

CONTRACT OF INCORPORATION

Of

**Türkiye Şiše ve Cam Fabrikaları
Anonim Şirketi**

ISTANBUL

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ESTABLISHMENT:**Article 1)**

An incorporated company was established by and between the foundation shareholders having their names listed in Article 2 in compliance with related legislation in force as well as the provisions stipulated hereunder.

FOUNDATION SHAREHOLDERS:**Article 2)**

The foundation shareholders are the following real and judicial persons who have signed this Contract of Incorporation:

1. Türkiye İş Bankası A.Ş.
2. Muammer Eriş, General Director of Türkiye İş Bankası A.Ş.
3. Fazıl Öziş, Branches Director of Türkiye İş Bankası A.Ş.
4. Vehbi Emre, Assistant Branches Director of Türkiye İş Bankası A.Ş.
5. Baki Sedes, General Secretary of Türkiye İş Bankası A.Ş.

CORPORATE TITLE:**Article 3)**

The Company's name will be " **Türkiye Şişe ve Cam Fabrikaları Anonim Şirketi**".

Article 4)**PURPOSE AND SCOPE:****A) Purpose:**

The purpose of the Company shall be to establish, operate and develop the glass industry as well as any auxiliary and supplementary industries.

On the other hand, to ensure mutual and collective settlement of any issues concerning the investments, financing, organization and management of any already or to be established capital companies which the company participates in their capitals or management; to distribute the risk by entering fields other than the glass industry; to protect the investment against conjuncture movements; to ensure the development and continuity of the said company; to support the development of the capital market and thus the national industry by encouraging the company officials and the public to safely participate in capital companies in which the Company has or hasn't got shares, and to render social services both within and without the company shall be among the Company's purposes.

B) Scope :

In order to accomplish and further the above-mentioned purposes, the Company shall be entitled,

- a) To establish auxiliary and supplementary industries directly or indirectly related to all kinds of glass, glassware and glass (and/or production) industry; to take the necessary measures to ensure their development and progress; and to operate the same.
- b) To participate in the capitals and managements of all kinds of already or to be established Turkish or foreign industrial and commercial companies operating in any fields,
- c) To purchase stocks and bonds such as Government bonds (including Treasury bonds), private sector bonds, profit and loss shareholding certificates, and bank deposit certificates etc. without acting as an intermediary or portfolio manager in compliance with Article 31 of Code no. 2499.

- d) To assign its own share(s) or other stocks and bonds to third parties, to replace them with other share(s), stocks and bonds, to establish and cause others establish liens and encumbrances on the share(s) or other stocks and bonds of other shareholders,
- e) To offer guarantees for the establishment, increase of capital, bank loans and bond-financing bond exports of capital companies in which the company directly or indirectly holds shares or control,
- f) To take over all kinds of receivables arising out of the sale of companies which the company holds shares or control or their affiliates; to assign and/or endorse the same to other companies in which it holds or does not hold shares,
- g) In order to accomplish and further its objectives, the Company shall be entitled to own or rent all kinds of immovable (including ships) and movable property; to let them in full or in part to third parties; to assign, waive or donate and movable and immovable property and intangible rights; to conduct all kinds of disposal and collection procedures related to the rights of access, usufruct and similar rights in compliance with the civil code and other related legislation; to establish disposals with or without obligation on immovable property,
- h) To borrow money against mortgage or other guarantees or without a guarantee to further and accomplish its objectives; to accept or submit all kinds of guarantees in kind or in person (including mortgage) for the exertion of its rights and collection of its receivables; to execute all kinds of registration and cancellation procedures in the title deed registration offices and other legal offices,
- i) To cooperate with or establish temporary affiliations with Turkish and foreign companies, to conclude agreements based on the distribution of financial obligations,
- j) To establish fund organizations and other social associations for the officials, employees and workers of the Company and the companies in which the Company holds shares, to ensure their continuity, management and operation, to undertake investments in such a way so as to make the best use of its existing assets, to act as an intermediary for collection and payment purposes,

The Company shall also be entitled to establish social-purpose foundations in compliance with the provisions of related legislation, to participate in and aid already existing foundations,

- k) The Company shall also be entitled to render mediation, financial and legal consultancy, auditing and other services for any collection and payment procedures to be conducted by the companies in which the Company holds direct or indirect shares or control,

The Company shall be entitled to conduct storage, transport, project drawing, feasibility, chemical-physical analyses, information processing, importation, exportation, marketing, organization, training and planning etc. works for all kinds of companies in which it holds or does not hold shares or control.

