

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.

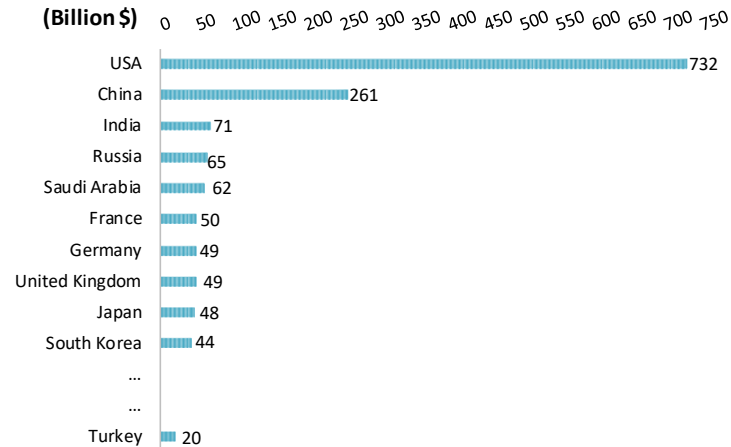
aselsan

Investor Presentation

October 2020

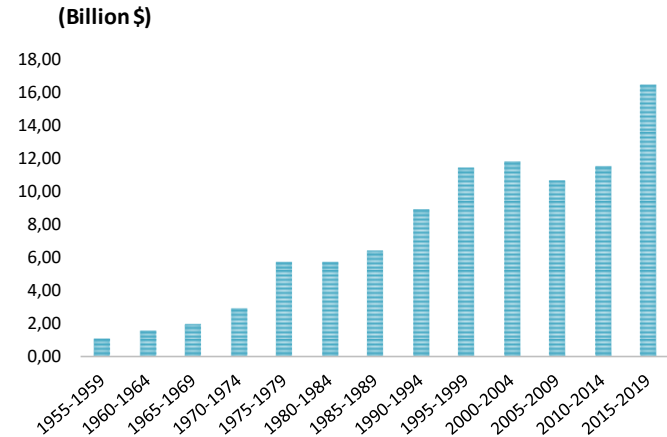
Turkey and ASELSAN's Place in Global Defense

2019 Top 10 Spenders vs. Turkey



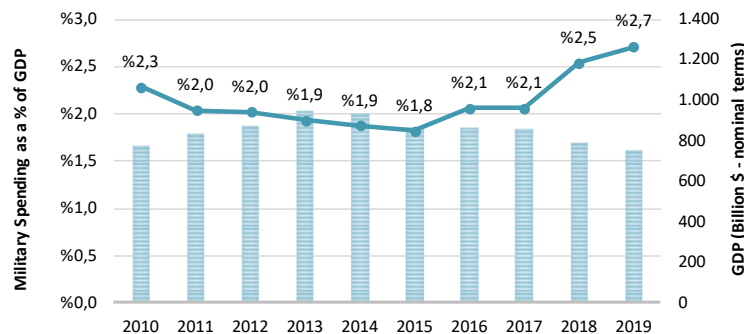
SIPRI

Military Spending of Turkey (5-year averages)



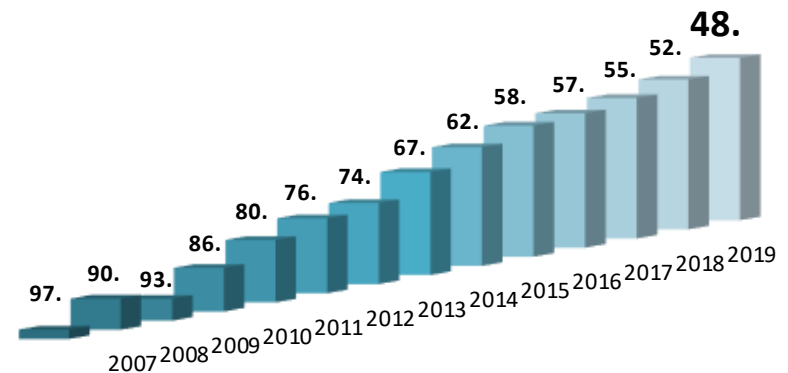
SIPRI

Military Spending as a % of GDP (TURKEY)



