

## **INFORMATION DOCUMENT CONCERNING GENERAL MEETING FOR THE YEAR 2010**

The Ordinary General Meeting of the Company will be held at the address of Divan City, Büyükdere Cad. No: 84 Gayrettepe - İstanbul at 10:00 on Tuesday, 15 March 2011 in order to examine 2010 activities and conclude the agenda written below.

Our Shareholders whose shares are registered within the regulations of Central Securities Depository (CSD) may participate in the General Meeting with the entrance cards that shall be taken by registering themselves to General Meeting Blockage List in compliance with the CSD regulations. Also you can get information by ALO CSD (444 0 655). Our Shareholders should know there is no opportunity to participate in the General Meeting in case they have not registered to "Blockade List".

Our Shareholders who have not registered their shares yet, shall not participate in the General Meeting until they get registered their shares in compliance with the Provisional Article 6 of the Capital Markets Board and shall not be able to benefit their shareholder rights. The participation application of shareholders whose shares have not registered yet shall be considered after the registration procedures have completed.

Shareholders who will not personally attend the meeting must present their proxy issued in the form which is available at the Head Office of the Company and Yapı Kredi Yatırım Menkul Değerler A.Ş. or at the web site of the Company at [www.otokar.com.tr](http://www.otokar.com.tr) and certified by a notary public in regards to the authenticity of the signature thereon, to the Head Office of the Company and perform the other formalities set out in the Communiqué Serial IV, No. 8 of the Capital Market Board that has released in the Official Gazette 09.03.1994 and No 21872 in order to be able to cast their votes at the General Meeting through a proxy.

The Directors' and Auditors' Reports, the reports of the Independent Audit Firm, the Financial reports, the profit distribution proposal of the Board of Directors, and the Annual Report with the Corporate Governance Principles Compliance Report in attachment for the year 2010 are available at the Head Office of the Company and at the web site of the Company at [www.otokar.com.tr](http://www.otokar.com.tr) for inspection by the shareholders.

Voting at the General Meeting for adoption of the issues in the agenda of the General Meeting will be done by show of hands and the total vote amount is 24.000.000.000

All shareholders and stakeholders as well as representatives of press and mass media entities are invited to the General Meeting.

### **OUR REMARKS ON THE ISSUES IN THE AGENDA OF THE ANNUAL GENERAL MEETING**

#### **1- Opening and election of the Chairing Board.**

Election of the Chairman and Members of the Chairing Board which will manage the General Meeting will be done in accordance with the provisions of the "Turkish Commercial Code" (TCC) and the "Regulation on the Procedures and Principles Applicable to General Meetings of Companies with Share Capital and the Representatives of the Ministry of Industry and Trade to Attend the General Meetings" (the "Regulation")

#### **2- Reading of summary of and discussion of the Directors' and Auditors' Reports as well as the Independent Audit Report of Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş., the independent audit firm, concerning the activities and accounts of the Company in 2010; adoption, revised adoption or rejection of the proposal of the Board of Directors concerning the Balance Sheet and Income Statement 2010.**

Report of Board of Directors, Auditor and summary of Independent Audit Report that are available at the Headquarter of the Company and [www.otokar.com.tr](http://www.otokar.com.tr) address as of 21 February 2011 in accordance with the provisions of Turkish Commercial Code and related Regulations shall be read in the General Meeting and submitted for the view and approval of our Shareholders. Aforementioned reports, activity report that consists the corporate management compliance report and other related documents are available in the internet address of our Company.

**3- Release of each of members of the Board of Directors and Auditors from their obligations regarding the activities of the Company in 2010.**

Release of the members of the Board of Directors and Auditors regarding the activity, operation and accounts for the years 2010 in accordance with the Turkish Commercial Code and related Regulations.

**4- Providing information to the shareholders relating to “Profit Distribution Policy” in accordance with the Corporate Governance Principles.**

Profit Distribution Policy below will be presented to the General Meeting and also declared at [www.otokar.com.tr](http://www.otokar.com.tr)

**PROFIT DISTRIBUTION POLICY**

The Company makes profit distribution in accordance with the provisions of the Turkish Commercial Code, the Capital Market Legislation, the Tax Legislation and the other laws and regulations as well as the articles of the articles of association concerning the profit distribution.

