

TAT KONSERVE SANAYII A.S. 3M-2012 EARNINGS REVIEW

- Net Sales realized as 206 mio TL in 3M-2012 and 184 mio TL in 3M-2011, 12% increase.
- Gross Profit realized as 43 mio TL in 3M-2012, and 36 mio TL in 3M-2011, 19% increase. Gross profit margin increased to 20,9 % from 19,4% in 3M-2012 when compared to the same period of year 2011.
- Operating Profit realized as 10 mio TL in 3M-2012, and 8 mio TL in 3M-2011, 25% increase. Operating profit margin increased to 4,9% from 4,3% in 3M-2012.
- Income Before Tax realized as 8 mio TL in 3M-2012, and 5 mio TL in 3M-2011, 60% increase. The margin is 3,7% over the margin 2,6% of 3M-2011
- Ebitda in 3M-2012 realized as 13 mio TL with the margin of 6,5 % showing the positive improvement as to 11 mio TL and 6.1% in 3M-2011.

INCOME STATEMENT (TL)	Margin 3M-12		Margin 3M-11	
	Jan-Mar 2012	(%)	Jan-Mar 2011	(%)
Net Sales	205.614.801	100,0	184.380.673	100,0
COGS (-)	(162.661.766)		(148.700.411)	
Gross Operating Profit	42.953.035	20,9	35.680.262	19,4
Marketing, Sales & Distribution Expenses	(25.996.496)		(21.892.391)	
General Administrative Expenses	(7.471.210)		(6.532.749)	
R&D Expenses	(2.105)		(2.351)	
Other Operating Income	657.740		742.853	
Other Operating Expenses	(162.763)		(111.753)	
Operating Profit	9.978.201	4,9	7.883.871	4,3
Share in Profit/Loss of Assets Appraised as to Equity Method	172.196		410.602	
Financial Income	5.115.055		2.539.693	
Financial Expenses	(7.618.922)		(6.019.581)	
Income Before Tax of Continuing Operations	7.646.530	3,7	4.814.585	2,6
Tax Income/Expense in the Current Period	1.413.322		0	
Deferred Tax Income/Expense	(3.306.171)		(193.483)	
Minority Interest	825.778		(1.971.942)	
Net Income	4.927.903	2,4	6.593.044	3,6
EBITDA	13.307.677	6,5	11.178.333	6,1

BALANCE SHEET (TL)	31/03/2012	31/12/2011
ASSETS		
Current Assets	440.884.993	428.056.413
Cash and Cash Equivalents/Financial Investments	21.866.879	36.184.794
Trade Receivables (net)	55.733.602	68.232.564
Due From Related Parties (net)	159.498.236	99.450.422
Other Receivables (net)	56.082	43.999
Inventories (net)	122.131.424	153.078.074
Biological Assets (net)	36.815.342	31.354.180
Other Current Assets	44.679.667	37.599.020
Derivative Financial Assets		2.009.599
Available for Sale Assets	103.761	103.761
Non-Current Assets	172.273.447	177.876.586
Other Receivables (net)	75.997	75.997
Financial Assets (net)	2.075.554	2.075.554
Assets Appraised as to Equity Method	6.203.791	6.421.595
Property, Plant and Equipment (net)	153.110.524	155.843.626
Intangible Assets (net)	874.654	873.682
Deferred Tax Assets	8.534.298	11.840.469
Other Non-Current Assets	1.398.629	745.663
TOTAL ASSETS	613.158.440	605.932.999
LIABILITIES		
Current Liabilities	191.183.557	161.573.145
Short-term Bank Borrowings (net)	114.397.774	83.245.508
Trade Payables (net)	44.246.882	56.808.284
Due to Related Parties (net)	9.341.929	12.481.312
Tax Liability		285.105
Other Current Liabilities (net)	21.311.559	5.812.181
Provisions	174.000	334.000
Provisions Regarding to Benefits Provided to the Employees	1.711.413	2.606.755
Non-Current Liabilities	180.387.538	208.526.190
Long-term Bank Borrowings (net)	169.852.462	198.376.934
Provisions Regarding to Benefits Provided to the Employees	10.535.076	10.149.256
SHAREHOLDERS' EQUITY	241.587.345	235.833.664
Equity Regarding to Majority Shareholder	198.437.202	193.509.299
Paid-in Capital	136.000.000	136.000.000
Inflation Adjustment to Shareholders' Equity	21.601.088	21.601.088
Share Premium	10.107.809	10.107.809
Financial Assets Fair Value Reserve	492.271	492.271
Limited Reserves	60.404	60.404
Previous Years' Income / Loss	25.247.727	16.258.558
Net Income /Loss	4.927.903	8.989.169
Minority Interest	43.150.143	42.324.365
TOTAL SHAREHOLDERS' EQUITY and LIABILITIES	613.158.440	605.932.999
Key Ratios		
	31/03/2012	31/12/2011
Current Ratio	2,31	2,65
Liquidity Ratio	1,24	1,28
Net Debt/Equity	1,09	1,04
Total Liabilities/Equity	1,54	1,57
Short-Term Net Financial Debt/Total Net Debt	0,35	0,19