SIPRI, TÜİK

ASELSAN Global Defense Ranking



Defense News Top 100

Shareholder Structure

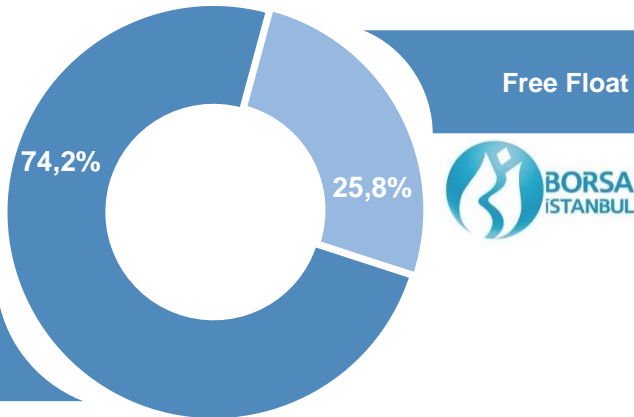


Shareholder Structure

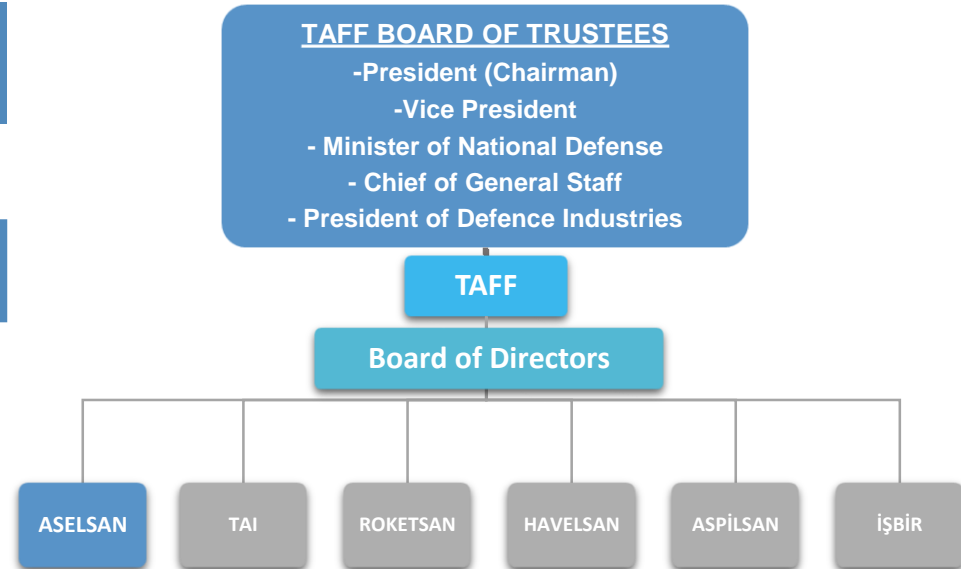
ASELSAN,
is the only defense company listed on BIST.



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 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

