



INVESTOR PRESENTATION

November, 2017



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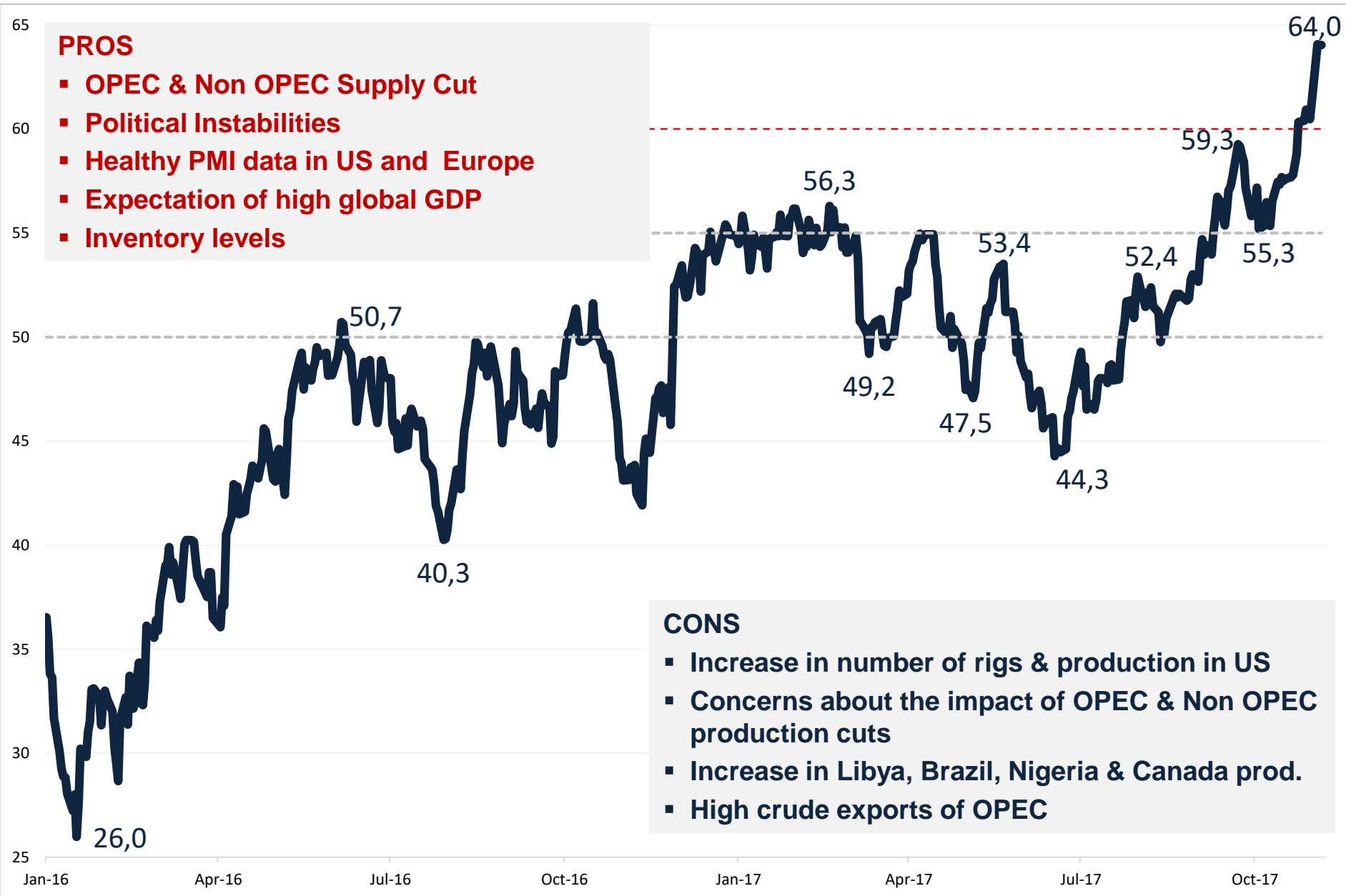
04

INVESTMENTS

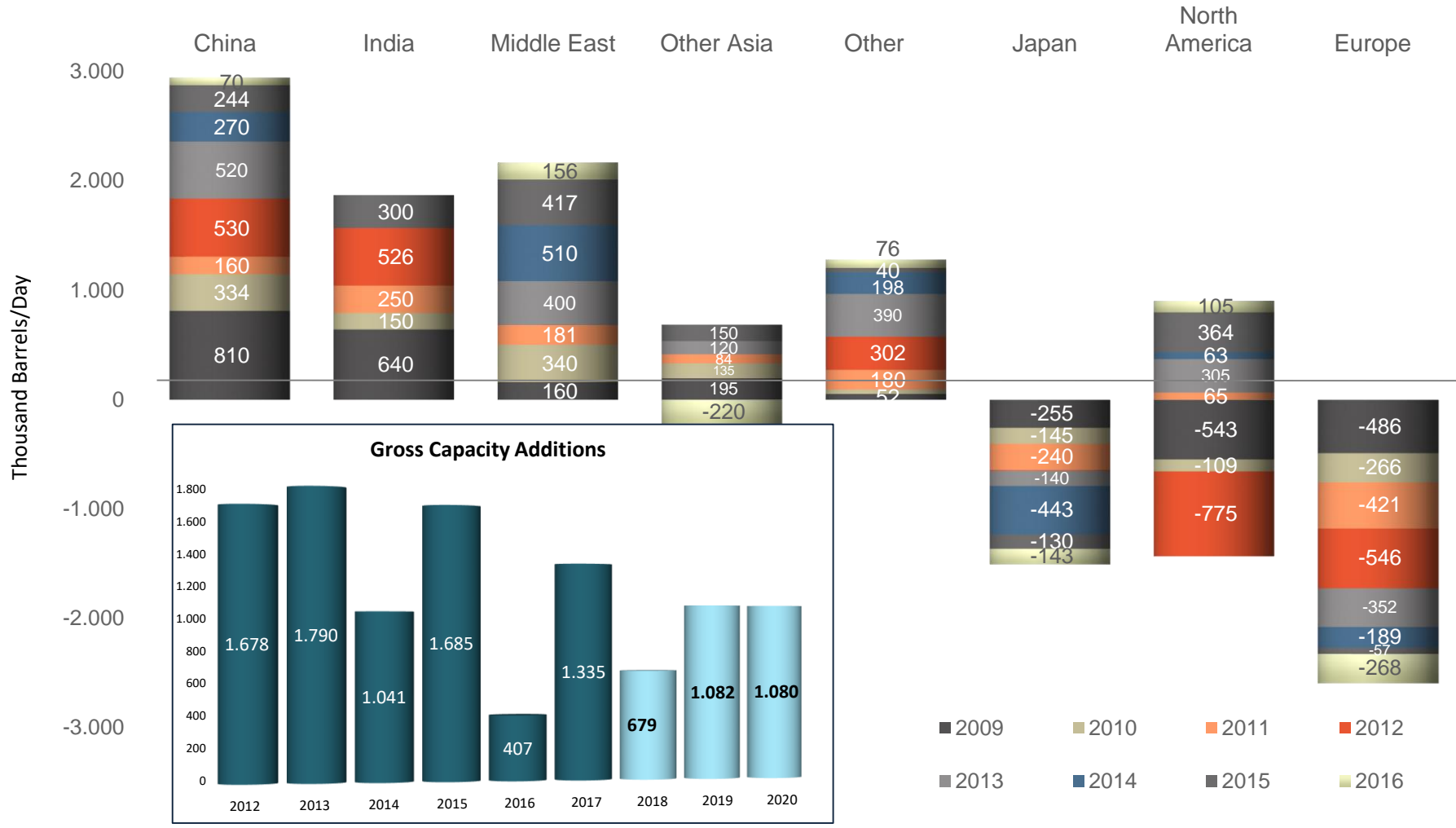
01

REFINING INDUSTRY

Brent Crude Oil Prices (\$/bbl)

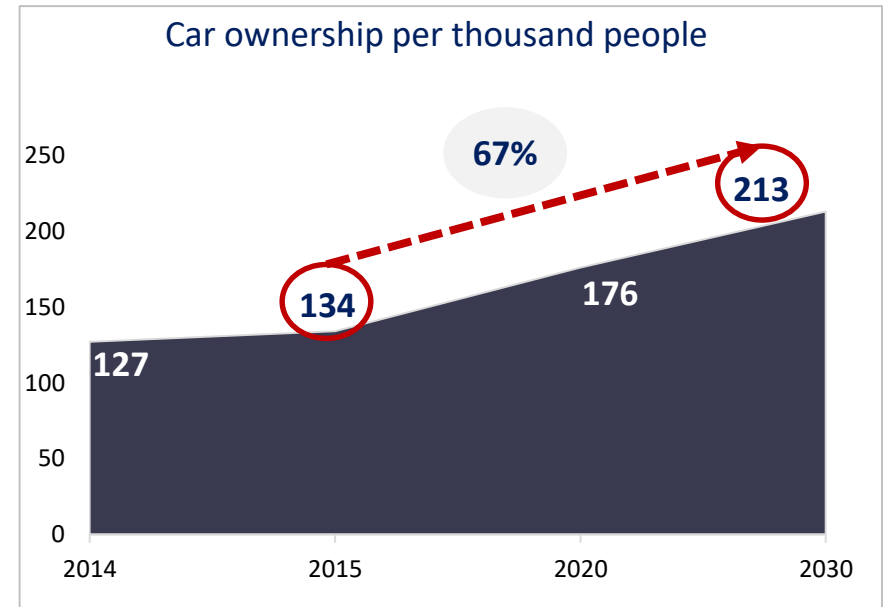
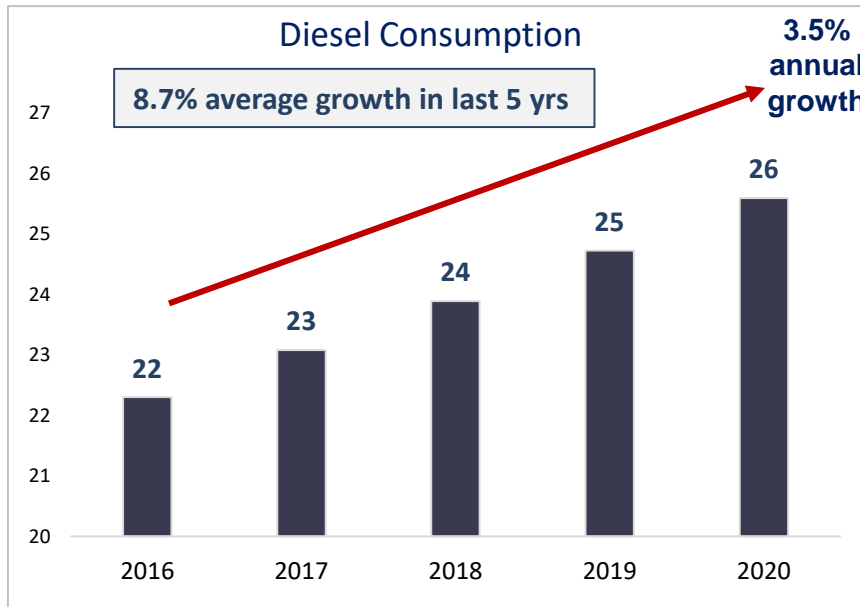
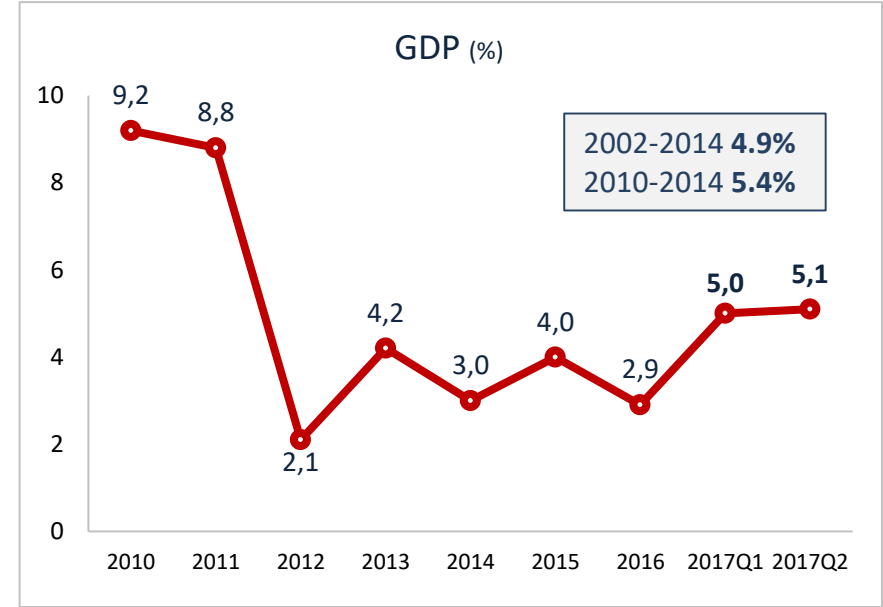
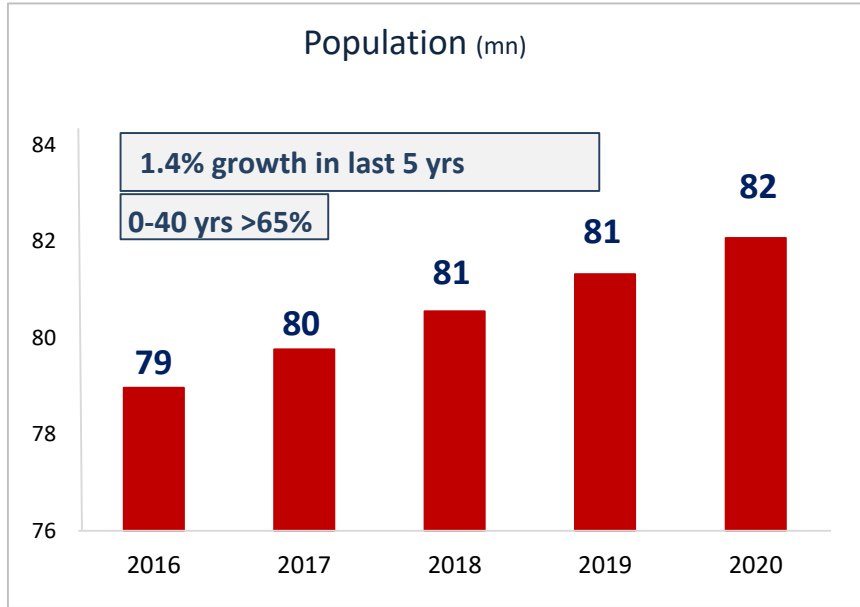


Refinery Capacity Change



Source: Tüpraş, Reuters, Reports

Turkish Economy Strengths



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)

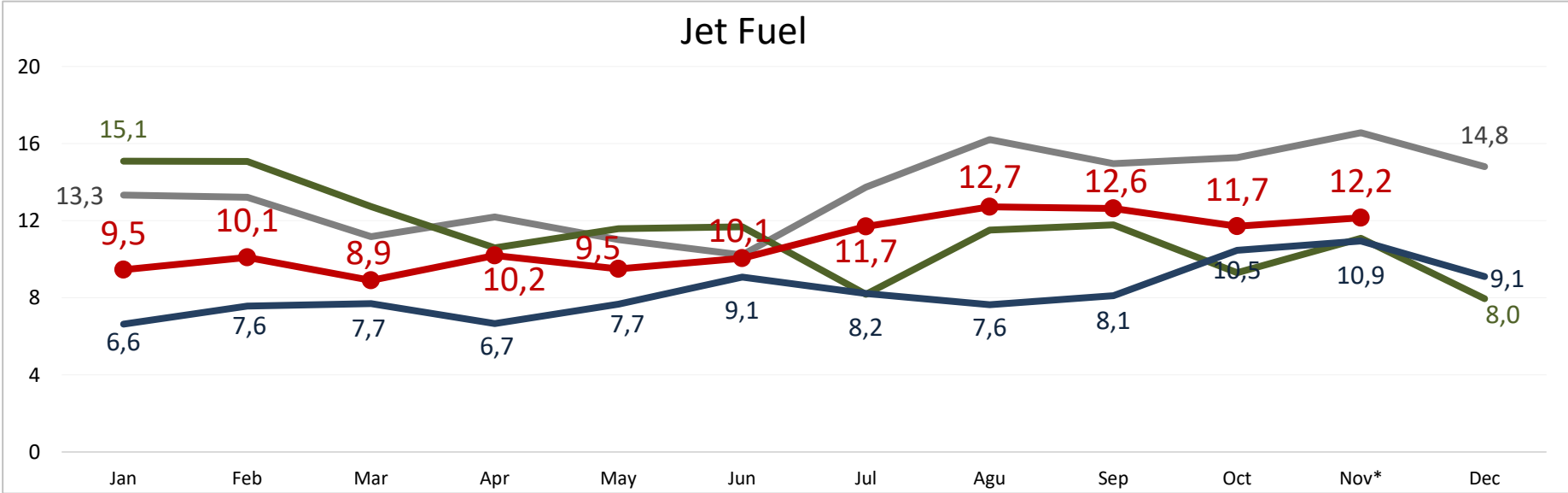
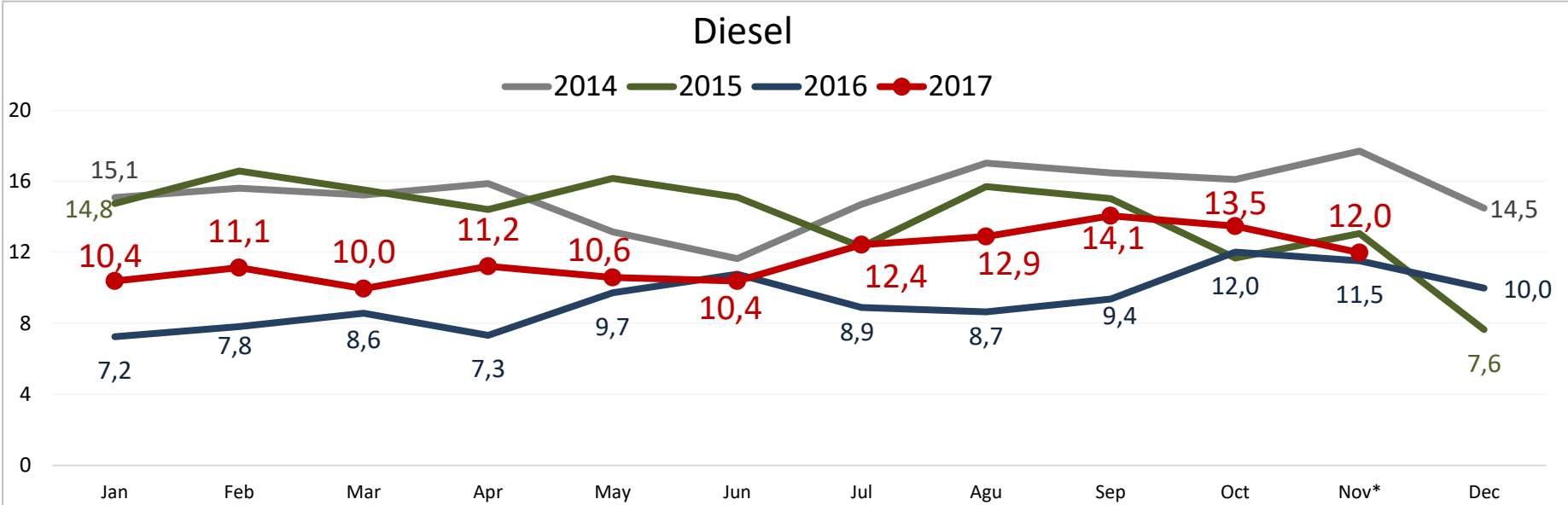
Cost Base of Tüpraş

