

**Driver UK Multi-Compartment S.A.  
Société Anonyme**

**AUDITED ANNUAL ACCOUNTS  
FOR THE FINANCIAL YEAR  
ENDED 31 MARCH 2018**

**Registered office:**  
22-24 boulevard Royal  
L-2449 Luxembourg

**RCS Luxembourg : B 189.629**

**Driver UK Multi-Compartment S.A.**

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## Driver UK Multi-Compartment S.A.

### 1. MANAGEMENT REPORT

The Board of Directors of Driver UK Multi-Compartment S.A. (the 'Company') herewith submits its report for the year ending 31 March 2018.

#### General

The Company is a Securitisation company within the meaning of the Law of March 22, 2004 on Securitisation and has as its corporate purpose the Securitisation of receivables.

The Company may, in accordance with the terms of the Securitisation Law, and in particular its article 5, create one or more compartments. Each compartment shall, unless otherwise provided for in the resolution of the Board of Directors creating such compartment, correspond to a distinct part of the assets and liabilities in respect of the corresponding funding.

#### Summary of activities

##### Compartment Driver UK Two

On 25 August 2014 the Company created a compartment named Compartment Driver UK Two ("C2"). Compartment Driver UK Two has purchased receivables arising from the financing of the purchase of motor vehicles by customers by way of hire purchase, personal contract plans or lease purchase originated by Volkswagen Financial Services (UK) Limited ("VWFS") (the "Receivables").

The Receivables have been purchased as follows:

Portfolio Receivables	Compartment	Value at initial purchase (in GBP)	Purchase price (in GBP)
from VWFS	C2	1,182,436,935	1,155,240,886

The Receivables consist of any and all rights of the Seller against an Obligor under financing agreements for the acquisition of vehicles granted to such Obligors by VWFS.

The purchase price of the Receivables was calculated as the initial value of the Receivables less (i) an amount of GBP 13,006,806 for overcollateralisation purposes less (ii) an amount of GBP 14,189,243 for endowment of the Initial Cash Collateral Account.

The purchase of the Receivables has been financed by the issue of GBP 875,000,000 Class A Asset Backed Floating Rate Notes due 2023 (the "Class A Notes") and GBP 135,900,000 Class B Asset Backed Floating Rate Notes due 2023 (the "Class B Notes" and collectively the "Notes") and a Subordinated Loan for an amount of GBP 158,530,128.88.

The Notes are backed by substantially all of the assets of the Company consisting primarily of the Company's right, title and interest in the Receivables.

The Subordinated Loan has been granted to the Company by Volkswagen International Luxemburg S.A. for the purpose of credit enhancement and it ranks junior to the Notes. The Class B Notes rank junior to the Class A Notes.

The Company has entered into swap agreements for each Series of Notes to hedge the interest rate risk deriving from the scheduled periodic payments payable by the Obligors to the Company and the floating rate interest payments owed by the Company under the Notes.

The Notes and the Subordinated Loan are limited recourse obligations of the Company, whereby the Company pays only those amounts which are actually available to it, being essentially the amounts received from the Receivables and the amounts received or paid under the interest rate swap agreements less costs.

#### Portfolio of Permitted Assets

During the financial year, the Receivables principal held by Compartment Driver UK Two was not increased by way of reinvestment of funds collected (Top-Up) (2017: GBP 0). The Receivables principal was decreased (i) by payments collected from VWFS in the amount of GBP 260,737,375 (2017: GBP 399,493,230), and (ii) by a value adjustment which represents defaulted receivables in the amount of GBP 6,404,464 (2017: GBP 7,777,720).

#### Floating Rate Notes

As at 31 March 2018, the Compartment Driver UK Two redeemed an amount of GBP 210,995,590 (2017: GBP 279,106,781) on the principal of the Notes Class A and an amount of GBP 44,088,631 (2017: GBP 58,320,820) on the principal of the Notes Class B.

## Driver UK Multi-Compartment S.A.

### 1. MANAGEMENT REPORT

#### Summary of activities (continued)

##### Subordinated loan

During the year, the Compartment Driver UK Two redeemed an amount of GBP 43,495,576 on the Subordinated Loan (2017: GBP 73,642,378).

##### **Compartment Driver UK Three**

On 13 July 2015 the Company created a compartment named Compartment Driver UK Three ("C3"). Compartment Driver UK Three has purchased receivables arising from the financing of the purchase of motor vehicles by customers by way of hire purchase, personal contract plans or lease purchase originated by Volkswagen Financial Services (UK) Limited ("VWFS") (the "Receivables").

The Receivables have been purchased as follows:

Portfolio Receivables	Compartment	Value at initial purchase (in GBP)	Purchase price (in GBP)
from VWFS	C3	453,383,390	433,153,671

The Receivables consist of any and all rights of the Seller against an Obligor under financing agreements for the acquisition of vehicles granted to such Obligors by VWFS.

The purchase price of the Receivables was calculated as the initial value of the Receivables less (i) an amount of GBP 9,067,600 for overcollateralisation purposes less (ii) an amount of GBP 5,440,600 for endowment of the Initial Cash Collateral Account.

The purchase of the Receivables has been financed by the issue of GBP 350,000,000 Class A Asset Backed Floating Rate Notes due 2024 (the "Class A Notes") and GBP 39,900,000 Class B Asset Backed Floating Rate Notes due 2024 (the "Class B Notes" and collectively the "Notes") and a Subordinated Loan for an amount of GBP 158,530,128.

The Notes are backed by substantially all of the assets of the Company consisting primarily of the Company's right, title and interest in the Receivables.

The Subordinated Loan has been granted to the Company by Volkswagen International Luxembourg S.A. for the purpose of credit enhancement and it ranks junior to the Notes. The Class B Notes rank junior to the Class A Notes.

The Company has entered into swap agreements for each Series of Notes to hedge the interest rate risk deriving from the scheduled periodic payments payable by the Obligors to the Company and the floating rate interest payments owed by the Company under the Notes.

The Notes and the Subordinated Loan are limited recourse obligations of the Company, whereby the Company pays only those amounts which are actually available to it, being essentially the amounts received from the Receivables and the amounts received or paid under the interest rate swap agreements less costs.

##### Portfolio of Permitted Assets

During the financial year, the Receivables principal held by Compartment Driver UK Three was not increased by way of reinvestment of funds collected (Top-Up) (2017: GBP 0). The Receivables principal was decreased (i) by payments collected from VWFS in the amount of GBP 151,270,615 (2017: GBP 151,435,156), and (ii) by a value adjustment which represents defaulted receivables in the amount of GBP 4,521,377 (2017: GBP 14,521).

##### Floating Rate Notes

As at 31 March 2018, the Compartment Driver UK Three redeemed an amount of GBP 109,188,684 (2017: GBP 136,293,829) on the principal of the Notes Class A and an amount of GBP 17,712,937 (2017: GBP 5,762,887) on the principal of the Notes Class B.

##### Subordinated loan

During the year, the Compartment Driver UK Three redeemed an amount of GBP 28,601,134 on the subordinated loan (2017: GBP 9,854,853).

## Driver UK Multi-Compartment S.A.

### 1. MANAGEMENT REPORT

#### Summary of activities (continued)

##### **Compartment Driver UK Four**

On 23 September 2016 the Company created a compartment named Compartment Driver UK Four ("C4"). Compartment Driver UK Four has purchased receivables arising from the financing of the purchase of motor vehicles by customers by way of hire purchase, personal contract plans or lease purchase originated by Volkswagen Financial Services (UK) Limited ("VWFS") (the "Receivables").

The Receivables have been purchased as follows:

Portfolio Receivables	Compartment	Value at initial purchase (in GBP)	Purchase price (in GBP)
from VWFS	C4	750,002,083	713,891,503

The Receivables consist of any and all rights of the Seller against an Obligor under financing agreements for the acquisition of vehicles granted to such Obligors by VWFS.

The purchase price of the Receivables was calculated as the initial value of the Receivables less (i) an amount of GBP 8,200,000 for overcollateralisation purposes less (ii) an amount of GBP 9,000,000 for endowment of the Initial Cash Collateral Account.

The purchase of the Receivables has been financed by the issue of GBP 579,000,000 Class A Floating Rate Asset Backed Registered Notes due 2025 (the "Class A Notes") and GBP 51,800,000 Class B Floating Rate Asset Backed Notes due 2025 (the "Class B Notes" and collectively the "Notes") and a Subordinated Loan for an amount of GBP 111,002,082.

The Notes are backed by substantially all of the assets of the Company consisting primarily of the Company's right, title and interest in the Receivables.

The Subordinated Loan has been granted to the Company by Volkswagen International Luxembourg S.A. for the purpose of credit enhancement and it ranks junior to the Notes. The Class B Notes rank junior to the Class A Notes.

The Company has entered into swap agreements for each Series of Notes to hedge the interest rate risk deriving from the scheduled periodic payments payable by the Obligors to the Company and the floating rate interest payments owed by the Company under the Notes.

The Notes and the Subordinated Loan are limited recourse obligations of the Company, whereby the Company pays only those amounts which are actually available to it, being essentially the amounts received from the Receivables and the amounts received or paid under the interest rate swap agreements less costs.

##### Portfolio of Permitted Assets

During the financial year, the Receivables principal held by Compartment Driver UK Four was increased by way of reinvestment of funds collected (Top-Up) amounting to GBP 41,247,960 (2017: GBP 72,612,643). The Receivables principal was also decreased (i) by payments collected from VWFS in the amount of GBP 229,141,754 (2017: GBP 90,555,117), (ii) by defaulted receivables in the amount of GBP 1,876,408 (2017: GBP 146,921), and (iii) by the sale of ineligible receivables in the amount of GBP 0 (2017: GBP 110,900).

##### Floating Rate Notes

As at 31 March 2018, the Compartment Driver UK Four redeemed an amount of GBP 182,360,414 (2017: GBP 0) on the principal of the Notes Class A and an amount of GBP 1,370,165 (2017: GBP 0) on the principal of the Notes Class B.

##### Subordinated loan

During the year, the Compartment Driver UK Four redeemed an amount of GBP 4,981,890 on the subordinated loan (2017: GBP 0).

##### **Compartment Driver UK Five**

On 6 January 2017 the Company created a compartment named Compartment Driver UK Five ("C5"). Compartment Driver UK Five has purchased receivables arising from the financing of the purchase of motor vehicles by customers by way of hire purchase, personal contract plans or lease purchase originated by Volkswagen Financial Services (UK) Limited ("VWFS") (the "Receivables").

## Driver UK Multi-Compartment S.A.

### 1. MANAGEMENT REPORT

#### Summary of activities (continued)

The Receivables have been purchased as follows:

Portfolio Receivables	Compartment	Value at initial purchase (in GBP)	Purchase price (in GBP)
from VWFS	C5	438,146,480	417,875,590

The Receivables consist of any and all rights of the Seller against an Obligor under financing agreements for the acquisition of vehicles granted to such Obligors by VWFS.

The purchase price of the Receivables was calculated as the initial value of the Receivables less (i) an amount of GBP 6,600,000 for overcollateralisation purposes less (ii) an amount of GBP 5,300,000 for endowment of the Initial Cash Collateral Account.

The purchase of the Receivables has been financed by the issue of GBP 340,000,000 Class A Floating Rate Asset Backed Notes due 2025 (the "Class A Notes") and GBP 28,500,000 Class B Floating Rate Asset Backed Notes due 2025 (the "Class B Notes" and collectively the "Notes") and a Subordinated Loan for an amount of GBP 63,046,480.

The Notes are backed by substantially all of the assets of the Company consisting primarily of the Company's right, title and interest in the Receivables.

The Subordinated Loan has been granted to the Company by Volkswagen International Luxembourg S.A. for the purpose of credit enhancement and it ranks junior to the Notes. The Class B Notes rank junior to the Class A Notes.

The Company has entered into swap agreements for each Series of Notes to hedge the interest rate risk deriving from the scheduled periodic payments payable by the Obligors to the Company and the floating rate interest payments owed by the Company under the Notes.

The Notes and the Subordinated Loan are limited recourse obligations of the Company, whereby the Company pays only those amounts which are actually available to it, being essentially the amounts received from the Receivables and the amounts received or paid under the interest rate swap agreements less costs.

#### Portfolio of Permitted Assets

During the financial year, the Receivables principal held by Compartment Driver UK Five decreased (i) by payments collected from VWFS in the amount of GBP 121,946,967 (2017: GBP 10,501,886), and (ii) by defaulted receivables in the amount of GBP 503,460 (2017: GBP 3,787).

