

# TABOGLU & DEMIRHAN

## Newsletter

### **CAPITAL MARKETS UPDATES**

- According to the statement made by Anel Elektrik Proje Taahhut to the Public Disclosure Platform, the Company has signed an agreement to purchase 100% shares of DAG-08 OOD Limited, an entity incorporated under the laws of Bulgaria.
- As per the announcement made by Klimasan Klima to the Public Disclosure Platform, Metafrío Solutions SA, a Brazilian company, has acquired 29% stake of the Company held by Senocaklar Holding which holds approximately 61% stake of the Company. Accordingly, Metafrío Solutions SA has acquired shares through four subsidiaries, i.e. Rome Investment Management Ltd., Life Cycle Assistencia Tecnica Ltd., Metafrío Solutions Inc. and Metal Solutions A.S.
- As per the announcement made by Dogan Yayin Holding to the Public Disclosure Platform, the Holding has increased its paid-in capital from TL 1 billion to TL 2 billion and the Capital Markets Board has registered the new shares with a nominal value of TL 1 billion.
- Pursuant to the statement of the Chairman of the Capital Markets Board, the shares of non-public companies with a quite number of shareholders will have the opportunity to trade at the Option Platform of the Istanbul Stock Exchange within 2 weeks. It has been further stated that such option will create transparency in terms of value of such companies.
- The Capital Markets Board has published the Activity Report for the year 2010. As per the report, there exists 556 companies registered with the Board, 144 intermediary institutions, 555 investment funds, 31 investment companies, 21 real estate investment trusts, 2 venture capital investment funds, 92 independent audit firms and 9 credit rating agencies in the capital markets. The market value of the companies which are traded at the Stock Exchange has reached to TL 473 billion last year.

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- As per the dailies, the Turkish Export Union has executed a cooperation protocol with the Capital Markets Board. It has been stated by the Board that the protocol has been executed to support the exporters for their financial needs during growth and investing.

### **PRIVATIZATIONS NEWS**

- As per the dailies, the Ministry of Finance has instructed the Privatization Administration to re-initiate the privatization process of Baskent Dogalgaz, the second largest natural gas distribution company in Turkey. It has been further stated that the revision process of the sale as well as the revision of the valuation in line with the recent balance sheet of the Company have been initiated.
- Pursuant to the dailies, the Board of Directors of Limak Holding has stated that the Holding is interested in the privatization of the Pire and Thessaloniki Ports in Greece. It has been further stated that the Holding will decide to make investment for such project within 20 days in case it is deemed appropriate.
- As per the written statement made by Yildizlar SSS Holding, which has submitted the highest bid in the amount of approximately US\$ 4 billion for the privatizations of Gediz Elektrik Dagitim and Toroslar Elektrik Dagitim, has asked for an extension to find financing.

- As per the dailies, the Ministry of Energy and Natural Resources has announced that Park Holding, which has submitted the highest bid in the privatization tender of Akdeniz Elektrik, has decided to withdraw from the tender because of financial difficulties.

### **BANKING SECTOR NEWS**

- According to the written statement of the Participation Banks Association of Turkey, the total net profit of the participation banks have reached to TL 169 million and the number of the branches has reached to 633.

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#### *Highlights*

*a. Capital Markets Updates*

*b. Privatization News*

*c. Banking Sector News*

*d. Energy Markets Highlights*

*e. Other News*

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- As per the statement made by Albaraka, net profit of Albaraka Banking Group, the parent company of Albaraka, during the first quarter of 2011 has increased by 11% comparing to the first quarter of the last year and reached to US\$ 53.5 million.

#### **ENERGY MARKETS HIGHLIGHTS**

- As per the dailies, Calik Enerji, a subsidiary of Calik Holding, will construct a power plant in El Kayyara, Iraq. The construction of the power plant, with an installed capacity of 750 MW, is expected to be completed within two years. The Company has also started the construction of another power plant in El Khariat, Iraq last week. It has been stated that a significant amount of Iraq's electricity demand will be met by the Company. Two plants will provide job opportunities for approximately 2 thousand people.

#### **OTHER NEWS**

- As per the dailies, Doruk Group, Turkey's leading private wheat producer which ended last year with a total of TL 700 million in turnover, targets to expand abroad and reach a turnover in the amount of US\$ 1 billion this year. According to the Chairman of Doruk Group, which embodies 12 subsidiaries such as Komsufirin, Uno, and Dosu Maya, the Company aims to reach US\$ 5 billion in annual turnover by 2020.
- Pursuant to the dailies, Dalaman Akkopru Dam, Turkey's sixth biggest dam, has been launched on 27 May 2011. The dam is expected to generate approximately 343 million KW of hydropower and irrigate approximately 142 thousand decares of farming land per year. Approximately TL 1.4 billion has been spent for the construction of the dam.

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- As per the dailies, Eczacibasi-Monrol has agreed to purchase Mol-Image, a company executing research, development, innovation and production transactions. It has been stated that Eczacibasi aims to continue to grow in nuclear medicine sector by realizing similar acquisitions.

- As per the dailies, Oyak Renault has become last year's export champion with US\$ 3 billion 236 million export value. Tupras and Ford Otosan followed Oyak Renault with US\$ 2 billion 875 million and US\$ 2 billion 643 million, respectively.

- Pursuant to the dailies, the Ministry of Transport has put the construction of the incomplete metro lines out to tender. The tenders for the Kizilay-Cayyolu metro line, Batikent-Sincan metro line and Tandogan-Kecioren metro line will be realized on 22 June, 23 June and 24 June, respectively.

- As per the dailies, TUBITAK has initiated a support programme for the projects which will be conducted by the universities and public research institutions in line with the necessities of the small and medium sized enterprises (SME), with an upper limit in the amount of TL 300 thousand. As part of "TUBITAK 2015 Programme to Support Technology Transfer for the Benefit of SME's", 75% of the project expenses will be donated by TUBITAK. Applications for the programme, which will become effective as of 1 June 2011, will be accepted as of 1 August 2011.

- Pursuant to the dailies, SBI Holding, a company based in Japan, and Invest AD, a financial services company based in Abu Dhabi, have incorporated a joint private equity fund with an amount of US\$ 100 million. The fund will focus on acquiring companies in Turkey.

*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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