



2015 First Quarter Earnings Presentation

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	2015(E)
GDP Growth, (%)	3.0
Increase in CPI(%)	7.5-8.0
CA Deficit/GDP, (%)	5.0

Moderate growth expectations sustained in 2015

Energy

- Hydrology normalized in 2015.
- Favorable financing conditions.

Industrials

- SASA divestment completed.
- Kordsa transaction postponed.

Retail

- Supermarket acquisitions by Carrefour
- Real Estate transactions in Carrefour

Cement

- Capital increase in Afyon Cement announced.
- New cement plant investment in Afyon.

Banking

- Sale of Akbank shares by Citi completed.

MILLION TL	TOTAL BEFORE CONSOLIDATION ADJUSTMENTS (COMBINED)		
	Q1 2014	Q1 2015	% Change
TOTAL	10.894	11.823	9%
BANK	3.832	4.258	11%
NON-BANK	7.062	7.564	7%
ENERGY	2.636	3.039	15%
CEMENT	550	534	-3%
RETAIL	1.380	1.444	5%
INSURANCE	533	513	-4%
INDUSTRIALS	1.299	1.157	-11%
<i>INDUSTRIALS-Adjusted for comparison*</i>	1.622	1.519	-6%
OTHER	664	877	32%

Strong topline growth in energy and banking

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

EBITDA (Excluding Non Operational Items)

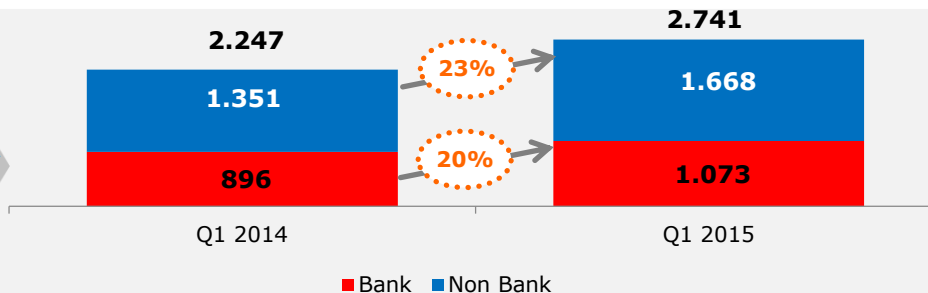
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MILLION TL	TOTAL BEFORE CONSOLIDATION ADJUSTMENTS (COMBINED)		
	Q1 2014	Q1 2015	% Change
TOTAL	2.247	2.740	22%
BANK	896	1.073	20%
NON-BANK	1.351	1.668	23%
ENERGY	240	451	88%
CEMENT	142	139	-2%
RETAIL	37	34	-9%
INSURANCE	56	26	-54%
INDUSTRIALS	256	192	-25%
<i>INDUSTRIALS-Adjusted for comparison*</i>	282	210	-26%
OTHER	619	825	33%

Leap forward in operational profitability in Energy in Q1 2015

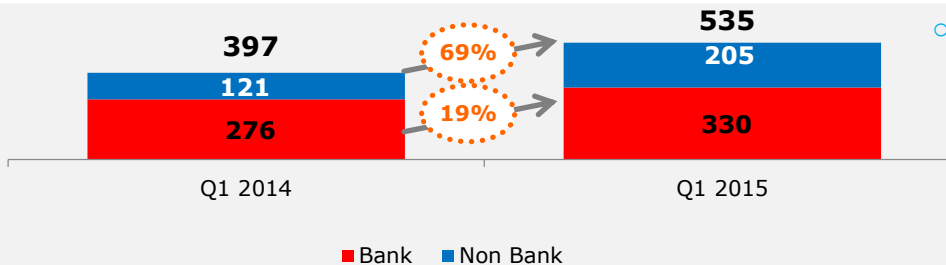
* Line by line consolidation of Sasa and Temsa Construction Equipment excluding the effects of transactions for both companies

COMBINED EBITDA* (MILLION TL)



- Strong growth delivered both in bank and non bank segments

CONSOLIDATED NET INCOME** (MILLION TL)



- **Key drivers of bottom line**
 - Increasing banking profitability
 - Positive effect of normalized weather conditions on hydro generation
 - Effective optimization of electricity

* Total before consolidation (combined).

** Consolidated figures exclude non operational items

Strong operational performance

MILLION TL	Q1 2014	Q1 2015	% Change
CONSOLIDATED NET INCOME*	121	205	69%
ENERGY	-36	92	355%
CEMENT	38	41	7%
RETAIL	-2	-5	N.M
INSURANCE	24	12	-50%
INDUSTRIALS	119	85	-29%
OTHER	-21	-20	N.M

* Excluding non operational items.

