

	FULL TAXPAYER LEGAL ENTITY	FULL TAXPAYER NATURAL PERSON	LIMITED TAXPAYER LEGAL ENTITY	LIMITED TAXPAYER NATURAL PERSON
<b>STOCK TRADING EARNINGS</b> <i>Stocks acquired after 1.1.2006</i>	<p>1) Earnings derived from the sales of the stocks issued by any other entity than securities investment trusts, which is listed to Borsa Istanbul (BIST), are subject to:</p> <ul style="list-style-type: none"> <li>◆ Withholding tax by 0%.</li> <li>◆ The foregoing earnings are subject to corporate tax.</li> </ul> <p>2) Earnings derived by the following entities from the sales of the stocks, which are issued by securities investment trusts that are listed on BIST, are subject to:</p> <p>a) Earnings derived by joint-stock (incorporated) companies, partnerships limited by shares and limited liability companies, are subject to:</p> <ul style="list-style-type: none"> <li>◆ Withholding tax by 0%.</li> <li>◆ The foregoing earnings are subject to corporate tax.</li> </ul> <p>b) Earnings derived by any other entity than those mentioned above are subject to:</p> <ul style="list-style-type: none"> <li>◆ Withholding tax by 10% (Those held for longer than 1 year are not subject to withholding. ).</li> <li>◆ The legal entities, which are required to file returns, may deduct the withholding tax amount paid thereby from the corporate tax amount calculated on the basis of the return.</li> </ul> <p>3) The earnings derived from stock trading transactions without the intermediary activities of banks and intermediary institutions are:</p> <ul style="list-style-type: none"> <li>◆ Not subject to withholding tax.</li> <li>◆ The foregoing earnings are subject to corporate tax.</li> <li>◆ In the event the taxpayers, who are obliged to pay corporate tax, fulfill the requirements stipulated within paragraph 5/1-e of the Corporate Tax Code; some 75% of the earnings shall be exempted from 75% of the corporate tax.</li> </ul>	<p>1) Earnings derived from the sales of the stocks issued by any other entity than securities investment trusts, which is listed to BIST, are subject to:</p> <ul style="list-style-type: none"> <li>◆ Withholding tax by 0%.</li> <li>◆ The withholding tax constitutes the final tax.</li> <li>◆ No return is to be filed.</li> </ul> <p>2) Earnings derived from the sales of the stocks, which are issued by securities investment trusts that are listed on BIST, are subject to:</p> <ul style="list-style-type: none"> <li>◆ Withholding tax by 10% (Those held for longer than 1 year are not subject to withholding.).</li> <li>◆ The withholding tax constitutes the final tax.</li> <li>◆ No return is to be filed.</li> </ul> <p>3) The trading earnings, which are not derived through the intermediary activities of banks and intermediary institutions (e.g. the trading of such stocks that are not listed to the exchange), are to be declared in accordance with the general provisions of the Income Tax Code.</p> <p>The earnings, which are derived from the stocks that are held for longer than 2 years and have been issued by full taxpayer legal entities, are excluded.</p>	<p>1) Earnings derived from the sales of the stocks issued by any other entity than securities investment trusts, which is listed to BIST, are subject to:</p> <ul style="list-style-type: none"> <li>◆ Withholding tax by 0%.</li> <li>◆ The withholding tax constitutes the final tax.</li> <li>◆ No return is to be filed.</li> </ul> <p>2) Earnings derived by the following entities from the sales of the stocks, which are issued by securities investment trusts that are listed on BIST, are subject to:</p> <p>a) The earnings derived by entities of foreign nationality, which are joint-stock (incorporated) companies, partnerships limited by shares and limited liability companies, and the mutual funds and investment trusts, which have been founded under the Capital Market Act, as well as the entities, which are established by the Ministry of Finance to pose a similar nature, (4) are subject to:</p> <ul style="list-style-type: none"> <li>◆ Withholding tax by 0%.</li> <li>◆ The withholding tax constitutes the final tax.</li> <li>◆ No return is to be filed.</li> </ul> <p>b) Earnings derived by any other entity than those mentioned above are subject to:</p> <ul style="list-style-type: none"> <li>◆ Withholding tax by 10% (Those held for longer than 1 year are not subject to withholding.).</li> <li>◆ No return is to be filed.</li> </ul> <p>3) The earnings derived from the trading transactions without the intermediary activities of banks and intermediary institutions are:</p> <ul style="list-style-type: none"> <li>◆ Not subject to withholding tax.</li> <li>◆ The foregoing earnings are subject to corporate tax.</li> <li>◆ The amount that could remain after the deduction of the corporate tax is subject to withholding tax by 15%.</li> </ul>	<p>1) Earnings derived from the sales of the stocks issued by any other entity than securities investment trusts, which is listed to BIST, are subject to:</p> <ul style="list-style-type: none"> <li>◆ Withholding tax by 0%.</li> <li>◆ The withholding tax constitutes the final tax.</li> <li>◆ No return is to be filed.</li> </ul> <p>2) Earnings derived from the sales of the stocks, which are issued by securities investment trusts that are listed on BIST, are subject to:</p> <ul style="list-style-type: none"> <li>◆ Withholding tax by 10% (Those held for longer than 1 year are not subject to withholding. ).</li> <li>◆ The withholding tax constitutes the final tax.</li> <li>◆ No return is to be filed.</li> </ul> <p>3) The trading earnings, which are not derived through the intermediary activities of banks and intermediary institutions (e.g. the trading of such stocks that are not listed to the exchange), are to be declared in accordance with the general provisions of the Income Tax Code.</p> <p>The earnings, which are derived from the stocks that are held for longer than 2 years and have been issued by full taxpayer legal entities, are excluded.</p>
<b>EARNINGS DERIVED FROM WARRANTS</b> <i>(Warrants traded on BIST)</i>	<p>Earnings derived from the warrants, the underlying assets of which are stocks or stock indices, are subject to:</p> <ul style="list-style-type: none"> <li>◆ Withholding tax by 0%.</li> <li>◆ The foregoing earnings are subject to corporate tax.</li> </ul>	<p>Earnings derived from the warrants, the underlying assets of which are stocks or stock indices, are subject to:</p> <ul style="list-style-type: none"> <li>◆ Withholding tax by 0%.</li> <li>◆ The withholding tax constitutes the final tax.</li> <li>◆ No return is to be filed.</li> </ul>	<p>Earnings derived from the warrants, the underlying assets of which are stocks or stock indices, are subject to:</p> <ul style="list-style-type: none"> <li>◆ Withholding tax by 0%.</li> <li>◆ The withholding tax constitutes the final tax.</li> <li>◆ No return is to be filed.</li> </ul>	<p>Earnings derived from the warrants, the underlying assets of which are stocks or stock indices, are subject to:</p> <ul style="list-style-type: none"> <li>◆ Withholding tax by 0%.</li> <li>◆ The withholding tax constitutes the final tax.</li> <li>◆ No return is to be filed.</li> </ul>

