

Circular

Istanbul, 23 January 2018

Circular No: 13

Subject: Certain amendments announced on the legislation for investment incentives, through the Council of Ministers Decision no.2017/11133.

Summary: *Amendments provided below have been announced for the Decision on State Aid to Investments no.2012/3305, through the Council of Ministers Decision no.2017/11133 published in the Official Gazette dated 20 January 2018 and enacted as of the same date.*

-Investments on cargo and/or passenger transport by air are included among the investment items with priority.

-All investments to be performed in organized industrial sites of 4th and 5th region provinces within the scope of Attraction Centers Programme and organized industrial sites in Kilis will be benefitting from the supports implemented in the 6th region under 6th region conditions for the same rates, amounts and periods.

-Investments of paper and paper products manufacturing with US-97 code of 2102, 2109.1.02, 2109.3, 2109.4 will be benefitting from the regional supports without seeking for a condition of integrated production starting from pulp.

-Investments of pasta, semolina manufacturing integrated with pasta, ready-made feed for pets, fish flour, fish oil, fish-feed, bread, dried nuts and pickle production have been removed off the category containing investments unable to benefit from regional supports.

-Investments of airport and airport ground services with minimum amount of TL 5 million will benefit from the regional supports applicable within their region of location.

-Investments of airport and airport ground services with TL 200 million minimum fixed investment amount are included into the scope of large scaled investments.

Our explanations provided above include general information on the issue. No responsibility can be claimed against EY and Kuzey YMM ve Bağımsız Denetim A.Ş. due to the implications arising from the context of this document or emerging with respect to its context.

Best Regards,

KUZEY YMM VE BAĞIMSIZ DENETİM A.Ş.