

Otokar

INVESTOR PRESENTATION

(24.10.2014)

Prepared based on 2014 3Q financial results

ABOUT US

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- BRIEF HISTORY
- SHAREHOLDER STRUCTURE
- PRODCUTION PLANT
- EMPLOYEE PROFILE
- PRODUCT RANGE
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- R&D and TEST CENTRE

FINANCIAL INDICATORS

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- PRODUCTION-SALES-REVENUE-BACKLOG
- CAPITAL EXPENDITURE
- STOCK and DIVIDEND PERFORMANCE
- MARKET CAPITALISATION

LONG-TERM OBJECTIVES

- SUSTAINABLE GROWTH
- GROWTH WITH PRODUCTS WHICH LICENSE RIGHTS BELONG TO OTOKAR
- GROWTH IN EXPORT MARKETS
- SHAREHOLDER VALUE CREATION

Turkey's the **largest** private and 100% domestically owned company in defense industry

A **global company**, intellectual property rights belong to itself and its products are in use on 5 continents and in more than 60 countries

Turkish Armed Forces' **leading** supplier and exporter of land platforms

Turkey's **market leader** in passenger bus segment with a capacity of 25 people and over for the last 4 years

Vision

- Otokar preserves the local and national characteristics of its products by developing its technology in-house, and aims at the continued satisfaction of its customers, employees, and shareholders by embracing a total excellence philosophy.

Mission

- The key mission of Otokar is to design, manufacture and market commercial vehicles and various defence industry products developed in line with customer expectations that have global competitive power.

Brief History

Otokar



1963

- Establishment
- Production of buses under the license of Magirus-Deutz



1970s

- Turkey's first intercity bus
- The first Turkish Armoured Vehicle production
- Partnering with Koç Group



1980s

- Production of 4x4 tactical vehicle under the license of Land Rover



1990s

- Military armoured vehicles by own desing
- Turkey's first export of tactical armoured vehicle
- Sakarya plant/factory



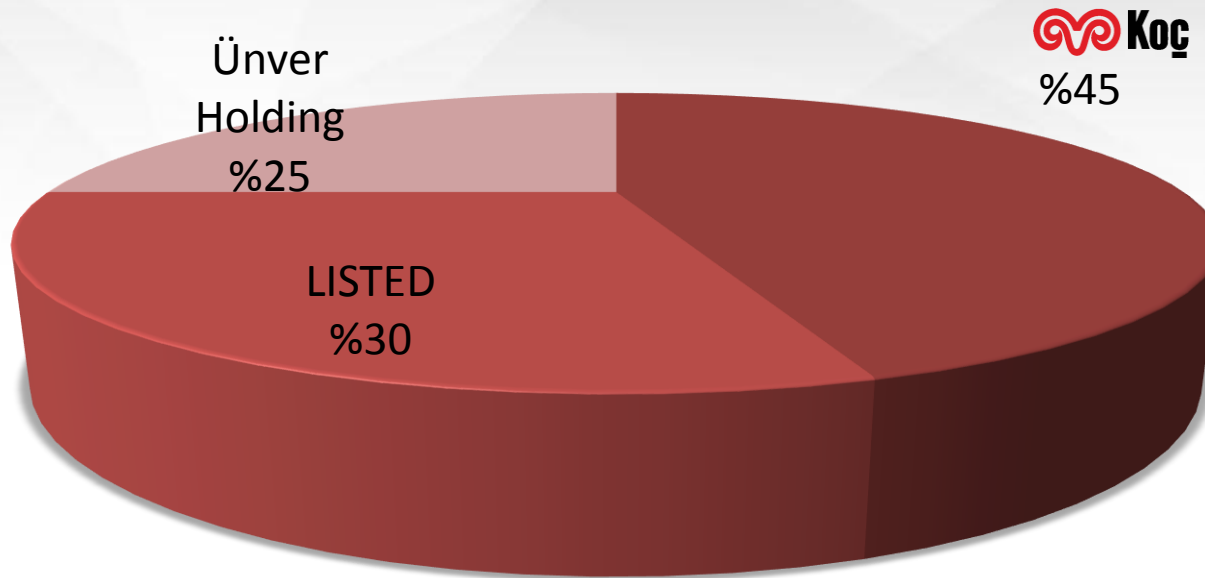
2000s

- Merge with the İstanbul Fruehauf A.S.
- Production of small and mid buses
- Turkey's first hybrid bus
- The prime contractor of ALTAY Project



2010s

- Production of City Buses
- Multi-wheeled armoured tactical vehicle family
- Turkey's first electric bus
- Atlas Light Truck
- Tracked Armoured Vehicle



No foreign partner, independent and has the technology.



552,000 m² plant, employee about 2500

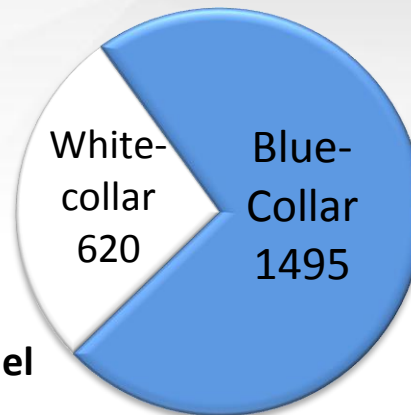
Capacity of

2600 Land Vehicle
900 Tactical Armoured Vehicle
4600 Autobus + Minibus
1400 Trailer ve Semi-trailer
1600 Light Truck

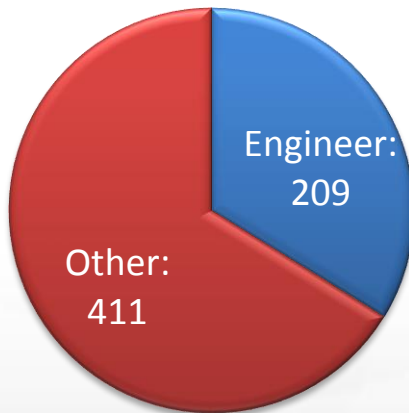
Certificates

ISO 9001 Quality Standard
ISO 14001 Environment Standard
AQAP 2110 Military Quality Assurance Certificate
Facility Security Certificate with National and NATO Secrecy Degree

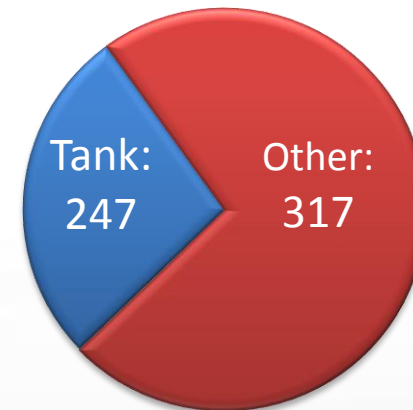
2115 Employee



620 White-Collar Personnel



568 R&D Centre Personnel



Number of Employee

Otokar



Commercial Vehicles

Defense Industry

Public Transport



Models

KENT / DORUK /
SULTAN / M-2010 /
CENTRO / NAVIGO /
VECTIO / TERRITO

Logistic Vehicles



Models

FRUEHAUF / OTOKAR

Light Truck



Models

OTOKAR ATLAS



Models

LAND ROVER DEFENDER / ARMoured
PERSONAL CARRIER / URAL / COBRA /
COBRA II / KAYA / KAYA II / KALE /
ARMA 6x6 / ARMA 8x8 / INTERNAL
SECURITY VEHICLE / TULPAR / ALTAY

**Otokar, Turkey's the most preferred bus brand for
the fourth time!**

About 30 thousand buses, carrying millions of
passengers in nearly 40 countries!





