

Strong growth, performance and leadership

Flat Glass Glassware
Glass Packaging Chemicals

Businesses' Position
in Europe **2-5**
worldwide **3-8**

Anadolu Cam

Net
Sales **+17%**

Soda Sanayii

Trakya Cam

International
Sales **51%**

Paşabahçe Cam

BGR Targovishte-Varna BIH Lukavac
EGY Al-Arish GEO Ksani ITA Ostellato
RUS Balahna-Bor-Gorohovets-Pokrov-
Ufa TUR Bursa-Denizli-Eskişehir-
İstanbul-Kırklareli-Kocaeli-Mersin...

Exports to
Countries **130**

Group Profile

Şişecam is a Group primarily involved in the production of glass and chemicals. It is in a strong and leading position in its activities by specializing in all types of basic glass products such as flat glass, glassware, glass packaging, glass fiber as well as sodium and chromium chemicals.

Established in 1935 by İşbank upon a directive issued by Atatürk, the founder of modern Turkey, Şişecam celebrated the 71st anniversary of its operations in 2006. Şişecam initially set out to meet the requirements of the country as regards to glass products; in the 1960's, it turned its attention towards exports on the principle that "our market is the whole world". In the 1970's and 1980's the Group diversified its activities and expanded further into global markets.

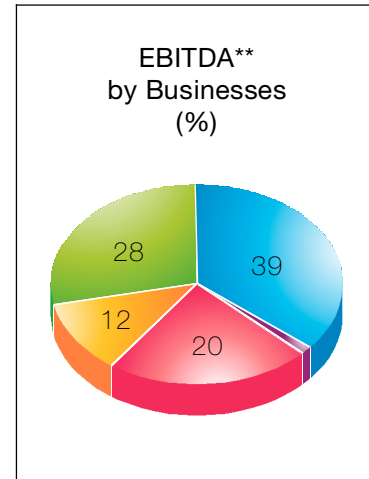
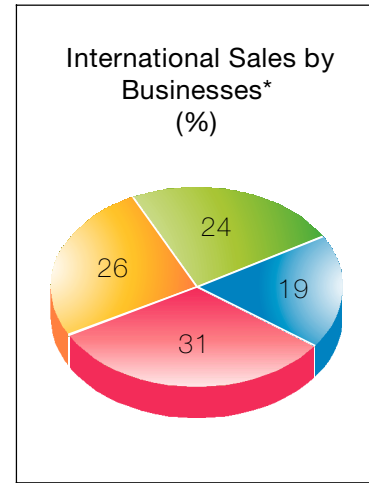
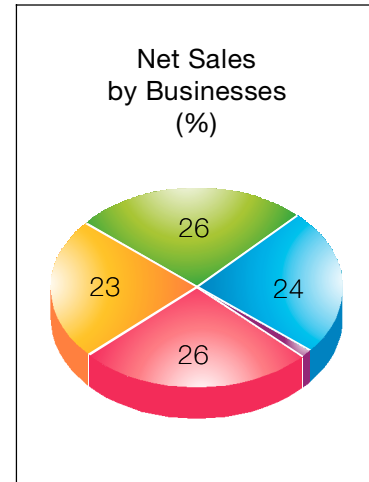
Today, as a result of specialization and highly competitive operations, Şişecam has taken its place among the leading glass manufacturers in the world. The fact that it ranks between third and eighth position worldwide in terms of the size of its operations is a testimony of this achievement.

With a modern management style, strong adherence to the principles of industry and professionalism and its focus on the market and R&D activities, Şişecam is set to sustain strong growth in the future. The Group's vision, "to be the leading glass manufacturer in its vital geography" will be achieved on these foundations.

Recent investments abroad as well as initiatives taken in a number of other countries still in the planning and implementation stages, constitute strong steps towards realizing this vision. Current attempts especially with regard to joint ventures and strategic partnerships with other enterprises to gain expertise in its field of activity within the framework of today's globalization conditions, should be perceived as stepping stones towards a prosperous future.

Shares of the Group companies Trakya Cam, Anadolu Cam, Denizli Cam, Soda Sanayii and Camiş Lojistik, as well as those of Şişecam are traded on the Istanbul Stock Exchange. One of the main targets of Şişecam is to have all its operations go public and thus expand the capital base of the Group.

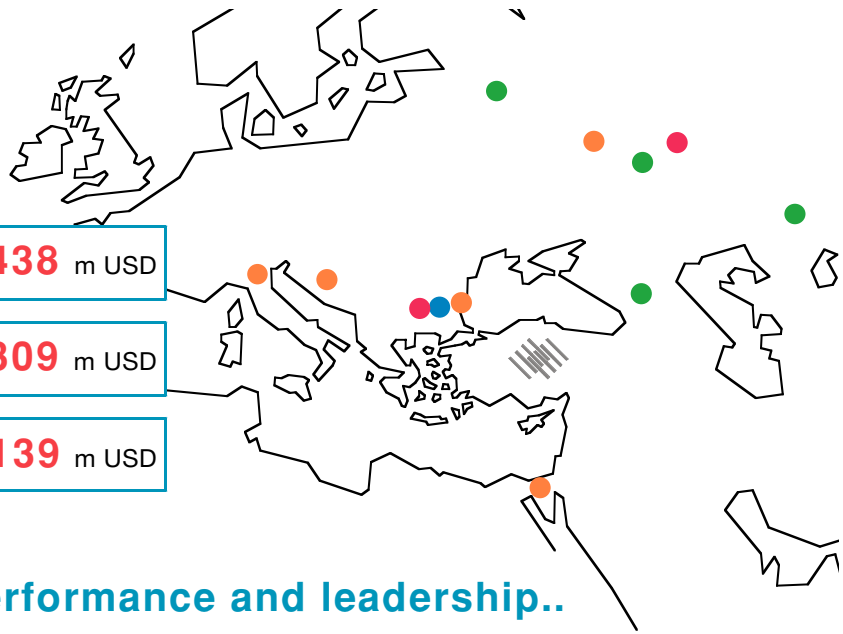
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■ Flat Glass ■ Glass Packaging
■ Glassware ■ Chemicals
■ Other

* Includes exports and sales from production abroad
** Earnings Before Interest, Taxes and Depreciation

Net Sales 1,932 m USD	EBITDA 438 m USD
International Sales 982 m USD	Operating Cash Flow 309 m USD
Investments 512 m USD	Net Profit 139 m USD



Strong growth, performance and leadership..

Şişecam has left behind the year 2006 with a strong growth and a high financial performance, maintaining its place globally among the best, in its sector.

Developing economies in the region which compose Şişecam's main market are contributing to this feature. Regional expansion, as a part of its vision of regional leadership, offers breathtaking opportunities for the future.

By now, Şişecam has increased its proportion of international sales to 51% of its total sales. This proportion is key to a stable structure of activities as well as sustainable growth in the years to come.

Şişecam continues to grow on the strong foundations of specialization and good corporate governance since its establishment. It is already among the distinguished companies in its sector worldwide and is further consolidating its place.

Along with its capabilities, Şişecam is in a good position to take advantage of the widening market opportunities and is determined to deliver to high expectations in the future as well.

Flat Glass

Trakya Cam has performed strongly along high conjuncture in its target markets. The float plant in Bulgaria has started production during the year, and work on two other lines to be operational in Bursa-Yenişehir in 2007, has continued. The number of domestic float lines will thus rise to six and production volume will further increase. In 2007 new facilities will commence production regarding high value added products such as coated glasses, mirrors and other processed flat glasses which are capturing ever increasing shares.

Glassware

Paşabahçe Cam has maintained its strong position in a sector which is going through a global consolidation. New production centers in Bulgaria and Russia have provided important contributions and increased its performance. It has created "f&d" brand, targeting the high end in the automatic glassware market. Investments which will increase the power of competition and consolidate the global efficiency and other strategic initiatives are on the agenda of the Business.

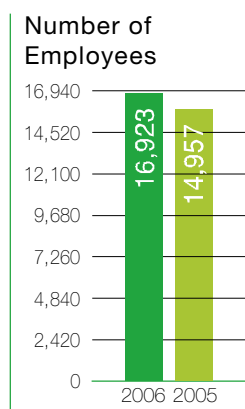
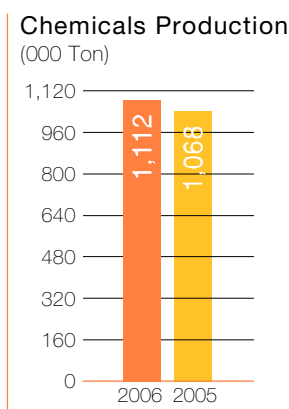
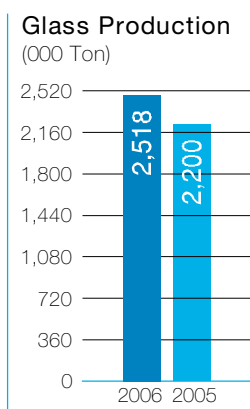
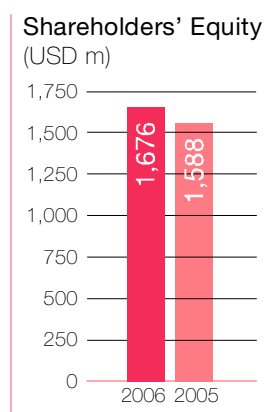
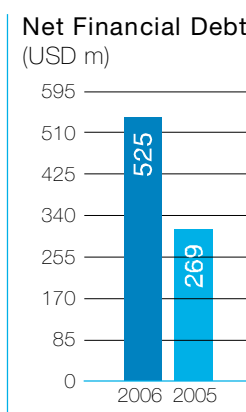
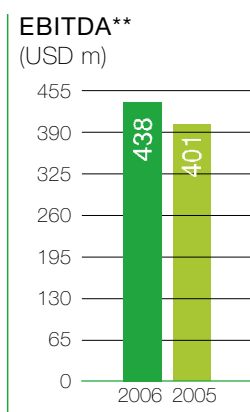
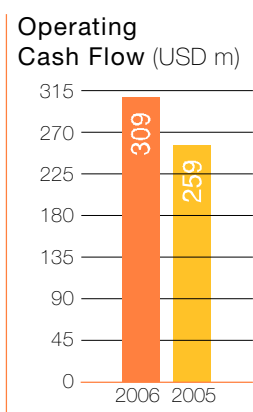
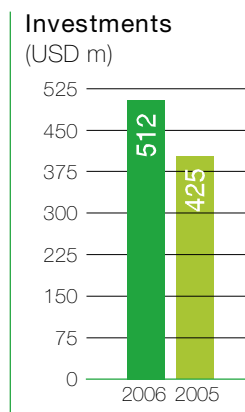
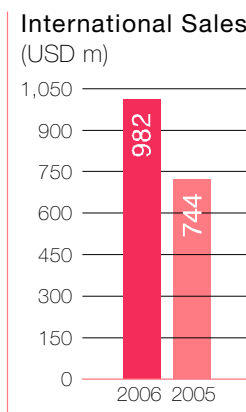
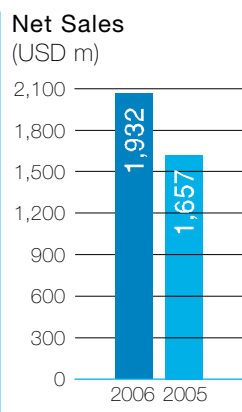
Glass Packaging

Anadolu Cam has further strengthened its regional leadership position as well as its place among the leading global producers. With additional capacity at Bashkortostan-Ufa in Russian Federation and Bursa-Yenişehir plants, production capacity has reached the 1.5 million ton/year mark. Both plants are going to expand capacity by one furnace each in 2007. The Business is targeting high growth via green field investments and acquisitions, taking advantage of the high potential in the region.

Chemicals

Soda Sanayii has performed brilliantly riding on a positive conjuncture in the world market along with important gains regarding cost savings. A brand new regional investment has been made through the acquisition of Soda Lukavac in Tuzla Canton of Bosnia-Herzegovina. Its strong position in global chromium chemicals market has been consolidated with several moves. Mersin Soda plant will undergo expansion in 2007. The Business will focus its efforts on regional expansion, for further growth.

Financial Highlights



Summary Consolidated Balance Sheets				
	2006		2005	
	YTL m	USD m	YTL m	USD m
Current Assets	1,661	1,182	1,346	1,003
Non Current Assets	3,274	2,329	2,873	2,141
Total Assets	4,935	3,511	4,219	3,144
Current Liabilities	908	646	661	493
Non Current Liabilities	927	660	753	561
Minority Interest	744	529	674	502
Shareholders' Equity	2,356	1,676	2,131	1,588
Total Equity and Liabilities	4,935	3,511	4,219	3,144

Summary Consolidated Statements of Income				
	2006		2005	
	YTL m	USD m	YTL m	USD m
Net Sales	2,761	1,932	2,221	1,657
Cost of Sales	(1,867)	(1,306)	(1,500)	(1,119)
Gross Operating Profit	894	626	721	538
Operating Expenses	(565)	(396)	(431)	(322)
Net Operating Profit	329	230	290	216
Finance Income / (Expenses) (Net)	(30)	(21)	(5)	(3)
Other Expenses (Net)	(46)	(32)	(169)	(126)
Operating Profit	253	177	116	87
Current Taxes	(65)	(45)	(68)	(51)
Deferred Tax (Charge) / Benefit	92	64	7	5
Profit Before Minority Interest	280	196	55	41
Minority Interest	(81)	(57)	(61)	(45)
Net Profit / (Loss) for the Period*	199	139	(6)	(4)
Provision for Impairment of Investments*	-	-	157	117
Net Profit Before Provision for Impairment of Investments	199	139	151	113
Earnings Before Interest and Taxes (EBIT)**	329	230	290	216
Depreciation and Amortization	297	208	248	185
Earnings Before Interest, Taxes and Dep. (EBITDA)**	626	438	538	401
Cash Provided by Operating Activities	442	309	348	259
Net Financial Debt	738	525	361	269

Financial Ratios		
	2006	2005
Current Assets / Current Liabilities	1.83	2.04
Total Liabilities / Total Assets	0.37	0.34
Total Liabilities / Shareholders' Equity	0.78	0.66
Net Financial Debt / Total Assets	0.15	0.09
Net Financial Debt / Shareholders' Equity	0.31	0.17
Gross Operating Profit / Net Sales	0.32	0.32
Net Operating Profit / Net Sales	0.12	0.13
EBITDA** / Net Sales	0.23	0.24
Net Financial Debt / EBITDA**	1.18	0.67

* Provision for impairment of investments is a nonoperational and noncash item.

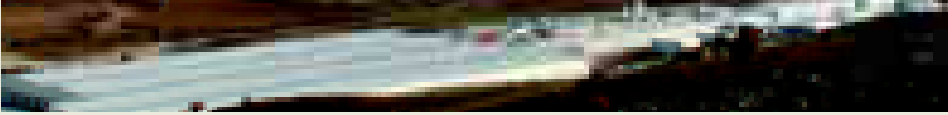
** Net operating profit has been used in the calculation of EBIT and EBITDA.

To Our Shareholders

2005



Trakya Yenişehir-Bursa 2006



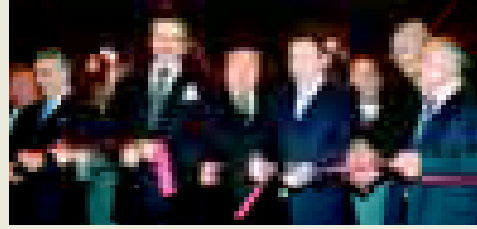
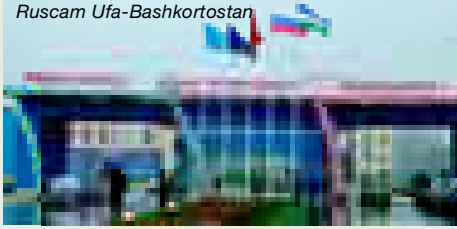
The 5th float line of Trakya Cam in Bursa-Yenişehir is almost completed while the construction of a 6th is progressing rapidly. Both lines will be completed in 2007.

The 1st furnace at Anadolu Cam Yenişehir plant has started production in the presence of the Prime Minister Erdoğan. Work on the 2nd furnace has also gained pace.



Anadolu Cam Yenişehir-Bursa

Ruscam Ufa-Bashkortostan



Anadolu Cam's 3rd plant in Russia has commenced production in the presence of State Minister Kürşat Tüzmen, and Bashkortostan President and Prime Minister.

Şişecam Soda Lukavac-Bosnia-Herzegovina



Soda Sanayii has expanded according to its regional strategy by acquiring Lukavac Soda plant in Tuzla Canton of Bosnia-Herzegovina.

Paşabahçe Cam's new investment at the Kırklareli plant for the production of "f&d" brand glassware was started-up with an in-house ceremony.





Dear Shareholders,

We are happy to have come together for the ordinary Annual General Meeting of our company. We salute you with heartfelt feelings.

The outstanding level we have attained and our gains reflect without a doubt, the fruits of years of institutionalization, determined management, appropriate industrialism, specialization and aiming high every time.

These approaches guide us today and are the strongest guarantees of the brilliant future for our company.

The Group has continued its upward march in 2006, reaching strategic targets one by one. A positive economic conjuncture in Turkey as well as in the world has contributed to this result. In all our fields of activity, markets have grown and business volume has expanded in a balanced manner.

The Turkish economy continued to grow for the last five consecutive years as in 2006, strengthening a climate of stability and trust.

EU candidature and IMF stand-by agreements have been important reference points in this process in which our society and economy are being transformed. Although achieving macro-economical targets appears positive,

missing inflation targets and high current account deficits bode ill.

These obviously create some anxiety about the future. The accomplishment of structural reforms, especially regarding overall industry turn out to be the sticking points.

The world economy continued to grow despite negative expectations and sensitivities. The US budget deficit, feeding this growth has resulted in price increases in inputs, increase the risk of inflation thus resulting in serious rises in interest rates.

“ The outstanding level we have attained and our gains reflect without a doubt, the fruits of years of institutionalization, determined management, appropriate industrialism, specialization and aiming high every time. ”

With the expected fall in liquidity, the global economy is certain to become increasingly risky and to be approached cautiously.

However, regardless of the circumstances and expectations, we wanted to share with you our belief that our Group will maintain its advantageous position in its main region of activity.

Eastern Europe, Middle East and other periphery countries are growing rapidly, creating important opportunities for us. It is obvious that considering our vision for regional leadership, this situation offers us many opportunities for sustainable growth.

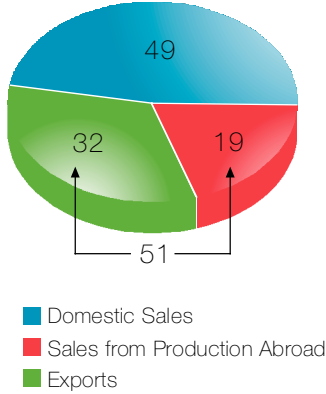
From whatever angle you look at it, the most important contemporary process is globalization with all the increase of competition it brings. This process, which has caused the global manufacturing industry to restructure itself, is forcing us to act to maintain our performance and competitive power. Plans and policies that will secure our future have thus been activated regarding appropriate efficiency and rationalization measures in 2006.

Finally, our decision to merge Camiř Lojistik with Trakya Cam and to sell our company Ferro Döküm, whose activity is outside our core business, should be assessed within this framework.

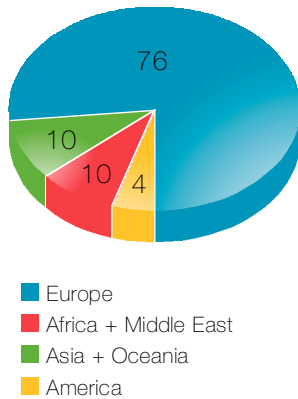
Evidently all that has been done has worked out. The Group's 2006 results show success. It's very meaningful, that especially the profitability indicators are as always among the best in the sector worldwide.

Herewith we would like to share with you some of the basic consolidated figures.

Share of International Sales in Total Sales (%)



Regional Distribution of International Sales (%)



Net sales have increased 17% to reach the USD 2 billion mark.

International sales composed of exports and sales from international production, have reached 51% of total.

Glass production has increased to 2.5 million tons/year with a rise of 15%, of which over one third is produced abroad.

Investments have topped USD 512 million, maintaining a high level.

Net financial debt has remained at USD 525 million despite high investment rates.

Financial performance as well as capability to generate funds have been enhanced. The earnings before interest, depreciation and taxes has increased by 9% to USD 438 million.

Number of employees have reached 16,923 increasing by 13%, of which 28% is based abroad.

While these results have been obtained as a Group, our companies in their respective fields of activity have contributed to these results and have made strategic advances for the future. We would now like to briefly touch on these issues.

Trakya Cam has performed strongly along the high conjuncture in its target markets. The float line in Bulgaria has started production while work on two other float lines to start operating at Bursa-Yenişehir in 2007 has continued. These lines will increase domestic float capacity to 6 lines increasing business volume. The year 2007 will witness the commencement of new production

facilities regarding high value added products such as coated glasses, mirrors and other processed flat glasses which are capturing ever increasing shares in total sales.

Paşabahçe Cam, has maintained its strong position in a sector which is going through a global consolidation. New production centers in Bulgaria and Russia have provided important contributions and increased its performance. After the "Denizli" brand in hand made glass, Paşabahçe Cam has created "f&d" brand, targeting the

"We are making intensive effort to enhance our competitive edge and to maintain our high performance. In this respect, all measures have been taken for efficiency and rationalization; plans and programs have been put in place to safeguard our future."

high end in the automatic glassware products market. Investments which will increase the power of competition and consolidate the global efficiency and other strategic initiatives are on the agenda of the Business.

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As announced to you, our Group is determined to continue its regional expansion and strong growth. Our Group is consolidating its position as the leading glass manufacturer of its region. It also needs to be emphasized that besides being a regional leader, our businesses are positioned between 2nd and 5th in Europe and 3rd and 8th worldwide.

Consequently, we are very assertive in our sectors. We are aiming at a total of USD 790 million in investments and 22% growth in the year 2007. Our glass production will top 3 million tons and reach 5 million tons/year within a few years. We are determined to take

advantage of the many opportunities for collaborations that our region offers.

“ We are very assertive in our sectors. We are aiming at a total of USD 790 million in investments and 22% growth in the year 2007. Our glass production will top 3 million tons and reach 5 million tons/year within a few years.”

We would like to underline that we are in possession of all the resources, expertise, self-confidence and human resources, which taken together are the guarantors of present gains and further advances. We like to take this opportunity to give our heartfelt thanks to our employees.

As a last word, we are aware that our shareholders think big, trust us and have great expectations regarding our company. We would like to thank all our shareholders, employees, customers, suppliers and all who deal with us and who have contributed to making Şişecam what it is today.

We salute you with all due respect and affection.



Prof. Dr. Ahmet Kirman
Chairman



A. Doğan Arıkan
President

Board of Directors



Prof. Dr. Ahmet Kirman
Chairman



Y. Ziya Toprak *
Vice Chairman



Alparslan Akıncı
Member



A. Doğan Arıkan
Member-President



Özgün Çınar *
Member



H. Arslan Sarsar *
Member



İnci Yılmaz
Member

* Members of the Audit Committee

** The Board of Directors have been assigned for the period 14.04.2006-14.04.2009 and their authority has been set out by Turkish Commercial Code and Company Articles of Association (AoA). On April 14, 2006 Ahmet Kirman and Özgün Çınar were elected to replace H. Ersin Özince and Özcan Türkakin.

Prof. Dr. Ahmet Kirman, 48, Graduated from the AU Faculty of Law, took his MA degree at the AU EU Law of Competition branch and obtained his doctorate in Commercial Law in 1989 . Continuing his studies in financial law, Dr.Kirman became Assoc. Prof. in 1994 and Prof. in 2000. He then started teaching at AU Faculty of Political Science after which he became the Director of Institute, Chairman and later Department Head. He is presently teaching at GSU Faculty of Law. He has long experience in the banking and insurance sectors as attorney at law and certified financial consultant. He served as financial consultant at İşbank, Central Bank of Turkey (TCMB), TBB, TSRŞB and contributed to their training programs. He served at the Council of Tax and also served as a member of board in many financial and industrial companies. He is presently the Chairman of Board of Directors at İşbank and Milli Reasürans.

Y. Ziya Toprak, 63, graduated from the İstanbul Academy of Economical and Administrative Sciences and started working in the Audit Department of İşbank. After taking up various positions he became General Manager at Yatırım Finansman Menkul Değerler during 1997-1999, and Vice President at İşbank during 2000-2003 before retiring in 2004.

A. Doğan Arıkan, 57, graduated from METU Management Dept. and started work at the State Meteorology Inst. in 1972. After taking up various management posts in İşbank between 1973-1987, he worked as General Manager in MEPA and İDÇ between 1987 and 2000. He is President of Şişecam since 2000.

H. Arslan Sarsar, 63, graduated from the Ankara University, Faculty of Political Science, Finance and Economics Department and started work as trainee associate auditor in the İşbank Audit Department in 1970. He has taken up various management positions, branch and regional departments. He has been selected as a board member at İşbank in 1998 and retired in 2005.

Alparslan Akıncı, 73, graduated from ITU Mechanical Engineering Dept. to start working in the Çatalağzı power plant. He started working at the Çayirova Cam Sanayii in 1961, taking up various positions. He retired from the Executive Vice Presidency of the Flat Glass Business in 1998.

Özgün Çınar, 37, graduated from Department of Management, Faculty of Political Science in AU, and obtained an MA degree on International Banking and Finance from the University of Southampton. He started working life as investment specialist at the Participations Department of İşbank, then took up various management positions there. After working at Petrol Ofisi he has been working as a Group Manager at İşbank's Participations Department since 2005.

İnci Yılmaz, 48, graduated from Ankara Economics and Business Sciences Academy, started working in İşbank and Training Department and then moved on to the Participations Department where she worked as Asst. Manager and she has been the Group Manager in the same unit since 2005.

Management Committee



A. Doğan Arkan
President



Alev Yaraman
Executive Vice President
Chief Executive Flat Glass



Gülsüm Azeri
Executive Vice President
Chief Executive Glassware



Teoman Yenigün
Executive Vice President
Chief Executive Glass Packaging



Dr. Ateş Kut
Executive Vice President
Chief Executive Chemicals



Ahmet F. Polatkan
Vice President
Finance



Mehmet Kara
Vice President
Corporate Planning



Dr. Yıldırım Teoman
Vice President
Research & Technology

* V. P., Treasury, Türkiye Ergun and Secretary General, Rüştü Bozkurt, have retired as of 31.07.2006.

A. Doğan Arıkan, 57, graduated from METU Management Dept. and started work at the State Meteorology Inst. in 1972. After taking up various management posts in Isbank between 1973-1987, he worked as General Manager in MEPA and İDÇ between 1987 and 2000. He is President of Şişecam since 2000.

Teoman Yenigün, 54, graduated from Boğaziçi University Mechanical Engineering Dept. He started work in the Şişecam Group in 1975, taking up various posts. He is Exec. Vice President of Glass Packaging Business since 1998.

