

## TUPRAS – May crack margins

### Strong Gasoline Rebound Offsets Moderation in Diesel and Jet Fuel Cracks

1 June 2026

According to Tüpraş's updated investor presentation, May 2026 crack margins showed a mixed picture across major products. While middle distillate cracks remained exceptionally strong compared to historical levels, they continued to normalize from the extraordinary peaks seen in March and April. In contrast, gasoline rebounded sharply, while HSFO cracks recovered from April's trough:

- **Diesel cracks averaged US\$47.6/bbl** in May, easing further from US\$54.4/bbl in April and US\$58.4/bbl in March, but remaining exceptionally strong versus historical averages. The April–May average stands at US\$51.0/bbl, compared to US\$15.6/bbl in April–May 2025.
- **Jet fuel cracks averaged US\$48.6/bbl** in May, down from US\$65.5/bbl in April and US\$84.4/bbl in March, indicating continued normalization from exceptionally tight market conditions. Nevertheless, margins remain well above historical norms. The April–May average stands at US\$57.1/bbl, versus US\$14.2/bbl in April–May 2025.
- **Gasoline cracks rebounded sharply to US\$31.3/bbl** in May from US\$10.1/bbl in April, reaching their highest level year-to-date and significantly exceeding both last year's level (US\$18.5/bbl) and the five-year average. The April–May average stands at US\$20.7/bbl, compared to US\$15.9/bbl in April–May 2025.
- **Fuel oil (HSFO) cracks improved to -US\$17.6/bbl** in May from -US\$32.9/bbl in April, although they remained weaker than the corresponding level of -US\$3.6/bbl in May 2025. The April–May average stands at -US\$25.3/bbl, compared to -US\$5.4/bbl in April–May 2025.

May data suggest that the extraordinary strength seen in middle distillates earlier in the year is gradually normalizing, yet diesel and jet fuel margins remain significantly above both historical averages and last year's levels. Diesel cracks remained close to US\$50/bbl, while jet fuel cracks stayed near US\$50/bbl, continuing to support refinery profitability despite the recent pullback. The most notable development in May was the sharp recovery in gasoline cracks, which surged to US\$31.3/bbl after weakening materially in April. This rebound points to a tightening gasoline market ahead of the summer driving season and partially offsets the moderation observed in middle distillates. Meanwhile, HSFO cracks recovered from April's exceptionally weak level but remained deeply negative, highlighting the continued structural weakness.

Overall, the May margin environment remains supportive for Tüpraş. Although refining margins have moderated from the exceptional levels seen in March, all key light and middle distillate products continue to trade at historically attractive levels. Despite a 9% increase in the share price over the past three months (7% outperformance versus the BIST-100), the stock trades at 3.3x and 3.7x EV/EBITDA on our 2026E and 2027E forecasts, respectively, remaining below the historical average of 5.0x. We maintain our Outperform rating with a target price of TL336/share.

US\$/bbl	May-26	Apr-26	m/m	May-25	y/y	Apr-May 26	Apr-May 25	y/y
Brent Oil	<b>107.6</b>	120.5	-11%	64.2	68%	114.1	66.1	73%
<b>Product Cracks</b>								
Diesel	<b>47.6</b>	54.4	-13%	16.8	183%	51.0	15.6	227%
Gasoline	<b>31.3</b>	10.1	210%	18.6	68%	20.7	15.9	30%
Jet Fuel	<b>48.6</b>	65.5	-26%	16.2	200%	57.1	15.4	272%
Fuel Oil	<b>-17.6</b>	-32.9	n.m.	-3.6	n.m.	-25.3	-5.4	368%

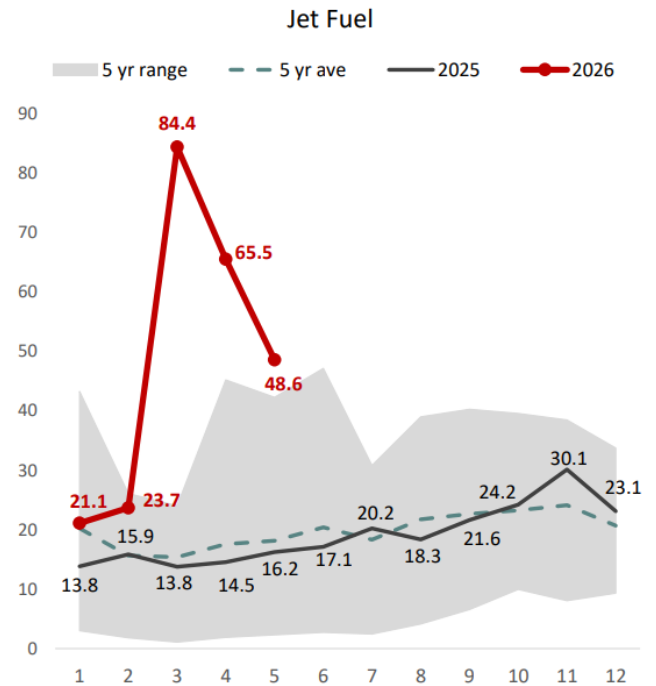
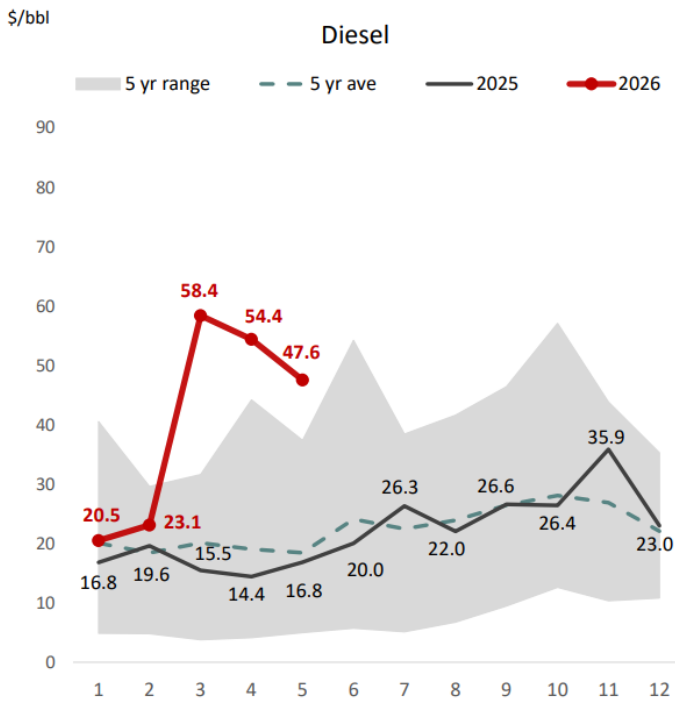
Source: Tupras

