

**MINUTES OF ORDINARY GENERAL ASSEMBLY MEETING FOR YEAR 2015 OF
İSKENDERUN DEMİR VE ÇELİK ANONİM ŞİRKETİ
MADE ON 30TH MARCH 2016**

Date of the meeting	: 30 th March 2016 - 13:30
Place of the meeting	: Radisson Blu Hotel Ballroom located at Atatürk Mahallesi Yakut Caddesi No. 10 Ataşehir – İstanbul
Chairman of the meeting	: Ali Aydın Pandir, representative of ATAER Holding A.Ş. Chairman of board of directors and Managing member
Minutes Clerk	: Kemal Haluk ERUYGUR Legal Advisor of OYAK
Vote collector	: Çiğdem AYIK OKUR Representative of Ereğli Demir ve Çelik Fabrikaları T.A.Ş.
Ministry Representative	: Aysin YAZGAN BİLGİN

ordinary general assembly meeting of İskenderun Demir ve Çelik A.Ş. for year 2016 is made on 30th March 2016 at 13:30 at Radisson Blu Hotel Ballroom located at Atatürk Mahallesi Yakut Caddesi No. 10 Ataşehir – İstanbul based on 22nd article of Articles of Association of the company under supervision of Ministry Representative Aysin YAZGAN BİLGİN who is assigned by letter dated 29/03/2016 and no. 90726394-431.03 of İstanbul Governorship Provincial Directorate of Commerce.

The meeting is opened by Ali Aydın PANDIR who is representative of Chairman of board of directors and Managing member ATAER Holding A.Ş. since it is determined and confirmed by the Ministry Representative;

- that the invitation for the meeting made in due time as it is foreseen in the law and in the Articles of Association and in a manner to include agenda by announcement in issue dated 8th March 2016 and no. 9027 of Turkish Trade Registry Gazette and issue dated 8th March 2016 and no. 8067 of İskenderun Esin Newspaper by informing the shareholders on date and agenda of the meeting together with sample of power of attorney
- that total 275.726.213.000 shares representing the total capital of TRY 2.757.262.130,09 are represented in the meeting upon check of list of attendants as 28.441.493 shares representing the capital of TRY 284.414,93 personally and 275.697.771.516 shares representing the capital of TRY 2.756.977.715,16 by proxy and thus minimum meeting quorum foreseen both in the law and Articles of Association of the Company is available;
- that Chairman of board of directors – Managing member ATAER Holding A.Ş. (Representative: Ali Aydın PANDIR), independent member of board of directors Hakkı Cemal ERERDI and Pınar ŞENÇİTAK whose TR identity no. ***** who is representative of company auditor Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. attended the meeting.

It is passed to discuss articles of the agenda;

1- In first article of the agenda related to opening and constitution of the meeting chairmanship; since chairmanship of the meeting shall be executed by Ali Aydın PANDIR who is representative of Chairman of board of directors ATAER Holding A.Ş. according to provisions of Articles of Association of the company

and General Assembly Internal directive; Kemal Haluk ERUYGUR has been charged by chairman of the meeting as minutes clerk and Çiğdem AYIK OKUR as vote collector.

2- In second article of the agenda related to authorizing the meeting chair for signing of the general assembly meeting minutes; it is unanimously decided to authorize meeting chair which is constituted for signing of the meeting minutes pertaining to this meeting and other documents on behalf of the attendants

3- In third article of the agenda related to reading and discussion of activity report of board of directors for year 2015; it is put to voting of general assembly whether it is required to re-read the activity report since it was made available to the shareholders for review and it was given to the applying shareholders and it is decided not to read again by majority by 275.711.003.888 aye votes against 15.209.121 nay votes. Then it is passed to the next agenda article since no one wanted to speak about the activity report.

4- In fourth article of the agenda related to reading and discussion of independent audit report for year 2015; it is put to voting of general assembly whether it is required to re-read the independent audit report since it was made available to the shareholders for review and it was given to the applying shareholders and it is unanimously decided not to read again and then it is passed to the next agenda article.

5- In fifth article of the agenda related to reading, discussion and approval of balance sheet and profit & loss accounts for 2015 accounting year; it is put to voting of general assembly whether it is required to re-read the balance sheet and profit & loss accounts for year 2015 since it was made available to the shareholders for review and it was given to the applying shareholders and it is decided not to read again by majority by 275.708.047.727 aye votes against 18.165.282 nay votes. No one wanted to speak about the matter. Balance sheet and profit & loss accounts for year 2015 is submitted to voting of general assembly and it is unanimously decided to approve balance sheet and profit & loss accounts for year 2015 as a result of voting made.

