

İHLAS EV ALETLERİ İMALAT SANAYİ VE TİCARET ANONİM ŞİRKETİ ARTICLES OF ASSOCIATION

FOUNDATION: (Turkish Trade Registry Gazette, No. 3821, dated July 5, 1995)

ARTICLE 1: The founders identified below with their name, nationality and residence address have founded a joint-stock company in accordance with the provisions of the Turkish Commercial Code pertaining to the immediate foundation of joint-stock companies.

- 1) İhlas Holding Anonim Şirketi, a corporation headquartered at Çatalçeşme Sokak No: 17 Cağaloğlu, Eminönü,, Istanbul.
- 2) Ahmet Mücahid Ören, a citizen of the Republic of Turkey and resident at Müstakimzade Sokak, No: 21, Fatih, Istanbul.
- 3) Ayhan Apak, a citizen of the Republic of Turkey and resident at Müstakimzade Sokak No: 14/3 Fatih, Istanbul.
- 4) Ali Tubay Gölbaşı, a citizen of the Republic of Turkey and resident at İhlas Yuva Sitesi D-5 Blok Daire: 24 Yenibosna, Bahçelievler, Istanbul.
- 5) Ömer Adnan Uncuoğlu, a citizen of the Republic of Turkey and resident at Yavuz Selim Caddesi No: 78/6 Fatih, Istanbul.
- 6) İsmet Anaç, a citizen of the Republic of Turkey and resident at Müstakimzade Sokak No: 8/3 Fatih, Istanbul.
- 7) Alaettin Şener, a citizen of the Republic of Turkey and resident at İhlas Yuva Sitesi D-5 Blok Daire: 17 Yenibosna, Bahçelievler, Istanbul.
- 8) Resul İzmirli, a citizen of the Republic of Turkey and resident at İhlas Yuva Sitesi D-5 Blok Daire: 23 Yenibosna, Bahçelievler, Istanbul.
- 9) Muhsin Abay, a citizen of the Republic of Turkey and resident at İhlas Yuva Sitesi E-1 Blok Daire: 27 Yenibosna, Bahçelievler, Istanbul.
- 10) Kemal Demircioğlu, a citizen of the Republic of Turkey and resident at Müstakimzade Sokak No: 14 Kat: 4 Fatih, Istanbul.
- 11) Mehmet Okyay, a citizen of the Republic of Turkey and resident at İhlas Yuva Sitesi C: 23 Blok D: 10 Yenibosna, Bahçelievler, Istanbul.
- 12) Zeki Celep, a citizen of the Republic of Turkey and resident at Fatih Caddesi No: 124/4 Fatih, Istanbul.

TRADE NAME: (Turkish Trade Registry Gazette, No. 3821, dated July 5, 1995)

ARTICLE 2: The Trade Name of the Company is "İhlas Ev Aletleri İmalat Sanayi Ve Ticaret Anonim Şirketi."

OBJECTIVE AND SCOPE: (Turkish Trade Registry Gazette, No. 7807, dated May 03, 2011)

ARTICLE 3:

I - The objective and scope of the Company is to manufacture and market all kinds of electric and non-electric household appliances, audiovisual cassettes, video cassettes, movies, motion pictures and television films; to market other merchandise; to undertake printing, typesetting, bookselling, paper selling, journalism, publishing and distribution operations; to manufacture and market training and educational materials, and regarding all these activities the Company engages in;

1- Manufacturing and marketing electronic acupuncture therapy machines, sphygmomanometers, stimulators, water purifiers, electric water heaters, gas heaters, audiovisual cassettes, video cassettes, movies, motion pictures and television films, tens unit, radio/cassette players and all kinds of health and sports equipment;

2-Manufacturing, exporting, importing and domestically trading typewriters, calculators, duplicators, photocopiers, stationeries, computers, printers, laser printers, scanners and their spare parts and accessories;

