

## 2016 1H FINANCIAL RESULTS

Dear Stakeholders,

By 27,6% increase compared to the same period of previous year, Otokar generated TRY 693,7 million in 2016 1H.

Sales (Thousand TRY)	2016 1H	2015 1H	Change (%)
Domestic	492.335	413.490	19,1%
Export	201.335	130.332	54,5%
<b>Total</b>	<b>693.670</b>	<b>543.822</b>	<b>27,6%</b>

In 2016 1H, Otokar's production and sales units were 1.335 and 1.598 respectively.

Units	2016 1H	2015 1H	Change (%)
Production	1.335	2.461	(46%)
Sales	1.598	2.356	(32%)

### SUMMARY FINANCIAL STATEMENTS

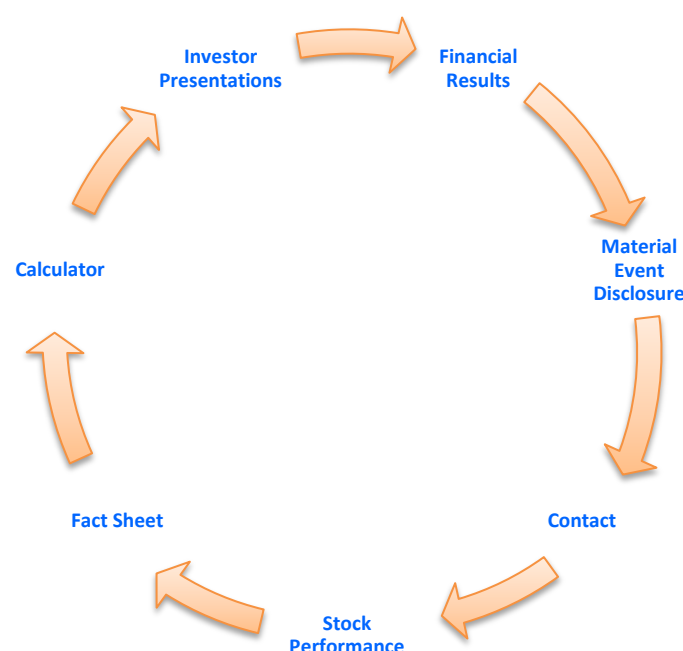
Income Statement (Thousand TRY)	2016 1H	2015 1H	Change (%)
Net Sales	693.670	543.822	27,6%
Cost of Sales	(518.673)	(420.550)	23,3%
Gross Profit	174.997	123.272	42%
Operating Expenses	(119.995)	(109.340)	9,7%
Operating Profit	55.002	13.932	294,8%
Financial Expenses	(36.323)	(19.866)	82,8%
Income(loss) before min&taxes	18.691	(4.499)	515,4%
Taxation	(2.953)	4.503	(165%)
Net Profit	15.738	4	409858%
EBITDA	76.276	36.015	112%

Balance Sheet (Thousand TRY)	2016 1H	2015 1H
Current Assets	1.293.742	821.741
Current Liabilities	1.000.541	913.650
Working Capital	293.201	(91.909)
Property, Plant & Equipment –Net	103.870	108.312
Total Assets	1.665.317	1.400.440
Total Liabilities	1.476.753	1.236.683
Shareholders' Equity	188.564	163.757

Statement of Cash Flow (Thousand TRY)	2016 1H	2015 1H
Cash and Cash Equivalents at the Beginning of the Period	62.960	44.528
Net Cash Provided by Operating Activities	(16.809)	(29.524)
Net Cash Used in Investment Activities	(31.810)	(22.038)
Pre-Financing Cash Flow	(48.619)	(51.562)
Net Cash Obtained From Financing Activities	21.892	15.318
Net Increase in Cash and Cash Equivalents	(26.781)	(36.244)
Cash and Cash Equivalents at the End of the Period	36.179	8.284

Financial Ratios	2016 1H	2015 1H
Current Ratio	1.29	0.90
Liquidity Ratio	0.76	0.53
Current Assets / Total Assets	0.78	0.59
Current Liabilities / Total Liabilities	0.60	0.65
Current&Non-current Liabilities / Total Assets	0.89	0.88

Margins	2016 1H	2015 1H
Gross Margin	25,2%	22,7%
Operating Margin	7,9%	2,6%
EBITDA Margin	11%	6,6%
Net Margin	2,3%	0,0%



### Dividend;

Year	Profit for the Period (TRY)	Dividend Amount (Thousand TRY)	Dividend Yield
2015	79.506.151	72.000	3,4%
2014	72.771.198	80.000	4%
2013	96.561.743	100.000	8%
2012	76.384.978	64.000	7%

Otokar has continued to pay dividends to its shareholders as in previous years. The planned dividend payment that was agreed at the General Assembly for the year 2015 was TRY 72.0 million was paid on Apr 04, 2016.

### Altay Tank Project

Turkish Main Battle Tank Project ALTAY, which the contract was signed in 2008, continues in accordance with the planned timetable. Production of PV1 and PV2 prototypes which will be used for final acceptance and qualification tests has been completed in 2014. System qualification tests, one of the most important process within the scope of the third and the last phase "Prototype Production and Qualification", has been started by April,2015. Additionally, under related article of the existing contract, proposal for Altay Project Phase II Serial Production Stage related with production of 250 tanks and its Integrated Logistics Support activities has just been submitted to SSM on 18.01.2016.

### Investments

Otokar has continued to invest on R&D activities field in 2015 like the previous years. Total investment expenditure of Otokar was realized over USD 3 Million in 2015.

### Fairs;

Otokar attended with its defence vehicles in January 2016 Bahrain BIAS 2016, in April 2016 Malaysia DSA 2016, in May 2016 Hemus Bulgaria and in June 2016 Eurosatory in France, also with its commercial vehicles Otokar attended in April 2016 Busworld Turkey Fair in Istanbul and in Dubai UITP MENA 2016, in May 2016 Convex in Istanbul and in June Transport Publics 2016 in France.

### DISCLAIMER

This Bulletin is prepared for our stakeholders to get the informations about the activities of our company easier, containing the summary informations in the 2016 1H financial statements that are disclosed on Public Disclosure Platform. In case of a discrepancy between this bulletin and the financial statements, financial statements shall prevail.