In the determination of the profit distribution, our long term corporate strategy, capital requirements, investment and financing policies and profitability and cash position of the company are taken into account.

In principle, based on the net profit in the period set out in the financial statements prepared in accordance with the Capital Market Legislation and subjected to independent audit, minimum 50% of the “distributable profit in the period” calculated in accordance with the Capital Market Legislation and the other relevant laws and regulations is distributed in cash or as gratis shares.

In the event that the minimum distributable profit calculated is less than 5% of the issued capital, profit distribution is not made.

The dividend to be distributed as per the resolution taken by the general meeting can either be wholly in cash or wholly as gratis shares or partly in cash and partly as gratis shares.

The profit distribution is completed at latest by the end of the fifth month following the respective account period if it is to be made in cash or at latest by the end of the sixth month following the respective account period if it is to be made as gratis shares.

As per the profit distribution policy, the dividend is distributed equally to all shares outstanding as at the respective account period.

Distribution is made in accordance with the article 24 of the articles of association.

**5- Adoption, revised adoption or rejection of the proposal of the Board of Directors concerning the distribution of the profit in 2010 and the date of distribution of the profit.**

According to our financial statements pertaining to the account period of 01.01.2010-31.12.2010 which have been issued by the Company in compliance with the International Financial Reporting Standards and audited by Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. in accordance with the provisions of the “Communiqué” XI-29 of the Capital Market Board, “Non-consolidated Net Profit in the Period” amounting to 20.778.314 TL has been earned. Our proposal for the profit distribution prepared by taking into account our long term corporate strategy, the capital requirements of the Company, the investment and financing policies, and the profitability and cash position is given below. As per the resolution to be taken by the General Meeting, payment of the dividend will start on 22.03.2011

<b>Otokar Otomotiv ve Savunma Sanayi A.Ş. Profit Distribution Statement 2010 (TL)</b>			
<b>1. Paid-up/Issued Capital</b>			<b>24.000.000</b>
<b>2. Total Legal Contingency Reserves (based on the Statutory Records)</b>			<b>16.738.147</b>
<b>Information about any privilege provided in the articles of association regarding the profit distribution</b>			
		According to the Capital Market Board	According to the Statutory Records
<b>3.</b>	<b>Profit in the Period</b>	20.076.855	41.357.029
<b>4.</b>	<b>Taxes Payable (-)</b>	701.459	- 4.581.519
<b>5.</b>	<b>Net Profit in the Period (=)</b>	20.778.314	36.075.509
<b>6.</b>	<b>Losses in Previous Years (-)</b>		
<b>7.</b>	<b>Primary Contingency Reserve (-)</b>		
<b>8.</b>	<b>NET DISTRIBUTABLE PROFIT IN THE PERIOD (=)</b>	20.778.314	36.775.509
<b>9.</b>	<b>Donations made during the year (+)</b>	332.366	
<b>10.</b>	<b>Net distributable profit in the period plus the donations based on which the primary dividend is calculated</b>	21.110.680	
<b>11.</b>	Primary dividend to shareholders	4.222.136	
	-Cash	4.222.136	
	-Gratis Shares		
	-Total	4.222.136	
<b>12.</b>	<b>Dividend Paid to Holders of Preferential Shares</b>		
<b>13.</b>	<b>Dividend to members of the board of directors, employees, etc.</b>		
<b>14.</b>	<b>Dividend to holders of dividend shares</b>		
<b>15.</b>	<b>Secondary Dividend to Shareholders</b>	10.777.864	
<b>16.</b>	<b>Secondary Contingency Reserve</b>	1.380.000	
<b>17.</b>	<b>Statutory Reserves</b>		
<b>18.</b>	<b>Special Reserves</b>		
<b>19.</b>	<b>EXTRAORDINARY RESERVE</b>	4.398.314	20.395.509
<b>20.</b>	<b>Other Funds Proposed to be Distributed</b>		-

