

**EREĞLİ DEMİR VE ÇELİK FABRİKALARI
TÜRK ANONİM ŞİRKETİ
SHAREHOLDERS ORDINARY GENERAL ASSEMBLY MEETING
MEETING MINUTES**

Meeting No	: 71
Meeting Date	: March 31st, 2015 – Time: 14.00
Meeting Place	: Radisson Blu Hotel, Istanbul Asia Floor:Ballroom at B2 Atatürk Mahallesi Yakut Caddesi No:10 Ataşehir/ISTANBUL
Chairman	: OYTAŞ İç ve Dış Ticaret A.Ş. (Representative: Ali Aydın PANDIR) Chairman of the Board and Managing Director
Record Clerk	: Kemal Haluk ERUYGUR OYAK Legal Advisor
Vote Collector	: Ahmet Türker ANAYURT ATAER Holding A.Ş. Representative
Ministry Representative	: Hatice ÖNDER

Ordinary meeting of 2014 of Ereğli Demir ve Çelik Fabrikaları T.A.Ş. Shareholders General Assembly; within the frame of the relevant regulations and the provisions of the articles of association, at the place and time shown above, under the presidency of the Company's Chairman of the Board and Managing Director OYTAŞ İç ve Dış Ticaret A.Ş. (Representative: Ali Aydın PANDIR) and in trust of the Ministry Representative Hatice ÖNDER who was assigned with the writings of Istanbul Governorship Provincial Directorate of Trade dated 27.03.2015 and with number 00006900476/431.03, was performed.

About the announcement of hereby the ordinary meeting of the Shareholders General Assembly; in line with the Turkish Trade Law and the Capital Market Law and the Articles of Association, announced in the 09th March 2015 dated and 8774 numbered issue of the Turkish Commercial RegisTL Gazette, in the 09th March 2015 dated issues of the newspapers Hürriyet and Dünya, on company's corporate web site (www.erdemir.com.tr), on the e-Company portal and e-GEM of Central RegisTL Agency and the place, time and the agenda of the meeting and the sample of the procuration are written in these announcements and all legal procedures are completed,

- According to the arranged List of Attendants; on the point of 11.473.550,5692 shares which represent the capital of 114.735,505692 TL as principle, 231.728.761.896,1 shares which represent the capital of 2.317.287.618,961 TL as representative, totally 231.740.235.446,6692 shares which represent 2.317.402.354,466692 TL and 59.009.579.063,8 shares which represent the depositors of 590.095.790,638 TL as representative **are present herein this meeting,**
- Chairman of the Board and Managing Director OYTAŞ İç ve Dış Ticaret A.Ş. (Representative: Ali Aydın PANDIR, Republic of Turkey ID No: 20279188254), Vice President of the Executive Board and Managing Director OYAK Girişim Danışmanlığı A.Ş.(Representative: Nihat KARADAĞ, Rep. of Turkey ID No: 15665287550), Member of the Board and Managing Director OMSAN Lojistik A.Ş. (Representative: Dinç KIZILDEMİR, Rep. of Turkey ID No: 53122098998), Independent Member of the Board Nazmi DEMİR with Rep. of Turkey ID No: 20426015358) and Independent Member of the Board Emin Hakan EMİNSOY with Rep. of Turkey ID No: 19612417854 with the

Company Auditor Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (A Member Firm of Ernst & Young Global Limited) representative Kayahan ÇOLAK with Rep. of Turkey ID No: 11861994346 were present in the meeting,

Also determined and confirmed by the Ministry Representative, the meeting was opened by the Chairman of the Board and Managing Director OYTAŞ İç ve Dış Ticaret A.Ş. (Representative: Ali Aydın PANDIR).

