

**MINUTES OF THE
MİGROS TİCARET ANONİM ŞİRKETİ
2017 ORDINARY GENERAL ASSEMBLY MEETING HELD ON 15 MAY 2018**

The **2017** Ordinary General Assembly Meeting of **Migros Ticaret Anonim Şirketi** (the “**Company**”) was held at **15:00** hours on **15 May 2018**, in the Company’s headquarters at the Migros Ticaret A.S. Head Office Building located at the address of **Atatürk Mahallesi Turgut Özal Bulvarı No:7 34758 Ataşehir/İstanbul** under the supervision of **Kadir Aslan**, the Ministry Representative appointed with the Istanbul Trade Registry Provincial Directorate’s letter dated **14 May 2018** and numbered **34326313**.

As set forth in the law and articles of association, the call for the meeting was made in a timely manner so as to include the agenda for the meeting as well as the date of the meeting by being announced in the Turkish Trade Registry Gazette dated **06 April 2018** and numbered **9553**, notified by means of registered mail to registered shareholders and those holders of bearer shares who had notified their addresses by presenting their share certificates or proof of their shareholding, as well as being announced on the Company’s website (www.migroskurumsal.com), on the Electronic General Assembly Portal and e-Company Platform of the Central Registry Agency, and the Public Disclosure Platform (“KAP”) 3 weeks prior to the date set for the General Assembly meeting.

An examination of the list of those present showed that of the **17,803,000,000** shares corresponding to the Company’s total capital of TL **178,030,000**, 28,509,401.55 shares corresponding to a capital of TL 285,094.0155 were present in person while 14,278,199,000 shares corresponding to a capital of TL 142,781,990 were present by proxy, whereby a total of 14,306,708,401.55 shares corresponding to a total capital of TL 143,067,084.02 were represented at the meeting thereby satisfying the minimum meeting quorum established in both the law and the Articles of Association.

As per article 431 of the Turkish Commercial Code no 6102 (“TCC”) as well as article 24 of the Regulation on the Procedures and Principles for the General Assembly Meetings of Joint Stock Corporations and the Customs and Commerce Ministry Representatives who will be Present at Such Meetings, which was published in the Official Gazette dated 28 November 2012 and numbered 28481, it was announced that of these shares, shares with a nominal value of TL 12,458,644 were being represented by the persons who deposited the certificates.

Ömer Özgür Tort, a Member of the Board of Directors, explained how votes should be cast. It was announced that provided that the provisions in both the law and the Company’s Articles of Association on the counting of electronic votes are reserved, those shareholders or representatives physically present at the meeting should cast their votes openly by a show of hands while those shareholders who wish to cast a dissenting vote should verbally declare their dissenting vote.

It was ascertained that the Company had made preparations for its electronic general assembly in line with the legal framework as required under paragraphs 5 and 6 of article 1527 of the Turkish Commercial Code. Investor Relations Manager Ahmet Hüsamettin Özkök, who holds a “Central Registry Agency Electronic General Assembly System Specialist Certificate”, was appointed by Ömer Özgür Tort to operate the electronic general assembly system. The meeting was opened simultaneously both physically and electronically.

The meeting was opened simultaneously both physically and electronically and discussion of the agenda commenced.

1. As per item 1 of the agenda, the proposal submitted by Volkan Harmandar, the representative of the Company’s shareholder MH Perakendecilik ve Ticaret A.Ş., that Volkan Harmandar be elected to preside over the meeting and for authority to be granted to the Presiding Committee to sign the Minutes of the Ordinary General Assembly Meeting was read out loud.

Company shareholder Jak Esim stated together with Uğur Yıldırım that they refused to grant signature authority to the Presiding Committee and that they wanted to sign the Minutes.

Upon a casting of votes, it was unanimously decided by those present with 143,067,084.02 votes out of the total 143,067,084.02 votes cast that it would be sufficient for Volkan Harmandar to be elected to preside over the meeting and for authority to be granted to the Presiding Committee to sign the Minutes of the Ordinary General Assembly Meeting.

