SODA SANAYİİ A.Ş.

2009 ANNUAL REPORT

Soda Sanayi A.Ş.

Soda Sanayii, despite the global crisis, has maximized sales with quality of products and services and performed successfully in 2009.

Soda Products...

Soda Sanayii has been able to balance its sales against the demand shrinking experienced in soda intensive sector in parallel with global crisis. Our company, which could benefit from the advantages of its high-quality products and services, has managed to resolve the crisis as one of the most powerful manufacturers.

Our investment aimed at capacity increase at Mersin Soda Plant is in progress as planned and will be commissioned in 2010.

Şişecam Soda Lukavac (SSL – Bosnia – Herzegovina)...

Being one of the milestones of our growth strategy in soda sector, SSL plant was incorporated in our Group in 2006, and has become a contemporary soda facility thanks to our investments since that date and tripled its level of production. Our plant in Bosnia has made a great progress in terms of quality and performance since the date when it was incorporated into our Group. SSL, having been located near key soda consumption markets in Eastern Europe will strengthen its position of being the most important supplier in its hinterland by completing ongoing modernization investments in 2010.

Soda capacity of our Company will approximate to the level of 2 million tons by ongoing marginal capacity increases in our existing plants. Furthermore, we are planning to strengthen our position by starting-up new facilities. The most concrete example showing our dedication is our continuing project works aimed at opening a new plant in Egypt in the scope of the letter of intent we signed with Egypt Government are in progress.

Chromium Components...

Celebrating the 25th anniversary of commencing production, our factory of chromium components, Kromsan has become one of the leading firms of the world in this period. Being the world leader in basic chromium sulphate, our company has got ahead of rivals in product quality, manufacturing technology and environment standards.

Leather and metal coating industries, which hold the position of industries using chromium chemicals and derivatives as input, have remained among those real sectors experiencing the most devastating effects of the global crisis. Despite demand shrinking, Kromsan has maximized its sales thanks to its superior quality and standards, and performed a high rate of return.

Having developed its capacity, technology and product range over the years, Kromsan has expanded its market share in the field of new chromium chemicals (Chromium III products) for which it started trial production in the preceding period. In that context, Kromsan, which has started to manufacture Chromium Nitrate and Chromium Chloride in addition to "Trisurfin" that was introduced to the market in 2008, aims to further expand its product range.

Thanks to Sodium Bichromate expanding investment which was completed in the current year, Kromsan has strengthened its position of being one of the three biggest manufacturers in this field. A capacity increase has been succeeded in our White Sodium Sulphate manufacturing plant, commissioned in the preceding period, thanks to our investments finalized in the year.

Camiş Elektrik Üretim A.Ş., one of our Group Companies having been active in energy sector for 13 years, has completed and commissioned 2nd Line of Mersin Cogeneration Plant in the last quarter of 2009. Thus, our competitive cost infrastructure has been strengthened by meeting steam demand of Soda Sanayii A.Ş. completely from this plant.

In the context of REACH, which is very crucial for exports of our chemical products to EU member states, preliminary registration procedures have been completed, for products of the Soda Plant, Şişecam Soda Lukavac, Kromsan Plant and Cromital in 2009.

Contents:

2009 Milestones

- Our investment aimed at capacity increase at Mersin Soda Plant is in progress as planned and will be commissioned in 2010.

- Our plant in Bosnia, SSL, has become contemporary soda facility and has tripled its level of production since the date when it was incorporated into our Group.

- Having developed its capacity, technology and product range over the years, Kromsan has expanded its market share and increased its capacity in the field of new chromium chemicals (Chromium III products) for which it started trial production in the preceding period.

- Maintenance investment of Sodium Bichromate, which is primary product of Kromsan, has been completed in 2009.

- Capacity increase has been succeeded by completed investment in White Sodium Sulphate manufacturing plant.

- Having been commissioned by Camiş Elektrik Üretim A.Ş., one of our Group Companies in 2009, 2nd Production Line of Mersin Cogeneration Plant has started to fully satisfy the steam demand of our plant located in Mersin.

- In the context of REACH, which is very crucial for exports of our chemical products to EU member states, preliminary registration procedures have been completed, for products of the Soda Plant, Şişecam Soda Lukavac, Kromsan Plant and Cromital S.p.A. in 2009.

Summary Consolidated Statements Prepared According to the IFRS *

	2009		2008	
	TL	USD	TL	USD
Current Assets	339	225	300	198
Long Term Assets	574	381	564	373
Total Assets	913	606	864	571
Short Term Liabilities	220	146	195	129
Long Term Liabilities	152	101	173	115
Minority Rights	8	5	8	5
Shareholder's Equity (Parent Company)	533	354	488	322
Total Liabilities	913	606	864	571

Summary Income Statements Prepared According to the IFRS *

	2009		2008	
	TL	USD	TL	USD
Net Sales	624	404	647	499
Cost of Sales	-479	-310	-517	-399
Gross Profit	145	94	130	100
Operating Expenses	-76	-49	-69	-53
Revenues And Profits From Other Operations	8	5	8	6
Expenses And Losses From Other Operations	-2	-1	-6	-5
Operating Profit	75	49	63	48
Equity Method Adjustment	-2	-1	6	5
Finance Expenses	-12	-8	-12	-9
Profit/(Loss) Before Tax and Monetary Gain	61	40	57	44
Monetary Gain	0	0	0	0
Minority Shares	3	2	2	2
Profit/(Loss) Before Tax And After Monetary Earning	64	42	59	46
Provisions for Tax acc. To The Turkish Tax Legislation	-21	-14	-19	-14
Provisions For Deferred Tax acc. To IAS 12	3	2	6	4
Net Profit/(Loss)	46	30	46	36
Earning Before İnterest And Tax (EBIT)	75	49	63	48
Depreciations	43	28	39	30
Earning Before İnterest, Depreciation And Tax (EBITDA)	118	77	102	78
Cash Obtained From Operating Activities	109	71	22	17
Net Financial Liabilities	120	80	183	121
Profit Per Share (Per Share Valued At 1 TL)	0.200		0.199	

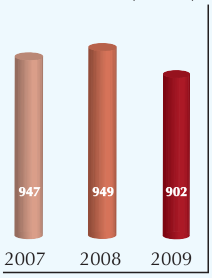
Financial Ratios

	2009	2008
Current Assets/Short Term Liabilities	1.54	1.54
Total Liabilities/Total Assets	0.41	0.43
Total Shareholders' Equity/(Shareholders' Equity +Minority Rights)	0.69	0.74
Net Financial Liabilities/ Total Assets	0.07	0.15
Gross Profit/ Net Sales	0.23	0.20
Operating Profit/ Net Sales	0.12	0.10
EBIT/Net Sales	0.12	0.10
EBITDA/ Net Sales	0.19	0.16
Net Financial Liabilities / Shareholders' Equity	0.13	0.27

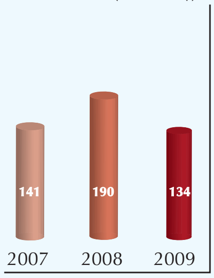
* Amounts are expressed in TL Million, and USD Million.

SODA FACTORY

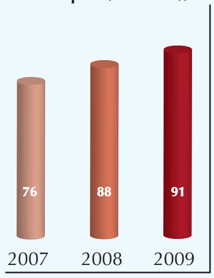
Total Production (000 Ton)



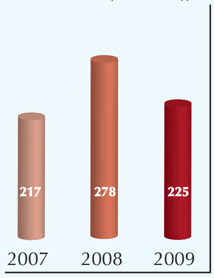
Domestic Sales (mio Fob/$)



Export (mio Fob/$)

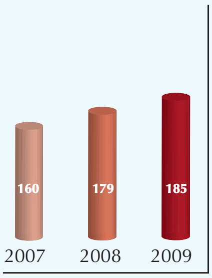


Total Sales (mio Fob/$)

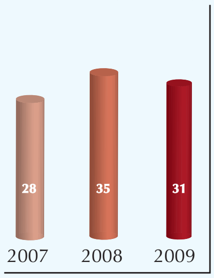


KROM FACTORY

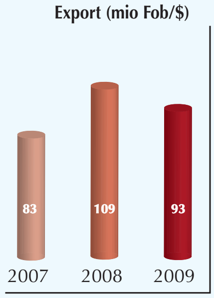
Total Production (000 Ton)



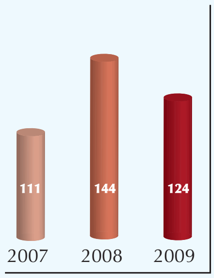
Domestic Sales (mio Fob/$)



Export (mio Fob/$)

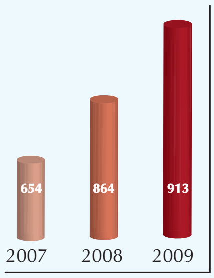


Total Sales (mio Fob/$)

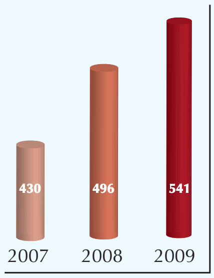


CONSOLIDATED

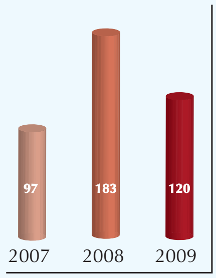
Total Assets (mio TL)



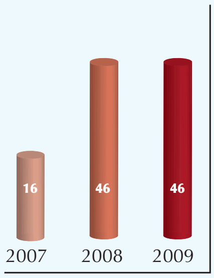
Equity (mio TL)



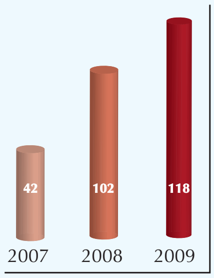
Financial Depts (mio TL)



Net Profit (mio TL)



PBIDT (mio TL)



BOARD OF DIRECTORS

Chairman	Tevfik Ateş Kut	22.04.2009-22.04.2012
Vice Chairman	Levent Korba	22.04.2009-22.04.2012
Member	Mehmet Nur Atukalp	22.04.2009-22.04.2012
Member	Özgün Çınar	22.04.2009-22.04.2012
Member	Mehmet Ali Kara	22.04.2009-22.04.2012
Member	Candan Sevsevil Okay	22.04.2009-22.04.2012
Member	Mehmet İhsan Orhon	22.04.2009-22.04.2012

BOARD OF AUDITORS

Auditor	Yılmaz Mete	22.04.2009-22.04.2010
Auditor	Salim Zaimoğlu	22.04.2009-22.04.2010

The powers of the Directors and of the Auditors are determined by the provisions of the Turkish Commercial Law and the Company's Articles of Association

DIRECTORS

Hidayet Özdemir	General Manager
Mehmet Nur Atukalp	Vice President of Marketing and Sales
Mehmet İhsan Orhon	Vice President of Human and Financial Resources
Gizep Sayın	Vice President of Business Development and Strategic Planning
Altuğ Rıfat Şener	Vice President of Production
Mehmet Gürbüz	Vice President of Energy and Technical Affairs

REPORT OF THE BOARD OF DIRECTORS

Dear Shareholders;

We hereby submit to your review and approval the consolidated financial tables for operations of Soda Sanayii A.Ş. for the period January 1st, 2009-December 31st, 2009, which happens to be the 41st year of operations of our Company. The said financial tables have been prepared pursuant to Communiqué Series XI No: 29 of Capital Markets Board (CMB) and in compliance with IAS/IFRS.

Our Company belongs to the Chemical Group of Türkiye Şişe ve Cam Fabrikaları A.Ş. In 2009, as always, our Company has pursued its mission and responsibilities with utmost dedication to contribute to strengthening of our national economy, completing its 41st year of operations with successful results despite all unfavorable circumstances both at home and abroad.

aggregate demand and production.

In April 2009 at the meeting of G-20 summit, coordinated and common measures against global crisis have been agreed. The financial incentive program amounting to 1.1 trillion dollars have resulted in a partial recovery in the subsequent period. Especially in developed countries, an effort has been exhibited to manage the crisis through the effects of comprehensive and harmonic monetary and fiscal policies. Central banks of developed economies have reduced the policy interest rates to investment points. Government expenditures aimed at vitalizing the demand and overcoming obstacles have naturally disturbed the budget balances and resulted in higher levels of indebtedness for national economies. International capital flows have narrowed in the environment of uncertainty; and as risk premiums have got higher, the costs of borrowing have increased.

Trends and Anticipations at Home and Abroad for 2009 and 2010

A. World Economy

Between 2000 and 2007, the global economy has experienced a period of high rate of growth, high liquidity oversupply, and prevalent high risk appetite. However, this conjuncture has turned to negative due to failure in American housing market about the middle of 2007, and the world economy has got into a severe economic crisis, which penetrated in financial markets at first and then real economies. Overcoming the crisis and restarting the growth trend have become the number one agenda topic in 2009.

The global economy, which struggled with high commodity prices and inflation instability during pre-crisis period, has shown some recession indications in 2008. Bankruptcy of Lehman Brothers in September, 2008 has triggered the net collapse in many financial markets. Due to high level of integration between national economies, the crisis penetrated into European financial system as well. This sudden and huge collapse has been blocked at once by liquidity injection by central banks, securing the deposits, banks' investment and deregulation permissions. However, loss of credibility has taken effect on real sectors as well, leading to decrease in

The global economy, which grew by 3% in 2008, has narrowed by 0.8% in 2009. The data related to year 2009 shows that developed and outward-oriented economies have experienced the most negative conditions with a negative growth rate of 3.2% while developing countries have continued to grow even it has decreased from 6.1% to 2.1%. Another apparent effect of global crisis in 2009 has been replacing inflation concerns with deflation threat and vitalizing the demand has taken the priority again. As a result of this situation, commodity prices, notably fuel prices have decreased speedily. Due to uncertainties caused by the crisis, employment volume has shrunk; and unemployment rates have reached historical levels in many economies. International trade volume has fallen down by 12.3%.

As a result, it is seen that deepening of crisis has come to an end in 2009. From now on, the main agenda of economic policies will be the measures to be taken for overcoming the crisis. The governments using public resources for resolution will try to decrease the level of indebtedness and budget deficits through taxes when favorable conditions arise, and this will create a pressure on growth and demand.

To conclude, developed countries will overcome the crisis by following a fairly gradual path, and reaching pre-crisis conditions will take a long and fluctuating process. However, developing countries will relatively follow a favorable way. For these countries it is evident that dramatic decline in foreign demand and capital flow will play a restrictive role in comparison with the preceding period.

B. Turkish Economy

Turkey has experienced a stable growth during the period of vitality that was effectual all over the world. However, the economic structure, characterized by low propensity to save in contrast with high propensity to consume and current deficit, increased the sensitivity to external conjuncture and therefore our economy has been encircled by global crisis since October 2008.

Turkish economy's continuous growth trend, beginning in 2002 and lasted 27 quarters, came to an end with a decline by 6.2% in the last quarter of 2008. It is expected that the said shrinkage, even continued during the first three quarters of 2009, would be over in the last quarter, however leading to decrease by 6% considering the whole year. Constriction in both domestic demand and primary export markets of our country have become determinant in facing this result.

Another effect has appeared in financing channel; net flight of capital from Turkey has started. External debt rollover ratios of both banks and private sector have reduced. Exchange rates have appreciated in the ratio of 30%. Nevertheless, with the advantage of rehabilitation in banking sector during post-crisis period, payments system has encountered no problem, and as seen in other economies, the need for supporting banking sector through public resources has not arisen.

Uncertainties caused by crisis have both tarnished the environment of trust and resulted in delays in consumption and investment decisions. This fact has expanded the effect of shrinkage experienced in the outside world. Rate of capacity utilization and industrial output have declined. The most dramatic consequence has been experienced in the field of employment, with a rapid increase in unemployment rate to 15%. On the other hand, foreign trade volume has shrunk as well, and current deficit has declined to the levels of USD 13 billion accordingly. Tax revenues have fallen down but however budget deficit has increased to TL 52 billion due to stable public expenditures. As a matter of course, the area to be used by government for crisis has become narrower.

Nevertheless, some practices have been entered as countermeasures. Short-time working allowance, new promotion law, tax reductions in some selected sectors, extending the period of some promotional advantages, transfer payments to Eximbank and KOSGEB (Small and Medium Industry Development Organization), transferring sources to local administrations, GAP (Southeastern Anatolia Project) and other infrastructure investments are some of these countermeasures. However, the said measures taken in a narrower financial area have not created desired results.

Central Bank has gradually reduced the policy interest rate from 16.75% to 6.5% with a view to vitalizing the demand through expansion of liquidity. Yet, it has been observed that the trust could not be built up in consumption and cyclical fragility remained. Shrinkage of economic activity has also had an effect on prices consumer price index declined to 6.5% from 10%.

During this period, an alternative loan from IMF has continuously remained on agenda to finance the economy's decreasing need for resources. The

impression obtained from this policy is that the government, who delayed the agreement with IMF, has preferred economy's rapid recovery with its own dynamics.

Some indicators, even if not so clear, show that economic crisis has rocked the hit bottom. Under existing bottlenecks at home and abroad, our economy is expected to grow in a fairly gradual way in the forthcoming period. Budget constraints, unemployment, incomes policy, foreign demand insufficiency and low investment expenditures would play a critical role. Our economy is need of increasing domestic savings and export capabilities. Another point of negativity is that many structural reforms have not been completed yet. Therefore, putting into practice the structural reforms at public as well as the ones including fiscal rule as soon as possible, and keeping productivity base high in real sector would main factors in expediting the process of overcoming the crisis.

Our Operations in 2009

Soda Sanayii, despite the global crisis, has maximized sales with quality of products and services and performed successfully in 2009.

Soda Sanayii has been able to balance its sales against the demand shrinking experienced in soda intensive sector in parallel with global crisis. Our company, which could benefit from the advantages of its high-quality products and services, has managed to resolve the crisis as one of the most powerful manufacturers.

Celebrating the 25th anniversary of commencing production, our factory of chromium components, Kromsan has become one of the leading firms of the world in this sector. Being the world leader in basic chromium sulphate, our company has got ahead of rivals in product quality, manufacturing technology and environment standards.

Leather and metal coating industries, which hold the position of industries using chromium chemicals and derivatives as input, have remained among those real sectors experiencing the most devastating effects of the global crisis. Despite demand shrinking, Kromsan has maximized its sales thanks to its superior quality and standards, and performed a high rate of return.

Having developed its capacity, technology and product range over the years, Kromsan has expanded its market share in the field of new chromium chemicals (Chromium III products) for which it started trial production in the preceding period. In that context, Kromsan, which has started to manufacture Chromium Nitrate and Chromium Chloride in addition to "Trisurfin" that was introduced to the market in 2008, aims to further expand its product range. Thanks to Sodium Bichromate expanding investment which was completed in the current year, Kromsan has strengthened its position of being one of the three biggest manufacturers in this field. A capacity increase has been succeeded in our White Sodium Sulphate manufacturing plant, commissioned in the preceding period, thanks to our investments finalized in the year.

In the context of REACH, which is very crucial for exports of our chemical products to EU member states, preliminary registration procedures have been completed, for products of the Soda Plant,

Şişecam Soda Lukavac, Kromsan Plant and Cromital in 2009.

Our Investments

Our investment aimed at 200 thousand ton/year capacity increase at Mersin Soda Plant will be commissioned in 2010.

Second production line of Camiş Elektrik Üretim A.Ş.'s Mersin Cogeneration Plant providing the steam, which is an important input for manufacturing process of soda and bringing synergy with soda plant in this way, has been completed and started-up in the last quarter of 2009. Thus, our competitive cost infrastructure has been strengthened by meeting steam demand of Soda Sanayii A.Ş. completely from this plant.

Since 2006 when it was incorporated in our Chemicals Group, Soda Lukavac, located in Bosnia-Herzegovina, has made a great progress in terms of quality and performance and have become a contemporary soda facility thanks to our investments. Having completed lime-kiln, filtration, distillation, salt water purification, environment and modernization investments in 2009, Soda Lukavac will strengthen its position of being the most important supplier in its hinterland by completing ongoing modernization and maintenance investments in addition to the ones oriented to capacity increase.

Soda Sanayii plans to strengthen its position in soda sector by starting-up new facilities. For this purpose, our project works aimed at constructing a new soda facility in Egypt in the scope of the letter of intent that we signed with Egypt Government are in progress.

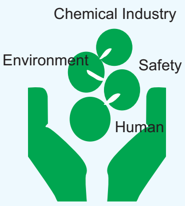
Thanks to Sodium Bichromate expanding investment which was completed in the current year, Kromsan has strengthened its position of being one of the three biggest manufacturers in the world. Capacity increase has also been succeeded in its white sodium sulphate manufacturing plant, commissioned in the preceding period, thanks to our investments finalized in the year.

Kromsan has developed its product range in the field of new chromium chemicals (Chromium III products) for which it started trial production in the preceding period, and completed its investment aimed at increasing capacity and improving the manufacturing process by the end of 2009. Thanks to this investment, specialty chemicals (Trisurfin, Chromium Nitrate and Chromium Chloride) will be manufactured in newly-established plant with a view to being one of the leading manufacturers in the world.

Dividend Rates in the Last Three Years

Dividend rates in the last three years have been 25 % in 2006; 4 % in 2007 and 10 % in 2008.

Environment-Health-Safety



Soda Sanayii A.Ş., ever since its foundation, has always placed great emphasis on technological advance in its operations. Furthermore, in all of its operations, our company has installed and implemented the kind of management systems that would assure protection of the environment as well as the health of its employees, customers, and other parties in any reasonable neighborhood of its operations.

All interim reviews of managements systems undertaken in 2009 have been completed successfully, covering;

- At Soda and Kromsan Plants, ISO 14000 Environmental Management System and OHSAS 18000 Occupational Health and Safety Management System, implemented together as an "Integrated Management System" and ISO 9000 Quality Management System, and

- ISO 22000 Food Safety Management System and FAMI-QS implementation, in connection with our refined sodium bichromate product.

Our Tripartite Responsibility projects, which are pursued as voluntary activities in chemical sectors around the world, have continued in 2009. In that context, besides the management systems practices, visit requests from schools and nongovernmental organizations have been met in the scope of communication activities.

Soda Sanayii A.Ş., fully aware of its social responsibilities, intends to continue its operations without compromising quality and with utmost care to environmental protection and occupational safety.

REACH

Soda Sanayii A.Ş. has become a rapidly growing sector in both soda and chromium products in recent years. In that context, as a company exporting a considerable part of its products to EU, works have been continued with a view to fulfilling our obligations undertaken under REACH regulations, which is of high importance from the viewpoint of European Union. We have actively participated in consortium works for registration procedures in relation to our soda and chromium products and continued to registration procedures in accordance with the required process.

Our Human Resources Operations

By the end of 2009,

We employ a total of 1872 persons; specifically, 777 salary employees and 1,095 hourly wage employees. As we did in the previous years, routine procedures for payment of wages, salaries, and fringe benefits as determined and tracking of attendance and other personnel rights and obligations have been satisfied with respect to our salary and hourly wage employees.

In addition, within the frame of human resources practices;

Procedures for recruitment, placement, assessment for remuneration, and orientation,

Performance Evaluation Systems for wage and salary employees and reviewing results thereof,

Organizational Succession Planning based on the results of Career Planning System practices, and

Training needs assessment and planning

Have been done in 2009.

We have conducted our affairs in the area of Industrial Relations in accordance with our policies; negotiating a two-year Collective Bargaining Agreement with Petrol-Is Union at Soda Sanayii A.Ş. and a one year agreement with Chemical and Non-Metal Union of Bosnia-Herzegovina Federation at Şişecam Soda Lukavac d.o.o.

Research and Development Activities

We are running our R&D activities with a mission to assure that our processes for production of soda and chromium would be based on environment-friendly and low-cost technologies; that product diversification would be enhanced with high value added products; that proactive projects would be implemented for turning threats to opportunities; and that our capabilities in product and process development would be strengthened up to a level sufficient to avoid need for transferring "know-how" from abroad.

Soda Group of Products

In 2009,

- Basic engineering works have been carried out for a soda plant that might be established abroad;
- A simulation program, which is commonly used for chemical processes, has been procured, and soda process modeling has been started;
- An investigation has been undertaken to determine possibilities of using soda solid waste with reduced chloride content in cement, concrete, and other construction materials;
- Research work has been done towards reducing costs by reducing the calcium hydroxide content of the solid waste;

- Work has been carried out, jointly for soda and chromium product groups, also for monitoring changes in international legislation (REACH, Kyoto Protocol, EU directives) concerning our products and processes
- Development laboratories have been granted the certificate of conformity to the standard named "ISO/IEC 17025, General Requirements for Competence of Testing and Calibration Laboratories"

In 2010, work will continue for engineering and project management works for a soda plant that might be established abroad, transferring the whole soda process into model environment, conversion of soda wastes into a new product, reduction of the source of calcium hydroxide in solid soda wastes. Furthermore our research studies will be continued with a view to providing different areas of use for our products.

