

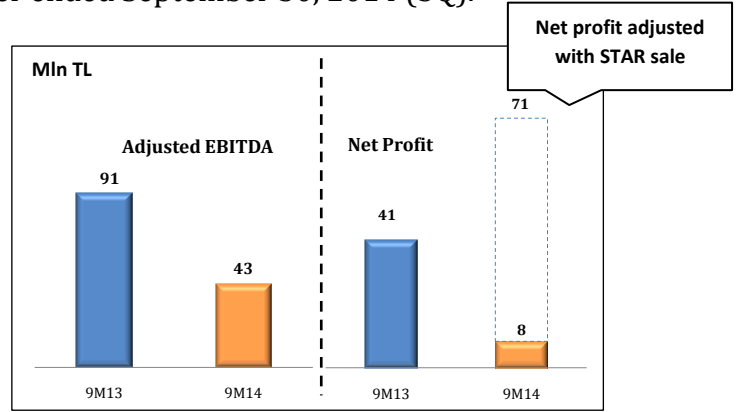
TURCAS PETROL A.Ş. 9M 2014 EARNINGS RELEASE

Istanbul, Turkey, 10 November 2014 – Turcas Petrol A.Ş. (BIST: TRCAS) (“Turcas”)

Turkey's oil & energy focused investment company that owns subsidiaries in the “Fuel Distribution & Lubricants” as well as “Power Generation & Trading” sectors, announced today its IFRS consolidated financial results for the quarter ended September 30, 2014 (3Q).

One of the key highlights of this financial period was the IFRS consolidated cumulative bottomline turning positive (TL 8 mln) despite one-off non-cash loss (TL 63 mln) from the sale of its 18.5% stake in STAR Rafineri A.Ş. in May 2014.

Adjusted EBITDA, which is derived by adding the net income from subsidiaries (Shell & Turcas Petrol A.Ş., RWE & Turcas Güney Elektrik Üretim A.Ş., SOCAR Turkey Yatırım A.Ş. and Turcas BM Kuyucak Jeotermal Elektrik Üretim A.Ş.) to the operating profit was:



- i) positively impacted by 16% increase in other operational income driven by higher management fee received from Shell & Turcas Petrol A.Ş. (STAŞ), and
- ii) negatively impacted by Inventory Losses at STAŞ as well as Depreciation & Financial expenses at RWE & Turcas Güney Elektrik Üretim A.Ş. (RTG).

As a result, adjusted EBITDA was realized at 43 million TL in 9M14 with 52% y/y decline. Despite one-off non-cash loss (TL 63 mln) from the sale of its 18.5% stake in STAR Rafineri A.Ş. in May 2014, Turcas has recorded 8 million TL net profit in 9M14 according to IFRS financial statements supported by financial income driven by FX gains (13 million TL) and interest income received from RTG (26 million TL). Excluding one-off non cash loss, net profit can be calculated as 71 million TL, up by 73% y/y. The summary Financial Statements of Turcas has been provided in Annex-Table 1.

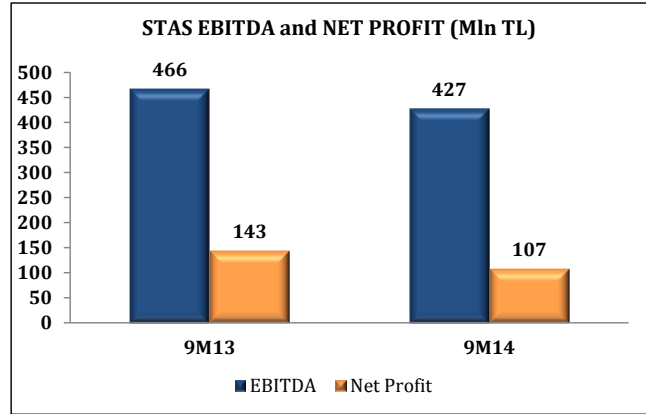
Net sales of Turcas, which totally comprises of electricity sales through the consolidation of its wholly-owned subsidiary Turcas Power Trading (TPT), has increased by 43% y/y and reached 47.1 million TL in 9M14 from 32.9 million TL in 9M13. TPT's gross profit has been realized at 462 thousand TL (-81% y/y) in 9M14 due to rising electricity supply prices in the spot and forward OTC (over-the-counter) markets resulting from increased production of thermal sources, especially from gas fired combined cycle power plants in order to cover the shortage in supply from hydro power plants due to drought season. The electricity sales tariffs remained stable despite the rising spot and OTC prices which constitutes the benchmark for end customer sales.

