

TABOGLU & DEMIRHAN

Newsletter

CAPITAL MARKETS HIGHLIGHTS

- Axel Springer AG is about to acquire 29% shares of Dogan Yayin Holding for TRY 356.7 million. As per the statement of Dogan Yayin Holding, a capital increase of TRY 198 million will be realized by Dogan Group at first hand, and then Axel Springer AG will purchase the increased amount from Dogan Yayin Holding in return for TRY 356.7 million. The relevant agreement shall replace the agreement executed in November 2008 between the same parties with regards to the sale of 9.1% Dogan Yayin shares to Axel Springer AG. The statement further provides that the realization of such sale and duly completion of the transfer is contingent upon approvals to be obtained in the processes pending before the Tax Administration, and Radio and Television Supreme Council for Dogan Yayin Holding. In the event that respective conditions for the closing are not fulfilled, the agreement may become invalid or become subject to reconsideration by the parties. As to the sale price of the shares, the final amount will be determined on 31 March 2016.
- According to the statement made by Viking Kagit to the Public Disclosure Platform, the capital decrease of the Company has been approved by the Capital Markets Board according to which the issued share capital of the Company will be decreased from TRY 65 million to TRY 28 million and then increased to TRY 40 million simultaneously.
- OMV Aktiengesellschaft and Dogan Holding have concluded their negotiations with respect to the sale of Dogan Holding's shares in Petrol Ofisi. The parties agreed that the current shareholdings of both companies shall be maintained.

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- The Capital Markets Board has prepared the Draft Communiqué amending the Communiqué on Principles Regarding Real Estate Investment Trusts. The Communiqué decreases the maximum ratio of issued share capital to initiate public offering from 49% to 25%, and lays down certain new principles regarding minimum initial capital amount, minimum amount of real estate assets in order to become leader shareholder and management of REIT's.
- As per the statement made by the Chief Executive Officer of Yasar Holding, the Holding has reached TRY 1.3 billion consolidated net sale earnings in the first 9-month period of 2009, and started to grow in Turkey and Europe as from the second quarter of 2009. It is anticipated that the Holding will achieve a consolidated net sale of TRY 1.7 billion as of the end of this year.

ENERGY MARKET UPDATES

- Turkiye Elektrik Ticaret ve Taahhut has announced that the nuclear power plant tender is again cancelled by the Council of State pursuant to Article 31 of the tender specifications. The Minister of Energy and Natural Resources has announced that new tenders are about to be initiated within 3 to 4 months. He also stated that they will not appeal the stay of execution decision of the Council of State regarding three articles of the Regulation on Nuclear Power Plants.
- As per the statement made by Heritage Oil PLC, an English petroleum company, the negotiations with respect to the acquisition of Genel Enerji in return for US\$ 1.52 billion are still on going. In case the acquisition is finalized, Heritage Oil PLC will become the biggest oil prospector in Northern Iraq.

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Highlights

a. Capital Markets Highlights

b. Energy Market Updates

c. Banking Sector News

d. Other News

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- Anel Group will establish a solar power plant in Northern Cyprus with the support of the European Union Fund. Anel Group has stated that Anel Telekomunikasyon has been declared to meet the technical requirements in terms of the solar power plant tender with a capacity of 1,26 MW. The power plant will be donated to the Northern Cyprus' electric administration and be the largest solar power plant of the Mediterranean basin. The constructions will be initiated in January 2010 and be completed within 400 days. It is further stressed that Anel Enerji has executed a preliminary agreement for the establishment of another solar power plant with Inci Holding.

BANKING SECTOR NEWS

- Garanti Bankasi and Isbank have provided long term project finance for MMK Atakas Metalurji for the investments in a flat steel company with a production capacity of 2.3 million tons per year. The project initiated in October 2007 is contemplated to be finalized in December 2010.
- As per the dailies, Garanti Bankasi has obtained participation loan from international markets amounting US\$ 700 million with one-year maturity to be used for financing exports.
- According to the Chief Executive Officer of Dexia Bank, they do not consider to sell Denizbank, as Denizbank will play an important role for the future development of Dexia Bank.

OTHER NEWS

- As per the statement made by the Turkish Treasury, a loan agreement amounting to Euro 170.1 million has been executed with the Council of European Development Bank in order to fund the vehicles of the Marmaray Project. It has been noted that the maturity of such loan will be 25 years and the payments will start after the fifth year of the agreement.
- Pursuant to the dailies, the Competition Authority has not granted its permission to Mey Icki to acquire Burgaz Raki on the grounds that the acquisition could restrict competition in Turkish raki market and strengthen Mey's dominant position in the market.
- The Central Union of Turkish Agricultural Credit Cooperatives has announced that they have submitted an offer for the privatization of Turkseker's sugar factories in Kastamonu, Kirsehir, Turhal, Yozgat, Corum and Carsamba. It has been further stated that the Savola Group and Nesma Holding, Saudia Arabia based companies, have withdrawn from the tender as a result of which the Union became the sole bidder.
- The Turkish Statistical Institute has announced that the number of newly established companies and cooperatives has increased by 24.4% whereas the number of companies calling dissolution rose by 39.6%, when compared to the same month of the previous 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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