2015 SECOND QUARTER

EARNINGS RELEASE

MACROECONOMIC EXPECTATIONS

2015 Expectations

	2015(E)
GDP Growth, (%)	2.5
Increase in CPI(%)	7.5-8.0
CA Deficit/GDP, (%)	5.7

- 2015 GDP growth expectation is 2.5%, the main contribution will originate from private consumption, expected to increase by 3.5% yoy. Investment growth will continue to be stagnant. Exports expected to remain weak mainly due to geopolitical issues.

- Consumer inflation projection for the year end remains at 7.5 - 8.0%, mainly due to continued depreciation of Turkish Lira. Year end estimation for the current account deficit is 41 billion US Dollars, or 5.7% of GDP, as uncertainities and weakness in exports will offset the depreciation of TL.

CONSOLIDATED RESULTS

Non-Operational and Non-Recurring Items

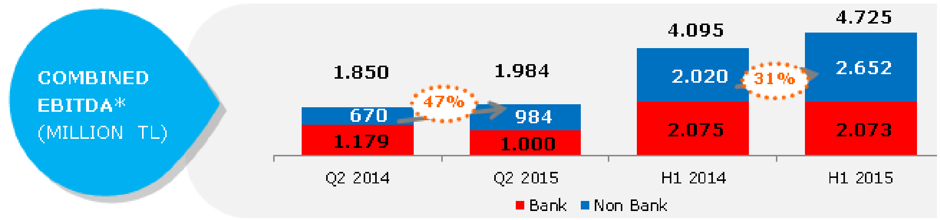
	Q2 2014	Q2 2015	H1 2014	H1 2015
NET INCOME EXCLUDING NON OPERATIONAL & NON RECURRING ITEMS	**535**	**453**	**932**	**981**
Gain on Share Sale of SASA	0	108	0	108
Carrefoursa gain on asset sale;SAP transition;litigation resolution	0	1	2	57
Enerjisa gain on asset sale	0	0	0	52
Yünsa gain on asset sale	10	0	10	0
Temsa gain on asset sale;litigation resolution and share sale Temsa Cons. Eqp	9	0	14	5
Other	4	7	20	14
NET INCOME	559	570	979	1.218
NET INCOME EXCLUDING NON OPERATIONAL & NON RECURRING ITEMS - Adjusted for Comparison*	**496**	**488**	**885**	**1.009**

**Consolidated Net Income Adjusted for Comparison - Excluding the effect of SASA transaction and Enerjisa Tufanbeyli tax incentive. Tax Incentive regarding Tufanbeyli Lignite Plant is recalculated based on the changes in economic assumptions; the incentive itself is not treated as one off item in the financials; excluded only for comparison purposes.*

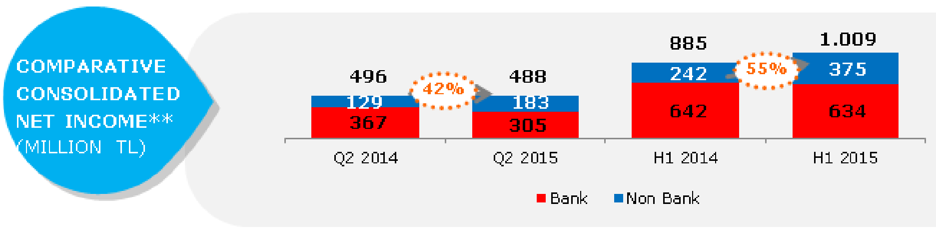
- Sabancı Holding completed SASA divestment in 2Q 2015. The gain on the divestment, amounting to 108 MTL, is treated as a one-off item in Q2 2015 and H1 2015 financials. Net income of SASA in 2014, is booked as discontinued operations in the financial statements; however to give a comparable view of net income; this impact was excluded from 2014 net income as well and shown separately.

- Other than the gain on SASA sale, there is no major one off item in Q2 2015.

Results Snapshot



- Strong operating performance of Energy, both in generation and distribution
- Strong growth delivered in all non-bank segments excluding retail



Key drivers of bottom line

- Despite more challenging financing environment, non-bank bottom line surged due to effective FX risk management

* *Total before consolidation (combined).*
***Consolidated Net Income Adjusted for Comparison - Excluding the effect of SASA transaction and Enerjisa Tufanbeyli tax incentive. Tax Incentive regarding Tufanbeyli Lignite Plant is recalculated based on the changes in economic assumptions; the incentive itself is not treated as one off item in the financials; excluded only for comparison purposes.*

Net Sales

	TOTAL BEFORE CONSOLIDATION ADJUSTMENTS (COMBINED)					
MILLION TL	Q2 2014	Q2 2015	% Change	H1 2014	H1 2015	% Change
TOTAL	11.081	11.407	3%	21.975	23.229	6%
BANK	4.530	4.640	2%	8.362	8.898	6%
NON-BANK	6.551	6.767	3%	13.613	14.331	5%
ENERGY	2.615	2.641	1%	5.251	5.680	8%
CEMENT	697	740	6%	1.247	1.274	2%
RETAIL	1.476	1.584	7%	2.855	3.029	6%
INSURANCE	550	499	-9%	1.083	1.013	-7%
INDUSTRIALS	1.184	1.279	8%	2.483	2.436	-2%
*INDUSTRIALS-Adjusted for comparison**	*1.141*	*1.279*	*12%*	*2.343*	*2.436*	*4%*
OTHER	29	22	-23%	693	899	30%

* * *Line by line consolidation of Temsa Construction Equipment excluding the effects of transactions for both companies*

- Top line was sustained in Q2 2015, despite non-supportive economic conditions.