M-2010



SULTAN / NAVIGO



DORUK / VECTIO



TERRITO



KENT

A wide product range
from intercity
transport to personnel
and tourism transport

Special Products

Researches for
Alternative fuels

M-2010 / CENTRO

Otokar

Suitable minibuses
for disabled people
in transportation



The small bus with
low operating and
investment costs
designed for service
and personnel
transport



SULTAN / NAVIGO

Otokar

- Turkey's best-selling small bus
- Different models for intercity transport, service and tourism transport



DORUK / VECTIO

Otokar

- Turkey's market leader in medium-sized buses
- "Grand Award" prize in Europe
- Different models for intercity transport, service and tourism transport



- Turkey's most preferred 12 m. intercity bus
- 2 Design Award in Europe and Turkey



TERRITO

Otokar

The 12-meter
bus developed
for the
European
market



Alternative Fueled Buses

Otokar

2007

DORUK Hibra

**Turkey's first
hybrid bus**



2009

DORUK DG

**Turkey's first natural
gas powered mid-sized
bus**



2011

KENT DG

12 m CNG bus



2012

DORUK ELECTRA

**Turkey's first electric
bus**





About 25 thousands of semi-trailer that provides transportation service in the roads of the world!

Curtainsider Trailers



- TIRLINER
- EUROSLIDER
- SPEEDSLIDER
- MEGALINER
- ECOTIR
- ECOLINER

Van Type Trailer



- ICELINER
- TEXTILE CARRIER

Tanker Trailer



- ADR CERTIFICATED TANKER
- TRAILER AND TRUCK-TOP APPLICATIONS

Internal Logistic Tools



- CONTAINER CARRIER
- PLATFORM TRAILER
- ROLL CARRIER
- TIPPER CHASIS

Curtainsider Trailer

Otokar

Customer-oriented
solutions in the
transportation of dry
load



Van Type Trailer

Otokar

For 12 years, most commonly preferred refrigerated trailer in Turkey for transport of perishable goods in hygienic and safe condition



Tanker

Otokar

- Turkey's first ADR certificated trailer
- Wide product range and proficiency



Light Truck

Otokar



A light truck, with high payload capacity and low operating cost





More than 28.000 military vehicle serving in 4 continents and in nearly 30 countries

Tactical Wheeled Vehicles

TWV



Land Rover
Defender

TWAV

4x4



APC
URAL
COBRA
COBRA II
KAYA
KAYA II
KALE
ISV

6x6



ARMA 6X6

8x8



ARMA 8X8

Tracked Vehicles

TAV



TULPAR

MBT



ALTAY

Turret Systems



MIZRAK UKKS
KESKİN UKKS
OPEN TURRETS
INTERNAL SECURITY TURRET
WEAPON STATIONS (MİLAN
TOW)
UCOK
BOZOK
BASOK

Land Vehicles from 3/4 ton to 60 tons

APC (Armoured Personnel Carrier)

Otokar

Actively in use in
12 countries
including Turkey



Otokar's armoured tactical wheeled vehicle which is successful on Internal Security Operations, low silhouetted and quick

The optimal solution on issues such as strategic areas and border control, convoy protection and patrol



Armoured tactical vehicle which has worldwide competitiveness with its unique design, mobility, survivability and superior protection



The new member
of COBRA family
the most well-
known vehicle of
Otokar...

Large internal
volume, high
protection.



Otokar's new armoured tactical wheeled vehicle that is suitable for safety and internal security usage.



KAYA Mine Resistant Vehicle

Otokar

The mine resistant vehicle which provides maximum mine and ballistic protection in all types of terrain, offers great mobility



KAYA II Personnel Carrier

Otokar

The mine resistant personnel carrier vehicle that consists of single cabin with its monocoque body



KALE Mine Resistant Vehicle

Otokar

Mine resistant
personnel carrier



ARMA is new generation modular multi-wheel configuration armoured vehicle with high level of ballistic and mine protection



ARMA 6X6

Otokar

Arma 6x6, with its large internal volume, amphibious capability and low silhouette



Armoured combat vehicle
ARMA 8x8, provides high
protection and large
internal volume



A new generation tracked armoured vehicle which ends Turkey's dependence on foreign sources and its all intellectual property rights belong to OTOKAR



INTERNAL SECURITY VEHICLE

Otokar

The armoured tactical vehicle specifically designed and developed with the aim of internal security in cities and living areas.



A worldwide
brand in
tactical
vehicles.



- Since 1989, Otokar has been working on turret systems to meet the needs and demands of current and potential users in land systems with trained manpower and R&D investments.
- Otokar has nearly 25 years of experience and expertise on the subjects of original design and integration of different turrets.
- Otokar's 4x4, 6x6, 8x8 and tracked vehicles serve as ideal platforms for different types of turret.

Otokar is the PRIME CONTRACTOR of Turkish Main Battle Tank Project ALTAY.



ALTAY Project

Otokar

The project continues in accordance with the planned timetable.



- Otokar's R&D, establishment dates back to 1970's, today, designing and manufacturing Turkey's vehicle.
- Otokar's R&D works for products whose intellectual rights belong to itself, with the vision of having and dominating the technology.



- CAD programs for product developments
- The Prototype workshops and softwares
- Computer-aided analysis and simulation softwares
- Test-purpose setup and software





Dinometer Air-conditioned Test Centre; Turkey's first and only, one of the few facilities in Europe

Turkey's the highest capacity hydraulic road simulator



Turkey's the biggest and the world's most modern Electromagnetic Compatibility Testing Centre



One of the world's most advanced and modern ballistic laboratories and mine testing equipments



Balance Sheet

Otokar

30.09.2014

| Total Assets (TRY) | | Total Liabilities&Shareholders Equity (TRY) | |
|--------------------|----------------------|---|----------------------|
| Current Assets | 718.956.837 | S.T. Liabilities | 634.984.733 |
| Fixed Assets | 571.281.048 | L.T. Liabilities | 435.677.477 |
| | | Shareholders Equity | 219.575.675 |
| Total | 1.290.237.885 | Total | 1.290.237.885 |