3-Manufacturing, exporting, importing and domestically trading refrigerators, washing machines, dishwashers, electric vacuum cleaners, carpet machines and carpet washing machines, gas heaters, radiators, gas stoves, solid fuel-burning heaters, heaters and coolers of various systems, office and household-type air-conditioners, car air-conditioners, radios, tape players, record players, television sets, video sets, video cameras, music player sets, videotapes, video game tapes, tapes and their spare parts and accessories;

4-Manufacturing, exporting, importing and domestically trading all kinds of telecommunications equipment such as telephones, telexes, fax machines, pagers, mobile phones, cellular telephones, telephone switchboards, alarm systems and their spare parts, equipment and accessories;

5-Manufacturing, exporting and importing all kinds of hospital, laboratory equipment and x-ray machines, medical equipment, optical instruments, measuring instruments, clocks, wrist watches and their spare parts, equipment and accessories;

6-Manufacturing, exporting, importing and domestically trading photographic materials, cameras and films;

7- Manufacturing, exporting, importing and domestically trading all kinds of electrical equipment, construction materials, medical materials, installation materials;

8- Giving and receiving commitments, commissions, distributorships, franchises, general distributorships, dealerships and representations in every field and maritime businesses the Company operates;

9- Establishing sales offices and dealerships and setting up service stations and repair shops at home and abroad in every field of business in which the Company operates;

10- Participating in government and private sector tenders and placing bids; concluding contracts and making commitments;

11- Entering into partnerships with and making commitments to foreign companies in the areas of agriculture, industry and tourism which are within the scope of the Law for Encouragement of Foreign Capital and government orders. The Company shall abide by the conditions set on Provision II-6 when passing resolutions on this subject matter.

12- Selling, purchasing, registering in the name of the Company all copyrights, trademarks, models, images, know-how, patents, patent rights, and the like both at home and abroad; transferring and selling all kinds of technology;

13- Purchasing, selling, marketing, importing and exporting all consumer durable and non-durable goods (electrical, electronic and other household appliances);

14- Engaging in engineering and consulting activities within the scope of the Company's operations;

15) Purchasing, selling, importing and exporting raw materials (crystal, polystyrene, ABS, iron and steel products);

16- Fulfilling all necessary import and export procedures including customs clearance operations;

17) On the condition of making necessary informative disclosures that are required by the Board of Directors, obtaining long-term, medium-term and short-term loans, investment loans, commodity loans, letters of credit, open credits, single credits against stocks and bonds and the like; extending and receiving all kinds of mortgages and collateral on behalf of the Company. The Company shall abide by the conditions set on Provision II-6 when passing resolutions on this subject matter.

18) Entering into partnerships with natural or legal entities which undertake operations within the Company's scope of activities; participating in existing partnerships and entities; purchasing stock certificates, share certificates and their stock subscriptions; selling and exchanging its own stock certificates and share certificates provided that the Company does not engage in brokerage operations and portfolio management;

19) Purchasing real estate and rights which can be considered as real estate; engaging in construction activities and selling and leasing the finished products and leasing them partly or as a whole; leasing and purchasing buildings, facilities, factories, equipment and motor vehicles of others; acquiring rights in favor of the Company and disposing of the goods it owns at will in order to continue and develop the activities it carried out in accordance with its objectives. The Company shall abide by the conditions set on Provision II-6 when passing resolutions on this subject matter.

II - In order to accomplish the objective and scope of the Company,

1-Obtaining long-term, medium-term and short-term loans and investment loans; obtaining secured and unsecured loans; pledging or mortgaging the properties of the Company if necessary, in order to enter into all kinds of financial, commercial and industrial commitments and execute agreements. The Company shall abide by the conditions set on Provision II-6 when passing resolutions on this subject matter.

2- Purchasing real estate or ships required for business and selling them if needed;

3- Putting liens on or collateralizing the properties of others in favor of the Company or acquiring all rights on these in favor of the Company if the operations and business commitments undertaken requires them. The Company shall abide by the conditions set on Provision II-6 when passing resolutions on this subject matter.

