

**INFORMATION DOCUMENT**  
**CONCERNING 49<sup>th</sup> GENERAL MEETING OF SHAREHOLDERS OF**  
**OTOKAR OTOMOTİV VE SAVUNMA SANAYİ A.Ş.**  
**TO BE HELD AT 11:00 AM ON 14.03.2012**

Annual General Meeting of Shareholders 2011 of the Company will be held at the address of Divan İstanbul Elmadağ, Asker Ocağı Cad., No. 1, Şişli, İstanbul, at 11:00 am on Wednesday, 14.03.2012.

Shareholders whose shares have been registered in accordance with the regulations of the Central Registry Agency (“MKK”) can attend the General Meeting by having themselves registered in the General Meeting Blockage List in accordance with the regulations of the MKK. Shareholders who have not had themselves registered in the Blockage List kept by the MKK may not attend the General Meeting pursuant to the law.

Shareholders who possess shares physically can have the blockage formalities done by applying to the Shareholder Relations Unit at the Head Office of the Company at the address of Aydınevler Mah. Dumlupınar Cad. No. 24 Küçükyalı İstanbul through phone number 0 216 489 29 50 for General Meeting and Blockage formalities or to Yapı Kredi Yatırım Menkul Değerler A.Ş. (Phone: 0212 319 82 22) which carries out the blockage and registration formalities on behalf of the Company, at latest 1 week before the date of the General Meeting.

In addition, as we have been announcing in our web site since 26.08.2011, pursuant to the Provisional Article 6 of the Capital Market Law which was amended by the article 157 of the Law No. 6111 which came in effect upon its publication in the Official Gazette dated February 25, 2011, all shares of the shareholders who possess the shares physically which have not been registered by December 31, 2012 will automatically transfer to the Company by the operation of the law at the said date and all rights attached to such shares will automatically terminate at the said date. For this reason, shareholders who have not yet had their shares registered must have their shares registered with the Central Registry Agency (Merkezi Kayıt Kuruluşu A.Ş.) as soon as possible in order not to forfeit their rights thereon.

Shareholders who will not personally attend the meeting must deliver their proxy issued in the form which is available at the Head Office of the Company or at the web site of the Company at [www.otokar.com.tr](http://www.otokar.com.tr) and certified by a notary public as 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, in order to be able to cast their votes at the General Meeting through a proxy.

Voting at the General Meeting for adoption of the issues in the agenda of the General Meeting will be done by show of hands.

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 2011 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 21 days before the General Meeting.

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

## **ADDITIONAL DISCLOSURES PURSUANT TO THE REGULATIONS OF THE CAPITAL MARKET BOARD**

Of the additional disclosures which must be done pursuant to the “Communiqué on the Principles to be complied with Joint Stock Companies being subject to the Capital Market Law”, Serial IV, No. 41, and the “Communiqué Concerning the Establishment and Implementation of the Corporate Governance Principles”, Serial IV, No. 57, of the Capital Market Board, the ones which are related with the issues in the agenda are made in the item of agenda below and the general disclosures are made in this section for your information.

### **1. Shareholding Structure and Voting Rights**

There isn't any privilege provided in the articles of association of the Company regarding the use of the voting rights.

Voting rights of the shareholders are given in the following table for your information:

<b>Shareholder</b>	<b>Amount of Shares (TL)</b>	<b>Rate of Capital (%)</b>	<b>Voting Right</b>	<b>Rate of Voting Right (%)</b>
Koç Holding A.Ş.	10,722,699.81	44.68	10,722,699,810	44.68
Ünver Holding A.Ş.	5,954,943.83	24.81	5,954,943,830	24.81
Temel Ticaret A.Ş.	647,274.75	2.70	647,274,750	2.70
Ford Otosan Sanayi A.Ş.	140,599.17	0.59	140,599,174	0.59
Mr. Rahmi M. Koç	1,171.66	0.00	1,171,660	0.00
Publicly Held Shares	6,533,310.78	27.22	6,533,310,776	27.22
<b>Total</b>	<b>24,000,000</b>	<b>100,00%</b>	<b>24,000,000,000</b>	<b>100,00%</b>

### **2. Information about the Requests of the Shareholders, the Capital Market Board or the other Public Authorities for Inclusion of Issues in the Agenda:**

No such request has been received for the Annual General Meeting where the activities in 2011 will be discussed.

**DISCLOSURE REGARDING THE ISSUES IN THE AGENDA OF  
THE ANNUAL GENERAL MEETING DATED 14.03.2012**

**1. Opening and election of the Chairing Board:**

Chairman and the members of the Chairing Board who will conduct the General Meeting in accordance with the provisions of the “Turkish Commercial Code” and the regulation of the Ministry of Customs and Commerce concerning the general meeting of shareholders of capital companies (the Regulation) will be elected.

**2. Reading and discussion of the summary of the Directors’ and Auditors’ Reports and the Balance Sheet and Income Statements regarding the activities and accounts of the Company for the year 2011 and adoption, revised adoption or rejection of the proposal of the Board of Directors regarding the Balance Sheet and Income Statement 2011:**

Pursuant to the provisions of the Turkish Commercial Code and the Regulation, the summary of the Directors’ Report, the Auditors’ Report and the Independent Audit Report, which 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 for three weeks before the General Meeting, will be read and submitted to the comment and approval of the shareholders at the General Meeting. The said reports, the annual report containing the corporate governance compliance report as well, and the other relevant documents are available at the web site of the Company for inspection by the shareholders.

**3. Release of each of members of the Board of Directors and the Auditors from their respective obligations pertaining to the activities of the Company in 2011:**

Release of each of the members of the Board of Directors and the Auditors from their respective obligations pertaining to the activities, transactions and accounts of the Company in 2011 will be submitted to the approval of the General Meeting in accordance with the provisions of the Turkish Commercial Code and the Regulation.

**4. Adoption, revised adoption or rejection of the proposal of the Board of Directors concerning the distribution of the profit in 2011 and the date of profit distribution:**

According to the financial statements for the account period of 01.01.2011-31.12.2011 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. pursuant to the provisions of the Communiqué Serial XI and No. 29 of the Capital Market Board, a “Net Profit in the Period” amounting to TL 54,846,604. The table pertaining to our profit distribution proposal which will be drawn up by taking into account our long term strategy, capital requirements of the Company, the investment and financing policies and the profitability and cash position is given in the **SCHEDULE 1**.

**5. Adoption of the proposed amendments to the article 5, titled “Head Office and Branch Offices”, article 10, titled “Board of Directors”, and article 32, titled “Compliance with Corporate Governance Principles”, of the Articles of Association of the Company:**

Amendments to the Articles of Association given in the **SCHEDULE 2** which are required for Compliance with the Compulsory Corporate Governance Principles of the Capital Market Board will be submitted to the approval of the General Meeting. Application has been made to the Capital Market Board for the proposed amendments.

