

**MINUTES OF 39TH ORDINARY GENERAL ASSEMBLY MEETING OF
ASELSAN ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ
HELD ON 31 MARCH 2014**

General assembly meeting of 2013 of Aselsan Elektronik Sanayi ve Ticaret Anonim Şirketi was held on 31 March 2014, at 14.00 hours, at Çankırı Yolu 7. km Akyurt / ANKARA address under the supervision of the Ministry Representative Satılmış BATUR who was designated by the letter of Governorship of Ankara Provincial Directorate of Commerce dated 31.03.2014 and numbered 1496.

Having the list of participants examined, it was understood that in the meeting the 56.706.418 shares corresponding to a capital of TL 567.064,18 were represented by the persons acting as principal, on the other hand the 45.398.476.159 shares corresponding to a capital of TL 453.984.761,59 were represented by the persons acting as representatives which in total made 45.455.182.577 shares, out of the 50.000.000.000 shares corresponding to a total capital of TL 500.000.000 and accordingly it was understood that the minimum meeting quorum stipulated by both the law and the articles of association was satisfied and thereby the meeting was opened by the Chairman of the Board of Directors, Necmettin BAYKUL and agenda discussion process was started.

- 1) Chairman of the Board of Directors, Necmettin BAYKUL expressed his sincere thanks to those for their attendance to the meeting and thereby invited the meeting participants for a one minute's silence for the commemoration of the Great Leader ATATÜRK and our Saint Martyrs. Following the one-minute silence, Meeting Chairman election process started. The proposal offered by the representative of Axa Sigorta A.Ş. was submitted for voting. As the result of the voting, it was decided unanimously to elect Mr. Fikri GÖNÜLTAŞ, who is the representative of the Turkish Armed Forces Foundation, as the Meeting Chairman.

The meeting Chairman assigned Mr. Metin GÜNGÖRDÜ as the secretary (for writing down the minutes), Ms. Gönül TETİK as the Vote Collector and also assigned Ms. Pınar ÇELEBİ to fulfill the electronic general assembly system requirements, in the meeting chairmanship.

The Meeting Chairman confirmed that the meeting was being held at the address indicated in the announcement and that the place of the meeting was in compliance with the relevant provision of the articles of association; that the General Assembly was convoked with the announcement made in the company website, on the Public Disclosure Platform, in the Turkish Trade Registry Gazette issue dated 05.03.2014 and numbered 8521 and in the Turkish issues of the 5 leading newspapers dated 05.03.2014, that this announcement was made at least three weeks prior to the meeting date excluding the dates of announcement and the meeting, that the shareholders in the share ledger and the shareholders who previously submitted to the company their share certificates or other documents proving their shareholding were notified of the date of the meeting along with the newspapers containing the agenda and the announcement through registered post at least two weeks before the meeting date.

The Meeting Chairman confirmed that the articles of association, the share ledger, the board of directors activity report, the independent audit report, financial statements, the agenda, the permit letters obtained from the Capital Markets Board and the Ministry of Customs and Trade

with respect to the amendments to the articles of association and the draft of amendments as its annex and the list of attendants prepared by the board of directors were all completely present at the meeting place.

The Meeting Chairman confirmed that the executive members and majority of the board of directors members and the independent auditor were present at the meeting. The Meeting Chairman also informed the physically attending shareholders about the electronic general assembly procedure.

The Meeting Chairman made the items of the agenda read and asked the shareholders whether they have any proposal for amendments regarding the order of the discussion of agenda topics. Since there were no proposals, the Ordinary General Assembly Agenda was started to be discussed in the order previously announced.

