

**THE RIGHT COMPONENTS ARE
WHAT CEMENT OUR SUCCESS**

Agenda

29 March 2016 Ordinary General Meeting

1. Opening and formation of the Presiding Board,
2. Reading and discussion of the 2015 Annual Report of the Board of Directors,
3. Reading the 2015 Auditor's Report,
4. Providing information to the General Assembly regarding donations and grants made in 2015,
5. Reading, discussion and approval of the 2015 financial statements,
6. Discharge of Board of Directors from liability for the 2015 financial year,
7. Determining the manner to use the 2015 profits, and the dividend and gain rates,
8. Setting the donation limits of the company in 2016,
9. Submitting for the approval of the General Assembly the elected members to serve for the remaining duration in the board of directors posts which were vacated in the operating year,
10. Selecting the auditor,
11. Approval of the amendment of Article 6 of the Articles of Association based on the permissions taken from the Capital Markets Board and T.R. Customs and Trade Ministry,
12. Authorizing the Chairman and Members of the Board of Directors to perform the written procedures stated in Articles 395 and 396 of the Turkish Commercial Code (TCC).

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With the same first-day excitement and pride in our 20th year

Gearing up to celebrate its 20th anniversary in 2016, Akçansa enjoys a reputation as the cement industry's respected, trusted, and leading player thanks to the projects it has undertaken and the advances it has made in the two decades since it commenced operations.

Akçansa distinguishes and differentiates itself in the sector both through the added value that it generates and the jobs that it creates for the Turkish economy and through its efforts on behalf of economic, social, and environmental sustainability.

As a driving force of its industry, Akçansa has defined its corporate vision as "Sustainable growth beyond all limits" and is focused on creating value in every area in which it has a presence and every business line in which it is active through its market- and customer-focused service approach and its high-added-value products and services.

Bringing employees, customers, neighbors, suppliers, business partners, and all its other stakeholders together in a unified whole, Akçansa views the future with confidence.

Embracing the union of strength that arises from having listened to and synergistically collaborated and worked with its stakeholders for twenty years, Akçansa also shapes the future of its industry with its innovative approach.

And just as today so too in the future, Akçansa will continue to be the pioneering leader of Turkey's cement and ready-mixed concrete sector and to create value for the Turkish economy.

With the same excitement and pride in our 20th year that we had on our very first day, we will continue to grow and to advance the Akçansa name into the future as well.

Expertise

With our expertise, we develop products that suit structural demands and customer requirements.

Innovation

With our portfolio of special-purpose and innovative products, we reinforce our competitive position.

Financial strength

With our solid partnership structure and equity resources, we have all the financial strength we need and more to carry out our production and investments.

Team

With our team of some of the best professional and technical specialists to be found anywhere, we increase our added value and define the sector.

Technology

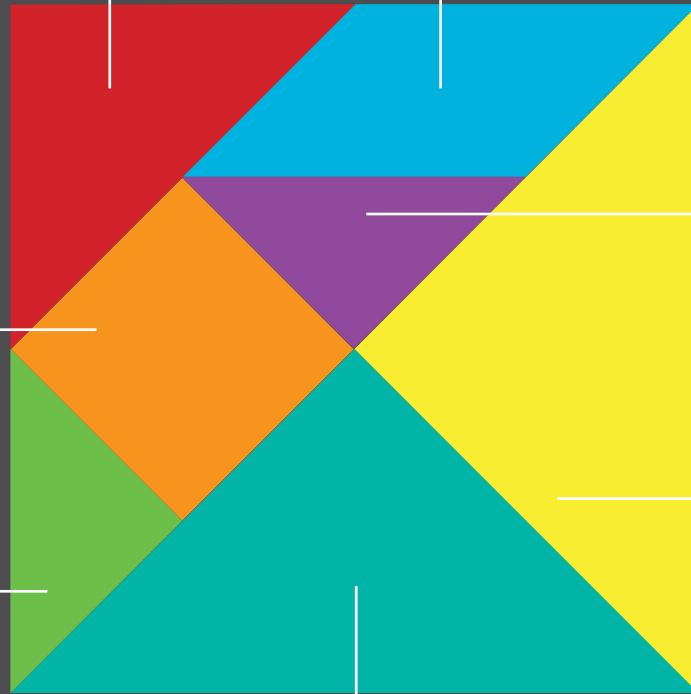
With our technological knowhow and creativity, we fashion the foundations of sustainable buildings.

Experience

With our Sabancı Holding-HeidelbergCement partnership structure, we are backed by experience that is both broad and deep.

Vision

With our visionary sense of leadership, we identify new horizons for our sector to advance towards.



Akçansa in Brief

A strong brand in its 20th year

Gearing up to celebrate its 20th anniversary in 2016, Akçansa was born in 1996 out of the merger of Akçimento (founded in 1967) and Çanakkale Çimento (founded in 1974).

Active in Turkey's Marmara, Aegean, and Black Sea regions, Akçansa produces cement and clinker at its three factories located in İstanbul-Büyükçekmece, Çanakkale-Ezine and Samsun-Ladik. The Company also has five cement terminals located at İstanbul-Ambarlı, İzmir-Aliğa, Yalova, Yarımca, Derince, Marmara Ereğlisi, and Hopa.

Following the merger of Akçansa and its subsidiary Betonsa in 1998, Akçansa began providing ready-mixed concrete products and services under the "Betonsa" brand the same year. Betonsa currently has operations at 36 plants in the Marmara, Black Sea, and Aegean regions. In 2002 Akçansa merged with its aggregate-making subsidiary, Agregasa, and is now conducting those operation under the "Agregasa" brand at four plants

Akçansa: A Sabancı Holding & HeidelbergCement joint venture and industry leader

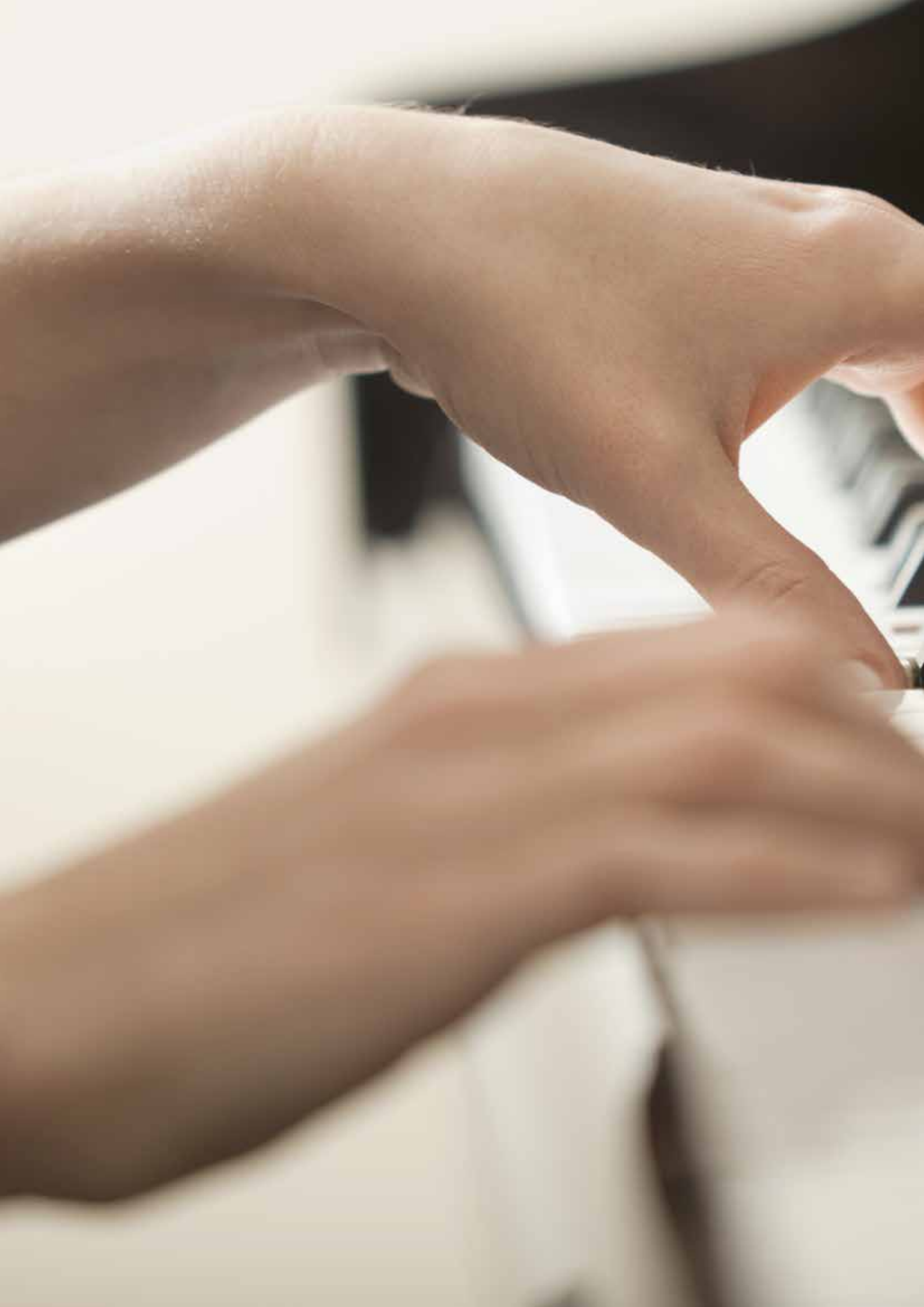
The product of the synergistic collaboration and cooperation of Sabancı Holding, one of the driving forces of the Turkish economy, and Germany-based HeidelbergCement, one of the world's leading cement-makers, Akçansa today is Turkey's biggest producer of cement and ready-mixed concrete and the leader of its sector.

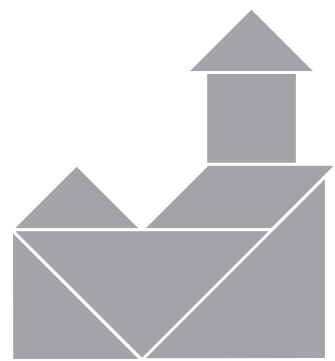
With an extensive portfolio of products conforming to world quality standards, a nature-friendly reputation acknowledged by the İstanbul Chamber of Industry, a commitment to superior service, and plants equipped with state-of-the-art technology, Akçansa supplies about 10% of the cement that Turkey needs.

A pioneering company that invests in the future

When Akçansa undertakes investments it is considerate of the needs not just of the present but of the future as well. At every stage of production, the company conducts its operations with a mindfulness for sustainability and as an economically, environmentally, and socially-conscientious corporate citizen whose aim is to leave a more livable world for future generations.

"A Viable World for Reach Out for Future", Akçansa's third sustainability report, was composed and published in compliance with Global Reporting Initiative (GRI) "G4" core standards. The company is also a signatory to the UN Global Compact, in line with whose requirements it commits itself to acting in accordance with, practicing, and following the principles set out in that document.





**We create
value with
the right
components.**



Values*



For 14 years in a row,
we have been **"The Most Admired Company"** in our industry.

* Designated in the Search Conference held by Akçansa employees



Mission

To become a pioneering construction materials company that constantly improves the quality of life for the community by creating value for the;

- Customers, through innovative products, services and solutions,
- Stakeholders, through superior financial performance,
- Employees, through a corporate philosophy which emphasizes occupational health and safety as well as opportunities for ongoing growth,
- Environment, by giving priority to the use of alternative fuels and raw materials, recycling processes and biological diversity,
- All other stakeholders.

Vision

“Sustainable growth beyond all borders”

To achieve sustainable growth beyond all borders as the construction materials industry’s most trusted company, with the most preferred business model.

The success of Akçansa's efforts to improve the quality of society's life by creating value for its stakeholders is attested to by the awards that it has received in many different areas.

Achievements and Awards

Akçansa received the "Turkey's Most Admired Company" award in the cement industry for the fourteenth time in the 2014 round of the **"Turkey's Most Admired Companies"** survey conducted jointly by GfK, Germany's largest market research institute, and Capital, a magazine.

In the 2014 edition of **Turkey's Top 500 Industrial Companies** published by the Istanbul Chamber of Industry, Akçansa ranked 62nd among all 500 concerns and first among cement-makers.

In Sabancı Holding's series of **"Golden Collar Awards"**, Akçansa placed first among all Sabancı Group members in the **"Value Drivers"** category.



In the sixth series of the Sabancı Golden Collar Awards, Akçansa was honored four times by placing first in the "Digitalizing" category and the "Market Orientation" subcategory and third in the "Equality in Business" category and by receiving an honorable mention in the "Synergy" category.

Putting people at the focal point of all of its activities and adhering to a "Zero Accidents" goal, Akçansa authored a first in Turkey with the opening of its Occupational Health & Safety Academy at three of its plants: Büyükçekmece, Çanakkale, and, most recently, Ladik.

In the second round of the **"Green Dot Industry"** awards handed out last year by the Environmental Protection and Packaging Waste Recovery and Recycling Trust (ÇEVKO), Akçansa won an award in the "Environment-Themed Social Responsibility Practices" category for its "Kids Who Change Tomorrow" and "Biodiversity Competition" projects.

In the **Turkey 2015 Program of the EU Environment Awards**, which have been given out annually in Turkey since 2006, Akçansa was one of the finalists. The company's participation in this event also gave it a chance to represent its country in the international arena.



Akçansa supports the **Global Apprenticeships Network (GAN) Project**, whose aim is to help combat joblessness among young people. The goal of the first national implementation of a GAN program in Turkey, which has been initiated by the Turkish Confederation of Employer Associations, is to draw up a roadmap for addressing the problem of youth unemployment with the support of 21 member companies.

Akçansa adheres to occupational health and safety international standards and best practices while also complying with Turkey's newly-passed Workplace Safety Act. The company's Garipçe ready-mixed concrete plant placed first among 625 entrants from around the world in HeidelbergCement's **"Safe Work Healthy Life Awards"** competition while also bringing home the first prize in the award series' "Ready-Mixed Concrete" category. The company's Büyükçekmece and Saray plants received honorable mentions in the cement and aggregate categories.

In the 2014 round of awards handed out by the Cement Industry Employers' Association to recognize the sector's companies that perform the best in the area of occupational health and safety, Akçansa's Ladik plant received the **"Cement Industry Occupational Health & Safety Performance"** award.





Akçansa undertakes socially-beneficial projects and engages in efforts to create value in the areas of health, culture, art, education, sport, and the environment.

Speaking of Sustainability...

Akçansa is continuing with all of its sustainability-related initiatives with no loss of momentum or zeal. Seeking to author new projects in 2015, the company composed and published its **third sustainability report**, this time in compliance with Global Reporting Initiative "G4" core standards. The company has also signed the United Nations Global Compact, an innovative corporate responsibility approach that sets out universal principles for businesses to commit themselves to.

Akçansa regularly responds to the Carbon Disclosure Project (CDP) survey, which queries and analyzes organizations' responses in order to identify significant trends and developments in the areas of climate change, environment, water, and forest management in different countries. Having received a "76C" score in 2014, the company improved that to "92D" in 2015. Akçansa also voluntarily took part in Turkey's first CDP Water Program, the aims of which are to encourage companies to modify operational practices so as to help combat climate change and protect natural resources. Besides being the first such program undertaken in Turkey, it also makes Turkey one of the first countries to take part in such a program.

Akçansa is one of Turkey's leading advocates in the use of alternative fuels and raw materials. In 2015 the company continued its activities in this area, which it regards as being vital to the protection of the environment and natural resources.

Through the **"Akçansa Biodiversity Project Competition"**, the company solicits young people's ideas about projects to rehabilitate and repurpose disused quarries and mines while also creating public awareness of such issues.

Through the **"Neighborhood Councils"** that are organized in

the communities where its plants are located, Akçansa encourages stakeholders to participate in company decisions that may have an impact on them.

Speaking of market focus...

Akçansa regards its customers as business partners, distinguishes itself as a provider of high-added-value products and services, and strives to satisfy customers' expectations in the best way possible in everything from production quality to after-sales services. It was because of its commitment to market focus that Akçansa took first place in the "Market Orientation" subcategory in the Sabancı **Golden Collar** Awards program. Seeking to be close to its customers in order to correctly observe and analyze market trends and to increase its own insightfulness through such analyses, Akçansa's marketing strategies go beyond traditional methods by taking a broad-perspective, satisfaction-focused approach to service.

Akçansa authored a first in its sector with the launching of **www.akcansamarket.com**, Turkey's first online cement market. Taking advantage of Akçansa's extensive dealership network and distribution capabilities, this website allows users to conveniently place orders for cement and have it delivered to where they want. They can even pay for it with a credit card.

In the conduct of R&D, Akçansa focuses especially on ideas that will save time and money both for itself and for its customers. One such solution is **Yolbeton**, a product designed for road surfaces which is as tough and strong as traditional concrete but which is as easy to apply as asphalt. With features that make it faster and more economical to use, Yolbeton is an excellent alternative road surfacing

material that is as much at home on city streets as it is on country lanes.

Speaking of social responsibility...

Akçansa's actions are informed by its awareness that being the leading player in Turkey's cement industry entails responsibilities that go beyond generating economic added value. As a responsible corporate citizen, Akçansa undertakes socially-beneficial projects and engages in efforts to create value in the areas of health, culture, art, education, sport, and the environment.

In line with its goal of helping to make the world a more livable place, Akçansa has **joined forces with TOÇEV**, a foundation that helps kids who want to go to school but don't because their families can't afford to send them or because they have to work, in the conduct of **"My Neighborhood"**, a community-welfare project whose aim is to reach 10 thousand or so people in the Büyükçekmece area during the 2016-2017 school year. Employing a team of experts and specialists, the "My Neighborhood" project seeks to contribute to the development of children and their parents by improving parenting skills, coming up with solutions to problems that school-age children frequently encounter, and helping kids grow up into healthy and responsible adults. Programs aimed specifically at children in the 6-12 age group and at their parents have been developed for this project by professional educators. The programs for parents concentrate primarily on child-rearing issues. Separate programs for adolescent boys and girls also focus on interacting more positively with those around them. A mobile training center specially designed for this project will be making the rounds of the 68 schools in Büyükçekmece township this year. The company plans to undertake similar projects in Samsun and Çanakkale in the years ahead.

YOL
BETON



BETONSA

AKÇANSA Market

AKÇANSA MARKET HAKKINDA ÜRÜNLER YARDIM İLETİŞİM



Türkiye'nin
ilk çimento
marketi

AKÇANSA.MARKET.COM

Ürünlerimiz

50 KG 42,5



1 ton için 20 torba alınmalıdır.

50 KG 32,5



1 ton için 20 torba alınmalıdır.

25 KG 32,5



1 ton için 40 torba alınmalıdır.

5 KG 32,5



1 ton için 200 torba alınmalıdır.

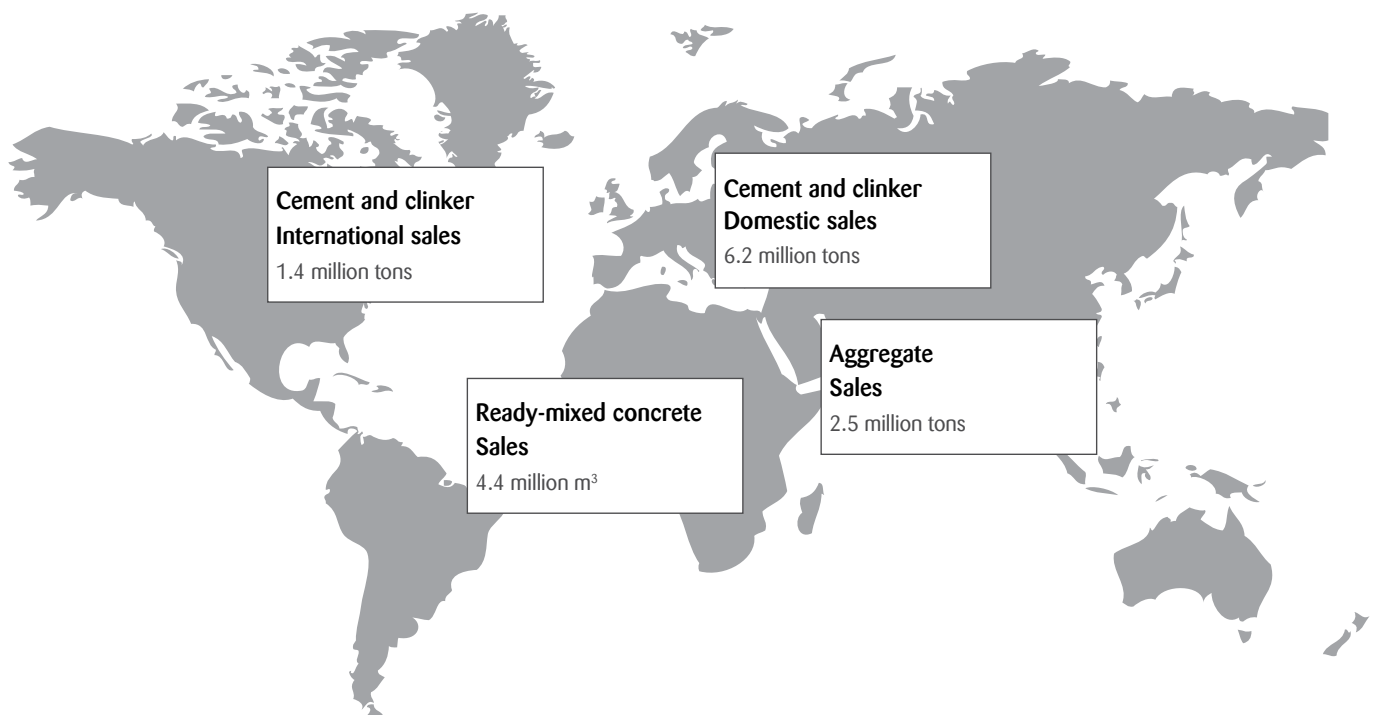


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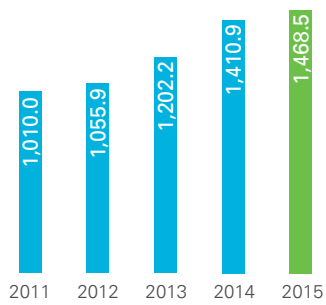


**We maintain
our leadership
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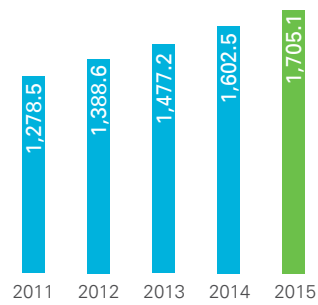
Akçansa by the Numbers: 2015



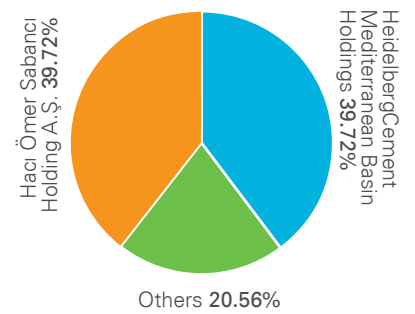
Net Sales (TL million)



Total Assets (TL million)



Shareholder Structure (%)

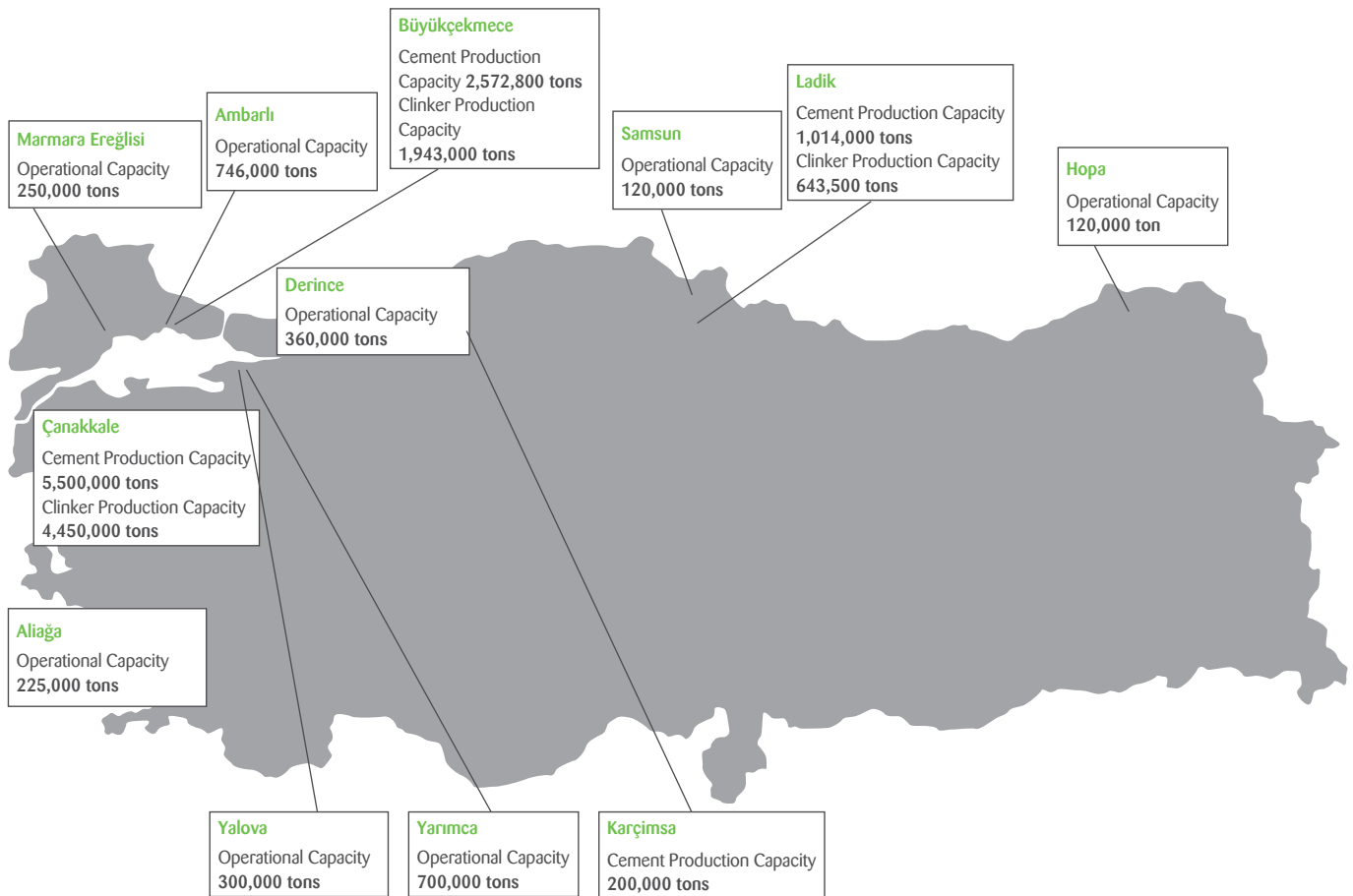


Akçansa's successful financial and operational performance continued in 2015.

Financial and Operational Indicators

	2011	2012	2013	2014	2015
Sales (million tons)					
Total Cement - Clinker	7.7	7.5	7.7	7.5	7.6
Cement-Total	6.8	6.3	6.8	6.8	6.9
Domestic	5.3	5.1	5.9	6.2	6.2
International	1.5	1.2	0.9	0.6	0.7
Clinker-Total	0.9	1.2	0.9	0.7	0.7
Domestic	0.1	0.1	0.0	0.1	0.0
International	0.8	1.1	0.9	0.6	0.6
Ready-Mixed (million m ³)	5.2	5.0	4.8	4.7	4.4
Net Sales (TL million)	1,010.0	1,055.9	1,202.2	1,410.9	1,468.5
EBITDA (TL million)	192.7	214.8	270.2	389.8	429.8
EBITDA Margin (%)	19.1	20.3	22.5	27.6	29.3
EBIT (TL million)	139.1	157.8	206.8	324.4	358.8
EBIT Margin (%)	13.8	14.9	17.2	23.0	24.4
Profitability					
Net Profit (TL million)	100.3	120.0	157.9	248.8	281.1
Earnings per Share	0.52	0.63	0.82	1.30	1.50
Dividend Ratio Per Share (Gross) (%)	46.3	57.5	75.4	118.2	134.6
Net Financial Debt (TL million)	133.3	210.5	163.5	85.0	91.1
Equity (TL million)	862.9	911.5	987.6	1,143.0	1,187.2
Total Assets (TL million)	1,278.5	1,388.6	1,477.2	1,602.5	1,705.1

Operational Capacities



Cement production capacity of 9.3 million tons

Clinker production capacity of 7.0 million tons



While getting ready to celebrate its 20th year in business, Akçansa closed its books for 2015 having demonstrated a successful and sustainable financial performance.

Chairman's message



Having recently received the "Turkey's Most Admired Company" award in the cement industry for the fourteenth time, Akçansa closed its books for 2015 showing a successful and sustainable financial performance.

Akçansa is Turkey's leading construction materials company.

Akçansa's 2015 performance gained additional momentum in parallel with increases in the country's urban renewal and infrastructure projects.

Besides impacting favorably on our sector by nourishing domestic demand, we regard major infrastructure works and so-called "mega projects" like the third Bosphorus bridge, hydroelectric power plants, and subways as opportunities to create enduring value for our country's economic development.

The impact of urban renewal projects also became increasingly more evident in 2015. The leveraging effect of such projects not just on Akçansa but on our sector as a whole has become significant and will become even more so in the years ahead.

Akçansa has been awarded "Gold" level accreditation by Investors in People, a consultancy whose standards for people management have been internationally recognized since 1991. Adhering to occupational health and safety international standards and best practices as well as complying with Turkey's newly-passed Workplace Safety Act, the company's Garipçe ready-mixed concrete plant placed first among 625 entrants from 22 countries in HeidelbergCement's "Safe Work Healthy Life Awards" competition.

The company's Büyükçekmece and Saray plants also received honorable mentions.

In 2015 Akçansa booked sales worth TL 1,468.5 million and a net profit of TL 281.1 million.

The company's EBITDA, which amounted to TL 429.8 million as of end-2015, corresponded to an EBITDA margin of 29.3%.

Akçansa's output in 2015 supplied about 9.5% of all the cement needed in Turkey last year. Our domestic sales of cement and clinker weighed in at 6.2 million tons, a new record, while our cement and clinker exports reached 1.4 million tons.

We shape our industry's future with high-added-value products and services.

With its market- and customer-focused approach to business, Akçansa develops the highest-quality and the highest-value-adding products that are both in line with customers' demands and capable of satisfying their needs.

Besides having an extensive portfolio of existing products, our company's many years of comprehensive R&D experience give it the ability to distinguish itself in the sector by coming up with innovative new ones.

One of the fruits of our R&D efforts is "Yolbeton", a road-surfacing solution that saves time and money.

Another is "Enerjik Beton", which we plan to add to the product line in the period ahead. This piezo-concrete has the ability to harvest kinetic energy and convert it into a usable electric current.

Akçansa will continue to lead its industry and set its trends with high-added-value products and services that it creates for its customers

Benefiting from the guidance of our business partners, we continue to grow.

The synergistic collaboration with our business partners made valuable contributions to our company in 2015.

The shareholder presence of Sabancı Holding, one of our country's most important economic actors, and of HeidelbergCement, a global cement-maker headquartered in Germany, not only provides us with all-around guidance but also boosts and advances our brand image both in Turkey and abroad.

Activities undertaken with HeidelbergCement's support enabled Akçansa to venture into major international markets in 2015. Akçansa was also the biggest supplier of cement exported from Turkey to the United States last year.

Enhancing the value that we create

In 2015 Akçansa authored yet another first in its sector when it began selling cement online from its www.akcansamarket.com website.

Initially this online sales module can only be used to place orders for products to be delivered to addresses in the province of İstanbul but we plan to begin expanding the service area to encompass all of Turkey in the near future.

Programs like "Builders' Club Card", "Leaders of the Future", and "Dealers' Council" allow us to listen to the demands and expectations of our customers and business partners and respond to them effectively.

In the area of our social responsibility activities, we are collaborating with the TOÇEV foundation to educate parents and their children in a specially-

designed mobile classroom under the "My Neighborhood" community-welfare project that is being carried out initially in the Büyükçekmece area. The goal of this project is to reach 10 thousand or so people during the 2016-2017 school year. Through our award-winning "Kids Who Change Tomorrow" project, volunteers help children to understand their place in the community and to acquire a sense of individual responsibility.

Thinking long-term and strategically, we focus on sustainability issues.

Limited resources, increasing population, and economic growth focused more on consumption than on production rank foremost among the issues that pose the most serious threats to the livability of our planet. Two other crucial items on the global agenda are climate change and global warming.

We have stepped into a world that is characterized by new approaches and sensitivities, especially with respect to environmental matters. A host of issues ranging from waste recovery and recycling to energy conservation have become commonplace concepts and concerns in the world of industry today.

Akçansa is a company that has always distinguished itself among its peers because of the importance that it gives to sustainability. We involve ourselves in a wide range of projects, programs, and practices from stakeholder relations on one hand to energy efficiency on the other that are models not just for the cement-makers but for Turkish industry as a whole.

The ultimate goal of all of our sustainability-related efforts is to economize our factories' production operations as much as possible through the increasingly greater use of renewable energy in them.

Biodiversity, a matter that we are also addressing as part of our "2020 Vision" goals, is one of six high-priority issues that we are dealing with within the framework of our sustainability strategy.

We believe that the effective and efficient use of natural resources and stakeholder communication as well as biodiversity are of crucial importance in our sustainability strategy.

Maintaining that manufacturing companies need to make planned and systematic use of natural resources and should strive to minimize the environmental impact of their operations, at Akçansa we have internalized this notion in the conduct of our activities.

We are focused on sustainable growth and continuous improvement.

Ever since our inception as a company, we have made sustainability intrinsic to the way we do business while seeking to make continuous improvements in every aspect of our operations. As a global representative of Turkish industry, we will continue to focus on sustainable growth by adhering to the same innovative attitudes both at home and abroad in the period ahead as well.

As we get ready to embark upon our 20th year in business, I extend both my thanks and my respects to our employees for efforts whose excitement and enthusiasm are as undiminished as ever, to our customers whom we regard as part of ourselves and who are constantly at our side, to our Sabancı Holding and HeidelbergCement business partners whose support amplifies our strength, and to all of our other stakeholders.



Mehmet Hacıkamiloğlu
Chairman of the Board of Directors

Board of Directors



Mehmet Hacıkamiloğlu
Chairman of the Board of Directors

Appointed on 17 February 2016, for which approval will be sought in the next General Assembly

Date of Birth: 1969

Educational Background
Undergraduate: Boğaziçi University, Civil Engineering Department

Graduate: İstanbul University, International Business Management, and Sabancı University, Management Program

Professional Experience
Having started his career at the Sabancı Group as a Facility Manager at Betonsa, Mr. Hacıkamiloğlu worked as Strategy Development and Planning Manager at Akçansa (1997-1999) and as Company Manager at Agregasa (1999-2001). Following his two-year tenure at Akçansa as Finance Coordinator, he joined Çimsa as Assistant General Manager of Financial and Administrative Affairs. Mehmet Hacıkamiloğlu was appointed as the General Manager of Çimsa on 1 July 2006, in which position he served until 1 September 2014 when he was assigned as the General Manager of Akçansa Çimento Sanayi ve Ticaret A.Ş. On 17 February 2016, he resigned from his position as the Company's General Manager and was appointed as the Chairman of the Board of Directors.



Daniel Gauthier
Vice Chairman of the Board of Directors

24 March 2015 - 24 March 2018

Date of Birth: 1957

Educational Background
Undergraduate: Mons Polytechnic University, Mining Engineering Department

Professional Experience
Daniel Gauthier started working at CBR, a subsidiary of HeidelbergCement, in 1982. Holding a seat on the Board of Directors of HeidelbergCement since 2000, Mr. Gauthier is responsible for Africa, the Mediterranean, Northern Europe and Western Europe, as well as sustainable environment and group services.



Seyfettin Ata Köseoğlu

(Appointed as the Chairman of the Board on 16 October 2015 from which post he resigned on 17 February 2016.)