As per article 419 of the TCC, Presiding Chairman Volkan Harmandar appointed:

Ömer Özgür Tort and Erkin Yılmaz : as Vote Collecting Officers
Affan Nomak : as Secretary.

The Presiding Chairman noted that of the members of the Board of Directors, Ömer Özgür Tort was present at the meeting while Burak Özpoyraz was attending the meeting as the representative of PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.

The Presiding Chairman thanked those present and announced that discussion of item 2 of the agenda would commence.

2. In line with the Presiding Chairman's instructions, an announcement was made that the Annual Report pertaining to the 2017 activities and accounts had been published and made available for examination by shareholders 3 weeks prior to the date of the General Assembly Meeting on the Company's website (www.migroskurumsal.com), on the Central Registry Agency's Electronic General Assembly Portal, on KAP and other required means. Shareholder MH Perakendecilik ve Ticaret A.Ş.'s representative Volkan Harmandar took the floor and proposed that the Annual Report be deemed read upon a reading of a summary thereof. Following this proposal, it was decided by a majority of the votes cast by those present, with 142,980,232.02 votes in the affirmative and 86,852 dissenting votes out of a total 143,067,084.02 votes cast, to accept the Annual Report pertaining to the 2017 activities and accounts as having been read upon a reading of a summary thereof. The summary of the referred Annual Report was read and the matter was opened for deliberations.

The shareholders were also informed that this item had been included in the agenda for informational purposes and no votes were cast.

3. In accordance with item 3 of the agenda, shareholder MH Perakendecilik ve Ticaret A.Ş.'s representative Volkan Harmandar proposed that a summary of the Independent Auditor's Report as prepared by the independent auditor, PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş., regarding the 2017 activities and accounts of our Company, be deemed read upon a reading a summary thereof. Following this proposal, it was decided by a majority of the votes cast by those present, with 142,980,232.02 votes in the affirmative and 86,852 dissenting votes out of a total 143,067,084.02 votes cast, to agree to read the summary of the independent auditor's report regarding the fiscal period and to thereby have the independent auditor's report deemed as having been read. The summary of the Independent Auditor's Report was read out loud by Burak Özpoyraz, who was present at the meeting as the representative of the Independent Auditor.

The shareholders were also informed that this item had been included in the agenda for informational purposes and no votes were cast.

4. In line with the Presiding Chairman's instructions, an announcement was made that the consolidated financial statements for 2017, as independently audited in accordance with the Capital Markets Board's Communiqué on the Principles of Financial Reporting in Capital Markets (II-14.1), had been published and made available for examination by shareholders 3 weeks prior to the date of the General Assembly Meeting on the Company's website (www.migroskurumsal.com), in the Company's Annual Report, on the Central Registry Agency's Electronic General Assembly Portal, on KAP and other required means. Shareholder MH Perakendecilik ve Ticaret A.Ş.'s representative Volkan Harmandar took the floor and proposed that the Financial Statements be deemed read upon a summary reading of the main headings thereof. Following this proposal, it was decided by a majority of the votes cast by those present, with 142,944,903.02 votes in the affirmative and 122,181 dissenting votes out of a total 143,067,084.02 votes cast, to have a summary reading of the main headings of the consolidated financial statements for 2017. The secretary read the summary of the referred financial statements and the matter was opened for deliberations.

Company shareholder Özkan Gezgin expressed his opinions about the Annual Report. He stated that as a customer he did not find Migros' prices to be appropriate. He said that the Şok markets had been offered to the public; in previous years Migros had sold the Şok markets to the Ülker Group. Migros was incorporated in 1954, and was then acquired by the Koç Group. In subsequent years Migros' free float ratio increased. Migros shares were then purchased by MH Perakendecilik. Then Kipa was purchased and later Tazedirekt. He asked for an evaluation of how successful the Company's activities have been. He also expressed the need for female Assistant General Managers at the Company. He stated that some stores were only open in the summer months and then closed down for the winter. He also stated that some products are not sold and remain on the shelves and are subsequently thrown out. He asked for more sensitivity to be shown to employees. He stated that the Company had last distributed dividends in 2010 and asked for dividends to be distributed.

