Tupras

Better-than-expected results…

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Tupras reported a net profit of TRY 68,677 mn in 3Q26 under inflation-adjusted (IAS-29) financials. The figure exceeded our estimate of TRY 59,878 mn by 14.7% and the market median expectation of TRY 60,406 mn by 13.7%. Net profit increased by 335.3% YoY. While operating profitability was in line with our estimate, the positive deviation in net profit was mainly driven by financial income and tax items. Net financial income reached TRY 9,395 mn, while a net monetary loss of TRY 3,406 mn partially weighed on the bottom line.

Tupras generated EBITDA of TRY 88,733 mn in 3Q26. The figure was 0.6% below our estimate of TRY 89,286 mn and 4.2% above the market median expectation of TRY 85,162 mn. EBITDA increased by 245.7% YoY, while the EBITDA margin rose from 9.0% in 3Q25 to 18.7% in 3Q26. The main driver of EBITDA growth was the net refining margin reaching a record USD 36.3/bbl. According to the company's pre-tax profit bridge, higher product margins contributed TRY 77,106 mn YoY, while crude oil and intermediate product price differentials and energy costs had negative impacts of TRY 13,102 mn and TRY 850 mn, respectively. The 106% capacity utilization rate and record sales volume of 8.8 mn tons enabled the strong margin environment to be reflected in the financials. EBITDA based on the company's definition stood at TRY 89,539 mn, while the limited positive inventory effect of TRY 2,195 mn (EBITDA excluding inventory effect: TRY 87,344 mn) indicates that the improvement in profitability was mainly operational.

Tupras posted 3Q26 net sales of TRY 474,390 mn, 4.1% above our estimate of TRY 455,748 mn and 10.1% above the market median expectation of TRY 430,868 mn. Net sales increased by 65.7% YoY in 3Q26. The increase was mainly driven by higher product prices and a 10% YoY rise in sales volume to 8.8 mn tons. Domestic sales rose by 13% YoY to a record 7.9 mn tons, supported by higher diesel and gasoline sales.

OUTPERFORM
TP: 395,00 TRY
Previous TP: 395,00 TRY
Upside: %17

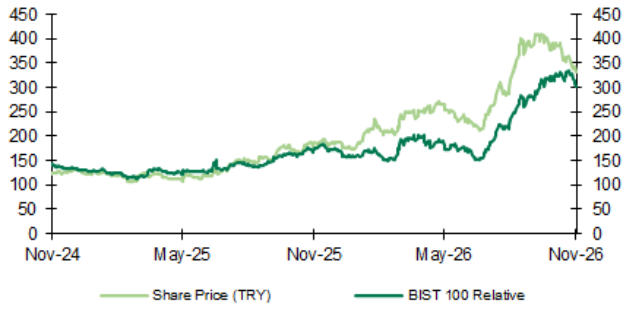
	TRY	US$
Close	337,50	6,75
BIST 100	11.483	230
US$/TRY (CB Bid Rate):	50,07	
52 Week High:	409,90	8,46
52 Week Low:	172,79	4,03
Bloomberg/Reuters Ticker:	TUPRS.TI / TUPRS.IS	

Number of Shares (Mn):	1.926,8	
	(TRY Mn)	(US$ Mn)
Current Mcap:	650.294	13.010
Free Float Mcap:	318.644	6.375

	1 M	YOY	YTD
TRY Return (%):	-11,0	80,4	93,9
US$ Return (%):	-12,6	51,8	66,4
BIST 100 Relative (%):	-4,1	74,0	90,2
Avg. Daily Vol. (TRY Mn):	7.231,47		
Avg. Daily Vol. (US$ Mn):	157,94		

Beta	0,60
Volatility (Stock)	0,38
Volatility (BIST 100)	0,24

Shareholder Structure	%
Enerji Yatırımları A.Ş.	46,40
Koç Holding A.Ş.	6,35
Companies Owned By Koc Family Members	0,47
Public Float	46,78
Total	100,00



Operational developments… Tupras' net refining margin stood at USD 36.3/bbl in 3Q26, significantly above USD 9.7/bbl in 3Q25 and USD 21.4/bbl in 2Q26. The loss of approximately half of Russia's refining capacity, product export restrictions and supply disruptions in the Middle East tightened the middle distillate market. Accordingly, the diesel margin rose from USD 49.3/bbl in 2Q26 to USD 81.3/bbl, the jet fuel margin from USD 52.0/bbl to USD 69.1/bbl and the gasoline margin from USD 24.3/bbl to USD 44.6/bbl. The HSFO margin remained negative at USD -19.6/bbl. Although heavy crude differentials eased from their elevated 2Q26 levels, persistently high freight and insurance costs and the negative YoY differential impact partially limited the margin contribution. Tupras produced 7.6 mn tons and sold 8.8 mn tons in 3Q26 with a capacity utilization rate of 106%, the highest quarterly level in the last five years, while white product yield stood at 82%. In 9M26, capacity utilization was 98.8%, production 21.3 mn tons and sales volume 24.0 mn tons.

