



Q3 2018 Analyst Teleconference

Disclaimer

This presentation contains forward-looking statements that reflect the Company management's current views with respect to certain future events. Although it is believed that the expectations reflected in these statements are reasonable, they may be affected by a variety of variables and changes in underlying assumptions that could cause actual results to differ materially.

Neither Tüpraş nor any of its directors, managers or employees nor any other person shall have any liability whatsoever for any loss arising from use of this presentation.

Q3 2018 Key Market Highlights

Resilient Turkish Market

2018 8M

- Diesel demand growth **8.0%**
- Jet Fuel demand growth **12.3%**
- Gasoline demand growth **3.7%**
- Fuel oil demand contracted by **22%**

Compared to Q3 2017

Strong Middle Distillate Cracks; Weak Gasoline and Fuel Oil Cracks in Q3 2018

Jet cracks
+11%

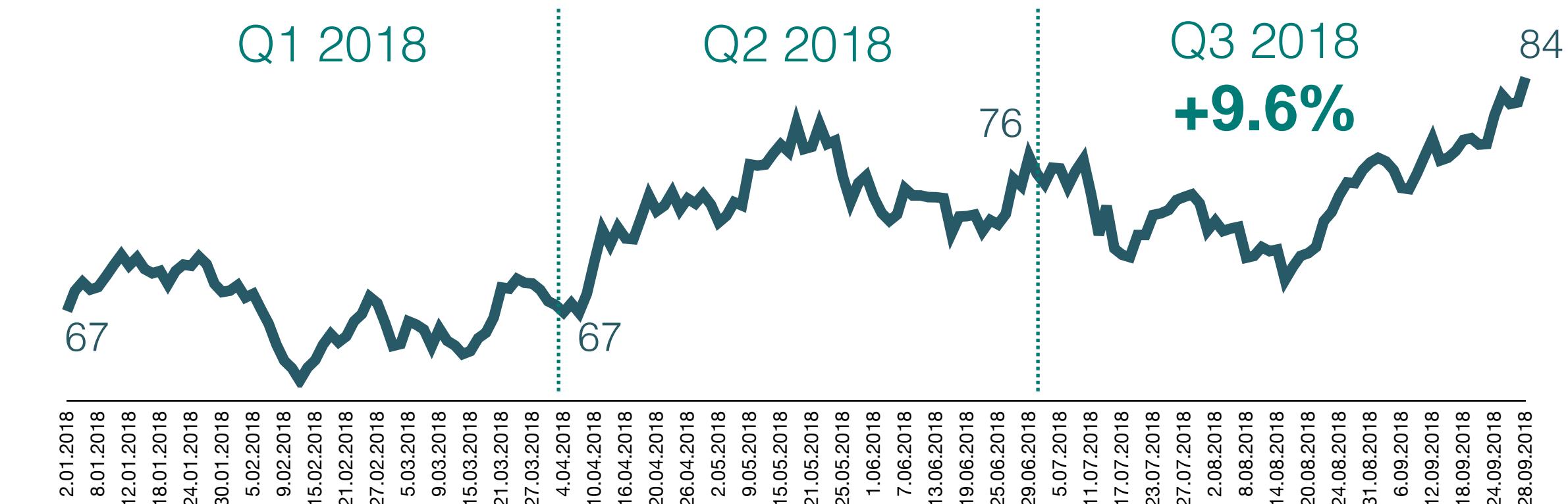
Diesel cracks
+9%

Gasoline cracks
-17%

High Sulphur Fuel Oil cracks
-44%

Significant Increase in Crude Oil Price

2018 Brent (\$/bbl)



Steep Increase in \$/TL

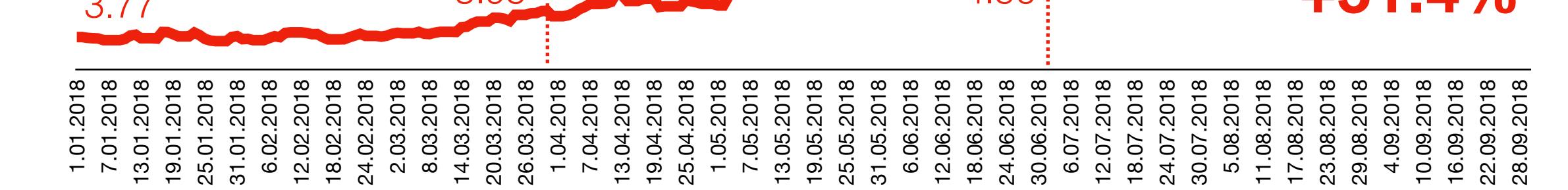
Normalization began in the second half of September

Q1 2018

Q2 2018

Q3 2018

+31.4%



Q3 2018 Tüpraş Highlights

Higher Capacity Utilization



Increase in capacity utilization (Total 115%) in Q3 2018 compared to H1 2018 (Total 85%)

Inventory Gain



292.8 million \$ inventory gain in Q3 2018 due to **9.6%** increase in Brent price and **31.4%** increase in FX

Strong Balance Sheet



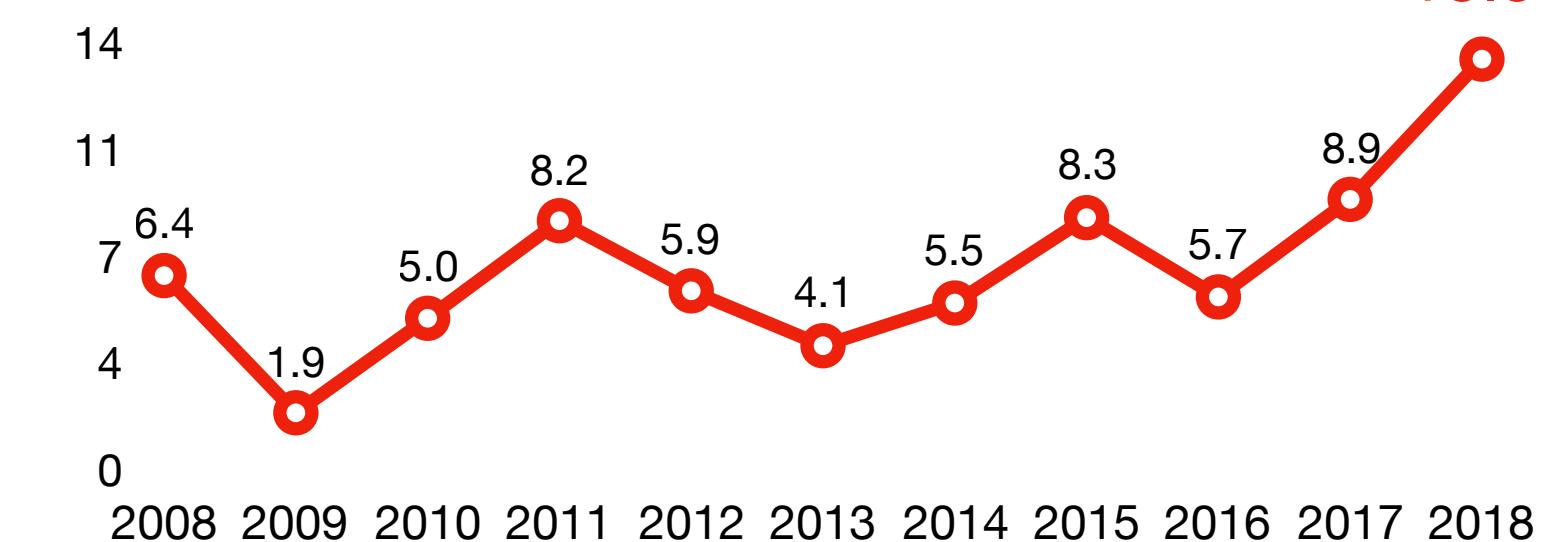
- Efficient liquidity management:
 - Ample amount of cash (**1.66 Billion USD**)
 - 1.2x** Net Debt-Rolling EBITDA in USD terms

Highest Q3 Net Refining Margin in Last Decade
13.5 \$/bbl driven by production increase and inventory gains

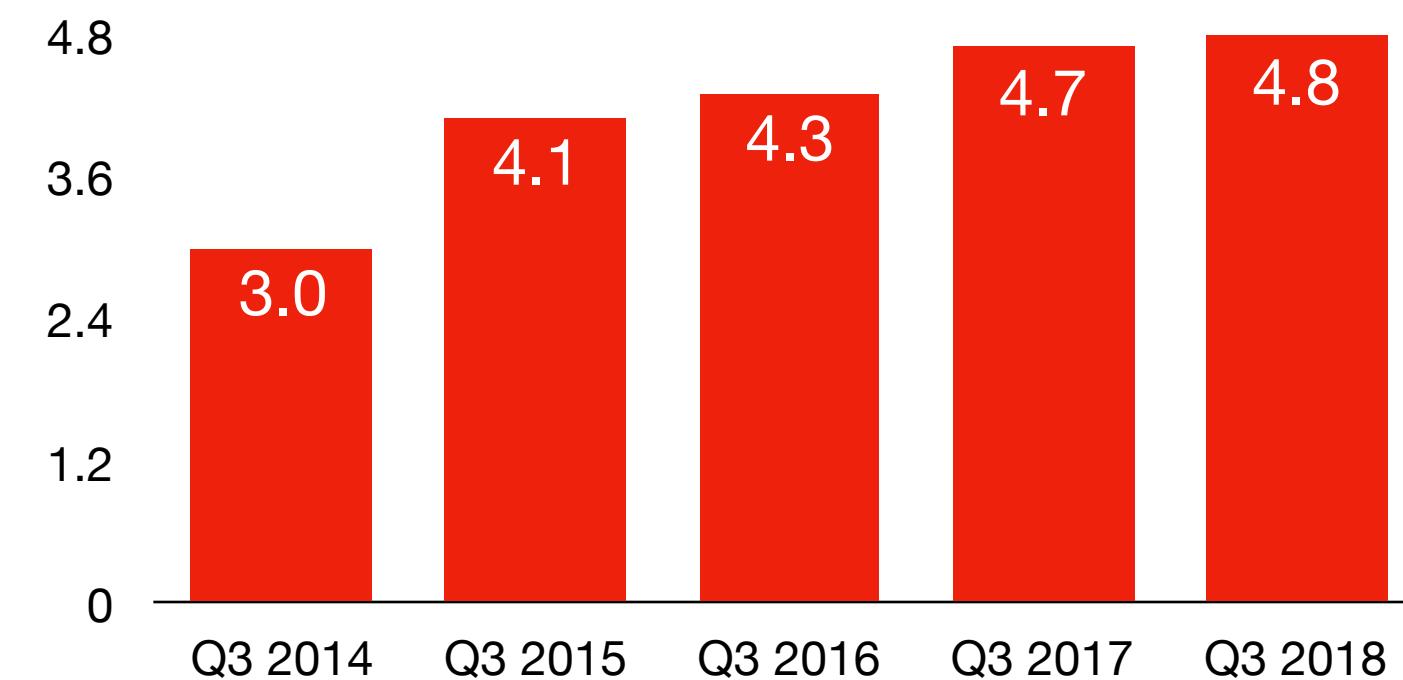


Middle Distillate Sales remain sound
4.8 million tons of domestic jet and diesel sales Q3

Q3 - Tüpraş Net Refining Margin (\$/bbl)



Domestic Middle Distillate Sales (mn tons)



In Q3 2018



7.7

Million tons of
Total Production



8.7

Million tons of
Total Sales



3,778

Million TL
EBITDA

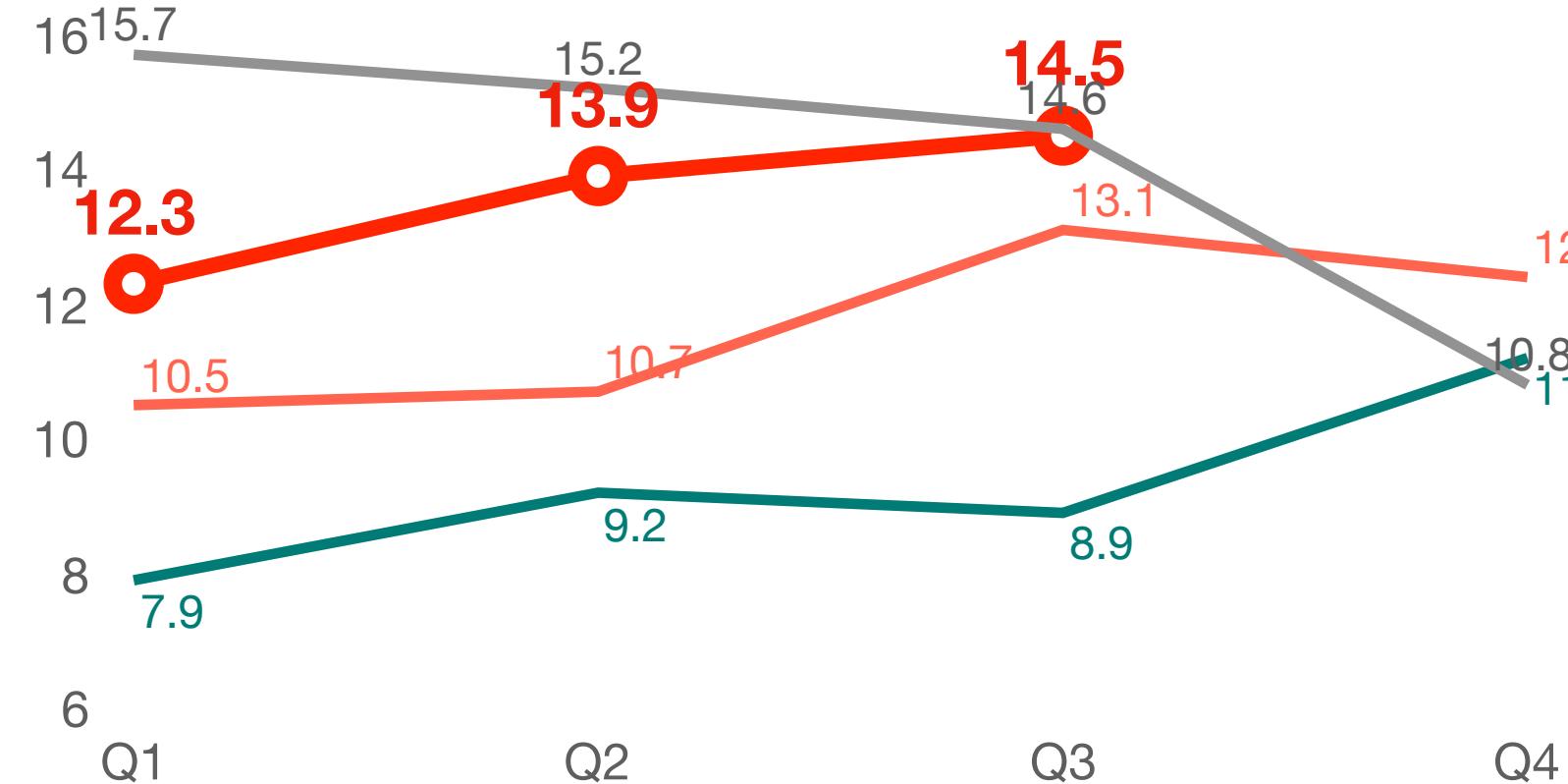


Market

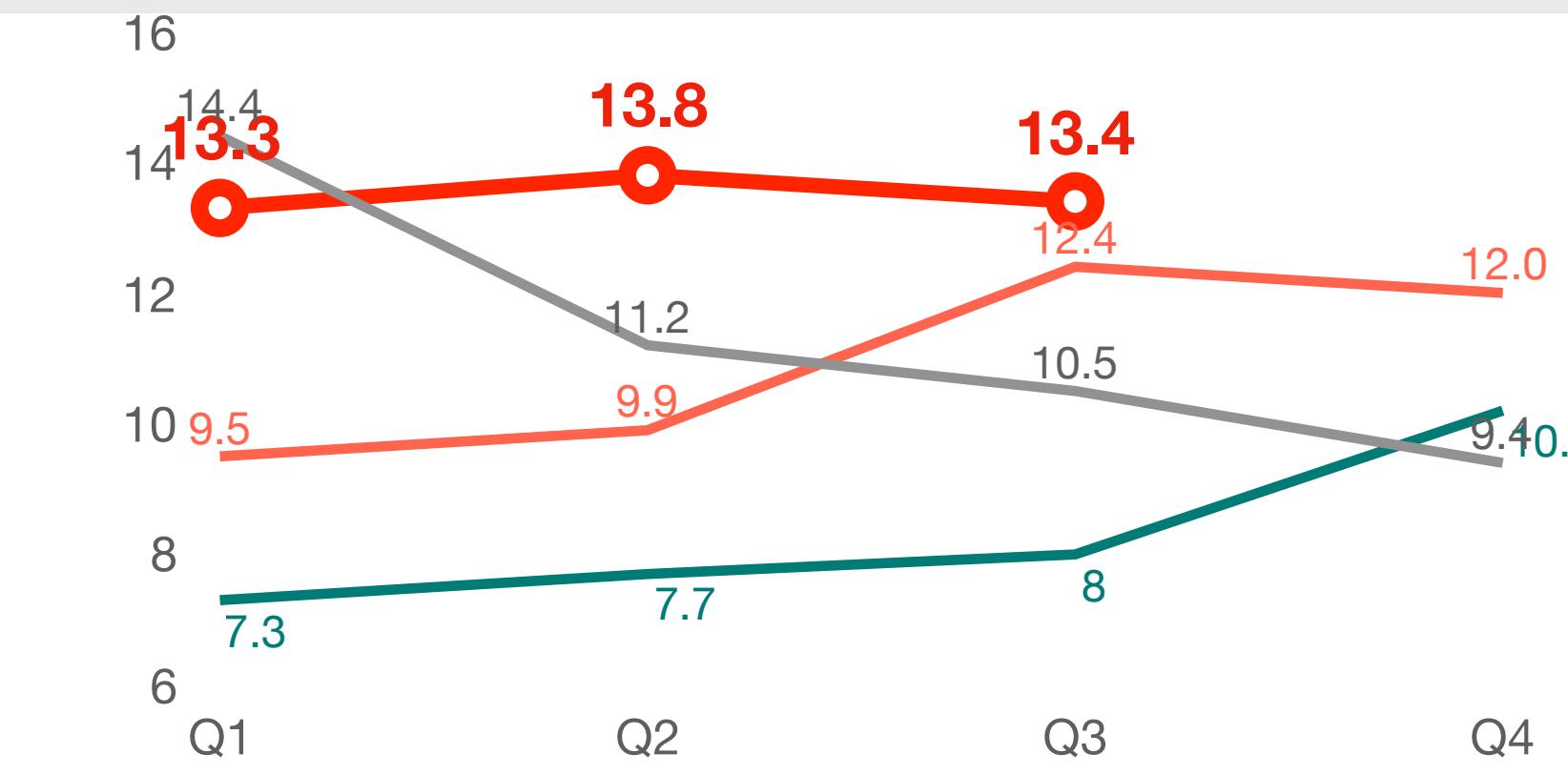
Quarterly Crack Margin Comparison (\$/bbl) in 2015 - 2018

Diesel and jet fuel cracks increased by 11% and 9% respectively; while gasoline and fuel oil cracks were weaker compared to 2017 Q3.

