ASELSAN GROWS BY INVESTING IN THE FUTURE

August 4, 2026 - ASELSAN announced its inflation-adjusted financial results for the first half of 2026. According to the disclosure made to the Public Disclosure Platform (KAP), ASELSAN resolutely continued its growth with strong operational performance, increasing technology investments, and disciplined financial management. As Türkiye's most valuable company, ASELSAN's revenue for the first six months of the year reached TL 88.5 billion, an increase of 25% in real terms compared to the same period of the previous year. During this period, ASELSAN signed new contracts totaling USD 4.9 billion, achieving 72% growth in this area as well. ASELSAN, which continues to build on the outputs of its sustainable growth strategy day by day, saw its backlog increase by 45% to USD 23.2 billion in the first half of the year. The continuous increase in backlog continued.

In the first six months of the year, ASELSAN raised its investments aimed at scale and capacity expansion by 195% to USD 323 million. R&D expenditures directed at advanced and critical technologies also increased by 41%, reaching USD 804 million. Strong investments in production and R&D stood out as strategic steps supporting ASELSAN's significant position in the sector. During this period, in which the investments preparing ASELSAN for the future were strongly realized, the Net Debt/EBITDA ratio declined from 0.57 to 0.55 compared to the same period of the previous year.

ASELSAN Continues to Grow with the Technologies of Future

In the first half of 2026, ASELSAN's revenue grew by 25% in real terms compared to the same period of the previous year, reaching TL 88.5 billion. This growth was supported by strong demand recorded in sales of high-technology products and systems. Air Defense, Radar, Electronic Warfare, AI-Powered Urban Security, Naval Systems, Electro-Optics, and Guided Munition Systems played a determining role in the revenue achieved in the first six months of the year. The Company's backlog rose by 45% to USD 23.2 billion. New contracts signed in the first six months of the year increased by 72% to USD 4.9 billion. These increases strengthened ASELSAN's long-term revenue generation capability and its steady progress in this area.

Along with strong growth, ASELSAN's EBITDA margin for the period increased by 120 basis points compared to the same period of the previous year, reaching 26.3%, as the Company kept operational efficiency and a focus on high technology at the core of its corporate transformation activities. In the same period, ASELSAN's EBITDA amount also increased by 31%, reaching TL 23.2 billion. In the first half of the year, the Company's Net Debt/EBITDA ratio declined from 0.57 to 0.55. The determined execution of efficiency-enhancing practices and the transformation toward critical technologies within the product portfolio made a significant contribution to ASELSAN's growth and the preservation of its operational margins. ASELSAN's revenue per employee increased by 3% in USD terms.

Investments in Scale Expansion and R&D Continue Uninterrupted

ASELSAN, which leads Türkiye in engineer employment and the number of R&D projects, increased its R&D expenditures by 41% in the period compared to the same period of the previous year, reaching USD 804 million. Investments have significantly gained momentum in domains characterized by high barriers to entry, with a particular focus on Leo Satellite Technologies, Quantum Computing Technologies, Underwater System Technologies, Propulsion System Technologies, Microelectronic System Technologies, Laser Technologies, and Long-Range Guided Munition Technologies. In the first six months of the year, investments that will provide ASELSAN with additional production capability and scale were carried out uninterruptedly. The amount of ongoing investments at the Oğulbey Technology Base and existing campuses, aimed at capacity expansion, increased by 195% during this period.

In the first half of the year, additional production and test centers covering 17,360 square meters of indoor space dedicated to smart munitions, air defense, and underwater systems were commissioned, completed with an investment of 40 million dollars. The robotics and automation infrastructure in the production of air and naval defense systems was significantly strengthened. Together with the investments commissioned and those still ongoing, ASELSAN's delivery capacity, speed, and quality capability were enhanced.

Financial Discipline During the Investment Period

ASELSAN continued to effectively implement its financial sustainability strategy in the first six months of 2026 as well. During the period in which capital expenditures for R&D and serial production continued strongly, improvements were also achieved in financial efficiency ratios.

The Company's operational cash flow reached TL 15.2 billion in the first six months of 2026. During this period, the share of ASELSAN's financial liabilities within total assets was 13.3%. With an equity ratio of 56%, ASELSAN maintained its position above sector averages in this area. In the first half of the year, ASELSAN's total assets grew by 8%, while its equity grew by 4%. These increases supported the Company's strong balance sheet structure.

