# Sabancı Holding

Q2 2017 Earnings Presentation

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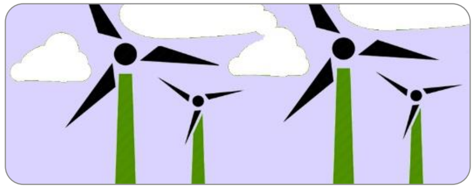
## Key Highlights

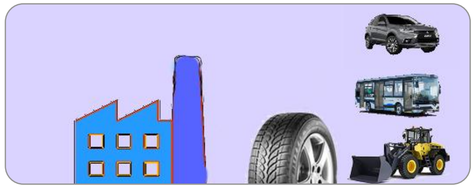
# Strong Top Line and EBITDA growth continues in Q2



**Energy** segment continues to drive non-bank EBITDA with 37% y/y growth, now providing 58% of total

**Retail** segment improvement on track, 380 bps increase in EBITDA margin in Q2 y/y

Rising pension penetration, effective claims management and solid financial income generation has led to a near 2x net technical income growth in **Insurance** business



Despite setbacks in local demand and raw material prices, EBITDA level maintained in **Industrial** segment with export focus

# Revenues

# Energy Segment Growth Drives Q2 Non-bank Revenues

**TOTAL BEFORE CONSOLIDATION ADJUSTMENTS** (COMBINED)

| MILLION TL | Q2 2016 | Q2 2017 | % Change | H1 2016 | H1 2017 | % Change |
|---|---|---|---|---|---|---|
| TOTAL* | 13.345 | 15.369 | 15% | 26.251 | 29.470 | 12% |
| BANK | 5.669 | 6.675 | 18% | 10.996 | 12.834 | 17% |
| NON-BANK* | 7.676 | 8.694 | 13% | 15.256 | 16.637 | 9% |
| ENERGY | 2.931 | 3.712 | 27% | 6.201 | 7.194 | 16% |
| CEMENT | 739 | 773 | 5% | 1.322 | 1.320 | 0% |
| RETAIL | 1.940 | 1.952 | 1% | 3.811 | 3.688 | -3% |
| INSURANCE | 548 | 621 | 13% | 1.118 | 1.349 | 21% |
| INDUSTRIALS | 1.417 | 1.601 | 13% | 2.662 | 3.017 | 13% |
| OTHER* | 100 | 35 | -65% | 142 | 69 | -51% |

* Holding dividend income excluded

**Energy top line driven with new capacities and higher renewable proceeds in generation and higher regulated returns in distribution**

**Strong premium growth and ongoing pension demand drives Insurance top line**

**Industrials top line supported with revenues from international markets**

# EBITDA

## Energy and Retail: Top Contributors to Q2 Non-Bank EBITDA Growth

**TOTAL BEFORE CONSOLIDATION ADJUSTMENTS** (COMBINED)

| MILLION TL | Q2 2016 | Q2 2017 | % Change | H1 2016 | H1 2017 | % Change |
|---|---|---|---|---|---|---|
| **TOTAL*** | **2.681** | **3.342** | **25%** | **5.114** | **6.314** | **23%** |
| **BANK** | 1.639 | 2.053 | 25% | 3.050 | 3.959 | 30% |
| **NON-BANK*** | **1.041** | **1.289** | **24%** | **2.064** | **2.356** | **14%** |
| **ENERGY** | 550 | 754 | 37% | 1.126 | 1.369 | 22% |
| **CEMENT** | 230 | 163 | -29% | 384 | 259 | -33% |
| **RETAIL** | -22 | 52 | 332% | -19 | 95 | 597% |
| **INSURANCE** | 52 | 91 | 76% | 101 | 161 | 60% |
| **INDUSTRIALS** | 248 | 240 | -3% | 498 | 494 | -1% |
| **OTHER*** | -16 | -11 | 34% | -25 | -23 | 8% |

Excluding one off items

* Holding dividend income is excluded

**Energy operational profitability was driven with distribution business.**

**Retail EBITDA improvement contributed to 23% of non-bank EBITDA growth of Q2**

**Strong underwriting performance and pension profitability in Insurance drives Q2 EBITDA**

# Consolidated Net Income

## Despite Recovery in Retail and Insurance, Cement and Industrials Drags Down Bottom-line Performance

| MILLION TL | Q2 2016 | Q2 2017 | % Change | H1 2016 | H1 2017 | % Change |
|---|---|---|---|---|---|---|
| **CONSOLIDATED NET INCOME*** | **679** | **794** | **17%** | **1.338** | **1.516** | **13%** |
| **BANK** | 516 | 645 | 25% | 957 | 1.241 | 30% |
| **NON-BANK** | **163** | **149** | **-9%** | **381** | **275** | **-28%** |
| **ENERGY** | 27 | 24 | -12% | 111 | -3 | -103% |
| **CEMENT** | 66 | 33 | -50% | 110 | 55 | -50% |
| **RETAIL** | -56 | -27 | 52% | -98 | -53 | 46% |
| **INSURANCE** | 19 | 30 | 60% | 35 | 53 | 53% |
| **INDUSTRIALS** | 109 | 83 | -24% | 232 | 185 | -20% |
| **OTHER** | -2 | 6 | 367% | -8 | 37 | 586% |

*Excludes non-operational one off items.

**Banking segment net income drives the consolidated net income in Q2**

**TRY depreciation and new capacities financial expense impact were net income dilutive in Energy Segment**

**Cement segment net income weakened further with financial expenses**

**Industrial segment net income weakened with high financial expenses**

# Energy

# Strong Operational Profitability Continues

| MILLION TL | Q2 2016 | Q2 2017 | % Change | H1 2016 | H1 2017 | % Change |
|---|---|---|---|---|---|---|
| SALES | 2.931 | 3.712 | 27% | 6.201 | 7.194 | 16% |
| EBITDA* | 550 | 754 | 37% | 1.126 | 1.369 | 22% |
| NET INCOME | 79 | 45 | -43% | 246 | -234 | -195% |
| NET INCOME* | 55 | 48 | -12% | 222 | -6 | -103% |
| EBITDA* MARGIN | 18,8% | 20,3% | | 18,2% | 19,0% | |

**Excludes non-operational one off items.*

## Current Assessment

**Distribution Business:**

– Accelerated investments and thus increasing Regulated Asset Base

**Retail Business:**

– National tariff increase expectations not met

– National tariff, impact of FIT and sourcing costs suppressing top line and margins

**Generation Business:**

– Renewable tariff and lignite incentive price contributing to top line and margins

– Unexpected outages in plants

**Financing:**

– Active management of financing costs

– Volatile FX environment

## Factors to Watch

**Distribution Business:**

– Regulatory Changes

– Operational efficiencies

**Retail Business:**

– National tariff announcement

– Large customers prefering regulated segment

**Generation Business:**

– Hydrology outlook

– Operational profitability of Tufanbeyli lignite plant

**Financing:**

– FX volatility, inflation and financing costs in the market

# Energy

# Restructuring Energy Business to Increase Focus on Separate Business Lines

## Current Structure

- SABANCI 50% | e.on 50%
  - Enerjisa Consolidated – JV
    - Enerjisa Generation and Trading Company
    - Enerjisa Electricity Distribution Company (EEDAŞ)
      - Retail Business
        - Başkent Retail Company
        - Ayedaş Retail Company
        - Toroslar Retail Company
      - Distribution Business
        - Başkent Distribution Company
        - Ayedaş Distribution Company
        - Toroslar Distribution Company

