

ARÇELİK ANONİM ŞİRKETİ
MINUTES OF THE GENERAL MEETING OF SHAREHOLDERS
HELD ON 12 APRIL 2005

The 2004 General Meeting of Shareholders of Arçelik Anonim Şirketi was held on 12 April 2005 at 15:00 p.m. at Divan Hotel located at Cumhuriyet Caddesi, No. 2, Şişli-Istanbul under the supervision of Mr. ARİF GÜLDANE, a representative from the Ministry of Trade and Industry who was commissioned to attend the Meeting by the Provincial Directorate of Trade and Industry of Istanbul by their Letter No. 18554 dated 11.04.2005.

The invitation regarding the Meeting was announced in the dailies Posta and Hürriyet of 22.03.2005 as well as in the Turkish Trade Registry Gazette No. 6265 of 22.03.2005 together with the date and agenda of the Meeting in accordance with the Law and the Articles of Incorporation of the Company.

Upon examination of the Registry of Shareholders, it was determined that, out of 79.992.000.000 shares corresponding to the Company's total share capital of TRY (New Turkish Lira) 399.960.000,00.-, 57.716.107 shares corresponding to a share capital of TRY. 298.580.535,57 were being represented in person and that 7.850.359.256 shares corresponding to a share capital of TRY. 39.251.796,28.- were being represented by proxy, both of which amounting to 67.566.466.370 shares in total, at the Meeting and that, since the quorum required by the Law and the Articles of Incorporation was achieved, the Meeting, the Meeting was opened by Mr. Dr. Bülent BULGURLU.

1- The following individuals were unanimously elected as follows:

- Mr. Dr. Bülent BULGURLU: Acting Chairman,
- Ms. Füsün COŞKUNER and Mr. Tamer SOYUPAK: Vote Counters
- Mr. Yağız EYÜBOĞLU: Secretary.

2- Upon instruction of the Acting Chairman, the Secretary have read out the Board of Directors' Report, the Board of Auditor's Report as well as a summary of the Independent Auditors' Report presented by the Independent Auditor Başaran Nas Serbest Muhasebeci Mali Müşavirlik A.Ş. (a member of PriceWaterhouseCoopers). The independently audited 2004 consolidated financial statements adjusted for inflation and prepared in accordance with the International Financial Reporting Standards (IFRS) pursuant to "Communique on Accounting Standards in the Capital Market, Serial No. XI, No. 25" issued by the Capital Markets Board, including the Company's 2004 financial statements adjusted for inflation pursuant to Tax Procedure Law, were read out and discussed. Upon completion of the discussion held thereon, the 2004 IFRS-based consolidated financial statements adjusted for inflation as well as the 2004 financial statements adjusted for inflation and prepared pursuant to Tax Procedure Law were ratified by a majority of the votes in favor despite 16.626.200 and 77.327.400 abstentions of PICTED GROUP TRUST FOR NY CITY and INVESTORS BANK TRU ISHAR MSCI EMER MARKET INDEX FU, respectively.

3- On a motion duly made by the Acting Chairman, the members of both the Boards of Directors and Auditors were released in respect of the actions they performed in 2004. The members of the Board of Directors and other executives did not cast any votes. Upon voting held, all the members of the Board of Directors and the Board of Auditors were released unanimously.

4- Our Company obtained a distributable profit in the amount of TRY 250.516.871,13 as per the Capital Market Law and the relevant Regulations issued by the Capital Markets Board, while, based on our statutory accounts and books, the distributable profit amount is TRY 523.939.570,52 for the year 2004 after deducting both the 2004 consolidated after-tax profit of TRY 293.200.569 and the statutory reserve amount of TRY 10.440.755,87 corresponding to %5 thereof pursuant to Article 466 of the Turkish Code of Commerce. Having determined that the total net assets shown on the balance sheet is TRY 3.490.245.735, the General Meeting of Shareholders decided as follows unanimously:

- Allocation of the following sums out of the current year's IFRS-based profit as follows:

TRY 10.440.755,87	as primary reserve at 5%
TRY 229.177.080,00	as dividend to shareholders
TRY 20.917.908,00	as secondary reserve at 10%

and the remaining amount as extraordinary reserve;

