

2017 1Q FINANCIAL RESULTS

Dear Stakeholders,

By 58% increase compared to the same period of previous year, Otokar generated TRY 566,4 million in 2017 1Q.

Sales (Thousand TRY)	2017 1Q	2016 1Q	Change (%)
Domestic	452.440	243.426	85,9%
Export	113.979	115.406	(1,2%)
Total	566.419	358.832	57,9%

In 2017 1Q, Otokar's production and sales units were 773 and 766 respectively.

Units	2017 1Q	2016 1Q	Change (%)
Production	773	485	59%
Sales	766	788	(3%)

SUMMARY FINANCIAL STATEMENTS

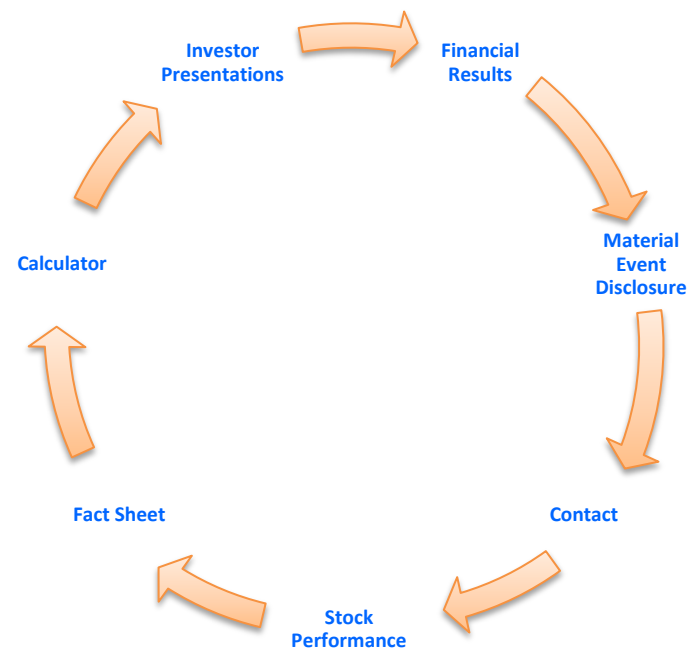
Income Statement (Thousand TRY)	2017 1Q	2016 1Q	Change (%)
Net Sales	566.419	358.832	57,9%
Cost of Sales	(427.407)	(267.027)	60,1%
Gross Profit	139.012	91.805	51,4%
Operating Expenses	(72.753)	(64.916)	12,1%
Operating Profit	66.259	26.889	146,4%
Financial Expenses	(29.153)	(17.180)	69,7%
Income(loss) before min&taxes	37.148	9.717	282,3%
Taxation	0	(1.550)	(100%)
Net Profit	37.148	8.167	354,9%
EBITDA	79.626	38.873	105%

Balance Sheet (Thousand TRY)	2017 1Q	2016 1Q
Current Assets	1.529.662	1.154.746
Current Liabilities	880.952	777.141
Working Capital	648.710	377.605
Property, Plant & Equipment –Net	103.323	102.596
Total Assets	1.865.540	1.531.438
Total Liabilities	1.646.730	1.349.789
Shareholders' Equity	218.810	181.649

Statement of Cash Flow (Thousand TRY)	2017 1Q	2016 1Q
Cash and Cash Equivalents at the Beginning of the Period	38.598	62.960
Net Cash Provided by Operating Activities	(285.840)	8.699
Net Cash Used in Investment Activities	(18.434)	(13.060)
Pre-Financing Cash Flow	(304.274)	(4.361)
Net Cash Obtained From Financing Activities	269.543	(33.759)
Net Increase in Cash and Cash Equivalents	(34.493)	(38.103)
Cash and Cash Equivalents at the End of the Period	4.105	24.857

Financial Ratios	2017 1Q	2016 1Q
Current Ratio	1,74	1,49
Liquidity Ratio	1,19	0,95
Current Assets / Total Assets	0,82	0,75
Current Liabilities / Total Liabilities	0,47	0,51
Current&Non-current Liabilities / Total Assets	0,88	0,88

Margins	2017 1Q	2016 1Q
Gross Margin	24,5%	25,6%
Operating Margin	11,7%	7,5%
EBITDA Margin	14,1%	10,8%
Net Margin	6,6%	2,3%



Year	Profit for the Period (TRY)	Dividend Amount (Thousand TRY)	Dividend Yield
2016	69.725.866	60.000	%2
2015	79.506.151	72.000	%3
2014	72.771.198	80.000	%4
2013	96.561.743	100.000	%8
2012	76.384.978	64.000	%7

Dividend;

Otokar has continued to pay dividends to its shareholders as in previous years. The planned dividend payment that was agreed at the General Assembly, dated 24.03.2017, for the year 2016 was TRY 60.0 million was paid on Apr 04, 2017.

Altay Tank Project

Turkish Main Battle Tank Project ALTAY, which the contract was signed in 2008, continues in accordance with the planned timetable. Production of PV1 and PV2 prototypes which will be used for final acceptance and qualification tests has been completed in 2014. System qualification tests, one of the most important process within the scope of the third and the last phase "Prototype Production and Qualification", were executed between April,2015 and March,2017 and administrative procedures are expected to be completed at this stage. Additionally, under related article of the existing contract, proposal for Altay Project Phase II Serial Production Stage related with production of 250 tanks and its Integrated Logistics Support activities has been submitted to SSM on 18.01.2016 and the BAFO (Best And Final Offer) has been submitted to SSM on 29.08.2016.

Investments

Otokar has continued to invest on R&D activities field in 2016 like the previous years. Total investment expenditure of Otokar was realized over USD 5 Million in 2016.

Fairs;

Otokar attended with its defence vehicles in February 2017 United Arab Emirates IDEX 2017.

DISCLAIMER

This Bulletin is prepared for our stakeholders to get the informations about the activities of our company easier, containing the summary informations in the 2017 1Q financial statements that are disclosed on Public Disclosure Platform. In case of a discrepancy between this bulletin and the financial statements, financial statements shall prevail.

