

(Convenient translation of the Turkish original)

ARTICLES OF ASSOCIATION

of

ENKA İNŞAAT VE SANAYİ ANONİM ŞİRKETİ

(ENKA CONSTRUCTION AND INDUSTRY CO, INC.)

FOUNDATION & INCORPORATION ARTICLE – 1

In accordance with respective provisions of the Turkish Code of Commerce regarding the abrupt establishment and forming of joint stock companies, the hereunder mentioned Joint Stock Company is founded, formed and incorporated among those founders or promoters, whose names, addresses and nationalities are stated below, by converting the already existing Unlimited Company named “Şarık Tara - Sadi Gülçelik ve Ortakları Enka Kollektif Şirketi” (Şarık Tara - Sadi Gülçelik and Partners Enka Private Unlimited Company) which is incorporated and registered with the Istanbul Trade Registry (Companies House) under corporation register no: 68194/2343, into a joint stock company by modifying its legal status in accordance with the provisions of Article 152 of the Turkish Code of Commerce.

- 1- Şarık Tara:
Adress: Nişantaşı, Valikonağı Cad. 141/6, Turkish Nationality
- 2- Sadi Gülçelik:
Adress: Valikonağı Cad. 141/12, Turkish Nationality
- 3- Fevzi Tara:
Adress: Valikonağı Cad. 141/5, Turkish Nationality
- 4- Sabahattin Gülçelik:
Adress: Şişli Perihan Sk. Gülçelik Apt. No.23-25 D.6, Turkish Nationality
- 5- Vural Arıkan:
Adress: Valikonağı Cad. 165/12, Turkish Nationality

COMPANY NAME ARTICLE – 2

Trade name of the Company is ENKA İNŞAAT ve SANAYİ ANONİM ŞİRKETİ (ENKA CONSTRUCTION and INDUSTRY CO. INC.).

In this Articles of Association, the Company Enka İnşaat ve Sanayi Anonim Şirketi will be referred to as “Enka İnşaat”.

AIM & SUBJECT ARTICLE – 3

The aim and subject of the Company is as follows:

- A- 1. to contract and construct any kind of civil engineering and construction works;
2. to provide and carry out any kind of engineering, consulting and supervision works;
3. to prepare and cause to be prepared and to contract the preparation of any designs, drawings, plans, project studies and development works;

4. with respect to its scope of works, to establish any industrial plants and facilities, and to market the production of such plants and facilities within the home country and abroad, and also with the scope of its works and within the framework of its subject and aim, to establish, develop and exploit any mines;
5. with respect to its scope of works and within the framework of its subject and aim, to act as the representative or agency of any domestic and international companies in the home country and abroad, and also in accordance with its subject and aim, to participate in any biddings and tenders either as pilot or as subordinated participant firm by establishing, founding and forming any simple ordinary partnerships or similar joint ventures with any domestic and foreign companies;
6. to participate in any capital companies as promoter or founder, and with respect to its scope of works and within the framework of its subject and aim, to purchase and sell the stocks and shares of any domestic or foreign companies still existing or to be formed in the future, on condition, however, not mediating therewith and not carrying out any portfolio management businesses;
7. to purchase the bonds of any capital companies;
8. with respect to its scope of works and within the framework of its subject and aim, to perform any kind of representative, import, export and domestic trading businesses;
9. to act as representative or agency of any insurance companies and underwriters other than life insurance companies;
10. to grant and denote any securities or guarantees for the benefit and in favor of any capital companies the stocks or shares of which it owns or which are controlled by it; and also get in its own favor and for its own purposes any securities or guarantees from any capital companies for any businesses to be realized together or in cooperation with or for any of them; provided, however, that all the explanations and statements as requested by the Capital Markets Board have already been made previously;
11. within the framework of the relevant legislation regarding lending of money, to grant, lend, extend and make available any credits and loan facilities whatsoever to any capital companies the stocks or shares of which it owns or which are controlled by it;
12. in order to realize its subject and aim, to own and possess any properties, real estates and immovable assets, and to repair, reconstruct or use them, and to sell or lease them; and for the purpose of performance of its businesses, to receive and accept or grant and denote any securities or guarantees; to accept any property mortgage or to encumber its properties with any mortgages or cause them to be secured with any liens or mortgages whatsoever; in short dispose of any real rights whatsoever;
13. to provide and borrow any financial means and resources from any real persons, entities, banks or banking institutions by way of any lending method;
14. to perform with its own Shareholders or with the members of its Board of Directors any businesses and transactions whatsoever;
15. to grant any guarantees, sureties and securities or to cause any pledges, including any mortgages, to be secured in the name of the Company or in favor of any 3rd persons, provided that any and all principles as set out within the framework of the Capital Markets Legislation are complied with;
16. to form any foundations for various reasons or to become member of any foundations formed for any reason whatsoever; to make donations to any persons or foundations or any other similar corporations having been formed for such purposes in accordance with the relevant legal provisions and the principles specified by the Capital Markets Board;