Energy Efficient

Crude Oil & Feedstock Cost Advantage

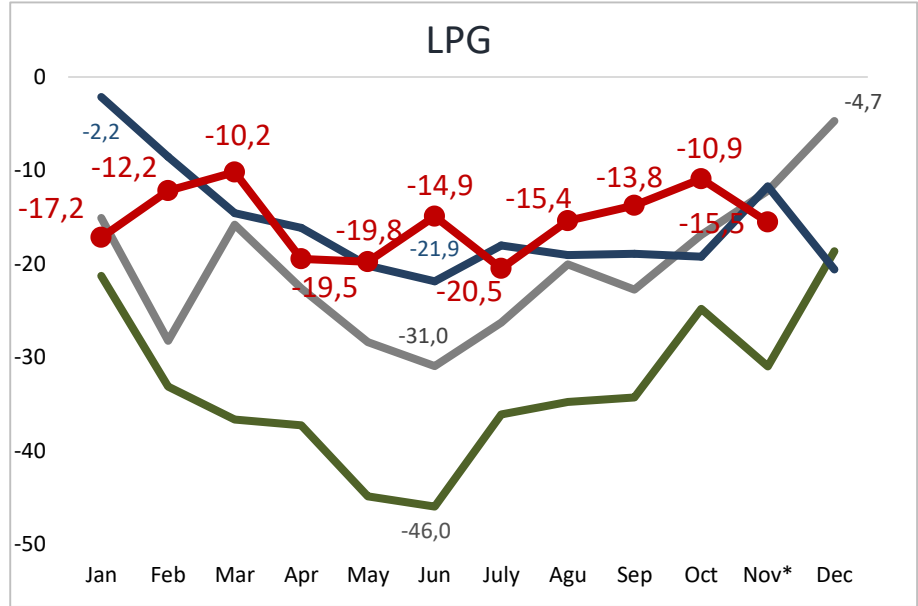
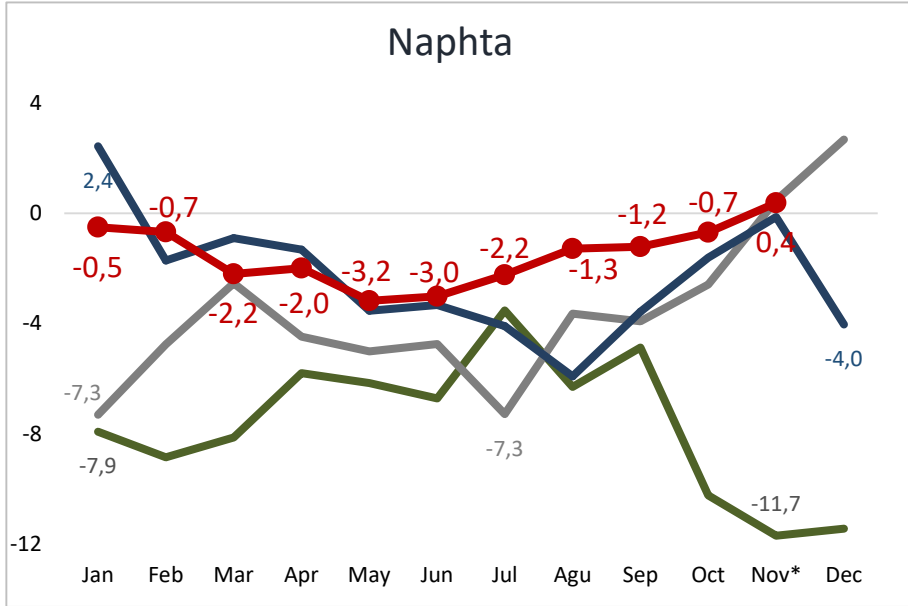
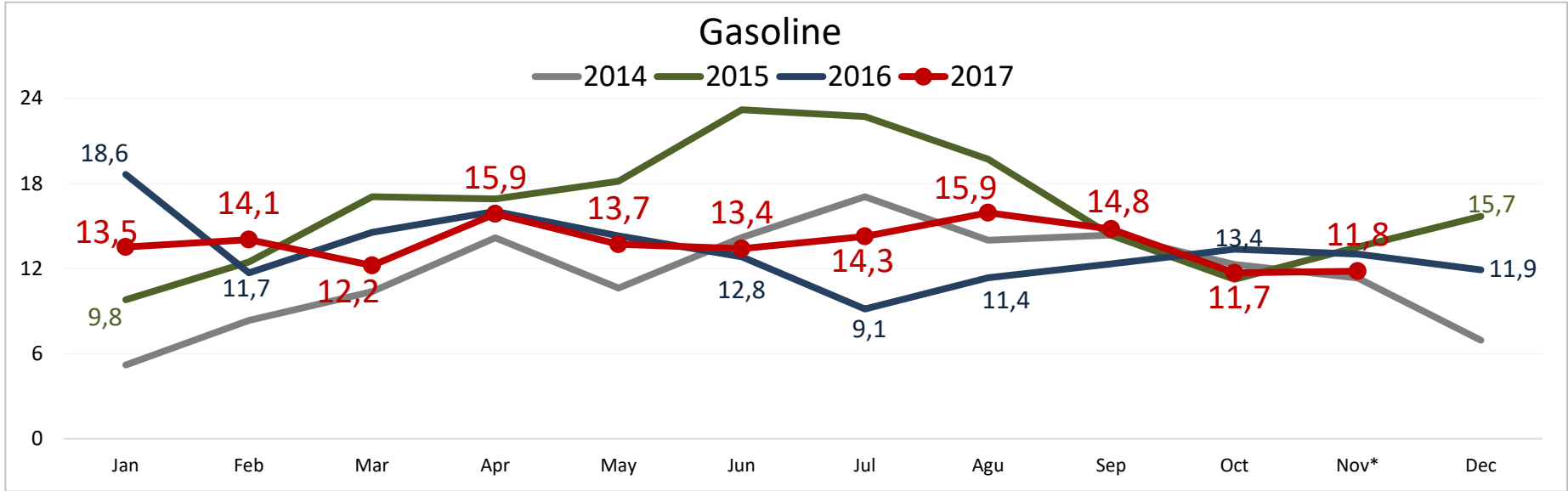
Economies of Scale

Middle Distillate Cracks (\$/bbl)



Source: Platts
 *As of November 8th, 2017

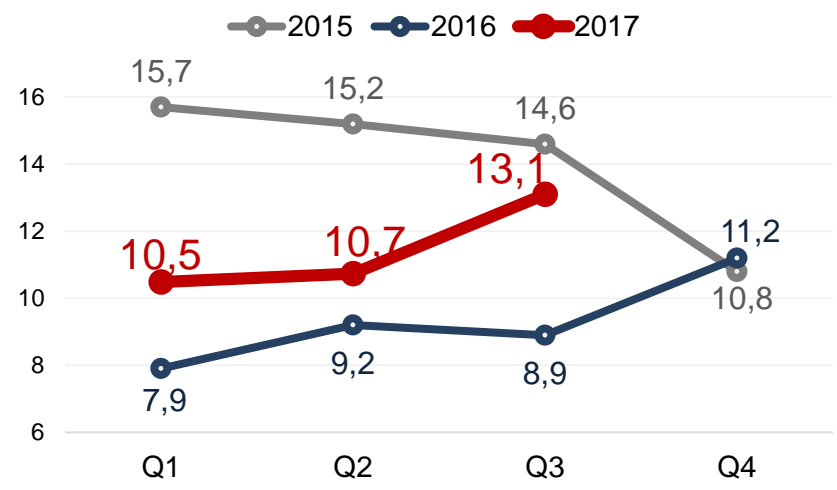
Light Distillate Cracks (\$/bbl)



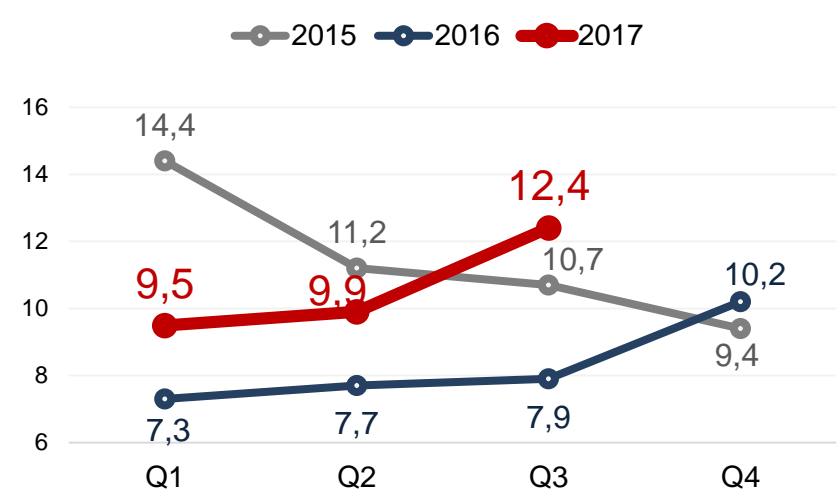
Source: Platts
*As of November 8th, 2017

Quarterly Product Crack Margins (\$/bbl)

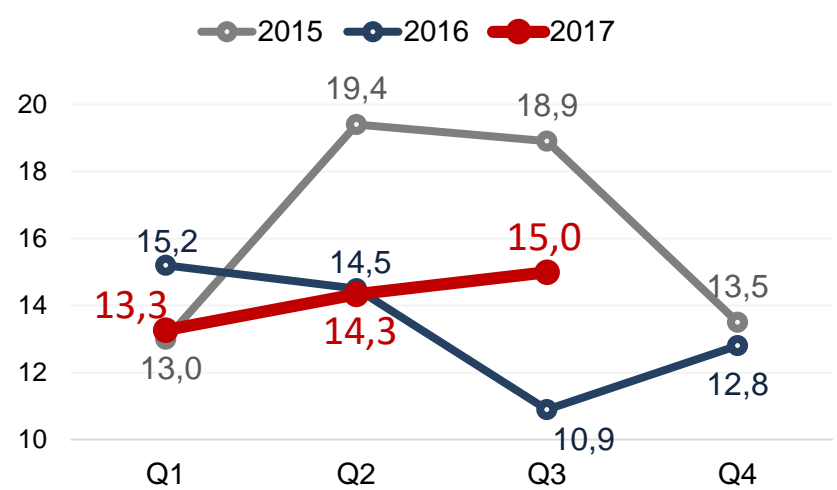
Diesel



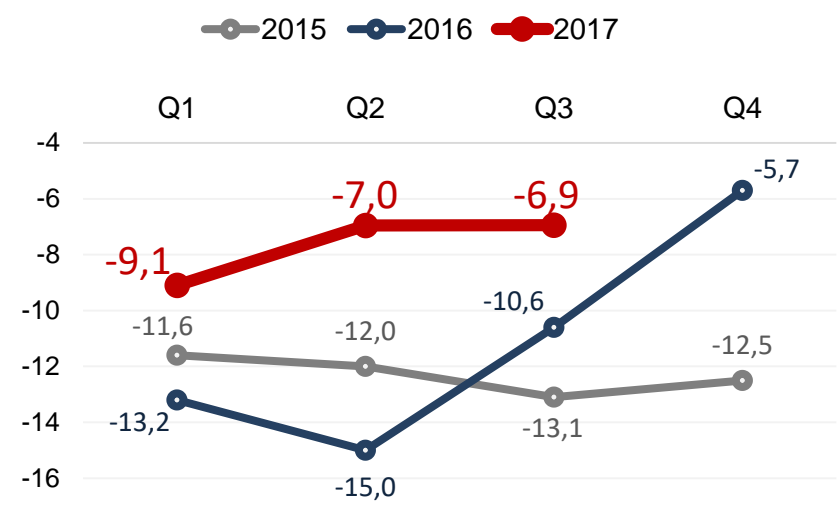
Jet Fuel



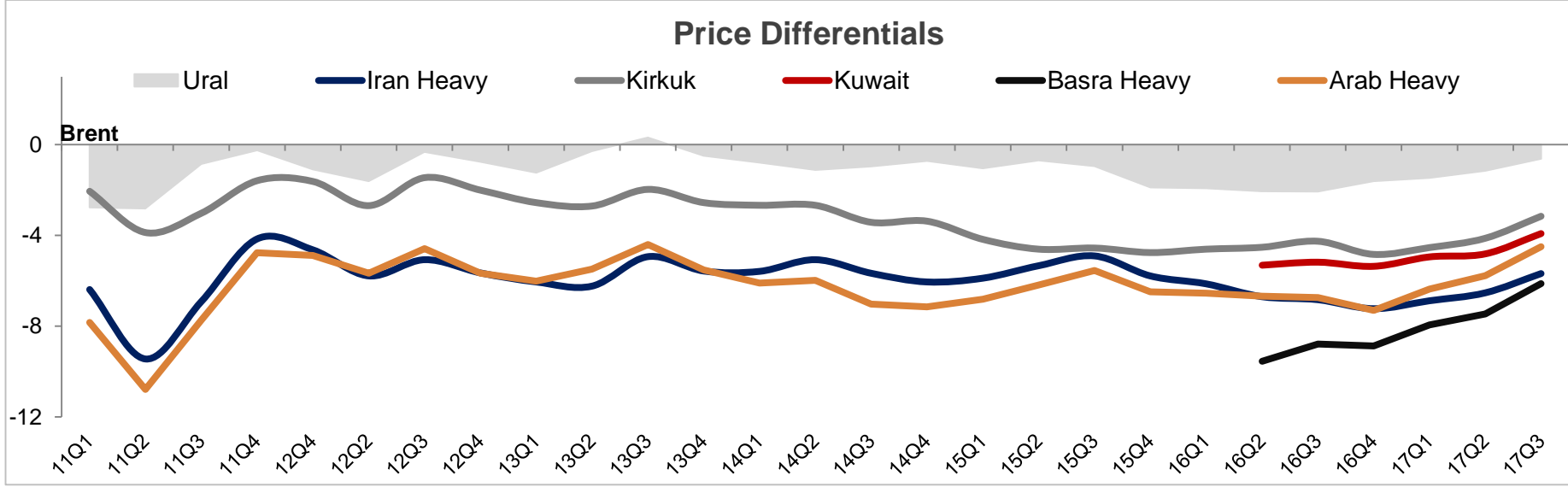
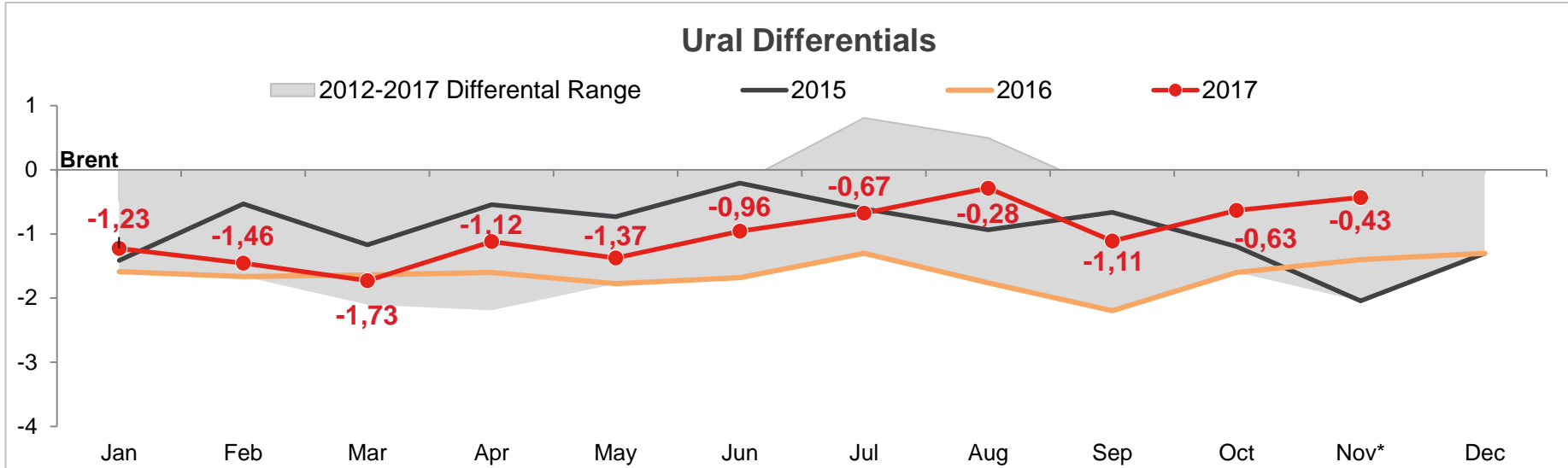
Gasoline



Fuel Oil

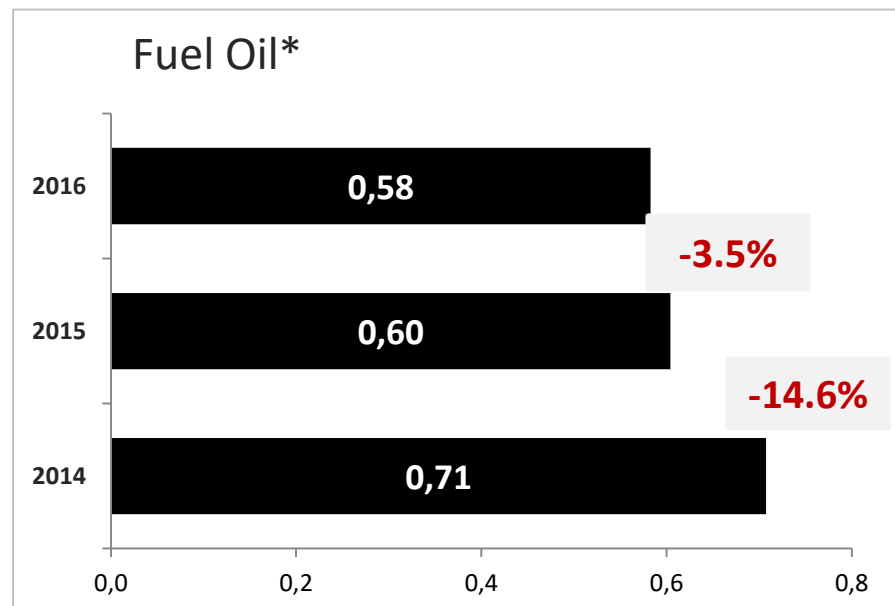
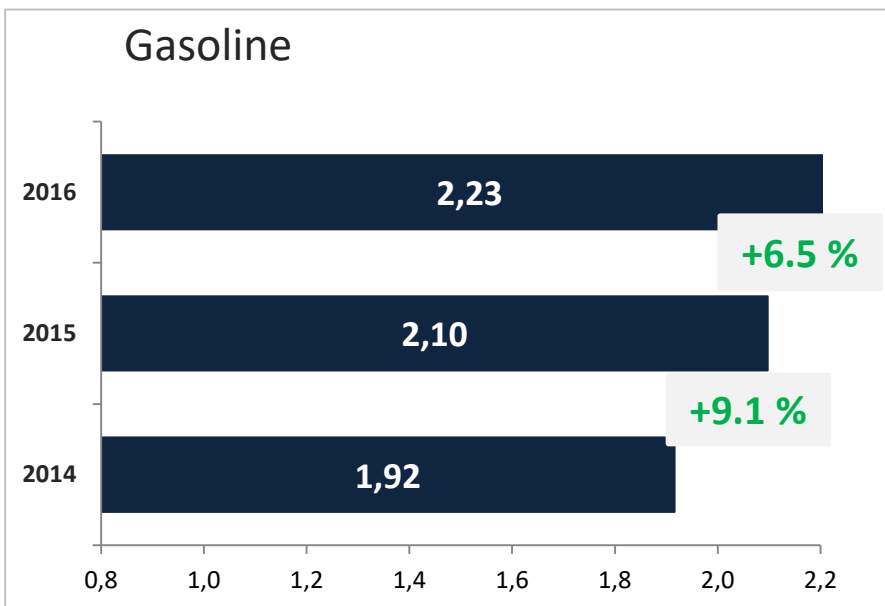
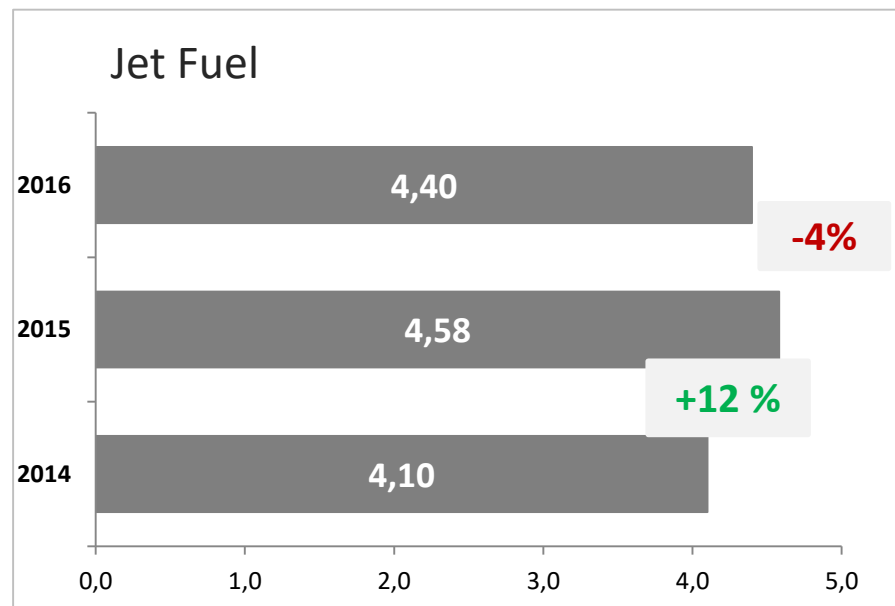
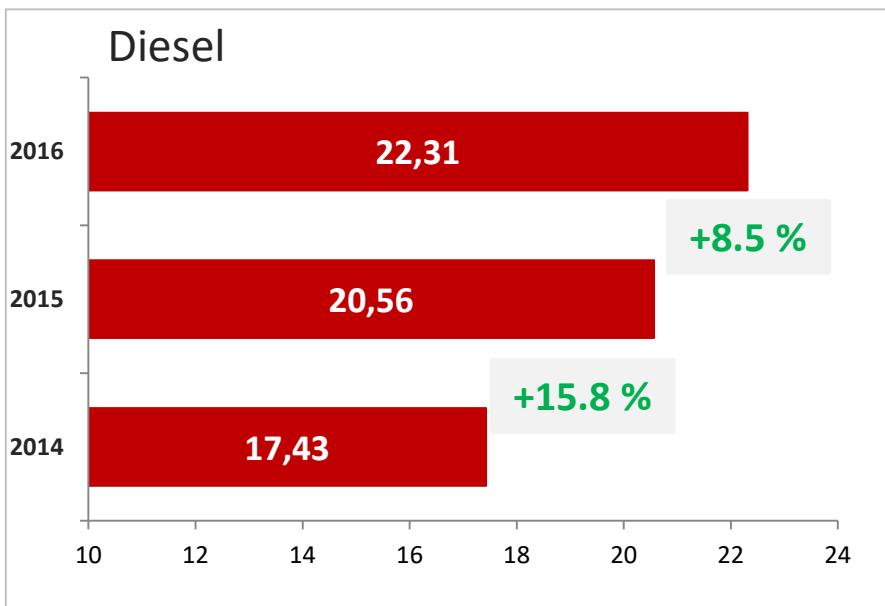


Crude Price Differentials (USD/bbl)