Mehmet Kara, 56, received his B.A. degree from Boğaziçi University Economics Dept., going on to obtain an MA degree from Cleveland State University. He started working in Şişecam in 1976, taking up various posts, becoming Vice President - Corporate Planning in 1994.

Alev Yaraman, 59, graduated from METU Chemistry Dept., going on to obtain her M.Sc. from Sheffield University Glass Technology Dept. After starting work at Şişecam in 1970, and taking up various positions, she became Exec. Vice President of the Flat Glass Business in 1998.

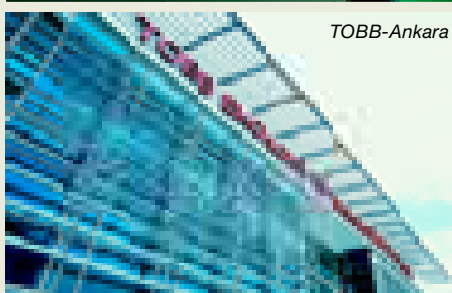
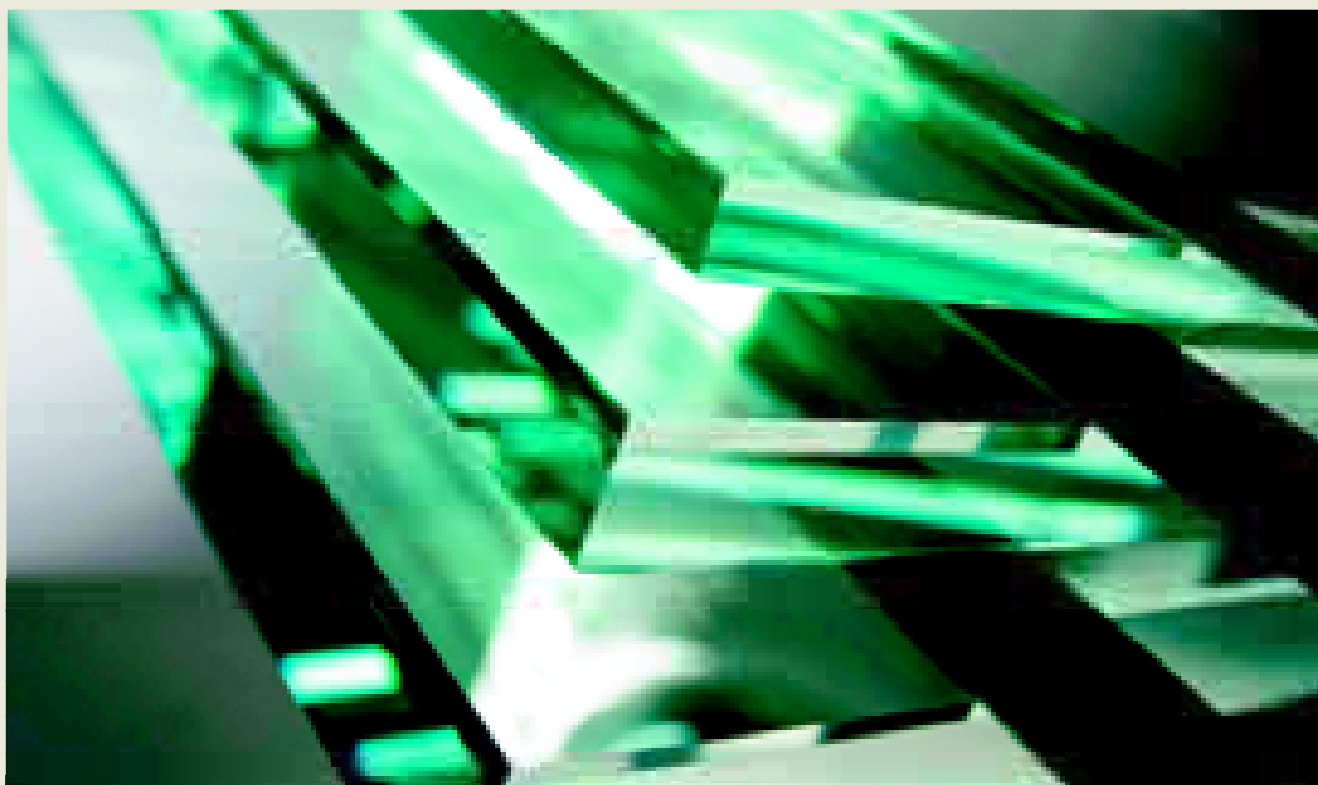
Dr. Ateş Kut, 57, graduated from the Ankara University Chemical Engineering Dept. where he also obtained his Ph.D. He started work in the Atomic Energy Commission after which he entered Şişecam in 1980, taking up various posts. He has been the Exec. Vice President of the Chemicals Business since 1998.

Dr. Yıldırım Teoman, 52, obtained his B.Sc. in Chemical Engineering from ITU, and his Ph.D. from Birmingham University, UK. He started work as an academic in Birmingham University in 1979, receiving Associate Professor title from ITU Basic Processes and Thermodynamics Dept. He started working in Şişecam in 1983, taking up various positions. Since 1999, he is Vice President - Research and Technology.

Gülsüm Azeri, 55, graduated from Boğaziçi University Chemical Engineering Dept., going on to receive an MA degree in Industrial Engineering there. She started work at Çukurova Holding in 1978 and joined Şişecam in 1981, taking up various positions. She is the Exec. Vice President of the Glassware Business since 1998.

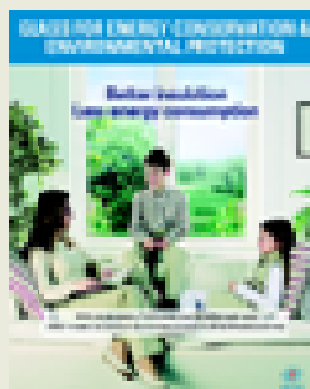
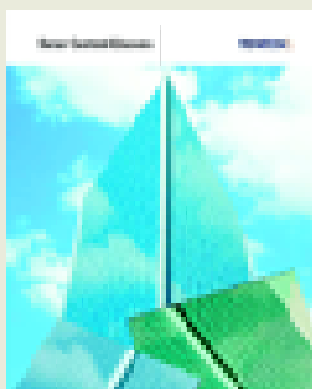
Ahmet F. Polatkan, 59, is a graduate of the Ankara Economical and Business Sciences Academy, and has started his working life in 1965. Between 1973-1978 he worked at the Finance Ministry as a tax inspector and joined Şişecam in 1978, taking up various posts. Since 1993, he has been working as Vice President - Finance.

Flat Glass



TOBB-Ankara

Superior material properties of glass when brought together with advanced coatings, are able to address aesthetic as well as environmental and energy efficiency solutions.



Insulating and solar control glasses contribute significantly to the struggle against global climate change.

Flat Glass Business Combined Highlights* (IFRS)		
USD m	2006	2005
Net Sales	500	437
International Sales	187	99
Gross Operating Profit	186	162
Net Operating Profit	117	92
Net Profit	116	64
EBITDA	170	138
Net Financial Debt	149	95
Shareholders' Equity	1,013	786
Total Assets	1,410	1,160
Investments	184	134
Number of Employees	2,810	2,341

* Includes Çayirova Cam in addition to Trakya Cam.

Trakya Cam Consolidated Highlights* (IFRS)		
USD m	2006	2005
Net Sales	500	437
International Sales	187	99
Gross Operating Profit	185	161
Net Operating Profit	104	92
Net Profit	101	62
EBITDA	152	138
Net Financial Debt	156	96
Shareholders' Equity	697	646
Total Assets	1,086	970
Investments	184	111
Number of Employees	2,810	2,340

* Includes Trakya Cam, Trakya Cam Investment, Trakya Yenişehir, Trakya Glass Bulgaria and Trakya Glass Logistics.

Flat glass continues to occupy a prominent place in the world economy supplying sectors such as construction, automotive, durable goods, furniture, agriculture, transportation, health and energy with a wide range of goods.

World demand for flat glass increases by 4% on average annually and by 5-10% in developing countries. High economic growth in these countries and rising demand for high performance products similar to developed economies drive these high rates of growth.

“ The massive investment covering two float lines and a coating line being built at Bursa-Yenişehir, will start operating in 2007. ”

Accompanying this growth is the gradually declining shares of North America and Western Europe in world production and consumption down to 40%, on the face of increasing share for developing countries. The developed countries are trying to hold ground by high performance products, new technologies and specialty glasses.

China remains the country with highest rates of growth regarding production capacity and consumption. It became the largest single flat glass market in the world in the last 20 years. India is following this trend. Eastern Europe, Russia, Turkey and the Balkans are demonstrating respectable potential in both consumption and growth. Excluding China, Turkey is the second largest and fastest

growing market in the world with 1 million tons/year market after Russia.

The Business, is among the first 8 companies with 3.2% share in the world and among the first 5 companies with 10.1% share in Europe and operates a total of 13 plants in 5 locations, which are in Kırklareli, Mersin, Bulgaria, Kocaeli and Bursa-Yenişehir.

The main company of the Business, **Trakya Cam**, has increased sales in line with the Turkish flat glass market and kept its leading position. Rising GNP, growing construction market, increase in housing permits, expansion of the automotive, durable goods and furniture sectors both in Turkey and abroad, have driven the growth for flat glass consumption.

The beginning of 2006 witnessed the realization of the largest foreign greenfield investment in Bulgaria as well as the Balkan region, as **Trakya Glass Bulgaria EAD** flat glass plant. This was also the Business's first foreign direct investment. It is planned that both Bulgarian domestic demand and the Balkans' high quality flat glass demand is going to be met by this plant.

To remain close to export markets and consolidate competitiveness, glass processing and mirror plants, to the tune of USD 25 million, have also been built right next to the flat glass line with capacities of 2.5 million m²/year mirror and 2.3 million m²/year tempered glass. These plants have started commercial production at the beginning of 2007.

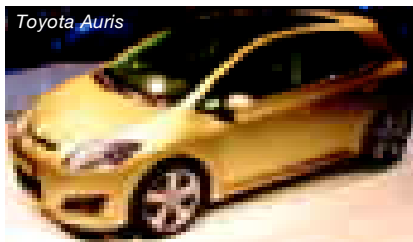
Trakya Otocam has increased its domestic and foreign sales, maintaining



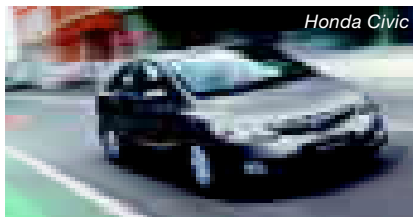
Brand promotion has continued unabated, increasing the product spectrum with different brands, expanding use.



Hyundai Matrix



Toyota Auris



Honda Civic

Trakya Otocam, continued to supply the newest models of international automotive manufacturers with its brand name products.

its position as a prominent supplier of glass systems for the automotive sector. Although domestic automotive sales shrank by 15% in 2006, production increased by a remarkable 20%. This has occurred due to jump in exports of locally made automotives by 26%, compensating for the shrinkage in domestic market. Closely following sectoral developments and new investments in the sector, Trakya Otocam has taken its place as the main supplier in new projects, supplying glass to respectable and leading manufacturers such as Ford, Renault, Toyota, Hyundai, Fiat, Honda and Mercedes.

“Trakya Otocam has continued striving to bring to life regional strategic development projects, in line with the rapid growth of the automotive sector.”

It is forecasted that Turkey will become a global production hub for automotive manufacturing and its suppliers in the next 25 years. The sector has decreased its dependence on the local market and is now driven by the export market. The expectation for export market induced future growth in the sector means Trakya Otocam will be consolidating its strong position. The company has received critical acclaim as the only Turkish company in the renown international Motor Show in Paris.

Trakya Cam İşleme has become a sought after producer in the domestic as well as international tempered glass markets experiencing strong competition. The company has

continued supplying the fridge, oven, shower cabin, solar collector, furniture, door and bus station sub-sectors that utilize tempered glass. Its position will be further strengthened with the presence of the Bulgaria glass processing plant.

The Business has continued its R&D and product development efforts to strengthen its competitive position in the face of fast technological development and products that save energy and protect the environment.

Tentesol T, an optically transmittant reflective solar control glass produced on-line by pyrolytical techniques has started production. Also, Elit Glass, a special series of decorative figured glass family, has been expanded by the addition of “square pattern”.

The growth of the glass industry is not only related to the increase of the population and purchasing power but also energy efficiency and environmental protection. One of the prominent measures towards energy efficiency and environmental protection are heat insulating and solar control properties imparted to glass, making possible large energy savings in buildings that consume up to 30% of total consumable energy. Both properties allow the increase of total glass surface in both automotives as well as buildings.

As present in all developed countries, the Turkish standard for insulation in buildings, the TS 825, enforcing the use of insulating glass units in buildings, is being revised to tighten insulation values for buildings.

The Energy Efficiency Law prepared by

the Ministry of Energy and Natural Resources is presently in force. The new law requires an Energy Identity Document for new buildings, making it easier to enforce tighter insulation standards.

Considering economic growth and rise in per capita GNP in the coming period, the demand for high performance insulating glass units is likely to increase. Thus, sales of Trakya Cam's insulating glass brands, Isicam S for energy control and multifunctional Isicam Konfor for solar control, should increase.

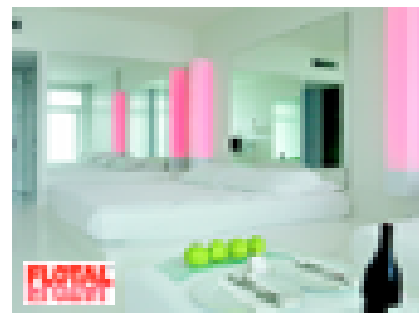
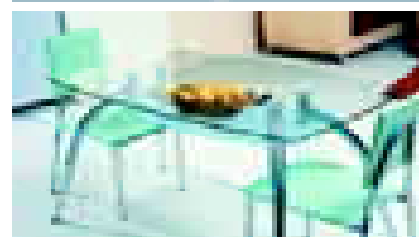
“The Business sees 2007 as an opportunity for significant advances during which it aims to further strengthen its global position.”

The Business vision, forecasting increased flat glass demand due to developments in construction and automotive sectors is going to be met by additional capacities. **Trakya Yenişehir Cam's** first, Flat Glass Business's fifth float line in Turkey is going to start production in May 2007. The investment capacity is 225,000 tons/year and the cost is going to be realized as USD 123 million. Meanwhile, construction of a 6th float line in the same region has also started. The 225,000 tons/year line is going to cost USD 91 million and start operating by the end of 2007.

A coating line with 5 million m²/year capacity, right next to Trakya Yenişehir Cam plant, is also to be completed in June 2007. The line is built with a technical agreement with Interpane and

is going to cost USD 40 million. Many sectoral exhibitions and meetings have been attended as part of marketing activities in 2007. The flat glass booth at the exhibition in Targovishte-Bulgaria has won a prize. Advertising films have been prepared for the effective and simple promotion of products, posters and stands have been prepared describing Trakya Cam's relationship with its stakeholders, brands and standards.

The Business has taken concrete steps to transform itself from a local company into a regional company adhering to its vision of maintaining leadership in the domestic market and capturing it in the region. 2007 is marked as an important year in which high performance will be continued and position among global flat glass players will be consolidated.

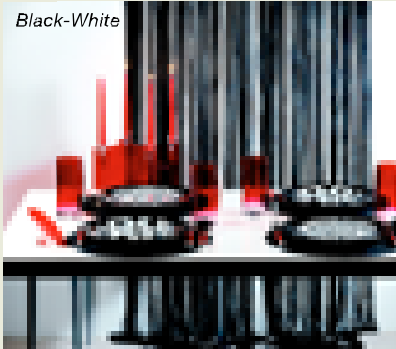


Tempered and decorative glasses continued to add new dimensions to living space by combining comfort, aesthetics and functionality.

Glassware



Black-White



Yılbaşı



Fascination



Paşabahçe collections composed of outstanding and attention grabbing designs continued enriching life.

Glassware Business Combined Highlights* (IFRS)

m USD	2006	2005
Net Sales	551	501
International Sales	303	277
Gross Operating Profit	196	181
Net Operating Profit	34	42
Net Profit	19	27
EBITDA	88	96
Net Financial Debt	64	59
Shareholders' Equity	619	608
Total Assets	973	953
Investments	74	67
Number of Employees	5,619	5,594

* Includes Denizli Cam, Camış Ambalaj, Paşabahçe Mağazaları in addition to Paşabahçe Cam.

Paşabahçe Cam Consolidated Highlights* (IFRS)

m USD	2006	2005
Net Sales	478	406
International Sales	279	257
Gross Operating Profit	149	131
Net Operating Profit	33	27
Net Profit	11	9
EBITDA	76	79
Net Financial Debt	99	105
Shareholders' Equity	354	358
Total Assets	704	697
Investments	61	70
Number of Employees	4,042	4,017

* Includes Paşabahçe Cam, Paşabahçe Eskişehir, Paşabahçe Cam Investment, Posuda Ltd. and Trakya Glass Bulgaria.

The global glassware sector has demonstrated various growth rates regarding demand in 2006, in different regions and sub-sectors of the world.

Glass objects for daily usage follows a continuously expanding market trend globally. Luxurious daily glass products, catching the attention of contemporary consumers' tastes and lifestyles, develop more with the utilization of novel conceptual designs.

The share of retail sector in home distribution continues to increase globally while multi-national retail giants are expanding into emerging markets, where local retail chains also continue to expand and retail formats differentiate and improve.

“ The Business, increased its sales worldwide by following global market dynamics closely, improving its strong logistics services and targeting the whole spectrum of consumers.”

In the more dynamic service sector demonstrating and increasing demand, large distributors, small-medium sized distributors giving better service and distributors specialized in glass and other table top products distribution are controlling the sector.

In the promotion and B2B sub-sectors, where demand is significantly determined by beverage and beer sales, it is seen that clients are more and more willing to work together with glass producers.

The negative factors in the sector in 2006 have been the rising costs of fuel, energy and packaging, pushing

producers to activities targeting cost savings.

Consolidation in the sector is continuing and supply-side developments are mainly seen in Eastern Europe, Middle East and Asia.

As far as **Paşabahçe Cam** is concerned, important new inroads have been realized regarding sales in 2006 both in Turkey and in foreign markets. In general, sales have increased in all regions of the world but especially in Europe and in the Middle East.

In line with Paşabahçe's growth strategy of developing markets via increasing capacities in high market, low production cost potential regions, production has continued and productivities improved in 2006 in both the Posuda plant, acquired in 2004 and thoroughly modernized and the new plant in Bulgaria, built from scratch and made operational in the second half of 2005.

In Turkey, intensive development work has resulted in a new production technology and a novel glass composition. The production in the new plant has started at the end of 2006.

Entry into a new market segment is targeted via this project, with which specialty crystal products will aim at upper-end of the market in service and home sectors. The new product is in the form of glasses, stemware, candy cups, vases, service plates and other decorative gift objects. It possesses outstanding brightness, perfect surface quality and high optical transmittance and is dishwashing machine-proof up to 2000 cycles.

Serving a distinct market, with its



Shininess, transparency and durability are the differentiating features of "f&d" branded products, that have totally different production technology and recipe.



Denizli Cam's hand-made, original-design products are preferred in the world markets due to their reflection of the art of glass making.

Ada



Space



Grande



In the automatic glassware products, a multitude of alternatives have continued to be presented via design and colour varieties.

outstanding glass quality and technological features, the product will be branded 'f&d'.

Paşabahçe has maintained in 2006, its assertions towards process technologies, and apart from "f&d", has started production in cost effective and productive new production lines completely designed in-house.

A special industrial press line has also commenced production in the second quarter of 2006 targeting industrial glass products.

One of our important development projects, the Supply Chain Project, critical for capacity optimization, sales increase and customer services, has been completed and has become operational in 2006.

"The "f&d" brand, targeting the upper-end of service market and home segments, stands out with its glass quality and technological features."

Another development in 2006 was the collaboration of Paşabahçe and Arc International to better serve the North American services segment.

In the framework of this collaboration, the joint distribution company **Arc Paşabahçe Food Service LLC** has been founded, which will be supplying the market with the new common brand 'Elemental' and other generic glassware service products.

Paşabahçe has realized 3% growth in total glassware production, while

cumulative sales have increased by 14% compared to the previous year.

The planned increase in sales for 2007 is 9%. With the assertion to become the foremost global glassware supplier, new restructuring aiming at regional focus as well as world markets will continue unabated in 2007.

Paşabahçe, which has significantly increased its sales both in the Russian Federation and other Commonwealth of Independent States members utilizing its production base in Russia, is aiming at strengthening its leadership position in the region by doubling the production capacity via a second plant in Russia.

It is planned to complete this plant at the end of 2007 and make it operational in the beginning of 2008. With new production capacity, novel production processes will be utilized, allowing a greater number of local flavoured products to be presented to the market.

In parallel with its global vision of growth and multi-focused production strategy, Paşabahçe aims at growing in Turkey, Russia, Bulgaria and other high market, low cost potential regions and aims to take important new steps towards this direction in 2007.

Denizli Cam, targeting the higher-end segments of the glassware market with its handmade crystal, gift and decorative products, has maintained its competitiveness despite the negative effects of over-valued YTL. With design differentiation and high quality production, Denizli Cam increased its sales by 4%. Improvement in the client portfolio as well as product mix are expected to result in an increase of 7% in sales in 2007.

The specialty stores business, continued with the Business's **Paşabahçe Mağazaları** concept in Turkey, has supported the Paşabahçe brand and image, by realizing expansion in 2006. Three new stores in Turkey; Kanyon Life, Kanyon Boutique and Kayseri Life and Boutique have been opened and the second foreign store of the Business after Moscow has been opened in Sofya in the beginning of 2006, to serve Bulgarian consumers.

“ Paşabahçe, along targeting success in development and innovation projects, is also eyeing growth by planning for the second phase investment in the Russian Federation.”

Paşabahçe Life Stores, grasping all aspects of contemporary life with their concepts, have made further inroads into consumer satisfaction by its product mix and high performance complete service.

The Paşabahçe Boutique stores with their "History, Culture and Glass Collections" have become centers of attraction for collectors. The new "Secrets of Anatolia" and "Glass Master" themed collections in İstanbul and "Treasures of Thrace" collection in Sofia have been exhibited and have become centers of attraction in autumn and December 2006 respectively.

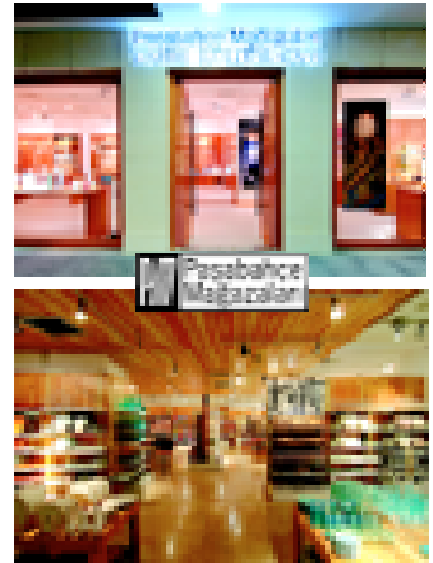
Paşabahçe Stores, which is planning to open up 4 new stores in 2007, is also planning to commence virtual sales.

The Business's other activity, **Camiş Ambalaj**, which is among the leading paper-cardboard packaging producers

in Turkey, has increased its offset and corrugated packaging sales by 4% in 2006.

Camiş Ambalaj, which produces offset printed cardboard and laminated consumer packaging, flexo printed corrugated consumer and transportation packaging, tray and multi-packaging for automatic maintenance, promotion displays and other side products, commissioned its second production line in November 2006, doubling its high quality flexo packaging production.

2007 will be a growth year for Camiş Ambalaj with new capacities and market segments.

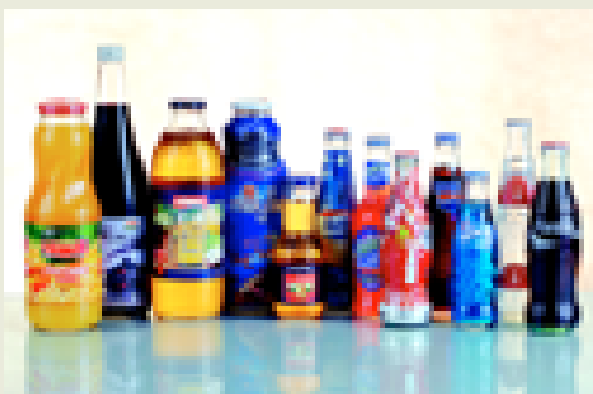


Paşabahçe Stores attracted attention by its "History-Culture-Glass" and "Glass Master" Collections.



Camiş Ambalaj, supplying the Business with high quality and attractive cardboard packaging, maintains its strong position as a strong supplier in its sector.

Glass Packaging



Glass packaging, through printed, sleeved, and sanded designs, satisfies the clients needs for differentiation.

Glass Packaging Business Combined Highlights* (IFRS)		
USD m	2006	2005
Net Sales	538	447
International Sales	238	150
Gross Operating Profit	150	125
Net Operating Profit	59	69
Net Profit	50	42
EBITDA	124	119
Net Financial Debt	216	108
Shareholders' Equity	716	608
Total Assets	1,148	957
Investments	145	168
Number of Employees	4,888	4,267

* Includes Ferro Döküm in addition to Anadolu Cam.

Anadolu Cam Consolidated Highlights* (IFRS)		
USD m	2006	2005
Net Sales	475	398
International Sales	214	133
Gross Operating Profit	129	110
Net Operating Profit	52	63
Net Profit	26	40
EBITDA	112	113
Net Financial Debt	243	122
Shareholders' Equity	450	450
Total Assets	874	780
Investments	140	166
Number of Employees	4,548	3,957

* Includes Anadolu Cam, Mina, Ruscam Gorohovets, Ruscam Pokrovsky, Ruscam Ufa, Anadolu Cam Investment, Balsand, Anadolu Cam Yenişehir, Omco-Istanbul, Balkum and FormMat.

Out of a total of 110 million tons/year glass production globally, 50% is glass packaging. The world glass packing production is increasing at the rate of 2% and the fastest growth is recorded in Eastern Europe due to large capacity increases in Russian Federation.

Despite the continuing decline in Japan, the expansion in Indonesia and India has resulted in growth in the Asia - Pacific region. The demand for glass packaging worldwide is increasing around 2-3% in the alcoholic drinks, beer, gaseous and non-gaseous drinks and food packaging sectors.

“Positioned among the leading glass packaging producers in Europe due to its size, the Business has continued its activities towards its vision of becoming the foremost supplier in its region.”

The current developments are rationalization in Western Europe, expansion in Eastern Europe, South America and the Asia-Pacific, contraction in North America and mergers in all regions.

Competition with other glass packaging producers as well as alternative packaging that is continually developing, has resulted in dropping margins in the sector, necessitating economies of scale and increasing sales volumes.

The Business has increased its production capacity to 1.5 million tons/year with domestic as well as foreign expansion investment throughout 2006. With new capacities coming on

stream in 2007, glass packaging capacity will go up to 1.7 million tons/year.