In order to accomplish and further its objectives, the Company shall be authorized to open warehouses, stores, branches, representation offices, exhibitions related to the Company's business both in Turkey and abroad, or to grant dealership and representation rights.

- l) The Company shall be entitled to be engaged in searching all kinds of liquid, solid or gas (including LPG) substances, closing, handing or taking over and operating mining fields, conducting all kinds of relevant procedures within the framework of related legislation, as well as the purification, separation, storage, distribution and trade of the said substances and ores,
- m) Apart from the above-mentioned, the Company shall also be entitled to be engaged in all kinds of agency, advertising-announcement, tourism investment and operation works.
- n) The Company shall be authorized to conduct and conclude all kinds of transactions and operations related to and facilitating the procedures stipulated in paragraphs a - m above.

HEAD OFFICE AND BRANCHES :**Article 5)**

The Company's head office is in Istanbul.

The Company shall be entitled to open branches both in Turkey and abroad by informing the Ministry of Trade beforehand.

DURATION :**Article 6)**

The Company is established for an indefinite period of time.

CAPITAL :**Article 7)**

The Company has accepted the registered capital system in compliance with the provisions of Code no. 2499 as amended by Code no. 3794 and converted to the said system through the permission granted by the Capital Market Board on 4.3.1985 with no. 93.

The registered capital of TRY 2.000.000.000.- (two billion New Turkish Liras) has been divided into a total of 200.000.000.000 (two hundred billion) shares with a par value of 1 (One) New Kuruş each.

The issued capital of the Company amounts to TRY 949.416.000.- (nine hundred forty nine million four hundred sixteen thousand New Turkish Liras) divided into 94.941.600.000 (ninety four billion nine hundred forty one million six hundred thousand) shares each with a par value of 1 (one) New Kuruş. Out of the said capital, TRY 110.139.456.- (one hundred ten million one hundred and thirty nine thousand four hundred and fifty six New Turkish Liras) is paid in cash while out of the balance of TRY 839.276.544.- (eight hundred thirty nine million two hundred seventy six thousand five hundred forty four New Turkish Liras), TRY 223.310.955.- (two hundred twenty three million three hundred ten thousand nine hundred and fifty five New Turkish Liras) is paid by the addition to the capital of the value increase fund arising out of the provisions concerning revaluation of the Tax Procedures Code No. 213 and the revaluation funds of the affiliates; TRY 25.779.880.- (twenty five million seven hundred seventy nine thousand eight hundred and eighty New Turkish Liras) is paid by the addition to the capital of the cost increase fund arising out of the provisions of article 38/2 of the Income Tax Code; TRY 57.950.260.- (fifty seven million nine hundred fifty thousand two hundred and sixty New Turkish Liras) is paid by the addition to the capital of the participation share sales profit and immovable property sales profit in compliance with the provisions of the temporary articles 10, 18 and 8/18 and 28 of the Corporations Tax Code; TRY 177.908.- (one hundred seventy seven thousand nine hundred and eight New Turkish Liras) is paid by the addition to the capital of extraordinary reserves, TRY 6.141.541.- (six million one hundred forty one thousand five hundred forty one New Turkish Liras) is paid by the addition to the capital of the emission premium supplied by our affiliates, TRY 166.840.768.- (one hundred sixty six million eight hundred forty thousand seven hundred sixty eight New Turkish Liras) is paid by the addition to the capital of the equity capital adjustment differences, TRY 359.075.232.- (three hundred fifty nine million seventy five thousand two hundred and thirty two New Turkish Liras) is paid by the addition to the capital of the previous period profits arising out of inflationary adjustment.

