

Tüpraş Refining Margins

Tüpraş announced its product margins for February. Accordingly, among middle distillate products, diesel margins improved by 17% MoM to \$19.6/bbl, while jet fuel margins increased by 15% MoM to \$15.9/bbl. Among light distillate products, gasoline margins rose by 24% compared to the previous month, reaching \$14.4/bbl, while fuel oil margins were recorded at negative \$5.9/bbl. In February, the Brent crude oil price averaged \$75.2/bbl, marking a 5% MoM decline. Accordingly, all product margins improved on a MoM basis. However, due to a high base effect, February margins, which are part of Q1, contracted on a yearly basis. Given the monthly improvements, we assess the data as slightly positive.

Figure: Tüpraş Refining Margins (February 2025)

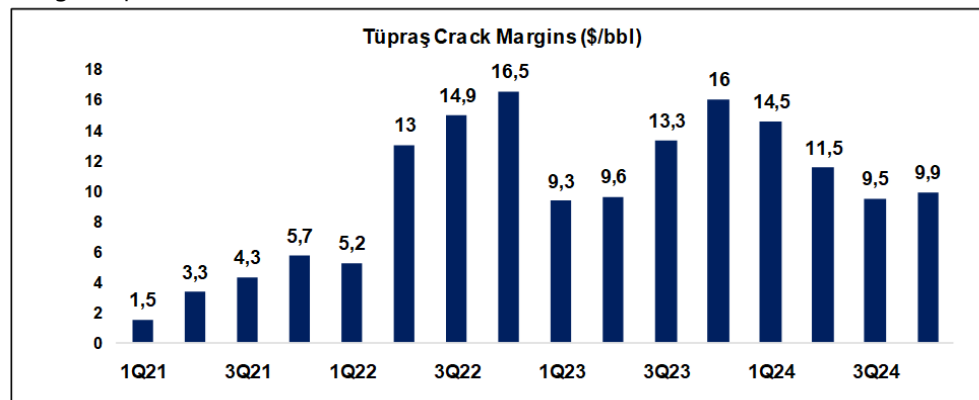
Product Cracks	Feb 25	Feb 24	y/y (%)	Jan 25	m/m (%)	2024	2025
Brent (USD/bbl)	75,2	83,9	-10%	79,2	-5%	81,2	77,2
Crack Margins							
Diesel	19,6	29,6	-34%	16,8	17%	26,6	18,2
Jet Fuel	14,4	19,3	-25%	11,6	24%	21,2	13,0
Gasoline	15,9	25,0	-36%	13,8	15%	25,4	14,9
Fuel Oil	-5,9	-14,4	n.m	-10,7	n.m.	-16,8	-8,3

Source: Company Data, Tacirler Investment Research

Product Margins Show Monthly Improvements While Remaining Around 5-Year Averages... According to Tüpraş's February data, diesel, jet fuel, and gasoline margins contracted annually by 34%, 36%, and 25%, respectively, due to the high base effect from the previous year. However, on a monthly basis, all product margins improved. The announced data also indicate that all product margins remained above their 5-year averages.

Turkey's Fuel Market, 2024... In 2024, diesel sales increased by 0.4% year-on-year to 26.3 million tons. Jet fuel sales rose by 4.7% year-on-year, reaching 5.7 million tons. Gasoline sales surged by 20.7% year-on-year to 4.9 million tons, while LPG sales declined by 6.1% to 4.1 million tons.

Table: Tüpraş Weighted Product Margin (\$/bbl)... Following its Q224 results, Tüpraş revised its 2024 year-end weighted product margin forecast from \$14/bbl to \$12/bbl. The company closed the year with a product margin of \$11.2/bbl. The net refining margin, calculated excluding all factors subject to inflation accounting, stood at \$6.3/bbl for the same period. Additionally, the company announced a net refining margin expectation of \$5-6/bbl for 2025.



Source: Company Data, Tacirler Investment Research

TUPRS

BUY

Target Price 208,10
Return potential 61%

Share Data

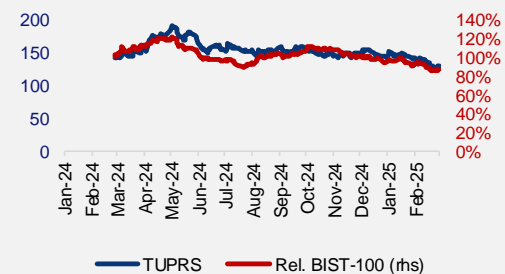
Share Data	TUPRS TI
Ticker:	TUPRS TI
Share Price (28 February 2025)	129,00
Share price (52 week range)	124 / 190
Market cap. (TL mn - USD mn)	248556,6 - 6832,0
# of shares outstanding (mn)	1.927
Free Float	49%

Avg. trading volume	1M	3M	12M
USD mn	78,8	72,4	82,2

Price performance	1M	3M	Y-t-D
TL	-8%	-12%	-9%
USD	-10%	-17%	-12%
Rel. to BIST-100	-4%	-13%	-7%

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	11,3x	3,7x	4,5x
P/BV	3,4x	2,9x	1,8x
EV/EBITDA	4,4x	1,6x	2,1x



