

AKSA

Aksa Akrilik Kimya Sanayii A.Ş.



► CONTENT

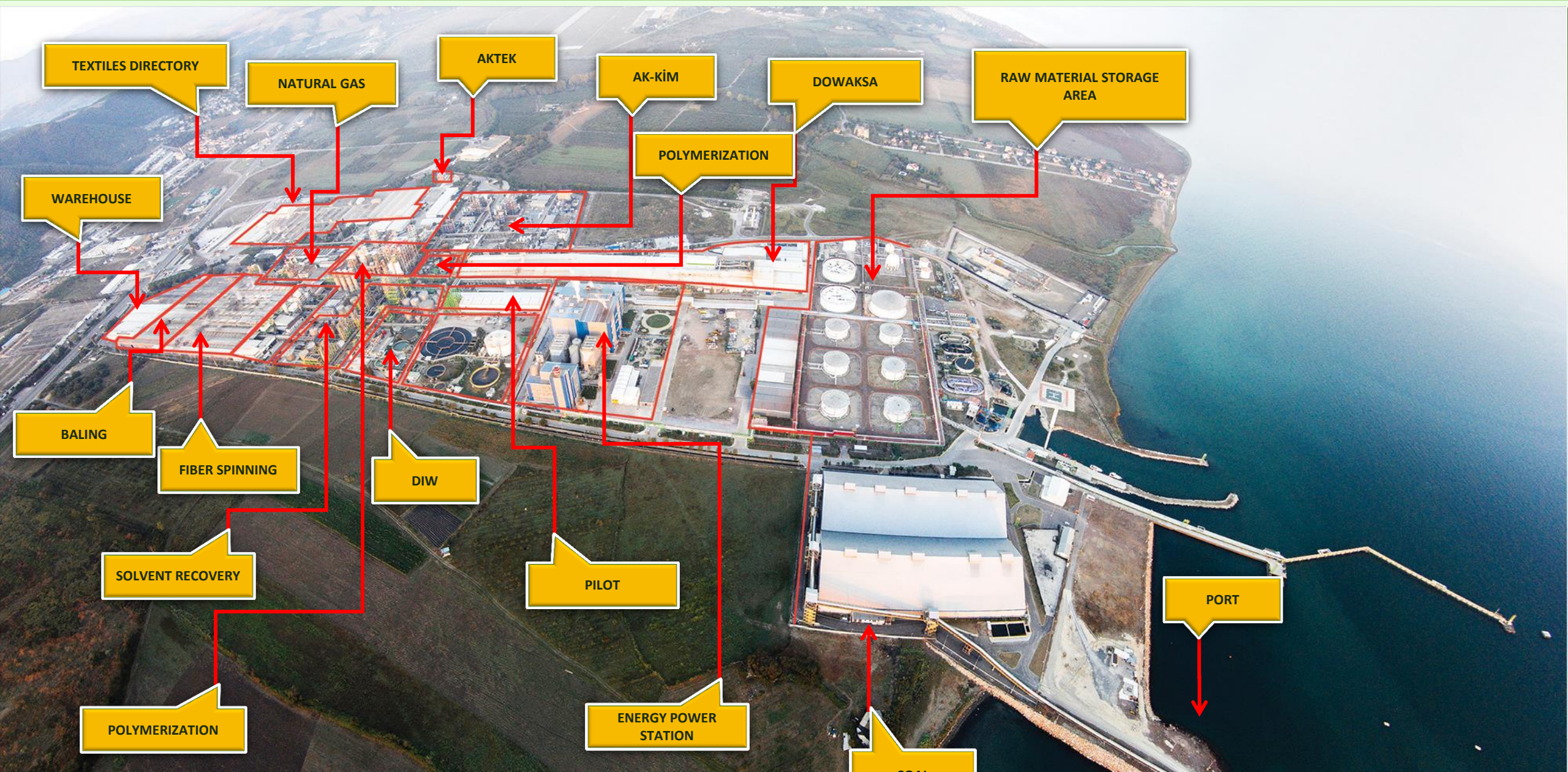
- Aksa in Brief
- Business Information
- Financial Highlights
- Financial Information





AKSA IN BRIEF

► PRODUCTION FACILITY



► AKSA IN BRIEF

Company Name	Aksa Akrilik Kimya Sanayii A.Ş.
Establishment	1968
Paid Capital	185.000.000 TL
Stock	Borsa İstanbul (BIST) (1986>)
Stock Code	AKSA
Company H.Q.	Miralay Şefik Bey Sok. No: 15 Akhan Gümüşsuyu, Beyoğlu - İstanbul / Türkiye
Plant	Denizçalı Köyü Yalova İzmit Yolu No:34 Yalova / Türkiye
Web	www.aksa.com
E-mail	ir@aksa.com
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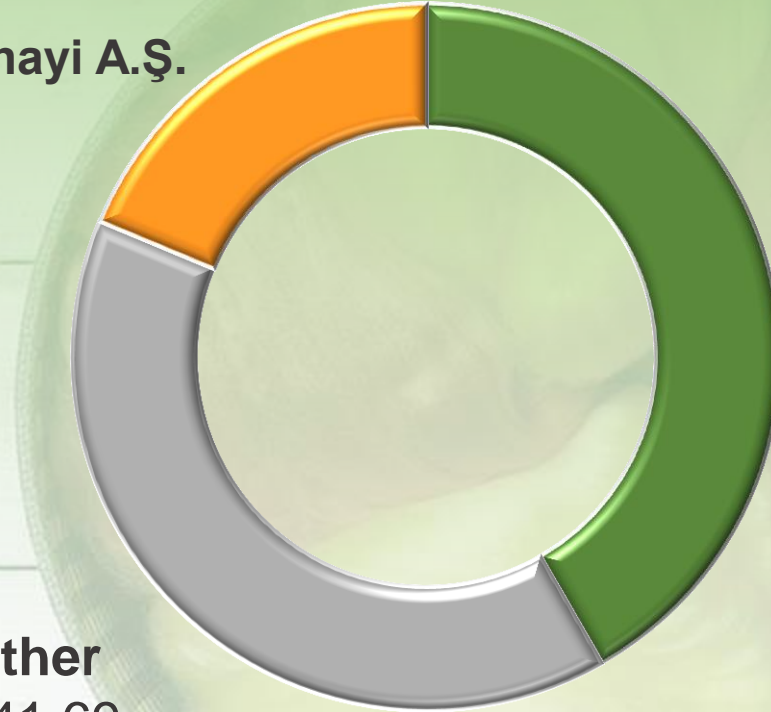
► SHAREHOLDERS

Aksa is a public company traded on the ISE since 1986.

