

INFORMATION NOTE FOR EXTRAORDINARY GENERAL ASSEMBLY MEETING TO BE HELD ON 26.12.2016

1. INVITATION FOR THE EXTRAORDINARY GENERAL ASSEMBLY MEETING TO BE HELD ON 26/12/2016

With the purpose of discussing and making decisions about the following written agenda, our Company's Extraordinary General Assembly Meeting is scheduled to be held on December 26, 2016 - Monday at 11:00 at "Divan İstanbul Oteli, Asker Ocağı Caddesi No:1 34367 Elmadağ Şişli, İstanbul (Tel: 90 212 315 55 00, Fax: 90 212 315 55 15)".

The CMB certified Announcement Text about the Demerger via Facilitated Procedure through the Associate Model under the resolution No. 897 as adopted by our Board of Directors on 11.10.2016, the Demerger Plan, the Demerger Report, the financial reports for the last three years, the estimated post-demerger opening balance sheet, the independent audit reports for the last three years and the financial reports dated 30.06.2016 have been made public at the Public Disclosure Platform and on the Company's corporate website www.arcelikas.com within 30 days minimum prior to the General Assembly meeting date.

These agenda items as well as the Information Note that contains necessary explanations for compliance with the Capital Markets Board regulations shall be made ready and available for the inspection of the shareholders at the Company's head office at least three weeks in advance of the General Assembly meeting (except for the announcement and meeting days) and shall be published on the Company's corporate website, on the Public Disclosure Platform and Electronic General Assembly system.

Save for the rights and obligations of the shareholders who are to attend the meeting via electronic method, it is necessary that the shareholder, who shall not attend the meeting in person, arrange the power of attorney in line with the regulation or obtain the relevant form of power of attorney from Yapı Kredi Yatırım Menkul Değerler A.Ş. (Yapı Kredi Plaza / Levent - İstanbul) and from our units or from the official website of the company at www.arcelikas.com, and accordingly submit the powers of attorney, the signature on which it is notarised, to the Company, following the fulfillment of the matters as contemplated in the "Voting by Proxy and Proxy Collection by Call Communiqué" numbered II-30.1, published and entered into force on the Official Gazette no. 28861, dated 24.12.2013. It is not necessary for the proxy, who is appointed by electronic means over the Electronic General Meeting System, to present a power of attorney. **Any power of attorney which is mandated under the Communiqué in question and is not in compliance with the power of attorney sample attached here shall definitely not be accepted due to our legal liabilities.**

Our Shareholders who shall cast their votes by means of Electronic General Assembly System should get information from the Merkezi Kayıt Kuruluşu, or our Company's website at www.arcelikas.com or our Company's head office (Phone:90 212 314 31 03- 314 31 15) so that they could fulfill their obligations under the applicable Regulation and the Communiqué.

Pursuant to the 4th paragraph of Article 415 of the Turkish Commercial Code No. 6102 and the 1st paragraph of Article 30 of the Capital Markets Law, the right to attend the general meeting and the right to cast vote at the general meeting is not subject to the requirement regarding the deposit of share certificates. In this framework, where our shareholders wish to attend the General Meeting, they shall not be required to have their shares blocked.

Save for the electronic voting provisions relating to the voting for the Agenda Items of the Extraordinary General Assembly, open voting procedure shall be applied by show of hands.

All beneficiaries, stakeholders and media organs are invited to our Extraordinary General Meeting.

In respect of the registered shares that are traded at the exchange pursuant to the Capital Markets Law, no individual notice shall be served to the shareholders by a registered mail.

Kindly submitted for the information of the esteemed shareholders.

ARÇELİK A.Ş. BOARD OF DIRECTORS

Company Address: Karaağaç Caddesi No: 2-6 Sötlüce 34445 Beyođlu-Istanbul

Commercial Registry and Number: Istanbul - 54957

Mersis No: 2268495549667788

2. OUR ADDITIONAL STATEMENTS WITHIN THE SCOPE OF CMB REGULATIONS

Out of the additional statements required to be made under ‘‘Corporate Governance Communique’’ of Capital Markets Board (CMB) numbered II-17.1 which entered into force on January 3rd, 2014, the statements concerning the agenda items are indicated hereafter while other mandatory general statements are presented for your information in this section:

2.1. Partnership Structure and Voting Rights

Information about total number of shares and voting rights reflecting the joint undertaking’s partnership structure, number of privileged shares representing each privileged share group if privileged shares exist in partnership capital and nature of voting rights and privileges as of the announcement date of this Information Note are presented below:

The Company’s issued capital is 675,728,205 TRY, and the said issued capital has been paid in full and free of collusion.