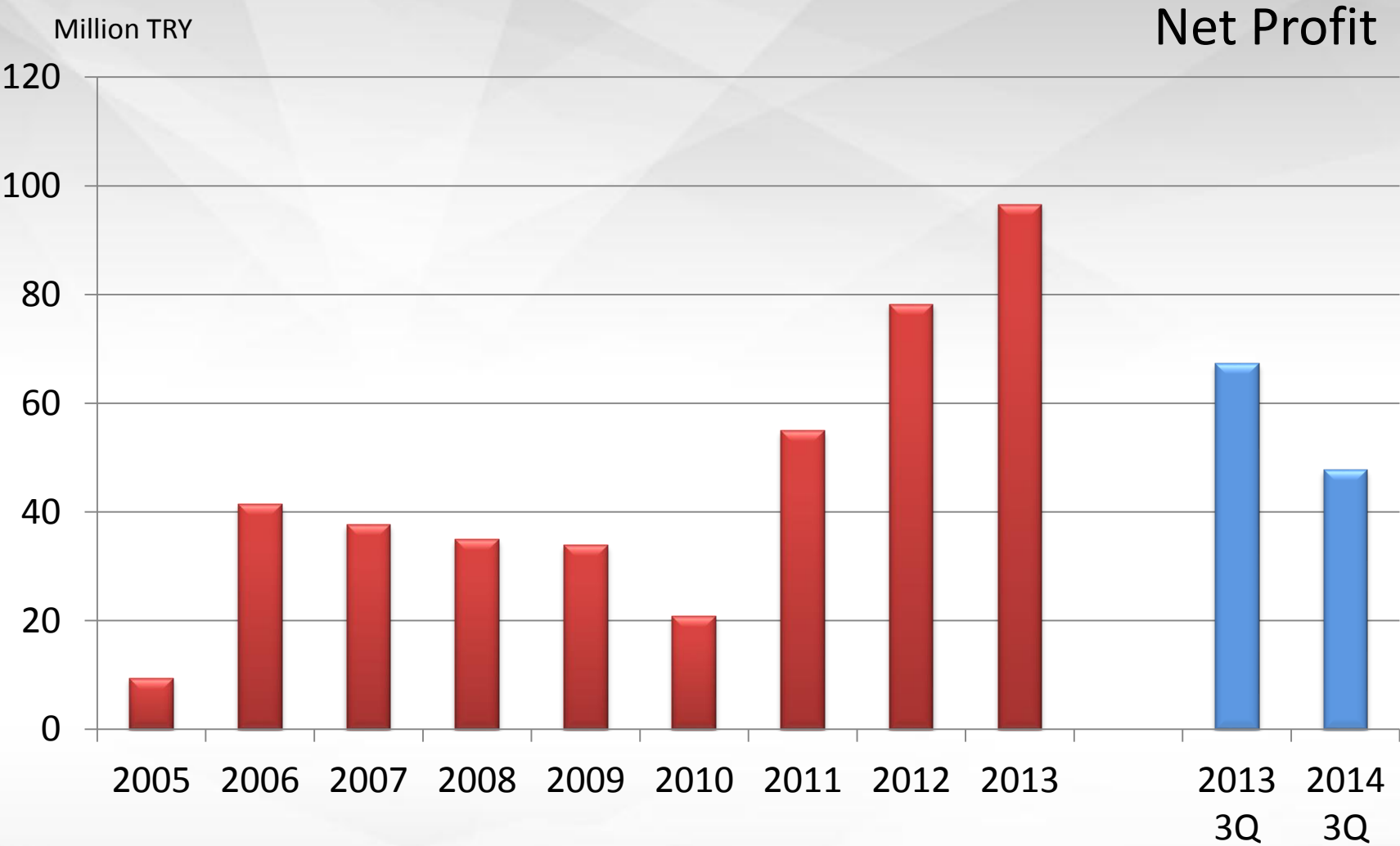
Income Statement

Otokar

| TRY thousands (IFRS) | 30.Sep.2014 | 30.Sep.2013 |
|-----------------------------|--------------------|--------------------|
| Net Sales | 875.089 | 1.007.821 |
| Cost of Sales | (663.352) | (783.132) |
| Gross Profit | 211.736 | 224.689 |
| Operating Costs | (124.218) | (120.366) |
| Operating Profit | 87.518 | 104.323 |
| Finacial Expenses | (33.433) | (30.298) |
| Profit Before Taxes | 54.085 | 74.025 |
| Taxes | (6.313) | (6.685) |
| Net Profit | 47.772 | 67.340 |

Net Profit

Otokar



Cash Flow Statement

Otokar

| TRY thousand (IFRS) | 30.Sep.2014 | 30.Sep.2013 |
|--|-------------|-------------|
| Cash and Cash Equivalants at the beginning of the period | 8.884 | 47.906 |
| Net cash provided by operating activities | 134.763 | (36.112) |
| Net cash used in investing activities | (36.277) | (45.494) |
| Pre-financing cash flow | 98.486 | (81.606) |
| Net cash used in Financing Activities | (79.016) | 38.503 |
| Net decrease/increase in Cash and Cash Equivalents | 19.470 | (43.103) |
| Cash and cash equivalents at the end of the period | 28.354 | 4.803 |

| TRY thousands | 30.Sep.2014 | 31.Dec.2013 |
|-------------------|-------------|-------------|
| Current Assets | 718.957 | 797.943 |
| S. T. Liabilities | 634.985 | 669.408 |
| Working Capital | 83.972 | 128.535 |

Net Financial Debts

Otokar

| TRY thousand | 30.Sep.2014 | 31.Dec.2013 |
|-------------------------------|---------------|--------------|
| Cash and Equivalents | 28.354 | 8.884 |
| Trading Securities | 0 | 0 |
| Other | 0 | 0 |
| Total Financial Assets | 28.354 | 8.884 |

| TRY thousand | 30.Sep.2014 | 31.Dec.2013 |
|------------------------------|----------------|----------------|
| S.T. Bank Loans | 173.677 | 140.963 |
| L.T. Bank Loans | 350.002 | 332.047 |
| Total Financial Debts | 523.679 | 473.010 |

