

TABOGLU & DEMIRHAN

Newsletter

PRIVATIZATION NEWS

- The Privatization High Council has decided that the shares held by Türkiye Kalkınma Bankası in Acipayam Seluloz be privatized. As per the decision published in the Official Gazette dated 20 April 2010, the privatization of such shares is contemplated to be realized through block sale method and it is expected that the privatization process will be completed within 18 months.
- The sale of the immovable property owned by the General Directorate of the State Railways located in Konak, Izmir to Konya Yıldızı Un has been approved by the Privatization High Council. Konya Yıldızı Un had previously become the winning bidder with the bid amounting to TRY 18 million 420 thousand.

CAPITAL MARKETS UPDATES

- According to the dailies, Ecofin Funds has sold its entire stake in Global Yatırım representing 8.6% of Global's share capital in return for TRY 15 million 772 thousand. The Company has sold its 19 million 362 thousand 322 shares through 3 sale transactions. 5 million of such shares have been purchased by Mehmet Kutman, the Chairman of the Board of Directors of Global, in return for TRY 3 million 235 thousand and accordingly his shareholding ratio in Global has reached to 21.63%.
- As per the announcement made by the Capital Markets Board, the Board has executed a memorandum of understanding with the Commission of Securities of Malaysia to improve cooperation with the Commission. The memorandum of understanding defines the framework of information exchange with respect to supervision activities, sharing of regulations and applications, and organization of educational programs.

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- The public offering process of Latek Logistics shares representing 26.4% of the Company's share capital has started as of 20 April 2010 and all of the offered shares have been sold. According to the statement made by the Company, through the public offering process a demand of TRY 34 million 200 thousand has been received from the investors for the offered shares which have a total nominal value of TRY 8 million. The Chairman of the Company's Board has stated that the income collected through the public offering will be used for the financing of the Company's new investments.
- The deadline for applications to the IPO Campaign Istanbul Summit, which is arranged to make companies benefit from advantages of capital markets in a most effective way, is determined as 30 April 2010. The Summit will convene in Istanbul on 6-7 May 2010 through the cooperation of the Turkish Union of Chambers and Commodity Exchanges, Capital Markets Board, Association of Capital Markets Intermediary Institutions and Istanbul Stock Exchange.
- As per the dailies, İttifak Holding is planning to increase its paid-in share capital from TRY 10 million to TRY 30 million through bonus issue. Furthermore, it is reported that the proposal for distribution of TRY 0.2465 per share with the nominal value of TRY 1 as dividend will be submitted to the General Assembly of the Holding for approval. Following the approval of the General Assembly to be held on 8 May 2010, the dividend distribution will start on 31 May 2010. The total amount of the dividend to be distributed is approximately TRY 2 million 900 thousand.

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Highlights

- a. Privatization News
- b. Capital Market Updates
- c. Banking Sector News
- d. Energy Market Updates
- e. Other News

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- Pursuant to the dailies, the value of Fenerbahce Sportif Hizmetler shares has increased by 10.10% whilst a decrease of 7.17% has been observed in the value of Besiktas Futbol Yatirimlari shares.

BANKING SECTOR NEWS

- Akbank has announced that the procedures for the increase of its capital from TRY 3 billion to TRY 4 billion have been successfully completed. Such increase has been registered with the Istanbul Trade Registry on 12 April 2010 and published in the Trade Registry Gazette dated 16 April 2010.

ENERGY MARKET UPDATES

- The Energy Market Regulatory Authority has decided to cancel the licenses of 6 fuel products distribution companies, namely Agpas Petrol Urunleri, Pasifik Liman Isletmeciligi, Karahan Nakliyat, Marpet Otomotiv Akaryakit, Gurpet Petrol Urunleri and Standard Yag to be effective as of 31 July 2010 based on the grounds that such companies failed to perform their obligations to sell 60,000 tons of gas and diesel oil per year.
- The Regulation amending the Regulation on Balancing and Settlement in Electricity Market has been published in the Official Gazette. Through the amending Regulation, the deadline set forth in Provisional Article 4 of the Regulation for launching security mechanism by the energy market players has been extended until 31 December 2010.

OTHER NEWS

- The General Coordinator of Dogan Holding has stated that the Holding is interested in both energy distribution and generation privatizations. The Holding is at the stage of evaluating opportunities and financing possibilities through sales of subsidiaries of the Holding or Dogan Yayin Holding, a Dogan group company. Furthermore, it has been stated that the corporate restructuring process of Dogan Group has not been completed yet. The Holding may enter into investment projects in energy sector together with its current business partners or, depending on strategic situations and financing issues, may engage in such investment opportunities by itself.
- Pursuant to the statement made by Sabanci Holding, the Holding is currently seeking for a strategic partnership for its affiliate Aksigorta that is active in insurance sector. The Holding aims to acquire the leadership in the insurance sector through the contemplated partnership. It is further stated that the partnership process will be completed by the end of 2010 at the earliest. The Holding is currently in touch rather with foreign investors and depending on the results of contemplated partnership, the Holding will evaluate new acquisition opportunities in insurance sector.
- As per the survey conducted by the Central Bank of the Republic of Turkey, it is expected that the inflation rate as of the end of the year 2010 will be 8.14%.

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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