

Chemicals and International Trade

CHEMICALS

ADVANSA

Advansa is the leading European polyester manufacturer. For all aspects of industry, 2005 was a year of learning and adapting to new global trends, especially after China and India joined the WTO at the beginning of the year. Predominantly, an over-investment in polyester and related raw materials in China had an adverse effect on industry value-chain control. Advansa carefully followed the industry dynamics and initiated several actions to minimize related issues.

Year 2005 was a time for restructuring the activities of Advansa following the acquisition of Dupont's 50% shareholding in 2004. Despite adverse international business conditions in 2005, Advansa increased its revenue by 15% (€ 926 million) while investing in innovations and launching new products.

Restructuring its fiber product mix, especially with a focus on increasing differentiation and specialization Advansa was able to fight back the challenge coming from the Far East.

The Coolmax Fashion Show in Istanbul helped promote market recognition of brand names. Media and press coverage gave testament to its success, with the globally recognized Turkish designer Dice Kayek demonstrating several alternatives using Coolmax fabrics.

The preform business was restructured with the completion of the Inegöl plant following acquisition of the Amcor plant. The highlight of the year in the preform business was the

completion of the Romanian operation to serve local markets. Furthermore, new multi-layer grades were developed to meet the demand for emerging applications, such as beer in PET containers.

A new polymer solutions business was started to operate in specialized strategic segments, filling the demand for customized products.

The PTA revamp, completed at the end of 2004, was demonstrated in 2005 with its design capacity and quality. This was a major leap to deliver highest uptimes among similar technologies.

The new state-of-the-art R&D facilities in Adana have been completed and started operating. Its propriety technology offers solutions for complete polyester polymerization and downstream technologies. Major strategic co-operation has begun with well-known institutes and companies.

INTERNATIONAL TRADE

UNIVERSAL TRADING (JERSEY) LIMITED

Established in Jersey in 1984, Universal Trading procures raw materials and machinery for manufacturing companies within the Sabancı Group. It also provides up-to-date market information for associated companies by closely monitoring world markets. Complementary to its trading activities, the Company has maintained strong relationships with internationally recognized financial institutions that facilitate its trade finance requirements.



COOL BODY. COOL MIND. **COOLMAX®**

EXSA (UK) LIMITED

Established in London in 1988, Exsa (UK) Limited is a leader in international trade and business development. In addition, it continues in its role to service the marketing and sale of various products manufactured by Sabancı Group companies.

Exsa Foods Limited was established in London in late-2004 as a subsidiary of Exsa (UK) Limited. It started its UK distribution operations in 2005 and plans to grow in the European market.

Exportaciones Sabancı S.A.U. Spain and Cement Sales North GmbH Germany are subsidiaries of Exsa (UK) Limited and are engaged in the marketing and sale of white cement.

EXSA EXPORT

Exsa Export, established in Adana, Turkey in 1972, moved its Head Office to Istanbul in 2005. It services the Sabancı Group's international trade with over 100 countries. In 2005, Exsa Export initiated real estate development projects on its existing assets.

Additionally, Exsa Export is utilizing its financial strength to lead the development of general trading activities in selected business lines with the support of its free zone operations in Istanbul and Mersin.

EXSA AMERICAS INC.

Established in New York in 1980, Exsa Americas Inc. (formerly Holsa Inc.) is the Sabancı Group's trading and business development portal to the Americas. In addition, it has an ongoing role in promoting the sales of Sabancı Group products and facilitating the Group's procurement needs.

