

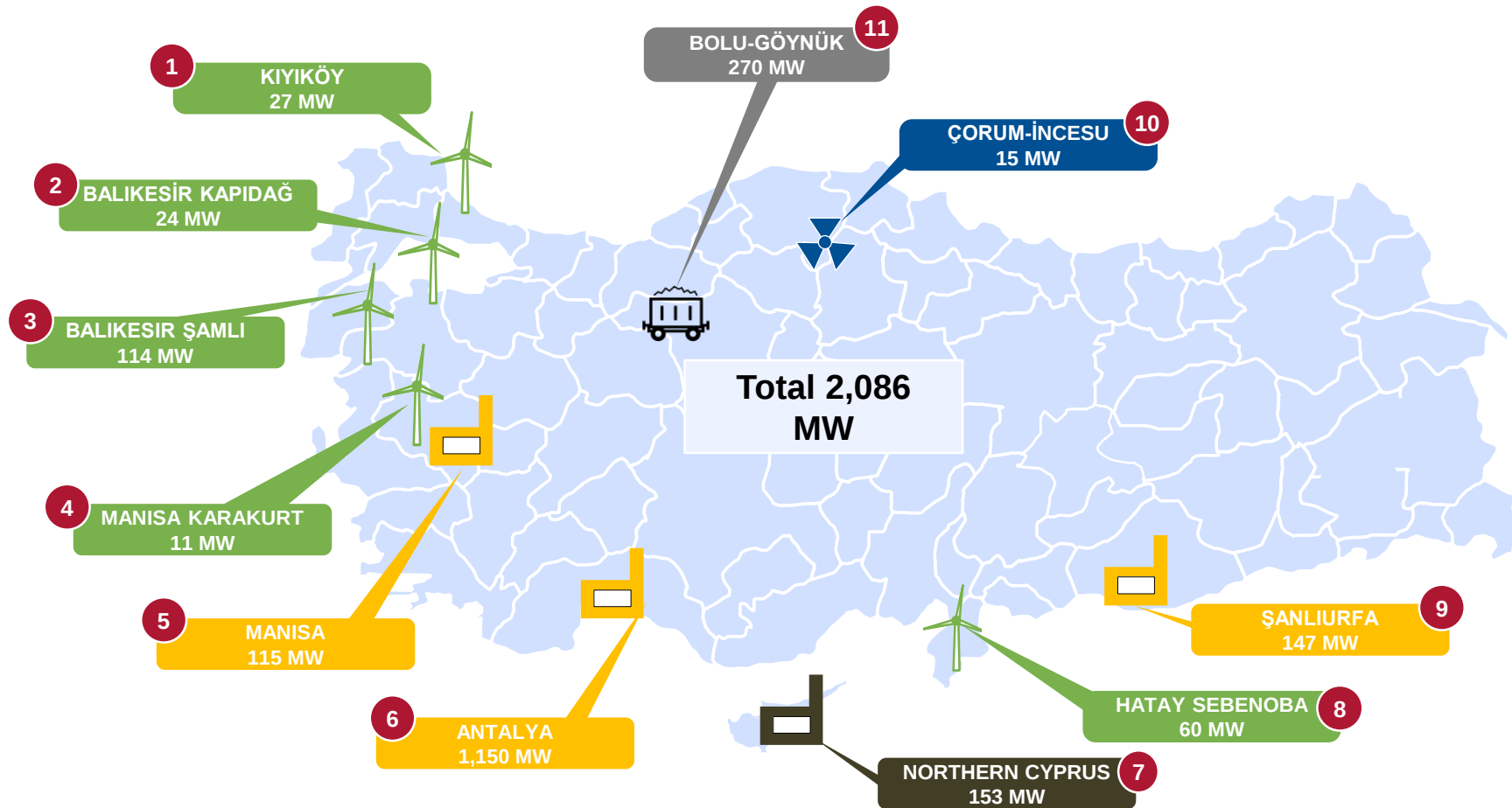
1H 2017

Investor Presentation

18 August 2017



11 assets under operation across Turkey



**Wind
(5 farms)**
259 MW
10%



**Hydroelectric
(1 plant)**
15 MW
1%



**Natural Gas
(3 plants)**
1,412 MW
58%

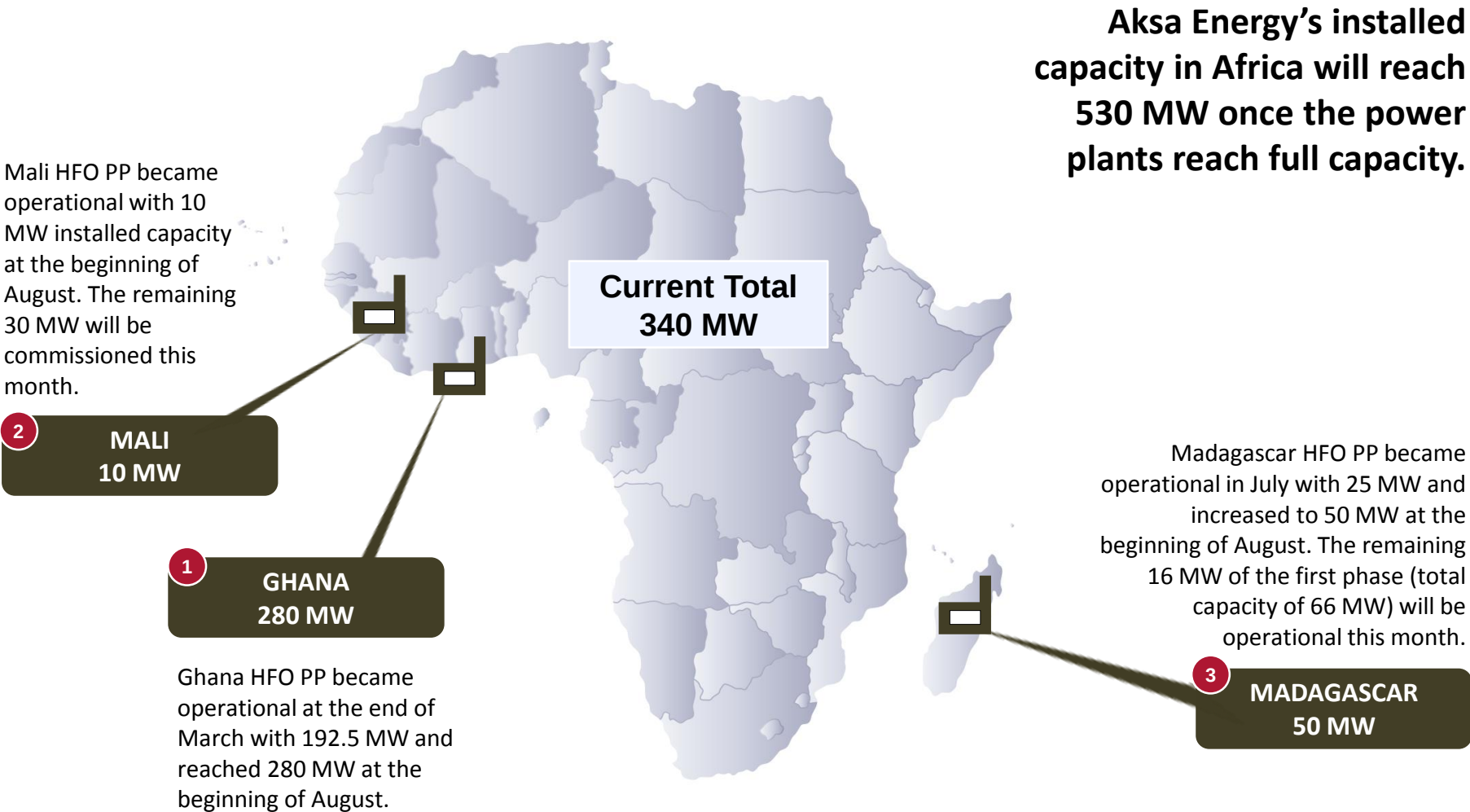


**Fuel-Oil
(4 plants)**
