

## **VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ GENERAL MEETING MINUTES FOR YEAR 2007 HELD ON 28.05.2007**

Vestel Elektronik Sanayi ve Ticaret Anonim Şirketi general meeting for year 2007 was held on 28.05.2007 at 09:30 am at the address of Zorlu Plaza 34310, Avcılar / Istanbul under the supervision of Ministry Commissioner Ceyda Çalık commissioned with the writings of the Ministry of Commerce and Industry / Istanbul Provincial Directorate of Industry and Commerce dated 27.05.2008 and numbered 31395.

The invitation for the meeting was announced in the Turkish Trade Registry dated 06.05.2008 and numbered 7056 copy and in Milliyet daily newspaper dated 06.05.2008 and also in Dünya daily newspaper dated 06.05.2008 as well as the Company's website together with the agenda of the meeting as stated in the Law and Articles of Incorporation of the Company.

Based on the Registry of Shareholders, it was ensured by the Commissary that out of 15,909,988,696 shares corresponding to a share capital of 159,099,886.96 YTL, 8,326,396,544 shares corresponding to a share capital of 83,263,965.44 YTL were represented in person, meeting the minimum requirement specified both in Law and the Articles of Association.

1. The meeting started after standing in silence upon the invitation of Mr. Bekir Cem Köksal.
2. Mr. Burak Okay was elected as the chairman of the meeting, Mr. Aydın Temel and Ms. Tuğçe Karaçoban were elected as the secretaries, Ms. Fatma Nihal Özkan and Ms. Eylem Coşkun Baysal were elected as the vote collectors of the meeting unanimously.
3. It was accepted unanimously that the Chairmanship Council has been given the full authority to sign the minutes of ordinary shareholders' meeting with 8,750,863,644 affirmative votes in response to 100 abstention votes and 100 dissentive votes.
4. On behalf of the Board of Directors Mr. Ahmet Nazif Zorlu has made a statement regarding the year 2007 activities and financials and read the Annual Report.
5. The CMB XI-25 based financial statements were read by Mr. Ediz Kökyazıcı.
6. The Auditor's Report was read by Mr. Şerif Arı.

The Independent External Auditor's Report was read by Ms. Eylem Coşkun Baysal.

7. The reports that were read opened to discussion.. Semih Kunter took the floor by annotating 7. Article and said "The Annual Report of the Board of Directors does not give required and sufficient explanation on the sales of Vestel White Goods that started with the participation of our company in year 2007. I believe that this will affect the investors, the company and the price performance of the shares negatively, so all the balance sheets and income statements, auditor's report, independent external auditor's report and all other financial statements should be re-assessed. Therefore I do not accept the resolutions of the general assembly, and I am dissenting and present my

opposition as my annotation, my right of bringing action is reserved.” Özdemir Bayur took the floor and said “I present my signed petition attached on the general assembly meeting minutes to the Chairmanship Council, regarding the examination of the company’s balance sheets”. The petition has been attached to the minute upon his request.

- The Annual Report
- The CMB XI-25 based financial statements
- The Auditor’s Report
- The Independent External Auditor’s Report

It was decided with 8,729,031,944 affirmative votes in response to 856,000 abstention votes and 20,975,900 dissentive votes.

8. Resolution dated 02.05.2008 and resolution of board of directors numbered 2008/9 on

“Although profits had been determined in the financial statements being prepared according to the "Communiqué on Accounting Standards of the Capital Market Serial XI and No:25 of the Securities Exchange Act", losses from the previous years had appeared in the financial statements in which inflation adjustments had been made as of the date of 31.12.2003 in accordance with the Communiqué Serial XI and No: 21, and no profit remained as a result of deduction of 2007 earnings from these losses. Accordingly, the Board of Directors of Vestel Elektronik decided to propose no dividend payment (from 2007 earnings) to the General Assembly at its Board meeting dated 2 May 2008 and numbered 2008/9.”

The above mentioned proposal has been read and put to vote. Semih Kunter took the floor and said “as far as I am aware, the company has not distributed profits since year 2000. Company’s shares are not performing well and the investors are suffering a loss although profit distribution has been defined fundamentally at minimum rate by CMB within the scope of corporate governance principles of CMB. Therefore I do not accept the resolutions of the general assembly, am dissenting and present my opposition as my annotation. Cancellation of General Assembly and rights of bringing action are reserved.” It was decided not to distribute profit with 8,750,863,544 affirmative votes in response to 200 abstention votes and 100 dissentive votes.

9. “In line with CMB’s declaration dated 15.01.2007 and numbered 2007/3, the Company announced its dividend distribution policy as :

“The Company will distribute at least 25% of its net distributable income as cash or non-cash dividend starting from 2007 in line with the clauses of its Articles of Association. The Board of Directors will propose the dividend amount to the General Assembly every year taking into consideration the Company’s growth plans and market

conditions.” Foreign Fund Representative, Hilmi Aydın İşbaşı and Ahmet Eyigüler declared that they remain abstained with total of 91,549,600 pieces.

10. The discharging of the members of the Board of Directors from their responsibilities for activities of the year 2007 was submitted. Semih Kunter took the floor and said “my previously stated grounds on my annotations still apply and I will not discharge members of the board until these matters are elucidated and I do not accept the resolutions of the general assembly, am dissenting and present my opposition as my annotation. Cancellation of General Assembly and rights of bringing action are reserved.” The Board of Directors are discharged with 8,729,887,744 affirmative votes in response to 20,976,000 abstention votes and 100 dissentive votes.