Chromium Group of Products

In 2009,

- The investment for plant of manufacturing plant specialty chromium chemicals (chromium chloride, chromium nitrate), which are used in coating and passivation processes, have substantially been completed;

- Work has been continued towards new product development, which is expected to change completely the process of leather tanning.

In 2010, work will be started towards developing a different manufacturing process for new three-valence chromium chemicals and sodium bicarbonate. Experiments will be carried out at both laboratory and industrial scales for developing formulas for various applications of a new leather tanning product that is currently being developed.

We have benefited from various R&D supports in our works in 2009 and relevant applications for the same will be made in 2010.

Information on Companies Covered Under Consolidation

Oxyvit Kimya Sanayii ve Ticaret A.Ş.

The company was established in 1996 in the Tarsus Organized Industrial Zone. It manufactures and markets Vitamin K3 and its derivates. This is a product with high value-added which is used as an additive in fodder, especially poultry fodder. Being one of the small number of manufacturers in its sector and holding an important part of the global capacity, Oxyvit exports more than 90 % of its production. The foreign partner of Oxyvit is Cheminvest S.p.A. which operates in the chemicals trade. Soda Sanayii A.Ş. has a shareholding of 44 % in the company.

Şişecam Bulgaria Ltd.

This company of ours, based in Varna, trades in soda products in Bulgaria. It is fully owned by Soda Sanayii A.Ş.

Solvay Şişecam Holding A.G.

The company, based in Vienna, is a capital company established in 1997 to participate in Solvay Sodi S.A. in Bulgaria. Soda Sanayii A.Ş. holds 25 % of the company's capital and Solvay Deutschland G.m.b.H., the other major partner, has a shareholding of 75 %.

Sisecam Soda Lukavac d.o.o.

This company, based in the Tuzla Canton of the Bosnia-Herzegovina Federation, was established in August 2006 together with a company affiliated to the Canton Government, with 85.91 % of its capital owned by our company.

Asmaş Ağır Makine Sanayii A.Ş.

Established in Izmir in 1976, this Company, with its specialist staff and certificates that it holds, is a leading regional manufacturer of heavy-duty industrial machinery.

Asmas is a service provider preferred for quality and timeliness of its work in erecting turnkey-complete facilities, developing new projects and technologies thereof, and manufacturing and installation of equipment used in a large number of sectors including soda sector. Iron and steel sector, as well as cement, energy, and defense industry sectors are other important sectors in which Asmas offers its services. Soda Sanayii A.S. has acquired 84.18 % of the shares of Asmas A.S. on March 31st, 2008.

DISTRIBUTION OF THE 2009 CONSOLIDATED PROFIT

Our Board of Directors during its meeting held on April 6th, 2010, has resolved:

- That our 2009 net consolidated balance-sheet profit of TL 46.086.928,00 - in our 2009 consolidated balance-sheet prepared according to the International Financial Reporting Standards (IAS/IFRS), as referred to in CMB (Capital Market Board) Communiqué No. 29 of Series XI, should be distributed as indicated in the attachment, pursuant to Article 31 of our Articles of Association and CMB regulations concerning distribution of profits;

- That the gross dividends in the amount of TL 23,100,000.00 corresponding to 10 % of issued capital should be added to capital and the shares to be issued thereof should be distributed to shareholders as bonus shares,

- That the distribution of said bonus shares should be completed by June 30th, 2010, and

- That the matters pertaining to above-proposed distribution of profits shall be presented for review and approval of the Ordinary General Assembly of Shareholders as scheduled to convene on April 22nd, 2010.

Soda Sanayii A.Ş. 2009 Profit Distribution Schedule (TL)

1.	Paid-up/Issued Capital	231.000.000,00	231.000.000,00
2.	Total Legal Reserves (According to Official Records)	15.091.222,78	15.091.222,78
	Information on any preference, if exists, in profit distribution according to Articles of Association.		
		Consolidated acc. To CMB	**According to Legal Record (Solo)**
3.	Profit for the Period	64.508.413,00	107.752.910,57
4.	Taxes Payable (-)	(18.421.485,00)	(19.392.231,83)
5.	**Net Profit for the Period**	**46.086.928,00**	**88.360.678,74**
6.	Losses in Previous Periods (-)		
7.	Primary Legal Reserves (-)	(4.418.033,94)	(4.418.033,94)
8.	**NET DISTRIBUTABLE PROFITS FOR THE PERIOD**	**41.668.894,06**	**83.942.644,80**
9.	Grants During the Period	2.701,62	
10.	Net Distributable Profits for the Period, Including Grants, for Calculating for the First Dividend Amount	41.671.595,68	
11.	First Dividend to Shareholders		
	- Cash		
	- Bonus Share	23.100.000,00	
	- Total	**23.100.000,00**	
12.	Dividend Distributed to Preferred Shareholders		
13.	Dividend Distributed to Executive Board Members, Employees, etc.		
14.	Dividend Distributed to Dividend Rights Shareholders		
15.	Second Dividend to Shareholders		
16.	Second Legal Reserves		
17.	Statutory Reserves		
18	Special Reserves		
19.	**EXTRAORDINARY RESERVES**	**18.568.894,06**	
21.	**Other Resources Allocated for Distribution**		
	- Profits in Previous Periods		
	- Extraordinary Reserves		
	- Other Reserves Distributable Pursuant to Law and Articles of Association		
	DATA ON DIVIDEND PER SHARE		

DATA ON THE RATIO OF DISTRIBUTED DIVIDEND (1)	GROUP	TOTAL AMOUNT OF DIVIDEND (TL)	AMOUNT OF DIVIDEND FOR TL 1 OF NOMINAL SHARE VALUE	
			AMOUNT (TL)	RATE (%)
GROSS	A			
	B			
	TOTAL	**23.100.000,00**	**0,10**	**10,00**
NET	A			
	B			
	TOTAL	**23.100.000,00**	**0,10**	**10,00**

RATIO OF DISTRIBUTED DIVIDEND AMOUNT TO NET DISTRIBUTABLE PROFITS FOR THE PERIOD, INCLUDING GRANTS	
AMOUNT OF DIVIDEND DISTRIBUTED TO SHAREHOLDERS (TL)	RATIO OF DIVIDEND DISTRIBUTED TO SHAREHOLDERS AMOUNT TO DISTRIBUTABLE PROFITS FOR THE PERIOD, INCLUDING GRANTS (%)
23,100,000.00	**55.43**

We consider it an honorable duty to express our thanks and appreciation in your esteemed presence to all our shareholders, our customers and our Company's managers, officers and employees for their devoted efforts to achieve the results specified in our report.

Kind Regards,

On behalf of the Board of Directors
President
Dr. Tevfik Ateş Kut

SANAYİİ A.Ş.
2009 REPORT OF THE BOARD OF AUDITORS
For the Attention of the General Assembly of Soda Sanayii A.Ş.

Title	: Soda Sanayii A.Ş.
Head Office	: İstanbul
Capital	: TL 231.000.000.-
Subject of Activity	: To establish factories and to participate in existing ones to manufacture light soda, heavy soda, sodium bicarbonate, all types of soda derivatives and other soda-based products.
Names and terms of auditors, and Whether they are Shareholders or Company employees	: Yılmaz Mete (22.04.2009-22.04.2010) Salim Zaimoğlu (22.04.2009-22.04.2010) Auditors are neither shareholder nor personnel of the Company.
Number of Meetings of the Board of Directors in which they participated and meetings of the Board of Auditors they held	: They participated in 35 meetings of the Board of Directors and held 4 meetings of the Board of Auditors.
Scope of the examination conducted on the Company accounts, books and documents, the dates of examination, and the conclusion reached	: In the examinations conducted on the company books and documents on 27.03.2009, 04.08.2009, 26.10.2009, and 22.12.2009, it was determined that the books were kept in accordance with the laws and the generally accepted principles of accounting.
Number and results of the counts made in the company's cash desk under Article 353/1/3 of the Turkish Commercial Code	: In 2009, the company's cash department was counted 6 times. The count results are in conformity with records.
Dates and results of the examination conducted under Article 353/1/4 of the Turkish Commercial Code	: Following the examinations made on 28.01.2009– 24.02.2009 – 23.03.2009 – 27.04.2009 – 22.05.2009 – 30.06.2009 – 28.07.2009 – 26.08.2009 – 23.09.2009 – 22.10.2009 -26.11.2009 – 28.12.2009 and 21.01.2010, it was verified that all valuable papers received as a pledge or guarantee or entrusted to the company's cash department for safekeeping were in place and they were in conformity with records.
Complaints and irregularities reported and actions taken with regard to them	: There were no complaints and irregularities.

We have examined the accounts and transactions of Soda Sanayii A.Ş. for the period of 01.01.2009 – 31.12.2009 according to the Turkish Commercial Code, the Articles of Association of the Company, other legislation and the generally accepted accounting principles and standards. In our opinion, the attached balance-sheet drawn up as of 31.12.2009 and the income statement for the period of 01.01.2009 – 31.12.2009, whose contents we have adopted, accurately reflect the financial position of the company at the said date and the operating results for the said period, respectively, and the profit distribution proposal is found in conformity with the laws and the Articles of Association of the Company.

We hereby submit the approval of the balance-sheet and the income statement and acquittal of the Board of Directors for your votes.

Auditors

Yılmaz Mete | **Salim Zaimoğlu**

Deloitte.

DRT Bağımsız Denetim ve
Serbest Muhasebeci
Mali Müşavirlik A.Ş.
Sun Plaza
No: 24
34398 Maslak
Istanbul, Turkey

Tel : (212) 366 60 00
Fax : (212) 366 60 10
www.deloitte.com.tr

CONVENIENCE TRANSLATION OF THE REPORT AND THE CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Soda Sanayii A.Ş.

We have audited the accompanying consolidated balance sheet of Soda Sanayii A.Ş. ("the Company") and its subsidiaries (together "the Group") as of 31 December 2009 and the related consolidated statements of income, comprehensive income, changes in equity and cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting standards published by the Capital Markets Board. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards published by the Capital Markets Board. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. Procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, auditor considers internal control relevant to the Group's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

We did not audit the financial statements of the Group's subsidiaries Şişecam Soda Lukavac d.o.o and Şişecam Bulgaria Ltd. which are operating in Bosnia and Bulgaria respectively. The assets and net sales of the aforementioned entities included in the accompanying consolidated financial statements constitute 18% of the Group's consolidated assets and 15% of the Group's net sales as of 31 December 2009. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for these entities, is based solely on the report of the other auditors.

Opinion

In our opinion, based on our audits and the reports of other auditors, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Soda Sanayii A.Ş. and its subsidiaries as of 31 December 2009 and the results of its operations and its cash flows for the year then ended in accordance with the financial reporting standards published by the Capital Markets Board.

İstanbul, 6 April 2010

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.
Member of **DELOITTE TOUCHE TOHMATSU**

Gökhan Alpman
Partner

SODA SANAYİİ A.Ş. AND ITS SUBSIDIARIES
Consolidated Balance Sheet as of 31 December 2009

(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

ASSETS	Notes	31 December 2009	31 December 2008
Current Assets		**338.881.616**	**300.113.714**
Cash and cash equivalents	6	129.523.480	30.459.266
Financial investments	7	3.777.534	-
Trade receivables	10	105.021.117	91.904.798
-Due from related parties	10, 37	73.193.798	63.986.788
-Other trade receivables	10	31.827.319	27.918.010
Other receivables	11	14.219.595	40.958.613
-Due from related parties	11, 37	12.681.634	21.469.189
-Assets related to ongoing construction contracts	11, 15	1.292.948	19.211.264
-Other receivables	11	245.013	278.160
Inventories	13	72.344.086	117.437.901
Other current assets	26	13.995.804	19.353.136
Non-current Assets		**574.476.236**	**563.914.059**
Other receivables	11	34.361	33.408
Financial investments	7	24.488.473	27.902.614
Investments accounted for under equity method	16	128.582.560	131.929.866
Tangible fixed assets	18	411.273.344	393.315.814
Intangible assets	19	3.257.427	1.617.781
Deferred tax assets	35	929	1.063
Other non-current assets	26	6.839.142	9.113.513
TOTAL ASSETS		**913.357.852**	**864.027.773**

SODA SANAYİİ A.Ş. AND ITS SUBSIDIARIES
Consolidated Balance Sheet as of 31 December 2009

(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

LIABILITIES	Notes	31 December 2009	31 December 2008
Current Liabilities		**220.248.612**	**195.252.656**
Financial liabilities	8	129.506.664	97.626.719
Trade payables	10	45.361.603	56.998.779
-Due to related parties	10, 37	20.909.025	14.740.364
-Other trade payables	10	24.452.578	42.258.415
Other payables	11	21.660.032	17.831.472
-Due to related parties	11, 37	19.500.870	3.478.233
-Order advances received	11	921.329	11.609.444
-Other payables	11	1.237.833	2.743.795
Corporate tax payable	35	4.948.955	5.850.883
Provisions	22	2.941.142	3.482.922
Provisions for employee termination benefits	24	1.631.998	1.522.349
Other liabilities	26	14.198.218	11.939.532
Non-current Liabilities		**152.112.160**	**173.174.510**
Financial liabilities	8	113.112.673	133.422.027
Provisions for employee termination benefits	24	17.906.758	17.418.312
Deferred tax liabilities	35	19.539.618	22.313.523
Other liabilities	26	1.553.111	20.648
EQUITY		**540.997.080**	**495.600.607**
Total Equity Attributable to Equity Holders of the Parent		**532.897.581**	**487.464.369**
Share capital	27	231.000.000	209.490.969
Inflation adjustments to share capital	27	-	1.489
Investment revaluation reserve	7, 27	(2.853.218)	(4.410.088)
Currency translation reserve	27	34.414.301	32.550.616
Restricted reserves appropriated from profits	27	15.477.558	11.954.163
Retained earnings	27	208.772.012	191.852.039
Net profit / (loss) for the period	27	46.086.928	46.025.181
Minority Interest		**8.099.499**	**8.136.238**
TOTAL LIABILITIES AND EQUITY		**913.357.852**	**864.027.773**

SODA SANAYİİ A.Ş. AND ITS SUBSIDIARIES
Consolidated Statement of Comprehensive Income for the Year Ended 31 December 2009

(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

	Notes	1 Ocak- 31 December 2009	1 Ocak- 31 December 2008
Sales revenue	28	623.445.243	647.267.956
Cost of sales (-)	28	(478.721.383)	(517.032.617)
Gross Profit		**144.723.860**	**130.235.339**
Marketing, sales and distribution expenses (-)	29-30	(37.684.304)	(33.337.567)
General administrative expenses (-)	29-30	(36.670.234)	(34.057.110)
Research and development expenses (-)	29-30	(1.655.060)	(1.553.722)
Other operating income	31	7.837.117	7.744.112
Other operating expenses (-)	31	(1.630.447)	(6.169.390)
Operating Profit		**74.920.932**	**62.861.662**
Share in net profit / (loss) of investments accounted for under equity method	16	(1.584.261)	5.893.281
Finance income	32	31.207.812	42.697.190
Finance expenses (-)	33	(42.844.817)	(54.620.023)
Profit Before Taxation		**61.699.666**	**56.832.110**
Tax Benefit / (Charge)		(18.421.485)	(13.051.622)
Current tax benefit / (charge)	35	(21.195.256)	(18.526.990)
Deferred tax benefit / (charge)	35	2.773.771	5.475.368
Profit For the Period		**43.278.181**	**43.780.488**
Attributable to:			
Minority interest		(2.808.747)	(2.244.693)
Equity holders of the parent		46.086.928	46.025.181
Earning Per Share	**36**	**0,200**	**0,199**

CONSOLIDATED COMPREHENSIVE INCOME STATEMENT

	Notes	1 Ocak- 31 December 2009	1 Ocak- 31 December 2008
Profit / (Loss) for the Year		**43.278.181**	**43.780.488**
Other Comprehensive Income			
Value Increase / (Decrease) of Financial Assets	27	1.556.870	(2.140.697)
Change in Currency Translation Reserves		2.271.888	34.395.196
Tax Benefit / (Charge) Relating to Components of Other Comprehensive Income		-	-
Other Comprehensive Income After Tax		**3.828.758**	**32.254.499**
Total Comprehensive Income		**47.106.939**	**76.034.987**
Attributable to:			
Minority interest	27	(2.734.222)	(503.911)
Equity holders of the parent		49.841.161	76.538.898

SODA SANAYİİ A.Ş. AND ITS SUBSIDIARIES
Consolidated Statement of Changes in Equity for the Year Ended 31 December 2009

(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

	Share Capital	Inflation adjustments to share capital	Valuation fund	Currency translation reserve	Restricted reserves appropriated from profits	Retained Earnings	Net Profit / (Loss) for the Period	Total Equity Attributable to Equity Holders of the Parent	Minority Interest	Total
Balance as of 1 January 2008	**201.433.624**	**1.489**	**(2.269.391)**	**(103.798)**	**10.698.267**	**196.798.962**	**15.546.064**	**422.105.217**	**7.971.214**	**430.076.431**
Business combination effects of entities under common control (Note 3)	5.446.980	27.513.008	-	-	379.480	(38.076.138)	-	(4.736.670)	(450.226)	**(5.186.896)**
Balance as of 1 January 2008 (restated)	**206.880.604**	**27.514.497**	**(2.269.391)**	**(103.798)**	**11.077.747**	**158.722.824**	**15.546.064**	**417.368.547**	**7.520.988**	**424.889.535**
Transfers to retained earnings	-	-	-	-	-	15.546.064	(15.546.064)	-	-	-
Business combination effects of entities under common control (Note 3)	(5.446.980)	(27.513.008)	-	-	-	26.631.083	-	(6.328.905)	-	(6.328.905)
Capital increase	8.057.345	-	-	-	-	(8.057.345)	-	-	-	-
Transfers to legal reserves	-	-	-	-	870.696	(870.696)	-	-	-	-
Change in consolidation structure (Note 27)	-	-	-	-	5.720	(119.891)	-	(114.171)	114.171	-
Subsidiary's share capital increase (Note 27)	-	-	-	-	-	-	-	-	1.004.990	1.004.990
Total comprehensive income/(loss) for the year	-	-	(2.140.697)	32.654.414	-	-	46.025.181	76.538.898	(503.911)	76.034.987
Balance as of 31 December 2008	**209.490.969**	**1.489**	**(4.410.088)**	**32.550.616**	**11.954.163**	**191.852.039**	**46.025.181**	**487.464.369**	**8.136.238**	**495.600.607**
Balance as of 1 January 2009	**209.490.969**	**1.489**	**(4.410.088)**	**32.550.616**	**11.954.163**	**191.852.039**	**46.025.181**	**487.464.369**	**8.136.238**	**495.600.607**
Capital increase (Note 27)	21.509.031	(1.489)	-	-	-	-	(21.507.542)	-	-	-
Transfers to legal reserves	-	-	-	-	3.522.259	20.995.380	(24.517.639)	-	-	-
Change in parent's share (Note 27)	-	-	-	(333.678)	1.136	(1.862.442)	-	(2.194.984)	2.194.984	-
Change in consolidation structure (Note 16)	-	-	-	-	-	(2.212.965)	-	(2.212.965)	-	(2.212.965)
Subsidiary's share capital increase (Note 27)	-	-	-	-	-	-	-	-	502.499	502.499
Total comprehensive income/(loss) for the year	-	-	1.556.870	2.197.363	-	-	46.086.928	49.841.161	(2.734.222)	47.106.939
Balance as of 31 December 2009	**231.000.000**	**-**	**(2.853.218)**	**34.414.301**	**15.477.558**	**208.772.012**	**46.086.928**	**532.897.581**	**8.099.499**	**540.997.080**

SODA SANAYİİ A.Ş. AND ITS SUBSIDIARIES
Consolidated Statement of Cash Flows for the Year Ended 31 December 2009

(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

	Notes	1 Ocak- 31 December 2009	1 Ocak- 31 December 2008
CASH FLOWS FROM OPERATING ACTIVITIES			
Net profit for the year		43.278.181	43.780.488
Adjustments to reconcile net profit to net cash provided by operating activities		75.845.825	88.998.776
-Depreciation and amortization expenses	18, 19	42.911.232	38.703.096
-Profit on sales of tangible fixed assets	31	(562.474)	(1.330.293)
-Allowance for impairment of tangible fixed assets	18	-	4.334.847
-Provision for employment termination benefits	24	3.513.736	3.309.841
-Interest expense and foreign currency differences related with financial liabilities	32, 33	18.145.643	38.270.456
-Interest Income	32	(10.523.653)	(2.873.147)
-Change in allowance for diminution in value of inventories	13	2.284.709	39.639
-Change in other provisions		54.036	1.943.566
-Valuation (income) / expenses of Eurobond	7	16.971	(346.153)
-Dividend income	32	(121)	(211.417)
-Income from investments accounted for under equity method	16	1.584.261	(5.893.281)
-Accrued taxation	35	18.421.485	13.051.622
Operating cash flows provided before changes in working capital		**119.124.006**	**132.779.264**
-Trade receivables	10	(4.497.772)	349.500
-Inventories	13	42.809.106	(55.773.725)
-Due from related parties	37	(9.207.010)	(19.246.682)
-Other receivables and current assets	11 , 26	7.701.058	(12.421.688)
-Assets related to ongoing construction contracts	15	17.918.316	(11.601.103)
-Trade payables	10	(17.805.837)	16.078.058
-Due to related parties	37	6.168.661	1.364.816
-Other payables and expense accruals	11 , 26	900.175	2.526.624
-Advances received	11	(10.688.115)	(4.878.216)
Cash generated from operations		**152.422.588**	**49.176.848**
-Interest paid		(18.135.882)	(11.943.331)
-Taxes paid	35	(22.097.184)	(12.676.107)
-Employee termination benefits paid	24	(3.027.153)	(2.716.655)
Cash generated from operations		**109.162.369**	**21.840.755**
CASH FLOWS FROM INVESTING ACTIVITIES			
-Cash paid for capital increase of available for sale investments	7	-	(867.850)
-Changes in financial investments	7	(2.258.954)	-
-Cash paid for business combination of entities under common control	3	-	(6.272.049)
-Cash paid for capital commitment of available for sale investments	7	-	(132.000)
-Dividend received from unconsolidated subsidiaries	32	121	211.417
-Dividends received from affiliates		5.639.953	10.416.408
-Interest paid	32	10.089.838	2.829.648
-Acquisitions of tangible fixed assets	18	(59.086.929)	(72.675.171)
-Acquisitions of intangible assets	19	(2.499.932)	(546.098)
-Proceeds from sales of tangible fixed assets	18	617.309	2.846.805
-Change in currency translation reserve		4.632.004	667.928
Net cash used in investing activities		**(42.866.590)**	**(63.520.962)**
CASH FLOWS FROM FINANCING ACTIVITIES			
-New financial liabilities raised		329.685.238	174.990.568
-Change in other receivables and other payables due from / due to related parties		24.810.192	(23.258.444)
-Minorities' participation in capital increase of a subsidiary	27	502.499	1.004.990
-Repayment of financial liabilities		(322.663.309)	(106.329.124)
Net cash provided by financing activities		**32.334.620**	**46.407.990**
Net change in cash and cash equivalents		**98.630.399**	**4.727.783**
Cash and cash equivalents at the beginning of the period	6	**30.399.610**	**25.671.827**
Cash and cash equivalents at the end of the period	6	**129.030.009**	**30.399.610**

SODA SANAYİİ A.Ş. AND ITS SUBSIDIARIES
Notes to the Consolidated Financial Statements for the Period Ended 31 December 2009

(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

1. Organization and Operations of the Group

Soda Sanayii Group (the "Group") comprises Soda Sanayii A.Ş. (the "Company") and its subsidiaries in which the Company owns majority of the shares or investment in associates which the Company exercises significant influence (3 subsidiaries, 1 investment in associates and 3 joint ventures).

The Group's operations comprise establishing and acquiring manufacturing facilities to manufacture light soda ash, dense soda ash, sodium bicarbonate, sodium bichromate, sodium sulphur, sodium sulfate, basic chromium sulfate (Tankrom AB, Tankrom SB, Tankrom OBM, Tankrom F24, Tankrom FS, Tankrom OB, Tankrom FO, Resintan M), chromic acid and derivatives of soda and other products derived from soda, and importing and exporting the production of these products and construction of heavy machines.

The headquarters of the firm is located in Istanbul (İş Kuleleri Kule 3, 4 Levent-Beşiktaş/İstanbul).

