



4Q 2016

SODA SANAYİİ

Investor Presentation

Contents

- 3 Soda Sanayii A.Ş.
Operational Results & Financial Performance
- 15 Chemicals Business Segment Overview
- 20 Şişecam Group Overview

SODA SANAYİİ A.Ş. OPERATIONAL RESULTS & FINANCIAL PERFORMANCE

29

4Q 2016 Highlights

- ◆ In line with the company's sustainable growth strategy, modernization, energy saving and raw material supply investments continued at soda ash and chromium facilities, aiming to increase operational efficiency
- ◆ Soda Sanayii completed its steam production investment and the new facility has been operational since December 2016
- ◆ 2nd phase of Mersin soda plant capacity expansion, which increased installed soda production capacity by 50K to 1,4 Million tons per year, came online at the end of 4Q 2016
- ◆ Soda Sanayii continued to dominate its domestic markets as well as it maintained its market shares in European and global markets for both soda and chromium products
- ◆ As an important event after the reporting period, Soda Sanayii announced its decision to invest in fiber glass industry through a newly-established fully-owned subsidiary
- ◆ Soda Sanayii's market capitalization is USD 1,17bn as March 1st 2017 and the company's 3-month average daily trading volume is 3,7mn shares

Key Financial Indicators

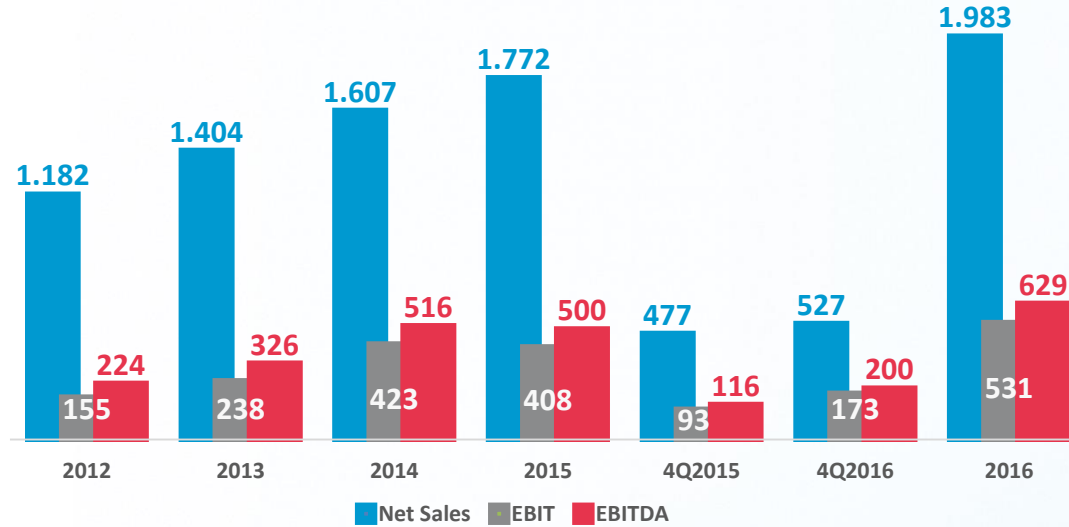
<i>TRY Million</i>	2012	2013	2014	2015	4Q2015	4Q2016	YoY Growth	2016	YoY Growth
Sales	1.182	1.404	1.607	1.772	477	527	11%	1.983	12%
Gross Profit	243	288	397	475	129	160	24%	588	24%
<i>Margin</i>	21%	21%	25%	27%	27%	30%		30%	
EBITDA	224	326	516	500	116	200	71%	629	26%
<i>Margin</i>	19%	23%	32%	28%	24%	38%		32%	
Adjusted EBITDA*	224	326	423	500	116	187	61%	616	23%
<i>Margin</i>	19%	23%	26%	28%	24%	35%		31%	
EBIT	155	237	423	408	93	173	86%	531	30%
<i>Margin</i>	13%	17%	26%	23%	20%	33%		27%	
Adjusted EBIT*	155	237	330	408	93	160	73%	518	27%
<i>Margin</i>	13%	17%	21%	23%	20%	30%		26%	
Total Net Income	133	208	388	441	71	246	248%	577	31%
<i>Margin</i>	11%	15%	24%	25%	15%	47%		29%	
Net Debt	44	-34	-341	-548	-548	-731	33%	-731	33%

* Excluding non recurring income/loss

Soda Sanayii – Financial Results

Consolidated Financial Results

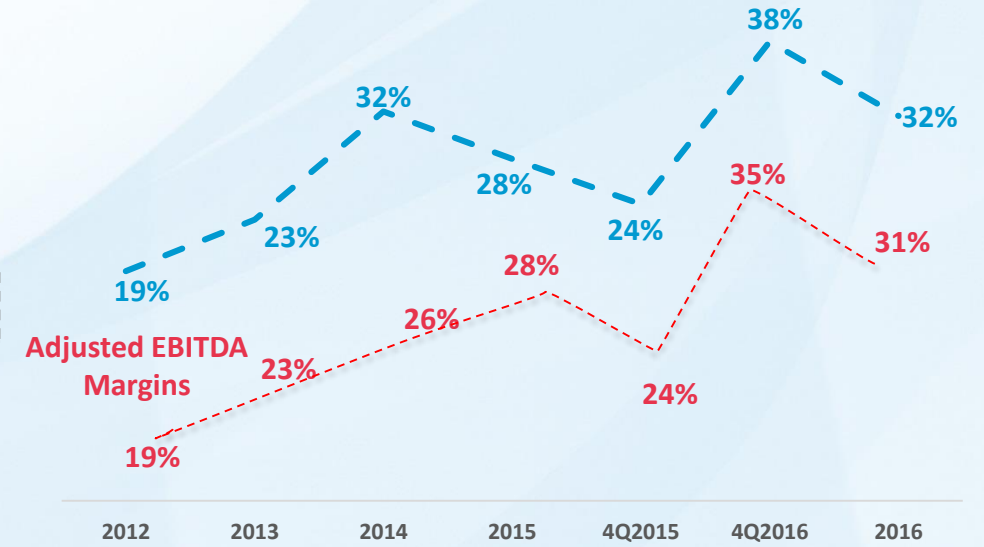
TRY mn



EBITDA Margins Adjusted to One-off Gains

One-off gains;

- 2014: TRY 92,7mn (sale of two subsidiaries; Dost Gaz & Asmaş and Paşabahçe shares)
- 2015: TRY 0,4mn (sale of Denizli Cam shares)
- 2016: TRY 13,5mn (revaluation gain on fixed income securities investment)