Date of Birth: 1960

Educational Background
Undergraduate: Boğaziçi University, Mechanical Engineering Department

Graduate: Lehigh University, Electrical Engineering and Boston University (MBA)

Professional Experience
Having started his banking career at İktisat Bank, Ata Köseoğlu worked as the Assistant General Manager for Investment Banking, Treasury and Capital Markets, Asset Management and International Relations at Finansbank from its incorporation until 1994. Between 1994 and 1999, he served as the Managing Director in charge of Investment Banking operations in Turkey, Greece and Egypt at Bear Stearns in New York, and then as Managing Director for Turkey and Middle East in the Investment Banking Division of Société Générale. After working as Managing Director/CEO at Credit Suisse First Boston Bank in London/Istanbul from 2000 to 2005, Mr. Köseoğlu joined BNP Paribas/TEB Group in 2006, and functioned as the Chairman of the Board of Directors and CEO of TEB Investment before joining Sabancı Holding in 2011 as Strategy and Business Development Group Head.



Hayrullah Hakan Gürdal
Board Member

24 March 2015 - 24 March 2018 (Resigned from his post on 16 October 2015. Re-elected as a Board member on 10 March 2016)

Date of Birth: 1968

Educational Background
Undergraduate: Yıldız Technical University, Mechanical Engineering Department

Graduate: İstanbul University (Business Administration and Economics)

Professional Experience
Having started working at Çanakkale Çimento in 1992, Hayrullah Hakan Gürdal was appointed as Strategy and Business Development Manager in 1996 and as Assistant General Manager in charge of Trade in 1997 at Akçansa. He has served as Akçansa General Manager from 1 August 2008 and was named the Chairman of the Board on 1 September 2014. He was assigned as a member of the Executive Committee in charge of Africa and the Mediterranean in HeidelbergCement Group on 1 February 2016.



Ali Emir Adıgüzel

24 March 2015 - 24 March 2018
(Resigned from his post on
1 March 2016)

Date of Birth: 1960

Educational Background
Undergraduate: Harvard
Business School and Boğaziçi
University, Business
Administration Department

Professional Experience
Having worked for three years
in Saudi Arabia at the start of
his career, Ali Emir Adıgüzel
served as the General Manager
of HeidelbergCement Trading
from 2006 and as President of
the Mediterranean (including
Turkey) and Middle East Region
and International Trade from
2014. He still functions as the
General Manager of HC Trading.



Barış Oran
Board Member

24 March 2015 - 24 March 2018
(Appointed on 24 March 2015)

Date of Birth: 1973

Educational Background
Undergraduate: Boğaziçi
University, Business
Administration Department

Graduate: University of Georgia
(MBA)

Professional Experience
Having started his career in
1995 as an auditor at
PricewaterhouseCoopers, Barış
Oran worked at Sara Lee Corp.
between 1998 and 2003 with
responsibilities first in the area
of audit, then finance and
treasury/capital markets. From
2003 until 2006, he was a
Senior Manager at Ernst and
Young responsible first in
Minneapolis, MN, and then in
EMEA and India. He joined
Kordsa Global in 2016, where
he held the positions of Director
of Internal Audit, Global Finance
Director and CFO respectively.
Appointed as CFO of Sabancı
Holding in 2016, Mr. Oran
serves as Sabancı Holding Head
of Finance, and holds seats on
the boards of directors of Brisa,
Enerjisa, Teknosa, Carrefoursa,
Yünsa, Avivasa and Temsa. He
is a Certified Public Accountant
(CPA).



Yavuz Ermiş
Independent Board Member

24 March 2015 - 24 March 2018

Date of Birth: 1951

Educational Background
Undergraduate: Middle East
Technical University,
Mechanical Engineering
Department

Graduate: University of Miami
(School of Business)

Professional Experience
Having started his career as a
Marketing Manager at Japan
Construction Equipment
producer, Komatsu Ltd. in
Turkey where he worked from
1975 to 1979, Yavuz Ermiş was
appointed as the facility director
of Çanakkale Cement Co. in
1980. He served in various
positions at CBR from 1996
until 2006, and then at
HeidelbergCement Group.



Atıl Saryal
Independent Board Member

24 March 2015 - 24 March 2018

Date of Birth: 1938

Educational Background
Undergraduate: University of
Texas, Engineering Department

Professional Experience
Having worked in the Turkish
banking industry, Atıl Saryal
then joined the Sabancı Group
and served as the General
Manager of Adana Sasa and
Marsa, while also holding seats
on the boards of directors of
various companies. Appointed
as the President of Food and
Retailing at the Sabancı Group,
Saryal retired from Group Head
position in 2002 and from his
memberships on the boards of
directors in 2004. He currently
furnishes consultancy service to
Carrefoursa Carrefour Sabancı
Ticaret Merkezi A.Ş.

Executive Committee



Umut ZENAR
General Manager
(Appointed on 17 February 2016)

Date of Birth: 1980

Educational Background

Undergraduate: Boğaziçi University, International Relations Department

Graduate: Boğaziçi University (Business Administration)

Professional Experience

He began his career as a Business Development Specialist at Zorlu Energy Group in 2003, joining Akçansa some two years later. Between 2004 and 2008, he held the positions of Sales Specialist, and Marketing & Sales Planning Executive in the Cement Sales and Marketing Department. He functioned as the Strategy and Business Development Manager from June 2009 until December 2011, and as Strategy, Business Development and Marketing Manager from January 2011 until June 2013. After working as an Assistant General Manager with responsibility for Cement Sales and Marketing, he was appointed as the General Manager on 17 February 2016.



Ali KİPRI
Assistant General Manager
Operations

Date of Birth: 1967

Educational Background

Undergraduate: Middle East Technical University, Mechanical Engineering Department

Graduate: İstanbul University, Institute of Business Economy (International Business Administration)

Professional Experience

He began his professional career in 1993 at Akçimento, serving in various positions until being appointed Plant Maintenance Manager in 2006 at Akçansa's Büyükçekmece plant. After working as Büyükçekmece Production Manager and Büyükçekmece Plant Assistant Manager, he was appointed Plant Manager at the Company's Ladik plant on 15 September 2009, and then at the Çanakkale plant on 15 June 2012. He was brought to the position of Assistant General Manager for Operations as of 1 July 2014.



Ozan ERİNÇKAN
Assistant General Manager
Purchasing and Logistics

Date of Birth: 1979

Educational Background

Undergraduate: Bilkent University, Electrical and Electronics Engineering Department

Graduate: Bilkent University (Business Administration)

Professional Experience

Since 2002, he has worked as an R&D Engineer at Georgia Centers for Advanced Telecommunication Technology, Research Assistant at Bilkent University, and as Strategy and Business Development Specialist, Corporate Strategy and Planning Specialist, Corporate Business Development Specialist, and Corporate Business Development Manager at Sabancı Holding A.Ş. respectively. Since 7 July 2011, he has served at Akçansa as AFR & Business Development Manager, as well as Energy, Fuel Procurement and Business Development Manager. On 16 December 2013, he was appointed as an Assistant General Manager with responsibility for Purchasing and Logistics.



Dr. Carsten SAUERLAND
Assistant General Manager
Finance

Date of Birth: 1978

Educational Background

Undergraduate: University of Mannheim, Autonomia de Barcelona University, Business Administration Department

Graduate: University of Mannheim (Business Administration)

Doktora: University of Mannheim (Accounting, Tax)

Professional Experience

He began his professional career as a consultant at an international tax consultancy in Frankfurt. He joined HeidelbergCement in 2010 as Group CFO Assistant. Dr. Sauerland was appointed as the Assistant General Manager in charge of Finance at Akçansa in November 2012.



Hakan TİMUR
Assistant General Manager
Human Resources

Date of Birth: 1973

Educational Background

Undergraduate: İstanbul University, Faculty of Economics, Department of Economics (in English)

Graduate: Sabancı University (Energy Technologies and Management)

Professional Experience

He began his career in 1996 at Çukurova İnşaat and continued on to work at Sabancı Holding from 1997 to 2011. Between 1997 and 2004, he served at Marsa as HR Specialist, HR Supervisor, HR Manager and finally as the HR Group Manager. After working from 2007 to 2009 as the Human Resources Manager of the Holding at Sabancı Holding Human Resources Group Directorate, he was appointed in 2009 as the Global HR Director at Kordsa Global, holding this position until 2011. He has been appointed as Assistant General Manager in charge of Human Resources on 15 November 2011.



Musa KEŞAPLI
Assistant General Manager
Mixed Concrete and Aggregate
(Appointed on 2 November 2015)

Date of Birth: 1971

Educational Background

Undergraduate: Karadeniz Technical University, Mechanical Engineering Department

Professional Experience

From 1993, he worked as Facility Supervisor at Samsun Makine Sanayi, as Facility Manager at Demirören LPG Group, and District Manager at Yibitaş Lafarge Hazır Beton A.Ş. From 2007, he served in our Company as Ready-mixed Concrete - Black Sea Regional Manager and Cement - Northern Marmara Sales Manager. He was appointed as Assistant General Manager with responsibility for Ready-mixed Concrete and Aggregate on 2 November 2015.





**We shape
the sector
with the right
components.**



Cement Operations



Cement manufacturing in the Turkish market increased by 0.3% in 2015 as compared with 2014 and amounted to 71.4 million tons.

Industry Review

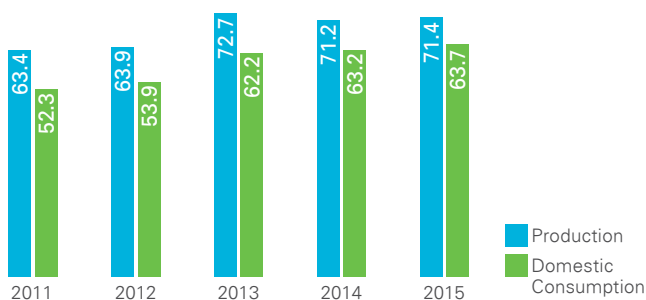
According to figures published by the Turkish Cement Manufacturers' Association (TCMA), cement manufacturing in the Turkish market increased by 0.3% in 2015 as compared with 2014 and amounted to 71.4 million tons. Clinker production on the other hand declined by 0.9% year-on to 61.9 million tons.

During the same twelve-month period, domestic consumption of cement made in plants whose owners are TCMA members increased by 0.8% to 63.7 million tons while consumption from all member and non-member sources was also up by 0.8% to 65.1 million tons.

A regional analysis of the Turkish domestic market shows that the most significant growth in cement consumption took place in Central Anatolia, where it was up by 7.3%. This was followed by the Mediterranean (4.8%) and the Marmara and Aegean (2.9% each) regions. The Black Sea, Southeastern Anatolia, and Eastern Anatolia regions on the other hand registered year-on consumption declines of 9.2%, 6.8%, and 3.1% respectively. The Marmara region accounted for a 26% share of all the cement consumed in Turkey in 2015.

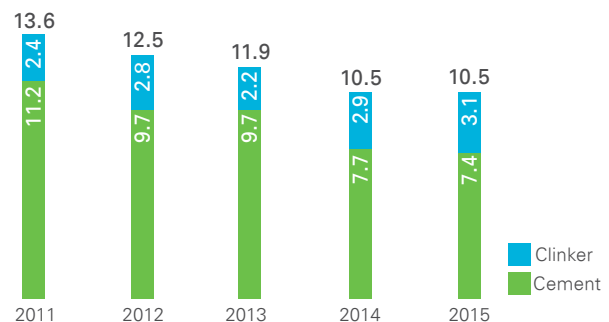
Turkey's cement exports declined to 7.4 million tons in 2015 whereas its foreign sales of clinker were up by 7% to 3.1 million tons. The countries these exports were shipped to were, in order of importance, Syria, Libya, Israel, and the US, with significant sales also being made to a number of West African countries.

Cement Production and Consumption in Turkey (million tons)*



* Including data from the Turkish Cement Manufacturers' Association (TCMA) member producers.

Turkey's Cement and Clinker Exports (million tons)*



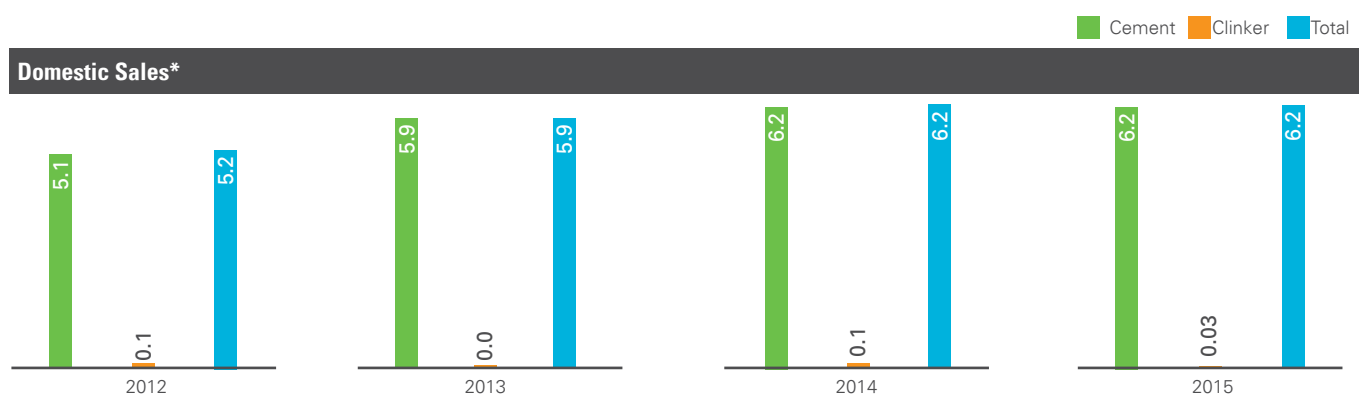
* Including data from the Turkish Cement Manufacturers' Association (TCMA) member producers.

Cement Operations

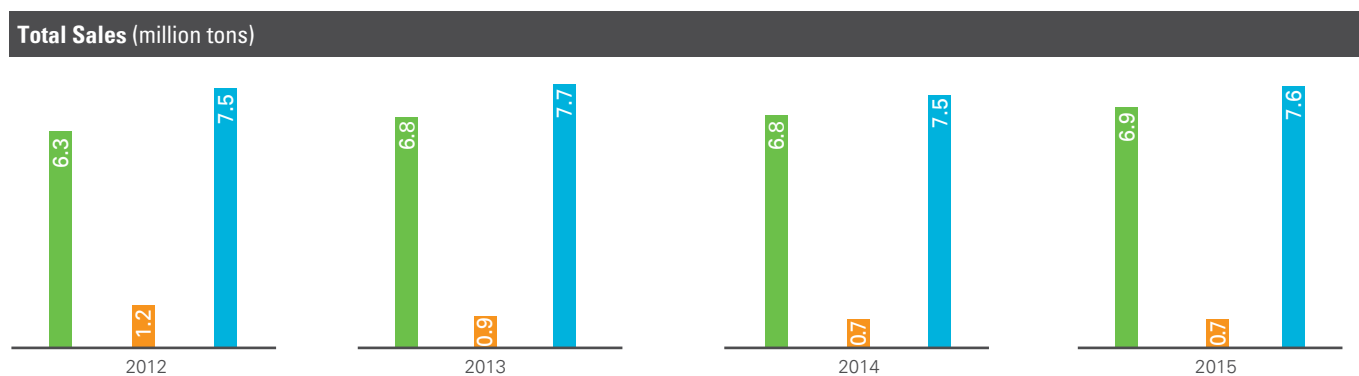
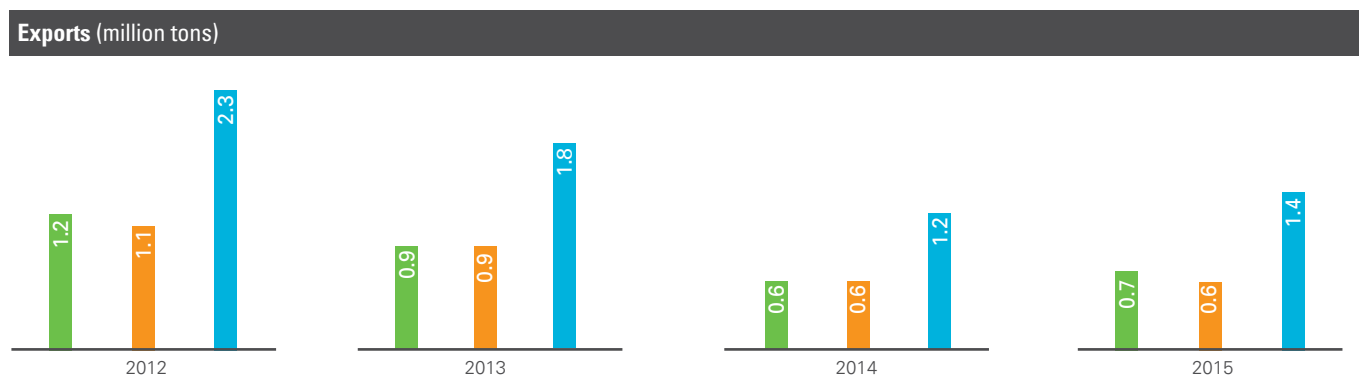
Akçansa Operations

Sales

Akçansa's total domestic sales of cement and clinker increased by 1% in 2015 and amounted to 6.2 million tons. The company's total exports, which grew by 2% year-on, reached 1.4 million tons.



* Including the cement sales of Karşımsa.



Regarding each of its customers as a business partner, Akçansa differentiates itself through the added-value-creating products and services.



Marketing & Sales

Regarding each of its customers as a business partner, Akçansa strives to satisfy customer expectations in the most effective way possible by differentiating itself through the added-value-creating products and services that it offers them.

Seeking to be close to its customers in order to correctly observe and analyze market trends and to increase its insightfulness through such analyses, Akçansa's marketing strategies go beyond traditional methods by taking a broad-perspective, satisfaction-focused approach to service. Such an approach is evidence of the company's shift away from a vendor-buyer relationship in favor of one that is more in the nature of a business partnership.

Another Akçansa first: Turkey's first online cement market

Akçansa authored a first in its sector with the launching of www.akcansamarket.com, Turkey's first online cement market. Taking advantage of Akçansa's extensive dealership network and distribution capabilities, this website allows users to conveniently place orders for cement and have it delivered to where they want. They can even pay for it with a credit card.

Although the Akçansa online market is only making deliveries to customers in İstanbul at present, the service area will be expanded to encompass all of Turkey in the near future.



From Akçansa for its business partners: Dealership management consultancy and coaching program

Akçansa has initiated a company image/identity consultancy and support program to help its dealers more effectively professionalize and institutionalize their operations. So far the company has met with all of its business partners under this program and significant progress has been made towards corporate identity acquisition. Recognizing the importance of sustainability in business partner relationships, Akçansa will continue to be investing in its dealerships in the years ahead as well.



Cement Operations

Akçansa Business Partner Meeting

As Turkey's leading and most innovative cement-maker, Akçansa engages with its business partners at an annual meeting every year. During the 2015 gathering in February, the 210 business partners in attendance were given information about the company's latest projects, marketing approaches, and 2016 targets.



Akçansa
İş Ortakları
Buluşması

A winner from Akçansa; Builders' Club Card

The Akçansa Builders' Club Card, a company-authored first in the Turkish cement industry, continues to grow in popularity. By giving users single-channel access to all of the company's products, the Builders' Club Card contributes favorably to business partners' productivity as well as profitability. Applying only to company-branded products at the outset, the Akçansa Builders' Club program is soon to be expanded into a much wider network with the inclusion of other building materials companies in the system. Distinguishing itself in the sector with a steadily-growing portfolio of innovative products in addition to its leading position in cement and ready-mixed concrete, Akçansa will continue to increase its business partners' satisfaction through the Builders' Club Card program.



Leaders of the Future

One of Akçansa's most important goals is to safeguard the future viability of its business. One way that the company does this is to interact with the "new-generation representatives" of its dealers in "Leaders Of The Future" get-togethers that focus on such things as professional training and the importance of institutionalization in family-owned businesses. Besides fostering dealership professionalism and encouraging the talented newcomers to join the Akçansa family, the company also gives great importance to the sustainability of its business relationships with its dealers.



Geleceğin Liderleri

Dealers' Council

The Akçansa Dealers' Council is rooted in the idea of engaging the company's dealers in decision-making processes. The council convenes twice a year, at which times such issues as projects, changes, future targets and expectations, etc are discussed. Akçansa seeks out its dealers' suggestions and ideas in its ongoing efforts to exceed their expectations in the creation of new products and services.



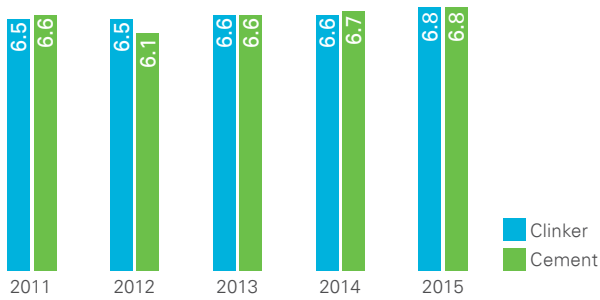


Production

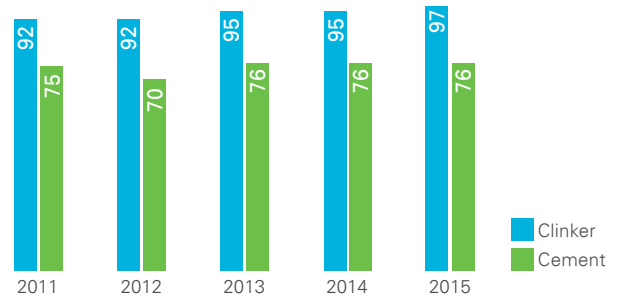
Total output of Akçansa's Büyükçekmece, Çanakkale, and Ladik plants weighed in at 6,788 thousand (6.8 million) tons of clinker and 6,814 thousand (6.8 million) tons of cement in 2015. This corresponded to 10.5% and 9.5% respectively of Turkey's total clinker and cement production last year.

All of Akçansa's production facilities have been awarded OHSAS 18001 Occupational Health and Safety Management System, BS EN ISO 9001:2000 Quality Management System, and BS EN ISO 14001 Environmental Management System certifications. The company also successfully passed its British Standards Group audits and its BSI certifications have been renewed.

Production (million tons)



Capacity Utilization Rates (%)



Cement Operations



Occupational Health & Safety

Acknowledging its responsibility for ensuring that its employees have a safe workplace environment in which to do their jobs, Akçansa continues to distinguish itself among its peers through its innovative practices. The company engages in an ongoing effort both to comply with the universally accepted standards of people-focused management in all business processes from manufacturing to marketing & sales and to provide its employees with a working environment that is mindful of their wellbeing and recognizes their value.

Believing that occupational health and safety of its employees, customers, and suppliers is a first-priority issue, Akçansa has opened chapters of its Occupational Health & Safety Academy at its Büyükçekmece, Çanakkale, and Samsun plants. The company's goal is to make this academy into a center for the conduct of OHS-related projects and practical on-the-job safety and awareness training that conforms to the highest OHS standards.

The OHS Academy chapters at the company's plants in Büyükçekmece, Ladik, and Ezine townships are expected to provide at least 80,000 hours of training to about 5,000 people a year.

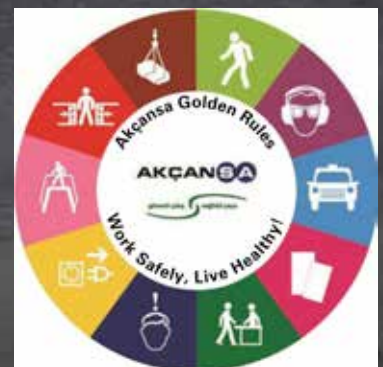
Akçansa adheres to occupational health and safety international standards and best practices as well as complying with Turkey's newly-passed Workplace Safety Act. The company has received first-place awards in numerous categories of HeidelbergCement's "Safe Work Healthy Life Awards" competition. Akçansa has also successfully completed the first stage of the Occupational Health & Safety competition in which all of HeidelbergCement's operations in forty countries go head-to-head.

In the first stage of this competition, which was completed in 2015, Akçansa was audited 353 times at the 44 locations where it has operations in Turkey in order to assess its compliance with a set of previously-determined issues. Upon the completion of each audit, the location is assigned a score

based on its safety performance. In the second stage, points are assigned separately for each category, as a result of which the Betonsa Third Bosphorus Bridge Garipçe Ready-Mixed Concrete Plant placed first among the HeidelbergCement Group's 625 plants in 22 countries and received the Occupational Health & Safety Grand Prize. Akçansa's Büyükçekmece and Saray plants also received honorable mentions in the cement and aggregate categories.

Key H&S Performance Indicators for 2015

People Received Training	22,759
Behavior-Focused Audits	1,460
Risk Warnings	8,602
Field Inspections	1,600
Accident Frequency	6.5
Accident Severeness	73



Investments

B y k ekmece Plant

- The existing process fans in the rotary kilns and cement mills were replaced with more efficient units, thereby improving their energy efficiency.
- The #1 Rotary Kiln Intake Sealing Rehabilitation Project that was begun in 2015 is scheduled for completion in 2016. This project is intended to improve energy efficiency and to optimize costs.
- The landscaping and related activities (green space works, tree planting, architectural works) that were begun on the plant grounds in 2015 under the Green Plant Project will continue all year long in 2016.
- The selective non-catalytic reduction (SNCR) investment that was undertaken to reduce nitrogen oxide emissions was completed. This system is now in operation.
- A total of 69,000 tons of secondary fuels derived from dried sewage sludge and domestic waste are now being used annually, thereby reducing the plant's dependency on fossil fuels.
- Quality and Environment Board "Performance Constancy" certification conforming to the TS EN 197-1 standard has been obtained for the production of CEM II / A - P 42.5 N Portland pozzolan cement. This cement is now being made.



Cement Operations



Çanakkale Plant

- The #1 rotary kiln water cooling system was modernized, thereby optimizing its water consumption.
- A cross-feed line was installed connecting the G1 and G2 cement mills, thereby improving both production continuity and energy efficiency.
- The operational efficiency of the #2 clinker production line's process control system was improved with the installation of expert-system automatic control and operating software.
- The existing process fans in the clinker production lines were replaced with more efficient units, thereby improving their energy efficiency.

Ladik Plant

- The clinker production line's pneumatic drive system was replaced with a more energy-efficient mechanical drive system.
- Work began on the construction of a 154 kV switchyard and energy transmission lines to supply the plant with electricity. This project is scheduled for completion in 2016.
- Work has begun on investments to link up existing rainwater conduits so that runoff is collected in a single pool. The water harvested in this way will be used in the production system, thereby saving water costs and also contributing to fulfillment of the plant's "Zero Waste Water Discharge" goal.
- Five thousand sapling cedars were planted under a project to rehabilitate and afforest disused sections of the plant's quarries.



Quality

Domestic and International Markets

Clinker		TS EN 197-1
Cement		TS EN 197-1
CEM I 42.5 R	Portland Cement	TS EN 197-1
CEM I 52.5 N	Portland Cement	TS EN 197-1
CEM II/A-P 42.5 R	Portland Pozzolanic Cement	TS EN 197-1
CEM IV/B (P) 32.5 N	Pozzolanic Cement	TS EN 197-1
CEM IV/A (P) 42,5N-SR	Sulphate Resistant Pozzolanic Cement	TS EN 197-1
CEM II/A-LL 42,5R	Portland Calcareous Cement	TS EN 197-1
CEM II/B-LL 32,5N	Portland Calcareous Cement	TS EN 197-1
CEM II/B-M (P-L) 32,5R	Portland Composite Cement	TS EN 197-1
CEM IV/B (P) 32,5N-LH/SR	Low Hydration Heat Sulphate Resistant Pozzolanic Cement	TS EN 197-1
Type I-II/LA	Portland Cement - Low Alkali	ASTM C150

Product Certificates

CE Product Certificate	CEM IV / A (P) 42.5 N-SR, CE Certificate of Conformity from CQE	TS EN 197-1
CE Product Certificate	CEM IV / B (P) 32.5 N-LH/SR, CE Certificate of Conformity from CQE	TS EN 197-1
CE Product Certificate	CEM IV / A-P 42.5 R, CE Certificate of Constancy of Performance from CQE	TS EN 197-1
CE Product Certificate	CEM IV / B (P) 32.5 N, CE Certificate of Conformity from CQE	TS EN 197-1
CE Product Certificate	CEM II/A-P 42.5 R Certificate of Conformity from CQE	TS EN 197-1
CE Product Certificate	CEM I 42.5 R Certificate of Constancy of Performance from CQE	TS EN 197-1
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CE Product Certificate	CEM II/B-LL 32.5 N Certificate of Constancy of Performance from CQE	TS EN 197-1
CE Product Certificate	CEM I/52.5 N Certificate of Constancy of Performance from CQE	TS EN 197-1
Product Certificate	CEM IV/A (P) 42.5 N-SR, TSE Certificate of Conformity from TSE	TS EN 197-1
Product Certificate	CEM I 42.5 R, TSE Certificate of Conformity from TSE	TS EN 197-1
Product Certificate	CEM II/B-M (P-L) 32.5 R, TSE Certificate of Conformity from TSE	TS EN 197-1
Product Certificate	CEM II/A-LL 42.5 R, TSE Certificate of Conformity from TSE	TS EN 197-1
Product Certificate	CEM IV/B (P) 32.5 N-LH/5R, TSE Certificate of Conformity from TSE	TS EN 197-1
Product Certificate	CEM IV/B (P) 32.5 N, TSE Certificate of Conformity from TSE	TS EN 197-1
Domestic Goods Certificate	Chamber of Industry (All types of cements)	TS EN 197-1

System Certificates

- TS EN ISO 9001:2008 Quality Management System Certificate from CQE
- OHSAS 18001 Occupational Health and Safety Management System Certificate from BSI
- ISO 14001:2004 Environment Management System Certificate from BSI
- ISO 50001:2011 Energy Management System Certificate from BSI



Ready-Mixed Concrete & Aggregate Operations



Successfully conducting ready-mixed concrete operations, Betonsa's 36 plants booked total sales amounting to 4.4 million m³ during all of 2015.

Industry Review

According to figures published by the Turkish Ready-Mixed Concrete Association (THBB), Turkey's ready-mixed concrete sector grew by 1.9% in the first nine months of 2015. The year's total production of ready-mixed concrete was projected to reach 107 million m³, about the same as in 2014.

During the same nine-month period, construction contributed about an 11.1% share of gross domestic product.

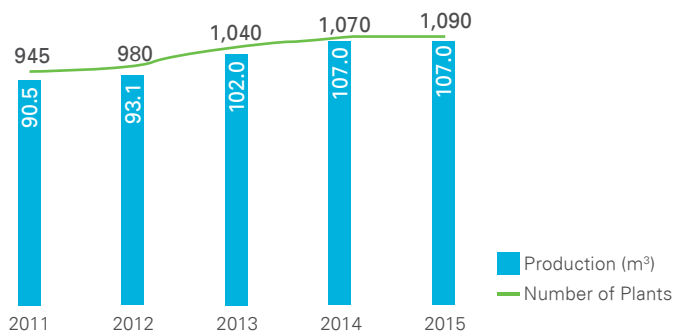
Akçansa Operations

Betonsa Sales

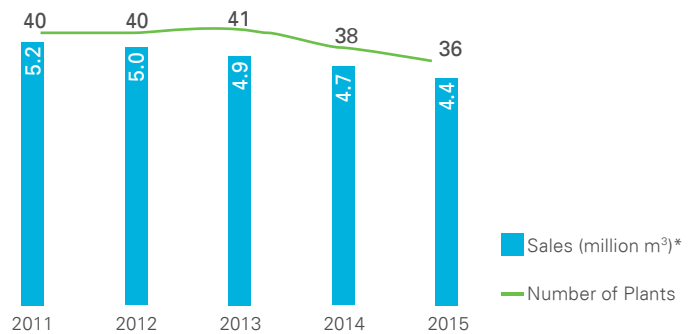
Successfully conducting Akçansa's ready-mixed concrete operations in the Marmara, Aegean, and Black Sea regions, Betonsa's 36 plants booked total sales amounting to 4.4 million m³ during all of 2015.

Last year Akçansa continued to give increasingly greater priority to customer-focused operations in which it serves as a solution partner in major projects.

Ready-Mixed Concrete Industry in Turkey (million m³)



Betonsa Sales (million m³)

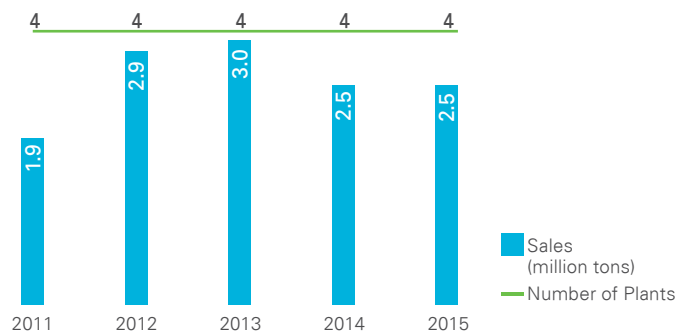


* Including Karçimsa Ready-Mixed Concrete Plants.

Agregasa Sales

Sales of aggregate under the "Agregasa" brand continued at the company's Kemerburgaz, Saray, Bursa, and Samsun plants. Total sales amounted to 2.5 million tons in 2015.

Agregasa Sales (million tons)



Ready-Mixed Concrete & Aggregate Operations



R&D Operations

A total of 1,226 concrete-related tests were performed at the Technology Center Laboratory during 2015 for the purposes of research and development, chemical additives optimization, and specialty product development.

The tests conducted in 2015 consisted of:

- Specialty product tests
- Aggregate performance tests
- Cement performance tests
- Chemical additives tests
- Mineral additives tests
- Project-specific solution tests.

Both aggregate contamination tests (methylene blue, silt, sand equivalent, CaCO_3 , 0.063 mm sieve wash) and aggregate sieve analyses continue to be performed regularly at the Technology Center Laboratory. During 2015, 1,090 lots of aggregate were subjected to such testing, in addition to which pH, density, solid, and Fourier Transform Infrared (FT-IR) spectrometer tests were also performed with the results being duly recorded. These tests were carried out on 221 different chemical additive specimens last year and the results were reported.

Congresses and Publications

Akçansa continues to collaborate with universities in the publication of national and international scientific and technical papers. The company provides thesis-preparation support to master's and doctoral degree candidates at the İstanbul Technical University Department of Building Materials.

Since 1996 the Betonsa Technology Center has collaborated with ITÜ in the publication of 46 scientific and technical papers submitted to national (27) and international (19) industry conferences. Dealing especially with such issues as mechanical attributes, durability, cost-effective optimum design, and innovative special-purpose concrete products, these papers attract attention among the sector's professionals.

At the European Ready-Mixed Concrete Organization (ERMCO) congress that took place on June 4th and 5th in İstanbul in 2015, 38 papers were submitted by participants from abroad and 23 by participants from Turkey, of which two of the latter were published under Akçansa's name. At the 6th Argo Cement Congress held in Columbia last year, one paper describing the concrete pumping operations for the pylons of the third Bosphorus bridge was published.

Quality Operations

Under the heading of quality operations at Akçansa in 2015, attention was given to such issues as the following:

- Giving regional quality managers responsibility for locating new sources of raw materials and approving the materials for use;
- Performing quality controls on raw materials procured for plants and approving/disapproving their use in production;
- Preparing and optimizing concrete recipes, designing special-purpose products in line with customers' needs and wishes;
- Performing tests based on standardized samples of fresh and set concrete taken from daily production runs;
- Taking witness samples for construction supervision laboratories;
- Resolving customers' complaints about concrete quality;
- Collaborating with the Technology Center in providing customers with technical support and training on concrete quality issues;
- Ensuring that plants are ready for G, TSE, KGS, ISO 9001, and other quality and system inspections at all times;
- Helping to strengthen the company's and reputation and image by working closely with construction supervision agencies, independent laboratories, civil engineers' associations, universities, and customers.



