

TABOGLU & DEMIRHAN

Newsletter

CAPITAL MARKETS UPDATES

- As per the announcement of Vakıflar Bankası published in the Public Disclosure Platform, the Board of Directors of the Bank has appointed Is Yatırım Menkul Değerler as its consulting firm with regard to the sale of its 51% stake in Taksim Otelcilik to domestic and foreign settled investors through block sale method.
- According to the statement made by Celebi Hava Servisi, the Company has made a non-binding offer for the tender related to the sale of the shares of Flughafen Dusseldorf Ground Handling GmbH (Dusseldorf GH), a company which provides ground handling services in Dusseldorf Airport. It has been reported that Dusseldorf Airport is the third largest airport of Germany and Dusseldorf GH has 50% market share in Dusseldorf Airport.
- Park Holding has become one of the four companies which have submitted an offer for the energy unit of the Evonik Industries AG. The other bidders are Remondis AG, Energetický Průmyslový Holding and a German energy company group.
- As per the decision of the Banking Regulation and Supervision Agency published in the Official Gazette on 18 September 2010, the Agency has granted Eurobank Tefen with the permission to conduct agency activities by making agency agreements with capital markets intermediary institutions.
- As per the weekly bulletin of the Capital Markets Board, Dogusan Boru Sanayi ve Ticaret applied to the Board for issuance of shares amounting to TL 4 million 200 thousand through capital increase and İhlas Yayın Holding applied to the Board for issuance of new shares amounting to TL 60 million through public offering.

cont'd

- Pursuant to the dailies, İdas has decided to increase its capital from TL 12 million to TL 24 million which is the registered capital ceiling. As per the announcement made by the Company to the Public Disclosure Platform, the Board of Directors of the Company has decided that the pre-emption right would be exercised at the nominal value of shares. The target of the Company is indicated as increasing the market share, strengthening the financial structure and lightening the financial burden by paying the debts.

PRIVATIZATION NEWS

- Pursuant to the announcement made by the Privatization Administration, 12 bids have been received for the privatization of Port of Iskenderun through transferring of operating rights for 36-year period. As per the dailies, Gemport, a group company of İsbank, and Limar, a subsidiary of Arkas Holding, have established a joint venture under the name of Gemport-Limar OGG in order to participate in the tender.
- As per the written statement made by the Privatization Administration, the Administration has transferred an amount of TL 200 million to the Undersecretariat of Treasury on 13 September 2010. The total amount that has been transferred to the Treasury in 2010 has reached to US\$ 1 billion 69 million with this transfer.

ENERGY MARKETS NEWS

- The Electricity Market Regulatory Authority has approved the tariff of TETAS relating to the wholesale price of electricity. The new price list which brings 20.35% reduction will be applied to electric distribution companies as of 1 October 2010 for 3 months.

cont'd

cont'd

Highlights

- a. Capital Markets Updates
- b. Privatization News
- c. Energy Market News
- d. Banking Sector News
- e. Other News

cont'd

- Zorlu Enerji Elektrik, a subsidiary of Zorlu Enerji Group, has executed an energy-efficiency-oriented loan agreement with the Development Bank of Turkey in the amount of US\$ 23 million. It has been reported that such loan would be utilized in order to increase the capacity of the natural gas cogeneration plant which is located in Luleburgaz.
- As per the report named "Turkish Electricity Market, 2010-2011" published by Deloitte, in licensed capacity of Turkey, which increases at 27.5% per year on average, wind power capacity has shown the highest growth with a growth rate of 218% whilst thermal power capacity and hydro-electric power capacity have grown 53% and 13%, respectively.
- As per the dailies, the decision of the Competition Board regarding to the utilization agreements between fuel distribution companies and the dealers has been put into force as of 18 September 2010. According to the decision, utilization agreements in oil sector, where nearly 13 thousand dealers operate in, shall be limited to a period of 5 years.

BANKING SECTOR NEWS

- As per the announcement released by IsBank to the Public Disclosure Platform, the Bank has authorized the consortium consisting of international banks in order to grant 1 and 2-year term syndicated loans denominated in terms of Euro and US Dollar.
- As per the dailies, total volume of Small and Medium Sized Enterprise loans increased by 20.9% and reached to TL 100 billion 656.9 million from TL 17 billion 285 million, in the first half of this year.

cont'd

cont'd

- Yapı Kredi, has created a fund which presents a higher potential of earning in comparison with fixed income financial instruments and which does not put the investors into risk of losing the capital. A minimum amount of TL 5,000 can be invested into B type, 100% principal guaranteed, tenth sub-fund, of which investment period continues between 24 September 2010 and 16 November 2010.
- As per the statement made by Eurobank Tekfen, the Bank made a net profit of TL 19 million and 400 thousand in the first half of this year and it has been further stated that the total value of the assets in the Bank's consolidated balance sheet has reached to TL 4 billion 350 million.

OTHER NEWS

- As per the dailies, Turkey and Iraq have renewed the agreement on Kerkuk-Yumurtalik crude oil pipeline, which transports Iraqi oil to the world markets via Turkey for 15 years.
- As per the declaration made by the Central Bank of Turkey, current account balance had a deficit amounting to US\$ 24.3 billion during the period between the months of January and July in this year. The increase in the trade balance deficit at the rate of 95% was the most influential factor of such deficit.
- Pursuant to the dailies, Turkish Economy experienced a growth rate of 10.3% in the second quarter of 2010. As for the first quarter, the economy had grown 11.7%.

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