## TAXATION OF SECURITIES INCOME IN 2020

	FULL TAXPAYER LEGAL ENTITY	FULL TAXPAYER NATURAL PERSON	LIMITED TAXPAYER LEGAL ENTITY	LIMITED TAXPAYER NATURAL PERSON
<b>STOCK DIVIDEND INCOME</b> <i>(excluding Securities Investment Trusts and Real Estate Investment Trusts)</i>	<ul style="list-style-type: none"> <li>◆ Not subject to withholding tax.</li> <li>◆ The dividend income derived from full taxpayer legal entities (including venture capital mutual funds and investments trusts) are exempted from the corporate tax (sub-paragraph 5/1-a of the Corporate Tax Code).</li> </ul>	<ul style="list-style-type: none"> <li>◆ The entity, which distributes dividend, shall apply withholding by 15% (by 0% in the case of venture capital mutual funds and investment trusts). In the cases, where the sum of the half of the dividend income derived from full taxpayer entities (before withholding tax) and the other securities and real estate investment revenues, if any, which are taxed by way of withholding, is in excess of the limit of TRY 49,000 for declaration by way of filing of return that is applicable for 2020; some half of the dividend income is to be declared by way of the filing of an annual return. (excluding the earnings provided by provisional Article 62 of the Income Tax Code)</li> <li>◆ The entire amount withheld by the entity, which distributes the dividend, is to be deducted from the income tax calculated on dividend, is to be deducted from the income tax calculated on the basis of the return filed.</li> </ul>	<ul style="list-style-type: none"> <li>◆ The entity, which distributes dividend, shall apply withholding by 15% (by 0% in the case of venture capital mutual funds and investment trusts).</li> <li>◆ The withholding tax constitutes the final tax.</li> <li>◆ No return is to be filed.</li> </ul>	<ul style="list-style-type: none"> <li>◆ The entity, which distributes dividend, shall apply withholding by 15% (by 0% in the case of venture capital mutual funds and investment trusts).</li> <li>◆ The withholding tax constitutes the final tax.</li> <li>◆ No return is to be filed.</li> </ul>
<b>DIVIDEND INCOME DERIVED FROM THE STOCKS OF SECURITIES INVESTMENT TRUSTS AND REAL ESTATE INVESTMENT TRUSTS</b>	<ul style="list-style-type: none"> <li>◆ Not subject to withholding tax.</li> <li>◆ The foregoing earnings are subject to corporate tax.</li> </ul>	<ul style="list-style-type: none"> <li>◆ Withholding is to be applied by the entity, which distributes dividend (0%).</li> <li>◆ In the cases, where the sum of the half of the dividend income derived from full taxpayer entities (before withholding tax) and the other securities and real estate investment revenues, if any, which are taxed by way of withholding, is in excess of the limit of TRY 49,000 for declaration by way of filing of return that is applicable for 2020; some half of the dividend income is to be declared by way of the filing of an annual return.</li> </ul>	<ul style="list-style-type: none"> <li>◆ Withholding is to be applied by the entity, which distributes dividend (0%).</li> <li>◆ The withholding tax constitutes the final tax.</li> <li>◆ No return is to be filed.</li> </ul>	<ul style="list-style-type: none"> <li>◆ Withholding is to be applied by the entity, which distributes dividend (0%).</li> <li>◆ The withholding tax constitutes the final tax.</li> <li>◆ No return is to be filed.</li> </ul>
<b>INTEREST INCOME DERIVED FROM GOVERNMENT BONDS AND TREASURY BILLS</b> <i>Issued after 1.1.2006</i>	<ol style="list-style-type: none"> <li>1) The interest income derived by joint-stock (incorporated) companies, partnerships limited by shares and limited liability companies, are subject to: <ul style="list-style-type: none"> <li>◆ Withholding tax by 0%.</li> <li>◆ The foregoing earnings are subject to corporate tax.</li> </ul> </li> <li>2) The interest income derived by any other entity than those mentioned above (3) are subject to: <ul style="list-style-type: none"> <li>◆ Withholding tax by 0% if the interest income is derived from the gold-backed government debt securities, and</li> <li>◆ Withholding tax by 10% is applicable if the income is derived from other relevant lease certificates.</li> <li>◆ The legal entities, which are required to file returns, may deduct the withholding tax amount paid thereby from the corporate tax amount calculated on the basis of the return.</li> </ul> </li> </ol>	<ul style="list-style-type: none"> <li>◆ Withholding tax by 0% if the interest income is derived from the gold-backed government debt securities, and</li> <li>◆ Withholding tax by 10% is applicable if the income is derived from other relevant lease certificates.</li> <li>◆ The withholding tax constitutes the final tax.</li> <li>◆ No return is to be filed.</li> </ul>	<ol style="list-style-type: none"> <li>1) The interest income derived entities of foreign nationality, which are joint-stock (incorporated) companies, partnerships limited by shares and limited liability companies, and the mutual funds and investment trusts, which have been founded under the Capital Market Act, as well as the entities, which are established by the Ministry of Finance to pose a similar nature, (4); are subject to: <ul style="list-style-type: none"> <li>◆ Withholding tax by 0%.</li> <li>◆ The withholding tax constitutes the final tax.</li> <li>◆ No return is to be filed.</li> </ul> </li> <li>2) The interest income derived by any other entity than those mentioned above are subject to: <ul style="list-style-type: none"> <li>◆ Withholding tax by 0% if the interest income is derived from the gold-backed government debt securities, and</li> <li>◆ Withholding tax by 10% is applicable if the income is derived from other relevant lease certificates.</li> <li>◆ The withholding tax constitutes the final tax.</li> <li>◆ No return is to be filed.</li> </ul> </li> </ol>	<ul style="list-style-type: none"> <li>◆ Withholding tax by 0% if the interest income is derived from the gold-backed government debt securities, and</li> <li>◆ Withholding tax by 10% is applicable if the income is derived from other relevant lease certificates.</li> <li>◆ The withholding tax constitutes the final tax.</li> <li>◆ No return is to be filed.</li> </ul>