Gross Margin

21% 21% 25% 27% 27% 30% 30%

EBIT Margin

13% 17% 26% 23% 20% 33% 27%

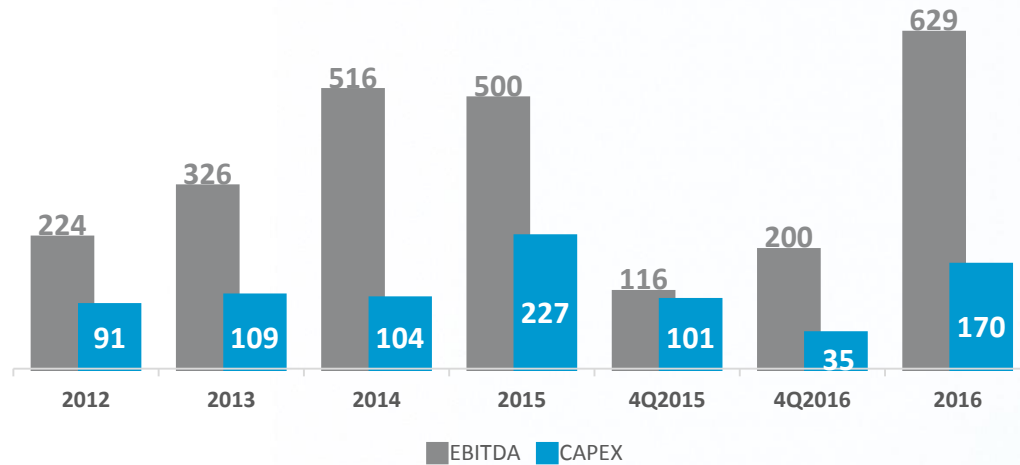
EBITDA Margin

19% 23% 32% 28% 24% 38% 32%

Soda Sanayii – Financial Results

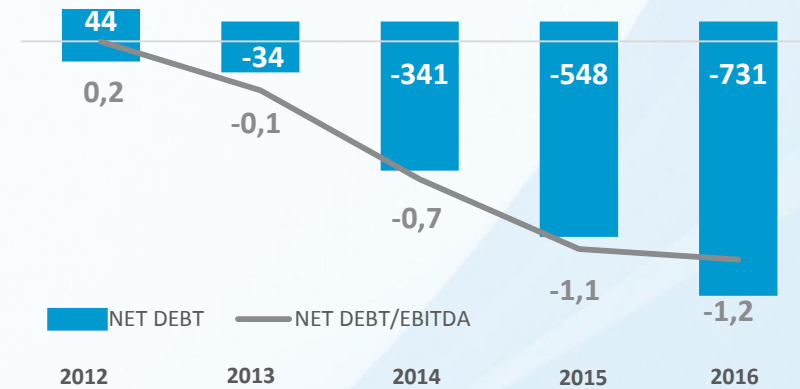
Consolidated EBITDA & CAPEX

TRY mn

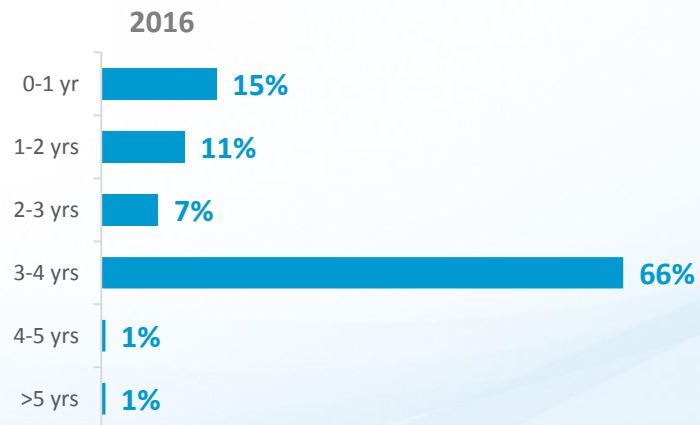


Consolidated EBITDA & NET DEBT

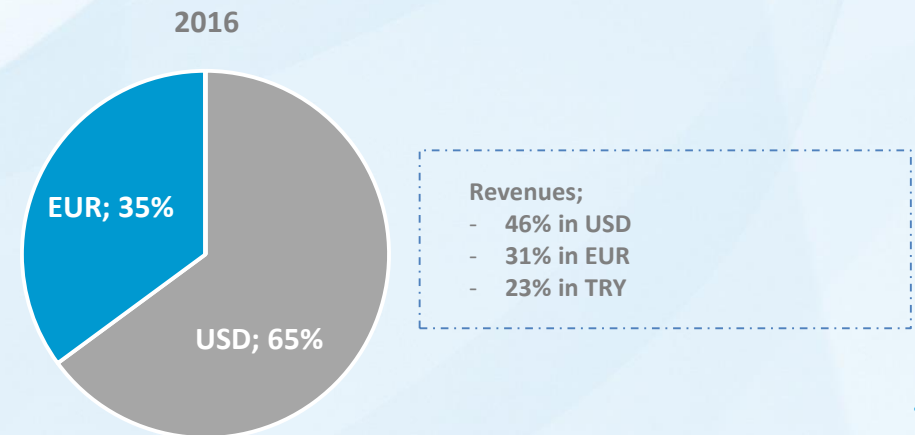
TRY mn



Maturity Breakdown of Debt



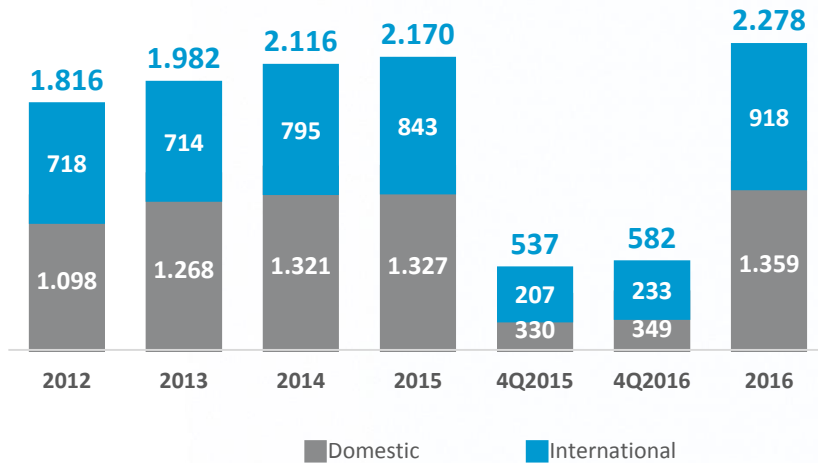
Currency Breakdown of Debt



Soda Sanayii – Operational Results

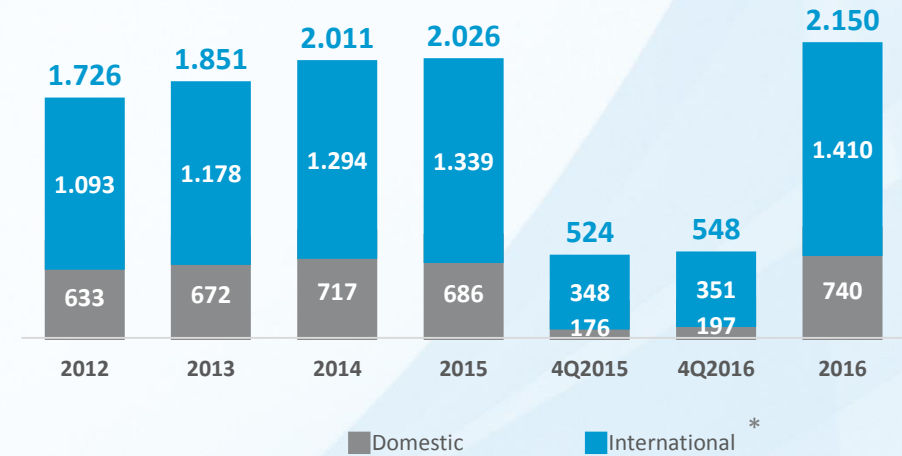
Soda Production Breakdown

K Tons



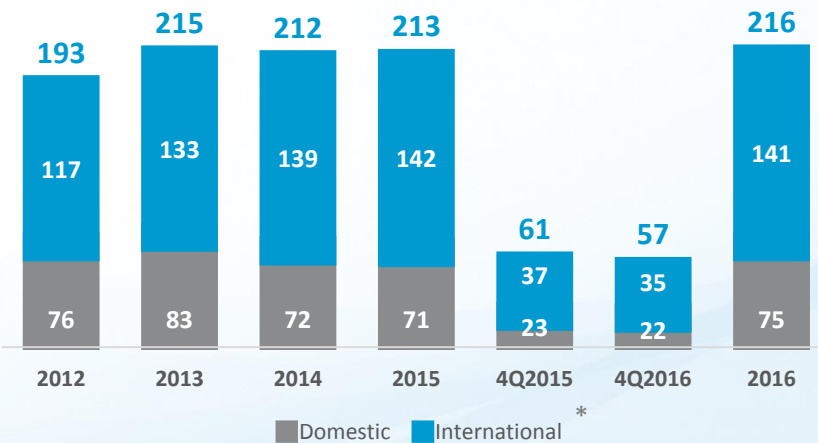
Soda Sales Breakdown

K Tons



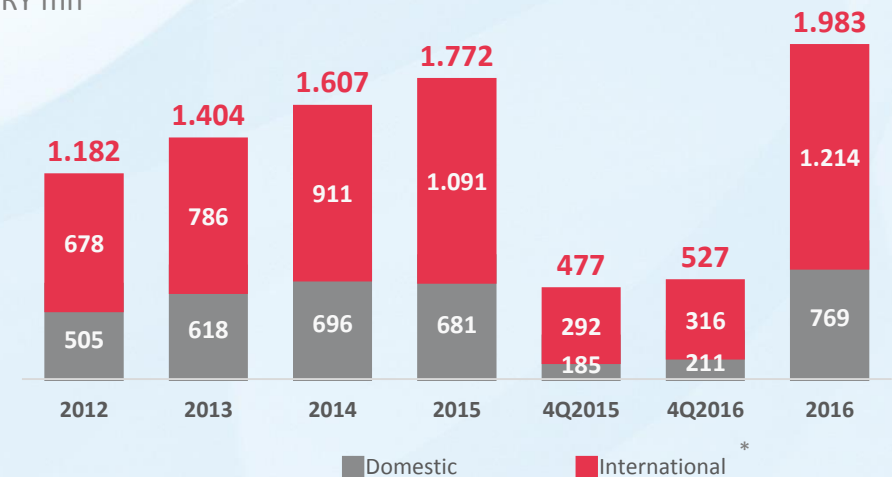
Chromium Chemicals Sales Breakdown

K Tons



Soda Sanayii Consolidated Revenues Breakdown

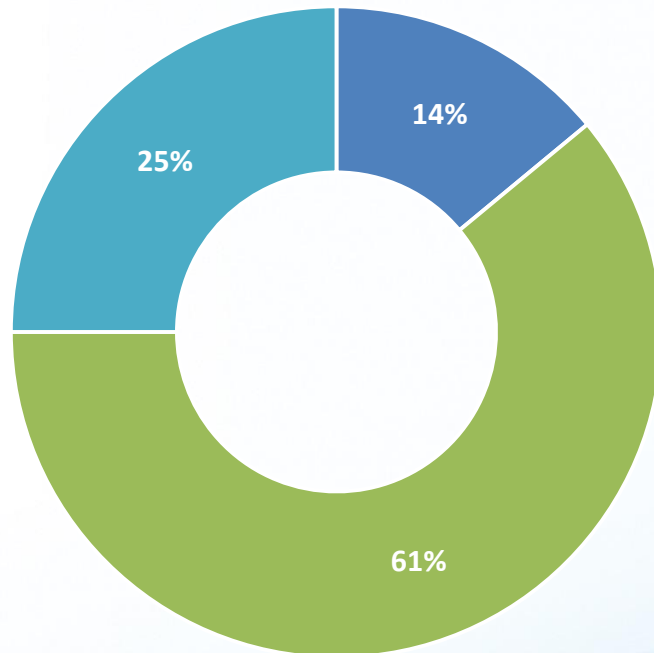
TRY mn



Soda Sanayii – Soda Sales Breakdown

by Geography (in volume terms)*

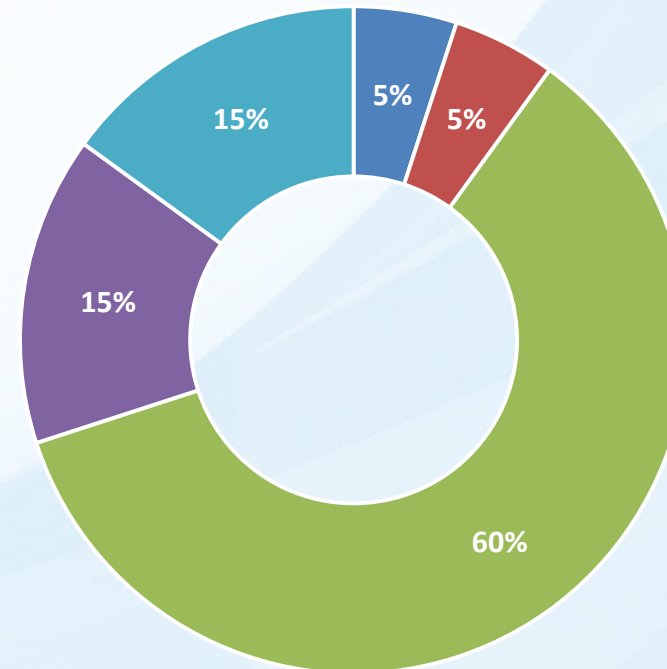
2016



■ Domestic ■ Europe ■ Rest Of the World

by Segment (in volume terms)