- Top line growth was relatively strong in Industrials segment due to strong automotive sales in Temsa. In addition, Kordsa topline was affected positively due to FX denominated sales and Brisa topline was affected positively by volume growth.

- Although the electricity prices were much lower, topline of Energy segment surpassed the prior year.

- Despite lower commodity prices, which are reflected to sales price; this was a decent quarter for Energy, Industrials and Cement.

EBITDA (EXCLUDING NON OPERATIONAL ITEMS)

MILLION TL	Q2 2014	Q2 2015	% Change	H1 2014	H1 2015	% Change
TOTAL	1.850	1.984	7%	4.095	4.725	15%
BANK	1.179	1.000	-15%	2.075	2.073	0%
NON-BANK	**670**	**984**	**47%**	**2.020**	**2.652**	**31%**
ENERGY	218	449	107%	458	901	97%
CEMENT	210	251	20%	352	390	11%
RETAIL	42	24	-44%	80	58	-28%
INSURANCE	17	32	86%	73	58	-21%
INDUSTRIALS	190	248	30%	444	440	-1%
*INDUSTRIALS-Adjusted for comparison**	*188*	*248*	*32%*	*436*	*440*	*1%*
OTHER	-6	-19	N.M	613	805	31%

** Line by line consolidation of Temsa Construction Equipment excluding the effects of transactions for both companies*

- Second quarter non-bank results were remarkably strong with an increase of 47%.

- The main contributor to non-bank EBITDA is Enerjisa with a year over year increase of 107%, positively affected by normalized hydrology, successful optimization operations and high collections in retail, growing asset base in distribution and improved theft and loss results.

- Cement profitability increased by 20% on top of a very strong year.

- Insurance EBITDA has also increased 86% year over year in Q2 2015 as a result of better than expected claims management and strong pension business.

- Industrials segment was positively affected by EM currency-based costs and effective price management in Kordsa.

NON-BANK RESULTS- Q2 2015

MILLION TL	Q2 2014	Q2 2015	% Change	H1 2014	H1 2015	% Change
CONSOLIDATED NET INCOME*	168	148	-12%	290	347	20%
ENERGY	24	-23	N.M	-12	69	N.M
CEMENT	*58*	75	30%	*96*	*116*	21%
RETAIL	-6	-18	N.M	-9	-23	N.M
INSURANCE	10	16	62%	34	28	-16%
INDUSTRIALS	91	93	2%	210	171	-19%
*INDUSTRIALS -Adjusted for comparison***	*84*	*93*	*11%*	*195*	*171*	*-12%*
OTHER	-8	5	N.M	-29	-14	N.M

** Consolidated Net Income Adjusted for Comparison - Excluding the effect of SASA transaction and Enerjisa Tufanbeyli tax incentive*

CONSOLIDATED NET INCOME- Adjusted for comparison**	129	183	42%	242	375	55%

** Excluding non operational items.*
***Consolidated Net Income Adjusted for Comparison - Excluding the effect of SASA transaction and Enerjisa Tufanbeyli tax incentive. Tax Incentive regarding Tufanbeyli Lignite Plant is recalculated based on the changes in economic assumptions; the incentive itself is not treated as one off item in the financials; excluded only for comparison purposes.*

- In Energy business, 2Q 2015 net loss was 23 MTL mainly due to financing costs and FX loss.
- Cement net profitability increased by 30% on the back of strong cement prices and stable volumes.
- Retail businesses were negatively affected by the softening consumer sentiment.
- Insurance profitability improved due to stabilization in non-life insurance business as claims normalized.
- Industrials segment’s net profitability increased by 11% year over year excluding the effects of SASA and Temsa construction equipment transactions mainly due to operational efficiencies and the positive impact of the depreciation of emerging market currencies.

SEGMENT HIGHLIGHTS

The figures on the left side of the tables represent the combined results of the companies whereas the ones on the right side represent the segments' contribution to the consolidated financial statements.

Energy

	TOTAL BEFORE CONSOLIDATION ADJUSTMENTS (COMBINED)			CONTRIBUTION TO CONSOLIDATED FINANCIALS		
MILLION TL	Q2 2014	Q2 2015	% Change	Q2 2014	Q2 2015	% Change
SALES	2.615	2.641	1%	-	-	N.M
EBITDA*	218	449	107%	24	-23	N.M
NET INCOME*	*48*	*-47*	*N.M*	*24*	*-23*	*N.M*
NET INCOME* - Adjusted for comparison	-15	23	N.M	-8	12	N.M
EBITDA MARGIN	8,3%	17,0%				
MILLION TL	H1 2014	H1 2015	% Change	H1 2014	H1 2015	% Change
SALES	5.251	5.680	8%	-	-	N.M
EBITDA*	458	901	97%	-12	69	N.M
NET INCOME*	*-24*	*138*	*N.M*	*-12*	*69*	*N.M*
NET INCOME* - Adjusted for comparison	-88	194	N.M	-44	97	N.M
EBITDA MARGIN	8,7%	15,9%				

** Excludes non operational one off items. Also, Tax Incentive regarding Tufanbeyli Lignite Plant is recalculated based on the changes in economic assumptions; the incentive itself is not treated as one off item in the financials; excluded only for comparison purposes*

- In Energy, despite electricity prices decreased by 28%, top line was flat. EBITDA is more than doubled in Q2 2015 compared to the same period of last year driven by generation and distribution business.

