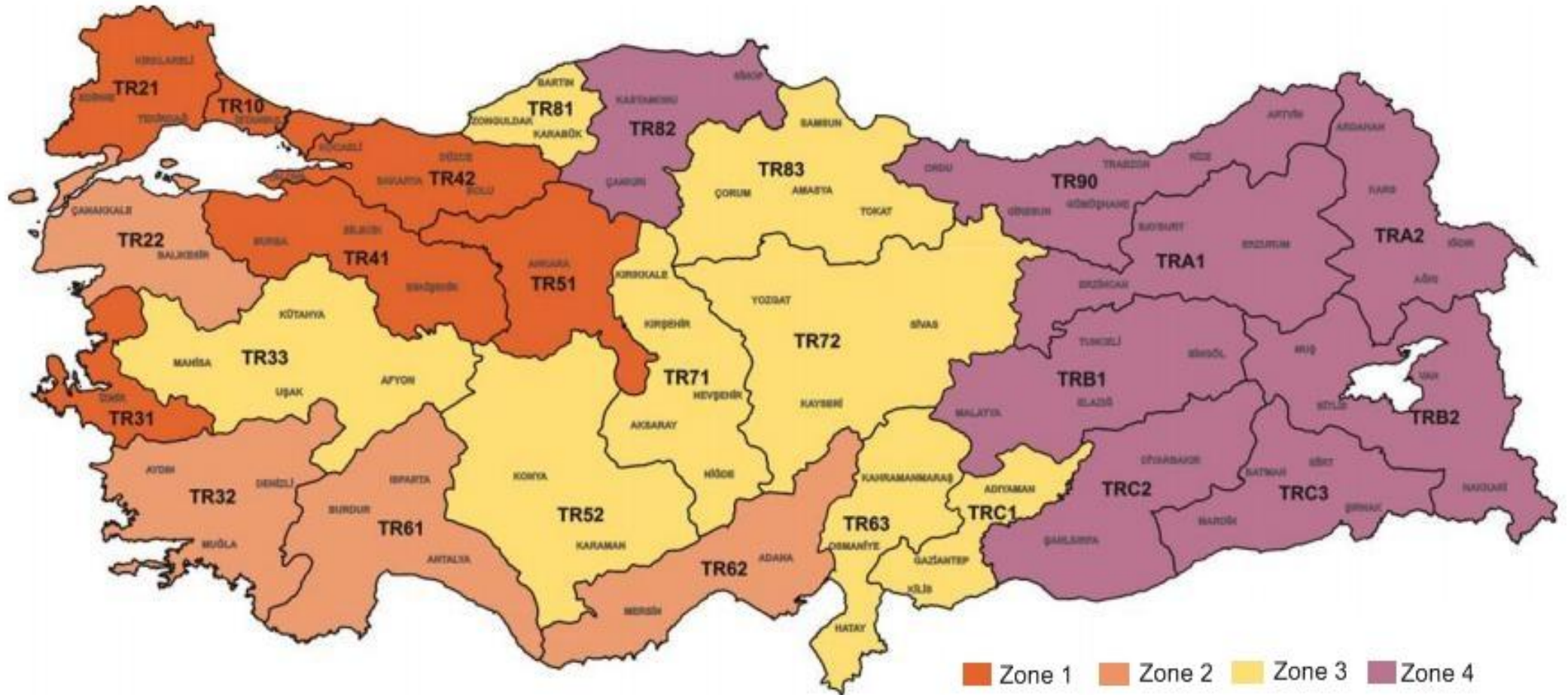


New Incentive System



1

Large Project Investments

Chemistry: Investments amounting to a minimum of TRY 1 billion in raw chemical materials production. Investments amounting to TRY 300 million in other chemical productions.

Oil Industry: Investments amounting to a minimum of TRY 1 billion.

Pipeline: No limit for the investments in pipeline transfer services.

Automotive: Automotive investments amounting to a minimum of TRY 250 million.

Railways: Investments amounting to a minimum of TRY 50 million.

Ports: Investments amounting to a minimum of TRY 250 million.

Electronics: Investments amounting to a minimum of TRY 1 billion. Investments in LCD/Plasma screen manufacturing. Investments in modular panel manufacturing amounting to a minimum of TRY 150 million. Investments in Laser TV, 3D TV and OLED TV. Other electronics sector investments, including information and communication technologies, amounting to a minimum of TRY 50 million.

Medical Devices: Investments amounting to a minimum of TRY 50 million.

Pharmaceuticals: Investments in medicine production amounting to TRY 100 million and more.

Aviation Industry: Greenfield investments or investments amounting to a minimum of TRY 50 million.

Machinery: Investments amounting to a minimum of TRY 50 million or more.

Mining: Investments in ore processing facilities and integrated metals production mills.

REDUCED CORPORATE TAX (%)

Zones	Rate of contribution to investment	Applicable Corporate Tax
1	30	10
2	40	8
3	50	4
4	70	2

*Highest reduction is applied in the zones 3 and 4

SOCIAL SECURITY PREMIUM CONTRIBUTION FOR EMPLOYERS *

Zones	Large Projects
1	2 years
2	3 years
3	5 years
4	7 years

* Duration of social security premiums to be covered by the Treasury

2

Regional Incentives

Zone 1: Investments that generally require the use of advanced technology such as automotive and supply industry, electronics, medicine, machinery and medical and optical device investments will be covered by incentives.

Zone 2: Technology-intensive sectors will be generally supported. In this framework, machinery, smart multi-functional textile, non-metal mineral product, paper, food and beverage investments will be incentivized.

Zones 3 and 4: Investments in agriculture, agriculture-based manufacturing industry, ready-to-wear, plastics, rubber, metal goods, tourism, health and education will be covered by incentives.

REDUCED CORPORATE TAX (%)

Zones	Rate of contribution to investment	Corporate Tax
1	20	10
2	30	8
3	40	4
4	60	2

*The zone 4 is the most advantageous zone in terms of corporate tax

SOCIAL SECURITY PREMIUM CONTRIBUTION FOR EMPLOYERS *

Zones	Regional and sectoral
1	2 years
2	3 years
3	5 years
4	7 years

*Duration of social security premiums to be covered by the Treasury

INTEREST SUPPORT (points)

Zones	Loan in TRY	Loan in Foreign Currency
1	-	-
2	-	-
3	3	1
4	5	2

TRY 300,000 for R&D and environmental investments, TRY 500,000 for other investments, minimum implementation period is 5 years.

3

Employment Scheme

- 120,000 unemployed people will be employed in temporary employment programs for a short period of time.
- ISKUR will provide training to 200,000 unemployed people and will pay TRY 15 daily during trainings.
- Entrepreneurship trainings and consultancy services will be provided and KOSGEB will give grant of TRY 4,000 from which 10,000 people will benefit.
- Interns will be paid TRY 15 daily by ISKUR for up to 6 months and 100,000 interns will be employed.
- Private employment offices will be authorized to establish temporary business relations.

Incentives for Additional Employment

- Companies will be given premium contribution for people hired in addition to the employment in April 2009.
- Application period will expire at the end of 2009 and Council of Ministers will be authorized to extend the period up to 6 months.
- Social security premiums on the basis of minimum salary payments will be paid by state for a period of 6 months.

Transfer Support to Textile

- Transport expenses of companies employing a minimum of 50 people and moving to Zone 3 and 4 from Zone 1 and 2 until 31.12.2010 will be covered by the Treasury.
- A corporate tax rate of %5 instead of %20 will be applicable for a period of 5 years.
- Social security premium contribution will be provided for a period of 5 years.
- Transport expenses will be covered by Treasury.