

## **MİGROS TİCARET A.Ş.**

### **INFORMATION DOCUMENT**

#### **ORDINARY GENERAL ASSEMBLY MEETING TO BE HELD ON 11 APRIL 2017 WITH REGARD TO THE ACTIVITIES OF 2016**

The 2016 Ordinary General Assembly Meeting of our Company will be held on 11 April 2017 at 14:00 the Migros Ticaret A.Ş. Head Office in Atatürk Mahallesi Turgut Özal Bulvarı No:7 34758 Ataşehir / Istanbul to discuss the below-mentioned agenda and pass resolutions with regard thereto.

Provided that the rights and obligations of those shareholders who will be participating electronically are reserved, those of our shareholders, who will not be able to participate in the meeting in person, are required to issue their powers of attorney based on the attached sample or to obtain the form of power of attorney from our Company Head Office or our company website at [www.migroskurumsal.com](http://www.migroskurumsal.com), fulfill the obligations stated in the notification of the Capital Markets Board Communiqué on Casting of Votes through Proxies and Collection of Powers of Attorney by Invitation (II-30.1) and submit their powers of attorney, bearing their signatures as certified by a Notary Public, to our Head Office. The power of attorney of a proxy electronically appointed via the Electronic General Assembly System need not be submitted. It will not be possible to participate in the general assembly with proxies that are not in accordance with the attached proxy statement sample which is kept mandatory in the relevant Communiqué.

According to the fourth paragraph of article 415 of the Turkish Commercial Code no 6102 and the first paragraph of article 30 of the Capital Markets Law no. 6362, the depositing of share certificates cannot be made into a condition of the right to participate and vote in a general assembly meetings. Within this context, if our shareholders wish to participate in the General Assembly meeting, there is no need for them to have their shares blocked. However, those shareholders who did not wish our Company to be notified of their identities and the information on the shares in their accounts and to whose information our Company does not have access as a result are required to apply to the intermediary institution holding their accounts and have the "restriction" blocking notification of their identities and information on the shares in their accounts to our Company lifted at the latest by 16:30 on the day prior to the General Assembly meeting if they wish to participate in such General Assembly meeting.

Those of our shareholders who will be voting through the Electronic General Assembly System should obtain information from the Central Registry Agency (MKK), our Company's website at [www.migroskurumsal.com](http://www.migroskurumsal.com) or our Company's Head Office (Telephone: 0216 579 30 00) in order to be able to fulfill their obligations within the scope of the relevant Regulation and Communiqué.

Provided that the provisions on electronic voting are reserved, the voting on the agenda items for the General Assembly Meeting will be exercised in open voting by a show of hands. As stipulated in our Company's Articles of Association, none of the Company's shares enjoy privileged voting rights. All votes are equal. At the General Assembly, each shareholder possesses voting rights proportional to the nominal value of its shares.

Independent Auditor's Report, Balance Sheet Income Statement and the profit distribution proposal for the year 2016, Annual Report and appended thereto the Compliance Report with the Corporate Governance Principles and the Information Document concerning the agenda for the General Assembly Meeting will all be available for our shareholders' inspection at the Migros Ticaret A.Ş. Head Office in Atatürk Mahallesi Turgut Özal Bulvarı No:7 34758 Ataşehir/Istanbul, on the company website [www.migroskurumsal.com](http://www.migroskurumsal.com) and on the Central Registry Agency's (MKK) Electronic General Assembly System throughout the 3 weeks prior to the meeting.

All stakeholders that own rights and interests as well as members of press-media are invited to our general assembly meeting.

Presented for the information of our Shareholders.

Respectfully,

**Migros Ticaret A.Ş.**

**ADDITIONAL EXPLANATIONS PURSUANT TO CAPITAL MARKET BOARD (“CMB”) REGULATIONS**

From the additional explanations that must be made pursuant to “Communiqué on Corporate Governance” (II-17.1) of CMB and other relevant legislation, the explanation in relation to the agenda items are made in the relevant agenda item below and the general explanations are submitted to your information under this section.

**1. Shareholding Structure and Voting Rights**

Migros has a share capital of TL 178,030,000 which has been divided into 17,803,000,000 registered shares each having a nominal value of Kr 1.

Every share with a nominal value of Kr 1 is entitled to one vote at the General Assembly meetings. There are no privileged shares in the Company’s share capital.

There is no privilege granted to shareholders in the articles of association of our company in relation to the use of voting rights. Each share has one voting right. The voting rights of the current shareholders of the company are submitted in the table below.

**Migros T.A.Ş. Capital Distribution**

<b>Shareholder</b>	<b>Share Amount (TL)</b>	<b>Percentage (%)</b>	<b>Voting Right</b>	<b>Percentage (%)</b>
<b>MH Perakendecilik ve Ticaret A.Ş.</b>	89,015,000	50.00	8,901,500,000	50.00
<b>Moonlight Capital S.A.</b>	27,371,000	15.37	2,737,100,000	15.37
<b>Kenan Investments S.A.</b>	26,937,336	15.13	2,693,733,600	15.13
<b>Other – Public Shares</b>	34,706,664	19.49	3,470,666,400	19.49
<b>Total</b>	<b>178,030,000</b>	<b>100.00</b>	<b>17,803,000,000</b>	<b>100.00</b>

**2. Information Regarding Changes in Management and Operations that would have a Significant Impact on the Corporate Activities of our Company or our Material Subsidiaries or Affiliates:**

As announced in our public disclosure on January 27, 2016, Moonlight Capital S.A. ("Moonlight"), one of the shareholders of our Company, notified our Company that it has transferred the shares, with all rights, obligations and encumbrances, it holds in our Company with a total nominal value of TL 26,937,336 to Kenan Investments S.A. which owns all of the shares of Moonlight for a price of TL 26.00 per share within the scope of intragroup share transfer. With this transaction, the shares held by Moonlight in the capital of our Company represent 15.37%, the shares held by Kenan Investments S.A. in the capital of our Company have exceeded 15% limit and reached to 15.13%.