Emniyet Ticaret ve Sanayi A.Ş.
%18,72

Akkök Holding
%39,59

Other
%41,69



► STOCK INFORMATION

Aksa Stock Performance



Share Performance	2010	2011	2012	2013	2014	2015	3Q16
Lowest Price (TRY)	1,31	2,20	2,69	3,56	5,13	6,31	7,00
Highest Price (TRY)	2,51	3,85	3,69	7,13	6,97	11,32	10,11
Year-end Price (TRY)	2,44	2,96	3,66	6,27	6,37	9,62	8,16
Issued Share Capital (k TRY)	185.000	185.000	185.000	185.000	185.000	185.000	185.000
Market Value (k TRY)	451.400	547.600	677.100	1.159.950	1.178.450	1.779.700	1.509.600

► AKKOK HOLDING



Chemicals

- Aksa
- DowAksa
- Ak-Kim
- Gizem Frit



Energy

- Akenerji
- SEDAŞ
- Sepaş



Textile

- Aksa Egypt



Real Estate

- Akiş
 - Akbatı
 - Akasya
- Akmerkez



Services

- Akmerkez Lokantacılık
- Ak-Pa
- Aktek
- Dinkal

► AKKÖK HOLDING

4.999

Employee

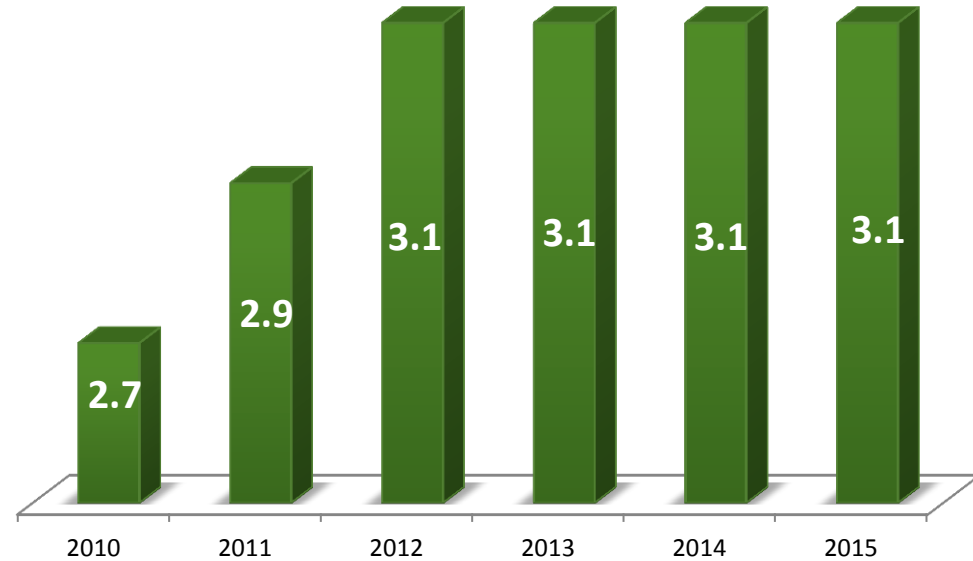
17

Company

5

Listed
Company

Net Sales (Billion USD)



► PARTICIPATIONS – SUBSIDIARIES – JOINT VENTURES.

Joint Ventures

DowAksa Holdings

%50 share

350 mio. USD capital

Carbon Fiber production

Subsidiaries

Aksa Egypt

%100 share

Textile

• **Fitco BV**

%100 share - Investment

Company

► ACRYLIC FIBER .

Aksa is one of the
biggest 40
industry
companies from
the beginning of
the index.



► ACRYLIC FIBER

Aksa is at the 1st position as of October in 2016 BIST corporate governance index

 **SAHA**
Corporate Governance Rating:

9.60



MAIN SECTIONS: **Avg. 95.98**

Shareholders: **97.32**



Public Disclosure & Transparency: **98.43**



Stakeholders: **98.75**



Board of Directors: **92.08**



0 10 20 30 40 50 60 70 80 90 100

► MILESTONES



1960
1970s

- Company Foundation
- The plant in Yalova began to operate with a capacity of 5,000 tons /year
- First export
- Increasing the capacity to 35,000 tons/year



1980
1990s

- Distributed Control System (DCS) was established for the first time in Turkey
- Acrylic fiber production capacity reached 116,000 tons/year
- Jel dying tech was developed and dyed tow production initiated
- Realized the first CCE steam generation in Turkey



2000
2010s

- Outdoor applications of the fiber
- R&D Lab and Pilot plant is refurbished
- Carbon Fiber production
- Capacity increased to 315.000 tons/year
- Carbon Fiber Company is founded via a partial spin-off
- Included in the Turquality Program, state-sponsored brand development initiative
- Achieved to have the highest note in Corporate Governance Index in 2016.



BUSINESS INFORMATION



► STRATEGIC BUSINESS UNITS



Acrylic Fibers

Largest acrylic fiber producer
in the world

●
%17 Global, %70 local
market share

●
Around 550-600 mio.USD
revenue

●
Export over 50 countries



Technical Fibers

High value-added products /
Develop fibers for technical
end-use areas

●
Global market leader



Energy

142.5 Mw electricity licence

●
Around 50 mio USD
revenue

► WHAT IS ACRYLIC FIBER?



Wool
(Natural Fiber)



Acrylic Fiber
(Synthetic Fiber)

- Wool-like in appearance and touch (natural and warm)
- Washable and keeps its shape
- Resistance to moth, oil and chemicals
- Resistance to sunlight
- Dyeable with bright, resistant colours

► ACRYLIC FIBER APPLICATION AREAS

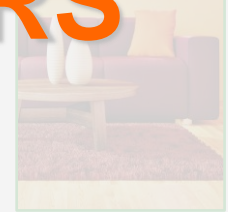
CLOTHING

Jumpers, socks, plush, hand knitting, sports wear and child wear



HOME TEXTILES

Carpet, upholstery, blankets, rugs, velvet fabrics



TEXTILE FIBERS

Areas of use in
Acrylic Fiber

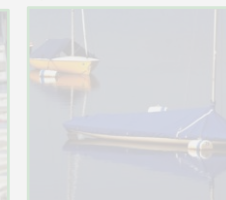
AREAS OF INDUSTRIAL USE

Dust filters, padding, earplugs



USE OF AREAS FOR OUTDOOR

Car ceilings, boat covers, balecloth, upholstery



TECHNICAL FIBERS

► ACRYLIC FIBER PRODUCERS



Aksa is the biggest firm in the global market in production capacity.

