

2014 OPERATIONS

For all of our stakeholders...



IN 2014 PINAR SÜT:

CONTINUED TO GROW SUSTAINABLY AND FURTHER STRENGTHENED ITS LEADING POSITION IN ALL THE PRINCIPAL CATEGORIES IN WHICH IT IS ACTIVE.

CONTROLLED AN OVERALL 26.2 MARKET SHARE IN THE MILK CATEGORY. (NIELSEN 2014)

REMAINED THE LEADER IN THE DAIRY PRODUCTS SECTOR WITH TOTAL TURNOVER SHARES OF 28.6% IN LONG-LIFE PLAIN MILK, 63.9% IN LIGHT MILK, 66% IN FORTIFIED MILKS FOR CHILDREN, 23% IN FLAVORED MILKS, AND 38.1% IN NON-TRADITIONAL CHEESES. (NIELSEN 2014)

FURTHER STRENGTHENED ITS BRAND IMAGE WITH TARGETED CAMPAIGNS AND NEW PRODUCT LAUNCHES.

Ratios	2013	2014
Gross Profit Margin	18.6%	16.8%
Net Profit Margin	8.3%	9.3%
Current Ratio	1.5	1.4
Acid Test Ratio	0.9	0.9
Financial Leverage Ratio	0.3	0.3
Debt/Equity	0.4	0.5



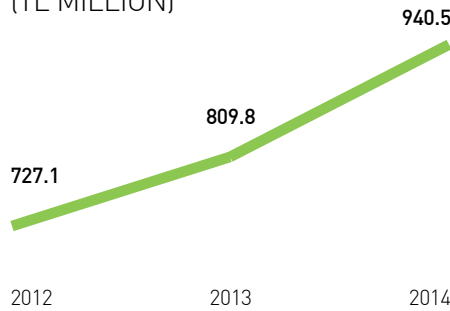
PINAR SÜT ONCE AGAIN ACHIEVED A STRONG AND CONSISTENT FINANCIAL PERFORMANCE IN 2014.

16.1%

PINAR SÜT REGISTERED A 16.1% RATE OF GROWTH IN ITS TOTAL TURNOVER IN 2014.

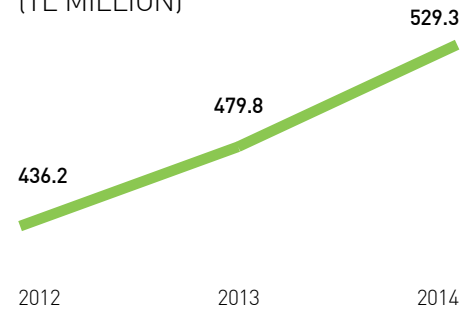


NET SALES
(TL MILLION)



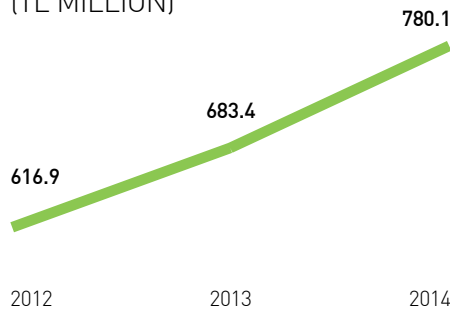
INCREASING BY 16.1% YEAR-ON, NET SALES ROSE TO TL 940.5 MILLION IN 2014.

SHAREHOLDERS' EQUITY
(TL MILLION)



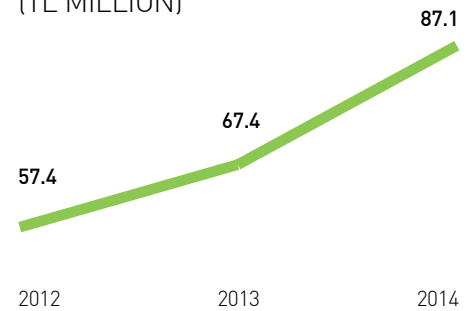
TOTAL EQUITY INCREASED BY 10.3% AND REACHED TL 529.3 MILLION.

TOTAL ASSETS
(TL MILLION)



WITH A YEAR-ON-YEAR INCREASE OF 14.2%, TOTAL ASSETS REACHED TL 780.1 MILLION.

NET PROFIT
(TL MILLION)



A REMARKABLE 29.1% RISE IN NET PROFIT WAS ACHIEVED.

2014 OPERATIONS



growth

IN 2014 PINAR SÜT CONTINUED TO GROW, INCREASED ITS BRAND STRENGTH THROUGH EFFECTIVE COMMUNICATION, CONSUMER-TARGETED CAMPAIGNS, AND NEW PRODUCT LAUNCHES, AND MAINTAINED ITS LEADERSHIP.

STRONG AND CONSISTENT FINANCIAL PERFORMANCE

Pinar Süt once again achieved a strong and consistent financial performance in 2014.

In the twelve months to end-2014, total assets grew by 14.2% from TL 683.4 million to TL 780.1 million.

Pinar Süt's gross sales increased by 15.3% year-on in 2014 and amounted to TL 1.25 billion.

Net sales were up by 16.1% to TL 940.5 billion in 2014.

Pinar Süt's total sales amounted to 304.1 billion tons.

As of end-2014 Pinar Süt posted a gross profit of TL 157.7 million and a net profit of TL 87.1 million. The company had a net profit margin of 9.3% last year.

In 2014 Pinar Süt continued to grow, increased its brand strength through effective communication, consumer-targeted campaigns, and new product launches, and maintained its leadership in all the main categories in which it is active.

MARKET SHARES



31.1%

TOTAL LONG-LIFE (UHT) MILK LEADER

63.9%

LONG-LIFE (UHT) LIGHT MILK LEADER

95.4%

ORGANIC MILK LEADER

66.0%

FORTIFIED MILK FOR CHILDREN LEADER

23.0%

FLAVORED MILK LEADER

61.7%

FORTIFIED MILK FOR ADULTS LEADER

IN 2014, PINAR SÜT DEVELOPED AND INTRODUCED TO CONSUMERS 28 NEW PRODUCTS AND 100 NEW FORMS OF PACKAGING.



2014 DEVELOPMENTS BY PRODUCT CATEGORY

Milks

- **Plain milk:** Pinar Süt is the category's leader with a 28.6% market share.
- **Light milk:** Pinar Süt retains its leading position with a 63.9% market share.
- **Fortified children's milk:** Despite increasingly stiffer competition in this category, Pinar Süt remains the unchallenged leader with the 66.0% market share that is commanded by its "Pinar Kids" and "Pinar Toddler" products.

- **Flavored milk:** Campaigns whose effectiveness was amplified through the use of licensed "Smurf" characters in the first half-year and in the fall stimulated demand in this category, whose total turnover increased by 30.9% year-on in 2014. The company's "Pinar Kido" brand was the turnover leader with a 22.2% share.
- **Lactose-free/enriched milk:** Pinar Süt's "Denge" line remains the leader of this market with a 61.7% share of its total turnover.
- **Organic milk:** Pinar Süt controlled a 95.4% share of the organic milk category's total turnover in 2014.

Source: Nielsen 2014

18.4%

BUTTER
SECOND

9.3%

HOMOGENIZED
YOGHURT
SECOND

38.1%

VALUE-ADDED
CHEESE
LEADER

42.6%

SLICED CHEESE
LEADER

86.5%

FRESH CHEESE
LEADER

48.9%

LABANEH
LEADER

21.4%

CREAM CHEESE
LEADER



2014 OPERATIONS



35%

IN 2014 PINAR SÜT'S RETAIL SALES OF KASHKAVAL CHEESE WERE UP BY 35% AND 49% AS MEASURED BY TONNAGE AND TURNOVER RESPECTIVELY. (NIELSEN 2014)



Value-added cheeses

Commanding a 38.1% share of its total turnover, Pinar Süt remains the leader of the value-added cheese market in Turkey. In the cream cheese category, Pinar Süt's "Pinar Beyaz" brand is the undisputed leader with an 86.5% share of turnover. The company also controls turnover shares of 48.9% in the labaneh market and of 21.4%, 42.6%, and 19.7% respectively in the cheese spread, sliced cheese, and triangular cheese segments of the processed cheese market. (Nielsen 2014)

Traditional cheeses

In 2014 Pinar Süt's retail sales of kashkaval cheese were up by 35% and 49% as measured by tonnage and turnover respectively.

Pinar Süt controls a 6% turnover share in the market for salted white cheese and kashkaval cheese. (Nielsen 2014)

Yoghurts & ayran

As compared with 2013, retail sales of Pinar Ayran in 2014 increased by 21% on a tonnage and by 34% on a turnover basis. The company's 4.2% share of this market's turnover last year boosted its ranking to fourth place. (Nielsen 2014)

Pinar Süt registered 4% growth in its turnover in the homogenized yoghurt market and rose to second place with a 9.3% of its total turnover. (Nielsen 2014)

Condiments & sauces

In 2014 Pinar ranked among the top four most popular brands in ketchups and was one of the top three in mayonnaises.

Sales in the ketchups market last year weighed in at 12.8 thousand tons, a 3% year-on decline. The market's turnover however grew by 5% and reached TL 70.8 million. Pinar's ketchups controlled a 14% market share last year.

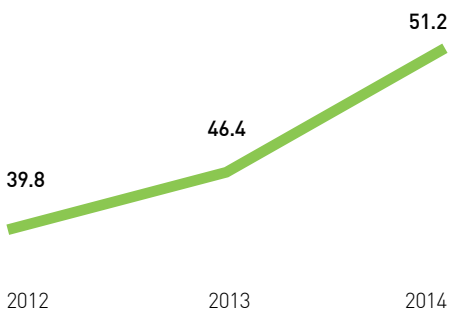
In the market for mayonnaises, total volume amounted to 6.9 thousand tons, which corresponds to a year-on decline of 2%, while total turnover was up by 3% and reached TL 65.9 million. Pinar controlled a 17% share of the mayonnaise market's turnover.

Fruit juices

Sales in the fruit juices market reached 495.4 million liters in 2014, a year-on rise of 9%. Market turnover was up by 15% and reached TL 1.3 billion. Pinar-brand products controlled a 4.8% share of this market last year.

PINAR SÜT CONTINUES TO ADVANCE SURE-FOOTEDLY TOWARDS BECOMING A REGIONAL FORCE.