#### Floating Rate Notes

As at 31 March 2018, the Compartment Driver UK Five redeemed an amount of GBP 62,087,909 (2017: GBP 0) on the principal of the Notes Class A and no redemption on the principal of the Notes Class B during the year.

#### Compartment Private Driver 2016-1

On 24 February 2016 the Company created a compartment named Compartment Private Driver 2016-1 ("PD2016-1"). Compartment Private Driver 2016-1 has purchased receivables arising from the financing of the purchase of motor vehicles by customers by way of hire purchase, personal contract plans or lease purchase originated by Volkswagen Financial Services (UK) Limited ("VWFS") (the "Receivables").

The Receivables have been purchased as follows:

Portfolio Receivables	Compartment	Value at initial purchase (in GBP)	Purchase price (in GBP)
from VWFS	PD2016-1	750,004,084	720,845,327

The Receivables consist of any and all rights of the Seller against an Obligor under financing agreements for the acquisition of vehicles granted to such Obligors by VWFS.

## Driver UK Multi-Compartment S.A.

### 1. MANAGEMENT REPORT

#### Summary of activities (continued)

The purchase price of the Receivables was calculated as the initial value of the Receivables less (i) an amount of GBP 6,000,000 for overcollateralisation purposes less (ii) an amount of GBP 9,000,000 for endowment of the Initial Cash Collateral Account.

The purchase of the Receivables has been financed by the issue of GBP 576,000,000 Class A 1.2909% Fixed Rate Asset Backed Notes due 2025 (the "Class A Notes") and GBP 62,300,000 Class B 1.8528% Fixed Rate Asset Backed Notes due 2025 (the "Class B Notes" and collectively the "Notes") and a Subordinated Loan for an amount of GBP 105,704,084.

The Notes are backed by substantially all of the assets of the Company consisting primarily of the Company's right, title and interest in the Receivables.

The Subordinated Loan has been granted to the Company by Volkswagen International Luxemburg S.A. for the purpose of credit enhancement and it ranks junior to the Notes. The Class B Notes rank junior to the Class A Notes.

The Company has entered into swap agreements for each Series of Notes to hedge the interest rate risk deriving from the scheduled periodic payments payable by the Obligors to the Company and the floating rate interest payments owed by the Company under the Notes.

The Notes and the Subordinated Loan are limited recourse obligations of the Company, whereby the Company pays only those amounts which are actually available to it, being essentially the amounts received from the Receivables and the amounts received or paid under the interest rate swap agreements less costs.

#### Portfolio of Permitted Assets

During the financial year, the Receivables principal held by Compartment Private Driver 2016-1 was increased by way of reinvestment of funds collected (Top-Up) amounting to GBP 48,191,837 (2017: GBP 0). The Receivables principal was also decreased (i) by payments collected from VWFS in the amount of GBP 262,616,790 (2017: GBP 190,846,040), (ii) by defaulted receivables in the amount of GBP 3,118,164 (2017: GBP 418,364), and (iii) by the sale of ineligible receivables in the amount of GBP 10,596 (2017: GBP 31,854).

#### Floating Rate Notes

As at 31 March 2018, the Compartment Private Driver 2016-1 has redeemed Notes Class A for a total amount of GBP 195,045,007 and an amount of GBP 5,156,751 on the principal of the Notes Class B.

#### Subordinated loan

During the year, the Compartment Private Driver 2016-1 redeemed an amount of GBP 13,755,372 on the subordinated loan (2017: GBP 0).

#### Compartment Driver UK Six

On 4 July 2017 the Company created a compartment named Compartment UK Driver Six ("C6"). Compartment UK Driver 6 has purchased receivables arising from the financing of the purchase of motor vehicles by customers by way of hire purchase, personal contract plans or lease purchase originated by Volkswagen Financial Services (UK) Limited ("VWFS") (the "Receivables").

The Receivables have been purchased as follows:

Portfolio Receivables	Compartment	Value at initial purchase (in GBP)
from VWFS	C6	450,001,235

The Receivables consist of any and all rights of the Seller against an Obligor under financing agreements for the acquisition of vehicles granted to such Obligors by VWFS.

The purchase price of the Receivables was calculated as the initial value of the Receivables less (i) an amount of GBP 8,100,000 for overcollateralisation purposes less (ii) an amount of GBP 5,400,000 for endowment of the Initial Cash Collateral Account.

The purchase of the Receivables has been financed by the issue of GBP 340,200,000 Class A Floating Rate Asset Backed Notes due 2026 (the "Class A Notes") and GBP 29,200,000 Class B Floating Rate Asset Backed Notes due 2026 (the "Class B Notes" and collectively the "Notes") and a Subordinated Loan for an amount of GBP 72,501,235.

## Driver UK Multi-Compartment S.A.

### 1. MANAGEMENT REPORT

#### Summary of activities (continued)

The Notes are backed by substantially all of the assets of the Company consisting primarily of the Company's right, title and interest in the Receivables.

The Subordinated Loan has been granted to the Company by Volkswagen International Luxembourg S.A. for the purpose of credit enhancement and it ranks junior to the Notes. The Class B Notes rank junior to the Class A Notes.

The Company has entered into swap agreements for each Series of Notes to hedge the interest rate risk deriving from the scheduled periodic payments payable by the Obligors to the Company and the floating rate interest payments owed by the Company under the Notes.

The Notes and the Subordinated Loan are limited recourse obligations of the Company, whereby the Company pays only those amounts which are actually available to it, being essentially the amounts received from the Receivables and the amounts received or paid under the interest rate swap agreements less costs.

#### Portfolio of Permitted Assets

During the financial year, the Receivables principal held by Compartment Driver UK Six was increased by way of reinvestment of funds collected (Top-Up) amounting to 62,197,064. The Receivables was decreased (i) by payments collected from VWFS in the amount of GBP 70,008,087, (ii) by defaulted receivables in the amount of GBP 59,461 and (iii) by the sale of ineligible receivables in the amount of GBP 38,030.

#### Floating Rate Notes

As at 31 March 2018, the Compartment Driver UK Six has not redeemed on the principal of the Notes Class A and Notes Class B during the year.

#### Subordinated loan

On 25 September 2017, Compartment Driver UK Six has been granted a Subordinated Loan in the amount of GBP 72,501,235 from Volkswagen International Luxembourg S.A for the purpose of credit enhancement and it ranks junior to the Notes with respect to payment of interest and principal. The Loan carries an interest rate of one month Libor plus 2.15% per annum. During the year under review, no redemptions took place on the Subordinated Loan.

#### Compartment Private Driver 2018-1

On 25 April 2017 the Company created a compartment named Compartment Private Driver 2018-1 ("PD2018-1"). Compartment Private Driver 2018-1 has purchased receivables arising from the financing of the chase of motor vehicles by customers by way of hire purchase, personal contract plans or lease purchase originated by Volkswagen Financial Services (UK) Limited ("VWFS") (the "Receivables").

The Receivables have been purchased as follows:

Portfolio Receivables	Compartment	Value at initial purchase (in GBP)
from VWFS	PD2018-1	1,250,005,566

The Receivables consist of any and all rights of the Seller against an Obligor under financing agreements for the acquisition of vehicles granted to such Obligors by VWFS.

The purchase price of the Receivables was calculated as the initial value of the Receivables less (i) an amount of GBP 26,200,000 for overcollateralisation purposes less (ii) an amount of GBP 15,000,000 for endowment of the Initial Cash Collateral Account.

The purchase of the Receivables has been financed by the issue of GBP 918,700,000 Class A Floating Rate Asset Backed Notes due 2028 (the "Class A Notes") and GBP 87,500,000 Class B Floating Rate Asset Backed Notes due 2028 (the "Class B Notes" and collectively the "Notes") and a Subordinated Loan for an amount of GBP 217,605,567.

The Notes are backed by substantially all of the assets of the Company consisting primarily of the Company's right, title and interest in the Receivables.

The Subordinated Loan has been granted to the Company by Volkswagen International Luxembourg S.A. for the purpose of credit enhancement and it ranks junior to the Notes. The Class B Notes rank junior to the Class A Notes.

The Company has entered into swap agreements for each Series of Notes to hedge the interest rate risk deriving from the scheduled periodic payments payable by the Obligors to the Company and the floating rate interest payments owed by the Company under the Notes.



## **Driver UK Multi-Compartment S.A.**

### **1. MANAGEMENT REPORT**

#### **Summary of activities (continued)**

The Notes and the Subordinated Loan are limited recourse obligations of the Company, whereby the Company pays only those amounts which are actually available to it, being essentially the amounts received from the Receivables and the amounts received or paid under the interest rate swap agreements less costs.

#### Portfolio of Permitted Assets

During the financial year, the Receivables principal held by Compartment Private Driver 2018-1 was decreased by payments collected from VWFS in the amount of GBP 26,971,513.

#### Floating Rate Notes

As at 31 March 2018, the Compartment Private Driver UK 2018-1 has not redeemed on the principal of the Notes Class A and the Notes Class B during the year.

#### Subordinated loan

On 26 March 2018, Compartment Private Driver 2018-1 has been granted a Subordinated Loan in the amount of GBP 217,605,567 from Volkswagen International Luxemburg S.A for the purpose of credit enhancement and it ranks junior to the Notes with respect to payment of interest and principal. The Loan carries an interest rate of one month Libor plus 2.85% per annum. During the year under review, no redemptions took place on the Subordinated Loan.

#### **Voting rights**

Each issued share holds one vote in a Meeting of Shareholders. No special voting rights exist, nor does the sole Shareholder have any special right of control.

#### **Acquisition of own shares**

The Company may, to the extent and under the terms permitted by law, purchase its own shares. During the financial period ended 31 March 2018 the Company has not purchased any of its own shares.

#### **Research and development activities**

The Company was neither involved nor participated in any kind of research or development activities in the period ended 31 March 2018.

#### **Branches and participations of the Company**

The Company does not have any branches or participations.

#### **Board of Directors**

The Company is managed by a Board of Directors comprising of at least three members. The Directors, whether shareholders or not, who are appointed for a period not exceeding six years by the Sole Shareholder, who may at any time remove them.

The Board of Directors is vested with the powers to perform all acts of administration and disposition in compliance with the corporate objects of the Company. The Company will be bound in any circumstances by the joint signatures of two members of the Board of Directors unless special decisions have been reached concerning the authorised signature in case of delegation of powers or proxies.

At incorporation date Ms Z.H. Cammans, Ms P.J.S. Dunselman and Ms P. Kotwani - Khitri were appointed as Directors of the Company. Effective as of 1st January 2015, Ms P. Kotwani - Khitri has resigned from her position as Director of the Company and has been replaced by Ms C. Pirrie. Effective as of 12 May 2017, Ms P.J.S. Dunselman has resigned from her position as Director of the Company and has been replaced by Ms C. Lampis. Effective as of 19 July 2018, Ms C. Lampis has resigned from her position as Director of the Company and has been replaced by Ms M.Mussai-Ramassur with effect as of 19 July 2018. Effective as of 30 August 2018, Ms C. Pirrie has resigned from her position as Director of the Company and has been replaced by Mr I. Valikoff with effect as of 30 August 2018.

#### **Corporate governance statement**

The Board duly notes that, based on Article 52 of the law of 23 July 2016 concerning the audit profession (the "Audit Law"), the Company is classified as a public-interest entity and is required to establish an audit committee.

However, the Company's sole business is to act as issuer of asset-backed securities as defined in point (5) of Article 2 of Commission regulation (EC) N° 809/2004. Therefore, it is exempted from the audit committee obligation based on Article 52 (5) c).

## Driver UK Multi-Compartment S.A.

### 1. MANAGEMENT REPORT

#### Corporate governance statement (continued)

The Company has concluded that the establishment of a dedicated audit committee or an administrative or supervisory body entrusted to carry out the function of an audit committee is not appropriate for the nature and extent of the Company's business which consists merely of an interest in assets to which the limited recourse Notes issued are linked. Furthermore, the Company operates in a strictly defined regulatory environment (e.g. Securitisation Law, CSSF supervision, listing on EU-regulated market) and is subject to respective governance mechanisms.

#### Internal control and risk management procedures

The Board of Directors is responsible for managing the Company and carefully managing the Company's system of internal control and risk management. Its members are jointly accountable for the management of the Company and ensure that the statutory and legal requirements and obligations of the Company are met and complied with.

