

**MINUTES OF THE ORDINARY GENERAL ASSEMBLY  
OF KUWAIT TURKISH PARTICIPATION BANK INC. DATED 28/03/2013**

Ordinary General Assembly of Kuwait Turkish Participation Bank Inc. was held on 28/03/2013, at 15:00 o'clock at Büyükdere Cad. 129/1 Esentepe-Şişli/İSTANBUL in meeting room of Head Office with the participation of Mr. Hüseyin ÇAKMAK who was designated by Ministry of Science, Industry and Technology with the letter dated 27/03/2013 and Nr: 9464.

Public advertisement regarding the Assembly had been published and announced in Turkish Trade Registry Gazette dated 13/03/2013, issue Nr:8277 and in Dünya Gazette dated 13/03/2013 pursuant to laws and regulation. Moreover registered shareholders had been called for the Assembly via registered letter, which has been posted on 12/03/2013 from Post Office of Mecidiyeköy. It was clearly understood that from total shares of the Company representing the paid-up capital 1.100.000.000 TL, 1.100.000.000 shares had been represented by the principal persons and 7.431.967- shares by the legal representatives 989.610.527-, totalling 997.042.494-. The legally required majority was present and therefore with the presence of Ministry of Trade Industry representative the opening of the Assembly was declared legally. The meeting had been opened by Mr. Ufuk UYAN, CEO to discuss the agenda.

In accordant with first article of the agenda, Mr. Ufuk UYAN started election of Chairman of the Presidency Council in order to form Presidency Council. Suggestions were collected, one of our shareholders named Mr. Ali AKAY was suggested Mr. Ö. Asım ÖZGÖZÜKARA and there was no any other suggestion. Therefore, suggestion was voted.

**In Compliance with the First Article of the Agenda**

Mr. Ö. Asım ÖZGÖZÜKARA was elected as the Chairman of the Presidency Council. Pursuant to related article of Incorporation, to form the presidency council, the Chairman of the Presidency Council, chose Mr. Ahmet KARACA and Mr. İbrahim POLAT as voting officers, and Mr. Bekir HALAÇOĞLU as secretary. Members of the presidency council submitted to the General Assembly's approval and approved unanimously.

Mr. Ufuk UYAN seated members of Presidency Council their places with expressing best wishes and declared to give authority to the Presidency Council.

**In Compliance with the Second Article of the Agenda**

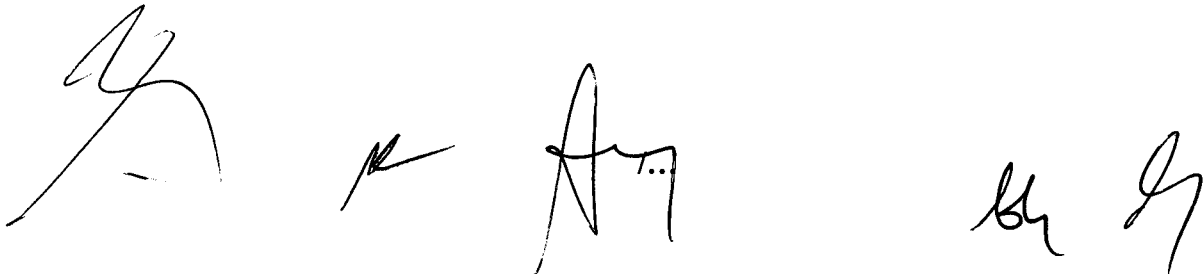
It had been unanimously resolved to give authority to the Presidency Council to sign the minutes of the Assembly on behalf of the Shareholders.

**In Compliance with the Third Article of the Agenda**

The delegate of Islamic Development Bank, Mr. Tarık Kıvanç proposed that the articles 3, 4, and 5 to be discussed and voted together. This proposal voted and approved unanimously. Annual Report of 2012 had been read by Mr. Ufuk UYAN, CEO.

**In Compliance with the Fourth Article of the Agenda**

Audit Report of 2012 had been read by the Auditor Mr. Güven OBALI.



**In Compliance with the Fifth Article of the Agenda**

Balance Sheet, Profit-Loss Statement of the year 2012 had been explained and presented to the Assembly by Mr.Ahmet KARACA.