**6. Determination of the number and office term of the Members of the Board of Directors, election of the members in number so determined, and designation of the Independent Members of the Board of Directors:**

New members will be elected in place of the members of the Board of Directors whose office term has ended, in accordance with the principles set out in the articles of association pursuant to the Turkish Commercial Code and the Regulation. In addition, independent members will be elected in order to comply with the Communiqué Serial IV and No. 57 of the Capital Market Board.

As per the article 10 of the articles of association, the Company is administered by the Board of Directors formed by minimum 5 members elected by the General Meeting for 3 years at most (if the proposed amendment is adopted by the forthcoming General Meeting) pursuant to the provisions of the Turkish Commercial Code. The General Meeting may replace the Board of Directors even if its office term has not yet ended.

2 of the members of the Board of Directors to be elected must meet the independency criteria set out in the Corporate Governance Principles of the Capital Market Board.

Mr. İsmet Böcügöz and Mr. Abdulkadir Öncül have been nominated as the Independent Members of the Board of Directors by the resolution of the Board of Directors upon the proposal of the Audit Committee which has chosen them among the nominees proposed to it.

Resumes of the nominated members of the Board of Directors are given in the **SCHEDULE 3**.

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

Auditors will be elected in accordance with the provisions of the articles of association pursuant to the Turkish Commercial Code and the Resolution.

Pursuant to the article 15 of the articles of association, minimum 2 auditors are elected by the General Meeting of the Company for an office term of 1 year. An auditor whose office term has ended may be re-elected.

**8. Establishment of the “Remuneration Policy” for the Members of the Board of Directors and the Top Executives pursuant to the Corporate Governance Principles:**

Pursuant to the Compulsory Corporate Governance Principle no. 4.6.2 of the Capital Market Board, principles applicable to the remuneration of directors and top executives must be written and submitted to the information of the shareholders as a separate issue at the General Meeting in order to give the shareholders the opportunity to say their views on this matter. The remuneration policy drawn up to this end is given in the **SCHEDULE 4**.

**9. Determination of the monthly gross remuneration of the members of the Board of Directors, the independent members of the Board of Directors and the Auditors:**

Monthly gross remunerations to the members of the Board of Directors and the auditors will be determined in accordance with the provisions of the Turkish Commercial Code and the Regulation and with the principles set out in the articles of association of the Company.

**10. Adoption of the independent audit firm designated by the Board of Directors upon the proposal of the Audit Committee pursuant to the Communiqué Concerning the Independent Audit Standards in Capital Market of the Capital Market Board:**

In accordance with the principles set out in the Communiqué Concerning Independent Audit in Capital Market of the Capital Market Board, the Board of Directors, after consulting with the Audit Committee, resolved at its meeting dated 22.02.2012 to designate Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi as the independent audit firm to audit the financial statement pertaining to 2012. This designation will be submitted to the adoption of the General Meeting.

**11. Granting permission to the shareholders who control the management, the Members of the Board of Directors, the top executives, and blood and in-law relatives of them up to and including second kin to execute any transactions and compete with the Company or its affiliates or to carry out any business which falls into the scope of business of the Company personally or on behalf of third parties or to invest in any company which carries out such business or to execute other transactions, which may lead to conflict of interest with the Company or its affiliates, and giving information to the General Meeting about the transactions of this kind executed during the year, pursuant to the articles 334 and 335 of the Turkish Commercial Code and the Corporate Governance Principles of the Capital Market Board:**

Execution of any transactions by the members of the Board of Directors which fall within the scope of the article 334, titled “Ban of Executing Transaction with the Company”, and the article 335, titled “Ban of Competition”, of the Turkish Commercial Code is possible only by the approval of the General Meeting. Pursuant to the compulsory Corporate Governance Principle no. 1.3.7 of the Capital Market Board, prior consent of the General Meeting is required for executive of any transaction by any shareholder who controls the management of the Company or any

member of the Board of Directors or any top executive of the Company or any blood or in-law relative of them up to and including second kin which may give rise to conflict of interest or competition with the Company or any of its affiliates, and information must be given to the General Meeting about such transactions. In order to ensure compliance with the said regulations, granting of such permission will be submitted to the approval of the shareholders and the shareholders will be informed about transactions of this nature executed during the year.

**12. Giving information to the General Meeting about the transactions executed with related parties during 2011 pursuant to the regulations of the Capital Market Board:**

Principles applicable to transactions of corporations whose stocks are traded in the stock exchange executed routinely and recurrently with related parties involving asset, service and liability transfers are established by the resolution of the board of directors pursuant to the article 5 of the Communiqué Serial IV, No. 41 amended by the Communiqué Serial IV, No. 52, dated 20.07.2011. If the amount of such transactions executed over an account period is equal to or exceeds 10% of total assets or total gross sales set out in the annual financial statements of the corporation which will be disclosed to the public pursuant to the regulations of the Capital Market Board, the board of directors of the corporation is obliged to submit a report stating the conditions of such transactions with a comparison of such conditions with the prevailing market conditions. The said report must be made available to the shareholders at latest 15 days before the annual general meeting of shareholders and information must be given about such transactions to the shareholders at the general meeting.

In this regard, information will be given to our shareholders about the related party transactions of the kind defined above, which will be executed during 2012. The reports prepared in this regard are given in the **SCHEDULE 5**.

**13. Giving information to the General Meeting about the “Profit Distribution Policy” of the Company pertaining to 2012 and subsequent years:**

The profit distribution policy of the Company set out in the **SCHEDULE 6** will be informed to the General Meeting. It is also announced under the investor relations section at the web site of the Company at [www.otokar.com.tr](http://www.otokar.com.tr).

**14. Giving information to the General Meeting about the “Corporate Information Policy” of the Company:**

Pursuant to the article 23 of the Communiqué Serial VIII, No. 54 of the Capital Market Board, the corporations must prepare a “Corporate Information Policy” and inform the shareholders about it under a separate issue in the agenda. The Information Policy of the Company is given in the **SCHEDULE 7**. In addition, it is announced under the investor relations section of the web site of the Company at [www.otokar.com.tr](http://www.otokar.com.tr).

**15. Giving information to the General Meeting about the donations and aids made by the Company to foundations and societies for purposes of social aid during 2011:**

Pursuant to the article 7 of the Communiqué Serial IV, No. 27 of the Capital Market Board, information about the donations made during the year must be given to the General Meeting. Amount of donations made by the Company to foundations and societies which are exempted from tax during 2011 is TL 1,810,537. The said article requires not obtaining the approval of the General Meeting but giving information to the General Meeting about the donations.

**16. Giving authority to the Chairing Board to sign the minutes of the General Meeting which will be deemed suffice:**

Pursuant to the provisions of the Turkish Commercial Code and the Regulation, giving authority to the Chairing Board to record the resolutions taken at the General Meeting into the minutes will be submitted to the consent of the shareholders.