The Board has the overall responsibility for the Company's system of internal control and for achieving its effectiveness. This system of internal control is designed to manage, rather than eliminate, risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss. The Company operates a management structure with clear delegated authority levels and clear functional reporting lines and accountability. All relevant decisions are subject to appropriate authorisation procedures. The Board monitors financial and operational performance and compliance controls on a continuing basis and identifies and responds to business risks as they arise.

#### Related business risks

##### Credit risk:

The Company may be exposed to a credit risk with third parties with whom it trades and may also bear the risk of settlement default.

##### Counterparty risk:

Some of the assets and derivatives will expose the Company to the risk of Counterparty default.

##### Interest rate risk:

The Receivables bear interest at fixed rates while the Notes and the Subordinated loan will bear interest at floating rates based on 1-month LIBOR. The Company will hedge afore-described interest rate risk related to the Notes and will use payments made by the swap counterparties to make payments on the Notes on each Payment date. The Subordinated Loan is not covered by such swap transactions. The Board of Directors considers however that the Excess Spread of the structure would cover any movements in 1-month LIBOR.

The liquidity risk, market risk, currency risk and the price risk are not defined as the Directors of the Company believe that these risks are not applicable for the Company or are not deemed as principal risks to the Company as a whole.

#### **Subsequent events**

Effective as of 19 July 2018, Ms C. Lampis has resigned from her position as Director of the Company and has been replaced by Ms M.Mussai-Ramassur with effect as of 19 July 2018.

Effective as of 30 August 2018, Ms C. Pirrie has resigned from her position as Director of the Company and has been replaced by Mr Igor Valikoff with effect as of 30 August 2018.

No other event has occurred subsequent to the year-end which would have a material impact on the annual accounts as at 31 March 2018.

#### **Future outlook**

No material changes in activities are contemplated for the coming year.

Luxembourg,

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Ms Zamyra H. Cammans  
Director

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Ms Meenakshi D. Mussai-Ramassur  
Director

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Mr Igor Valikoff  
Director



## **Audit report**

To the Board of Directors of  
**Driver UK Multi-Compartment S.A.**

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### **Report on the audit of the annual accounts**

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#### *Our opinion*

In our opinion, the accompanying annual accounts give a true and fair view of the financial position of Driver UK Multi-Compartment S.A. (the “Company”) as at 31 March 2018, and of the results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts.

#### ***What we have audited***

The Company’s annual accounts comprise:

- the balance sheet as at 31 March 2018;
  - the profit and loss account for the year then ended; and
  - the notes to the annual accounts, which include a summary of significant accounting policies.
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#### *Basis for opinion*

We conducted our audit in accordance with the EU Regulation No 537/2014, the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the “Commission de Surveillance du Secteur Financier” (CSSF). Our responsibilities under those Regulation, Law and standards are further described in the “Responsibilities of the “Réviseur d’entreprises agréé” for the audit of the annual accounts” section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants’ Code of Ethics for Professional Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the annual accounts. We have fulfilled our other ethical responsibilities under those ethical requirements.

To the best of our knowledge and belief, we declare that we have not provided non-audit services that are prohibited under Article 5(1) of Regulation (EU) No 537/2014.

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#### *Key audit matters*

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts of the current period, and include the most significant assessed risks of material misstatement (whether or not due to fraud). These matters were addressed in the context of our audit of the annual accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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PricewaterhouseCoopers, Société coopérative, 2 rue Gerhard Mercator, B.P. 1443, L-1014 Luxembourg  
T : +352 494848 1, F : +352 494848 2900, [www.pwc.lu](http://www.pwc.lu)

Cabinet de révision agréé. Expert-comptable (autorisation gouvernementale n°10028256)  
R.C.S. Luxembourg B65 477 - TVA LU25482518



**Key audit matter**

**How our audit addressed the Key audit matter**

***Existence and valuation of lease receivables***

The purpose of the Company is to purchase a portfolio of car lease receivables of UK customers from Volkswagen Financial Services (UK) Limited (the originator). The acquisition of the lease receivables is financed by the issuances of granted notes. The leasing portfolio is purchased from the originator at a discounted value to cover potential losses of these receivables. There is a risk of non-payment if the customers fail to meet payment instalments. Refer to Note 2.2.2 for the accounting policy.

The collection process and the default management of the lease receivables are not conducted by the Company itself but by a third party, the asset servicer. Thus, reconciliation processes over lease receivables implemented by the asset servicer are critical to ensure lease receivable balances are complete and accurate.

Taking into account that the total financial fixed assets as at 31 March 2018 amounted to 3,220,916,184EUR (See Note 3), we have identified that valuation of lease receivables together with existence are key audit matters of our audit.

The lease receivables purchased by the Company are part of the full lease portfolio of VWFS UK. Our audit procedures to cover the existence of the lease receivables included:

- We performed detailed procedures to gain an understanding of the controls in respect of lease receivables adopted by the asset servicer;
- We performed reconciliation of the information of lease receivables in the annual accounts from the source systems;
- In order to verify reliance of the asset servicer’s information, we performed a sample testing of lease receivables and obtained supporting lease contracts.

As the audit of the valuation of each individual lease receivables is not appropriate, we have reviewed and tested the internal control system of VWFS UK with regards to the valuation of the lease receivables in which no issues were noted.

In order to test the Company’s assessment on provisions for bad debts, we ensure completeness and accuracy of the balance through combination of test of controls and substantive procedures.

As at 31 March 2018, the Company’s leasing receivables existence and valuation disclosed in the annual accounts are in line with the accounting policies.

*Other information*

The Board of Directors is responsible for the other information. The other information comprises the information stated in the Management report and the Corporate Governance Statement but does not include the annual accounts and our audit report thereon.

Our opinion on the annual accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the annual accounts, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the annual accounts or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



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*Responsibilities of the Board of Directors for the annual accounts*

The Board of Directors is responsible for the preparation and fair presentation of the annual accounts in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts, and for such internal control as the Board of Directors determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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*Responsibilities of the "Réviseur d'entreprises agréé" for the audit of the annual accounts*

The objectives of our audit are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the EU Regulation No 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

As part of an audit in accordance with the EU Regulation No 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors;
- conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the Company to cease to continue as a going concern;



- evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual accounts of the current period and are therefore the key audit matters. We describe these matters in our audit report unless law or regulation precludes public disclosure about the matter.

### **Report on other legal and regulatory requirements**

The Management report is consistent with the annual accounts and has been prepared in accordance with applicable legal requirements.

The Corporate Governance Statement is included in the Management report. The information required by Article 68ter Paragraph (1) Letters c) and d) of the Law of 19 December 2002 on the commercial and companies register and on the accounting records and annual accounts of undertakings, as amended, is consistent with the annual accounts and has been prepared in accordance with applicable legal requirements.

We have been appointed as “Réviseur d’Entreprises Agréé” of the Company by the Board of Directors on 28 July 2015 and the duration of our uninterrupted engagement, including previous renewals and reappointments, is 4 years.

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#### *Other matter*

The Corporate Governance Statement includes, when applicable, the information required by Article 68ter Paragraph (1) Letters a), b), e), f) and g) of the Law of 19 December 2002 on the commercial and companies register and on the accounting records and annual accounts of undertakings, as amended.

PricewaterhouseCoopers, Société coopérative  
Represented by

Luxembourg, 28 September 2018

A handwritten signature in black ink, appearing to read 'Günter Simon', is written over a light blue horizontal line.

Günter Simon

**Annual Accounts Helpdesk :**

Tel. : (+352) 247 88 494  
 Email : centralebilans@statec.etat.lu

RCSL Nr.: B189629

Matricule: 2014 2216 575

eCDF entry date:

**BALANCE SHEET**

Financial year from <sup>01</sup> 01/04/2017 to <sup>02</sup> 31/03/2018 (in <sup>03</sup> GBP )

Driver UK Multi-Compartment S.A.  
 22-24, Boulevard Royal  
 L-2449 Luxembourg

**ASSETS**

	Reference(s)	Current year	Previous year
<b>A. Subscribed capital unpaid</b>			
I. Subscribed capital not called	1101 _____	101 _____	102 _____
II. Subscribed capital called but unpaid	1103 _____	103 _____	104 _____
	1105 _____	105 _____	106 _____
<b>B. Formation expenses</b>	1107 _____	107 _____	108 _____
<b>C. Fixed assets</b>	1109 _____ <b>3</b>	109 <b>3.220.916.184,00</b>	110 <b>2.446.187.755,00</b>
I. Intangible assets	1111 _____	111 _____	112 _____
1. Costs of development	1113 _____	113 _____	114 _____
2. Concessions, patents, licences, trade marks and similar rights and assets, if they were	1115 _____	115 _____	116 _____
a) acquired for valuable consideration and need not be shown under C.I.3	1117 _____	117 _____	118 _____
b) created by the undertaking itself	1119 _____	119 _____	120 _____
3. Goodwill, to the extent that it was acquired for valuable consideration	1121 _____	121 _____	122 _____
4. Payments on account and intangible assets under development	1123 _____	123 _____	124 _____
II. Tangible assets	1125 _____	125 _____	126 _____
1. Land and buildings	1127 _____	127 _____	128 _____
2. Plant and machinery	1129 _____	129 _____	130 _____

The notes in the annex form an integral part of the annual accounts

RCSL Nr. : B189629

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	Reference(s)	Current year	Previous year
3. Other fixtures and fittings, tools and equipment	1131 _____	131 _____	132 _____
4. Payments on account and tangible assets in the course of construction	1133 _____	133 _____	134 _____
<b>III. Financial assets</b>	1135 _____	135 <b>3.220.916.184,00</b>	136 <b>2.446.187.755,00</b>
1. Shares in affiliated undertakings	1137 _____	137 _____	138 _____
2. Loans to affiliated undertakings	1139 _____	139 _____	140 _____
3. Participating interests	1141 _____	141 _____	142 _____
4. Loans to undertakings with which the undertaking is linked by virtue of participating interests	1143 _____	143 _____	144 _____
5. Investments held as fixed assets	1145 _____	145 <b>3.220.916.184,00</b>	146 <b>2.446.187.755,00</b>
6. Other loans	1147 _____	147 _____	148 _____
<b>D. Current assets</b>	1151 _____	151 <b>213.766.950,00</b>	152 <b>233.041.270,00</b>
<b>I. Stocks</b>	1153 _____	153 _____	154 _____
1. Raw materials and consumables	1155 _____	155 _____	156 _____
2. Work in progress	1157 _____	157 _____	158 _____
3. Finished goods and goods for resale	1159 _____	159 _____	160 _____
4. Payments on account	1161 _____	161 _____	162 _____
<b>II. Debtors</b>	1163 _____	163 <b>127.148.012,00</b>	164 <b>108.154.318,00</b>
1. Trade debtors	1165 _____	165 _____	166 _____
a) becoming due and payable within one year	1167 _____	167 _____	168 _____
b) becoming due and payable after more than one year	1169 _____	169 _____	170 _____
2. Amounts owed by affiliated undertakings	1171 _____	171 <b>127.134.932,00</b>	172 <b>108.147.616,00</b>
a) becoming due and payable within one year	1173 _____ <b>4</b>	173 <b>127.134.932,00</b>	174 <b>108.147.616,00</b>
b) becoming due and payable after more than one year	1175 _____	175 _____	176 _____
3. Amounts owed by undertakings with which the undertaking is linked by virtue of participating interests	1177 _____	177 _____	178 _____
a) becoming due and payable within one year	1179 _____	179 _____	180 _____
b) becoming due and payable after more than one year	1181 _____	181 _____	182 _____
4. Other debtors	1183 _____	183 <b>13.080,00</b>	184 <b>6.702,00</b>
a) becoming due and payable within one year	1185 _____	185 <b>13.080,00</b>	186 <b>6.702,00</b>
b) becoming due and payable after more than one year	1187 _____	187 _____	188 _____



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	Reference(s)	Current year	Previous year
III. Investments	1189	189	190
1. Shares in affiliated undertakings	1191	191	192
2. Own shares	1209	209	210
3. Other investments	1195	195	196
IV. Cash at bank and in hand	1197 <u>5</u>	197 <u>86.618.938,00</u>	198 <u>124.886.952,00</u>
E. Prepayments	1199	199 <u>55.033,00</u>	200 <u>48.682,00</u>
<b>TOTAL (ASSETS)</b>		201 <u>3.434.738.167,00</u>	202 <u>2.679.277.707,00</u>