17. to purchase and sell any securities, on condition, however, not mediating therewith or not making any portfolio transaction businesses;
 18. and to sell any securities in its assets or exchange them against any other values.
- B-** to perform the above mentioned businesses and transactions also together and in collaboration with any other domestic or foreign real persons or entities without establishing and forming any capital company relationship with them;
- C-** in the future, if it would desire to extend its subjects and aims and scope of works to new useful or necessary business areas other than those as mentioned above, then the Company will be entitled to perform also such new businesses upon relative suggestion of the Board of Directors and approval and respective resolution of the General Assembly. As such a resolution requires the amendment of the hereby Articles of Association, the necessary permission and consent of the Capital Markets Board and of the Ministry of Customs and Trade is to be obtained previously.

SEAT & BRANCHES OF THE COMPANY

ARTICLE – 4

The seat of the Company is Istanbul. The address of its headquarters is: Balmumcu Mahallesi, Zincirlikuyu Yolu No:10 Beşiktaş, İstanbul. In case of any change in its address, the new address of the headquarters of the Company is to be registered with the Trade Registry (Companies House), to be announced in the Trade Registry Gazette/Journal and to be advised to the Ministry of Customs and Trade and to the Capital Markets Board. Any notices served to the registered address shall be deemed as having been duly made to the Company. Failing to cause its new address to be registered although already removed from the former address will be deemed as a reason for the liquidation of the Company.

Any change of the address within the same township without any change in the Seat of the Company does not necessitate to make any amendment in the Articles of Association of the Company. Only change of the Seat of the Company necessitates to make the relevant amendment in the Articles of Association.

The Company may open branches, liaison offices, representatives and corresponding agencies in Turkey and foreign countries in accordance with the relevant provisions of the Code of Commerce, upon respective resolution of its Board of Directors.

TERM OF THE COMPANY

ARTICLE – 5

The legal term of Company is unlimited from the date of its definite incorporation, and it can be terminated in accordance with the respective provisions in its Articles of Association or in the Code of Commerce.

SHARE CAPITAL OF THE COMPANY

ARTICLE – 6

The Company has agreed and accepted the Registered Capital System in accordance with the provisions of the Law No: 2499, and passed over to this system upon permission no: 26/743 of the Capital Markets Board dated 31.05.2002.

The Ceiling of the Registered Share Capital of the Company is TL 6.000.000.000,-- (Say: Six Billion Turkish Liras) which is divided into total 6.000.000.000 Shares, each having a nominal value of TL1,-- (Say: One Turkish Lira).

The total emitted Share Capital of the Company amounts to TL 5.600.000.000,-- (Say: Five Billion Six Hundred Million Turkish Liras) and is fully paid up.

The emitted Share Capital of the Company is divided into total 5.600.000.000 Shares, each having a nominal value of TL1,-- (Say: One Turkish Lira).

When issuing and emitting new Share Certificates, any resolution for the issuance and emittance of any Privileged Share Certificates thereunder may be decided by the General Assembly upon affirmative votes of so much shareholders or representatives or proxies thereof who represent at least 75% of the Share Capital of the Company. By the resolution of the General Assembly for increasing the Share Capital of the Company, the pre-emption right of any shareholder may only then be restricted or abolished if actually justified reasons are present and such restriction or abolishment may be decided by affirmative votes of so much shareholders or representatives or proxies thereof who represent at least 60% of the Share Capital of the Company.

The Registered Share Capital Ceiling Permit as granted by the Capital Markets Board is valid for the period (of time of 5 years) between 2016 and 2020. Should such permitted Registered Share Capital Ceiling be not achieved at the end of the year 2020, the Board of Directors shall be obliged, in order to be able to take a decision for share capital increase after 2020, to obtain an authorization by the General Assembly for a further new period through getting the necessary permit by the Capital Markets Board for the previously permitted ceiling or for a new ceiling. Should the Board of Directors fail to obtain such an authorization by the General Assembly, the Company will be deemed as having dropped out of the Registered Capital System. Shares representing the Share Capital of the Company are to be traced on the basis of the booked records within the framework of the applicable principles of dematerialization of capital market instruments.

