

Arçelik Group

2011 H1 Financial Results

2011 QUARTER II...

- SPA signed to acquire Defy Appliances

- Results were broadly in line with expectations
 - ✓ *Revenue up by more than 14% despite negative impact of North Africa*
 - ✓ *Market share gains continued*
 - ✓ *Mix improved in key markets*
 - ✓ *Margins on track despite cost pressure*

- 2011 expectations revised slightly

Acquisition of Defy: leader in a fast growing market

In line with our growth strategy in emerging markets, Arçelik signed share purchase agreement to acquire 100% of the shares of South Africa based Defy Appliances.

Overview of Defy and the transaction

- Defy, the leading manufacturer and distributor of domestic appliances in South Africa, was founded in 1905.
- Defy is the market leader with more than 35% market share, having strong domestic sales and distribution network.
- Arçelik signed a share purchase agreement to acquire 100% of Defy Appliances from Franke AG at an enterprise value of ZAR 2.25bn on July 20th, 2011.
- The closing of the transaction, which is subject to regulatory approvals, is expected to be finalized earliest by the end of September 2011.

2010 Summary Financials, ZAR

Sales	2.5bn
EBITDA	314mn
EBITDA Margin	12.5%

Comprehensive product portfolio

- Defy has 3 local manufacturing facilities and an extensive product portfolio.
 - ❖ Jacobs (Durban) - free-standing stoves, built-in ovens, hobs and tumble dryers,
 - ❖ Ezakheni (Ladysmith) - chest freezers and refrigerators;
 - ❖ East London – refrigerators