Share certificates issued against the above-mentioned amounts added to the capital are distributed free-of-charge among the company's shareholders in direct proportion to their shareholding ratios.

In compliance with the relevant provisions of the Capital Market Code, the Board of Directors is authorized to issue shares in excess of the nominal value, to partially or wholly restrict the right of acquire new shares of the shareholders and to increase the issued capital by issuing shares registered to the bearer in cases when it is deemed necessary.

BOARD OF DIRECTORS :**Article 8)**

The affairs of the Company shall be managed by a Board of Directors comprising of a maximum of nine members to be appointed from among the shareholders by the General Assembly in compliance with the related provisions of the Turkish Commercial Code.

LIABILITY TO DEPOSIT SHARES :**Article 9)**

Each of the members of the Board of Directors shall be liable to deposit shares representing a minimum of 1 percent of the Company's principle capital as a membership guarantee. In cases when 1 percent of the principal capital exceeds 1 (one) New Kuruş, then the members shall not be liable to deposit more than the said amount. The said deposited shares, which could not be assigned to any third parties or recovered from the Company, shall act as collateral against the member's official responsibilities until the said person is discharged by the General Assembly.

Upon the approval of the Board of Directors, the said shares could be deposited by a third person.

TERM OF THE BOARD OF DIRECTORS :**Article 10)**

The members of the Board of Directors shall be appointed to serve a term of three years.

However, in order to establish seniority among members who are appointed after the term of the first Board of Directors is completed, two members shall be replaced at the end of the first year, two members at the end of the second year and the remaining members at the end of the third year by drawing lots. Those members thus appointed shall serve for a term of three years and election procedures shall be conducted for any members who have their terms completed on the basis of their seniority during the following years. Any members could serve consecutive terms if re-appointed.

If deemed necessary, the General Assembly shall be entitled to replace the members of the Board of Directors at any time.

MEETINGS AND FUNCTIONING OF THE BOARD OF DIRECTORS :**Article 11)**

The Board of Directors shall appoint a chairman and a vice chairman after each General Assembly meeting. However, in cases when the chairman and/or vice chairman discharged for any reason whatsoever, the Board of Directors shall conduct re-appointment procedures to fill the said vacant positions. The provisions of Article 315 of the Turkish Commercial Code shall be without prejudice.

The Board of Directors shall be chaired by the Vice Chairman in cases when the Chairman is absent.

In cases when the vice chairman is also absent, then the Board of Directors shall appoint a temporary chairman to chair the meeting.

The dates and agendas of Board meetings shall be established by the Chairman. In cases when the Chairman is absent, the same shall be determined by the Vice Chairman. However, the date of the meeting could be established by a Board decision. The Board of Directors shall meet whenever the Company's affairs and operations necessitate, but at least once a month.

REPRESENTATION :**Article 12)**

The Company shall be represented by the Board of Directors.

AUTHORITIES OF THE BOARD OF DIRECTORS :**Article 13)**

The Board of Directors shall be entitled to assign its duties fully or partially to one of its members or several executive members or the Company's General Director or directors, and to decide to have some of its members assume duties in the Company.

The terms of office and authorities to sign of the General Director and the directors as well as the entire officials granted with the authority to sign shall not be limited to the terms of office of the members of the Board of Directors. The authorities to sign granted to the said persons shall be valid until revoked.

REPRESENTATION OF THE COMPANY :**Article 14)**

The Company shall be managed and represented by the Board of Directors. All documents to be submitted or contracts to be concluded by the Company shall be deemed to be valid only if they bear the Company's legal stamp as well as the signatures of two persons authorized to represent the Company.

REMUNERATIONS OF THE MEMBERS OF THE BOARD OF DIRECTORS**Article 15)**

The remunerations or attendance fees of the members of the Board of Directors shall be established by the General Assembly.