Consolidated subsidiaries:

The nature of the businesses, the respective business segments of the consolidated subsidiaries and the Group's share of direct ownership are as follows:

Company Name	Nature of Business	Registered Country	31 December 2009 Proportion of ownership	31 December 2008 Proportion of ownership
Subsidiaries				
Şişecam Soda Lukavac d.o.o	Soda manufacturing	Bosnia Herzegovina	85,91	78,34
Asmaş Ağır San. Mak. A.Ş.	Construction of heavy machines	Turkey	84,02	83,77
Şişecam Bulgaria Ltd.	Trading of Soda products	Bulgaria	100,00	100,00
Joint Ventures				
Cromital S.p.A.	Chrome derivates	Italy	50,00	-
Sintan Kimya San. ve Tic. A.Ş.	Chemical Products	Turkey	36,92	-
Oxyvit Kimya San. ve Tic. A.Ş.	Vitamin K-3 and its derivatives	Turkey	44,00	44,00
Associates				
Solvay Şişecam Holding A.G.	Investing	Austria	25,00	25,00

Since the direct and indirect ownership rates are the same, they were presented as single ownership rate on the above table

Shareholders owning 10% of the capital and more are presented in Note 27. The Company has been quoted in the İstanbul Stock Exchange Market since 2000.

Average number of personnel in the current and prior year:

	31 December 2009	31 December 2008
Monthly salaried personnel	777	716
Hourly waged personnel	1,095	1.241
Total	**1.872**	**1.957**

The Group's ultimate parent and the party controls the Group are T. Şişe ve Cam Fabrikaları A.Ş. and Türkiye İş Bankası A.Ş.

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Approval of Financial Statements

The financial statements prepared as of and for the period ended have been approved and authorized for issue on 6 April 2009 by the Board of Directors. The General Assembly has the authority to amend financial statements.

2. Basis of the Consolidated Financial Statements

2.1 Basis of Presentation

Preparation of Financial Statements and Accounting Standards

The Company and its Turkish subsidiaries maintain their books of account and prepare their statutory financial statements in accordance with accounting principles in the Turkish Commercial Code ("TCC") and tax legislation. Subsidiaries operating in foreign countries maintain their books of account in the currencies of those countries and prepare their statutory financial statements in accordance with the prevailing legislation in those countries.

The Capital Markets Board ("CMB") Communiqué Serial: XI, No: 29 "Communiqué on Financial Reporting Standards in Capital Markets" ("Communiqué Serial: XI, No: 29") provides principles and standards on the preparation and presentation of financial statements. The Communiqué is applicable commencing from the first interim financial statements prepared subsequent to 1 January 2008, and Communiqué Serial: XI, No: 25 "Communiqué on Capital Market Accounting Standards" ("Communiqué Serial: XI, No: 25") is annulled by the application of this communiqué. As per this communiqué, the financial statements should be prepared in accordance with the International Financial Reporting Standards ("IAS/IFRS") as endorsed by the European Union ("EU"). However companies will apply IASs/IFRSs until the differences between the standards accepted by the European Union and the standards issued by International Accounting Standards Board ("IASB") are announced by Turkish Accounting Standards Board ("TASB"). In this respect, Turkish Accounting / Financial Reporting Standards issued by TASB that are not controversial to the adopted standards shall be taken as a basis in the application.

As the differences between the International Financial Reporting Standards ("IAS/IFRS") as endorsed by the European Union and the Turkish Accounting/Financial Reporting Standards ("TAS/TFRS") have not been declared as of the date of this report, the accompanying financial statements and notes are prepared in accordance with IAS/IFRS as declared in the Communiqué Serial: XI, No: 29 with the required formats announced by the CMB on 17 April 2008 and 9 January 2009.

The financial statements have been prepared on the historical cost basis except for the revaluation of financial instruments. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

Presentation and Functional Currency

The individual financial statements of each group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each entity are expressed in Turkish Lira ("TL"), which is the functional and presentation currency of the Company.

The functional currencies of the Company's subsidiaries Şişecam Soda Lukavac d.o.o. operating in Bosnia Herzegovina, Şişecam Bulgaria Ltd. operating in Bulgaria, Cromital S.p.A. operating in Italy and Solvay Şişecam Holding AG operating in Austria are Convertible Mark, Bulgarian Leva, Euro and Euro respectively.

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During preparation of consolidated financial statements, balance sheet items are translated at the closing TL/Convertible Mark, TL/Bulgarian Leva and TL/Euro rates at the date of those balance sheets. Income statement and statement of cash flows were translated at average TL/Convertible Mark, TL/Bulgarian Leva and TL/Euro rates. Exchange rate differences are accounted under the "Foreign Currency Exchange Differences" account in Shareholders' Equity.

The functional currency of the Company's subsidiary and joint ventures operating in Turkey is TL.

The foreign exchange rates used for translation of the foreign operations incorporated in the consolidation are as follows:

	31 December 2009		31 December 2008	
Currency	**Period end**	**Period Average**	**Period end**	**Period Average**
US DOLLAR	1,50570	1,54569	1,51230	1,29758
EURO	2,16030	2,15080	2,14080	1,89693
CONVERTIBLE MARK	1,10454	1,09969	1,09457	0,96988
BULGARIAN LEVA	1,10454	1,09969	1,09457	0,96988

Preparation of Financial Statements in Hyperinflationary Periods

In accordance with the resolution numbered 11/367 dated 17 March 2005, the CMB stated that companies operating in Turkey which prepare their financial statements in accordance with the CMB Accounting Standards (including the application of IFRS) effective from 1 January 2005 are not subject to inflation accounting. Based on that statement, IAS 29 "Financial Reporting in Hyperinflationary Economies" is no longer valid as of 1 January 2005 in the accompanying consolidated financial statements.

Consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled or jointly controlled by the Company (its subsidiaries) as explained in Note 1. Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the period are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Minority interests in the net assets of the consolidated subsidiaries are identified separately from the Group's equity therein. Minority interests consist of the amount of those interests at the date of the original business combination (Note 2.5) and the minority's share of changes in equity since the date of the combination. Losses applicable to the minority in excess of the minority's interest in the subsidiary's equity are allocated against the interests of the Group except to the extent that the minority has a binding obligation and is able to make further investments to cover the losses.

Associates

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. The details of the Group's associates as of 31 December 2009 are presented in Note 1.

Results and assets and liabilities of associates are incorporated in the accompanying consolidated financial statements using the equity method of accounting. Under the equity method, associates are carried in the consolidated balance sheet at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the associate, less any impairment in the value of individual investments. Losses of an associate in excess of the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate) are not recognized.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognized at the date of acquisition is recognized as goodwill. The goodwill is included within the carrying amount of the investment and is assessed for impairment as part of the investment. Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognized immediately in profit or loss.

Where a Group entity transacts with an associate of the Group, profits and losses are eliminated to the extent of the Group's interest in the relevant associate.

Interests in Joint Ventures

A joint venture is a contractual arrangement whereby the Group and other parties undertake an economic activity that is subject to joint control that is when the strategic financial and operating policy decisions relating to the activities require the unanimous consent of the parties sharing control.

The details of the Group's joint ventures as of 31 December 2009 are presented in Note 1.

Where the Group transacts with its jointly controlled entities, unrealized profits and losses are eliminated to the extent of the Group's interest in the joint venture.

2.2 Changes in the Accounting Policies

Changes made in the accounting policies are applied retrospectively and the previous period's financial statements are restated accordingly.

2.3 Changes in the Accounting Estimates and Errors

If the application of changes in the accounting estimates affects the financial results of a specific period, the accounting estimate change is applied in that specific period, if they affect the financial results of current and following periods; the accounting policy estimate is applied prospectively in the period in which such change is made. The Group did not have any major changes in the accounting estimates during the current period.

Significant accounting errors that are detected in the current period are applied retrospectively and prior year financial statements are restated accordingly.

Comparative information and correction of prior period financial statements:

Consolidated financial statements of the Group have been prepared comparatively with the prior period in order to give information about financial position and performance. If the presentation or classification of the financial statements is changed, in order to maintain consistency, financial statements of the prior periods are also reclassed in line with the related changes.

Reclass, amounted as 2.873.147 TL was made between "Interest Income reclassed under cash flows from operating activities" and "the cash flow from investment activities" in the cash flow statement for the period ended 31 December 2009. This classification provides a proper comparison between the financial statements of two periods.

2.4 Adoption of New and Revised International Financial Reporting Standards

The following new and revised Standards and Interpretations have been adopted in the current period and have affected the amounts reported and disclosures in these financial statements. The details of other standards and interpretations adopted in these financial statements that have no impact on the reported figures are set out in the following paragraphs of this section.

Standards affecting presentation and disclosures in 2009 financial statements

• IAS 1 (Revised), "Presentation of Financial Statements"

The revised standard will prohibit the presentation of items of income and expenses (that is, 'non-owner changes in equity') in the statement of changes in equity, requiring 'non-owner changes in equity' to be presented separately from owner changes in equity. The revised standard gives preparers of financial statements the option of presenting items of income and expense and components of other comprehensive income either in a single statement of comprehensive income or in two separate statements (a separate income statement followed by a statement of comprehensive income). In this scope from 1 January 2009 the Group has applied the changes in IAS 1 and elected to present two statements separately (income statement and comprehensive income statement).

Additionally the standard has introduced terminology changes (including revised titles for the financial statements) and changes in the format and content of the financial statements. The Group presents all owner changes in equity in the consolidated statement of changes in equity, whereas all non-owner changes in equity are presented in the consolidated statement of comprehensive income.

• IFRS 7 (Amendment), Financial Instruments: Disclosures

The amendments published in March 2009 are applicable for the Group beginning from 1 January 2009. The amendments require enhanced disclosures about fair value measurements and liquidity risk. The amendment requires additional disclosures for any changes in the method for determining fair value and the reasons for the change. In addition, the amendment requires establishing a three-level hierarchy for making fair value measurements. It is also required to give additional disclosures regarding any change in the method for determining fair value and transfers between levels. For the fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, reconciliation from the beginning balances to the ending balances should be presented. If changing one or more of the inputs based on unobservable data would change the fair value significantly, the entity should state that fact and disclose the effect of those changes through sensitivity analysis.

Additionally, non-derivative financial liabilities including issued financial guarantee contracts should be included to maturity analysis. The amendment also requires giving separate maturity analysis for derivative financial liabilities.

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The Group has applied the relevant amendments in 2009 and given information about the fair value levels in Note 39. In the current year, the Group has not made any material transfers among the three level inputs used for the fair
value measurement.

• IFRS 8, "Operating Segments"

IFRS 8 "Operating Segments" supersedes IAS 14 "Segment Reporting". The standard specifies how an entity should report information about its operating segments based on the segment criteria used in internal reporting which are prepared by the management.

The Group applied IFRS 8 in 2009. Operating segments are presented in Note 5. The Group has determined operating segments in line with internal reports that are regularly reviewed by the entity's chief operating decision makers. The Group has chosen business segments as the Group's primary segment reporting format based on the risks and returns on products produced and services rendered reflecting the primary source of the enterprise's risks and returns. Geographical segments have been disclosed in these consolidated financial statements as the secondary segment reporting format on the grounds of materiality as the operations of the Group in geographical areas other than Turkey are reportable geographical segments individually when compared with the overall consolidated financial statements.

In this respect, the Group is currently organized into five operating businesses; flat glass, glassware, glass packaging, chemicals and other including import, export, insurance agency and investment agency for management purposes. These divisions are the basis of which the Group reports its primary segment information.

The adoption of IFRS 8 has no material impact on the reported results and the financial position of the Group.

• IAS 23 (Revised), "Borrowing Costs"

The amendment to IAS 23 eliminates the option of immediate recognition of all borrowing costs as expense. The revised standard requires that borrowing costs should be capitalized, to the extent that they costs relate to the acquisition, construction or production of a qualifying asset. This amendment has no effect over the Group's accounting policies applied in previous years.

• IAS 38, "Intangible Assets"

As part of Improvements to IFRSs (2008), IAS 38 has been amended to indicate that an entity is permitted to recognize a prepayment asset for advertising or promotional expenditure only up to the point at which the entity has the right to access the goods purchased or up to the point of receipt of services. This amendment has no effect over the Group's accounting policies applied in previous years.

• IAS 40, "Investment Property"

As part of Improvements to IFRSs (2008), amendments are made to include investment properties under construction to IAS 40. This amendment has no effect on the carrying amounts of investment properties accounted for at cost, less accumulated impairment losses in accordance with the Group's accounting policies applied in previous years

• IAS 20, "Government Grants"

As part of Improvements to IFRSs (2008), IAS 20 has been amended to recognize the benefits of a government loan granted at a below-market interest rate as government grants. Before the amendment, companies are not allowed to apply this kind of accounting treatment in prior periods.

In accordance with the relevant transitional provisions, the policy should be applied prospectively to government loans received on or after 1 January 2009. Since the Group has no government loans received on or after 1 January 2009, this amendment does not have any effect on the consolidated financial statements.

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Standards and Interpretations those are effective in 2009 with no impact on the 2009 financial statements

The following new and revised Standards and Interpretations have also been adopted in these financial statements. Their adoption has not had any significant impact on the amounts reported in these financial statements but may have an impact over the accounting for future transactions or arrangements.

Amendments to IFRS 1, "First-time Adoption of International Financial Reporting Standards" and IAS 27, "Consolidated and Separate Financial Statements" (Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate)	The amendments deal with the measurement of the cost of investments in subsidiaries, jointly controlled entities and associates when adopting IFRSs for the first time and with the recognition of dividend income from subsidiaries in a parent's separate financial statements.
Amendments to IFRS 2, "Share-based Payment" (Vesting Conditions and Cancellations)	The amendments clarify the definition of vesting conditions for the purposes of IFRS 2, introduce the concept of 'non-vesting' conditions, and clarify the accounting treatment for cancellations.
IAS 32, "Financial Instruments: Presentation" (Amendment on puttable financial instruments and obligations arising on liquidation)	The revisions to IAS 32 amend the criteria for debt/equity classification by permitting certain puttable financial instruments and instruments (or components of instruments) that impose on an entity an obligation to deliver to another party a pro-rata share of the net assets of the entity only on liquidation, to be classified as equity, subject to specified criteria being met.
Amendments to IAS 39, "Financial Instruments: Recognition and Measurement" (Eligible Hedged Items)	The amendments provide clarification on two aspects of hedge accounting: identifying inflation as a hedged risk or portion, and hedging with options.
Embedded Derivatives (Amendments to IFRIC 9 and IAS 39)	The amendments clarify the accounting for embedded derivatives in the case of a reclassification of a financial asset out of the 'fair value through profit or loss' category as permitted by the October 2008 amendments to IAS 39 Financial Instruments: Recognition and Measurement .
IFRIC 15, "Agreements for the Construction of Real Estate"	The Interpretation addresses how entities should determine whether an agreement for the construction of real estate is within the scope of IAS 11 Construction Contracts or IAS 18 Revenue and when revenue from the construction of real estate should be recognized. The requirements have not affected the accounting for the Group's construction activities.
IFRIC 16, "Hedges of a Net Investment in a Foreign Operation"	The Interpretation provides guidance on the detailed requirements for net investment hedging for certain hedge accounting designations.
IFRIC 18, "Transfers of Assets from Customers" (adopted in advance of effective date of transfers of assets from customers received on or after 1 July 2009)	The Interpretation addresses the accounting by recipients for transfers of property, plant and equipment from 'customers' and concludes that when the item of property, plant and equipment transferred meets the definition of an asset from the perspective of the recipient, the recipient should recognize the asset at its fair value on the date of the transfer, with the credit recognized as revenue in accordance with IAS 18 Revenue.
Improvements to IFRSs (2008)	In addition to the changes affecting amounts reported in the financial statements described above, the Improvements have led to a number of changes in the detail of the Group's accounting policies – some of which are changes in terminology only, and some of which are substantive but have had no material effect on amounts reported. The majority of these amendments are effective from 1 January 2009.

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Standards and Interpretations that are not yet effective in 2009 and have not been early adopted

• IFRS 3, "Business Combinations"

IFRS 3(2008) is effective for business combinations where the acquisition date is on or after the beginning of the first annual period beginning on or after 1 July 2009. The main impact of the adoption will be as follows:

a) to allow a choice on a transaction-by-transaction basis for the measurement of non-controlling interests (previously referred to as "non-controlling" interests) either at fair value or at the non-controlling interests' share of the fair value of the identifiable net assets of the acquiree.
b) to change the recognition and subsequent accounting requirements for contingent consideration.
c) to require that acquisition-related costs be accounted for separately from the business combination, generally leading to those costs being recognized as an expense in profit or loss as incurred.

The Group will apply IFRS 3 (revised) prospectively to all business combinations from 1 January 2010.

• IFRS 9, "Financial Instruments: Classification and Measurement"

In November 2009, the first part of IFRS 9 relating to the classification and measurement of financial assets was issued. IFRS 9 will ultimately replace IAS 39 Financial Instruments: Recognition and Measurement. The standard requires an entity to classify its financial assets on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset, and subsequently measure the financial assets as either at amortized cost or at fair value. The new standard is mandatory for annual periods beginning on or after 1 January 2013. The Group has not had an opportunity to consider the potential impact of the adoption of this standard.

• IAS 24(Revised 2009), "Related Party Disclosures"

In November 2009, IAS 24 Related Party Disclosures was revised. The revision to the standard provides government-related entities with a partial exemption from the disclosure requirements of IAS 24. The revised standard is mandatory for annual periods beginning on or after 1 January 2011. The Group has not yet had an opportunity to consider the potential impact of the adoption of this revised standard.

• IAS 27 (as revised in 2008), "Consolidated and Separate Financial Statements"

IAS 27 (revised) is effective for annual periods beginning on or after 1 July 2009. The revisions to IAS 27 principally affect the accounting for transactions or events that result in a change in the Group's interests in its subsidiaries.

The revised standard requires any ownership decreases or increases that do not result in any change in control to be recognized in equity.

The Group will apply IAS 27 (revised) prospectively to transactions with non-controlling interests as of 1 January 2010.

• IFRIC 17, "Distributions of Non-cash Assets to Owners"

IFRIC 17 is effective for annual periods beginning on or after 1 July 2009. The interpretation provides guidance on the appropriate accounting treatment when an entity distributes assets other than cash as dividends to its shareholders. The Group has not yet had an opportunity to consider the potential impact of the adoption of this interpretation.

Standards and Interpretations that are not yet effective in 2009 and have not been early adopted (Cont'd)

• IFRIC 19, "Extinguishing Financial Liabilities with Equity Instruments"

IFRIC 19 is effective for annual periods beginning on or after 1 July 2010. IFRIC 19 addresses only the accounting by the entity that issues equity instruments in order to settle, in full or part, a financial liability. The Group has not yet had an opportunity to consider the potential impact of the adoption of this interpretation.

• Amendments related to Annual Improvements to IFRS (2009)

As part of the Annual Improvement project, in addition to the amendments mentioned above, other amendments were made to various standards and interpretations. These amendments are effective for annual periods beginning on or after 1 January 2010. The Group has not yet had an opportunity to consider the potential impact of the adoption of these amendments.

2.5 Summary of Significant Accounting Policies

Revenue

Revenue is measured at fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates, and other similar allowances.

Sale of goods

Revenue from sale of goods is recognized when all the following conditions are satisfied:

• The Group transfers all the significant risks and rewards of ownership of the goods to the buyer;
• The Group has no continuing managerial involvement associated with the ownership or significan control over the goods sold;
• The amount of revenue can be measured reliably;
• It is probable that the economic benefits associated with the transaction will flow to the Group; and
• The costs incurred or to be incurred in respect of the transaction can be measured reliably.

Heavy machines manufacturing revenue:

Heavy machines manufacturing revenue is accounted for by using percentage of completion method in accordance with the accounting policy explained in construction revenue section.

Dividend and interest revenue

Interest revenue is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Dividend revenue from investments is recognized when the shareholders' rights to receive payment have been established.

Rental income

Rental income from investment properties is recognized on a straight-line basis over the term of the relevant lease.

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Inventory

Inventories are stated at the lower of cost and net realizable value. Costs, including an appropriate portion of fixed and variable overhead expenses, are assigned to inventories held by the method most appropriate to the particular class of inventory, being valued using the weighted average method. Net realizable value represents the estimated selling price less all estimated costs of completion and costs necessary to make a sale.

Tangible Fixed Assets

Tangible fixed assets acquired before 1 January 2005 are carried at restated historical cost adjusted for the effects of inflation until 31 December 2004, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Tangible assets acquired in subsequent periods are carried at acquisition cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Assets in the course of construction for rental or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognized impairment loss. Cost includes professional fees. For assets that need considerable time to be ready for sale or use, borrowing costs are capitalized in accordance with the Group's accounting policy. As it is for the other fixed assets, such assets are depreciated when the assets are ready for their intended use.

Depreciation is charged so as to write off the cost or valuation of assets, other than land and properties under construction, over their estimated useful lives, using the straight-line method. Estimated useful lives, residual value and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

Gain or loss arising on the disposal or retirement of a tangible fixed asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the profit or loss.

Intangible Fixed Assets

Intangible fixed assets acquired

Intangible fixed assets acquired separately are carried at cost, less accumulated amortization and any accumulated impairment losses. Amortization is charged on a straight-line basis over their estimated useful lives. Estimated useful life and amortization method are reviewed at the end of each annual reporting period, with the effect of any changes in the estimate being accounted for on a prospective basis.

Computer software

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortized over their estimated useful lives (3 - 5 years).

Impairment of Assets

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount.

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Recoverable amount is the higher of an asset's fair value less costs to sell or value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take considerable time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned by the temporary investment of the part of the borrowing not yet used is deducted against the borrowing costs eligible for capitalization.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

Financial Instruments

Financial assets

Financial investments, except financial assets classified at fair value through profit or loss and financial assets initially recognized at fair value, are recognized at fair value net of directly attributable transaction costs. Investments are recognized and derecognized on a trade date where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned.

Financial assets are classified into the following specified categories: financial assets classified as 'at fair value through profit or loss' ("FVTPL"), 'held-to-maturity investments', 'available-for-sale' ("AFS") financial assets and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Effective interest method

The effective interest method is calculating the amortized cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate discounts the estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period.

Income from financial assets that are classified as held to maturity, available for sale and loans and receivables is recognized on an effective interest basis.

Financial assets at fair value through profit or loss

Financial assets are classified as financial assets at fair value through profit or loss where the Group acquires the financial asset principally for the purpose of selling in the near future or the financial asset is a part of an identified portfolio of financial instruments that the Group manages together and has a recent actual pattern of short term profit taking as well as derivatives that are not designated and effective hedging instruments. Financial assets at fair value through profit or loss are carried at fair value, with any resulting gain or loss recognized in profit or loss incorporating any dividend or interest earned on the financial asset. Assets in this category are classified as current assets.

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Held-to-maturity investments

Bills of exchange and debentures with fixed or determinable payments and fixed maturity dates that the Group has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are recorded at amortized cost using the effective interest method less impairment, with revenue recognized on an effective yield basis.

Available-for-sale financial assets

Investments other than held-to-maturity financial assets, held for fair value through profit or loss and loans and receivables are classified as available-for-sale, and are measured at subsequent reporting dates at fair value except for available-for-sale investments that do not have quoted prices in active an market and whose fair values can not be reliably measured are carried at cost. Gains and losses on available for sale financial assets at amortized cost are recognized in the income statement. Gains and losses arising from changes in fair value are recognized directly in equity, until the security is disposed of or is determined to be impaired, at which time the cumulative gain or loss previously recognized in equity is included in the profit or loss for the period. Impairment losses recognized in profit or loss for equity investments classified as available-for-sale are not subsequently reversed through profit or loss. Impairment losses recognized in profit or loss for debt instruments classified as available-for-sale are subsequently reversed if an increase in the fair value of the instrument can be objectively related to an event occurring after the recognition of the impairment loss.

Fair value of available for sale monetary assets denominated in foreign currency is determined in that foreign currency and converted using the spot rate at the reporting date. Change in fair value attributable to conversion differences that result from a change in amortized cost of the asset is recognized in profit or loss, and other changes are recognized in equity.

Loans and receivables

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as "loans and receivables". Loans and receivables are measured at amortized cost using the effective interest method less any impairment.

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted. For financial assets carried at amortized cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

Carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables where the carrying amount is reduced through the use of an allowance account. When a trade receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.

With the exception of AFS equity instruments, in a subsequent period, if the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

In respect of AFS equity securities, any increase in fair value subsequent to an impairment loss is recognized directly in equity.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investments which their maturities are three months or less from date of acquisition and that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. The carrying amount of these assets approximates their fair value.

Financial liabilities

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

Financial liabilities are classified as either financial liabilities at FVTPL or other financial liabilities.

Financial liabilities at fair value through profit or loss

Financial liabilities are classified as at FVTPL where the financial liability is either held for trading or it is designated as at FVTPL. Financial liabilities at FVTPL are carried at fair value, with any resultant gain or loss recognized in profit or loss. Net gain or loss recognized in profit or loss incorporates any interest paid on the financial liability.

Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method plus the interest expense recognized on an effective yield basis.

The effective interest method is calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate discounts the estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Business Combinations and Goodwill

The acquisition of subsidiaries and businesses are accounted for using the purchase method. The cost of the acquisition is measured at the aggregate of fair value, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the recognition criteria under IFRS 3, "Business Combinations" are recognized at fair value at the date of acquisition, except for non-current assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 "Non-Current Assets Held for Sale and Discontinued Operations", which are recognized and measured at fair value less costs to sell.

Goodwill arising on acquisition is recognized as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognized. If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognized immediately in profit or loss.

The interest of minority shareholders in the acquiree is initially measured at the minority's proportion of the net fair value of the assets, liabilities and contingent liabilities recognized.

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In business combinations of entities under common control, assets and liabilities subject to business combination are accounted for at carrying value in consolidated financial statements. Statements of income are consolidated starting from the beginning of the fiscal year in which the business combination is realized. Financial statements of previous fiscal years are restated in the same manner in order to maintain consistency and comparability. Any positive or negative goodwill arising from such business combinations is not recognized in the consolidated financial statements. Residual balance calculated by netting off investment in subsidiary and the share acquired in subsidiary's equity is directly accounted for under equity as "effect of business combinations under common control".

Foreign Currency Transactions

In preparing the financial statements of the individual entities, transactions in currencies other than TL (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognized in profit or loss in the period in which they arise except for:

• Exchange differences which relate to assets under construction for future productive use, which are included in the cost of those assets where they are regarded as an adjustment to interest costs on foreign currency borrowings;

• Exchange differences on transactions entered into in order to hedge certain foreign currency risks (see below for hedging accounting policies); and

• Exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur, which form part of the net investment in a foreign operation, and are recognized in the foreign currency translation reserve and recognized in profit or loss on disposal of the net investment.

Earnings Per Share

Earnings per share disclosed in the accompanying consolidated statement of income is determined by dividing net income by the weighted average number of shares circulating during the period concerned.

In Turkey, companies can raise their share capital by distributing "Bonus Shares" to shareholders from retained earnings. In computing earnings per share, such "bonus share" distributions are assessed as issued shares. Accordingly, the retrospective effect for those share distributions is taken into consideration in determining the weighted-average number of shares outstanding used in this computation.

Events After Balance Sheet Date

Events after balance sheet date comprise any event between the balance sheet date and the date of authorization of the financial statements for publication, even if any event after balance sheet date occurred subsequent to an announcement on the Group's profit or following any financial information disclosed to public.

The Group restates its financial statements if such adjusting subsequent events arise.

Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the Group has a present obligation as a result of a past event, and it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date considering the risks and uncertainties surrounding the obligation.

Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Onerous contracts

Present obligations arising under onerous contracts are measured and recognized as a provision.

An onerous contract is made where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

Construction Contracts

Contract costs are recognized when incurred. When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognized only to the extent of contract costs incurred that are likely to be recoverable.

When the outcome of a construction contract can be estimated reliably and it is probable that the contract will be profitable, contract revenue is recognized over the period of the contract. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognized as an expense immediately. Variations in contract work, claims and incentive payments are included in contract revenue to the extent that they have been agreed with the customer and are capable of being reliably measured.

The group uses the 'percentage-of-completion method' to determine the appropriate amount to recognize in a given period. The stage of completion is measured by reference to the contract costs incurred up to the balance sheet date as a percentage of total estimated costs for each contract. Costs incurred in the period in connection with future activity on a contract are excluded from contract costs in determining the stage of completion. They are presented as inventories, prepayments or other assets, depending on their nature.

The group presents as an asset the gross amount due from customers for contract work for all contracts in progress for which costs incurred plus recognized profits (less recognized losses) exceed progress billings. Progress billings not yet paid by customers and retention are included within 'trade and other receivables'.

The group presents as a liability the gross amount due to customers for contract work for all contracts in progress for which progress billings exceed costs incurred plus recognized profits (less recognized losses).

Government Incentives and Grants

Grants from the government are recognized at fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all the required conditions.

Government grants related to costs are accounted as income on a consistent basis over the related periods with the matching costs.

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Government grants relating to property, plant and equipment are included in non-current liabilities as deferred government grants and are credited to the income statement on a straight-line basis over the expected lives of the related assets.

Taxation and Deferred Income Taxes

Turkish tax legislation does not permit a parent company and its subsidiary to file a consolidated tax return. Therefore, provisions for taxes, as reflected in the accompanying consolidated financial statements are calculated on a separate-entity basis.

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

Tax currently payable is based on taxable profit for the period. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax liability or asset is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases which is used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

Carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax for the period

Current and deferred tax are recognized as an expense or income in profit or loss, except when they relate to items credited or debited directly to equity, in which case the tax is also recognized directly in equity, or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is taken into account in calculating goodwill or determining the excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over cost.

Employee Benefits / Retirement Pay Provision

Under the Turkish law and union agreements, severance payments are made to employees retiring or involuntarily leaving the Group. Such payments are considered as being part of defined retirement benefit plan as per International Accounting Standard No: 19 (Revised) "Employee Benefits" ("IAS 19").

The retirement benefit obligation recognized in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognized actuarial gains and losses.

Foreign subsidiaries of the Group were subjected to relevant laws in their own country for employee termination benefits. Required provision for employee termination benefits, due to mentioned laws, presented in the financial statements of the subsidiaries of the Group.

Statement of Cash Flows

Cash flows are classified according to operating, investment and finance activities in the statement of cash flows.

Cash flows from operating activities reflect cash flows generated from soda, soda derivatives and chrome derivatives sales and construction of heavy machines.

Cash flows from investment activities express cash used in investment activities (direct investments and financial investments) and cash flows generated from investment activities of the Company.

Cash flows relating to finance activities express sources of financial activities and payment schedules of the Company.

Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investments which their maturities are three months or less from date of acquisition and that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Share Capital and Dividends

Common shares are classified as equity. Dividends on common shares are reclassified as dividend payables by netting off from the retained earnings in the period in which they are approved and disclosed.

2.6 Significant Accounting Estimates

The Group uses assumptions and makes estimations related to future events. Results of the accounting

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estimates are similarly the same with the ones that are rarely realized. Key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date that might have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the subsequent financial period are discussed below:
Since the Group transfers all significant risks and rewards of ownership of the goods to the buyer at the stage of completion of the related transportation activities for certain portion export sales, the Group has deferred revenue associated with these transactions. The Group's management has made an estimation related to the goods invoiced but not transferred to buyers yet. In this respect, the Group has deferred revenue amount of TL 10.746.637 as of 31 December 2009 (31 December 2008: TL 8.737.168) (Note 26).

The Group applies the stage of completion method for the recognition of revenue with regards to fixed price construction contracts related to heavy machine manufacturing operations. Where the outcome of a construction contract can be estimated reliably, revenue and costs are recognized by reference to the stage of completion of the contract activity at the balance sheet date, as measured by the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs. If the actualized proportion is increased as the aforementioned proportion differs by 1% from the estimation of the Group's management, the revenue to be recognized in the period would be increased by TL 65.769 and if the actualized proportion is decreased, the revenue to be recognized in the period would be decreased by TL 65.769 (31 December 2008: TL 676.428).

3. Business Combinations

At March 2008, the Company acquired 82,53 % of Asmaş's shares from T. İş Bankası A.Ş. which had owned 97,53% of Asmaş's shares for TL 10.534.999. The Company received TL 4.206.094 back from T. İş Bankası A.Ş. in June 2008 after finalizing the amount to be paid for the acquisition.

This business combination is defined as a business combination of entities under common control since the Company and Asmaş are ultimately controlled by the same party before and after the aforementioned business combination. Assets and liabilities subject to business combination are accounted for at carrying value in consolidated financial statements. Statements of income are consolidated starting from the beginning of the fiscal year in which the business combination is realized. Financial statements of previous fiscal years are not restated in the same manner since Asmaş's financial statements are not considered material compared to the Group's consolidated financial statements. No positive or negative goodwill arising from such business combinations is calculated. Residual balance calculated by netting off investment in subsidiary and the share acquired in subsidiary's equity is directly accounted for under equity as "effect of business combinations under common control".

4. Joint Ventures

Joint venture investment is accounted for by using equity method in Group's consolidated financial statements (Note 16).

5. Segment Information

The Group has adopted IFRS 8 starting 1 January 2009 and have identified relevant operating segments based on internal reports about the components of the Group that are regularly reviewed by the chief operating decision maker of the Group which is board of directors.

The chief operating decision maker reviews results and operations on a product line segment basis as well as on a geographic segment basis in order to monitor performance and to allocate resources. Product line segments of the Group are defined in the following categories: chrome derivatives, soda derivatives and other products. Geographic segments of the Group are defined in the following regions: Turkey and Europe. Some of the income and expense are not included in segment reporting as they are managed centrally.

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1 January-31 December 2009	Chrome derivatives	Soda derivatives	Consolidated
Sales Revenue	185.852.037	437.593.206	623.445.243
Cost of Sales (-)	(126.253.479)	(352.467.904)	(478.721.383)
Gross Profit	**59.598.558**	**85.125.302**	**144.723.860**
Marketing, sales and distribution expenses (-)			(37.684.304)
General administrative expenses (-)			(36.670.234)
Research and development expenses (-)			(1.655.060)
Other operating income			7.837.117
Other operating expenses (-)			(1.630.447)
Operating Profit			**74.920.932**
Share in net profit of investments accounted for under equity method			(1.584.261)
Finance income			31.207.812
Finance expenses (-)			(42.844.817)
Profit Before Taxation from Continuing Operations			**61.699.666**
Tax charge from continued operations			**(18.421.485)**
Period Profit			**43.278.181**
Attributable to:			
Minority interest			(2.808.747)
Equity holders of the parent			46.086.928

1 January-31 December 2008	Chrome derivatives	Soda derivatives	Consolidated
Continuing Operations			
Sales Revenue	184.399.332	462.868.624	647.267.956
Cost of Sales (-)	(137.892.070)	(379.140.547)	(517.032.617)
Gross Profit	**46.507.262**	**83.728.077**	**130.235.339**
Marketing, sales and distribution expenses (-)			(33.337.567)
General administrative expenses (-)			(34.057.110)
Research and development expenses (-)			(1.553.722)
Other operating income			7.744.112
Other operating expenses (-)			(6.169.390)
Operating Profit			**62.861.662**
Share in net profit of investments accounted for under equity method			5.893.281
Finance income			42.697.190
Finance expenses (-)			(54.620.023)
Profit before Taxation from Continuing Operations			**56.832.110**
Tax charge from continued operations			**(13.051.622)**
Period Profit			**43.780.488**
Attributable to:			
Minority interest			(2.244.693)
Equity holders of the parent			46.025.181

The group reviews its internal reporting on the basis of net revenue and cost of goods sold. Other income statement and balance sheet items are considered as undistributed items.

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Geographical segment

1 January - 31 December 2009	Turkey	Europe	Total	Consolidation eliminations	Consolidated
Net sales	552.998.725	93.707.810	646.706.535	(23.261.292)	623.445.243
Acquisitions of tangible and intangible fixed assets	44.214.246	30.195.841	74.410.087	(12.823.226)	61.586.861
Amortization and depreciation of tangible and intangible fixed assets	(34.693.161)	(8.783.708)	(43.476.869)	565.637	(42.911.232)
Total assets (31 December 2009)	**821.733.182**	**165.005.761**	**986.738.943**	**(73.381.091)**	**913.357.852**

1 January - 31 December 2008	Turkey	Europe	Total	Consolidation eliminations	Consolidated
Net sales	570.093.109	84.714.521	654.807.630	(7.539.674)	647.267.956
Acquisitions of tangible and intangible fixed assets	45.183.339	27.962.980	73.146.319	74.950	73.221.269
Amortization and depreciation of tangible and intangible fixed assets	(32.481.638)	(6.530.619)	(39.012.257)	309.161	(38.703.096)
Total assets (31 December 2008)	**756.619.969**	**147.924.696**	**904.544.665**	**(40.516.892)**	**864.027.773**

The geographic segments are prepared on the basis of net revenue, acquisition of tangible and intangible fixed assets, amortization and depreciation of tangible and intangible fixed assets and total assets. Other income statement and balance sheet items are considered as undistributed items.

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6. Cash and Cash Equivalents

	31 December 2009	31 December 2008
Cash on hand	14.447	14.980
Cash in banks	129.463.862	30.444.286
- Demand deposits	4.604.366	5.298.646
- Time deposits (with maturities three months or less)	124.859.496	25.145.640
Other liquid assets	45.171	-
	129.523.480	**30.459.266**

The nature and level of risks associated with cash and cash equivalents are explained in Note 38.

Time deposits

Currency	Interest rate (%)	Maturity	31 December 2009
EUR	2-6,5	January-March 2010	34.323.917
USD	0,50-3,25	January 2010	88.510.957
BGN	6	January 2010	2.024.622
			124.859.496

Currency	Interest rate (%)	Maturity	31 December 2008
EUR	2,0-8,15	January 2009	6.852.767
USD	1,0-6,5	January 2009	15.554.259
BGN	4,8	January 2009	2.738.614
			25.145.640

Cash and cash equivalents in the consolidated cash flows as of 31 December 2009 and 2008 are as follows.

	31 December 2009	31 December 2008
Cash and cash equivalents	129.523.480	30.459.266
Less: Interest accruals	(493.471)	(59.656)
	129.030.009	**30.399.610**

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7. Financial Investments

a) Current Financial Investments

	Currency	Interest rate (%)	Maturity	31 December 2009	31 December 2008
Time deposits	EUR	6,00	April 2010	2.258.954	-
				2.258.954	-

	Currency	Nominal	Maturity	31 December 2009	31 December 2008
Eurobond	USD	1.000.000	June 2010	1.518.580	-
				3.777.534	**-**

Eurobonds which held to maturity as of 31 December 2009 have a yearly Effective Interest Rate of 10,94 % (31 December 2008: Yearly 10,94 %)

b) Non-current Financial Investments	31 December 2009	31 December 2008
-Available for sale financial investments	24.488.473	26.367.063
-Held to maturity financial investments	-	1.535.551
	24.488.473	**27.902.614**

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Available for sale financial assets	Share %	31 December 2009	Share %	31 December 2008
Listed financial investments:				
Denizli Cam San. ve Tic. A.Ş. (*)	16,22%	3.327.810	16,22%	1.770.940
		3.327.810		1.770.940
Unlisted financial investments:				
Sintan Kimya San. ve Tic. A.Ş. (***)	3,00%	-	3,00%	396.000
Paşabahçe Cam San. ve Tic. A.Ş.	4,74%	20.948.535	4,74%	20.948.535
Şişecam Shangai Trade Co. Ltd. (****)	100,00%	655.448	100,00%	655.448
Cromital SPA (**)	50,00%	-	50,00%	3.039.460
Camiş Elektrik Üretim A.Ş.	0,08%	42.914	0,08%	42.914
Nemtaş Nemrut Liman İşletmeleri A.Ş.	0,02%	158.241	0,02%	158.241
Other	-	10.973	-	10.973
Impairment provision (-)(*****)		(655.448)		(655.448)
		21.160.663		24.596.123
		24.488.473		**26.367.063**

(*) Shares of this company are listed on the Istanbul Stock Exchange ("ISE") and the Group has valued such equity shares under the securities available for sale investments with market prices of the ISE. As a result of this valuation, the Group has accounted TL 3.007.257 of valuation decrease by offsetting against TL 154.039 of deferred tax due to this valuation decrease in "Valuation Fund on Financial Assets" under shareholders' equity (31 December 2008: TL 4.564.127 valuation decrease and TL 154.039 deferred tax) .

(**) Cromital S.P.A is a joint venture operating in Italy to produces and sell chemicals, especially chrome derivatives. Cromital S.p.A's financial statements are consolidated into the Group's consolidated financial statements for the first time by equity method as of 31 December 2009 (Note 16) (31 December 2008: Accounted under financial assets available sale).

(***) Sintan Kimya San. ve Tic. A.Ş. manufactures, markets, imports and exports leather and industrial chemicals and related goods, work in process, raw material and sundary goods in İzmir Menemen Free trade Zone. Sintan Kimya San. Ve Tic. A.Ş's financial statements are consolidated into the Group's consolidated financial statements for the first time by equity method as of 31 December 2009 (Note 16) (31 December 2008: Accounted under financial assets available sale).

(****) Şişecam Shangai Trade Co Ltd is founded for the purpose of undertaking activities of marketing and sales to especially North China and South Korea.

(****)The Group has recognized impairment for its investments in Şişecam Shangai Trading Co. Ltd. as of 31 December 2009 and impairment provision recognized for total investment amount in Şişecam Shangai Trading Co. Ltd. (31. December 2008: TL 655.448).

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Held to maturity financial assets

	Nominal value	Maturity	31 December 2009	31 December 2008
Eurobond	USD 1.000.000	June 2010	-	**1.535.551**

The nature and level of risks associated with financial investments are explained in Note 38.

8. Financial Liabilities

Short-term financial liabilities	31 December 2009	31 December 2008
Short-term loans	102.976.768	77.955.876
Current portion of long-term loans	26.529.896	19.670.843
Total short-term loans	**129.506.664**	**97.626.719**

Long-term financial liabilities	31 December 2009	31 December 2008
Long-term loans	113.112.673	133.422.027
Total loans	**242.619.337**	**231.048.746**

Short-term and long-term bank loans are summarized below:

31 December 2009

Currency	Maturity	Weighted Average Interest rate (%)	Current Liabilities	Non-current Liabilities
USD	2009-2013	2,83%	12.159.791	59.496.875
EUR	2009-2016	4,5%	64.881.654	53.615.798
KM	2010-2010	7,54%	6.624.316	-
TL	2010-2010	7,34%	45.840.903	-
			129.506.664	**113.112.673**

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31 December 2008

Currency	Maturity	Weighted Average Interest rate (%)	Current Liabilities	Non-current Liabilities
USD	2009-2015	4,58	34.025.408	68.025.422
EUR	2009-2015	6,82	13.722.916	65.396.605
KM	2009	7,00	9.737.499	-
JPY	2009	4,95	444.014	-
TL	2009	22,71	39.696.882	-
			97.626.719	**133.422.027**

The borrowings are repayable as follows:

	31 December 2009	31 December 2008
Within 1 year	129.506.664	97.626.719
Within 1-2 years	37.187.753	25.593.660
Within 2-3 years	35.202.142	37.156.199
Within 3-4 years	24.769.792	29.151.999
Within 4-5 years	7.976.492	24.723.121
5 years and after	7.976.494	16.797.048
	242.619.337	**231.048.746**

The fair value of the Group's borrowings approximates their carrying value.

9. Other Financial Liabilities

None.

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Trade Receivables and Payables

Trade Receivables	31 December 2009	31 December 2008
Trade receivables	30.815.695	27.593.427
Notes receivable	2.162.417	1.810.862
Due from related parties (Note 37)	73.193.798	63.986.788
Allowance for doubtful receivables (-)	(1.150.793)	(1.486.279)
	105.021.117	**91.904.798**

For intra-group sales of Soda products, sale term is on a cash basis. For other sales, average term is 34 days (31 December 2008: 29 days). For overdue payments exceeding the first 15 days and for more than the first 15 days; interest rate of 3% is charged respectively to customers on a monthly basis (31 December 2008: 2% for the first 15 days and 4% after 15 days). Average sale term for domestic sales of chrome products is 22 days on a foreign currency basis (31 December 2008: 17 days). Interest of 1% is charged for overdue payments on a monthly basis (31 December 2008: 1%). For export sales, the average term is 60 days regardless of the product line (31 December 2008: 60 days). Trade receivable related to heavy machine sales are collected in accordance with the progress payment schedule.

The Group has recognized provision for its doubtful receivables. Allowance for doubtful receivables is determined by referring to past default experience. In determining the recoverability of a trade receivable, the Group considers any change in the credit quality of the trade receivable from the date credit was initially granted to the reporting date. The Group has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers. Accordingly, the management believes that no further credit provision is required in excess of the allowance for doubtful debts.

The movement in the allowance for doubtful receivable is as follows:

	2009	2008
Opening balance, 1 January	(1.486.279)	(728.496)
Effect of subsidiary acquisition	-	(354.455)
Foreign currency exchange differences	(8.306)	(183.423)
Period charge	-	(219.905)
Cancelled	343.792	-
Closing balance, 30 June	**(1.150.793)**	**(1.486.279)**

The nature and level of risks associated with trade receivables are explained in Note 38.

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Trade payables	**31 December 2009**	**31 December 2008**
Trade payables	24.450.923	42.236.394
Trade payables due to related parties (Note 37)	20.909.025	14.740.364
Other trade payables	1.655	22.021
	45.361.603	**56.998.779**

Chromit and Antracite purchases are on cash basis (31 December 2008: Cash basis). Average credit period for other trade payables is 30-45 days (31 December 2008: 30-45 days). Corporate risk management policies are in place to ensure that all of the payables are paid within payment terms.

11. Other Receivables and Payables

Other current receivables	**31 December 2009**	**31 December 2008**
Other receivables from related parties (Note 37)	12.681.634	21.469.189
Assets related to ongoing construction contracts (Note 15)	1.292.948	19.211.264
Other current receivables	150.602	151.470
Deposits and guarantees given	30.400	50.326
Due from personnel	64.011	76.364
	14.219.595	**40.958.613**

Other non-current receivables	**31 December 2009**	**31 December 2008**
Deposits and guarantees given	34.361	33.408
	34.361	**33.408**

Other short-term payables	**31 December 2009**	**31 December 2008**
Order advances received (other)	626.232	1.218.401
Order advances received (construction)	295.097	10.391.043
Deposits and guarantees received	697.569	1.061.183
Due to related parties (Note 37)	19.500.870	3.478.233
Other advances received	540.264	1.682.612
	21.660.032	**17.831.472**

The nature and level of risks associated with other receivables and other payables are explained in Note 38.

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12. Receivables and Payables from Financial Sector Operations

None.

13. Inventories

	31 December 2009	31 December 2008
Raw materials	33.899.627	67.686.801
Work in process	1.005.484	1.920.122
Finished goods	33.349.946	41.559.106
Trade goods	6.296.199	6.346.054
Other inventories	162.459	10.738
Allowance for diminution in value of inventories (-)	(2.369.629)	(84.920)
	72.344.086	**117.437.901**

The movements of allowance for diminution in value of inventories are as follows:

	2009	2008
Opening balance, 1 January	(84.920)	(45.281)
Period Charge	(2.369.629)	(84.920)
Provision released	84.920	45.281
Closing balance, 31 December	**(2.369.629)**	**(84.920)**

14. Biological Assets

None.

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15. Assets Related to Ongoing Construction Contracts

	31 December 2009	31 December 2008
Contract costs incurred for work performed	85.766.979	88.234.579
Revenue recognized less costs recognized (net)	(12.485)	(62.603)
	85.754.494	88.171.976
Less: Progress payments received (-)	(84.832.529)	(69.563.385)
	921.965	**18.608.591**

Progress payments and costs realized in consolidated financial statements are as follows:

	31 December 2009	31 December 2008
Receivables from ongoing construction contracts (Note 11)	1.292.948	19.211.264
Allowance for projects in loss (Note 26)	(12.485)	(62.603)
Progress payments of ongoing construction contracts (Note 26)	(358.498)	(540.070)
	921.965	**18.608.591**

In this context, as of 31 December 2009, the guarantee letters given to progress payments amount to TL 7.470.564 (31 December 2008: TL 19.047.244) and the advances received amount to TL 100.670 (31 December 2008: TL 10.391.043) (Note 11).

16. Investments Accounted for under the Equity Method

Joint ventures are accounted for by equity method in Group's consolidated financial statements (Note 1). The summarized financial data of investment associate accounted for under the equity method is as follows:

Solvay Şişecam Holding AG (*)	31 December 2009	31 December 2008
Total assets	740.188.364	748.581.760
Total liabilities	(242.979.293)	(244.690.156)
Net assets	497.209.071	503.891.604
The Group's share in net assets	**124.302.268**	**125.972.901**

	1 January- 31 December 2009	1 January- 31 December 2008
Net sales	358.116.233	315.844.332
Net profit for the six-month period	3.043.734	17.691.252
The Group's share in profit for the period	**760.934**	**4.422.813**

Solvay Şişecam Holding AG is established in Austria Vienna for the purpose of directly or indirectly owning and controlling Solvay Sodi AD established in Bulgaria - Devnya region in accordance with the Republic of Bulgaria legislations.

