

BİM BİRLEŞİK MAĞAZALAR A.Ş.
ORDINARY GENERAL ASSEMBLY MEETING FOR THE YEAR 2016
INFORMATION NOTE

Invitation to the General Assembly Meeting

The Ordinary General Assembly Meeting of our Company for the year 2016 will be held at 10:30 on April 18, 2017, in the company head office at the address Abdurrahmangazi Mah. Ebubekir Cad. No.73 Sancaktepe-İstanbul in order to discuss the agenda detailed below.

Annual report for 2016, consolidated financial statements, independent auditor's report, recommendation of profit distribution chart for the year 2016 will be made available to be viewed by the shareholders at the head office and on company's website www.bim.com.tr no later than 21 days prior to the date of General Assembly Meeting.

Our shareholders, or their representatives, can attend the General Assembly Meeting physically, or by electronic communication as per article 1527 of the Turkish Commercial Code No.6102. Attendance by electronic communication will be possible provided that the shareholders, or their representatives, present their electronic signatures.

Any shareholders, or their representatives, who want to attend the meeting by electronic communication must fulfill their obligations, as specified in the "Regulation on General Assembly Meetings of Joint Stock Companies Held Through Electronic Means" published in the Official Gazette No.28395 dated 28 August 2012, "Communiqué on Electronic General Assembly System to be used in General Assembly Meetings of Joint Stock Companies" published in the Official Gazette No.28396 dated 29 August 2012, Capital Markets Legislation, Regulations of the Capital Markets Board and regulations of the Central Registry Institution.

For the shareholders who will attend the meeting in person, presentation of the Turkish ID Card at the entrance of the meeting hall is sufficient.

The shareholders who will send their representatives to the meeting must fulfill the requirements specified in the Capital Markets Board's "Communiqué on Voting by Proxy and Proxy Solicitation" No. II-30.1 and submit their notarized power of attorney.

Shareholding Structure

As of 23 March 2017, the shareholding structure of the Company is as follows. Our company shares do not include any preferred shares, but equal voting rights for all shares.

Shareholder	Nominal Amount (TL)	Participation Rate (%)
Mustafa Latif Topbaş	44.876.992	% 14,78
Ahmet Afif Topbaş	28.500.000	% 9,39
Abdulrahman El Khareji	5.572.000	% 1,84
Firdevs Çizmeci	3.499.980	% 1,15
Fatma Fitnat Topbaş	3.036.000	% 1,00
Ahmed Hamdi Topbaş	1.600.000	% 0,53
Ahmet Hamdi Topbaş	520.000	% 0,17
Ömer Hulusi Topbaş	360.000	% 0,12
İbrahim Halit Çizmeci	20	% 0,00
Other (Public)	215.635.008	% 71,02
TOTAL	303.600.000	%100

There are no management and operative changes, which have been implemented by the affiliates of our Company within the previous accounting period, or which are planned for the next accounting period, and which may substantially affect activities of the Company.

There is no written request sent to us by the shareholders for addition of items to the agenda.

Description of Agenda

1. Opening, Election of Moderator and Authorization of the Moderator to Sign the Ordinary General Assembly Meeting Minutes,

The Moderator who will chair the General Assembly Meeting within the framework of the provisions of “Turkish Commercial Code No.6102” (“TTK”) and “Regulation on the Procedures and Principles of General Assembly Meetings of Joint Stock Companies and the Representatives of the Ministry of Customs and Trade” (“Regulation”) shall be elected. Authorization of the Moderator by the General Assembly, so that the decisions taken in the General Assembly can be written to minutes, shall be approved according to the provisions of TTK and Regulation.

2. Reading and negotiating the Annual Report for the year 2016,

The annual report for the year 2016 will be made available to be viewed by the shareholders at the head office no later than 21 days prior to the date of General Assembly Meeting. The related reports are also available at the below link of Company web site <http://www.bim.com.tr/Categories/654/faaliyet-raporlari.aspx>

This item is for information purposes and shall not be voted.

3. Reading and negotiating the auditor's reports for the year 2016,

The report with unqualified (clean) opinion, prepared by PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (a member of PricewaterhouseCoopers), for the financial statements of the year 2016 has been made available to be viewed by the shareholders at the company head office and also through the link;

<http://english.bim.com.tr/Category/653/periodical-financial-results.aspx>

This item is for information purposes and shall not be voted.

