

# TABOGLU, ATES & DEMIRHAN

## Newsletter

### CAPITAL MARKETS NEWS

- Koc Holding has entered into a share sale agreement for the sale of 50.8% shares of Migros Turk, the leading supermarket chain of Turkey, to a consortium of BC Partners, an international private equity company, Turkven, the first private equity company of Turkey, and DeA Capital, an investment fund whose shares are trading on the stock exchange of Milan, in return for TRY 1 billion 917 million. Additionally, the previous CEO of Migros Turk and Koc Holding, will also be a shareholder and the chairman of the Board of Directors of the company to be established to acquire Migros Turk shares, upon approval of the sale by the Competition Board. The closing of the deal is expected within the next 3-4 months.
- Azertel Telekomunikasyon, a joint venture company of Turkcell and TeliaSonera performing activities in Azerbaijan, has acquired 35.7% stake in Azercell Telecom, the largest GSM operator of Azerbaijan, owned by the Azerbaijan Government, in return for US\$ 180 million. Subsequent to such acquisition, Azercell Telecom is wholly owned by Azertel Telekomunikasyon.
- As per the dailies, the consortium of Global Investment and Pera Real Estate Investment Trust have submitted the highest bid amounting to TRY 16,050,246 for 16,611 m<sup>2</sup> land in Van to be sold by Van Municipality. Accordingly, such investment will be the first investment of the consortium in Eastern Anatolia. In accordance with the declaration, the consortium is planning to build a mall and a hotel on the land.
- As per the dailies, Coca-Cola Company, which has purchased shares of Dogadan A.S., the leader of Turkish herbal tea market last year, plans to invest in US\$ 40 million to penetrate the black tea market. Accordingly, Dogadan will launch production of black tea leaves and tea bags alongside its herbal tea business to increase its market share in Turkey.

### NEWS RE BANKING SECTOR

- As per the dailies, Turkiye Sinai Kalkinma Bankasi which is the first private investment and development bank of Turkey, has announced its financial statements dated 31 December 2007. Accordingly, the Bank's net profit has been realized as TRY 147.4 million for the year 2007. Its assets has increased to TRY 4.9 billion with a ratio of 20% compared to the same period of the previous year and in US Dollar terms, the rate of increase has been realized as 46%.
- Akbank Corporate Banking has started a series of meetings, named "Donation and Support Program" and those meetings will be held in different cities of Turkey, to inform the small and middle-scale enterprises in respect of the donation programs and funds to be made available by national and international institutions.
- As per the report of the Banking Regulation and Supervision Agency, total assets of the banking sector, which has been TRY 559.6 billion at the end of October 2007, increased to TRY 581.4 billion with a ratio of 3.9% in December 2007. Additionally, the net profit of the banking sector, which has been realized as TRY 11.4 billion in 2006, has increased to TRY 14.9 billion with a ratio of 31.3% in 2007.

### TELECOMMUNICATIONS NEWS

- In accordance with cooperation between Turkcell and Interbank Card Center, Turkcell's mobile signing subscribers will be able to shop online via their credit cards without submitting any password. Through implementation of such project, the mobile signature is going to be used in online shopping for the first time in the world.

#### Highlights

a. Capital Markets News

b. News re Banking Sector

c. Telecommunication News

d. Energy Sector News

e. Other News

**ENERGY SECTOR NEWS**

- As reported in the dailies, the Minister of Energy and Natural Resources has stated that an invitation notice for the construction of the nuclear power plants would be issued on 21 February 2008. Upon issuance of the notice, the Ministry of Energy and Natural Resources would request three envelopes from the interested companies; in the first envelope, the companies will lay down in a detailed manner how they will fulfill the criteria determined by Turkish Atomic Energy Authority, the second envelope will include the letter of guarantee and the third envelope will include the interested company's offer.
- Ayen Energy has given a declaration to the Istanbul Stock Exchange stating that the Ministry of Environment and Forestry has granted a positive Environmental Impact Assessment for the project of Buyukduz hydroelectric power plant, a channel type with 48.8 MW, to be established in Gumushane.
- The Minister of Energy and Natural Resources has stated that the Turkish Petroleum Corporation, TPAO, has agreed with Colombia's national oil company, Eco-Petroleum, to jointly operate an oil reservoir worth of US\$ 2-3 billion. The deal awaits the approval of relevant authorities from both countries.
- The Minister of Energy and Natural Resources has announced in a meeting that Turkey may take part in construction of a new natural gas pipeline, i.e. Trans Adriatic Pipeline, as an alternative to Nabucco, which could be constructed in Turkey, Switzerland, Balkans, Albania and Italy to transfer Iranian natural gas to Europe. The memorandum of understanding for the construction of pipeline is expected to be signed within one month.

**OTHER NEWS**

- Tuanna Su, a spring water company, has been awarded with a tender to use the trade name of the water of the Ataturk Forestry Farm. The tender was repeated after only one offer was received at the first tender held in December 2007. Two companies participated in the second tender in January 2008 and Tuanna Su won the tender with its proposal in which it guaranteed payment of 6.25% of the net profits.
- Pursuant to the dailies, Turkey is to host the 15<sup>th</sup> World Congress of the International Economic Association, which is organized once every three years and will be held this year in Istanbul between June 25 and 29. The theme of the Congress will be "The Challenge of Globalization", among other issues to be discussed.
- Shuaa Orion Holding, the largest investment bank of the United Arab Emirates, has acquired 20% of Overseas in consideration of US\$ 193 million. Shuaa has stated that the acquisition will strengthen its position in 8 markets in which the Company is active.
- The Chairman of Oyak Cimento Group, consisting of Adana, Unye, Bolu and Mardin cement companies, has announced that their net sales have increased to TRY 850 million with a ratio of 9-10% compared to the year 2006 and the EBITDA of the Group has been realized as TRY 400 million.
- As per the dailies, the Turkish Treasury has granted the activity permit to Demir Sigorta, the permission of which was revoked in year 2003 in all insurance branches.

*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.*

**TABOGLU, ATES & DEMIRHAN****Attorneys at Law**

Levent Cad. No. 9

1. Levent, 34330, Istanbul, Turkey

E-MAIL: [enquiries@taboglu.av.tr](mailto:enquiries@taboglu.av.tr)[www.taboglu.av.tr](http://www.taboglu.av.tr)

PHONE: (212) 339 8800

FAX: (212) 339 8899