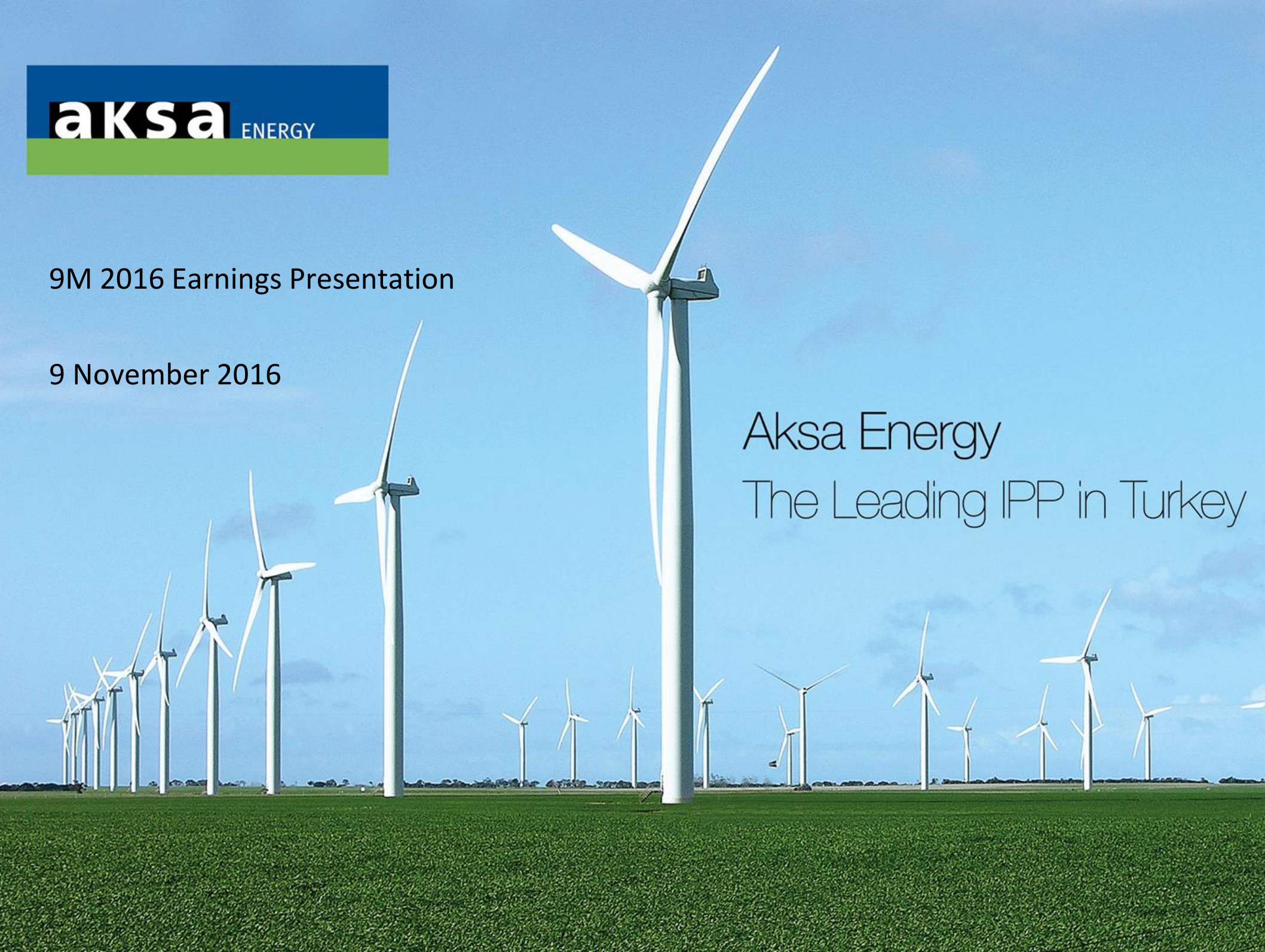




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9M 2016 Earnings Presentation

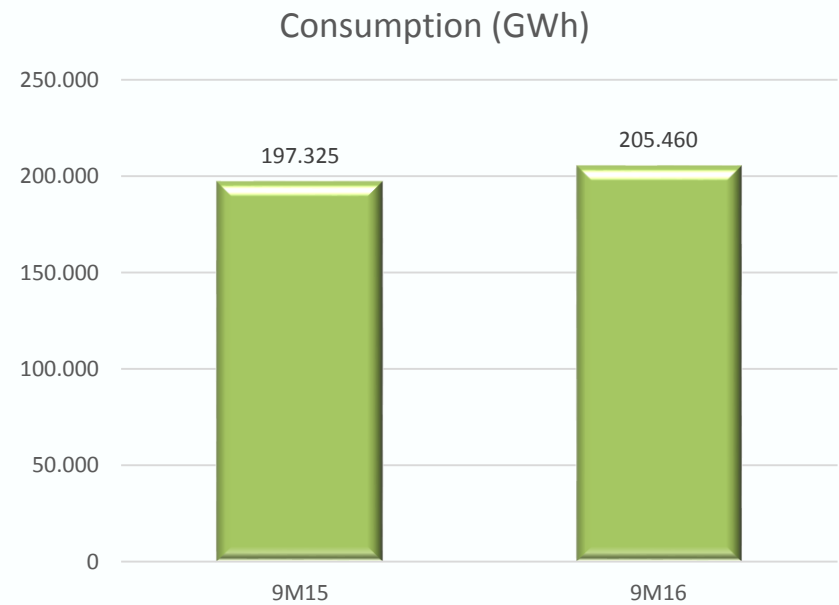
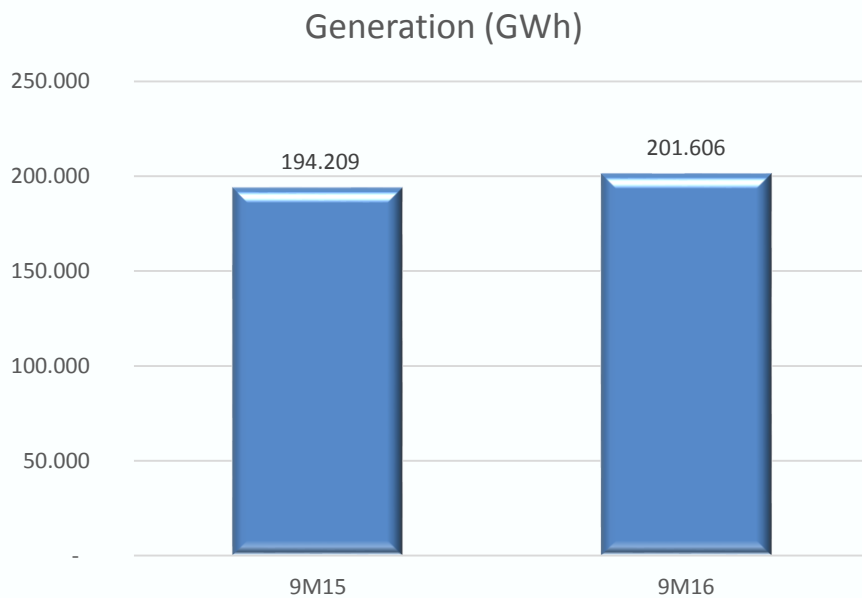
9 November 2016