The Board of Directors is authorized to increase, between the years 2016 and 2020, the emitted Share Capital of the Company through issuing at any time as it deems for fit, any registered Shares up to the Registered Share Capital Ceiling in accordance with the provisions of the Capital Markets Law.

PROMOTER DIVIDEND RIGHT CERTIFICATES

ARTICLE – 7

- a) 1.000 (Say: One Thousand) Nominal Promoter Dividend Right Certificates will be issued for to be distributed among the promoters or founders of the Company fully free of charge. Such Promoter Dividend Right Certificates will be distributed among the promoters or founders in proportion to their existing Shares in the Company. Holding such a Dividend Right Certificate means for its holder that any and all provisions of the hereby Articles of Association as well as all the resolutions of the General Assembly will be agreed and accepted as they are by the relevant holder of such Dividend Right Share Certificate. The same is also applicable to those who have acquired the said Dividend Right Certificates later on.
- b) 1.000 (Say: One Thousand) freely transferable Nominal Dividend Right Certificates have been issued and emitted in order to be distributed by the Board of Directors fully free of charge to all those who have contributed to the success of the holding company Enka Holding Yatırım A.Ş., which Dividend Right Certificates however grant its holder only the right to participate in profit/ dividend distribution. This provision is taken into the hereby Articles of Association because of merging of Enka İnşaat with the holding company Enka Holding Yatırım A.Ş.

ASSIGNMENT AND TRANSFER OF SHARE CERTIFICATES

ARTICLE – 8

Share Certificates are freely transferable in accordance with the provisions of Turkish Code of Commerce.

MAKING NO USAGE ON TIME OF THE PREFERENTIAL PREEMPTION

ARTICLE – 9

With respect to any Preferential Right of Priority to subscribe and preempt any Share Certificates of which no usage is made on time, the respective provisions of the Turkish Code of Commerce and of the Capital Markets Law shall be applied.

ENTIRETY OF SHARE CERTIFICATES

ARTICLE – 10

Each Share Certificate constitutes an indivisible entirety against Enka İnşaat. If one Share Certificate has more than one owner (holder), then they all can make usage of their rights against Enka İnşaat through mediation of one single joint representative. Such a representative is deemed as the owner (holder) of the respective Share Certificate before Enka İnşaat.

CHANGE (INCREASE OR DECREASE) OF THE SHARE CAPITAL

ARTICLE – 11

The Share Capital of Enka İnşaat can be increased or decreased within the framework of the provisions of the Turkish Code of Commerce and Capital Markets Law.

EMITTING BONDS

ARTICLE – 12

Enka İnşaat may issue and emit any kind of exchange bonds and bills in order to sell them within the home country and abroad to any real persons or entities in accordance with the legal provisions. So long as the counter values of such exchange bonds and bills issued and emitted so are not fully paid up, no new further bonds or bills may be issued and emitted. The authority to issue and emit exchange bonds and bill is left to the Board of Directors of Enka İnşaat. When issuing and emitting exchange bonds, the Board of Directors of Enka İnşaat shall not exceed the bond issuance ceiling as provided under Clause 13 of the Capital Markets Law. The authority to decide whether, under which terms and conditions and when to issue and emit Share Certificates, stocks or bonds to meet the financial needs and requirements of Enka İnşaat is granted to and conferred upon the Board of Directors of Enka İnşaat. With respect to issuance and emitting any bonds which are exchangeable against Share Certificates, the communiqués to be announced by the Capital Markets Board in accordance with the Capital Markets Law as well as the relevant provisions of the Turkish Code of Commerce are applicable. Neither the General Assembly nor the Board of Directors of Enka İnşaat may take any decision that would prevent the holders of Bonds Exchangeable Against Share Certificates to make usage of their rights. The ceiling for the emission of Bonds Exchangeable Against Share Certificates is such amount as provided in the Capital Markets Law, Article 14.

