

TABOGLU & DEMIRHAN

Newsletter

PRIVATIZATION NEWS

- According to the information released by Akfen Holding in the Public Disclosure Platform, the transfer of 100% shares of IDO Istanbul Deniz Otobüsleri Sanayi ve Ticaret, held by the Istanbul Metropolitan Municipality, to TASS Denizcilik ve Ulastirma Hizmetleri, incorporated by Akfen Holding, Tepe Insaat Sanayi, Souter Investments and Sera Gayrimenkul Yatirim ve Isletme, has been completed upon the payment of the purchase price amounting to US\$ 861 million. Tepe-Akfen-Souter-Sera joint venture was the winning bidder of the tender concerning the privatization of IDO Istanbul Deniz Otobusleri Sanayi ve Ticaret by sale of 100% of its shares.
- The privatization process of the electricity generation companies will initiate with the tender of Hamitabat Natural Gas Combined Cycle Power Plant to be held on 27 June 2011. In total, 17 thermal power plants and 28 hydroelectric power plants will be privatized.

COMPETITION NEWS

- According to the announcement released via web-site of the Competition Board, Efes Pazarlama ve Dagitim Ticaret will give its verbal defense on 12 July 2011 with respect to the investigation held by the Board in order to determine whether the Company has acted in line with the decision of the Board relating to the removal of the exemption.

ENERGY SECTOR HIGHLIGHTS

- Pursuant to the announcement made by Karademir Demir Celik Sanayi ve Ticaret in the Public Disclosure Platform, the Company and Is Bankasi have signed a loan agreement in the amount of Euro 17.8 million with 11-year maturity for the New Log and Bloom Casting Facility.

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- Zorlu Enerji, the winning bidder of the tender with respect to the natural gas distribution in Gaziantep, Nizip and Kilis, has provided natural gas to 75% of Gaziantep and 90-95% of Nizip. The District Manager of Gaziantep Bolgesi Dogalgaz Dagitim, a company within the scope of Zorlu Enerji Group, has stated that the investment amounting to approximately US\$ 100 million will be made in Kilis and natural gas will be available this year in this city.

BANKING SECTOR NEWS

- As per the announcement made by Akbank to the Public Disclosure Platform, the Bank has applied to the Banking Regulation and Supervision Agency and the Capital Markets Board in order to issue bonds and/or bills of exchange in the amount of up to TL 4 billion with different maturities and in Turkish Lira currency.
- Pursuant to the announcement released by Turkiye Sinai Kalkinma Bankasi, the Bank has signed a syndicated loan agreement amounting to US\$ 141 million consisting of two tranches. Ten banks from seven countries have participated in the loan. Citi, Commerzbank, HSBC Bank and Unicredit Bank are among these banks.

CAPITAL MARKETS UPDATES

- Pursuant to the data of the Central Registration Agency, the share of the foreign investors in the Istanbul Stock Exchange has increased to 62.51% when compared to the previous week. Accordingly, in terms of share amount the foreign investors' share in the stock exchange has been 47.77% whereas it has been 62.51% in terms of market value. The foreign investors have hold 16 billion 172 million 410 thousand 915 shares amounting to TL 103 billion 946 million 27 thousand 825.

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Highlights

a. Privatization News

b. Competition News

c. Energy Sector Highlights

d. Banking Sector News

e. Capital Markets Updates

f. Other News

OTHER NEWS*cont'd*

- The Savings Deposit Insurance Fund has put out the commercial and economic integrity of Adabank for sale. The estimated price has been determined as US\$ 75 million whereas the bid bond amount has been determined as US\$ 7 million 500 thousand. The sale will be realized on 29 July 2011 through closed envelop and auction methods and completed upon the approval of the Fund.
- As per the announcement of the Istanbul Stock Exchange, the ISE has purchased 5% shares in Sarajevo Stock Exchange ("SASE"). In addition, the Settlement and Custody Bank and the Central Registration Agency have purchased 5% shares in SASE each.
- The Union of Chambers and Commodity Exchange of Turkey has announced that the number of companies incorporated within the first five months of 2011 by increasing by 13.76% when compared to the same period of last year whereas the number of companies winded up has increased by 15.66%. Furthermore, the number of foreign-capitalized companies has been determined as 1,401 within the same period of 2011. Iranian, German, Azerbaijani and Russian companies are among the shareholders of such foreign-capitalized companies.
- VF Group, one of the largest textile producer of the world, will purchase the shares of Timberland, a US based shoe and clothing producer, in return for US\$ 2.2 billion. The transaction will be the largest sale and purchase transaction in the shoe sector within the last five years.
- According to the announcement of the Istanbul Metropolitan Municipality, the tender announcement for the electromagnetic works of the subway line to be constructed between Uskudar – Umraniye – Cekmekoy – Sancaktepe has been issued in the web-site of the European Union. Construction companies from all around the world will be allowed to participate in the tender. The subway line will be 17 km long and is planned to be completed within 38 months. The tender will be held on 9 August 2011.
- As per the written statement released by Turkish Industry and Business Association (TUSIAD), a memorandum of understanding has been signed between TUSIAD and Confindustria Emilia-Romagna, regional branch of TUSIAD's counterpart in Italy, on 15 June 2011. The parties aim to strengthen the friendly relations and hold a business forum in Turkey or Italy.
- The General Manager of Tansas has stated that the Company will open 15 new stores by the end of this year within the framework of the Company's strategy to focus on the Aegean and Mediterranean regions. He has further stated that the Company has become the sponsor of Izmir Arena, an entertainment complex in Izmir, for a period of one year.
- As per the dailies, in line with the changes introduced by the New Turkish Commercial Code to be effective on 1 July 2012, the number of trademark applications has increased by 30% when compared to last year.

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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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