Aksa Energy
The Leading IPP in Turkey

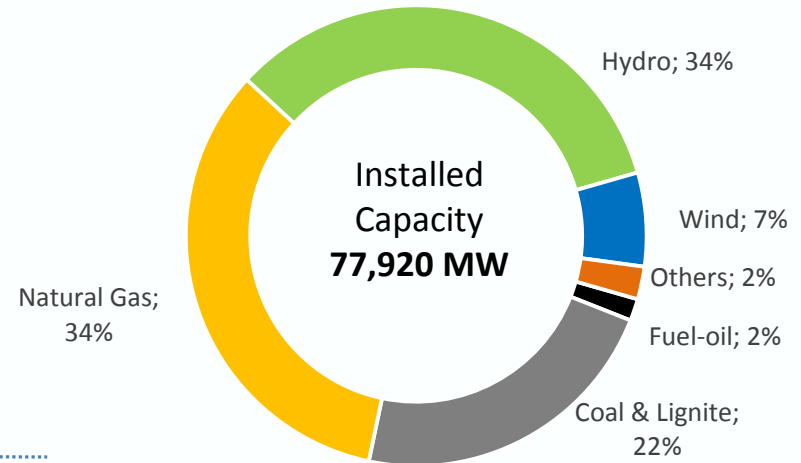
Market Highlights- Generation & Consumption

- Electricity generation increased by %3.8 and consumption increased by 4.1% YoY in 9M16.

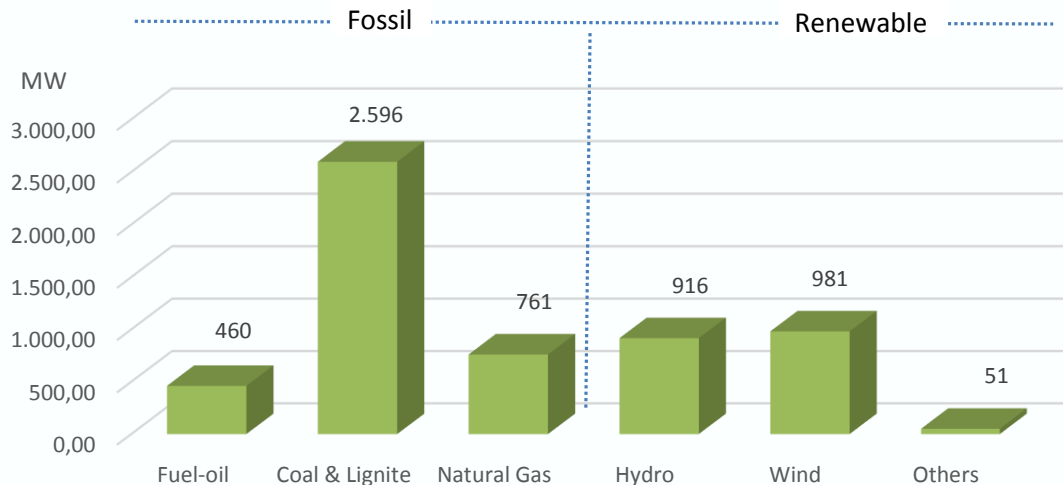


Market Highlights - Installed Capacity Changes

- Total installed capacity in Turkey has reached 77,920 MW in 9M16, indicating a 7% increase YoY.



9M16 - 9M15 Capacity Changes

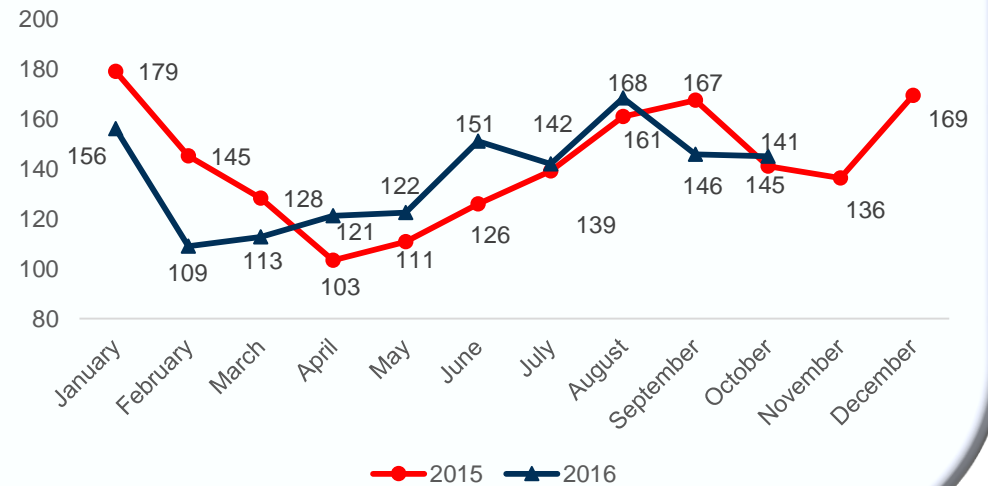
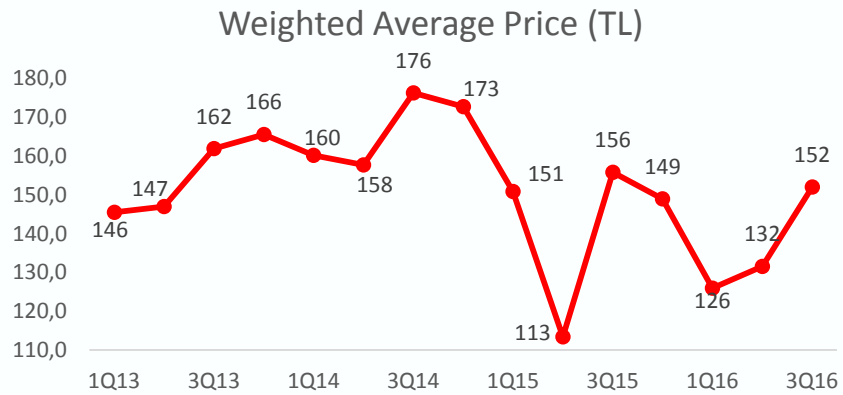