## TAXATION OF SECURITIES INCOME IN 2020

	FULL TAXPAYER LEGAL ENTITY	FULL TAXPAYER NATURAL PERSON	LIMITED TAXPAYER LEGAL ENTITY	LIMITED TAXPAYER NATURAL PERSON
<b>EARNINGS DERIVED FROM THE TRADING OF GOVERNMENT BONDS AND TREASURY BILLS</b> <small>Issued after 1.1.2006</small>	<p>1) Earnings derived by joint-stock (incorporated) companies, partnerships limited by shares and limited liability companies, are subject to:</p> <ul style="list-style-type: none"> <li>◆ Withholding tax by 0%.</li> <li>◆ The foregoing earnings are subject to corporate tax.</li> </ul> <p>2) The earnings derived by any other entity than those mentioned above (3) are subject to the following tax obligations:</p> <ul style="list-style-type: none"> <li>◆ Withholding tax by 0% if the interest income is derived from the gold-backed government debt securities, and</li> <li>◆ Withholding tax by 10% is applicable if the income is derived from other relevant lease certificates.</li> <li>◆ The legal entities, which are required to file returns, may deduct the withholding tax amount paid thereby from the corporate tax amount calculated on the basis of the return.</li> </ul>	<ul style="list-style-type: none"> <li>◆ Withholding tax by 0% if the interest income is derived from the gold-backed government debt securities, and</li> <li>◆ Withholding tax by 10% is applicable if the income is derived from other relevant lease certificates.</li> <li>◆ The withholding tax constitutes the final tax.</li> <li>◆ No return is to be filed.</li> </ul>	<p>1) The earnings derived by entities of foreign nationality, which are joint-stock (incorporated) companies, partnerships limited by shares and limited liability companies, and the mutual funds and investment trusts, which have been founded under the Capital Market Act, as well as the entities, which are established by the Ministry of Finance to pose a similar nature, (4) are subject to:</p> <ul style="list-style-type: none"> <li>◆ Withholding tax by 0%.</li> <li>◆ The withholding tax constitutes the final tax.</li> <li>◆ No return is to be filed.</li> </ul> <p>2) Earnings derived by any other entity than those mentioned above are subject to the following tax obligations:</p> <ul style="list-style-type: none"> <li>◆ Withholding tax by 0% if the interest income is derived from the gold-backed government debt securities, and</li> <li>◆ Withholding tax by 10% is applicable if the income is derived from other relevant lease certificates.</li> <li>◆ The withholding tax constitutes the final tax.</li> <li>◆ No return is to be filed.</li> </ul>	<ul style="list-style-type: none"> <li>◆ Withholding tax by 0% if the interest income is derived from the gold-backed government debt securities, and</li> <li>◆ Withholding tax by 10% is applicable if the income is derived from other relevant lease certificates.</li> <li>◆ The withholding tax constitutes the final tax.</li> <li>◆ No return is to be filed.</li> </ul>
<b>INTEREST INCOME DERIVED FROM THE EURO BONDS ISSUED BY THE UNDERSECRETARIAT OF TREASURY / MINISTRY OF FINANCE</b>	<ul style="list-style-type: none"> <li>◆ Subject to withholding tax (0%).</li> <li>◆ The foregoing earnings are subject to corporate tax.</li> </ul>	<ul style="list-style-type: none"> <li>◆ Subject to withholding tax (0%).</li> <li>◆ The principal amount translation difference, which arises out of redemption, is not to be considered income.</li> <li>◆ No inflation discount is to be applied.</li> <li>◆ In the cases, where the sum of interest income derived and the other securities and real estate investment revenues, if any, which are taxed by way of withholding, is in excess of the limit of TRY 49,000 for declaration by way of filing of return that is applicable for 2020; some half of the dividend income is to be declared by way of the filing of an annual return.</li> </ul>	<ul style="list-style-type: none"> <li>◆ Subject to withholding tax (0%).</li> <li>◆ No return is to be filed.</li> </ul>	<ul style="list-style-type: none"> <li>◆ Subject to withholding tax (0%).</li> <li>◆ No return is to be filed.</li> </ul>
<b>EARNINGS DERIVED FROM THE TRADING OF THE EURO BONDS ISSUED BY THE UNDERSECRETARIAT OF TREASURY / MINISTRY OF FINANCE</b> <small>Issued before 1.1.2006</small>	<ul style="list-style-type: none"> <li>◆ Not subject to withholding tax.</li> <li>◆ The foregoing earnings are subject to corporate tax.</li> </ul>	<ul style="list-style-type: none"> <li>◆ Not subject to withholding tax.</li> <li>◆ The trading earnings are to be calculated in Turkish Liras.</li> <li>◆ The acquisition amount may, except for the month of issue, be increased by the rate of increase of Domestic Producer Price Index unconditionally.</li> <li>◆ The trading losses are to be set off against the trading profits. (2)</li> <li>◆ Some TRY 40,000 of the sum including the other trading earnings is exempted from tax.</li> <li>◆ The portion that is in excess of the amount exempted is to be declared by way of filing a return.</li> </ul>	<ul style="list-style-type: none"> <li>◆ Not subject to withholding tax.</li> <li>◆ No return is to be filed.</li> </ul>	<ul style="list-style-type: none"> <li>◆ Not subject to withholding tax.</li> <li>◆ No return is to be filed.</li> </ul>
<b>EARNINGS DERIVED FROM THE TRADING OF THE EURO BONDS ISSUED BY THE UNDERSECRETARIAT OF TREASURY / MINISTRY OF FINANCE</b> <small>Issued after 1.1.2006</small>	<ul style="list-style-type: none"> <li>◆ Not subject to withholding tax.</li> <li>◆ The foregoing earnings are subject to corporate tax.</li> </ul>	<ul style="list-style-type: none"> <li>◆ Not subject to withholding tax.</li> <li>◆ The trading earnings are to be calculated in Turkish Liras.</li> <li>◆ Subject to the condition that the rate of increase of Domestic Producer Price Index is equal to or more than 10%; the acquisition amount may, except for the month of issue, be increased by the rate of increase of Domestic Producer Price Index.</li> <li>◆ The trading losses are to be set off against the trading profits. (2)</li> <li>◆ The earnings are to be declared by way of filing a return irrespectively of the amount of the same.</li> </ul>	<ul style="list-style-type: none"> <li>◆ Not subject to withholding tax.</li> <li>◆ No return is to be filed.</li> </ul>	<ul style="list-style-type: none"> <li>◆ Not subject to withholding tax.</li> <li>◆ No return is to be filed.</li> </ul>