## Target Structure

- SABANCI 50% | e.on 50%
  - Enerjisa Electricity Distribution Company (EEDAŞ)
    - Retail Business
      - Başkent Retail Company
      - Ayedaş Retail Company
      - Toroslar Retail Company
    - Distribution Business
      - Başkent Distribution Company
      - Ayedaş Distribution Company
      - Toroslar Distribution Company
- SABANCI 50% | e.on 50%
  - Enerjisa Generation and Trading Company

***Important Disclaimer:***

*The data provided in this section is based on certain Sabanci Holding managerial adjustments. Some of the financial data provided in this presentation is given based on segment details of current revenue stream of Enerjisa. Following the completion of the partial spin-off, certain operational and financial figures including revenue streams and other information provided under this document would be subject to change*

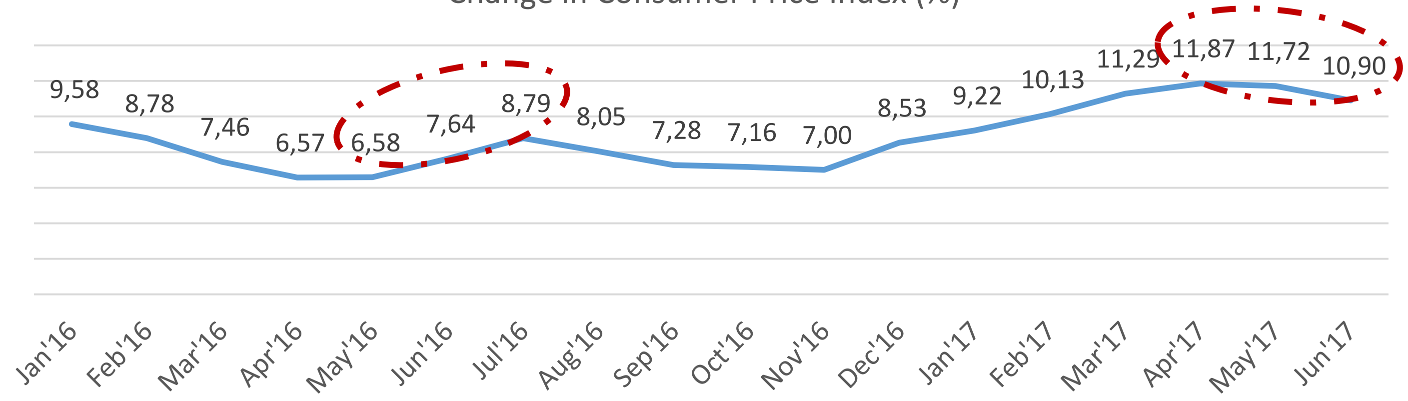
Enerjisa Distribution & Retail

# Strong Profitability in Q2’17; further improvement on top of Q1’17

| MILLION TL | Q2 2016 | Q2 2017 | % Change | H1 2016 | H1 2017 | % Change |
|---|---|---|---|---|---|---|
| **Net sales** | 2.144 | 2.750 | 28% | 4.514 | 5.449 | 21% |
| **EBITDA*** | 310 | 481 | 55% | 652 | 894 | 37% |
| ***EBITDA* margin (%)*** | 14,5% | 17,5% | 3,0pp | 14,4% | 16,4% | 2,0pp |
| Depreciation | -53 | -57 | -7% | -107 | -113 | -5% |
| Financial Income/(expense) | -165 | -259 | -57% | -325 | -479 | -47% |
| **Net income** | 117 | 134 | 15% | 214 | 215 | 1% |
| **Net income*** | 93 | 134 | 45% | 190 | 215 | 14% |

*Excludes non-operational one off items.

Change in Consumer Price Index (%)




- Increasing asset base and higher inflation improved regulatory returns in distribution business
- Challenging market conditions narrow profitability in retail business

Enerjisa Distribution & Retail

# Balance Sheet and Cash Flows

| MILLION TL | DEC 2016 | H1 2017 | % Change |
|---|---|---|---|
| Cash | 75 | 570 | 665% |
| Trade Receivables | 1.721 | 1.898 | 10% |
| Financial Assets | 4.293 | 4.962 | 16% |
| Fixed Assets (inc Intangible Assets) | 7.949 | 7.866 | -1% |
| Other Assets* | 1.094 | 1.189 | 9% |
| **TOTAL ASSETS** | **15.131** | **16.485** | **9%** |
| Bank Borrowings | 6.298 | 7.287 | 16% |
| Trade Payables | 1.118 | 928 | -17% |
| Other Liabilities** | 2.969 | 3.309 | 11% |
| **TOTAL LIABILITIES** | **10.385** | **11.523** | **11%** |
| **TOTAL EQUITY** | **4.747** | **4.962** | **5%** |
| **TOTAL LIABILITIES AND EQUITY** | **15.131** | **16.485** | **9%** |

| | DEC 2016 | H1 2016 | H1 2017 | % Change |
|---|---|---|---|---|
| Cash at the beginning of the year | 152 | 152 | 75 | -51% |
| **Net cash provided by operating activities** | **1.859** | **679** | **791** | **16%** |
| **Net cash used in investing activities** | **-1.561** | **-521** | **-815** | **-56%** |
| Net cash (used in)/provided by financing activities | -376 | -192 | 520 | 371% |
| Cash at the end of year | 75 | 118 | 570 | 383% |
| **Free cash flow** | **298** | **158** | **-24** | **-115%** |

- Increased investments lead to temporary net working capital fluctuations
- Pre-financing to lock favorable interest rates for rest of the year impacts loan balance and cash balance

* Mainly consists of income accruals and deposits paid; goodwill and transfer of rights are shown in Fixed Assets

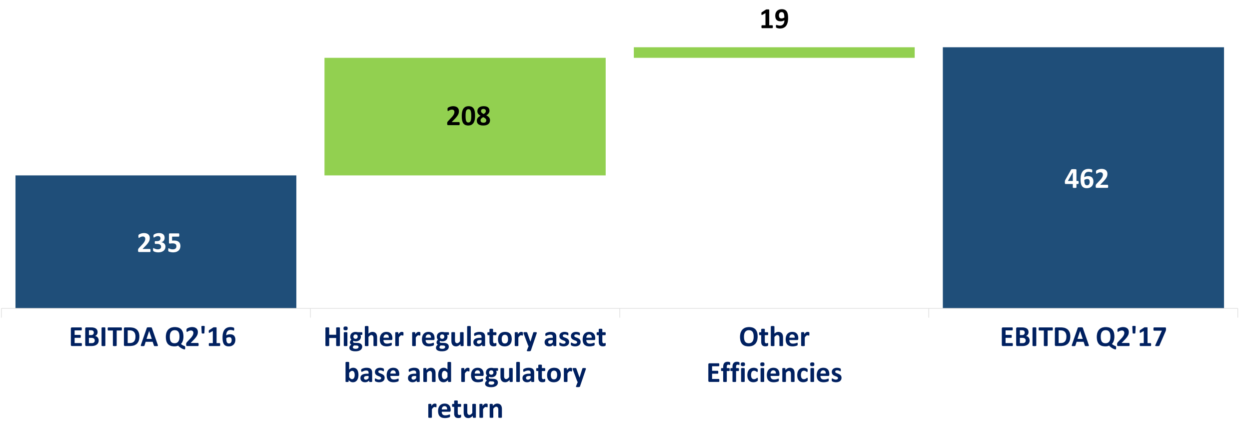
** Consists of deposits and guarantees received, deferred income, provisions for legal claims and employment benefits.

