Creating a flexible capacity with a touch of a button.



# Selected Innovative Products

## InnovaChef Built-in Oven

- TFT-LCD Display
  - ❖ 4.3" Display with 16,7 million colours
- Full Colour Cooking Guide
  - ❖ 82 Recipes from International Cuisine
- USB Connection
  - ❖ Uploading Photos and Recipes via USB connection





# Energy Saving Trust Endorsement

- Our International Brand Beko has received the EST (Energy Saving Trust) endorsements for Built-in Ovens and Hobs.
- EST is United Kingdom's most prestigious, independent social enterprise which gives authoritative advice on how to reduce carbon emissions and use water more sustainably, as well as to help people to save money on energy bills in UK.
- Arçelik A.Ş. is one of the few manufacturers that now has the EST endorsements which have tough test criteria's that most other manufacturers cannot achieve.



## Selected Awards & Achievements

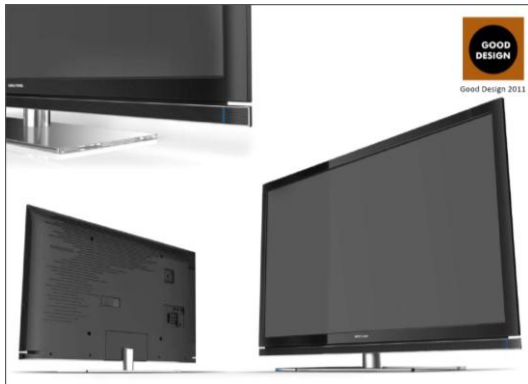
- Beko brand Dishwasher Became Stiftung Warentest (StiWa) Test Champion, combining quality, environmental impact and user friendliness
  - ❖ 13-person high cleaning performance
  - ❖ Very low energy and water consumption
  - ❖ High quality, high safety level and ease of use
  
- Beko was chosen as 'Best Buy" and "Energy Saver" by Which? Magazine, the leading consumer organization in UK, with 8-kg capacity condensing dryer
  - ❖ Energy consumption, drying performance of cotton and synthetic programmes and ease of use.
  
- Beko brand Dryer has been assessed as Test GUT with a score of 1.9 by "StiWa"
  
- Blomberg brand has been deemed worthy of an award by StiWa, with its dryer with 7 kg capacity and 50 percent less energy consumption than A class products.

# Selected Awards & Achievements

- Grundig brand Remote Control received "reddot design" and "Good Design 2011" awards



- Some of the products that received "Good Design 2011" award



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