4- Purchasing, hiring or leasing those it owns and selling if needed all kinds of transportation vehicles;

5- Establishing social associations for the benefit of the officers, employees and workers of the Company according to Article 468 of the Turkish Commercial Code and making investments with a view to secure their perpetuation and operation and making them productive in the best way possible.

6- The Company shall issue guarantee, bail, security, lien and mortgage only on behalf of itself in favor of partners, which are included in the full consolidation during the preparation of financial statements and for the third parties, in order to run business operations and on the condition that it abides by the rules set by the Capital Markets Board.

If and when the Company wishes to engage in other fields of business that may be deemed necessary and useful for the Company in the future, in addition to and besides the fields of business listed above, then and in this case, after receipt of required consents from the Ministry of Industry and Trade and the Capital Markets Board, a proposal of the Board of Directors related thereto will be

submitted to the General Assembly of Shareholders for approval, and upon an affirmative resolution of the General Assembly of Shareholders, the Company may enter into such additional fields of business.

HEAD OFFICE AND BRANCHES OF THE COMPANY: (Turkish Trade Registry Gazette, No. 3821, dated July 5, 1995)

ARTICLE 4: The head office of the Company is in Istanbul. The Company can open offices both in Turkey and abroad. The Company can open branches both in Turkey and abroad by notifying the Ministry of Industry and Trade.

TERM OF THE COMPANY: (Turkish Trade Registry Gazette, No. 3821, dated July 5, 1995)

ARTICLE 5: The Company's term of activity shall be unlimited save for the provisions of the Turkish Commercial Code regarding termination and liquidation.

CAPITAL AND SHARES: (Turkish Trade Registry Gazette, No. 7123, dated August 4, 2008)

ARTICLE 6: The Company accepted the registered capital system, according to the provisions of Law No. 2499 and changed to this system according to the CMB Permission No. 97/1197, dated November 4, 1998. The company's registered capital equals 250,000,000 Turkish lira; this amount is divided into 25,000,000,000 bearer shares, each share with a nominal value of 1 New kuruş.

Permission for the registered capital ceiling authorized by the Capital Markets Board is valid through 2008 and 2012 (five years). Even if the registered capital ceiling is not reached by the end of 2012, in order for the board of directors to decide on a capital increase after 2012, the general shareholders assembly must authorize an additional period for the board, either to retain the ceiling previously determined or to determine a new ceiling, with prior approval from the Capital Markets Board. If this authorization is not granted, the company will have exited from the registered capital system.

The amounts of 72,900,000 Turkish lira and 48,531.40 Turkish lira of the company's paid-in capital comprise Group A shares and 72,851,468.60 Turkish lira of the company's paid-in capital comprises Group B shares. The shares issued according to the capital increase are distributed to shareholders proportionate to their shares. When deemed necessary, the board of directors is authorized through 2008 and 2012 to increase the company's paid-in capital by exporting bearer shares up to the value of the company's registered capital ceiling, according to the provisions of the Capital Markets Law.

While resolving on issuance of new shares, the Board of Directors may issue shares over the nominal value and it may restrict the shareholder's right to purchase new shares.

Shares representing the Company's capital are recorded according to the generally accepted principles of record keeping.

THE BOARD OF DIRECTORS AND ITS TERM: (Turkish Trade Registry Gazette, No. 6309, dated May 24, 2005)

ARTICLE 7: The Company is managed and directed by a Board of Directors consisting of three, five or seven members to be elected by the General Assembly of Shareholders in accordance with the Turkish Commercial Code.

The members of the Board of Directors are elected to serve for a period of maximum three years. The initial members of the Board of Directors are elected to serve for a period of one year.

A member, whose office term has terminated, can be reelected.

A member of the Board of Directors can be replaced any time by a decision of the General Assembly if it decides to do so.