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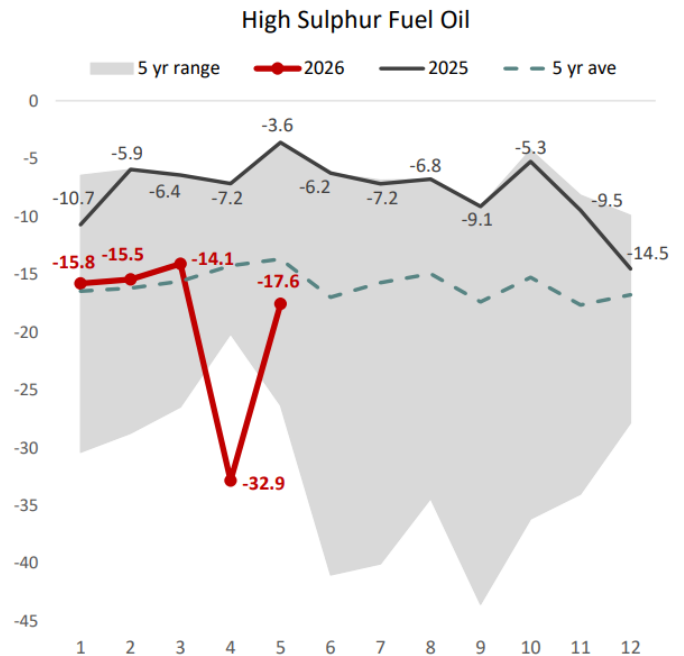
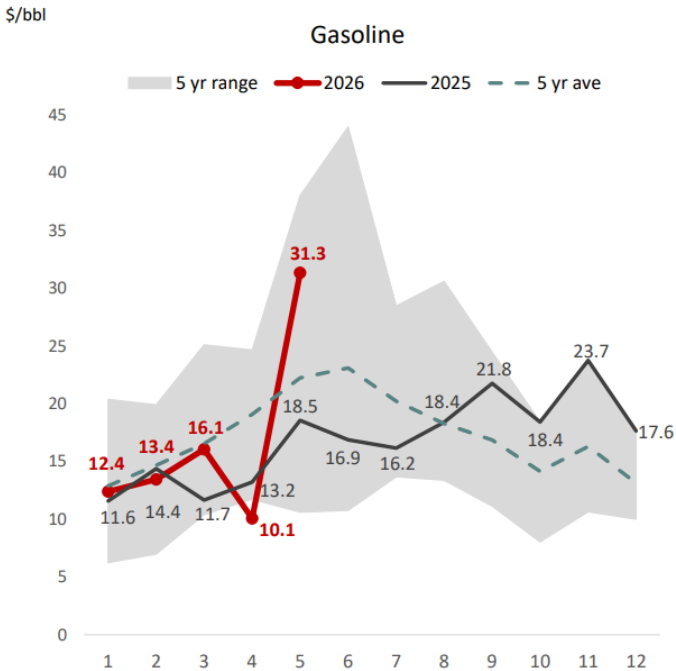
Middle Distillate Cracks



Data as of 31 May, 5-year range shows 2021-2025

Source: Tupras investor presentation

TUPRAS – Gasoline and High Sulphur Fuel Oil Cracks



Data as of 31 May, 5-year range shows 2021-2025

Source: Tupras investor presentation

**VALUATION & RATING METHODOLOGY:**

Valuation tools employed most frequently are Discounted Cash Flow (DCF) and International Peer Comparison, though other metrics such as Dividend Discount, Historical Relative Valuation, and Replacement Value are also used wherever appropriate. Gedik Investment analysts set the target values with a 12-month investment horizon and calculate the potential return of each stock via using only one tool or more than one tool, assigning different weights for each. Our 12-month company rating system includes the following recommendations: **OUTPERFORM**, **MARKETPERFORM** and **UNDERPERFORM**. The ratings are determined as follows:

**OUTPERFORM:** If 12-month total return of the stock is expected to exceed BIST-100 by more than 20%.

**MARKETPERFORM:** If 12-month total return of the stock is expected to perform in-line with BIST-100 within a range of +20/-20%.

**UNDERPERFORM:** If 12-month total return of the stock is expected to be below BIST-100 by more than 20%.

Rating Methodology	Pot. Excess Return (PER)
OUTPERFORM	PER > +20%
MARKETPERFORM	-20% <= PER <= +20%
UNDERPERFORM	PER < -20%

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