The Business has defined its geographical periphery as the Russian Federation, Balkans, Turkic Republics, Eastern Europe and the Middle East and is aiming at becoming the leading glass packaging supplier in these regions through a focus on expansion.

The Georgian and Russian markets as well as the Balkans, Eastern Europe and Middle East are considered strategically and potentials for collaborations and joint moves are being assessed.

Domestically the Business carries out activities in Istanbul, Mersin and Bursa-Yenişehir under **Anadolu Cam** and has reached a sales volume of 590,000 tons/year in 2006.

Demand has resulted in new product design efforts, 500 new bottle designs as well as 150 new mould designs of which 90 has been in operation have been realized in 2006.

Expanding demand in mineral water market and high performance bottle demand has resulted in the investment of **Anadolu Cam Yenişehir** plant at Bursa-Yenişehir Industrial Zone, which became operational in 2006.

The production activity at the 60,000 tons/year Çayırova plant has come to an end pursuing the start of production in the Bursa-Yenişehir plant, which has a capacity of 120,000 tons/year.

Anadolu Cam Yenişehir, equipped with latest cutting edge technology machines, also boasts the world's first



International activity is expanding particularly through new investments in the Russian Federation.



Apart from being a healthy form of packaging for food products, is also attractive through variety of design and decoration.



Printing and design have become important differentiation factors for the competitive high-alcoholic beverage industry.

operation of two 12 section machines on the same line.

In order to satisfy the increasing demand in the domestic market, a second furnace is being planned for Yenişehir, which will bring total plant capacity to 240,000 tons/year.

Promotion activity to increase mineral water consumption has continued by collaboration with universities and mineral water producers (MASUDER).

In the pop and fruit juice bottles, 2006 has seen a first time sale of over 100,000 tons. The consumers' particularity and search for quality in the fruit juice segment has allowed glass packaging to come forward. Besides, the decision of companies in the pop segment to concentrate on local sales has been a boon to sales.

“Production capacity has increased significantly in 2006 with the commencement of production in Ufa and Yenişehir plants.”

The Glass Packaging Design Center, set up with advanced technological capabilities to co-design with clients, will give a push to product development and differentiation activities.

In the 19th Golden Packaging Competition in 2006, where packaging producers, users and designers participate, Anadolu Cam participated with 4 designs and took home 3 awards.

Infrastructural investments considered necessary regarding HACCP/ISO 22000 Food Safety standards have been

carried out in all plants. Work will continue in 2007 to complete the process and reach perfection.

The Business's first foreign investment, **Mina** plant, has suffered from political troubles between Georgia and its important export market, Russia. The Political trouble caused a general stagnation in economic relations.

Mina, satisfying the complete demand for beer and mineral water and a significant part of the champagne and non-alcoholic drinks demand in the Georgia market, has started serving the Turkish market as well in 2006. But the second furnace investment which was due to start production in 2006 has been put on hold until the trouble between the two countries clear up.

The Business, carrying out its activities in the Russian Federation under the name Ruscam, has reached 740,000 tons/year capacity with the inclusion of a new furnace in 2006, totaling 7 furnaces in 3 plants.

The first operation in the Russian Federation, the **Ruscam Gorohovets** plant is producing 1 billion/year amber and green coloured bottles in three furnaces using cutting edge production technology. International beer producers as well as important domestic brands are among clients. The plant renewed its ISO 9001 certificate in 2006 and obtained GOST HACCP certification.

In the **Ruscam Pokrovsky** plant, two furnaces are producing a total of 200,000 tons/year of amber and green bottles for the beer and alcoholic beverages sectors.

The second furnace has started

production in the **Ruscam Ufa** plant in the capital of Bashkortostan. The present capacity of the two furnaces producing colourless and amber bottles is 240,000 tons/year and in line with regional clients' expansion plans, a third furnace will increase production capacity to a total of 360,000 tons/year.

In consideration of the increasing glass packaging production capacity in the Russian Federation, the **Balkum** facility, which the Business became a partner in 2004 for the purpose of producing stable, good quality and economical sand, has now reached a total annual production capacity of 800,000 tons of which 350,000 tons/year is dedicated to the glass packaging industry.

“In the year 2007, two additional furnaces will commence production in Ufa and Yenişehir and other several strategic initiatives targeting regional expansion will be carried out.”

Measures to mitigate environmentally harmful waste have been undertaken in all plants. Because of its positive contribution to glass quality, cost savings and energy savings thus the economy in general, measures to increase glass cullet utilization are being undertaken.

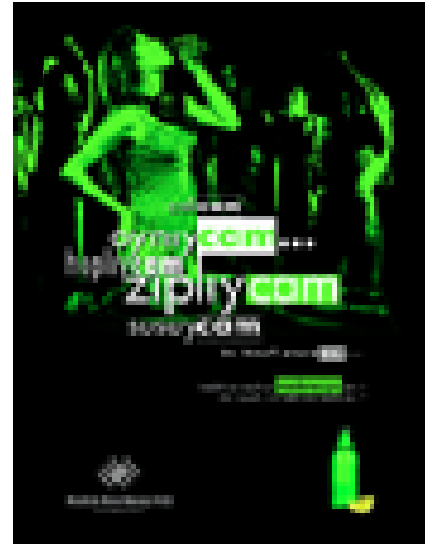
National and international sectoral fairs have been attended for promotion and relationship building. Efforts have been undertaken to rejuvenate glass's image in the consumers mind: "glass is healthy and right." To this end, the campaign "in glass with its natural taste" has been organized through TV, media, cinemas, radio, internet and open air advertising,

targeting mineral water consumption, asserting the slogans "drink health, drink pleasure, drink mineral water."

The 50:50 joint venture of Anadolu Cam with the Belgian based OMCO International NV, **OMCO-İstanbul**, that was set up to be active in producing moulds for the glass packaging and glassware sectors, undertook an expansion of capacity to the tune of USD 2.5 million as well as carried out efficiency-increasing and process-improving measures.

Ferro Döküm, the Business's company in the casting sector, has continued predominantly to serve the automotive sector. The sales of the company have been, 45% for the domestic market and 55% for the international market.

Within the framework of its vision, "To be the leading glass packaging supplier in its vital geography" the Business is conscious of the critical importance of human resources that add value and align its future with the company. Therefore, it has undertaken "institutional motivation, institutional communication, forming the teams of the future, spreading of participative management" type of activities .



In the fast developing mineral water segment, client specific design is critical. Campaigns of promotion are carried out throughout the media.

Chemicals

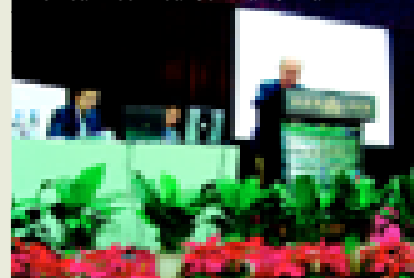


We are committed to environment, human health and safety



Soda Sanayii has acquired the Lukavac Soda plant and started its modernization immediately.

Kromsan Technical Seminar-China



As one of the leading companies in its sector, Kromsan's technical seminar in China targeting leather producers, attracted great attention.

Chemicals Business Combined Highlights* (IFRS)

USD m	2006	2005
Net Sales	489	440
International Sales	254	218
Gross Operating Profit	87	68
Net Operating Profit	18	10
Net Profit	62	31
EBITDA	52	43
Net Financial Debt	21	(50)
Shareholders' Equity	600	584
Total Assets	879	786
Investments	106	60
Number of Employees	3,156	2,310

* Includes Cam Elyaf, Camiř Madencilik, Madencilik San., Camiř Elektrik, Camiř Lojistik in addition to Soda Sanayii.

Soda Sanayii Consolidated Highlights* (IFRS)

USD m	2006	2005
Net Sales	291	250
International Sales	204	169
Gross Operating Profit	69	43
Net Operating Profit	31	9
Net Profit	46	9
EBITDA	50	28
Net Financial Debt	4	(32)
Shareholders' Equity	309	273
Total Assets	452	369
Investments	65	14
Number of Employees	1,817	988

* Includes Soda Sanayii, řiřecam Bulgaria, Oxyvit Kimya and řiřecam Soda Lukavac.

The Business's main field of activity, soda ash products, happen to be a basic chemical used as an input in many sectors in Turkey as well as in the world.

Some of the products in the soda family such as heavy and light soda ash refined sodium bicarbonate and sodium silicate products are used in many industrial sectors including glass, textiles, detergents, chemicals, food and feed stock. As the world demand for soda increases steadily, the demand in regional markets grows markedly above average.

“ Soda Sanayii, in line with its vision of becoming a strong supplier in the region, has acquired the Soda Lukavac plant in Bosnia-Herzegovina. ”

Soda Sanayii has taken important steps in 2006 to address rising demand in its markets by expanding its production capacity. The soda plant in the Tuzla Canton of Bosnia-Herzegovina has joined the Business with the name **Şişecam Soda Lukavac (SSL)**. Soda Sanayii has acquired 80% of SSL at a tune of EUR 24.1 million. The negotiations for the purchase were completed within a year and the measures to increase competitiveness and production level were undertaken immediately.

On the other hand, the **Mersin Soda** plant is undergoing a capacity expansion. The investment will raise the level of production to that of large soda ash producers in the world and will be completed in the first half of 2007.

The Mersin co-generation plant producing electricity and steam required

by soda production, was built by Camiř Elektrik, and became operational in 2006. The plant using the above-mentioned technical synergy has benefited from significant cost savings.

The Bulgarian soda production partnership **Sodi**, has captured a positive growth potential for the future, reaping benefits of high capacity utilization.

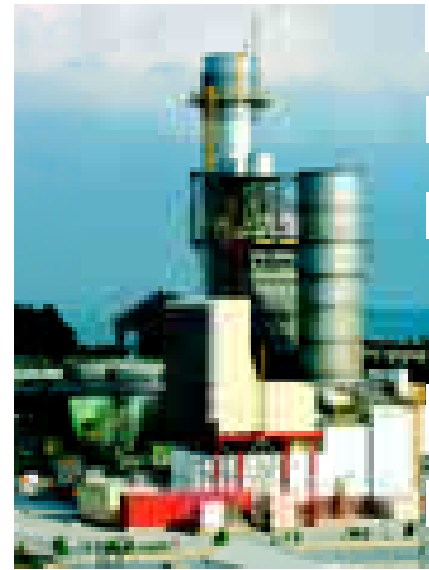
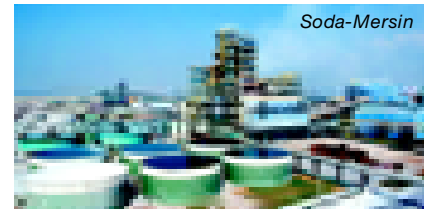
Chromium chemicals is the other important product family. Sodium bichromate, basic chromium sulphate, chromic acid and sodium sulphate produced in the **Mersin Kromsan** plant are used predominantly in leather, wood impregnation, chemicals and paper sectors as well as many other.

The world chromium chemicals sector has witnessed significant developments in 2006. Those organizations not able to renovate facilities and technologies in line with contemporary circumstances and to control costs, have gone under.

Developments have positively influenced supply-demand balance in the sector. Kromsan, with its environmentally friendly and modern production technology, high product and service quality and its moves to curb costs and increase productivity, has strengthened its position in the sector and come to the fore among the leading companies of the sector.

The productivity increase project in the facilities has been undertaken in the second furnace in 2006 following the first, resulting in cost savings and increased production.

In addition to these developments in the main product sodium bichromate, the production capacity of basic chromium sulphate has also been raised. 2006



The Camiř Elektrik Mersin Co-generation plant has started supplying steam to Soda Sanayii.



The use of glass reinforced plastics in many sectors, especially construction, automotive and pipes is increasing.

has been a year in which all production records have been broken regarding the main product families.

Besides outstanding product and service quality, Kromsan provides strong technical support to its customers in the foremost leather chemicals market in the Far East, Turkey and Italy.

A technical seminar "New Approaches in Leather Tanning" was organized in the leading market, China and attracted great attention on the part of leather producers there.

Cromital, the partnership in Italy, has increased sales and strengthened its position in nearby countries.

"Kromsan has come to the fore among the leading companies, following the global restructuring of the sector and has broken new productivity records."

Soda Sanayii, in line with the importance it gives to environmental safety and human health, has obtained the OHSAS 18001 Occupational Health and Safety Management Systems and ISO 14001 Environmental Management Systems certificates in April 2006.

The voluntary project, Responsible Care System has continued in 2006, and apart from routine applications, a "The Love of Environment and Nature" painting competition has been organized among Mersin regions primary schools, the sponsorship of Mersin International Music Festival has been continued and the proceeds of the Soda Sanayii Classical and Traditional Turkish Music Group concerts have been donated.

Another of the Business's important manufacturing fields is that of glass fiber and unsaturated polyester carried out by **Cam Elyaf**. These products are used as inputs for glass reinforced plastic (GRP) composite materials which are being increasingly used instead of traditional materials due to their high performance and low cost benefits.

It is expected that the market for GRP products in Turkey will increase at rates over those of the world market averages. The GRP Manufacturers Association (CTP-Sander) set-up under the leadership of Cam Elyaf last year has contributed to this outcome via training and promotion programs at universities and technical schools, seminars, information bulletins and various documents on the internet.

Cam Elyaf started operating the liquid binding mat production machine in 2006 and expanded product range while increasing production and sales, carrying out cost saving and productivity increasing projects.

Direct sales to international customers was increased and the JEC International Composite Materials fair was attended. Cam Elyaf has contributed to the activities of European Glass Fiber Producers Union, which it is a member of, and was the main sponsor of 1st Polymeric Composites Symposium organized in Turkey.

Turkey's largest industrial raw materials producer **Camış Madencilik**, has continued its activities aiming at supplying the raw material needs of the Group companies for both domestic and international operations, at appropriate quality and cost.

The Bilecik Glass Raw Materials facility, which started operating in the first quarter of 2006, was set up to take care of the increasing raw material needs of the Group. The 2nd and 3rd stages of this facility will come on stream in 2007.

“The 120 MW Mersin Cogeneration plant has created significant and sustainable cost saving by supplying Soda Sanayii with its by-product, steam.”

Camiş Egypt, established to produce sand and other raw materials for the glass industry, has expanded production by gaining land rights for additional production of sand.

Camiş Madencilik also started implementing the Environmental Management Systems and obtained the ISO 14001 certification.

Vitamin K3 produced by **Oxyvit Kimya** is used as an additive in animal feed especially in poultry sector. This sector was badly affected by the bird flu epidemic but started showing signs of revival in 2006. Demand is expected to rise in the future, brightening the prospects for the future.

Oxyvit Kimya has started operating a new production facility to increase its product spectrum in 2006. The new product is sodium metabisulphite and is used in the food and textile sectors.

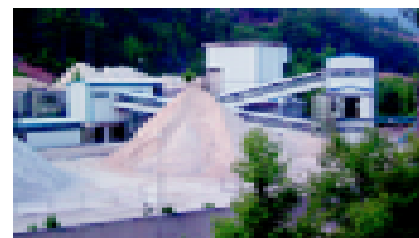
The company has received the FAMI QS certification at the end of 2006, as a token of its standards of operating quality management systems.

Camiş Elektrik has started operating the 120 MW Mersin Co-generation plant, increasing significantly its production of steam and electricity. This facility will feed roughly 1 billion kWh of power into the grid, at the same time will also provide the steam needed by Soda Sanayii. Presently, two smaller power plants in northwestern Turkey are kept at stand-by while the Trakya power plant is continuing to operate.

Camiş Lojistik, carrying out transport operations for the Group companies including all inputs, products and materials, has realized a total of 6 million tons of sea and land freight.

Sintan Kimya, the new company set up in the second half of 2006, will be contributing to the Business's leather chemicals spectrum with novel products. Owned 50:50 with a foreign partner, the facility is presently under construction operating in the Menemen Free Zone.

The Business, active in a multitude of product fields, is aiming at continuing its growth in the chemicals area with both domestic and international projects.

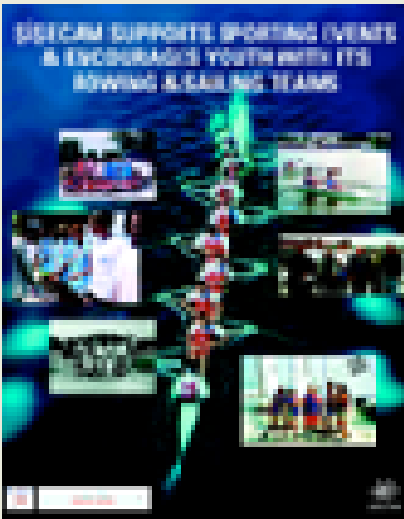


Camiş Madencilik has satisfied the Business companies increasing needs for raw materials.



Oxyvit Kimya, has started producing sodium metabisulphite used as a preservative in food industry.

Human Resources



Besides social and cultural activities, sports have been promoted. The Şişecam Sailing Club has celebrated its 25th year as a token of this insistence.

Besides a strong technical and financial structure, a human resources policy setting the right climate for a continuously rejuvenating, problem solving, proactive and dynamic workforce is understood as the "sine qua non" of strategic advantage in today's competitive climate.

Training

Both internal and external resources are utilized in training programs that show great variety regarding their themes and scopes. Thus, Group-wide specialist knowledge and experience is allowed to be passed onto young generations.

"With an understanding of the importance of possessing a satisfied and successful workforce, the conditions have been created for a modern, efficient work climate, strengthened by training activities targeting work efficiency."

274 courses and seminars have been organized with the participation of 3,840 people resulting in 35,950 man hours of training in 2006. Also, 94 individuals have been able to take 1,086 hours of IT training.

Together with the special on the job training activities organized by the Companies in their respective plants, a total of 127,860 man hours of training has been given to 20,085 employees in 2006.

This total number reveals that employees have participated in more than one training program and explains

the 7,86 hours of training per person in 2006.

On the other hand, managers have been continuously trained by programs in the management development field, keeping up with contemporary management principles. Also created through these programs are the right organizational climate for all Şişecam employees to become active in contributing to the enhancement of organizational productivity and effectiveness, become team players through the necessary IT infrastructure, common language and belief.

Industrial Relations

Both domestic and international investments have continued in 2006 serving the assertion of becoming a global player and this has naturally expanded the activities of the field of industrial relations.

The main industrial relations activity domestically has been the collective agreements in the Glass Group, Soda Sanayii and Denizli Cam whose durations have expired at the end of 2005. These agreements have been negotiated with the workers' unions within their legal duration in a climate of mutual understanding and agreement and in general harmony with the overall economic indicators, the financial structure of the companies, resulting in finalization preserving industrial peace and stability in workplaces.

Abroad, industrial relations at Group operations in Bulgaria and the Russian Federation, have been carried out in a similar fashion with local conditions considered.

Occupational Health and Safety

Şişecam considers with utmost respect, the humanly working and living rights of employees. As a result of this consideration, the Group secures the realization of all activities in healthy and safe conditions, resulting in a healthy society and workforce with respect to body and mind, which is considered as a guarantee of its future.

Occupational Health and Safety Policy

“Through a strict implementation of legislation, standards and contemporary management systems, Şişecam, acting out of a fundamental and unchangeable tenet of its management philosophy, aims at continuously improving work climate and conditions in line with technological changes and developments, at informing its employees and all stakeholders, thus contributing to the establishment of a culture of health and safety.”

As a result, production activities in the country and abroad are carried out in a healthy and safe work environment, work climate and conditions are continuously improved in line with technological changes and developments and a sustainable occupational health and safety culture is developed. In regards of these aims the OHSAS 18001 Occupational Health and Safety Management Systems standards are planned to be integrated with ISO 9001 Quality Management System and

the ISO 14001 Environmental Management System.

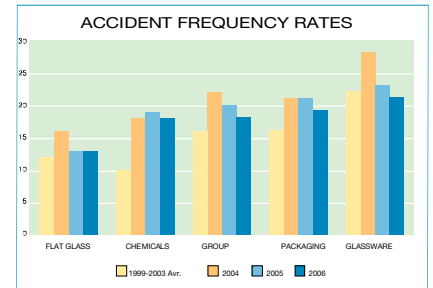
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Efforts are continued to complete workplace certification activities by the end of 2008. Soda Sanayii, Camış Elektrik and Trakya Cam Mersin plants have already obtained these certifications. In other plants, study groups have been formed, training is being completed and work is continuing unabated towards obtaining the necessary certificates.

In the workplaces of the Group, various inspections, measurements and analyses regarding occupational health and safety are carried out in line with annual programs and Quality and Environmental Management Systems requirements, continue in harmony with EU standards, guiding work to decrease occupational accidents and illness risks by continuously improving workplace conditions.

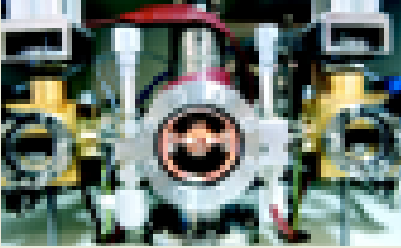


Training in the workplaces on the topics of occupational health and safety have continued unabated.



Accident frequencies are falling as a result of measures and care taken.

Research and Technology



Şişecam Glass Research Center is the only accredited laboratory in its field in the vital geography of the Group.

Şişecam, that started institutional R&D activities in the 1970's, which it developed incessantly in ability and scope, continued work in R&D, engineering, technical and analytical services in 2006.

As a result of the Group's expansion drive both domestically and abroad, 1 new, 5 renewal, a total of 6 furnaces have been started up, work has continued in 6 furnaces of which 3 are in the new domestic development region Bursa-Yenişehir, 1 in the Russian Federation and 2 in Denizli and Kocaeli.

2006 has seen intensive activity in; efficient use of energy for savings, environmental harm abatement through primary measures, cheaper alternative raw materials utilization, close furnace life-time monitoring for the identification of weak spots. Mathematical modelling used in the preceeding years for furnace design, energy savings, and identification of the influence of production parameters on production conditions, has been increasingly used in areas of production and design such as forming of glass packaging products, analyses of air currents in glass fibre forming rooms, the influence of mixers in forehearth colouring.

The new "f&d" brand glassware, with its outstanding colourlessness, brightness, exceptional chemical durability, developed building on years of experience and knowledge in the glass technology field, is a true novelty. Besides its composition, this product with new technologies implemented in its melting and conditioning as well as forming technique, will allow a brand new family of products addressing

a highly developed taste in the automatic glassware products.

One of the most important and attractive feature of glass packaging as well as glassware, colouring, has become additionally critical in the light of the demand for coloured automotive glass in the past year. Studies to produce colouring via raw materials of the batch as well as in the forehearts, with efficiency/productivity increases in mind, using new colours and colourants have intensified, with an eye on cost savings and energy efficiency.

"Accumulation of technological know-how, as a result of steady importance given to R&D activities has been very crucial in the attainment of the status for Şişecam as a giant, playing in the world league."

Glass fracture, manifesting itself as glass defects, problems in cooling and tempering furnaces, arising from production, as well as wrong implementation and usage, demands the attention of a specific field of experience and knowledge termed fractography. The fractography laboratory, equipped and supported by additional expertise within the Glass Research Center, will be serving the Group and the outside world with specialist support in problem solving and technical support.

Glass Research Center Test and Calibration Labs, have successfully completed their accreditation work in the scope of the TS EN ISO / IEC 17025, General Conditions for the

Qualification of Test and Calibration Labs Standard and have been accredited by the Turkish Accreditation Institute (TÜRKAK) regarding AB-00033-K for calibration and AB-0076-T for test labs. Şişecam has thus completed another requirement of the relationships of modern economies, regulating the qualification of product and services regarding relevant standards and gained the competitive edge in international commerce. Training of the specialist workforce and contributing to the establishment of national and international product test standards have continued unabated.

With this accreditation, the production and sales pressure independent, world class and trustworthy character of tests and calibrations done at the Glass Research Center have been certified and safeguarded.

The expansion of the Group abroad and the internationalization of activities has demanded that R&D, Engineering and Analytical Support Services be repeated with the same precision and efficiency. To this end, rapid deployment teams of specialists that can cooperate effectively with local institutes and organizations have been formed and are being perfected.

The Glass Research Center Test and Calibration Labs within the Research and Technology Directorate, have been expanded via the inclusion of accredited activities in the fields of Analytical Chemistry, Glass Properties, Raw Materials Analyses, Environmental Test and Analyses and Calibration.

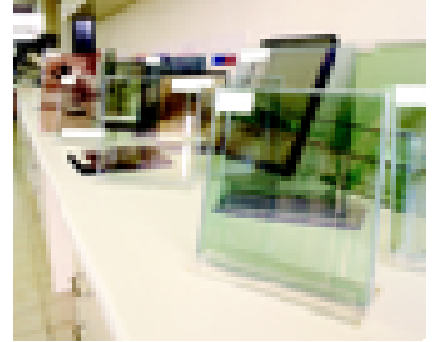
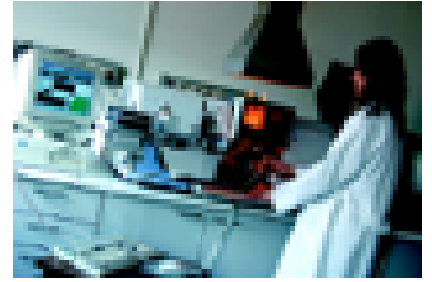
Şişecam, which believes in industry - university partnership and collaboration,

has worked together with prominent research organizations and R&D labs in the country particularly in solar energy and functional surfaces for glasses.

One of the important collaboration projects with universities, the third generation solar cells project has continued in 2006. Other important R&D work has been carried out in increasing mechanical strength via coatings, hydrophobic properties with surface modification, increasing mechanical properties of thin film coatings, development of transparent conducting glass substrates and development of high technology products. Most of the R&D projects has received support from TÜBİTAK-TİDER R&D funds.

“Six furnaces have started operating in 2006 while work on another six has continued, parallel to the fast expansion of the Group.”

To be able to continuously transform scientific and technical data into organizational knowledge, one of the important attributes of the Group, symposiums, periodicals, participation in international and national scientific, technological meetings and educational activities have been encouraged throughout 2006. International representation in scientific and technological bodies has been a token of this determination.



The highest quality glass products are produced with a qualified research workforce which utilizes and develops world class technologies at the Glass Research Center.

Environment

Şişecam is attentive to the advancement of sustainable environmental conditions in all its activities. The Group has adopted this approach as a fundamental tenet of its strategic management. All investment projects in the country and abroad start with an environmental impact assessment process, all activities are evaluated with environmental dimensions in mind through the application of the Environmental Management System approach.

Environmental Policy

“ Şişecam, as an organization aware of its responsibility towards the protection of environment, believes in the need to maintain the world as a livable place for future generations. This approach is considered as one of the pillars of Şişecam's strategic management and is integrated in every phase of its work processes. Our aim is to carry out all the environmental protection activities at Şişecam within a framework of Environmental Management System and continuously improve the system with the support of all our employees.”

