

OTOKAR REPORTS 2011 RESULTS

In this report we submit 2011 figures to compare with 2010 figures. 2011 & 2010 financial results published in this press release are prepared according to International Financial Reporting Standards.

Highlights of 2011

- Otokar generated USD 532.8 million total revenues in 2011, 54% greater than 2010. Otokar's 2011 domestic revenue was USD 436.4 million and export revenue was USD 96.4 million.
- By generating USD 32.8 million net profit; Otokar, increased its net profit by 137% in 2011. Also Otokar heighten its net profit margin from 5% of 2010 to 6% in 2011.
- In 2011, Otokar vastly increased its sales and production units. 2011 production and sales units of Otokar were 5676 and 5509, 67% and 59% greater than 2010 respectively.

Overview

OTOKAR IFRS P/L Statement Highlights	2011 USD (thousands)	2010 USD (thousands)	USD Based Change
Net Sales	532.829	345.364	54%
Cost of Sales	(415.733)	(284.557)	46%
Gross Profit	117.096	60.807	93%
Operating Expenses	(74.709)	(43.691)	71%
Operating Profit	42.387	17.116	148%
Income/(loss) before minorities & taxes	36.963	13.401	176%
Taxation	(4.426)	468	986%
Net Profit	32.816	13.870	137%
EBITDA	54.254	26.702	103%

*: USD datas calculated by 2010 and 2011 TRCB daily average exchange rates

Net Sales

2011 total sales figure of Otokar in 2011 was USD 532.8 million. Otokar increased its total sales revenue by 54% than the same period of last year. The domestic sales revenue of 2011 was USD 436.4 million, 46% higher than 2010 and also the export sales revenue was USD 96.4 million, 110% better than 2010. In total sales revenue, the highest increase came from trailer segment with a rise by 219%. The trailer and the armoured tactical vehicle segments were the leaders in total revenue increase. In export revenue increase, armoured tactical vehicle segment was in the first place and in domestic revenues, the highest advance came from trailer segment.

	2011 USD (thousands)	2010 USD (thousands)	Change %
Domestic Sales	436.390	299.487	46%
Exports	96.439	45.877	110%
Total	532.829	345.364	54%

**: USD datas calculated by 2010 and 2011 TRCB daily average exchange rates*

Also in total sales units, the highest increases came from trailer and armoured tactical vehicles. From the analysis of the distribution of product segments, the following results occur: In total revenue, auto&midibus segment is the leader and the armoured tactical vehicle segment was following it. In total domestic revenue again, the auto&midibus segment is at the first place and the trailer segment follows it. Lastly in exports, armoured tactical vehicle sales dominate the exports by producing more than half of the total export revenue by itself. Finally, from the comprise of sales aspect, the commercial vehicles revenue is the leader of both domestic and total sales with 59% and 53% shares and the defence vehicles revenue leads the exports with its 70% ratio.

The total unit sales figure of 2011 was 5509, 59% greater than 2010. 5030 units of domestic sales indicated an increase by 62% and 479 units of export sales indicated an increase by 28%. From the product group aspect; in total unit sales, armoured tactical vehicles segment increased its total, domestic and export sales units by 205%, 170% and 284% respectively.

The leader of 2011 in the domestic market shares was primarily OTOKAR given the following figures: In all 12-meter public transport city bus, 9-10-meter mid cap sized bus and 7-meter midibus categories Otokar is the leader with its 36%, 77% and 43% market shares respectively. As for the minibus niche market the share of OTOKAR was 38%.

Profit

Gross profit in 2011 was USD 117.1 million, 93% above the same period of the last year. Gross margin was 22%, whereas it was 18% in 2010.

Operating profit was USD 42.4 million in 2011, 148% above 2010. Operating margin increased to 8% in 2011 from 5% of 2010.

The company's EBITDA was USD 54.3 million in 2011, having an EBITDA margin of 10%. The same figures were USD 26.7 million and 8% respectively in 2010.

Otokar's net profit was USD 32.8 million in 2011, having a net margin of 6%.