- Although Retail business had a very successful quarter its profitability declined due to the allocation of renewable energy support costs to market participants. Generation business continued to enjoy the benefits of effective optimization.

- Profitability of distribution business soared with the normalization of Toroslar allowed T&L rate and growth in asset base. Details on financing and tax costs:

    - TL depreciated by 12 krş in Q2 2015 compared to the 15 krş appreciation, versus EURO in Q2 2014. (Even though forward contracts had a significant positive impact on decreasing the short FX position of Enerjisa)

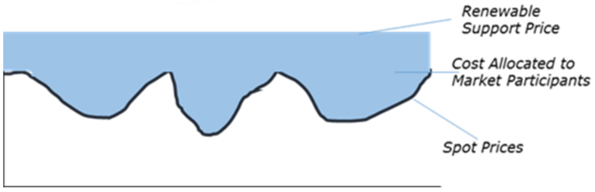
    - PPI rose significantly in Q2 2015, affecting financial expenses negatively.

    - A 70 MTL reversal of Tufanbeyli tax incentive has been booked in Q2 2015. This effect was positive 10 MTL in Q2 2014. Note that Tufanbeyli tax incentive is recalculated in line with the value of the incentive in the following seven years.

Energy – Renewable Energy Support Mechanism

Renewable Energy Support Mechanism in Turkish Electricity Pricing Market : **YEKDEM**

Feed in tariffs for plants using the renewable resources:



Type	(US¢/kWh)
Hydro	7.3
Wind	7.3
Geothermal	10.5
Bio fuel (inc. Solid waste)	13.3
Solar	13.3

- There is an incentive scheme for renewable power plants with a feed in tarriff for a period of ten years following initiation of commercial operation. The difference between feed-in-tariff and spot price is allocated to the electricity market participants as a cost.
- The cost allocated to Enerjisa Retail Company for the H1 2015 was approximately 61 MTL. Retail Company will reflect this item to the free market customers but not the already established contracts. The costs associated with renewable surcharge will remain as a cost item to the current conracts for the remainder of the year and Q1 of 2016. However, the cost is expected decelerate as spot electricty prices are expected to increase in the second half.
- Renewable surcharge became an important cost item as,

  - USD appreciated substantially
  - Spot prices are much lower than anticipated before

- Generation Company is currently utilizing the Feed in Tariff through its wind plants, Dağdelen and Çambaşı hydro plants with an installed capacity of 265 MW. Generation Company's renewable assets eligible for renewable tariff (YEKDEM) is expected to be 1,501 MW.
- A sizeable positive contribution from renewable feed in tariffs (YEKDEM), is expected in 2016.

Energy – Generation Business

MILLION TL	Q2 2014	Q2 2015	% Change
SALES	776	771	-1%
EBITDA	94	293	211%
EBITDA MARGIN	12,1%	38,0%	

MILLION TL	H1 2014	H1 2015	% Change
SALES	1.447	1.462	1%
EBITDA*	221	485	119%
EBITDA MARGIN	15,3%	33,2%	

- Generated electricity by the Generation Company decreased in Q2 2015 as compared to Q2 2014. High sourcing from spot market due to low spot prices resulted in lower generation. Another driver of the decrease was the closure of old natural gas power plants.
- As our trading operations locked in favorable prices through OTC contracts in anticipation of the drop in electricity prices, a sizeable gain was booked.
- As precipitation levels normalized in 2015. Enerjisa renewable power plants' contribution to EBITDA increase by 71 MTL as compared to last year.
- a natural gas price hike is not expected in the market for the rest of the year.

Energy – Distribution Business

MILLION TL	Q2 2014	Q2 2015	% Change
SALES	466	567	22%
EBITDA*	69	136	98%
EBITDA MARGIN	14,7%	24,0%	

MILLION TL	H1 2014	H1 2015	% Change
SALES	963	1.134	18%
EBITDA*	145	251	73%
EBITDA MARGIN	15,0%	22,1%	

- In the distribution business, top line growth was mainly due to higher inflation indexation and higher CAPEX returns.
- EMRA approved Enerjisa's application regarding the increase of the allowed theft & loss rate in Toroslar region. The allowed theft & loss rate of Toroslar region increased by 1% for 2014 & 2015. The 36 MTL positive effect for the prior years is treated as a one-off item in the figures presented. The total effect of theft & loss in the second quarter including the allowed T&L adjustment for 2015 is 32 MTL.
- Regulatory Asset Base (in accordance with IFRS) increased from 1.581 MTL to 1.945 MTL in the first six months. As a result, Distribution Company income on Regulatory Asset Base increased by 16 MTL in second quarter compared to the same period of last year. The difference between this year and last year is limited with lower inflation (CPI) in the second quarter.
- Enerjisa will be investing into the grid of its regions more than 1 bn TL this year.
- Enerjisa distribution business asset base will continue to grow as investments in RAB are completed, positively affecting the bottom line through higher returns on the asset base.