In 3M-2012, tomato paste and canned foods segment sales, gross profit and gross profit margin are in line with YoY figures.

Dairy segment sales and gross profit increased by 25% and 6% Yoy, respectively. The gross profit margin is going to be recovered when compared with 18,3% margin in Q4-2011. The main reason behind of margin erosion between Q1-12 and Q1-11 is rise of price of raw milk.

Meat segment sales realized as 40 mio TL with 5% increase YoY. Gross profit is 6,5 mio TL with 16,2% margin when compared 0,5 mio TL and 1,3% margin of 3M-2011, respectively. As you may recall that the gross profit was 0,8 mio TL and the margin was 2,1% in Q4-2011.

Pasta segment sales increased to 18 mio TL by 9% YoY and gross profit to 2,7 mio TL from 2,3 mio TL by 17% increase. The gross profit margin is also increased to 15,1% from 13,8%.

In all categories, Tat launched new series of products to the market.

Dairy segment now offers new types of Yoghurt Drink with extended shelf life, new packages and tastes. The types are Normal, Light and Minty. 200 ml size of daily milk with extended shelf life also entered into the market..

Meat segment has new type of charcuterie products – sausage, salami, and soujuk- called Practical Series addressed to the small-sized households.

On tomato products side, new type of tomato paste “Tat Köy Salçası- Tat Village Tomato Paste” have been also launched to the market that offers more traditional taste for consumers.

New technologies, packages, faces and tastes are researched and developed continuously to improve the business and meet the consumer expectations day by day.

January 1 - March 31 2012 Segment Analysis					
	Tomato Paste & Canned Products	Dairy Products	Meat Products	Pasta	TOTAL
Net Sales	60.107.386	87.603.133	40.015.100	17.889.182	205.614.801
COGS	-43.349.284	-70.589.932	-33.528.392	-15.194.158	-162.661.766
Gross Profit	16.758.102	17.013.201	6.486.708	2.695.024	42.953.035
Gross Profit %	28	19	16	15	21
Operating Income/(Expense)					-32.974.834
Operating Profit					9.978.201
Operating Profit %					5

January 1 - March 31 2011 Segment Analysis

	Tomato Paste & Canned Products	Dairy Products	Meat Products	Pasta	TOTAL
Net Sales	59.658.365	70.091.340	38.223.873	16.407.095	184.380.673
COGS	-42.779.833	-54.052.510	-37.731.765	-14.136.303	-148.700.411
Gross Profit	16.878.532	16.038.830	492.108	2.270.792	35.680.262
Gross Profit %	28	23	1	14	19
Operating Income/(Expense)					-27.796.391
Operating Profit					7.883.871
Operating Profit %					4