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ANNUAL REPORT 2018



TURKISH PETROLEUM

2018

ANNUAL REPORT

TPAO, following the information and technologies necessary to reach the wealth deep down in the seas, prepared a surprise for you.

In order to use the augmented reality application, please download the application in the address directed by the QR code, run the application and scan the cover page of the annual report with your camera.





“Intelligence and
reasoning can solve
all kind of problems”

H. Otterlieb

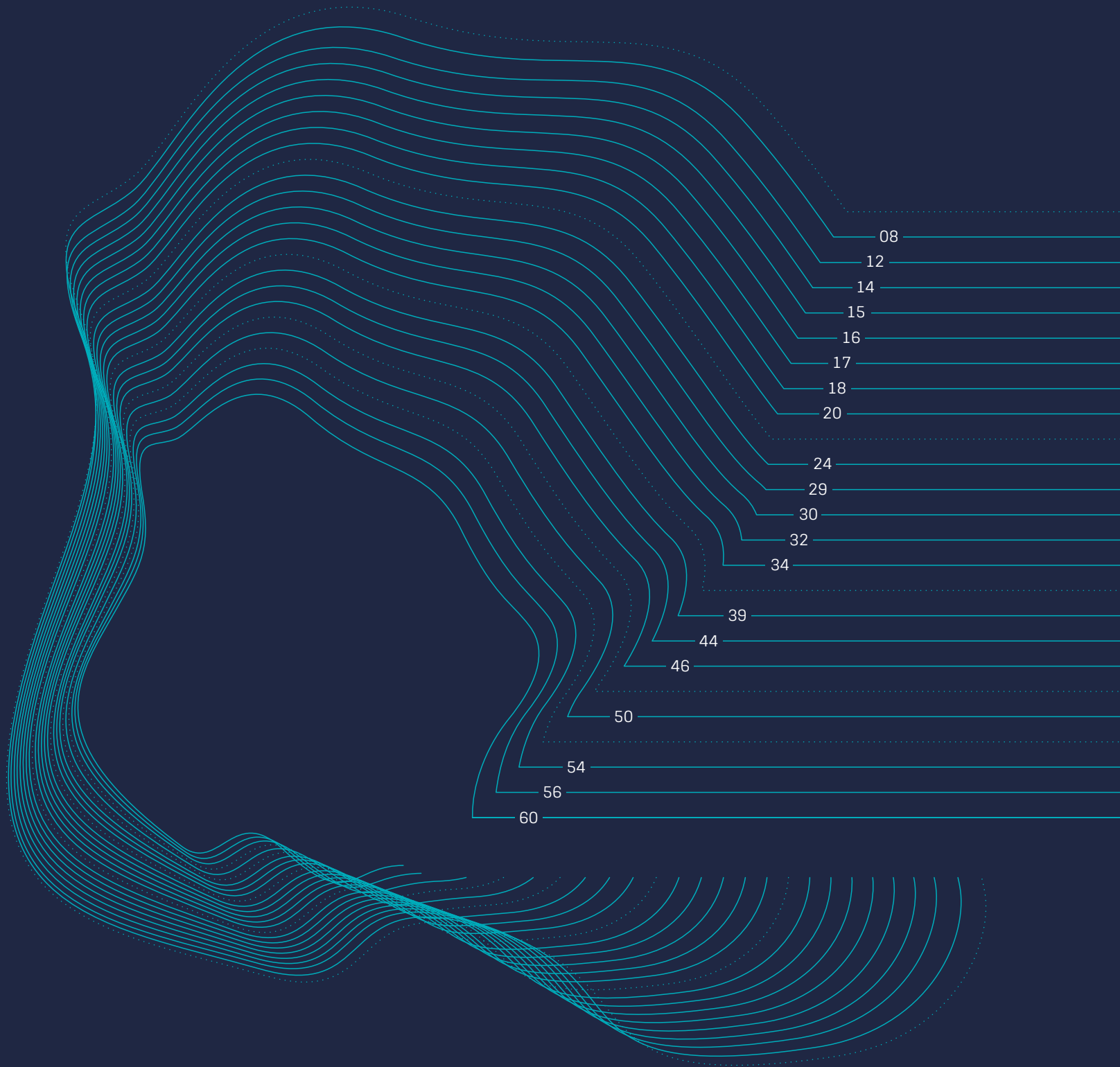


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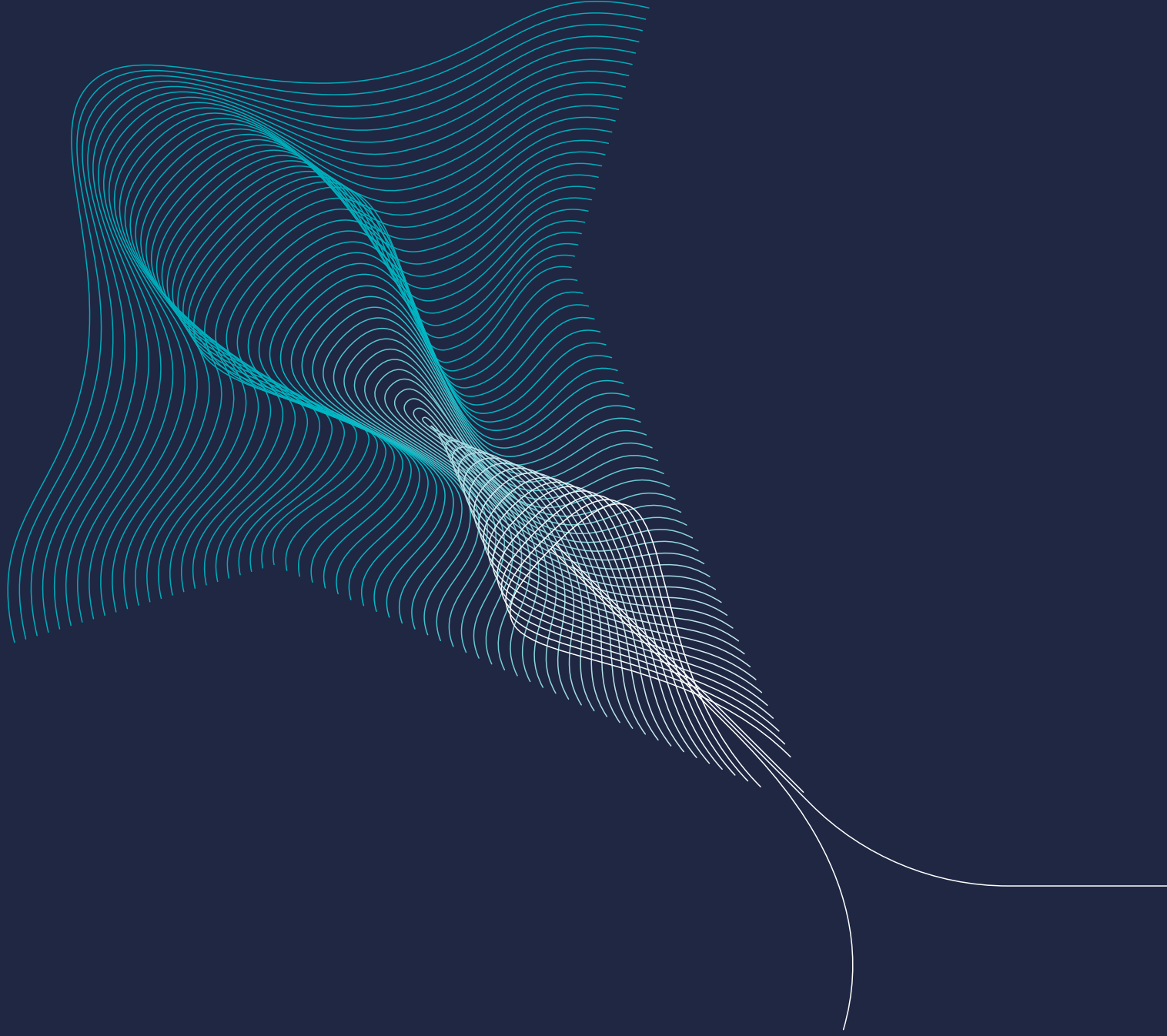
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we deeply believe that

As TPAO, achieving to become a company of our country within a period longer than half of a century, we will reach our target to become a corporation more valuable for the world and our country in the future.