➤ **Sales Performance**

➤ Financial Performance

➤ 2011 Expectations

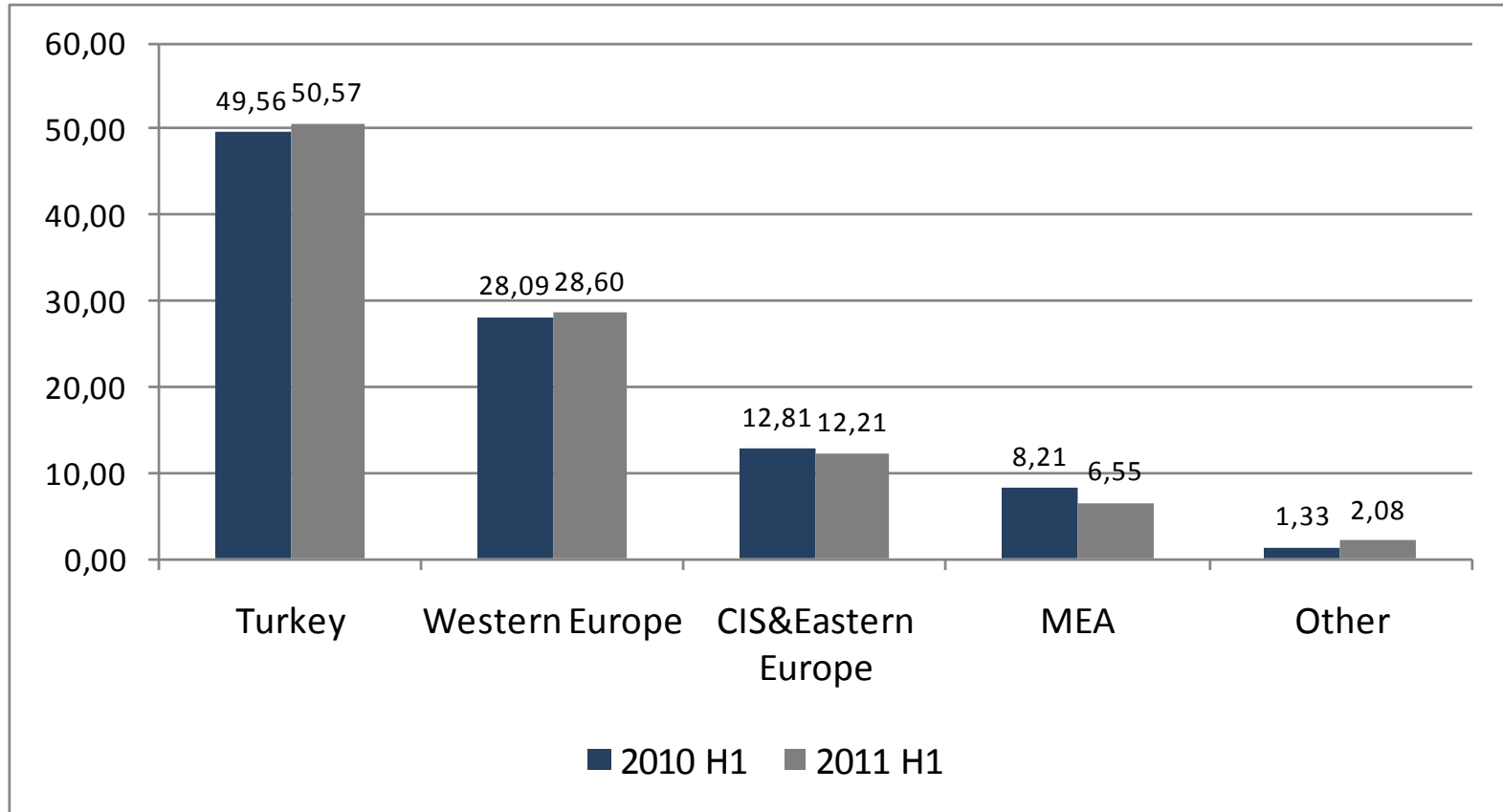
REVENUE and GROSS PROFIT

TL Million	2011 H1	2010 H1	Δ%
Revenue	3.728	3.254	14,6
<i>Gross Profit %</i>	<i>31,0</i>	<i>30,8</i>	
<i>White Goods Revenue</i>	<i>2.383</i>	<i>2.034</i>	<i>17,2</i>
<i>Gross Profit %</i>	<i>34,3</i>	<i>37,9</i>	
<i>Electronics Revenue</i>	<i>610</i>	<i>602</i>	<i>1,3</i>
<i>Gross Profit %</i>	<i>22,5</i>	<i>21,2</i>	
<i>Other</i>	<i>735</i>	<i>618</i>	<i>19,1</i>
<i>Gross Profit %</i>	<i>27,4</i>	<i>16,8</i>	

REGIONAL BREAKDOWN OF REVENUE - I

TL Million	2011 H1	2010 H1	Δ%
Total Revenue	3.728	3.254	14,6
Turkey	1.885	1.613	16,9
International	1.843	1.641	12,3