EXPORTS (USD MILLION)



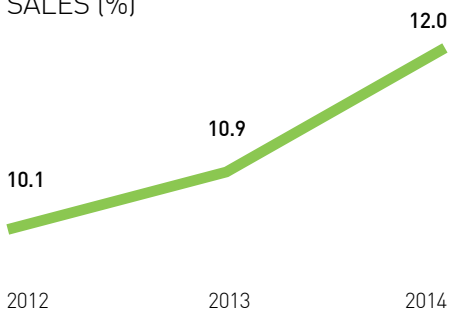
MILK AND DAIRY PRODUCT EXPORTS

In 2014, Turkey exported USD 312 million worth of milk and dairy products. This corresponds to a year-on rise on the order of 28%. Products in the Cheeses category contributed the largest share of these exports.

Iraq takes the biggest (26%) share of Turkey's milk and dairy product exports, with Saudi Arabia ranking in second place with a 19% share of the total (TurkStat).

Pinar-brand recognition was boosted through communication activities in Iraq, Azerbaijan, and TRNC last year. The rise in our brand recognition in Iraq's dairy products market continues apace and has reached the 84% level. Indeed Nish Marketing, an Iraqi marketing & research firm, said in its July 2014 report that Pinar was one of that country's best-known brands. Packaging customized in local languages is currently being introduced for Pinar products in categories for which there is a strong consumer need in the Iraq market.

SHARE OF EXPORTS IN NET SALES (%)



AN INCREASINGLY STRONGER AND MORE VISIBLE INTERNATIONAL BRAND

Besides supplying its domestic market, Pinar Süt also continues to advance sure-footedly towards becoming a regional force by exporting milk and dairy products to countries in its home market's near abroad. The company is engaged in efforts to strengthen both the image and the visibility of its brand in many other countries.

Already one of Turkey's strongest brands, Pinar Süt is active in 26 other countries including Saudi Arabia, United Arab Emirates, and Kuwait in the Gulf region; non-Gulf countries such as the Turkish Republic of Northern Cyprus, Iraq, and Azerbaijan; and Germany and the UK in Europe.

In the Azerbaijani market, Pinar's brand recognition has reached the 59% level in the dairy products category according to Ipsos's July 2014 report. On a USD basis our exports to that country were up by 20% last year.

Pinar is one of only three brands whose products from Turkey have received approval for importation into Russia by that country's authorities. Having been duly licensed, Pinar representatives took part in WorldFood Moscow, the leading international exhibition for food products in Russia, and met with local vendors and other potential buyers of its products.

PINAR-BRAND LABANEH COMMANDS MARKET SHARES OF 26%, 41%, AND 53% IN SAUDI ARABIA, UAE, AND KUWAIT RESPECTIVELY.



Last year 58% of Pinar Süt's exports went to Gulf markets, where the Company's sales and marketing operations are conducted by HDF FZCO, a Yaşar Holding subsidiary.

Pinar-brand labaneh commands market shares of 26%, 41%, and 53% in Saudi Arabia, UAE, and Kuwait respectively.

Pinar-brand promotion and marketing activities in other foreign markets continued to gain momentum in 2014. Our sales performance suffered severely due to political instability in countries such as Iraq and Libya however.

During its attendance at the fair, Pinar's representatives investigated and analyzed local consumer habits and expectations in order to determine what products are best suited for export to the Russian market, where the Company plans to gain at least a foothold before the end of 2015.

Pinar Süt is also licensed to export its milk and labaneh products from Turkey to European Union countries. It currently exports fruit juices and prepackaged powdered dessert mixes to countries such as the UK and Sweden. In parallel with the growth in its sales in Kosovo, Pinar Süt is also exploring export market opportunities in other Balkan countries.

Germany-headquartered Pinar Foods GmbH is responsible for the production and sale of Pinar-brand dairy products in Europe.

2014 OPERATIONS

campaign

IN THE PLAIN MILK CATEGORY, THE "PREVIOUS GENERATIONS GREW UP HEALTHY AND STRONG WITH PINAR SÜT: NOW IT'S THE NEXT GENERATION'S TURN" COMMUNICATION CAMPAIGN CONTINUED



PHOTOS OF THE CHILDREN WHOSE ENTRIES WERE FINALISTS IN THE 33RD PINAR KIDS' ART COMPETITION WERE INCLUDED ON THE COMPANY'S 200-ML PACKAGES OF PLAIN MILK BEGINNING IN OCTOBER.

MARKET-SHARE-BOOSTING CAMPAIGNS AND THEIR RESULTS

Milks

In the plain milk category, the "Previous Generations Grew Up Healthy And Strong With Pinar Süt: Now It's The Next Generation's Turn" communication campaign continued to attract strongly favorable consumer response in the TV, digital, and outdoor channels in 2014.

As an adjunct of this campaign, photos of the children whose entries were finalists in the 33rd Pinar Kids' Art Competition were included on the Company's 200-ml packages of plain milk beginning in October.

In the fortified children's milk category, TV ads were broadcast initially in February-May and then again in November-December as part of our "Three Ways To Support Your Kids' Nutrition" campaign, which was also supported by website content enrichment and magazine ads. The packaging of all products in this category was modified so as to enhance the visual impact of their calcium, zinc, and vitamin B12 content. The functional features of these products were also communicated to consumers through the "Mom's Diary" Facebook page all year long during 2014.

In the flavored milk category, communication activities were conducted all year long for the "Kido" brand in order to strengthen its position. The licensed Smurf-franchise characters continued to be used in the first half of 2014. The products were accompanied by child-appealing and entertaining giveaways during the "Kido's Mysterious Smurfy Journey" (January-February) and the "Kido's Smurfy Hello To Spring" (May-June) campaigns. Campaigns linked with these giveaways were conducted on the www.kido.com.tr website, which has more than 5 million users, and TV ads were broadcast.

For the back-to-school season, by which time the Company's Smurf franchise license had expired, a "Show Us How You Dance And Be Kido's Next Advertising Star!" campaign that was mounted was supported by means of intensive TV and digital platform communication.

The flavored milk portfolio was expanded with two new additions in August: Kido Chocolate Milk and Kido Melon & Watermelon flavored milk. The product launch was followed up by TV ads in December.

In the flavored milk for adults category, support was provided by product introductions to potential target groups conducted on university campuses.

AS A RESULT OF ITS SUCCESSFUL PINAR AYRAN CAMPAIGN IN 2014, SALES OF GLASS-BOTTLED AYRAN WERE UP BY 64% YEAR-ON-YEAR.



MARKETING SUPPORT PROVIDED TO INCREASE THE PINAR LABNE PRODUCT'S HOUSEHOLD PENETRATION RATE HAD THE EFFECT OF INCREASING THE OVERALL RATE BY TWO PERCENTAGE POINTS.



Cheeses

Product communication support continued to be provided to Pinar Labne (Pinar-brand labaneh) through the "It Adds Flavor To Whatever It Touches" campaign in 2014, during which the Company worked with Sahrap Soysal, a popular TV celebrity chef and presenter. Active use was made of a variety of above-the-line media such as TV, digital platforms, and newspapers in keeping with the principle of maintaining communication continuity. By sponsoring the "Melek" program on Star TV, product placement opportunities were created in which Ms Soysal showed off recipes using Pinar-brand labaneh. In the digital world, an interactive platform was created in which visitors to both the www.pinarlabne.com and the www.nefisyemektarifleri.com websites competed with one another by submitting recipes of their own using the product. Ms Soysal also engaged directly with consumers in events organized in some cities.

Marketing support provided to increase the Pinar Labne product's household penetration rate had the effect of increasing the overall rate by two percentage points. Sales of this product, which has been the object of a quite long-term and multi-platform communication campaign, grew by 33% in 2014. Commanding a 48.9% market share as of year-end, the product was also the undisputed leader of its category.

A three-month (March-to-May) communication campaign was also conducted for Pinar Beyaz. A novel aspect of last year's campaign was the introduction of "Beyno" ("Brainy"), a puppet character

voiced by award-winning TV actress and movie star Demet Akbağ. Pinar Beyaz is especially active on kids-oriented TV channels, mounts giveaway-based point-of-sale promotional campaigns throughout the year, and conducts various child-targeting activities at shopping malls during the week around April 23rd, Turkey's National Sovereignty and Children's Day holiday. Such efforts helped maintain Pinar Beyaz's standing as the unchallenged category leader with an 86.5% market share.

Yoghurts & ayrans

Last year Pinar Ayran mounted Turkey's first cap-based promotional campaign in the ayran category. Consumer awareness of the campaign, in which hundreds of thousands of free containers of ayran were given away, was created and nourished through the effective use of POS advertising at thousands of grocery shops and stores. This campaign encouraged consumers who had never drunk Pinar-brand ayran before to try it while also encouraging repeat sales among the product's purchasers. During the campaign, Pinar Ayran ranked third in the overall ayran market and second in the market's glass-bottle segment as measured by sales. This campaign contributed to the 64% rise in sales of glass-bottled ayran registered last year. Growth in the large-format segment of the market was achieved through dual-pack bottles, sales of which continued during the cap promotional campaign having previously been initiated at Ramadan. Attention was also given to supporting long-term sales by having the product included in the inventories of major national chains. Ayran packaged in smaller, individual-

2014 OPERATIONS



design

IN THE CONDIMENTS & SAUCES GROUP, PINAR SÜT HAS CHANGED OVER TO NEW PACKAGING DESIGNS AND FORMATS WHICH BETTER DISTINGUISH THEM FROM THEIR COMPETITORS, WHICH HAVE STRONGER SHELF APPEAL, AND WHICH DRAW ATTENTION TO THE PRODUCTS' LACK OF ADDITIVES ETC.



portion containers that are more compatible with grocery-shop level sales appealed to consumers on price while increasing the product's POS penetration.

In the yoghurt category, products were marketed in container sizes that are the most compatible with market dynamics, with particular attention being given to channel-based size management. In-store activities were conducted in order to support product sales through one-on-one contacts with consumers.

By making it possible to amplify distribution performance by reaching out to different target audiences, discount stores have become an important channel for those involved in Turkey's yoghurt market.

The launch of a strained yoghurt product has given the Company access to new market segments and the ability to address different consumer needs and tastes while also further boosting the Pinar brand's shelf visibility.