Shareholder Jak Esim submitted a record of dissent to be added to the minutes and read this out loud. The relevant page was appended to the minutes.

Shareholder Hamza Duran stated that he was not hung up on anything and asked the valuation method for the shopping centers in Kazakhstan and Macedonia.

Shareholder Fehmi Tokatlıoğlu submitted a record of dissent to be added to the minutes and read this out loud. The relevant page was appended to the minutes. He asked that the responses to the questions asked during the Kipa General Assembly be uploaded onto the Kipa website. He was told that the requested responses would be uploaded within the legally required time period.

Shareholder Uğur Yıldırım asked if Moonlight would sell all of its shares and asked for the question to be added onto the minutes. He asked when the management with MH Perakendecilik would come to an end.

Shareholder Işın Akbaba took the floor and stated that employees have been congratulated but what is the profit situation? He stated that Tesco England had suffered a loss of GBP 238 million due to the sale of Kipa. He stated that there was a loss of 1.62 pence per share. Anadolu Group first bought Migros, which was operating at a loss, and then just 2 years later bought Kipa, which was also operating at a loss. He expressed that he was of the opinion that Anadolu Group was investing correctly and stated that Kipa Shopping Centers could be valued at TL 7 – 8 billion.

Company Board Member and General Manager Özgür Tort took the floor and responded to the questions in order. He stated that Migros had a successful 2017 year, growing approximately 39% on a consolidated basis in 2017. Such growth was not just as a result of Kipa, there was an approximate growth of about 21% excluding Kipa. He stated that Migros had generated a positive EBITDA, increasing its EBITDA approximately 27% in comparison to the previous year. He stated that Migros is a publically held company and approximately 25 intermediary institutions (investment banks) write reports on Migros. These reports show that Migros was found to be successful overall

in 2017. On the other hand, he stated that any time the value of foreign currency rises, the foreign exchange losses become apparent. He indicated that Migros employees have been successful and this success is definitely praiseworthy. And as the management we respect and praise that. He stated that Migros is one of the most successful companies in Turkey in terms of customer and employee satisfaction.

Migros Board Member and General Manager Özgür Tort stated that all of the terms of the agreement made with Tesco with regard to Kipa had been met. He stated that the merger process was still ongoing, a request had been filed with the Capital Markets Board for approval, and that the management had been conducting the process fully in line with the laws and communiques. He indicated that the company management could not comment any further, the process must be conducted within the legal framework and the organizations that carry out the valuations are known. He stated that experts would conduct their valuations which would then be disclosed. He stated that with regard to the valuation of real estate properties, these too would be valued by specialist companies and reflected accordingly onto the balance sheet. He also stated that Migros' real estate properties did not consist solely of those in Kazakhstan and Macedonia; Migros also owns real estate properties in Turkey. He stated that there are real estate properties in the financial statements for investment purposes as well as for utilization purposes. Migros owns a total of 29 real estate properties throughout Turkey and the value thereof has been reflected onto Migros' financials.

The Company's Assistant General Manager of Financial Affairs, Erkin Yılmaz stated that the fact that all of Kipa's real estate had been valued on the basis of their municipal current value did not reflect the truth. He pointed out that independent specialist organizations authorized by the CMB has valued each real estate property upon in depth scrutiny.

Shareholder Fehmi Tokatlıoğlu stated that Svans had rated Migros and assigned it a low rating. The same shareholder asked which agencies had rated Migros.

Migros Board Member and General Manager Özgür Tort stated that the reports issued by foreign investment banks such as HSBC, Citibank and UBS as well as domestic intermediary institutions such as İş Yatırım and Garanti Yatırım could be examined. He also shared a recent development that credit rating agency Fitch had assigned Migros a credit rating of AA- and expressed that such a rating, which is an independent rating and is among the highest ratings received by anyone in Turkey, reflects Migros' success.

Shareholder Yavuz Özkan stated that the products sold at Migros were not the cheapest and that the share price had also fallen recently. Migros Board Member and General Manager Özgür Tort stated that Migros had the lowest prices in Turkey in basic necessity items such as rice, lentils, flour, butter, etc.

