

R&D, the engine of development

For a permanent performance and competition power, R&D studies are indispensable for the companies. To continue their existences, companies have to give the sufficient weight to R&D studies and follow the rapid changes in today's world.

The success of the companies which shape and create technology lies in the importance they give to R&D. Turkey reserves 6 per thousand of the gross national product to R&D. However, beginning from 2010, EU countries are going to reserve 3 percent of their gross national products to R&D. These findings emphasize the importance which should be given to R&D studies in our country. The companies of Zorlu Group are in leading positions both in Turkey and in the world in different areas with their powerful R&D departments. The investments in R&D studies carry Turkey and Zorlu Group to the future.

Vestel

R&D can be called "Growth engine of Vestel". There is a group of 500 people behind the R&D studies of Vestel. Around 80 million dollars R&D investment is made in a year. For 2006, an increase of 25 percent is expected. Both in Turkey and overseas, Vestel has 8 R&D centers in total. Vestel is one of the best companies analyzing a market's needs addressing a lot of customers, especially in Europe. Before digital broadcasting started in Europe, Vestel made an investment with Cabot in this area. With this investment, Vestel left its competitors far behind in the applications of digital broadcasting in Europe. At the same time Vestel is one of the first implementing institutions of DivX players. By analyzing the transition from TV's with tubes to Flat TV's before its competitors, Vestel enters the market with the correct products and become one of the leading product vendors. Besides the R&D studies and technological investments, Vestel strengthens its power with Vestek. Vestek works to bring in new technologies to Vestel before their production phases. Vestek provides R&D departments findings about the technologies which are going to be important in the future.

Zorlu Energy

The R&D department of Zorlu Energy Group consists of the ODTÜ and Zorlu Energy employees in respect of the timing and the content of the project. The number of the people in a group may go out to 15 according to the project. For R&D, an in-



vestment of 100 thousand YTL is made for a year. With this budget, the salaries of the employees, tools and softwares; scientific meetings and educations are covered. If the studies on the new circuit turbine engine speed up, the R&D investment amount will be 250 thousand YTL for the next 3 years. R&D studies are maintained in the Istanbul offices, in Zorlu Energy Implants and in Zorlu O&M Teknokent Office, in Ankara. Last year, by continuing the development of Zorlu O&M performance tracking and evaluating software, the computer net in Zorlu O&M ODTÜ Teknokent is strengthened. A new wind turbine testing device with a caliber of 3 m is purchased and a newly developed wing model is tested with success in ODTÜ Aeronautics and Space Laboratory. The tests of magnetic fuel conditioning device is completed and the applications in this area are started.

Textile

In terms of fast production, low costs, permanence of quality and competitive advantage, developments in textile area has great importance. In Korteks, the flagship of Zorlu, the technological investments major on process helping devices, automation, quality control, handling, product diversity and colored fibers. The R&D crew consists of 12 people: 3 directors, 1

chief, 3 engineers and 5 technicians. The R&D investments are around 1,5 million dollars a year. In the past year, for the infrastructure studies, investments are made in color laboratory and colored fiber production facilities. The R&D studies of textile group take place in centers in Bursa, Çorlu, and Germany. Zorlu Textile Group has a leading position in competition in terms of handling, automation, quality control and product diversity.

Zorlu Linen

Zorlu Linen has a distinct place in the textile sector with the emphasis and support given to the R&B. Zorlu Linen, with a capacity of production 120 million meters a year, has set another precedent in textile sector. Digital printing technology, the latest technology in textile printing is now used in Zorlu Linen, for the first time in Turkey. Artistri 2020 is the digital printing engine created by Dupont Company for short length and sample printing market. In Zorlu Linen, Aristri 2020 is used for each kind of cotton, polyester, cotton/polyester mixture fabrics and can print by using pigment and reactive system at the same time to printing lengths up to 180 cm.

DenizBank

Three years ago, DenizBank added Intertech to his structure. Intertech produces information technologies for financial sector and provides services in this area. The company has approximately 180 employees. In Intertech, all the mediums except fundamental banking are based on know-how Microsoft Technologies. Security, one of the most important components for a bank is provided in DenizBank at the top level. All users can be administered at one point. Since the administration occurs at one point, the risk of having security gaps is diminished. Intertech developed a new product called "Rota" by conducting an infrastructural study which covers fundamental banking products and distribution channels like web agencies and call centers. This project is going to continue approximately two years and it is going to be a merchantable product. In Intertech, LCS (Low Communication Server) product of Microsoft is used together with Rota.

