

**From the Banking Regulation and Supervision Agency and
The Savings Deposit Insurance Fund :**

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PRESS RELEASE

The Banking Supervision and Regulation Agency (BRSA) decided on June 18, 2002 that the management and control of Pamukbank T.A.S. be transferred to the Savings Deposit Insurance Fund (SDIF). This decision of the BRSA was halted by a temporary injunction decision of the General Assembly of the Council of State. The BRSA/SDIF announced on January 24, 2003 that the partnership rights and the management and control of Pamukbank T.A.S. have been returned to its majority shareholders, the Cukurova Group, in accordance with the Resolution of the General Assembly of the Council of State.

In order to safeguard the rights and interests of the depositors of Pamukbank T.A.S., to resolve the ownership issue of Yapi Kredi Bank and thus to maintain the stability of the financial system an agreement has been reached between the Agency and the representatives of Cukurova Group on the following issues and a protocol has been signed.

- 1- 1- The partnership rights as well as the management and control of Pamukbank T.A.S. will be held by the Savings Deposit Insurance Fund (SDIF). As part of the signed protocol, the majority shareholders of Pamukbank T.A.S. have accepted and committed to withdraw the lawsuit they have brought before the Administrative Lawsuit Chambers regarding the intervention decision of the BRSA.
- 2- 2- The debt of the Cukurova Group to Pamukbank will be taken over by the SDIF. Within the framework of the principles set out in the signed Protocol, a payment plan on this debt and the debt of the Group to the other SDIF banks will be agreed upon with the provision of the necessary and sufficient collateral.
- 3- 3- The SDIF will continue to exercise the partnership rights (except dividend rights) of Yapi Kredi Bank shares held by the majority shareholders of Pamukbank T.A.S within the framework of the Banks Act Nr. 4389. Cukurova Group has accepted and committed to sell part of its shares to a strategic partner within three years in order to comply with the related provisions of the Banks Act. Management principles for Yapi Kredi Bank will be set by the related parties in order to ensure the continuity of the Bank's operations in a sound financial structure.
- 4- 4- Within the framework of the principles determined in the signed Protocol, the final agreement will be concurrently signed by January 31, 2003. Accordingly, the Financial Restructuring Agreement signed between Cukurova Group and Yapi Kredi Bank on December 31, 2002 in order to restructure the debts of Cukurova Group to Yapi Kredi Bank will continue to be valid.