Strong bottom line growth through energy in Q1 2015

TOTAL BEFORE CONSOLIDATION ADJUSTMENTS (COMBINED)

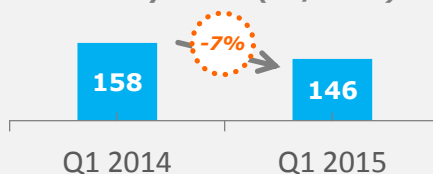
CONTRIBUTION TO CONSOLIDATED FINANCIALS

MILLION TL	Q1 2014	Q1 2015	% Change	Q1 2014	Q1 2015	% Change
SALES	2.636	3.039	15%	-	-	N.M
EBITDA*	240	451	88%	-36	92	354%
NET INCOME*	-73	184	354%	-36	92	354%
EBITDA MARGIN	9,1%	14,9%				

*Excludes non operational items

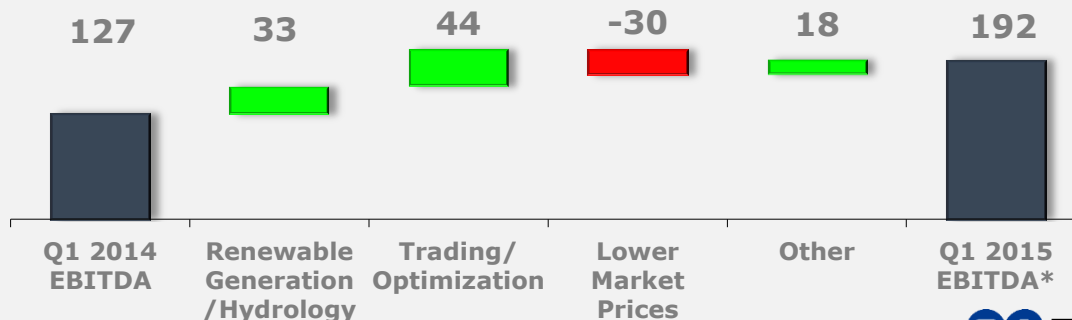
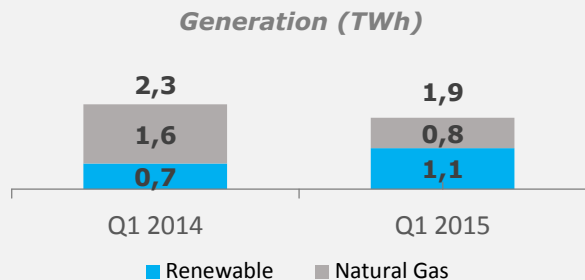
Strong contribution to profitability from generation, distribution and retail businesses

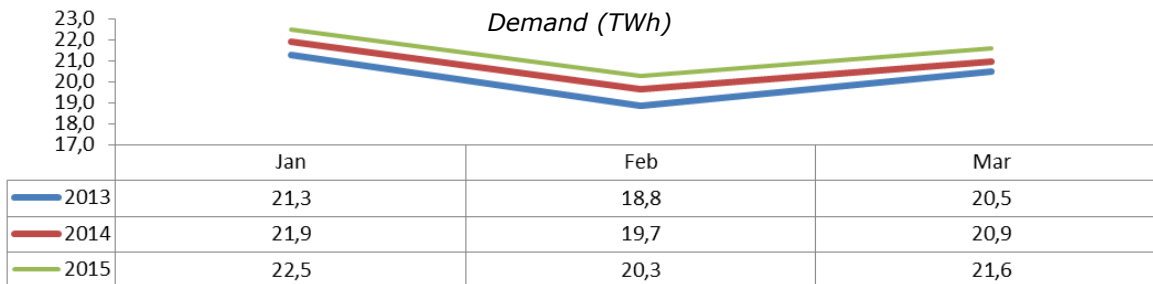
Average Spot Market
Electricity Price (TL/MWh)



