



2014 First Quarter Earnings Release

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	2012	2013	2014(E)
GDP Growth, %	2.2	4.0	2.0-2.5
Consumer Inflation (%), Annual	6.16	7.4	8.6
USD/TL, Year end	1.78	2.13	2.25
CA Balance/GNP, %	-6.1	-7.4	-6.0

Deceleration in Q1 & Signs of recovery in Q2

- Divestment of SASA shares
- Partnership with Marubeni in Temsa İş Makineleri
- Kavşakbendi HEPP is operational and construction of Arkun HEPP is complete.

- Integration of Ayedas & Toroslar Regions
- Completion of 4 Hydro electric power plants with an installed capacity of 440 MW.
- Turnaround of Carrefoursa
- Working towards the crystallization of value through IPOs
- Further transactions in our underperforming companies
- Realizing growth opportunities in cement

Delivering Priorities

MILLION TL	TOTAL BEFORE CONSOLIDATION ADJUSTMENTS (COMBINED)		
	Q1 2013	Q1 2014	% Change
TOTAL	8.823	10.898	24%
BANK	3.759	3.832	2%
NON-BANK	5.065	7.066	40%
ENERGY	1.272	2.636	107%
RETAIL	1.260	1.380	10%
CEMENT	424	550	30%
INSURANCE	471	533	13%
INDUSTRIALS	1.014	1.303	29%
OTHER	624	664	6%

Strong revenue growth continues in non-bank segment

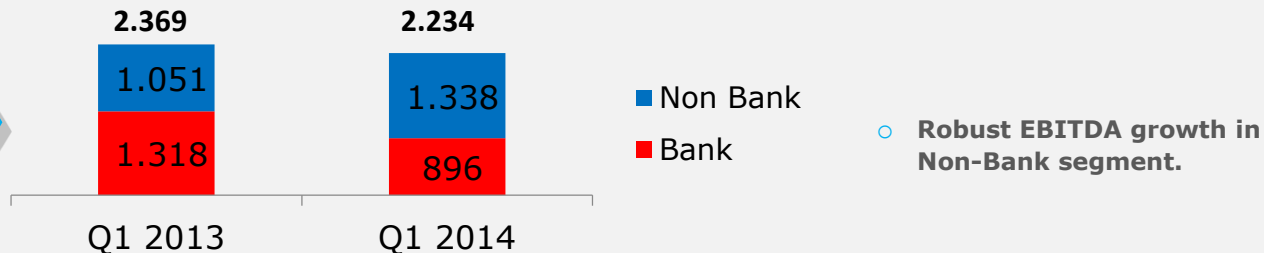
EBITDA (Excluding Non Operational Items)

7

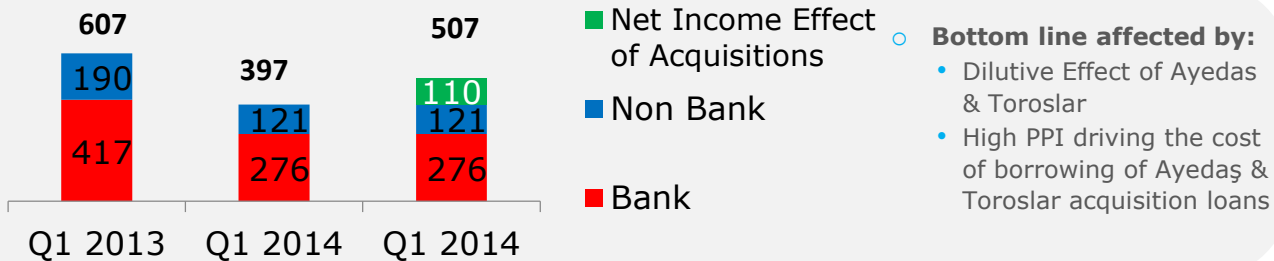
MILLION TL	TOTAL BEFORE CONSOLIDATION ADJUSTMENTS (COMBINED)		
	Q1 2013	Q1 2014	% Change
TOTAL	2.369	2.234	-6%
BANK	1.318	896	-32%
NON-BANK	1.051	1.338	27%
ENERGY	170	240	41%
RETAIL	34	37	11%
CEMENT	66	142	117%
INSURANCE	27	64	134%
INDUSTRIALS	156	236	52%
OTHER	599	619	3%

Significant operational income improvement in insurance, cement and industrials

COMBINED EBITDA* (MILLION TL)



CONSOLIDATED NET INCOME** (MILLION TL)



* Total before consolidation (combined).