In accordance with our Company's long-term growth strategy, an agreement for the purchase of shares held by Tesco Overseas Investments Limited (the "Seller") in Tesco Kipa Kitle Pazarlama Ticaret Lojistik ve Gıda Sanayi A.Ş. ("Kipa") representing approximately 95.50% of the share capital of Kipa is executed among the Seller and our Company on June 10, 2016.

With this respect, it was submitted for the permission of the Competition Board in June 21, 2016 and the aforementioned permission was obtained in February 09, 2016.

The share transfer was completed in March 01, 2017 subsequent to meeting the pre-conditions layed out in the Share Purchase Agreement. The final purchase price per share was TL 0,15638.

Pursuant to the share purchase agreement and the proforma annual financial statements of Kipa dated 28.02.2017, the total share purchase amount is calculated TL 199.011.756,83 for 95.50% of Kipa shares (nominal value of TL 1.272.649.319,33 including TL 9.867 Group A privileged shares and TL 1.272.639.452,33 common shares). This share purchase amount has been paid to the Seller on the date of share transfer, March 01, 2017, subject to the final pricing adjustments based on Kipa's independently audited and finalized closing balance sheet dated 28.02.2017.

Since the requirement of mandatory tender offer to the minority shareholders was triggered following the aforementioned share transfer, Migros applied to the Capital Markets Board of Turkey ("CMB") for an exemption from mandatory tender offer in accordance with the 1(a) sentence of article 18 of the Communiqué on Takeover Bids, numbered (II-26.1).

In accordance with the resolution of the Board of Directors of our Company, the acquisition of Kipa was financed through existing credit limits of current credit agreements.

### **3. Information about the Requests of Shareholders, the Capital Market Board or other Public Authorities for Inclusion of Items in the Agenda:**

In drafting the agenda of the Ordinary General Assembly meeting to be held on 11 April 2017, there was no topic that the shareholders have submitted to the Investor Relations Unit of the Company and which was requested to be included in the agenda. Similarly, the shareholders, CMB and/or public authorities and institutions that the Company is related to did not have any request in relation to the inclusion of an agenda item in the agenda.

## **4. EXPLANATIONS IN RELATION TO THE AGENDA ITEMS OF THE ORDINARY GENERAL ASSEMBLY MEETING TO BE HELD ON 11 APRIL 2017**

### **1. Opening the meeting and electing the presiding committee; authorizing the presiding committee to sign the minutes of the annual general assembly meeting**

**Explanation:** The Chairman and Presiding Committee, who will preside over the General Assembly meeting, will be elected in accordance with the provisions of the Turkish Commercial Code no. 6102 (TCC) and the Regulation on the Principles and Procedures for the General Assembly Meetings of Joint Stock Corporations and the Customs and Commerce Ministry Representatives who will be Present at such Meetings ("Regulation"). The Chairman forms the Presiding Committee by appointing a secretary and a vote collecting officer if it deems necessary. In line with the provisions of TCC and Regulation, the authorization of the Presiding Committee to keep the records of the resolutions taken in the general assembly in the minutes and to sign the minutes of the general assembly meeting shall be submitted to the approval of our shareholders.

## **2. Reading the summary of the independent auditor's report submitted by the independent auditors PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş., concerning the Company's 2016 activities and accounts**

**Explanation:** A summary of the Independent Auditors' Report, which will be made available for our shareholders' inspection at our Company's Head Office, the company's corporate website at [www.migroskurumsal.com](http://www.migroskurumsal.com) and the Electronic General Assembly Portal of the Central Registry Agency ("MKK") for 3 weeks prior to the General Assembly Meeting as per the TCC, Regulation, Capital Markets Law and relevant regulatory framework, shall be read at the General Assembly.

## **3. Reading, deliberating, and voting on the financial statements for 2016**

**Explanation:** Information shall be presented on the financial statements, which will be made available for our shareholders' inspection at our Company's head office, the company's corporate website at [www.migroskurumsal.com](http://www.migroskurumsal.com) and the Electronic General Assembly Portal of MKK for 3 weeks prior to the General Assembly meeting as per the TCC, Regulation, Capital Markets Law and relevant regulatory framework, and submitted for the opinion and approval of our shareholders.

## **4. Reading and deliberating the annual report concerning the Company's 2016 activities and accounts**

**Explanation:** Information shall be presented on the 2016 Annual Report which will be made available for our shareholders' inspection at our Company's head office, the company's corporate website at [www.migroskurumsal.com](http://www.migroskurumsal.com) and the Electronic General Assembly Portal of MKK for 3 weeks prior to the General Assembly meeting as per the TCC, Regulation, Capital Markets Law and relevant regulatory framework, and submitted for the opinion of our shareholders.

## **5. Approving the appointments of new Board members to the Board of Directors in accordance with Article 363 of the Turkish Commercial Code**

### **Explanation:**

As announced in our public disclosure on July 28, 2017, the Board member Khalid Hilal Hamood Al Yahmadi had resigned from his duties and Salim Abdullah Khalfan Al Ma'mari was appointed as new Board member in order to take office and perform his duties until the first general assembly meeting pursuant to the article 363 of the Turkish Commercial Code.

