

The background of the slide is a complex digital collage. It features a central image of a robotic hand with a glowing blue light emanating from its palm. Surrounding the hand are various data visualizations, including a bar chart, a line graph, and a circular gauge. A globe is visible in the lower right corner, and a network of interconnected nodes is shown in the lower left. The overall color scheme is dominated by teal and blue tones.

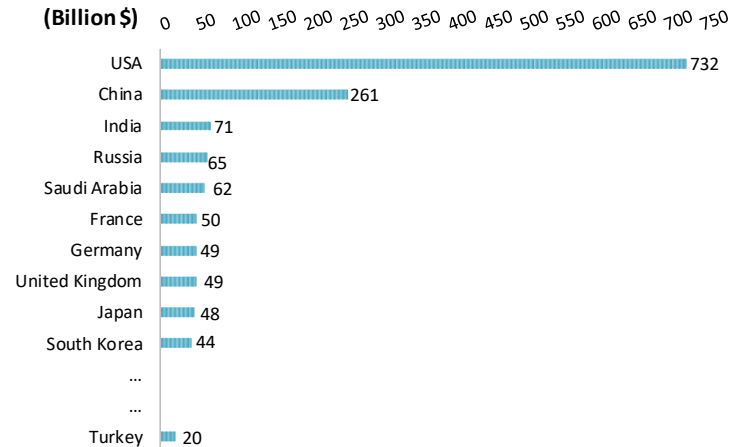
**aselsan**

# Investor Presentation

August 2020

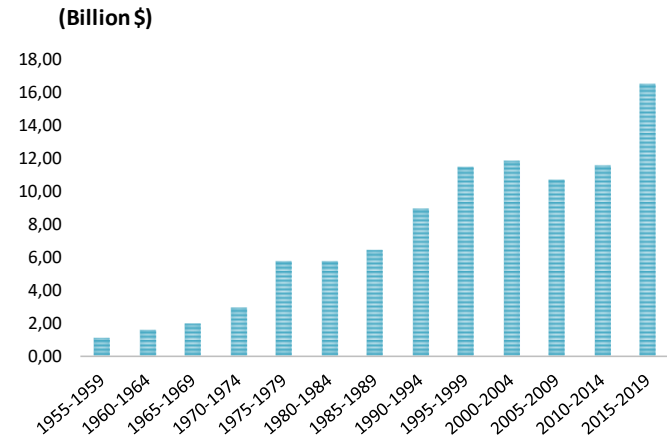
# Turkey and ASELSAN's Place in Global Defense