- When new and decommissioned capacities are netted off, there is an increase of 2,596 MW in coal & lignite, 916 MW in hydro, 981 MW in wind, 460 MW in fuel-oil and 761 MW in natural gas capacities in 9M16 YoY.

Market Highlights - Prices

Weighted average prices were 2.5% lower YoY in 9M16 due to:

- ❑ 1,897 MW new renewable capacity (981MW WEPP+916 MW WEPP)
- ❑ Increased production from renewable capacities at low cost
- ❑ Increased participation at YEKDEM scheme discouraging water retention for peak season
- ❑ Low cost new coal & lignite capacities
- ❑ Excess capacity



Financial & Operational Highlights

9M 2016



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9M 2016 Results - Snap Shot

	2012	2013	2014	Adjusted 2015	YoY Change	1Q16	2Q16	3Q16	QoQ	Adjusted 9M15	9M16	YoY
Installed Capacity (MW)	2.045	2.052	2.140	2.076	-64 MW	2.211	2.198	2.279	81 MW	2.192	2.279	81 MW
Sales Volume (GWh)	9.784	9.109	9.814	14.018	43%	4.178	3.886	5.127	32%	9.925	12.774	29%
Net Sales (TL mn)	1.841	1.786	1.957	2.490	27%	726	576	910	58%	1.782	2.212	24%
Gross Profit (TL mn)	236	220	247	318	29%	71	76	77	3%	270	224	-17%
Operating Inc. (TL mn)	218	196	208	288	39%	68	65	71	9%	278	204	-26%
EBITDA (TL mn)	323	312	344	436	27%	116	104	124	19%	383	344	-10%
Net Income (TL mn)	220	-133	39	-228	nm	8	-15	-71	nm.	-240	-78	nm.
EBITDA Margin	17,6%	17,5%	17,6%	17,5%	-0.1 pp	15,9%	18,0%	13,6%	-4.4 pp	21,5%	15,5%	-6.0 pp
Operating Profit Margin	12,0%	11,0%	10,6%	11,6%	+1.0 pp	9,4%	11,3%	7,8%	-3.5 pp	15,6%	9,2%	-6.4 pp

9M 2016 Results – Sales Breakdown

	1Q 2016		2Q 2016		3Q 2016		9M 2015		9M 2016	
	MWh	TL/MWh	MWh	TL/MWh	MWh	TL/MWh	MWh	TL/MWh	MWh	TL/MWh
Northern Cyprus	174.808	212,1	176.372	221,5	178.688	279,2	519.187	304,0	529.868	237,9
Renewable Market (YEKDEM)	231.572	214,8	142.760	223,4	227.180	232,1	316.232	178,1	601.511	223,4
BSM (Spot Market Sales)*	257.364	269,8	374.245	305,2	543.083	309,1	2.889.880	173,8	1.174.693	287,4
Affiliated DisCos	76.134	127,2	296.040	128,5	197.352	156,7	854.725	183,7	569.526	138,1
OTC & Bilateral	3.020.631	157,6	2.896.816	150,6	3.980.873	152,4	5.345.344	169,9	9.898.320	154,9
TOTAL SALES	3.760.508	170,7	3.886.233	169,7	5.127.177	177,1	9.925.369	179,5	12.773.918	173,0

* BSM (Spot Market Sales) in 2016 are made up of orders (YAL: Take Load/Yük Al) from Turkish Electricity Transmission Company (TEİAŞ) that are used to smooth out the imbalances in the whole system. Therefore, 2016 figures are not comparable with 2015 figures.

Company Highlights - Cost Structure (TL)