4. Review, negotiation and approval of the financial statements for the year 2016,

The financial statements prepared for the year 2016 according to the regulations of the Capital Markets Board made available at the company head office and also through the link;

<http://english.bim.com.tr/Category/653/periodical-financial-results.aspx>

5. Decision on acquittal of members of the Board of Directors due to their activities in the year 2016,

As per the provisions of TTK, acquittal of members of the Board of Directors due to their activities in the year 2016 shall be submitted to the General Assembly for approval.

6. Discussion and resolution of recommendation of the Board of Directors regarding profit distribution for the year 2016,

With regard to the profit of the year 2016, with a final amount of TRY 670.859.000 after taxes according to the consolidated financial statements prepared pursuant to the Capital Markets Board's communiqué Serial: II-14.1, the Company's Board of Directors has made the following decisions which are to be negotiated in the Ordinary General Assembly Meeting:

- gross **TRY 425.040.000** which corresponds to the 140% of the capital paid to the shareholders shall be distributed in cash,
- **TRY 40.986.000** shall be allocated as 2nd legal reserve
- in calculation of the distributable profit in cash, the equation of "TRY 1.- Nominal value = 1 piece = 1 Lot" shall be used and therefore for each fully paid bearer share of TRY 1.- shall be paid a gross=net dividend of TRY 1,40.- to shareholders whose dividends are not subject to withholding tax and shall be paid a net dividend of TRY 1,19 (gross TRY 1,40) for each share of TL 1 for other shareholders,

- distribution of cash dividend shall be proposed to be implemented in two installments, first installment be distributed as gross TRY 0,80 for each share from 7th June 2017 and second installment as TRY 0,60 for each share from 8th November 2017,
- The profit distribution table, as presented in **ANNEX-1**, shall be proposed to AGM.

7. Election of the New Board Members and determination of their monthly participation fee by separate voting for each candidate,

Two independent member candidates shall be determined for the Board of Directors of six members as per the Capital Markets Board's Communiqué Serial: II-7.1 on Corporate Government. In this respect, the names of Talat İçöz and Mustafa Büyükbacı shall be submitted, as the independent members, to the General Assembly for approval. These independent members were approved with the Capital Markets Board's letter dated February 13, 2017. CVs of these independent member nominees are provided in **ANNEX-2**.

For the other four member positions in the Board of Directors, reconsideration of the members served in 2015 is expected and CVs of the current members are provided in **ANNEX-2**.

Election of the Board of Directors Members and the honorarium to be paid them will be performed separately for each one candidate

The monthly honorarium fee to be paid to the Board members for the year 2017 will be proposed as **5.000 TRY** per month.

8. Grant of authorization to the members of the Board of Directors so that they can carry out the duties specified in Articles 395 and 396 of the Turkish Commercial Code and in compliance with the Corporate Governance Principles issued by Capital Market Board, informing the General Assembly on related party transactions performed within such framework in 2016,

Authorization to be given the members of the Board of Directors, so that they can carry out the duties specified in the first paragraph of Article 395 "Transactions with the Company, Prohibition of Borrowing from the Company" and Article 396 "Prohibition of Competition" of the Turkish Commercial Code, shall be presented to the General Assembly for approval.

Additionally, pursuant to the Capital Markets Board Corporate Governance Principles No. 1.3.6, the General Assembly shall be informed in the event that shareholders having managerial control, shareholder board members, senior management and relatives up to the second degree of blood or affinity engaged in a significant business transaction creating a conflict of interest with the Company or its subsidiaries, competed with the company in the same line of business on their own behalf or on the behalf of others, or was involved in the same business as that of the Company as unlimited partner in another company. Information about mentioned

transactions must be included as a separate article on the agenda and recorded into the minutes of the General Assembly.

The transactions performed with related parties in 2016 includes common and continuous product purchases and those purchases correspond %9,7 of total purchases as of 2016. The details of related party transactions were disclosed in the 26th note of Company financial statements published on the 6th March, 2017. In 2016, there has not been any material transaction which requires notification in accordance with Corporate Governance Principle No. 1.3.6 of the Corporate Governance Communiqué.

9. Informing shareholders about share buy-back program , which was effective between July 22, 2016 and March 16, 2017, under the authorization granted with the decision of the Board of Directors dated July 22, 2016,

Haluk Dortluoğlu, a member of the Executive Board and CFO of the Company, was authorized with the purpose of share buy back transactions up to TRY 300,000,000 with the decision of the Board of Directors dated July 22, 2016. The program was ended by board decision dated March 16, 2017.