## 2019 Top 10 Spenders vs. Turkey



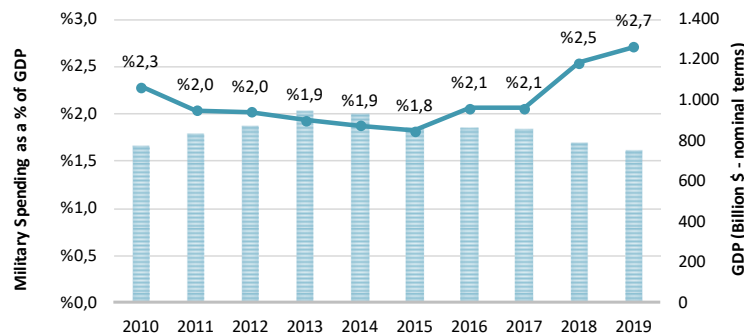
SIPRI

## Military Spending of Turkey (5-year averages)



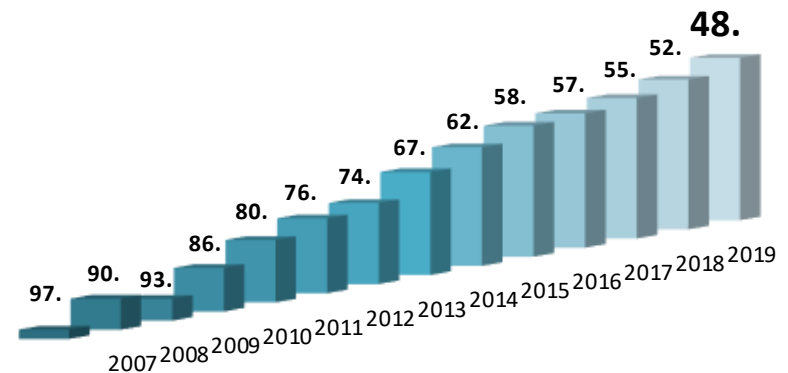
SIPRI

## Military Spending as a % of GDP (TURKEY)



SIPRI, TÜİK

## ASELSAN Global Defense Ranking



Defense News Top 100

# Shareholder Structure

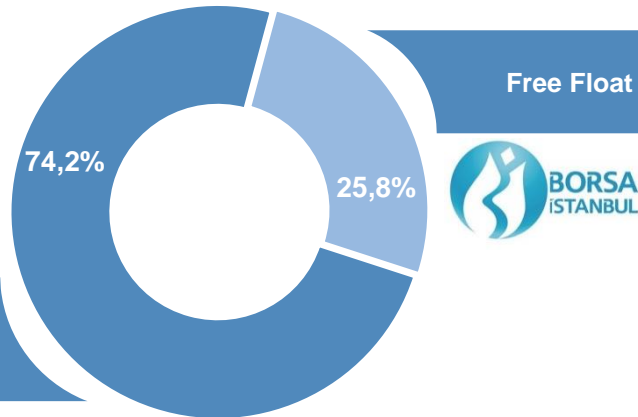


## Shareholder Structure

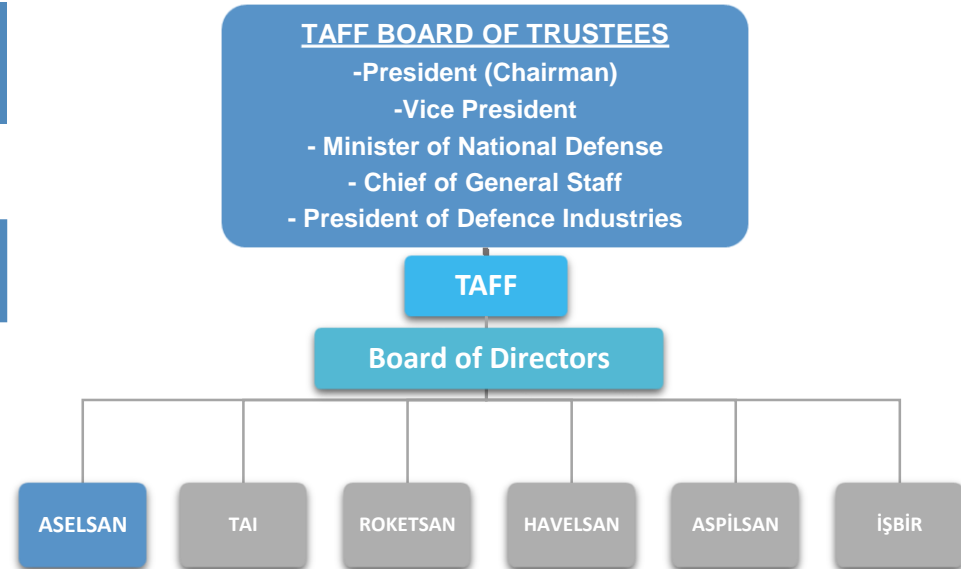
ASELSAN,  
is the only defense company listed on BIST.



Turkish Armed  
Forces Foundation



## Turkish Armed Forces Foundation (TAFF)



- ❖ TAFF was established by the merger of Land, Navy and Air Forces Foundations.
- ❖ TAFF's objective is to enhance the warfare capability of Turkish Armed Forces through national defense industry.
- ❖ TAFF owns several defense companies operating in separate fields.
- ❖ The only privilege of the shares owned by TAFF have is nominating 6 members of the 9 members of Board of Directors.