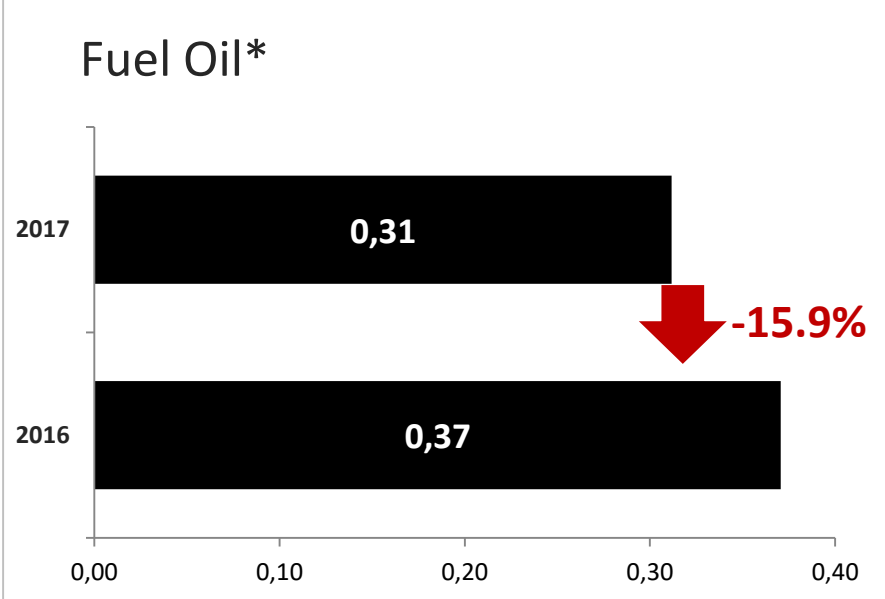
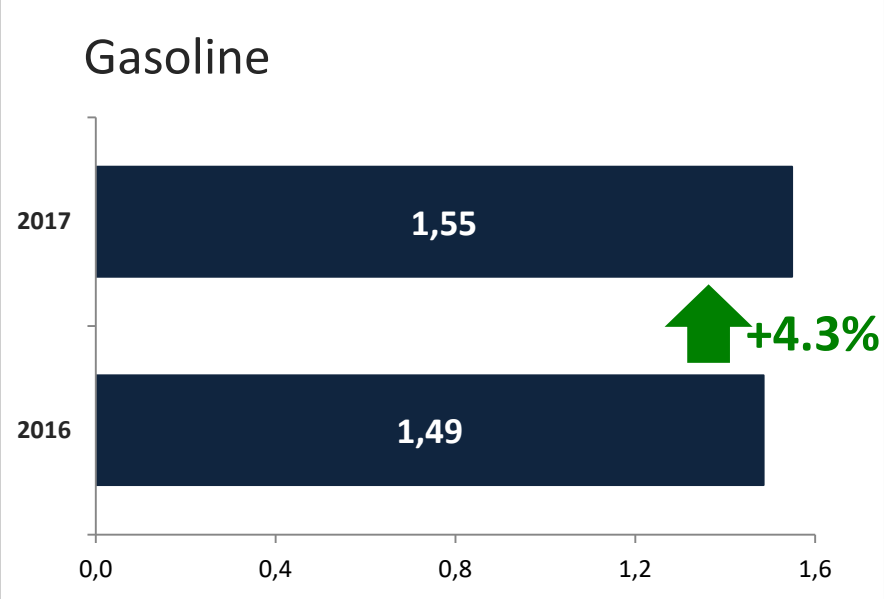
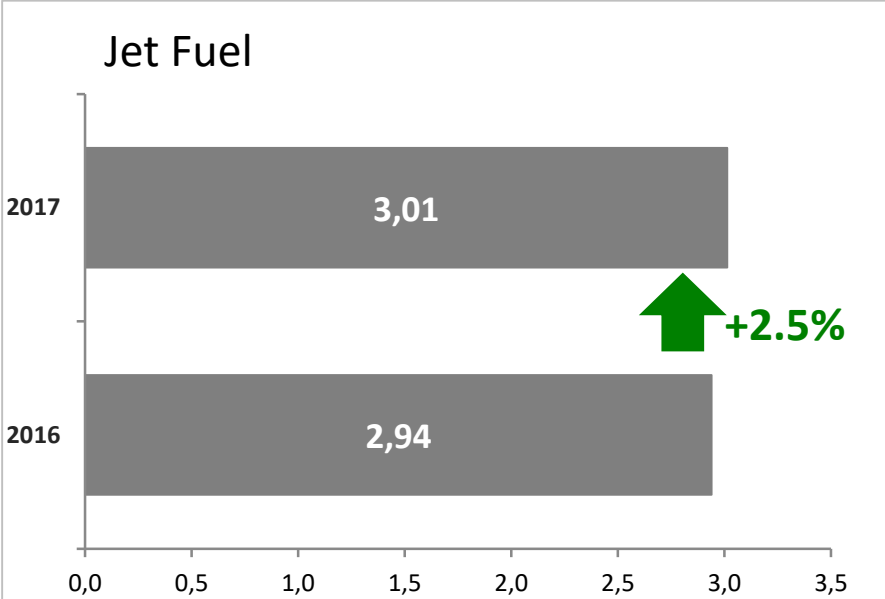
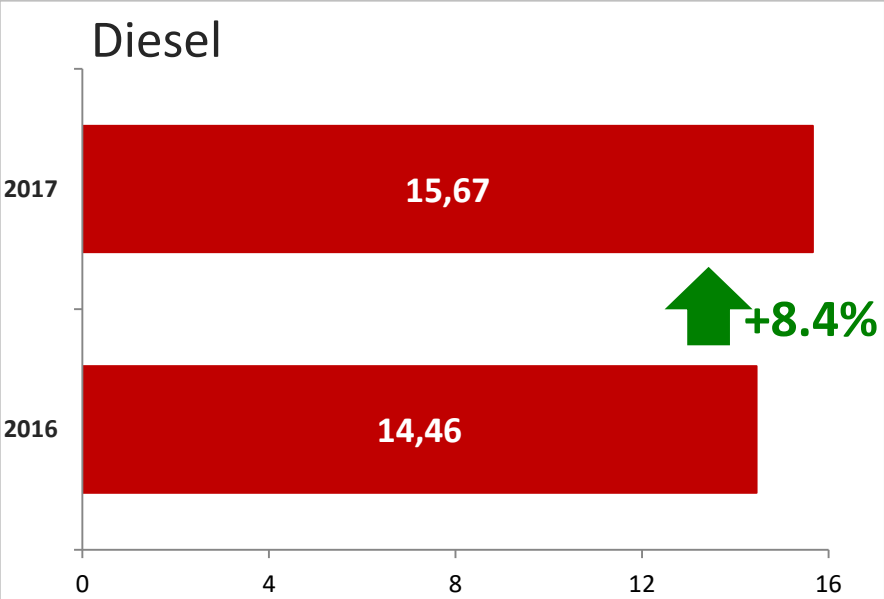
Source: Platts
 *As of November 7th, 2017

Turkish Consumption (Million tons) 2014-2016



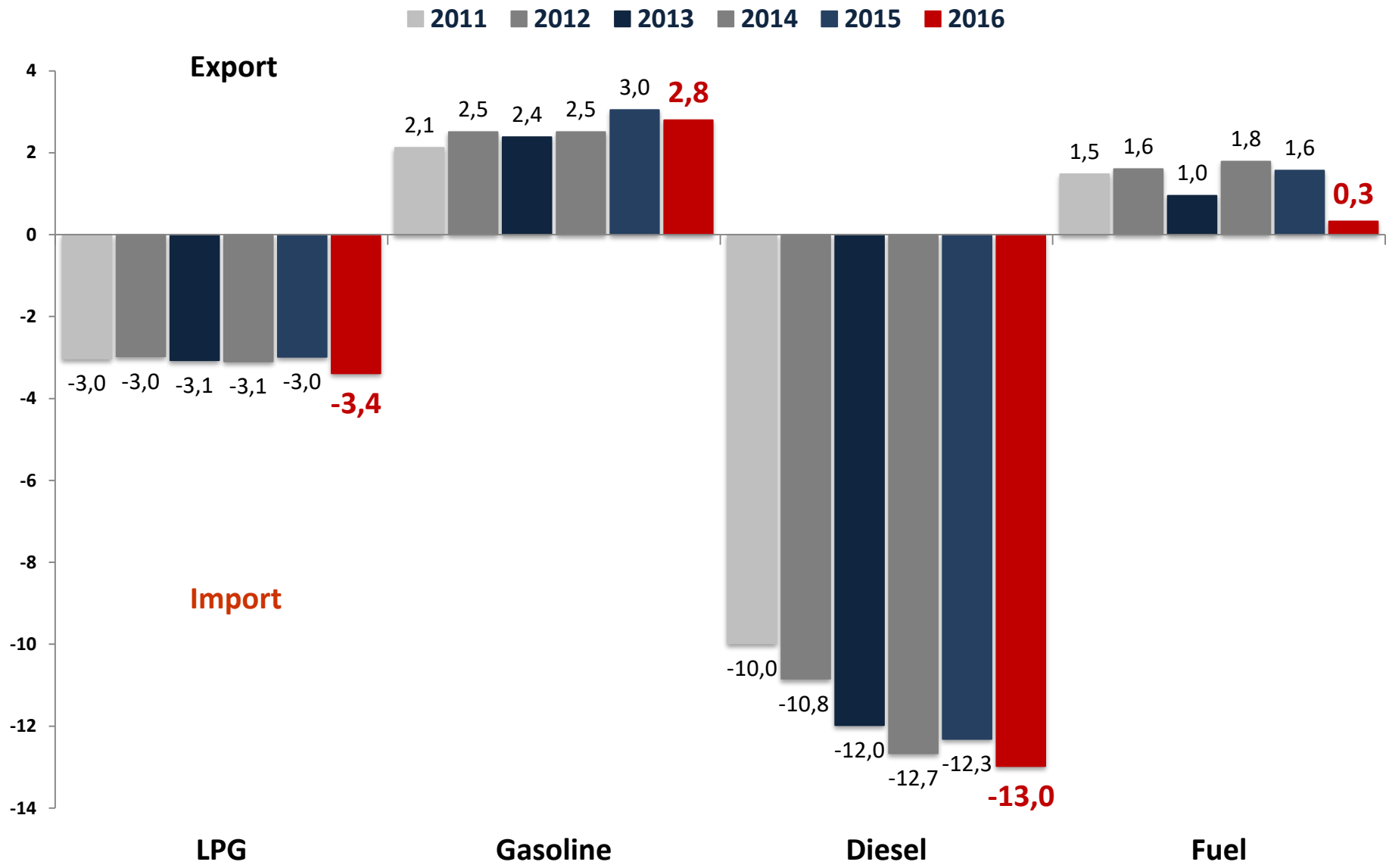
Source: EMRA
*bunker excluded.

8 Months 2017 - Turkish Consumption (Million tons)



Source: EMRA
*bunker excluded.

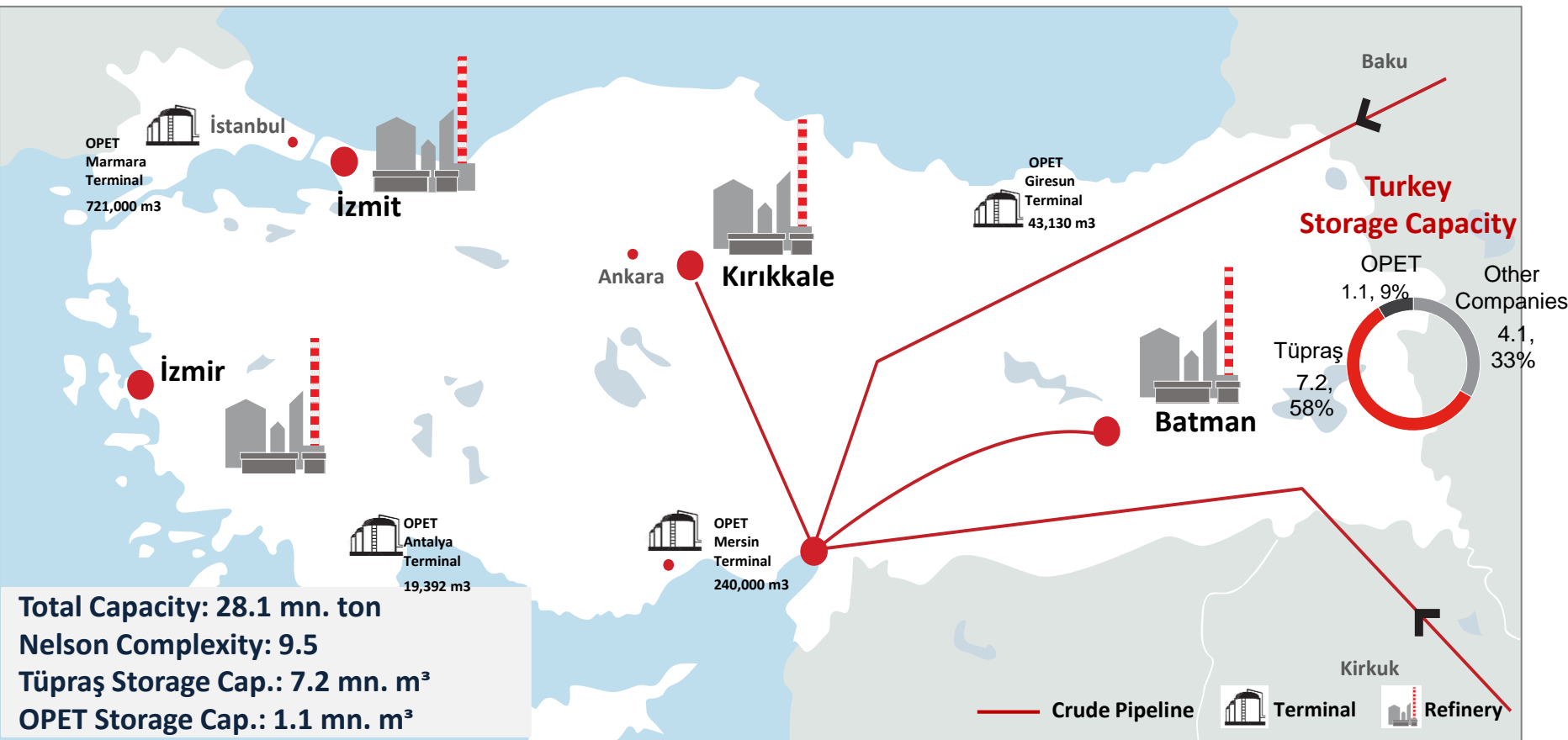
Turkey's Import / Export Balance (Net) (Million Ton)



02

COMPANY OVERVIEW

Tüpraş Refining Assets & Distribution Network



Total Capacity: 28.1 mn. ton
Nelson Complexity: 9.5
Tüpraş Storage Cap.: 7.2 mn. m³
OPET Storage Cap.: 1.1 mn. m³

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



1.553 Stations

- Market positions: 17.9% in White product; 16.6% in black product



1.1 Million M3 Storage

- Marmara, Aegean, Black Sea & Mediterranean



2nd Biggest Distribution Company by Volume

- # 1 Brand Royalty Award



Jet Fuel Sales

- Turkish Airlines JV
- 66% Market Share











Lubricants

- Fuchs JV



International Trading

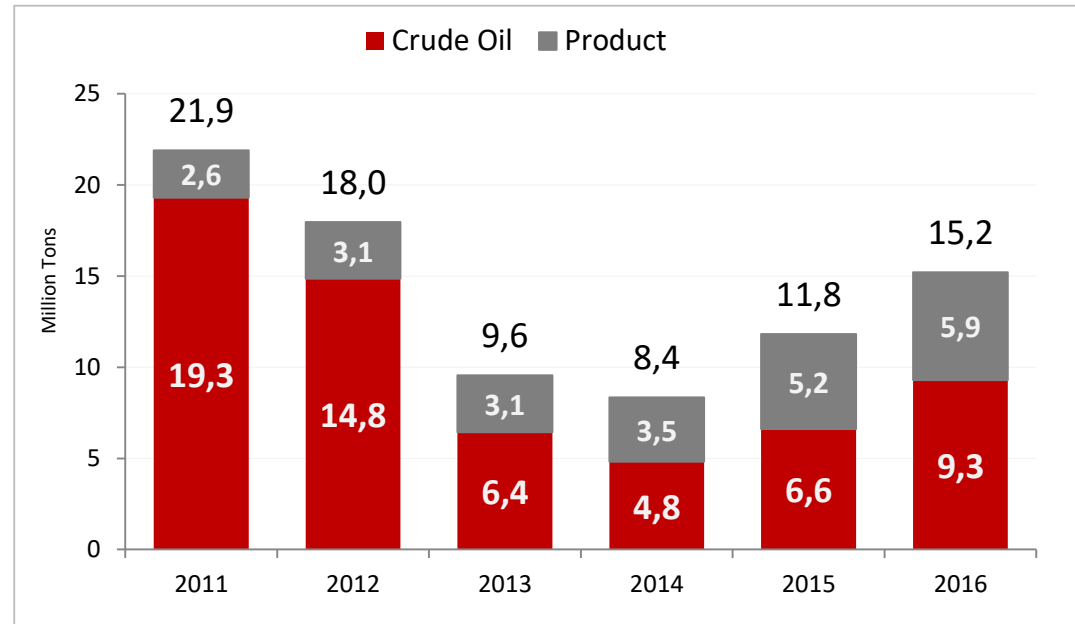
- London

<p>Leyla</p>  <p>Products ▶ 2011 ▶ 6,3 K DWT</p>	<p>Esra & Aylin</p>  <p>Bitümen ▶ 2x20 K DWT ▶ Esra 2014 ▶ Aylin 2015</p>	<p>Caroline</p>  <p>Products ▶ 2009 ▶ 10,9 K DWT</p>	<p>Nevbahar</p>  <p>Products ▶ 2009 ▶ 11,5 K DWT</p>	<p>Sadberk</p>  <p>Crude ▶ 2017 ▶ 159 K DWT</p>	<p>Cumhuriyet</p>  <p>Crude ▶ 2001 ▶ 164,9 K DWT</p>	<p>Gönül&Sevgi</p>  <p>Products ▶ Sevgi 2008 ▶ Gönül 2009 ▶ 2x11 K DWT</p>	<p>Suna</p>  <p>Products ▶ 2012 ▶ 51,5 K DWT</p>
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- **One of the biggest** Turkish marine transportation companies of crude oil and petroleum products
- Carries mainly Tüpraş' crude oil purchases and **makes the transfer operations of product and semi-products.**

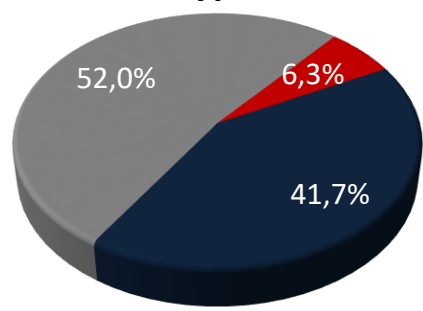


DİTAŞ Financials	2016 (mn \$)
Net Sales	151,3
Op. Profit	40,5



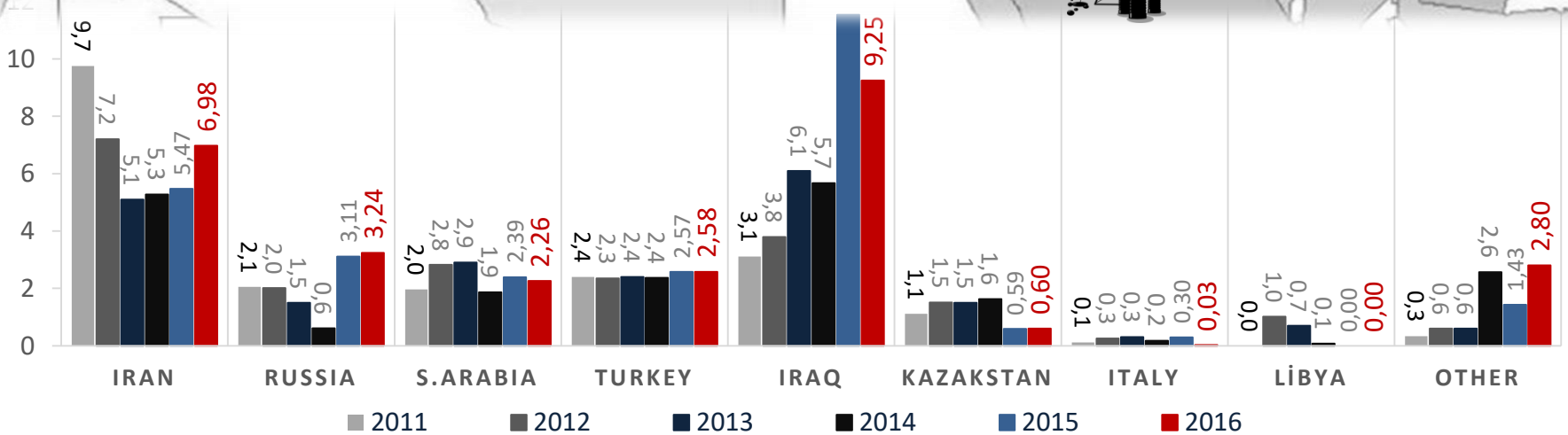
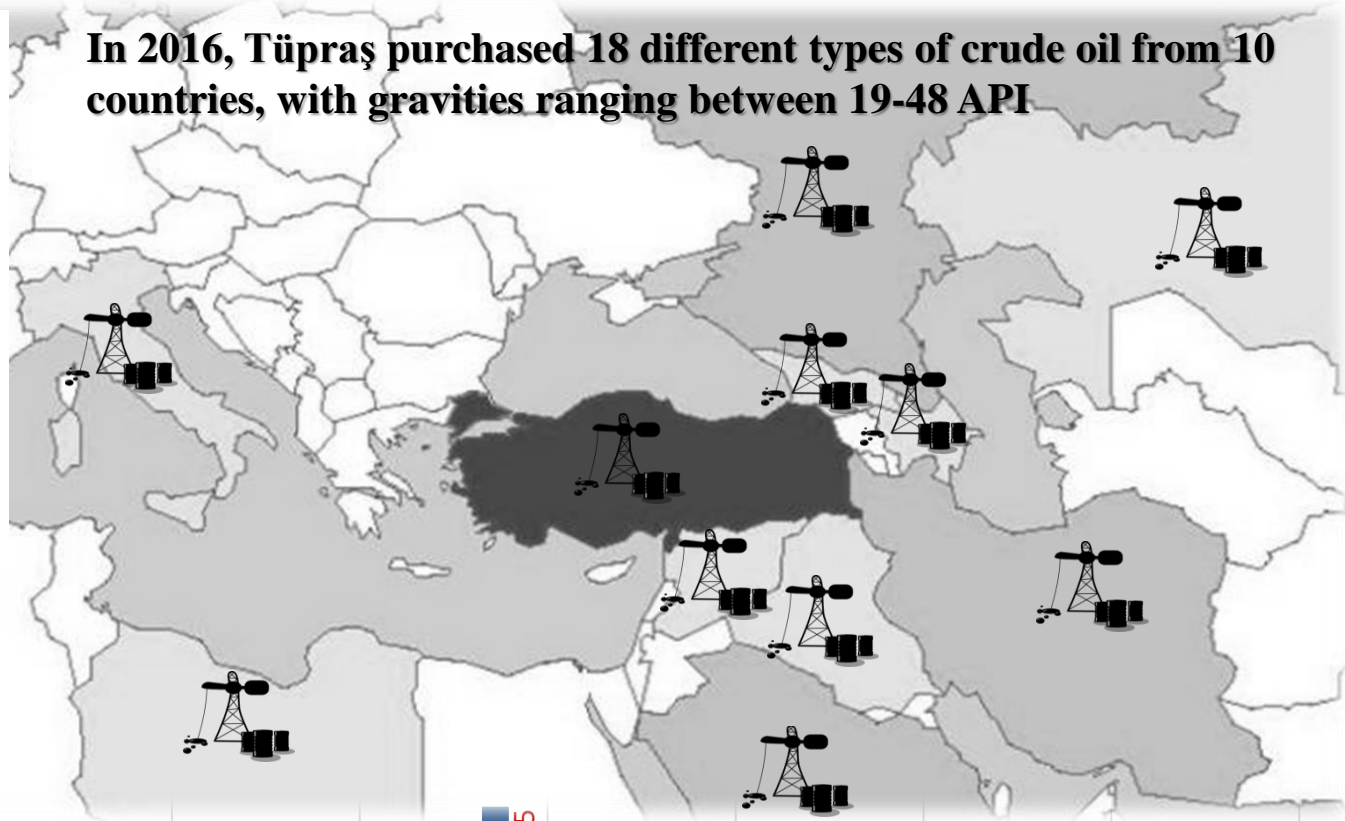
Crude Suppliers of TÜPRAŞ (Million Tons)

