

TABOGLU & DEMIRHAN

Newsletter

CAPITAL MARKETS UPDATES

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- Eregli Demir ve Celik Fabrikalari has announced that the purchase price of Borcelik shares that has been transferred to Kerim Celik Mamulleri Imalat ve Ticaret is US\$ 33 million. It has been further stated that the nominal value of fixed assets, indicated as TL 24.2 million, is perceived by the market as the sale price.
- Pursuant to the dailies, BNP Paribas, Deutsche Bank and HSBC have been granted authorization by the Undersecretariat of Treasury with regard to the increasing of 10 years maturity Eurobonds.
- By the end of the third quarter of 2010, Dogan Holding has increased its consolidated sales revenue by approximately 14%.
- European Bank for Reconstruction and Development has granted Arkas Group a loan in the amount of Euro 21.4 million to support the renewal of the Company's trades. It has been further indicated that the total cost of the renewal will reach to Euro 37.7 million.
- Pursuant to the announcement made by Finansbank in the Public Disclosure Platform, NBG, the major shareholder of Finansbank, has announced that some shares of Finansbank will be offered to public. Accordingly, NBG has granted authorization to the consortium consisting of Credit Suisse, Deutsche Bank AG, Morgan Stanley, Bofa Merrill Lynch, Goldman Sachs International and HSBC. At the end of such public offering, NBG will have a minimum shareholding of 75% in Finansbank.

PRIVATIZATION HIGHLIGHTS

- As per the dailies, Koc Holding, Sabanci Holding, Zorlu Holding and Brightwell are among the potential bidders for the tender regarding the privatization of Istanbul Deniz Otobusleri.
- According to the relevant Article of the Law No. 4603 regarding Ziraat Bankasi, Halk Bankasi and Emlak Bankasi, the terms for the restructuring of public banks and the transactions regarding the sale of shares have been extended from 3 years to 5 years. Such amendment will come into effect on 25 November 2010.
- Pursuant to the announcement made in the Public Disclosure Platform, Acibadem Saglik Hizmetleri and Arab International Company for Medical Services have signed a memorandum of understanding to build an international hospital in Cairo.
- The Privatization High Council has approved the share transfers of some of the subsidiaries of Halk Bankasi. The shares of Vakiflar Bankasi have been sold for TL 305,471.2 and the shares of Kalkinma Bankasi have been sold for approximately TL 721 in total.

BANKING SECTOR NEWS

- As per the dailies, Garanti Bankasi has commenced the operations in relation to the provision of external financing in the amount of Euro 250 million with a final maturity of 12 years.
- According to the announcement made by Turkiye Is Bankasi, the Bank has gained TL 2 billion 44 million net profit by the end of the third quarter of 2010.
- As per the dailies, Kuveyt Turk has gained TL 128 million net profit by the end of the third quarter of 2010. It has been recorded that the assets of the Company are worth TL 8 billion 645 million whilst the credits of the Kuveyt Turk has increased by 20.66% comparing to 2009 and it has reached TL 6 billion 40 million.

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Highlights

a. Capital Markets Updates

b. Privatization Highlights

c. Banking Sector News

d. Energy Markets News

e. News re Competition

f. Other News

ENERGY MARKETS NEWS

- As per the dailies, EnerjiSa has been provided with a 12 year-period syndication loan in the amount of Euro 700 million from the consortium under the leadership of UniCredit Bank and West LB. The loan will be used for the investment of 1,045 MW additional capacity.
- Turkiye Elektrik Iletim has put out to tender its three substations in Sile, Beykoz and Diliskelesi through service procurement for a 3-year period. The tender will be realized on 2 December 2010.
- Pursuant to the dailies, Park Enerji, a subsidiary of Ciner Group, has obtained a license for the exploration of geothermal reserves by winning the tender of Kutahya Special Provincial Administration with a security deposit of TL 50 thousand.
- Turkey Branch of General Electric has announced that the export of the products such as turbine and air plates will start soon. It has been further declared by the Company that, the half of the production will be sold in Turkey by the estimation of governments significant increase in the wind power capacity by 2020.
- Ulubat Tuneli ve Hidroelektrik Santrali, which was constructed by way of an investment of US\$ 150 million by Akenerji, has commenced the commercial production of its first unit. By this production Akenerji's energy capacity produced by renewable resources, has reached to 203 MW.
- Kolin Insaat Turizm Sanayi ve Ticaret has executed a protocol with the Government of Georgia for construction 4 hydroelectric plants with a capacity of 105.7 MW in Tekhuri River, Georgia.

NEWS RE COMPETITION

- The sales agreement has been signed by and between CarrefourSa and its sub-contractor Baytekler Gida. Baytekler Gida has filed a complaint regarding the provisions which are extraordinarily in favor of CarrefourSa. The complaint has been rejected by the Competition Board.

OTHER NEWS

- As per the dailies, Metal Yapi- Yesil Insaat, has withdrawn from the Ayazaga project due to the possible risks that may occur in the future with respect to the lawsuits on the cancellation of the zoning plan and suspension of execution. .
- A new multi-use stadium will be built in Trabzon. The stadium will have a capacity of nearly 40,000 people and will be totally covered. As per the dailies, Oztas Insaat has won the tender with the lowest bid.
- As per the information in the public offering circular of Uyum Gida, the Company has realized the book-building for the public offering in 9-10 November 2010. It has been further indicated that, the Company will offer the group B shares that will be issued in result of the capital increase, with a nominal value of TL 6 million.
- Pursuant to the announcement made by Arzum, TL 20 million income arising from the bond issues will be used for the development of its brand name Arzum.
- TOKI has put the construction of entertainment park of Istanbul out to the tender. The bidders may be both domestic or foreign construction firms and the joint venture of these firms or the joint ventures of these firms with financial institution.

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