



SODA SANAYİİ A.Ş.

Investor Relations Presentation



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Soda Sanayii A.Ş.

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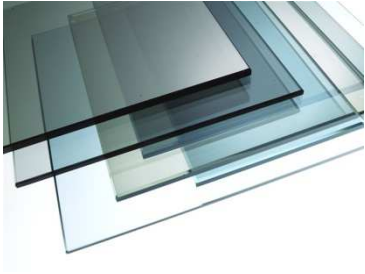
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Soda Sanayii A.Ş.



Executive Summary

Şişecam Overview

Executive Summary



Soda Sanayii A.Ş.

Şişecam is a conglomerate in Turkey...

- Founded by İşbank in 1935
- Operational in : Flat glass , Glass Packaging, Glassware and Chemicals
- Present in 13 countries: Turkey, Russia, Bulgaria, Egypt, Georgia, Bosnia Herzegovina, Romania, Ukraine, Italy, Germany, Slovakia, Hungary and India with exports to 150 countries
- Annual production of 3.55 million tons of glass and 1.97 million tons of soda ash
- Mcap of US\$ 1,55 billion (March 2014), 28% of its shares are listed on BIST (SISE.IS) and 72% held by İşbank
- Annual Sales exceeding US\$ 3 billion
- Alliances with global players
- Şişecam's Moody's rating is «Ba1» and S&P rating is «BB+»



History



Soda Sanayii A.Ş.

1935 -1960
Establishment and
Single Plant Stage

- **Glassware and container production at Paşabahçe**
- **Modest Growth**

1960 - 1990
Strong
Growth

- **Expansion of product range**
- **State-of-the-art technologies**
- **Institutional R&D**
- **“The World is our Market”**

1990’s Investment
Restructuring

- **Reaching world-class volumes**
- **Efficient Management Structure**
- **Investments abroad**

2000’s onwards
Global Vision

- **Regional leadership achieved**
- **Higher market share regionally**

*** To be among the top 3 producers globally**

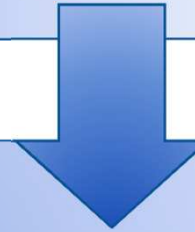


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Mission, Vision and Strategy

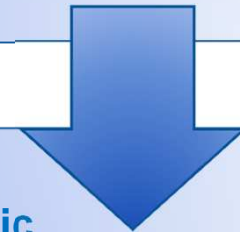
Mission

Şişecam is a company that respects people and nature with its high quality and value added products.



Vision

To be one of the leading companies in glass production and its other fields of activities.



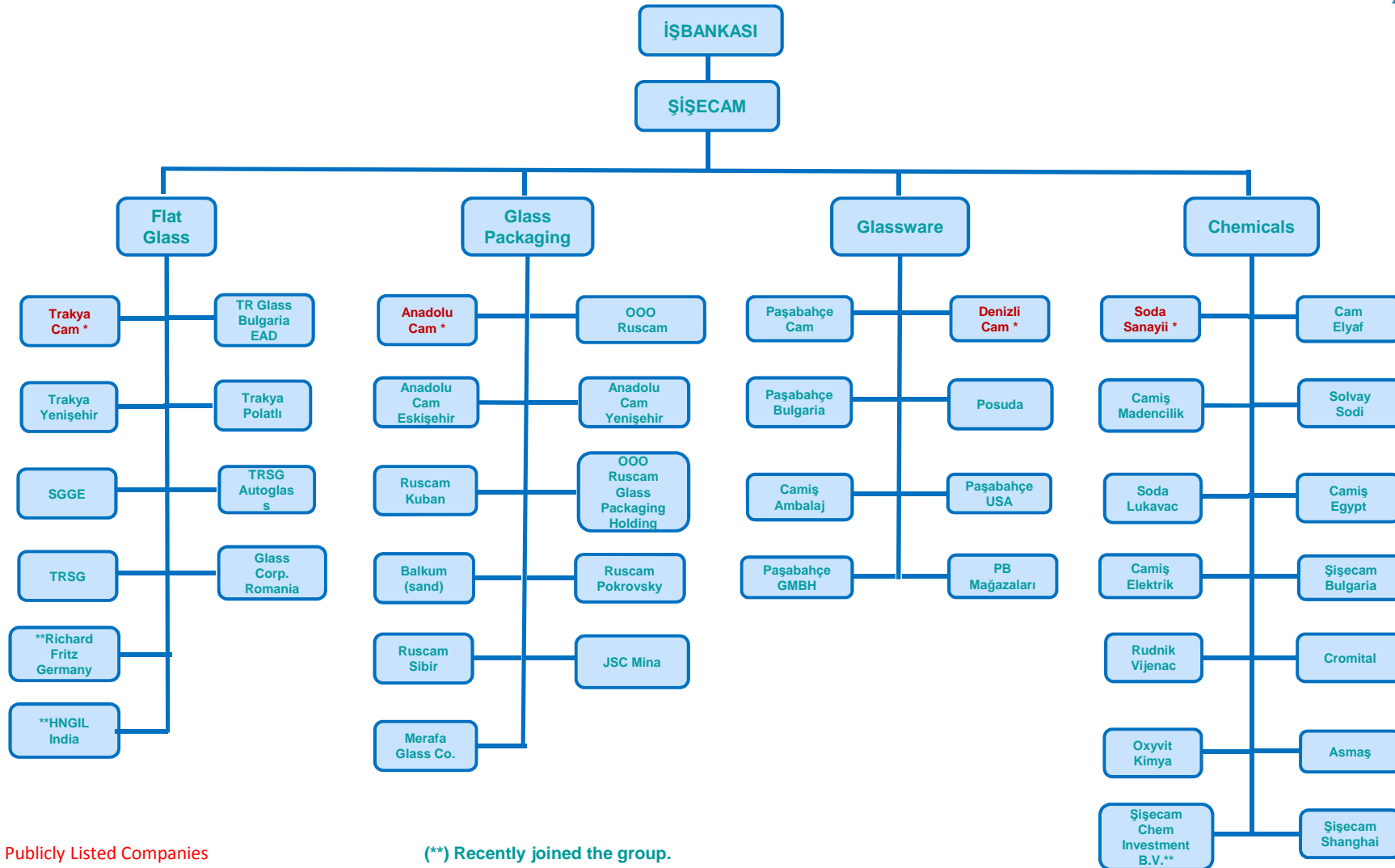
Strategy

Rapid profitable growth through both inorganic & organic expansion with a wide array of product portfolio.



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Şişecam Overview - Group Corporate Structure



(*) Publicly Listed Companies

(**) Recently joined the group.

Şişecam has four main lines of business and side activities that primarily support the core operations.