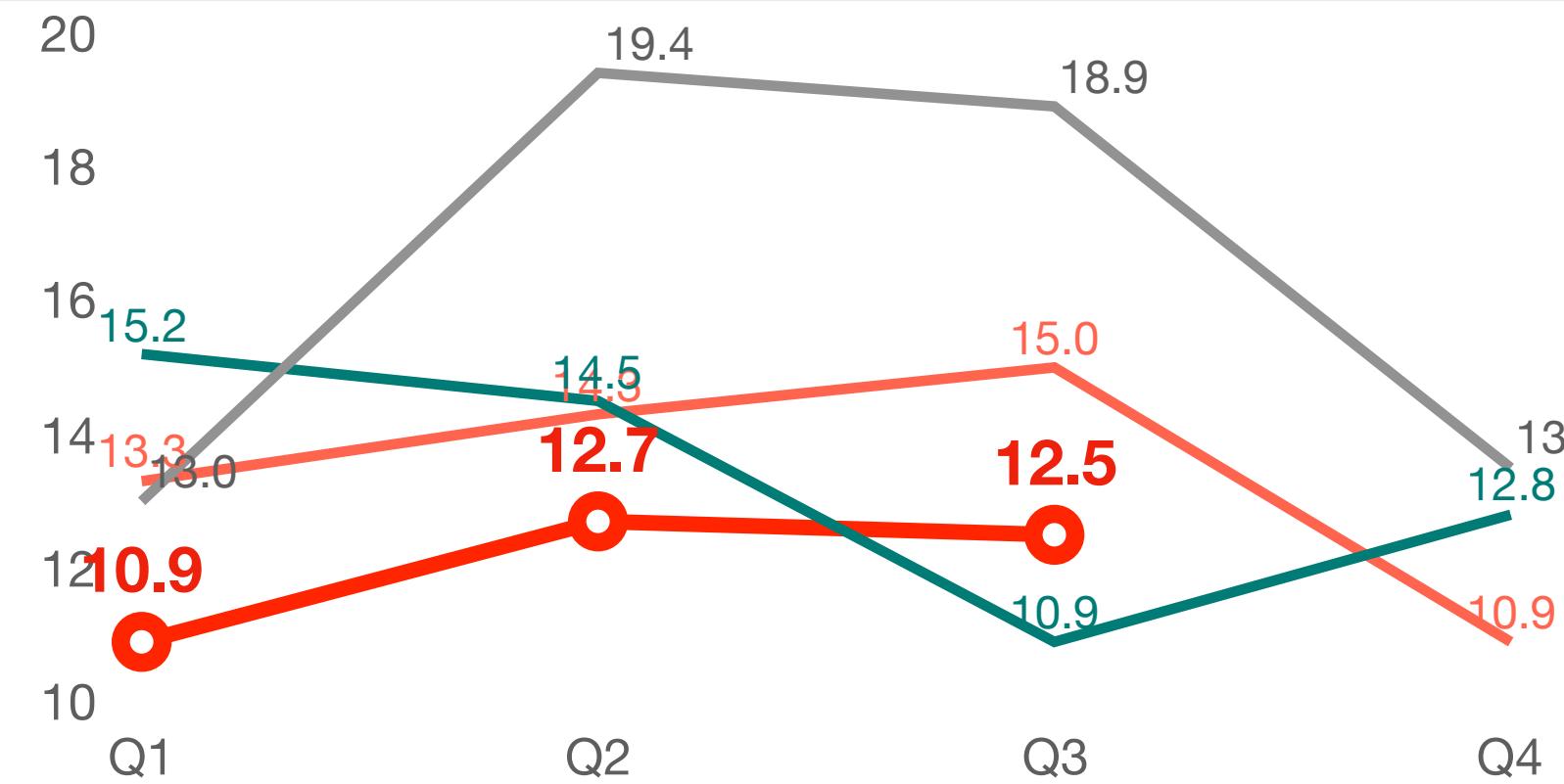
Diesel



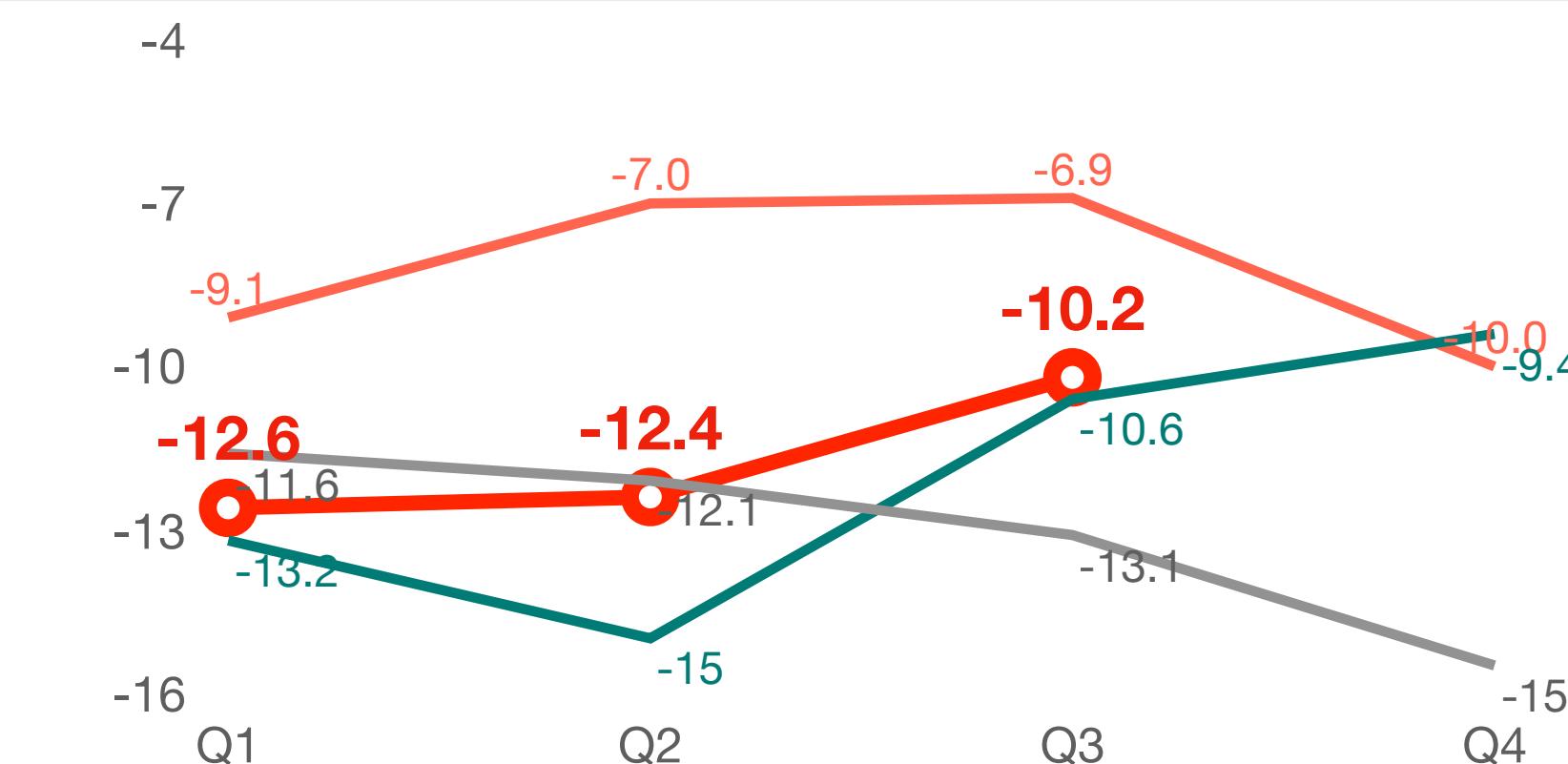
Jet Fuel



Gasoline

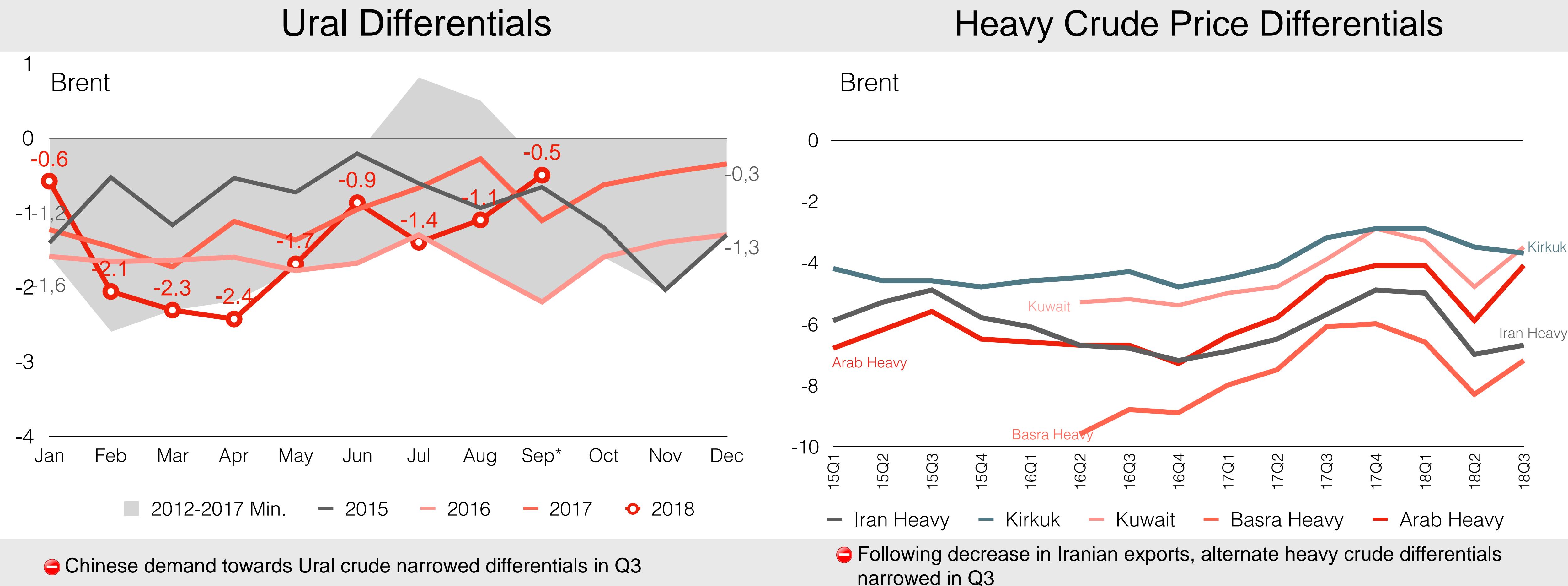


High Sulphur Fuel Oil



Crude Price Differentials (\$/bbl)

Ural differentials narrowed with higher Chinese demand while Heavy Crude differentials narrowed with lower Venezuelan and Iranian crude availability.



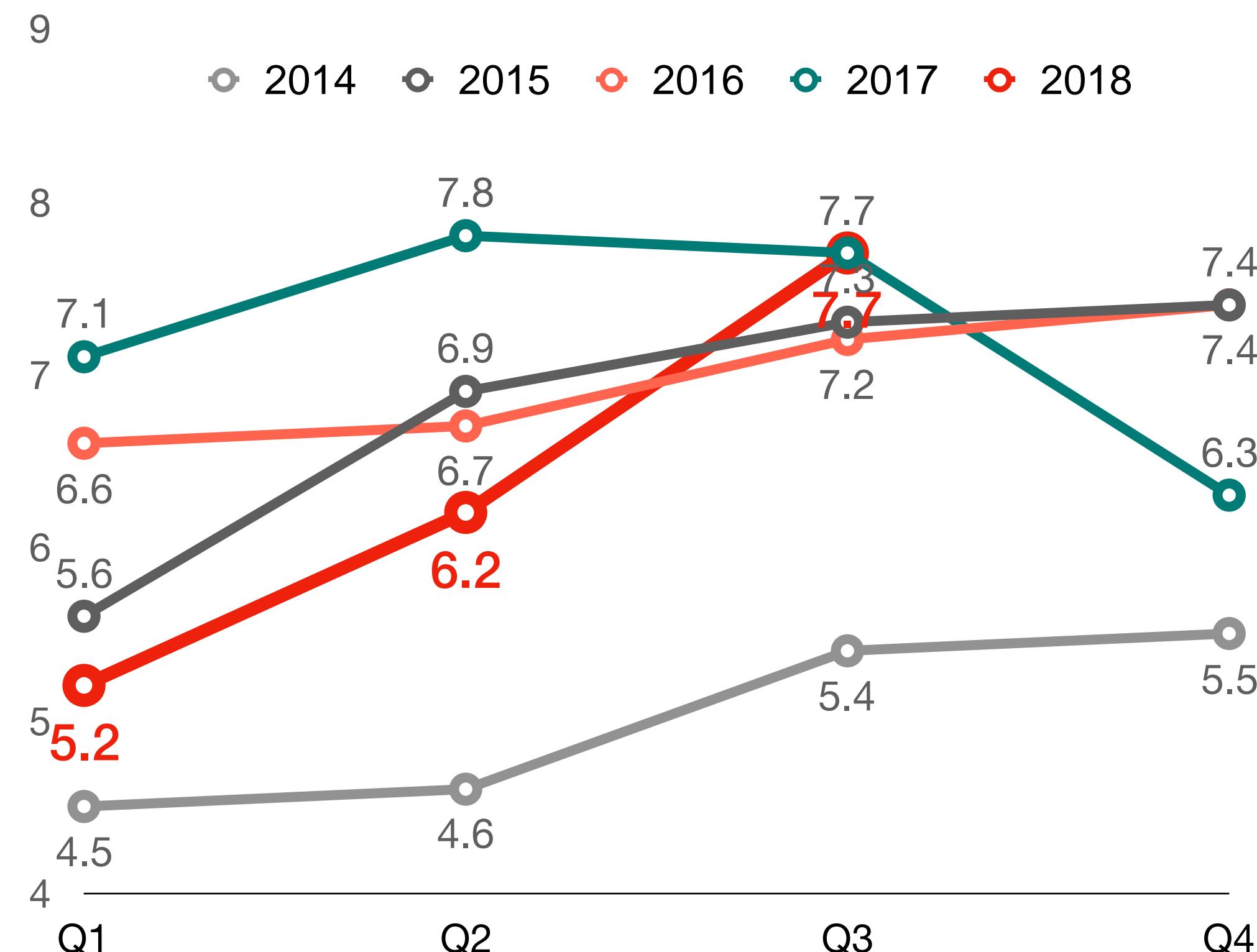


Operations

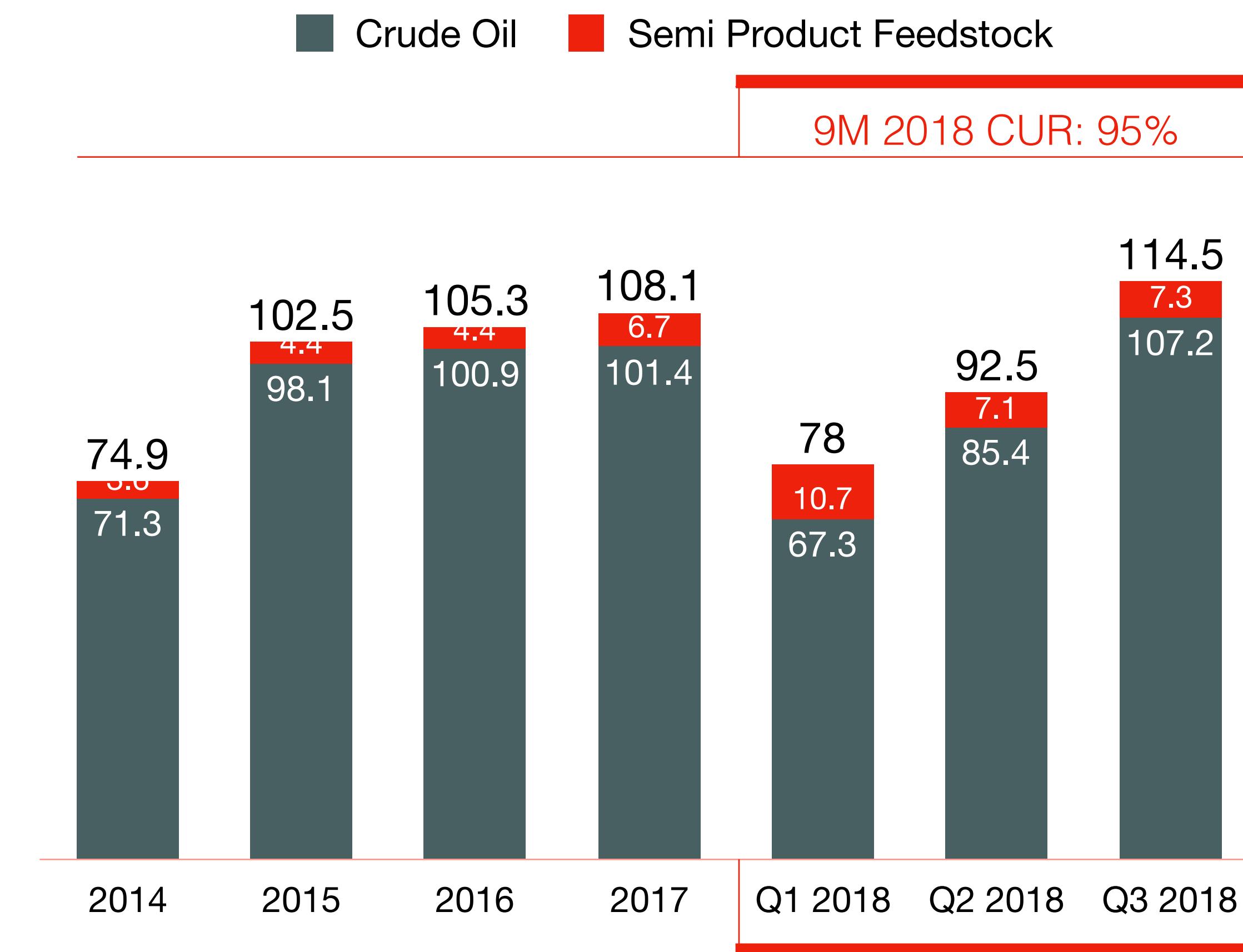
Capacity Utilization and Quarterly Production Volume on Track in Q3

Capacity utilization reached 115% in Q3.

Quarterly Production (Million Tons)



Capacity Utilization* (%)



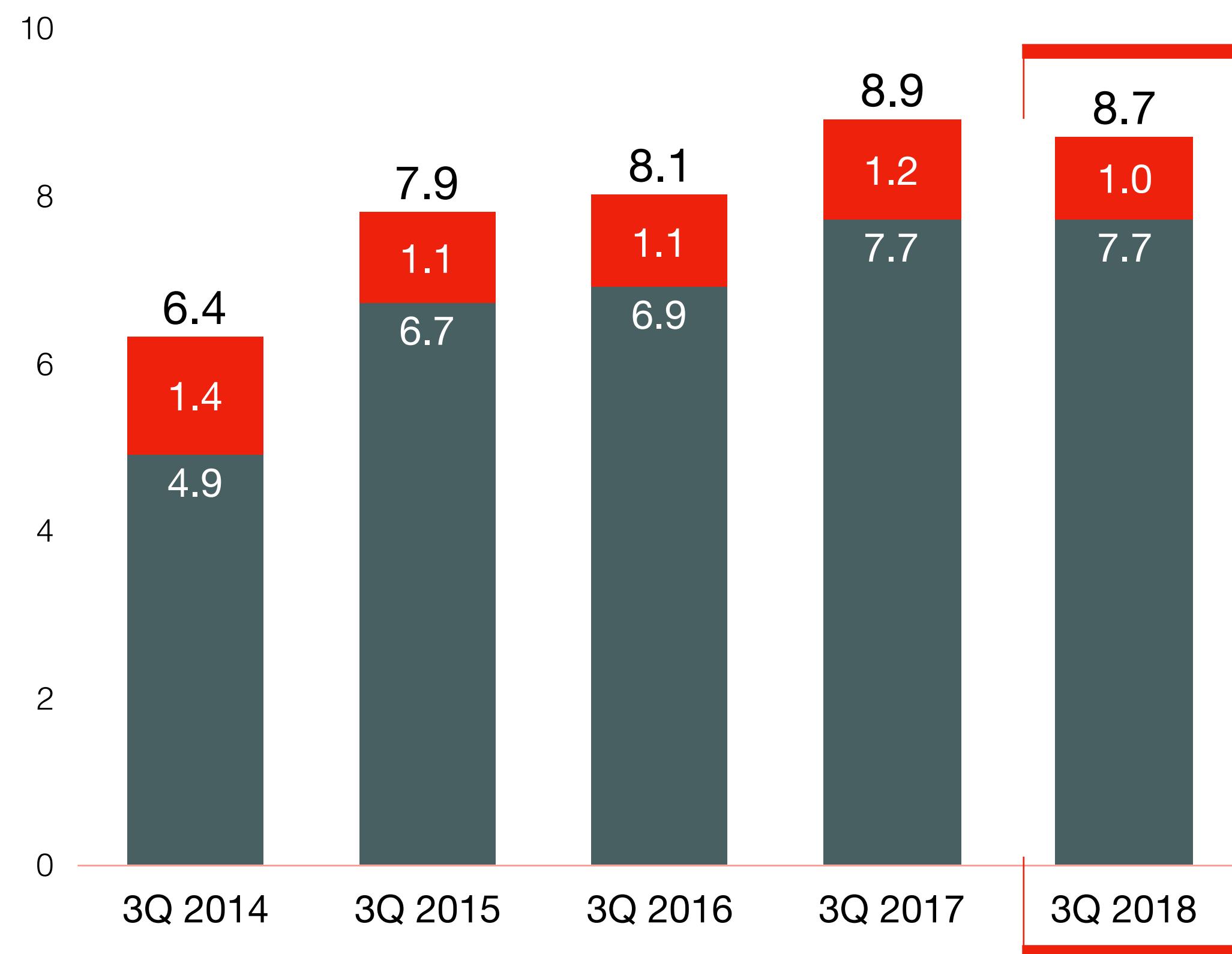
*Nameplate capacity calculated by standard 330 days of operations.

Sales in Q3 (Million Tons)

We generated 8.7 million tons of total sales in Q3 2018.