This appointment to the Board of Directors in 2016 shall be submitted for the approval of the General Assembly.

## **6. Individually acquitting each of the members of the Company's board of directors of their fiduciary responsibilities for the Company's activities in 2016**

**Explanation:**The release of each Board member individually with regard to any operations, activities and accounts with regard to 2016 within the framework of the provisions of the TCC and the Regulation shall be presented to the general assembly for approval.

**7. Discussing, approving, amending and approving, or rejecting the Board of Directors' proposal regarding the offsetting of balance sheet items "Accumulated losses" with "Share premium" and "Restricted reserves" in the audited and consolidated financial statements dated 31.12.2016**

**Explanation:** The company recorded TL 803,375,546 "accumulated losses" in the 2016 audited and consolidated financial statements prepared in accordance with the Communiqué II-14.1 of CMB.

It has been decided to offset the amount of TL 678,232,669 of the "Accumulated losses" with "Share premium" and the remaining amount of TL 125,142,877 of the "Accumulated losses" with "Restricted reserves" of TL 439,137,705 in the audited and consolidated financial statements and to submit this proposal to the General Assembly's approval at the first General Assembly meeting to be held.

**8. Discussing, approving, amending and approving, or rejecting the Board of Directors' proposal concerning dividend distribution**

**Explanation:** The following proposal by the Board shall be submitted for approval by the General Assembly:

Within the Communiqué of Capital Markets Board (CMB) No. II-19.1 and in accordance with our articles of association and dividend distribution policies that were disclosed to public by our company, It was unanimously resolved to submit no dividend distribution to the approval of General Assembly for 2016 fiscal year as the company recorded net loss at the 2016 consolidated financial statements prepared in accordance with the Turkish Commercial Code and CMB legislation.

The table pertaining to the dividend distribution proposal is included under **Appendix-1**. The material event disclosure concerning this issue was announced to the public on 13.03.2017 and has in addition also been announced at our Company's head office, on the company's corporate website at [www.migroskurumsal.com](http://www.migroskurumsal.com) and the Electronic General Assembly Portal of MKK for 3 weeks prior to the General Assembly meeting.

**9. Election and replacement of the independent Board members and other members of the Board of Directors nominated by the Corporate Governance Committee, and determination of their terms of office**

**Explanation:** As per the Turkish Commercial Code and Regulation, Board members will be elected within the context of the principles stated in our Articles of Association. Furthermore, appointment of the independent members will be completed in considering the relevant provisions of the Corporate Governance Communiqué with No: II-17.1 of the CMB. From the members of the Board of Directors who will be appointed in this context, four (4) must meet the criteria defined in the Corporate Governance Principles of CMB.

The appointment of directors among the below nominees will be submitted to the approval of the General Assembly meeting at the Ordinary General Assembly meeting to be held on 11 April 2017 :

- Tuncay Özilhan
- Nikolaos Stathopoulos
- Salih Metin Ecevit
- Talip Altuğ Aksoy
- Kamilhan Süleyman Yazıcı

- Stefano Ferraresi
- Salim Abdullah Khalfan Al Ma'mari
- Ömer Özgür Tort
- Jacob Cornelio Adriano de Jonge
- Tayfun Bayazıt
- Hakkı Hasan Yılmaz
- İzzet Karaca

Jacob Cornelio Adriano de Jonge, Tayfun Bayazıt, Hakkı Hasan Yılmaz and İzzet Karaca have been determined as the candidates for the Independent members of the Board of Directors with the resolution taken by our Board of Directors upon the proposal of our Corporate Governance Committee which has assessed the candidates it has been referred to.

Women members were appointed in Migros Board of Directors in previous years. At the Committee meeting dated 25 January 2017, the appointment of women members for the coming years was recommended by the Corporate Governance Committee to the Migros Board of Directors. This proposal shall be taken into consideration for the future planning.

The resumes of new Board member candidates are included in **Appendix 2**.

#### **10. Determining the gross monthly fees and any kind of financial benefits including bonus, premium, attendance fee, etc. to be paid to the Board members**

**Explanation:** The gross monthly salaries of the Board members shall be determined within the framework of the principles set forth in the provisions of the TCC, capital markets legislation, the Regulation and our Articles of Association.

Pursuant to the resolution passed in the Ordinary General Assembly Meeting of last year, Independent Board Members were paid a monthly gross salary of TL 10,000, additionally independent Board members residing abroad were paid a gross salary of TL 12,000 for every meeting at which they were present, while the other board members were not paid a monthly salary. The proposal to pay Independent Board Members a net salary of TL 8,000, to pay Independent Board Members residing abroad an additional net salary of TL 8,000 for every meeting at which they are present, and not to pay the other board members a monthly salary shall be presented to the General Assembly's approval during the General Assembly Meeting to be held 11.04.2017.

#### **11. Providing information about the socially beneficial donations and assistance granted by the Company to foundations and associations in 2016; determining an upper limit on donations and assistance to be granted in 2017 as required by Capital Markets Board regulations and the Company's Articles of Association**

**Explanation:** According to the Capital Markets Board Communiqué on Dividends no II-19.1, all donations made during the year must be disclosed to the General Assembly. The referred article is not concerned with the General Assembly's approval and only serves the purpose of providing disclosure. Our Company has donated TL 537,416.40 to various organizations and foundations during 2016.

In the Ordinary General Assembly for 2015, it was resolved that the upper limit of donations and assistance that could be given in 2016 would be TL 1,000,000. Pursuant to the requirements of the Capital Markets Board Communiqué on Dividends no II-19.1, a proposal

will be submitted to the approval of the General Assembly that the upper limit for all donations to be made in 2017 be set at TL 1,000,000.

