



Turkish Petroleum Refineries Corporation (TUPRAS)

THE CONSOLIDATED INCOME STATEMENT

In accordance with Capital Market Board Regulations (11/29)

	Audited Income Statement					
	(1000 TL)			(1000 USD)		
	31-Dec-2008	31-Dec-2007	% change	31-Dec-2008	31-Dec-2007	% change
Sales (net)	30,404,009	22,520,083	35	23,424,251	17,317,999	35
Cost of sales (-)	(28,556,999)	(20,720,755)	38	(22,001,254)	(15,934,312)	38
Service income(net)	52,390	7,864	566	40,363	6,047	567
GROSS OPERATING PROFIT	1,899,400	1,807,192	5	1,463,360	1,389,735	5
Marketing, selling & distribution expenses (-)	(288,701)	(187,518)	54	(222,425)	(144,202)	54
General administrative expenses (-)	(380,237)	(349,816)	9	(292,947)	(269,009)	9
Other operating income	85,933	53,722	60	66,206	41,312	60
<i>Commission income</i>	25,421	16,702	52	19,585	12,844	52
<i>Service and rent income</i>	17,038	7,366	131	13,127	5,664	132
<i>Gain on fixed asset sales</i>	14,241	3,567	299	10,972	2,743	300
<i>Gain on sales of investments</i>	5,554	-	-	4,279	-	-
<i>Insurance & incentive income</i>	3,866	920	320	2,978	707	321
<i>Reversed provisions</i>	3,598	3,388	6	2,772	2,605	6
<i>Freight income</i>	3,204	886	262	2,468	681	262
<i>Technical and operational income</i>	2,578	1,905	35	1,986	1,465	36
<i>Promotion materials sales income</i>	1,927	5,150	(63)	1,485	3,960	(63)
<i>Campaign income</i>	1,525	7,132	(79)	1,175	5,485	(79)
<i>Station maintenance income</i>	730	975	(25)	562	750	(25)
<i>Other Income</i>	6,251	5,731	9	4,816	4,407	9
Other operating expenses (-)	(32,893)	(38,799)	(15)	(25,342)	(29,837)	(15)
<i>Provision for lawsuits</i>	(11,122)	-	-	(8,569)	-	-
<i>Idle capacity expenses</i>	(9,595)	(18,957)	(49)	(7,392)	(14,578)	(49)
<i>Unused vacation provisions expense</i>	(2,234)	(2,583)	(14)	(1,721)	(1,986)	(13)
<i>Promotion materials expense</i>	(3,202)	(7,377)	(57)	(2,467)	(5,673)	(57)
<i>Idle capacity depreciation expenses</i>	(1,600)	(3,679)	(57)	(1,233)	(2,829)	(56)
<i>Other expenses</i>	(5,140)	(6,203)	(17)	(3,960)	(4,770)	(17)
OPERATING PROFIT/ (LOSS)	1,283,502	1,284,781	(0)	988,852	988,000	0
Financial income	387,727	524,552	(26)	298,718	403,382	(26)
Financial expenses (-)	(1,121,964)	(197,013)	469	(864,398)	(151,503)	471
INCOME BEFORE TAXATION	549,265	1,612,320	(66)	423,172	1,239,878	(66)
Income Tax expense	(109,915)	(307,844)	(64)	(84,682)	(236,733)	(64)
<i>Tax expense for the period</i>	(100,273)	(270,261)	(63)	(77,254)	(207,831)	(63)
<i>Deferred tax expense</i>	(9,642)	(37,583)	(74)	(7,429)	(28,901)	(74)
INCOME FOR THE PERIOD	439,350	1,304,476	(66)	338,490	1,003,145	(66)
Minority interest	7,128	6,437	11	5,492	4,950	11
Equity holders of the Company	432,222	1,298,039	(67)	332,998	998,195	(67)

EBITDA Calculation:	31-Dec-2008	31-Dec-2007	% change
OPERATING PROFIT/ (LOSS)	1,283,502	1,284,781	-0
Total Depreciation	163,995	120,688	36
EBITDA, (1000 TRY)	1,447,497	1,405,469	3
EBITDA, (1000 USD)	1,115,199	1,080,809	3



Turkish Petroleum Refineries Corporation (TUPRAS)
CONSOLIDATED BALANCE SHEET

In accordance with Capital Market Board Regulations (11/29)