- Based on our statutory records:

- The following portions of the cash dividend amount of TRY 229.177.080,00 be funded as follows:

TRY 46.073.488,87 out of the extraordinary reserves set aside prior to 1999

TRY 50.525.186,95 out of unexpected earnings existing in the extraordinary reserves set aside between 1999-2003

TRY 30.877.962,24 out of current year's unexpected earnings

TRY 101.700.441,94 out of other current year's income;

- A cash dividend at the rate of 57,3 %, corresponding to a gross=net cash dividend of TRY. 0,573 (TL. 573.000) corresponding to 57,3 % (TL. 573,000) of each share having a nominal value of TRY 1,00 be distributed to our resident shareholders, including our non-resident shareholders who obtain profit share through a company or a permanent agency in Turkey;

- A gross cash dividend at the rate of 57,3 %, corresponding to a gross amount of TRY 0,573 (TL. 573,000) and a net amount of TRY 0,54757235 (TL. 547.572,35) per share having a nominal value of TRY 1,00, be distributed to other shareholders of our Company;

and that the distribution of the foregoing dividends be started on Monday, 16 May 2005.

5- Later, elections were held to elect the members of the Board of Directors whose terms of office expired. Having decided that the number of members on the Board of Directors be 9, the following individuals were unanimously elected to serve on the Board of Directors until the next Ordinary General Meeting of Shareholders to be held for reviewing the Company's accounts: Messrs Rahmi Mustafa KOÇ, Cengiz SOLAKOĞLU, Mustafa Vehbi KOÇ, Temel Kamil ATAY, Dr. Bülent BULGURLU, Fevzi Bülent ÖZAYDINLI, Robert SONMAN, Mehmet Ömer KOÇ, and Aka Gündüz ÖZDEMİR. The representative from the Ministry of Trade and Industry witnessed the statements of nomination for the Board of Directors.

6- Elections were held to elect the members of the Board of Auditors whose terms of office expired. Having decided that the number of members on the Board of Auditors be 2, the following individuals were unanimously elected to serve as Auditors of our Company until the next Ordinary General Meeting of Shareholders to be held for reviewing the Company's accounts: Mr. Fatih Kemal EBİÇLİOĞLU and Mr. Serkan ÖZYURT. The representative from the Ministry of Trade and Industry witnessed the statements of nomination for the Board of Auditors.

7- It was unanimously decided that a gross monthly remuneration in the amount of TRY 1.000,00.- be paid to the Chairman and each Member of the Board of Directors and a gross monthly remuneration in the amount of TRY 400,00.-to each member of the Board of Auditors.

8- The General Meeting of Shareholders was briefed that a total amount of TRY 7.994.629,27.- was donated by the Company management to various community foundations and associations for social aid purposes in 2004. This amount of donation was approved by a majority of the votes cast. The abstentions and dissensions in this respect are as follows:

Abstentions: 27.700.000 votes by TCW AMERICAS DEVELOPMENT INC.;

Dissention Votes: 8.926.000 by GMO EMERGING MARKETS QUALITY FUND;
52.304.000 by PIONEER EMERGING MARKETS FUND;
14.510.600 by PICTET GLOBAL EMERGING MARKETS FUND LLC.;
8.988.000 by PIONEER EMRG MARKETS VCT PORT;
1.567.400 by AMERICAN ABPTIST MISSION SOC.;
16.626.200 by PICTET GROUP TRUST FOR NY CITY;
2.384.600 by FORWARD GLOBAL EMERGING MARKETS FUND;
2.160.000 by THE COSMOPOLITAN INVESTMENT FUND;
219.937.400 by COMMONWEALTH OF PENNSYLVANIA PUBLIC SCHOOL EMP RET;
2.709.000 by MERRILL LYNCH FRONTIERS EMERG MARKETS EQUITY POOL;
420.000 by NOMURA GLOBAL INVESTMENT FUND CO MIDLAND BANK TR
2.799.800 by SOUTH CALIFORNIAN EDISON COMPANY NUCLEAR QUALIFIED;
5.800.000 by CITY OF MEMPHIS RETIREMENT SYSTEM;
106.530.400 by PGGM PENSION FUND;
2.466.800 by BONY JOHN LEWIS PARTNERSHIP PENSIONS TRUST;
56.663.400 by SEI INSTITUTIONAL INTER TRUST EMERG MARK EQUITY FU;