Shareholder Yuel Mordo Öterkuş asked where Migros' real estate properties were located and asked his questions to be recorded. Assistant General Manager of Financial Affairs, Erkin Yılmaz asked the employees for the list and indicated that it would be stated in the last item of the meeting.

Following the deliberations, it was decided by a majority of the votes cast by those present, with 142,659.799 votes in the affirmative and 407,285.02 dissenting votes out of a total 143,067,084.02 votes cast, to accept and approve the consolidated financial statements for 2017.

The annotations submitted to the Presiding Committee were added to the Minutes.

5. The Presiding Chairman submitted the separate release of each Member of the Board of Directors with regard to the Company's activities and accounts in 2017 to the approval of the General Assembly. The Members of the Board of Directors and persons in management with signatory authority did not cast any votes.

It was decided by a majority of the votes cast by those present, with 142,695.128 votes in the affirmative and 371,956.02 dissenting votes out of a total 143,067,084.02 votes cast, to separately release each Member of the Board of Directors with regard to the Company's activities and accounts in 2017.

6. It was announced that the proposal regarding the distribution of dividends had been published and made available for examination by shareholders 3 weeks prior to the date of the General Assembly Meeting on the Company's website, on the Central Registry Agency's Electronic General Assembly Portal, on KAP and other required means.

Within the scope of the dividend distribution proposal, it was indicated that since the legal limit has been reached, the allocation of primary reserve was not required.

It was announced that no dividend distribution was proposed for this year in order to provide a robust balance sheet structure and to manage the cash flow more efficiently for the upcoming years. It was announced that the Company plans to use this profit to finance the working capital and capital expenditure requirements of the Company in the future.

Discussion commenced on the Board of Directors' proposal regarding the distribution of dividends. 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, the Company recorded TL 509,036,463.45 (equity holders of parent: TL 512,706,101.23) net profit in 2017 consolidated financial statements prepared in accordance with the Turkish Commercial Code and CMB legislation and a proposal has been submitted to the General Assembly's approval to retain net profit for extraordinary legal reserves and not to distribute dividends for the 2017 fiscal period.

Voting was commenced. Upon a casting of votes, it was decided by a majority of the votes cast by those present, with 142,781,980 votes in the affirmative and 285,104.02 dissenting votes out of a total 143,067,084.02 votes cast, not to distribute dividends and to retain net profit for extraordinary legal reserves for the 2017 fiscal year.

The table pertaining to distribution of profit in 2017 has been included under Appendix 1.

7. The meeting continued with the selection of the Independent Members of the Board of Directors nominated by the Corporate Governance Committee as well as the other Members of the Board of Directors.

It was decided by a majority of the votes cast by those present, with 142,126,875 votes in the affirmative and 940,209.02 dissenting votes out of a total 143,067,084.02 votes cast, to appoint:

- **Tuncay Özilhan** (T.R. ID No: 11678509580), located at the address of Fatih Sultan Mehmet Mahallesi, Balkan Caddesi No.58 Buyaka E Blok Tepeüstü, Ümraniye 34771 Istanbul, Turkey
- **Salih Metin Ecevit** (T.R. ID No: 14534311372), located at the address of Fatih Sultan Mehmet Mahallesi, Balkan Caddesi No.58 Buyaka E Blok Tepeüstü, Ümraniye 34771 Istanbul, Turkey
- **Talip Altuğ Aksoy** (T.R. ID No: 10438379982), located at the address of Fatih Sultan Mehmet Mahallesi, Balkan Caddesi No.58 Buyaka E Blok Tepeüstü, Ümraniye 34771 Istanbul, Turkey