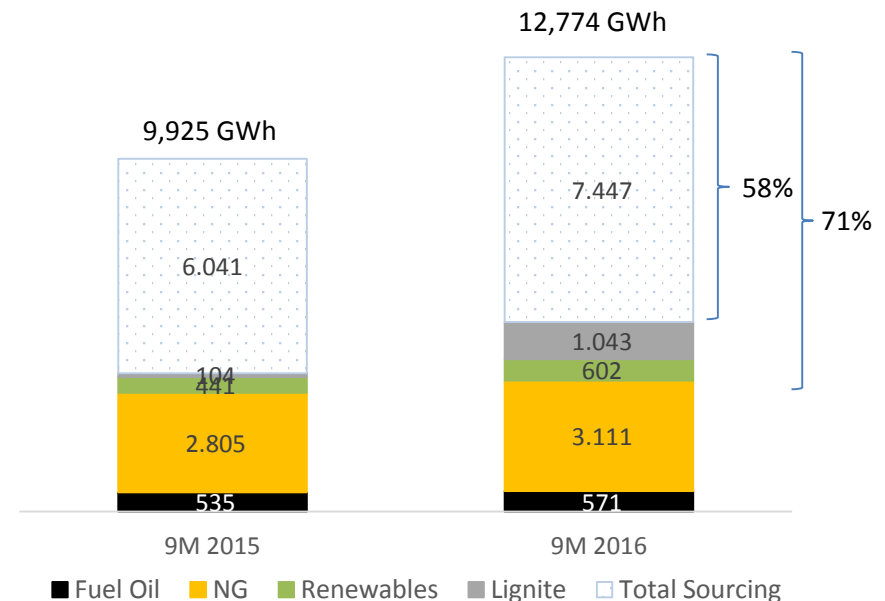
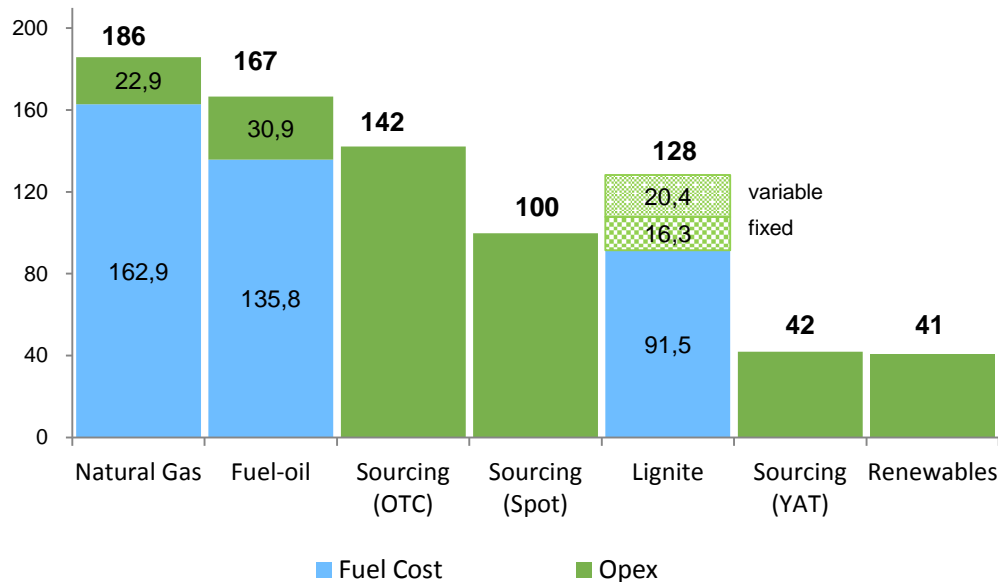
Cost Structure vs. Sales Price (1H 2016)



Improving Lower Cost Output



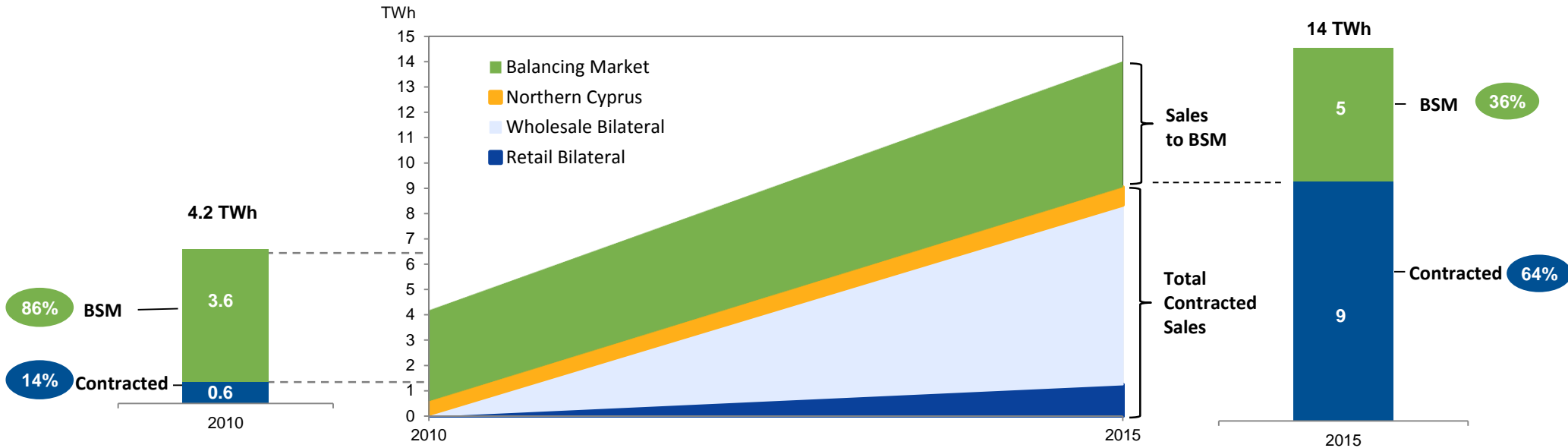
TL/MWh



- Blending of more cost-effective renewables and lignite, along with sourcing provides us a better cost base.
- «Renewable resource» pipeline of 45 MW till the end of 2017 will further decrease our cost base.
- Going forward we expect the total cost of Bolu to stabilise at 120 TL.