- 1- In the first article of the agenda about **Constituting the Presidency of the Opening and Meeting**; as required by the 25th article of the Articles of Association with the 7th article of the Internal Directive of the General Assembly of the Company, the duty of the Chairman of the Meeting was assumed by the Chairman of OYTAŞ İç ve Dış Ticaret A.Ş. (Representative: Ali Aydın PANDIR) and by the Chairman of the Meeting, OYAK Legal Advisor Kemal Haluk ERUYGUR for Record Clerk, ATAER Holding A.Ş. representative Ahmet Türker ANAYURT for the Vote Collector, were assigned.
- 2- In the second article of the agenda about **Authorizing the Presidency of the Meeting for Signing the Meeting Minutes and Other Documents**; it was with 231.378.794.246,6692 votes accepting against 361.441.200 votes rejecting, unanimously decided to authorize the constituted Presidency of the Meeting for signing the meeting minutes herein of this meeting and other documents on behalf of those who are present.
- 3- In the third article of the agenda about **Reading and Debating on the Administrative Board's Activity Report of the year 2014**; since the activity report was presented to the shareholders before the meeting and given to the shareholders who requested for, the subject that there was no need to read it again was submitted for the General Assembly's approval and unanimously decided with 231.376.649.431,6692 votes accepting against 363.586.015 votes rejecting.

Since nobody asked to speak about the Report, the next agenda article was discussed.
- 4- In the fourth article of the agenda about **Reading the Independent Audit Report of the year 2014**; the Independent Audit Report was read by the Record Clerk Kemal Haluk ERUYGUR.
- 5- In the fifth article of the agenda about **Separately Reading and Debating on and Putting to Vote and Resolving the Balance-Sheet and the Profit and Loss Accounts Including the Accounting Period of the year 2014**; the Balance-Sheet and the Profit and Loss Accounts were read and since there was nobody who asked to speak, the Confirmation of the Balance-Sheet and the Profit and Loss Accounts of the year 2014 were submitted to the vote of the General Assembly and as result of the voting done, it was unanimously decided to accept the Balance-Sheet and the Profit and Loss accounts with 231.357.221.946,6692 votes accepting against 383.013.500 votes rejecting.
- 6- In the sixth article of the agenda about **Separately Debating on the Quittances of the Members of the Board of the Accounting Period of 2014, Putting to Vote and Resolving**; the quittances of the Members of the Board were submitted for the approval of the General Assembly and as result of the voting performed, they were unanimously approved with 231.243.366.031,6692 votes accepting against 496.869.415 votes rejecting. The Members of the Board did not vote for their own quittances.

7- In the seventh article of the agenda about **Debating on, Putting to Vote and Resolving the Offer of the Board About the Change in the Dividend Policy of the Company**; as result of the voting after reading the Offer of the Board dated 31.03.2015 in the direction of the decision of the Board dated 05.03.2015 and with number 9340; it was unanimously decided with 231.357.221.946,6692 votes accepting against 383.013.500 votes rejecting to totally approve the offer to change the Dividend Policy of the Company so that;

“ Within the frame of the available regulation and the provisions of the Articles of Association, financial leverage ratios and including investment/financial needs with market providences and to the extent permitted by the prospective expectation to create free cash, the Company principally adopted the policy to distribute the whole of the period income in cash. The Dividend Policy is annually reviewed by the Board according to national and global conditions, the projects in the agenda and funds of the company.

The dividend, by authorizing the Board in the meeting where it is decided about the distribution of the dividend and within the frame of the provisions of the regulations, is paid in instalments of equal or different totals by the date 15th December of the relevant calendar year.

Within the frame of the relevant provisions of the regulations, the General Assembly is authorized for distributing the Dividend Advance. ”

8- In the eighth article of the agenda about **Negotiations, Voting and Resolving the Board's Offer About Distributing the Profit of the Year 2014**; following the reading of the Board's offer dated 31.03.2015 about dividing and distributing the profit of the year 2014, as result of voting of the offer, being in the direction of the decision of the Company's Board dated 05.03.2015 and with number 9341, with 231.352.577.131,6692 votes accepting against 387.658.315 votes rejecting, it was unanimously decided that;