Operating profit (EBIT) of Turcas increased by 14% y/y and reached 12.9 million TL driven by 60% y/y increase in management fees received from Shell Company according to JV agreement.

Income from subsidiaries accounted via equity pick up method was realized at 30.5 million TL in 9M14. The breakdown of income from subsidiaries is provided in Annex-Table 1.

Fuel Distribution and Lubricants:

Turcas' flagship subsidiary in fuel retail and lubricants, Shell & Turcas Petrol A.Ş. (STAŞ), has recorded net sales of c.a. 12.0 billion TL (5.5 billion USD) in 9M14 with a 15% y/y increase mainly driven by higher diesel and gasoline sales. During the first nine months of 2014, net profit was realized at 107 million TL with 25% y/y decrease and the EBITDA figure was recorded as 427 million TL (197 mln USD) with 8% y/y decrease due to inventory loss impact as a result of declining fuel prices in September. Also recall that the Energy Market Regulatory Authority (EMRA) had introduced a temporary price ceiling for fuel products and limited the distributor mark-ups at 0,37 TL/Liter for Gasoline and Diesel in March 21, 2014. The price ceiling has been lifted as of May 21, 2014.

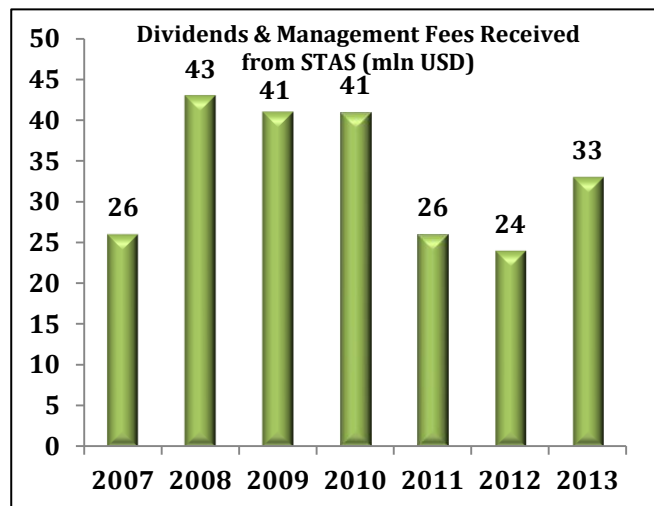


The summary financial statements of STAŞ have been provided in Annex-Table 2.

In terms of market share, STAŞ has preserved its leadership position in Gasoline (24%) and Lubricants sales (25%) and ranked as 3rd in White Product sales (comprising of gasoline and diesel sales) (18%) as of 9M14, according to PETDER data.

STAŞ has also preserved its market leader position in throughput per station ratio which is a significant indicator of profitability & efficiency in the market. STAŞ retail network consists of 1,060 nationwide Shell branded service stations as of 9M14.

In 2013, Turcas had received from STAŞ total dividends and management fees of ca. 33 million USD. Thus, total dividends and management fees received since 2007 had reached ca. 234 million USD. In 2014 so far, Turcas has received 23 Million TL (11 million USD) of management fees from STAŞ. A STAŞ Board resolution has not yet been taken on 2013 dividend payments.



Electricity Generation:

The 775 MW gas fired combined cycle power plant, which Turcas Electricity Generation (Turcas' 100% subsidiary) and RWE (one of the leading energy companies in Europe) jointly constructed in Denizli had entered into commercial operation in June 2013. The financial results of the JV company RWE & Turcas Güney Elektrik Üretim A.Ş. (RTG) are given in Annex-

Table.3. RTG has recorded 565 million TL of net sales and 58 million TL of net loss as of 9M14. The loss is mainly due to the amortization expenses (40 million TL) and interest charges (93 million TL) on the shareholder loans owed to both shareholders; Turcas and RWE.

Historic Investment Information: Total project cost of the Denizli power plant was realized at ca. 600 million Euros. In order to finance its share of the investment (30% share corresponding to 180 million Euro), Turcas had injected 30 Million Euros of equity into RTG in 2011. For the financing of its remaining investment stake; 150 million Euros have been raised from Bayern LB and Portigon AG (former West LB) under ECA (Euler Hermes) coverage with 3+10 years of tenor and 55 million USD has been raised from TSKB (Industrial Development Bank of Turkey) with 3+7 years of tenor. Utilizations of these loans were completed in 2013 and already 2 principal repayments have been realized in December 2013 and June 2014 following the start of Denizli power plant’s commercial operations in June 2013. These loans make up the whole financial liability figure in the consolidated balance sheet of Turcas.