RCSL Nr.: B189629

Matricule : 2014 2216 575

**CAPITAL, RESERVES AND LIABILITIES**

	Reference(s)	Current year	Previous year
<b>A. Capital and reserves</b>	1301 <u>6</u>	301 <u>29.000,00</u>	302 <u>29.000,00</u>
I. Subscribed capital	1303 _____	303 <u>29.000,00</u>	304 <u>29.000,00</u>
II. Share premium account	1305 _____	305 _____	306 _____
III. Revaluation reserve	1307 _____	307 _____	308 _____
IV. Reserves	1309 _____	309 _____	310 _____
1. Legal reserve	1311 _____	311 _____	312 _____
2. Reserve for own shares	1313 _____	313 _____	314 _____
3. Reserves provided for by the articles of association	1315 _____	315 _____	316 _____
4. Other reserves, including the fair value reserve	1429 _____	429 _____	430 _____
a) other available reserves	1431 _____	431 _____	432 _____
b) other non available reserves	1433 _____	433 _____	434 _____
V. Profit or loss brought forward	1319 _____	319 _____	320 _____
VI. Profit or loss for the financial year	1321 _____	321 _____	322 _____
VII. Interim dividends	1323 _____	323 _____	324 _____
VIII. Capital investment subsidies	1325 _____	325 _____	326 _____
<b>B. Provisions</b>	1331 <u>8</u>	331 <u>88.716,00</u>	332 <u>84.152,00</u>
1. Provisions for pensions and similar obligations	1333 _____	333 _____	334 _____
2. Provisions for taxation	1335 _____	335 _____	336 _____
3. Other provisions	1337 _____	337 <u>88.716,00</u>	338 <u>84.152,00</u>
<b>C. Creditors</b>	1435 _____	435 <u>3.434.620.451,00</u>	436 <u>2.679.164.555,00</u>
1. Debenture loans	1437 <u>9</u>	437 <u>2.688.121.417,00</u>	438 <u>2.140.527.505,00</u>
a) Convertible loans	1439 _____	439 _____	440 _____
i) becoming due and payable within one year	1441 _____	441 _____	442 _____
ii) becoming due and payable after more than one year	1443 _____	443 _____	444 _____
b) Non convertible loans	1445 _____	445 <u>2.688.121.417,00</u>	446 <u>2.140.527.505,00</u>
i) becoming due and payable within one year	1447 _____	447 <u>702.915.076,00</u>	448 <u>847.498.833,00</u>
ii) becoming due and payable after more than one year	1449 _____	449 <u>1.985.206.341,00</u>	450 <u>1.293.028.672,00</u>
2. Amounts owed to credit institutions	1355 _____	355 _____	356 _____
a) becoming due and payable within one year	1357 _____	357 _____	358 _____
b) becoming due and payable after more than one year	1359 _____	359 _____	360 _____

The notes in the annex form an integral part of the annual accounts

RCSL Nr. : B189629

Matricule : 2014 2216 575

	Reference(s)	Current year	Previous year
3. Payments received on account of orders in so far as they are not shown separately as deductions from stocks	1361 _____	361 _____	362 _____
a) becoming due and payable within one year	1363 _____	363 _____	364 _____
b) becoming due and payable after more than one year	1365 _____	365 _____	366 _____
4. Trade creditors	1367 _____	367 _____	368 _____
a) becoming due and payable within one year	1369 _____	369 _____	370 _____
b) becoming due and payable after more than one year	1371 _____	371 _____	372 _____
5. Bills of exchange payable	1373 _____	373 _____	374 _____
a) becoming due and payable within one year	1375 _____	375 _____	376 _____
b) becoming due and payable after more than one year	1377 _____	377 _____	378 _____
6. Amounts owed to affiliated undertakings	1379 _____ <b>10</b>	379 _____ <b>745.838.960,00</b>	380 _____ <b>538.246.904,00</b>
a) becoming due and payable within one year	1381 _____	381 _____ <b>301.582.067,00</b>	382 _____ <b>248.157.096,00</b>
b) becoming due and payable after more than one year	1383 _____	383 _____ <b>444.256.893,00</b>	384 _____ <b>290.089.808,00</b>
7. Amounts owed to undertakings with which the undertaking is linked by virtue of participating interests	1385 _____	385 _____	386 _____
a) becoming due and payable within one year	1387 _____	387 _____	388 _____
b) becoming due and payable after more than one year	1389 _____	389 _____	390 _____
8. Other creditors	1451 _____	451 _____ <b>660.074,00</b>	452 _____ <b>390.146,00</b>
a) Tax authorities	1393 _____	393 _____ <b>9.295,00</b>	394 _____ <b>21.106,00</b>
b) Social security authorities	1395 _____	395 _____	396 _____
c) Other creditors	1397 _____ <b>11</b>	397 _____ <b>650.779,00</b>	398 _____ <b>369.040,00</b>
i) becoming due and payable within one year	1399 _____	399 _____ <b>650.779,00</b>	400 _____ <b>369.040,00</b>
ii) becoming due and payable after more than one year	1401 _____	401 _____	402 _____
<b>D. Deferred income</b>	1403 _____	403 _____	404 _____
<b>TOTAL (CAPITAL, RESERVES AND LIABILITIES)</b>		405 _____ <b>3.434.738.167,00</b>	406 _____ <b>2.679.277.707,00</b>

The notes in the annex form an integral part of the annual accounts

Annual Accounts Helpdesk :

Tel. : (+352) 247 88 494

Email : centralebilans@statec.etat.lu

RCSL Nr.: B189629

Matricule : 2014 2216 575

eCDF entry date :

**PROFIT AND LOSS ACCOUNT**Financial year from <sup>01</sup> 01/04/2017 to <sup>02</sup> 31/03/2018 (in <sup>03</sup> GBP )

Driver UK Multi-Compartment S.A.  
 22-24, Boulevard Royal  
 L-2449 Luxembourg

**PROFIT AND LOSS ACCOUNT**

	Reference(s)	Current year	Previous year
<b>1. Net turnover</b>	1701 _____	701 _____	702 _____
<b>2. Variation in stocks of finished goods and in work in progress</b>	1703 _____	703 _____	704 _____
<b>3. Work performed by the undertaking for its own purposes and capitalised</b>	1705 _____	705 _____	706 _____
<b>4. Other operating income</b>	1713 _____ <b>12</b>	713 _____ <b>7.012.110,00</b>	714 _____ <b>4.751.497,00</b>
<b>5. Raw materials and consumables and other external expenses</b>	1671 _____ <b>13</b>	671 _____ <b>-24.931.227,00</b>	672 _____ <b>-18.635.584,00</b>
a) Raw materials and consumables	1601 _____	601 _____	602 _____
b) Other external expenses	1603 _____	603 _____ <b>-24.931.227,00</b>	604 _____ <b>-18.635.584,00</b>
<b>6. Staff costs</b>	1605 _____	605 _____	606 _____
a) Wages and salaries	1607 _____	607 _____	608 _____
b) Social security costs	1609 _____	609 _____	610 _____
i) relating to pensions	1653 _____	653 _____	654 _____
ii) other social security costs	1655 _____	655 _____	656 _____
c) Other staff costs	1613 _____	613 _____	614 _____
<b>7. Value adjustments</b>	1657 _____	657 _____	658 _____
a) in respect of formation expenses and of tangible and intangible fixed assets	1659 _____	659 _____	660 _____
b) in respect of current assets	1661 _____	661 _____	662 _____
<b>8. Other operating expenses</b>	1621 _____ <b>14</b>	621 _____ <b>-2.624.160,00</b>	622 _____ <b>-3.632.330,00</b>

The notes in the annex form an integral part of the annual accounts

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	Reference(s)	Current year	Previous year
<b>9. Income from participating interests</b>	1715	715	716
a) derived from affiliated undertakings	1717	717	718
b) other income from participating interests	1719	719	720
<b>10. Income from other investments and loans forming part of the fixed assets</b>	1721	721	722
a) derived from affiliated undertakings	1723	723	724
b) other income not included under a)	1725	725	726
<b>11. Other interest receivable and similar income</b>	1727	727	728
a) derived from affiliated undertakings	1729	729	730
b) other interest and similar income	1731	731	732
<b>12. Share of profit or loss of undertakings accounted for under the equity method</b>	1663	663	664
<b>13. Value adjustments in respect of financial assets and of investments held as current assets</b>	1665	665	666
<b>14. Interest payable and similar expenses</b>	1627	627	628
a) concerning affiliated undertakings	1629	629	630
b) other interest and similar expenses	1631	631	632
<b>15. Tax on profit or loss</b>	1635	635	636
<b>16. Profit or loss after taxation</b>	1667	667	668
<b>17. Other taxes not shown under items 1 to 16</b>	1637	637	638
<b>18. Profit or loss for the financial year</b>	1669	669	670

## **Driver UK Multi-Compartment S.A.**

### **5. NOTES TO THE ANNUAL ACCOUNTS**

#### **Note 1 - General Information**

Driver UK Multi-Compartment S.A. (hereafter the "Company") is a Luxembourg public limited liability company incorporated in Luxembourg on 8 August 2014 for an unlimited period of time and is organised under the laws of Luxembourg as a "Société Anonyme" having its corporate office at 22-24, boulevard Royal, L-2449 Luxembourg, Grand-Duchy of Luxembourg. The Company is registered at the Registre du Commerce et Sociétés of Luxembourg City under number B 189.629.

The accounting period of the Company begins April 1st and terminates on March 31st.

The purpose of the Company is the Securitisation, within the meaning of the Luxembourg Law of 22 March 2004 on Securitisations (hereinafter the "Securitisation Law"), of Receivables (the "Permitted Assets"). The Company may enter into any agreement and perform any action necessary or useful for the purposes of securitising Permitted Assets, including, without limitation, disposing of its assets in accordance with the relevant agreements.

The Company may only carry out the above activities if and to the extent that they are compatible with the Securitisation Law.

The Company may, in accordance with the terms of the Securitisation Law, and in particular its article 5, create one or more compartments. Each compartment shall, unless otherwise provided for in the resolution of the Board of Directors creating such compartment, correspond to a distinct part of the assets and liabilities in respect of the corresponding funding. Disclosure per compartment is included as from note 24 of these audited annual accounts.

The Company is included in the consolidated accounts of Volkswagen AG, being the ultimate parent of Volkswagen Financial Services (UK) Limited, a company incorporated in the United Kingdom. Volkswagen AG is the largest body of undertakings to include the balances of the Company and its registered office is located at Berliner Ring 2, 38440 Wolfsburg, (HRB Nr. 100484) and the consolidated accounts are available at the same address.

In addition, the Company is included in the consolidated accounts of Volkswagen Financial Services (UK) Limited, forming the smallest body of undertakings of which the Company forms a part. The registered office of Volkswagen Financial Services (UK) Limited is located at Brunswick Court, Yeomans Drive, Blakelands, Milton Keynes, MK14 5LR, United Kingdom (registration number 02835230) and the consolidated accounts are available at the same address.

Capitalised terms not defined within these audited annual accounts are defined in the respective Transaction Documents of each compartment of the Company.

#### **Note 2 - Summary of significant accounting principles**

##### **2.1 Basis of preparation**

The annual accounts have been prepared in accordance with Luxembourg legal and regulatory requirements under the historical cost convention. Accounting policies and valuation rules are, besides the ones laid down by the Law of 19 December 2002 (as amended), determined and applied by the Board of Directors.

The preparation of annual accounts required the use of certain critical accounting estimates. It also requires the Board of Directors to exercise its judgement in the process of applying the accounting policies. Changes in assumptions may have a significant impact on the annual accounts in the period in which the assumptions changed. The Board of Directors believes that the underlying assumptions are appropriate and that the annual accounts therefore present the financial position and results fairly.

The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities in the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

##### **2.2 Significant accounting policies**

The main valuation rules applied by the Company are the following:

###### **2.2.1 Formation expenses**

The formation expenses of the Company are directly charged to the profit and loss account of the year in which they are incurred.

## **Driver UK Multi-Compartment S.A.**

### **5. NOTES TO THE ANNUAL ACCOUNTS**

#### **Note 2 - Summary of significant accounting principles (continued)**

##### **2.2.2 Financial assets**

Permitted Assets included in financial assets are recorded at their discounted nominal value. In case of a durable depreciation in value according to the opinion of the Board of Directors, value adjustments are made in respect of financial assets, so that they are valued at the lower figure to be attributed to them at the balance sheet date. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

Value adjustments are defined by the Company as: (a) Receivables in arrears for 6 months and does not have a stock balance (i.e. the related motor vehicle has not been returned or recovered); (b) Receivables in arrears for 3 months and the vehicle is sold or abandoned or once 180 days have passed since the contract was terminated; and (c) Lease contract was voluntarily terminated by the Obligor and the vehicle is sold or the vehicle remains in stock for more than 91 days from the date on which such vehicle was returned.