## Enerjisa Distribution Business

# Growth in Asset Base and Higher Inflation on Top of Operational Efficiencies

| MILLION TL | Q2 2016 | Q2 2017 | % Change | H1 2016 | H1 2017 | % Change |
|---|---|---|---|---|---|---|
| SALES | 789 | 1.045 | 32% | 1.585 | 2.115 | 33% |
| EBITDA* | 235 | 462 | 97% | 493 | 856 | 74% |
| EBITDA* MARGIN | 29,7% | 44,2% | | 31,1% | 40,5% | |

*Excludes non-operational one off items.

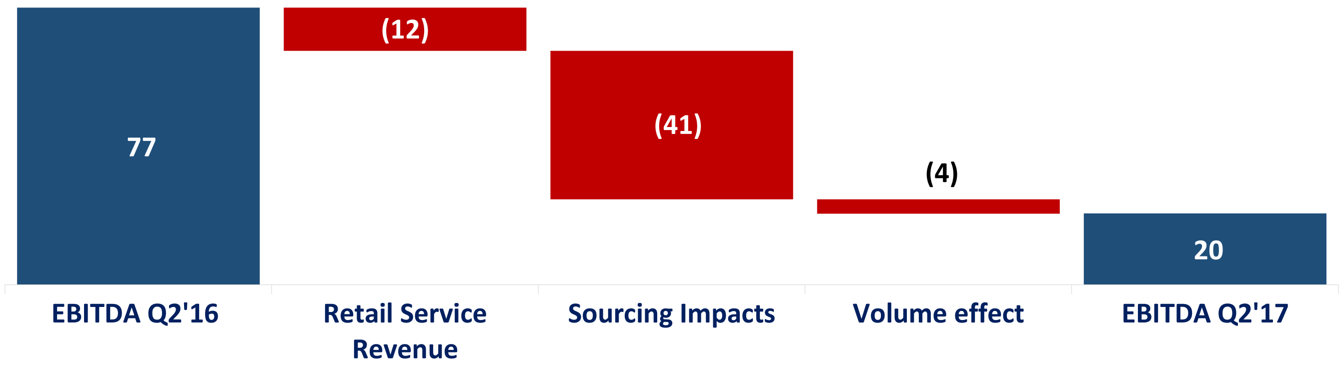



- Consumer Price Index high above last year – positively impacting regulatory returns
- Issuance of new CPI-linked bonds diversify funding source and improve predictability of operating profitability
- Increase in asset base improved EBITDA by 208 MTL in the comparable tariff period.

# Enerjisa Retail Business

# Squeezed Margins Due to Sourcing Costs

| MILLION TL | Q2 2016 | Q2 2017 | % Change | H1 2016 | H1 2017 | % Change |
|---|---|---|---|---|---|---|
| SALES | 2.000 | 2.441 | 22% | 4.355 | 4.865 | 12% |
| EBITDA | 77 | 20 | -74% | 160 | 39 | -76% |
| EBITDA MARGIN | 3,8% | 0,8% | | 3,7% | 0,8% | |

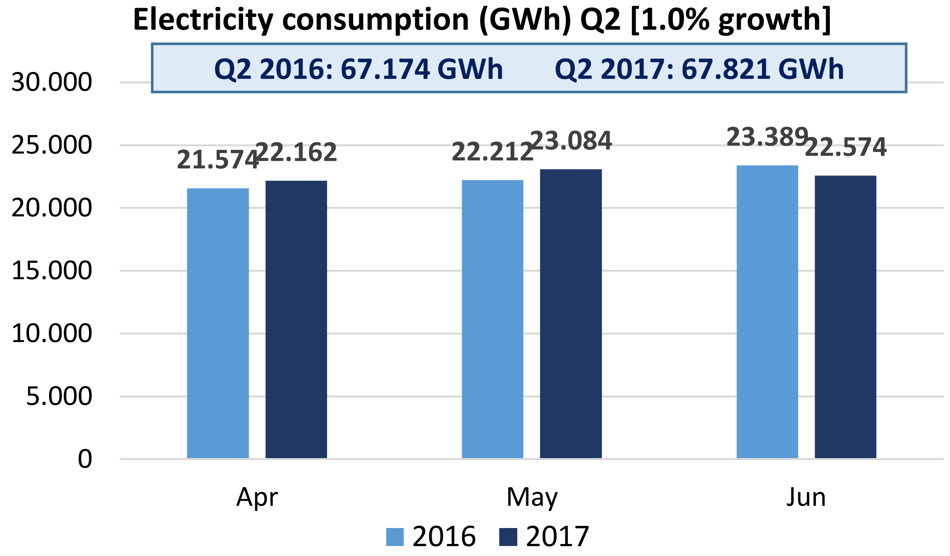


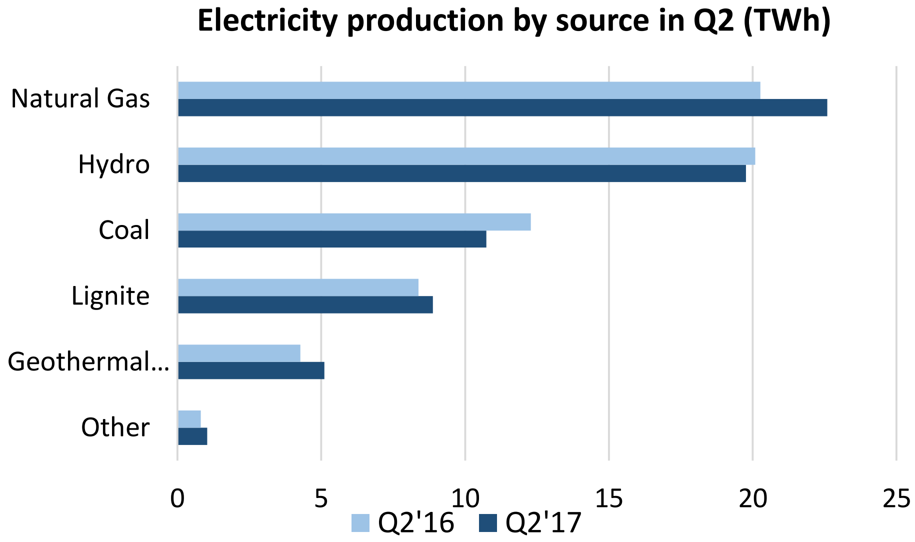

Retail Service Revenue: Revenue items received through the tariff for opex and management of doubtful receivables