Each share with a nominal value of 1 KR shall have one voting right in a General Assembly meeting. There is no privileged share in the company’s capital.

SHAREHOLDER	CAPITAL PERCENTAGE OF SHARES (%)	NOMINAL VALUE OF SHARES (TRY)	NUMBER AND VOTING RIGHT (Pcs.)
KOÇ FAMILY MEMBERS	8.67	58,590,762.02	5,859,076,202
KOÇ HOLDİNG A.Ş.	40.51	273,742,027.02	27,374,202,702
KOÇ HOLDİNG EMEKLİ VE YARDIM SANDIĐI VAKFI	5.14	34,721,920.21	3,472,192,021
TEMEL TİCARET VE YATIRIM A.Ş.	2.75	18,576,870.00	1,857,687,000
VEHBİ KOÇ VAKFI	0.17	1,136,574.89	113,657,489
TEKNOSAN BÜRO MAKİNA VE LEVAZIMI TİC.VE SAN. A.Ş.	12.05	81,428,336.95	8,142,833,695
BÜRLA TİCARET VE YATIRIM A.Ş.	5.56	37,571,663.05	3,757,166,305

OTHER SHAREHOLDERS	25.15	169,960,050.86	16,996,005,086
TOTAL	100.00	675,728,205.00	67,572,820,500

The majority of Koç Holding A.Ş. shares belong to the members of the Koç Family.

2.2. Management and Operation Changes To Affect Company Operations of Our Company and Subsidiaries Significantly:

The Board of Directors of our Company made the following decision on 11 Oct. 2016.

Considering the developing market conditions, in order to establish a more effective and efficient infrastructure, with the intent of performing the domestic activities other than R&D and production operations of our Company over a separate legal entity, it has been decided to transfer the assets and liabilities regarding "dealer management", "advertisement and sponsorship activities", "inventory and stock management", "logistics management", "guarantee services management", "installation and servicing" operations as a whole to a joint stock company to be founded named Arçelik Pazarlama A.Ş. by way of partial demerger as a 100% subsidiary in a manner that such transfer shall not ruin the business integrity; that the partial demerger shall be conducted in conformity with subparagraph "b" of the 1st clause of the Turkish Trade Code numbered 6102, Article 159 and with the provisions of Mergers and Demergers Communiqué (II-23.2) published by the Capital Markets Board which governs the demerger through facilitated procedure and with the subparagraph "b" of the 3rd clause of the Corporate Tax Law numbered 5520, article 19 and also with article 20 thereof and that the shares that represent the whole capital of the new company to be founded shall be acquired by Arçelik A.Ş. The partial demerger shall be submitted to the approval of our shareholders at the extraordinary general assembly meeting.

2.3. Information On Shareholders' Request for Adding An Item To the Agenda:

Cases where requests regarding the agenda submitted by shareholders of partnership to the Investment Relations Department in written for adding an item to the agenda are rejected by the board of directors are given below together with the rejected proposals and the reasons underlying the rejection:

No such proposal has been sent for the Extraordinary General Assembly meeting dated 26.12.2016.

3. OUR STATEMENT CONCERNING THE AGENDA ITEMS OF THE EXTRAORDINARY GENERAL ASSEMBLY SCHEDULED TO BE HELD ON 26.12.2016

1. Opening and election of the Chairman of the Meeting,

Within the framework of provisions of "Turkish Commercial Code (TCC) No. 6102" "Principles and Procedures of Stock Companies' General Assembly Meetings and Regulation on Ministry of Customs and Trade Representatives Who Attend These Meetings" ("Regulations" or "General Assembly Regulations") and Article 7 of General Assembly Internal Directive, Chairman of the Meeting who will lead the General Assembly Meeting shall be elected. In accordance with General Assembly Internal

Directive, Meeting Chairman shall nominate minimum one Minutes Clerk. Chairman of the Meeting may select sufficient number of Vote Collectors.

2. Informing the shareholders about the Announcement for the Right of Examination, the Announcement for the Protection of Creditors, Certified Public Accountant report for the Determination of Equity under Turkish Code of Commerce (TCC) in connection with the partial demerger to be discussed under Agenda item 5,

Before submitting the Demerger Plan, Demerger Report, Financial Tables for the Last Three Years and the Annual Reports and also the interim balance sheet dated between 01.01.2016 - 30.06.2016 for the approval of the General Assembly, in conformity with the article 171 of the Turkish Commercial Code, it was announced on the Turkish Trade Registry Gazette with the topic "Right of Examination Announcement" on the Public Disclosure Platform and on our company website www.arcelikas.com on 14.10.2016 that all the documents prepared in regard to the partial demerger operation shall be made available for review of our partners at our Headquarters for two months beginning from 14.10.2016. The shareholders shall be informed that the Right of Examination Announcement has been made pursuant to Article 171 of Turkish Commercial Code.