- **Kamilhan Süleyman Yazıcı** (T.R. ID No: 72064068722), located at the address of Fatih Sultan Mehmet Mahallesi, Balkan Caddesi No.58 Buyaka E Blok Tepeüstü, Ümraniye 34771 Istanbul, Turkey
- **Nikolaos Stathopoulos** (Tax ID No: 7810429838), located at the address of 40 Portman Square London W1H 6DA England
- **Stefano Ferraresi** (Tax ID No: 3850524732), located at the address of 40 Portman Square London W1H 6DA England
- **Salim Abdullah Khalfan Al Ma'mari** (Tax ID No: 0470961164), located at the address of Wilayet Al Seeb, Muscat Governance, Oman
- **Ömer Özgür Tort** (T.R. ID No: 33070331774), located at the address of Atatürk Mah. Turgut Özal Bulvarı No: 7 34758 Ataşehir Istanbul

to serve as Members of the Board of Directors, and taking into consideration the declarations of independence submitted by them:

- **İzzet Karaca** (T.R. ID No: 17620205272), located at the address of Fatih Sultan Mehmet Mahallesi, Balkan Caddesi No.58 Buyaka E Blok Tepeüstü, Ümraniye 34771 Istanbul, Turkey
- **Hüseyin Faik Açıklın** (T.R. ID No: 19702784064), located at the address of Kemerpark Evleri No: 24 Göktürk 34077 Eyüp, Istanbul
- **Şevki Acuner** (T.R. ID No: 26398934420), located at the address of 46 – 46A, Antonovycha Str. Kiev, 03150, Ukraine
- **Tom Heidman** (Passport No: NS3BK5JB6), located at the address of Dennenlaan 5c 373qkl Hollandsche Rading, the Netherlands

to serve as Independent Members of the Board of Directors for a period of 1 year until the General Assembly Meeting in which the Company's 2018 accounts are to be discussed.

In its letter dated 15 March 2018, the Capital Markets Board notified our Company that there were not any negative opinions on İzzet Karaca, Hüseyin Faik Açıklın, Şevki Acuner and Tom Heidman, who had been nominated as candidates for the independent board members, serving as independent members of the board of directors.

The Ministry Representative saw the Declaration of Board of Directors Membership Candidacy of those not personally present at the meeting:

- Tuncay Özilhan's declaration as issued before the Kadıköy 30th Notary Public with the transaction number of 22021,
- Salih Metin Ecevit's declaration as issued before the Kadıköy 30th Notary Public with the transaction number of 22023
- Talip Altuğ Aksoy's declaration as issued before the Kadıköy 30th Notary Public with the transaction number of 22018,
- Kamilhan Süleyman Yazıcı's declaration as issued before the Kadıköy 30th Notary Public with the transaction number of 22024,
- Nikolaos Stathopoulos' declaration as issued before the Kadıköy 30th Notary Public with the transaction number of 22505,
- Stefano Ferraresi's declaration as issued before the Kadıköy 30th Notary Public with the transaction number of 22504,
- Salim Abdullah Khalfan Al Ma'mari's declaration as issued before the Kadıköy 30th Notary Public with the transaction number of 22818,
- Şevki Acuner's declaration as issued before the Kadıköy 30th Notary Public with the transaction number of 22019,
- Hüseyin Faik Acıklın's declaration as issued before the Kadıköy 30th Notary Public with the transaction number of 22025

- Tom Heidman's declaration as issued before the Kadıköy 30th Notary Public with the transaction number of 20858
- İzzet Karaca's declaration as issued before the Kadıköy 30th Notary Public with the transaction number of 22020,

8. The meeting moved on to deliberations regarding the determination of the gross monthly salaries as well as all financial benefits such as attendance fees, bonuses, premiums or profit shares of the Board of Directors. During the deliberations, shareholder MH Perakendecilik ve Ticaret A.Ş.'s representative Volkan Harmandar took the floor to submit a proposal in line with the Corporate Governance Committee's proposal regarding the determination of the financial benefits of the Board of Directors and explained his proposal. The proposal suggests that independent Members of the Board of Directors be paid a net annual salary of TL 110,000 on a monthly basis, for independent members of the Board of Directors who reside abroad to be paid an additional net attendance fee of TL 8,000 for each meeting they attend and for no salaries and/or attendance fees to be paid to any of the other members of the Board of Directors.

Özkan Cengiz took the floor and asked for details regarding the figure of TL 110,000. Presiding Chairman Volkan Harmandar stated that TL 110,000 was an annual figure and would be paid to the independent members of the Board on a monthly basis.

