

AKSA

Aksa Akrilik Kimya Sanayii A.Ş.



► CONTENT

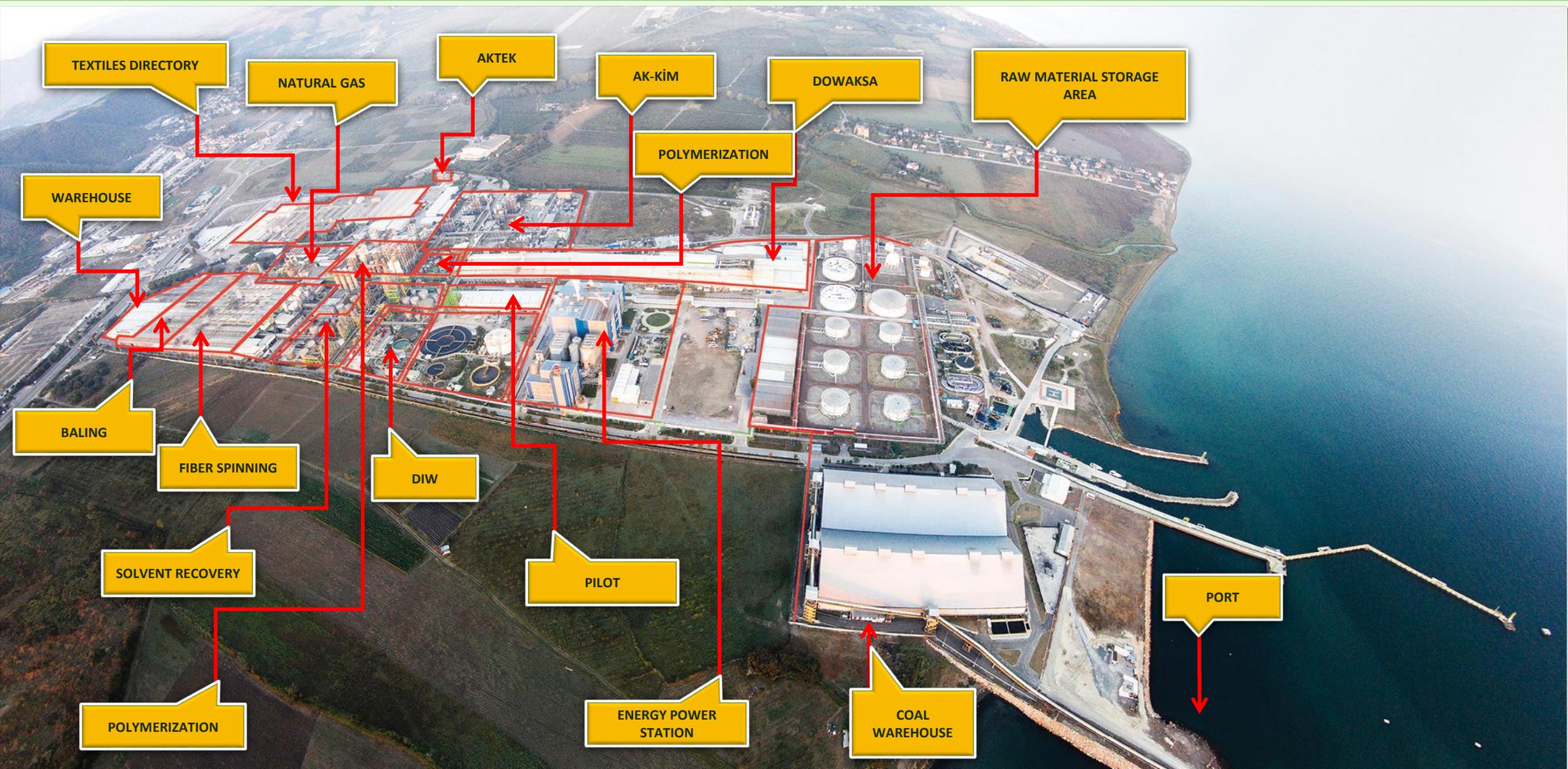
- Aksa in Brief
- Business Information
- Financial Highlights
- Financial Information





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
Adress	Merkez Mahallesi Yalova-Kocaeli Yolu Caddesi No: 34 Yalova / Türkiye
Web	www.aksa.com
E-mail	ir@aksa.com
Tel. / Fax	0 226 353 25 45 / 0 226 353 33 07

