

TABOGLU & DEMIRHAN

Newsletter

ENERGY MARKET UPDATES

cont'd

- The Energy Market Regulatory Authority has rejected the application of Baskent Elektrik Dagitim for tender to be realized regarding the electricity distribution districts. It has been declared that the Authority has not accepted the said application due to the Company's power to impose cost of the tender on the customers in its territory. The Company will be able to attend such tenders by either establishing new companies or partnerships with other entities.
- Zorlu Enerji Elektrik Uretim has entered into a memorandum of understanding with TransAtlantic Petroleum regarding the acquisition of Zorlu's oil and natural gas exploration and production operations in Turkey for a purchase price of US\$ 100 million. As per the terms of the memorandum of understanding, TransAtlantic Worldwide, a wholly-owned subsidiary of the Company, will acquire 100% of the voting securities of Amity Oil International and Zorlu Petrogas Petrol Gaz ve Petrokimya Urunleri Insaat Sanayi ve Ticaret, both wholly-owned subsidiaries of Zorlu. Zorlu will use US\$ 20 million of the purchase price for the construction of pipelines to connect the Amity and Petrogas licenses to local and national natural gas distribution points. It has been declared by Zorlu that the transaction will be finalized upon completion of negotiations and approvals of the Board of Directors of the companies.
- Ayen Enerji has applied to the Privatization Administration in order to be pre-qualified for sale of Bogazici Elektrik Dagitim, Dicle Elektrik Dagitim, Gediz Elektrik Dagitim and Trakya Elektrik Dagitim through block sale method. The Company will participate in the tenders with consortiums to be established with Kayseri ve Civari Elektrik T.A.S. Petco Enerji and Risk Engineering.
- Boyak Holding, which grew 9.6% in 2009, has decided to penetrate renewable energy sector with an investment amounting to US\$ 1 billion within 2 years. The Holding, which is currently active in furniture and cable sector, has 11,000 employees and 27 companies in 7 different areas. The Chief Executive Officer has stressed that the Holding has made an offer for seven out of eleven tenders to be realized by Enerji Uretim A.S.
- Privatization of 52 hydroelectric plants will be realized between 4-21 May 2010. 613 applications have been made for the plants owned by Elektrik Uretim A.S. to be privatized under 19 different groups. The highest number of applications has been made for Kayakoy hydroelectric plant in third group with 2.56 MW established power and 8 million KW/hour annual production capacity. The second and third highest number of applications have been made for Kayadibi and Bunyan hydroelectric plants with 2 million 500 thousand KW/hour and 4 million KW/hour annual production capacities, respectively.

CAPITAL MARKETS UPDATES

- As per the statement made by TAV Havalimanlari Holding to the Public Disclosure Platform, operations profit of the Company which was realized as TRY 13.5 million 438 thousand in the first quarter of last year increased by 94% to TRY 26.2 million. Number of passengers has also risen 19% from 7.9 million to 9.4 million. Accordingly, the Company has recruited an additional 2,904 employees and the number of employees has increased to 14,212 in the first quarter of 2010.

cont'd

cont'd

Highlights

a. Energy Market Updates

b. Capital Markets Updates

c. Banking Sector News

d. Other News

cont'd

- As per the statement made by Ceylan Giyim Sanayi to the Public Disclosure Platform, negotiations between the Company and Endeks Gayrimenkul ve Madencilik have been finalized and it has been decided that Endeks Gayrimenkul will be the main shareholder of the Company with injection of TRY 15 million through capital increase. Consequently, the share capital of the Company will be increased from TRY 6 million 830 thousand to 25 million and Endeks Gayrimenkul will hold 60% of the Company stakes.
- As per the statement made by the Istanbul Stock Exchange to the Public Disclosure Platform, transactions realized on behalf of foreign investors amounted to TRY 6 billion 742 million 771 thousand for sale transaction and TRY 6 billion 631 million 492 thousand for purchase transactions in April.
- The presidents of the Capital Markets Board, Turkish Union of Chambers and Commodity Exchanges, Istanbul Stock Exchange, Association of Capital Market Intermediary Institutions of Turkey and Istanbul Chamber of Commerce have made a press conference before the Public Offering Summit which was convened on 6-7 May 2010 in Istanbul. The President of the Board has declared that over 40 pre-applications have been made for public offering in 2010 and in case such demand maintains, they expect to have the highest number of public offerings to be realized after the first two years of the Istanbul Stock Exchange.

cont'd

- As per the statement made by Arcelik to the Public Disclosure Platform, net profit of Arcelik which was realized as TRY 53 million 438 thousand in the first quarter of last year rose 105% to TRY 109 million 645 thousand. The Company has gained TRY 966.8 million income from sale of home appliances, TRY 253.2 million from sale of consumer electronics and TRY 266.8 million from other goods. Sale of home appliances has increased 27% compared to first quarter of last year.

BANKING SECTOR NEWS

- Alternatifbank, a subsidiary of Anadolu Group, has borrowed a syndicated loan amounting to US\$ 192 million in total. The Chairman to the Board of Directors of the Bank has stressed that the loan has one year maturity and the total amount which has been provided by 24 banks from internal and international markets, will be divided into two stages as Euro 113 million and US\$ 42.5 million.

OTHER NEWS

- As per the dailies, TAB Gida, which currently operates Burger King, Sbarro and Poppeyes food chains, has acquired Arby's from Celebi Group. TAB Gida and Celebi Group have applied to the Competition Board in order to obtain its approval with respect to the acquisition.

The aim of this weekly newsletter is to highlight mainly the regulatory changes made by the Turkish Government during the relevant week. The content of this bulletin is limited to those areas Taboglu & Demirhan advises its clients. It contains a general summary of the changes and the areas it covers are broader. Thus, one should not rely on it for specific advice. For further information or advice please contact Taboglu & Demirhan, a full-service law firm based in Istanbul.

cont'd

TABOGLU & DEMIRHAN

Attorneys at Law

Levent Cad. No. 9

1. Levent, 34330, Istanbul, Turkey

E-MAIL: enquiries@taboglu.av.tr

www.taboglu.av.tr

PHONE: (212) 339 8800

FAX: (212) 339 8899