	Audited Balance Sheet (1000 TL)			Audited Balance Sheet (1000 USD)		
	31-Dec-08	31 Dec. 2007	% change	31-Dec-08	31 Dec. 2007	% change
Current assets	4,419,956	5,378,226	-17.8	2,922,671	4,617,692	-36.7
Cash and cash equivalents	1,466,725	962,777	52.3	969,864	826,631	17.3
Trade receivables (net)	1,073,677	1,776,905	-39.6	709,963	1,525,633	-53.5
<i>Due from related parties</i>	57,044	63,848	-10.7	37,720	54,819	-31.2
<i>Other trade receivables</i>	1,016,633	1,713,057	-40.7	672,243	1,470,814	-54.3
Other receivables (net)	18,945	14,796	28.0	12,527	12,704	-1.4
Inventories (net)	1,264,035	2,269,360	-44.3	835,836	1,948,450	-57.1
Other current assets	568,627	354,388	60.5	376,001	304,274	23.6
Derivative financial instruments	2,348	-	-	1,553	-	-
Assets held for sale	25,599	-	-	16,927	-	-
Non-current assets	4,216,842	3,703,653	13.9	2,788,363	3,179,920	-12.3
Trade receivables (net)	2,429	3,825	-36.5	1,606	3,284	-51.1
Financial assets (net)	70,021	52,555	33.2	46,301	45,123	2.6
Goodwill (net)	189,073	189,073	0.0	125,023	162,336	-23.0
Investment property (net)	5,423	4,621	17.4	3,586	3,968	-9.6
Property, plant and equipment (net)	3,432,592	3,000,260	14.4	2,269,782	2,575,994	-11.9
Intangible assets (net)	134,563	134,265	0.2	88,979	115,279	-22.8
Deferred tax assets	-	1,983	-100.0	-	1,703	-100.0
Other non-current assets	382,741	317,071	20.7	253,085	272,234	-7.0
Spare parts and materials, (net)	255,799	247,798	3.2	169,146	212,757	-20.5
Prepaid rent for stations	117,616	80,741	45.7	77,773	69,323	12.2
Advances given for property, plant&equipment	54,456	36,288	50.1	36,009	31,157	15.6
Other	90	328	-72.6	60	282	-78.9
Provision for spare parts & materials	(45,220)	(48,084)	-6.0	(29,901)	(41,284)	-27.6
TOTAL ASSETS	8,636,798	9,081,879	-4.9	5,711,035	7,797,612	-26.8
Current Liabilities	4,113,756	4,091,310	0.5	2,720,198	3,512,759	-22.6
Short-term bank borrowings (net)	1,176,949	148,466	692.7	778,251	127,471	510.5
Short-term portion of long-term bank borrowings (net)	101,606	109,524	-7.2	67,186	94,036	-28.6
Other financial liabilities	9,237	8,735	5.7	6,108	7,500	-18.6
<i>Due to related parties</i>	9,237	8,735	5.7	6,108	7,500	-18.6
Trade payables (net)	1,564,536	2,491,488	-37.2	1,034,541	2,139,167	-51.6
<i>Due to related parties</i>	41,686	13,330	212.7	27,565	11,445	140.8
<i>Other trade payables</i>	1,522,850	2,478,158	-38.5	1,006,976	2,127,722	-52.7
Advances received	19,760	12,810	54.3	13,066	10,999	18.8
Debt provisions	80,579	73,554	9.6	53,282	63,153	-15.6
Current period profit tax provision	2,740	59,084	-95.4	1,812	50,729	-96.4
Employee benefits	3,498	2,716	28.8	2,313	2,332	-0.8
Other current liabilities	1,132,963	1,178,689	-3.9	749,166	1,012,011	-26.0
<i>Special consumption tax (SCT) payable</i>	553,239	664,953	-16.8	365,826	570,922	-35.9
<i>Deferred VAT</i>	198,542	193,087	2.8	131,285	165,783	-20.8
<i>Value added tax (VAT) payable</i>	196,480	154,522	27.2	129,921	132,671	-2.1
<i>Deferred SCT</i>	115,614	109,038	6.0	76,449	93,619	-18.3
<i>Other taxes and liabilities</i>	30,445	20,659	47.4	20,132	17,738	13.5
<i>Due to personnel</i>	17,832	19,474	-8.4	11,791	16,720	-29.5
<i>Deposits and guarantees received</i>	11,196	5,414	106.8	7,403	4,648	59.3
<i>Other</i>	9,615	11,542	-16.7	6,358	9,910	-35.8
Derivative financial instruments	-	6,244	-100.0	-	5,361	-100.0
Liabilities directly associated with assets held for sale	21,888	-	-	14,473	-	-
Non-current Liabilities	966,778	863,188	12.0	639,277	726,123	-12.0
Financial borrowings (net)	494,508	437,533	13.0	326,991	375,662	-13.0
Other financial borrowings	9,237	17,740	-47.9	6,108	15,231	-59.9
<i>Due to related parties</i>	9,237	17,740	-47.9	6,108	15,231	-59.9
Trade payables (net)	2,165	268	707.8	1,432	230	522.2
Employee benefits	95,261	99,641	-4.4	62,991	85,551	-26.4
Deferred tax liabilities	157,053	148,561	5.7	103,850	127,553	-18.6
Other non-current liabilities	208,554	141,973	46.9	137,905	121,897	13.1
EQUITY	3,556,264	4,145,123	-14.2	2,326,377	3,558,730	-34.6
Equity attributable to equity holders of the parent						
Share capital	250,419	250,419	0.0	165,588	215,007	-23.0
Adjustment to share capital	1,344,243	1,344,243	0.0	888,873	1,154,154	-23.0
Share premium	172	172	0.0	114	148	-23.0
Financial assets fair value reserve	30,783	14,968	105.7	20,355	12,851	58.4
Restricted reserves	125,210	125,210	0.0	82,794	107,504	-23.0
Foreign currency translation differences	3,268	(2,962)	-210.3	(70,216)	113,550	-161.8
Retained earnings	1,331,863	1,081,826	23.1	880,687	928,845	-5.2
Net Income for the period	432,222	1,298,039	-66.7	332,998	998,158	-66.6
Total equity attributable to equity holders	3,518,180	4,111,915	-14.4	2,301,194	3,530,218	-34.8
Minority interest	38,084	33,208	14.7	25,183	28,512	-11.7
TOTAL LIABILITIES	8,636,798	9,099,621	-5.1	5,711,035	7,797,612	-26.8



