



# TRANSFORMING INTO A GLOBAL ENERGY PLAYER...

1Q2018 EARNINGS PRESENTATION  
18 MARCH 2019 – REVISED AND AUDITED RESULTS

P O W E R   B E Y O N D   B O R D E R S

The logo for AKSA Energy, featuring the word "aksa" in a bold, lowercase, sans-serif font, with "ENERGY" in a smaller, uppercase, sans-serif font to its right. The text is white and set against a blue rectangular background with a green horizontal bar at the bottom.

**aksa** ENERGY

The title "TURKISH MARKET" in a large, bold, white, uppercase, sans-serif font, centered in the lower half of the image.

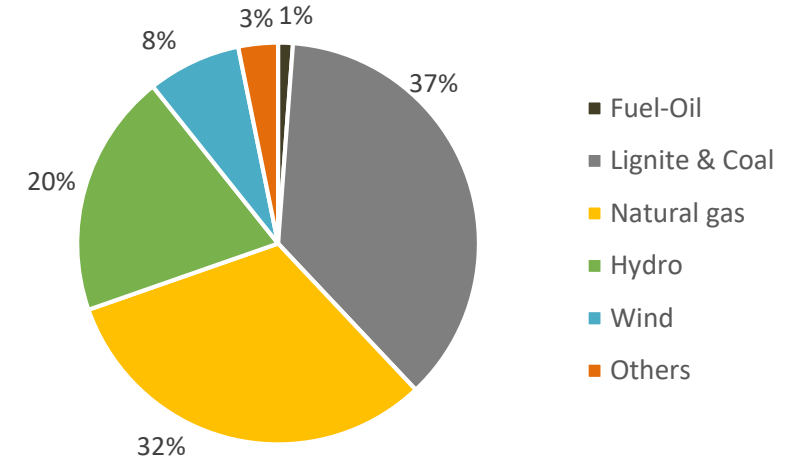
**TURKISH  
MARKET**

# 1Q2018 – Key Figures

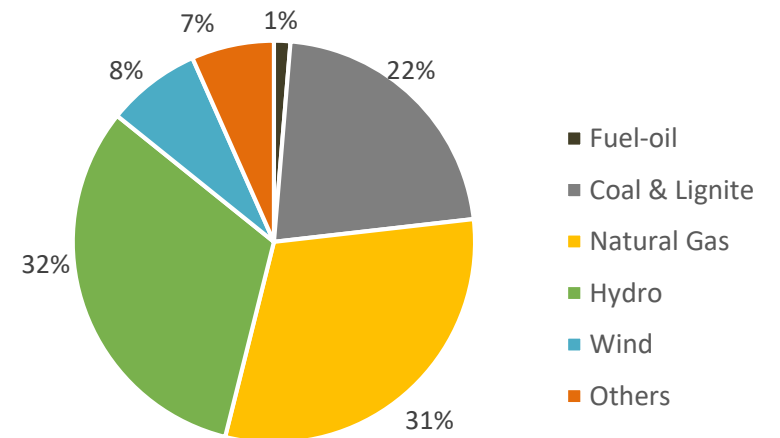
Generation via natural gas decreased by 6 pts QoQ mostly due to the increase in natural gas prices and the low spark spread. On the other hand, generation from coal & lignite made up for this decrease by increasing 5 pts QoQ due to lower cost of production.

Total installed capacity in Turkey has reached 86,069 MW in 1Q2018, indicating an increase of 6,766 MW YoY (+8.5%).

GENERATION BY FUEL TYPE



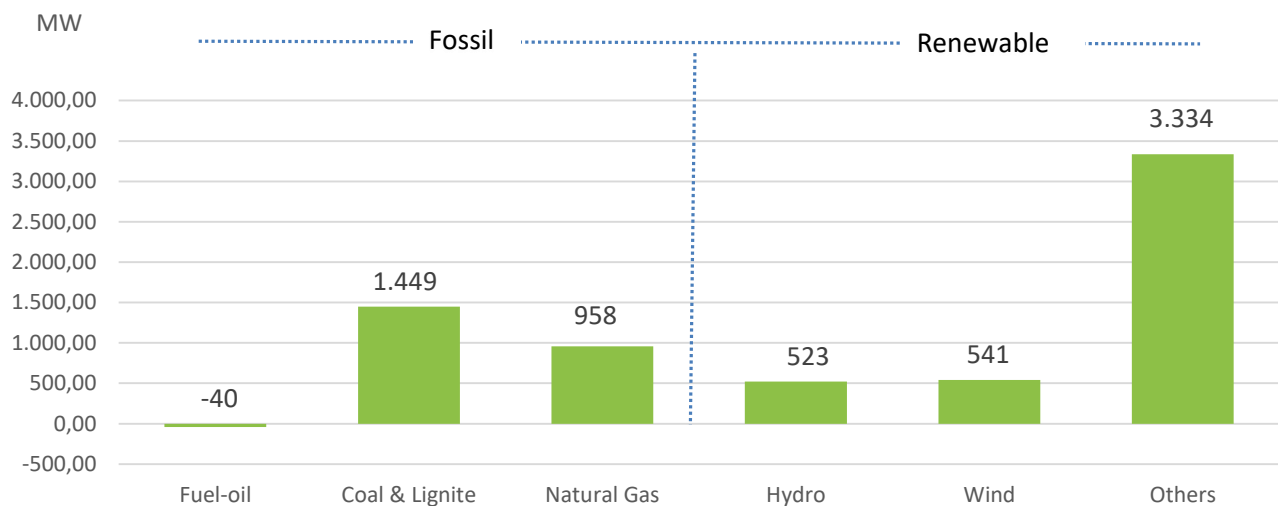
INSTALLED CAPACITY



## Installed Capacity Changes by Fuel Type

When new and decommissioned capacities are netted off, there is an increase of 1.449 MW in coal&lignite, 958 MW in natural gas, 543 MW in wind, 523 MW in hydro and decrease of 40 MW in fuel-oil capacities in 1Q2018 YoY.

1Q2018- 1Q2017 CAPACITY CHANGES

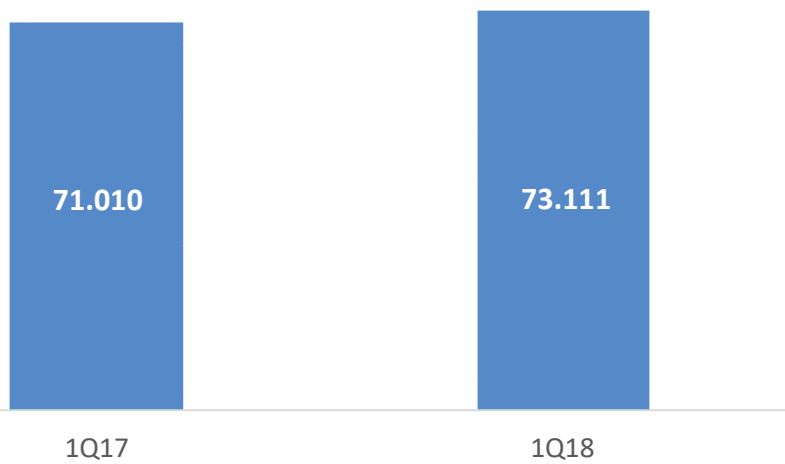


«Others» consist of unlicensed, solar, geothermal and biogas power plants, most of which is made up of unlicensed power plants.

