



RELATED PARTY TRANSACTIONS NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS INTERIM PERIOD ENDED 30 JUNE 2013

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX-MONTHS INTERIM PERIOD ENDED 30 JUNE 2013

(Amounts are expressed in TL unless otherwise stated.)

NOTE 21 - RELATED PARTY TRANSACTIONS

The immediate parent and controlling party of the Group is Esas Holding. The Group has a number of operating and financial relationships with its shareholders and other entities owned by its shareholders. There are no set payment terms for any of the related party transactions. The related party receivable and payables resulting from operating activities are generally settled in normal course of business.

(i) Balances with related parties

a) Due from related parties

	30 June 2013	31 December 2012
Balances with joint ventures:		
PUEM	-	181.718
İzair	-	16.358
	-	198.076

b) Due to related parties

	30 June 2013	31 December 2012
Balances with parent company:		
Esas Holding	1.388.860	2.434.041
Balances with joint ventures:		
PUEM	101.318	-
İzair	-	825.016
Balances with other related parties:		
EAG Turizm ve İnşaat Sanayi Ticaret A.Ş.	66.325	216.535
RM Arşiv Yönetim Hizmetleri A.Ş.	3.003	3.756
	1.559.506	3.479.348



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FOR THE SIX-MONTHS INTERIM PERIOD ENDED 30 JUNE 2013**

(Amounts are expressed in TL unless otherwise stated.)

NOTE 21 - RELATED PARTY TRANSACTIONS (cont'd)

(ii) Significant transactions with related parties:

The significant transactions with Esas Holding consist of the financial guarantee Esas provides for aircraft acquisitions and their related commissions. The Group records these commissions within finance expense.

The Group also leases its head office building from Esas Holding A.Ş. and EAG Turizm ve İnşaat Sanayi Ticaret A.Ş., another Esas Holding subsidiary, and records rent expense as disclosed below.

The Group has significant transactions with Callpex Çağrı Merkezi ve Müşteri Hizmetleri A.Ş. ("Callpex") that provide call center services to Pegasus. The Company's chairman is a shareholder in Callpex.

The Group provides maintenance services to İzair. The Group also receives simulator training services from PUEM for its pilots.

(a) Sale of services

	1 January- 30 June 2013	1 April- 30 June 2013	1 January- 30 June 2012	1 April- 30 June 2012
Balances with parent company:				
Esas Holding	-	-	116.858	-
Balances with joint ventures:				
İzair	1.064.038	-	-	-
PUEM	391.472	201.374	76.567	41.154
	1.455.510	201.374	193.425	41.154

(b) Purchases of goods or services

	1 January- 30 June 2013	1 April- 30 June 2013	1 January- 30 June 2012	1 April- 30 June 2012
Balances with joint ventures:				
PUEM	2.438.404	1.359.517	1.892.492	964.998
İzair	1.091.086	-	-	-
Purchases from other related parties:				
Callpex	3.643.672	1.879.792	3.099.101	1.552.219
EAG Turizm ve İnşaat Sanayi Ticaret A.Ş.	420.719	173.252	-	-
RM Arşiv Yönetim Hizmetleri A.Ş.	12.186	5.727	9.365	3.652
Mars Sinema Turizm ve Sportif Tesisler İşletmeciliği A.Ş.	-	-	-	-
Other	34.879	34.879	-	-
	7.687.946	3.453.167	5.000.958	2.520.869



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FOR THE SIX-MONTHS INTERIM PERIOD ENDED 30 JUNE 2013**

(Amounts are expressed in TL unless otherwise stated.)

NOTE 21 - RELATED PARTY TRANSACTIONS (cont'd)

(ii) Significant transactions with related parties(cont'd)

(c) Rent expenses

	1 January- 30 June 2013	1 April- 30 June 2013	1 January- 30 June 2012	1 April- 30 June 2012
EAG Turizm ve İnşaat Sanayi Ticaret A.Ş.	413.966	211.972	-	-
Esas Holding	-	-	269.824	135.058
İzmirliiler Otelcilik	-	-	63.720	-
	413.966	211.972	333.544	135.058

(d) Commission expenses

	1 January- 30 June 2013	1 April- 30 June 2013	1 January- 30 June 2012	1 April- 30 June 2012
Esas Holding	5.974.777	4.006.971	4.597.194	1.989.419
	5.974.777	4.006.971	4.597.194	1.989.419

Commission expenses represent commissions and fees for Esas Holding's guarantee which is provided for financial leases of aircraft. The fee rate is 0.575% of the 115% of the amount guaranteed.

(ii) Compensation of key management personnel:

Key management personnel include General Manager and Assistant General Managers. The remuneration of directors and other members of key management during the period ended 30 June 2013 and 2012 are as follows:

	1 January- 30 June 2013	1 April- 30 June 2013	1 January- 30 June 2012	1 April- 30 June 2012
Salaries and other short term benefits	2.464.483	1.925.257	1.123.455	666.290
	2.464.483	1.925.257	1.123.455	666.290