**17. Wishes.**

**ATTACHMENTS:**

- SCHEDULE 1** Profit Distribution Statement 2011
- SCHEDULE 2** Proposed Amendments to the Articles of Association
- SCHEDULE 3** Resumes of the Nominated Members of the Board of Directors
- SCHEDULE 4** Remuneration Policy for the Board of Directors and the Top Executives
- SCHEDULE 5** Report on the Related Party Transactions
- SCHEDULE 6** Profit Distribution Policy
- SCHEDULE 7** Information Policy

**PROFIT DISTRIBUTION PROPOSAL FOR THE ACCOUNT PERIOD OF 01.01.2011-31.12.2011**

According to our financial statements pertaining to the account period of 01.01.2011-31.12.2011 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 Serial XI, No. 29 of the Capital Market Board, “Non-consolidated Net Profit in the Period” amounting to TL 54,846,604 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 21.03.2012.

<b>Otokar Otomotiv ve Savunma Sanayi A.Ş. Profit Distribution Statement 2011 (TL)</b>			
<b>1. Paid-up/Issued Capital</b>		<b>24.000.000</b>	
<b>2. Total Statutory Reserves (based on the Statutory Records)</b>		<b>18.118.147</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>	61,776,341	67,237,134
<b>4.</b>	<b>Taxes Payable (-)</b>	-6,929,737	-11,715,710
<b>5.</b>	<b>Net Profit in the Period (=)</b>	54,846,604	55,521,424
<b>6.</b>	<b>Losses in Previous Years (-)</b>		
<b>7.</b>	<b>Primary Statutory Reserve ( - )</b>		
<b>8.</b>	<b>NET DISTRIBUTABLE PROFIT IN THE PERIOD (=)</b>	54,846,604	55,521,424
<b>9.</b>	Donations made during the year ( + )	1,810,537	
<b>10.</b>	<b>Net distributable profit in the period plus the donations based on which the primary dividend is calculated</b>	56,657,141	
<b>11.</b>	Primary dividend to shareholders	11,331,428	
	-Cash	11,331,428	
	-Gratis Shares		
	-Total	11,331,428	
<b>12.</b>	Dividend Paid to Holders of Preferential Shares		
<b>13.</b>	Dividend to members of the board of directors, employees, etc.		
<b>14.</b>	Dividend to holders of dividend shares		
<b>15.</b>	Secondary Dividend to Shareholders	36,668,572	
<b>16.</b>	Secondary Statutory Reserve	4,680,000	
<b>17.</b>	Statutory Reserves		
<b>18.</b>	Special Reserves		
<b>19.</b>	<b>EXTRAORDINARY RESERVE</b>	2,166,604	2,841,424
<b>20.</b>	<b>Other Funds Proposed to be Distributed</b>		

<b>INFORMATION ABOUT RATE OF PROFIT DISTRIBUTED</b>				
<b>DIVIDEND PER SHARE</b>				
	<b>GROUP</b>	<b>TOTAL AMOUNT OF DIVIDEND (TL)</b>	<b>DIVIDEND PER SHARE AT PAR VALUE OF TL 1.00</b>	
			<b>AMOUNT (TL)</b>	<b>RATE (%)</b>
<b>GROSS</b>	-	48,000,000	2.00000	200.000
	<b><u>TOTAL</u></b>	<b>48,000,000</b>	2.00000	<b>200.000</b>
<b>NET</b>	-	40,800,000	1.70000	170.000
	<b><u>TOTAL</u></b>	<b>40,800,000</b>	1.70000	170.000
<b>RATIO OF THE DISTRIBUTED PROFIT TO THE NET DISTRIBUTABLE PROFIT PLUS DONATIONS</b>				
<b>AMOUNT OF PROFIT DISTRIBUTED TO SHAREHOLDERS (TL)</b>		<b>RATIO OF THE PROFIT DISTRIBUTED TO SHAREHOLDERS TO THE NET DISTRIBUTABLE PROFIT PLUS DONATIONS (%)</b>		
<b>48,000,000</b>		84.72		

**OTOKAR OTOMOTİV VE SAVUNMA SANAYİİ ANONİM ŞİRKETİ**  
**DRAFT AMENDMENTS TO THE ARTICLES OF ASSOCIATION**

**OLD ARTICLE**

**NEW ARTICLE**

**Article 5**

**Head Office and Branch Offices:**

Legal head office of the company is located at Aydınevler Mahallesi, Dumlupınar Caddesi No. 24 A Blok 54580 Arifiye SAKARYA. Change of address shall be registered with the trade register office and announced to the public in the Turkish Trade Register Gazette and also notified to the Ministry of Industry and Commerce and the Capital Market Board. Notice served to the registered and announced address shall be deemed served to the Company. If the Company has moved from its registered and announced address but failed to register its new address within the statutory time, this shall reason for dissolution of the Company. The Company may open branch offices at home and abroad by notifying the same to the Ministry of Industry and Commerce.

**Article 10**

**Board of Directors:**

Business and administration of the Company is carried out by a Board of Directors formed by minimum 5 members elected by the General Meeting among the shareholders in accordance with the provisions of the Turkish Commercial Code.

**Office Term:**

Office term of the members of the board of directors is one year. A member whose office term has ended may be reelected. The General Meeting may replace the

**Article 5**

**Head Office and Branch Offices:**

Legal head office of the Company is located at Aydınevler Mahallesi, Dumlupınar Caddesi No. 58 A Blok 34854 Küçükyalı İSTANBUL. Business center of the Company is located at Atatürk Caddesi No. 9 54580 Arifiye SAKARYA. Change of address shall be registered with the trade register office and announced to the public in the Turkish Trade Register Gazette and also notified to the Ministry of Industry and Commerce and the Capital Market Board. Notice served to the registered and announced address shall be deemed served to the Company. If the Company has moved from its registered and announced address but failed to register its new address within the statutory time, this shall reason for dissolution of the Company. The Company may open branch offices at home and abroad by notifying the same to the Ministry of Industry and Commerce.

**Article 10**

**Board of Directors:**

Business and administration of the Company is carried out by a Board of Directors formed by minimum 5 members elected by the General Meeting in accordance with the provisions of the Turkish Commercial Code and the **Capital Market Law**.

**Number and qualifications of independent members of the Board of Directors shall be determined in accordance with the regulations of the Capital Market Board concerning the corporate**

members of the Board of Directors at any time as they deem necessary.

Members of the Board of Directors who represent the shareholders in legal entity statutes shall cease to be the members of the Board when it is notified to the Company that their contracts with the respective shareholders in legal entity statutes have been terminated, pursuant to the article 312/2 of the Turkish Commercial Code.

The Board of Directors may apportion the administration and representation duties among the members and/or delegate such duties in part or whole to delegate members or managers who are not required to be shareholders.

The Board of Directors is authorized to apportion the administration and representation duties in the manner stated above.

