

The General Shareholders' Meeting Minutes of

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ (VESTEL ELECTRONICS INDUSTRY AND TRADE CORPORATION)

For the Year of 2003 hold on the date of 07/06/2004

The General Shareholders' Meeting of the Vestel Elektronik Sanayi ve Ticaret A.Ş. (Vestel Electronics Industry and Trade Corporation) for the year of 2003 has been held at the address of Zorlu Plaza, Avcılar / İSTANBUL on the date of 07/06/2004 at 10:30 hours under the supervision of Ms. Ceyda Çalık, the Commissar of the Ministry, who was entrusted with this duty through the official correspondence dated 4.6.2004 and no. 31160 of the İstanbul Provincial Directorate of Industry and Trade / The Ministry of Industry and Trade.

The invitation relating to the meeting has been made in due time as has been envisaged in the law and the articles of association and in a form to encompass the agenda by way of being declared in the issue dated 12/05/2004 and no. 191 of the Trade Registry Gazette of Turkey and in the daily paper Dünya dated 14/05/2004 and still in the daily paper Finansal Forum dated 14/05/2004, and furthermore, by way of notification of the date and agenda of the meeting through registered letters sent to the registered share holders, and also, to the bearer share holders who have communicated their addresses by consigning share certificates beforehand.

Upon having been determined, expressed and understood by the Government Commissar that 86.707.066.465 units of shares corresponding to the total capital of 86.707.066.465.000,- TL were being represented at the meeting, with 86.707.063.465 units of shares of this amount in return to 159.099.886.960 units of shares which correspond to the total capital of 159.099.886.960.000,- TL of the company as principle and 3.000 units of shares in return to the capital of 3.000.000,- TL by proxy, and thus, the minimum meeting quorum envisaged both by the law and the articles of association was present;

1-) The meeting has been opened by Mr. Cem KÖKSAL and the moment of silence has been paid.

2-) It has been decided unanimously that Mr. Sefa Öncel to be perceived to the Chairmanship of the Court, Ms. Eylem Coşkun and Mr. Aydın Temel to the positions of vote collectors and Ms. Arzu Bozkurt and Ms. Nihal Özkan to clerkship.

3-) It has been decided unanimously that the Chairmanship of the Court to be authorized to sign the Meeting Minutes of the General Shareholders' Meeting on behalf of the General Assembly.

4-) Mr. Ahmet Nazif ZORLU, the Chairman of the Board of Directors, has made an explanation in respect of the activities and accounts of the company for the year of 2003 and has read the annual report.

5-) The financial statements drawn up within the framework of the communiqué of SPK XI-I have been read by Mr. Cem KÖKSAL.

6-) The consolidated financial statements in accordance with the communiqué of SPK X-21 have been read by Mr. Cem KÖKSAL.

7-) The audit report has been read by Mr. Ahmet Günaydın Hızarcı.

The summary of the report of the Independent Auditing Company has been read by Mr. Şerif Arı.

8-) The read reports have been opened to deliberations. One and all of the reports have been submitted for approval of the General Assembly.

- The Annual Report,
- The financial statements drawn up within the framework of the communiqué of SPK XI-I,
- The financial statements drawn up in accordance with the communiqué of SPK X-21,
- The Audit's Report,

- and the Independent External Auditing Company Report have been put to a vote, separately. Each one of the reports have been accepted and passed by a majority of votes in return to 4.126.539.250 unpolled votes and 129.573.200 no votes.

9-) The Draft Resolution pertaining to the Board of Directors regarding locking in the profit, since distributable profit no longer existed as the result of off-setting of the losses from previous years in consideration of occurrence of a loss from previous years of 292.680.274.000.000,- TL when inflation adjustments and consolidation transactions have been applied according to the provisions of the communiqué in respect of the procedures and principles regarding the "Consolidated Financial Statements and Accounting of the Shareholdings in the Capital Market" Serial XI and File No. 21 in connection with the Securities Exchange Act, although a profit of 60.932.390.000.000,- TL for the year of 2003 has been realized as the result of consolidation. This has been submitted for voting, and the Draft Resolution and the particularity of vesting power of the board of directors for the transactions of off-setting of the losses from previous years have been accepted and passed unanimously.

10-) It has been passed on to the article 10. of the agenda. The particularity of discharging the Board Members from responsibility for the activities of the year of 2003 has been submitted for voting. Everyone of the Members of the Board of Directors have been unanimously discharged from responsibility, separately.

11-) It has been passed on to the article 11. of the agenda. The particularity of discharging the Audits from responsibility for the activities of the year of 2003 has been submitted for voting. The Audits have been unanimously discharged from responsibility, separately.

12-) It has been passed on to the article 12. of the agenda. The matters of number of the Members of the Board of Directors for the operating year of 2004 to be determined as 7, and the Board Members to display activities for a period of 1 year, and Mr. Ahmet Nazif ZORLU, Ms. Şule ZORLU, Mr. Ömer YÜNGÜL, Mr. Cem BODUR, Mr. Enis Turan ERDOĞAN, Mr. Sait KATRANCI, and Ms. Zülal ZORLU to be elected to the Board of Directors have been proposed. It has been understood that no other draft resolutions existed, thus, the draft resolution has been submitted for voting, and it has been accepted and passed unanimously.

13-) It has been passed on to the article 13. of the agenda. It has been proposed that the number of audits for the operating year of 2004 to be determined as 2 and that Ms. Fahrünisa Arı and Mr. Ahmet Günaydın to be elected as audits, then, this draft resolution has been submitted for voting, and it has been accepted and passed unanimously.

14-) The draft resolution regarding nonpayment of fees to the Members of the Board of Directors for the operating year of 2004 has been read. The draft resolution has been accepted and passed unanimously.

15-) It has been passed on to the article 15. of the agenda. The draft resolution concerning a payment of gross compensation of 2.000.000.000,- TL annually to be effected to each one of the audits for the operating year of 2004 has been read, and this draft resolution has been accepted and passed unanimously.

16-) It has been passed on to the article 16. of the agenda. The draft resolution regarding the approval of the ARILAR BAĞIMSIZ DIŞ DENETLEME A.Ş. (ARILAR INDEPENDENT EXTERNAL

AUDITING CORP.) as the Independent Auditing Organization selected by the Board of Directors has been accepted and passed unanimously.

17-) Mr. Cem KÖKSAL, has conveyed information to the general assembly about the donations made within the operating year of 2003 in accordance with the resolution dated 05.06.2003 and no. 29/666 of the SPK (Capital Markets Board). Shareholders, holder of 4.625.000.049.450 units of shares, have expressed that they discourage these donations that have been made.

18-) It has been passed on to the article 18. of the agenda. The particularity of delegation of authority and permissions being written down in the articles 334. and 335. of the Turkish Commercial Code to the Members of the Board of Directors has been submitted for the approval of the General Assembly, and it has been accepted and passed unanimously.

19-) It has been passed on to the article 19. of the agenda. The shareholders have gone on the floor and have given utterance to their wishes and earnest desires.

The meeting has been dissolved since no other matters existed further to be discussed and this meeting minutes has been affixed under signature by the persons concerned who were present in person. 07/06/2004. Time of Day: 10:30

COMMISSAR **CHAIRMAN OF THE COURT** **VOTE COLLECTOR**

Ceyda ÇALIK

Sefa ÖNCEL

Aydın TEMEL

VOTE COLLECTOR

CLERK

CLERK

Eylem COŞKUN

Arzu BOZKURT

Nihal ÖZKAN