

Circular

İstanbul, 02 October 2020

Circular No: 98

Subject: The "Multilateral Competent Authority Agreement on the exchange of country-by-country reports" ratified by the President.

Through the Presidential Decision no.2151 published in the Official Gazette dated 25 February 2020, amendments to the Decision on Disguised Profit Distribution through Transfer Pricing have been announced and the details of the matter were explained with the General Communique on Disguised Profit Distribution through Transfer Pricing, series no. 4, published later.

The "Multilateral Competent Authority Agreement on the exchange of country-by-country reports" has been ratified with the Presidential Decision no.3038 published in the repetitive Official Gazette dated 1 October 2020.

Ratification of the aforementioned agreement will be able to eliminate the requirement for preparation and submission of a country-by-country report proposed by the Presidential Decision for many businesses operating in Turkey (particularly foreign-based companies' affiliates in Turkey).

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.