- 2) The Vice Chairman of Board of Directors Birol ERDEM and members of the Board of Directors Osman Kapani AKTAŞ, Ahmet ŞENOL and Aykud Alp BERK, have resigned as of 15.05.2013 and for the vacant positions with the resignations, Hasan CANPOLAT, Mustafa Murat ŞEKER, Orhan AYDIN and Murat ÜÇÜNCÜ who were elected by the Board of Directors on 16.05.2013 according to item 1 of article 363 of Turkish Commercial Code are approved to be assigned as Board of Directors members with 448.084.286,77 affirmative votes against 6.467.539 negative votes.
- 3) The Activity Report for the year 2013 prepared by the Board of Directors was read. The Meeting Chairman asked if there was anyone who would like to speak regarding the agenda. As there was nobody who wished to do so, the negotiation of topic 4 of the agenda was passed on to.
- 4) The independent audit report with respect to January 01 – December 31 2013 accounting period prepared by the Independent External Audit Company DRT Bağımsız Denetim ve Serbest Muhasebecilik Mali Müşavirlik A.Ş.'nin (Deloitte) was read.
- 5) The Consolidated Balance Sheet and Income Statement in compliance with the Communiqué of the Capital Markets Board with Serial: II and Number: 14.1 with the balance Sheet and the Income Statement in compliance with the General Communiqué on Accounting System Application were read. The Meeting Chairman asked if there was anyone who would like to speak regarding the agenda. The Meeting Chairman submitted the agenda for negotiation. As the result of the voting, the financial statements for the year 2013 were approved with 454.551.824,77 affirmative votes against 1 negative vote.
- 6) Acquittal of the members of Board of Directors on operations and accounts of the company for 2013 was put to voting. As the result of the voting, the members of Board of Directors were acquitted with 454.551.824,77 affirmative votes against 1 negative vote.
- 7) The Meeting Chairman made the proposal for profit distribution, which was also included in the year 2013 activity report of the Board of Directors, to be read and put to vote. Accordingly it was decided with 454.551.824,77 affirmative votes against 1 negative votes that;

ASELSAN A.Ş. 2013 PROFIT DISTRIBUTION TABLE (TL)		
	Distribution under the Capital Markets Board Regulations	Distribution under the Legal Records
Issued Capital	500.000.000	500.000.000
First Legal Reserve (According to Legal Records)	68.109.464,78	68.109.464,78
The information for the profit distribution in the case of privileges according to the Company Articles of Incorporation		
Profit for the Period	238.081.489,00	79.566.382,34
Taxes Payable (-)	0	0
NET PROFIT FOR THE PERIOD (=)	238.081.489,00	79.566.382,34
Accumulated Loss (-)	0	0
First Legal Reserve (-)	3.978.319,12	3.978.319,12
NET DISTRIBUTABLE PROFIT FOR THE PERIOD (=)	234.103.169,88	75.588.063,22
Donations Made throughout the Year (+)	0	
Net Distributable profit for the period, donations included in dividend calculation	234.103.169,88	
First Dividend to Shareholders	25.000.000	25.000.000
- Cash	25.000.000	25.000.000
- Non paid-up share	0	0
- Total	25.000.000	25.000.000
Dividends distributed to Preferred Shareholders	0	0
Dividends distributed to;	0	0
- Members of the Board of Directors	0	0
- Employees	0	0
- Others than Shareholders	0	0
Dividends distributed to Holders of Usufruct Right Certificates	0	0
Second Dividend to Shareholders	0	0
First Legal Reserve	0	0
Statutory Reserve	0	0
Special Reserve	0	0
EXTRAORDINARY RESERVE	209.103.169,88	50.588.063,22
Other resources to be distributed	0	0

As presented in the table above, out of the net profit for the period that is generated by our company from its 2013 activities;

- In accordance with Article 519/(1) of the Turkish Commercial Code, General Legal Reserves amounting to TL 3.978.319,12 is going to be allocated,
- Net distributable profit to the shareholders for the period, calculated in the framework of the profit distribution regulations and decisions of the Capital Markets Board is proposed as: Gross profit, TL 25.000.000 (TL 0,05 per share of TL 1 and 5% on the basis of the capital) (net profit TL 21.250.000 – TL 00,0425 per share of TL 1 and 4,25% on the basis of the capital) as in the form of cash,
- The remaining profit is going to be allocated as Extraordinary Legal Reserves, and distribution of the dividends to the shareholders to be started as of May 30, 2014.