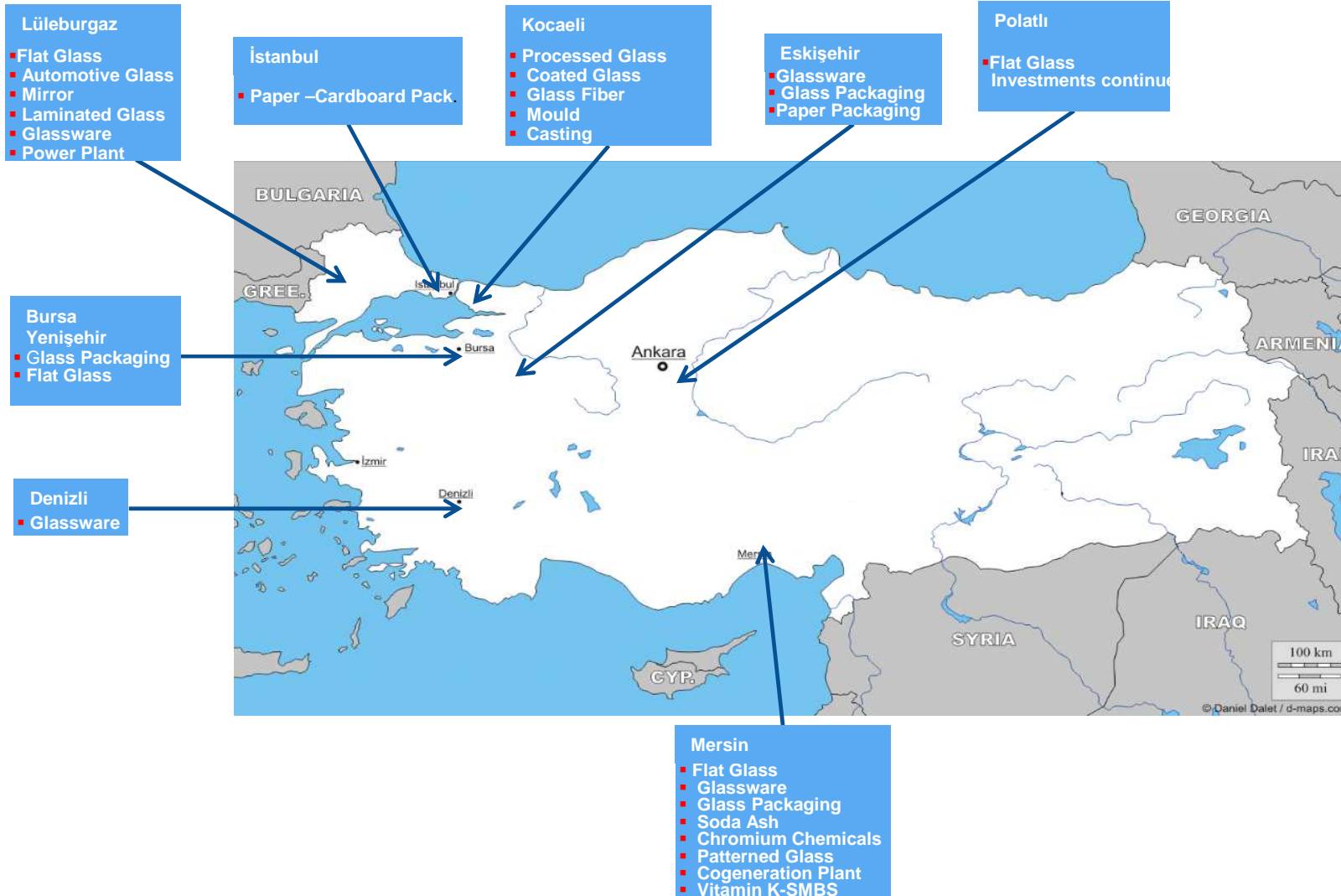
Vertical integration guarantees stringent quality control.

The group is managed by highly-experienced professionals long associated with the company. The level of institutionalization and stability is a valuable asset.



Şişecam Overview - Operating Territory

ŞİŞECAM PLANTS IN TURKEY





Operating Territory - International



● Flat Glass ● Glassware ● Glass Packaging ● Chemicals



Financial Highlights

Group Consolidated Key Indicators

\$mn	2008	2009	2010	2011	2012	2013
Net Sales	2,885	2,357	2,806	2,980	2,971	3,133
EBITDA	664	446	678	758	539	643
Net Fin. Debt	866	606	254	315	543	765
Current Ratio	2.01	2.48	3.07	2.79	1.81	2.55
Liabilities/Assets	0.44	0.45	0.38	0.38	0.36	0.42
Shareholder's Eq.	2,361	2,465	2,682	2,729	3,148	3,105
Gross Margin (%)	29.4	24.2	29.4	32.9	26.4	25
EBITDA (%)	23.0	18.9	24.2	25.4	18.1	20.5
EBIT (%)	12.1	6.8	13.4	15.6	8.4	10.6
Net Income	123	72	275	378	185	239
Net Income (%)	4.3	3.1	9.8	12.7	6.2	7.6

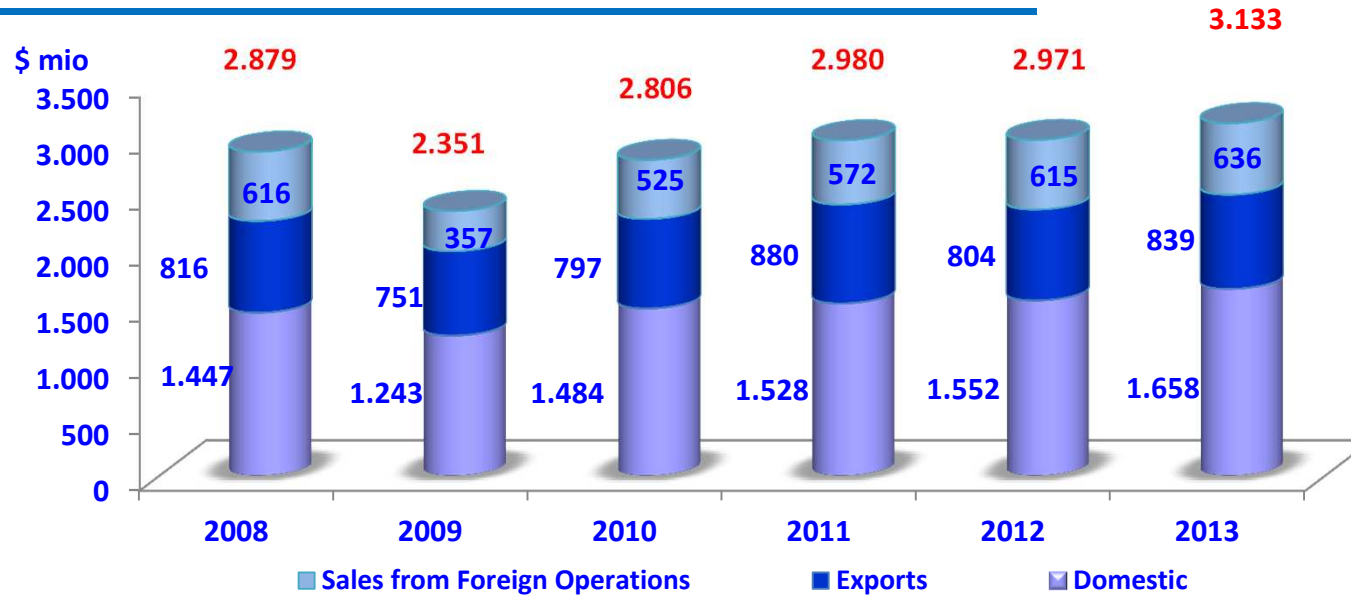
ŞİŞECAM IS AMONG THE GLOBAL PLAYERS WITH ITS;

- Conservative and prudent financial policies
- Access to international debt capital and loan markets at favourable rates
- High profitability margins
- Long-standing relations with international financial institutions

Sales



Soda Sanayii A.Ş.

