

**MINUTE OF 53<sup>rd</sup> GENERAL MEETING OF  
OTOKAR OTOMOTİV VE SAVUNMA SANAYİ A.Ş.  
HELD ON 28.03.2016**

The Ordinary General Meeting of the Company concerning the activity year 2015 has held at the address of Divan İstanbul Hotel, Asker Ocağı Cad. No. 1 Elmadağ Şişli, İstanbul at 15:00 on 28.03.2016 with the participation of Ministry Representative Ms. Nevin Oktay who is appointed with 24 March 2016 dated 14817306 numbered letter of Republic of Turkey, Ministry of Customs and Trade, İstanbul Provincial Directorate of Trade.

The invitation relating to the meeting has declared at the 26 February 2016 dated and 9020 numbered Turkish Trade Registry Gazette, in corporate website of our company, [www.otokar.com.tr](http://www.otokar.com.tr), at e-corporate portal of Central Registry Agency and at Electronic General Meeting System before 21 days within legal duration as assumed in the Law and Articles of Association with agenda inside.

After examining the attendant list, it is determined that the minimum quorum has provided by 2.869.562 shares corresponding to 28.695,62 TL, are represented personally, 2.400.000.000 shares corresponding to 17.937.932,21TL are represented by proxy and 1.793.793.221 shares are represented in total over 1.796.662.783 shares corresponding to 24.000.000 TL capital of company in compliance with required Law and Articles of Association. Shares with the amount of 431.885 TL which are represented by Deposited Representatives that are declared by Mr. Kudret Önen who is the Member of Board of Directors of our Company.

In compliance with the Article 1527, Item Five and Six of Turkish Commercial Code, the Company has performed general meeting preparations in accordance with the legal provisions. Ms. Hatice Gülşah Mutlu who has “Central Registry Agency Electronic General Meeting System Specialist Certificate”, has appointed in order to use electronic general meeting system by Mr. Kudret Önen and the discussion of the agenda has started by opening the meeting both at physical and electronic environment at the same time.

Mr. Kudret Önen, member of the board of directors, has made a declaration about procedure of voting. He has determined that having the right of reserving the electronic vote counting in compliance with Law and Articles of Association, shareholders who participate in the general meeting physically shall vote via raising hand and open and shareholders who give refuse vote have to declare their votes orally.

Below decisions are taken as the result of the discussion within the content of the agenda:

1- In accordance with the Article 1 of the agenda about the Election of the Chairing board of the Ordinary General Meeting has begun. Mr. Kudret Önen, the proxy of the Koç Holding A.Ş., has announced his offer for the Chairman of the meeting. It is unanimously decided that election of the Mr. Kudret Önen for the Chairman of the General Meeting Chairing Board by 17.966.627,83 TL vote.

The Meeting Chairman has mentioned that he has appointed Mr Ahmet Serdar Görgüç and Mr. Mustafa Metin Utkan as vote collectors and Mr. Hüseyin Odabaş as Minute Clerk.

The Meeting Chairman has determined that all required documents for the agenda are present within the meeting place the Meeting Chairman also determined that Mr. Osman Turgay Durak, Mr. Halil İbrahim Ünver, Mr. Ahmet Serdar Görgüç, Mr. İsmet Böcügöz, Mr. Abdulkadir Öncül and Mr. Ahmet Nezih Olcay who are the members of the board of directors and Ms. Beste Gücümen who is presenting Independent Auditing Firm Nas Bağımsız Denetim ve Serbest Muhasebeci Mali

Müşavirlik. A.Ş. (A Member of PricewaterhouseCoopers) have participated in the meeting and excuses are declared who were not able to participate in the meeting.

2. In accordance with the Article 2 of the agenda, the Chairman has stated that the 2015 Year Activity Report of the Company has declared to Public (at Public Disclosure Platform, [www.otokar.com.tr](http://www.otokar.com.tr) corporate website of the company, Electronic General Meeting System of Central Registry Agency and printed Activity Report) 21 days before the General Meeting. The Activity Report of the Board of Directors that is prepared by Board of Directors of the Company relating to 2015 year Activities has read by the Minute Clerk. Discussion has held on the Activity Report of 2015 year. As the result of the discussions Activity Report of 2015 has accepted by 17.966.827,83 TL positive unanimous vote.

