

Sabancı of Rising Turkey

2012 Annual Results Earnings Presentation

SABANCI

Disclaimer Statement

The information and opinions contained in this document have been compiled by Hacı Ömer Sabancı Holding A.Ş. ("Holding") from sources believed to be reliable and in good faith, but no representation or warranty, expressed or implied, is made as to their accuracy, completeness or correctness. No undue reliance may be placed for any purposes whatsoever on the information contained in this presentation or on its completeness, accuracy or fairness. This document contains forward-looking statements by using such words as "may", "will", "expect", "believe", "plan" and other similar terminology that reflect the Holding management's current views, expectations, assumptions and forecasts with respect to certain future events. As the actual performance of the companies may be affected by risks and uncertainties, all opinions, information and estimates contained in this document constitute the Holding's current judgment and are subject to change, update, amend, supplement or otherwise alter without notice. Although it is believed that the information and analysis are correct and expectations reflected in this document are reasonable, they may be affected by a variety of variables and changes in underlying assumptions that could cause actual results to differ materially. Holding does not undertake any obligation, and disclaims any duty to update or revise any forward looking statements, whether as a result of new information or future events. Neither this document nor the information contained within can construe any investment advice, invitation or an offer to buy or sell Holding and/or Its group companies' shares. Holding cannot guarantee that the securities described in this document constitute a suitable investment for all investors and nothing shall be taken as an inducement to any person to invest in or otherwise deal with any shares of Holding and its group companies. The information contained in this document is published for the assistance of recipients, but is not to be relied upon as authoritative or taken in substitution for the exercise of judgment by any recipient. You must not distribute the information in this document to, or cause it to be used by, any person or entity in a place where its distribution or use would be unlawful. Neither Holding, its board of directors, directors, managers, nor any of Its employees shall have any liability whatsoever for any direct or consequential loss arising from any use of this document or its contents.

Turkey Macro Outlook Update-Q4 2012

- In Q4 2012 weaker than expected economic activity. Moderate recovery in domestic demand due to increasing consumer confidence and falling interest rates.
- Recovery not reflected in industrial production due to inventory correction.
- The current account deficit to GDP ratio narrowed to 6.2 % of GDP.
- 2012 inflation rate was 6.2 %, within the Central Bank's target interval.

2013 Expectations

	<u>2011</u>	<u>2012(E)</u>	<u>2013(E)</u>
GDP Growth,%	8.5	2.5	3.5
Increase in CPI (%), annual	10.45	6.2	6.3
USD/TL, year end	1.889	1.783	1.87
Budget Deficit/GNP, %	(1.4)	(2.0)	(1.8)

Growth picks up moderately, inflation remains within target interval, FX rates remain stable under CBT policies ...

Calculation of EBITDA and Net Income Excluding Non-Operational Items

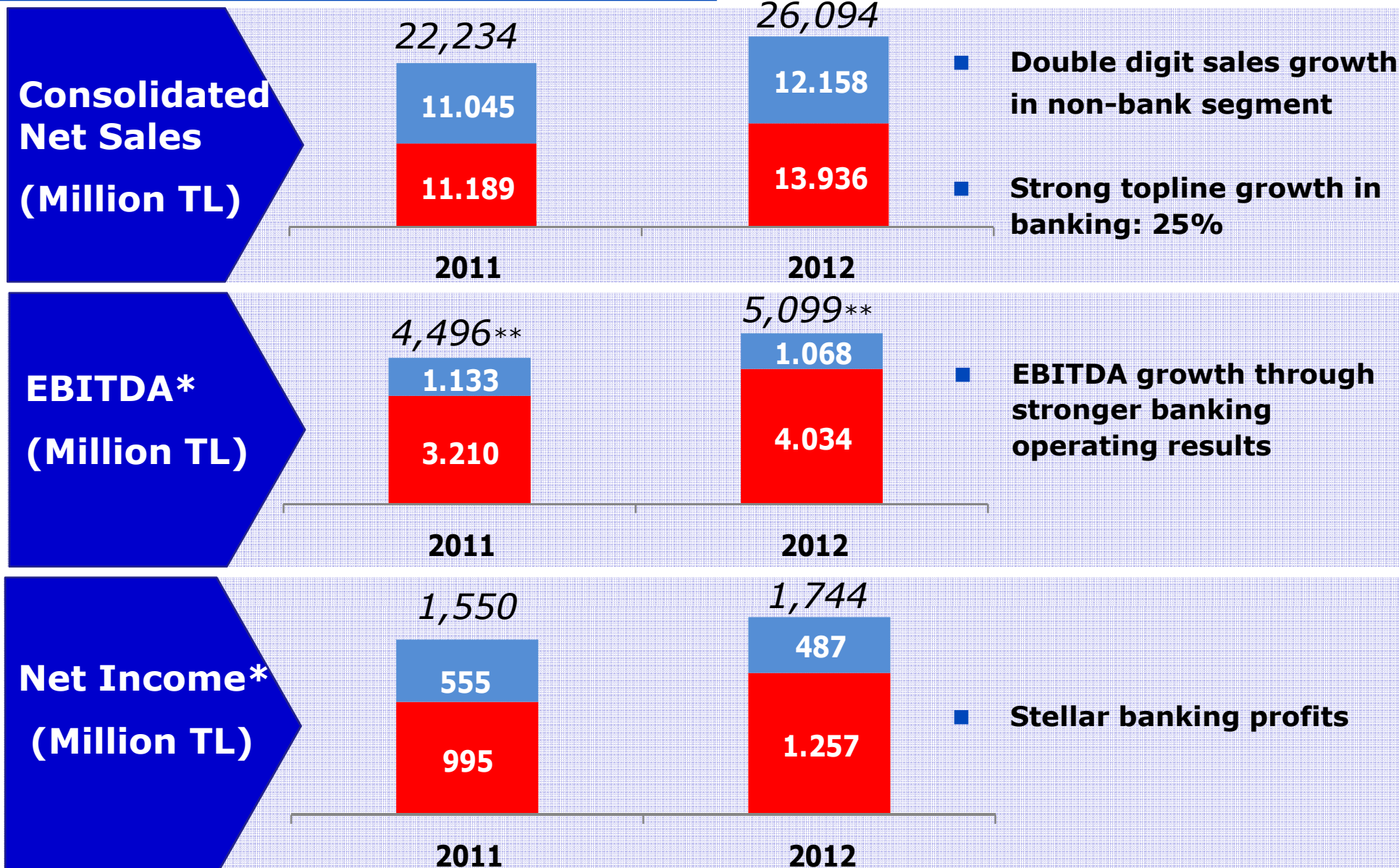
	2011 Q4	2012 Q4	2011	2012
SALES	5.925	7.016	22.234	26.094
EBITDA	1.017	1.828	4.892	5.229
Gain arising from subsidiary share sales			247	-
Fixed asset sale gains			164	-
Income related to partner change in Enerjisa	-	138	-	138
Other	(31)	-	(16)	(8)
EBITDA-EXCLUDING NON-OPERATIONAL & NONRECURRING ITEMS*	1.048	1.691	4.496	5.099
NET INCOME	340	657	1.878	1.856
Gain arising from subsidiary share sales			247	
Fixed asset sale gains			83	
Service income arising from Enerjisa partner change		119	-	119
Other	(8)	(0)	(2)	(7)
NET INCOME-EXCLUDING -NON OPERATIONAL AND NONRECURRING ITEMS*	348	538	1.550	1.744