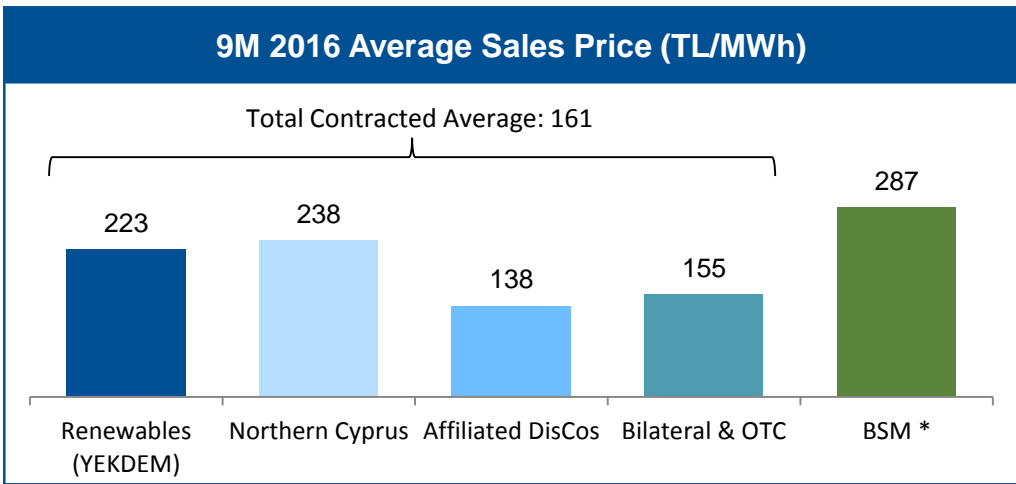
- 29% increase in total sales volume YoY.
- Share of «renewables & local resources & sourcing» has gone up as the low price environment continued, enabling increased amounts of low cost procurement to reduce the cost base YoY.
- Procurement volumes are expected to continue at high levels given depressed price levels, as the contracted sales volume increases.

Company Highlights - Sales mix and prices (TL)



2010 - Contracted Sales

- 245 bilateral customers⁽¹⁾
- 592 GWh contracted sales
 - out of which 186 GWh is bilateral
- 14% of total sales



2015- Contracted Sales

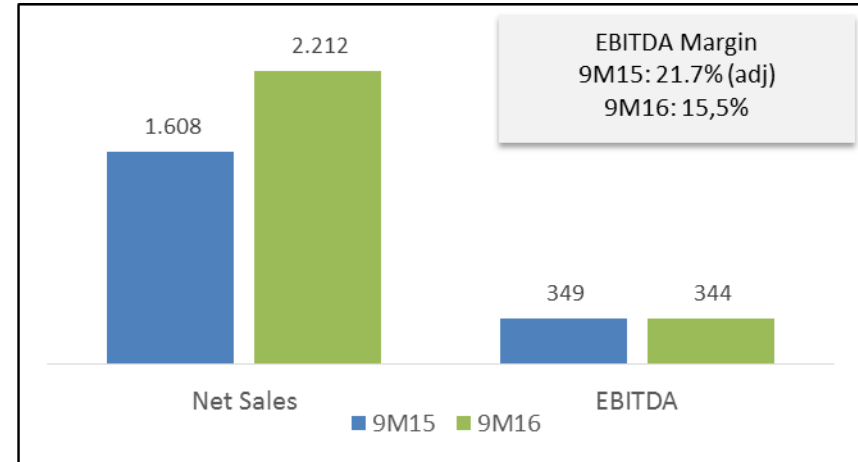
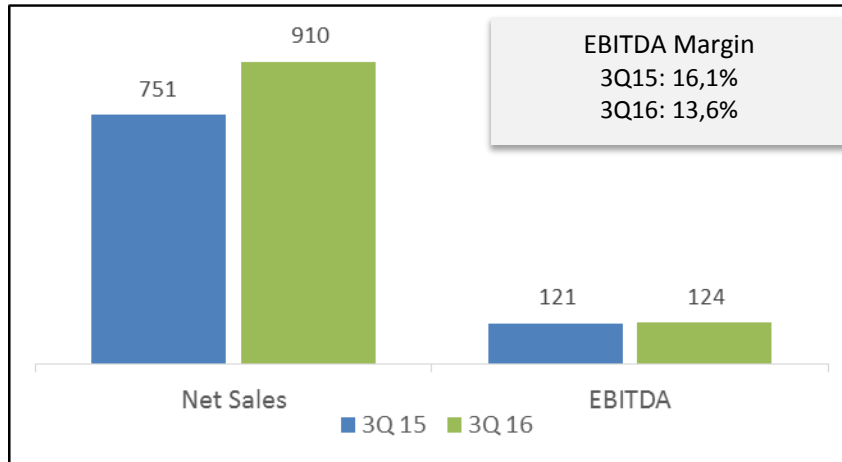
- 125,912 bilateral customers**
- 14 TWh contracted sales
- 64% of total sales
- In 9M 2016 contracted sales constituted 91% of total sales.

* BSM (Spot Market Sales) in 2016 are made up of orders (YAL: Take Load/Yük Al) from Turkish Electricity Transmission Company (TEİAŞ) that are used to smooth out the imbalances in the whole system.
 ** Bilateral customers are contracted by the affiliates of Kazancı Group. Akxa Enerji has contracts with the affiliates of Kazancı Group.

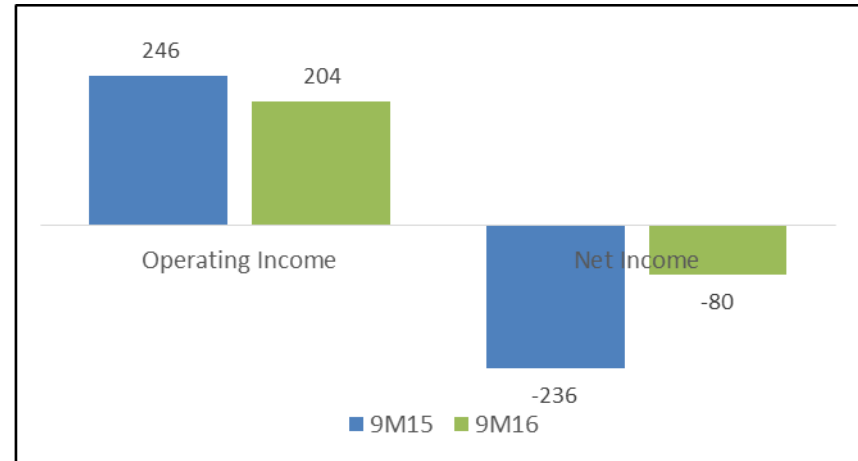
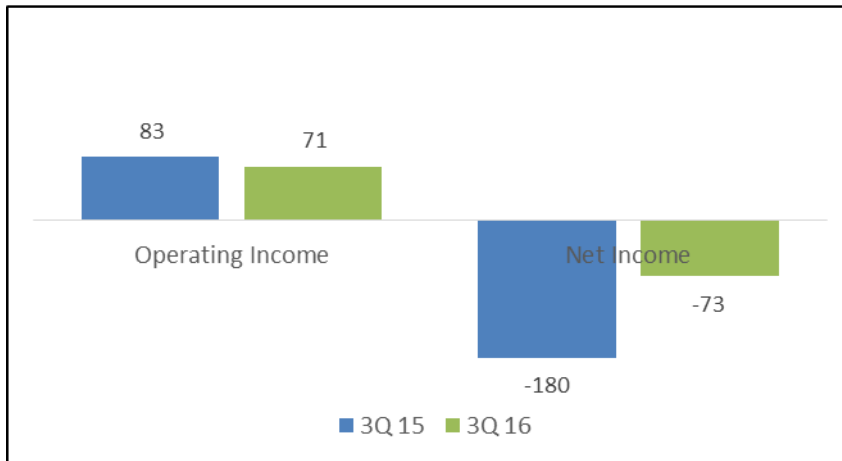
Financial highlights 9M 2016

