

## Cement

### AKÇANSA

Akçansa's history dates back to the founding of two companies, Akçimento (1967) and Çanakkale Çimento (1974). Through the merger of these two businesses in 1996, Akçansa became the leading cement producer in Turkey. Akçansa is currently a Sabancı Holding and Heidelberg Cement joint venture.

After its merger with Betonsa in 1998, Akçansa commenced operations at more than 20 ready-mixed concrete facilities located in the Marmara and Aegean regions under the Betonsa brand. Akçansa merged with Agregasa - Agregas San. ve Tic. A.Ş. in 2002 and produces aggregate at its two Istanbul facilities under the Agregasa brand.

Akçansa, the country's leading cement producer, meeting 9% of Turkey's demand for cement with world-class quality products utilizes an environmentally friendly approach, according to the Istanbul Chamber of Industry. It is an outstanding customer service provider and has facilities equipped with state-of-the-art technology for production and environment protection.

Domestic cement sales have been stepped up 18% to total 3.1 million tons. Paralleling the increase in domestic demand, exports have risen to 835,000 tons.

An expansion plan was launched in 2005 with an expected investment of US\$ 135 million. As a result, the annual clinker production at the Çanakkale plant will increase 100% by the end of 2007, pushing the total clinker production capacity of Akçansa to 5.7 million tons. Thus, Akçansa is set to outgrow the scale of Turkey and become a strategic power in the region. The new investment will utilize state-of-the-art technology, sensitive to the environment.

The Istanbul Chamber of Industry has recognized Akçansa's innovational and environmentally protective practices at the Büyükçekmece Plant and in 2005, has presented it with the Sector Environment Award. Already the winner of the same

award in 1999 and 2000 for operations at the Çanakkale plant, this was a third source of pride for Akçansa.

Continually extending its spectrum of special products in the field of ready-mixed concrete, Betonsa marketed PAKBETON this year.

Akçansa persistently carries out the Performance Improvement Program at every level to attain operational perfection and to be ready to tap opportunities of growth that will arise in 2006 and beyond.

Akçansa's shares are listed on the Istanbul Stock Exchange with a free float of 20.6%.

### ÇİMSA

Çimsa was established in Mersin in 1972, with production beginning three years later. It has become one of the leading producers of special cements such as white cement and calcium aluminate cement, in addition to gray cement in the ready-mixed concrete sector, both in Turkey and around the world.

In addition to the facilities in Mersin, the grinding and packaging plant in Kayseri has been converted into a completely new clinker production plant featuring five-grade pre-heater technology and the lowest energy consumption. As a consequence, the Kayseri plant has become an integrated cement and clinker production facility, unique in Turkey. As of December 2005, Çimsa took over both the Eskişehir Cement Plant and the Ankara Cement Grinding Plant that the Company purchased for US\$ 175,5 million at the tender organized by the Savings Deposits Insurance Fund. With these investments, Çimsa's clinker production capacity increased by 50% to 3.4 million tons per year.



Çimsa, exporting to 35 countries, is committed to increase its overseas terminals, becoming more active and effective in those markets. Çimsa holds the EC certificate, the CE marking and a Kitemark quality certificate, as required by the EU member states.

Entering the ready-mixed concrete sector in 1988, Çimsa operates from plants located in Adana, Mersin, Kayseri, Antalya, Osmaniye, Kahramanmaraş and Nevşehir.

Çimsa aims to reach world-class business excellence through the application of quality management, environmental management and workers' health and safety management systems. In addition, it has received a license to use waste as fuel, taking a great step with respect to environmental protection.

As one of the most well known companies in the cement sector in Turkey, Çimsa, through new investments and initiatives planned for 2006, will boost the growth and business excellence momentum it gained in 2005 and carry on with its efforts to continually create value for its shareholders.

Çimsa's shares are listed on the Istanbul Stock Exchange with a free float of 23%.

## OYSA ÇİMENTO

The Niğde and Iskenderun Cement Factories, both state-owned enterprises, were purchased jointly by Sabancı Holding and the Oyak Group in 1992 within Turkey's privatization program.

After 10 years of operating as two separate companies under the names of Oysa Niğde and Oysa Iskenderun, a decision was made to merge the two entities. This merger was finalized on March 14, 2003, following the takeover of Oysa Iskenderun by Oysa Niğde; the same year the name of the Company was changed to Oysa. As a result, a new company with a production capacity of more than 1.5 million tons was born.

The Company's milling capacity increased to 2 million tons after the pre-crusher investment at Iskenderun, which began in 2004 and was completed the following year.

In 2005, Oysa produced 393,000 tons of clinker, sold 1.2 million tons of cement to the domestic market, exported 155,000 tons of cement and sold 710,000 tons of ready-mixed concrete.

Oysa's shares are listed on the Istanbul Stock Exchange with a free float of 17.8%.