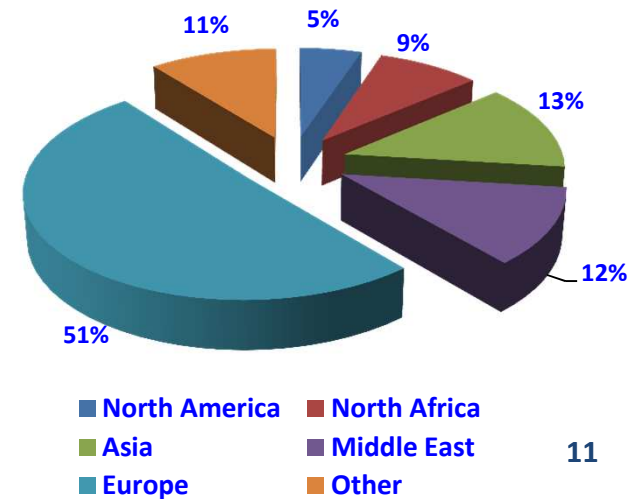


Top 10 Exported Countries as of 2013 FY

Italy	11%
Egypt	7%
Germany	6%
Bulgaria	6%
France	6%
England	5%
China	4%
USA	4%
Brasil	3%
Spain	3%

- Exports of \$839 million in 2013 FY to more than 150 countries
- Eurozone still accounting for more than half of exports
- Top 10 countries constitute 51% of the total exports.

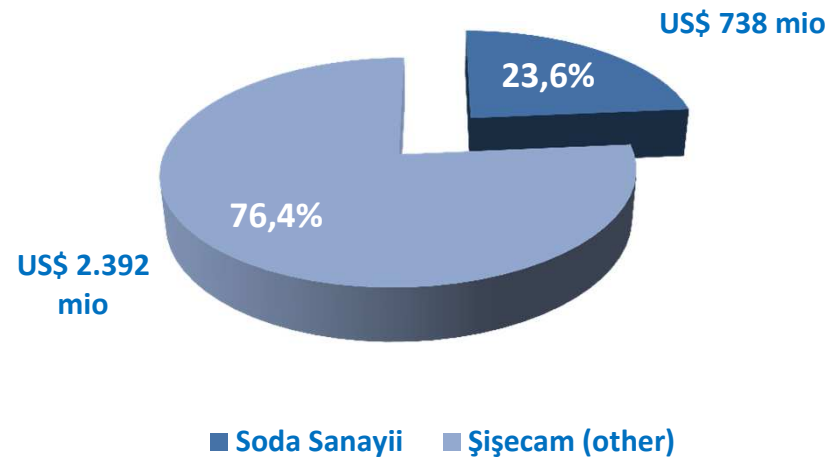
Consolidated Export Breakdown 2013 FY





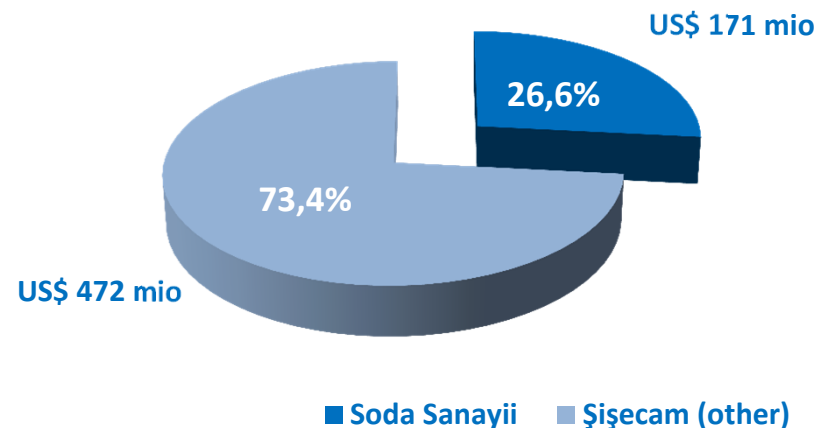
Executive Summary - Chemicals Business Line in Şişecam

Soda Sanayii Sales in Consolidated Şişecam Sales Y-2013



Chemicals Business account for 29,7% of consolidated Şişecam sales. Within chemicals segment **Soda Sanayii A.Ş.** is the flagship company with 23,6% share in the total sales of Şişecam.

Soda Sanayii's EBITDA Contribution To Consolidated Şişecam EBITDA Y-2013





SODA SANAYİİ A.Ş.

Overview



Summary

- Soda Sanayii - engaged in production of soda ash, chromium compounds and derivatives
- is one of the flagship companies of Şişecam.
- It is the **4th** largest soda ash producer in Europe and **10th** globally. Soda Sanayii is the biggest Sodium Dichromate and Basic Chromium Sulphate producer in the world.
- 90% owned by Şişecam and group companies, 10% listed at BIST (ticker symbol SODA) with a current market cap of US\$ 584 million (as of March 20th, 2014)
- An aggregate soda ash production capacity of 2.06 million tons per annum in Turkey, Bosnia Herzegovina and Bulgaria .



Presence in Global Soda Ash and Chromium Chemicals Market



Soda Sanayii A.Ş.