The superior quality and rich array of offerings make Akçansa's ready-mixed concrete specialty products especially attractive to customers.

Integrated Management Systems

Akçansa successfully passed renewal audits of its ISO 9001, ISO 14001, and OHSAS 18001 certifications that were carried out on 21-25 December 2015. These audits, which were performed by TÜV Rheinland, a global provider of technical, safety, and certification services, covered the company's assistant general manager's office for ready-mixed concrete and aggregate; its human resources operations and procurements operations; its technical, aggregate, marketing, North Marmara and Black Sea regional, OHS, and environment departments; its Bursa, Nilüfer, Tokat, and Çarşamba ready-mixed concrete plants; its Bursa aggregate plant; and the locations of its Technology Laboratory and Central Workshop.

Ready-Mixed Concrete and Aggregate Operations: Environment-related Investments

During 2015, a total of TL 751,000 was spent on dedusting and environmental-performance investments and related outlays. Work also continued on projects to install filter presses and recycling units. The TL 783,633 in environment-related investments that were made at the company's ready-mixed concrete plants turned them into exemplars of environment-regulatory compliance.

In the conduct of these operations, waste sites were improved, pulverized water systems were installed to reduce dust, and recycling and filter press systems continued to be installed.

As of end-2015, a total of 32 recycling systems had been installed at Akçansa's ready-mixed concrete plants and there were enclosed stock halls as well as six filter press units at 28 of the plants. Inspections are regularly and systematically conducted and employees are given training in order to improve the plants' environmental performance.

Ready-Mixed Concrete Product Portfolio

Akçansa's ready-mixed concrete plants produce both normal and high-strength concrete conforming to the TS EN 206-1 standard. Products are available in a variety of consistency and aggregate-size classes in the C 8/10 to C 100/115 range.

In addition to these products, the company can also produce concrete in variety of other consistencies and aggregate-size class according to customers' needs and applications such as:

- High-performance concretes
- High early strength concretes
- Tunnel formwork concretes
- High-rise building concretes
- Environmental impact-class-compatible concretes
- High-durability concretes
- Specialized formwork technology-compatible concretes
- Hydration heat-controlling concretes.

The company's plants and products are covered by G and TSE certifications. Its laboratories conform to TSE standards and have the ability to carry out all the tests and controls associated with those standards. The plants have also been awarded quality assurance system certification by THBB. The company's plants and products are regularly checked by the Ministry of Environment and Urban Planning, the Turkish Standards Institution, and THBB.

As a result of research jointly undertaken by the Betonsa Technology Center and the İTÜ Faculty of Civil Engineering Department of Construction Materials, Betonsa's portfolio of specialty products has been enriched with such additions as self-compacting concrete, fiber-reinforced concrete for industrial floor surfaces, grout concrete, lightweight concrete, and specialty products developed for sustainable structures.

Ready-Mixed Concrete Specialty Product Sales and Portfolio

The superior quality and rich array of offerings make Akçansa's ready-mixed concrete specialty products especially attractive to customers. Last year the company sold a total of 257,490 m³ of such products, which accounted for about a 5.9% of all ready-mixed concrete product sales in 2015.

Detailed information about Akçansa's specialty ready-mixed concrete products and their use is summarized below.

Ready-Mixed Concrete & Aggregate Operations



KratosBeton is a new-generation fiber-reinforced concrete that makes possible the construction of structures that are safer, stronger, and more sustainable. The result of an Akçansa and Kordsa Global collaboration, this product's reinforcement with high-quality synthetic fiber enhances its project applicability while also saving both time and cost. KratosBeton can be used in industrial-application pavements, grouting, field-placed concrete, shotcrete, and tunnel linings.

Yolbeton is a roller-compacted concrete (RCC) whose unique blend of finely-graded aggregate, binder, water, and additives make it useful in the production of concrete road surfaces. RCC gets its name from the heavy vibrating steel drum and rubber-wheeled cylinders that are used to compact the concrete into its final form during construction. RCC roads are as tough and strong as traditional concrete roads but the material is as easy to apply as asphalt. With features that make it faster and more economical to use, Yolbeton is an excellent alternative road surfacing material that is as much at home on city streets as it is on country lanes.

100+Concrete: Betonsa's concrete product with superior durability and impermeability properties. Low alkali special cement and mineral-additive 100+Concrete have been developed for big infrastructure projects (bridge, airport, metro and highway) that require hundred and more years of service life. 100+Concrete can withstand years of use with superior durability and impermeability properties.

A+Concrete: Betonsa's low-emission and environmentally-friendly concrete product. A+Concrete is a high-performance product which is resilient to environmental effects. It has been developed for use in environmentally-friendly and sustainable buildings. A+Concrete product consists of three main categories depending on the area of use: of A+Concrete Foundation, A+Concrete Road and Paving, and A+Concrete Structural. Up to 70 percent of ground blast furnace slag substitute is used to produce A+Concrete. For this reason, it is the best solution for environmentally-friendly buildings.

Viskobeton: Betonsa's self-compacting concrete product. Viskobeton is produced for resistance classes of C 40/50 and over, in accordance with TS EN 12350 standards. Due to its low water/binding rate, it is used in buildings that require high strength and resistance, in reinforcement projects, for compactly reinforced members and narrow profile molds, in areas where high quality smooth surfaces are desired, at urban construction sites, for aesthetic mold designs, and in places where it is not possible to use concrete vibrators.

Viskotemel: Betonsa's self-compacting concrete product that is specifically designed for use in foundations. Viskotemel, produced in compliance with TS EN 12350 standards and C 30/37 and C 35/45 resistance classes, is used in projects that require non-permeability due to its low water/binding rate. With its minimum 50 cm spreading feature, it provides cost effectiveness and ease of application.

Viskoperde: Betonsa's self-compacting concrete product that is specifically designed for use in vertical construction elements. Viskoperde, produced in compliance with TS EN 12350 standards and C 30/37 and C 35/45 resistance classes, has a 65-meter spreading property and an increased fine aggregate percentage that allows it to move quickly through close fittings to provide easy application without the need for a vibrator.

Viskokat: Betonsa's self-compacting concrete product that is specifically designed for use in horizontal construction elements. Produced in C 30/37 or C 35/45 resistance classes, in accordance with TS EN 12350 standards, Viskokat has a 55 cm minimum spreading property and offers a cost advantage and casting ease, negating the need for tedious surface correction labor.



Drabeton: Betonsa's concrete product with steel wire reinforcements, produced for use on industrial floors. Darbeton provides savings in labor during the stocking, placement and supervision stages at construction sites. Areas of application are: Floor concretes, concrete finishings and protection concretes, site concretes, factory floors, car parks, concrete roads, gas stations, stocking areas, grout-free floor concretes, cold storage floors, fitting concrete finishings, topping concretes, port coverings and shipyards.

Fiberbeton: Fiberbeton is produced by adding polypropylene fibers to concrete in order to help prevent micro cracks and plastic shrinkage cracks likely to occur in high strength concretes and field concretes. In addition to preventing cracks in wet concrete, Fiberbeton helps increase fire resistance in hardened concrete.

Fortabeton: Betonsa's macro-synthetic fiber fortified product. Fortabeton provides complete solutions, especially in industrial floor concretes. It is able to achieve high bending, stretching and corrosion resistance. All concrete surfaces, sprayed concrete and precast pouring are among application areas.

Viskoşap: Betonsa's self-compacting special screed product. With its minimized cracking risk, Viskoşap has no grout, can be pumped, hardens quickly and has a pressure resistance of 30 MPa. It aims at minimizing the problems faced in traditional concrete finishing.

İzoşap: Betonsa's light ready screed product. Its light, cavernous structure promotes heat insulation. It is very fluid. It can be pumped with a cement finish or concrete pump. It has a low unit weight (density). Unnecessary loads on structures are therefore reduced.

Yeşilşap: Betonsa's environmentally-friendly and light screed product. By using cement with mineral additives, CO₂ emissions are reduced by up to 35 percent. In addition to improving thermal insulation in buildings, it is also 25 percent lighter than traditional screed products as air entrained volume is 25 percent, thanks to special chemical additives.

Polarbeton: Betonsa's special ready-mixed concrete product with high thermal insulation. Polarbeton is 80 percent lighter than traditional cement finish. It is used for floor insulation. Special chemical additives used in its production create spherical air pockets, allowing the formation of a very lightweight concrete product with highly effective insulation.

İzobeton: Betonsa's lightweight concrete product used for insulation purposes. Areas of application are as: concrete finishing and filler concrete applications applied to avoid unnecessary loads on the structure; inner walls and fixtures of prefabricated structures where heat and sound insulations are required; on- or underwater insulation coating as leveling or protective concrete; and repairs of old floors that require filling but do not have high resistance expectations.

Ready-Mixed Wet Plaster: Betonsa's product produced by using special chemical additives at concrete plants. Delivered to sites in trans-mixers, ready mixed plastering can be used at sites for up to 48 hours if preserved in suitable conditions. Has a lightweight and flexible structure. Perfect adhesion properties allow its use on bricks, gas concrete, briquette surfaces as well as on internal and external plasters, walls and ceilings.

Dekobeton: Decorative floor covering material system designed for exterior spaces and produced by using press concrete technology. Dekobeton's main areas of use are in landscaping, parks, pool sides, urban recreation areas, environmental landscaping, roads, marinas and piers, shopping malls, parking lots and gas stations.

Shotcrete: Dry mix concrete that is produced at Betonsa's ready-mixed concrete plants. Shotcrete is sprayed with pressurized pumps and special powdered chemical supplements. It is used in underwater insulation protective concrete and slope stabilization applications, in structures such as galleries and tunnels.

Pratikbeton: Betonsa's Pratikbeton, with a flexible piping method, provides a special solution on long distances. Pratikbeton presents a solution to the circulation formed at sites where pumps cannot approach the pouring location. It also provides advantages to customers in terms of pouring convenience and speed.





**We enhance our
sustainability
with the right
components.**



Social Responsibility





Conducting all of its operations with a mindfulness of both the community and the environment, Akçansa manages them in line with a corporate strategy that focuses on their sustainability. The company aims to contribute towards the creation of a more secure and prosperous future by improving the quality of life of the community of which it is a member.

In line with this, Akçansa acts with an awareness that being a leading player in the Turkish cement industry entails responsibilities that go beyond generating economic added value. As a responsible corporate citizen, Akçansa takes part in efforts and undertakes social projects aimed at creating value in such areas as health, culture, art, education, sport, and the environment.

The social responsibility projects that Akçansa was involved in during 2015 are summarized below.

“Concrete Ideas” Project Competition

The sixth round of the “Concrete Ideas” project competition that Akçansa organizes annually to familiarize university students with the cement industry and to encourage them to display their creativity and add value to their studies once again attracted great interest in 2015.

The theme of last year’s competition was “Let change begin with your idea”. A total of 316 students from more than 44 universities took part. The winning project was submitted by Group Buy Beton, with the entries of Group Alfa Kimlik and Group Betonarge coming in second and third place respectively.

Biodiversity Competition

In 2015 Akçansa conducted the second Turkish national round of the Biodiversity Project Competition which its business partner HeidelbergCement conducts in the countries in which it has a presence and whose aim is to improve the biodiversity of mineral extraction sites.

Intended primarily for students, graduates, academicians, and researchers, this competition solicits projects whose aim is to improve the flora and fauna diversity and the ecological values of disused quarries and mines as well as their surroundings while also increasing general awareness about such issues.

“Kids Who Change Tomorrow”

Volunteer Akçansa employees work with children to help them understand both their place in the community and acquire a sense of individual responsibility. The goal of the “Kids Who Change Tomorrow” project, which is aimed at 4th-grade schoolchildren and is conducted in partnership with the Environmental Protection and Packaging Waste Recovery and Recycling Trust (ÇEVKO) and Büyükçekmece Municipality, is to show youngsters how they must be personally responsible for safeguarding a sustainable future.

Under the “Kids Who Change Tomorrow” project, tomorrow’s adults are shown how the conscientious use of resources through such methods as separating waste at source, recycling, and generating energy from waste can contribute to a sustainable world. The project, which began in April 2015, reached more than 3 thousand schoolchildren.

This project also creates substantial value for the Akçansa employees who voluntarily take part in it as well. By fostering a sense of responsibility among them too, it encourages employees to be more active and effective in other corporate social responsibility projects. By increasing their awareness of many different issues, these volunteers find ways to make themselves heard and to promote their personal values and convictions among other audiences both now and in the future.

In 2015 Akçansa launched “My Neighborhood”, a social responsibility project for children, Turkey’s future, and their parents.

Social Responsibility

“My Neighborhood”

In 2015 Akçansa launched “My Neighborhood”, a social responsibility project for children, Turkey’s future, and their parents. Under this project, which is being carried out jointly with the Büyükçekmece Township Directorate of National Education and TOÇEV, a foundation that helps children who want to go to school but don’t because their families can’t afford to send them or because they have to work, activities for children and parents are conducted aboard a specially-equipped “Akçansa Training Truck”.

“My Neighborhood” programs are conducted by TOÇEV psychologists three days a week in three separate sessions each day for children in the 6-12 age group and their parents. Children attending these sessions are also taught about such things as first aid and healthy living.

“My Neighborhood” classes for parents give detailed information about child-rearing issues and helping their children be more confident and knowledgeable about the future. Separate programs for adolescent boys and girls also focus on interacting more positively with each other.

During 2015, “My Neighborhood” reached more than 2,000 people in the course of ten weeks. It is expected that as many as 10,000 in all will have taken part by the time the project runs its course.

“My Neighborhood” education is provided under three separate headings: “Childhood”, “Adolescence”, and “Parenting”.



Benim Mahallem'e
TIR DOLUSU EĞİTİM GELİYOR

Benim Mahallem
#benimmahallem

TOÇEV'in uzman eğitimcileri tarafından hazırlanan eğitim programları, AKÇANSA EĞİTİM TIRI ile Büyükçekmece'ye geliyor.

Hem ebeveynlere hem de çocuklara yönelik eğitim çalışmalarıyla anne ve babalar çocuk yetiştirmeye ilgili incelikleri öğrenecek, çocuklarımız da geleceğe daha bilinçli ve bilgili bakacak.

Gelin güzel yarınların tohumlarını Büyükçekmece'de, AKÇANSA EĞİTİM TIRI'nda atalım.

Burada olduğunu arkadaşlarınla paylaş!

facebook.com/benimmahallemde twitter.com/benimmahallemde instagram.com/benimmahallemde





1) Childhood

6-12 age-group psychodrama activities

- "I want to improve my self-confidence."
- "I want to go up to the school blackboard without being scared."
- "I want to communicate better with my friends."
- "I want to do my homework without my mom helping."
- "I want to defend myself against my schoolmates."

2) Adolescence

- "What's happening to me at puberty?"
- "My mom, my dad, my teachers don't understand me."
- "I get really angry and don't know how to control my anger."
- "I get really nervous in social settings."
- "What kind of goals do I have for my future?"

3) Parenting

- "How can I teach my children to use the internet appropriately?"
- "How can I cope with my worries about my child?"
- "How do I encourage independent and regular study habits in my child?"
- "How should I deal with my adolescent child?"
- "How can I spend more quality time with my child?"
- "Is my child lying to me?"

Vocational Highschool Coaching Program

In 2015 Akçansa joined the Vocational Highschool Coaching Program, whose aim is to expand the vision of students attending vocational highschools and to help them be successful in the future.

Under this program, volunteer Akçansa employees in Samsun will act as coaches for students enrolled at Samsun Atakum Vocational Highschool over a two-year period, during which they will support their charges' personal and vocational development and ease their transition into working life.

Having completed the training they need to help people improve their self-confidence and skills and to plan their futures in line with their own wishes, these volunteers are now certified to serve as vocational highschool student coaches.

The Vocational Highschool Coaching Program that was started in Samsun in 2015 is a pilot project, based on the results of which the company will be taking the program to other locations where it has operations.

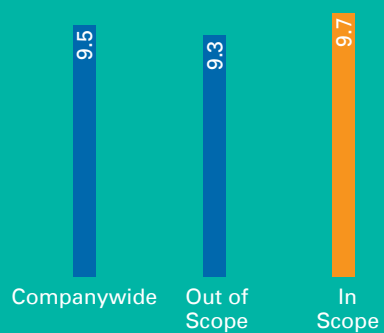
In 2015 Akçansa launched "My Neighborhood", a social responsibility project for children and their parents.

Human Resources

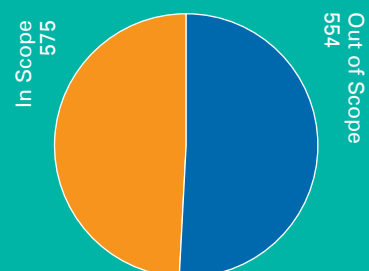
Average Age



Average Seniority



Distribution of Personnel





In line with its HR vision that seeks to constantly be “The Most Preferred Employer” in its sector, Akçansa regards its employees as being fundamental to all of its activities.

For Akçansa, the most important element of its sustainable growth vision is its “people focus”. Proud to have been the best-liked company in its sector for fourteen years, the company remains successfully on course because of the priority that it gives to creating and maintaining a positive organizational climate that encourages its employees to improve themselves.

Akçansa’s HR Mission

Akçansa’s human resources mission is to be an employer whose attitude is that of a visionary leader, whose managers and management systems are outstanding by virtue of their focus on individual and corporate development and their effectiveness, and whose aim is to provide a meaningful job and a happy workplace environment for all employees.

The “Gold Standard” in People Management

Akçansa once again demonstrated that it “invests in people to improve performance” and “gives importance to the standards of excellence” when it qualified for “Gold” level accreditation by Investors in People, the first and only human resources standard that is internationally recognized as a method for enhancing an organization’s performance by adopting an “ongoing improvement” perspective in the development of its human resources.

Human Resources Strategy & Organizational Development (Leadership, Climate, Organization, Competence)

In line with its HR vision that seeks to constantly be “The Most Preferred Employer” in its sector, Akçansa regards its employees as being fundamental to all of its activities.

From such a perspective, the company’s strategic focus in the area of human resources is to lead change

through processes and practices that are effective, straightforward, and extensible.

Akçansa’s core HR principles are to:

- Support the strengthening of a positive organizational climate
- Accelerate leadership development
- Enhance the learning and development experience for employees
- Encourage employees to participate in and improve management
- Make it possible for the company to recruit and hold onto talented people
- Support stakeholder participation in and satisfaction with HR practices.

As a concomitant of its human resources management approach, Akçansa’s HR strategies and short- (1-year) and medium- (5-year) term HR goals are reviewed and integrated into all functional targets with improvements also being made as may be needed in the “organizational climate”, “coaching”, and “leadership style” aspects of the company’s corporate culture.

Talent Acquisition

In line with its HR vision, Akçansa’s priority is to enhance its strength by getting to know and creating strong bonds with potential employees who love their work and who want to be a part of the company.

Employees for their part become acquainted with Akçansa’s fair and impartial workplace environment during the recruitment and hiring processes. When recruiting and hiring people, the company makes no inquiries whatsoever concerning such issues as religion, language, race, creed, gender, physical condition, or life choices and engages in no practice whatsoever that might be perceived as being discriminatory.

In line with its “Choose the right person for the right job” principle, Akçansa

decides whether job applicants are qualified or not as a result of a process that involves multiple observations and objective criteria that include interviewing, personality inventorying, and foreign language competency testing. This process is managed systematically and impartially on a variety of platforms that include university career days and career centers, social media, career websites, and web-based job interviews.

In addition to general and personal orientation programs, a “Buddy” system is also used to help newly-hired employees adapt more quickly to the company’s processes and corporate culture.

Employee Participation

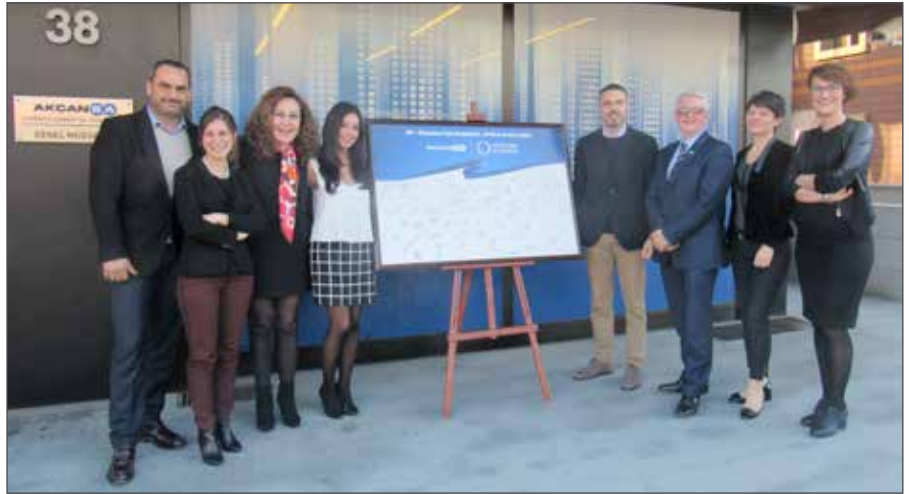
Employee participation is encouraged at Akçansa through informational and motivational gatherings such as “Communication” and “We’re Listening To You” meetings which are attended by all personnel and at which knowledge, ideas, and suggestions are exchanged.

Employees’ satisfaction and loyalty is measured through a regularly-conducted “Work Life Evaluation Poll” in order to determine issues that may be in need of correction. There is also a “Recommendation System” which gives the company the benefit of employees’ innovative ideas and which directs its attention to areas where improvements are needed.

Made up of voluntary representatives from different company functions and locations, the “Employee Ambassadors Council” serves as a platform for making uninterrupted two-way communication a way of life at Akçansa both by serving as a bridge and by providing a strong, trusted, and clear channel through which information about employee-related actions and practices may be spread throughout the company.



Human Resources



Industrial Relations

Akçansa regards the right to organize as a fundamental one. Company employees are at liberty to join labor and trade unions and to exercise and enjoy their membership rights. All blue-collar personnel employed in Akçansa cement plants are union members.

A collective bargaining agreement between the Cement, Ceramics, Clay Products, and Glass Industry Workers' Union (Çimse-İş) and the Cement Industry Employers' Association (ÇEİS) covering the period 1 January 2013 to 31 December 2015 remains in effect at this time.

Leadership Development

While managing their operations and teams in line with their "inspiring leadership" mission on the one hand and adhering to the company's shared vision, mission, and values on the other, company managers' two most important priorities are to focus on the wellbeing of the Akçansa family and to create a climate of trust and ensure the existence of a positive workplace environment characterized by transparent and continuous communication.

The goal of the "Leadership Meetings", "Leadership Style Survey", "Organizational Climate Survey", and "Leadership Development Program" that are conducted every year at the company is to support the continuous improvement of managers' leadership skills.

These and other ongoing development programs may also be supported, as needs dictate, by means of such practices as:

- Coaching
- Internal mentoring
- Development & Assessment Center
- 360° Performance Evaluation System.

Area-specific development plans and programs are also drawn up when required.

Performance Management

The Akçansa Performance Management System provides important input for HR processes. This system encompasses the entire process of translating and integrating company goals into individual and team goals and of effectively and continuously addressing and managing individual competencies.

The Akçansa Performance Management System is a cyclical process that begins at the start of each new year when employees and their supervisors sit down together to identify the year's individual and corporate objectives and continues for the rest of the year with target-fulfillment meetings.

Feedback & Coaching

Akçansa's Feedback & Coaching approach is an important part of its HR management. To ensure the effectiveness of this approach, employees are supported by means of continuous development programs.

Technological Infrastructure and Automation

"Mozaik" is a cloud-computing app that increases the effectiveness and efficiency of white-collar employees' performance, progression, and learning processes while also integrating those processes with the company's other HR practices. Employing a user-friendly interface and addressing employees' different needs, this app serves as a platform whose modules can be accessed anywhere both at and away from the office.

Beyond the Workplace

The efforts that Akçansa makes to enhance the quality of life of its employees are not limited to the physical conditions of the workplace itself. The company also provides social spaces such as clubhouse and beach facilities for the use of its personnel and their families.

Work / Life Balance

Giving importance to maintaining a proper balance between work and life, Akçansa provides its employees with a variety of sporting, cultural, and social activities and programs in line with their wishes and expectations such as "Akçansa Club World", "Sabancı Olympics", "Dragon Boat", "Work Safe & Live Healthy / Eurasia Marathon".

"Akçansa Club World" is an array of clubs appealing to special interests and hobbies such as diving, photography, cycling, and excursioning. In 2015 a social-assistance club called "One Spark" was also formed by employees.

"Akçansa Family Workshops" is a program of activities organized for the company's employees and their families.

Equality and Diversity

Two crucial and fundamental priorities at every Akçansa location and operation are to provide employees with a positive workplace environment and conditions as they deserve, to support gender equality in working life, and to increase communication and synergies among employees and thereby strengthen its corporate culture by acknowledging the value of diversity.

It is because of its acknowledgment of these priorities that Akçansa has signed the "Equality at Work Declaration" and joined the "Equality at Work Platform" set up by the Ministry of Family and Social Policy under the World Economic Forum's "Closing The Gender Gap Program". By subscribing to the declaration, the company pledges itself to voluntarily comply with principles to eliminate gender-based discrimination at the workplace, to proactively champion these principles, and to establish reliable systems that will make it possible to transparently report its progress in dealing with such issues.



Two other ongoing projects in this area that Akçansa involves itself in are:

- “Bring Me Milk Mommy”: A Work/Life Balance support program for employees who are infant-nursing mothers;
- “Ladik Glass Workshop”: A program for the wives of Ladik plant employees as well as the town’s housewives that shows them how to transform their labor into economic value by making and working glass.

Remuneration, Appreciation & Recognition

Akçansa’s personnel remuneration policy is to pay its employees a fair wage that also takes into account both the level of their responsibility and the scope of their duties. Owing both to individual performance-based bonuses and to seniority-based pay supplements, the total amounts in the pay packets of employees at the same salary grade may differ from one another. However the company’s remuneration policy stipulates that no employee may be treated differently because of their gender or any other personal attribute.

In order to keep its remuneration policy and practices competitive, Akçansa has comparison studies performed among those of companies comparable to itself using internationally-accepted assessment methodologies. The fundamental tenets of the company’s remuneration policy are to be fair, competitive, and compatible with generally-prevailing wage levels in Turkey while also rewarding superior performance. Employees’ fringe benefits are also managed flexibly so as to maximize effectiveness in line with requirements.

A variety of appreciation and recognition methods are employed and events are staged to single out and reward individuals and teams who have demonstrated notably superior performance such as:

- “An evening with Akçansa”
- “Special Reward for Performance”
- “Executive Committee Special Appreciation Awards”
- “OHS Leaders of the Year Awards”
- “Team Awards”
- “Outstanding Recommendations of the Year Awards”
- “Seniority Plaques”.

Talent Management for Individual and Corporate Development

Akçansa’s organizational structure is regularly reviewed in light of the company’s medium- and long-term strategic objectives and needs. Talent management involving both talent mobility and career-path diversity provides the basis for such reviews.

Talent management practices are supported by means of Akçansa HR Key Performance Indicators, with special attention being given to the training and development of talent groups. Many different programs are carried out in order to contribute to the development of today’s and tomorrow’s leaders and to support employees who have recently moved into management positions in their efforts to get up to speed in their new roles.

Because importance is given not only to behavioral but also to technical progression in the conduct of talent management at Akçansa, specific programs are likewise organized every year in order to address issues which have been identified as having priority. Progression plans are similarly supported and implemented by such means as mentoring, rotations, and opportunities to take part in different projects.

Blue-collar employees’ career progressions are tracked fairly and objectively taking into account both the company’s needs and individuals’ abilities so as to support organizational development.

A Culture of Effective Development

In line with the underlying “sustainable growth beyond all limits” tenet of Akçansa’s corporate vision, it is the company’s principle to create training and development opportunities for all of its employees.

- As embodied in its “My Development Is Primarily My Responsibility” maxim, whose aims are to foster the corporate culture the company wants, to realize business goals and strategies, and to reveal employees’ potential, Akçansa provides its employees with the means they need to achieve that development. Individuals’ learning and development requirements are tracked by means of personal development plans which are laid out according to the responsibilities they are currently undertaking and/or will undertake. Training contributes not only to professional/vocational development but also to employee motivation by creating possibilities for new interactions among personnel.
- Newly-hired personnel undergo comprehensive orientation training that focuses on many basic issues including ethical guidelines and OHS practices.
- Besides the in-house training that is provided, Akçansa employees may also take advantage of a variety of extramural training opportunities provided by HeidelbergCement, Sabancı Holding, Sabancı University etc.
- Akçansa has adopted procedures to encourage its employees to pursue advanced academic degrees and to acquire/improve foreign language competencies as may be required by their positions and/or in line with their future career paths. The company provides them with material support in aid of such efforts.

(Convenience translation of a report originally issued in Turkish)
**INDEPENDENT AUDITOR'S REPORT ON THE ANNUAL REPORT OF
THE BOARD OF DIRECTORS**



**Güney Bağımsız Denetim ve
SMMM A.Ş.**
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To the Shareholders of

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Report on the Audit of the Annual Report of the Board of Directors in accordance with the Independent Auditing Standards

We have audited the annual report of Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi and its subsidiaries (together referred to as "the Group") for the year ended December 31, 2015.

The responsibility of the Board of Directors on the Annual Report

In accordance with Article 514 of the Turkish Commercial Code 6102 ("TCC") and the provisions of the Communiqué II-14.1 on the Principles of Financial Reporting In Capital Markets" ("the Communiqué") of the Capital Market Board ("CMB") of Turkey, the management of the Group is responsible for the preparation and fair presentation of the annual report consistent with the consolidated financial statements and for the internal controls considered for the preparation of a report of such quality.

Responsibility of the Independent Auditor

Our responsibility is to express an opinion, based on the independent audit we have performed on the Group's annual report in accordance with article 397 of the TCC and the Communiqué, on whether the financial information provided in this annual report is presented fairly and consistent with the Group's consolidated financial statements there on which auditor's report dated February 25, 2016 has been issued.

Our independent audit has been performed in accordance with the Independence Auditing Standards as endorsed by CMB and Independent Auditing Standards which are a part of Turkish Auditing Standards promulgated by the Public Oversight, Accounting and Auditing Standards Authority. These standards require compliance with ethical provisions and the independent audit to be planned and performed to obtain reasonable assurance on whether the financial information provided in the annual report is free from material misstatement and consistent with the consolidated financial statements. This independent audit involves the application of auditing procedures in order to obtain audit evidence on the historical financial information. The selection of these procedures is based in the professional judgment of the independent auditor. We believe that the audit evidence we have obtained during our independent audit is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the financial information provided in the annual report of the Board of Directors is presented fairly and consistent with the audited consolidated financial statements in all material respects.

Independent auditor's responsibilities arising from other regulatory requirements

In accordance with paragraph 3 of Article 402 of the Turkish Commercial Code ("TCC") 6102, within the framework of the Independent Auditing Standards 570 "Going Concern", no material uncertainty has come to our attention which causes us to believe that the Group will not be able to continue as a going concern in the foreseeable future.

Güney Bağımsız Denetim ve Serbest Muahsebeci Mali Müşavirlik Anonim Şirketi
A member firm of Ernst & Young Global Limited

Ferzan Ülgen, SMMM
Partner

February 25, 2016

Corporate Governance Principles Compliance Report

PART I - CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE DECLARATION

Corporate Governance Principles Compliance

Akçansa Çimento Sanayi ve Ticaret A.Ş. has displayed due diligence in implementation of the "Corporate Governance Principles" published by the Capital Markets Board of Turkey (CMB) in the 1 January 2015 - 31 December 2015 period.

There is continuing work to ensure full compliance to the corporate governance principles in keeping with the decisions taken at the Corporate Governance Committee meetings.

PART II - SHAREHOLDERS

2.1. Investor Relations Department

Our company has set up a unit in order to maintain communication and contact with investors, as well as to serve them. The department is managed by Dr. Carsten Sauerland, Assistant General Manager (Finance) and it is made up of Hüsnü Dabak, Director of Financial Affairs (0216 571 30 25, husnu.dabak@akcansa.com.tr), Ayşen Öksüzöğlü, Accounting Specialist-Stakeholder Relations (0212 866 11 69 - 0216 571 30 62 aysen.ozgurel@akcansa.com.tr), Dinçer Bulan, Accounting Director-Financial Reporting Investor Relations and Asset Management (216 571 31 14 dincer.bulan@akcansa.com.tr), Aysun Yalçinkaya, Financial Reporting and Investor Relations Specialist (216 571 30 32 aysun.yalcinkaya@akcansa.com.tr), Banu Üçer, Corporate Communication Process Manager (0216 571 30 13, banu.ucer@akcansa.com.tr) and Onur Kerem Günel, Legal Counsel (onur.gunel@akcansa.com.tr). Pursuant to the CMB Corporate Governance Communique II-17.1, Hüsnü Dabak has been appointed as the investor relations director and also as the Corporate Governance Committee Member since, as the company's Finance Manager, he already performs the duties set forth in the communique, and he possesses the qualifications required to serve as the Investor Relations Unit Manager.

Those concerned can also be reached through fax at 0216 571 30 31. The Investor Relations Unit handles capital increases, dividend payments to

shareholders, disclosure of material events within the scope of the public disclosure project. Shareholders' queries in relation to the date of capital increase, dividend payment percentages and/or commencement date of dividend distribution as well as their participation in General Meetings, save for confidential information and trade secrets, are responded to in writing, verbally or via e-mail in an accurate, complete, intelligible and interpretable manner. The company discloses its operating results on a quarterly basis. Shareholders can go to the corporate site at www.akcansa.com.tr to obtain more detailed and periodic information on the company's operations, and access company information disclosed pursuant to the legislation.

Regular meetings were organized upon request with all investors during the reporting period.

In 2015, three roadshows, 12 in house (office visits) as well as one-on-one meetings with 40 investors and two analyst meetings took place. Also the Company participated in one investors conference held abroad.

The company strives to fulfill its responsibilities of public disclosure and transparency as a publicly traded company. The Shareholder Relations Department is staffed with specialists who are tasked to provide information to investors regarding the company's financial information. Utmost effort is made to abide by the Turkish Commercial Code and Capital Markets legislation so as to ensure participation from the shareholders at the General Assembly Meetings.

Disclosure Policy has been submitted for the information of the shareholders at the Public Disclosure Platform and the corporate website after being revised by the Corporate Governance Committee for this purpose with the Board of Directors' resolution No. 975 dated 19 December 2014 in compliance with the CMB Communique Serial II.15.1. Pursuant to Provisional Article 6 of the Capital Markets Board ("Law"), which entered into effect on the Official Gazette No. 27857 dated 25 February 2011 and which was amended by Article 157 of the Law

No. 6111, all stocks that have not been registered as of 31 December 2012 shall be legally transferred to the company at that date and all rights of the shareholders on these stocks shall come to an end. Any shareholder who fails to register his or her shares in the system registry by 31 December 2012 shall lose all rights arising from these stocks by law as of the aforementioned date.

2.2. Shareholders' Rights to Information

Shareholders requesting information are responded to in writing or verbally, based on their preference. As per the Capital Markets legislation, announcements in relation to shareholders' exercise of their rights are made through the Public Disclosure Platform in the Turkish Trade Registry Gazette. Announcements are also posted at www.akcansa.com.tr. Pursuant to CMB communiques, the company is subject to auditing by an Independent Auditing Firm. Appointment of a special auditor has been stipulated as a right in the Articles of Association. As of 31 December 2015, no request has been made for the appointment of a special auditor. The Audit Committee submits the independent audit reports to the Board of Directors for approval. Reports that are approved by the Board of Directors are announced to the public through the Public Disclosure Platform. According to Article 1524/1 of the Turkish Commercial Code No. 6102, an "Information Society Services" link has been created at the corporate website, pursuant to the provision that requires an area to be reserved for Information Society Services to make the legally required announcements at the website. The annual audited report is approved by the General Assembly and announced on www.akcansa.com.tr. Pursuant to Capital Market Legislation, the Audit Committee nominated by the company's Board of Directors functions in accordance with procedures. Utmost care is paid to ensure exercise of the rights mentioned below and set out by the Corporate Governance Principles, in addition to fundamental shareholding rights set forth under the Turkish Commercial Code and the Capital Market Law.

