

TABOGLU & DEMIRHAN

Newsletter

BANKING SECTOR NEWS

- As per the announcement made by Garanti Bankasi, the transfer of Garanti Bankasi's 6.3% shares held by Dogus Holding and 18.6% shares held by General Electric Capital Corporation to Banco Bilbao Vizcaya Argentaria has been completed on 22 March 2011 upon obtaining the necessary approvals of the governmental authorities.
- According to the statement of Akbank, the Bank has obtained a syndicated loan in the amount of Euro 652 million and US\$ 406 million with one year maturity. The total cost of the loan consisting of 2 tranches has been realized as EURIBOR 1.10% and LIBOR 1.10%, respectively. The syndicated loan amounting to US\$ 1.2 billion obtained in March 2010 has been renewed at a rate over 100%.
- Halkbank and the French Development Agency have executed a loan agreement with an amount of Euro 100 million. The General Manager of Halkbank has stated that Euro 60 million of this loan will be used to finance the investments of Small and Medium Sized Enterprises (SMEs) in energy efficiency sector and the remaining Euro 40 million will be used to finance the investments of SMEs in renewable energy sector. The General Manager has further stated that only SMEs with at most 500 employees will be able to benefit from this program.
- The most valuable banking brand amongst all the banks in the world has been determined as Bank of America. 11 banks from Turkey have been recognized within the most valuable banking brands. Isbank is announced as 75th, Akbank as 94th and Garanti Bankasi as 95th. Other Turkish banks included in the list are namely, Yapi Kredi Bankasi, Vakifbank, Halkbank, Finansbank, TEB, Denizbank, Bank Asya and Sekerbank. The most valuable bank in accordance with its market value is announced as ICBC Bank from China.

ENERGY SECTOR NEWS

- As per the announcement made by Enerjisa, a joint venture between Sabanci and Verbund, the Company has signed an agreement with Siemens in order to supply turbine and electricity equipments for Dagpazari Wind Power Plant, which will be constructed in Mersin. The Company will generate around 129 GWh electricity per year from 13 turbines each with 3MW power. Construction of the plant will start in April 2011.
- Tupras has obtained an investment incentive certificate from the Undersecretariat of Treasury for its extension investment amounting to approximately TL 2.3 billion with regard to product diversification. In addition, the Treasury has granted investment incentive certificates to 21 investment projects of foreign capitalized companies in Turkey with a total amount of TL 1.5 billion in January.

CAPITAL MARKETS UPDATES

- According to the announcement made to the Public Disclosure Platform, the major shareholder of Celebi Holding, the Celebi Family, has signed a letter of intent for the sale of its 99.99% stake in the Holding and its 22.63% stake in Celebi Hava Servisi to a company, the shares of which will be equally held by Celebi Family and Abraaj Investment Management Limited.
- Pursuant to the announcement of Dogan Yayin Holding made to the Public Disclosure Platform, the decisions of the tax court with respect to the 2006 value added tax amounting to approximately TL 863 million have been approved by the Council of State in favor of Dogan Produksiyon Hizmetleri, an affiliate of the Holding.

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Highlights

a. Banking Sector News

b. Energy Sector News

c. Capital Markets Updates

d. Privatization Highlights

e. Other News

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- Petrol Ofisi has announced to the Public Disclosure Platform that the Company will be applying to the Istanbul Stock Exchange and the Capital Markets Board on 23 March 2011 for the purpose of delisting its 3.02% stake, which is open to public. Currently, OMV Enerji holds 55.4% and OMV Aktiengesellschaft holds 41.58% of the Company's shares.
- Turkish Airlines has announced net profit of TL 286 million with respect to the year 2010. The Board of Directors of the Company has resolved to distribute TL 200 million as bonus shares to its shareholders. Such resolution of the Board will be submitted to the approval of the General Assembly to be convened in April. Accordingly, it has been decided to increase the paid-in capital of the Company to TL 1 billion 200 million.
- According to the written announcement released by Sisecam, the net profit of the Company for the year 2010 has been TL 484.3 million. The consolidated equities have reached to TL 4.1 billion and the net financial debt has decreased to TL 393 million as of the end of 2010.

PRIVATIZATION HIGHLIGHTS

- In accordance with the dailies, the tender for the construction of Candarli Port has been held and 11 companies have submitted bids to the tender. Azer Insaat has submitted the highest bid amounting to approximately TL 338 million 416 thousand and Cengiz Insaat has submitted the lowest bid with an amount of TL 196 million 200 thousand. The Chairman of the Tender Committee has stated that the cost of the work is approximately TL 336 million 290 thousand.

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- According to the announcement of Akfen Holding to the Public Disclosure Platform, the Holding has signed a shareholders' agreement with Tepe Insaat, Souter Investments and Sera Real Estate Investment Company in order to submit a bid to the tender concerning the privatization of IDO Istanbul Deniz Otobusleri by sale of 100% of its shares. The agreement has been signed on 25 March 2011. According to the agreement, Akfen Holding will participate in the consortium with 30% shareholding, Tepe Insaat with 30%, Souter Investments with 10% and Sera REIC with 10%.

OTHER NEWS

- The Savings Deposit Insurance Fund will put Show Radio with an estimated amount of US\$ 11 million on sale on 18 April 2011. The bids shall be submitted until 15 April 2011. The winning bidder shall pay an additional amount of US\$ 1 million 190 thousand for the trademark of "Show Radio" to the Fund. The bid bond amount to be submitted to participate in the tender is US\$ 1 million 100 thousand. In the event it is decided to continue the tender through auction method, the auction will be held on 22 April 2011.
- Intel Capital, a subsidiary of Intel investing in the innovative technology companies world wide, has signed a strategic partnership agreement with Nokta, an online media company. Intel Capital aims to contribute in the improvement of the Internet and the local technology companies in Turkey. The number of the employees working in Nokta will be increased from 60 to 100 by the end of this year.

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.

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