

**TÜRK PRYSMIAN KABLO VE SİSTEMLERİ A.Ş.**  
**51ST ORDINARY GENERAL ASSEMBLY**  
**28.03.2014**  
**MINUTES OF MEETING**

Ordinary General Assembly Meeting of Türk Prysmian Kablo ve Sistemleri A.Ş for the year of operation 2013 was held on 28.03.2014 at 09.00 a.m. in head office of the company, Ömerbey Mah. Bursa Asfaltı Cad. No:51 Mudanya / Bursa which was defined by Company's Board of Director, under the supervision of Ministry Representative, Yasemin Erdoğan who was delegated through the letter of R.T. Governorship of Bursa Provincial, Directorate of Commerce dated 24.03.2014 numbered 79214448-431.03 682.

It was determined that declaration of General Assembly including meeting place, date, time and agenda was simultaneously published in Turkish Trade Registry Gazette dated March 03, 2014 and numbered 8519, in the newspapers Dünya and Olay dated March 03, 2014, in Public Disclosure Platform, Electronic General Meeting System of Central Securities Depository and Company's internet address [www.prysmiangroup.com.tr](http://www.prysmiangroup.com.tr), thus, the declaration was made duly in accordance with the formal procedure required in Company's right of invitation to General meeting, in related Law and Articles of Association.

Upon the revision of the attendance sheet and confirmation of that 94,080,462.90 shares in return for a capital of 94,080,462.90 TL and 1,703,975.00 TL shares in return for a capital of 1,703,975.00 TL from a total capital of 112,233,652.000 TL were represented in the meeting personally and by proxy, respectively, thus minimum quorum required both in law and Articles of Association was achieved, Mr. Hans Gunnar Staffan Högstedt and Mr. Ercan Karaismailoğlu attended on behalf of Board of Directors, the meeting was opened by Mr. Hans Gunnar Staffan Högstedt and agenda was started to be discussed.

It was determined that Company made the preparations for electronic general meeting in accordance with the legal regulations pursuant to sub clause 5 and 6 of Article 1527 in Turkish Commercial Code and the meeting was held simultaneously both in physical and electronic environment.

- 1.** It was decided unanimously to select Mr. Ercan Karaismailoğlu, Mrs. Nevin Kocabaş and Mr. Yiğit Türsoy as Council Chairman, vote collector and clerk, respectively. It was explained to shareholders that voting would be taken explicitly in physical environment through raising hands and in electronic environment through Electronic General Meeting System of Central Securities Depository.
- 2.** Meeting's Council Chairman Ercan Karaismailoğlu submitted excuses of the unavailable Board members for the information of General Assembly. It was decided unanimously to give the authority to sign minutes of meeting to Council Chairmanship.
- 3.** Reports of Board of Directors and Independent External Auditing Firm DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. and financial statements of the company for Accounting Period 01.01.2013 – 31.12.2013 were submitted to approval.

Representative of Access Turkey Opportunities Fund, LLC and Mustafa Erhan Say, Özgür Öcal Tanrıverdi took the floor and mentioned:

*"We invested in Türk Prysmian Kablo, because we believe in the high profit potential of your company as fund and it is in conformity with our other investment criteria. As a fund believing in Turkey's potential, we make our investments rather for long term, therefore we have invested in your company's shares since 2010. However, we have had several risks and*

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concerns regarding our investment in your company for almost 4 years. To list our evaluations briefly:

- *As the company's last 12-month turnover and EBITDA were 428 million TL and 11,1 million TL, respectively at the beginning of our investment in your company, these figures rose to 822 million TL and 19,8 million TL, respectively at the end of 2013. Although the growth in turnover seems enough satisfactory, EBITDA figure is considerably lower than even the figure of 2007, 33,6 million TL despite company's high operating leverage. Besides, the company had obtained EBITDA figure of 2007 with a turnover of 623,6 million TL. In other words, the increase by 32% and high leverage in operations had not affected the profitability.*
- *We can specify that the primary reason is company's commercial operational relations with its main shareholders and group companies. Recently, we've seen that the total service and license fees of the company paid to its group companies exceeded almost the total EBITDA. In other words, EBITDA of the company remained at 19,8 million TL at the end of 2013 as the total service and license fees reached to 20,5 million TL. This situation demonstrates that more than half of the cash flow which the company created during the year was recorded as expenditure by the parent company abroad. This is not an acceptable condition for the investors. How equal these license fees received are urgently discussed in detail by the company's Board of Directors. These high service and license fees have become a burden for the company under present conditions and it should be urgently negotiated with main shareholders. License fees were determined in 2006 most recently and the market conditions from that day to this have changed significantly, so the company should sit around the table with main shareholders again and reduce the license fees severely.*
- *Moreover, we observe that trade within the group increased strikingly in this period. Whereas intragroup material purchases and commercial purchases corresponded to 43,5 million TL at the end of 2009, intragroup material purchases have increased by 3 times and reached to 119 million TL at the end of 2013. It is remarkable for Türk Pirelli Kablo to meet its domestic cable need from abroad although it has the opportunity to meet this need through its own production to a large extent. We think that this situation has a negative effect on company's profitability.*
- *We are conscious of that global investment conditions are much more different than a few years ago, but we are also aware of that your firm has covered a significant distance within this period. Türk Prysmian Kablo completed its full-scale investments and became a technology developer company. Therefore we consider that Türk Prysmian Kablo should become much more profitable and this profitability should be reflected on figures. However, we cannot see the increasing profitability in the financial results of the company due to the reasons above. In addition, Türk Prysmian Kablo investing in R&D for a long time should also receive license fee.*
- *This situation in profitability is not only known by us, but also the other investors and it affects the company's share price negatively. Although the turnover of the company has increased by 90% at the end of 2013, its market value which was 140 million TL four years ago has not still changed. Performance of the company has been almost 40% lower than IMKB100 index for four years. This low profitability level does not match up with a firm which promotes itself as a global company producing technology.*

*We want to share our opinions with you in this general assembly and request Board of Directors to immediately discuss this problem and urgently take the necessary precautions regarding abovementioned issues. We'd like to state that we act with pleasure if these negotiations require any contribution from us."*

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**4.** All of the financial statements, reports and accounts prepared in compliance with CMB legislation for Accounting Period 01.01.2013 – 31.12.2013 were negotiated and approved individually. By a large majority, they were affirmed with 93,991,659.9 affirmative votes as opposed to 1,792,778 dissentive votes. All of the Board members, Mr. Mahmut Tayfun Anık, Mr. Hans Gunnar Staffan Högstedt, Mr. Ercan Karaismailoğlu, Mr. Halil İbrahim Kongur, Prysmian Dutch Holdings B.V., Draka Holding B.V. Mr. Ali Aydın Pandır, Mrs. Neslihan Tonbul, Mr. Mehmet Emin Tutan, performed duty on accounting period 2013 were affirmed with 93,991,659.9 affirmative votes as opposed to 1,792,778 dissentive votes by a large majority.

**5.** Board proposal in decision of the Board dated 28.02.2014, numbered 2014/06 about the profit in Accounting Period 01.01.2013 – 31.12.2013 were discussed and:

considering the articles of association and dividend policy, it was decided unanimously to distribute the total of 7,162,752 TL which corresponded to 6,38% of issued capital after reserving Primary Reserve of 385,151 TL and Secondary Reserve of 155,107 TL from 9,145,892 TL, the accounting profit for 2013 year of activity which was determined in compliance with generally accepted accounting principles published by CMK, in net amount of 0.054247002 TL as dividend in cash and gross amount of 0.063820003 TL per share with a par value of 1 TL, beginning from April 16, 2014 after subtracting tax to be calculated as 15%.

**6.** It was decided unanimously to appoint Draka Holding B.V. as the board member and approve Board decision dated 25.02.2014 numbered 2014/2 regarding accepting Fabio Ignazio Romeo to perform Board membership as the representative on behalf of Draka Holding B.V.

It was decided unanimously to select Mr. Mahmut Tayfun ANIK, Hans Gunnar Staffan HÖGSTEDT, Ercan KARAİSMAİLOĞLU, Halil İbrahim KONGUR and Draka Holding B.V., and Ali Aydın PANDIR, Ayşe Canan EDİBOĞLU and Mehmet Emin TUTAN as Independent Members to Board membership for 2 years until Ordinary General Assembly to be arranged in 2016 in any case about accounting period 2015, without needing the previous or following affirmation and approval of General Assembly on the other issues excluding the tasks left only under the authority of General Assembly in Turkish Commercial Code. It was decided unanimously not to make any payment to the following selected Board members: Mahmut Tayfun ANIK, Hans Gunnar Staffan HÖGSTEDT, Ercan KARAİSMAİLOĞLU, Halil İbrahim KONGUR and Draka Holding B.V. and to make annual payments to Independent Members Ali Aydın PANDIR, Ayşe Canan EDİBOĞLU and Mehmet Emin TUTAN in net amounts of 30,000.00 Euro, 20,000.00 Euro and 20,000.00 Euro respectively.