BOARD OF DIRECTORS

ARTICLE – 13

Enka İnşaat is represented, managed and administrated by a Board of Directors consisting of at least 5 (Five) and at most 11 (Eleven) members most of them to be non executive and which are to be elected and appointed by the General Assembly in accordance with the respective provisions of the Turkish Code of Commerce, the Capital Markets Law and any other relevant applicable legislations. From amongst the members of the Board of Directors, such number of members with such qualities as provided in the Capital Markets Legislation is chosen as the “Independent Members”. With respect to the criteria applicable to such Independent Members, to the election, appointment, tenure of office, working principles and field of duty thereof and any other similar issues, as well as with respect to the criteria of higher-education requirement for the members of the Board of Directors, the relevant provisions of the Turkish Code of Commerce, the Capital Markets Law and any other relevant legislations shall be applicable.

The Corporate Governance Principles as introduced by the Capital Markets Board for to be mandatorily applied are to be fully complied with. Any transactions performed or any board resolutions taken without complying with such mandatorily applicable Corporate Governance Principles are null and void and considered as contrary to the hereby Articles of Association.

TENURE OF OFFICE OF THE BOARD OF DIRECTORS

ARTICLE – 14

The tenure of office of the members of the Board of Directors is to be fixed by the General Assembly. The members of the Board of Directors are to be appointed and elected for tenure of office of three years at most. Any members whose tenure of office is expired can be reelected. The General Assembly is entitled and authorized to change the members of the Board of Director at any time if it deems necessary.

Any vacant independent member position in the Board of Directors vacated due to loss of independency, decease or resignation of any independent member or inability thereof to perform its duty, is to be filled in compliance with the prevailing provisions of the Turkish Code of Commerce, the Capital Markets Law and any other relevant applicable legislations.

VACANT POSITIONS IN THE BOARD OF DIRECTORS

ARTICLE – 15

In case of a vacant position in the Board of Directors due to any reason whatsoever, the Board of Directors shall temporarily elect and appoint a new member to such vacant position in accordance with the provisions of Article 14 hereof. Such temporarily elected and appointed new member shall be in charge until the first General Assembly Meeting following his/her election, and in case the election and appointment of such member is approved by such General Assembly convened, he/ she shall be in charge until the expire of tenure of office of his/her successor.

CHAIRMAN AND VICE-CHAIRMAN OF THE BOARD OF DIRECTORS

ARTICLE – 16

The Board of Directors elects and appoints each year a Chairman and at least one Vice-Chairman amongst its members. In any meeting where both the Chairman and the Vice-Chairman are absent, one of the members of the Board shall be elected and appointed to preside only this one meeting.

MEETINGS OF THE BOARD OF DIRECTORS

ARTICLE – 17

The Board of Directors' Meetings are to be convened and held in Istanbul. However, the Board of Directors' Meeting can be convened and held also in any other place if more than the half of the Members thereof deems it for fit. Any persons who are entitled to attend the Board of Directors' Meetings of Enka İnşaat may take part in such Meetings online in electronic environment by teleconference according to Article 1527 of the Turkish Code of Commerce. For this purpose, Enka İnşaat may either install its own Electronic Online Meeting Teleconference System or purchase such an electronic online meeting teleconference system service from outwards for the purpose of enabling any attendance-entitled-persons to take part and vote in such Board of Directors' Meetings online in an electronic environment by teleconference pursuant to the provisions of the "Communiqué on Meetings of Trading Companies to be held Online in Electronic Environment by Teleconference save for General Assembly Meetings of Joint Stock Companies". In all Board of Directors' Meetings, any persons who are entitled to attend the same, are to be enabled to take part and vote in such Meetings online in electronic environment by teleconference as provided by the provisions of the aforesaid Communiqué, by using such own Electronic Online Meeting Teleconference System as to be installed or such electronic online meeting teleconference system service as to be purchased from outwards pursuant to the provisions of the hereby Articles of the Articles of Association of the Company.

MEETING AND RESOLUTION QUORUM

ARTICLE – 18

The Board of Directors' Meeting may convene by attendance of the majority of all members thereof and any resolutions may be taken therein by the majority of the attendants of such Meeting. Such meeting and resolution quorum is also applicable to any Board of Directors' Meeting may convened online in electronic environment by teleconference.

MANAGEMENT AND REPRESENTATION

ARTICLE – 19

The Company is managed and duly represented by the Board of Directors.

The Board of Directors is authorized to delegate, in compliance with the provisions of an Internal Regulations to be developed and issued in accordance with the applicable provisions of the Turkish Code of Commerce, to one or more members of the Board of Directors or to any third party, its power of management of the Company in part or in whole, excluding its undelegable powers as stipulated under Article 375 of the Turkish Code of Commerce.