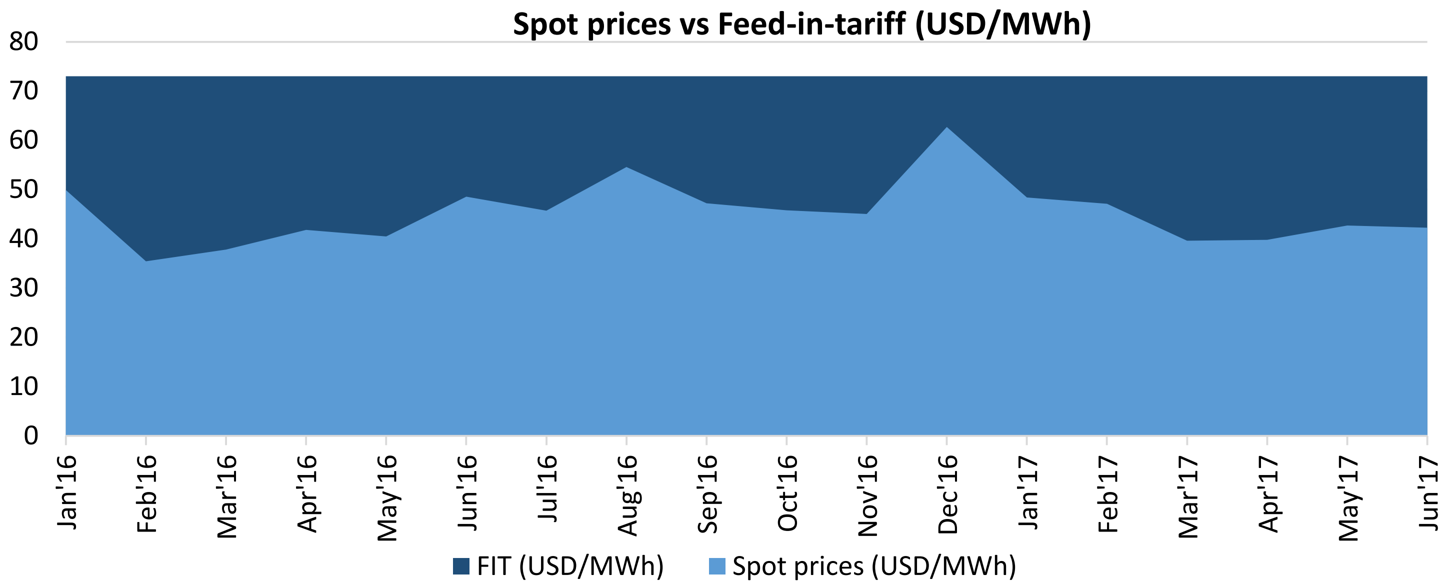
- Reduction in national tariff compared to last year hinders profitability in free market
- Market Prices in Q2’17 %18 higher than last year; increasing the sourcing costs in free market
- Compensation for doubtful receivables through retail service revenue has been capped at Turkey average

Generation Sector

# Flat Growth in Power Consumption in Q2

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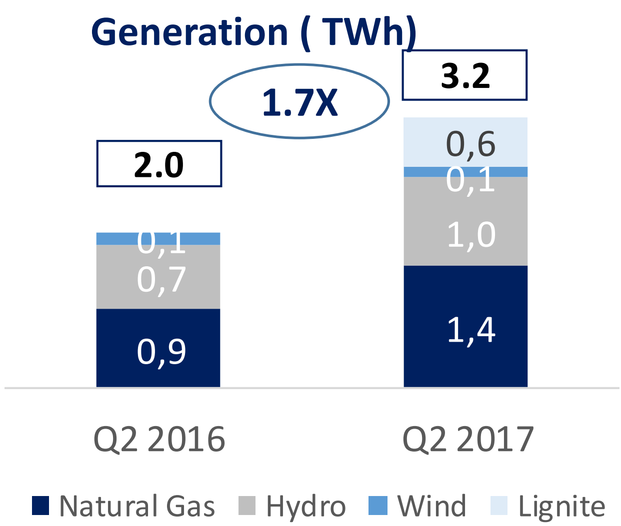
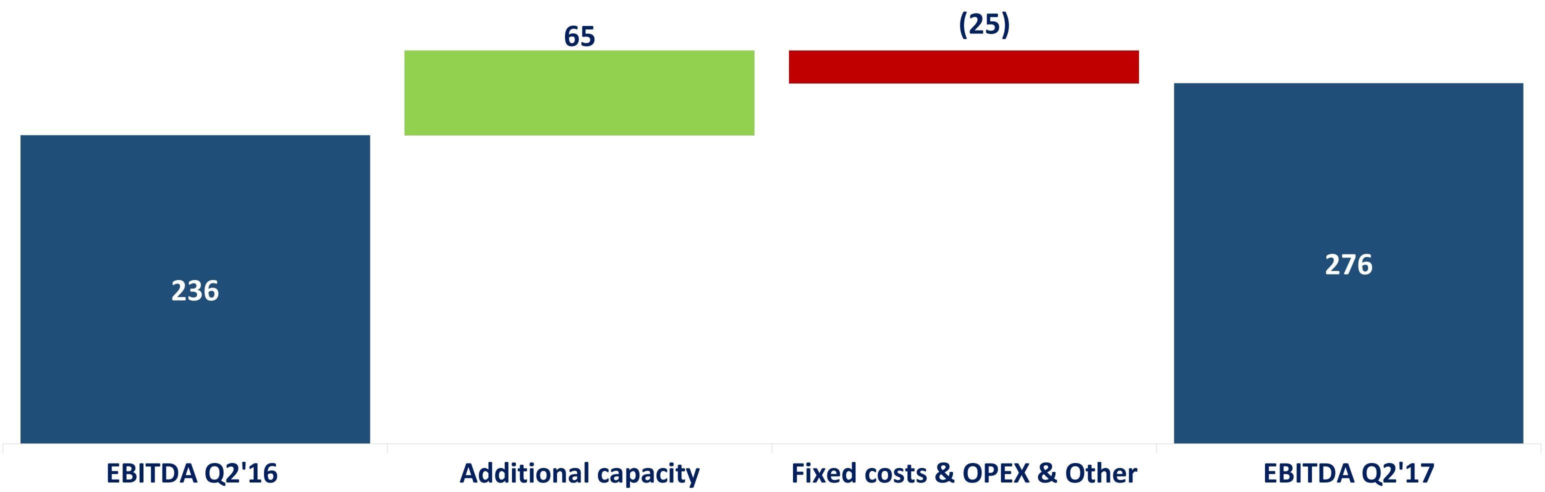
# Enerjisa Generation & Trading

# EBITDA Improvement Thanks to New Capacities, Net Income Contribution Limited

| MILLION TL | Q2 2016 | Q2 2017 | % Change | H1 2016 | H1 2017 | % Change |
|---|---|---|---|---|---|---|
| **Net sales** | 966 | 1.089 | 13% | 2.018 | 1.996 | -1% |
| **EBITDA*** | 236 | 276 | **17%** | 467 | 473 | **1%** |
| ***EBITDA* margin (%)*** | **24%** | **25%** | **0,9pp** | **23%** | **24%** | **0,5pp** |
| Depreciation | -61 | -106 | -74% | -119 | -208 | -74% |
| Financial Income/(expense) | -134 | -291 | -116% | -244 | -567 | -133% |
| **Net income** | **-40** | **-88** | **-118%** | **31** | **-447** | **-1553%** |
| **Net income*** | **-40** | **-84** | **-109%** | **31** | **-219** | **-811%** |