Crude Type - 2016

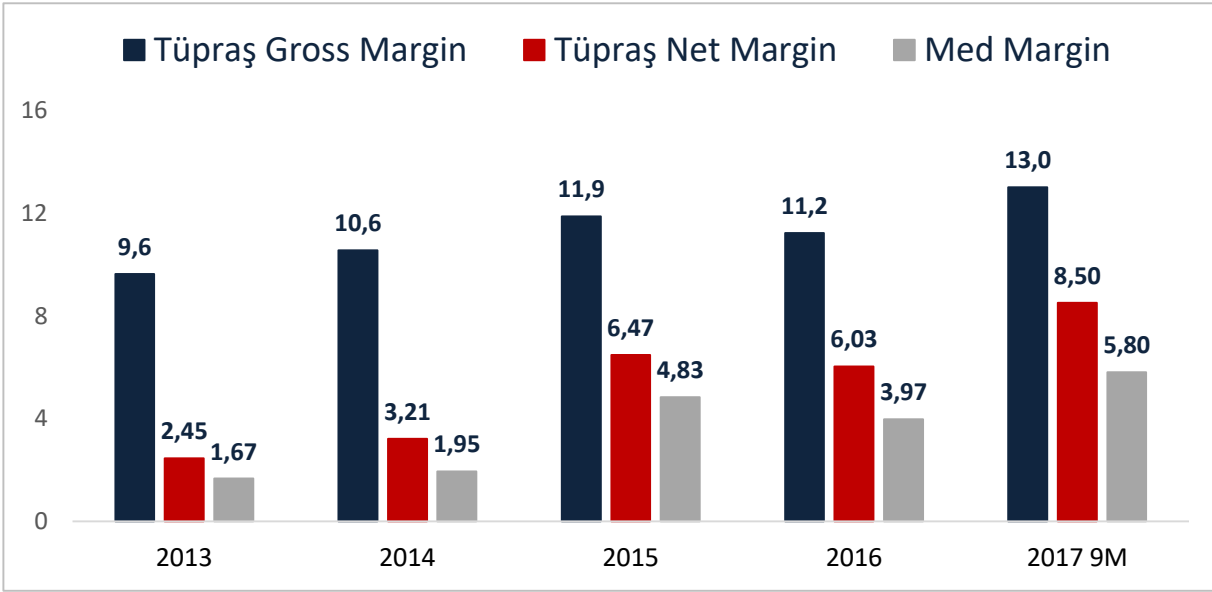
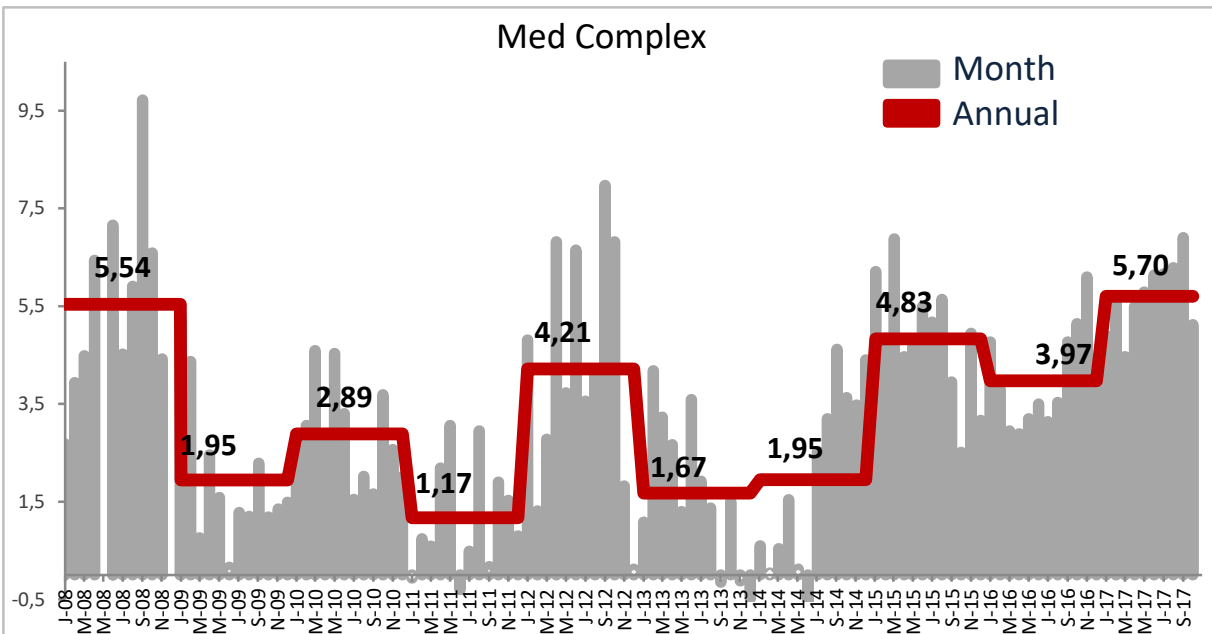


■ >34 ■ 30-34 ■ 30>

In 2016, Tüpraş purchased 18 different types of crude oil from 10 countries, with gravities ranging between 19-48 API



Margin Environment (\$/bbl)

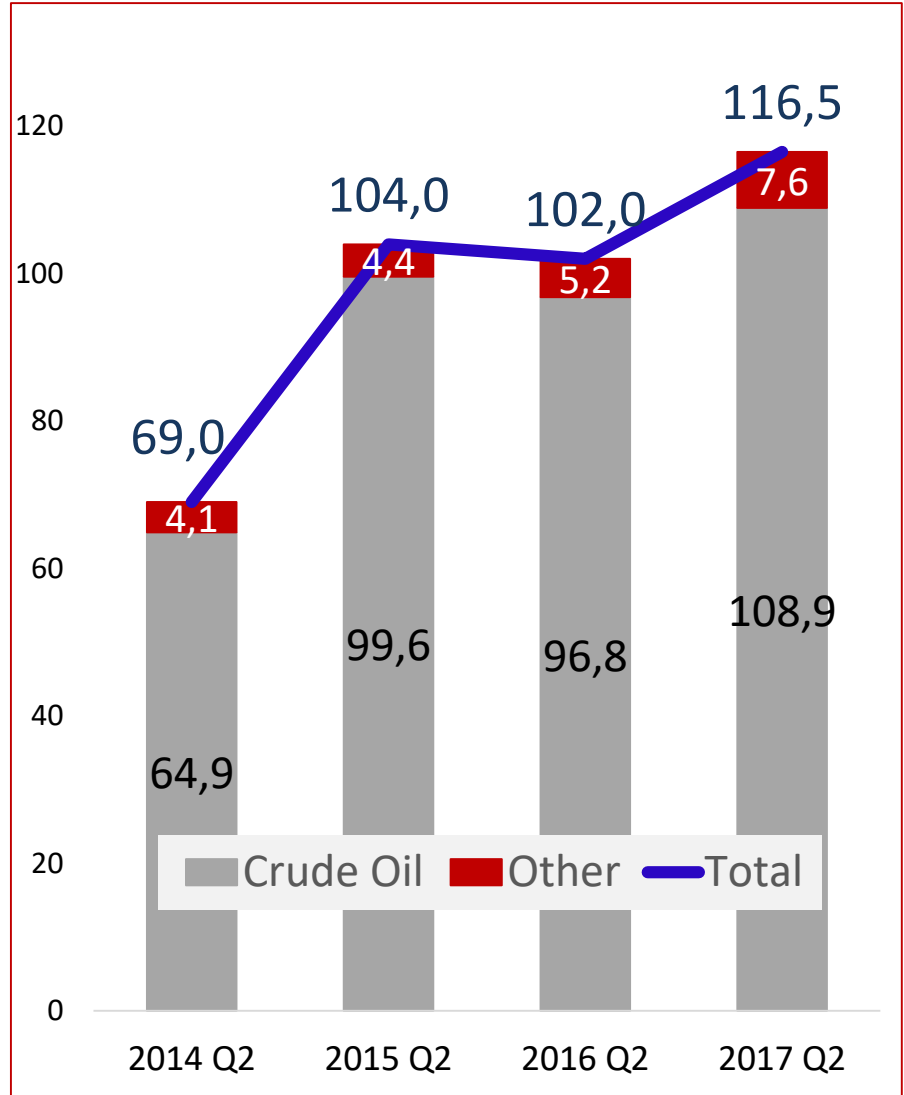


Premium to the benchmark Mediterranean peers' refining margin due to:

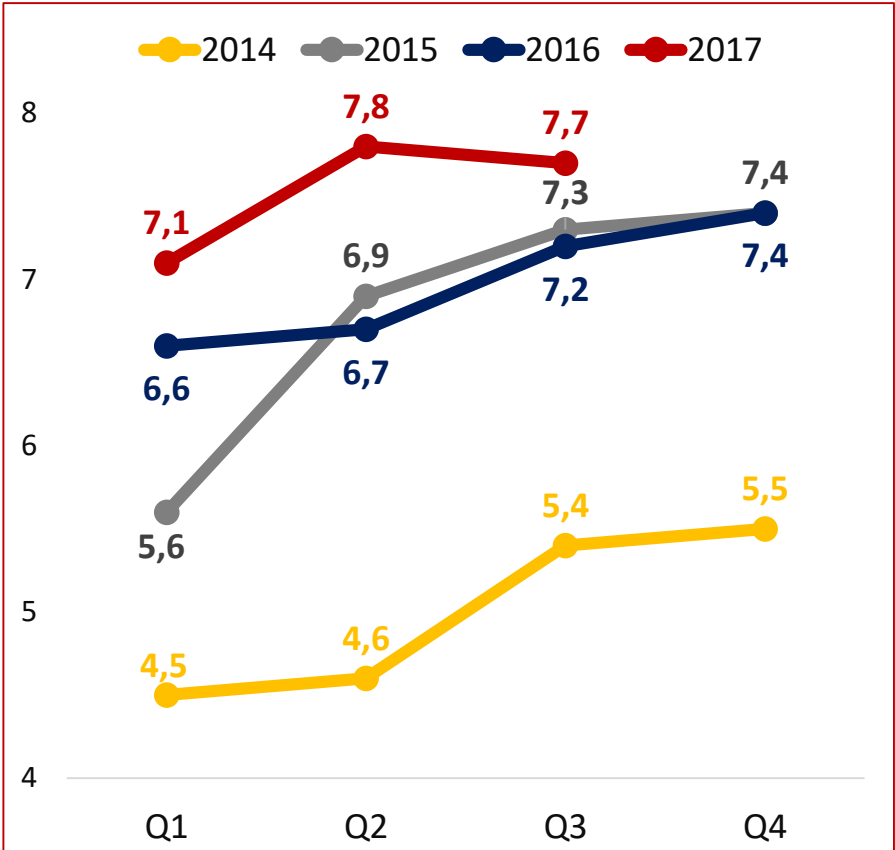
- ▶ Refined products deficit characteristic to the Turkish market
- ▶ **Access to cheaper sources of crude oil**
 - Ability to use heavier and sour crudes
- ▶ **Proximity to major suppliers**
 - Reduces transport costs
- ▶ **Implemented cost reduction measures**
 - Energy efficiency programs
- ▶ **Capacity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

Production

Capacity Utilisation* (%)



Quarterly Production Volume (Mil. Tons)



MAINTENANCE SHUTDOWN

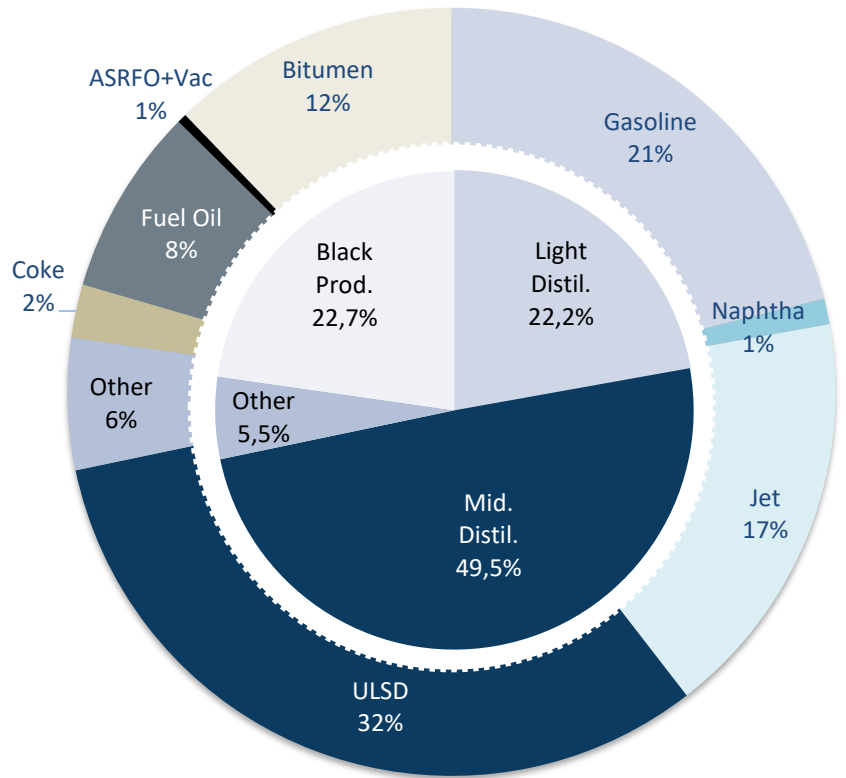
Izmir Refinery Crude Unit (Capacity: 6,5 mtons/year)

- The maintenance shutdown in Q4 is expected to be completed in January 2018.
- The effect of this maintenance shutdown has been included in our year-end estimations.

*Nameplate capacity calculated by standard 330 days of operations.

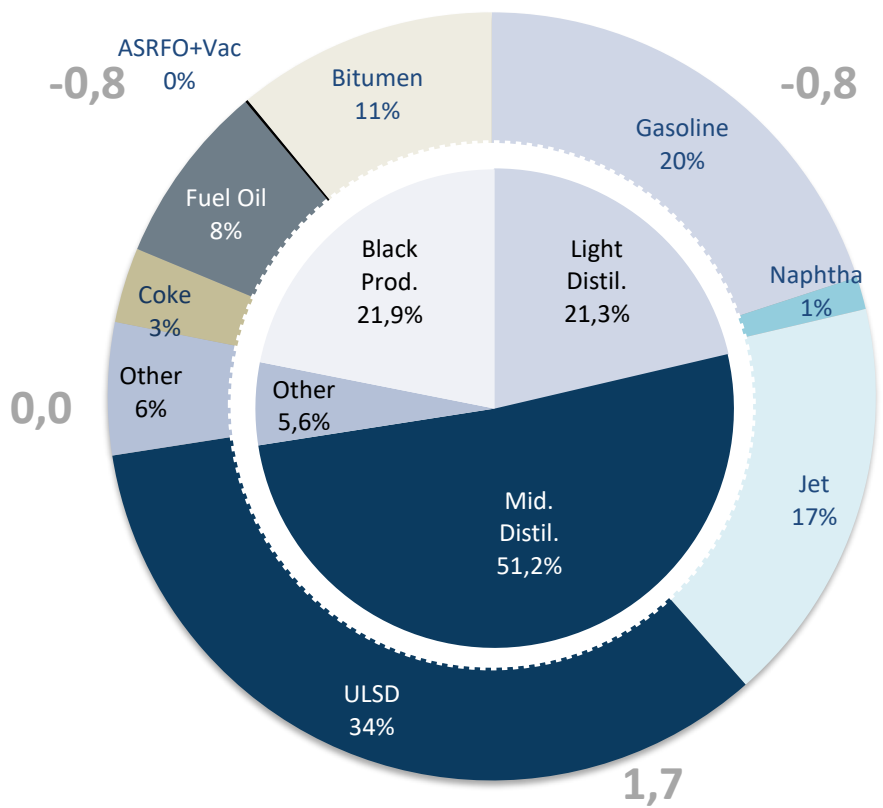
9M Product Yields

2016



White Product %76,20
 Production : 20,32 mn tons
 API: 30,81

2017

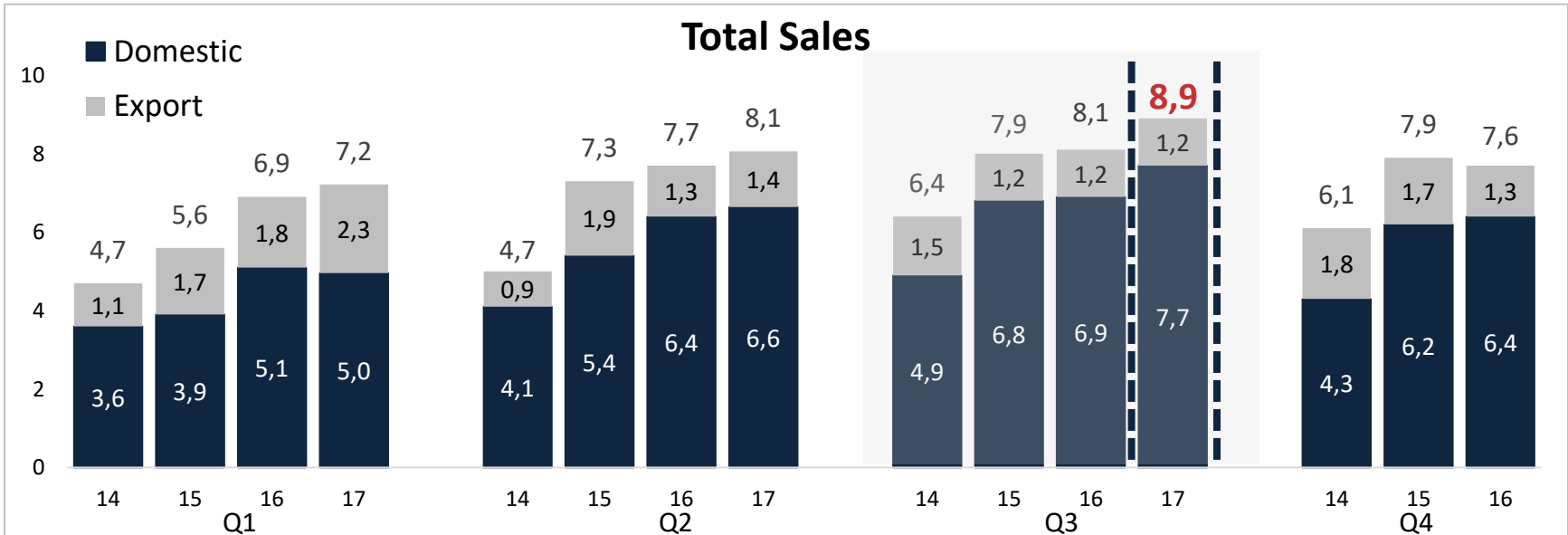
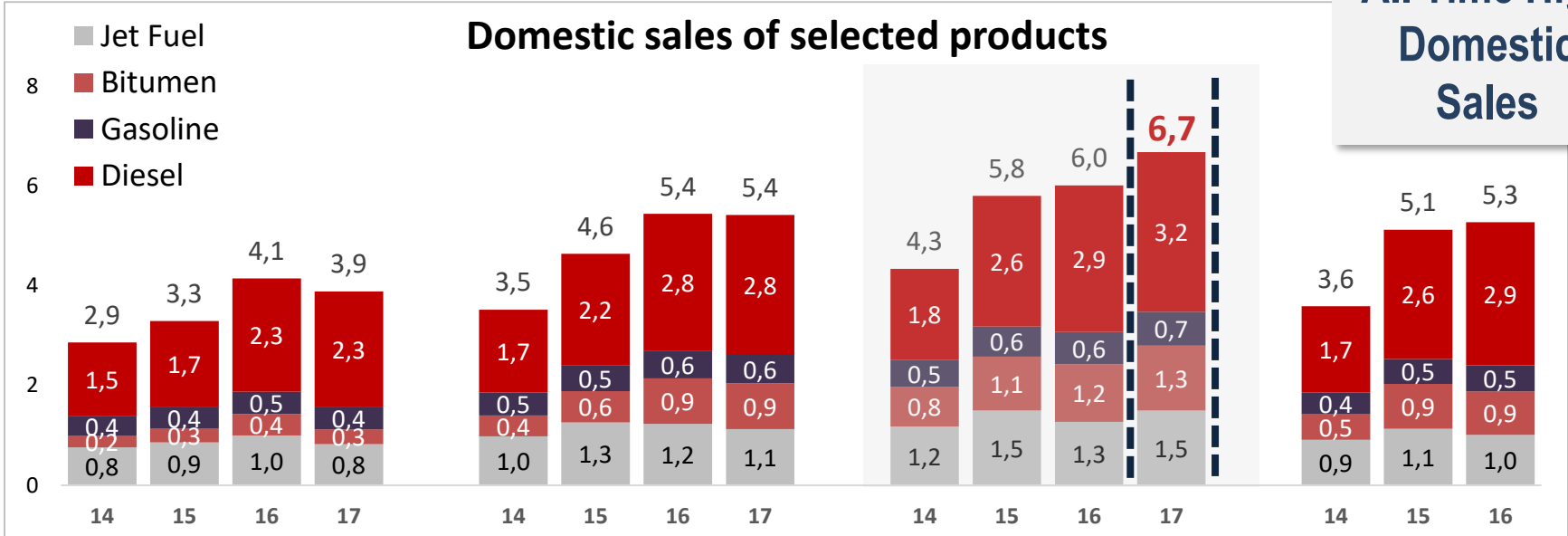