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During the period, the shareholders requested information about the company's capital increases in previous periods, dividend distributions and operating results for the related period. Requested information was provided to the shareholders verbally or in writing, based on their preferences. Shareholders can also follow-up current information about the company from the corporate website at www.akcansa.com.tr, as well as from material event disclosures published by the Public Disclosure Platform (www.kap.gov.tr) and newspaper advertisements.

Up until 31 December 2015, the Shareholder Relations Department responded to one written request received through nearly 30 phone calls, emails and one-on-one meetings. For this purpose, information that might be of concern to shareholders was posted on www.akcansa.com.tr throughout the required disclosure processes.

2.3. General Assembly Information

When making the invitation for the General Assembly, the company complies with the provisions of the Turkish Commercial Code, CMB legislation and the Articles of Association. Invitation proceedings are announced in the Trade Registry Gazette three weeks prior to the General Assembly and to the publishing date of the announcement. They are announced at the corporate website and the Public Disclosure Platform. The company's share certificates are registered. Voting on the agenda is made according to the 51% Commercial quorum ratio pursuant to the Articles of Association of the company. The approval of the General Assembly of Shareholders is sought in important matters such as amendments to the Articles of Association, mergers, demergers, election of the Board Members and auditors, dividend distribution, release of the Board Members and Auditors from liability for their activities, and approval of the annual report. Information such as minutes of General Meetings and attendance rosters are made available on the corporate website. The Annual Report regarding the General Assembly, financial statements, dividend proposal, agenda of the General Assembly,

proxy form and agenda documents are announced at the company's head office, in a high-circulation newspaper and on the corporate website at least two weeks prior to the General Assembly. Pursuant to the Corporate Governance Principles, invitations to the General Assembly are submitted for the information of the investors three weeks prior. The General Assembly took place with over 84.48% quorum at the Sabancı Center 4. Levent/ ISTANBUL address on 24 March 2015. Meeting invitation was published in the Turkish Trade Registry Gazette's issue No. 8769, dated 2 March 2015. Documents regarding the General Assembly were submitted for the information of the shareholders at the www.akcansa.com.tr website three weeks prior. Shareholders did not put forth any agenda item suggestions requiring a written response. The agenda includes articles on providing information regarding the donations made during the period, and on setting an upper limit for donations and assistance to be made in the next fiscal period. The Board of Directors' proposed Donations and Assistance Policy has been laid down for the approval of the General Assembly. During the 2014 General Assembly Meeting, all shareholders were given the opportunity to speak and ask questions, and the Chair of the General Assembly answered all questions without a time limitation. Pursuant to the Article 1.3/5 of the CMB's "Corporate Governance Principles" (II-17.1), the questions and answers have been disclosed to the public through the company's corporate website. Minutes of the General Assembly, Attendance List, Amendments to the Articles of Association and the Articles of Association are available for the shareholders at all times at www.akcansa.com.tr.

Extraordinary General Assembly meeting was not held in the 1 January 2015 - 31 December 2015 period. Decisions of critical importance in the Turkish Commercial Code are submitted for the approval of the shareholders at the General Assembly.

2.4. Voting Rights and Minority Rights

The Articles of Association does not have privileged or cumulative voting rights.

The Articles of Association does not contain any provisions offering cumulative voting rights for the current shareholding percentages and for partnership structure, as this is thought to be detrimental to the company's harmonious management structure. The matter will be addressed by the General Assembly of Shareholders if and when it is regulated by applicable laws and minority shareholders are prevented from abusing cumulative voting rights.

2.5. Dividend Rights

The company has in place a publicly disclosed Dividend Distribution Policy. This policy covers the following: Akçansa Çimento Sanayi ve Ticaret A.Ş. Dividend Distribution Policy has been set pursuant to the provisions of the TCC, the CMB legislation, and other legislation, as well as the Articles of Association provisions with regard to dividend distribution, and in keeping with the middle and long-term strategies, and investment and financial plans of Akçansa Çimento Sanayi ve Ticaret A.Ş. by taking into consideration the country's economy and the industry's state, and by pursuing a balance between the shareholders' expectations and the company's needs.

Although the General Assembly adopted a decision to determine the amount of dividend to be distributed, it has resolved to distribute at least 50 percent of the distributable profit in cash and/or as bonus share.

While it was resolved to distribute dividends equally and as soon as possible regardless of the whole share amount, and their issue and acquisition dates; distribution shall be made to shareholders at the date determined by the General Assembly following its approval within stipulated legal periods.

Pursuant to Article 33 of the Articles of Association, if authorized by the General Assembly, it shall also be possible to distribute advance dividends to shareholders with the resolution of the Board of Directors.

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The General Assembly shall be authorized to transfer a certain part or all of the net profits as excess reserve fund. In the event that the Board of Directors of Akçansa Çimento Sanayi ve Ticaret A.Ş. proposes to the General Assembly not to distribute dividends, at the General Assembly meeting, shareholders shall be provided information on the reasons and the manner of use of the undistributed profits. Similarly, this information shall be available to the public in the annual report and the corporate website.

Dividend distribution policy shall be submitted for the approval of the shareholders at the General Assembly Meeting. The Board of Directors reviews this policy every year in line with any adversities in the national and global economic conditions, and the state of current projects and funds. Any changes made to the policy shall be submitted for the approval of the shareholders at the first General Assembly following the changes, and shall be disclosed to the public at the corporate website.

This information has been submitted for the information of the shareholders prior to and at the General Assembly. Dividend Distribution Policy was submitted for the information of the shareholders at the 26 March 2014 General Assembly. Dividend Distribution Policy is also provided at the corporate website at www.akcansa.com.tr address within the Corporate Identity and governance information.

As per the provisions of the company's Articles of Association, article 33 sets out the manner of profit distribution. The company's dividends are paid within the legally-prescribed periods of time. No shareholders shall enjoy any privileges in terms of receiving shares from the profit.

2.6. Transfer of Shares

The Articles of Association of the company does not contain any clauses that restrict transfer of shares.

PART III - PUBLIC DISCLOSURE AND TRANSPARENCY

3.1. Corporate Website and Content

The company has in place a registered website. Corporate website: www.akcansa.com.tr

The site contains the topics stated in the Corporate Governance Principles. The corporate website is also available in English. This section has been provided for the international investors.

Under the Corporate Governance Principles, the company maintains a website accessible to all shareholders and investors at www.akcansa.com.tr. The corporate website covers information such as corporate presentations, products and services, management systems, financial indicators, annual reports, an investor center, financial statements, information policy, environmental activities, social responsibility activities and human resources.

The main content of the website is as follows:

- Detailed information on corporate identity
- Vision and Mission
- Information on the Board Members and the executive team
- Organization and shareholding structure of the company
- Articles of Association of the company
- Trade registry information
- Financial data
- Press releases
- Material Event Disclosures
- Date and agenda of the General Assembly, explanations of the agenda items
- Minutes of the General Assembly and the attendance list
- Sample proxy form
- Corporate Governance practices and compliance report
- Dividend distribution policy and its history, and capital increases
- Disclosure Policy
- Related party transactions report
- Remuneration Policy for the Board Members and the Executives
- Frequently Asked Questions

3.2. Annual Report

The company prepares the Annual Report in compliance with the scope of the Corporate Governance Principles, and in enough detail so as to allow the public to obtain complete and accurate information about the company activities.

PART IV - STAKEHOLDERS

4.1. Informing Stakeholders

The company has in place a Disclosure Policy that has been prepared according to the Corporate Governance Principles of the CMB. The Disclosure Policy has been announced by a Material Event Disclosure on 29 April 2009 and since then, it has been posted at www.akcansa.com.tr website. Disclosure Policy has been submitted for the information of the shareholders at the Public Disclosure Platform and the corporate website after being revised by the Corporate Governance Committee for this purpose with the Board of Directors' resolution No. 975 dated 19 December 2014 in compliance with the CMB Communiqué Serial II.15.1.

The Disclosure Policy has been developed and approved by the Board of Directors pursuant to the Corporate Governance Principles of the CMB.

Monitoring, supervision and development of the Public Disclosure Policy is under the authority and responsibility of the Board of Directors that is made up of Hayrullah Hakan Gürdal (Chairman of the Board of Directors) (Hayrullah Hakan Gürdal resigned from his post as of 16 October 2015 and was succeeded by Seyfettin Ata Köseoğlu effective from the same date, whose appointment has been laid down for approval in the immediately following General Assembly; Mr. Köseoğlu resigned from this post as of 17 February 2016 and Mehmet Hacıkamiloğlu has been appointed as his successor as the Chairman of the Board of Directors), Daniel Gauthier (Vice Chairman of the Board of Directors), Ali Emir Adıgüzel (Board Member), Faruk Bilen (Board Member), Atıl Saryal (Independent Board Member), Yavuz Ermiş (Independent Board Member). Dr. Carsten Sauerland, Assistant General Manager (Finance), has been

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appointed to monitor and supervise every aspect of the public disclosure. Pursuant to this policy, public disclosure is made for the independently audited financial statements for the 6th and 12th months, and for the 3rd and 9th months that have not been independently audited. Consolidated reports drawn up in line with the International Financial Reporting Standards (IFRS-IAS) have been disclosed within the period stipulated by the CMB. Information related to the company are made available to the public via press bulletins, electronic mailings, text messages, interviews given to the media and news agencies, announcements posted on the website, advertising and brochures. Access to public disclosure through the website has been enabled under the scope of Information Policy as recommended by the CMB Corporate Governance Principles.

Stakeholders

Partners

Stakeholders learn about company-related developments via public disclosures made in accordance with applicable legislation. Pursuant to the Borsa İstanbul Communiqués and the provisions of the Turkish Commercial Code, the company announces matters such as the General Assembly and Extraordinary General Assembly meetings, capital increase and dividend distribution through: the Trade Registry Gazette; material event disclosures; and a high-circulation newspaper, within legally prescribed periods of time as per the applicable legislation. Some other means of disclosure are: press conferences, press releases, interviews given to the media and the Internet. Information, save for confidential information and trade secrets, is provided in an accurate, complete, intelligible, interpretable manner, and is made equally available to all.

Customers

The company attaches great importance to products, services and quality. Accordingly, it constantly strives to carry out activities that improve customer satisfaction. Customer satisfaction is measured by regular surveys. The company also plans

training sessions and seminars, carried out at regular intervals, that target customers. In addition, the company maintains its research and development activities.

Employees

All practices related to employees are carried out within the framework of employment laws.

Hiring, promotion, training and performance improvement policies and practices are put into writing.

In order to monitor the operation of the Integrated Management Systems comprised of Quality, Environment, Energy and Occupational Health and Safety Management systems, the QDMS infrastructure is in place at Akçansa, to which all employees have easy and constant access within their limits of authorization.

Stakeholders learn about company-related developments via public disclosures made pursuant to applicable legislation.

Company employees are kept up-to-date on their areas of expertise and topics of general interest through meetings, workshops, training courses and on-line notices.

4.2. Stakeholders' Participation in the Company Management

Employees participate in management through periodic meetings (i.e. communication meetings, management meetings, functional meetings, discussion sessions with the General Manager), annual goal-setting, performance appraisal, development planning meetings and the suggestion system. Also, regular questionnaires are conducted to measure employee satisfaction and receive feedback. Furthermore, the satisfaction of dealers and customers are measured at certain intervals. Accomplished teams are rewarded each year according to the Award System, which was introduced in 2008.

4.3. Human Resources Policy

Akçansa considers the value placed at human resources to be the major factor in its accomplishments, and it places the employees at the core of

all operations. Accordingly, through constant development and practices that bring high performance, the company strives to be an exemplary and preferred employer in the industry with a qualified workforce.

Akçansa brings its employees together under the identity of being an "Akçansa member." Thanks to a partnership between Sabancı Holding and HeidelbergCement, employees enjoy a trust and respect for each other in a climate that nurtures employee satisfaction and productivity, along with modern human resources practices.

Akçansa establishes human resources strategies and objectives by taking into consideration the national and global economic environment, and the individual conditions specific to the cement, ready-mixed concrete and aggregate sectors, as well as the company's business goals.

In Akçansa's equal work environment, candidates are under no circumstances asked to provide information regarding their religion, language, race, denomination, gender, physical state or lifestyle preferences. All practices that may be perceived as discriminatory are avoided. To date, the company has not received any negative feedback from employees with regard to discrimination.

The negotiations for the new term collective bargaining agreement that will be concluded by and between ÇEİS (Cement Industry Employers' Association) to which we belong and T. Çimse-İş Labor Union that began on 18 December 2015 resulted in the agreement of the parties and were consummated on 27 January 2016.

4.4. Ethical Rules and Social Responsibility

The ethical principles embraced by our partner Sabancı Holding have also been adopted by our company. Employees are informed about the rules through the booklets and educational training. Feedback is obtained from employees through the web-based "Sa-Etik Year- End Application." Ethical rules are disclosed to the public by being published in the following sections of the corporate website.

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www.akcansa.com.tr/insan-kaynaklari/is-etigi-kurallarimiz

www.akcansa.com.tr/yatirimci-merkezi

The company makes every effort to comply with international standards for a cleaner environment. As is stated in our ISO 14001 environmental policy, the company's goals in this aspect are as follows: waste management and reduction through the classification and sorting of waste, recycling if possible, and disposal of waste in licensed disposal facilities; incinerating waste that can be used in our plants (where licenses and permits have been granted), evaluation of damage caused by waste to the environment and taking necessary preventive measures to minimize such damage; fulfilling legal obligations and providing required infrastructure and resources; imposing sanctions on our contractors when necessary and providing training. Achieving sustainable development while protecting the environment and raising environmental awareness is one of Akçansa's primary goals. Akçansa addresses the environmental aspect at all of its facilities. There exist lawsuits that have been filed against the company in relation to environmental issues.

As Turkey's leading construction materials company, Akçansa led the industry by publishing the first ever sustainability report. The report contains the developments in the 2007-2009 period. As part of our sustainability operations, it has been prepared at "B" level, pursuant to the Global Reporting Initiative's (GRI) G4 Reporting Principles - a reporting standard used by pioneering global companies. This first sustainability report has earned Akçansa the title as the first ever company to achieve approval at this level. The second sustainability report was published in 2012 with the inclusion of the work and performance results for the period 2010-2011. Akçansa sustainability reports are planned for publication every two years. In October the third sustainability report was published for the period 2012-2013.

Akçansa's Büyükçekmece and Çanakkale cement plants transform various waste into environmental and economic value. They are the first plants granted with Ministry of Environment and Forestry R134-001 and R117-001 licenses, which authorize the use of alternative fuel. They boast of being the first plants granted with Ministry of Environment and Forestry R134-001 and R117-001 licenses, which authorize the use of alternative fuel. Incineration of waste at cement plants serves to conserve natural resources and significantly reduces carbon dioxide emissions, while producing a solution for the highly challenging issue of waste disposal.

Concrete waste, which is found in the facilities and inside the vehicles in the recycling systems that are built in our mixed concrete facilities, is separated as aggregate and water to be re-used in production. In this way, natural resources are protected and production operations continue through an environmentally-conscious system without producing waste. "Mobile waste containers" at our ready-mixed concrete project facilities are an industry first, as well as an example of best practice.

As the first company in the cement sector to process waste in accordance with all waste disposal legal requirements, and the first company to make investments in this field, Akçansa created the "CO₂ Single Carbon, Double Oxygen" project. The project's slogan is "real value can be produced by both waste collection and proper waste disposal." "Send your waste to us!" This is the project's appeal to all companies, local public and private institutions, and municipalities that produce waste in the cities where we operate. We aim to contribute to the reduction of the carbon footprints of these institutions by providing a safe and healthy way of disposing their waste. This project won us an award from the Corporate Social Responsibility Association of Turkey (CSR Turkey) in the Sustainable Waste Management and Communication field.

Akçansa believes that children need to be educated from an early age regarding the environment. Therefore,

it has launched the "Surrounded by the Environment" initiative with the purpose of educating children on environment issues. Akçansa environmental engineers educate students on issues of global warming, ways to help preserve the Earth, proper waste disposal, measures against pollution, as well as Akçansa's environmentally-friendly industrial practices.

In cement production, raw materials are obtained mainly from natural resources. Our environmental priorities include preserving biodiversity at our mine sites. Each year, we regularly reforest the areas where we no longer carry out production operations. In 2013, we also held a "Biodiversity Project Competition" aimed at university students for the first time in Turkey. With the competition, we aim to increase awareness regarding biodiversity and facilitate development of creative projects by young people. The project award ceremony was held in November 2014.

We are leading the industry as the first cement company to participate in the Carbon Disclosure Project (CDP), which is being carried out in collaboration with Akbank and Sabancı University. Being involved in such a project presents a significant opportunity for us to share our performance and objectives regarding carbon management.

Energy efficiency is critical in the energy-intensive cement industry. We have goals to reduce energy consumption, and energy performance indicators to monitor and measure efficiency at our plants. In order to introduce a more systematic approach to energy management and prepare for our responsibilities with regard to greenhouse gas emissions, we acquired the ISO 50001 - Energy Management System Certificate for "three plants and Çanakkale port facility" in 2013 by bringing our current measurement and monitoring system to international standards. The certificate is an industry first.

Our plants operate with a view to enhance the quality of community service offered by nearby municipalities, schools and public institutions and to provide financial support.

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PART V - BOARD OF DIRECTORS

5.1. Structure and Formation of the Board of Directors

Not all Board of Directors members are executive members. Work distribution of Board Members is arranged as follows: The Annual Report provides personal and background information of the Board Members.

Pursuant to CMB communiqués on Determination and Implementation of Corporate Governance Principles, the Corporate Governance Committee has been established; according to the provisions of the communiqué, it has been resolved to appoint Independent Board Members Atıl Saryal as the Chairman of the Corporate Governance Committee, Yavuz Ermiş and Hüsnü

Dabak as the Corporate Governance Committee Member, and to empower the Committee to also carry out the duties of the Nomination and the Remuneration committees.

At our Ordinary General Assembly held on 24 March 2015, board members were elected. Task assignments were also made on 24 March 2015.

Board of Directors

Hayrullah Hakan Gürdal	Chairman (Resigned from his post on 16 October 2015. Re-elected as a Board member on 10 March 2016)
Seyfettin Ata Köseoğlu	Vice Chairman (Appointed as the Chairman of the Board on 16 October 2015 from which post he resigned on 17 February 2016.)
Mehmet Hacıkamiloğlu	Vice Chairman (Appointed on 17 February 2016)
Daniel H.J. Gauthier	Vice Chairman
Ali Emir Adıgüzel	Board Member (Resigned on 1 March 2016)
Barış Oran	Board Member
Atıl Saryal	Independent Board Member
Yavuz Ermiş	Independent Board Member

Through the donations it makes to the H. Ö. Sabancı Foundation as part of its social responsibility awareness, the company makes an impact on both the country's social and cultural development as well as its immediate circle.

5.2. Operating Principles of Board of Directors

During the 1 January 2015 - 31 December 2015 period, the Board of Directors of the company met 71 times, of which four were conducted face-to-face and 67 were made with written approval in keeping with the Turkish Commercial Code and the provisions of the Articles of Association. The Board of Directors' agenda is determined as a result of the meetings held between the Chairman of the Board of Directors and the current Board Member and the General Manager. The agenda and the contents of the agenda items are compiled in a file by the preliminary informative committee and circulated to board members one week prior to the relevant meeting to allow time for necessary review and study.

During the meetings that were held between 1 January 2015 - 31 December 2015, there were no opposing views against the resolutions

taken by the Board of Directors. Board members, save for those with a justifiable excuse, personally attended the board meetings. No questions were recorded in the minutes because no questions were posed by the board members. Board members have not been granted weighted voting rights and/or veto rights on related decisions.

5.3. Number, Structure and Independence of Committees under Board of Directors

As of the 1 January 2015 - 31 December 2015 period, an Audit Committee is in place reporting to the Board of Directors. Following the 24 March 2015 Ordinary General Assembly, as per the Board of Directors' resolution No. 1000 dated 24 March 2015, Independent Board Members Yavuz Ermiş and Atıl Saryal were appointed as the Chairman and the Member of the Audit Committee respectively. As per the Board of Directors' resolution No. 1001 dated 24 March 2015 and pursuant to the CMB Communiqués, it was decided to establish a Corporate Governance Committee and to appoint Independent Board Member Atıl Saryal as the Chairman and Independent Board Member Yavuz Ermiş and Financial Affairs Manager Hüsnü Dabak as

the Members of the Committee. It was resolved to have this committee carry out the duties of the Nomination Committee and the Remuneration Committee as well. As per the Board of Directors' resolution No. 1005 dated 26 March 2015, the Early Detection of Risk Committee was established, and Atıl Saryal and Yavuz Ermiş were appointed as the Chairman and the Member of the Committee. The Audit Committee, Corporate Governance Committee and Early Detection of Risk Committee perform their duties according to the internal regulations. There were no conflicts of interest in the Audit Committee during the 1 January 2015 - 31 December 2015 period due to current member structures.

The Audit Committee convenes at least four times a year with at least three-month intervals; it records the meeting minutes and submits them to the Board of Directors.

The Corporate Governance Committee convenes at least four times a year with at least three-month intervals; it records the meeting minutes and submits them to the Board of Directors.

Early Detection of Risk Committee convenes at least six times a year with two-month intervals. The reports

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containing information and results about the committee's work are approved, and then submitted to the Board of Directors.

The current operation principles of the committees are available on the corporate website.

Prior to Board of Directors' meetings, the Pre-notification Committee prepares detailed presentations, performing the necessary in depth studies regarding the matters that will be submitted for the approval of the Board of Directors.

Internal Audit Manager submits Corporate Governance Principles-related reports to the Audit Committee Members.

5.4. Internal Control and Risk Management Mechanism

Pursuant to CMB communiqués on Determination and Implementation of Corporate Governance Principles, the Corporate Governance Committee has been established; according to the provisions of the communiqué, it has been resolved to appoint Independent Board Members Atıl Saryal as the Chairman of the Corporate Governance Committee, Yavuz Ermiş and Finance Manager Hüsnü Dabak as the Corporate Governance Committee Members, and to empower the Committee to also carry out the duties of the Nomination and the Remuneration committees.

An Internal Audit Manager and Internal Audit Specialist serve in the company. Objectives and principles behind their activities are clearly described below. With the creation of the Audit Committee, they effectively fulfill the tasks assigned thereto by the Board of Directors within the framework of the Audit Committee Bylaws.

Risk management is based on describing and monitoring all potential risks to which our company may be exposed. The company and its executives classified all potential risks upon which necessary precautions have been adopted therefor. These include: all types of financial risks such as asset-liability, credibility, capital/indebtedness, exchange rate risks and risk factors that may directly influence the financial position of the company;

natural risks, in relation to which all facilities are insured to minimize the risk posed by natural disasters such as fire, earthquake, and so on, which may affect the performance of the company. The SAP system is employed to prevent any loss of data and ensure systems are unaffected in the event of a disaster. This system allows instant tracking of operating results, as well as measurement and processing, aiding the decision support processes. Representing a key technological utility, the SAP enhanced the efficiency of the internal control mechanism by eliminating human errors. Furthermore, emphasis is put on investments such as the company back-up system.

In parallel with the risk management and control system in place at our shareholders Hacı Ömer Sabancı Holding A.Ş. and HeidelbergCement Group, effective risk management processes have been devised and launched. Corporate Risk Manager provide information to the Early Detection of Risk Committee with periodic reports within the company.

5.5. Strategic Goals of the Company

Vision

To achieve sustainable growth as the construction materials industry's most trusted company, with the most preferred business model.

Mission

With our culture of dedication for social, environmental, legal and ethical values, to BECOME A PIONEERING CONSTRUCTION MATERIALS COMPANY THAT IMPROVES THE QUALITY OF LIFE, by creating value for our customers through innovative products, services and solutions;

for our stakeholders, through superior financial performance; and for our employees, who make up the backbone of our operations, through constant development opportunities and our business model. The Board of Directors hold discussions with the stakeholders to define the strategic objectives of the company for the next three years. Furthermore, the annual budgets prepared as part of these strategic objectives, which are approved by the Board of Directors.

The Board of Directors are well informed of the implementation processes of decisions made in line with comparative presentations made to company officials during meetings. These presentations contain comparisons of the current year's budget and the actual results, as well as the comparison of the same periods of previous years, to be presented to the Board of Directors. The Board of Directors repeats this process at least four times a year.

5.6. Financial Rights

During the 1 January 2015 - 31 December 2015 period, the company did not lend money to any of the Board Members, nor did it issue a line of credit, extend the terms of debts or credits, or improve their conditions, issue line of credit under the name of personal loan through a third party, or give guarantees such as indemnities in their favor. At the 24 March 2015 Ordinary General Assembly, it was resolved to pay a monthly remuneration of TL 3,500 to the Board Members.

Hayrullah Hakan Gürdal has resigned from his post as of 16 October 2015, and Seyfettin Ata Köseoğlu has been appointed as the Chairman of the Board of Directors as his successor on the same date. Hayrullah Hakan Gürdal and his successor Seyfettin Ata Köseoğlu, who has resigned from this post as of 17 February 2016, and Mehmet Hacıkamiloğlu, who has been appointed to succeed Seyfettin Ata Köseoğlu upon the latter's resignation, Daniel H.J. Gauthier, Ali Emir Adigüzel and Barış Oran have all waived the receivables that have arisen since 24 March 2015 and will arise until the end of their terms of office from the fees to accrue by virtue of the Ordinary General Assembly resolution for the payment of a monthly fee of TL 3,500 to the members of the Board of Directors.

The company has established a Remuneration Policy for the Board Members and Executives, and has disclosed it to the public on the corporate website.

Legal Disclosures

Authorities and responsibilities of the Board of Directors and executives

The Articles of Association describes the Board of Directors' rights to govern and represent. The authorities and responsibilities of the managers is not explained in the Articles of Association of the company. These authorities and responsibilities are established by the Board of Directors.

Administrative and Legal Sanctions Enforced on the Company or on the Members of the Administration due to Violation of the Provisions of the Legislation

During the 1 January 2015 - 31 December 2015 period, there were no administrative or legal sanctions enforced on the company or on the members of the administration due to violation of the provisions of the legislation.

Prohibition on doing business or competing with the company

During the 1 January 2015 - 31 December 2015 period, Board Members did not enter any transaction with the company or engage in any activity that constitutes competition in the same areas of activity of the company.

Research and development activities

Akçansa collaborates with universities and the Heidelberg Technology Center in areas such as training, new product development, before and after sales support, technical trips for university students, support for university studies on cement and concrete, support for universities with regard to conventions and brochures, and national/international scientific publications (announcements).

Ongoing R&D Projects:

- Researching the Use of Mineralizers Clinker Production
- Studying Hydration Reaction on Cement and Researching the Factors that Affect Cement
- Establishing the Criteria on Use of Recycled Items from Constructions and Debris Waste
- Considering Microalgae as Fuel and as CO₂ Catcher in Cement Production Process

100+Concrete and 100+cement products, which are produced for the third Bosphorus bridge, stand out with superior durability and with strength against environmental effects.

Environmental (Alternative Fuel and Raw Material) Laboratory continues operations at the Büyükçekmece plant

As part of the collaboration with universities, Betonsa has provided material support for a number of postgraduate and doctorate theses at the ITU Faculty of Civil Engineering, Construction Materials Department. The Akçansa Technology Center has published many national and international conference statements as a result of joint studies it has carried out with ITU. Publication topics especially cover mechanical features, durability, optimal designs, and they draw great interest from the industry. There are ongoing efforts to promote and strengthen the image of the company by establishing close collaborations with the Chamber of Construction Engineers, universities and customers.

Amendments to the Articles of Association during the operating period, and the reasons

No amendments were made to the Articles of Association of the company during the 1 January 2015 - 31 December 2015.

Based on the Board of Directors decision no. 1041 dated 23 December 2015, it has been resolved to file an application with the Capital Markets Board of Turkey (CMB) and T.R. Ministry of Customs and Trade to seek the necessary approvals for extending the authorized capital permission and for the draft amendments to the Articles of Association. The necessary approvals have been obtained from the CMB on 7 January 2016 and from the T.R. Ministry of Customs and Trade on 11 January 2016.

It has been disclosed to the public and our investors that the amended article of the Articles of Association will be laid down for approval in the first ordinary General Assembly to be convened, and that it will be registered before the related Trade Registry and promulgated in the Turkish Trade Registry Gazette within due time.

Quality and amount of issued capital market instruments, if applicable.

None.

Area of business of the company and its position in the market

Akçansa is the most prominent player in Turkey's cement sector. With this leadership comes the responsibility of moving both the industry and its reputation forward.

Legal Disclosures

As a leading company, Akçansa deems itself responsible for increasing the values created for society and its stakeholders and for providing sustainable growth.

With its principle of sustainable growth and business goals, Akçansa carries out its activities by planning them in the best manner first. The company, which has transparent, open and continuous communication with all its stakeholders in both business applications and social responsibility projects, converts its activities into value-adding communication projects and has become a reputable company.

Akçansa aims to advance its existing powerful relationships with its social partners in order to perpetuate its leadership. Akçansa, which makes one of the largest investments in society and in its social stakeholders, is rewarded with the prestige of making such an investment. Giving assistance to the regions where it operates, making a contribution to growth with its plants and facilities and developing public projects in areas such as sports, education and culture are some of the ways for the company to demonstrate its determination to create social value.

Akçansa has fully accepted and adopted the principles of sustainable development and performance culture. Akçansa's competitive power, financial performance and innovative technology that extends from special products to using alternative fuels and raw materials, their respect for the environment, their work on social responsibility projects and advanced applications in the area of human resources have all been combined to continuously emphasize their leadership in the sector.

While Akçansa utilizes the country's natural resources through industrial investments and contributes to the economy with employment, production and exports, they also use the resources obtained through industrial and commercial activities to create value in the areas of culture, sports, arts, education and the environment.

Akçansa applies the highest standards in all of its processes - from using alternative fuel and raw materials to displaying sensitivity in protecting the environment, as well as in work safety and ethics.

Accredited organizations perform regular measurements each year to inspect compliance with all legal requirements in regards to all filters in the plants, as well as dust and gas emissions in the chimneys. Also, at three-month intervals, measurements are made and reported to the Ministry of Environment and Forestry in regards to the furnaces where waste materials are burned. Real-time emission values of the plant are shared with the public via the screen at the entrance of the Büyükçekmece Plant.

The Akçansa Büyükçekmece plant is the first factory to have built specially-designed waste feeding systems, which are able to feed both waste oils and tires automatically. The plant is increasingly using alternative fuels by burning contaminated waste and other similar waste.

The laboratory began operations in the Akçansa Büyükçekmece plant at the start of 2008. This required the purchase of the necessary equipment to build an alternative fuel and raw material laboratory, in which analysis can be performed as stipulated by the law and regulations concerning waste

management. The plant also houses an R&D department that provide services for all cement production operations of the company.

As part of the collaboration with universities, Betonsa has provided material support for a number of postgraduate and doctorate theses at the ITU Faculty of Civil Engineering, Construction Materials Department.

As part of the R&D operations, Betonsa Technology Center and ITU have gone into collaboration to perform studies with significant results, which have been published in national and international scientific publications.

Betonsa continues to organize periodic training programs for its customers, construction companies, producers of concrete components, civil engineers, audit companies, engineers and technicians joining from domestic and central authorities, and university students. Training subjects include concrete technology and its durability, as well as the importance of maintenance and curing. Additionally, information on current issues such as concreting techniques in cold and hot weather conditions are shared.

Investment-related developments, and status and level of using incentives, if any.

The company possesses an investment incentive certificate, as of 31 December 2015.

As of December 2015, total consolidated investment expenditures were TL 113.7 million.

Legal Disclosures

Production and the capacity

Our plants and facilities work with the following capacities.

Facility Capacities (Tons/Year)	Cement Production Capacity	Clinker Production Capacity	Operational Capacity
Büyükçekmece	2,572,800	1,943,000	-
Çanakkale	5,500,000	4,450,000	-
Ladik	1,014,000	643,500	-
Ambarlı	-	-	746,000
Aliağa	-	-	225,000
Yalova	-	-	300,000
Yarımca	-	-	700,000
Hopa	-	-	120,000
Samsun	-	-	120,000
Karçimsa	200,000	-	-

Information on Operations

In 2015, consolidated domestic sales revenues went up by 4% year-on to TL 1,372 million. Consolidated international sales revenues, on the other hand, rose by 20% and reached TL 167.7 million. The annual rise in international demand and the upward move in exchange rates contributed positively to these figures.

Financial ratios (*)		
Liquidity Ratios		31 December 2015
Current Ratio	Current Assets/Short Term Liabilities	1.74
Acid Test Ratio	(Current Assets - Inventories)/ Short Term Liabilities (excluding loans)	1.33
Inventories / Current Assets	Inventories / Current Assets Current Assets (Excl. Cash and Cash Equivalents)- Short Term Liabilities (excluding loans)	0.24
Working Capital	Short Term Liabilities (excluding loans)	233,120,741
Financial Structure Ratios		
Financial Leverage	(Short Term + Long Term Liabilities) / Total Assets	0.30
Fixed Assets/Equity		0.95
Financial Liabilities / Equity		0.09
Net Financial Position	Cash and Cash Equivalents - Financial Liabilities	(91,089,857)
Profitability Ratios		
Asset Turnover	Net Sales/Total Assets	0.86
Gross Profit Margin	Gross Sales Margin/Net Sales	0.29
Return on Assets	Net Profit/Total Assets	0.17
Operating Income/Sales		0.24
Net Earnings per Share		1.47
Cash and Cash Equivalents		21,854,524
Financial Liabilities		112,944,381
Net Financial Position		91,089,857
Trade Receivables		398,938,211
Other Receivables and Other Current Assets		13,280,601
Inventories		135,204,055
Trade Payables		(271,084,281)
Other Liabilities and Other Obligations		(43,217,845)
Net Working Capital		233,120,741

(*) Obtained from consolidated financial table data.

Legal Disclosures

Measures that are considered to improve the financial structure of the business

When necessary and depending on the market conditions, Akçansa maintains operations to strengthen the business capital, continuously improve its financial structure, balance foreign currency based cash inflows and outflows, support sound financial abilities and hedging activities according to the company procedures.

Changes in the executive team, and names, last names and professional experience of the officers currently serving

Umut ZENAR

General Manager

(Appointed on 17 February 2016)

Umut Zenar was born in 1980. He holds a bachelor's degree in International Relations from Boğaziçi University's Faculty of Economics and Administrative Sciences, and an Executive MBA, also from Boğaziçi University. Zenar began his professional career as a Business Development Specialist at Zorlu Energy Group in 2003, joining Akçansa some two years later. Between 2004 and 2008 he held the positions of Sales Specialist, and Marketing & Sales Planning Executive in the Cement Sales and Marketing Department. Following tenure as the Strategy and Business Development and Marketing Manager, he was appointed as the Assistant General Manager with responsibility for Cement Sales and Marketing.

Mehmet HACIKAMİLOĞLU

General Manager

(Resigned on 17 February 2016)

Born in 1969, Mehmet Hacıkamiloğlu received his bachelor's degree in construction engineering from Boğaziçi University, and completed the international business administration post graduation program at Istanbul University and the executive-MBA program at Sabancı University. Mehmet Hacıkamiloğlu began his career at the Sabancı Group as the Plant Manager at Betonsa, and then continued as the Investment and Planning Specialist at the same company. He served as the

Strategy Development and Planning Manager at Akçansa between 1997-1999, as the Managing Director of Agregasa between 1999-2001, as the Financial Coordinator at Akçansa for two years, and as the Assistant General Manager (Finance and Administrative Affairs) at Çimsa respectively. He was appointed as the General Manager of Çimsa on 1 July 2006, and as the General Manager of Akçansa Çimento Sanayi ve Ticaret A.Ş. Mehmet Hacıkamiloğlu resigned from his post as the General Manager of Çimsa as of 1 September 2014, and has been appointed as the General Manager of Akçansa Çimento Sanayi ve Ticaret A.Ş. effective from the same date. On 17 February 2016, he resigned from his office as the General Manager of the Company and was named the Company's Chairman of the Board of Directors.