Annual Sales Distribution (%)*

	Turkey	Export
Soda Ash**	37	63
Chromium Chemicals***	18	82

Global Ranking

	Europe	World
Soda Ash	4	10
Chromium Chemicals	1	1

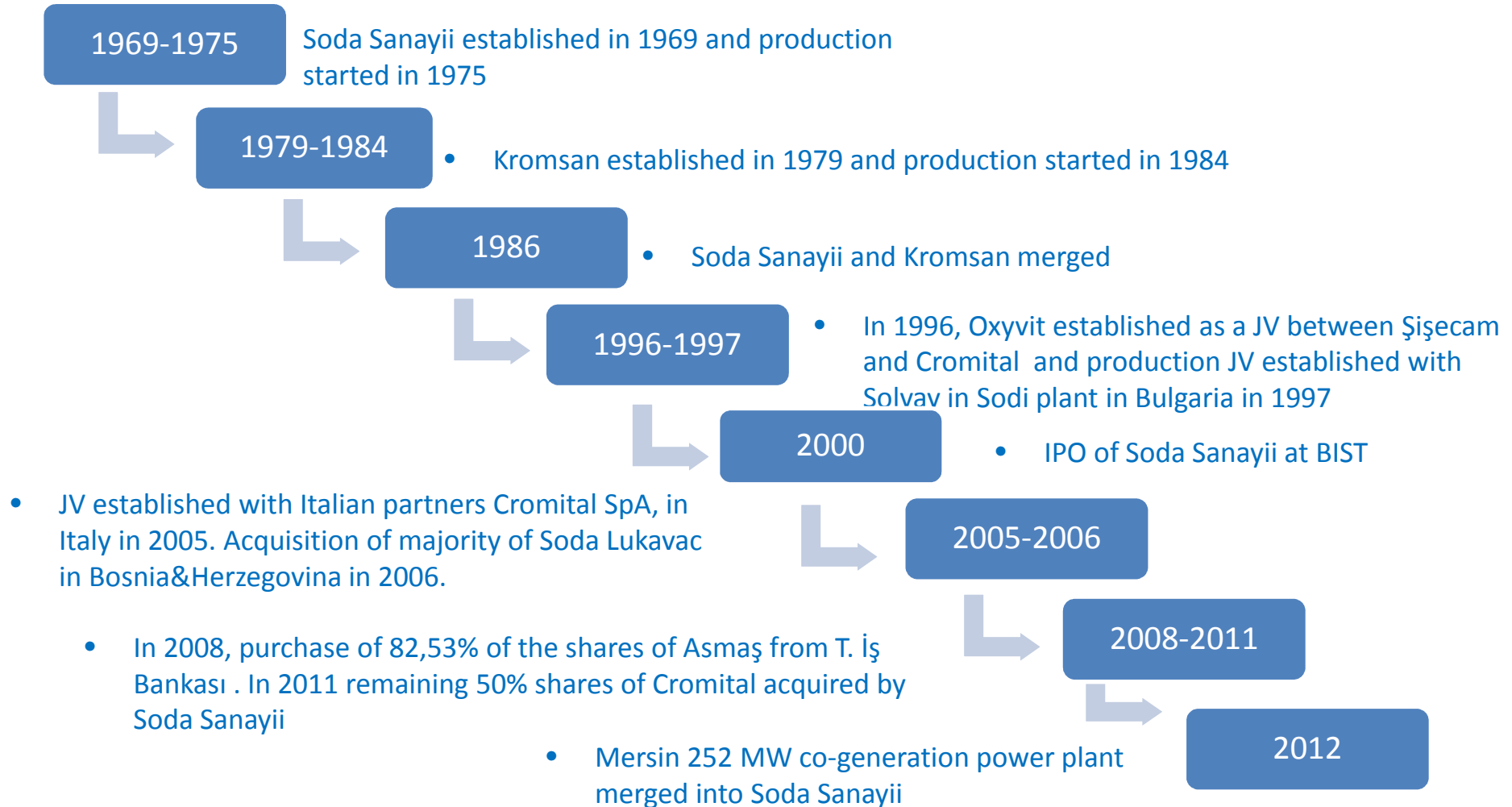
(*) As of December 2013

(**) Including inter-company sales

(***) BCS



History and Development





VISION:

Soda Sanayii is a major soda ash supplier, aiming to strengthen its position in global soda ash market and leading chromium chemicals supplier, targeting strong leadership in its all activities in global chromium chemicals market.

STRATEGIES:

- Sustainable and profitable growth
- Strengthening our position among the leading players
- Geographical expansion
- Utilization of synergies from acquisitions and strategic partnerships
- Supporting profitability with continuous cost reduction
- Improving the product portfolio with value added products
- Partnership approach and reliable solution provider for customers

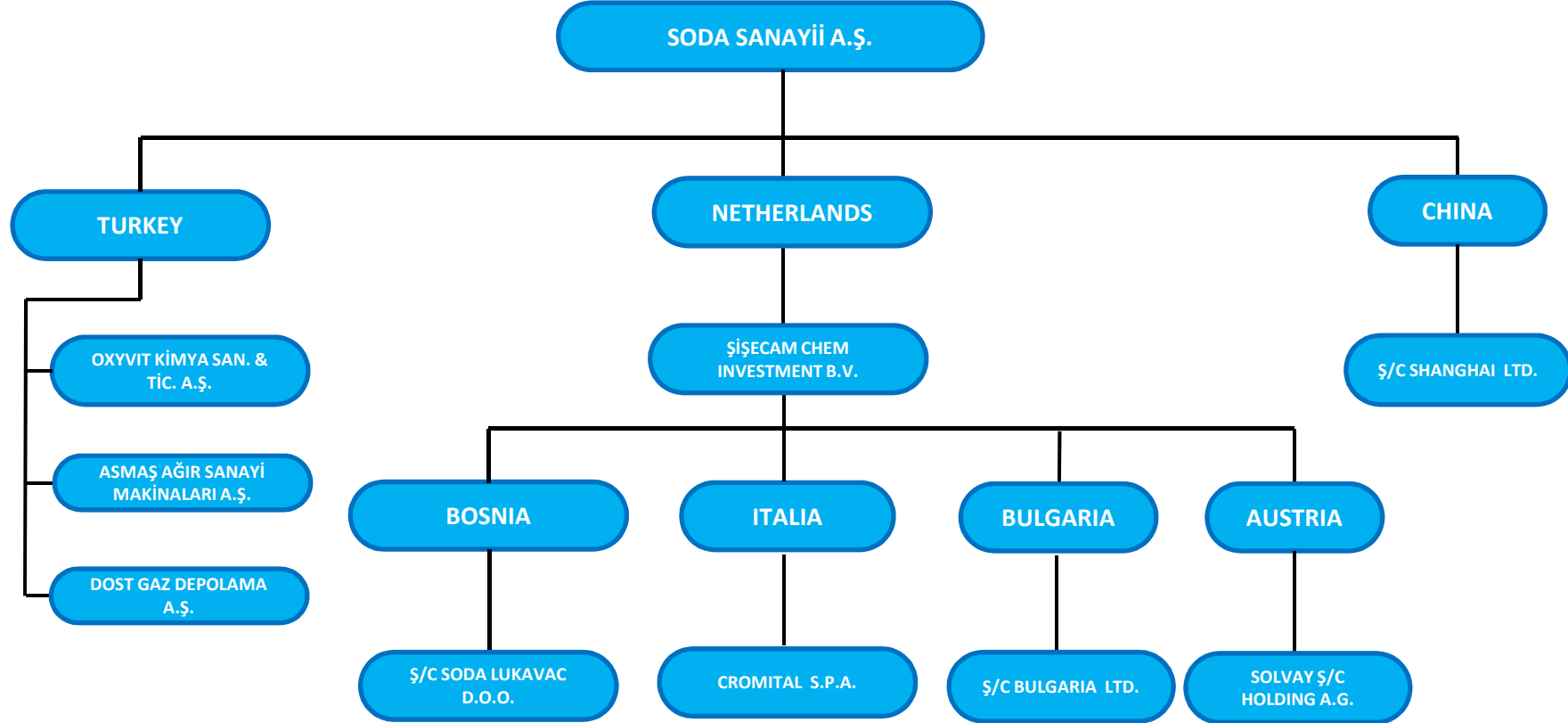


Competitive Advantages

- Strong technological know-how
- Financial strength
- Market generation experience in developing markets
- Wide distribution channels
- Consistent high quality products and services
- Experienced and qualified technical teams
- Own raw material supply for Soda Ash production
- Environmentally friendly processes and high HSE performances.

Soda Sanayii will continue to be one of the most reliable global suppliers.

Corporate Structure of Soda Sanayii



Soda Sanayii's Financial Highlights



Soda Sanayii A.Ş.

Soda Sanayii Consolidated Financial Highlights							
\$mn	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Net Sales	351	499	403	440	522	660	738
EBITDA	42	83	75	91	139	125	171
Net Financial Debt	78	132	75	27	-0,3	4	44
Current Ratio	1,54	1,54	1,54	2,08	1,96	1,75	2,78
Liabilities/Assets	0,34	0,43	0,41	0,35	0,35	0,29	0,31
Gross Margin (%)	14	20,1	23,2	23,2	28,7	20,5	20,5
EBITDA (%)	12,1	16,6	18,6	20,7	26,6	18,9	23,2



