

2016 FINANCIAL RESULTS

Dear Stakeholders,

By 14% increase compared to the same period of previous year, Otokar generated TRY 1.634,5 million in 2016.

Sales (Thousand TRY)	2016	2015	Change (%)
Domestic	1.192.713	1.014.925	17,5%
Export	441.809	419.043	5,4%
Total	1.634.522	1.433.968	14,0%

In 2016, Otokar's production and sales units were 2.990 and 3.633 respectively.

Units	2016	2015	Change (%)
Production	2.990	5.614	(47%)
Sales	3.633	4.726	(23%)

SUMMARY FINANCIAL STATEMENTS

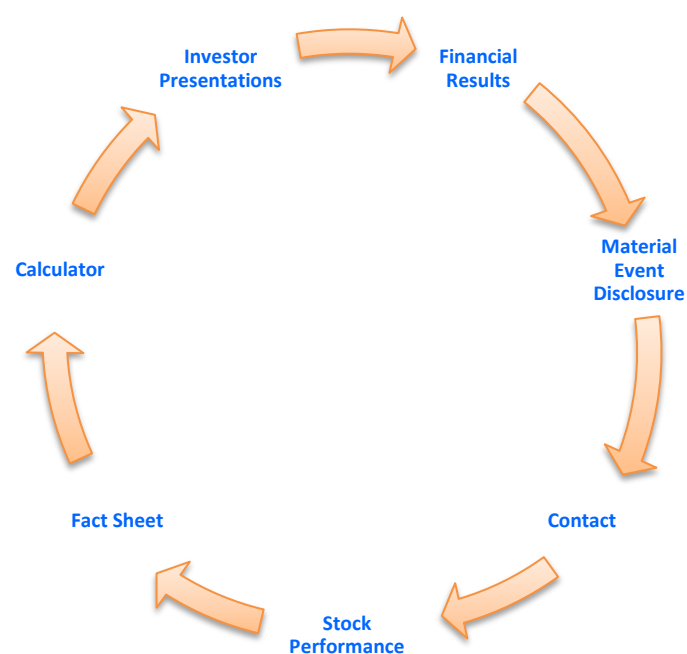
Income Statement (Thousand TRY)	2016	2015	Change (%)
Net Sales	1.634.515	1.433.968	14%
Cost of Sales	(1.224.669)	(1.063.026)	15%
Gross Profit	409.845	370.941	10%
Operating Expenses	(245.202)	(231.281)	6%
Operating Profit	164.643	139.660	18%
Financial Expenses	(96.650)	(53.300)	81%
Income(loss) before min&taxes	68.080	87.840	(22%)
Taxation	1.646	(8.334)	(120%)
Net Profit	69.726	79.506	(12%)
EBITDA	210.967	184.848	14%

Balance Sheet (Thousand TRY)	2016	2015
Current Assets	1.449.932	1.019.693
Current Liabilities	1.066.339	784.890
Working Capital	383.593	234.803
Property, Plant & Equipment –Net	105.102	103.757
Total Assets	1.784.268	1.605.062
Total Liabilities	1.541.310	1.359.823
Shareholders' Equity	242.958	245.239

Statement of Cash Flow (Thousand TRY)	2016	2015
Cash and Cash Equivalents at the Beginning of the Period	58.736	44.528
Net Cash Provided by Operating Activities	401.396	(81.232)
Net Cash Used in Investment Activities	(76.629)	(52.252)
Pre-Financing Cash Flow	324.767	(133.484)
Net Cash Obtained From Financing Activities	(346.295)	147.692
Net Increase in Cash and Cash Equivalents	(20.137)	14.208
Cash and Cash Equivalents at the End of the Period	38.599	58.736

Financial Ratios	2016	2015
Current Ratio	1,36	1,30
Liquidity Ratio	0,90	0,75
Current Assets / Total Assets	0,81	0,64
Current Liabilities / Total Liabilities	0,60	0,49
Current&Non-current Liabilities / Total Assets	0,86	0,85

Margins	2016	2015
Gross Margin	25,1%	25,9%
Operating Margin	10,1%	9,7%
EBITDA Margin	12,9%	12,9%
Net Margin	4,3%	5,5%



Year	Profit for the Period (TRY)	Dividend Amount (Thousand TRY)	Dividend Yield
2015	79.506.151	72.000	3,4%
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 for the year 2015 was TRY 72.0 million was paid on Apr 04, 2016.

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", has been started by April,2015. 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 was submitted to SSM on 18.01.2016, and the BAFO(Best and Final Offer) was 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;

In 2016 Otokar attended with its defence vehicles in Bahrain BIAS 2016, in Malaysia DSA 2016, Hemus in Bulgaria, Eurosatory in France, AAD in South Africa, ADEX in Azerbaijan, ENDODEFENCE in Indonesia, High-Tech Port in İstanbul, also with its commercial vehicles Otokar attended Busworld Turkey, COMWEX and TRANSIST'16 in İstanbul, UITP MENA 2016 in Dubai, Transport Publics 2016 and AutocarExpo in France, IAA 2016 in Germany, EurobusExpo in England, TRANSEXPO in Poland and BUSWORLD Latin America in Colombia.

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 2016 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.