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The summarized financial data of joint ventures accounted for by the equity method is as follows:

Joint Ventures	**31 December 2009**	**31 December 2008**
Total assets	76.736.865	17.666.728
Total liabilities	(63.642.637)	(4.128.171)
Net assets	13.094.228	13.538.557
The Group's share in net assets	**4.280.292**	**5.956.965**
Accrued liability (Note 26)	**1.494.661**	**-**

	1 January-31 December 2009	**1 January-31 December 2008**
Net sales	44.105.366	15.781.259
Net profit for the year	(4.674.610)	3.341.972
The Group's share in profit for the year	**(2.345.195)**	**1.470.468**

The amounts recorded as income for the investment in associate and joint ventures accounted for by equity method are as follows:

	1 January-31 December 2009	**1 January-31 December 2008**
Investment in Associate	760.934	4.422.813
Joint Venture	(2.345.195)	1.470.468
Total	**(1.584.261)**	**5.893.281**

Sintan Kimya San. ve Tic. A.Ş is a subsidiary of Group's joint venture Cromital S.p.A and begun its operations in the current year. For this reason, the Group included Cromital S.p.A. and Sintan Kimya San. ve Tic. A.Ş in the consolidated financial statements concluding that they have significant impact on the Group's consolidated financial statements.

17. Investment Property

None.

(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

18. Tangible Fixed Assets

Cost	Land	Land improvements	Buildings	Machinery and equipment	Vehicles	Furniture and fixture	Leasehold improvements	Construction in progress	Total
Opening balance, 1 January 2009	29.368.123	91.933.811	71.000.975	773.857.553	4.246.574	26.704.286	3.922.201	36.545.517	1.037.579.040
Reclassification	-	17.433	(17.433)	646.312	-	(646.312)	-	-	-
Exchange differences	127.933	29.979	152.090	567.041	9.070	2.516	-	196.665	1.085.294
Additions	-	2.664.899	596.905	4.290.275	227.650	1.688.385	16.669	49.602.146	59.086.929
Disposals	-	-	(10.740)	(6.730.205)	(102.319)	(5.706.809)	-		(12.550.073)
Transfers from construction in progress	-	1.997.071	11.186.926	42.899.057	186.680	12.828		(56.282.562)	
Closing balance, 31 December 2009	**29.496.056**	**96.643.193**	**82.908.723**	**815.530.033**	**4.567.655**	**22.054.894**	**3.938.870**	**30.061.766**	**1.085.201.190**
Accumulated depreciation									
Opening balance, 1 January 2009	-	(37.188.271)	(25.931.074)	(553.242.238)	(3.125.729)	(21.518.362)	(3.257.552)	-	(644.263.226)
Reclassification	-	79.999	(79.999)	211.294	-	(211.294)	-	-	-
Exchange differences	-	(2.795)	(7.136)	(102.558)	(3.129)	(779)	-	-	(116.397)
Charge for the period	-	(2.670.322)	(2.250.696)	(35.030.559)	(394.298)	(1.462.161)	(235.425)	-	(42.043.461)
Disposals	-	-	3.510	6.698.324	102.320	5.691.084	-	-	12.495.238
Closing balance, 31 December 2009	**-**	**(39.781.389)**	**(28.265.395)**	**(581.465.737)**	**(3.420.836)**	**(17.501.512)**	**(3.492.977)**	**-**	**(673.927.846)**
Carrying value as of 31 December 2009	**29.496.056**	**56.861.804**	**54.643.328**	**234.064.296**	**1.146.819**	**4.553.382**	**445.893**	**30.061.766**	**411.273.344**

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Cost	Land	Land improvements	Buildings	Machinery and equipment	Vehicles	Furniture and fixtures	Leasehold improvements	Construction in progress	Total
Opening balance, 1 January 2008	24.351.597	86.050.468	54.673.342	712.731.463	2.796.947	18.133.823	3.917.464	21.168.390	923.823.494
Effect of acquisition of subsidiary	2.650.225	495.349	6.031.835	12.602.826	1.414.207	7.403.686	-	73.405	30.671.533
Exchange differences	2.825.049	654.204	2.119.976	10.065.896	195.671	168.273	-	2.399.318	18.428.387
Additions	-	2.168.253	1.063.073	9.635.744	128.774	912.850	4.737	58.761.740	72.675.171
Disposals	(458.748)	-	(1.078.666)	(6.169.986)	(311.954)	(191)	-	-	(8.019.545)
Transfers from construction in progress	-	2.565.537	8.191.415	34.991.610	22.929	85.845	-	(45.857.336)	-
Closing balance, 31 December 2008	**29.368.123**	**91.933.811**	**71.000.975**	**773.857.553**	**4.246.574**	**26.704.286**	**3.922.201**	**36.545.517**	**1.037.579.040**
Accumulated depreciation									
Opening balance, 1 January 2008	-	(34.370.694)	(20.800.803)	(508.360.106)	(1.581.412)	(12.812.113)	(3.017.174)	-	(580.943.302)
Effect of acquisition of subsidiary	-	(486.985)	(4.156.327)	(12.822.695)	(1.370.059)	(7.291.639)	-	-	(26.127.705)
Exchange differences	-	(31.388)	(56.780)	(1.091.508)	(37.122)	(51.892)	-	-	(1.268.690)
Impairment		-	-	(4.334.847)	-	-	-	-	(4.334.847)
Charge for the period	-	(2.299.204)	(1.760.333)	(31.983.274)	(445.734)	(1.362.792)	(240.378)	-	(38.091.715)
Disposals	-	-	843.169	5.350.192	309.598	74	-	-	6.503.033
Closing balance, 31 December 2008	**-**	**(37.188.271)**	**(25.931.074)**	**(553.242.238)**	**(3.125.729)**	**(21.518.362)**	**(3.257.552)**		**(644.263.226)**
Carrying value as of 31 December 2008	**29.368.123**	**54.745.540**	**45.069.901**	**220.615.315**	**1.120.845**	**5.185.924**	**664.649**	**36.545.517**	**393.315.814**

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Expected useful lives for tangible fixed assets are as follows:

	Useful life
Land improvements	5 - 50 years
Buildings	10 - 50 years
Machinery and equipment	4 - 20 years
Vehicles	4 - 7 years
Furniture and fixtures	2 - 17 years
Leasehold improvements	5 years

The entity has booked a provision for impairment of TL 4.334.847 at its 31 December 2008 Financial Statements for the evident impairment of soda ashes in the grain storage. The particular amount is added on the income statement (Note 31)

Depreciation expense of TL 39.205.615 (31 December 2008: TL 35.107.400) has been charged in cost of goods sold, TL 1.274.545 (31 December 2008: TL 1.471.388) in selling and marketing costs, TL 2.270.724 (31 December 2008: TL 1.933.717) in general administrative expenses and TL 160.348 (31 December 2008: TL 190.591) in research and development expenses.

19. Intangible Assets

Cost	Rights	Other intangible assets	Total
Opening balance, 1 January 2009	6.137.877	897.310	7.035.187
Exchange differences	-	8.160	8.160
Additions	2.499.932	-	2.499.932
Closing balance, 31 December 2009	**8.637.809**	**905.470**	**9.543.279**
Accumulated amortization			
Opening balance, 1 January 2009	(5.342.036)	(75.370)	(5.417.406)
Exchange differences	-	(675)	(675)
Charge for the period	(594.899)	(272.872)	(867.771)
Closing balance, 31 December 2009	**(5.936.935)**	**(348.917)**	**(6.285.852)**
Carrying value as of 31 December 2009	**2.700.874**	**556.553**	**3.257.427**

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Cost	Rights	Other intangible assets	Total
Opening balance, 1 January 2008	5.817.619	371.046	6.188.665
Effect of acquisition of subsidiary	207.393	-	207.393
Exchange differences	-	93.031	93.031
Additions	112.865	433.233	546.098
Closing balance, 31 December 2008	**6.137.877**	**897.310**	**7.035.187**
Accumulated amortization			
Opening balance, 1 January 2008	(4.614.806)	(13.009)	(4.627.815)
Effect of acquisition of subsidiary	(175.272)	-	(175.272)
Exchange differences	-	(2.938)	(2.938)
Charge for the period	(551.958)	(59.423)	(611.381)
Closing balance, 31 December 2008	**(5.342.036)**	**(75.370)**	**(5.417.406)**
Carrying value as of 31 December 2008	**795.841**	**821.940**	**1.617.781**

The following useful lives are used in the calculation of amortization:

	Useful life
Rights	3 - 50 years
Other intangible assets	5 - 50 years

20. Goodwill

None.

21. Government Grant and Incentives

Expenses regarding industries having R&D quality projects which were qualified by expert organizations are reviewed and evaluated so that specific proportion of these expenses are considered as grants or are given support on the condition of payback within the context of the decision No: 94/6401 made on the government grants for exporting activities in accordance with the Money Credit Coordination Board's Communiqué No: 98/10 on Research and Development Grants published by the Under Secretariat of Foreign Trade based on the decision No: 98/16 made as at 9 September 1998.

Exports and other operations that bring foreign currencies into the country are exempt from trade duties and taxes, based on the systems and foundations set forth by the Ministry of Finance and the Undersecretary of Foreign Trade

The government grants are paid to support participating in international fairs in accordance with the decision No: 2004/11 of the Money Credit and Coordination Committee issued at 16 December 2004.

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22. Provisions, Contingent Assets and Liabilities

Provisions

Short-term provisions	31 December 2009	31 December 2008
Provision for cost expenses	978.074	71.501
Transportation price difference provision	-	994.076
Penalty provision	-	939.608
Legal case provisions	721.692	448.895
Provision for other debts and liabilities	1.241.376	1.028.842
	2.941.142	**3.482.922**

Group management allocated TL 939.608 provision for the penalty which is expected to be paid related to the disagreement with one of Asmaş's customers as of 31 December 2008. In the current period, receivable from Asmaş's customer, collected with deducting the penalty.

The movement table of litigation provision is as follows:

	2009	2008
Provision at 1 January	448.895	904.569
Period charge	278.097	119.797
Payment	-	(351.696)
Payment according to plan	-	(223.775)
Provisions released	(5.300)	-
Provision at 30 June	**721.692**	**448.895**

The Group management calculated the total expected amount paid for the lawsuits against the Group by obtaining the inputs from its legal advisors as TL 721.692 and booked provision for the amount (31 December 2008: TL 448.895).

A lawsuit was opened by Tarsus Property Administration against the Group with the claim that the Group is using the land that was not rented for extracting limestone and disqualification of compensation, and intervention is requested. The result of the lawsuit was against the Group and the Group is paying the penalty in accordance with a payment plan. A lawsuit opened by Tarsus Maliye Hazinesi about "Cold water support canals project" and the claims of unauthorized use of 19 plots of land, is still pending at the Tarsus 1st Commercial Court. The Group has opened a lawsuit to receive the authorization for the use of the 19 plots of land at the Tarsus 1. Commercial Court, and the lawsuit is still pending.

23. Commitments

Stock exchange options

Based on the agreement between Cheminvest s.p.a., other shareholder of Cromital s.p.a. and Soda Sanayii A.Ş. dated on 8 July 2005 and the additional protocol dated on 1 February 2008, Cheminvest s.p.a. has the option to sell to and buy from Soda Sanayii A.Ş for 50% Cromital s.p.a. shares, which are held by itself, between 1 July 2011 and 30 June 2012.

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Other commitments

The Company established a construction right over its 32.552 square meters real estate, on behalf of Camiş Elektrik Üretim A.Ş. for 30 years (31 December 2008: 32.552 square meters).

The Company is the guarantor of the loans amounting to EUR 62.147.570 and USD 90.721.962 borrowed by T.Şişe ve Cam Fabrikaları A.Ş. to be used in investments of Şişecam Group glass, glassware and chemical group and general funding.

According to agreements made with Botaş Boru Hatları and Petrol Taşıma A.Ş., the Group has 21.600.000 m3 natural gas purchase commitment between 1 January 2010 - 31 December 2010. Additionally; the ownership of the equipment for the connection of "Type A station to Botaş Telecommunication and Scada system" belongs to BOTAŞ (31 December 2008: 103.000.000 m3).

The Group has export commitment amounting to TL 53.701.500 (31 December 2008: TL 9.872.294).

The summary of contingent liabilities as of 31 December 2009 and 31 December 2008 are as follows:

	31 December 2009	31 December 2008
Guarantee letters given	13.993.210	32.138.169
Other	11.500.136	6.470.739
	25.493.346	**38.608.908**

GMC's given by the Company	31.12.2009	31.12.2008
A. Granted on behalf of legal person	5.300.110	3.493.969
B. Granted in favor of Partners Included in the full consolidation structure	11.500.136	6.470.739
C. Granted for the purpose of the debt of the third person to commence ordinary commercial operations	-	-
D. The other GMC's original amount	270.857.454	168.042.036
i. Granted in favor of majority interests	270.857.454	168.042.036
ii. Not included in the context of B and C Articles.	-	-
iii. Granted to third parties not included in article C	-	-
	287.657.700	**178.006.744**

The other granted GMC (Guarantee, Mortgages and Collaterals)'s ratio over the capital is 53% as of 31 December 2009 (36% as of 31 December 2008).

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24. Employee Benefits

Short-term employee benefits

	31 December 2009	31 December 2008
Due to personnel	1.178.452	604.796
Unused vacation provisions	453.546	917.553
	1.631.998	**1.522.349**

Long-term employee benefits

Retirement pay provisions

Under Turkish Labor Law, the Company is required to pay employment termination benefits to each entitled employee. Also, employees are entitled to be paid their retirement pay provisions who retired by gaining right to receive retirement pay provisions according to of the prevailing 506 numbered Social Insurance Law's Article 60, as amended by 6 March 1981 dated, 2422 numbered and 25 August 1999 dated, 4447 numbered laws. Some transition provisions related to the pre-retirement service term was excluded from the law since the related law was changed as of 23 May 2002.

The amount payable consists of one month's salary limited to a maximum of TL 2.365,16 for each period of service as of 31 December 2009 (31 December 2008: TL 2.173,19).

The liability is not funded, as there is no funding requirement in Turkey. The provision has been calculated by estimating the present value of the future probable obligation of the Company arising from the retirement of employees. IAS 19 requires actuarial valuation methods to be developed to estimate the enterprise's obligation under defined benefit plans. Accordingly, the following actuarial assumptions were used in the calculation of the total liability:

The principal assumption is that the maximum liability for each year of service will increase parallel with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation. Consequently, in the accompanying financial statements as of 31 December 2009and 30 June 2008, the provision has been calculated by estimating the present value of the future probable obligation of the Company arising from the retirement of the employees. The provisions at the respective balance sheet dates have been calculated assuming an annual inflation rate of 4,80% and a discount rate of 11%, resulting in a real discount rate of approximately 5,92% (31 December 2008: 6,26%). The anticipated rate of forfeitures is considered. The retirement pay provision ceiling is revised semi-annually, and TL 2.427,03 which is effective from 1 January 2010, is taken into consideration in the calculation of provision for employment termination benefits (1 January 2009: TL 2.260,05).

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The movement of the employment termination benefits is as follows:

	2009	2008
Opening balance, 1 January	17.418.312	16.194.438
Effect of acquisition of subsidiary	-	586.066
Exchange differences	1.863	44.622
Service costs	2.240.221	2.680.877
Interest costs	1.089.432	902.971
Actuarial cost	184.083	(274.007)
Retirement payments made	(3.027.153)	(2.716.655)
Closing balance, 31 December	**17.906.758**	**17.418.312**

All of the total current provision has been charged to general administrative expenses.

25. Pension Plans

None.

26. Other Assets and Liabilities

Other current assets	**31 December 2009**	**31 December 2008**
Prepaid expenses	247.017	305.450
Prepaid taxes and dues	138.788	5.538
Order advances given	7.566.400	4.165.193
Business advances	3.622	1.178
VAT carried forward	-	4.813.632
Other VAT	5.491.697	10.057.657
Other	548.280	4.488
	13.995.804	**19.353.136**

Other non-current assets	**31 December 2009**	**31 December 2008**
Prepaid expenses	376.702	511.030
Advances given	6.462.440	8.602.483
	6.839.142	**9.113.513**

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Other short-term liabilities	31 December 2009	31 December 2008
Deferred revenue (*)	10.746.637	8.737.168
Taxes and dues payables	1.914.649	1.333.580
Social security premiums payable	1.119.851	1.087.867
Allowance for construction projects in loss (Note 15)	12.485	62.603
Progress payments of ongoing construction contracts (Note 15)	358.498	540.070
Other liabilities	41.547	170.770
Other	4.551	7.474
	14.198.218	**11.939.532**

(*) The Group has deferred revenue amounting to TL 10.746.637 as of 31 December 2009 in accordance with IAS 18 (31 December 2008: TL 8.737.168).

Other long-term liabilities	31 December 2009	31 December 2008
The liability related to joint ventures (Note 16)	1.494.661	-
Deferred revenue	15.017	20.648
Other	43.433	-
Total	**1.553.111**	**20.648**

27. Equity

a) Capital / Treasury Shares

Shareholder Structure as of 31 December 2009 and 31 December 2008 is stated as below:

Shareholder	(%)	31 December 2009	(%)	31 December 2008
Türkiye Şişe ve Cam Fabrikaları A.Ş.	70,8	163.468.381	70,8	148.247.405
Anadolu Cam Sanayii A.Ş.	14,2	32.899.886	14,2	29.836.490
Camiş Madencilik A.Ş.	0,0	88.200	0,0	79.988
Publicly held part	15,0	34.543.533	15,0	31.327.086
Nominal capital	100,00	231.000.000	100,00	209.490.969
Restated capital differences		-		**1.489**

The total number of common stock shares of the Company at 31 December 2009 is 23.100.000.000 (31 December 2008: 20.949.096.900) with a par value of TL 0,01 per share (31 December 2008: TL 0,01 per share).

TL 21.509.031 capital increase has been covered by transferring, TL 21.507.542 from retained earnings and TL 1.489 Inflation adjustments to share capital.

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b) Investment revaluation reserve

	31 December 2009	31 December 2008
Investment revaluation reserve	(2.853.218)	(4.410.088)
	(2.853.218)	**(4.410.088)**

Valuation fund on financial assets arises from the measurement of available-for-sale financial assets at their fair value. In case of disposal of assets carried at fair value, the cumulative gain or loss related to that assets previously recognized in equity is included in the profit or loss for the period. Gains and losses arising from changes in fair value are recognized directly in equity, until the asset is determined to be impaired, at which time the cumulative gain or loss previously recognized in equity is included in the profit or loss for the period (Note 7).

c) Restricted Reserves Appropriated from Profits

	31 December 2009	31 December 2008
Legal reserves	15.477.558	11.954.163
	15.477.558	**11.954.163**

Legal reserves consist of first and second legal reserves, appropriated in accordance with the Turkish Commercial Code. The first legal reserve is appropriated out of historical statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the historical paid-in share capital. The second legal reserve is appropriated after the first legal reserve and dividends, at the rate of 10% per annum of all cash dividend distributions; however, holding companies are not subject to this application.

d) Retained Earnings / Accumulated Deficits

The Group's retained earnings amounting to TL 208.772.012 as of 31 December 2009 consists of differences of shareholders' equity amounting to TL 74.446.360, extraordinary reserves amounting to TL 12.150.888 and prior year's loss amounting to TL 9.391.930 (31 December 2008: TL 191.852.039, TL 146.475.699 differences of shareholders' equity, TL 52.892.536 extraordinary reserves and TL 7.516.196 prior years' profits).

In accordance with the CMB's requirements which were effective until 1 January 2008, the amount generated from first-time application of inflation adjustments on financial statements, and followed under the "accumulated loss" item was taken into consideration as a reduction in the calculation of profit distribution based on the inflation adjusted financial statements within the scope of the CMB's regulation issued on profit distribution. The related amount that was followed under the "accumulated loss" item could also be offset against the profit for the period (if any) and undistributed retained earnings and the remaining loss amount could be offset against capital reserves arising from the restatement of extraordinary reserves, legal reserves and equity items, respectively.

In addition, in accordance with the CMB's requirements which were effective until 1 January 2008, at the first-time application of inflation adjustments on financial statements, equity items, namely "Capital issue premiums", "Legal reserves", "Statutory reserves", "Special reserves" and "Extraordinary reserves" were carried at nominal value in the balance sheet and restatement differences of such items were presented in equity under the "Shareholders' equity inflation restatement differences" line item in aggregate. "Shareholders' equity inflation restatement differences" related to all equity items could only be subject to the capital increase by bonus issue or loss deduction, while the carrying value of extraordinary reserves could be subject to the capital increase by bonus issue; cash profit distribution or loss offsetting.

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However, in accordance with the Communiqué Volume: XI, No: 29 issued on 1 January 2008 and other related CMB's announcements, "Paid-in capital", "Restricted profit reserves" and "Premium in excess of par" should be carried at their registered amounts in statutory records. Restatement differences (e.g. inflation restatement differences) arising from the application of the Communiqué should be associated with:

- "Capital restatement differences" account, following the "Paid-in capital" line item in the financial statements, if such differences are arising from "Paid-in Capital" and not added to capital;

- "Retained earnings/ Accumulated loss", if such differences are arising from "Restricted profit reserves" and "Premium in excess of par" and has not been subjected to profit distribution or capital increase.

Other equity items are carried at the amounts that are valued based on the CMB's Financial Reporting Standards.

Capital restatement differences can only be included in capital.

Profit Distribution

In accordance with the Capital Markets Board's (the "CMB") Decree issued as of 27 January 2010, listed companies are not required to comply with the requirements of minimum profit distribution in distributing profits derived from the operations in 2009 (31 December 2008: 20%), and accordingly, profit distribution should be made based on the requirements set out in the CMB's Communiqué Serial: IV, No: 27 "Principles of Advance Dividend Distribution of Companies that are subject to the Capital Markets Board Regulations", terms of articles of association and profit distribution policies publicly disclosed by the companies.

Furthermore, based on the afore-mentioned decree, companies that are required to prepare consolidated financial statements should calculate their net distributable profits, to the extent that they can be recovered from equity in their statutory records, by considering the net profit for the period in the consolidated financial statements which are prepared and disclosed in accordance with the Communiqué Serial: XI, No: 29.

e) Minority Interest

The movement of minority interest is as follows:

	2009	2008
Opening balance, 1 January	8.136.238	7.971.214
Exchange differences	74.525	1.740.782
Effect of acquisition of subsidiary	-	(450.226)
Change in consolidation structure	2.194.984	114.171
Capital increase of subsidiary	502.499	1.004.990
Minority interest on operating results of the period	(2.808.747)	(2.244.693)
Closing balance, 30 June	**8.099.499**	**8.136.238**

Subsidiary of the Group, Şişecam Soda Lukavac's capital is increased in cash in 2009. The Company's effective share participation rate at the capital of Şişecam Soda Lukavac is increased from 78,34% to 85.91% as the Company is the only participant to the capital increase. Minority interest increased by TL 2.162.508 and share of the parent company is decreased by TL 2.162.508 as a result of capital increase.

The subsidiary of the Group Asmaş's capital is increased in cash at 2009. The Company's effective share participation rate is increased from 83,77 % to 84,02 % as other shareholders are not participated to the cash capital increase. Minority interest increased by TL 32.476 and share of the parent company is decreased by TL 32.476 as a result of capital increase. Participation of the minority to capital increase in cash is TL 502.499.

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28. Sales and Cost of Sales

Sales	**1 January-31 December 2009**	**1 January-31 December 2008**
Sales	627.551.873	652.564.513
Other revenues	771.754	68.135
Sales returns	(291.716)	(186.986)
Sales discount	(4.536.845)	(5.104.325)
Other deductions from sales	(49.823)	(73.381)
	623.445.243	**647.267.956**

Cost of sales	**1 January-31 December 2009**	**1 January-31 December 2008**
Direct materials	(115.999.141)	(151.544.721)
Direct labor	(20.242.858)	(18.036.357)
Production overhead	(210.777.032)	(247.582.295)
Depreciation expenses	(39.205.615)	(35.107.400)
Change in work-in-process inventories	(914.638)	913.289
Change in finished goods inventories	(10.493.869)	13.497.176
Cost of goods sold	**(397.633.153)**	**(437.860.308)**
Cost of merchandise sold	(81.088.230)	(79.172.309)
	(478.721.383)	**(517.032.617)**

29. Research and Development Expenses, Marketing, Selling and Distributing Expenses, General Administrative Expenses

	1 January-30 December 2009	**1 January-30 December 2008**
Marketing, selling, and distributing expenses	(37.684.304)	(33.337.567)
General administrative expenses	(36.670.234)	(34.057.110)
Research and development expenses	(1.655.060)	(1.553.722)
	(76.009.598)	**(68.948.399)**

30. Expenses by Nature

	1 January-31 December 2009	**1 January-31 December 2008**
Direct materials	(2.385.077)	(3.067.391)
Personnel expenses	(24.593.006)	(24.824.912)
Miscellaneous expenses	(20.984.984)	(18.042.566)
Services rendered by third parties	(22.352.574)	(18.332.059)
Duties, taxes and levies	(1.988.340)	(1.085.775)
Depreciation and amortization expenses	(3.705.617)	(3.595.696)
	(76.009.598)	**(68.948.399)**

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31. Other Operating Income / (Expenses)

	1 January-31 December 2009	1 January-31 December 2008
Service income	3.228.014	1.718.230
Profit on sale of tangible fixed assets	562.474	1.330.293
Other ordinary income and profits	4.046.629	4.695.589
	7.837.117	**7.744.112**

	1 January-31 December 2009	1 January-31 December 2008
Commission expenses	(4.957)	(5.331)
Loss on disposal of silicat facility (Note 18)	-	(4.334.847)
Other expense and losses	(1.625.490)	(1.829.212)
	(1.630.447)	**(6.169.390)**

32. Finance Income

	1 January-31 December 2009	1 January-31 December 2008
Dividend income	121	211.417
Interest income	10.523.653	2.873.147
Foreign exchange gains	19.980.625	38.888.216
Loan foreign exchange gains	699.426	-
Discount income	3.987	724.410
	31.207.812	**42.697.190**

33. Finance Expenses

	1 January-31 December 2009	1 January-31 December 2008
Interest expense	(18.845.069)	(12.162.337)
Exchange losses on loans	-	(26.108.119)
Discount expenses	(399.728)	(341)
Foreign exchange losses	(23.600.020)	(16.349.226)
	(42.844.817)	**(54.620.023)**

34. Assets Held for Sale and Discontinued Operations

None.