* EBITDA and net income figures excluding non operational items will be discussed in the presentation

Results Snapshot-2012

BANK

NON-BANK

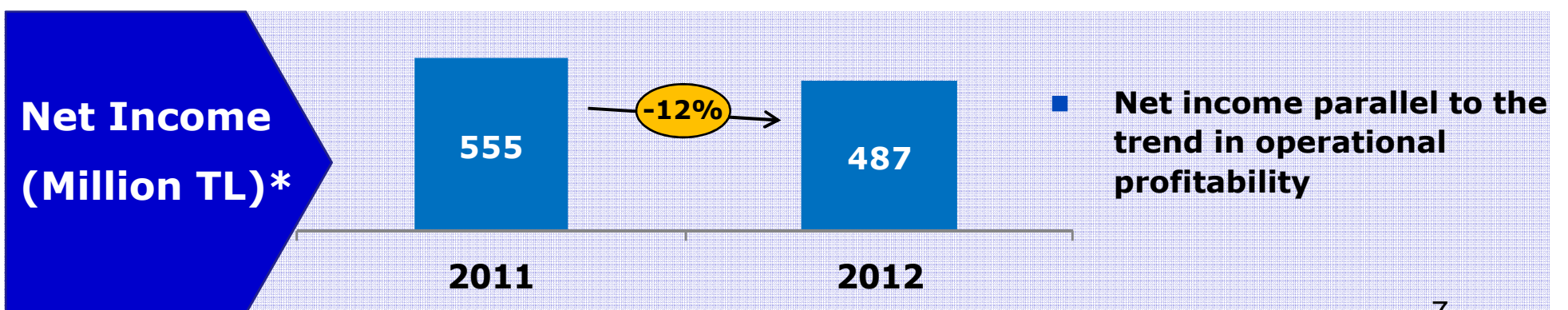
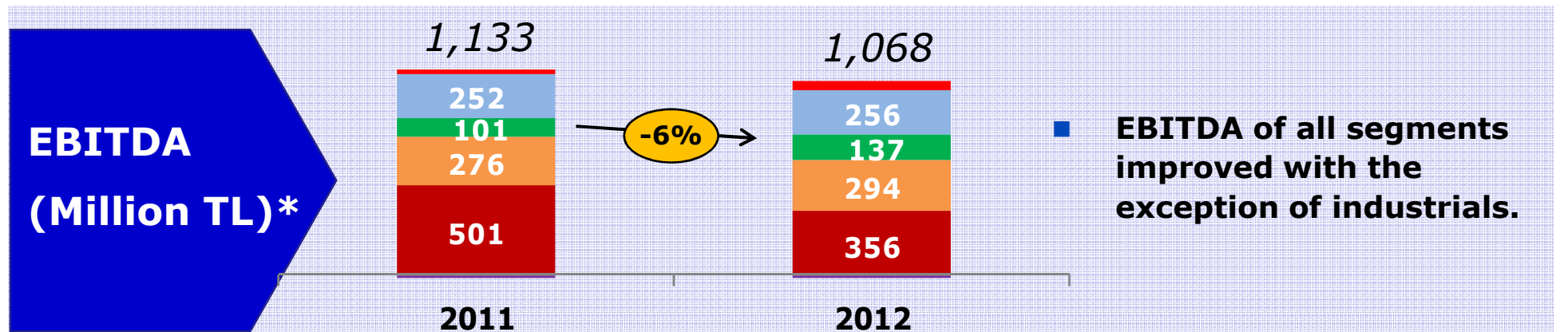
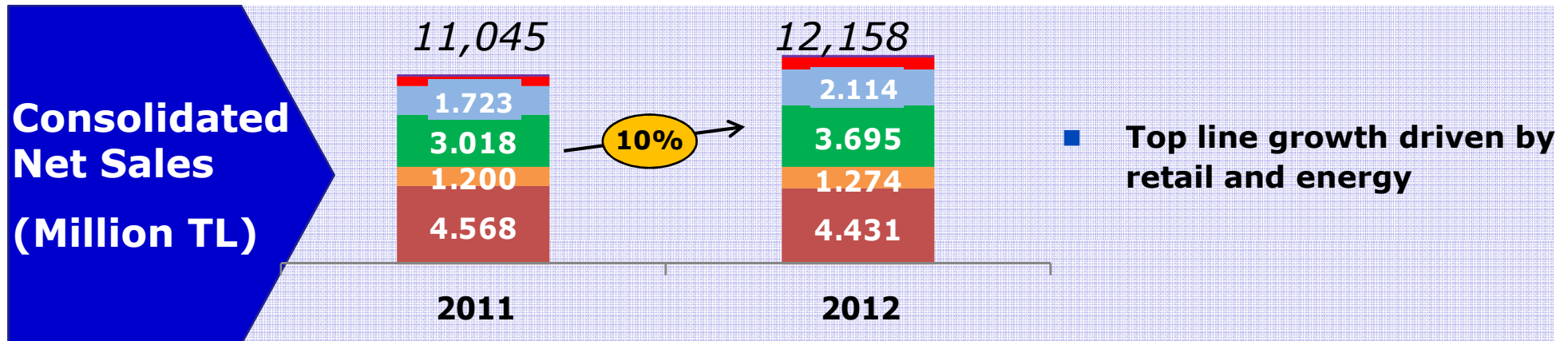


*2011 figures excludes non operational items amounting to 396 MTL gain at EBITDA level and 328 MTL at net income level, mainly coming from Aksigorta share sale gain. 2012 figures excludes 130 MTL gain at operating & 112 MTL at net income level.

