



**MINUTES OF MEETING OF ORDINARY GENERAL ASSEMBLY MEETING OF ÇİMSA  
ÇİMENTO SANAYİ VE TİCARET A.Ş.  
HELD ON 27 MARCH 2014  
(CONVENIENCE TRANSLATION INTO ENGLISH OF THE SIGNED MEETING MINUTES  
ORIGINALLY ISSUED IN TURKISH)**

The Ordinary General Assembly Meeting of Çimsa Çimento Sanayi ve Ticaret A.Ş. was held on March 27<sup>th</sup> 2014 at 14:00 at Sabancı Center Kule: 2 Levent –İSTANBUL under the supervision of the Ministry Representative Mr. Kadir ASLAN, who has been commissioned by the Governorship of Istanbul Provincial Directorate of Customs and Trade as per the Ministry of Customs and Trade’s letter no. 90726394-27.73-7695 dated March 26, 2013.

Call for the meeting, containing the agenda, was made via Turkish Trade Registry Gazette’s issue no. 8521 dated March 5, 2013, Dünya Newspaper’s issue no. 10573-10295 dated March 5, 2013 and via the website of our company [www.cimsa.com.tr](http://www.cimsa.com.tr) in accordance with the Law and as provided in the Articles of Association.

Upon the examination of the “List of Attendees” it was understood that, 9.955.047.573 shares, corresponding to the total capital amount of 99.550.476-TL TL out of the entire company capital which is 13.508.444.200 shares, corresponding to 135.084.442 TL, has been represented by proxies, 9.268.969 shares, corresponding to 92.690-TL has been represented by principles at the meeting amounting to a total of 9.964.316.542 shares, corresponding to 99.643.165-TL; and the minimum quorum established in the meeting as per the Law and the Articles of Association and the meeting was opened by Mehmet GÖÇMEN, the Chairman of the Board of Directors, and he reported that the Company Auditor who is the Turkish Audit Partner in charge of Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi (A member firm of Ernst & Young Global Limited) was present in the meeting, and it was continued with the discussion of the agenda.

As a result of the discussions in accordance with the agenda, the following decisions were taken:

**1-** According to Article 15 of the Articles of Association, Mr. Mehmet GÖÇMEN, the Chairman of the Board of Directors, conducted the meeting as the chairman of the meeting. He, as being the Chairman, appointed Baran ÇELİK as the vote collector and Memduh GÜLLÜ as the reporter.

Additionally, the Chairman appointed from the Company employees, Borhan Tosun, who has the electronic general assembly certificate, in order to use the electronic system.

The Chairman announced that 1.970.456.000 shares, corresponding to a nominal amount of 19.704.560 TL were being represented at the meeting by proxies over the electronic environment.

As there was no opposition, it was continued with the discussion of the meeting agenda respectively as announced.

**2-** The Board of Director’s Annual Report was accepted as read with the majority votes of 98.573.987 TL yeas against 1.069.178 TL nays and Annual Report of Board of Directors was discussed.

**3-** Auditor’s opinion was read as the related proposal was adopted unanimously with the total of 99.643.165-TL yeas votes, and Auditor’s report was discussed.

**4-** The shareholders were informed that, a total of 10.411.045,00-TL donations were made to several schools and public institutions within the year according to the Article 56 of Code of Higher Education as well as the Article 10 of Corporate Tax Code. The Chairman informed the participants that this item of the agenda was announced only for information purpose and would not be voted. However, Nazlı ÖZÜN stated that she had an instruction for negative vote intention about this item. The list of nays of which Nazlı ÖZÜN was the proxy is shown below, upon the request:



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Turkish Republic			
Identity Number / Tax		Name Surname	Vote /
Identity Number	Name Surname / Title of the Shareholder	of the Proxy	Share TL
T.C NO: 40765782582	ABERDEEN EMERGING MARKETS SMALLER COMPANY OPPORT. FUND INC	Nazlı ÖZÜN	550.702
T.C NO: 40765782582	BBH / JTSB RE: STB EM HDEM F 9439	Nazlı ÖZÜN	9.406
T.C NO: 40765782582	BBH/ FIRST TRUST EMERGING MARKETS SMALL CAP ALPHAD E X FUND	Nazlı ÖZÜN	45.492
<b>Total</b>			<b>605.600</b>

**5-** It was resolved by the adoption of the related proposal unanimously with the total of 99.643.165-TL yeas votes to restrict the amount of donations to be made on behalf of the company with an amount which corresponds to 5% (five percent) of company's net profit as per Capital Market Legislations.