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<b>DIVIDENDS DERIVED FROM THE PARTICIPATION CERTIFICATES OF MUTUAL FUNDS</b>	<p>1) Dividends derived by joint-stock (incorporated) companies, partnerships limited by shares and limited liability companies, are subject to:</p> <ul style="list-style-type: none"> <li>◆ Withholding tax by 0%.</li> <li>◆ The foregoing earnings are subject to corporate tax.</li> </ul> <p>2) The following tax obligations are applicable for the following dividends derived by any other entity than those mentioned above (3):</p> <ul style="list-style-type: none"> <li>◆ The dividends, which are derived from the participation certificates, held for longer than one year, of the mutual funds, at least 51% of the portfolio of which is constantly comprised of stocks that are traded on BIST, are not subject to withholding tax.</li> <li>◆ The dividends derived from the participation certificates of the stock-intensive funds, at least 80% of the total fund value of which is constantly comprised of stocks that are trade on BIST excluding the stocks of securities investment trusts, are subject to withholding tax by 0%.</li> <li>◆ The dividends derived from the participation certificates of any other funds than those mentioned above are subject to withholding tax by 10%.</li> <li>◆ The legal entities, which are required to file returns, may deduct the withholding tax amount paid thereby from the corporate tax amount calculated on the basis of the return.</li> </ul>	<ul style="list-style-type: none"> <li>◆ The dividends, which are derived from the participation certificates, held for longer than one year, of the mutual funds, at least 51% of the portfolio of which is constantly comprised of stocks that are traded on BIST, are not subject to withholding tax. Also, such dividend income is not to be declared.</li> <li>◆ The dividends derived from the participation certificates of the stock-intensive funds, at least 80% of the total fund value of which is constantly comprised of stocks that are trade on BIST excluding the stocks of securities investment trusts, are subject to withholding tax by 0%.</li> <li>◆ The dividends derived from the participation certificates of any other funds than those mentioned above are subject to withholding tax by 10%.</li> <li>◆ The withholding tax constitutes the final tax.</li> <li>◆ No return is to be filed.</li> </ul>	<p>1) The dividends derived by entities of foreign nationality, which are joint-stock (incorporated) companies, partnerships limited by shares and limited liability companies, and the mutual funds and investment trusts, which have been founded under the Capital Market Act, as well as the entities, which are established by the Ministry of Finance to pose a similar nature, (4) are subject to:</p> <ul style="list-style-type: none"> <li>◆ Withholding tax by 0%.</li> <li>◆ The withholding tax constitutes the final tax.</li> <li>◆ No return is to be filed.</li> </ul> <p>2) The following tax obligations are applicable for the following dividends derived by any other entity than those mentioned above:</p> <ul style="list-style-type: none"> <li>◆ The dividends, which are derived from the participation certificates, held for longer than one year, of the mutual funds, at least 51% of the portfolio of which is constantly comprised of stocks that are traded on BIST, are not subject to withholding tax.</li> <li>◆ The dividends derived from the participation certificates of the stock-intensive funds, at least 80% of the total fund value of which is constantly comprised of stocks that are trade on BIST excluding the stocks of securities investment trusts, are subject to withholding tax by 0%.</li> <li>◆ The dividends derived from the participation certificates of any other funds than those mentioned above are subject to withholding tax by 10%.</li> <li>◆ The withholding tax constitutes the final tax.</li> <li>◆ No return is to be filed.</li> </ul>	<ul style="list-style-type: none"> <li>◆ The dividends, which are derived from the participation certificates, held for longer than one year, of the mutual funds, at least 51% of the portfolio of which is constantly comprised of stocks that are traded on BIST, are not subject to withholding tax. Also, such dividend income is not to be declared.</li> <li>◆ The dividends derived from the participation certificates of the stock-intensive funds, at least 80% of the total fund value of which is constantly comprised of stocks that are trade on BIST excluding the stocks of securities investment trusts, are subject to withholding tax by 0%.</li> <li>◆ The dividends derived from the participation certificates of any other funds than those mentioned above are subject to withholding tax by 10%.</li> <li>◆ The withholding tax constitutes the final tax.</li> <li>◆ No return is to be filed.</li> </ul>
<b>TRADING EARNINGS DERIVED FROM THE PARTICIPATION CERTIFICATES OF EXCHANGE TRADED FUNDS</b>	<p>1) Earnings derived by joint-stock (incorporated) companies, partnerships limited by shares and limited liability companies, are subject to:</p> <ul style="list-style-type: none"> <li>◆ Withholding tax by 0%.</li> <li>◆ The foregoing earnings are subject to corporate tax.</li> </ul> <p>2) The following tax obligations are applicable for the following dividends derived by any other entity than those mentioned above (3):</p> <ul style="list-style-type: none"> <li>◆ The dividends derived from the participation certificates of the stock-intensive funds, at least 80% the total fund value of which is constantly comprised of stocks that are trade on BIST excluding the stocks of securities investment trusts, are subject to withholding tax by 0%.</li> <li>◆ The dividends derived from the participation certificates of any other exchange traded funds are subject to withholding tax by 10%.</li> <li>◆ The legal entities, which are required to file returns, may deduct the withholding tax amount paid thereby from the corporate tax amount calculated on the basis of the return.</li> </ul>	<ul style="list-style-type: none"> <li>◆ The dividends derived from the participation certificates of the stock-intensive funds, at least 80% the total fund value of which is constantly comprised of stocks that are trade on BIST excluding the stocks of securities investment trusts, are subject to withholding tax by 0%.</li> <li>◆ The dividends derived from the participation certificates of any other exchange traded funds are subject to withholding tax by 10%.</li> <li>◆ The withholding tax constitutes the final tax.</li> <li>◆ No return is to be filed.</li> </ul>	<p>1) The earnings derived by entities of foreign nationality, which are joint-stock (incorporated) companies, partnerships limited by shares and limited liability companies, and the mutual funds and investment trusts, which have been founded under the Capital Market Act, as well as the entities, which are established by the Ministry of Finance to pose a similar nature, (4) are subject to:</p> <ul style="list-style-type: none"> <li>◆ Withholding tax by 0%.</li> <li>◆ The withholding tax constitutes the final tax.</li> <li>◆ No return is to be filed.</li> </ul> <p>2) The following tax obligations are applicable for the following dividends derived by any other entity than those mentioned above:</p> <ul style="list-style-type: none"> <li>◆ The dividends derived from the participation certificates of the stock-intensive funds, at least 80% the total fund value of which is constantly comprised of stocks that are trade on BIST excluding the stocks of securities investment trusts, are subject to withholding tax by 0%.</li> <li>◆ The dividends derived from the participation certificates of any other exchange traded funds are subject to withholding tax by 10%.</li> <li>◆ The withholding tax constitutes the final tax.</li> <li>◆ No return is to be filed.</li> </ul>	<ul style="list-style-type: none"> <li>◆ The dividends derived from the participation certificates of the stock-intensive funds, at least 80% the total fund value of which is constantly comprised of stocks that are trade on BIST excluding the stocks of securities investment trusts, are subject to withholding tax by 0%.</li> <li>◆ The dividends derived from the participation certificates of any other exchange traded funds are subject to withholding tax by 10%.</li> <li>◆ The withholding tax constitutes the final tax.</li> <li>◆ No return is to be filed.</li> </ul>