3, 4, and 5th articles were submitted to the Assembly for discussion; Prof. Dr. Nevzat Yalçıntaş expressed his gratitude to the management. Mr. Tarık Kıvanç spoke and expressed his thoughts as follows “I thank Mr. General Manager and other related staff for preparing this very nice annual report. But it would be better if it had more detailed information about KT Dubai Ltd. I believe if it had the comparative financial figures with other participation bank it would have been better. If you look at the performance of the banks Kuveyt Türk has been doing better, on the other hand I see that the growing rate decreased this year, I wonder why?”

Mr. Ufuk Uyan came to the stage and answered the raised questions as follows “BRSA is setting the format of annual reports. KT Dubai Ltd. is a profitable subsidiary. Kuveyt Türk is in the second place among the participation banks, in terms of asset size and we have the least overdue receivables and we have the highest coverage ratio. The whole banking sector’s growing rate decreased besides that the Central Bank’s policies affected the growing rates negatively. Thank you all.”

After the discussions The Annual Report, the Audit Report, The Balance Sheet and Profit-Loss Statement of the year-2012 were approved unanimously.

**In Compliance with the Sixth Article of the Agenda**

The Board of Directors was unanimously acquitted by the General Assembly. The Board Members did not vote for their own acquittal.

**In Compliance with the Seventh Article of Agenda**

The Board of Auditors was separately and unanimously acquitted by the General Assembly.

**In Compliance with the Eighth Article of the Agenda**

After the Board of Directors’ profit appropriation proposal was read to the Assembly, Prof. Dr. Nevzat Yalçıntaş wanted to discuss the issue. He told about some of his memories and explained how they worked while Kuveyt Türk was being established, and how he bought some shares with his salary. He expressed his happiness because being remembered by Kuwait Türk at the new year. He also said that he was not happy with BRSA’s decision that not letting the banks to distribute profit to the small shareholders. The Chairman of the Presidency Council said that according to proposed profit appropriation there will be cash dividend payments to the shareholders. Mr. Tarık Kıvanç took permission from the chairman and asked “Does BRSA not avoiding cash dividend?” The Board Member and the General Manager Mr. Ufuk Uyan started to talk stated that Kuveyt Türk’s capital adequacy was good that’s why BRSA letting Kuwait Türk to pay cash dividend.

After these discussions; in accordance with the Board of Directors’ proposal, the following profit appropriation submitted to the approval of the General Assembly, and approved unanimously:

After deducting the financial obligations from the profit of the year 2012, out of the remaining TL 250,155,586 -;

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1. In accordance with the Article effective during the accounting period 50/1 of the Articles of Association 5 % of the profit TL 12,507,779- shall be appropriated as the 1st Legal Reserves,
2. In accordance with the Article effective during the accounting period 50/3 of the Articles of Association; TL 17,000,000.- as the 1st Dividend shall be paid in cash to shareholders',
3. In accordance with the Article effective during the accounting period 50/3 of the Articles of Association; TL 1,871,735- dividend shall be paid to the Board Members,
4. TL 50,000,000.- portion of remaining profit shall be distributed to the shareholders for bonus capital increase and against this capital increase shareholders shall be given bonus shares in proportion to their shares in accordance with the Article effective during the accounting period 50/3 of the Articles of Association,
5. TL 1,887,174- shall be appropriated as the 2nd Legal Reserves in accordance with the Article effective during the accounting period 50/3 of the Articles of Association,
6. In accordance with 5<sup>th</sup> article of Corporate Tax Law nr.5520 TL 20,896,298.-, profit from sale of real estates, shall be appropriate as "Other Reserve", not to be distributed to the shareholders,
7. TL 385,106.- shall be appropriated as "Other Reserve" in accordance with the 3th Article of the Law Nr. 5746.
8. In accordance with the Article effective during the accounting period 50/3 of the Articles of Association the remaining profit, TL 145,607,494.- shall be appropriated as "Extraordinary Reserves".