Condiments & sauces

In the condiments & sauces group, the Company has changed over to new packaging designs and formats which better distinguish them from their competitors, which have stronger shelf appeal, and which draw attention to the products' lack of additives etc. This changeover also involved the introduction of more ergonomically-shaped containers that improve usability performance by being easier to squeeze. In response to greater demand for small-packaged products in recent years, Pinar-brand ketchups and mayonnaises are now appearing on shelves in the single-portion format.

Promotional activities were carried out for Pinar Kremilla, a thick custard sauce similar to those that have long been popular in other national markets. An "Eat It With A Spoon Or Use It In Desserts" communication focusing on the product's versatility was conducted via digital platforms and in printed media such as newspapers and magazines. Videos showing how the product can be used to make quick-and-easy desserts are shown on the "Pinar Flavors" web page as well as on other food-related websites. Consumer product trials were conducted in stores and on university campuses.

Creams

Pinar Krema is a Pinar-branded cream whose flavor and consistency have made it especially popular among consumers and earned it a pole position on shelves. Video recipes using this product have been released along with those for Pinar Kremilla.

Fruit juices

The "Flavor Comes Alive With Pinar" campaign conducted in 2013 was reworked in 2014 as a "Flavor Goes Smurfy With Pinar" TV communication using Smurf-franchise designs on 200 ml fruit nectar and 100%-pure fruit juice products. The campaign was supported by events in which Smurf-decorated glasses were given away at shopping malls. The TV ad included scenes of Smurfs frolicking about as they wield Pinar-branded fruit juice boxes. The fruit juice category drew attention in 2014 with the launch of three new products. Approved by moms because of their high vitamin C content and quality and loved by kids because of their entertaining designs and great taste, each member of

PINAR PINK, A FRUIT JUICE SPECIALLY FORMULATED FOR WOMEN, IS YET ANOTHER PINAR SÜT FIRST IN TURKEY.

new

PINAR PINK ANOTHER NEWCOMER TO PINAR SÜT'S PRODUCT LINE, MADE ITS APPEARANCE IN 2014.



Pinar's "Crazy" line of fruit juices seems more delicious than the others. Last year the line introduced consumers to Crazy Watermelon and Crazy Strawberry-Apple-Raspberry. Just like the others in the series, these new Crazy Series stand apart from their competitors by virtue both of their taste and of their colorful and entertaining designs. Crazy Watermelon and Crazy Strawberry-Apple-Raspberry are supplied in 200 ml containers that add to their fun and enjoyment.

The third new addition to the fruit juice category was Pinar Pink, a fruit juice specially formulated for women and another Pinar first in Turkey. A delicious blend of strawberry, raspberry, and peach, Pinar Pink also contains essence of melissa, is vitamin-enriched, and has had no sugar added. Melissa extract is known to be a nervous system relaxant and its calming effect helps overcome problems with going to sleep while the B group vitamins that it contains play an important role in coping with stress. In late December Pinar Pink's promotion was supported by lower-third placements during television broadcasts.

SOCIAL MEDIA

- twitter.com/PinarKurumsal: Consumers are provided with specially-created recipes, press releases, announcements, and holiday- and week-specific celebratory messages via the Company's corporate Twitter account.
- www.facebook.com/LightYasaminSirlari: Focusing on "Light" products and living as a lifestyle choice, the Pinar "Secrets of Light Living" Facebook page hosts constantly-renewed content intended to appeal to consumers and encourage them to adopt healthier lifestyles.

- www.facebook.com/PinarLabne: This Facebook page concerning Pinar-brand labaneh hosts content and recipes designed to appeal to consumers.
- www.facebook.com/PinarSutleBuyuyorum: Pinar Süt'le Büyüyorum (I'm Growing Up With Pinar Süt) is a Facebook fans page whose target audience is women in the 25-45 age group. It has attracted a large number of fans through constant and quantifiable interaction with its target audience. Constant use is also made of Pinar Süt's Twitter and Instagram accounts for consumer communication.
- www.facebook.com/anneningunlugu: "Mother's Diary" is a Facebook page set up to provide detailed information about Pinar-brand products as well as other matters that are of interest to mothers and their children.
- www.facebook.com/PinarKido: The Pinar Kido Facebook contains information about the product's campaigns and also hosts a variety of activities aimed at children.



2014 OPERATIONS

INNOVATION AND CHANGE SUPPORTED BY INVESTMENTS

Because innovation and change are such important elements of Pınar Süt's corporate culture, the Company adheres to an investment program that constantly builds upon its existing technology and knowledge bases and transforms the strengths they nourish into competitive advantages while also keeping pace with changing sectoral conditions.

Production Facilities

	Pınar Süt İzmir Plant	Pınar Süt Eskişehir Plant	Pınar Süt Şanlıurfa Plant
Indoor	47,151 m ²	35,825 m ²	18,239 m ²
Outdoor	67,774 m ²	114,175 m ²	79,267 m ²
Total Area	110,076 m ²	150,000 m ²	97,506 m ²

THE PINAR SÜT ŞANLIURFA PLANT REPRESENTS THE BIGGEST FOODS INDUSTRY INVESTMENT EVER MADE IN THE SOUTHEASTERN ANATOLIA REGION.



MORE VALUE FOR THE NATIONAL ECONOMY: THE PINAR SÜT ŞANLIURFA DAIRY PLANT

An important goal of Pınar Süt's new dairy plant is to bring to the city of Şanlıurfa and all of southeastern Turkey the newest instance of the social-contribution model that the Company introduced in İzmir, continued in Eskişehir, and has been adhering to for more than forty years without interruption as a way of creating value for the national economy.

Following up the investments that Yaşar Holding undertook in the Aegean (İzmir) and Central Anatolian (Eskişehir) regions, Yaşar Holding is now fulfilling its responsibilities towards the improvement of animal husbandry and farming in southeastern Turkey as well. The Pınar Süt Şanlıurfa Plant, work on which began in

2013, represents the biggest investment undertaken by the Company in recent years.

As originally conceived, the Şanlıurfa plant will be producing milk, yoghurt, ayran, and fruit juice at the outset; however the project has been designed so as to allow production to be tailored and diversified as requirements dictate. State-of-the-art energy-efficient and eco-friendly automation and production technologies have been incorporated into the plant.

The Pınar Süt Şanlıurfa Plant is a project designed to make the most of the efforts of thousands of local dairy farmers: milk will be procured not just from Şanlıurfa itself but also from neighboring towns and provinces. In order to ensure that their production complies with Pınar Süt's strict quality-assurance standards, farmers will be provided with training and the local dairy industry as a whole will be improved through veterinary and artificial insemination services. Owing to its proximity to other countries' markets, export demand is expected to contribute substantially to the plant's growth.

INVESTMENTS IN 2014

In addition to its investment in the new Şanlıurfa plant, in 2014 also gave considerable attention to renovation investments at its İzmir and Eskişehir plants last year. Total investments in 2014 amounted to TL 64,062 thousand of which TL 9,334 thousand was for land, buildings, and improvements, TL 48,727 thousand for machinery & plant, TL 5,550 thousand for fixtures, TL 114 thousand for vehicles and TL 337 thousand for rights.

PINAR SÜT'S CORPORATE GOVERNANCE RATING WAS RAISED FROM 8.99/10 (89.94%) TO 9.09/10 (90.93%).

AWARDS & RECOGNITIONS

- In the Capital magazine and GfK marketing research firm's "Turkey's Most Admired Companies" survey, Pinar Süt was identified as the most admired company in the milk and dairy products industry.
- In the 2014 Effie Turkey Advertising Effectiveness Competition organized jointly by the Association of Advertising Agencies and the Advertisers' Association, Pinar Süt's "I Grew Up With Pinar" ad received a Bronze Effie.

IN THE CAPITAL MAGAZINE AND GfK MARKETING RESEARCH FIRM'S "TURKEY'S MOST ADMIRABLE COMPANIES" SURVEY, PINAR SÜT WAS IDENTIFIED AS THE MOST ADMIRABLE COMPANY IN THE MILK AND DAIRY PRODUCTS INDUSTRY.



- Pinar Süt's 2013 annual report received a silver medal in the "Consumer Consumables Food / Beverages / Tobacco" category from the League of American Communications Professionals in its "2013 Vision" awards program. LACP also numbered it among the top 80 annual reports cited it as the annual report showing the most improvement in the Europe, Middle East, and Africa Region.
- In the Business Awards program of the Ege University Business Club, Pinar placed first in the "Most Admired Brand Management" and "Best Social Media Use" categories.
- In the "Brand Voice" category of the Felis series awards given out by Mediacat for successful public relations projects, Pinar received the grand prize for the Pinar Kids' Art Competition.
- According to the second-quarter results of the 2014 Turkey Customer Satisfaction Index, Pinar is the fruit juice brand whose customers are the most satisfied with their product choice. Having been so cited consistently for three years in a row, Pinar was also honored for its sustainable success.
- During the Turkey Customer Satisfaction Index (TMME) ceremony at which the Turkish Quality Association (KalDer) hands out awards based on the results of its survey in which about 40,000 consumers in twenty-five different sectors are polled, Pinar received two awards, both in the fruit juices sector: TMME 2013 Sector First (Silver) and TMME Sustainable Success (Gold).
- According to the second-quarter results of the TMME 2014 Turkey Customer Satisfaction Index, Pinar Süt ranked first

in the fruit juice sector with a score of 79 out of a possible 100 points. This was also the highest score received in any sector in the same poll.

- According to the 2014 results of "The One Awards" survey, a brand-reputation and brand-value measurement poll conducted by Akademetre for Marketing Türkiye, Pinar ranks among the brands that have enhanced their reputation the most.
- In the 15th "Energy Efficiency in Industry Projects" competition conducted by the Ministry of Energy and Natural Resources, Pinar Süt won first prize in the Energy-Efficient Industrial Plant category (Food & Beverages Industry) for having reduced its energy density by 65.3% during the most recent three-year period (2011-2013).
- Pinar Süt was awarded gold medals by the İzmir Chamber of Commerce in recognition both of its having paid the most tax and of having booked the highest foreign currency earnings.
- Pinar Süt was awarded certificates of achievement by the Aegean Region Chamber of Industry (EBSO) in recognition of its having the most exports, investment, and output and of having made the biggest contribution to employment in manufacturing. It also received an EBSO plaque in the "Highest Tax Paid" category.

CORPORATE GOVERNANCE RATING

In the most recent corporate governance compliance report prepared by SAHA Corporate Governance and Credit Rating Services, Pinar Süt's corporate governance rating was raised from 8.99/10 (89.94%) to 9.09/10 (90.93%).

