

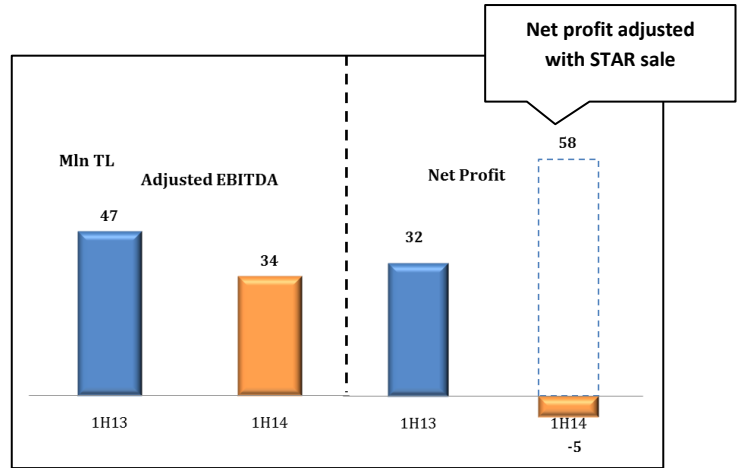
TURCAS PETROL A.Ş. FIRST HALF 2014 EARNINGS RELEASE

Istanbul, Turkey, 19 August 2014 – Turcas Petrol A.Ş. (BIST: TRCAS) (“Turcas”)

Turkey's energy focused investment company with subsidiaries in the Fuel Distribution, Lubricants and Power Generation-Trading sectors, today announced its IFRS consolidated financial results for June 30, 2014.

During the first half of 2014, one of the key highlights was the sale of 18.5% shares in STAR Rafineri A.Ş. owned by Turcas Petrol A.Ş. via its subsidiary Turcas Rafineri Yatırımları A.Ş. to Rafineri Holding A.Ş. (100% subsidiary of Socar Turkey Enerji A.Ş.) for USD 59,390,000 as disclosed on May 15, 2014. As a result of this sale transaction, 7 million TL of profit (difference between book value and sale proceeds) has been recorded under statutory financials while 63 million

TL loss (difference between sale proceeds and Socar Turkey Yatırım A.Ş.’s net asset value as of the date of sale transaction) has been recorded under IFRS financials. The sale impact difference between IFRS and statutory financials is due to the inclusion of SOCAR Turkey Yatırım A.Ş.’s accumulated deferred tax gains in equity pick up consolidation under IFRS methodology (please refer to previous independent audit reports for detailed information).



Turcas Petrol A.Ş. has recorded 5 million TL loss in 1H14 according to IFRS financial statements due to the above mentioned one-off and non-cash loss. However, adjusted net profit, excluding this non-cash loss, can be calculated as 58 million TL. 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, has decreased by 27% y/y to 34 million TL in 1H14. The summary Financial Statements of Turcas has been provided in Annex-Table 1.

Net sales of Turcas, which totally comprises of electricity sales, has increased by 65% y/y and reached 33.5 million TL in 1H14 from 20.2 million TL in 1H13.

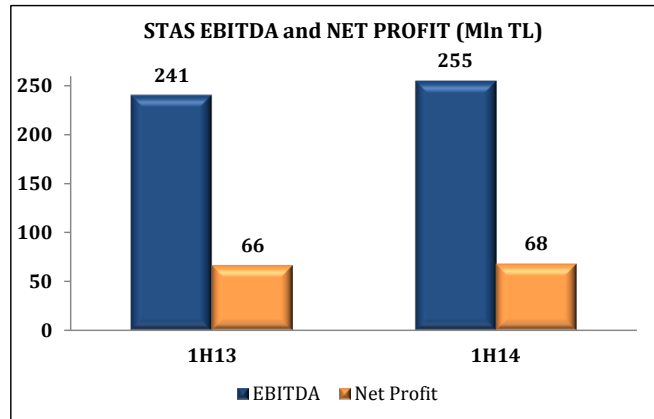
Turcas Power Trading’s (100% subsidiary of Turcas) gross profit has been realized at 618 thousand TL in 1H14 due to high electricity prices in the spot market resulting from gas shortage in the winter period and decrease in supply liquidity driven by planned maintenance of power plants during spring.