Consolidated income statement

Net sales & EBITDA (TL mn)



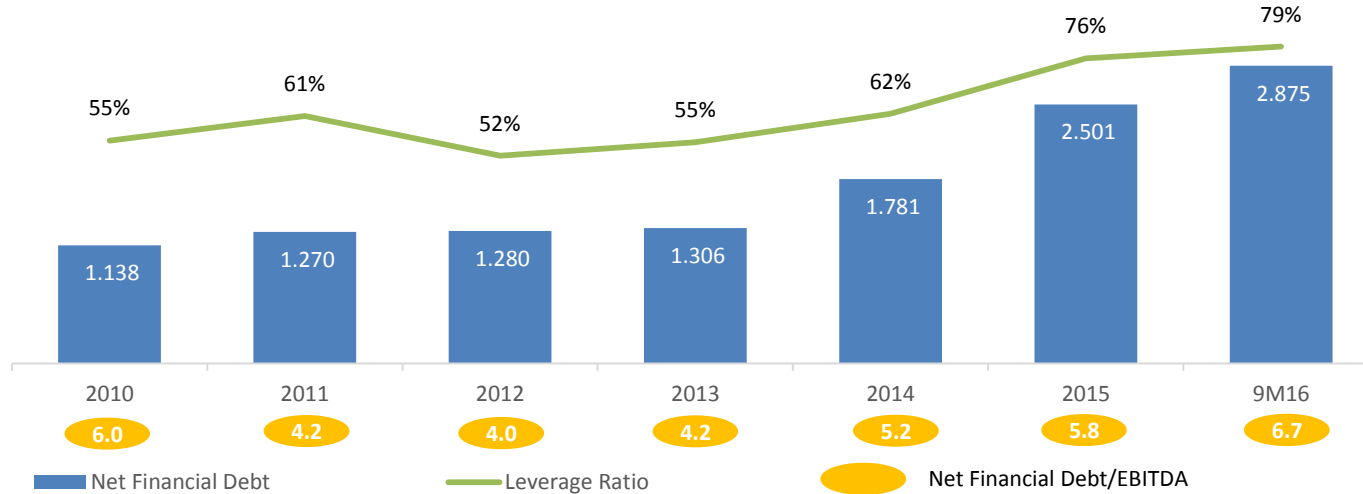
Operating income & Net income (TL mn)



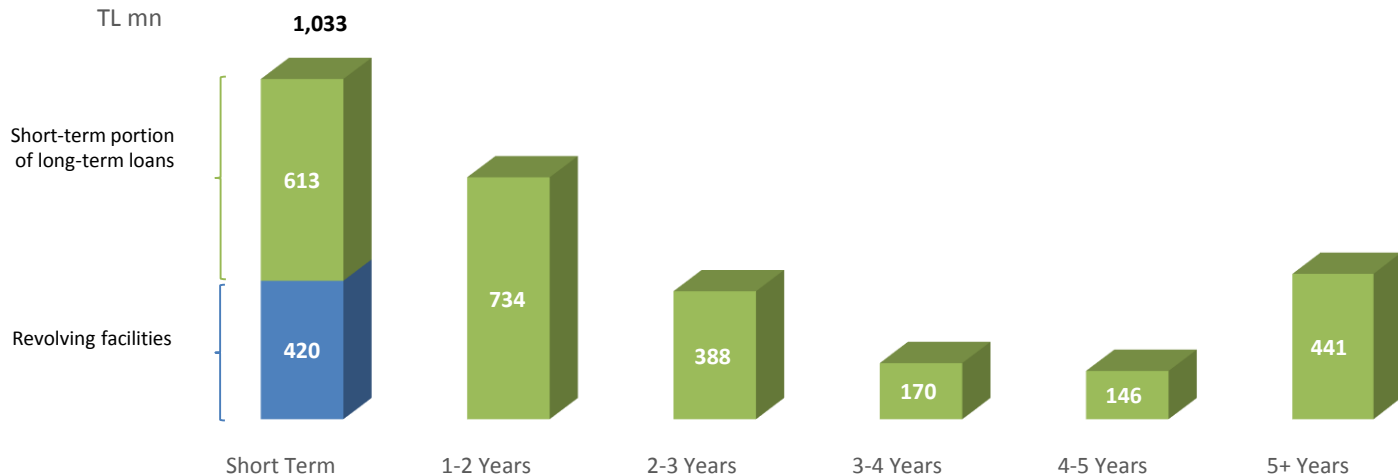
Financial highlights 9M 2016

Net financial debt and repayment schedule

Net financial debt (TL mn)



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



48% of our bank loans is in TL, 41% is in USD and 11% in EUR.