** Intersegment eliminations are 152 MTL for 2011 and -3MTL for 2012.

Non-bank Results-2012

ENERGY	RETAIL	INSURANCE
INDUSTRY	CEMENT	OTHER

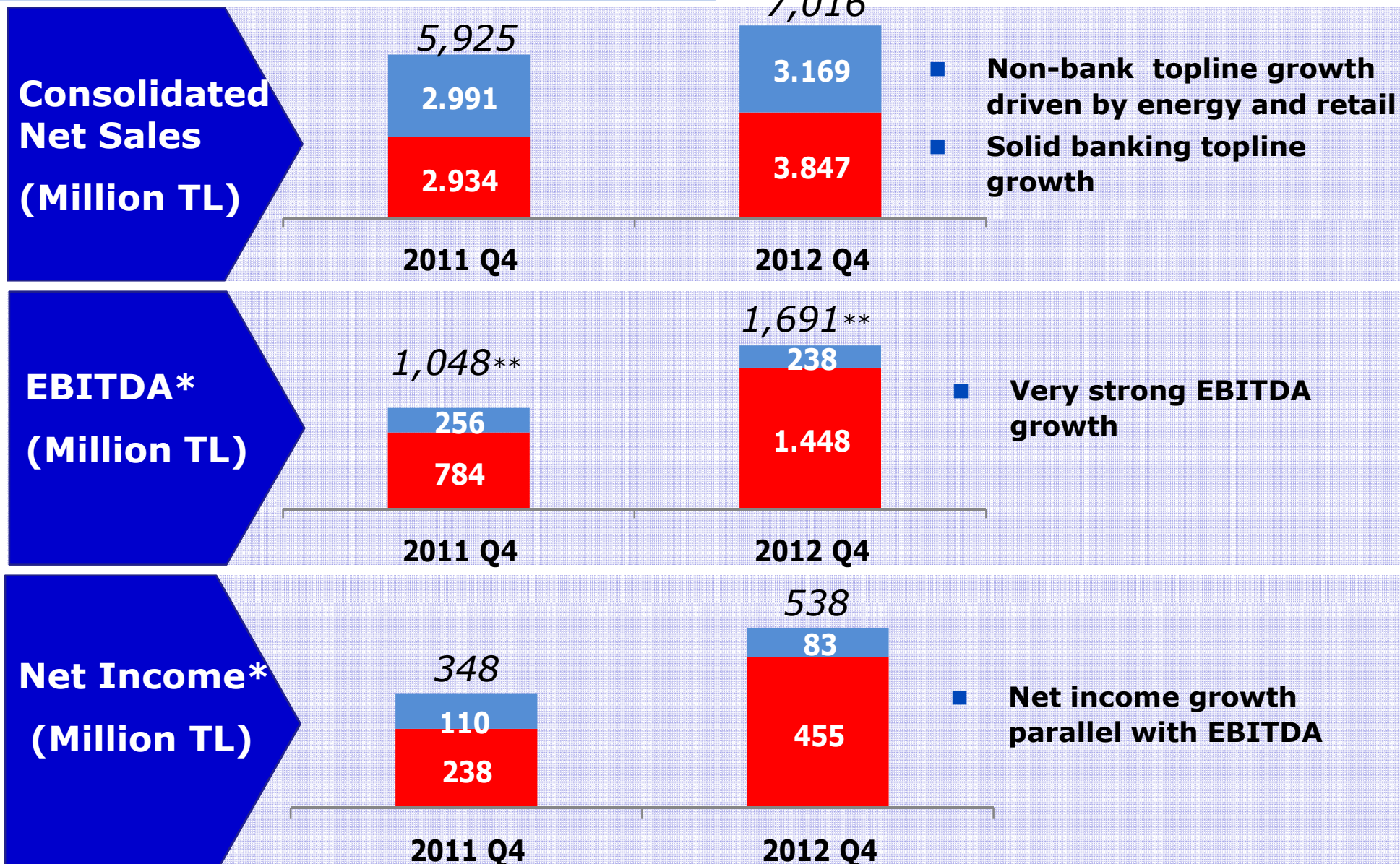


*Excluding non operational items.

Results Snapshot-2012 Q4

BANK

NON-BANK

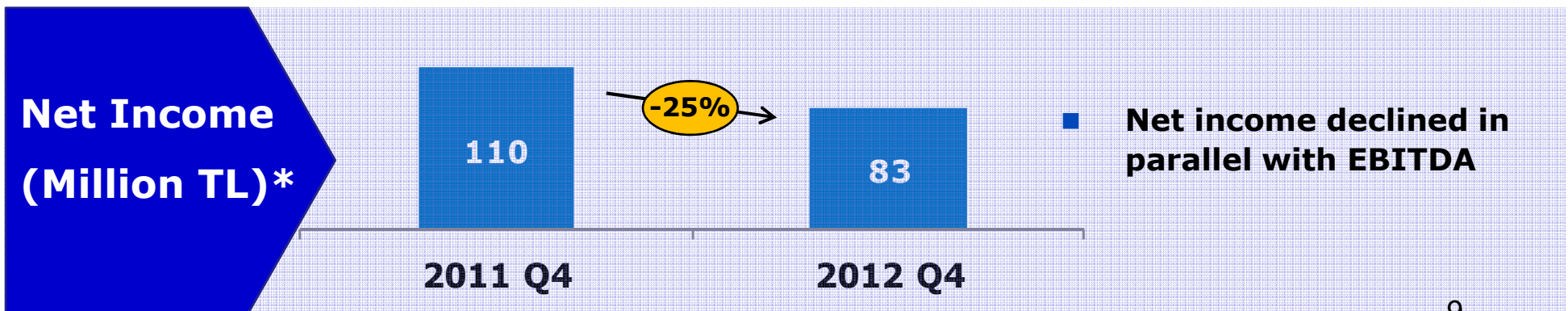
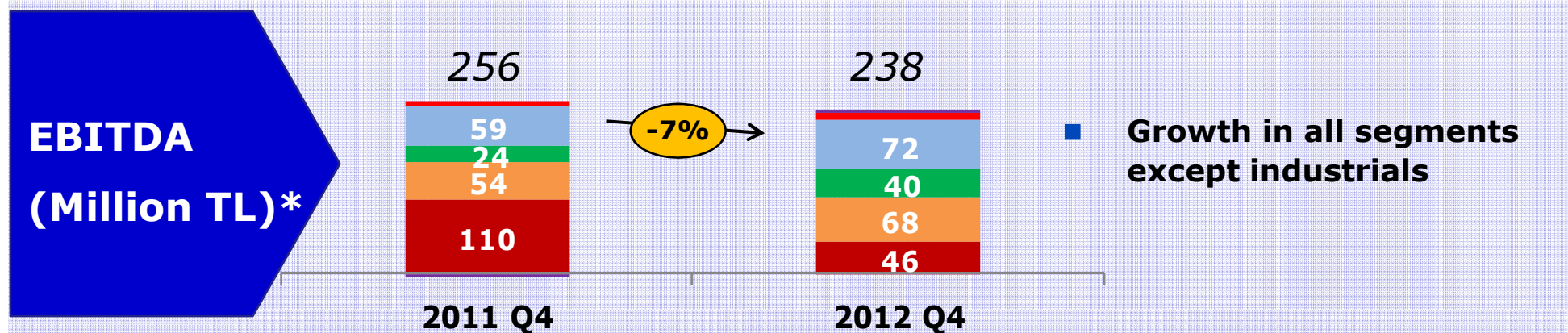
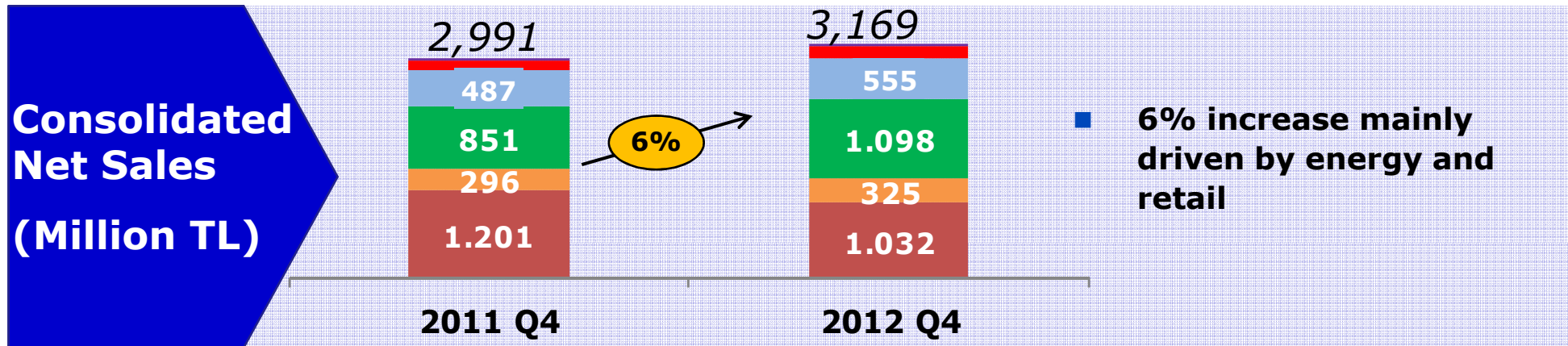