Operating profit (EBIT) of Turcas increased by 211% y/y and reached 15.2 million TL driven by 60% y/y increase in management fee received from Shell Company according to JV agreement.

Income from subsidiaries accounted via equity pick up method was realized at 18.5 million TL in 1H14. 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. (STAS), has recorded net sales of 7.3 billion TL (3.4 billion USD) in 1H14 with a 14% y/y increase mainly driven by higher diesel and lubricants sales. Net profit reached 68 million TL in 1H14 with a 3% annual increase. Recall that the Energy Market Regulatory Authority (EMRA) has 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.

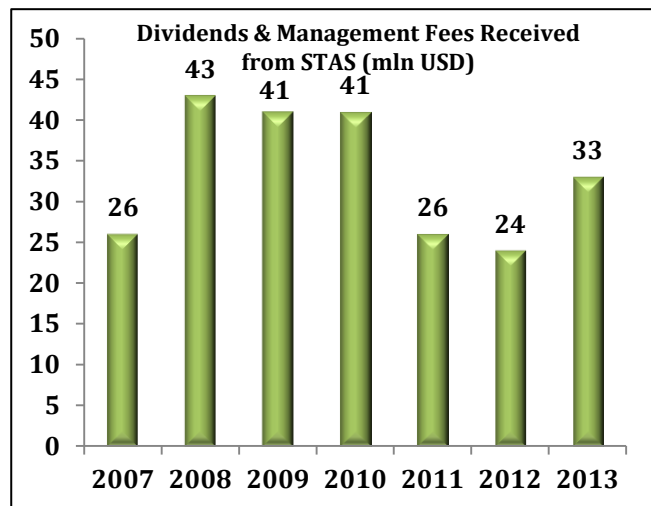


The EBITDA figure has increased by 6% y/y to 255 million TL (118 mln USD) in 1H14. The summary financial statements of STAS has been provided in Annex-Table 2.

In terms of market share, STAS has preserved its leadership position in Gasoline (24%) and Lubricants sales (26%) and ranked as 3rd in White Product sales (comprising of gasoline and diesel sales) (18%) as of 1H14.

STAS has also preserved its market leader position in throughput per station ratio which is a significant indicator of profitability & efficiency in the market. STAS retail network consists of 1.055 nationwide Shell branded service stations as of 1H14.

Turcas Petrol A.Ş has obtained total dividend and management fee at c.a. 33 million USD in 2013 from STAS. Thus, total dividends and management fees paid to Turcas Petrol A.Ş. by STAS has reached c.a. 234 million USD since 2007. Turcas has received 23 Million TL of management fee from STAS in 2014. There hasn't been any resolution on 2013 dividend distribution of STAS yet.



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 has entered into commercial operation on June 2013. The financial figures of RWE & Turcas Güney Elektrik Üretim A.Ş. are shown on Annex-Table.3. The JV has recorded 326 million TL of net sales and 59 million TL of net loss as of 1H14. The loss figure was mainly due to the amortization expenses (44 million TL) and interest charges on the shareholder loans owed to the shareholders (51 million TL) (Turcas and RWE).

Project cost of the Denizli power plant is around 600 million Euro. In order to finance its share of the investment (30% share corresponding to 180 million Euro), Turcas has already injected 30 Million Euro as equity in 2011. For the financing of the remaining part; 150 million Euro has 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 have been completed and principal repayments have been realized in two installments (June 2014 and December 2013) 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 Petrol A.Ş.

Renewable Energy

In renewable energy segment, Turcas Yenilenebilir Enerji Üretim A.Ş. (TYEÜAŞ), which is 99.99% subsidiary of Turcas Petrol A.Ş., 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 was started in 1Q 2013. In this regard, TYEÜAŞ completed slim drilling in Aydın Kuyucak Pamukören site and 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.) with BM Mühendislik with the purpose of increasing investment efficiency. Operating licenses of TYEÜAŞ and BM Mühendislik have been transferred to this joint venture.