Energy – Retail Business

MILLION TL	Q2 2014	Q2 2015	% Change
SALES	2.204	2.456	11%
EBITDA	55	43	-22%
EBITDA MARGIN	2,5%	1,7%	

MILLION TL	H1 2014	H1 2015	% Change
SALES	4.539	5.329	17%
EBITDA	94	167	78%
EBITDA MARGIN	2,1%	3,1%	

- Total retail sales of electricity was 9.4 TWh with an increase of 7% in the second quarter of 2015. Regulated sales were roughly 10% lower mainly due to the switch of some large customers from the free market to the regulated market, especially in Toroslar region.
- Free market sales increased by 45% due to growing customer base. The strategy of the retail company is to increase the free market volume, especially in the more profitable small and mid-segments.
- Volume growth is the main driver of top line growth in the second quarter of 2015.
- Although the company had a strong operational profitability in the quarter, EBITDA dropped by 22% due to 60 MTL additional renewable surcharge.
- This gap is expected to decelerate in the second half of the year. Some of the negative renewable surcharge effect was netted by lower spot electricity purchases.
- Lower doubtful provision expenses due to better collection performance and SAP migration contributed to the EBITDA by 29 MTL.

Enerjisa Leverage

Million	Original Currency TL	Original Currency EUR	Total TL Equivalent
Generation	674	2.025	6.413
Distribution	5.849	86	6.406
Total	6.523	2.111	12.819

Million	Original Currency TL	Original Currency EUR	Total TL Equivalent
Fixed	3.607	950	6.440
Floating	774	1.161	4.237
PPI Indexed	2.142	-	2.142
Total	6.523	2.111	12.819

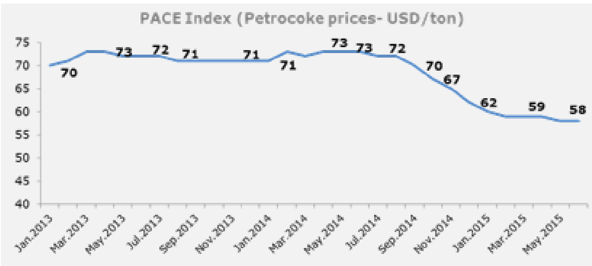
Cash	1.108
Net Debt	11.711

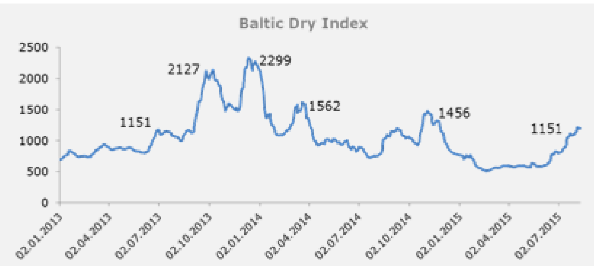
* *Enerjisa loans' principals only*

Cement

MILLION TL	TOTAL BEFORE CONSOLIDATION ADJUSTMENTS (COMBINED) Q2 2014	Q2 2015	% Change	CONTRIBUTION TO CONSOLIDATED FINANCIALS Q2 2014	Q2 2015	% Change
SALES	697	740	6%	310	329	6%
EBITDA	210	251	20%	123	154	25%
NET INCOME	129	171	32%	58	75	30%
EBITDA MARGIN	30,1%	33,9%				

MILLION TL	H1 2014	H1 2015	% Change	H1 2014	H1 2015	% Change
SALES	1.247	1.274	2%	535	564	5%
EBITDA	352	390	11%	202	235	17%
NET INCOME	215	253	18%	96	116	21%
EBITDA MARGIN	28,2%	30,6%				





- Revenues of Sabanci Cement companies increased by 6% year over year in Q2 2015, cement prices continued to support revenues. Total cement sales quantity remained flat year over year in Q2 2015.

- Declining trend of petrocoke prices in USD terms continued to support operational profitability. EBITDA margin improved by 3.8 percentage points. Net income of cement companies increased significantly by 32% year over year in Q2 2015.

- As Baltic Dry Index dropped significantly, all-in raw material costs decreased. It also has a positive effect on exports of cement companies.

- Cement segment continued to boost Sabancı Holding's bottom line.

Industrials

MILLION TL	TOTAL BEFORE CONSOLIDATION ADJUSTMENTS (COMBINED)			CONTRIBUTION TO CONSOLIDATED FINANCIALS		
	Q2 2014	Q2 2015	% Change	Q2 2014	Q2 2015	% Change
SALES	1.184	1.279	8%	785	845	8%
EBITDA	190	248	30%	133	185	39%
NET INCOME*	133	143	7%	91	93	2%
NET INCOME* - Adjusted for comparison	*119*	*143*	20%	*84*	*93*	11%
EBITDA MARGIN	16,0%	19,3%				

MILLION TL	H1 2014	H1 2015	% Change	H1 2014	H1 2015	% Change
SALES	2.483	2.436	-2%	1.696	1.613	-5%
EBITDA*	444	440	-1%	321	332	3%
NET INCOME*	312	255	-18%	210	171	-19%
NET INCOME* - Adjusted for comparison	*282*	*255*	-10%	*195*	*171*	-12%

**Excludes non-operational items*

- Last quarter was a transitionary period for industrial companies due to decreasing raw material prices.