During the program, 1.230.280 shares corresponding to %0,4 of Company's share capital were purchased from the stock exchange between July 22, 2016 – March 16, 2017. 61.111.112 TRY paid for the transactions and the fund was provided by Company internal sources. Average cost per share is 49,7 TRY

10. Presentation of the donations and aids by the Company in 2016 for the General Assembly's information,

Pursuant to Article 6 of the Capital Markets Board Communiqué Serial: IV, No:-19.1, donations made within the year must be submitted to the information of the General Assembly. The Company's donations in 2016 amounted to TRY 6.954.076 TL. This amount of donation which corresponding %0,035 of total sales of 2016 is below the % 0,1 upper limit determined in the donation & aid policy.

11. Informing shareholders that no pledge, guarantee and hypothec were granted by the Company in favor of third parties based on the Corporate Governance Communiqué of the Capital Markets Board,

The fact that no pledge, guarantee and hypothec were granted by the Company in favor of third parties shall be submitted for the General Assembly's information, and this article related to the approval of the General Assembly, whereby it only serves for information purposes.

12. Ratifying the election of independent auditor by the Board of Directors as per the Turkish Commercial Law and regulations of the Capital Markets Board,

The Board of Directors decided in March 16, 2017, that the General Assembly would be advised to receive independent audit services for the year 2017 from PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. as per the Turkish Commercial Law and regulations of the Capital Markets Board.

ANNEXES

ANNEX-1: Profit Distribution Chart for the year 2016

ANNEX-2: CVs of Member Nominees for the Board of Directors

Annex1: BİM Birleşik Mağazalar A.Ş. 2016 Dividend Distribution Chart (TL)			
1. Share Capital			303.600.000
2. Total Reserve Funds (Per Legal Records)			296.387.450
Priority on dividend			None
		Per Capital Market Board	Per Legal Records
3.	Profit Before Tax	849.181.000	849.421.446
4.	Corporate Tax (-)	178.322.000	169.401.589
5.	Profit After Tax (=)	670.859.000	680.019.857
6.	Prior Year Loss(-)	-	-
7.	First Reserve Fund (-)	-	-
8.	Net Income Distributable(=)	670.859.000	680.019.857
9.	Donations (+)	6.954.076	
10.	Distributable Income + Donations	677.813.076	
11.	First Dividend to Shareholders		
	-Cash	203.343.923	
	-Bonus	-	
	- Total	203.343.923	
12.	Dividend For Privileged Shares	-	
13.	Other Dividend - Board Members - Employees - Other	-	
14.	Dividend to Redeemed Shares	-	
15.	Second Dividend to Shareholders	221.696.077	
16.	Second Reserve Fund to be allocated	40.986.000	
17.	Other Reserves	-	-
18.	Special Reserves	-	-
19.	Extraordinary Reserves	204.833.000	213.993.857
20.	Other funds to be distributed	-	-

DIVIDEND RATIO TABLE

	GROUP (*)	TOTAL DIVIDEND DISTRIBUTED		TOTAL NET DIVIDEND DISTRIBUTED / NET DISTRIBUTABLE INCOME	DIVIDEND TO 1 TL NOMINAL SHARES, NET	
		CASH (TL)	BONUS(TL)	RATIO (%)	AMOUNT (TL)	RATE (%)
NET	TOTAL	361.284.000	-	53,85	1,19	119,0

(*) There is no privileged shares.

ANNEX 2: RESUMES OF BOARD OF DIRECTORS

Mustafa Latif Topbaş (Member)

Born in Istanbul in 1944, Mustafa Latif Topbaş began his career in 1961 as partner and executive at Bahariye Mensucat A.Ş., a family-run business in the textile industry. In subsequent years, he served as founder and executive of various industrial and commercial companies. In 1994, he became a founding partner of BİM and was appointed as Deputy Chairman of the Board of Directors. He has served as Chairman of the Board of Directors since 2006, and also as Chairman of the Executive Board since January 2010.