ROKETSAN  Share :15% Partner: TAFF Founded: 1988 Assets: 1,3 Bio \$ (*)	ASELSANNET  Share :100% Founded: 2004 Assets: 205 Mio \$	ASELSAN BİLKENT MİKRO NANO  Share:50% Partner: BİLKENT Ünv. Founded: 2014 Assets: 26,2 Mio \$	ASELSAN HASSAS OPTİK  Share:50% Partner:Sivas Optik Founded: 2014 Assets: 17,7 Mio \$
ASELSAN KONYA SİLAH SİS.  Share:51% Partner: Konya Defence Industry Founded: 2018 Assets: 30,3 Mio \$	EHSİM  Share:50% Partner: Havelsan, SSTEK Founded: 1998 Assets: 18,2 Mio \$	ULAK  Share:51% Partner:SSTEK A.Ş. Founded: 2017 Assets: 15,4 Mio \$	ASPILSAN  Share :1% Partner: TAFF Founded: 1981 Assets: 13,9 Mio \$ (*)
TEKNOHAB  Share:15% Partner: HAB,TUSAŞ GAZİ Ünv. Founded: 2018 Assets: 5,3 Mio \$	MİKROELEKTRONİK  Share:85% Partner: İTÜ ETA Vakfı Founded: 2004 Assets: 4,8 Mio \$	BİTES  Share :51% Partner: Real Person Founded: 2001 Assets: 3,3 Mio \$	TÜYAR  Share :51% Partner: TÜBİTAK, SSM Founded: 2017 Assets: 2,2 Mio \$
DASAL Share :40% Partner: Altınay A.Ş. Founded: 2019 Assets: 0,24 Mio \$	TR EĞİTİM VE TEKNOLOJİ A.Ş. Share:35% Partner: TUSAŞ Founded: 2018 Assets: 0,2 Mio \$ (**)	ASELSAN GLOBAL Share :100% Founded: 2019 Assets: 0,03 Mio \$	
KAZAKHSTAN ASELSAN ENGINEERING (KAZAKHSTAN)  Share : 49% Partner: Kazakhstan Engineering Founded: 2011 Assets: 53,9 Mio \$	ASELSAN MIDDLE EAST (JORDAN)  Share: 49% Partner: KADDB Investment Group Founded: 2012 Assets: 15,1 Mio \$	IGG ASELSAN INTEGRATED SYSTEMS (UNITED ARABIAN EMIRATES)  Share: 49% Partner: IGG Founded: 2011 Assets: 5 Mio \$	SOUTH AFRICA BRANCH  Share: 100% Founded: 2011 Assets: 4,8 Mio \$
MACEDONIA BRANCH  Share: 100% Founded: 2014 Assets: 2,3 Mio \$	ASELSAN BAKÜ (AZERBAIJAN)  Share: 100% Founded: 1998 Assets: 1,6 Mio \$	SADEC (SAUDI ARABIA) Share: 50% Partner: TAQNIA DST Founded: 2016 Assets: 1,1 Mio \$ (***)	BARQ QSTP (QATAR) Share : 48% Partner: BARZAN Holding, SSTEK A.Ş. Founded: 2018 Assets: 0,3 Mio \$

Assets are given as of 30.06.2020.

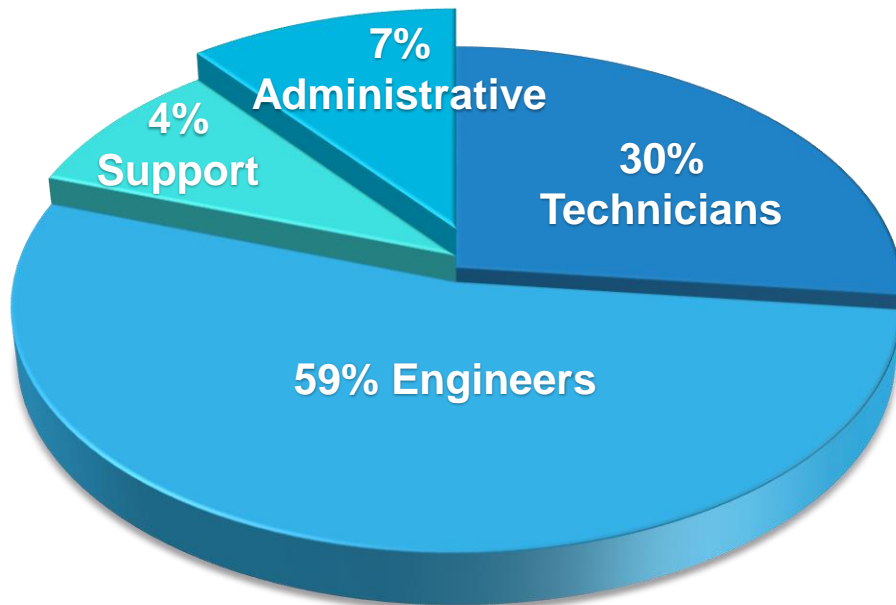
(*) As of 31.12.2019.

(**) As of 31.03.2020.