Agreement between Whirlpool and Zorlu



Vestel, which produces and commercializes the most advanced Technologies in the global sense with the slogan of “Technology in Turkish”, signed an agreement of marketing and distributing with the world’s number one white goods production company Whirlpool. The aim of the agreement is to develop a modern sense of selling in parallel with Vestel’s advancing marketing applications and multiple brand strategies. According to the agreement, Whirlpool white goods and imbedded products are going to be sold in Vestel shops after the first quarter of 2006. In Vestel shops, refrigerators, washing machines, ovens, dish machines, microwave oven and other imbedded products of Whirlpool are going to meet with the customers.

Benetton, after Sisley, is in Zorlu

Zorlu Holding Textile Group, one of the leading textile companies in the world, signed world wide agreements in retail area. After Sisley, the home textile world license of famous Italian brand Benetton is given to Zorlu Group. Zorlu Group opened first Sisley Casa shop in important fashion centers of Europe. Benetton Home shops are going to be opened beginning from 2006.

Vedat Aydın, president of Zorlu Holding Textile Group, says that the Benetton Group offered giving its leading brand Sisley’s world license to Zorlu Group and after the negotiations, an agreement has been made. According to decisions taken in the meetings, the home textile license of Benetton in all countries except Spain and Portugal is given to Zorlu Group, too. Aydın said, “The required agreement on this topic is going to be signed soon”. According to Aydın, for Sisley Casa and Benetton Home brands, Zorlu Group is planning to make 15 million dollars investment in 2005-2006. With this agreement, Sisley enters the home textile sector for the first time with Zorlu Textile Group. Zorlu Group opened five shops in Europe’s leading fashion centers Milan, London, Paris, Palermo and Madrid. Aydın stated that, they aim to open 30 Sisley Casa shops in the area including Turkey and Russia until the end of 2006. Zorlu



Group makes studies to open shops in ABD. Aydın said, “If the results of these studies are positive, we are planning to open 20 Sisley Casa shops in ABD”. 20 percent of these shops are going to be operated by Zorlu Group and the rest is going to be given as franchises. Home textile activities with Benetton is going to continue under the name of Benetton Home. Aydın stated that Benetton Home is going to meet customer in more shops. Aydın said that in 2006 they are planning to open 20 shops for Benetton Home.

By DenizTürev, derivative markets are introduced to Turkish investors

Derivate market is a new phenomenon for Turkey. However, they have been well known in other countries. In fact, in terms of the transaction volume, “derivate markets” leave even the spot markets behind. DenizTürev Intervention Services introduced derivate markets to the Turkish investors, for the first time. Currently, DenizTürev is the only intervention corporation which provides service in the international “derivate markets”. “Derivate markets” are known as the markets in which financial contracts, financial indexes, bonds, exchange rates and stock market indexes are operated. In terms of commercial wares, every product from minerals like gold, silver, copper; energy products like oil and natural gas to consumption products like wheat, cotton, cacao, sugar, vegetables and meat are operated in these markets.

“Derivate markets” provide important advantages both for the individual and corporate investors. They can be used for the protection from the risk factors. They constitute a serious alternative for all investors in means of investments. In “deriva-

tive markets”, there are attractive options. The leverage ratios are high. This means that these markets enable small capitals to have big positions and therefore provide great benefits.

The main aim of the companies which prefer “derivate markets” is to be protected from risk. However, in Turkey, companies do not use this risk protection mechanism. Metin Aytekin, general manager of DenizTürev said, “The high functionality of derivate markets provides great advantages in terms of both investment and risk protection. We aim to establish derivate markets in Turkey and provide service to everyone who is interested. The increase in competition and decrease in margin of profit make risk management more important. These markets provide great advantages to companies, since they enable them to concentrate to their own range of activities by reducing the financial risk. Therefore, companies become less sensible to the environmental factors; they can make future plans more efficiently and use appropriate investment and budget strategies. For instance, an export textile company is very sen-



sitive against the fluctuations in the exchange rates. Since the main business of this company is not to follow the exchange rates, it has to protect itself from the fluctuations in the exchange rates. There are also other risks for the companies from different areas. It is possible to reduce all of these risks by using forward transaction markets or derivative tools in financial markets. For a company which does not use these tools, the chance of competing with foreign companies is very low.