## Generation & Consumption

Electricity generation increased by 3% and consumption by 2% YoY in 1Q2018.

GENERATION (GWh)

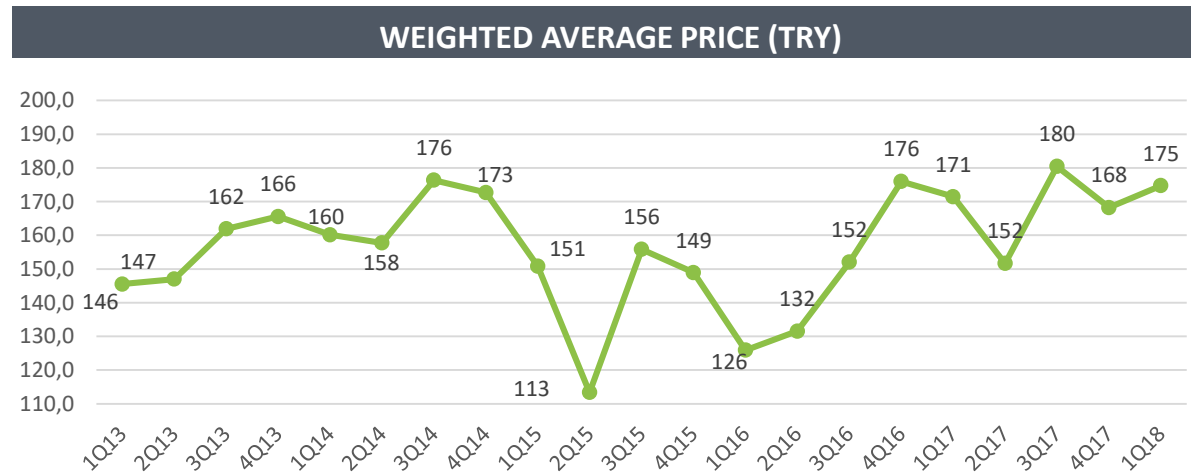


CONSUMPTION (GWh)



# Prices

Weighted average spot price in 1Q18 was TRY 175, 2% higher than 1Q2017's TRY 171.





**aksa** ENERGY



**2018  
DEVELOPMENTS**

## New Agreement- Madagascar Refurbishment Project (24 MW)

Aksa Energy's subsidiary, Aksaf Power Ltd., signed an agreement with Societe Jiro Sy Rano Malagasy (Jirama) for the rehabilitation and operation of 24 MW heavy fuel-oil power plant located next to our Madagascar power plant running at 66MW.

The power plant, owned by Jirama, will be rehabilitated to become operational and Aksa Energy will operate the power plant for five years. Rehabilitation of the power plant will include maintenance work and spare parts replacements and the power plant will be operational in six months. The electricity generated will be sold to Jirama via guaranteed sales (take-or-pay) in US Dollars for a duration of five years.

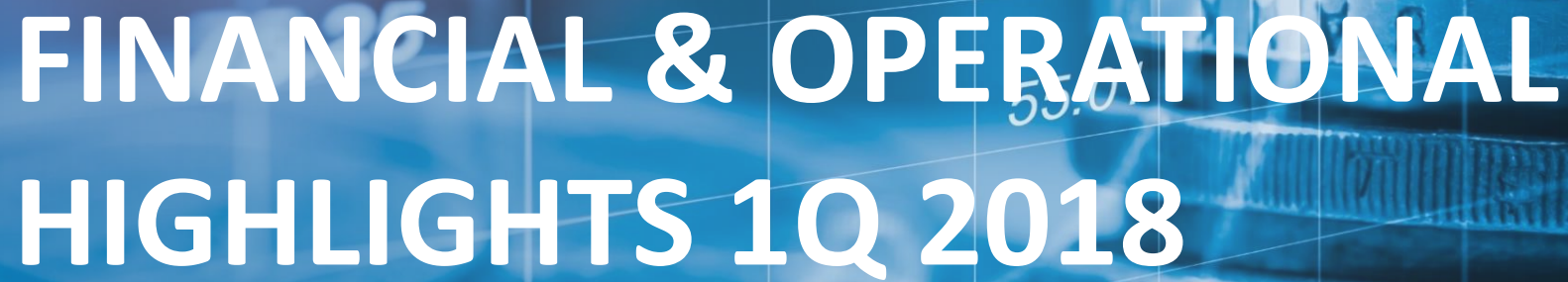
As the power plant is located next to our plant, we will benefit from logistical and workforce advantages.

The additional revenue and profitability from this new agreement will be reflected to our financials by the fourth quarter of 2018 but is not included in the 2018 guidance shared in March.





**aksa** ENERGY



**FINANCIAL & OPERATIONAL  
HIGHLIGHTS 1Q 2018**

# 1Q 2018 Results

## Sales Breakdown (Turkey+N.Cyprus)

	1Q 2017		2Q 2017		3Q 2017		4Q 2017		1Q 2018	
	MWh	TRY/MWh	MWh	TRY/MWh	MWh	TRY/MWh	MWh	TRY/MWh	MWh	TRY/MWh
Northern Cyprus	179,631	378	175,906	388	176,615	380	175,897	431	175,664	467
Renewable Market (YEKDEM)	192,332	266	112,655	272	116,784	263	9,143	282	0	0
BSM (Spot Market Sales)	886,272	184	984,011	172	632,625	202	1,182,060	186	2,387,525	184
Affiliated Companies	821,690	143	702,120	139	761,520	157	534,120	160	248,400	168
OTC&Bilateral	2,122,779	148	2,262,452	145	2,516,790	153	2,408,369	150	966,502	146
<b>Total Sales</b>	<b>4,202,704</b>	<b>170</b>	<b>4,237,143</b>	<b>164</b>	<b>4,204,334</b>	<b>174</b>	<b>4,309,588</b>	<b>173</b>	<b>3,778,091</b>	<b>187</b>

# 1Q 2018 Results

## Snap Shot

	1Q 2017	2Q 2017	3Q 2017	4Q 2017	1Q 2018	QoQ Change	1Q 2017	1Q 2018	YoY Change
Installed Capacity	2,104 MW	2,211 MW	2,377 MW	2,236 MW	2,221 MW	-15 MW	2,104 MW	2,221 MW	117 MW
Sales Volume (GWh)*	4,676	3,764	4,204	4,310	3,778	-12%	4,676	3,778	-10%
Net Sales (TRY mn)	738	875	952	1,034	1,022	-1%	738	1,022	38%
Gross Profit (TRY mn)	24	51	138	103	139	35%	24	139	488%
Operating Inc. (TRY mn)	17	34	118	99	126	27%	17	126	652%
EBITDA (TRY mn)	62	96	174	161	217	35%	62	217	252%
Net Income (TRY mn)	-88	3	105	270	48	nm	-88	48	nm
EBITDA Margin	8.4%	10.9%	18.3%	15.6%	21.3%	+5.7 pp	8.4%	21.3%	+12.9 pp
Operating Profit Margin	2.3%	3.9%	12.4%	9.6%	12.4%	+2.8 pp	2.3%	12.4%	+10.1 pp