TRANSFER OF SHARES: (Turkish Trade Registry Gazette, No. 3821, dated July 5, 1995)

ARTICLE 8: Before the bearer shares become available to be transferred, first, the founding shareholders have to make a purchasing offer to buy the shares at their current market value and if none of the founding shareholders makes a purchase within one month then the shares can be sold to third parties. Any other way of disposal contrary to this method is invalid and they cannot be registered even in the stock register.

Above-referenced matters apply exactly to pledge and attachment cases and other real rights on shares. Priority rights contained in this article are reserved in compulsory executive sales as well. If these priority rights are not complied with, the Board of Directors is entitled to record sale and assignment or shareholding change in stock register.

However, shares which are subject to sale assignment and succession caused by attachment, compulsory execution, inheritance and other real rights arising from application of the laws of the Republic of Turkey are proposed to founder shareholders firstly at current market value. Proposals which are not replied to within 30 days are deemed permission for sale to third parties.

PRIVILEGES: (Turkish Trade Registry Gazette, No. 6309, dated May 24, 2005)

ARTICLE 9: If the Board of Directors consists of three members then two of the members; if the Board of Directors consists of five members then two of the members, and if the Board of Directors consists of seven members then four of the members, are elected out of the candidates to be nominated by the Group A shareholders. Other members of the Board of Directors are elected by the General Assembly out of candidates to be nominated by the shareholders present at the General Assembly. If the Board of Directors determines the number of auditors to be one, this auditor; and if the Board of Directors determines the number of auditors to be three, two auditors are elected by the General Assembly out of the candidates to be nominated by the Group A shareholders. The other auditor is elected by the General Assembly out of candidates to be nominated by the shareholders present at the General Assembly.

TERM OF THE BOARD OF DIRECTORS: (Turkish Trade Registry Gazette, No. 3821, dated July 5, 1995)

ARTICLE 10: The members of the Board of Directors are elected to serve for a period of maximum three years. A member of the Board of Directors whose term of office is over can be reelected. A member of the Board of Directors can be replaced at any time by a decision of the General Assembly if it decides to do so.

MEETINGS OF THE BOARD OF DIRECTORS AND QUORUM OF THE MEETINGS: (Turkish Trade Registry Gazette, No. 7807, dated May 03, 2011)

ARTICLE 11: The Board of Directors shall convene at any time it deems necessary to discuss business matters and conduct business. However, it shall not convene more than once in a month. At least half of the members plus one shall be present for the Board of Directors to pass a resolution. Resolutions shall be passed by the majority of the present members. Members of the Board of Directors may not vote as a depute of another member. Resolutions shall be discussed the following week in case of equal number of votes. In case of equal votes at that time as well, the proposal shall be deemed declined. Members may not participate in meetings regarding themselves or their relatives. Resolutions passed by the Board of Directors at the end of the meeting are recorded by the

Secretary of the Board of Directors for signature. All members are required to sign the resolutions. All opposing members are also required to sign the resolution with the reason for their objection noted. Unless one of the members calls for a meeting, Board of Directors' resolutions may be passed by means of obtaining written consent from the members for a proposal made by one of them. Only written and signed resolutions shall be deemed valid.

DUTIES OF THE BOARD OF DIRECTORS, AUTHORITY TO REPRESENT AND BIND: (Turkish Trade Registry Gazette, No. 7807, dated May 03, 2011)

ARTICLE 12:

A) Duties and Responsibilities of the Board of Directors

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

Documents given and agreements made by the Company shall be deemed valid when individuals, who are authorized to represent and bind the company, sign under the company title. The signatures, which will represent and bind the Company, will be determined by the Board of Directors.

Members of the Board of Directors elect a chairman and a deputy chairman to represent the chairman when he or she is not available.

Board of Directors may set up committees and commissions from the members as deemed necessary to manage operations, to prepare items presented to them, to report on items on vital matters and especially on drawing the balance and to follow up on resolutions.

The Board of Directors may elect a managing director or managing directors from its ranks to delegate some of the managerial powers to them as it becomes necessary.

The Board of Directors may also represent and bind the Company by appointing Directors.