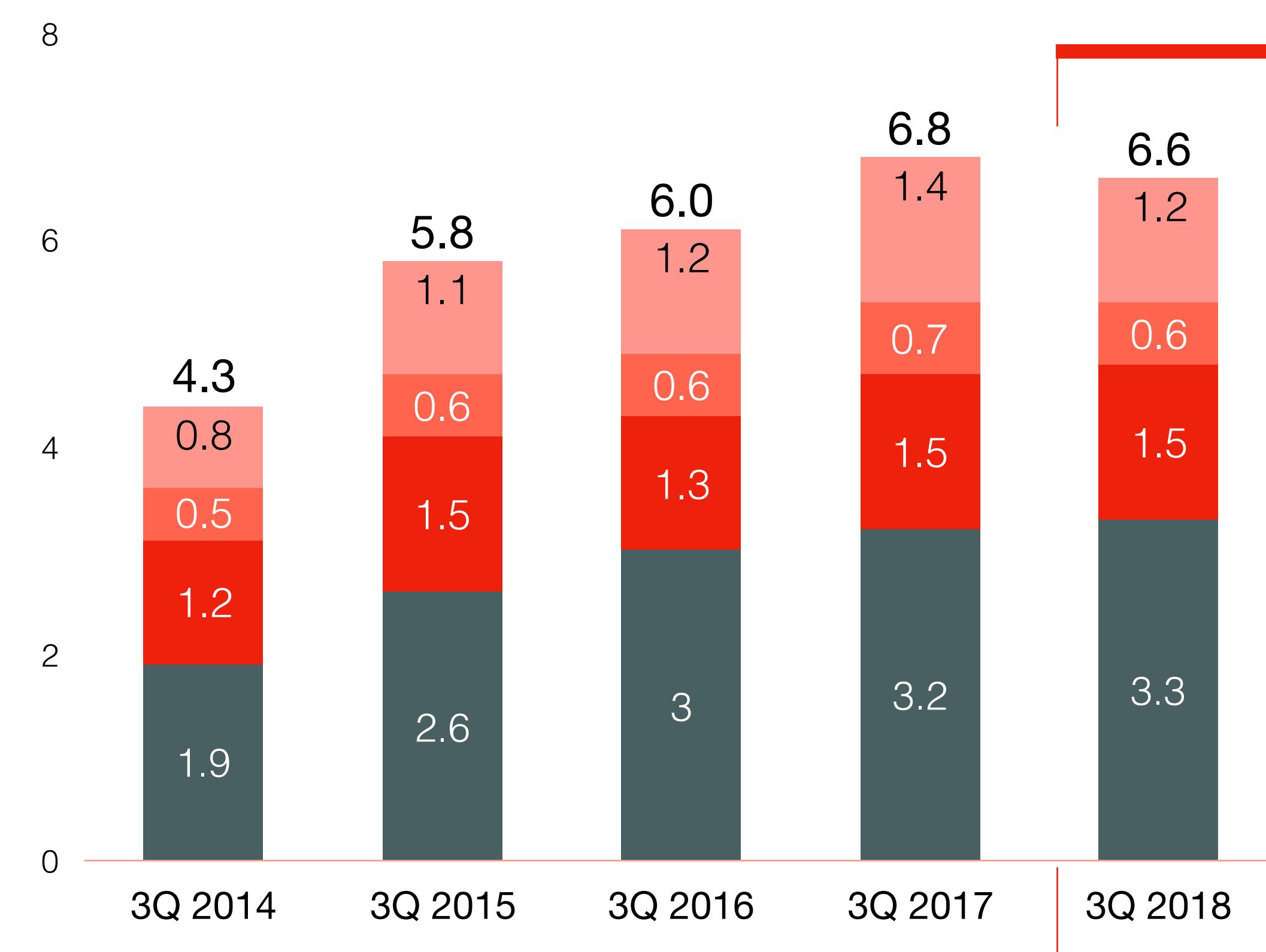
Total Sales in Q3

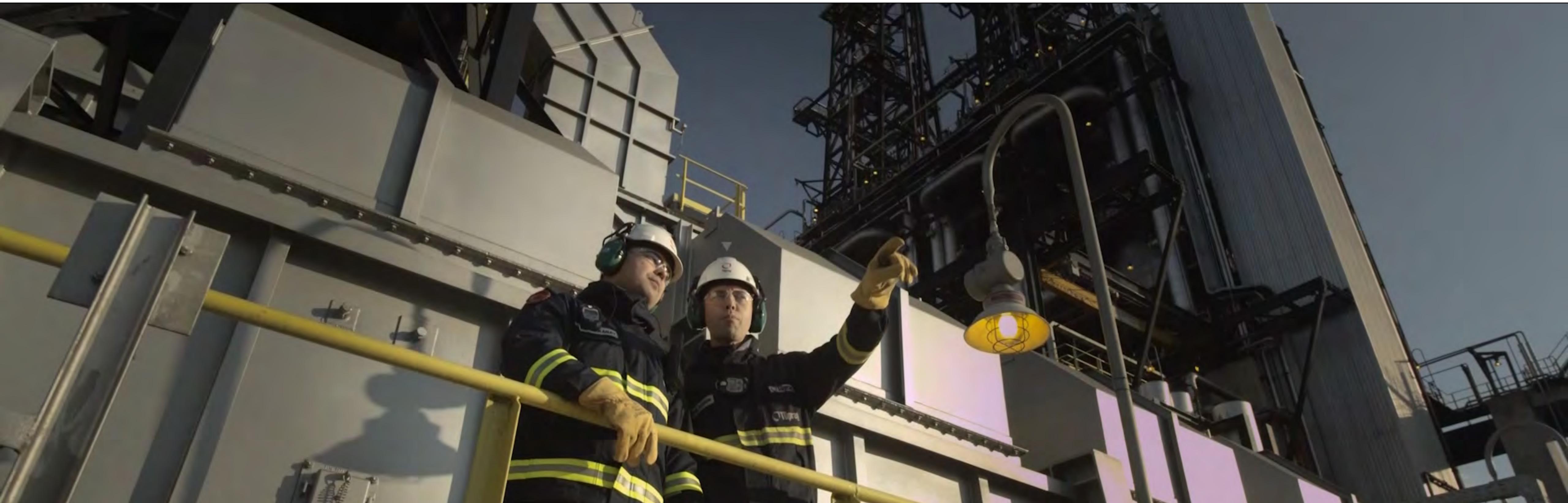
■ Domestic Sales ■ Export



Domestic Sales of Key Products in Q3

■ Diesel ■ Jet Fuel ■ Gasoline ■ Bitumen

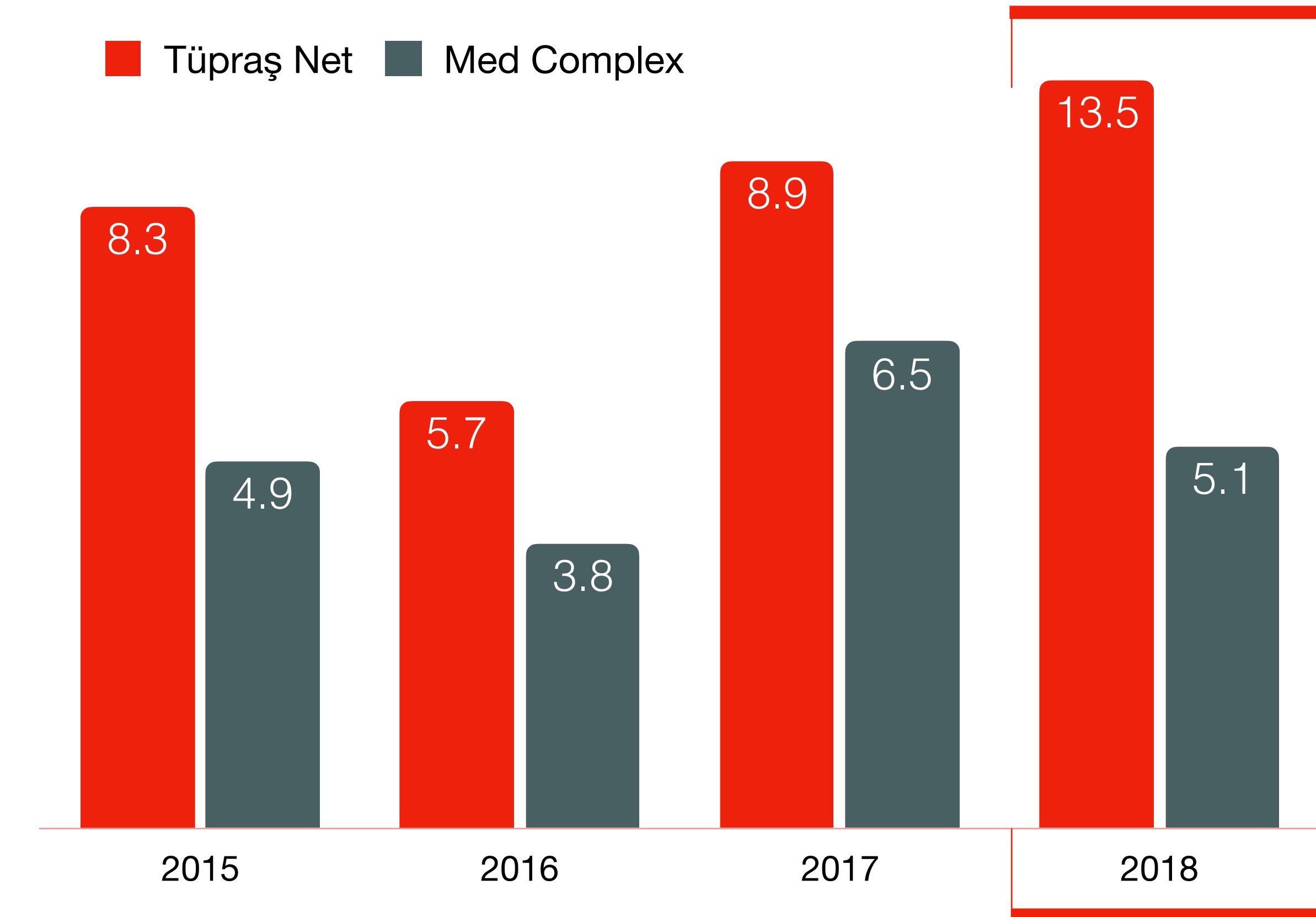




Financials

Tüpraş Net Margin and Med Complex Margin Comparison (\$/bbl)

- Tüpraş' 13.5 \$/bbl Net Refining Margin in 2018 Q3 was significantly higher than 5.1 \$/bbl Med Complex.
- This was mainly due to high inventory gain effect, increase in production and better product mix.



Effect of hedging operations excluded from above calculations.

Income Statement

Strong EBITDA generation continued in Q3 2018

| Million TL | Q3 2018 | Q3 2017 | % | 9M 2018 | 9M 2017 | % |
|--|---------|---------|-----|---------|---------|-----|
| Net Sales | 30.247 | 14.344 | 111 | 63.749 | 39.344 | 62 |
| Gross Profit | 3.910 | 1.610 | 143 | 7.200 | 4.813 | 50 |
| Operating Expenses | -324 | -296 | 9 | -870 | -793 | 10 |
| Income/Loss from other operations | -2.783 | -24 | | -3.771 | 59 | |
| Operating Profit | 802 | 1.290 | -38 | 2.559 | 4.079 | -37 |
| Income/Loss from equity investment | 47 | 67 | -30 | 185 | 173 | 6 |
| Operating Profit Before Fin. Income/Loss | 849 | 1.356 | -37 | 2.743 | 4.253 | -35 |
| Net Financial Income /Expense | -171 | -123 | 39 | -668 | -533 | 25 |
| Profit Before Tax | 678 | 1.234 | -45 | 2.075 | 3.720 | -44 |
| Net Profit (including minority interest) | 551 | 1.000 | -45 | 1.973 | 3.339 | -41 |
| EBITDA *(mn.TL) | 3.778 | 1.528 | 147 | 7.021 | 4.645 | 51 |
| EBITDA* (mn. TL) CCS | 1.745 | 1.290 | 35 | 3.463 | 4.284 | -19 |

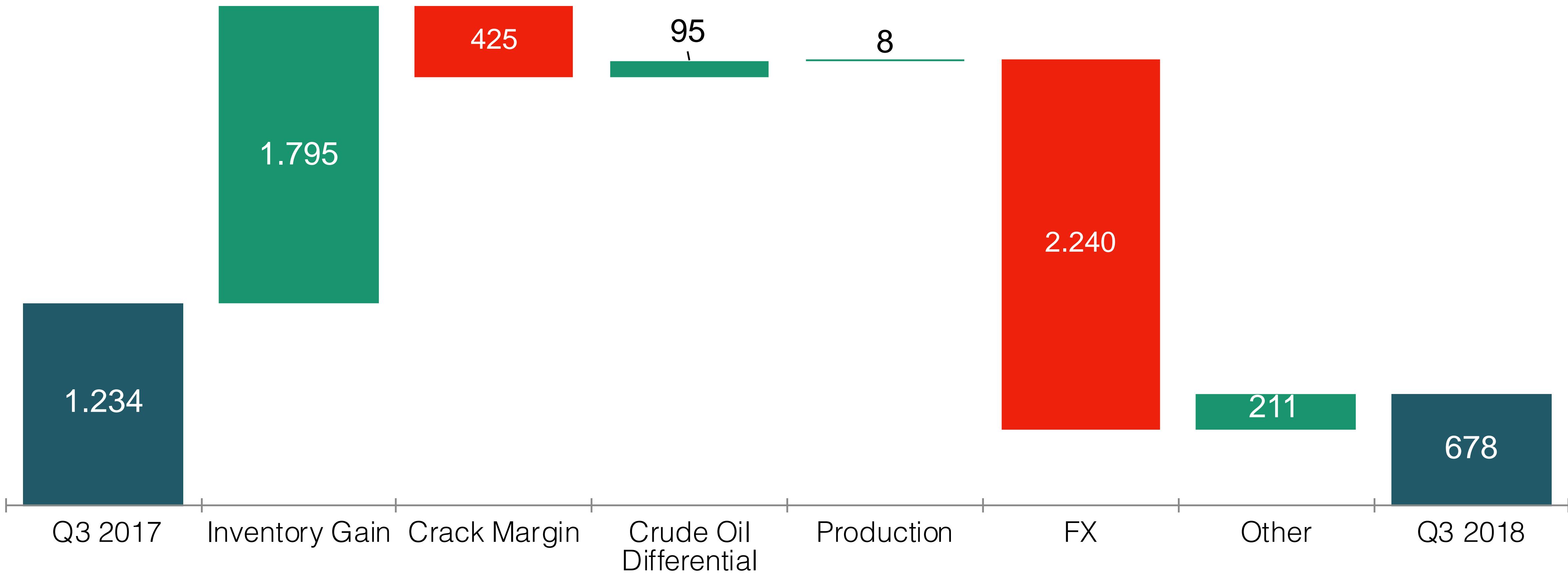
| Million \$ | Q3 2018 | Q3 2017 | % | 9M 2018 | 9M 2017 | % |
|--|---------|---------|-------|---------|---------|--------|
| Net Sales | 5,672 | 4,068 | 39 | 13,868 | 10,946 | 27 |
| Gross Profit | 761 | 458 | 66 | 1,566 | 1,339 | 17 |
| Operating Expenses | -56 | -84 | -34 | -189 | -221 | -14 |
| Income/Loss from other operations | -579 | -6 | 8,868 | -820 | 16 | -5,073 |
| Operating Profit | 127 | 367 | -65 | 557 | 1,135 | -51 |
| Income/Loss from equity investment | 6 | 19 | -66 | 40 | 48 | -17 |
| Operating Profit Before Fin. Income/Loss | 133 | 386 | -65 | 597 | 1,183 | -50 |
| Net Financial Income /Expense | -24 | -35 | -33 | -145 | -148 | -2 |
| Profit Before Tax | 110 | 351 | -69 | 451 | 1,035 | -56 |
| Net Profit (including minority interest) | 81 | 285 | -72 | 429 | 929 | -54 |
| EBITDA* (mn.\$) | 734 | 435 | 69 | 1,527 | 1,292 | 18 |
| EBITDA* (mn.\$) CCS | 333 | 368 | -10 | 753 | 1,192 | -37 |

* On CMB reports, EBIT includes extra items such as FX impacts of trade receivables and payables. In our EBITDA calculation, FX related items are excluded from EBIT as customary in international practices.

Q3 Profit Before Tax Bridge (2017-2018)

Decline in profit before tax was mostly driven by FX loss, partially offset by inventory gain.

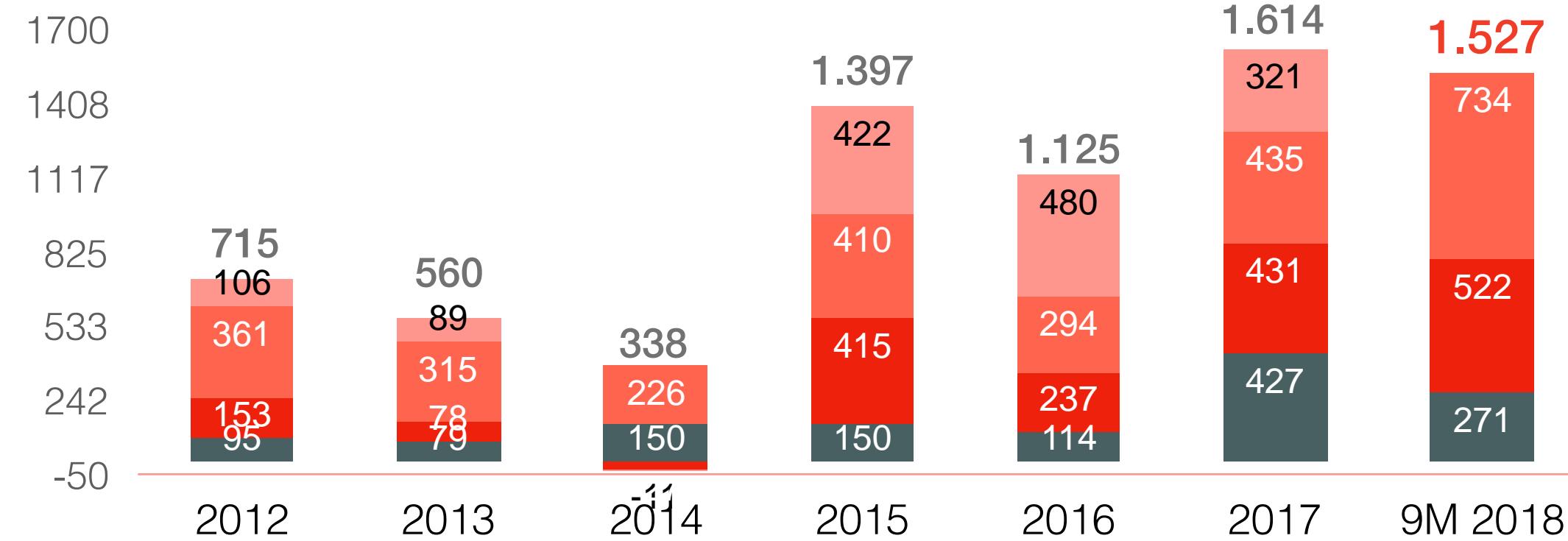
Million TL



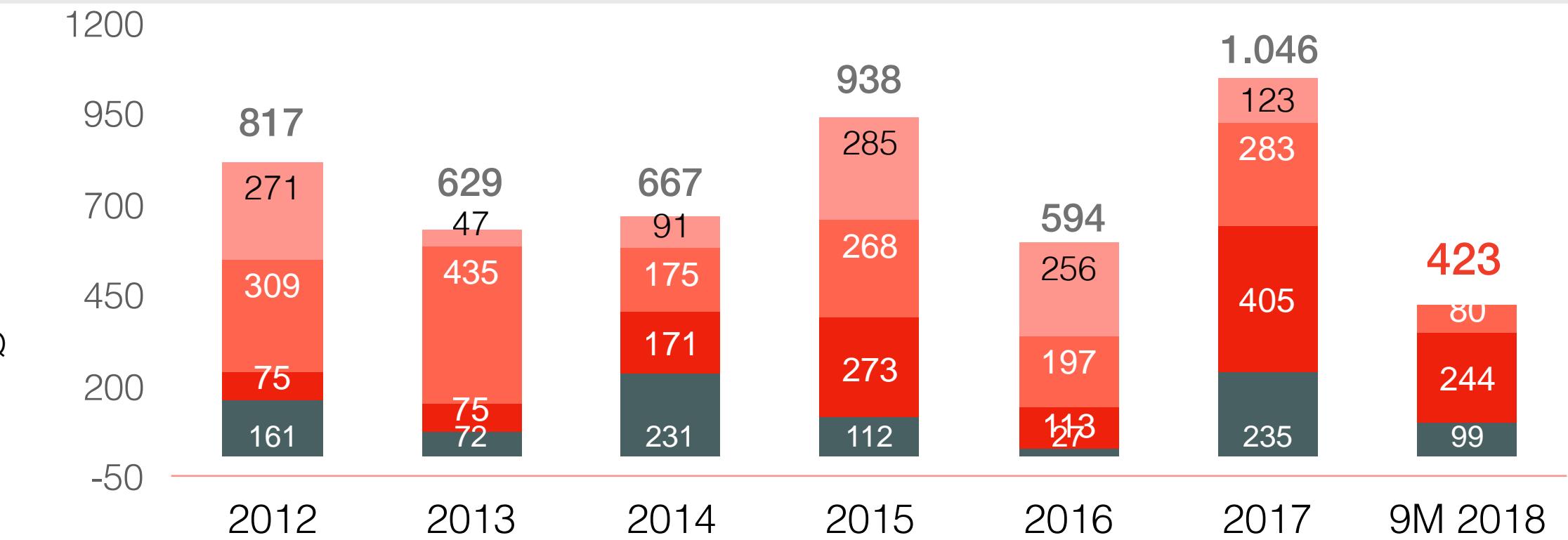
Financial Highlights (Million \$)

Tüpraş achieved 734 mn USD EBITDA with high capacity utilization and inventory gain.