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35. Tax Assets and Liabilities

Tax provision as of 31 December 2009 and 31 December 2008 are as follows:

	31 December 2009	31 December 2008
Current tax liability	(21.195.256)	(18.526.990)
Less: Advance taxes	16.246.301	12.676.107
Tax provision in the balance sheet	**(4.948.955)**	**(5.850.883)**

	1 January- 31 December 2009	1 January- 31 December 2008
Current tax liability	(21.195.256)	(18.526.990)
Deferred tax benefit / (charge)	2.773.771	5.475.368
Taxation in the statement of income	**(18.421.485)**	**(13.051.622)**

Corporate Tax

The Company is subject to Turkish corporate taxes. Provision is made in the accompanying financial statements for the estimated charge based on the Company's results for the six mounts period.

Şişecam Soda Lukavac d.o.o the subdiary of the Group located in Bosna Herzigovia, is exempt from taxation due to the tax regulations of Bosna Herzigovia as total export amount of Şişecam Soda Lukavac d.o.o exceeds 30% of its total sales.

Corporate tax is applied on taxable corporate income, which is calculated from the statutory accounting profit by adding back non-deductible expenses, and by deducting dividends received from resident companies, other exempt income and investment incentives utilized.

The effective rate of tax in 2009 is 20% (2008: 20%).

In Turkey, advance tax returns are filed on a quarterly basis. The advance corporate income tax rate in 2009 is 20% (2008: 20%). Losses are allowed to be carried 5 years maximum to be deducted from the taxable profit of the following years. Tax carry back is not allowed.

In Turkey, there is no procedure for a final and definitive agreement on tax assessments. Companies file their tax returns between 1-25 April following the close of the accounting year to which they relate. Tax authorities may, however, examine such returns and the underlying accounting records and may revise assessments within 5 years.

Income Withholding Tax

In addition to corporate taxes, companies should also calculate income withholding taxes and funds surcharge on any dividends distributed, except for companies receiving dividends who are resident companies in Turkey and Turkish branches of foreign companies. The rate of income withholding tax was 10% starting from 24 April 2003. This rate was changed to 15% by Article 15 in the Code numbered 5520 commencing from 22 June 2006. However, until the resolution of council of ministers, it was used as 10%. After the resolution declared in the Official Gazette on 23 July 2006, this rate has been changed to 15% effective from 22 July 2006. Undistributed dividends incorporated in share capital are not subject to income withholding tax.

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Deferred Tax

The Company recognizes deferred tax assets and liabilities based upon temporary differences arising between its financial statements prepared in compliance with IFRS and its statutory tax financial statements. These differences usually result in the recognition of revenue and expenses in different reporting periods for IFRS financial statements and statutory tax financial statements and are set out below.

Deferred tax assets and liabilities are calculated at %20 (2008: 20%).

Turkish tax legislation does not permit a parent company and its subsidiary to file a consolidated tax return. Therefore, provisions for taxes, as reflected in the accompanying consolidated financial statements, have been calculated on a separate-entity basis. In this respect deferred tax assets and liabilities of consolidated entities in the accompanying consolidated financial statements are not offset.

	31 December 2009	31 December 2008
Deferred tax assets	(929)	(1.063)
Deferred tax liabilities	19.539.618	22.313.523
Deferred tax liabilities (net)	**19.538.689**	**22.312.460**

Deferred tax (assets) / liabilities	31 December 2009	31 December 2008
Restatement and depreciation / amortization differences of tangible and other intangible assets	24.493.083	25.156.042
Provision for employment termination benefits	(3.503.520)	(3.442.763)
Restatements of inventories	(42.113)	(224.914)
Impairment of available for sale financial asset	(154.039)	(154.039)
Deferred revenue	(540.681)	(38.178)
Foreign subsidiary dividend stoppage provision	197.005	579.451
Carry forward tax losses	(4.412.570)	(3.724.346)
Other	(1.770.091)	(615.205)
Deferred tax liabilities	**14.267.074**	**17.536.048**
Provision for deferred tax asset (*)	5.271.615	4.776.412
Deferred tax liability as of balance sheet date	**19.538.689**	**22.312.460**

(*) The Company only accounted the portion of carry forward tax loss which nets off its deferred tax liability

The Company's subsidiary Asmaş has TL 22.062.852 carry forward tax loss as of balance sheet date (31 December 2008; TL 18.621.732). Maturity of carry forward tax loss is as follows:

	31 December 2009	31 December 2008
2012	4.967.555	4.967.555
2013	13.654.177	13.654.177
2014	3.441.120	-
	22.062.852	**18.621.732**

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Movement of deferred tax liabilities	2009	2008
Opening balance, 1 January	22.312.460	28.440.680
Foreign currency exchange differences	-	(414)
Effect of acquisition of subsidiary	-	(652.438)
Deferred tax income	(2.773.771)	(5.475.368)
Closing balance, 31 December	**19.538.689**	**22.312.460**

Reconciliation of taxation	1 January - 31 December 2009	1 January - 31 December 2008
Profit before taxation and minority interest	61.699.666	56.832.110
Effective tax rate	20%	20%
Expected taxation	**(12.339.933)**	**(11.366.422)**
Tax effects of		
- Non-deductible expenses	(284.575)	(338.591)
- Dividends and other Non-taxable income	192.025	36.906
- Carry forward tax losses	(688.224)	(2.730.835)
- Tax exemption (*)	(2.982.177)	(1.474.487)
- Changes in deffered tax provision	209.782	(352.249)
- Foreign subsidiaries subject to different tax rates	431.627	588.675
- Effect of equity pick-up method	(1.172)	294.094
- Consolidation adjustments	(2.608.229)	(163.601)
- Other	(350.609)	2.454.888
Taxation in the statement of income	**(18.421.485)**	**(13.051.622)**

(*) Şişecam Soda Lukavac d.o.o the subdiary of the Group located in Bosna Herzigovia, is exempt from taxation due to the tax regulations of Bosna Herzigovia as total export amount of Şişecam Soda Lukavac d.o.o exceeds 30% of its total sales.

36. Earnings Per Share

Earnings per share	1 January - 30 December 2009	1 January - 30 December 2008
Average number of shares in circulation during the period	23.100.000.000	23.100.000.000
Net profit for the period attributable to equity holders of the parent	46.086.928	46.025.181
Earning per 1 TL nominal share from continued operations	0,200	0,199

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37. Related Party Transactions

Since the transactions between the Company and its subsidiaries have been eliminated on consolidation, they are not disclosed in this note.

Details of balances and transactions between the Group and other related parties are disclosed below.

Deposits at T. İş Bankası A.Ş.	**31 December 2009**	**31 December 2008**
Demand deposit	3.993.363	2.958.281
Time deposit	102.997.949	9.905.526
	106.991.312	**12.863.807**

Loans received from related parties	**31 December 2009**	**31 December 2008**
Loans used from İş Bankası	23.260.829	4.955.557
Loans used through Şişecam Dış Ticaret A.Ş.	67.533.142	58.287.903
Loans used through T.Şişe ve Cam Fabr. A.Ş	88.930.387	88.513.632
	179.724.358	**151.757.092**

Trade receivables from related parties	**31 December 2009**	**31 December 2008**
Şişecam Dış Ticaret A.Ş.	68.457.353	59.350.962
Trakya Glass Bulgaria EAD	887.387	1.417.039
Trakya Cam Yenişehir San. A.Ş.	1.222.873	943.118
Trakya Cam San. A.Ş.	1.678.729	693.953
Anadolu Cam San. A.Ş.	164.259	489.403
Anadolu Cam Yenişehir San. A.Ş.	206.167	456.244
Paşabahçe Eskişehir Cam San. ve Tic. A.Ş.	-	278.687
Paşabahçe Cam San. ve Tic. A.Ş.	446.267	240.831
Oxyvit Kimya San. ve Tic. A.Ş.	39.319	56.789
Denizli Cam San. ve Tic. A.Ş.	21.810	32.719
Cam Elyaf San. A.Ş.	4.026	11.815
Cromital S.p.A.	46.230	9.467
Sintan Kimya San. ve Tic.A.Ş.	19.378	5.761
Total	**73.193.798**	**63.986.788**

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Other receivables from related parties	31 December 2009	31 December 2008
Trakya Cam San. A.Ş.	338.627	306.009
T.Şişe ve Cam Fabr. A.Ş.	8.768.122	18.248.847
Camiş Madencilik A.Ş.	1.046.402	171.166
Paşabahçe Mağazaları A.Ş.	37.284	-
Oxyvit Kimya San. ve Tic. A.Ş.	194.805	-
Anadolu Cam San. A.Ş.	170.232	79
Camser Madencilik A.Ş.	955.283	351.529
Denizli Cam San. ve Tic. A.Ş.	-	465
Camiş Ltd.	-	13.984
Anadolu Cam Yenişehir San. A.Ş.	323.833	108.405
Cam Elyaf San. A.Ş.	341.216	109.138
T.İş Bankası A.Ş.	-	10.832
Sintan Kimya San. ve Tic. A.Ş.	280.979	75.830
Trakya Cam Yenişehir A.Ş.	224.851	2.530
Camiş Elektrik Üretim A.Ş.	-	2.070.375
Total	**12.681.634**	**21.469.189**

Trade payables to related parties	31 December 2009	31 December 2008
T. Şişe ve Cam Fabr. A.Ş.	568.998	443.480
Solvay Sodi AD	4.005.527	-
Trakya Cam San. A.Ş.	100.670	-
Paşabahçe Cam San. ve Tic. A.Ş.	6.111	-
Şişecam Dış Ticaret A.Ş.	4.292.924	-
İş Merkezleri Yönetim ve İletişim A.Ş.	2.657	-
Camiş Elektrik Üretim A.Ş.	11.908.386	14.296.884
Camiş Ambalaj San. A.Ş.	23.752	-
Total	**20.909.025**	**14.740.364**

Other payables to related parties	31 December 2009	31 December 2008
Şişecam Sigorta Aracılık Hizmetleri A.Ş.	280.074	260.908
Cam Elyaf Sanayi A.Ş.	14.810.306	-
Denizli Cam Sanayi A.Ş.	8.307	-
Oxyvit Kimya San. ve Tic. A.Ş.	-	4.690
İş Merkezleri Yönetim. ve İletişim A.Ş.	-	5.122
Paşabahçe Cam San. ve Tic. A.Ş.	833.068	65.563
Paşabahçe Eskişehir Cam San. ve Tic. A.Ş.	643.993	5.248
Solvay Sodi AD	-	1.440.844
Çayırova Cam San. A.Ş.	298.380	102.586
Paşabahçe Mağazaları A.Ş.	-	9.813
Camiş Ambalaj San. A.Ş.	27.808	903
T.Şişe ve Cam Fabr. A.Ş.	-	31.130
Şişecam Dış Ticaret A.Ş.	2.591.162	1.543.640
Other	7.772	7.786
Total	**19.500.870**	**3.478.233**

The non-trade receivables and payables of the Group with its related parties consist of the financial loans given to and received from Türkiye Şişe ve Cam Fabrikaları A.Ş. and its subsidiaries. These non-trade receivables and payables do not have maturities, but following the valuations of Türkiye Şişe ve Cam Fabrikaları A.Ş. and events concerning the money markets, an interest is accrued using a monthly current account interest rate determined by Türkiye Şişe ve Cam Fabrikaları A.Ş. The interest rate used for December 2009 was 0,75% (2008 December: 1,80%).

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Sales to related parties	1 January - 31 December 2009	1 January - 31 December 2008
Trakya Cam San. A.Ş.	36.520.482	47.463.872
Paşabahçe Cam San. ve Tic. A.Ş.	9.634.232	13.100.289
Paşabahçe Eskişehir Cam San. ve Tic. A.Ş.	7.130.941	6.945.299
Denizli Cam San. ve Tic. A.Ş.	191.441	405.109
Camiş Ambalaj San. A.Ş.	28	-
Sintan Kimya San.Tic. A.Ş.	77.398	10.508
Cam Elyaf San. A.Ş.	473.899	195.430
Anadolu Cam San. A.Ş.	18.804.419	24.724.258
Trakya Cam Yenişehir A.Ş.	31.145.579	31.836.668
Anadolu Cam Yenişehir A.Ş.	12.828.707	15.931.723
Şişecam Dış Ticaret A.Ş.	289.353.493	264.730.585
Trakya Glass Bulgaria EAD	18.358.225	20.591.976
Camiş Madencilik A.Ş.	-	237.552
Oxyvit Kimya San. ve Tic. A.Ş.	761.708	345.234
	425.280.552	**426.518.503**

Purchases from related parties	1 January - 31 December 2009	1 January - 31 December 2008
Oxyvit Kimya San. ve Tic.A.Ş.	336.956	-
Camiş Madencilik A.Ş.	1.074	85.329
Camiş Elektrik Üretim A.Ş.	126.198.101	117.852.745
Solvay Sodi AD	69.401.678	62.795.296
	195.937.809	**180.733.370**

Interest Income from related parties	1 January - 31 December 2009	1 January - 31 December 2008
Trakya Cam San. A.Ş.	25.401	193.797
Trakya Cam Yenişehir A.Ş.	2.746	59.850
Anadolu Cam San. A.Ş.	40.231	186.150
Anadolu Cam Yenişehir A.Ş.	20.746	69.935
T.Şişe ve Cam Fabr. A.Ş.	7.152.333	426.139
Paşabahçe Cam San. ve Tic. A.Ş.	2.530	44.959
Paşabahçe Eskişehir Cam San. ve Tic. A.Ş.	-	4.923
Oxyvit Kimya San. ve Tic.A.Ş.	603	22.004
Şişecam Dış Ticaret A.Ş.	75.493	-
Cam Elyaf San. A.Ş.	15.902	63.367
Camiş Madencilik A.Ş.	66.617	55.677
Camiş Elektrik Üretim A.Ş.	163.615	74.553
Cam-Ser Madencilik A.Ş.	79.625	27.129
T.İş Bankası A.Ş.	1.410.727	155.237
İşbank Gmbh	217.220	200.864
Other	221	704
	9.274.010	**1.585.288**

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Interest Expense to Related Parties	1 January - 31 December 2009	1 January - 31 December 2008
Şişecam Dış Ticaret A.Ş.	242.409	565.049
Oxyvit Kimya San. ve Tic. A.Ş.	5.991	5.499
Anadolu Cam San. A.Ş.	3.043	0
Çayırova Cam San. A.Ş.	14.494	12.017
Paşabahçe Cam San. ve Tic. A.Ş.	48.826	102
T.İş Bankası A.Ş.	834.345	1.573.118
İşbank Gmbh	1.306.327	146.781
T.Şişe ve Cam Fabr. A.Ş.	3.246	3.139.433
Paşabahçe Eskişehir Cam San. ve Tic. A.Ş.	17.647	43
Camiş Elektrik Üretim A.Ş.	558.414	294.333
T.Sınai Kalkınma Bankası A.Ş.	19.569	221.283
Other	71.631	14.971
_	**3.125.942**	**5.972.629**

Dividend Income to Related Parties	1 January - 31 December 2009	1 January - 31 December 2008
Cromital S.p.A (*)	-	193.290
Nemtaş Nemrut Liman İşlt. A.Ş.	-	17.643
İş Merk.Yön ve İşlt. A.Ş.	121	484
_	**121**	**211.417**

Commision expense to related parties	1 January - 31 December 2009	1 January - 31 December 2008
T.Şişe ve Cam Fabr. A.Ş.	247.217	249.277
Şişecam Dış Ticaret A.Ş.	1.488.711	1.314.252
	1.735.928	**1.563.529**

Service expense to related parties	1 January - 31 December 2009	1 January - 31 December 2008
T.Şişe ve Cam Fabr. A.Ş.	**5.179.092**	**5.036.061**

Other Income from related parties	1 January - 31 December 2009	1 January - 31 December 2008
Cam Elyaf San. A.Ş.	1.023.450	1.159.507
Camiş Madencilik A.Ş.	1.885.956	1.331.034
Camser Madencilik A.Ş.	320.130	300.060
Paşabahçe Cam San. ve Tic. A.Ş.	556.837	842.390
T.Şişe ve Cam Fabr. A.Ş.	125.489	102.080
Trakya Cam San. A.Ş.	2.664.797	3.192.482
Trakya Cam Yenişehir A.Ş.	190.949	2.493.945
Anadolu Cam Yenişehir A.Ş.	1.535.805	2.795.890
Camiş Elektrik Üretim A.Ş.	4.618.734	10.310.767
Anadolu Cam San. A.Ş.	1.817.247	2.274.092
Oxyvit Kimya San. Ve Tic. A.Ş.	590.736	1.834.023
Sintan Kimya San.ve Tic. A.Ş.	203.697	46.333
Cromital S.p.A.	-	9.467
Other	22.471	1.598
_	**15.556.298**	**26.693.668**

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Other expense to related parties	1 January December 2009	1 January December 2008
T.İş Bankası A.Ş.	349.397	142.698
Cam Elyaf San. A.Ş.	18.482	16.167
İş Merkezleri Yön. ve İşl. A.Ş.	462.530	50.105
Camiş Ambalaj San.A.Ş.	170.515	-
Paşabahçe Mağazaları A.Ş.	25.840	22.181
Şişecam Shanghai Trading Co.Ltd.	871.367	719.790
T.Şişe ve Cam Fabrikaları A.Ş.	386.910	450.011
Çayırova Cam San. A.Ş.	547.176	452.084
Oxyvit Kimya San. Ve Tic. A.Ş.	-	331.437
Anadolu Anonim Türk Sig. Şti.	145.868	40.765
Trakya Cam Yenişehir A.Ş.	-	191.284
Trakya Cam San. A.Ş.	24.990	6.500
Camiş Menkul Değerler A.Ş.	13.500	12.600
Şişecam Sigorta Aracılık Hizmetleri A.Ş.	-	128.469
İş Gayrimenkul Yat.Ort.A.Ş.	928.326	790.723
Other	59.273	5.609
	4.004.174	**3.360.423**

Compensation to key management is follows:

Compensation to key management is follows	1 January - 31 December 2009	1 January - 31 December 2009
Equity holders of the parent	1.597.296	1.358.924
Other companies subject to consolidation	473.634	309.966
	2.070.930	**1.668.890**

38. Nature and Level of Risks Derived from Financial Instruments

a) Capital risk management

The Group manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to stakeholders through the optimization of the debt and equity balance.

The capital structure of the Group consists of debt, which includes the borrowings and other debts disclosed in Note 8 and 10, cash and cash equivalents disclosed in Note 6 and equity comprising issued capital, reserves and retained earnings as disclosed in Note 27.

The management of the Group considers the cost of capital and the risks associated with each class of capital. The management of the Group aims to balance its overall capital structure through the payment of dividends, new share issues and the issue of new debt or the redemption of existing debt.

The Group controls its capital using the net debt / total equity ratio. This ratio is the calculated as net debt divided by the total equity amount. Net debt is calculated as total liability amount (comprises of financial liabilities and trade payables as presented in the balance sheet) less cash and cash equivalents.

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As of 31 December 2009 and 31 December 2008, the Group's net debt / total equity ratios are as follows:

	31 December 2009	31 December 2008
Total liabilities	372.360.772	368.427.166
Less: Cash and cash equivalents	129.523.480	30.459.266
Net debt	**242.837.292**	**337.967.900**
Total equity	540.997.080	495.600.607
Net debt / total equity ratio	**45%**	**% 68**

The Group's general strategy is not different from previous periods.

(b) Financial Risk Factors

The Group's activities expose it to various financial risks, market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize the potential adverse effects over the Group's financial performance.

Risk management is carried out by the Risk Management Department, which is independent from steering, under the policies approved by the Board of Directors. The Group's Risk Management Department identifies, evaluates and hedges financial risks in close cooperation with the Group's operating units. The Board of Directors sets out written principles for overall risk management, as well as written policies covering specific areas, such as; foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

(b.1) Credit Risk

Credit risk refers to the risk that counterparty will default on its contractual obligations. The Group's management mitigates this risk through limitations on the contracts made with counterparties and obtaining sufficient collaterals where appropriate. The Group's credit risks mainly arise from its trade receivables. The Group manages this risk by the credit limits up to the guarantees received from customers. Use of credit limits is monitored by the Group by taking into consideration the customer's financial position, past experiences and other factors and customer's credibility is evaluated on a consistent basis. Trade receivables are evaluated based on the Group's policies and procedures and presented net of doubtful provision in the financial statements accordingly (Note 10).

Trade receivables consist of many customers operating in various industries and locations. Credit risk of the receivables from counterparties is evaluated periodically.

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Credit risks exposed through types of financial instruments	Receivables					
	Trade Receivables		Other Receivables			
31 December 2009	Related Parties	Third Parties	Related Parties	Third Parties	Cash and cash equivalents	Other
Maximum credit risk exposed as of balance sheet date (*)	73.193.798	31.827.319	12.681.634	1.537.961	129.463.862	-
- The part of maximum risk under guarantee with collaterals, etc.	(41.537.977)	(8.312.043)	-	-	-	-
A. Net book value of financial assets that are neither past due nor impaired	55.061.797	25.953.598	12.681.634	1.537.961	129.463.862	-
- The part under guarantee with collaterals, etc.	(29.840.173)	(5.728.051)	-	-	-	-
B. Net book value of financial assets that are renegotiated, if not that will be accepted as past due or impaired	-	-	-	-	-	-
C. Carrying value of financial assets that are past due but not impaired	18.132.001	5.873.721	-	-	-	-
- The part under guarantee with collaterals, etc.	(11.697.804)	(2.583.992)	-	-	-	-
D. Net book value of impaired assets	-	-	-	-	-	-
- Past due (gross carrying amount)	-	1.150.793	-	-	-	-
- Impairment (-)	-	(1.150.793)	-	-	-	-
- The part under guarantee with collaterals, etc.	-	-	-	-	-	-
- Not past due (gross carrying amount)	-	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-
- The part under guarantee with collaterals, etc.	-	-	-	-	-	-
E. Off-balance sheet items with credit risk	-	-	-	-	-	-

(*) Factors that increase the credit reliability, such as; guarantees received, are not considered in the calculation

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Credit risks exposed through types of financial instruments:	Receivables					
	Trade Receivables		Other Receivables			
31 December 2008	Related Parties	Third Parties	Related Parties	Third Parties	Cash and cash equivalents	Other
Maximum credit risk exposed as of balance sheet date (*)	63.986.788	27.918.010	21.469.189	19.522.832	30.444.286	-
- The part of maximum risk under guarantee with collaterals, etc.	(31.143.575)	(5.977.442)	-	-	-	-
A. Net book value of financial assets that are neither past due nor impaired	55.664.164	16.509.310	21.469.189	19.522.832	30.444.286	-
- The part under guarantee with collaterals, etc.	(23.733.787)	(1.534.556)				
B. Net book value of financial assets that are renegotiated, if not that will be accepted as past due or impaired	-	5.264.757	-	-	-	-
C. Carrying value of financial assets that are past due but not impaired	7.673.450	6.143.943	-	-	-	-
- The part under guarantee with collaterals, etc.	(6.765.206)	(4.442.886)	-	-	-	-
D. Net book value of impaired assets	649.174	-	-	-	-	-
- Past due (gross carrying amount)	1.223.534	911.919	-	-	-	-
- Impairment (-)	(574.360)	(911.919)	-	-	-	-
- The part under guarantee with collaterals, etc.	(644.582)	-	-	-	-	-
- Not past due (gross carrying amount)	-	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-
- The part under guarantee with collaterals, etc.	-	-	-	-	-	-
E. Off-balance sheet items with credit risk	-	-	-	-	-	-

(*) Factors that increase the credit reliability, such as; guarantees received, are not considered in the calculation.