MILLION TL	Q1 2014	Q1 2015	% Change
SALES	671	690	3%
EBITDA	127	192	51%
EBITDA MARGIN	18,9%	27,7%	

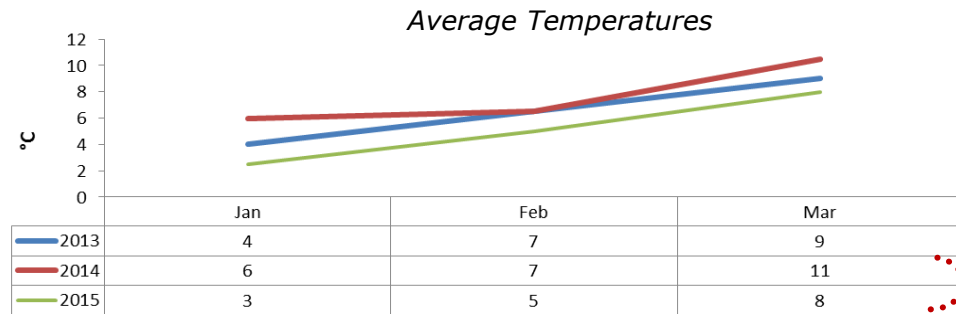
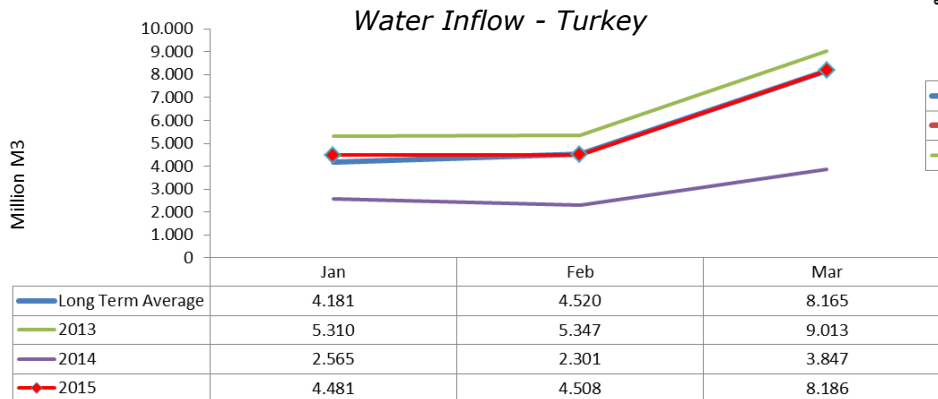
Leap forward in profitability due to normalization of precipitation levels and optimization





Moderate demand growth, despite cold winter...

2014-2015 Q1 growth: 3%



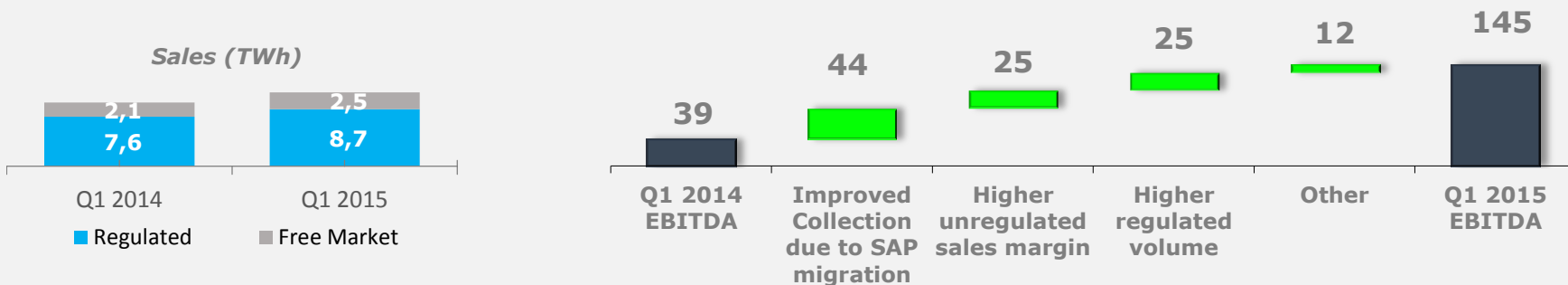
2014-2015 Q1 decrease: 27%

Coupled with higher precipitation, electricity prices stayed depressed...