Stingray fish, whose biggest species [Bathyraja Hesperafricana](#) reach the height of 3.5 meters, hunts in the seas in 750-2,000 meters depth in the shores of Western Africa; as Barbaros Hayreddin Paşa, the first 3D seismic exploration ship of Turkey did in our seas

» who we are
TPAO 2018
at a Glance

Number of Employees
3,728

The Highest
Profit in Last
10 Years with
5.7
Billion TL

Daily Production
110
Thousand BOE

Established in
1954

Capital
5.2
Billion TL

Number of Wells
Drilled in 2018

69

Drilling in 2018

127

Thousand Meters

Legal Duties Paid
in 2018

3.1

Billion TL



Fatih
Drillship



Yavuz
Drillship

**In 5
Countries**
Outside Turkey

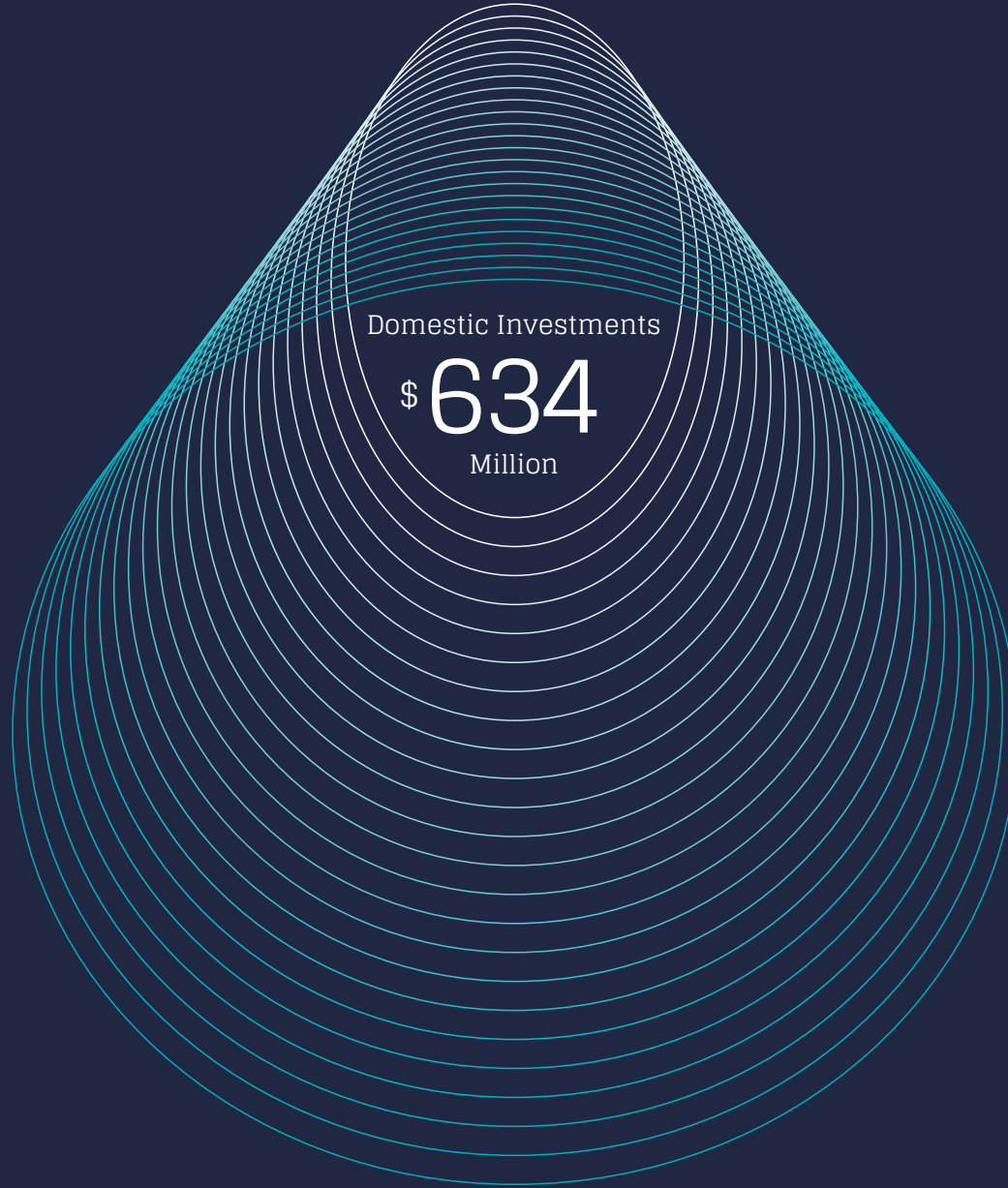
Azerbaijan

Iraq

Russia

TRNC

Afghanistan



International Investments

\$ 863
Million

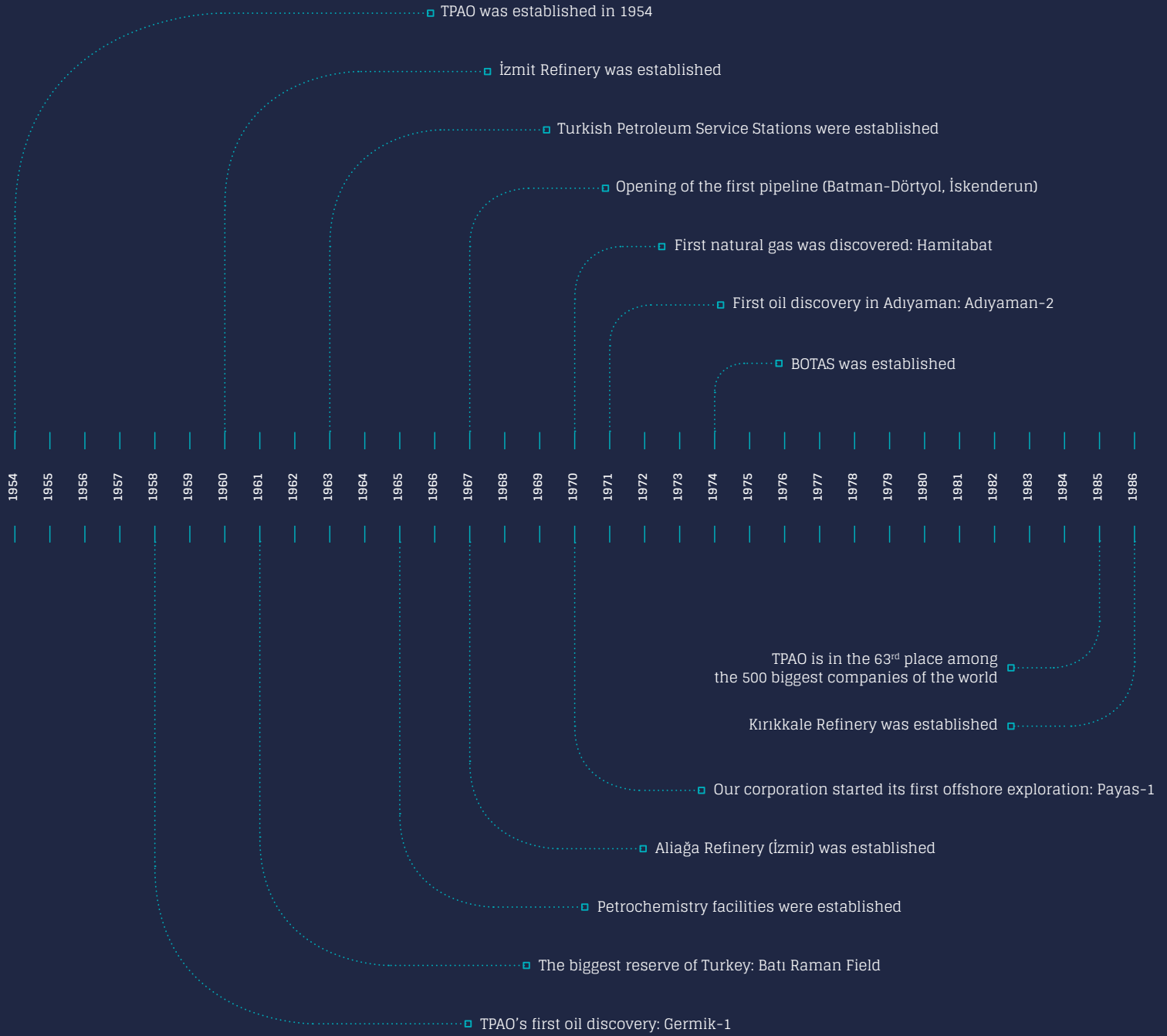
Finance	2018	unit
Sales Revenues	955	million dollars
Current Assets	484	million dollars
Fixed Assets	5,485	million dollars
Equities	3,393	million dollars
Short Term Liabilities	252	million dollars
Long Term Liabilities	2,325	million dollars
Current Ratio	1.92	rate
Cash Ratio	0.61	rate
Financial Leverage Ratio	0.43	rate