24.780.000 by SEI INSTITUTIONAL INTER TRUST EMERG MARK EQUITY FU;
2.548.400 by SEI INSTITUTIONAL INTER TRUST EMERG MARK EQUITY FU;
653.000 by SEI INSTITUTIONAL INTER TRUST EMERG MARK EQUITY FU;
171.110.600 by STICHTING PENSIOENFONDS ABP;
112.260.000 by T ROWE PRICEINT FUNDS INC EMERGING MARK STOCK FUND;
230.200.000 by T ROWE PRICE TRUST COMPANY INTER COMMON TRUST FUND;
213.760.000 by T ROWE PRI INTER FUN INC T ROWE PRI EMER EUR MED;
19.800.000 by T ROWE PRICE FUNDS SICAV;
7.560.000 by T ROWE PRICE INSTITU INT FUNDS INC T RO INS EME;
40.000.000 by CALYON;
14.948.200 by MEDIOLANUM TOP MANAGERS FUND; and
77.327.400 by INVESTORS BANK TRU ISHAR MSCI EMER MARKET INDEX FU.

9- Based on License No. B.02.1.SPK.0.13-288 / 7580 issued by the Capital Markets Board on 18 March 2005 and Letter of Permission No. B.14.O.ITG.0.10.00.01.DEĞ./139-1935 issued by the General Directorate of Domestic Trade of the Turkish Ministry of Trade and Industry, it was decided by a majority of the votes, despite the dissenting 27.700.000 votes of TCW AMERICAS DEVELOPMENT INC., that Articles 3, 7, 27 and 39 of our Company's Articles of Incorporation be amended as follows and that the following transitory provision be incorporated into the Articles of Incorporation.

NEW VERSION

PURPOSE AND BUSINESS FIELD

Article 3- Within the scope of its business field, the Company may engage in commercial and industrial activities related with the production, sales, marketing and **leasing**, in virtual environment included, import and export of refrigerators, deep-freezers, washing machines, dish washers, thermo-siphons, vacuum cleaners, polishers, air conditioners, coolers and equipments, radios, television sets, audio and video recorders and systems, ovens, stoves, cookers, hair dryers, mixers and all kinds of similar household appliances operating manually, on electric power or other source of power; bath tubs and pre-manufactured kitchens, home furnitures, carpets and other household goods, equipment and appliances and their commercial and industrial versions, compressors, electric motors, carburators, power transmission devices which form the main and auxiliary components of the above; mobile telephones, mobil telephone lines and components, electronic devices and their spares and components; cargo and passenger vehicles and their engines and related components; power generation, utilisation, transmission and distribution equipment.

The Company may perform these and other manufacturing activities either individually or jointly with another company; and manufacture goods under its

own brand names as well as for and on behalf of others under their brand names.

Within the scope of its purpose and business field, the Company may, both in Turkey and abroad, :

