

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

July 31, 2003

PRESS RELEASE

Concerning the Protocol Agreement that was signed and made public on January 31, 2003 between Savings Deposits Insurance Fund and the Çukurova Group for the restructuring and rescheduling of Çukurova Group's obligations to Pamukbank T.A.Ş. and SDIF banks and for the appropriate resolution of the ownership issues in Pamukbank T.A.Ş. and Yapı Kredi Bankası A.Ş., the highlights of the first Contract Monitor that has been prepared since the Protocol Agreement are summarized as the following:

- A "Contract Compliance and Coordination Office," reporting to the Chairman was instituted by the Board of SDIF following the finalization of the Protocol Agreement for the purpose of monitoring of the transactions under the Protocol, sustaining compliance with the provisions of the agreement and ensuring effective intra-agency coordination for the effective implementation of the Protocol.
- Receivables of Pamukbank T.A.Ş. and other SDIF banks have been restructured; 13,2 million USD dollar due for interest payment was collected as of July 31, 2003 in accordance with the repayment plan.
- The process of finalization of the reconciliation of obligations, acquisition of guarantees and agreed collaterals and transfer of the shares of the subsidiaries that are defined in the agreement have been mostly finalized.
- The appointment of the advisory firm for the purpose of reviewing and revising Yapı Kredi Bankası A.Ş.'s (YKB) financial structure in a healthy manner, to protect the rights of shareholders in a best way, to raise corporate value and maximize shareholders' value was realized whose works is expected to be completed soon.
- In order to create synergy between YKB and its subsidiaries and to make a contribution to the cooperation held with the group companies, Partnership Guidance Council with 4 members was formed and has started its works.
- Financial ratios of YKB are monitored closely with respect to preservation of the strong financial structure of named bank and obligations of SDIF and Çukurova Group presented in the agreement and related structural measures are being taken in the bank to attain continuous improvement of the bank.
- The financial of the YKB will be made public in line with the Capital Markets Board regulations in due course.