

ASELSAN ELEKTRONİK SANAYİ VE TİCARET A.Ş. DISCLOSURE POLICY

1. PURPOSE

ASELSAN Elektronik Sanayi ve Ticaret A.Ş.'s (ASELSAN) disclosure policy is to share information - to the extent allowed by the industry the Company operates in (issues regarding national security) - on the performance and expectations, the Company's vision excluding trade secrets, within the scope of generally accepted accounting principles and Capital Market Legislation (CML), in a complete, fair, accurate, timely and comprehensible way, with shareholders and stakeholders, capital market participants and public on an equal basis.

ASELSAN fully complies with Turkish Commercial Code (TCC), CML, Capital Market Board (CMB) and Borsa Istanbul (BIST) Regulations with respect to public disclosures. ASELSAN also applies CMB Corporate Governance Principles to the maximum extent allowed by the industry it operates in.

ASELSAN Disclosure Policy is prepared within the scope of CMB Corporate Governance Principles and has been accepted by the Board of Directors. It is announced to all shareholders and stakeholders via ASELSAN web site (www.aselsan.com).

2. SCOPE

ASELSAN Disclosure Policy applies to ASELSAN and all of its subsidiaries and it regulates the written and oral communication between ASELSAN and the shareholders, stakeholders, and capital market participants.

3. RESPONSIBILITY

The Board of Directors is responsible for preparing, enforcing, supervising and developing the ASELSAN Disclosure Policy. Corporate Governance Committee informs the Board of Directors and Investor Relations and Subsidiaries Department about the Disclosure Policy and gives suggestions.

4. METHODS AND MEANS OF PUBLIC DISCLOSURE

ASELSAN's methods and tools of public disclosure policy, also complying with the CML and TCC are as follows;

- a) Material information disclosures, which are being sent to BIST via Public Disclosure Platform (KAP).
- b) Financial statements and footnotes, audit reports and proof declarations which are periodically sent to BIST via KAP.
- c) Annual reports
- d) Corporate Web Site (www.aselsan.com)
- e) Declarations and announcements made via Turkish Trade Registry Newspaper and daily newspapers
- f) Press releases via printed and visual media tools
- g) Analyst meetings and interviews made face to face or via tele-conferences with Capital Market Participants
- h) Communication mediums like phone, e-mail, fax etc.

Authorized Individuals to Make Public Announcements

Excluding the written disclosures mentioned above, authorized individuals and their authorization level to make public announcements are determined with respect to information to be announced. Any question or disclosures related to ASELSAN are answered by:

Chairman and Members of the Board of Directors
Chief Executive Officer (CEO)
Vice Presidents

in a written or oral way. Employees other than those stated above are not authorized to reply to written or oral information requests given by capital market participants. Such information requests are forwarded to Investor Relations Department.

Public Disclosure of Material Circumstances

Public disclosures of material circumstances are prepared by the Investor Relations Department upon the advice of the related departments under the coordination of the CFO. They are sent by the authorized electronic signatures of the two of the CEO and/or Vice Presidents to BIST and published on ASELSAN web page. The material circumstances are prepared on time, accurately, having comprehensible expressions not leading to misleading comments to be helpful to the persons and organizations that will benefit from that disclosure.

In case any ASELSAN employee detects disclosure of important and special information that has not disclosed before, he/she immediately reports this situation to Investor Relations Department. Then a public disclosure of this very material circumstance is prepared in accordance with CML and sent to BIST via KAP.

Public Disclosure of Financial Statements

The quarterly financial statements of ASELSAN are prepared within the scope of CML and comply with International Financial Reporting Standards (IFRS); they are audited independently and submitted to the approval of the Board of Directors after the Audit Committee. Then they are disclosed to public in Turkish and in English by submission to BIST via KAP with a Statement of Responsibility as affirmed by the authorized persons.

Quarterly and yearly financial statements of previous periods are available on ASELSAN web page.

Corporate Web Site

ASELSAN web site contains up to date information set by CMB Corporate Governance Principles. All disclosures of ASELSAN (past and current) can be easily accessed through the web page.

The information available on ASELSAN web page does not represent the announcement and material event disclosures regarding CML. All disclosures of ASELSAN can be accessed through the web page in Turkish and in English. All precautions are taken for the security of ASELSAN web page.

The announcements for General Assembly meetings and their agendas and other information, documents and reports and means of participating in General Assembly meetings are clearly available on the web page. Activities for the development of ASELSAN web page are kept running.

General Assembly Meetings

Starting on the invitation date of the General Assembly Meeting, financial statements and reports, including the Annual Report, the proposal for dividend distribution, supplementary documents pertaining to the agenda, the current Articles of Association, the text of amendments, if any, to the Articles of Association are all made available to shareholders at ASELSAN Headquarters and ASELSAN web site for the convenience and open review of shareholders. The company drafts a clear agenda of the General Assembly Meeting to avoid any misunderstandings.