White Product %76,98
 Production : 22,43 mn tons
 API: 30,32

% +1

Tüpraş Sales (Million Tons)

All Time High Domestic Sales



Investments (mn \$)



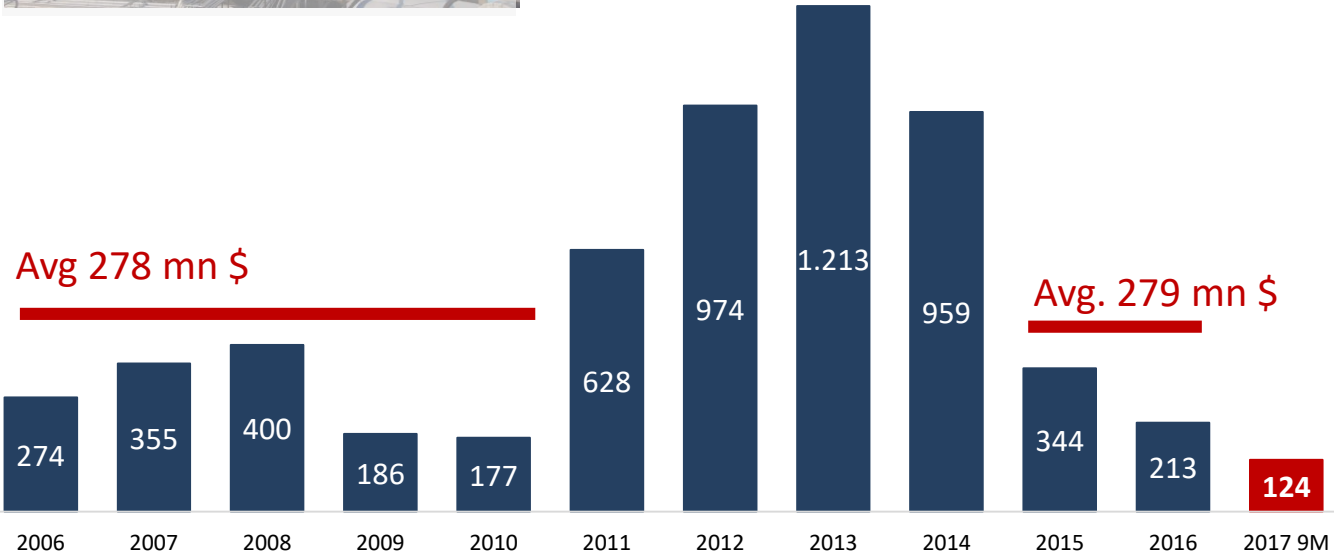
RUP
 Total Investment: \$ 3,2 Billion
 Total Incentive: TL 3,78 Billion
 Remaining: TL 3,18 Billion

- 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 \$

Avg. 279 mn \$



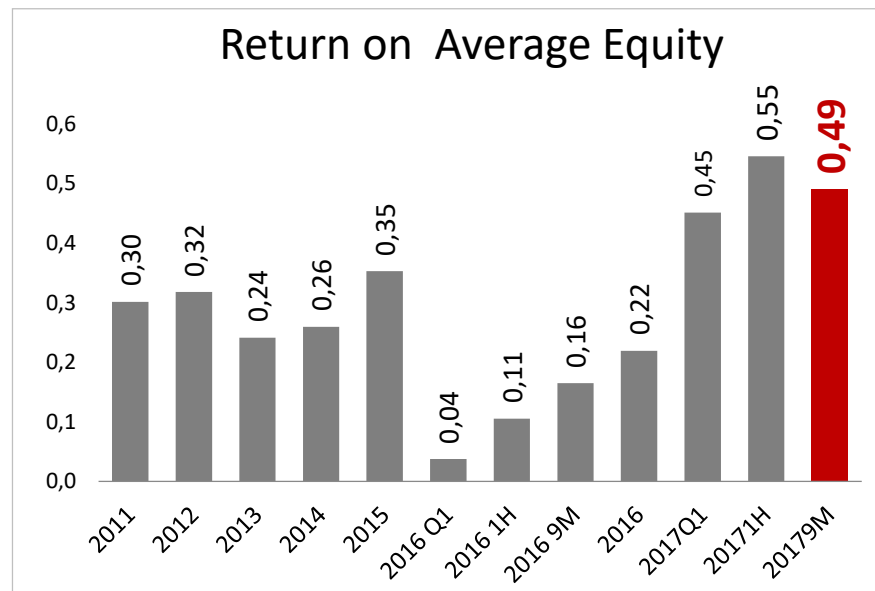
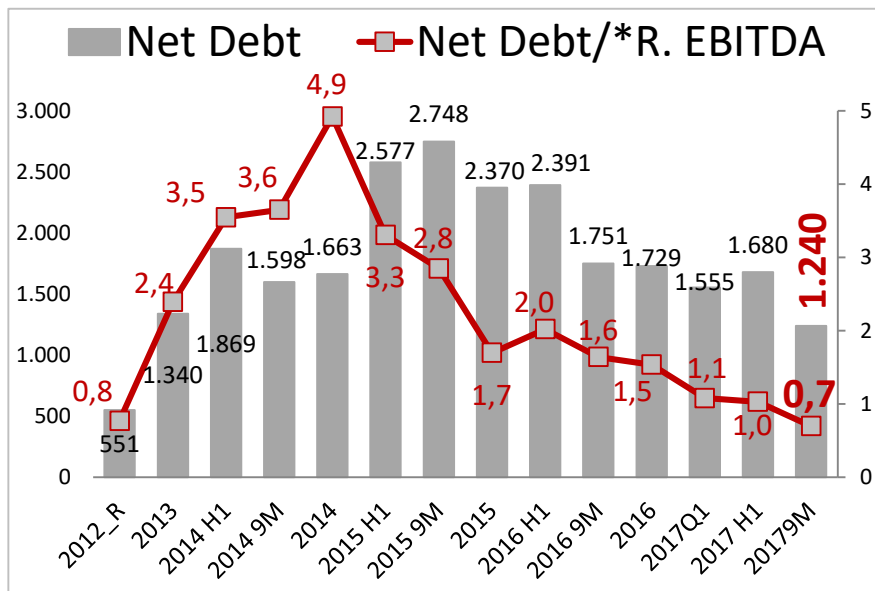
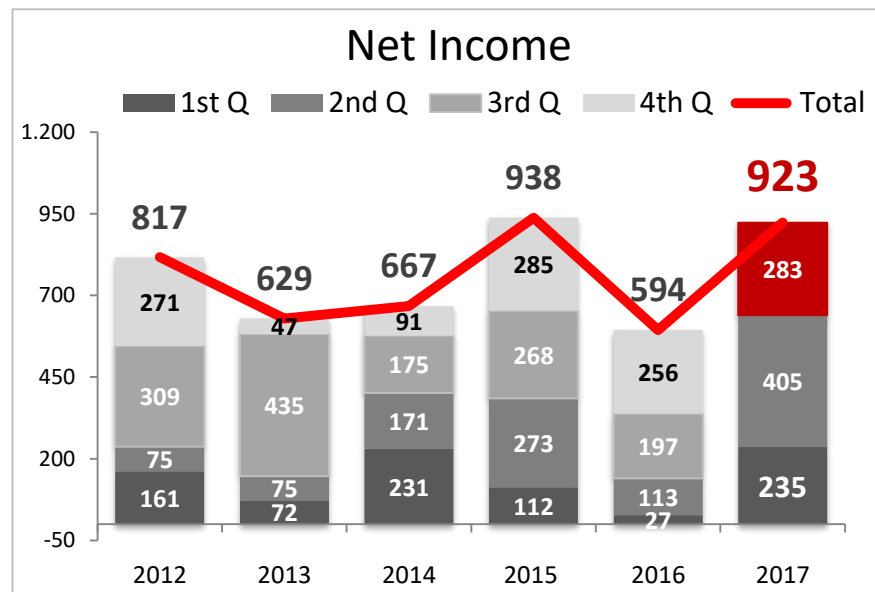
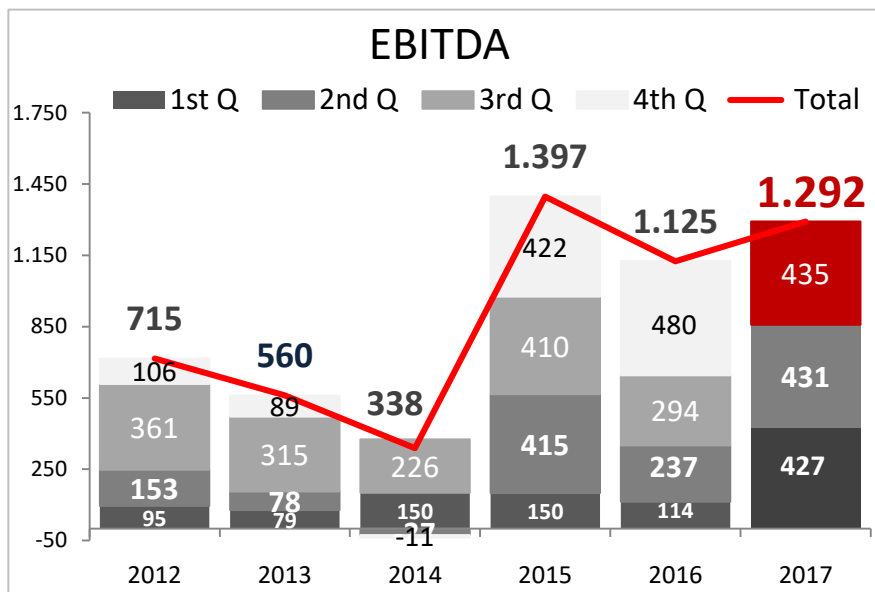
Ongoing Projects

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

03

KEY FINANCIALS

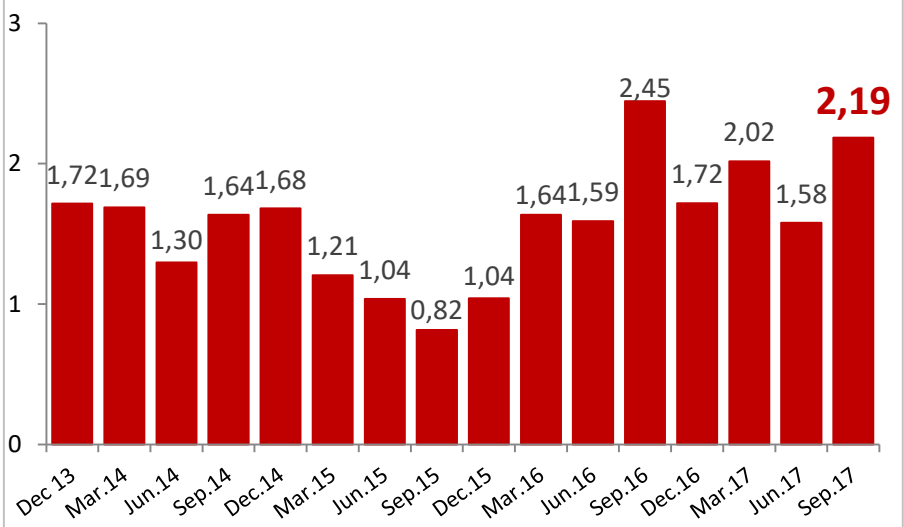
Financial Highlights (mn \$)



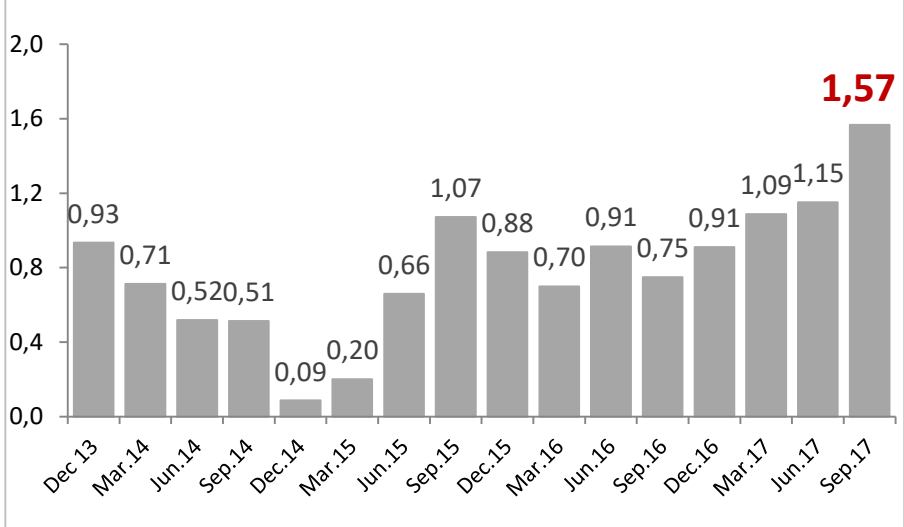
- For P&L, USD/TL rates: 2016 Q3 2,96; 9M 2,93; 12M 3,02 and 2017 Q3 3,51; 9M 3,59.
- For Balance Sheet, USD/TL rates: 2016 Q3 3,0; 9M 2016: 3,0; 12M 2016: 3,52 and 2017 Q3 3,55; 9M 3,55 USD/TL
- Net Debt/Rolling EBITDA was calculated with USD figures.

Balance Sheet Analysis

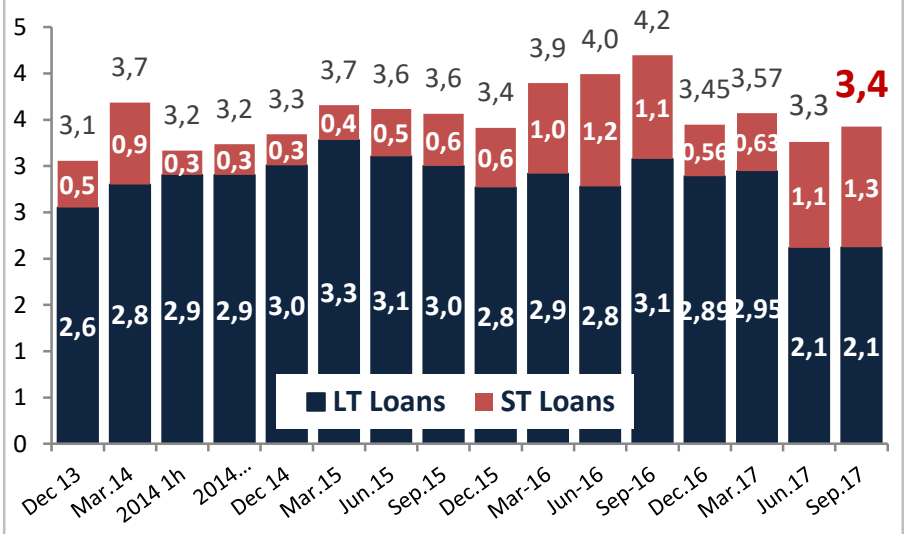
Cash & Equivalents (Billion \$)



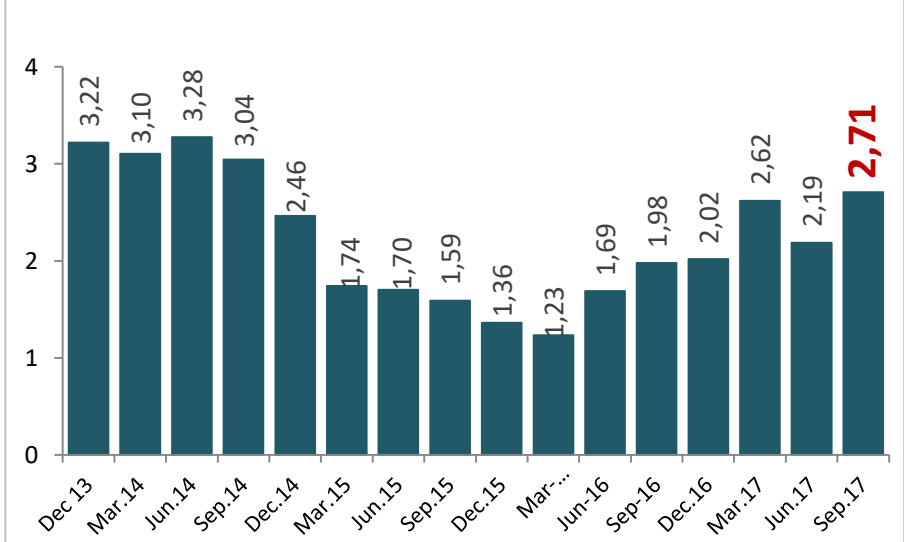
Receivables (Billion \$)



Financial Loans (Billion \$)



Payables (Billion \$)



• For P&L, USD/TL rates: 2016 Q3 2,96; 9M 2,93; 12M 3,02 and 2017 Q3 3,51; 9M 3,59.
 • For Balance Sheet, USD/TL rates: 2016 Q3 3,0; 9M 2016: 3,0; 12M 2016: 3,52 and 2017 Q3 3,55; 9M 3,55 USD/TL

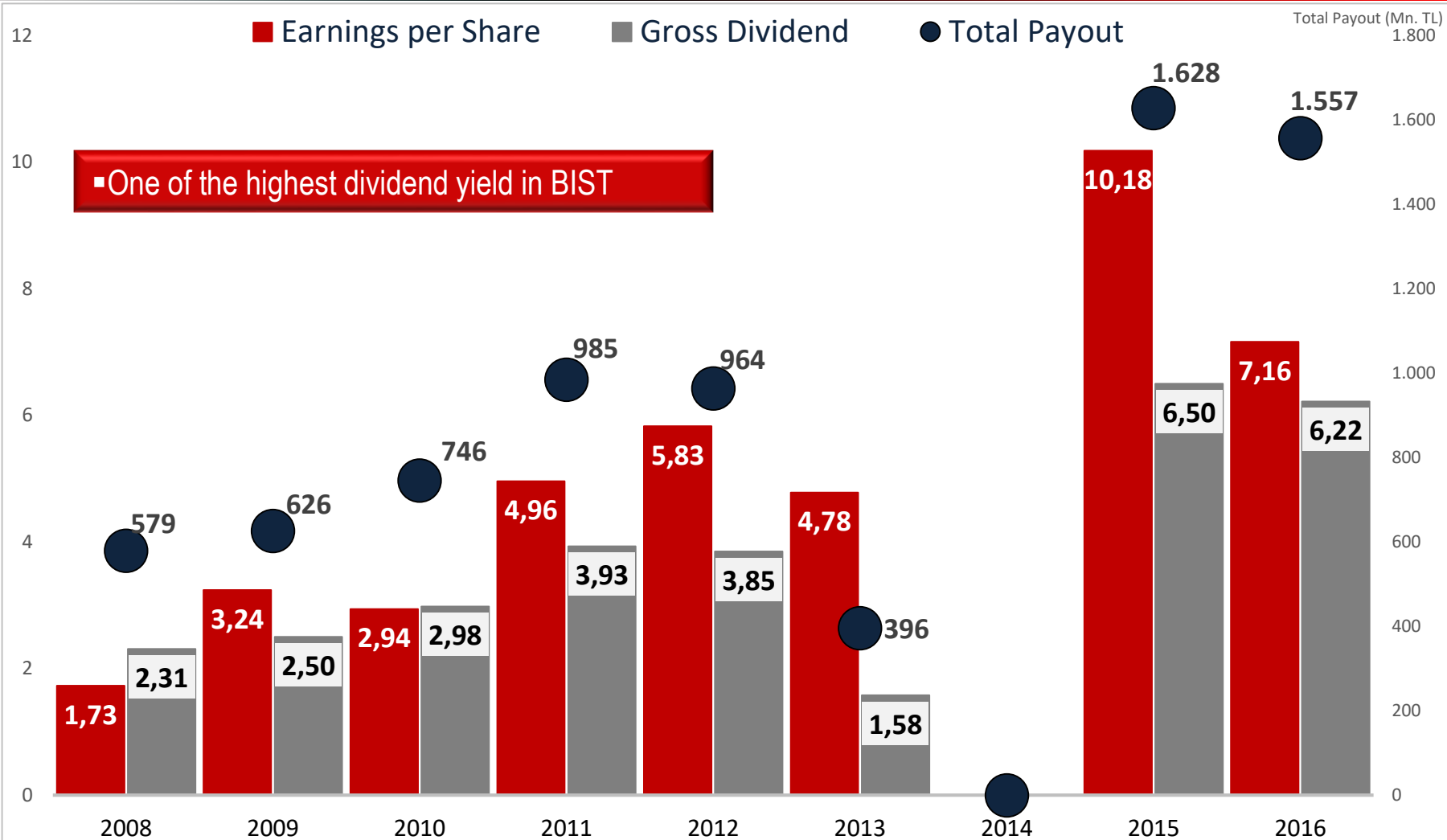
Tüpraş Balance Sheet

Million USD	30.09.2007	31.12.2016	Diff.	% Diff.
Current Assets	5.522	3.884	1.638	42
Cash & C. Equivalents	2.185	1.719	466	27
Receivables	1.568	911	657	72
Derivatives	90	10	80	812
Inventories	1.255	1.025	229	22
Pre-paid expenses	29	28	1	4
Other Current Assets	395	190	204	107
Long Term Assets	4.985	4.987	-2	0
Financial Assets & Subsidiaries	294	264	31	12
Fixed Assets	3.377	3.338	40	1
Derivatives	23	105	-82	-78
Pre-paid expenses	66	68	-1	-2
Deferred Tax	930	917	13	1
Other Long Term Assets	294	296	-3	-1
Total Assets	10.507	8.871	1.636	18
Short Term Liabilities	5.486	3.597	1.889	52
Financial Loans	1.304	556	747	134
Payables	2.709	2.020	689	34
Derivatives	98	8	89	1069
Deferred Incomes	2	4	-2	-57
Provisions	46	18	27	149
Other ST Liabilities	1.328	990	338	34
Long Term Liabilities	2.184	2.953	-768	-26
Financial Loans	2.122	2.892	-770	-27
Payables & Provisions	60	59	1	2
Derivatives	1	1	0	37
Other LT Liabilities	1	2	0	-8
Equity	2.808	2.298	510	22
Minority Interests	28	22	6	26
Total Liabilities	10.507	8.871	1.636	18

• For P&L, USD/TL rates: 2016 Q3 2,96; 9M 2,93; 12M 3,02 and 2017 Q3 3,51; 9M 3,59.