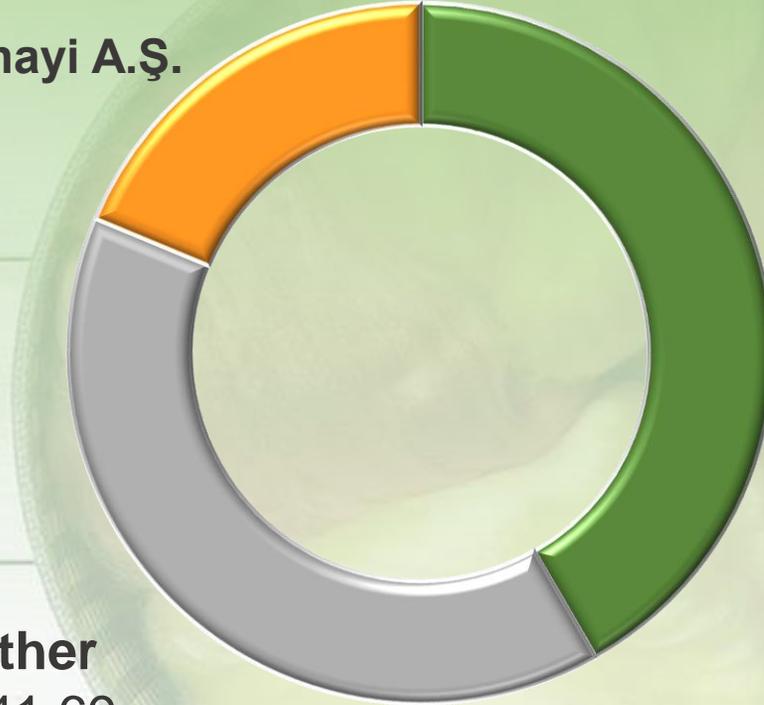
► SHAREHOLDERS

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



► AKKOK HOLDING



Chemicals

- Aksa
- DowAksa
- Ak-Kim
- Gizem Frit



Energy

- Akenerji
- SEDAŞ
- Sepaş



Real Estate

- Akiş
 - Akbatı
 - Akasya
- Akmerkez



Textile

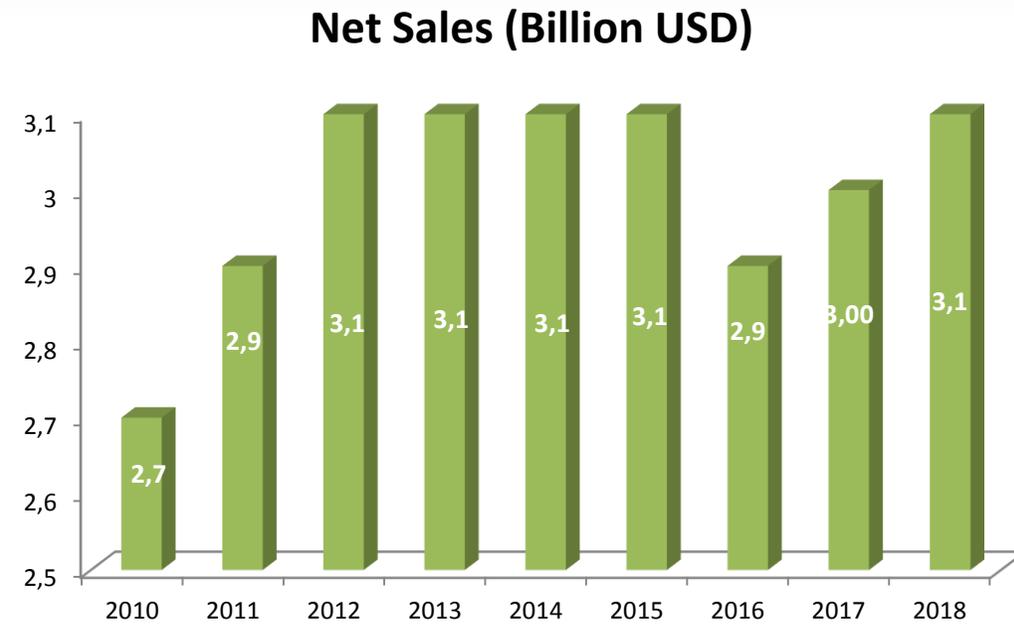
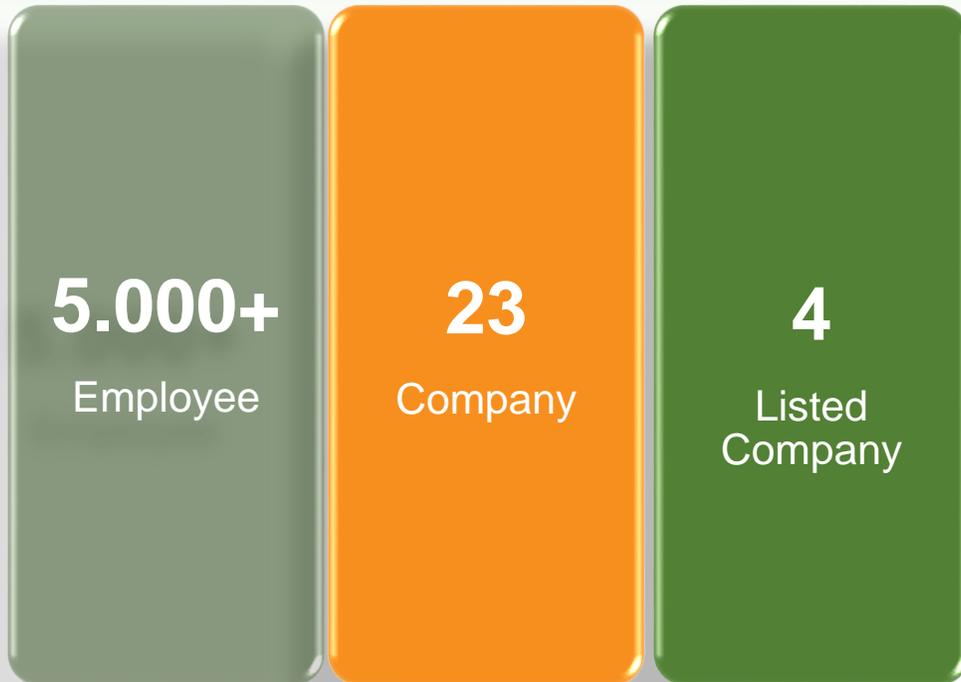
- Aksa Egypt