**Increased capacity to
315 Kt/year in 2015**

**Global capacity
utilization = 88%**

**AKSA capacity
utilization = 98%**

Company	Country	Installed Capacity (tons / year)
Aksa	Turkey	315
Dralon	Germany	188
SPC Shanghai Petrochemicals (Jinyang)	China	160
JILIN QIFENG	China	140
Thai Acrylic Fibre Co. Ltd.	Tailand	124
JIMONT	China	130
KALTEX	Mexico	70
Anqing Petrochemicals	China	70
FORMOSA Plastics	Taiwan	72
Daqing Petrochemicals	China	65
Qilu Petrochemicals	China	60
Nantong Zhongxin (EXMRC)	China	55
Polymir	Belarus	35
Hangzhouwan Acrylic Fiber	China	60
Kaneka Corporation	Japan	70
Other		508
Total		2.122

► MARKET SHARE

Global Market Share
17%

Technical Fibers
(Outdoor Acrylic Fiber)
Global Market Leader

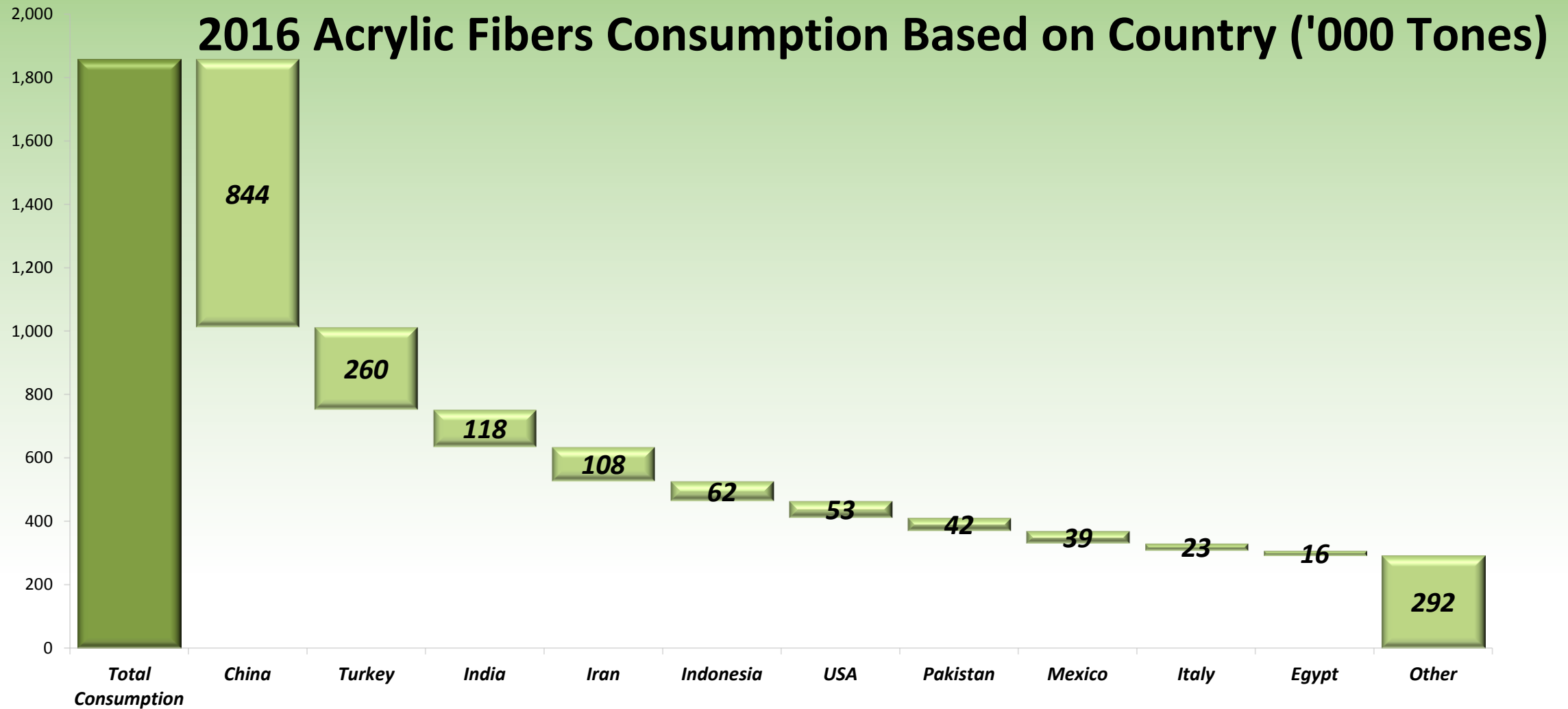
Market Share in Turkey 70%



► GLOBAL FIBER CONSUMPTION

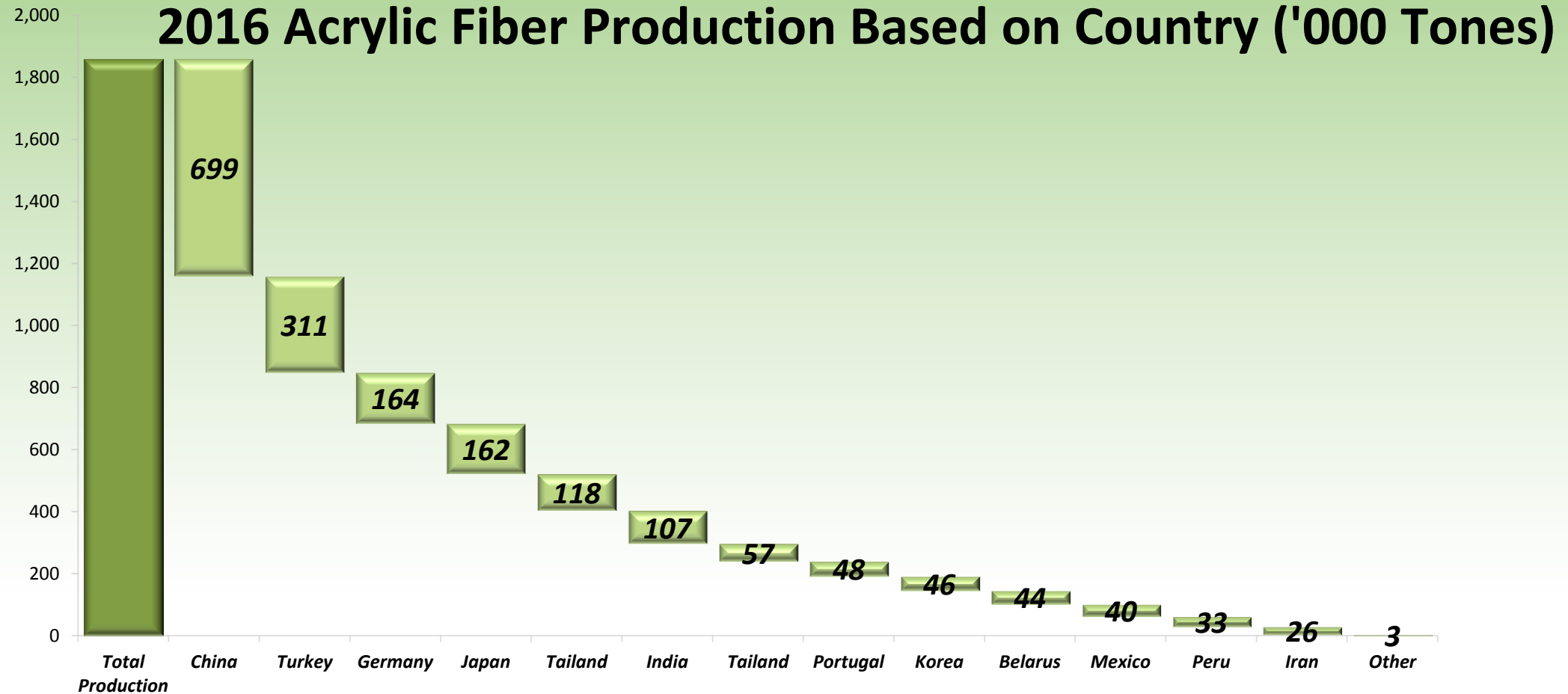
	2000	2005	2010	2011	2012	2013	2014	2015	2020	2030
Synthetic Fibers	32,1	38,2	48,7	52,7	53,8	59,3	61,5	62,5	65,5	75,3