• For Balance Sheet, USD/TL rates: 2016 Q3 3,0; 9M 2016: 3,0; 12M 2016: 3,52 and 2017 Q3 3,55; 9M 3,55 USD/TL

Dividend

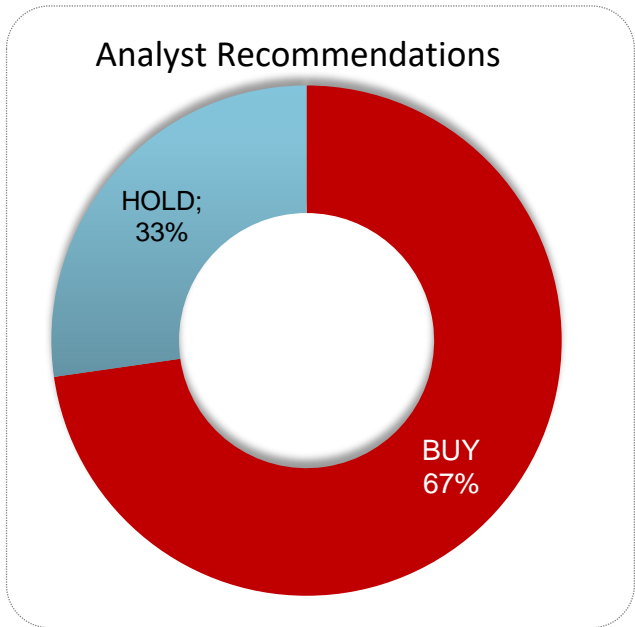


In principle; as far as the related regulations, investment needs and financial situation allow, the entire amount of the “net distributable profit for the period”, calculated within the frame of the Capital Markets Regulations, is distributed in cash – taking into consideration the market expectations, 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.

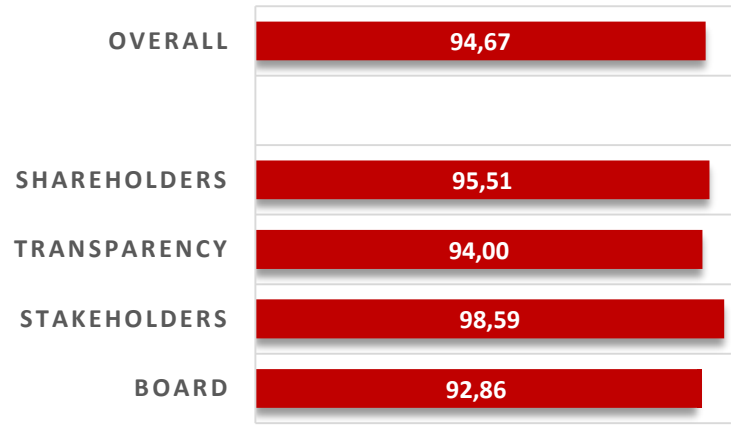
2012/2013 EPS includes the tax incentive

Creating Competitive & Sustainable Shareholder Value

Foreign Currency Long Term	FitchRatings	MOODY'S	S&P Global Ratings
Tüpraş	BBB-(IG)	Ba1 (Pos.)	
Turkey	BB+ (stable)	Ba1 (Neg.)	BB
Koç Holding		Baa3- (IG)	BBB (IG)

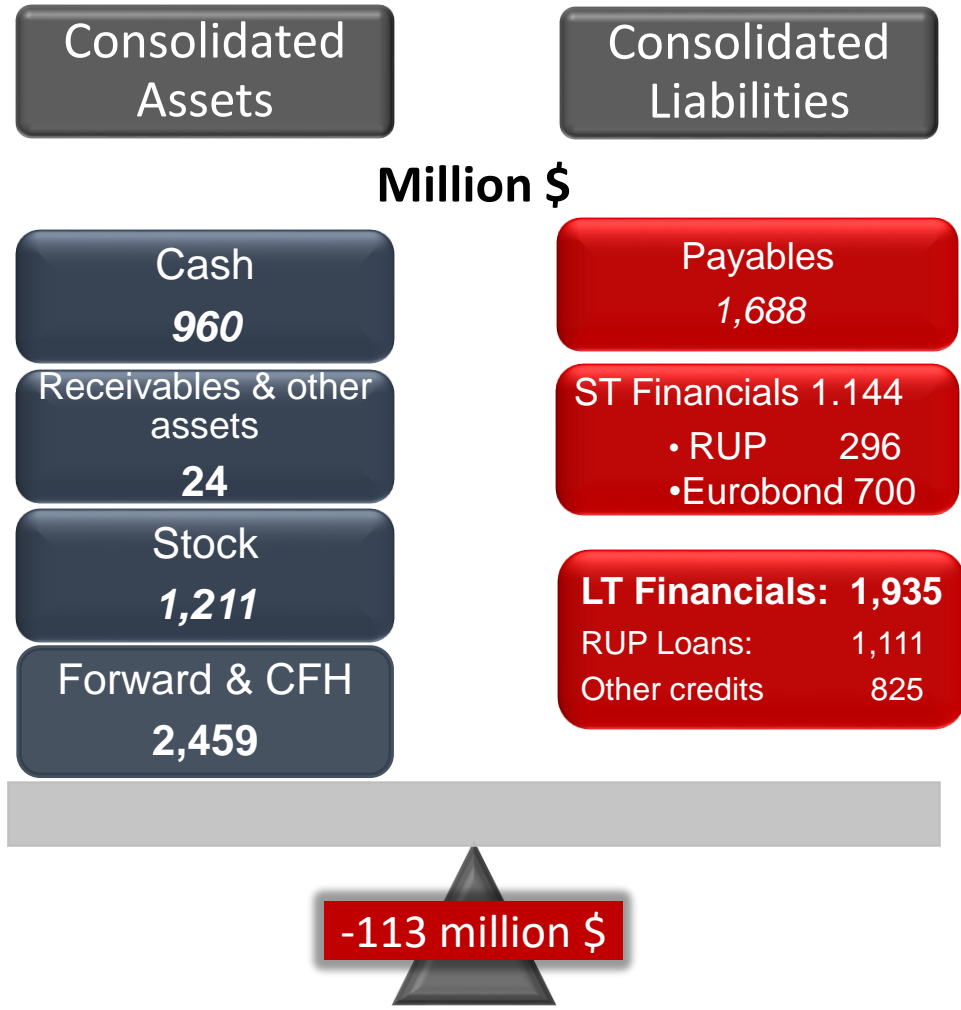


CORPORATE GOVERNANCE RATING



Tüpraş has one of the highest Corporate Governance Ratings

FX Risk Exposure (30 Sept. 2017)



- 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.

*Cash flow hedge accounting : 1,212 mn \$

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 5,25 - 5,75 dollars per barrel band in 2017.

Tüpraş Net Margin

- Net Tüpraş refinery margin is expected to be in the region of 7,50 - 8,00 dollars per barrel

Operations

Expectations for 2017;

- Full Capacity Utilization on average even after taking Izmir Maintenance shut down into consideration
- 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

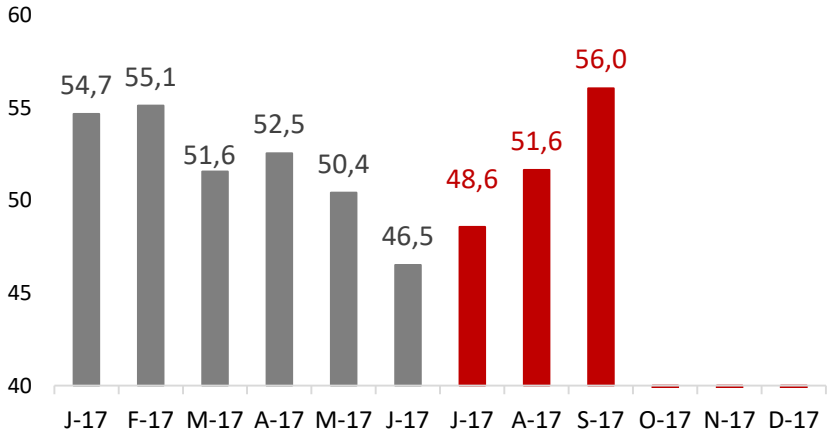
- Refining investments is expected to be around 200 Million dollars. Additionally, around 125 million dollars investment is planned for increasing the marine tanker fleet capacity.

04

INVESTMENTS

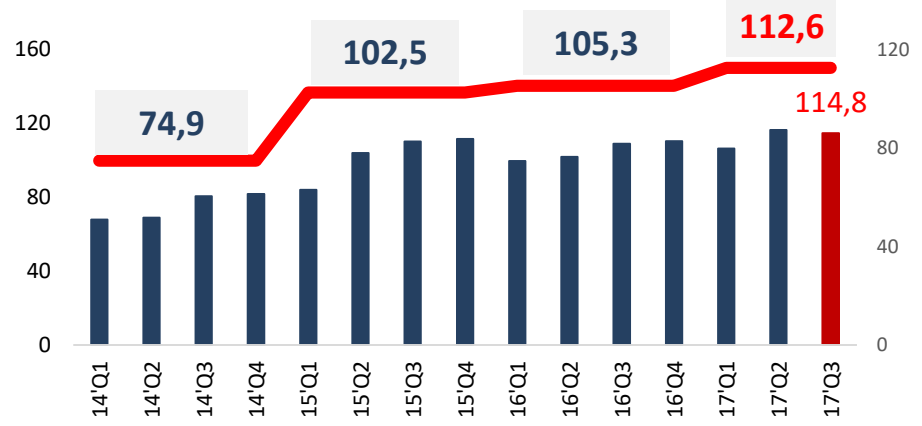
2017 Expectations vs 9 Months Results

Brent Price (\$/bbl)



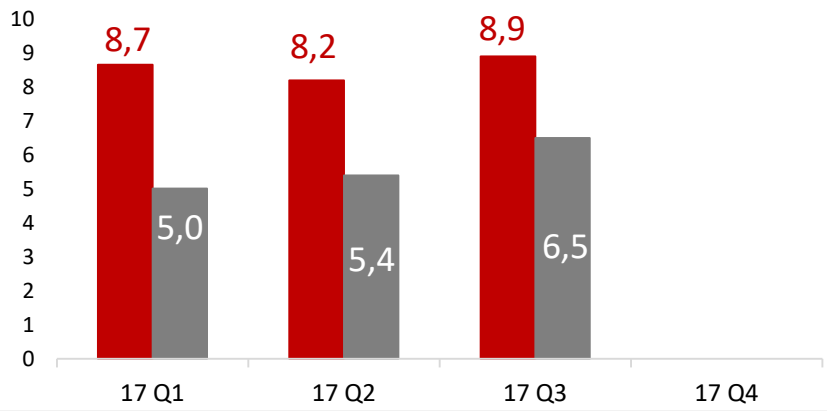
- The average Brent in 2017 is expected to be in 50-55 \$/bbl
- In 9M, the average was **51,9** \$/bbl

Capacity Utilization (%)



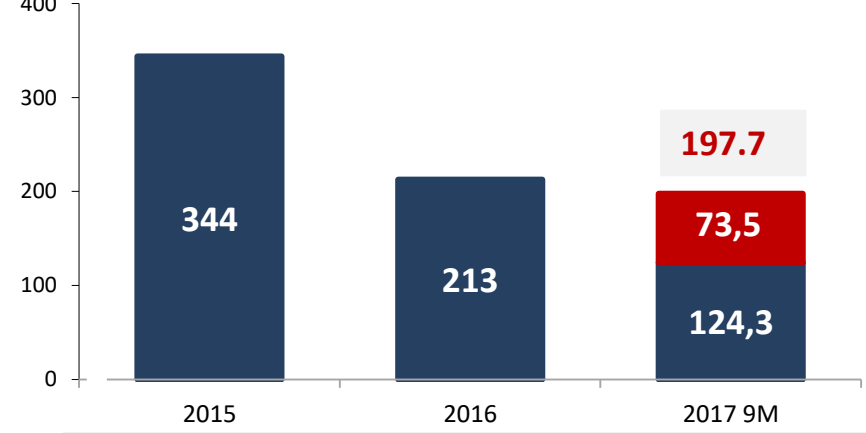
- Expected Capacity Utilization in 2017 - above 100 %
- In 9M, **112.6%** capacity utilization was achieved.

Tupras Net Refinery Margin Med Margin



Net Tüpraş refinery margin for 9M: **8,5** \$/bbl
(Target is **7,50 - 8,00** \$/bbl)