Services

- Akmerkez Lokantacılık
- Ak-Pa
- Aktek
- Dinkal

► AKKÖK HOLDING



► PARTICIPATIONS – SUBSIDIARIES – JOINT VENTURES

Joint Ventures

DowAksa Holdings

%50 share

400 mio. USD capital

Carbon Fiber production

Subsidiaries

Aksa Egypt

%100 share

Textile

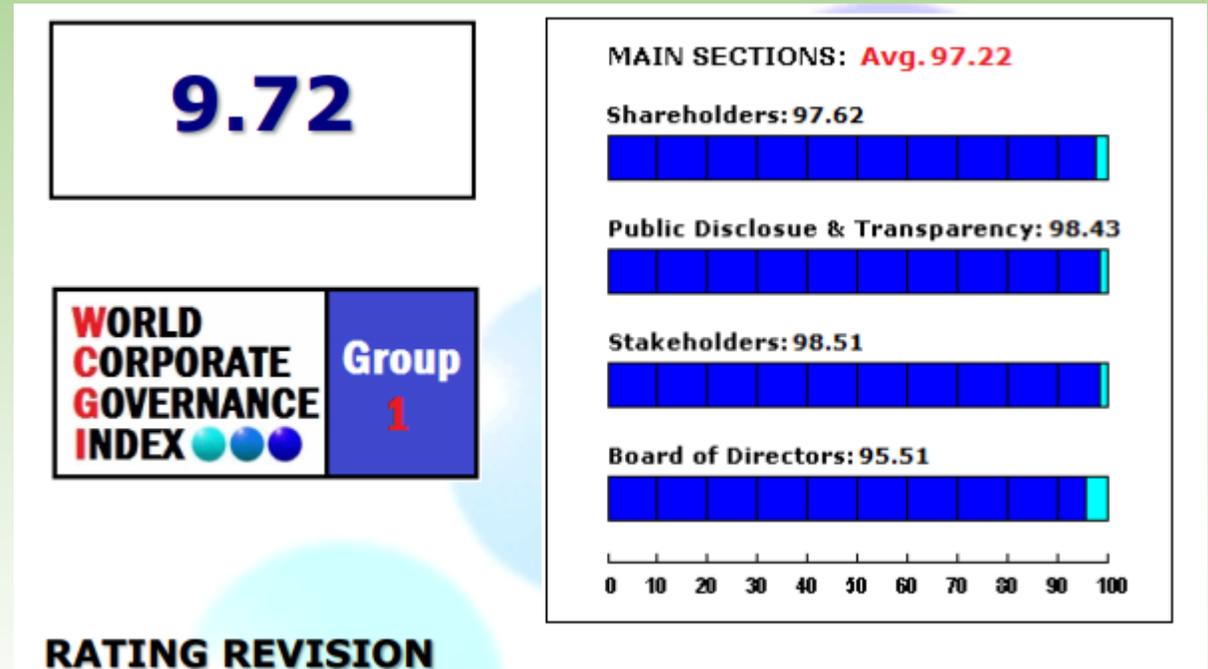
• **Fitco BV**

%100 share - Investment

Company

► ACRYLIC FIBER

Aksa is at the 1st position as of 2018 BIST corporate governance index (2017:1st , 2016:1st)



► ACRYLIC FIBER

Aksa is one of the **biggest 50** industry companies from the beginning of the index.
(2018: 41 th)



Textile & Textile
Raw Materials
Exporters
1st Position



► 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