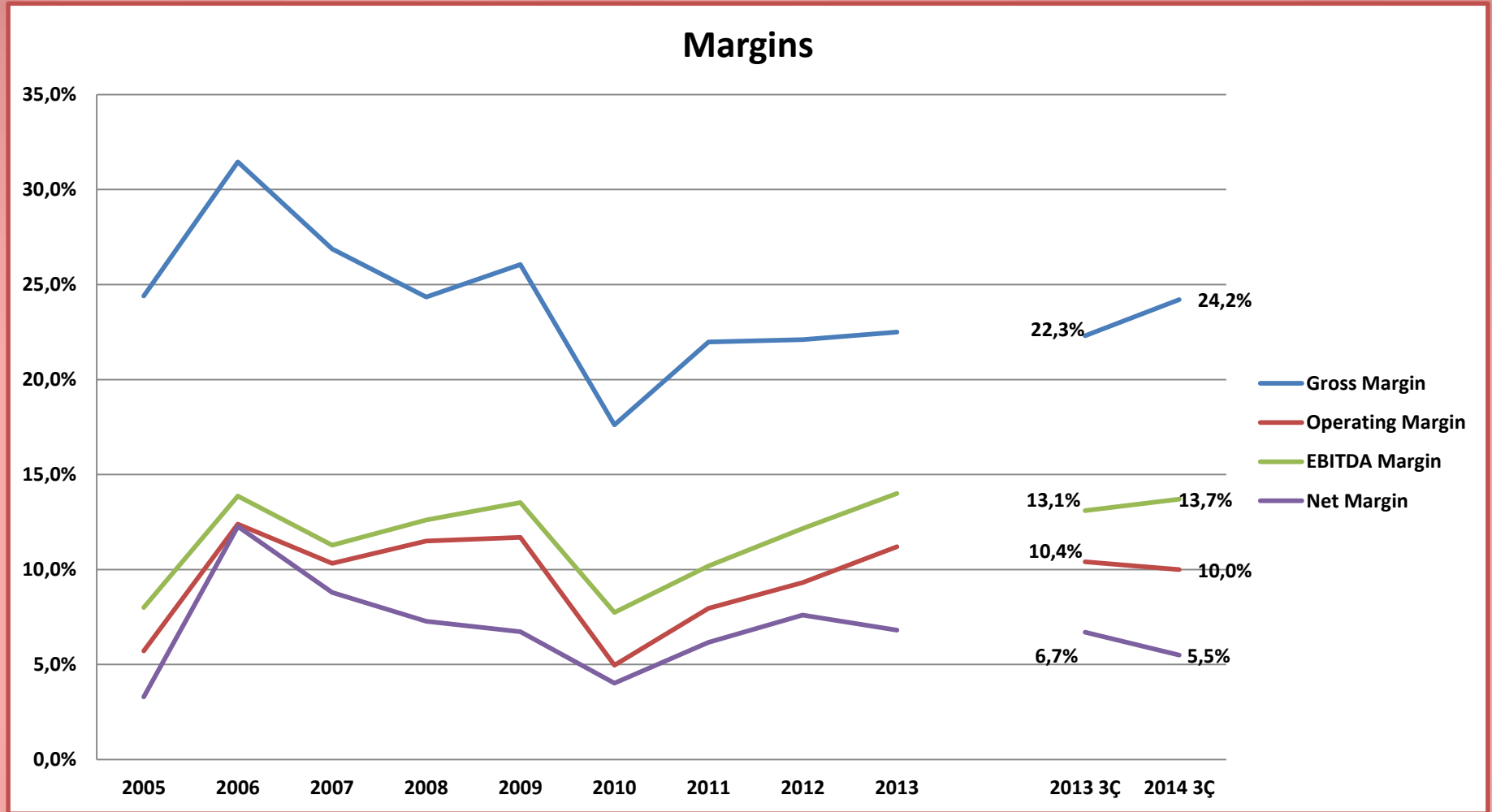
| TRY thousand | 30.Sep.2014 | 31.Dec.2013 |
|----------------------------|----------------|----------------|
| Net Financial Debts | 495.325 | 464.126 |

Financial Ratios And Margins

Otokar

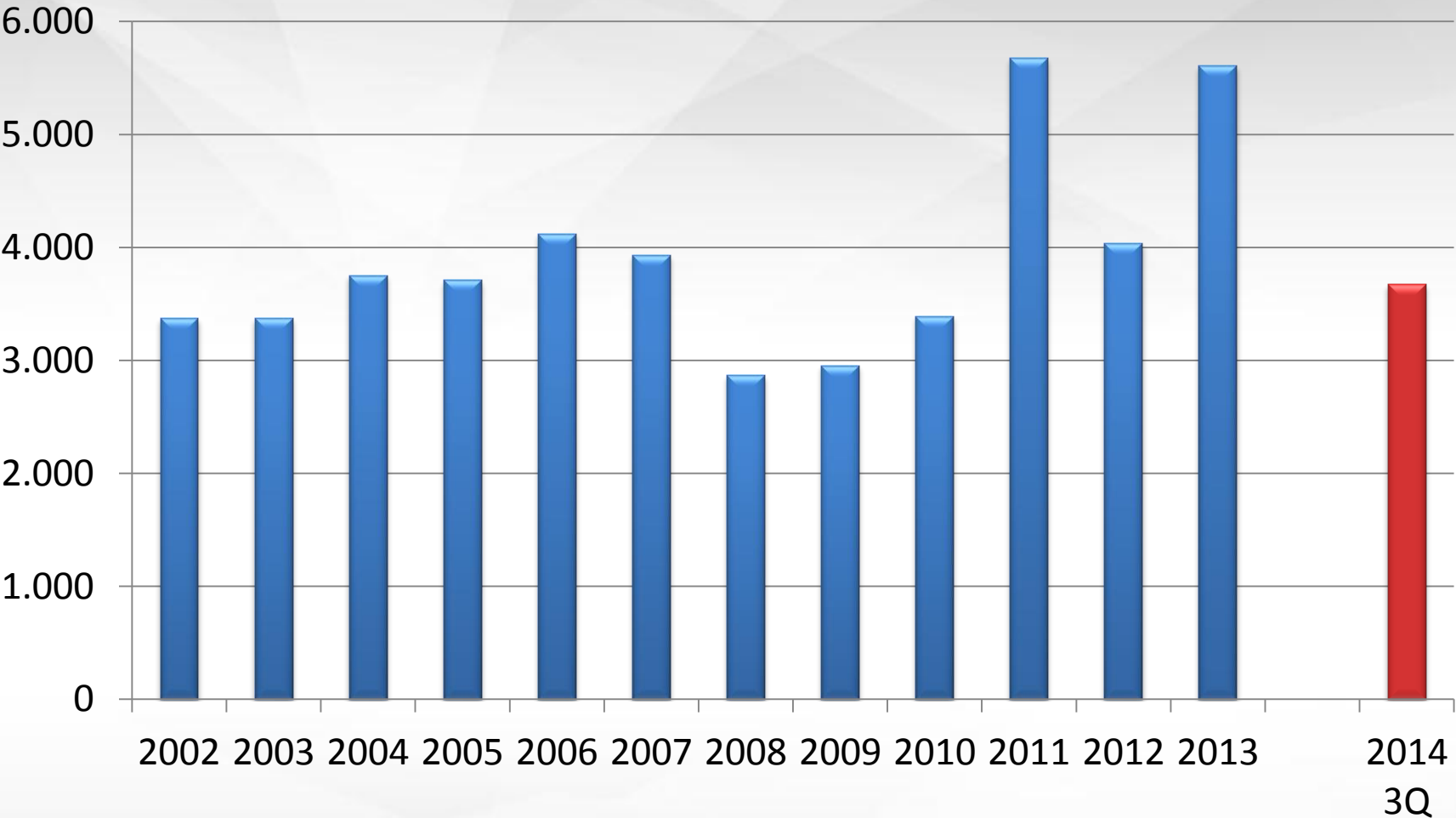
| Financial Ratios | Sep.2014 | Sep.2013 |
|---------------------------|----------|----------|
| Current Ratio | 1,13 | 1,18 |
| Liquidity Ratio | 0,63 | 0,70 |
| Return On Equity | 22 % | 28 % |
| Return on Assets | 3,7 % | 5% |
| Cur.Assets/Tot.Assets | 56 % | 61 % |
| Short Term Lia./Tot. Lia. | 59 % | 64 % |
| Tot.Lia./Tot.Assets | 83 % | 81 % |

| Margins | Sep.2014 | Sep.2013 |
|-------------------|----------|----------|
| Gross Margins | 24,2 % | 22,3 % |
| Operating Margin | 10 % | 10,4 % |
| EBITDA Margin | 13,7 % | 13,1 % |
| Net Profit Margin | 5,5 % | 6,7 % |