** Consolidated figures exclude non operational items

EBITDA on the non bank side continued to grow in Q1 2014

MILLION TL	Q1 2013	Q1 2014	% Change
CONSOLIDATED NET INCOME*	190	121	-36%
ENERGY	39	-36	N.M
RETAIL	-8	-2	N.M
CEMENT	10	38	295%
INSURANCE	12	23	93%
INDUSTRIALS	62	119	93%
OTHER	76	-21	N.M

**Excluding non operational items.*

Step jump in net income in Industrials, Cement and Insurance in Q1 2014

CONSOLIDATED NET FX POSITION (excl. Bank) M€	MILLION EURO	
	DEC 31, 2013	MAR 31, 2014
ENERGY*	-420	-494
INDUSTRIALS	41	19
CEMENT	4	5
RETAIL	-5	-2
HOLDING, INSURANCE & OTHER	20	18
TOTAL CONSOLIDATED FX POSITION	-360	-454
COMBINED NET DEBT (excl. Bank) M€	DEC 31, 2013	MAR 31, 2014
ENERGY*	3.527	3.609
INDUSTRIALS	611	604
CEMENT	84	148
RETAIL	-155	-63
HOLDING, INSURANCE & OTHER	-78	-233
TOTAL CONSOLIDATED NET DEBT	2.082	2.086

*Capitalized borrowings of Energy segment amounting to 470 MEUR and the other FX assets/liabilities that do not create FX gain/loss are excluded (Capitalized borrowings Dec 31, 2013: 497 MEUR)

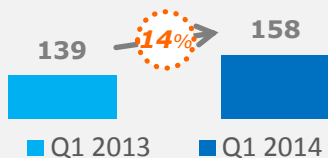
Holding Only Cash Position is 219 MTL

Limited FX Exposure...

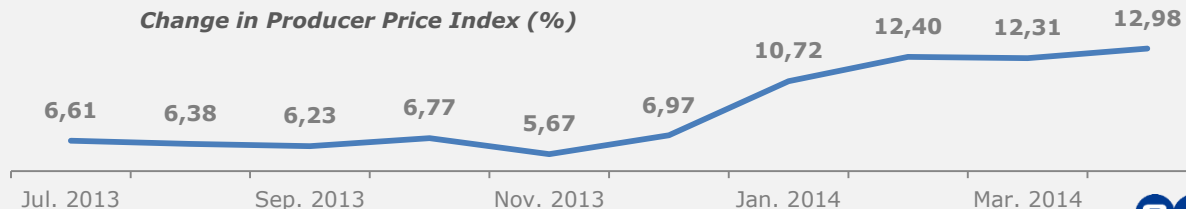
MILLION TL	TOTAL BEFORE CONSOLIDATION ADJUSTMENTS (COMBINED)			CONTRIBUTION TO CONSOLIDATED FINANCIALS		
	Q1 2013	Q1 2014	% Change	Q1 2013	Q1 2014	% Change
SALES	1.272	2.636	107%	-	-	N.M
EBITDA	170	240	41%	39	-36	N.M
NET INCOME	78	-73	N.M	39	-36	N.M
EBITDA MARGIN	13,4%	9,1%				

Topline growth driven by new distribution regions and generation

Market Prices (TL/MWh)



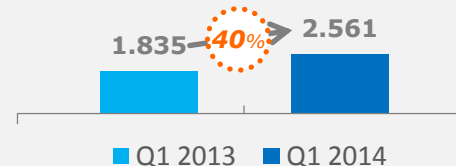
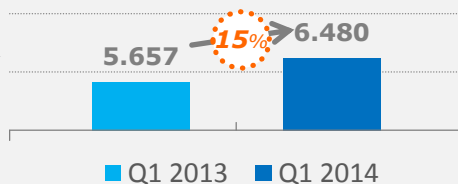
Change in Producer Price Index (%)



MILLION TL	TOTAL BEFORE CONSOLIDATION ADJUSTMENTS (COMBINED)			CONTRIBUTION TO CONSOLIDATED FINANCIALS		
	Q1 2013	Q1 2014	% Change	Q1 2013	Q1 2014	% Change
SALES	1.272	1.373	8%	-	-	N.M
EBITDA	170	198	17%	39	60	54%
NET INCOME	78	120	54%	39	60	54%
EBITDA MARGIN	13,4%	14,5%				

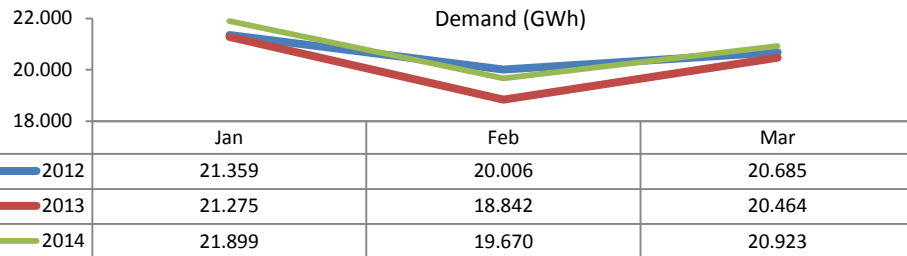
Both Generation and Başkent contributing to EBITDA growth