2014-2015 Q1 increase: 97%

MILLION TL	Q1 2014	Q1 2015	% Change
SALES	2.335	2.892	24%
EBITDA	39	145	271%
EBITDA MARGIN	1,7%	5,0%	

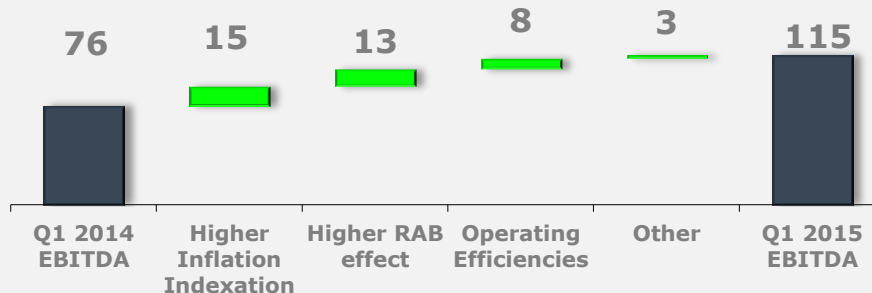
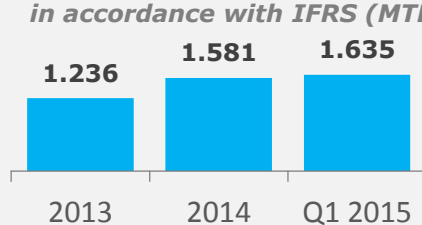
Strong top line growth coupled with high collection performance



MILLION TL	Q1 2014	Q1 2015	% Change
SALES	497	566	14%
EBITDA	76	115	51%
EBITDA MARGIN	15,3%	20,3%	

Growing regulatory asset base and improved efficiency

*Regulatory Asset Base (RAB)
in accordance with IFRS (MTL)*

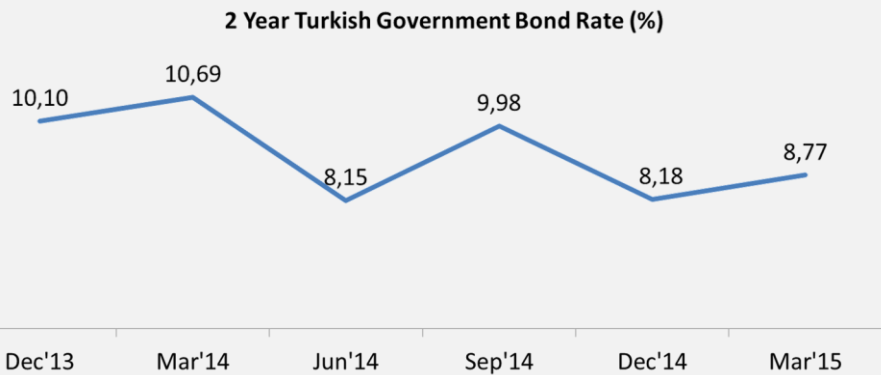
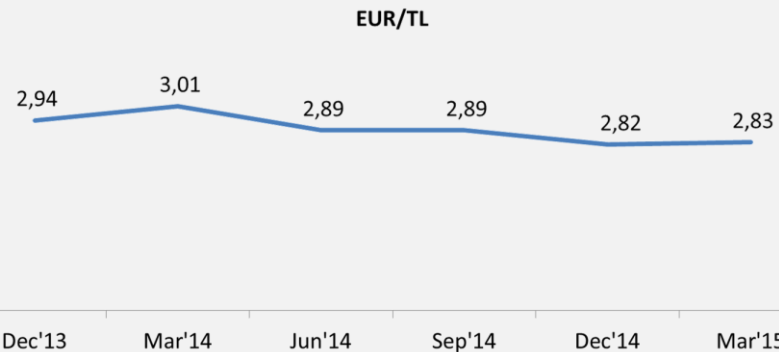
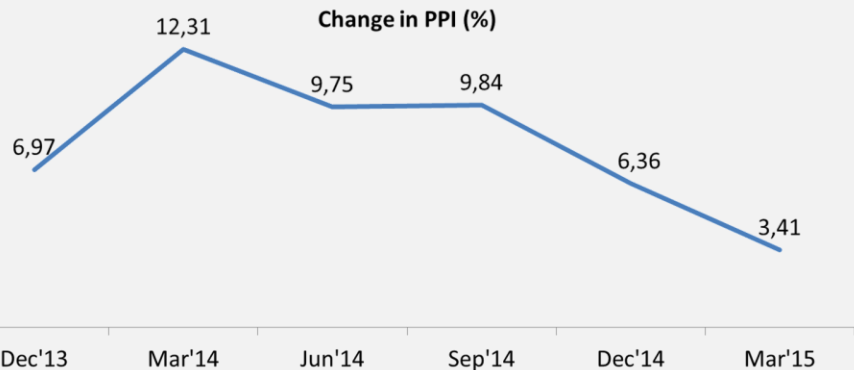