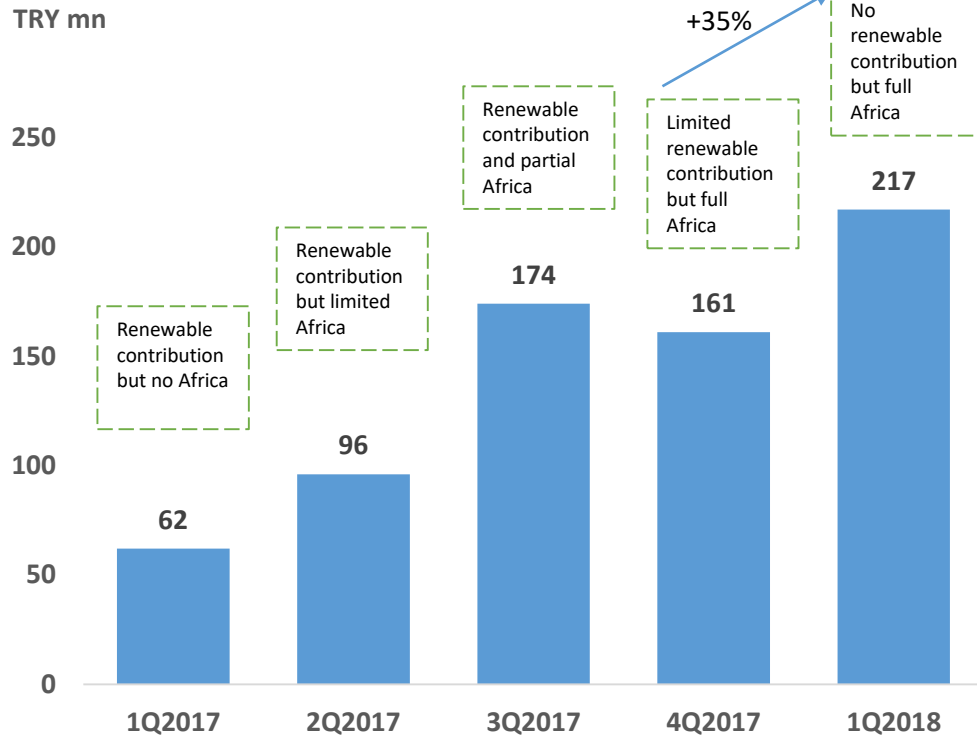
\* Excludes sales volume from African power plants to enable comparability on a quarterly basis

\*\* IFRS results

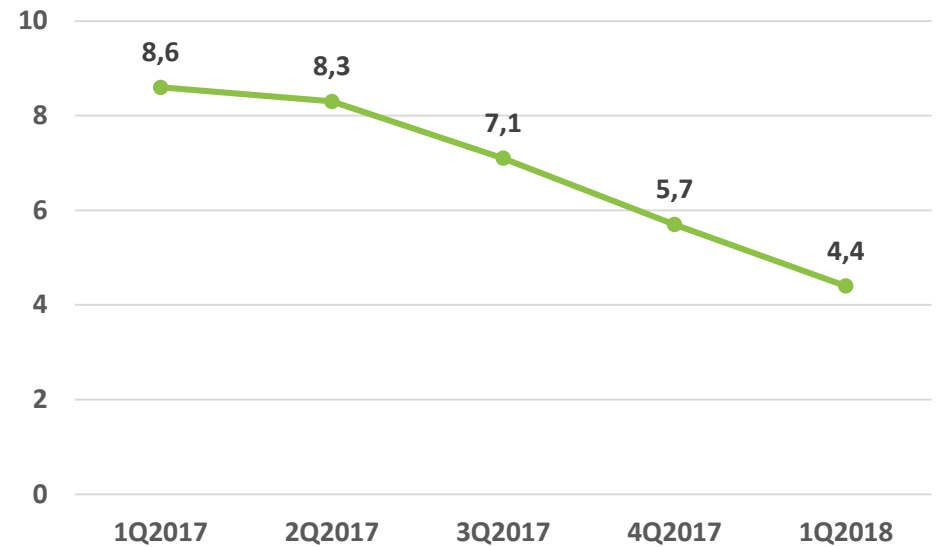
# 1Q 2018 Results

## Snap Shot

### EBITDA



### NET FINANCIAL DEBT/EBITDA



EBITDA increase was realised at 35% QoQ, while net financial debt/EBITDA ratio significantly decreased by 130 ppt from 5.7x to 4.4x in just one quarter.

# 1Q 2018 Results

## Sales Breakdown

	9M 2017		FY 2017		4Q 2017		1Q 2018	
	MWh	TRY/MWh	MWh	TRY/MWh	MWh	TRY/MWh	MWh	TRY/MWh
<b>TURKISH MARKET (Inc. N.Cyprus)</b>	12,644,181	169	16,953,769	170	4,309,588	173	3,778,091	187
<b>AFRICAN MARKET</b>	591,853	661	963,832	698	371,979	757	432,862	732
<b>TOTAL</b>	13,236,034	247	17,917,601	199	4,681,567	219	4,210,953	243

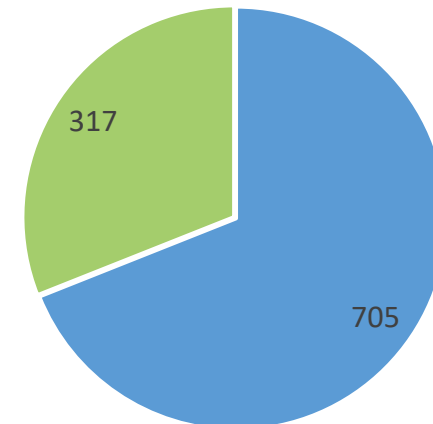
# 1Q 2018 Results

## Regional Breakdown

Although 74% of the revenues are generated from Turkey and TRNC, African power plants generated 77% of the EBITDA in 1Q18 due to their high margin FX based sales.

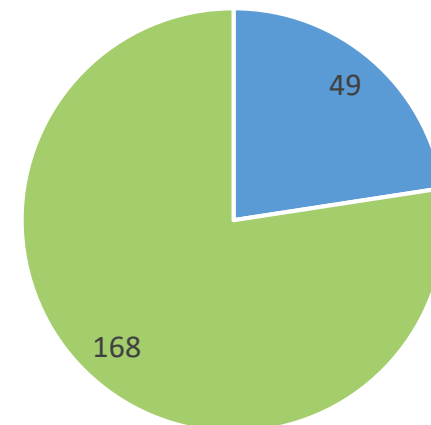
4Q17, being a rainy season, led to sales of 371,979 MWh as opposed to 1Q18 sales of 432,862 MWh indicating an increase of 16% in sales volume QoQ.

