Sabancı Holding

Q4 2016 Earnings Presentation

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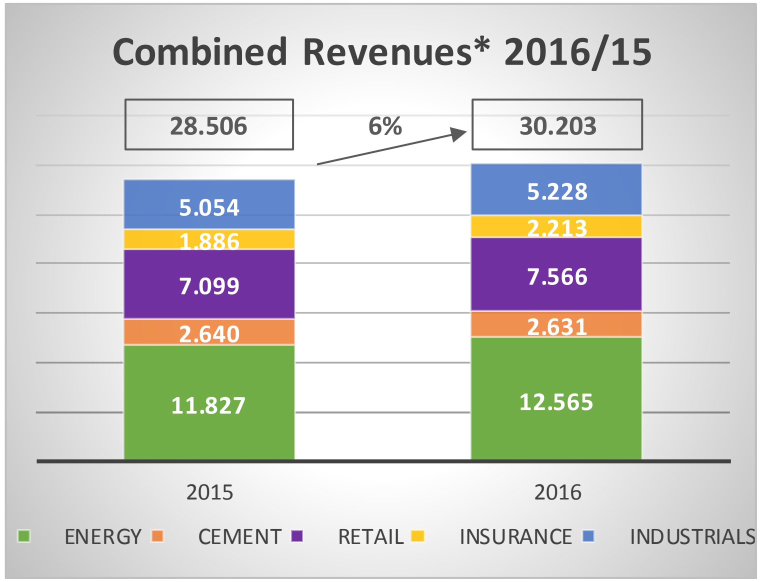
2016 Raised Expectations Met

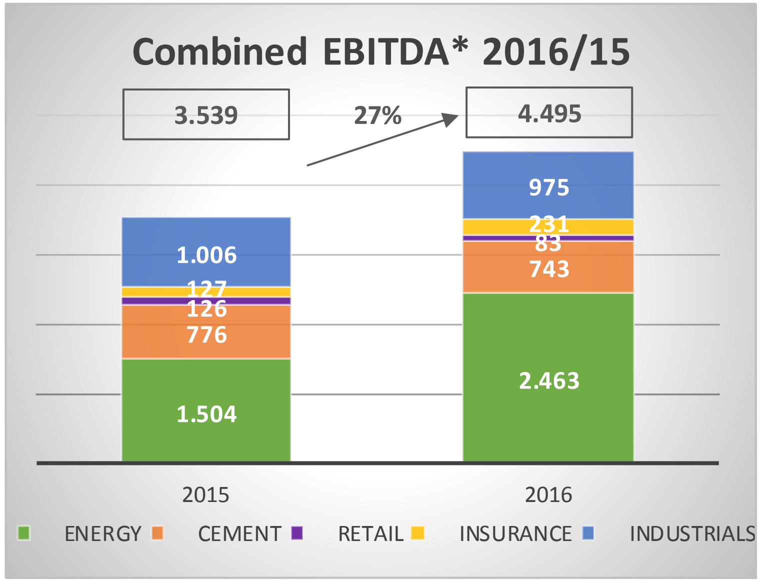
		2016 Growth Guidance	2016 Growth Realization	
ENERGY*	SALES	5-10%	6%	✓
	EBITDA	55-60%	64%	↑
INDUSTRIALS*	SALES	5-10%	3%	✗
	EBITDA	0-5%	-3%	✗
SABANCI HOLDING COMBINED NON-BANK *	SALES	5-10%	6%	✓
	EBITDA	20-30%	27%	✓

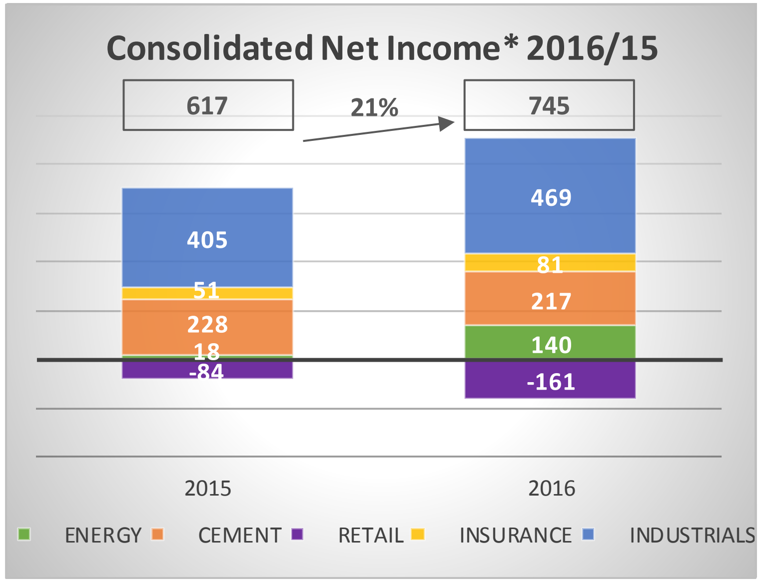
* One off items and Other segment excluded

2016

Solid Performance in Energy and Insurance







* One off items and Oher segment excluded

Revenues

Our topline growth in 2016 was driven by Energy segment, on the back on higher returns on an increasing RAB in distribution and feed-in-tariff impact in generation. Insurance also had strong topline growth.

EBITDA

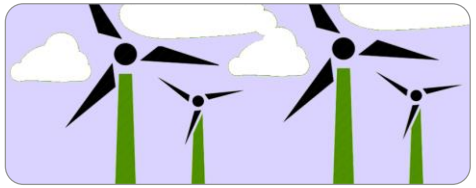
Thanks to superior growth in Energy Segment EBITDA, we have managed to deliver 27% non-bank EBITDA growth. This is particularly eye catching considering the fact that Retail and Industrials segments' profitability weakened.

Net Income

Energy segment net income supported with strong operations and tight FX management, which has led to 8,3x growth in segment bottom line. Energy profitability more than compensates the challenging year in Retail.