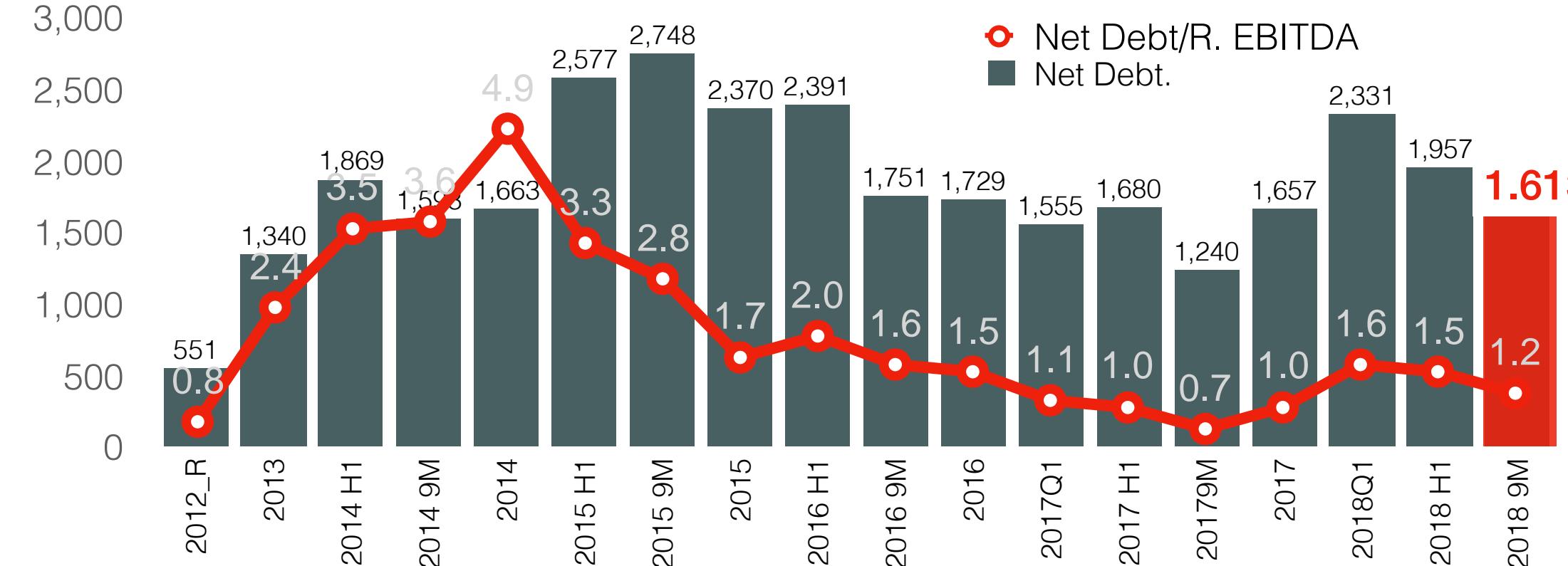
EBITDA



Net Income

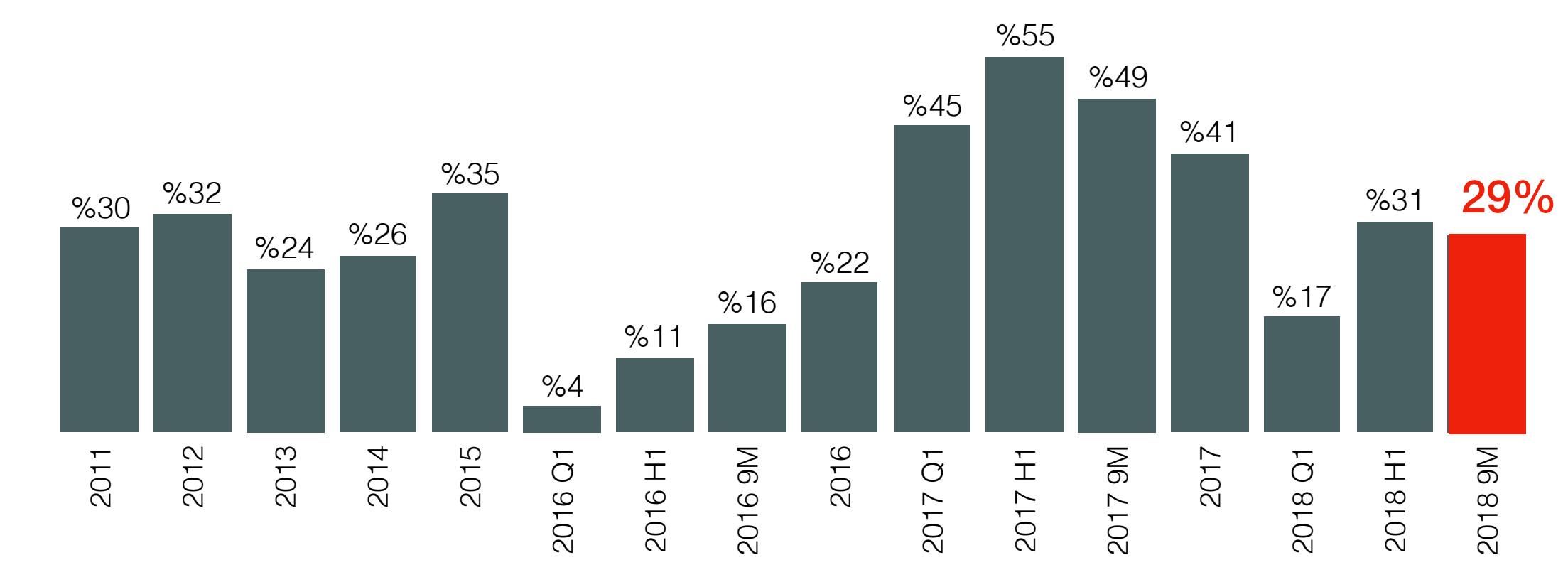


Net Debt- Net Debt/ Rolling EBITDA



*Rolling EBITDA is calculated with dollar terms

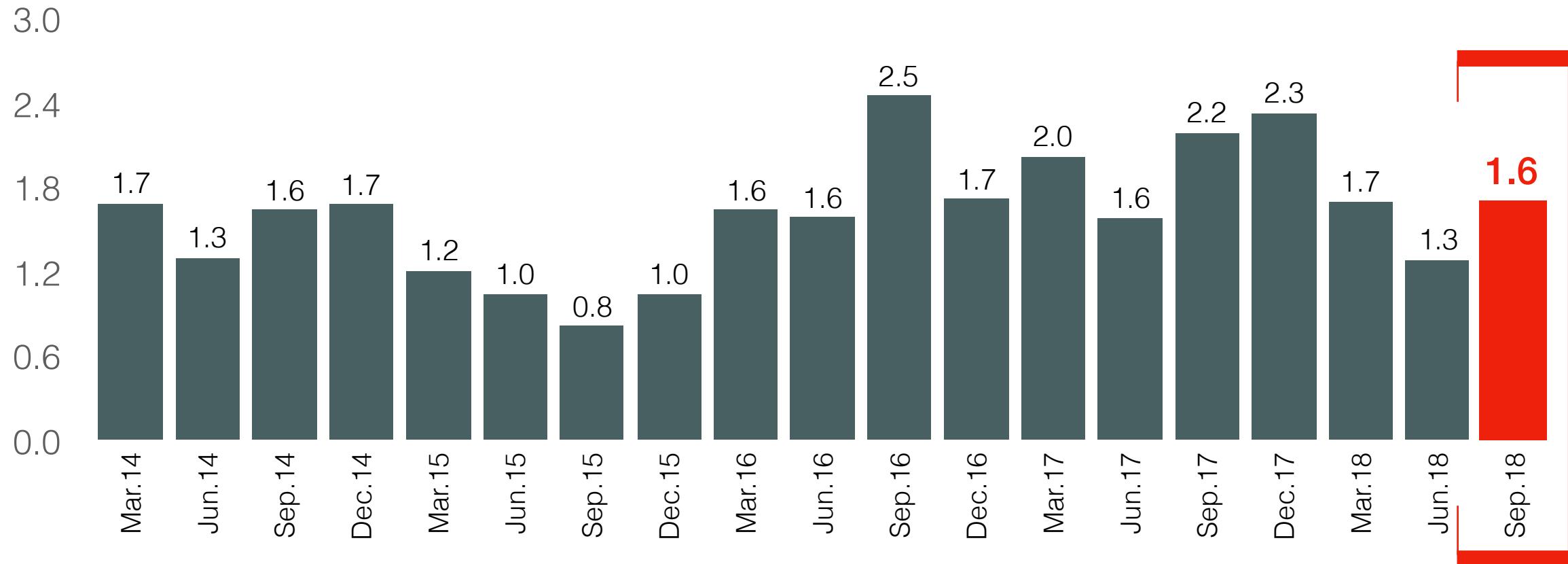
Return of Average Equity



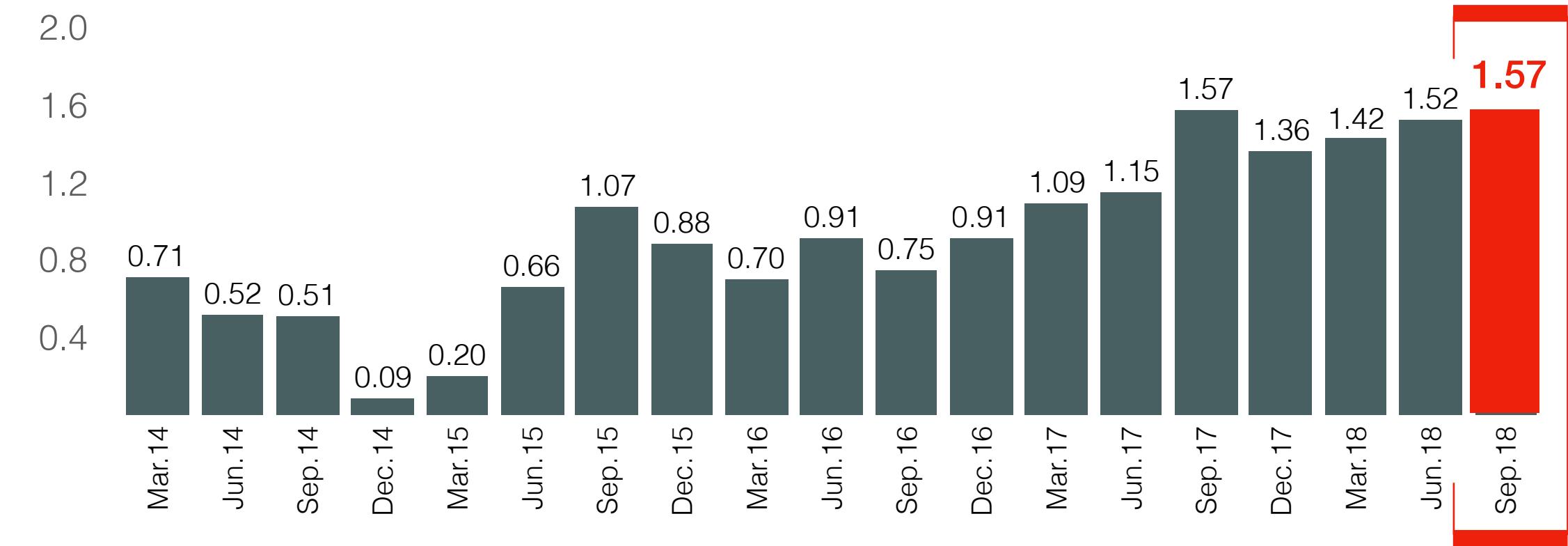
Balance Sheet Analysis (Billion \$)

Strong operational FCF generation and tight working capital management led to an increase in our cash position.

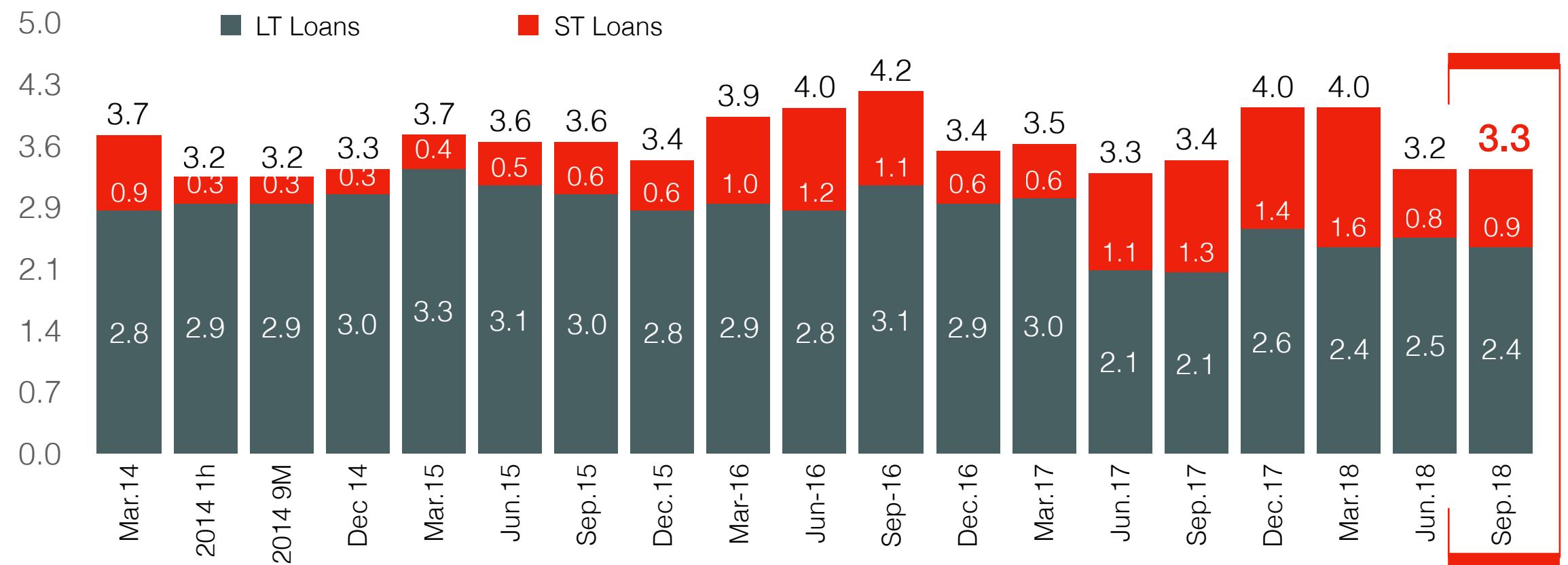
Cash & Cash Equivalents



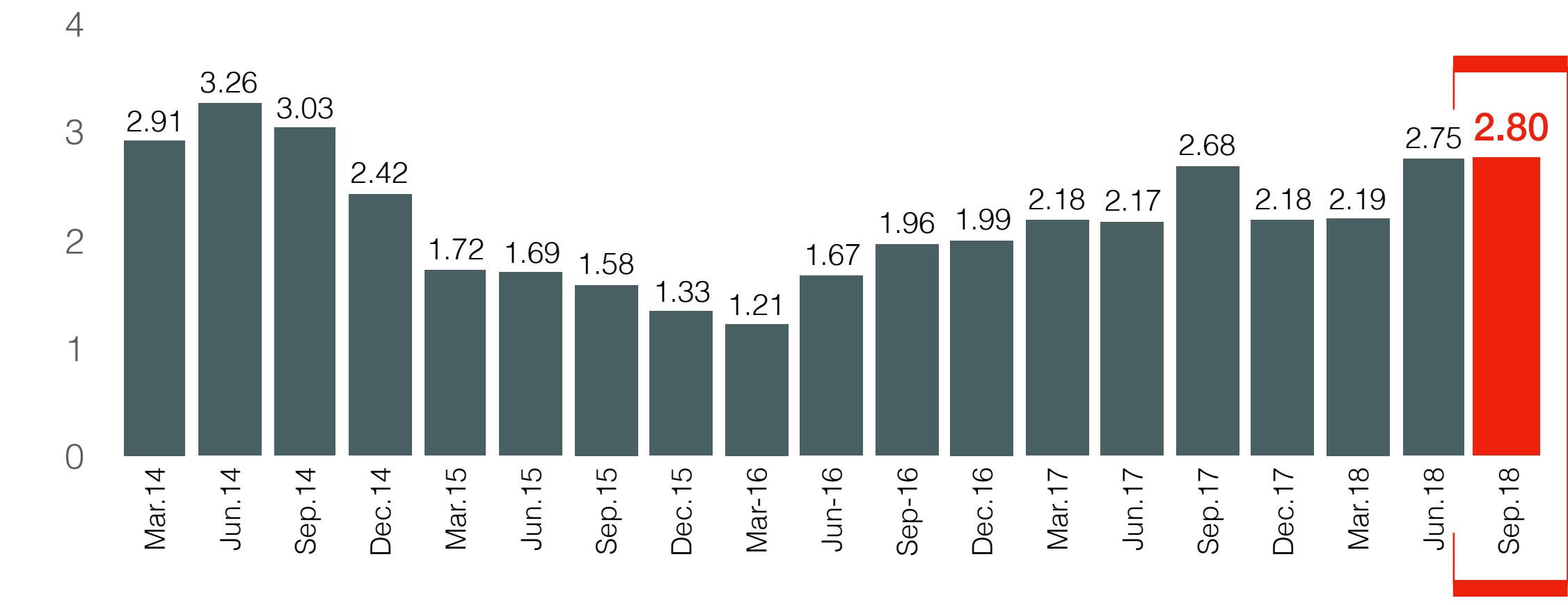
Receivables



Financial Loans



Payables



FX Exposure Management (30 September 2018)

Tüpraş continues to employ strict FX policies to mitigate currency risks stemming from volatility.

Consolidated Assets

Million \$

| | |
|----------------------------|-------|
| Cash | 1,410 |
| Receivables & other assets | 53 |
| Stock | 1,412 |
| Forward & CFH | 2,414 |

Consolidated Liabilities

| | |
|----------------|-------|
| Trade Payables | 2,539 |
|----------------|-------|

| | |
|-----------------------------|-----|
| ST Financial | 717 |
| • RUP : 263 • Other: 454 | |

| | |
|--|-------|
| LT Financial | 2,097 |
| • RUP : 859 • Eurobond 700 • Other Loans : 538 | |

-64 mn \$

* Cash flow hedge accounting : 928 mn \$



Outlook for 2018

2018 Refinery Maintenance Schedule & Capacity Utilization

- We are completing our 2018 maintenance schedule with only two remaining maintenances in Q4
- We are planning maintenance in RUP unit in the 1H 2019. We will provide more details in the beginning of 2019.