493 MW
20%

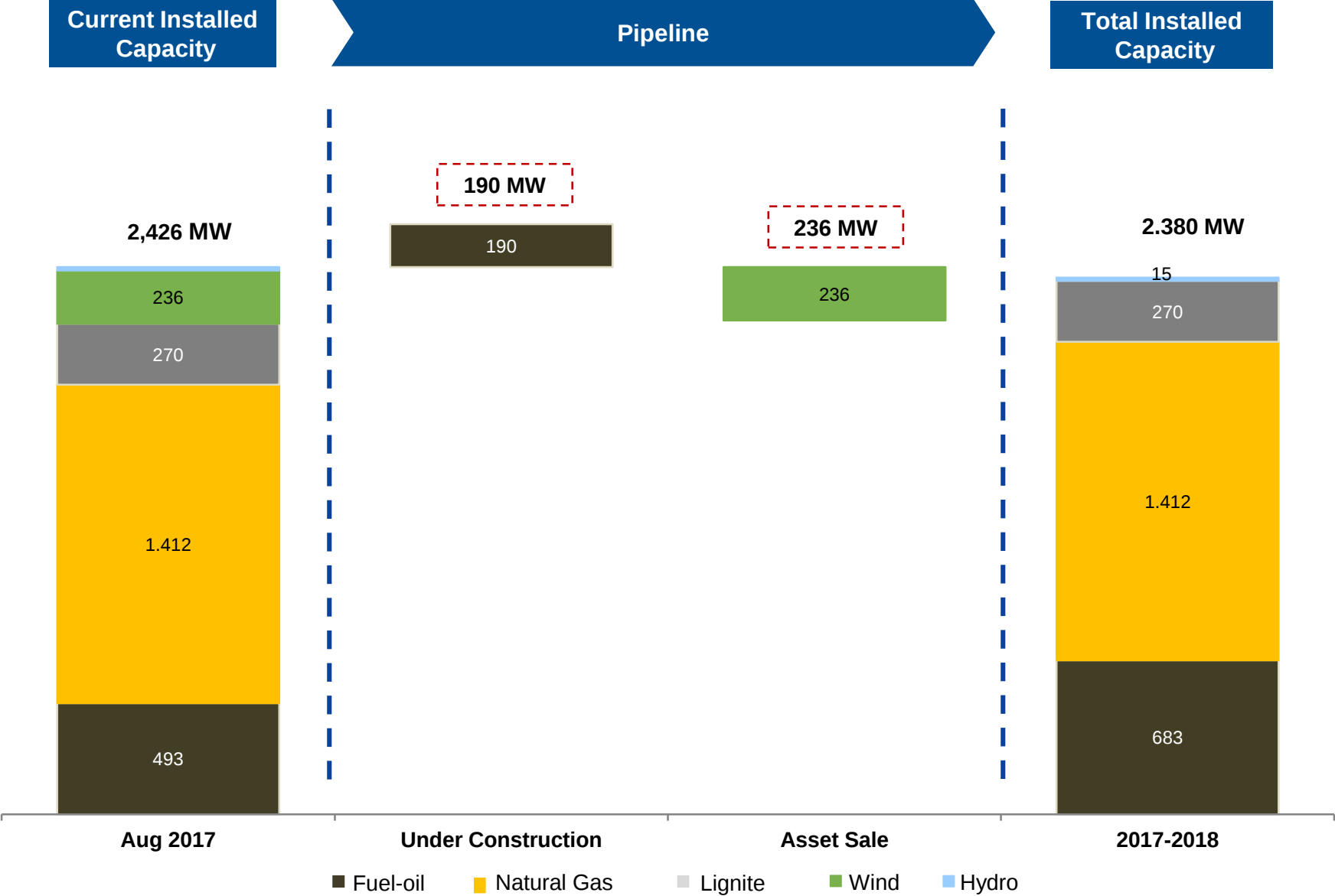


**Lignite
(1 plant)**
270 MW
11%

3 assets under operation across Africa



Pipeline of 3 international projects adding 190 MW to our portfolio



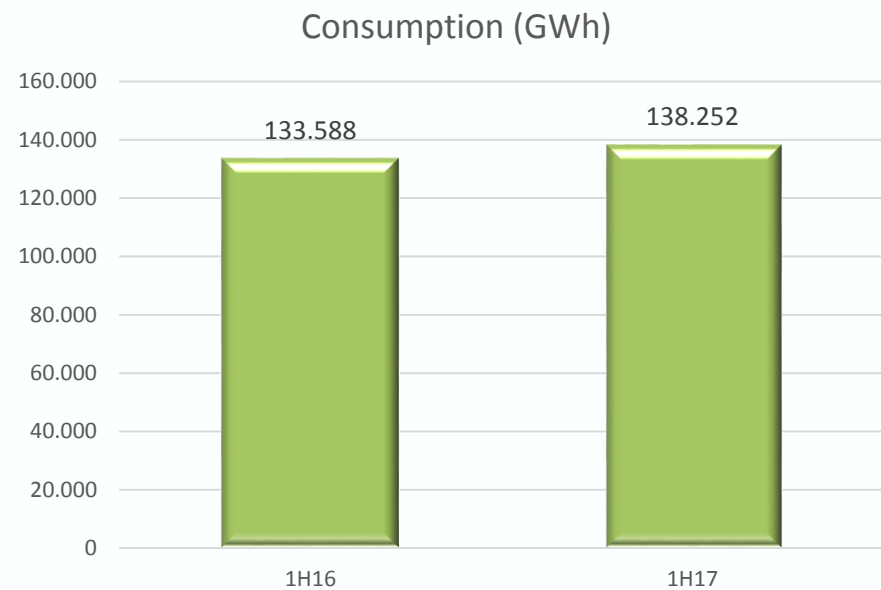
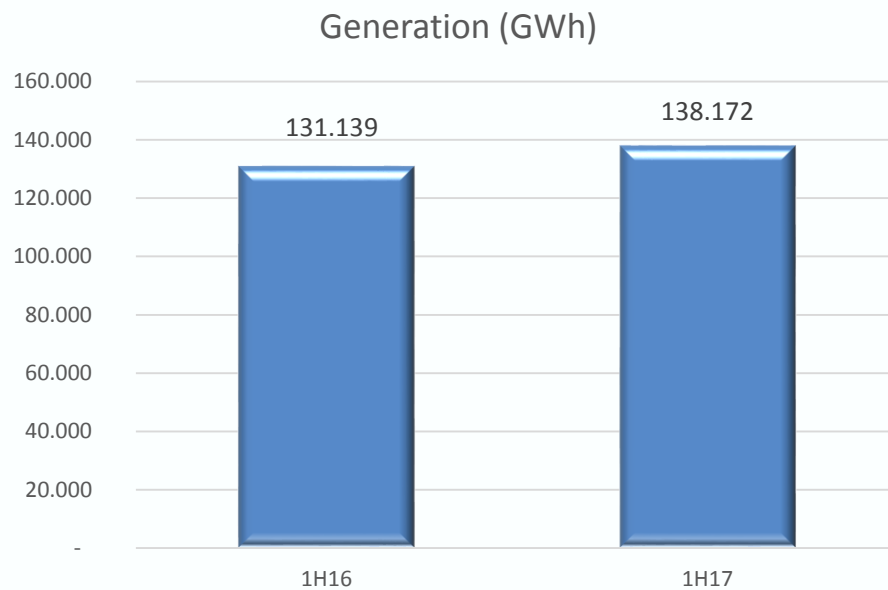
THE SECTOR



