

EREĞLİ DEMİR VE ÇELİK FABRİKALARI T.A.Ş. Notification Regarding Dividend Payment



Notification Regarding Dividend Payment

| | |
|------------------------------|---|
| Summary Info | Board of Directors Decision about Dividend Distribution |
| Update Notification Flag | No |
| Correction Notification Flag | No |
| Postponed Notification Flag | No |

| | |
|----------------------------------|--------------------|
| Board Decision Date | 25.02.2019 |
| Date of Related General Assembly | 21.03.2019 |
| Type of Cash Dividend Payment | Payment In Advance |
| Currency Unit | TRY |
| Type of Stock Dividend Payment | Will Not Be Paid |

The Reason For Applying A Lower Dividend Withholding Rate Than The Current Rate In Calculating Net Amount

Since all of Isdemir's taxable earnings are subject to withholding tax at the rate of 19.8%,in distribution of earnings,there is no withholding tax deduction in Erdemir under A.62 of Income Tax Law.

Amount and Rate of Cash Dividend Payment

| Share Group Info | Payment | Cash Dividend To Be Paid For Share With Par Value of 1 TL - Gross (TL) | Cash Dividend To Be Paid For Share With Par Value of 1 TL - Gross (%) | Cash Dividend To Be Paid For Share With Par Value of 1 TL - Net (TL) | Cash Dividend To Be Paid For Share With Par Value of 1 TL - Net (%) |
|---------------------------------------|--------------------|--|---|--|---|
| A Grubu, İşlem Görmüyor, TREERGL00017 | Payment In Advance | 1,38 | 138 | 1,2464097 | 124,64097 |
| B Grubu, EREGL, TRAEREGL91G3 | Payment In Advance | 1,38 | 138 | 1,2464097 | 124,64097 |

Amount and Rate of Cash Dividend Stock Dividend Payment

| Share Group Info | Amount of Stock Dividend (TL) | Rate of Stock Dividend (%) |
|---------------------------------------|-------------------------------|----------------------------|
| A Grubu, İşlem Görmüyor, TREERGL00017 | 0 | 0 |
| B Grubu, EREGL, TRAEREGL91G3 | 0 | 0 |

Additional Explanations

According to the decision of Company's Board of Directors, 25 February 2019 dated and 9613 numbered it was resolved to propose the profit distribution for the year 2018 as in the attached tables and to determine the dividend payment date, which will be as lump sum no later than 15 December 2019, to be determined by the Board of Directors after the General Assembly considering the cash projection of the Company. It is decided that these matters to be submitted to the General Assembly's approval at Our Company's Ordinary General Assembly Meeting which will be held on 21 March 2019.

In contradiction between the Turkish and English versions of this public disclosure, the Turkish version shall prevail.

Supplementary Documents

Appendix: 1

Erdemir_Kons_12.2018_Kar Dagıtım.pdf

Appendix: 2

Erdemir_12.2018_Dividend_Distribution_Table.pdf

DIVIDEND DISTRIBUTION TABLE**EREĞLİ DEMİR VE ÇELİK FABRİKALARI T.A.Ş. 01.01.2018/31.12.2018 Period Dividend Payment Table (TL)****1.Paid-In / Issued Capital**

3.500.000.000

2. Total Legal Reserves (According to Legal Records)

1.422.993.447

Information on privileges in dividend distribution, if any, in the Articles of Association:

-

| * | Based on CMB Regulations | Based on Legal Records |
|--|--------------------------|------------------------|
| 3. Current Period Profit | 8.383.945.903 | 6.615.821.650 |
| 4. Taxes Payable (-) | 2.785.955.676 | 959.400.982 |
| 5. Net Current Period Profit | 5.597.990.227 | 5.656.420.668 |
| 6. Losses in Previous Years (-) | 0 | 0 |
| 7. Primary Legal Reserve (-) | 140.835.350 | 140.835.350 |
| 8. NET DISTRIBUTABLE CURRENT PERIOD PROFIT | 5.457.154.877 | 5.515.585.318 |
| Dividend Advance Distributed (-) | 0 | 0 |
| Dividend Advance Less Net Distributable Current Period Profit | 0 | 0 |
| 9. Donations Made during the Year (+) | 3.775.709 | 0 |
| 10. Donation-Added Net Distributable Current Period Profit on which First Dividend Is Calculated | 5.460.930.586 | 0 |
| 11. First Dividend to Shareholders | 4.830.000.000 | 0 |
| * Cash | 4.830.000.000 | 0 |
| * Stock | 0 | 0 |
| 12. Dividend Distributed to Owners of Privileged Shares | 0 | 0 |
| 13. Other Dividend Distributed | 0 | 0 |
| * To the Employees | 0 | 0 |
| * To the Members of the Board of Directors, | 0 | 0 |
| * To None Shareholders | 0 | 0 |
| 14. Dividend to Owners of Redeemed Shares | 0 | 0 |
| 15. Second Dividend to Shareholders | 0 | 0 |
| 16. Secondary Legal Reserves | 465.500.000 | 0 |
| 17. Statutory Reserves | 0 | 0 |
| 18. Special Reserves | 0 | 0 |
| 19. EXTRAORDINARY RESERVES | 161.654.877 | 0 |
| 20. Other Distributable Resources | 0 | 0 |

Dividend Rates Table

| Share Group | CASH DIVIDEND AMOUNT (TL) - NET | STOCK DIVIDEND AMOUNT (TL) | TOTAL DIVIDEND AMOUNT (TL) / NET DISTRIBUTABLE CURRENT PERIOD PROFIT (%) | DIVIDEND TO BE PAID FOR SHARE WITH PAR VALUE OF 1 TL - NET (TL) | DIVIDEND TO BE PAID FOR SHARE WITH PAR VALUE OF 1 TL - NET (%) |
|-------------|---------------------------------|----------------------------|--|---|--|
| A Grubu | 0,09 | 0 | 0 | 1,25 | 124,64 |
| B Grubu | 4.362.433.869,81 | 0 | 79,94 | 1,25 | 124,64 |

| | | | | | |
|-------|------------------|---|-------|------|--------|
| TOTAL | 4.362.433.869,89 | 0 | 79,94 | 1,25 | 124,64 |
|-------|------------------|---|-------|------|--------|

We proclaim that our above disclosure is in conformity with the principles set down in "Material Events Communiqué" of Capital Markets Board, and it fully reflects all information coming to our knowledge on the subject matter thereof, and it is in conformity with our books, records and documents, and all reasonable efforts have been shown by our Company in order to obtain all information fully and accurately about the subject matter thereof, and we're personally liable for the disclosures.