6- In sixth article of the agenda related to discussion of acquittal of members of board of directors one by one for 2015 accounting year; submitting to voting and making decision about this matter; It is decided by majority of votes to acquit members of board of directors one by one 275.708.047.727 aye votes against 18.165.282 nay votes as a result of voting made. Members of board of directors did not vote in their own acquittal.

7- In seventh article of the agenda related to discussion of proposal of board of directors regarding the distribution of profit for 2015 accounting year, submitting to voting and making decision about this matter; proposal related to distribution of profit for 2015 accounting year given by the board of directors is read and submitted to the general assembly for approval; and it is unanimously decided to accept the proposal; to allocate legal reserve fund at amount of TRY 40.874.813 at a rate of 5% over net period profit written in 2015 financial statements prepared according to provisions of Tax Procedural Law in accordance with 519th article of Turkish Commercial Code and provisions of Capital Market Law; to allocate cash shareholder dividend at amount of TRY 493.000.000 at a rate of 92,0079 % on net distributable period profit in 2015 financial statements prepared according to regulations of Capital Market Board; to allocate general legal reserve fund at amount of TRY 34.800.000 at a rate of 10% of the exceeding amount in the scope of (c) sub-clause of second clause of 519th article of Turkish Commercial Code since allocated cash dividend amount exceeds 5% of paid capital of the company; to allocate TRY 6.568.303 remained after deduction of general legal reserve fund and first dividends distributed to shareholders from net period profit as extraordinary reserve fund; to determine profit distribution date by board of directors after general assembly

meeting by considering cash projection of the company in a manner to realize as lump sum payment until 15th December 2016 at the latest.

8- In eighth article of the agenda related to determination of numbers of members of board of directors and making elections for memberships of board of directors in accordance with provisions of articles of association of the company; number of members of board of directors is determined as 9 in accordance with 359th article of Turkish Commercial Code and 9th and 10th articles of Articles of Association of the Company; then it passed to determine candidates for membership of board of directors in order to have duty for a period of 1 (one) year. Bayram ÖZARSLAN is nominated as a candidate by proposal petition given by Bayram ÖZARSLAN, Selahattin KOVALAK, İsa TOPALOĞLU, Turan ELMA, Suphi YÜKSEK, Özcan VARSAVAŞ, Nurullah ER, Turan AKDAĞ, Muzaffer BÖLÜR, Cem TEMİZ, Osman ATABEK, Mürsel GÖDA and Tahsin DUYAR other than the candidate proposed by Sıdika TURHAN, representative of Republic of Turkey Prime Ministry Privatization Administration, and the candidates proposed by Çiğdem AYIK OKUR, representative of Ereğli Demir ve Çelik Fabrikaları T.A.Ş.; proposal for membership of board of directors for Bayram ÖZARSLAN is refused by majority of votes as with 275.704.811.054 aye vote against 21.401.955 nay votes and then the candidate proposed by Sıdika TURHAN, representative of Republic of Turkey Prime Ministry Privatization Administration, and the candidates proposed by Çiğdem AYIK OKUR, representative of Ereğli Demir ve Çelik Fabrikaları T.A.Ş. were submitted to voting of general assembly; and it is decided by majority of votes to elect the following persons as member for a period of 1 year by 275.708.047.727 aye votes against 18,165,282 nay votes.

As members of board of directors:

- Republic of Turkey Prime Ministry Privatization Administration (real person representative: Mehmet Şükrü Doğan whose TR Identity number is 54214411732)
- ATAER Holding A.Ş. (real person representative: Ali Aydın PANDIR whose TR Identity number is 20279188254)
- Erdemir Madencilik Sanayi ve Ticaret A.Ş. (real person representative: Fatma CANLI whose TR Identity number is 49222658996)
- OYAK Pazarlama Hizmet ve Turizm A.Ş. (real person representative: Ertuğrul AYDIN whose TR Identity number is 24296314450)
- Erdemir Mühendislik, Yönetim ve Danışmanlık Hizmetleri A.Ş. (real person representative: Dursun Özer ÖZDİNÇ whose TR Identity number is 14336062892)
- Erdemir Çelik Servis Merkezi Sanayi ve Ticaret A.Ş. (real person representative: Ahmet Türker ANAYURT whose TR Identity number is 11146088302),

