

# TABOGLU & DEMIRHAN

## Newsletter

### *CAPITAL MARKETS UPDATES*

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- Pursuant to the announcement made by Ford Otomotiv to the Public Disclosure Platform, the Company has initiated negotiations with the European Bank for Reconstruction and Development in order to obtain a loan amounting to Euro 150 million for the purposes of financing the investment project of the Company to be realized in the upcoming periods.
- Turk Telekom has realized a net profit of TRY 601 million with an increase of 13.3% in the second quarter of the year. The income of the Company for the same period has been announced as TRY 2.67 billion. Accordingly, the net profit and the sales revenue of the Company for the first half of the year have reached TRY 1.15 billion with approximately 40% increase and TRY 5.25 billion with 2% increase, respectively.
- According to the announcement made by Ihlas Ev Aletleri to the Public Disclosure Platform, the Company has obtained an investment incentive certificate in the amount of TRY 2 million 453 thousand 271 to make investments in the machines and equipments in relation to the production of carpet washing machines and vacuum cleaners.
- As per the statement made by Gedik Yatirim Menkul Degerler, the shares with TRY 5 million 400 thousand total nominal value of the Company have been offered to the public on 21 and 22 July 2010.
- Pursuant to the statement released by THY Teknik, a wholly-owned subsidiary of Turkish Airlines, to the Public Disclosure Platform, the Company will sign a joint venture agreement with Zorlu O/M Enerji Tesisleri Isletme ve Bakim Hizmetleri for the purposes of establishing a joint venture company which will provide maintenance, repair and revision services to industrial gas tribunes used in some plane motors and energy plants.
- As per the statement of Global Yatirim Holding published in the Public Disclosure Platform, Global Liman Isletmeleri, a subsidiary of the Company, has initiated negotiations to add Belize Port in Belize and Roatan Port in Honduras into its portfolio. In addition, it has been stated that the conditions precedent set forth in the Share Purchase and Sale Agreement executed by Global Liman Isletmeleri for the purchase of remaining 60% stake in Ortadogu Antalya Liman Isletmeleri, 40% stake of which is already held by Global Liman Isletmeleri, have been completed and the transfer of the shares will be realized on 29 July 2010. It has been further stated that some part of Global Liman Isletmeleri shares will be offered to public and an agreement has been executed to authorize Is Yatirim Menkul Degerler in this respect.
- According to the statement of Akfen Holding to the Public Disclosure Platform, the Holding has executed an agreement on 19 July 2010 for the purchase of 32 million 466 thousand 150 Group D Shares of Akfen Real Estate Investment Trust which are held by THO BV, a subsidiary of Goldman Sachs International and which correspond to 32.466% of Akfen REIT.

### *ENERGY MARKETS NEWS*

- The General Directorate of Petroleum Affairs has rejected the application of Stratum Energy Company Ltd. to obtain petroleum exploration license for several fields in Gaziantep, Siirt and Diyarbakir regions. On the other hand, the Directorate has decided to extend the term of Arar Petrol ve Gaz Arama Uretim Pazarlama's petroleum exploration license for 10 thousand 260 hectare area in Siirt region for a period of two years until 29 June 2012.

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#### *Highlights*

*a. Capital Markets Updates*

*b. Energy Markets News*

*c. Privatization Highlights*

*d. News re Competition*

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- Socar & Turcas Rafineri has obtained the license for its Aegean Refinery for a term of 49 years. The refinery will process 10 million tons of crude petroleum. In addition to the raw materials for petrochemicals, the refinery will produce diesel and jet fuel. Furthermore, 10 thousand people will be employed in accordance with the project prepared. The President to the Energy Markets Regulatory Authority has stated that with this license, the number of the licensed refineries in Turkey has reached six whereas two of these refineries are still in the investment process.
- The law approving the cooperation agreement signed between the Government of the Russian Federation and the Government of the Republic of Turkey in relation to the nuclear power plant to be built in Akkuyu has been published in the Official Gazette. According to the agreement, the two countries will cooperate on the issues such as construction of the nuclear power plant, operation of the plant, purchase and sale of the electricity generated in the plant, transportation of the used nuclear fuel, disassembly of the plant and training of the personnel.
- The Ministry of Energy and Natural Resources has signed a memorandum of understanding with USA Eximbank. Accordingly, USA Eximbank will grant a loan in the amount of US\$ 1 billion to be allocated to the renewable energy resources and energy efficiency projects.

#### **PRIVATIZATION HIGHLIGHTS**

- As per the decision of the Privatization High Council published in the Official Gazette dated 23 July 2010, the two immovable properties belonging to Turkiye Seker Fabrikalari will be transferred to the Housing Development Administration of Turkey in order to be used in the studies for disaster home application. One of the properties with 273,514.47 m<sup>2</sup> area is located in Merkez, Agri and the other with 30,472.09 m<sup>2</sup> area is located in Dogubeyazit, Agri.
- According to the statement of the Privatization Administration, 39 offers have been submitted to the tender held for the privatization of Turkiye Elektrik Dagitim's Bogazici Elektrik, Dicle Elektrik, Gediz Elektrik and Trakya Elektrik through block sale of 100% shares. 10 offers have been submitted for each of Bogazici Elektrik, Trakya Elektrik and Gediz Elektrik and 9 offers for Dicle Elektrik.

#### **NEWS RE COMPETITION**

- The Competition Board has decided to open an investigation against Efes Pazarlama ve Dagitim Ticaret in order to determine whether the Company and its distributors have violated the Law on Protection of Competition and the decisions of the Board by requesting the stores to sell only beers with "Efes" brand and making it difficult for the stores selling rival products to operate.

*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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