Generation & Trading & Başkent Sales Volume (GWh)



Generation Installed Capacity (MW)

Demand (GWh)

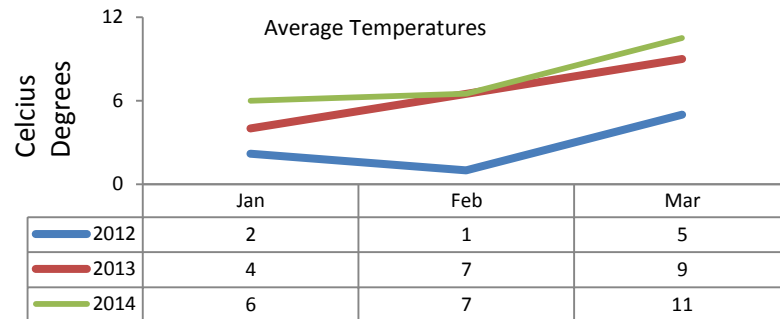


Recovering demand

2014 Q1 Demand Growth: 3.2%

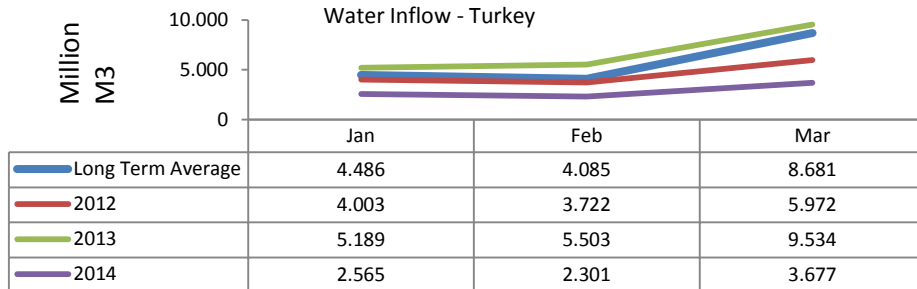
...with milder temperatures...

Average Temperatures



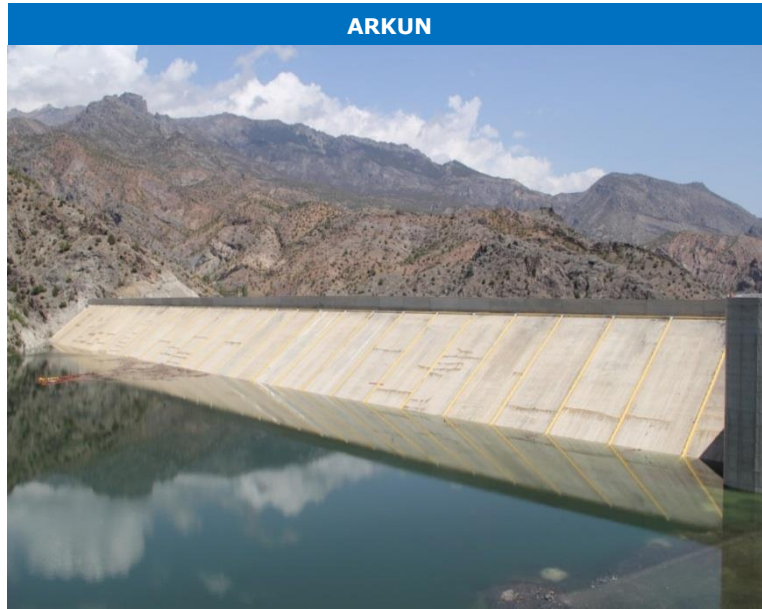
...and lower water inflow compared to last year and long term average.

