01 REFINING INDUSTRY
PROS
- OPEC & Non OPEC Supply Cut
- Healthy PMI data in US, Europe and China
- Expectation of high global GDP
- Protests in Venezuela
- Inventory levels

CONS
- Increase in number of rigs & production in US
- Concerns about the impact of OPEC & Non OPEC production cuts
- Supply is still in line with demand, inventory drawbacks has not stabilized yet
- Increase in Libya, Brazil, Nigeria & Canada prod.
- High crude exports of OPEC
Refinery Capacity Change

Gross Capacity Additions

Source: Tüpraş, Reuters, Reports
Turkish Economy Strengths

Population (mn)

- 1.4% growth in last 5 yrs
- 0-40 yrs >65%

Population:
- 79 (2016)
- 80 (2017)
- 81 (2018)
- 81 (2019)
- 82 (2020)

GDP Forecast (Million USD)

- 2002-2014: 4.9%
- 2010-2014: 5.4%

Car ownership per thousand people

- 2016: 22
- 2017: 23
- 2018: 24
- 2019: 25
- 2020: 26

Diesel Consumption

- 3.5% annual growth
- 8.7% average growth in last 5 yrs

Diesel Consumption:
- 2016: 22
- 2017: 23
- 2018: 24
- 2019: 25
- 2020: 26

Source: EMRA, TSI
Competitive Advantages of Tüpraş

**Added Value Created by Tüpraş**
- Best Fit for the Market with high diesel yield
- High Complexity of Tüpraş
- Presence in all over Turkey through refineries and terminals

**Local Market Dynamics**
- High Growth
- Short on Diesel
- Import Parity Pricing (Freight advantage of Tüpraş)

**Cost Base of Tüpraş**
- Energy Efficient
- Crude Oil & Feedstock Cost Advantage
- Economies of Scale
Middle Distillate Cracks ($/bbl)

Kaynak: Platts

*As of 10th Aug,2017
Light Distillate Cracks ($/bbl)

Graphs show the prices of Light Distillate Cracks for different months from January to December for the years 2014, 2015, 2016, and 2017. The prices are depicted for Gasoline, Naphta, and LPG.

Kaynak: Platts
*As of 10th Aug, 2017
Crude Price Differentials ($/bbl)

Ural Differentials

Price Differentials
Turkish Consumption (Million tons)

**Diesel**
- 2014: 17,43 million tons, +15.8%
- 2015: 20,56 million tons
- 2016: 22,31 million tons, +8.5%

**Jet Fuel**
- 2014: 4,10 million tons
- 2015: 4,58 million tons
- 2016: 4,40 million tons, -4%

**Gasoline**
- 2014: 1,92 million tons
- 2015: 2,10 million tons
- 2016: 2,23 million tons, +6.5%

**Fuel Oil**
- 2014: 0,71 million tons
- 2015: 0,60 million tons
- 2016: 0,58 million tons, -3.5%

*Source: EMRA*

*bunker excluded.
5 Months 2017 - Turkish Consumption ( Million tons)

**Diesel**
- 2016: 8,46
- 2017: 8,91
- Increase: +5.4%

**Jet Fuel**
- 2016: 1,73
- 2017: 1,60
- Decrease: -7.5%

**Gasoline**
- 2016: 0,84
- 2017: 0,85
- Increase: +2.1%

**Fuel Oil**
- 2016: 0,29
- 2017: 0,24
- Decrease: -18.3%

Source: EMRA

* bunker excluded.
Turkey’s Import / Export Balance (Net) (Million Ton)

**Export**
- Diesel: 1.0 (2011), 1.0 (2012), 1.6 (2013), 1.8 (2014), 1.6 (2015), 1.0 (2016)

**Import**
02 COMPANY OVERVIEW
Tüpraş Refining Assets & Distribution Network

- **İzmit**
  - 11.0 MT Capacity
  - NC: 14.5
  - Storage Capacity: 3.03 mn m³

- **İzmir**
  - 11.0 MT Capacity
  - NC: 7.66
  - Storage Capacity: 2.51 mn m³
  - Base oil: 400 k tons