MILLION TL	2014 YE	2015 Q1	% Change
Cash	209	810	289%
Trade Receivables	1.753	1.966	12%
Other Current Assets	1.049	889	-15%
TOTAL CURRENT ASSETS	3.011	3.666	22%
Fixed Assets	15.620	15.824	1%
Other Non Current Assets	5.645	5.785	2%
TOTAL NONCURRENT ASSETS	21.265	21.608	2%
TOTAL ASSETS	24.276	25.274	4%
Short Term Bank Borrowings	1.595	1.424	-11%
Trade Payables	1.209	1.332	10%
Other Current Liabilities*	2.019	1.986	-2%
TOTAL CURRENT LIABILITIES	4.823	4.742	-2%
Long Term Bank Borrowings	7.429	8.232	11%
Other Non Current Liabilities*	3.595	3.590	0%
TOTAL NON CURRENT LIABILITIES	11.024	11.822	7%
TOTAL EQUITY	8.429	8.709	3%
TOTAL LIABILITIES AND EQUITY	24.276	25.274	4%

* Includes, in total 2,4 bn TL debt to Privatization Authority

Strong liquidity

ENERJİSA Financing Cost Drivers



Net Financial Expenses

	Q1 2014	Q1 2015
Interest Expense (Net)	266	154
FX Gain/Loss	65	9
Total Financial Expenses	331	162

Positive PPI and supportive FX rates resulting in low financing costs

Million	Enerjisa Loans*		
	Original Currency		Total TL Equivalent
	TL	EUR	
Generation	456	2.027	6.194
Distribution	5.666	87	5.913
Total	6.122	2.114	12.106

Million	Original Currency		Total TL Equivalent
	TL	EUR	
	Fixed	2.441	1.019
Floating	1.329	1.095	4.428
PPI Indexed	2.352	-	2.352
Total	6.122	2.114	12.106

* Enerjisa loans' principals only

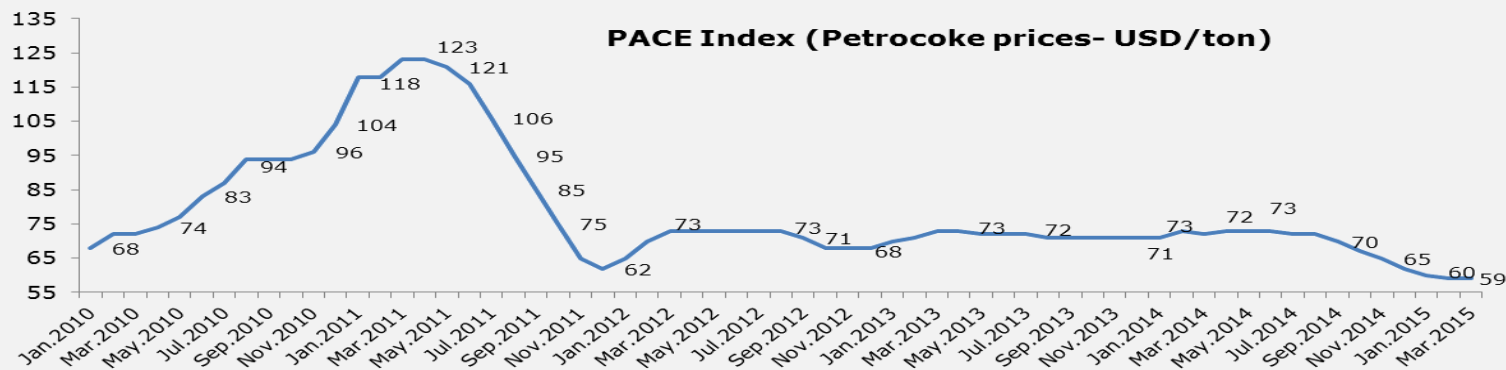
Balanced loan portfolio, only 221 MEUR short position impacting Sabancı Holding bottom line

TOTAL BEFORE CONSOLIDATION ADJUSTMENTS (COMBINED)

CONTRIBUTION TO CONSOLIDATED FINANCIALS

MILLION TL	Q1 2014	Q1 2015	% Change	Q1 2014	Q1 2015	% Change
SALES	550	534	-3%	225	235	4%
EBITDA	142	139	-2%	79	81	3%
NET INCOME	86	90	4%	38	41	7%
EBITDA MARGIN	25,8%	26,1%				

