

TABOGLU & DEMIRHAN

Newsletter

CAPITAL MARKETS UPDATES

- TAV Havalimanlari Holding and Suudi Al Rajhi Holding, a conglomerate operating in the Middle East and North Africa in the fields of real estate, infrastructure and construction, industry, banking and other financial services, have signed a joint venture agreement. Accordingly, the subject matter is to realize built-operate-transfer projects for several airports in Saudi Arabia and to procure operation, maintenance and management services.
- Akenerji has announced its profit for the period between 1st of January and 30th of September as TRY 31 million with a decrease of 14%, and sale revenue of TRY 377 million with a decrease of 16%, compared to last year's figure.
- Socar&Turcas Enerji which had acquired 51% shares of Petkim Petrokimya Holding via privatization has started re-structuring of the Company after about 1.5 years of the acquisition. As per the announcement made by Turcas Petrol to the Public Disclosure Platform, the Chief Executive Officer of the Company, whose term of office expired, has been appointed to Socar&Turcas Enerji as a board member with a first degree signing authority.
- The Istanbul Stock Exchange announced that shares of security investment trusts, real estate investment companies and venture capital trusts, which have been traded in the national market, and stock exchange investment funds participation certificates and intermediary institution warrants which are planned to be traded under the category of structured product will start to be traded in the Corporate Products Market as of 13 November 2009 in accordance with the Circular No. 307 on the Establishment of Corporate Product Market dated 17 September 2009.

BANKING SECTOR NEWS

- The Regulation regarding the Credit Transactions of Banks has been amended and has come into effect as of 12 November 2009. As per the amendment, the monetary limit for the obligation of the banks to obtain certificates for the loans they have granted has been increased from TRY 100 thousand to TRY 250 thousand. By virtue of the amendment, banks are obliged to obtain such certificates annually within 6 months following the fiscal year, so long as the loan relationship is sustained. Consumer loans are excluded from this obligation.
- It has been announced that Kuveyt Turk will start operations in Dubai through its new subsidiary, Kuwait Turkish Participation Bank (Dubai) Ltd. with a capital of US\$ 12 million upon the license pre-approval granted by the Dubai Financial Services Authority on 19 October 2009. It has been further noted that the establishment procedures of Akbank Dubai Limited, shares of which are wholly owned by Akbank, are finalized.
- Aktif Bank and the Islamic Corporation for the Insurance of Investment and Export Credit have signed an agency agreement. The Chief Executive Officer of Aktif Bank has stressed that they are planning to form a special team for the advertisement of products and services, and aim to insure more than 8% of export activities which is currently around 4%.
- Garanti Bankasi has announced that they have authorized 17 banks in order to obtain a syndicated loan from the international markets in the amount of US\$ 700 million with a maturity of 1 year, consisting of two separate slices.

Highlights

a. Capital Markets Updates

b. Banking Sector News

c. Telecommunications Sector News

d. Other News

TELECOMMUNICATIONS SECTOR NEWS

- The Swiss telecom operator TeliaSonera and its Russian partner Altimo have decided to merge their shares in Megafon and Turkcell under a new company. The shares of the NewCo will be listed in the New York Stock Exchange and will have subscribers over 90 million in Turkey, Russia and Commonwealth of Independent States. AF Telecom, which is the third major shareholder of Megafon, has also been called to take its place in the new structure. Accordingly, TeliaSonera and Russian investors shall have equal shareholding, and neither of the shareholders shall be able to acquire controlling shares, individually. Independent members shall also take place in the board of directors.
- The Tariff Regulation has been published in the Official Gazette and has come into effect on 12 November 2009. The main aim of the Regulation is to establish a competitive environment, to generalize the electronic telecommunication services throughout the country, to maintain effective and efficient usage of sources, to encourage new investments and technological improvements in the fields of electronic telecommunication infrastructure, network and services thereof; and to define principles and procedures to determine, examine and chase tariffs with the aim of protecting consumers' rights. The Regulation sets out the rules regarding the obligations of operators holding dominant position, sanctions with regard to tariffs and public disclosures thereof.

OTHER NEWS

- Petrol Ofisi has announced its financial results for the first three quarters of 2009. The net sales of Petrol Ofisi are TRY 10,406 million (US\$ 6,639 million) and the Company's earnings before interest, taxes, depreciation and amortization have reached to TRY 611 million (US\$ 390 million) within this period. Petrol Ofisi achieved a net profit of TRY 264 million (US\$ 168 million) in the first three quarters, with an increase of 8%. On the other hand, OMV, an Austrian petroleum and natural gas company, has announced that their negotiations regarding purchase of Petrol Ofisi shares in whole or in part are still ongoing with Petrol Ofisi.
- Plenary Assembly of the Council of State has decided on stay of execution on the Articles of the Nuclear Power Plant Tender Regulation regarding 'Allotment of Work Place' and 'Principles and Procedures on Active Electrical Energy Unit Sales Price'. The Plenary Assembly has also approved the stay of execution decision rendered by the 13th Department of the Council of State regarding Article 7 of the Regulation on 'Conditions to be met by the Participants'. Subsequently, the Ministry of Energy and Natural Resources has announced that they are waiting for the reasoning of the decision, and considering amendment of the Regulation rather than canceling the tender. Formerly, the nuclear power plant tender had been held with one participant, the joint venture created by Ciner Group and Russian Atostroyexport.

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