Water Inflow - Turkey



Power Plants Completed in 2014

14

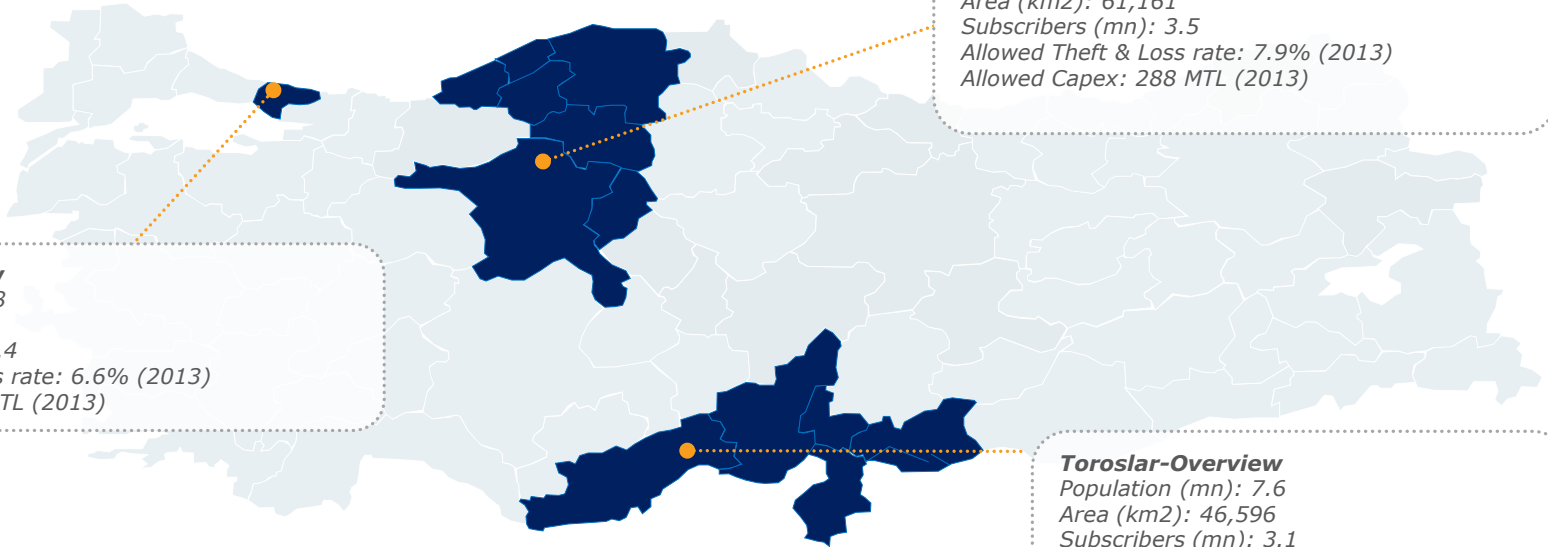


237 MW



186 MW

50% of Enerjisa Installed Capacity is renewables
During the last 12 months, Enerjisa completed the construction of 8 hydro plants.



Ayedaş - Overview

Population (mn): 4.8
Area (km²): 1,926
Subscribers (mn): 2.4
Allowed Theft & Loss rate: 6.6% (2013)
Allowed Capex: 89MTL (2013)

Başkent EDAŞ-Overview

Population (mn): 6.9
Area (km²): 61,161
Subscribers (mn): 3.5
Allowed Theft & Loss rate: 7.9% (2013)
Allowed Capex: 288 MTL (2013)

Toroslar-Overview

Population (mn): 7.6
Area (km²): 46,596
Subscribers (mn): 3.1
Allowed Theft & Loss rate: 11.8% (2013)
Allowed Capex: 109 MTL (2013)

New Regions EBITDA contributive in Q1 2014.

MILLION TL	2013 YE	Q1 2014	% Change
Cash	865	941	9%
Trade Receivables	1.749	1.780	2%
Other Current Assets	743	793	7%
TOTAL CURRENT ASSETS	3.357	3.515	5%
Fixed Assets	15.109	15.260	1%
Other Non Current Assets	4.921	5.100	4%
TOTAL NONCURRENT ASSETS	20.030	20.360	2%
TOTAL ASSETS	23.387	23.875	2%
Short Term Bank Borrowings	1.872	1.656	-12%
Trade Payables	1.303	1.196	-8%
Other Current Liabilities*	2.166	2.294	6%
TOTAL CURRENT LIABILITIES	5.342	5.146	-4%
Long Term Bank Borrowings	5.711	6.314	11%
Other Non Current Liabilities*	4.652	4.837	4%
TOTAL NON CURRENT LIABILITIES	10.364	11.151	8%
TOTAL EQUITY	7.681	7.578	-1%
TOTAL LIABILITIES AND EQUITY	23.387	23.875	2%

* Includes 3,8 bn TL debt to Privatization Authority

Enerjisa Loans			
Million	Original Currency		Total TL Equivalent
	TL	EUR	
Generation	228	1.902	5.948
Distribution	5.396	91	5.668
Total	5.624	1.992	11.615

Million	Original Currency		Total TL Equivalent
	TL	EUR	
Fixed	1.517	1.082	4.772
Floating	578	910	3.316
PPI Indexed	3.528		3.528
Total	5.624	1.992	11.615