REVENUES (TRY mn)



■ TURKEY+N.CYPRUS ■ AFRICA

EBITDA (TRY mn)



■ TURKEY+N.CYPRUS ■ AFRICA

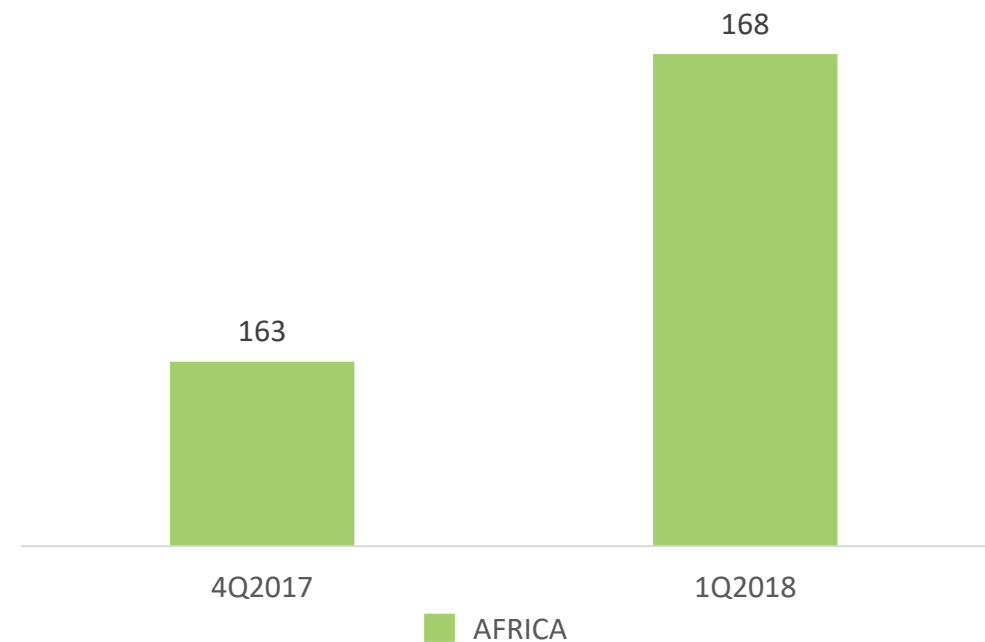
## 1Q 2018 Results

### Regional Breakdown

YoY regional comparison is not meaningful for 1Q18 as there was only a very small revenue contribution from Ghana PP in 1Q17 and no positive contribution at the EBITDA level. Mali and Madagascar PPs were not operational in 1Q17.

However, QoQ comparisons are highly relevant as all three PPs have guaranteed power purchase agreements and all were fully operational in the last two quarters.

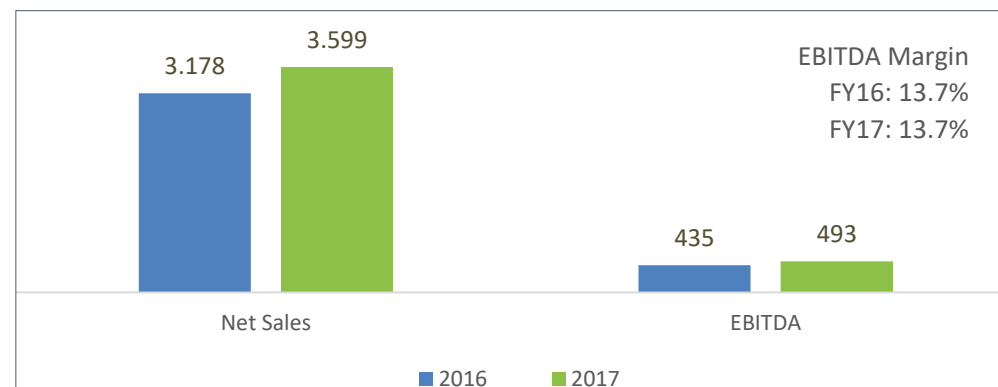
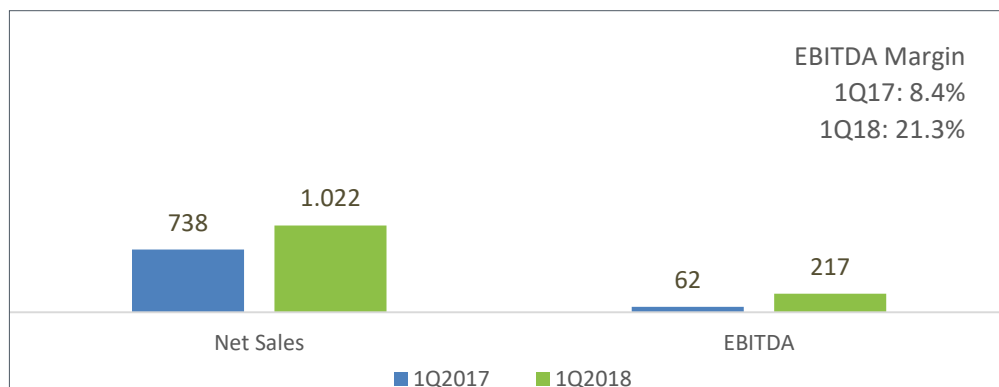
EBITDA (TRY mn)



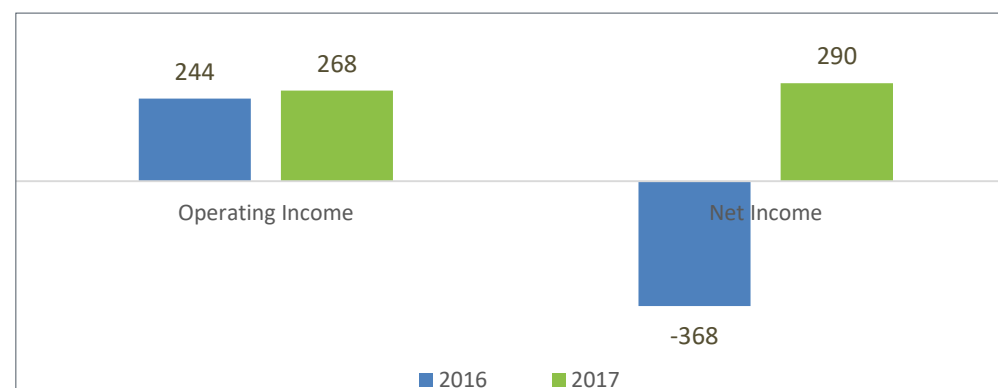
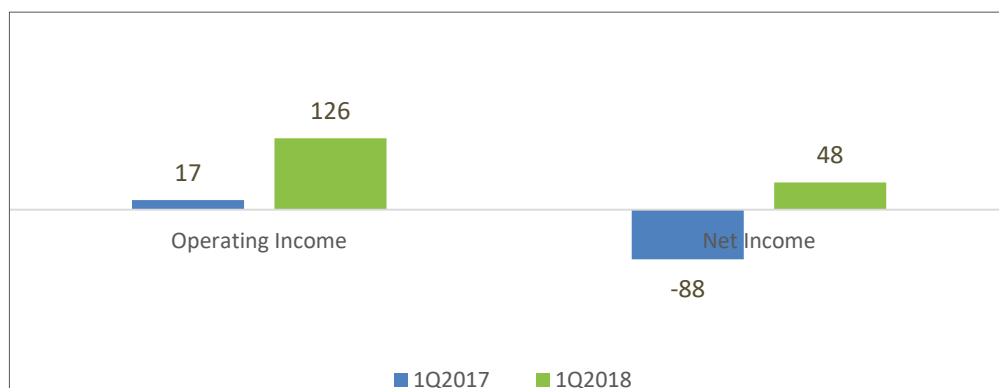
# Financial Highlights 1Q 2018