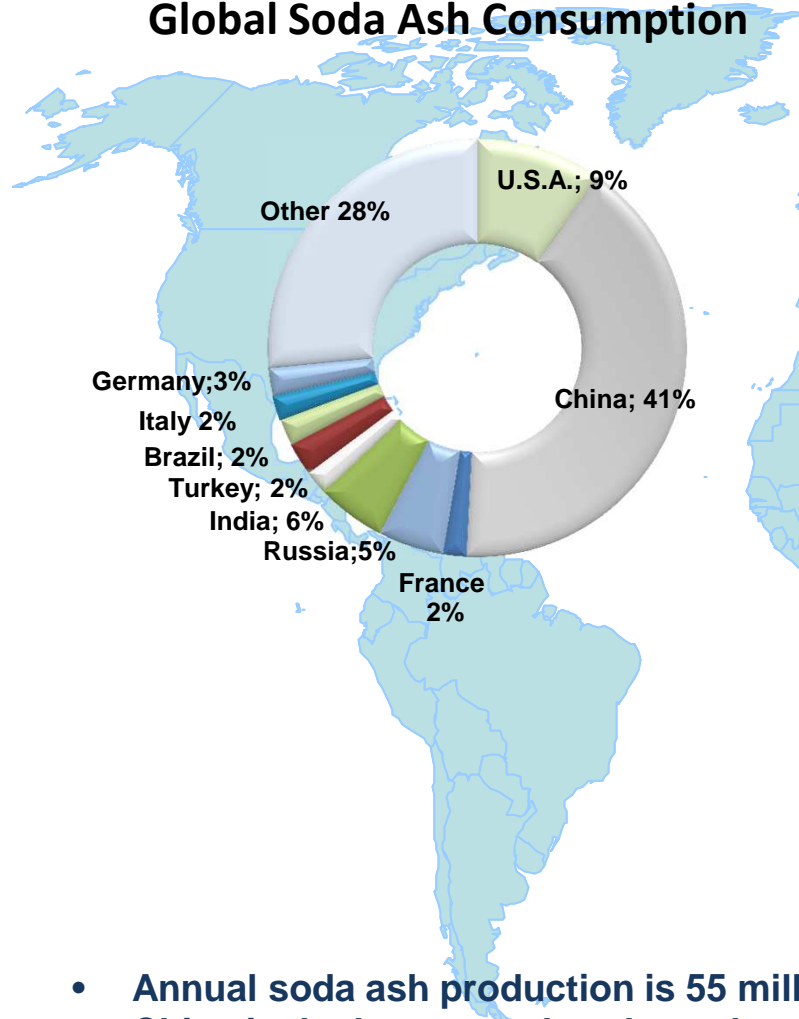
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Operating Profile