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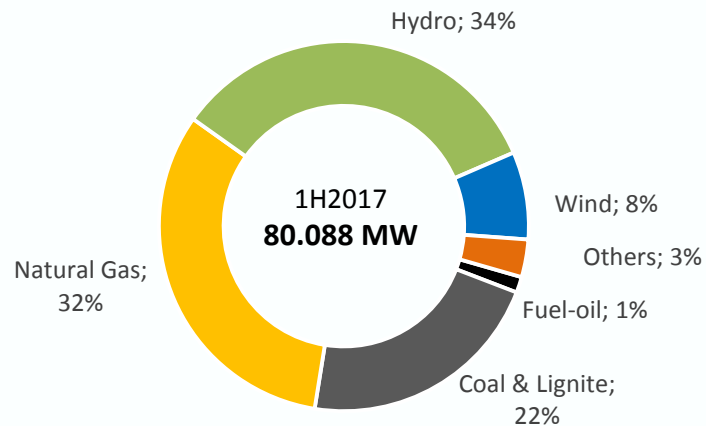
Market Highlights- Generation & Consumption

- Electricity generation increased by %5 while consumption increased by 3% YoY in 1H2017.

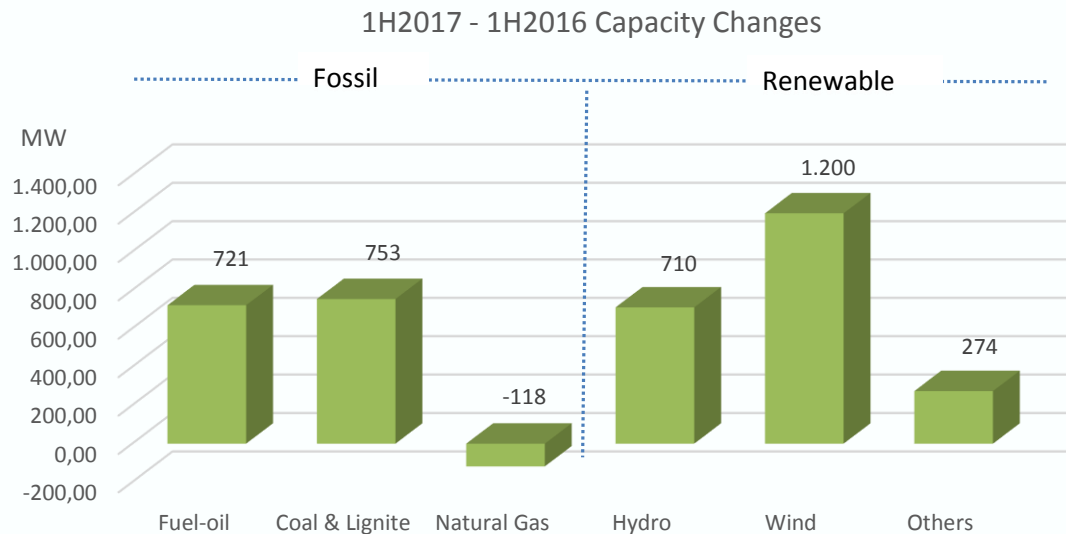


Market Highlights - Installed Capacity Changes

- Total installed capacity in Turkey has reached 80.088 MW in 1H2017, an increase of 3.538 MW, indicating an 5% increase YoY.

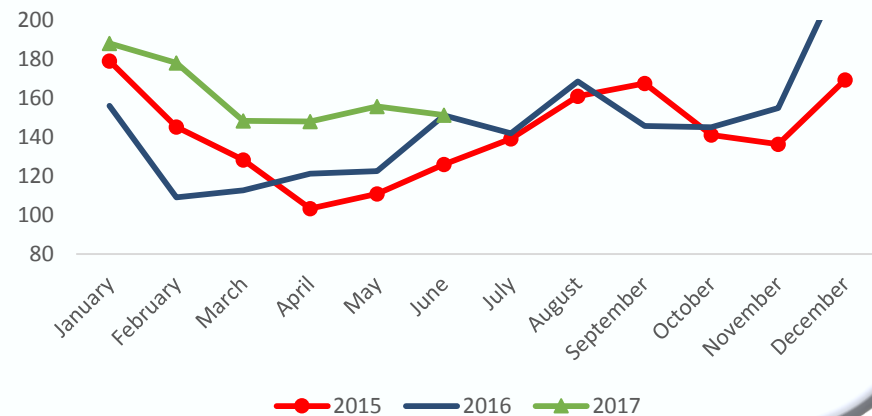
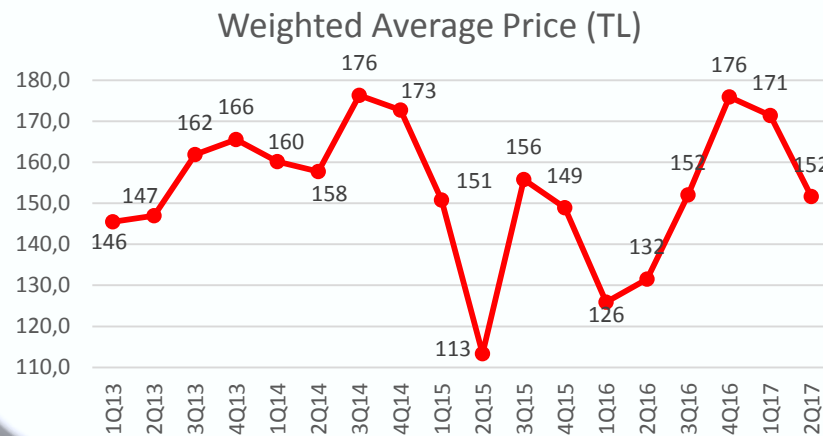


- When new and decommissioned capacities are netted off, there is an increase of 1.200 MW in wind, 753 MW in coal & lignite, 721 MW in fuel-oil, 710 MW in hydro and decrease of 118 MW in natural gas capacities in 1H 2017 YoY.



