

# TABOGLU & DEMIRHAN

## Newsletter

### **BANKING SECTOR UPDATES**

- As per the statement made by Halkbank to the Istanbul Stock Exchange, the Bank has acquired a land located in Atasehir, Istanbul in return for TRY 223,467,518.70 with the purpose of constructing a new head office building.
- The Banking Regulation and Supervision Agency has issued a draft amendment regulation regarding bank cards and credit cards. As per the draft regulation, enterprises could only use one point of sale device to connect to all banks. Accordingly, a cut down in costs of using multiple point-of-sale credit card readers shall be decreased.

### **CAPITAL MARKETS HIGHLIGHTS**

- Koc Holding has announced that the sale of 43.4% shares of Koc Allianz Sigorta and 49.0% shares of Koc Allianz Hayat Emeklilik from Koc Holding to Allianz Group in return for total amount of Euro 353.4 million has been completed upon receiving necessary approvals and fulfillment of certain conditions precedent.
- As per the statement made by Turk Tuborg Bira ve Malt Sanayi to the Istanbul Stock Exchange, Carlsberg Breweries has executed a sale and purchase agreement in order to sell its 95.6% shares in Turk Tuborg to Israel Beer Breweries Limited, one of CBC Group companies, in return for US\$ 80 million. As per the agreement, Carlsberg will continue to produce Carlsberg products in Turkey through license rights. The sale of the shares will be completed once the approvals of the Competition Authority and the Tobacco, Tobacco Products and Alcoholic Beverages Market Regulatory Authority are obtained.
- The Istanbul Stock Exchange and Athens Stock Exchange have agreed on the possibility of creating a common index with the purposes of issuing a common stock exchange investment fund to be traded in both stock markets.

### **ENERGY SECTOR NEWS**

- Aydem Elektrik Dagitim Sirketi has been granted the first private sector electric distribution license by the Energy Market Regulatory Authority. The distribution license has been granted for Aydin, Denizli and Mugla regions for a period of 30 years. The delivery process of facilities will be completed within one month and, accordingly, the Company will be distributing electricity to 1.5 million electric consumers in the region.
- Pursuant to the dailies, Socar, an Azerbaijani state-owned oil company holding 51% of Petkim shares jointly with Turcas, is planning to construct a refinery in Aliaga, which will provide raw materials to Petkim by processing Caspian oil.
- Calik Enerji, a subsidiary of Calik Holding, will construct a natural gas turbine power plant in Turkmenistan with an estimated cost of Euro 137 million. The company had submitted the winning bid in a tender initiated by the Ministry of Energy and Industry of Turkmenistan to build a power plant with 254.2 MW generation capacity.
- Pursuant to the “2007 Report of 500 Leading Industrial Enterprises” published by Istanbul Chamber of Industry, Turkiye Petrol Rafinerileri has ranked first in the list in terms of sales from net production with an amount of TRY 18,450,708,799.
- The Energy Market Regulatory Authority has published two revocation communiqués in the Official Gazette on 26 July 2008 for the revocation of the Communiqué Regarding the Principles and Procedures of Imports of Petroleum Products other than Fuel Products and the Communiqué Regarding the Principles and Procedures of Domestic Sales of Petroleum Products other than Certain Fuel Products Produced in the Domestic Market. The revocations shall be effective on 1 January 2009.

#### *Highlights*

*a. Banking Sector Updates*

*b. Capital Markets Highlights*

*c. Energy Sector News*

*d. Other News*

**OTHER NEWS***cont'd.*

- As per the statement made by Turkish Airlines to the Istanbul Stock Exchange, the Company is planning to establish a company that will be active in ground handling services and hold Group A working license, which is currently held only by HAVAS and Celebi ground handling companies, under the Regulation on Airport Ground Handling Services. Pursuant to the statement, business plan and other necessary documents will be prepared by the head office and submitted to the Board of Directors of the Company.
- The joint venture, formed by Ascioğlu Insaat, Ofton Insaat, Meydanbey Insaat and Omak Insaat, has submitted the highest bid amounting to TRY 415,750,000 in the tender for the sale of the land of former Tekel liquor factory in Mecidiyekoy, Istanbul. The land has been put out to tender for the third time by Emlak Konut Gayrimenkul Yatırım Ortaklığı, a subsidiary of the Housing Development Administration of Turkey. The preceding tenders were previously cancelled since only one company participated in the first tender and no company submitted an offer in the second tender.
- As per the dailies, the General Manager of Avea, a mobile phone operator, has announced that the Company expects 2 million new customers within the next 12 months following implementation of the number portability system. Consequently, the number portability system, which allows mobile subscribers to switch operators without changing their cell phone numbers, will become available on 9 November 2008.
- Doguş Insaat has won the tender for the construction of 3.8 kilometers of Sofia's underground railway system and four underground stations with an offer amount of Euro 169 million.
- The Istanbul Chamber of Commerce has announced its report regarding foreign capital investments in Istanbul for the term of January–June 2008. As per the report, the number of foreign investors that have newly established companies in Istanbul has risen by 2.43% in the first half of 2008 when compared to the last half of 2007. Meanwhile, foreign capital volume has increased by 55.62% for the same period. Pursuant to the records of the Istanbul Chamber of Commerce, 1,605 foreign investors have established companies with a total capital amounting to TRY 267,195,560 in the first half of 2008. In addition, among the sectors with the highest concentrations of foreign investment, the consultancy services sector is the leading sector with a ratio of 15.39% and followed by electronics, information technology and construction sectors, respectively.
- According to the statement made by Karel Elektronik to the Istanbul Stock Exchange, the Company has been awarded the tender held for letter sorting system of the General Directorate of Turkish Post on 16 July 2008. The Company was awarded the tender held on 16 June 2008 with an offer amounting to Euro 5.1 million.
- As per the dailies, overseas investments by Turkish entrepreneurs have increased and reached to US\$ 1.7 million within the first five months of 2008 whereas total of US\$ 2.3 billion was recorded as investment for the year 2007. It has also been stated that overseas investments have been mainly realized in European countries in the sectors of petroleum products, financial services, food products, and textiles.

*cont'd.***TABOĞLU & DEMIRHAN****Attorneys at Law**

Levent Cad. No. 9

1. Levent, 34330, Istanbul, Turkey

E-MAIL: [enquiries@taboglu.av.tr](mailto:enquiries@taboglu.av.tr)**[www.taboglu.av.tr](http://www.taboglu.av.tr)**

PHONE: (212) 339 8800

FAX: (212) 339 8899

*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 Taboğlu & 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 Taboğlu & Demirhan, a full-service law firm based in Istanbul.*