- 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 2017 & 2016
- Obtained the First Credit Rating Note
- Founded the R&D Center



BUSINESS INFORMATION



► STRATEGIC BUSINESS UNITS



Acrylic Fibers

Largest acrylic fiber producer in the world

●
%18 Global, %68 local market share

●
Around 800 mio.USD revenue

●
Export over 50 countries



Technical Fibers

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

●
Global market leader



Energy

145 Mw electricity licence

●
Around 40 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

▶ MARKET SHARE

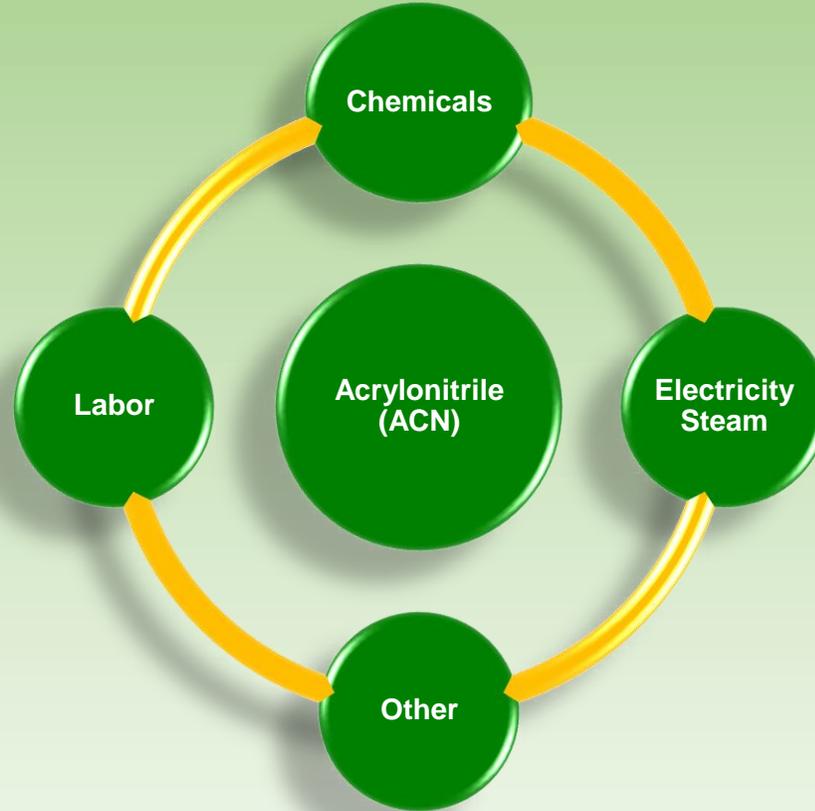
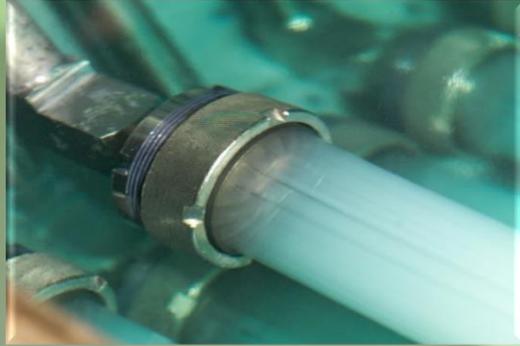
Global Market Share
18%