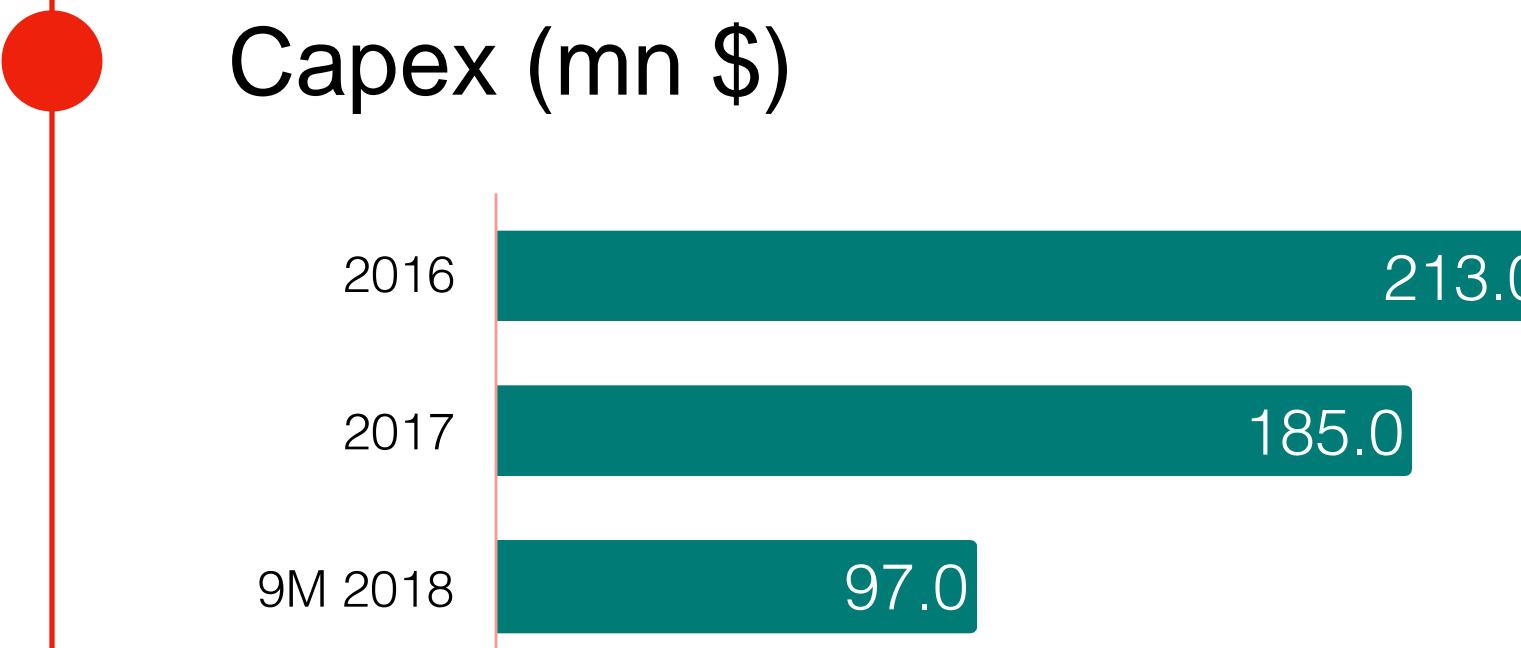
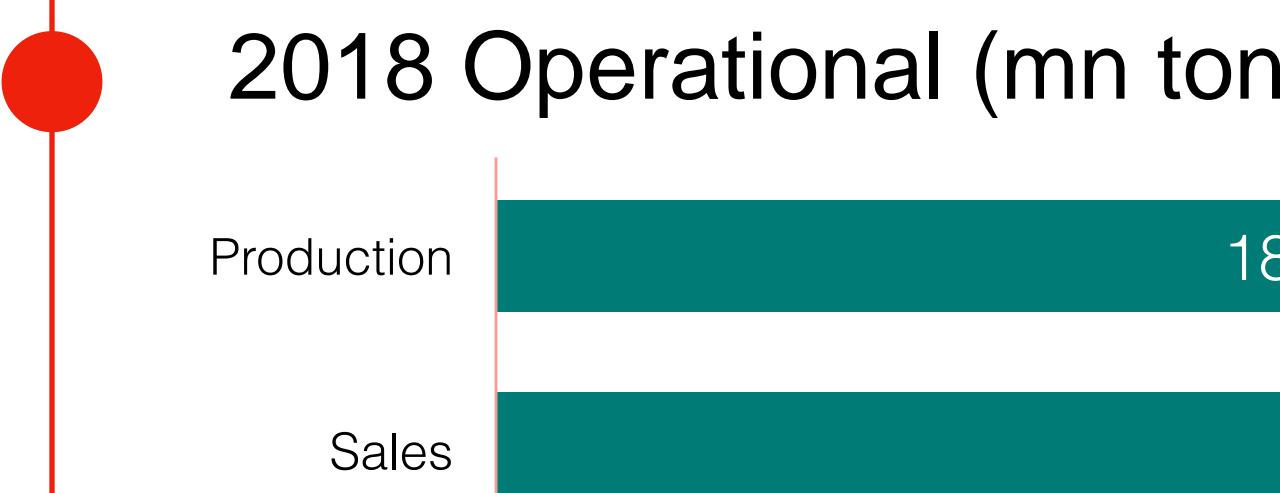
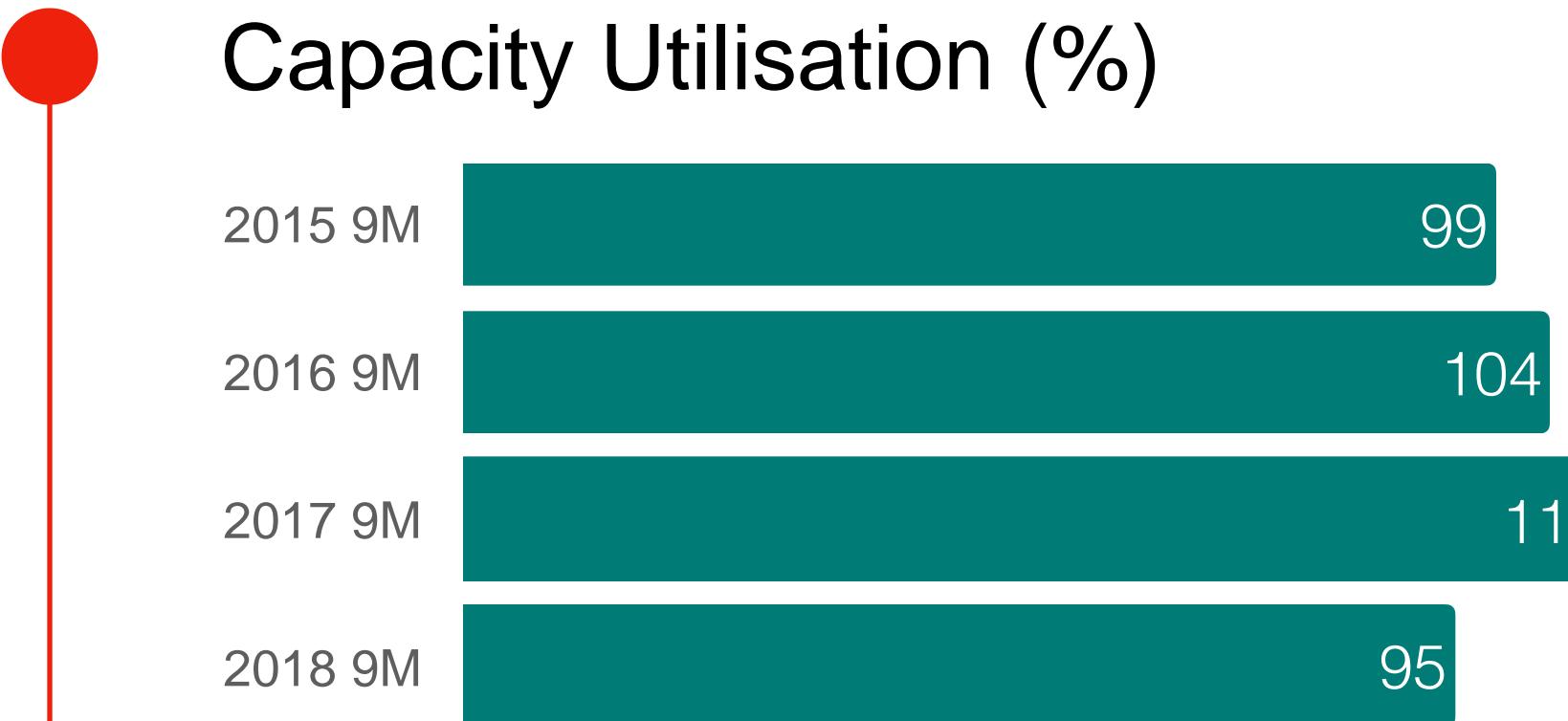
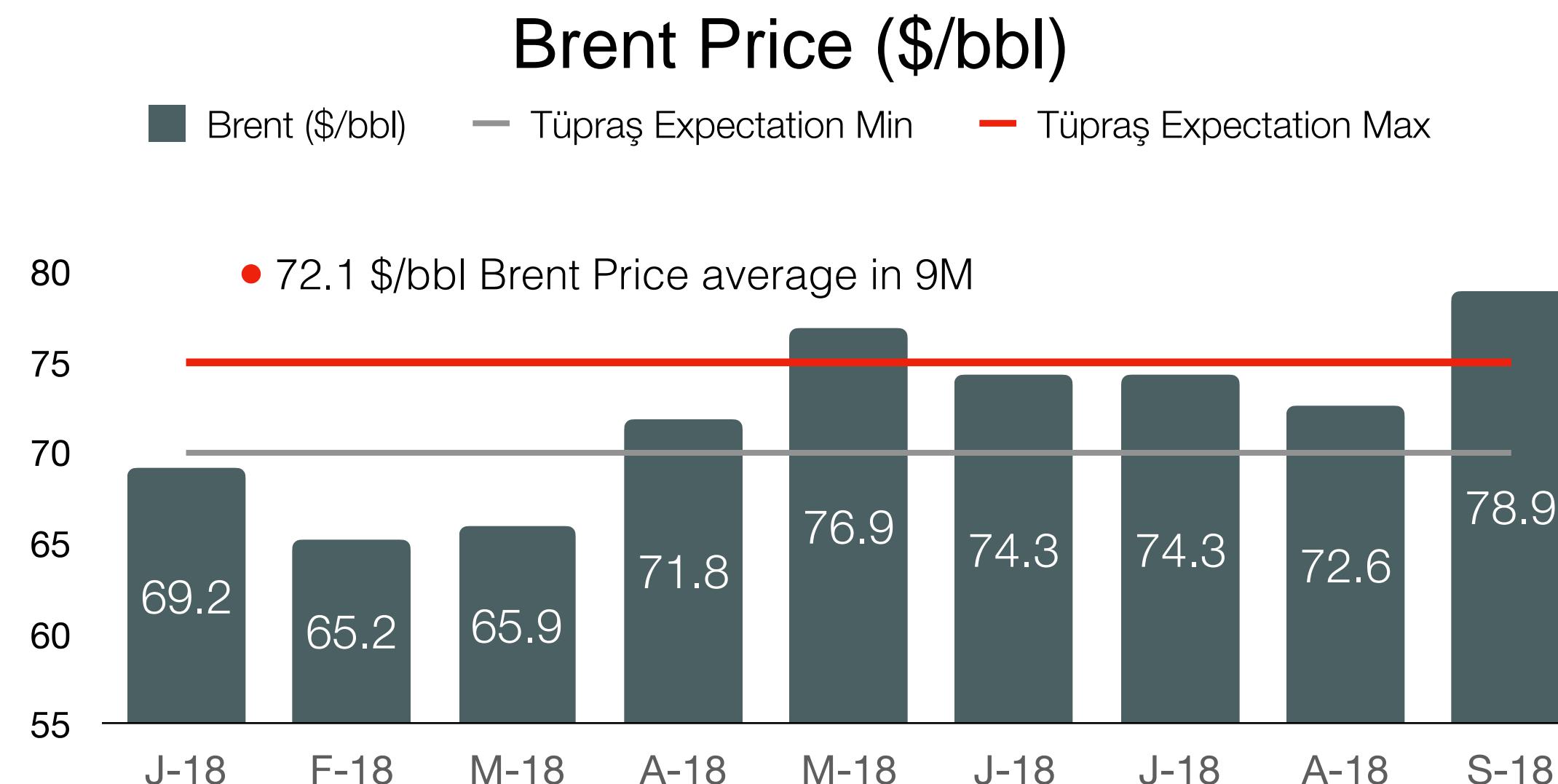
| | Unit | Quarter | Duration (weeks) | Reason |
|-----------|--------------------------------|-----------------|------------------|----------------------|
| İzmir | *Plt 7000 Crude Oil Unit | Q4 '17 - Q2' 18 | 17 in 2018 | Revamp |
| | *Hydrocracker | Q1 | 3 | Periodic Maintenance |
| | *Plt 4000 FCC | Q2 | 7 | |
| İzmit | *Plt 5 Crude Oil & Vacuum Unit | Q2 | 8,5 | Periodic Maintenance |
| | Plt 25 Crude Oil & Vacuum Unit | Q4 | 8-9** | |
| | *Plt 47 Hydrocracker Complex | Q3 | 11 | |
| | Plt 63 CCR & DHP | Q4 | 6-7** | |
| Kırıkkale | All Units | Q1- Q2 | 10 | Battery Shutdown |
| Batman | *Plt. 100/Crude Oil & Vacuum | Q1 | 4-5 | Periodic Maintenance |

| | |
|---------------------------------|-------------------|
| 2018 Crude Capacity Utilization | ~25 mn tons 88%** |
| 2018 Total Capacity Utilization | 95-100%** |

* Completed Maintenances

** Revised

9M 2018 Results



Future Expectations

Slight revision to our 2018 targets.

Brent Price Estimation

Average Brent price expectation in 2018 is unchanged at 70 - 75 \$/bbl

Med Complex Margin

Med Complex margin expectation is revised to 4.25 – 4.75 \$/bbl in 2018

Tüpraş Net Margin

Net Tüpraş refinery margin expectation is revised to 9.5 – 10.5 \$/bbl

Operations

- Capacity utilization target is revised to 95-100%
- Production: ~27 million tons
- Total sales: ~30 million tons

Investment

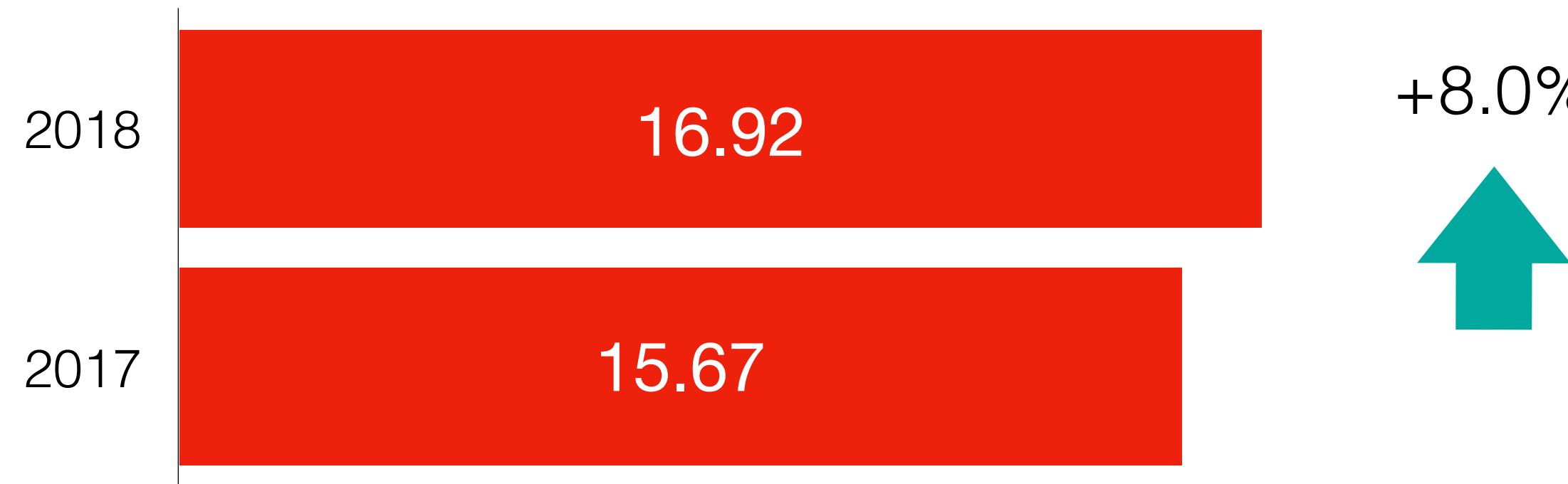
Refining investments expectation is revised to 150 Million \$

Appendix

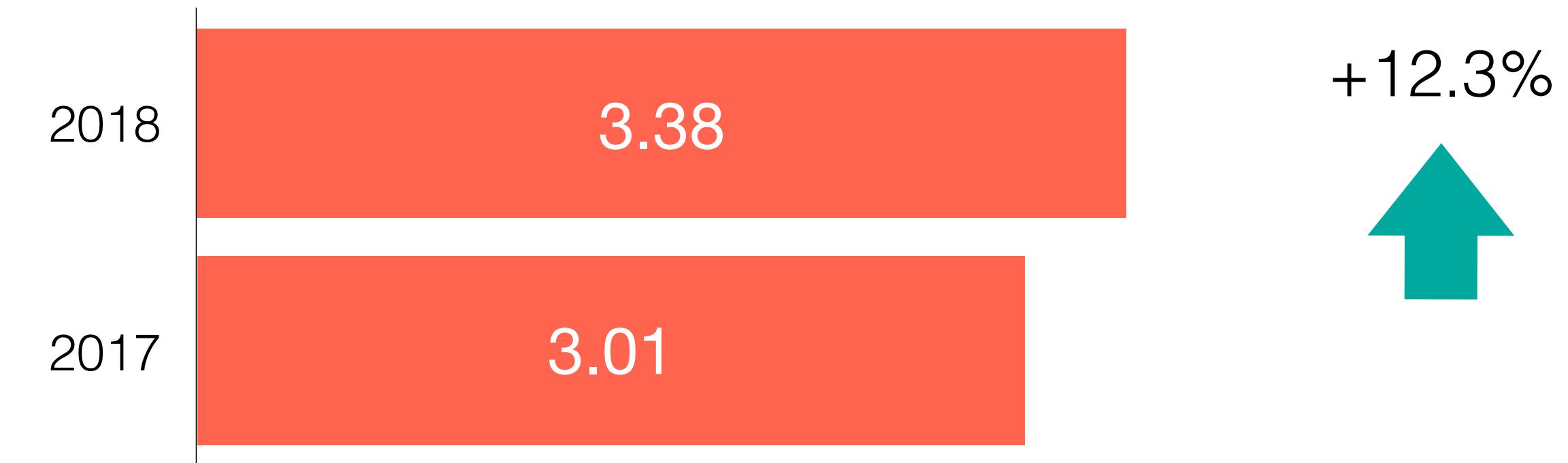
Strong Turkish Market, 8M 2018 (Million tons)

Tüpraş is well positioned in a growing, short market. Diesel and jet fuel consumption in Turkey in the first 8 months of 2018 grew significantly driven by infrastructure projects, aviation growth and transportation.

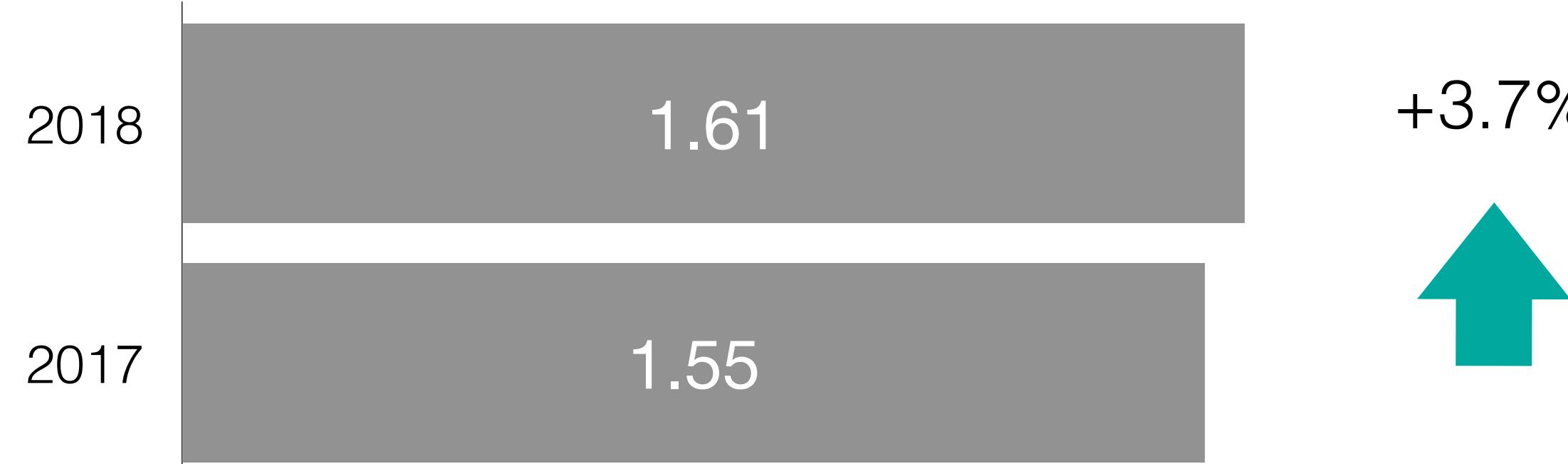
Diesel



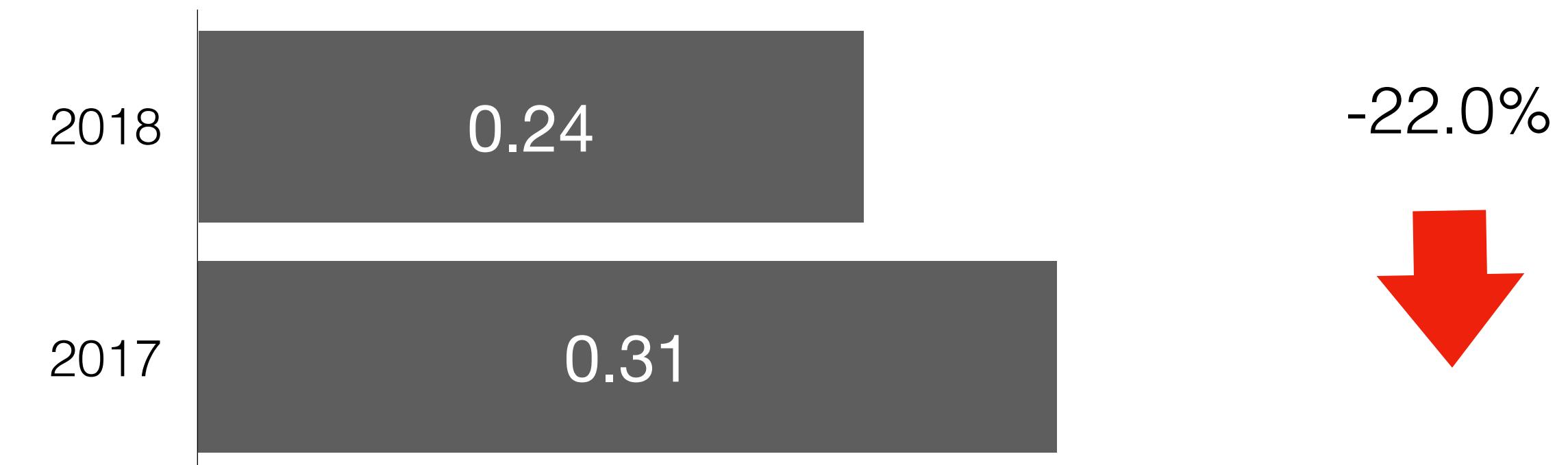
Jet Fuel



Gasoline

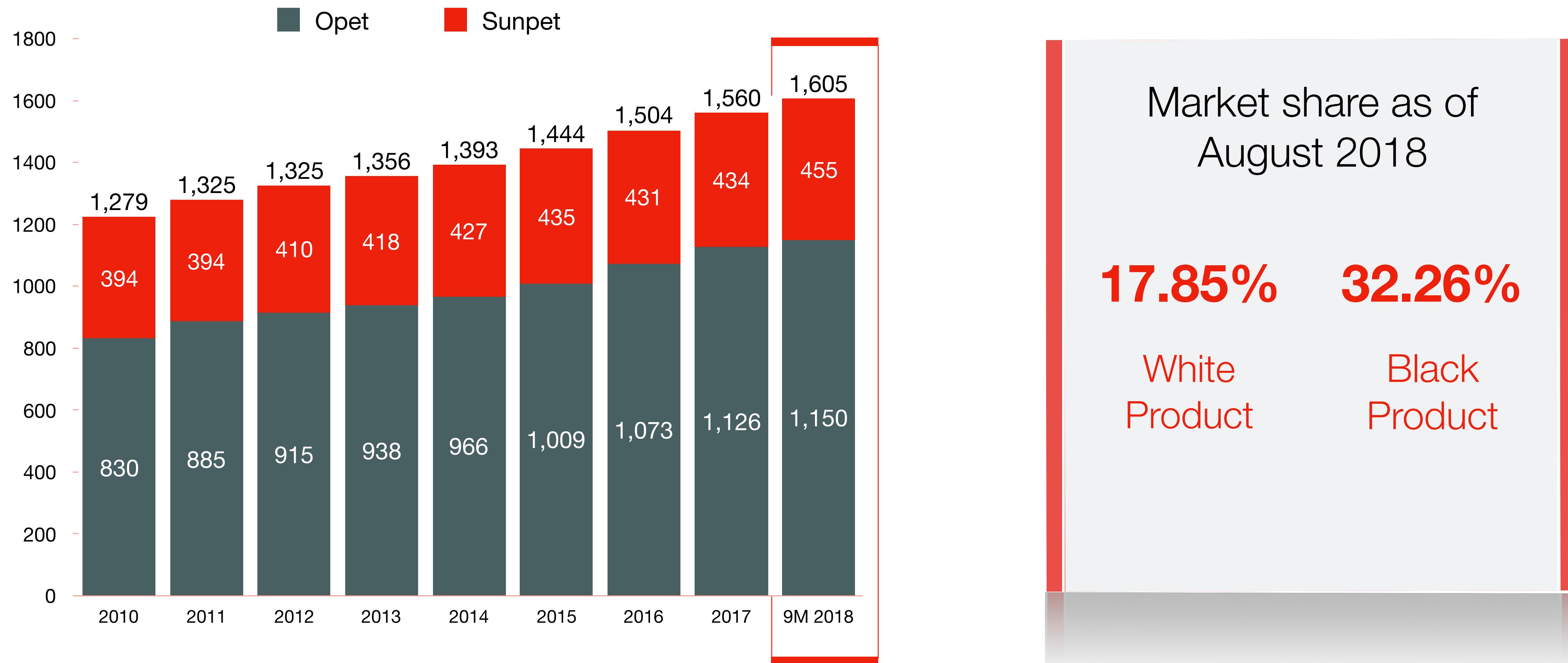


Fuel Oil*



*Bunker excluded
Source: EMRA

Opet expanded its retail footprint from 1.560 stations in December 2017 to 1.605 stations in September 2018.