Key Highlights

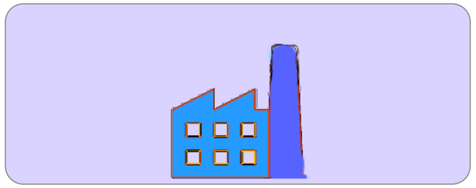
Strong Performance in Energy, Recovery in Retail After Restructuring



Energy segment comprised 59% of non-bank EBITDA, setting a new record

Our restructuring program in **Retail** started paying off: 6.1% EBITDA margin in Q4

Market leading growth in pension and strong growth in underwriting in non-life business scored a strong jump in profitability of **Insurance** business



Challenging market conditions have weakened results in **Industrials** but significant profitability maintained

Revenues

Right Sizing in Retail Capped Revenue Growth in Q4

MILLION TL	Q4 2015	Q4 2016	% Change	2015	2016	% Change
TOTAL*	12.758	13.990	*10%*	47.110	52.836	*12%*
BANK	4.765	6.022	26%	18.414	22.411	22%
NON-BANK*	**7.993**	**7.968**	**0%**	**28.696**	**30.425**	**6%**
ENERGY	3.224	3.299	2%	11.827	12.565	6%
CEMENT	704	662	-6%	2.640	2.631	*0%*
RETAIL	2.146	1.911	-11%	7.099	7.566	7%
INSURANCE	457	615	35%	1.886	2.213	17%
INDUSTRIALS	1.388	1.425	3%	5.054	5.228	3%
OTHER*	75	56	-25%	190	222	17%

* Holding dividend income excluded

Maintained Strong Top Line Performance in Retail and Energy

Non Life Business Outperforming

EBITDA

~3x Operational Profitability in Energy in Q4

MILLION TL	Q4 2015	Q4 2016	% Change	2015	2016	% Change
TOTAL*	**2.162**	**3.006**	**39%**	**7.966**	**10.768**	**35%**
BANK	1.386	1.581	14%	4.450	6.323	42%
NON-BANK*	**777**	**1.425**	**83%**	**3.516**	**4.445**	**26%**
ENERGY	284	836	194%	1.504	2.463	64%
CEMENT	175	144	-18%	776	743	-4%
RETAIL	10	117	1063%	126	83	-34%
INSURANCE	0	83	N.M.	127	231	82%
INDUSTRIALS	309	258	-17%	1.006	975	-3%
OTHER*	-1	-12	-832%	-23	-50	-120%

Excluding one off items

* Holding dividend income is excluded

Energy, Retail and Insurance businesses driving the jump in profitability

Consolidated Net Income

Disciplined Financial Management + Improved Operational Excellence = 130% Growth in Non-Bank Net Income

MILLION TL	Q4 2015	Q4 2016	% Change	2015	2016	% Change
CONSOLIDATED NET INCOME*	**568**	**792**	**39%**	**2.024**	**2.800**	**38%**
BANK	431	491	14%	1.368	1.979	45%
NON-BANK	**137**	**301**	**120%**	**656**	**821**	**25%**
ENERGY	9	50	461%	18	140	666%
ENERGY-Adjusted for comparison*	-5	31	728%	26	153	480%
CEMENT	50	44	-12%	228	217	-5%
RETAIL	-47	-11	77%	-84	-161	-91%
INSURANCE	2	29	1639%	51	81	58%
INDUSTRIALS	133	127	-5%	405	469	16%
OTHER	-9	62	763%	38	76	99%
NON BANK CONSOLIDATED NET INCOME-Adjusted for comparison*	*123*	*282*	*130%*	*664*	*835*	*26%*

*Excludes non-operational one off items.

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

Effective financial management on top of operational efficiency results in robust growth

Energy

Segment Assessment

	Current Assessment	Factors to Watch
Distribution	– Expansion of Regulated Asset Base	– Regulatory updates
Retail	– Jump in prices due to natural gas curtailment temporarily reduces profitability of free market customers in December & January – FIT costs suppressing margins	– Free market volume growth – Doubtful management component of retail service revenue
Generation	– Natural gas curtailment – Dispatch opportunities for hydro plants on the renewable tariff – Limited EBITDA contribution from Tufanbeyli lignite plant	– Hydrology outlook – Operational profitability of Tufanbeyli Lignite Plant – Potential capacity payment to natural gas plants
Financing	– Successful management of FX exposure with forward contracts – Tufanbeyli Lignite Plant FX position impacting P&L	– Proactive FX risk management

Energy

Overview of Regulatory Changes in 2016

Distribution and Retail:

2016 – 2020 New Tariff Period

- Improvement in WACC : 11,91% from 9,97%
- Eligibility Limit: 3.600 KWh

Generation:

Dispatch Mechanism

- Hydropower plants in FIT eligible to participate in dispatch mechanism: Additional 70 MTL in 2016

Generation:

Lignite Incentive

- 185 TL/MWh incentive price for lignite power plants

Generation:

Natural Gas Curtailment

- Reduced generation in NG plants
- Massive hikes in spot prices

Retail:

Tariff Updates

- Eligibility Limit: 2.400 KWh
- Cap on Collection Rate

Distribution :

Capex outperformance

Energy

Corporate Structure

Enerjisa Consolidated – JV

- Enerjisa Generation and Trading Company
- Enerjisa Electricity Distribution Company (EEDAŞ) → Carries acquisition loans of distribution regions
  - Retail Business
  - Distribution Business → Carries capex loans only
    - Başkent Distribution Company
    - Ayedaş Distribution Company
    - Toroslar Distribution Company

EEDAŞ*** Consolidated

Profitability Elevated Significantly in Q4

MILLION TL	Q4 2015	Q4 2016	% Change	2015	2016	% Change
Net sales	2.853	2.540	-11%	10.640	10.027	-6%
*Gross margin (%)***	28,3%	33,3%	5,0pp	19,0%	26,0%	7,0pp
*Operational Expenses***	-316	-430	-36%	-899	-1.171	-30%
Other income/(expense)	5	-14	-395%	18	-9	-150%
EBITDA*	151	423	180%	740	1.416	91%
EBITDA* margin (%)	5,3%	16,6%	11,3pp	7,0%	14,1%	7,2pp
Operational Fx and Interest Income/(expense)	12	13	5%	60	54	-10%
Interest and other financial	-163	-197	-21%	-544	-699	-29%
FX income/(expense)	20	-37	-283%	-17	-54	-218%
Net income*	-42	102	340%	-12	365	3079%

*Excludes non-operational one off items.

** Excludes depreciation

***EEDAŞ;Enerjisa Electricity Distribution Company: Distribution & Retail businesses consolidated

SABANCI

EEDAŞ Consolidated

Balance Sheet and Cash Flows

MILLION TL	2015	2016	% Change
Cash	152	75	-51%
Trade Receivables	1.811	1.946	7%
Financial Assets	3.021	4.292	42%
Fixed Assets	5.373	5.217	-3%
Other Assets*	4.092	4.030	-2%
TOTAL ASSETS	**14.449**	**15.559**	**8%**
Bank Borrowings	5.710	6.190	8%
Trade Payables	951	1.225	29%
Other Liabilities**	3.454	3.426	-1%
TOTAL LIABILITIES	**10.115**	**10.842**	**7%**
TOTAL EQUITY	**4.334**	**4.716**	**9%**
TOTAL LIABILITIES AND EQUITY	**14.449**	**15.559**	**8%**

	2015	2016	% Change
Cash at the beginning of the year	112	152	36%
Net cash provided by operating activities	**908**	**1.601**	**76%**
Net cash used in investing activities	**-980**	**-1.278**	**-30%**
Net cash (used in)/provided by financing activities	113	-401	-456%
Cash at the end of year	152	75	-51%
Free cash flow	**-72**	**323**	**547%**

- Significant growth in financial assets on the back of continuous investments to the grid
- Step jump in EBITDA contributes to free cash flow: 395 MTL **increase in free cash flow through increased operational cash flow in 2016 despite increasing investments**

* Mainly consists of goodwill, income accruals and deposits paid..

