

# TABOGLU, ATES & DEMIRHAN

## Newsletter

### CAPITAL MARKETS NEWS

cont'd.

- According to the announcement made by Yildiz Holding to the Istanbul Stock Exchange, Yildiz Holding, which is owned by Ulker family, has sold 60% of its subsidiary, Fon Finansal Kiralama's shares to Kuwaiti-based Global Investment House, for US\$ 120 million. Yildiz Holding's share in Fon Finansal Kiralama will decline from 87.38% to 27.38% after the sale of shares to be realized upon the approvals of the Banking Regulation and Supervision Agency and the Competition Board. Global Investment House, a private equity fund, also holds 5% shares of TAV Airports Holding and is interested in other companies in Turkey, such as Halkbank. On the other hand, Ulker Group agreed to pay US\$ 850 million to Campbell Soup Co., in order to acquire Godiva, the famous chocolate producer. As per the sale agreement executed between the parties on 20 December 2007, the subsidiaries, facilities and trademarks, know-how and patent rights of Godiva will be transferred to Ulker Group.
- In line with the announcement made by Yapi Kredi Bankasi to the Istanbul Stock Exchange, the portfolio of loans of the Bank granted to 69 companies from among 24 groups amounting to TRY 540 million will be put out to tender. The timing and specifications of the tender will be declared later.
- Turk Telekom has purchased 100% shares of IES Bilisim ve Egitim Teknolojileri, which is a courseware and e-learning company founded by TUBITAK, the Scientific and Technological Research Council of Turkey, in 1988, and later transferred to Meteksan Systems in year 1996. The Chief Executive Officer of Turk Telekom has stated that they intend to perform further investments in the field of e-education and e-learning in year 2008.

- Beko Elektronik, which is a Koc Group company, has announced that they have purchased 50% of Grundig Multimedia, a well-known brand in electrical goods in Europe, from Alba in return for Euro 35 million in advance and a further deferred payment based on the turnover for the years between 2008 and 2012. After the sale, Beko has become the sole owner of Grundig.
- Sinpas Yapi Endustrisi has merged with its subsidiary, Inpa Uluslararası Pazarlama, and has increased its shareholding ratio in Sinpas Real Estate Investment Company from 15.70% to 35.78%.

### BANKING SECTOR NEWS

- Halkbank has launched a new loan type, i.e. "Medikredi", a loan package for pharmacists, opticians and medical suppliers. The loan package is advertised in the shape of medicine chest and loan options are written thereon.
- Kuveyt Turk, which provides interest-free banking instruments, has applied to the Capital Markets Board to offer its shares amounting to TRY 57.2 million to the public. If the Capital Markets Board approves Kuveyt Turk's application, the bank is planning to complete the public offering within the first quarter of year 2008.
- The Savings Deposit and Insurance Fund has paid US\$ 100 million to the Treasury as a repayment of its debt arising from the domestic government bonds issued for the financing of the restructuring of banking system. Total amount of repayment made by the Fund to the Treasury is US\$ 7.8 billion.

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#### Highlights

a. Capital Markets  
News

b. Banking Sector  
News

c. Energy Sector  
Updates

d. Other News

**ENERGY SECTOR UPDATES***cont'd.*

- The Energy Market Regulatory Authority has approved the request of the Turkish Electricity Trading and Contracting Company (TETAS) for authorization to raise the price of the electricity to be sold to the Turkish Electricity Distribution Company (TEDAS) by 10.4% in year 2008.
- As per the dailies, the Minister of Energy and Natural Resources has stated that Silivri Natural Gas Storage Facilities have been taken into operation and accordingly 1.165 billion cubic meter natural gas has been stored in North Marmara and Degirmenkoy regions. Furthermore, the Minister stated that the tender for the construction of Tuzgolu underground natural gas storage shall be held in year 2008, followed by start of constructions of the underground and land facilities.
- As stated in the dailies, Morgan Stanley has downgraded investment ratings of 4 countries, including Turkey. Morgan Stanley has lowered its recommendation for Brazil and South Africa to "under-weight" from "equal -weight" and for Turkey and Poland from "over-weight" to "equal-weight". On the other hand it has raised its recommendation for Chile, Hungary, Philippines and Egypt.
- The CEO of Avea, Mr. Cüneyt Türkkan, has stated that Avea and Vodafone have made an investment with Telecordia Gantelo, an international software company, for number portability. Through joint investment, infrastructure of number portability will be completed in August and application will commence in September 2008

**OTHER NEWS**

- Dutch investment company, HAL Investments B.V., has purchased 60% of Fahri Kuz Optik, one of Turkey's leading optician companies. HAL Investments, affiliated to HAL Holding, is expected to purchase the remaining 40% shares in 2010. The Dutch company has a capital of Euro 500 billion while Fahri Kuz has an annual turnover of Euro 6 million.
- Is Girisim, the leading private equity company of Turkey, has announced that it has entered into a share purchase agreement relating to acquisition of 27% shares of Turkmed, a dialysis services company, in return for US\$ 2.5 million. The sale will be finalized upon completion of certain conditions precedent. The deal is the tenth investment of Is Girisim.
- Arkas Holding, the leading shipping and transportation company of Turkey, has obtained US\$ 45 million loan from the International Finance Corporation for the financing of its investments and port operations.
- Standard & Poor's has named the top 10 economic centers as Chicago, London, Los Angeles, Madrid, Milan, Moscow, New York, Paris, Toronto and Yokohama.
- According to the statement made by Turkcell to the Istanbul Stock Exchange, Standard & Poor's has upgraded Turkcell's foreign currency credit rating from "B B -" to "B B".

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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, 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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