The list of nays of which Nazlı ÖZÜN was the proxy is shown below, upon the request:

Turkish Republic			
Identity Number / Tax		Name Surname	Vote /
Identity Number	Name Surname / Title of the Shareholder	of the Proxy	Share TL
T.C NO: 40765782582	ABERDEEN EMERGING MARKETS SMALLER COMPANY OPPORT. FUND INC	Nazlı ÖZÜN	550.702
T.C NO: 40765782582	BBH / JTSB RE: STB EM HDEM F 9439	Nazlı ÖZÜN	9.406
T.C NO: 40765782582	BBH/ FIRST TRUST EMERGING MARKETS SMALL CAP ALPHAD E X FUND	Nazlı ÖZÜN	45.492
<b>Total</b>			<b>605.600</b>

**6-** "Consolidated Financial Statements" for the year 2013 were read and discussed at the level of main accounts by the adoption of the related proposal unanimously with a total of 99.643.165-TL yeas votes. As a result of the voting, consolidated financial statements were confirmed unanimously with a total of 99.643.165-TL yeas votes.

**7-** As a result of the voting, the members of the Board of Directors released for their 2013 activities unanimously with the total of 99.643.165-TL yeas votes.

**8-** "Dividend distribution policy" was read. As a result of the voting, the "dividend distribution policy" which was accepted by the Board of Directors, declared as it is written below and read in the General Assembly, was accepted with the majority votes of 94.236.498-TL yeas against 5.406.667-TL nays. The list of nays of which Nazlı ÖZÜN was the proxy is shown below, upon the request:

Turkish Republic			
Identity Number / Tax		Name Surname	Vote /
Identity Number	Name Surname / Title of the Shareholder	of the Proxy	Share TL
T.C NO: 40765782582	BBH / JTSB RE: STB EM HDEM F 9439	Nazlı ÖZÜN	9.406
T.C NO: 40765782582	BBH/ FIRST TRUST EMERGING MARKETS SMALL CAP ALPHAD E X FUND	Nazlı ÖZÜN	45.492
<b>Total</b>			<b>54.898</b>



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**DIVIDEND DISTRIBUTION POLICY:**

Çimsa Çimento Sanayi ve Ticaret A.Ş.'s (ÇİMSA) Dividend Distribution Policy has been determined within the framework of Turkish Commercial Code, Capital Markets Law and other related regulations and according to the related article about dividend distribution in the Articles of Association; in line with ÇİMSA's medium and long term strategies, investment and financial plans and by taking into consideration the situation of the country's economy and by balancing the shareholders' expectations and needs of ÇİMSA.

In line with the decision taken at the General Assembly, although mainly it is adopted to determine the amount of dividends to be distributed; the principle of dividend distribution to shareholders at the rate of 50% per annum in cash and / or in the form of bonus shares, has been envisaged.

Advance dividend payment is not applied in ÇİMSA.

Dividends will be distributed equally as soon as possible to all of the existing shareholders irrespective of the shares' date of issuance and acquisition, with in the legal period, on the date determined by the General Assembly, following the approval of the General Assembly.

The General Assembly can transfer a portion or all of the net profit to the extraordinary reserves. If ÇİMSA's Board of Directors propose to the General Assembly a practice to distribute no dividend, the information about the reasons in relation to this situation and the way of usage of the undistributed dividend, is given to the shareholders in the General Assembly Meeting. Likewise, this information is shared with the public by including it in the annual report and on the web site.

Dividend distribution policy is submitted to the approval of shareholders at the General Assembly Meeting. This policy is reviewed annually by Board of Directors based on any negativity on national and global economic conditions, according to the status of current projects and funds. Any change in this policy is also submitted to the approval of shareholders at the first General Assembly Meeting after the change and publicized on the website.