The Board of Directors shall determine the powers and responsibilities of the delegate members and the managers and may delegate any and all powers and responsibilities vested to the Board of Directors to any persons as subject to such terms, conditions and limitations determined by the Board of Directors and may change, alter or revoke such powers in part or whole when it deems necessary.

The Board of Directors may establish advisory, coordination committees and other committees or sub-committees of similar nature with members of the Board and/or non-member persons to deal with any issues deemed appropriate by the Board.

## **governance.**

### Office Term:

Members of the Board of Directors shall be elected for an office term of **3 (three) years at most**. A member whose office term has ended may be re-elected. The General Meeting may replace the members of the Board of Directors when it deems necessary.

Members of the Board of Directors who represent the shareholders in legal entity statutes shall cease to be the members of the Board when it is notified to the Company that their contracts with the respective shareholders in legal entity statutes have been terminated, pursuant to the article 312/2 of the Turkish Commercial Code.

The Board of Directors may apportion the administration and representation duties among the members and/or delegate such duties in part or whole to delegate members or managers who are not required to be shareholders.

The Board of Directors is authorized to apportion the administration and representation duties in the manner stated above.

The Board of Directors shall determine the powers and responsibilities of the delegate members and the managers and may delegate any and all powers and responsibilities vested to the Board of Directors to any persons as subject to such terms, conditions and limitations determined by the Board of Directors and may change, alter or revoke such powers in part or whole when it deems necessary.

Principles applicable to holding of meetings, working and reporting of the Chairman and members of such committees shall be established, arranged and changed by the Board of Directors.

Remuneration may be paid to the members of the Board of Directors in accordance with the provisions of the Turkish Commercial Code. Apart from the remuneration, salary, bonus or premium can be paid to the members of the Board and committees referred above, for the services they provide as member of the Board and committee. Method and amount of payments to be made to the members of the Board of Directors, including the delegate members, on account of acting as member of the Board of Directors shall be determined by the General Meeting, and method and amount of payments to be made to the members of the committees on account of services rendered by them as members of the committees shall be determined by the Board of Directors in accordance with the legislation.

The Board of Directors may establish advisory, coordination committees and other committees or sub-committees of similar nature with members of the Board and/or non-member persons to deal with any issues deemed appropriate by the Board.

Principles applicable to holding of meetings, working and reporting of the Chairman and members of such committees shall be established, arranged and changed by the Board of Directors.

Remuneration may be paid to the members of the Board of Directors in accordance with the provisions of the Turkish Commercial Code. Apart from the remuneration, salary, bonus or premium can be paid to the members of the Board and committees referred above, for the services they provide as member of the Board and committee. Method and amount of payments to be made to the members of the Board of Directors, including the delegate members, on account of acting as member of the Board of Directors shall be determined by the General Meeting, and method and amount of payments to be made to the members of the committees on account of services rendered by them as members of the committees shall be determined by the Board of Directors in accordance with the legislation.

**Payment plans based on the performance of the Company may not be used in the remuneration of the independent members of the Board of Directors.**

#### Article 14

##### **Provisions Applicable to the Board of Directors:**

Rights, duties, obligations and responsibilities of the Board of Directors, form of and quorum for meeting, resignation, death or disability of a member, election of members by the Board of Directors to vacant positions and other issues concerning the Board of Directors shall be dealt with in accordance with the provisions of the Turkish Commercial Code.

A monthly or annual remuneration determined by the General Meeting shall be paid to the Chairman and members of the Board of Directors.

#### Article 17

##### **General Meetings:**

General Meeting of the Company shall be convened annually or extraordinarily. Annual General Meeting shall be convened at least once a year within three months following the account period of the Company. Extraordinary General Meetings shall be convened and shall take resolutions in cases and at times when the businesses of the company so require in accordance with the provisions of the Turkish Commercial Code and the Articles of Association.

Place of Meeting:

General Meetings can be convened at the head office of the Company or at another place if resolution is taken by the Board of Directors. This shall be stated in the announcements.

Notice for the General Meeting shall be made 3 weeks before the date of the meeting. The General Meetings shall be open to the public, including the stakeholders

#### Article 14

##### **Provisions Applicable to the Board of Directors:**

Rights, duties, obligations and responsibilities of the Board of Directors, form of and quorum for meeting, resignation, death or disability of a member, election of members by the Board of Directors to vacant positions and other issues concerning the Board of Directors shall be dealt with in accordance with the provisions of the Turkish Commercial Code.

A monthly or annual remuneration determined by the General Meeting shall be paid to the Chairman and members of the Board of Directors.

#### Article 17

##### **General Meetings:**

General Meeting of the Company shall be convened annually or extraordinarily. Annual General Meeting shall be convened at least once a year within three months following the account period of the Company. Extraordinary General Meetings shall be convened and shall take resolutions in cases and at times when the businesses of the company so require in accordance with the provisions of the Turkish Commercial Code, **the regulations of the Capital Market Board** and the Articles of Association.

Place of Meeting:

General Meetings can be convened at the head office of the Company or at another place if resolution is taken by the Board of Directors. This shall be stated in the announcements.

Notice for the General Meeting shall be made 3 weeks before the date of the meeting. The General Meetings

and the media, providing that they will not have the right to speak at the General Meeting.

At least one member of the board of directors, one auditor, at least one of the persons who are responsible for preparation of the financial statements and at least one person who has knowledge about any specific issue in the agenda to make explanations about such issue shall be present at the general meetings. Excuse given by any of such persons who is not present at the meeting for non-attendance at the general meeting shall be informed by the chairman of the meeting to the general meeting.

shall be open to the public, including the stakeholders and the media, providing that they will not have the right to speak at the General Meeting.

At least one member of the board of directors, one auditor, at least one of the persons who are responsible for preparation of the financial statements and at least one person who has knowledge about any specific issue in the agenda to make explanations about such issue shall be present at the general meetings. Excuse given by any of such persons who is not present at the meeting for non-attendance at the general meeting shall be informed by the chairman of the meeting to the general meeting.

## Article 32

### **Compliance with Corporate Governance Principles:**

**Corporate Governance Principles, the application of which has been made compulsory by the Capital Market Board, shall be complied with. Any transactions executed and any resolutions of the board of directors taken without complying with the compulsory principles shall be deemed contrary to the articles of association.**

**In respect of any transactions deemed important as regards to the application of the Corporate Governance Principles and in respect of any related party transactions of the company and in respect of transactions related with giving guarantee, pledge and mortgage in favor of third persons, regulations of the Capital Market Board concerning the corporate governance shall be complied with.**

**Kudret Önen****Member - Chairman of the Board of Directors**

Born 1953, İstanbul, Mr. Önen was graduated from the Mechanical Engineering Department of Gazi University. He joined the Koç Group of Companies at Ford Otosan in 1975. He was appointed as the Manager of the Research and Development Department at Koç Holding in 1980 and as the Assistant General Manager of Otokar in 1984. He worked as the General Manager of Otokar between 1994 and 2005. He undertook the duty of Co-President of Other Automotive Companies Group of Koç Holding in 2005 and acted as the President of Defense Industry and Other Automotive Group of Koç Holding between 2006 and 2010. He has been working as the President of Defense Industry, Other Automotive Companies and Information Group of Koç Holding since 2010.

