

**TÜRK PIRELLİ KABLO VE SİSTEMLERİ ANONİM ŞİRKETİ**  
**MINUTES OF THE GENERAL ASSEMBLY OF SHAREHOLDERS**  
**HELD ON MARCH 24, 2004**

The Ordinary General Assembly of Türk Pirelli Kablo ve Sistemleri A.Ş. for the activities of 2003 was held on March 24, 2004, at 11.00 hours at the company headquarters located at Bursa Yolu No: 1, Mudanya as determined by the Company Board of Directors, and under the observation of Mr. Cemal Görüş, Ministry Commissary, appointed by Bursa Industry and Trade Director's letter dated March 23, 2004 and No: 1806.

As stipulated by law and also in the company statutes, the invitation to the General Assembly was advertised in the Turkish Trade Register Gazette dated March 3, 2004 and No: 5999, and also in the Vatan and Olay newspapers dated March 5, 2004 within the legal period by indicating the agenda, and moreover by registered letters sent to the name shareholders by also indicating the date and the agenda of the General Assembly.

It was observed that the shareholders owning bearer shares to the sum of TL 3.284.039.904.000 had delivered their shares to the bank or to the company one week before the General Assembly.

As a result of the examination of the attendance sheet, it was observed that a total of 8 775 364 704 shares (out of the 9.828.000.000 shares corresponding to the company capital to the sum of TL. 9.828.000.000.000) were represented in the General Assembly, 8.775.364.704 shares corresponding to TL 8.775.364.704.000 of the company capital being represented by proxy, and that there was a majority as required by law and by the company statutes, and the General Assembly was opened by Mr. Carlo Costa, and the deliberations on the agenda began.

1.- Unanimously, Mr. Carlo Costa was elected President of the Presiding Council, Mr. Hakan Özmen was elected teller, and Mr. Deniz Reha Özilhan was elected Secretary.

2.- It was resolved unanimously to accord to the Presiding Council the authority of signing the Minutes of the General Assembly.

3.- The Board of Directors Activity Report concerning the accounting period of January 1, 2003 – December 31, 2003, the Auditors Report and the report of the independent external audit firm, the Balance Sheet and the Profit and Loss Account were read to the General Assembly.

4.- The Board of Directors Activity Report concerning the accounting period of January 1, 2003 – December 31, 2003, the Auditors Report and the report of the independent external audit firm, the Balance Sheet and the Profit and Loss Account were submitted for discussion. Nobody spoke on these subjects and the accounts were accepted unanimously. The Board Members and the auditors were acquitted unanimously. The Board Membership of Mr. Carlo Costa appointed instead of Mr. Giuseppe Moggi who had resigned was approved by the General Assembly unanimously. For the activities of 2004, it was resolved unanimously to accord a monthly remuneration to the sum of TL 1.650 Billion (gross) to the Chairman, TL 1.100 Billion (gross) to the Board Members to

be calculated as from April 1, 2004, and not to accord any monthly remuneration (gross) to Mr. Valerio Battista, Mr. Carlo Costa and Mr. Piero Sierra, Board Members.

5.- The proposal of the Board of Directors as regards dividend distribution for the accounting period of January 1, 2003 – December 31, 2003 was discussed :

With respect to the commercial balance sheet gross profit for the period of January 1, 2003 – December 31, 2003, by deducting the Corporate Tax from this sum, the remainder was TL. 5.312.146.727.000 as the commercial balance sheet net profit, and from this sum by deducting the last year's loss and the sum of TL 114.614.467.000 as the First Order Legal Reserves, the remainder was TL 2.177.674.882.000 as the distributable net profit for the said period. In accordance with the Capital Market Board's letter of December 31, 2003 and No: OFD/2111-019193, it was resolved unanimously not to distribute any dividend and to set this sum aside as extraordinary reserves.

6.- It was resolved unanimously to amend Articles 15, 16 and 24 of the Company Statutes, as indicated by the Treasury and Foreign Trade Under Secretariat – Foreign Capital Directorate's permission dated November 6, 2003 and No: 64751, by the Capital Market Board permission dated November 21, 2003 and No: OFD/1875-15736, and by the Ministry of Industry and Trade – Internal Trade General Directorate' permission dated December 5, 2003 and No: 8793.

NEW ARTICLE 15.- Place of Meeting of the General Assembly

The General Assembly may meet in the company head office or in Istanbul.

NEW ARTICLE 16.- Invitation to the General Assembly

The provisions of Article 370 of the Turkish Commercial Code being reserved, and by indicating the place and the time and the agenda of the meeting to the shareholders, invitations to the General Assemblies will be performed by advertisement. The invitation will be made at least 14 days before the meeting. The date of the invitation and the date of the meeting are not taken into account in this calculation.