# Field of Activities

## COMMUNICATION INFORMATION TECHNOLOGIES



COMMUNICATION



SATELLITE SYSTEMS



IT and CYBER  
SECURITY

## MICROELECTRONICS GUIDANCE and ELECTRO-OPTICS



AVIONIC



ELECTRO-OPTIC



GUIDANCE and  
UNMANNED SYSTEMS



MICROELECTRONICS

## RADAR, ELECTRONIC WARFARE



RADAR SYSTEMS



ELECTRONIC WARFARE



MICROWAVE PRODUCTS

## DEFENSE SYSTEMS TECHNOLOGIES



AIR and MISSILE DEFENSE



LAND and WEAPON SYSTEMS



COMMAND CONTROL



NAVAL SYSTEMS

## TRANSPORTATION, SECURITY, ENERGY, AUTOMATION and HEALTHCARE



SECURITY



TRANSPORTATION



TRAFFIC and AUTOMATION



ENERGY and HEALTH



# Our Affiliates

<b>ROKETSAN</b>  Share :15% Partner: TAFF Founded: 1988 Assets: 1,3 Bio \$ (*)	<b>ASELSANNET</b>  Share :100% Founded: 2004 Assets: 216 Mio \$	<b>ASELSAN BİLKENT MİKRO NANO</b>  Share:50% Partner: BİLKENT Ünv. Founded: 2014 Assets: 26,3 Mio \$	<b>ASELSAN HASSAS OPTİK</b>  Share:50% Partner:Sivas Optik Founded: 2014 Assets: 20,1 Mio \$
<b>ULAK</b>  Share:51% Partner:SSTEK A.Ş. Founded: 2017 Assets: 17 Mio \$	<b>ASELSAN KONYA SİLAH SİS.</b>  Share:51% Partner: Konya Defence Industry Founded: 2018 Assets: 15,5 Mio \$	<b>ASPİLSAN</b>  Share :1% Partner: TAFF Founded: 1981 Assets: 13,9 Mio \$ (*)	<b>EHSİM</b>  Share:50% Partner: Havelsan, SSTEK Founded: 1998 Assets: 13,3 Mio \$
<b>TEKNOHAB</b>  Share:30% Partner: HAB,TUSAŞ GAZİ Ünv. Founded: 2018 Assets: 6 Mio \$	<b>MİKROELEKTRONİK</b>  Share:85% Partner: İTÜ ETA Vakfı Founded: 2004 Assets: 4,1 Mio \$	<b>BİTES</b>  Share :51% Partner: Real Person Founded: 2001 Assets: 3,3 Mio \$	<b>TÜYAR</b>  Share :51% Partner: TÜBİTAK, SSM Founded: 2017 Assets: 2,4 Mio \$
<b>TR EĞİTİM VE TEKNOLOJİ A.Ş.</b> Share:50% Partner: TUSAŞ Founded: 2018 Assets: 0,18 Mio \$ (**)	<b>ASELSAN GLOBAL</b> Share :100% Founded: 2019 Assets: 0,03 Mio \$	<b>DASAL</b> Share :100% Partner: Altınay A.Ş. Founded: 2019 Assets: 0,01 Mio \$ (**)	
<b>KAZAKHSTAN ASELSAN ENGINEERING (KAZAKHSTAN)</b>  Share : 49% Partner: Kazakhstan Engineering Founded: 2011 Assets: 34,5 Mio \$	<b>ASELSAN MIDDLE EAST (JORDAN)</b>  Share: 49% Partner: KADDB Investment Group Founded: 2012 Assets: 9,9 Mio \$	<b>MACEDONIA BRANCH</b>  Share: 100% Founded: 2014 Assets: 2,2 Mio \$	<b>ASELSAN BAKÜ (AZERBAIJAN)</b>  Share: 100% Founded: 1998 Assets: 1,7 Mio \$
<b>IGG ASELSAN INTEGRATED SYSTEMS (UNITED ARABIAN EMIRATES)</b>  Share: 49% Partner: IGG Founded: 2011 Assets: 1,6 Mio \$	<b>SOUTH AFRICA BRANCH</b>  Share: 100% Founded: 2011 Assets: 1,2 Mio \$	<b>SADEC (SAUDI ARABIA)</b>  Share: 50% Partner: TAQNIA DST Founded: 2016 Assets: 1,1 Mio \$ (*)	<b>BARQ QSTP (QATAR)</b>  Share : 48% Partner: BARZAN Holding, SSTEK A.Ş. Founded: 2018 Assets: 0,3 Mio \$

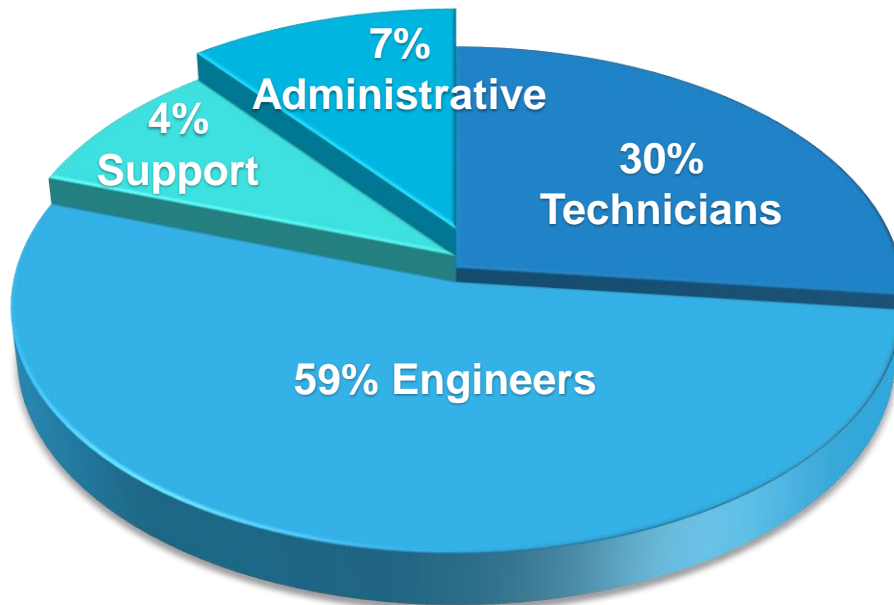
Assets are given as of 30.06.2020.

(\*) As of 31.12.2019.

(\*\*) As of 31.03.2020.

