

We are now heading further to the East and taking the strong BTO experience to the Turkish market

Standing out among its peers in the Middle East, the Mediterranean Rim and the Caspian Basin with its relentless growth, qualified workforce, growing young population, eroding unemployment and stable economy, Turkey is now the best performer of its class.

Turkey's impressive performance is likely to moderate a bit in the near future, but we believe the country remains in an expansionary phase.

Standard & Poor's – April 2012

This promising profile is mapped on a geography surrounded by 85% and 60% of the world's proven oil and natural gas reserves, respectively. Together with the staggering growth in the demand for energy and petrochemicals, this makes Turkey an important center of attraction for energy and infrastructure investments.

In fact, the significant increase in power demand estimated at an average of 6% requires an additional investment of US\$ 8-10 per annum to avoid the supply crisis. The demand for natural gas is only growing to equalize the Turkish consumption to almost 10% of the total demand in EU-27. The unsaturated car penetration and petrochemicals consumption support the growth estimate of 25% in the demand for oil products until 2020. Already hosting the BTC Crude Oil Pipeline, Turkey is now embracing new projects to take its part in the Southern Corridor natural gas pipeline projects.

Despite the lags in reaching the market pace, the legal and regulatory environment become gradually consistent and responsive with the recent and expected amendments in the Renewables Law, the Energy Efficiency Law, the Commercial Code, the Capital Markets Law, the Turkish Petroleum Law and the incentives legislation. And the continuing liberalization with a series of privatisations is only adding to Turkey's magnetism at investor level.

The revision of the Turkish Commercial Code and the Capital Markets Law is a revolutionary regulatory reform. Companies will become more transparent, enabling market participants to better understand corporate risk, putting the country further along the path to an "emerged" emerging-market country.

Standard & Poor's – May 2012

These strong credentials place the Turkish energy sector on top of the M&A deal rankings, in that, in 2011, the number and value of the disclosed deals in the sector made up 35% and 25% of all deals in the country, respectively.

Within this framework, international players play an important role in the Turkish energy sector not only in terms of foreign direct investment but also of employment creation and know-how transfer. Among them, the German companies like RWE, E.ON, EWE and EnBW play an important role to promote the investment environment and to contribute to the liberalisation processes in the power and natural gas markets.

Turkey is an important market with its growing population and a stable economy. This is why RWE chose Turkey as the milestone of its international business strategy.

Dr. Andreas Radmacher,
Chairman, RWE Turkey

This bright picture makes Turkey a must-go market for BTO, with its strong credentials in the neighbouring countries. To strengthen our entry to the Turkish market, we recently welcomed Fulya Ilbey as Vice President responsible for business development in her native country. Her 12-year international energy market experience includes the BTC Crude Oil Pipeline Project Directorate, Is Investment, Global Investment and PwC offices in Turkey and in the UK, where she gathered a significant expertise in project management, equity research, investment banking, management consultancy and regulatory advisory. Fulya holds an MSc. degree in International Relations and Msc. degree in the Regulation of European Energy Markets from the London School of Economics.

Our second step has been to have a local presence with a representative office in Ankara, with a view to open our main office in Istanbul in the near future. Within this perspective, we would like to confirm our openness to different types of co-operation with the like-minded professionals and companies to sustain our growth strategy.

We strongly believe that our experience in Business Strategy and Management Services, Transaction Services, and the Optimisation Services for Organisation and & Processes in the developing markets, where the liberalisation and the evolving regulation are the main challenges, will put us in a unique position to support you, our clients, in your endeavour to take your part in this significant geography promising you a plethora of investment opportunities.

