

TABOGLU & DEMIRHAN

Newsletter

PRIVATIZATION NEWS

- As per the announcement made by the Privatization Administration, the deadline for submitting bids to the tenders regarding the immovable properties located in Adana, Aydin, Diyarbakir, Izmir, Sinop and Balikesir owned by Tutun, Tutun Mamulleri, Tuz ve Alkol Isletmeleri has lapsed. Furthermore, it has been announced that the Administration has received bids for only three of those immovable properties, which are located in Izmir and Sinop.
- Pursuant to the dailies, the Savings Deposit Insurance Fund has decided to put out to tender the Commercial and Financial Integrity of Toprak Lice Yag ve Yem Fabrikasi on 13 July 2010. The bids may be submitted by the participants to the Fund until 5.00 pm on 12 July 2010. It has been further stated that in case the Fund decides to finalize the tender through a bargaining method, the bargaining will take place on 16 July 2010.
- The Privatization Administration has decided that the tenders for the sale of five immovable properties owned by Turkiye Elektrik Dagitim have been held in accordance with the current legislation, and such immovable properties have been sold to the respective bidders in return for a total amount of TRY 736.5 thousand. It has been noted that the abovementioned sales will be finalized upon obtaining the necessary approvals from the relevant governmental authorities.
- The Competition Board has approved the tenders for the sales of eighteen hydroelectric power plants. As per the decision, although such tenders are subject to the Board's approval under Article 7 of the Law on Protection of Competition, since the thresholds concerning market share and revenue set forth in the Communiqué numbered 1998/4 have not been exceeded there is no need to obtain the Board's approval.

BANKING SECTOR NEWS

- Pursuant to the dailies, JCR-Eurasia Rating has confirmed that Aktif Yatirim Bank's long term international rating is "A-(Trk)" and general standing is "positive". Additionally, the Bank's long term international, foreign and local currency rating has been determined as "BB" which is the upper limit of Turkey's country rating.
- As per the announcement made by Finansbank, the protocol between the Bank and Toprak Mahsulleri Ofisi regarding the loans to be granted to the farmers who are subscribed to the farmer registration system has been renewed. According to the protocol, the farmers subscribed to the system will be entitled to obtain loans from the Bank by submitting the receipts that have been provided to them by Toprak Mahsulleri Ofisi in return for the products delivered by farmers.
- Vakifbank has executed a protocol with Kahramanmaraş Chamber of Commerce and Industry with respect to the loans to be granted to the members of the Chamber.
- As per the dailies, Akbank has mandated four banks namely, Bank of America Merrill Lynch, Citi, JPMorgan and Standard Chartered Bank for issuance of Eurobonds with five-year maturity. Fitch, an international rating institution, has announced that the rating of the Eurobonds expected to be issued by the Bank is "BBB-". The Bank had applied in May to the Capital Markets Board to obtain its approval regarding issuance of bonds, and the Board approved such application last week.
- As per the list announced by the Banker Magazine, Is Bank has become the 103rd largest bank of the world.

Highlights

- a. Privatization News
- b. Banking Sector News
- c. Capital Markets Updates

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- Pursuant to the dailies, Sekerbank has obtained ISO 10002:2004 certificate, which is related to the management of customer complaints and suggestions. It has been further stated that the Bank desires to obtain two more certificates, which are related to the management of data protection and service quality.

CAPITAL MARKETS UPDATES

- Buyukhanli Real Estate Investment Trust has applied to the Capital Markets Board for public offering. The Company is planning to make a public offering amounting to TRY 2 million.
- The Capital Markets Board has approved the application of Gedik Real Estate Investment Trust for public offering. As per the Board's weekly bulletin, the price per share is determined as TRY 1.30 and Turkish Yatirim Bankasi has been appointed as the underwriter.
- Alarko Real Estate Investment Trust has been granted by the Capital Markets Board with an extension period ending on 30 June 2011 in order to complete project development studies regarding the immovable property located in Maslak.
- According to the decision of the Istanbul Stock Exchange, the offered shares of Reysas Real Estate Investment Trust amounting to TRY 65 million 500 thousand will start to be traded on the Exchange as of 12 July 2010 with a base value of TRY 1 per share.

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- As per the dailies, Global Yatirim Holding has revoked the preferred group A shares in order to comply with corporate governance principles. The Company has revoked such shares in return for TRY 24 million 996 thousand 312.55, which is afforded through issuance of new shares corresponding to the exact amount in the name of holders of revoked shares.
- As per the dailies, Boyner Magazacilik has made an application to the Capital Markets Board for issuance of bonds amounting to TRY 40 million. Additionally, the Board has decided to register the bonds to be issued by Beyaz Filo. Beyaz Filo will issue bonds amounting to TRY 24 million 900 thousand with two-year maturity.
- As per the dailies, the value of shares of Kent Gida, which has acquired the coffee and chocolate sales and distribution business of Kraft Gida in return for TRY 27.5 million, has increased by 138% within the last 20 days.
- The Capital Markets Board has approved the application regarding the increase of Koc Finansal Hizmetler's shareholding ratio in UniCredit Menkul Degerler from 89.2 % to 99.9 %.
- Pursuant to the dailies, Esas Holding and Eurasia Cinemas have executed an agreement regarding the sale of AFM Uluslararası Film Produksiyon representing 88.01 % of its share capital to Esas Holding in return for US\$ 82 million 386 thousand 160.

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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