**12. Voting on the Board of Directors' selection, upon the recommendation of the Audit Committee, of the Company's independent auditors as required by Communiqué on capital market independent auditing standards published by the Capital Markets Board and by the Turkish Commercial Code**

**Explanation:** As stated in our public disclosure dated 17.03.2017, in its meeting of on 17.03.2017, the Board of Directors deemed it appropriate, upon the Audit Committee's recommendation, to select PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. as the auditor of our Company's 2017 accounts in accordance with CMB legislations and this selection shall be submitted to the approval of the General Assembly.

**13. As required by Capital Markets Board regulations, providing information about collateral, pledges, and mortgages granted by the Company in favor of third parties in 2016**

**Explanation:** Information on any security, pledges, mortgagees and guarantees provided by the company as security for the debts/obligations of third parties in order to carry out the Company's ordinary commercial activities is provided under footnote 16 of our Financial Statements of 31 December 2016.

The details of collaterals, pledges and mortgages ("CPM") of the Company at 31 December 2016 and 2015 are as follows:

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated.)  
(Currencies other than TL are expressed in thousands unless otherwise indicated.)

**2016:**

	Total TRL amount	TRL	USD	Euro
A. CPM given on behalf of the Company's legal personality	86.092	84.378	487	-
B. CPM given on behalf of fully consolidated subsidiaries	-	-	-	-
C. CPM given for continuation of its economic activities on behalf of third parties	-	-	-	-
D. Total amount of other CPM	-	-	-	-
Total amount of CPM given behalf of the majority shareholder	-	-	-	-
Total amount of CPM given behalf of other group companies which are not in scope of B and C	-	-	-	-
Total amount of CPM given behalf of third parties which are not in scope of C	-	-	-	-
<b>Total collaterals, pledges and mortgages</b>	<b>86.092</b>	<b>84.378</b>	<b>487</b>	<b>-</b>
<b>Proportion of the other CPM's to equity</b>	<b>0,0</b>	<b>-</b>	<b>-</b>	<b>-</b>



2015:

	Total TRL amount	TRL	USD	Euro
A. CPM given on behalf of the Company's legal personality	82.958	81.585	472	-
B. CPM given on behalf of fully consolidated subsidiaries	-	-	-	-
C. CPM given for continuation of its economic activities on behalf of third parties	-	-	-	-
D. Total amount of other CPM	-	-	-	-
Total amount of CPM given behalf of the majority shareholder	-	-	-	-
Total amount of CPM given behalf of other group companies which are not in scope of B and C	-	-	-	-
Total amount of CPM given behalf of third parties which are not in scope of C	-	-	-	-
<b>Total collaterals, pledges and mortgages</b>	<b>82.958</b>	<b>81.585</b>	<b>472</b>	<b>-</b>
<b>Proportion of the other CPM's to equity</b>	<b>0,0</b>	<b>-</b>	<b>-</b>	<b>-</b>

**14. Authorizing any shareholders who may be in control of the Company's management, Board of directors and senior managers – as well as their spouses and their relatives, whether by blood or marriage unto the third degree – to engage in business and transactions subject to the provisions of articles 395 and 396 of the Turkish Commercial Code and of Capital Markets Board regulations; providing shareholders information about such transactions made by these aforementioned persons and related parties in 2016**

**Explanation:** Board Members may only conduct transactions falling within the scope of article 395 titled "Prohibition on Transacting with or Becoming Indebted to the Company" and article 396 titled "Non-Compete" of the TCC, with the approval of the General Assembly. According to the Capital Markets Board's mandatory Corporate Governance Principle no 1.3.6, in order for shareholders with management control, Board Members, senior executives and their spouses and relatives related by blood or marriage up to and including the third degree may only carry out transactions that could lead to a conflict of interest or compete with the company or its affiliates with the General Assembly's approval and the General Assembly must also be informed of such transactions. In order to comply with such requirements, the possibility of granting such permission shall be submitted to the shareholders' approval during the General Assembly and disclosures shall be made to our shareholders with regard to any transactions of such nature as have been conducted during the year. There have been no transactions of such nature during 2016.

**15. Closing remarks.**

**MİGROS TİCARET A.Ş.**

## PROXY STATEMENT

### TO THE GENERAL ASSEMBLY MEETING CHAIRMANSHIP OF MİGROS TİCARET ANONİM ŞİRKETİ,

I, the undersigned, hereby appoint and empower ..... who is introduced in detail below as my proxy fully authorized to represent me/Company, vote and make proposals and sign all required documents on behalf of me/Company in accordance with my instructions written here-below at the 2016 Ordinary General Assembly Meeting of Shareholders of Migros Ticaret A.Ş. that will be held at the address of Atatürk Mahallesi Turgut Özal Bulvarı No:7 34758 Ataşehir - İstanbul at 11.04.2017, at 14:00.

Proxy's (\*):

Name & Surname / Title:

T.R. Identity No./Tax Identity No. Trade Registry and Number, and MERSIS Number.

(\* For foreign proxies, the equivalents, if any, of such information should be provided

#### A) SCOPE OF THE POWER OF REPRESENTATION

**Scope of the power of representation should be determined by choosing one of the options (a), (b) and (c) for the sections 1 and 2 hereinbelow.**

##### 1. On the Matters included in the Agenda of the General Assembly:

- The Proxy named above is authorized to vote on all the agenda items at his/her own discretion.
- Proxy is authorized to vote in line with proposals of the Company management.
- The Proxy is authorized to vote on all the agenda items in accordance with the instructions given below.