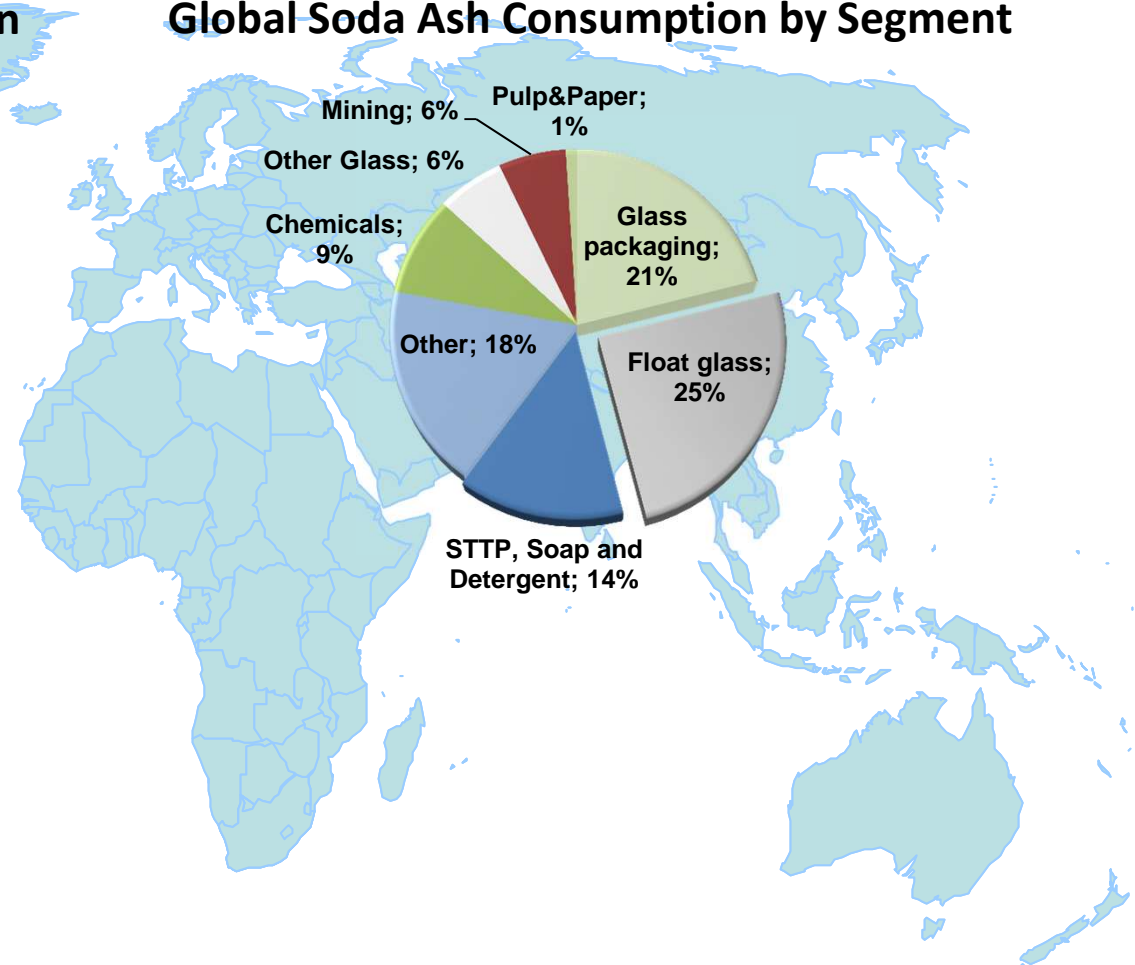


Global Soda Ash Industry Dynamics

Global Soda Ash Consumption



Global Soda Ash Consumption by Segment

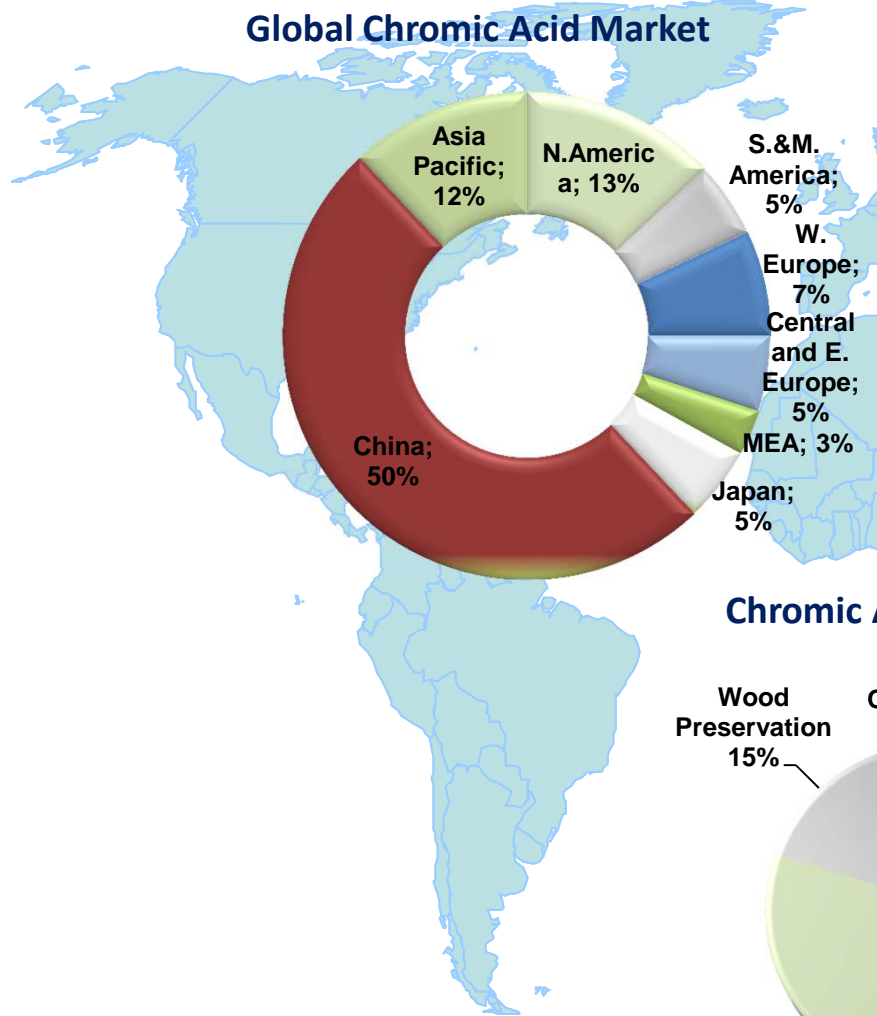


- Annual soda ash production is 55 million tons and apprx. 41% is consumed by China.
- China is the largest soda ash producer.

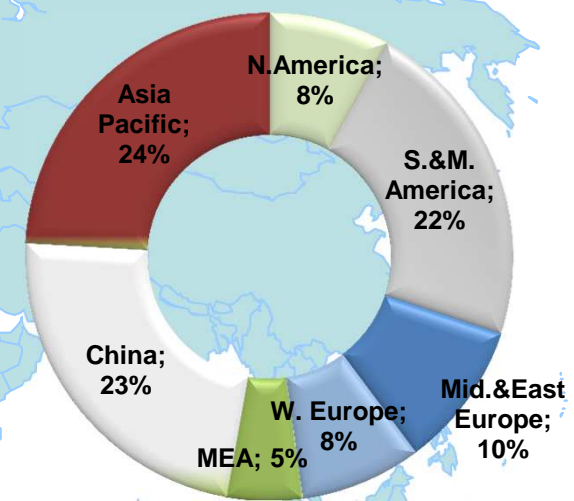


Global Chromium Chemicals Industry Dynamics

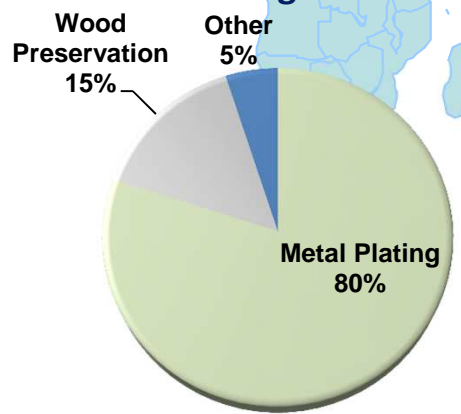
Global Chromic Acid Market



Global Basic Chromium Sulphate Market



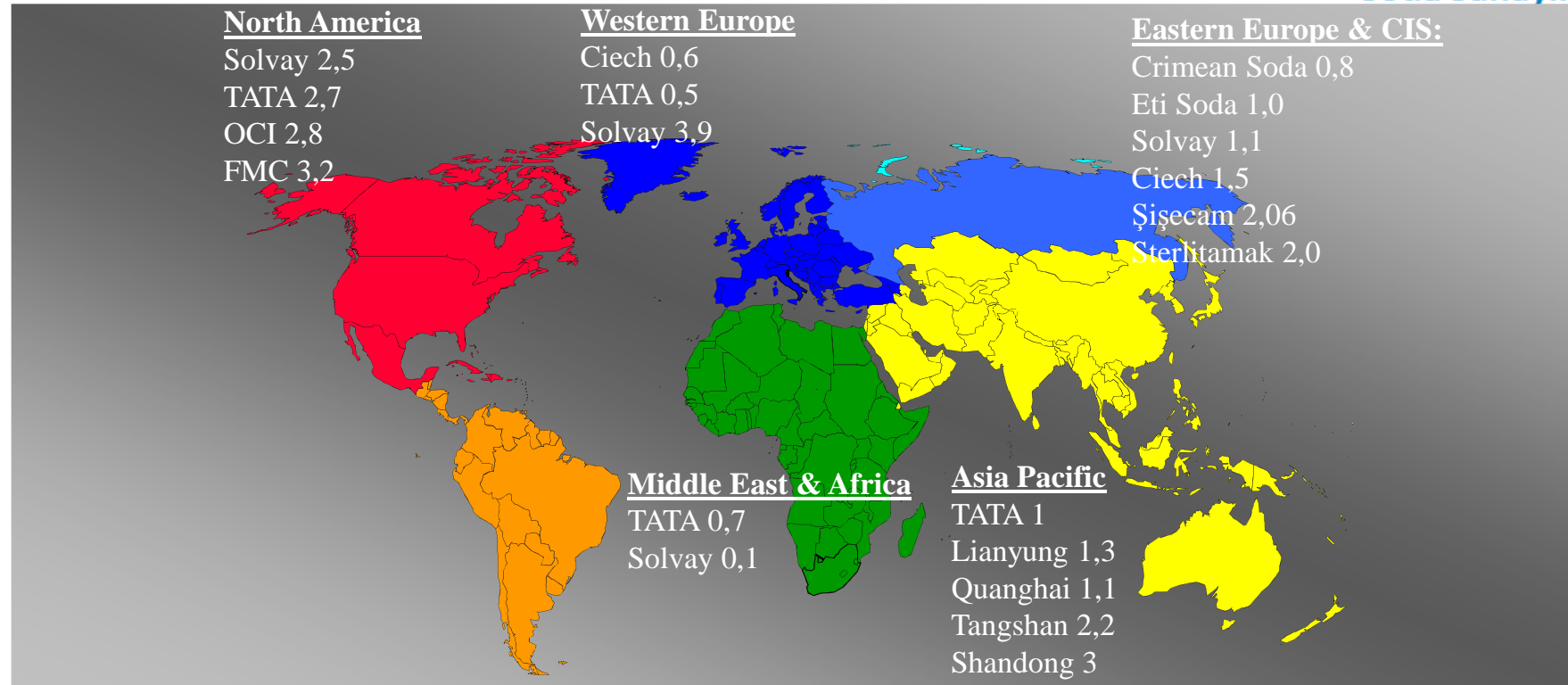
Chromic Acid Consumption by Segment



- %100 of Basic Chromium Sulfate production is consumed by leather industry.
- %80 of Chromic Acid production is consumed by metal plating industry.