** Consists of deposits and guarantees received, deferred income, provisions for legal claims and employment benefits.

Distribution Business

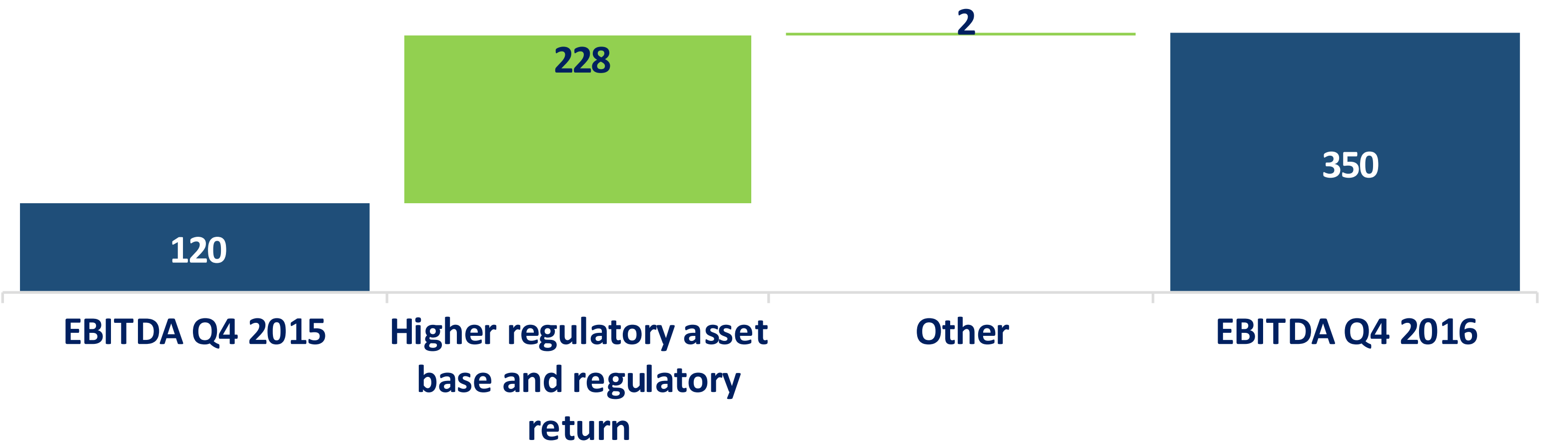
Increasing RAB and New Tariff Boosting Profitability

MILLION TL	Q4 2015	Q4 2016	% Change
SALES	985	1.096	11%
EBITDA*	120	350	191%
EBITDA* MARGIN	12,2%	32,0%	

MILLION TL	2015	2016	% Change
SALES	2.731	3.474	27%
EBITDA*	510	1.103	116%
EBITDA* MARGIN	18,7%	31,8%	

* One off items excluded

- Distribution business asset base is 1,4x last year.
- 83 MTL additional EBITDA generated on the back of improvements in operations, including meter reading performance.



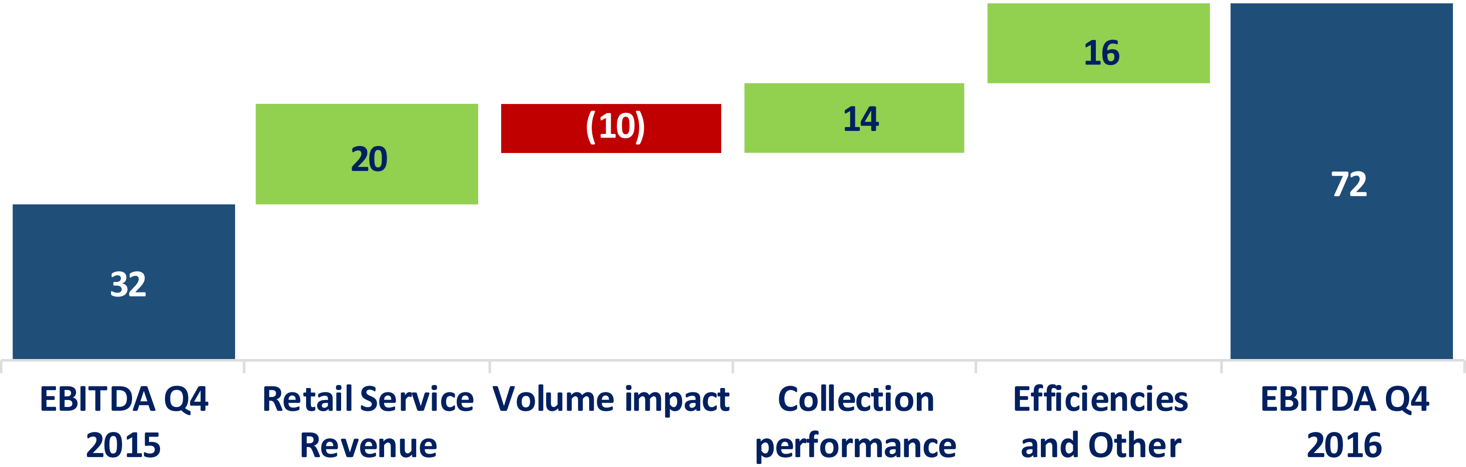
Retail Business | Focus on Profitability and Efficiency in Retail

MILLION TL	Q4 2015	Q4 2016	% Change
SALES	2.537	2.130	-16%
EBITDA*	32	72	127%
EBITDA* MARGIN	1,2%	3,4%	

MILLION TL	2015	2016	% Change
SALES	10.492	9.459	-10%
EBITDA*	231	313	36%
EBITDA* MARGIN	2,2%	3,3%	

* One off items excluded

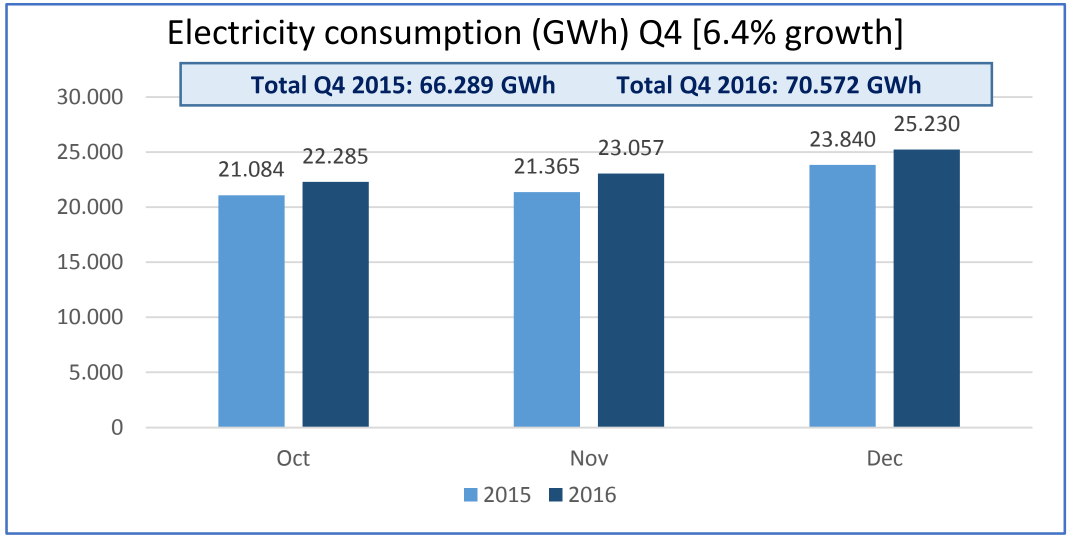
- Profitability more than doubled in Q4 despite lower top line.
- Focusing on profitable mid and SME segment drives the increase in EBITDA margins