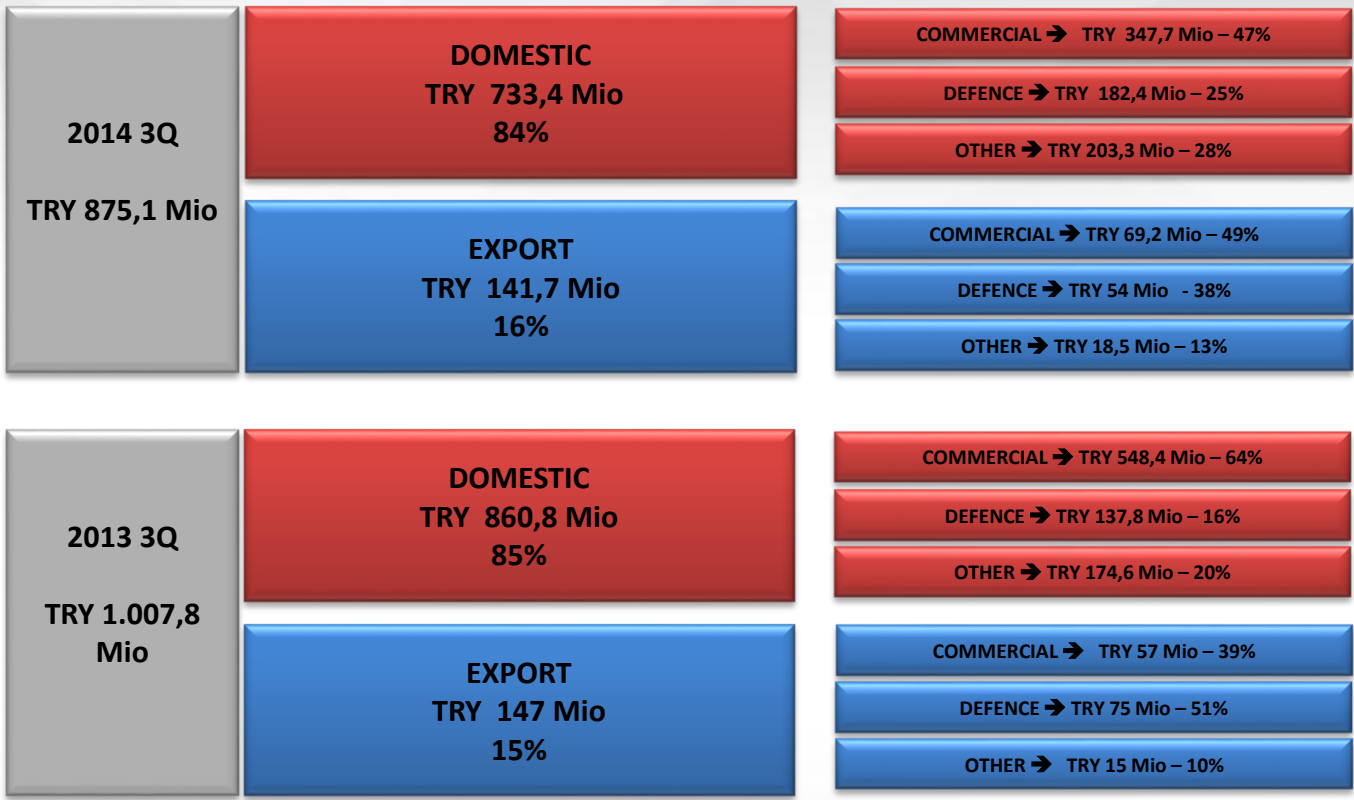


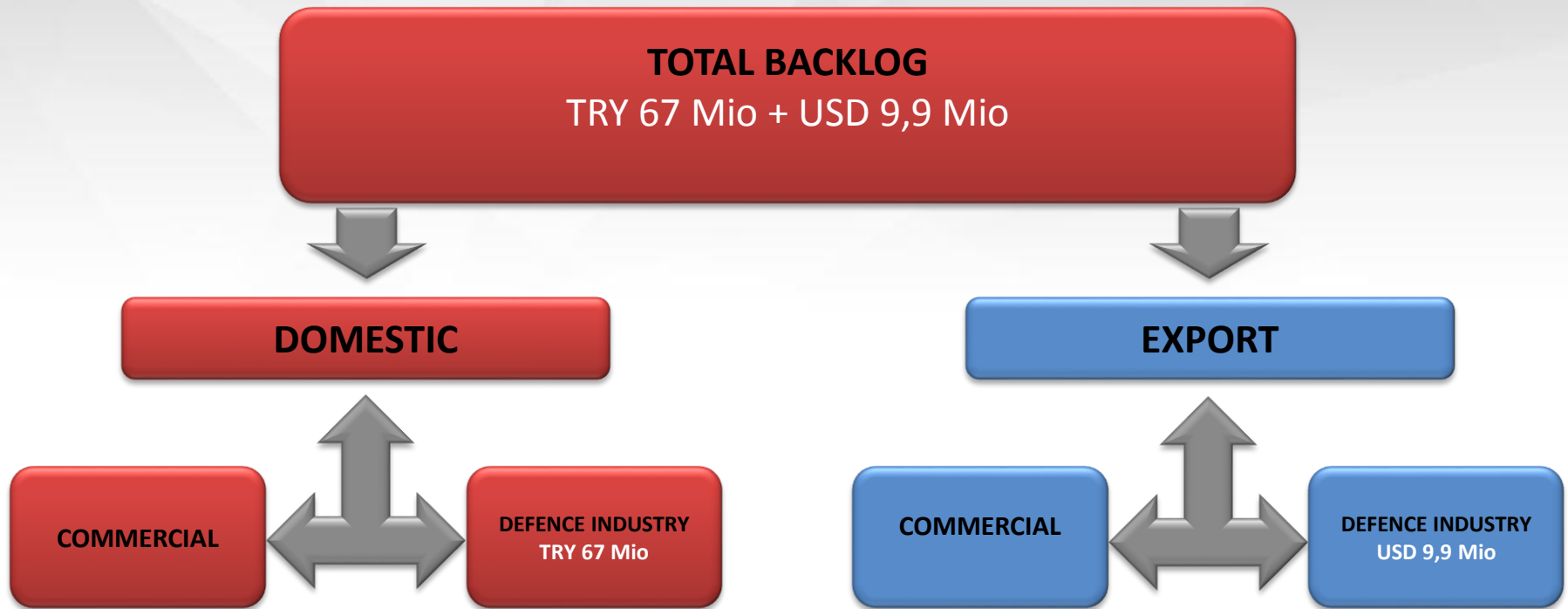
Production Units

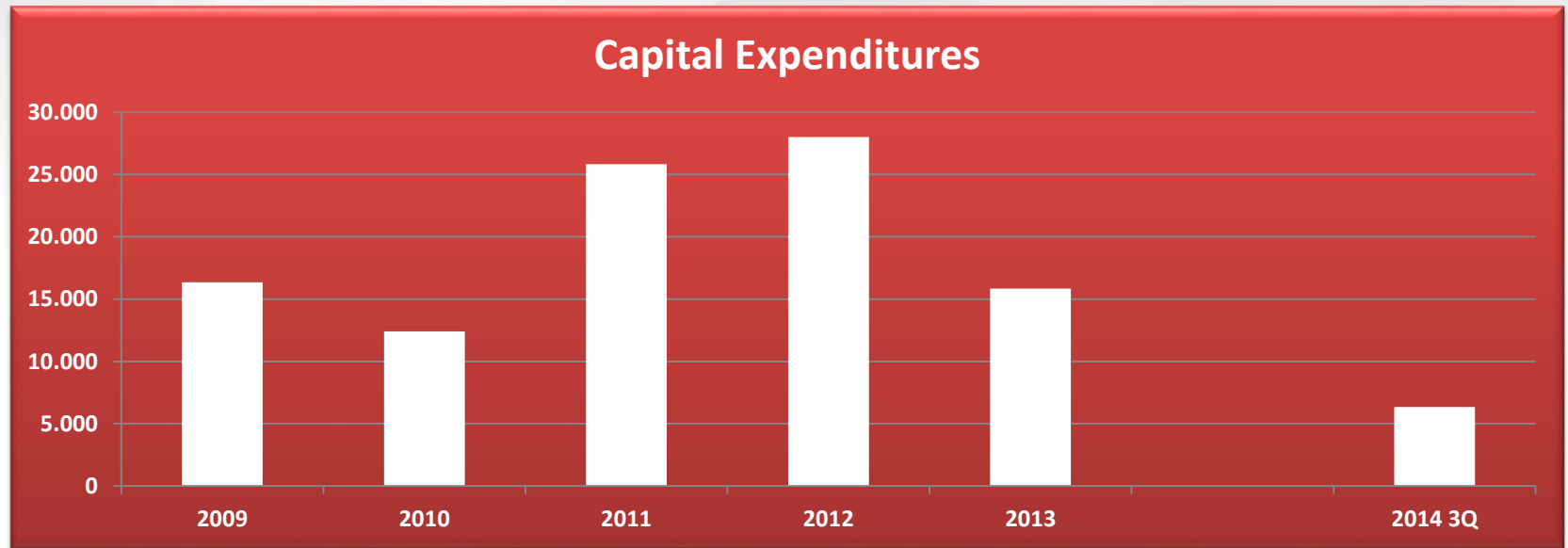