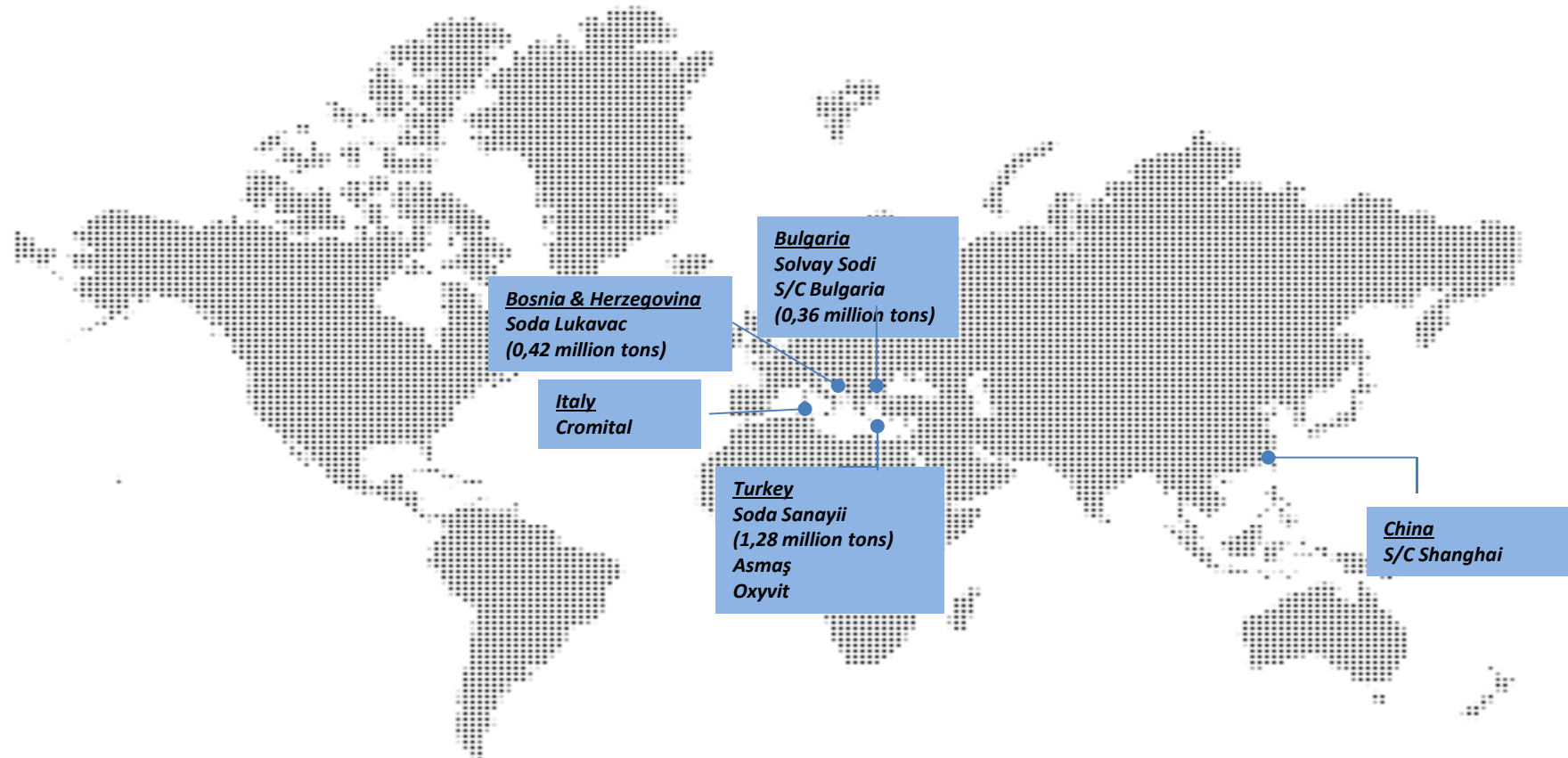
Global Soda Ash Players and Capacities (Million Tons)



- World Soda Ash demand is growing at an average annual rate of almost %3 per year.



Operating Territory & Soda Ash Capacities





Soda Ash :

- Dense Soda Ash
- Light Soda Ash
- Sodium Bicarbonate



Raw material for :

- Glass
- Detergents
- Chemicals
- Food
- Feedstock
- Textile

Chromium and Derivatives:

- Sodium Bichromate
- Basic Chromium Sulphate
- Sodium Sulphate
- Chromic Acid
- Chrome III Products



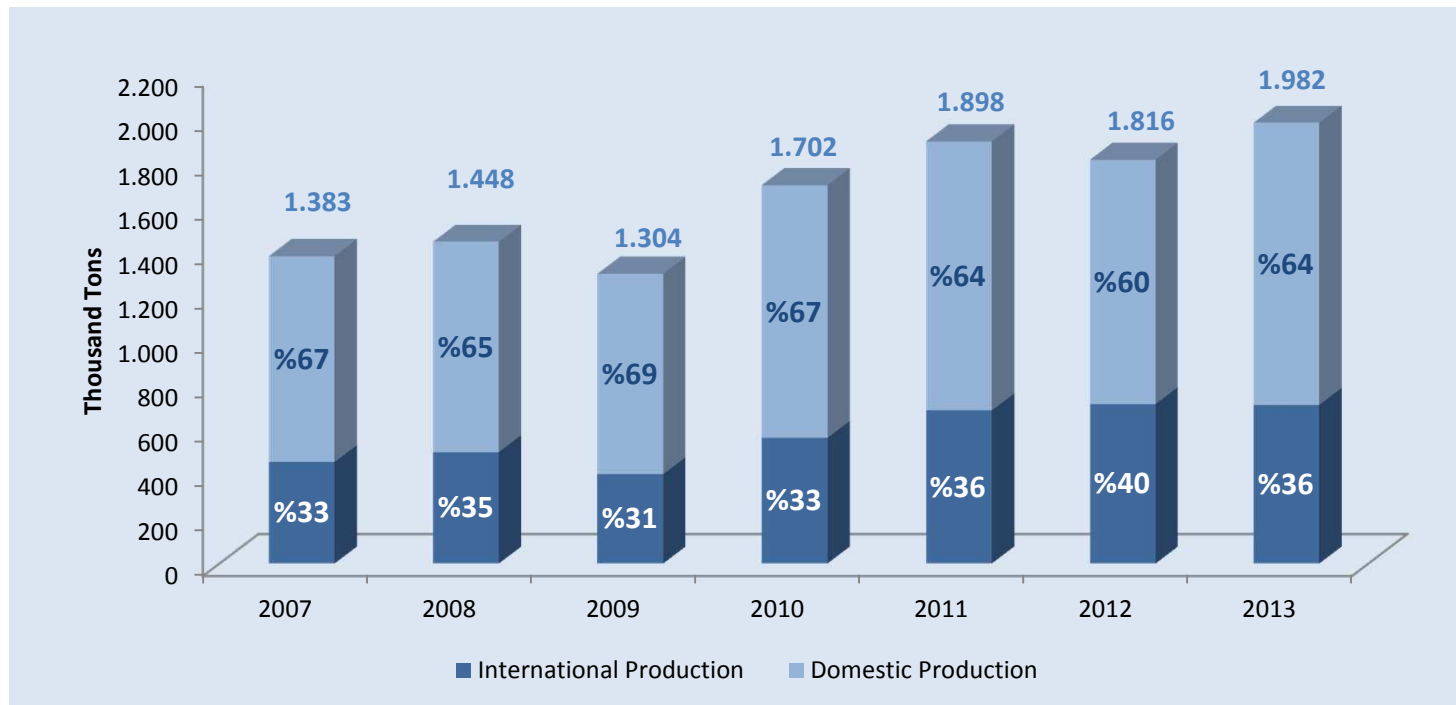
Raw material for :

