

ÇİMENTAŞ

PROFIT DISTRIBUTION POLICY

The Profit Distribution Policy of the Company is designed in accordance with Turkish Commercial Code, Capital Market Legislation, Tax Legislation and other relevant applicable laws and relevant provision of the Articles of Association of the Company.

The provision related with the profit distribution of the Articles of Association designates the approach and policy of the Company regarding the dividend distribution.

Accordingly, after deduction of taxes and legal liabilities as well as loss of previous years from net profit and after allocation of 5% legal reserve under article 519 of Turkish Commercial Code and 50% of 1st dividend under Articles of Association, 10% of the remaining dividend amount is distributed to Incorporators' Certificate Holders.

The Capital Market Board regulations grant flexibility to the companies in this respect. However, the 1st dividend rate has been determined as 50% in the Articles of Association of the Company, which is rather higher than the minimum rate stated in the relevant regulations, i.e. 20%. This circumstance is the yield of the policy aiming to maximize the profit share rights of the shareholders.

While preparing the profit distribution proposal, the Board of Directors takes into consideration the general economic conditions of the country and actual situation of the sector and the Company, and respects to Group strategies, capital needs of the Company and subsidiaries as well as investment and financing policies and profitability and cash position of the Company.

The profit distribution proposal of the Board of Directors is submitted to the shareholders' information via special event disclosures made prior to the General Assembly meeting and included in the Annual report and on the web-site as well.

In case there is no profit distribution, information on the usage of the non-distributed profit and reasons of such situation is provided in the General Assembly.

Legal periods in profit distribution are strictly followed.