The company 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 2010 was TL 15.0 million which was paid on 22.03.2011. Dividend payment percentages for the last three years were like the

following: From the profit of 2008, 2009 and 2010 the dividends distributed in 2009, 2010 and 2011 were: 30%, 85% and 62.5% respectively.

In the General Assembly to be held on 14 March 2012, the dividend distribution offer will be presented to the approval of the assembly. According to the offer, the dividend figure is 48.0 million Turkish Liras and will be distributed on 21 March 2012.

Investments

The total investment expenditure of Otokar was realised about USD 15.2 million in 2011. The same figure was USD 8.1 million last year. The total expenditure which was spent for R&D Center and modernisation processes was about USD 9.5 Million. Whereas the same figure in 2010 was at USD 6 Million.

Objectives

Despite the general opinion about 2012 is to be a stagnant or even worse year than 2011, Otokar aims to protect the 2011 revenues in 2012. Especially on exports, Otokar aims to obtain a similar performance with 2011 since its already signed contracts.

On tank project side, the first stage of the project finished in 2011. The first stage was about the conceptual design of the Altay tank. In 2011, a model of Altay in exact size was exhibited in IDEF İstanbul 2011. The second stage is detailed design of Altay and by the end of 2012 Otokar aims to be presenting the first prototypes of Altay.

In order to realize the export and total revenues objectives, Otokar attended both the defensive and commercial fairs held both in Turkey and abroad in 2011. Otokar attended in IDEX-2011-Abu Dhabi fair with its 6X6 ARMA, Cobra and KAYA armoured tactical vehicles and IDEF-2011-İstanbul with KAYA, Cobra, 6X6 and 8X8 ARMA vehicles and also with a model showing the most recent process of the Altay tank in original size. Otokar participated for the first time in The Brunei International Defence Exhibition, BRIDEX 2011, between 06th and 09th July and presented its worldwide known 4x4 armoured vehicle "COBRA" at the show. Lastly, Otokar attended two fair in the last quarter of the year. The first one of these was Busworld-Belgium fair in October 2011. Otokar attended in this fair with its 2010 Design Turkey awarded bus KENT LF and won the special jury prize for its bus. And as the last fair of the year, Otokar attended in COMVEX İstanbul commercial vehicles fair held in November 2011. Otokar exhibited the latest models of its buses and semi-trailers.

FINANCIALS

OTOKAR IFRS Balance Sheet	2011 USD (thousands)	2010 USD (thousands)
Current Assets	304.686	279.170
Current Liabilities	290.486	234.982
Working Capital	14.201	44.188
Property, Plant & Equipment -Net	59.982	64.125
Total Assets	452.457	411.151
Total Liabilities	339.509	298.925
Shareholders Equity	112.948	112.226

OTOKAR IFRS Balance Sheet	2011
Current Ratio	1.05
Liquidity Ratio	0.74
Current Assets / Total Assets	0.67
Current Liabilities / Total Liabilities	0.86
Total Liabilities / Total Liabilities & Shareholders' Equity	0.75

OTOKAR IFRS Statement of Cash Flow	2011 USD (thousands)
Cash and Cash Equivalents at the Beginning of the Period	59.063
Net Cash Provided by Operating Activities	(42.368)
Net Cash Used in Investment Activities	(26.113)
Pre-Financing Cash Flow	(68.481)
Net Cash Used in Financing Activities and Effect of Exchange Rate Changes	11.784
Net Increase in Cash and Cash Equivalents	(56.697)
Cash and Cash Equivalents at the End of the Period	2.367

**:USD datas calculated by 2010 ve 2011 yer-end TRCB exchange rate.*

For Further Information please contact:

Ö.Ahmet Özerol
Investor Rel.s
Tel:(+90 264) 229 22 44 – 6213
aozerol@otokar.com.tr

Yasemin Orhon
Finance Section Manager
Tel: (+90 264) 229 22 44 – 6210
yorhon@otokar.com.tr

Hüseyin Odabaş
Asst. Gen. Manager, Finance
Tel: (+90 264) 229 22 44 - 6001
hodabas@otokar.com.tr