Cash flow and balance sheet… Free cash flow, based on the company's definition, stood at USD 3,601 mn in 9M26, while capital expenditures amounted to USD 532 mn. As of September 30, 2026, the net cash position increased to TRY 165.4 bn from TRY 130.7 bn at end-June, while the working capital requirement stood at TRY -35.5 bn.

Company Guidance for 2026... Tupras raised its 2026 net refining margin guidance from USD 13-15/bbl to USD 20-22/bbl, while maintaining its other operational targets. Given the 9M26 net refining margin of USD 23.0/bbl, the new guidance implies a normalization in margins in 4Q26.

Overall, we view the 3Q26 results as positive. The record net refining margin, high capacity utilization and record sales volume supported operational performance, while financial income and the tax line drove the above-expectation net profit. As a significant part of 3Q26 margins stemmed from temporary supply disruptions, the pace of normalization in crack margins will be the key factor to monitor going forward. Strong cash generation and a net cash position exceeding TRY 165 bn support dividend and investment capacity.

Following the 3Q26 financial results, we maintain our 12-month target price for Tupras at TRY 395.00 per share. Our target implies 17% upside potential over the last closing price, and we reiterate our "OUTPERFORM" recommendation for the stock.

Figure 1: Financials (Including IAS -29)

TRY Million	9M25	9M26	YoY	3Q25	3Q26	YoY
Revenues	**776.244**	**1.174.095**	**51,3%**	**286.274**	**474.390**	**65,7%**
Gross Profit	**75.021**	**182.666**	**143,5%**	**30.695**	**93.854**	**205,8%**
Gross Profit Margin	*9,7%*	*15,6%*		*10,7%*	*19,8%*	
EBIT	**45.903**	**149.847**	**226,4%**	**21.146**	**83.999**	**297,2%**
EBIT Margin	*5,9%*	*12,8%*		*7,4%*	*17,7%*	
EBITDA	**59.458**	**163.948**	**175,7%**	**25.670**	**88.733**	**245,7%**
EBITDA Margin	*7,7%*	*14,0%*		*9,0%*	*18,7%*	
Net Profit	**28.311**	**121.301**	**328,5%**	**15.778**	**68.677**	**335,3%**
Net Profit Margin	*3,6%*	*10,3%*		*5,5%*	*14,5%*	

Source: Finnet, Seker Invest Research

Figure 2: Key Financials (Including IAS-29)