(***) As of 30.09.2019

Human Resources

Total Employees : 8.371
Engineers : 4.951



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

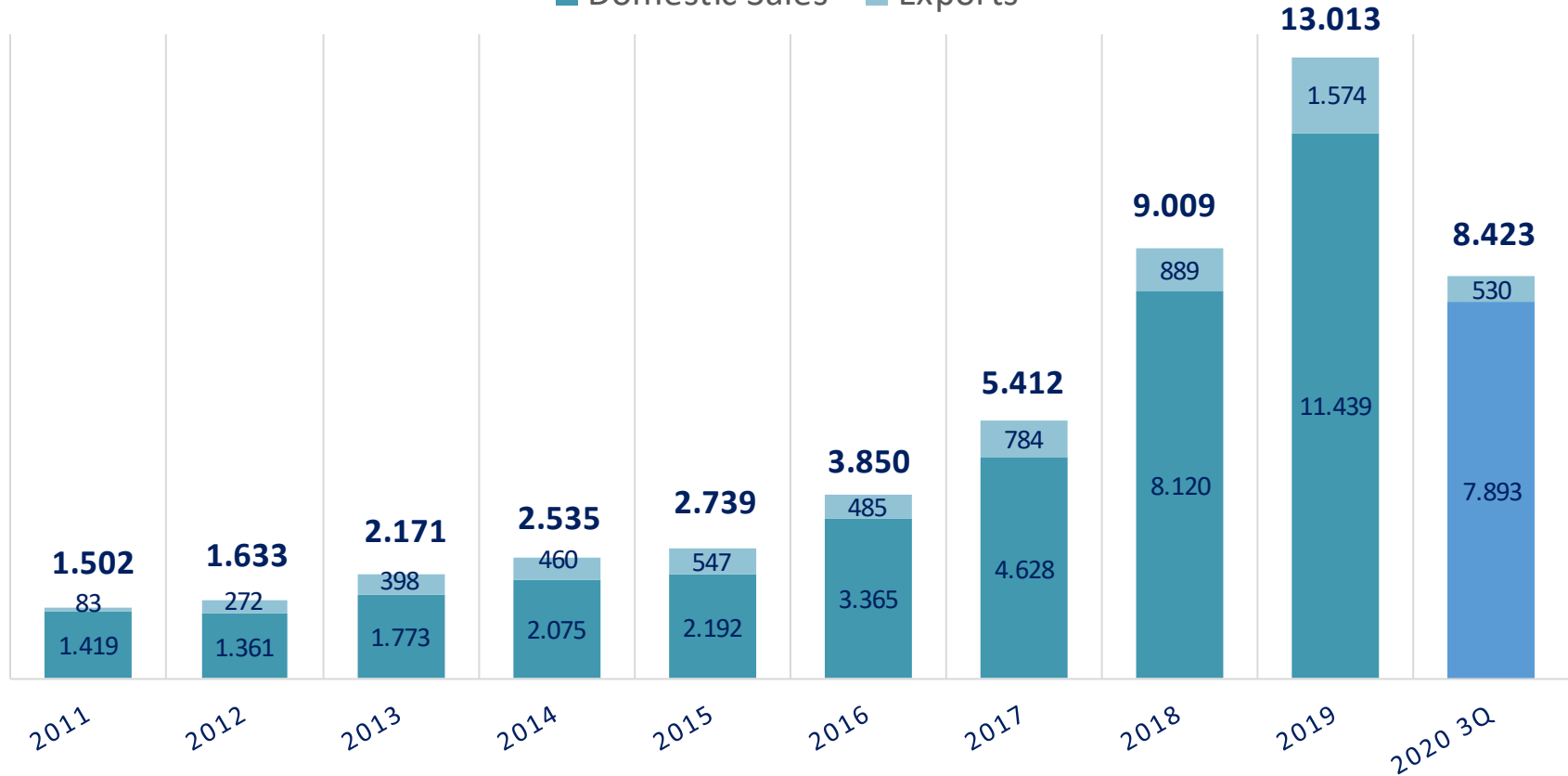
ASELSAN Vocational and Technical Anatolian High School