"The Announcement for the Protection of Creditors" due to the partial demerger pursuant to articles 174 and 175 of Turkish Commercial Code was first published on the Turkish Trade Registry Gazette on 21.11.2016 and also put on our company's website. The second announcement shall be published on 28.11.2016 and the third one on 05.12.2016 on the Turkish Trade Registry Gazette. The shareholders shall be informed that the Announcement for the Protection of Creditors has been made pursuant to articles 174 and 175 of the Turkish Commercial Code.

Certified Public Accountant Report For the Determination of Equity dated 11 Oct. 2016 and numbered YMM 1440-633/1140-78 enclosed in the Announcement Text On Partial Demerger via Facilitated Procedure Through The Associate Model of Arçelik A.Ş. certified by Capital Markets Board has been published on the Public Disclosure Platform and our company's website on 11 Oct.2016. In the conclusion of this report;

- It is stated that the transaction regarding assignment of the Service Business, whose subject-to-demerger net registered value corresponds to 626,059,040.00 TRY, to Arçelik Pazarlama A.Ş. within the scope of the partial demerger is in conformity with the articles 159 and 179 of the TCC, with the articles 19/(b) and 20 of the CTL and the provisions of the General Communiqué on Corporate Tax with Serial No. 1 and the other relevant legal legislations,
- That the founding capital of the new Company to be established as a result of the partial demerger operation shall be 626,059,040.00 TRY and this amount wholly shall be covered through the registered value of the Service Business which is subject to the demerger,
- That as a result of the partial demerger, there shall be no need for capital decrease in the presence of the Demerged Company as the shares to be exported in the presence of the New Company To Be Founded through demerger shall be granted to the Demerged Company; within this context, there shall also be no liability to guarantee the rights of the creditors pursuant to the article 175/2 of the TCC, as it has been

concluded that the rights of the creditors will not be jeopardised in the presence of the Demerged Company, Arçelik A.Ş,

- That it has been inferred and reached as a conclusion that all the methods used within the scope of the partial merger are adequate and fair and also there is no legal prejudice interfering in the realisation

of the partial demerger.

The shareholders shall be informed about the Certified Public Accountant Report .

3. Informing the shareholders about the Board of Directors' Declaration that under the partial demerger, no retirement right has arisen pursuant to the Capital Markets Board Communiqué no. II-23.1 on the "Common Principles Regarding Significant Transactions and the Retirement Right",

The Board of Directors Declaration regarding there shall be no retirement right arisen pursuant to the Communiqué no II-23.1 on the "Communiqué on the Common Principles Regarding Significant Transactions and the Retirement Right" published by the Capital Markets Board enclosed in the Announcement Text On Partial Demerger via Facilitated Procedure Through The Associate Model of Arçelik A.Ş. certified by Capital Markets Board has been submitted in ANNEX/1.

4. Reading, discussing and approving the interim Balance Sheet and Income Statement as of 30.06.2016 underlying the partial demerger,

The interim Balance Sheet and Income Statement dated 30.06.2016, basing the partial demerger operation, which was made available for review by our shareholders in the annex of the Notification Regarding Demerger on Public Disclosure Platform and our company's website on 11 Oct. 2016 shall be submitted for the opinions and approval of our shareholders.

5. Reading the Demerger Report and Demerger Plan dated October 11, 2016 which are issued for the transfer of all assets and liabilities related to domestic "dealer management", "advertisement and sponsorship activities", "inventory and stock management", "logistics management", "guarantee services management", "installation and servicing" operations as a whole to ARCELİK PAZARLAMA ANONİM SIRKETİ to be founded as a 100% subsidiary of our Company, by way of partial demerger and in a manner not to disrupt the business integrity in line with Article 159 of TCC, the provisions of Merger and Demerger Communiqué published by the Capital Markets Board which govern the demerger through facilitated procedure and the Corporate Tax Law articles 19 and 20, discussing and approving of the Demerger Report, the Demerger Plan and the Articles of Association of Arcelik Pazarlama A.S. attached to the Demerger Plan and the proposal by the Board of Directors for the Partial Demerger;