# Human Resources

**Total Employees : 8.279**  
**Engineers : 4.896**



## Talent Management

University-Industry Cooperation

Location and Fringe Benefits

Back to Turkey Project

Projects Carried Out with Universities

Internship and Co-op Opportunities for High school and University Students

Masters and Doctorate Program Incentives for Employees

ASELSAN Academy

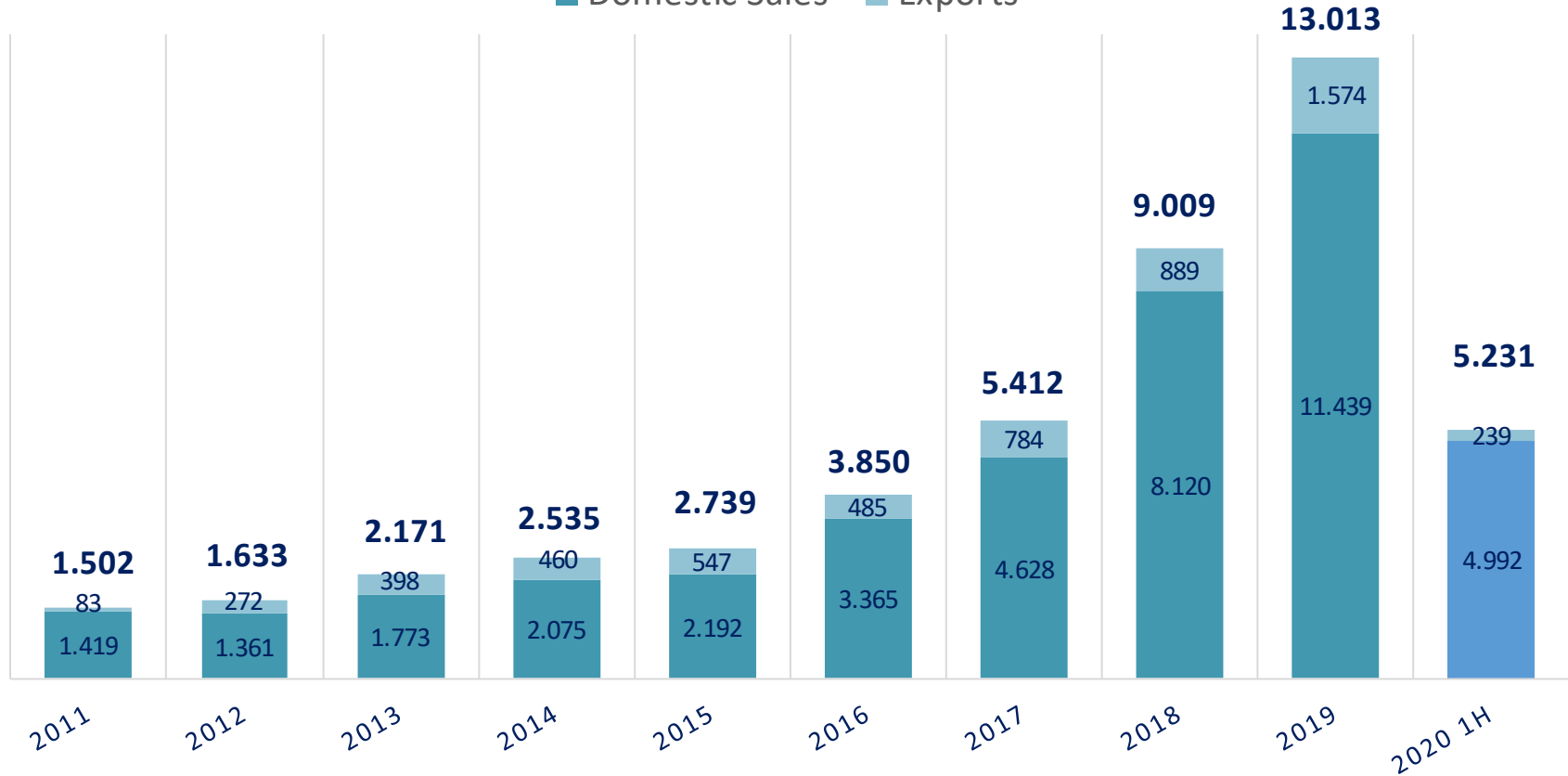
ASELSAN Vocational and Technical Anatolian High School



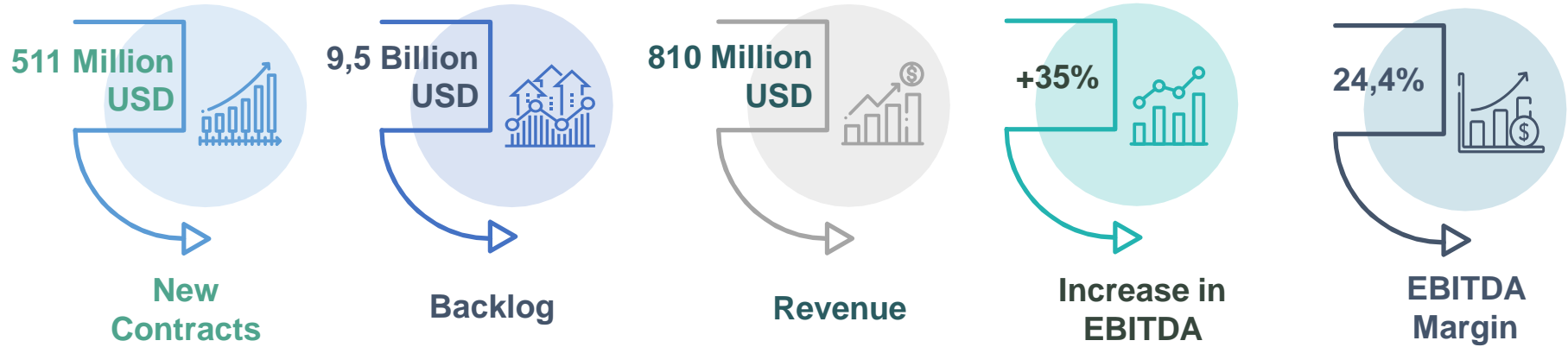
# Domestic Sales and Exports

MILLION TL

■ Domestic Sales ■ Exports



# 2020 1H Summary Financials



## Financial Highlights

(Million TL)	June'19	June'20	Δ%
Net Sales	4.624	5.231	13
Gross Profit	1.126	1.555	38
Gross Profit Margin	%24,3	%29,7	↑
Operating Profit (EBIT)	841	1.138	35
Operating Profit (EBIT) Margin	%18,2	%21,8	↑
EBITDA	947	1.274	35
EBITDA Margin	%20,5	%24,4	↑
Net Profit	1.335	1.848	38
Net Profit Margin	%28,9	%35,3	↑