Market Highlights - Prices

- ❑ Weighted average spot price was 162 TL in 1H 2017, 25% higher YoY due to:
 - 1H 2016 setting a very low base (mild weather & very strong renewable production)
 - Natural gas consumption limitations brought upon generation facilities and heavy weather conditions in 1Q 2017
 - Government's cost effective use of BOT plants (increased purchases from the market)
 - Power purchase agreements with domestic coal PPs decreasing purchases from BOTs
 - Increase in demand due to weather conditions
 - Increase in imported coal prices YoY
 - Decrease in hydroelectric production due to lower water levels



FINANCIAL & OPERATIONAL HIGHLIGHTS

1H 2017



1H 2017 Results - Snap Shot

*

	1Q 2017	2Q 2017	QoQ	2Q 2016	2Q 2017	YoY	1H 2016	1H 2017	YoY
Installed Capacity (MW)*	2.104 MW	2.426 MW	322 MW	2.198 MW	2.426 MW	228 MW	2.198 MW	2.426 MW	228 MW
Sales Volume (GWh)**	4.203	4.237	0,8%	3.886	4.237	9,0%	7.647	8.440	10,4%
Net Sales (TL mn)	738	875	18,5%	576	875	51,8%	1.302	1.613	23,9%
Gross Profit (TL mn)	24	51	114,1%	76	51	-33,1%	147	74	-49,5%
Operating Inc. (TL mn)	17	34	102,6%	65	34	-47,9%	133	51	-62,0%
EBITDA (TL mn)	62	96	55,0%	104	96	-8,0%	220	157	-28,4%
Net Income (TL mn)	-88	3	nm	-15	3	nm	-7	-85	nm
EBITDA Margin	8,4%	10,9%	+2.5 pp	18,0%	10,9%	-7.1 pp	16,9%	9,8%	-7.2 pp
Operating Profit Margin	2,3%	3,9%	+1.6 pp	11,3%	3,9%	-7.4 pp	10,2%	3,1%	-7.1 pp
*As at 15 August 2017 for 2Q2017 and 1H2017.									
** Excludes Ghana sales volume									

1H 2017– Sales Breakdown (excl. Africa)

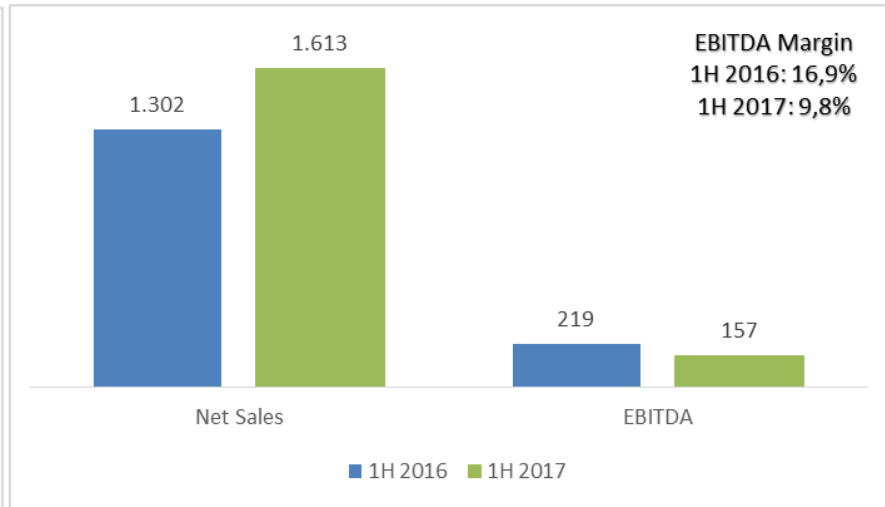
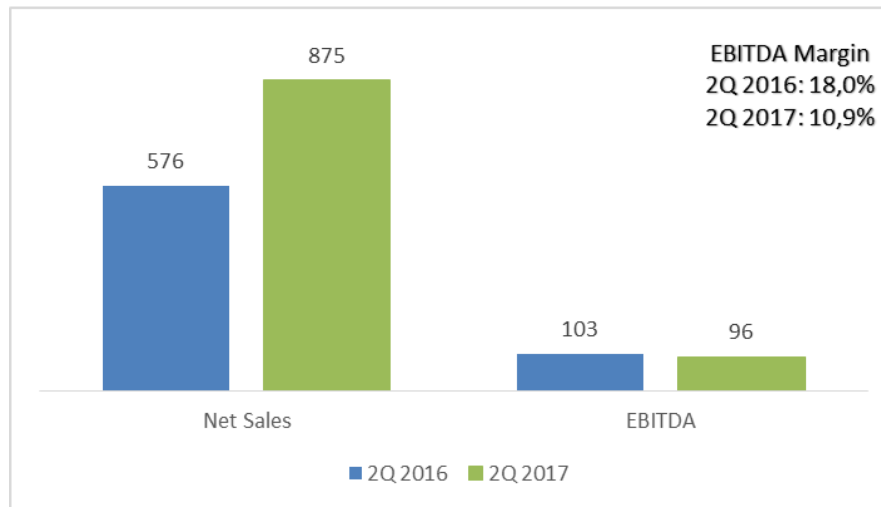
*

	MWh	TL/MWh	MWh	TL/MWh	MWh	TL/MWh
Northern Cyprus	179.631	378	175.906	388	355.537	383
Renewable Market (YEKDEM)	192.332	266	112.655	272	304.987	268
BSM (Spot Market Sales)*	886.272	184	984.011	172	1.870.283	178
Affiliated DisCos	821.690	143	702.120	139	1.523.810	141
OTC & Bilateral	2.122.779	148	2.262.452	145	4.385.230	147
TOTAL SALES	4.202.704	170	4.237.143	164	8.439.847	167