Crack Margin Effect on Tüpraş in Q3 (FOB Italy Prices)

Weighted average of crack margin difference in Q3 2018 over Q3 2017 indicates a -1.3 \$/bbl, yielding - 425.2 million TL crack margin impact.

| | Product Price, \$/ton | | Tüpraş 2018 Production Yields | Crack Margin, \$/bbl | |
|---------------------------|-----------------------|-------|-------------------------------------|----------------------|-------|
| | 2018 | 2017 | | 2018 | 2017 |
| LPG | 567 | 399 | 3.4 | -24.8 | -16.6 |
| Gasoline | 712 | 544 | 18.3 | 12.5 | 15.0 |
| Naphtha | 638 | 447 | 1.2 | -3.3 | -1.6 |
| Jet Fuel | 697 | 507 | 17.7 | 13.4 | 12.4 |
| Diesel | 669 | 485 | 29.4 | 14.5 | 13.1 |
| Diesel 1000 | 658 | 467 | 1.2 | 13.1 | 10.7 |
| Fuel Oil 1% | 433 | 300 | 0.2 | -8.5 | -5.8 |
| Fuel Oil 3.5% | 422 | 293 | 5.0 | -10.1 | -6.9 |
| Others | 376 | 270 | 19.0 | -12.5 | -7.1 |
| Dated Brent,\$/bbl | 75.27 | 52.08 | 95.6 | | |
| Total Crack Margin,\$/bbl | | | | 5.3 | 6.6 |
| Margin Difference, \$/bbl | | | | -1.3 | |
| Total Processed, mn bbl | | | | 57.06 | |
| Total Effect, mn \$ | | | | -75.7 | |
| Total Effect, mn TL | | | | -425.2 | |

Inventory Effect* Analysis

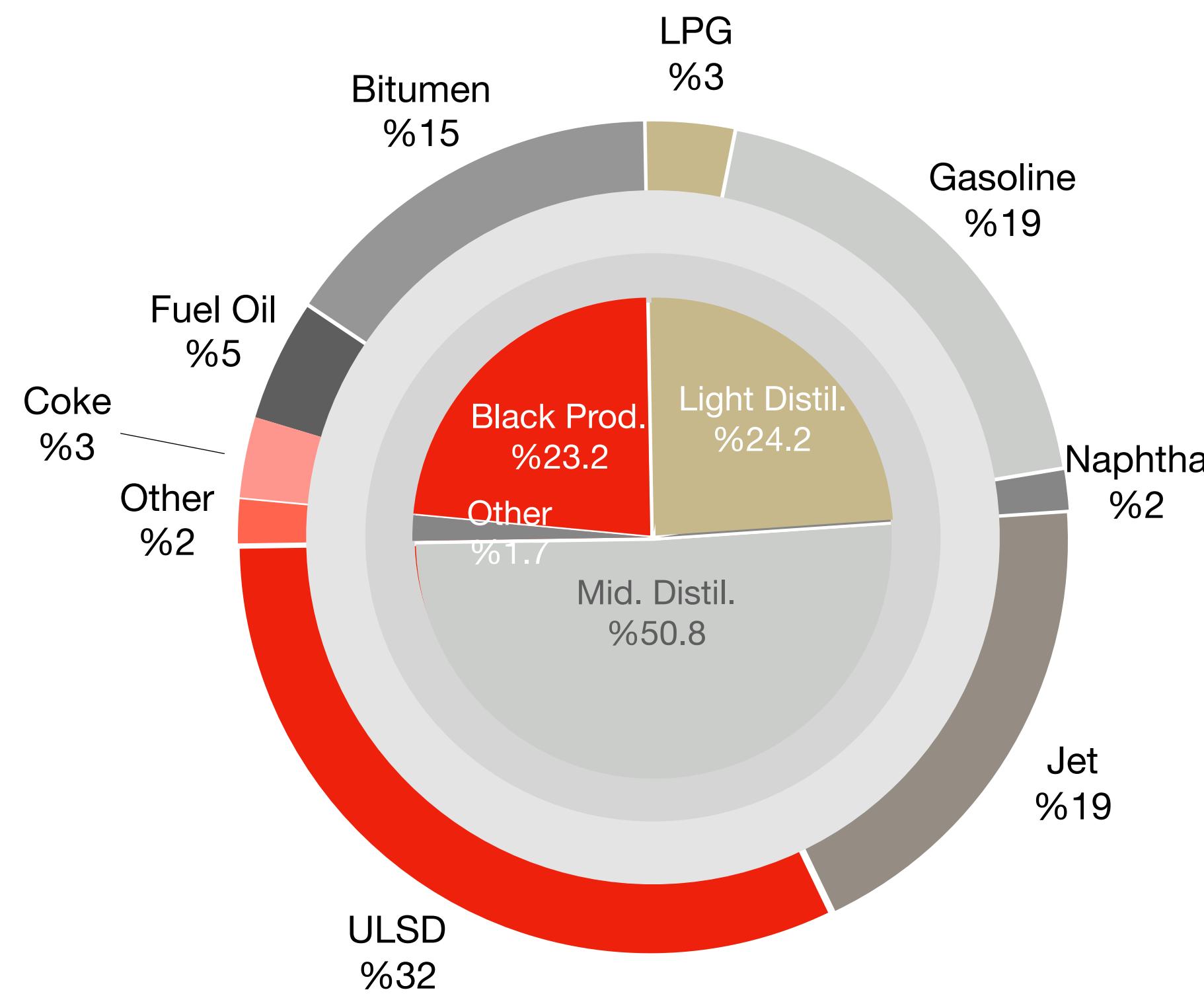
292.8 million \$ inventory gain in Q3 2018 due to 9.6% increase in Brent price, 31.4% increase in FX during Q3.

| Million USD | 2018 | | | 2017 | | |
|-------------|-------------|-------------|-------------|--------------|--------------|--------------|
| | Crude | Product | Total | Crude | Product | Total |
| 9M | 7.3 | 65.4 | 72.7 | 240.7 | 353.8 | 594.5 |
| Q3 | -0.5 | 31.1 | 30.6 | 122.0 | 170.7 | 292.8 |
| July | -5.4 | 5.6 | 0.2 | 34.0 | 26.5 | 60.5 |
| Agu | 11.3 | 8.1 | 19.4 | 88.8 | 62.1 | 150.9 |
| Sep | -6.3 | 17.3 | 11.0 | -0.8 | 82.2 | 81.4 |

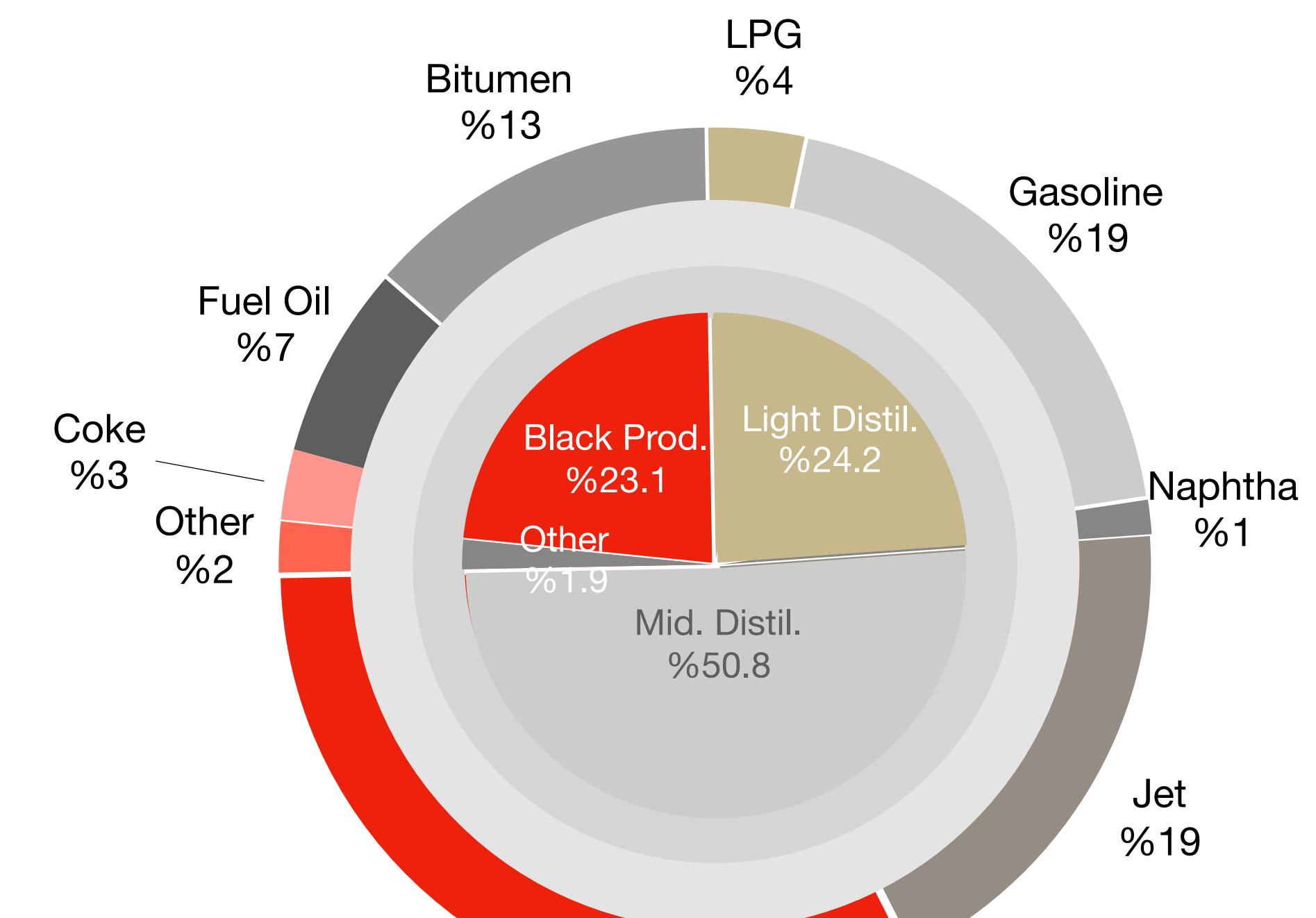
*FX hedge effect and crude price effect included, product effect excluded in above calculations

Q3 Product Yields

2017



2018

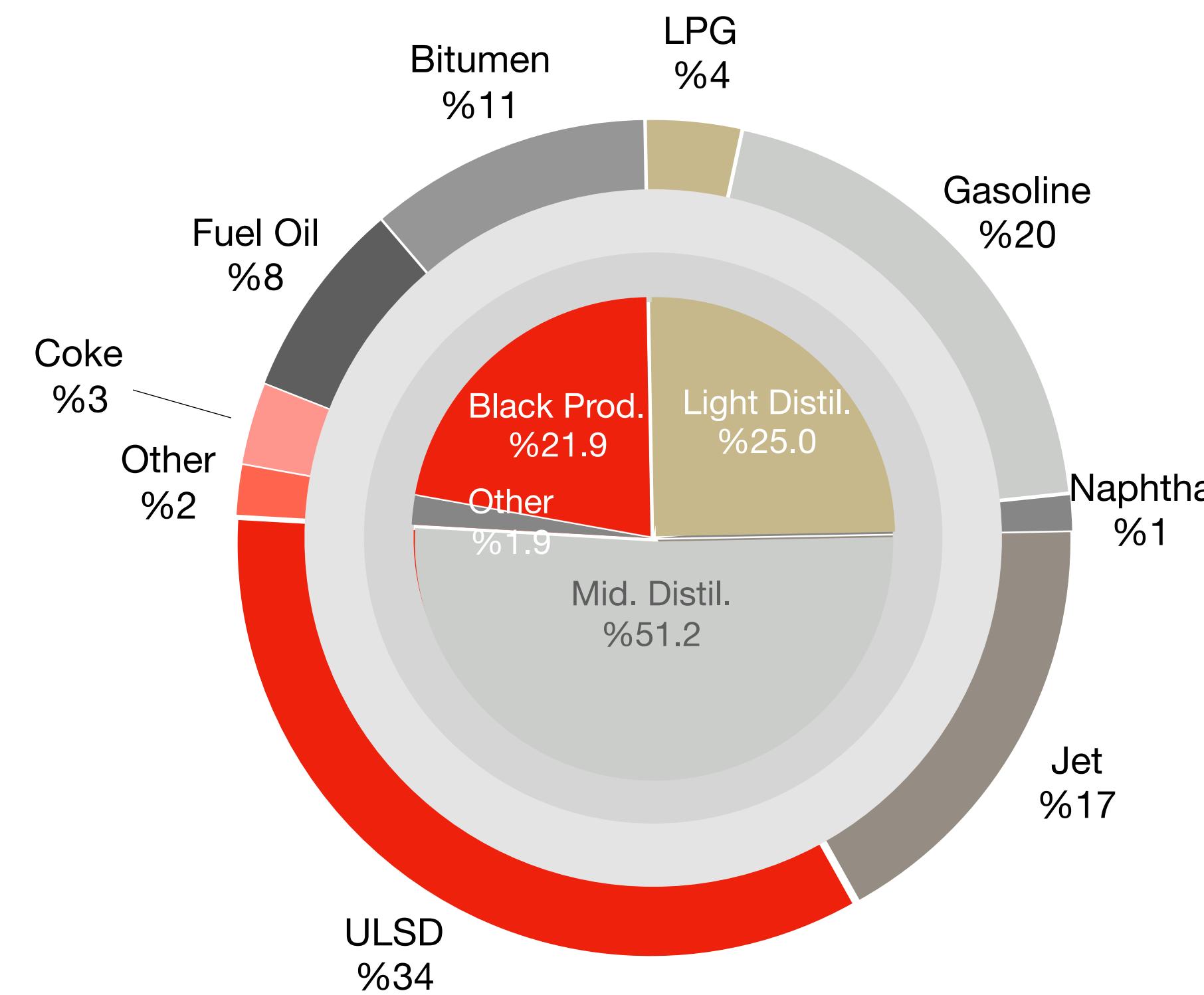


| | |
|----------------|-------------|
| White Products | %75.70 |
| Production | 7.6 mn tons |
| API | 29.6 |

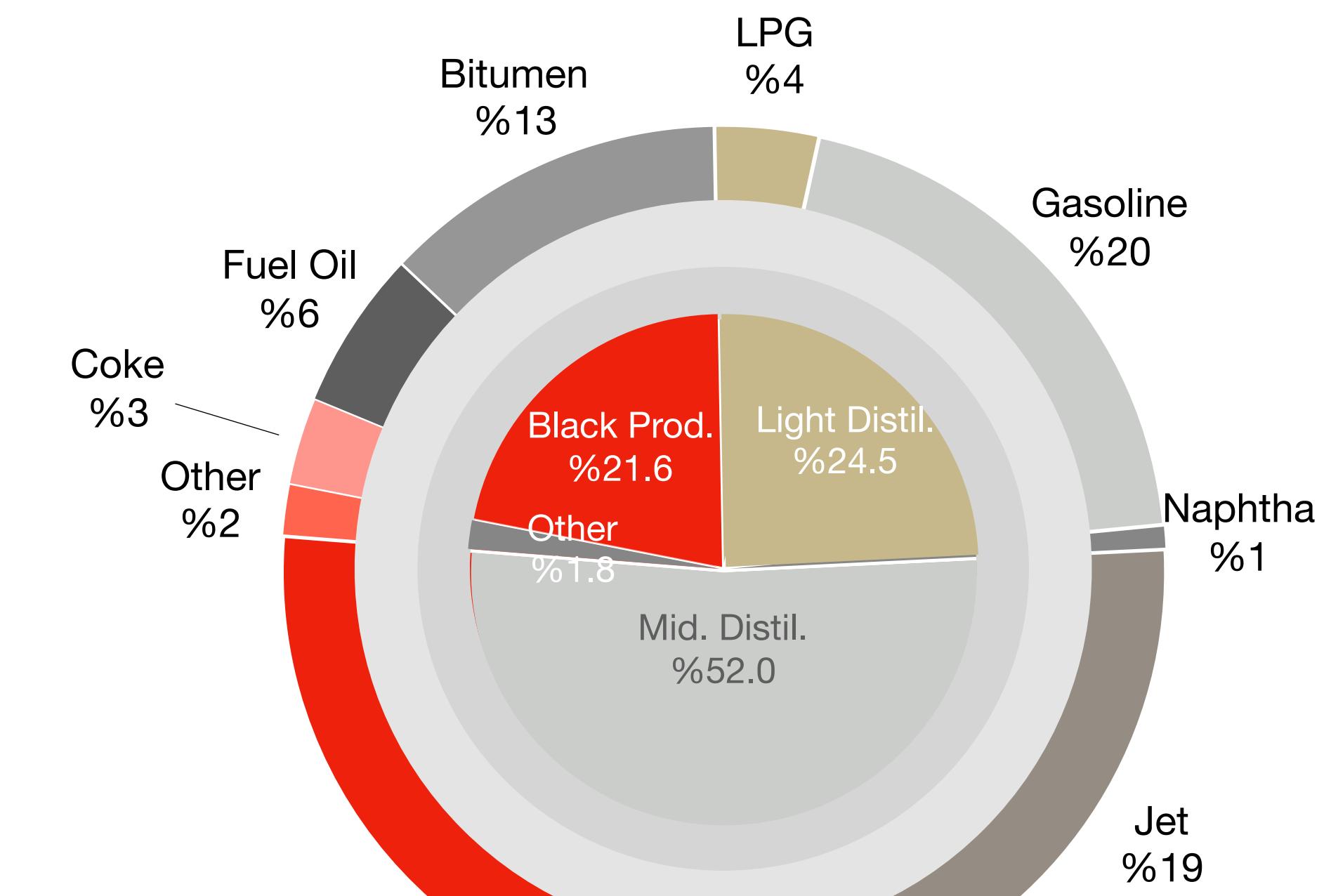
| | |
|----------------|-------------|
| White Products | %75.75 |
| Production | 7.7 mn tons |
| API | 30.7 |