Ministry Representative
Satılmış BATUR

Meeting Chairman
Fikri GÖNÜLTAŞ

Secretary
Metin GÜNGÖRDÜ

Vote Collector
Gönül TETİK

EGAS Resp.
Pınar ÇELEBİ

- 8) As for the election of the Board of Directors members; the proposal submitted by the Turkish Armed Forces Foundation Representative was read. It was decided with 448.084.286,77 affirmative votes against 6.467.539 negative votes that the Board of Directors members Mr. Hasan CANPOLAT (TC Id No:13450193826), Mr. Mustafa Murat ŞEKER (TC Id No: 25240920666), Mr. Ahmet KESİK (TC Id No: 58798120684), Mr. Murat ÜÇÜNCÜ (TC Id No: 35300226966), Mr. Ahmet Can ÇEVİK (TC Id No: 30214501680) and Ms. Nilüfer ÖZDOĞAN (TC Id No:39079534000) would be elected to serve for a one year period. As per the Corporate Governance Principles, the voting for the Independent Board of Directors Member Nominees announced by the Board of Directors was passed on to. Among the nominees, it was decided that, Mr. Oral ERDOĞAN (TC Id No: 17545423720) would be elected with 448.078.323,14 affirmative votes against 6.473.502,63 negative votes, Mr. Ziya AKBAŞ (TC Id No:26105331528) would be elected with 448.084.286,77 affirmative votes against 6.467.539 negative votes and Mr. Celalettin DÖVER would be elected with 448.084.286,77 affirmative votes against 6.467.539 negative votes to serve as Independent Board of Directors Members for a period of 1 year each.
- 9) Regarding the remuneration appraised for the Board of Directors Members, the proposal submitted by the Turkish Armed Forces Foundation Representative was read. As the result of the voting, it was decided with 453.965.614,77 affirmative votes against 586.211 negative votes that the payment of monthly net TL 3.000.- (three thousand Turkish Lira) would be effected to the Board of Directors Members, valid as of April 2014 until the Ordinary General Assembly Meeting which shall be held in 2015 where the year 2014 activities shall be discussed.
- 10) As per the Capital Markets Board legislation, the proposal regarding the approval of the Independent External Audit Company chosen by the Board of Directors was read. As the result of the voting, it was decided with 447.711.794,77 affirmative votes against 6.840.031 negative votes that DRT Bağımsız Denetim ve Serbest Muhasebecilik Mali Müşavirlik A.Ş. (Deloitte) would be approved to perform the independent audit of our company within the 2014 activity year.
- 11) The Meeting Chairman put to vote for deeming the amendments on article 6 of Articles of Association titled “Registered Capital of the Company” to be read. The deeming of amendments is accepted with 454.551.824,77 affirmative votes against 1 negative vote. Article 6 of Articles of Association titled “Registered Capital of the Company” for which the permissions were received from Capital Markets Board and Ministry of Customs and Trade, was accepted as indicated below with 454.551.824,77 affirmative votes against 1 negative vote.

Registered Capital of the Company:

Article 6 - The Company has accepted the registered capital system in accordance with the provisions of the Law No. 2499 and the Company has implemented this system with the consent No. 151 of the Capital Markets Board, dated 7/3/1991.

The registered capital upper limit of the Company is 1.000.000.000,-TL (only/one billion TL) and is divided into 100.000.000.000 (one hundred billion) shares, each having a nominal value of 1 kuruş.

The registered capital upper limit consent granted by the Capital Markets Board is valid for the years 2012 – 2016 (5 years). Even if the permitted registered capital upper limit is not reached at the end of the year 2016, it is obligatory for the Board of Directors to receive authorization from the General Assembly for a new term, with the consent of the Capital Market Boards for the previously allowed upper limit or a new upper limit value. In the event that above mentioned authorization is not received, the Company is deemed to be out of the registered capital system.

The issued capital of the Company shall be 500.000.000,-TL (only/fivehundredmillion TL) and shall be divided into 50.000.000.000 (fiftybillion) shares, each having a nominal value of 1 Kuruş. 10.312.645,71 TL of the issued capital of the Company has been paid in cash; 145.220.570,-TL of the issued capital of the Company has been covered by the dividends that are added to the capital and are distributed to the shareholders in proportion to their shares; 14.710.154,29,-TL of the issued capital of the Company has been covered by adding the Revaluation Fund to the capital in accordance with the Article 298 (bis) of the Tax Procedure Law No. 213; 99.132.892,03 TL of the issued capital of the Company has been covered by the favorable balance of capital adjustment (Inflation Adjustment of Capital), 13.206.491,20 TL from Special Funds, 201.703,02 TL from Share Premium and 217.215.543,75 TL from Extraordinary Reserves. The issued capital has been divided into shares as shown below.