2016

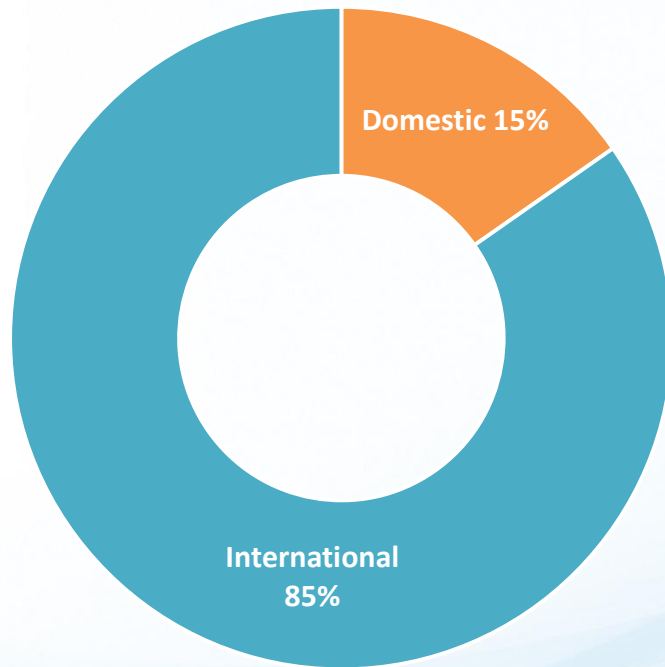


■ Textile ■ Chemicals ■ Glass ■ Detergent ■ Others

Soda Sanayii – Chromium Sales Breakdown

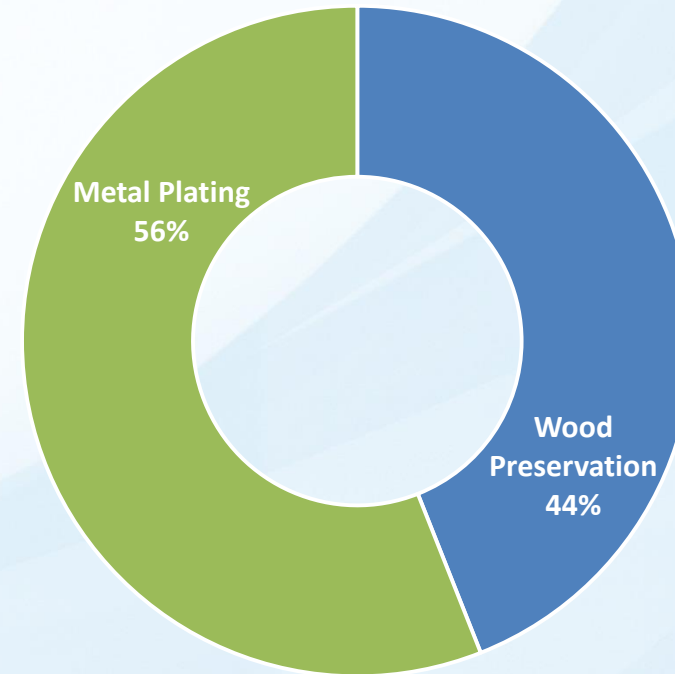
by Geography (in value terms)

2016

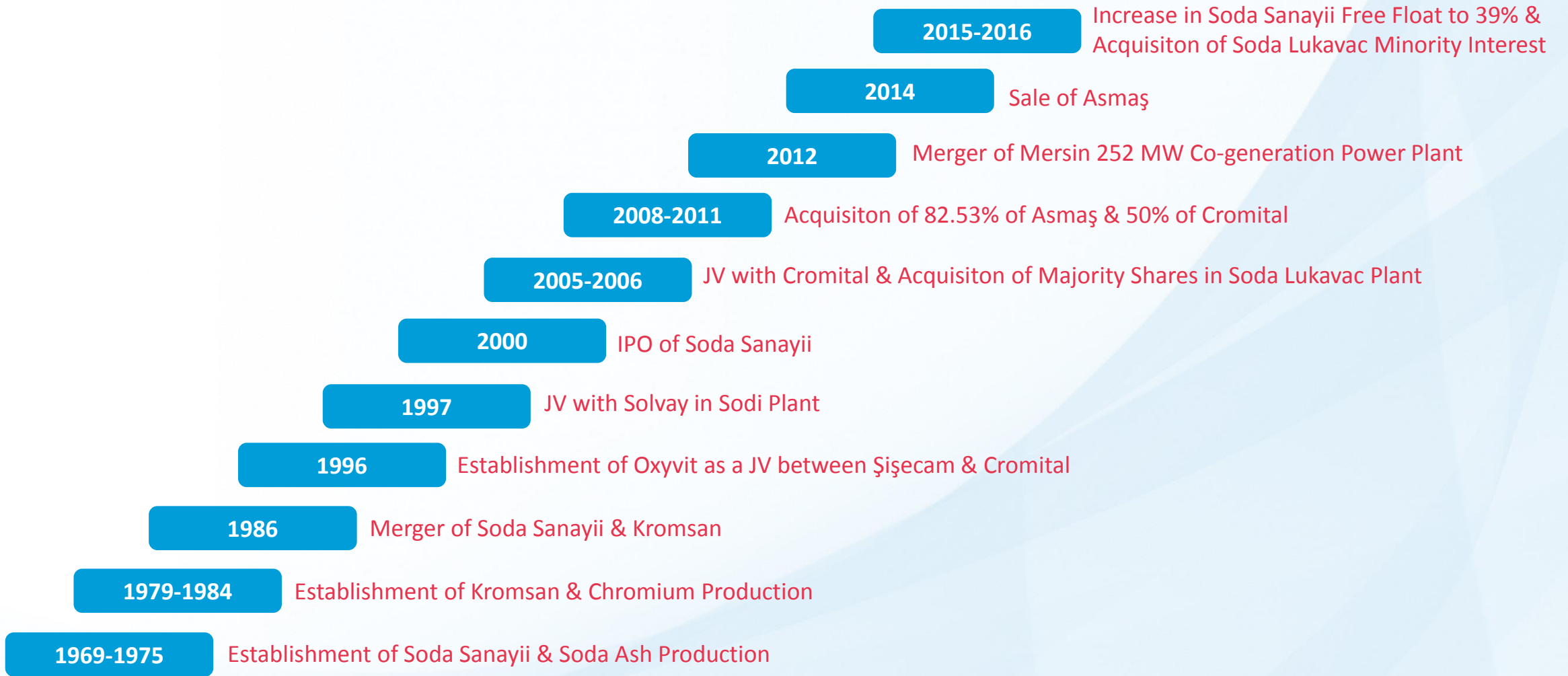


Chromic Acid Sales by Segment (in volume terms)

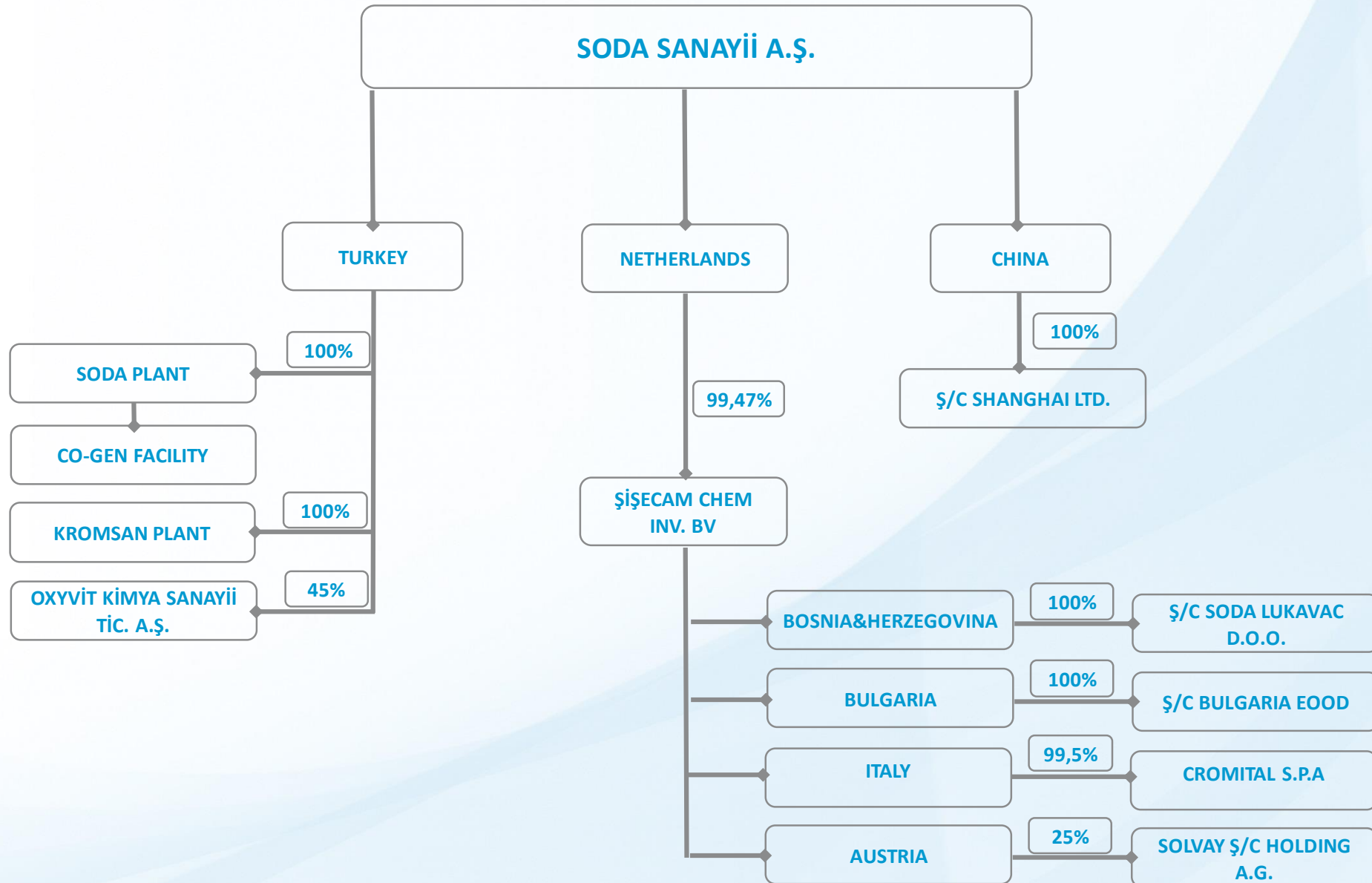
2016



Soda Sanayii History



Corporate Structure



Vision & Strategy

VISION

- ◆ Strengthen current position in global soda ash market
- ◆ Target strong leadership in its all activities in global chromium chemicals market