The power of bindingly representation of the Company is to be exercised by any two members of the Board of Directors as the authorized signatories thereof under their joint signatures. The Board of Directors is authorized to delegate its power of bindingly representation of the Company to one or more executive directors from among itself or to any third party appointed externally as director. However, at least one board member must have been given the power of representation.

The power of bindingly representation of the Company of the delegates so appointed as aforesaid is not valid, so long as the duly notarized copy of the Board Resolution indicating the names of the delegates appointed to represent the Company as well as their mode of representation is not registered with and published by the Trade Registry (Companies House).

For providing the members of the Board of Directors and the top managers of the Company or the spouses or any second-degree relatives thereof, to perform any transactions with the Company itself or with any affiliates or subsidiaries thereof that may cause any conflicts of interest with the same, the approval by the General Assembly for the performance of such transactions by them is required to be obtained beforehand, and if such transactions are already carried out prior to approval thereof by the General Assembly, then the General Assembly is to be duly informed thereabout.

DUTY DISTRIBUTION AMONG THE MEMBERS OF THE BOARD OF DIRECTORS

ARTICLE – 20

In order to perform its duties and fulfill its responsibilities in a sound manner, the Board of Directors forms within its own structure all such committees as provided by the Capital Markets Board, and fix the fields of duty, the working principles and the members of such committees pursuant to the applicable provisions of the Turkish Code of Commerce, the Capital Markets Law, any regulations of the Capital Markets Board related to Corporate Governance as well as any other relevant applicable legislations, and discloses and communicates the same to the public.

REMUNERATION & ATTENDANCE FEES OF THE MEMBERS OF THE BOARD

ARTICLE – 21

The remunerations and attendance fees payable to the members of the Board of Directors shall be concluded by the General Assembly under consideration of the applicable provisions of the Turkish Code of Commerce, the Capital Markets Law, and any other relevant applicable legislation as well as the Corporate Governance Principles of the Capital Markets Board related thereto.

EXECUTIVE COMMITTEE AND DIRECTORS/MANAGERS

ARTICLE – 22

The members of the Board of Directors are authorized to agree upon a duty distribution among themselves, and to elect an Executive Committee either among their own members or among the top managers of the Company, and to appoint a General Manager. The Board of Directors appoints anyone of the members of the Executive Committee as General Manager. The General Manager appointed so chairs also the Executive Committee as the Chairman thereof. The Chairman of the Executive Committee/General Manager may not be assigned in such further committees as formed pursuant to the regulations of the Capital Markets Board.

The Chairman as well as the members of the Executive Committee report to the Board of Directors.

AUDITORS

ARTICLE – 23

The Auditor is to be elected and appointed by the General Assembly. Regarding the tenure of office of the Auditor, the requirements for the dismissal thereof, his/her registration with the relevant authorities as well as for any other issues connected with the Auditor, the relevant provisions of the respective Articles of the Turkish Code of Commerce shall be applicable.

ORDINARY AND EXTRAORDINARY GENERAL ASSEMBLY MEETINGS

ARTICLE – 24

Any General Assembly having been convened in accordance with the Laws and the hereby Articles of Association consists of all Shareholders. Any resolutions taken in such meetings shall be valid and binding for all Shareholders, even for those ones who opposed to such resolution or who were absent in such meeting. General Assembly Meetings are held ordinary and extraordinary. Ordinary General Assembly Meetings are to be held within 3 months after expire and closing of the fiscal period of Enka İnşaat and at least once a year. In these meeting the businesses of Enka İnşaat in the previous period, its accounts and the other matters of agenda are discussed and decided upon. Extraordinary General Assembly Meetings are to be held as often as the businesses of Enka İnşaat requires, in accordance

with the respective provisions of the Turkish Code of Commerce and the hereby Articles of Association. The Board of Directors of Enka İnşaat shall prepare an “Internal Regulations Regarding the Working Principles and Procedures of the Ordinary and Extraordinary General Assembly Meetings” and put the same into force after approval thereof by the General Assembly.

Any persons who are entitled to attend the General Assembly Meetings of Enka İnşaat may take part in such Meetings online in electronic environment by teleconference according to Article 1527 of the Turkish Code of Commerce. For this purpose, Enka İnşaat may either install its own Electronic Online Meeting Teleconference System or purchase such an electronic online meeting teleconference system service from outwards for the purpose of enabling any attendance-entitled-persons to take part, express their opinion, make suggestions and vote in such General Assembly Meetings online in an electronic environment by teleconference pursuant to the provisions of the “Communiqué on General Assembly Meetings of Joint Stock Companies to be held Online in Electronic Environment by Teleconference”. In all General Assembly Meetings, any persons or representative thereof who are entitled to attend the same, are to be enabled to take part, express their opinion, make suggestions and vote in such Meetings online in electronic environment by teleconference as provided by the provisions of the aforesaid Communiqué, by using such own Electronic Online Meeting Teleconference System as to be installed or such electronic online meeting teleconference system service as to be purchased from outwards pursuant to the provisions of the hereby Articles of the Articles of Association of the Company.