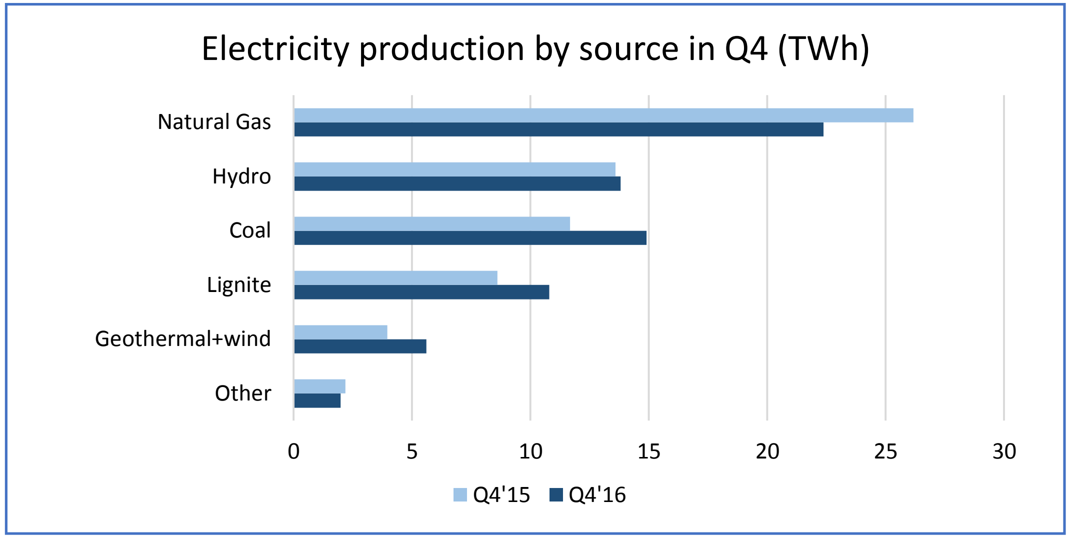


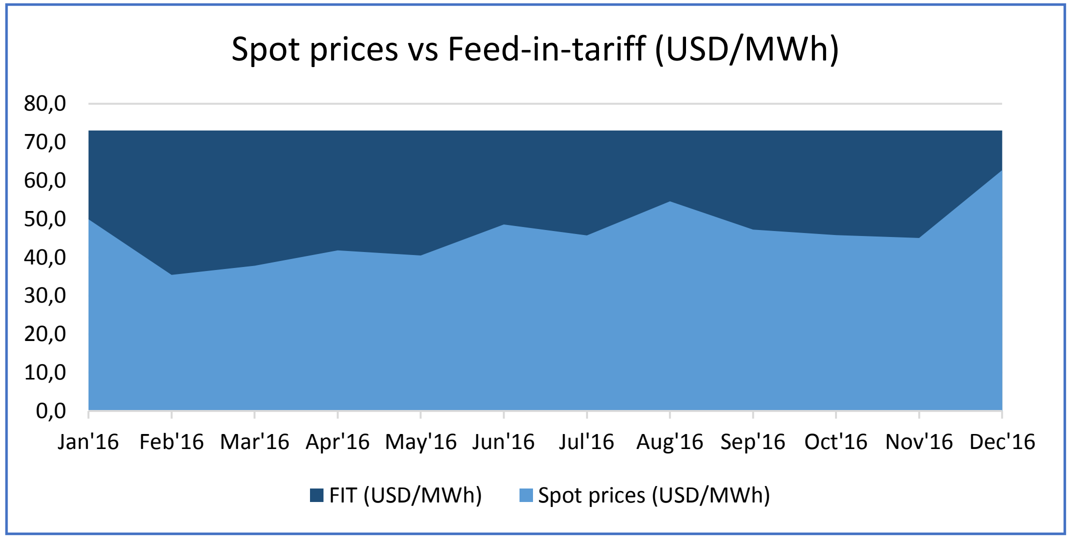
Retail Service Revenue: Revenue items received through the tariff for opex and management of doubtful receivables