Polyester	19,1	24,7	36	40	41,4	46	49	50	52,4	61,2
PP Fibers	6	6,5	6	6,2	6,5	6,5	5	5	5,5	6
Polyamide	4,1	3,9	4	3,7	3,9	3,9	4,6	4,6	4,7	5
Acrylics	2,7	2,6	2,0	2,0	1,9	1,9	1,82	1,8	1,7	1,7
Other	0,3	0,5	0,7	0,8	0,9	1,0	1,1	1,1	1,2	1,4
Natural Fibers	28,4	33,2	32,8	32,8	33,3	33,3	33,9	34,4	37,9	43,1
Cellulosics	2,8	3,1	3,5	3,5	3,6	3,6	5	5	6	8,2
Cotton	19,7	24,4	24	24	24,5	24,5	24	24,5	27	30
Wool	1,3	1,2	1,1	1,1	1,1	1,1	1,1	1,1	1	1
Hemp	4	3,3	3,2	3,2	3,2	3,2	3,2	3,2	3,2	3,2
Linen	0,5	0,8	0,6	0,6	0,5	0,5	0,2	0,2	0,3	0,3
Ramie	0,1	0,3	0,2	0,2	0,2	0,2	0,2	0,2	0,2	0,2
Silk	0,1	0,1	0,2	0,2	0,2	0,2	0,2	0,2	0,2	0,2
Total	61	71	79	79	81	81	95	97	103	118
Population (Billion)	5,8			7	7	7	7	7,4	8,3	9,6
Kg Fiber / Person	10,3			11,3	11,6	11,6	13,6	13,1	12,5	12,3
Acrylics Fibers / Textile Fibers (%)	4,4	3,7	2,5	2,5	2,5	2,3	1,9	1,9	1,6	1,4
Acrylics Fibers / Synthetic Fibers (%)	8,3	6,9	4,1	3,8	3,5	3,2	3,0	2,9	2,6	2,3