Renewable Energy:

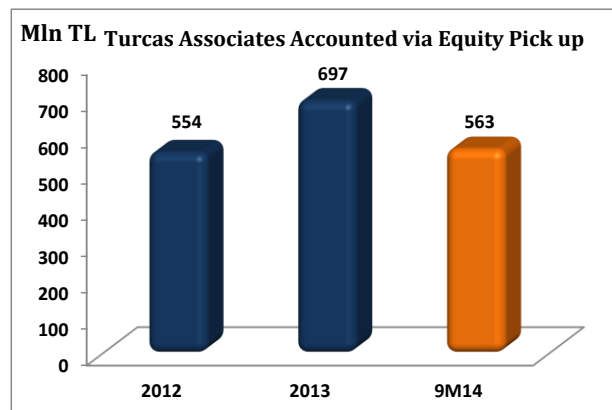
In renewable energy segment, Turcas Renewable Energy (TR), which is a 99.99% subsidiary of Turcas, had initiated pilot studies for geothermal electricity generation with its exploration licenses in Aydın and Denizli provinces. In the first phases of this study, geology and geophysics measurements and studies were performed. Slim-hole drilling which was started in 1Q13 was completed in Aydın (Kuyucak-Pamukören region) site and TR converted its exploration license to operating license. In September 2013, Turcas Energy Holding established a joint venture company (Turcas & BM Kuyucak Jeotermal Elektrik Üretim A.Ş. or TBK) with BM Mühendislik with the purpose of increasing investment efficiency. Operating licenses of TR and BM Mühendislik have been transferred to TBK.

In that respect, our 46% jointly-controlled indirect subsidiary TBK applied to the Energy Market Regulatory Authority (EMRA) in order to obtain electricity generation preliminary license for Geothermal Electricity Power Plant with a planned installed capacity of 13.2 MW in Aydın Province, Kuyucak-Pamukören region.

As a separate project, TR acquired another geothermal exploration license in Manisa Province, Gölarmara-Haciveliler region (site area: 4,959 ha) in March 2014 for a period of 3 years and to be valid from the date of 20 March 2014 with the condition of fulfilling obligations stated in the Tender Specifications Document. Geology and geophysics exploration works are planned in the mentioned region with the aim of detecting geothermal energy sources leading to new electricity generation investments.

Financing and Balance Sheet:

Major components among total assets of the Company amounting to 1.16 billion TL are Cash & Cash Equivalents reaching 194 million TL driven by sale of its shares in the STAR Refinery Project, associates accounted via equity pick up consolidation method reaching 563 million TL



and shareholder loan receivables from related parties, namely RWE & Turcas Güney Elektrik Üretim A.Ş. (RTG), amounting to 353 million TL.

All of the Company’s financial liabilities are the long-term project finance loans utilized for the partial financing of Turcas share in the construction of RTG’s 775 MW Denizli Power Plant (Turcas: 30%, RWE: 70%).

As explained in the Electricity Generation section, loans utilized from the lenders had transferred to RTG as shareholder loans (SHL). Repayment of the project finance loans is being made back-to-back by the repayments of the SHL from RTG. SHL can be traced from the Short & Long Term Receivables from Related Parties figure in our Balance Sheet.

Despite the project finance loans utilized for financing our share in RTG, the Shareholder Equity/Total Assets ratio is still at 61% as of 9M14. Taking into account the Cash and Cash Equivalents figure (194 million TL), the ratio of Net Financial Debt (244 million TL) to Total Assets is at a low and sustainable level (21%).

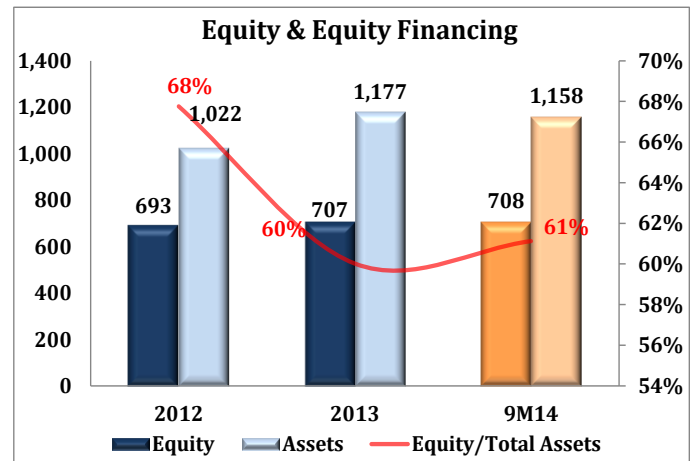
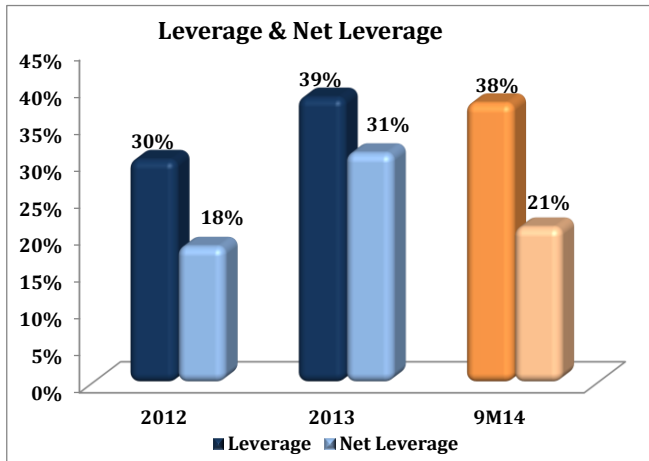