All shares are registered to the name of the shareholder.

Share Group	Nominal Value of Each Share	Number of Shares	Amount (TRY)	To the Name or to the Bearer
Group A	1 kr	30.272.727.273	302.727.272,73	To the Name
Group B	1 kr	19.727.272.727	197.272.727,27	To the Name
TOTAL		50.000.000.000	500.000.000,00	

The Board of Directors shall be authorized to increase the issued capital up to the registered capital upper limit when it deems necessary between the years 2012 and 2016, in accordance with the provisions of the Capital Market Law, by issuing shares to the name.

Moreover, the Board of Directors shall be authorized in matters regarding issuing preferred shares or issuing shares above the nominal values. Regarding capital increases by restricting preemptive rights, the shares to be issued shall be Group B.

Group A shares are preferred shares registered to the name.

In the event that internal resources are added to the capital, the issued shares equal to the value of added reserves shall be distributed on the basis of the shareholders' ownership rate of the shares as a bonus.

As the company operates in security and defense sector; Group A shares shall not be sold or transferred without the consent of the Board of Directors; in the event that these shares are

transferred or sold to third parties partially or completely without the consent of the Board of Directors, the Board of Directors is entitled to abstain from recording this sale in the records.

The preemptive right of the shareholders in capital increases shall be exercised within their own groups as per the Article 461 of the Turkish Commercial Code. Group A shares remaining after the preemptive rights have been exercised, shall be firstly offered to other Group A shareholders; and in the event that there are still remaining shares which are not sold after this process, the remaining shares can be sold to non-Group A shareholders or real or legal persons who will become new shareholders. In this case, the Board of Directors is not entitled to abstain from the sale to the new Group A shareholders in the records.

While the nominal value of the equity shares was 1.000 TL, it has been changed to 1 New Kuruş within the scope of the law on making amendments to the Turkish Commercial Code No:5274. The total number of shares have decreased as a result of such change and 1 share having a value of 1 New Kuruş, is given in exchange for 10 shares, each having a value of 1.000 TL. The rights of the shareholders arising from the shares they possess with regard to the change in question shall be reserved.

The shares representing the capital shall be monitored within the framework of the dematerialization principles.

- 12) The letter of the Board of Directors regarding the information to be given with respect to the donations made in 2013 and the income or interest gained by the guarantees, pledges, mortgages and warranties issued in favor of third parties was read. Pursuant to this, it was stated that; between the dates 01.01.2013 and 31.12.2013 no donations were made by the group and there were no income or interest gained by the guarantees, pledges, mortgages and warranties issued in favor of third parties or within the year 2013. İdil SÜLER stated a disclaimer for the article on behalf of BBH/Consulting Group Capital Markets Funds Emerging MA, BBH/Fidelity Salem Street Trust:Spartan Emerging Markets Index Fund, BBH/Goldman Sachs Growth Markets Equity Sub Trust and BBH/Goldman Sachs Growth Markets Equity Sub Trust N she represented.
- 13) The letter of the Board of Directors regarding the “Donation and Aid Policy” prepared as per the regulations of the Capital Markets Board was read. İdil SÜLER stated a disclaimer for the article on behalf of BBH/Consulting Group Capital Markets Funds Emerging MA, BBH/Fidelity Salem Street Trust:Spartan Emerging Markets Index Fund, BBH/Goldman Sachs Growth Markets Equity Sub Trust and BBH/Goldman Sachs Growth Markets Equity Sub Trust N she represented. The Donation and Aid Policy submitted to the approval of the shareholders and was approved with 424.873.527,97 affirmative votes against 29.678.297,8 negative votes. The approved Donation and Aid Policy is given below.