Otokar



Revenue Distribution

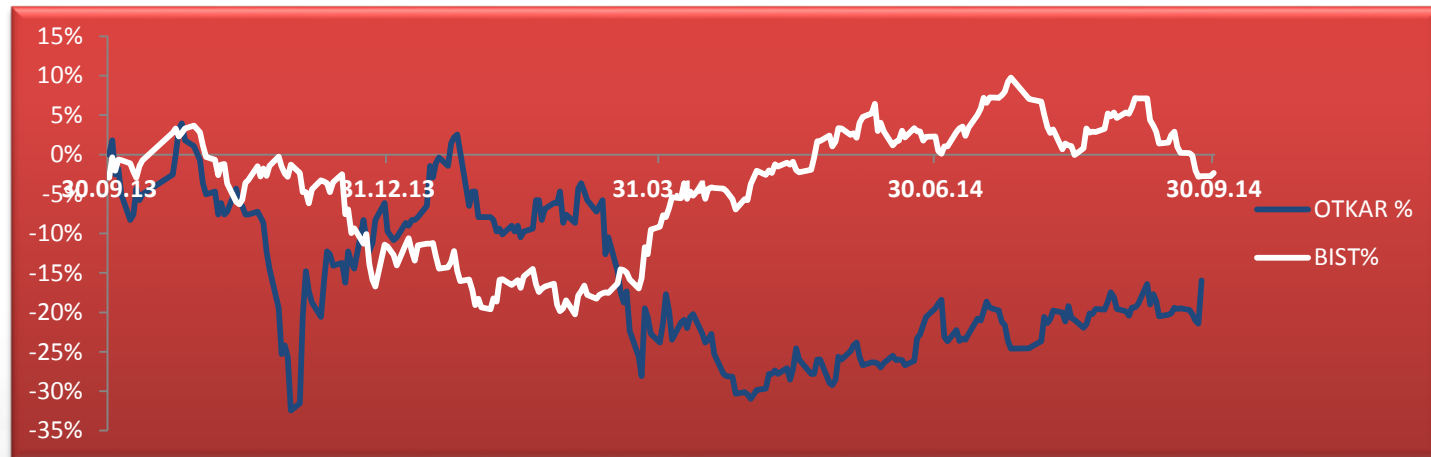
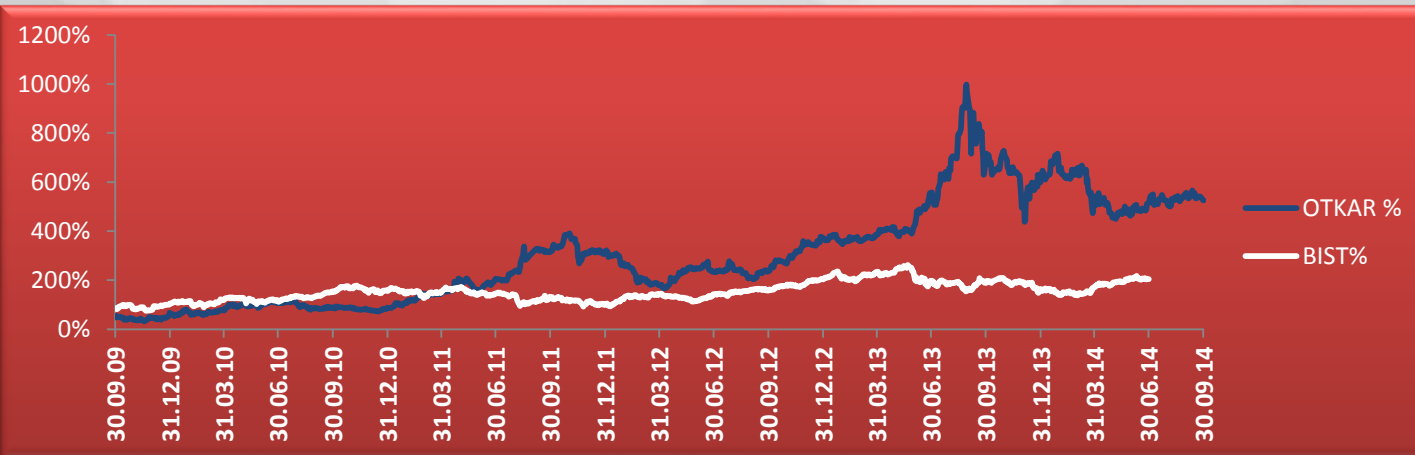


