

# TABOGLU & DEMIRHAN

## Newsletter

### ENERGY SECTOR NEWS

- As per the dailies, Atac Insaat , a construction and energy company in Turkey and Enerjisa, a group company of Sabanci Holding have executed an agreement arising out of the project for the construction and operation of the hydroelectric powerplants on the Seyhan River in Adana Aladag. Accordingly, the total cost of the project is TL 105 million and the project is set to be completed in March 2014. It has been further stated that Atac Insaat will share its portion of the profits on 50-50 basis with an Austrian company G. Hinteregger & Sohne Baugesellschaft M.B.H.
- As per the dailies, the Turkish Republic of Northern Cyprus signed an Oil Field Services and Production Sharing Agreement with the Turkish Petroleum Corporation. According to the announcement made by the Turkish Minister of the Energy and Natural Resources, the agreement has noted that shares of income and production-sharing are all based on laws set by international laws and models.
- As per the dailies, Akenerji will perform its first export of electricity to Greece. Accordingly, 5 MWh of electricity will be exported to Greece during November through exercising all its capacity rights authorized by the electricity procurement agreement with CEZ, a subsidiary of Akenerji-Greece. Akenerji will transfer a total of 3.6 million kwh electrical energy to Greece within a month, which is sufficient to meet the energy needs of 2,500 families for the same period.
- Pursuant to the statement made by Aksa Enerji to the Public Disclosure Platform, Aksa Elektrik, one of the subsidiaries of Aksa Enerji continues to distribute electrical power in the amount of 5 billion kWh annually to its 1.8 million customers with Coruh Elektrik Dagitim Sirketi and Firat Elektrik Dagitim Sirketi. Furthermore, the date of 31 October 2011 was marked as the expiration to apply for additional time in the Bogazici Elektrik tender and Aksa Elektrik decided not to submit the additional bid bond for extension of duration.

### CAPITAL MARKET UPDATES

- Pursuant to the statement made by Albaraka Turk to the Public Disclosure Platform, the Bank has established an asset leasing company in accordance with the Communiqué on the Principles regarding Lease Certificates and Asset Leasing Companies published in the Official Gazette dated 1 April 2010 and other relevant legislation upon the affirmative opinion of the Banking Regulation and Supervision Agency and pre-approval of the Capital Markets Board on 6 October 2011. The Company has established by name of “Bereket Varlik Kiralama” with an initial capital in the amount of TL 50 thousand.
- Pursuant to the statement made by Sabanci Holding, the 9-month consolidated sales of the Holding as of 30 September 2011 compared to the same period last year increased by 18% and reached to TL 16 billion TL 440 million. The Holding's net profit increased by 30% compared to the same period last year and reached to TL 1 billion 538 million.
- As per the dailies, Med Menkul Degerler the administration and supervision of which was acquired by the Savings Deposit Insurance Fund was sold to an Azeri Company headed by Sahib Hamzayev in return for TL 3 million. As per the written statement on the issue, Azeri Company and Smart Live Financial Services which were the highest bidders, have been invited to the last stage of the tender and Azeri Company has become the winning bidder.
- As per the dailies, the initial public offering price for Adese has been announced as TL 7.75 per share, the bottom edge of the price interval of TL 7.75-9.75 was set during book building on 25-27 October. Shares with a total nominal value of TL 8.82 million nominal shares were offered to the public, approximately 6.97 million of the total shares were sold to domestic individual investors, 978,054 of the total shares were sold to domestic institutional investors and 867,000 of the total shares were sold to foreign institutional investors.

#### Highlights

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

### **BANKING SECTOR HIGHLIGHTS**

- As per the dailies, Is Bankasi finalized the securitization transaction with an amount of US\$ 75 million and Euro 160 million as of 31 October 2011. Pursuant to the statement made by the Bank to the Public Disclosure Platform, the tranches of the securitization deal amounting to US\$ 75 million and Euro 100 million have a final maturity of 5 years and the tranche amounting to Euro 60 million has a final maturity of 7 years. Wells Fargo Securities, LLC, Standard Chartered Bank, WestLB AG London Branch and SMBC Nikko Securities America are the joint lead arrangers of the securitization deal.
- Pursuant to the statement made by Halkbank to the Public Disclosure Platform, the Bank has signed a loan agreement with the Council of Europe Development Bank for allocation of financing the investments of small and medium sized enterprises in amount of Euro 100 million. The maturity period of the loan is 8 years, 3 years of which will be without the principal payment granted under the guarantee of the Undersecretariat of Treasury.
- As per the dailies, Akbank signed the Durban Declaration that calls for increasing international cooperation to combat more effectively against climate change. Durban declaration has been signed by the government representatives from 29 countries over 200 companies from various industries. It has been stated that Akbank is the only Turkish bank as a member of Turkey Climate Leaders Group contributing to the development of the Declaration and signing the Declaration.
- As per the dailies, Turkiye Finans has obtained US\$ 75 million murabaha facility from Bank Islam Brunei Darussalam with a maturity of 5 years and received total amount of US\$ 800 million loan from abroad in the year of 2011 by this new murabaha facility..

### **PRIVATIZATION HIGHLIGHTS**

- As per the announcement made by the Turkish Minister of Energy and Natural Resources, coal basins for the purpose of increasing the share of lignite in electricity generation will be open to the private sector. In the first stage, companies may enter into the tender for the 7 thousand MW thermal powerplant with potential coal fields.

### **OTHER NEWS**

- As per the dailies, Turkcell Global Bilgi is awarded as “The Best Call Center in the World” of “2011 Top Ranking Performers” awards by “ContactCenterWorld.com” which is one of the most prestigious organizations in the call center sector. Moreover, Turkcell Global Bilgi has become the world leader on the category of “The Best Performance Improvement Programme.”
- With the Decree published in the Official Gazette dated 2 November 2011, the duties of the Chairman and Board Members of Istanbul Stock Exchange (ISE) will expire on 31 December 2011. Accordingly, the number of board members of ISE has been increased from 5 to 7, the tenure of the Chairman is determined as 4 years, the tenure of Board Members is determined as 3 years.
- As per the dailies, the Competition Authority and the Information and Communication Technologies Authority executed the cooperation protocol for the purpose of establishing, developing and protecting the competition in the electronic communications sector.
- As per the statement made by Dogan Yayin Holding to the Public Disclosure Platform, the sale of Isil Televizyon Yayincilik (Star TV) to the Dogus Holding has been completed. Accordingly, US\$ 151 million of total sale price which is US\$ 327 million has been paid in cash.

*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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