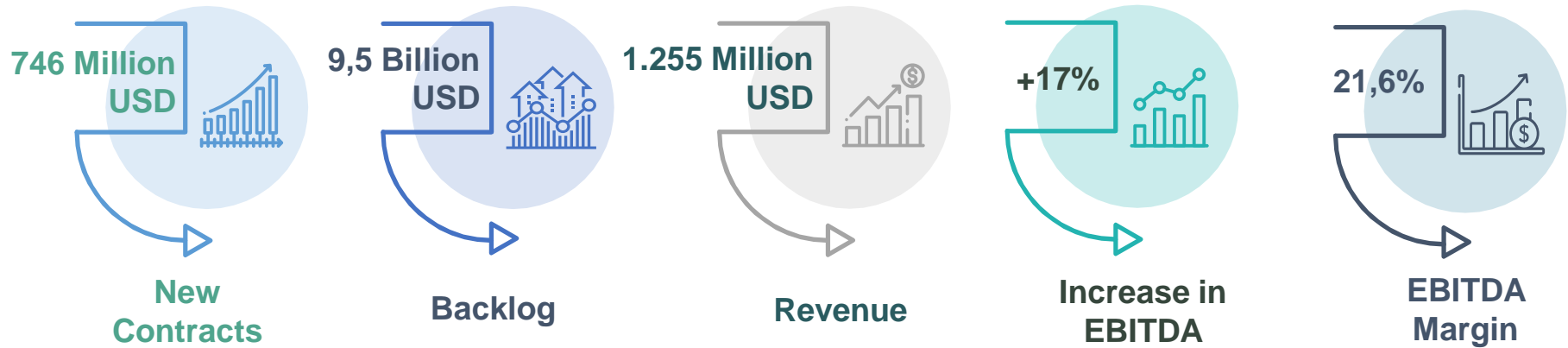
Domestic Sales and Exports

MILLION TL

■ Domestic Sales ■ Exports



2020 3Q Summary Financials

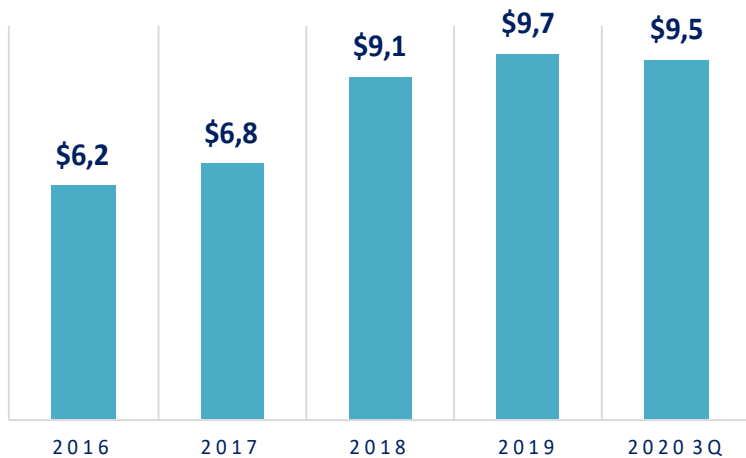


Financial Highlights

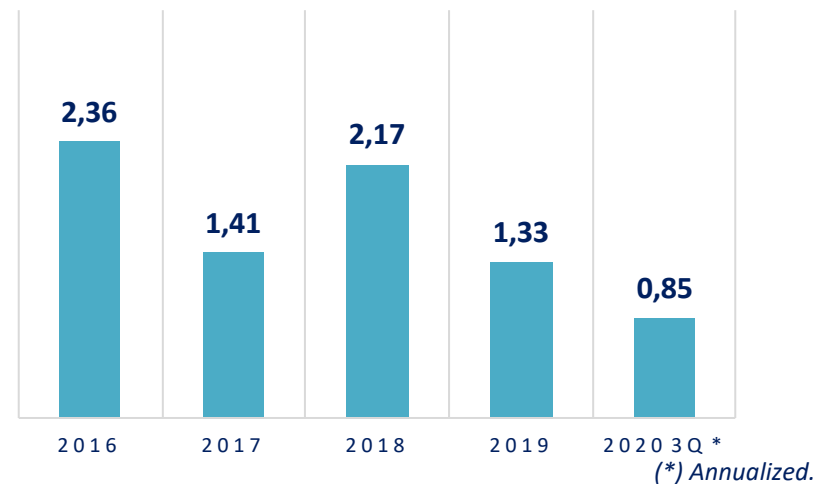
(Million TL)	Sep'19	Sep'20	Δ%
Net Sales	7.648	8.423	10
Gross Profit	1.850	2.240	21
Gross Profit Margin	24,2%	26,6%	↑
Operating Profit (EBIT)	1.391	1.604	15
Operating Profit (EBIT) Margin	18,2%	19,0%	↑
EBITDA	1.558	1.816	17
EBITDA Margin	20,4%	21,6%	↑
Net Profit	1.979	2.999	52
Net Profit Margin	25,9%	35,6%	↑