- Q2 2015 was very strong as low cost raw materials were used in production, bringing down cost of sales.

- Sustained growth in Europe and the US positively affected the exports.

Kordsa Global

MILLION TL	STANDALONE FINANCIALS			CONTRIBUTION TO CONSOLIDATED FINANCIALS		
	Q2 2014	Q2 2015	% Change	Q2 2014	Q2 2015	% Change
SALES	429	458	7%	429	458	7%
EBITDA	45	61	35%	45	61	35%
NET INCOME*	19	30	57%	13	20	55%
EBITDA MARGIN	10,6%	13,3%				

MILLION TL	H1 2014	H1 2015	% Change	H1 2014	H1 2015	% Change
SALES	868	869	0%	868	869	0%
EBITDA	106	109	3%	106	109	3%
NET INCOME*	55	44	-21%	41	27	-34%
EBITDA MARGIN	12,2%	12,6%				

- Revenues of Kordsa increased by 7% year over year in Q2 2015 supported with the positive effect of FX rates.

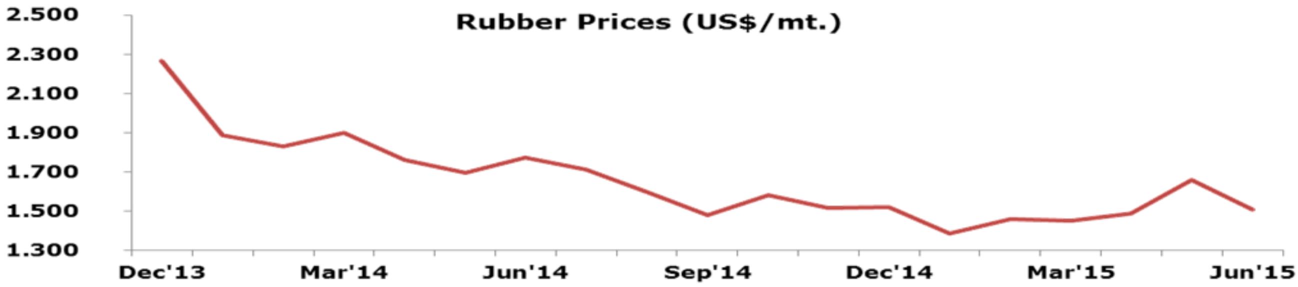
- Depreciation in Indonesian Rupiah and Brazilian Real resulted in lower costs, contributed to higher EBITDA in the quarter.

- Cost improvement projects also contributed EBITDA, EBITDA margin improved by 2.5 percentage points in Q2 2015.

Brisa

MILLION TL	TOTAL BEFORE CONSOLIDATION ADJUSTMENTS (COMBINED) Q2 2014	Q2 2015	% Change	CONTRIBUTION TO CONSOLIDATED FINANCIALS Q2 2014	Q2 2015	% Change
SALES	399	434	9%	-	-	N.M
EBITDA	71	78	10%	14	15	11%
NET INCOME	31	34	11%	14	15	11%
EBITDA MARGIN	17,7%	18,0%				

MILLION TL	H1 2014	H1 2015	% Change	H1 2014	H1 2015	% Change
SALES	787	823	5%	-	-	N.M
EBITDA	159	136	-15%	35	27	-23%
NET INCOME	81	62	-23%	35	27	-23%
EBITDA MARGIN	20,3%	16,5%				



- Revenues of Brisa increased by 9% year over year in Q2 2015, supported by favorable pricing conditions.
- Net income decline in Q1 was partially offset with Q2 results and the company is maintaining its year end guidance.
- In Q1, European competitors used the appreciation of TL against Euro as an opportunity to temporarily gain market share. With the depreciation of the TL in Q2, the stituation normalized. Rubber prices continued to be supportive.

Retail

MILLION TL	TOTAL BEFORE CONSOLIDATION ADJUSTMENTS (COMBINED) Q2 2014	Q2 2015	% Change	CONTRIBUTION TO CONSOLIDATED FINANCIALS Q2 2014	Q2 2015	% Change
SALES	1.476	1.584	7%	1.474	1.583	7%
EBITDA*	42	24	-44%	42	24	-44%
NET INCOME*	-11	-33	N.M	-6	-18	N.M
EBITDA MARGIN	2,9%	1,5%				

MILLION TL	H1 2014	H1 2015	% Change	H1 2014	H1 2015	% Change
SALES	2.855	3.029	6%	2.851	3.026	6%
EBITDA*	80	58	-28%	80	58	-28%
NET INCOME*	-14	-41	N.M	-9	-23	N.M
EBITDA MARGIN	2,8%	1,9%				

* Excludes non operational items

- In retail segment results, the revenues increased by 7% y-o-y in Q2 2015, driven by top line growth in Carrefoursa (Carrefoursa topline growth 12% yoy, Teknosa topline growth 2% yoy)

- EBITDA of retail segment declined 44% year over year in Q2 2015 on the back of increasing operating expenses due to recently acquired and opened stores and lower topline growth.

