

## 2017 3Q FINANCIAL RESULTS

Dear Stakeholders,

By 22,4% increase compared to the same period of previous year, Otokar generated TRY 1.369.519 million in 2017 3Q.

Sales (Thousand TRY)	2017 3Q	2016 3Q	Change (%)
Domestic	1.030.477	811.686	27,0%
Export	339.042	307.152	10,4%
<b>Total</b>	<b>1.369.519</b>	<b>1.118.838</b>	<b>22,4%</b>

In 2017 3Q, Otokar's production and sales units were 2.020 and 2.156 respectively.

Units	2017 3Q	2016 3Q	Change (%)
Production	2.020	2.185	(8%)
Sales	2.156	2.584	(17%)

### SUMMARY FINANCIAL STATEMENTS

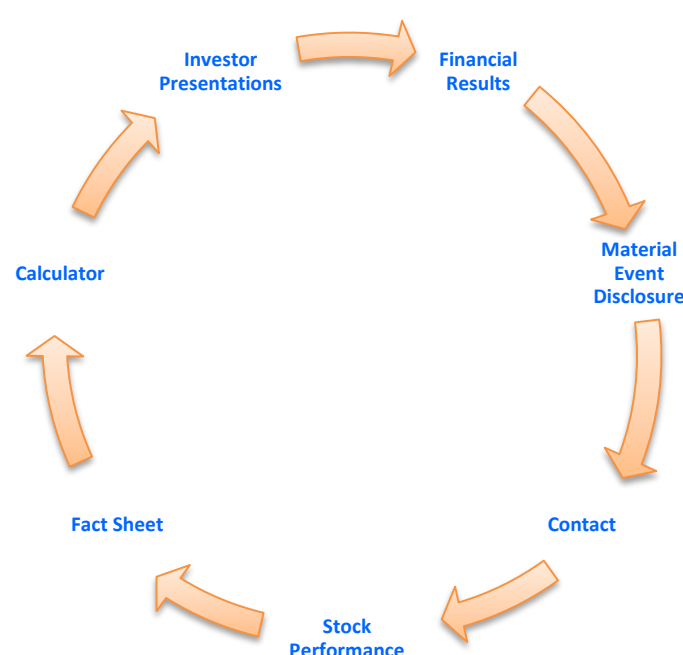
Income Statement (Thousand TRY)	2017 3Q	2016 3Q	Change (%)
Net Sales	1.369.519	1.118.838	22,4%
Cost of Sales	(1.041.713)	(842.311)	23,7%
Gross Profit	327.806	276.527	18,5%
Operating Expenses	(184.866)	(172.617)	7,1%
Operating Profit	142.940	103.911	37,6%
Financial Expenses	(93.417)	(65.651)	42,3%
Income(loss) before min&taxes	50.769	38.294	32,6%
Taxation	0	(5.211)	(100,0%)
Net Profit	50.769	33.084	53,5%
EBITDA	187.114	137.664	35,9%

Balance Sheet (Thousand TRY)	2017 3Q	2016 3Q
Current Assets	1.563.922	1.451.687
Current Liabilities	1.223.840	999.781
Working Capital	340.082	451.906
Property, Plant & Equipment –Net	347.829	360.939
Total Assets	1.911.751	1.812.626
Total Liabilities	1.678.718	1.606.198
Shareholders' Equity	233.033	206.428

Statement of Cash Flow (Thousand TRY)	2017 3Q	2016 3Q
Cash and Cash Equivalents at the Beginning of the Period	38.598	62.960
Net Cash Provided by Operating Activities	(310.715)	(83.937)
Net Cash Used in Investment Activities	(62.802)	(49.713)
Pre-Financing Cash Flow	(373.519)	(133.650)
Net Cash Obtained From Financing Activities	378.073	90.158
Net Increase in Cash and Cash Equivalents	4.999	(43.152)
Cash and Cash Equivalents at the End of the Period	43.597	19.807

Financial Ratios	2017 3Q	2016 3Q
Current Ratio	1,28	1,45
Liquidity Ratio	0,88	0,93
Current Assets / Total Assets	0,82	0,80
Current Liabilities / Total Liabilities	0,64	0,55
Current&Non-current Liabilities / Total Assets	0,88	0,89

Margins	2017 3Q	2016 3Q
Gross Margin	23,9%	24,7%
Operating Margin	10,4%	9,3%
EBITDA Margin	13,7%	12,3%
Net Margin	3,7%	3,0%



### Dividend;

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%

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

Within the scope of Turkish Main Battle Tank Project ALTAY, which the contract was signed in 2008, 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 successfully between April,2015 and March,2017 and 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 Undersecretariat for Defence Industries (SSM) on 18.01.2016 and the BAFO (Best And Final Offer) has been submitted to SSM on 29.08.2016. It has been reported to our company by SSM on 09.06.2017, that the offer has been evaluated in all aspects of administrative, financial and technical however due to not being able to agree upon in the terms of contract, especially price is being in the first place, it is notified that our offer was not approved and the requirement for the project has been decided to be fulfilled with a new tender. The request for Altay serial production proposal document was released on July,2017 by SSM and Otokar was invited to the tender.

### Investments

Otokar has continued to invest on R&D activities field in 2017 like the previous years. Total investment expenditure of Otokar was realized approximately USD 2 Million in 2017 3Q.

### Fairs;

Otokar attended with its defence vehicles in February 2017 United Arab Emirates IDEX 2017, in April 2017 LAAD 2017 in Brasil, in May 2017 IDEF 2017 in İstanbul and in September 2017 DSEI 2017 in London and with its commercial vehicles in April 2017 in Berlin Bus2Bus, in May 2017 UITP Montreal and in October 2017 in Belgium Busworld Kortrijk Europe fairs.

### 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 3Q 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.