Voting was commenced. Upon a casting of votes, in accordance with the remuneration policy previously announced and approved on the Company's corporate website, it was decided by a majority of the votes cast by those present, with 142,126,875 votes in the affirmative and 940,209.02 dissenting votes out of a total 143,067,084.02 votes cast, to pay independent Members of the Board of Directors a net annual salary of TL 110,000 on a monthly basis, for independent members of the Board of Directors who reside abroad to be paid an additional net attendance fee of TL 8,000 for each meeting they attend and for no salaries and/or attendance fees to be paid to any of the other members of the Board of Directors.

9. The meeting moved on to the agenda item regarding the amendment of the Articles of Association. It was announced that the amendment text for the Articles of Association had been published and made available 3 weeks prior to the date of the General Assembly Meeting on the Company's website (www.migroskurumsal.com), on the Central Registry Agency's Electronic General Assembly Portal, on KAP and other required means.

It was seen that the Capital Markets Board permission which was mentioned in the material event disclosure dated 30 March 2018 concerning the amendment to the Articles of Association as well as the T.R. Customs and Commerce Ministry, General Directorate of Domestic Commerce permission dated 5 April and numbered 33369126 which was mentioned in the material event disclosure dated 6 April 2018 had been obtained. The Articles of Association amendment text was read out loud in line with the permissions that had been obtained.

Shareholder Kemal Ayla asked if the capital increase would be a bonus issue or an issue for cash. He was informed that this was not a capital increase for either a bonus issue or an issue for cash. It was just a transition to the registered capital system and that a registered capital ceiling had been set within the scope of such transition. It was stated that if in the future any capital increases to occur, such increases are required to remain within such ceiling as per the CMB communiques.

Voting was commenced. Upon a casting of votes, it was decided by a majority of the votes cast by those present, with 142,746,651 votes in the affirmative and 320,433.02 dissenting votes out of a total 143,067,084.02 votes cast, to approve the amendment of article 7 titled

“Capital” of the Company’s Articles of Association as set below and as approved by the Ministry and to authorize the Company’s management with regard to such amendment and all other relevant actions.

MİGROS TİCARET ANONİM ŞİRKETİ ARTICLES OF ASSOCIATION AMENDMENT	
OLD TEXT	NEW TEXT
<p>Article 7 – Capital</p> <p>The share capital of the Company is TL 178,030,000 (Turkish Liras). The share capital has been divided into 17,803,000,000 shares, each with a nominal value of 1 Kurus (one Kurus). The previous share capital of the Company of TL 174,323,340 has been fully paid in.</p> <p>The share capital TL 3,706,660 which has been increased at this time, has been covered by the nominal values of the equities identified on the expert report dated 7 January 2009 as prepared under the scope of the decision of the Istanbul 5th Commercial Court of First Instance dated 5 December 2008 and numbered E. 2008/2248 D.İş as well as the report prepared by specialist firm Ernst Young Kurumsal Finansman Danışmanlık A.Ş. dated December 15, 2008 with regard to the merger. Such equities were attained via the merger by acquisition of Migros Türk T.A.Ş. with all its assets and liabilities as a whole as set forth in its consolidated financial statements dated September 30, 2008 in accordance with the Capital Markets Board Communiqué on the Principles of Merger Transactions Serial: I, No:31, article 451 of the Turkish Commercial Code regulating mergers by acquisition and other relevant articles of the aforesaid Code, and Articles 19 and 20 of the Corporate Tax Law.</p> <p>The 370,666,000 registered shares with a nominal value of 1 Kurus that have been issued as a result of the merger will be distributed to the shareholders of Migros Türk T.A.Ş., which has been dissolved as a result of the merger, so as to be exchanged with Moonlight Perakendecilik ve Ticaret A.Ş. shares.</p> <p>Furthermore, shares may be issued over the nominal values, by the decision of the General Assembly.</p> <p>In the case of a bonus issue, each shareholder obtains new shares pro rata with their shareholding in the Company.</p>	<p>Article 7 – Capital</p> <p>The Company has adopted the registered capital system pursuant to the provisions of the Capital Markets Law and has transitioned to the “Registered Capital” system with permission dated 30 March 2018 and numbered 16/440 from the Capital Markets Board.</p> <p>The Company has Registered Capital ceiling of TRY 500,000,000 (Turkish Liras), which has been divided into 50,000,000,000 registered shares, each with a nominal value of 1 Kurus (one kurus).</p> <p>The Capital Market Board’s registered capital ceiling authorization is valid for 2018-2022 (five years). Even if the registered capital ceiling has not been reached by the end of 2022, in order to pass a resolution to increase share capital, the Board of Directors is required to obtain authorization for a new term in the first general assembly to be held by obtaining permission from the Capital Markets Board for the previously authorized ceiling or a new ceiling amount. If this authorization is not obtained, capital cannot be increased by a resolution of the board of directors. The authorization granted to the board of directors pertains only to capital increases and the power to decrease issued capital still belongs to the general assembly.</p> <p>If the registered capital ceiling is reached within the stated term, or if circumstances arise that require the registered capital ceiling to be raised, it will be necessary to obtain new permission from the Capital Markets Board for a new registered capital ceiling.</p> <p>The company has a capital of TRY 178,030,000 (Turkish Liras), which has been divided into 17,803,000,000 shares each with a nominal value of 1 Kurus (one Kurus).</p> <p>Shares representing the capital are electronically monitored in line with the principles of dematerialization. The Company’s capital may be increased or decreased as necessary in accordance with the provisions of the Turkish Commercial Code and Capital Markets legislation.</p> <p>The Board of Directors is authorized to pass resolutions i) to increase the issued capital up until the registered capital ceiling by issuing new shares, ii) restricting or removing shareholders’ rights to</p>