- **Kırıkkale**
  - 5.0 MT Capacity
  - NC: 6.32
  - Storage Capacity: 1.41 mn m³

- **Batman**
  - 1.1 MT Capacity
  - NC: 1.83
  - Storage Capacity: 0.25 mn m³

**Total Capacity:** 28.1 mn ton
**Nelson Complexity:** 9.5
**Tüpraş Storage Cap.:** 7.2 mn m³
**OPET Storage Cap.:** 1.1 mn m³
1.524 Stations
- Market positions: 18.9% in White product; 10.5% in black product

1.1 Million M3 Storage
- Marmara, Aegean, Black Sea & Mediterranean

Jet Fuel Sales
- Turkish Airlines JV
- 66% Market Share

Lubricants
- Fuchs JV

2nd Biggest Distribution Company by Volume
- #1 Brand Royalty Award

International Trading
- London

Tüpraş Share 40.0%
DİTAŞ, Marine Transport

- Turkey’s leading company in marine transportation of crude oil and petroleum products
- World’s biggest Asphalt Tankers (2 x 20,000 DWT) for semi-product transfers between refineries

<table>
<thead>
<tr>
<th>Cumhuriyet</th>
<th>Sevgi</th>
<th>Gönül</th>
<th>Suna</th>
<th>Leyla</th>
<th>Esra &amp; Aylin</th>
<th>Caroline</th>
<th>Nevbahar</th>
</tr>
</thead>
<tbody>
<tr>
<td><img src="image1" alt="Cumhuriyet Ship" /></td>
<td><img src="image2" alt="Sevgi Ship" /></td>
<td><img src="image3" alt="Gönül Ship" /></td>
<td><img src="image4" alt="Suna Ship" /></td>
<td><img src="image5" alt="Leyla Ship" /></td>
<td><img src="image6" alt="Esra &amp; Aylin Ship" /></td>
<td><img src="image7" alt="Caroline Ship" /></td>
<td><img src="image8" alt="Nevbahar Ship" /></td>
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<tr>
<td><strong>Crude</strong></td>
<td><strong>Products</strong></td>
<td><strong>Products</strong></td>
<td><strong>Products</strong></td>
<td><strong>Products</strong></td>
<td><strong>Products</strong></td>
<td><strong>Products</strong></td>
<td><strong>Products</strong></td>
</tr>
<tr>
<td>164,9 K DWT</td>
<td>10,98 K DWT</td>
<td>10,87 K DWT</td>
<td>51,5 K DWT</td>
<td>6,3 K DWT</td>
<td>10,9 K DWT</td>
<td>11,5 K DWT</td>
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</table>

**DİTAŞ Financials 2016 (mn $)**

<table>
<thead>
<tr>
<th></th>
<th>Crude Oil</th>
<th>Product</th>
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<tbody>
<tr>
<td>Net Sales</td>
<td>19,3</td>
<td>14,8</td>
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<tr>
<td>Op. Profit</td>
<td>3,1</td>
<td>6,4</td>
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<tr>
<td>2011</td>
<td>2,6</td>
<td>18,0</td>
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<tr>
<td>2012</td>
<td>9,6</td>
<td>8,4</td>
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<tr>
<td>2013</td>
<td>11,8</td>
<td>4,8</td>
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<tr>
<td>2014</td>
<td>5,2</td>
<td>6,6</td>
</tr>
<tr>
<td>2015</td>
<td>5,9</td>
<td>9,3</td>
</tr>
<tr>
<td>2016</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Tüpraş Share 79.98%
In 2016, Tüpraş purchased 18 different types of crude oil from 10 countries, with gravities ranging between 19-48 API.
Premium to the benchmark Mediterranean peers’ refining margin due to:

- Refined products deficit characteristic to the Turkish market
- Access to cheaper sources of crude oil
  - Ability to use heavier and sour crudes
- Proximity to major suppliers
  - Reduces transport costs
- Implemented cost reduction measures
  - Energy efficiency programs
- Capacity to produce higher value added range of refined products
- Direct pipeline connections with domestic clients
- High export capability
Capacity Utilisation* (%)

<table>
<thead>
<tr>
<th>Year &amp; Quarter</th>
<th>Crude Oil</th>
<th>Other</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014 Q2</td>
<td>64,9</td>
<td>4,1</td>
<td>69,0</td>
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<tr>
<td>2015 Q2</td>
<td>99,6</td>
<td>4,4</td>
<td>104,0</td>
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<tr>
<td>2016 Q2</td>
<td>96,8</td>
<td>5,2</td>
<td>102,0</td>
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<tr>
<td>2017 Q2</td>
<td>108,9</td>
<td>7,6</td>
<td>116,5</td>
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</table>

Quarterly Production Volume (Mil. Tons)

Seasonal production trends from 2014 to 2017 for Crude Oil, Other, and Total production volumes.

*Nameplate capacity calculated by standard 330 days of operations.
1st Half Product Yields

2016

White Product %75,59
Production: 13,34 mn tons
API: 30,99

2017

White Product %77,64
Production: 14,88 mn tons
API: 30,71

% +3

% -2,2

% -0,9
## Tüpraş Sales (Million Tons)

### Domestic sales of selected products

<table>
<thead>
<tr>
<th>Product</th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
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<tbody>
<tr>
<td>Jet Fuel</td>
<td>2,86</td>
<td>3,29</td>
<td>3,89</td>
<td>5,42</td>
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<tr>
<td>Bitümen</td>
<td>1,48</td>
<td>1,73</td>
<td>1,66</td>
<td>1,83</td>
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<tr>
<td>Gasoline</td>
<td>0,76</td>
<td>0,86</td>
<td>0,98</td>
<td>1,18</td>
</tr>
<tr>
<td>Diesel</td>
<td>1,14</td>
<td>1,23</td>
<td>1,26</td>
<td>1,27</td>
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</table>

### Total Sales

<table>
<thead>
<tr>
<th></th>
<th>Domestic</th>
<th>Export</th>
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<tbody>
<tr>
<td>Q1</td>
<td>4,7</td>
<td>1,1</td>
</tr>
<tr>
<td>Q2</td>
<td>5,6</td>
<td>1,8</td>
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<tr>
<td>Q3</td>
<td>6,9</td>
<td>2,3</td>
</tr>
<tr>
<td>Q4</td>
<td>7,2</td>
<td>2,3</td>
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<table>
<thead>
<tr>
<th></th>
<th>Domestic</th>
<th>Export</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1</td>
<td>6,4</td>
<td>1,5</td>
</tr>
<tr>
<td>Q2</td>
<td>7,9</td>
<td>1,9</td>
</tr>
<tr>
<td>Q3</td>
<td>1,2</td>
<td>3,1</td>
</tr>
<tr>
<td>Q4</td>
<td>7,9</td>
<td>1,2</td>
</tr>
</tbody>
</table>
Investments (mn $)

Ongoing Projects
- New Power Plant
- Revamp of Crude Unit
- FCC Modernization
- New Sulphur Units
- Energy Saving Projects
- Optimization of conversion units

RUP
Total Investment: $ 3.2 Billion
Total Incentive: TL 3.78 Billion
Remaining: TL 3.18 Billion

• 9.5 Nelson complexity
• High white product yield
• Process more heavier and sour crudes
• Run all refineries with 100% capacity utilization

Avg 943 mn $

Avg 278 mn $


274 355 400 186 177 628 974 1,213 959 344 213 46,6
03

KEY FINANCIALS
Financial Highlights (mn $)