* One off items excluded




- Bandırma II Natural Gas Plant and Tufanbeyli Lignite Plant becoming operational, impacted bottom line dramatically because of financial expenses and additional depreciation expenses; EBITDA contribution is limited with 65 MTL
- Unexpected outages limited EBITDA contribution

**Enerjisa Generation & Trading**

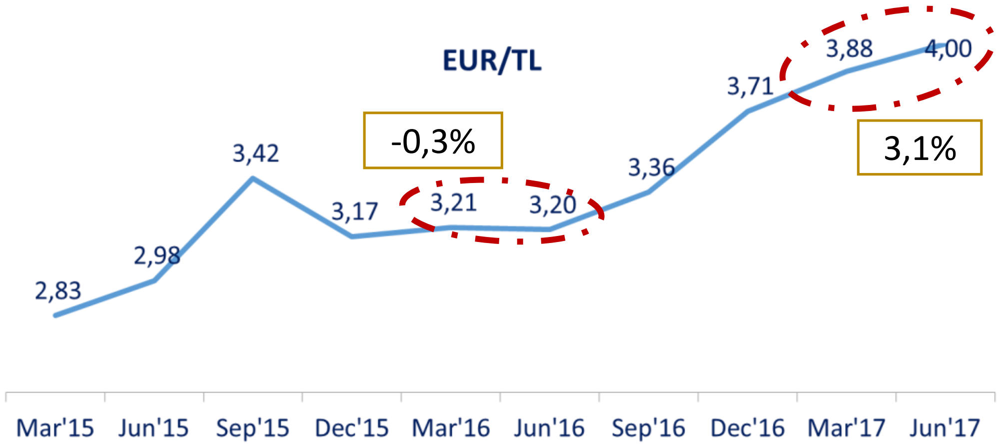
# Balance Sheet and Cash Flows

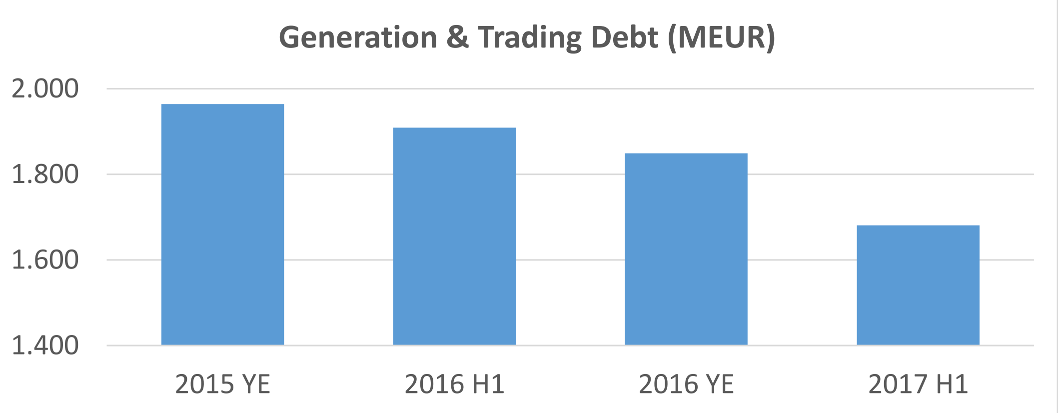
| MILLION TL | DEC 2016 | H1 2017 | % Change |
|---|---|---|---|
| Cash | 28 | 20 | -27% |
| Trade Receivables | 418 | 305 | -27% |
| Fixed Assets | 10.950 | 10.845 | -1% |
| Other Assets* | 1.955 | 1.257 | -36% |
| **TOTAL ASSETS** | **13.351** | **12.427** | **-7%** |
| Bank Borrowings | 7.371 | 7.148 | -3% |
| Trade Payables | 410 | 288 | -30% |
| Other Liabilities** | 827 | 572 | -31% |
| **TOTAL LIABILITIES** | **8.609** | **8.007** | **-7%** |
| **TOTAL EQUITY** | **4.742** | **4.420** | **-7%** |
| **TOTAL LIABILITIES AND EQUITY** | **13.351** | **12.427** | **-7%** |

| | DEC 2016 | H1 2016 | H1 2017 | % Change |
|---|---|---|---|---|
| Cash the beginning of the year | 96 | 96 | 28 | -71% |
| **Net cash provided by operating activities** | **1.152** | **719** | **668** | **-7%** |
| **Net cash used in investing activities** | **-735** | **-402** | **33** | **108%** |
| Net cash (used in)/provided by financing activities | -492 | -281 | -709 | -152% |
| Cash at the end of year | 22 | 133 | 20 | -85% |
| **Free cash flow** | **417** | **318** | **702** | **121%** |

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

** Other liabilities consist of hedges, expense accruals related to water usage right, legal cases and payables to personnel .




- Deleverage of EUR based debt position
- Major projects completed,increased EBITDA contribution due to new capacity and decreased capex, increasing free cash flow.

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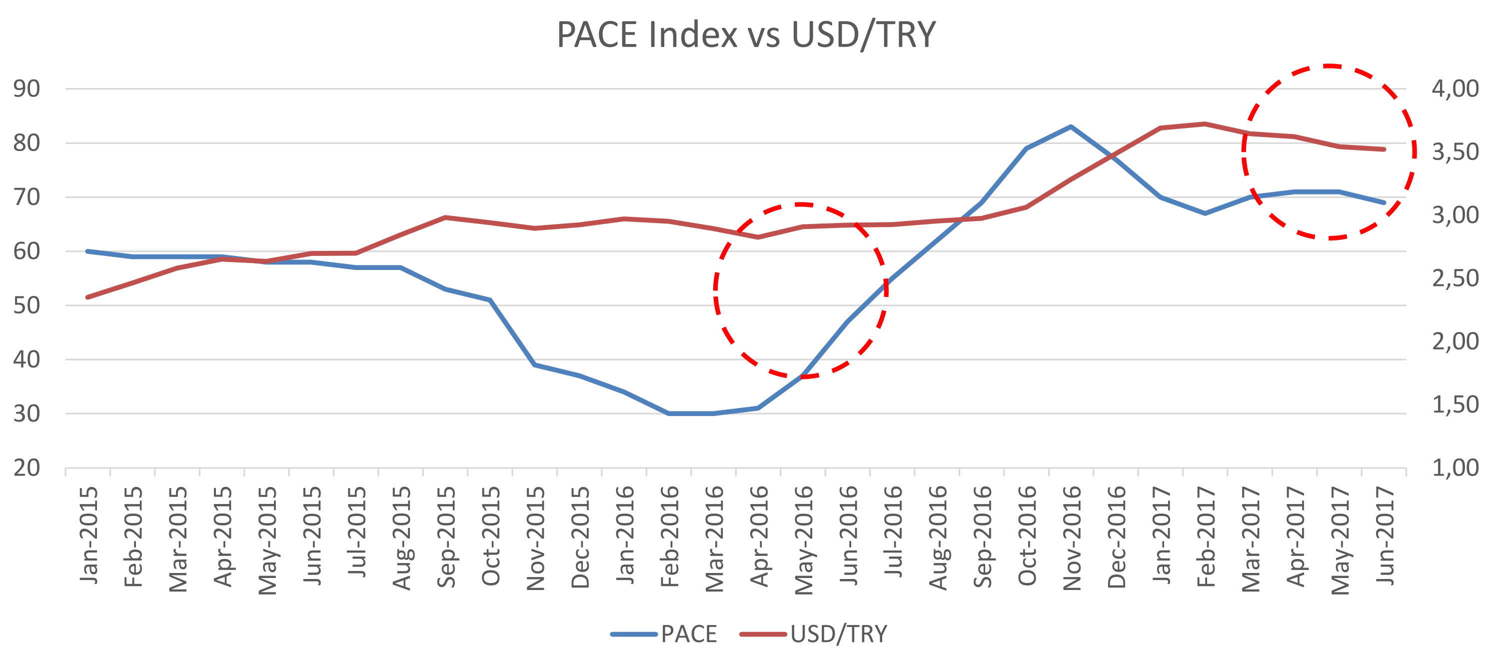
# Cement