In parallel with the decision taken by Arçelik A.Ş Board of Directors on 11 Oct. 2016, considering the developing market conditions, in order to establish a more effective and efficient infrastructure, with the intent of performing the domestic activities other than R&D and production operations of our Company over a separate legal entity, it has been decided to transfer the assets and liabilities regarding "dealer management", "advertisement and sponsorship activities", "inventory and stock management", "logistics management", "guarantee services management", "installation and servicing" operations as a whole to a joint stock company to be founded named Arçelik Pazarlama A.Ş. by way of partial demerger as a 100% subsidiary in a manner that such transfer shall not ruin the business integrity; that the partial demerger shall be conducted in conformity with subparagraph "b" of the 1st clause of the Turkish Trade Code numbered 6102, Article 159 and with the provisions of Mergers and Demergers Communiqué (II-23.2) published by the Capital Markets Board (CMB) which governs the demerger through facilitated procedure and with the subparagraph "b" of the 3rd clause of the Corporate Tax Law numbered 5520, article 19 and also with article 20 thereof and that the shares that represent the whole capital of the new company to be founded shall be acquired by Arçelik A.Ş.

The announcement text prepared in regard to the partial demerger was granted approval on 14.11.2016 by CMB and the CMB certified Announcement Text, the Demerger Plan, the Demerger Report, the financial reports for the last three years, the estimated post-demerger opening balance sheet, the independent audit reports for the last three years and the financial reports dated 30.06.2016 have been made public at the Public Disclosure Platform and on the Company's corporate website www.arcelikas.com at least 30 days before the General Assembly meeting date.

Our shareholders shall be informed on the Demerger Report and Demerger Plan dated 11 Oct.2016 in regard to the partial demerger made available for review of our shareholders in the annex of the Notification Regarding Demerger on our company's website www.arcelikas.com and on Public Disclosure Platform on 11 Oct. 2016 and prepared pursuant to the resolution of the board of the directors dated on the same day. Within this scope, the number of the real estates in the mortgage list subject to the partial demerger consisted of the mortgages, of all taken regarding the domestic dealer management activities, and found on the annex 1 of the demerger plan has reached from 6307 to 6760 as of the date of this notification document hereby and the final list that will have been compiled by the date of the general assembly in regard to such mortgages shall be submitted for our shareholders' opinions during the general assembly meeting.

The Demerger Report, Demerger Plan and the Articles of Association of Arçelik Pazarlama A.Ş. and Board of Directors' proposal in respect of the Partial Demerger Operation shall be submitted for the opinions and approval of our shareholders.

6. Wishes and opinions.

ANNEXES:

ANNEX/1 The Board of Directors' Declaration that no retirement right has arisen pursuant to the Capital Markets Board Communiqué no. II-23.1 on the "Common Principles Regarding Significant Transactions and the Retirement Right"

ANNEX/2 Shareholders Power of Attorney

ANNEX/1

**THE DECLARATION THAT NO RETIREMENT RIGHT HAS ARISEN
PURSUANT TO THE CAPITAL MARKETS BOARD COMMUNIQUÉ
NO. II-23.1 ON THE COMMON PRINCIPLES REGARDING
SIGNIFICANT TRANSACTIONS AND THE RETIREMENT RIGHT**

Here is our declaration regarding the Communiqué on the Common Principles Regarding Significant Transactions and the Retirement Right (II-23.1) published and announced on the issue of the Official Gazette dated 24.12.2013 and numbered 28861.

Demerger via facilitated procedure through the associate model is executed and carried out under the clause "b" of the Article 159 of the Turkish Code of Commerce, and clause "b" of the subparagraph 3 of the Article 19, and Article 20 of the Corporate Tax Law, and within the scope of the provisions regarding the Communiqué on Merger and Demerger published and announced on the Official Gazette dated 28.12.2013 and numbered 28865.

The demerger operation that our company shall conduct has been considered as a Significant Transaction pursuant to the Article 23 of the Capital Markets Law.

In respect of certain transactions listed in the Article 12 of the "Communiqué on the Common Principles Regarding Significant Transactions and the Retirement Right" No. II-23.1 that entered into force upon being published on the Official Gazette dated 24.12.2013 and numbered 28861, it has been regulated by the Capital Markets Board that there shall be no right arisen permitting shareholders to quit the partnership by selling off their shares to the Company. Pursuant to the article 12.1 (e) of the same Communiqué, Demerger via Facilitated Procedure has been considered amongst the circumstances where there shall be no retirement right arisen as well.

For the demerger that our company shall conduct is one that is carried out via facilitated procedure through the associate model, there shall be no retirement right for the shareholders of our company arisen under the "Communiqué on Common Principles Regarding Significant Transactions and the Retirement Right " numbered II-23.1.