The discharging of Auditors from their responsibilities for activities of year 2007 was submitted. Each Auditor has been discharged with 8,729,887,744 affirmative votes in response to 20,976,000 abstention votes and 100 dissentive votes.

11. It was proposed to assign the number of members of Board of Directors as seven and appoint Mr. Ahmet Nazif Zorlu, Ms. Şule Zorlu, Mr. Ömer Yüngül, Mr. Mehmet Cem Bodur, Mr. Enis Turan Erdoğan, Mr. Recep Yılmaz Argüden and Mr. Ekrem Pakdemirli. The resolution was put to vote and it was decided with 8,750,152,244 affirmative votes in response to 711,600 abstention votes.

12. It was proposed to assign the number Auditors as two and appoint Mr. Şerif Arı and Mr. Ahmet Günaydın Hızarcı to perform their duties for a year, the resolution was put to vote and it was decided with 8,750,863,644 affirmative votes in response to 200 abstention votes.

13. Paying gross 60000 YTL/yearly as per diem to each member of the Board of Directors was accepted with 8,739,332,844 affirmative votes in response to 11,530,800 abstention votes and 200 dissentive votes.

14. Paying gross 2,580 YTL/yearly to each Auditor was accepted with 8,739,032,844 affirmative votes in response to 11,530,900 abstention votes and 100 dissentive votes.

15. The nomination of Engin Serbest Muhasebecilik Mali Müşavirlik A.Ş. as the Independent External Audit Company for year 2008 was accepted with 8,739,333,044 affirmative votes in response to 11,530,800 abstention votes.

16. Mr. Ediz Haşmet Kökyazıcı provided the shareholders with information regarding the charitable donations made during 2007. Foreign Fund Representative, Hilmi Aydın İşbaşı and Ahmet Eyigüler declared that they remain abstained with total of 91,549,600 pieces.

17. The Board of Directors were submitted to be provided with the authorization written in the Turkish Commercial Law’s articles 334 and 335 and it was decided with 8,750,863,644 affirmative votes in response to 200 abstention votes.

18. Making Amendment to Clause 6 of our Company's Articles of Incorporation is presented to the approval of General Assembly upon amending the Amendment Draft to Clause 6 of Our Company's Articles of Incorporation, took place in Resolution of Board of Directors with Number 2008/8 on 02.05.2008, in accordance with the Capital Markets Board's Letter Number B.02.1.SPK.0.13-810/7741 on 08.05.2008, as with such a permissions. Making Amendment to Clause 6 of our Company's Articles of Incorporation is decided with 8,739,333,044 affirmative votes in response to 11,530,800 abstention votes.

## **NEW TEXT**

### **Article 6**

#### **Company's Capital**

The Company accepted the registered capital system according to the law numbered 0794 different from the regulations of CML numbered 2499.

The Company's Registered Capital is 440,000,000 (four hundred forty million) New Turkish Lira and divided into 44,000,000,000 (forty four billion) shares from face value of 1 New Kuruş.

The registered capital ceiling permit by Capital Markets Board is valid between years 2008-2012 (5 years). Even if the permitted registered capital ceiling is not reached until the end of year 2012, in order for the Board of Directors to take capital increase decision after year 2012; for a previously permitted limit or for a new limit, the Board of Directors is obliged to get authority from the General Assembly for a new time in terms of getting permission from the Capital Markets Board. In case the aforementioned authority is not obtained, the company will be accounted as ascended from the registered capital system.

Company's issued capital of 159,099,866.96 (one hundred and fifty nine million ninety nine thousand eight hundred and sixty six and 96/100) New Turkish Lira has been paid fully.

The shares representing the company are as follows:

Description: Bearer

Number of Shares: 15,909,988,969

Amount of Shares (YTL): 15,909,988. 969

Between years 2008-2012 in accordance with the regulations of Capital Markets Law, if necessary the Board of Directors is authorized to increase the issued capital by issuing bearer shares up to the registered capital ceiling. The Board of Directors is also authorized to issue shares over its nominal par, limit the shareholders rights to obtain new shares. Matters under

this article are issued in the scope of the Articles of Incorporation, Turkish Commercial Law, Capital Markets Law and related legislation provisions.

Transfer of shares is possible only if the regulations of Turkish Commercial Law, Capital Markets Legislations and the provisions of this agreement are to be kept under the seal of secrecy.

Shares representing the company's capital are monitored within the scope of registration principles.

19. Partners took the floor to give their wishes and requests.

The meeting adjourned with this minutes of the meeting signed by those concerned as there were no further matters on the agenda. 28.05.2008 Time: 09:30

Signature

**Commissioner - Ceyda ÇALIK**

Signature

**Chairman of the Meeting - Burak İsmail OKAY**

Signature

**Secretary - Aydın TEMEL**

Signature

**Secretary - Tuğçe KARAÇOBAN**

Signature

**Vote Collector - Eylem COŞKUN BAYSAL**

Signature

**Vote Collector - Fatma Nihal ÖZKAN**

Signature

**Partner - HÜSEYİN ÖZDEMİR BAYUR**

Signature

**Partner - SEMİH KUNTER**