# Q2 EBITDA weakened with higher fuel and electricity costs

**BEFORE CONSOLIDATION ADJUSTMENTS** (COMBINED)

| MILLION TL | Q2 2016 | Q2 2017 | % Change | H1 2016 | H1 2017 | % Change |
|---|---|---|---|---|---|---|
| SALES | 739 | 773 | 5% | 1.322 | 1.320 | 0% |
| EBITDA | 230 | 163 | -29% | 384 | 259 | -33% |
| NET INCOME | 147 | 67 | -54% | 244 | 110 | -55% |
| EBITDA MARGIN | 31,1% | 21,1% | | 29,0% | 19,6% | |




## Current Assessment

- Q2 showed signs of improvement after severe demand drop in Q1 (May17 up by 6% yoy). Domestic consumption May YTD only 2% below last year.
- Total sector export volume increased 15% yoy so far in 2017, main exports to US market
- Domestic grey cement prices better vs Q1 and at the same level with last year
- Higher petcoke, coal and electricity costs main reason of weaker operational profitability

## Factors to Watch

- Petcoke, coal and energy prices
- Infrastructure segment and mega construction projects
- Ongoing urban transformation projects
- New capacities
- Demand and supply in local market
- Export potential

# Retail

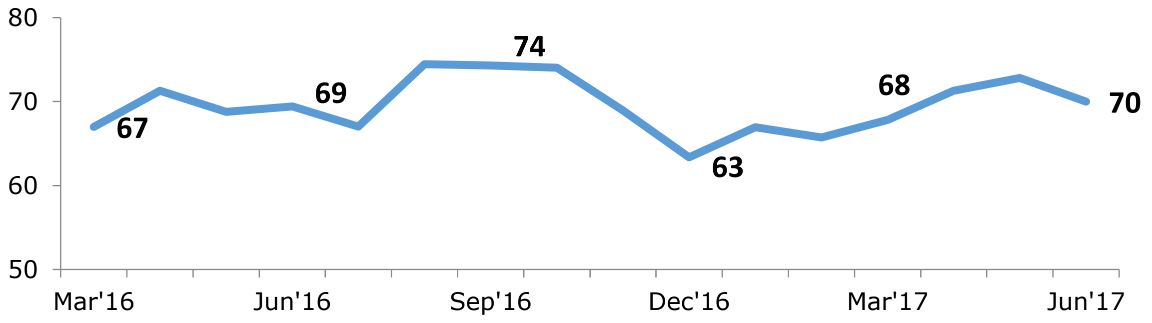
# Operational Improvement Program on Track

BEFORE CONSOLIDATION ADJUSTMENTS (COMBINED)

| MILLION TL | Q2 2016 | Q2 2017 | % Change | H1 2016 | H1 2017 | % Change |
|---|---|---|---|---|---|---|
| SALES | 1.940 | 1.952 | 1% | 3.811 | 3.688 | -3% |
| EBITDA* | -22 | 52 | 332% | -19 | 95 | 597% |
| NET INCOME* | -106 | -54 | 49% | -187 | -105 | 44% |
| EBITDA* MARGIN | -1,2% | 2,7% | | -0,5% | 2,6% | |

* One off items excluded

## Consumer Confidence Index




Source: TUIK

## Current Assessment

- Double digit LfL growth in both businesses
- Margin improvement benefit from both network optimization and tight opex control
- Improvement in operational profitability suppressed with high financing cost
- Operational excellence action steps taken as planned

## Factors to Watch

- Consumer Sentiment and Economic Outlook
- Potential inflationary pressure over margins in technology retail
- Deleveraging in food retail through realization of value in real estate portfolio
- Further focus on private label products

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# Carrefoursa

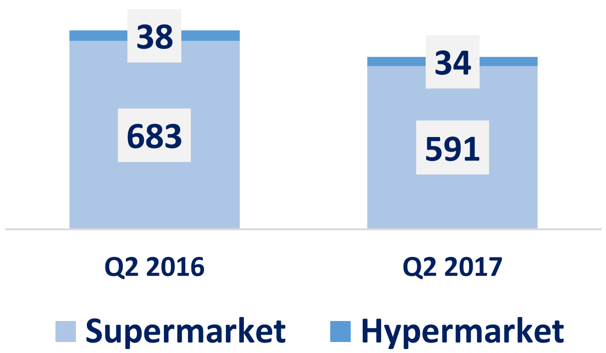
# Focus on Operational Excellence Pays Off

**BEFORE CONSOLIDATION ADJUSTMENTS** (COMBINED)

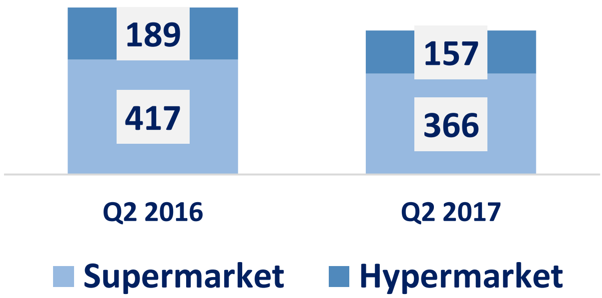
| MILLION TL | Q2 2016 | Q2 2017 | % Change | H1 2016 | H1 2017 | % Change |
|---|---|---|---|---|---|---|
| SALES | 1.136 | 1.110 | -2% | 2.234 | 2.156 | -3% |
| EBITDA* | -24 | 10 | N.M | -32 | 27 | N.M |
| NET INCOME* | -85 | -60 | N.M | -153 | -108 | N.M |
| EBITDA* MARGIN | -2,1% | 0,9% | | -1,4% | 1,2% | |