**EBITDA**

<table>
<thead>
<tr>
<th>Year</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
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<tbody>
<tr>
<td>Value</td>
<td>715</td>
<td>560</td>
<td>338</td>
<td>422</td>
<td>1.125</td>
<td>858</td>
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**Net Income**

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<tr>
<th>Year</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
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<tbody>
<tr>
<td>Value</td>
<td>817</td>
<td>629</td>
<td>667</td>
<td>285</td>
<td>594</td>
<td>640</td>
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**Net Debt**

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<tr>
<th>Year</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
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<tbody>
<tr>
<td>Value</td>
<td>1.680</td>
<td>1.555</td>
<td>1.729</td>
<td>2.391</td>
<td>2.370</td>
<td>2.258</td>
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**Return on Average Equity**

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</thead>
<tbody>
<tr>
<td>Value</td>
<td>0.30</td>
<td>0.32</td>
<td>0.24</td>
<td>0.26</td>
<td>0.35</td>
<td>0.45</td>
<td>0.11</td>
<td>0.16</td>
<td>0.22</td>
<td>0.45</td>
<td>0.55</td>
<td>0.45</td>
<td>0.45</td>
<td>0.45</td>
<td>0.45</td>
<td>0.45</td>
<td>0.45</td>
<td>0.45</td>
<td>0.45</td>
<td>0.45</td>
<td>0.45</td>
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### Tüpraş Balance Sheet

<table>
<thead>
<tr>
<th></th>
<th>Million USD</th>
<th>30.06.2017</th>
<th>31.12.2016</th>
<th>Difference</th>
<th>% Difference</th>
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<td><strong>Current Assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash &amp; C. Equivalents</td>
<td>1.580</td>
<td>1.719</td>
<td>-140</td>
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<tr>
<td>Receivables</td>
<td>1.151</td>
<td>0.911</td>
<td>240</td>
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<tr>
<td>Derivatives</td>
<td>96</td>
<td>10</td>
<td>86</td>
<td>872</td>
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<tr>
<td>Inventories</td>
<td>1.194</td>
<td>1.025</td>
<td>169</td>
<td>16</td>
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<td>Pre-paid expenses</td>
<td>33</td>
<td>28</td>
<td>6</td>
<td>20</td>
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<tr>
<td>Other Current Assets</td>
<td>264</td>
<td>190</td>
<td>73</td>
<td>39</td>
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<td><strong>Long Term Assets</strong></td>
<td></td>
<td>4.983</td>
<td>4.987</td>
<td>-4</td>
<td>0</td>
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<tr>
<td>Financial Assets &amp; Subsidiaries</td>
<td>279</td>
<td>264</td>
<td>15</td>
<td>6</td>
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<tr>
<td>Fixed Assets</td>
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<td>3.338</td>
<td>8</td>
<td>0</td>
<td></td>
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<td>Derivatives</td>
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<td>105</td>
<td>-82</td>
<td>-78</td>
<td></td>
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<tr>
<td>Pre-paid expenses</td>
<td>92</td>
<td>68</td>
<td>24</td>
<td>35</td>
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<td>Deferred Tax</td>
<td>944</td>
<td>917</td>
<td>27</td>
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<tr>
<td>Other Long Term Assets</td>
<td>300</td>
<td>296</td>
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<tr>
<td><strong>Total Assets</strong></td>
<td>9.300</td>
<td>8.871</td>
<td>430</td>
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<tr>
<td><strong>Short Term Liabilities</strong></td>
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<td>4.534</td>
<td>3.597</td>
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<td>2.020</td>
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<td>-79</td>
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<td>Provisions</td>
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<td>18</td>
<td>18</td>
<td>98</td>
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<td>Other ST Liabilities</td>
<td>1.152</td>
<td>990</td>
<td>162</td>
<td>16</td>
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<td><strong>Long Term Liabilities</strong></td>
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<td>2.953</td>
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<td>59</td>
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<td>6</td>
<td></td>
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<tr>
<td>Derivatives</td>
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<td>1</td>
<td>0</td>
<td>35</td>
<td></td>
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<tr>
<td>Other LT Liabilities</td>
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<td>2</td>
<td>0</td>
<td>0</td>
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<tr>
<td>Equity</td>
<td>2.558</td>
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<td>260</td>
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<td>Minority Interests</td>
<td>27</td>
<td>22</td>
<td>4</td>
<td>19</td>
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<tr>
<td><strong>Total Liabilities</strong></td>
<td>9.300</td>
<td>8.871</td>
<td>430</td>
<td>5</td>
<td></td>
</tr>
</tbody>
</table>
In principle; as far as the related regulations, investment needs and financial situation allow, the entire amount of the “net distributable profit for the period”, calculated within the frame of the Capital Markets Regulations, is distributed in cash – taking into consideration the market expectations, long term company strategies, investment and financing policies, profitability and cash position – as long as it is covered from the existing resources in our legal records.