AUDITORS :**Article 16)**

The General Assembly shall appoint a maximum of three auditors from among the shareholders or from the outside for a maximum term of three years. The remunerations of the auditors shall be annually established by the General Assembly.

DUTIES OF AUDITORS :**Article 17)**

Apart from the duties listed in Article 353 of Turkish Commercial Code, the auditors shall also be liable to submit proposals to the Board of Directors to cause them to take the necessary measures to ensure that good managerial practices are implemented and that the Company's benefits are protected, to draw up and announce the annual report mentioned in Article 354; to convene extraordinary General Assembly meetings if and when necessary and to establish the agenda of the said meeting. The auditors shall be liable to exert their authorities at once under important and urgent circumstances. The auditors shall be held to be jointly liable in cases when the above-mentioned duties entrusted to them in compliance with the provisions of related legislation and the Contract of Incorporation are not duly performed.

GENERAL ASSEMBLY :**Article 18)**

The General Assembly shall be meeting either ordinarily or extraordinarily. The Ordinary General Assembly shall be meeting within three months after the close of the previous fiscal year of the Company and at least once annually. During the said meeting, issues listed in Article 369 of the Turkish Commercial Code shall be examined and decided upon. The Extraordinary General Assembly shall be meeting whenever the business of the Company necessitates and in compliance with the provisions of relevant legislation and the Contract of Incorporation with the purpose of adopting the necessary decisions.

ANNOUNCEMENTS :**Article 19)**

In accordance with Paragraph 4 of Article 37 of Turkish Commercial Code, any announcements by the Company shall be issued in a local newspaper at least 15 days previously. However, in accordance with Article 368 of Turkish Commercial Code, announcements concerning invitations to the General Assembly shall have to be issued at least two weeks previously (invitation and meeting days excluded). The regulations of the Capital Market Board concerning announcement shall be applicable.

PLACE OF MEETING :**Article 20)**

General Assembly meetings shall be conducted at the Company's head office or at another convenient place within the same city.

INSPECTOR :**Article 21)**

The Inspector of the Ministry of Industry and Trade shall be taking part in ordinary or extraordinary General Assembly meetings. Resolutions adopted during any General Assembly meetings conducted in the absence of the said inspector shall not be deemed to be valid.

QUORUM :**Article 22)**

General Assembly meetings and the quorum for the said meetings shall be subject to the related provisions of the Turkish Commercial Code.

VOTING :**Article 23)**

During ordinary and extraordinary General Assembly meetings, each shareholder present in person or by proxy shall have the right to use one vote for each of his/her shares.

AMENDING THE CONTRACT OF INCORPORATION :**Article 24)**

The conclusion and implementation of all kinds of amendments to be made on this Contract of Incorporation shall be dependent upon the permission to be granted by the Ministry of Trade and the Capital

Market Board. Any such amendments shall become valid after being duly approved and registered in the trade registry.

APPOINTMENT OF PROXIES :

Article 25)

During General Assembly meetings, the shareholders shall be entitled to be represented by proxies to be appointed from among other shareholders or from the outside. Any proxies who are also shareholders shall be entitled to cast votes not only for themselves but also for any shareholders whose shares they are representing. The type of the power of attorney shall be established and announced by the Board of Directors. The regulations of the Capital Market Board concerning the casting of votes by proxy in public incorporated companies shall be applicable.

CASTING OF VOTES :

Article 26)

During General Assembly meetings, votes shall be cast by raising hands. However, secret-voting procedures shall be conducted upon request of shareholders holding one tenth of the capital represented by shareholders who are present at the meeting. The related regulations of the Capital Market Board shall be applicable.

ANNUAL REPORTS :

Article 27)

Three copies of the reports issued by the Board of Directors and Board of Auditors, annual balance sheet, minutes of the General Assembly meeting and the list showing the names of shareholders present in the meeting shall be sent to the Ministry of Commerce or handed over to the Ministry's inspector present during the meeting within a maximum of one month from the last meeting date of the General Assembly.