* One off items excluded

## Number of stores




## Net sales area (k sqm)




## Q2 Highlights

- Improving sales performance in all store formats through positive LfL sales growth (Double digit LfL growth)
- Gross margin improved with assortment simplification and supply chain optimization solutions
- Just in time inventory (slim stock) management is fully operational
- Product availability and Warehouse integration ratio keeps improving
- Negative impact of cost of financing

## In progress…

- Refurbishment & Relocation of stores continues in hypers and supers to improve value proposition
- Actions to minimize stock losses
- Clear differentiation of store formats from each other

## Future Focus

- Deleveraging through proceeds from major real estate disposals
- Focus on further EBITDA improvement

# Teknosa

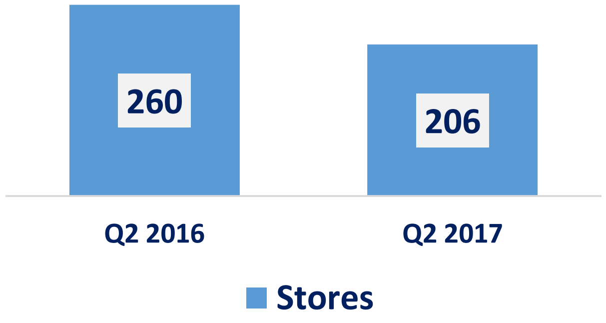
# Returning to Bottom-line Profitability

BEFORE CONSOLIDATION ADJUSTMENTS (COMBINED)

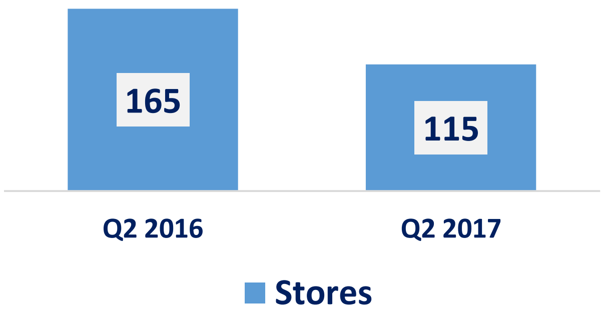
| MILLION TL | Q2 2016 | Q2 2017 | % Change | H1 2016 | H1 2017 | % Change |
|---|---|---|---|---|---|---|
| SALES | 803 | 842 | 5% | 1.578 | 1.531 | -3% |
| EBITDA* | 2 | 42 | 2494% | 13 | 68 | 428% |
| NET INCOME* | -21 | 6 | N.M | -34 | 3 | N.M |
| EBITDA* MARGIN | 0,2% | 4,9% | | 0,8% | 4,5% | |

* One off items excluded

## Number of stores




## Net sales area (k sqm)




## Q2 Highlights

- Sales up by 5% with 30% smaller store network
- Teknosa continues to increase penetration in mobile operations and invest in online channel
- Substantial cost saving and further operational improvements
- Improving consumer sentiment

## Future Focus

- Further operational excellence for profitability
- Online focus with omnichannel strategy

# Insurance

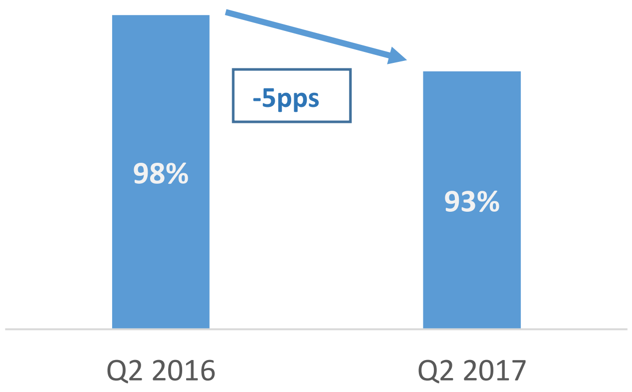
# Strong Growth in AUM and Successful Underwriting Drove Q2 EBITDA

**BEFORE CONSOLIDATION ADJUSTMENTS** (COMBINED)

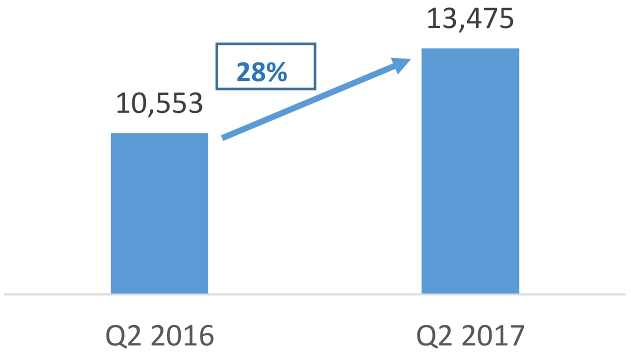
| MILLION TL | Q2 2016 | Q2 2017 | % Change | H1 2016 | H1 2017 | % Change |
|---|---|---|---|---|---|---|
| SALES | 548 | 621 | 13% | 1.118 | 1.349 | 21% |
| EBITDA* | 52 | 91 | 76% | 101 | 161 | 60% |
| NET INCOME* | 49 | 79 | 61% | 90 | 140 | 55% |

* One off items excluded

Aksigorta Combined Ratio (IFRS)




Avivasa Assets Under Management (MTL)




## Current Assessment

- 7% growth in elementary insurance premium, driven with non-motor segment
- Strong underwriting profit growth thanks to 5 pps improvement in combined ratio
- Life and PA business shows strong premium growth in both credit and non-credit linked channels
- Pension business maintains #1 position in terms of AUM and posted 28% growth in technical income in Q2
- Both businesses' financial incomes benefited from elevated interest rates and strong premium generation

## Factors to Watch

- MTPL** product outlook with the new pool mechanism set by regulator
- Progressive roll out of the Auto Enrollment system in the rest of 2017-18 and opt-out trends
- Loan volume growth for credit-linked product sales in Life protection business line

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

# Industrials

## Hard Currency Revenue Streams Support Top Line Growth

**BEFORE CONSOLIDATION ADJUSTMENTS** (COMBINED)

| MILLION TL | Q2 2016 | Q2 2017 | % Change | H1 2016 | H1 2017 | % Change |
|---|---|---|---|---|---|---|
| SALES | 1.417 | 1.601 | 13% | 2.662 | 3.017 | 13% |
| EBITDA* | 248 | 240 | -3% | 498 | 494 | -1% |
| NET INCOME* | 161 | 117 | -27% | 332 | 265 | -20% |
| EBITDA* MARGIN | 17,5% | 15,0% | | 18,7% | 16,4% | |

* One off items excluded

### Current Assessment

– Focus on export markets and hard currency revenue stream support top line growth