*2011 figures excludes non operational items amounting to 31 MTL loss at EBITDA level and 8 MTL cost at net income level. 2012 figures excludes 138 MTL income at EBITDA level and 119 MTL income at net income level.

** Intersegment eliminations are 8 MTL for 2011 Q4 and 4 MTL for 2012 Q4.

Non-bank Results- 2012 Q4

ENERGY	RETAIL	INSURANCE
INDUSTRY	CEMENT	OTHER



*Excluding non operational items.

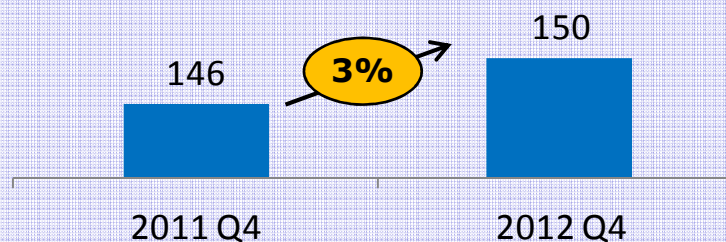
Energy

MILLION TL

	2011 Q4	2012 Q4	% Change
SALES (NET)	523	603	15,3
COST OF SALES	(436)	(511)	17,2
OPERATIONAL EXPENSES	(49)	(54)	9,1
OTHER INCOME/(EXPENSE)	(4)	7	n.m.
OPERATING INCOME	34	45	31,3
EBITDA	59	72	22,5
EBITDA EXCLUDING NON OPERATIONAL ITEMS	59	72	22,5
EBITDA Margin (%)	11,2%	11,9%	

Topline growth along with margin improvement...

Market Prices (TL/MWh)



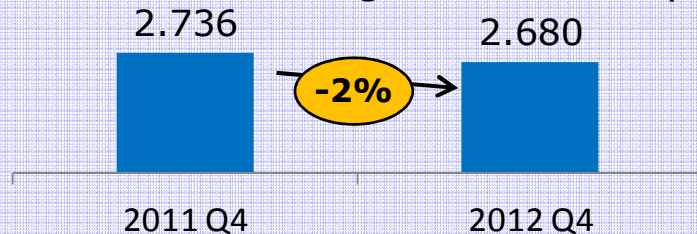
Enerjisa Income Statement

MILLION TL

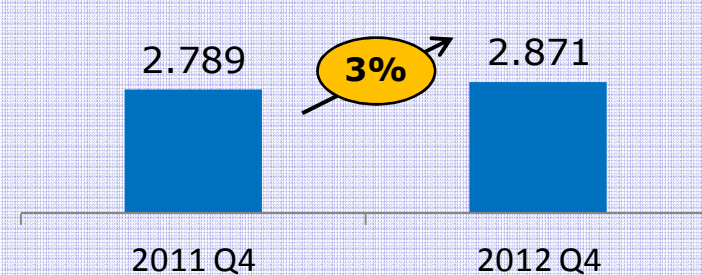
	2011 Q4	2012 Q4	% Change
SALES (NET)	1.046	1.206	15,3
EBITDA	117	144	22,5
NET INCOME	68	90	31,3
EBITDA Margin (%)	11,2%	11,9%	

Sales volume increase driven by both positive generation and distribution performance, margin improvement due to generation margin increase

Generation&Trading Sales Volume (Gwh)

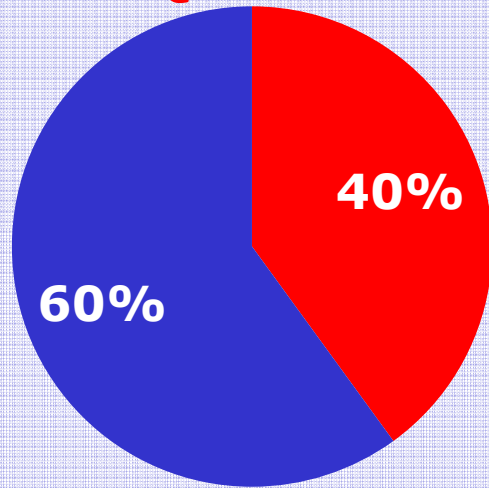


Distribution Business Retail Sales(Gwh)