## Consolidated Income Statement

### NET SALES & EBITDA (TRY MN)



### OPERATING INCOME & NET INCOME (TRY MN)



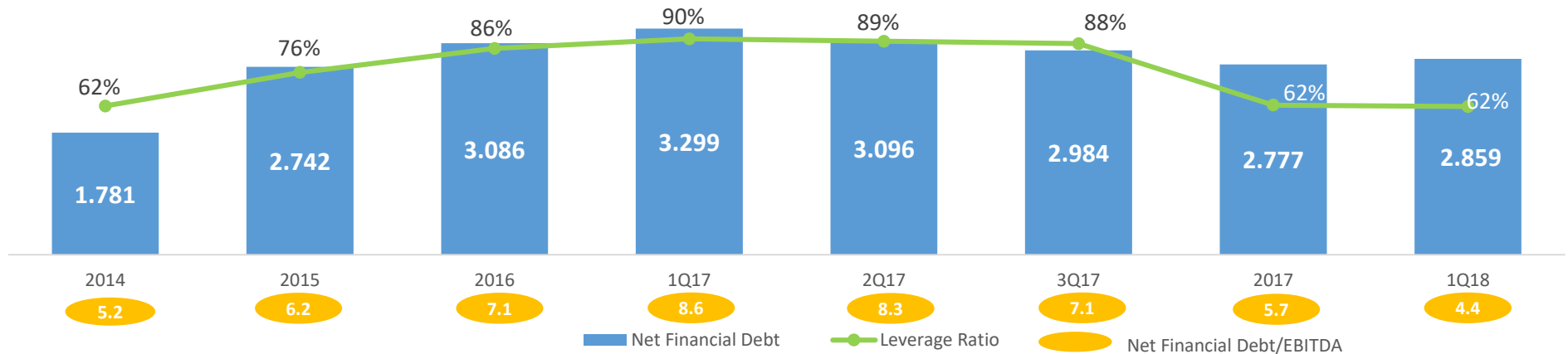
Source: IFRS financial statements



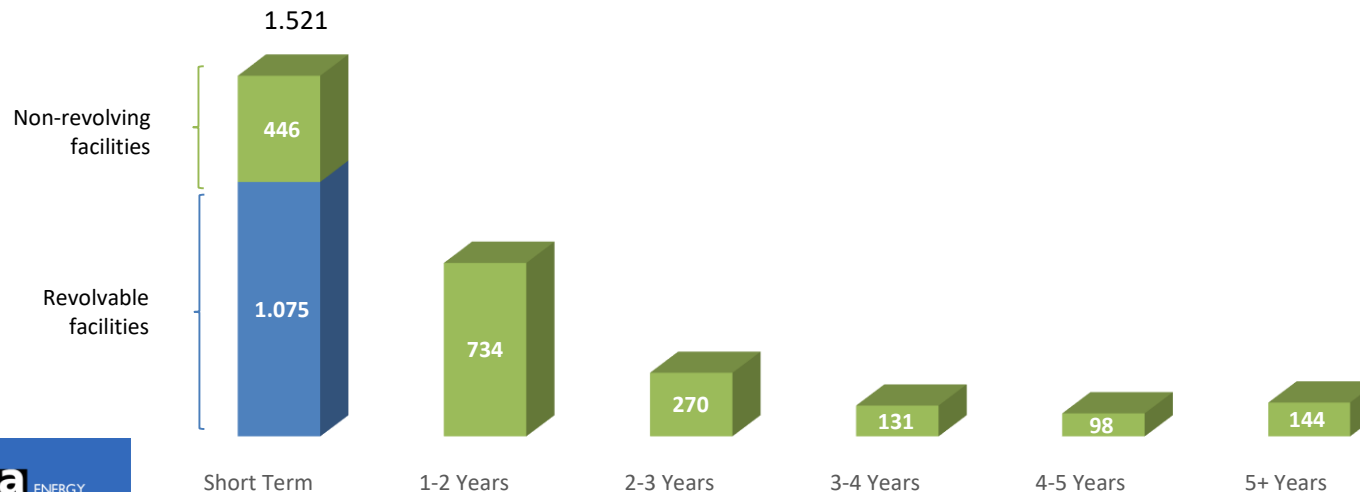
# Financial Highlights 1Q 2018

## Net Financial Debt & Repayment Schedule

NET FINANCIAL DEBT (TRY mn)



REPAYMENT SCHEDULE OF LOANS (TRY mn)



To prevent excessive exposure to FX, we have been significantly converting our FX debt to TRY over the years.

While 22% of the total loans were TRY denominated in 1Q15, currently, 57% of our bank loans is in TL. The FX portion of the loans are 39% USD and 4% EUR.

Dolar based payments of 2018 are all fully hedged. Thus increasing the actual TRY portion of debt to %63 in 1Q18.