– Shortfall due to peaked commodity prices and time lag in price reflections

– Increased overall financing costs and depreciation of TL

### Factors to Watch

– Weaker Commodity prices and price improvements

– Domestic market demand

– Local inflation and financing costs

– Working capital management, inventory and Capex control

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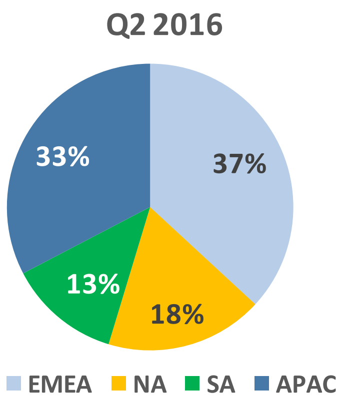
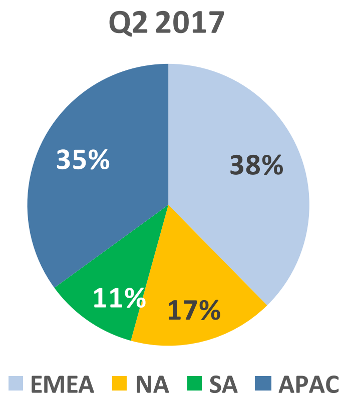
# Balanced Global Footprint and Hard Currency Revenues

## STANDALONE FINANCIALS

| MILLION TL | Q2 2016 | Q2 2017 | % Change | H1 2016 | H1 2017 | % Change |
|---|---|---|---|---|---|---|
| SALES | 473 | 608 | 29% | 960 | 1.239 | 29% |
| EBITDA* | 76 | 82 | 8% | 154 | 193 | 25% |
| NET INCOME* | 47 | 39 | -18% | 112 | 109 | -2% |
| EBITDA* MARGIN | 16,1% | 13,5% | | 16,0% | 15,6% | |

## Regional sales distribution




* One off items excluded

## Q2 Highlights

- Partial reflection of raw material increases on pricing and favorable exchange rates boosted top line
- Focus on both operational and commercial excellence for sustainable growth
- Increased contribution from Asia Pacific investments
- Adverse impact of raw material costs inhibit operational profitability

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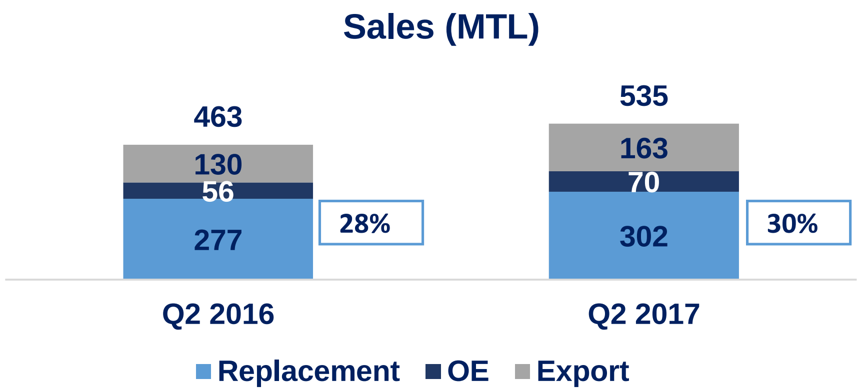
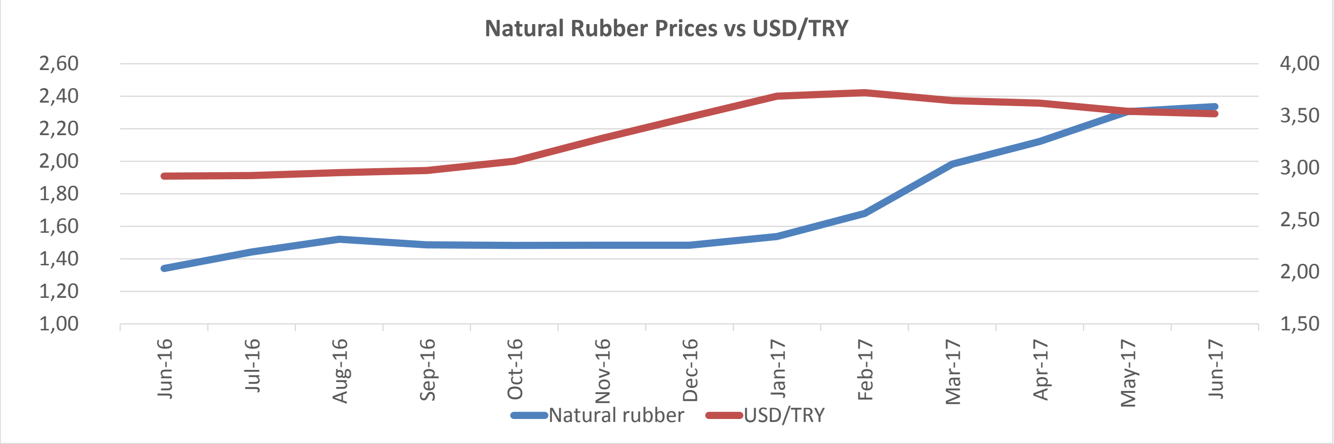
# Raw Material Price Increases Weakened EBITDA in Q2

BEFORE CONSOLIDATION ADJUSTMENTS (COMBINED)

| MILLION TL | Q2 2016 | Q2 2017 | % Change | H1 2016 | H1 2017 | % Change |
|---|---|---|---|---|---|---|
| SALES | 463 | 535 | 16% | 865 | 1.008 | 17% |
| EBITDA | 65 | 56 | -14% | 133 | 125 | -5% |
| NET INCOME | 25 | 2 | -92% | 48 | 27 | -44% |
| EBITDA MARGIN | 14,0% | 10,5% | | 15,3% | 12,4% | |




Source: Singapore Stock Exchange

## Current Assessment

- Rubber prices increases in Q2, lagging market prices and TL depreciation negatively impacting gross margins
- Disciplined Capex & Opex control
- Increased overall financing costs and depreciation of TL hurting bottom line
- Increase in export sales by 25% in Q2 2017, driving the top line

## Factors to Watch

- Improvement in local consumer segment demand
- Working capital management, inventory and Capex control
- Introduction of Aksaray Investment in 2018
- Commodity prices and macro environment

# FX Position

| CONSOLIDATED NET FX POSITION (excl. Bank) M€ | MILLION EURO | |
|---|---|---|
| | DEC 31, 2016 | JUN 30, 2017 |
| ENERGY | -271 | -219 |
| INDUSTRIALS | -25 | -23 |
| CEMENT | -8 | 12 |
| RETAIL | 3 | 3 |
| INSURANCE | 6 | 8 |
| HOLDING & OTHER | 167 | 329 |
| **TOTAL CONSOLIDATED FX POSITION AFFECTING PL** | **-128** | **110** |

**Holding Only Cash Position is 1.503 MTL**

# Maintaining Guidance for 2017

| | | 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.

** Including «other» segment

# Q&A

2017

# Non-Operational and Non-Recurring Items

| | Q2 2016 | Q2 2017 | H1 2016 | H1 2017 |
|---|---|---|---|---|
| NET INCOME EXCLUDING NON OPERATIONAL & NON RECURRING ITEMS | 679 | 794 | 1.338 | 1.516 |
| Gain on sales of Akbank visa shares | 66 | 0 | 66 | 0 |
| Enerjisa asset impairment | 0 | 2 | 0 | -111 |
| Carrefoursa gain on asset sale;litigation resolution;restructuring | -44 | 0 | -57 | 12 |
| Other | 11 | -5 | 6 | 42 |
| NET INCOME | 712 | 790 | 1.353 | 1.460 |