

TABOGLU & DEMIRHAN

Newsletter

ENERGY MARKETS NEWS

- As per the statement released in the Public Disclosure Platform, Kardemir Karabuk Demir Celik has signed an agreement with an amount of US\$ 29.7 million with China Shanghai (Group) Corporation for Foreign Economic & Technological Cooperation on the construction of a gas-fired power plant with a capacity of 50 MW. Further, the construction of the power plant, which is within the scope of the Company's investment program, is expected to be completed in 26 months. The new plant will transform the gas into energy, so the Company will be able to produce all electricity energy consumed by itself.
- The General Manager of Akenerji has stated that through their partnership with the CEZ Group, the Company plans to reach a total capacity of 3,000 MW with an investment of US\$ 3 billion to be made within the next five years and increase their market share in electricity generation to 7-8%. He has added that they have a big potential for selling energy that is far above their current electricity generation capacity and target thus become the largest and most efficient energy trade platform in the future. Akenerji previously executed an agreement with Polat Enerji to purchase the full production capacity of Polat Enerji's wind turbines having an electricity generation capacity of 100 MW.

PRIVATIZATION HIGHLIGHTS

- The Privatization Administration has put out to tender certain immovable properties of Sumer Holding, the State Supply Office and the Treasury. Such tenders will be realized through closed envelop and bargaining methods. The bidding deadline is determined as 25 June 2010.

CAPITAL MARKETS NEWS

- It has been reported that 35.48% of Cemtas Dokum, one of the subsidiaries of Isiklar Yatirim Holding, will be offered to public on 11 June 2010 under the leadership of Turkish Investment. The Company located in Kirsehir has a production capacity of 25 thousand tons in white goods, automotive, machinery and mining sectors and exports to 20 different countries.
- According to the statement made by Dogan Gazetecilik to the Public Disclosure Platform, Radikal Newspaper, which is published by the Company, is going to be sold to Hurriyet Gazetecilik ve Matbaacilik with its trade names and domain name rights so as to implement more effective business models containing news on economy and politics. The sale will be realized in return for TRY 5 million 95 thousand excluding VAT in line with the appraisal report thereon and purchase price will be paid until 30 June 2010 in cash.
- As per the statement made by Celebi Hava Servisi to the Public Disclosure Platform, Celebi Ground Handling Delhi Private Limited, 74% stake of which belongs to Celebi Hava Servisi, has started to provide ground handling services in Indra Gandhi International Airport located in New Delhi, India as of 2 June 2010. The Company has won the tender for the licence granting the right to provide ground handling services of the Airport for 10 years.
- Nortel Networks Netas Telekomunikasyon has signed a supply agreement amounting to approximately US\$ 2 million with Bangladesh Telecommunications Company Limited for supply, installation and erection of optic transmission lines.

Highlights

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

BANKING SECTOR NEWS

- Pursuant to the dailies, T-Bank and Ata Yatirim have signed an agreement for the provision of brokerage services. Accordingly, Ata Yatirim will provide capital markets brokerage services at T-Bank branches. The General Manager of T-Bank has stressed that this agreement may be a reasonable way for some banks that desire to offer such service through independent firms without establishing their own investment companies. He has added that they are planning to start providing services to their customers with private investment advisors in 15 offices before the end of this year. The Bank has currently 27 branches and plans to increase this number to 45 in the future.

OTHER NEWS

- It has been reported that NBK Capital, a Kuwaiti private equity, and Dunya Goz Hospitals Group have executed a share purchase agreement for the acquisition of 30% stake of the Group by NBK in return for an undisclosed purchase price. It is planned that new investments will be made in Turkey and abroad and create additional employment for around 500 people through this partnership. The Chairman of the Group has emphasized that they received partnership offers from 11 potential investors, who are mainly based in Europe, whereas the offer of NBK was the winning one.

- It has been reported that Esas Holding's subsidiary Birlesik Saglik Kurumlari being active in health sector has opened its 7th hospital named Lara Hospital in Antalya. The General Director of the Hospital has remarked that the Hospital started to accept patients 15 days ago and has currently a bed capacity of 35 which will be increased to 130 upon the opening of the additional building having a total area of 10,500 m². The Hospital currently provides services in specialties of infantile diseases, internal diseases, general surgery, chest diseases, eye diseases, gynecology, ear, nose and throat diseases, orthopaedics and traumatology. He has further stated that they are aiming to provide health services with a network consisting of more than 10 hospitals within one year.

- As per the dailies, the creditors of BTA Bank from Kazakhstan have accepted Bank's restructuring plan of debts amounting to US\$ 16.7 billion. Under such plan, which includes the sale of the subsidiaries, the share sales of Temirbank, BTA Ipoteka and Sekerbank 34% of which belongs to the Bank, are still under evaluation. The Chairman of the Bank's Board of Directors has stated that the Bank is ready to sell its assets abroad however, with respect to certain assets, no decision has been given yet.

- According to the statement made by the Savings Deposit Insurance Fund, the Fund gained TRY 25 million from the sale of immovable properties located in Ankara, Aydin, Bursa, Kocaeli, Kayseri, Istanbul, Tekirdag, Adana, Edirne, Izmir, Ordu, Manisa and Sinop.

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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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