Any financial statements and reports stipulated to be issued by the Capital Market Board as well as the independent auditing report shall be sent to the Capital Market Board and announced to the public in compliance with the procedures and principles to be established by the Capital Market Board.

FISCAL YEAR :

Article 28)

The Company's fiscal year shall commence on the first day of the month of January and end on the last day of the month of December.

DISTRIBUTION OF PROFIT AND LEGAL RESERVES İ :

Article 29)

The net profit of the company shall be the amount found out after the overhead expenses, depreciation, provisions and all kinds of other expenses are deducted from the revenue obtained during the balance sheet period.

The said net profit shall be distributed as follows:

- a) 5% of the net profit shall be allocated as legal reserve.
- b) From out of the distributable profit thus computed, a first dividend of the amount and rate specified by the Capital Market Board shall be allocated.
- c) The balance shall either be distributed among the shareholders in part or in full as second dividend or be allocated as extraordinary reserve.

- d) The provisions of paragraph 3 of Article 466 of Turkish Commercial Code shall be without prejudice. Unless the legal reserves stipulated in the Turkish Commercial Code and the first dividend to be distributed among shareholders are allocated, the General Assembly shall in no way be entitled to decide to allocate any other legal reserve, to transfer the said amount to the coming year, or to distribute the shares of the members of the Board of Directors as well as the employees, doormen and workmen

DATE OF DISTRIBUTION OF PROFIT :

Article 30)

The General Assembly shall determine when and how the annual profit shall be distributed among shareholders upon the proposal submitted by the Board of Directors and in compliance with the regulations of the Capital Market Board. Profits distributed in compliance with the provisions stipulated hereunder shall in no way be taken back. The provisions of article 473 of the Turkish Commercial Code shall be without prejudice.

EXPORTATION OF DEBENTURE BONDS, FINANCING BONDS AND PROFIT-LOSS PARTNERSHIP CERTIFICATES :

Article 31)

In compliance with related legal provisions, the Company shall be entitled to export all kinds of debenture bonds, financing bonds and profit-loss partnership certificates exchangeable with shares. Within the framework of the Turkish Commercial Code and Code no. 2499, the authority to export debenture bonds and financing bonds exchangeable with shares or of other types is left to the Board of Directors.

The General Assembly shall be entitled to authorize the Board of Directors to establish conditions other than the maximum amount of the profit-loss partnership certificate.

The provisions of the Capital Market Code and related legislation shall be applicable for the limit of bonds to be exported.

CONTINUATION OR LIQUIDATION AND TERMINATION OF THE COMPANY:

Article 32)

The Board of Directors shall be entitled to invite the General Assembly to meet to discuss the termination and liquidation or continuation of the Company for any reason whatsoever.

LIQUIDATION DECISION :

Article 33)

The Company shall be liquidated for reasons stipulated in the Turkish Commercial Code or by means of a Court Decree or the decision to be adopted by the General Assembly in compliance with the relevant provisions of the Turkish Commercial Code.

LIQUIDATOR :

Article 34)

In case the Company is liquidated or terminated for any reason other than bankruptcy, then the liquidators shall be appointed by the General Assembly.

LIABILITIES OF LIQUIDATORS :

Article 35)

Provisions of articles 444 to 449 of the Turkish Commercial Code shall be applicable for the liquidation and termination of the Company, the method of liquidation and the liabilities of the liquidators.

MATTERS NOT COVERED :

Article 36)

Provisions of the Turkish Commercial Code and Code no. 2499 shall be applicable for any matters not covered hereunder.

CONTRACT OF INCORPORATION TO BE SUBMITTED TO THE MINISTRY :

Article 37)

The Company shall be liable to cause this Contract of Incorporation to be printed and distributed among shareholders, and have 10 copies submitted to the Ministry of Trade.

Temporary Article 1 –

The nominal value of shares which amounted to 500.- Turkish Liras was changed into 1 New Kuruş within the framework of Code no. 5274 amending the Turkish Commercial Code. As a result of the said change, the total number of shares was reduced and 1 share worth 1 New Kuruş replaced 20 shares worth TL 500. The rights of the shareholders arising out of the shares they are holding shall be without prejudice.

