



**Garanti Securities / Cerberus  
Joint Press Release**

**GARANTI SECURITIES AND CERBERUS CAPITAL MANAGEMENT, L.P. FORM JOINT INITIATIVE  
TO PURSUE INVESTMENTS IN TURKEY**

**Istanbul, Turkey and New York, New York – October 4<sup>th</sup>, 2011** – Garanti Securities, a fully-owned subsidiary of Turkey-based Garanti Bank, and Cerberus Turkey LLC, an affiliate of Cerberus Capital Management, L.P. ("Cerberus"), today announced that they have signed an agreement, which will immediately make available an initial US \$400 million to invest in Turkish businesses. Garanti Securities and Cerberus anticipate raising additional capital starting next year to reach a total of up to approximately US \$1 billion in a new, jointly managed fund. Target equity ticket size will be US \$50 million to US \$250 million; however, Garanti Securities and Cerberus will also consider investments outside this range. Garanti Securities and Cerberus will focus on investments in companies within Turkey, as well as surrounding countries where Turkey and Turkish companies have significant economic relationships.

Total private equity investment in Turkey has increased from US \$91 million in 2005 to US \$10 billion as of today and is poised for continued growth due to the increasing availability of local financing. Turkey presents unique transaction opportunities stemming from the continued divestment of non-core assets by conglomerates, the ongoing financing needs of family-owned companies to enable growth and the privatization program of the Turkish Government.

Turkey has the fastest growing economy among the Organisation for Economic Co-operation and Development (OECD) countries, with real GDP growth of 8.9% in 2010 and projected average real GDP growth of 6.7% over the next six years. Turkey's economic growth is expected to continue given favorable demographic trends, low inflation and a low interest rate environment. With a public debt to GDP ratio of 40%, low levels of household indebtedness and a healthy banking sector, the macroeconomic outlook continues to be positive. Turkish trade volume has grown at a compound annual growth rate of 15% since 2002, with an increasing international capital inflow.

During the signing ceremony, Ferit F. Sahenk, the Chairman of Garanti Bank, stated: "The business that we are establishing with Cerberus is a very important step for Turkish – American business relations."

Ergun Ozen, the CEO of Garanti Bank, sees their relationship with Cerberus as a new platform that will now enable Garanti, the largest provider of acquisition debt financing in Turkey, to facilitate a variety of equity and mezzanine investments.

Metin Ar, President and CEO of Garanti Securities, stated: "This initiative should not only be viewed as a source of financing but also as a platform, enabling companies to improve profitability and operational efficiency through Cerberus' extensive operational know-how. Cerberus' broad investment expertise will be invaluable for the Turkish private sector and we're pleased to have the opportunity to initiate this joint effort with Cerberus."

"Turkey is one of the fastest growing economies in the world," said Dan Quayle, Chairman of Cerberus Global Investments. "We believe that Turkey offers significant investment opportunities, and we look forward to investing in this region, which will promote economic growth here and around the world."

"Cerberus is pleased that Garanti Securities, the leading investment banking company in Turkey, has chosen to work exclusively with us in this region. Our respective core skill sets and experiences will create a powerful platform for investing in Turkey and the surrounding region," said Mark Neporent, Chief Operating Officer of Cerberus Capital Management. "Garanti Securities' excellent reputation, local network and unsurpassed regional knowledge will complement Cerberus' investment and operational expertise."



Cerberus has partnered with co-investors in North America, Europe and Asia. Cerberus has investments around the world in industries such as healthcare, consumer goods, real estate, financial services, technology, logistics and transportation, among others. The firm's operations group, Cerberus Operations and Advisory Company (COAC), is comprised of highly experienced senior operating executives who are made available to companies in which Cerberus invests to help improve operations and address business opportunities.

#### **About Garanti Securities**

Owned by Garanti Bank, Turkey's second largest private bank with US \$96 billion in assets, Garanti Securities is one of Turkey's leading financial institutions for investment banking advisory and equity brokerage services. Garanti Securities is also known for offering one of the premier corporate finance advisory services in Turkey, having executed equity offerings and merger and acquisition transactions with a total transaction size of US \$22 billion as of today. Garanti Securities was named "Best Investment Bank in Turkey" by Global Finance for five consecutive years between 2007 and 2011.

#### **About Cerberus Capital Management, L.P.**

Established in 1992, Cerberus Capital Management, L.P., together with its affiliates, is one of the world's leading private investment firms, with approximately US \$23 billion under management. Through its team of investment and operations professionals, Cerberus specializes in providing both financial resources and operational expertise to help companies achieve full market value and to support long-term success and value creation. Cerberus is headquartered in New York City with affiliate and/or advisory offices in the US, Europe and Asia.

#### **Media Contacts:**

##### **For Garanti Securities:**

Ceylan Keremoglu: +90 (212) 384 1052  
Selale Zaim: +90 (212) 384 1055  
Pelin Anli: +90 (212) 384 1056

##### **For Cerberus Capital Management, L.P.:**

Peter Duda: +1 (212) 445-8213  
John Dillard: +1 (212) 445-8052  
Cerberus Media Line: +1 (212) 891-1558  
Cemil Basa: +90 (216) 348 4444 / 45 (For inquiries from Turkey)



**OVERVIEW** Established in 1992, Cerberus Capital Management, L.P., together with its affiliates, is one of the world's leading private investment firms, with approximately \$23 billion under management. Through its team of investment and operations professionals, Cerberus specializes in providing both financial resources and operational expertise to help companies achieve full market value and to support long-term success and value creation.

**GLOBAL PRESENCE** Cerberus is headquartered in New York City, with affiliate and/or advisory offices in the United States, Europe and Asia.

**PORTFOLIO** Cerberus holds controlling or significant minority interests in companies around the world. Our investors include state and local pension funds, charitable foundations, university endowments, insurance companies, and family savings.

**INVESTMENT PHILOSOPHY** At Cerberus, we have a long-term investment horizon and focus on value creation. We partner with our portfolio companies to help them become industry leaders. We believe competition makes the global economy more productive and more efficient, which enables companies to succeed long-term in the globally competitive marketplace.

We encourage our companies to focus on the future through prudent capital investment, R&D, new product marketing, talent development, improved operations and appropriate strategic acquisitions.

We work patiently and constructively with management teams and we have a deep respect for operational excellence. We succeed when our companies succeed, to the benefit of our investors and our companies' employees, customers, suppliers and the communities in which they operate.

We hold ourselves and all of our portfolio companies and management teams to the highest ethical standards and business practices. Cerberus believes that strong corporate governance is the cornerstone of our business.

**INDUSTRY EXPERTISE**

- Apparel
- Building Products
- Commercial Services
- Consumer & Retail
- Energy & Natural Resource
- Financial Services
- Government Services
- Healthcare
- Industrial & Automotive
- Manufacturing & Distribution
- Paper, Packaging & Printing
- Real Estate
- Technology & Telecommunications
- Transportation
- Travel & Leisure