As a member not carrying out any executive duty within the meaning of the Corporate Governance Principles of the Capital Market Board, Mr. Önen does not qualify as an independent member. The duties undertaken by him during the last ten years are mainly listed above, and Mr. Önen has seats in the boards of directors of some companies within the Kaç Group of Companies.

**Halil İbrahim Ünver****Member - Vice Chairman of the Board of Directors**

Born 1950, İstanbul, Mr. Ünver was graduated from Higher Technical School of Ulmer in Germany. He is currently acting as the Chairman of the Board of Directors of Ünver Holding.

As a member not carrying out any executive duty within the meaning of the Corporate Governance Principles of the Capital Market Board, Mr. Ünver does not qualify as an independent member. The duty undertaken by him during the last ten years is as outlined above, and he currently has a seat in the board of directors of Otokar.

**Osman Turgay Durak****Member of the Board of Directors**

Born 1952, İstanbul, Mr. Durak completed his graduation and post-graduation study at Mechanican Engineering Department of Northwestern University (the USA). He joined the Koç Group of Companies at Ford Otomotiv as the product development engineer in 1976, he was appointed as the Assistant General Manager in 1986, as the Chief Assistant General Manager in 2000 and as the General Manager of Ford Otosan in 2002. He worked as the President of the Koç Holding Automotive Group between 2007 and 2009. He worked as the Vice CEO of Koç Holding after May 2009 and then was appointed as CEO of Koç Holding and as the Member of the Board of Directors in April 2010. He also worked as the Chairman of the Board of Directors of the Association of Automotive Industrialists for 6 years between 2004 and 2010.

As a member not carrying out any executive duty within the meaning of the Corporate Governance Principles of the Capital Market Board, Mr. Durak does not qualify as an independent member. The duties undertaken by him during the last ten years are outlined

above. Mr. Önen currently has seats at board of directors of some companies within the Koç Group of Companies.

**Ali Tarık Uzun**  
**Member of the Board of Directors**

Born 1964, Mersin, Mr. Uzun was graduated from the Economics Department of the Faculty of Science of Politics of Ankara University and obtained post-graduation degree on Business Administration at Koç University. He started his professional career as Account Expert at the Ministry of Finance in 1985. He started his career at Koç Holding as Assistant Finance Coordinator at the Presidency of Audit and Finance Group at Hoç Holding in 1992. Worked as Coordinator between 1996 and 2003, Mr. Uzun has been working as the Audit Group President of Koç Holding since 2004.

As a member not carrying out any executive duty within the meaning of the Corporate Governance Principles of the Capital Market Board, Mr. Uzun does not qualify as an independent member. The duties undertaken by him during the last ten years are outlined above. Mr. Uzun currently has seats at boards of directors of some companies within the Koç Group of Companies.

**A. Serdar Görgüç**  
**Member - General Manager of the Board of Directors**

Born 1959, İzmir, Mr. Görgüç completed his graduation study at Mechanical Engineering Department of Bosphorus University and post-graduation study at Business Department of Istanbul University. He joined the Koç Group of Companies at the Research and Development Center of Koç Holding in 1982. He worked as the Manager of Automotive Department of the Research and Development Center until 1985. He was appointed as the Advanced Projects Design Manager at Otokar in 1985. He worked as the Product Engineering Manager between 1989 and 1995 and as the Assistant General Manager in charge of Engineering between 1995 and 2005. He has been working as the General Manager at Otokar since 2006.

As a member not carrying out any executive duty within the meaning of the Corporate Governance Principles of the Capital Market Board, Mr. Görgüç does not qualify as an independent member. The duties undertaken by him during the last ten years are outline above. He currently works within the organization of the Koç Group of Companies.

**Tuğrul Kudatgobilik**  
**Member of the Board of Directors**

Born 1940, İstanbul, Mr. Kudatgobilik was graduated from the Law Faculty of İstanbul University. He obtained master's degree on Economics at London School of Economics. He started his career at the Koç Group of Companies in 1968 and undertook various positions at the Group Companies, mainly Arçelik, for 34 years. He was then elected as the Member of the Board of Directors of MESS (Turkish Union of Metal Industrialists). He has been acting as the Chairman of the Board of Directors of MESS since April 2001. Mr. Kudatgobilik is

also the Chairman of the Boards of Directors of MESS Education Foundation (MEV) and MESS Entegre Geri Kazanım ve Enerji A.Ş. (MSG).

As a member not carrying out any executive duty within the meaning of the Corporate Governance Principles of the Capital Market Board, Mr. Kudatgobilik does not qualify as an independent member. The duties undertaken by him during the last ten years are outlined above. Mr. Kudatgobilik currently has seat at the board of directors of Otokar.

### **İsmet Böcügöz**

#### **Independent Member of the Board of Directors**

Born 1943, Burdur, Mr. Böcügöz completed his higher education with bachelor's degree in Business at the Academy of Economics and Commercial Sciences in İstanbul. He worked as bank inspector between 1968 and 1972. He joined the Koç Group of Companies at the Finance Group of Tofaş in 1972. He worked as Chief Accountant and Manager at Tofaş until 1995. He worked at Otokar as the Assistant General Manager in charge of Financial Affairs between 1995 and 2003. He quit this duty for reason of retirement.

Not acting as an executive member, Mr. Böcügöz qualifies as an independent member within the meaning of the Corporate Governance Principles of the Capital Market Board. The duties undertaken by him during the last ten years are outlined above. He quit these positions for reason that his office term has come to an end. He has no relationship with Koç Holding A.Ş. and related parties during the last five years.

### **Abdülkadir Öncül**

#### **Independent Member of the Board of Directors**

Born 1946, Merzifon, Samsun, Mr. Öncül completed his higher education with bachelor's degree in Business at the Faculty of Economics of İstanbul University. He started his career at Otosan Otomotiv in 1970. He worked as the Finance Manager at Otokar between 1977 and 1984. He worked as manager at Doğan Group between 1984 and 2001 and quit this job for reason of retirement.

Not acting as an executive member, Mr. Abdulkadir Öncül qualifies as an independent member within the meaning of the Corporate Governance Principles of the Capital Market Board. He has no relationship with Koç Holding A.Ş. and its related parties during the last five years.

## REMUNERATION POLICY FOR TOP EXECUTIVES

Fixed salaries of Top Executives are determined in accordance with international standards and legal obligations by taking into account the macroeconomic data in the market, the salary policies prevailing in the market, the size and long term targets of the company and the positions of the persons.

Bonuses for the Top Executives are calculated according to the bonus base, the performance of the company and the individual performance.