##### Instructions:

**If the shareholder chooses the option (c), instructions on the relevant agenda topic are given by marking one of the options (acceptance or rejection) shown beside the relevant agenda topic and if the 'rejection' option is chosen, by stating the dissention requested to be included in the minutes of the general assembly meeting.**

Agenda Topics (*)	Acceptance	Rejection	Dissention
1. Opening the meeting and electing the presiding committee; authorizing the presiding committee to sign the minutes of the annual general assembly meeting,			
2. Reading the summary of the independent auditor's report submitted by the independent auditors PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş., concerning the Company's 2016 activities and accounts,			

<b>3.</b> Reading, deliberating, and voting on the financial statements for 2016,			
<b>4.</b> Reading and deliberating the annual report concerning the Company's 2016 activities and accounts,			
<b>5.</b> Approving the appointments of new Board members to the Board of Directors in accordance with Article 363 of the Turkish Commercial Code,			
<b>6.</b> Individually acquitting each of the members of the Company's board of directors of their fiduciary responsibilities for the Company's activities in 2016,			
<b>7.</b> Discussing, approving, amending and approving, or rejecting the Board of Directors' proposal regarding the offsetting of balance sheet items "Accumulated losses" with "Share premium" and "Restricted reserves" in the audited and consolidated financial statements dated 31.12.2016,			
<b>8.</b> Discussing, approving, amending and approving, or rejecting the Board of Directors' proposal concerning dividend distribution,			
<b>9.</b> Election and replacement of the independent Board members and other members of the Board of Directors nominated by the Corporate Governance Committee, and determination of their terms of office,			
<b>10.</b> Determining the gross monthly fees and any kind of financial benefits including bonus, premium, attendance fee, etc. to be paid to the Board members,			
<b>11.</b> Providing information about the socially beneficial donations and assistance granted by the Company to foundations and associations in 2016; determining an upper limit on donations and assistance to be granted in 2017 as required by Capital Markets Board regulations and the Company's Articles of Association,			

<p><b>12.</b> Voting on the Board of Directors' selection, upon the recommendation of the Audit Committee, of the Company's independent auditors as required by Communiqué on capital market independent auditing standards published by the Capital Markets Board and by the Turkish Commercial Code,</p>			
<p><b>13.</b> As required by Capital Markets Board regulations, providing information about collateral, pledges, and mortgages granted by the Company in favor of third parties in 2016,</p>			
<p><b>14.</b> Authorizing any shareholders who may be in control of the Company's management, Board of directors and senior managers – as well as their spouses and their relatives, whether by blood or marriage unto the third degree – to engage in business and transactions subject to the provisions of articles 395 and 396 of the Turkish Commercial Code and of Capital Markets Board regulations; providing shareholders information about such transactions made by these aforementioned persons and related parties in 2016,</p>			
<p><b>15.</b> Closing remarks</p>			

(\*) Topics included in the agenda of general assembly meeting are listed one by one. If the minority proposes a separate draft decision, it is also given separately for the sake of voting by Proxy.

d) For other subjects that might arise in the meeting, the proxy is authorized to vote in line with the instruction below. (If there are no instructions, the proxy may freely cast the vote.)

Instructions: (Special instructions are written.)

**2. Special instructions on other issues that may raise during the general assembly meeting and particularly regarding use of minority rights:**

- a) Proxy is authorized to vote in line with his/her own opinions.
- b) Proxy is not authorized to represent on these issues.
- c) Proxy is authorized to vote in line with the special instructions stated below.

**SPECIAL INSTRUCTIONS:** Special instructions, if any, of the shareholder to the proxy holder are stated herein.

## **B) SHARE CERTIFICATES HELD BY THE SHAREHOLDER**

**1. I am approving the representation by the proxy of my shares as detailed below.**

- a) Quantity-Nominal Value;
- b) Privileged in Voting or Not;
- c) Bearer / Registered Shares:

**2. I am approving the representation by the proxy of all of my shares shown in the list of shareholders eligible for attending the general assembly meeting, which is prepared by CRA one day before the date of general assembly meeting.**

### **SHAREHOLDER'S**

First name, Surname or Title:

T.R. Identity No./Tax Identity No., Trade Registry and Number, and MERSIS Number:

Address:

(\* For foreign proxy holders, the equivalent, if any, of such information should be provided.

Signature:

NB:

In section (a) one of the option specified as (a), (b) and (c) shall be chosen. For options (b) and (d) explanations should be inserted

1. The signature of the principal shareholder should be certified by a notary public. If the proxy is not notarized, circular of signatures certified by a notary is required as an attachment of the proxy.

2. Our foreign shareholders should submit to the headquarter of our company, the Turkish translations of their proxies which have been notarized by a notary public.

## APPENDIX – 1 Dividend Distribution Proposal for 2016

Migros Ticaret A.Ş. Profit Distribution Table for 2016 (TL)			
1. Paid-in Share Capital		178.030.000,00	
2. General legal reserves (as per statutory records)		455.318.616,38	
Information about privileges regarding dividend distribution, if any according to Articles of Association		-	
		As per Capital Markets Board	As per Statutory Records
3	Profit for the period	-227.111.346,78	-263.506.472,53
4	Taxes (-)	65.806.981,12	70.450.612,97
5	Net Profit (=)	-292.918.327,90	-333.957.085,50
6	Prior years' losses (-)	0	0
7	General legal reserves (-)	0	0
8	NET DISTRIBUTABLE PROFIT FOR THE PERIOD (=)	0	0
	Dividend Advance Distributed (-)	0	0
	Dividend Advance Less Net Distributable Current Period Profit	0	0
9	Grants made during the year (+)	537.416,40	
10	Net distributable profit including grants	0	
11	First level dividend to shareholders	0	
	- Cash	0	
	- Shares	0	
	- Total	0	
12	Dividends distributed to preferred shareholders	0	
13	Other dividends distributed	0	
	- to members of the Board of Directors	0	
	- to employees	0	
	- to people other than shareholders	0	
14	Dividends distributed to holders of usufruct right certificates	0	
15	Second dividend to shareholders	0	
16	General legal reserve fund	0	0
17	Status reserves	0	0
18	Special reserves	0	0
19	EXTRAORDINARY RESERVES	0	0
20	Other sources planned for distribution	0	0