MEETING PLACE & QUORUM

ARTICLE – 25

General Assembly Meetings are held either at the head office of Enka İnşaat or at any other suitable place of such township where its head office is located. The Meeting and Resolution Quorums for the General Assembly Meetings are subject to the respective provisions of the Turkish Code of Commerce, the Capital Markets Law and any regulations of the Capital Markets Board related thereto.

For any transactions that are of essential nature in aspect of application of the Corporate Governance Principles as well as for any related-party-transactions of the Company and any transactions that are relevant to granting of any securities, pledges and mortgages in favor and for the benefit of any third parties, the respective regulations of the Capital Markets Board related to Corporate Governance Principles are to be complied with.

PARTICIPATION OF A REPRESENTATIVE OF THE MINISTRY IN THE MEETING

ARTICLE – 26

It is obligatory, the representative of Ministry to participate in both ordinary and extraordinary General Assembly Meetings. Decisions, which will be made in the absence of the representative of the Ministry are all invalid.

VOTING RIGHT

ARTICLE – 27

Any Shareholders or their proxies or attorneys or representatives taking part in any General Assembly meetings have (1) vote for each Share Certificate they hold. Voting will be made by hand rising. However, secret voting must be made upon demand on such number of Shareholders who represent one tenth of the share capital represented by all attendants of the meeting.

DEPUTING RIGHT

ARTICLE – 28

In General Assembly Meetings the Shareholders may cause themselves to be represented by other Shareholders or proxies or representatives to be appointed from outwards. The deputies or proxies so appointed who self are Shareholders of Enka İnşaat at the same time are authorized not only to vote for themselves but also for such Shareholders they represent. The format of the respective power of attorney or authorization being needed therefore will be fixed by the Board of Directors in compliance with the applicable laws. Any voting right attributable to any Share Certificate which is entitled to a dividend right, can only be used by the owner of such dividend rights or its legal representative. In case one Share Certificate has more than one holder (owner), then the joint representative of such Share Certificate shall vote in the name and on behalf of all joint owners. The provisions and regulations of the Capital Markets Law regarding the voting by proxy are reserved.

ANNOUNCEMENTS CONCERNING THE COMPANY

ARTICLE – 29

Announcements for the communication of convention of the General Assembly Meetings are to be made by using any communication means and media, including electronic telecommunication, and under consideration of such minimum terms or period of times as provided in the respective applicable provisions of the Turkish Code of Commerce, the Capital Markets Law and any relevant legislations related thereto, and always so that such announcements are received by the highest possible number of shareholders.

For the invitation to General Assembly Meetings, publication of any announcements related thereto and setting of the agenda as well as for the discussion thereof and making a decision thereabout, the respective applicable provisions of the Turkish Code of Commerce, the Capital Markets Law and any regulations of the Capital Markets Board related thereto are to be complied with.

For any announcements related to decrease of the share capital and winding up and liquidation of the Company, the respective applicable provisions of the Turkish Code of Commerce, the Capital Markets Law and any relevant legislations related thereto are to be complied with.

PRESIDENT OF THE GENERAL ASSEMBLY

ARTICLE – 30

The General Assembly Meetings are presided by the Chairman of the Board of Directors. In his absence the Vice-Chairman of the Board shall preside the meeting. And if also the Vice-Chairman is absent, the General Assembly elects and appoints a President among its members.

RESOLUTION QUORUM

ARTICLE – 31

The Resolution Quorum in General Assembly Meetings is subject to the respective applicable provisions of the Turkish Code of Commerce, the Capital Markets Law and any relevant legislations related thereto.

YEARLY REPORTS

ARTICLE – 32

Three copies of the Annual Report, Audit Report, Annual Balance Sheet, Financial Result Statement (Income Statement), List of Attendants of the General Assembly and the Minutes of Meeting of the General Assembly are to be sent to the Ministry of Customs and Trade within one month after the date of General Assembly Meeting or to be delivered to the representative of the Ministry attending the Meeting. Financial Statements and Reports to be issued as provided by the Capital Markets Board as well as the Independent Audit Report is to be sent to the Capital Markets Board within the framework of such aspects and principles as specified by the Capital Markets Board.