A summary of the criteria is as follows:

- **Bonus Base:** Bonus Bases are updated at the beginning of each year. They vary depending on the work volume of the positions of the executives. When updating the bonus bases, top management bonus policies in the market are taken into account.
- **Performance of the Company:** Performance of the Company is determined at the end of the year by measuring the financial and operational targets (market share, exports, overseas operations, productivity, etc.) assigned to the company at the beginning of each year. In determination of the targets of the company, that the success be sustainable and that it incorporates improvements over the previous years are the principles taken into account.
- **Individual Performance:** In the determination of the individual performance, along with the targets of the company, the targets related with the employee, customer, process, technology and long term strategy are taken into account. In the measurement of the individual performance, in line with the performance of the company, the principle of achieving long term sustainable improvement in areas apart from the financial areas is observed.

## REMUNERATION POLICY FOR MEMBERS OF THE BOARD OF DIRECTORS

A fixed remuneration is determined for all members of the board at the annual general meeting of the company each year.

Additional payment is made to the executive members of the board in accordance with the policy established for the top executives.

To the members of the board of directors who take part in committees formed by the board of directors at the company, a bonus determined by the board of directors in consultation with the Corporate Governance Committee by taking into account such committee members' contributions, attendance at the meetings, functions, etc. can be paid at the end of the year.

In respect of remuneration of the independent members of the board of directors, a payment plan based on the performance of the company may not be used.

Pro rata payment is made to the members of the board of directors by taking into account the time they carried out their duty between the date of appointment and the date of resignation. Expenses incurred by the members of the board of directors on account of making contributions to the company (such as transportation, telephone, insurance, etc.) can be paid by the company.

Except for the payments made to the members carrying out executive duties on account of their capacity as top executive, total payments made to all members of the board of directors on account of their duties at the board of directors and committees may not exceed the sum corresponding to 3% of the net profit of the company in any period. In any year when the company cannot earn net profit in the period, only the fixed remuneration is paid.

Total amounts determined by these principles and paid to the members of the board of directors during the year are submitted to the approval of the shareholders at the next general meeting.

# **OTOKAR OTOMOTİV VE SAVUNMA SANAYİ A.Ş.**

## **REPORT ON TRANSACTIONS WITH RELATED PARTIES IN 2011**

### **General Information**

This report is issued pursuant to the article 5 of the Communiqué Concerning Principles to be Observed by Joint Stock Companies Being Subject to the Capital Market Law, Serial IV, No. 41, amended by the Communiqué Serial IV, No. 52, of the Capital Market Board (the Communiqué). Pursuant to the said article, in the event that the amount of transactions executed by corporations whose stocks are traded at the Istanbul Stock Exchange routinely and on an ongoing basis with their related parties involving asset, service and liability transfers is equal to or exceeds 10% of the total assets or total gross sales set out in the annual financial statements of such corporations which are disclosed to the public, the board of directors of the corporation is obliged to prepare a report on the conditions of such transactions, compared with the conditions prevailing in the market.

This purpose of this Report is to disclose the conditions of the transactions executed by Otokar Otomotiv ve Savunma Sanayi A.Ş. (the Company) with related persons defined in the International Accounting Standard No. 24 (UMS 24), providing that they are not considered as trade secrets, and to demonstrate that the Company has not incurred any disadvantage as a result of such transactions when compared with the conditions prevailing in the market, pursuant to the regulations of the Capital Market Board.

Detailed information about the transactions executed by Otokar Otomotiv ve Savunma Sanayi A.Ş. with related parties during 2011 is given in the footnote no. 28 to the financial statements disclosed to the public in respect of the operations of the Company in 2011. In this report, only the appropriateness of the transactions which exceed the 10% limit in view of the prevailing market conditions is evaluated.

### **Information about Otokar Otomotiv ve Savunma Sanayi A.Ş.**

Otokar was established in 1963. The product range of Otokar, which is in the light commercial vehicles segment of the automotive industry, consists of vehicles targeting the commercial market and the public and private transport market, like minibus, midibus and bus on the one hand and of various 4x4 drive terrain vehicles and rubber tire light armored vehicles used in the defense industry services on the other. In addition, trailers and semi-trailers are manufactured under the brand name of Otokar-Fruehauf for the transportation and logistics industry.

As of 31.12.2011, the registered capital of the Company is TL 25 million and the issued capital TL 24 million.

The shareholders owning more than 10% of the capital and the amounts and rates of shares held by them are as follows:

<b><u>Name of Shareholders</u></b>	<b><u>Amount of Share (TL)</u></b>	<b><u>Rate %</u></b>
Koç Holding A.Ş.	10,722,750	44.68
Ünver Holding A.Ş.	5,954,944	24.81
<u>Other shareholders</u>	<u>7,322,306</u>	<u>30.51</u>
Total	24,000,000	100.00

### **Information about the Related Companies being the subject of this Report**

Ram Dış Ticaret A.Ş. is registered with the İstanbul Trade Registry Office under registration number 109050 and engaged in wholesale trade at the address of Rüzgarlıbahçe, Kavacık Kavşağı, Energy Plaza Kat 2 Beykoz İstanbul.

Ram Dış Ticaret Anonim Şirketi was established in 16.11.1970. Business field of Ram Dış Ticaret A.Ş. includes wholesale trade, importation, exportation, domestic and overseas marketing of every kind of goods and providing consultation services to third persons.

The capital of the company is TL 6,000,000. The details of the shareholding structure are as follows.

<b>Name / Trade Name of the Shareholder</b>	<b>Rate of Share (%)</b>
Koç Holding A.Ş.	39,74
Arçelik A.Ş.	33,50
Temel Ticaret ve Yatırım A.Ş.	14,66
Other	12,10

### **Information about the Conditions of Transactions Executed with Related Persons and the Consistency of such Conditions with the Prevailing Market Conditions**

Sales of the Company which appear to have exceeded the 10% limit between 01.01.2011 and 31.12.2011 were made to Ram Dış Ticaret A.Ş. and explanations about these transactions are given in the item 28 of the Independent Audit Report dated December 31, 2011.

Sales made to Ram Dış Ticaret A.Ş. consist of sales made on condition of exportation to non-related third persons. While the amounts invoiced to Ram Dış Ticaret A.Ş. and to third persons who have purchase the same products are the same, Ram Dış Ticaret A.Ş. only charges commission for the services it provides.

All negotiations with third persons regarding the transactions being the subject of the sales of Ram Dış Ticaret A.Ş. are carried out by Otokar and all contracts, payment risks and potential inventory risks are tracked by Otokar as well. Thus, all risks are born by Otokar, and Ram Dış

Ticaret A.Ş. only follows the operational works and documentary formalities and charges a commission in consideration of this service.

As these explanations show, our commercial relationship with Ram Dış Ticaret A.Ş. is in essence not the sale of products exceeding the 10% limit, but is the amount of commission paid for such transactions.