Dr. Carsten SAUERLAND

Assistant General Manager (Finance)

Dr. Carsten Sauerland was born in 1978. He received his bachelor's degrees in Business Administration at universities in Mannheim, Germany and Barcelona, Spain. He completed his doctorate in 2007. He began his professional career as a consultant at an international tax consultancy in Frankfurt. He joined HeidelbergCement in 2010 as the Assistant CFO of the group. Dr. Sauerland was appointed as the Assistant General Manager in charge of Finance at Akçansa in November 2012.

Özgür BEK

Assistant General Manager

(Ready-Mixed Concrete & Aggregate)

(Resigned on 2 November 2015)

Born on 26 June 1971, Özgür Bek received his bachelor's and master's degrees in chemical engineering from Boğaziçi University. He also completed a certification program in management techniques expertise at Marmara University. Having started his career in 1996, he worked as a Production/Process Engineer, Sales/Account Executive, Sales Operations Manager, Regional Sales Manager, National Chains Sales Manager, Commercial

Group Head and National Chains Sales Director at Erciyas Bira Pazarlama A.Ş., Kraft Gıda (Marsa Kraft, KraftSA Kraft), Eczacıbaşı Girişim Pazarlama A.Ş. and Philip Morris.

Musa KEŞAPLI

Assistant General Manager

(Ready-Mixed Concrete and Aggregate)

(Appointed on 2 November 2015)

Born in 1971 in Ünye, Musa Keşaplı received his bachelor's degree in mechanical engineering from Karadeniz Technical University in 1992. From 1993, he worked as Facility Supervisor at Samsun Makine Sanayi, Facility Manager at Demirören LPG Group, and District Manager at Yibitaş Lafarge Hazır Beton A.Ş. From 2007, he served in our Company as Ready-Mixed Concrete - Black Sea Regional Manager and Cement - Northern Marmara Sales Manager.

Umut ZENAR

Assistant General Manager

Cement Sales and Marketing

(Resigned on 17 February 2016)

Born in 1980, Umut Zenar holds a bachelor's degree in international relations from Boğaziçi University's Faculty of Economics and Administrative Sciences, and an Executive MBA, also from Boğaziçi University. He began his career as a Business Development Specialist at Zorlu Energy Group in 2003, joining Akçansa some two years later. Between 2004 and 2008, he held the positions of Sales Specialist, and Marketing & Sales Planning Executive in the Cement Sales and Marketing Department. After working as the Strategy and Business Development and Marketing Manager from 1 June 2009, he served as an Assistant General Manager from 2013 until 17 February 2016.

Ali KİPRI

Assistant General Manager - Operations

Born in 1967 in Adana, Ali Kipri received his bachelor's degree in mechanical engineering from the Middle East Technical University (METU). In 1995, he completed a master's degree in International Business Administration

Legal Disclosures

from İstanbul University's Institute of Business Economy. He began his career in 1993 at Akçimento, serving in various positions until being appointed Plant Maintenance Manager in 2006 at Akçansa's Büyükçekmece plant. After working as Büyükçekmece Production Manager and Büyükçekmece Plant Assistant Manager, he was appointed Plant Manager at the Company's Ladik plant on 15 September 2009, and then at the Çanakkale plant on 15 June 2012. He was brought to the position of Assistant General Manager for Operations as of 1 July 2014.

Hakan TİMUR Assistant General Manager - Human Resources

Born on 9 April 1973 in İstanbul, Hakan Timur received his bachelor's degree in economics (in English) from İstanbul University's Faculty of Economics in 1999. He began his professional career in 1996 at Çukurova İnşaat and continued on to work at Sabancı Holding from 1997 to 2011. Between 1997 and 2004, he served at Marsa as HR Specialist, HR Supervisor, HR Manager and finally as the HR Group Manager. After working from 2007 to 2009 as the Human Resources Manager of the Holding at Sabancı Holding Human Resources Group Directorate, he was appointed in 2009 as the Global HR Director at Kordsa Global, holding this position until 2011. He then set up his own consultancy firm, offering consultancy services regarding various HR processes.

Ozan ERİNÇKAN Assistant General Manager - Purchasing and Logistics

Ozan Erinçkan received his bachelor's degree in electrical and electronics engineering from Bilkent University, and in 2005 obtained his master's degree in Business Administration from the same university. Since 2002, he has worked as an R&D engineer at Georgia Centers for Advanced Telecommunication Technology, Research Assistant at Bilkent University, and as Strategy and Business Development Specialist,

Corporate Strategy and Planning Specialist, Corporate Business Development Specialist, and Corporate Business Development Manager at Sabancı Holding A.Ş. respectively. Since 7 July 2011, he has served at Akçansa as AFR & Business Development Manager, as well as Energy, Fuel Procurement and Business Development Manager.

Cumhur ŞAHİN Çanakkale Plant Manager (Appointed on 5 October 2015)

Born in 1967 in Malatya, Cumhur Şahin received his bachelor's degree in chemical engineering from Ege University. Throughout his career that started in 1993, he has worked as a Shift Engineer, Cement Production Supervisor, Quality Control and Lab Supervisor, Clinker Production Manager, Production Manager (Set Çimento Thrace & Ankara), Operational Director, Production Manager, Plant Manager (Traçım Kırklareli) and Strategy and Planning Manager at Batisöke Çimento, Nuh Çimento, Italcementi Group - Set Çimento and Traçım Çimento. He has been appointed as Çanakkale Plant Manager as of 5 October 2015.

Okay KILINÇ Çanakkale Plant Manager (Resigned on 17 August 2015)

Born on 11 February 1974 in Karabük, Okay Kılınç received his bachelor's degree in metallurgical engineering from İstanbul Technical University in 1996 and went on to graduate from İstanbul University Institute of Business Economy in 2009. He has served as Production Engineer at the Karçimsa Plant, Clinker Production Supervisor at the Büyükçekmece Plant, Clinker Production Supervisor at the Çanakkale Plant, and Production Manager at the Büyükçekmece Plant respectively. After serving as Büyükçekmece Plant Manager from 15 June 2012, he was appointed as the Plant Manager at the Çanakkale Plant effective 1 July 2014, from which post he resigned on 17 August 2015.

Mehmet Edip ALPAN Büyükçekmece Plant Manager (Appointed on 1 January 2016)

Born in 1972 in Aydın, Mehmet Edip Alpan received his bachelor's degree in electrical engineering from İstanbul Technical University in 1994. Since 2012, he has served as our Company's Energy Generation and Electricity Maintenance Manager and Cement Production Manager at the Çanakkale Plant.

Alican KARLIDAĞ Büyükçekmece Plant Manager (Resigned on 17 August 2015)

Born in 1960, Alican Karlıdağ received his bachelor's degree in mechanical engineering from İstanbul Technical University in 1982. After joining Akçansa in 1993, he served as Mechanical Maintenance Supervisor at the Çanakkale Plant, before going on to become Mechanical Maintenance Manager for Cement; Mechanical Maintenance Manager; Production Manager, and Cement Production Plant Manager respectively, before being appointed as the Ladik Plant Manager on 15 June 2012. He was appointed as the Büyükçekmece Plant Manager on 1 July 2014, from which post he resigned on 17 August 2015.

Cevat KATAR Ladik Plant Manager

Born in 1970, Cevat Katar received his bachelor's degree in chemical engineering from Atatürk University in 1992. Since 1 December 2006, he served as Quality Control Manager at the Ladik Plant, Production Manager at the Ladik Plant, and Clinker Production Manager at the Çanakkale Plant, respectively. He was appointed as Ladik Plant Manager as of 1 July 2014.

Dr. Barış ERGEN Internal Audit Manager

Born in 1977, Barış Ergen received his bachelor's degree in business administration from Marmara University in 2002. He also completed a master's degree in accounting and auditing at İstanbul Commerce University

Legal Disclosures

in 2005 and a doctorate degree in accounting and finance at Marmara University in 2012. Having joined Akçansa as an accounting specialist on 22 January 2007, he then served as Accounting Supervisor and Accounting Executive. He was appointed as the Internal Audit Manager on 23 May 2013.

Personnel and labor movement, collective labor agreement practices, and rights and benefits provided to the personnel and workers:

As of 31 December 2015, the consolidated number of personnel (at Akçansa and Karçimsa) stands at 1,168.

- Current Group Collective Bargaining Agreement that entered into effect as of 1 January 2013 is valid for three years and expired on 31 December 2015.
- The negotiations for the new term collective bargaining agreement that will be concluded by and between ÇEİS (Cement Industry Employers' Association) to which we belong and T. Çimse-İş Labor Union that began on 18 December 2015 resulted in the agreement of the parties and were consummated on 27 January 2016.
- For the third year of the agreement; a salary increase of 9.17% has been granted, effective from 1 January 2015.

The outcomes of the deal are summarized below:

- 1- The term of the Collective Bargaining Agreement (CBA) is set as 2 years. Accordingly, the CBA will be valid from 1 January 2016 through 31 December 2017.

- 2- It was decided to implement the new Job Evaluation and Classification System along with the new term Group Collective Bargaining Agreement, and 6 (six) job classes were created.
- 3- For the first year, base hourly wages that the workers were receiving on 31 December 2015 will be raised by 10.50% as of 1 January 2016.
- 4- In the second year of the agreement, workers who are employed at the workplace on 1 January 2017 and whose labor agreements are in force will be given a gradual raise above their base hourly wages received on 31 December 2016. Effective 1 January 2017, the wages will be increased as follows: On top of the amount to be found based on the mean average of base hourly wage at each factory, workers in Class IV will receive an increase that is equal to the YoY rate of change in the Turkish Statistical Institute (TurkStat) 2003=100 Basic Annual Consumer Prices General Index for the period 1 January 2016 - 31 December 2016. This amount will be reduced by 4.5% for each class below Class IV, and will be incremented by 3% for each class above Class IV.

Pursuant to the collective agreement, seniority bonuses are being paid in the months coinciding with the completion of each employee's five-year seniority term.

Information regarding the donations made in the year

During the 12-month period in 2014, the company made donations to educational institutions in particular, as well as to public institutions and

organizations in the consolidated amount of TL 5,518,808.

Information regarding company acquisition of its own shares

During the 1 January 2015 - 31 December 2015 period, the company did not acquire its own shares.

The Conclusion Part of the Affiliated Company Report that was drawn up for the Affiliated Company under Article 199 of the Turkish Commercial Code

Pursuant to Article 199 of the Turkish Commercial Code No. 6102 dated 1 July 2012, conditions of widespread and regular product buying and selling transactions, which Akçansa goes into with Hacı Ömer Sabancı Holding A.Ş., HeidelbergCement Mediterranean Basin Holdings S.L., subsidiaries and the related organizations, have explained in relation to the market conditions by providing information on the methods and justification for the price determination. Concluded transactions are in compliance with precedents according to the stipulations regarding controlling companies in the related articles of the TCC No. 6102, and no losses have been incurred by joining the group companies.

Akçansa Board of Directors' 29 January 2016 report shows that in all of the transactions that Akçansa performed in 2015 with its controlling shareholders and their subsidiaries, it has completed all required legal transactions and has taken the necessary measures within the scope of the responsibilities put on the Board of Directors as per Article 199 of the TCC No. 6102.

Subsidiaries, affiliates and long term securities of the company

Company	Location of operations	Type of Partnership	Share (%)
Karçimsa San. ve Tic. A.Ş.	Turkey	Subsidiary	50.99
Çimsa Çimento San. ve Tic. A.Ş.	Turkey	Affiliate	8.98
Altaş Ambarlı Liman Tes. A.Ş.	Turkey	Affiliate	14.00
Eterpark End. Ürl. İml. Tic. İhr. ve Pazl. A.Ş.	Turkey	Affiliate	8.73
Liman İşletmeleri ve Nakliyecilik San. ve Tic. A.Ş.	Turkey	Affiliate	15.00
Arpaş Ambarlı Römorkaj ve Pilotaj Tic. A.Ş.	Turkey	Affiliate	16.00

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi ve Bağlı Ortaklığı

Consolidated Financial Statements as of December 31, 2015 and Independent Auditors' Report

(Convenience translation of the auditors' report and consolidated financial statements and footnotes originally issued in Turkish)

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

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Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Independent Auditors' Report



**Güney Bağımsız Denetim ve
SMMM A.Ş.**

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To the Board of Directors of

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Report to the Financial Statements

We have audited the accompanying consolidated statement of financial position of Akçansa Çimento Sanayi ve Ticaret A.Ş. and its Subsidiary (hereafter together referred to as "Company") as of December 31, 2015 and the related consolidated statement of profit or loss, consolidated statement of other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended and a summary of significant accounting policies and explanatory notes.

Management's responsibility for the financial statements

The Company's management is responsible for the preparation and fair presentation of consolidated financial statements in accordance with the Turkish Accounting Standards and for such internal controls as management determines is necessary to enable the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error and/or fraud.

Independent auditors' responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. Our audit was conducted in accordance with standards on auditing issued by the Capital Markets Board of Turkey and standards on auditing published by the Public Oversight Accounting and Auditing Standards Authority ("POA") of Turkey. Those standards require that ethical requirements are complied with and that the independent audit is planned and performed to obtain reasonable assurance whether the financial statements are free from material misstatement.

Independent audit involves performing independent audit procedures to obtain independent audit evidence about the amounts and disclosures in the financial statements. The independent audit procedures selected depend on our professional judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud and/or error. In making those risk assessments, the Company's internal control system is taken into consideration. Our purpose, however, is not to express an opinion on the effectiveness of internal control system, but to design independent audit procedures that are appropriate for the circumstances in order to identify the relation between the consolidated financial statements prepared by the Company and its internal control system. Our independent audit includes also evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Company's management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained during our independent audit is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Akçansa Çimento Sanayi ve Ticaret A.Ş. and its Subsidiary as of December 31, 2015 and their financial performance and cash flows for the year then ended in accordance with the Turkish Accounting Standards.

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi
Independent Auditors' Report



Reports on other responsibilities arising from regulatory requirements

- 1) Auditors' report on Risk Management System and Committee prepared in accordance with paragraph 4 of Article 398 of Turkish Commercial Code ("TCC") 6102 is submitted to the Board of Directors of the Company on 25 February 2016.
- 2) In accordance with paragraph 4 of Article 402 of the TCC, no significant matter has come to our attention that causes us to believe that the Company's bookkeeping activities for the period 1 January - 31 December 2015 and financial statements are not in compliance with the code and provisions of the Company's articles of association in relation to financial reporting.
- 3) In accordance with paragraph 4 of Article 402 of the TCC, the Board of Directors submitted to us the necessary explanations and provided required documents within the context of audit.

Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi
A member firm of Ernst & Young Global Limited

Ferzan Ülgen, SMMM
Partner

25 February 2016
İstanbul, Turkey

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Consolidated Statement of Financial Position as of December 31, 2015

(Currency - Turkish Lira (TL))

(Convenience translation of consolidated financial statements originally issued in Turkish)

Assets	Notes	Current period (Audited) 31 December 2015	Prior period (Audited) 31 December 2014
Current Assets		569.277.391	500.808.551
Cash and cash equivalents	6	21.854.524	13.277.590
Financial investments	7	-	-
Trade receivables	10	398.938.211	332.836.708
- Due from related parties	37, 10	23.223.105	12.121.394
- Other trade receivables	10	375.715.106	320.715.314
Receivables from financial sector operations	12	-	-
Other receivables	11	3.732.343	4.451.778
- Other receivables from related parties	37, 11	119.878	7.099
- Other receivables from third parties	11	3.612.465	4.444.679
Inventories	13	135.204.055	138.833.800
Biological assets	14	-	-
Assets related with construction projects in progress	15	-	-
Prepaid expenses	26	9.548.258	11.407.932
Other current assets		-	743
Total		569.277.391	500.808.551
Assets held for sale	34	-	-
Non-current assets		1.135.802.540	1.101.688.032
Financial investments	7	212.856.782	220.771.458
Trade receivables	10	-	-
Receivables from financial sector operations	12	-	-
Other receivables	11	1.086.173	811.889
- Other receivables from related parties	37, 11	-	-
- Other receivables from third parties	11	1.086.173	811.889
Investments accounted by equity method	16	-	-
Biological assets	14	-	-
Investment property	17	-	-
Property, plant and equipment	18	744.073.243	708.780.431
Intangible assets		171.828.410	165.639.978
- Goodwill	20	129.457.887	129.457.887
- Other intangible assets	19	42.370.523	36.182.091
Prepaid expenses	26	4.939.861	4.612.842
Deferred tax assets	35	1.018.071	1.071.434
Other non-current assets	26	-	-
Total assets		1.705.079.931	1.602.496.583

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Consolidated Statement of Financial Position as of December 31, 2015

(Currency - Turkish Lira (TL))

(Convenience translation of consolidated financial statements originally issued in Turkish)

Liabilities	Notes	Current period (Audited) 31 December 2015	Prior period (Audited) 31 December 2014
Current liabilities		326.711.352	324.332.668
Financial liabilities	8, 37	1.361.740	17.798.105
Short term portion of long term financial liabilities	8, 37	11.047.486	30.415.094
Other financial liabilities	9	-	-
Trade payables	10	271.084.281	238.857.608
- Due to related parties	37, 10	37.842.518	4.297.996
- Other trade payables	10	233.241.763	234.559.612
Employee benefit obligations	11	5.143.116	5.086.606
Other payables	11	9.839.692	7.403.233
- Other payables to related parties	37, 11	-	-
- Other payables to third parties	11	9.839.692	7.403.233
Liabilities due to financial sector operations	12	-	-
Government incentives and grants	21	-	-
Deferred income	11	4.338.719	3.617.335
Income tax payable	35	13.984.954	9.500.180
Short-term provisions		9.911.364	11.654.507
- Provisions for short-term employee benefits	22	7.147.263	9.133.686
- Other short-term provisions	22	2.764.101	2.520.821
Other current liabilities		-	-
Total		326.711.352	324.332.668
Liabilities related to assets held for sale	34	-	-
Non-current liabilities		177.766.146	122.256.671
Financial liabilities	8,37	100.535.155	50.081.606
Other financial liabilities	9	-	-
Trade payables	10	-	-
Other payables	11	-	-
Liabilities due to financial sector operations	12	-	-
Government incentives and grants	21	-	-
Long-term provisions	22,24	29.987.422	25.534.996
- Provisions for long-term employee benefits	24	26.543.523	22.299.859
- Other long term provisions	22	3.443.899	3.235.137
Deferred tax liability	35	47.243.569	46.640.069
Other non - current liabilities		-	-
Equity		1.200.602.433	1.155.907.244
Equity attributable to parent	27	1.187.173.310	1.143.040.325
Paid-in share capital		191.447.068	191.447.068
Inflation adjustments to paid in capital		233.177.582	233.177.582
Other comprehensive income or expenses not to be reclassified to profit or loss in subsequent periods			
- Actuarial gain/loss		(4.117.746)	(1.603.056)
Other comprehensive income or expenses to be reclassified to profit or loss in subsequent periods			
- Revaluation reserves		163.927.269	172.109.332
Restricted reserves allocated from profits		148.183.077	126.218.761
Retained earnings		173.435.887	172.921.693
Net income for the year		281.120.173	248.768.945
Non-controlling interest	27	13.429.123	12.866.919
Total liabilities and equity		1.705.079.931	1.602.496.583

The accompanying policies and explanatory notes on pages 77 through 125 form an integral part of these consolidated financial statements.

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Consolidated Income Statement For the Year Ended December 31, 2015

(Currency - Turkish Lira (TL))

(Convenience translation of consolidated financial statements originally issued in Turkish)

		Current period (Audited) 1 January - 31 December 2015	Prior period (Audited) 1 January - 31 December 2014
	Notes		
Continuing operations			
Revenue	28	1.468.533.483	1.410.850.235
Cost of sales (-)	28	(1.040.067.231)	(1.019.225.623)
Gross profit from business activities		428.466.252	391.624.612
Revenues from financial sector operations		-	-
Cost of financial sector operations (-)		-	-
Gross profit from financial operations		-	-
Gross profit		428.466.252	391.624.612
Selling, marketing and distribution expense (-)	29,30	(15.841.390)	(16.559.646)
General and administrative expense (-)	29,30	(53.775.079)	(50.629.143)
Research and development expense (-)	29,30	-	-
Other operating income	31	16.803.313	9.128.726
Other operating expense (-)	31	(23.934.686)	(13.598.201)
Operating profit		351.718.410	319.966.348
Income from investment activities	32	22.446.209	19.321.561
Loss from investment activities (-)	33	(1.743.615)	(2.727.073)
Financial income	32	7.811.441	6.598.413
Financial expense (-)	33	(31.619.349)	(34.456.412)
Net income before taxes from continuing operations		348.613.096	308.702.837
Tax income/expense for continuing operations		(65.633.880)	(58.441.188)
- Tax expense for the period	35	(63.917.711)	(58.363.998)
- Deferred tax expense	35	(1.716.169)	(77.190)
Continuing operations net profit/loss		282.979.216	250.261.649
Discontinuing operations			
Net profit/loss after taxes from discontinuing operations		-	-
Net profit		282.979.216	250.261.649
Attributable to			
Non-controlling interest	27	1.859.043	1.492.704
Equity holders of the parent	27	281.120.173	248.768.945
Earnings per share (Kr)	36	1,468	1,299
Earnings per share from continuing operations (Kr)	36	1,468	1,299
Weighted average number of shares		19.144.706.825	19.144.706.825

The accompanying policies and explanatory notes on pages 77 through 125 form an integral part of these consolidated financial statements.

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Consolidated Statement of Other Comprehensive Income For the Year Ended December 31, 2015

(Currency - Turkish Lira (TL))

(Convenience translation of consolidated financial statements originally issued in Turkish)

		Current period (Audited)	Prior period (Audited)
	Notes	1 January - 31 December 2015	1 January - 31 December 2014
Net profit		282.979.216	250.261.649
Other comprehensive income / (expense):			
Items not to be reclassified to profit or loss in subsequent periods (non-reclassified)			
Actuarial gain / (loss) arising from defined benefit plans	27	(3.143.362)	(2.452.832)
Tax regarding other comprehensive income that will not be reclassified to profit or loss			
- Deferred tax income / (expense)	35	628.672	490.567
Items to be reclassified to profit or loss in subsequent periods (classified)			
Change in revaluation reserve of financial assets	27	(8.612.697)	55.800.577
Tax regarding other comprehensive income that will be reclassified to profit or loss			
- Deferred tax income / (expense)	35	430.634	(2.790.030)
Other comprehensive income/ (loss) (after tax)		(10.696.753)	51.048.282
Total comprehensive income		272.282.463	301.309.931
Distribution of total comprehensive income:			
Non-controlling Interest		1.859.043	1.492.704
Equity holders of the parent		270.423.420	299.817.227

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Consolidated Statement of Changes in Equity For the Year Ended December 31, 2015

(Currency - Turkish Lira (TL))

(Convenience translation of consolidated financial statements originally issued in Turkish)

				Reclassified
	Paid-in share capital	Inflation adjustment to paid-in share capital	Restricted reserves	Revaluation reserve
Balance at January 1, 2014	191.447.068	233.177.582	112.472.915	119.098.785
Transfers	-	-	13.693.401	-
Dividends paid (Note 36)	-	-	-	-
Current period profit	-	-	-	-
Increase due to share-based transactions	-	-	52.445	-
Other comprehensive income - Net unrealized gain on financial assets (Note 7)	-	-	-	55.800.577
Other comprehensive income - actuarial loss (Note 24)	-	-	-	-
Tax income/ (expense) related with other comprehensive income (Note 35)	-	-	-	(2.790.030)
Total other comprehensive income	-	-	-	53.010.547
Total comprehensive income	-	-	-	53.010.547
Balance at December 31, 2014	191.447.068	233.177.582	126.218.761	172.109.332
Balance at January 1, 2015	191.447.068	233.177.582	126.218.761	172.109.332
Transfers	-	-	21.964.316	-
Dividends paid (Note 36)	-	-	-	-
Current period profit	-	-	-	-
Other comprehensive income - Net unrealized gain on financial assets (Note 7)	-	-	-	(8.612.697)
Other comprehensive income-Actuarial gain (Note 24)	-	-	-	-
Tax income/expense related with other comprehensive income (Note 35)	-	-	-	430.634
Total other comprehensive income	-	-	-	(8.182.063)
Total comprehensive income	-	-	-	(8.182.063)
Balance at December 31, 2015	191.447.068	233.177.582	148.183.077	163.927.269

Non-reclassified		Accumulated profits				
	Actuarial gain/loss	Net profit for the period	Retained earnings	Parent company's equity	Non-controlling interest (Note 27)	Total shareholders' equity
	359.209	157.887.004	173.128.956	987.571.519	12.534.029	1.000.105.548
	-	(157.887.004)	144.193.603	-	-	-
	-	-	(144.400.866)	(144.400.866)	(1.159.814)	(145.560.680)
	-	248.768.945	-	248.768.945	1.492.704	250.261.649
	-	-	-	52.445	-	52.445
	-	-	-	55.800.577	-	55.800.577
	(2.452.832)	-	-	(2.452.832)	-	(2.452.832)
	490.567	-	-	(2.299.463)	-	(2.299.463)
	(1.962.265)	-	-	51.048.282	-	51.048.282
	(1.962.265)	248.768.945	-	299.817.227	1.492.704	301.309.931
	(1.603.056)	248.768.945	172.921.693	1.143.040.325	12.866.919	1.155.907.244
	(1.603.056)	248.768.945	172.921.693	1.143.040.325	12.866.919	1.155.907.244
	-	(248.768.945)	226.804.629	-	-	-
	-	-	(226.290.435)	(226.290.435)	(1.296.839)	(227.587.274)
	-	281.120.173	-	281.120.173	1.859.043	282.979.216
	-	-	-	(8.612.697)	-	(8.612.697)
	(3.143.362)	-	-	(3.143.362)	-	(3.143.362)
	628.672	-	-	1.059.306	-	1.059.306
	(2.514.690)	-	-	(10.696.753)	-	(10.696.753)
	(2.514.690)	281.120.173	-	270.423.420	1.859.043	272.282.463
	(4.117.746)	281.120.173	173.435.887	1.187.173.310	13.429.123	1.200.602.433

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Consolidated Statement of Cash Flows

For the Year Ended December 31, 2015

(Currency - Turkish Lira (TL))

(Convenience translation of consolidated financial statements originally issued in Turkish)

	Notes	Current period (Audited) 1 January- 31 December 2015	Prior period (Audited) 1 January- 31 December 2014
Cash flows from operating activities			
Profit before tax and non-controlling interest		348.613.096	308.702.837
Reconciliation between net profit before taxation and non-controlling interest and cash generated from operating activities:			
Corrections regarding share-based transactions	27	-	52.445
Depreciation and amortization	18, 19, 30	70.998.112	65.320.794
Provision for employee termination benefits	24	1.602.798	1.287.044
Seniority incentive premium	24	2.687.256	1.787.575
Recultivation provision, net	22	403.607	231.048
Loss / (Gain) on sale of property, plant and equipment and intangibles	32,33	(818.174)	1.131.440
Interest expense	33	27.226.262	29.278.022
Interest income	32	(1.468.449)	(879.936)
Provision for doubtful receivables	10	824.956	2.151.323
Dividend income	32	(19.884.420)	(17.725.928)
Change in provision for litigations	22	539.481	1.938.267
Provision for inventory valuation	13	1.720.631	1.446.361
Vacation pay provision expense / (income)	22	(82.397)	427.011
Other provisions	22	1.833.599	5.876.985
Operating profit before changes in operating assets and liabilities		434.196.358	401.025.288
Net changes in operating assets and liabilities			
Trade receivables		(67.976.316)	(8.687.661)
Other receivables		719.435	(2.495.852)
Inventories		1.909.114	(23.207.161)
Other current assets		271.295	20.613
Prepaid expenses		1.532.655	3.446.511
Trade payables		32.226.673	46.140.481
Employee benefit obligations		56.510	461.469
Other payables		2.436.459	315.270
Deferred revenue		721.384	(6.911.286)
Taxes paid		(59.432.937)	(58.797.914)
Employee termination benefits paid	24	(2.931.088)	(2.460.336)
Bonuses paid	22	(3.737.625)	(2.819.940)
Litigation provisions paid	22	(296.201)	(546.261)
Seniority incentive premiums paid	24	(1.819.732)	(1.492.587)
Collections from doubtful receivables	10	775.573	36.308
Net cash provided by operating activities		338.651.557	344.026.942
Cash flows from investing activities			
Cash outflows made for acquisition of shares or debt instruments of other entities or funds		(698.021)	(91.875)
Purchase of tangible assets	18	(115.618.251)	(113.689.200)
Proceeds from sale of property, plant and equipment and intangible assets		3.957.069	2.545.201
Dividends received	32	19.884.420	17.725.928
Net cash used in investing activities		(92.474.783)	(93.509.946)
Cash flows from financing activities			
Proceeds from short-term borrowings		271.613.057	471.819.924
Interest received		1.197.897	859.323
Repayment of borrowings		(257.970.746)	(544.898.064)
Dividend paid	27	(226.290.435)	(144.400.866)
Dividend paid to non-controlling interest		(1.296.839)	(1.159.814)
Repayment of finance lease obligations		-	(192.087)
Interest paid		(24.852.774)	(35.101.053)
Net cash used in financing activities		(237.599.840)	(253.072.637)
Net (decrease)/increase in cash and cash equivalents		8.576.934	(2.555.641)
Cash and cash equivalents at the beginning of the year	6	13.277.590	15.833.231
Cash and cash equivalents at the end of the period	6	21.854.524	13.277.590

The accompanying policies and explanatory notes on pages 77 through 125 form an integral part of these consolidated financial statements.

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Notes to the Consolidated Financial Statements As of December 31, 2015

(Currency - Turkish Lira (TL) unless otherwise indicated)

(Convenience translation of consolidated financial statements originally issued in Turkish)

1. Corporate information

General

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi (Akçansa) was formed on September 30, 1996 through the merger of Akçimento Ticaret Anonim Şirketi (Akçimento) which was established in 1967, with Çanakkale Çimento Sanayi Anonim Şirketi (Çanakkale) which was established in 1974. At January 12, 1996, Mortelmaatschappij Eindhoven B.V. (Mortel), which is a wholly owned subsidiary of Cimenteries CBR S.A. (CBR), acquired 97,7% of Çanakkale. Subsequently on July 24, 1996, the CBR group exchanged its shares in Çanakkale for 30% of the shares of Akçimento which was mainly owned by the affiliates of Hacı Ömer Sabancı Holding Anonim Şirketi.

Effective from October 1, 1996, Akçimento ceased its existence and merged with Çanakkale. The name of Çanakkale was changed as Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi. Akçansa shares have been traded on the Borsa İstanbul A.Ş. (formerly Istanbul Stock Exchange) since 1986. On November 27, 2006, 39,72% shares of Akçansa Çimento Sanayi ve Ticaret A.Ş. owned by CBR International Holdings B.V. which is 100% owned subsidiary of Heidelberg Cement A.G. has been transferred to Heidelberg Cement Mediterranean Basin Holdings S.L. which is also 100% owned subsidiary of Heidelberg Cement A.G.

The address of the headquarter and registered office is Kısıklı Caddesi, No: 38, Altunizade, Üsküdar, İstanbul.

The consolidated financial statements are authorized for issue by the management on February 25, 2016. The General Assembly and certain regulatory bodies have the power to amend the statutory financial statements after the issue. The major shareholders of the Company are Hacı Ömer Sabancı Holding AŞ and Heidelberg Cement Mediterranean Basin Holdings S.L., as disclosed further in Note 27.

For the purpose of the consolidated financial statements, Akçansa and Karçimsa Çimento Sanayi ve Ticaret A.Ş. (Karçimsa - 50,99% owned subsidiary of Akçansa) - together are referred to as "Akçansa and its subsidiary" or "the Company". As of December 31, 2015 and December 31, 2014, the number of personnel (all employed in Turkey) is 1.168 and 1.201, respectively.

Nature of activities

The Company is primarily engaged in manufacturing of cement, clinker, ready mixed concrete and aggregate.

2. Basis of preparation of financial statements

2.1 Basis of preparation

The Company and its Turkish subsidiary maintain their books of account and prepare their statutory financial statements in accordance with accounting principles in the Turkish Commercial Code and tax legislation.

The accompanying consolidated financial statements have been prepared in accordance with the Turkish Accounting Standards ("TAS") promulgated by the Public Oversight Accounting and Auditing Standards Authority ("POA") in compliance with the communiqué numbered II-14.1 "Communiqué on the Principles of Financial Reporting In Capital Markets" (the Communiqué) announced by the Capital Markets Board ("CMB") on 13 June 2013 which is published on Official Gazette numbered 28676. TAS consists of the Turkish Accounting Standards, Turkish Financial Reporting Standards and related supplements and interpretations.

The consolidated financial statements are based on the statutory records with the required adjustments and reclassifications reflected for the purpose of fair presentation in accordance with the Turkish Financial Reporting Standards as adopted by POA. These adjustments and reclassifications mainly consist of the effect of deferred tax calculation, retirement pay liability, prorate depreciation of property and equipment with useful life assessed by the management, accounting for provisions, the fair value accounting of financial assets available for sale and discounting of trade receivables and payables.

The financial statements have been prepared on the historical cost basis except for the revaluation of certain non-current assets and available for sale financial assets. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Notes to the Consolidated Financial Statements As of December 31, 2015

(Currency - Turkish Lira (TL) unless otherwise indicated)

(Convenience translation of consolidated financial statements originally issued in Turkish)

Functional and presentation currency

Functional and presentation currency of the Company is Turkish Lira (TL).

Based on the decision of CMB dated March 17, 2005 and numbered 11/367, since the objective conditions for the restatement in hyperinflationary economies was no longer available at that time, Turkey came off hyperinflationary status and the financial statements were only restated until December 31, 2004 in accordance with TAS 29 ("Financial Reporting in Hyperinflationary Economies"). Therefore, non-monetary assets and liabilities and components of shareholders' equity including share capital reported in the balance sheet as of December 31, 2015 and December 31, 2014 are derived by indexing the additions occurred until December 31, 2004 to December 31, 2004 and carrying the additions after this date with their nominal amounts.

2.2. The new standards, amendments and interpretations

The accounting policies adopted in preparation of the consolidated financial statements as at December 31, 2015 are consistent with those of the previous financial year, except for the adoption of new and amended TFRS and TFRIC interpretations effective as of January 1, 2015. The effects of these standards and interpretations on the Company's financial position and performance have been disclosed in the related paragraphs.

The new standards, amendments and interpretations which are effective as at January 1, 2015 are as follows:

TAS 19 Defined Benefit Plans: Employee Contributions (Amendment)

TAS 19 requires an entity to consider contributions from employees or third parties when accounting for defined benefit plans. The amendments clarify that, if the amount of the contributions is independent of the number of years of service, an entity is permitted to recognise such contributions as a reduction in the service cost in the period in which the service is rendered, instead of allocating the contributions to the periods of service. The amendment did not have a significant impact on the consolidated financial statements of the Company.

Annual Improvements to TAS/TFRSs

In September 2014, POA issued the below amendments to the standards in relation to "Annual Improvements - 2010-2012 Cycle" and "Annual Improvements - 2011-2013 Cycle".

Annual Improvements - 2010-2012 Cycle

TFRS 2 Share-based Payment:

Definitions relating to performance and service conditions which are vesting conditions are clarified. The amendment is effective prospectively.

TFRS 3 Business Combinations

The amendment clarifies that all contingent consideration arrangements classified as liabilities (or assets) arising from a business combination should be subsequently measured at fair value through profit or loss whether or not they fall within the scope of IAS 39 (or IFRS 9, as applicable). The amendment is effective for business combinations prospectively.