AMENDMENTS IN THE ARTICLE OF ASSOCIATIONS

ARTICLE – 33

Any amendments in and additions to this Articles of Association is subject to the prior permission and consent of the Capital Markets Board and the Ministry of Customs and Trade. Any approved amendments or additions are to be duly notarized, registered and announced, and they are valid only after the date of their registration and announcement.

FISCAL PERIOD

ARTICLE – 34

Fiscal period (financial year) of Enka İnşaat begins on first day of January and ends on the last day of December of each calendar year.

BALANCE-SHEET & FINANCIAL RESULTS STATEMENT (INCOME STATEMENT)

ARTICLE – 35

At the end of each fiscal period, the Financial Statements and Reports to be issued as provided by the Capital Markets Board as well as the Independent Audit Report are to be sent to the Capital Markets Board within the framework of such aspects and principles as specified by the said Board, and they are to be disclosed to the public. Under consideration of such minimum terms or period of times as provided in the respective applicable provisions of the Turkish Code of Commerce, the Capital Markets Law and any relevant legislations related thereto, sufficiently prior to General Assembly Meetings, a copy of each of the Annually Balance Sheet and Financial Result Statement (Income Statement) and of the Auditor Report interpreting such accounts and statements is to be submitted to and made available at the headquarters of Enka İnşaat for access of requesting shareholders.

DISTRIBUTION OF PROFIT SHARE/DIVIDEND

ARTICLE – 36

The net profit, which remains after deduction of any and all expenditures and expenses, any depreciation and amortizations, any provisions, corporation tax and other levies, payments to funds and any other financial payments and of any losses, if any, of the previous fiscal years from the revenues and incomes of Enka İnşaat within a fiscal year from its businesses, shall be taken as basis for the Profit Share/Dividend Distribution.

From the net profit to be determined as explained above is to be deducted and set apart furthermore in the following order:

- a) a 5 % (five per cent) for the legal reserve fund;
- b) and from the remainder such an amount is to be set apart as the 1st dividend as specified and provided by the Capital Market Board;
- c) and 5% (five per cent) of the then remaining balance shall be paid to holders of promoter dividend right certificates of Enka İnşaat ve Sanayi A.Ş. as their dividend share in proportion to their dividend rights, however always so that such distribution is also applicable to new share capitals;
- d) and, without prejudice to the rights of the holders of promoter dividend right certificates of Enka İnşaat ve Sanayi A.Ş., 2,5% (two point five per cent) of the remaining profit after deduction of the deductibles mentioned under (a) and (b) shall be paid to holders of the dividend right certificates of Enka Holding Yatırım A.Ş. as their dividend share in proportion to their dividend rights, however always so that such distribution is also applicable to new share capitals;
- e) and from the remainder a 2nd dividend is to distributed among the shareholders if and when so decided and to such extend as specified by the majority of the shareholders attending the General Assembly convened for this purpose;
- f) and one tenth of the remainder after deduction of an amount corresponding to 5% (five per cent) of the issued capital from the profit share distributed to the shareholders and to any others participated in the profit share/dividend distribution shall be allocated as the second order reserve fund;
- g) and the then remainder shall be allocated as and to the extraordinary reserve fund. If there are any further taxes, levies or other reserve funds which must be allocated and set apart due to legal provisions, then they will be allocated and set apart from the extraordinary reserve fund, and in case such extraordinary reserve fund is not sufficient for this allocation, then they are to be allocated and set apart from their own groups. So long as no allocation is made to the legal reserve fund and no 1st dividend is paid out to the shareholders as provided hereunder in cash or in the form of share certificates, it cannot be decided to allocate and set apart other reserves or to distribute any profit shares to any shareholders being concessionaires in distribution of dividends or to holders of any participant, promoter and other dividend right certificates or to the members of the Executive Committee, to any top managers or to any employees, officials and workmen or to any foundations formed for various purposes or to any similar persons and entities or corporations.

DIVIDEND ADVANCE DISTRIBUTION

ARTICLE – 37

According to the relevant provisions of the Capital Markets Law, within a fiscal year, dividends/ profit shares can advanced in cash on profits as indicated in the interim financial statements of 3, 6 and 9 months which have to be issued in accordance with the Capital Markets Legislation and to be audited restrictedly by an independent auditor. For deciding to advance dividends/profit shares and for making such advance payments, amongst such provisions of the Turkish Code of Commerce being related to the approval of the balance-sheets and income statements and distribution of profit/dividend those ones cannot be applied, which are contrary to the provisions of Article 20 of the Law.