A sales transaction amounting to TL 100,196,591 was realized between the Company and Ram Dış Ticaret A.Ş. as the related party during 2011. All of these transactions consist of the sales made on export condition under the same conditions applied to non-related third persons. In addition, the total amount of the commission invoices, which is the real related transaction of Ram Dış Ticaret A.Ş. with Otokar, is TL 1,023,206.

### **Conclusion**

As a result that the product sale transactions of this Company with Ram Dış Ticaret A.Ş. which are carried out routinely and on an ongoing basis exceeded 10% of the total assets or total gross sales set out in the annual financial statements to be disclosed to the public during one account period as provided in the Communiqué Serial IV, No. 41 of the Capital Market Board, this report explains that because of the fact that the sales made to Ram Dış Ticaret A.Ş. were sales made on exportation condition, the sales were made for the same price applied to non-related third parties and that only a commission charge in small amount has been paid for the received services and gives information about the position of such transactions in view of the prevailing market conditions.

## **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.

# OTOKAR OTOMOTİV VE SAVUNMA SANAYİ A.Ş.

## INFORMATION POLICY 2011

### I - PURPOSE

In order to inform the public efficiently, transparently and on an ongoing basis, Otokar pursues an information policy by which the information is provided accurately, completely and understandably on a timely manner. Otokar aims at creating an efficient and open communication platform by uniformly sharing its vision and objective target, past performance and expectations with the public, the relevant authorized entities, the existing and potential investors and the shareholders and by announcing its financial information to the public in accordance with the generally accepted accounting principles and the provisions of the Capital Market Law, with the exception of trade secrets.

In all its practices relevant with the public disclosure, Otokar complies with the Capital Market Legislation and the regulations of the İstanbul Stock Exchange and seeks to implement the most efficient communication policy in accordance with the Corporate Governance Principles of the Capital Market Board.

### II - RESPONSIBLE PERSONS

The Board of Directors is responsible for the establishment, supervision and updating as necessary of the Information Policy. At the same time, the Shareholder Relations Unit reporting to the Assistant General Manager in charge of Financial Affairs is responsible for the implementation and following up of the Information Policy and works in close cooperation with the Board of Directors. The Information Policy adopted by the Board of Directors is submitted to the information of the shareholders at the general meeting and announced to the public at the web site ([www.otokar.com.tr](http://www.otokar.com.tr)).

### III - METHOD AND MEANS OF INFORMATION

#### Method and Means

In the establishment of the public disclosure and information policy, Otokar uses the following method and means in accordance with the Regulations of the Capital Market Board and the İstanbul Stock Exchange and the provisions of the Turkish Commercial Code:

- Special situation disclosures sent to the İstanbul Stock Exchange
- Financial reports sent to the İstanbul Stock Exchange
- Annual and interim activity reports
- Corporate web site ([www.otokar.com.tr](http://www.otokar.com.tr))
- Information and promotion documents prepared for investors
- Meetings with investors
- Memoranda, circulars, notices and other documents required to be issued pursuant to the Capital Market Regulations
- Press releases made through the press and mass media
- Public announcements and notices made through the Turkish Trade Register Gazette and daily newspapers
- Communication means such as phone, electronic mail (e-mail), facsimile, etc.

### **Persons Authorized to Make Disclosures**

Disclosures and information to be made on behalf of Otokar A.Ş. by using the methods and means stated above are handled by the General Manager and the Assistant General Manager in charge of Financial Affairs, except for the forms, declarations and reports signed as per the circular of authorized signatories.

In addition, the Shareholder Relations Unit reporting to the Assistant General Manager in charge of Financial Affairs is allowed to communicate on behalf of Otokar A.Ş. on matters like promotion of Otokar A.Ş. to existing and potential investors and intermediaries at home and abroad, fulfilling information requests of analysts and research specialists working at such institutions, answering of questions received by them regarding the investor relations.

Apart from the foregoing, unless specifically authorized, no employee of Otokar is authorized to give answer to questions received from any person or entity. Received information requests are directed to the Shareholder Relations Unit reporting to the Assistant General Manager in charge of Financial Affairs.

## **IV - SPECIAL SITUATION DISCLOSURE**

### **Responsibility**

Special situation disclosures to be made to public regarding important events and developments that may affect the value of the capital market instruments and the investment decisions of the investors shall be made in accordance with the regulations of the Capital Market Board.

Special situation disclosures are prepared by the Shareholder Relations Unit reporting to the Assistant General Manager in charge of Financial Affairs within the knowledge of the General Manager and forwarded by electronic signature to the KAP system and sent in writing to the İstanbul Stock Exchange. They are also announced to the public at the web site of the company and maintained at the web site for minimum 5 years.

### **List of Persons with Administrative Responsibility**

The list of persons with administrative responsibility of Otokar A.Ş. includes the members of the Board of Directors and the auditors and the persons who are capable of regularly accessing the internal information directly or indirectly related with Otokar and who are authorized to take administrative decisions which may affect the future development and commercial targets of Otokar A.Ş.

Apart from the members of the Board of Directors and the Statutory Auditors, the persons who are capable of regularly accessing the information and authorized to take administrative decisions at the same time are the Chairman, the General Manager and the Assistant General Managers.

### **Monitoring Mechanism**

News stories appearing in the press about Otokar are monitored by the Corporate Communication Unit. News stories are shared with the General Manager, the Assistant General Managers, the Shareholder Relations Unit and the units concerned with the subject matter.

In addition, daily developments about Otokar in the subscribed data broadcasting channels of Reuters and Forex are monitored.

### **Fulfillment of the Validation Obligation**

Any news or rumors appearing in the press and the media about Otokar, not sourced by persons authorized to represent Otokar, which may affect the investment decisions of the investors or the prices of the capital market instruments, a statement is made as to accuracy or adequacy of the same.

If a news story was previously published and if it does not contain additional information, no statement is made about it. However, the matter of whether making a statement about that news which doesn't require a special situation disclosure pursuant to the Communiqué is beneficial or not is considered by the management of the Company.

### **Untrue News and Gossips**

In principle, no comment is made about news which it is evident that is not sourced by Otokar and is a gossip, rumor and untrue. However, if it is deemed necessary to protect the interests of Otokar A.Ş. and the investors, a statement is made about such untrue news as well.

The Company may want to make a statement about news and rumors appeared in the press, which do not require making of a special situation disclosure.

### **Measures Taken for Ensuring Confidentiality of Internal Information Units its Disclosure to Public**

Employees of Otokar A.Ş. who have access to internal information and other parties communicated are informed about the fact that they are obliged to protect the confidentiality of such information in the course of occurrence of a special situation and during the time from the occurrence of such special situation till the disclosure of it through the KAP system and the İstanbul Stock Exchange.

