

DOĞUŞ OTOMOTİV SERVİS VE TİCARET A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER

(Convenience translation of consolidated financial statements originally issued in Turkish and amounts expressed in thousands of TL unless otherwise indicated.)

NOTE 28 – BALANCES AND TRANSACTIONS WITH RELATED PARTIES

28.1 Cash and Cash Equivalents

As at 31 December, Group’s cash balances at related party banks are as follows:

28.1.1 Trade receivables from associates

	2018	2017
VDF	2,495	658
Yüce Auto	1,920	2,913
Other	2	2
Total	4,417	3,573

28.1.2 Trade receivables from business partnerships

	2018	2017
Tüvtürk	1	1
Total	1	1

28.1.3 Trade receivables from other related parties

	2017	2017
VDF Faktoring Hizmetleri A.Ş. (“VDF Faktoring”)	380,746	1,106,520
VDF Sigorta Aracılık Hizmetleri A.Ş.	1,459	1,290
VDF Filo Kiralama A.Ş.	135	89
Other	115	103
Total	382,455	1,108,002

28.1.4 Ortaklardan alacaklar

	2017	2017
Doğuş Holding	387	-
Total	387	-
General Total	387,259	1,111,575

As of 31 December 2018, the Group imposes 1% interest charge on the receivables from related parties (31 December 2017: 1% per month).

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NOTE 28 – BALANCES AND TRANSACTIONS WITH RELATED PARTIES (Continued)

28.2 Short-term prepaid expenses to related parties

28.2.1 Current prepayments due from related parties

	2018	2017
Pozitif Arena Salon İşletmeleri A.Ş.	5,032	4,132
Doğuş Spor Kompleksi Yatırım ve İşletme A.Ş.	467	411
VDF Sigorta Aracılık Hizmetleri A.Ş.	-	187
Other	1,470	3,004
Total	6,969	7,734

28.2.2 Advances given to other related parties

	2018	2017
Antur Turizm A.Ş.	92	402
Total	92	402
Grand Total	7,061	8,136

28.3 Long-term prepaid expenses to related parties

28.3.1 Long-term expenses for the coming years

	2018	2017
Pozitif Arena Salon İşletmeleri A.Ş.	94	64
Doğuş Teknoloji	18	-
Total	112	64
Grand Total	112	64

28.4 Trade Payables to Related Parties

28.4.1 Trade Payables to associates

	2018	2017
Yüce Auto	46,947	23,434
Volkswagen Doğuş Finansman	65,642	7,700
Doğuş Teknoloji	3,072	4,339
Total	115,661	35,473

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28.4.2 Trade payables to other related parties

	2018	2017
Antur Turizm A.Ş.	724	2,423
Doğuş Yayın Grubu A.Ş.	184	66
VDF Filo Kiralama A.Ş.	110	14
VDF Sigorta Aracılık Hizmetleri A.Ş.	13	
Doğuş Enerji Toptan Elektrik Ticaret A.Ş.	-	651
Other	1,748	3,083
Total	2,779	6,237

28.4.3 Trade Payables to shareholders

	2018	2017
Doğuş Holding	1,147	2,908
Total	1,147	2,908
Grand Total	119,587	44,618

28.5 Current deferred income from related parties

	2018	2017
Pozitif Arena Konser Salon İşletmeleri A.Ş.	83	-
Total	83	-

28.6 Non-current deferred income from related parties

	2018	2017
Pozitif Arena Konser Salon İşletmeleri A.Ş.	94	-
Total	94	-

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NOTE 28 – BALANCES AND TRANSACTIONS WITH RELATED PARTIES (Continued)

28.7 Related Party Transactions

28.7.1 Associates

	<u>2018</u>	<u>2017</u>
Sales and other income generating transactions:		
Other income	30,328	26,677
Sale of products and returns, net	19,140	7,764
Sale of services, net	454	263
Finance income	-	-
Total	<u>49,922</u>	<u>34,704</u>

	<u>2018</u>	<u>2017</u>
Purchases and expenses incurring transactions:		
Inventory purchase	393,799	246,643
Incentives for consumer loans	157,347	47,955
Other purchases	44,009	26,466
Fixed asset purchases	23,696	21,913
Services rendered	13,648	10,393
Other expenses	288	28
Total	<u>632,787</u>	<u>353,398</u>