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<b>INTEREST INCOME DERIVED FROM CORPORATE BONDS (BONDS, ASSET-BACKED SECURITIES, FINANCIAL BILLS)</b> <i>Issued after 1.1.2006</i>	<p>1) The interest income derived by the following entities from the corporate bonds issued in Turkey through the agency of banks and intermediary institutions are subject to the following taxes:</p> <p>a) The interest income derived by joint-stock (incorporated) companies, partnerships limited by shares and limited liability companies, are subject to:</p> <ul style="list-style-type: none"> <li>Withholding tax by 0%.</li> <li>The foregoing earnings are subject to corporate tax.</li> </ul> <p>b) The interest income derived by any other entity than those mentioned above (3) are subject to:</p> <ul style="list-style-type: none"> <li>Withholding tax by 10%.</li> <li>The legal entities, which are required to file returns, may deduct the withholding tax amount paid thereby from the corporate tax amount calculated on the basis of the return.</li> </ul> <p>2) The interest income derived from the corporate bonds issued in Turkey without the intermediary activities of banks and intermediary institutions (excluding those, which are derived by banks and intermediary institutions) are subject to withholding tax by 10%.</p> <ul style="list-style-type: none"> <li>The foregoing earnings are subject to corporate tax.</li> <li>The withholding tax amount paid may be deducted from the corporate tax amount calculated on the basis of the return.</li> </ul> <p>3) The interest income derived from the corporate bonds issued in abroad by full taxpayer legal entities are subject to withholding tax by such rates that range between 0% and 7% (5) depending on the maturity term of the relevant bonds.</p> <ul style="list-style-type: none"> <li>The foregoing earnings are subject to corporate tax.</li> <li>The withholding tax amount paid may be deducted from the corporate tax amount calculated on the basis of the return.</li> </ul>	<p>1) The interest income derived from the corporate bonds issued in Turkey are subject to:</p> <ul style="list-style-type: none"> <li>Withholding tax by 10%.</li> <li>The withholding tax constitutes the final tax.</li> <li>No return is to be filed.</li> </ul> <p>2) The interest income derived from the corporate bonds issued in abroad by full taxpayer legal entities are subject to withholding tax by such rates that range between 0% and 7% (5) depending on the maturity term of the relevant bonds.</p> <ul style="list-style-type: none"> <li>The principal amount translation difference, which arises out of redemption of bonds issued in a foreign currency, is not to be considered income.</li> <li>In the cases, where the sum of interest income derived and the other securities and real estate investment revenues, if any, which are taxed by way of withholding, is in excess of the limit of TRY 49,000 for declaration by way of filing of return that is applicable for 2020; some half of the dividend income is to be declared by way of the filing of an annual return.</li> <li>The withholding tax amount paid may be deducted from the income tax amount calculated on the basis of the return.</li> </ul>	<p>1) The interest income derived by the following entities from the corporate bonds issued in Turkey through the agency of banks and intermediary institutions are subject to the following taxes:</p> <p>a) The interest income derived entities of foreign nationality, which are joint-stock (incorporated) companies, partnerships limited by shares and limited liability companies, and the mutual funds and investment trusts, which have been founded under the Capital Market Act, as well as the entities, which are established by the Ministry of Finance to pose a similar nature, (4); are subject to:</p> <ul style="list-style-type: none"> <li>Withholding tax by 0%.</li> <li>The withholding tax constitutes the final tax.</li> <li>No return is to be filed.</li> </ul> <p>b) The interest income derived by any other entity than those mentioned above are subject to:</p> <ul style="list-style-type: none"> <li>Withholding tax by 10%.</li> <li>The withholding tax constitutes the final tax.</li> <li>No return is to be filed.</li> </ul> <p>2) The interest income derived from the corporate bonds issued in Turkey without the intermediary activities of banks and intermediary institutions are subject to:</p> <ul style="list-style-type: none"> <li>Withholding tax by 10%.</li> <li>The withholding tax constitutes the final tax.</li> <li>No return is to be filed.</li> </ul> <p>3) The interest income derived from the corporate bonds issued in abroad by full taxpayer legal entities are subject to withholding tax by such rates that range between 0% and 7% (5) depending on the maturity term of the relevant bonds.</p> <ul style="list-style-type: none"> <li>The withholding tax constitutes the final tax.</li> <li>No return is to be filed.</li> </ul>	<p>1) The interest income derived from the corporate bonds issued in Turkey are subject to:</p> <ul style="list-style-type: none"> <li>Withholding tax by 10%.</li> <li>The withholding tax constitutes the final tax.</li> <li>No return is to be filed.</li> </ul> <p>2) The interest income derived from the corporate bonds issued in abroad by full taxpayer legal entities are subject to withholding tax by such rates that range between 0% and 7% (5) depending on the maturity term of the relevant bonds.</p> <ul style="list-style-type: none"> <li>The withholding tax constitutes the final tax.</li> <li>No return is to be filed.</li> </ul>
<b>EARNINGS DERIVED FROM THE TRADING OF CORPORATE BONDS (BONDS, ASSET-BACKED SECURITIES, FINANCIAL BILLS)</b> <i>Issued after 1.1.2006</i>	<p>1) Banka ve aracı kurum aracılığıyla Türkiye’de ihraç edilenlerden;</p> <p>a) Anonim, eshamlı komandit ve limited şirketler ile yatırım fonları tarafından elde edilen kazançlar;</p> <ul style="list-style-type: none"> <li>%0 oranında stopaja tabi.</li> <li>Kurumlar vergisine tabi.</li> </ul> <p>b) Yukarıda sayılanların dışındaki kurumlar (3) tarafından elde edilen kazançlar;</p> <ul style="list-style-type: none"> <li>%10 oranında stopaja tabi.</li> <li>Beyanname vermesi gereken kurumlar, ödenen stopajı beyanname üzerinde hesaplanan kurumlar vergisinden mahsup edilebilirler.</li> </ul> <p>2) Banka ve aracı kurum aracılığı olmaksızın ihraç edilenlerden elde edilen kazançlar;</p> <ul style="list-style-type: none"> <li>Stopaja tabi değil.</li> <li>Kurumlar vergisine tabi.</li> </ul> <p>3) Tam mükellef kurumlar tarafından yurt dışında ihraç edilen tahvillerden sağlanan kazançlar;</p> <ul style="list-style-type: none"> <li>Stopaja tabi değil.</li> <li>Kurumlar vergisine tabi.</li> </ul>	<p>1) The earnings derived from the corporate bonds issued in Turkey through the intermediary activities of banks and intermediary institutions are subject to:</p> <ul style="list-style-type: none"> <li>Withholding tax by 10%.</li> <li>The withholding tax constitutes the final tax.</li> <li>No return is to be filed.</li> </ul> <p>2) The earnings derived from the bonds that are issued without the intermediary activities of banks and intermediary institutions and the bonds that are issued in abroad by full taxpayer legal entities are subject to:</p> <ul style="list-style-type: none"> <li>Not subject to withholding tax.</li> <li>The trading earnings are to be calculated in Turkish Liras.</li> <li>Subject to the condition that the rate of increase of Domestic Producer Price Index is equal to or more than 10%; the acquisition amount may, except for the month of issue, be increased by the rate of increase of Domestic Producer Price Index.</li> <li>The trading losses are to be set off against the trading profits. (2)</li> <li>The earnings are to be declared by way of filing a return irrespectively of the amount of the same.</li> </ul>	<p>1) The interest income derived by the following entities from the corporate bonds issued in Turkey through the agency of banks and intermediary institutions are subject to the following taxes:</p> <p>a) The earnings derived by entities of foreign nationality, which are joint-stock (incorporated) companies, partnerships limited by shares and limited liability companies, and the mutual funds and investment trusts, which have been founded under the Capital Market Act, as well as the entities, which are established by the Ministry of Finance to pose a similar nature, (4) are subject to:</p> <ul style="list-style-type: none"> <li>Withholding tax by 0%.</li> <li>The withholding tax constitutes the final tax.</li> <li>No return is to be filed.</li> </ul> <p>b) Earnings derived by any other entity than those mentioned above are subject to:</p> <ul style="list-style-type: none"> <li>Withholding tax by 10%.</li> <li>The withholding tax constitutes the final tax.</li> <li>No return is to be filed.</li> </ul> <p>2) The earnings derived from the corporate bonds issued in Turkey without the intermediary activities of banks and intermediary institutions are subject to:</p> <ul style="list-style-type: none"> <li>Not subject to withholding tax.</li> <li>The earnings that arise out of translation difference is not subject to any tax obligations.</li> <li>The foregoing earnings are subject to corporate tax.</li> <li>The portion of such earnings, which is transferred to the head office after the deduction of corporate tax, is subject to withholding tax by 15%.</li> </ul> <p>3) The earnings derived from the bonds issued in abroad by full taxpayer legal entities are subject to:</p> <ul style="list-style-type: none"> <li>Not subject to withholding tax.</li> <li>No return is to be filed.</li> </ul>	<p>1) The earnings derived from the corporate bonds issued in Turkey through the agency of banks and intermediary institutions are subject to the following taxes:</p> <ul style="list-style-type: none"> <li>Withholding tax by 10%.</li> <li>The withholding tax constitutes the final tax.</li> <li>No return is to be filed.</li> </ul> <p>2) The earnings derived from the corporate bonds issued in Turkey without the intermediary activities of banks and intermediary institutions are subject to:</p> <ul style="list-style-type: none"> <li>Not subject to withholding tax.</li> <li>The trading earnings are to be calculated in Turkish Liras.</li> <li>Subject to the condition that the rate of increase of Domestic Producer Price Index is equal to or more than 10%; the acquisition amount may, except for the month of issue, be increased by the rate of increase of Domestic Producer Price Index.</li> <li>The trading losses are to be set off against the trading profits. (2)</li> <li>The earnings are to be declared by way of filing a return irrespectively of the amount of the same.</li> </ul> <p>3) The earnings derived from the bonds issued in abroad by full taxpayer legal entities are subject to:</p> <ul style="list-style-type: none"> <li>Not subject to withholding tax.</li> <li>No return is to be filed.</li> </ul>