13 industrial plants are presently in possession of ISO 14001 certificate for Environmental Management System, while it is planned that all plants will have obtained ISO 14001 certification by the end of 2007.

The main aim is to prevent or diminish

pollution at its source. Apart from adopting preferentially, environmentally friendly production processes, energy efficiency, alternative advantageous fuel and raw materials and natural resource savings are all promoted. Besides many in-house projects to this end participation is realized in international projects. When pollution abatement at the source cannot be done, secondary measures of pollution prevention are applied. Glass, which is a neutral material, can be fully recycled and used as raw material forever, without losing its qualities. This is why collection and usage of cullet are of primary concern for energy and environmental savings.

With re-used cullet, 289,000 MWhs of energy have been saved in the Group glass furnaces in 2006. This adds up to approximately 57,000 tons of CO₂ saved from emission.

Climate change causing greenhouse gas emissions have made energy savings one of the more important issues of the day. This is why savings that can be established by using solar and energy control glazings for architectural use have come to the fore. These glazings are able to save 70% of heating energy in the winter and 41% of cooling energy in the summer. These savings offer considerable scope to climate change abatement struggle in this country. Domestic environmental legislation carried in line with EU legislation is closely scrutinized and evaluated to be fed back to the Environment and Forestry Ministry.

A proactive approach is adopted regarding changes in environmental legislation by active participation in the



The "Environment Mobile" of the Glass Research Center has the full capability to carry out environmental measurements at plants.

environmental committees of national and international bodies.

Environmental work in the Group is carried out by an experienced and well equipped team, sharing best practice and working towards its diffusion. All Businesses now have Environmental Management System Managers and Plant Environmental Units.

All technical and analytical support for environmental work is being given by the labs and the "Environment Mobile", of the Environment Group within the Research and Technology Directorate, fully equipped to measure air/water pollution and air quality. The chimney gas and air quality measurements carried out since 1986, have received accreditation from TÜRKAK according to ISO 17025 Laboratory Accreditation Standard.

The environmental performances of all facilities are continuously monitored, recorded and reported by regular measurements and modelling.

**Türkiye Şişe ve Cam Fabrikaları A.Ş.
and its Subsidiaries
Consolidated Financial Statements
for the Year Ended 31 December 2006**

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Türkiye Şişe ve Cam Fabrikaları A.Ş.

We have audited the consolidated balance sheet of Türkiye Şişe ve Cam Fabrikaları A.Ş. (the "Company") and its subsidiaries (together the "Group") as of 31 December 2006, and the related consolidated income statement, consolidated statement of changes in shareholders' equity and consolidated cash flows statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting standards published by the Capital Markets Board. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Independent Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards published by the Capital Markets Board. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Türkiye Şişe ve Cam Fabrikaları A.Ş. and its subsidiaries as of 31 December 2006 and the results of its operations and its cash flows for the year then ended in accordance with the financial reporting standards determined by the Capital Markets Board.

İstanbul, 29 March 2007

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.
Member of DELOITTE TOUCHE TOHMATSU



Hüseyin Gürer
Partner

Türkiye Şişe ve Cam Fabrikaları A.Ş. and its Subsidiaries

Consolidated Balance Sheets as at 31 December 2006 and 31 December 2005

(Amounts are expressed in New Turkish Lira (YTL) unless otherwise stated.)

ASSETS	Note	31 December 2006	31 December 2005
Current assets			
Cash and cash equivalents	4	512.646.333	445.663.780
Investments (net)	5	100.998	1.210.364
Trade receivables (net)	7	465.298.087	359.597.277
Finance lease receivables (net)	8	-	-
Receivables from related parties (net)	9	19.903.141	11.207.737
Other receivables (net)	10	69.844.316	68.800.486
Biological assets (net)	11	-	-
Inventories (net)	12	582.730.948	455.649.924
Receivables from ongoing construction contracts (net)	13	-	-
Deferred tax assets	14	-	-
Other current assets	15	10.391.551	3.997.552
Total current assets		1.660.915.374	1.346.127.120
Non current assets			
Trade receivables (net)	7	3.803.264	4.558.768
Finance lease receivables (net)	8	-	-
Receivables from related parties (net)	9	-	-
Other receivables (net)	10	-	12.334.066
Financial assets (net)	16	198.420.160	178.576.470
Positive / (negative) goodwill (net)	17	19.729.259	20.764.870
Investment properties (net)	18	-	-
Tangible assets (net)	19	2.999.533.547	2.616.440.319
Intangible assets (net)	20	8.004.043	5.812.996
Deferred tax assets	14	44.608.866	33.214.031
Other non current assets	15	421.577	1.205.926
Total non current assets		3.274.520.716	2.872.907.446

Total assets	4.935.436.090	4.219.034.566
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The financial statements of the Group were approved by the Board of Directors on 29 March 2007 and were authorized by the Vice President, Ahmet Faruk Polatkan, and Holding Accounting Manager, Mükremin Şimşek.

The accompanying notes form an integral part of these consolidated financial statements.

Türkiye Şişe ve Cam Fabrikaları A.Ş. and its Subsidiaries
Consolidated Balance Sheets as at 31 December 2006 and 31 December 2005

(Amounts are expressed in New Turkish Lira (YTL) unless otherwise stated.)

LIABILITIES	Note	31 December 2006	31 December 2005
Current liabilities			
Financial debts (net)	6	446.817.638	354.959.484
Current portion of long term financial debts (net)	6	161.677.361	64.107.442
Obligations under finance leases (net)	8	-	-
Other financial liabilities (net)	10	42.359.111	35.613.833
Trade payables (net)	7	196.721.743	165.081.283
Due to related parties (net)	9	16.585.636	11.985.692
Advances received	21	12.456.730	6.422.650
Progress payments from ongoing construction contracts (net)	13	-	-
Provisions for debts	23	21.156.535	19.423.917
Deferred tax liabilities	14	-	-
Other liabilities (net)	15	10.381.593	2.965.961
Total current liabilities		908.156.347	660.560.262
Non current liabilities			
Financial debts (net)	6	642.478.835	388.579.985
Finance lease payables (net)	8	-	-
Other financial liabilities (net)	10	-	-
Trade payables (net)	7	23.759	32.341
Due to related parties (net)	9	-	-
Advances received	21	-	-
Provisions for debts	23	133.848.692	132.308.167
Deferred tax liabilities	14	149.750.116	229.925.735
Other liabilities (net)	15	951.501	1.970.535
Total non current liabilities		927.052.903	752.816.763
Total liabilities		1.835.209.250	1.413.377.025
Minority interest	24	743.630.471	674.574.988
SHAREHOLDERS' EQUITY		2.356.596.369	2.131.082.553
Capital	25	423.500.000	423.500.000
Capital investment elimination (-)	25	(620.857)	(620.857)
Capital reserves	26	401.183.849	408.709.269
Premium in excess of par		2.157.676	2.157.676
Gain on cancellation of equity shares		-	-
Revaluation fund		-	-
Revaluation fund of financial assets		390.400	8.168.910
Inflation adjustment of equity items		398.635.773	398.382.683
Profit reserves	27	346.819.985	255.270.523
Legal reserves		84.686.336	69.363.357
Statutory reserves		5.201.257	2.040.415
Extraordinary reserves		231.507.610	188.262.565
Special reserves		-	-
Gains from sale of tangible assets and equity participations' shares transferable to capital		-	-
Foreign currency translation adjustments		25.424.782	(4.395.814)
Net profit / (loss) for the period		199.323.396	(5.852.547)
Retained earnings (accumulated loss)	28	986.389.996	1.050.076.165
Total equity and liabilities		4.935.436.090	4.219.034.566

The accompanying notes form an integral part of these consolidated financial statements.

Türkiye Şişe ve Cam Fabrikaları A.Ş. and its Subsidiaries
Consolidated Statements of Income for the Years Ended
31 December 2006 and 31 December 2005

(Amounts are expressed in New Turkish Lira (YTL) unless otherwise stated.)

	Note	1 Jan.-31 Dec. 2006	1 Jan.-31 Dec. 2005
Operating income		2.761.131.883	2.221.121.258
Sales income (net)	36	2.761.131.883	2.221.121.258
Cost of sales (-)	36	(1.867.034.430)	(1.500.535.665)
Service income (net)	36	-	-
Other operating income/interest + dividend + rent (net)	36	-	-
Gross operating profit		894.097.453	720.585.593
Operating expenses (-)	37	(565.457.145)	(430.977.521)
Net operating profit		328.640.308	289.608.072
Other operating income and profits	38	64.273.487	56.477.173
Other operating expenses and losses (-)	38	(110.011.088)	(224.442.559)
Finance income / (expenses) (net)	39	(29.981.926)	(5.155.993)
Operating profit		252.920.781	116.486.693
Net monetary gain / (loss)	40	-	-
Profit before minority interest		252.920.781	116.486.693
Minority interest (-)		(80.718.958)	(61.394.525)
Profit before taxation		172.201.823	55.092.168
Taxation	41	27.121.573	(60.944.715)
Net profit / (loss) for the period		199.323.396	(5.852.547)
Earnings per share	42	0,4707	(0,0138)

The accompanying notes form an integral part of these consolidated financial statements.

Türkiye Şişe ve Cam Fabrikaları A.Ş. and its Subsidiaries

Consolidated Statements of Changes in Shareholders' Equity for the Years Ended 31 December 2006 and 31 December 2005

(Amounts are expressed in New Turkish Lira (YTL) unless otherwise stated.)

	Share capital	Capital - investment elimination	Share premium in excess of par	Revaluation fund of financial assets	Inflation adjustment of equity items	Legal reserves	Statutory reserves	Extraordinary reserves	Exchange differences on the translation of foreign operations	Retained earnings	Net profit for the period	Total
Balance as of 1 January 2005- as previously reported	423.500.000	(620.857)	2.157.676	8.892.311	454.080.370	48.179.482	1.350.669	119.879.746	(1.717.351)	749.346.898	186.892.777	1.991.941.721
Effect of negative goodwill adjustments (Note: 3.h and 17)	-	-	-	-	-	-	-	-	-	178.844.664	-	178.844.664
Balance as of 1 January 2005 - as restated	423.500.000	(620.857)	2.157.676	8.892.311	454.080.370	48.179.482	1.350.669	119.879.746	(1.717.351)	1.115.084.339	-	2.170.786.385
Transfers to reserves	-	-	-	-	-	21.183.875	689.746	78.897.505	-	(100.771.126)	-	-
Change in the fair value of available for sale assets	-	-	-	(723.401)	-	-	-	-	-	-	-	(723.401)
Exchange differences on the translation of foreign operations	-	-	-	-	-	-	-	-	(2.678.463)	-	-	(2.678.463)
Off setting of accumulated deficits of subsidiaries	-	-	-	-	(55.697.687)	-	-	(10.514.686)	-	66.212.373	-	-
Dividends paid	-	-	-	-	-	-	-	-	-	(30.449.421)	-	(30.449.421)
Net loss for the period	-	-	-	-	-	-	-	-	-	-	(5.852.547)	(5.852.547)
Balance as of 31 December 2005	423.500.000	(620.857)	2.157.676	8.168.910	398.382.683	69.363.357	2.040.415	188.262.565	(4.395.814)	1.050.076.165	(5.852.547)	2.131.082.553
Balance as of 1 January 2006- as previously reported	423.500.000	(620.857)	2.157.676	8.168.910	398.382.683	69.363.357	2.040.415	188.262.565	(4.395.814)	1.044.223.618	-	2.131.082.553
Adjustments and reclassifications (*)	-	-	-	-	-	-	-	-	(6.349.707)	4.148.334	-	(2.201.373)
Balance as of 1 January 2006- as restated	423.500.000	(620.857)	2.157.676	8.168.910	398.382.683	69.363.357	2.040.415	188.262.565	(10.745.521)	1.048.371.952	-	2.128.881.180
Transfers to reserves	-	-	-	-	-	15.322.979	3.160.842	43.245.045	-	(61.728.866)	-	-
Change in the fair value of available for sale assets	-	-	-	(7.778.510)	-	-	-	-	-	-	-	(7.778.510)
Exchange differences on translation of foreign operations	-	-	-	-	-	-	-	-	36.170.303	-	-	36.170.303
Effective rate change	-	-	-	-	253.090	-	-	-	-	(253.090)	-	-
Net profit for the period	-	-	-	-	-	-	-	-	-	-	199.323.396	199.323.396
Balance as of 31 December 2006	423.500.000	(620.857)	2.157.676	390.400	398.635.773	84.686.336	5.201.257	231.507.610	25.424.782	986.389.996	199.323.396	2.356.596.369

(*)A reclassification amounting to YTL 6.349.707 is made between the retained earnings and exchange differences on the translation of foreign operations. Also, YTL 2.957.174 of excess amount of inflation adjustment calculated in prior years related to land and land improvements, is adjusted considering the minority interest effect.

The accompanying notes form an integral part of these consolidated financial statements.

Türkiye Şişe ve Cam Fabrikaları A.Ş. and its Subsidiaries
Consolidated Statements of Cash Flows for the Years Ended
31 December 2006 and 31 December 2005

(Amounts are expressed in New Turkish Lira (YTL) unless otherwise stated.)

	Note	1 Jan.-31 Dec. 2006	1 Jan.-31 Dec. 2005
Cash flows from operating activities			
Net profit / (loss) for the period		199.323.396	(5.852.547)
Adjustments to reconcile net profit /(loss) to net cash provided by operating activities			
Depreciation and amortization	19-20	316.641.659	262.361.899
Accrued exchange losses and interest on borrowings	6	139.519.738	(37.846.065)
Retirement pay provision	23	22.354.102	26.819.951
Change in allowance for doubtful receivables	7-10	3.022.336	3.025.031
Change in allowance for impairment of inventories	12	5.435.122	203.965
Impairment of goodwill	17	1.035.611	-
Impairment of financial assets	16	-	156.611.825
Change in sundry provisions	15	2.458.635	(2.802.325)
Change in other miscellaneous income accruals	15	(4.543.653)	287.033
Equity pick-up (income) / loss recognized	38	(13.801.400)	1.245.206
Dividend income	38	(830.528)	(5.268.048)
Minority interest	24	80.718.958	61.394.525
Accrued taxation	41	(27.121.573)	60.944.715
Operating cash flow provided before changes in working capital		724.212.403	521.125.165
Trade receivables	7	(108.961.977)	(14.978.836)
Inventories	12	(132.516.146)	(88.612.280)
Due from related parties	9	(9.692.988)	(1.279.684)
Other receivables and current assets		(1.657.761)	(41.962.884)
Trade payables	7	31.640.460	59.492.513
Due to related parties	9	2.745.767	(634.585)
Advances received	21	6.034.080	690.837
Other payables and expense accruals		17.956.401	1.467.011
Cash generated from operations		529.760.239	435.307.257
Taxes paid	23	(67.083.148)	(71.636.635)
Retirement benefits paid	23	(20.813.577)	(15.268.826)
Cash provided by operating activities		441.863.514	348.401.796

The accompanying notes form an integral part of these consolidated financial statements.

Türkiye Şişe ve Cam Fabrikaları A.Ş. and its Subsidiaries
Consolidated Statements of Cash Flows for the Years Ended
31 December 2006 and 31 December 2005

(Amounts are expressed in New Turkish Lira (YTL) unless otherwise stated.)

	Note	1 Jan.-31 Dec. 2006	1 Jan.-31 Dec. 2005
Cash flows from investing activities			
Change in held for trading securities (net)	5	1.109.366	1.539.871
Change in financial assets (net)	16	(4.291.371)	46.235.178
Acquisitions of tangible assets	19	(657.538.008)	(576.012.192)
Acquisitions of intangible assets	20	(3.641.678)	(1.005.032)
Net book value of tangible assets disposed	19	83.287.122	46.925.752
Net book value of intangible assets disposed	20	29.904	50.239
Dividend income	38	830.528	5.268.048
Changes in other investing activities		12.813.244	(15.987.446)
Cash used in investing activities		(567.400.893)	(492.985.582)
Cash flows from financing activities			
New loans raised	6	683.330.997	604.758.544
Repayment of borrowings	6	(379.523.812)	(352.717.294)
Capital in kind	19	(57.869.886)	-
Dividends paid		-	(30.449.421)
Exchange differences on translation of foreign operations		(42.509.693)	9.309.407
Change in minority interests (net)	24	(10.907.674)	(28.712.210)
Cash provided by financing activities		192.519.932	202.189.026
Net change in cash and cash equivalents	4	66.982.553	57.605.240
Cash and cash equivalents at the beginning of the period	4	445.663.780	388.058.540
Cash and cash equivalents at the end of the period	4	512.646.333	445.663.780

The accompanying notes form an integral part of these consolidated financial statements.

Türkiye Şişe ve Cam Fabrikaları A.Ş. and its Subsidiaries

Notes to the Consolidated Financial Statements for the Year Ended 31 December 2006

(Amounts are expressed in New Turkish Lira (YTL) unless otherwise stated.)

1. Organization and Operations of the Group

Türkiye Şişe ve Cam Fabrikaları A.Ş. Group (the "Group") consists of the holding company Türkiye Şişe ve Cam Fabrikaları A.Ş. (the "Company"), and its subsidiaries comprising of 35 companies, in which the Company holds the majority shareholding and/or controls their management effectively, 3 joint ventures and 2 associates.

The Group consists of five operational divisions of flat glass, glassware, glass packaging, chemicals, and other division which consists of export-import and insurance service companies, for the management accounting purpose. The Group's core business is mainly glass production and in addition, the Group is engaged in complementary industrial and commercial operations related to glass production and participate in various industrial and commercial companies' capital and management.

The Group was established 71 years ago by Türkiye İş Bankası A.Ş. ("İş Bankası") in Turkey, one of the largest private commercial banks in Turkey. The shares of the Company have been publicly traded at the Istanbul Stock Exchange ("ISE") for 21 years. As of the balance sheet date, İş Bankası owns 66,1% of the shares and retains the control of the Group.

Consolidated subsidiaries, joint ventures and associates

The nature of the businesses, the respective business segments of the consolidated subsidiaries and the Group's share of direct and effective ownership are as follows:

Subsidiaries

Company name	Nature of business	Country of registration	Segment
T.Şişe ve Cam Fabrikaları A.Ş. (*)	Holding company	Turkey	Holding
Trakya Cam Sanayii A.Ş. (*)	Flat glass, automotive glass and processed glass production and sales	Turkey	Flat glass
Trakya Glass Bulgaria EAD.	Flat glass production and sales	Bulgaria	Flat glass
Trakya Cam Investment B.V.	Finance and investment company	Netherlands	Flat glass
Çayırova Cam Sanayii A.Ş.	Patterned and coated glass production and sales	Turkey	Flat glass
Trakya Yenışehir Cam Sanayii A.Ş.	Flat glass production and sales	Turkey	Flat glass
Trakya Glass Logistics EAD.	Logistic services	Bulgaria	Flat glass
Paşabahçe Cam San. ve Tic. A.Ş.	Machine made glassware production and sales	Turkey	Glassware
Paşabahçe Eskişehir Cam San. ve Tic. A.Ş.	Machine made glassware production and sales	Turkey	Glassware
Denizli Cam San. ve Tic. A.Ş. (*)	Soda-lime and crystal glassware hand production and sales	Turkey	Glassware
Camış Ambalaj Sanayii A.Ş.	Paper and cardboard packaging production and sales	Turkey	Glassware
Paşabahçe Mağazaları A.Ş.	Retail chain of glassware	Turkey	Glassware
Paşabahçe Investment B.V.	Finance and investment company	Netherlands	Glassware
OOO Posuda	Machine made glassware production and sales	Russia	Glassware
Anadolu Cam Sanayii A.Ş. (*)	Glass packaging production and sales	Turkey	Glass packaging
JSC Mina	Glass packaging production and sales	Georgia	Glass packaging
OOO Ruscam	Glass packaging production and sales	Russia	Glass packaging
OAÖ Pokrov Glass Plant	Glass packaging production and sales	Russia	Glass packaging
Balsand B.V.	Finance and investment company	Netherlands	Glass packaging
OOO Ruscam Ufa	Glass packaging	Russia	Glass packaging
Ferro Döküm San. ve Tic. A.Ş.	Nodular and gray iron castings production and sales	Turkey	Glass packaging
Anadolu Cam Yenışehir San. A.Ş.	Glass packaging production and sales	Turkey	Glass packaging
Anadolu Cam Investment B.V.	Finance and investment company	Netherlands	Glass packaging
Soda Sanayii A.Ş. (*)	Soda ash, sodium and chromium chemicals production and sales	Turkey	Chemicals
Şişecam Bulgaria Ltd.	Soda ash sales	Bulgaria	Chemicals
Cam Elyaf Sanayii A.Ş.	Glass fiber and polyester production and sales	Turkey	Chemicals
Camış Madencilik A.Ş.	Glass raw materials production and sales	Turkey	Chemicals
Camış Egypt Mining Ltd. Co.	Sand supplier	Egypt	Chemicals
Camış Elektrik Üretim A.Ş.	Electricity production and sales	Turkey	Chemicals
Madencilik San. ve Tic. A.Ş.	Glass raw materials production and sales	Turkey	Chemicals
Camış Lojistik Hizmetleri A.Ş. (*)	Logistic services	Turkey	Chemicals
Şişecam Soda Lukavac D.O.O.	Soda ash production and sales	Bosnia & Herzegovina	Chemicals
Cam Pazarlama A.Ş.	Export company of the Group	Turkey	Other
Camış Limited	Foreign purchasing services	England	Other
Şişecam Sigorta Aracılık Hizmetleri A.Ş.	Insurance agency	Turkey	Other

(*) Companies are listed in the Istanbul Stock Exchange ("ISE")

Türkiye Şişe ve Cam Fabrikaları A.Ş. and its Subsidiaries

Notes to the Consolidated Financial Statements for the Year Ended 31 December 2006

(Amounts are expressed in New Turkish Lira (YTL) unless otherwise stated.)

Company name	31 December 2006		31 December 2005	
	Ratio of direct ownership %	Ratio of effective ownership %	Ratio of direct ownership %	Ratio of effective ownership %
Trakya Cam Sanayii A.Ş.	67,07	66,55	67,07	66,56
Trakya Glass Bulgaria EAD	100,00	73,70	100,00	73,62
Trakya Cam Investment B.V.	100,00	73,70	100,00	73,62
Çayırova Cam Sanayii A.Ş.	68,40	52,72	68,40	52,74
Trakya Yenişehir Cam Sanayii A.Ş.	100,00	71,57	100,00	71,57
Trakya Glass Logistics EAD	100,00	73,70	-	-
Paşabahçe Cam San. ve Tic. A.Ş.	99,36	90,40	99,36	90,11
Paşabahçe Eskişehir Cam San. ve Tic. A.Ş.	100,00	88,18	100,00	88,03
Denizli Cam San. ve Tic. A.Ş.	51,00	41,80	51,00	40,80
Camiş Ambalaj Sanayii A.Ş.	100,00	93,76	100,00	93,93
Paşabahçe Mağazaları A.Ş.	100,00	65,99	100,00	65,83
Paşabahçe Investment B.V.	100,00	90,40	100,00	90,11
OOO Posuda	100,00	90,40	100,00	90,11
Anadolu Cam Sanayii A.Ş.	79,81	78,44	79,81	78,42
JSC Mina	80,64	63,25	80,64	63,23
OOO Ruscam	99,72	40,55	99,74	40,55
OAÖ Pokrov Glass Plant	99,99	40,00	90,89	36,35
Balsand B.V.	51,00	40,00	51,00	39,99
OOO Ruscam Ufa	100,00	40,00	100,00	39,99
Ferro Döküm San. ve Tic. A.Ş.	100,00	70,90	100,00	71,01
Cam Ürünleri İşleme Sanayii A.Ş. (*)	-	-	100,00	90,07
Anadolu Cam Yenişehir Sanayi A.Ş.	100,00	81,65	100,00	81,64
Anadolu Cam Investment B.V.	51,85	40,67	51,85	40,66
Soda Sanayii A.Ş.	84,96	81,77	84,92	75,24
Şişecam Bulgaria Ltd.	100,00	81,77	100,00	75,24
Cam Elyaf Sanayii A.Ş.	98,35	74,53	98,35	74,44
Camiş Madencilik A.Ş.	21,54	17,06	21,54	16,98
Camiş Egypt Mining Ltd. Co.	99,70	17,01	99,70	16,93
Camiş Elektrik Üretim A.Ş.	100,00	69,65	100,00	69,66
Madencilik San. ve Tic. A.Ş.	100,00	89,94	100,00	90,05
Şişecam Soda Lukavac D.O.O.	78,34	64,06	-	-
Cam Pazarlama A.Ş.	99,67	91,82	99,66	92,04
Camiş Lojistik Hizmetleri A.Ş.	69,58	28,78	69,58	28,80
Camiş Limited	100,00	94,67	100,00	94,65
Şişecam Sigorta Aracılık Hizmetleri A.Ş.	100,00	99,81	100,00	99,81
Camiş Sigorta Hizmetleri A.Ş. (*)	-	-	100,00	84,62

(*) Merged with the Group's subsidiary Cam Pazarlama A.Ş. with all of their assets and liabilities as of 31 March 2006.

Türkiye Şişe ve Cam Fabrikaları A.Ş. and its Subsidiaries

Notes to the Consolidated Financial Statements for the Year Ended 31 December 2006

(Amounts are expressed in New Turkish Lira (YTL) unless otherwise stated.)

Joint ventures

Company name	Nature of business	Country of registration	Segment
Oxyvit Kimya San. ve Tic. A.Ş.	Vitamin K production	Turkey	Chemicals
Omco İstanbul Kalıp Sanayii A.Ş.	Glass moulds production and sales	Turkey	Glass packaging
OOO Balkum	Sand processing and sales	Russia	Glass packaging

Company name	31 December 2006		31 December 2005	
	Ratio of direct ownership %	Ratio of effective ownership %	Ratio of direct ownership %	Ratio of effective ownership %
Oxyvit Kimya San. ve Tic. A.Ş.	50,00	50,00	50,00	50,00
Omco İstanbul Kalıp Sanayii A.Ş.	50,00	50,00	50,00	50,00
OOO Balkum	50,00	50,00	50,00	50,00

Associates

Company name	Nature of business	Country of registration	Segment
OAQ FormMat	Sand processing and sales	Russia	Glass packaging
Solvay Şişecam Holding AG	Soda ash sales	Austria	Chemicals

Company name	31 December 2006		31 December 2005	
	Ratio of direct ownership %	Ratio of effective ownership %	Ratio of direct ownership %	Ratio of effective ownership %
OAQ FormMat	48,50	19,40	48,50	19,40
Solvay Şişecam Holding AG	23,75	19,42	21,44	16,13

The Company's address and capital structure

The Company is currently located at İş Kuleleri Kule 3, 4.Levent-Beşiktaş/İstanbul. Details on the Company's partnership are as follows.