**“ASELSAN ELEKTRONİK SANAYİ VE TİCARET A.Ş.
DONATION AND AID POLICY**

As per sub-clause “k” of article 3 of our Company’s Articles of Association, provided that it is not contrary to the hidden profit distribution regulations of the Capital Market Law and that the donations, including the ones realized within the year are submitted to the information of the shareholders in the General Assembly and that the upper limit of the donations to be

realized is determined by the general assembly, contributions in kind and/or financial aid and donation may be granted to/for,

- Institutions, entities, foundations and associations that conduct scientific research and development activities,
- Institutions and similar organizations with social purposes,
- The constructions of schools, health facilities, etc. which constitute public interest,
- Other activities deemed beneficial by the Company.

The Board of Directors is authorized to take a resolution with respect to granting donation or aid.

The donations realized within the relevant activity period in scope of the Capital Market Law are added to the distributable profit base.

The donations and aids that shall be granted with the resolution of Board of Directors within the upper limit determined by the General Assembly shall be publicly announced as per the legislation of Capital Market Board regarding the disclosure of material events to the public.”

As for the decisions to be taken with respect of the upper limit of the donations and aid to be provided in 2014; the proposal submitted by the Turkish Armed Forces Foundation Representative was read. İdil SÜLER stated a disclaimer for the article on behalf of BBH/Consulting Group Capital Markets Funds Emerging MA, BBH/Fidelity Salem Street Trust:Spartan Emerging Markets Index Fund, BBH/Goldman Sachs Growth Markets Equity Sub Trust and BBH/Goldman Sachs Growth Markets Equity Sub Trust N she represented.

As the result of the voting, it was decided with 424.873.527,97 affirmative votes against 29.678.297,8 negative votes that the company would make donations and aid with an upper limit of 5 tenthousandth of the period net profit (TL 119.040) according to the year end consolidated balance sheet of the company prepared pursuant to the CMB, to be valid until the Ordinary General Assembly Meeting of the company and its group companies to be held in 2015.

- 14) The letter of the Board of Directors regarding the “Profit Distribution Policy” prepared as per the regulations of the Capital Markets Board was read. The Profit Distribution Policy submitted to the approval of the shareholders and was approved with 454.551.824,77 affirmative votes against 1 negative vote. The approved Profit Distribution Policy is given below.

“ASELSAN ELEKTRONİK SANAYİ VE TİCARET A.Ş. PROFIT DISTRIBUTION POLICY

The dividend amounts which shall be calculated considering the sustainable growth rate, market values and cash flows, the company equity, with the relevant legislation and the provisions of the articles of association over the distributable profit amount calculated taking the period profit as the basis which is shown on the financial statements of our Company prepared pursuant to the existing legal regulations (after the compulsory legal reserves are reserved and the taxes, funds and financial liabilities and losses of the previous year, if any, are deducted and the donations are added), The profit distribution proposal which shall be prepared by the Board of Directors in order for the shares which shall be issued by means of

adding the cash or the dividend on the capital on the date(s) determined pursuant to the regulations of the Capital Markets Board to be distributed in cash in the defined amounts or as bonus shares or bonus shares in defined amounts, shall be submitted to the approval of the General Assembly. Following the approval of the General Assembly, the determined profit share distribution amounts are distributed to the shareholders within the legal periods on the date determined by the General Assembly.

There is no privilege to participate to the profit of our Company. The profit shares are distributed equally regardless of all the existing shares and their issue and acquiring dates.

In case of a revision made on the Profit Distribution Policy, the resolution of Board of Directors regarding this revision and the reason for revision shall be publicly announced with respect to the legislation of Capital Market Board.”

- 15) Information was given about the “Disclosure Policy” revised as per the regulations of the Capital Markets Board. İdil SÜLER stated a disclaimer for the article on behalf of BBH/Consulting Group Capital Markets Funds Emerging MA, BBH/Fidelity Salem Street Trust:Spartan Emerging Markets Index Fund, BBH/Goldman Sachs Growth Markets Equity Sub Trust and BBH/Goldman Sachs Growth Markets Equity Sub Trust N she represented. The “Disclosure Policy” that was submitted to the information of shareholders is given below.

ASELSAN ELEKTRONİK SANAYİ VE TİCARET A.Ş.

