

TABOGLU & DEMIRHAN

Newsletter

PRIVATIZATION HIGHLIGHTS

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- As per the announcement made by the Privatization Administration, as a result of the tender and auction processes, Ak-Can Seker has submitted the highest bid amounting to US\$ 656 million for the Portfolio C of Turkiye Seker Fabrikalari consisting of sugar production facilities located in Kastamonu, Kirsehir, Turhal, Yozgat, Corum and Carsamba. Pursuant to the statement, Ak-Can Seker shall pay 20% of the total bid amount in cash, and the remaining amount shall be paid within 60 months. Furthermore, Kolin – Limak Consortium has become the winning bidder for the tender regarding the Portfolio B of Turkiye Seker Fabrikalari consisting of sugar production facilities located in Elazig, Malatya, Erzincan and Elbistan.
- According to the announcement made by Akfen Holding to the Public Disclosure Platform, the Holding has entered into a consortium agreement with Autostrade Per l'Italia Spa, Dogus Holding and Makyol Insaat in order to attend the tender for the privatization of highways and bridges as a consortium. Accordingly, all parties have equal shares in the consortium.

BANKING SECTOR NEWS

- As per the dailies, Garanti Bankasi has renewed its syndication loan amounting to US\$ 1 billion obtained last year for the financing of foreign trade. Despite the extraordinary conditions in the global market, the syndication loan has been renewed with lower basis point. Furthermore, as a result of the Bank's organization, 30 banks from 16 countries have joined in the syndication. The loan shall be used in two tranches amounting to US\$ 233 million 587 thousand 500 and Euro 576 million 250 thousand. Accordingly, the loan has 1 year maturity and the total renewal cost is LIBOR and EURIBOR 100 bps.

- Pursuant to the announcement of the Turkish Participation Bank Association, the total net profit of the participation banks as of 30 September has increased by 7% when compared to the same period of the last year, and reached to TL 596 million. Furthermore, the total amount of the funds collected by the participation banks has increased by 12% and reached to TL 38 billion, 61% of which consists of TL funds whilst the remaining 39% consists of foreign exchange funds. The total amount of the funds granted by the participation banks to the customers has raised by 21% and reached to TL 39.3 billion, and the total amount of active assets has reached to TL 53.6 billion with an increase of 24%. Additionally, the total amount of the participation bank's equity capital has reached to TL 6 billion.
- As per the dailies, Yapi Kredi Bankasi has been awarded with the Bank of the Year 2011 in Turkey by the Banker magazine, a magazine member of the Financial Times group focused on the finance sector.
- As per the dailies, Active Academy has organized the 9th International Finance Summit and the winners of the prizes for the banking sector have been determined through the evaluations conducted by the jury. Accordingly, Is Bankasi has been awarded with the "Input to Economy" price as a result of the evaluations on the balance sheets of the banks. Furthermore, Yapi Kredi Bankasi and Halk Bankasi have been awarded with the "Input to Foreign Trade" price, whilst Garanti Bankasi has been awarded with "Retail Customer Satisfaction" price as a result of the survey conducted on the makalem.com web site. Accordingly, during the survey, 32% of the customers have voted for Garanti Bankasi.

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Highlights

a. Privatization
Highlights

b. Banking Sector News

c. Capital Markets
Updates

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- Pursuant to the announcement made by Eczacibasi Yatirim Holding to the Public Disclosure Platform, the evaluation process of the application made by the Holding to the Banking Regulation and Supervision Agency for incorporation of an investment bank by the Holding on 31 December 2009, is still ongoing. Accordingly, after the receipt of the application by the Agency, the Holding has started the collection process of the requested information and documents. The Holding has recently completed the collection of all necessary information and documents and, now, the evaluation process of the application by the Agency has started.

CAPITAL MARKETS UPDATES

- As per the dailies, Genra Lojistik has decided to offer 44% of its share capital to public. Accordingly, the share capital of the Company shall be increased from TL 5.5 million to TL 8.5 million and together with the new shares to be issued as a result of capital increase, existing shares representing TL 750 thousand of the share capital shall be offered to public. It is expected that a total revenue of TL 8.7 million will be generated from the public offering and such revenue shall be used for the financing of warehouse and equipment investments.
- As per the announcement made by Finansbank to the Public Disclosure Platform, the offering circular of the bonds with 177 days maturity to be issued by the Bank has been registered with the Capital Markets Board. Accordingly, the price of the bonds each with a nominal value of TL 100 has been determined as TL 95.178.

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- According to the announcement made by Ceyal Yatirim Holding to the Public Disclosure Platform, the Holding's board of directors has decided to acquire shares of Mintay Dis Ticaret, a company active in textile production, representing 34.64% of its share capital with a total nominal value of TL 13 million 857 thousand 600. The Holding had previously acquired Mintay Dis Ticaret's shares with a total nominal value of TL 26 million 92 thousand 400. As a result of the recent acquisition, the shareholding ratio of the Holding in Mintay Dis Ticaret will be 99.87%.

- Pursuant to the announcement made by Koza Anadolu to the Public Disclosure Platform, the board of directors of the Company has decided to increase the issued share capital of the Company from TL 194 million 40 thousand to TL 388 million 80 thousand. The Company will apply to the Capital Markets Board to obtain its approval for the capital increase.

- As per the dailies, the Capital Markets Board has started a process with respect to the public companies which are not listed with the Istanbul Stock Exchange (ISE) in order to have such companies listed with the ISE. As a result of the studies made on the financial statuses and shareholding structures of such companies, it is expected that 55 companies to start being listed with the ISE soon upon the completion of the necessary procedures.

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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