DATE OF DISTRIBUTION OF THE DIVIDEND

ARTICLE – 38

When and by which way the profit shares and dividend advances are to be distributed to the Shareholders will be determined and fixed by the General Assembly upon proposal of the Board of Directors and within such period of time as specified by the Capital Markets Board. For this purpose, the General Assembly may authorize the Board of Directors. No additional dividend advances or dividends may be distributed so long as the dividend advances or dividends distributed in the previous fiscal period are not repaid or deducted from the relevant profit shares of the respective Shareholders to which they are entitled to. Any profit shares/dividends having been distributed in accordance with the provisions of this Articles of Association cannot be taken back.

RESERVE FUND

ARTICLE – 39

Ordinary Legal Reserves are to be set apart from the profit of the relevant period as 5% of the amount of such profit of the relevant period until the total amount of such reserve funds reaches one fifth of the Share Capital of Enka İnşaat. The Ordinary Legal Reserves related provisions of Turkish Code of Commerce are reserved. In case the Ordinary Legal Reserves are decreased due to any reason whatsoever below such an amount which corresponds to one fifth of the Share Capital of the Company, the reservation of profit to the Ordinary Reserve Funds as specified above will be continued until the Ordinary Reserve Funds reach again the same level.

APPLICABLE LEGAL PROVISIONS

ARTICLE – 40

Provisions of related articles of Turkish Code of Commerce are to be applied for those issues which are not stated in this Articles of Association.

DOCUMENTS TO BE DELIVERED TO THE MINISTRY

ARTICLE – 41

The Company shall make printed this Articles of Association and give each Shareholder a copy thereof, and besides also sent one copy of it to the Capital Markets Board and one copy to the Ministry of Customs and Trade.

TERMINATION AND LIQUIDATION

ARTICLE – 42

For the termination and liquidation of Enka İnşaat, the respective provisions of the hereby Articles of Association and of the Turkish Code of Commerce are valid and applicable. The liquidation procedures and transactions are to be performed by two or more liquidators/administrators. These liquidators/administrators are elected and appointed by the General Assembly. The liquidators shall confiscate any and all properties, assets and securities of Enka İnşaat and perform its liquidation in accordance with the respective provisions of the concerning prevailing laws. So long as not otherwise or nothing to the contrary is decided by the General Assembly, the liquidators shall be entitled, acting jointly, to sing in the name and for the account of the Company.

CONCLUSION OF THE LIQUIDATION

ARTICLE – 43

Following fully settlement of any and all outstanding debts of the Company wound up, and one year after the third announcement of the liquidation of the Company, the balance remaining money and reserve funds shall be distributed to the Shareholders in proportion to their shares. Holders of Dividend Right Certificates may not benefit from the liquidation profit, if any.

PROFIT AND LOSS SHARING CERTIFICATES

ARTICLE – 44

Enka İnşaat is entitled and authorized to issue and emit any kind of Profit and Loss Sharing Certificates for selling them to any real persons or entities within the home country and abroad for the financing of its businesses within its scope of works and field of subjects and aims. The issuance and emitting of such Profit and Loss Sharing Certificates shall be decided by the General Assembly. However, any other procedures and transactions, except issuance and emitting of such Profit and Loss Sharing Certificates, are performed by the Board of Directors. The issuance and emitting of Profit and Loss Sharing Certificates is subject to the relevant provisions of the Capital Markets Law and the respective regulations and legislations.

RIGHTS OF THE SHAREHOLDERS

ARTICLE – 45

Any rights of those Shareholders who did not exchange their Share Certificates as a result of merging of Enka İnşaat with Enka Holding Yatırım A.Ş. will be reserved.

ANNEX TO THE ARTICLES OF ASSOCIATION OF ENKA İNŞAAT VE SANAYİ A.Ş.

ARTICLE – 46

All the assets and liabilities of the Unlimited Company "Şarık Tara, Sadi Gülçelik Ortakları, Enka Kollektif Şirketi" (Şarık Tara, Sadi Gülçelik Partners Enka Private Unlimited Company) have been transferred to this joint stock company together with all the rights and obligations arising thereof and attributable thereto in accordance with the resolution no: 1 of the Shareholders Board of the said Unlimited Company dated 06.10.1967.