Enerjisa Sales & EBITDA

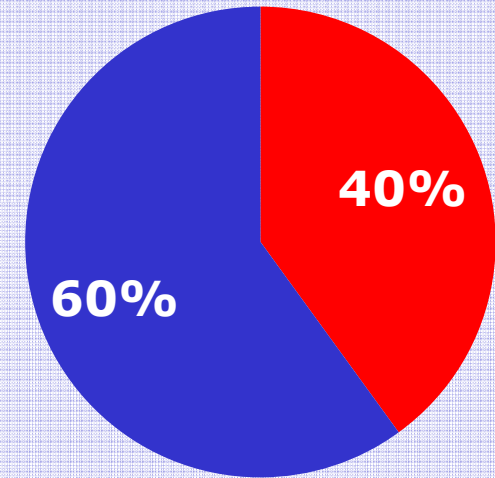
Q4 2011



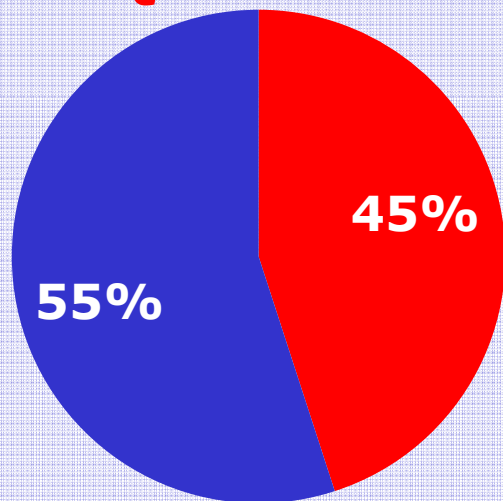
Sales

- Gen. & Trading
- Dist. & Retail

Q4 2012



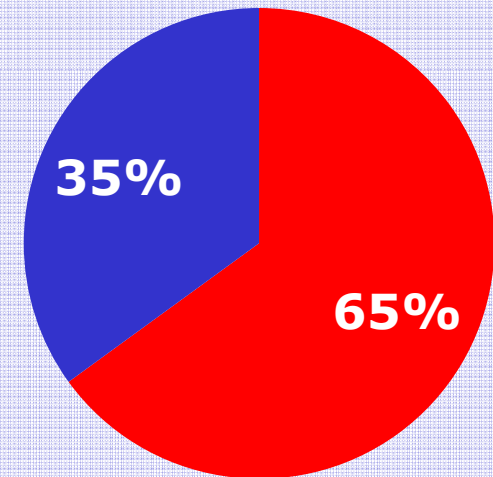
Q4 2011



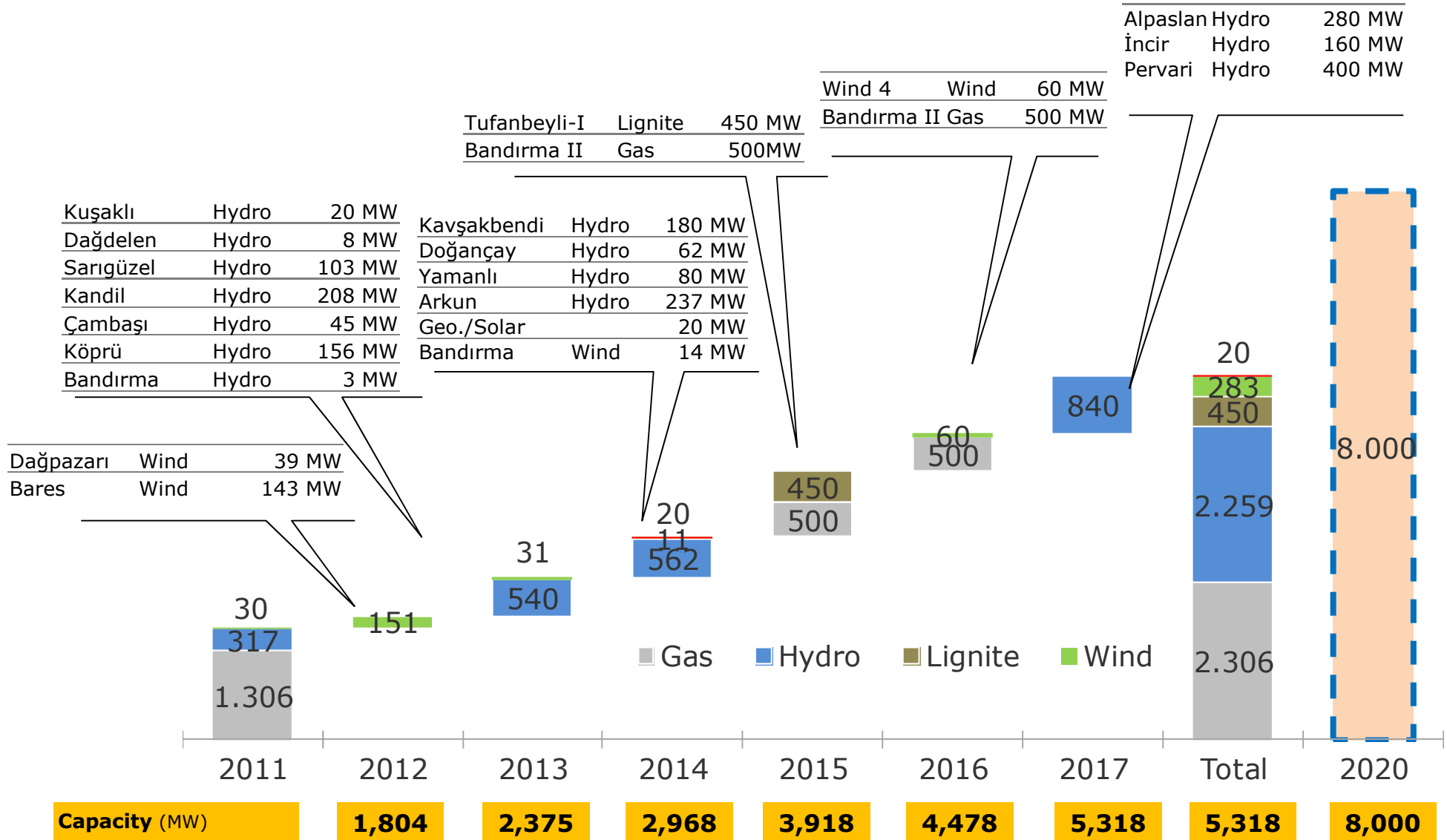
EBITDA

- Gen. & Trading
- Dist. & Retail

Q4 2012



Enerjisa Projects



Enerjisa Balance Sheet

MILLION TL	31.12.2011	31.12.2012	% Change
CASH AND CASH EQUIVALENTS	307	348	13,3
TRADE RECEIVABLES	460	547	19,0
OTHER CURRENT ASSETS	457	307	(32,8)
TOTAL CURRENT ASSETS	1.224	1.203	(1,8)
PROPERTY, PLANT AND EQUIPMENT	4.309	6.035	40,0
INTANGIBLE ASSETS	1.992	1.943	(2,5)
OTHER NONCURRENT ASSETS	1.279	1.766	38,1
TOTAL NONCURRENT ASSETS	7.580	9.744	28,5
TOTAL ASSETS	8.804	10.947	24,3
SHORT TERM BANK BORROWINGS	1.224	1.449	18,4
TRADE PAYABLES	579	780	34,7
OTHER CURRENT LIABILITIES	230	182	(21,0)
TOTAL CURRENT LIABILITIES	2.033	2.411	18,6
LONG TERM BANK BORROWINGS	2.668	3.126	17,2
OTHER NON CURRENT LIABILITIES	596	731	22,7
TOTAL NON CURRENT LIABILITIES	3.264	3.858	18,2
TOTAL EQUITY	3.507	4.678	33,4
TOTAL LIABILITIES AND EQUITY	8.804	10.947	24,3

Continuing investments ...