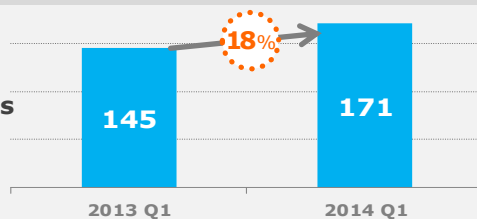
3.5 Billion TL of the loans are PPI indexed.. Q1 impact is significant.. Potential recovery in financial expense if inflation declines

MILLION TL	TOTAL BEFORE CONSOLIDATION ADJUSTMENTS (COMBINED)			CONTRIBUTION TO CONSOLIDATED FINANCIALS		
	Q1 2013	Q1 2014	% Change	Q1 2013	Q1 2014	% Change
SALES	1.260	1.380	10%	661	1.377	108%
EBITDA*	34	37	11%	21	37	75%
NET INCOME*	-24	-4	N.M	-8	-2	N.M
EBITDA MARGIN	2,7%	2,7%				

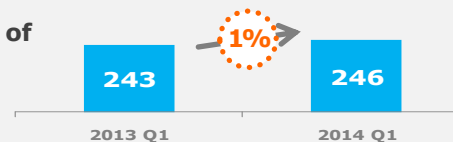
*Includes net income effect of Carrefoursa in Q1'13

Recovery in EBITDA driven by Carrefoursa

Electronics Retail Sales
Area (000 m2)



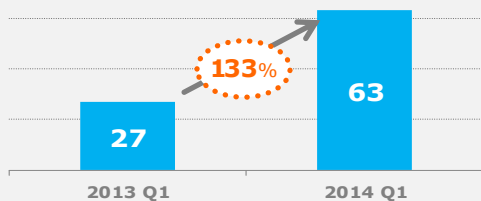
Carrefoursa Number of
Stores



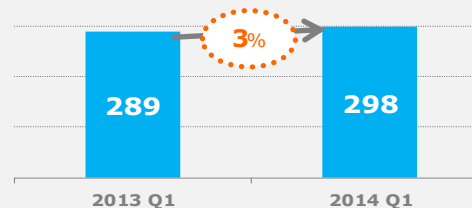
MILLION TL	TOTAL BEFORE CONSOLIDATION ADJUSTMENTS (COMBINED)			CONTRIBUTION TO CONSOLIDATED FINANCIALS		
	Q1 2013	Q1 2014	% Change	Q1 2013	Q1 2014	% Change
SALES	661	682	3%	661	682	3%
EBITDA	22	13	-43%	22	13	-43%
NET INCOME	9	-4	N.M	5	-2	N.M
EBITDA MARGIN	3,4%	1,9%				

Significant Growth in E-Commerce Business

E-Commerce Revenues (MTL)



Number of Stores



MILLION TL	TOTAL BEFORE CONSOLIDATION ADJUSTMENTS (COMBINED)			CONTRIBUTION TO CONSOLIDATED FINANCIALS		
	Q1 2013	Q1 2014	% Change	Q1 2013	Q1 2014	% Change
SALES	599	698	17%	-	698	N.M
EBITDA*	11	25	118%	-2	25	N.M
NET INCOME*	-6	0	N.M	-2	0	N.M
EBITDA MARGIN	1,9%	3,5%				

* Includes net income effect of Q1'13. Fully consolidated at EBITDA level in Q1 2014

Double Digit LFL Growth..

- Q1 2014 LfL: 16%
- Q1 2013 LfL: -%0,3%









Key Achievements in Carrefoursa

- Fresh produce direct from the field driving higher traffic.
- Carrefoursa Mini, Carrefoursa Gurme and Carrefoursa Super formats have been introduced.
- SAP implementation is being completed.
- Meetings with suppliers were held to establish closer working relationships and realign on shared priorities and targets.
- Carrefoursa Academy was established to enhance professional skills and support career development.



Opening of a new Carrefoursa Gurme

Number of stores by format as of March 31, 2014

New Store Formats	#	'000 m ²
Carrefour  	28	192
Carrefour <i>gürme</i>  	1	2
Carrefour <i>mini</i>  	34	9
Carrefour <i>süper</i>  	183	162

Carrefoursa Gürme



Carrefoursa Mini



Carrefoursa Süper



- 5bn TL revenue and 5% EBITDA margin in 2016.
- **Back to Basics: Simplify Our Way of Doing Business, Faster and Customer Focused Approach**
- **More Efficient IT Network enhancing the CRM and E-trade capabilities**
- **100 new stores in 2014 and a total of 700 stores in 2016.**
- **Procurement from field directly: 36-40 hours from field to shelf.**
- **New Advertisement Campaigns**