**7.** Company's information policy in Board decision dated 28.02.2014 and numbered 2014/05 was read to General Assembly and discussed and it was decided unanimously to define it as company's information policy.

**8.** Donations and aids given in Accounting Period 2013 were read to the shareholders attending the meeting and they were informed. The donations and aids were discussed and decided unanimously. Again, it was decided unanimously to determine that the upper limit for donations to be given in 2014 would not exceed 10% of net income of the previous period one year ago.

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- 9.** It was decided unanimously to amend Article 3 of articles of incorporation as follows through the permission of Capital Market Board dated 05.02.2014 and numbered 29833736-260 -1235 and the permission of R.T. Ministry of Customs and Trade General Directorate of Domestic Trade dated 14.02.2014 and numbered 7300147/431.02.1542-214102-11276 906.

**New Article**

**Article 3 – Company’s purpose and main subject of activity:**

- a-** To manufacture, import-export and trade all types of cables and conductors, machines, devices, tools and their parts and accessories, raw materials, semi-finished and finished materials and all other items in electro technical field.
- b-** To make the endurance tests and experiments of the raw materials used in cable production and all types of cables as finished goods against geometry, electricity, mechanics, chemistry, optics and fire in accordance with the national and international standards or predefined methods and report their results, classify the cables for endurance against fire, found and operate laboratories and facilities having necessary equipment and infrastructure to perform all kinds of laboratory activities, make license, patent and know-how agreements regarding founding laboratory and facility with domestic and foreign companies and get into partnerships with them if necessary.
- c-** To obtain immovable properties, rights on related costs, underground and ground assets, sell and assign them, impose mortgage on them, take mortgage and release, construct buildings, rent and sell them if necessary, lease building.
- d-** To buy and sell all types of marketable securities provided not having the feature of intermediation and portfolio management of securities, take and give all types of guarantees as chattel mortgage, pledge of commercial enterprise, bill of guarantee and bank guarantee whether they are real or personal, get or give credit provided not having the feature of lending money.
- e-** Obtain and use all kinds of transportation vehicles.
- f-** Participate in all kinds of institutions founded or to be founded and assign or sell these participations.
- g-** Perform as distributor or agency, found franchises and sales organization, perform formal and personal contracting works.
- h-** Acquire, sell, rent and lease license, patent and all other types of intellectual properties.
- i-** Establish foundations for several purposes within the frame of Social Responsibility provided that the money used shall not exceed 10% of previous year’s net profit and give donations with the same quantities to individuals and/or institutions.
- j-** Perform all other kinds of activities related with the interest of the company.

If other businesses except abovementioned ones are desired to be performed for benefit of the company in future, these businesses can be performed after proposal of the Board, approval of General Assembly and fulfilling the required legal transactions.

In case of giving guarantees, pledging or giving mortgage on behalf of third parties, regulations of Capital Market Board are followed.

- 10.** The information about the unavailability of any Guarantee, Pledge and Mortgage on behalf of third parties was submitted to shareholders by our company.

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- 11.** It was decided unanimously to choose DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. which Audit Committee offered as the Independent Audit Company for financial year of 2014 and Board of Directors approved, and to sign a one-year contract with it.
- 12.** Salary principals for board members mentioned in Board decision dated 28.02.2014 and numbered 2014/05 and senior managers having administrative responsibilities were read to General Assembly and discussed, then they were decided unanimously.
- 13.** It was decided unanimously to give approval to shareholders having management authority, board members, senior managers and their spouses and relatives till the second degree in order to make transactions and compete with the company within the scope of principal numbered 1.3.7. of Corporate Governance Principals imposed through Notification of CMB with Series: IV and No: 56 and shareholders were informed that there is not any such transaction within period.
- 14.** Pursuant to article 14 of articles of incorporation, the information about the transactions which were performed in 2013 and subjected to affirmation and approval of General Assembly was submitted to shareholders. It was decided unanimously to affirm it. It was decided unanimously to affirm the transactions specified in article 14 of articles of incorporation, in advance until the decision of Ordinary General Assembly in activity year 2014 as long as the company needs.
- 15.** CEO thanked our customers and suppliers relying on our company and all of our personnel working devotedly and wished 2014 to be a successful year creating values for our country, industry and investors and then finalized the meeting after confirming that shareholders did not have any questions and there were no remaining points to be discussed.

The minutes of meeting was prepared and signed following the meeting in the meeting place. March 28, 2014.

**COUNCIL CHAIRMAN**  
Ercan Karaismailoğlu

**MINISTRY REPRESENTATIVE**  
Yasemin Erdoğan

**VOTE COLLECTOR**  
Nevin Kocabaş

**CLERK**  
Yiğit Türsoy