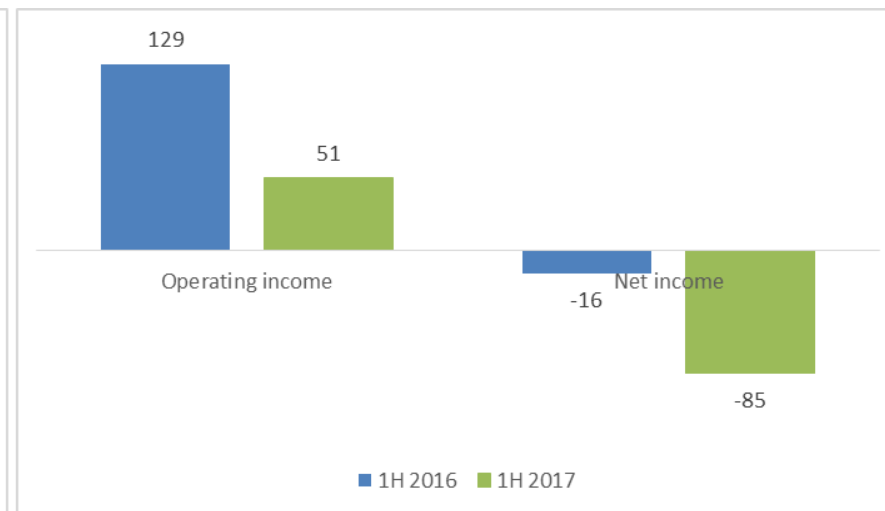
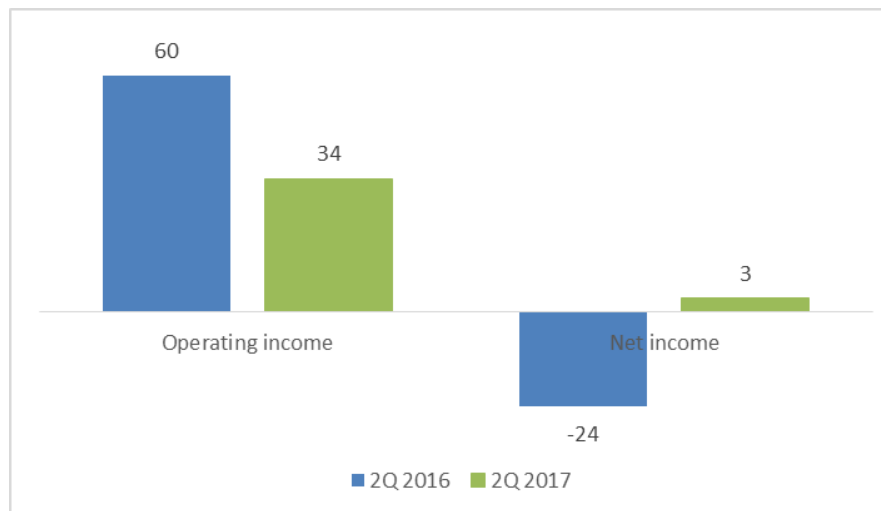
Financial highlights 1H 2017

Consolidated income statement

Net sales & EBITDA (TL mn)



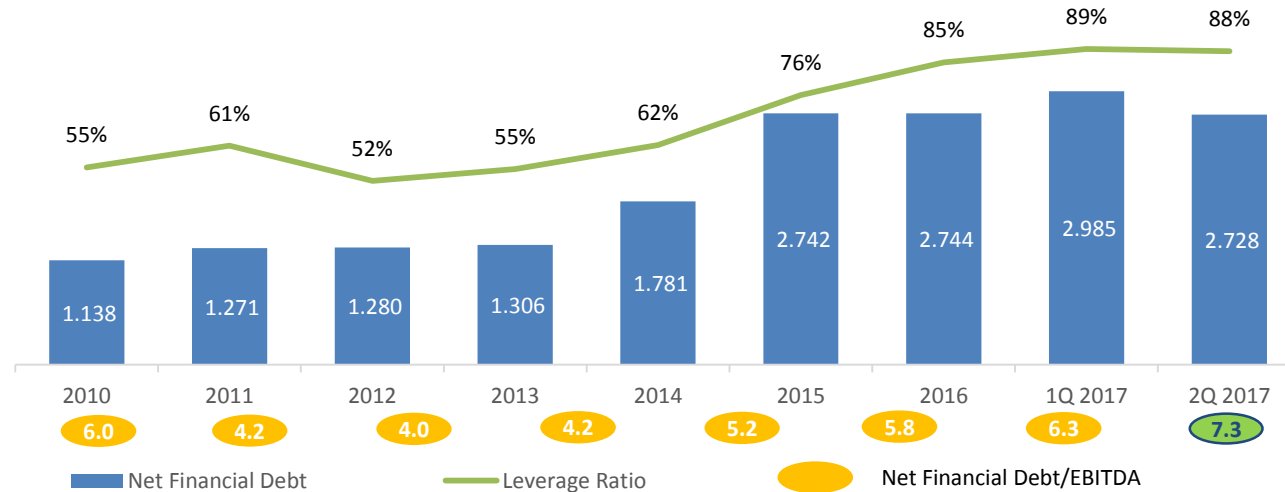
Operating income & Net income (TL mn)



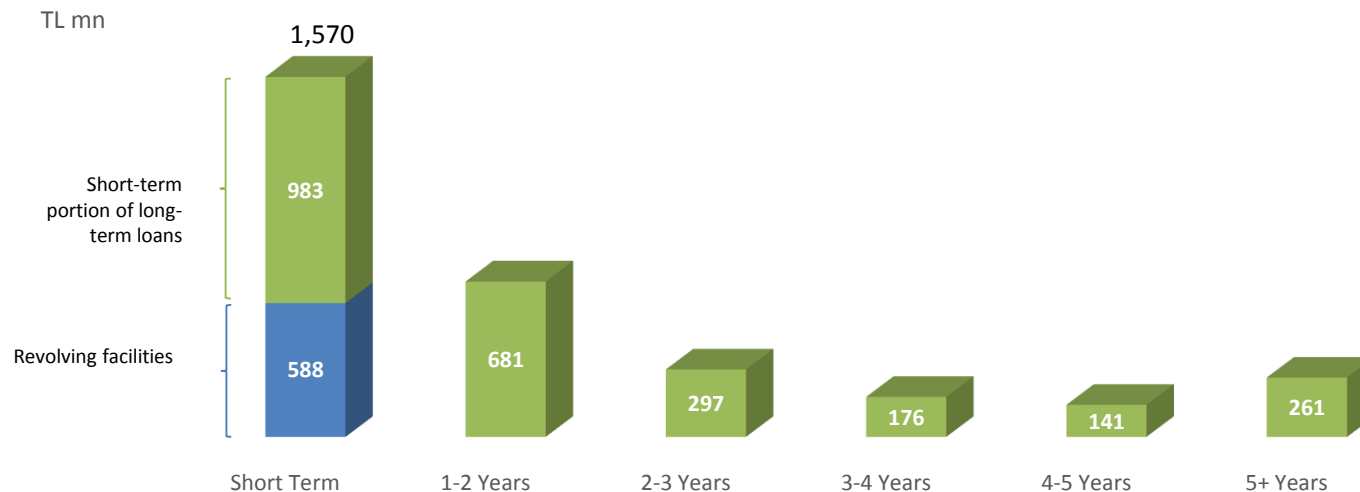
Financial highlights 1H 2017

Net financial debt and repayment schedule

Net financial debt (TL mn)



Repayment schedule of short and long term notes (TL mn)



45% of our bank loans is in TL, 46% is in USD and 9% in EUR.