Technical Fibers
(Outdoor Acrylic Fiber)
Global Market Leader

Market Share in Turkey 68%



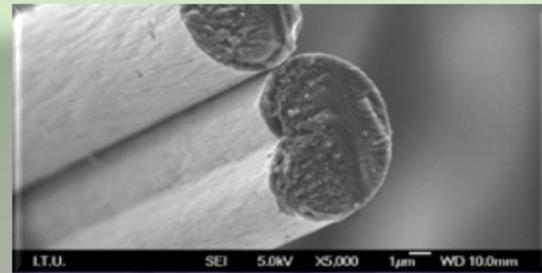
► ACRYLIC FIBER COST COMPONENTS



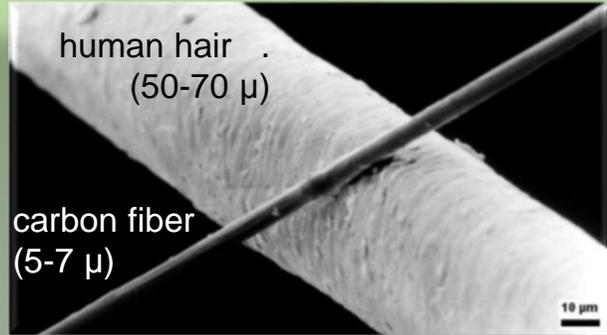
▶ WHAT IS TECHNICAL FIBER?



- 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



2018 & 2019 HIGHLIGHTS

► 2018 HIGHLIGHTS

Joint Venture - Project Based Incentive Programme

Investment Projects planned for the years 2017-2027 of DowAksa İleri Kompozit Malzemeler Sanayi Limited Şirketi, joint venture of our company, regarding capacity increase amounting approximately 535 million USD, is accepted for the Project Based Incentive Programme by Republic of Turkey Ministry of Economy.

Dividend Payment

In 2 April dated General Assembly Meeting, dividend amount for shareholders is settled as 207,2 Mio TRY. Payment is done immediately on 4 April.

Share Buy-Back

The board of directors made a resolution to buyback shares of the Company in the stock exchange market without any limitation under these circumstances. The cap for funds to be used for buyback shall be set as TRY 200,000,000.0 and the maximum nominal value of shares for buyback shall be 20,000,000.00 TL are decided.

► 2019 HIGHLIGHTS

Dividend Payment

In 1 April dated General Assembly Meeting, dividend amount for shareholders is settled as 204,7 Mio TRY.

Change in Production Capacity

Our fiber production capacity, which is 315,240 tons/year, has been updated to 352,177 tons/year after modernization, efficiency and new product project investments. In the capacity utilization rates to be calculated for May 2019 and after, the total capacity will be considered as 352 thousand tons/year.

Share Buy-Back

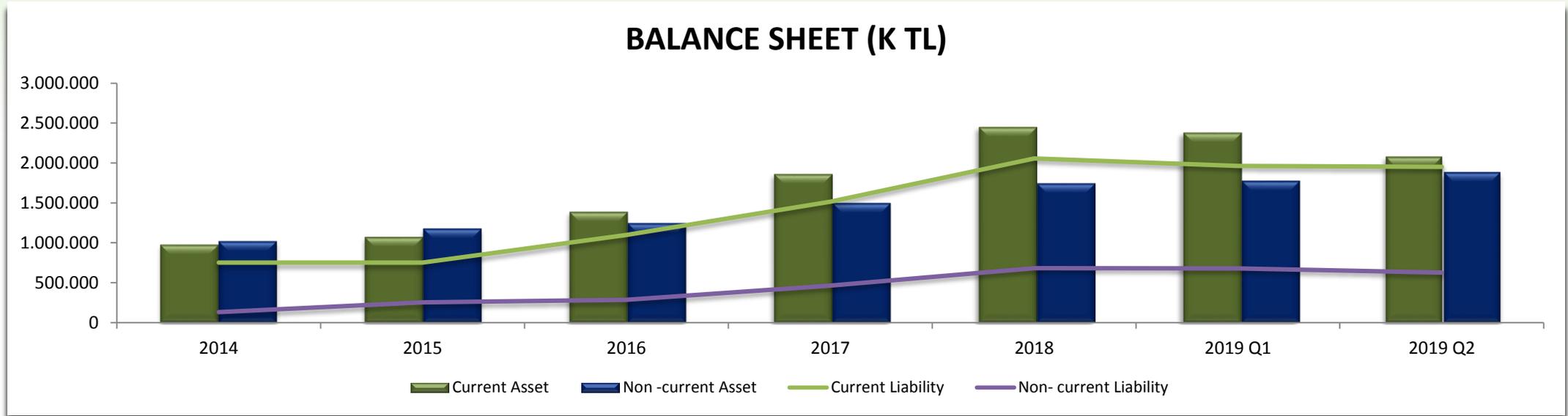
As of 30 June 2019, 37.43% of the Group's shares are traded on BIST and 1.92% of the shares are owned by the Company in the scope of share repurchase program.