# Consolidated Income Statement

(TRY mn)	31/12/2015	31/12/2016	31/12/2017	1Q2017	2Q2017	3Q2017	4Q2017	1Q2018
<b>Net sales</b>	<b>2,306.7</b>	<b>3,178.2</b>	<b>3,599.3</b>	<b>738.4</b>	<b>874.6</b>	<b>952.4</b>	<b>1,033.9</b>	<b>1,022.1</b>
Cost of sales	-1,979.5	-2,907.2	-3,284.0	-714.7	-824.1	-814.4	-930.8	-883.1
<b>Gross profit</b>	<b>327.2</b>	<b>271.0</b>	<b>315.3</b>	<b>23.6</b>	<b>50.5</b>	<b>138</b>	<b>103.2</b>	<b>139</b>
<i>Gross profit margin</i>	14%	9%	9%	3%	6%	14%	10%	14%
General & administrative costs	-22.5	-30	-55	-12.7	-17.9	-13.2	-11.2	-11.1
Sales and marketing costs	-0.5	-0.8	-1.3	-0.4	-0.3	-0.3	-0.4	-0.2
Research & development costs	0	0	0	0	0	0	0	0
Other operating income	3.3	12.8	24.7	12.6	3.6	-5.4	13.9	0.7
Other operating expenses (-)	-11.2	-9.3	-16.0	-6.4	-2.1	-1.3	-6.2	-2.2
<b>Operating income</b>	<b>296.3</b>	<b>243.7</b>	<b>267.8</b>	<b>16.8</b>	<b>33.8</b>	<b>117.8</b>	<b>99.4</b>	<b>126.2</b>
<i>Operating income margin</i>	13%	8%	7%	2%	4%	12%	10%	12%
Gain from investing activities	29.2	4	525.3	19.3	57.3	74	374.6	2.6
Loss from investing activities	-0.6	-90.2	-36.9	0	-0.1	-42.3	5.5	0
Financing income	218.9	51.5	88.9	110.6	53.6	22.2	9.7	32.2
Financing expense	-769	-636.1	-598	-250.3	-37.9	-75.3	-234.6	-137.8
<b>Earnings before income tax</b>	<b>-225.2</b>	<b>-427.1</b>	<b>247.1</b>	<b>-103.5</b>	<b>-0.5</b>	<b>96.4</b>	<b>254.6</b>	<b>23.2</b>
<i>EBT margin</i>	-10%	-13%	7%	-14%	-0.1%	10%	25%	2%
Tax	4.2	59.5	43.1	15.1	3.9	8.3	15.8	25
<b>Net income</b>	<b>-221.1</b>	<b>-367.6</b>	<b>290.2</b>	<b>-88.4</b>	<b>3.4</b>	<b>104.7</b>	<b>270.4</b>	<b>48.3</b>
<i>Net income margin</i>	-10%	-12%	8%	-12%	0.4%	11%	26%	5%
<b>EBITDA</b>	<b>442.9</b>	<b>434.9</b>	<b>492.8</b>	<b>61.7</b>	<b>95.6</b>	<b>174.5</b>	<b>161</b>	<b>217</b>
<i>EBITDA margin</i>	19%	14%	14%	8.4%	10.9%	18.3%	15.6%	21.3%

# Consolidated Balance Sheet

Assets (TRY mn)	31.12.2015	31.12.2016	31.12.2017	31.03.2018
Cash and cash equivalents	48.5	219.4	59.6	36.9
Trade receivables net	119.8	219.7	759.6	989.15
Due from related parties and shareholders	67.3	59.9	41.4	29.2
Inventory	339.8	416.4	403.9	500.03
Derivative financial instruments	0	6.5	2.6	12.41
Other current assets	164.8	104.8	160.6	152.07
Assets held for sale	0	448.9	46.01	0
<b>Total current assets</b>	<b>740.2</b>	<b>1,475.7</b>	<b>1,473.55</b>	<b>1,719.75</b>
Trade receivables	2.5	2.2	15.66	3.25
Investments	0.4	0.4	0.41	0.41
PP&E	3,236	2,546.7	3,635.8	3,598.7
Goodwill	6.8	6.8	0	3.35
Intangibles	3.4	61	72.6	75.25
Other non-current assets	99.9	1.5	4.1	2.37
Deferred tax assets	63.2	143.1	0	0
<b>Total non-current assets</b>	<b>3,412.2</b>	<b>2,779.8</b>	<b>3,728.6</b>	<b>3,683.3</b>
<b>Total assets</b>	<b>4,152.4</b>	<b>4,255.4</b>	<b>5,202.20</b>	<b>5,403.10</b>
Liabilities (TRY mn)	31.12.2015	31.12.2016	31.12.2017	31.03.2018
Financial liabilities	938	1,345.3	1,542	1,520.92
Trade payables net	280.4	294.4	428.16	451.59
Due to related parties and shareholders	132.8	64.7	85.28	173.88
Taxation payable on income	6.8	8.7	2.73	10.59
Other payables and accrued liabilities	4.8	9.4	82.99	25.09
Derivative financial instruments	7.2	0	3.05	4.36
Liabilities held for sale	0	369.5	0	0
<b>Total current liabilities</b>	<b>1,370</b>	<b>2,092</b>	<b>2,143.82</b>	<b>2,186.44</b>
Long-term financial liabilities	1,852.4	1,618.1	1,294.91	1,375.23
Retirement pay provision	0	0	0	0
Other liabilities	4.4	2.9	3	2.85
Deferred tax liability	44.6	52.2	100	78.31
<b>Long term liabilities</b>	<b>1,901.3</b>	<b>1,673.1</b>	<b>1,396.95</b>	<b>1,448</b>
Paid in capital	615.2	615.2	615.16	615.16
General reserves	99.1	71.7	135	225
Share premium	247.4	247.4	247.40	247
Cash flow hedge reserve	-5.8	43101	2.06	3
Gains on revaluation of property, plant, equip.			882	864
Net profit for the year	-74.8	-445	-220	-186
<b>Shareholder's equity</b>	<b>881.1</b>	<b>490.3</b>	<b>1,661</b>	<b>1,769</b>
<b>Total liabilities and equity</b>	<b>4,152.4</b>	<b>4,255.4</b>	<b>5,202</b>	<b>5,403.10</b>

## Consolidated Statement of Cash Flow

(TRY mn)	31/12/2015	31/12/2016	31/12/2017	31/03/2018
Net income (loss) before tax	-221.078.812	-367.623.980	290.120.538	48.309.727
Depreciation and amortisation	146.593.311	191.172.113	225.000.265	90.998.271
Other adjustments	195.129.884	623.905.510	113.887.076	68.017.410
Change in working capital	-246.922.700	-481.841.396	-400.634.721	-285.427.879
<b>Operating cash flows</b>	<b>-126.278.317</b>	<b>-34.387.753</b>	<b>228.373.158</b>	<b>-78.102.471</b>
Purchase and Disposal of PP&E	-554.962.667	-66.839.765	-324.359.904	-7.781.921
Purchase and disposal of equity investments	0	0	72.066.016	0
Other investing activities	0	23.617.991	494.676.970	0
<b>Investing cash flows</b>	<b>-554.962.667</b>	<b>-43.221.774</b>	<b>242.383.082</b>	<b>-7.781.921</b>
Financing cash flows	720.742.907	171.910.520	-452.818.197	63.204.865
<b>Net cash flows</b>	<b>39.501.923</b>	<b>94.300.993</b>	<b>17.938.043</b>	<b>-22.679.527</b>

Source: IFRS financial statements



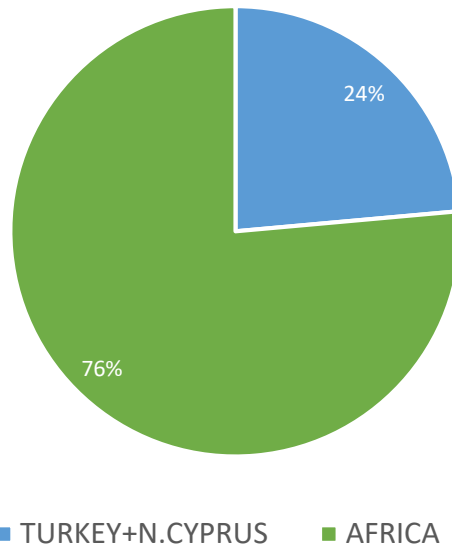
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# 2018 GUIDANCE