► ACRYLIC FIBER CONSUMPTION



Global demand is mostly concentrated in Asia and Middle East

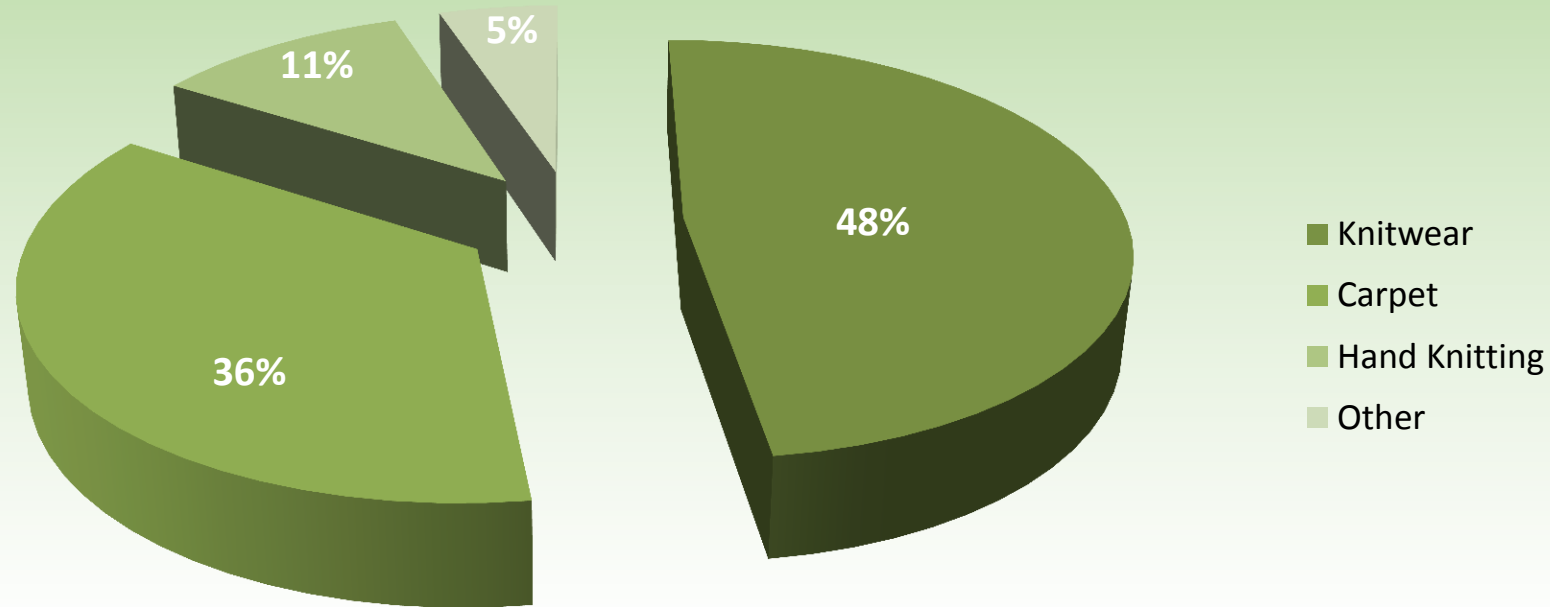
► ACRYLIC FIBER PRODUCTION



Production is also concentrated in China, Turkey, Germany, Japan and Tailand

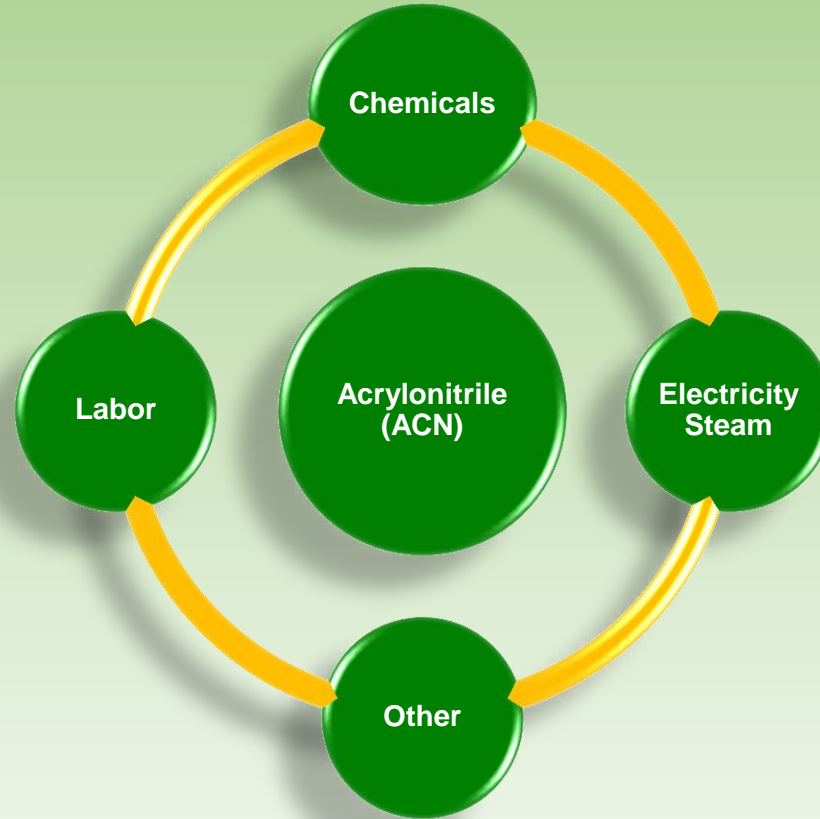
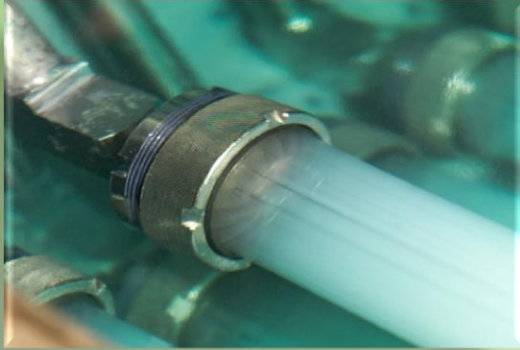
► AKSA ACRYLIC DOMESTIC FIBER SALES

Percentage of Domestic Usage of Fibers



Products of Aksa mainly used in knitwear and carpets.

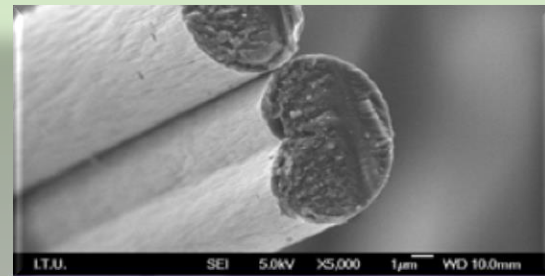
► ACRYLIC FIBER COST COMPONENTS



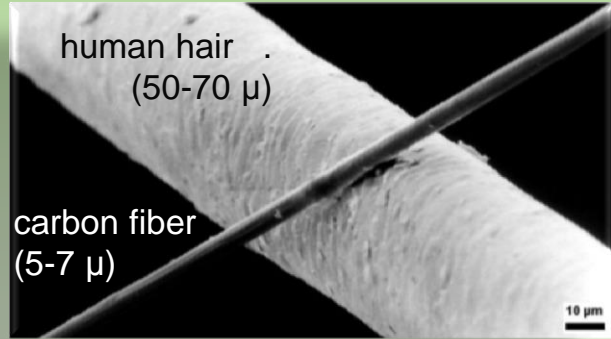
► WHAT IS TECHNICAL FIBER?



- Industrial and outdoor applications
- High Endurance
- High resistance to rotten and mold



► WHAT IS CARBON FIBER?



a carbon fiber and a human hair



“3k” = 3.000 filaments

- Carbon fibers are extremely fine fibers (typ. 5-7 μ in dia.) consisting mostly of carbon atoms
- Carbon fiber is >95% carbon
- Carbon fibers are produced in tows (yarns) ranging from 1.000 filaments 1k, 3k, 6k, 12k, 24k, 50k, etc.
- Carbon fiber has an indisputable potential for replacing current materials (aluminium, steel, etc.)
- Properties of Carbon Fiber: high stiffness, high tensile strength, low weight, high chemical resistance, high temperature tolerance and low thermal expansion

► CARBON FIBER – APPLICATION AREAS



Wind Turbine Blades



Pressurized Vessels



Civil Infrastructure



Marine



Aerospace



Automotive



Oil and Gas



Power Transmission



Sporting Goods



Defense

► DOWAKSA IN 2015 - 2016

- 50% share of the German prepreg producer “c-m-p GmbH” was acquired for an amount of EUR 15 million, consisting of the first phase worth EUR 10 million, and an additional EUR 5 million on condition that the determined company performance criteria is achieved within the following two years.
- Takes part in Institute for Advanced Composites Manufacturing Innovation “IACMI” as a charter member.