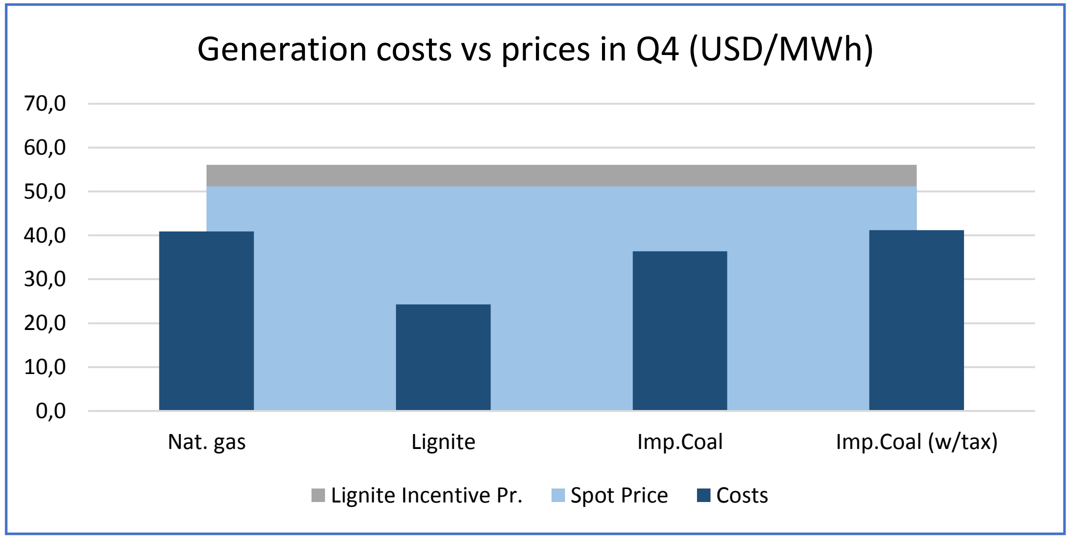
Generation

Strong Growth in Prices and Consumption in Q4







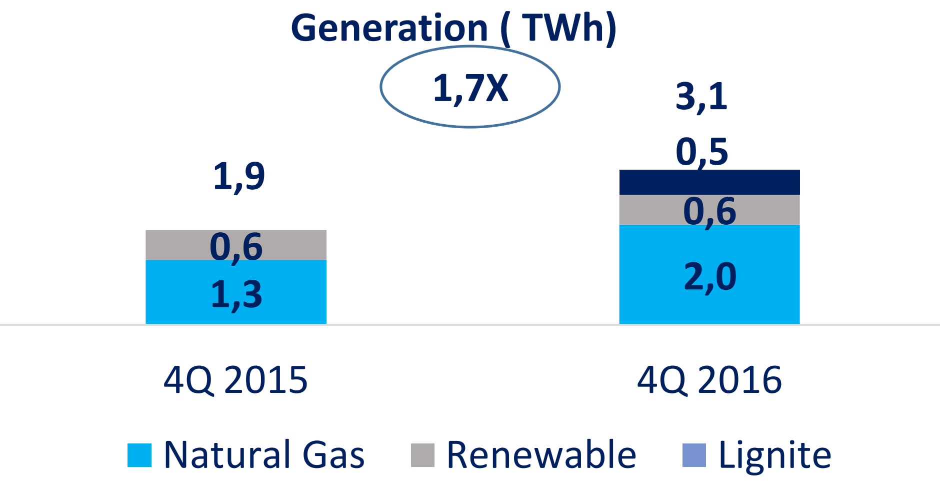


Generation

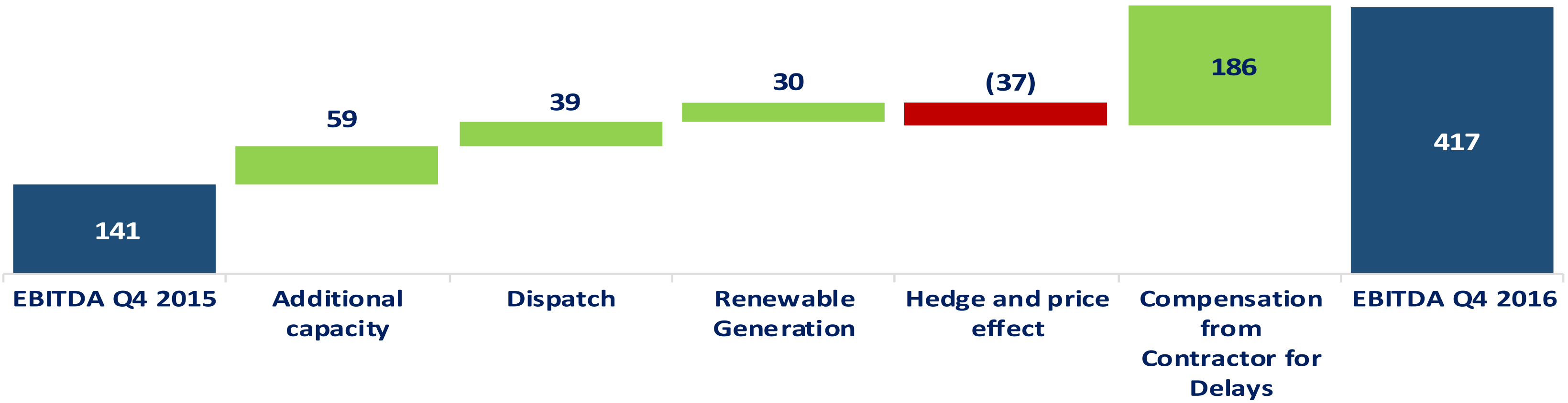
Jump in the EBITDA with New Capacity Coming Online

MILLION TL	Q4 2015	Q4 2016	% Change	2015	2016	% Change
Net sales	901	1.087	21%	3.277	3.822	17%
Gross margin (%)	17%	21%	3,8pp	26%	25%	-1,0pp
EBITDA*	**141**	**417**	**196%**	**777**	**1.054**	**36%**
EBITDA* margin (%)	**16%**	**38%**	**22,8pp**	**24%**	**28%**	**3,9pp**
Depreciation	-59	-102	-74%	-231	-308	-33%
Interest and other financial	-54	-95	-75%	-235	-282	-20%
FX income/(expense)	18	-153	-967%	-207	-419	-102%
Net income*	72	4	-95%	88	-82	-193%
NET INCOME - Adjusted for comparison**	**44**	**-37**	**-185%**	**104**	**-54**	**-152%**

* One off items excluded



- Major projects coming online: Bandırma II and Tufanbeyli
- New revenue items such as dispatch contributes EBITDA
- Limited loss considering the increase in PL effective position and volatility fx environment



Generation

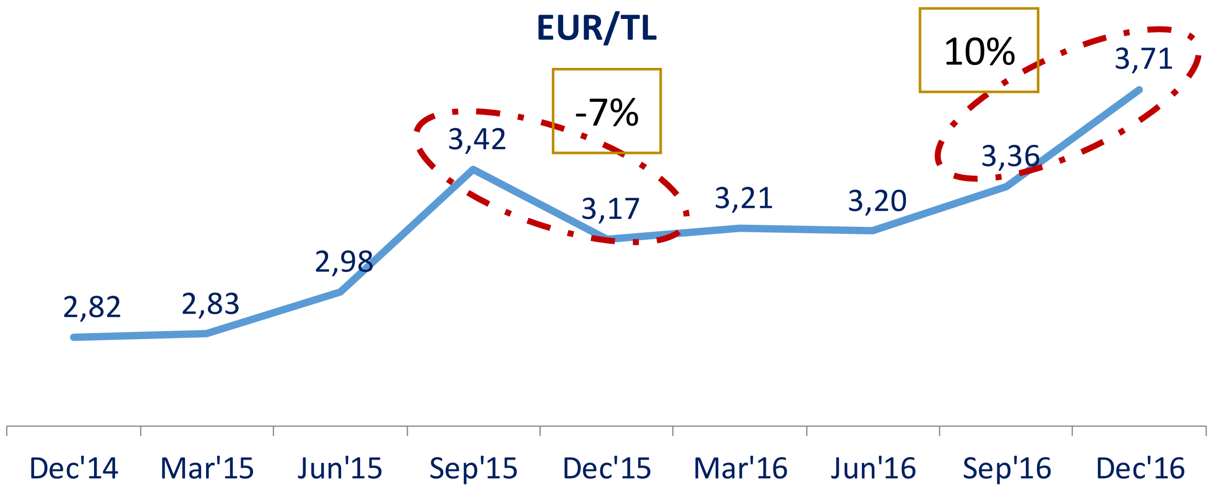
Balance Sheet and Cash Flows

MILLION TL	2015	2016	% Change
Cash	96	21	-78%
Trade Receivables	474	422	-11%
Fixed Assets	10.765	11.116	3%
Other Assets*	1.330	1.780	34%
TOTAL ASSETS	**12.667**	**13.339**	**5%**
Bank Borrowings	6.622	7.371	11%
Trade Payables	591	409	-31%
Other Liabilities**	354	793	124%
TOTAL LIABILITIES	**7.567**	**8.573**	**13%**
TOTAL EQUITY	**5.099**	**4.766**	**-7%**
TOTAL LIABILITIES AND EQUITY	**12.667**	**13.339**	**5%**

	2015	2016	% Change
Cash the beginning of the year	77	96	26%
Net cash provided by operating activities	**816**	**1.366**	**67%**
Net cash used in investing activities	**-864**	**-909**	**-5%**
Net cash (used in)/provided by financing activities	68	-532	-885%
Cash at the end of year	96	21	-78%
Free cash flow	**-48**	**457**	**1051%**

* Other assets consist VAT, transmission line receivables and other receivables and work advances.