##### **2.2.3 Debtors**

Debtors are recorded at their nominal value. They are subject to value adjustments where their recoverability is either uncertain or compromised. These value adjustments are not continued if the reason for which the value adjustments were made has ceased to apply.

##### **2.2.4 Derivative financial instruments**

The Company may enter into derivative financial instruments such as swaps in order to reduce its exposure coming from the floating rate of the Notes against the fixed rate of the Permitted Assets. The interests linked to derivatives instruments are recorded on accrual basis at the closing date. Commitments relating to swap transactions are recorded in the off-balance sheet accounts (see note 23).

##### **2.2.5 Foreign currency translation**

The Company maintains its books and records in GBP. Transactions expressed in currencies other than GBP are translated into GBP at the exchange rate effective at the time of the transaction. Cash at bank, short-term debtors and creditors are translated on the basis of the exchange rates effective at balance sheet date. The exchange gains and losses are thus recorded in the profit and loss account. Other assets and liabilities are translated separately at the lower or the higher of the value converted at the historical exchange rate or the value determined on the basis of the exchange rates effective at balance sheet date. Solely the unrealised exchange losses are recorded in the profit and loss account. Realised exchange gains and losses are recorded in the profit and loss account at the moment of realisation.

Where there is an economic link between an asset and liability, these are valued in total according to the method described above and the net unrealised losses are recorded in the profit and loss account whereas the net unrealised exchange gains are not recognised.

##### **2.2.6 Prepayments**

This asset item includes expenses incurred during the financial period but relating to a subsequent financial year.

##### **2.2.7 Notes issued**

The Notes issued are stated at par value less any repayments made to their principal.

##### **2.2.8 Debts**

Where the amount repayable on account is greater than the amount received, the difference may be accounted for in the profit and loss account when the debt is issued.

##### **2.2.9 Interest receivable and payable**

Interest receivable and payable are recorded on an accrual basis.

##### **2.2.10 Provisions**

Provisions are intended to cover charges which at the balance sheet date are either likely to incurred or certain to be incurred but uncertain as to their amount or the date on which they will arise.

## Driver UK Multi-Compartment S.A.

### 5. NOTES TO THE ANNUAL ACCOUNTS

#### Note 2 - Summary of significant accounting principles (continued)

##### 2.2.11 Equalisation provision

Losses during the year as a result from sales, default, lower market/recovery values or cost may cause a partial reduction of the assets. Such shortfalls will ultimately be borne first by the Subordinated Lender and then by the Note Purchasers in accordance with the Terms and Conditions of the Notes. Consequently, a provision for value diminution on the Subordinated Loan or Notes will be made in respect of losses determined in accordance with valuation principles applied and such provision is recognised in the profit and loss account as "Equalisation provision" under Other operating income. Similarly, in case of profit made during the year, the equalisation provision booked in the profit and loss account as Other operating expense would result into an additional liability towards the Originator.

Note 3 - Financial assets	31/03/2018	31/03/2017
	GBP	GBP
<b>Permitted Assets</b>		
Opening balance	2,446,187,755	1,113,657,573
Initial portfolio at acquisition date	1,700,006,801	1,938,152,647
Additional purchases (Top-Up)	213,946,688	245,712,831
Reimbursement during the year	(1,122,693,100)	(842,831,229)
Value adjustment for the year due to defaulted receivables	(16,483,334)	(8,361,313)
Sale ineligible receivables	(48,626)	(142,754)
Closing balance	<u>3,220,916,184</u>	<u>2,446,187,755</u>

##### Compartment Driver UK Two

On 25 September 2014, Compartment Driver UK Two purchased from Volkswagen Financial Services (UK) Limited ("VWFS") a portfolio of Permitted Assets valued at GBP 1,182,436,935. The initial purchase price and the purchase price of any additional Receivables from VWFS consists of the discounted Receivables balance at the relevant purchase date multiplied by one (1) minus the Receivables overcollateralisation percentage.

During the financial year, the Receivables principal held by Compartment Driver UK Two was not increased by way of reinvestment of funds collected (Top-Up) (2017: GBP 0). The Receivables principal was decreased (i) by payments collected from VWFS in the amount of GBP 260,737,375 (2017: GBP 399,493,230), and (ii) by a value adjustment which represents defaulted receivables in the amount of GBP 6,404,464 (2017: GBP 7,777,720).

Interest income derived from the Permitted Assets for the financial year amounts to GBP 5,627,951 (2017: GBP 21,933,658) for Compartment Driver UK Two (see note 15).

Acquisition of the Permitted Assets was financed by the issue of Floating Rate Notes and through receipt of a Subordinated Loan (see also notes 9 and 10).

##### Compartment Driver UK Three

On 25 September 2015, Compartment Driver UK Three purchased from Volkswagen Financial Services (UK) Limited a portfolio of Permitted Assets valued at GBP 453,383,390. The initial purchase price and the purchase price of any additional Receivables from VWFS consists of the discounted Receivables balance at the relevant purchase date multiplied by one (1) minus the Receivables overcollateralisation percentage.

During the financial year, the Receivables principal held by Compartment Driver UK Three was not increased by way of reinvestment of funds collected (Top-Up) (2017: GBP 0). The Receivables principal was decreased (i) by payments collected from VWFS in the amount of GBP 151,270,615 (2017: GBP 151,435,156), and (ii) by a value adjustment which represents defaulted receivables in the amount of GBP 4,521,377 (2017: GBP 14,521).

Interest income derived from the Permitted Assets for the financial year amounts to GBP 11,637,798 (2017: GBP 14,503,083) for Compartment Driver UK Three (see note 15).

Acquisition of the Permitted Assets was financed by the issue of Floating Rate Notes and through receipt of a Subordinated Loan (see also notes 9 and 10).

##### Compartment Driver UK Four

On 25 November 2016, Compartment Driver UK Four purchased from Volkswagen Financial Services (UK) Limited a portfolio of Permitted Assets valued at GBP 750,002,083. The initial purchase price and the purchase price of any additional Receivables from VWFS consists of the discounted Receivables balance at the relevant purchase date multiplied by one (1) minus the Receivables overcollateralisation percentage.



## **Driver UK Multi-Compartment S.A.**

### **5. NOTES TO THE ANNUAL ACCOUNTS**

#### **Note 3 - Financial assets (continued)**

During the financial year, the Receivables principal held by Compartment Driver UK Four was increased by way of reinvestment of funds collected (Top-Up) amounting to GBP 41,247,960 (2017: GBP 72,612,643). The Receivables principal was also decreased (i) by payments collected from VWFS in the amount of GBP 229,141,754 (2017: GBP 90,555,117), (ii) by defaulted receivables in the amount of GBP 1,876,408 (2017: GBP 146,921), and (iii) by the sale of ineligible receivables in the amount of GBP 0 (2017: GBP 110,900).

Interest income derived from the Permitted Assets for the financial year amounts to GBP 25,486,031 (2017: GBP 11,177,373) for Compartment Driver UK Four (see note 15).

Acquisition of the Permitted Assets was financed by the issue of Floating Rate Notes and through receipt of a Subordinated Loan (see also notes 9 and 10).

#### **Compartment Driver UK Five**

On 27 March 2017, Compartment Driver UK Five purchased from Volkswagen Financial Services (UK) Limited a portfolio of Permitted Assets valued at GBP 438,146,480. The initial purchase price and the purchase price of any additional Receivables from VWFS consists of the discounted Receivables balance at the relevant purchase date multiplied by one (1) minus the Receivables overcollateralisation percentage.

During the financial year, the Receivables principal held by Compartment Driver UK Five was increased by way of reinvestment of funds collected (top up) amounting to GBP 62,309,827 (2017: GBP 0). The Receivables principal was also decreased (i) by payments collected from VWFS in the amount of GBP 121,946,967 (2017: GBP 10,501,686), and (ii) by defaulted receivables in the amount of GBP 503,460 (2017: GBP 3,787).

Interest income derived from the Permitted Assets for the financial year amounts to GBP 15,481,435 (2017: GBP 1,284,046) for Compartment Driver UK Four (see note 15).

Acquisition of the Permitted Assets was financed by the issue of Floating Rate Notes and through receipt of a Subordinated Loan (see also notes 9 and 10).

#### **Compartment Private Driver 2016-1**

On 27 June 2016, Compartment Private Driver 2016-1 purchased from Volkswagen Financial Services (UK) Limited a portfolio of Permitted Assets valued at GBP 750,004,084. The initial purchase price and the purchase price of any additional Receivables from VWFS consists of the discounted Receivables balance at the relevant purchase date multiplied by one (1) minus the Receivables overcollateralisation percentage.

During the financial year, the Receivables principal held by Compartment Private Driver 2016-1 was increased by way of reinvestment of funds collected (Top-Up) amounting to GBP 48,191,837 (2017: GBP 0). The Receivables principal was also decreased (i) by payments collected from VWFS in the amount of GBP 262,616,790 (2017: GBP 190,846,040), (ii) by defaulted receivables in the amount of GBP 3,118,164 (2017: GBP 418,364), and (iii) by the sale of ineligible receivables in the amount of GBP 10,596 (2017: GBP 31,854).

Interest income derived from the Permitted Assets for the financial year amounts to GBP 26,696,799 (2017: GBP 24,204,829) for Compartment Driver UK Four (see note 15).

Acquisition of the Permitted Assets was financed by the issue of Floating Rate Notes and through receipt of a Subordinated Loan (see also notes 9 and 10).

#### **Compartment Driver UK Six**

On 25 September 2017, Compartment Driver UK Six purchased from Volkswagen Financial Services (UK) Limited a portfolio of Permitted Assets valued at GBP 450,001,235. The initial purchase price and the purchase price of any additional Receivables from VWFS consists of the discounted Receivables balance at the relevant purchase date multiplied by one (1) minus the Receivables overcollateralisation percentage.

During the financial year, the Receivables principal held by Compartment Driver UK Six was increased by way of reinvestment of funds collected (Top-Up) amounting to 62,197,064. The Receivables was decreased (i) by payments collected from VWFS in the amount of GBP 70,008,087, (ii) by defaulted receivables in the amount of GBP 59,461 and (iii) by the sale of ineligible receivables in the amount of GBP 38,030.

Interest income derived from the Permitted Assets for the financial year amounts to GBP 9,796,808 for Compartment Driver UK Six (see note 15).

Acquisition of the Permitted Assets was financed by the issue of Floating Rate Notes and through receipt of a Subordinated Loan (see also notes 9 and 10).

## Driver UK Multi-Compartment S.A.

### 5. NOTES TO THE ANNUAL ACCOUNTS

#### Note 3 - Financial assets (continued)

##### **Compartment Private Driver 2018-1**

On 25 September 2017, Compartment Private Driver 2018-1 purchased from Volkswagen Financial Services (UK) Limited a portfolio of Permitted Assets valued at GBP 1,250,005,567. The initial purchase price and the purchase price of any additional Receivables from VWFS consists of the discounted Receivables balance at the relevant purchase date multiplied by one (1) minus the Receivables overcollateralisation percentage.

During the financial year, the Receivables principal held by Compartment Private Driver 2018-1 was decreased by payments collected from VWFS in the amount of GBP 26,971,513.

Interest income derived from the Permitted Assets for the financial year amounts to GBP 5,125,652 for Compartment Private Driver 2018-1 (see note 15).

Acquisition of the Permitted Assets was financed by the issue of Floating Rate Notes and through receipt of a Subordinated Loan (see also notes 9 and 10).

#### Note 4 - Amounts owed by affiliated undertakings

This amount stands for collections of lease receivables for the monthly period of March 2018, which are due in April 2018.

#### Note 5 - Cash at bank and in hand

	31/03/2018	31/03/2017
<u>Cash at bank</u>	GBP	GBP
Current account (*)	27,192	27,192
Distribution account	5,754,992	20,510,027
Cash collateral account	68,505,424	60,157,559
Monthly Collateral account	12,331,330	44,192,174
<b>Total</b>	<b>86,618,938</b>	<b>124,886,952</b>

(\*) The current account belongs to the general compartment; the three other accounts belong to Compartments Driver UK Two, Driver UK Three, Driver UK Four, Driver UK Five, Driver UK Six, Private Driver 2016-1 and Private Driver 2018-1.