2016 Guidance – Financials

- ❑ Sales: 15.4 TWh
- ❑ Revenues: TRY 2.5 bn
- ❑ Average Aksa Price: TRY 164 (vs expected average market price of TRY 135)
- ❑ CAPEX: USD 150 mn
- ❑ EBITDA: TRY 480 mn

African Projects



Madagascar PPA – 20 year contract with generation in 2017

- ❑ 20 year power purchase agreement (PPA) in the Republic of Madagascar with Jiro Sy Rano Malagasy (Jirama), the state-owned electricity and water services company.
- ❑ Established a 58,35% subsidiary in the Republic of Mauritius (Aksaf Power Ltd) with a local partner for installation of a 120 MW HFO plant, electricity generation and the guaranteed sale of this energy.
- ❑ Aksaf Power Ltd to start the project once the advance payments and collaterals are in place.
- ❑ The tariff is set in USD.
- ❑ Expected guaranteed sales of 700,000 MWh/year .
- ❑ Land, fuel procurement, all licences and permits related to the project will be provided by Jirama.
- ❑ The construction to start in 4Q2016 and generation to commence gradually in 2017.
- ❑ Equipment from the existing HFO plants will be used enabling minimal CAPEX.
- ❑ Opportunity to hedge our FX debt with a natural mechanism, increase our profitability and sales volume.

Ghana PPA- To provide fast track USD based cash generation

- ❑ 5 year power purchase agreement (PPA) with Republic of Ghana for installation of a 370 MW HFO plant, electricity generation and the guaranteed sale of this energy.
- ❑ Approved by the parliament of Republic of Ghana
- ❑ Can be extended before the 5 year term is completed
- ❑ Electricity generated to be sold in full to Ghana with purchase guarantee and in USD
- ❑ Tariff approval, wholesale electricity sale license, grid connection agreement, all construction and environmental permits required are obtained.
- ❑ To be operational starting from 4Q2016 gradually
- ❑ To increase our operational profitability significantly
- ❑ USD based sales to provide a natural hedge decreasing our FX losses



Appendix



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Consolidated income statement

<i>(TL mn)</i>	2011	2012	2013	2014	2015	9M 2015	9M 2016
Net sales	1315,4	1840,6	1786,0	1957,4	2320,0	1607,6	2212,1
Cost of sales	-1088,0	-1604,0	-1565,9	-1710,8	-2001,6	-1337,4	-1987,9
Gross profit	227,4	236,6	220,1	246,6	318,3	270,2	224,2
<i>Gross profit margin</i>	17%	13%	12%	13%	14%	17%	10%
General & administrative costs	-16,0	-16,7	-18,0	-22,2	-26,8	-16,6	-25,2
Sales and marketing costs	-3,0	-2,1	-2,0	-2,0	-0,6	-0,3	-0,5
Research & development costs	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Other operating income	0,0	6,7	5,0	3,8	3,4	36,2	10,5
Other operating expenses (-)	0,0	-21,4	-8,7	-18,5	-6,6	-11,8	-4,9
Operating income	208,3	203,0	196,3	207,6	287,8	277,7	204,1
<i>Operating income margin</i>	15,8%	11,0%	11,0%	10,6%	12,4%	17,3%	9,2%
Goodwill income/(expense)	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Other income/(expense)	-51,3	0,0	0,0	0,0	0,0	0,0	0,0
Financing income/(expense)	-273,5	23,2	351,6	199,6	219,0	178,8	32,8
Earnings before income tax	-116,5	226,5	-156,1	26,6	-234,6	-280,0	-85,9
<i>EBT margin</i>	-8,9%	12,3%	-8,7%	1,4%	-10,1%	-17,4%	-3,9%
Tax	-5,5	-6,6	22,8	12,8	6,2	40,3	7,8
Net income	-122,0	219,9	-133,3	39,4	-228,4	-239,7	-78,0
<i>Net income margin</i>	-9,3%	11,9%	-7,5%	2,0%	-9,8%	-14,9%	-3,5%
EBITDA	300,8	323,1	311,8	343,9	436,2	382,6	343,9
<i>EBITDA margin</i>	22,9%	17,6%	17,5%	17,6%	18,8%	23,8%	15,5%

Source: IFRS financial statements
Pls note that 2015 results are restated.

Consolidated balance sheet

Assets (TL mn)	2012	2013	2014	2015	9M 2015	9M 2016
Cash and cash equivalents	40,6	22,3	34,2	48,5	84,8	78,5
Trade receivables net	245,9	142,3	88,7	182,6	80,1	279,3
Due from related parties and shareholders	593,9	0,0	4,4	0,0	0,0	64,7
Inventory	135,5	250,0	269,2	319,3	426,0	418,9
Derivative Financial Instruments	–	2,7	2,7	0,0	2,9	0,6
Other current assets	84,6	77,4	116,6	199,6	188,2	130,0
Total current assets	1.100,8	494,7	515,8	750,0	782,0	972,1
Trade receivables	–	1,3	0,0	0,0	80,1	279,3
Investments	1,6	1,5	1,9	0,4	0,4	0,4
PP&E	1.627,3	2.109,7	2.730,0	3.121,3	3.022,5	3.192,7
Goodwill	9,5	7,1	7,1	6,8	7,1	6,8
Intangibles	1,7	1,9	1,9	3,8	2,2	5,6
Other non-current assets	87,0	113,2	80,6	126,1	71,8	67,1
Deferred tax assets	4,1	36,7	56,2	66,3	124,6	96,9
Total non-current assets	1.731,2	2.271,4	2.877,7	3.324,7	3.228,7	3.369,6
Total assets	2.832,0	2.766,1	3.393,5	4.074,7	4.010,7	4.341,6
Liabilities (TL mn)	2012	2013	2014	2015	9M 2015	9M 2016
Financial liabilities	564,3	265,6	439,6	938,0	905,6	1.074,2
Trade payables, net	284,7	326,1	431,8	272,3	457,6	318,6
Due to Related Parties and Shareholders	–	10,3	0,0	127,8	7,2	210,4
Taxation payable on income	6,6	7,5	9,6	7,1	3,4	2,3
Other payables and accrued liabilities	11,7	14,8	15,8	15,3	9,8	6,8
Total current liabilities	867,3	624,3	898,3	1.367,8	1.394,9	1.614,8
Long-term financial liabilities	756,4	1.062,7	1.375,8	1.852,4	1.720,1	1.878,8
Retirement pay provision	2,2	3,0	5,2	4,4	6,9	3,3
Other liabilities	–	1,3	0,0	0,0	0,0	0,0
Deferred tax liability	2,9	3,5	4,8	48,9	24,6	64,8
Long Term Liabilities	761,5	1.070,5	1.385,8	1.905,7	1.751,6	1.946,8
Paid in capital	615,2	615,2	615,2	613,2	615,2	615,2
General reserves	121,0	340,3	207,0	42,1	245,3	44,3
Share premium	247,4	247,4	247,4	247,4	247,4	247,4
Cash Flow Hedge Reserve	–	2,1	1,0	-5,8	-6,6	-2,0
Net profit for the year	219,9	-133,3	39,4	-227,4	-236,0	-80,5
Shareholder's equity	1.203,2	1.071,3	1.109,4	801,3	864,1	780,0
Total liabilities and equity	2.832,0	2.766,1	3.393,5	4.074,7	4.010,7	4.341,6