## Migros Ticaret A.Ş Dividend Ratio Table for 2016

	GROUP	TOTAL DIVIDEND TO BE DISTRIBUTED		TOTAL DIVIDEND TO BE DISTRIBUTED / NET DISTRIBUTABLE PROFIT	DIVIDEND PER SHARE FOR 1 TL NOMINAL VALUE	
		CASH (TL)	SHARES (TL)	RATIO (%)	AMOUNT (TL)	RATIO (%)
NET	A	-	-	-	-	-
	B	-	-	-	-	-
	TOTAL	0,00	0,00	0,00%	0,00	0,00%

## **APPENDIX – 2 Resumes of the Board Members**

### **Tuncay Özilhan**

Born in 1947 in Kayseri, Tuncay Özilhan graduated from Saint Joseph High School in İstanbul, and İstanbul University, Faculty of Economics, before obtaining his MBA from the Long Island University, USA. He started his career as the General Manager of Erciyas Biracılık in 1977. Mr. Özilhan became the Beer Group Coordinator and then General Coordinator at Anadolu Endüstri Holding, before finally being appointed as Anadolu Group Executive Chairman in 1984. Mr. Özilhan rose to the position of Chairman of the Board of Directors of the Group in May 2007, in which post currently serves. In tandem, he sits as the Chairman on the boards of directors of Anadolu Foundation and various Anadolu Group Companies.

#### **External Positions Held**

After serving as the Chairman of TÜSİAD (Turkish Industry and Business Association) from 2001 to 2003, he currently functions as a member of TÜSİAD High Advisory Council, Member of the Board of Directors at DEİK (Foreign Economic Relations Board), Chairman of the Turkish–Russian Business Council of DEİK, Estonian Honorary Consul in İstanbul, and President of the Anadolu Efes Sports Club.

### **Nikolaos Stathopoulos**

Nikolaos Stathopoulos is a Managing Partner and a member of the Investment Committee at BC Partners, which he joined in 2005. He has over 17 years of experience in private equity having led a variety of private equity investments globally. Mr. Stathopoulos serves as the chairman of the boards of directors of OVS SpA, Gruppo Coin and Mergermarket Group, and board member at Com Hem and Migros.

Before joining BC Partners, Mr. Stathopoulos was a Partner at Apax Partners in London where he spent seven years working on large buy-out transactions. Prior to Apax, he worked as a management consultant with the Boston Consulting Group in London. Mr. Stathopoulos holds an MBA from Harvard Business School and a degree in business administration from the Athens University of Economics and Business.

#### **External Positions Held**

He is a member of the Harvard Business School European Leadership Board, Athens University of Economics and Business Advisory Council, Impetus Private Equity Foundation Board of Trustees and a fellow of the Royal Society of Arts. He is also the Chairman of BC Partners Foundation.

### **Salih Metin Ecevit**

Born in 1946, Salih Metin Ecevit graduated from the Faculty of Political Sciences in 1967 and received his master's degree in economics from the Syracuse University in 1976. From 1967 to 1980, he worked as a Government Auditor and served as Deputy General Manager of General Directorate of Revenues at the Ministry of Finance.

Mr. Ecevit joined Anadolu Group in 1980 and worked in various roles, serving as General Manager, Managing Director, and Chairman of the Board of Directors in automotive companies of the Anadolu Group. He retired in 2006, while he was serving as the Automotive Group President, as per the retirement age limit regulations of the Group.

### **External Positions Held**

He served as Board Member and Chairman of the Association of Imported Car Distributors in Turkey from 1992 to 2004. He is a board member in many Anadolu Group companies and serves as the Chairman of the Board of Directors at Yazıcılar Holding.

### **Talip Altuğ Aksoy**

T. Altuğ Aksoy received his bachelor's degree in economics from Oglethorpe University in USA. He began his career as Finance Assistant Specialist at Anadolu Group in 1995 and was appointed as a Finance Specialist in 1996. Mr. Aksoy worked as Human Resources and Treasury Specialist from 1998 to 2000. He served as Director of Sales and Marketing at Efes Invest from 2000 to 2003 and was appointed as the Director of Trade and Export at Efes Beer Group in January 2003. Continuing his career at the Group as the Director of Purchasing and Logistics from 2006, Mr. Aksoy was appointed Director of Supply Chain of Efes Beer Group in June 2008. In November 2011, he was appointed as Efes Turkey Managing Director and served in this position until January 2017. Mr. Aksoy still continues to serve as a Board Member in various Anadolu Group companies.

### **Kamilhan Süleyman Yazıcı**

Kamil Yazıcı holds a bachelor's degree in business administration from the Emory University in the U.S.A. He began his career in 2000 as a Finance Specialist and then worked as a Human Resources Specialist. Mr. Yazıcı worked as Marketing Specialist at Efes Russia from 2003 to 2005, during which he pursued MBA studies at AIBEC (American Institute of Business and Economics). He was appointed as New Product Development Manager at Efes Russia in February 2005. After serving as Logistic Systems Manager in Russia from 2006 to 2008, Mr. Yazıcı was appointed as Supply Chain Director of Efes Russia in November 2008. After carrying on with his career at the Group as Efes Russia Development Director from 2010, Mr. Yazıcı served as Efes Moldova Managing Director as of November 2011. Effective from 1 December 2014, Mr. Kamil Yazıcı has been appointed as Anadolu Efes Market Development Director.