**9-** By the adoption of the related proposal which was submitted to the Chairmanship with the majority votes of 99.208.799-TL yeas against 434.366-TL nays;

Calculated in accordance with CMB regulations, out of the consolidated net profit of 2013; amounting to 340.188.471-TL, in line with the 26th article of Articles of Association and CMB Communiqué, after the deduction of General Legal Reserve (1st Issue), Legal Obligations and Non-Controlling Shares, out of the remaining 302.310.817,- TL Net Distributable Profit, in accordance with the recommendations of the Board of Directors

First Dividend Share	6.754.222,10 TL
Second Dividend Share	149.133.223,97 TL
Total gross dividend	155.887.446,07 TL
General Legal Reserve (2nd Issue)	14.913.322,40 TL
Extraordinary Reserves	131.510.048,53 TL

shall be paid as a dividend and shall not be paid to the Board of Directors.



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According to the dividend distributed as a result of the above principles, out of the statutory net distributable profit of 366.066.047,25 TL which is prepared according to the provisions of the Tax Procedure Code, 107.960,35 TL is allocated as an Extraordinary Reserve, whereas 195.097.318,43 TL which is derived from the 75% of the earnings of the share sale in 2013 is allocated as a Special Reserve by recording it under the account of "Profit on Sales of Subsidiaries and Real Estates" on the liability side of the balance sheet in order to use the corporate tax exemption due to the Corporate Tax Law in Article 5/1-and,

thus, from the year profit of 2013, to the shareholders representing 135.084.442-TL of our capital, depending on their legal status, gross 115,40%, net 98,09%, a total of 155.887.446,07-TL was decided to be distributed starting from March 28, 2014.

**10-** By taking into account the proposal of the Audit Committee to the Chairman; according to regulations of Turkish Commercial Code numbered 6102 and Capital Markets Law numbered 6362; it was resolved with the majority votes of 99.197.931-TL yeas against 445.234-TL nays that Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (A member firm of Ernst & Young Global Limited), which is located in Istanbul, will conduct audit of the Company's financial reports in 2014 fiscal year together with carrying out other activities within the scope of the applicable law.

**11-** By the adoption of the related proposal submitted to the Chairman unanimously with the total of 99.643.165-TL yeas votes, Articles of Association was accepted as read.

Article 26 in Articles of Association is decided to be amended as in the written text below in accordance with the approved amendment proposal, in line with the Capital Market Board's authorization letter no. 29833736-110.03.02-3710-13150 dated December 24, 2013; Turkish Republic Ministry of Customs and Trade's authorization letter no. 67300147/431.02-2828-7130-063/136 dated January 8, 2014, unanimously with the total of 99.643.165-TL yeas votes.

**NEW TEXT:**

**Dividend Distribution:**

**Article 26** – After amounts such as the overheads of the company and miscellaneous depreciation costs, which must be paid and allocated by the company and compulsory levies to be paid by the legal entity of the company are deducted from the income determined at the end of the period, net income on the annual balance sheet is distributed as follows, after losses, if any, from the previous year are deducted.

- a) 5% of the net profit is allocated as capital reserve.
- b) The remaining amount is allocated as the first dividend in accordance with the Capital Market's legislation.
- c) After deducting the amounts specified in paragraph (a) and paragraph (b), the General Assembly is authorized to distribute the remaining part as a second dividend fully or partially or is authorized to allocate it as an extraordinary reserve.
- d) After 5% dividend, which is determined to be distributed to shareholders or persons participating in the profit, is deducted, one-tenth of the remaining amount is allocated as capital reserve as per the paragraph 2(c) of Article 519 of Turkish Commercial Code.
- e) As long as the capital reserves, which must be allocated in accordance with Turkish Commercial Code, are not allocated, or the first dividend determined for the shareholders in the Articles of Association are not distributed as cash and/or share, it is not allowed to allocate any other reserves or transfer any profit to the next year.
- f) The dividend is distributed to all the relevant shareholders and profit participants without taking issuance and acquisition dates into account.



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**12-** It was resolved with the majority votes of 99.504.313-TL yeas against 138.852-TL nays to authorize the Chairman and members of the Board of Directors to perform the activities stated in articles 395 and 396 of Turkish Commercial Code.

As there was no remaining agenda item to be discussed, the Chairman adjourned the meeting by declaring that the meeting quorum was protected during the meeting.

This Minutes of Meeting which consists of 5 pages were issued and signed in the meeting venue.

Istanbul, 27.03.2014, 14:55

MINISTRY REPRESENTATIVE  
Kadir ASLAN

CHAIRMAN  
Mehmet GÖÇMEN

VOTE COLLECTOR  
Baran ÇELİK

REPORTER  
Memduh GÜLLÜ