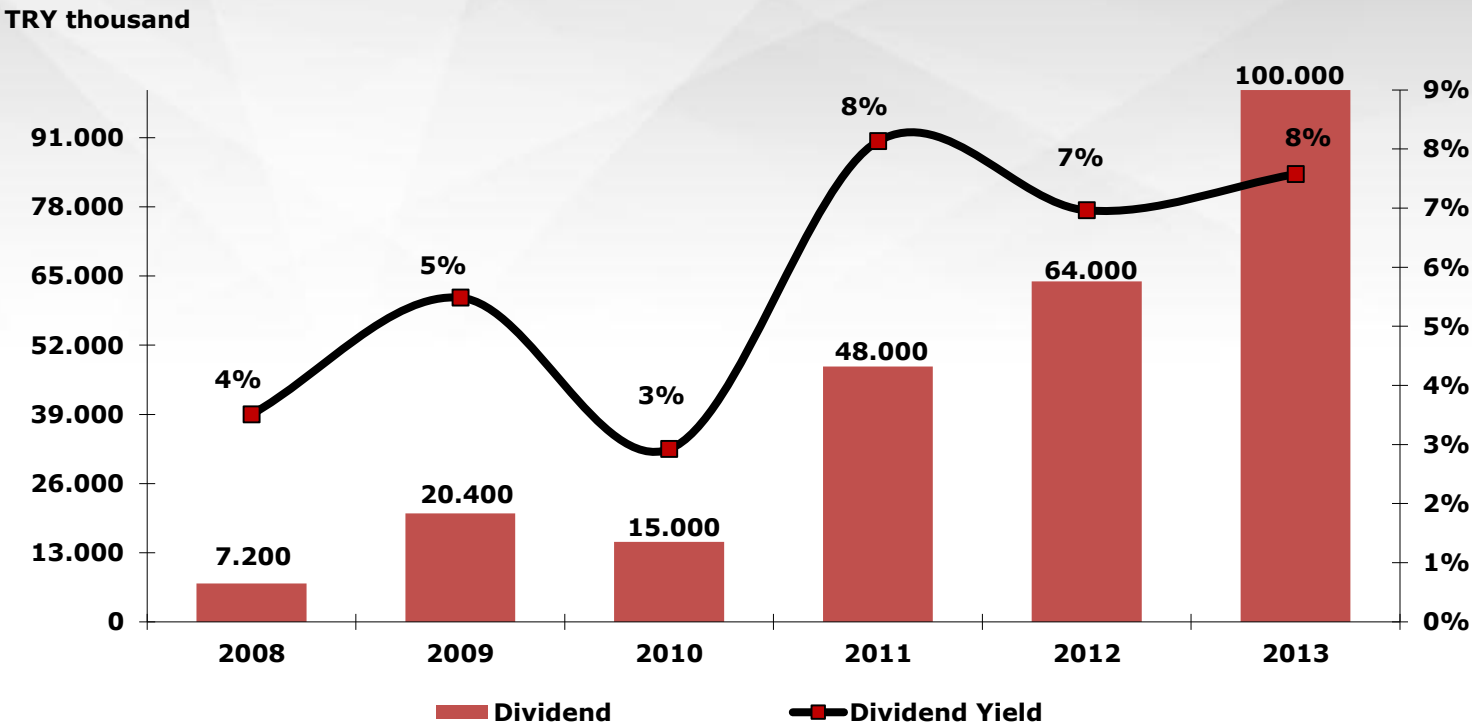


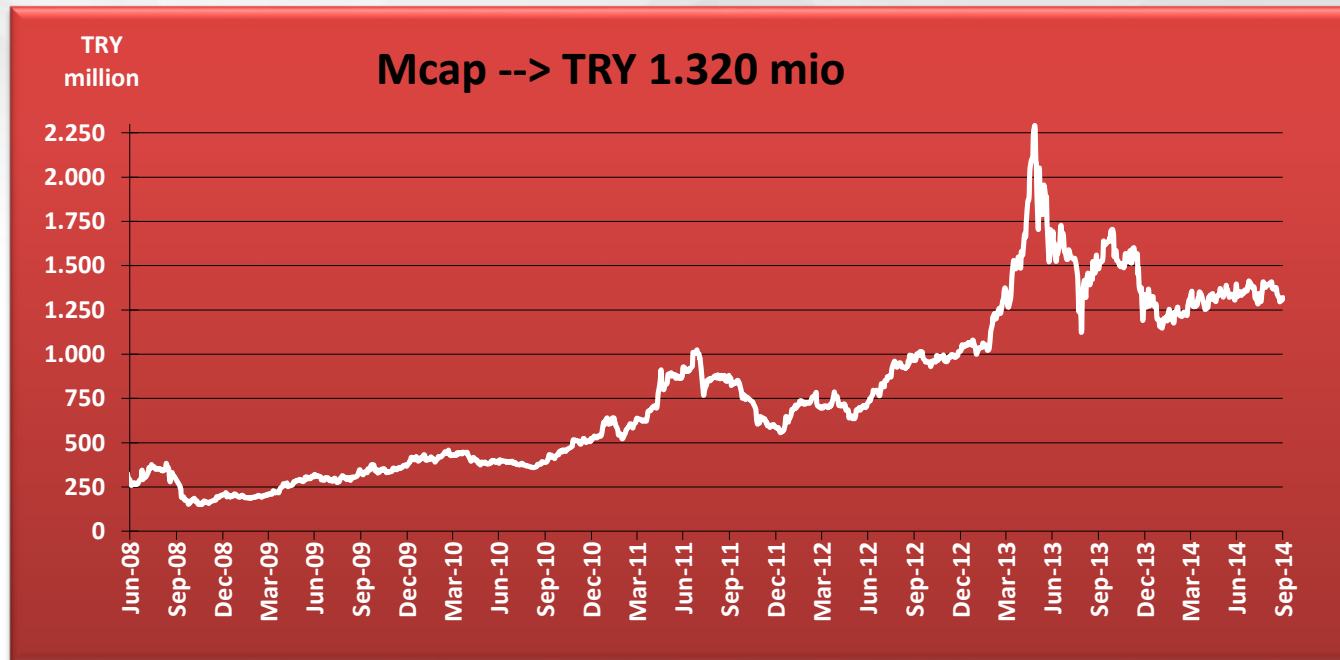


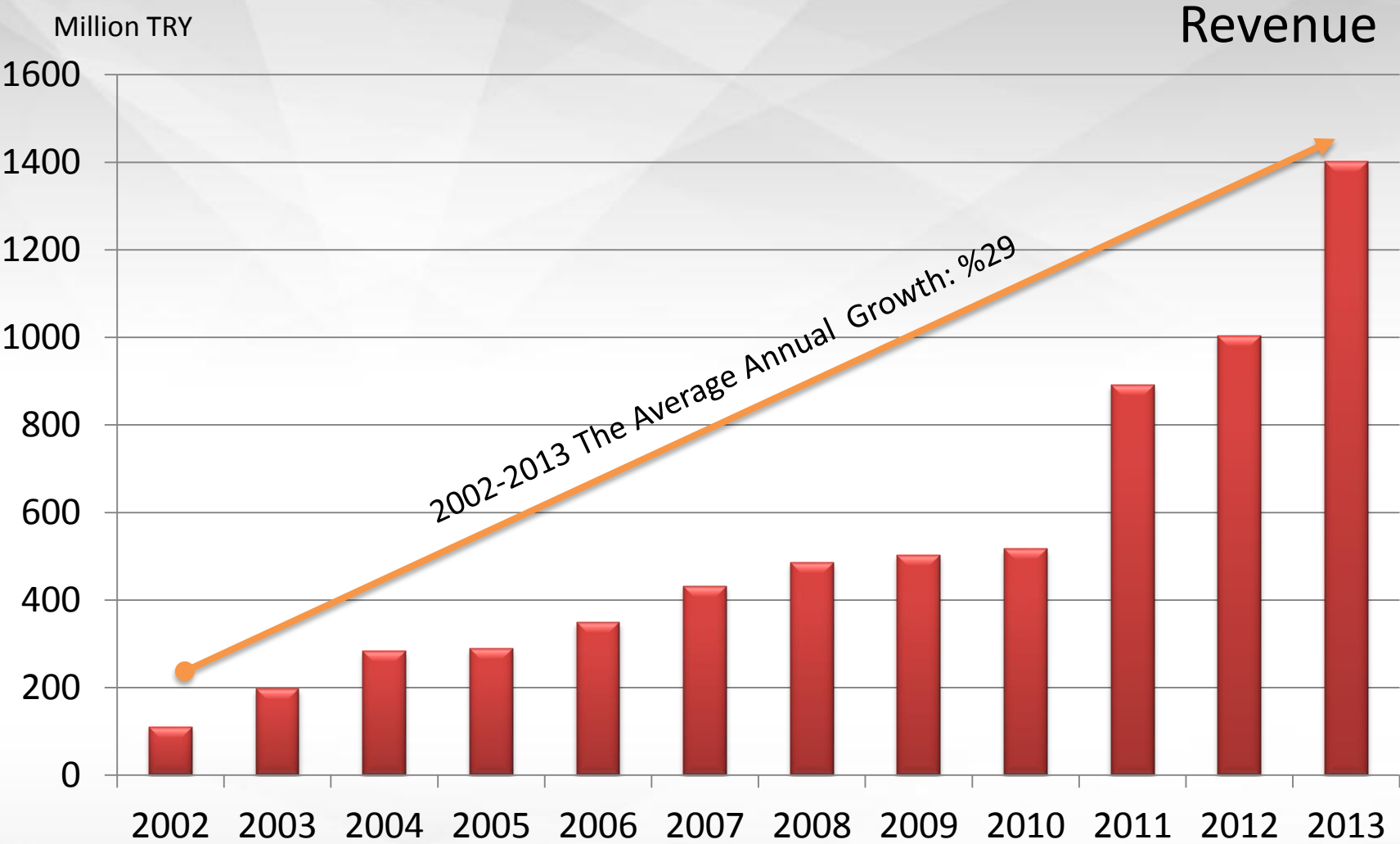
Stock Performance

Otokar









Growth With Products Which License Rights Belong to OTOKAR

Otokar

%88

The share of Otokar designed vehicle sales in turnover.

81

Number of owned patents and industrial designs



Otokar Europe was established in 2011 in France, in order to support bus sales in Europe.

Growth in Export Markets

Otokar