### **Stefano Ferraresi**

Born in 1972, Stefano Ferraresi received his undergraduate degree in business administration from Bocconi University in Italy.

Having started his business life at Barclay's Capital, Mr. Ferraresi worked in the Finance Department at Merrill Lynch London office from 2000 to 2002. Having joined BC Partners in 2002, he has been a member of the Board of Directors at Migros since May 2008.

#### **External Positions Held**

Stefano Ferraresi serves as a member of the Board of Directors at OVS SpA.

### **Salim Abdullah Khalfan Al Ma'mari**

Born in 1988 in Oman, Salim Abdullah Khalfan Al Ma'mari graduated from Sultan Qaboos University in Oman. Having started his professional life at Ernst & Young in Oman, he worked for General Electric and Export Credit Guarantee Agency (ECGA) between 2013 and 2016. He has been holding a senior executive position at the State General Reserve Fund in Oman since January 2016. Mr. Al Ma'amari has been a member of the Board of Directors at Migros since 28 July 2016.

### **Ömer Özgür Tort**

Ö. Özgür Tort joined Migros Türk T.A.Ş. in the Business Development Department, where he held managerial positions in Project Management, International Investments Coordination and CRM. Mr. Tort worked as Assistant General Manager of Sales and Marketing at Migros' subsidiary in the Russian Federation from 2002 to 2006. In 2006, he carried on with his career as Assistant General Manager of Human Resources at Migros Group. Having specialized in all aspects of retail management in his career, he has become the General Manager of Migros in 2008.

Ö. Özgür Tort sits on the board of directors of the Consumer Goods Forum, the world's largest retail industry network of label manufacturers. After getting his undergraduate degree in industrial engineering from İstanbul Technical University, he went to US for graduate studies. He got his master's degree in engineering management from the University of Missouri. He is married and has one child.

Mr. Tort has been serving as the General Manager of Migros since August 2008, where he is also a board member.

#### **External Positions Held**

Ömer Özgür Tort also serves as the Chairman of the Board of Sanal Merkez Ticaret A.Ş., a subsidiary of Migros Ticaret A.Ş. He is also a board member at Trade Council of Shopping Centers and Retailers (in Turkish: AMPD).

## **Independent Board Members**

### **Jacob Cornelio Adriano de Jonge**

Born in 1953 in Sao Paulo, Brazil, Jacob Cornelio Adriano de Jonge received a degree in philosophy from the United States International University of San Diego, USA. He began his career at Makro Brazil in 1977, and worked for SHV Makro for 23 years in various positions (CEO of Makro Venezuela, Korea, Thailand). With SHV Makro, he served as CEO of Makro Asia.

Having worked with Walmart for two years, de Jonge joined Maxeda, as CEO of De Bijenkorf from 2007 until 2012. Maxeda was the largest non-food retailer in the Benelux, taken off the stock exchange by KKR, Permira, Cinven & Alpinvest.

Jacob Cornelio Adriano de Jonge possesses the qualifications of an independent board member as per the CMB's Corporate Governance Principles. He is not related in whatsoever manner to Migros Ticaret A.Ş. and/or its related parties.

### **Tayfun Bayazit**

Born in 1957, Tayfun Bayazit got his bachelor's degree in mechanical engineering from the Southern Illinois University, followed by a master's degree (MBA) from Columbia University.

Having started his career at Citibank in 1983, Bayazit assumed Executive Vice President and Senior Executive Vice President positions at Yapı Kredi Bank from 1986 until 1995. He was President and CEO at Interbank from 1995 to 1996, and at Banque de Commerce et de Placements from 1996 to 1999. Having served as Vice Chairman at Doğan Holding from 1999 until 2001, Bayazit was later appointed as CEO and Board member at Dışbank (2001-2005), Fortis Bank (2005-2007), and Yapı Kredi Bank (2007-2009), where he consequently served as Chairman from 2009 to 2011. He has been working as a consultant since 2011

Tayfun Bayazit possesses the qualifications of an independent board member as per the CMB's Corporate Governance Principles. He is not related in whatsoever manner to Migros and/or its related parties.

## **External positions held**

Tayfun Bayazit is the founding partner of Bayazit Consultancy Services. He is an independent member on the boards of directors of Doğan Şirketler Grubu Holding A.Ş., TAV Havalimanları Holding A.Ş., Boyner Perakende ve Tekstil Yatırımları A.Ş. and Boyner Büyük Mağazacılık A.Ş. He is also a board member at SAF REIT. Chairman of MB Advisory Kurumsal Danışmanlık Hizmetleri A.Ş. (subsidiary of Mediobanca), Primist Gayrimenkul Geliştirme ve Yatırım A.Ş. and Taaleri Portföy Yönetimi A.Ş., he serves as the Country Corporate Officer at Marsh & McLennan Group, Turkey. Mr. Bayazit also holds seats on the boards of directors of Marsh Sigorta ve Reasürans Brokerliği A.Ş., Marsh Italia SpA, Beşiktaş Gayrimenkul Geliştirme San. ve Tic. Ltd. Şti., Bomonti Gayrimenkul Pazarlama İnşaat ve San. Tic. A.Ş. and Embarq, Turkey (non-governmental organization), and he is on the advisory board of Taaleritehdas Asset Management Ltd., Finland. He is also a faculty member at Koç University.

