

Circular

Istanbul, 2 January 2017

Circular No: 1

Subject: *The rate to be applied on rediscount transactions conducted as per the Tax Procedures Law determined as 9.75 %.*

Pertaining to the Communique released by Central Bank of the Republic of Turkey, the discount interest rate to be applied in the rediscount transactions to be conducted in return for the bills reaching maturity in maximum 3 months has been determined as 8.75% per year, while the interest rate to be applied to advance transactions has been determined as 9.75 % per year.

As of 31 December 2016, the date aforementioned Communique was published in the Official Gazette, the annual rate of 9.75 % should be taken into account (if interest rate is not indicated on the bill or cheque) in rediscount calculations within the scope of the Articles 281 and 285 of the Tax Procedures Law.

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.