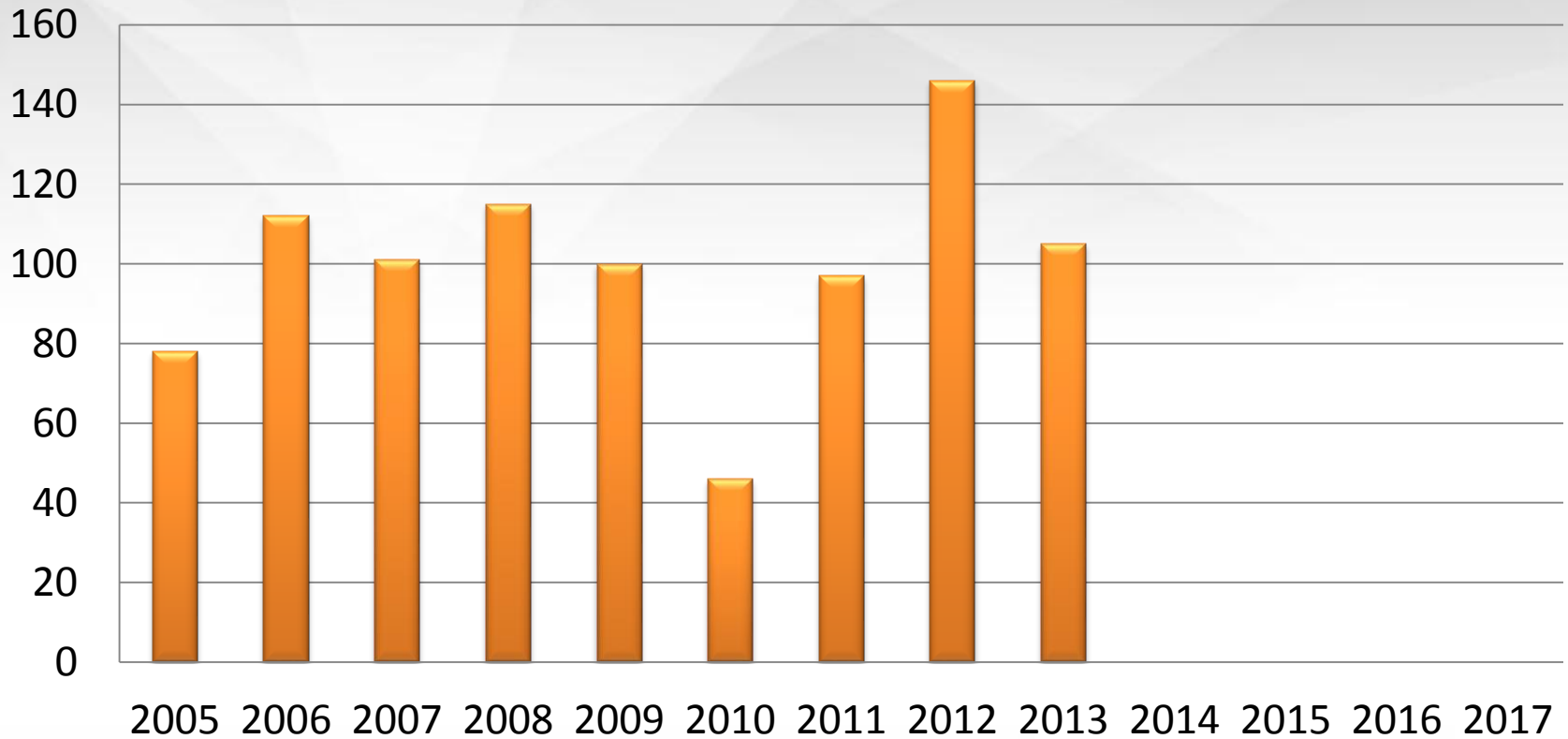


- Otokar branded vehicles in nearly 60 countries, on 5 continents
- Sales and service network spread over more than 200 destinations

Growth in Export Markets

Otokar

Million USD



- Continuously increase revenue to ensure high and sustainably dividend yield
- In the framework of our corporate governance and professional management principles, we aim to move further up our company's market value

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