TFRS 8 Operating Segments

The changes are as follows: i) An entity must disclose the judgements made by management in applying the aggregation criteria in IFRS 8, including a brief description of operating segments that have been aggregated and the economic characteristics (e.g., sales and gross margins) used to assess whether the segments are 'similar'. ii) The reconciliation of segment assets to total assets is only required to be disclosed if the reconciliation is reported to the chief operating decision maker. The amendments are effective retrospectively.

TAS 16 Property, Plant and Equipment and TAS 38 Intangible Assets

The amendment to TAS 16.35 (a) and TAS 38.80 (a) clarifies that revaluation can be performed, as follows:

i) Adjust the gross carrying amount of the asset to market value or ii) determine the market value of the carrying amount and adjust the gross carrying amount proportionately so that the resulting carrying amount equals the market value. The amendment is effective retrospectively.

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Notes to the Consolidated Financial Statements As of December 31, 2015

(Currency - Turkish Lira (TL) unless otherwise indicated)

(Convenience translation of consolidated financial statements originally issued in Turkish)

TAS 24 Related Party Disclosures

The amendment clarifies that a management entity - an entity that provides key management personnel services - is a related party subject to the related party disclosures. In addition, an entity that uses a management entity is required to disclose the expenses incurred for management services. The amendment is effective retrospectively.

Annual Improvements - 2011-2013 Cycle

TFRS 3 Business Combinations

The amendment clarifies that: i) Joint arrangements are outside the scope of TFRS 3, not just joint ventures ii) The scope exception applies only to the accounting in the financial statements of the joint arrangement itself. The amendment is effective prospectively.

TFRS 13 Fair Value Measurement

The portfolio exception in TFRS 13 can be applied to financial assets, financial liabilities and other contracts within the scope of IAS 39 (or IFRS 9, as applicable). The amendment is effective prospectively.

TAS 40 Investment Property

The amendment clarifies the interrelationship of TFRS 3 and TAS 40 in determining whether the transaction is the purchase of an asset or business combination. The amendment is effective prospectively.

The amendments did not have a significant impact on the consolidated financial statements of the Company.

Standards issued but not yet effective and not early adopted

Standards, interpretations and amendments to existing standards that are issued but not yet effective up to the date of issuance of the consolidated financial statements are as follows. The Company will make the necessary changes if not indicated otherwise, which will be affecting the consolidated financial statements and disclosures, when the new standards and interpretations become effective.

TFRS 9 Financial Instruments - Classification and measurement

As amended in December 2012 and February 2015, the new standard is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted. Phase 1 of this new TFRS introduces new requirements for classifying and measuring financial instruments. The amendments made to TFRS 9 will mainly affect the classification and measurement of financial assets and measurement of fair value option (FVO) liabilities and requires that the change in fair value of a FVO financial liability attributable to credit risk is presented under other comprehensive income. The Company will quantify the effect in conjunction with the other phases, when the final standard including all phases is adopted by POA.

TFRS 11 Acquisition of an Interest in a Joint Operation (Amendment)

TFRS 11 is amended to provide guidance on the accounting for acquisitions of interests in joint operations in which the activity constitutes a business. This amendment requires the acquirer of an interest in a joint operation in which the activity constitutes a business, as defined in TFRS 3 Business Combinations, to apply all of the principles on business combinations accounting in TFRS 3 and other TFRSs except for those principles that conflict with the guidance in this TFRS. In addition, the acquirer shall disclose the information required by TFRS 3 and other TFRSs for business combinations. These amendments are to be applied prospectively for annual periods beginning on or after January 1, 2016. Earlier application is permitted. The amendments will not have an impact on the financial position or performance of the Company.

TAS 16 and TAS 38 - Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to TAS 16 and TAS 38)

The amendments to TAS 16 and TAS 38, have prohibited the use of revenue-based depreciation for property, plant and equipment and significantly limiting the use of revenue-based amortisation for intangible assets. The amendments are effective prospectively for annual periods beginning on or after January 1, 2016. Earlier application is permitted. The amendments will not have an impact on the financial position or performance of the Company.

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Notes to the Consolidated Financial Statements As of December 31, 2015

(Currency - Turkish Lira (TL) unless otherwise indicated)

(Convenience translation of consolidated financial statements originally issued in Turkish)

TAS 16 Property, Plant and Equipment and TAS 41 Agriculture (Amendment) - Bearer Plants

TAS 16 is amended to provide guidance that bearer plants, such as grape vines, rubber trees and oil palms should be accounted for in the same way as property, plant and equipment in TAS 16. Once a bearer plant is mature, apart from bearing produce, its biological transformation is no longer significant in generating future economic benefits. The only significant future economic benefits it generates come from the agricultural produce that it creates. Because their operation is similar to that of manufacturing, either the cost model or revaluation model should be applied. The produce growing on bearer plants will remain within the scope of TAS 41, measured at fair value less costs to sell. Entities are required to apply the amendments for annual periods beginning on or after January 1, 2016. Earlier application is permitted. The amendment is not applicable for the Company and will not have an impact on the financial position or performance of the Company

TAS 27 Equity Method in Separate Financial Statements (Amendments to TAS 27)

In April 2015, Public Oversight Accounting and Auditing Standards Authority (POA) of Turkey issued an amendment to TAS 27 to restore the option to use the equity method to account for investments in subsidiaries and associates in an entity's separate financial statements. Therefore, an entity must account for these investments either:

- At cost
- In accordance with IFRS 9,

Or

- Using the equity method defined in TAS 28

The entity must apply the same accounting for each category of investments. The amendment is effective for annual periods beginning on or after January 1, 2016. The amendments must be applied retrospectively. Early application is permitted and must be disclosed. The Company is in the process of assessing the impact of the standard on financial position or performance of the Company.

TFRS 10 and TAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments)

In February 2015, amendments issued to TFRS 10 and TAS 28, to address the acknowledged inconsistency between the requirements in TFRS 10 and TAS 28 in dealing with the loss of control of a subsidiary that is contributed to an associate or a joint venture, to clarify that an investor recognises a full gain or loss on the sale or contribution of assets that constitute a business, as defined in TFRS 3, between an investor and its associate or joint venture. The gain or loss resulting from the re-measurement at fair value of an investment retained in a former subsidiary should be recognised only to the extent of unrelated investors' interests in that former subsidiary. An entity shall apply those amendments prospectively to transactions occurring in annual periods beginning on or after January 1, 2016. Earlier application is permitted. The Company is in the process of assessing the impact of the standard on financial position or performance of the Company.

TFRS 10, TFRS 12 and TAS 28: Investment Entities: Applying the Consolidation Exception (Amendments to IFRS 10 and IAS 28)

In February 2015, amendments issued to TFRS 10, TFRS 12 and TAS 28, to address the issues that have arisen in applying the investment entities exception under TFRS 10 Consolidated Financial Statements. The amendments are applicable for annual periods beginning on or after January 1, 2016. Earlier application is permitted. The amendment is not applicable for the Company and will not have an impact on the financial position or performance of the Company.

TAS 1: Disclosure Initiative (Amendments to TAS 1)

In February 2015, amendments issued to TAS 1. Those amendments include narrow-focus improvements in the following five areas: Materiality, Disaggregation and subtotals, Notes structure, Disclosure of accounting policies, Presentation of items of other comprehensive income (OCI) arising from equity accounted investments. The amendments are applicable for annual periods beginning on or after

January 1, 2016. Earlier application is permitted. These amendments are not expected have significant impact on the notes to the consolidated financial statements of the Company

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Annual Improvements to TFRSs - 2012-2014 Cycle

In February 2015, POA issued, Annual Improvements to TFRSs 2012-2014 Cycle. The document sets out five amendments to four standards, excluding those standards that are consequentially amended, and the related Basis for Conclusions. The standards affected and the subjects of the amendments are:

- IFRS 5 Non-current Assets Held for Sale and Discontinued Operations - clarifies that changes in methods of disposal (through sale or distribution to owners) would not be considered a new plan of disposal, rather it is a continuation of the original plan
- IFRS 7 Financial Instruments: Disclosures - clarifies that i) the assessment of servicing contracts that includes a fee for the continuing involvement of financial assets in accordance with IFRS 7; ii) the offsetting disclosure requirements do not apply to condensed interim financial statements, unless such disclosures provide a significant update to the information reported in the most recent annual report
- IAS 19 Employee Benefits - clarifies that market depth of high quality corporate bonds is assessed based on the currency in which the obligation is denominated, rather than the country where the obligation is located
- IAS 34 Interim Financial Reporting -clarifies that the required interim disclosures must either be in the interim financial statements or incorporated by cross-reference between the interim financial statements and wherever they are included within the interim financial report

The amendments are effective for annual periods beginning on or after January 1, 2016, with earlier application permitted. The Company is in the process of assessing the impact of the amendments on financial position or performance of the Company.

The new standards, amendments and interpretations that are issued by the International Accounting Standards Board (IASB) but not issued by Public Oversight Authority (POA)

The following standards, interpretations and amendments to existing IFRS standards are issued by the IASB but not yet effective up to the date of issuance of the financial statements. However, these standards, interpretations and amendments to existing IFRS standards are not yet adapted/issued by the POA, thus they do not constitute part of TFRS. The Company will make the necessary changes to its consolidated financial statements after the new standards and interpretations are issued and become effective under TFRS.

Annual Improvements - 2010-2012 Cycle

IFRS 13 Fair Value Measurement

As clarified in the Basis for Conclusions short-term receivables and payables with no stated interest rates can be held at invoice amounts when the effect of discounting is immaterial. The amendment is effective immediately.

Annual Improvements - 2011-2013 Cycle

IFRS 15 Revenue from Contracts with Customers

In May 2014, the IASB issued IFRS 15 Revenue from Contracts with Customers. The new five-step model in the standard provides the recognition and measurement requirements of revenue. The standard applies to revenue from contracts with customers and provides a model for the sale of some non-financial assets that are not an output of the entity's ordinary activities (e.g., the sale of property, plant and equipment or intangibles). IFRS 15 original effective date was January 1, 2017. However, in September 2015, IASB decided to defer the effective date to reporting periods beginning on or after January 1, 2018, with early adoption permitted. Entities will transition to the new standard following either a full retrospective approach or a modified retrospective approach. The modified retrospective approach would allow the standard to be applied beginning with the current period, with no restatement of the comparative periods, but additional disclosures are required. The Company is in the process of assessing the impact of the standard on financial position or performance of the Company.

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IFRS 9 Financial Instruments - Final standard (2014)

In July 2014 the IASB published the final version of IFRS 9 Financial Instruments. The final version of IFRS 9 brings together the classification and measurement, impairment and hedge accounting phases of the IASB's project to replace IAS 39 Financial Instruments: Recognition and Measurement

IFRS 9 is built on a logical, single classification and measurement approach for financial assets that reflects the business model in which they are managed and their cash flow characteristics. Built upon this is a forward-looking expected credit loss model that will result in more timely recognition of loan losses and is a single model that is applicable to all financial instruments subject to impairment accounting. In addition, IFRS 9 addresses the so-called 'own credit' issue, whereby banks and others book gains through profit or loss as a result of the value of their own debt falling due to a decrease in credit worthiness when they have elected to measure that debt at fair value. The Standard also includes an improved hedge accounting model to better link the economics of risk management with its accounting treatment. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. However, the Standard is available for early application. In addition, the own credit changes can be early applied in isolation without otherwise changing the accounting for financial instruments. The Company is in the process of assessing the impact of the standard on financial position or performance of the Company.

IFRS 16 Leases

In January 2016, the IASB has published a new standard, IFRS 16 'Leases'. The new standard brings most leases on-balance sheet for lessees under a single model, eliminating the distinction between operating and finance leases. Lessor accounting however remains largely unchanged and the distinction between operating and finance leases is retained. IFRS 16 supersedes IAS 17 'Leases' and related interpretations and is effective for periods beginning on or after January 1, 2019, with earlier adoption permitted if IFRS 15 'Revenue from Contracts with Customers' has also been applied. The Company is in the process of assessing the impact of the standard on financial position or performance of the Company.

IAS 12 Income Taxes: Recognition of Deferred Tax Assets for Unrealised Losses (Amendments)

In January 2016, the IASB issued amendments to IAS 12 Income Taxes. The amendments clarify how to account for deferred tax assets related to debt instruments measured at fair value. The amendments clarify the requirements on recognition of deferred tax assets for unrealised losses, to address diversity in practice. These amendments are to be retrospectively applied for annual periods beginning on or after January 1, 2017 with earlier application permitted. However, on initial application of the amendment, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. If the Company applies this relief, it shall disclose that fact. The amendment is not applicable for the Company and will not have an impact on the financial position or performance of the Company.

IAS 7 'Statement of Cash Flows (Amendments)

In January 2016, the IASB issued amendments to IAS 7 'Statement of Cash Flows'. The amendments are intended to clarify IAS 7 to improve information provided to users of financial statements about an entity's financing activities. The improvements to disclosures require companies to provide information about changes in their financing liabilities. These amendments are to be applied for annual periods beginning on or after January 1, 2017 with earlier application permitted. When the Company first applies those amendments, it is not required to provide comparative information for preceding periods. The Company is in the process of assessing the impact of the amendments on financial position or performance of the Company.

2.3. Significant accounting judgments and estimates

a) Reserve for retirement pay liability is determined by using actuarial assumptions such as discount rates, future salary increase and employee's turnover rates. The estimations include significant uncertainties due to their long term nature. The details about reserve for employee benefits are provided in Note 24.

b) Provision for doubtful receivables is an estimated amount that management believes to reflect possible future losses on existing receivables that have collection risk due to current economic conditions. During the impairment test for the receivables, the debtors, other than the key accounts and related parties, are assessed with their prior year performances, their credit risk in the current market, their performance after the balance sheet date up to the issuing date of the financial statements; and also the renegotiation conditions with these debtors are considered. The provision for doubtful receivables is mentioned in the Note 10.

c) The Company has made certain important assumptions based on experiences of technical personnel in determining useful economic life of mainly related to tangible and intangible assets (Note 18 and 19).

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d) In determining of provision for litigations, the Company considers the probability of legal cases to be resulted against the Company and in case it is resulted against the Company considers its consequences based on the assessments of legal advisor. The Company management makes its best estimates using the available data are provided in Note 22.

e) During the assessment of the reserve for obsolete inventories, inventories are physically and historically analyzed, usefulness of the inventories are determined based on the view of the technical personnel and if it is necessary, allowance is booked. Sales prices listed, average discount rates given for sale and expected cost incurred to sell are used to determine the net realizable value of the inventories. As a result of this, the inventories with the net realizable values below the costs are written down as disclosed in the Note 13.

f) The Company performs its impairment analysis on assets by using discounted cash flows. In these analyses, there are certain assumptions about discount rates used and Company's future operations. As a result of these analyses, the Company's management has concluded that there is no impairment in the non-financial assets (Note 20).

g) The Company makes assumptions based on views of the technical personnel in the calculation of provision for recultivation of exploitation lands. As a result of these analyses, assessments of the provision for recultivation of exploitation lands are provided in Note 22.

2.4 Summary of significant accounting policies

Basis of consolidation

The consolidated financial statements comprise the financial statements of Akçansa and Karçimsa in which Akçansa has a shareholding interest of 50,99%. Subsidiary is consolidated from the date on which control is transferred to Akçansa until the date on which the control is transferred out of Akçansa.

As stated above, the consolidated financial statements consist of the financial statements of Akçansa and its subsidiary which it controls. The control is available if and only if all of the following indicators of the investment properties are present in more than one condition; a) power over an investee, b) exposure, or rights, to variable returns from its involvement with the investee c) the ability to use its power over the investee to affect the amount of the investor's return

The subsidiary is consolidated by using full consolidation method, accordingly the registered subsidiary values are netted off with the related equity items. The equity and net income attributable to non-controlling shareholders' are shown as non-controlling interest in consolidated balance sheet and income statement.

The results of subsidiaries acquired or disposed during the year are included in consolidated comprehensive income statement after the acquisition date or until the disposal date. Total comprehensive income is transferred to equity holders of the parent and non- controlling interests even if the non-controlling interests result in reverse balance.

Balances and transactions between Akçansa and its subsidiary, including intercompany profits and unrealized profits and losses are eliminated. Consolidated financial statements are prepared using uniform accounting policies for transactions and other events in similar circumstances.

Changes in the Company's ownership interests in subsidiary that do not result in the Company losing control over the subsidiary are accounted for as equity transactions. The carrying amounts of the Company's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the Company.

When the Company loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. When assets of the subsidiary are carried at revalued amounts or fair values and the related cumulative gain or loss has been recognized in other comprehensive income and accumulated in equity, the amounts previously recognized in other comprehensive income and accumulated in equity are accounted for as if the Company had directly disposed of the relevant assets (i.e. reclassified to profit or loss or transferred directly to retained earnings as specified by applicable IFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under TAS 39 Financial Instruments: Recognition and Measurement or, when applicable, the cost on initial recognition of an investment in an associate or a jointly controlled entity.

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Offsetting

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liabilities simultaneously.

Cash and cash equivalents

For the purposes of the presentation of consolidated cash flow statement, cash and cash equivalents comprise cash on hand, cash in banks, checks readily convertible to known amounts of cash and short-term deposits with an original maturity of three months or less.

Cash and cash equivalents are carried at cost plus interest income accrual.

Inventories

Inventories are valued at the lower of cost or net realizable value. Costs incurred in bringing each product to its present location and conditions are accounted for as follows:

Raw materials - purchase cost on a monthly average basis.

Finished goods and work-in-process - cost includes direct material and labor cost, the applicable allocation of fixed and variable overhead costs (considering normal operating capacity) on the basis of monthly average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Property, plant and equipment

The initial cost of property, plant and equipment comprises its purchase price and non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment in value. Land is not subject to depreciation except for the exploitation land. Exploitation land is depreciated based on the ratio of depletion of mining reserves to total reserves.

Assets under construction that are held for rental or any other administrative or undefined purposes are carried at cost less any impairment loss, if any. Legal fees are also included in cost. Borrowing costs are capitalized for assets that need substantial time to prepare the asset for its intended use or sale. As the similar depreciation method used for other fixed assets, depreciation of such assets begins when they are available for use.

Depreciation is calculated on all property, plant and equipment on a straight-line basis over the estimated useful life of the asset as below.

	Useful Life
Land improvements and buildings	20-50 years
Machinery and equipment	5-20 years
Furniture and fixtures	5-10 years
Motor vehicles	5 years
Leasehold Improvements	5-47 years

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

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Intangible assets

Intangible assets which mainly comprise of software and mining rights are measured at cost. Intangible assets are amortized on a straight line basis over the best estimate of their useful lives, excluding mining rights. Mining rights are amortized based on the ratio of depletion of mining reserves to total reserves.

The carrying values of intangible assets are reviewed for impairment when there is any event or changes in circumstances indicate that the carrying value may not be recoverable.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in profit or loss when the asset is derecognized.

Goodwill

Any excess of the acquirer's interest over the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the business combination cost is accounted for as goodwill.

In accordance with TFRS 3 "Business Combinations", the Company does not amortize goodwill, but the goodwill arising from acquisitions is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

Impairment on assets

At each balance sheet date, the Company assesses whether there is any indication that book value of tangible and intangible assets, calculated by acquisition cost less accumulative amortization, is impaired. When an indication of impairment exists, the Company estimates the recoverable amount of such assets. When individual recoverable value of assets cannot be measured, recoverable value of cash generating unit of that asset is measured.

Recoverable amount is the higher of value in use or fair value less costs to sell. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit by using discount rates before taxes that reflects risks related with that asset. The main estimates that are used during these analyses comprise expected inflation rates, expected increase in sales and cost of sales, expected changes in export-domestic market composition and expected growth rate of the country.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the consolidated statement of income.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (cash-generating unit) in prior years. Impairment loss cannot be reversed in the consolidated statement of income in future periods for goodwill.

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Foreign currency transactions

Transactions in foreign currencies are translated to TL by the exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies as of December 31, 2015 are translated at the Central Bank buying rate of exchange ruling at the balance sheet date. The foreign currency income or expenses incurred from the translation of foreign currency denominated transaction is reflected within the statement of income in the related period.

Foreign currency translation rates used by the Company as of respective year-ends are as follows:

Date	TL/USD	TL/EUR
Buying rates		
31 December 2015	2,9076	3,1776
31 December 2014	2,3189	2,8207

Provisions, contingent assets and liabilities

Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as an interest expense.

Contingent assets and liabilities

Contingent liabilities are not recognized in the financial statements, but are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognized in the financial statements, but disclosed when an inflow of economic benefits is probable.

Income tax

Tax expense (income) is the aggregate amount included in the determination of net profit or loss for the period in respect of current and deferred tax.

Deferred income tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred income tax liabilities are recognized for all taxable temporary differences.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and unused tax losses can be utilized. The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

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Employee benefits/ retirement pay liability/vacation pay liability

(a) Defined benefit plan:

In accordance with existing social legislation in Turkey, the Company is required to make lump-sum termination indemnities to each employee who has completed over one year of service with the Company and whose employment is terminated due to retirement or for reasons other than resignation or misconduct.

As indicated in Note 24 in detail, in the accompanying financial statements, the Company has reflected a liability using the "Projected Unit Credit Method" based on the actuarial valuation performed by independent actuaries. The employee termination benefits are discounted to the present value of the estimated future cash outflows using the interest rate estimate of qualified actuaries.

In the consolidated balance sheets, employee termination benefits are reflected under non-current liabilities as provisions for long term employee benefits.

(b) Defined contribution plans:

The Company pays contributions to the Social Security Institution of Turkey on a mandatory basis. The Company has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expense when they are due. There are contributions amounting to TL 11.248.537 as of December 31, 2015 (December 31, 2014 - TL 10.187.572).

(c) Provision for unused vacation:

The short term benefits provided to employees comprise the ones which are expected to be settled wholly in twelve months after the end of the reporting period. The Company classifies unused vacation provision in provisions for short term employee benefits since the expectation is the settlement in the following twelve months after the reporting period.

Leases

Leasing - as lessee

Finance lease

Finance leases, which transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income. Capitalized leased assets are depreciated over the estimated useful life of the asset.

Leasing - as lessor and lessee

Operational lease transactions

Leases of assets under which substantially all the risks and rewards of ownership are effectively retained by the lessor, are classified as operating leases. Lease payments under an operating lease are recognized as an expense on a straight-line basis over the lease term.

Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

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Related parties

Parties are considered related to the Company if;

a) A person or a close member of that person's family is related to a reporting entity if that person:

- (i) has control or joint control over the reporting entity;
- (ii) has significant influence over the reporting entity; or
- (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

(b) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).

- (i) The entity and the company are members of the same group.
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

A related party transaction is a transfer of resources, services or obligations between related parties, regardless of whether a price is charged.

Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenues are stated net of discounts, value added and sales taxes. The following specific recognition criteria must also be met before revenue is recognized:

Sales of goods

Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer at the invoiced values and the amount of revenue can be measured reliably. Net sales represent the invoiced value of goods shipped net of sales discounts and commission.

Rendering of services

Revenue from rendering services is recognized by reference to the stage of completion when it can be measured reliably. Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent of the expenses recognized that are recoverable. Revenue from rendering services is mainly related with Ambarlı port service income.

Rent revenue

Revenue is recognized monthly when the rent revenue has been earned.

Dividends and interest revenue

Dividend income from investments is recognized when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

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Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Amortized cost is calculated by taking into account any issue costs and any discount or premium on settlement.

Earnings per share

Basic earnings per share (EPS) is calculated by dividing the net profit for the period by the weighted average number of ordinary shares outstanding during the period.

In Turkey, companies can increase their share capital by making distribution of free shares to existing shareholders from various internal resources. For the purpose of the EPS calculation such share issues are regarded as issued stock. Accordingly the weighted average number of shares used in EPS calculation is derived by giving retroactive effect to the issue of such shares.

Subsequent events

Post period-end events that provide additional information about the Company's position at the balance sheet date (adjusting events), are reflected in the financial statements. Post-period-end events that are not adjusting events are disclosed in the notes when material.

Trade and settlement date accounting

All "regular way" purchases and sales of financial assets are recognized on the trade date, in other words, the date the Company commits to purchase the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place.

Financial Instruments

A financial instrument is any contract that gives rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise.

A financial asset is any asset that is:

- cash,
- a contractual right to receive cash or another financial asset from another enterprise,
- a contractual right to exchange financial instruments from another enterprise under conditions that are potentially favorable, or,
- an equity instrument of another enterprise

A financial liability that is a contractual obligation:

- to deliver cash or another financial asset to another enterprise, or
- to exchange financial instruments with another enterprise under conditions those are potentially unfavorable.

When a financial asset or financial liability is recognized initially, it is measured at its cost, which is the fair value of the consideration given (in the case of an asset) or received (in case of a liability) for it. Transaction costs are included in the initial measurement of all financial assets and liabilities.

Fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The best fair value is the quoted market price of a financial instrument, if available.

The methods and assumptions in fair value estimation of the financial instruments of the Company are explained in Note 39.

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Trade and other receivables

Trade receivables are recognized and carried at original invoice amount less an allowance for any uncollectible amounts and an allowance for unearned interest income calculated using the effective interest rate method.

Notes and post-dated checks which are classified within trade receivables are held to maturity and are measured at amortized cost using the effective interest rate method.

The allowance for doubtful receivables is established through a provision charged to expenses. The allowance is an estimated amount that management believes to be adequate to absorb possible future losses on existing receivables that may become uncollectible due to current economic conditions and inherent risks in the receivables.

Financial investments

All investments are initially recognized at cost, being the fair value of the consideration given and including acquisition charges associated with the investment and as of December 31, 2015 and December 31, 2014, all financial assets are "available for sale assets".

After initial recognition, investments which are classified as available-for-sale are measured at fair value. Interest earned on available for sale investments is disclosed as interest income. Gains or losses on available-for-sale investments are recognized as a separate component of equity, "Financial assets value increase fund", until the investment is sold, collected or otherwise disposed, or until the investment is determined to be impaired, at which time the cumulative gain or loss previously disclosed in equity is associated to income and expense accounts.

For investments that are actively traded on Borsa Istanbul A.Ş. (formerly Istanbul Stock Exchange), fair value is determined based on the Stock Exchange quoted market bid prices at closing on the balance sheet date. When there is no quoted market price and reasonable estimate of the fair value could not be determined since other methods are inappropriate and impractical, the investments are stated at their costs.

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period.

Financial assets are considered to be impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For AFS equity investments, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

For financial assets that are carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables where the carrying amount is reduced through the use of an allowance account. When a trade receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.

When an AFS financial asset is considered to be impaired, cumulative gains or losses previously recognized in other comprehensive income are reclassified to profit or loss in the period.

In respect of AFS equity securities, impairment losses previously recognized in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognized in other comprehensive income and accumulated under the heading of investments revaluation reserve. In respect of AFS debt securities, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

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Financial liabilities

Financial liabilities are recognized initially at fair value and at directly attributable transaction costs and after initial recognition; financial liabilities are subsequently measured at amortized cost by using the effective interest rate method.

Effective interest rate method is the amortized cost method and allocation of the related interest expenses to the related periods. Effective interest rate is the rate reducing the future expected cash payments to present value of the financial liability.

Bank borrowings

All borrowings are initially recognized at cost, being the fair value of the consideration received net of issue costs associated with the borrowing.

After initial recognition, borrowings are subsequently measured at amortized cost using the effective interest rate method. Amortized cost is calculated by taking into account any issue costs, and any discount or premium on settlement. Gains and losses are recognized in net profit or loss when the liabilities are derecognized, as well as through the amortization process.

Trade payables and other payables

Trade and other payables are carried at amortized cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Company.

Recognition and de-recognition of financial instruments

The Company recognizes a financial asset or financial liability in its balance sheet when and only when it becomes a party to the contractual provisions of the instrument. The Company derecognizes a financial asset or a portion of financial asset when and only when it loses control of the contractual rights that comprise the financial asset or a portion of financial asset. The Company derecognizes a financial liability when liability is extinguished that is when the obligation specified in the contract is discharged, cancelled and expired.

2.5 Convenience translation into English of consolidated financial statements originally issued in Turkish:

As of December 31, 2015, the accounting principles described in Note 2.1 (defined as Turkish Accounting Standards/Turkish Financial Reporting Standards) to the accompanying consolidated financial statements differ from International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board with respect to the application of inflation accounting, certain reclassifications and also for certain disclosures requirement of the POA/CMB. Accordingly, the accompanying consolidated financial statements are not intended to present the financial position and results of operations in accordance with IFRS.

3. Business combinations

None.

4. Joint ventures

The Company does not have any joint ventures as of December 31, 2015 and December 31, 2014.

5. Segment reporting

Since major portion of the foreign sales of the Company are made on a one-off basis to different geographical regions, the distribution of sales according to geographical regions is not consistent throughout the years. Therefore, details of revenues are disclosed as foreign and domestic sales in Note 28.

The Company manages and organizes its operations depending on the content of provided services and goods. The Company prepares its segment reporting in accordance with TFRS 8. As of December 31, 2015 and December 31, 2014; information about the Company's segments consists of revenues and profits related with cement (including clinker and aggregate) and ready mix concrete.

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1 January - 31 December 2015	Cement	Ready mix concrete	Undistributed	Elimination	Total
Net Sales	1.105.999.957	519.150.217	-	(156.616.691)	1.468.533.483
Cost of sales (-)	(668.984.950)	(527.698.972)	-	156.616.691	(1.040.067.231)
Gross profit	437.015.007	(8.548.755)	-	-	428.466.252
Operating expense (-)	(55.971.362)	(13.645.107)	-	-	(69.616.469)
Other operating income / expense (-), net	(7.443.464)	312.091	-	-	(7.131.373)
Operating profit	373.600.181	(21.881.771)		-	351.718.410
Income/Expense from investment activities (-), net	19.664.837	1.037.757	-	-	20.702.594
Financial income / expense (-), net	(23.835.122)	27.214	-	-	(23.807.908)
Net income before taxes from continuing operations	369.429.896	(20.816.800)	-	-	348.613.096
Tax income/expense for continuing operations, net	-	-	(65.633.880)	-	(65.633.880)
Tax expense for the period (-)	-	-	(63.917.711)	-	(63.917.711)
Deferred tax income/ (expense)	-	-	(1.716.169)	-	(1.716.169)
Continuing operations net profit	369.429.896	(20.816.800)	(65.633.880)	-	282.979.216
31 December 2015	Cement	Ready mix concrete	Undistributed	Elimination	Total
Assets and Liabilities					
Segment assets	1.194.035.899	262.063.677	-	-	1.456.099.576
Investments	-	-	212.856.782	-	212.856.782
Undistributed assets	-	-	36.123.573	-	36.123.573
Total assets	1.194.035.899	262.063.677	248.980.355	-	1.705.079.931
Undistributed liabilities	-	-	1.705.079.931	-	1.705.079.931
Total liabilities	-	-	1.705.079.931	-	1.705.079.931
1 January- 31 December 2015	Cement	Ready mix concrete	Undistributed	Elimination	Total
Other segment information					
Capital expenditures (expenses)					
Tangible and intangible fixed assets	93.122.993	22.495.258	-	-	115.618.251
Total capital expenditures	93.122.993	22.495.258	-	-	115.618.251
Depreciation expenses	55.539.371	11.972.973	-	-	67.512.344
Amortization expenses	3.393.413	92.355	-	-	3.485.768

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1 January - 31 December 2014	Cement	Ready mix concrete	Undistributed	Elimination	Total
Net sales	1.040.892.181	538.249.807	-	(168.291.753)	1.410.850.235
Cost of sales (-)	(655.747.887)	(531.769.489)	-	168.291.753	(1.019.225.623)
Gross profit	385.144.294	6.480.318	-	-	391.624.612
Operating expense (-)	(54.738.716)	(12.450.073)	-	-	(67.188.789)
Other operating income / expense (-), net	(5.144.712)	675.237	-	-	(4.469.475)
Operating profit	325.260.866	(5.294.518)		-	319.966.348
Income/Expense from investment activities (-), net	17.488.555	(894.067)	-	-	16.594.488
Financial income / expense (-), net	(27.854.395)	(3.604)	-	-	(27.857.999)
Net income before taxes from continuing operations	314.895.026	(6.192.189)	-	-	308.702.837
Tax income/expense for continuing operations, net	-	-	(58.441.188)	-	(58.441.188)
Tax expense for the period (-)	-	-	(58.363.998)	-	(58.363.998)
Deferred tax income/ (expense)	-	-	(77.190)	-	(77.190)
Continuing operations net profit	314.895.026	(6.192.189)	(58.441.188)	-	250.261.649
31 December 2014	Cement	Ready mix concrete	Undistributed	Elimination	Total
Assets and Liabilities					
Segment assets	1.123.246.543	227.456.714	-	-	1.350.703.257
Investments	-	-	220.771.458	-	220.771.458
Undistributed assets	-	-	31.021.868	-	31.021.868
Total assets	1.123.246.543	227.456.714	251.793.326	-	1.602.496.583
Undistributed liabilities	-	-	1.602.496.583	-	1.602.496.583
Total liabilities	-	-	1.602.496.583	-	1.602.496.583
1 January- 31 December 2014					
Other segment information					
Capital expenditures (expenses)					
Tangible and intangible fixed assets	99.864.498	13.824.702	-	-	113.689.200
Total investment expenditures	99.864.498	13.824.702	-	-	113.689.200
Depreciation expenses	52.137.106	10.854.781	-	-	62.991.887
Amortization expenses	2.267.906	61.001	-	-	2.328.907

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6. Cash and cash equivalents

	31 December 2015	31 December 2014
Cash at banks (including short-term time deposits)	14.923.462	7.694.764
Checks in collection with maturities before year end	6.930.825	5.582.820
Cash in hand	237	6
Total	21.854.524	13.277.590

Depending on the immediate cash requirements of the Company, time deposits have 1-30 days maturities for TL and USD (December 31, 2014 - 1-30 days for TL). Interest rates for TL time deposits are 7,00% - 11,60% and for USD time deposits 0,10%-1,70% (December 31, 2014 for TL 9,30% -9,75%).

The Company does not have blocked deposits as of December 31, 2015 and December 31, 2014.

7. Financial investments

- Short term

None.

- Long term

	31 December 2015		31 December 2014	
	Share (%)	Amount	Share (%)	Amount
Available for sale financial assets- fair value				
Çimsa Çimento Sanayi ve Ticaret Anonim Şirketi (Çimsa)	8,98	185.476.263	8,98	194.088.960
Total		185.476.263		194.088.960
Available for sale financial assets-value at cost				
Liman İşletmeleri ve Nakliyecilik A.Ş. (Liman İşletmeleri)	15,00	23.431.933	15,00	22.860.787
Eterpark Endüstri Ürünleri İmalat Ticaret İthalat İhracat Pazarlama A.Ş. (Eterpark)	8,73	2.686.527	8,73	2.686.527
Arpaş Ambarlı Römerkaj Pilataj Ticaret A.Ş. (Arpaş)	16,00	841.399	16,00	841.399
Altaş Ambarlı Liman Tesisleri A.Ş. (Altaş)	14,00	420.660	12,25	293.785
Total		212.856.782		220.771.458

Fair value of Çimsa of which shares are traded on the Borsa İstanbul A.Ş. (BIST) (formerly Istanbul Stock Exchange (ISE)) are determined by reference to BIST quoted market bid price at the close of business at December 31, 2015 and December 31, 2014. The current year fair value decrease amounting to TL 8.612.697 (December 31, 2014 - TL 55.800.577 increasing), is included in the comprehensive income statement.