	<p>purchase new shares, iii) to issue premium shares or shares valued lower than nominal value in accordance with the provisions of the Capital Markets Law, Capital Markets Board's regulatory framework and other relevant legislation as and when it deems necessary.</p> <p>The shareholders' rights to purchase newly issued shares may be restricted or removed provided that no inequalities are created between shareholders.</p> <p>In circumstances where the capital is increased through bonus issues, new bonus shares will be distributed to existing shareholders at the time of the capital increase in proportion to their shareholding in the company.</p>
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- 10.** The shareholders were informed that the Company donated a total of TL 348,231.20 in 2017. A question as to which institutions donations had been made was asked. The Assistant General Manager Erkin Yilmaz responded that food was donated to the Food Bank for those in need as well as to the Turkish Education Foundation, the World Wildlife Fund, Koc University and other similar organizations.

The meeting moved on to deliberations to determine the upper limit of donations and assistance the Company could give in 2018 in accordance with the regulatory framework of the CMB and the Company's Articles of Association. During the deliberations, shareholder MH Perakendecilik ve Ticaret A.Ş.'s representative Volkan Harmandar took the floor to submit a proposal regarding the upper limit for donations and assistance to be provided in 2018 and explained his proposal. The proposal suggested that the upper limit for donations and assistance to be provided by the Company in 2018 within the scope of the provisions of the Capital Markets Law and Dividend Communique no II-19.1 be set at TL 2,000,000.

Upon a casting of votes, it was decided by a majority of the votes cast by those present, with 143,031,755.02 votes in the affirmative and 35,329 dissenting votes out of a total 143,067,084.02 votes cast, to set the upper limit for donations and assistance to be provided by the Company in 2018 within the scope of the provisions of the Capital Markets Law and Dividend Communique no II-19.1 at TL 2,000,000.

- 11.** The meeting continued with the deliberations on approving the independent audit firm selected by the Board of Directors in line with the recommendation of the Audit Committee as required by the Capital Markets Law and the TCC.

Upon a casting of votes it was decided by a majority of the votes cast by those present, with 142,124,685.02 votes in the affirmative and 942,399 dissenting votes out of a total 143,067,084.02 votes cast, to approve the appointment, as per the Capital Markets Law and TCC, of "PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.", registered with the Istanbul Trade Registry under the registration number of 201465, which was selected to serve for the 2018 fiscal period in the Board of Directors meeting of 28 March 2018 and submitted to the General Assembly's approval.