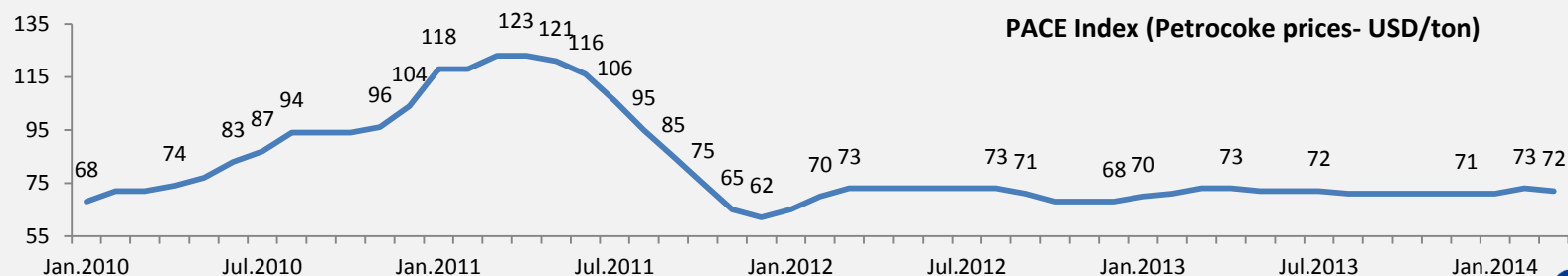


TOTAL BEFORE CONSOLIDATION ADJUSTMENTS (COMBINED)

CONTRIBUTION TO CONSOLIDATED FINANCIALS

MILLION TL	Q1 2013	Q1 2014	% Change	Q1 2013	Q1 2014	% Change
SALES	424	550	30%	190	225	19%
EBITDA	66	142	117%	37	79	115%
NET INCOME	23	86	271%	10	38	295%
EBITDA MARGIN	15,5%	25,8%				

Profitability driven by strong domestic demand

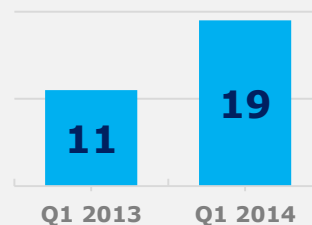


MILLION TL	TOTAL BEFORE CONSOLIDATION ADJUSTMENTS (COMBINED)			CONTRIBUTION TO CONSOLIDATED FINANCIALS		
	Q1 2013	Q1 2014	% Change	Q1 2013	Q1 2014	% Change
SALES	471	533	13%	-	-	N.M
EBITDA	27	64	134%	12	23	93%
NET INCOME	27	57	110%	12	23	93%
EBITDA MARGIN	5,8%	11,9%				

Focus on profitable segments and sales channels...



Aksigorta
Combined
Ratio (%)



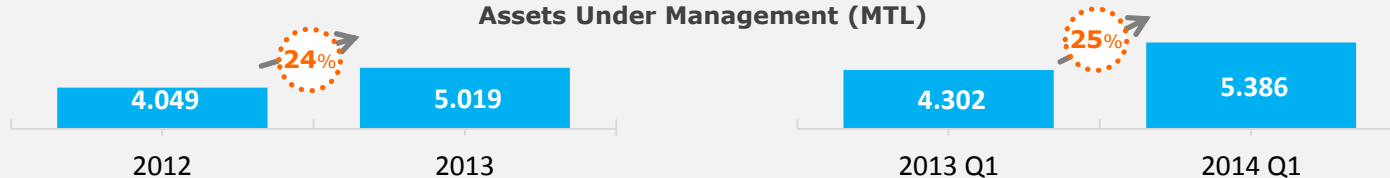
Aksigorta
ROE (%)

MILLION TL	2012	2013	% Change
SALES	198	233	18%
EBITDA	48	55	16%
NET INCOME	49	72	45%

MILLION TL	Q1 2013	Q1 2014	% Change
SALES	60	57	-5%
EBITDA	14	18	27%
NET INCOME	20	21	5%

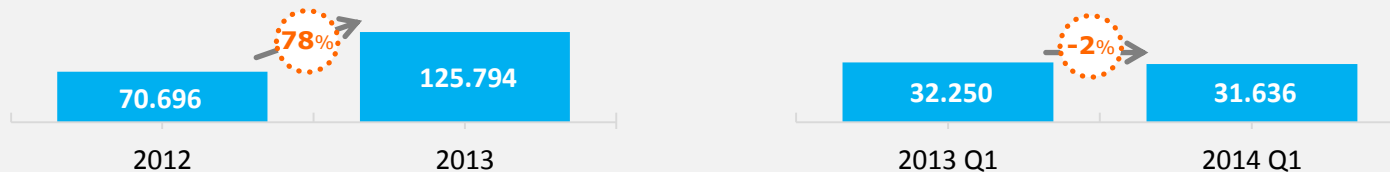
Solid quarterly performance despite some pressure in credit linked life insurance business