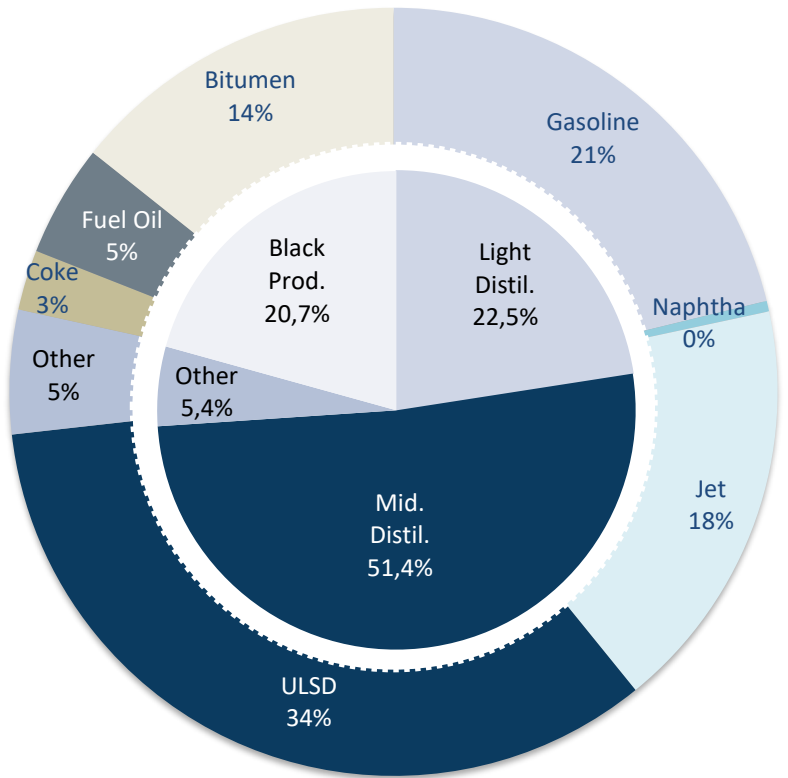
Tüpraş Ditaş



Planned Tüpraş investments for 2017 - **200** Million dollars

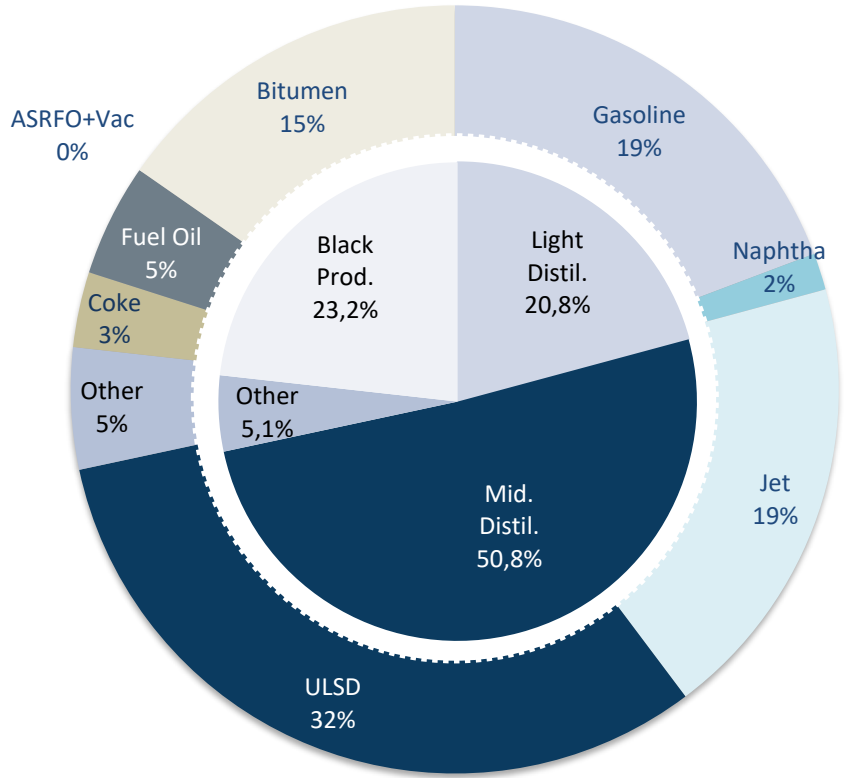
Q3 Product Yields

2016



White Product %77,32
 Production : 7,2 mn tons
 API: 30,48

2017

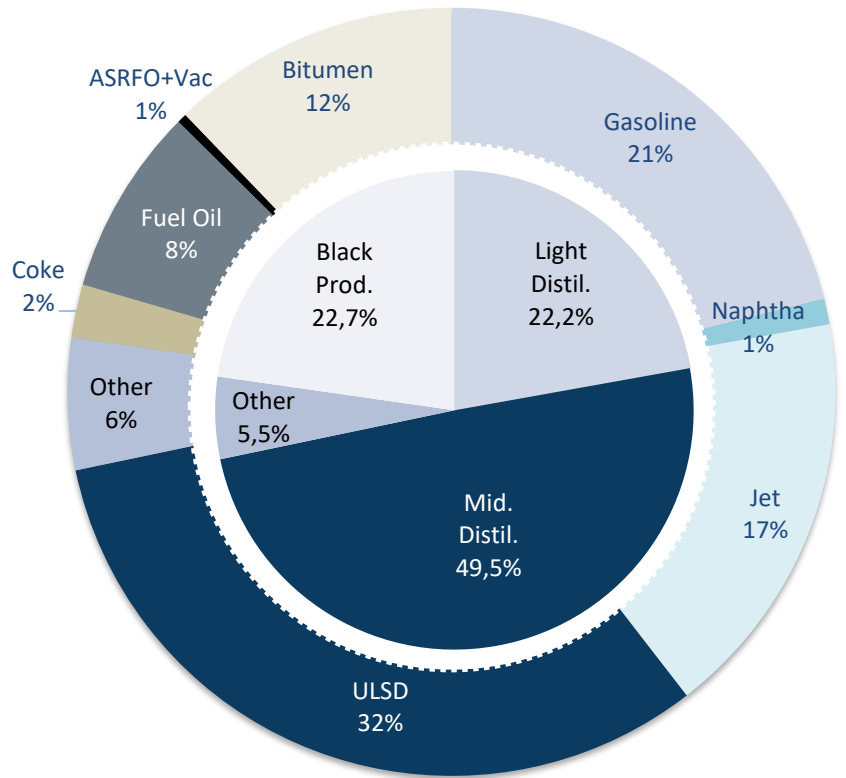


White Product %75,70
 Production : 7,6 mn tons
 API: 29,57

% -2

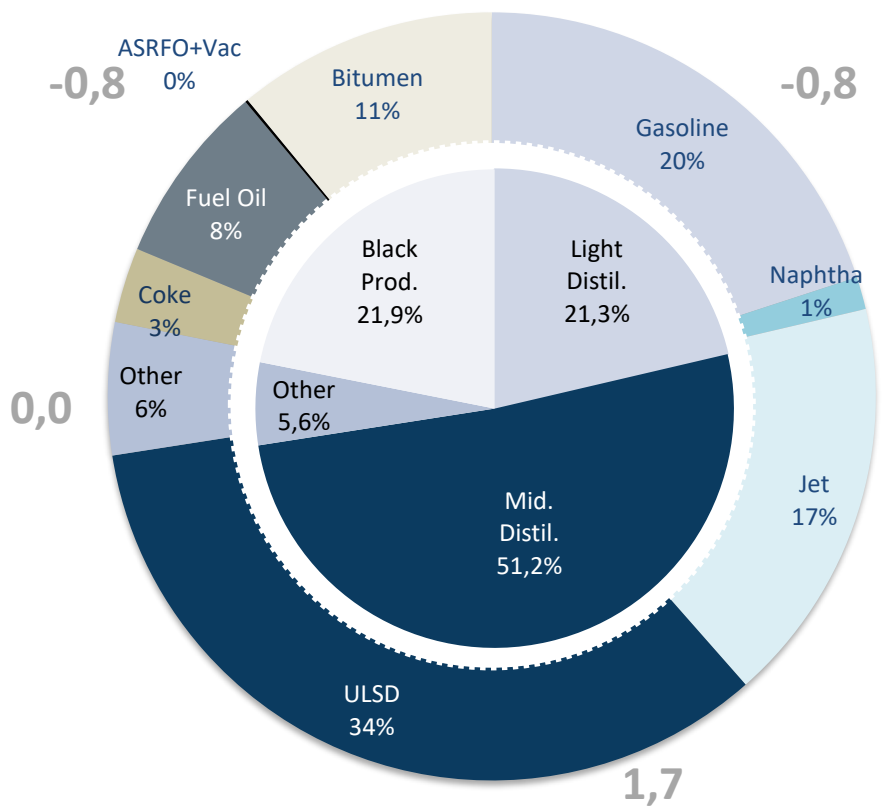
9M Product Yields

2016



White Product %76,20
 Production : 20,32 mn tons
 API: 30,81

2017

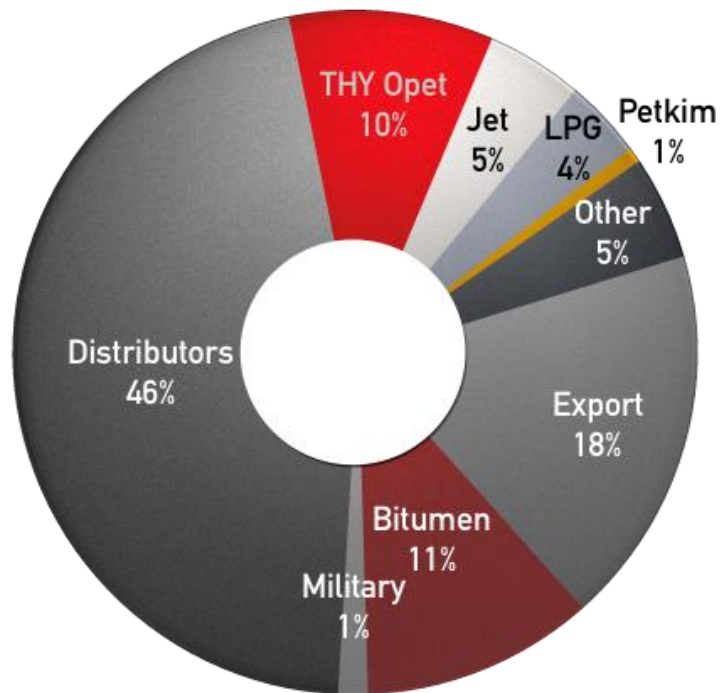


White Product %76,98
 Production : 22,43 mn tons
 API: 30,32

% +1

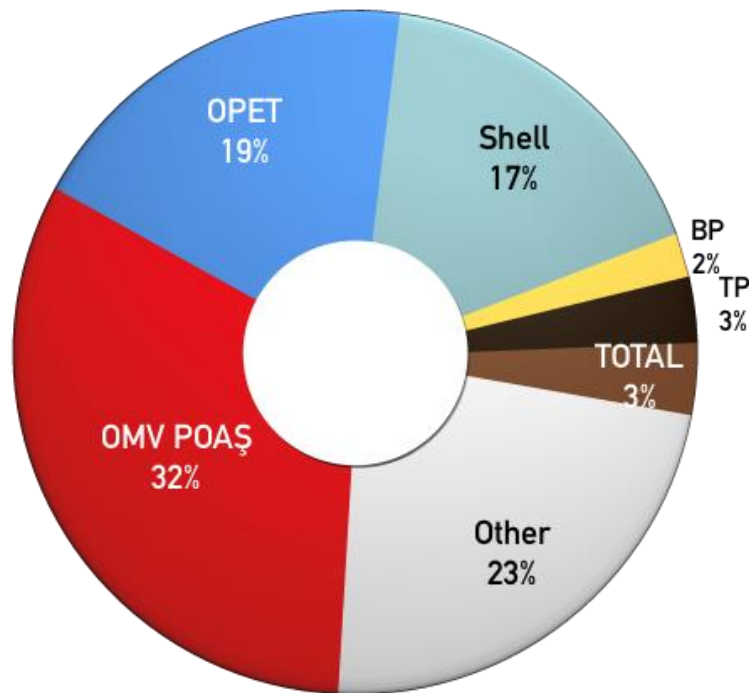
Sales By Customer (2016)

Customer Groups



Total: **30.3** mn tons

Sales to Distributors



Distributors: **15.2** mn tons

Income Statement (In USD)

Q3 2016	Q3 2017	% Diff.	Million USD	2016 9M	2017 9M	% Diff.
3.199	4.068	27	Net Sales	8.215	10.946	33
311	458	47	Gross Profit	699	1.339	92
-83	-84	1	Operating Expenses	-239	-221	-8
-23	-6	-72	Income/Loss from other operations	8	16	118
205	367	80	Operating Profit	467	1.135	143
21	19	-9	Income/Loss from equity investment	44	48	9
225	386	71	Operating Profit Before Fin. Income/Loss	512	1.183	131
68	63	-8	Financial Income	113	125	10
-106	-98	-7	Finance Expenses	-268	-273	2
188	351	87	Profit Before Tax & Minorities	357	1.035	190
197	283	43	Net Profit	338	923	173

294,12	434,67	47,79	EBITDA *(mn. \$)	644,70	1.292,28	100,45
278,92	366,75	31,49	EBITDA* (mn. \$) CCS	534,90	1.193,60	123,14

250,7	408,1	62,8	EBITDA (mn.\$)-CMB	605,8	1.253,9	107,0
235,5	340,2	44,4	EBITDA (mn.\$)-CMB- CCS	496,0	1.155,2	132,9

• In our EBITDA calculation, FX related items are not included, whereas CMB rules is that these should be included in operating profit.

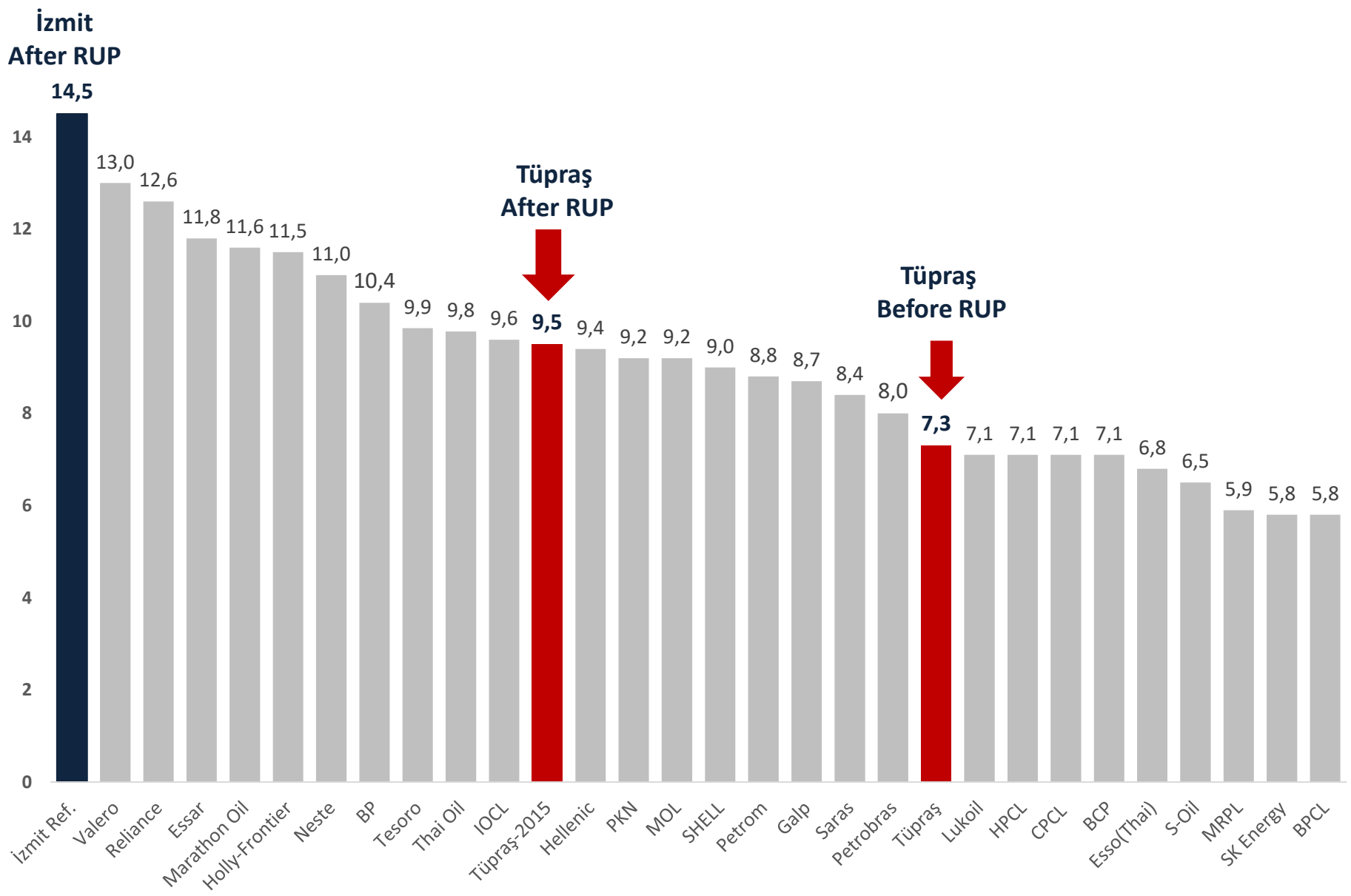
• For P&L, USD/TL rates: 2016 Q3 2,96; 9M 2,93; 12M 3,02 and 2017 Q3 3,51; 9M 3,59.

• For Balance Sheet, USD/TL rates: 2016 Q3 3,0; 9M 2016: 3,0; 12M 2016: 3,52 and 2017 Q3 3,55; 9M 3,55

Product Price Effect on Tüpraş in Q3 (FOB Italy Prices)

	Product Price, \$/ton		Tüpraş Production	Crack Margin, \$/bbl	
	2017	2016	Yield %	2017	2016
LPG	399,0	291,5	3,4%	-16,6	-19,9
Gasoline	544,5	461,0	20,2%	15,0	11,0
Naphtha	447,4	366,1	0,4%	-1,6	-4,5
Jet Fuel	506,7	423,3	16,7%	12,4	8,0
Diesel	485,4	408,1	31,4%	13,1	9,0
Diesel 1000	467,2	397,8	1,1%	10,7	7,6
Fuel Oil 1%	300,1	247,0	0,4%	-5,8	-7,8
Fuel Oil 3,5%	292,7	228,5	3,9%	-6,9	-10,6
Others	272,9	220,7	18,7%	-6,8	-9,3
Total Crack Margin,\$/bbl				7,2	3,6
Dated Brent Avg. \$/bbl	52,1	45,9			
Margin Differences, \$/bbl				3,6	
Total Raw Materials Charge, mn bbl					57,3
Total Effect of Product Price, mn \$				206,3	
Total Effect of Price Ratio, mn TL				724,3	

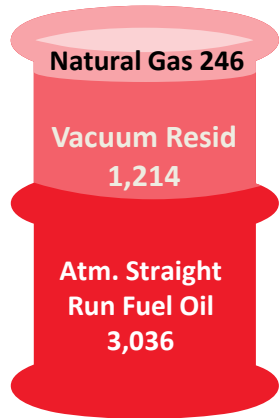
High Complexity #1 (Nelson Complexity of Refining Companies)



High Complexity # 2 (Resid Upgrading Units Production-(Thousand Tons))

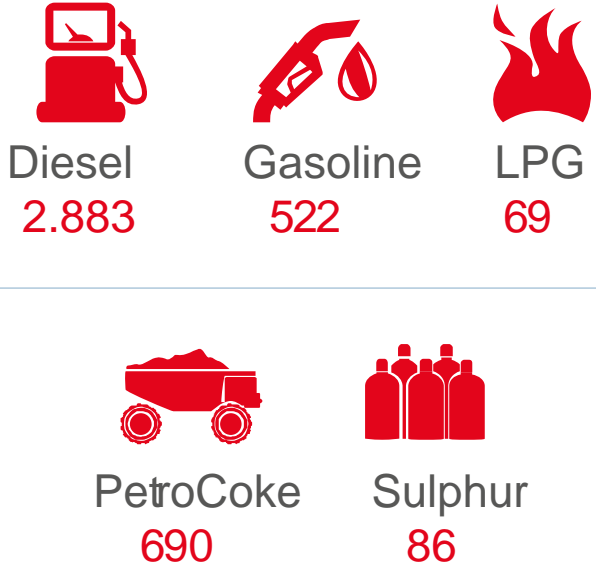
Raw Materials

(kton)



Products

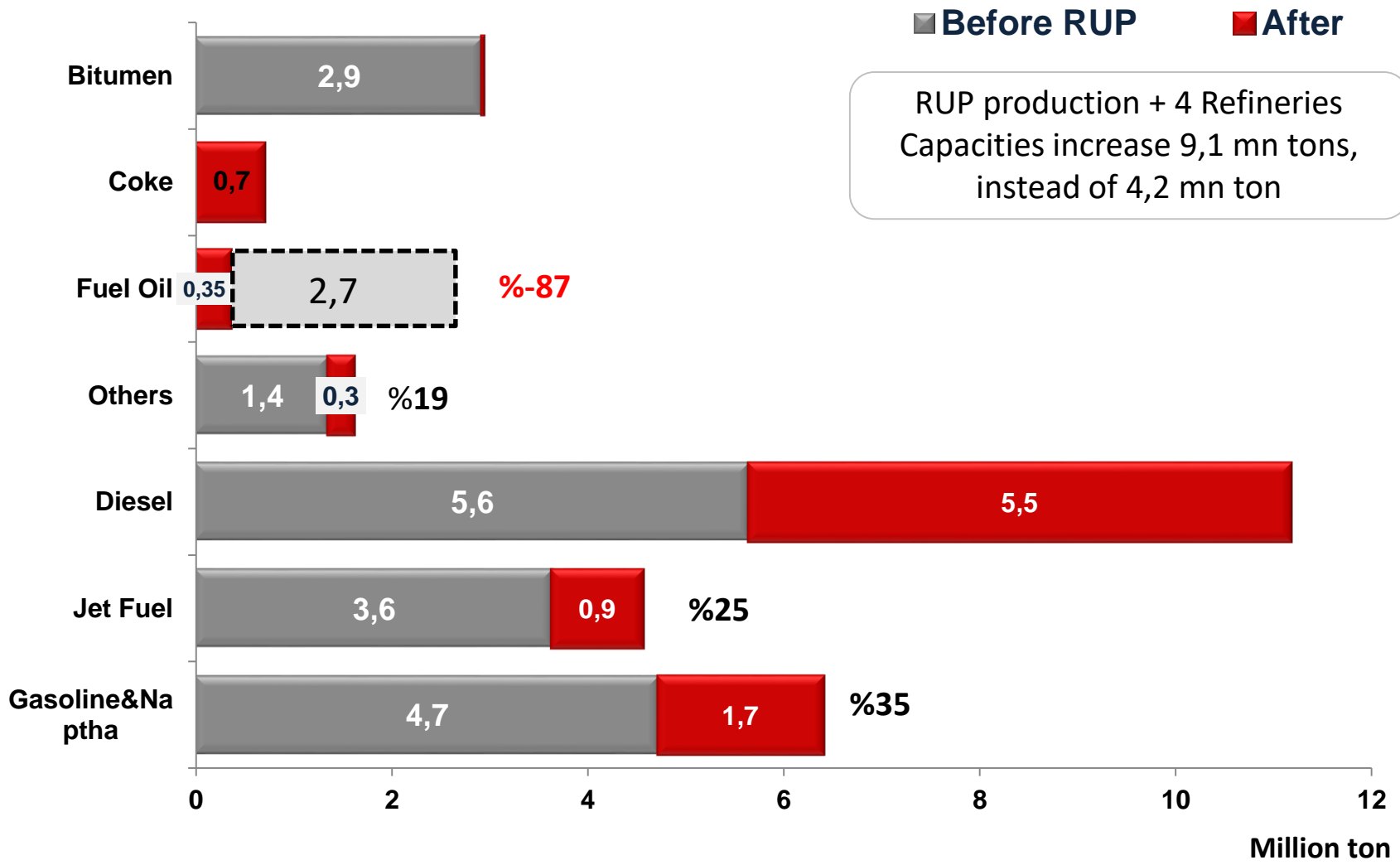
(kton)



Total Feed 4,496

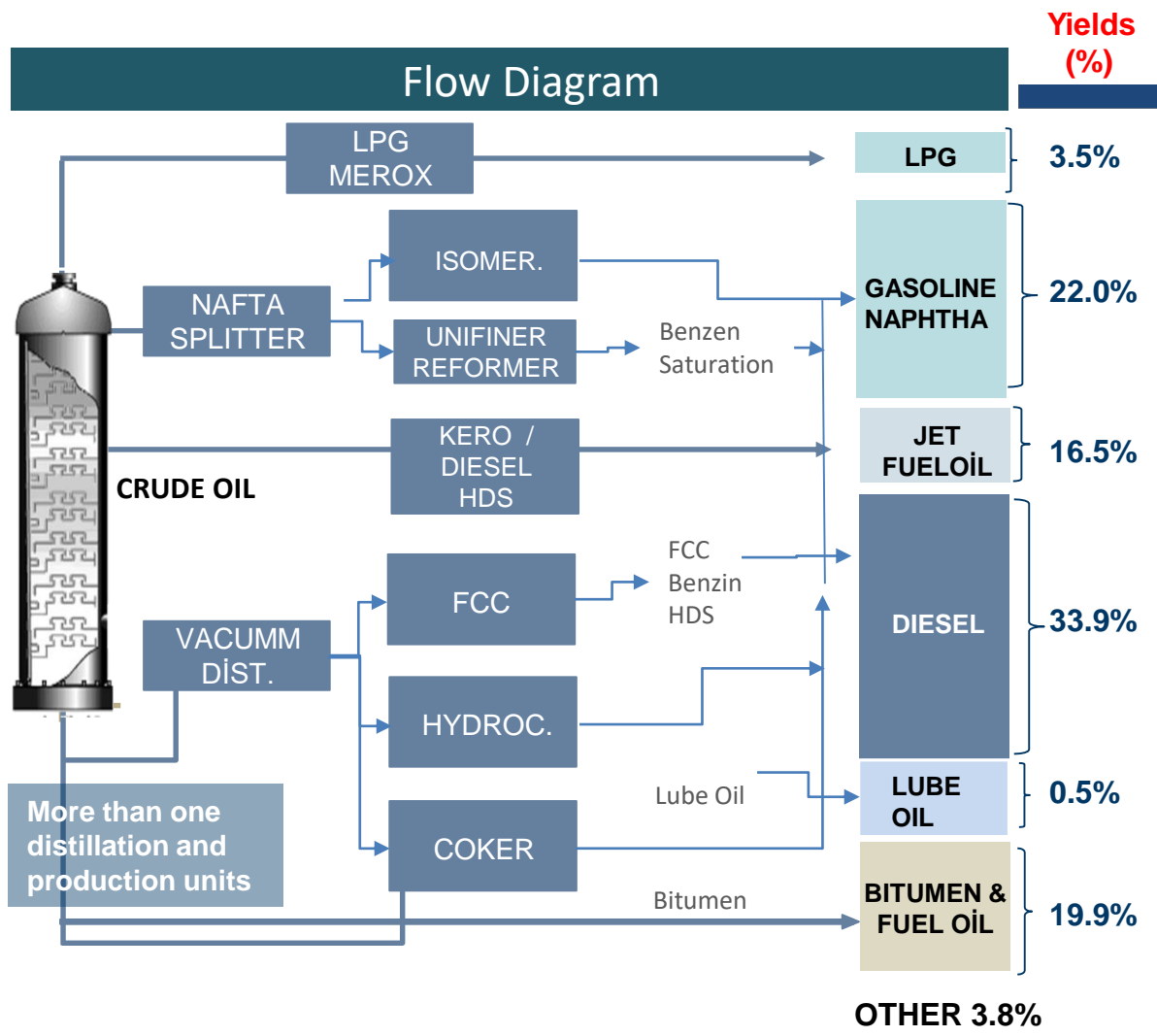
Total Production 4,250

High Complexity # 3 (Tüpraş Total Production Change After RUP)