Board of Directors shall keep the balance sheets for the past business year and submit to shareholders for review at least 15 days before the General Assembly according to the provisions of the law.

In addition to the balance sheet, the Board of Directors also prepares a report to be submitted to the General Assembly to display the Company's business, financial and economic state, to summarize operations and transactions that have been completed, as well as preparing a proposal on the amount of capital reserve and on the earnings to be distributed. Report and proposal documents shall be submitted for the inspection of the shareholders at least 15 days before the General Assembly.

The Board of Directors shall perform actions to meet the requirements stipulated in the Corporate Governance Principles that have been or will be published by the Capital Markets Board.

B) MINIMUM REQUIREMENTS SOUGHT FOR THE MEMBERSHIP OF THE BOARD

As a principle, individuals with extensive knowledge and skills, who have enough experience and background, shall be elected as members of the board. Individuals, who have been jailed for more than five years, with the exclusion of negligent crimes, for actions against Capital Market legislation, insurance legislation, banking legislation, anti money-laundering legislation and legislation on lending money, or individuals, who have been sentenced to five years of penal servitude for crimes of qualified embezzlement, extortion, bribery, robbery, fraud, forgery of official documents, misappropriation during service, fraudulent bankruptcy, qualified contraband, conspire to rig an official bid or trading, disclose government secrets, tax evasion by forging official documents, shall resign from their posts immediately and shall not hold this post for five years starting from their

sentencing, if they have been put on trial and sentenced for the crimes herein mentioned within the past five years of being elected as a member of the board. Individuals, who have the attributes mentioned herein, shall not be elected as a member of the board for five years.

Members of the board shall be elected among qualified individuals who have knowledge regarding the business area and management of the company and who have gained experience by having worked in private or public sector.

Within the herein general framework, minimum qualifications sought for board membership candidacy shall be as follows;

a-Being able to read and analyze financial statements and reports,

b-Being knowledgeable regarding legal arrangements the company is subjected to in its daily as well as long-term transactions and operations.

c-Having the ability and the determination to participate in all of the projected meetings of the Board of Directors for the related fiscal year

REMUNERATION OF THE MEMBERS OF THE BOARD OF DIRECTORS: (Turkish Trade Registry Gazette, No. 3821, dated July 5, 1995)

ARTICLE 13: The Chairman and the members of the Board of Directors are remunerated by fees the amount of which will be determined by the General Assembly.

AUDITORS: (Turkish Trade Registry Gazette, No. 3821, dated July 5, 1995)

ARTICLE 14: The General Assembly elects one or three auditors from among the shareholders or from outside for a maximum term of office of 3 years.

DUTIES OF THE AUDITORS: (Turkish Trade Registry Gazette, No. 3821, dated July 5, 1995)

ARTICLE 15: The Auditors are obliged and authorized not only to perform and carry out any duties arising out of Article 353 of the Turkish Commercial Code but also to make any suggestions and proposals to the Board of Directors to take the necessary steps and measures with respect to the protection of the Company's interests and also in order to ensure the appropriate management and administration of the Company, and if necessary, also to convene the General Assembly to meeting and to set the agenda of any such meeting, and furthermore to issue that report as mentioned under the Article 354 of the Turkish Commercial Code. The Auditors must use their powers immediately during emergencies. The Auditors are severally responsible and liable to perform any duties commissioned to and vested in them by the laws and the Articles of Association well.

REMUNERATION OF THE AUDITORS: (Turkish Trade Registry Gazette, No. 3821, dated July 5, 1995)

ARTICLE 16: The Auditors are remunerated by fees the amount of which will be determined by the General Assembly.

GENERAL ASSEMBLY: (Turkish Trade Registry Gazette, No. 3821, dated July 5, 1995)

ARTICLE 17: The General Assembly holds ordinary or extraordinary meetings. Ordinary meetings of the General Assembly will be held at least once a year and within three months after the end of the Company's accounting period. In these meetings, agenda items are reviewed and decisions taken under Article 369 of the Turkish Commercial Code. Extraordinary meetings of the General Assembly of Shareholders will be held in accordance with the applicable laws and the relevant provisions of

the Articles of Association at any time and in any situation deemed necessary in the course of Company business.