Shareholders	31 December 2006		31 December 2005	
	Share (%)	Share (YTL)	Share (%)	Share (YTL)
T. İş Bankası A.Ş.	66,10	279.962.603	66,10	279.962.603
Efes Holding A.Ş.	4,07	17.241.537	4,07	17.241.537
Other	29,83	126.295.860	29,83	126.295.860
	100,00	423.500.000	100,00	423.500.000

Details of the number of the personnel

	31 December 2006	31 December 2005
Personnel charged by the monthly pay	5.386	4.825
Personnel charged by the hourly rate	11.537	10.132
	16.923	14.957

Türkiye Şişe ve Cam Fabrikaları A.Ş. and its Subsidiaries

Notes to the Consolidated Financial Statements for the Year Ended 31 December 2006

(Amounts are expressed in New Turkish Lira (YTL) unless otherwise stated.)

2. Basis of the Consolidated Financial Statements' Presentation

Accounting standards applied

The Company and its subsidiaries, which are registered in Turkey, maintain their statutory books of account and prepare their statutory financial statements in accordance with accounting principles in the Turkish Commercial Code and tax legislation. The books of account of subsidiaries established at foreign countries are prepared in accordance with the laws and regulations in force in the countries where they are registered .

The Capital Markets Board (CMB), published a set of comprehensive accounting policies in Communiqué No: 25 of Series XI, "The Communiqué on Capital Market Accounting Standards" (the "Communiqué No: 25 of Series XI"). Providing the disclosures related to the accounting standards issued by the Board including financial statement, report and footnote formats under the "Communiqué on the Amendment of the "Communiqué Regarding the Capital Markets Accounting Standards" (No: 27, Series XI) issued on 23 December 2004 and the "Additional Article 1", which is included in the "Communiqué Regarding the Capital Markets Accounting Standards" No: 25, Series XI, are reserved, the application of International Financial Reporting Standards ("IFRS") is based on the adjustments and declaration obligations required in the Communiqué No: 25, Series XI therefore, the Communiqué declared that as an alternative, the compliance with the accounting standards issued by the International Accounting Standards Board ("IASB") and International Accounting Standards Committee ("IASC") will be counted as in compliance with the CMB Accounting Standards.

According to this, the Group prepared its financial statements according to the alternative application permitted by the CMB, mentioned above. The financial statements and footnotes are prepared in accordance with the CMB's announcement on 20 December 2004 regarding the obligatory format.

Preparation of financial statements in hyperinflationary periods

The CMB with the resolution numbered 11/367 dated 17 March 2005 declared that companies operating in Turkey which prepare their financial statements in accordance with the CMB Accounting Standards (including the application of IFRS) effective as of 1 January 2005, will not be subject to the application of inflation accounting. Therefore, beginning from 1 January 2005 IAS 29 "Financial Reporting in Hyperinflationary Economies" which was issued by IASB was not applied.

The exchange rate announced by the Turkish Central Bank as of 31 December 2006 is USD Dollar 1 = YTL 1.4056, EUR 1 = YTL 1.8515 (31 December 2005: USD Dollar 1 = YTL 1.3418, EUR 1 = YTL 1.5875).

Consolidation

The consolidated financial statements incorporate the financial statements of the Group and enterprises controlled by the Group as explained in Note 1. Adjustments are made to eliminate intercompany sales and purchases, intercompany receivables and payables and intercompany equity investments.

Entities in which the Group, directly or indirectly, has above 50% shareholding or interest of voting rights or otherwise has power to exercise control over operations, have been fully consolidated. All significant transactions and balances between the Group and its consolidated subsidiaries are eliminated on the consolidation. In cases where the consolidated entities are not 100% owned the shareholders' equity and net profit / (loss), which belong to third party shareholders, are separately disclosed for as minority interests in the consolidated financial statements.

Joint ventures are accounted for by the proportional consolidation method in the financial statements of the Group. Application of this method is terminated when control over joint ventures ceases. Proportional consolidation method principally has the same procedures as the line-by-line consolidation method. However, before commencing joint management consolidation transactions, balance sheet and income statement amounts of the participations subject to joint management are gathered with similar accounts in the financial statements of the Group considering the share of the Group acquired directly and/or via its subsidiaries. Consolidated financial statements prepared after these transactions do not include minority interest. Presentation of the transactions between the jointly managed company and the Group are reflected to the financial statements based on the substance of the transaction. Within this context, profit earned from the transfer or sale of a non-current asset to jointly managed companies is considered as much as the other entrepreneurs' share.

Türkiye Şişe ve Cam Fabrikaları A.Ş. and its Subsidiaries

Notes to the Consolidated Financial Statements for the Year Ended 31 December 2006

(Amounts are expressed in New Turkish Lira (YTL) unless otherwise stated.)

Enterprise over which the Group is in a position to exercise significant influence, through participation in the financial and operating policy decisions of the investee are called as an associate and they are accounted for under the equity method. Under the equity method, the net assets of the investee company are carried in the consolidated balance sheet and the share of the Group derived from the investee company's results of operations is recognized in the statement of income. The carrying amount of such investments is reduced to recognize any decline, other than a temporary decline, in the value of individual investments.

In accordance with IAS 21 "The Effects of the Changes of Exchange Rates", the assets and liabilities of the affiliates of the Group in foreign countries, are translated into New Turkish Lira by using the closing rate of the balance sheet date. The income/loss items are translated into New Turkish Lira by the average exchange rate of the period. Differences between the period-end and average rates are included in the exchange differences on the translation of foreign currency account in shareholders' equity. The exchange differences are written as income or loss to the related period.

On acquisition, the assets and liabilities of the relevant subsidiaries are measured at their fair values at the date of the acquisition. The interest of minority shareholders is stated at the minority's proportion of the fair values of the assets and liabilities recognized. The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used in line with those used by other Group companies.

Comparative information and restatement of prior period financial statements

Consolidated financial statements have been presented comparatively to the prior period. If the presentation or classification of the financial statements is changed, in order to maintain consistency, financial statements of the prior periods are also reclassified in line with the related changes.

In this respect, the Group made a reclassification amounting to YTL 6.349.707 between the retained earnings and exchange differences on the translation of foreign operations and YTL 2.957.174 of excess of inflation adjustment calculated in prior years related to land and land improvements, is adjusted considering the minority interest effect.

	Previously reported	Adjustment	Restated
Exchange differences on the translation of foreign operations	(4.395.814)	(6.349.707)	(10.745.521)
Retained earnings	1.044.223.618	4.148.334	1.048.371.952
Minority interest	674.574.988	(755.801)	673.819.187

Offsetting

Financial assets and liabilities are offset and the net amount reported in the consolidated balance sheet when there is a legal right to set off the recognized amounts and there is an intention to settling on a net basis, or realizing the asset while fulfilling the liability simultaneously.

Adoption of new and revised standards

In the current year, the Group has adopted all of the new and revised IFRS and interpretations issued by the International Accounting Standards Board ("IASB") and the International Financial Reporting Interpretations Committee ("IFRIC") of the IASB that are relevant to its operations except for the ones that contradict with the CMB's announcement on 20 December 2004 regarding the obligatory format. At the date of authorization of these financial statements, the following standards and interpretations were in issue but not yet effective.

IAS 1	Presentation of Financial Statement :Additional Requirements for Disclosures of the Entity's Capital
IFRS 7	Financial Instruments: Disclosures
IFRS 8	Operating Segments
IFRIC 7	Applying the Restatement Approach under IAS 29 Financial Reporting in Hyperinflationary Economies
IFRIC 8	Scope of IFRS 2
IFRIC 9	Reassessment of Embedded Derivatives
IFRIC 10	Interim Financial Reporting and Impairment
IFRIC 11	Group and Treasury Share Transactions
IFRIC 12	Service Concession Arrangements

IFRS 7 requires additional disclosures in the financial statements for financial instruments compared to the existing standards. Nevertheless, it does not include any arrangements related with classification and valuation of financial instruments.

Türkiye Şişe ve Cam Fabrikaları A.Ş. and its Subsidiaries

Notes to the Consolidated Financial Statements for the Year Ended 31 December 2006

(Amounts are expressed in New Turkish Lira (YTL) unless otherwise stated.)

The Group's Management anticipates to the adoption of these standards and interpretations in future periods, except additional disclosure requirements due adoption of IFRS 7, will have no material impact on the consolidated financial statements of the Group.

3. Summary of Significant Accounting Policies

The significant accounting policies used in the preparation of the accompanying consolidated financial statements are as follows:

a. Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates, and other similar allowances.

Sale of goods

Revenue from sale of goods is recognized when all the following conditions are satisfied:

- The Group transfers all the significant risks and rewards of ownership of the goods to the buyer,
- The Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold,
- The amount of revenue can be measured reliably,
- It is probable that the economic benefits associated with the transaction will flow to the entity and,
- The costs to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognized by reference to the stage of completion of the contract. The stage of completion of the contract is determined as follows:

- Installation fees are recognized by reference to the stage of completion of the installation, determined as the proportion of the total time expected to install that has elapsed at the balance sheet date,
- Servicing fees included in the price of products sold are recognized by reference to the proportion of the total cost of providing the services for the product sold, taking into account historical trends in the number of services actually provided on past goods sold, and
- Revenue from time and material contracts is recognized at the contractual rates as labour hours are delivered and direct expenses are incurred.

Royalty

Royalty revenue is recognized on an accrual basis in accordance with the substance of the relevant agreement. Royalties determined on a time basis are recognized on a straight-line basis over the period of the agreement. Royalty arrangements that are based on production, sales and other measures are recognized by reference to the underlying arrangement.

Dividend and interest revenue

Interest revenue 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.

Dividend revenue from investments is recognized when the shareholders' rights to receive payment have been established.

Rental income

Rental income from investment properties is recognized on a straight-line basis over the term of the relevant lease.

b. Inventory

Inventories are stated at the lower of cost and net realizable value (market value less sales expenses) using the weighted average method. Cost comprises purchase cost and, where applicable, conversion costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

c. Tangible assets

Tangible assets that are acquired before 1 January 2005 are carried at their restated costs adjusted to the effects of inflation as of 31 December 2004, less any accumulated depreciation and any impairment loss and tangible assets that are acquired after 1 January 2005 are carried at cost of acquisition, less any accumulated depreciation and any impairment loss.

Türkiye Şişe ve Cam Fabrikaları A.Ş. and its Subsidiaries

Notes to the Consolidated Financial Statements for the Year Ended 31 December 2006

(Amounts are expressed in New Turkish Lira (YTL) unless otherwise stated.)

The expected useful lives for tangible assets are as follows:

	Useful life
Buildings	14-50 years
Land improvements	8-50 years
Machinery and equipment	2-15 years
Vehicles	3-15 years
Furniture and fixtures	1-10 years
Leasehold improvements	5-10 years

Gains or losses on disposals of tangible assets with respect to their restated amounts are included in the related income and expense accounts, as appropriate where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Maintenance expenses for tangible assets are normally charged against income. In cases where they result in an enlargement or substantial improvement of the respective assets, all the cost associated with maintenance, including the interest charges for the period of the relining on any loans specifically taken to finance the repair, are capitalized and subjected to depreciation in accordance with the depreciation policies explained above.

d. Intangible assets

Intangible assets are measured initially at acquisition cost less accumulated amortization and are amortized on a straight-line basis over their estimated useful lives.

e. Impairment of tangible and intangible assets

At each balance sheet date, the Group reviews the carrying amounts of all of its assets, excluding goodwill and deferred tax, to determine whether there is any indication that those assets have suffered from an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any) at each balance sheet date. Intangible assets are also tested for impairment and, if there is any indication of their usage, the recoverable amount of the assets is estimated at each balance sheet date. If the book value of these assets or any unit producing cash, belonging to that asset, are higher than their value of use or their net selling prices, then there is an impairment in the value of these assets. The impairment losses are recognized in the income statement.

If the impairment loss of an asset is followed by an increase in its recoverable amount which can be also justified by a related event, the increase in the recoverable amount can be adjusted in the financial statements by reversing the recognized impairment loss to the extent that the adjustment should not exceed the total amount of the recognized impairment loss.

f. Borrowing costs

Interest expenses directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recorded in the income statement in the period in which they are incurred.

g. Financial instruments

All the financial assets are initially carried at their fair values including their purchase cost related to the investment.

After the initial recognition, the Group's held to maturity investments are carried at their amortized costs less any accumulated impairment losses.

Investments other than held-to-maturity debt securities are classified as either investments held for trading or as available-for-sale, and are measured at subsequent reporting dates at fair value. Where securities are held for trading purposes, gains and losses arising from changes in fair value are included in profit or loss for the period. For available-for-sale investments, gains and losses arising from changes in fair value are recognized directly in equity, until the security is disposed of or is determined to be impaired, at which time the cumulative gain or loss previously recognized in equity is included in the profit or loss for the period. Available-for-sale investments that do not have a quoted market price in an active market and for which other methods of reasonably estimating fair value are clearly inappropriate or unworkable are carried at restated cost in the accompanying consolidated financial statements.

Fair value is the amount for which an asset could be exchanged or a liability settled, between knowledgeable willing parties in an arms length transaction. Market value is the amount obtainable from the sale or payable on the acquisition, of a financial instrument in an active market, if one exists. The estimated fair values of financial instruments have been determined by the Group using available market information and appropriate valuation methodologies. However, judgment is necessarily required to interpret market data to develop

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the estimated fair value. Accordingly, the estimates presented here in may not necessarily be indicative of the amounts the Group could realize in a current market exchange.

Balances with banks, receivables, contingent liabilities such as letters of guarantee and letters of credit are important financial instruments which could have negative effects on the financial structure of the Group if the other party fails to comply with the terms and conditions of the agreement.

The recorded values of certain financial assets carried at cost are considered to be representative of fair values due to their short term nature.

The following methods and assumptions were used to estimate the fair value of each class of financial instrument.

Cash and cash equivalents

Cash and bank balances denominated in foreign currencies are translated at period-end exchange rates. The carrying amounts of the remaining cash and bank balances are reasonable estimates of their fair values.

Trade receivables

Trade receivables, under IAS 39, are measured at initial recognition at fair value, and are subsequently measured at amortized cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognized by the Group Management considering the amount of non-collectable receivables, guarantees taken, previous experiences and existing economical conditions. Irrecoverable amounts are recognized as loss in the period, in which it is clear that no collections can be made regarding to those amounts.

Borrowings

Borrowings have interest rates that are fixed on an entry value basis. However, borrowings at Libor or Euribor plus mark up are subject to fluctuation in accordance with the prevailing interest rates in the market. Interest-bearing bank loans and bank overdrafts are recorded at the proceeds received. Finance charges are accounted for on an accrual basis and are added to the carrying amount of the instrument to the extent they are not settled in the period in which they incurred.

Credit risk

The Group's credit risk is primarily attributable to its trade receivables. The Group has no significant concentration of credit risk, with exposure spread over a large number of customers. The amounts presented in the balance sheet are net of allowances for doubtful receivables, estimated by the Group's management based on prior experience and the current economic environment. The credit risk on liquid funds is limited because the funds are invested in government bonds and treasury bills for short-term purposes.

Price risk

The Group is exposed to exchange rate fluctuations between foreign currencies and the Turkish Lira due to the nature of its business. Majority of the Group's imports and exports are in foreign currencies. Certain parts of the interest rates related to borrowings and leasing transactions are based on market interest rates, therefore, the Group is exposed to interest rate fluctuations in domestic and international markets.

Liquidity risk

The Group is generally raising funds by liquidating its short-term financial instruments such as collecting its receivables and disposing of marketable securities. The Group's proceedings from these instruments generally approximate their fair values.

h. Business mergers and goodwill

Goodwill represents the difference between the purchased assets' purchase cost and the fair value of the underlying net assets. Goodwill that is acquired before 31 March 2004 is capitalized and amortized using the straight-line method over the estimated useful life until 31 December 2004. Under IFRS 3 "Business Combinations", amortization using the straight-line method for goodwill arising from the acquisitions subsequent to 31 March 2004 is no longer applied and the carrying value of goodwill is reviewed annually for impairment if there is any indication of impairment and an impairment loss should be recognized in the consolidated statements, if any. For the purpose of impairment testing, a calculation is required for the value in use of each cash-generating unit which positive goodwill is allocated to. The calculation of value in use requires an appropriate discount rate for the measurement of expected future cash flows generated by the cash-generating units of the Group and the present value of those future cash flows.

For acquisitions subsequent to the related date, any excess of the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the cost of the business combination (known as negative goodwill) should be recognized immediately in profit or loss.

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i. Foreign currency transactions

In accordance with IAS 21 "The Effects of Changes in Foreign Exchange Rates", for the purpose of the consolidated financial statements, assets and liabilities of the associates of the Group in foreign countries, are converted to YTL using the parity on the balance sheet date. Income and expense items are expressed in YTL using the weighted average currency in that period. Currency differences arising from the closing and weighted average currency are followed in the translation reserve account under shareholders' equity. Exchange differences are reported as income or expense at the end of the transaction period.

In preparing the financial statements of the Group, transactions in foreign currencies (currencies other than YTL foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. Assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the balance sheet date. Gains and losses arising on settlement and translation of foreign currency items are included in the statements of income.

j. Earnings per share

Earnings per share stated on statements of income is calculated by dividing net profit or loss by the weighted average number of common shares outstanding during the period. The weighted average number of common shares outstanding during the period is the sum of number of common shares at the beginning of the period, and the product of number of common shares exported during the period and a time weighted factor (Note: 42).

k. Events after balance sheet date

Events after balance sheet date are those events, favourable and unfavourable, that occur between the balance sheet date and the publication date of the balance sheet. Should any evidence about the events that are prior to the balance sheet date or any related events arise subsequent to the balance sheet date, should be explained in the relevant footnote.

l. Provisions, contingent liabilities, contingent assets

The Group shall recognise a provision when it has a present obligation as a result of a past event, and it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Contingent liabilities are reviewed consistently to determine whether there is a possibility of an outflow of resources embodying economic benefits from the company. For items of contingent liabilities, when a future outflow of resources embodying economic benefits from the company becomes probable, such contingent liabilities, except for the reliable estimate cannot be made, are recognized as a provision in the financial statements attributable to the period in which the change in the outflow of resources embodying economic benefits becomes probable. The Group, reflects its related liabilities in the notes to the extent that contingent liabilities are probable but there is no reliable assumption on the amount of resources embodying economic benefits.

An asset is defined as a contingent asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. A contingent asset is disclosed where an inflow of economic benefits is probable.

m. Accounting policies, change in accounting estimates and errors

Accounting principles, policies, assumptions and rules practised in preparation of financial statements are determined and applied consistently in accordance with International Financial Reporting Standards ("IFRS") as prescribed in the CMB accounting standards and in the CMB's Communiqué No: 25, Series XI.

The Group can make changes to its accounting policies when such changes will reflect the companies' financial position, performance or cash flows in a more reliable manner. When the accounting policy change affects the current and the prior period results, the change is applied retroactively as if the accounting policy was in effect.

If the application of such change affects the financial results of the following periods, the accounting policy change is applied in the period in which such change is made.

Accounting estimates are made by using reliable data and proper estimating methods. When there are changes in the underlying assumptions, such as availability of new information or occurrence of new events, the company reviews these estimates. If the change in the accounting estimate affects just one period, the change is taken into account in the period in which the change is made. If the change in estimate affects the future periods, the change is applied prospectively.

Errors might stem from miscalculations, incorrect application of accounting policies or misinterpretation of the accounting standards. When the Group realizes a probable error, the financial statements are restated retroactively. The Group shall disclose the nature of error, aggregate amount of adjustments applied to the prior periods and each comparative period in which represents the aggregate amount of these adjustments.

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n. Leasing transactions

Assets held under finance leases are recognized as assets of the Group at their fair values at the date of acquisition. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Finance costs, which represent the difference between the total leasing commitments and the fair values of the assets acquired, are charged to the income statement over the term of the relevant lease so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

o. Related parties

For the purpose of the accompanying consolidated financial statements, shareholders of Türkiye Şişe ve Cam Fabrikaları A.Ş., consolidated and non-consolidated group companies, their directors and key management personnel and any groups to which they are known to be related, are considered and referred to as related parties.

p. Segmental financial reporting

For management purposes, the Group is currently organized into five operating businesses; flat glass, glassware, glass packaging, chemicals and other including import, export, insurance agency and investment agency. These divisions are the basis of which the Group reports its primary segment information.

q. Government incentives and grants

Investment incentive certificates, which were based on the acquisition of tangible assets subject to depreciation, are revoked commencing from 1 January 2006. However, investment incentives existing as of 31 December 2005, which could not be deducted in the financial year 2005, are carried forward to the financial year 2006 according to 69th Provisional Article of Income Withholding Tax Law, and the investment expenditures made after 1 January 2006, which are economically and technically related to the investments made in accordance with Article 19 of Income Withholding Tax Law commencing before the afore mentioned date, and expenditures made after 1 January 2006, which were related to the investment incentive certificates obtained prior to 24 April 2003, will be deductible from taxable income of financial years 2006, 2007 and 2008 within the context of the prevailing Law as of 31 December 2005 in order to preserve the vested rights of the entities.

Withholding tax at the rate of 19,8% is still applied to investment allowances relating to investment incentive certificates obtained prior to 24 April 2003 regardless of the appropriation of the profit.

In Section 10 of the Law, numbered 5220, it was decided that 40% of research and development ("R&D") expenditures from the Group's search for exclusive and new technology and information is exempt from corporate tax as a R&D deduction. There is no withholding tax for R&D deduction.

Expenses regarding industries having R&D quality projects which were qualified by expert organizations are viewed and evaluated so that specific proportion of these expenses are considered as grants or are given support on condition of payback under the Export-oriented Government Grants Decision numbered 94/6401, within the framework of Research and Development Grants numbered 98/10 which was published in accordance with the decision of Money Credit Coordination Board dated 9/9/1998 and numbered 98/16 by the Undersecretariat of Foreign Trade.

The Group is exempt from the stamp tax and duties attributed to the export transactions and other profitable foreign exchange operations to the extent of the procedures and basis determined by the Ministry of Finance and Undersecretariat of Foreign Trade.

The government grants are paid to support the participation of attending fairs abroad according to the decision dated 16 December 2004 and numbered 2004/11 of Money Credit and Coordination Board which was prepared on the basis of Decisions of Export-oriented Government Grants.

According to the law no 3218, companies which are licensed to operate in free zones are exempt from income and corporate tax provided that gains from these operations are limited with the license period, wages of employees working in these zones are exempt from income tax, all stamp taxes and duties before 31 December 2008. Moreover, incomes of tax payers who are having operations in free zones are exempt from income and corporate tax until the end of the annual taxation period including the date of the full membership to the European Union.

r. Taxation and deferred income taxes

Turkish tax legislation does not permit a parent company and its subsidiaries to file a consolidated tax return. Therefore, provisions for taxes, as reflected in the accompanying consolidated financial statements, are calculated on a separate-entity basis.

Taxes on income for the year comprise of current tax and change in deferred taxes. The Group accounts for current and deferred taxation on the results for the period, in accordance with IAS 12 ("Income Taxes" revised).

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Provision is made in the financial statements for the Group's estimated liability to Turkish corporation tax on its results for the year. The charge for the current tax is based on the results for the year as adjusted for items, which are non-assessable or disallowed.

Deferred tax assets and liabilities are recognized using the liability method in respect of material temporary differences arising from different treatment of items for accounting and taxation purposes. Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are only provided to the extent if it is probable that taxable profit will be available against which the deductible temporary differences can be utilized.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled and charged or credited in the statement of income. Prepaid corporation taxes and corporation tax liabilities are offset as they relate to income taxes levied by the same taxation authority. Deferred tax assets and liabilities are also offset.

s. Employee benefits/ retirement pay provision

Employee benefits are provided to the Group employees such as bonuses, marriages, yearly vacation and education incentives. Moreover, under the Turkish law and union agreements, lump sum payments are made to employees retiring or involuntarily leaving the Group. Future retirement payments are discounted to their present value at the balance sheet date at an interest rate determined as net of an expected inflation rate and an appropriate discount rate.

t. Statement of cash flows

To inform the users of financial statements on the change of net assets, financial structure of the Group and its ability to guide the amounts and timing of its cash flows according to changing conditions, Group prepares cash flow statements as an integral part of its financial statements. Cash flows for the period are mainly reported depending on the investment and financial operations of the Group.

4. Cash and Cash Equivalents

	31 December 2006	31 December 2005
Cash on hand	375.957	251.912
Demand deposits	67.774.261	53.515.987
Time deposits	444.224.296	390.478.321
Other liquid assets	271.819	1.417.560
	512.646.333	445.663.780

Time deposits

Currency	Interest rate (%)	Maturity	31 December 2006	31 December 2005
EUR	3,50-4,30	January - March 2007	277.239.134	204.105.235
USD	4,00-5,50	January - March 2007	91.771.738	64.392.590
YTL	17,50-20,60	January 2007	72.032.296	120.960.688
Other foreign currency in equivalents of YTL		January 2007	3.181.128	1.019.808
			444.224.296	390.478.321

5. Investments (net)

	31 December 2006	31 December 2005
Held for trading investments	100.998	1.210.364

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6. Financial Debts (net)

	31 December 2006	31 December 2005
Short term financial debts		
Short term bank loans	446.817.638	354.959.484
Current portion of long term loans	161.677.361	64.107.442
Total short term financial debts	608.494.999	419.066.926
Long term financial debts		
Long term portion of long term loans	642.478.835	388.579.985
Total financial debts	1.250.973.834	807.646.911

31 December 2006

Currency	Maturity	Interest rate (%)	Short term	Long term
USD	2007 - 2017	Libor + 0,50-4,25	140.010.679	112.707.982
EUR	2007 - 2017	Euribor + 0,40-3,65	437.019.101	528.350.876
YTL	2007	15,00	31.465.219	1.419.977
			608.494.999	642.478.835

31 Aralık 2005

Currency	Maturity	Interest rate (%)	Short term	Long term
USD	2006 - 2012	Libor + 0,65-4,25	90.052.223	105.119.296
EUR	2006 - 2012	Euribor + 0,60-3,65	294.399.616	283.460.689
YTL	2006	12,00-15,00	34.615.087	-
			419.066.926	388.579.985

The borrowings are repayable as follows:

	31 December 2006	31 December 2005
Within 1 year	608.494.999	419.066.926
Within 1-2 years	227.935.395	134.224.626
Within 2-3 years	145.935.622	89.073.859
Within 3-4 years	125.324.779	70.813.212
Within 4-5 years	66.439.766	56.472.784
5 years and after	76.843.273	37.995.504
	1.250.973.834	807.646.911

7. Trade Receivables and Payables (net)

	31 December 2006	31 December 2005
Current trade receivables		
Trade receivables	479.199.802	369.821.261
Deposits and guarantees given	171.402	178.076
Other trade receivables	134.826	544.716
Allowance for doubtful receivables (-)	(14.207.943)	(10.946.776)
	465.298.087	359.597.277

Movements in the allowance for doubtful receivables are as follows

	2006	2005
Opening balance, 1 January	(10.946.776)	(7.971.696)
Charge for the period	(3.921.052)	(3.863.048)
Collections	659.885	887.968
Closing balance, 31 December	(14.207.943)	(10.946.776)

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The Group holds the following collaterals for its trade receivables:

	31 December 2006	31 December 2005
Letters of guarantee	177.773.367	142.390.837
Notes and bills	17.104.125	19.486.391
Mortgages	13.656.015	12.047.201
Others	1.186.030	642.022
	209.719.537	174.566.451

Non current trade receivables (net)	31 December 2006	31 December 2005
Trade receivables	2.851.165	3.923.866
Deposits and guarantees given	952.099	634.902
	3.803.264	4.558.768

Trade payables (net)	31 December 2006	31 December 2005
Short term trade payables		
Trade payables	193.995.435	163.381.294
Deposits and guarantees received	2.089.102	1.348.507
Other trade payables	637.206	351.482
	196.721.743	165.081.283

Long term trade payables		
Deposits and guarantees received	23.759	32.341

8. Finance Lease Receivables and Obligations

None.