STRATEGY

- ◆ Maintain sustainable & profitable growth
- ◆ Strengthen the position among leading players
- ◆ Continue to expand geographically
- ◆ Creating synergies from acquisitions and strategic partnerships
- ◆ Supporting profitability with continuous cost reduction
- ◆ Partnership approach and reliable solution provider for customers

SUSTAINABILITY

- ◆ Soda Sanayii published 2015 sustainability report

<http://www.sisecamkimyasallar.com/en/sustainability/sustainability-reports>

Competitive Advantage

The New Steam Generation Facility in Mersin

- Within the scope of cost optimization objective, ongoing investment for the new steam generation facility, which utilizes solid fuel, was launched at the end of 2016
- Existing Co-generation facility will continue to run, providing the possibility of utilizing different types of energy sources i.e. natural gas and solid fuel

Long Term Raw Material Reserves Near Mersin

- Soda has secured its key raw materials for the long-term with significant reserve life and high quality limestone and brine

Co-location with Şişecam's Glass Packaging and Flat Glass Plant and Rail Access within Turkey

- Production facilities of some of the other key Şişecam Group companies and consumers of Soda Sanayii products, Trakya Cam, Anadolu Cam and Paşabahçe are in close proximity to Soda Sanayii
- This provides for low transportation costs, short transportation times and continuous supply capabilities

Cost Efficient Exports Through Mersin Port

- Mersin Port, the largest port in the Eastern Mediterranean region, is only 16km away from the plant, providing low transportation costs and short transportation times

On the Ground Presence and Access to European Markets

- SSL Plant (Bosnia & Herzegovina): The location and level of supply in the European Market enables Soda Sanayii to compete with European soda producers
- Sodi (Varna-Bulgaria): Being close to Şişecam's Flat Glass and Glassware plants in Targovishte-Bulgaria enables low transportation costs, short transportation times and continuous supply capabilities
- Cromital S.p.A: With its Cromital plant in Italy, Soda Sanayii maintains its leading position in Europe in liquid and dust basic chromium sulphate, chromic acid and bichromate market

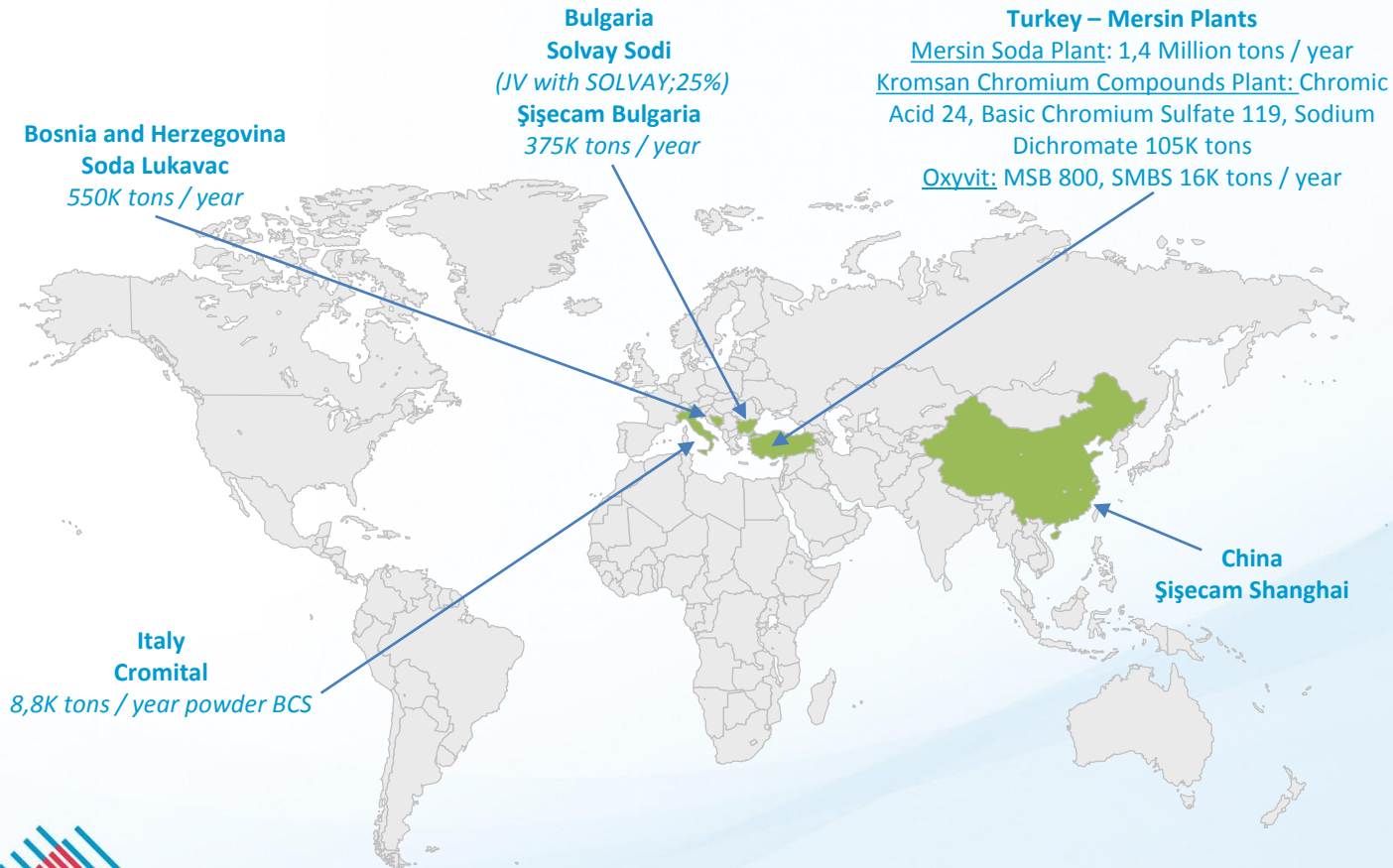
CHEMICALS BUSINESS SEGMENT OVERVIEW

29

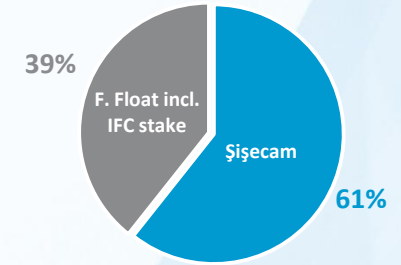
Chemicals – Soda Sanayii

Operations & Global Presence

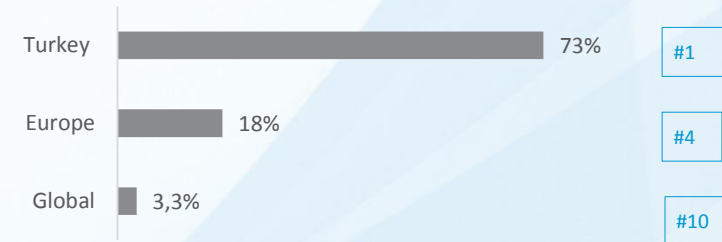
Soda Sanayii, being the flagship company of Şişecam Chemicals, is a leading soda and chromium chemicals producer operational in 5 different facilities incl. Sodi JV and exporting products to +75 countries around the World