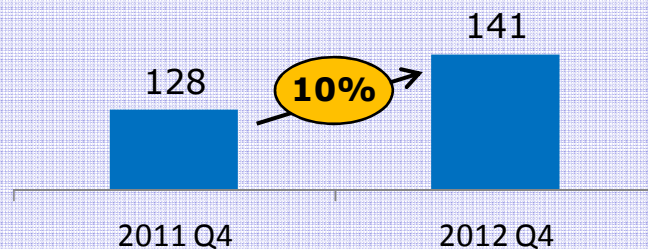
Retail

MILLION TL

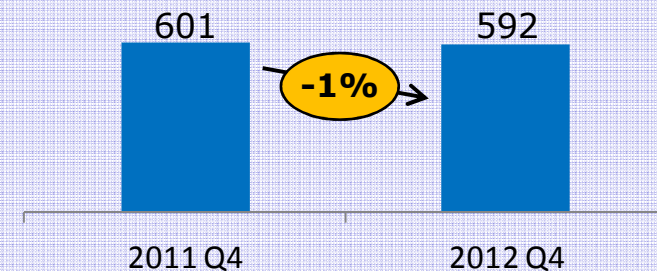
	2011 Q4	2012 Q4	% Change
SALES (NET)	852	1.102	29,3
COST OF SALES	(662)	(890)	34,5
OPERATIONAL EXPENSES	(163)	(185)	13,1
OTHER INCOME/(EXPENSE)	(17)	1	n.m
OPERATING INCOME	10	28	n.m
EBITDA	24	43	77,9
EBITDA EXCLUDING NON OPERATIONAL ITEMS	24	40	67,2
EBITDA Margin (%)	2,8%	3,6%	

Strong top line growth and significant margin improvement driven by electronics retail business...

Electronics Retail Sales Area (000 m²)



Food Retail Sales Area (000 m²)

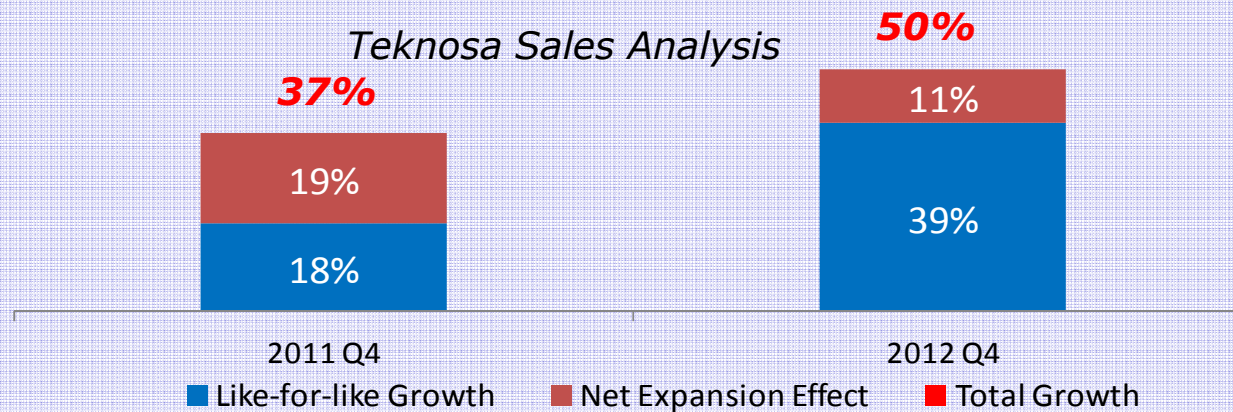


Teknosa

MILLION TL

	2011 Q4	2012 Q4	% Change
SALES (NET)	495	753	52,1
EBITDA	21	38	81,0
EBITDA EXCLUDING NON OPERATIONAL ITEMS	21	38	81,0
NET INCOME	6	17	183,3
NET INCOME EXCLUDING NON OPERATIONAL ITEMS	6	17	183,3
EBITDA Margin (%)	4,2	5,0	

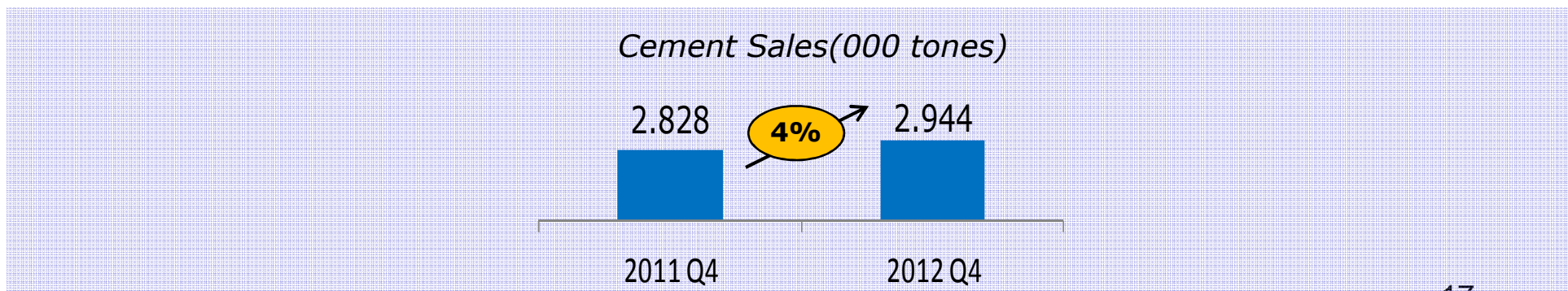
Robust like-for-like trend continues...



Cement

MILLION TL	2011 Q4	2012 Q4	% Change
SALES (NET)	296	325	9,7
COST OF SALES	(239)	(258)	8,1
OPERATIONAL EXPENSES	(15)	(18)	23,6
OTHER INCOME/(EXPENSE)	(5)	(1)	(87,4)
OPERATING INCOME	37	48	28,9
EBITDA	54	68	24,7
EBITDA EXCLUDING NON OPERATIONAL ITEMS	54	68	24,7
EBITDA Margin (%)	18,4%	20,9%	

Increasing topline and profitability with the help of warmer weather...



Insurance

MILLION TL

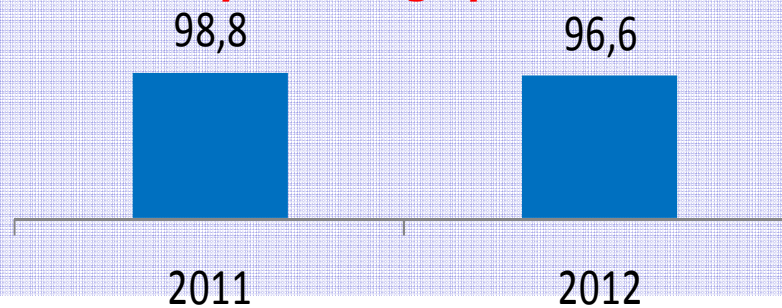
SALES (NET)
COST OF SALES
OPERATIONAL EXPENSES
OTHER INCOME/(EXPENSE)
OPERATING INCOME

2011 Q4	2012 Q4	% Change
127	139	10,1
(102)	(118)	15,6
(24)	(30)	24,0
7	20	168,5
8	12	44,9

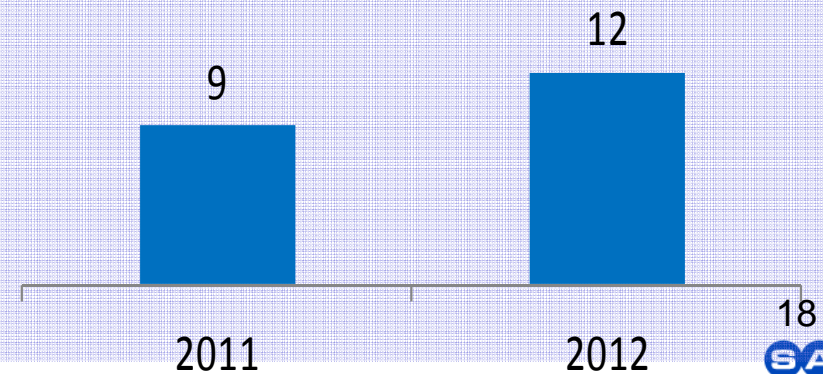
Strong trend in operational results continues...