FINANCIAL INFORMATION

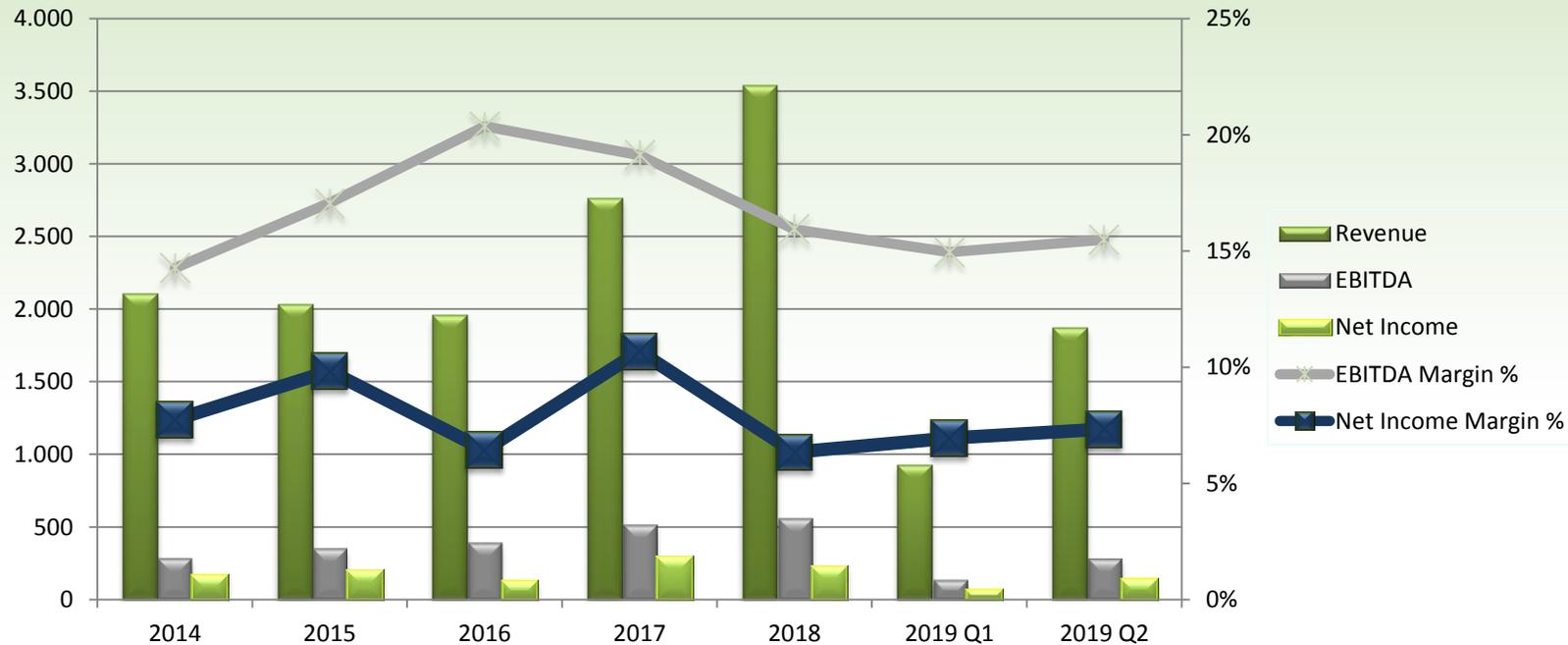
► BALANCE SHEET

BALANCE SHEET (K TL)							
	2014	2015	2016	2017	2018	2019 Q1	2019 Q2
Current Asset	977,000	1,075,543	1,387,576	1,858,921	2,448,122	2,378,351	2,078,840
Non -current Asset	1,021,065	1,178,532	1,245,394	1,495,380	1,740,505	1,773,764	1,880,062
Total	1,998,065	2,254,075	2,632,970	3,354,301	4,188,627	4,152,115	3,958,902
Current Liability	751,751	751,107	1,097,750	1,514,236	2,057,250	1,964,954	1,950,599
Non- current Liability	132,951	254,372	285,515	463,946	683,895	678,516	625,808
Shareholders' Equity	1,113,363	1,248,596	1,249,705	1,376,119	1,447,482	1,508,645	1,382,495
Total	1,998,065	2,254,075	2,632,970	3,354,301	4,188,627	4,152,115	3,958,902

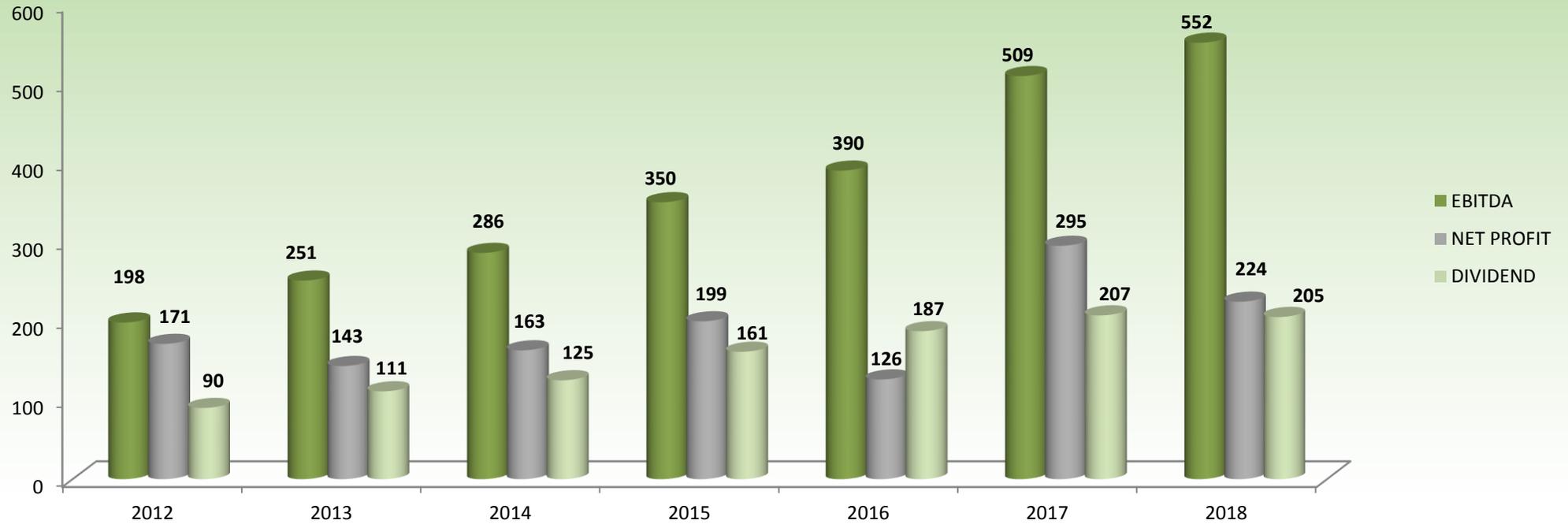


► INCOME STATEMENT

Million TL	2014	2015	2016	2017	2018	2019 Q1	2019 Q2
Revenue	2,105	2,030	1,954	2,762	3,538	925	1,869
EBITDA	285	350	390	509	552	139	283
Net Income	163	199	126	295	224	64	137
EBITDA Margin %	14%	17%	20%	18%	16%	15%	15%
Net Income Margin %	8%	10%	6%	11%	6%	7%	7%



▶ INVESTMENT – PROFIT – DIVIDEND (MILLION USD)



► BUDGET FIGURES

MILLION USD	2019 Forecast	2018 Actual	2017 Actual	2016 Actual
Net Sales	650-700	732	759	651
Capacity Utilization	80-85%	82%	98%	100%
CAPEX	35-40	45	99	36

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 Akxa (the "Information"). The contents of this Book is based on public information and on data provided by Akxa 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 Akxa 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 Akxa, 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.

• Akxa and its Subsidiaries and Joint Ventures (Akxa) 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