

TABOGLU & DEMIRHAN

Newsletter

PRIVATIZATION HIGHLIGHTS

- The Privatization Administration has approved the sales of 100% stake of Yesilirmak Elektrik Dagitim to Calik Enerji and 100% stake of Coruh Enerji to Aksa Elektrik. Calik Enerji and Aksa Elektrik had become the winning bidders of final negotiations regarding the sale of shares of these distribution companies realized on 6 November 2009 with their bids amounting to US\$ 441.5 million and US\$ 227 million, respectively.

BANKING SECTOR NEWS

- As per the announcement made by Sekerbank to the Public Disclosure Platform, management transfer agreement has been signed among BTA Securities JSC and Kazakhstan Asset Fund, the majority shareholder of the Bank. Following the execution of the agreement, 169 million 893 thousand 540 shares of Sekerbank have been transferred to Samruk Kazyna.
- It has been announced by Alternatifbank that the Bank has been granted with permission for issuing credit card and member work place/point of sale services by the Banking Regulation and Supervision Agency.
- As per the dailies, TEB Bank will have its first off-site ATMs on July with the collaboration of First Data. First off-site ATMs will be installed in large shops and retail points, including provinces Maltepe, Sultanbeyli and Kadikoy.
- Akbank has announced that the total term of the co-operation agreement with Citibank regarding their joint brand credit card "Citi Axess" has been extended for a 10 year period until 2018.

- Orta Karadeniz Kalkinma Ajansi (OKA) and Halk Bankasi have executed a co-financing protocol. The Chairman of the OKA has stressed that the protocol will help the OKA to use the allocated sources more efficiently and create an opportunity for the small and medium sized enterprises to use loans with suitable conditions.

CAPITAL MARKETS NEWS

- Dogan Yayin has decided to increase its capital to TRY 1.4 billion by a 40% increase within its registered capital ceiling of TRY 2 billion. As per the announcement made by the Company to the Public Disclosure Platform, the board of directors has resolved that the pre-emption right will be exercised at the nominal value of shares, which is TRY 1 per share.
- The public offering of 33% shares of Turkiye Gazetesi, a subsidiary of Ihlas Gazetecilik, has been performed with TRY 43 million 560 thousand sale to 1,556 investors with a value of TRY 1.65 per share. The public offering dated 3-4 June 2010 was realized under the leadership of Oyak Yatirim.
- As per the announcement made by Is Yatirim Menkul Degerler to the Public Disclosure Platform, public offering of bonds of Creditwest Factoring has been performed and resulted with TRY 36.1 million sales to individual investors and TRY 67.5 million sales to corporate investors.
- According to the statement released by Cemas, an affiliate to Isiklar Yatirim Holding, the public offering of the Company will be realized at the end of June 2010.

Highlights

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

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ENERGY MARKET NEWS

- As per the announcement made by Zorlu Enerji to the Public Disclosure Platform, assembling of 8 more tribunals in Gokcedag Wind Power Plant, located in Osmaniye, has been completed and the provisional acceptances of such tribunals have been granted.
- According to the dailies, Petkim Petro Kimya has decided to start negotiations exclusively with APM Terminals B.V. for establishing a strategic partnership in order to collaborate in improving Petkim Port and executed a letter of intent with APM Terminals. Previously, Petkim has assigned Garanti Yatirim Menkul Kiymetler as the Company's exclusive advisor.
- Pursuant to the data derived from the activity report of the Energy Market Regulatory Authority, the production capacity of the private sector in the year 2009 has increased by 194% and reached to 2,833 MW from 963 MW when compared to the previous year.
- The Minister of the Energy and Natural Resources has stressed that the negotiations with the South Korea for the nuclear power plant to be established in Sinop region are being held positively. Accordingly, the Ministry has issued a new Regulation regarding the Support for the Energy Market Research-Development-Improvement Projects. With the Regulation, new and local projects foreseeing clean and renewable energy together with energy distribution project will be supported by the Ministry.

OTHER NEWS

- Pursuant to the dailies, Alkim Kagit will increase its Izmir Factory's capacity by 20% and establish another factory with an investment amounting to Euro 35 million. 60% of the financial cost of the new factory will be met through Company's equities and the remaining portion will be satisfied through loans.
- According to the dailies, Boru Hatlari ile Petrol Tasima Sirketi (BOTAS), has seized several accounts of organized industrial zones in order to guarantee its receivables. The seizure was realized because of a dispute between the OIZs and BOTAS before the Council of State with respect to the distribution costs for the years 2004 to 2006.
- Dubai Airport Freezone has held an introductory meeting for the members of Istanbul Chamber of Commerce. The Freezone has been established in 1996 and providing services for 1,450 companies from various sectors.
- As per the announcement made by Arcelik to the Public Disclosure Platform, Fitch Ratings has increased the Company's long term loan rate for foreign and local currencies to "BB" from "BB-". Additionally, Fitch Ratings has confirmed the Company's long term national loan rank as "AA-".
- The International Tax Review magazine has awarded Deloitte Touche Tohmatsu as the Turkey's "Transfer Quotation Company of the 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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