

TABOGLU & DEMIRHAN

Newsletter

ENERGY SECTOR HIGHLIGHTS

- As per the statement made by Petrol Ofisi to the Istanbul Stock Exchange, the Company has filed a lawsuit against the Ministry of Energy and Natural Resources regarding the Ministry's decision rendered on 21 April 2009 banning the Company to participate in state tenders.
- It has been reported that the Energy Market Regulatory Authority will be separated into two divisions whereas one division will be responsible for electricity and natural gas and the other division will take care of petroleum and LPG sectors due to the increase in the number of investment applications and the need for an effective monitoring.
- Pursuant to the dailies, Bilmer Insaat is planning to increase its investments in energy sector and aims to complete the construction of the wind power stations representing 35% of wind power stations throughout Turkey by the end of 2009. In this respect, the founding partner of the Company has stated that they are realizing three projects in Canakkale and one project in Bandirma, generating 85.1 MW in total.
- As per the dailies, Turcas Petrol, together with its partner Shell, will launch a new project within the next 10-15 days regarding ATAS. Furthermore, it has been stated that the Company will produce oil with Socar by way of establishing a new refinery in Izmir and is about to enter into business in wind energy sector with the energy giant RWE. It has also been announced that the operational profit of Turcas Petrol has decreased by 55.3% and dropped to TL49.1 million, whilst its net profit has decreased by 58% and dropped to TL45.2 million.

CAPITAL MARKETS NEWS

- As per the announcement made by the Capital Markets Board, the Board has authorized Garanti Bank and Yapi Kredi Bank to establish new funds.
- The Capital Markets Board has approved the merger of TSKB Yatirim Ortakligi with Yatirim Finansmani Yatirim Ortakligi on condition that the A group privileged shareholders assembly and the general assemblies of both companies approve such merger.
- According to the statement made by Ak Yatirim to the Istanbul Stock Exchange, Akkardan has acquired Bossa Ticaret ve Sanayi Isletmeleri's stakes amounting to a nominal value of TRY 29,950,872.20.
- The change of the trade name of Universal Menkul Degerler to ING Menkul Degerler has been approved by the Capital Markets Board.

PRIVATIZATION UPDATES

- Pursuant to the dailies, the Privatization Administration is planning to renew the tender for Milli Piyango, the Turkish national lottery. It has been reported that no bidders have participated in the auction process which has been opened with the minimum valuation of US\$1.6 billion determined by the tender commission. The Chief Executive Officer of OPAP, the Europe's largest betting company, has stated that they were not expecting such a high value. Back on 15 April when the bids were submitted, two groups had participated in the tender, namely the DAF Group (A consortium of three Turkish groups, Dogus, Alarko and Fina) together with OPAP on one hand, and Sans Oyunlari Yatirim Holding (a consortium of Turkcell and Tepe) on the other hand. The successful bidder will be entitled to a 10-year license to operate Milli Piyango.

Highlights

- a. Energy Sector Highlights*
- b. Capital Markets News*
- c. Privatization Updates*
- d. Telecommunications Sector News*
- e. Other News*

TELECOMMUNICATIONS SECTOR NEWS

- As per the statement made by the Chief Executive Officer of Vodafone, Vodafone Group will focus on third-generation mobile phone services in Turkey and plans to make investments with the half of their turnover. It has been further stated that Vodafone plans to grow in Turkey's mobile phone market, size of which has reached to US\$ 31 billion last year. It has been reported that Vodafone will introduce 3G services within the next three months. Vodafone had bought Turkey's second-biggest mobile-phone operator Telsim for US\$ 4.55 billion in 2006.
- Pursuant to the dailies, Telcom, a Turkcell group company, has merged with Superonline, an internet service provider, on 1 May 2009. The Company aims to provide new high quality communication services to its customers.
- As per the dailies, Turkcell is contemplating to collaborate with the universities "Harvard" and "Massachusetts Institute of Technology" in order to highlight Turkey's dynamics regarding innovation, technology and enterprising spirit through making collective researches.
- Turkcell has disclosed to the Istanbul Stock Exchange that the appeal made by Cukurova Group against the decision of the High Court of the United Kingdom's Privy Council regarding the seizure of Cukurova Telekom Holdings Limited's shares owned by Çukurova Group by the Russian Alfa Group has been rejected. Cukurova Telekom Holding Limited is the major shareholder of Turkcell, the leading GSM operator in Turkey.

OTHER NEWS

- Pursuant to the dailies, Bank Asya has increased its net profit by 41% and reached to TRY 53 million.
- As per the dailies, TEB has realized a consolidated net profit amounting to TRY 78.4 million with an increase of 34% in the first quarter of 2009. In this respect, the total assets of the Bank have reached to TRY 16.7 billion with an increase of 5%, whilst the number of its branches has increased to 335.
- Pursuant to the dailies, OYAK Cimento has concluded an agreement with Lafarge for the acquisition of 97.3% stake in Lafarge Aslan Cimento, 50% stake in Lafarge Eregli Cimento and 24.24% stake in Lafarge Beton. As per the statement made by Oyak Cimento, the agreement has been signed on 30 April 2009 with a purchase price of Euro 130.6 million.
- As per the data released by the Turkish Statistical Institute, industrial production has dropped by 20.9% in March 2009, when compared with the same period of the last year. The data has demonstrated that the production in the mining industry has dropped by 9.7%, whilst the manufacturing industry shrank by 23.5%.
- Pursuant to the dailies, the Bill on Cheque has been submitted to the Turkish Parliament. Under the Bill, financial history of a person to open a cheque account shall be carefully inspected by banks. Accordingly, banks shall act prudently and pay utmost care to find out the financial and social status of applicants. Therefore, banks are authorized to review documents, including but not limited to, criminal records, identity card and certificate of residence.

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.

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