Shares representing the capital shall be monitored within the framework of registration principles.

AMENDING THE CONTRACT OF INCORPORATION

The Contract of Incorporation of Türkiye Şişe ve Cam Fabrikaları Anonim Şirketi was published in the issue dated May 10, 1973 with no. 4842 of the Turkish Trade Registry Journal.

Please find below the dates and numbers of the issues of the Turkish Trade Registry Journal in which the new forms of any articles of the Contract of Incorporation amended since May 10, 1973 are published and announced.

		Turkish Trade Registry Journal	
Contract of Incorporation			
Article No.	Subject no. of Amendment to the	Date	Contract of Incorporation
Article 4	Purpose and Scope	17.11.1982	629
Article 4/B-e	Purpose and Scope – the Company's Scope	12.04.1990	2506
Article 6	Duration	17.11.1982	629
Article 7	Increase of Capital (to TL.200.000.000.-)	26.06.1978	502
Article 7	Increase of Capital (to TL. 1.000.000.000.-)	17.11.1982	629
Article 7	Increase of Capital (to TL.9.000.000.000.-)	17.01.1984	926
Article 7	Registered Capital Ceiling as TL 30.000.000.000	24.04.1985	1249
Article 7	Registered Capital Ceiling (to TL.50.000.000.000.-)	10.04.1987	1743
Article 7	Registered Capital Ceiling (to TL.200.000.000.000.-)	23.09.1988	2108
Temp. Art.1	Combination of Share Groups in Circulation	12.04.1990	2506
Article 7	Registered Capital Ceiling (to TL.1.000.000.000.000.-)	07.12.1990	2668
Article 7	Registered Capital Ceiling (to TL.3.000.000.000.000.-)	21.04.1993	3265
Article 7	Registered Capital Ceiling (to TL.10.000.000.000.000.-)	13.04.1995	3766
Article 8	Board of Directors	24.04.1985	1249
Article 11	Meetings and Functioning of the Board of Directors	17.11.1982	629
Article 29	Distribution of Profit and Legal Reserve	17.11.1982	629
Article 31	Debenture Bonds and Profit-Loss Partnership	17.11.1982	629
Article 31	Exp. Of Deb.Bonds, Fin. Bonds and Prof./Loss Part.cer.	12.04.1988	1997
Article 36	Matters not Covered	17.11.1982	629
Article 7	Registered Capital Ceiling (to TL. 50.000.000.000.000.-)	02.04.1997	4262
Article 7	Registered Capital Ceiling (to TL.150.000.000.000.000.-)	06.04.1999	4764
Article 7	Registered Capital Ceiling (to TL.800.000.000.000.000.-)	13.05.2002	5546
Article 4/B-c	Purpose and Scope – Company's Scope	14.09.1998	4626
Article 7	Capital	14.09.1998	4626
Article 13	Authorities of the Board of Directors	29.09.1998	4637
Article 19	Announcements	14.09.1998	4626
Article 24	Amending the Contract of Incorporation	29.09.1998	4637
Article 25	Appointment of Proxies	14.09.1998	4626
Article 26	Voting	14.09.1998	4626
Article 27	Annual Reports	14.09.1998	4626
Article 29	Distribution of Profit and Legal Reserve	29.09.1998	4637
Article 30	Date of Distribution of Profit	29.09.1998	4637
Article 31	Exporting Debenture Bonds, Financing Bonds and Profit-Loss Partnership Certificates	14.09.1998	4626
Article 7	Capital	24.04.2006	6541
Article 9	Liability to Deposit Shares	24.04.2006	6541
Temporary Art.1		24.04.2006	6541
Article 7	Registered Capital Ceiling (to YTL.2.000.000.000.-)	08.01.2008	6972

The texts of new and amended articles of the Contract of Incorporation of Türkiye Şişe ve Cam Fabrikaları Anonim Şirketi are duly recorded and registered.