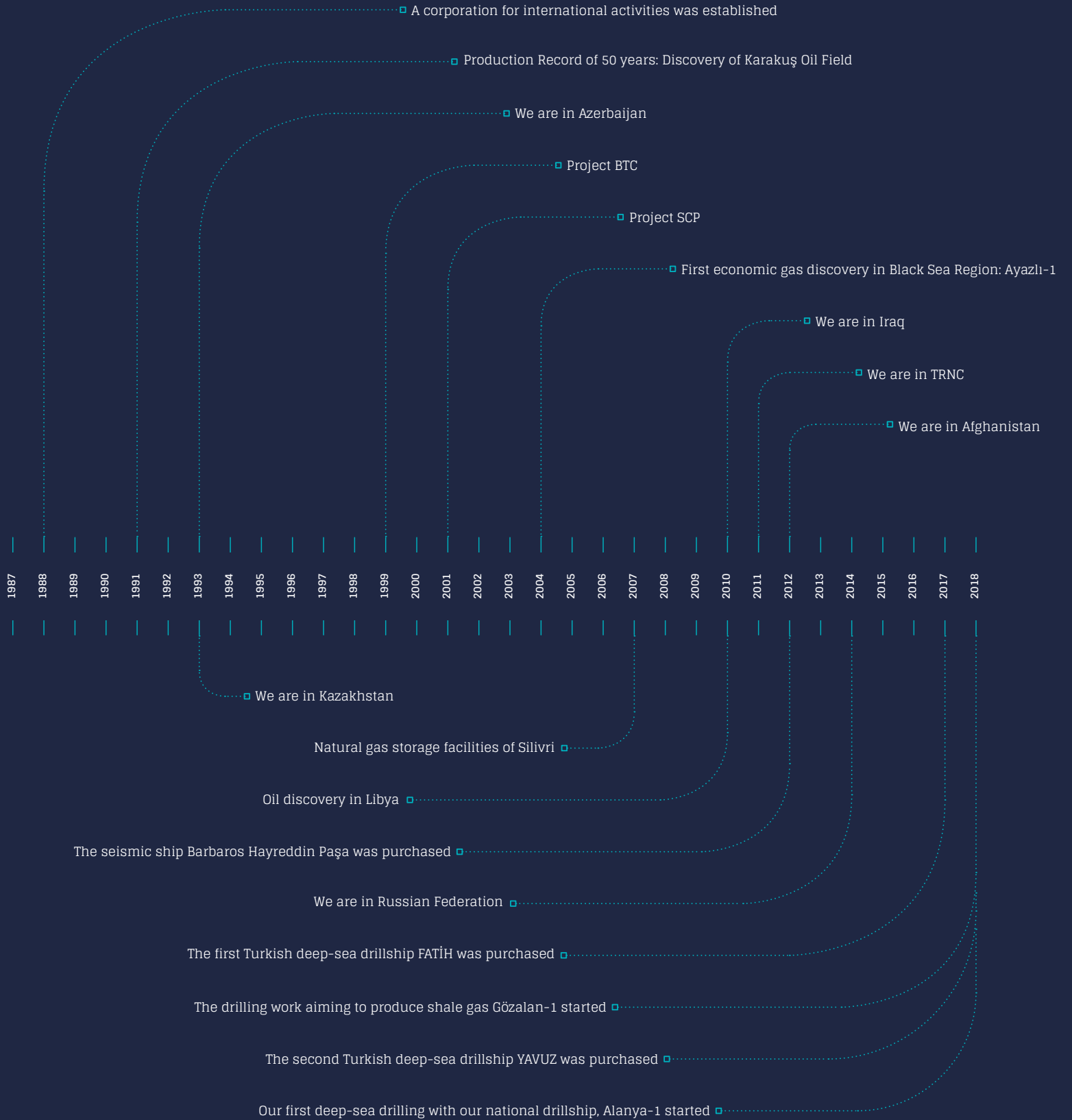
Seismic Activities	2018	unit
2D Onshore	907	km
2D Offshore	729	km
3D Onshore	685	km ²
3D Offshore	9,342	km ²

Drilling Activities	2018	unit
Length in Meters	126,741	meter
Number of Wells	69	wells

Production Activities	2018	unit
Domestic	15.9	million boe
International	24.8	million boe
Total	40.7	million boe

timeline





strategies

We determined our road map and fundamental strategies in accordance with the “National Energy and Mining Policy” of the Ministry of Energy and Natural Resources.

FOCUSING ON OFFSHORE EXPLORATION WITH NATIONAL CAPACITIES

- Operation Capacity with the Deep-Sea Drillship FATİH and YAVUZ
- Nationalization of Offshore Drilling Technologies and Services
- Seismic Data Gathering in Mediterranean Sea, Black Sea and Marmara Sea

DEVELOPING NEW EXPLORATION APPROACHES

- Focusing on the Regions Which Have Not Been Explored Enough
- Evaluating the Current Fields with New Approaches
- Developing and Nationalizing Data-Processing Capacity

DEVELOPING THE INTERNATIONAL PROJECT PORTFOLIO

- The Production Target for 200 Thousand Barrels Per Day in Foreign Countries in 2023
- Utilization of Suitable Opportunities in the Near Countries
- Developing the Existence in the Current Projects

USING NEW PRODUCTION METHODS

- Increasing Productivity with Fracking the Tight Reservoirs.
- Downhole Heaters
- Water and Carbon Dioxide Injection
- Polymer Gel and Acid Applications

INCREASING PRODUCTION WITH UNCONVENTIONAL ACTIVITIES

- Synchronic Operations in Thrace and South-Eastern Anatolian Regions
- Starting to Produce Shale Gas and Shale Oil

PRIORITIZING NATIONAL AND DOMESTIC TECHNOLOGY USE

- Integrating Technology and Artificial Intelligence to All Processes
- Nationalizing Value-Added Products and Services
- Enabling Improvements for Domestic Suppliers and Supporting Them
- Prioritizing National Industry for the Machines, Equipment and Software Being Used

ESTABLISHING LEAN AND MODERN MANAGEMENT MENTALITY

- Centralizing All Procurement Processes
- Improving the Efficiency with a Lean Organizational Structure

DEVELOPING A TRANSPARENT AND ACCOUNTABLE SYSTEM INFRASTRUCTURE

- World Class Enterprise Resource Planning Applications
- Active Use of the Corporate Risk and Quality Management Systems
- Periodic Follow-Up of the Corporate Strategies and Objectives
- Making All Technical Data Accessible from a Single Platform

HAVING A SMART AND LEARNING ORGANIZATION

- Cross Training, Executive Training Programs
- Web-Based Training Platform



vision

To be a competitive and dynamic national E&P company, aspiring to meet the oil and gas demand of our country.

mission

Conducting domestic and international exploration and production activities to increase the oil and gas production of our country.

values

- Respect
- Courage
- Determination
- Professionalism
- Egalitarianism



board of directors

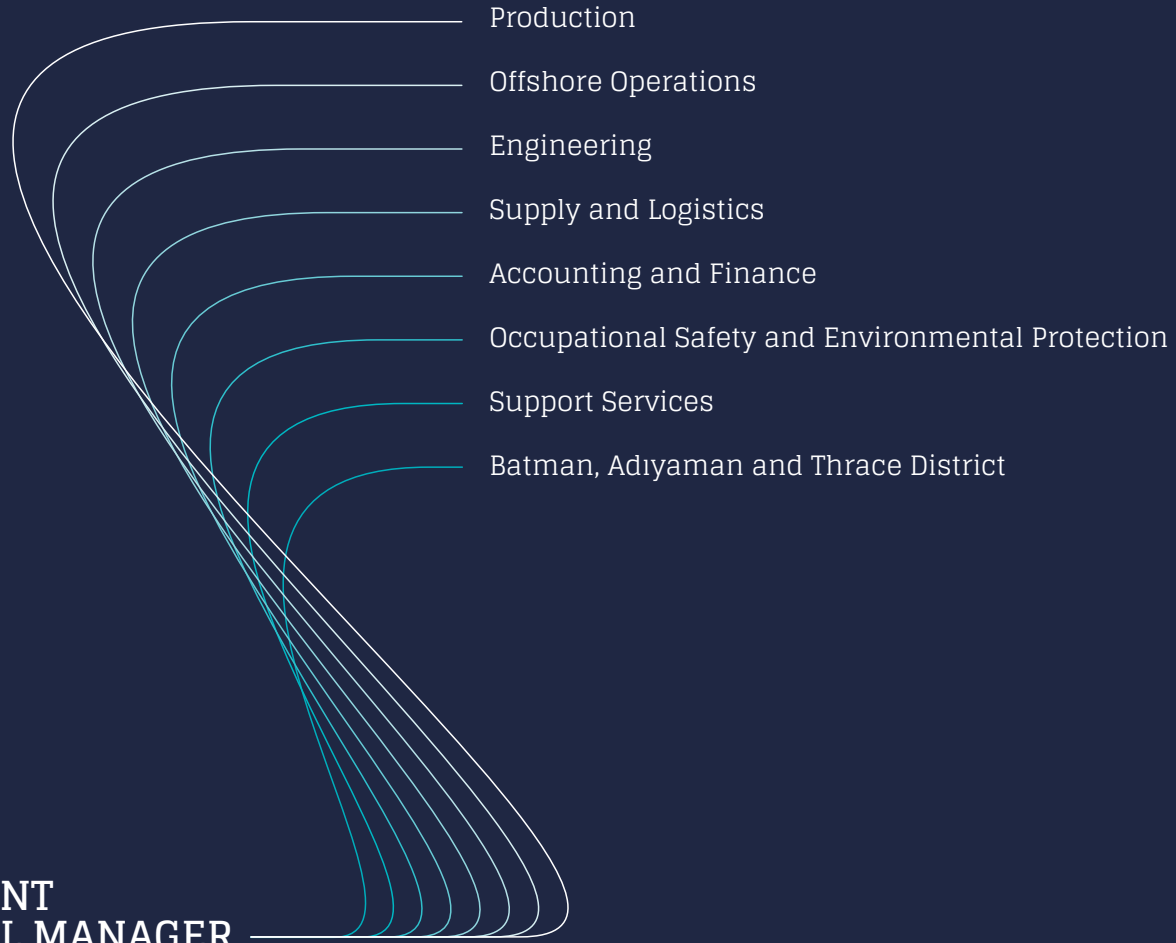
MELİH HAN BİLGİN	CHAIRMAN
ALPARSLAN BAYRAKTAR	MEMBER
EDİP MÜYESSEROĞLU	MEMBER
MEHMET FERRUH AKALIN	MEMBER

GENERAL MANAGER

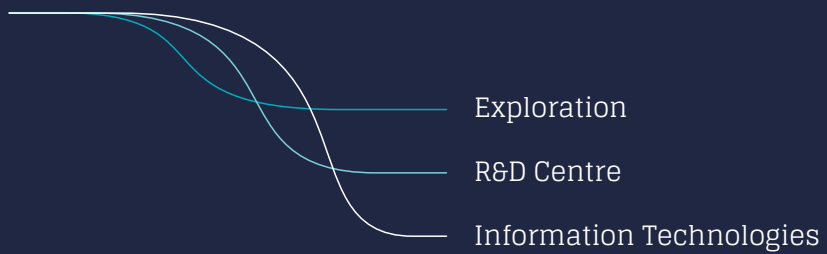
Melih Han BİLGİN

-
- The organizational chart features a central point from which multiple lines radiate to the right, connecting to a list of departments. The lines are styled as a series of overlapping, curved white and light blue lines that create a sense of depth and flow.
- Inspection Board
 - Legal Consultancy
 - Internal Auditing
 - Strategy Development
 - Human Resources
 - International Projects and Business Development
 - Corporate Communication
 - Administrative Board Office
 - Private Secretary
 - Security

organizational chart



**ASSISTANT
GENERAL MANAGER**
Mehmet Ferruh AKALIN



message from general manager

Energy security is more important and primary now than ever in our country, whose role is an importer for the supply of the total energy resources especially for oil and natural gas, and which is developing rapidly.