PINAR SÜT 2014

For our customers and consumers...



THE PINAR SÜT PRODUCT PORTFOLIO

28

İN 2014, PINAR SÜT ADDED 28 NEW PRODUCTS TO ITS PRODUCT PORTFOLIO.



MILK

Boxed Milk

- Long-Life Plain Milk
- Organic Milk
- Organic Light Milk
- Day-Fresh Milk (Pasteurized and Organic Pasteurized)
- Pinar Kido Milk (Cocoa, Strawberry, Banana, Chocolate, Melon & Watermelon)
- Pinar Adult Flavored Milk for Adults (Chocolate, Chocolate Latte)
- Light Milk
 - 50% Light Milk
 - 0.1% Light Milk

FORTIFIED MILKS

- Pinar Kids Follow-On Milk
- Pinar Kids Follow-On Milk (Honey-flavored)
- Toddler & Follow-On Milk (plain)
- Denge Calcium + Vitamin A, D & E Milk
- Denge Lactose-free Milk

YOGHURT

- Pinar Natural Yoghurt
- Pinar Natural Half-Fat Yoghurt
- Pinar Natural Full-Fat Yoghurt
- Pinar Natural Light Yoghurt
- Organic Yoghurt

AYRAN

- Pinar Şişe Ayran (bottled)
- Pinar Bardak Ayran (individual portion)
- Pinar Light Ayran

CHEESE - BUTTERS

Value-added Cheeses

- Cheese Spread
- Thyme & Olive Cheese Spread
- Cheddar Cheese Spread
- Pinar Cream Cheese
- Pinar Light Cream Cheese
- Pinar White with Chocolate
- Pinar Labaneh
- Pinar Light Labaneh
- Toasting Cheese Slices
- Sliced Burger Cheese
- Pinar Kido Triangular Cheese
- Full-Fat Triangular Cheese
- Thyme & Olive Triangular Cheese
- Cheddar Triangular Cheese
- Half-Fat Triangular Cheese
- Light Triangular Cheese
- Kahvaltı Keyfi Triangular Cheese

Traditional Cheeses

- Fresh Kashkaval
- Full-Fat White Cheese
- Light White Cheese
- Kahvaltı Keyfi White Cheese
- Kahvaltı Keyfi Fresh Kashkaval
- Organic White Cheese

Specialty Cheeses

- String Cheese
- Cheddar Cheese
- Mozzarella Cheese
- Braided Cheese
- Halloumi
- String Cheese

Tereyağı

- Cupped Butter
- Traditional Butter
- Roll Butter
- Block Butter
- Portioned Butter

KEEPING A CLOSE WATCH ON LEADING FOOD TRENDS AROUND THE WORLD, PINAR SÜT ADHERES TO AN INNOVATIVE APPROACH IN ORDER TO COME UP WITH NEW, CONSUMER-FOCUSED PRODUCTS THAT ARE COMPATIBLE WITH THE TURKISH MARKET.



FRUIT JUICES

Fruit Nectars

- Sour Cherry Nectar
- Peach Nectar
- Mixed Mediterranean Fruit Nectar
- Apricot Nectar
- Orange Nectar
- Sour Cherry & Apple Nectar

100% Pure Fruit Juices

- Pinar 100% Pure Orange Juice
- Pinar 100% Pure Apple Juice
- Pinar 100% Pure Peach & Apple Juice
- Pinar 100% Pure Apricot & Apple Juice

Fruit Drinks

- Pinar Tropical
- Pinar Orange & Peach
- Pinar Orange, Carrot & Lemon
- Pinar Orange, Pear & Apple
- Pinar Pear & Pineapple



CONDIMENTS & SAUCES

Sweet Sauces

- Pinar Chocolate Sauce
- Kremilla (Custard)

Mayonnaises

- Jar Mayonnaise
- Light Mayonnaise

Ketchups (regular & spicy)

Mustards

Pinar Whole Cream

Pinar Sütkrem (Clotted Cream)

DESSERTS

Convenience Desserts

- Kido Puddings (cocoa, banana)
- Puddings (cocoa, banana, vanilla, bitter chocolate, chocolate & hazelnut flavored, supangle)
- Chantilly Cream



BULK-PACKED PRODUCTS FOR THE FOOD TRADE

Milk

- Food Trade Milk full-fat & half-fat)
- Pinar Bag-In-Box Milk (full-fat & half-fat)

Cheeses

- Pinar Labaneh
- Pinar Cream Cheese
- Pizzarella
- Toasting Cheese Slices

Butters

- PVC-Tub & Foil-Wrapped Portions
- Roll Butter

Yoghurt

- Pinar Natural Yoghurt

Ayran

Dehydrated Milk for the Food Trade

- Dehydrated Skim Milk
- Dehydrated Full-Fat Milk
- Dehydrated Whey

Condiments

- Food Trade Mayonnaise
- Food Trade Ketchup
- Bucket Mayonnaise
- Bucket Ketchup

2014 OPERATIONS

100

IN 2014, PINAR SÜT INTRODUCED TO CONSUMERS 100 NEW FORMS OF PACKAGING.



NEW OFFERINGS FROM PINAR SÜT

Keeping a close watch on leading food trends around the world, Pinar Süt adheres to an innovative approach in order to come up with new, consumer-focused products that are compatible with the Turkish market. As a result of new product and packaging projects undertaken in 2014, the Company developed and introduced to consumers 28 new products and 100 new forms of packaging.

New products put on the market in 2014

- Half-Fat UHT Milk
- Organic Pasteurized Milk
- Organic Milk (750 ml)
- Kido Chocolate Milk
- Kido Melon & Watermelon Flavored Milk
- Kahvaltı Keyfi Fresh Kashkaval
- Kahvaltı Keyfi Triangular Cheese
- Halloumi Cheese
- Braided Cheese
- String Cheese
- Organic Butter
- Strained Yoghurt
- Crazy Watermelon (Watermelon-Flavored Apple Drink)
- Crazy Strawberry (Strawberry, Apple & Raspberry Drink)
- Pink Relax Nectar

AFH

- Shredded Mozzarella
- Diced Mozzarella
- Oops Pineapple-Flavored Drink
- Oops Tropical Fruits Flavored Drink
- Barbecue Sauce (Sachet)
- Barbecue Sauce (Bucket)
- Hot Sauce (Sachet)

Cheese

IN 2014 PINAR SÜT INTRODUCED THREE NEW SPECIALTY CHEESES EXPRESSLY CREATED FOR THE ENJOYMENT OF TUROPHILES.

- Hot Sauce (Bucket)
- Garlic Mayonnaise (Sachet)
- Garlic Mayonnaise (Bucket)
- UHT Stabilized Cream (new formula)

INNOVATIVE R&D

Always mindful of such issues as goal-oriented R&D, sustainability, and environmental awareness in its ongoing pursuit of innovation, in 2014 Pinar Süt developed many new products.

For the steadily growing beverage market, the Company introduced four different fruit drinks, two flavored milks for children, and "Pink Relax", a fruit nectar specially designed to appeal to women.

Three new offerings—String, Braided, Halloumi—expressly created to appeal to cheese-loving turophiles were added to the Pinar Süt line of specialty cheeses while shredded and diced mozzarella were added to the away-from-home (AFH) line of products. Seeking to expand its portfolio of organic products, Pinar-brand Organic Butter and Organic Pasteurized Milk made their appearance in supermarkets' dairy sections for the first time.

In response to strong AFH channel demand, the Company introduced Pinar-brand Barbecue Sauce, Hot Sauce, and Garlic Mayonnaise in both the sachet and bucket packaging formats.

Strained Yoghurt, a product for which there has been substantial market demand for many years, was reformulated using an entirely new process and introduced to the market in a modern and hygienic form under the Pinar label.

ALL PINAR SÜT PERSONNEL ARE PROVIDED WITH REGULAR HACCP TRAINING AS WELL AS TRAINING ON HYGIENE-RELATED ISSUES.



PINAR SÜT REGIONAL SALES OFFICE PERSONNEL ARE PROVIDED WITH TRAINING ON SUCH ISSUES AS PRODUCTS' TECHNICAL FEATURES AND THE ASPECTS THAT MAKE THEM SUPERIOR IN QUALITY TO SIMILAR PRODUCTS.



Handy-Cap closures were introduced on the packaging of 1/1 UHT milks as they are one of the reasons why consumers prefer such milk.

PINAR SÜT QUALITY APPROACH AND MANAGEMENT SYSTEMS

Pinar Süt's primary goal is to offer consumers high added-value products that are natural and wholesome. With production compliant with international standards, its innovative structure, and determination to satisfy consumers' needs, Pinar Süt has the richest line of milk and dairy products on offer in Turkey today. Exploiting all of the benefits of existing and new technologies, Pinar Süt keeps pace with, acquires, and implements national and international developments in such areas not only in terms of production methods, machinery, and equipment, but also with respect to such issues as marketing, product & quality improvements, packaging, information systems, logistics, and consumer convenience.

Pinar Süt has been involved in assessing and achieving compliance with the control mechanisms and certification procedures related to the production of heat-treated milk and dairy products for export to the European Union since 2000.

Existing and potential suppliers were visited and inspected throughout 2014 in line with the year's schedule. Class A suppliers were identified and certified.

A country's economic development and prosperity nowadays are largely dependent on the competitive strength of their economic actors and on their ability to be profitable and to make their influence felt in national and international markets. Recognizing this, Pinar Süt regional sales office personnel are provided with training on such issues as products' technical features and the aspects that make them superior in quality to similar products. The goal of this training is to provide personnel with guidance on how to become a more competitive and sustainable sales force by properly addressing and satisfying the technical requirements of customers' needs and expectations.

All Pinar Süt personnel are provided with regular Hazard Analysis & Critical Control Point (HACCP) training as well as training on hygiene-related issues in line with annually-planned training schedules. Special attention was again given last year to the importance of food safety during the conduct of personal training activities.

PINAR SÜT 2014



quality

THE EFFECTIVENESS OF PINAR SÜT'S SUPERIOR QUALITY APPROACH IS ATTESTED TO BY A VARIETY OF ENVIRONMENT, ENERGY, AND OCCUPATIONAL HEALTH & SAFETY AUDITS AND CERTIFICATIONS.