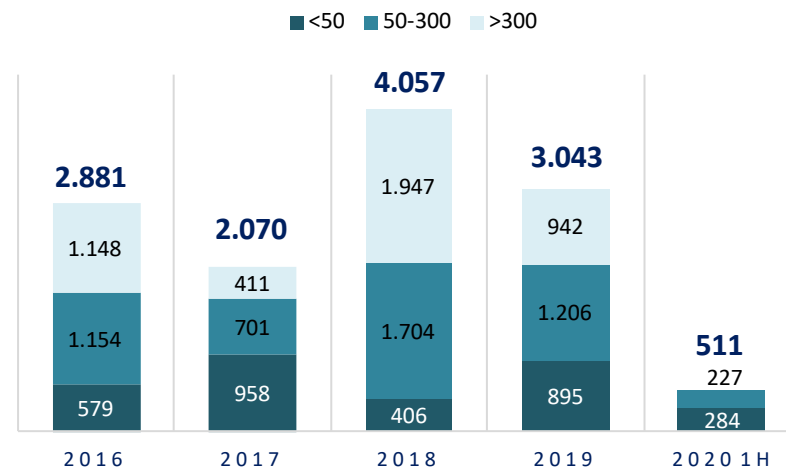


# Our Backlog

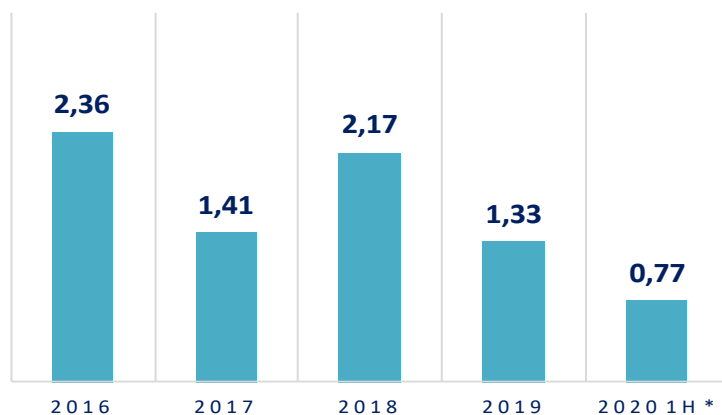
## Backlog History (Billion USD)