The recent factors such as increasing demand for energy, higher costs, uncertain oil prices, decreases in the known energy resources and increasing competitions on those resources have made the countries to diversify the resources in terms of energy security, to develop unconventional business models, to take precautions providing lower costs with higher productivity and to increase their domestic productions.

As TPAO, we have been maintaining domestic and international exploration and production activities increasingly in order to meet hydrocarbon need of our country and provide added-value for our national economy. The fundamental strategies proposed by Presidential Office and National Energy and Mining Policy of the Ministry of Energy and Natural Resources constitute our basis for planning those activities.

Within this frame, 2018 was a year we carried out exploration activities in every region of our country, especially offshore. While we revealed our ambition and determination in the seas with the deep sea drillships, Fatih and Yavuz, which we had introduced to the inventory of our country; we started drilling operations in Alanya-1 well, which is the first deep sea drilling operation carried out through national potential with Fatih, and in Kuzey Erdemli-1 well drilling to introduce the hydrocarbon potential in our shallow waters to our national economy simultaneously. In accordance with the plan, the components of which we worked on and the details of which we determined for the upcoming period, we intend to maintain seismic data gathering and drilling operations in all of our seas, especially for the Mediterranean Sea, with our national and domestic potential.

As for onshore, we focus on the fields where the exploration operations have not been carried out sufficient enough for some reasons. We reached the highest reserve-addition number for recent years by carrying out exploration activities after developing new geological approaches for our current fields, in addition to the fields where any kind of activities were not been carried out before such as Çukurca and Pervari. We also increase the productivity of our current production fields by using new techniques and technologies such as downhole heaters and polymer gel.

As a consequence of all those efforts, our daily production reached the highest total domestic and foreign production level in the history of TPAO with more than 130,000 barrels, and our domestic production reached the daily average level of 42,500 barrels, which is the highest for the last 20 years.

We develop a continuous cost-improvement culture as a focal point for our enhanced policy. We decreased our unit-operating costs by 60% in 2018, compared to the average of the last 5 years. As a result of increasing production and decreasing costs, our operating profit is approximately 4 times higher than the previous year.

As TPAO, within the frame of localization which is one of the trivets of National Energy and Mining Policy, we maintain our operations in accordance with our aim to increase the rate of domestic product use each year by contributing to the development of domestic suppliers and production infrastructure.

Corporate development projects which have been applied in 2018 increased awareness and resulted in more transparency and accountability. Within this frame, we can consider the Digital TPAO project, which makes data access easier by gathering the exploratory data from different systems in a single platform; Geographical Information System application, smart maintenance applications which prevent production losses in the fields, Quality and Risk Management projects which we handle with a holistic approach as the steps we took in 2018.

We continue to invest in our human resources by putting cross training, executive advancement, management trainee programs and web-based training platform into practice with the awareness that our most valuable resource is our people as a learning organization.

By remaining faithful to the values of respect, courage, determination, perfectionism and egalitarianism; we intend to progress with the aim to bring hydrocarbon potential of our country, especially for offshore which have a game-changer potential, to our national economy.

I would like to take this opportunity to thank all of the partners and our devoted employees for their contributions and increasing supports; and I wish to build a better future together.

Melih Han BİLGİN

General Manager
Turkish Petroleum Corporation



offshore operations

As an environment friendly organization, TPAO carries out all of its operations in accordance with the international rules and regulations by giving a particular importance to occupational health and safety.

“We proceed our operations with the awareness that the successful results in the offshore fields, which have high potential of hydrocarbons, can enable TPAO and our country to achieve the targets of 2023 and can also decrease dependency on foreign energy resources.”



Alanya-1 Deep Sea Well

Intense operations were carried out with Barbaros Hayreddin Pasa Seismic ship in order to reveal the hydrocarbon potential of the Mediterranean Sea and the Black Sea. As a result of the interpretation of the obtained seismic data, it was decided to carry out drilling operations in shallow water and deep seas. With FATİH, the sixth generation and high technology drilling unit added to our inventory in 2017 with a drilling capacity of 12,200 meters depth, and working capacity of 3,650 meters water depth, the deep sea drilling operation was started in Alanya-1 location on October 30th 2018.

Work Schedule:

7 days 24 hours non-stop

Start Date of Drilling:
30.10.2018

Water Depth:
2,539 m

Drilling Depth (planned):
5,500 m (±500 m)

Operation Duration (planned):
140 days



Kuzey Erdemli-1 Shallow Water Well

The shallow water drilling operation was started within the boundaries of licenced fields in Eastern Mediterranean Sea by establishing a platform in Northern Erdemli-1 location which is one of the shallow water exploratory wells designed by Turkish engineers working for TPAO in November 2018.

Work Schedule:

7 days 24 hours non-stop

Start Date of Drilling:
30.11.2018

Water Depth:
102 m

Drilling Depth (planned):
2,126 m

Operation Duration (planned):
66 days

a city above the sea, sun above the city

Our operations which will be continued for 66 days were started in **Kuzey Erdemli-1** location at 102 meters depth and a drilling operation that planned for 2,126 meters.

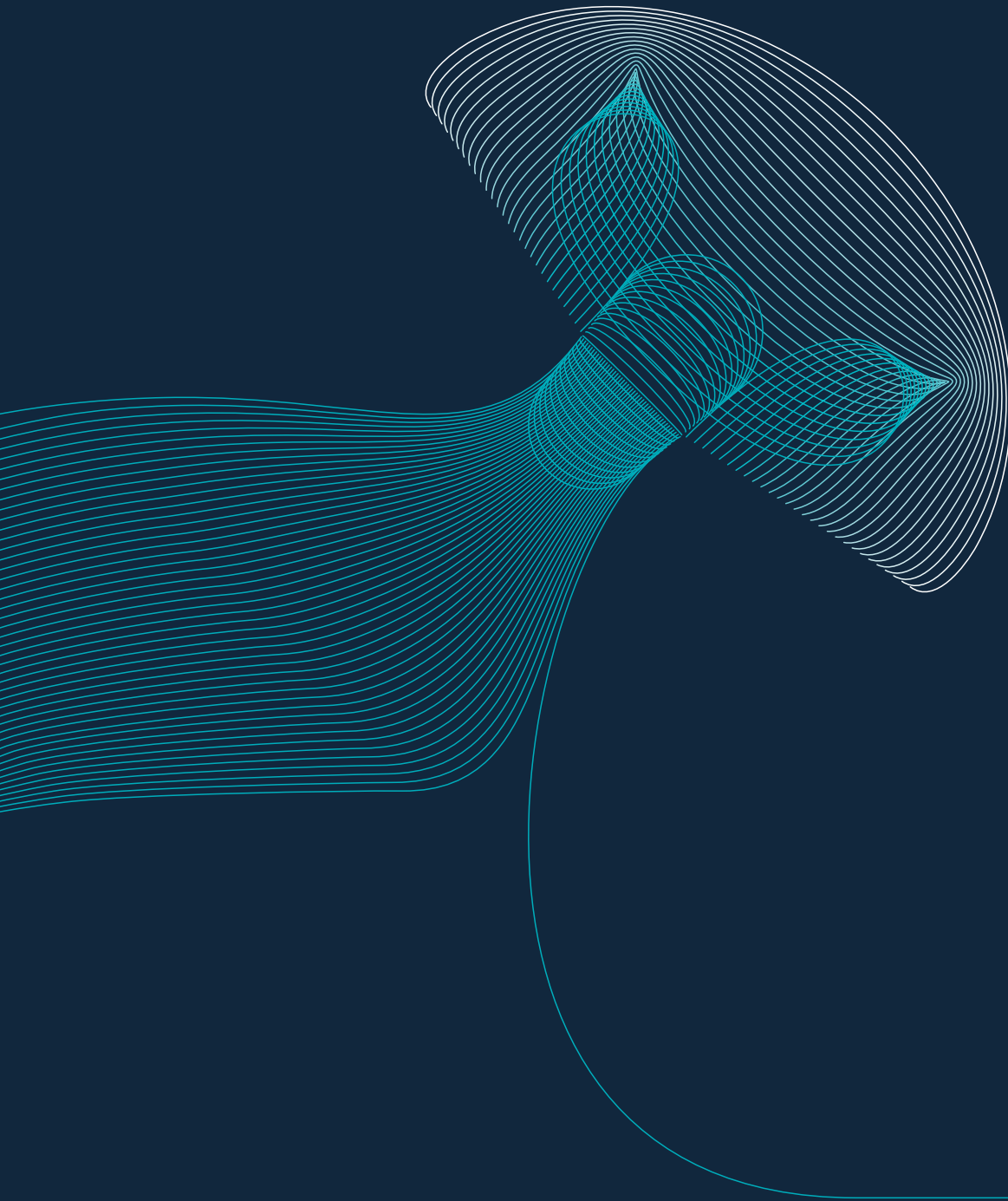


the deep seas have never been this bright

Our operations which will be continued for 140 days were started with FATİH in **Alanya-1** location at 2,539 meters depth and a drilling operation that planned for 5,500 meters.

we are going deeper

We are looking for ways to obtain better results as a national oil company of our country a hydrocarbon exploring, producing and marketing figure of our country.