Assets Under Management (MTL)

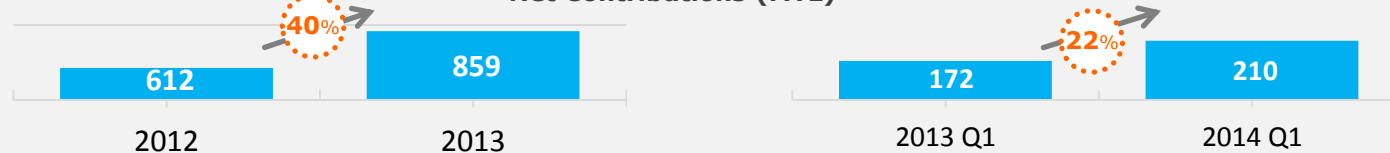


*Including state contributions

Number of New Participants

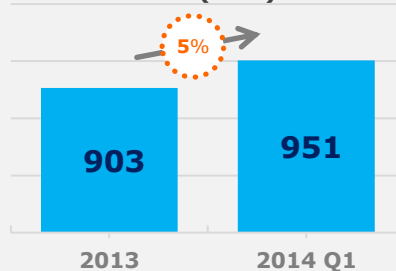


Net Contributions (MTL)

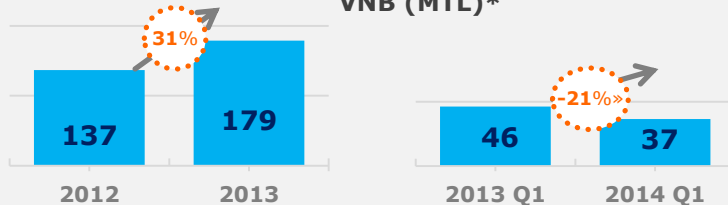


MCEV measures at a point in time the long-term value embedded into the existing business of a life and pension company assuming that no additional new business is written. The **MCEV** does not include the value of the future new business sales

MCEV (MTL)



VNB (MTL)*



*Post cost of capital & net of tax

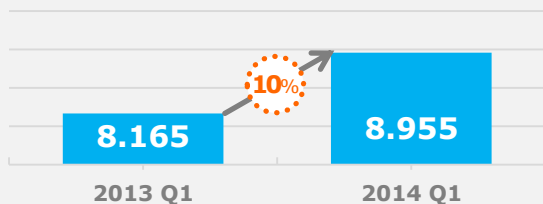
VNB measures the present value of future profits expected from new policies sold during a particular reporting period. In this case, Q1 VNB represents the present value of future profits expected from the sales generated in the first quarter

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SALES	1.014	1.303	29%	695	915	32%
EBITDA*	156	236	52%	112	169	51%
NET INCOME*	78	179	131%	62	119	93%
EBITDA MARGIN	15,4%	18,1%				

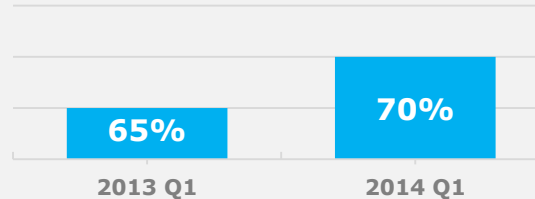
*Excludes non operational items

Operational efficiency and increased competitiveness in export markets resulting in immense net income growth

Philsa sales volume
(Million Units)



Share of A & B (High-End)
segments in Yünsa Sales
Volume (mt)

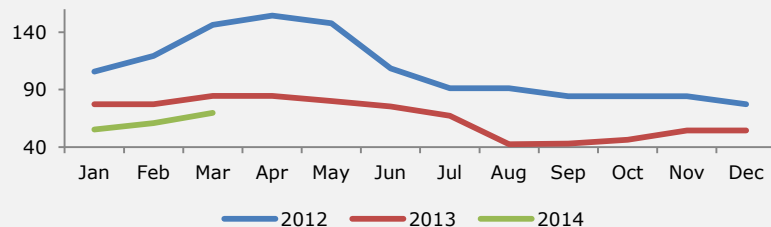


MILLION TL	TOTAL BEFORE CONSOLIDATION ADJUSTMENTS (COMBINED)			CONTRIBUTION TO CONSOLIDATED FINANCIALS		
	Q1 2013	Q1 2014	% Change	Q1 2013	Q1 2014	% Change
SALES	358	443	24%	358	443	24%
EBITDA	21	63	206%	21	63	206%
NET INCOME	0	31	N.M	0	28	N.M
EBITDA MARGIN	5,7%	14,2%				

