

TABOGLU & DEMIRHAN

Newsletter

ENERGY MARKETS HIGHLIGHTS

- As per the dailies, Darenhes Elektrik Uretimi, a partnership of Limak and Bilgin Groups has obtained a loan in the amount of US\$ 415 million for Tatar and Pembelik Hydroelectric Power Plants constructed on Peri Water in Elazig. Such loan has been provided by a group of banks consisting of Ziraat Bankasi, Is Bankasi, Yapi Kredi and Turkiye Sinai Kalkinma Bankasi. Tatar Hydroelectric Power Plants with a capacity of 131 MW and Pembelik Hydroelectric Power Plants with the capacity of 130 MW will cost in total US\$ 600 million. It is planned that the plants are going to be operationalized in 2013 and will generate 810 million KW per year.
- As per the statement made by Aksa Elektrik Toptan Satis to the Public Disclosure Platform, the Company has started to export electricity up to 500 MW to Syria using the Birecik-Halep 400 KW interconnection line of Turkish Electricity Transmission Company upon the completion of the contract negotiations and obtaining of the required authorizations.
- Pursuant to the dailies, Anadolu Elektronik and Samsung will submit their verbal defenses on 27 June 2001 with respect to the investigation launched by the Competition Board on 18 March 2010 in order to determine whether the Companies have restricted and competition among the dealers and technology markets by maintaining the minimum prices of consumer electronics.

COMPETITION NEWS

- The Turkish Competition Board has granted its permission to the acquisition of 60% shares of Erk Amored Guvenlik Hizmetleri's share capital by Loomis AB, Loomis Sverige AB and Loomis Holder Spain SL on the grounds that such acquisition does not create or strengthen dominant position and thus does not prevent the competition in line with the Law on Competition and the Communiqué on Mergers and Acquisitions.

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- The Turkish Competition Board has decided that the acquisition of the major part of assets of Sporting Gungor Magazacilik ve Dis Ticaret by Intersport Atlet Magazacilik is in the scope of the Law on Competition and the Communiqué on Mergers and Acquisitions; however, it is not subject to authorization as there is no affected market.
- The transfer of 100% shares of Huttlin GmbH's share capital and the assets owned by Manesty to Robert Bosh GmbH and its subsidiaries has obtained clearance from the Competition Board as it would not create or strengthen a dominant position as described under the Communiqué regarding the Mergers and Acquisitions.

CAPITAL MARKETS UPDATES

- Pursuant to the dailies, Ulker has started negotiations with Caribou Coffee for a potential partnership in the coffee shops operated by the Company under the brand name of Cafe Crown. It has been stated that a partnership related to the products branded Café Crown is not in question.
- As per the weekly bulletin of the Capital Markets Board, Ronisans Gayrimenkul Yatirim has applied to the Board in order to issue bonds in the amount of TL 100 million.
- As per the written statement made by TeknoSA, the Company has acquired the shares of the subsidiary of the American technology retailer Best Buy in Turkey. It has been stated that Best Buy had withdrawn from Turkish Market in February 2011 and Best Buy's 4,200 square-meter store located in Izmir and 3,400 square-meter stores located in Ankara will serve as two of the largest Teknosa stores in such cities.

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Highlights

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- c. Capital Markets Updates
- d. Other News
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- As per the dailies Metro Ticari ve Mali Yatirimlar has applied to the Capital Markets Board in order to increase its share capital from TL 300 million to TL 1 billion.
- Pursuant to the dailies, Altindag Kombinalari and Metem Enerji ve Tekstil have applied to the Capital Markets Board for the issuance of share certificates amounting to approximately TL 4 million and 126 million.
- The Communiqué on the Auction Base Prices regarding the Tobaccos Produced in 2010 to be Sold by Auction, promulgated by the Tobacco and Alcohol Regulation Authority has been published in the Official Gazette. Accordingly, auctions base prices have been determined in respect of districts and range of products.

BANKING SECTOR NEWS

- Pursuant to the statement made by Turk Telekom to the Public Disclosure Platform, the Company has signed a bank guarantee agreement with Societe Generale, Ing Bank, Bank of Tokyo Mitsubishi and Sumitomo Mitsui Banking Cooperation in order to fulfill the condition of use of the financing subject to the loan agreement in the amount of Euro 150 million which was executed with Avrupa Yatirim Bankasi on 12 May 2010 in order to finance investments within the scope of the rural transformation project.
- As per the dailies, Turkiye Vagon Sanayi and Yapi Kredi have signed a loan agreement. It has been reported that total credit limit of the Company has reached US\$ 200 million with such agreement. It is planned that such loan will be used in foreign operations of the Company.
- As per the statement made by Aselsan to the Public Disclosure Platform, the Company and the Undersecretariat for Defense Industries have signed an agreement regarding low and medium altitude air defense missile systems. Accordingly, command and control systems, fire control systems, radars, electro optics systems, telecommunication systems and missiles will be designed and developed by the Company.
- As per the announcement made by the Chairman of the Association of Independent Industrialists and businessmen, volume of trade between Turkey and Iran has increased ten times over the last decade and reached to US\$ 10 billion. He has also stated that the trade volume may triple in case trade issues between two countries are resolved.
- Pursuant to the temporary data released by the Central Bank of the Republic of Turkey, short term external debt stock of Turkey has reached approximately to US\$ 80 billion by the end of April 2011.

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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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