	FULL TAXPAYER LEGAL ENTITY	FULL TAXPAYER NATURAL PERSON	LIMITED TAXPAYER LEGAL ENTITY	LIMITED TAXPAYER NATURAL PERSON
<b>DIVIDEND</b> <b>INCOME DERIVED FROM LEASE CERTIFICATES</b> <i>(issued by full taxpayer leasing companies)</i>	<p>1) Incomes derived by joint-stock (incorporated) companies, partnerships limited by shares and limited liability companies are subject to:</p> <ul style="list-style-type: none"> <li>Withholding tax by 0%.</li> <li>The foregoing earnings are subject to corporate tax.</li> </ul> <p>2) The incomes derived by any other entity than those mentioned above (3) are subject to:</p> <ul style="list-style-type: none"> <li>The earnings derived from the gold-backed lease certificates, which are issued by Hazine Mustesarligi Varlik Kiralama A.S. (Undersecretariat of Treasury Asset Leasing Company Inc.) are subject to withholding tax by 0%.</li> <li>Withholding tax by 10% is applicable if the income is derived from other relevant lease certificates.</li> <li>The legal entities, which are required to file returns, may deduct the withholding tax amount paid thereby from the corporate tax amount calculated on the basis of the return.</li> </ul> <p>3) The incomes derived from the lease certificates issued in abroad are subject to:</p> <ul style="list-style-type: none"> <li>Withholding tax by such rates that range between 0% and 7% (5) depending on the maturity term of the relevant lease certificates.</li> <li>The withholding tax rate applicable for the lease certificates, which are issued by Hazine Mustesarligi Varlik Kiralama A.S. (Undersecretariat of Treasury Asset Leasing Company Inc.), is 0%.</li> <li>The foregoing earnings are subject to corporate tax.</li> <li>The withholding tax amount paid may be deducted from the corporate tax amount calculated on the basis of the return.</li> </ul>	<p>1) The income derived from the lease certificates issued in Turkey;</p> <ul style="list-style-type: none"> <li>The earnings derived from the gold-backed lease certificates, which are issued by Hazine Mustesarligi Varlik Kiralama A.S. (Undersecretariat of Treasury Asset Leasing Company Inc.) are subject to withholding tax by 0%.</li> <li>Withholding tax by 10% is applicable if the income is derived from other relevant lease certificates.</li> <li>The withholding tax constitutes the final tax.</li> <li>No return is to be filed.</li> </ul> <p>2) The incomes derived from the lease certificates issued in abroad are subject to:</p> <ul style="list-style-type: none"> <li>Withholding tax by such rates that range between 0% and 7% (5) depending on the maturity term of the relevant lease certificates.</li> <li>The withholding tax rate applicable for the lease certificates, which are issued by Hazine Mustesarligi Varlik Kiralama A.S. (Undersecretariat of Treasury Asset Leasing Company Inc.), is 0%.</li> <li>The principal amount translation difference, which arises out of redemption of lease certificates issued in a foreign currency, is not to be considered income.</li> <li>In the cases, where the sum of income derived and the other securities and real estate investment revenues, if any, which are taxed by way of withholding, is in excess of the limit of TRY 49,000 for declaration by way of filing of return that is applicable for 2020; some half of the dividend income is to be declared by way of the filing of an annual return.</li> <li>The withholding tax amount paid may be deducted from the income tax amount calculated on the basis of the return.</li> </ul>	<p>1) The income derived by the entities of foreign nationality, which are joint-stock (incorporated) companies, partnerships limited by shares and limited liability companies, and the mutual funds and investment trusts, which have been founded under the Capital Market Act, as well as the entities, which are established by the Ministry of Finance to pose a similar nature, (4), are subject to:</p> <ul style="list-style-type: none"> <li>Withholding tax by 0%.</li> <li>The withholding tax constitutes the final tax.</li> <li>No return is to be filed.</li> </ul> <p>2) The income derived by any other entity than those mentioned above;</p> <ul style="list-style-type: none"> <li>The gold-backed lease certificates, which are issued by Hazine Mustesarligi Varlik Kiralama A.S. (Undersecretariat of Treasury Asset Leasing Company Inc.) are subject to withholding tax by 0%.</li> <li>Withholding tax by 10% is applicable if the income is derived from other relevant lease certificates.</li> <li>The withholding tax constitutes the final tax.</li> <li>No return is to be filed.</li> </ul> <p>3) The incomes derived from the lease certificates issued in abroad are subject to:</p> <ul style="list-style-type: none"> <li>Withholding tax by such rates that range between 0% and 7% (5) depending on the maturity term of the relevant lease certificates.</li> <li>The withholding tax rate applicable for the lease certificates, which are issued by Hazine Mustesarligi Varlik Kiralama A.S. (Undersecretariat of Treasury Asset Leasing Company Inc.), is 0%.</li> <li>The withholding tax constitutes the final tax.</li> <li>No return is to be filed.</li> </ul>	<p>1) The income derived from the lease certificates issued in Turkey;</p> <ul style="list-style-type: none"> <li>The earnings derived from the gold-backed lease certificates, which are issued by Hazine Mustesarligi Varlik Kiralama A.S. (Undersecretariat of Treasury Asset Leasing Company Inc.) are subject to withholding tax by 0%.</li> <li>Withholding tax by 10% is applicable if the income is derived from other relevant lease certificates.</li> <li>The withholding tax constitutes the final tax.</li> <li>No return is to be filed.</li> </ul> <p>2) The incomes derived from the lease certificates issued in abroad are subject to:</p> <ul style="list-style-type: none"> <li>Withholding tax by such rates that range between 0% and 7% (5) depending on the maturity term of the relevant lease certificates.</li> <li>The withholding tax rate applicable for the lease certificates, which are issued by Hazine Mustesarligi Varlik Kiralama A.S. (Undersecretariat of Treasury Asset Leasing Company Inc.), is 0%.</li> <li>The withholding tax constitutes the final tax.</li> <li>No return is to be filed.</li> </ul>
<b>EARNINGS DERIVED FROM TRADING OF LEASE CERTIFICATES</b> <i>(issued by full taxpayer leasing companies)</i>	<p>1) Earnings derived by joint-stock (incorporated) companies, partnerships limited by shares and limited liability companies, are subject to:</p> <ul style="list-style-type: none"> <li>Withholding tax by 0%.</li> <li>The foregoing earnings are subject to corporate tax.</li> </ul> <p>2) The earnings derived by any other entity than those mentioned above (3) are subject to the following tax obligations:</p> <ul style="list-style-type: none"> <li>The earnings derived from the gold-backed lease certificates, which are issued by Hazine Mustesarligi Varlik Kiralama A.S. (Undersecretariat of Treasury Asset Leasing Company Inc.) are subject to withholding tax by 0%.</li> <li>Withholding tax by 10% is applicable if the income is derived from other relevant lease certificates.</li> <li>The legal entities, which are required to file returns, may deduct the withholding tax amount paid thereby from the corporate tax amount calculated on the basis of the return.</li> </ul> <p>3) The earnings derived from the lease certificates issued in abroad (including those issued by Hazine Mustesarligi Varlik Kiralama A.S. (Undersecretariat of Treasury Asset Leasing Company Inc.);</p> <ul style="list-style-type: none"> <li>Not subject to withholding tax.</li> <li>The foregoing earnings are subject to corporate tax.</li> </ul>	<p>1) The earnings derived from the lease certificates issued in Turkey;</p> <ul style="list-style-type: none"> <li>The earnings derived from the gold-backed lease certificates, which are issued by Hazine Mustesarligi Varlik Kiralama A.S. (Undersecretariat of Treasury Asset Leasing Company Inc.) are subject to withholding tax by 0%.</li> <li>Withholding tax by 10% is applicable if the income is derived from other relevant lease certificates.</li> <li>The withholding tax constitutes the final tax.</li> <li>No return is to be filed.</li> </ul> <p>2) The earnings derived from the lease certificates issued in abroad (including those issued by Hazine Mustesarligi Varlik Kiralama A.S. (Undersecretariat of Treasury Asset Leasing Company Inc.);</p> <ul style="list-style-type: none"> <li>Not subject to withholding tax.</li> <li>The trading earnings are to be calculated in Turkish Liras.</li> <li>Subject to the condition that the rate of increase of Domestic Producer Price Index is equal to or more than 10%; the acquisition amount may, except for the month of issue, be increased by the rate of increase of Domestic Producer Price Index.</li> <li>The trading losses are to be set off against the trading profits. (2)</li> <li>The earnings are to be declared by way of filing a return irrespectively of the amount of the same.</li> </ul>	<p>1) The earnings derived by entities of foreign nationality, which are joint-stock (incorporated) companies, partnerships limited by shares and limited liability companies, and the mutual funds and investment trusts, which have been founded under the Capital Market Act, as well as the entities, which are established by the Ministry of Finance to pose a similar nature, (4) are subject to:</p> <ul style="list-style-type: none"> <li>Withholding tax by 0%.</li> <li>The withholding tax constitutes the final tax.</li> <li>No return is to be filed.</li> </ul> <p>2) Earnings derived by any other entity than those mentioned above are subject to the following tax obligations:</p> <ul style="list-style-type: none"> <li>The gold-backed lease certificates, which are issued by Hazine Mustesarligi Varlik Kiralama A.S. (Undersecretariat of Treasury Asset Leasing Company Inc.) are subject to withholding tax by 0%.</li> <li>Withholding tax by 10% is applicable if the income is derived from other relevant lease certificates.</li> <li>The withholding tax constitutes the final tax.</li> <li>No return is to be filed.</li> </ul> <p>3) The earnings derived from the lease certificates issued in abroad (including those issued by Hazine Mustesarligi Varlik Kiralama A.S. (Undersecretariat of Treasury Asset Leasing Company Inc.);</p> <ul style="list-style-type: none"> <li>Not subject to withholding tax.</li> <li>No return is to be filed.</li> </ul>	<p>1) The earnings derived from the lease certificates issued in Turkey;</p> <ul style="list-style-type: none"> <li>The earnings derived from the gold-backed lease certificates, which are issued by Hazine Mustesarligi Varlik Kiralama A.S. (Undersecretariat of Treasury Asset Leasing Company Inc.) are subject to withholding tax by 0%.</li> <li>Withholding tax by 10% is applicable if the income is derived from other relevant lease certificates.</li> <li>The withholding tax constitutes the final tax.</li> <li>No return is to be filed.</li> </ul> <p>2) The earnings derived from the lease certificates issued in abroad (including those issued by Hazine Mustesarligi Varlik Kiralama A.S. (Undersecretariat of Treasury Asset Leasing Company Inc.);</p> <ul style="list-style-type: none"> <li>Not subject to withholding tax.</li> <li>No return is to be filed.</li> </ul>