Jelly fish // Some of them are in diameter of 5 millimetres and some of them are in 2-3 meters in height. Their tails can reach 40 meters in height. The species of [Halitrephes Maasi](#), which is observed in 4 thousand meters depth, can generate its own electricity; as TPAO generates its own value with its big and small projects.

» TPAO in Turkey

oil & gas exploration

The petroleum and natural gas resources, which are needed in every area of modern life and cover a great part of the primary energy consumption, are irreplaceable factors of our lives. The importance of those resources for continuity of economic development and the possibility of disruption of life in case of their absence led to place a strategic importance to petroleum and natural gas when determining the vision and policies of “Developing Turkey”. Therefore, providing petroleum and natural gas from domestic and foreign resources is the main objective of our petroleum exploration strategy.

Our exploration operations starting from South-Eastern Anatolia, Thrace and other land fields which have a potential for petroleum have continued as hydrocarbon exploration operations especially in our seas recently. Meanwhile, shallow and deep directed projects for exploration of natural gas have gained importance with the increasing importance of natural gas and with developing and applying the new technologies.

As it is known, hydrocarbon exploration is an activity with high costs and risk factors. Therefore, we placed emphasis on our cooperation with foreign petroleum companies in addition to increasing our exploration investments, sharing the investment risks, having the best share from hydrocarbon potential of our region and enabling the transfer of new and developed technologies to our country.

Our exploration investments in 2018 were carried out within our boundaries, our seas and other regions, especially for Thrace, inner basins and South-Eastern Anatolian Region.



Field Geology			9 team/month
Geophysical Fieldworks		unit	139 team/month
2D Offshore Seismic	729	km	
2D Onshore Seismic	907	km	
3D Offshore Seismic	9,342	km ²	
3D Onshore Seismic	685	km ²	
Gravity-Magnetic Offshore	2,127,447	points	
Gravity-Magnetic Onshore	2,154	points	

our exploration activities

in 2018

We gathered gravity-magnetic data from

40,000

km² area.

Our largest discovery is Batı Çeltik natural gas field with

12

million BOE

We used the satellite data with high resolution for a field of

11,039

km² for the first time in remote sensing.

Total number of our exploration and research licences:



Increase on licence number compared to the previous year

67%

We reached the capacity to carry out 3D offshore seismic processes.

Only 3D seismic data processing:



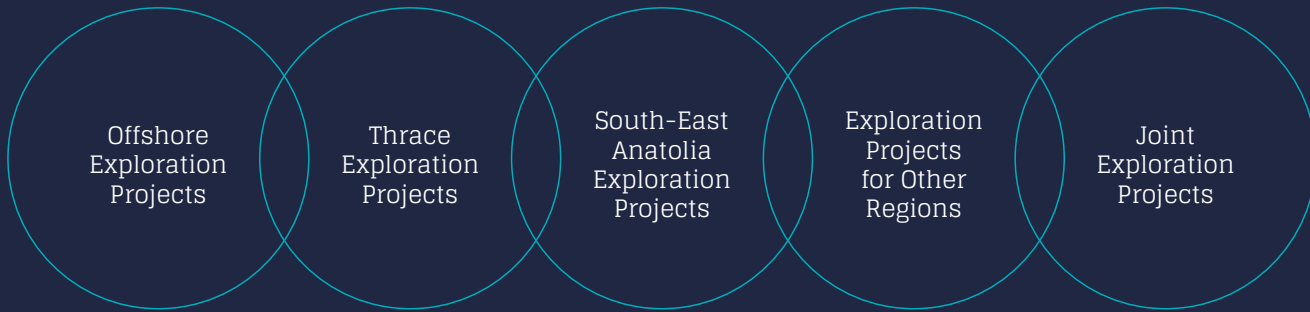


We obtained important results regarding the hydrocarbon potential of our seas in the seismic and geological studies carried out. 2D and 3D seismic data let us define the prospects more accurate both in the offshore and onshore structures.





TPAO carried out its activities to bring the hydrocarbon potential of onshore and offshore of Turkey based on the following 5 main projects:



The number of exploration wells we drilled in the 2 years on onshore



TPAO maintains its operations for increasing the production of oil and natural gas and exploration of new reserves in South-eastern Anatolia and Thrace. The advanced high technology is used for operations. TPAO also combines its 64 year experience with current technology, applies new production techniques to its activities.



We added
14.6
million BOE
to our reserves.



We added
2,472
BOE/day to
the production.

Unconventional Exploration

As TPAO, we focused on reservoirs in Thrace and South-eastern Anatolia for our exploration activities related to unconventional hydrocarbon systems. The drilling operation was started for Gözalan-1 to determine the hydrocarbon Unconventional potential of South-Eastern Anatolia in 2018. We maintain our activities intensely in order to bring the hydrocarbon potential of our country to our national economy with unconventional methods we determined as our fundamental strategy.



production activities

We reached the **highest production level of the last 17 years** by providing approximately 10% increase on crude oil in 2018 compared to 2017. We increased the number of wells to 37 by providing approximately 20% increase in the production well drilled within the scope of field developing activities and contributions of approximately 105 bpd for each well were provided from those wells.

We reached the **highest number of the last 10 years** by providing a 33% increase in natural gas production compared to the previous year.

We also concentrated on redefining operations carried out to increase the production and provided approximately 550 thousand boe additional production as a result of those operations.

In order to reduce the increasing energy importation of our country, we contribute to the national economy of our country in a considerable amount with the income we obtained from our domestic and international activities.



Our domestic oil production in 2018

13.5
million barrels



Our domestic gas production in 2018

405
million sm³

Region-Based Production

Batman	9,780,359	barrels of oil
Adiyaman	3,553,754	barrels of oil
Thrace	392,028,693	sm ³ natural gas

Daily Domestic Hydrocarbon Production in 2018

Petroleum	36,923	bpd
Gas	6,751	boe/d
Hydrocarbon	43,674	boe/d



Domestic
15.9
million BOE

International
24.8
million BOE

We reached the
highest level of
production in
the history of
TPAO in 2018.

40.7
million BOE

health, safety and environment

The occupational health and safety activities in our Corporation were successfully carried out in 2018 too with the scope of Integrated Environment and TS OHSAS 18001 Occupational Health and Safety Management Systems.

We provide orientation with and switched into the new version of the TS EN ISO 14001:2015 Environmental Management Systems in 2018.

We aimed to provide more detailed definitions for all of the risks which can be encountered in the workplaces and to raise awareness for our employees against those risks more actively and to make them take some precautions by developing a new approach for risk evaluations and the works were successfully completed.



Ç-E
TSE-ISO-EN
14001

TSE
İSG-OHSAS
TS 18001

Occupational Safety and Environmental Protection Training



Occupational safety and
environmental protection
training for

75,337

person/hour.



Some operations were carried out in order to establish occupational health, safety and environmental application standards during the preparation stage of Fatih drillship for drilling and during drilling activities, and the applications were monitored in location.

Within the frame of “we always care about the health of our employees” principle, periodical health controls and protective medical activities were carried out.

We maintain
Our works on
**Zero Waste
Project**

Objective of
0
mistake

We decreased
the loss of days
as a result of accidents
in the rate of

73%



TP Academy Online Training and Development Platform



TP Academy is in service to prepare our Corporation and employees who are the most important resource of our Corporation's activities and strategic objectives by informing them about the necessities of the sector and the time and providing 7/24 access to training applications related to their occupational and personal development.

We maintain our training programs in 2018 to enable our employees to contribute to the corporate objectives, to make them equipped with several information and skills to enable them to improve themselves personally and occupationally.

175

different
interactive
trainings



technical
trainings for

740

employees

personal
development
trainings for
2,010
employees



e-learning platform
training for

1,600

hours

trainings in
4 different
subjects for
335
executives



We saved
approximately TL

530,000

with our TP Academy
platform.



