

# TABOGLU & DEMIRHAN

## Newsletter

### **CAPITAL MARKETS UPDATES**

- As per the announcement of Dogan Holding on the Public Disclosure Platform, the share purchase agreement has been executed on 28 September 2010 among Dogan Holding, TBIH Financial Services and Vienna Insurance Group. Accordingly, it has been agreed that the put option right, which was contemplated to be exercised in 2011 has been exercised prior to such date and that the interest owned by Dogan Holding in Ray Sigorta's share capital equal to 10% + 1 shares will be sold to Vienna Insurance Group AG and TBIH Financial Services in return for US\$ 20,070.149. The purchase price shall be paid in cash which will be increased by 12 month LIBOR accruing as of the execution date of this Agreement until the closing.
- Pursuant to the announcement made by Frigo-Pak on the Public Disclosure Platform, Pride Foods, the major shareholder of Frigo-Pak, has sold approximately 4 million shares to each Ali Haydar Guclu and Doysan Uretim.
- Investcorp Banks BSC, a Bahrain based asset management firm, will invest US\$ 50 million in Tiryaki Agro, a company active in agricultural products. Such funds are contemplated to be used for the economic growth of Tiryaki Agro.
- General Electric is planning to purchase certain amount of shares of Arcelik in Artesis Teknoloji Sistemleri which is known as a successful research and development subsidiary of Arcelik.

### **PRIVATIZATION NEWS**

- Limak Yatırım has submitted the highest bid of US\$ 372 million for the privatization of Iskenderun Port. The privatization method is determined as the transfer of operation rights for 36-year period.

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- Pursuant to the dailies, TAV Airports has won the tender regarding the operation of duty free, food and other trading areas of SJSC Riga International Airport. TAV has also executed an MoU for the construction and operation of the new terminal building in Riga International Airport.
- Pursuant to the announcement of Turkiye Halk Bankasi on the Public Disclosure Platform, 10 subsidiaries of the Bank which are deemed as "the companies on sale" are planned to be privatized.
- According to the dailies, Akxa Elektrik has won the tender of the privatization of Coruh EDAS with the highest bid of US\$ 227 million, and has taken over the operation rights.

### **ENERGY MARKETS NEWS**

- State Oil Company of Azerbaijan, SOCAR, is planning to make an investment in the amount of US\$ 10 billion in Petkim. By way of this investment, SOCAR plans to acquire raw materials from Petkim and construct oil production plants in Aliaga.
- Akfen Hidroelektrik, a subsidiary of Akfen Holding, and Kardemir have signed a share purchase agreement regarding the sale by Akfen of the shares of Enbati Elektrik in return for Euro 10 million to Kardemir. Enbati Elektrik will construct and operate a hydroelectric power plant in Pirinclik.
- Pursuant to the announcement made by Anel Enerji, Anel Enerji and Toyota Tsusho Corporation have signed a non-binding cooperation protocol for the joint construction of a solar energy plant. Anel and Toyota have obtained the required license with regard thereto.

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#### *Highlights*

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

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- As per the announcement made by the Energy Market Regulatory Authority, licensing in wind energy has commenced and so far 16 projects with a total capacity of 917 MW have been approved. It has been further stated that the approved projects correspond to an investment size of TL 2.5 billion.
- Pursuant to the information provided by Calik Holding, Adacami Enerji, a subsidiary of Calik Holding, has signed a loan agreement regarding renewable energy in the amount of Euro 34 million with Turkiye Kalkinma Bankasi. The loan will be used for the construction of Adacami Hydroelectric Power Plant which will provide electricity to approximately 53 thousand people in Rize region.

#### **BANKING SECTOR NEWS**

- Pursuant to the announcement of Bank Pozitif, registration with the Capital Markets Board and the pre-approval of the Istanbul Stock Exchange have been completed regarding the securities with fixed interest to be issued with the nominal value of TL 100 million.
- As per the announcement made by Is Yatirim Menkul Degerler to the Public Disclosure Platform, Turkiye Is Bankasi is planning to sell its 35.53% stake in Anadolu Sigorta with TL 1.40 price per share to Milli Reasurans in wholesale market.
- As per the dailies, Turkiye Kalkinma Bankasi, Denizbank and Garanti Bankasi have signed a loan agreement for the amount of US\$ 100 million to be allocated to medium and long term financing of small and medium sized enterprises.

#### **OTHER NEWS**

- Pursuant to the dailies, Yesil Insaat, Metal Yapi Konut, Nasa Insaat, Ozum Petrol, Tascilar Madencilik and K Yapi joint venture has won the tender of Maslak Emlak Konut Gayrimenkul with the highest bid amounting to TL 1 billion 203 million.
- Is Yatirim will be the consortium leader, for the public offering of 25.16% shares of Torunlar Gayrimenkul.
- As per the announcement made by Reysas Tasimacilik on the Public Disclosure Platform, Reysas Tasimacilik has purchased 5.6 million Reysas Gayrimenkul shares from Metro Sigorta in return for its receivables.
- According to the Competition Board decision dated 28 September 2010, the Citroen dealers have been sentenced to fine amounting to TL 1.6 million due to price fixing. The Board has also rendered a decision dated 30 September 2010 and authorized the transfer of 100% shares in Fortis Emeklilik and Hayat to BNP Paribas Assurance. Finally, the Board has provided its clearance on the transfer of shares amounting to 40% of the share capital in TBIH Financial Services by Kardan Financial Services to Vienna Insurance Group A.G.
- As per the dailies, CRH, a German Automotive company, will establish its ninth factory in Kocaeli, Cayirova. It's stated that the establishment of the factory will cost Euro 42 million and it will provide job opportunities to approximately 350 people.

*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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