

Financials (TRY mn)	1Q2015	4Q2015	1Q2016	YoY Growth	QoQ Growth
Revenue	402	477	476	19%	-0,1%
Gross Profit	91	129	132	45%	3%
Gross Margin	23%	27%	28%		
EBIT	80	93	106	33%	14%
EBIT Margin	20%	20%	22%		
EBITDA	102	116	131	29%	13%
EBITDA Margin	25%	24%	28%		
Net Income	95	71	87	-9%	23%
Net Income Margin	24%	15%	18%		
Capex	19	101	29	52%	-72%
Capex/Sales	5%	21%	6%		

COMMENTS ON SODA SANAYİİ A.Ş. 1Q2016 CONSOLIDATED FINANCIAL STATEMENTS

Based on 1Q2016 IFRS results,

74% of the revenues were generated from the sale of soda chemicals, energy and other products, while the remaining 26% were generated from sale of chromium chemicals.

78% of the revenues were generated from the company's operations in Turkey while the remaining 22% were generated from the operations in Europe.

Based on the company guidance; 62% of the revenues were generated from international sales while the remaining 38% were generated from domestic sales.

Net revenues were TRY 476mn, up by 19% from 1Q2015 results mainly as a result of the appreciation of hard currencies against Turkish Lira and sales volume growth. Soda Sanayii managed to increase soda product and chromium chemicals sales.

Cost of goods sold were TRY 344mn, up by 11% on a year-on-year basis. The ratio of cost of goods sold to revenues continued to decrease from 73% to 72% compared to 2015 full year financial results. Improvement in COGS to revenues ratio was more significant in comparison with 77% recorded in 1Q2015.

In 1Q2016, USD appreciated by 20% on average against Turkish Lira to 2.9409 (1Q2015 average rate was 2.4571), while EUR appreciated by 17% on average against Turkish Lira to 3.2420 (1Q2015 average rate was 2.7709).

The company recorded a gross profit of TRY 132mn, pointing out a 45% increase on a year-on-year basis and ending up in a gross profit margin of 28%, while the margin in 1Q2015 was 23%.

65% of the gross profit were generated from the sale of soda chemicals, energy and other products, while the remaining 35% were generated from sale of chromium chemicals.

In 1Q2016, operating expenses increased by 15% from TRY 35mn to TRY 41mn on a year-on-year basis. The ratio of operating expenses to revenues declined by 30 bps to 8.5% compared to 1Q2015 figures. Breakdown of operating expenses were nearly unchanged with general and administrative expenses corresponding to 4% of revenues, while sales and marketing expenses and R&D expenses ratios to the revenues were 5% and 0.2%, respectively.

1Q2016 period-end USD/TRY exchange rate was 2.8334, up by 9%, versus 2.6102 at the end of 1Q2015, while the increase in USD/TRY was 19% in 1Q2015 compared with the same period of the previous year. Meanwhile, 1Q2015 period-end EUR/TRY exchange rate was 3.2081, up by 13%, versus 2.8309 last year same period.

The company's net other income from operations declined by 122% and was recorded as a net expense of TRY 3mn, mainly due to the decline in net foreign currency exchange gains on trade receivables. (It should be noted that, based on the current regulations, FX gains and losses in relation with the operations are booked under "other operating income and expenses").

Soda Sanayii's share in profit/loss of associates were TRY 17mn in 1Q2016, up from TRY 11mn last year in the same period.

Consequently, the company's EBIT was TRY 106mn, representing an EBIT margin of 22%, versus TRY 80mn and 20% in 1Q2015. Based on the depreciation and amortization expenses of TRY 25mn in the related period, Soda Sanayii's EBITDA was TRY 131mn, representing an EBITDA margin of 28% versus TRY 102mn and 25% recorded last year in the same period.

Soda Sanayii had no one-off gains/loss recorded in 1Q2016 or in the same period of 2015.

Soda Sanayii's had a net financial loss of TRY 12mn in 1Q2016, down from a net financial income of TRY 34mn in 1Q2015, due to the decline in foreign currency exchange gains coupled with the increase in foreign currency exchange losses.

In 1Q2016, the company recorded a net income of TRY 87mn and net margin of 18% versus TRY 95mn and 24% seen in the same period last year.

Soda Sanayii had a net cash position of TRY 314mn at the end of 1Q2016, while the company's net cash position was TRY 310mn in 1Q2015.

The company's net long FX position which was TRY 615mn at the end of 1Q2015 increased to TRY 704mn at the end of 1Q2016 mainly with USD 71mn rise in USD assets. The company recorded a EUR 4.5mn increase in EUR liabilities while its EUR assets declined by ~EUR 50mn.

Soda Sanayii had a total capital expenditure of TRY 29mn in 1Q2016 for capacity expansion, operational efficiency investments and for maintenance and repairment. The company's total capital expenditures were TRY 19mn in 1Q2015

Şişecam IR Team



TÜRKİYE ŞİŞE ve CAM FABRİKALARI A.Ş.

İş Kuleleri Kule 3 Kat 24
34330 4. Levent İstanbul
Türkiye

P +90 212 350 50 50
D +90 212 350 33 74

sc_ir@sisecam.com