

Financial Analysis – 2Q25

June 30, 2025

TACIRLER
INVESTMENT

Tüpraş

Tüpraş reported revenues of TL183.2bn, EBITDA of TL13.9bn and net profit of TL8.9bn in 2Q25. Net profit exceeded the consensus estimate by 32%, largely thanks to a reduction in one-off expenses. While margins recovered sharply on a quarterly basis, revenue and EBITDA declined 29% and 20% year-on-year, respectively. The company's net cash position rose to TL49bn and free cash flow remained strong. Management kept its 2025 guidance for refining margin, capacity utilisation and capital expenditure unchanged. We view the second-quarter performance as slightly positive, meeting our expectations and reaffirming the company's full-year outlook. Following the financial results, we maintain our 12-month target price for Tüpraş at TL200.30 and reiterate our BUY recommendation.

Operationally, Tüpraş processed 7 million tonnes of crude at a 98% utilisation rate and sold 7.6 million tonnes of refined products in 2Q25; domestic gasoline sales rose 13% year-on-year to a record 1.4 million tonnes. Turkish fuel demand grew 4%, with a strong 19.6% lift in gasoline supporting refining margins. Domestic gasoline sales more than doubled the 591 thousand tonnes recorded in 2Q18.

Key external drivers lifted Mediterranean product margins: the Iberian Peninsula blackout, additional OPEC+ supply, heightened security risks in the Strait of Hormuz and disruptions in the Red Sea, all of which tightened crack spreads and narrowed heavy crude differentials.

Middle-distillate cracks held flat despite a high base, while HSFO cracks remained strong amid supply constraints, pushing the gross margin up 1.4% quarter-on-quarter to 9.7%; inventory gains also cushioned profitability. The company's net refining margin stood at USD 5.3/bbl in 2Q25 (2Q24: USD 5.4/bbl; 1Q25: USD 4.1/bbl).

Financial flexibility remains intact: Tüpraş ended the quarter with USD2.3bn in cash, benefiting from lower working-capital needs as seasonal effects normalised. Heavy dividend payments curbed net interest income, but monetary gains partially offset the drag on pre-tax profit.

Management reiterated its 2025 targets: 26 million tonnes of crude throughput, 30 million tonnes of product sales, 90-95% utilisation, a net refining margin of USD 5-6/bbl and USD 600 million in capex; USD 232 mn had been spent in the first half.

TUPRS

BUY

Target Price TL200.30
Return potential 23%

Share Data

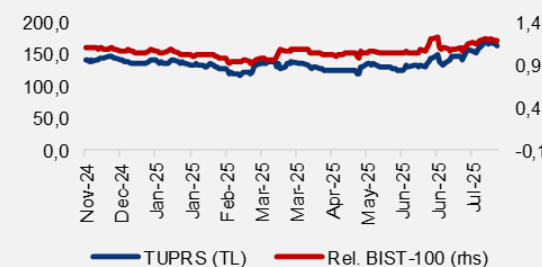
Ticker:	TUPRS TI
Share price (as of 29.07.2025)	162,60
Share price (52 week range)	117 / 168
Market cap. (TL mn - USD mn)	313.297 - 7.737
# of shares (mn) & free float	1.927 - 49%
Foreign Ownership Rate	25%
Market	STAR
Industry	Refinery

Avg. trading volume	1M	3M	12M
USD mn	80,5	70,6	73,0

Price performance	1M	3M	Y-t-D
TL	20%	30%	21%
USD	17%	23%	6%
Rel. to BIST-100	7%	14%	14%

(TL mn)	2022	2023	2024
Revenues	916.751	991.203	810.386
EBITDA	103.202	138.950	50.704
Net Earnings	61.314	77.354	18.315

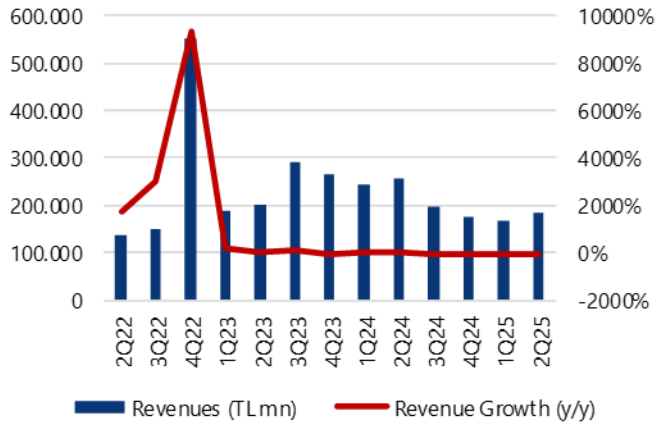
Valuation	2022	2023	2024
P/E	2,4x	3,6x	14,9x
P/BV	0,8x	0,9x	0,8x
EV/EBITDA	1,1x	1,3x	4,2x