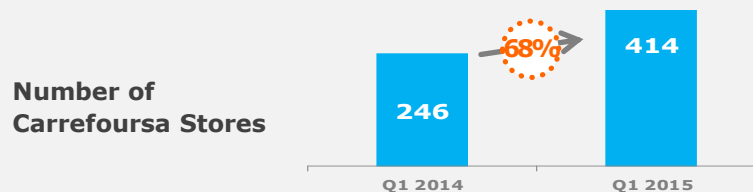
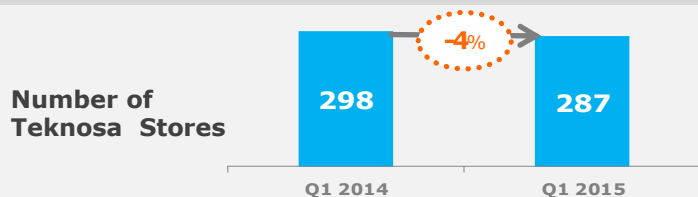
Profitability maintained in the Q1 2015



MILLION TL	TOTAL BEFORE CONSOLIDATION ADJUSTMENTS (COMBINED)			CONTRIBUTION TO CONSOLIDATED FINANCIALS		
	Q1 2014	Q1 2015	% Change	Q1 2014	Q1 2015	% Change
SALES	1.380	1.444	5%	1.377	1.443	5%
EBITDA*	37	34	-9%	37	34	-9%
NET INCOME*	-4	-8	N.M	-2	-5	N.M
EBITDA MARGIN	2,7%	2,4%				

*Excludes non operational items

Slight decrease in EBITDA reflected in the bottom line



MILLION TL	TOTAL BEFORE CONSOLIDATION ADJUSTMENTS (COMBINED)			CONTRIBUTION TO CONSOLIDATED FINANCIALS		
	Q1 2014	Q1 2015	% Change	Q1 2014	Q1 2015	% Change
SALES	698	779	12%	698	779	12%
EBITDA*	25	26	6%	25	26	6%
NET INCOME*	0	4	N.M	0	2	N.M
EBITDA MARGIN	3,5%	3,4%				

*Excludes non operational items

Growth continues despite sluggish consumer sentiment

2015 Targets

- Sales: 4 bn TL
- 200 new store openings



27 hypermarkets



213 stores



24 stores



150 stores

2015 Q1 Total Number of Stores: 414

Store Expansion

+ 49 Store Openings (30k m2)

Inorganic Growth

+26 stores acquired from Ismar supermarkets.

+6 stores acquired from Genpa supermarkets.

+ 29 stores acquired from Antalya Market (pending)

Real Estate Portfolio Optimization

The hypermarket in Izmir divested in 2015.



27 hypermarkets



176 stores



22 stores



108 stores

2014 YE Total Number of Stores: 333

TOTAL BEFORE CONSOLIDATION ADJUSTMENTS (COMBINED)

CONTRIBUTION TO CONSOLIDATED FINANCIALS

MILLION TL	Q1 2014	Q1 2015	% Change	Q1 2014	Q1 2015	% Change
SALES	533	513	-4%	0	0	N.M
EBITDA*	56	26	-54%	24	12	-50%
NET INCOME*	57	29	-50%	24	12	-50%
EBITDA MARGIN	10,5%	5,1%				

*Excludes non operational items

Increase in claim reserves in MTPL in non-life business offset by strong life&pension business

MTPL: Motor third party liability

STAND ALONE FINANCIALS

CONTRIBUTION TO CONSOLIDATED FINANCIALS

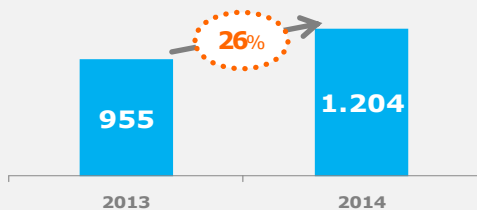
MILLION TL

	Q1 2014	Q1 2015	% Change	Q1 2014	Q1 2015	% Change
SALES	57	58	1%	-	-	N.M
EBITDA*	11	25	133%	9	12	36%
NET INCOME*	21	29	36%	9	12	36%

*Excludes non operational items

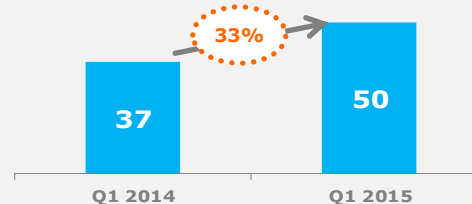
Strong growth in pension AUM on the back of net contributions

MCEV (MTL)