Attention continued to be given to keeping abreast of changes in technology both at home and abroad, to making the best possible use of existing and new technologies, and to being sure that all technology transfers take into account not just such issues as production management and physical resources like machinery & equipment but also intangible resources related to such issues as marketing, product & quality development, packaging, information technology, logistics, and product convenience.

A customer relationship management system has been set up with the aims of strengthening customer communication, satisfying customer needs and expectations, and increasing customer satisfaction. This system makes it possible to maximize customer satisfaction by listening to and understanding what customers say. The customer experience is also quantified through secret shopper feedback in customer points like chain stores.

The effectiveness of Pınar Süt's superior quality approach is attested to by a variety of environment, energy, and occupational health & safety audits and certifications. Pınar Süt has been awarded the following certifications:

- TS EN ISO 9001: 2008 Quality Management System
- TS EN ISO 14001:2004 Environmental Management System
- TS EN ISO 22000 Food Safety Management System
- FSSC 22000 / TS 22002-1 Food Safety Management System

- TS EN ISO 50001 Energy Management System
- TS OHSAS 18001 Occupational Health & Safety Management System

COST OPTIMIZATION

During 2014 Pınar Süt continued to carry out projects aimed at reducing expenditures, cutting costs, and increasing production efficiency. The operational Cost Improvement (OCI) program initiated in 1999 and the Lean Six Sigma program introduced in 2007 continue to generate significant cost advantages throughout Pınar Süt.

LEAN SIX SIGMA PROJECTS

In 2014 Pınar Süt carried out eight Lean Six Sigma projects at its Eskişehir and İzmir production facilities. First introduced in 2008 and continued ever since, these bring the total number of projects deploying the Lean Six Sigma methodology to 53.

The Lean Six Sigma program, which is rooted in the principle of maximizing customer satisfaction, was first implemented at the Company's İzmir and Eskişehir plants in 2008.

Efforts were made to improve operational excellence and costs, to reduce natural resource consumption, and to more effectively manage environmental risks.

The projects undertaken in 2014 were designed to reduce and improve process variability, to improve operational costs, and to manage environmental risks.

SUBSTANTIAL CHANGES IN PINAR SÜT'S INFORMATION TECHNOLOGY INFRASTRUCTURE IN 2014 RESULTED IN IMPROVEMENTS IN BUSINESS CONTINUITY, DATA SECURITY, AND COST RECOVERY.



IN 2014 PINAR SÜT CARRIED OUT EIGHT LEAN SIX SIGMA PROJECTS AT ITS ESKİŞEHİR AND İZMİR PRODUCTION FACILITIES.

The common goal of all Lean Six Sigma projects is to achieve operational excellence by responding flexibly and nimbly to customers' expectations as they evolve over time. In addition, the Lean Six Sigma philosophy makes it possible to create a customer satisfaction structure that is constantly made better through efforts to achieve quality, cost, and delivery time improvements.

OPERATIONAL COST IMPROVEMENT SYSTEM

The underlying goal of Operational Cost Improvement (OCI) is to reduce costs. This is achieved essentially by asking individuals to report problems related to their own functions, soliciting ideas to deal with the problems, and implementing solutions that are approved by management. The OCI system is supported by a program of rewards for those whose projects are successful.

When they were originally introduced in the 1990s, OCI projects were dealt with individually. As IT infrastructure continued to make progress and with the changeover to SAP, a more systematic management of these projects began in 2003.

INFORMATION TECHNOLOGY OPERATIONS

Substantial changes in Pinar Süt's information technology infrastructure in 2014 resulted in improvements in business continuity, data security, and cost recovery. Investments and improvements at the Company's data headquarters were concerned with renovating the file storage unit so as to create a more sustainable file structure. Improvements were made in the data backup systems that are to be used for disaster recovery. Thanks to data center infrastructure improvements, the system has been made more efficient and robust. The inter-plant communication infrastructure was renovated to make it faster and more secure.

A Supplier Network Planning Project was initiated. The goal of this project is to permit centralized planning of procurements by taking suppliers network capacity limitations and local raw data into account.

2014 OPERATIONS

AFH

PINAR'S AFH CHANNEL EMBRACES ALL POINTS OF SALE THAT INVOLVE THE CONSUMPTION OF FOOD OUTSIDE THE HOME. PINAR SÜT HAS AN EXTENSIVE PORTFOLIO OF SUCH CUSTOMERS RANGING FROM HOTELS TO RESTAURANTS AND FROM SCHOOLS TO CATERING FIRMS.



The technical and SAP enterprise resource planning infrastructure of the new Şanlıurfa plant was planned so as to maximize business continuity. The infrastructure was made operational during the year.

To comply with a statutorily-mandated changeover to electronic books of account, Pinar Süt's SAP integration was completed last year. The company's system has been in regulatory compliance since November 2014.

DISTRIBUTION

85% of Pinar Süt's sales are made through Yaşar Birleşik Pazarlama, Yaşar Group Food Division's sales and distribution company.

Turkey's biggest sales and distribution network

Operating through 9 regional departments, more than a 100 dealerships, and 150 thousand sales outlets, Yaşar Birleşik Pazarlama ensures that Pinar-branded products reach customers and consumers in the freshest, most wholesome, and fastest way possible. With more than 500 types of product in 17 different categories maintained under three different degrees of climate control, Yaşar Birleşik Pazarlama is one of the biggest and most important sales and distribution organizations in Turkey.

Yaşar Birleşik Pazarlama employs a strong team of specialized, customer-focused, and experienced personnel and a fleet of more than 1,200 vehicles to sell and distribute the products made by the Yaşar Group Foods Division.

Keeping customer channels supplied with the products in the Company's portfolio in order to ensure both that the maximum number of sales outlets is reached and that product diversity is maximized at each outlet, Yaşar Birleşik Pazarlama's extensive and efficient distribution clout contributes significantly to Pinar-branded products standing as market leaders.

THE AFH CHANNEL AND PINAR PROFESSIONAL

The AFH Marketing Department, which was reorganized as a Yaşar Birleşik Pazarlama unit in 2012, is responsible for away-from-home (AFH) channel strategy development and implementation.

More women in the workforce and more singleton households are bringing about changes in people's lifestyles and consumption habits. These changes, which manifest themselves both as more time spent away from home and as more meals being ordered out, are nourishing the growth of the AFH channel in Turkey and increasing its importance almost day by day. According to TurkStat-published figures, the estimated value of the AFH channel's business in Turkey amounts to TL 33 billion a year.

PINAR PROFESSIONAL IS A SUB-BRAND WHOSE PRIORITY OBJECTIVE IS TO ACHIEVE IN THE AFH CHANNEL THE SAME CONFIDENCE THAT ORDINARY CONSUMERS HAVE IN THE PINAR BRAND IN THE FORM OF “QUALITY-TRUSTED PRODUCTS AND SERVICES SUPPLIED TO PROFESSIONALS BY AN EXPERT”.

IN 2014 PINAR REDESIGNED THE PACKAGING OF ALL OF THE PRODUCTS THAT IT MAKES SPECIFICALLY FOR THE AFH CHANNEL.

Pinar Professional is a sub-brand whose priority objective is to achieve in the AFH channel the same confidence that ordinary consumers have in the Pinar brand in the form of “quality-trusted products and services supplied to professionals by an expert”.

The AFH channel embraces all points of sale that involve the consumption of food outside the home. Pinar Süt has an extensive portfolio of such customers ranging from hotels to restaurants and from schools to catering firms. By determining the hands-on aspects of their business by interacting with influential chefs and other food professionals and understanding their needs, the Company also develops innovative and practical products that will be beneficially useful to them.

In 2014 Pinar redesigned the packaging of all of the products that it makes specifically for the AFH channel.

PINAR COMMUNICATION CENTER

Pinar’s “Consumer and Customer First” principle demands that all company units quickly and correctly perceive not just consumers’ but all external and internal customers’ needs and take a nimble, proactive, and innovative approach in responding to their expectations for a better way of life. Adhering to a customer-focused business approach, Pinar Süt carefully examines and gives importance to requests and suggestions received from consumers.

Accessible from everywhere in Turkey on 444 7627 without the need to dial an area code, the Pinar Communication Center (PİM) is staffed by live operators who are on duty and respond to incoming calls between the hours of 07:00 and 23:00 every day of the week.

90% of all calls received by PİM are responded to before the caller hangs up; 92% of them are responded to within 15 seconds. Through its Twitter account, PİM keeps track of, examines, and responds to consumers’ requests and suggestions received via social media. PİM service quality and the satisfaction of consumers with which PİM interacts are measured at regular intervals by means of polls. 89% of the consumers who dealt with PİM in 2014 said that they were satisfied with the quality of the service they had received.

An official Twitter account was also opened at twitter.com/InfoPinar to which consumers who access the Pinar corporate Twitter account to express their views and suggestions are redirected. All consumer tweets received through this account are examined and dealt with by PİM.



PINAR SÜT 2014

For our suppliers...

PINAR SÜT CONSTANTLY SUPPORTS THE EFFORTS OF MORE THAN 25,000 PRODUCERS THROUGH THE STRONG AND LONG-TERM RELATIONSHIPS THAT IT ENTERS INTO WITH THEM.

442

MILK IS PROCURED FROM A TOTAL OF 442 MILK CHILLING CENTERS, OF WHICH 195 ARE DAIRY FARMS.

THE MORE THAN FORTY PRODUCER TRAINING MEETINGS THAT WERE HELD IN VILLAGES AND TOWNS DURING 2014 WERE ATTENDED BY OVER 4,000 PRODUCERS.



CONTRIBUTING TO THE PROGRESS OF TURKEY'S DAIRY INDUSTRY

In order to ensure it has access to sources of good-quality raw milk, Pınar Süt has entered into contractual agreements with 195 dairy farms whose production conforms to European Union standards and who themselves understand and concur with Pınar Süt's own quality approach. Thirteen of these producers' operations hold "disease-free" certification and eight have been granted EU-recognized licenses. Milk is procured from a total of 442 milk chilling centers, of which 195 are dairy farms.

60% of Pınar Süt's certified-organic raw milk is procured from Çamlı Yem Besicilik, a sister company in the Yaşar Group.

The quality values of milk procured from farms are reported back to producers on a daily basis. This feedback keeps producers informed about the current standing of their output.

In order to keep its producers informed and aware about the need to produce wholesome milk, Pınar Süt conducts training programs for them on such

issues as milk quality, herd health, animal nutrition, preventive medicine.