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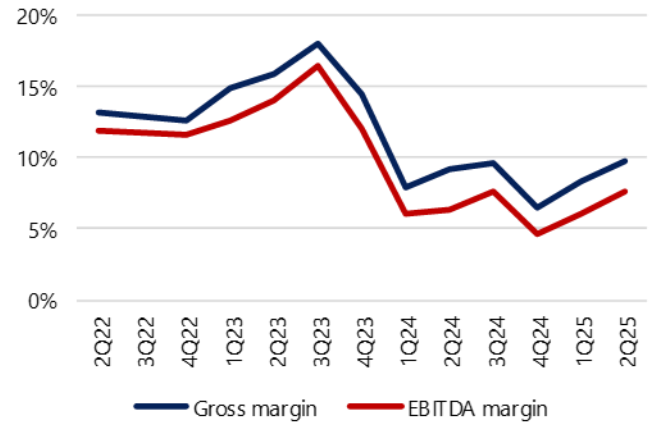
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Revenue trends



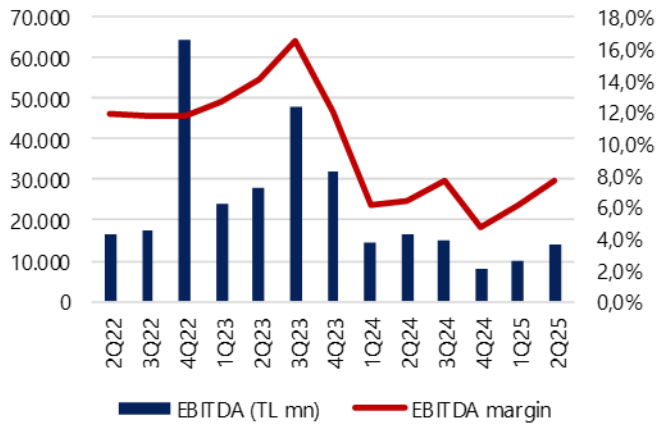
Source: Tacirler Investment

Operating margin evolution



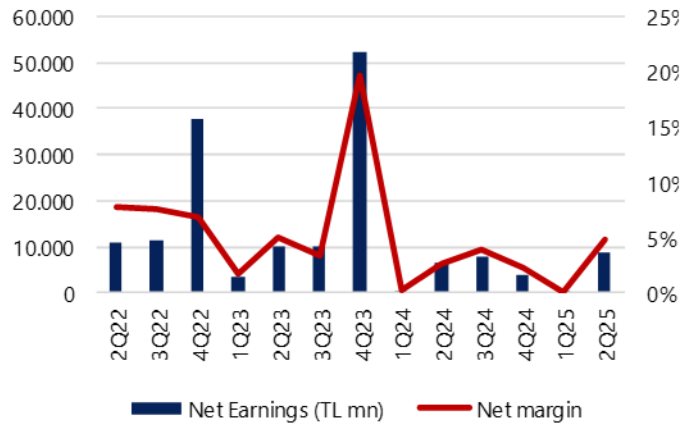
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EBITDA trends



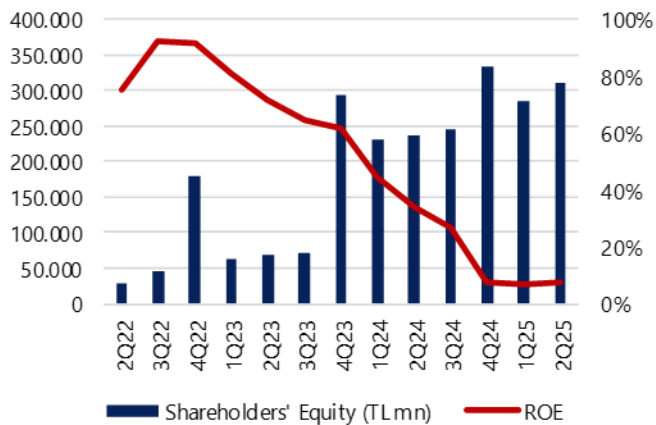
Source: Tacirler Investment

Net earnings trends



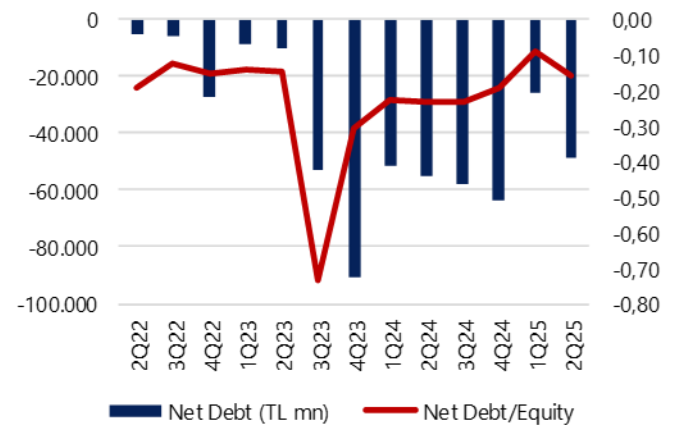
Source: Tacirler Investment

Profitability trends



Source: Tacirler Investment

Trends in financial leverage



Source: Tacirler Investment

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