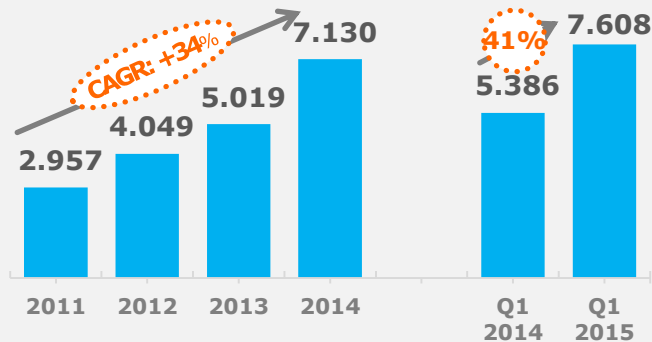
MCEV: Market Consistent Embedded Value

VNB (MTL)

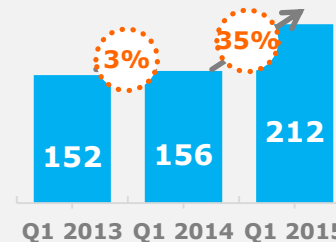


VNB: Value of New Business

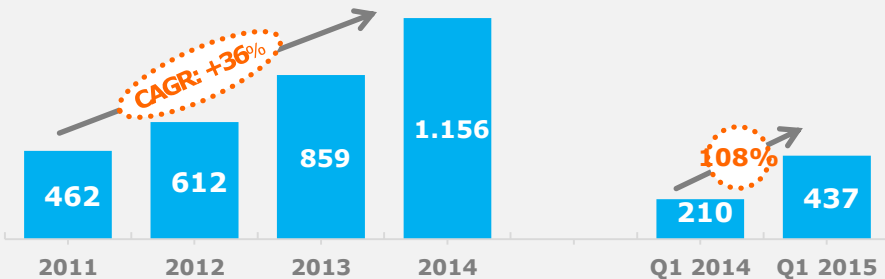
Assets Under Management (MTL)



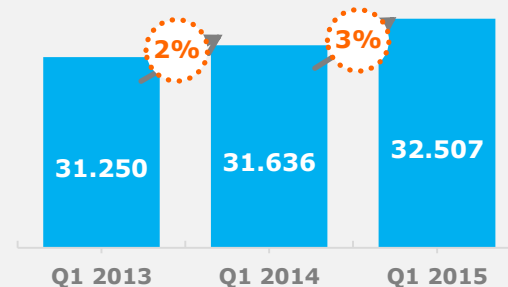
Annualized Premium Equivalent (TL)



Net Contributions (MTL)



of New Participants



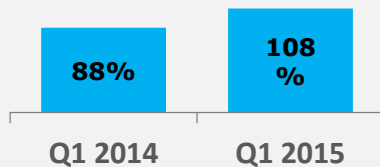
Rapidly Growing Contributions and Annualized Premium Equivalent

TOTAL BEFORE CONSOLIDATION ADJUSTMENTS (COMBINED)

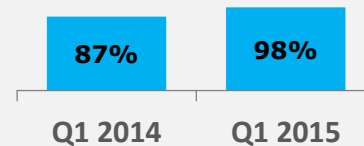
CONTRIBUTION TO CONSOLIDATED FINANCIALS

MILLION TL	TOTAL BEFORE CONSOLIDATION ADJUSTMENTS (COMBINED)			CONTRIBUTION TO CONSOLIDATED FINANCIALS		
	Q1 2014	Q1 2015	% Change	Q1 2014	Q1 2015	% Change
SALES	476	456	-4%	-	-	N.M
EBITDA	45	1	-98%	13	0	-101%
NET INCOME	36	-0	-101%	13	0	-101%

Combined Ratio



*Combined Ratio excluding one off and
MTPL business*



- **Motor third party liability (MTPL)** is a long tail product, claims can be notified within **10 years**
- MTPL profitability did not improve in Q1 2015 as increase in provision costs increase continued in prior periods' policies mainly due to:
 - **Bodily injury claims'** severities increasing significantly
 - Claim payments to the dependents of the faulty drivers who are disabled or deceased

