

TABOGLU, ATES & DEMIRHAN

Newsletter

ENERGY SECTOR UPDATES

- GE Energy Financial Services is acquiring 50% of the equity in Gama Holding's subsidiary Gama Enerji. The chairman of Gama Enerji has announced that they are planning to invest almost US\$ 3 billion by 2011 to increase their electricity output capacity to 4,000 MW in partnership with General Electric.
- Applications of Enka and EnerjiSa to the Energy Market Regulatory Authority for their new investments and related licenses have been approved by the Authority. EnerjiSa, whose production license request has been approved by the Authority, will build a Combined Cycle Natural Gas Plant in Bandirma, Balikesir with power capacity of 8,400 GWh. Moreover, Enka will build an electricity plant in Aliaga, Izmir with power capacity of 5,625 GWh, to be opened in year 2009.
- The Regulation on the Practice of Geo-thermal Resources and Natural Mineral Water Law has been published in the Official Gazette by the Ministry of Energy and Natural Resources on 11 December 2007. As per the Regulation, rights regarding the geo-thermal and natural mineral water will be granted to citizens, private companies and public institutions, real or legal persons. According to the Regulation, the validity term of the research license will be 3 years.
- The Energy Market Regulatory Authority has decided to request a letter of guarantee for the national marker. Accordingly, licensee companies to purchase national marker have to submit a letter of guarantee in the maximum amount of TRY 50 million as of 1 January 2008. The exact amount of the letter of guarantee will be calculated in accordance with price of the national marker and national marker requests of the companies, which fail to submit the letter of guarantee, will not be satisfied.

CAPITAL MARKETS NEWS

- Koc Holding has stated that Turk Traktor and New Holland Trakmak will operate under the roof of its subsidiary, Turk Traktor. The shares of Case New Holland, the foreign partner in the company will be preserved at the same ratio. Koc Holding CEO has stated that Koc Holding is aiming to become a global group within the context of their strategic goals.
- Pursuant to the dailies, Is Girisim has acquired 29.50% of Orsem Ortopedics, which is active in orthopedics medical products sector. Is Girisim has paid US\$ 6 million in consideration for 29.50% shares of Orsem and it is the first investment of Is Girisim in medical sector.
- Koc Holding has announced that they have initiated negotiations with Allianz Group in respect of the sale of the 47.1% stocks of Koc Allianz Sigorta and 49% stocks of Koc Allianz Hayat ve Emeklilik, which are owned by Koc Holding. Moreover, Yapi Kredi Sigorta and Yapi Kredi Emeklilik have also become a part of Koc Group subsequent to the acquisition of Yapi ve Kredi Bankasi and Unicredito by Koc Group.

BANKING SECTOR NEWS

- Banca di Roma S.P.A. Headquartered at Rome Istanbul Branch has been transferred to Yapi Kredi Bank within the scope of an agreement on transfer of business. According to a written statement released by Yapi Kredi to the Istanbul Stock Exchange, as per the transfer of business agreement, all client accounts in Banca di Roma S.P.A. Headquartered at Rome Istanbul Branch will be transferred to Yapi Kredi as of 8 December 2007.

Highlights

a. Energy Sector Updates

b. Capital Markets News

c. Banking Sector News

d. Other News

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- As per the dailies, Sekerbank has announced its profit for the first nine months of 2007 as TRY 115 million 835 thousand, representing 3.542% increase in comparison to the same period of last year. Accordingly, the Company has increased its active size to TRY 5 billion 751 million with 36.8% increase.
- Anadolubank has decided to cooperate with Yapi Kredi on credit card applications. Accordingly, the credit cards which are belonging to the clients of Anadolubank will also be granted Worldcard of Yapi Kredi.
- TEB has begun to render banking services to the clients who do not have access to the bank on the weekdays due to busy work schedule. The total of 18 branches of TEB in Istanbul, Ankara, Izmir, Bursa and Kastamonu will render such banking service as a "sentry branch" on Saturdays between 10:00 am and 02:00 pm.

OTHER NEWS

- Turkcell has decided to participate in the tender for the sale of 51% stake of Syriatel Mobile Telecom which has operations in Syria. Syriatel Mobile Telecom has 55% market share with its 2.3 million subscribers in Syria.
- The Ministry of Labor and Social Security has declared that the effective date of the Law on Social Securities and General Health Insurances is postponed to 1 June 2008.
- Due to the statement made by Eczacibasi Yapi Gerecleri to the Istanbul Stock Exchange, in order to develop commercial relationship with United Arab Emirates and Middle East, it is decided to establish a representative office in the Free Zone of Dubai Airport.

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- As per the dailies, the biggest bid for former HSBC head quarter building in Levent which was put out to tender by the Savings Deposit Insurance Fund has been submitted by Palmali Gemi Hizmetleri. Accordingly, an appraised value of the building was determined as TRY 60 million and Palmali's bid amount was TRY 93 million.
- The administrative fines which are determined under the Law on the Protection of Consumers have been increased with a ratio of 7.2% by the Communiqué No.2007/3 on the Administrative Fines to be Applied in 2008 and published in the Official Gazette dated 9 December 2007. In accordance with the Communiqué the fines will be between TRY 90 and TRY 181,292 as of 1 January 2008.
- As per the dailies, full harmony with the EU legislation regarding environmental issues is aimed to be realized in year 2010. Due to the statement of the Ministry of Environment and Forestry, more than 300 EU directives have been adapted into national legislation in line with harmonization efforts.
- Following the acquisition of UN Ro-Ro by Kohlberg Kravis Roberts, an American private equity fund, in consideration of Euro 910 million; the International Transporters Association of Turkey decided to establish a ro-ro company in year 2008. International Transporters Association has stated that Kohlberg Kravis Roberts has made increases in prices following the acquisition of UN Ro-Ro; therefore, the members have requested a new formation.

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

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