Our Backlog

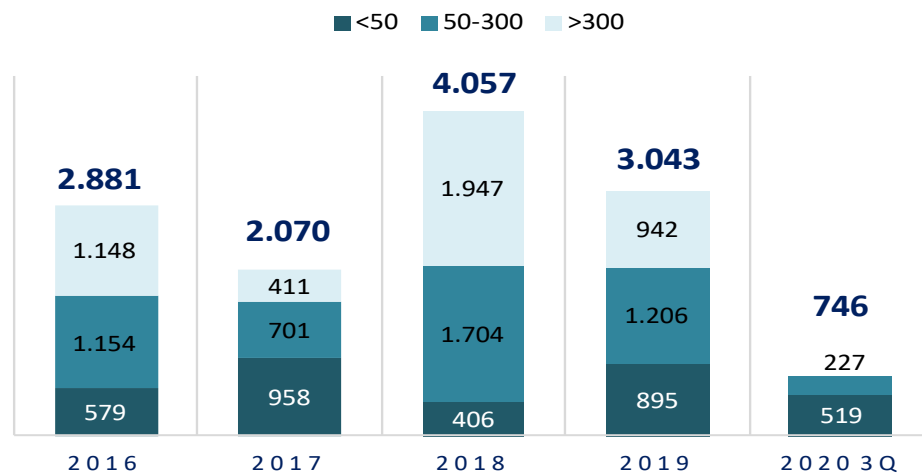
Backlog History (Billion USD)



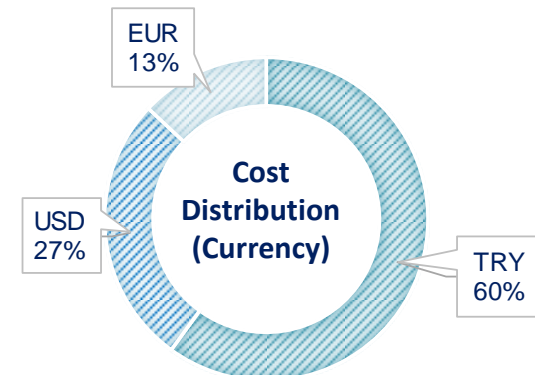