9M Product Yields

2017



2018

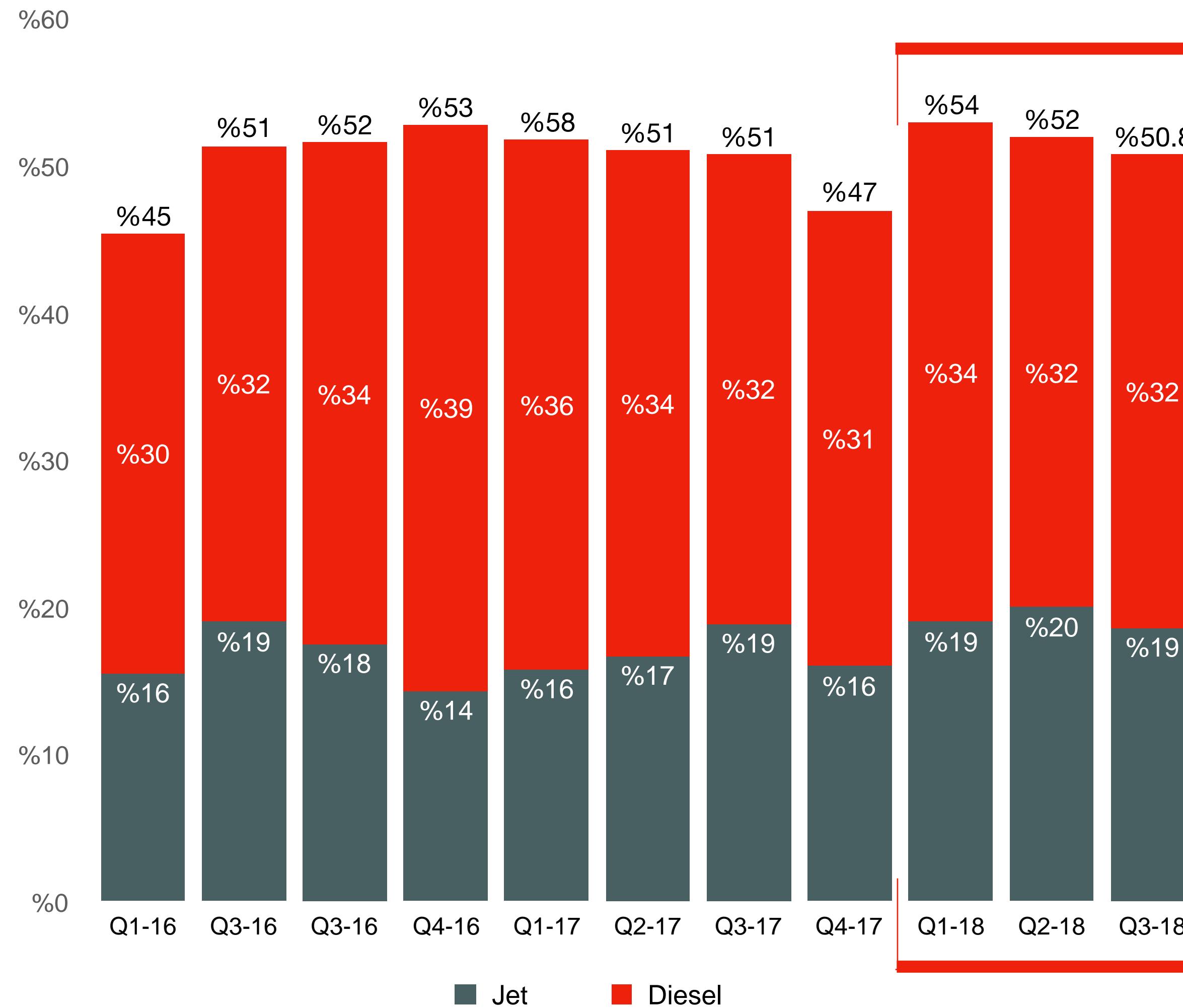


| | |
|----------------|--------------|
| White Products | %77 |
| Production | 22.5 mn tons |
| API | 30.3 |

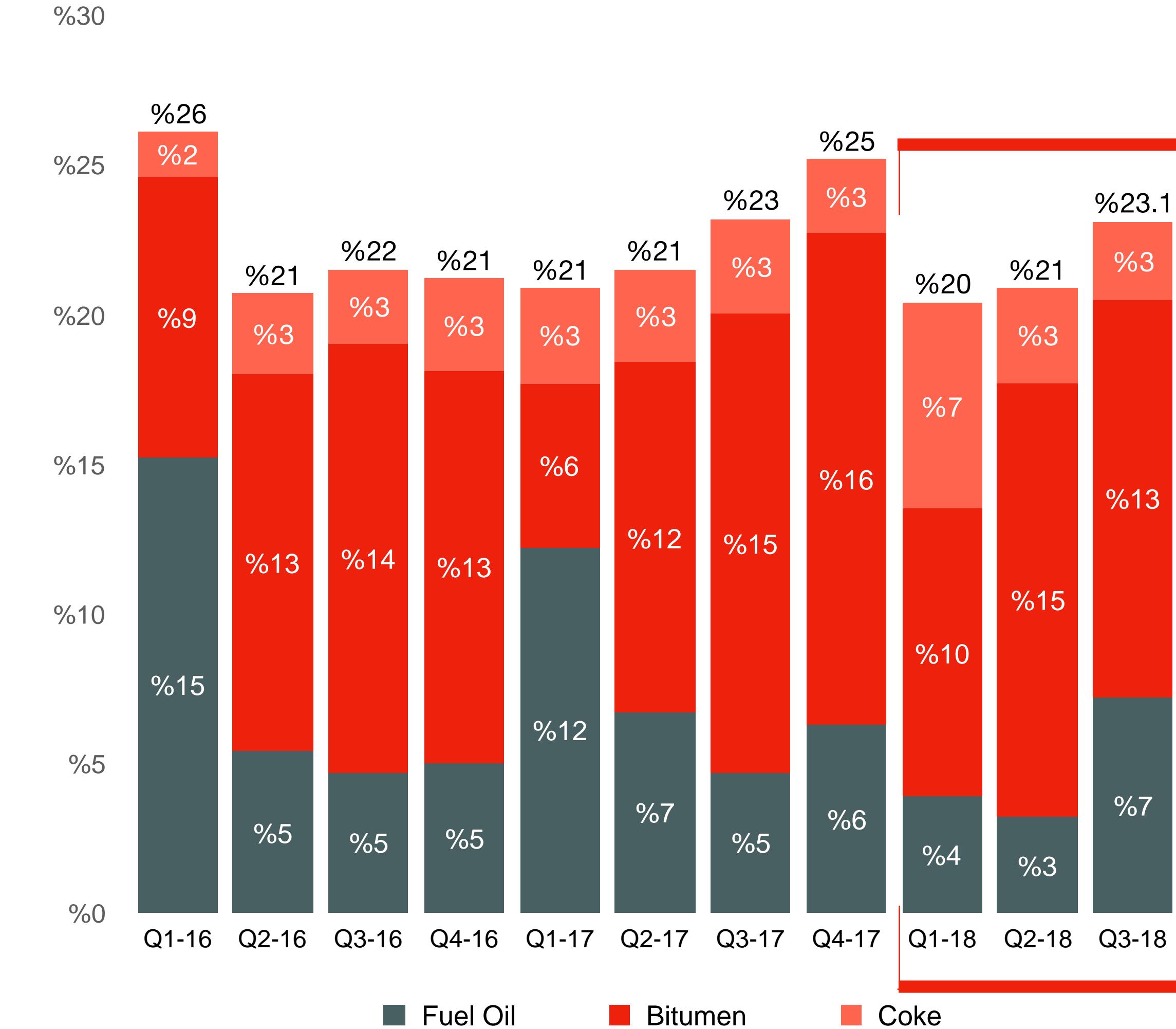
| | |
|----------------|--------------|
| White Products | %77 |
| Production | 18.9 mn tons |
| API | 31.0 |

Yield Breakdown (%)

Middle Distillate



Black Product



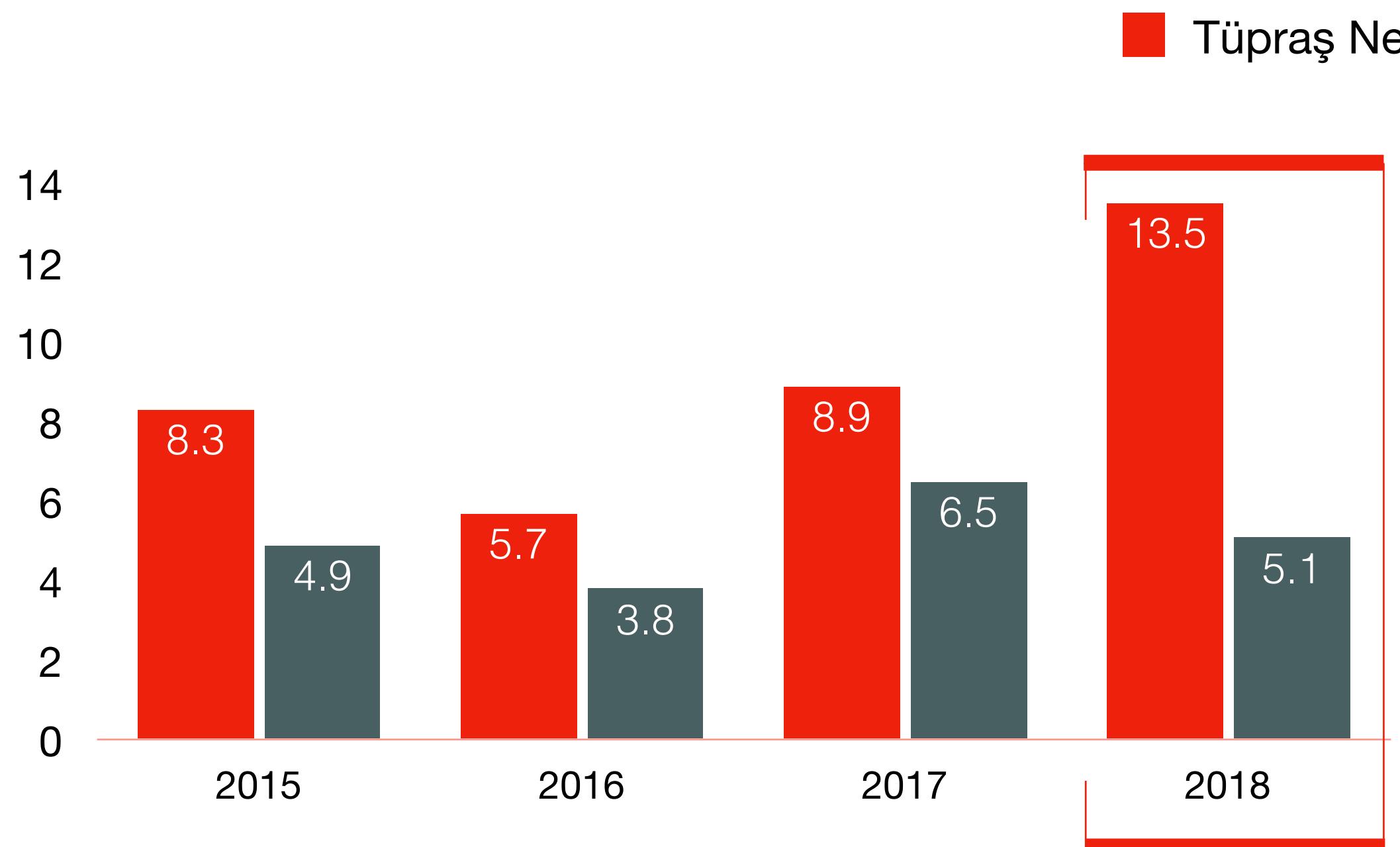
Tüpraş Balance Sheet

| Million \$ | 31.12.2017 | 30.09.2018 | Difference | % |
|---------------------------------|---------------|--------------|---------------|------------|
| Current Assets | 5,399 | 5,050 | -349 | 49 |
| Cash & C. Equivalents | 2,334 | 1,662 | -671 | -29 |
| Receivables | 1,333 | 1,556 | 223 | 17 |
| Derivatives | 92 | 79 | -13 | -14 |
| Inventories | 1,403 | 1,418 | 15 | 1 |
| Pre-paid expenses | 17 | 22 | 5 | 33 |
| Other Current Assets | 222 | 313 | 91 | 41 |
| Long Term Assets | 4,718 | 3,141 | -1,577 | 40 |
| Financial Assets & Subsidiaries | 304 | 207 | -97 | -32 |
| Fixed Assets | 3,279 | 2,059 | -1,221 | -37 |
| Derivatives | 27 | 44 | 17 | 64 |
| Pre-paid expenses | 26 | 53 | 27 | 102 |
| Deferred Tax | 813 | 587 | -226 | -28 |
| Other Long Term Assets | 268 | 191 | -77 | -29 |
| Total Assets | 10,118 | 8,191 | -1,927 | 89 |
| Short Term Liabilities | 4,686 | 4,523 | -163 | 211 |
| Financial Loans | 1,398 | 907 | -491 | -35 |
| Payables | 2,219 | 2,796 | 577 | 26 |
| Derivatives | 47 | 155 | 109 | 231 |
| Deferred Incomes | 5 | 6 | 0 | 6 |
| Provisions | 24 | 28 | 5 | 19 |
| Other ST Liabilities | 993 | 630 | -363 | -37 |
| Long Term Liabilities | 5,432 | 3,668 | -1,763 | 106 |
| Financial Loans | 2,592 | 2,368 | -224 | -9 |
| Payables & Provisions | 59 | 40 | -19 | -32 |
| Derivatives | 1 | 4 | 3 | 301 |
| Other LT Liabilities | 1 | 1 | -1 | -49 |
| Equity | 2,750 | 1,241 | -1,509 | -55 |
| Minority Interests | 28 | 14 | -14 | -51 |
| Total Liabilities | 10,118 | 8,191 | -1,927 | 316 |

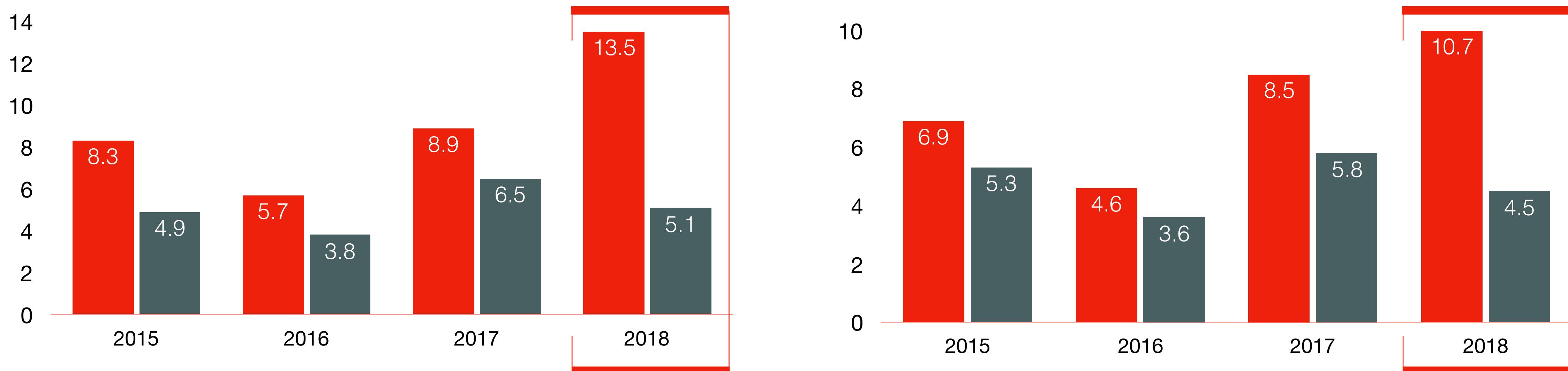
| Million TL | 31.12.2017 | 30.09.2018 | Difference | % |
|---------------------------------|---------------|---------------|---------------|--------------|
| Current Assets | 20,366 | 30,250 | 9,884 | 430 |
| Cash & C. Equivalents | 8,802 | 9,958 | 1,156 | 13 |
| Receivables | 5,027 | 9,319 | 4,292 | 85 |
| Derivatives | 347 | 474 | 127 | 37 |
| Inventories | 5,291 | 8,495 | 3,204 | 61 |
| Pre-paid expenses | 62 | 131 | 69 | 111 |
| Other Current Assets | 837 | 1,872 | 1,036 | 124 |
| Long Term Assets | 17,797 | 18,816 | 1,019 | 417 |
| Financial Assets & Subsidiaries | 1,148 | 1,239 | 91 | 8 |
| Fixed Assets | 12,369 | 12,332 | -37 | 0 |
| Derivatives | 101 | 262 | 162 | 161 |
| Pre-paid expenses | 99 | 318 | 219 | 220 |
| Deferred Tax | 3,068 | 3,519 | 451 | 15 |
| Other Long Term Assets | 1,013 | 1,146 | 134 | 13 |
| Total Assets | 38,163 | 49,066 | 10,903 | 847 |
| Short Term Liabilities | 17,676 | 27,093 | 9,417 | 688 |
| Financial Loans | 5,274 | 5,434 | 160 | 3 |
| Payables | 8,370 | 16,749 | 8,379 | 100 |
| Derivatives | 177 | 931 | 754 | 426 |
| Deferred Incomes | 20 | 34 | 14 | 68 |
| Provisions | 90 | 170 | 81 | 90 |
| Other ST Liabilities | 3,745 | 3,774 | 30 | 1 |
| Long Term Liabilities | 20,487 | 21,973 | 1,486 | 520 |
| Financial Loans | 9,777 | 14,188 | 4,411 | 45 |
| Payables & Provisions | 224 | 242 | 18 | 8 |
| Derivatives | 3 | 21 | 18 | 537 |
| Other LT Liabilities | 5 | 4 | -1 | -20 |
| Equity | 10,373 | 7,437 | -2,937 | -28 |
| Minority Interests | 104 | 81 | -23 | -22 |
| Total Liabilities | 38,163 | 49,066 | 10,903 | 1,208 |

Tüpraş Net Margin and Med Complex Margin Comparison (\$/bbl)

3Q Quarter



9M



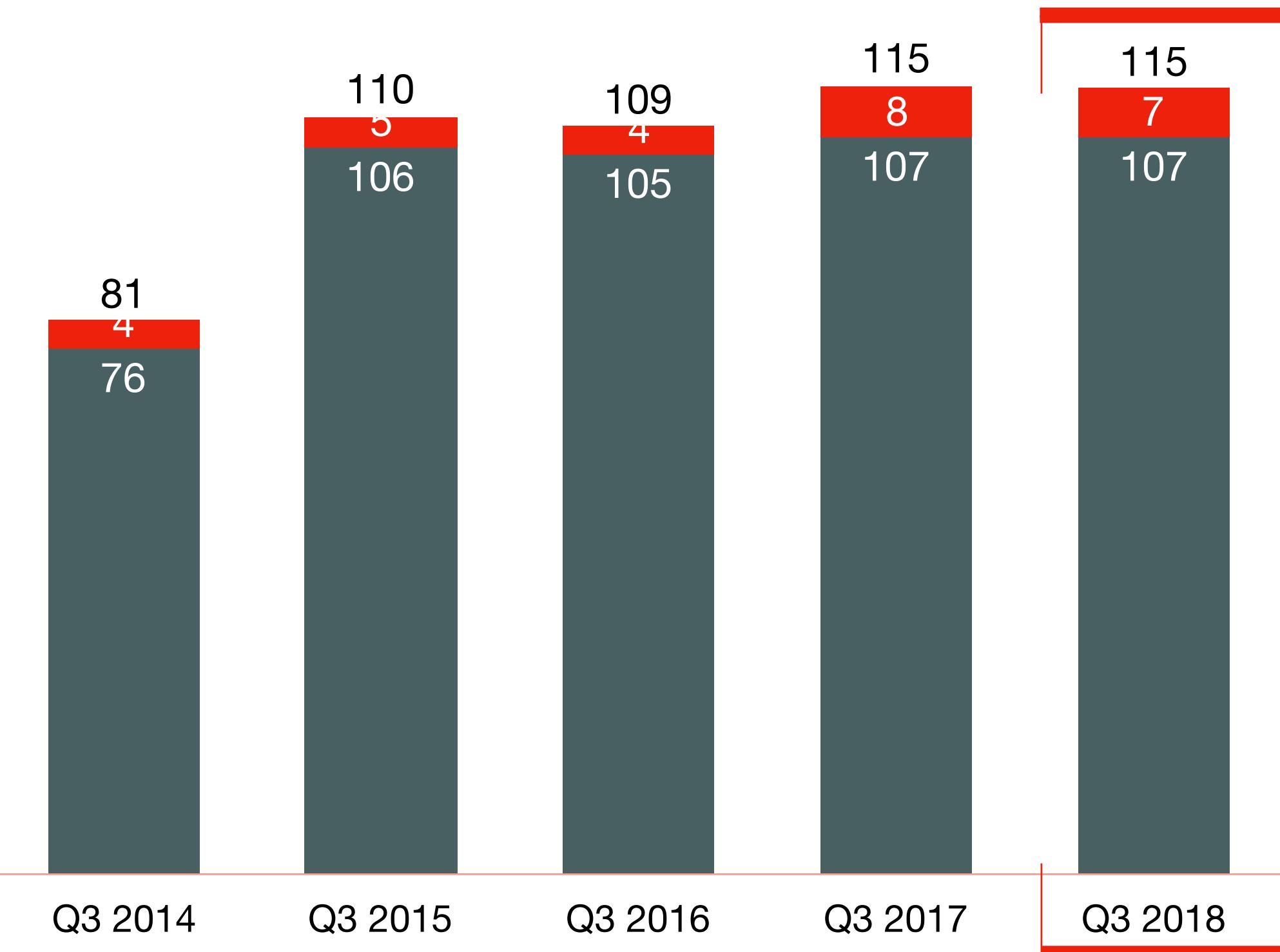
| \$ / bbl | Gross Margin | Inventory Effect | Clean Gross Margin | Clean NET Margin | Med Margin |
|----------|--------------|------------------|--------------------|------------------|------------|
| 2017 Q3 | 13.59 | 0.64 | 12.94 | 8.30 | 6.45 |
| 2018 Q3 | 17.56 | 3.10 | 14.45 | 10.41 | 5.09 |
| 2017 9M | 12.99 | 0.20 | 12.79 | 8.26 | 5.76 |
| 2018 9M | 16.02 | 2.47 | 13.55 | 8.26 | 4.50 |

*Effect of hedging operations excluded from above calculations.