** Other liabilities consist hedges, expense accruals related to WUR, legal case and personnel .



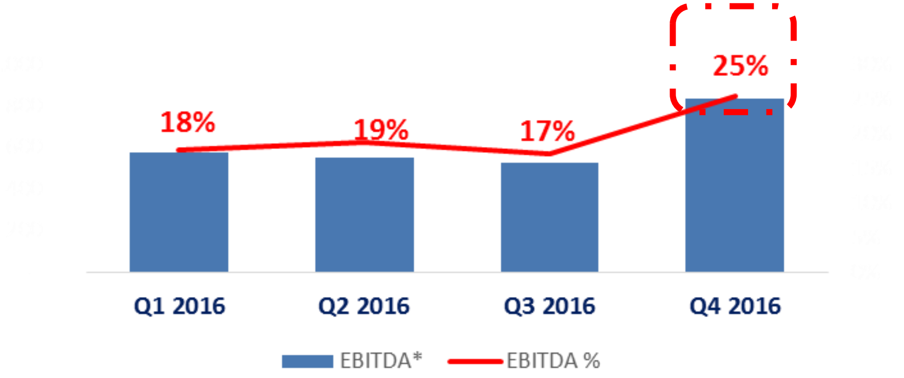
- Major projects completed
- EUR dominated loan balance
- **<u>Despite increasing EUR/TL ,Debt/(Debt+Equity): 60%, within limits</u>**
- Significant improvement in the free cash flow on the back of strong operational cash generation

Enerjisa

Operational Profitability Tripled in Q4

MILLION TL	BEFORE CONSOLIDATION ADJUSTMENTS (COMBINED) Q4 2015	Q4 2016	% Change
SALES	3.224	3.299	2%
EBITDA*	284	836	194%
NET INCOME*	19	101	438%
NET INCOME** - Adjusted for comparison	-9	60	748%
EBITDA* MARGIN	8,8%	25,3%	

MILLION TL	2015	2016	% Change
SALES	11.827	12.565	6%
EBITDA*	1.504	2.463	64%
NET INCOME*	37	279	650%
NET INCOME** - Adjusted for comparison	54	307	472%
EBITDA* MARGIN	12,7%	19,6%	



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

Cement

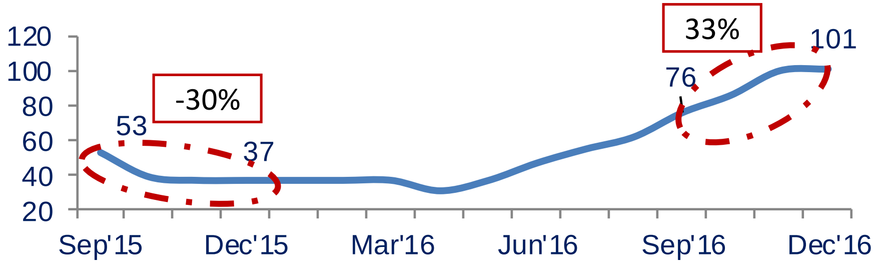
Solid EBITDA Margin Despite Jump in Energy and Fuel Costs

	BEFORE CONSOLIDATION ADJUSTMENTS (COMBINED)		
MILLION TL	Q4 2015	Q4 2016	% Change
SALES	704	662	-6%
EBITDA*	175	144	-18%
NET INCOME*	112	95	-16%
EBITDA* MARGIN	24,9%	21,8%	

MILLION TL	2015	2016	% Change
SALES	2.640	2.631	0%
EBITDA*	776	743	-4%
NET INCOME*	504	477	-5%
EBITDA* MARGIN	29,4%	28,2%	

* One off items excluded

PACE Index (Petrocoke prices- USD/ton)



Current Assessment

- Strong base effect and severe weather conditions especially in December continues to suppress growth in local market
- Challenges continue in export markets
- Petcoke, coal and electricity prices increased significantly in Q4
- Declining domestic grey cement prices in Q4 2016 balanced with high margin white cement sales
- Çimsa’s new Afyon plant has started test production at the end of the 2016

Factors to Watch

- Petcoke and coal prices
- Infrastructure segment and mega construction projects
- Speed up in nuclear power plant constructions
- Positive impact of lower and longer period mortgage rates on residential segment cement consumption
- Ongoing urban transformation projects
- New capacity entries into the cement market

Retail

Restructuring Paid Off in Q4

MILLION TL	BEFORE CONSOLIDATION ADJUSTMENTS (COMBINED)		
	Q4 2015	Q4 2016	% Change
SALES	2.146	1.911	-11%
EBITDA*	10	117	1063%
NET INCOME*	-89	-25	72%
EBITDA* MARGIN	0,5%	6,1%	

MILLION TL	2015	2016	% Change
SALES	7.099	7.566	7%
EBITDA*	126	83	-34%
NET INCOME*	-159	-310	-95%
EBITDA* MARGIN	1,8%	1,1%	

* One off items excluded

Current Assessment

- Returning to operational profitability as recovery takes hold
- Major restructuring of both food and technology retail businesses completed:
  - Store network optimization
  - Inventory clean up
- High consumer receptivity for new smart phones continues to have positive impact on turnover but dilutes margin

Factors to Watch

- Consumer Sentiment and Economic Outlook
- Currency devaluation and possible inflationary pressure over margins
- Further improvement in profitability with focus on operational excellence
- Deleveraging in food retail through realization of value in real estate portfolio
- Potential changes in consumer regulations in technology retail

Carrefoursa

3.6 % EBITDA* Margin in Q4

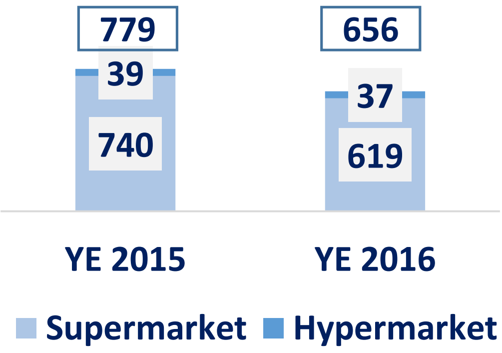
BEFORE CONSOLIDATION ADJUSTMENTS (COMBINED)

