

TABOGLU & DEMIRHAN

Newsletter

ENERGY SECTOR NEWS

- Pursuant to the dailies, Fiba Group has announced that they are planning to make an investment of Euro 1.5 billion in wind backed energy sector. The Chairman of the Board of the Directors of Fiba Group has stated that they are aiming to meet approximately 3% of Turkey's energy demand which is equivalent to 500-1000 MW. He has further stated that they are planning to commence energy production in year 2011.
- Alarko Carrier announced that the Company has been considering investing in alternative energy generation projects. The Chairman of the Board of Directors of Alarko Holding has declared that they are aiming to play an active role in developing the use of solar energy in industries as an alternative to petroleum in Turkey. He has also declared that they wish to explore alternatives to petroleum and are interested in both electricity generating panels and new technologies being developed in the United States.
- Sanko Holding, one of the leading companies in the textile sector, is progressing with investments in the energy sector. Sanko has signed a purchase and implementation contract with Alstom to supply machinery and turbines for the construction of Yedigoze Sani Bey Dam and Hydroelectric Power Plant, in consideration of US\$ 600 million. The Chairman of the Board of Directors of Sanko Holding has stated that the power plant will generate 1,000 GWh of electricity following the completion of the construction within five years.
- Nabucco Gaspipeline International, the consortium company for the construction of Nabucco gaspipeline to transfer natural gas from Caspian Sea to Europe, has announced that the costs of the project has increased by 58% and reached Euro 7.9 billion due to increase in steel prices.

CAPITAL MARKETS HIGHLIGHTS

- As per the dailies, Is Girisim Sermayesi Yatirim Ortakligi A.S. has announced that it will kick off the meetings regarding the sale of its entire shareholding in Step Halicilik ve Magazacilik Sanayi ve Ticaret A.S. to the private equity fund, Swicorp, for the amount of US\$ 6.75 million. According to the statement made by Is Girisim to the Istanbul Stock Exchange, the relevant decision was adopted at the meeting of the Board of Directors on 30 May 2008. It has further been stated that sale purchase agreement and a letter of undertaking have been signed in this regard between the parties, however approval by the Competition Authority to the transaction and fulfillment of other conditions precedent are being awaited.
- Pursuant to the dailies, Petrol Ofisi stakes has had its highest rate of increase for the last 15 months with the impact of the speculation indicating that Dogan Holding would be selling its shares in the Company. The price per share of Petrol Ofisi has increased by 12% and reached to TRY 6.40 last week.
- Yapi Kredi Koray Gayrimenkul Yatirim Ortakligi has decided to negotiate with potential buyers for possible sale of its shares in GYK Real Estate Investment S.A., joint venture of Dogus-GE Gayrimenkul Yatirim Ortakligi and Yapi Kredi Koray Gayrimenkul Yatirim Ortakligi.
- According to the statement sent by Dogan Holding to the Istanbul Stock Exchange, the Company decided to purchase Ukranian based Tov D-Yapi Real Estate Investment and Construction, which is engaged in real estate development business. The shares representing total share capital of the company of UAH 51,500 shall be transferred to Dogan Holding at nominal value.

Highlights

- a. Energy Sector News
- b. Capital Markets Highlights
- c. Other News

OTHER NEWS

- Pursuant to the dailies, the Chief Executive Officer of Koc Holding has announced that the shares of Tupras have been pledged to banks as security of the loan granted by Halkbank for the sale of Tupras.
- According to the dailies, Marshall has started feasibility studies to realize its manufacturing plans with its distributor, Turkuaz, in Kazakhstan. Marshall is currently the biggest manufacturer of Akzo Nobel in the Northern and Eastern Europe. The officials of the Company have declared that although Kazakhstan does not have a high population, it has high national revenue due to its petroleum revenues and they are targeting to be the leader of the manufactured goods in Kazakhstan.
- The Chief Executive Officer of Lottomatica of Italy has declared that they might be involved in the tender privatization of the National Lottery and Spor Toto in the near future.
- The Government is to hold a tender for Zafer International Airport, which will assemble three regional airports, in September through build operate transfer model. Zafer International Airport is to mainly serve Afyon, Usak, Eskisehir and Kutahya provinces and will be built in Altintas, 40 kilometers away from Kutahya. The project is expected to worth TRY 80 milion and 3 million kilometers of land has been allocated for that purpose. It is expected that the construction of the Airport will be completed by 2009 and start operating by 2010.
- Sekerbank was granted a loan in the amount of US\$ 10 million from Wachovia Bank N.A. As per the announcement sent by the bank to the Istanbul Stock Exchange, the loan will be used to lend small and medium sized enterprises and micro enterprises.
- The Tobacco, Tobacco Products and Alcoholic Beverages Market Regulatory Authority has set forth the principles regarding the importation of tobacco products and alcoholic beverages. According to the Standardization Communiqué on the Foreign Trade of Tobacco, Tobacco Products and Alcoholic Beverages published in the Official Gazette on 3 June 2008, a “certificate of conformity” will be required which will be prepared by the Regulatory Authority. For many products, notification to Regulatory Authority will be obligatory. Malted beers, vermouth and other young grape wines and fermented drinks, liqueurs and other alcoholic drinks are within the context of the products which are subject to the notification.
- The Turkish Industry and Development Bank (TSKB) has been awarded with the Sustainable Emerging Markets Bank of the Year Award from the Financial Times Sustainable Banking Awards in developing countries categories. The Bank has announced that they are the first and only Turkish bank to have an ISO14001 banking certification for its environmental management systems.
- The General Director of the Turkish Hard Coal Enterprises has announced that they have performed TRY 54 million in profits from the sale of coal extracted from mines leased to private enterprises as well as leasing contracts with these enterprises since year 2004.
- The Chairman of Housing Development Administration of Turkey has announced that the tender for the sale of Tekel’s preceding liquor factory in Mecidiyekoy will be held for the third time in the coming days.

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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