#### Note 6 - Subscribed capital

As at 31 March 2018, the subscribed capital amounts to GBP 29,000 and is divided into 2,900 shares fully paid-up with a par value of GBP 10 each. The authorised capital amounts to GBP 29,000.

The subscribed capital belongs to the General Compartment.

#### Note 7 - Legal reserve

Luxembourg companies are required to allocate to a legal reserve a minimum of 5% of the annual net income, until this reserve equals 10% of the subscribed share capital. This reserve may not be distributed. No allocation has been made to the legal reserve as no profit was generated as at 31 March 2018.

#### Note 8 - Provisions

	31/03/2018	31/03/2017
<u>Other provisions</u>	GBP	GBP
Audit fees	87,470	83,454
Tax advisory fees	1,246	698
	<b>88,716</b>	<b>84,152</b>

**Driver UK Multi-Compartment S.A.**

**5. NOTES TO THE ANNUAL ACCOUNTS**

**Note 9 - Debenture loans**

	<b>31/03/2018</b>	<b>31/03/2017</b>
<b>Non convertible loans</b>		
<b>Floating Rate Notes Series A</b>		
	GBP	GBP
Opening balance	1,919,701,761	840,102,371
Additional issuance during the year	1,258,900,000	1,495,000,000
Redemption during the year	(759,677,604)	(415,400,610)
Closing balance	<u>2,418,924,157</u>	<u>1,919,701,761</u>
Thereof scheduled for redemption within one year	627,213,676	778,278,023
Becoming due and payable after more than one year	<u>1,791,710,481</u>	<u>1,141,423,738</u>
<b>Floating Rate Notes Series B</b>		
	GBP	GBP
Opening balance	220,825,744	142,309,451
Additional issuance during the year	116,700,000	142,600,000
Redemption during the year	(68,328,484)	(64,083,707)
Closing balance	<u>269,197,260</u>	<u>220,825,744</u>
Thereof scheduled for redemption within one year	75,701,400	69,220,810
Becoming due and payable after more than one year	<u>193,495,860</u>	<u>151,604,934</u>
<b>Total non convertible loans</b>		
	<b>31/03/2018</b>	<b>31/03/2017</b>
	GBP	GBP
Becoming due and payable within one year	702,915,076	847,498,833
Becoming due and payable after more than one year	1,985,206,341	1,293,028,672
<b>Total non convertible loans</b>	<u>2,688,121,417</u>	<u>2,140,527,505</u>

The Notes are backed by substantially all of the assets of the Company consisting primarily of the Company's right, title and interest in the Receivables. All Notes are listed on the Luxembourg Stock Exchange. Class B Notes rank junior to Class A Notes.

**Compartment Driver UK Two**

On 25 September 2014, Compartment Driver UK Two has issued an amount of GBP 875,000,000 Class A Notes and GBP 135,900,000 Class B Notes. All payments of interest and principal of each Note will be due and payable at the latest in 2023, the legal maturity date of the Notes.

The floating rate interest on the Notes has been swapped to fixed interest rates for Compartment Driver UK Two (see also note 23).

Total interest charge for the year ended 31 March 2018 for the Class A Notes amounted to GBP 602,527 (GBP 2,769,056 in 2017) and for the Class B Notes amounted to GBP 219,586 (GBP 924,591 in 2017) (see also note 18).

**Compartment Driver UK Three**

On 25 September 2015, Compartment Driver UK Three has issued an amount of GBP 350,000,000 Class A Notes and GBP 39,900,000 Class B Notes. All payments of interest and principal of each Note will be due and payable at the latest in 2024, the legal maturity date of the Notes.

The floating rate interest on the Notes has been swapped to fixed interest rates for Compartment Driver UK Three (see also note 23).

Total interest charge for the year ended 31 March 2018 for the Class A Notes amounted to GBP 1,324,251 (GBP 2,441,036 in 2017) and for the Class B Notes amounted to GBP 322,038 (GBP 518,917 in 2017) (see also note 18).

## Driver UK Multi-Compartment S.A.

### 5. NOTES TO THE ANNUAL ACCOUNTS

#### Note 9 - Debenture loans (continued)

##### **Compartment Driver UK Four**

On 25 November 2016, Compartment Driver UK Four has issued an amount of GBP 579,000,000 Class A Notes and GBP 51,800,000 Class B Notes. All payments of interest and principal of each Note will be due and payable at the latest in 2025, the legal maturity date of the Notes.

The floating rate interest on the Notes has been swapped to fixed interest rates for Compartment Driver UK Four (see also note 23).

Total interest charge for the year ended 31 March 2018 for the Class A Notes amounted to GBP 4,539,796 (GBP 1,675,549 in 2017) and for the Class B Notes amounted to GBP 825,754 (GBP 272,465 in 2017) (see also note 18).

##### **Compartment Driver UK Five**

On 27 March 2017, Compartment Driver UK Five has issued an amount of GBP 340,000,000 Class A Notes and GBP 28,500,000 Class B Notes. All payments of interest and principal of each Note will be due and payable at the latest in 2025, the legal maturity date of the Notes.

The floating rate interest on the Notes has been swapped to fixed interest rates for Compartment Driver UK Five (see also note 23).

Total interest charge for the year ended 31 March 2018 for the Class A Notes amounted to GBP 2,568,099 (GBP 32,946 in 2017) and for the Class B Notes amounted to GBP 354,793 (GBP 4,517 in 2017) (see also note 18).

##### **Compartment Driver Private Driver 2016-1**

On 27 June 2016, Compartment Private Driver 2016-1 has issued an amount of GBP 576,000,000 Class A Notes and GBP 62,300,000 Class B Fixed Rate Notes. All payments of interest and principal of each Note will be due and payable at the latest in 2025, the legal maturity date of the Notes.

The Notes bear a fixed interest amounting to 1.2909% for the Class A Notes and 1.8528% for the Class B Notes.

Total interest charge for the year ended 31 March 2018 for the Class A Notes amounted to GBP 6,365,618 (GBP 5,663,246 in 2017) and for the Class B Notes amounted to GBP 1,146,391 (GBP 879,161 in 2017) (see also note 18).

##### **Compartment Driver UK Six**

On 25 September 2017, Compartment Driver UK Six has issued an amount of GBP 340,200,000 Class A Notes and GBP 29,200,000 Class B Notes. All payments of interest and principal of each Note will be due and payable at the latest in 2026, the legal maturity date of the Notes.

Total interest charge for the year ended 31 March 2018 for the Class A Notes amounted to GBP 1,595,811 and for the Class B Notes amounted to GBP 200,138 (see also note 18).

##### **Compartment Driver Private Driver 2018-1**

On 26 March 2018, Compartment Private Driver 2018-1 has issued an amount of GBP 918,700,000 Class A Notes and GBP 87,500,000 Class B Notes. All payments of interest and principal of each Note will be due and payable at the latest in 2028, the legal maturity date of the Notes.

Total interest charge for the year ended 31 March 2018 for the Class A Notes amounted to GBP 174,277 and for the Class B Notes amounted to GBP 24,509 (see also note 18).

#### Note 10 - Amounts owed to affiliated undertakings

	31/03/2018	31/03/2017
	GBP	GBP
<u>- becoming due and payable within one year</u>		
Overcollateralisation payable	123,336,813	90,799,777
Advanced collections	12,331,330	44,192,174
Interest Compensation Ledger	19,329,600	14,137,148
Subordinated Loan	143,479,304	96,698,797
Interest on Subordinated Loan	305,658	147,663
Service fees	2,799,362	2,181,537
Total	<u>301,582,067</u>	<u>248,157,096</u>

The overcollateralisation payable represents (i) an excess of the permitted assets' nominal value over the nominal value of the Notes and the Subordinated Loan and (ii) a period-end payable towards VWFS in case of a loss or a period-end receivable from VWFS in case of a profit.

## Driver UK Multi-Compartment S.A.

### 5. NOTES TO THE ANNUAL ACCOUNTS

#### Note 10 - Amounts owed to affiliated undertakings (continued)

In order to cover the creditors risk of VWFS, VWFS has prepaid a part of the collections due for the month elapsed.

The Interest Compensation Ledger represents a period-end payable towards VWFS with respect to the excess of cash available to compensate interest shortfalls implied by early settled lease contracts.

	31/03/2018	31/03/2017
<u>Subordinated Loan</u>	GBP	GBP
Opening balance	386,788,605	185,862,528
Increase during the year	290,106,802	279,752,647
Capitalised interest	1,674,762	4,670,661
Redemption during the year	(90,833,972)	(83,497,231)
Interest capitalised during the year	-	-
Closing balance	<u>587,736,197</u>	<u>386,788,605</u>
Thereof scheduled for redemption within one year	143,479,304	96,698,797
Due and payable after more than one year	<u>444,256,893</u>	<u>290,089,808</u>

#### **Compartment Driver UK Two**

On 25 September 2014, Compartment Driver UK Two has been granted a Subordinated Loan in the amount of GBP 158,530,129 from Volkswagen International Luxemburg S.A. for the purpose of credit enhancement and it ranks junior to the Notes with respect to payment of interest and principal. The Loan carries an interest rate of one month Libor plus 1.90% per annum.

Interest charge on the Subordinated Loan amounted to GBP 362,612 for the year ended 31 March 2018 (2017: GBP 1,777,433) for Compartment Driver UK Two.

#### **Compartment Driver UK Three**

On 25 September 2015, Compartment Driver UK Three has been granted a Subordinated Loan in the amount of GBP 59,856,390 from Volkswagen International Luxemburg S.A for the purpose of credit enhancement and it ranks junior to the Notes with respect to payment of interest and principal. The Loan carries an interest rate of one month Libor plus 2.35% per annum.

On 4 March 2016, Compartment Driver UK Three has been granted a Second Subordinated Loan in the amount of GBP 8,000,000 from Volkswagen International Luxemburg S.A for the purpose of further credit enhancement and it ranks junior to the Notes with respect to payment of principal. The Loan does not carry interest.

Interest charge on the Subordinated Loan amounted to GBP 1,017,172 for the year ended 31 March 2018 (2017: GBP 1,555,726) for Compartment Driver UK Three.

#### **Compartment Driver UK Four**

On 25 November 2016, Compartment Driver UK Four has been granted a Subordinated Loan in the amount of GBP 111,002,083 from Volkswagen International Luxemburg S.A for the purpose of credit enhancement and it ranks junior to the Notes with respect to payment of interest and principal. The Loan carries an interest rate of one month Libor plus 2.90% per annum.

Interest charge on the Subordinated Loan amounted to GBP 3,661,652 for the year ended 31 March 2018 (2017: GBP 1,223,158) for Compartment Driver UK Four.

#### **Compartment Driver UK Five**

On 27 March 2017, Compartment Driver UK Five has been granted a Subordinated Loan in the amount of GBP 63,046,480 from Volkswagen International Luxemburg S.A for the purpose of credit enhancement and it ranks junior to the Notes with respect to payment of interest and principal. The Loan carries an interest rate of one month Libor plus 2.07% per annum.

Interest charge on the Subordinated Loan amounted to GBP 1,536,038 for the year ended 31 March 2018 (2017: GBP 18,804) for Compartment Driver UK Five.

#### **Compartment Private Driver 2016-1**

On 27 June 2016, Compartment Private Driver 2016-1 has been granted a Subordinated Loan in the amount of GBP 105,704,084 from Volkswagen International Luxemburg S.A for the purpose of credit enhancement and it ranks junior to the Notes with respect to payment of interest and principal. The Loan carries an interest rate of 3.8220% per annum.

**Driver UK Multi-Compartment S.A.**

**5. NOTES TO THE ANNUAL ACCOUNTS**

**Note 10 - Amounts owed to affiliated undertakings (continued)**

Interest charge on the Subordinated Loan amounted to GBP 4,118,473 for the year ended 31 March 2018 (2017: GBP 3,113,538) for Compartment Private Driver 2018-1.

**Compartment Driver UK Six**

On 25 September 2017, Compartment Driver UK Six has been granted a Subordinated Loan in the amount of GBP 72,501,235 from Volkswagen International Luxemburg S.A for the purpose of credit enhancement and it ranks junior to the Notes with respect to payment of interest and principal. The Loan carries an interest rate of one month Libor plus 2.15% per annum. During the year under review, no redemptions took place on the Subordinated Loan.

Interest charge on the Subordinated Loan amounted to GBP 969,093 for the year ended 31 March 2018 for Compartment Driver UK Six

**Compartment Private Driver 2018-1**

On 26 March 2018, Compartment Private Driver 2018-1 has been granted a Subordinated Loan in the amount of GBP 217,805,567 from Volkswagen International Luxemburg S.A for the purpose of credit enhancement and it ranks junior to the Notes with respect to payment of interest and principal. The Loan carries an interest rate of one month Libor plus 2.85% per annum. During the year under review, no redemptions took place on the Subordinated Loan.

