

**Press release**

**In the first half of 2017, Tüpraş continued to fully utilize its capacity, benefiting from its Residuuum Upgrade Facility (RUP), and increased its sales by 5.1%.**

With the help of the favorable global refining environment than last year and its high complexity configuration, Tüpraş continues to operate at full capacity and create value for our country.

Crude oil prices declined from US\$ 52 per barrel at the beginning of the second quarter to US\$ 44 per barrel driven by an increase in production in the US, Libya and Nigeria and OPEC' decision not to deepen supply cuts in May. At the end of June, crude oil prices reached to US\$ 47.4 per barrel, generating a 3 month average of US\$ 49.8 dollar per barrel.

Continuing maintenance of a number of European and Russian refineries during the second quarter as well as supply shortages in a number of Middle Eastern refineries had a positive impact on product profitability in April. In May and June, higher than average fuel oil profitability contributed to an increase in refinery capacity utilization rates globally. In addition, product demand was higher than last year due to the continuation of low price environment, improvements in the aviation sector and improving economic conditions in the developed economies, in particular Europe. Thanks to the increase in product profitability during the second quarter of 2017, the average Mediterranean margin was US\$5.8 per barrel; during the same period, Tüpraş achieved US\$7.8 per barrel net margin with full capacity utilization.

During this period, Tüpraş produced 7.8 million tons and sold 8.1 million tons of refined products; generating 6.6 million tons sales in the domestic market and 1.4 million tons sales internationally.

Operational and Financial Data							
		H1 2016	H1 2017	Diff.	Q2 2016	Q2 2017	Diff.
Operational	Total Charge (Thousand Tons)	14.171	15.662	1.491	7.166	8.186	1.051
	Total Sales (Thousand Tons)	14.530	15.278	748	7.654	8.063	409
Financial	Sales Revenue (Million TL)	14.645	25.000	10.355	8.453	12.631	4.178
	Operating Profit (Million TL)	767	2.790	2.023	493	1.478	985
	Profit Before Tax (Million TL)	495	2.487	1.992	399	1.435	1.036
	Net Profit for the Period (Million TL)	409	2.326	1.917	331	1.457	1.126

Given the 5.1% increase in sales volume, increase in the USD/TL foreign exchange rate as well as the higher oil price than last year, 2017 Q2 sales revenue was TL 12.6 Billion, an increase of approximately 50% over the last year. In strong refining environment, Tüpraş achieved an operating profit of TL 1.48 Billion benefiting from its successful operational management. Successful financial risk and working capital management contributed to TL 1.43 Billion profit before tax. Over the first six months in 2017, Tüpraş generated TL 25 billion in revenues and TL 2.3 billion in net profit.

Tüpraş continued its investments inline with its plans, and made a total investment of US\$ 105.3 million in the first half of 2017.

Together with its strengthening competitiveness globally, Tüpraş will continue to fulfill our country's fuel needs with the highest quality products, meet company's operational and financial objectives and create value for our shareholders, business partners and country.

**Corporate Communications Department**