## New Contract Awards (Million USD)



## Book-to-Bill Ratio



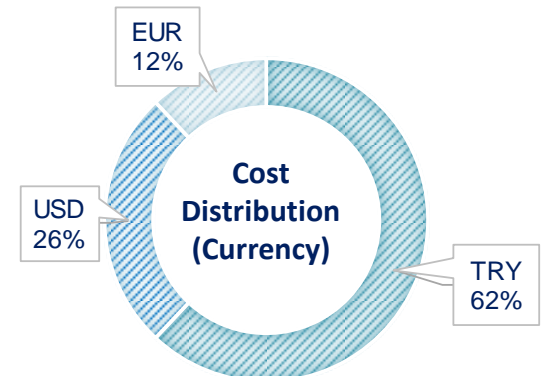
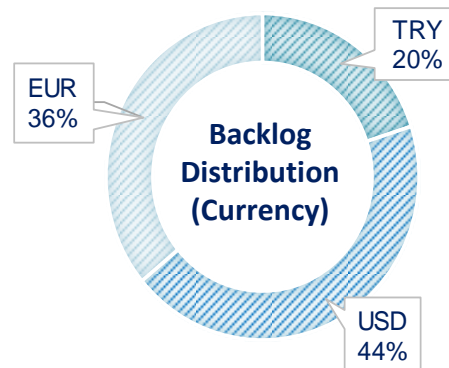
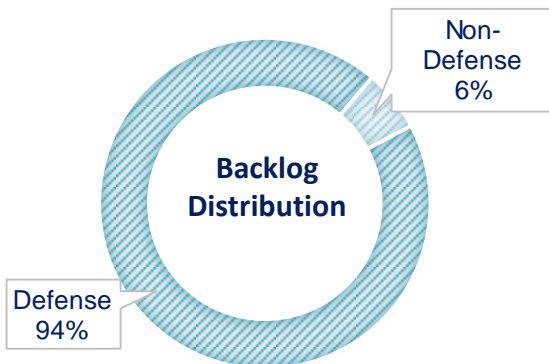
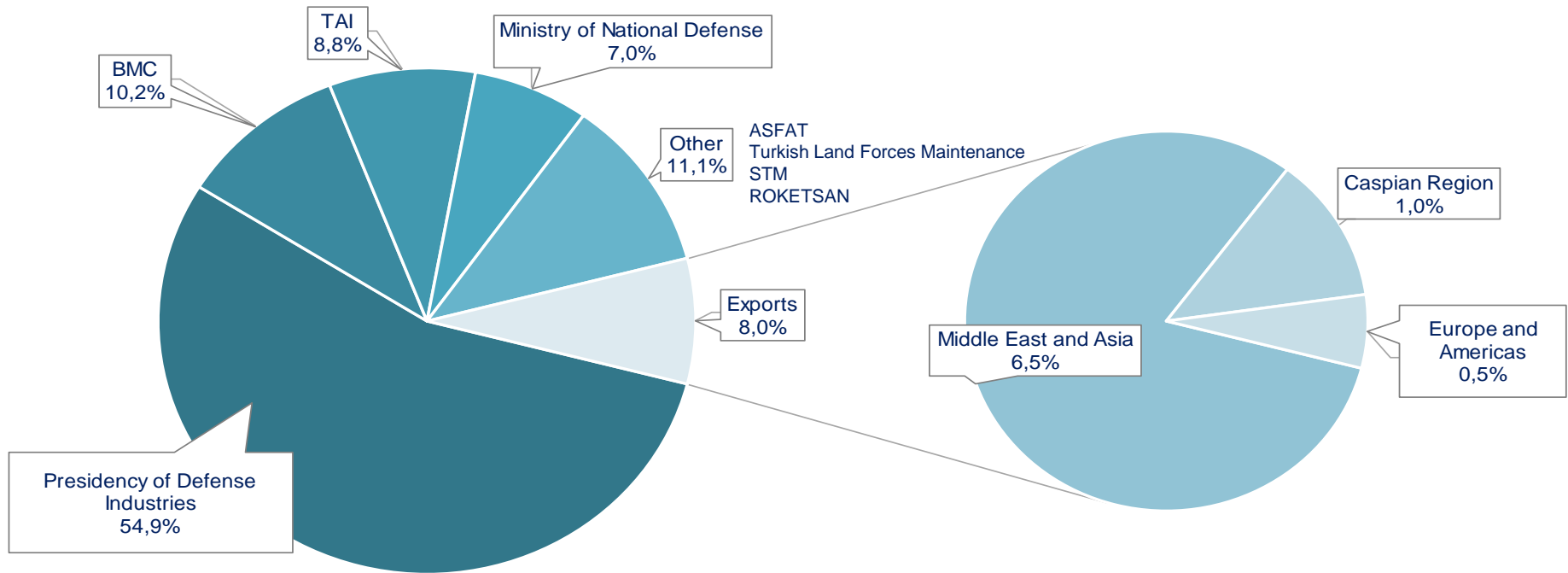
(\*) Annualized.

## Backlog Aging (Billion USD)

2020*	1,8 - 2,2
2021	2,4 - 2,8
2022	2,0 - 2,3
2023	1,0 - 1,4
2024 ve beyond	1,1 - 1,5

(\*) Backlog for remaining 6 months.