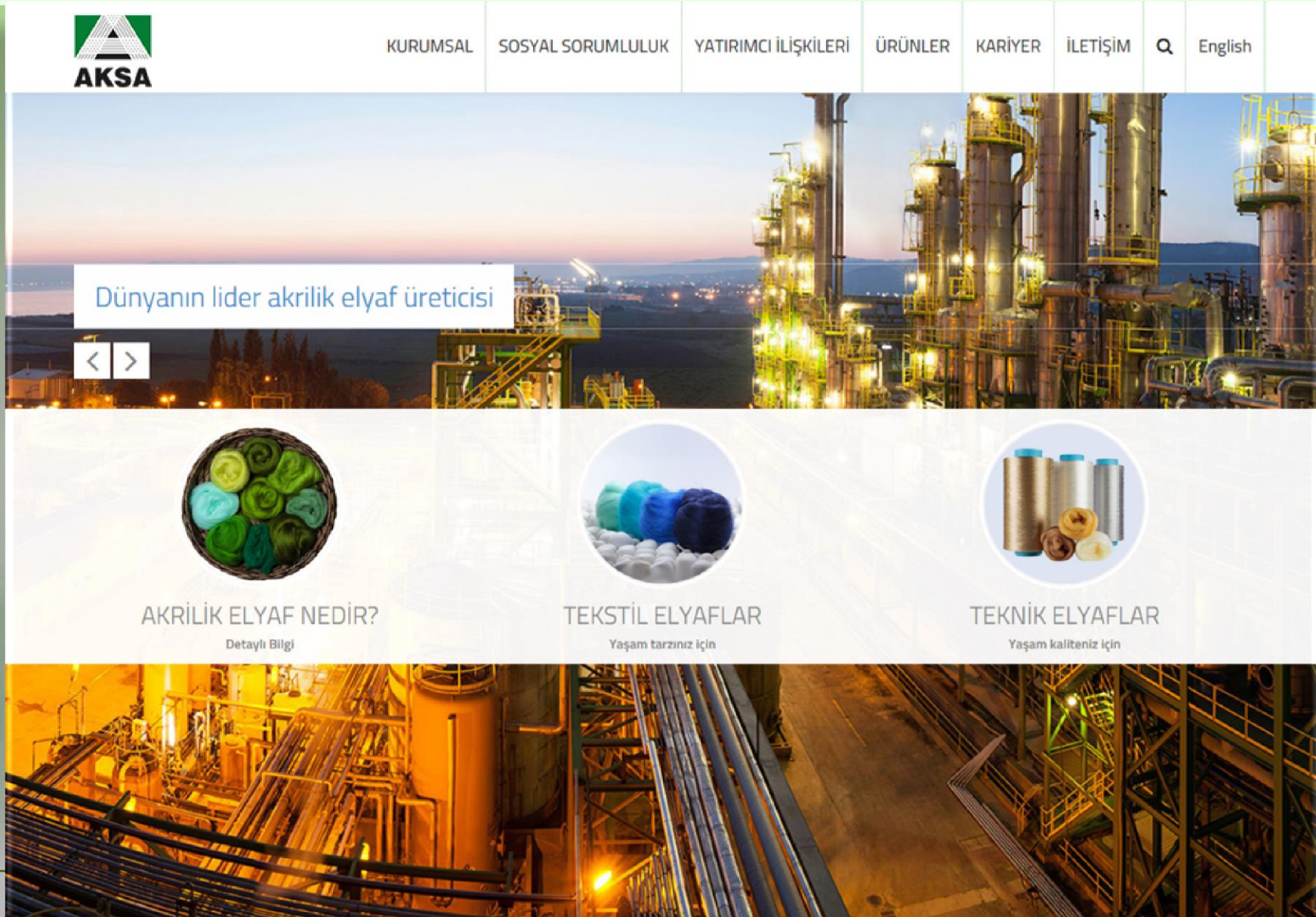
The institute’s goals are;

- Decreasing production cost of advanced composite material by 25%
- Decreasing energy used in production by 50%
- Increasing recyclability of the production process by 80%.



- Signed joint development agreement (JDA) with Ford Motor Company and Ford Global Technologies to advance the development of cost effective, high volume manufactured carbon fiber for use in automotive and other industries. Ford is planning to start using carbon fiber products in 2019.

► WEB SITE – AKSA.COM





2016 HIGHLIGHTS

► 2015 HIGHLIGHTS

Investment Loan from EBRD

Obtained twentyfive (25) Million Euros loan from European Bank for Reconstruction and Development (EBRD) for financing of modernization and investment projects. It is a 5 year time loan with a year of grace period and with 'Three (3) Month Libor + 1,95' interest rate.

Corporate Governance Rating Update

After the revision of corporate governance rating for 2016 our rating has been updated as 9,60 (95,98) as of 22.07.2016. In 2016, Akso achieved to have the highest 1st rating in the corporate governance index.

► 2015 HIGHLIGHTS

Dividend Payment

In 4 April dated General Assembly Meeting, dividend amount for shareholders is settled as 157 Mio TRY. Payment is done immediately on 6 April.

ACN Prices AF Prices

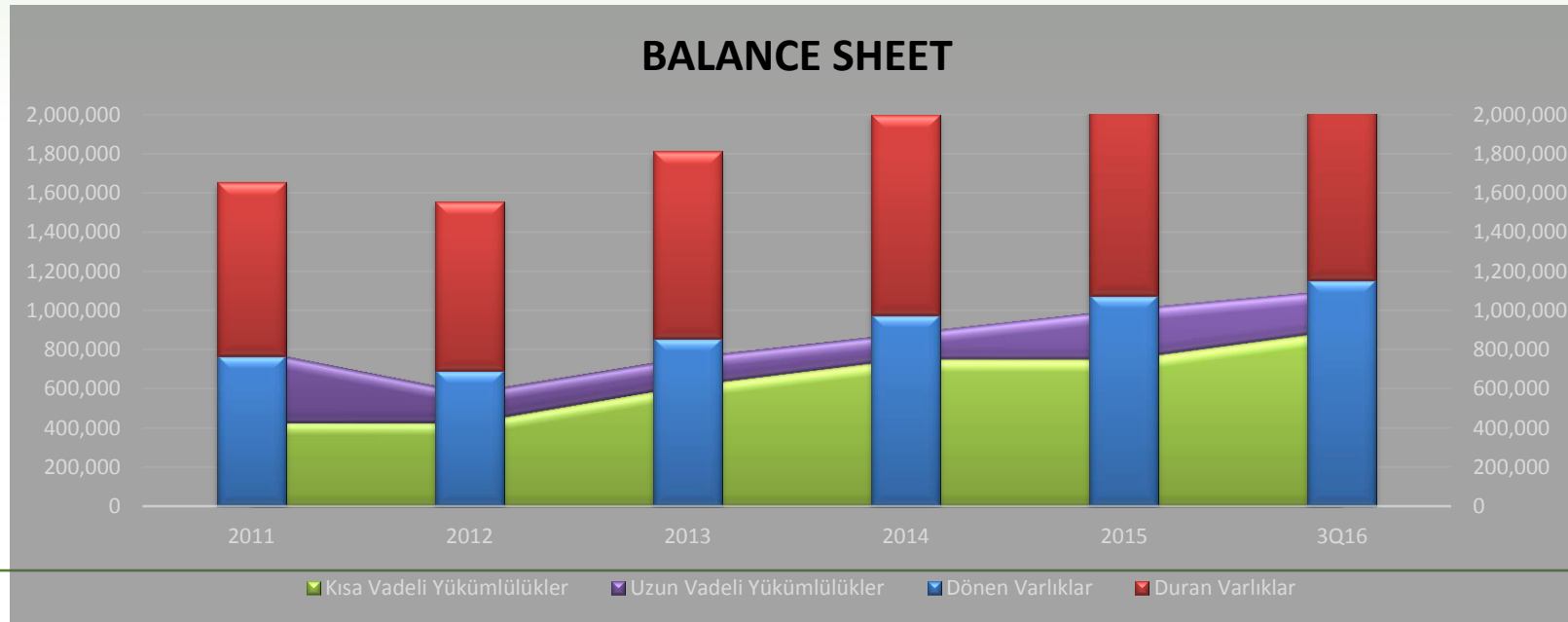
Due to decreasing oil prices, our main raw material ACN's price also decreased. In 2015 average price was around USD 1.300; but the year end figures were around USD 950. In 2016 the prices were around USD 1.000. The decrease in ACN prices resulted in decreasing Acrylic Fiber prices in global.