- A) Act as an agent, broker, representative and dealer and authorise others to do same.
- B) Establish Marketing and Transportation companies; conduct staff training activities; Setup and use computer systems; perform same individually or jointly with others.
- C) Establish companies or participate in existing ones; benefit from partnerships and other forms of cooperation; form partnerships and cooperations with third parties, provided that requirements of the Law in this respect are fulfilled.
- D) Acquire trade marks, models, pictures, special production and manufacturing methods, know-how, patent rights; exercise all the rights on same.
- E) Import and export, participate in tenders; perform same together with domestic and foreign partners.
- F) Use its own knowledge and experience, build plants and facilities for third parties in both Turkey and abroad.
- G) Purchase securities, including bonds and shares, in Turkey and abroad and exercise all the rights on same, buy shares of commercial banks, financial leasing institutions, consumer credit and factoring companies for the purpose of participating in the same and dispose of same when necessary, provided that such acquisitions and disposals are not of any nature attributable to a broker or portfolio management company.
- H) Participate and, if necessary, terminate its participation in companies providing Radio, Television Program Production and Broadcasting Services, companies operating Television Studios, and manufacturing and selling necessary equipments.
- I) Purchase, sell, import and export all types of raw materials, semi-finished and finished products.
- İ) Set up and/or caused to be set up all kinds of Laboratories and Research centers required for its Research and Development activities.
- J) Acting in accordance with the related guidelines of the Capital Markets Board, give financial support and donations to foundations, associations, Universities and similar institutions established for community purposes, provided that these aids and donations given in the year do not create results which may be included in the scope of Article 15 of the Capital Market Law, that information on such financial supports and donations is presented to the General Meeting of Shareholders and that the related material events are disclosed publicly.
- K) In compliance with the Law related to the electric power market and within the framework of its auto-producer licence, and with the main purpose of meeting its own needs for electric and heating energy, construct power generation plants, generate electric and heating energy and sell any electric and heating energy surplus and/or excess capacity, which it produces legally, to other licensed legal persons or individual consumers, and import all necessary equipment and fuel in this field for non-commercial purposes.

If the Company plans to engage in any business other than those specified above, which it deems beneficial, then such plan shall be submitted by the Board of Directors to the General Meeting of Shareholders for approval and, only after passing a resolution in that respect, the Company will be capable of engaging in such business field. However, for implementing such a resolution which is considered an amendment to the Articles of Incorporation by nature, the Company must obtain a license therefor from both the Capital Markets Board and the Ministry of Industry and Trade.

NEW VERSION

REGISTERED CAPITAL

Article-7 The Company has adopted the registered capital system in accordance with the provisions of Law No. 2499 and started to practice the said system upon the Capital Markets Board's Permit No. 61, dated 28.10.1982.

The registered capital of the Company is TRY. 500.000.000,00.- (Five hundred million), divided into 50.000.000.000 shares, each with a nominal value of Nkr. 1 (one New Kurus).

The issued capital of the Company is TRY. 399.960.000,00 (Three hundred and ninety-nine million and nine hundred and sixty thousand), paid up in full and divided into 39.996.000.000 registered shares, each with a nominal value of Nkr. 1 (one New Kurus).

The Board of Directors may, when necessary, increase the above-written registered capital the by issuing registered share certificates, each with a nominal value of **Nkr. 1 (one New Kurus)** or multiples thereof, in the form of share certificate denominations of **Nkr. 1 (one New Kurus)** upto a total amount not exceeding the above-written registered capital in order to encourage and invest small savings, provided that the rate and amount stipulated by the Capital Markets Board in this respect are complied with. The price of such share certificates are collected promptly and in cash.

NEW VERSION

VOTES

Article 27- Each share having a nominal value of **New Kurus 1** is entitled to only one vote at General Meetings of Shareholders.

NEW VERSION

DISTRIBUTION OF PROFIT

Article 39- The amount remaining after the deduction, from the total profit obtained by the Company at the end of its accounting year, of all kinds expenses paid and

payable in future, depreciations, provisions to be allocated by the Company constitutes the Company's profit before tax.

After allocating provisions for all kinds of taxes, contributions and other financial liabilities payable by the Company out of the said profit in line with the decisions of the Capital Markets Board, the remaining net profit shown in the annual Balance Sheet is distributed as follows after deducting previous year's loss, if any,:

- 5 % Legal Reserves according to the provisions of the Turkish Code of Commerce;
- First dividend at the rate and amount stipulated by the Capital Markets Board is set aside.

The General Meeting of Shareholders is authorised to decide whether the balance thereof shall be set aside as extraordinary reserve or distributed, whether in part or in whole. From the portion decided to be distributed to shareholders and other persons holding profit sharing certificates, an amount of voluntary reserve, which is equal to the one tenth of the amount calculated by deducting a profit share of 5% from the paid up capital, shall be set aside in accordance with Subparagraph 3 of Paragraph 2 of Article 466 of the Turkish Code of Commerce.

In case of new shares being issued in exchange of dividends or by making use of undistributed profits in the balance sheet through an increase of the share capital, no voluntary reserves shall be set aside in accordance with the stipulations of the Capital Markets Board.