<b>INFORMATION ON DIVIDEND</b>				
<b>DIVIDEND INFORMATION PER SHARE</b>				
	GROUP	TOTAL AMOUNT OF DIVIDEND (TL)	DIVIDEND PER SHARE AT PAR VALUE OF TL 1.00	
			AMOUNT (TL)	RATE (%)
GROSS	-	15.000.000	0,62500	62.500
	TOTAL	15.000.000	0,62500	62.500
NET	-	12.750.000	0,53125	53.125
	TOTAL	12.750.000	0,53125	53.125
<b>THE RATE OF DISTRIBUTABLE DIVIDEND TO DONATIONS ADDED PERIOD PROFIT</b>				
AMOUNT OF DIVIDEND THAT DISTRIBUTED TO SHAREHOLDERS (TL)		THE RATE OF DISTRIBUTABLE DIVIDEND DISTRIBUTED TO THE SHAREHOLDERS TO DONATIONS ADDED PERIOD PROFIT %		
15.000.000		71.05		

**6- Determination of the number of the members of the Board of Directors and election in number so determined.**

The Members of the Board of Directors shall be elected in compliance with the provisions of Turkish Commercial Code and Regulations in the Articles of Association relating to election of the board of directors.

According to the Article 10 of Articles of Association;

All the businesses and administrative affairs of the Company shall be carried out by a Board of Directors formed by minimum 5 (five) members to be elected by the General Meeting in accordance with the provisions of the Turkish Commercial Code. A member of the Board whose office term has ended may be re-elected. The Board of Directors may replace the Directors anytime if it deems it necessary. Pursuant to Section 312/2 of the Turkish Commercial Code, membership of a person who represents a shareholder in legal entity status in the Board of Directors will automatically cease upon notification to the Company that employment of such person by that legal entity has been terminated.

**7- Determination of the number of auditors and election of the auditors in number so determined.**

The auditors shall be elected in compliance with the provisions of Turkish Commercial Code and Regulations in the Articles of Association.

According to the Article 15 of Articles of Association;

Board of Directors elects at least two members both within and outside the shareholders each year. An auditor whose office term has ended may be re-elected. Monthly or yearly salary is paid to the Auditors which is determined by the Board.

The provisions of Turkish Commercial Code is applied for election, change, termination, death and withdrawal of the auditors.

**8- Determination of the monthly gross remuneration of the members of the Board of Directors and the Auditors.**

Monthly gross remuneration of the members of the board of directors and the auditors will be determined in compliance with the provisions of Turkish Commercial Code and Regulations in the Articles of Association.

**9- Giving information to the General Meeting about the donations and aids performed to foundations and associations in 2010.**

The donations performed in the current year have to be presented to the information of the Board in accordance with the Communique Article 7, IV-27 of Capital Markets Board. Aforementioned article do not require the certification of the Board, it is just for information. Our company performed 332.366 TL donations and aids to various foundations and associations in 2010 in compliance with the provisions of articles of association.

**10- Giving information to the shareholders about the operations performed with related parties.**

Information about the descriptions in the postscript of balance sheet No 25 about related parties of the Company has shared

**11- Pursuant to the Communiqué Relating to the Independent Audit Standards in Capital Markets released by the Capital Markets Board, certification of the independent audit institution election that is held by the Board of Directors with the reference of Audit Committee.**

It is required to vote the election of the independent audit firm in the General Meeting in accordance with the Article 6, Section Three, X-22 of the Communiqué of Capital Markets Board.

The Board of Directors presents decision agreed in the meeting on 18.02.2011-2011/03 about contract renewal of independent audit study for GÜNEY BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş. in 2011 to the information of the shareholders.

- 12- Granting of permission to the Board of Directors pursuant to the articles 334 and 335 of the Turkish Commercial Code to grant permission to the Members of the Board of directors to carry out such businesses falling into the scope of the subject of the Company personally or on behalf of others and to invest in such companies which are engaged in such businesses.**

The operation performance of the Board of Directors is just available with the certification of the Board in compliance with the Article 334. "Prohibition on Performance with the Company" and Article 335 "Prohibition of Competition", mentioned permission will be presented to the certification of the shareholders.

- 13- Giving authority to the Chairing Board to sign the Minutes of the General Meeting on behalf of the Shareholders and to the effect that it be deemed suffice.**

To give authority to the Chairing board to write the decisions on the Minutes of the General Meeting in accordance with the provisions of Turkish Commercial Code and Regulations.

- 14- Wishes.**