The spread between the sale and the resale

Türkiye has sold its assets on the first hand for twenty years. The value has been made on the second. In September 2026 the state put the one asset it never sold back on the table — under the structure we proposed in 2004.

September 2026

$69bn

proceeds to the state from 34 years of privatisation

×7

equity value made on one asset after the state sold it

$600m

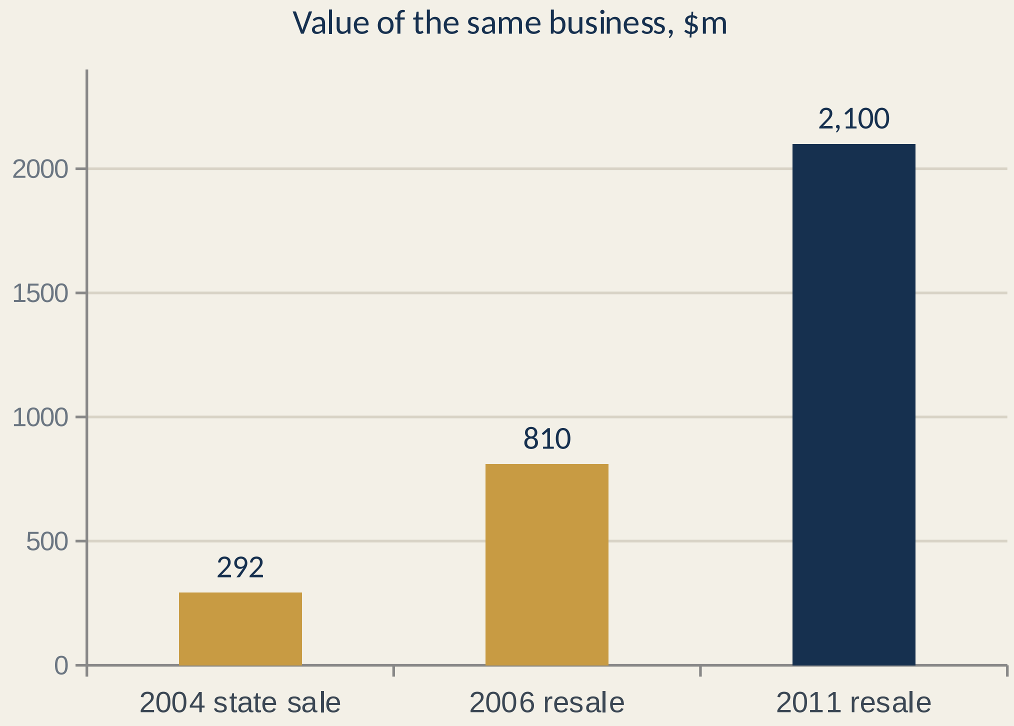
annual toll revenue now on the table for 30 years

THE PATTERN

One asset, three owners, seven years

The state sold Tekel's spirits business in 2004 and left the compounding to the buyers. Nothing operational explains the move — it is pricing and timing, twice.

2004	Privatisation Administration → Turkish consortium *1st hand*	$292m
2006	Consortium → TPG *2.8× in 24 months*	$810m
2011	TPG → Diageo *7.2× on the state's price*	$2.1bn



Sources: Privatisation Administration tender records; TPG and Diageo transaction announcements.

THE ARITHMETIC OF THE CYCLE

Every line Ankara books as a loss is a line someone else books as return

What the state received

$69bn

Total proceeds to the state from the privatisation programme, 1986–2023 — the first-hand price of everything sold.

What the state paid out

$15–25bn

Cumulative traffic-guarantee payments on the newer bridges: Osmangazi, Yavuz Sultan Selim, 1915 Çanakkale — volumes ran far below guarantee.

What the buyers earned

×2 – ×7

The multiple realised by second and third owners of the assets that moved: Mey, Mersin, Tüpraş.

The cycle runs in four moves: privatise, leverage, distress, buy back. Türk Telekom completed a full turn — 55% sold for $6.55bn in 2005, repurchased by the sovereign fund for about $1.65bn in 2022.

ON THE TABLE NOW

Presidential Decision 11750, 5 September 2026

Two Bosphorus bridges, eight motorways and two ring roads enter privatisation for thirty years. No transfer of ownership; revenue partnership is one of the named methods — the structure we put to the Privatisation Administration in 2004.

~$600m

gross toll revenue, 2025

30 years

term, title retained by the state

$5.72bn

high bid in the 2013 tender, cancelled as insufficient

2031

deadline for completion

Where a concession price lands

Present value of $600m a year for 30 years, before operating cost and the KGM service contract.