The date and method of distribution of profit, including the first dividend, shall be decided by the General Meeting of Shareholders upon a proposal of the Board of Directors and in accordance with the Communique of the Capital Markets Board in this respect.

Unless all statutory reserves and the first dividend specified in the Articles of Incorporation for shareholders are allocated and paid, respectively, no other reserves can be set aside or profit can be carried forward to the following year; Unless the first dividend is not distributed in cash and/or in the form of share certificates, no sums can be paid out of the profit to the members of the Board of Directors, employees, foundations or other similar persons and/or institutions established for miscellaneous purposes.

Dividends shall be distributed to all present shareholders equally for the accounting period involved irrespective of the dates such shares are issued or acquired.

The Company may distribute dividends in advance to its shareholders in accordance with the regulations stipulated under the Capital Market Law.

TRANSITORY ARTICLE

The nominal value of each share, being TL 5.000.-, has been amended to New Kurus 1 in accordance with Law Amending the Turkish Code of Commerce No. 5274. For this reason, a share certificate with a nominal value of New Kurus 1 shall be given in return for every two share certificates each having a nominal value of TL. 5.000. Any share certificate remaining after the said replacement and having insufficient value for such replacement with a share certificate having a nominal value of New Kurus 1 shall be replaced with corresponding fractional share coupons, which, if augmented to the value of a share certificate of New Kurus 1, shall also be replaced with a share certificate having a nominal value of New Kurus 1. All rights of the shareholders arising out of their existing shares in relation to such replacement are reserved.

Based on the said replacement of the share certificates, Class 36 and Class 49 share certificates representing the current share capital shall be amalgamated and replaced with Class 50 share certificates.

All rights of the shareholders arising out of their existing shares in relation to such amalgamation and replacement are reserved.

The replacement process shall be launched by the Board of Directors in line with the relevant statutory regulations upon completion of the registration of the capital market instruments.

10- It was unanimously decided that, in accordance with Article 15 of the Capital Market Law and Communiqué Serial No. IV, No. 27 of the Capital Markets Board, the Board of Directors be empowered to decide on whether advance dividends will be distributed out of profits obtained in previous quarters being limited to the year 2005, that, if no sufficient profit is obtained, or else any loss is suffered, as at the end of 2005, the advance dividend be distributed out of the extraordinary reserves recognized in the previous year's balance sheet or, if the amount of the said extraordinary reserves fails to meet such loss, a security be obtained to the benefit of the Company, within the framework of Article 10 of Communiqué Serial No. IV No. 35 of the Capital Markets Board, for the purpose of funding the insufficient portion which the previous year's extraordinary reserves failed to fund, and be converted into cash and recognized as revenue to fund the insufficient portion of the advance dividend, provided that such security be not subjected to any letter of protest and/or court decision.

11- It was decided by a majority of the votes cast, despite 27.700.000 abstention votes by TCW AMERICAS DEVELOPMENT INC., that, in accordance with Articles 334 and 335 of the Turkish Code of Commerce, the Chairman and Members of the Board of Directors be empowered to perform, whether in person or on behalf of others, the businesses covered by the Articles of Incorporation of the Company and to act as shareholder in other companies engaged in similar fields of business and to do and perform all transactions that may be necessary in this respect.

12- The Acting Chairman put to the vote the empowerment of the Presiding Board of the Meeting to sign the minutes of the Meeting on behalf of the shareholders. It was decided unanimously that Presiding Board of the Meeting be empowered to sign the minutes of the Meeting on behalf of the shareholders.

13- The shareholders expressed their opinions. Since all the issues on the agenda had been discussed and decided, the Meeting was adjourned by the Acting Chairman.

The present minutes written during the Meeting was signed duly as stipulated in Article 12 above.

ARİF GÜLDANE
Representative
Ministry of Trade and Industry

DR. BÜLENT BULGURLU
Acting Chairman

FÜSUN COŞKUNER
Vote Counter

TAMER SOYUPAK
Vote Counter

YAĞIZ EYÜBOĞLU
Secretary