12. The shareholders were informed that the Company had not issued any collateral, pledges or mortgages on behalf of third parties nor had it earned any income or gained any benefit in 2017. The shareholders were also informed that this item had been included in the agenda for informational purposes and no votes were cast.
13. The meeting moved on to deliberations on authorizing any shareholders who may be in control of the Company's management, the Board of Directors and senior managers – as well as their spouses and 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 TCC and CMB regulatory framework and on providing information to shareholders about transactions conducted by related parties in 2017, including those aforementioned persons.

The shareholders were informed that there were no transactions with related parties in 2017, including such aforementioned persons.

Upon a casting of votes it was decided by a majority of the votes cast by those present, with 141,401,980.02 votes in the affirmative and 1,665,104 dissenting votes out of a total 143,067,084.02 votes cast, to give authority to any shareholders who may be in control of the Company's management, the Board of Directors and senior managers – as well as their spouses and 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 TCC and CMB regulatory framework.

Assistant General Manager of Financial Affairs, Erkin Yılmaz made an additional disclosure regarding the valuation of Migros' and Kipa's real estate properties. He stated that for years Migros, which had been incorporated in 1954, had been reflecting its real estate properties onto the balance sheets with their cost value. He indicated that Migros had switched from the cost value method to the Revaluation method in 2017 – as announced on KAP – which had led to an increase in value on the balance sheet. He stated that the revaluation of the real estate properties had been carried out by an independent firm authorized by the CMB. He stated that the TL 873 million increase in the value of Migros – which was being asked – was not solely the result of the shopping centers in Macedonia and Kazakhstan and that the value indicated in the Migros balance sheet for real estate properties was also due to the real estate properties in Turkey, which had been accounted for under the cost value method for years. In conclusion he stated that the value of the real estate properties in Turkey were also included in this figure.

The major real estate properties in Turkey were listed, namely, the Head Office in Ataşehir, the warehouse in Bayrampaşa, the properties in Bahçeşehir, Beşiktaş, Nispetiye, Ataköy and a part of the Ankamall Shopping Center.

He responded to the question of why the value of Kipa's real estate properties had increased less in 2017 as follows: Kipa's immovable properties had been revaluated on 28 February 2017 and that reflected onto the financial statements at the relevant date and consequently the great increase in value had occurred on that date. After 2017, Kipa's real estate properties were once again revaluated by an independent firm authorized by the CMB and that the difference between the two had been reflected onto Kipa's financials as a revaluation.

As there were no issues remaining on the agenda for discussion, the Chairman closed the meeting.

After the meeting, these minutes were prepared and signed in 2 (two) copies at the place of the meeting.

Ministry Representative
Kadir Aslan

Meeting Chairman
Volkan Harmandar

Vote Collecting Officer
Ömer Özgür Tort

Vote Collecting Officer
Erkin Yılmaz

Secretary
Affan Nomak

MİGROS TİCARET A.Ş. GENERAL ASSEMBLY MINUTES APPENDIX 1

Migros Ticaret A.Ş. Profit Distribution Table for 2017 (TL)			
1. Paid-in Share Capital		178.038.900,00	
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 Market Board	As per Statutory Records
3	Profit for the period	606.366.113,46	-459.178.495,85
4	Taxes (-)	93.660.012,73	83.398.278,82
5	Net Profit (=)	512.706.101,73	-542.776.774,67
6	Prior years' losses (-)	-27.516.078	0
7	General legal reserves (-)	0	0
8	NET DISTRIBUTABLE PROFIT FOR THE PERIOD (=)	485.190.023,19	0
	Dividend Advance Distributed (-)	0	0
	Dividend Advance Less Net Distributable Current Period Profit	0	0
9	Grants made during the year (+)	348.231,20	
10	Net distributable profit including grants	485.538.254,39	
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	485.190.023,19	0
20	Other sources planned for distribution	0	0

Migros Ticaret A.Ş Dividend Ratio Table for 2017

	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%