As a general rule, Otokar A.Ş. and persons working for and on the name and account of Otokar A.Ş. may not share any information not yet in public domain, which can be considered as a special situation, with any third persons. If it is discovered that any internal information has been disclosed to third persons by such persons inadvertently and it is concluded that confidentiality of such information can no longer be ensured as required by the Capital Market regulations, a special situation disclosure is made.

In the event of postponement of disclosure of such information, a list of the persons having the information being the subject of the postponement at the time of taking of the postponement decision is prepared and the "List of Persons Having Access to Internal Information of Otokar A.Ş." is updated. Necessary measures are taken to keep the internal information, the disclosure of which is postponed, confidential.

## **V - STATEMENTS TO THE PRESS AND THE MEDIA**

Through controlled feed of news by the Corporate Communication Unit of Otokar about important developments occurred during the year to the press, the mass media and the electronic media, the public is informed in detail. Information can be made through a press conference as well, depending on the content of the information. Questions and information

requests of the media about the company and various developments are received and answered in writing.

All written statements shared with the press and the mass media are forwarded to data broadcasting corporations like Reuters and Forex. The representatives of such corporations are invited to all press conferences when the subject of such conferences is relevant.

Statements made through press-mass media are published at our web site in Turkish and English as well.

In situations where a Special Situation Disclosure is required, the disclosure is made by the Assistant General Manager in charge of Financial Affairs within the knowledge of the General Manager.

## **VI - INVESTOR MEETINGS**

In order to communicate the activities and financial performance as well as the vision, strategy and targets of Otokar to the shareholders in a best manner, the top executives and the responsible persons of the Investor Relations Unit of Otokar meet with intermediary firms, analysts and investors and presentations, question/answer sheets and summary information aimed at promoting Otokar in a best manner are prepared during the year. All requests received from shareholders for convening of a meeting are answered affirmatively. Through regularly updated web site and electronic media, it is ensured that shareholders and analysts are enabled to monitor the developments concerning Otokar closely.

Presentations made to investors, intermediary firms and concerned persons as well as periodic newsletters with financial content are disclosed through electronic media and web site. Statements and presentations are forwarded to requesting investors and shareholders in CD or hardcopy by mail.

There is a form for electronic newsletter at the web site to enable communication in electronic medium. In this way, easy access by investors who desire to obtain information about Otokar to such information and continuity of relations is assured.

All questions and information requests of investors about the company are answered by communication means like phone, fax, electronic mail, etc.

While the analyst reports written about the company are not published at our web site, the firms and communication data of the analysts are published at our web site.

## **VII - FINANCIAL STATEMENTS**

Financial statements of Otokar are prepared in accordance with the provisions established by the Capital Market Board and audited independently in accordance with the International Audit Standards and disclosed to the public. Before disclosed to the public, the financial statements and footnotes as well as the Activity Reports are submitted in accompany of the opinion of compliance obtained from the Audit Committee to the Board of Directors pursuant to the Capital Market Legislation. After the statement of accuracy has been signed, the financial statements, the footnotes and the independent audit report are forwarded to the KAP system and the İstanbul Stock Exchange pursuant to the Capital Market Law and the

regulations of the İstanbul Stock Exchange. Current and previous financial statements and footnotes issued in Turkish and English are available at our web site.

### **VIII - ACTIVITY REPORT**

Content of the annual activity reports is prepared at the office of the Assistant General Manager in charge of Financial Affairs in accordance with the international standards, the Capital Market Legislation and the Corporate Governance Principles. Once adopted by the Board of Directors, the report is disclosed to the public in Turkish and English at our web site. In addition, printed copies and copies in CD format are available at the Corporate Communication and Financial Affairs Units.

In addition, interim activity reports issued quarterly are disclosed to the public through the KAP system and the İstanbul Stock Exchange and submitted to the investors at our web site.

### **IX - WEB SITE OF THE COMPANY**

In the Investor Relations pages in Turkish and English at the web site of the company at the address of [www.otokar.com.tr](http://www.otokar.com.tr), detailed information and current and past data pertaining to Otokar are provided pursuant to the Corporate Governance Principles. Content of the web site is prepared so as to contain diverse information which all stakeholders can make use of. This section is in the nature of a platform where information needed by investors, shareholders and analysts for valuation of the company and monitoring of the performance of the company and the stock is provided in detail and comprehensively and updated continuously.

Besides the corporate governance compliance report, memorandum and general meeting information and other information like the Articles of Association of the company, the web site of the company contains information required by the Capital Market Board from Special Situation Disclosures sent to the İstanbul Stock Exchange to our activity reports, periodic financial reports and capital structure data of the company. In addition, investor presentations and newsletters are published at our web site to inform the investors about important developments. Production and sales quantities by models are published monthly, amounts of exports quarterly and data of capacity and capacity utilization rates, investments and employment annually at our web site to inform the investors about the developments in the operations of the company.

### **X - STATEMENTS ABOUT THE FUTURE**

Investors are warned about statements contained in the written documents of Otokar, which have been made based on certain prospective assumptions. It is stated that such statements may be different from the expected results due to risks, uncertainties and other factors and are subject to revision accordingly.

### **XI - STATEMENTS ABOUT THE USE OF SHAREHOLDING RIGHTS**

Shareholders are informed about the general meetings, capital rises, dividend payments, merger and division transactions through memoranda and notices as well as Turkish Trade Register Gazette and local newspapers pursuant to the Capital Market regulations.

The said documents are published at the web site of Otokar A.Ş. besides the media set out in the regulation, so as to facilitate the access by the investors to such documents.

### **General Meeting**

Pursuant to the Capital Market legislation and the Corporate Governance Principles, the place and agenda of the general meeting, the draft amendments, if any, and a form of proxy are published in 2 daily newspapers circulating across Turkey at latest 21 days before the general meeting. The notice states where independently audited financial statements pertaining to the respective period are made available for inspection.

The General Meeting is held under the supervision of a representative of the Ministry of Industry and Commerce and under the management of the Chairing Board in accordance with the procedure.

At the General Meeting, information about the activities and financial results in the respective year is given and the matter of distribution of the profit in the respective year and the distribution date are submitted to the approval of the General Meeting.

Information is given about the resumes of the members of the Board of Directors and re-election or replacement of members of the Board of Directors whose office term has ended, office term of the members of the Board of Directors, re-election or replacement of the Auditors whose office term has ended and office term of the Auditors and determination of monthly gross remuneration to the Chairman and Members of the Board of Directors and the Auditors are submitted to the adoption of the General Meeting.

Amendments to the articles of association as deemed necessary and if any, selection of the independent audit firm by the Board of Directors upon the proposal of the Audit Committee are submitted to the adoption of the General Meeting.

Profit Distribution Policy, Information Policy and donations and aids made by the company to foundations and societies exempted from tax for purposes of social aid during the respective year are submitted to the information of the General Meeting.

Transactions made with the related parties are submitted to the information of the General Meeting pursuant to the Capital Market legislation.