MILLION TL	Q4 2015	Q4 2016	% Change
SALES	1.181	1.106	-6%
EBITDA*	0	40	9911%
NET INCOME*	-73	-40	45%
EBITDA* MARGIN	0,0%	3,6%	

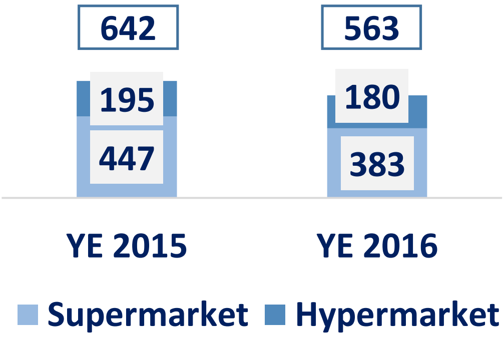
MILLION TL	2015	2016	% Change
SALES	3.933	4.492	14%
EBITDA*	74	2	-97%
NET INCOME*	-120	-265	-121%
EBITDA* MARGIN	1,9%	0,0%	

* One off items excluded

Number of stores



Net sales area (k sqm)



Wins

- Surpassed targeted EBITDA margin improvement
- Regained competitiveness with better service and high levels of SKU availability
- Early step in monetization of real estate portfolio
- Impact of minimum wage hike compensated by intensive work on labor organization

In progress…

- Just in time inventory (slim stock) management
- Gross margin improvement with assortment simplification
- Significant refurbishment in hypers and supers to improve and standardize customer experience
- Actions to minimize stock losses

Future Focus

- Deleveraging through proceeds from major real estate sales
- LfL improvement in Sales and focus on operational excellence for profitability

Insurance

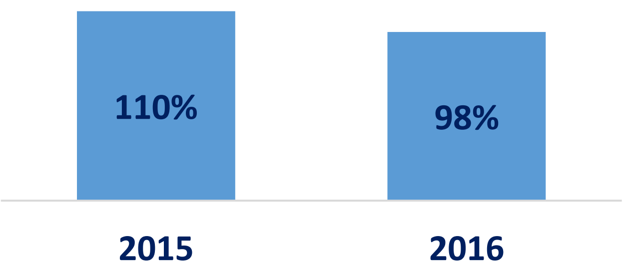
Strong Growth in Profitable Segments

MILLION TL	Q4 2015	Q4 2016	% Change
	BEFORE CONSOLIDATION ADJUSTMENTS (COMBINED)		
SALES	457	615	35%
EBITDA*	0	83	N.M
NET INCOME*	1	79	6337%

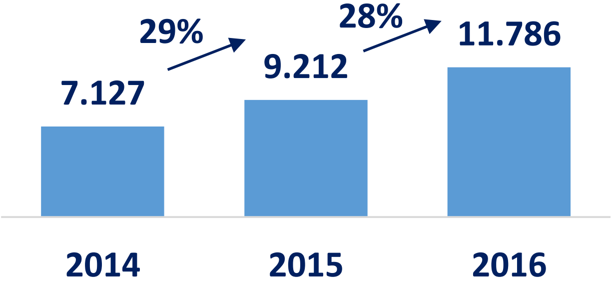
MILLION TL	2015	2016	% Change
SALES	1.886	2.213	17%
EBITDA*	127	231	82%
NET INCOME*	126	212	69%

* One off items excluded

Aksigorta Combined Ratio



Avivasa Assets Under Management (MTL)



Current Assessment

- Traffic (MTPL+MOD**) and Fire product growth drives premium generation
- Pension business continues to achieve high growth in premium generation and maintains #1 position in market
- Protection premiums growth reached 28% y/y, driving up IFRS net profit

Factors to Watch

- MTPL** product outlook with the new vendor regulator website
- Participant growth with auto enrollment
- Health insurance with regulatory change for pension companies
- Technical profitability in life protection and personal accident

** MTPL: Motor Third Party Liability
MOD: Motor Own Damage

Industrials

Operational Profitability Narrowed: Brisa's Impact Offset by Philsa

	BEFORE CONSOLIDATION ADJUSTMENTS (COMBINED)		
MILLION TL	Q4 2015	Q4 2016	% Change
SALES	1.388	1.425	3%
EBITDA*	309	258	-17%
NET INCOME*	217	173	-20%
EBITDA* MARGIN	22,3%	18,1%	

MILLION TL	2015	2016	% Change
SALES	5.054	5.228	3%
EBITDA*	1.006	975	-3%
NET INCOME*	627	634	1%
EBITDA* MARGIN	19,9%	18,6%	

* One off items excluded

Current Assessment

- Both global and local market weakened for tires throughout 2016
- All business lines focused on export markets to utilize weaker TRY and domestic demand
- Inventory cleaning to improve working capital for both tire business and automotive

Factors to Watch

- Fluctuations in commodity prices for both costs and product prices
- Turkish Lira and other EM vs developed currencies
- Working capital management and tight inventory control
- New strategies to adapt to changes in customer preferences

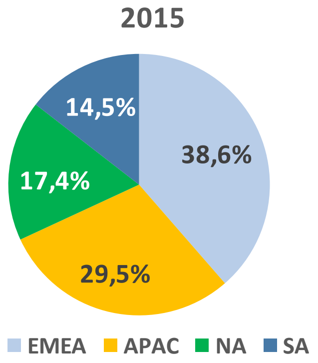
Kordsa Global | Global Reach Boosted EBITDA

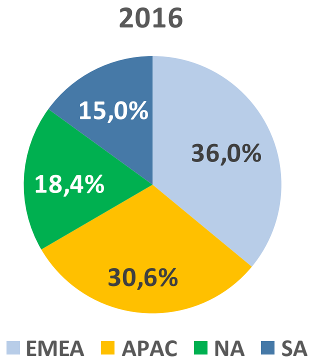
MILLION TL	Q4 2015	Q4 2016	% Change
	STANDALONE FINANCIALS		
SALES	452	505	12%
EBITDA*	70	78	12%
NET INCOME*	51	53	5%
EBITDA* MARGIN	15,5%	15,5%	

MILLION TL	2015	2016	% Change
SALES	1.737	1.908	10%
EBITDA*	242	293	21%
NET INCOME*	121	191	57%
EBITDA* MARGIN	13,9%	15,4%	

* One off items excluded

Regional sales distribution





Current Assessment

- 3-3,5% growth in Global market demand, despite significant decline in South America and stagnation in Asian markets excl. China
- Full utilization of capacity expansion in Indonesia
- Focus on Commercial Excellence for sustainable profitable growth

Factors to Watch

- Increasing commodity prices, EM Currencies' movement against USD
- Pace of volume growth with improved Brazilian and CIS Market
- New PET Investments in Turkey and Indonesia