In the first six months of the year, ASELSAN's trade payables decreased by 17% compared to the year-end. The Net Debt/EBITDA ratio, which was 0.57 in the previous period, also declined to 0.55 in this period. The Company's EBITDA margin improved by 120 basis points, reaching 26.3%. Return on equity, one of the key efficiency indicators, rose from 11.9% to 15.5% during this period.

ASELSAN CEO Ahmet Akyol evaluated the financial results for the first half of 2026:

“Our Steady Growth Continues”

"2025 had gone down in the records as the year in which ASELSAN achieved the strongest financial performance in its history. The results we achieved in the first half of 2026, however, show that we have carried this success even further. We elevated the historic momentum we captured in 2025 to an even higher level through our new contracts, growing production capacity, and strengthening technological competencies. Our balance sheet demonstrates both the strength of our first half performance and that our success will continue continuous in the period ahead.

“We Increased Our Investments for the Future”

In 2025, we exceeded the USD 20 billion threshold in backlog for the first time. We believe that from next year onward, we will see levels of USD 30 billion. While growing on one hand, we continue to invest in the future with commitment on the other. In the first half of the year, we increased our R&D expenditures by 41% to USD 804 million, and our investments for serial production and capacity expansion by 195% to USD 323 million. We commissioned the Additional Production and Test Centers for Smart Munitions, Air Defense and Underwater Systems. We strengthened our existing production lines with new robotic automation infrastructure. In just 6 months, we established 19 new robotic automation lines. In the coming days, we will begin initial production activities at our OĞULBEY investment. This step will be one of the most valuable developments of the year for ASELSAN.

“Our Financial Discipline Is the Guarantee of Our Investments”

While carrying out these investments, we also carefully preserved our financial discipline. Thanks to our strong operational cash flow and healthy balance sheet structure, we supported growth with an approach grounded in financial sustainability. Our operational cash flow reached TL 15.2 billion in the first six months of the year. Our equity ratio remained at 56%. The fact that our Net Debt/EBITDA ratio came in at 0.55 also proves that we managed our leverage in an extremely controlled manner during a period of high investment. Normally, this ratio would be expected to rise during periods of intensive investment. The fact that we maintained last year's level and even pulled it down slightly, is particularly significant in demonstrating the level our financial discipline has reached. The improvement in our operational margins during a period of rapid growth shows, on one hand, that we are doing higher value-added work, and on the other, that we are carrying out this work far more efficiently.

“We are Pioneering Firsts in the Civil Sector”

Just as in the defense industry, we continue to create firsts to our country in civilian domains as well. The new phase of the Halkalı-Istanbul Airport Metro Line, one of Europe's fastest fully autonomous, driverless metro lines, equipped with ASELSAN's signaling technologies, was opened in a ceremony attended by the President of the Republic of Türkiye. In the field of healthcare, the use of our Lifeline Heart-Lung Machine for the first time in an open-heart surgery was one of the year's significant developments.

“We Remain Committed to Qualified Employment”

Human capital is the most important strength of technology-intensive companies. We continue to grow and strengthen our qualified workforce. In the first half of the year, we provided more than 1,000 new jobs. We are particularly pleased that approximately 15% of these are colleagues who joined us from abroad.

“We Are Strengthening Our Position in the World”

One of the developments that pleased us most in the first half of 2026 was the further strengthening of international interest in ASELSAN and the technologies we develop. The NATO Ankara Summit, hosted by Türkiye, was also a strategic platform that carried our country's defense industry competencies and ASELSAN's high-technology solutions onto the international agenda. At this important Summit, significant decisions were made to increase defense investments in the long term. Integrated Air Defense, Radar, and Electronic Warfare fields emerged as priorities for NATO. These are also areas in which ASELSAN excels. The fact that our product portfolio is in strong alignment with NATO's needs is an important indicator for the future.

We entered the Forbes Global 2000 list for the first time following its recent announcement, becoming the only defense industry company to achieve this. In the period ahead, we will continue to develop our high-technology products, production capacity, and global collaborations.