

OTOKAR REPORTS 2013 1Q RESULTS

In this report we submit 2013 1Q figures to compare with 2012 1Q figures. 2013 1Q & 2012 1Q financial results published in this press release are prepared according to International Financial Reporting Standards.

Highlights of 2013 1Q

- Otokar increased its revenues by 95% and generated TL 334 million total revenues in 2013 1Q. Otokar's 2013 1Q domestic revenues were TL 272 million and export revenues were TL 62 million.
- Otokar generated TL 36 million net profit with a net margin of 4% in 2013 1Q.
- In the 2013, Otokar's production and sale units were 1265 and 1348 respectively.
- The planned dividend payment that was agreed at the General Assembly for the year 2012 was TL.64.0 million was paid on Apr 03, 2013.

Overview

OTOKAR IFRS P/L Statement Highlights	2013 1Q TL (thousands)	2012 1Q TL (thousands)	Change
Net Sales	334.378	171.777	95%
Cost of Sales	(260.363)	(139.929)	86%
Gross Profit	74.015	31.848	132%
Operating Expenses	(39.205)	(22.076)	78%
Operating Profit	34.810	9.772	256%
Income/(loss) before minorities & taxes	30.488	7.815	290%
Taxation	(4.366)	(207)	2008%
Net Profit	26.122	7.608	243%
EBITDA	43.805	16.064	173%

Net Sales

The total sales revenue of Otokar in the 2013 1Q is TL 334 million. Otokar increased its total revenues by 95% compared to 2012 1Q. Domestic sales constituting the 81% of total sales doubled the same period of the last year with an increase of 107%. The largest contribution to the increase in domestic sales came from auto&midibus group with growth ratio of 173%. Otokar increased its exports by 55% in 2013 1Q and the share of the exports was 19%. The rise in exports stemmed from the rise by 60% in armoured tactical vehicles sales.

Considering the shares of segments in total revenue terms, the leader segment was the auto&midibus group with a share of 55% with TL 182 million in revenue and it was followed by armoured tactical vehicles segment with a share of 24% with TL 81 million in revenue. Whereas the export sales leader was armoured tactical vehicles with TL 45 million in revenues, the leader of the domestic sales was auto&midibus segment with TL 171 million revenues. Armoured tactical vehicle exports constituted 72% of all export revenues by itself. In the domestic revenues the largest revenue derived from auto&midibus with a share of 63%. In 2013 1Q, the commercial vehicles constituted 60% of the total sales and 69% of domestic sales. Also 72% of the export revenues stemmed from the military vehicles.

	2013 1Q TL (thousands)	2012 1Q TL (thousands)	Change %
Domestic Sales	272.242	131.610	107%
Exports	62.136	40.167	55%
Total	334.378	171.777	95%

Profit

Gross profit was TL 74 million in 2013 1Q, with a gross margin of 22%. The same figures in 2012 1Q were TL 32 million and 19% respectively. Operating profit was TL 35 million in 2013 1Q with an operating margin of 10%. The same figures in 2012 1Q were TL 10 million and 6% respectively. The company's EBITDA was TL 44 million in 2013 1Q, having an EBITDA margin of 13%. The same figures in 2012 1Q were TL 16 million and 9% respectively. Otokar's net profit was TL 26 million in 2013 1Q, having a net margin of 8%. The same figures in 2012 1Q were TL 8 million and 4% respectively.

The company has continued to pay dividends to its shareholders as in previous years. The dividend payment for the year 2012 was paid on 03.04.2013 as TL 64 million. Dividend payment percentages for the last three years were like the following: From the profit of 2010, 2011 and 2012 the dividends distributed in 2010, 2011 and 2012 were: 62,5%, 200% and 266,67% respectively.

Investments

Otokar continues to invest on R&D activities like the previous years. The total investment expenditure of Otokar was realised just above USD 1 Million in 2013 1Q.

Objectives

Otokar realizes its growth with the products of which intellectual property rights are owned by Otokar. Otokar determines its strategies as: To Grow in Defence Industry, To Enhance the Share of the Exports in Total Revenues and To Produce New Models the market needs. Especially with its already signed and to be signed contracts in 2013, Otokar targets to increase its total revenues by 10% in 2013. In order to reach these targets, Otokar attends both military and commercial fairs like the previous years. Recently, Otokar attended IDEX 2013 in Abu Dhabi with its 4x4, 6x6 and 8x8 armoured tactical vehicles. Lastly, as of Apr 30, 2013; Otokar has a backlog volume of USD 176 million.

On the tank project side, things are going as planned. The first stage of the project was finished in 2011. The first stage was about the conceptual design of the Altay Main Battle Tank. In 2011, an identical model of Altay in exact size was exhibited in IDEF İstanbul 2011 Defense Fair. On Mar 29, 2012 Otokar established the first Tank Testing Center of Turkey in Arifiye Plant . The second stage was detailed design of Altay and Otokar produced and presented two prototype of the Altay Main Battle Tank in a meeting honoring the Prime Minister of Turkey in the end of 2012.

FINANCIALS

OTOKAR IFRS	2013 1Q TL	2012 1Q TL
Summary Balance Sheet	(thousands)	(thousands)
Current Assets	762.561	600.375
Current Liabilities	674.531	711.965
Working Capital	88.030	-12.591
Property, Plant & Equipment -Net	122.969	114.765
Total Assets	1.171.260	976.295
Total Liabilities	968.223	804.618
Shareholders' Equity	203.036	171.678

OTOKAR IFRS	2013 1Q	2012 1Q
Financial Ratios		
Current Ratio	1,13	0,98
Liquidity Ratio	0,71	0,66
Current Assets / Total Assets	0,65	0,72
Current Liabilities / Total Liabilities	0,7	0,88
Total Liabilities / Total Liabilities & Shareholders' Equity	0,83	0,82

OTOKAR IFRS	2013 1Q TL	2012 1Q TL
Summary Statement of Cash Flow	(thousands)	(thousands)
Cash and Cash Equivalents at the Beginning of the Period	47.906	4.470
Net Cash Provided by Operating Activities	-38.466	49.984
Net Cash Used in Investment Activities	-16.769	-14.101
Pre-Financing Cash Flow	-55.235	35.883
Net Cash Obtained From Financing Activities	11.952	5.944
Net Increase in Cash and Cash Equivalents	-43.283	41.827
Cash and Cash Equivalents at the End of the Period	4.623	46.297

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