Interest charge on the Subordinated Loan amounted to GBP 119,977 for the year ended 31 March 2018 for Compartment Private Driver 2018-1

**Note 11 - Other creditors**

	31/03/2018	31/03/2016
	GBP	GBP
Interest on Class A Notes	436,601	240,844
Interest on Class B Notes	72,739	43,242
Interest on Swaps	115,750	84,954
Creditors	25,689	-
<b>Total</b>	<b>650,779</b>	<b>369,040</b>

**Note 12 - Other operating income**

	31/03/2018	31/03/2017
<u>Other operating income</u>	GBP	GBP
Change in equalisation provision (see note 2.2.11)	7,012,110	4,750,308
Other income	-	1,189
<b>Total</b>	<b>7,012,110</b>	<b>4,751,497</b>

**Note 13 - Other external expenses**

	31/03/2018	31/03/2017
	GBP	GBP
Maintenance fees	95,625	75,136
Service fees	24,429,247	18,346,929
Rating agency fees	303,862	143,810
Trustee services	31,923	19,920
Audit fees	65,554	43,999
Tax advisory fees	482	1,774
Bank charges	58	116
Other miscellaneous external charges	4,476	3,900
<b>Total</b>	<b>24,931,227</b>	<b>18,635,584</b>

Service fees are equal to 1% per annum of the Discounted Receivables Balance on each payment date.

**Note 14 - Other operating expenses**

	31/03/2018	31/03/2017
	GBP	GBP
	2,624,160	3,632,330

Other operating expenses consists of the change in equalisation provision (see also note 2.2.11).

**Driver UK Multi-Compartment S.A.**

**5. NOTES TO THE ANNUAL ACCOUNTS**

<b>Note 15 - Income from other investments and loans forming part of the fixed assets</b>	<b>31/03/2018</b>	<b>31/03/2017</b>
<u>Derived from affiliated undertakings</u>	<u>GBP</u>	<u>GBP</u>
Interest income from Permitted Assets	99,852,474	73,102,989
Interest Compensation Order of Priority Amount	16,453,693	13,153,704
	<u>116,306,167</u>	<u>86,256,693</u>

Interest income is received on a monthly basis from the Permitted Assets.

The Interest Compensation Order of Priority Amount represents on a monthly basis the utilisation of the Interest Compensation Amount to compensate interest shortfalls implied by early settled lease contracts.

<b>Note 16 - Other interest receivable and similar income</b>	<b>31/03/2018</b>	<b>31/03/2017</b>
<u>Other interest and similar financial income</u>	<u>GBP</u>	<u>GBP</u>
Interest income on bank accounts	145,745	141,542
Foreign exchange gains	2,857	-
	<u>148,602</u>	<u>141,542</u>

<b>Note 17 - Value adjustments in respect of financial assets and of investments held as current assets</b>	<b>31/03/2018</b>	<b>31/03/2017</b>
	<u>GBP</u>	<u>GBP</u>
Defaulted receivables	16,483,334	11,433,493
Reversal of value adjustment on Permitted Assets	-	(3,072,180)
	<u>16,483,334</u>	<u>8,361,313</u>

<b>Note 18 - Interest payable and similar expenses</b>	<b>31/03/2018</b>	<b>31/03/2017</b>
<u>Concerning affiliated undertakings</u>	<u>GBP</u>	<u>GBP</u>
Interest payable on Subordinated Loan	11,785,017	7,688,659
Interest Compensation Amount	44,199,536	31,893,289
	<u>55,984,553</u>	<u>39,581,948</u>

The Interest Compensation Amount represents on a monthly basis the amount available to the Company to compensate interest shortfalls implied by early settled lease contracts. On a monthly basis, if the Interest Compensation Amount is greater than the Interest Compensation Order of Priority Amount, the excess shall be credited to the Interest Compensation Ledger.

	<b>31/03/2018</b>	<b>31/03/2017</b>
<u>Other interest and similar expenses</u>	<u>GBP</u>	<u>GBP</u>
Interest charges on Class A Notes	17,170,379	12,581,833
Interest charges on Class B Notes	3,093,209	2,599,651
Interest payable on Swaps	3,173,208	5,743,027
Foreign exchange losses	1,715	9,370
Total	<u>23,438,511</u>	<u>20,933,881</u>

## Driver UK Multi-Compartment S.A.

### 5. NOTES TO THE ANNUAL ACCOUNTS

#### Note 19 - Taxes

The Company is subject to all taxes applicable to commercial companies in Luxembourg incorporated under the Securitisation Law.

#### Note 20 - Staff

The Company did not employ any staff during the period under review.

#### Note 21 - Emoluments granted to the Members of the Board of Directors

No emoluments have been granted to any member of the Board of Directors, nor have any obligations arisen or been entered into by the Company in respect of retirement pensions for former members of the Board of Directors.

#### Note 22 - Loans or advances granted to the Members of the Board of Directors

No loans or advances have been granted to any member of the Board of Directors.

#### Note 23 - Off balance sheet commitments

On 25 September 2014, Compartment Driver UK Two entered into swap agreements with Royal Bank Of Canada to hedge the Company's interest rate risk derived from floating interest rate on the Notes issued (see also note 9). Settlement of the swaps is performed on the 25th day of each month. The swaps agreement have been terminated on 27 November 2017.

On 25 September 2015, Compartment Driver UK Three entered into swap agreements with Credit Agricole Corporate and Investment Bank to hedge the Company's interest rate risk derived from floating interest rate on the Notes issued (see also note 9). Settlement of the swaps is performed on the 25th day of each month. The swaps have termination dates in 2024.

On 25 October 2016, Compartment Driver UK Four entered into swap agreements with DZ Bank AG to hedge the Company's interest rate risk derived from floating interest rate on the Notes issued (see also note 9). Settlement of the swaps is performed on the 25th day of each month. The swaps have termination dates in 2025.

On 27 March 2017, Compartment Driver UK Five entered into swap agreements with Credit Agricole Corporate and Investment Bank to hedge the Company's interest rate risk derived from floating interest rate on the Notes issued (see also note 9). Settlement of the swaps is performed on the 25th day of each month. The swaps have termination dates in 2025.

On 25 September 2017, Compartment Driver UK Six entered into swap agreements with Credit Agricole Corporate and Investment Bank to hedge the Company's interest rate risk derived from floating interest rate on the Notes issued (see also note 9). Settlement of the swaps is performed on the 25th day of each month. The swaps have termination dates in 2025.

On 25 September 2017, Compartment Private Driver 2018-1 entered into swap agreements with Credit Agricole Corporate and Investment Bank to hedge the Company's interest rate risk derived from floating interest rate on the Notes issued (see also note 9). Settlement of the swaps is performed on the 25th day of each month. The swaps have termination dates in 2025.

The interest rate swaps for Compartment Driver UK Three can be detailed as follows:

	Currency	Nominal amount	Spread interest rate received	Fixed interest rate paid
<b>Swaps on Note A series</b>				
Credit Agricole	GBP	104,517,487	0.500%	1.478%
<b>Swaps on Note B series</b>				
Credit Agricole	GBP	16,424,176	0.950%	1.971%
Total		<u>120,941,663</u>		



**Driver UK Multi-Compartment S.A.**

**5. NOTES TO THE ANNUAL ACCOUNTS**

**Note 23 - Off balance sheet commitments (continued)**

The interest rate swaps for Compartment Driver UK Four can be detailed as follows:

	Currency	Nominal amount	Spread interest rate received	Fixed interest rate paid
<b>Swaps on Note A series</b>				
DZ Bank AG	GBP	396,639,151	0.570%	0.950%
<b>Swaps on Note B series</b>				
DZ Bank AG	GBP	50,429,835	1.250%	1.650%
Total		<u>447,068,986</u>		

The interest rate swaps for Compartment Driver UK Five can be detailed as follows:

	Currency	Nominal amount	Spread interest rate received	Fixed interest rate paid
<b>Swaps on Note A series</b>				
Credit Agricole	GBP	277,912,091	0.450%	0.930%
<b>Swaps on Note B series</b>				
Credit Agricole	GBP	28,500,000	0.900%	1.300%
Total		<u>306,412,091</u>		

The interest rate swaps for Compartment Driver UK Six can be detailed as follows:

	Currency	Nominal amount	Spread interest rate received	Fixed interest rate paid
<b>Swaps on Note A series</b>				
Credit Agricole	GBP	340,200,000	0.480%	0.942%
<b>Swaps on Note B series</b>				
Credit Agricole	GBP	29,200,000	0.900%	1.370%
Total		<u>369,400,000</u>		

The interest rate swaps for Compartment Private Driver 2018-1 can be detailed as follows:

	Currency	Nominal amount	Spread interest rate received	Fixed interest rate paid
<b>Swaps on Note A series</b>				
Royal Bank of Canada	GBP	918,700,000	0.650%	1.789%
<b>Swaps on Note B series</b>				
Royal Bank of Canada	GBP	87,500,000	1.200%	2.350%
Total		<u>1,006,200,000</u>		

The interest rate received for each swap consists of 1 month Libor plus the spread as mentioned above.

During the financial year, the net interest realised on swaps amounted to a loss of GBP 3,173,208 (GBP 5,743,027 in 2017).

**Driver UK Multi-Compartment S.A.**

**NOTES TO THE ANNUAL ACCOUNTS**

Note 24 - Balance sheet as at 31 March 2018 per compartment

ASSETS	Notes	Compartment 2		Compartment 3		Compartment 4	
		31/03/2018 GBP	31/03/2017 GBP	31/03/2018 GBP	31/03/2017 GBP	31/03/2018 GBP	31/03/2017 GBP
<b>A. Fixed assets</b>							
Financial assets							
Investments held as fixed assets	3	-	267,141,839	132,003,115	287,795,107	542,031,586	731,801,788
Total fixed assets		-	267,141,839	132,003,115	287,795,107	542,031,586	731,801,788
<b>B. Current assets</b>							
Debtors	4						
Amounts owed by affiliated undertakings							
- becoming due and payable within one year		-	33,432,326	11,940,700	12,143,348	26,184,717	23,396,982
Other debtors		-	6,702	715	-	6,431	-
- becoming due and payable within one year	5	68,709	60,079,695	32,533,633	34,078,921	10,508,007	11,890,464
Cash at bank and in hand							
Total current assets		68,709	93,518,723	44,475,048	46,222,269	36,699,155	35,287,446
<b>C. Prepayments</b>							
		-	11,775	5,044	12,644	12,863	12,863
<b>Total (Assets)</b>		<b>68,709</b>	<b>360,672,337</b>	<b>176,483,207</b>	<b>334,030,020</b>	<b>578,743,604</b>	<b>767,102,097</b>

Driver UK Multi-Compartment S.A.

NOTES TO THE ANNUAL ACCOUNTS

Note 24 - Balance sheet as at 31 March 2018 per compartment (continued)

ASSETS	Notes	Compartment 5		Compartment PD 2016-1		Compartment 6	
		31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
		GBP	GBP	GBP	GBP	GBP	GBP
<b>A. Fixed assets</b>							
Financial assets							
Investments held as fixed assets	3	367,500,407	427,641,007	514,254,301	731,808,014	442,092,721	-
Total fixed assets		367,500,407	427,641,007	514,254,301	731,808,014	442,092,721	-
<b>B. Current assets</b>							
Debtors	4						
Amounts owed by affiliated undertakings							
- becoming due and payable within one year		13,052,176	11,780,732	31,579,185	27,394,228	12,285,990	-
Other receivables		-	-	2,310	-	3,624	-
Cash at bank and in hand	5	7,561,398	6,805,115	10,507,610	12,005,565	8,407,389	-
Total current assets		20,613,574	18,585,847	42,089,105	39,399,793	20,697,003	-
<b>C. Prepayments</b>							
		12,863	-	11,400	11,400	12,863	-
<b>Total (Assets)</b>		<b>388,126,844</b>	<b>446,226,854</b>	<b>556,354,806</b>	<b>771,219,207</b>	<b>462,802,587</b>	<b>-</b>

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**NOTES TO THE ANNUAL ACCOUNTS**

**Note 24 - Balance sheet as at 31 March 2018 per compartment (continued)**

	Notes	Compartment PD 2018-1	
		31/03/2018 GBP	31/03/2017 GBP
<b>ASSETS</b>			
<b>A. Fixed assets</b>			
Financial assets			
Investments held as fixed assets	3	1,223,034,054	-
Total fixed assets		1,223,034,054	-
<b>B. Current assets</b>			
Debtors	4		
Amounts owed by affiliated undertakings			
- becoming due and payable within one year		32,092,164	-
Other receivables			
- becoming due and payable within one year		-	-
Cash at bank and in hand	5	17,005,000	-
Total current assets		49,097,164	-
<b>C. Prepayments</b>			
		-	-
<b>Total (Assets)</b>		<b>1,272,131,218</b>	<b>-</b>

Driver UK Multi-Compartment S.A.