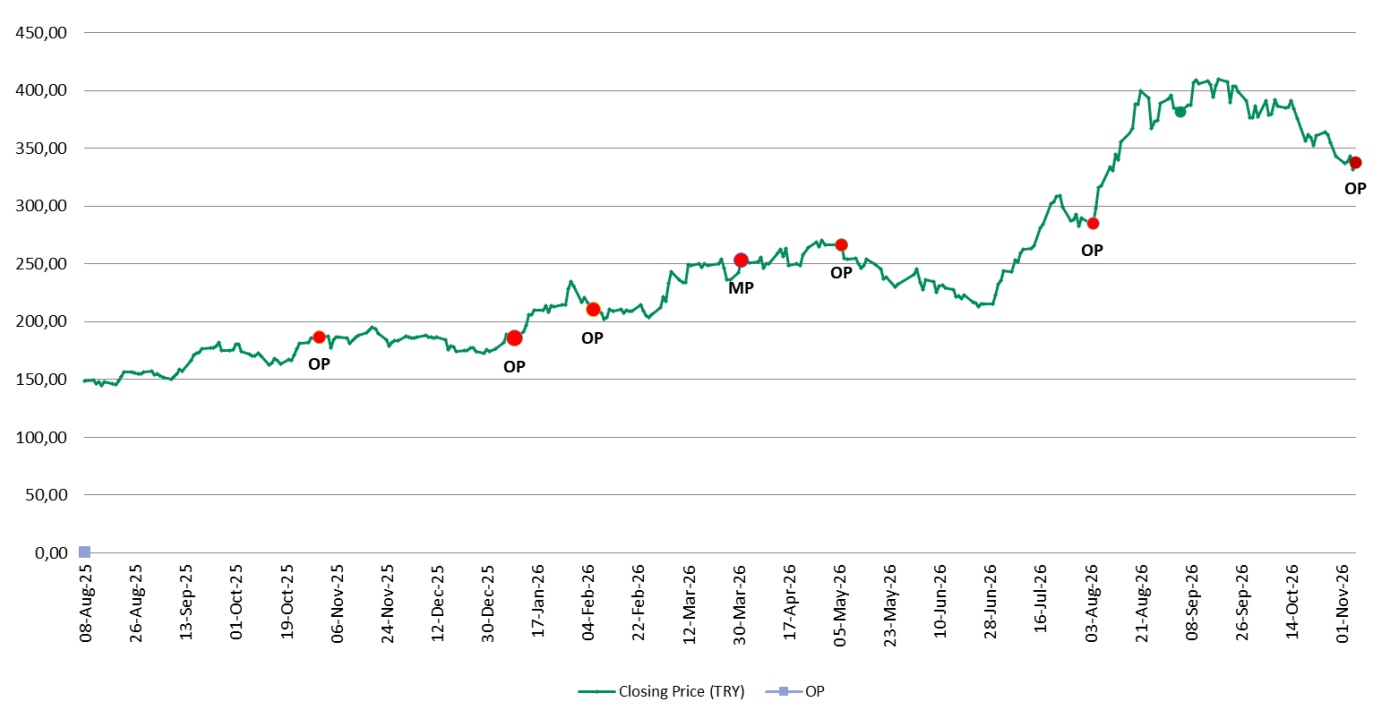
BALANCE SHEET (TRY Mn)	2025/12K	2026/09K	Chg%
PP&E	368.289	378.076	3
Intangibles	12.593	11.630	(8)
Other Non-Current Assets	60.496	64.391	6
Trade Receivables	65.581	127.700	95
Cash&Equivalents	133.314	255.498	92
Other Current Assets	95.651	134.787	41
Total Assets	**735.924**	**972.083**	**32**
Long Term Debt	35.342	40.960	16
Other Non current liabilities	29.797	24.968	(16)
Short Term Debt	27.127	10.437	(62)
Trade Payables	131.171	255.540	95
Other Current Liabilities	52.728	109.353	107
Total Liabilities	276.165	441.257	60
Total Equity	459.759	530.826	15
Total Equity&Liabilities	**735.924**	**972.083**	**32**

Source: Finnet, Seker Invest

INCOME STATEMENT (TRY Mn)	2025/09K	2026/09K	Chg%
Net Sales	776.244	1.174.095	51
COGS	701.222	991.429	41
Gross Profit/(Loss)	75.021	182.666	143
Operating Expenses	29.118	32.818	13
Operating Profit/(Loss)	38.795	144.137	272
Net Other Operational Gain/(Loss)	(7.108)	(5.711)	N.M.
Income/(Loss) from Investing Activities	(3)	(13)	N.M.
Financial Income/(Expense)	3.614	14.452	300
Monetary Gain/Loss	(3.309)	(7.045)	N.M.
Share of profit of equity accounted investments	1.441	1.145	(21)
Profit Before Tax (Loss)	**40.537**	**152.675**	**277**
Tax	11.987	30.558	155
Net Profit/(Loss)	**28.550**	**122.118**	**328**
Minority Interest	239	817	242
Parent Equity	28.311	121.301	328,5

TUPRS *Source: Finnet, Seker Invest*

Historical Recommendations and Target Price



Date	Recommendation	Target Price (TRY)
31-Oct-25	Outperform (OP)	237,80
9-Jan-26	Outperform (OP)	283,79
6-Feb-26	Outperform (OP)	283,79
31-Mar-26	Outperform (OP)	355,76
6-May-26	Outperform (OP)	355,76
4-Aug-26	Outperform (OP)	395,00
6-Nov-26	Outperform (OP)	395,00

Basis for 12m equity ratings

Outperform: The total return is expected to exceed the return of the BIST 100 by more than 10%.
Underperform: The total return is expected to fall below the return of the BIST 100 by more than 10%.
Market Perform: The total return is expected to be in line with the return of the BIST 100.

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