POWER PLANTS & INTERNATIONAL PROJECTS



aksa
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GHANA HFO Power Plant – Already operational with 280 MW



Over 120,000 m² power plant area
Land purchased
1200 containers are on site
650 employees on site (90% local)
200 employees to work once construction is completed
(Picture as at 10 May 2017)

Construction completed in 9,5 months utilising existing equipment from idle PPs in Turkey, reducing cash CAPEX. (Picture as at 10 May 2017)

GHANA – Fast Track USD Based Cash Generation

- ❑ Became operational at the end of March with 192.5MW and increased to 280 MW at the beginning of August.
- ❑ Option to go up to 370 MW by YE2018
- ❑ 15% of consumption in the country in 2018 onward to be provided by Aksa Energy
- ❑ 2017E production: 1.36 TWh (revised down from 1.45 TWh)
- ❑ 2018E production: 2.5 TWh

Madagascar – 20 year contract with generation in 2017



Picture as at June 2017

Madagascar – Key Points

- ❑ 66 MW to be commissioned by the end of August 2017
- ❑ Became operational in July with 25 MW and increased to 50 MW at the beginning of August
- ❑ 54 MW (phase 2) to be aligned with construction of transmission lines
- ❑ 2017E production: 0.2 TWh
- ❑ 2018E production: 0,5 TWh

Mali – 3 year contract with generation in 2017



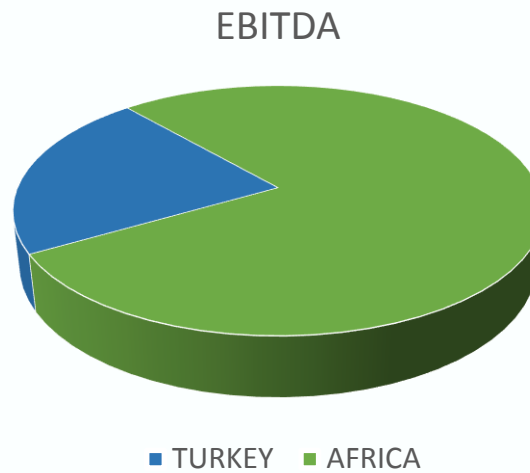
Picture as at June 2017

Mali – Key Points

- ❑ €4mn mobilisation fee is received
- ❑ €1.6mn payment guarantee is received
- ❑ Became operational at the beginning of August with 10 MW
- ❑ Full commissioning (40 MW) in August
- ❑ 2017E production: 0,1 TWh
- ❑ 2018E production: 0,24 TWh
- ❑ 13% of consumption in the country to be provided by Aksa Energy

TURKEY & AFRICA

African PPs will be making up 77% of EBITDA in 2017



2017 GUIDANCE



Turkish Business- Guidance Revision

Turkish business is revised down from USD 47mn to USD 32mn due to:

- ❑ Ancillary services

This was a very lucrative business, which had resulted in increased capability in Antalya CCGT from 80MW to 125 MW. However this year, the market became extremely competitive, whereby YAT orders (reject-load) increased by 71% from TRY 70 to TRY 120.

- ❑ Peak and off-peak price difference

The margin decreased substantially, decreasing the profitability of contracted sales due to expensive procurement from the spot market

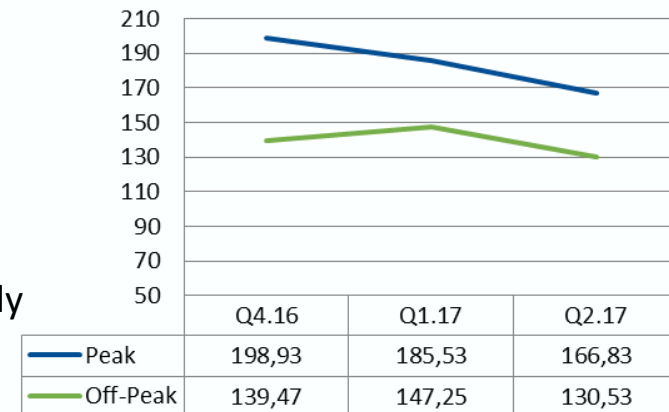
- ❑ Renewable sales' profitability

TRY appreciation was smaller than expected, negatively affecting our budgeted figures

- ❑ Bolu Göynük in 1Q

Loss of generation in Bolu Göynük in 1Q due to technical problems

Peak / Off-Peak Prices



Turkey Guidance - Revision

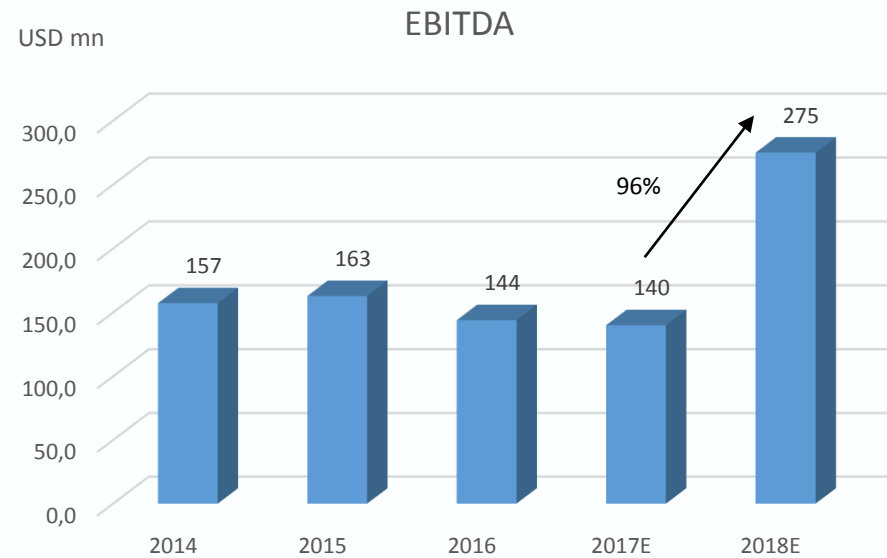
Potential upsides:

- ❑ capacity charge for natural gas and coal PPs is expected to be implemented by the Ministry this year,
- ❑ the price of support mechanism (guaranteed purchases by TETAŞ) provided for domestic coal fired PPs is expected to be revised up, based on inflation and/or devaluation,
- ❑ the purchase guarantee for domestic coal fired PPs is also expected to be extended to 10 years,

all of which are not budgeted in the revised guidance.

2017 GUIDANCE REVISED – 2018 GUIDANCE MAINTAINED

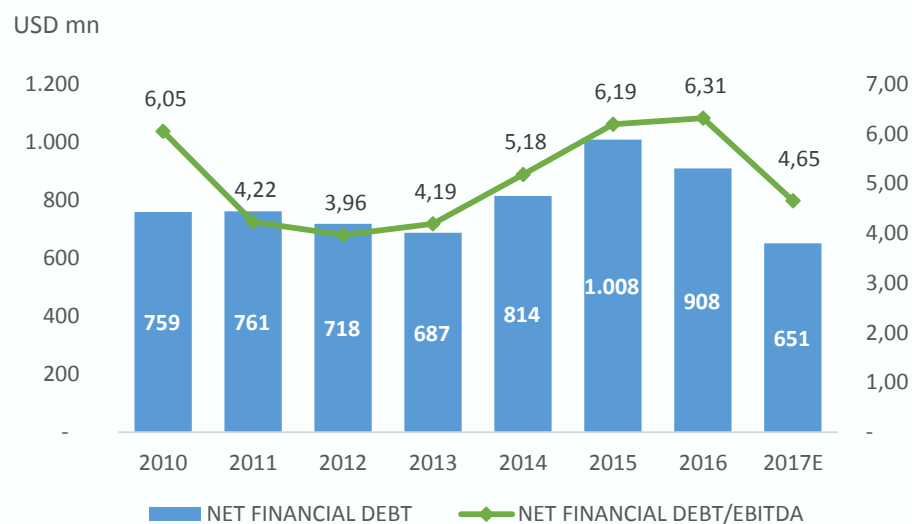
- ▣ Sales: 17 TWh
- ▣ Revenues: TRY 2.5 bn (\$695 mn)
- ▣ CAPEX: TRY 293 mn (\$78 mn)
- ▣ EBITDA: TRY 504 mn (\$140 mn)
- ▣ 2018E EBITDA: USD 275mn



2017 Guidance – Improvement in Debt Ratio

Solid EBITDA growth achieved via African PPs along with financial debt reduction via asset sale results in:

- ❑ Sharp decline in net financial debt by YE2017
- ❑ Sharp decline in net financial debt to EBITDA ratio from 6,3x in YE2016 to 4,65x in YE2017.