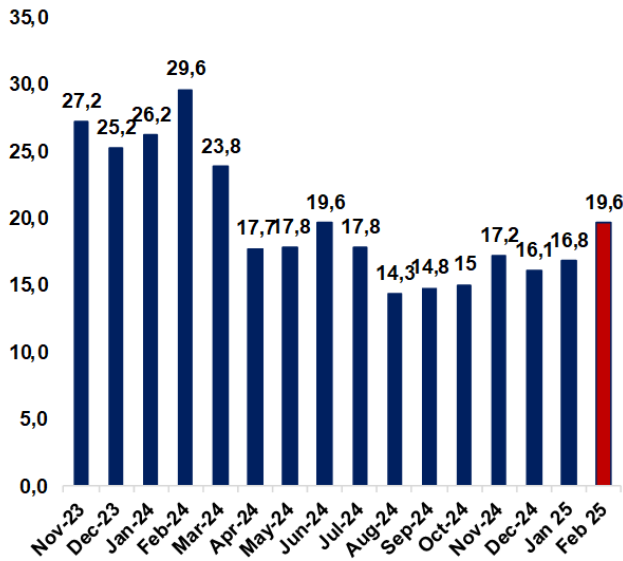
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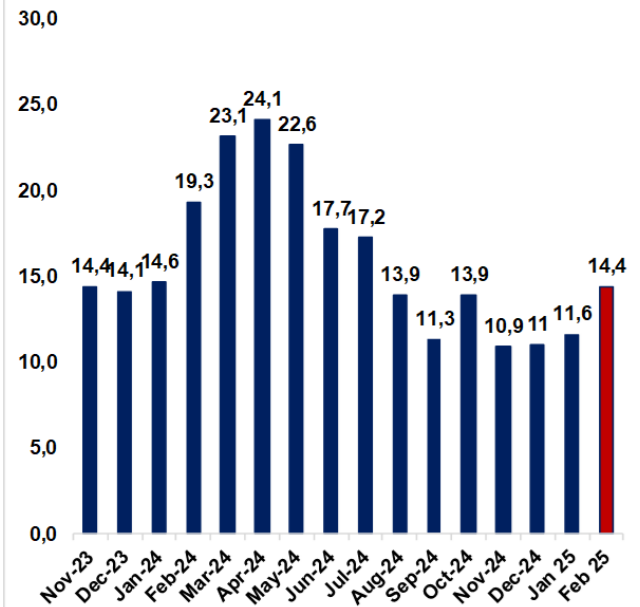
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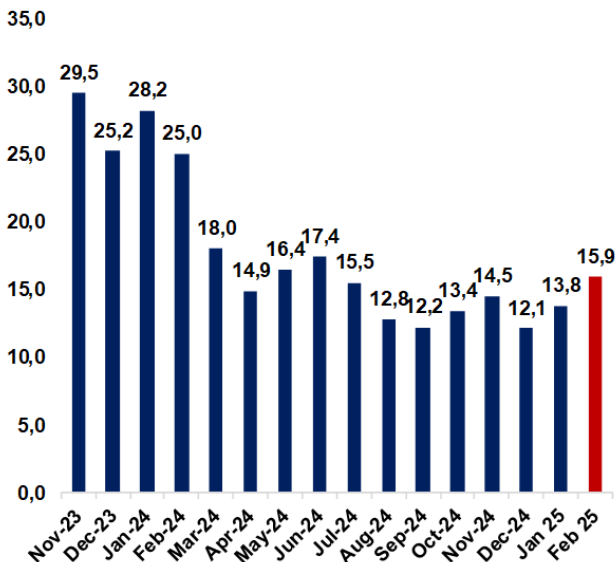
Diesel (\$/bbl)



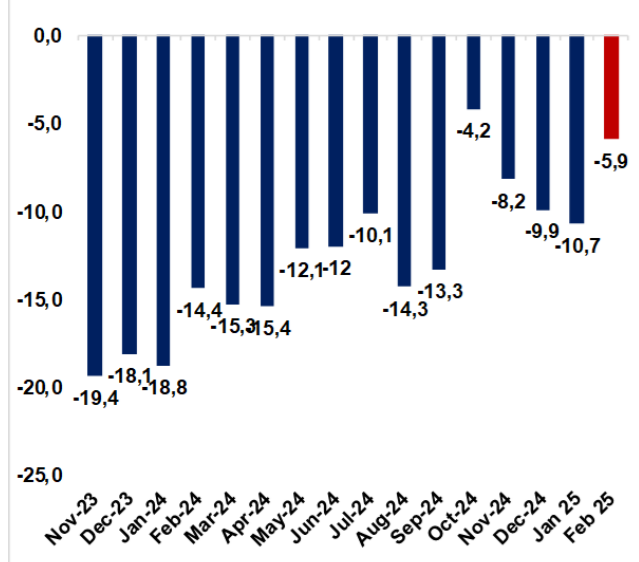
Gasoline (\$/bbl)



Jet Fuel (\$/bbl)



Fuel Oil (\$/bbl)



Source: Company Data, Tacirler Investment Research

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