# Our Backlog



# Prospective Projects and Potential Business Areas



## Prospective Projects

MILGEM I-Class  
Frigate



Indigenous  
Helicopter



Laser Guidance Kit



## Non-Defense Areas

Railway Signaling  
Systems



Energy Management and  
Smart Grid Systems



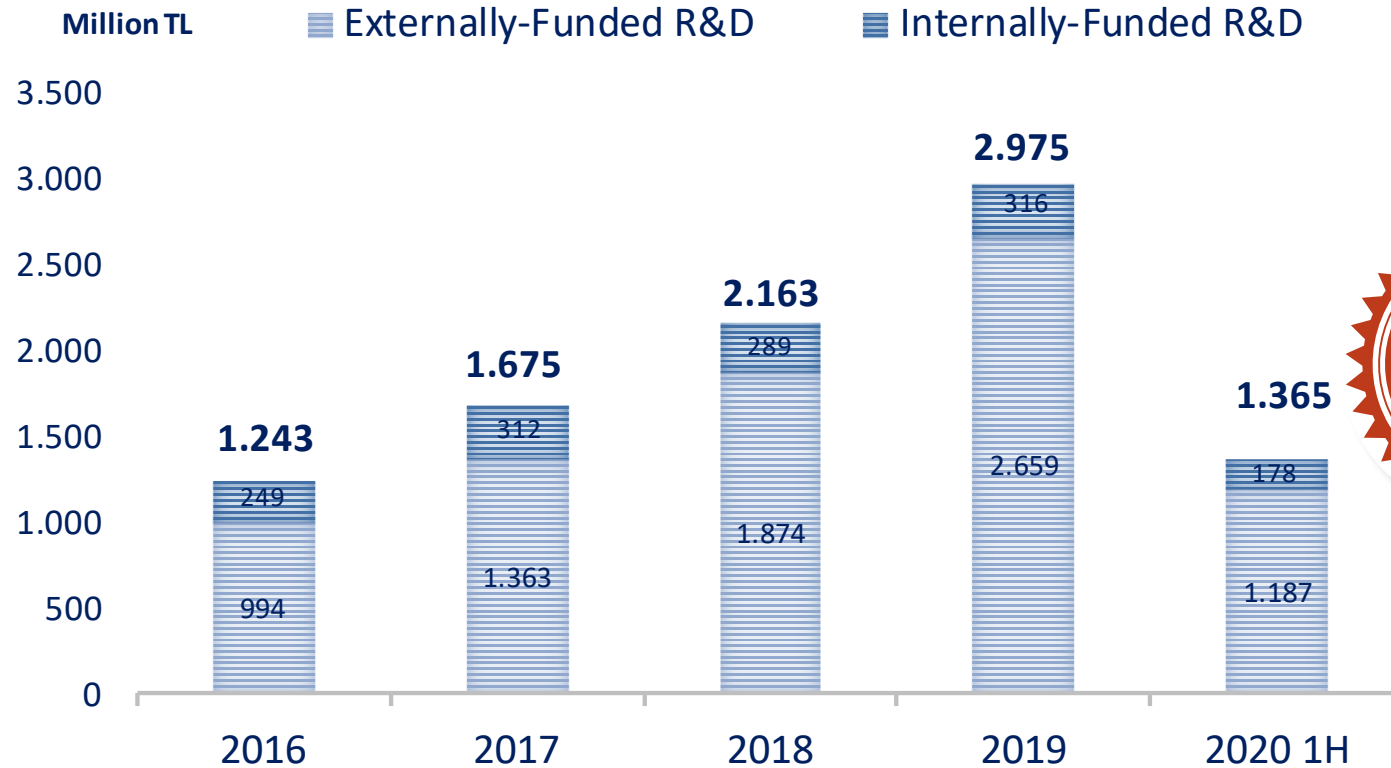
Health Systems



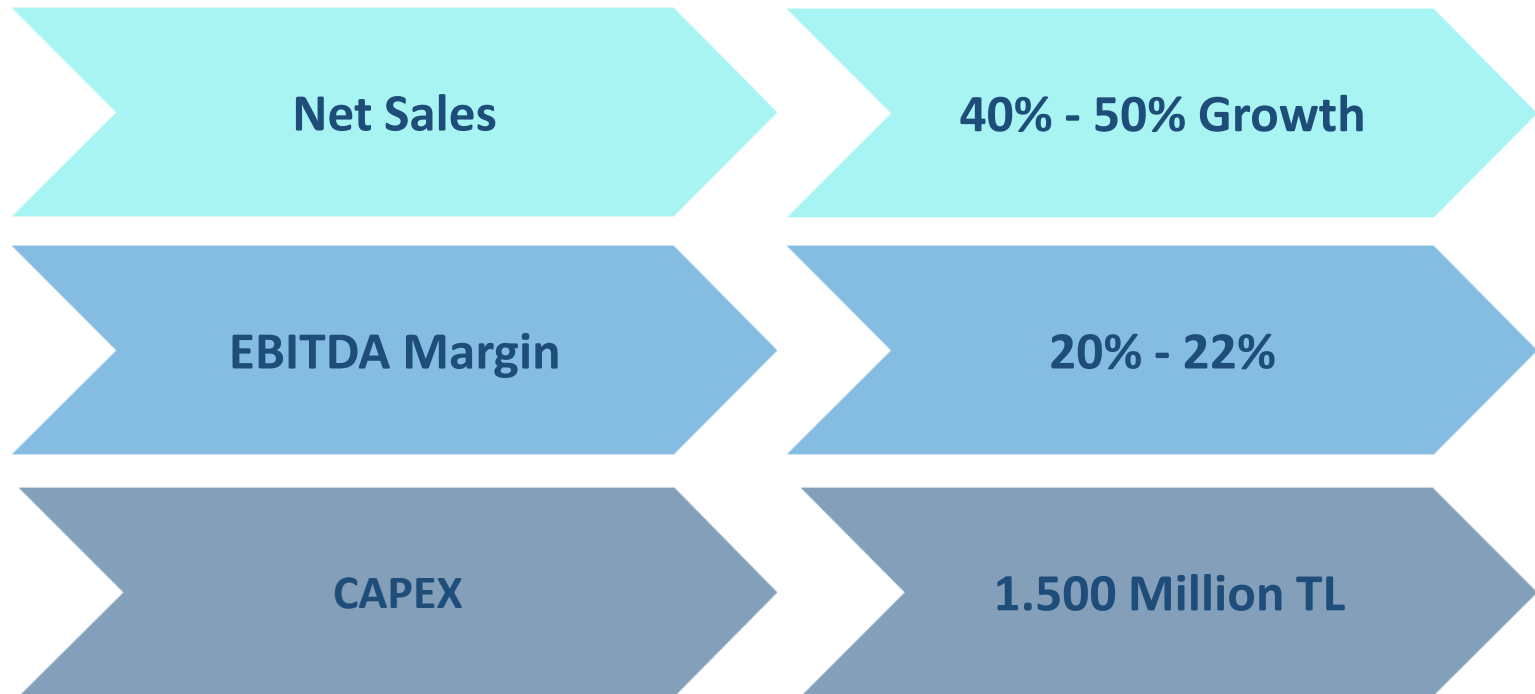
# The Biggest R&D Spender in Turkey

ASELSAN will not pay any corporate taxes till the end of 2023 due to tax incentives on R&D activities.