11 Executive Candidates were selected and included to special training & development program with the aim of training future's executive candidates.



training and development



Total
6,610
person/day trainings were organized in Turkey

95
of our employees participated in the Orientation Program

340
person/day trainings were organized in accordance with the advance the current executives

in-class trainings

1,470 employees

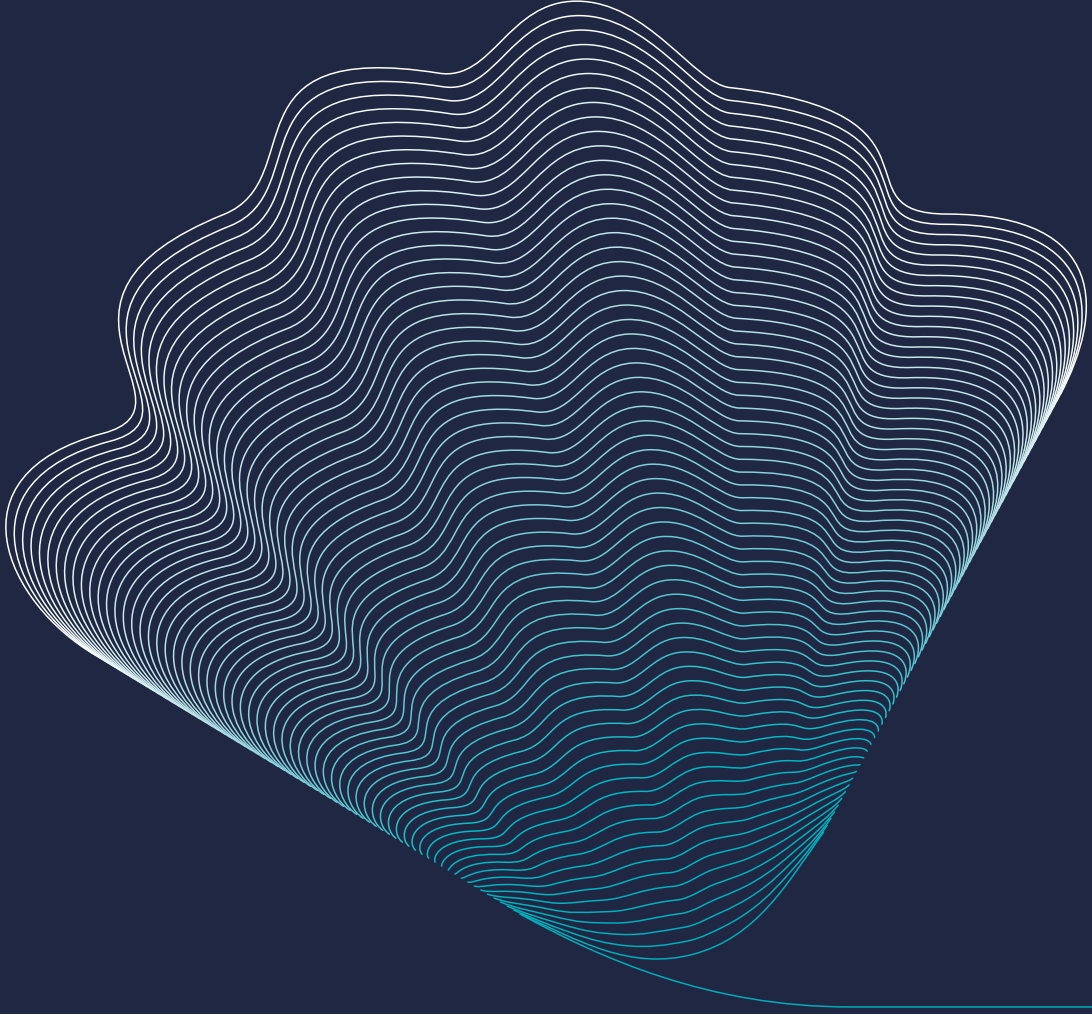
occupational training program

3,047 employees

occupational health and safety training program

2,093 employees

technical and personal development training program



we are thinking deeply about

We take our steps with a dream of a country which generates its own technology with its own energy and builds its own future.

Oyster // They live gregariously in mild and warm waters. There are 100 different species of the oysters, which live more than approximately 10 years. The best oysters live in the waters which have strong currents; as the first drillship of Turkey, FATİH, which moves forward by resisting to the strong currents.

National and domestic technology

R&D Centre for
Exploration and
Production of Oil
and Natural Gas

Establishment	1974
Expert	124
Analytic Devices	142
Number of Laboratories	27
Accredited Laboratories	6
Analysis and Test Methods	400+
Accredited Analyses	36
Scientific/Technical Training Programs	17
R&D Projects	28

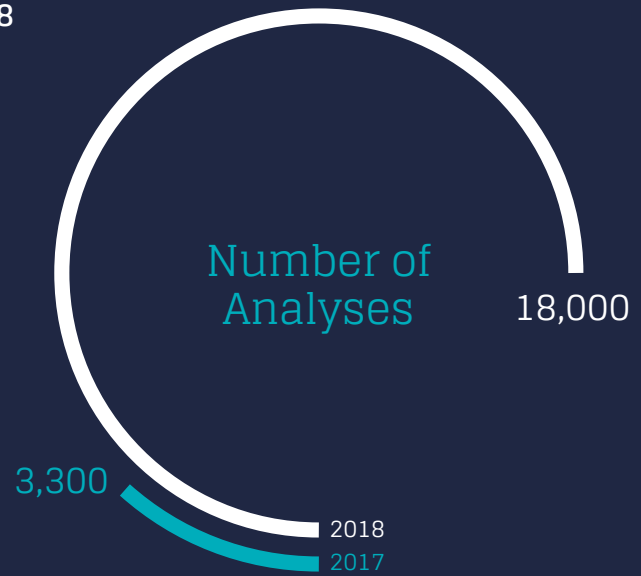
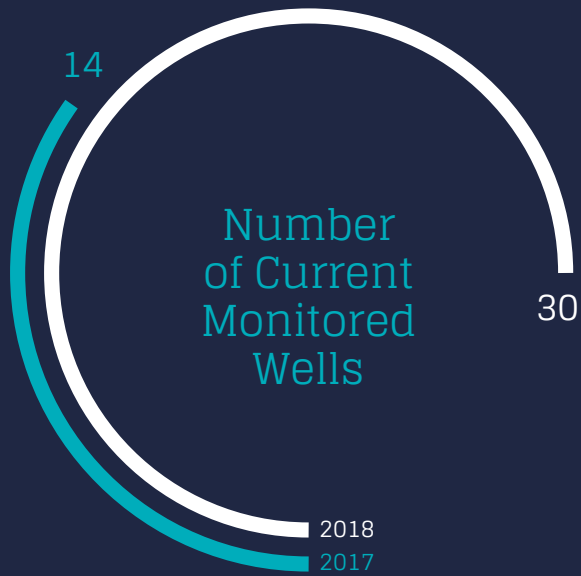
Well Control
Training Centre in
the Standards of
“International Well
Control Forum
(IWCF)”

Establishment	1997
Number of Trainings	20
Number of Trainees	211



First R&D Centre with a 100% Public Capital in Turkey

R&D Centre Performance in 2018



	2017	2018
Drilling Fluid Operation (Well)	26	31
Cement Design (Well)	46	91
Acid Design (Well)	6	22

	2017	2018
New Project in Progress of Planning	6	12
Project in Application	5	6

	2017	2018
Number of Accredited Analyses	5,289	11,533
External Analysis Amount (TL)	429,000	598,000
Number of Trainees	229	335



Simultaneous stratigraphic monitoring and reporting for 30 exploration / detection wells:

18,000
analyses



1,153

person/day support with fieldworks, analyses, tests and designs for operational activities

12 of the 28 R&D projects were completed and 6 of them were put into practice in 2018.

The first phases of gas hydrate and bituminous shale projects with the cooperation of TPAO, TKI and a university were completed.

Alternative hydrocarbon resources such as bituminous shale and Black Sea gas hydrates were detected.

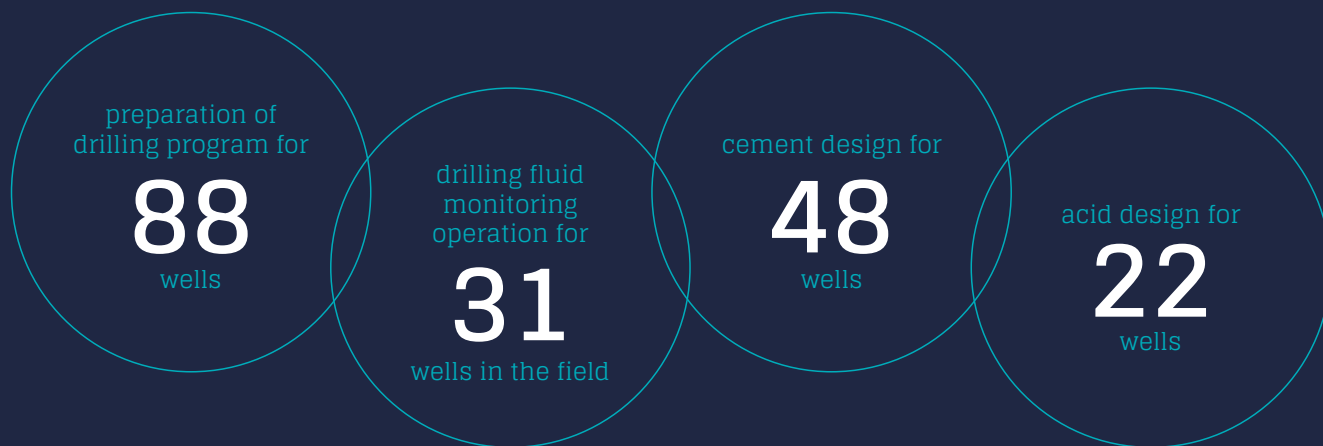
Accredited Laboratories / Analyses for Internal and External Clients / Training Services

The R&D Centre adopted providing services with accurate, reliable, innovative and creative approaches carried out in accordance with the TPAO's vision, mission and values as a principle. Besides, it transformed into a real resolution centre for universities and industrial organizations at home and abroad with the information and accredited laboratories with high technology.