9. Related Party Transactions (net)

The main shareholder and the controller of the Group is T. İş Bankası A.Ş. Transactions between the Company and its subsidiaries are eliminated on the consolidation and it's not explained in this note. The details of the transactions between the Group and the other related parties are explained below.

Deposits at İş Bankası	31 December 2006	31 December 2005
Demand deposits	57.007.203	45.953.159
Time deposits	441.040.890	389.320.964
	498.048.093	435.274.123

Loans received from İş Bankası	111.271.426	55.090.139
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Due from related parties		
Paşabahçe Mağazaları B.V.	2.227.305	904.539
Anadolu Anonim Türk Sigorta A.Ş.	23.374	6.350
OOO Paşabahçe Mağazaları	153.703	146.726
Paşabahçe Mağazaları EOOD	482.375	-
Paşabahçe USA Inc.	344.466	236.983
Camış Menkul Değerler A.Ş.	17.558	7.508
Cromital S.P.A	4.595.326	6.509
Sudel Invest	3.309	2.462
Şişecam Shanghai Trade Co. Ltd.	1.115.540	676.372
OAQ FormMat	204.579	49.300
T. İş Bankası A.Ş.	7.314.970	6.145.467
İş Merkezleri Yönetim ve İşletim A.Ş.	346	-
Paşabahçe Yatırım ve Pazarlama A.Ş.	1.201.279	-
Sintan Kimya Sanayii ve Ticaret A.Ş.	188.542	-
Yatırım Finansman Yatırım Ortaklığı A.Ş.	7.848	-
Due from personnel	2.019.360	3.016.944
Other	3.261	8.577
	19.903.141	11.207.737

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Due to related parties	31 December 2006	31 December 2005
İstanbul Porselen Sanayii A.Ş.	2.630.964	2.621.535
Anadolu Anonim Türk Sigorta A.Ş.	3.802.010	2.818.255
Avea İletişim Hizmetleri A.Ş.	50.424	45.449
İş Merkezleri Yönetim ve İşletim A.Ş.	302.581	330.522
Mepa Merkezi Pazarlama A.Ş.	-	6.782
Sintan Kimya Sanayii ve Ticaret A.Ş.	2.928	-
İş Net Elekt. Bilgi Ür. Dağ. Tic. ve İlet. Hiz. A.Ş.	-	40.584
Solvay Şişecam Holding A.G.	1.411.638	538.787
Şişecam Shanghai Trade Co. Ltd.	48.795	49.045
Kanyon Yönetim İşletim ve Pazarlama Ltd. Şti.	3.174	-
Camiş Menkul Değerler A.Ş.	11.218	-
İş Gayrimenkul Yatırım Ortaklığı A.Ş.	254.841	-
Paşabahçe Yatırım ve Pazarlama A.Ş.	262.425	-
Dividend payables	663.571	250.007
Due to personnel	7.138.778	5.284.601
Other	2.289	125
	16.585.636	11.985.692

	1 Jan.-31 Dec. 2006	1 Jan.-31 Dec. 2005
Interest income from related parties		
İstanbul Porselen Sanayii A.Ş.	293	129
Mepa Merkezi Pazarlama A.Ş.	-	612
Paşabahçe USA Inc.	29.778	5.630
İşbank GmbH	1.800.518	31.797
Sintan Kimya Sanayii ve Ticaret A.Ş.	26.215	-
T. İş Bankası A.Ş.	13.496.026	9.513.469
	15.352.830	9.551.637

Interest expense to related parties		
İstanbul Porselen Sanayii A.Ş.	313.963	306.476
T. İş Bankası A.Ş.	822.213	876.608
Sintan Kimya Sanayii ve Ticaret A.Ş.	20	-
Other	19	1.968
	1.136.215	1.185.052

Other income from related parties		
Paşabahçe USA Inc.	125.012	-
Anadolu Anonim Türk Sigorta Şirketi	4.316.191	3.499.052
OOO Paşabahçe Mağazaları	-	80.718
Paşabahçe Mağazaları EOOD	205.269	-
T. İş Bankası A.Ş.	886.208	882.401
İşbank GmbH	2.383	1.341
Cromital SPA	12.072	24.470
OA FormMat	70.141	-
Sintan Kimya Sanayii ve Ticaret A.Ş.	280.196	-
Other	50	41.151
	5.897.522	4.529.133

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	1 Jan. -31 Dec. 2006	1 Jan. -31 Dec. 2005
Other expenses to related parties		
İş Gayrimenkul Yatırım Ortaklığı A.Ş.	361.585	148.829
Anadolu Anonim Türk Sigorta Şirketi	314.180	368.124
Anadolu Hayat Emeklilik Sigorta A.Ş.	55.398	43.406
T. İş Bankası A.Ş.	533.578	583.587
Tibaş Mensupları Munzam Sos. Güv. ve Yard. Vakfı	411.887	373.225
İş Merkezleri Yönetim ve İşletim A.Ş.	169.328	82.100
Paşabahçe USA Inc.	105.952	11.141
Avea İletişim Hizmetleri A.Ş.	3.013	2.235
Camış Menkul Değerler A.Ş.	18.000	-
Solvay Şişecam Holding AG	10.557.651	-
Şişecam Shanghai Trade Co. Ltd.	141.848	213.116
Other	87.522	23.969
	12.759.942	1.849.732

10. Other Receivables and Financial Liabilities (net)

	31 December 2006	31 December 2005
Other doubtful receivables	209.306	448.137
Provision for other doubtful receivables (-)	(204.027)	(442.858)
VAT carried forward	39.478.666	22.411.975
VAT receivable arising from export sales	17.665.268	11.549.172
Business advances given	4.975.382	5.358.961
Receivables from sale of Petrol Ofisi A.Ş. shares	-	24.668.135
Other	7.719.721	4.806.964
	69.844.316	68.800.486

Other non current receivables

Receivables from sale of Petrol Ofisi A.Ş. shares	-	12.334.066
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Other financial liabilities

Taxes and dues payable	16.029.305	13.825.669
Social security premiums payable	21.578.982	17.029.076
Restructured tax	1.459.531	2.539.769
VAT payable and other liabilities	3.291.293	2.219.319
	42.359.111	35.613.833

11. Biological Assets

Biological assets are not a part of the Group's activities.

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12. Inventories (net)

	31 December 2006	31 December 2005
Raw materials	184.525.903	131.214.235
Work in process	27.116.717	22.333.574
Finished goods	289.808.286	256.453.209
Trade goods	29.567.637	15.966.879
Order advances given	28.813.200	15.572.615
Other inventories	29.072.899	14.847.984
Provision for impairment of inventories	(6.173.694)	(738.572)
	582.730.948	455.649.924

Movements in the provision for impairment of inventories are as follows:

	2006	2005
Opening balance, 1 January	(738.572)	(534.607)
Charge for the period	(5.435.122)	(203.965)
Closing balance, 31 December	(6.173.694)	(738.572)

13. Receivables from Ongoing Constructions Contracts and Progress Payments

None.

14. Deferred Tax Assets and Liabilities

The Group recognizes deferred tax assets and liabilities based upon temporary differences arising from its financial statements as reported for IFRS purposes and its statutory tax financial statements. These differences usually result in the recognition of revenue and expenses in different reporting periods for IFRS and tax purposes.

	31 December 2006	31 December 2005
Deferred tax assets	44.608.866	33.214.031
Deferred tax liabilities	(149.750.116)	(229.925.735)
Deferred tax liabilities (net)	(105.141.250)	(196.711.704)

Deferred tax (assets) / liabilities

Indexation and useful life differences of tangible and intangible assets	(195.105.957)	(299.111.887)
Retirement pay provision	26.729.210	39.690.687
Unused investment incentive	39.174.822	28.280.997
Tax losses carried forward	11.180.876	21.103.841
Non-real part of capitalized finance expenses	3.350.160	4.668.198
Restatement of inventories	4.864.657	4.287.003
Other	4.664.982	4.369.457
	(105.141.250)	(196.711.704)

Movements of deferred tax liabilities	2006	2005
Opening balance, 1 January	(196.711.704)	(204.017.950)
Effect of change in tax rate	74.097.547	-
Benefit on deferred tax	17.472.907	7.306.246
Closing balance, 31 December	(105.141.250)	(196.711.704)

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15. Other Current / Non Current Assets and Short Term / Long Term Liabilities

Other current assets	31 December 2006	31 December 2005
Prepaid expenses	5.734.645	3.884.299
Income accruals	4.656.906	113.253
	10.391.551	3.997.552
Other non current assets		
Prepaid expenses	421.577	1.205.926
	421.577	1.205.926
Other short term liabilities		
Other liabilities	7.392.672	2.510.504
Prepaid income	4.774	4.699
Expense accruals	2.799.754	341.119
Other short term liabilities	184.393	109.639
	10.381.593	2.965.961
Other long term liabilities		
Prepaid income	664.388	635.673
Deferred liabilities to government	-	1.080.816
Other long term liabilities	287.113	254.046
	951.501	1.970.535

16. Financial Assets (net)

	31 December 2006	31 December 2005
Unconsolidated subsidiaries	3.273.852	2.773.890
Investments in associates	108.576.919	78.969.842
Held to maturity investments	1.443.196	1.384.365
Available for sale investments	85.126.193	95.448.373
	198.420.160	178.576.470

The Group's shares in its unconsolidated subsidiaries are as follows:

	Share %	31 December 2006	Share %	31 December 2005
Şişecam China Ltd.	100,00	61.554	100,00	61.554
Mepa Merkezi Pazarlama A.Ş.	99,70	212.084	99,70	212.084
İstanbul Porselen Sanayii A.Ş.	99,87	8.576.838	99,87	8.576.838
Paşabahçe Glas GmbH	100,00	68.699	100,00	68.699
Topkapı Yatırım Holding A.Ş.	80,00	51.796	80,00	51.834
Şişecam Shanghai Trade Co. Ltd.	100,00	324.523	100,00	324.523
Paşabahçe USA Inc.	100,00	162	100,00	162
Paşabahçe Mağazaları B.V.	100,00	95.508	100,00	95.508
Cromital S.p.A.	50,00	2.171.610	50,00	2.171.610
Paşabahçe Yatırım ve Pazarlama A.Ş.	100,00	500.000	-	-
Provision for impairment of subsidiaries (-)		(8.788.922)		(8.788.922)
		3.273.852		2.773.890

Şişecam China Ltd., Paşabahçe Glas GmbH, Paşabahçe USA Inc., Paşabahçe Mağazaları B.V., Cromital S.p.A. and Şişecam Shanghai Trade Co. Ltd. are the subsidiaries which are incorporated internationally as to engage in the production, marketing and sales operations. The financial statements of these companies and the financial statements of Paşabahçe Yatırım ve Pazarlama A.Ş. and Topkapı Yatırım Holding A.Ş. were not included in consolidation due to their immateriality compared to the consolidated financial statements.

Since Mepa Merkezi Pazarlama A.Ş. and İstanbul Porselen Sanayii A.Ş. are dormant companies, impairment is allocated to the amount of all their shares in the consolidated financial statements.

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Investments in associates

	Share %	31 December 2006	Share %	31 December 2005
Solvay Şişecam Holding AG	23,75	98.123.280	21,44	69.805.676
OAÖ FormMat	48,46	10.453.639	48,50	9.164.166
		108.576.919		78.969.842

The financial information for the Group's investments in associates accounted under the equity pick-up method is as follows

	31 December 2006	31 December 2005
Total assets	480.886.653	393.210.762
Total liabilities	(65.978.676)	(62.238.413)
Net assets	414.907.977	330.972.349
Group's share in net assets	98.974.879	70.585.502
Net profit for the period	46.990.853	4.674.477
Group's share in profit for the period	13.801.400	(1.245.206)

Held to maturity investments

	Nominal value	Maturity	31 December 2006	31 December 2005
Eurobond	1.000.000	June 2010	1.443.196	1.384.365

Available-for-sale investments

	Share %	31 December 2006	Share %	31 December 2005
Avea İletişim Hizmetleri A.Ş.	<1	86.830.954	<1	86.830.954
Trakya Yatırım Holding A.Ş. ⁽²⁾	34,65	151.277.690	34,65	151.277.690
İş Factoring Finansman Hizmetleri A.Ş.	<1	7.331	<1	7.344
İş Yatırım Menkul Değerler A.Ş.	1,79	1.707.728	1,79	1.707.728
Anadolu Hayat Emeklilik Sigorta A.Ş. ⁽¹⁾	-	-	1,00	7.110.000
İş Finansal Kiralama A.Ş. ⁽¹⁾	<1	580.500	<1	3.172.500
Yatırım Finans. Yatırım Ortaklığı A.Ş. ⁽¹⁾	-	-	8,00	728.000
Milli Reasürans T.A.Ş.	<1	216.547	<1	201.104
İş Merkezleri Yönetim ve İşletim A.Ş.	1,92	56.053	1,92	46.870
İş Gayrimenkul Yatırım Ortaklığı A.Ş. ⁽¹⁾	-	-	<1	83.151
Camış Yatırım Holding A.Ş.	<1	16.848	<1	14.327
İş Koray Tur. Orm. Mad. İnş. Tah. Tic. A.Ş.	<1	5.477	<1	5.477
Anadolu Turizm İnşaat Ticaret A.Ş.	<1	3.034	<1	3.016
UND Deniz Taşımacılığı A.Ş.	<1	116.084	<1	116.084
UN Gemicilik San. A.Ş.	<1	129.431	<1	123.070
UND Ro-Ro İşletmeleri A.Ş.	3,20	417.084	3,20	417.084
Kumsan Döküm Malz. San. Tic. A.Ş.	4,89	156.193	4,89	156.193
Camser Seracılık	-	-	10,00	53.704
Sintan Kimya Sanayii ve Ticaret A.Ş.	12,00	194.249	-	-
Other		22.815		5.902
Impairment of available-for-sale investments ⁽³⁾		(156.611.825)		(156.611.825)
		85.126.193		95.448.373

(1) Indicates companies with shares publicly traded on the Istanbul Stock Exchange ("İSE").

(2) Trakya Yatırım Holding A.Ş. is under the control of İş Bankası. The Group has neither material effect nor control power over the investment.

(3) YTL 56.994.689 of provision for impairment is allocated to Avea İletişim Hizmetleri A.Ş. and YTL 99.617.136 of provision for impairment is allocated to Trakya Yatırım Holding A.Ş.

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Summarized financial information of joint ventures (*)

	31 December 2006	31 December 2005
Current assets	29.277.918	21.921.682
Non current assets	28.038.320	24.277.462
Current liabilities	7.085.674	12.294.954
Non current liabilities	9.581.468	4.077.846

	2006	2005
Income	71.129.538	51.804.702
Expenses	(56.375.336)	(38.028.604)

(*) Joint ventures are accounted for by the proportional consolidation method in the financial statements of the Group. Proportional consolidation method principally has the same procedures as the line-by-line consolidation method. However, before commencing joint management consolidation transactions, balance sheet and income statement amounts of the participations subject to joint management are gathered with similar accounts in the financial statements of the Group considering the share of the Group acquired directly and/or via its subsidiaries. Consolidated financial statements prepared after these transactions do not include minority interest. Financial information of the joint ventures presented above refers to whole of the financial size of the afore mentioned joint ventures.

17. Goodwill

Positive goodwill (net)	2006	2005
Opening balance, 1 January	20.764.870	20.764.870
Charge for the year	(1.035.611)	-
Closing balance, 31 December	19.729.259	20.764.870

18. Investment Property

None.

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19. Tangible Assets (net)

Acquisition Cost	Land	Land improvements	Buildings	Machinery and equipment	Vehicles	Furniture and fixture	Other tangible assets	Construction in progress & advances given	Total
Opening balance, 1 January 2006- as previously reported	64.291.639	157.210.958	794.292.324	4.848.270.948	32.149.752	221.661.761	129.600.218	359.948.633	6.607.426.233
Adjustment and reclassification (*)	(2.957.174)	-	-	-	2.068.936	(2.068.936)	-	-	(2.957.174)
Adjusted opening balance, 1 January 2006	61.334.465	157.210.958	794.292.324	4.848.270.948	34.218.688	219.592.825	129.600.218	359.948.633	6.604.469.059
Exchange differences	173.257	32.142	17.860.684	27.953.858	795.939	1.588.053	3.329	35.655.028	84.062.290
Additions	177.221	3.391.412	32.762.233	116.524.849	11.779.482	14.342.781	46.516.860	432.043.170	657.538.008
Capital in kind	12.101.913	-	6.964.471	37.300.189	249.683	-	-	1.253.630	57.869.886
Disposals	(381.474)	(94.701)	(52.238)	(151.378.580)	(5.792.168)	(7.172.796)	(11.403.806)	(43.663.392)	(219.939.155)
Transfers from CIP	1.295.987	3.383.036	84.654.871	344.142.004	5.698.956	5.432.073	7.150.966	(451.757.893)	-
Closing balance, 31 December 2006	74.701.369	163.922.847	936.482.345	5.222.813.268	46.950.580	233.782.936	171.867.567	333.479.176	7.184.000.088
Accumulated depreciation and impairment									
Opening balance, 1 January 2006-as previously reported	-	(59.326.758)	(243.491.715)	(3.415.884.624)	(21.119.189)	(173.762.336)	(77.401.293)	-	(3.990.985.915)
Adjustment and reclassification	-	-	-	-	(2.300.678)	2.300.678	-	-	-
Adjusted opening balance, 1 January 2006	-	(59.326.758)	(243.491.715)	(3.415.884.624)	(23.419.867)	(171.461.658)	(77.401.293)	-	(3.990.985.915)
Exchange differences	-	(1.053)	(4.956.880)	(8.949.528)	(424.083)	(600.325)	(1.243)	-	(14.933.112)
Charge for the period	-	(18.377.312)	(18.331.544)	(222.123.738)	(4.812.024)	(13.350.706)	(38.204.223)	-	(315.199.547)
Disposals	-	15.268	4.968	115.653.723	5.238.455	5.569.081	10.170.538	-	136.652.033
Closing balance, 31 December 2006	-	(77.689.855)	(266.775.171)	(3.531.304.167)	(23.417.519)	(179.843.608)	(105.436.221)	-	(4.184.466.541)
Net book value as of 31 December 2006	74.701.369	86.232.992	669.707.174	1.691.509.101	23.533.061	53.939.328	66.431.346	333.479.176	2.999.533.547
Net book value as of 31 December 2005	64.291.639	97.884.201	550.800.609	1.432.386.323	11.030.564	47.899.425	52.198.925	359.948.633	2.616.440.319

(*) The Group has reviewed its subsidiary OAO Pokrov Glass Plant's fixed assets and made a reclassification between vehicles and furniture and fixtures. Additionally, YTL 2.957.174 of excess amount of inflation adjustment calculated in prior years related to land and land improvements is adjusted.

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Acquisition Cost	Land	Land improvements	Buildings	Machinery and equipment	Vehicles	Furniture and fixture	Other tangible assets	Construction in progress & advances given	Total
Opening balance,1 January 2005	62.257.183	155.510.551	771.969.821	4.792.621.045	28.129.302	211.604.845	113.905.279	62.120.192	6.198.118.218
Exchange differences	(106.087)	-	(3.458.553)	(2.968.886)	(126.851)	(247.716)	(2.803)	(7.454.514)	(14.365.410)
Additions	1.789.371	641.336	2.764.140	67.354.890	3.656.011	8.612.412	15.881.776	475.312.256	576.012.192
Disposals	(19.198)	(110.361)	(1.197.724)	(123.131.871)	(790.515)	(2.691.043)	(1.154.043)	(23.244.016)	(152.338.771)
Transfers from CIP	370.370	1.169.432	24.214.640	114.395.768	1.281.804	4.383.263	970.008	(146.785.285)	-
Closing balance, 31 December 2005	64.291.639	157.210.958	794.292.324	4.848.270.946	32.149.751	221.661.761	129.600.217	359.948.633	6.607.426.229

Accumulated depreciation

Opening balance,1 January 2005	-	(55.626.074)	(229.034.060)	(3.310.660.920)	(18.429.771)	(165.334.511)	(58.529.848)	-	(3.837.615.184)
Exchange differences	-	-	1.119.616	1.029.032	145.993	81.603	158	-	2.376.402
Charge for the period	-	(3.732.720)	(16.256.222)	(207.892.021)	(3.346.987)	(10.594.212)	(19.337.985)	-	(261.160.147)
Disposals	-	32.037	678.951	101.639.286	511.578	2.084.784	466.383	-	105.413.019
Closing balance, 31 December 2005	-	(59.326.757)	(243.491.715)	(3.415.884.623)	(21.119.187)	(173.762.336)	(77.401.292)	-	(3.990.985.910)

Net book value as of 31 December 2005	64.291.639	97.884.201	550.800.609	1.432.386.323	11.030.564	47.899.425	52.198.925	359.948.633	2.616.440.319
Net book value as of 31 December 2004	62.257.183	99.884.477	542.935.761	1.481.960.125	9.699.531	46.270.334	55.375.431	62.120.192	2.360.503.034

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20. Intangible Assets (net)

	Rights	Other intangible assets	Total
Acquisition Cost			
Opening balance, 1 January 2006	24.779.972	4.632.522	29.412.494
Exchange differences	9.475	21.118	30.593
Additions	3.534.287	107.391	3.641.678
Disposals	(8.358)	(30.086)	(38.444)
Closing balance, 31 December	28.315.376	4.730.945	33.046.321
Accumulated amortization			
Opening balance, 1 January 2006	(21.894.860)	(1.704.638)	(23.599.498)
Exchange differences	(3.660)	(5.548)	(9.208)
Charge for the period	(1.202.155)	(239.957)	(1.442.112)
Disposals	8.239	301	8.540
Closing balance, 31 December 2006	(23.092.436)	(1.949.842)	(25.042.278)
Net book value as of 31 December 2006	5.222.940	2.781.103	8.004.043
Net book value as of 31 December 2005	2.885.112	2.927.884	5.812.996
Acquisition Cost			
Opening balance, 1 January 2005	24.093.039	4.384.624	28.477.663
Exchange differences	1.357	-	1.357
Additions	756.558	248.474	1.005.032
Disposals	(70.982)	(576)	(71.558)
Closing balance, 31 December 2005	24.779.972	4.632.522	29.412.494
Accumulated amortization			
Opening balance, 1 January 2005	(20.947.147)	(1.471.699)	(22.418.846)
Exchange differences	(219)	-	(219)
Charge for the period	(968.237)	(233.515)	(1.201.752)
Disposals	20.743	576	21.319
Closing balance, 31 December 2005	(21.894.860)	(1.704.638)	(23.599.498)
Net book value as of 31 December 2005	2.885.112	2.927.884	5.812.996
Net book value as of 31 December 2004	3.145.892	2.912.925	6.058.817

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21. Advances Received

	31 December 2006	31 December 2005
Advances received	12.456.730	6.422.650

22. Pension Plans

The Group has no liabilities regarding pension plans.

23. Debt Provisions

Short term debt provisions	31 December 2006	31 December 2005
Current corporate tax provision	64.448.887	68.250.957
Prepaid taxes and funds (-)	(53.244.955)	(54.412.764)
Provision of cost expense	8.945.180	5.367.717
Other provisions	1.007.423	218.007
	21.156.535	19.423.917

Long Term Debt Provisions

Retirement pay provisions

Under Labor Law, the Group is required to pay employment termination benefits to each employee who has qualified for such benefits. Also, employees are required to be paid their retirement pay provisions who are entitled to receive retirement pay provisions in accordance with the laws numbered 2242 and dated 6 March 1981 and numbered 4447 and dated 25 August 1999 of the existing Social Security Law No: 506 including the amended Article 60 of the related law .

The amount payable consists of one month's salary limited to a maximum of YTL 1.857,44 (31 December 2005: YTL 1.727,15) for each period of service at 31 December 2006. As the maximum liability is revised semi annually, the maximum amount of YTL 1.960,69 effective from 1 January 2007 has been taken into consideration in the calculation of the retirement pay provisions.

The liability is not funded, as there is no funding requirement.

The provision has been calculated by estimating the present value of the future probable obligation of the Group arising from the retirement of the employees. Revised IFRS 19 "Employee Benefits" requires actuarial valuation methods to be developed to estimate the Group's obligation under defined benefit plans. Accordingly the following actuarial assumptions were used in the calculation of the total liability.

The principal assumption is that maximum liability for each year of service will increase in line with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation. Consequently, in the accompanying consolidated financial statements as of 31 December 2006 and 31 December 2005, provision has been calculated by estimating the present value of the future probable obligation of the Company arising from the retirement of the employees. Provisions at the respective balance sheet date were calculated using the real discount rate of approximately %5,71 assuming an annual inflation rate of 5% and a discount rate of 11% (2005: 5,49%, 6,175%, 12% respectively). The anticipated rate of forfeitures is considered.

The movements of the retirement pay provision are as follows:

	2006	2005
Opening balance, 1 January	132.308.167	120.757.042
Service cost	15.090.386	20.238.692
Interest cost	7.263.716	6.581.259
Retirement pay paid	(20.813.577)	(15.268.826)
Closing balance, 31 December	133.848.692	132.308.167

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24. Minority Interest

	2006	2005
Opening balance, 1 January (as previously reported)	674.574.988	641.892.673
Adjustment (*)	(755.801)	-
Opening balance, 1 January (as restated)	673.819.187	641.892.673
Increase in minority interest during the period	38.126.534	8.451.007
Dividends paid	(49.034.208)	(37.163.217)
Minority interest on operating results of the period	80.718.958	61.394.525
Closing balance, 31 December	743.630.471	674.574.988

(*) The Group adjusted the excess part of inflation adjustment amounting to YTL 2.957.174 calculated in the previous years related to the land and land improvements by taking its effect on the minority interest into consideration.

25. Share Capital / Investment Capital Elimination

The structure of the share capital as of 31 December 2006 and 31 December 2005 is as follows:

Shareholders	(%)	31 December 2006	(%)	31 December 2005
T. İş Bankası A.Ş.	66,10	279.962.603	66,10	279.962.603
Efes Holding A.Ş.	4,07	17.241.537	4,07	17.241.537
Publicly traded portion	29,83	126.295.860	29,83	126.295.860
Historical capital	100,00	423.500.000	100,00	423.500.000
Inflation adjustment		21.121.259		21.121.259
Restated capital		444.621.259		444.621.259
Investment capital elimination		(620.857)		(620.857)
Adjusted capital		444.000.402		444.000.402

26, 27, 28. Reserves and Retained Earnings / (Losses)

Retained earnings in the statutory tax financial statements can be distributed as dividends other than judgments related to legal reserves described below.