The more than forty producer training meetings that were held in villages and towns during 2014 were attended by over 4,000 producers.

During such meetings, participants are provided with information on a wide range of topics related to the impact that animal health has on milk quality and quantity such as hygiene and correct milking practices, the importance of healthy calves to herd sustainability, silage and ensilaging practices, and the identification, detection, and prevention of harmful substances that may be present in feed.

A training program for milk tanker drivers was launched in order to help maintain quality control even while harvested milk is being transported to plants.

By constantly supporting the efforts of more than 25,000 producers through the strong and long-term relationships that it enters into with them, Pınar Süt also contributes to the progress of Turkey's dairy industry.

For our employees...

PINAR SÜT'S HUMAN RESOURCES POLICY IS INFORMED BY A "PEOPLE-FIRST" APPROACH.

HUMAN RESOURCES: ONE OF THE FUNDAMENTAL PILLARS OF ECONOMIC GROWTH AND DEVELOPMENT

As is true at all Yaşar Group companies, Pınar Süt's human resources strategy is rooted in the principle of "Improve manpower productivity by increasing the number of competent and effective human resources". Taking that as its point of departure, Pınar Süt seeks to attract the labor market's most talented, qualified, creative, innovative, motivated, and high-performing people, to further improve the quality of its workforce, and to strengthen employee loyalty through fair-minded human resources policies and practices that win the hearts and minds of its personnel.

The superior human resources that Pınar Süt attracts through human resources policies and practices that are fair and informed by a "people first" approach consist of individuals who are educated and experienced, who have a strong sense of job commitment and ownership, who are progressive and open-minded, who value knowledge-sharing and the spirit of solidarity, who accept the notion of participatory management, and who are success-focused in their work.

In line with its HR approach Pınar Süt seeks to:

- Increase the number of competent and effective human resources and deploy outstanding people within the Company

through a competency-based selection and placement process

- through the deployment of a performance evaluation system, ensure that company and individual objectives coincide so as to enhance overall corporate performance
- reward individual success and encourage even better efforts by evaluating employee performance on the basis of the degree to which goals have been achieved
- formulate annual training & development plans by identifying compulsory and optional training components and implementing them accordingly
- provide support training on issues related to health in recognition of the importance of employees' physical and mental wellbeing to the successful performance of their jobs

During 2014, Pınar Süt provided its employees with a total of 28,823 hours of training. Average training time per person was 25.7 hours.

In 2012 Pınar Süt launched Yaşar Academy, a pilot-project new training platform making extensive use of e-learning methodologies. Based on feedback received from those taking part in this project, improvements were made in the diversity, content, and number of personnel taking part in the Company's regular training activities in 2014.

Pınar Süt adheres to human resources practices that are internationally recognized as being the best. Since 2005 the Company

has been making use of a performance evaluation system that seeks to ensure that its employees' personal objectives coincide with its own corporate goals.

In 2014 Pınar Süt provided traineeship positions to 102 university and 49 lycee students.

Aware that high levels of employee motivation and loyalty give it an important advantage in achieving success more quickly, Pınar Süt has been soliciting feedback from its personnel through an Annual Employee Opinion Survey that has been conducted every year since 1998. The success of a Yaşar Group pilot project carried out in 2012 in which the survey's questionnaires were responded to online led to a decision to conduct the poll using that method every other year rather than every year. For the 2014 Employee Survey, all personnel will be responding to the survey questionnaire online.

The average number of people on Pınar Süt's payroll was 1,120 in 2014. The company's collective bargaining agreement with the Tek Gıda trade union being due to expire as of 31 December 2013, contractual negotiations were entered into with the union and a new agreement beginning on 1 January 2014 and ending on 31 December 2015 was signed. Pınar Süt strongly believes that collective bargaining agreements are one of the cornerstones of labor peace and that it is through labor peace that social peace may be ensured.

2014 OPERATIONS

For the environment and the community...



contribution

PINAR SÜT CONTINUES TO CONTRIBUTE TO THE COMMUNITY OF WHICH IT IS A MEMBER EVEN AS IT CONDUCTS ITS BUSINESS ACCORDING TO THE PRINCIPLES OF PROFITABILITY AND PRODUCTIVITY

Pınar Süt is a company that strives to leave behind a healthier physical and social environment so that future generations may enjoy a better life in a more livable world. Recognizing that sustainability is a three-dimensional concept simultaneously enfolding society, the environment, and economics, Pınar Süt takes a holistic approach to all three and defines its goals and strategies accordingly.

Pınar Süt's environmental management programs and practices are constantly focused on making productive use of natural resources, on minimizing the environmental impact of effluents on the receiving environment, on the environmental safety of raw materials used in its processes, on the environmental performance of its processes, and on the qualitative and quantitative control of effluents.

In line with its environment, energy, and occupational health & safety policies, Pınar Süt:

- Complies strictly with all laws and regulations pertaining to protecting the environment and reducing pollution, to energy, and to occupational health & safety;

- Employs production methods which are not detrimental to human or environmental health and which reduce resource consumption;
- Reduces waste through recycling rather than disposal;
- Conserves energy by improving maintenance programs and undertaking new investments;
- Lowers overall waste water discharge by using less water in processes and by reusing water released from processes in other ways;
- Makes its employees, customers, and suppliers aware of environment-, energy-, and occupational health & safety-related issues.

The Company formulates and implements environmental management programs that are focused on making productive use of natural resources, minimizing the environmental impact of waste on the receiving environment, ensuring the environmental safety of raw materials used in production processes, improving production process environmental performance, and performing qualitative and quantitative effluent controls.

Pınar Süt continues to contribute to the community of which it is a member even as it conducts its business according to the principles of profitability and productivity.

PINAR SÜT IS A COMPANY THAT STRIVES TO LEAVE BEHIND A HEALTHIER PHYSICAL AND SOCIAL ENVIRONMENT SO THAT FUTURE GENERATIONS MAY ENJOY A BETTER LIFE IN A MORE LIVABLE WORLD.

CO₂

PINAR SÜT REGULARLY CALCULATES AND FOLLOWS UP ITS CARBON FOOTPRINT WITH THE AIM OF ENERGY SAVING AND ALTERNATIVE ENERGY USAGE.



In line with the United Nations Global Compact (UNGC) that its parent company Yaşar Holding subscribed to in 2007, Pınar Süt has also committed itself to regularly providing its stakeholders with information about its stance and progress with respect to the issues of human resources, manpower, and combating corruption. Through activities conducted under the "Corporate Reputation" project that was launched in 2010, Pınar Süt also emphasizes its intention to be more systematic in its efforts to achieve a balance among economic, environmental, and social issues.

In the case of our other stakeholders, including but not limited to our suppliers, we develop new strategies that will strengthen our communication channels so as to remain on course as they accompany us on our journey to sustainability.

Pınar Süt rates its suppliers not just on the basis of core commercial and operational indicators but also taking into account the sustainability and risks inherent in their performance. To this end, the Company has developed a project to include its suppliers in a sustainability tracking system in which suppliers are treated as an essential constituent of management processes.

CARBON FOOTPRINTING

A measurement team headed by a Carbon Leader was set up and calculated and reported the Company's "corporate carbon footprint" as of 2014. Taking 2011 as the base year, Pınar Süt has identified a goal of reducing this footprint by at least 15% by 2020.

An organizational structure has been created to carry out ongoing carbon emission calculations with the Foods Group acting as Carbon Leader. Every Yaşar Holding company has identified a carbon specialist and carbon manager who will be a member of this organization.

With the carbon footprinting organizational structure in place, work has also begun on projects to calculate company water footprints with the aim both of monitoring natural resource use and of increasing environmental awareness. Companies' carbon specialists and managers have undergone training on water footprinting as well as carbon footprinting and we plan to begin calculating water footprints in designated pilot areas.

766 employees at Pınar Süt have undergone 40 hours of TS EN 50001 Energy Management System training.

2014 OPERATIONS

environment

ACTING WITH ENVIRONMENTAL AWARENESS AND CONSCIOUSNESS, PINAR SÜT SEEKS TO CONSTANTLY IMPROVE ITS ENVIRONMENTAL PERFORMANCE AS GOVERNED BY THE TS EN ISO 14001 ENVIRONMENTAL MANAGEMENT SYSTEM CERTIFICATION THAT IT HAS BEEN AWARDED.

Work has begun on water footprint calculating and reporting in order to identify and better manage the amount of water used in production. A water footprinting team was formed and given training in 2014. Work is currently in progress on calculating and reporting water footprints.

USING ECO-FRIENDLY MATERIALS AND TECHNOLOGIES

Pinar Süt invests in the environment, makes the most productive use possible of national and natural resources, complies with all environment-relevant laws and regulations in the conduct of its operations, and carries out all of its activities in line with prescribed management system policies. Pinar Süt's actions are informed by its environmental awareness and consciousness. It seeks to constantly improve its environmental performance as governed by the TS EN ISO 14001 Environmental Management System certification that it has been awarded.

Based on its compliance with legal norms, Pinar Süt's Eskişehir plant has been awarded an "air emission permit" that is valid for a five-year period. The Company also has its emissions regularly measured by an accredited agency as required by law.

The Company has formulated a "Greenhouse Gas Monitoring Plan" conforming to the requirements of Communiqué concerning the monitoring and reporting of greenhouse gas emissions and it has duly submitted the plan to the Ministry of Environment and Urban Planning.

At the beginning of each year, Pinar Süt formulates environmental action plans and programs aimed at further improving its performance in resource use reduction.

The effectiveness of these activities is monitored throughout the year. To date, the following progress has been achieved:

- An economizer investment reduced the carbon emissions generated by steam boilers and resulted in energy savings.
- The replacement of ammonia with ice water as a refrigerant in cold storage refrigeration systems resulted in energy savings.
- The use of illumination panels and high-efficiency lighting fixtures in newly-constructed units resulted in energy savings.
- The replacement of high power consumption electrical motors with EFF1 high-efficiency units resulted in energy savings.
- Boiler and burner system modifications resulted in fuel savings.
- Recent investments in new-generation UHT systems and machinery whose higher energy efficiency, eco-friendliness, and low carbon emission values increased energy efficiency.
- The use of waste heat from condensers to heat yoghurt incubation rooms resulted in electricity savings.
- Chemical agent costs were reduced by making improvements in waste water treatment processes. Investments undertaken at the Eskişehir factory's waste water treatment plant have lowered storage and disposal costs by increasing the percentage of solid content in sludge.
- A central water heating system was installed and lines were laid to supply hot water to units that need it.

