

**OTOKAR OTOMOTİV VE SAVUNMA SANAYİ A.Ş. / OTKAR [18.01.2016]**  
**Material Disclosure (General)**

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Is this a delayed disclosure? : No

Subject : Submitting Proposal to SSM for Altay Project Phase II Serial Production Stage

**DISCLOSURE:**

Development and prototype production activities conducted within the scope of the main contract , "Modern Tank Production Project by using National Sources" (Altay Project) Phase I Main Battle Tank Design and Prototype Production, signed between Undersecretariat for Defence Industries (SSM) and Otokar Otomotiv ve Savunma Sanayi A.Ş. (Otokar) has been completed. System qualification and acceptance tests, the last stage of the project is still in progress.

Additionally, under related article of the existing contract, proposal for Altay Project Phase II Serial Production Stage related with production of 250 tanks and its Integrated Logistics Support activities has just been submitted to SSM on 18.01.2016. SSM will form their opinion about serial production stage after evaluation of the submitted proposal.

Important developments related to the project will be announced to the public when it became absolute.

We hereby declare that our above statement is in conformity with the principles included in the Capital Market Board's Material Disclosures Communique , that it exactly reflects the entire information we received; that the information complies with our records, books and documents; that we have endeavored to obtain the correct and complete information relative to this subject and that we are responsible for the declarations made in this regard.