Table.1 - Turcas Petrol A.Ş. – IFRS Financials 30.09.2014

P&L (Thousand TL)	9M14	9M13	Y/Y (%)
Net Sales	47,089	32,925	43%
Gross Profit	462	2,490	-81%
Operating Expenses	11,588	11,850	-2%
Other Operational Income (Net)	24,032	20,711	16%
Operating Profit	12,906	11,351	14%
Income from Subsidiaries	30,546	79,354	-62%
<i>STAS</i>	32,250	42,873	-25%
<i>RWE & Turcas</i>	-17,394	10,926	nm
<i>STYAS (STAR & Turcas)</i>	15,693	25,555	-39%
<i>BM Kuyucak</i>	-3	-	n.m.
Adjusted EBITDA	43,452	90,705	-52%
Losses from investments	-62,583	-	nm
Net Financial Income	42,037	-45,736	n.m.
Profit Before Tax	22,906	44,969	-49%
Tax	-14,425	-3,989	n.m.
Net Income	8,481	40,979	-79%
Earnings Per Share (TL)	0.04	0.18	-79%

	9M 2014	9M 2013
ROA	1.0%	4.8%
ROE	1.6%	7.5%

BALANCE SHEET (Thousand TL)	9M 2014	YE13	YTD (%)
Cash & Cash Equivalents	194,393	88,703	119%
Trade Receivables	6,317	12,035	-48%
Receivables from Related Parties (ST)	49,078	35,465	38%
Receivables from Related Parties (LT)	303,803	298,934	2%
Investments / Associates	562,953	696,777	-19%
Total Assets	1,157,533	1,177,499	-2%
Short Term Financial Liabilities	56,233	52,123	8%
Long Term Financial Liabilities	382,336	403,168	-5%
Total Financial Liabilities	438,568	455,291	-4%
Total Equity	707,519	706,698	0%
Total Equity and Liabilities	1,157,533	1,177,499	-2%

	9M 2014	YE13
Equity / Assets	61%	60%
Net Debt / Assets	21%	31%
Net Debt / Equity	35%	52%
Net Debt /Adjusted EBITDA (x)	4.2	4.9

Table.2 – Shell & Turcas Petrol A.Ş. (STAŞ) – IFRS Financials 30.09.2014

P&L (Million TL)	9M 2014	9M 2013	Y/Y (%)
Net Sales	11,987	10,424	15%
Gross Profit	646	635	2%
Gross Margin	5.39%	6.09%	
Operating Expenses	534	506	6%
Other Operational Income (Net)	102	142	-28%
EBIT	214	271	-21%
Financial Gain / Loss	-76	-91	n.m.
Net Income	107	143	-25%
EBITDA	427	466	-8%
EBITDA Margin	3.56%	4.47%	

BALANCE SHEET (Million TL)	9M 2014	YE13	YTD (%)
Current Assets	2,677	2,163	24%
Financial Liabilities	759	509	49%
Total Equity	1,517	1,460	4%
Total Assets	3,816	3,201	19%

Table.3 – RWE & Turcas Güney Elektrik Üretim A.Ş. (RTG) –Financial Summary 30.09.2014

P&L (Million TL)	9M 2014	9M 2013	Y/Y (%)
Sales	565	200	183%
Net Income / (Loss)	-59	36	n.m.
Turcas Share on Net Income / Loss	-18	11	n.m.

BALANCE SHEET (Million TL)	9M 2014	2013YE	YTD (%)
Total Assets	1,674	1,642	2%
Total Liabilities ⁽¹⁾	1,302	1,337	-3%
Net Assets	372	324	15%
Turcas Share on Net Assets	112	97	15%

(1) All of the total liabilities consist of shareholder loans obtained from RWE (70%) and Turcas Elektrik Üretim A.Ş. (30%).