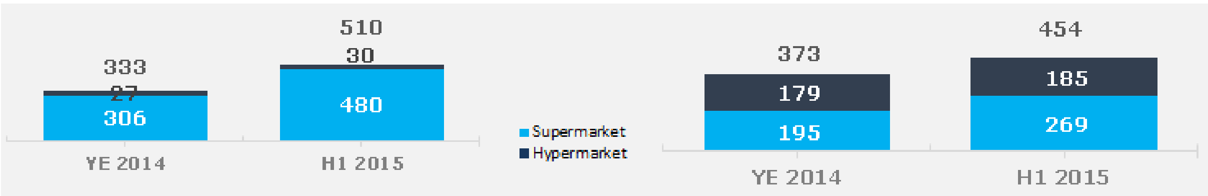
Carrefoursa

MILLION TL	TOTAL BEFORE CONSOLIDATION ADJUSTMENTS (COMBINED)			CONTRIBUTION TO CONSOLIDATED FINANCIALS		
	Q2 2014	Q2 2015	% Change	Q2 2014	Q2 2015	% Change
SALES	768	861	12%	768	861	12%
EBITDA*	32	13	-60%	32	13	-60%
NET INCOME*	0	-22	N.M	0	-11	N.M
EBITDA MARGIN	4,2%	1,5%				

MILLION TL	H1 2014	H1 2015	% Change	H1 2014	H1 2015	% Change
SALES	1.466	1.640	12%	1.466	1.640	12%
EBITDA*	57	39	-31%	57	39	-31%
NET INCOME*	0	-18	N.M	0	-9	N.M
EBITDA MARGIN	3,9%	2,4%				

Number of Carrefoursa Stores

Net Sales Area (k sqm)



- Carrefoursa's sales increased by 12% year over year mainly through expansion effect.
- Basket size was negatively affected from lower sales in technology, cosmetics, and hygiene products.
- New store openings carries a temporary burden on Carrefoursa's profitability. As those stores mature, full potential will be reflected.
- Stronger consumer sentiment and increased traffic in new stores will affect bottom line positively, going forward.

Insurance

MILLION TL	TOTAL BEFORE CONSOLIDATION ADJUSTMENTS (COMBINED)			CONTRIBUTION TO CONSOLIDATED FINANCIALS		
	Q2 2014	Q2 2015	% Change	Q2 2014	Q2 2015	% Change
SALES	550	499	-9%	0	0	N.M
EBITDA	17	32	86%	10	16	62%
NET INCOME	18	42	128%	10	16	62%
EBITDA MARGIN	3,1%	6,4%				

MILLION TL	H1 2014	H1 2015	% Change	H1 2014	H1 2015	% Change
SALES	1.083	1.013	-7%	0	0	N.M
EBITDA*	73	58	-21%	34	28	-16%
NET INCOME*	76	70	-7%	34	28	-16%
EBITDA MARGIN	6,8%	5,7%				

**Excludes non operational items*

- Profitability of Aksigorta was hampered in Q1 mainly due to continued higher claims in the motor segment.
- Based on current assessment, increasing the reserve further for MTPL was not seen necessary for Q2 2015.
- Strong growth in the pension segment is maintained in the pension & life insurance business.

Avivasa

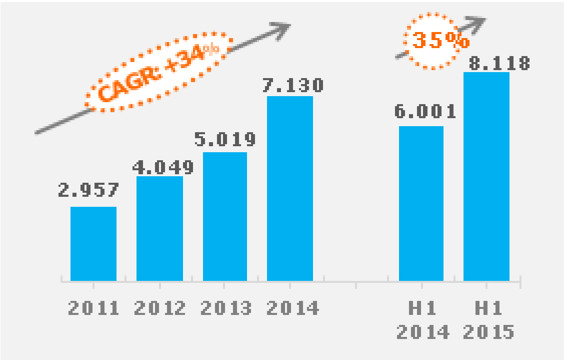
	TOTAL BEFORE CONSOLIDATION ADJUSTMENTS (COMBINED)			CONTRIBUTION TO CONSOLIDATED FINANCIALS		
MILLION TL	Q2 2014	Q2 2015	% Change	Q2 2014	Q2 2015	% Change
SALES	75	70	-6%	-	-	N.M
EBITDA	24	21	-10%	13	11	-12%
NET INCOME	26	27	6%	13	11	-12%
EBITDA MARGIN	31,7%	30,4%				

MILLION TL	H1 2014	H1 2015	% Change	H1 2014	H1 2015	% Change
SALES	132	128	-3%	-	-	N.M
EBITDA*	35	46	34%	23	23	-1%
NET INCOME*	47	56	20%	23	23	-1%
EBITDA MARGIN	26,1%	36,1%				