## R&D Spending



# 2020 Guidance\*



*\* These expectations are based on the yearly average of USD/TL parity to be 6,18 and EURO/TL parity to be 6,98.*



# APPENDIX

# Consolidated Balance Sheet (Million TL)

## Assets

(Million TL)	31.12.2019	30.06.2020
<b>CURRENT ASSETS</b>	<b>13.976</b>	<b>14.954</b>
Cash and Cash Equivalents	3.514	1.649
Trade Receivables	3.885	5.452
Inventories	4.474	5.366
Prepaid Expenses	1.320	1.670
Other Current Assets	783	817
<b>NON-CURRENT ASSETS</b>	<b>11.657</b>	<b>12.056</b>
Financial Investments	988	988
Long-term Trade Receivables	5.585	5.825
Property, Plant and Equipment	1.574	1.771
Intangible Assets	1.277	1.439
Prepaid Expenses	585	368
Deferred Tax Assets	786	661
Other Long-term Assets	862	1.004
<b>TOTAL ASSETS</b>	<b>25.633</b>	<b>27.010</b>

## Liabilities

(Million TL)	31.12.2019	30.06.2020
<b>CURRENT LIABILITIES</b>	<b>7.744</b>	<b>8.409</b>
Short-term Financial Liabilities	2.224	2.059
Trade Payables	3.121	2.299
Deferred Income	1.068	2.248
Other Short-Term Liabilities	1.331	1.803
<b>NON-CURRENT LIABILITIES</b>	<b>4.320</b>	<b>3.520</b>
Long-term Financial Liabilities	9	545
Long-term Trade Payables	21	10
Deferred Income	3.677	2.297
Other Long-term Liabilities	613	668
<b>EQUITY</b>	<b>13.569</b>	<b>15.081</b>
Share Capital	1.140	2.280
Share Premiums	2.797	2.797
Other Funds	1.590	1.630
Retained Earnings	4.702	6.532
Net Profit for the Period	3.340	1.842
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>25.633</b>	<b>27.010</b>

# Income Statement

## Consolidated Income Statement (Million TL)

(Million TL)	30.06.2019	30.06.2020
<b>PROFIT OR LOSS</b>		
Revenue	4.624	5.231
Cost of sales (-)	(3.499)	(3.676)
<b>GROSS PROFIT</b>	<b>1.125</b>	<b>1.555</b>
General administrative expenses (-)	(153)	(183)
Marketing expenses (-)	(81)	(94)
Research and development expenses (-)	(50)	(139)
Other operating income	1.422	2.914
Other operating expenses (-)	(1.027)	(1.794)
<b>OPERATING PROFIT</b>	<b>1.236</b>	<b>2.259</b>
Income from investing activities	1	5
Share of Losses of Equity-Accounted Investments	5	(9)
<b>OPERATING PROFIT BEFORE FINANCIAL EXPENSE</b>	<b>1.242</b>	<b>2.255</b>
Financial income	509	401
Financial expenses (-)	(440)	(677)
<b>PROFIT BEFORE TAX FROM CONTINUING OPERATIONS</b>	<b>1.311</b>	<b>1.979</b>
Tax income/ (expense) from continuing operations	24	(131)
- Current tax expense	(2)	(3)
Deferred tax income / (expense)	26	(128)
<b>PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS</b>	<b>1.335</b>	<b>1.848</b>
Profit for the period attributable to:		
Non-controlling interest	2	6
Shareholders of the parent	1.333	1.842

# Forward Looking Statements

The information contained herein has been prepared by ASELSAN (the Company). The opinions presented herein are based on general information gathered at the time of writing and are subject to change without notice.

These materials contain statements about future events and expectations that are forward-looking statements. Any statement in these materials that is not a statement of historical fact is a forward-looking statement that involves known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Except to the extent required by law, we assume no obligations to update the forward-looking statements contained herein to reflect actual results, changes in assumptions or changes in factors affecting these statements.

This presentation does not constitute an offer or invitation to sell, or any solicitation of any offer to subscribe for or purchase any securities and nothing contained herein shall form the basis of any contract or commitment whatsoever. No reliance may be placed for any purposes whatsoever on the information contained in this presentation or on its completeness, accuracy or fairness. None of the Company nor any of its shareholders, directors, officers or employees nor any other person accepts any liability whatsoever for any loss howsoever arising from any use of this presentation or its contents or otherwise arising in connection therewith.

**Address**

ASELSAN Elektronik Sanayi ve Ticaret A.Ş.  
Mehmet Akif Ersoy Mah. 296. Cad. No:16  
06200 Yenimahalle, Ankara

**Telephone**

+90 850 828 1 828

**E-Mail**

aselsan.ir@aselsan.com.tr