

2025 | 1st HALF YEAR AUGUST

FINANCIAL RESULTS

ASELSAN CEO Ahmet Akyol evaluated the financial results for the first half of 2025



Ahmet AKYOL
CEO

"With the aselsaneXt program we launched in 2024, we had gained strong financial momentum. Our second-quarter results once again confirmed that we maintained this momentum in the first half of 2025.

Our revenue, which we increased by over 11% in real terms, along with a new contract volume of 2.8 billion USD — 1.3 billion USD of which is export-related — clearly demonstrates the solid financial footing ASELSAN has established. The 30% increase in our backlog, reaching 16 billion USD, indicates that our company will continue its stable and robust growth base. While increasing our EBITDA margin to 25% and reducing our Net Debt/EBITDA ratio to 0,57, we strengthened both our profitability and financial health. We can highlight three key factors behind this success:

- Focusing on high-tech products and rapid product launches,
- Improvements in efficiency,
- Localization efforts.

We are increasing the revenues generated from our new products. For example, in the first six months of this year, we introduced 8 new products which was given into inventory for the first time. Through the integration of Artificial Intelligence into our processes, we achieved annual savings of 25 million USD. Despite a significant increase in our workforce, we improved revenue per employee by 1.6%. Additionally, with the orders placed for products localized together with our suppliers, we created a significant cost advantage.

I would like to especially emphasize the following point: The positive performance in both our operating cash flow and free cash flow during a period in which we increased our R&D expenditures by 42%, doubled our investments in mass production, and reduced our net debt is the result of a comprehensive and successfully executed program. A 70-day improvement in the Cash Conversion Cycle year-over-year reflects a significant enhancement in cash management efficiency. These financial achievements demonstrate ASELSAN's robust capability and disciplined approach to sustainably fund both its ongoing operations and long-term ambitions.

The first half of 2025 was highly productive not only in terms of financial performance but also in regard to our strategic initiatives. At the IDEF exhibition, we unveiled 10 new high-tech, high value-added products for the first time. Among them, our airborne electromagnetic shield 'EJDERHA,' which will serve as a critical component of the ÇELİKKUBBE air defense system; 'GÖKTAN,' set to redefine land-to-land strike capabilities; and the ASEFLIR-600, the world's most advanced system in its class, drew significant attention from international visitors.

This successful outcome has emerged thanks to our technological expertise, financial performance, and the impact of recent global developments. ASELSAN's value on Borsa İstanbul also confirms these achievements. In 2025, ASELSAN rose to become the most valuable company on Borsa İstanbul. Currently, our market capitalization has exceeded 21 billion USD. This development is a concrete indication of our investors' confidence in the company and their belief in our long-term potential.

We will continue to progress with the same determination in the second half of the year. We will maintain our R&D and investments, particularly increasing our serial production capacity in critical areas such as air defense, radar, smart ammunition, guidance systems, and electro-optics. With our export-oriented growth strategy, we will expand into new markets. The growing global demand for security and geopolitical developments are creating an environment where the defense sector will grow faster. Countries are significantly increasing their defense budgets. By accurately interpreting these developments with our engineering strength and strategic foresight, we will continue to grow strongly and steadily both domestically and internationally with our technologies that will make a difference in the future battlefield environment."

SUSTAINABLE GROWTH, RECORD-LEVEL NEW EXPORT CONTRACTS

ASELSAN announced its financial results for the first half of 2025 with inflation accounting applied. According to the statement made to the Public Disclosure Platform (KAP), ASELSAN's revenue for the first six months of 2025 reached 53,7 billion TL, marking a real increase of 11,3% compared to the same period of the previous year. New orders recorded strong growth, increasing by 10% compared to the same period of the previous year and reaching the level of 2,8 billion USD. ASELSAN, which is determinedly pursuing its export-oriented growth strategy, signed direct and indirect export contracts worth 1.3 billion USD in the first six months of the year. The Company's backlog orders increased by 30% compared to the same period last year to 16 billion USD. During the same period, investments aimed at strengthening serial production infrastructure and R&D expenditures continued to grow uninterrupted.