NEW ARTICLE 24.- Delivery of Balance Sheets

At the latest, within one month following the General Assembly, three copies each of the Board of Directors Report, Auditors Report, Balance Sheet and Profit and Loss Statement, the Attendance Sheet and the Minutes of the Meeting will be delivered to the Ministry of Trade or to the Commissary participating in the meeting.

Moreover, the advertisement pertaining to the General Assembly, the yearly Activity Report and the Auditors Report will be sent to the Capital Market Board within the scope of the principles determined by the Capital Market Board.

7.- It was resolved unanimously to amend Article 6 of the Company Statutes, as indicated by the Treasury and Foreign Trade Under Secretariat – Foreign Capital Directorate's permission dated November 6, 2003 and No: 64750, by the Capital Market Board's permission dated November 21, 2003 and No: OFD/1875-15736, and by the Ministry of Industry and Trade – Internal Trade General Directorate's permission dated December 5, 2003 and No: 8793.

## NEW ARTICLE 6.- Registered Capital

The company accepted the registered capital system according to the provisions of the Capital Market Act No: 2499 amended by Act No: 3794, and adopted this system upon the permission of the Prime Ministerial Treasury and Foreign Trade Under Secretariat – Foreign Capital General Directorate, dated November 27, 1992 and No: 10410 and the permission of the Capital Market Board, dated December 11, 1992 and No: 4463.

The registered capital of the company is TL 80.000 Billion, and is divided into 80 Billion shares, each having a nominal value of TL 1.000.

The paid in capital of the company is TL 9.828.000.000.000 (all paid). TL 6.468.735.000.000 of this capital was paid in cash. TL 921.893.869.311 of the remaining sum was added to the capital through the value increase funds formed according to the revaluation provisions brought about by Act No: 2791 which amended the Tax Procedure Act No: 213, TL 320.571.130.689 from the extraordinary reserves, TL 2.114.135.153.703 from the profit regarding real estate sale, and TL 2.664.846.297 from the cost increase fund were added to the capital. The shares issued against these sums added to the capital were distributed to the shareholders free of charge and in proportion to their shares.

As regards the paid in capital, 5.431.654.800 shares belonging to the foreign shareholders and 59.670.000 shares belonging to the local shareholders are name shares, and the remaining 4.336.675.200 shares are bearer shares, and the distribution of the paid in capital is as follows:

A) <u>Foreign Capital</u>	<u>TL</u>	<u>No. of Shares</u>
Pirelli Cable Holding N.V.	8.230.597.884.000	8.230.597.884
B) <u>Local Capital</u>	<u>TL</u>	<u>No. of Shares</u>
Local shareholders	1.597.402.116.000	1.597.402.116

The foreign capital is subject to the provisions of Act No: 6224, and was paid in accordance with the decisions of the Council of Ministers and Foreign Trade Under Secretariat which are based and to be based on this Act.

In accordance with the provisions of the Capital Market Act, the Board of Directors is authorized to increase the paid in capital by issuing name and bearer shares up to the limit of the paid in capital and to unite the shares in the form of “coupures” representing more than one share.

Unless the total of the issued shares is sold and the relevant sum is cashed, no new shares may be issued.

8.- The increase of the number of Board Members from 7 to 8 within the framework of Article 10 of the Company Statutes was discussed in the General Assembly, and the said increase was accepted unanimously. In addition to the existing Board members, Mr. Hakan Özmen was elected as the 8<sup>th</sup> Board Member and it was decided not to pay him any remuneration for this task.

9.- It was resolved unanimously to elect Dr. M. Sabahattin Tezel and Mr. Mehmet İzzet Berk as members of the Auditors Board for a term of 1 year. It was also resolved unanimously to pay the sum of TL 850 Million (gross) per month to each member of the Auditors Board for 2004, to be calculated as from April 1, 2004.

10.- It was resolved unanimously to accord to the Board Members liberty of action in conformity with the provisions of Articles 334 and 335 of the Turkish Commercial Code.

11.- According to the Capital Market Board's letter of February 27, 2004 and No: OFD/335-3253, the President read the donations and aids made in the course of the activity period of 2003. The said donations and aids were discussed and accepted by the General Assembly unanimously.

12.- The President thanked the company's managers and personnel, and the banks and firms having business relations with the company and the official organizations which were of help in conducting the company's activities, and wished success to the company and to the country's economy for the next year, and closed the meeting.

**President of the Presiding Council**

Carlo Costa

**Commissary of the Ministry**

Industry and Trade  
Cemal Görüş

**Teller**

Hakan Özmen

**Secretary**

Deniz Reha Özilhan