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Total of trade receivables not due as of 31 December 2009 is TL 81.015.395 (31 December 2008: TL 77.438.231).

Guarantees received from the customers by the Group are as follows:

	31 December 2009	31 December 2008
Letters of guarantee	7.907.362	5.777.442
Cash	204.681	
Mortgages	200.000	200.000
	8.312.043	**5.977.442**

Trade receivables amounting to TL 24.005.722 which is past due was not considered as impaired and no provision has been booked (31 December 2008: TL 13.817.393). The Group does not anticipate collection risk for the trade receivables up to 75 days overdue considering the dynamics and circumstances of the industry in which it operates. The Group renegotiates its trade receivables overdue more than 75 days by applying maturity difference and does not anticipate a collection risk since it holds guarantees such as mortgages, bails and guarantee notes. The current status of overdue trade receivables is a result of the characteristics of the industry and is similar to the prior period status.

Trade receivables amounting to TL 1.150.793 (31 December 2008: TL 2.135.453) was considered as doubtful receivable, all of the balance (31 December 2008: TL 1.486.279) as doubtful receivable provision for the receivable. The provisions on doubtful receivables have been estimated based on the experience from previous years considering the collection issues associated with these receivables. The group manages its credit risk by reducing the average counterparty limits and obtaining collaterals if needed. Credit risk is mostly related to trade receivables. The Group manages its credit risk for dealers by capping dealers' limit with the collaterals received. The utilization of credit limits is continuously monitored; and the customers' credit quality is monitored by evaluating customers' financial position, the experience from previous years and other factors. Trade receivables are evaluated by considering the Group policies and procedures and are presented on the balance sheet net of the doubtful receivable provision.

Trade receivables that past due but not impaired are as stated below:

31 December 2009	Trade Receivables
One month due	13.206.639
Due within 1-3 months	9.711.512
Due within 3-12 months	1.067.959
Total overdue receivables	**24.005.722**
The part under guarantee with collateral etc.	14.281.796

31 December 2008	Trade Receivables
One month due	9.658.473
Due within 1-3 months	3.581.980
Due within 3-12 months	576.940
Total over-due receivables	**13.817.393**
The part under guarantee with collateral etc.	(11.208.092)

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Collaterals for the trade receivables that past due but not impaired are as stated below:

	31 December 2009	31 December 2008
Guarantee letter	2.583.992	4.442.886
Commercial letter of credit	3.984.110	919.698
Eximbank export insurance	7.713.694	5.845.508
	14.281.796	**11.208.092**

(b.2) Liquidity risk management

The Group manages its liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities through a constant monitoring forecast and actual cash flows and matching the maturity profile of the financial assets and liabilities.

Liquidity risk tables

Conservative liquidity risk management requires maintaining adequate reserves in addition to having the ability to utilize adequate level of credit lines and funds as well as closing market positions.

Funding risk attributable to the current and future potential borrowing needs is managed by providing continuous access to adequate number of creditors with high quality.

The following table details the Group's expected maturity for its financial liabilities. The tables below have been drawn up based on the undiscounted contractual maturities of the financial assets. The adjustment column represents the possible future cash flows attributable to the instrument included in the maturity analysis which are not included in the carrying amount of the financial liability on the balance sheet.

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31 December 2009

Maturities in accordance with contracts	Carrying value	Total cash outflows in accordance with contracts (I+II+III+IV)	Not due (I)	Less than 3months (II)	3 - 12 months (III)	1-5 years (IV)	More than 5 years (V)
Non derivative financial liabilities							
Bank loans	242.619.337	260.460.321	704.016	49.844.768	84.814.671	115.661.504	9.435.362
Trade payables	24.452.578	24.611.235	-	24.611.235	-	-	-
Due to related parties (Note 37)	40.409.895	40.409.895	-	40.409.895	-	-	-
Other payables	2.159.162	2.159.162	-	2.159.162,00	-	-	-
Total liabilities	**309.640.972**	**327.640.613**	**704.016**	**117.025.060**	**84.814.671**	**115.661.504**	**9.435.362**

31 December 2008

Maturities in accordance with contracts	Carrying value	Total cash outflows in accordance with contracts (I+II+III+IV)	Not due (I)	Less than 3months (II)	3 - 12 months (III)	1-5 years (IV)	More than 5 years (V)
Non derivative financial liabilities							
Bank loans	231.048.746	259.478.123	-	57.139.036	40.731.035	138.308.800	24.299.252
Trade payables	42.258.415	42.778.780	-	42.078.446	700.334	-	-
Due to related parties (Note 37)	18.218.597	18.348.330	6.850.630	11.497.700	-	-	-
Other payables	14.353.239	14.353.239	1.633.355	6.721.123	5.998.761	-	-
Total liabilities	**305.878.997**	**334.958.472**	**8.483.985**	**117.436.305**	**46.430.130**	**138.308.800**	**24.299.252**

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(b.3) Market risk management

The Group's activities expose it primarily to the financial risks of changes in foreign exchange rates and interest rates. At a Group level, market risk exposures are measured by sensitivity analysis. When compared to prior periods, there has been no change in the Group's exposure to market risks or the measurement methods used for such risks.

(b.3.1) Foreign currency risk management

Certain transactions denominated in foreign currencies results in foreign currency. The breakdown of the Group's foreign currency denominated monetary and non-monetary assets and liabilities as of the balance sheet date are as follows:

	31 December 2009			
	TL Equivalent	US Dollar	Euro	Other
1.Trade receivables	72.010.047	33.321.651	10.108.613	-
2a.Monetary financial assets(cash and banks account included)	126.481.824	61.178.552	15.870.984	79.192
2b.Non monetary financial assets	-	-	-	-
3.Other receivables	772.588	48.730	1.900	695.111
4.Current assets(1+2+3)	**199.264.459**	**94.548.933**	**25.981.497**	**774.303**
5.Trade receivables				
6a.Monetary financial assets	-	-	-	-
6b.Non monetary financial assets	-	-	-	-
7.Other receivables	873	580	-	-
8. Non current assets (5+6+7)	873	580	-	-
9. Total assets (4+8)	**199.265.332**	**94.549.513**	**25.981.497**	**774.303**
10.Trade payables	4.592.819	1.588.643	981.673	80.091
11.Financial liabilities	43.741.912	8.075.839	14.619.322	-
12a. Other monetary liabilities	574.202	187.977	134.780	-
12b. Other non monetary liabilities				
13.Short term liabilities (10+11+12)	**48.908.933**	**9.852.459**	**15.735.775**	**80.091**
14.Trade payables				
15.Financial liabilities	73.230.212	39.514.429	6.357.143	-
16a. Other monetary liabilities	-	-	-	-
16b. Other non monetary liabilities	-	-	-	-
17.Long term liabilities(14+15+16)	**73.230.212**	**39.514.429**	**6.357.143**	**-**
18.Total liabilities (13+17)	**122.139.145**	**49.366.888**	**22.092.918**	**80.091**
19.Net assets of off balance sheet derivative items / (liability position (19a - 19b)	-	-	-	-
19a. Total amount of assets hedged	-	-	-	-
-19b. Total amount of liabilities hedged	-	-	-	-
20.Net foreign assets / (liability) position(9-18+19)	77.126.187	45.182.625	3.888.579	694.212
21.Net foreign currency asset / (liability) position of monetary items (=1+2a+5+6a-10-11-12a-14-15-16a)	76.352.726	45.133.315	3.886.679	(899)
22.Fair value of derivative instruments used in foreign currency hedge	-	-	-	-
23.Export	364.918.054	114.158.223	85.324.375	4.949.165
24.Import	110.050.427	19.110.878	37.430.694	4.997

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	31 December 2008			
	TL Equivalent	US Dollar	Euro	Other
1. Trade receivables	67.979.298	23.094.920	15.152.804	613.727
2a. Monetary financial assets(cash and banks account included)	21.076.725	11.489.786	1.720.420	17.647
2b. Non monetary financial assets	-	-	-	-
3. Other receivables	19.282.510	46.706	8.973.871	614
4. Current assets(1+2+3)	**108.338.533**	**34.631.412**	**25.847.095**	**631.988**
5. Trade receivables	-	-	-	-
6a. Monetary financial assets	-	-	-	-
6b. Non monetary financial assets	-	-	-	-
7. Other receivables	-	-	-	-
8. Non current assets (5+6+7)	**-**	**-**	**-**	**-**
9. Total assets (4+8)	**108.338.533**	**34.631.412**	**25.847.095**	**631.988**
10. Trade payables	3.364.006	437.466	1.253.456	19.028
11. Financial liabilities	28.570.211	9.074.811	6.727.560	444.014
12a. Other monetary liabilities	1.171.519	774.458	143	-
12b. Other non monetary liabilities	-	-	-	-
13. Short term liabilities (10+11+12)	**33.105.736**	**10.286.735**	**7.981.159**	**463.042**
14. Trade payables	-	-	-	-
15. Financial liabilities	85.007.012	43.243.143	9.160.317	-
16a. Other monetary liabilities	-	-	-	-
16b. Other non monetary liabilities	-	-	-	-
17. Long term liabilities (14+15+16)	**85.007.012**	**43.243.143**	**9.160.317**	**-**
18. Total liabilities (13+17)	**118.112.748**	**53.529.878**	**17.141.476**	**463.042**
19. Net assets of off balance sheet derivative items / (liability) position (19a - 19b)	-	-	-	-
19a. Total amount of assets hedged	-	-	-	-
19b. Total amount of liabilities hedged	-	-	-	-
20. Net foreign assets / (liability) position(9-18+19)	(9.774.215)	(18.898.466)	8.705.619	168.946
21. Net foreign currency asset / (liability) position of monetary items (=1+2a+5+6a-10-11-12a-14-15-16a)	(29.056.725)	(18.945.172)	(268.252)	168.332
22. Fair value of derivative instruments used in foreign currency hedge	-	-	-	-
23. Export	318.283.764	124.569.487	80.873.867	3.232.824
24. Import	176.067.223	64.066.254	48.990.431	4.716

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The Group is mainly exposed to Euro and US Dollars risks. Effects of other currencies are immaterial.

Assets and liabilities denominated in foreign currencies are translated at the exchange rates announced by the Turkish Central Bank as of the balance sheet date 31 December 2009: USD Dollar 1 = TL 1,5047 and Euro 1 = TL 2,1603 (31 December 2008: USD Dollar 1 = TL 1,5123 and Euro 1 = TL 2,1408).

The table below presents the Group's sensitivity to a 10% deviation in foreign exchange rates especially US dollars and Euro. 10% is the rate used by the Group when generating its report on exchange rate risk; the related rate stands for the presumed possible change in the foreign currency rates by the Group's management. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. This analysis includes foreign currency denominated bank loans other than the functional currency of the ultimate user or borrower of the bank loans. The positive amount indicates increase in profit / loss or equity.

Foreign currency sensitivity

	31 December 2009			
	Profit / Loss		Equity	
	Foreign currency appreciation	Foreign currency devaluation	Foreign currency Appreciation	Foreign currency devaluation
Change of US Dollar against TL by 10%				
1 - US Dollars net assets / liabilities	6.803.148	(6.803.148)	-	-
2 - US Dollars hedged from risks (-)	-	-	-	-
3 - US Dollars net effect (1 + 2)	6.803.148	(6.803.148)	-	-
Change of Euro against TL by 10%				
4 - Euro net assets / liabilities	840.050	(840.050)	12.430.227	(12.430.227)
5 - Euro hedged from risks (-)	-	-	-	-
6 - Euro net effect (4 + 5)	840.050	(840.050)	12.430.227	(12.430.227)
Change of other currencies against TL by 10%				
7 - Other currencies net assets / liabilities	69.421	(69.421)	-	-
8 - Other currencies hedged from risks (-)	-	-	-	-
9 - Other currencies net effect (7 + 8)	69.421	(69.421)	-	-
Total (3 + 6 + 9)	7.712.619	(7.712.619)	12.430.227	(12.430.227)

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	31 December 2008			
	Profit / Loss		**Equity**	
	Foreign currency appreciation	Foreign currency devaluation	Foreign currency appreciation	Foreign currency devaluation
	Change of US Dollar against TL by 10%			
1 - US Dollars net assets / liabilities	(2.858.015)	2.858.015	-	-
2 - US Dollars hedged from risks (-)	-	-	-	-
3 - US Dollars net effect (1 + 2)	(2.858.015)	2.858.015	-	-
	Change of Euro against TL by 10%			
4 - Euro net assets / liabilities	1.863.699	(1.863.699)	12.597.290	(12.597.290)
5 - Euro hedged from risks (-)	-	-	-	-
6 - Euro net effect (4 + 5)	1.863.699	(1.863.699)	12.597.290	(12.597.290)
	Change of other currencies against TL by 10%			
7 - Other currencies net assets / liabilities	16.895	(16.895)	-	-
8 - Other currencies hedged from risks (-)	-	-	-	-
9 - Other currencies net effect (7 + 8)	16.895	(16.895)	-	-
Total (3 + 6 + 9)	**(977.421)**	**977.421**	**12.597.290**	**(12.597.290)**

(b.3.2) Interest rate risk management

The Group's exposure to interest rate risk is related to its financial liabilities. The Group's financial liabilities mostly consist of fixed rate borrowings. Based on the current balance sheet composition and analysis calculated by the Group, if the interest rates were increased / decreased by 1% with the assumption of keeping all other variables constant, the effect on net profit / loss for the period before taxation and minority interest would decrease / increase by TL 2.400.010 as of 31 December 2009 (31 December 2008: TL 1.392.287).

Interest rate sensitivity

The Group's financial instruments that sensitive to interest rates are as follows:

	31 December 2009			
Financial assets	**Floating interest**	**Fixed interest**	**Non-interest bearing**	**Total**
Cash and cash equivalents	-	125.359.497	4.163.983	129.523.480
Available for sale financial assets	-	-	24.488.473	24.488.473
Held to maturity financial assets	-	3.777.534	-	3.777.534
Trade receivables	-	105.021.117	-	105.021.117
Other receivables	-	14.219.595	-	14.219.595
Financial liabilities				
Bank borrowings	194.682.895	47.232.426	704.016	242.619.337
Trade payables	-	45.361.603	-	45.361.603
Other payables	-	21.660.032	-	21.660.032

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(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

	31 December 2008			
Financial assets	**Floating interest**	**Fixed interest**	**Non-interest bearing**	**Total**
Cash and cash equivalents	-	25.145.640	5.313.626	30.459.266
Available for sale financial assets	-	-	26.367.063	26.367.063
Held to maturity financial assets	-	1.535.551	-	1.535.551
Trade receivables	-	91.904.798	-	91.904.798
Other receivables	-	40.992.021	-	40.992.021
Financial liabilities				
Bank borrowings	183.853.025	47.195.721	-	231.048.746
Trade payables	-	56.998.889	-	56.998.779
Other payables	-	17.831.472	-	17.831.472

(b.3.3) Other price risks

The Group is exposed to market price risk due to its equity share investments. Equity share investments are held for strategic purposes rather than trading purposes.

Equity price sensitivity

Sensitivity analysis presented below is determined based on the equity share price risks as of the reporting date.

As of the reporting date, if the equity share prices were increased / decreased by 10% with the assumption of keeping all other variables constant:

- As of 31 December 2009, if equity share investments classified as available for sale assets would not be disposed of or as long as not impaired, net profit/loss would not be affected,
- Increases/decrease in the other equity funds would amount to TL 332.781 (31 December 2008: increase/decrease amounts to TL 177.094). This change is caused by the fair value change of equity share investments classified as available for sale.

The Group's sensitivity to equity share price has not changed materially when compared to the prior year.

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39. Fair Value of Financial Instruments and Hedge Accounting

31 December 2009	Held to maturity	Loans and receivables	Available for sale financial assets	Financial liabilities at amortized cost	Carrying value	Note
Financial assets						
Cash and cash equivalents	-	129.523.480	-	-	129.523.480	6
Financial assets	3.777.534	-	24.488.473	-	28.266.007	7
Trade receivables	-	105.021.117	-	-	105.021.117	10
Other receivables	-	14.219.595	-	-	14.219.595	11
Financial liabilities						
Financial liabilities	-	-	-	242.619.337	242.619.337	8
Trade payables	-	-	-	45.361.603	45.361.603	10
Other payables	-	-	-	21.660.032	21.660.032	11

31 December 2008	Held to maturity	Loans and receivables	Available for sale financial assets	Financial liabilities at amortized cost	Carrying value	Note
Financial assets						
Cash and cash equivalents	-	30.459.266	-	-	30.459.266	6
Financial assets	1.535.551	-	26.367.063	-	27.902.614	7
Trade receivable	-	91.904.798	-	-	91.904.798	10
Other receivable	-	40.992.021	-	-	40.992.021	11
Financial liabilities						
Financial liabilities	-	-	-	231.048.746	231.048.746	8
Trade payables	-	-	-	56.998.779	56.998.779	10
Other payables	-	-	-	17.831.472	17.831.472	11

The Group believes that the carrying values of its financial instruments reflect their fair values.

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Fair Value of Financial Instruments

The fair value of financial assets and liabilities are determined as follows:

- First category: Implies that in determining the fair values of assets and liabilities, active market trading price is used for valuation purposes.
- Second category: Implies that in determining the fair values of assets and liabilities, should other market price be observed other than first degree market prices, then observed market price is used for valuation purposes.
- Third category: Implies that in determining the fair values of assets and liabilities, data not based on market observation is used for valuation purposes.

		Financial assets at fair value as of reporting date		
Financial assets	**31 December 2009**	**Level 1 TL**	**Level 2 TL**	**Level 3 TL**
Financial assets available for sale	3.327.810	3.327.810	-	-
Total	**3.327.810**	**3.327.810**	-	-

		Financial assets at fair value as of reporting date		
Financial assets	**31 December 2008**	**Level 1 TL**	**Level 2 TL**	**Level 3 TL**
Financial assets available for sale	1.770.940	1.770.940	-	-
Total	**1.770.940**	**1.770.940**	**-**	**-**

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40. Events after the Balance Sheet Date

The labor agreement between the Company and the Petroleum Trade Union expired on 31 December 2009 and negotiations of labor agreement for 1 January 2010 - 31 December 2011 period has begun.

At the meeting of board of directors on 22 February 2010, the board has decided to initiate preparation to apply to Capital Market Board ("CMB") for changing the corporation charters 3-j article in accordance with CMB's rule numbered 28/780 presented in CMB's weekly bulletin numbered 2009/40, to discuss the chance in The Company's general assembly meeting and to apply to CMB regarding the change in foundation agreement. The required approvals are taken from CMB and ministry of industry. The change will be presented in the general assembly for approval.

41. Other Issues That Significantly Affect the Financial Statements or Other Issues Required For The Clear Understanding of Financial Statements

None.

REPORT ON COMPLIANCE WITH PRINCIPLES OF GOOD CORPORATE GOVERNANCE

1. Statement of Compliance with Corporate Governance Principles

Pursuant to legal arrangements, provisions, and principles as laid down in Capital Markets Legislation, the Company's Articles of Association, and the Corporate Governance Principles as issued by the Capital Markets Board of Turkey; this statement describes, as summarized below, the commitments of Soda Sanayii Anonim Şirketi (Soda A.Ş.) as a going concern, in matters that pertain to setting the relations with shareholders and stakeholders, as well as defining the duties, powers, and responsibilities of the Board of Directors along with its subordinate Committees and individual managers.

Soda A.Ş., established in 1969 as a member of the Şişecam Group and a subsidiary of Türkiye İş Bankası, has operations in soda products and chromium chemicals sectors. Soda A.Ş. sells heavy and light soda and refined sodium bicarbonate, which in part it produces at its Soda Plant in Mersin and in part procures from Solvay Sodi in Bulgaria and from Şişecam Soda Lukavac d.o.o. in the Tuzla Canton of the Bosnia-Herzegovina, partly owned subsidiaries since 1997 and 2006, respectively. The Company also sells sodium silicate products that it manufactures. The Company is offering its products to a number of industrial sectors both at home and abroad, in particular, glass, textiles, detergents, chemicals, food, and fodder.

As one of the world's major producers of chromium chemicals, Soda A.Ş. sells sodium bichromate, basic chromium sulphate, chromic acid, sodium sulphur and sodium sulphate products, which it manufactures at its Kromsan Factory in Mersin and also procures from Cromital SpA in Italy, again, a partly owned subsidiary since 2005. The Company offers its products to key industrial sectors at home and abroad, including leather, impregnated wood, chemicals, and pulp and paper sectors.

Soda A.Ş., with Asmaş Ağır Makine Sanayii A.Ş. in İzmir that incorporated in 2008, offers service in erecting turnkey-complete facilities, developing new projects and technologies thereof, and manufacturing and installation of equipment used in a large number of sectors including soda, iron and steel, cement, energy, and defense industry sectors.

In soda sector, Soda A.Ş. is among the world's top ten suppliers and one of the big five in Europe. The Company has a prominent place in chromium chemicals as well, as one of the world's major producers. As a requirement of such prominence, the Company has built its management concept on the principles of equality, transparency, accountability and responsibility. Perhaps a most convincing evidence of the Company's commitment to such a management concept is the fact that, with its volume of business, its accumulated expertise, and its highly competitive operations, Soda A.Ş., happens to be a leading producer in its areas of interest in Europe and the world as well.

Soda A.Ş. attaches great importance to continuous productivity growth and cost improvement and achieves these objectives with the support of modernization and R&D investments.

Being also highly concerned about the environmental and occupational safety, Soda Sanayii A.Ş. conducts its activities in this area under the system of Tripartite Responsibility, which is implemented by the chemical sectors of developed countries on a voluntary basis.

Points such as the modern principles of management and industry, the high level of institutionalization, the focus on the market and R&D, growth, productivity increase, and product and service quality, which have carried Soda A.Ş. to the present day, constitute the main foundations of the stronger Soda A.Ş. of the future. Adopting the principles of corporate management, Soda A.Ş. aims to further strengthen its position.

In the operating period that ended on 31.12.2009, our company fully performed the obligations concerning shareholders and stakeholders in respect of compliance with the principles of corporate management. Investors were continuously informed by keeping up-to-date the section "Investor Relations" at the address www.sodakrom.com , established with the aim of extending the right of the shareholders to information, and the activities of infrastructure, information and training were carried on with the aim of performing the requirements of risk management. Details on the activities conducted in this framework are presented below in the relevant sections of our report.

SECTION I

SHAREHOLDERS
2. Unit of Relations with Shareholders

All our obligations aimed at facilitating the exercise of shareholding rights in the framework of the provisions and arrangements contained in the Turkish Commercial Law, the Capital Market Legislation and our Company's Articles of Association have been fully performed to date by the units within our company.

The main activities conducted in this framework during the period;

a) Meeting shareholders' oral and written requests for information concerning the company, excluding information in the nature of confidential information and business secrets concerning our company which have not been disclosed to the public;
b) Holding the general assembly meeting in accordance with the current legislation, the articles of association and the other internal regulations of the company;

c) Preparing the documents available for shareholders in the general assembly meeting;
d) Keeping the record of voting results and sending the reports on the results to the shareholders;
e) Observing and monitoring all points concerning public disclosure, including the legislation and the company's information policy; and
f) Keeping healthy, reliable and up-to-date records concerning the shareholders.

All of the applications made by our shareholders during the period were answered in the framework of the current legislation, and communication with shareholders was provided through newspaper advertisements, letters, telephone calls and the Internet, in accordance with the current legislation, the articles of association and the other internal regulations of the company.

Authorities of the unit in charge of communication with shareholders

Name and Surname	Job Title	Telephone	e-mail
Cihan Sırmatel	Group Fin. Affairs Mng.	0212 350 35 92	csirmatel@sisecam.com
Ahmet Bayraktaroğlu	Fin. Affairs Mng.	0212 350 36 40	abayraktar@sisecam.com
Bala Zaimoğlu	Fin. Resources Mng.	0212 350 35 94	bzaimoglu@sisecam.com

3. Exercise of the Shareholders' Right to Information

To extend the shareholders' right to information in the framework of the current legislation, all types of information are offered to shareholders through advertisements placed in newspapers with nation-wide circulation, special announcements and our company's website. Communication details are sent to the company's shareholders by letter, telephone and electronic mail.

During the period, there was not any written request for information; the requests for information made orally and by telephone concentrated in capital increases and profit distribution and were instantly answered by the company officials. In addition, with the aim of extending the shareholders' right to information, a section of "Investor Relations" was created in the second half of 2004 in our company's website at the address www.sodakrom.com and made available for shareholders in an up-to-date manner.