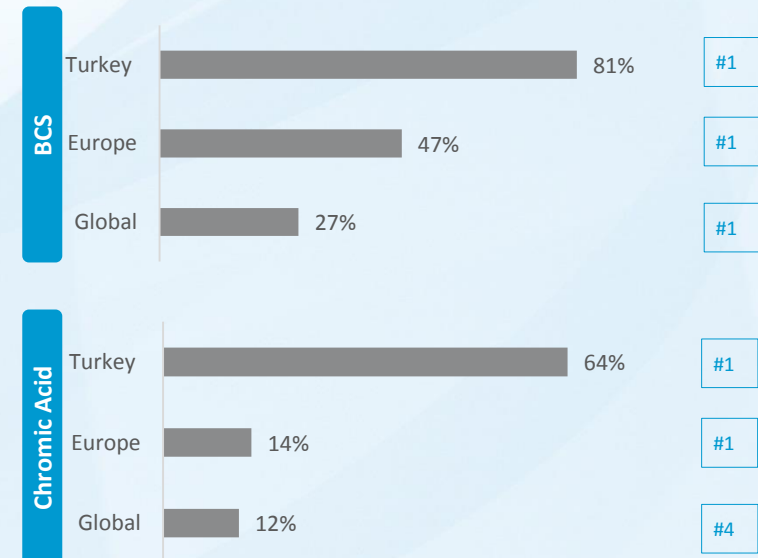
SHAREHOLDERS



Soda Ash Market Shares



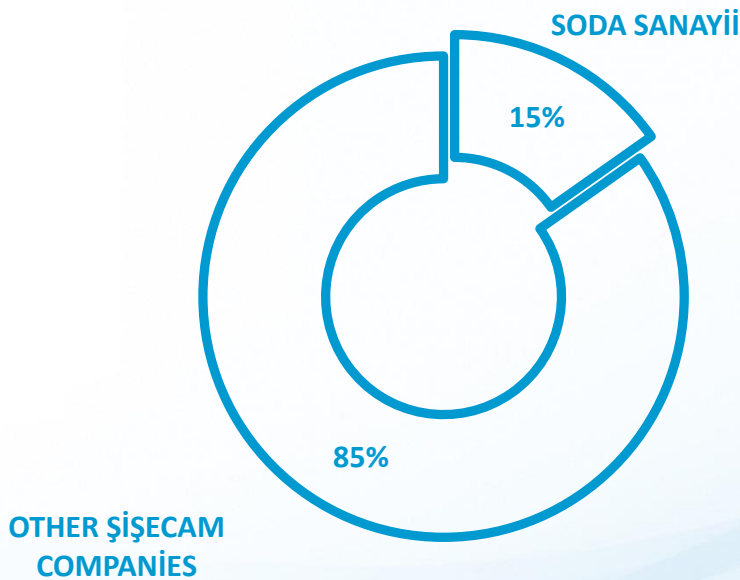
Chromium Market Shares



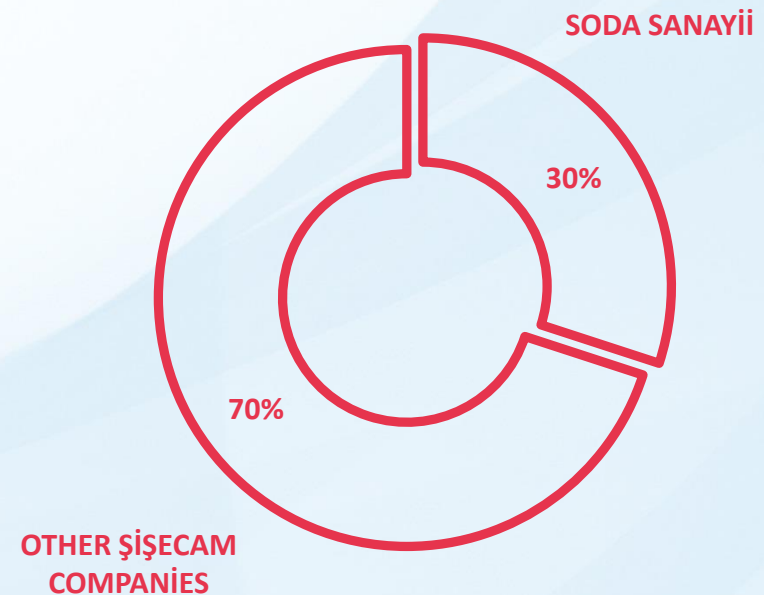
Chemicals – Soda Sanayii

In 4Q 2016, Chemicals Segment accounted for 17% of Şişecam revenues and 33% of its EBITDA
Soda Sanayii's contribution to Şişecam revenues with its non-group sales was 15%, while its EBITDA accounted for 30% of the group's consolidated EBITDA figure

Contribution to Şişecam Consolidated Revenues
4Q 2016



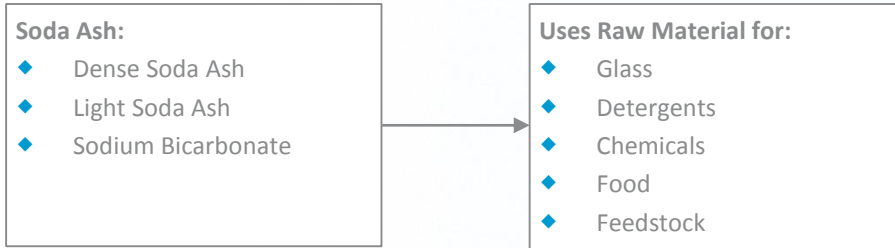
Contribution to Şişecam Consolidated EBITDA
4Q 2016



Soda Ash Market

Industry Dynamics

- ◆ 56,5 Million tons production / demand globally
- ◆ 75% synthetic, 25% natural
- ◆ Demand drivers: growing flat glass, container glass and detergents sectors
- ◆ Balanced market in Europe, strong demand from developing regions on the back of fast growing construction, automotive and detergent sectors
- ◆ Strong environmental checks in China
- ◆ Average global capacity utilization rate at 86%



Regional Breakdown of Global Soda Ash Production Capacity

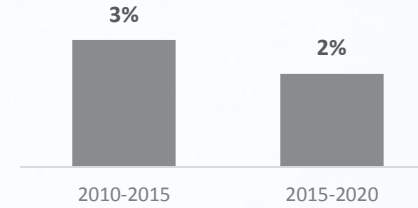
4Q 2016



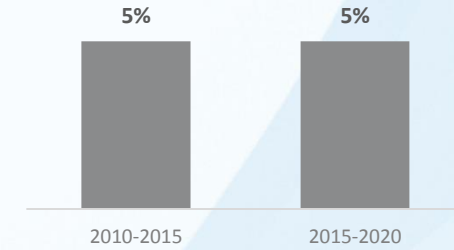
Consumption Growth

CAGR

Global

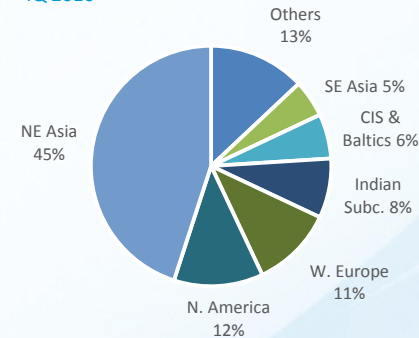


Turkey



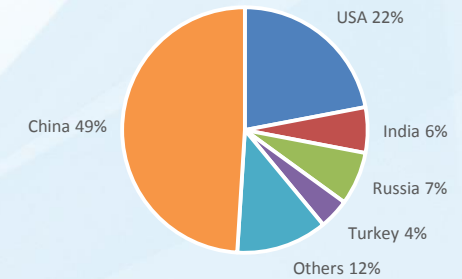
Demand by Region

4Q 2016



Production By Country

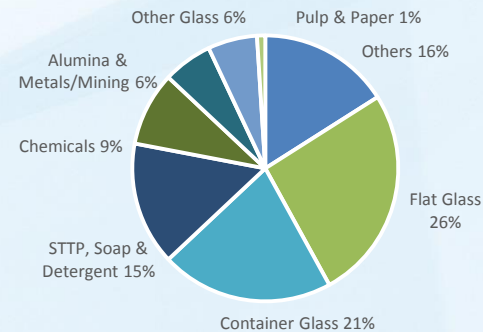
4Q 2016



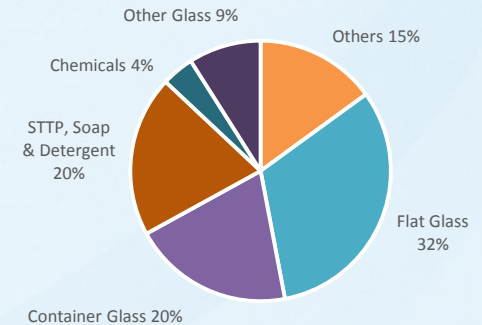
Demand by Segment

4Q 2016

Global



Turkey



Chromium Market

Industry Dynamics

- ◆ 380K tons Basic Chromium Sulphate (“BCS”) global market, 155K tons Chromic Acid global market
- ◆ Demand drivers: leather, automotive, construction, wood preservation
- ◆ Largest consumers are China and Brazil
- ◆ Global capacity surplus leading to a prices pressure
- ◆ Global capacity utilization of BCS at 57% and Chromic Acid at 64%

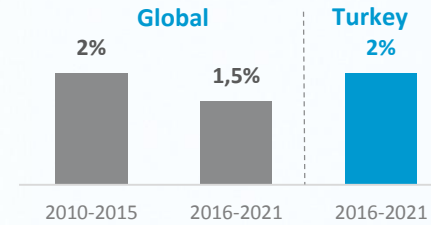
Chromium Chemicals:

- ◆ BCS
- ◆ Chromic Acid

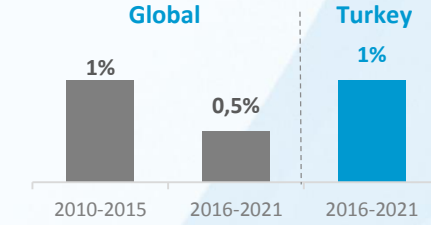
Uses Raw Material for:

- ◆ Leather
- ◆ Automotive
- ◆ Construction
- ◆ Wood Preservation

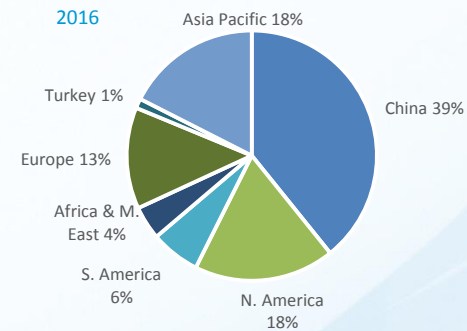
Consumption Growth Chromic Acid



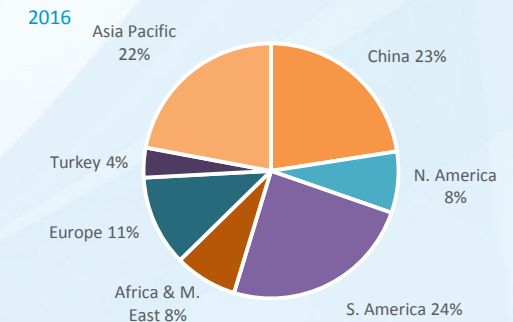
BCS



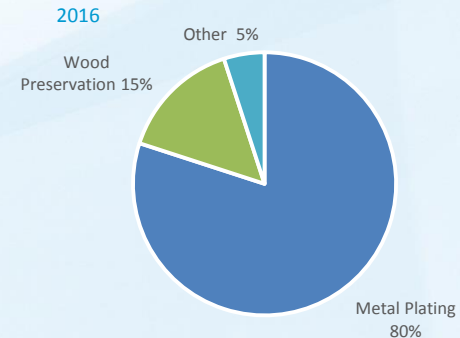
Global Chromic Acid Market



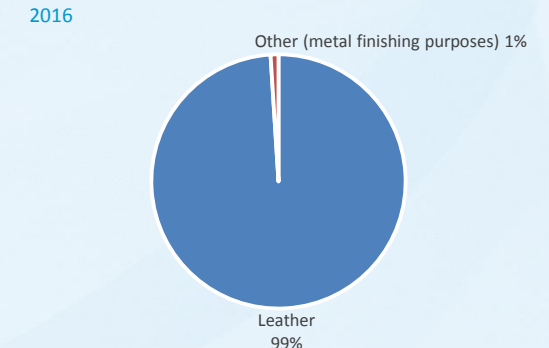
Global BCS Market



Global Chromic Acid Consumption by Segment



Global BCS Consumption by Segment



ŞİŞECAM GROUP OVERVIEW

29

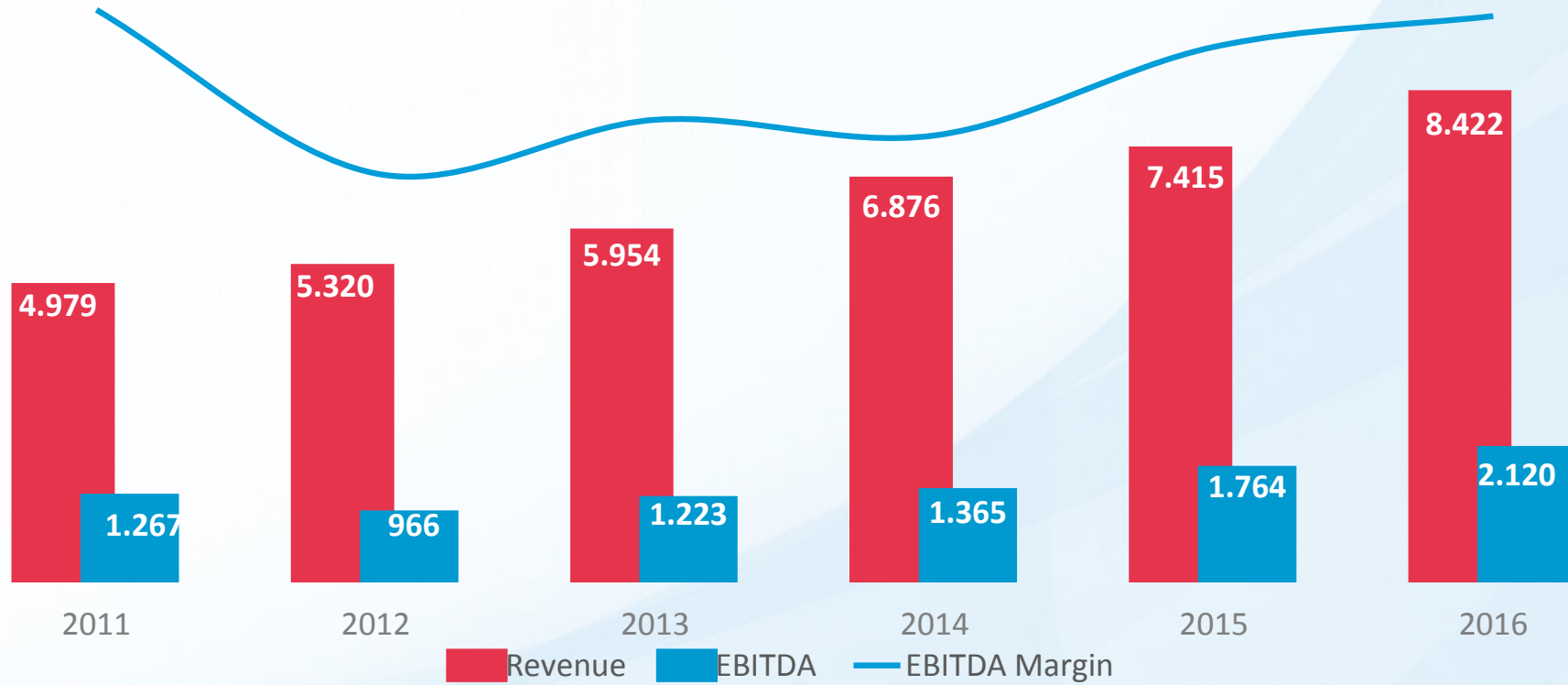
Executive Summary

- ◆ Şişecam is a conglomerate in Turkey, founded by İşbank in 1935
- ◆ Operational in: Flat glass, Glass Packaging, Glassware and Chemicals
- ◆ USD 2,2 Billion Mcap (March 2017), 25,57% Free float, 66,16% held by İş Bank
- ◆ Present in 13 countries: Turkey, Russia, Bulgaria, Egypt, Georgia, Bosnia Herzegovina, Romania, Ukraine, Italy, Germany, Slovakia, Hungary and India with exports to 146 countries
- ◆ Annual production of approx. 4,6 Million tons of Glass and 2,3 Million tons of Soda Ash
- ◆ Alliances with global players
- ◆ Rated by Ba1/BB by Moody's and S&P