Consolidated income statement

(TRY mn)	31.12.2010	31.12.2011	31.12.2012	31.12.2013	31.12.2014	31.12.2015	31.12.2016	31.03.2017	30.06.2017
Net sales	911,9	1.315,4	1.840,6	1.786,0	1.957,4	2.306,7	3.178,2	738,4	1.613,0
Cost of sales	-775,5	-1.088,0	-1.604,0	-1.565,9	-1.710,8	-1.979,5	-2.907,2	-714,7	-1.538,8
Gross profit	136,4	227,4	236,6	220,1	246,6	327,2	271,0	23,6	74,2
<i>Gross profit margin</i>	<i>15,0%</i>	<i>17,3%</i>	<i>12,9%</i>	<i>12,3%</i>	<i>12,6%</i>	<i>14,2%</i>	<i>8,5%</i>	<i>3,2%</i>	<i>4,6%</i>
General & administrative costs	-17,8	-16,0	-16,7	-18,0	-22,2	-22,5	-30,0	-12,7	-30,7
Sales and marketing costs	-1,8	-3,0	-2,1	-2,0	-2,0	-0,5	-0,8	-0,4	-0,7
Research & development costs	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Other operating income	14,2	1,7	6,7	5,0	3,8	3,3	12,8	12,6	16,2
Other operating expenses (-)	-2,7	-53,0	-21,4	-8,7	-18,5	-11,2	-9,3	-6,4	-8,5
Operating income	128,2	157,0	203,0	196,3	207,6	296,3	243,7	16,8	50,6
<i>Operating income margin</i>	<i>14,1%</i>	<i>11,9%</i>	<i>11,0%</i>	<i>11,0%</i>	<i>10,6%</i>	<i>12,8%</i>	<i>7,7%</i>	<i>2,3%</i>	<i>3,1%</i>
Gain from investing activities	0,0	0,0	0,0	0,3	1,4	29,2	4,0	19,3	76,7
Loss from investing activities	0,0	0,0	0,0	-1,1	-0,2	-0,6	-90,2	0,0	-0,1
Financing income	154,3	108,1	221,0	142,8	199,6	218,9	51,5	110,6	57,0
Financing expense	-197,8	-381,6	-197,8	-494,4	-381,8	-769,0	-636,1	-250,3	-288,1
Earnings before income tax	84,7	-116,5	226,2	-156,1	26,6	-225,2	-427,1	-103,5	-104,0
<i>EBT margin</i>	<i>9,3%</i>	<i>-8,9%</i>	<i>12,3%</i>	<i>-8,7%</i>	<i>1,4%</i>	<i>-9,8%</i>	<i>-13,4%</i>	<i>-14,0%</i>	<i>-6,4%</i>
Tax	-14,1	-5,5	-6,6	22,8	12,8	4,2	59,5	15,1	19,0
Net income	70,7	-122,0	219,6	-133,3	39,4	-221,1	-367,6	-88,4	-85,0
<i>Net income margin</i>	<i>0,1</i>	<i>-0,1</i>	<i>0,1</i>	<i>-0,1</i>	<i>0,0</i>	<i>-0,1</i>	<i>-0,1</i>	<i>-0,1</i>	<i>-0,1</i>
EBITDA	188,3	300,8	323,1	311,8	343,9	442,9	434,9	61,7	157,3
<i>EBITDA margin</i>	<i>20,7%</i>	<i>22,9%</i>	<i>17,6%</i>	<i>17,5%</i>	<i>17,6%</i>	<i>19,2%</i>	<i>13,7%</i>	<i>8,4%</i>	<i>9,8%</i>

Source: IFRS financial statements

Consolidated balance sheet

Assets (TRY mn)	31.12.2010	31.12.2011	31.12.2012	31.12.2013	31.12.2014	31.12.2015	31.12.2016	31.03.2017	30.06.2017
Cash and cash equivalents	78,3	110,1	40,6	22,3	34,2	48,5	219,4	6,0	199,5
Trade receivables net	113,0	261,5	245,9	142,3	88,7	119,8	219,7	262,9	337,5
Due from related parties and shareholders	607,9	360,0	593,9	0,0	4,4	67,3	59,9	61,1	18,2
Inventory	81,3	121,5	135,5	250,0	269,2	339,8	416,4	420,8	475,1
Derivative Financial Instruments	0,0	0,0	0,0	2,7	2,7	0,0	6,5	8,4	8,4
Other current assets	58,6	77,7	84,9	77,4	116,6	164,8	104,8	124,9	113,7
Assets Held For Sale	12,9	13,4	0,0	0,0	0,0	0,0	448,9	453,8	465,4
Total current assets	952,0	944,3	1100,8	494,7	515,8	740,2	1475,7	1337,9	1617,8
Trade receivables	0,0	0,0	0,0	1,3	0,0	2,5	20,2	12,1	15,4
Investments	1,6	1,6	1,6	1,5	1,9	0,4	0,4	0,4	0,4
PP&E	1375,7	1613,0	1627,3	2109,7	2730,0	3236,0	2546,7	2626,7	2564,4
Goodwill	6,0	9,5	9,5	7,1	7,1	6,8	6,8	3,3	3,3
Intangibles	0,7	1,1	1,7	1,9	1,9	3,4	61,0	63,0	67,9
Other non-current assets	20,3	43,4	87,0	113,2	80,6	99,9	1,5	1,4	1,5
Deferred tax assets	4,1	4,1	4,1	36,7	56,2	63,2	143,1	166,2	160,0
Total non-current assets	1408,4	1672,7	1731,2	2271,4	2877,7	3412,2	2779,8	2873,3	2812,9
Total assets	2360,5	2617,0	2832,0	2766,1	3393,5	4152,4	4255,4	4211,2	4430,7
Liabilities (TRY mn)	31.12.2010	31.12.2011	31.12.2012	31.12.2013	31.12.2014	31.12.2015	31.12.2016	31.03.2017	30.06.2017
Financial liabilities	413,2	489,5	564,3	265,6	439,6	938,0	1345,3	1451,6	1642,5
Trade payables, net	197,6	359,5	284,7	326,1	431,8	280,4	294,4	321,1	421,9
Due to Related Parties and Shareholders	0,0	0,0	0,0	10,3	0,0	132,8	64,7	78,3	102,2
Taxation payable on income	13,5	4,4	6,6	7,5	9,6	6,8	8,7	6,0	2,6
Other payables and accrued liabilities	9,9	70,4	11,7	14,8	15,8	4,8	9,4	14,0	155,2
Derivative Financial Instruments	0,0	0,0	0,0	0,0	1,5	7,2	0,0	0,0	0,0
Liabilities held for sale	0,0	0,0	0,0	0,0	0,0	0,0	369,5	358,1	401,8
Total current liabilities	634,2	923,8	867,3	624,3	898,3	1370,0	2092,0	2229,1	2726,2
Long-term financial liabilities	803,4	891,5	756,4	1062,7	1375,8	1852,4	1618,1	1538,9	1285,5
Retirement pay provision	1,3	1,8	2,2	3,0	5,2	0,0	0,0	0,0	0,0
Other liabilities	0,0	0,0	0,0	1,3	0,0	4,4	2,9	3,8	2,9
Deferred tax liability	2,9	2,9	2,9	3,5	4,8	44,6	52,2	56,3	44,1
Long Term Liabilities	807,7	896,2	761,5	1070,5	1385,8	1901,3	1673,1	1599,0	1332,4
Paid in capital	579,5	579,5	615,2	615,2	615,2	615,2	615,2	615,2	615,2
General reserves	173,7	242,9	120,8	339,9	206,5	99,1	71,7	53,7	73,2
Share premium	96,0	96,5	247,4	247,4	247,4	247,4	247,4	247,4	247,4
Cash Flow Hedge Reserve	0,0	0,0	0,0	2,1	1,0	-5,8	1,1	1,5	0,5
Net profit for the year	69,4	-122,0	219,9	-133,3	39,4	-74,8	-445,0	-534,6	-564,3
Shareholder's equity	918,6	797,0	1203,2	1071,3	1109,4	881,1	490,3	383,1	372,0
Total liabilities and equity	2360,5	2617,0	2832,0	2766,1	3393,5	4152,4	4255,4	4211,2	4430,7