3. In accordance with the Article 3 of the agenda, the Chairman has claimed to read the report summary prepared Nas Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik. A.Ş. (A Member of PricewaterhouseCoopers) and about activity relating to 2015 year. Ms. Beste Gücümen who represents Nas Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik. A.Ş. (A Member of PricewaterhouseCoopers) has read the report summary. Since this article of the agenda is not subjected to vote, just information has provided.

4. In accordance with the Article 4 of the agenda the Chairman has stated that the 2015 Financial Tables of the Company has declared to Public (at Public Disclosure Platform, [www.otokar.com.tr](http://www.otokar.com.tr) corporate website of the company, Electronic General Meeting System of Central Registry Agency and printed Activity Report) 21 days before the General Meeting. Mr. Hüseyin Odabaş, the minute clerk, has read the summary of the balance sheet and financial tables. Financial tables were presented to negotiations and as the result of the discussions, Financial Reports of 2015 has accepted by 17.966.627,83 TL positive unanimous vote.

5. The Chairman has presented the release of the Members of the Board of Directors due to their accounts and activities for the year 2015 to the approval of the General Meeting. Members of the Board of Directors separately unanimously have released by 17.966.627,83 TL positive vote without using their voting rights.

6. Discussion of the General Meeting Offer on the Distribution of the 2015 Profit prepared in accordance with the profit distribution policy, as declared to Public (at Public Disclosure Platform, [www.otokar.com.tr](http://www.otokar.com.tr) corporate website of the company, Electronic General Meeting System of Central Registry Agency and printed Activity Report) 21 days before the General Meeting.

According to our financial tables which are audited by Nas Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik. A.Ş. (A Member of PricewaterhouseCoopers) and based on Turkish Accounting / Financial Reporting Standards (TMS/TFRS) relating to the January 1<sup>st</sup> – December 31<sup>st</sup> 2015 fiscal year 79.506.151 TL net period profit was obtained and profit distribution suggestion of Board of Directors prepared in compliance with the Profit Distribution Table in the Share Guide declared in accordance with the II-19.1 Communique by considering Profit Distribution Policy, long term company strategy, capital requirements of our company, investment and finance policies, profitability and cash status.

According to tax procedure law, as 38.572.326 TL current year profit has presented;

as the contingency reserve has reached 20 % limit of the capital which exist in the registries as of the 31.12.2015 in tax procedure law, no reserve will be funded in compliance with the Article 519 Turkish Commercial Code for the legal reserve which have to be reserved with the rate of % 5,

according to Financial Tables which are formed in accordance with the Turkish Accounting / Financial Reporting Standards (TMS/IFRS), the share basis is 81.472.851 TL when donations amounting 1.966.700 TL was added to obtained 79.506.151 TL net period profit,

according to the financial tables which are formed in accordance with the Tax Procedure Law, it is seen that 38.572.326 TL net period profit obtained and 204.719.357-TL net distributable profit has been reached.

as stated in the profit distribution table in the annex in compliance with the Capital Market Board and Article 19 of Articles of Association of our Company

40.736.425,50 TL first share profit to the shareholders,  
31.263.574,50 TL second share profit to the shareholders,  
7.080.000,00 TL share profit distribution from the previous year profits,  
426.151,00 TL Secondary Reserve

to pay total of 72.000.000 TL as the first and second dividend to shareholders in cash,

to pay the 35.174.842 TL of 72.000.000 TL share based on our legal records from current year profit and resting 36.825.158 TL from the previous year profits and to pay 3.397.484 TL of 7.080.000 TL as the Secondary Reserve from the current year profit and 3.682.516 TL from the extraordinary reserves,

to pay cash profit to full-fledged taxpayers and foreign-based taxpayers that make profit via business or permanent representative in Turkey with the rate of 300.00 % and 3.00 TL gross=net profit at 1,00 TL of nominal value to one share register and to pay cash profit to other shareholders with the rate of 255,00 % and 2.55 TL net cash profit at 1 TL nominal value to one share register and setting the profit distribution date as of 04.04.2016 has accepted by 17.966.827,83 TL positive unanimous vote.