The right of minority shareholders to demand the General Assembly to appoint a special auditor is provided for in the legislation. Shareholders who own at least one tenth of the capital may demand the general assembly to appoint a special auditor to examine the cases specified in the law.

Our company's articles of association do not include provisions concerning the appointment of special auditors, and there was not any demand during the period for the appointment of a special auditor.

4. General Assembly Information

During the period, the general assembly held an ordinary meeting for 2008 on 22 April 2009 with a quorum of 85.59 %. Stakeholders and press members were also present in the general assembly meeting.

The letters of invitation to the General Assembly meeting included:

- The agenda, the place, date and time of the meeting and the form of voting by proxy, also stating that;

- The Reports of the Board of Directors and the Board of Auditors as well as independent External Auditors, the balance-sheet, the income statement, and the Recommendation of the Board of Directors on Placement of the Net Profit funds would be made available for inspection by shareholders, at least 15 days prior to the general assembly meeting, at the company head office and also on company web site at address www.sodakrom.com;

- Our shareholders that would not be able to attend the Meeting personally would need to obtain sample forms of power of attorney from our Company Head Offices or Company web site at address www.sodakrom.com and arrange for presentation of completed forms of power of attorney bearing signatures as certified by notary public, having also fulfilled requirements as laid down in Capital Markets Board Communiqué Series IV No: 8,

- As regards our shareholders that have their shares deposited in investor accounts of Brokerage Houses at Central Registry Agency, Inc. (MKK); those shareholders that wish to attend the General Assembly meeting should move in accordance with provisions governing procedures for "General Assembly Blockage", as laid down in MKK Business and Transactions Rules, which is accessible at MKK address http://www.mkk.com.tr/MkkComTr/assets/files/tr/yay/formlar/is_bilisim.pdf, and have themselves registered in the General Assembly Blockage list. It is legally not possible to attend the General Assembly Meeting for our Shareholders that fail to register as such in the "Assembly Blockage List" of MKK.

- As stated in General Letter 294 of MKK, eligible investors shall not be allowed to attend General Assembly Meetings and exercise their shareholding rights unless they dematerialize their share certificates pursuant to Provisional Article 6 of Capital Markets Law. Any applications for attending the General Assembly meeting as filed by our shareholders shall be processed only after dematerialization of their share certificates. Our shareholders that physically hold their shares would need to apply to Camiş Menkul Değerler A.Ş., commissioned for carrying out dematerialization transactions in behalf of our Company and thus have their shares dematerialized.

In the general assembly meeting, shareholders exercised their right to ask questions, and these questions were answered by the company authorities. Shareholders did not table any motions in the general assembly meeting.

Important decisions such as partition or the sale, purchase or leasing of a considerable amount of assets must naturally be made by the general assembly. However, since no such need has arisen so far, provisions concerning these matters have not been included in the articles of association.

To increase participation in general assembly meetings, general assembly announcements are published at least fifteen days before the general assembly date in the Turkish Trade Registration Gazette, in two newspapers with country-wide circulation and in the website of our company. Announcements are also sent via mail to those of our shareholders that have addresses known to our Company. In addition, the general assembly hours are determined in view of traffic, transport and similar environmental factors, taking care to hold the general assembly meetings at hours when traffic is not intensive.

5. Voting Rights and Minority Rights

No privileges attach to the voting rights of the shareholders in our company, and there is not any company among our shareholders with any relationship of reciprocal shareholding between them.

Under our articles of association, each share has one vote.

The shareholders may personally exercise their voting rights in general assembly meetings or exercise them through a third person, who may or may not be a shareholder.

Every shareholder who is a natural person may only be represented by one person in the general assembly. Where a shareholder that is a legal person is represented by several persons, only one of them may vote. Who is authorized to vote must be indicated in the power of attorney.

Minority shares are not represented in management. The articles of association do not include the method of cumulative voting, the implementation of which is optional for our company.

6. Profit Distribution Policy and Profit Distribution Time

Our company's profit distribution principles are included in our articles of association, which are published on our website, and presented to shareholders for their information.

Under the Corporate Governance Principles, a profit distribution policy has been adopted.

According to this policy;

Our company's articles of association provide for the payment of dividends out of the distributable profit at such rate and in such amount as determined by the Capital Market Board.

The profit distribution proposals submitted by our Board of Directors to our General Assembly for approval are prepared under a profit distribution policy that takes into account:

a) The sensitive balance between the expectations of our shareholders and our Company's growth requirement,
b) The profitability of our Company, and
c) National and global economic conditions.

Our Board of Directors has adopted a profit distribution policy based on the principle of proposing to our General Assembly the distribution, in free shares and/or in cash, of the distributable profit at least at the minimum profit distribution rate determined by the Capital Market Board.

There are no shares privileged with regard to profit distribution.

Our articles of association do not provide for payment of dividends to Directors or employees through a founder's dividend right certificates.

Dividend payments have been effected within the legally required periods. Care is taken to make the dividend payments within the shortest period and, at the latest, by the end of the fifth month as required by legislation when distribution in cash is resolved; and the at the latest by the end of sixth month following the profit distribution accounting period when distribution in the form of bonus shares is resolved.

7. Transfer of Shares

Our company's articles of association do not include any restrictions on the transfer of shares.

SECTION II

PUBLIC DISCLOSURE AND TRANSPARENCY

8. Company Information Policy

"Communiqué on Principles for Public Disclosure of Special Circumstances" Series VIII No: 54 of CMB the Capital Markets Board, as published in Official Gazette No: 27133 of February 6th, 2009, has brought an obligation to Companies with shares quoted in the stock exchange to establish a disclosure policy for purposes of informing the public and announce such policy on the Company's web site for the benefit of the public.

The "**Information Policy**", which was created in this scope and approved by our Board of Directors on 28.04.2008 at the meeting numbered 13, has been disclosed to the public in "Investor Relations" section of website www.sodakrom.com.

Employees in charge of communication and coordination in relation to the stock market shall be Mr. Cihan Sirmatel, the Group's Financial Affairs Manager; Mr. Bala Zaimoglu, the Financial Resources Manager; Mr. Ahmet Bayraktaroğlu, the Financial Affairs Manager; and Ms. Ayse Arzu Beler and Ms. Gül Demirhan, Chief of Managerial Accounting.

9. Special Situation Disclosures

24 special situation disclosures have been made during the period in accordance with "Communiqué on Principles for Public Disclosure of Special Circumstances" Series VIII No: 54 of C the Capital Markets Board, and 1 additional statement has been made concerned with these disclosures upon request of ISE. No sanction has been imposed in connection with the said special situation disclosures made under above-mentioned Communiqué.

10. Company's Website and its Content

A section of "Investor Relations" with the following content was created on the website of our company at www.sodakrom.com and it is kept up-to-date and made available in Turkish and English for use of shareholders and stakeholders.

- Corporate Governance Principles,
- Annual activity reports,
- Interim financial statements and independent audit reports,
- Trade registration details,
- Shareholding structure,
- Directors and Auditors,
- General assembly meeting agendas,
- Minutes of general assembly meeting,
- General assembly attendance list,
- Form of voting by proxy,
- Latest version of the articles of association,
- Prospectuses and public offer circulars,
- Special situation disclosures,
- Information Policy,

11. Disclosure of Natural Person Ultimate Controlling Shareholder(s)

The shareholding structure of our company is as follows. Among our company's shareholders, there is no natural person ultimate controlling shareholder.

Shareholders	Share Amount (TL)	Share Rate (%)
T.Şişe ve Cam Fabrikaları A.Ş.	163.468.381,35	70,8
Anadolu Cam Sanayii A.Ş.	32.899.886,38	14,2
Camiş Madencilik A.Ş.	88.200,12	0,0
Other	34.543.532,15	15,0
Total	**231.000.000,00**	**100,00**

12. Disclosure of Insiders

"Communiqué on Principles for Public Disclosure of Special Circumstances" Series VIII No: 54 of CMB the Capital Markets Board, as published in Official Gazette No: 27133 of February 6th, 2009, has brought an obligation to Companies with shares quoted in the stock exchange to prepare a list of persons that work for them and have regular access to inside information. As such, the "List of Persons that Have Access to Inside Information" has been prepared by May 1st, 2009. Moreover, the persons included in the said list have been informed so as to make them accept the obligations set forth in relevant legislation concerning this information and keep them advised of sanctions related with misuse or improper dissemination of such information.

By the date of this report, there are 67 persons included in the List of Persons that Have Access to Inside Information, names and positions of the Board Members, Auditors Board Members and top managers included in the list are indicated in the table below:

Name Surname	Title
Tevfik Ateş Kut	Chairman of Board
Levent Korba	Deputy Chairman of Board
Mehmet Nur Atukalp	Board Member
Özgün Çınar	Board Member
Mehmet Ali Kara	Board Member
Candan Sevsevil Okay	Board Member
Mehmet İhsan Orhon	Board Member
Hidayet Özdemir	General Manager
Yılmaz Mete	Member of Audit Board
Salim Zaimoğlu	Member of Audit Board
Gizep Sayın	Vice President of Business Development and Strategic Planning
Altuğ Rıfat Şener	Vice President of Production
Mehmet Gürbüz	Vice President of Energy and Technical Affairs

SECTION III

STAKEHOLDERS

13. Informing the Stakeholders

In the framework of the current legislation, important events and developments are presented to stakeholders for their information through the press, the media, the Internet and special situation disclosures. For example, important developments in collective labor agreement negotiations are communicated to employees by electronic mail.

14. Participation of Stakeholders in Management

A model has not been created for the participation of stakeholders in management.

15. Human Resources Policy

Under the human resources systems of our company, procedures and principles have been established for recruitment and hiring; conditions of employment; grading systems, remuneration systems including fringe benefits; performance evaluation procedures, career management, and termination of employment contract as well. Our Human Resources unit is running the Company's relations with our employees without any problems.

Company management has not received any complaints about discrimination.

16. Information Concerning Relations with Customers and Suppliers

In the framework of its unchanging values of being “focused on people” and “a trustable corporation”, our company continues to be a trustable corporation that always generates and expresses value for its shareholders, employees, customers and suppliers and for the community. In this context, the demands of our customers and consumers are met by acting with concern and responsibility, with a view to ensuring customer satisfaction in the marketing and sales of goods and services. Important events and developments and legal changes that concern our customers and suppliers are shared with them through the fastest means of communication.

In addition, our company holds:

- TSE-ISO-EN 9001:2000 Quality Management System Certificate which certifies manufacturing of products always at the undertaken quality for our customers, customer satisfaction and shipment guarantee;
- TS-EN-ISO 22000 Food Safety Management System Certificate which certifies food safety according to technical analysis and critical control points;
- FAMI-QS Fodder Safety Management System Certificate which concerns good manufacturing practices for animal fodder substances;
- Q-S Food Type Bicarbonate – Dioxin Free Certificate for Food Type Refined Bicarbonate which is one of our products;
- TS-EN-ISO 14000 Environmental Management System Certificate concerning Environmental Management System;
- ISG-OHSAS-TS 18001 Occupational Health and Safety Management System Certificate concerning Occupational Health and Safety Management System.

17. Social Responsibility

As a corporation which is aware of its responsibility towards the laws and environmental values, our company believes in the necessity of leaving to future generations a world fit to live in. It takes account of this approach, which it perceives as one of the fundamental elements of strategic management, at every stage of its activities. Our aim is to conduct the environmental protection efforts in our company through an environmental management system concept and to achieve continuous improvement with the support of all employees.

In this context, our company has signed the Undertaking of Tripartite Responsibility, which is specific to the chemical industry, implemented in 47 countries of the world and based on the voluntary principle.

With the aim of completely performing the requirements of its “Tripartite Responsibility” policy which it has determined in the words “Soda A.Ş. is committed to managing all its activities by paying attention to the environment and to the health and safety of its employees, customers and near vicinity”, our company is continuing its work with great effort. Further strengthening the public image of our company as well as further advancing its activities in the fields of Tripartite Responsibility through the efforts planned for 2007 and later is among our most important goals.

SECTION IV

BOARD OF DIRECTORS

18. Structure and Formation of the Board and Independent Directors

Under the provisions of the current legislation and the articles of association, the Board of Directors is composed of seven (7) members whose names are written below. Two of them are executive directors and others are not. There are no directors who meet the criteria of independence specified in the CMB (SPK) Corporate Governance Principles.

Tevfik Ateş Kut	Chairman
Levent Korba	Deputy Chairman
Mehmet Nur Atukalp (*)	Member
Özgün Çınar(**)	Member
Mehmet Ali Kara (**)	Member
Candan Sevsevil Okay	Member
Mehmet İhsan Orhon (*)	Member

(*)Executive directors,
(*)Members of the supervisory committee

Since there has not been any situation that would make it necessary to subject to certain rules, or restrict, the assumption by members of board of directors of any duty or duties outside the company, no specific rules have been laid down for the assumption by members of board of directors of any duty or duties outside the company.

19. Qualifications of Members of Board of Directors

In principle, persons who possess a high level of knowledge and experience, who are qualified and who have a certain experience and background are nominated as candidates for board of directors membership; persons convicted of attempting at or participating in the crimes specified in article 3.1.2 in Section IV of the CMB Corporate Governance Principles are not eligible for board of directors membership. Candidates for board membership are also required to possess minimum qualifications such as the ability to read and analyze financial statements and reports, basic knowledge of the legal provisions to which our company is subject in its both daily and long-term acts and transactions, and the ability and determination to attend all the meetings of the Board of Directors that are contemplated for the relevant budget year. However, the principles regarding these matters are not included in the company's articles of association.

20. Company's Mission and Vision and its Strategic Goals

Our company's vision has been determined as "carrying out production in the area of soda products and chromium chemicals, in harmony with the environment, at a high quality and suitable cost, achieving full customer satisfaction, and being in continuous development in the world markets and in our region."

Strategic goals are formed, so as to cover the next five (5) years, in the annual "Strategic Plan" meetings held with the participation of our company's managers. The strategic goals are submitted to our company's Board of Directors for approval before they are put into practice as the first year's budget goals. The Board of Directors reviews and evaluates the monthly activities of the company (sales, production, stocks, number of employees, profit/loss, etc.) and its past period performance.

21. Risk Management and Internal Control Mechanism

The Risk Management Section under the Department of Risk Management and Internal Controls at our Parent Company, which reports directly to the Board of Directors of the Parent Company, coordinates the Risk Management functions at our Company. The said Risk Management Section at our Parent Company aims at identifying, prioritizing, and measuring real and potential risks that arise or may arise in the course of operations within our Group; taking measures for ameliorating such risks, and developing effective control mechanisms. In order to assure that an effective program of risk management is run at Group level, "Şisecam Group Risk Management Regulation" and "Risk Policies" have been put in force in 2007. Pursuant to the said Regulation and policy document, work has been going on for producing a Risk Catalogue, defining potential risks that arise at Group level, and the this work is now near completion.

Staff members from the above-referred Risk Management Section, of the Department of Risk Management and Internal Controls at our Parent Company, periodically inspect whether our company's activities are being conducted in accordance with the laws, the articles of association and the internal regulations of the company and they report their findings directly to Board of Directors of our Parent Company.

22. Powers and Responsibilities of Board Members and Managers

The powers and responsibilities of the Board Members and managers are regulated in articles 8 to 15 of the company's articles of association. The power to administer the company and to represent it before others is vested with the Board of Directors, which consists of a maximum of nine members elected by the shareholders general assembly from among the shareholders in accordance with the provisions of the Commercial Law.

Following each general assembly, the Board of Directors elects a president and a vice president. In the event that the president and/or the vice president leaves/leave such office for any reason, the Board of Directors makes a new election for the vacant position(s), without prejudice to the provision in article 315 of the Commercial Law

Where the President is absent, the Board of Directors is president by the Vice President. If the Vice President is also absent, the Board of Directors is presided by a temporary president elected from among their number for that meeting. The meeting day and agenda of the Board are determined by the President. Where the President is absent, these tasks are performed by the Vice President. The meeting day may also be determined by a Board resolution. The Board of Directors meets as and when required for company business and transactions. However, it must meet at least once a month.

The Board of Directors may delegate all or some of its powers to one or several executive directors or to the company's general manager and managers, and may also decide that some of its members assume duties in the company.

23. Operating Principles of the Board of Directors

The meeting agendas of the Board of Directors are determined in view of our company's requirements and of developments at home and abroad. During the period, 35 board meetings were held. Invitation to meetings is made in writing. The meeting agenda and documents are sent to the Directors at least one week before the date of meeting and it is ensured they effectively attend the meeting.

There is no secretariat reporting to the President of the Board as specified in the CMB Corporate Governance Principles. However, the acts and actions specified in article 2.19 in Section IV of the CMB Corporate Management Principles are smoothly carried out by the appointed personnel of our company in accordance with the principles stated therein.

24. Ban on Transacting Business and Competition with the Company

By a resolution of the General Assembly, the Directors have been granted permission under articles 334 and 335 of the Commercial Law. However, there has not been any conflict of interest due to such permission.

25. Ethical Rules

Our company has adopted conducting its activities strongly, as a single body, in a multi-dimensional and fully integrated manner, at a high quality, and in a reliable, modern and progressive fashion, as these eight properties are reflected in our logo. In addition, rules for employees have been determined in the "Human Resources Systems Regulation" and made known to employees. The rules determined for employees may be summarized as follows: complying with all regulations, procedures, circulars and instructions issued and to be issued by the company; maintaining such behavior as befits the reputation of the company in their private lives as well as in their relations with each other and with third persons; keeping confidential the information acquired by them in relation to company activities and developments, company policies, new investments, new projects, and personnel affairs, and the business secrets acquired by them in the course of their duties in relation to company's customers, other firms or other private or legal entities; and not engaging in activities that would result in their being regarded as "Merchants" or "Tradesmen" or "Self-Employed Professionals".

26. Number, Structure and Independence of Committees Established under the Board of Directors

A "Supervisory Committee" consisting of two non-executive directors has been established with the aim of enabling the Board of Directors to fulfill its duties and responsibilities more effectively. This committee does not include any independent member with the qualifications specified in the CMB Corporate Management Principles. The committee meets at least once every three months and inspects the financial and operational activities of the company according to generally accepted standards.

27. Financial Rights Granted to the Board of Directors

All types of rights, benefits and fees granted to the Directors are annually determined by the General Assembly as stated in our articles of association.

In our company's Ordinary General Assembly meeting for 2008, which was held on 22 April 2009, the monthly honorarium payable to the Directors was determined and made public.

For the Board Members and managers, no loans are extended, no loans are made available under the name of personal credit through a third person, and no guarantees such as suretyship are issued in their favor.

SODA SANAYİİ A.Ş.
2009 SHAREHOLDERS ORDINARY GENERAL ASSEMBLY AGENDA

1. Election of the Presiding Committee and Authorization of the Same to Sign the General Assembly Minutes,
2. Reading out the Board of Directors and Board of Auditors Reports and the Independent Auditor's Report Concerning Our Company's Activities in 2009,
3. Examination, Discussion and Approval of the 2009 Balance-Sheet and Income Statement Accounts,
4. Acquittal of the Board Members and the Auditors,
5. Adopting a Resolution Concerning the Distribution of the 2009 Profit and the date of Such Distribution,
6. Election of the New Auditors,
7. Granting Permission to the Board Members under Articles 334 and 335 of the Commercial Law,
8. Determining the Salaries of the Board Members,
9. Determining the Salaries of Auditors,
10. Adopting a Resolution Concerning Amendment to the Articles of Association as Specified in Attached Amendment Draft,
11. Adopting a Resolution Concerning Selection of Independent Auditing Firm,
12. Providing the Shareholders with Information Concerning Donations Made During the Year,
13. Providing the Shareholders with Information Concerning Securities, Collaterals or Guarantees put up in favor Third Parties during the Period,

Date: 22.04.2010 Time: 14:30

Place : İş Kuleleri Kule 3 34330 4.Levent Beşiktaş/İstanbul

SODA SANAYİİ A.Ş.
ARTICLES OF ASSOCIATION AMENDMENT DRAFT

FORMER TEXT
SCOPE AND PURPOSE
Article 3 –
Purpose and primary activities of the Company are:

a) To establish factories or participate in established ones to manufacture Soda Light Soda, Heavy Soda,
Sodium Bicarbonate and all derivatives of soda and all other products originating from soda;

b) To explore salt, limestone and other natural resources falling within the scope of mining law required for soda production, and to establish and operate plants to extract these resources.

c) To establish, operate and participate in any sector in the nature of auxiliary or supplementary to Soda Sanayii in any manner.

d) To do researches required for improvement of soda industry, and to establish, operate and participate in facilities or plants thereof.

e) To engage in all sorts of activities in the nature of auxiliary or supplementary to Soda Sanayii or its products in any manner.

f) To acquire industrial property rights such as patent, trademark, design, etc in the field falling within the scope of its area of activity, through direct registration or purchase, to transfer these rights to third parties via license agreements, or to take over these rights through license or know-how agreements.

g) To do all sorts of commercial, financial, industrial and contractual transactions and operations in the matters falling within the Company's area of activity, and provided that it does not act as intermediary or portfolio manager, to purchase shares and corporate bonds of any other enterprise engaged in these transactions or operations, to establish these kinds of enterprises or to purchase factories in this kind, to establish enterprises, to transfer its sales rights and authorities to existing firms or to obtain all kinds of loans from domestic and foreign banks with a view to increase the efficiency of production.

h) To engage in all types of sales, export and import in the fields falling within the scope of the Company's area of activity, to open and operate stores, warehouses, exhibition offices and similar places at home and abroad thereof.

ı) The Company may participate in any domestic and/or foreign company established or to be established in Turkey and/or abroad. The Company, provided that it does not act as intermediary or security portfolio manager, may purchase shares and/or other securities, or sell its share certificates (or shares) or other securities to third parties; or may put up or receive these assets as security or collateral.

i) The Company, to accomplish its purposes, may purchase, sell, hire or let on hire all sorts of movable and immovable properties, or establish hypothecate or mortgage on these properties put up or receive these properties as security or collateral for the benefit of the Company or release such commitments, or may obtain any real right on and dispose of immovable properties in any wise.

j) Apart from above-mentioned operations, any transaction or operation deemed as necessary for beneficial for the Company shall be proposed by the Board of Directors; such proposal shall be submitted to the approval of General Assembly and proposed operations shall be carried out after necessary resolution is adopted.

AMENDED TEXT
SCOPE AND PURPOSE
Article 3 –
Purpose and primary activities of the Company are:

a) To establish factories or participate in established ones to manufacture Soda Light Soda, Heavy Soda,
Sodium Bicarbonate and all derivatives of soda and all other products originating from soda;

b) To explore salt, limestone and other natural resources falling within the scope of mining law required for soda production, and to establish and operate plants to extract these resources.

c) To establish, operate and participate in any sector in the nature of auxiliary or supplementary to Soda Sanayii in any manner.

d) To do researches required for improvement of soda industry, and to establish, operate and participate in facilities or plants thereof.

e) To engage in all sorts of activities in the nature of auxiliary or supplementary to Soda Sanayii or its products in any manner.

f) To acquire industrial property rights such as patent, trademark, design, etc in the field falling within the scope of its area of activity, through direct registration or purchase, to transfer these rights to third parties via license agreements, or to take over these rights through license or know-how agreements.

g) To do all sorts of commercial, financial, industrial and contractual transactions and operations in the matters falling within the Company's area of activity, and provided that it does not act as intermediary or portfolio manager, to purchase shares and corporate bonds of any other enterprise engaged in these transactions or operations, to establish these kinds of enterprises or to purchase factories in this kind, to establish enterprises, to transfer its sales rights and authorities to existing firms or to obtain all kinds of loans from domestic and foreign banks with a view to increase the efficiency of production.

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j) **The Company may act as surety for incorporation, capital increase, bank loans, bond – financial bill issue and other debts of the equity companies to which the Company subscribed capital directly or indirectly and/ or participated in management.**

The procedures set forth in capital market legislation shall be obeyed in the matters requiring establishment of liens including guarantee, surety, assurance or hypothecate by the Company for the benefit of third parties.

NOTES

SODA SANAYİİ A.Ş.
CONTACT DETAILS

Soda Sanayii A.Ş.
Management & Sales Center
İş Kuleleri Kule-3
34330 4. Levent-Beşiktaş/İSTANBUL
Telephone : (212) 350 50 50
Fax : (212) 350 58 60
www.sodakrom.com

Soda Sanayii A.Ş.
Soda Factory
Kazanlı Bucağı Yanı P.K. 654
33004 MERSİN
Telephone : (324) 241 66 00
Fax : (324) 221 90 15

Soda Sanayii A.Ş.
Kromsan Chromium Compounds Factory
Kazanlı Bucağı Yanı P.K. 421
33003 MERSİN
Telephone : (324) 241 66 00
Fax : (324) 451 36 52