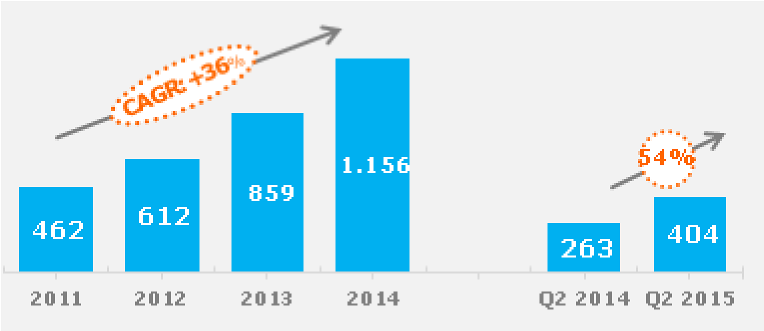
**Excludes non-operational items*

- Assets under management of Avivasa has reached 8.1 billion TL and Avivasa became the market leader in terms of assets under management.
- Top line of the company slightly contracted by 6% year over year in Q2 2015 due to decline in credit-linked life insurance sales.
- EBITDA decreased by 10% year over year in Q2 2015 due to re-establishment of life reserves and a decline in life insurance sales which is the main contributor to short term profitability.
- Lower technical profit was compensated with higher financial income.
- Market Consistent Embedded Value of Avivasa increased by 17% year over year mainly as a result of increase in VNB. VBN increased by 14% year over year in H1 2015, driven by 52% increase in pension part.

Assets Under Management (MTL)



Net Contributions (MTL)



- Assets under management of Avivasa have increased by 35% year over year in the first half of 2015, and the company has become the market leader in AUM in the sector. Corporate fund transfers and single premiums fuelled the AUM growth.

- Net contributions increased significantly by 54% year over year, reaching 404 MTL in Q2 2015. All figures clearly demonstrate that the pace of growth in the pension business is very high.

Aksigorta

	TOTAL BEFORE CONSOLIDATION ADJUSTMENTS (COMBINED)			CONTRIBUTION TO CONSOLIDATED FINANCIALS		
MILLION TL	Q2 2014	Q2 2015	% Change	Q2 2014	Q2 2015	% Change
SALES	475	429	-10%	-	-	N.M
EBITDA	-7	11	N.M	- 3	5	N.M
NET INCOME	-7	14	N.M	- 3	5	N.M
EBITDA MARGIN	-1,4%	2,5%				

MILLION TL	H1 2014	H1 2015	% Change	H1 2014	H1 2015	% Change
SALES	951	885	-7%	-	-	N.M
EBITDA	39	12	-69%	10	5	-51%
NET INCOME	29	14	-51%	10	5	-51%
EBITDA MARGIN	4,1%	1,3%				

- Claim ratio of Aksigorta motor segment increased considerably due to bodily injury claims and claims by the families of faulty drivers. In Q2, claims normalized, boosting the bottom line of the company. Claims and profitability to normalize for the remainder of the year.

Leverage and Consolidated FX Position

CONSOLIDATED NET FX POSITION (excl. Bank) M€	MILLION EURO	
	DEC 31, 2014	JUN 30, 2015
ENERGY*	-346	-234
INDUSTRIALS	8	4
CEMENT	2	10
RETAIL	0	6
HOLDING, INSURANCE & OTHER	22	136
TOTAL CONSOLIDATED FX POSITION AFFECTING PL	-314	-78

*Capitalized borrowings of Energy segment amounting to 533 MEUR and the other FX assets/liabilities that do not create FX gain/loss are excluded (Capitalized borrowings Dec 31, 2014: 471 MEUR).

Holding Only Cash Position is **806 MTL**

- Sabancı Holding decreased its short FX position significantly in 2015 with EUR hedges.
- Net Cash position of Sabancı Holding is 806 MTL, in which 470 MTL is in Turkish Lira.
- The total forward contracts of Enerjisa is over 700 M EUR. FX position of Sabancı Holding is proactively managed to minimize exposure.

2015 Guidance

MILLION TL		2015 Previous Growth Guidance	2015 Current Growth Guidance
SABANCI HOLDING COMBINED NON-BANK	SALES	5 - 10%	5 - 10%
	EBITDA	15 - 25%	20 - 30%
INDUSTRIALS	SALES	5 - 15%	5 - 15%
	EBITDA	5 - 15%	5 - 15%
ENERGY	SALES	0 - 5%	5 - 10%
	EBITDA	20 - 30%	40 - 60%

APPENDIX-CONSOLIDATED FINANCIALS

Balance Sheet (000 TL)

	30.06.2015	30.06.2014
ASSETS		
Current Assets	**118.255.388**	**110.109.883**
Cash and Cash Equivalents	14.075.944	7.518.753
Financial Assets	872.506	8.001.147
- Held for Trading	38.790	54.964
- Available for sale	833.437	6.998.422
- Held to Maturity	279	899.608
- Time Deposits	-	48.153
Trade Receivables	1.227.433	1.012.556
Receivables from Finance Sector Operations	73.960.724	69.221.643
Reserve Deposits with the Central Bank of Turkey	21.909.844	18.917.875
Other Receivables	782.067	587.474
Derivative Financial Instruments	2.351.532	1.420.780
Inventories	1.804.816	1.839.607
Prepaid Expenses	372.518	289.483
Current Tax Assets	3.583	
Other Current Assets	894.421	619.289
	118.225.388	**109.428.607**
Assets Held for Sale	-	681.276
Non – current Assets	**131.332.678**	**120.416.672**
Financial Assets	45.601.909	40.510.363
- Available for Sale	35.479.149	30.609.785
- Held to Maturity	10.122.760	9.900.578
Trade Receivables	93.474	71.095
Receivables from Finance Sector Operations	73.370.174	68.329.878
Other Receivables	261.406	63.033
Derivative Financial Instruments	616.127	286.110
Investments Accounted Through Equity Method	5.479.335	5.486.817
Investment Property	292.934	325.782
Property, Plant and Equipment	4.016.678	3.898.572
Intangible Assets	967.063	915.234
-Goodwill	468.879	478.935
- Other Intangible Assets	498.184	436.299
Prepaid Expenses	53.525	27.556
Deferred Income Tax Assets	521.416	477.413
Other Non-current Assets	58.638	24.819
Total Assets	**249.588.066**	**230.526.555**