Aksigorta Combined Ratio(%)

Improvement of 2 percentage points



Aksigorta ROE(%)

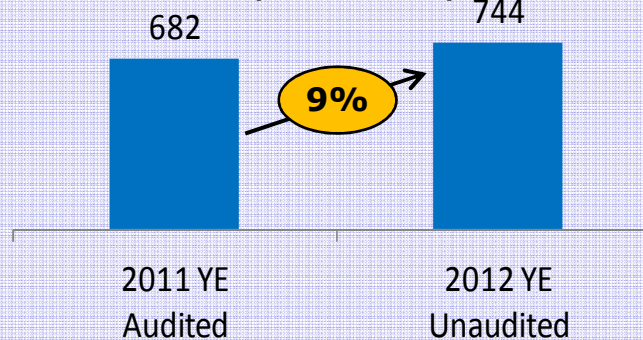


Avivasa

MILLION TL	2011 Q4	2012 Q4	% Change
SALES (NET)	34	53	52,9
OPERATING INCOME	0	5	n.m
NET INCOME	6	7	24,8
AUM (Milyon TL)	2.958	4.051	37,0

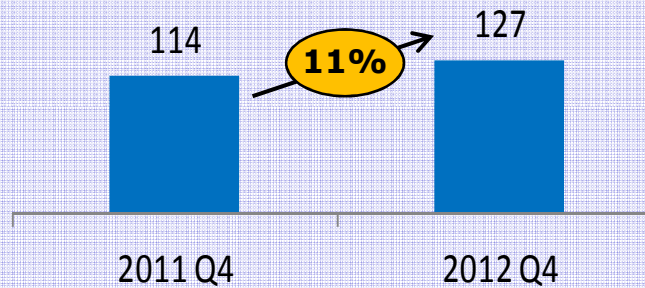
37% increase in AUM...

Market Consistent Embedded Value
(million TL)



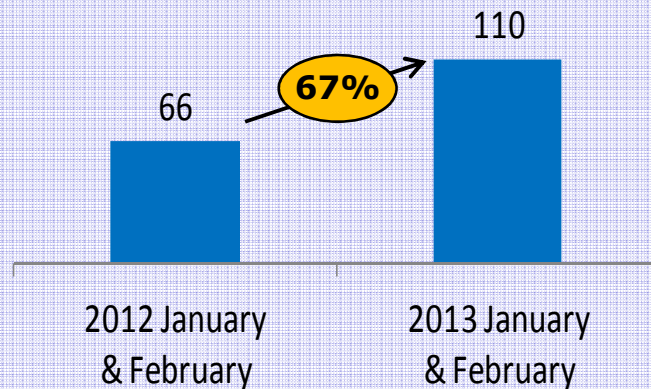
Solid Growth with the New Pension Incentives

Net Contribution (million TL)

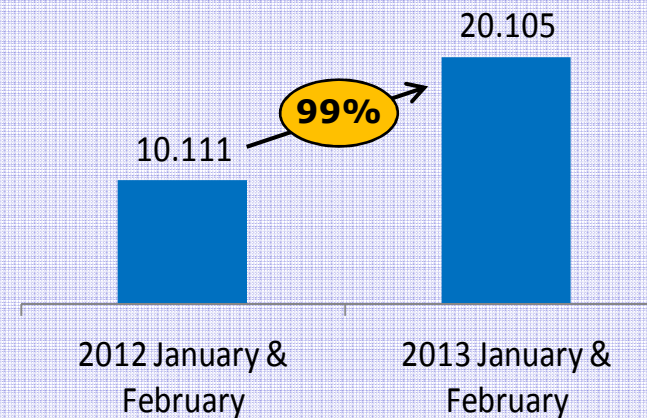


Robust growth with the new incentivization scheme...

Net Contribution (million TL)*



Number of new participants



* Excluding one time fund transfers

Industrials

MILLION TL

	2011 Q4	2012 Q4	% Change
SALES (NET)	1.203	1.033	(14,1)
COST OF SALES	(1.013)	(921)	(9,1)
OPERATIONAL EXPENSES	(114)	(122)	7,7
OTHER INCOME/(EXPENSE)	(19)	16	n.m
OPERATING INCOME	57	5	(91,7)
EBITDA	93	43	(53,7)
EBITDA EXCLUDING NON OPERATIONAL ITEMS	110	46	(58,2)
EBITDA Margin (%)	9,2%	4,5%	

Decreasing profitability due to the challenges in export markets and increasing foreign competition, but local demand is robust

Brisa

MILLION TL

SALES (NET)

EBITDA

NET INCOME

EBITDA Margin (%)

2011 Q4

2012 Q4

**%
Change**

405

400

(1,3)

49

76

54,2

24

40

63,1

12,1

18,9

Increasing profitability driven by solid domestic demand ...

Market Share (Replacement-%)

28,3%

29,9%

2011

2012

TSR20 Daily Prices



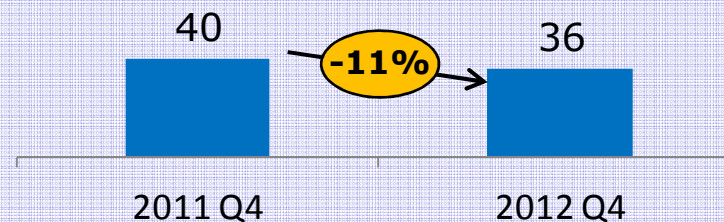
Kordsa Global

MILLION TL

	2011 Q4	2012 Q4	% Change
SALES (NET)	429	339	(20,9)
EBITDA	33	14	(58,2)
NET INCOME	9	(12)	(245,9)
EBITDA Margin (%)	7,6	4,0	

Global slowdown affected the demand and margins negatively...

Tire Cord, Fabric and Yarn Sales Quantity (000 tones)



Net Sales

MILLION TL	2011 Q4	2012 Q4	% Change
TOTAL	5.925	7.016	18,4
BANK	2.934	3.848	31,1
NON-BANK	2.993	3.170	5,9
ENERGY	487	555	13,9
RETAIL	851	1.098	29,1
CEMENT	296	325	9,7
INSURANCE	128	141	10,2
INDUSTRY	1.201	1.032	(14,1)
OTHERS	28	18	(35,7)

Strong revenue growth continues...