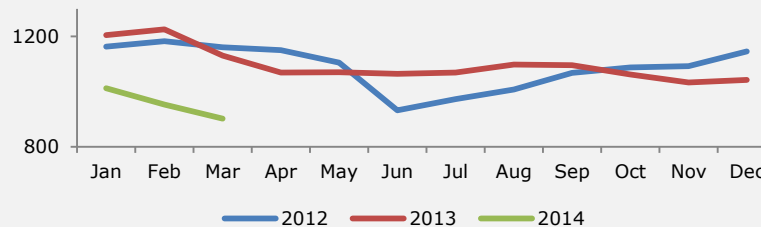
- TR NY6.6 Expansion Line Start Up, Indonesia in line with plan

Improvement in operational efficiency and low raw material prices driving profitability

Butadiene Prices (US\$ Cents/Pound)

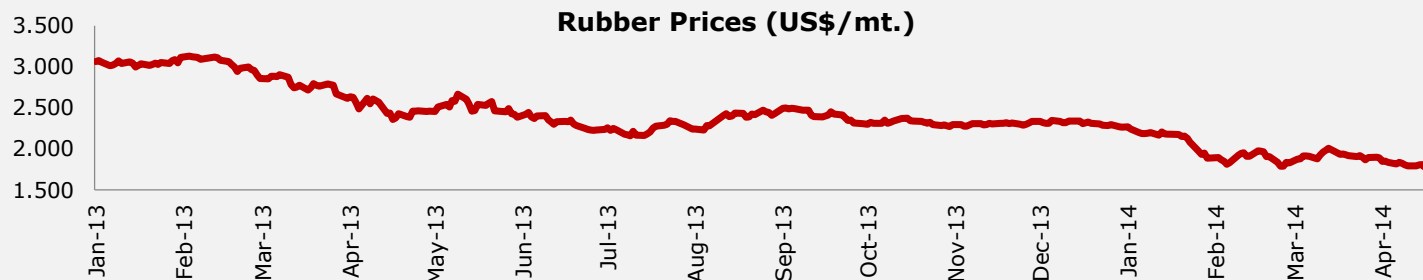


PTA Prices (US\$/ton)



MILLION TL	TOTAL BEFORE CONSOLIDATION ADJUSTMENTS (COMBINED)			CONTRIBUTION TO CONSOLIDATED FINANCIALS		
	Q1 2013	Q1 2014	% Change	Q1 2013	Q1 2014	% Change
SALES	319	388	22%	-	-	N.M
EBITDA	55	89	61%	11	22	92%
NET INCOME	26	50	92%	11	22	92%
EBITDA MARGIN	17,3%	22,9%				

Successful marketing coupled with continuing low raw material prices



Non-Operational and Non-Recurring Items

32

	Q1 2013	Q1 2014
NET INCOME	555	403
Akbank Turkish Competition Board Penalty	53	
Carrefoursa Provision Reversal		-2
Temsa Gain on Fixed Asset Sale		-8
Temsa Legal Provision		4
NET INCOME EXCLUDING NON OPERATIONAL & NON RECURRING ITEMS*	607	397

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

No major one-off item in Q1 2014

	SALES GROWTH	EBITDA GROWTH
Energy	40-45%	30-35%
Cement	10-15%	20-25%
Retail	15-20%	15-20%
Industrials	5-10%	25-30%
Insurance	10-15%	10-15%

Robust growth expectations in non-bank segments

- ✓ Strong operating profitability jump in industrials, cement and insurance
- ✓ Off to a good start in Carrefoursa turnaround
- ✓ Further progress on portfolio restructuring
- ✓ Signs of the economy picking up after the elections
- ✓ Positive impact on Enerjisa bottom line from potential decline in interest rates and appreciation of TL
- ✓ Drought will limit hydro generation for Enerjisa as well as for all electricity market players. Price impact to be seen.

Cement Day: June 18, 2014 **AKÇANSA** **ÇİMSA**

Energy Day: September 24, 2014 **ENERJİSA**

Insurance Day: November 6, 2014 **AKSigorta** **AVIVA SA**
Emeklilik ve Hayat

Retail Day: November 13, 2014 **Carrefour** **SA** **TEKNO SA**

Industrials Day: TBD **BRI SA** **KORD SA GLOBAL** **YÜN SA**

Sabancı at the City of London: September 1-2, 2014

Q&A