Capacity Utilization (%)

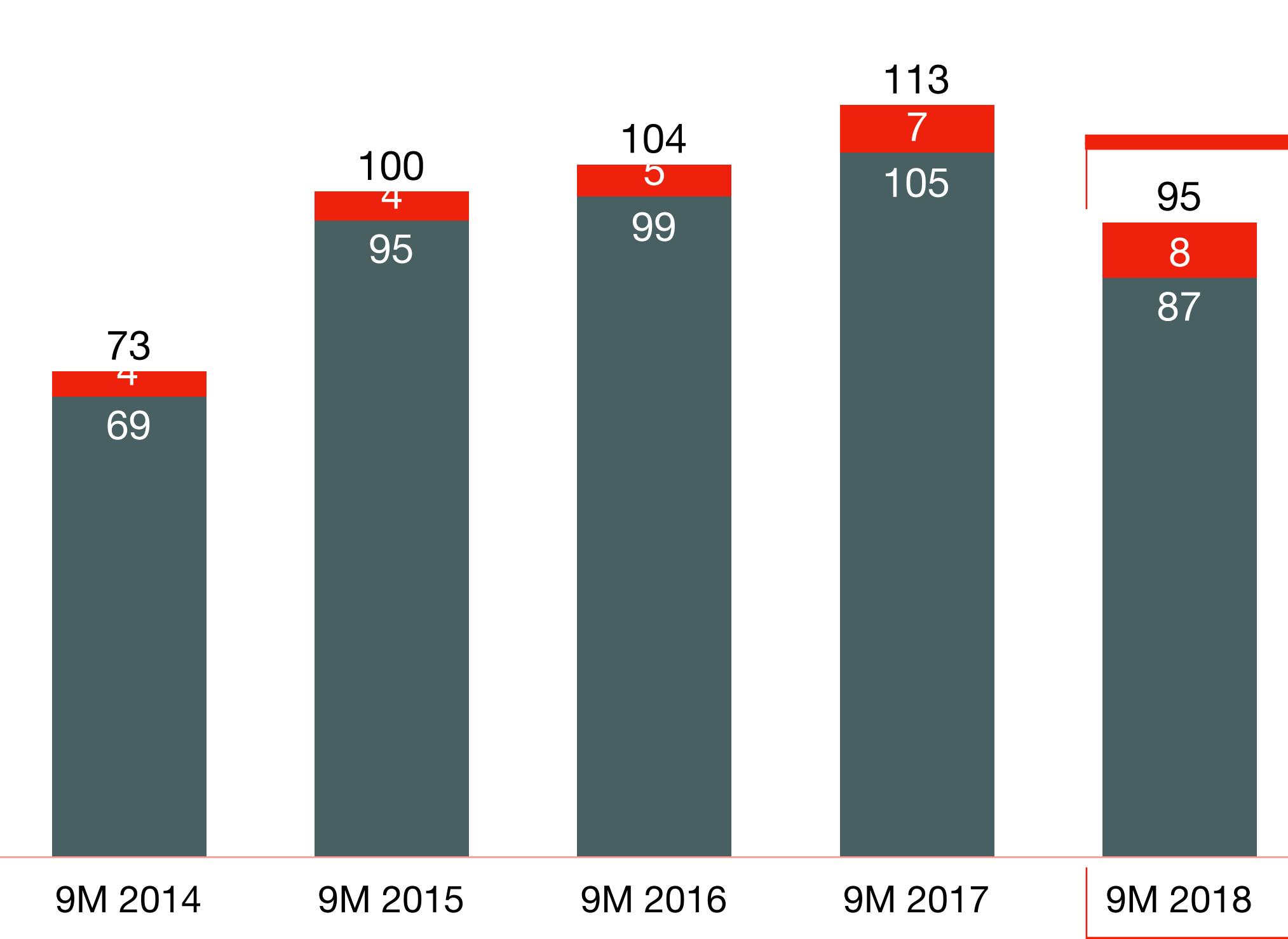
Capacity Utilizations* in Q3 (%)

Crude Oil Other Feedstocks



Capacity Utilizations* in 9M (%)

Crude Oil Other Feedstocks



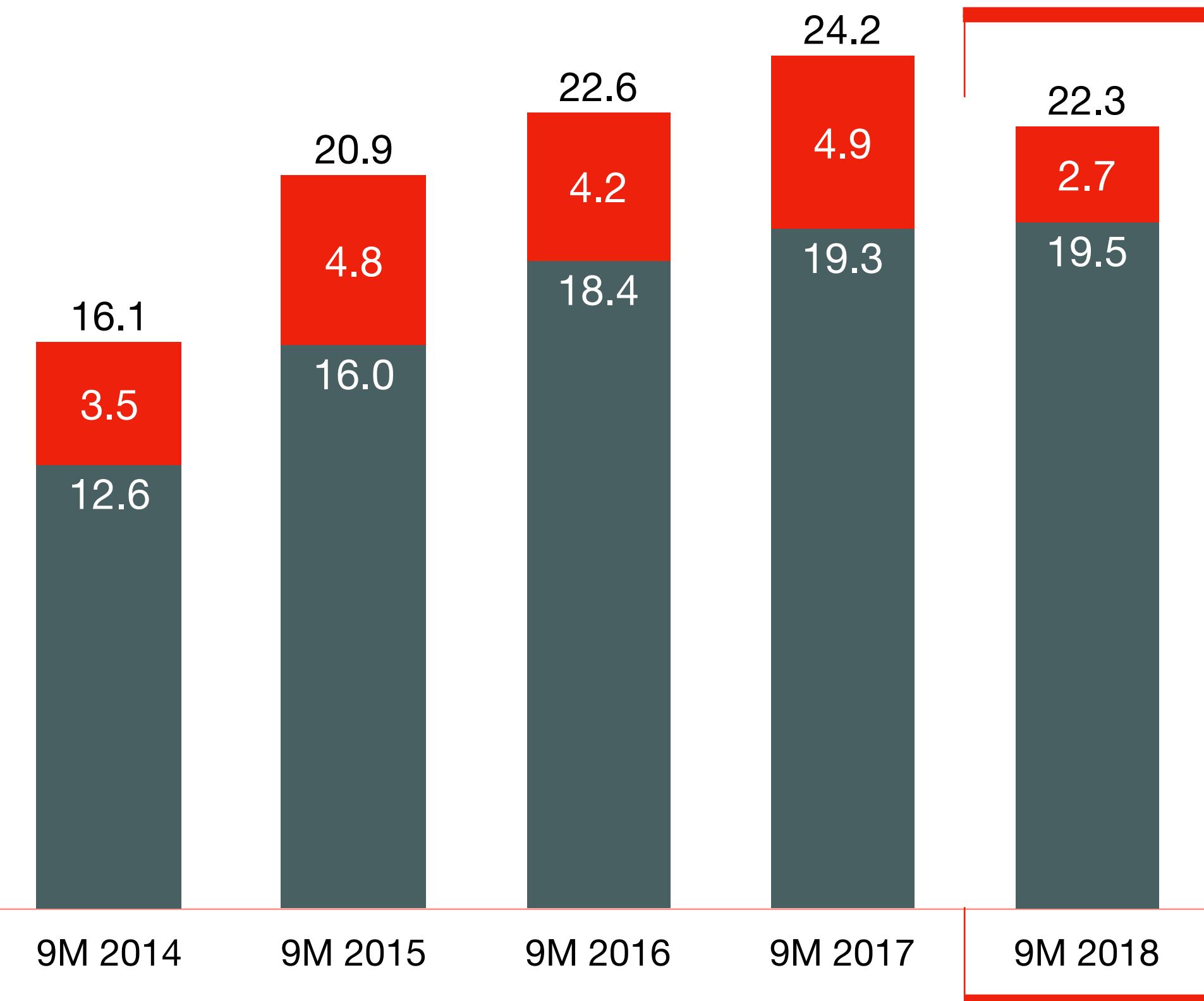
*Nameplate capacity calculated by standard 330 days of operations.

9M 2018 Sales (Million Tons)

We generated 22.3 million tons of total sales in 9M 2018. Jet fuel and diesel sales increased by 8.5% and 6.7% compared to last 9M 2017 respectively.

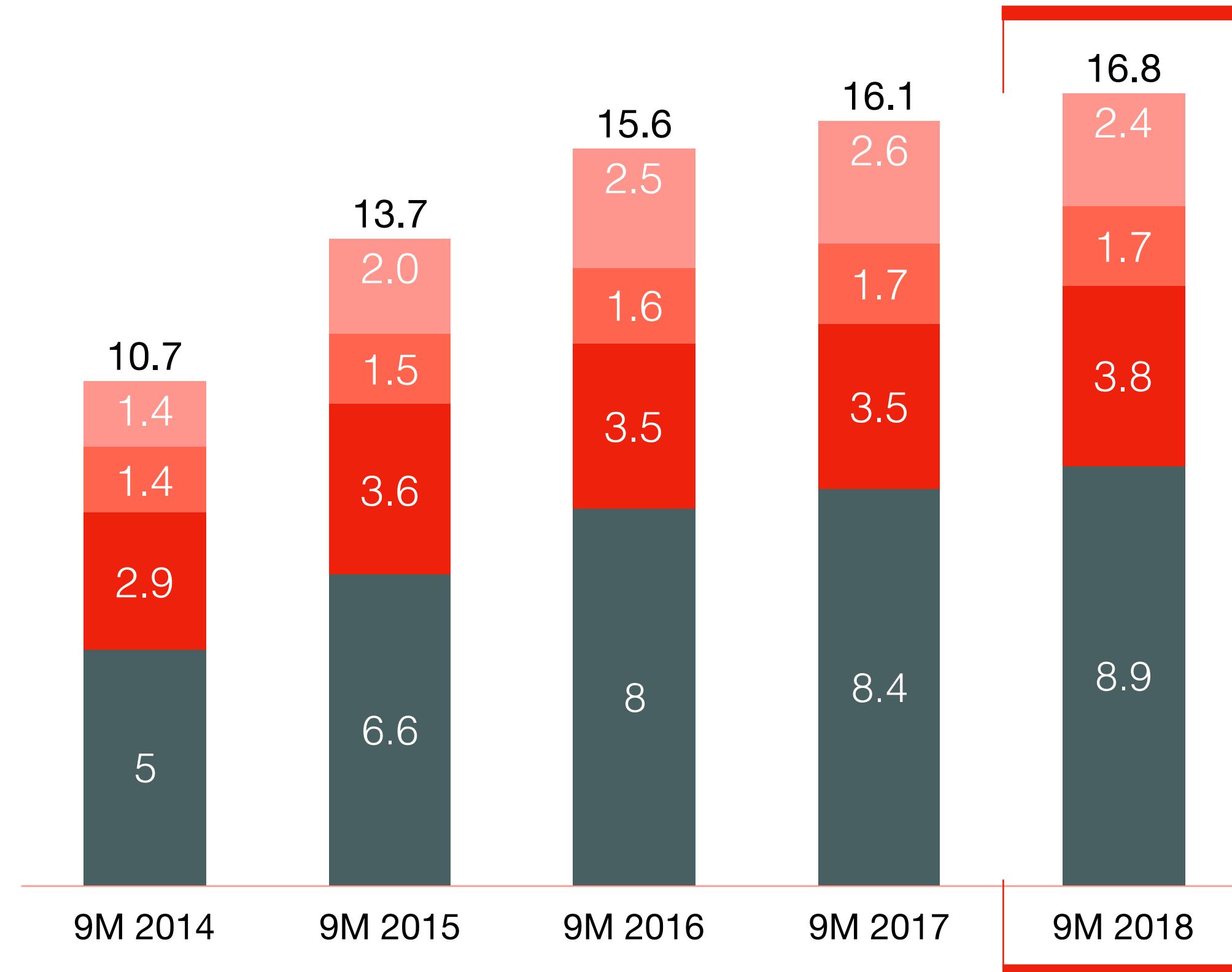
Total Sales in 9M

■ Domestic Sales ■ Export



Domestic Sales of Key Products in 9M

■ Diesel ■ Jet Fuel ■ Gasoline ■ Bitumen

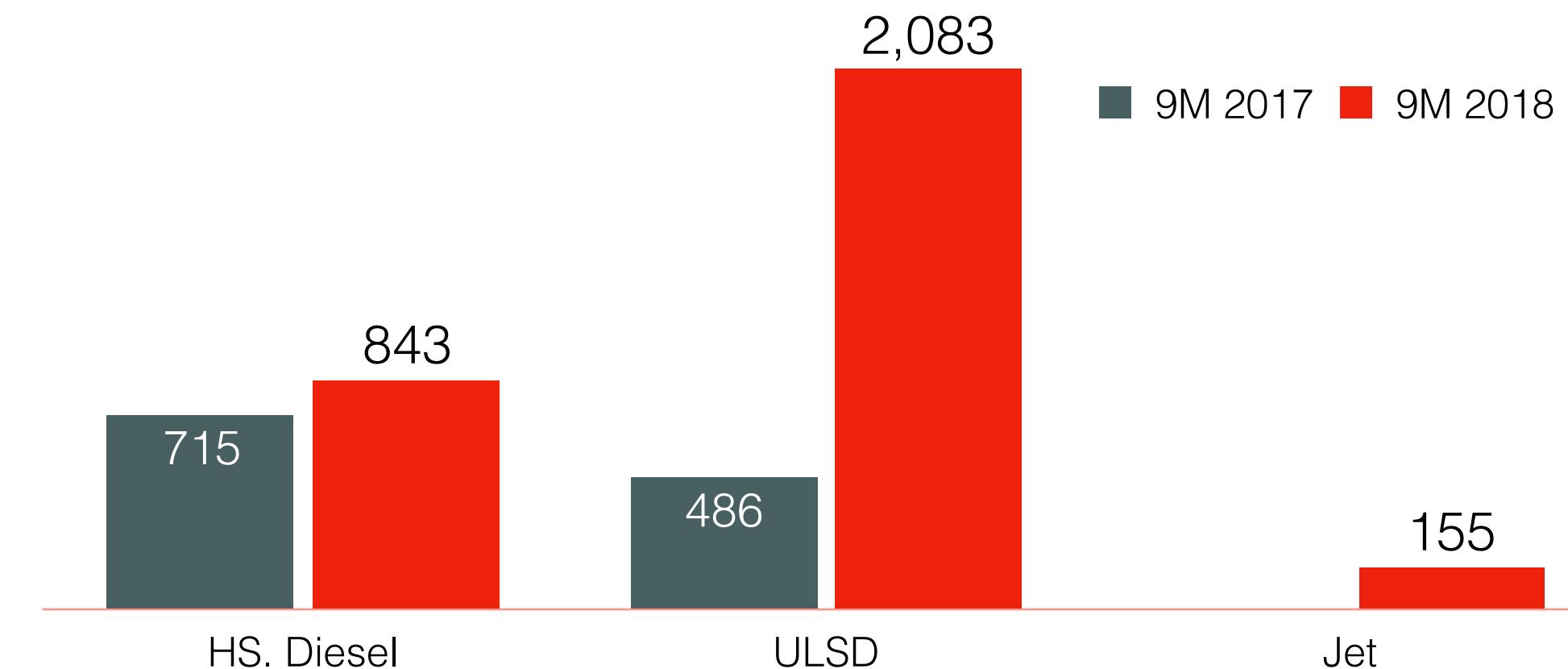


Increase In Finished Product and Semi Product Imports

Higher Finished Product Imports driven by strong domestic demand and our maintenances.

Ultra Low Sulphur Diesel, High Sulphur Diesel and Jet Fuel

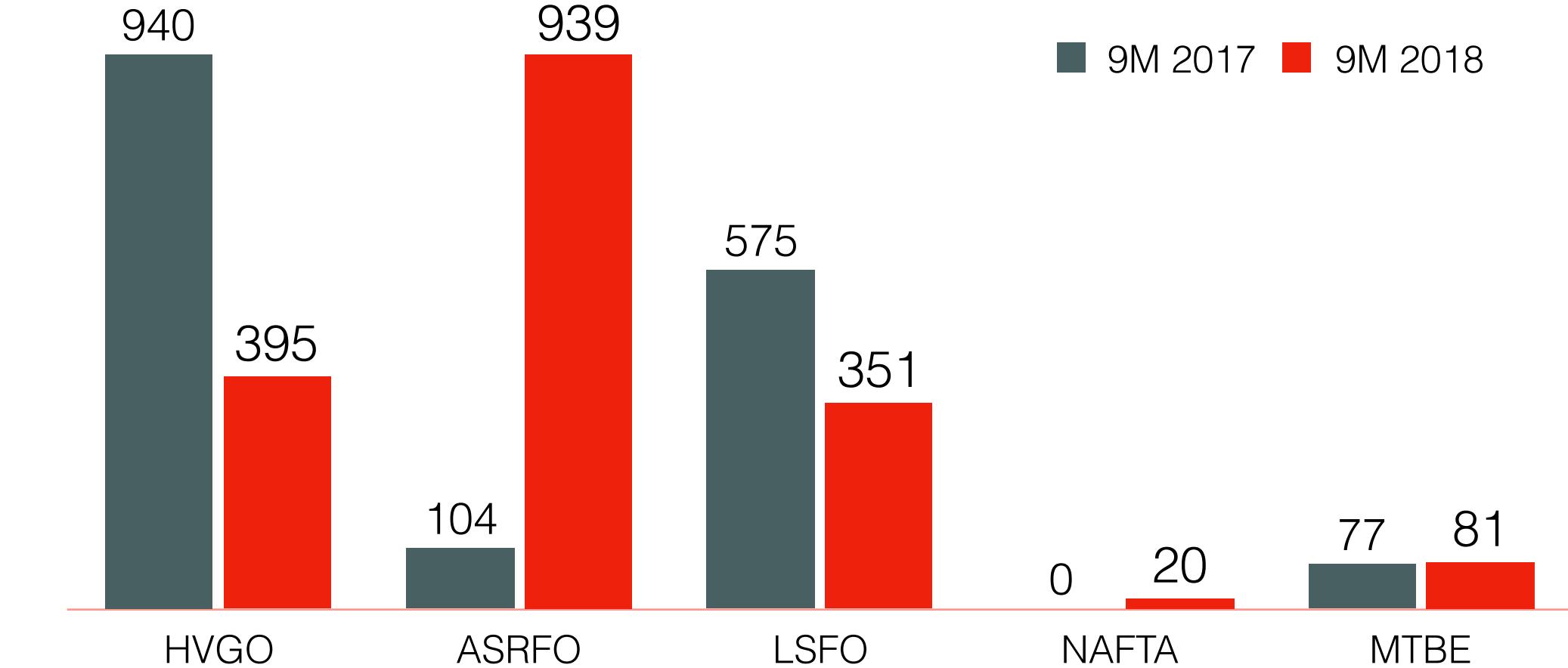
Product Imports (Thousand Tons)



Semi-Product Imports for additional production

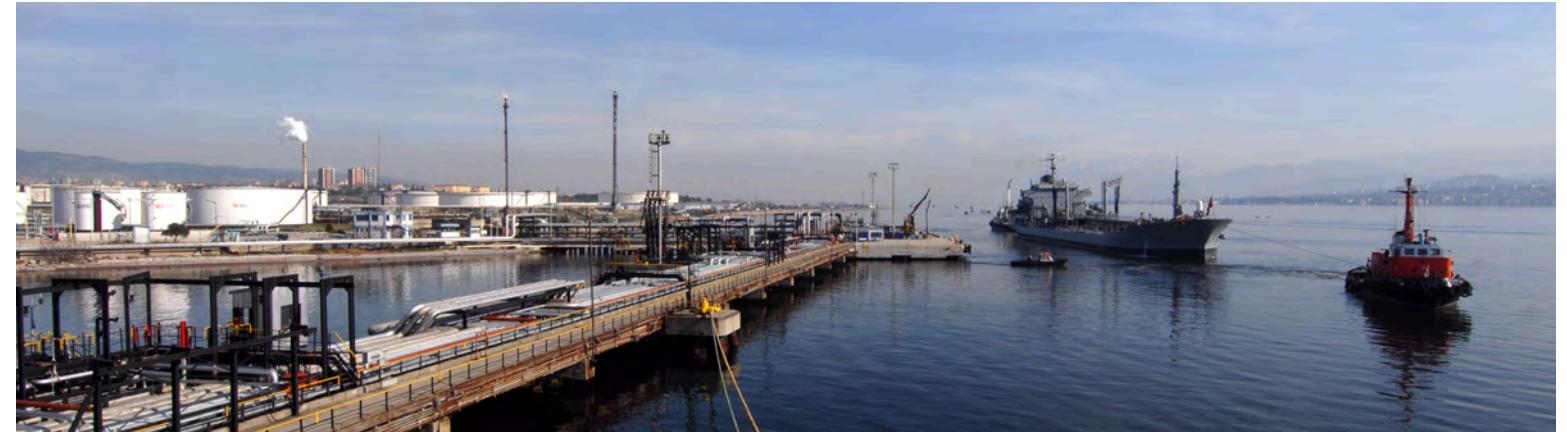
Given Kırıkkale, Batman, Izmir and İzmit Refineries' scheduled maintenances, Atmospheric Straight Run Fuel Oil imports increased in order to achieve full capacity utilization of RUP.

Intermediate Imports (Thousand Tons)



Tüpraş: Growing, Resilient, Profitable

Tüpraş is a compelling investment case with strong sales growth, resilient and profitable operational and financial structure.



Growing

- Operating in a diesel short market (supplies 45% of the market) , along with strong jet growth
- Well poised to capture future opportunities including IMO 2020 with its output complexity
- Continuous investment in logistics, infrastructure and trading capabilities



Resilient

- Strong balance sheet with no immediate rollover requirement for the rest of the year
- Secure receivables portfolio, tight working capital management
- Pricing mechanism in place to address commodity and FX fluctuations



Profitable

- Benefits from full system optimization given high complexity, procurement and logistics flexibility
- Prudent hedging practices to ensure stable earnings outlook
- High dividend pay-out ratio annually



Tüpraş

The logo consists of a red stylized letter 'G' or 'P' shape positioned to the left of the word 'Tüpraş' in a bold, black, sans-serif font.

Koç

The logo features a red stylized 'K' or 'C' shape followed by the word 'Koç' in a bold, black, sans-serif font.