PLACE OF MEETING: (Turkish Trade Registry Gazette, No. 3821, dated July 5, 1995)

ARTICLE 18: Meetings of the General Assembly will be held at the Company headquarters or at any convenient place in the same city as will be determined by the Board of Directors.

PARTICIPATION OF A MINISTRY COMMISSIONER IN THE MEETING: (Turkish Trade Registry Gazette, No. 3821, dated July 5, 1995)

ARTICLE 19: A commissioner from the Ministry of Industry and Trade must be present at both the ordinary and extraordinary meetings of the General Assembly and sign the minutes of the meetings including the appendices. Decisions taken at a General Assembly meeting held without a ministry commissioner present and minutes which do not bear the signature of the commissioner will be invalid.

MEETING QUORUM: (Turkish Trade Registry Gazette, No. 6309, dated May 24, 2005)

ARTICLE 20: The quorum at the meetings of the General Assembly are subject to the provisions of the Turkish Commercial Code. However, in the General Assembly meetings to be held for the reasons specified in Subsections 2 and 3, Article 388 of the Turkish Commercial Code, the meeting quorum designated in Article 372 of the Turkish Commercial Code is applied.

VOTING: (Turkish Trade Registry Gazette, No. 3821, dated July 5, 1995)

ARTICLE 21: Any shareholders or their proxies who take part in any ordinary or extraordinary meeting of the General Assembly have one vote for one share they possess or represent.

DISALLOWED TO VOTE: (Turkish Trade Registry Gazette, No. 3821, dated July 5, 1995)

ARTICLE 22: Shareholders cannot vote in the meetings on personal matters or situations involving themselves, their spouses, or their relatives who are company employees.

APPOINTMENT OF PROXY: (Turkish Trade Registry Gazette, No. 4720, dated January 29, 1999)

ARTICLE 23: At the meetings of the General Assembly, shareholders may be represented by a proxy appointed from among other shareholders or from outside. The proxies so appointed are authorized not only to vote on behalf of themselves but also for such shareholders they represent.

The Board of Directors decides the particulars of the form of the power of attorney in accordance with the relevant regulations of the Capital Markets Board. Voting by proxy is governed by the regulations of the Capital Markets Board.

ANNOUNCEMENTS ON THE COMPANY: (Turkish Trade Registry Gazette, No. 3821, dated July 5, 1995)

ARTICLE 24: Announcements concerning the Company are to be placed in at least two daily newspapers' Turkish editions by complying with the minimum and maximum periods for the posting of these announcements and by reserving provisions in Subsection 4 of Article 37 of the Turkish Commercial Code and according to the restrictions, prohibitions and regulations of the authorized public bodies. Announcements for calling the General Assembly to meeting must be published two weeks before the date of the meeting. (Provisions No. 397 and 438 of the Turkish Commercial Code are reserved.)

METHOD OF VOTING: (Turkish Trade Registry Gazette, No. 3821, dated July 5, 1995)

ARTICLE 25: At the meetings of the General Assembly, votes are cast by raising hands. However, secret ballot is required upon the request of shareholders who hold at least 1/10th of the capital represented by the shareholders present at the meeting.

AMENDMENTS TO THE ARTICLES OF ASSOCIATION: (Turkish Trade Registry Gazette, No. 4720, dated January 29, 1999)

ARTICLE 26: Any amendments to the Articles of Association will be subject to prior consent of the Capital Markets Board and the Ministry of Industry and Trade.

All amendments to the Articles of Association will become effective after they are duly approved and registered in the Trade Registry.