- In accordance with 519th article of the Turkish Trade Law and provisions of Capital Markets Board, to allocate general legal reserve fund of TL 82.319.947 at a rate of 5% on net profit of the year originated in financial statements of the year 2014 issued in accordance with provisions of the Tax Procedure Law,
- to allocate cash shareholder dividend of TL 1.396.904.732 at a rate of 91,3683% on distributable net profit of the year in financial statements of 2014 which were prepared according to legislations of Capital Markets Board,
- Due to the allocated cash dividend is more than %5 of the company's paid-in capital, in accordance with the second paragraph clause (c) of article 519th of the Turkish Trade Law, to allocate the 10% of this excess amount of TL 122.190.473 as general legal reserve.
- After the separation of the second appropriation of legal reserves amounting to TL 309.527 from the total TL 3.404.795 ,which is obtained by using anticipated distribution of other resources which will be compensated from extraordinary reserves, TL 3.095.268 additional cash dividend to be paid,
- To distribute the dividend to the shareholders amounting to TL 1.400.000.000 in total from the first dividend of TL 1.396.904.732 and from the second dividend of TL 3.095.268 obtained from other resources anticipated to be paid additionally,
- To determine the dividend payment date, which will be as lump sum no later than 15 December 2015, to be determined by the Board of Directors after the General Assembly considering the cash projection of the Company.

9- In the ninth article of the agenda about **Debating on, Putting to Vote and Resolving the Election to be Made for the Independent Board Memberships of which the Duty Terms have Ended**; following the reading of the curriculum vitae of the candidates in

accordance with the offer of the Board dated 31.03.2015 related to the candidates for the Independent Board Members and the Institutional Management Statement numbered II-17.1 of the Capital Market Board, the candidates who were stated by the offer of the Board were submitted for the approval of the General Assembly and as result of the voting performed and according to the provisions of the 10th and the 11th articles of the Articles of Association, the candidates below were unanimously decided to be chosen as Independent Board Members to carry out duty for one year with 222.743.683.010,0692 votes accepting against 8.996.552.436,6 votes rejecting;

- Emin Hakan EMİNSOY, Rep. of Turkey ID No: 19612417854
- Hakkı Cemal ERERDİ, Rep. of Turkey ID No: 26608982630
- Ali Tuğrul ALPACAR, Rep. of Turkey ID No: 29929900246

- 10-** In the tenth article of the agenda about **Debating on, Putting to Vote and Resolving the Matter of Determining the Wages of the Members of the Board**; the offer which was given by the Representative of ATAER Holding A.Ş. Çiğdem AYIK OKUR was read and since there was no other offer, the read offer was submitted for the approval of the General Assembly and being in the direction of the offer it was unanimously decided with 225.596.507.784,9692 votes accepting against 6.143.727.661,7 votes rejected that;

Not to pay wages to the General Assembly Members representing B Group shares, to determine the wage to be paid to the General Assembly Members representing A Group shares as 2.360 TL net monthly (in the beginning of the relevant month, in advance), and to determine the wage to be paid to the Independent Members of the Board to be 5.500 TL net monthly (in the beginning of the relevant month, in advance) and the new wages to be put into practice from the date 01.04.2015.

- 11-** In the eleventh article of the agenda about **Putting to Vote and Resolving the Matter of Giving Permission for the Board Members to Perform the Works Stated in the 395th and the 396th Articles of the Turkish Trade Law**; following the offer given by the representative of ATAER Holding A.Ş. Çiğdem AYIK OKUR, within the frame of the 395th and the 396th articles of the Turkish Trade Law and the arrangements of the Capital Market Board; as result of the voting performed, it was unanimously decided with 219.209.130.049,2692 votes accepting against 12.531.105.397,4 votes rejecting to give permissions which are mentioned in the 395th and 396th articles of TTL (Turkish Trade Law) for the Board Members that the company and the board members can do business both on behalf of themselves and others, take action for a kind of commercial affair which falls into the subject of operation of the company on their own or other's account and become a partner of which the responsibility is unlimited of a company which deals with the same kind of business as of the company.

- 12-** In the twelfth article of the agenda about **Debating on, Putting to Vote and Resolving the Offer Related to the Selection of Independent External Audit Institution to Audit the Accounts and Transactions of the Year 2015 by the Board as Required by the Turkish Trade Law and the Capital Market Law**; following the reading of the offer of the Board dated 31.03.2015 in the direction of the decision of the Board dated 05.03.2015 with number 9337, as result of the voting performed, it was unanimously decided with 220.057.085.855,6692 votes accepting against 11.683.149.591 votes rejecting to totally accept the offer and within the frame of the relevant provisions of the Turkish Trade Law and the Capital Market Law, Ereğli Demir ve Çelik Fabrikaları T.A.Ş. and its subsidiary companies to select Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (A Member of Ernst & Young Global Limited) for the independent external audit services for the year 2015 and to accept the offer and decision of the Board intended to make service contract for 1 (one) year with this company.