New Contracts

\$2,8 Billion

Export Contracts

\$1,3 Billion

Backlog

\$16 Billion

INCREASE +  30%

Revenue

₺53,7 Billion

INCREASE +  11,3%

EBITDA Margin

25% (same period of the previous year 24%)

Book-to-Bill Ratio

2

Net Debt/EBITDA

0,57 (same period of the previous year 1,21)

Infrastructure Investments

\$104 Million

INCREASE +  100 %

R&D Expenditures

\$572 Million

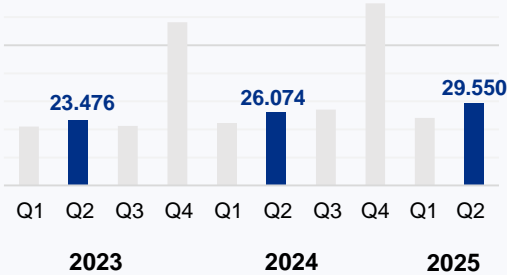
INCREASE +  42 %

Key Financial Highlights

	2025	2024
Million TL		
Revenue	53.710	48.238
Gross Profit	17.188	15.409
Gross Profit Margin (%)	32%	32%
EBITDA	13.467	11.742
EBITDA Margin (%)	25%	24%
Million USD		
New Contracts	2.841	2.588
Backlog	15.954	12.251
Number of Employees		
	13.508	12.020

REVENUE

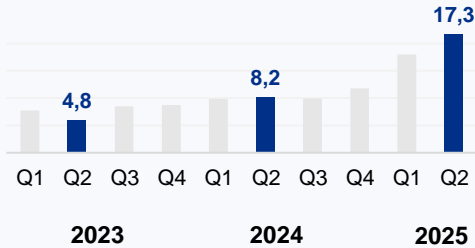
Million TL



Quarterly

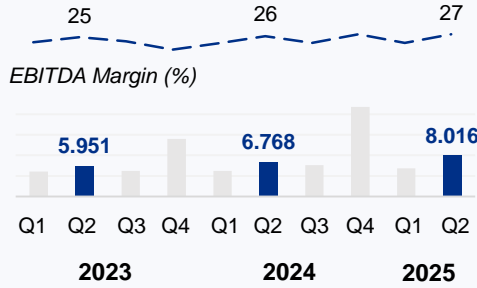
MARKET CAP

Billion USD



EBITDA

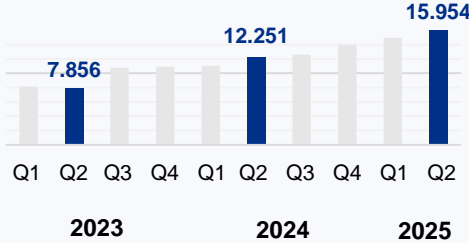
%



Quarterly

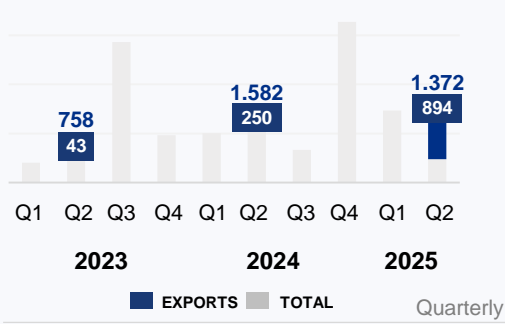
BACKLOG

Million USD



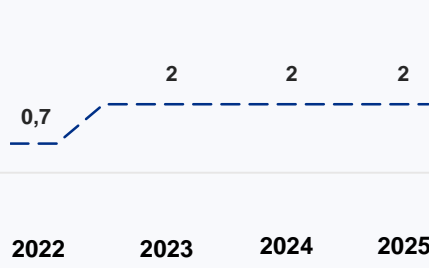
NEW CONTRACTS

Million USD



Quarterly

BOOK-to-BILL RATIO





Sustainable Growth Continues

ASELSAN sustained the positive momentum of the aselsaneXt Program, initiated at the beginning of 2024 to support its long-term strategic objectives, throughout the second quarter of 2025. Revenues for the first half of 2025 increased by a real 11.3% year-over-year, reaching 53.7 billion TL. Key contributors to this revenue growth included deliveries related to Air Defense, Electronic Warfare, Electro-Optics, Radar, Avionics, Security, and Weapon Systems.