## TAXATION OF SECURITIES INCOME IN 2020

	FULL TAXPAYER LEGAL ENTITY	FULL TAXPAYER NATURAL PERSON	LIMITED TAXPAYER LEGAL ENTITY	LIMITED TAXPAYER NATURAL PERSON
REPO INCOME	<ul style="list-style-type: none"> <li>◆ Withholding tax by 15%.</li> <li>◆ The foregoing earnings are subject to corporate tax.</li> <li>◆ The withholding tax amount paid may be deducted from the corporate tax amount calculated on the basis of the return.</li> </ul>	<ul style="list-style-type: none"> <li>◆ Withholding tax by 15%.</li> <li>◆ The withholding tax constitutes the final tax.</li> <li>◆ No return is to be filed.</li> </ul>	<ul style="list-style-type: none"> <li>◆ Withholding tax by 15%.</li> <li>◆ The withholding tax constitutes the final tax.</li> <li>◆ No return is to be filed.</li> </ul>	<ul style="list-style-type: none"> <li>◆ Withholding tax by 15%.</li> <li>◆ The withholding tax constitutes the final tax.</li> <li>◆ No return is to be filed.</li> </ul>
INTEREST ON DEPOSITS (TRY and Foreign Exchange Deposit Accounts)	<p><b>1)</b> On the basis of the interest accrued to the foreign exchange deposit accounts, which have been opened or the maturity term of which have been renewed after March 21, 2019; withholding tax by the following rates is applicable:</p> <ul style="list-style-type: none"> <li>◆ By 20% in the case of drawing accounts and call accounts and the term deposit accounts, the maturity term of which is up to 1 year (inclusive),</li> <li>◆ By 18% in the case of term deposit accounts, the maturity term of which is longer than 1 year,</li> </ul> <p><b>2)</b> On the basis of the interest accrued to the TRY deposit accounts, which have been opened or the maturity terms of which have been renewed as of December 1, 2018; withholding tax by the following rates is applicable:</p> <ul style="list-style-type: none"> <li>◆ By 15% in the case of drawing accounts and call accounts and the term deposit accounts, the maturity term of which is up to 6 months (inclusive),</li> <li>◆ By 12% in the case of the term deposit accounts, the maturity term of which is up to 1 year (inclusive),</li> <li>◆ By 10% in the case of term deposit accounts, the maturity term of which is longer than 1 year,</li> </ul> <p><b>3)</b> By 0% in the case of the TRY term deposit accounts, which have been opened as of May 1, 2019, to which variable interest rate dependent upon the inflation rate, and the maturity term of which is longer than 1 year.</p> <ul style="list-style-type: none"> <li>◆ The withholding tax rates specified in items 1 and 2 above are applicable for the dividends paid by participation banks in return for participation accounts.</li> <li>◆ The interests accrued to the inter-bank deposits and the amounts, which are owned by intermediary institutions and turned to account thereby on exchange money markets, are not subject to withholding tax.</li> <li>◆ The foregoing earnings are subject to corporate tax.</li> <li>◆ The withholding tax amount paid may be deducted from the corporate tax amount calculated on the basis of the return.</li> </ul>	<p><b>1)</b> On the basis of the interest accrued to the foreign exchange deposit accounts, which have been opened or the maturity term of which have been renewed after March 21, 2019; withholding tax by the following rates is applicable:</p> <ul style="list-style-type: none"> <li>◆ By 20% in the case of drawing accounts and call accounts and the term deposit accounts, the maturity term of which is up to 1 year (inclusive),</li> <li>◆ By 18% in the case of term deposit accounts, the maturity term of which is longer than 1 year,</li> </ul> <p><b>2)</b> On the basis of the interest accrued to the TRY deposit accounts, which have been opened or the maturity terms of which have been renewed as of December 1, 2018; withholding tax by the following rates is applicable:</p> <ul style="list-style-type: none"> <li>◆ By 15% in the case of drawing accounts and call accounts and the term deposit accounts, the maturity term of which is up to 6 months (inclusive),</li> <li>◆ By 12% in the case of the term deposit accounts, the maturity term of which is up to 1 year (inclusive),</li> <li>◆ By 10% in the case of term deposit accounts, the maturity term of which is longer than 1 year,</li> </ul> <p><b>3)</b> By 0% in the case of the TRY term deposit accounts, which have been opened as of May 1, 2019, to which variable interest rate dependent upon the inflation rate, and the maturity term of which is longer than 1 year.</p> <ul style="list-style-type: none"> <li>◆ The withholding tax rates specified in items 1 and 2 above are applicable for the dividends paid by participation banks in return for participation accounts.</li> <li>◆ The withholding tax constitutes the final tax.</li> <li>◆ No return is to be filed.</li> </ul>	<p><b>1)</b> On the basis of the interest accrued to the foreign exchange deposit accounts, which have been opened or the maturity term of which have been renewed after March 21, 2019; withholding tax by the following rates is applicable:</p> <ul style="list-style-type: none"> <li>◆ By 20% in the case of drawing accounts and call accounts and the term deposit accounts, the maturity term of which is up to 1 year (inclusive),</li> <li>◆ By 18% in the case of term deposit accounts, the maturity term of which is longer than 1 year,</li> </ul> <p><b>2)</b> On the basis of the interest accrued to the TRY deposit accounts, which have been opened or the maturity terms of which have been renewed as of December 1, 2018; withholding tax by the following rates is applicable:</p> <ul style="list-style-type: none"> <li>◆ By 15% in the case of drawing accounts and call accounts and the term deposit accounts, the maturity term of which is up to 6 months (inclusive),</li> <li>◆ By 12% in the case of the term deposit accounts, the maturity term of which is up to 1 year (inclusive),</li> <li>◆ By 10% in the case of term deposit accounts, the maturity term of which is longer than 1 year,</li> </ul> <p><b>3)</b> By 0% in the case of the TRY term deposit accounts, which have been opened as of May 1, 2019, to which variable interest rate dependent upon the inflation rate, and the maturity term of which is longer than 1 year.</p> <ul style="list-style-type: none"> <li>◆ The withholding tax rates specified in items 1 and 2 above are applicable for the dividends paid by participation banks in return for participation accounts.</li> <li>◆ The withholding tax constitutes the final tax.</li> <li>◆ No return is to be filed.</li> </ul>	<p><b>1)</b> On the basis of the interest accrued to the foreign exchange deposit accounts, which have been opened or the maturity term of which have been renewed after March 21, 2019; withholding tax by the following rates is applicable:</p> <ul style="list-style-type: none"> <li>◆ By 20% in the case of drawing accounts and call accounts and the term deposit accounts, the maturity term of which is up to 1 year (inclusive),</li> <li>◆ By 18% in the case of term deposit accounts, the maturity term of which is longer than 1 year,</li> </ul> <p><b>2)</b> On the basis of the interest accrued to the TRY deposit accounts, which have been opened or the maturity terms of which have been renewed as of December 1, 2018; withholding tax by the following rates is applicable:</p> <ul style="list-style-type: none"> <li>◆ By 15% in the case of drawing accounts and call accounts and the term deposit accounts, the maturity term of which is up to 6 months (inclusive),</li> <li>◆ By 12% in the case of the term deposit accounts, the maturity term of which is up to 1 year (inclusive),</li> <li>◆ By 10% in the case of term deposit accounts, the maturity term of which is longer than 1 year,</li> </ul> <p><b>3)</b> By 0% in the case of the TRY term deposit accounts, which have been opened as of May 1, 2019, to which variable interest rate dependent upon the inflation rate, and the maturity term of which is longer than 1 year.</p> <ul style="list-style-type: none"> <li>◆ The withholding tax rates specified in items 1 and 2 above are applicable for the dividends paid by participation banks in return for participation accounts.</li> <li>◆ The withholding tax constitutes the final tax.</li> <li>◆ No return is to be filed.</li> </ul>

