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**PRESS RELEASE
ON THE FOREIGN EXCHANGE INTERVENTION
OF THE CENTRAL BANK**

The Central Bank of Turkey has announced through several press releases that under the floating exchange rate regime the level of exchange rate is determined by supply and demand conditions in the currency markets, and that the Central Bank closely monitors the volatility in the exchange rate, and may directly intervene in the markets in the event of an excessive volatility that might occur in either directions.

It has recently been observed that foreign exchange sales are increasing due to international market conditions as well. Within this framework, the Central Bank has decided to directly intervene in the markets today by buying foreign currency in order to prevent the current and expected excessive volatility. Moreover, the Central Bank is not going to hold any foreign exchange auction today because of the direct buying intervention in foreign exchange market that was made prior to auction hours, as was stated in our press release entitled "*General Framework of Inflation Targeting Regime and Monetary and Exchange Rate Policy for 2006*" on 5 December 2005.