**In accordance with Ninth Article of Agenda;**

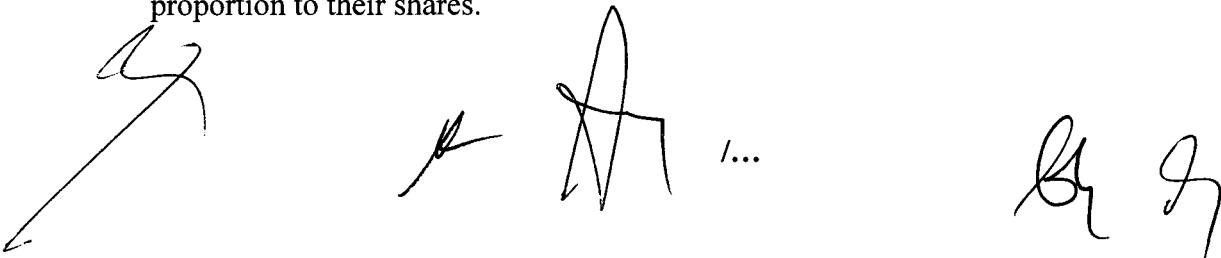
The amendment of the 7th article of the Articles of Incorporation was approved by majority against one dissential vote. In accordance with the same renewed text enclosed to this minutes based on the fore-permission dated 11 March 2013, Nr. 67300147/431.02-43211-234161-2101-1659 of Ministry of Customs and Trade-Internal Trading General Directorate following the approval of Banking Regulatory and Supervisory Board dated 05 March 2013, Nr. 20008792.93.1.5950

**"SHARE CAPITAL**

ARTICLE 7 - The capital of the Bank is 2.060.000.000,-TL (Two Billion Sixty Million Turkish Liras) which is divided into 2,060,000,000 (Two Billion Sixty Million) shares with par value of TRY 1 (One Turkish Lira). The shares are issued in the name of the shareholders.

Out of TRY 2.060.000.000.- (Two Billion Sixty Million Turkish Liras);

- a) 1,100,000,000.-TL (One Billion One Hundred Million) has been fully paid-up.
- b) The increased amount TRY 50,000,000.- (Fifty Million Turkish Lira) will be paid from the profit as of 31/12/2012 without appropriating dividend in cash in compliance with Turkish Commercial Code. Against this capital increase shareholders will be given bonus shares in proportion to their shares.



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The increased amount TRY 190,000,000.- (Hundred and Ninety Million Turkish Lira) will be paid from the retained earnings in compliance with Turkish Commercial Code. Against this capital increase shareholders will be given bonus shares in proportion to their shares.

All of the increased amount through "the capital commitment" of TRY 360,000,000.- (Three hundred sixty thousand million Turkish Lira) will be fully paid in cash, not later than three months after and in accordance with the General Assembly's related decision in accordance with the 461<sup>st</sup>. article of Turkish Commercial Code, by the shareholders whom already had given a written unconditional commitment. Again all of the increased amount through "the capital commitment" of other TRY 360,000,000.- (Three hundred sixty thousand million Turkish Lira) will be fully paid in cash, not later than fifteen months after the registration of this decision in accordance with the General Assembly's related decision in accordance with the 461<sup>st</sup>. article of Turkish Commercial Code, by the shareholders whom already had given a written unconditional commitment.

Following issues was approved by majority against one dissential vote. Prof. Dr. Nevzat Yalçıntaş voted against the amendments;

First part of capital commitments, 360,000,000. TL which will be added to capital in cash, each shareholder will have the right to buy shares, for each 1 (one) TL, in proportion to his/her existing shares by using his/her preemptive right. To be able to use the preemptive right the shareholder should pay all his/her committed amount in cash before the end of working hours of Monday, May 27, 2013. A newspaper announcement shall be made in accordance with the related regulations.

In case of existence of unused preemptive rights, without making any announcements, other shareholders shall have the right to request additional rights from these unused preemptive rights in proportion to their existing shares for 1 (one) TL each, by applying to the head office between the dates Tuesday, 28 May 2013 and Thursday, 30 May 2013.

After this date if any unsold shares left, shareholders shall have the right to buy, for 1 (one) TL each, as many as they want from these remaining shares, in accordance with the priority of their application, before the end of working hours of Friday, 31 May 2013.

The Board of Directors has the authority to determine the rules of using preemptive rights and payment dates for the second part of capital commitments, 360,000,000 TL, which will be paid in cash.