- 13- In the thirteenth article of the agenda about **Submitting the Warrants, Deposits, Hypothecs and Bails Given for the Good of Third Persons with Incomes or Benefits Acquired for the Information of the General Assembly**; information about the subjects below was received from the informing writing of the Board dated 31.03.2015 in the direction of the decision of the Board dated 05.03.2015 with number 9339; in accordance with the Institutional Management Statement of the Capital Market Board dated 03.01.2014 with number II-17.1, about the warrants, deposits and hypothecs which companies have given for the good of third persons in order to carry on their own legal entities, their partnerships subject to exact consolidation and their ordinary commercial activities and the incomes and benefits they obtained from these and within the scope of informing the partners of the company and related to the year 2014; Ereğli Demir ve Çelik Fabrikaları T.A.Ş. (ERDEMiR) with 37.384.551 TL, İskenderun Demir ve Çelik A.Ş. (İSDEMiR) with 29.584.871 TL, Erdemir Madencilik Sanayi ve Ticaret A.Ş. (ERMADEN) with 6.587.022 TL, Erdemir Çelik Servis Merkezi Sanayi ve Ticaret A.Ş. (ERSEM) with 9.100 TL and Erdemir Mühendislik, Yönetim ve Danışmanlık Hizmetleri A.Ş. (ERENCO) with 8.800 TL are companies which give warrants, deposits and hypothecs on behalf of their own legal entities and the warrant, deposit and hypothec balance of 73.574.344 TL in total has been reached,

Besides, because of becoming warrantor for some credits used by İSDEMiR which ERDEMiR included in the scope of exact consolidation as of the date of 31.12.2014, ERDEMİR has given warranty of 1.155.439.806 TL and in connection with the warranty given intended for İSDEMiR credits, the total warranty income obtained in 2014 is 7.296.704 TL,

That there are no warranty, deposit and hypothecs given with the aim to carry on ordinary commercial activities and with the aim to provide the depth of third persons and there are no other warranty, deposit and hypothecs.

- 14- In the fourteenth article of the agenda about **Submitting the Donations and Aids Made in 2014 for the Approval of the General Assembly**; from the informing writing of the Board dated 31.03.2015 in the direction of the decision of the Board dated 05.03.2015 with number 9338;

	2013	2014
	TL	TL
A-Training and Teaching Activities	127.092	60.500
B-Cooperation Activities Developed with Public Institutions and Foundations	53.813	27.512
D-Voluntary Works and Cooperation Activities Realized Intended for Charities	165.451	188.528
E-Cooperation Activities Realized with Charitable Foundations, Associations, Chambers and Institutions	477.134	1.062.835
F-Sporting Activities	103.267	59.219
TOTAL	926.757	1.398.594

As it is shown, information have been received that within the year 2014, 1.398.594 TL donation and aid has been made totally and the determined upper limit has not been exceeded.

- 15-** In the fifteenth article of the agenda about **Putting to Vote and Resolving the Limit of the Donations to Be Made in 2015**; after the Record Clerk Kemal Haluk ERUYGUR read the offer of the Board dated 31.03.2015 in the direction of the decision of the Board dated 03.03.2015 with number 9338, as result of the voting performed, it was unanimously decided with 186.514.195.764,3692 votes accepting against 45.226.039.682,3 votes rejecting and by totally accepting the offer, to bring an upper limit to the total of donations which the company shall make in 2015 and this upper limit shall be 0,03% (three per ten thousand) of the stand-alone net sales revenue.
- 16-** In the sixteenth article of the agenda about **Closure**, the meeting was closed with the thanks speech of the Chairman of the Meeting OYTAŞ İç ve Dış Ticaret A.Ş. (Representative: Ali Aydın PANDIR).

Chairman of the Meeting

Ministry Representative

OYTAŞ İç ve Dış Ticaret A.Ş.
(Representative: Ali Aydın PANDIR)

Hatice ÖNDER

Vote Collector

Record Clerk

Ahmet Türker ANAYURT

Kemal Haluk ERUYGUR