

# TABOGLU & DEMIRHAN

## Newsletter

### CAPITAL MARKETS UPDATE

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- Akfen Holding has sold its 33% shares in TUVTURK to Bridge Point, a European PE Fund. TUVTURK, operating vehicle inspection stations is incorporated by Akfen-Dogus-TuvSud joint venture in 2007. As a result of such sale, the ratio of the foreign investors in the Company exceeded 50%. TUVTURK is operating 270 vehicle inspection stations throughout Turkey.
- The Chairman of the Capital Markets Board has stated that the Board has verbally decided to restructure the Istanbul Stock Exchange as a joint stock company. Accordingly, it is anticipated that this joint stock company will be affiliated with the Treasury only in terms of ownership and be administered independently.
- According to the announcement made by Celebi Holding, it has executed a concession agreement with Delhi International Airport Private Ltd., the operator of Indra Gandhi International Airport on 24 August 2009 as a part of the tender won by Celebi for the operation of the Airport's cargo terminal for a term of 25 years. It has been further stated that Celebi, at the same date as the concession agreement, has executed a shareholders agreement with Delhi International Airport Private Ltd due to the fact that the said company has acquired 26% shares in Celebi's subsidiary, named as Celebi Delhi Cargo Terminal Management India Private Ltd.
- The Board of Directors to Dogan Yayin Holding has resolved to increase the ceiling limit of its registered share capital from TRY 1 billion to TRY 2 billion. The Articles of Association of the Company is required to be amended accordingly.
- According to the announcement released by Nortel Networks International Finance & Holdings B.V., it has started negotiations with the investors regarding sale of its 53.13% shares in Netas Telekomunikasyon and also for the evaluation of further strategic options, through its co-trustees of Ernst & Young. As a note, the Company's assets are being administered by the trustee Ernst & Young, acting merely as the Company's representative and hence not bearing any personal liability. It has been further stressed that these negotiations will include information sharing as well as due diligence of the Company, if necessary.
- The regulation amending incorporation and operation principles of intermediary institutions trading on precious metals stock exchange has been published in the Official Gazette dated 26 August 2009. Accordingly, it is set forth that the paid in share capital of these intermediary institutions shall not be less than TRY 500 thousand, that are to engage in precious metal production or trade for at least 3 years. The regulation further states that operation permits of these institutions shall be cancelled in case of failure to increase their capital up to the given amount within one year.
- According to the announcement released by Ihlas Holding to the Public Disclosure Platform, the Holding's Board of Directors has resolved to form a new company with a share capital amounting to TRY 500 thousand, and thus participating in the NewCo with 95% stake. The NewCo shall engage in project development, construction and tourism activities.

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#### Highlights

a. Capital Markets Update

b. Banking Sector Highlights

c. Energy Market News

d. Other News

### **BANKING SECTOR HIGHLIGHTS**

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- Decisions of the Banking Regulation and Supervision Agency regarding operation permits of Yapi Kredi, TEB and Kuveyt Turk Katilim Bankasi have been published in the Official Gazette on 25 August 2009. Accordingly, the Agency has granted operation permits for the intermediary transactions for fast money transfer, and consultancy and support services to TEB and to Yapi Kredi, respectively. Furthermore, the Agency has resolved to enlarge the scope of the operation permit of Kuveyt Turk Katilim Bankasi in terms of certain capital markets transactions.
- The indirect shareholding of the United States' Treasury in Akbank has been approved by the Banking Regulation and Supervision Authority. According to the announcement released by Citibank on behalf of Citibank Overseas Investment Corporation, as a result of being a direct shareholder in the ratio of 33.6% in Citibank Overseas which holds 20% shares in Akbank, the United States' Treasury simultaneously has become an indirect shareholder to Akbank. It has been stated that the Authority has approved the indirect shareholding of the United States' Treasury with its decision dated 20 August 2009 and numbered 3316 pursuant to Article 18 of the Banking Law numbered 5411.
- Calik Enerji is about to realize an investment in Uzbekistan with an amount of Euro 336 million. Accordingly, Calik Enerji and Initec Energia, a Spanish company, have executed an agreement with Uzbekenergo, a public corporation engaging in production and distribution of electricity, in order to construct an electricity power plant with the capacity of 472 MW.

### **OTHER NEWS**

- The shopping mall at Kizilay Square will be put out to tender by the Turkish Red Crescent through build-operate-transfer model for 25 years. Accordingly, the tender file can be obtained in exchange for TRY 2.5 thousand from General Directorate of Turkish Red Crescent, and the offers will be submitted until 13 November 2009 at 12.30.
- The Saving Deposits Insurance Fund has approved the sale of the commercial enterprises of Burgaz Raki Alkollu Icecekler to Mey Icki in return for US\$ 62 million upon the condition that the necessary permits are obtained. Mey Icki will additionally pay US\$ 35 million for the products in Burgaz Raki enterprises.
- Pursuant to the dailies, AS Tuketim Mallari, a subsidiary of Hayat Holding, has purchased 30% shares in A101 Discount Chain Stores. According to the written statement made by Hayat Holding, some cleaning materials and paper products branded as A101 will be produced in Hayat Holding's premises after this acquisition.

### **ENERGY MARKET NEWS**

- The General Directorate of EUAS, the electricity generation company, has cancelled its decision regarding Petrol Ofisi and its group companies which have been banned to participate in public tenders for 1 year term.

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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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