As one requirement of its ISO 14001 Environmental Management System certification, environmental impact inventories have been drawn up for all units within the plant and environmental logs have been created in which is maintained

ALL OF PINAR SÜT'S ENERGY EFFICIENCY EFFORTS WERE DOCUMENTED UNDER THE TS ISO 50001:2011 ENERGY MANAGEMENT SYSTEM CERTIFICATION THAT IT WAS AWARDED IN 2013.

award

IN THE 15TH "ENERGY EFFICIENCY IN INDUSTRY PROJECTS" COMPETITION CONDUCTED BY THE MINISTRY OF ENERGY AND NATURAL RESOURCES, PINAR SÜT WON FIRST PRIZE IN THE ENERGY-EFFICIENT INDUSTRIAL PLANT CATEGORY (FOOD & BEVERAGES INDUSTRY).



a record of the nature and scope of each unit's environmental impact. A supplier evaluation system has also been set up under which Pınar Süt assigns points to its suppliers based on the existence and effectiveness of their own environment management systems.

REDUCTIONS IN ENERGY CONSUMPTION

In 2014 Pınar Süt engaged in a variety of activities aimed both at making more efficient use of energy and at reducing its existing energy consumption.

Work has begun on installing an illumination system that takes advantage of natural daylight in the manufacturing sections of the Pınar Süt Eskişehir plant. Electricity is also being conserved by replacing existing fixtures with more efficient ones.

In 2013 work began at the Pınar Süt İzmir plant to replace existing manufacturing-section and exterior illumination systems with LED-based systems that use less electricity and are more energy-efficient. This LED-conversion project continued in 2014.

Pınar Süt uses metering in order to keep track of the amounts of energy that it consumes in the conduct of its production activities. The results of this metering are documented and comparisons are made in order to determine how much energy is used for each type of production. Through such comparisons, the dimensions of the Company's energy use are quantified, thus allowing targets to be set and target performance to be reviewed at regular intervals. Energy efficiency is one of the

criteria taken into account before making machinery & equipment procurement decisions.

All of Pınar Süt's energy efficiency efforts were documented under the TS ISO 50001:2011 Energy Management System certification that it was awarded in 2013.

- In 2014 Pınar Süt successfully passed its TS ISO 50001:2011 Energy Management System audit.
- Work has begun at the Pınar Süt İzmir factory on an automation system that will automatically monitor and report energy consumption.
- A central water heating system was installed and lines were laid to supply hot water to units that need it. Besides conserving energy, this system also increases workplace safety.
- Energy-related OCI suggestion weeks were scheduled both to solicit ideas and to create awareness of energy conservation issues.
- Thermal imaging was used to identify places where heat loss is occurring. Such losses were reduced by installing better insulation.

PRODUCTION LINE EFFICIENCY

In the 15th "Energy Efficiency in Industry Projects" competition conducted by the Ministry of Energy and Natural Resources, Pınar Süt won first prize in the Energy-Efficient Industrial Plant category (Food & Beverages Industry) for having reduced its energy density by 65.3% during the most recent three-year period (2011-2013) based on data reported to the ministry's General Directorate for Renewable Energy.

2014 OPERATIONS

efficiency

THE EFFICIENCY OF THE PRODUCTION LINES IN OPERATION AT ALL OF PINAR SÜT'S PRODUCTION CENTERS IS MEASURED ON A DAILY BASIS.

ENERGY-EFFICIENT INDUSTRIAL PLANTS

The efficiency of the production lines in operation at all of Pinar Süt's production centers is measured on a daily basis. These measurements are consolidated and permanently recorded at regular intervals and they are also subject to testing and analysis periodically. Immediate and long-term action plans are formulated in order to eliminate any factors that may cause production losses and also to improve existing efficiency values.

PACKAGING WASTE MANAGEMENT INITIATIVES TO REDUCE THE ENVIRONMENTAL IMPACT OF PRODUCTS

In order to determine the potentially adverse environmental impact of its product manufacturing and use processes and to minimize them wherever possible, Pinar Süt regards identifying and exploiting technological alternatives as a high-priority component of its environmental awareness.

An industrial waste management plan has been formulated to manage and control waste generated during production and to ensure regulatory compliance. This plan incorporates such information as the types and quantities of waste and where and how the waste is disposed of.

The results of in-house inspections conducted by environment officers are recorded so that the Company may continuously review and improve its environmental performance. Beginning in

2015, the results of these inspections are to be submitted to the Ministry of Environment and Urban Planning through an online system that the ministry has set up. It is also a requirement now that the reports of environment officers' monthly assessments be maintained systematically and reported to the ministry through the same system.

Organic waste and domestic waste resulting from processing is temporarily stored at the same facility in a holding area that fully complies with the requirements of laws and regulations. Such waste is subsequently disposed of at locations which have been designated by local authorities.

Similarly, waste that is generated in the course of production and use that cannot be recycled is sent to licensed firms for disposal while waste which can be recycled is sent to licensed recycling firms so that it may be put to economic use. All waste, including packaging waste, that is generated is reported annually to the Ministry of Environment and Urban Planning. As required by Regulation on General Principles Pertaining to Waste Management, the Company has obtained "Hazardous Waste Liability Insurance" coverage. Such insurance is required of those who engage in the activities of collecting, transporting, temporarily or intermediately storing, recovering, reusing, and/or disposing of hazardous waste in order to cover any losses that may be sustained by third parties or the environment on account of their conduct of such activities.

A NEW ROUTING-OPTIMIZATION MODEL THAT IS BASED ON THE TWIN PRINCIPLES OF ECONOMIES OF SCALE AND OF TRANSPORTING MORE GOODS FOR SHORTER DISTANCE HAS INCREASED THE EFFICIENCY OF THE COMPANY'S INTERCITY HIGHWAY TRANSPORT OPERATIONS.

recycling

PRODUCT PACKAGING IS DESIGNED AND EXECUTED WITH THE ISSUES OF REUSABILITY AND RECOVERABILITY IN MIND.



As required by Regulation on Major Industrial Accidents, Pınar Süt prepares and submits Seveso II Directive reports to the Ministry of Environment and Urban Planning, which uses them to assess the potential human and environmental impact of any hazardous chemicals maintained on company premises and to grade the Company accordingly.

Product packaging is designed and executed with the issues of reusability and recoverability in mind.

Pınar Süt is a member of and works with the Environmental Protection and Packaging Waste Recovery and Recycling Trust (ÇEVKO) in the fulfillment of the Company's contractual obligations set forth in a packaging waste management plan which has been submitted to the ministry for approval. ÇEVKO also engages in public education campaigns that are aimed at both individuals and municipalities.

All company employees are encouraged to play an active role in waste management through both on-the-job and classroom training activities that focus on increasing environmental awareness and on minimizing waste and preventing environmental pollution as part of Pınar Süt's ISO 14001 Environmental Management System certification requirements.

IMPROVEMENTS IN SHIPPING MANAGEMENT

Pınar Süt's efforts to develop and improve its sales and distribution capabilities at the national level continued without letup in 2014. Such efforts are informed by "green logistics" concepts and focus on both efficiency and customer satisfaction.

A new routing-optimization model that is based on the twin principles of economies of scale and of transporting more goods for shorter distance has increased the efficiency of the Company's intercity highway transport operations and contributed to the Company's greater environmental sustainability.

Yaşar Foods Group companies together booked about 40,000 separate shipments throughout the country in 2014. During these shipments, 90% of non-perishables and 56% of perishables were carried aboard optimized-route lorries.

A monthly Dealer Logistical Services Satisfaction Survey is conducted both to determine the degree to which dealers are satisfied with the Company's logistical services and to improve service quality. The 91% satisfaction level achieved in 2012 was improved by three percentage points in 2013 to 94%, and by further two points in 2014 to 96%.

The service quality and performance of firms to which the Company outsources its logistical services are also analyzed and reported on a monthly basis within the framework of the Lean Six Sigma program.

2014 OPERATIONS



SOCIAL RESPONSIBILITY

Pinar generates as much value for society as a whole through the direct and indirect employment opportunities that it creates, the investments that it undertakes, the goods and services that it purchases, and the taxes that it pays as it does through the products that it makes. In addition to all of this, the Company also regards its ongoing support for and contributions to art, education, sport, and culture as vital and indispensable in the fulfillment of its principle of sharing with the society.

Pinar Children's Theater in its 27th year

In the course of twenty-seven years, the Pinar Children's Theater has reached more than three million children, fostering among them a love of theater through performances, to which no admission is charged, with every play being carefully crafted to contribute towards its audiences' cultural and personal development.

As a training ground for many famous performers, the Pinar Children's Theater even functions as a sort of school of the performing arts.

Since 1987, the Pinar Children's Theater has been employing a professional team of performers, directors, designers, and backstage crews to mount dozens of programs that are specially designed to appeal to children. For the 2013-2014 academic year, the theater mounted a new play, "Sütle Gelen Sevgi" ["The Love That Comes With Milk"], whose professionally-created scenery, costumes, staging, and music provides a theatrical experience and a visual feast that its audiences will never forget. Last year the Pinar Children's Theater went on tour and mounted performances in Diyarbakır, Şanlıurfa,



Gaziantep, Konya, Karaman, Aksaray, Eskişehir and İzmir that were watched by thousands of kids.

According to a public-awareness poll conducted by GfK, the Pinar Children's Theater's public-awareness rating was 25.1% in 2014 (Source: GfK Flavored Dairy Products Tracking Survey).

Pinar Children's Art Competition

The Pinar Art Competition has been held for 33 years with the aims of increasing primary school children's interest in the fine arts in general and painting and drawing in particular, of giving children opportunities to express their creativity through pictures, and of educating the artists of the future. Every year the competition provides hundreds of thousands of children with an opportunity to express their dreams, their hopes, and their longings through art.

One of the goals of the Pinar Kids' Art Competition, which has been held with a different theme every year since 1981, is to give the artists of the future a chance to display their talents at an early age. The theme of the 2014 competition was "I Drink Milk & I Grow Up Healthy".

From among 19,538 entries submitted from every part of Turkey, the Turkish Republic of Northern Cyprus, and Germany, the works of twenty-three children were selected by a jury of educators and professional artists. The winners of the 33rd Pinar Children's Art Competition were rewarded with a chance to take part in a one-week art camp in İstanbul under the coordination of the well-known artist Ergin İnan. At an award ceremony that was held on the last day of the art camp, the children also received certificates of attendance and iPad Minis as prizes.