FINANCIAL INFORMATION

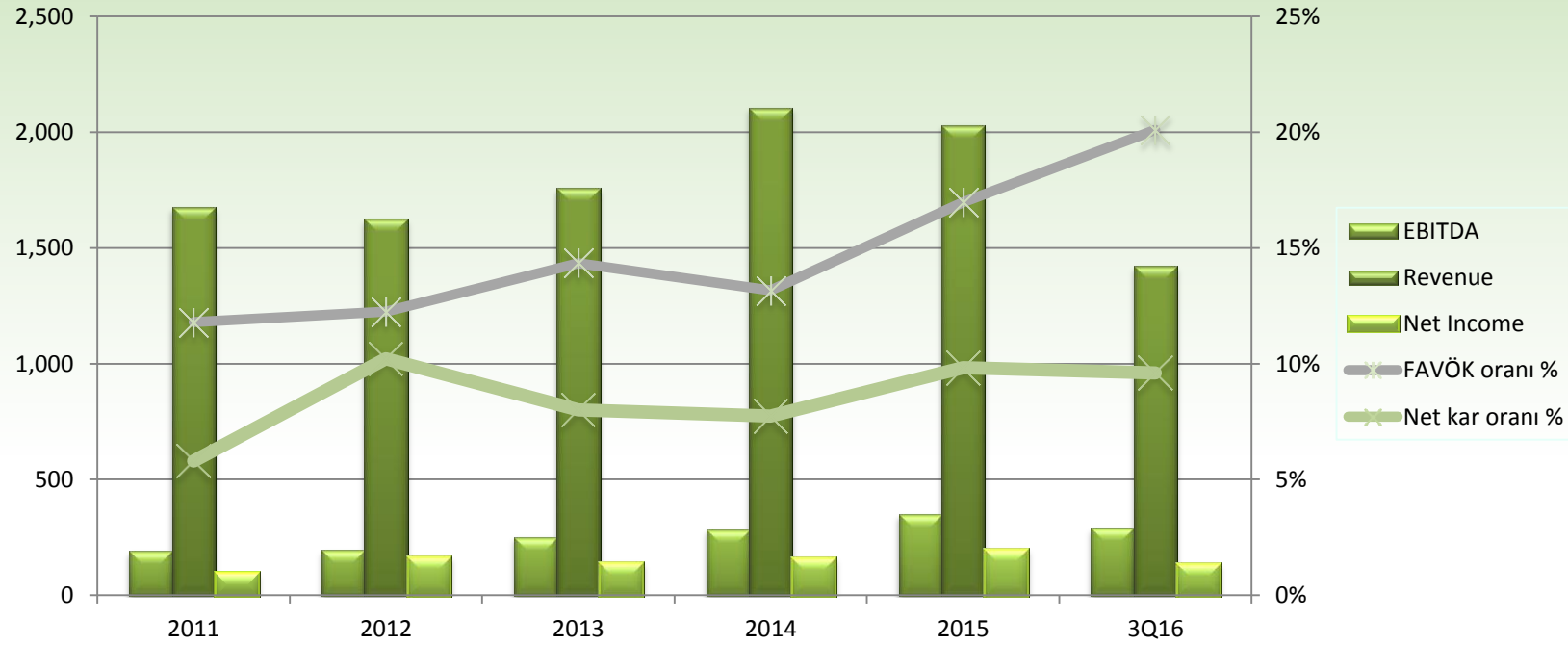
► BALANCE SHEET

BALANCE SHEET (Bin TL)						
	2011	2012	2013	2014	2015	3Q16
Current Asset	768.174	692.258	857.189	977.000	1.075.543	1.156.408
Non -current Asset	884.391	864.698	954.416	1.021.065	1.178.532	1.174.391
	0	0	0	0	0	0
Total	1.652.565	1.556.956	1.811.605	1.998.065	2.254.075	2.330.799
	0	0	0	0	0	0
Current Liability	432.974	429.596	616.554	751.751	751.107	898.634
Non- current Liability	368.644	156.440	147.565	132.951	254.372	206.311
Shareholders' Equity	850.947	970.920	1.047.486	1.113.363	1.248.596	1.225.854
	0	0	0	0	0	0
Total	1.652.565	1.556.956	1.811.605	1.998.065	2.254.075	2.330.799