It has been sentenced by the 1527th article of Turkish Commercial Code numbered 6102 that electronical attendance and voting at the general assembly are obligatory for companies quoted in the stock exchange. Within this context, ASELSAN general assembly meetings are being held both electronically and physically. The electronic attendance, proposals, comments and votes at the meeting are maintained by the electronic general assembly system supplied by Central Registry Agency.

During General Assembly meetings, the Annual Report, which was previously conveyed to shareholders, is presented. A brief presentation about ASELSAN's annual activities is made to the participants by the Chairman or by a member of Board of Directors. Questions from participants are answered.

The Annual Report

The Annual Report is prepared according to international standards, CML and CMB Corporate Governance Principles. Upon the approval of the Annual Report by the Board of Directors, it is presented to shareholders and published in the Company web site. The Annual Report is sent to shareholders and stakeholders upon request. It can always be obtained from the Investor Relations Department.

Announcements and Notifications Made via Turkish Trade Registry Newspaper and Daily Newspapers

As per the CMB Regulations, TCC and ASELSAN Articles of Association, all disclosures related to the General Assembly, amendments in the Articles of Association, capital increases and dividend distribution are published through both the Turkish Trade Registry Newspaper and daily newspapers.

Disclosures to the Media

Turkish Armed Forces Foundation (TAFF) is informed prior to disclosure to media and approval of the Board of Directors is taken at important situations. Press Meetings on any topic and/or announcement through Press Releases are subject to the instructions of the CEO.

The Press Meeting to be organized and/or the Press Release is announced to the media institutions by the Public Relations Department.

The Press Release is also coordinated with CFO to see if the content complies with the CMB Communiqué on Principles Governing Public Disclosure of Material Circumstances. Upon the approval of the content of the Press Release by the CFO, the Release is presented for CEO approval. The approved Press Release is sent to media institutions by the Public Relations Department.

5. DETERMINATION OF THE PEOPLE WITH ADMINISTRATIVE RESPONSIBILITY AND FORMATION OF THE LIST OF PEOPLE WHO HAVE ACCESS TO INSIDER INFORMATION

The persons with administrative responsibility are members of the Board of Directors, or persons who directly or indirectly access the insider information regularly, the persons who are authorized to make decisions that may affect ASELSAN's future growth and commercial goals, and the persons who are closely related with them. The managers those affiliates of ASELSAN that have a share in the consolidated results of the Company and relevant employees of TAFF are also considered among people who have access to insider information.

People in the list of those who have access to insider information are informed regularly by Investor Relations Department regarding their being on the list for the protection of the insider information for the assurance of their compliance with the privacy rules and the Silent Period and that they are obliged to publicly announce their transactions regarding capital market instruments. ASELSAN signs a confidentiality agreement with the institutions which need the insider information while performing their duties or use the information in the name and on account of the Company and from which it receives services such as consultancy, translation or rating and puts these institutions under the liability to keep the information confidential.

The list of people who have access to insider information are electronically recorded in Central Registry Agency. The printed list is kept at the Company. In case there is a change in the list, the necessary revision is made in at most two workdays.

6. DISCLOSURE OF INSIDER INFORMATION

In case there is a change regarding the insider information or the subjects related to that information that was previously announced, or they are learned by outsiders, they shall be publicly announced by ASELSAN.

If it is realized that ASELSAN employees have unintentionally shared insider information with third parties and it is certain that information confidentiality can not be maintained, a material event disclosure is made by ASELSAN pursuant to the Capital Market Board legislation.

In case there is a change in ASELSAN's main shareholders' or substantial affiliates and subsidiaries' operations, their financial structure and management/capital relationship that has a significant effect on ASELSAN's operations, financial or management/capital structure, ASELSAN publicly announces this event.

A public announcement is made by that person if; the insider information is learned by a person beyond the knowledge of ASELSAN, who is directly or indirectly has 10% or more

share in ASELSAN's total voting rights or capital or, apart from that has 10% or more privileged shares that brings the right to choose or nominate members of Board of Directors.

A material event disclosure shall be made on KAP; before the announcement or simultaneously, if subjects regarding material events, including forward looking statements, will be announced publicly through media, press or other communication channels; and immediately if the relevant issues have been inadvertently announced in an open-to-public meeting.

7. DEFERRING PUBLIC DISCLOSURE OF THE INSIDER INFORMATION

Insider information is the kind of information not yet revealed to the public, which may affect the value of the capital market instrument and influence the investors' investment decisions. In order to prevent any negative influence to the legal rights or interest of ASELSAN, the decision for the deferment of public disclosure of the insider information is taken by the Board of Directors and/or CEO. During the deferment period, the persons, who have access to this insider information, are responsible for protecting it. The precautions to protect insider information are taken by CEO. The public disclosure along with the deferment decision and its reason is made as soon as the reasons for deferment disappear.

In case the event that is the subject of the deferred insider information does not take place, it may not be publicly announced.