Source: IFRS financial statements

Consolidated statement of cash flows

(TRY mn)	31.12.2010	31.12.2011	30.09.2012	31.12.2012	31.12.2013	31.12.2014	31.12.2015	31.12.2016	31.03.2017	30.06.2017
Net income (loss) before tax	69,4	-122,0	206,2	226,5	-156,1	26,6	-221,1	-367,6	-88,4	-85,0
Depreciation and amortisation	71,7	92,5	77,5	105,3	111,8	121,5	146,6	191,2	44,9	106,7
Other adjustments	30,1	236,7	-75,0	-53,1	193,9	82,0	195,1	623,9	90,0	81,7
Change in working capital	18,6	-20,3	-75,6	-189,5	7,5	123,6	-246,9	-481,8	67,0	216,7
Operating cash flows	189,8	187,0	133,1	89,2	157,1	353,8	-126,3	-34,4	113,5	320,1
Purchased and Disposal of PP&E	-400,9	-330,2	-89,4	-130,4	-395,7	-676,7	-555,0	-66,8	-123,5	-206,4
Purchase and disposal of equity investments	-0,1	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Other investing activities	-18,7	-4,4	12,7	13,5	0,3	-0,4	0,0	23,6	33,5	108,1
Investing cash flows	-419,7	-334,6	-76,7	-116,9	-395,4	-677,1	-555,0	-43,2	-89,9	-98,3
Financing cash flows	291,9	179,4	-81,5	-41,9	220,0	335,3	720,7	171,9	-41,6	-58,0
Net cash flows	62,0	31,7	-25,1	-69,6	-18,2	11,9	39,5	94,3	-18,1	163,8

Source: IFRS financial statements

APPENDIX



aksa
ENERJİ

340 MW Asset Sale – USD 409 mn

81 MW HES
Kozbükü
(completed in 4Q 2016)

USD 89 mn

USD 55 mn bank loans to be paid off

232 MW RES
Sebenoba, Karakurt, Şamlı, Ayvacık, Kapıdağ,
Belen/Atik, Kıyıköy

USD 298 mn (plus \$21.6mn additional)

USD 159 mn bank loans to be paid off

Out of 259 MW, two WPP's sale have been completed, reaching USD 35.5mn proceeds, USD 10.77 mn loans paid off and 23 MW sold.

Additional USD 21.6 mn will be received once the buyer starts capacity expansion in Kıyıköy WPP.

A total of +TRY300mn net profit expected (not including the additional USD 21.6 mn from Kıyıköy)

The sales process of each asset will be completed after the approvals of EPDK (Energy Market Regulatory Authority), Competition Authority and Ministry of Economy.

The cash proceeds will be used for decreasing the short term liabilities.

Licence Portfolio (Operational)

Power Plant	License Owner	Fuel Type	Installed Capacity (MW)	%
Northern Cyprus	Aksa Cyprus	Fuel-oil	153	
Ghana	Aksa Energy	Fuel-oil	280	
Mali	Aksa Energy	Fuel-oil	10	
Madagascar	Aksa Energy	Fuel-oil	50	
Total Fuel-Oil fired power plants			493	20%
Antalya NGCC	Aksa Energy	Natural Gas	1.150	
Manisa NGCC	Aksa Energy	Natural Gas	115	
Şanlı Urfa	Rasa Energy	Natural Gas	147	
Total Natural Gas fired power plants			1.412	58%
Balıkesir Şamlı	Baki	Wind	114	
Hatay Sebenoba	Deniz	Wind	60	
Manisa Karakurt	Deniz	Wind	11	
Kapıdağ	Kapıdağ	Wind	24	
Kıyıköy	Alenka	Wind	27	
Total Wind power plants			236	10%
Çorum İncesu	Aksa Energy	Hydro	15	
Total Hydro power plants			15	1%
Bolu Göynük	Aksa Göynük	Lignite	270	
Total Lignite fired power plants			270	11%
Total Power Plants			2.426	

Ongoing Investments

Under Construction					
Power Plant	Investment	License Owner	Fuel Type	Capacity (MW)	Completion Year
Ghana	Greenfield	Aksa-Ghana	HFO	90*	2017-2018
Madagascar	Greenfield	Aksaf Power	HFO	70**	2017-2019
Mali	Greenfield	Aksa	HFO	30***	2017
				190	
Total				190	

- The above projects are utilising mostly existing equipments from Şırnak, Hakkari, Mardin 1, Mardin 2, Samsun, Van, and Siirt power plants.

* 280 MW of Ghana HFO Power Plant became operational in the beginning of August.

**The first engines in the 25 MW installed capacity were taken early and the provisional approval of the plant was completed by the Ministry. Then it became 50 MW in the beginning of August. The rest of the first phase, 16 MW, will be commissioned gradually. The second phase, 54 MW, will be operational after the transmission lines in the region are completed by the World Bank. Expected time frame for the completion of the transmission lines are 2018. Completion year is stated as 2019 to factor in any possible delays in the construction of transmission lines.

*** 10 MW of Mali HFO Power Plant became operational in the beginning of August.

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