Keeping operational efficiency at the center of its activities, ASELSAN's EBITDA margin for the period increased by 100 basis points compared to the same period of the previous year, reaching 25%. The EBITDA generated from its operations reached 13,5 billion TL, representing a real increase of 15% compared to the same period of the previous year. Successfully maintaining a Book-to-Bill ratio of 2 for two consecutive years, ASELSAN carried this momentum into the first half of 2025, continuing to perform above the industry average in this area.

Balance Sheet

	30.06	31.12
Million TL	2025	2024
Total Assets	290.272	283.282
Current Assets	121.483	123.813
Order Advances Received	27.768	14.406
Equity	170.246	164.929

Investment and R&D Expenditures Continued to Grow

ASELSAN, the leader in Türkiye by the number of R&D projects it conducts, increased its R&D expenditures by 42% compared to the previous year, reaching 572 million USD during the reporting period. In addition, in line with efforts to enhance its serial production infrastructure, ASELSAN's investments in this area have more than doubled year-over-year, surpassing 100 million USD in the first half.

In the first half of 2024, the share of financial liabilities in total assets was 14.5%; in the current period, this ratio declined to 12.7%. Trade payables decreased by 21% compared to the end of 2024. There was a 38% decrease in net debt compared to the same period of the previous year. As a result, ASELSAN's Net Debt/EBITDA ratio, which was 1,21 in the first half of 2024, decreased to 0,57 in this period. Thus, ASELSAN maintained its position below the industry average.



Robust Cash Flow

In the first half of the year, cash flow improvement accelerated, supported by uninterrupted investments in R&D and serial production infrastructure, along with a reduction in trade payables.

In the first half of 2025, ASELSAN generated positive cash flows (OCF) from operating activities amounting to 13,635 million TL, while free cash flow (FCF) was also positive at 816 million TL.

Improving its revenue, backlog, export contracts, profitability, and many other financial indicators, ASELSAN closed the first half of 2025 with strong results.



New Contracts and Backlog

Strong domestic and international demand for ASELSAN's products persisted in the first half of 2025. Advancing steadily on its path to becoming a global player, ASELSAN secured new contracts totaling USD 2.8 billion during the period representing a 10% increase compared to the same period of the previous year. Of these, USD 1.3 billion (45%) were direct and indirect export agreements. The company's order backlog reached USD 16 billion, marking an all-time high across all these indicators

Significant Contracts in the First 6 Months

1st QUARTER OF 2025

- The Contract for the export of military communication systems signed with an international customer,
- The Contract for the export of radar, weapon, air defense and data link systems for naval platforms signed with an international customer,
- The Contract for the export of Airborne Electro-Optical payloads signed with an international customer,
- The Contract regarding the export of electronic warfare, communication, radar, electro-optic and remote-controlled weapon systems signed for the use of international customers,
- The Contract for the supply of new generation Radar Systems signed with the Presidency of the Republic of Türkiye Secretariat of Defense Industries,
- The Contract for the supply of Public Security Communication Systems signed with the Presidency of the Republic of Türkiye Secretariat of Defense Industries,
- The Contract for the supply of Railway Signaling Systems signed with Turkish Railway Vehicles Industry Inc. (TÜRASAŞ),
- The Contract with a domestic customer for the supply of land vehicle payloads.

2nd QUARTER OF 2025

- The Contract for the supply of radar, weapon, air defense, and data link systems for naval platforms signed with an international customer,
- The Contract for the supply of military communication systems signed with an international customer,
- The Contract for the supply of guidance kits and communication systems signed with an international customer,
- The Contract for the supply of subsystems to be used in high-speed trains signed with Türkiye Rail System Vehicles Industry Inc. (TÜRASAŞ),
- The Contract for the supply of payloads for land vehicles signed with BMC Defense Industry and Trade Inc.





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