- Leather
- Wood Preservation
- Metal Plating
- Paper
- Chemical Industries

Soda Sanayii - Soda Production



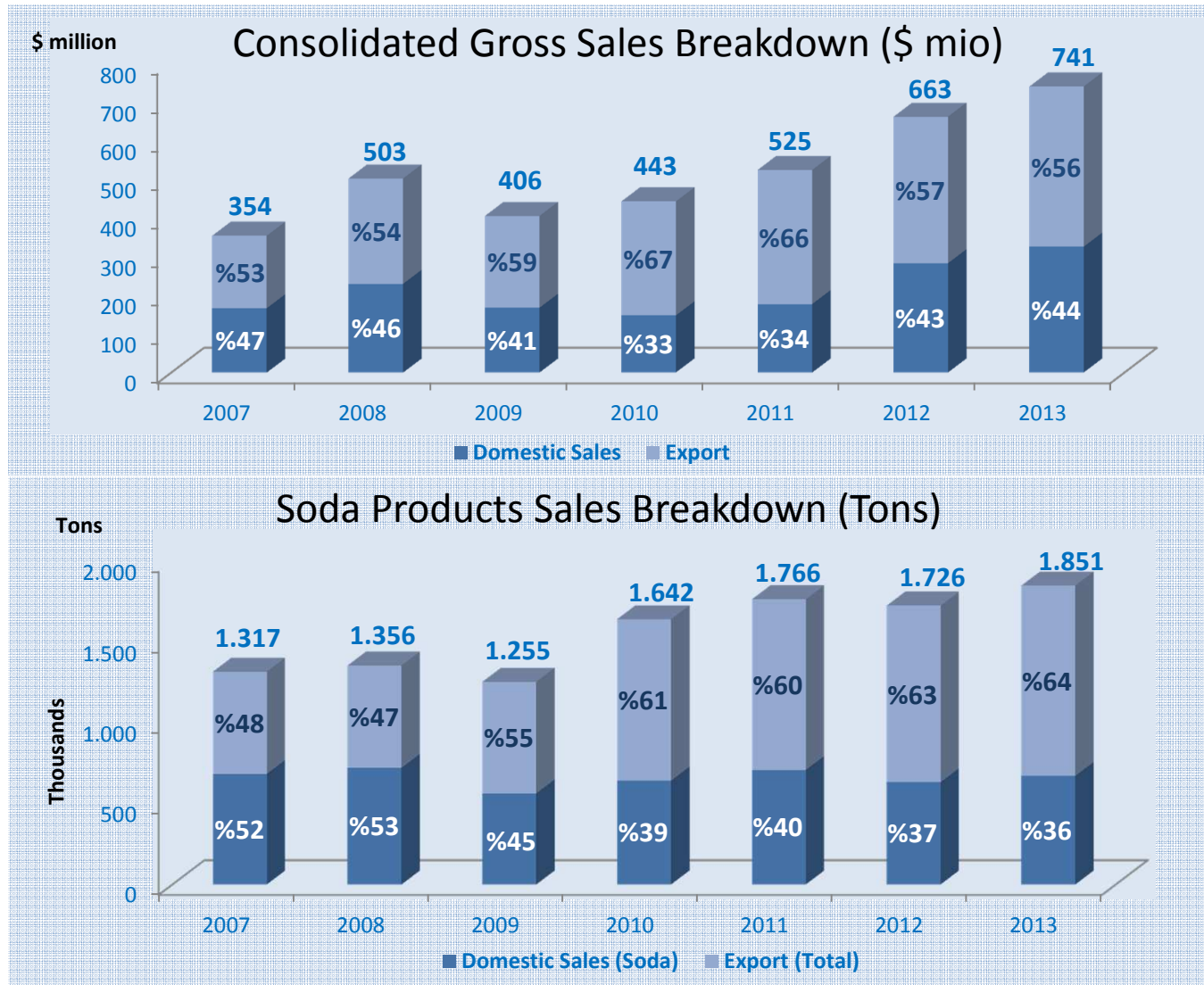
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- With the partnerships established in Bulgaria and Bosnia, contribution of non-domestic production has increased.
- In 2013, 36% of the total soda ash production was realized outside Turkey.



Soda Sanayii A.Ş. - Sales

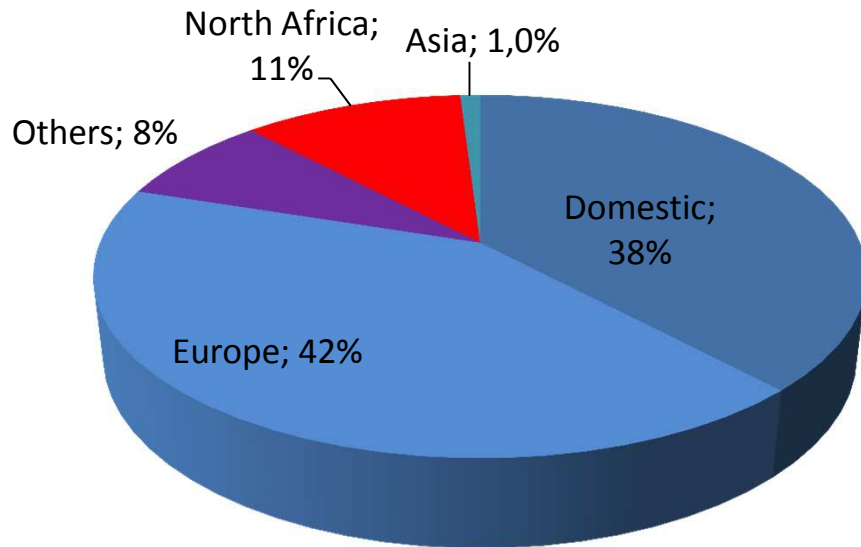


- In 2013, sales were made in 75 countries throughout the world.

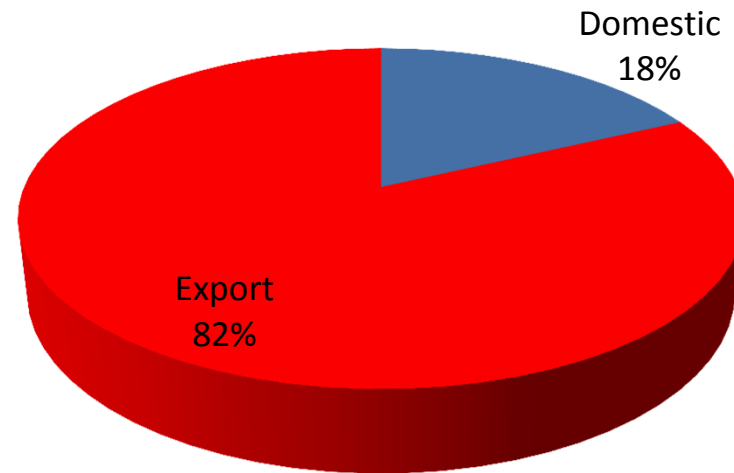
Soda Sanayii Sales (cont'd)



Soda Sales by Geography



Chromium (BCS) Sales by Geography





Major Investments

- 70 ktpa soda ash capacity expansion project has been completed.
- 35 ktpa Sodium Bicarbonate capacity expansion has been completed.
- New steam turbine installation for energy saving is going on.
- Chrome Chemicals plant capacity expansion project has been completed.



Technology and Environment

- Soda Sanayii is committed to managing all its activities, so as to provide a high level of protection to the environment and to the health and safety of its employees , customers and neighbors.
- Soda Sanayii applies the best available technology to utilize all kinds of sources optimally and complies with legal requirements and supports the principles of the global chemical industry's Responsible Care programme.



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