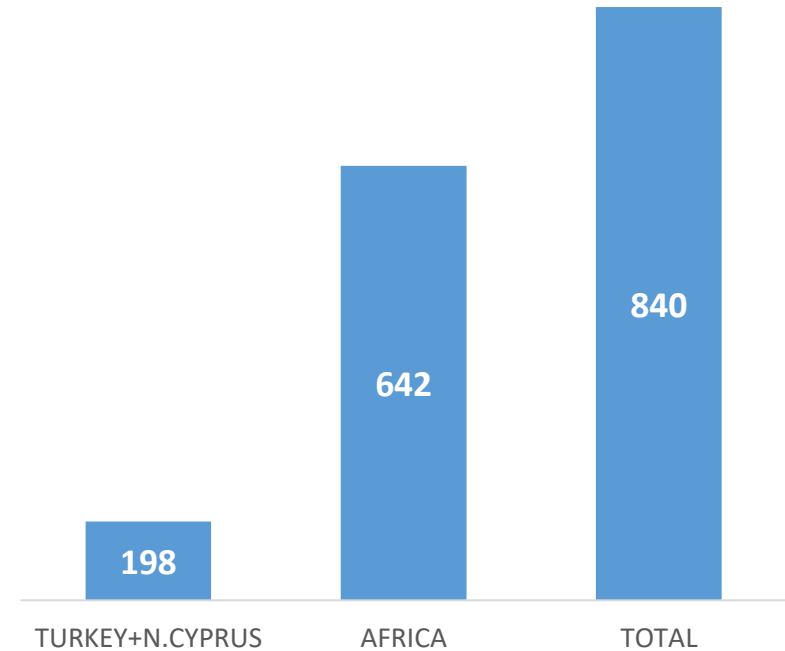
# 2018 GUIDANCE

- SALES: 11.3 TWh
- REVENUES: TRY 3.4 bn
- CAPEX\*: TRY 120 mn
- EBITDA\*\*: TRY 840 mn

2018 EBITDA BREAKDOWN



2018 EBITDA GUIDANCE (TRY)



\* Includes maintenance CAPEX in Turkey and Africa and the 90 MW capacity expansion in Ghana. Does not include CAPEX of the new refurbishment project in Madagascar.

\*\*Includes the effect of potential tariff change in Ghana due to increase in contract duration. Does not include the effect of the new refurbishment project in Madagascar.

The logo for Aksa Energy, featuring the word "aksa" in a bold, lowercase, white sans-serif font on a dark blue rectangular background. To the right of "aksa", the word "ENERGY" is written in a smaller, uppercase, white sans-serif font. Below the blue rectangle is a horizontal lime green bar.

**aksa** ENERGY

A wide-angle photograph of a wind farm situated on a mountainous, snow-dusted landscape. Several white wind turbines with three blades are visible, spaced out across the terrain. The sky is a clear, pale blue with a few wispy clouds. The foreground shows a snow-covered slope with sparse, brownish vegetation.

**ASSET SALE**

## 355 MW Asset Sale – USD 411,6 mn

The cash proceeds are used for decreasing the short term liabilities.

### COMPLETED

#### 96 MW HEPP & 259 MW WPP

Kozbükü, Sebenoba, Karakurt, Ayvacık, Kapıdağ, Belen/Atik, Kiyıköy, Şamlı, İncesu

2016: \$89 mn  
 2017: \$286 mn  
 2018: \$15 mn  
 2018: \$36,6 mn\*  
**TOTAL: \$411,6mn**

USD 176,6 mn  
 bank loans paid off

**A total of TRY 590 mn net profit realised from asset sales in 2017.**

\*USD 21.6 mn will be received in 2018 when the buyer starts capacity expansion in Kiyıköy WPP.

The cash proceeds are used for decreasing the short term liabilities.



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**aksa** ENERGY

An aerial photograph of a large industrial facility under construction. The central focus is a tall, cylindrical structure supported by a complex blue steel framework. Numerous white pipes and conduits run across the site. In the foreground, there are several rectangular concrete basins. The background shows a residential area with houses and trees under a clear sky.

