PerryCapital

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Private and Confidential

October 19, 2004

Mr. Ahmet Ertürk
Chairman
Savings Deposits Insurance Fund
Buyukdere Cad. No. 143
34394 Esentepe, Istanbul

Dear Mr. Ertürk:

Perry Capital LLC, Farallon Capital Management LLC and Hellman & Friedman LLC (collectively, the "Investors") would like to thank you and your team for the time you spent with us on October 7-8 in Istanbul. We are impressed with your organization and would like to find a way to form a partnership with you going forward.

Based on our meetings, we believe that the Asset Management Company ("AMC") structure you outlined is the optimal vehicle for the Savings Deposit Insurance Fund ("SDIF") to maximize the value of the Non-Performing Loan ("NPL") Portfolio. To that end, we are pleased to submit our indication of interest to acquire the approximately $4 billion face amount of corporate NPLs through an AMC partnership with the SDIF. While we are flexible on the final structure and profit sharing mechanism of a potential partnership, we would be interested in pursuing a transaction with the following general parameters, subject to due diligence and negotiations:

- In-line with the existing legal framework (Banking Regulation Law No. 4743), the Investors would own 80% of the AMC with the SDIF owning 20%. The Investors would buy their 80% stake by paying $320 million to the SDIF in return for the SDIF contributing $3.2 billion face amount of NPLs to the AMC. The SDIF would obtain its 20% interest in the AMC by contributing $800 million face amount of NPLs for a notional value of $80 million.

- To the extent we maximize the value of the portfolio, the SDIF would benefit through its 20% interest in the AMC. In addition, the SDIF would further benefit through the following profit sharing mechanism:

- To the extent total distributions from the portfolio are between $1 - $1.5 billion, the SDIF would receive 15% of the amount above $1 billion. For example, if total distributions from the portfolio are $1.5 billion, the SDIF would receive $300 million for its 20% share as well as $75 million through the sharing mechanism, for a total distribution of $375 million.

- If distributions exceed $1.5 billion, the SDIF would receive 15% of the amount between $1 and $1.5 billion and 30% of the amount above $1.5 billion. For example, if total distributions from the portfolio are $2.0 billion, the SDIF would receive $400 million for its 20% share as well as $225 million through the sharing mechanism, for a total distribution of $625 million.

- Although the Investors would have control of the AMC, we would encourage SDIF participation both at the Board and management level. Establishing a strong team of financial and legal experts will be critical to maximizing the value of the portfolio. We would envision working with the SDIF to establish a fair incentive arrangement with senior management of the AMC to align all of our interests.

Given our collective investment experience in distressed securities in global markets, we believe that, with the SDIF's full cooperation, we will be able to make a firm proposal to you for the formation of the AMC after a due diligence period. Subject to your approval, we would propose that the Investors and the SDIF enter into a three-month exclusivity period to allow us the necessary time to conduct our due diligence. During this period, we would anticipate conducting business, accounting, legal and other customary due diligence as well as spending significant time with SDIF managers who have extensive knowledge of the portfolio. While we anticipate that our due diligence process will involve a substantial time commitment on behalf of the SDIF, every effort would be made to minimize the impact on the SDIF's business and operations.

At the end of this period, it would be our intention to submit a fully-funded all-cash offer with no financing contingencies. Subject to our mutual agreement on commercial terms of a transaction, we would then enter into negotiation of a definitive agreement which, once complete, would allow us the necessary time to secure all of the necessary regulatory and contractual approvals necessary for the closing of the transaction. Our objective would be to close the transaction before March 31, 2005.

As we have discussed, we are excited about the opportunity to work with you in a partnership going forward. We believe that our collective track record and our international presence uniquely position us to execute this transaction expeditiously and on terms that you will find attractive. We appreciate your time and consideration of our offer and we look forward to continued discussions with you regarding the proposed acquisition. If you have any questions, please do not hesitate to contact us. For your convenience, we have attached a contact sheet as well as additional background information regarding the Investors.

Sincerely yours,

PERRY CAPITAL LLC

Richard Perry, President
Alp Erçil, Managing Director

FARALLON CAPITAL MANAGEMENT, LLC

William F. Duhamel, Managing Member

HELLMAN & FRIEDMAN LLC

Brian Powers, Chief Executive Officer

Schedule A

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Schedule B

Description of the Investor Group

Farallon Capital Management was founded in 1986. The firm, together with its affiliates manages approximately $11.5 billion of equity capital for institutions and high net worth individuals through its offices in San Francisco, London, Singapore, Baltimore and Charlotte, North Carolina. Farallon's institutional investors are primarily college endowments and non-profit foundations. Farallon's investment philosophy is to invest in businesses and securities that are undergoing change. Investments include public and private debt and equity securities, direct investments in private companies and real estate. Farallon manages risk through rigorous research including consultation with industry, legal and regulatory advisors. Currently, Farallon has more than $3.3 billion of capital invested internationally across a broad range of industries. International investments have included an Indonesian bank, Italian toll roads, a Mexican hotel, an Indian brokerage firm and a Malaysian airline.

Founded in 1988, Perry Capital is an investment fund with $9 billion under management with offices in New York, London, and Hong Kong (opening at year-end). The Perry Capital approach is that of a bottom-up, value investor. The firm considers its investments to be a partnership with management and strives to develop close working relationships with all constituencies. Perry Capital began investing in Europe in 1995 and since then has worked very closely with recently privatized companies and their governments to ensure a smooth transition to the public markets. We have invested in a broad spectrum of industries and geographies ranging from Italian toll roads to UK electricity networks to French insurance companies. The firm's partners and senior managers, as a group, are the largest investors in the funds managed by Perry Capital.

Hellman & Friedman LLC is a San Francisco-based private equity investment firm with additional offices in New York City and London. Since its founding in 1984, the Firm has raised and managed over $8 billion of committed capital and invested in almost 50 companies. The firm's focus is on completing only a few, large, high quality transactions a year and devoting significant resources in working with our portfolio companies to add long term equity value. Representative investments include Axel Springer AG, ProSieben Sat. 1 AG, Formula One Holdings, Ltd, Arch Capital Group Limited, the NASDAQ Stock Market, Inc., Blackbaud, Inc., Young & Rubicam, Inc., Western Wireless Corporation, Franklin Resources, Inc., and others. For more information, visit www.hf.com