The effect of deferring on protecting ASELSAN's legitimate interests, the fact that deferring does not involve the risk of deceiving investors, along with the precautions taken in order to keep confidentiality of the information during the deferring period shall be settled by a Board of Directors resolution, or if a person is authorized by Board of Directors, the written approval of the authorized person shall be taken about the mentioned issues.

8. MEASURES TO ENSURE THE CONFIDENTIALITY OF INSIDER INFORMATION UNTIL ITS PUBLIC DISCLOSURE

ASELSAN places great importance on its employees' obedience of the rules for the use of insider information.

All employees that have access to insider information have to sign a declaration stating that they have read the communiqué and guide regarding information abuse -prepared by CMB- and that they accept and undertake that if they act against relevant legislation they may be subject to penalty of law and they are fully responsible. Investor Relations Department is responsible of gathering and keeping the list of people who have access to insider information that shall be submitted to CMB if demanded, keeping the list up-to-date, and recording it on Central Recording System. Additionally, informative messages are sent to all employees in the list regularly every six months, in order to remind the relative legislation and to emphasize the importance of this issue.

The employees are informed about regulations and directives about the protection of insider information through "ASELSAN Ethical Principles and Code of Conduct" and security briefings. ASELSAN employees protect any kind of information acquired during the course of employment that can be regarded as commercial secret.

All employees are required to protect such information during and after their employment with the company. They do not use such information directly or indirectly. Employees at ASELSAN are prohibited from engaging in activities that would generate commercial gains from trading shares of ASELSAN based on insider information obtained during the course of their employment.

9. COMMUNICATION WITH CAPITAL MARKET PARTICIPANTS

In ASELSAN, Investor Relations Department has been formed in order to manage and conduct the relations with both present and potential investors regularly, to respond to the questions of investors as effectively as possible, to carry out initiatives aimed at enhancing and increasing corporate value.

Interviews with capital market participants are part of the development of investor relations program. However, ASELSAN will not reveal new information, will not update current information and will not announce any undisclosed insider information that may affect ASELSAN share price and investor decisions.

Reports and presentations for informative meetings or press releases are published via ASELSAN web site especially for the access of small investors. Such web site sharing is disclosed publicly.

10. PROCEDURES REGARDING THE NEWS IN MEDIA

Tracking Mechanism

The news flow through internet, press and mass media is monitored with the contracted media agency. Besides ASELSAN is the subscriber to other data vendors and concerned news are being monitored via that channel as well. If the content of the news is considered as a requirement for a regulatory disclosure by the office of the CEO, such disclosure is made.

Market Rumors

ASELSAN, as a principle, does not comment on market rumors about itself. The Company may, however, respond to rumors in certain circumstances including upon request by CMB and/or ISE or if ASELSAN management decides that such response is necessary and appropriate.

If there are news or rumors about ASELSAN; which will be announced via media, press or other communication channels for the first time, or which are different than information disclosed previously and which is significant by means of affecting value/price of capital market instruments or the investment decisions of investors; pursuant to the CMB legislation, an explanation whether they are accurate or sufficient shall be publicly announced. The comments, analyses, evaluations and forecasts about ASELSAN, which are based on publicly announced information, are out of this context.

11. FORWARD LOOKING STATEMENTS

Within the framework of ASELSAN Disclosure Policy, ASELSAN may make forward looking statements. Such statements can only be made by authorized individuals to make public announcements upon the approval of the Board of Directors and/or CEO and for at most four times a year. However, if there is a significant change in forward looking

statements which have been publicly announced, regardless of how many announcements were made in that year, a public announcement shall be made.

The reasons of the differences shall be stated along with the forward looking statements, if there are significant differences between the subjects that have been announced in the past and the actual happenings.

In case the forecasts and grounds for the forward looking statements occur or are understood to be unrealistic, the updated information along with its justification shall immediately be announced to public.

12. ANALYST REPORTS

ASELSAN regards analyst reports as proprietary information belonging to the analyst's firm and does not publish such reports on the Company's website. ASELSAN does not confirm, endorse, adopt or disseminate analysts' reports. However, in certain limited circumstances, upon request, the Company may review specific factual assertions that an analyst intends to include in a report for the factual accuracy of historical information that is already publicly available.

13. SILENT PERIOD

Before the disclosure of the periodical results, ASELSAN implements a practice called "Silent Period" when the persons who have access to insider information abstain from sharing such information with the public. The Silent Period starts at the end of the related period and ends when these results are disclosed. During this period, the Company does not comment on undisclosed financial statements, does not negotiate about them and does not answer any questions regarding such statements within the frame of confidentiality principle.

14. ENFORCEMENT

Herein this Disclosure Policy entered into force upon submission of the related decision of ASELSAN Board of Directors to the information of the General Assembly on 31st of March 2014. In the event that there is a need for amendment in the Disclosure Policy, it is submitted for the information of the General Assembly upon receiving the approval of ASELSAN Board of Directors and is announced publicly.