10% discount, flat	$5.7bn
10% discount, 3% growth	$7.4bn
8% discount, 3% growth	$9.6bn
12% discount, flat	$4.8bn

Illustrative, on gross revenue. To be recalibrated on the Administration's traffic and revenue series.

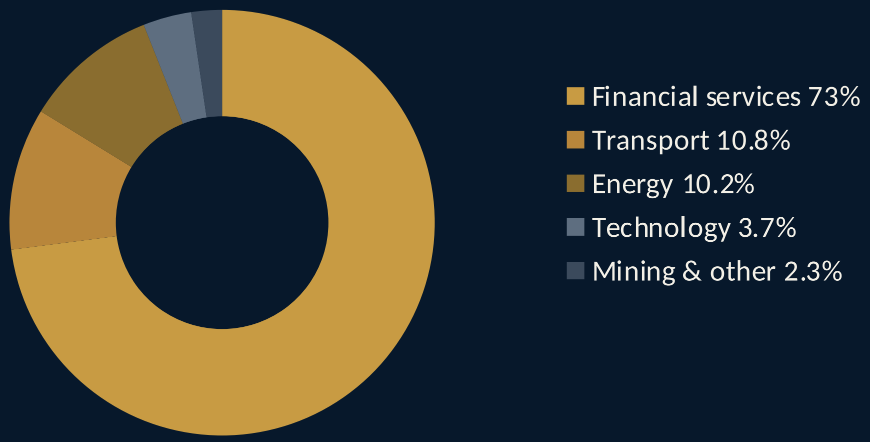
THE COUNTERPARTY BEHIND THE NEXT TICKETS

The sovereign fund holds the inventory of the cycle — and no operator

Türkiye Wealth Fund, 2024 integrated annual report, audited:

TRY 12.7tn	TRY 2tn	TRY 371bn	32
total assets, up 36%	equity, up 39%	profit for the period	portfolio companies, 7 sectors

Share of total assets



What the report does not contain

- No disposal programme — assets are consolidated, not rotated.
- No second-hand sale discipline — nothing captures the multiple the last three decades handed to buyers.
- No external management partner — the mandate exists on paper and is unfilled.

Ankara has already been asked to fill it: our March 2026 brief to the Presidency proposes exactly this mandate.

WHAT WE BRING TO THE DESK

Three lanes, four defined tickets

First asset

Bridges and motorways

Brookfield Infrastructure

Operating rights or revenue partnership on a $600m revenue base; 30 years; title with the state.

Lane B

Sovereign fund portfolio

Oaktree

AMC-type value-management partnership: minority stake, management rights, incentive fee above a baseline. $100–500m per asset.

Lane A

Corporate rescue credit

Oaktree

Share-pledged senior or structured credit to solvent, liquidity-squeezed groups. $50–300m, exit via asset monetisation.

Lane A´

Stranded fund portfolios

Oaktree

GP-led secondaries in 2007–2014 vintage Türkiye funds with no exit in a decade. $50–200m at a discount to NAV.

Out of scope in every lane: companies under trustee administration and assets seized on security grounds — contested title, LP-mandate risk.

WHY THIS DESK

We put this structure on these tables in 2004 — one file reached signature

19 Oct 2004	**Letter to the Privatisation Administration**	An 80/20 asset management company across the whole portfolio, incentive fee above a negotiated baseline. First asset listed: toll roads and bridges.
19 Oct 2004	**Indication of interest to the Savings Deposit Insurance Fund**	~$4bn face of corporate non-performing loans at ten cents on the dollar; 15% and 30% of distributions above $1bn and $1.5bn back to the state.
22 Dec 2004	**Memorandum of Understanding, signed**	Ahmet Ertürk for the Fund; Richard Perry and Alp Erçil for Perry Capital; William F. Duhamel for Farallon. Six weeks of diligence, exclusive negotiation, closing targeted for 31 March 2005.

Farallon, Perry Capital and Hellman & Friedman were the principals; the files closed when the counterparty changed the process, not the structure. Twenty-two years later the state has adopted the structure.

THE ASK

What we bring, and what we are asking for

What Value Masters brings

- Origination at the point of turnover — both gardens of the table, public and private.
- The 2004 file and the relationships behind it, including the principals still active.
- Structuring in Turkish privatisation and concession law, tender-proof by design.
- Minority co-investment in every ticket we originate.

What we are asking for

- A 30-minute single-asset conversation on the bridge and motorway concession.
- A referral and co-underwriting arrangement on originated tickets, with success-based fees.
- A named contact for Lane B so the sovereign fund mandate can be worked while it is open.