Legal reserves consist of first and second legal reserves, appropriated in accordance with the Turkish Commercial Code. The first legal reserve is appropriated out of statutory net profits at the rate of 5% per annum, until the total reserve reaches 20% of the historical paid-in share capital. The second legal reserve is appropriated out of dividends in excess of 5% of paid-in capital, at the rate of 10%, however holding companies are not subject to this application. In accordance with the Turkish Commercial Code legal reserves, can only be used to net-off the losses if less than 50% of the paid-in capital, otherwise can not be used.

Publicly held companies distribute dividends based on the CMB regulations explained below:

Based on Section 15, Article 399 of the CMB's Communiqué No: 25, Series XI, the amount of "accumulated losses" arising from the initial application of the inflation accounting, should be taken into account as a deduction when determining the distributable profit. "Accumulated losses" should be offset against the following components of shareholders' equity; current year income, if applicable, unappropriated prior year's income, and remaining losses from the incremental effect of the inflation adjustment to extraordinary reserves, legal reserves and share capital, respectively.

In accordance with the Communiqué No: 25 Series XI, companies are required to distribute at least 20% of their distributable profit arising from the 2006's operations, which is calculated based on the financial statements prepared in accordance with IFRS. Based on the decision of the Annual General Meeting, the distribution of a minimum of 20% of the distributable profit can be made as in cash or as in bonus share or as in a combination of a certain percentage of cash and bonus shares. However, if the first dividend amount is less than 5% of paid-in capital, the related amount could be retained within the Group without distribution.

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The profit amount which is included in calculation of net distributable profit in the consolidated financial statements do not include profit of its subsidiaries, joint ventures and associates that appear in the consolidated financial statements, yet has no annual general meeting minute regarding profit distribution.

Under the Communiqué No: 25, Series XI, if subsidiaries, joint ventures and associates that are included in consolidation have the decision of share distribution in their board meetings, provided that the profit attributable to the parent company which is accounted in the consolidated financial statements is considered as the maximum amount within the context of financial statements prepared in accordance with the recent adjustments relating to such entities, profit amount from the related companies transferred to the parent company is taken into consideration in the parent company's distributable profit depending on the decision of the General Assembly.

Besides, according to CMB's Decision dated as 25 February 2005, numbered 7/242, the distributable amount should be determined in compliance with the arrangements made by CMB about the minimum obliged distributable amount, whole of the calculated amount of earnings in the case met with the legal reserves, the total amount, but in the case distributable amount is not totally met with the reserves, this time, distributable amount will be the net taken place in the legal records. There is no requirement for profit distribution either financial statement prepared in compliance with the CMB or statutory accounts contains net loss for the period.

In accordance with the Communiqué No: 25, Series XI, "Capital, Share Premium, Legal Reserves, Statutory Reserves, Special Reserves and Extraordinary Reserves" under shareholders equity are stated with their registered amounts in the balance sheet on the face of inflation adjusted financial statements, and their adjusted amounts are presented in total in shareholders' equity under "Inflation Adjustment of Equity Items" account.

Nominal and adjusted amounts and inflation adjusted differences of shareholders' equity, as of 31 December 2006 are as follows:

31 December 2006	Nominal	Inflation adjustment differences	Adjusted amounts
Share capital	423.500.000	20.500.402	444.000.402
Share premiums	2.157.676	3.299.800	5.457.476
Revaluation reserve of available for sale investments	390.400	-	390.400
Effective rate change	-	253.090	253.090
Legal reserves	84.686.336	157.565.391	242.251.727
Statutory reserves	5.201.257	14.362.580	19.563.837
Extraordinary reserves	231.507.610	202.654.510	434.162.120
	747.443.279	398.635.773	1.146.079.052

Nominal and adjusted amounts and inflation adjusted differences of shareholders' equity, as of 31 December 2005 are as follows:

31 December 2005	Nominal	Inflation adjustment differences	Adjusted amounts
Share capital	423.500.000	20.500.402	444.000.402
Share premiums	2.157.676	3.299.800	5.457.476
Revaluation reserve of available for sale investments	8.168.910	-	8.168.910
Legal reserves	69.363.357	157.565.391	226.928.748
Statutory reserves	2.040.415	14.362.580	16.402.995
Extraordinary reserves	188.262.565	202.654.510	390.917.075
	693.492.923	398.382.683	1.091.875.606

29. Foreign Currency Position

The table below presents the Group's foreign currency position risk as of 31 December 2006 and 31 December 2005. The amounts of assets and liabilities in foreign currencies held by the Group are given as follows:

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	USD 000	EUR 000	RUR 000	YTL equivalent of other FC	Equivalent of YTL
31 December 2006					
Cash and cash equivalents	81.507	164.266	79.652	8.643.506	431.599.070
Held to maturity investments	1.027	-	-	-	1.443.196
Trade receivables (net)	41.580	60.228	398.561	16.812.711	208.045.057
Bank loans	(179.794)	(521.266)	-	(1.440.971)	(1.219.283.972)
Trade payables (net)	(6.274)	(20.289)	(191.601)	(14.995.980)	(71.608.993)
Net foreign currency position					(649.805.642)

31 December 2005					
Cash and cash equivalents	52.844	148.347	81.650	3.099.840	313.314.001
Held to maturity investments	1.032	-	-	-	1.384.365
Trade receivables (net)	37.428	56.248	8.278	7.922.479	147.823.182
Bank loans	(145.457)	(364.006)	(24.350)	-	(774.167.893)
Trade payables (net)	(5.436)	(26.820)	(273.873)	(1.764.474)	(64.403.769)
Net foreign currency position					(376.050.114)

30. Government Incentives and Grants

Benefits from government grants and incentives are disclosed in detail in Note 3.q.

31. Commitments and Contingencies

	31 December 2006	31 December 2005
Letters of guarantee given	26.513.331	33.009.606
Promissory notes and collaterals given (*)	359.826.392	320.572.072
Subsidiary share purchase commitment (**)	3.012.233	59.107.109
Export commitments	397.753.973	323.860.997
Other	1.394.475	2.582.344
	788.500.404	739.132.128

(*) Includes the securities given in consideration of the foreign investment loans given by the International Finance Corporation ("IFC") and European Investment Bank ("EIB").

(**) In 1997, Soda San A.Ş., Solvay and EBRD, purchased the majority interest of Solvay Sodi which was privatized in Bulgaria, by participating in Solvay Şişecam Holding A.G. EBRD has been in this participation financially and it has a US Dollars 40 Million contribution to Solvay Şişecam Holding A.G. participation. An option for the sale of the portion of EBRD shares amounting to US Dollars 30 Million to Solvay and an option for the sale of the portion of EBRD shares amounting to US Dollars 10 Million to Soda Sanayii A.Ş. are also given. An annual interest settlement is paid over a fix rate to EBRD to compensate this option. Expiry date of the option which was valid till July, 2002 is extended until April, 2007 and its payments become on an incremental basis. In this respect, 24 shares pertaining to EBRD out of total 1040 shares of Solvay Şişecam Holding AG in consideration of US Dollars 3.950.617,28 is purchased on 12 April, 2006. Remaining shares amounting to US Dollars 2.098.765,44 are expected to be acquired in year 2007.

The Group's subsidiary Balsand B.V. invested into OAO Pokrov Glass Plant with a share of 90,89% as of 31 December 2004, has committed to acquire 7,58% of shares of OAO Pokrov Glass Plant held by EBRD and Norum for an amount of US Dollars 1.500.000 before 15 May 2007.

As of 31 December 2006, the total amount of court cases filed and currently pending against the Group is approximately YTL 10.596.895 (31 December 2005: YTL 8.189.538). The Group's Management does not provide any provisions since they believe an unfavorable outcome is remote.

The Company is jointly and severally the guarantor of EUR 82.972.373 of bank loan used by Trakya Glass Bulgaria EAD granted by the syndication banks led by IFC.

The Company's subsidiary Cam Pazarlama A.Ş. signed a loan agreement on 10 August 2006 amounting to US Dollars 140 Million (US Dollars 97,5 Million with a maturity of 1 year, US Dollars 42,5 Million with a maturity of 18 months), which will be used in export financing, with the consortium of Citibank A.Ş., ABN-AMRO Bank N.V., Calyon, Fortis Bank SA / NV, HSBC Bank A.Ş., Natexis Banques

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Populaires, Societe Generale S.A., WestLB A.G., Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. EUR 109.997.183 is used from the loan obtained with the afore mentioned agreement. Trakya Cam San. A.Ş., Paşabahçe Cam San. ve Tic. A.Ş. and Anadolu Cam San. A.Ş. are the guarantors of each one-third of the total loan amount as the ultimate users.

The Company signed a loan agreement with Societe Generale S.A. amounting to EUR 20 Million for Anadolu Cam Yenişehir Sanayi A.Ş. in order to provide finance for purchasing an oven for glass packaging. The amount borrowed has a maturity of 5 years with 2 years of non-payment period. The Company and Anadolu Cam Sanayii A.Ş. are jointly and severally the guarantors on behalf of the loan, borrowed by Anadolu Cam Sanayii A.Ş.

The Company's subsidiary, Soda Sanayii A.Ş. has given a right of construction to use to another subsidiary Camiș Elektrik Üretim A.Ş. 28.010 m² of its land for a period of 30 years.

Stock holding commitment and back payment privilege

An agreement was signed between Trakya Glass Bulgaria EAD (the "Company"), IFC , Trakya Cam Sanayii A.Ş., Trakya Cam Investment B.V. and Paşabahçe Cam San. ve Tic. A.Ş. on 25 June 2004.

According to this agreement, Trakya Cam Sanayii A.Ş. has a legal obligation of having at least 75% of Trakya Cam Investment B.V.'s total shareholders' equity solely or together with Paşabahçe Cam San. ve Tic. A.Ş. Also, Trakya Cam Investment B.V. has a legal obligation of having at least 75% of Trakya Glass Bulgaria EAD's total shareholders' equity.

The back payment of dues, interest and other expenses to IFC has a priority over the technical service agreement signed between Trakya Cam Sanayii A.Ş., Trakya Glass Bulgaria and Paşabahçe Cam San. ve Tic. A.Ş. Also dividend payment, additional investment expenditures and leasing agreements of Trakya Glass Bulgaria EAD, is based on running of a specific period of time and arriving at financial ratios determined previously.

Commitments and contingencies related to the subsidiaries and associates in the Russian Federation

Tax authorities of Russian Federation have asserted a deficiency against OOO Ruscam in consideration of YTL 8,3 Million (RUR 165 Million). Although being contested by OOO Ruscam, the outcome of this matter is uncertain at this time and the accompanying financial statements do not include any adjustments that might result from the outcome of this uncertainty.

OOO Ruscam has a YTL 2,9 Million (RUR 58,1 Million) of deductible VAT receivable balance which is not related to the purchases of property, plant and equipment. In accordance with the legislation regarding VAT in the Russian Federation, all deductions should be made not later than 31 December 2006 and, therefore, there is an uncertainty about the ultimate recovery of that amount. No provision is provided in the accompanying financial statements due to this uncertainty.

The two glass packaging furnaces of OOO Ruscam-UFA, which became operational in January and May, 2006 is undertaken without obtaining the construction and other licenses required by the relevant Russian authorities and consequently, the Company did not register any title to the furnaces as of 31 December 2006. No adjustments are made in the accompanying financial statements, due to this uncertainty.

There is an uncertainty regarding OAO FormMat's free usage of some of OOO Balkum's fixed assets which may result in a tax risk exposure. No provision is provided in the accompanying financial statements, due to this uncertainty.

Anadolu Cam Sanayii A.Ş. gave consulting services to OOO Ruscam, OOO Ruscam-UFA and OAO Pokrov Glass Plant amounting to YTL 7,6 Million (RUR 153,4 Million) in 2006. Even though these amounts are eliminated in the accompanying consolidated financial statements, it is considered that those services were not adequately recognized for statutory purposes of the Russian Federation and the possible tax exposure is estimated as YTL 1,5 Million (RUR 31,3 Million). No provision is provided in the accompanying financial statements due to this uncertainty.

Although there is a probable liability of OAO FormMat regarding the restoration costs of the sand extraction site, no provision is provided in the accompanying consolidated financial statements since the amount of the related liability can not be estimated reliably.

32. Business Mergers

During the period between 1 January - 31 December 2006, the Company's subsidiaries; Camiș Sigorta Hizmetleri A.Ş. and Cam Ürünleri İşleme San. A.Ş. are merged with Cam Pazarlama A.Ş. wholly with all their assets and liabilities as of 31 March 2006, in accordance with the Turkish Commercial Code Article No: 451 and Corporate Tax Law Articles No: 37, 38 and 39. Since this merger is the merger of entities under common control, it is not accounted for in accordance with IFRS 3 "Business Combinations".

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33. Segmental Financial Reporting

31 December 2006	Flat Glass	Glassware	Glass Packaging	Chemicals	Other	Holding company	Consolidation eliminations	Consolidated
External sales	714.716.220	770.006.990	761.313.100	509.690.840	3.754.190	1.650.543	-	2.761.131.883
Inter-segments sales	18.549.970	18.083.280	7.815.750	188.554.150	1.245.391.430	41.872.170	(1.520.266.750)	-
Intra-segment sales	36.689.150	149.299.990	66.602.790	41.330.530	-	-	(293.922.460)	-
Total net sales	769.955.340	937.390.260	835.731.640	739.575.520	1.249.145.620	43.522.713	(1.814.189.210)	2.761.131.883
Cost of sales	(484.058.120)	(676.455.770)	(622.021.100)	(615.091.450)	(1.200.629.960)	(21.268.950)	1.752.490.920	(1.867.034.430)
Operating expenses	(118.428.160)	(211.947.350)	(129.103.820)	(98.540.810)	(44.281.850)	(20.712.260)	57.557.105	(565.457.145)
Operating profit	167.469.060	48.987.140	84.606.720	25.943.260	4.233.810	1.541.503	(4.141.185)	328.640.308
Other operating income and profit	18.804.050	22.538.780	21.516.920	64.555.400	29.967.450	137.020.850	(230.129.963)	64.273.487
Other operating expense and losses	(33.822.600)	(24.049.080)	(45.404.090)	(11.718.580)	(7.191.010)	(2.236.050)	14.410.322	(110.011.088)
Finance expenses (net)	(12.733.680)	(15.902.390)	487.320	(6.630.440)	4.157.290	639.974	-	(29.981.926)
Profit before tax	139.716.830	31.574.450	61.206.870	72.149.640	31.167.540	136.966.277	(219.860.826)	252.920.781
Minority interest							(80.718.958)	(80.718.958)
Income tax expense	26.462.200	(4.896.960)	11.072.200	16.974.300	(2.103.020)	(18.698.200)	(1.688.947)	27.121.573
Net profit	166.179.030	26.677.490	72.279.070	89.123.940	29.064.520	118.268.077	(302.268.731)	199.323.396
Other Information								
Tangible and intangible asset acquisitions	260.172.470	103.438.760	204.131.130	149.550.890	85.400	1.670.922	-	719.049.572
Tangible and intangible assets depreciation and amortization	(78.036.030)	(84.720.700)	(100.201.080)	(50.662.110)	(454.920)	(2.566.819)	-	(316.641.659)
Balance Sheet Information								
(31 December 2006)								
Total assets	1.981.243.410	1.367.128.050	1.613.557.370	1.235.048.520	994.022.210	1.404.153.680	(3.659.717.150)	4.935.436.090
Total liabilities	557.538.410	496.824.150	606.508.600	391.161.870	688.629.550	123.414.730	(1.028.868.060)	1.835.209.250

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31 December 2005	Flat Glass	Glassware	Glass Packaging	Chemicals	Other	Holding company	Consolidation eliminations	Consolidated
External sales	582.318.218	634.564.476	590.841.459	403.633.574	6.820.924	2.942.607	-	2.221.121.258
Inter-segments sales	669.997	36.378.989	7.828.704	185.677.200	1.105.929.606	35.045.172	(1.371.529.668)	-
Intra-segment sales	6.093.335	140.995.621	7.955.394	27.161.170	-	-	(182.205.520)	-
Total net sales	589.081.550	811.939.086	606.625.557	616.471.944	1.112.750.530	37.987.779	(1.553.735.188)	2.221.121.258
Cost of sales	(372.002.975)	(569.980.694)	(438.084.111)	(524.923.737)	(1.067.261.415)	(19.512.782)	1.491.230.049	(1.500.535.665)
Operating expenses	(94.522.134)	(185.305.344)	(75.534.284)	(78.663.237)	(41.718.840)	(16.717.810)	61.484.128	(430.977.521)
Operating profit	122.556.441	56.653.048	93.007.162	12.884.970	3.770.275	1.757.187	(1.021.011)	289.608.072
Other operating income and profit	19.769.928	11.461.823	12.613.786	39.601.747	19.908.442	87.660.949	(134.539.502)	56.477.173
Other operating expense and losses	(11.444.404)	(21.781.405)	(23.811.561)	(13.991.454)	(1.528.059)	(156.714.104)	4.828.428	(224.442.559)
Finance expenses (net)	(13.301.438)	(3.649.516)	(6.209.348)	4.631.336	6.861.806	2.491.198	4.019.969	(5.155.993)
Profit before tax	117.580.527	42.683.950	75.600.039	43.126.599	29.012.464	(64.804.770)	(126.712.116)	116.486.693
Minority interest	-	-	-	-	-	-	(61.394.525)	(61.394.525)
Income tax expense	(31.300.664)	(7.045.655)	(19.533.297)	(1.594.726)	(1.889.055)	(1.419.567)	1.838.249	(60.944.715)
Net profit	86.279.863	35.638.295	56.066.742	41.531.873	27.123.409	(66.224.337)	(186.268.392)	(5.852.547)
Other Information								
Tangible and intangible asset acquisitions	179.499.176	89.518.798	226.312.186	80.126.050	188.183	1.372.831	-	577.017.224
Tangible and intangible assets depreciation and amortization	(62.343.115)	(78.250.090)	(71.724.744)	(46.681.356)	(464.085)	(2.898.509)	-	(262.361.899)
Balance Sheet Information								
(31 December 2005)								
Total assets	1.556.701.729	1.278.704.692	1.285.202.898	1.054.423.297	949.832.366	1.237.540.695	(3.143.371.111)	4.219.034.566
Total liabilities	501.875.446	452.797.089	468.577.333	270.922.110	638.011.802	54.875.817	(973.682.572)	1.413.377.025

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Geographical segments

1 January - 31 December 2006	Turkey	Russia and Georgia	Europe	Other	Total	Consolidation eliminations	Consolidated
Net sales	3.879.448.785	295.455.866	395.303.262	5.113.185	4.575.321.098	(1.814.189.215)	2.761.131.883
Acquisitions of tangible and intangible assets	484.774.599	101.951.671	132.139.070	184.231	719.049.571	-	719.049.571
Total assets (31 December 2006)	7.259.802.636	504.233.487	829.564.574	1.562.548	8.595.153.245	(3.659.717.155)	4.935.436.090

1 January - 31 December 2005	Turkey	Russia and Georgia	Europe	Other	Total	Consolidation eliminations	Consolidated
Net sales	3.378.787.026	157.324.700	236.171.297	2.573.423	3.774.856.446	(1.553.735.188)	2.221.121.258
Acquisitions of tangible and intangible assets	256.548.502	137.795.246	182.648.783	24.693	577.017.224	-	577.017.224
Total assets (31 December 2005)	6.401.487.211	343.419.524	616.546.317	952.625	7.362.405.677	(3.143.371.111)	4.219.034.566

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34. Events after the Balance Sheet Date

As per the Board of Directors of the Company's subsidiary Trakya Cam Sanayii A.Ş., the transfer of the Company's subsidiary, Camış Lojistik Hizmetleri A.Ş., operating in the transportation sector, is decided and approved in the meeting held on 5 February 2007 in accordance with the Turkish Commercial Code Article No: 451, and Corporate Tax Law Articles No: 17, 18, 19, 20 and the Communiqué of Merger Operations of the Capital Markets Board and accordingly, they have initiated the procedures about the related merger.

In the extraordinary General Meeting held on 21 February 2007, the capital increase of the Company's subsidiary Trakya Yenişehir Cam Sanayii A.Ş. from YTL 80.000.000 to YTL 150.000.000, is decided and YTL 70.000.000 of the related cash increase is also decided to be covered. Regarding YTL 70.000.000 of this cash increase, the amount of YTL 50.000.000 referring to the portion of preferred shares of the Group was paid on 26 February 2007.

Upon the meeting held on 5 February, 2007, the Company's Board of Directors has decided to give authorization to İş Yatırım Menkul Değerler A.Ş. in order to manage the negotiations related to the sale of shares of Ferro Döküm San. ve Tic. A.Ş. held in the assets of the Company and its subsidiaries within the context of the delegation given by the Board of Directors of the Company's subsidiaries.

A loan agreement is signed in consideration of EUR 55.000.000 having a maturity of 8 years, with 2 years of non-payment period for the finance of R&D investments and 6th float line construction and plated glass investment projects of the Company's subsidiary, Trakya Yenişehir Cam Sanayii A.Ş., with the European Investment Bank on 7 March 2007. The Company's subsidiaries Anadolu Cam Sanayii A.Ş., Cam Elyaf Sanayii A.Ş., Trakya Cam Sanayii A.Ş. and Paşabahçe Cam San. ve Tic. A.Ş. are jointly and severely guarantors to the loan granted to the Company and Trakya Yenişehir Cam Sanayii A.Ş.

The capital increase of Şişecam Soda Lukavac D.O.O to 60.252.000 KM has been approved by decision of Tuzla Canton Court of Bosnia Herzegovina Republic on 27 February 2007.

For the financing of the Group's subsidiaries Şişecam Soda Lukavac D.O.O.'s investments of soda plant in Bosnia Herzegovina, a loan agreement in consideration of EUR 24.000.000 having a maturity of 8 years with 2 years of non-payment period was signed with the IFC on 20 March 2007. The Company and Soda Sanayii A.Ş. are jointly and severely guarantors to the loan granted to Şişecam Soda Lukavac D.O.O.

35. Discontinued Operations

There are no discontinued operations of the Group as of the balance sheet date.

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36. Revenue

	1 Jan.- 31 Dec. 2006	1 Jan.- 31 Dec. 2005
Sales (net)		
Domestic sales	1.794.317.440	1.523.126.493
Export sales	1.240.761.299	958.824.492
Other revenues	21.488.008	1.809.519
Sales returns	(12.995.924)	(10.622.769)
Sales discounts	(179.023.805)	(172.435.042)
Other deductions from sales	(103.415.135)	(79.581.435)
	2.761.131.883	2.221.121.258
Cost of sales		
Raw materials used	(918.661.811)	(776.368.676)
Direct labor attributable to production	(158.491.215)	(137.013.335)
Production overheads	(286.394.036)	(231.878.827)
Depreciation expenses	(224.664.868)	(205.133.876)
Change in work-in-progress inventories	3.545.618	1.582.451
Change in finished goods inventories	19.919.420	57.020.299
Cost of goods sold	(1.564.746.892)	(1.291.791.964)
Cost of merchandises sold	(270.170.107)	(185.815.759)
Cost of services rendered (*)	(8.532.698)	(14.006.507)
Cost of other revenues	(23.584.733)	(8.921.435)
	(1.867.034.430)	(1.500.535.665)

(*) Depreciation expenses amount recognized as the cost of service given during the period between 1 January and 31 December 2006 is YTL 1.677.658 (31 December 2005: YTL 2.418.022).

37. Operating Expenses

Research and development expenses	(16.755.406)	(14.436.479)
Marketing, selling and distribution expenses	(247.233.082)	(174.522.892)
General administrative expenses	(301.468.657)	(242.018.150)
	(565.457.145)	(430.977.521)

Allocation of operating expenses according to their natures are as follows

Indirect material cost	(11.374.629)	(11.028.036)
Employee benefit expenses	(185.526.699)	(166.210.146)
Services rendered by third parties	(233.320.525)	(188.190.666)
Miscellaneous expenses	(64.412.947)	(24.913.613)
Depreciation and amortization expenses	(70.822.345)	(40.635.060)
	(565.457.145)	(430.977.521)

38. Income / Expenses and Profit / Losses from Other Operations

	1 Jan.-31 Dec. 2006	1 Jan.-31 Dec. 2005
Income and profit from other operations		
Dividend income	830.528	5.268.048
Commission income	1.216.716	280.820
Provisions released	2.198.074	3.290.752
Sales profit available-for-sale assets	20.270.735	16.487.412
Effect of the equity pick-up method (*)	13.801.400	(1.245.206)
Other ordinary income and profits	25.956.034	32.395.347
	64.273.487	56.477.173
Expenses and losses from other operations		
Commission expenses	(3.328.096)	(563.379)
Provision expenses	(4.917.452)	(161.260.261)
Sales loss available-for-sale assets	(117.695)	(1.245.398)
Idle capacity expenses (**)	(30.897.620)	(18.655.040)
Other ordinary expense and losses	(70.750.225)	(42.718.481)
	(110.011.088)	(224.442.559)

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Notes to the Consolidated Financial Statements for the Year Ended 31 December 2006

(Amounts are expressed in New Turkish Lira (YTL) unless otherwise stated.)

	1 Jan.-31 Dec. 2006	1 Jan.-31 Dec. 2005
(*) Effect of the equity pick-up method		
Solvay Şişecam Holding	13.842.717	(1.877.822)
OAQ FormMat	(41.317)	632.616
	13.801.400	(1.245.206)

(**) During the period between 1 January and 31 December 2006, depreciation expenses in idle capacity expenses amount to YTL 19.476.788 (31 December 2005: YTL 14.174.941).

39. Finance Income / Expenses (net)

Interest income	31.858.930	28.731.905
Discount income / (expenses) (net)	(2.539.175)	(753.904)
Exchange gains / (losses) (net)	54.950.809	(2.218.861)
Cost of borrowings	(114.252.490)	(30.915.133)
	(29.981.926)	(5.155.993)

40. Net Monetary Gain / (Loss)

Net monetary gain / (loss) is not calculated since inflation accounting has been ceased as of 1 January 2005.

41. Taxation

Corporate tax

The Group is subject to Turkish corporate taxes. Tax legislation in Turkey does not permit a parent company and its subsidiaries to file a consolidated tax return. Therefore, provisions for taxes, as reflected in the accompanying consolidated financial statements, have been calculated on a separate-entity basis.

Corporate tax is applied on taxable corporate income, which is calculated from the statutory accounting profit by adding back non-deductible expenses, and by deducting dividends received from resident companies, other exempt income and investment incentives utilized.

The effective tax rate in 2006 is 20% (2005: 30%).

