

Transactions Executed with the Risk Group in Which the Company Is Included

During the reporting period, the Company collected TL 27,215,781 (31 December 2017: TL 24,445,898) employer contribution for private pension plans from related parties, and accrued TL 488,432 employer premium for life insurance (31 December 2017: TL 676,779). Other material transactions executed with related parties in the fiscal years that ended on 31 December 2018 and 31 December 2017 are presented below:

	31 December 2018 (TL)	31 December 2017 (TL)
Premiums written, ceded	2,062,570	1,253,605
Premiums written, ceded	2,062,570	1,253,605
Milli Reasürans TAŞ - commission income from reinsurers	428,043	197,281
Commission income from reinsurers	428,043	197,281
Türkiye İş Bankası AŞ - interest income from deposits	26,827,071	15,378,058
Türkiye İş Bankası AŞ - rent income	13,532	11,707
Investment income	26,840,603	15,389,765
İş Portföy Yönetimi AŞ - investment consultancy fee	1,578,429	545,832
İş Portföy Yönetimi A.Ş. - settlement and custody expense	-	848
İş Yatırım Menkul Değerler A.Ş. - settlement and custody expense	161	-
Türkiye İş Bankası AŞ - settlement and custody expense	13,127	21,710
Investment expense	1,591,717	568,390
Türkiye İş Bankası AŞ - commission of policy production	129,724,138	117,784,697
İş Portföy Yönetimi AŞ - portfolio management fee of pension funds	11,721,046	25,255,024
İş Merkezleri Yönetim ve İşletim A.Ş. - building administrative expense	4,761,520	4,072,499
İş Gayrimenkul Yatırım Ortaklığı AŞ - rent expense	7,165,701	5,315,029
İş-Net Elektronik Bilgi Üretim Dağ. Tic. ve İletişim A.Ş. - communication expense	1,549,714	1,236,218
Erişim Müşteri Hizmetleri A.Ş. - call center service expense	15,536,857	13,139,698
Softtech Yazılım Teknoloji Araştırma Geliştirme ve Pazarlama Ticaret A.Ş. - software support expense	51,273	99,250
Türkiye İş Bankası AŞ - commission of premium collection and banking services	1,156,304	1,073,092
Türkiye İş Bankası AŞ - fund operation service expense	2,244,531	1,565,093
Türkiye İş Bankası AŞ - rent expense	291,741	377,639
İş Portföy Yönetimi A.Ş. Birinci Gayrimenkul Yatırım Fonu - rent expense	371,679	-
Anadolu Anonim Türk Sigorta Şirketi - premium paid	4,015,374	4,130,362
Anadolu Anonim Türk Sigorta Şirketi - rent expense	283,995	244,682
Other expenses	178,873,873	174,293,283

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The related party balances as at 31 December 2018 and 2017 are as follows:

	31 December 2018 (TL)	31 December 2017 (TL)
Türkiye İş Bankası A.Ş. - receivables from credit card collections	188,935,962	193,102,910
Cash and cash equivalents	188,935,962	193,102,910
Türkiye İş Bankası A.Ş. - bank deposits	137,493,170	220,572,922
Cash at banks	137,493,170	220,572,922
Anadolu Anonim Türk Sigorta Şirketi - premium receivable	25	-
Payable from main operations	25	-
Türkiye İş Bankası A.Ş. - commission payables	11,671,942	11,261,367
Milli Reasürans T.A.Ş. - premium payables	543,781	461,578
Payable from main operations	12,215,723	11,722,945
Türkiye İş Bankası A.Ş. - settlement and custody commission	-	5,010
Anadolu Anonim Türk Sigorta Şirketi - premium payables	137,069	57,577
Payables to shareholders	137,069	62,587
İş Portföy Yönetimi A.Ş.	2,597,677	7,857,440
İş Merkezleri Yönetim ve İşletim A.Ş.	306,778	193,147
İş Gayrimenkul Yatırım Ortaklığı A.Ş.	128,938	-
İş-Net Elektronik Bilgi Üretim Dağ. Tic. ve İletişim A.Ş.	32,068	35,474
Erişim Müşteri Hizmetleri A.Ş.	1,366,737	1,108,045
Softtech Yazılım Teknoloji Araştırma Geliştirme ve Pazarlama Ticaret A.Ş.	3,815	-
Other payables	4,436,013	9,194,106

The conclusion of the Associated Company Report 2018, which is prepared pursuant to Article 199 of the Turkish Commercial Code no 6102, is copied below:

“Between our Company and our controlling shareholder İşbank or other Group Companies affiliated to İşbank, there is:

- No transfer of receivables, payables or assets,
- No legal transaction creating liability such as providing suretyship, guarantee or endorsement,
- No legal transaction that might result in transfer of profit.

All legal transactions with the controlling company and group companies affiliated thereto during the 2018 operating year have been carried out on an arm’s length basis, according to the terms and conditions known to us, and necessary counter-performances have been provided, and the Company did not register loss.”