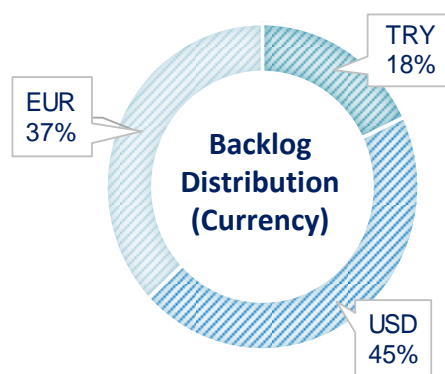
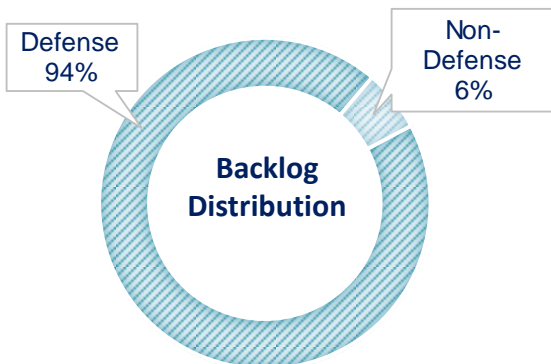
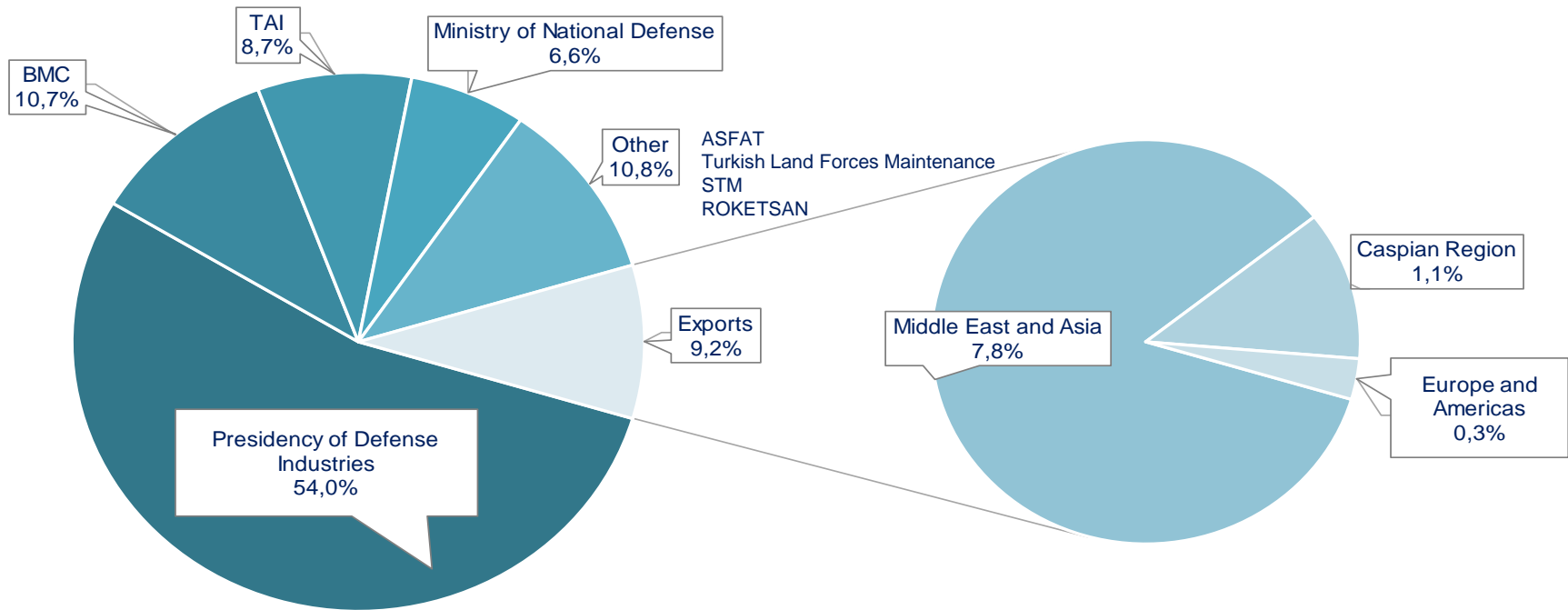
Book-to-Bill Ratio