In Turkey, advance tax returns are filed on a quarterly basis. The advance corporate income tax rate was decreased to 20% for 2006 (2005: 30%). The excess advance tax paid of corporate income that was calculated at the rate of 30% during the first quarter over 20% will be deducted from future advance tax returns.

Losses can be carried forward to offset against future taxable income for up to 5 years. Losses cannot be carried back to offset against profits from previous periods.

In Turkey, there is no procedure for a final and definitive agreement on tax assessments. Companies file their tax returns between 1 - 25 April following the close of the accounting year to which they relate (companies with special accounting periods file their tax returns between 1 - 25 of the fourth month subsequent to the fiscal year end). Tax authorities may, however, examine such returns and the underlying accounting records and may revise assessments within five years.

Income withholding tax:

In addition to corporate taxes, companies should also calculate income withholding taxes on any dividends distributed, except for companies receiving dividends who are resident companies in Turkey and Turkish branches of foreign companies. The rate of income withholding tax was 10% starting from 24 April 2003. This rate has changed to 15% by Article 15 in the Code numbered 5520 commencing from 21 June 2006. However, until the resolution of Council of Ministers, it was used as 10%. After the resolution declared in the Official Gazette on 23 July 2006, this rate has been changed to 15% effective from 23 July 2006. Undistributed dividends incorporated in share capital are not subject to income withholding tax.

Withholding tax at the rate of 19,8% is applied to investment allowances relating to investment incentive certificates obtained prior to 24 April 2003. Subsequent to this date, companies can deduct 40% of the investments that are directly related to production facilities of the company with or without an investment incentive certificate. There is no withholding tax applied to investments after 24 April 2003.

Türkiye Şişe ve Cam Fabrikaları A.Ş. and its Subsidiaries

Notes to the Consolidated Financial Statements for the Year Ended 31 December 2006

(Amounts are expressed in New Turkish Lira (YTL) unless otherwise stated.)

Investment incentive certificates is revoked commencing from 1 January 2006. If companies cannot use investment incentive due to inadequate profit, such outstanding investment incentive can be carried forward to the following years as of 31 December 2005 so as to be deducted from taxable income of the subsequent profitable years. Additionally, investment expenditures made after 1 January 2006, which are economically and technically related to the investments made in accordance with 19th Article of Income Withholding Tax Law started before afore mentioned date, and expenditures made after 1 January 2006, which are related to investment incentive certificates obtained prior to 24 April 2003 could be carried forward. However, companies can deduct carried forward outstanding allowance from the 2006, 2007 and 2008's taxable income. The investment incentive amount that cannot be deducted from the 2008's taxable income will not be carried forward to the following years.

The tax rate that the companies can use in the case of deducting the tax investment incentive amount in 2006, 2007 and 2008 is 30%. If the investment incentive is not carried forward, the effective tax rate will be 20% and the unused investment incentive will be forfeited.

Since the Group benefits from the investment incentive considering the consolidated subsidiaries as separate entities, the Group has applied 20% or 30% of corporate tax rate based on the separate entity basis.

Adjusted tax calculations according to inflation

In 2003 and the previous years, taxable profits were calculated without any inflation adjustment to the statutory records, except that fixed assets and the related depreciation were revalued annually. Law No. 5024 published in the Official Gazette No. 25332 on 30 December 2003 requires the application of inflation accounting in Turkey in 2004 and future years for tax purposes, if the actual rate of inflation meets certain thresholds, using principles which do not differ substantially from the principles in IAS 29 "Financial Reporting in Hyperinflationary Economies". As inflation met certain thresholds in 2004, the Group adjusted its statutory financial statements as of 31 December 2004 in accordance with Law No. 5024 and inflation adjusted balances as at 31 December 2004 were taken as the opening balances as of 1 January 2005. However, as inflation did not meet the required thresholds in 2005 and the following years, no further inflation adjustment made to the Group's statutory financial statements.

Provision for taxation as of 31 December 2006 and 31 December 2005 are as follows:

	31 December 2006	31 December 2005
Corporate tax provision	64.448.887	68.250.957
Prepaid taxes and dues (-)	(53.244.955)	(54.412.764)
Tax provision in the balance sheet	11.203.932	13.838.193

	1 Jan.-31 Dec. 2006	1 Jan.-31 Dec. 2005
Current corporate tax provision	(64.448.887)	(68.250.957)
Deferred tax benefit / (charge)	91.570.460	7.306.242
Tax provision in the statement of income	27.121.573	(60.944.715)

Note: The corporate tax rate is decreased from 30% to 20% commencing from 1 January 2006 in accordance with the Corporate Tax Law No: 5520 published on 21 June 2006 (The corporate tax rate taken into consideration as of 31 December 2005 and for the January - March 2006 period was 30%).

Türkiye Şişe ve Cam Fabrikaları A.Ş. and its Subsidiaries

Notes to the Consolidated Financial Statements for the Year Ended 31 December 2006

(Amounts are expressed in New Turkish Lira (YTL) unless otherwise stated.)

	1 Jan.- 31 Dec. 2006	1 Jan.- 31 Dec. 2005
Reconciliation of taxation		
Profit before taxation and minority interest	252.920.781	116.486.693
Effective tax rate	% 20	% 30
Expected taxation	50.584.156	34.946.008
Tax effects of		
Non-deductible expenses	11.693.753	16.547.025
Dividends and other non-taxable income	(43.323.358)	(42.322.184)
Carry forward tax losses	13.570.936	47.639.990
Investment incentives (*)	(13.287.592)	(21.402.661)
Effect of change in effective tax rate	(74.097.547)	-
Income / expenses exempt from taxation	(13.031.042)	(12.917.960)
Consolidation adjustments	43.972.161	38.013.635
Foreign subsidiaries subject to different tax rates	(2.315.256)	440.862
Tax effect of domestic companies prefer to use carried forward investment incentive	(887.784)	-
Taxation in the statement of income	(27.121.573)	60.944.715

(*) Tax legislation in Turkey does not permit a parent company and its subsidiaries to file a consolidated tax return. Therefore, provisions for taxes, as reflected in the accompanying consolidated financial statements, are calculated on a separate-entity basis. In this respect, 30% of corporate tax rate is taken into consideration as the effective tax rate instead of 20% for the subsidiaries having the option to deduct carried forward outstanding investment incentive from the 2006, 2007 and 2008's taxable income.

42. Earnings per Share

As of 31 December 2006 and 31 December 2005, the Company's weighted average number of shares and computation of earnings per share (which corresponds to per share amounting to YTL 1) set out here as follows.

	31 December 2006	31 December 2005
Weighted average number of shares outstanding	423.500.000	423.500.000
Net profit	199.323.396	(5.852.547)
Basic earnings per share (YTL)	0,4707	(0,0138)

43. Statement of Cash Flow

The statement of cash flow is presented in the financial statements.

44. Other Issues Required to be Explained that Affect Consolidated Financial Statements Significantly or to Make Consolidated Financial Statements Clear, Understandable and Interpretable

None.

Türkiye Şişe ve Cam Fabrikaları A.Ş.

Profit Distribution Proposal for the Year 2006

Dear Shareholders,

Our company profit for the fiscal year 2006 is YTL 199.323.396.

We hereby propose the distribution of the 2006 consolidated profit of YTL 199.323.396 displayed in the 2006 consolidated financial statements, prepared in accordance with the International Financial Reporting Standards (IFRS) that is referred to in the Capital Markets Board Bulletin Series XI, No.25, within the framework of the regulations of the CMB, considering the profit resulting from the consolidation of the subsidiaries, joint ventures and associates that are included in full consolidation figures, and our share of profits consistent with the portion of our interest of the ones that have taken the approval of the shareholders on their distribution of profit at the Annual General Meeting or a decision on their distribution of profit have been taken but that is to be submitted to the Annual General Meeting of Shareholders for approval, in accordance with the article 29 of the Articles of Association of the Company,

1) Net Profit After Tax	:	199.323.396
2) First Legal Reserves	:	(3.808.988)
3) Non-distributable Profit	:	<u>(126.938.972)</u>
4) Distributable Net Profit	:	68.575.436
5) First Dividend to Shareholders	:	(63.525.000)
6) Extraordinary Reserves [1 - (2+5)]	:	131.989.408

Cash dividend distribution of YTL 63.525.000, 15% of issued capital , YTL 0,15 (15%) per common share worth of YTL 1 nominal, distribution of gross dividend to the shareholders that are not subject to withholding tax be paid in full while to the ones that are subject to withholding tax be paid YTL 0,1278 (12,78%) after withholding tax is deducted from this amount and designation of May 15, 2007 as the dividend payment date upon your opinions and approvals.

Respectfully Yours,



Prof. Dr. Ahmet Kirman
Chairman, Board of Directors

Türkiye Şişe ve Cam Fabrikaları A.Ş.

Corporate Governance Compliance Report

1. Declaration to Comply with Principles of Corporate Governance

This report articulates, in the framework of the regulations, decisions and principles exacted by Capital Markets Board (CMB) Legislation, Company Articles of Association (AoA) and CMB Corporate Governance Principles, the manner in which relations with shareholders and stakeholders should be carried out, identification of the tasks and responsibilities of the Board of Directors, its managers and its committees, the following responsibilities of Türkiye Şişe ve Cam Fabrikaları Anonim Şirketi (Şişecam).

Established in 1935 by Türkiye İş Bankası with the directive of Atatürk, Şişecam first met the glass products demand of the country, then entered the global market forcefully in 1960's following the motto "Our market is the world", going on to diversify its activities to grow rapidly in the 70's and 80's.

Şişecam is an industrial group that produces glass and chemicals. Producing flat glass, glassware, glass packaging and glass fiber as well as soda and chromium chemicals, Şişecam is a powerful and leading manufacturer in its field.

Due to its claim to being a global corporate entity in its field of operations, Şişecam Group's management principles are; equality, transparency, accountability and responsibility. A clear evidence of these principles is the present position of Şişecam, with its size, specialization and its highly competitive place among the Europe's and the world's leading producers of its field.

Şişecam's strengths that have brought it to its position today, its modern management, industrialism, high level of institutionalization, its focus on the market and R&D, are also the guarantee of its bright future. Şişecam Group intends to reinforce its vision of leadership in its vital geography in its operational field, with the support of principles of corporate governance.

In the period that has ended on 31.12.2006, the company has fully complied with its responsibilities towards its share and stakeholders in the framework of the principles of corporate governance. Regarding the extension of the right to information of the shareholders, a section on "Investor Relationships" is available in Turkish and English on the website www.sisecam.com. Activities that have commenced regarding risk management have been continued in this period. The details of the relevant work done in this respect are presented in the report.

SECTION 1. Shareholders

2. Shareholder Relations Unit

According to articles and stipulations of Turkish Trade Law, Capital Markets Legislation and the Şişecam's Articles of Association (AoA), all responsibilities regarding the facilitation of the use of rights for shareholders, has been carried out faultlessly by our "Shareholder Relations Unit", established according to the CMB Corporate Governance Principles framework.

Main activities during the period are as follows;

- The replies to shareholders regarding their oral and written enquiries about the firm, except for non-public material that are confidential,
- The realization of the Annual General Meeting of Shareholders (AGM) according to legislation in force, AoA and other in-house regulations,
- The preparation of documents for the benefit of shareholders during the General Meeting,
- Saving a record of voting results and sending of a report of voting results to the shareholders,
- Compliance to all matters regarding public access to information including regulations and the firms policy on information access,
- A healthy, secure and up-to-date keeping of records on shareholders.

All enquiries by shareholders have been taken care of in the framework of in force legislation, and communication has been carried out by letter, e-mail, telephone and newspapers in accordance with legislation in force, AoA and other in-house regulations.

List of officers of the Shareholder Relations Unit is given below.

Name and Surname	Position	Telephone	e-mail
Asuman Akman	Budget&Financial Control Mng.	0212 350 39 95	aakman@sisecam.com
Aytaç Mutlugüller	Int. Finance and Inv. Mng.	0212 350 34 80	amutluguller@sisecam.com
Mükremin Şimşek	Central Accounting Mng.	0212 350 39 51	msimsek@sisecam.com

Türkiye Şişe ve Cam Fabrikaları A.Ş.

Corporate Governance Compliance Report

3. Shareholders Exercise of Rights of Access to Information

According to present regulations, all information regarding the extension of access to information of shareholders, published in national daily newspapers and all special announcements have been also posted on the website. Besides, those shareholders with addresses provided, are informed by postal letter, telephone and e-mail.

During the present period no written enquiry was submitted, all oral and other enquiries which were concentrated on capital increases, distribution of dividend and effect of provisions made on financial tables, have been handled by the relevant personnel. Apart from that, regarding the extension of the right to information of the shareholders, a section on "Investor Relations" is available on the website www.sisecam.com in Turkish and English.

The request of minority shareholders from the AGM for a special auditor is regulated by legislation. Those shareholders with a minimum of 10% capital share stock can ask the AGM to appoint a special auditor to look into matters stipulated by law.

No article exists in the AoA regarding the appointment of a special auditor and no such request has been submitted during this period.

4. Information on the AGM

The ordinary AGM was held on the 14th of April 2006, with a quorum of 66.9 %. Stakeholders as well as the press attended the meeting. Calls and announcements regarding the AGM;

- Included the agenda, place, date, time, proxy voting form,
- The information that the balance sheet, income statement and summary independent audit report on 2005 is open for perusal, 15 days before the AGM at the headquarters of the company,
- Information that the shareholders wanting to attend the AGM should obtain a valid pass by bringing their stock certificates or other relevant documentation at least a week before the AGM, or if they are to be represented by proxy, that real or artificial persons to represent them bring the notary stamped proxy forms to the company, according to CMB Bulletin, Series IV, No.8.

Right to ask questions by shareholders have been practiced and duly answered by company officers. No motion has been forwarded by shareholders during the AGM.

Significant sale/purchase, leasing of assets, dividing shares and other such important decisions need to be taken by the AGM. Nevertheless, because no such need has come up to date, there was no need also to put a relevant clause in the AoA.

To increase attendance at the AGM, the calls have been published in the Turkish Commercial Gazette, two national dailies and the internet site of the company. The time for convening of the AGM is chosen especially to facilitate access regarding traffic intensity and other external factors.

All AGM records are posted on the website of the company since 2004 for the use of shareholders.

5. Voting Rights and Minority Rights

No privileges exist regarding voting rights and participating companies cannot vote in the AGM.

According to the AoA, one share one vote principle is valid.

Shareholders cast their votes either personally or via other shareholders or non-shareholder third persons.

Every real person can be represented by one real person in the AGM. In the case that artificial persons be represented by more than one person, only one of those can vote. The authorization to vote must be declared on the authorization document. Minority shares are not represented in the management. No record exists in the AoA regarding aggregate voting which is not compulsory for the company.

6. Dividend Distribution Policy and Time

In the AoA, the principle of primary dividend distribution according to the ratios and amounts determined by the Capital Markets Board is accepted.

The dividend distribution suggestions brought to the attention of the AGM by the Board of Directors (BoD) take into consideration,

- The sensitive balance between the growth of the Company and the expectations of the shareholders
- The profitability of the Company

The BoD has accepted a dividend policy based on proposing to the AGM the payment of at least a minimum dividend in cash and/or share, along the minimum level of the distributable profit set by the CMB.

There are no privileged shares regarding the distribution of dividends.

There is no practice of dividend distribution to founder shares, to the members of the BoD or employees stated in the AoA.

Türkiye Şişe ve Cam Fabrikaları A.Ş. Corporate Governance Compliance Report

Dividend distribution has been carried out in the legally required time frame, before the end of the 5th month as stated in the relevant legislation.

No reference to advance payments regarding dividends exists in the AoA.

7. Transfer of Shares

There are no clauses in the company AoA pertaining to the transfer of shares.

SECTION II - Informing the Public and Transparency

8. Company Policy on Disclosure of Information

Although the Company has no official information disclosure policy, with the exception of matters regulated by legislation, important changes and developments on company activities are announced by press conferences or releases. In addition, the enquiries by investors and analysts are taken care of by relevant company officers.

In order to take care of communication and coordination with the Stock Exchange, Vice President-Financial Control Ahmet Faruk Polatkan, Central Accounting Manager Mükremin Şimşek and Asst. Central Accounting Manager Necat Koç have been authorized.

9. Special Case Announcements

During the period 17 special case announcements have been made in accordance with the CMB Bulletin Series VIII, No.39 "Communiqué on the Public Announcement of Special Cases", and 1 additional information regarding those announcements has been given as requested by the ISE. No sanctions have been applied regarding those announcements in the framework of the above mentioned Communiqué.

10. The Company Website and its Contents

An "Investor Relations" section is available on the Company's website www.sisecam.com in Turkish and English with the following content, for the use of share and stakeholders, and it's updated regularly.

- Annual reports
- List of members of the BoD and Audit Board
- Mid-term financial statement and independent auditor reports
- Trade records information
- Structure of partnership
- AGM agenda
- AGM records
- AGM participants list
- Proxy voting form
- Updated AoA
- Explanatory document and public offering circulars
- Special case announcements

11. Explanation on Real Person Final Controlling Shareholder(s)

The following is the shareholder structure of the company, there are no real person final controlling shareholders:

Shareholder	% Share
T. İş Bankası A.Ş.	66,10
Efes Holding A.Ş.	4,07
Other	29,83
Total	100,00

Türkiye Şişe ve Cam Fabrikaları A.Ş.

Corporate Governance Compliance Report

12. The Disclosure of Insider Persons

Due to the fact that there is no legislation making it compulsory and no need arisen to disclose to the public, a list of people with insider information has not been disclosed. The following list includes the people in addition to the Board of Directors that can hold insider information due to their positions.

Name and Surname	Position
Alev Yaraman	Executive Vice President-Chief Executive Flat Glass
Gülsüm Azeri	Executive Vice President-Chief Executive Glassware
Teoman Yenigün	Executive Vice President-Chief Executive Glass Packaging
T. Ateş Kut	Executive Vice President-Chief Executive Chemicals
Ahmet Faruk Polatkan	Vice President-Finance
Mehmet Kara	Vice President-Corporate Planning
Yıldırım Teoman	Vice President-Research and Technology
Mete Saadetlioğlu	Chief Internal Auditor

SECTION III - Stakeholders

13. Stakeholder Access to Information

All important events and developments are disclosed to the public through the press, televisions, internet and special announcements, according to the provisions in legislation. For instance, important developments in the Collective bargaining talks have been disclosed on the internet and by e-mail to employees.

14. Stakeholders Participation in Company Management

No models have been designed for the participation of stakeholders in company management.

15. Human Resources Policy

In the framework of human resources systems, the company has formed the principles of the following; employment, working conditions, career management, ranking, remuneration, financial and social rights, performance evaluation and termination of contract. Relationship with the employees are carried out without any problems by the human resources unit. No complaints on discrimination has been reported to company managers.

16. Information on Relationship with Customers and Suppliers

The Group continues to remain a trustworthy organization creating value for its partners, employees, customers, suppliers and society, with its unchanging attributes of "human-focus" and "trust organization". Throughout product and service provision as well as marketing and sales, customer satisfaction being our motto, customers and consumers are dealt with the utmost care and sensitivity. In addition, all matters and developments of importance as well as legal changes regarding customers and suppliers are rapidly disclosed and communicated through the fastest medium.

17. Social Responsibility

Group companies, acutely aware of their responsibilities towards laws and environmental values, believe in the need to leave a livable world for the coming generations. Regarding this approach as a main tenet of its strategic management, all activities are accordingly carried out. The aim is to carry out environmental protection activities in the framework of environmental management systems, and achieve continuous development with the support of employees.

SECTION IV- Board of Directors (BoD)

18. The Structure and Formation of the BoD and Independent Members

The BoD is composed of the following 7 members, in accordance with legislation in force and the AoA. Except for the President, all are non-executive members. The BoD does not include members qualifying as independent members as set out by the CMB Corporate Governance Principles.

Name and Surname	Position
Prof. Dr. Ahmet Kırmacı	Chairman
Yusuf Ziya Toprak(*)	Vice Chairman
Alparslan Akıncı	Member
Ahmet Doğan Ankan(**)	Member-President
Özgün Çınar(*)	Member
Hasan Arslan Sarsar(*)	Member
İnci Yılmaz	Member

* members of Audit Committee, **executive member

Türkiye Şişe ve Cam Fabrikaları A.Ş.

Corporate Governance Compliance Report

Due to the fact that no circumstances have come up to establish rules and restrictions for the board members to accept outside duties, no rules and restrictions have been laid out.

19. The Qualities of Board Members

In principle, only persons with exceptional knowledge and experience with qualities and a relevant past are candidates for board membership. Persons who have been convicted by participating or undertaking felonies, spelled out in CMB Corporate Governance Principles, Section IV. Article 3.1.2 cannot be nominated. Minimum requirement expected of nominees for board membership are; analysing financial statements and reports, an understanding of the legal framework the company operates on regarding daily and long term activities, and ability and resolve to attend the announced meetings of the Board during the budget year. The underlying principles on this issue however are not contained in the AoA.

20. The Mission, Vision and Strategic Targets of the Company

The vision of the Company is "leadership in the sphere of activities in its vital geography that includes periphery countries" which has been announced in the annual report. Strategic targets announced by the company managers are approved by the Board. The above mentioned strategic targets regarding the next three years, are established in strategic plan meetings which are attended by the managers of the Company, and then approved by the BoD before implementation. The BoD scrutinizes the monthly activities (sales, production, stock, number of employees and profit-loss situation) and evaluates past performance.

21. Risk Management and Internal Control Mechanisms

The compliance of all activities of the Company and subsidiaries to laws, AoA and internal procedures, is periodically audited by officers of the Audit Committee and any faults and deficiencies are reported.

Activities that commenced in the second half of 2004 with the aim of establishing "risk management processes" in the company will be concluded in parallel with the re-organization project undertaken to perfect the company organization systems and structure.

22. The Duties and Responsibilities of the Board of Directors

The duties and responsibilities of the BoD is articulated by the company AoA articles 8-15. The management and representation of the company outside, is carried out by the BoD, maximum 9 people, selected from among shareholders, in the Shareholders General Meeting and in accordance with Turkish Commercial Code.

The BoD selects a Chairman and a Vice Chairman after the AGM. In case the Chairman or the Vice Chairman have to leave their positions for whatever reason, another selection is made. The Turkish Commercial Code Article 315 is valid.

In case the Chairman is absent, the Vice Chairman chairs the meetings. If the Vice Chairman is also absent a temporary Chairman for the meeting is elected. The date, time and agenda of the BoD meeting is set by the Chairman, this task is carried out by the Vice Chairman in his/her absence.

The meeting date can also be set by a decision of the BoD. BoD meets as the company business and procedures require. A minimum of one meeting per month is compulsory.

The BoD can authorize one or more of its members, or the company president and managers to carry out all or some of its business, or decide to ask its members to carry out company tasks.

23. Principles of Operation of the BoD

The agenda of the BoD meetings is determined by the needs of the company, considering developments in the country or the world. 38 meetings were carried out during the period. Invitation to meetings are done by the fastest means possible that is telephone, meeting agenda and documents are sent at least one week ahead and participation provided.

A secretariat is not established reporting to the chairman in accordance with the CMB Corporate Governance Principles. On the other hand, activities articulated in the CMB Corporate Governance Principles Section IV, Article 2.19. are carried out, by company personnel in accordance with corporate governance principles.

24. Doing Business with the Company and Prohibition of Competition

Permission is given to members of the BoD, by AGM approval in accordance with provisions of Turkish Commercial Code Articles 334 and 335. No conflict of interest has been reported due to this permission.

Türkiye Şişe ve Cam Fabrikaları A.Ş.

Corporate Governance Compliance Report

25. Ethical Rules

Şişecam carries out its activities in accordance with the eight principles represented also in its logo: powerful, united, diversified, wholly integrated, high quality, trustable, modern, dynamic. Rules regarding the employees have been determined and disclosed to the employees by the "Human Resources Systems Regulations". These rules can be summarized as; compliance with all present and future rules, regulations, procedures and instructions of the company, consideration of the honour of the company in all relationships with each other, third persons and private life, non-disclosure of any and all information that has been obtained through their duties, on the workings, strategies, investments, customers, suppliers etc. of the company to anyone, not to undertake activities that can be labeled as trader, entrepreneur etc.

26. The Number, Structure and Independence of Committees Established in the BoD

To undertake the BoD duties in a healthy way, an Audit Committee has been established from non-executive members. This committee has no independent members of attributes stated in the CMB Corporate Governance Principles. The committee meets at least every three months, and audits the financial and operational activities of the company according to generally accepted standards.

27. Financial Benefits of the BoD

All rights, benefits and remuneration for the members of the BoD, according to the company AoA, are determined by the AGM.

In the 2005 ordinary AGM of the company, that convened on 4 April 2006, the compensation fees to be paid to the members of the BoD have been determined and disclosed to the public.

Credit and lending to the members of the BoD is prohibited, including through third persons, as well as bonds in favour for guarantee.

Directory

Türkiye Şişe ve Cam Fabrikaları A.Ş.

İş Kuleleri, Kule 3, 34330, 4.Levent-İstanbul/Turkey Tel:(212) 350 50 50 Fax:(212) 350 40 40 www.sisecam.com

Flat Glass Business

Trakya Cam Sanayii A.Ş.

Head Office

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Call Center: 0800 211 08 33 www.trakyacam.com.tr

Trakya Plant

Büyükkarıştıran Mevkii, P.K. 98, 39780 Lüleburgaz-Kırklareli/Turkey Tel: (288) 400 80 00 Fax: (288) 400 77 98-99

Trakya Otocam Plant

Büyükkarıştıran Mevkii, P.K. 98, 39780 Lüleburgaz-Kırklareli/Turkey Tel: (288) 400 85 31 Fax: (288) 400 83 57-58

Mersin Plant

Mersin-Tarsus Org. San. Bölgesi, Nacarlı Köyü Mevkii P.K. 401, 33400 Mersin/Turkey Tel: (324) 676 40 70 Pbx Fax: (324) 676 40 73

Cam İşleme ve Kaplamalı Camlar Plant

Fatih Tren İstasyonu Mevkii 41407 Gebze-Kocaeli/Turkey Tel: (262) 678 17 17 Fax: (262) 678 22 74

Trakya Glass Bulgaria EAD-Flat Glass Plant

Vabel District Industrial Zone 7700 Targovishte-Bulgaria Tel: (359 601) 698 01 Fax: (359 601) 697 97

Trakya Logistics EAD

Vabel District Industrial Zone 7700 Targovishte-Bulgaria Tel: (359 601) 678 65 Fax: (359 601) 678 66

Trakya Yenişehir Cam Sanayii A.Ş.

Organize Sanayi Bölgesi 16900 Yenişehir-Bursa/Turkey Tel: (224) 280 10 00 Fax: (224) 773 27 55

Glassware Business

ARC Paşabahçe Food Service LLC

Cardinal (APFS) / ARC International 30 Corporate Drive Wayne New Jersey, 07470 USA Tel: (1 973) 628 0 900

Camiş Ambalaj Sanayii A.Ş.

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