28.7.2 Joint ventures

	<u>2018</u>	<u>2017</u>
Sales and other income generating transactions:		
Sale of products and returns, net	1,127	292
Sale of service, net	37	12
Finance income	4	1
Total	<u>1,168</u>	<u>305</u>

	<u>2018</u>	<u>2017</u>
Purchases and expense creating transactions:		
Services purchases	32	20
Total	<u>32</u>	<u>20</u>

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NOTE 28 – BALANCES AND TRANSACTIONS WITH RELATED PARTIES (Continued)

28.7 Related Party Transactions

28.7.3 Other related parties

a) Income generated from other related parties

	2018			Total
	Sale of products	Sale of Services	Other income from operating activities	
VDF Filo	141,509	1,209	430	143,148
VDF Sigorta	26	7	7,334	7,367
VDF Faktoring	1	-	-	1
Other	1,322	75	1,636	3,033
	142,858	1,291	9,400	153,549

	2017			Total
	Sale of products	Sale of Services	Other income from operating activities	
Garanti Filo Yönetim	83,495	1,054	-	84,549
VDF Filo	151,053	209	20	151,282
Garanti Finansal Kiralama A.Ş.	309	-	-	309
VDF Sigorta	30	15	7,359	7,404
VDF Faktoring	5	2	-	7
Other	1,418	142	1,040	2,600
	236,310	1,422	8,419	246,151

b) Expenses arising from transactions with other related parties

	2018						
	Services rendered	Purchase of fixed assets	Purchase of inventory	Finance expenses	Other purchases	Other expenses from operating activities	Total
Antur Turizm	14,254	-	-	-	607	188	15,049
Doğuş Gayrimenkul Yatırım Ortaklığı	22,479	-	-	-	-	-	22,479
Doğuş Enerji	4,635	-	-	-	-	-	4,635
VDF Sigorta	6	-	-	-	48	320	374
Other	15,033	164	12,769	38,527	1,551	25,287	93,331
	56,407	164	12,769	38,527	2,206	25,795	135,868

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NOTE 28 – BALANCES AND TRANSACTIONS WITH RELATED PARTIES (Continued)

28.7 Related Party Transactions

28.7.3 Other related parties

b) Expenses arising from transactions with other related parties

	2017						
	Services rendered	Purchase of fixed assets	Purchase of inventory	Finance expenses	Other purchases	Other expenses from operating activities	Total
Antur Turizm	26,513	-	-	-	150	323	26,986
Doğuş Gayrimenkul Yatırım Ortaklığı	17,274	-	-	-	-	-	17,274
Doğuş Enerji	6,030	-	-	-	-	-	6,030
VDF Sigorta	622	-	-	33,188	8	1,697	35,515
Doğuş İnşaat	20	-	-	-	817	293	1,130
Diğer	8,436	-	1,321	6,587	445	7,248	24,037
	58,895	-	1,321	39,775	1,420	9,561	110,972

28.7.4 Transactions with shareholders

a) Income generated from shareholders

	2018			
	Sale of Product	Sale of services	Income from investing activities	Total
Doğuş Holding	208	67	-	275
	208	67	-	275

	2017			
	Sale of Product	Sale of services	Income from investing activities	Total
Doğuş Holding	201	12	8,927	9,140
	201	12	8,927	9,140

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28.7 Transactions with shareholders (Continued)

28.7.4 Transactions with shareholders (Continued)

b) Expenses arising from transactions with shareholders

	2018				Total
	Services Rended	Purchase of fixes asset	Others purchases	Other expense from operating activities	
Doğuş Holding	14,251	2	728	102	15,083
	14,251	2	728	102	15,083

	2017				Total
	Services Rended	Purchase of fixes asset	Other expense from operating activities		
Doğuş Holding	9,838	187,685	3,979		201,502
	9,838	187,685	3,979		201,502

28.10 Key Management Personnel Compensation

	2018	2017
Salaries and other short-term employee benefits	37,539	62,545
Total	37,539	62,545

The Group classifies members of the Board of Directors and senior executives who have administrative responsibilities as key management personnel, since they are responsible for the planning, management and control of the Group's operations.

Remuneration of Board of Directors and senior executive who have administrative responsibilities, for the years ended 31 December 2018 and 2017 includes salaries, health insurance and employer shares of Social Security Institution.