	30.06.2015	30.06.2014
LIABILITIES		
Short Term Liabilities	**178.491.775**	**169.096.825**
Financial Liabilities	17.816.609	20.358.969
Current Portion of Long-term Financial Liabilities	6.680.503	1.753.546
Trade Payables	1.774.384	1.809.196
Payables from Finance Sector Operations	143.967.853	137.847.256
Employee Benefit Obligations	77.125	40.214
Other Payables	3.773.628	3.399.419
Derivative Financial Instruments	1.808.021	1.209.531
Deferred Income	64.079	124.141
Income Taxes Payable	279.450	353.590
Short Term Provisions	486.645	526.633
- Provision for Employee Benefits	166.191	203.009
- Other Short Term Provisions	320.454	323.624
Other Short Term Liabilities	1.763.477	1.324.776
Assets for Sale	-	349.554
Long Term Liabilities	**32.956.595**	**24.571.850**
Financial Liabilities	15.763.700	11.605.585
Trade Payables	547	503
Payables from Finance Sector Operations	16.093.318	12.173.053
Other Long Term Liabilities	454.040	235.127
Derivative Financial Instruments	127.740	105.952
Deferred Income	190.121	149.244
Long Term Provisions	194.690	184.894
- Provisions for Long Term Employee Termination Benefits	189.907	180.004
- Other Long Term Provisions	4.783	4.890
Deferred Tax Liability	129.869	114.976
Other Long Term Liabilities	2.570	2.516
EQUITY	**38.139.696**	**36.857.880**
Equity attributable to the parent	**20.072.822**	**19.177.680**
Share Capital	2.040.404	2.040.404
Adjustments to Share Capital	3.426.761	3.426.761
Share Premium	21.670	21.670
Accumulated Other Comprehensive Income or Loss		
To be Not Reclassified to Profit or Loss	-13.021	-10.526
-Actuarial Gains/ Losses	-13.021	-10.526
Other Accumulated Comprehensive Income / (Expense)		
Classified As Gain /(Loss)	-230.279	-100.945
- Currency Translation Adjustments	241.614	183.938
- Hedge Reserve	-163.606	-188.975
- Revaluation Funds	-308.287	-95.908
Restricted Reserves	894.809	855.707
Retained Earnings	12.714.212	10.865.495
Net Income for the Period	1.218.266	2.079.114
Non-controlling Interests	**18.066.874**	**17.680.200**
Total Equity and Liabilities	**249.588.066**	**230.526.555**

Income Statement (000 TL)

	30.06.2015	30.06.2014
CONTINUING OPERATIONS		
Sales (net)	5.256.890	5.125.528
Cost of Sales (-)	-4.091.227	-4.081.867
GROSS PROFIT FROM BUSINESS OPERATIONS	**1.165.663**	**1.043.661**
Interest, Premium, Commission and Other Income	8.885.007	8.343.727
Interest, Premium, Commission and Other Expense (-)	-4.764.640	-4.639.082
GROSS PROFIT FROM FINANCIAL OPERATIONS	**4.120.367**	**3.704.645**
GROSS PROFIT	**5.286.030**	**4.748.306**
General and Administrative Expenses (-)	-2.502.677	-2.142.605
Marketing, Selling and Distribution Expenses (-)	-679.471	-591.974
Research and Development Expenses (-)	-1.398	-2.544
Other Operating Income	371.739	440.542
Other Operating Expenses (-)	-200.879	-210.755
Shares of Income of Investments Accounted Through Equity Method	327.852	212.286
OPERATING INCOME	**2.601.196**	**2.453.256**
Income from Investments	163.825	85.650
Expenses from Investments (-)	-1.184	-1.504
NET INCOME BEFORE FINANCIALS EXPENSES	**2.763.837**	**2.537.402**
Financial Income	20.996	35.781
Financial Expenses (-)	-122.074	-88.083
NET INCOME BEFORE TAX FROM CONTINUING OPERATIONS	**2.662.759**	**2.485.100**
Tax Income/(Expense) from continuing operations		
Current Income Tax Expense	-468.825	-691.261
Deferred Income Tax Benefit	266	220.357
NET INCOME FROM CONTINUING OPERATIONS	2.194.200	2.014.196
DISCONTINUED OPERATION		
Net income/(loss) after tax from discounted operations	108.409	30.272
NET INCOME FOR THE PERIOD	**2.302.609**	**2.044.468**
ATTRIBUTABLE TO NET INCOME		
- Non-Controlling Interest	1.084.343	1.065.648
- Equity Holders of the Parent	1.218.266	978.820
Earnings per share		
- thousands of ordinary shares (TL)	5,97	4,80
Earnings per share from continuing operations - thousands of ordinary shares (TL)	5,44	4,64

Disclaimer Statement

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