Bottom line impacted by MTPL provisions

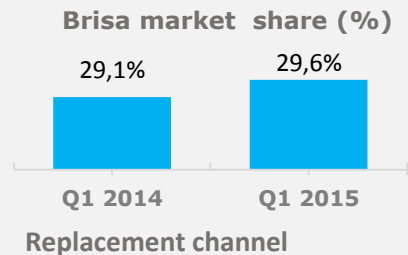
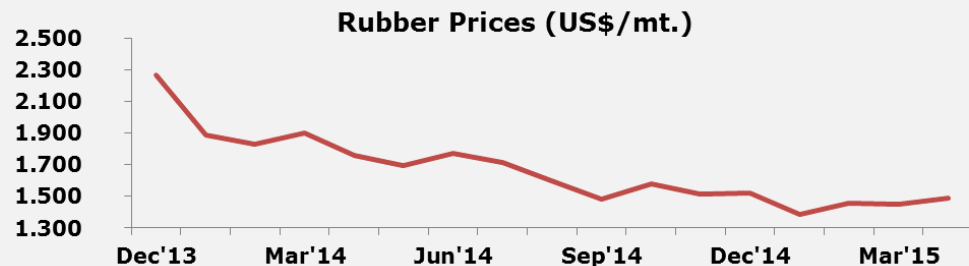
MILLION TL	TOTAL BEFORE CONSOLIDATION ADJUSTMENTS (COMBINED)			CONTRIBUTION TO CONSOLIDATED FINANCIALS		
	Q1 2014	Q1 2015	% Change	Q1 2014	Q1 2015	% Change
SALES	1.299	1.157	-11%	911	768	-16%
EBITDA*	256	192	-25%	189	147	-22%
NET INCOME*	179	126	-30%	119	85	-29%
EBITDA MARGIN	19,7%	16,6%				

*Excludes non operational items

Effect of higher cost inventory and strong TL against EUR in Q1: Transitional period

MILLION TL	TOTAL BEFORE CONSOLIDATION ADJUSTMENTS (COMBINED)			CONTRIBUTION TO CONSOLIDATED FINANCIALS		
	Q1 2014	Q1 2015	% Change	Q1 2014	Q1 2015	% Change
SALES	388	389	0%	-	-	N.M
EBITDA	89	58	-35%	22	12	-43%
NET INCOME	50	28	-43%	22	12	-43%
EBITDA MARGIN	22,9%	14,9%				

Increase competition from EUR zone competitors



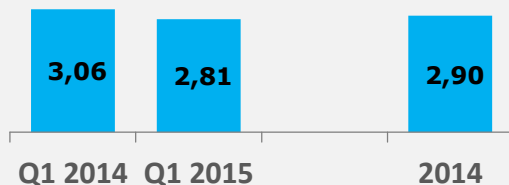
2015 Targets

- Sales: 8-10%
- EBITDA: 6-8%

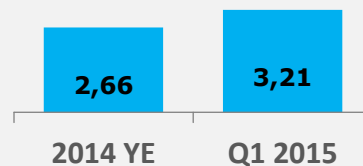
MILLION TL	TOTAL BEFORE CONSOLIDATION ADJUSTMENTS (COMBINED)			CONTRIBUTION TO CONSOLIDATED FINANCIALS		
	Q1 2014	Q1 2015	% Change	Q1 2014	Q1 2015	% Change
SALES	439	411	-6%	439	411	-6%
EBITDA	62	48	-22%	62	48	-22%
NET INCOME	36	14	-62%	28	10	-66%
EBITDA MARGIN	14,1%	11,7%				

Transitional first quarter affected by exchange rates

Average €/TL



Year end USD/BRL



2015 Targets

- Sales: 10-20%
- EBITDA: 25-35%

CONSOLIDATED NET FX POSITION (excl. Bank) M€	MILLION EURO	
	DEC 31, 2014	MAR 31, 2015
ENERGY*	-346	-221
INDUSTRIALS	8	26
CEMENT	2	8
RETAIL	0	5
HOLDING, INSURANCE & OTHER	22	43
TOTAL CONSOLIDATED FX POSITION AFFECTING PL	-314	-139

*Capitalized borrowings of Energy segment amounting to 516 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 300 MTL**

Decreasing FX exposure through proactive management

Total forward contracts of Enerjisa as of March 31 2015 were 738 M€

	Q1 2014	Q1 2015
NET INCOME	420	648
Carrefoursa gain on asset sale;SAP transition;litigation resolution	2	55
Enerjisa gain on asset sale	0	52
Temsa gain on asset sale	8	5
Temsa provision for litigation	-4	0
Other	16	0
NET INCOME EXCLUDING NON OPERATIONAL & NON RECURRING ITEMS*	397	535

* Net income figures excluding non-operational or non-recurring items discussed in the presentation

Asset sale in Enerjisa and Carrefoursa are major one-offs

MILLION TL		Q1 2014	Q1 2015	% Change
ENERGY	SALES	2.636	3.039	15%
	EBITDA	240	451	88%
CEMENT	SALES	550	534	-3%
	EBITDA	142	139	-2%
RETAIL	SALES	1.380	1.444	5%
	EBITDA	37	34	-9%
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Q&A