New Contract Awards (Million USD)



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



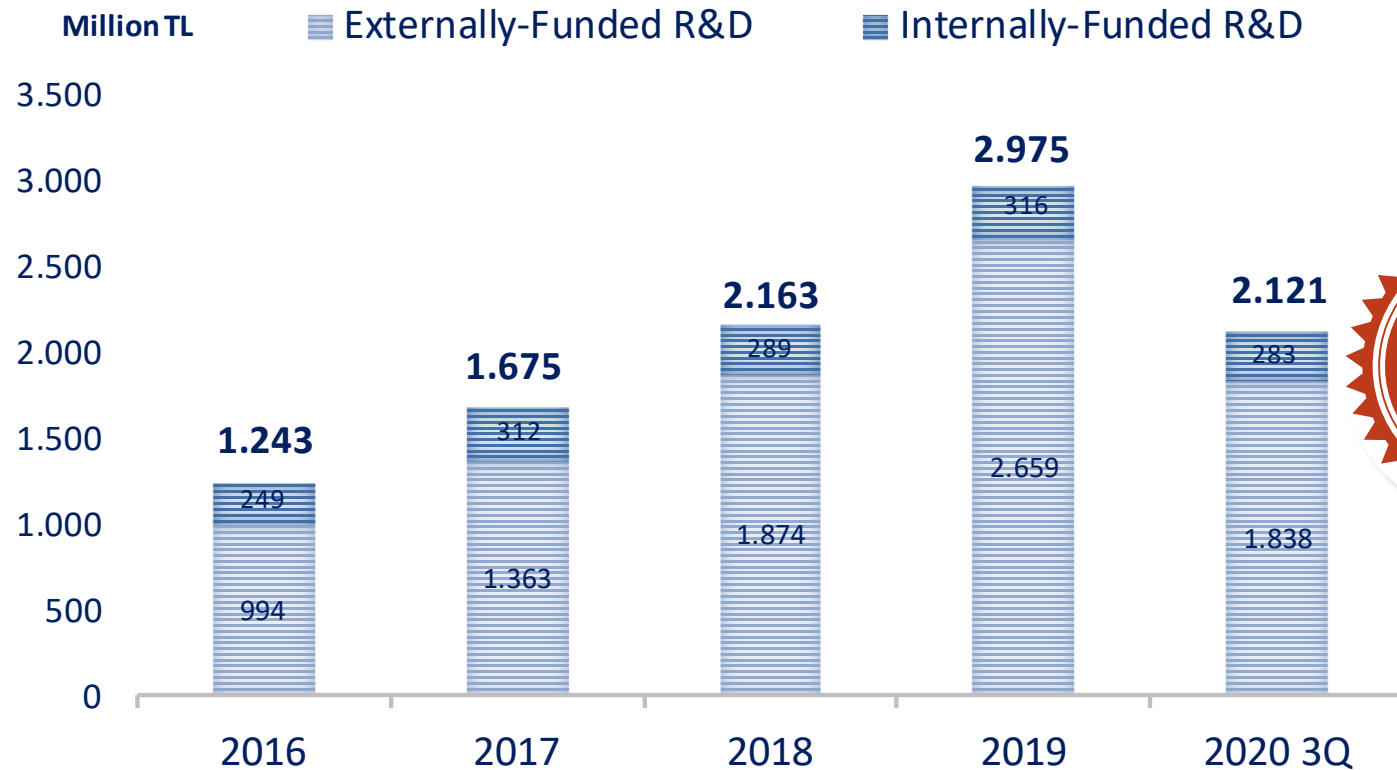
Health Systems



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



APPENDIX

Consolidated Balance Sheet (Million TL)

Assets

(Million TL)	31.12.2019	30.09.2020
CURRENT ASSETS	13.976	15.702
Cash and Cash Equivalents	3.514	1.941
Trade Receivables	3.885	5.308
Inventories	4.474	6.003
Prepaid Expenses	1.320	1.544
Other Current Assets	783	906
NON-CURRENT ASSETS	11.657	13.197
Financial Investments	988	988
Long-term Trade Receivables	5.585	6.603
Property, Plant and Equipment	1.574	1.861
Intangible Assets	1.277	1.518
Prepaid Expenses	585	613
Deferred Tax Assets	786	547
Other Long-term Assets	862	1.067
TOTAL ASSETS	25.633	28.899

Liabilities

(Million TL)	31.12.2019	30.09.2020
CURRENT LIABILITIES	7.744	8.178
Short-term Financial Liabilities	2.224	2.024
Trade Payables	3.121	2.803
Deferred Income	1.068	1.320
Other Short-Term Liabilities	1.331	2.031
NON-CURRENT LIABILITIES	4.320	4.429
Long-term Financial Liabilities	9	1.227
Long-term Trade Payables	21	7
Deferred Income	3.677	2.550
Other Long-term Liabilities	613	645
EQUITY	13.569	16.292
Share Capital	1.140	2.280
Share Premiums	2.797	2.797
Other Funds	1.590	1.694
Retained Earnings	4.702	6.532
Net Profit for the Period	3.340	2.989
TOTAL LIABILITIES AND EQUITY	25.633	28.899

Income Statement

Consolidated Income Statement (Million TL)

(Million TL)	30.09.2019	30.09.2020
PROFIT OR LOSS		
Revenue	7.648	8.423
Cost of sales (-)	(5.798)	(6.183)
GROSS PROFIT	1.850	2.240
General administrative expenses (-)	(239)	(286)
Marketing expenses (-)	(129)	(170)
Research and development expenses (-)	(91)	(180)
Other operating income	2.506	5.349
Other operating expenses (-)	(2.227)	(3.090)
OPERATING PROFIT	1.670	3.863
Income from investing activities	2	5
Share of Losses of Equity-Accounted Investments	6	(12)
OPERATING PROFIT BEFORE FINANCIAL EXPENSE	1.678	3.856
Financial income	828	577
Financial expenses (-)	(650)	(1.184)
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS	1.856	3.249
Tax income/ (expense) from continuing operations	123	(250)
- Current tax expense	(5)	(5)
Deferred tax income / (expense)	128	(245)
PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS	1.979	2.999
Profit for the period attributable to:		
Non-controlling interest	4	10
Owners of the Company	1.975	2.989

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.

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