EBITDA (EXCLUDING NON OPERATIONAL ITEMS)

	2011 Q4	% Margin	2012 Q4	% Margin	% Change
TOTAL	1.048	17,7%	1.691	24,1%	61,2%
BANK	784	26,5%	1.448	37,5%	84,7%
NON-BANK	256	8,4%	238	7,4%	-7,0%
ENERGY	59	11,2%	72	11,9%	22,5%
RETAIL	24	2,8%	40	3,6%	67,2%
CEMENT	54	18,4%	68	20,9%	24,7%
INSURANCE	9	7,0%	12	8,8%	38,4%
INDUSTRY	110	9,2%	46	4,5%	-58,2%
OTHER	(0)	-0,1%	0	0,2%	
INTERSEGMENT ELIM.	8		4		

Leverage and Consolidated FX Position

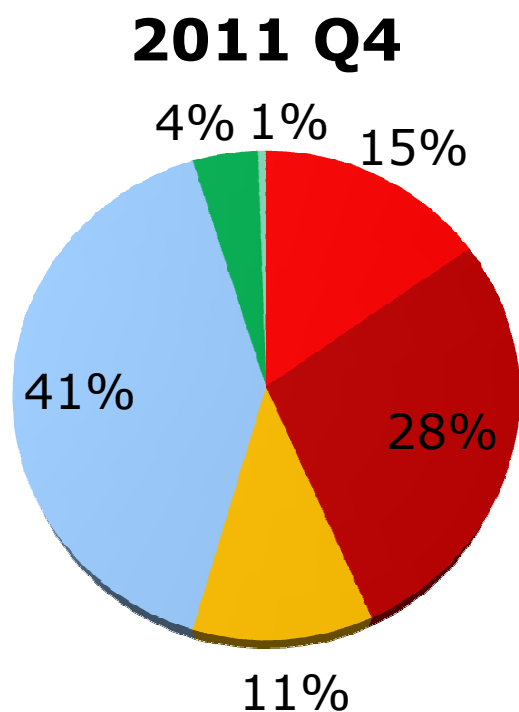
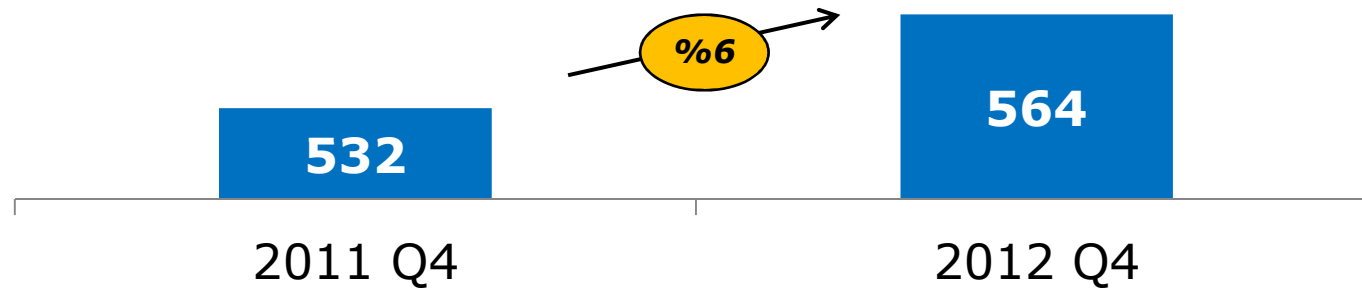
NET FX POSITION (excl. bank)	Million Euro	
	December 31, 2011	December 31, 2012
ENERGY	(681)	(850)
INDUSTRY	(111)	(71)
CEMENT	(4)	5
RETAIL	10	(5)
HOLDING, INSURANCE & OTHER	448	333
TOTAL	(338)	(588)
TOTAL*	1	(209)

NET DEBT / (CASH) (excl. bank & ins.)	Million Euro	
	December 31, 2011	December 31, 2012
ENERGY	734	899
INDUSTRY	482	586
CEMENT	112	184
RETAIL	(100)	(152)
HOLDING & OTHER	(442)	(445)
TOTAL	786	1.072

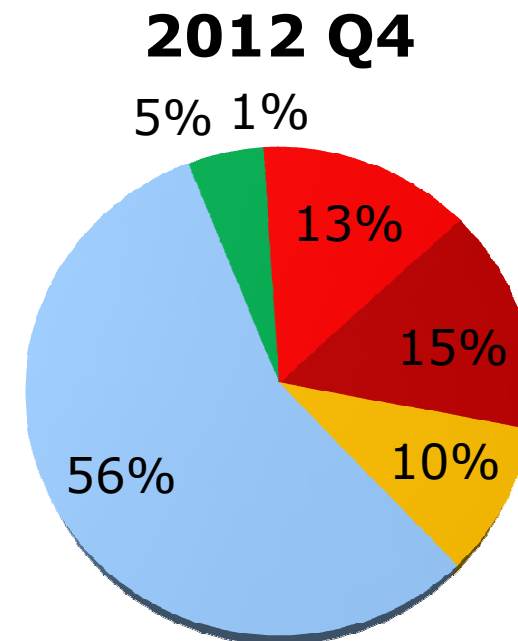
* Capitalized borrowings of Energy segment amounting to 366 M Euro and other FX assets/liabilities that do not create FX gain/loss are excluded (Capitalized borrowings Dec 31, 2011: 308 M Euro).

Low FX exposure and high debt capacity...

Organic Growth / Investments (Million TL)



- Bank
- Industrials
- Cement
- Energy
- Retail
- Other



Investments continued in all segments led by energy...

2013 Budget

2013 Budget*

	<u>Consolidated</u>	<u>Non-bank</u>
Sales	~ + %10	~ + %10
EBITDA	~ + %15	~ + %25
	<u>Sales</u>	<u>EBITDA</u>
Energy	~ + %10	~ + %50
Cement	~ + %0-5	~ + %0-5
Retail	~ + %10	~ + %5
Insurance	~ + %20	~ + %30
Industrials	~ + %15	~ + %30

* Based on the consolidation standards effective before 2013

The Effects of New IFRS Standards Regulating Consolidation

Standards Regulating Consolidation

- The new IFRS standards (IFRS 10& IFRS 11) will change Sabancı Holding's Net Sales, Operating Profit and EBITDA figures and footnotes.
- The new practice of consolidation:
 - The revenues, operating profit, debt, FX risk of JV's which are jointly controlled will not be included in Sabancı Holding financial statements:
 - Enerjisa
 - Akcansa
 - Brisa
 - Aksigorta
 - Avivasa
 - Carrefoursa
 - Diasa
- Only net incomes of these companies will be included in the financial statements of Sabancı Holding in a single line as "Income of Investments Accounted for Under Equity Method"

The Effect on Sabanci Holding JV Companies*

	Total Consolidated	Non-bank
Sales	~ 20% decrease	~45% decrease
EBITDA	~ 10% decrease	~ 50% decrease
Net Income	No change	No change

* Approximate effects of new consolidation standards on 2012 consolidated results

2013 Disclosures Under New IFRS Standards

-Sabancı will start to announce its financial statements in accordance with the new IFRS starting from **1Q 2013**

-Additional disclosures:

- Financial statements prepared according to the previous IFRS for the four quarters of 2013

- More detailed segment note including details of subsidiaries and JVs

Sabancı of Rising Turkey

Q&A

SABANCI