ANNUAL REPORTS: (Turkish Trade Registry Gazette, No. 4359, dated August 21, 1997)

ARTICLE 27: Two copies of the Board of Directors' Report, Audit Report, Annual Balance Sheet, Minutes of the General Assembly Meeting, and List of Attendees will be sent to the Ministry of Industry and Trade within a maximum of one month following the last day of the General Assembly meeting or will be delivered to the Ministry Commissioner present at the meeting.

The financial statements and reports requested by the Capital Markets Board, and in the case of independent audit, the independent audit report will be submitted to the Board and announced to public in accordance with the principles and procedures determined by the Capital Markets Board.

ANNUAL ACCOUNTS: (Turkish Trade Registry Gazette, No. 3821, dated July 5, 1995)

ARTICLE 28: The Company's fiscal period begins on the first day of January and ends on the last day of December. However, the first fiscal period of a newly founded Company is from the date of establishment until the last day of December.

DISTRIBUTION OF PROFIT: (Turkish Trade Registry Gazette, No. 4720, dated January 29, 1999)

ARTICLE 29: After the amounts, which have to be paid and reserved by the Company such as the Company's overall expenses and various redemptions, are deducted from the revenue determined at the year end; the net profit that remains and shown on the annual balance sheet is to be distributed according to the order as listed below.

Legal Reserve:

a) Five percent of the net profit is set aside as legal reserve. (Article 466/1 of the Turkish Commercial Code)

Financial Liabilities:

b) The amount for current corporate taxes owed by the Company is set aside.

Primary Dividends:

c) The primary dividends at a rate and an amount determined by the Capital Markets Board are set aside from the remaining sum.

Secondary Dividends:

d) After the items in paragraphs a, b, and c above are deducted from the net profits, the General Assembly is authorized to distribute all or part of the remaining sum as secondary dividends or recognize this sum on the balance sheet as end-of-quarter profits. (Article 466/3 of the Turkish Commercial Code is reserved.)

e) Unless reserves required by law and shareholder primary dividends are set aside according to the Articles of Association, no other reserves may be allocated or no profits may be carried over to the following year. In addition, members of the Board of Directors, officers, employees, or contract workers may not receive shares from the profit, unless primary dividends are distributed.

DATE OF PROFIT DISTRIBUTION: (Turkish Trade Registry Gazette, No. 4359, dated August 21, 1997)

ARTICLE 30: When and how the profit is to be distributed to the shareholders is determined and fixed by the General Assembly upon proposal of the Board of Directors. The profits are distributed to shareholders according to the provisions of the Capital Markets Board.

RESERVE FUND: (Turkish Trade Registry Gazette, No. 3821, dated July 5, 1995)

ARTICLE 31: The Company sets aside ordinary legal reserves until the total amount of such reserve funds reach 20 percent of the share capital of the Company without prejudice to Article 467 of the Turkish Commercial Code. If these reserves fall for any reason below such an amount that corresponds to 20 percent of the share capital of the Company, the setting aside of the ordinary reserve funds indicated above will resume until the reserves reach again the same level.

As long as the ordinary legal reserves do not exceed 50 percent of the share capital of the Company, they can be used especially for covering any losses, for the continuing of the enterprise during times when the businesses experience distress and for preventing any employee dismissals or to alleviate its consequences.

THE ARTICLES OF ASSOCIATION TO BE SUBMITTED TO THE MINISTRY: (Turkish Trade Registry Gazette, No. 3821, dated July 5, 1995)

ARTICLE 32: The Company shall have this Articles of Association printed, deliver it to each shareholder, and send as many copies as required to the Ministry of Industry and Trade and the Capital Markets Board.

LEGAL PROVISIONS: (Turkish Trade Registry Gazette, No. 4359, dated August 21, 1997)

ARTICLE 33:

Provisions of related articles of the Turkish Commercial Code, Capital Markets Board Law and other relevant legislation are to be applied for those issues that are not stated in this Articles of Association.

On behalf of the Board of Directors,

Sedat Kurucan
Vice-Chairman of the Board of Directors
& General Manager

Mehmet Küsmez
Member of the Board of Directors
Chief Financial Officer