The Centre; which develops R&D projects organizations and institutions, especially with the TPAO's Departments of Exploration, Production and Engineering; continues to transform its development-oriented approach into innovative services.

In the Centre; projects, laboratory and operational fieldworks have been carried out in order to carry out applied R&D projects and analyses related to stratigraphy, sedimentology and reservoir geology and hydrocarbon geochemistry with Petroleum Geology disciplines; to solve technical problems encountered in every stage of petroleum exploration and production related to reservoir, drilling and production technologies, to use the current potential in more productive and active way with Petroleum Technology disciplines.

The R&D Centre carried out simultaneous lito-biostratigraphic and geochemical monitoring operations of 30 of the exploration-detection wells drilled by TPAO in 2018



TPAO R&D Centre

accomplished its goals for 2018.

It has successfully completed the year where it renovate its role in TPAO, developed its professional and testing capacities, raised its quality level, became more compatible with the corporate needs and objectives and completed its preparations to reach greater targets.

supply and logistics

The equipment and products supplied from foreign countries previously for the domestic production operations with high added-value costs were enabled to be produced by projecting them. Accordingly, total amount of 15.000.000 TL was saved with the help of 16 domestication projects carried out in 2018 and national and domestic producers were supported.

Our domestic product usage rate increased from 12% to

25%

in 2018.

Except from the marine operations.

\$ 34

million was saved in the last 10 years.

“ we decrease the external-dependency with the support of domestic sectors ”

The personnel training operations were completed by encouraging the domestic aviation companies for the Offshore Helicopter Operations, and we continue our flights with Turkish pilots and technicians for all of our operations.



national and domestic procurement

in 2018



Separated natural gas with the help of an separator with external heater with minimum loss.

Made natural gas usable by dehumidifying it with glycol dehydration units.

Pumped the drilling mud into the wells with our mud pumps with high pressure.

Contributed to petroleum production with above-ground production pump redactor.

Brought the heavy oil to the surface with rod pump.

Enable the particles and humidity to hold with glycol dehydration unit filters with high performance.

Supported drilling operations in shore base with pneumatic carriage system.

Will take on supplies with the internationally certified containers for Fatih and Yavuz, our drillships.

Get the helicopter services for offshore operations from Turkish aviation companies. We are flying with Turkish pilots.



Continuous cost development

The decrease in the unit costs compared to the previous year:

{ 27% }

information technologies

Our objectives are to provide high-quality, reliable, accountable information technology service management system compatible with the corporate business processes; to enable the corporation to reach its strategic objectives and increase the user satisfaction.

Information Security
Management System

TSE
TS ISO/IEC 27001
BGYS

informatics with numbers

Magnetic Tape
+180,000

Number of Terminals
+14,000

Number of Sattelites / Connections Point to Point
+22

PB Storage Area
+4

Developed Applications / Commercial Software Package
+150

3 computers with
high capacities

ONSHORE:
+600
cores

OFFSHORE:
+2,500
cores

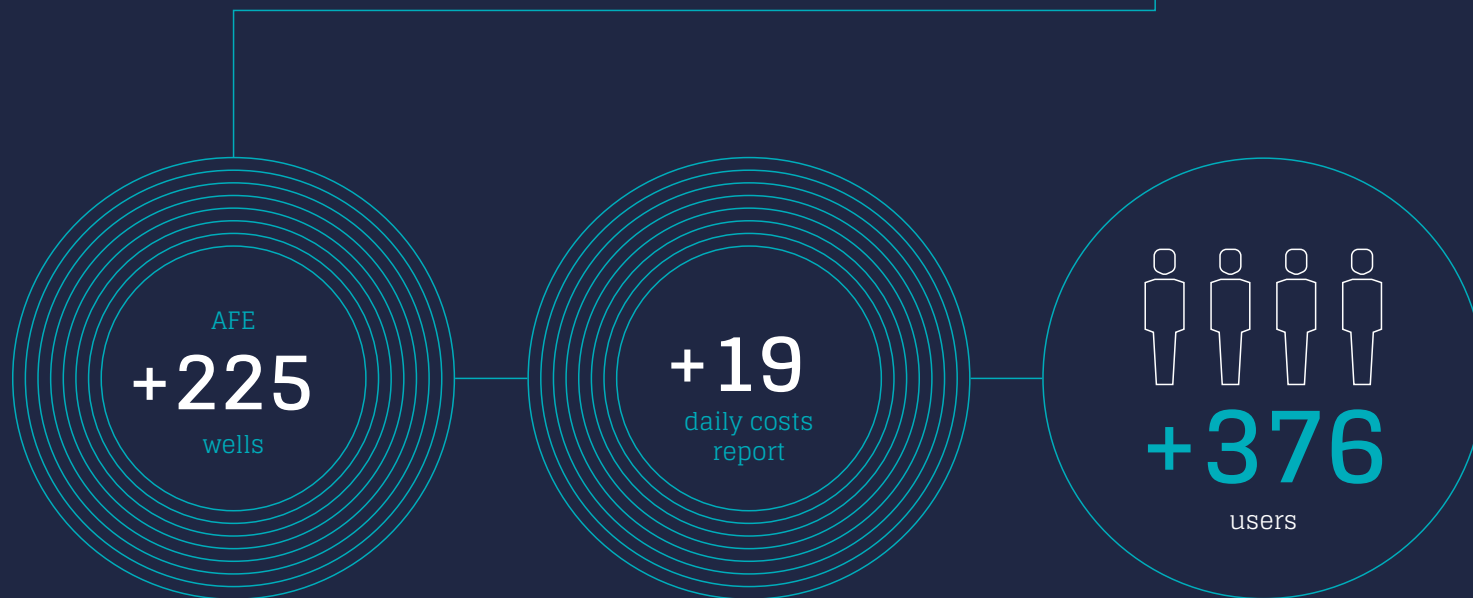
Electronic
document use

+30,000
received documents
+81,000
sent documents

163
trees were
prevented
to be cut



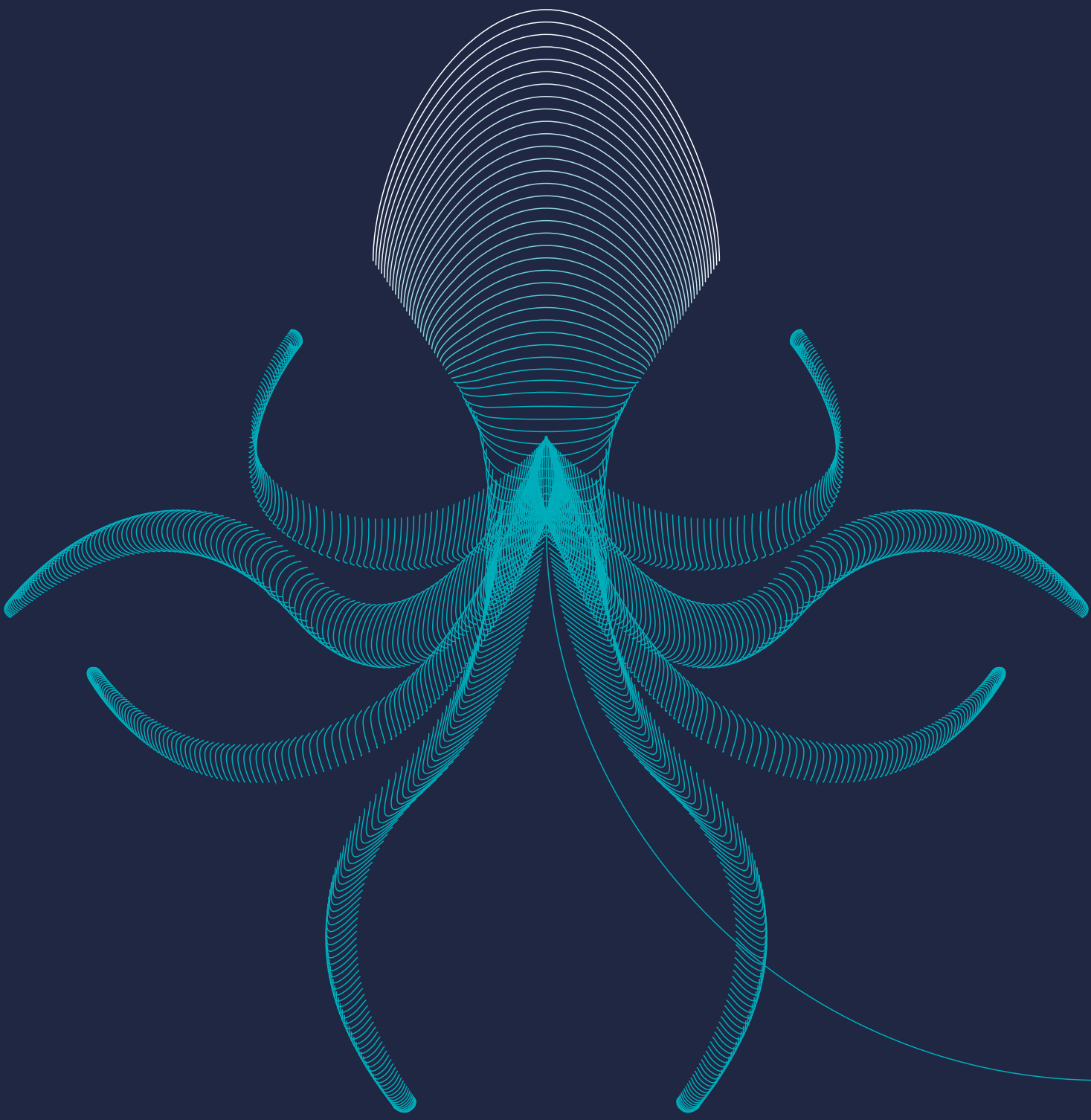
Well Information Management System	
Wells	+176
Exploration	+86
Production	+90



new application

in 2018

- IT architecture for FATİH drillship
- Well Costs System
- Field Operation Monitoring System
- Geographical Information System
5,200 Wells
11,200 Seismic 2D (Total 300,000 km)
110 Seismic 3D (Total 73,000 km²)



we leave deep impressions

We go beyond the limits with our energy and contribute to the energy safety with 13 projects in 5 countries.