Revenue & Cash Generation

Sustained Growth in Revenue with Increasing EBITDA Margin

TRY mn



EBITDA
Margin

25%

18%

21%

20%

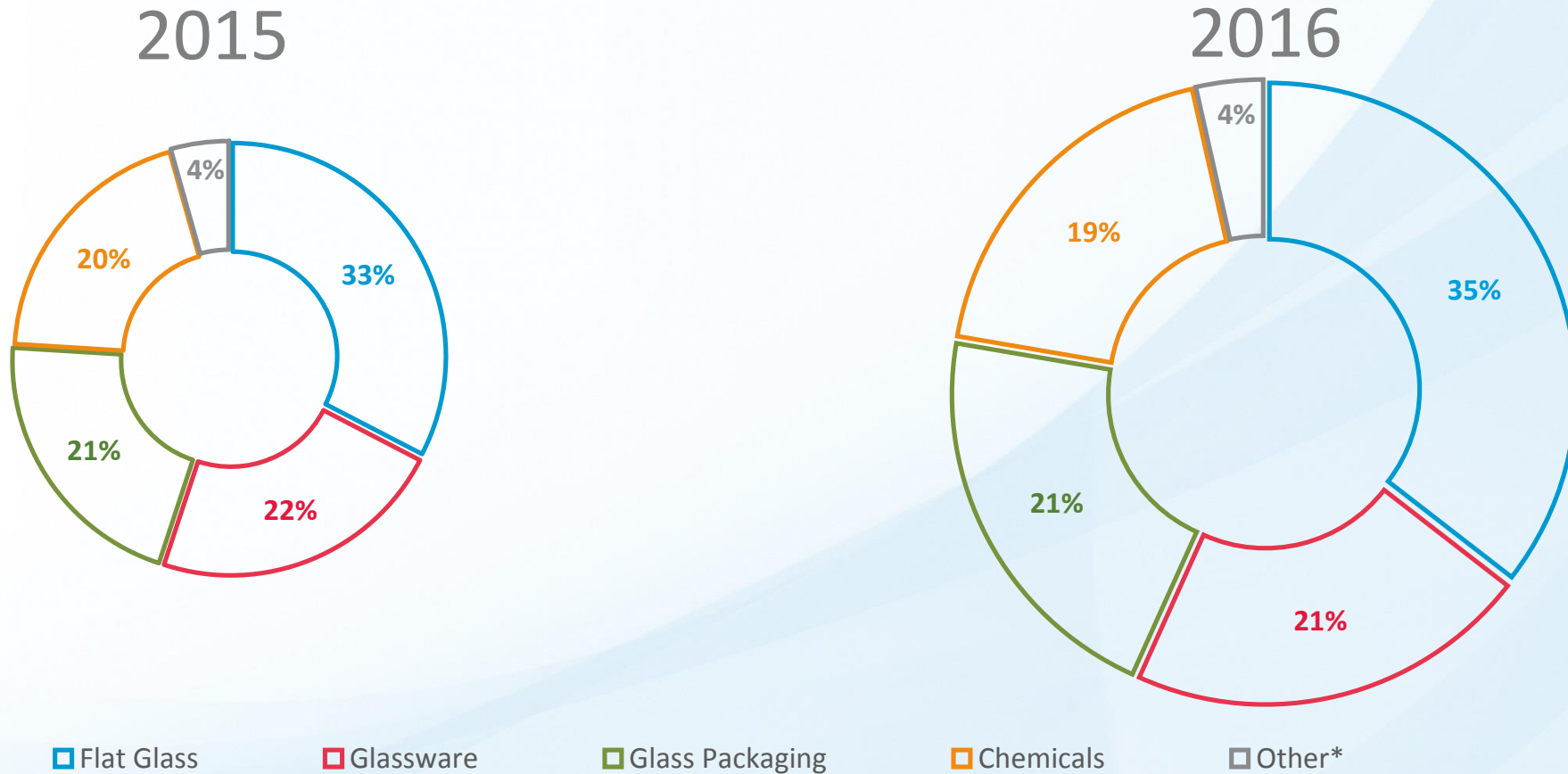
24%

25%

Revenue & Cash Generation

Segments' Contribution to Revenue

Balanced Contribution of the Segments in Conformity with Previous Years' Results

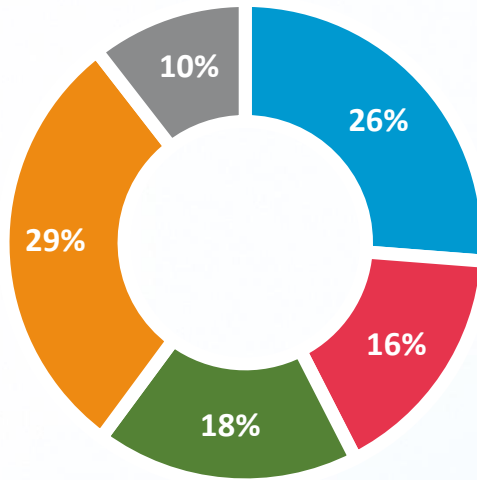


Revenue & Cash Generation

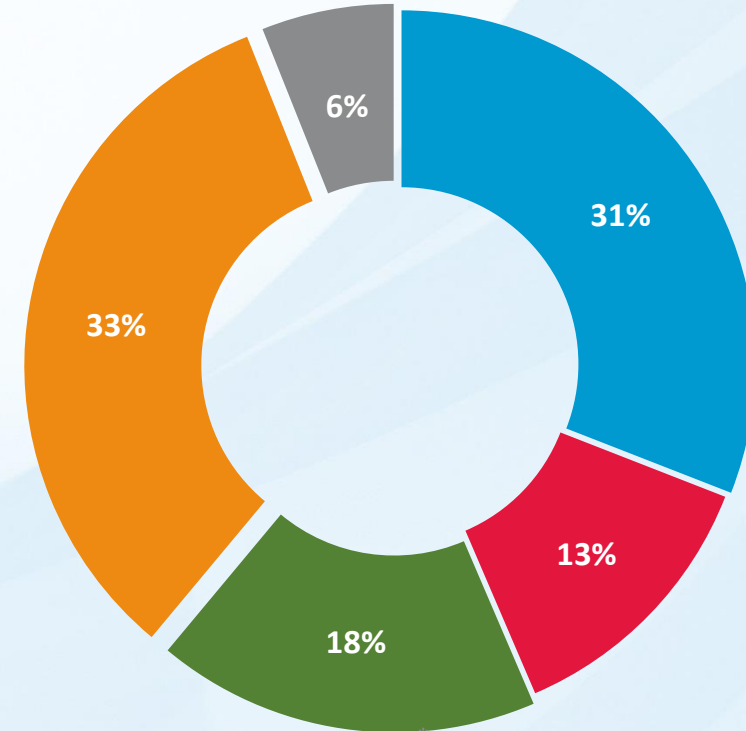
Segments' Contribution to EBITDA

Balanced Contribution of the Segments in Conformity with Previous Years' Results

2015



2016



■ Flat Glass

■ Glassware

■ Glass packaging

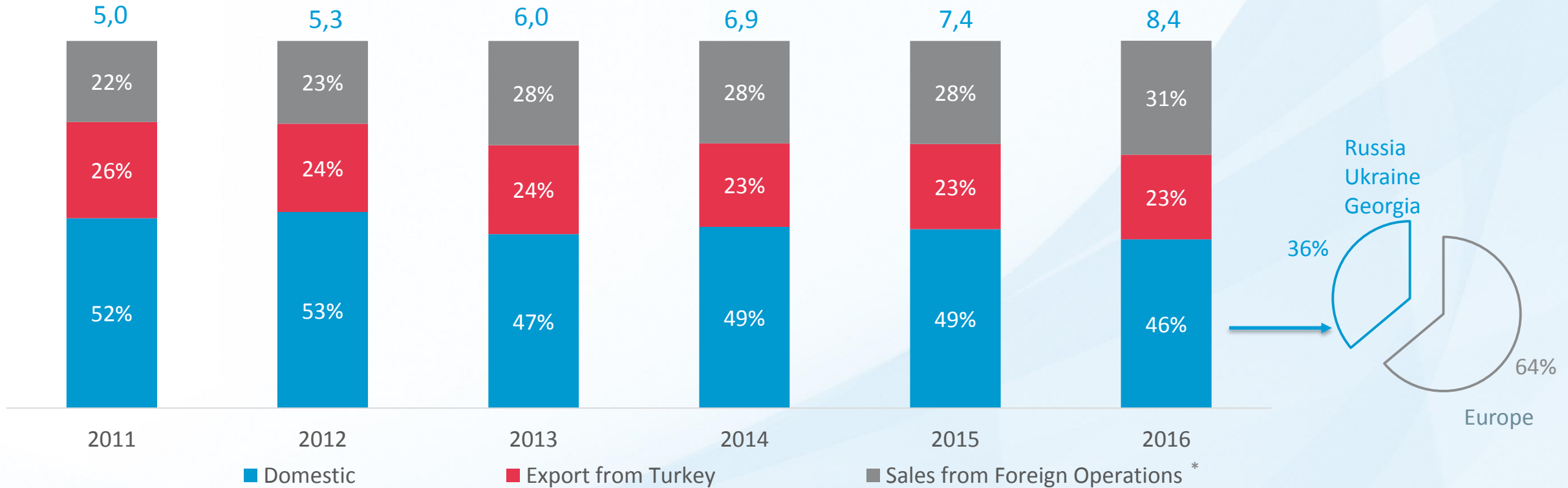
■ Chemicals

■ Other*

Revenue & Cash Generation

Geographical Contribution to Revenue

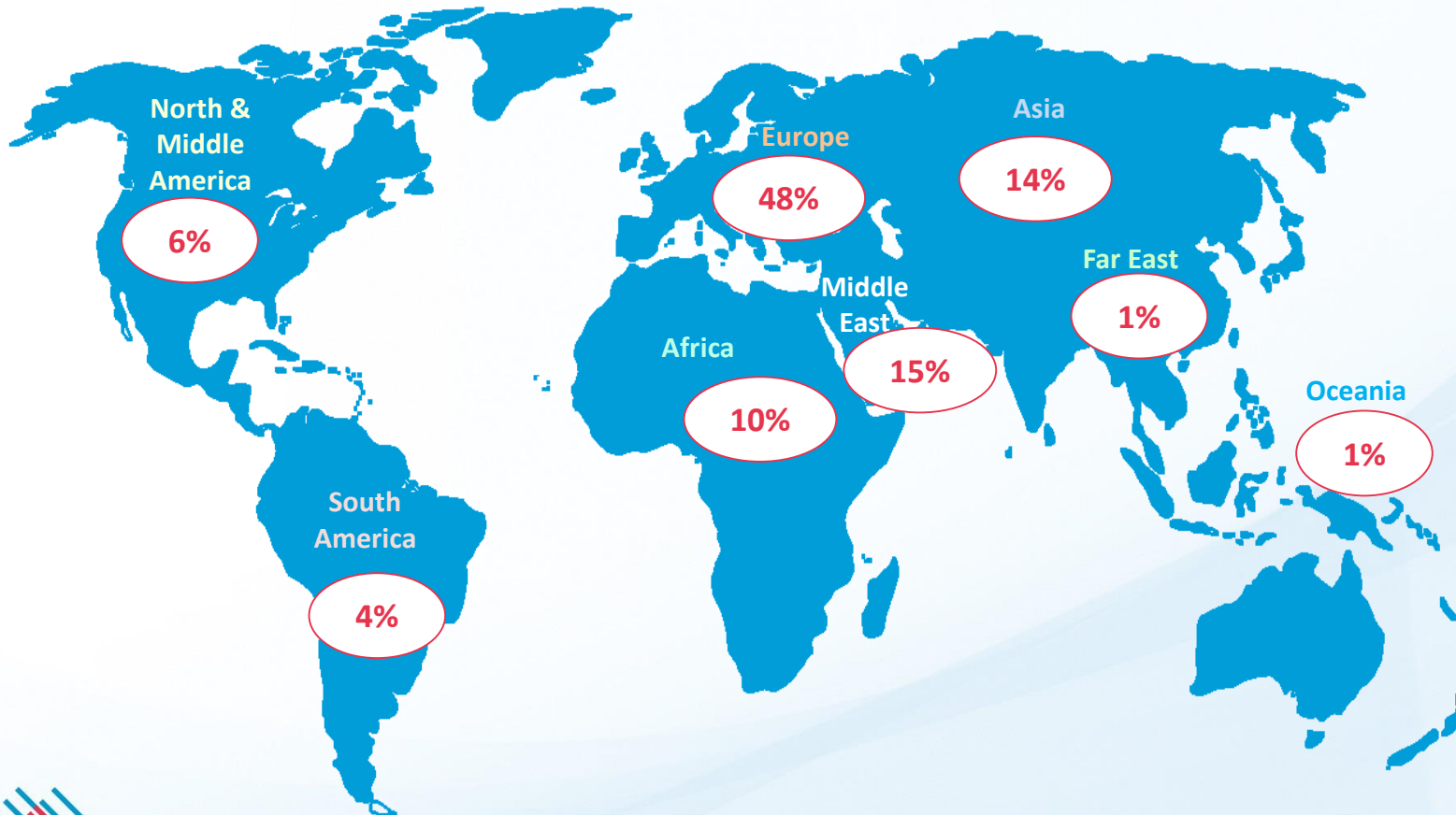
TRY Billion



Revenue & Cash Generation

Exports from Turkey

Exports of USD 696 Million in 2016 to 146 countries

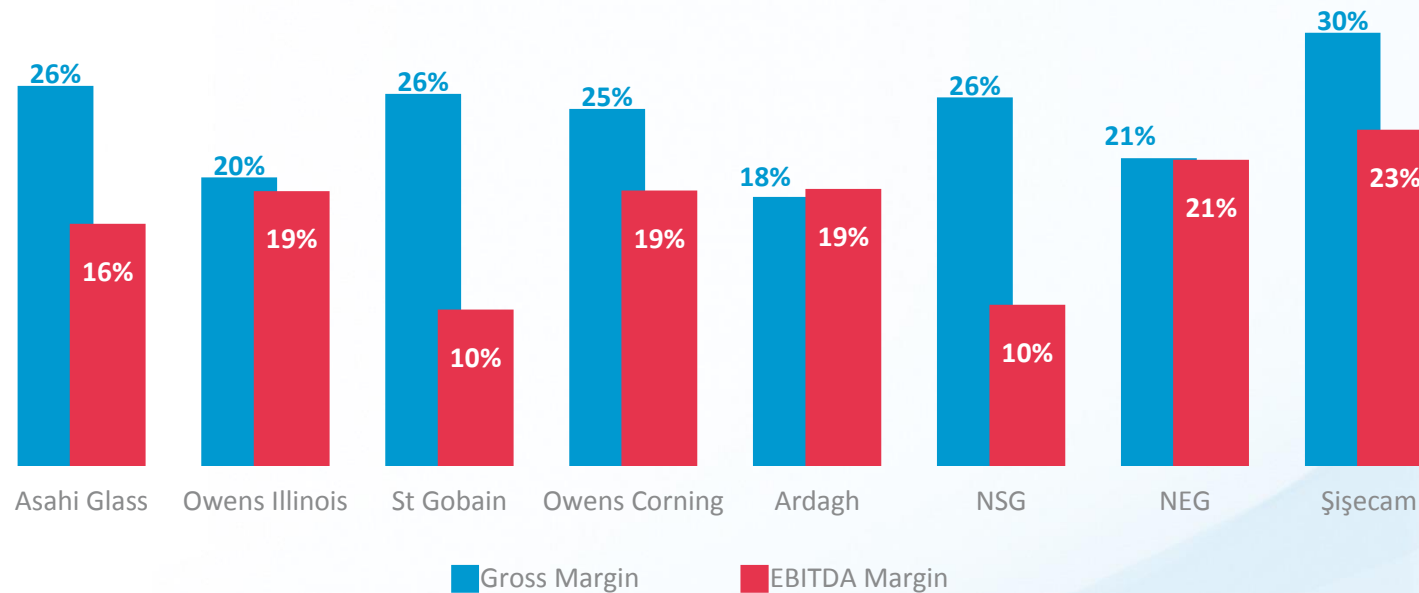


Top 10 Countries

Italy	12%
Egypt	6%
China	5%
France	5%
Bulgaria	5%
UK	5%
USA	5%
Saudi Arabia	4%
Germany	4%
Spain	3%