For independent members of board of directors:

- Emin Hakan EMİNSOY (TR identity no. 19612417854)
- Hakık Cemal ERERDİ (TR identity no. 26608982630)
- Ali Tuğrul ALPACAR (TR identity no. 29929900246)

9- In ninth article of the agenda related to determination of wages of members of board of directors, submitting it to voting and making decision about this matter; the motion given by Çiğdem AYIK OKUR, representative of Ereğli Demir ve Çelik Fabrikaları T.A.Ş., is read and the motion is submitted to the general assembly for voting since there is no one expressing other opinion and in line with the motion; It is decided by majority by 275.708.047.727 aye votes against 18,165,282 nay votes:

- not to pay wage to members of board of directors who are elected as representative of B group shares

- to determine the wage to be paid to members of board of directors who are elected as representative of A group shares as net TRY 2.360 per month (in advance at the beginning of the relevant month)
- to determine the wage to be paid to independent members of board of directors as net TRY 4.800 per month (in advance at the beginning of the relevant month)
- and to enter the new wages into force as of 01.04.2016.

10- In tenth article of the agenda related to giving permission to members of board of directors of the company to make business which are specified in 395th and 396th articles of Turkish Commercial Code; submitting it to voting and making decision about this matter; after reading of the motion given by Çiğdem AYIK OKUR, representative of Ereğli Demir ve Çelik Fabrikaları T.A.Ş.; giving of the permission to members of board of directors which are specified in 395th and 396th articles of Turkish Commercial Code is submitted to voting of general assembly as a result of discussions made; and it is decided majority by 275.708.047.727 aye votes against 18,165,282 nay votes to give permission which are specified in 395th and 396th articles of Turkish Commercial Code to members of board of directors;

11- In eleventh article of the agenda related to discussion of proposal of board of directors for selection of independent external audit corporation for audit of Account and Transactions of the company for year 2016 in accordance with Turkish Commercial Code and Capital Market Law, submitting it to voting and making decision about this matter; the proposal given by the board of directors is read; approval of independent external audit Corporation is submitted to approval of the general assembly; as a result of the voting made; it is unanimously decided to approve decision of board of directors for selecting Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (A Member Firm of Ernst & Young Global Limited) for audit of Account and Transactions of the company for year 2016 in accordance with Turkish Commercial Code, Capital Market Law.

12- In twelfth article of the agenda related to submitting information to general assembly related to guarantee, pledge, mortgage and surety given in favor of third persons and incomes and interests acquired; it is informed to the general assembly that there is not guarantee, pledge, mortgage and surety given in favor of third persons and incomes and interests acquired.

13- In thirteenth article of the agenda related to giving information to general assembly related to donations and aids made in 2015 and discussion of proposal of board of directors for determining the top limit of donation amount for 2016, submitting it to voting and making decision about this matter; shareholder Bayram ÖZARSLAN demanded purchasing of clubhouse in İskenderun, Dört Yol and Osmaniye by İsdemir and allocation to İsdemir Benefit Association for Workers and Retired and furthermore he expressed his opinion for making dividend distribution in April, in May at the latest and wanted publicity of trading of shares. It is given information that it shall be made discussion with top management of the company on this matter by chairman of the meeting. Then it is passed to article of the agenda; donations and aids made by the company in 2015 at amount of TRY 1.455.233 remained under top limit of 0,03% (three per one thousand) determined in 2015 ordinary general assembly meeting organized on 30/03/2015 and realized as 0,025% (two and half per ten thousand); the proposal given by the board of directors on donations to be made in 2016 is read and submitted to approval of the general assembly; as a result of the voting made; it is decided to approve decision and proposal of board of directors for limitation of donations to be granted in 2016 at a rate of 0,04% (four per ten thousand) of net sales revenue as a result of 275.714.240.561 aye votes against 11,972,448 nay votes.

14- In fourteenth article of the agenda related to closing; agenda of the general assembly consisting of fourteen articles is completed; general assembly meeting is closed with expressing of thanks by Ali Aydın PANDIR representative of chairman of the meeting ATAER Holding A.Ş.

(signed)
Ministry representative
Ayşin YAZGAN BİLGİN

(signed)
Chairman of the meeting
ATAER Holding A.Ş.
(Representative: Ali Aydın PANDIR)

(signed)
Vote collector
Çiğdem AYIK OKUR

(signed)
Minutes Clerk
Kemal Haluk ERUYGUR