DISCLOSURE POLICY

1. PURPOSE

ASELSAN Elektronik Sanayi ve Ticaret A.S.’s (ASELSAN) disclosure policy is to share information - to the extend 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 extend 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 (<http://www.aselsan.com.tr>).

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.tr)
- 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 disclosure 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 electronic 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. İÇSEL BİLGİNİN KAMUYA AÇIKLANMASINA KADAR GİZLİLİĞİNİN SAĞLANMASINA YÖNELİK TEDBİRLER

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.

- 16)** Information was given about the "Remuneration Policies For The Members Of Board Of Directors And Executives With Administrative Responsibility" revised as per the regulations of the Capital Markets Board. İdil SÜLER stated a disclaimer for the article on behalf of BBH/Consulting Group Capital Markets Funds Emerging MA, BBH/Fidelity Salem Street Trust:Spartan Emerging Markets Index Fund, BBH/Goldman Sachs Growth Markets Equity Sub Trust and BBH/Goldman Sachs Growth Markets Equity Sub Trust N she represented. The "Remuneration Policies For The Members Of Board Of Directors And Executives With Administrative Responsibility" that was submitted to the information of shareholders is given below.

ASELSAN ELEKTRONİK SANAYİ VE TİCARET A.Ş.

REMUNERATION POLICIES FOR THE MEMBERS OF BOARD OF DIRECTORS AND EXECUTIVES WITH ADMINISTRATIVE RESPONSIBILITY

In order to promote the retention of highly committed and motivated talents who have the required competencies for realizing the strategies arising in line with ASELSAN's vision and mission, ASELSAN Remuneration Policy has adopted the principle of maintaining and revising, in accordance with current needs, a compensation structure which is;

- ✓ based on the "equal pay for equal work" principle,
- ✓ based on the added value created for ASELSAN,
- ✓ fair,

- ✓ objective
- ✓ manageable and understood by employees,
- ✓ respecting inter-company balances,
- ✓ competitive with domestic and foreign markets,
- ✓ improved by taking into account the economic situation of the country and sectoral trends.

In line with the above mentioned Remuneration Policy of ASELSAN Inc., the remuneration principles of Board of Directors and Executives with Administrative Responsibility are given below.

Remuneration Principles for the Members of the Board of Directors

A fixed salary is determined every year at annual General Assembly Meeting, which will be valid for all Members of the Board of Directors.

Dividend ratios, dividend options and company performance based payment plans shall not be used when determining the salaries of independent members of Board of Directors.

Remuneration Principles for Executives with Administrative Responsibility

Salaries of Executives with Administrative Responsibility are determined in accordance with Remuneration Policy of ASELSAN Inc., in line with international standards and legal obligations.

In addition to these, individual performance bonuses may be granted to the Executives with Administrative Responsibility as well as to all our employees in case the financial and operational objectives defined at the beginning of the year are achieved. However, such performance bonuses apply only to the respective year for the purpose of rewarding the performance shown in the relevant year and do not constitute an additional payment adhered to the base salary.

- 17) The Meeting Chairman asked the Shareholders attending the General Assembly if they had any wishes or requests. The Meeting Chairman declared that there are increases regarding the total assets, net sales, foreign sales, domestic sales and operations profit in 2013 compared to the year 2012 and that ASELSAN A.Ş. has completed the year 2013 with success and he expressed his gratitude on behalf of all shareholders to the Board of Directors members who resigned upon their completed term of office and wished success for the newly assigned Board of Directors members in the General Assembly. İdil SÜLER stated a disclaimer for the article on behalf of BBH/Consulting Group Capital Markets Funds Emerging MA, BBH/Fidelity Salem Street Trust:Spartan Emerging Markets Index Fund, BBH/Goldman Sachs Growth Markets Equity Sub Trust and BBH/Goldman Sachs Growth Markets Equity Sub Trust N she represented.

As there was no other would like to speak, the Meeting Chairman expressed his gratitude on behalf of all shareholders to the Board of Directors members who resigned upon their completed term of office and wished success for the newly assigned Board of Directors members in the General Assembly and closed the meeting.31.03.2014 ANKARA