Brisa

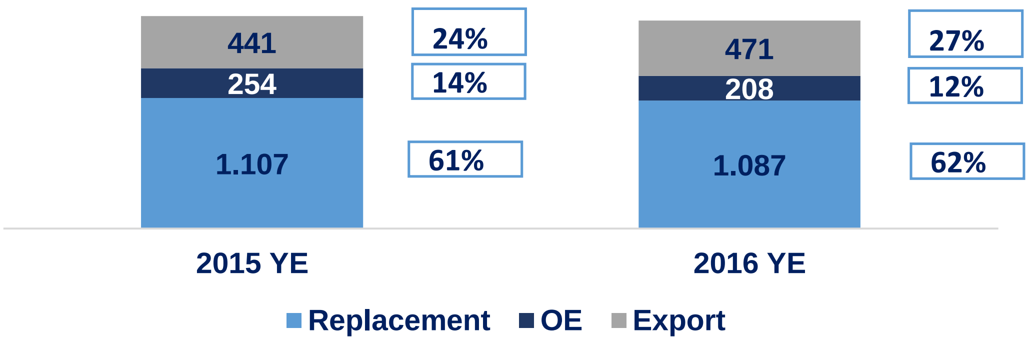
Increased Focus on Exports

MILLION TL	BEFORE CONSOLIDATION ADJUSTMENTS (COMBINED) Q4 2015	Q4 2016	% Change
SALES	519	494	-5%
EBITDA*	134	82	-39%
NET INCOME*	76	39	-49%
EBITDA* MARGIN	25,8%	16,6%	

MILLION TL	2015	2016	% Change
SALES	1.802	1.766	-2%
EBITDA*	368	251	-32%
NET INCOME*	192	87	-55%
EBITDA* MARGIN	20,4%	14,2%	

* One off items excluded

Segmental Revenue



2016 Highlights

- Macroeconomic conditions resulted in limited growth in the markets overall.
- Improvement signals in demand in Q4:
  - High growth in «Passenger Car» segment sales and increase in winter tire sales
- Inventory levels optimized as of 2016 YE, focused working capital management: Clean start to 2017

Increase in export sales; Lassa sales growth in Europe 31,3%, whereas the market growth limited to 3,8%

Yünsa

Profitability Boost in 2017 Post Restructuring

MILLION TL	Q4 2015	Q4 2016	% Change
	BEFORE CONSOLIDATION ADJUSTMENTS (COMBINED)		
SALES	42	57	35%
EBITDA*	10	-6	N.M
NET INCOME*	4	-9	N.M
EBITDA* MARGIN	24,1%	-10,3%	

MILLION TL	2015	2016	% Change
SALES	264	247	-6%
EBITDA*	35	10	-71%
NET INCOME*	11	-12	N.M
EBITDA* MARGIN	13,2%	4,1%	

* One off items excluded

Challenges in the Market

- Crisis with Russia impacting local market negatively
- Rising Italian competition in export markets due to EUR/USD depreciation
- Working capital problems due to increased payment terms in the market

Yünsa Actions

- Inventory clean up to improve working capital
- Focus on «Total Quality Management» to improve margins in 2017
- Introducing new segments to adapt to changing customer behavior

Temsa

Regulatory Changes and FX Volatility Hitting Profitability

TEMSA BUS

STAND ALONE FINANCIALS			
MILLION TL	2015	2016	% Change
SALES	750	889	18%
EBITDA*	102	85	-16%
NET INCOME*	71	52	-26%
EBITDA MARGIN	13,5%	9,6%	

* One off items excluded

TEMSA CONSTRUCTION EQUIPMENT

STAND ALONE FINANCIALS			
MILLION TL	2015	2016	% Change
SALES	484	465	-4%
EBITDA	25	30	23%
NET INCOME	12	15	27%
EBITDA MARGIN	5,1%	6,5%	

TEMSA AUTOMOTIVE

STAND ALONE FINANCIALS			
MILLION TL	2015	2016	% Change
SALES	503	417	-17%
EBITDA	65	41	-37%
NET INCOME	41	20	-52%
EBITDA MARGIN	12,9%	9,9%	

Temsa Bus

- Weak EBITDA margin due to regulatory changes increasing costs; not reflected to prices (Shift from EURO5 to EURO6 engine type)
- «After Sales services» profitability negatively affected from EUR/TL depreciation
- Launched electric bus «Avenue»

Temsa Construction Equipment

- Volvo Heavy Truck Distributorship, strong growth potential
- Focus on profitable segments improved EBITDA*

Temsa Automotive

- Weakening EBITDA margin due to regulatory changes increasing costs; not reflected to prices (Shift from EURO5 to EURO6 engine type)
- Focus on inventory management

Philsa

Further Improvement in Market Share

MILLION TL	BEFORE CONSOLIDATION ADJUSTMENTS (COMBINED)		
	Q4 2015	Q4 2016	% Change
SALES	4.611	5.089	10%
NET INCOME	50	78	57%

MILLION TL	2015	2016	% Change
SALES	16.592	19.598	18%
NET INCOME	186	289	56%

2016

- Tobacco consumption posted strong growth in 9M@2016 mainly thanks to lower illicit imports
- However, Q4 volumes were weaker mainly due to higher pricing
- Profitability in Q4 driven by price increase and low cost inventory.

Turkey Key Market Data

	Q4 2015	Q4 2016	% Change	2015	2016	% Change
Total Cigarette Market (billion units)	28	26	-8%	103	106	2%
PMI Shipments (million units)	13.581	12.074	-11%	49.014	49.624	1%
PMI Cigarette Market Share						
Marlboro	9,9%	10,3%	0,4%	9,5%	10,2%	0,7%
Parliament	11,6%	11,8%	0,2%	11,6%	11,7%	0,1%
Lark	7,9%	7,0%	-0,9%	7,6%	7,4%	-0,2%
Others	14,8%	15,3%	0,5%	15,1%	15,0%	-0,1%
Total	44,2%	44,4%	0,2%	43,8%	44,3%	0,5%

Please note that above sales figures represent sales of marketing Company namely Philip Morris Sabancı Pazarlama ve Satış A.Ş. (PMSA).

FX Position

Disciplined FX management

CONSOLIDATED NET FX POSITION (excl. Bank) M€	MILLION EURO	
	DEC 31, **2015**	DEC 31, **2016**
ENERGY*	-124	-278
INDUSTRIALS	2	-25
CEMENT	-1	-8
RETAIL	-4	3
HOLDING	115	167
INSURANCE & OTHER	13	6
TOTAL CONSOLIDATED FX POSITION AFFECTING PL	**1**	**-135**

***Capitalized borrowings of Energy segment amounting to 29 MEUR and the other FX assets/liabilities that do not create FX gain/loss are excluded**

Holding Only Cash Position is 1.114 MTL

SABANCI

2017 Guidance

		2017 Growth Guidance
ENERGY	SALES	10-15%
	EBITDA	10-15%
INDUSTRIALS	SALES	5-15%
	EBITDA*	5-15%
SABANCI HOLDING COMBINED NON-BANK	SALES	5-10%
	EBITDA*	10-15%

One off items excluded

* Philsa included

Q&A