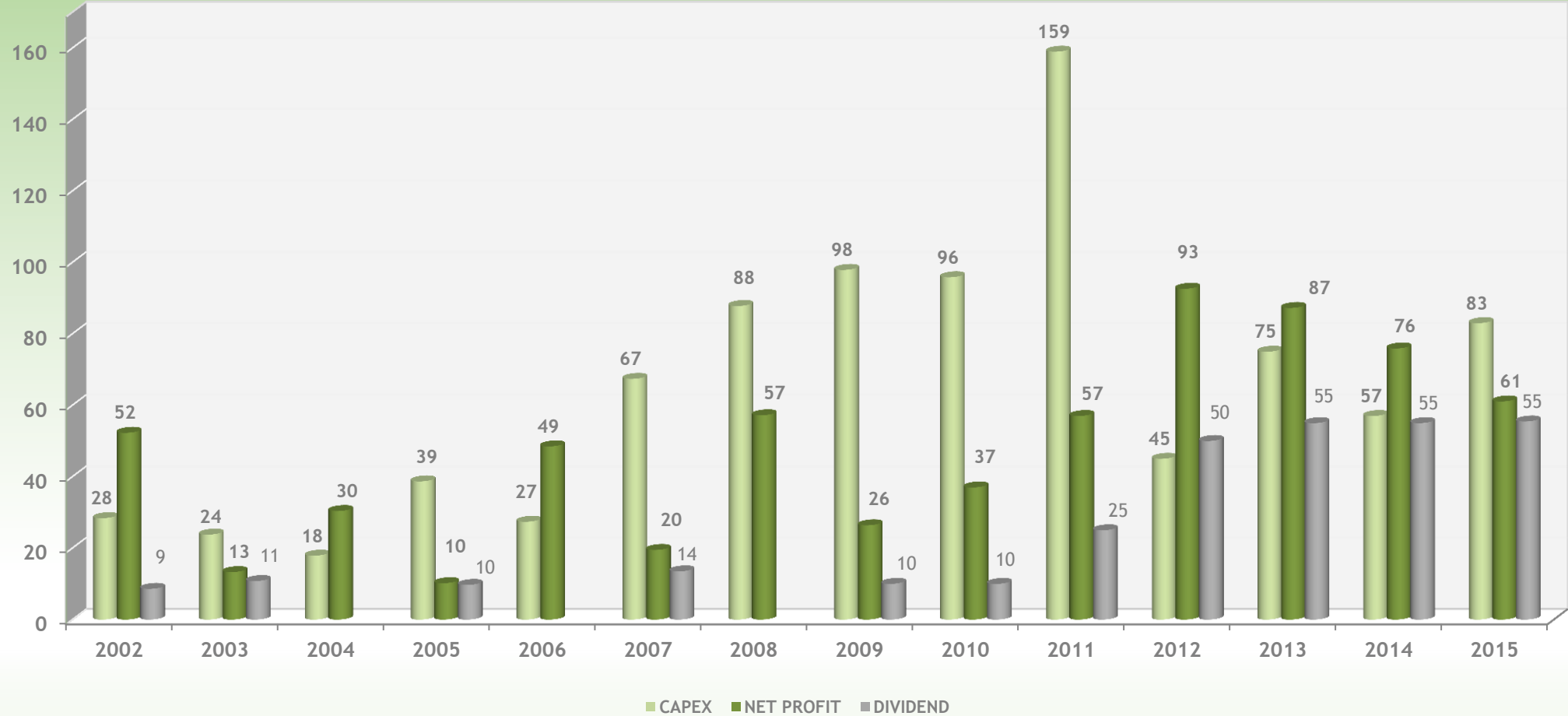


► INCOME STATEMENT

Mio TRY	2011	2012	2013	2014	2015	3Q16
Revenue	1.675	1.625	1.756	2.105	2.030	1.420
EBITDA	193	196	252	285	350	292
Net Income	97	166	141	163	199	136
EBITDA Margin %	12%	12%	14%	14%	17%	21%
Net Income Margin %	6%	10%	8%	8%	10%	10%



► INVESTMENT – PROFIT – DIVIDEND (2002 – 2015)



► BUDGET FIGURES

		2016 Estimate (mil)	2015 Actual (mil)	2014 Actual (mil)	2013 Actual (mil)
Net Sales		US\$ 610-655	US\$ 747	US\$ 963	US\$ 923
	Fibers	US\$ 560-600	US\$ 695	US\$ 904	US\$ 859
	Energy	US\$ 46-50	US\$ 48	US\$ 55	US\$ 61
	Other	US\$ 4-5	US\$ 4	US\$ 4	US\$ 3
Export		US\$ 240-260	US\$ 299	US\$ 312	US\$ 310
Capacity Utilization		98%	98%	99%	98%
EBITDA margin ~		17-18%	17,2%	13,4%	14,3%
CAPEX		US\$ 70-80	US\$ 83	US\$ 57	US\$ 75

Attention

These figures reflect current expectations and assumptions. Future expectations are based on the circumstances and assumptions in the related period, may not be realized upon risk and uncertainties.

We are not obliged to update or revise budget figures due to potential incidents, new information or other reasons. Unless it is stated otherwise, financial information is consolidated and operational information is unconsolidated (solo).

► APPENDIX / DISCLAIMER

• Aksa Akrilik Kimya Sanayii A.Ş. ("Aksa") has prepared this book (the "Book") for the sole purpose of providing information relating to Aksa (the "Information"). The contents of this Book is based on public information and on data provided by Aksa management. No reliance may be placed for any purposes whatsoever on the Information contained in this Book or on its completeness, accuracy or fairness. The Information in this Book is subject to verification, completion and change. No rebook or warranty is made by Aksa or the Shareholders or any of their respective advisers or any of their representatives as to the accuracy or completeness of the Information and no liability is accepted by any such person for any such Information or opinion or for any loss howsoever arising from any use of this Book or the Information. This Book and/or the Information is confidential and cannot be copied, disclosed or distributed to any person and is being provided to you solely for your information. This Book and/or the Information cannot be distributed or disseminated into Turkey. This Book and/or the Information do not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities of Aksa, nor shall it or any part of it nor the fact of its distribution form the basis of, or be relied on in connection with, any

contract or investment decision. Investors and prospective investors in securities of any issuer mentioned herein are required to make their own independent investigations and appraisal of the business and financial condition of such company and the nature of the securities. Any decision to purchase securities in the context of a proposed offering of securities, if any, should be made solely on the basis of information contained in an offering circular published in relation to such an offering.

• All statements other than statements of historical facts included in this Book, including, without limitation, those regarding our financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to our products), are Forward looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which we will operate in the future. Further, certain forward-looking statements are based upon assumptions of future

events which may not prove to be accurate. The forward-looking statements in this Book speak only as at the date of this Book.

• Aksa and its Subsidiaries and Joint Ventures (Aksa) registered in Turkey maintain their books of account and prepare their statutory financial statements in accordance with the principles and obligations published by the CMB, Turkish Commercial Code, tax legislation, the Uniform Chart of Accounts issued by the Ministry of Finance. The foreign Subsidiaries maintain their books of account in accordance with the laws and regulations in force in the countries in which they are registered.

• US Dollar amounts shown in the presentation have been included solely for the convenience of the reader and are translated from TL as a matter of arithmetic computation only, at the Central Bank of the Republic of Turkey official TL exchange rates