**In accordance with Tenth Article of Agenda;**

In accordance with the related articles of Turkish Commercial Code No: 6102 and the Banking Law no: 5411, DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. unanimously was elected as independent auditor.

**In accordance with Eleventh Article of Agenda;**

Pursuant to related article and in accordance with the Article of Incorporation and Turkish Commercial Law no:6102, regarding to the written statement of Banking Regulation and Supervision Agency dated 05.03.2013, Nr. 20008792.93.1.5950 and prior permission of Ministry of Customs and Trade- Internal Trading General Directorate dated 11.03.2013, Nr. 67300147/431.02-43411-234161-2101-1659, changes of articles 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57 of Kuveyt Türk Participation Bank's Articles of Incorporation, discussed by the Assembly and approved unanimously as attached in the comparative amendment text.

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**In accordance with Twelfth Article of Agenda;**

The Internal policy which sets the activities and working principles of General Assembly has been discussed and approved unanimously as prepared by the Board of Directors.

**In accordance with Thirteenth Article of Agenda;**

In accordance with the eight articles of agenda, dividend shall be paid to the Chairman and the Members of Board of Director for carrying out the tasks of Chairmanship or the Board Memberships, and also they shall be paid salary (under the name of fee, salary, per diem, or bonus) for carrying out of the memberships of committees which they were appointed/elected of, in accordance with the Compensation Committee's decisions, and the authority to decide the amount, timing and form of payments shall be given to the Board of Directors were approved unanimously.

**In accordance with Fourteenth Article of Agenda;**

In accordance with the related articles of Banking Law nr:5411, MR. Ahmet KARACA has informed to General Assembly about the audit activities of the year 2012.

**In accordance with Fifteenth Article of Agenda;**

Mr. Ufuk UYAN informed to shareholders about the amount, method of distribution and expending of other than the amount paid in cash of personnel bonus provisions set aside from the profit of 2012 in accordance with the Bank's Compensation Committee's decision dated 30.01.2013, Nr. 5. and written statement of BRSA dated 19.02.2013, Nr. 20008792-93.1.4772, regarding the profit distribution.

**In accordance with Sixteenth Article of Agenda;**

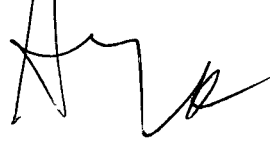
It has been unanimously resolved to approve reflecting participation accounts' portion of provision expenses, which set aside according to 14/2 article of Communiqué of "Principles and Procedures for the Determination of the Quality of Loans and Other Receivables and Reserves to be provided for these Loans" of BRSA, to the expense accounts. Turkish Commercial Code's related provisions reserved.

**In accordance with Seventeenth Article of Agenda;**

It has been unanimously resolved that the Board of Directors is permitted to execute any transactions mentioned in Article 395 and 396 of the Turkish Commercial Code.

**In accordance with Eighteenth Article of Agenda;**

Wishes listened; Mr. İlhan Erem strated to talk and he expressed his gratitude to the management and other staff. Mr. Tarık Kıvanç, representing Islamic Development Bank, started to talk; he said that he was very happy to see a well prepared report and he expressed his congratulation to the management and the staff. He also said that under this keen competition to be successful was not easy. He wished Kuwait Türk more successful years in the coming years. He warned the management to be careful about the expenses, especially personnel expenses. He gave some examples related to personnel expenses. He said that he was always think of goodness of the Bank and "I believe my friends well know what they are doing" he said. Mr. İsmail Hakkı Tunç started to talk; he thanked the General Manager and the other staff for the good performance of the Bank. Hüdayi Çakır, representing KOMAŞ Kocatepe Modern Mağazacılık A.Ş., started to talk and he thanked all the personnel of the Bank.

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Assembly has been closed since there was no other article left to be discussed in the Agenda.


**Representative of Ministry  
of Science Industry and Technology**  
Hüseyin ÇAKMAK

**Chairman of the  
Presidency Council**  
Ö.Asım ÖZGÖZÜKARA

**Voting Office**  
Ahmet KARACA



**Voting Office**  
İbrahim POLAT



**Secretary**  
Bekir HALAÇOĞLU