7- In accordance with the Article 8 of the agenda relating to discussion on the election of the membership of the board of directors. Kudret Önen, the proxy of the Koç Holding A.Ş. shareholder of the Company has declared his offer for the members of the Board of the Directors Ministry Representative has seen the candidate and duty acceptance declaration of the ones who cannot physically attend to the general meeting.

The proposal was voted and the number of the member of the board of directors have determined as 3 independent members and 9 members in total.

Following members are elected by the majority vote as members of board of directors Mr. Yıldırım Ali Koç Citizenship Number 11989049966, Mr. Halil İbrahim Ünver Citizenship Number 29953912796, Mr. Osman Turgay Durak Citizenship Number 13348799734, Mr. Levent Çakıroğlu Citizenship Number 27226347542, Mr. Kudret Önen Citizenship Number 27484989102, Mr. Ahmet Serdar Görgüç Citizenship Number 24695335254 and Mr. İsmet Böcügöz Citizenship Number 14965765744 independent members of board of directors, Mr. Abdulkadir Öncül Citizenship Number 25195144056, Mr. Ahmet Nezih Olcay Citizenship Number 40954510132 with 2.581-TL TL refusal against 17.964.046,83 TL acceptance vote until the discussion meeting of the 2016 accounts. The dissenting opinion which identifies why Ms. Melsa Ararat Merrel who is participating the meeting via Electronic General Meeting System with 100 share and voted to refuse, was attached to the minutes (Attachment 2). Kudret Önen, chairman of the Chairing Board, had answered the question of Ms. Melsa Ararat Merrel.

The information about CVs of the Members of the Board of Directors has declared to Public (at Public Disclosure Platform, [www.otokar.com.tr](http://www.otokar.com.tr) corporate website of the company, Electronic General

Meeting System of Central Registry Agency and printed Activity Report) 21 days before the General Meeting.

8- "The Remuneration Policy for the Members of the Board of Directors and the Top Executives" that is presented for information and approval of our shareholders at the 26.03.2015 dated general meeting of our Company. The information on 10.840.763- TL is paid to Members of the Board of Directors as it is mentioned in the Footnote 27 of the Financial Tables which are announced to the public and the Top Executives during the year 2015 as declared 21 days before the General Meeting to Public (at Public Disclosure Platform, www.otokar.com.tr corporate website of the company, Electronic General Meeting System of Central Registry Agency and printed Activity Report) and payments performed within the content of "The Remuneration Policy for the Members of the Board of Directors and the Top Executives" have accepted by the majority vote 17.959.027,83 TL acceptance vote and 7.600-TL refusal vote.

9- Kudret Önen, the proxy of the Koç Holding A.Ş. shareholder of the Company has declared his offer on determination of the monthly remuneration of the members. Proposal was presented and decided by 17.959.027.83 TL vote unanimously against 7.600-TL refusal vote in order to be paid to each member of the board of directors gross 330.000 TL (Three Hundred Thirty Thousand Turkish Liras) annually from the month following the decision.

10- Within the content of Turkish Commercial Code and Capital Markets Regulations it is decided by 17.966.627,83 TL vote unanimously to elect Nas Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. which is elected with 22.02.2016 date and 2 numbered decision of the Board of Directors as Independent Audit Institution in order to audit the financial reports and performing other procedures in accordance with the related arrangements for the 2016 accounting year by taking into consideration the suggestion of the Audit Committee.

11- The information about the company has donated 1.966.700 TL within the year 2015 is shared with General Meeting. The offer of Mr. Kudret Önen, the proxy of the Koç Holding A.Ş. shareholder of the Company about the upper limit of the donations should be 3.500.000 TL is accepted by majority vote by 436.456 TL refusal vote against 17.530.171,83 TL acceptance vote.

12- Giving permission to Shareholders who hold managing sovereignty, Members of the Board of Directors, Top Level Executives and spouse and blood and affinity relationship in compliance with the Article 395 and 396 of Turkish Commercial Code is accepted by majority vote by 17.950.940,83. – TL acceptance against 15.687 TL refusal vote.

Information about if there is not such kind of operation carried out within the year 2015 in accordance with Capital Markets Board and Corporate Governance Communiqué.