Mahmud P. Merali (Member)

Mahmud Merali was born in 1952 in Mombasa, Kenya and completed his higher education there. Having completed his professional education and training in the UK, he began his career in England as an audit expert and joined one of the largest firms of auditors specializing in publicly traded companies. He has over 40 years' experience in auditing, accounting, taxation and business advisory. He is a Fellow of the Institute of Chartered Accountants of England & Wales (ICAEW), Certified Public Accountant (Kenya), Fellow of the Zambia Institute of Chartered Accountants (ZICA) & an Associate member of the Institute of Taxation (ATII-UK). An Executive partner of the Meralis Group, Mahmud is the regional head for the EMEA region and serves as the Group's International & Financial consultant. Mahmud serves as consultant to multi-national companies in the UK, UAE and East Africa. Since January 2005 he has been a member of the BİM Board and is an invitee to the Corporate Governance Committee, the Audit Committee & the Early Detection Risk Committee.

Jos Simons (Member)

Born in Raalte in the Netherlands in 1945, Jos Simons graduated from the top Management Course at the University of Nijenrode. With a proven track record of over 40 years in the retail industry, he has served as General Manager at Aldi in the Netherlands for over a decade, and has managed his own consultancy company for the retail market. He was General Manager for five years at the Vendex Food Group, one of the largest food retailers in the Netherlands at the time. In 2001, he assumed the position of Chief Operating Officer at BİM, and in January 2006 became the CEO. In April 2008, he was appointed as a member of the Board of Directors. As of January 1, 2010, he has left his position as CEO, and has since then continued to work for BİM as a member of the Board of Directors and as a consultant.

Ömer Hulusi Topbaş (Member)

Born in Istanbul in 1967, Ömer Hulusi Topbaş began his career as a sales executive at Bahariye Mensucat A.Ş., where he worked from 1985 to 1987. Employed at Naspak Ltd. from 1997 to 2000, he then served as Purchasing Manager for Seranit A.Ş. between 2000 and 2002. Since then he has been the General Manager at Bahariye Mensucat A.Ş., and has also been serving as a member of the Board of Directors at BİM since June 2005.

Mustafa Büyükbacı (Independent Member)

Mustafa Büyükbacı has a BSc in Industrial Engineering from Boğaziçi University. Following his graduation in 1984, he continued postgraduate studies and worked as a research assistant at the same department for a period of time. He has assumed executive roles in capital markets and investment companies since 1989. He has concentrated on the fields of asset and portfolio management and investment, and joined Yıldız Holding as Founding General Manager and Member of the Board of Directors of Taç Yatırım Ortaklığı in 1993. In addition to these posts, during his time at Yıldız Holding he worked as a capital markets and finance consultant on monetary, capital, and commodity markets, as well as a member of the Board of Directors for Family Finans and other companies within the Holding. Büyükbacı also founded Bizim Menkul Değerler, and worked as Founding General Manager and Member of the Board of Directors there. He also established the Yıldız Holding real estate group, and institutionalized real estate operations as a business line. As the Real Estate Group President he assumed the position of Founding President and left Yıldız Holding in 2010. He is currently engaged in investments in agriculture, livestock, real estate, and capital markets with his own investment company. He is also the Vice Chairman of the Board of Trustees at Istanbul Sabahattin Zaim University.

Talat İçöz (Independent Member)

Born in Bursa in 1947, Talat İçöz graduated from İzmir Maarif Koleji in 1964-65, and received a BA in Business Administration from Middle East Technical University in 1969. He continued his studies at the Faculty of Architecture of the same university, and received an MSc in City and Regional Planning in 1971. During his studies, between 1966 and 1972 he worked at Tuzcuoğlu Uluslararası Nakliyat, and completed his military service in 1973. In 1973, he worked as Investment Projects Manager at Ercan Holding A.Ş., and contributed to projects such as the MAN Truck & Bus project, the Mahle piston expansion project, and the İstanbul Segman Sanayi investment project. He became the Vice General Manager of Burdur Traktör Şirketi in 1978, and the General Manager of Rekor Kauçuk A.Ş. in 1981. Between 1984 and 1991, he served as the Founding Partner, Member of the Board of Directors, and General Manager of ÖZBA A.Ş. İçöz was elected Member of Parliament from İstanbul in 1987, and has worked as Vice President for the Anavatan Party as well as member of the Constitution, Commerce and Technology commissions at the Turkish Grand National Assembly. In 1991, he became the Founding Partner of Çarşı Menkul Değerler A.Ş. Between the years 1995 and 2000, he was engaged in commercial activities abroad, and between 2002 and 2009 he served as a Consultant at Yıldız Holding A.Ş. Since 2010, he has been giving lectures on the Turkish Business Environment at the Department of Business Administration at İstanbul Bilgi University. Talat speaks English and is married with two children.