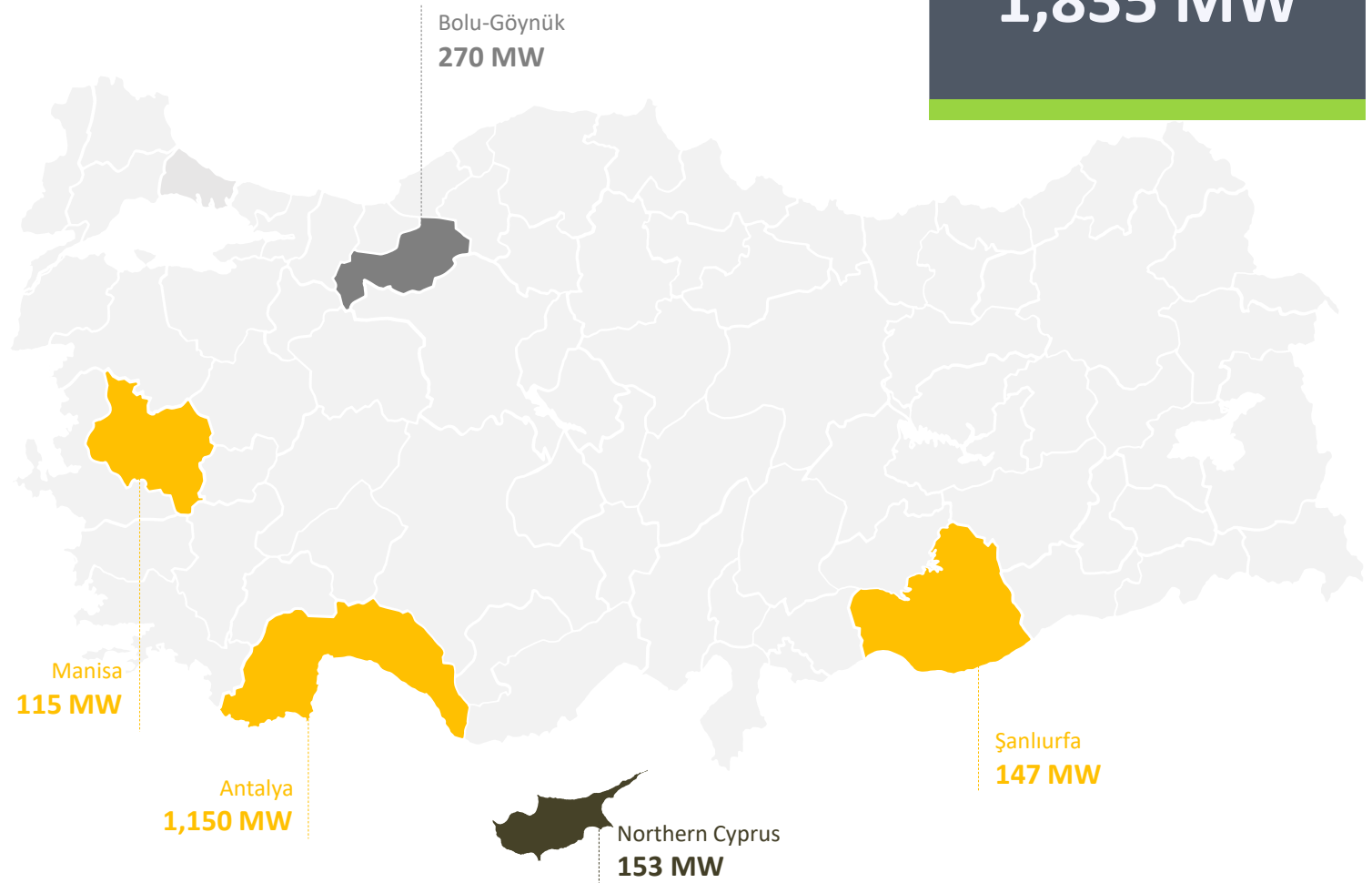
**APPENDIX**



# 5 assets under operation across Turkey and Northern Cyprus

CURRENT  
TOTAL  
1,835 MW

- Natural Gas (3 plants)  
1,412 MW 77%
- Fuel-Oil (1 plant)  
153 MW 8%
- Lignite (1 plant)  
270 MW 15%



## 3 assets under operation across Africa

Aksa Energy's installed capacity in Africa will reach 530 MW once the power plants reach full capacity.

### Ghana HFO Power Plant

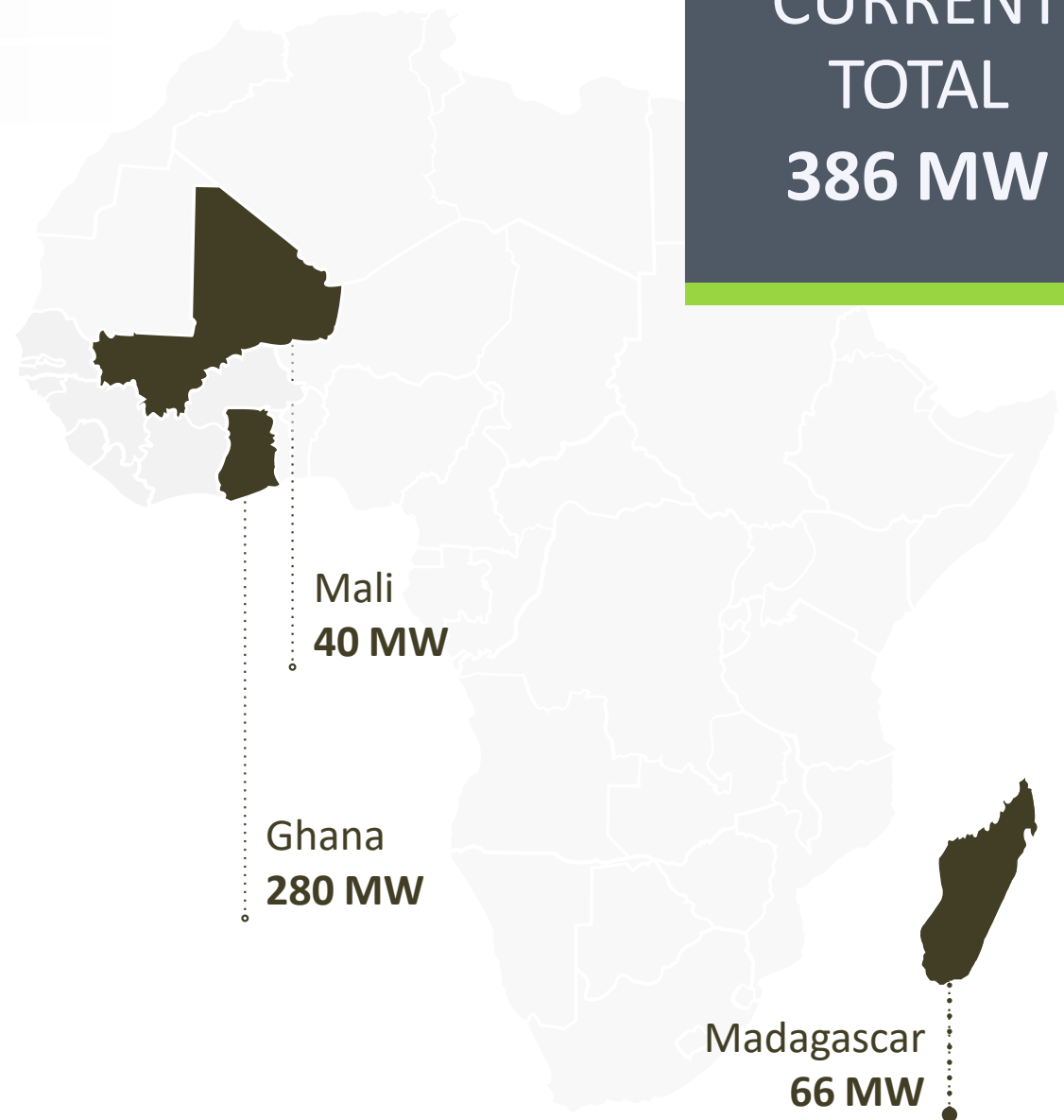
became operational at the end of March with 192.5 MW and reached 280 MW at the beginning of August.

### Mali HFO Power Plant

became operational with 10 MW installed capacity at the beginning of August. The remaining 30 MW was commissioned at the end of September.

### Madagascar HFO Power Plant

became operational in July with 25 MW and increased to 50 MW at the beginning of August. The first phase (total capacity of 66 MW) was commissioned at the end of August.



## Operational Assets

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	40	
Madagascar	Aksa Energy	Fuel-oil	66	
<b>Total Fuel-Oil Fired Power Plants</b>			<b>539</b>	<b>24%</b>
Antalya NGCC	Aksa Energy	Natural Gas	1.150	
Manisa NGCC	Aksa Energy	Natural Gas	115	
Şanlı Urfa	Rasa Energy	Natural Gas	147	
<b>Total Natural Gas Fired Power Plants</b>			<b>1,412</b>	<b>64%</b>
Bolu Göynük	Aksa Göynük	Lignite	270	
<b>Total Lignite Fired Power Plants</b>			<b>270</b>	<b>12%</b>
<b>Total Power Plants</b>			<b>2,221</b>	

\* Asset to be sold.

## Ongoing Investments

Power Plant	Investment	License Owner	Fuel Type	Capacity (MW)	Completion Year
Ghana	Greenfield	Aksa-Ghana	HFO	90	2018
Madagascar	Greenfield	Aksaf Power	HFO	54	2018-2019
<b>Total</b>				<b>144</b>	

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

## Contact

## Investor Relations

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