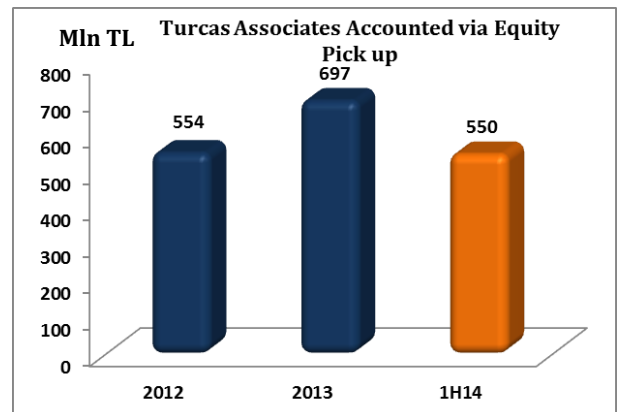
In that respect, our 46% indirect subsidiary, Turcas BM Kuyucak Jeotermal Elektrik Üretim A.Ş., applied to Energy Market Regulatory Authority in order to obtain electricity generation preliminary license for Geothermal Electricity Power Plant with a planned installed capacity of 13.2 MW in Aydın Province, Kuyucak region.

In addition, Turcas Yenilenebilir Enerji Üretim A.Ş. obtained the geothermal sources exploration license for Manisa-Gölmarmara-Hacıveliler 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 1.14 billion TL are cash & cash equivalents reaching 195 million TL driven by sale of shares in STAR Refinery Project, associates accounted via equity pick up consolidation method reaching 550 million TL and receivables from related parties, namely RWE & Turcas Güney A.Ş., amounting to 346 million TL.

Almost all of the Company's financial liabilities are the long-term project finance loans utilized for the



construction of 775 MW Denizli Project with RWE & Turcas Partnership (Turcas: 30%, RWE: 70%).

As explained in electricity generation section, loans utilized from the project financing banks are transferred to Denizli Power Plant (RWE & Turcas Güney Elektrik Üretim A.Ş.) as shareholder loans. Repayment of the project finance loans will be made by the repayments of the shareholder loans from the Project Company RWE & Turcas Güney Elektrik Üretim A.Ş., owner of Denizli Power Plant. These shareholder loans can be traced from Short & Long Term Receivables from Related Parties figure in Turcas' balance sheet.

Despite the project finance loans utilized for financing the Turcas share in Denizli project, the Shareholder Equity/Total Assets ratio is still at 61% level as of 1H14. Taking into account the cash and cash equivalents figure (195 million TL) the ratio of Net Financial Debt (232 million TL) to Total Assets is at very low and sustainable levels (20%).

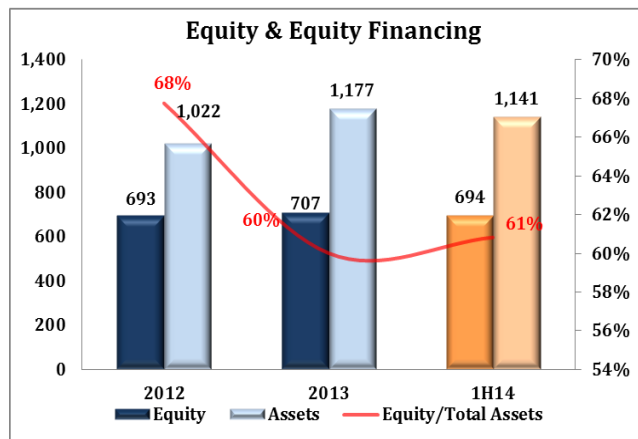
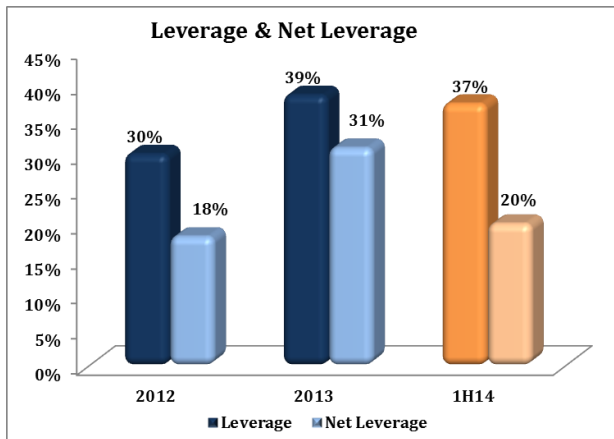