Octopus // They use their camouflage and fast-swimming abilities to protect themselves from the predators. Octopuses live all kinds of waters they can accommodate themselves to be able to live in different marine habitats; as TPAO which make our country become stronger with its activities in 5 different countries.

» TPAO outside Turkey international projects

The volatility of the oil prices in recent years and regional political instabilities have brought the energy security issue to higher ranks in the agenda. Correspondingly, having its own hydrocarbon resources is evaluated as a strategic step for our country, which imports over ninety percent of its oil needs. Therefore, TPAO planned and performed its international activities to contribute to the energy security of our country.

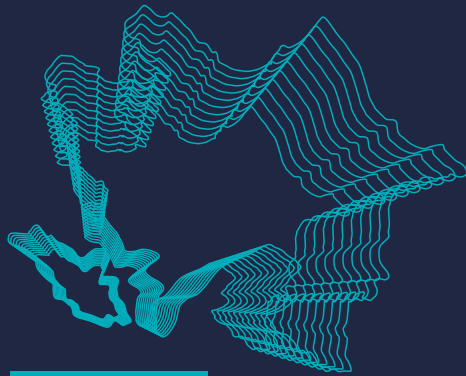


13 projects

in 5 countries

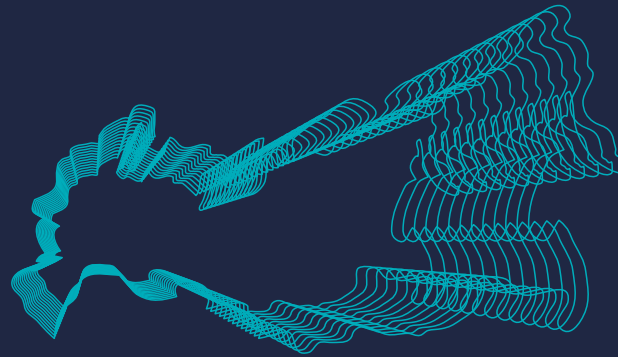
Total daily international production

68
thousand BOE



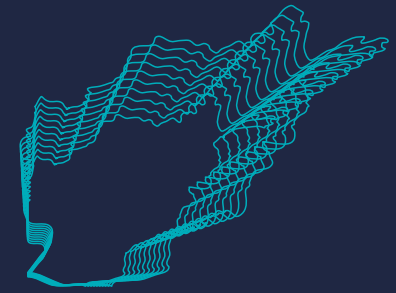
Azerbaijan

Shah Deniz
ACG
BTC
SCP
ALOV



Russia

Baytugan



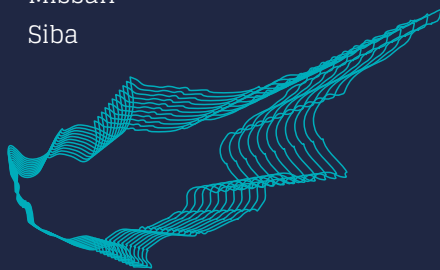
Afghanistan

Mazar-i Sharif
Sandikli



Iraq

Mansurya
Badra
Missan
Siba



TRNC

Eastern Mediterranean

ACG

Project of the century
Extended for 25 years.

- Production Sharing Agreement was signed in 2017 and the project was extended to the end of 2049 (25 years). It entered into force in 2018.

SHAH DENİZ

The first gas delivery for
steel veins of our country.

- The first commercial gas delivery to BOTAS was achieved through SCPX and TANAP pipelines in June 2018.

SİBA

Our 3rd project in Iraq switched
to production stage.

- The first commercial gas production started in September 2018.

BAYTUGAN

- The service agreement was revised in Russia.

AFGHANISTAN

- The operatorship activities were re-started.

we have a deep admiration for

We believe in qualified human capacity to be a leading oil and gas company and we are proud of our employees who produce values with their ambitions for working.



Seahorses // A seahorse is a complete fish with its back fins, and its chest fins near their gills on its head, therefore they are invisible even though they exist and they rarely appear in photographs; as TPAO employees who enabled us to become a big brand.

human resources

Our corporation maintains its activities with its world-wide technological infrastructure and employees successfully representing us in an ambitious way. We continue to make investments for our employees in order to progress with firmer steps to the future in accordance with our vision: existing with “an active, competitive and dynamic structure” in its region.



%85



%15



Qualified and Experienced Employees

Our corporation will achieve greater success in the future with its communication, innovation, responsibility and teamwork culture values.

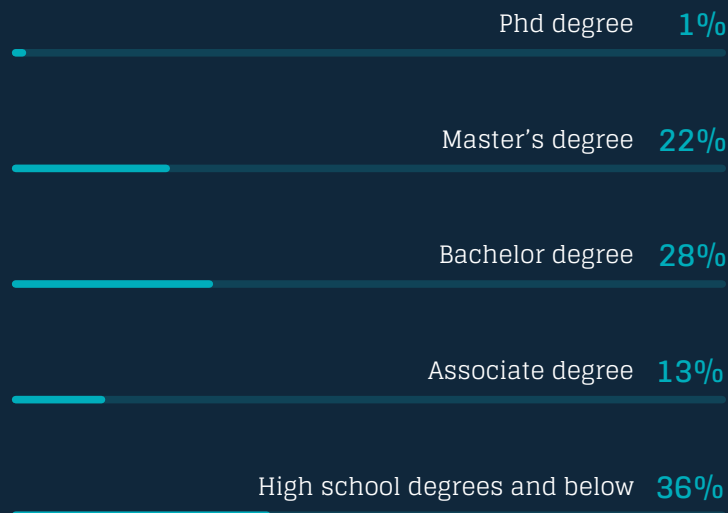


1,378
white collar



2,350
blue collar

Educational Background of the Employees



financial

The financial tables of TPAO and its Associated Partners as of December 31st 2018 / [Thousand US Dollars](#)

ASSETS	2018
Current Assets	484,262
Liquid Assets	152,694
Trade Receivables	108,446
Other Receivables	47,591
Inventories	151,091
Other Current Assets	24,439
Fixed Assets	5,485,057
Trade Receivables	535
Other Receivables	4,752,779
Financial Fixed Assets	1,090
Tangible Fixed Assets	712,823
Intangible Fixed Assets	16,829
Other Fixed Assets	1,000
Total Assets	5,969,319

The financial tables of TPAO and its Associated Partners
as of December 31st 2018 / [Thousand US Dollars](#)

LIABILITIES AND EQUITY	2018
Short Term Liabilities	251,569
Financial Liabilities	108,845
Trade Payables	16,204
Other Liabilities	64,036
Taxes Payable and Other Fiscal Liabilities	24,837
Provisions for Liabilities and Expenses	243
Other Short Term Liabilities	37,403
Long Term Liabilities	2,324,663
Financial Liabilities	2,185,603
Other Liabilities	20,000
Other Long Term Liabilities	119,060
Shareholders Equity	3,393,087
Paid-In Capital	706,686
Profit Reserves	1,168,102
Retained Earnings	666,944
Net Profit/Loss for the Period	851,355
Total Liabilities and Equity	5,969,319

The financial tables of TPAO and its Associated Partners as of
December 31st 2018 / [Thousand US Dollars](#)

	2018
Gross Sales	954,728
Sales Deductions	82,986
Net Sales	871,743
Cost of the Sales	235,683
Gross Profit (Loss)	636,060
General Administration Expenses	137,913
Exploration Expenses	198,440
Marketing, Selling and Distribution Expenses	17,053
Operating Profit or Loss	282,654
Income and Profit from Other Operations	2,135,556
Expenses and Losses from Other Operations	896,150
Financing Expenses	129,585
Ordinary Profit or Loss	1,392,476
Extraordinary Revenues and Profits	9,922
Extraordinary Expenses and Losses	212,877
Profit (Loss) for the Period	1,189,521
Provisions for Taxes Payable and Other Statuary Obligations	262,239
Net Profit (Loss) of the Period	927,282
Current Ratio (Working Capital Ratio)	1.92
Acid-Test Ratio	1.32
Financial Leverage Ratio	0.43
Equity/Total Liabilities + Equity	0.57
Equity/Total Liabilities	1.32
Gross Sales Profit / Net Sales	0.73



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QR code to view the
TPAO 2018 Annual Report
on your device.





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Fixed Resources

This product was produced
by using recycled woods and fibres
with controlled forests and resources.

FIKRiALEM