Music by Zorlu



Ahmet Kavaklıoğlu, Çağda Çelikkilek and Burak Narter, employees of export department in Zorlu Group, follow their passion for music with the band they started. The group members practice in the studios in Taksim after work hours. They aim to develop themselves and become professional musicians.

Ahmet Kavaklıoğlu and Çağda Çelikkilek started to work in export department ABD group in Zorlu, one and a half year ago. Soon they understood that they have common music tastes. Since they both can play music instruments, they decided to establish a band. In July 2005, Burak Narter began to work in the same department. When they realize that Narter has a musical history, they invited him to the band. After that, Ahmet's brother Can joined them, too and since then the band practices three times a week. Cem, Burak and Ahmet perform in guitar and bass guitar and drums and Çağda performs in vocal and rhythm guitar respectively. The band does neither have a name nor a specific style yet. Çelikkilek stated that they are still trying to harmonize with each other and said "We can go on the stage the day we think that we can do this and have the right opportunity. The idea of having a record is too far away, since music is a hobby for us". Because they all have heavy responsibilities in Zorlu Group, they do not have enough time to practice to reach the level of professionals. Çelikkilek stated that they work with full attention five days of the week and said "I wish we could have met at the college. We would have a lot of time for practicing. When I was in the college, I could play guitar six hours a day.

The Symphony of Deniz

DenizBank believes that the performance of a corporation is not only the sum of financial indicators. Since the date of its foundation, DenizBank has supported artistic works. The new attempt of DenizBank in this area is its cooperation with İstanbul State Symphony Orchestra, IDSO. IDSO has been founded by the leadership of composer Cemal Reşit Rey as İstanbul Municipality City Orchestra in 1945 and took the name of IDSO in 1972 when it was attached to the Ministry of Culture.

The history of IDSO dates back to the Muzika-i Humayun Orchestra founded by Donizetti Pasha in 1827. Recently, a new milestone is added to the deep-rooted history of IDSO. IDSO continues its concerts with the support of DenizBank which aims to enrich life by supporting cultural and artistic activities. Right along with its successful performance in the financial area, the cooperation of DenizBank with IDSO is very important since it sets a good example. We discussed the coopera-



tion between DenizBank and IDSO with Orhan Topçuoğlu, Program Director of İstanbul State Symphony Orchestra. Topçuoğlu said, "I hope that DenizBank's support to IDSO is going to set an example for other companies and all the artistic corporations will have benefits from such supports. We need art lover people and companies. Because of that the cooperation between DenizBank and IDSO is very healthy. I see our practical relationship with DenizBank in a very high level".

"Radical changes will happen in Turkey"

Astrology is an area which predicts the future and because of that has many followers... For thousands of years, this situation has not changed. In the middle ages, kings used astrology to determine the dates of wars and important agreements. Astrology, "Explains the life", as astrologist Öner Döşer said. Astrology is important for the countries as well as it is for the people. For instance, according to the date of founding, the main zodiac sign of Turkey is scorpio and the ascendant is cancer. Therefore, Turkey has the characteristics of the zodiac sign cancer. Thus, Turkey is conservative, nationalist, conscientious, emotional and possessive. We asked Döşer, what is going to happen in Turkey, in 2006. He stated that we are in a period of significant changes since 2003 and these changes will continue in 2006. Döşer said: "I think that there will be radical changes with no turning back. Thus, we are going through a very important period".

Döşer is interested in astrology since his childhood and he started to work as a professional astrologist in 2003. Since 1999, Döşer started his studies about astrology and before that he was in the commercial business. In 2005 March, he started a company, AstroArt, jointly with his wife. Now, Döşer gives both individual consulting services and group educations. Döşer stated that there are a lot of teachers among his students and the average age of the students is 40. He said "Women are more interested in astrology. Men do not show



any interest in the beginning but once they get involved with astrology, they spend more time than women do for astrology. Döşer had his distant astrology education from the world famous astrologist Robert Zoller. To give the same education in Turkey, he started a web site, www.astrolojiokulu.com, jointly with Zeynep Süzmen Şen and Merih Akalın. The site contains information for the people who wants to get distant astrology education. The education continues six months. In every two weeks, participants receive new lecture notes and they can ask questions to the teachers when they need to.