Global Presence

Strong Global Player with Competitive Profitability



Glass Revenues' Share in Total	
NEG	100%
Owens Illinois	100%
NSG	100%
Şişecam	78%
Owens Corning	65%
Asahi Glass	53%
Ardagh	48%
St Gobain	25%

Operating Territories

ŞİŞECAM GROUP PRODUCTION PLANTS IN TURKEY

ŞİŞECAM FLAT GLASS

Trakya Cam Sanayii A.Ş.
Trakya Plant - Kırklareli
Mersin Plant - Mersin

Trakya Yenişehir Cam Sanayii A.Ş.
Yenişehir Plant - Bursa

Trakya Polatlı Cam Sanayii A.Ş.
Polatlı Plant - Ankara

Şişecam Otomotiv A.Ş.
Şişecam Otomotiv Plant - Kırklareli

ŞİŞECAM GLASSWARE

Paşabahçe Cam San. ve Tic. A.Ş.
Kırklareli Plant
Eskişehir Plant

Denizli Cam San. ve Tic. A.Ş.
Denizli Plant

Camış Ambalaj Sanayii A.Ş.
Tuzla Plant - İstanbul
Eskişehir Plant

ŞİŞECAM GLASS PACKAGING

Anadolu Cam San. A.Ş.
Mersin Plant

Anadolu Cam Yenişehir San. A.Ş.
Yenişehir Plant - Bursa

Anadolu Cam Eskişehir Sanayi A.Ş.
Eskişehir Plant

OMCO-İstanbul Kalıp San. ve Tic. A.Ş.
Gebze Plant - Kocaeli

ŞİŞECAM CHEMICALS

Soda San. A.Ş.
Soda Plant-Mersin
Kromsan Krom Bileşikler Plant-Mersin

Camış Madencilik A.Ş.
Cities in Operation: Aydın, Balıkesir, Bilecik, İstanbul, Karabük, Kırklareli, Mersin

Cam Elyaf San. A.Ş.
Gebze Plant-Kocaeli

Oxyvit Kimya San. ve Tic. A.Ş.
Mersin Plant



Şişecam History

2014's Onwards
To Be Among The Top 3 Producers
Globally

2000's
Global Vision

Regional leadership achieved
Higher market share regionally

1990's
Investment Structuring

Reaching World glass volumes
Efficient Management Structure
Investments Abroad

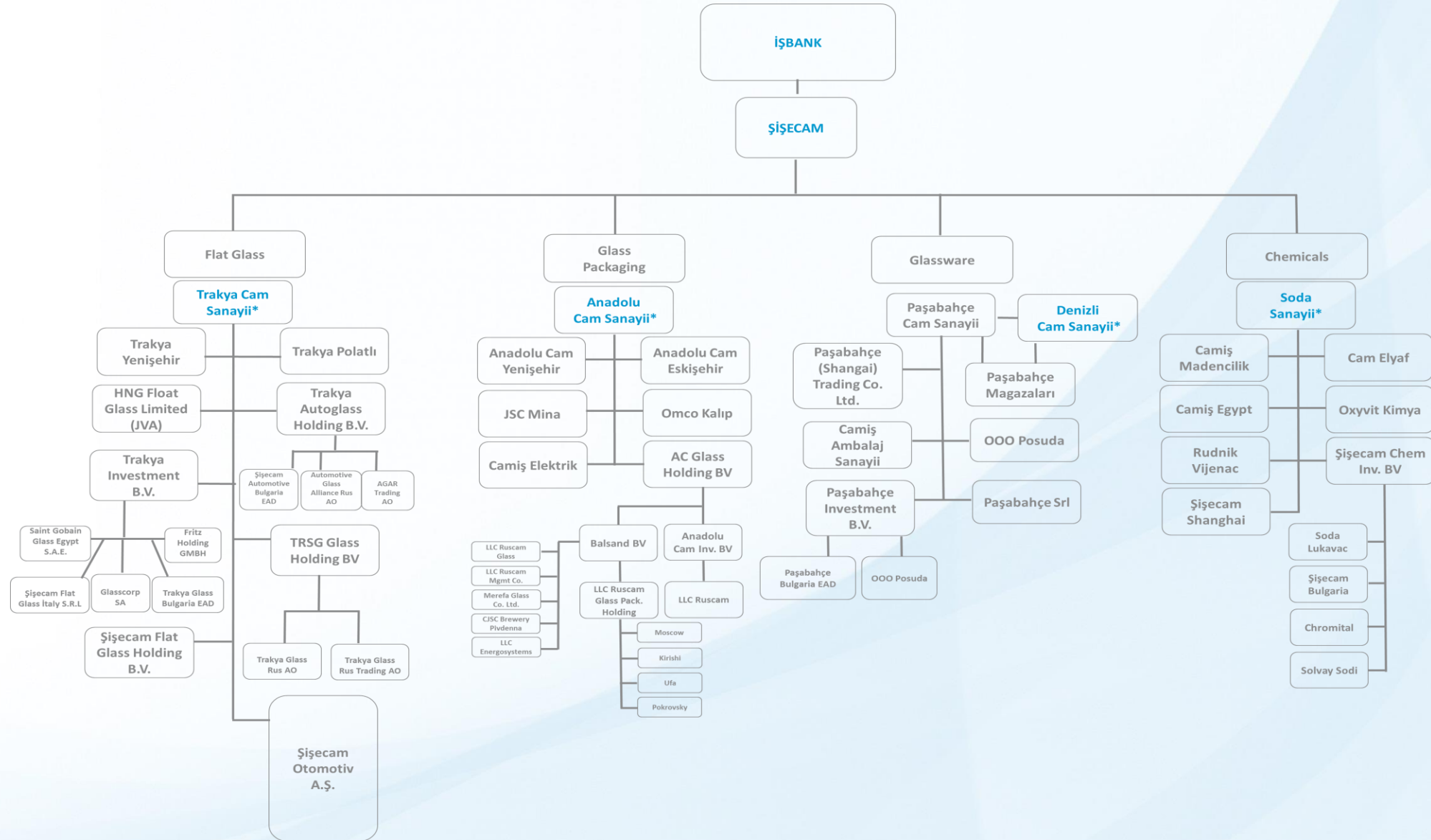
1960-1990
Strong Growth

Expansion of product range
State of the art Technologies, institutional R&D
«The World is our Market»

1935-1960
Establishment and Single Plant Stage

Glassware and container production – Paşabahçe
Modest Growth

Corporate Structure



Prudent Risk Management Policies

Leverage

Leverage with conservative NET DEBT / EBITDA levels

Liquidity

Maintain sufficient liquidity to meet short-term funding and finance equity portion of Capex

FX Position

FX position limited to +/- 25% of shareholder's equity

Counterparty

Not only a diversified relationship banks portfolio, but also access to international debt capital and loan markets at favorable rates.

Interest Rate

Balanced fixed and variable rate loan book

Derivatives

Limited to hedging only, no speculative trading

Credit & Corporate Governance Ratings

Credit Ratings

MOODY'S	LT FCY Rating	Ba1	Stable
S&P	LT FCY Rating	BB	Negative

Corporate Governance & Sustainability

Şişecam was included in the **BIST Sustainability Index**. The index comprises publicly traded companies with a high rating on corporate sustainability performance.

Corporate Governance Rating of Siseecam was revised to **9,44** from **9,35** in December 2016.

As a Corporate Policy, Şişecam continues to strive for reaching the highest level of Corporate Governance practices, where its heritage of «good corporate governance practices» has already been evidenced by the recent rating received.

Sustainability remains at the core of operations and strategy, with continuously improved practices.

<http://www.sisecam.com.tr/en/investor-relations/corporate-overview-and-governance/corporate-governance-policies>

<http://www.sisecam.com.tr/en/sustainability/sustainability-reports>

Disclaimer

This information in this document has been obtained by Soda Sanayii A.Ş. from sources believed to be reliable, however, Soda Sanayii A.Ş. cannot guarantee the accuracy, completeness, or correctness of such information. This document has been issued for information purposes only. The financial reports and statements announced by Soda Sanayii A.Ş. to the public and the relevant corporations are accepted to be the sole material. Soda Sanayii A.Ş. does not accept any liability whatsoever for any direct or consequential loss arising from any use of this document or its contents due to the misleading information in this document. All estimations contained in this document are the opinions of Soda Sanayii A.Ş. and can be subject to change without notice. This document cannot be interpreted as an advice to the investors and Soda Sanayii A.Ş. cannot be held responsible for the results of investment decisions made on account of this document. This document has been issued specially to the person, whom the document is concerned and may not be reproduced, distributed or shared with third parties for any purpose.

FX Rates

	2012	2013	2014	2015	4Q2015	4Q2016	2016
USD/TL							
Period End	1,78	2,13	2,32	2,91	2,91	3,52	3,52
Period Average	1,79	1,90	2,19	2,72	2,91	3,28	3,02
EUR/TL							
Period End	2,35	2,94	2,82	3,18	3,18	3,71	3,71
Period Average	2,30	2,53	2,90	3,02	3,18	3,54	3,34

Soda Sanayii A.Ş.
Şişecam Genel Merkezi
D-100 Karayolu Cad. No:44A
34947 Tuzla/İstanbul Turkey
Tel : (+90) 850 206 50 50
Fax: (+90) 850 206 40 40

Contact Details

Görkem Elverici, Chief Financial Officer

gelverici@sisecam.com Tel: (+90) 850 206 3885

Başak Öge, Investor Relations Director

boge@sisecam.com Tel: (+90) 850 206 3262

Investor Relations Team

SC_IR@sisecam.com

Hande Özbörçek Kayaer

hozborcek@sisecam.com Tel: (+90) 850 206 3374

Sezgi Eser Ayhan

seayhan@sisecam.com Tel: (+90) 850 206 3791