DEMERGED COMPANY:

On behalf of **ARÇELİK ANONİM ŞİRKETİ**

Name : Hakan Hamdi Bulgurlu
Title : Member of the Board and
General Manager

Name: Fatih Kemal Ebiçlioğlu
Title: Member of the Board

ID No :

ID No:

Signature



Signature



ANNEX/2

POWER OF ATTORNEY

ARÇELİK A.Ş

I hereby authorise and appoint as proxy _____, who is introduced below in detail to represent me, to vote, to submit proposals and to sign necessary documents on my behalf at Arçelik A.Ş.'s Extraordinary General Assembly scheduled to be held on 26.12.2016, Monday at 11.00 at "Divan Istanbul Hotel, Asker Ocağı Caddesi No: 1 34367 Elmadağ Şişli, Istanbul" in accordance with the following.

Proxy's (*);

Name Surname/Commercial Title:

T.R ID No/Tax ID, Commercial Registry and Number with MERSIS number:

(*Submitting equivalents of information referred for Proxies with foreign nationality is mandatory.

A) SCOPE OF THE POWER TO REPRESENT

Scope of the power to represent must be determined by choosing either (a), (b) or (c) for the following sections numbered 1 and 2.

1. Regarding the Issues in Agenda of General Assembly;

a) Proxy shall be authorised to vote as per her/his own opinion.

b) Proxy shall be authorised to vote as per the proposals of the company management.

c) Proxy shall be authorised to cast vote as per the following instructions.

Instructions:

In the event that the shareholder chooses (c) option, instructions specific to agenda items shall be given provided that one of the options given against the relevant agenda item of general assembly is checked (acceptance or refusal), or if refusal option is chosen, by specifying opposition note which is required to be written in moments of general assembly (if any).

Agenda Items	Acceptance	Refusal	Opposition Note
1. Opening, and election of the Chairman of the Meeting,			
2. Informing the shareholders about the Announcement for the Right of Examination, the Announcement for the Protection of Creditors, Certified Public Accountant report for the Determination of Equity under Turkish Code of Commerce (TCC) in connection with the partial demerger to be discussed under Agenda item 5,			

3. Informing the shareholders about the Board of Directors' Declaration that under the partial demerger, no retirement right has arisen pursuant to the Capital Markets Board Communiqué no. II-23.1 on the "Common Principles Regarding Significant Transactions and the Retirement Right",			
4. Reading, discussing and approving the interim Balance Sheet and Income Statement as of 30.06.2016 underlying the partial demerger,			
5. Reading the Demerger Report and Demerger Plan dated October 11, 2016 which are issued for the transfer of all assets and liabilities related to domestic "dealer management", "advertisement and sponsorship activities", "inventory and stock management", "logistics management", "guarantee services management", "installation and servicing" operations as a whole to ARCELİK PAZARLAMA ANONİM ŞİRKETİ to be founded as a 100% subsidiary of our Company, by way of partial demerger and in a manner not to disrupt the business integrity in line with Article 159 of TCC, the provisions of Merger and Demerger Communiqué published by the Capital Markets Board which govern the demerger through facilitated procedure and the Corporate Tax Law articles 19 and 20, discussing and approving of the Demerger Report, the Demerger Plan and the Articles of Association of Arcelik Pazarlama A.S. attached to the Demerger Plan and the proposal by the Board of Directors for the Partial Demerger,			
6. Wishes and opinions.			

If minority has any draft resolution, it shall be separately specified to guarantee voting by proxy.

2. Special instruction for other issues which may arise in General Assembly and using minority rights in particular:

- a) Proxy shall be authorised to vote as per her/his own opinion.
- b) Proxy shall not be authorised to represent for these issues.
- c) Proxy shall be authorised to cast vote as per the following special instructions.

SPECIAL INSTRUCTIONS; If any, special instructions from shareholder to proxy shall be specified here.

B) Shareholder defines which shares to be represented by proxy by choosing one of the following options.

1. I certify that proxy shall represent my shares which are specified below in detail.

a) Array and serial:*

b) Number/Group:**

c) Quantity-Nominal value:

d) If multiple vote securities or not:

e) Whether shares are bearer shares or written in the name:*

f) Proportion of shareholder to possessed total shares/voting rights:

*The information about shares which are followed from registrations is not requested.

**If any, information regarding the group shall be used instead of number for shares which is followed from registrations.

2. I hereby certify that proxy shall represent all shares of mine in the list regarding the shareholders who can attend to general assembly organised by Merkezi Kayıt Kuruluşu A.Ş the day before General Assembly.

FULL NAME OR TITLE OF THE SHAREHOLDER(*)

T.R ID No/Tax ID, Commercial Registry and Number with MERSIS number:

Address:

(*)Submitting equivalents of information referred for shareholders with foreign nationality is mandatory.