## TAXATION OF SECURITIES INCOME IN 2020

	FULL TAXPAYER LEGAL ENTITY	FULL TAXPAYER NATURAL PERSON	LIMITED TAXPAYER LEGAL ENTITY	LIMITED TAXPAYER NATURAL PERSON
OFFSHORE DEPOSIT INTEREST INCOME	<ul style="list-style-type: none"> <li>No withholding tax is applicable since the deposit is held in abroad.</li> <li>The foregoing earnings are subject to corporate tax.</li> </ul>	<ul style="list-style-type: none"> <li>No withholding tax is applicable since the deposit is held in abroad.</li> <li>In the event the relevant amount exceeds TRY 2,600, being the declaration limit amount for 2020; the entire amount is to be declared by way of the filing of an income tax return.</li> </ul>	<ul style="list-style-type: none"> <li>Not subject to withholding tax.</li> <li>No return is to be filed.</li> </ul>	<ul style="list-style-type: none"> <li>Not subject to withholding tax.</li> <li>No return is to be filed.</li> </ul>
EARNINGS DERIVED FROM FUTURES AND OPTIONS TRANSACTIONS	<p>1) The earnings derived by the following entities from the transactions conducted on Borsa Istanbul Futures and Options Market (VIOP) are subject to the following taxes by the following rates:</p> <p>a) Earnings derived by joint-stock (incorporated) companies, partnerships limited by shares and limited liability companies, are subject to:</p> <ul style="list-style-type: none"> <li>Withholding tax by 0%.</li> <li>The foregoing earnings are subject to corporate tax.</li> </ul> <p>b) The following tax obligations are applicable for the following earnings derived by any other entity than those mentioned above (3):</p> <ul style="list-style-type: none"> <li>The earnings derived from the contracts backed by stocks or stock indices are subject to withholding tax by 0%.</li> <li>The earnings derived from any other contracts are subject to withholding tax by 10%.</li> <li>The legal entities, which are required to file returns, may deduct the withholding tax amount paid thereby from the corporate tax amount calculated on the basis of the return.</li> </ul> <p>2) The transactions that are not conducted on VIOP;</p> <ul style="list-style-type: none"> <li>Not subject to withholding tax.</li> <li>The foregoing earnings are subject to corporate tax.</li> </ul>	<p>The following tax obligations are applicable for the following earnings derived through the agency of banks and intermediary institutions on and off VIOP:</p> <p>a) The earnings derived from the contracts backed by stocks or stock indices are subject to:</p> <ul style="list-style-type: none"> <li>Withholding tax by 0%.</li> <li>The withholding tax constitutes the final tax.</li> <li>No return is to be filed.</li> </ul> <p>b) The earnings derived from the other contracts are subject to:</p> <ul style="list-style-type: none"> <li>Withholding tax by 10%.</li> <li>The withholding tax constitutes the final tax.</li> <li>No return is to be filed.</li> </ul>	<p>1) The following tax obligations are applicable for the following earnings derived through the agency of banks and intermediary institutions on and off VIOP:</p> <p>a) The earnings derived by entities of foreign nationality, which are joint-stock (incorporated) companies, partnerships limited by shares and limited liability companies, and the mutual funds and investment trusts, which have been founded under the Capital Market Act, as well as the entities, which are established by the Ministry of Finance to pose a similar nature, (4) are subject to:</p> <ul style="list-style-type: none"> <li>Withholding tax by 0%.</li> <li>The withholding tax constitutes the final tax.</li> <li>No return is to be filed.</li> </ul> <p>b) The following tax obligations are applicable for the following earnings derived by any other entity than those mentioned above:</p> <ul style="list-style-type: none"> <li>The earnings derived from the contracts backed by stocks or stock indices are subject to withholding tax by 0%.</li> <li>The earnings derived from any other contracts are subject to withholding tax by 10%.</li> <li>The withholding tax constitutes the final tax.</li> <li>No return is to be filed.</li> </ul> <p>2) The earnings derived by banks and other similar financial institutions from the transactions conducted thereby off VIOP through the agency of banks and intermediary institutions are not subject to withholding tax. General provisions are to be applied.</p>	<p>The following tax obligations are applicable for the following earnings derived through the agency of banks and intermediary institutions on and off VIOP:</p> <p>a) The earnings derived from the contracts backed by stocks or stock indices are subject to:</p> <ul style="list-style-type: none"> <li>Withholding tax by 0%.</li> <li>The withholding tax constitutes the final tax.</li> <li>No return is to be filed.</li> </ul> <p>b) The earnings derived from the other contracts are subject to:</p> <ul style="list-style-type: none"> <li>Withholding tax by 10%.</li> <li>The withholding tax constitutes the final tax.</li> <li>No return is to be filed.</li> </ul>

(1) The remarks concerning the limited taxpayer legal entities are applicable for the limited taxpayer legal entities, which do not have places of business and permanent representatives in Turkey.

(2) Even though the law does not provide any provisions as to the offsetting of trading losses against the trading earnings, the Ministry of Finance has stated that such offsetting may be performed within a press statement issued thereby.

(3) The examples for the entities other than such entities that are mentioned within the first paragraph of Article 2 of the Corporate Tax Code (equity companies, joint-stock (incorporated) companies, partnerships limited by shares and limited liability companies) include cooperative societies, state economic enterprises, associations and foundations as well as the economic enterprises thereof and joint-ventures.

(4) Any and all foreign corporate investments such as limited liability companies, country funds, institutional and organizational funds and investment trusts, which operate in Turkey for the purpose of deriving returns on securities and other capital market instruments and of exercising the rights associated thereto, are considered to be taxpayers of similar nature to the mutual funds and investment trusts established under the Capital Market Act (General Communiqué on Income Tax, serial No. 277).

(5) The interests derived from the bonds issued in abroad by full taxpayer legal entities and the income derived from the lease certificates issued in abroad by the full taxpayer leasing companies are subject to withholding by the following rates: (Presidential Decree No. 842, Brought into force on March 21, 2019)

- 7% for the interest and income derived from such bonds and lease certificates, the maturity term of which is up to 1 year,
- 3% for the interest and income derived from such bonds and lease certificates, the maturity term of which is 1 year to 3 years,
- 0% for the interest and income derived from such bonds and lease certificates, the maturity term of which is 3 years or longer,

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