REGIONAL BREAKDOWN OF REVENUE (%) – II



➤ Sales Performance

➤ **Financial Performance**

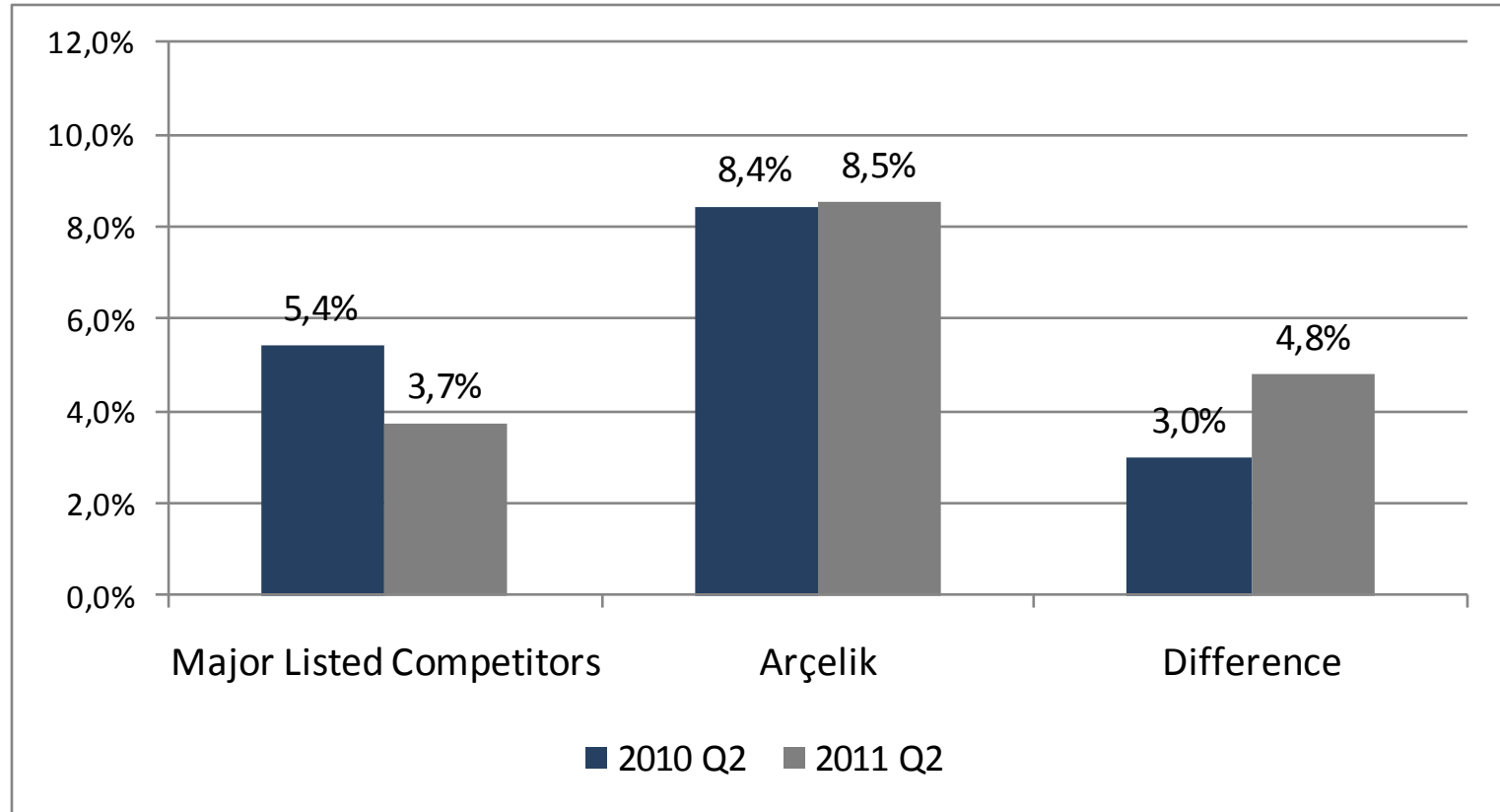
➤ 2011 Expectations

INCOME STATEMENT – Q2

TL Million	2011 Q2	2010 Q2 (*)	Δ % (*)	2010 Q2
Revenue	2.029	1.767	14,8	1.767
Gross Profit	622	520	19,7	520
<i>margin</i>	<i>30,7</i>	<i>29,4</i>		<i>29,4</i>
EBITDA	224	200	12,0	240
<i>margin</i>	<i>11,0</i>	<i>11,3</i>		<i>13,6</i>
EBIT	173	149	15,8	189
<i>margin</i>	<i>8,5</i>	<i>8,4</i>		<i>10,7</i>
Net Income	145	130	11,5	168
<i>margin</i>	<i>7,2</i>	<i>7,4</i>		<i>9,5</i>

* Excluding one-off items

Comparison of EBIT Margin



INCOME STATEMENT – H1

TL Million	2011 H1	2010 H1 (*)	Δ % (*)	2010 H1
Revenue	3.728	3.254	14,6	3.254
Gross Profit	1.155	1.003	15,1	1.003
<i>margin</i>	<i>31,0</i>	<i>30,8</i>		<i>30,8</i>
EBITDA	423	396	6,8	436
<i>margin</i>	<i>11,4</i>	<i>12,2</i>		<i>13,4</i>
EBIT	320	301	6,4	341
<i>margin</i>	<i>8,6</i>	<i>9,2</i>		<i>10,5</i>
Net Income	278	247	12,6	285
<i>margin</i>	<i>7,5</i>	<i>7,6</i>		<i>8,8</i>