13. - In the wished section of the agenda acknowledgement is presented for the results and wishes about success for the following years is presented. The questions of the shareholders were answered by Mr. Kudret Önen; chairman of the Chairing Board, Mr. Serdar Görgüç; General Manager of the Company and Mr. Hüseyin Odabaş; Vice CFO.

The chairman has closed the meeting since there is not any article to be discussed. This minute is arranged at the meeting place and signed.

(28.03.2016)

MINISTRY REPRESENTATIVE  
Ms. NEVİN OKTAY

MEETING CHAIRMAN  
Mr. KUDRET ÖNEN

VOTE COLLECTOR  
Mr. AHMET SERDAR GÖRGÜÇ

VOTE COLLECTOR  
Mr. MUSTAFA METİN UTKAN

MINUTE CLERK  
Mr. HÜSEYİN ODABAŞ



# CORPORATE GOVERNANCE

## PROFIT DISTRIBUTION PROPOSAL FOR THE ACCOUNTING PERIOD 01.01.2015 - 31.12.2015

According to our non-consolidated financial statements pertaining to the 01.01.2015-31.12.2015 accounting period, prepared in accordance with Turkish Accounting Standards/Turkish Financial Reporting Standards (TMS/TFRS) pursuant to Capital Market Board's (CMB) "Communiqué on the Principles Financial Reporting in Capital Markets", numbered II-14.1, a "Non-consolidated Net Profit" of TL79,506,151 has been posted. Our profit distribution proposal, taking into account our long-term corporate strategy, the capital requirements of our Company, investments and financing policies, and profitability and cash position, is presented below. In line with the resolution reached at the Annual General Assembly, the dividend payment will start on April 4, 2016.

### Otokar Otomotiv ve Savunma Sanayi A.Ş. Profit Distribution Statement 2015 (TL)

1. Paid-in/Issued Capital		24,000,000
2. Legal Reserves (based on Legal Records)		46,838,147
Information concerning any privileges provided in the articles of association regarding profit distribution		
	According to CMB	According to Statutory Records
3. Profit for the Period	87,840,200	43,128,957
4. Taxes Payable (-)	8,324,152	4,556,631
5. Net Profit for the Period (-)	79,506,151	38,572,326
6. Retained Losses (-)		
7. Legal Reserves (-)		
8. NET DISTRIBUTABLE PROFIT FOR THE PERIOD (-)	79,506,151	38,572,326
9. Donations made during the year (+)	1,966,700	
10. Donations Included Net Distributable Profit for the Period	81,472,851	
Primary Dividend to Shareholders		1,200,000
11. - Cash	40,736,425.50	
- Bonus Shares		
- Total		
12. Dividend Paid to Holders of Preferred Shares		
Other Dividend Paid		
12. - to Board Members		
- to employees		
- to parties other than stakeholders		
14. Dividend Paid to Holders of Dividend Right Certificate		
15. Secondary Dividend to Shareholders	21,262,574.50	22,974,842
16. Legal Reserves	7,080,000	3,297,484
17. Statutory Reserves		
18. Special Reserves		
19. EXTRAORDINARY RESERVES	426,151	-
20. Other Funds Proposed to be Distributed		
- Retained Earnings		26,825,158
21. Legal Reserves Allocated for Other Sources as Proposed to be Distributed		3,682,516

### Dividend Ratio Table

	Group	Total Dividend Distributed (TL)		Total Dividend Distributed/Net Distributable Profit for the Period	Dividend Per Share at Par Value of 1 TL	
		Cash (TL)	Bonus (TL)		Amount (TL)	Ratio (%)
Gross	-	72,000,000	0	91%	2.00000	300.000
	TOTAL	72,000,000	0	91%	2.00000	300.000
Net	-	61,200,000	0	77%	2.55000	255.000
	TOTAL	61,200,000	0	77%	2.55000	255.000



## Central Securities Depository

Item No	Participant	Shareholder	Dissenting Opinion
7	MELİSA ARARAT MERRREL	MELİSA ARARAT MERRREL	I am presenting dissenting vote as it is not obeyed the Capital Markets Board Corporate Governance Principles and enough women member were appointed.