Source: IFRS financial statements
Pls note that FY2015 results are restated.

Consolidated statement of cash flows

CASH FLOWS FROM OPERATING ACTIVITIES	1 January- 30 Sep 2015	1 January- 30 Sep 2016
Net profit / (loss) before tax for the period	(239.700.361)	(78.021.893)
Depreciation and amortization	104.846.793	139.725.049
Provision for employee severance indemnity	1.162.857	3.143.095
Impairment losses on inventories	--	22.777
Interest expense accruals on loans	27.440.640	31.598.455
Change in allowance for doubtful trade and other receivables	5.101.031	457.454
Tax expense	(40.337.674)	(7.849.563)
Discount on receivables / (payables), net		
Adjustment for tax income/(expense)		
Gain on sale of property, equipment and intangible assets	(31.157.963)	(192.330)
Discount on receivables / (payables), net	441.152	609.089
Gain on disposal of subsidiary		3.546.364
Operating profit before working capital changes	(172.203.525)	89.492.133
Change in other payables and accrued liabilities		668.017
Change in trade and other receivables	(31.925.616)	(173.169.312)
Change in inventories	(93.343.053)	(59.410.576)
Change in other current assets	(57.175.643)	17.685.265
Change in trade and other payables	(4.197.533)	38.114.545
Change in due to related parties	83.847.236	114.876.323
Change in due from related parties	31.628.481	480.382
Increase/decrease in value of working capital	(59.871.999)	(22.715.048)
Change in other non current assets		454.302
Cash used in from operations	(303.241.652)	10.022.395
Tax paid	(1.839.357)	(8.487.468)
Employee benefit cash paid	(106.942)	(2.061.604)
Net cash used in from operating activities	(1.946.299)	(10.549.072)
CASH FLOWS FROM INVESTING ACTIVITIES		
(Purchases) / Disposals of property, plant and equipment and intangible assets, net	(393.639.666)	(118.777.626)
Disposal of subsidiary	--	23.617.991
Net cash used in from investing activities	(393.639.666)	(95.159.635)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from banks borrowings	2.019.804.247	1.479.756.603
Repayment of banks borrowings	(1.279.775.134)	(1.548.671.896)
Proceeds from issued debt instruments	--	200.000.000
Change in restricted cash and cash equivalents	(18.261.120)	8.466.520
Net cash inflow from derivatives	9.406.629	(5.338.885)
Net cash provided / (used in) financing activities	731.174.622	134.212.342
NET INCREASE IN CASH AND CASH EQUIVALENTS	32.347.005	38.526.030
CASH AND CASH EQUIVALENTS AT 1 JANUARY	34.101.472	31.004.496
CASH AND CASH EQUIVALENTS AT 30 JUNE	66.448.477	69.530.526

Licence Portfolio (Operational)

Power Plant	License Owner	Fuel Type	Installed Capacity (MW)	%
Mardin-1	Aksa Energy	Fuel-oil	32	
Mardin-2	Rasa Elektrik	Fuel-oil	33	
Northern Cyprus	Aksa Cyprus	Fuel-oil	153	
İdil (Şırnak)	İdil İki Energy	Fuel-oil	24	
Total Fuel-Oil fired power plants			242	11%
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	62%
Balıkesir Şanlı	Baki	Wind	114	
Hatay Sebenoba	Deniz	Wind	60	
Manisa Karakurt	Deniz	Wind	11	
Ayvacak	Ayres	Wind	5	
Kapıdağ	Kapıdağ	Wind	24	
Belen / Atik	Aksa	Wind	18	
Kıyıköy	Alenka	Wind	27	
Total Wind power plants			259	11%
Kozbükü	Aksa Energy	Hydro	81	
Çorum İncesu	Aksa Energy	Hydro	15	
Total Hydro power plants			96	4%
Bolu Göynük	Aksa Göynük	Lignite	270	
Total Lignite fired power plants			270	12%
Total Power Plants			2.279	

Ongoing Investments and Revised Licence Portfolio

Planned Acquisitions from Kazancı Holding

Power Plant	Investment	License Owner	Fuel Type	Additional Capacity (MW)	Completion Year
Datça	Licensed	Kazancı Holding	Wind	12	2016
				12	

Under Construction

Kapıdağ	Extension	Kapıdağ	Wind	4	2016
Şamlı	Extension	Baki	Wind	13	2017
Ayvacak	Extension	Ayres	Wind	4	2017
Manisa Karakurt	Extension	Deniz	Wind	12	2017
Ghana	Greenfield	Aksa-Ghana	HFO	370	2016-2017
Madagascar	Greenfield	Aksaf Power	HFO	120*	2017
				445	

Total **457**

- Planned acquisition from Kazancı Holding:
 - Datça 12 MW WPP licence

- Construction work is in progress for two HFO and 4 renewable projects:
 - 33 MW WPP
 - 370 MW HFO in Ghana
 - 120 MW HFO in Madagascar

* Madagascar HFO Project will be using existing equipment, therefore will not increase our total installed capacity by 120 MW but by 42 MW.

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