Since it is not possible to calculate the fair value of Eterpark, Liman İşletmeleri, Arpaş and Altaş, these financial non-current assets are carried at restated cost (according to inflation accounting until the end of 2004) in the balance sheet

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8. Financial liabilities

Short term financial liabilities

31 December 2015				
	Currency	Balance	Maturity	TL Balance
Short term loans	TL (*) (**)	1.361.740	-	1.361.740
				1.361.740
31 December 2014				
	Currency	Balance	Maturity	TL Balance
Short term loans	TL (**)	375.000	4 May 2015	379.090
	TL (**)	375.000	1 June 2015	376.471
	TL (*) (**)	15.746.786	-	15.746.786
	TL (*) (**)	1.295.758	-	1.295.758
				17.798.105

Short term portion of long-term borrowings

31 December 2015				
	Currency	Balance	Maturity	TL Balance
Current portion of long-term bank borrowings	TL (**)	50.000.000	March-December 2016	5.003.846
	TL (**)	60.000.000	April/September 2016	6.043.640
				11.047.486
31 December 2014				
	Currency	Balance	Maturity	TL Balance
Current portion of long-term bank borrowings	TL (**)	30.000.000	2 January 2015	30.415.094
				30.415.094

Long-term financial liabilities:

31 December 2015				
	Currency	Balance	Maturity	TL Balance
Long term financial liabilities	TL (**)	50.000.000	25 September 2017	45.010.777
	TL (**)	60.000.000	30 March 2017	55.524.378
				100.535.155
31 December 2014				
	Currency	Balance	Maturity	TL Balance
Long term financial liabilities	TL (**)	50.000.000	25 September 2017	50.081.606
				50.081.606

(*) Temporary short-term interest-free loans

(**) Fixed interest rate loans

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Long-term loans repayment schedule is as follows:

	31 December 2015	31 December 2014
2017	100.535.155	50.081.606
	100.535.155	50.081.606

9. Other financial liabilities

As of December 31, 2015, there are no other financial liabilities (December 31, 2014 - None).

10. Trade receivables and payables

Trade receivables

Short-term trade receivables

	31 December 2015	31 December 2014
Trade receivables (net)	219.124.757	183.885.155
Notes receivables and post-dated checks	156.590.349	136.830.159
Due from associates (Note 37)	40.514	39.073
Due from other related parties (Note 37)	23.182.591	12.082.321
Doubtful receivables	12.071.116	12.021.733
Provision for doubtful receivables (-)	(12.071.116)	(12.021.733)
	398.938.211	332.836.708

The effective interest rates used to calculate net book value of the receivables are 11,7460% for TL, 0,6130% for USD (December 31, 2014 - 10,0200% for TL, 0,2560% for USD and 0,0590% for EUR).

The individually impaired receivables are determined based on the past experience of the Company.

The movement of the provision for doubtful receivables for the period ended December 31, 2015 and December 31, 2014 is as follows:

	31 December 2015	31 December 2014
1 January	12.021.733	9.906.718
Additions (Note 29)	824.956	2.151.323
Collections (Note 29)	(775.573)	(36.308)
	12.071.116	12.021.733

Collection term of trade receivables vary depending upon the type of product and the agreement and the average maturity of trade receivables is 76 days for cement (December 31, 2014 - 83 days) and 87 days for ready-mixed concrete (December 31, 2014- 79 days).

As of December 31, 2015 and December 31, 2014, the maturity analysis of trade receivables is as follows:

	Past due but not impaired						Total
	Neither past due nor impaired	Less than one month	1-2 months	2-3 months	3-4 months	More than 4 months	
December 31,2015	202.497.607	10.602.363	3.432.888	1.331.891	69.621	1.190.387	219.124.757
December 31,2014	175.242.260	5.005.516	1.046.461	951.393	790.022	849.503	183.885.155

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Trade payables

Short term trade payables

	31 December 2015	31 December 2014
Trade payables (net)	233.241.763	234.559.612
Due to associates (Note 37)	1.154.280	1.557.212
Due to other related parties (Note 37)	36.326.421	2.462.737
Due to shareholders (Note 37)	361.817	278.047
	271.084.281	238.857.608

The average payment period of trade payables is between 30 to 45 days.

The effective interest rates used to calculate net book value of the payables are 11,7460% (December 31, 2014 - 10,0200%) for TL, 0,6130% (December 31, 2014 - 0,2560%) for USD (December 31, 2014 - 0,0590% for EUR).

11. Other receivables, other payables, deferred income and employee benefit obligations

Short term other receivables

	31 December 2015	31 December 2014
Deferred VAT	1.839.778	3.873.373
Insurance payables	619.122	356.972
Due from personnel (Note 37)	119.878	7.099
Deposits and guarantees given	9.550	9.550
Other	1.144.015	204.784
	3.732.343	4.451.778

Short term other payables

	31 December 2015	31 December 2014
Government share of mine extracting	4.507.794	2.212.731
Deposits and guarantees received	3.408.280	3.149.626
Taxes and funds payable	1.789.983	1.909.980
Other payables	133.635	130.885
Other various payables	-	11
	9.839.692	7.403.233

Deferred income

	31 December 2015	31 December 2014
Advances received	4.338.719	3.617.335
	4.338.719	3.617.335

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Short term employee benefit obligations

	31 December 2015	31 December 2014
Social security premiums payable	2.200.897	2.128.042
Taxes and funds payable	1.930.385	1.905.907
Due to personnel (Note 37)	1.011.834	1.052.657
	5.143.116	5.086.606

Other long term receivables

	31 December 2015	31 December 2014
Deposits and guarantees given	1.086.173	811.889
	1.086.173	811.889

Other long term payables

As of December 31, 2015 and December 31, 2014, the Company does not have any other long term payables.

12. Receivables and payables from financial sector operations

The Company does not have any financial sector operations as of December 31, 2015 and December 31, 2014.

13. Inventories

	31 December 2015	31 December 2014
Raw materials, net	99.361.345	98.746.599
Work-in-process	20.826.645	15.460.685
Finished goods	8.744.298	9.661.229
Goods-in transit	6.271.767	14.965.287
	135.204.055	138.833.800

Movement of the provision for inventories for the years ended 31 December 2015 and 2014 is as follows:

	31 December 2015	31 December 2014
1 January	16.234.044	14.670.577
Charge for the period	1.720.631	1.563.467
	17.954.675	16.234.044

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14. Biological assets

The Company does not have any biological assets as of December 31, 2015 and December 31, 2014.

15. Assets related with construction projects in progress

The Company does not have any construction projects as of December 31, 2015 and December 31, 2014.

16. Investments accounted under equity method

The Company does not have any investments accounted under equity method as of December 31, 2015 and December 31, 2014.

17. Investment properties

The Company does not have any investment properties as of December 31, 2015 and December 31, 2014.

18. Property, plant and equipment

	January 1, 2015	Additions	Transfers (*)	Disposals	December 31, 2015
Cost					
Land, and land improvements	147.226.067	-	11.480.646	(17.374)	158.689.339
Buildings	282.090.842	110.000	6.404.418	-	288.605.260
Machinery and equipment	1.313.031.379	278.823	70.367.386	(5.589.901)	1.378.087.687
Furniture, fixtures and motor vehicles	79.208.797	292.594	10.312.542	(7.172.298)	82.641.635
Leasehold improvements	56.121.421	-	1.843.509	(754.876)	57.210.054
Construction-in-progress	29.920.805	114.936.834	(110.148.311)	-	34.709.328
Total	1.907.599.311	115.618.251	(9.739.810)	(13.534.449)	1.999.943.303
Less: Accumulated depreciation					
Land, and land improvements	78.795.046	3.005.158	-	-	81.800.204
Buildings	161.133.292	10.308.386	-	-	171.441.678
Machinery and equipment	869.954.628	43.667.054	788.614	(3.174.774)	911.235.522
Furniture, fixtures and motor vehicles	51.357.152	6.870.144	-	(6.964.416)	51.262.880
Leasehold improvements	37.578.762	3.661.602	(788.614)	(321.974)	40.129.776
Total	1.198.818.880	67.512.344	-	(10.461.164)	1.255.870.060
Property, plant and equipment, net	708.780.431				744.073.243

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	January 1, 2014	Additions	Transfers (*)	Disposals	December 31, 2014
Cost					
Land, and land improvements	145.116.880	229.904	2.929.464	(1.050.181)	147.226.067
Buildings	264.098.988	-	19.330.535	(1.338.681)	282.090.842
Machinery and equipment	1.251.229.505	64.236	83.736.876	(21.999.238)	1.313.031.379
Furniture, fixtures and motor vehicles	80.240.929	322.100	2.488.605	(3.842.837)	79.208.797
Leasehold improvements	53.516.271	1.350	2.765.824	(162.024)	56.121.421
Construction-in-progress	31.382.896	113.071.610	(114.533.701)	-	29.920.805
Total	1.825.585.469	113.689.200	(3.282.397)	(28.392.961)	1.907.599.311
Less: Accumulated depreciation:					
Land, and land improvements	76.407.198	3.152.436	-	(764.588)	78.795.046
Buildings	151.060.879	11.005.886	-	(933.473)	161.133.292
Machinery and equipment	850.222.357	39.010.335	-	(19.278.064)	869.954.628
Furniture, fixtures and motor vehicles	48.816.867	6.168.898	-	(3.628.613)	51.357.152
Leasehold improvements	34.036.012	3.654.332	-	(111.582)	37.578.762
Total	1.160.543.313	62.991.887	-	(24.716.320)	1.198.818.880
Property, plant and equipment, net	665.042.156				708.780.431

(*) As of December 31, 2015, there has been a transfer amounting TL 9.739.810 from ongoing investments to intangible assets. (December 31, 2014 - TL 3.282.397)

As of December 31, 2015, the total cost of tangible assets purchased with financial leasing amounts TL 20.182.535 (December 31, 2014- TL 20.288.926) and the total accumulated depreciation amounts TL 12.882.497 (December 31, 2014 - TL 11.826.555).

There are no purchases of property, plant, equipment and intangible assets with financial leasing in year 2015 and 2014

As of December 31, 2015, total gross value of property, plant and equipment and intangible assets which are fully depreciated/ amortized but are still in use is TL 780.671.286 (December 31, 2014 - TL 696.373.700).

Pledge and mortgages on assets

There are no pledges or mortgages on Company's property, plant and equipment as of December 31, 2015 and December 31, 2014.

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19. Intangible assets

	January 1, 2015	Additions/ charge	Transfers from construction-in progress	Disposals	December 31,2015
Cost					
Rights and other intangibles	58.179.557	-	9.739.810	(65.610)	67.853.757 (*)
Less: Accumulated amortization					
Rights and other intangibles	21.997.466	3.485.768	-	-	25.483.234 (**)
Intangible assets, net	36.182.091				42.370.523
	January 1, 2014	Additions / charge	Transfers from construction-in- progress	Disposals	December 31, 2014
Cost					
Rights and other intangibles	54.897.160	-	3.282.397	-	58.179.557 (*)
Less: Accumulated amortization					
Rights and other intangibles	19.668.559	2.328.907	-	-	21.997.466 (**)
Intangible assets, net	35.228.601				36.182.091

(*) As of December 31, 2015, intangible assets amounting to TL 42.026.418 consist of mining rights (December 31, 2014 - TL 41.195.255).

(**) As of December 31, 2015, TL 10.795.529 of this amount consists of mining rights related accumulated amortization (December 31, 2014 - TL 10.159.883).

Rights and other intangibles mainly consist of the rights, computer software and mining rights.

20. Goodwill

Fair value determination of the Ladik cement plant's assets and liabilities which were acquired on May 1, 2007 was finalized and as a result of this determination, goodwill amounting to TL 129.457.887 is recognized in the accounts.

As of December 31, 2015, the Company performed an impairment analysis on cash generating unit related with goodwill and as a result, the Company does not require any impairment allowance. The main assumptions used in the discounted cash flow in TL which was prepared based on the approved budgeted figures prepared until 2025 considers the weighted average cost of capital as 13,30% (December 31, 2014- 11,29%) and performing sensitivity test at 3% (December 31, 2014- 3%). The Company considers analysis covering a period longer than five years is more appropriate as to evaluation of operating results and prospective assumptions in the sector and therefore impairment test is based on ten years plans.

21. Government incentives and grants

The Company does not have any incentives and grants received from the government.

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22. Provisions, contingent assets and liabilities

Short-term provisions for employee benefits

	31 December 2015	31 December 2014
Vacation pay liability	3.033.169	3.115.566
Bonus accruals to be paid to executive management	4.114.094	6.018.120
	7.147.263	9.133.686

Other short term provisions

	31 December 2015	31 December 2014
Litigation provision	2.764.101	2.520.821
	2.764.101	2.520.821

	Litigations (Note 31)	Vacation pay liability	Bonus accruals to be paid to executive management
January 1, 2015	2.520.821	3.115.566	6.018.120
Change in vacations, net	-	(82.397)	-
Charge for the current year	-	-	4.114.094
Payments	(296.201)	-	(3.737.625)
Changes in the estimations	539.481	-	(2.280.495)
December 31, 2015	2.764.101	3.033.169	4.114.094

	Litigations (Note 31)	Vacation pay liability	Bonus accruals to be paid to executive management
January 1, 2014	1.128.815	2.688.555	2.961.075
Change in vacations, net	-	427.011	-
Charge for the current year	28.000	-	6.018.120
Payments	(546.261)	-	(2.819.940)
Changes in the estimations	1.910.267	-	(141.135)
December 31, 2014	2.520.821	3.115.566	6.018.120

Other long term provisions

Recultivation Provision	31 December 2015	31 December 2014
January 1	3.235.137	2.558.699
Charge for the year	403.607	231.048
Discount effect	(194.845)	445.390
December 31	3.443.899	3.235.137

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Guarantees received and given

As of December 31, 2015 and December 31, 2014 guarantees received and given can be presented as follows:

	Currency	31 December 2015		31 December 2014	
		Original Amount	TL equivalent	Original Amount	TL equivalent
Letters of guarantee received	EURO	1.053.169	3.346.550	2.388.579	6.737.466
Letters of guarantee received	USD	510.468	1.484.236	374.568	868.585
Letters of guarantee received	TL	-	217.318.622	-	182.177.573
Mortgages received	TL	-	12.460.874	-	11.962.374
Cheques and notes received	TL	-	12.770.145	-	13.248.463
Cheques and notes received	EURO	403.100	1.280.891	53.100	149.779
Cheques and notes received	USD	135.225	393.180	135.225	313.573
Total guarantees received			249.054.498		215.457.813
	Currency	31 December 2015		31 December 2014	
		Original Amount	TL equivalent	Original Amount	TL equivalent
A. Total amount of guarantees given on the behalf of legal entity			30.462.104		33.192.349
	TL	-	28.660.893	-	30.863.425
	USD	43.000	125.027	362.674	841.005
	EURO	527.500	1.676.184	527.500	1.487.919
B. Total amount of guarantees given on behalf of associations that included in full consolidation		-	-	-	-
C. Total amount of guarantees given on behalf of third parties liabilities within the context of business operations		-	-	-	-
D. Total amount of other guarantees given		-	-	-	-
i. Total amount of guarantees given on behalf of main shareholder		-	-	-	-
ii. Total amount of guarantees given on behalf of group Company which is not under Section B and C		-	-	-	-
iii. Total amount of guarantees given on behalf of third parties which is not under Section C		-	-	-	-
Total guarantees given			30.462.104		33.192.349

The percentage of the Company's other GPMs to the Company's equity is 0% as of December 31, 2015 (December 31, 2014 - 0%).

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Insurance coverage on assets

Insurance coverage on assets including cash, inventories and property, plant and equipment of the Company is TL 2.318.080.464 (December 31, 2014 - TL 1.739.980.710).

Litigations

As of December 31, 2015, there were a number of legal proceedings outstanding against the Company in which total claims amounted to TL 8.622.443 (December 31, 2014 - TL 6.855.950). These litigations principally involve matters relating to employee claims against the Company or claims by the families of employees due to accidents which occurred at work and cases opened by third parties due to accidents because of the alleged negligence of the Company's personnel. As of December 31, 2015, the Company has provided a provision for an amount of TL 2.764.101 (December 31, 2014- TL 2.520.821) for the litigations, which may result against the Company in the future and which are not covered by the employer's insurance.

Possible contingencies relating to environment law and land protection and utilization law

According to the Environment Law, the operations of the Company such as mining, cement production are subject to legislation in Turkey. All liabilities such as taxes, duties and emission fees resulting from this legislation have been fulfilled by the Company. However, this legislation did not specifically address the costs that could arise from recovering the damage, pollution in the land while vacating the mines. The Company calculated the estimated cost of the actions that the Company deems that would meet the requirements of legislation related with the mining area it operates on. As a result, related with the surface area which is already excavated as of December 31, 2015, the Company has accounted a recultivation provision at an amount of TL 3.443.899 (December 31, 2014 - TL 3.235.137) in "Long term provisions".

Forward and option contracts

As of December 31, 2015, the Company has no outstanding forward and option contracts (December 31, 2014 - None).

23. Commitments

Operational lease commitments

Future minimum rentals payable under non-cancellable operating leases are as follows:

Operating lease commitments	31 December 2015	31 December 2014
Within one year	3.169.639	3.300.667
After one year but not more than five years	2.091.431	3.794.074
More than five years	1.950.000	2.028.000
	7.211.070	9.122.741

As of December 31, 2015, TL 2.986.841 (December 31, 2014 - TL 2.893.719) of the Company's expenses related with the operating lease transactions is reflected in the consolidated income statement.

24. Employee Benefits

Long term provision for employee termination benefits

	31 December 2015	31 December 2014
Provision for employee termination benefits	21.283.399	17.907.259
Seniority incentive premium	5.260.124	4.392.600
	26.543.523	22.299.859

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In accordance with existing social legislation in Turkey, the Company is required to make lump-sum termination indemnities to each employee who has completed over one year of service with the Company and whose employment is terminated due to the retirement after 25 years of service (20 years for women) or for reasons such as military obligation or death. Such payments are calculated on the basis of 30 days' pay and limited to a maximum historical TL 3.828,37 as of December 31, 2015 (December 31, 2014 - TL 3.438,22) per year of employment.

In accordance with TAS 19 - Employee Benefits, actuarial calculations are necessary for determining the Company's liabilities. The Company accounts for the employee termination benefits by using "Projection Method" in accordance with TAS 19 based on employees' service period and assumptions by professional actuaries and reflect these figures on financial statements. All actuarial gains and losses are recognized as other comprehensive income/ (expense) in the statement of equity.

The principal actuarial assumptions used at the balance sheet dates are as follows:

	31 December 2015	31 December 2014
Discount rate	9,80%	9,10%
Estimated salary increase rate	5,00%	5,00%

Movement of the reserve for the employee termination benefits as of December 31, 2015 and December 31, 2014 is as follows:

Provision for employee termination benefits	31 December 2015	31 December 2014
January 1	17.907.259	15.158.163
Retirement pay liability paid	(2.931.088)	(2.460.336)
Actuarial gain/loss	3.143.362	2.452.832
Interest expense	1.561.068	1.469.556
Charge for the year	1.602.798	1.287.044
	21.283.399	17.907.259

Sensitivity analysis of the discount rates used for retirement pay liability calculation as of December 31, 2015 and December 31, 2014 is as follows:

	2015		2014	
	1% decrease	1% increase	1% decrease	1% increase
Sensitivity	(8,8%)	(10,8%)	(8,1%)	(10,1%)
Retirement pay liability change	1.451.142	(1.257.454)	1.336.553	(1.145.765)

On January 27, 2016, collective labor agreement is signed between Cement Industry Employers' Union and T. Çimse-İş Labor Union commenced effective between January 1, 2016 and December 31, 2017 ".

Seniority incentive premium	31 December 2015	31 December 2014
Opening	4.392.600	4.097.612
Paid seniority incentive premium	(1.819.732)	(1.492.587)
Charge for the year	2.687.256	1.787.575
	5.260.124	4.392.600

Seniority incentive premium is the employee benefit provided in accordance with the Company policy and the liability as of balance sheet date is recognized in the financial statements after discounting to the present value by using the effective discount rate.

25. Employee pension plans

The Company does not have any employee pension plans as of December 31, 2015 and December 31, 2014.

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26. Prepaid expenses, other assets and liabilities

Short term prepaid expenses

	31 December 2015	31 December 2014
Advances given to suppliers	4.796.795	7.557.446
Prepaid expenses	4.745.148	3.770.691
Advances given	6.315	79.795
	9.548.258	11.407.932

Long term prepaid expenses

	31 December 2015	31 December 2014
Investment advances	3.868.188	3.569.828
Prepaid rent expenses	1.071.673	1.043.014
	4.939.861	4.612.842

27. Shareholders' Equity

Issued capital and adjustments to share capital and equity investments

	31 December 2015	31 December 2014
Number of common shares (authorized and outstanding)		
TL 0,01 par value	19.144.706.825	19.144.706.825

As of December 31, 2015, the Company's paid-in capital is TL 191.447.068 (December 31, 2014 - TL 191.447.068) (based on historical costs).

As of December 31, 2015 and December 31, 2014, the composition of paid-in capital (presented in number of shares and historical cost) can be summarized as follows:

	31 December 2015		31 December 2014	
	Number of shares	TL	Number of shares	TL
	19.144.706.825	191.447.068	19.144.706.825	191.447.068

As of December 31, 2015 and December 31, 2014, the composition of shareholders and their respective percentage of ownership can be summarized as follows:

	31 December 2015		31 December 2014	
	Amount	%	Amount	%
Hacı Ömer Sabancı Holding A.Ş.	76.035.136	39,72	76.035.136	39,72
HeidelbergCement Mediterranean Basin Holdings S.L.	76.035.135	39,72	76.035.135	39,72
Publicly traded shares	39.376.797	20,56	39.376.797	20,56
Nominal share capital total	191.447.068	100,00	191.447.068	100,00
Restatement effect	233.177.582		233.177.582	
Total	424.624.650		424.624.650	

There is no additional right, privilege and restriction related with these shares.

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Legal and other reserves

The legal reserves consist of first and second legal reserves in accordance with the Turkish Commercial Code. The first legal reserve is appropriated out of the statutory net income at the rate of 5%, until the total reserve reaches a maximum of 20% of the Company's issued capital. The second legal reserve is appropriated at the rate of 10% of all distributions in excess of 5% of the Company's issued capital. The legal reserves are not available for distribution unless they exceed 50% of the issued capital, other than that legal reserves can not be used.

Listed companies distribute dividend in accordance with the Communiqué No. II-19.1 issued by the CMB which is effective from February 1, 2014.

Companies distribute dividends in accordance with their dividend payment policies settled and dividend payment decision taken in general assembly and also in conformity with relevant legislations. The communiqué does not constitute a minimum dividend rate. Companies distribute dividend in accordance with the method defined in their dividend policy or articles of incorporation. In addition, dividend can be distributed by fixed or variable instalments and advance dividend can be paid in accordance with profit on interim financial statements of the Company.

In accordance with the Turkish Commercial Code (TCC), unless the required reserves and the dividend for shareholders as determined in the article of association or in the dividend distribution policy of the company are set aside, no decision may be made to set aside other reserves, to transfer profits to the subsequent year or to distribute dividends to the holders of usufruct right certificates, to the members of the board of directors or to the employees; and no dividend can be distributed to these persons unless the determined dividend for shareholders is paid in cash.

Inflation adjustments to issued capital and historical amount of extraordinary reserves can be used for in kind capital increase, dividend distribution in cash or the net loss deduction. However, the inflation adjustment to issued capital is subject to corporate tax if used in dividend distribution in cash.

As of December 31, 2015 and December 31, 2014, the composition of consolidated legal reserves, statutory reserves, extraordinary reserves, accumulated profit (loss) and other reserves can be summarized as follows:

	31 December 2015	31 December 2014
Legal reserves	148.183.186	126.218.905
Statutory reserves	35	35
Extraordinary reserves	9.182.004	8.933.230
Accumulated profit due to inflation difference	7.758.970	7.758.970
Other reserves	3.428.990	3.343.065

The Company resolved at the General Assembly meeting to pay TL 1,18200 gross=net dividend to TL 1 nominal share resulting in 118,200% to the fully fledged tax payers and foreign-based tax payers earning dividend through an office or an ordinary agent in Turkey. In addition, TL 1,18200 gross, TL 1,00470 net dividend to TL 1 nominal share resulting in 118,200% has been paid to other shareholders. Total of TL 226.290.435 cash dividend payment has been made starting from April 1, 2015.

The Company resolved at the General Assembly meeting to pay TL 0,75426 gross=net dividend to TL 1 nominal share resulting in 75,426% to the fully fledged tax payers and foreign-based tax payers earning dividend through an office or an ordinary agent in Turkey. In addition, TL 0,75426 gross, TL 0,641121 net dividend to TL 1 nominal share resulting in 75,426% has been paid to other shareholders. Total of TL 144.400.866 cash dividend payment has been made starting from March 28, 2014.

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Non-controlling Interests

All non-controlling shares are eliminated from equity accounts, including paid-in capital, of consolidated subsidiaries and presented as "Non-controlling interest" in "Shareholders' equity" in the consolidated balance sheet.

28. Sales and cost of sales

Sales revenue

	1 January - 31 December 2015	1 January - 31 December 2014
Domestic sales	1.355.686.631	1.304.881.144
Foreign sales	167.673.260	139.773.933
Sales discount (-)	(38.687.594)	(19.772.330)
Other discounts (-)	(32.456.857)	(30.059.463)
	1.452.215.440	1.394.823.284
Domestic service sales	16.318.043	16.026.951
Total	1.468.533.483	1.410.850.235

Cost of sales

	1 January - 31 December 2015	1 January - 31 December 2014
Direct material and supplies expenses	820.854.257	801.635.039
Direct labor expenses	65.200.853	60.527.375
Depreciation and amortization expenses	65.179.408	61.690.751
Other production expenses	77.170.237	79.974.551
Total production cost	1.028.404.755	1.003.827.716
Change in work-in-process	(5.365.960)	(2.154.542)
Beginning WIP	15.460.685	13.306.143
Ending WIP	20.826.645	15.460.685
Change in finished goods	916.931	(3.998.065)
Beginning finished goods	9.661.229	5.663.164
Ending finished goods	8.744.298	9.661.229
Cost of merchandise sold	5.702.720	11.927.149
Cost of domestic service sold	10.408.785	9.623.365
Total	1.040.067.231	1.019.225.623

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29. Research and development expenses, selling, marketing and distribution expenses, general and administrative expenses

	1 January - 31 December 2015	1 January - 31 December 2014
General and administrative expenses	53.775.079	50.629.143
Selling, marketing and distribution expenses	15.841.390	16.559.646
	69.616.469	67.188.789
Selling, marketing and distribution expenses		
Personnel expenses	8.624.255	7.489.870
Representation and entertainment expenses	1.224.158	2.164.760
Sales guarantee expenses	1.647.283	1.265.704
Rent expenses	1.018.664	850.960
Outsourced services	534.522	685.495
Traveling expenses	396.847	260.588
Depreciation and amortization expenses	189.350	150.904
Employee termination benefits	135.321	126.817
Taxes, duties and fees	56.900	46.741
Doubtful receivable expenses	49.383	2.115.015
Other expenses	1.964.707	1.402.792
	15.841.390	16.559.646
	1 January - 31 December 2015	1 January - 31 December 2014
General and administrative expenses		
Personnel expenses	25.997.319	27.575.026
Consultancy expenses	7.324.224	6.849.320
Outsourced expenses	5.435.258	4.238.031
Depreciation and amortization expenses	4.638.127	3.479.139
Rent expenses	2.134.978	1.904.568
Representation and entertainment expenses	1.329.266	1.241.977
Employee termination benefits	(83.730)	(581.654)
Travelling expenses	882.503	818.290
Taxes, duties and fees	929.956	606.308
Insurance expenses	180.234	157.794
Various expenses	5.006.944	4.340.344
	53.775.079	50.629.143

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30. Nature of expenses

Depreciation and amortization expenses

	1 January - 31 December 2015	1 January - 31 December 2014
Property, plant and equipment		
Production costs	64.437.931	60.819.307
General and administrative expenses	2.180.221	2.025.729
Other operating expenses	715.316	-
Selling and distribution expenses	178.876	146.851
Total depreciation expenses	67.512.344	62.991.887
Intangible assets		
Production costs	741.477	871.444
General and administrative expenses	2.457.906	1.453.410
Other operating expenses	275.911	-
Selling and distribution expenses	10.474	4.053
Total amortization expenses	3.485.768	2.328.907

Personnel Expenses

	1 January - 31 December 2015	1 January - 31 December 2014
Personnel expenses		
Wages and salaries	69.414.075	63.406.097
Other social expenses	27.296.077	28.974.737
Provision for employee termination benefits, net (Note 24)	3.163.866	2.756.600
	99.874.018	95.137.434

31. Other operating income / expenses

Other operating income

	1 January - 31 December 2015	1 January - 31 December 2014
Operational foreign exchange gains	9.132.494	3.084.954
Rent income	3.663.879	1.217.073
Maturity difference income	520.470	696.743
Gain on sale of auxiliary materials	103.577	1.256.779
Rediscount income	12.775	197.941
Other	3.370.118	2.675.236
	16.803.313	9.128.726

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Other operating expenses (-)

	1 January - 31 December 2015	1 January - 31 December 2014
Operational foreign exchange losses	8.738.310	2.157.000
Donations	5.518.808	3.702.667
Property and estate taxes	3.315.141	2.700.367
Rediscount expenses	1.850.238	72.265
Nonallowable charges	1.564.759	1.383.967
Expense of rented terminals	1.441.122	824.027
Indemnity and punishments	525.795	574.047
Reclamation provision (Note 22)	403.607	231.048
Litigation provision (Note 22)	243.280	1.392.006
Other	333.626	560.807
	23.934.686	13.598.201

32. Income from investing activities and financial income

As of December 31, 2015 and December 31, 2014, revenues from investment activities are as follows:

	1 January - 31 December 2015	1 January - 31 December 2014
Dividend income (*)	19.884.420	17.725.928
Gain on sale of property, plant and equipment, net	2.561.789	1.595.633
	22.446.209	19.321.561

(*) As of December 31, 2015 and December 31, 2014, details of dividend income are as follows:

	1 January - 31 December 2015	1 January - 31 December 2014
Çimsa	15.672.684	13.998.665
Arpaş	4.211.736	3.718.457
Altaş	-	8.806
	19.884.420	17.725.928

As of December 31, 2015 and December 31, 2014, details of financial income are as follows:

	1 January - 31 December 2015	1 January - 31 December 2014
Financial foreign exchange gains	6.342.992	5.718.477
Interest income	1.468.449	879.936
	7.811.441	6.598.413

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33. Expenses from investing activities and financial expenses

As of December 31, 2015 and December 31, 2014, details of expenses from investing activities are as follows:

	1 January - 31 December 2015	1 January- 31 December 2014
Loss on sale of property, plant and equipment, net	1.743.615	2.727.073
	1.743.615	2.727.073

As of December 31, 2015 and December 31, 2014, details of financial expenses are as follows:

	1 January - 31 December 2015	1 January- 31 December 2014
Interest expenses	27.226.262	29.278.022
Financial foreign exchange losses	4.393.087	5.178.390
	31.619.349	34.456.412

34. Assets held for sale and discontinuing operations

The Company does not have any assets held for sale and discontinuing operations as of December 31, 2015 and December 31, 2014.

35. Tax assets and liabilities (including deferred tax assets and liabilities)

As of December 31, 2015 and December 31, 2014, details of deferred tax assets and liabilities are as follows:

	Deferred tax assets (*)		Deferred tax liabilities (*)		Deferred tax income/ (expense)	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014	1 January- 31 December 2015	1 January- 31 December 2014
Temporary differences on property, plant and equipment & intangibles	-	-	(24.334.594)	(22.952.292)	(1.382.302)	(1.252.400)
Goodwill	-	-	(25.891.577)	(25.891.577)	-	-
Inventories	4.578.498	4.917.738	-	-	(339.240)	122.728
Allowance for employee termination benefits	4.256.680	3.090.886	-	-	1.165.794	59.254
Allowance for unearned/ unaccrued interest included in receivables and payables, net	480.117	200.537	-	-	279.580	(40.078)
Recultivation provision	688.780	647.027	-	-	41.753	135.287
Other timing differences, net (including renewal fund)	1.595.086	3.076.840	-	-	(1.481.754)	898.019
Tax loss	-	-	-	-	-	-
Tax income/expense related with other comprehensive income	-	-	(7.598.488)	(8.657.794)	1.059.306	(2.299.463)
	11.599.161	11.933.028	(57.824.659)	(57.501.663)	(656.863)	(2.376.653)

(*) The net total of these two balances is presented in the balance sheet as deferred tax asset with the amount of TL 1.018.071 (December 31, 2014 - TL 1.071.434) and deferred tax liability with the amount of TL 47.243.569 (December 31, 2014 - TL 46.640.069).

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As of December 31, 2015 and December 31, 2014, movement of net deferred tax liabilities is as follows:

	1 January - 31 December 2015	1 January - 31 December 2014
Balance as at January 1,	45.568.635	43.191.982
Deferred income tax recognized in income statement	1.716.169	77.190
Tax income/expense related with other comprehensive income	(1.059.306)	2.299.463
Net balance at December 31, 2015 and December 31, 2014	46.225.498	45.568.635

In Turkey, the corporation tax rate is 20%. Corporate tax returns are required to be filed until the fifteenth of the fourth month following the balance sheet date and paid in one instalment until the end of the fourth month. The tax legislation provides for a temporary tax of 20% to be calculated and paid based on earnings generated for each quarter. The amounts paid are offset against the final corporate tax liability for the year.

In Turkey, the tax legislation does not permit a parent company and its subsidiaries to file a consolidated tax return. Therefore, provision for taxes, as reflected in the consolidated financial statements, has been calculated on a separate-entity basis.

Corporate tax losses can be carried forward for a maximum period of five years following the year in which the losses were incurred. The tax authorities can inspect tax returns and the related accounting records for a retrospective maximum period of five years. As of December 31, 2015, the Company has no carried forward tax losses (December 31, 2014 - None)

Income tax payables as of December 31, 2015 and December 31, 2014 are summarized as follows:

	31 December 2015	31 December 2014
Current period corporate tax	63.917.711	58.363.998
Prepaid tax in current period	(49.932.757)	(48.863.818)
Income tax payable	13.984.954	9.500.180

A reconciliation of income tax expense applicable to profit before income tax at the statutory income tax rate to income tax expense reported in the income statements for the periods ended December 31, 2015 and December 31, 2014 is as follows:

	1 January- 31 December 2015	1 January- 31 December 2014
Profit before tax and non-controlling interest	348.613.096	308.702.837
At the effective statutory income tax rate of 20%	(69.722.619)	(61.740.567)
Income exempt from tax	6.405.439	5.193.663
Expenses that are not deductible	(2.138.980)	(1.637.135)
Other	(177.720)	(257.149)
	(65.633.880)	(58.441.188)

36. Earnings per share

Basic earnings per share (EPS) is calculated by dividing the net profit for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year. As of December 31, 2015 and December 31, 2014 weighted average number of shares is 19.144.706.825.

There have been no other transactions involving ordinary shares or potential ordinary shares since the reporting date and before the completion of these financial statements.

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Earnings per share and dividends per share distributed as follows:

	1 January - 31 December 2015	1 January - 31 December 2014
Net income for the period	281.120.173	248.768.945
Average number of ordinary shares outstanding (kr 1 each)	19.144.706.825	19.144.706.825
Earnings per share (kr) ^(*)	1,468	1,2994
Dividends distributed	226.290.435	144.400.866
Gross dividends per share (kr) ^(*)	1,182	0,7543

^(*) Since all shareholders have same rights and there is not preferred stock, common stock dividend diluted earnings per share amounts do not differ.

37. Related party disclosures

Entities are defined as related if one of the entities has control over the other entity or has a significant influence over the other entity's financial and administrative decisions. The Company is controlled by Hacı Ömer Sabancı Holding A.Ş. (39,72%) (December 31, 2014 - 39,72%) and Heidelbergcement Group (39,72%) (December 31, 2014 - 39,72%). For the purpose of the consolidated financial statements, shareholder companies, financial investments and its associates and subsidiaries and other Sabancı and Heidelbergcement Group companies are presented separately and those companies and their senior executives are referred to as related parties.