“THE FUTURE OF OUR MILK IS IN KNOWLEDGEABLE HANDS” IS A PROJECT WHOSE AIM IS TO ACHIEVE GREATER PUBLIC- AND PRIVATE-SECTOR COLLABORATION IN THE EDUCATION AND TRAINING OF RAW MILK PRODUCERS ON SUCH ISSUES AS ANIMAL HEALTH, NOURISHMENT, HYGIENE, AND SANITATION.

healthy

THE PINAR INSTITUTE WAS FOUNDED IN ORDER TO CONTRIBUTE TO THE DEVELOPMENT OF A HEALTHY SOCIETY.



According to a public-awareness poll conducted by GfK, the Pinar Children's Art Competition's public-awareness rating was 24.9% in 2014 (Source: GfK Flavored Dairy Products Tracking Survey).

Pınar Institute

Headquartered on the campus of Yaşar University, the Pınar Institute was founded in order to contribute to the development of a healthy society by engaging in research, supporting such research and education, publishing the results of such activities, and involving itself in similar endeavors.

The Pınar Institute's mission is to educate the public on issues related to food, health, and nourishment and to foster a quality-of-life awareness by supporting scientific projects, taking part in information networks, and taking part in educational activities.

“The Future Of Our Milk Is In Knowledgeable Hands”

“The Future Of Our Milk Is In Knowledgeable Hands” is a project whose aim is to achieve greater public- and private-sector collaboration in the education and training of raw milk producers on such issues as animal health, nourishment, hygiene, and sanitation. Participating in the project are the Muğla and Eskişehir provincial directorates of the Food, Agriculture and Livestock Ministry, the Milas Dairy Association, the Eskişehir Provincial Cattle Breeders' Association, the Eskişehir Regional Livestock Cooperatives' Association, the İnönü County Dairymen's Association, Pınar Süt, and Çamlı Yem Besicilik. Training overseen by Professor Ayhan Baştan of the Ankara University Faculty of Veterinary Science and by Professor Ahmet Alçiçek of the Ege University Faculty of Agriculture

was provided to 2,600 dairy farmers at 44 milk-collection centers in Milas and to 1,388 dairy farmers at 17 milk-collection centers in Eskişehir. Work is currently in progress to expand the scope of such training in 2015 by making it available in Şanlıurfa and other provinces as well.

“Consumer Perceptions Of Milk And Dairy Products: The Impact Of Media Misinformation” is a project being conducted jointly by Pınar Institute and the Yaşar University Faculty of Communication. The project, which is being carried out under the TÜBİTAK 3001 Initial R&D Projects Support Program, is looking into consumers' notions about milk and dairy products. The study's findings will be reported to sectoral academicians and representatives at a Milk & Dairy Products Workshop that will be conducted by Pınar Institute.

Pınar Institute representatives attended the 21st European Congress on Obesity held in Sofia on 28-31 May 2014 and also the İstanbul Health and Nutrition Biennial held in İstanbul on 12-14 November 2014. During the latter event, a “Food safety and what the industry does about it” presentation was given by the institute during the “What's on the food industry's agenda?” session.

Pınar Institute's first project as a new member of the European Food Information Council was to translate into Turkish and print 10 Tips for the Kids, a booklet prepared for EUFIC's CoolFoodPlanet website. The book will be used extensively in all of the institute's activities aimed at fostering healthy nutrition habits in children.

2014 OPERATIONS



sport

PINAR DEMONSTRATES ITS SUPPORT FOR SPORTS THROUGH ITS SPONSORSHIP OF THE PINAR KARŞIYAKA BASKETBALL TEAM.



School Milk Program

Pınar Süt supports the School Milk Program that is being conducted jointly by the Food, Agriculture and Livestock Ministry, the Ministry of Health, and the National Dairy Council. In 2014 Pınar Süt again was actively involved in a program which, in addition to being tremendously important both to public health and to the dairy industry, dovetails perfectly with the Company's sense of social responsibility and with the "raising healthier new generations" mission that it has been fulfilling since its inception.

Support for Sport

Pınar demonstrates its support for sports through its sponsorship of the Pınar Karşıyaka Basketball Team.

Pınar Karşıyaka

A team which has been contending in the Turkish Premier Basketball League since 1998, Pınar Karşıyaka devotes considerable time and energy to inculcating a love of sport among children by encouraging them to play basketball. Every year nearly a thousand youngsters are given free access to the facilities of the Çiğli Selçuk Yaşar Sports Center thanks to Pınar's support.

Pınar Karşıyaka;

- Pınar Karşıyaka beat Anadolu Efes in the Spor Toto Türkiye Cup final and took home the trophy for the first time in the club's history.
- In the 30th Men's President's Cup Tournament, the Pınar Karşıyaka's team defeated the Fenerbahçe Ülker team to claim the cup again for the second time since 1987.
- Having qualified to play in ULEB Eurocup's 2013-2014 season, Pınar Karşıyaka was one of the Last 32 contenders in Group I.



EVENTS

Pınar supported the Men's and Women's Turkish National Cup and the Turkish President's Cup matches organized by the Turkish Basketball Federation.

Pınar was the official beverages supplier at the FIBA Women's World Championship when it was held in Ankara and İstanbul last year and in which Turkey's A National Women's Basketball Team placed fourth. Held every four years and one of the most prestigious events in the international women's basketball calendar, the 2014 FIBA Women's World Championship games were played in Ankara and İstanbul from September 27th to October 5th. Pınar supplied beverages to all sixteen of the teams from five continents that took part in the tournament.

PUBLICATIONS

Yaşam Pınarım

Focusing especially on content that will be of particular use to parents and first appearing in 2004, Yaşam Pınarım is a magazine that seeks to establish and maintain bonds between the Company and its consumers and business partners as well as links with academic and governmental circles. The magazine is published quarterly and is distributed free of charge. In 2013 the magazine began being distributed to consumers as an e-bulletin sent out by email. As a result of this change in format, it is now reaching 115,000 people a month.

ONE OF ONLY THREE BRANDS WHOSE PRODUCTS FROM TURKEY HAVE RECEIVED APPROVAL FOR IMPORTATION INTO RUSSIA BY THAT COUNTRY'S AUTHORITIES, PINAR SENT REPRESENTATIVES TO TAKE PART IN WORLDFOOD MOSCOW ON 15-18 SEPTEMBER 2014.

Pinar Newspaper

Pinar Newspaper serves as an important source of information for meat and dairy farmers on issues related to animal health and nutrition, dairy technology, and the like. The newspaper is published quarterly for the 25,000 producers that supply Pinar Süt with milk, veterinarians, and the producers with which the Pinar Et procurements department works.

FAIRS & CONGRESSES

Since the day it was founded, Pinar has taken part in and supported numerous fairs and congresses dealing with matters of concern to the development of its sector such as quality, foods, R&D, and marketing. Coming into contact with many different marketing and consumer channels through the fairs that it takes part in at home and abroad, Pinar is a leading participant showing off more than 600 products at the most prestigious local, regional, and international trade fairs. Abiding by its sustainability principle of contributing to the development of its sector, Pinar seeks to make its products better known in international markets while also organizing and hosting distinguished events of its own that contribute to the foods industry in a variety of ways. By sponsoring activities related to cooking, gastronomy, and cuisine in Turkey, Pinar also creates opportunities to link up with sectoral leaders and scientists.

Held in Dubai between February 23rd and 27th, GULFOOD 2014 is the most prestigious and highly-attended food industry gathering in the Middle East. Pinar Süt was on hand to show off its products to an international audience of visitors and buyers.

Pinar Süt took part in the AFH EXPO fair and displayed its away-from-home products at İstanbul CNR one March 28-31.

One of only three brands whose products from Turkey have received approval for importation into Russia by that country's authorities, Pinar sent representatives to take part in WorldFood Moscow on 15-18 September 2014.

SPONSORSHIPS

Major events for which Pinar Süt acted as a sponsor in 2014:

- "Indoor Cup", organized by Fanatik, a sports newspaper (12 January)
- "7th Logistics Days", organized by Yaşar University (6-7 March)
- "1st Art Days Artists' Gathering", organized by Harran University (10-20 March)
- "Marketing Power Conference" (20 March)
- "3rd Media Days", organized by Ege University
- "Industry Summit", organized by Ege University (7 April)
- "3rd Innovative Brands Summit" (10 April)
- "3rd Children's Festival", organized by the Aegean Foundation for Progressive Education" (19 April)
- "30th Children's Festival", organized by İstanbul Municipal Theaters (26 April)
- "Career Adventures", organized by Dokuz Eylül University (30 April)
- "Career Days" organized by Ege University Faculty of Engineering (30 April)
- "SEV Bazaar Day", organized by the American Collegiate Institute (3 May)
- "Quality of Life Project Idea Competition", organized by KalDer (8-9 May)
- "International Food Congress", organized by Ege University (26-29 May)
- "Ayran Day", organized by Bornova Anadolu High School (1 June)
- "15. Quest for Excellence Symposium" (3-5 June)

- "RSX Surfing Championship" (28 June - 5 July)
- "Turkish National Men's and Women's Teams Warmup Matches" (22 August)
- "TEDxAlsancak" (30 August)
- "Pinar Official Beverages Supplier To FIBA Women's World Championship" (27 September - 5 October)
- "Dairy Industry Present Situation, Opportunities, and Potentials Panel", organized by the Aegean Young Businessmen's Association (22 September)
- "3rd Bursa International Food Congress", organized by Uludağ University (26-27 September)
- "World Food Day" organized jointly by the Turkish Food & Beverage Industry Employers' Association and the Food and Agriculture Organization of the United Nations (16 October)
- "11th Aegean Human Management Summit", organized by Per-Yön Ege (24-25 October)
- "2nd International Congress on Food Technology", organized by the Food Technology Association and supported by Ankara University (5-7 November)
- "3rd International İzmir Theatre Festival", organized by the Foundation for Social Research, Culture, and Art (5-15 December)
- "İzmir: A Brand City", symposium organized by Ege University (15-16 December)
- "2014-2015 Men's Turkish National Cup Official Beverage Sponsor"
- "2014-2015 Women's Turkish National Cup Official Beverage Sponsor"
- "2014-2015 Turkish President's Cup Official Beverage Sponsor"