2012/2013 EPS includes the tax incentive
Creating Competitive & Sustainable Shareholder Value

<table>
<thead>
<tr>
<th>Foreign Currency Long Term</th>
<th>FitchRatings</th>
<th>Moody’s</th>
<th>S&amp;P Global Ratings</th>
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<tr>
<td>Tüpraş</td>
<td>BBB-(IG)</td>
<td>Ba1 (Stab.)</td>
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<tr>
<td>Turkey</td>
<td>BB+ (stable)</td>
<td>Ba1 (Neg.)</td>
<td>BB</td>
</tr>
<tr>
<td>Koç Holding</td>
<td>Baa3- (IG)</td>
<td>BBB (IG)</td>
<td></td>
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</tbody>
</table>

Analyst Recommendations
- BUY 67%
- HOLD 33%

CORPORATE GOVERNANCE RATING
- OVERALL 94,15
- SHAREHOLDERS 95,51
- TRANSPARENCY 92,55
- STAKEHOLDERS 97,66
- BOARD 92,80

- Tüpraş has one of the highest Corporate Governance Ratings
FX Risk Exposure (30 June 2017)

Consolidated Assets

- Cash: 541
- Receivables & other assets: 2
- Stock: 1,153
- Forward & CFH: 2,142

Consolidated Liabilities

- Payables: 932
- ST Financials: 1,075
  - RUP: 305
  - Eurobond: 700
- LT Financials: 1,797
  - RUP Loans: 1,111
  - Other credits: 687

+34 million $

- A significant portion of the Group's crude oil and refined product purchases are denominated in US Dollars. In addition, the Group finances its capital expenditures mostly through borrowings denominated in US Dollars.

- Natural Hedge: The Group is able to mitigate some of the impact of volatility in exchange rates through natural hedges: crude oil and refined product inventories are US Dollar denominated assets.

- Cash flow Hedge: RUP Facility financing loans designated as hedging instruments of highly probable export revenues.

- As a general Koç Holding financial policy, Group companies are allowed to keep foreign exchange positions within certain limits.
Future Expectations

- **Brent Price Estimation**: The average Brent price in 2017 is expected to be 50-55 dollars per barrel.

- **Med Complex Margin**: We expect Med Complex margins to be between 4.75 - 5.25 dollars per barrel band in 2017.

- **Tüpraş Net Margin**: Net Tüpraş refinery margin is expected to be in the region of 7.0 – 7.5 dollars per barrel

- **Capacity Utilisation**: Expectations for 2017;
  - Full Capacity Utilization
  - Production: approximately 29.2 million tons
  - Imports of finished products will be minimal, as we focus on selling increased volumes of production
  - Total sales: 30.6 million tons

- **Investment**: Refining investments is expected to be 225 Million dollars. Additionally, 125 million dollars investment is planned for increasing the marine tanker fleet capacity.
Updated information can be found in the Investor Relations section of the company website

www.tupras.com.tr

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.

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