Related party balances as of December 31, 2015 and December 31, 2014 and related party transactions for the years ended December 31, 2015 and December 31, 2014 comprise mainly following:

Related party	Sales to related parties			1 January - 31 December 2014		
	Product	Service	Other ^(*)	Product	Service	Other ^(*)
Shareholders						
Hacı Ömer Sabancı Holding A.Ş.	-	-	270	-	-	-
Financial assets						
Çimsa Çimento Sanayi ve Ticaret A.Ş. (Çimsa)	1.354.674	-	58.213	1.037.298	-	23.237
Arpaş Ambarlı Römorkaj Pilataj Ticaret A.Ş. (Arpaş)	-	312.473	-	-	267.419	-
Other ^(**)						
HeidelbergCement A.G.	-	-	142.798	-	-	358.522
HC Trading Malta Ltd.	162.282.232	-	102.711	142.675.333	-	-
Hanson Quarry Products Europe Ltd.	-	-	67.580	-	-	-
Indocement	-	-	72.468	-	-	54.813
Afyon Çimento Sanayii ve Tic. A.Ş.	366.041	-	-	173.066	-	-
Enerjisa Enerji Üretim A.Ş. (Enerjisa)	-	-	8.431	-	-	-
HeidelbergCement Sweden AB	-	-	71.681	-	-	283.721
Scancem International ANS	-	-	800	-	-	2.116
Kardemir Demir Çelik San. Ve Tic. A.Ş.	9.051.978	-	-	11.980.115	-	-
Bimsa Ulus.İş.Bilgi Ve Yön.Sis.A.Ş.	-	-	30.573	-	-	-
Carrefoursa Sabancı Ticaret Merkezi A.Ş.	-	-	1.135	-	-	-

^(*) Mainly comprises of purchases / sales of property, plant and equipment, purchase of electricity, term difference income and expenses and foreign currency gains and losses.^(**) Related parties of Company shareholders.

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Related party	Purchases from related parties					
	1 January - 31 December 2015			1 January- 31 December 2014		
	Product	Service	Other (*)	Product	Service	Other (*)
Shareholders						
Hacı Ömer Sabancı Holding A.Ş.	-	-	727.979	-	-	456.472
Financial assets						
Çimsa	1.993.625	-	12.815	672.387	-	-
Liman İşletmeleri ve Nakliyecilik A.Ş. (Liman İşletmeleri)	-	1.153.765	421.967	-	876.739	438.305
Eterpark End. Ürün. İmal.Tic.İth.İhr. Paz.A.Ş. (Eterpark)	-	1.884.868	164.882	-	1.181.396	112.018
Altaş Ambalrılı Liman Tesisleri Tic. A.Ş. (Altaş)	-	-	1.052.038	-	-	761.216
Other (**)						
Aksigorta Sigortacılık A.Ş.	-	4.516.830	-	-	3.473.507	-
Brisa Bridgestone Lastik Sanayi ve Ticaret A.Ş.	-	-	379.012	-	-	273.761
Bimsa Uluslararası İş Bilgi ve Yönetim Sistemleri A.Ş.	-	5.827.744	-	-	1.186.220	-
Kardemir Demir Çelik San. Ve Tic. A.Ş.	2.459.290	-	11.980	1.826.741	-	13.181
Avivasa Sigorta A.Ş.	-	13.278	271.599	-	12.021	251.338
Teknosa İç ve Dış Tic. A.Ş.	-	-	188.114	-	-	152.157
Ak Finansal Kiralama A.Ş.	-	-	-	-	-	-
S.A.Cimenteries Cbr.	-	533.367	-	-	837.624	-
Carrefoursa Sabancı Ticaret Merkezi A.Ş.	-	-	225.758	-	-	108.969
HeidelbergerCement A.G.	-	29.357	-	-	21.657	-
Enerjisa Elektrik Perakende Satış A.Ş.	479.285	-	-	-	-	-
HC Trading Malta Limited	26.623.222	-	-	43.671.011	-	-
HC Green Trading Ltd.	-	-	-	-	-	-
Enerjisa Elek.Ener.Toptan Satış.A.Ş.	55.814.655	-	-	22.568.557	-	-
Çukurova Dış Ticaret A.Ş.	-	-	50.889	-	-	240.288
Temsa İş Makinaları İmalat Pazarlama ve Satış A.Ş.	-	-	894.852	-	-	-

(*) Mainly comprises of purchases / sales of property, plant and equipment, purchase of electricity, term difference income and expenses and foreign currency gains and losses.

(**) Related parties of Company shareholders.

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	Due from Related Parties		Due to Related Parties	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
Shareholders				
Hacı Ömer Sabancı Holding A.Ş.	-	-	361.817	278.047
Total (*)	-	-	361.817	278.047
Financial assets				
Arpaş	30.774	28.270	-	-
Çimsa	9.740	10.803	12.815	793.417
Liman İşletmeleri	-	-	171.403	176.494
Eterpark	-	-	553.188	324.126
Altaş	-	-	416.874	263.175
Total (*)	40.514	39.073	1.154.280	1.557.212
Other (***)				
Aksigorta Sigortacılık A.Ş.	-	-	29.287	20.785
HeidelbergCement A.G.	74.805	60.831	-	-
S.A.Cimenteries Cbr.	-	-	3.178	-
HC Trading Malta Lmd.	20.183.692	8.483.405	-	-
Scancem Int.Ans.	-	8.770	-	-
Indocement	15.460	11.269	-	-
Hanson Quarry Products Europe Ltd.	-	188.500	-	-
Brisa Bridgestone Lastik Sanayi ve Ticaret A.Ş.	-	-	106.864	166.970
Teknosa A.Ş.	-	-	17.658	28.854
Bimsa Uluslararası İş Bilgi ve Yönetim Sistemleri A.Ş.	-	-	2.085.992	258.278
Temsa İş Makinaları İmalat Pazarlama ve Satış A.Ş.	-	-	831.037	-
Carrefoursa Sabancı Ticaret Merkezi A.Ş.	-	-	1.657	-
Ak Finansal Kiralama A.Ş.	75.799	75.799	-	-
Kardemir Demir Çelik San. Ve Tic. A.Ş.	2.756.546	3.238.678	898.990	1.628.236
Avivasa Sigorta A.Ş.	25	2.868	226	-
Çukurova Dış Ticaret A.Ş.	5.442	-	-	8.483
HeidelbergCement Sweden AB	70.822	12.201	-	-
Enerjisa Elek.Ener.Toptan Satış.A.Ş.	-	-	32.347.722	351.131
Enerjisa Elektrik Perakende Satış A.Ş.	-	-	3.810	-
Total (*)	23.182.591	12.082.321	36.326.421	2.462.737
Employee	119.878	7.099	1.011.834	1.052.657
Total (**)	119.878	7.099	1.011.834	1.052.657

(*) Presented in "Current trade receivables/payables" accounts (Note 10).

(**) Presented in "Other receivables/payables" accounts.

(***) Related parties of Company shareholders.

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As of December 31, 2015, receivables from "Direct debit system" in trade receivables amounting to TL 10.553.946 (December 31, 2014 - TL 3.822.066) are receivables from Akbank T.A.Ş.

	31 December 2015	31 December 2014
Banks		
Akbank T.A.Ş.	14.542.618	7.384.273
Financial Liabilities		
Akbank T.A.Ş.	51.376.363	51.377.364
	1 January - 31 December 2015	1 January - 31 December 2014
Financial expenses to related parties		
Akbank T.A.Ş.	7.324.552	7.006.987
	7.324.552	7.006.987
Interest income from related parties		
Akbank T.A.Ş.	1.075.826	657.756
Commission income		
Arpaş	393.518	332.054
Donations		
Sabancı Üniversitesi	90.000	84.000
Vaksa Hacı Ömer Sabancı Vakfı	2.625.750	2.085.930
	2.715.750	2.169.930

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Executive members' remuneration

	1 January - 31 December 2015	1 January - 31 December 2014
Short term benefits provided to executive management	4.780.632	4.835.498
Post-employment benefits	226.616	711.671
Other long term benefits	139.693	278.923
Total benefits	5.146.941	5.826.092
Employer's social security premium portion	144.787	128.742

38. Nature and level of risks arising from financial instruments

Financial risk management objectives and policies

The Company's principal financial instruments are bank borrowings, leasing, cash and cash equivalents. The main purpose of use of these financial instruments is to raise finance for the Company's operations. The Company has various other financial instruments such as trade receivables and trade payables, which arise directly from its operations.

The main risks arising from the Company's financial instruments are foreign currency risk, interest rate risks, credit risk and liquidity risk. The Company management reviews and agrees policies for managing each of the risks as summarized below. The Company also follows market risk that arises from using financial instruments.

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Foreign currency risk

Foreign currency risk occurs due to the Company's some liabilities which are denominated in mostly USD and in EUR.

The Company is also exposed to foreign currency risk due to the transactions made in foreign currency. This risk occurs due to purchases, sales and bank borrowings of the Company which are denominated in currencies other than the functional currency.

The Company's net foreign currency position as of December 31, 2015 and December 31, 2014 are TL 8.921.630 long (asset) and TL 2.166.753 short (liability), respectively.

Foreign currency position of the Company is as follows:

Table of foreign currency position Current period December 31,2015					
	TL equivalent (functional currency)	USD	EUR	GBP	SEK
1. Trade receivables	24.840.426	8.530.969	11.260	-	-
2a. Monetary financial assets (including cash and bank accounts)	784.447	258.741	10.112	-	-
2b. Non-monetary financial assets	-	-	-	-	-
3. Other	-	-	-	-	-
4. Current assets (1+2+3)	25.624.873	8.789.710	21.372	-	-
5. Trade receivables	-	-	-	-	-
6a. Monetary financial assets	-	-	-	-	-
6b. Non-monetary financial assets	-	-	-	-	-
7. Other	-	-	-	-	-
8. Non-current assets (5+6+7)	-	-	-	-	-
9. Total assets (4+8)	25.624.873	8.789.710	21.372	-	-
10. Trade payables	16.703.244	5.530.206	196.254	-	-
11. Financial liabilities	-	-	-	-	-
12a. Monetary other liabilities	-	-	-	-	-
12b. Non-monetary other liabilities	-	-	-	-	-
13. Current liabilities (10+11+12)	16.703.244	5.530.206	196.254	-	-
14. Trade payables	-	-	-	-	-
15. Financial liabilities	-	-	-	-	-
16 a. Monetary other liabilities	-	-	-	-	-
16 b. Non-monetary other liabilities	-	-	-	-	-
17. Non-current liabilities (14+15+16)	-	-	-	-	-
18. Total liabilities (13+17)	16.703.244	5.530.206	196.254	-	-
19. Net asset/ (liability) position of off-balance sheet derivative instruments (19a-19b)	-	-	-	-	-
19a. Total hedged asset amount	-	-	-	-	-
19b Total hedged liability amount	-	-	-	-	-
20. Net foreign currency asset/ (liability) position (9-18+19)	8.921.629	3.259.504	(174.882)	-	-
21. Net foreign currency asset/ (liability) position of monetary items (TFRS 7.B23) (=1+2a+5+6a-10-11-12a-14-15-16a)*	8.921.629	3.259.504	(174.882)	-	-
22. Total fair value of financial instruments used to manage foreign currency position	-	-	-	-	-
23. Export (*)	167.673.260	60.208.757	-	-	-
24. Import (*)	161.319.277	54.398.027	5.837.712	17.220	-

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Table of foreign currency position Current period December 31, 2014					
	TL equivalent (functional currency)	USD	EUR	GBP	SEK
1. Trade receivables	17.795.213	7.660.868	10.787	-	-
2a. Monetary financial assets (including cash and bank accounts)	39.062	9.548	5.999	-	-
2b. Non-monetary financial assets	-	-	-	-	-
3. Other	-	-	-	-	-
4. Current assets (1+2+3)	17.834.275	7.670.416	16.786	-	-
5. Trade receivables	-	-	-	-	-
6a. Monetary financial assets	-	-	-	-	-
6b. Non-monetary financial assets	-	-	-	-	-
7. Other	-	-	-	-	-
8. Non-current assets (5+6+7)	-	-	-	-	-
9. Total assets (4+8)	17.834.275	7.670.416	16.786	-	-
10. Trade payables	20.001.028	8.060.798	457.606	5.026	-
11. Financial Liabilities	-	-	-	-	-
12a. Monetary other liabilities	-	-	-	-	-
12b. Non-monetary other liabilities	-	-	-	-	-
13. Current liabilities (10+11+12)	20.001.028	8.060.798	457.606	5.026	-
14. Trade payables	-	-	-	-	-
15. Financial liabilities	-	-	-	-	-
16 a. Monetary other liabilities	-	-	-	-	-
16 b. Non-monetary other liabilities	-	-	-	-	-
17. Non-current liabilities (14+15+16)	-	-	-	-	-
18. Total liabilities (13+17)	20.001.028	8.060.798	457.606	5.026	-
19. Net asset/ (liability) position of off-balance sheet derivative instruments (19a-19b)	-	-	-	-	-
19a. Total hedged asset amount	-	-	-	-	-
19b. Total hedged liability amount	-	-	-	-	-
20. Net foreign currency asset/ (liability) position (9-18+19)	(2.166.753)	(390.382)	(440.820)	(5.026)	-
21. Net foreign currency asset/ (liability) position of monetary items (TFRS 7.B23) (=1+2a+5+6a-10-11-12a-14-15-16a)*	(2.166.753)	(390.382)	(440.820)	(5.026)	-
22. Total fair value of financial instruments used to manage foreign currency position	-	-	-	-	-
23. Export (*)	106.556.412	50.609.075	-	-	-
24. Import (*)	112.822.041	46.843.255	6.016.416	57.311	-

(*) The import and export figures comprise January-December periods of the years 2015 and 2014.

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The following table demonstrates the sensitivity to a possible change of 10% in TL, with all other variables held constant, on the Company's income before tax as of December 31, 2015 and December 31, 2014:

	Foreign currency sensitivity analysis statement	
	Current period- December 31, 2015	
	Profit/ loss	Profit/ loss
	Appreciation of foreign currency	Depreciation of foreign currency
In case of 10% appreciation of USD against TL:		
1- USD denominated net asset/ liability	947.733	(947.733)
2- USD denominated hedging instruments (-)	-	-
3- Net effect in USD (1+2)	947.733	(947.733)
In case of 10% appreciation of EUR against TL:		
4- EUR denominated net asset/ liability	(55.570)	55.570
5- EUR denominated hedging instruments (-)	-	-
6- Net effect in EUR (4+5)	(55.570)	55.570
In case of average 10% appreciation of other exchange rates against TL:		
7- Other foreign currency denominated net assets, liabilities	-	-
8- Other foreign currency hedging instruments (-)	-	-
9- Net effect in other foreign currency (7+8)	-	-
Total (3+6+9)	892.163	(892.163)
	Foreign currency sensitivity analysis statement	
	Prior period - December 31, 2014	
	Profit/ loss	Profit/ loss
	Appreciation of foreign currency	Depreciation of foreign currency
In case of 10% appreciation of USD against TL:		
1- USD denominated net asset/ liability	(90.526)	90.526
2- USD denominated hedging instruments (-)	-	-
3- Net effect in USD (1+2)	(90.526)	90.526
In case of 10% appreciation of EUR against TL:		
4- EUR denominated net asset/ liability	(124.342)	124.342
5- EUR denominated hedging instruments (-)	-	-
6- Net effect in EUR (4+5)	(124.342)	124.342
In case of average 10% appreciation of other exchange rates against TL:		
7- Other foreign currency denominated net assets, liabilities	(1.807)	1.807
8- Other foreign currency hedging instruments (-)	-	-
9- Net effect in other foreign currency (7+8)	(1.807)	1.807
Total (3+6+9)	(216.675)	216.675

There is not any effect of a possible change in foreign exchange rates to equity accounts of the Company.

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Price risk

Price risk is a combination of foreign currency risk, interest rate risk and market risk. The Company naturally manages its price risk by comparing the same foreign currency denominated receivable and payables and assets and liabilities bearing interest. The Company closely monitors its market risk by analyzing the market conditions and using appropriate valuation methods.

The company does not have any floating rate financial instruments. The Company has fixed rate loan.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company manages its credit risk by limiting exposure to any one institution and revaluing the credibility of the related institutions continuously. The total credit risk of the Company is presented in balance sheet.

Concentrations of credit risk arise when a number of counterparties are engaged in similar business activities or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry or geographic location.

The Company manages its credit risk by extending its operations to a large area and avoiding unwanted concentration on people/groups in a specific area/sector. The Company requires collateral from its customers when needed.

Current period	Receivables				Deposits in banks	Derivative Instruments
	Trade receivables		Other Receivables			
	Related party	Other party	Related party	Other party		
Maximum credit risk exposures as of report date (A+B+C+D+E) ⁽¹⁾	23.223.105	375.715.106	119.878	4.698.638	21.854.287	-
- Guaranteed portion of credit risk by guarantees, etc.	-	214.113.780	119.878	-	-	-
A. Net book value of financial assets which are not overdue or not impaired ⁽²⁾	23.223.105	358.455.315	119.878	4.698.638	21.854.287	-
B. Net book value of financial assets that conditions are reassessed and become not overdue or impaired ⁽³⁾	-	632.641	-	-	-	-
C. Net book value of assets which are overdue but not impaired assets	-	16.627.150	-	-	-	-
- Under guarantee	-	301.473	-	-	-	-
D. Net book value of impaired assets	-	-	-	-	-	-
- Overdue (gross book value)	-	12.071.116	-	-	-	-
- Impairment (-)	-	(12.071.116)	-	-	-	-
- Guaranteed portion of net value by in guarantees, etc.	-	-	-	-	-	-
- Not overdue (gross book value)	-	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-
- Guaranteed portion of net value by in guarantees, etc	-	-	-	-	-	-
E. Factors including off balance sheet credit risk	-	-	-	-	-	-

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Prior period	Receivables				Deposits in banks	Derivative instruments
	Trade receivables		Other receivables			
	Related party	Other party	Related party	Other party		
Maximum credit risk exposures as of report date (A+B+C+D+E) ⁽¹⁾	12.121.394	320.715.314	7.099	5.256.568	13.277.584	-
- Guaranteed portion of credit risk by guarantees, etc.	-	214.124.260	7.099	-	-	-
A. Net book value of financial assets which are not overdue or not impaired ⁽²⁾	12.121.394	311.382.576	7.099	5.256.568	13.277.584	-
B. Net book value of financial assets that conditions are reassessed and become not overdue or impaired ⁽³⁾	-	689.843	-	-	-	-
C. Net book value of assets which are overdue but not impaired assets	-	8.642.895	-	-	-	-
- Under guarantee	-	2.864.122	-	-	-	-
D. Net book value of impaired assets	-	-	-	-	-	-
- Overdue (gross book value)	-	12.021.733	-	-	-	-
- Impairment (-)	-	(12.021.733)	-	-	-	-
- Guaranteed portion of net value by in guarantees, etc	-	-	-	-	-	-
- Not overdue (gross book value)	-	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-
- Guaranteed portion of net value by in guarantees, etc	-	-	-	-	-	-
E. Factors including off balance sheet credit risk	-	-	-	-	-	-

⁽¹⁾ When determining the amount, guaranties received and factors increasing the reliability of the loan are not considered.⁽²⁾ Guarantees consist of letters of guarantee, guarantee cheques and mortgages taken from customers.⁽³⁾ There has been no collection issues related to these customers in the past.

Liquidity risk

Liquidity risk is the risk that an entity will be unable to meet its net funding requirements. The risk is mitigated by matching the cash in and out flow volume supported by committed lending limits from qualified credit institutions.

At liquidation table, the breakdown of non-derivative financial liabilities in accordance with the maturities is presented considering the period from balance sheet date to maturities per written and oral agreements and considering undiscounted cash flows per agreement.

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Notes to the Consolidated Financial Statements As of December 31, 2015

(Currency - Turkish Lira (TL) unless otherwise indicated)

(Convenience translation of consolidated financial statements originally issued in Turkish)

December 31, 2015

Maturities per agreement	Carrying value	Contractual undiscounted payment (=I+II+III+IV)	Less than 3 months (I)	Between 3-12 months (II)	Between 1-5 years (III)	Over 5 years (IV)
Non-derivative financial liabilities	399.011.470	417.996.827	289.035.854	11.762.084	117.198.889	-
Bank loans	112.944.381	130.322.713	1.361.740	11.762.084	117.198.889	-
Trade payables	271.084.281	272.691.306	272.691.306	-	-	-
Employee benefits and other liabilities	14.982.808	14.982.808	14.982.808	-	-	-

December 31, 2014

Maturities per agreement	Carrying value	Contractual undiscounted payment (=I+II+III+IV)	Less than 3 months (I)	Between 3-12 months (II)	Between 1-5 years (III)	Over 5 years (IV)
Non-derivative financial liabilities	349.642.252	365.796.098	269.569.280	31.430.985	64.795.833	-
Bank loans	98.294.805	113.269.362	17.042.544	31.430.985	64.795.833	-
Trade payables	238.857.608	240.036.897	240.036.897	-	-	-
Employee benefits and other liabilities	12.489.839	12.489.839	12.489.839	-	-	-

Capital management

The primary objective of the Company's capital management is to maximize shareholder value, provide benefits to other stockowners and to keep the most appropriate capital structure to decrease the capital cost.

The Company follows up the debt to equity ratio in the capital management in parallel with other companies in the sector. This rate is calculated by dividing net debt to total equity.

	31 December 2015	31 December 2014
Total debt	504.477.498	446.589.339
Less: Cash and cash equivalents (Note 6)	21.854.524	13.277.590
Net debt	482.622.974	433.311.749
Total shareholder's equity	1.200.602.433	1.155.907.244
Total paid-in share capital	191.447.068	191.447.068
Debt to equity ratio	0,40	0,37

39. Financial instruments (fair value explanations and disclosures within the framework of hedge accounting)

Fair value is the amount for which an asset could be exchanged, or a liability settled between knowledgeable, willing parties in an arm's length transaction.

The fair values of financial assets and liabilities which are carried with its cost value are considered to approximate their respective carrying values due to the following reasons.

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Notes to the Consolidated Financial Statements As of December 31, 2015

(Currency - Turkish Lira (TL) unless otherwise indicated)

(Convenience translation of consolidated financial statements originally issued in Turkish)

Fair values of cost or amortized cost in the balance sheet values and fair values of financial assets:

The fair values of certain financial assets carried at cost, including cash and cash equivalents plus the respective accrued interest and other financial assets are considered to approximate their respective carrying values due to their short-term nature and negligible credit losses. The carrying values of trade receivables net of allowances for doubtful receivables are considered to approximate their fair values.

Fair values of cost or amortized cost in the balance sheet values and fair values of financial liabilities:

The fair values trade payables and other monetary liabilities are estimated to approximate carrying value due to their short-term nature. Bank borrowings are carried at amortized cost and the transaction costs are added to the initial cost of the borrowing. The fair values of long-term bank borrowings with variable interest are considered to approximate their respective carrying values, since the initial rates applied to bank borrowings are updated periodically by the lender to reflect active market price quotations. It is note that when fixed interest rate applicable as of balance sheet is applied, the fair values of long-term bank borrowings with fixed interest are approximate their respective carrying values. The carrying values of short-term bank borrowings are considered to be their fair values due to their short term nature.

Fair value hierarchy table

The Company classifies the fair value measurement of each class of financial instruments according to the source, using the three-level hierarchy, as follows;

Level 1: Market price valuation techniques for the determined financial instruments traded in markets (unadjusted)

Level 2: Other valuation techniques includes direct or indirect observable inputs

Level 3: Valuation techniques does not contains observable market inputs

As of December 31, 2015 and December 31, 2014, the Company's assets at fair value and its levels are as follows:

Current Period	Level 1 (*)	Level 2	Level 3
Assets at fair value			
Financial assets			
Çimsa	185.476.263	-	-
Total Assets	185.476.263		
Prior Period	Level 1 (*)	Level 2	Level 3
Assets at fair value			
Financial assets			
Çimsa	194.088.960	-	-
Total assets	194.088.960		

(*) Valued by the market price in the stock exchange market as of the balance sheet date.

40. Subsequent events

At the board meeting held on 17/2/2016, it is decided to appoint Mr Mehmet HACIKAMILOĞLU, as board member, which became vacant by resignation of Mr Seyfettin Ata KÖSEOĞLU, starting by the date of 17.02.2016 and to appoint in order to perform duties within the resigned member' remaining time and to submit this issue to the approval of first General Assembly, to elect appointed Board Member Mr. Mehmet HACIKAMILOĞLU as Chairman of Executive Board, to appoint Vice General Manager-Cement Sales and Marketing Mr Umut ZENAR as General Manager for General Manager position which became vacant by departure of Mr. Mehmet HACIKAMILOĞLU. The mentioned changes has been announced to public by material disclosure.

41. Other matters which are significant to the financial statements or which should be disclosed for the purpose of true and fair interpretation of the financial statements

None.

Akçansa Çimento Sanayi ve Ticaret Anonim Şirketi

Profit Distribution Table For the Year 2015 (TL)

1. PAID-IN/ISSUED CAPITAL		191,447,068.25
2. General Legal Reserve (based on legal records)		146,624,907.56
Information regarding privileges in profit distribution according to the Articles of Association, if any, information on such privileges		
	Based on CMB	Based on Legal Records
3. Profit for the Period	348,613,096.00	336,933,601.94
4. Taxes (-)	65,633,880.00	63,013,142.49
5. Net Profit for the Period (=)	281,120,173.00	273,920,459.45
6. Prior Period Losses (-)	0.00	0.00
7. General Legal Reserve (-)	0.00	0.00
8. NET DISTRIBUTABLE PROFIT FOR THE PERIOD (=)	281,120,173.00	273,920,459.45
9. Donations Made within the Year (+)	5,515,598.75	
10. Net Distributable Current-Year Profit Including Donations	286,635,771.75	
11. First Dividend to Shareholders	9,572,353.41	
- Cash	9,572,353.41	
- Bonus	0.00	
- Total	9,572,353.41	
12. Dividends for Preferred Shareholders	0.00	
13. Dividends for Others	0.00	
- Board Members	0.00	
- Employees	0.00	
- Other than Shareholders	0.00	
14. Dividends for Usufruct Shares	0.00	
15. Second Dividend to Shareholders	246,237,073.16	
16. General Legal Reserves	24,801,967.69	
17. Statutory Reserves	0.00	
18. Special Reserves	508,778.74	508,778.74
19. EXTRAORDINARY RESERVES	0.00	0.00
20. Other Sources for Distribution	1,782,603.76	8,982,317.31
- Prior Period Profit	1,782,603.76	
- Extraordinary Reserves		
- Other Reserves Distributable As Per Law and Articles of Association		8,982,317.31

The Board of Directors passed a decision on 01 March 2016 that:

2015 Annual Report be presented within the predetermined principles and guidelines at the Ordinary General Assembly to be convened on 29 March 2016; and that the Net Distributable Current-Year Profit of TL **281,120,173.00** and Prior Period Profit of TL **1,782,603.76**, which is TL **348,613,096.00** booked as 2015 consolidated profit for the period less General Legal Reserves (First Legal Reserves) less prior period losses less legal obligations less non-controlling interest as per Article 33 of the Articles of Association and in accordance with the CMB communiqués, be distributed as follows:

First Dividend	TL 9,572,353.41
Second Dividend	TL 246,237,073.16
Dividends from Prior Period Profits	TL 1,782,603.76
Total Gross Dividends	TL 257,592,030.33
General Legal Reserves (Second Legal Reserves)	TL 24,801,967.69
Special Reserves	TL 508,778.74

As a result of the profit distribution as per the principles mentioned above and based on our legal records drawn up in accordance with the Tax Procedural Law;

- Out of the gross dividend to shareholders in the amount of **TL 257,592,030.33**; the portion of **TL 248,609,713.02** be covered from the Net Distributable Current-Year Profit and the portion of **TL 8,982,317.31** be covered from Extraordinary Reserves,
- Out of the Net Distributable Current-Year Profit that descends in our legal records, **TL 508,778.74** be set aside as Special Reserves so as to take advantage of the corporate tax exemption stipulated in Article 5/1, sub-paragraph (e) of the Corporate Tax Law in relation to the revenue derived on the real properties disposed of during the course of 2015;

Hence, total dividends in the amount of **TL 257,592,030.33** be distributed for 2015 starting from **30 March 2016** to shareholders representing TL 191,447,068.25 in the capital at a ratio of **134.55%** (gross) and **114.37%** (net) depending on their legal status.

We hereby lay down the above decision of the Board of Directors for the approval of the General Assembly.

Board of Directors

Directory

HEAD OFFICE

Kısıklı Cad. No: 38
Altunizade Üsküdar / İSTANBUL
Switchboard: (90 216) 571 30 00
Fax: (90 216) 571 31 11

CEMENT PLANTS

Büyükçekmece Plant

Mimarsinan Merkez Mah.
Marmara Caddesi No: 13
Büyükçekmece / İSTANBUL

Çanakkale Plant

Mahmudiye Beldesi 17640
Ezine / ÇANAKKALE

Samsun Ladik Plant

İskaniye Mah. Akpınar Mevkii
Ladik / SAMSUN

READY-MIXED CONCRETE PLANTS

Aliğa Ready-Mixed Concrete Plant

18.Cad. No: 4 Horozgediği
Aliğa / İZMİR

Arnavutköy Ready-Mixed Concrete Plant

Eski Edirne Asfaltı
Habibler Çıkışı Derbent Mevkii
Arnavutköy / İSTANBUL

Ayazağa Ready-Mixed Concrete Plant

Ayazağa Mah. Çakırlar Sok. No: 1
Sarıyer / İSTANBUL

Başköy Ready-Mixed Concrete Plant

Başköy Köyü Taşocakları Mevkii
Nilüfer / BURSA

Bornova Ready-Mixed Concrete Plant

Ankara Yolu Üzeri No: 194
Bornova / İZMİR

Büyükçekmece Ready-Mixed Concrete Plant

Mimar Sinan Mah. Sultan Murat
Caddesi No: 12 Bağımsız Bölüm 1
Büyükçekmece / İSTANBUL

Büyükkarıştiran Ready-Mixed Concrete Plant

Kınalı Köprü Mevkii
Büyükkarıştiran / LÜLEBURGAZ

Çekmeköy Ready-Mixed Concrete Plant

Üsküdar Metro Projesi Araç
Depo Sahası İstanbul Şile Otoyolu
Aquacity Yanı Parseller Mah.
Ümraniye / İSTANBUL

Çerkezköy Ready-Mixed Concrete Plant

Beylikçayır Mevkii Veliköy
Çerkezköy / TEKİRDAĞ

Çorum Ready-Mixed Concrete Plant

Ankara Yolu Üzeri Yaydığın Mah.
ÇORUM

Edremit Ready-Mixed Concrete Plant

Akçay Asfaltı Üzeri Kuruçay Mevkii
Edremit / BALIKESİR

Esenkent Ready-Mixed Concrete Plant

Örnek Mah. 1342 Sok. No: 79
Esenyurt / İSTANBUL

Esenyurt Ready-Mixed Concrete Plant

Hoşdere Köyü Harmanlık Mevkii
Bahçeşehir / İSTANBUL

Eyüp Ready-Mixed Concrete Plant

İçtaş Odayeri Otoyol Şantiyesi
Odayeri Köyü
Eyüp / İSTANBUL

Fenertepe Ready-Mixed Concrete Plant

Başak Mh.
Reşat Nuri Gültekin Cd. No: 2
Başakşehir / İSTANBUL

Garipe Ready-Mixed Concrete Plant

Garipe Köyü 3. Köprü Ayağı
Sarıyer / İSTANBUL

Gebze Ready-Mixed Concrete Plant

Sultan Orhan Mah. Taşocakları Mevkii
Gebze / KOCAELİ

İçtaş Uskumruköy Ready-Mixed Concrete Plant

Kuzey Marmara Otoyol Şantiyesi
Uskumruköy Sarıyer / İSTANBUL

Kavak Ready-Mixed Concrete Plant

Kavak - Samsun
Karayolu Emirli Taş Ocakları Yolu 1. km
Kavak / SAMSUN

Kemerburgaz Ready-Mixed Concrete Plant

Cendere yolu Alkanat Rest. karşısı
Kemerburgaz - Eyüp / İSTANBUL

Keşan Ready-Mixed Concrete Plant

Yeni Muhacır Beldesi E-27
Asfaltı Üzeri Keşan / EDİRNE

Küçükçekmece Ready-Mixed Concrete Plant

Fatih Mah. 27 Mayıs Cad.
No: 23 107 Ada 3 Parsel
Küçükçekmece / İSTANBUL

Menemen Ready-Mixed Concrete Plant

Kazımpaşa Mah. Ormanbeşli Mevkii
Menemen / İZMİR

Merzifon Ready-Mixed Concrete Plant

İSTANBUL Yolu 1.km Alıcık Yolu Üzeri
(26.27.H Pafta - 291 Ada - 5 nolu Parsel)
Merzifon / AMASYA

Nilüfer Ready-Mixed Concrete Plant

Kayapa Mah. Bursa Yolu Cad. No: 24 / 1
Nilüfer Bursa

Poyrazköy Ready-Mixed Concrete Plant

3. Köprü Asya Ayağı Yaros Kalesi Mevkii
Poyrazköy / İSTANBUL

Samsun 2 Ready-Mixed Concrete Plant

Mobil Santral Yolu Selyeri Mevkii
SAMSUN

Samsun III Ready-Mixed Concrete Plant

Derecik Mah. Ovalar Cad. 204 Sok.
No: 2 İlkadım / SAMSUN

Tekirdağ Ready-Mixed Concrete Plant

Muratlı Yolu Üzeri 4.km TEKİRDAĞ

Tokat Ready-Mixed Concrete Plant

Tombulkaya Mevkii Tokat - Sivas
Karayolu 10.km.
TOKAT

Yenibosna Ready-Mixed Concrete Plant

TEM - Havaalanı Yanyolu
Dereboyu Mevkii
Sefaköy / İSTANBUL

Directory

AGGREGATE PLANTS

Bursa Aggregate Plant

Eski Kemalpaşa Yolu Üzeri
Kayapa Beldesi
Nilüfer / BURSA

Danamandıra Aggregate Plant

Danamandıra Köyü
Silivri / İSTANBUL

Samsun Aggregate Plant

Çamlıyazı Köyü Mevkii
Atakum / SAMSUN

Saray Aggregate Plant

Kavacık köyü Mevkii Saray
TEKİRDAĞ

CRUSHED STONE PLANT

Ayazağa Crushed Stone Plant

Cendere Yolu Önerler Petrol Karşısı
Kemerburgaz - Eyüp / İSTANBUL

TERMINALS

Aliağa Terminal

Nemrut Körfezi Ege Çelik Limanı
Aliağa / İZMİR

Ambarlı Terminal

Yakuplu Köyü Reşitpaşa Çiftliği Mevkii
Ambarlı / İSTANBUL

Hopa Terminal

Orta Hopa Mah. Liman Cad. 08600
Hopla / ARTVİN

Karamürsel / Yalova Terminal

Balcı Mevkii SCA Fabrikası İçti
Kaytazdere - Altınova / YALOVA

Marmara Ereğlisi Terminal

Bahçelievler Mah.
Limanyolu Cad. 19 / A
Marmara Ereğlisi / TEKİRDAĞ

Samsun Terminal

Organize Sanayi Bölgesi,
Devlet Demir Yolları Lojistik Köyü Yanı,
Yeşilyurt Liman Tesisleri İçti
Tekkeköy / SAMSUN

SALES OFFICES

Çanakkale Sales Office

İnönü Cad. ÇTSO İş Merkezi
No: 141 Daire: 14 - 15
ÇANAKKALE

İzmir Sales Office

Ali Çetinkaya Bulv.
No: 34 / 1 K.4 D.402
Alsancak / İZMİR

Kartal / Maltepe Çimento Sales Office

Cevizli Mah. Tugay Yolu Cad.
Ofisim İstanbul Plazaları B Blok
No: 18 K.8 D.49
Maltepe - Kartal / İSTANBUL

Samsun Sales Office

Güzelyalı Mah. 3003 Sok.
No: 2 Çamkoru Sitesi
Atakum / SAMSUN

Yarımca Sales Office

Rota Limanı
Körfez / KOCAELİ



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