* Excluding one-off items

BALANCE SHEET

TL Million	30.06.2011	31.12.2010		30.06.2011	31.12.2010
Current Assets	5.042	4.748	Current Liabilities	2.996	2.342
Cash and Cash Equivalents	897	1.317	ST Financial Liabilities	1.276	839
Trade Receivables	2.838	2.325	Trade Payables	1.089	969
Inventories	1.213	988	Provisions	248	205
Other	93	119	Other	383	329
Non-current Assets	2.609	2.573	Non-current Liabilities	1.202	1.572
Property, Plant and Equipment	1.275	1.252	LT Financial Liabilities	823	1.218
Financial Investments	751	795	Other	379	354
Other	582	526	Equity	3.452	3.408
Total Assets	7.650	7.322	Total Liabilities	7.650	7.322

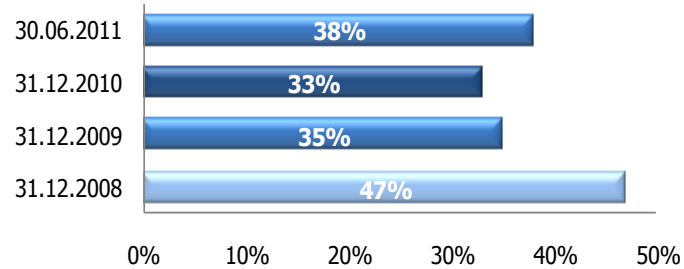
	30.06.2011	31.12.2010	31.12.2009
Net Financial Debt/Equity	0,35	0,22	0,44
Current Ratio	1,68	2,03	1,31
Leverage	0,55	0,53	0,57

WORKING CAPITAL

TL Million	FX Basis	TL Basis	30.06.2011		FX Basis	TL Basis	Total
ST Trade Rec.	1.120	1.718	2.838	ST Trade Payables	448	641	1.089
Other Receivables	37	32	69	Other Payables	99	123	222
Inventory	490	723	1.213	Working Capital	1.099	1.709	2.808

TL Million	FX Basis	TL Basis	31.12.2010		FX Basis	TL Basis	total
ST Trade Rec.	1.023	1.302	2.325	ST Trade Payables	376	593	969
Other Receivables	37	59	96	Other Payables	104	73	177
Inventory	458	530	988	Working Capital	1.038	1.225	2.263

Working Capital / Sales



CASH FLOW

TL Million	30.06.2011	30.06.2010
Beginning Balance	1.313	900
<i>Net Operational Cash Flow</i>	<i>-99</i>	<i>273</i>
<i>Fixed Asset Sales</i>	<i>4</i>	<i>25</i>
<i>Other CapEx (Net)</i>	<i>-90</i>	<i>-98</i>
<i>Dividend Paid</i>	<i>-250</i>	<i>-100</i>
<i>Changes in Financial Borrowings</i>	<i>40</i>	<i>41</i>
<i>Other Financial Operations</i>	<i>-22</i>	<i>-37</i>
Changes in Cash	-417	105
Ending Balance	896	1.005

- Sales Performance
- Financial Performance

➤ **2011 Expectations**

2011 EXPECTATIONS

➤ Expectations for Arçelik ;

- Stable or increasing market share in key regions
- White goods volume growth :
 - Turkey* : > 10% (*previously 8-12%*)
 - International : 8-10% (*previously 10-12%*)
- Total revenue : + 13-18% in TL (*previously 12-16%*)
- EBITDA margin : > 11,5%

*: 5 main products, in compliance with WGMA data

www.arcelikas.com.tr

Contacts for Investor Relations

M. Türkay Tatar

Finance Director

Tel: (+90 212) 314 31 85

turkay.tatar@arcelik.com

Dr. Fatih Kemal Ebiçliođlu

CFO

Tel: (+90 212) 314 34 34

fatih.ebiclioglu@arcelik.com

DISCLAIMER

This presentation contains information and analysis on financial statements as well as forward-looking statements that reflect the Company management's current views with respect to certain future events. Although it is believed that the information and analysis are correct and expectations reflected in these statements are reasonable, they may be affected by a variety of variables and changes in underlying assumptions that could cause actual results to differ materially.

Neither Arçelik nor any of its managers or employees nor any other person shall have any liability whatsoever for any loss arising from the use of this presentation.