Table.1 - Turcas Petrol A.Ş. – IFRS Financials 30.06.2014

P&L (Thousand TL)	1H14	1H13	Y/Y (%)
Net Sales	33,461	20,222	65%
Gross Profit	618	1,824	-66%
Operating Expenses	8,774	8,098	8%
Other Operational Income (Net)	23,394	11,179	109%
Operating Profit	15,238	4,905	211%
Losses from investments	-62,583	-	nm
Income from Subsidiaries	18,539	41,646	-55%
<i>STAS</i>	20,423	19,919	3%
<i>RWE & Turcas</i>	-17,570	11,042	nm
<i>STYAS (STAR & Turcas)</i>	15,693	10,686	47%
<i>BM Kuyucak</i>	-7	-	n.m.
Adjusted EBITDA	33,777	46,551	-27%
Net Financial Income	31,068	-12,182	n.m.
Profit Before Tax	2,263	34,369	-93%
Tax	-7,331	-1,951	n.m.
Net Income	-5,068	32,418	nm
Earnings Per Share (TL)	nm	0.14	nm

	1H14	1H13
ROA	nm	5.9%
ROE	nm	9.0%

BALANCE SHEET (Thousand TL)	1H14	YE13	YTD (%)
Cash & Cash Equivalents	195,269	88,703	120%
Trade Receivables	6,469	12,035	-46%
Receivables from Related Parties (ST)	39,302	35,465	11%
Receivables from Related Parties (LT)	306,600	298,934	3%
Investments / Associates	549,948	696,777	-21%
Total Assets	1,140,876	1,177,499	-3%
Short Term Financial Liabilities	52,231	52,123	0%
Long Term Financial Liabilities	374,708	403,168	-7%
Total Financial Liabilities	426,939	455,291	-6%
Total Equity	693,971	706,698	-2%
Total Equity and Liabilities	1,140,876	1,177,499	-3%

	1H14	YE13
Equity / Assets	61%	60%
Net Debt / Assets	20%	31%
Net Debt / Equity	33%	52%
Net Debt /Adjusted EBITDA (x)	3.4	4.9

Table.2 - Shell & Turcas Petrol A.Ş. – IFRS Financials 30.06.2014

P&L (Million TL)	1H14	1H13	Y/Y (%)
Net Sales	7,333	6,431	14%
Gross Profit	396	366	8%
Gross Margin	5.40%	5.68%	
Operating Expenses	351	329	7%
Other Operational Income (Net)	72	74	-3%
EBIT	117	110	6%
Financial Gain / Loss	-28	-27	n.m.
Net Income	68	66	3%
EBITDA	255	241	6%
EBITDA Margin	3.48%	3.74%	

BALANCE SHEET (Million TL)	1H14	YE13	YTD (%)
Current Assets	2,467	2,163	14%
Financial Liabilities	756	509	49%
Total Equity	1,478	1,460	1%
Total Assets	3,610	3,201	13%

Table.3 –RWE & Turcas Güney Elektrik Üretim A.Ş. –Financial Summary 30.06.2014

P&L (Million TL)	1H14	1H13	Y/Y (%)
Sales	326	57	n.m.
Net Income / (Loss)	-59	37	n.m.
Turcas Share on Net Income / Loss	-18	11	n.m.

BALANCE SHEET (Million TL)	1H14	YE13	YTD (%)
Total Assets	1,606	1,642	-2%
Total Liabilities ⁽¹⁾	1,221	1,288	-5%
Net Assets	385	354	9%
Turcas Share on Net Assets	116	106	9%

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