Turkish Petroleum Refineries Corporation (TUPRAS)
THE CONSOLIDATED STATEMENTS OF CASH FLOWS

In accordance with Capital Market Board Regulations (11/29)

	Audited Cash Flow (1000 TL)		
	31-Dec-08	31-Dec-07	% change
Net income before taxation and minority interests	549,265	1,612,320	-65.9
Depreciation and amortisation expense	163,995	120,688	35.9
Increase in provision for employment termination benefits	22,216	25,779	-13.8
Gain on sales of property, plant and equipment	(14,241)	(162)	8,690.7
Increase/decrease in provision for impairment on inventory	68,081	(2,825)	-2,509.9
Pending claims and lawsuits provision expense/(income)	15,443	(3,388)	-555.8
Provision for EMRA participation share	9,946	7,578	31.2
Seniority incentive bonus paid	1,153	693	66.4
Provision for unused vacation rights	5,265	3,971	32.6
Other provisions expense/income	665	(2,650)	-125.1
Provision for environmental liability	-	11,152	-100.0
Provision for personnel liabilities	-	9,240	-100.0
Provision for doubtful receivables	3,949	6,401	-38.3
Interest income (net)	(51,249)	(122,909)	-58.3
Unearned credit finance income,(net)	(5,568)	3,560	-256.4
Gain on sales of investments	(5,554)	-	-
Foreign exchange gains/(losses) on borrowings, (net)	164,887	(60,757)	-371.4
Foreign currency translation differences	6,230	(2,962)	-310.3
Net cash provided from oper. act. before changes in oper. assets & liabilities	934,483	1,605,729	-41.8
Changes in the operating assets and liabilities:			
Decrease/(Increase) in trade receivables	704,882	(339,139)	-307.8
Increase in other receivables	(4,149)	(5,354)	-22.5
Decrease/(Increase)in inventories	937,244	(363,468)	-357.9
Increase in other current assets	(78,588)	(302,705)	-74.0
Increase in other non-current assets	(65,670)	(89,723)	-26.8
(Decrease)/ increase in trade payables	(931,000)	964,777	-196.5
Increase in advances received	6,950	1,583	339.0
Increase in other current liabilities	(44,016)	349,384	-112.6
Collection of doubtful receivables	1,443	-	-
Taxes paid	(289,037)	(237,326)	21.8
Employment termination benefits paid	(25,622)	(14,411)	77.8
Personnel liabilities paid	(9,240)	-	-
Pending claims and lawsuits expenses paid	(4,322)	(5,244)	-17.6
Unused vacation liabilities paid	(3,031)	(1,388)	118.4
Seniority incentive bonus paid	(1,345)	(965)	39.4
EMRA participation share paid	(7,578)	(8,758)	-13.5
Environmental liability expenses paid	-	(22,114)	-100.0
Other provisions paid	(123)	(955)	-87.1
Net cash provided by (used in) operating activities	1,121,281	1,529,923	-26.7
Investing activities:			
Purchase of property, plant and equipment	(512,969)	(466,957)	9.9
Proceeds from sale of property, plant and equipment	19,032	1,552	1,126.3
Purchase of intangible assets	(13,491)	(8,347)	61.6
Purchase of Financial assets	(216)	-	-
Share in capital increase of financial assets	(602)	-	-
Investment property purchases	(802)	-	-
Proceeds from sales of investments	4,576	-	-
Interest received	135,424	148,116	-8.6
Net cash provided by (used in) investing activities	(369,048)	(325,636)	13.3
Financing activities:			
Change in the derivative financial instruments	(8,592)	-	-
Proceeds from bank borrowings, (net)	809,366	18,505	4,273.8
Other financial liabilities paid	(7,731)	(5,421)	42.6
Dividends paid	(1,048,002)	(659,729)	58.9
Dividends paid to minority interests	(2,252)	-	-
Interest paid	(61,027)	(21,949)	178.0
Net cash used in financing activities	(318,238)	(668,594)	-52.4
Net increase in cash and cash equivalents	433,995	535,493	-19.0
Cash and cash equivalents at the beginning of the period	827,425	291,932	183.4
Cash and cash equivalents at the end of the period	1,261,420	827,425	52.5