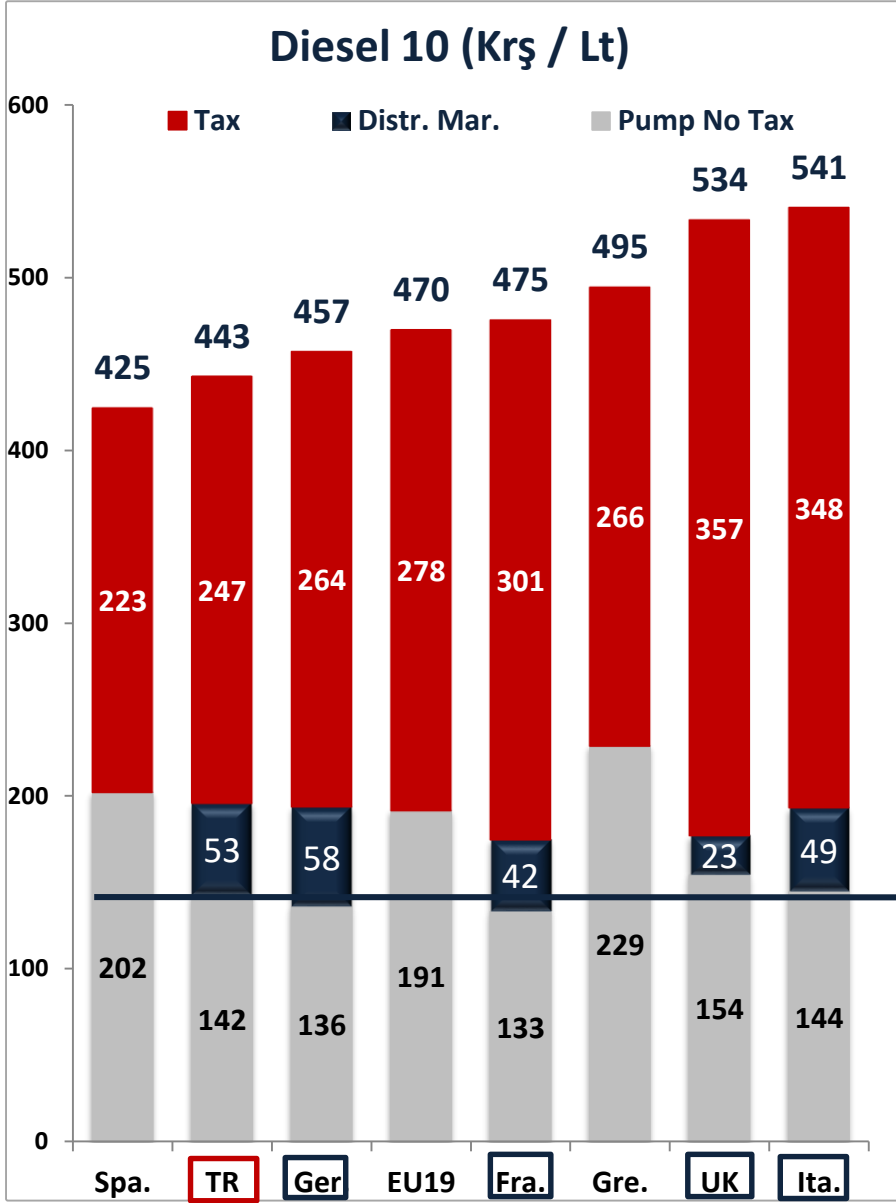
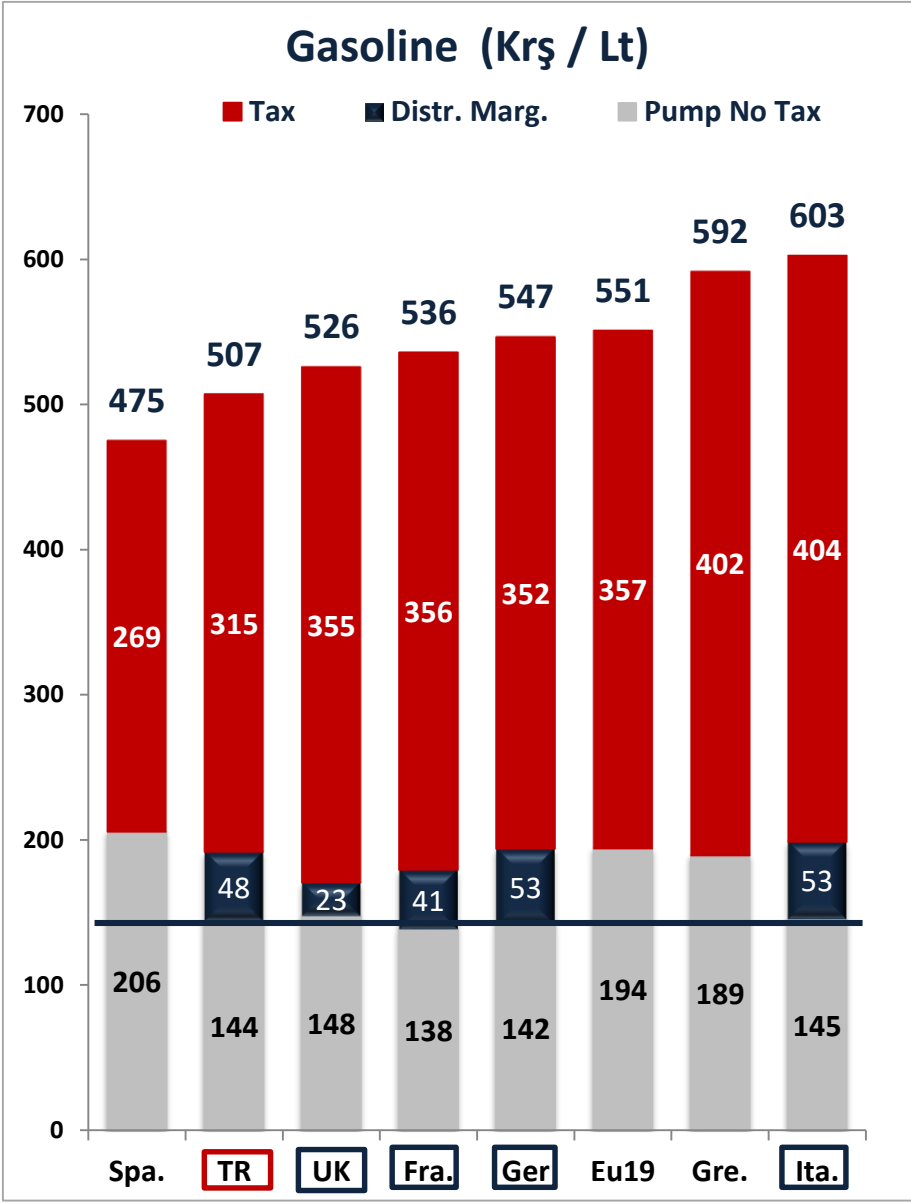
Flexibility & Reliability; Multiple routes to maksimum capacity

Key units	Number of units	Capacity (m3/d)
CRUDE OIL	8	97000
VACUUM	8	42320
HYDROCRACKER	4	18200
ISOMERISATION	3	6400
UNIFINER REFORMER	7	16900
KERO/DIESEL (HDS)	10	37300
FCC	2	4700
COKER	1	8200
NAPHTHA SPLITTER	8	
LPG MEROX	6	



- Increased conversion capacity
- Strong integration among refineries

Competition # 1 (European Pump Price Comparison)



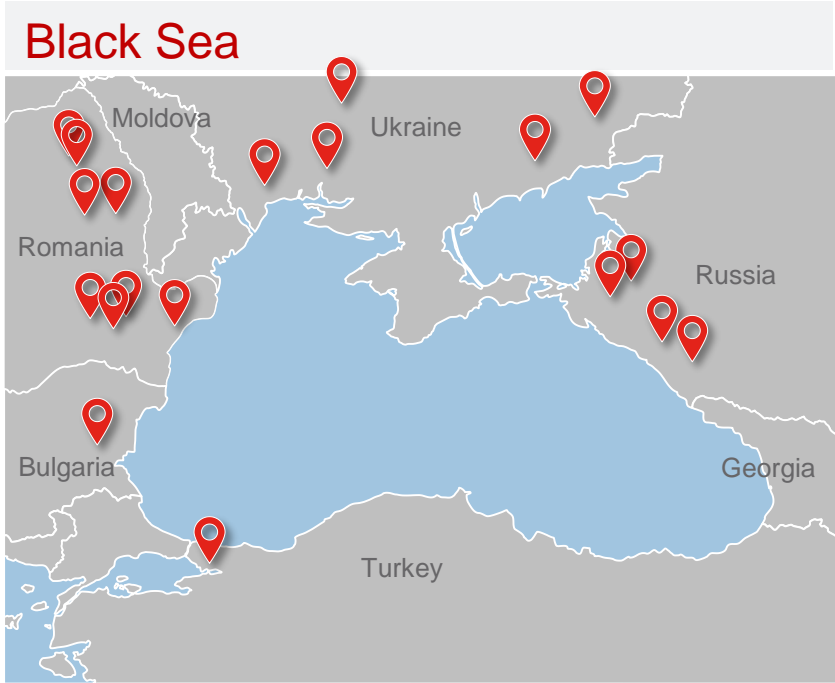
Note: Prices valid on 17 July 2017

Competition # 2 (Regional Competition)

- Tüpraş is competing with 71 refineries in the Mediterranean and Black Sea markets.
- Mediterranean regional product balance is also affected from Middle East, North West Europe and Asia.



54 Refineries
7.8mn bpd



17 Refineries
1.8mn bpd

Competition # 3 (SOCAR-STAR Refinery)



STAR Refinery (Total Cap. 10 mn ton)

2019, mn ton	Production			Turkish Demand	Balance
	Tüpraş	Star	Total		
LPG	1,2	0,3	1,5	4,2	-2,8
Petchem Feeds	0,3	2,6	2,9		
Gasoline	5,8		5,8	2,4	3,4
Jet Fuel	5,4	1,6	7,0	5,0	2,0
Diesel	10,2	4,8	15	24,5	-9,5
Coke	0,8	0,7	1,5	4,6	-3,1

Fuel Oil	1,5		1,5	1,3	0,2
Bitumen	3,1		3,1	3,3	-0,2

- Goldman Sachs has acquired a 13 percent stake in SOCAR Turkey for \$1.3 billion.
- Goldman Sachs has the right to resell 10 percent of its stakes to Socar, and the remaining 3 percent to 'Sermaye Investments Limited' owned by SOCAR within 6 year at the same price.

- Credit : **3.3 Billion \$**
- Equity : **2.4 Billion \$**
- Total Investment : **5.7 Billion \$**

- **3,3 billion dollar** credit aggrement. First 4 year grace period total **15-18 year term**.
- Project finance is supplied to company (US\$ 1.5 billion)
- It is planned to be commissioned in 2018.

Production (K Ton)

Fuels

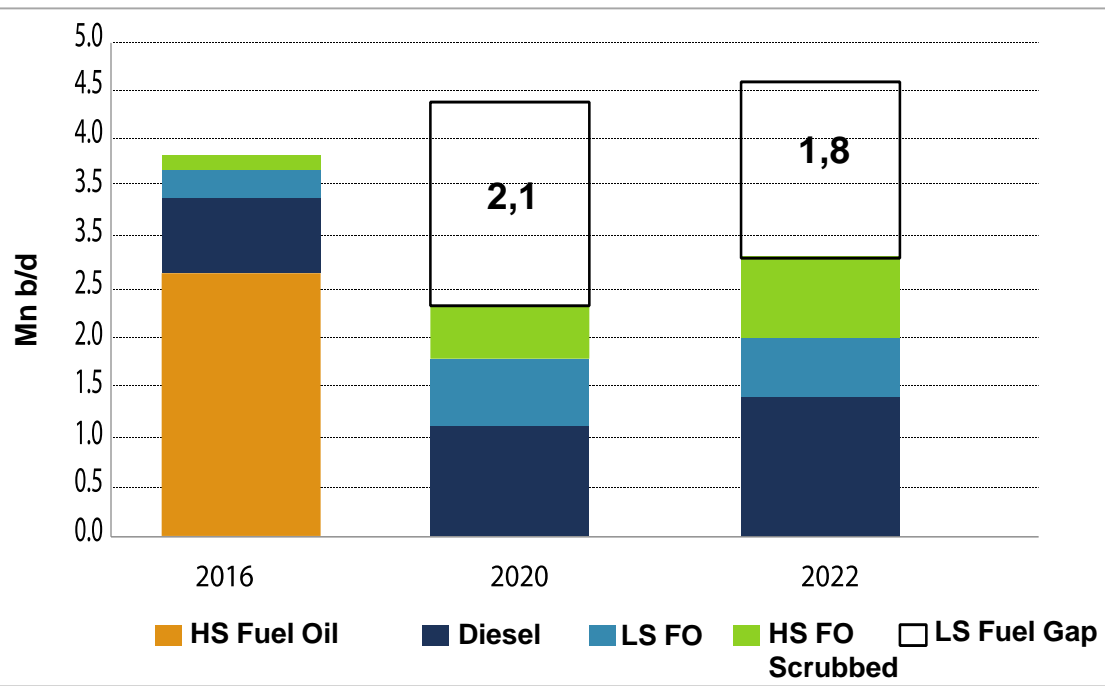
- Diesel **5.000**
- Jet Fuel **1.700**
- Sulphur **158**
- Petrocoke **698**

Petrochemical Feedstock

- LPG **260**
- Naptha **1.300**
- Mixed xylene **460**
- Reformate **524**

Marine Bunker Specification Changes and Its Effects

- IMO, at the meeting held in October 2016, lowered the sulphur emission cap from marine bunkers from 3.5% to 0.5% (5000ppm): effective from 1 January 2020.



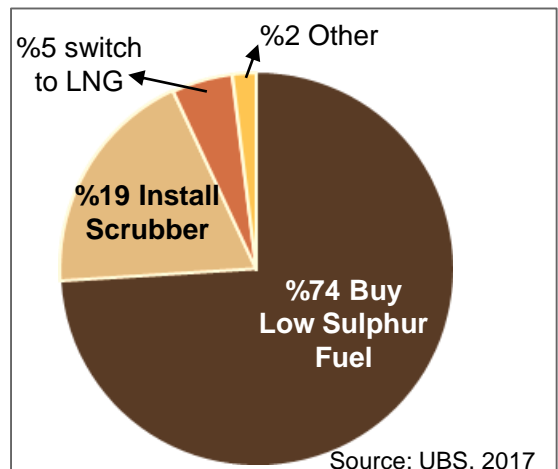
Source: IEA, Oil Sector Report, 2017

80% of global trade is done via marine transportation.
 50.000 vessels are in operation.

Bunker fuels account for;
 ~5% of global oil demand
 40% of oil related sulphur emissions.

Requirements of spec change can be achieved through;

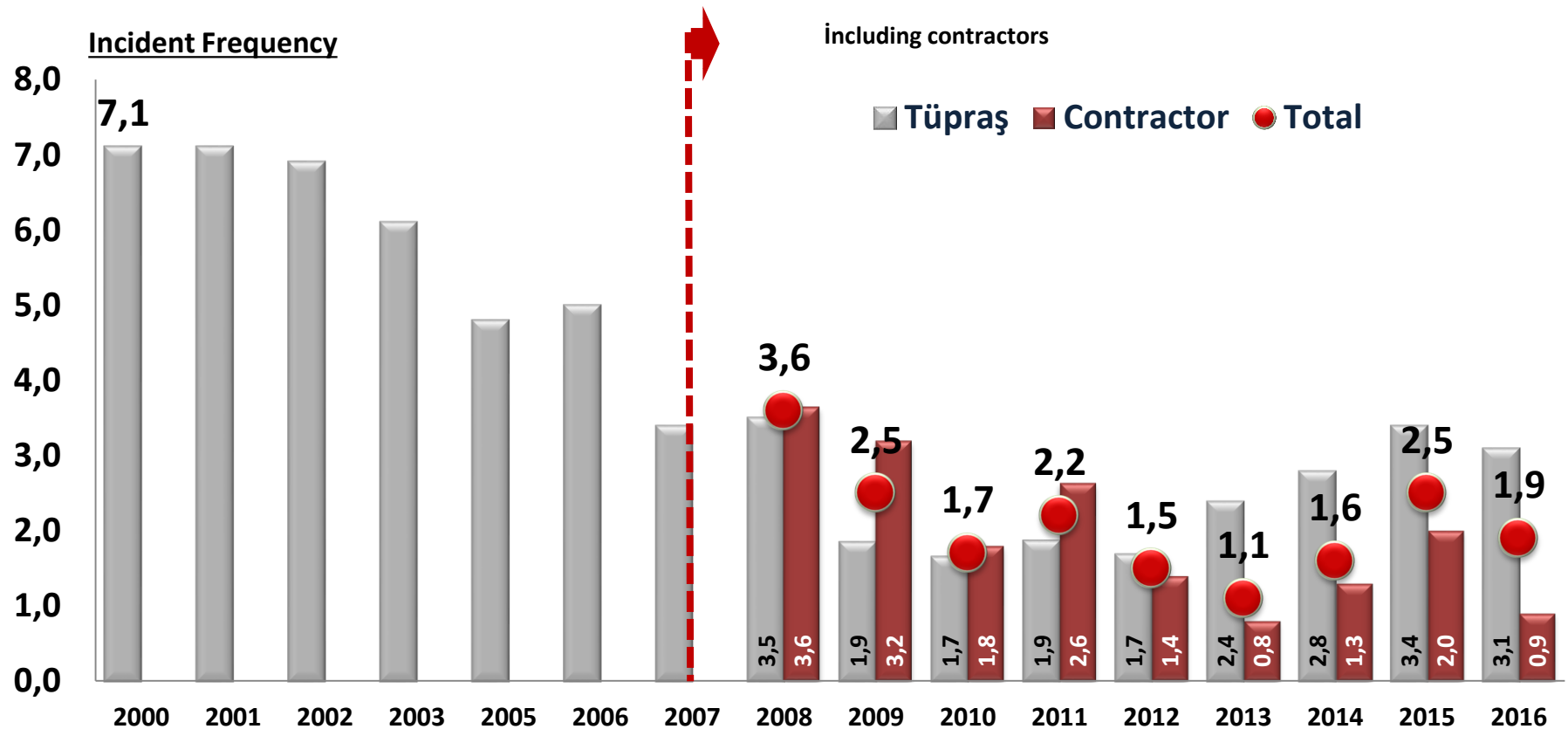
- Use of lower sulphur blendstocks like ULSD (Diesel)
- Low Sulfur Fuel Oil production with light crudes
- Sulphur Fuel Reduction Systems (Scrubber)
- LNG



Source: UBS, 2017

Ship Owners Intention Survey

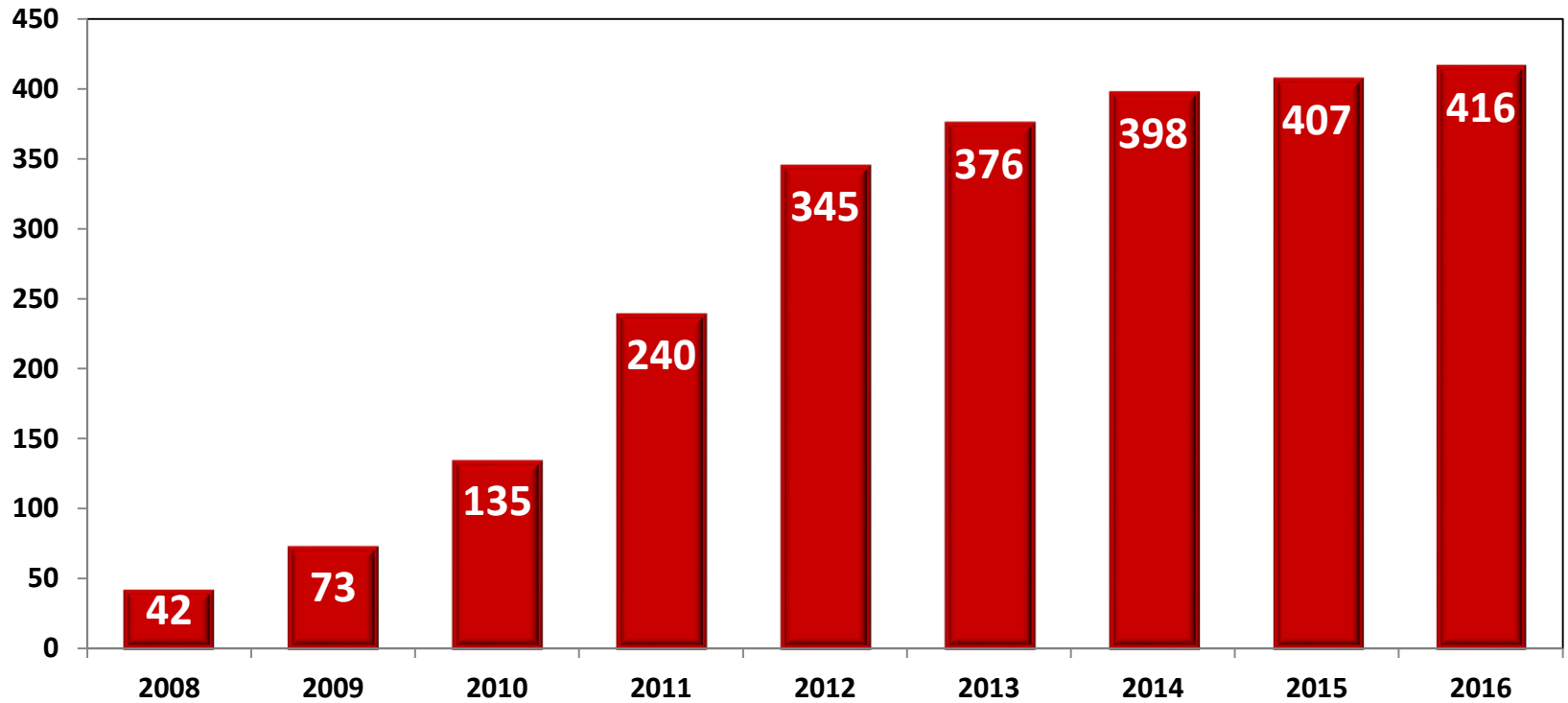
Tüpraş HSE KPI: Loss Time Incident Frequency and Severity Frequency Ratios



Loss Time Severity Frequency Rate	2008	2009	2010	2011	2012	2013	2014	2015	2016
Tüpraş	92	44	40	53	65	61	59	719	101
Contractor	116	101	81	118	424	17	378	51	551
Total	105	73	57	83	290	26	308	315	354

loss time incident frequency rate = number of incident * 1000000 / man hours
 loss severity frequency rate = loss time * 1000000 / man hours

Energy Saving Projects , mn\$



Energy Index 116,1



101,8

	2008	2009	2010	2011	2012	2013	2014	2015	2016	Total
Tüpraş Energy consumption (TJ)	76.653	65.265	67.010	70.792	71.086	69.147	67.034	90.796	102.156	679.939
Energy-saving(TJ)	978	10.891	3.155	3.053	5.255	2.841	1.772	1.031	1.054	30.029
Energy Efficiency Project	36	52	65	92	97	40	22	21	18	443
Savings (mn \$)	42	32	62	105	106	31	22	10	9	416



Updated information can be found in the Investor Relations section of the company website

www.tupras.com.tr



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