

2017 FINANCIAL RESULTS

Dear Stakeholders,

By 9,2% increase compared to the same period of previous year, Otokar generated TRY 1.785,272 million in 2017

Sales (Thousand TRY)	2017	2016	Change (%)
Domestic	1.238.732	1.192.713	3,9%
Export	546.540	441.809	23,7%
Total	1.785.272	1.634.522	9,2%

In 2017, Otokar's production and sales units were 3.062 and 3.187 respectively.

Units	2017	2016	Change (%)
Production	3.062	2.990	2%
Sales	3.187	3.633	(12%)

SUMMARY FINANCIAL STATEMENTS

Income Statement (Thousand TRY)	2017	2016	Change (%)
Net Sales	1.785.272	1.634.515	9,2%
Cost of Sales	(1.313.646)	(1.224.669)	7,3%
Gross Profit	471.626	409.845	15,1%
Operating Expenses	(245.912)	(245.202)	0,3%
Operating Profit	225.714	164.643	37,1%
Financial Expenses	(136.258)	(96.650)	41,0%
Income(loss) before min&taxes	90.706	68.080	33,2%
Taxation	8.717	1.646	(429,7%)
Net Profit	99.423	69.726	42,6%
EBITDA	185,904	170,217	9,0%

Balance Sheet (Thousand TRY)	2017	2016
Current Assets	1.631.551	1.449.932
Current Liabilities	1.072.319	1.066.339
Working Capital	559.232	383.593
Property, Plant & Equipment –Net	378.036	334.336
Total Assets	2.009.587	1.784.268
Total Liabilities	1.726.033	1.541.310
Shareholders' Equity	283.554	242.958

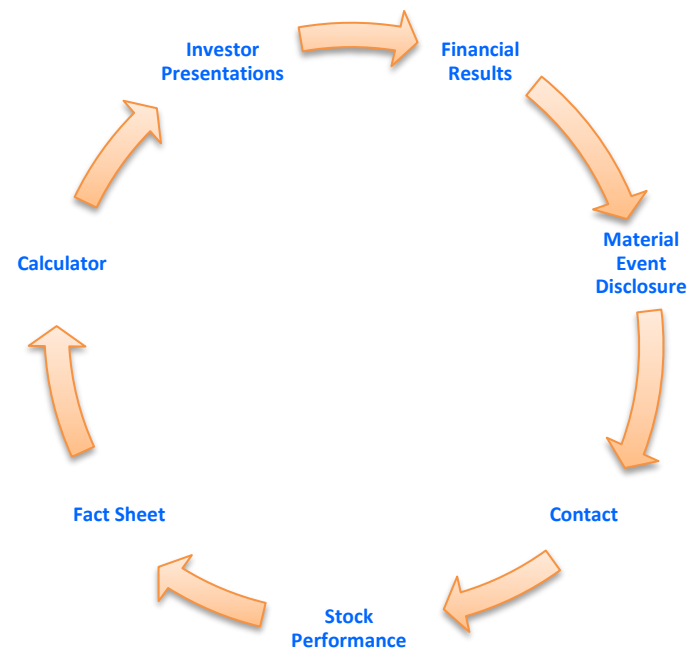
Statement of Cash Flow (Thousand TRY)	2017	2016
Cash and Cash Equivalents at the Beginning of the Period	38.598	62.960
Net Cash Provided by Operating Activities	204.043	397.172
Net Cash Used in Investment Activities	(94.697)	(76.629)
Pre-Financing Cash Flow	109.346	320.543
Net Cash Obtained From Financing Activities	79.947	(346.295)
Net Increase in Cash and Cash Equivalents	190.360	(24.361)
Cash and Cash Equivalents at the End of the Period	228.958	38.598

Financial Ratios	2017	2016
Current Ratio	1,52	1,36
Liquidity Ratio	1,14	0,90
Current Assets / Total Assets	0,81	0,81
Current Liabilities / Total Liabilities	0,53	0,60
Current&Non-current Liabilities / Total Assets	0,86	0,86

Margins	2017	2016
Gross Margin	24,6%	25,1%
Operating Margin	12,6%	10,1%
EBITDA Margin	10,4%	10,4%
Net Margin	5,6%	4,3%

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 2017 3Q 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.



Dividend;

Year	Profit for the Period (TRY)	Dividend Amount (Thousand TRY)	Dividend Yield
2016	69.725.866	60.000	2%
2015	79.506.151	72.000	3%
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, dated 24.03.2017, for the year 2016 was TRY 60.0 million was paid on Apr 04, 2017.

Altay Tank Project

Within the scope of Turkish Main Battle Tank Project ALTAY, which the contract was signed in 2008, 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", were executed successfully between April,2015 and March,2017 and 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 been submitted to Undersecretariat for Defence Industries (SSM) on 18.01.2016 and the BAFO (Best And Final Offer) has been submitted to SSM on 29.08.2016. It has been reported to our company by SSM on 09.06.2017, that the offer has been evaluated in all aspects of administrative, financial and technical however due to not being able to agree upon in the terms of contract, especially price is being in the first place, it is notified that our offer was not approved and the requirement for the project has been decided to be fulfilled with a new tender. The request for Altay serial production proposal document was released on July,2017 by SSM and Otokar was invited to the tender. Otokar has submitted its offer to Undersecretariat for Defence Industries for Altay Phase II Serial Production Stage on November,2017.

Investments

Otokar has continued to invest on R&D activities field in 2017 like the previous years. Total investment expenditure of Otokar was realized approximately USD 4 Million in 2017.

Fairs;

Otokar attended with its defence vehicles in February 2017 United Arab Emirates IDEX 2017, in April 2017 LAAD 2017 in Brasil, in May 2017 IDEF 2017 in İstanbul and in September 2017 DSEI 2017 in London and with its commercial vehicles in April 2017 in Berlin Bus2Bus, in May 2017 UITP Montreal and in October 2017 in Belgium Busworld Kortrijk Europe fairs.