## **Hakkı Hasan Yılmaz**

Born in 1957, Hakkı Hasan Yılmaz got his bachelor's degree in industrial engineering from the Middle East Technical University.

He began his business life at Presiz Metal İmalat Sanayi as an industrial engineer and then worked as a market analyst at TAKSAN Takım Tezgahları A.Ş. and as a capital goods specialist at DPT (State Planning Organization) from 1981 to 1984. He assumed various positions at Unilever Turkey between 1984 until 1995, acting as brand manager, marketing manager, sales director and was assigned as chairman/CEO of Lever A.Ş. in 1991. He left the company while serving in the position of Regional Leader responsible for East Asia detergent business located at London Unilever Head Office. He served as the Chairman and CEO of Uzay Gıda (Pepsi Foods/Frito Lay) from 1995 to 1996. He was called back as the Chairman and CEO of all nine entities in Turkey, in which Unilever was the majority shareholder, from 1996 to 2000.

He started lecturing at Koç University as faculty member in 2000. In 2002, he joined Koç Holding as President of Food, Retailing and Tourism, responsible for more than 20 companies, one of which was Migros. He was a member of the Board of Directors of Migros from April 2002 until April 2006. He acted as the CEO of Hürriyet Gazetecilik ve Matbaacılık A.Ş between 2010 and 2012 and he was a board member of this company between 2008 and 2013. In 2013, he was appointed as the CEO of Fenerbahçe Sports Club and Fenerbahçe Futbol A.Ş.

Hakkı Hasan Yılmaz possesses the qualifications of an independent board member as per the CMB's Corporate Governance Principles. He is not related in whatsoever manner to Migros Ticaret A.Ş. and/or its related parties.

### **External positions held**

Hakkı Hasan Yılmaz serves as board of directors and advisory board member for various companies. He also continues to lecture in Koç University's Executive MBA program.

## **İzzet Karaca**

Born in 1954, İzzet Karaca received his degree in industrial engineering from Boğaziçi University in 1977. He started his professional career the same year at Koç Research and Development Centre. He held Industrial Engineer and IT Manager position until 1985. From 1985 to 1988, he served as Systems and Organization Director at Ford Otosan. From 1988, he held several positions at Unilever in Germany, Turkey and Baltic States including Internal Audit Group Manager, Logistics Manager, Commercial Director and Managing Director.

From 2011 to 2013, Mr. Karaca served as Chairperson of International Investors Association. After serving as the Executive Chairman at Unilever Turkey and Unilever NAMET RUB (North Africa, Middle East, Russia, Ukraine and Belarus) region, and as member of Unilever CEO Forum, he retired on 31 December 2013.

In 2015, he published his first book titled "The New CEO is... You".

İzzet Karaca possesses the qualifications of an independent board member as per the CMB's Corporate Governance Principles. He is not related in whatsoever manner to Migros Ticaret A.Ş. and/or its related parties.

## Declaration of Independence

### DECLARATION OF INDEPENDENCE

To be presented to the Board of Directors of Migros Ticaret Anonim Şirketi (= *the "Company"*)

As a result of having been nominated as an "Independent Member" to the Board of Directors for the Ordinary General Assembly Meeting for the year 2016 your Company will hold on 11.04.2017, I hereby declare and submit for the information of all the Company's organs, shareholders and all concerned parties that I am a candidate for this position and that I possess the necessary qualifications to serve at the Company as an "independent member" within the framework of the criteria set forth in the legislation, the Company's articles of association and Corporate Governance Principles of the Capital Markets Board and that accordingly

- a) neither I, nor my spouse, nor any relative of mine whether by blood or by marriage unto the second degree, have a relationship in terms of employment at an administrative level to take upon significant duty and responsibilities within the last five years, own more than 5% of the capital or voting rights or privileged shares either jointly or solely or not to have established a significant commercial relation between the company, corporations on which the company hold control of management or significant effect and shareholders who hold control of management of the company or have significant effect in the company and legal entities on which these shareholders hold control of management,
- b) I have not been a shareholder (5% and more), worked at an administrative level to take upon significant duty and responsibilities or member of board of directors within the last five years in companies that the company purchases or sells goods or service at a significant level within the framework of the contracts executed, and particularly in firms which provide auditing (including tax audit, statutory audit, internal audit), rating and consultancy services to the Company during the period of such sale or purchase,
- c) As can be seen from my resume, I possess the necessary professional training, knowledge and experience in order to duly conduct the tasks I will assume as a result of becoming an independent board member,
- d) I am not/will not be a full-time employee of any public agencies or institutions as of the date of my nomination for the position of independent board member as well as the date of this statement and, if appointed, during the term of my office,
- e) I am deemed to be a resident in Turkey pursuant to the provisions of the Income Tax Law,
- f) I possess strong ethical standards, professional reputation and experience to contribute positively to the Company's activities, to remain impartial during conflicts of interest between the Company and the shareholders and to make decisions freely by taking into consideration the rights of the interested parties,
- g) I am able to dedicate sufficient time to the Company's business in order to monitor the conduct of the company's activities and fully perform the requirements of the duties I have assumed.

- h) I have not conducted membership in the board of directors of the company more than a term of six years within the last ten years.
- i) I have not served as the independent member of the board of directors in more than three of the company or the companies in which the controlling shareholders of the company hold the control of management and in more than five corporations in total which are admitted to the trading on the exchange.

Jacob Cornelio Adriano de Jonge

Tayfun Bayazit

Hakkı Hasan Yılmaz

İzzet Karaca