NOTES TO THE ANNUAL ACCOUNTS

Note 24 - Balance sheet as at 31 March 2018 per compartment (continued)

	Notes	Compartment 2		Compartment 3		Compartment 4	
		31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
LIABILITIES		GBP	GBP	GBP	GBP	GBP	GBP
<b>A. Provisions</b>							
Other provisions	8	15,272	25,780	15,275	23,256	15,275	15,556
<b>B. Creditors</b>							
Debtore loans							
Non convertible loans	9	-	255,084,221	84,183,210	111,324,575	176,922,020	203,055,735
- becoming due and payable within one year		-	-	36,758,453	136,518,709	270,147,401	427,744,265
- becoming due and payable after more than one year		-	-	-	-	-	-
Amounts owed to affiliated undertakings							
- becoming due and payable within one year	10	51,480	105,486,694	47,494,526	51,610,792	70,981,651	35,014,923
- becoming due and payable after more than one year		-	-	8,000,000	34,497,613	60,590,173	101,176,832
Other creditors							
Tax authorities		149	9,878	-	7,283	2,485	2,827
Other creditors							
- becoming due and payable within one year	11	1,808	65,764	31,743	47,792	84,599	91,959
Total creditors		53,437	360,646,557	176,467,932	334,006,764	578,728,329	767,086,541
<b>Total (Liabilities)</b>		<b>68,709</b>	<b>360,672,337</b>	<b>176,483,207</b>	<b>334,030,020</b>	<b>578,743,604</b>	<b>767,102,097</b>

Driver UK Multi-Compartment S.A.

NOTES TO THE ANNUAL ACCOUNTS

Note 24 - Balance sheet as at 31 March 2018 per compartment (continued)

Notes	Compartment 5		Compartment PD 2016-1		Compartment 6	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
LIABILITIES	GBP	GBP	GBP	GBP	GBP	GBP
<b>A. Provisions</b>						
Other provisions	15,275	4,004	15,275	15,556	7,726	-
<b>B. Creditors</b>						
Debtore loans						
Non convertible loans						
- becoming due and payable within one year	112,992,520	71,485,461	198,021,483	206,548,841	130,795,843	-
- becoming due and payable after more than one year	193,419,571	297,014,539	240,076,759	431,751,159	238,604,157	-
Amounts owed to affiliated undertakings						
- becoming due and payable within one year	34,206,755	14,628,686	69,935,492	41,416,001	30,923,416	-
- becoming due and payable after more than one year	47,438,519	63,046,480	48,212,972	91,368,883	62,409,662	-
Other creditors						
Tax authorities	4,010	-	-	1,118	-	-
Other creditors						
- becoming due and payable within one year	50,194	47,694	92,825	117,649	61,783	-
Total creditors	388,111,569	446,222,850	556,339,531	771,203,651	462,794,861	-
<b>Total (Liabilities)</b>	<b>388,126,844</b>	<b>446,226,854</b>	<b>556,354,806</b>	<b>771,219,207</b>	<b>462,802,587</b>	<b>-</b>

Driver UK Multi-Compartment S.A.

NOTES TO THE ANNUAL ACCOUNTS

Note 24 - Balance sheet as at 31 March 2018 per compartment (continued)

	Notes	Compartment PD 2018-1	
		31/03/2018 GBP	31/03/2017 GBP
<b>LIABILITIES</b>			
<b>A. Provisions</b>			
Other provisions	8	4,618	-
<b>B. Creditors</b>			
Debtenture loans			
Non convertible loans	9		
- becoming due and payable within one year		-	-
- becoming due and payable after more than one year		1,006,200,000	-
Amounts owed to affiliated undertakings			
- becoming due and payable within one year	10	47,988,747	-
- becoming due and payable after more than one year		217,605,567	-
Other creditors			
Tax authorities		2,651	-
Other creditors			
- becoming due and payable within one year	11	329,635	-
<b>Total creditors</b>		<b>1,272,126,600</b>	<b>-</b>
<b>Total (Liabilities)</b>		<b>1,272,131,218</b>	<b>-</b>

**Driver UK Multi-Compartment S.A.**

**NOTES TO THE ANNUAL ACCOUNTS**

**Note 25 - Profit and Loss account for the year ending 31 March 2018 per compartment**

Notes	Compartment 2		Compartment 3		Compartment 4	
	31/03/2018 GBP	31/03/2017 GBP	31/03/2018 GBP	31/03/2017 GBP	31/03/2018 GBP	31/03/2017 GBP
Other operating income	4,388,052	4,750,672	665,563	825	349,140	-
Other external expenses	(1,183,631)	(4,950,109)	(2,261,210)	(3,796,590)	(6,759,915)	(3,174,265)
Other operating expenses	-	-	-	(913,514)	-	(936,452)
Income from other investments and loans forming part of the fixed assets	7,181,540	25,479,181	13,436,820	17,295,693	30,110,321	13,577,693
- derivated from affiliated undertakings						
Other interest receivable and similar income	35,107	81,664	43,232	45,655	21,301	4,659
- other interest and similar income						
Value adjustments in respect of financial assets and of investments held as current assets	(6,404,464)	(7,777,720)	(4,521,377)	(14,521)	(1,876,408)	(146,921)
Interest payable and similar expenses	(2,166,979)	(10,365,263)	(4,477,253)	(7,670,690)	(16,195,162)	(7,142,692)
- concerning affiliated undertakings	(1,849,345)	(7,216,479)	(2,884,772)	(4,945,494)	(5,648,265)	(2,181,340)
- other interest and similar expenses						
Tax on profit or loss	(280)	(576)	-	-	(1,012)	(682)
<b>Profit or loss after taxation</b>	<b>-</b>	<b>1,370</b>	<b>1,023</b>	<b>1,364</b>	<b>-</b>	<b>-</b>
Other taxes not shown under items above	-	(1,370)	(1,023)	(1,364)	-	-
<b>Profit or loss for the financial year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



Driver UK Multi-Compartment S.A.

NOTES TO THE ANNUAL ACCOUNTS

Note 25 - Profit and Loss account for the year ending 31 March 2018 per compartment (continued)

Notes	Compartment 5		Compartment PD 2016-1		Compartment 6	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
	GBP	GBP	GBP	GBP	GBP	GBP
12	-	-	1,609,335	-	-	-
Other operating income						
13	(4,315,012)	(376,128)	(6,643,033)	(6,338,492)	(2,673,819)	-
Other external expenses						
14	(47,604)	(392,172)	-	(1,390,192)	(595,632)	-
Other operating expenses						
15	18,094,997	1,558,342	30,748,200	28,345,784	11,273,272	-
Income from other investments and loans forming part of the fixed assets						
- derived from affiliated undertakings						
16	14,849	115	20,971	9,449	13,142	-
Other interest receivable and similar income						
- other interest and similar income						
17	(503,460)	(3,787)	(3,118,164)	(418,364)	(59,461)	-
Value adjustments in respect of financial assets and of investments held as current assets						
18	(9,851,375)	(738,686)	(15,104,277)	(13,664,617)	(6,107,967)	-
Interest payable and similar expenses						
- concerning affiliated undertakings						
- other interest and similar expenses						
19	(1,012)	-	(1,023)	(684)	(744)	-
Tax on profit or loss						
<b>Profit or loss after taxation</b>	-	-	-	-	-	-
Other taxes not shown under items above						
<b>Profit or loss for the financial year</b>	-	-	-	-	-	-

**Driver UK Multi-Compartment S.A.**

**NOTES TO THE ANNUAL ACCOUNTS**

**Note 25 - Profit and Loss account for the year ending 31 March 2018 per compartment (continued)**

	Notes	Compartment PD 2018-1	
		31/03/2018 GBP	31/03/2017 GBP
Other operating income	12	-	-
Other external expenses	13	(1,094,607)	-
Other operating expenses	14	(1,980,924)	-
Income from other investments and loans forming part of the fixed assets	15		
- derived from affiliated undertakings		5,461,017	-
Other interest receivable and similar income	16	-	-
- other interest and similar income			
Value adjustments in respect of financial assets and of investments held as current assets	17	-	-
Interest payable and similar expenses	18		
- concerning affiliated undertakings		(2,081,540)	-
- other interest and similar expenses		(303,946)	-
Tax on profit or loss	19	-	-
<b>Profit or loss after taxation</b>		-	-
Other taxes not shown under items above		-	-
<b>Profit or loss for the financial year</b>		-	-

Driver UK Multi-Compartment S.A.

**NOTES TO THE ANNUAL ACCOUNTS**

**Note 26 - Other notes to the balance sheet as at 31 March 2018 per compartment**

	Compartment 2		Compartment 3		Compartment 4	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
Permitted Assets	GBP	GBP	GBP	GBP	GBP	GBP
Opening balance	267,141,839	674,412,789	287,795,107	439,244,784	731,801,788	-
Initial portfolio at acquisition date	-	-	-	-	-	750,002,083
Additional purchases (Top-Up)	-	-	-	-	41,247,960	72,612,643
Reimbursement during the year	(260,737,375)	(399,493,230)	(151,270,615)	(151,435,156)	(229,141,754)	(90,555,117)
Value adjustment for the year due to defaulted receivables	(6,404,464)	(7,777,720)	(4,521,377)	(14,521)	(1,876,408)	(146,921)
Sale ineligible receivables	-	-	-	-	-	(110,900)
Closing balance	-	267,141,839	132,003,115	287,795,107	542,031,586	731,801,788
	Compartment 5		Compartment PD 2016-1		Compartment 6	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
	GBP	GBP	GBP	GBP	GBP	GBP
Opening balance	427,641,007	-	731,808,014	-	-	-
Initial portfolio at acquisition date	-	438,146,480	-	750,004,084	450,001,235	-
Additional purchases (Top-Up)	62,309,827	-	48,191,837	173,100,188	62,197,064	-
Reimbursement during the year	(121,946,967)	(10,501,686)	(262,616,790)	(190,846,040)	(70,008,087)	-
Value adjustment for the year due to defaulted receivables	(503,460)	(3,787)	(3,118,164)	(418,364)	(59,461)	-
Sale ineligible receivables	-	-	(10,596)	(31,854)	(38,030)	-
Closing balance	367,500,407	427,641,007	514,254,301	731,808,014	442,092,721	-

Driver UK Multi-Compartment S.A.

NOTES TO THE ANNUAL ACCOUNTS

Note 26 - Other notes to the balance sheet as at 31 March 2018 per compartment

Financial assets (see also note 3)

	Compartment PD 2018-1	
	31/03/2018	31/03/2017
	GBP	GBP
<u>Permitted Assets</u>		
Opening balance	-	-
Initial portfolio at acquisition date	1,250,005,567	-
Additional purchases (Top-Up)	-	-
Reimbursement during the year	(26,971,513)	-
Value adjustment for the year due to defaulted receivables	-	-
Sale ineligible receivables	-	-
Closing balance	<u>1,223,034,054</u>	<u>-</u>

Driver UK Multi-Compartment S.A.

**NOTES TO THE ANNUAL ACCOUNTS**

Note 26 - Other notes to the balance sheet as at 31 March 2018 per compartment (continued)

	Compartment 2		Compartment 3		Compartment 4	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
	GBP	GBP	GBP	GBP	GBP	GBP
Cash at bank and in hand (see also note 5)						
Distribution account	68,709	14,403,695	5,664,744	6,091,388	1,670	5,001
Cash collateral account	-	14,936,807	14,537,559	14,534,552	10,506,337	11,885,463
Monthly Collateral account	-	30,739,193	12,331,330	13,452,981	-	-
<b>Total</b>	<b>68,709</b>	<b>60,079,695</b>	<b>32,533,633</b>	<b>34,078,921</b>	<b>10,508,007</b>	<b>11,890,464</b>
	Compartment 5		Compartment PD 2016-1		Compartment 6	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
	GBP	GBP	GBP	GBP	GBP	GBP
Distribution account	5,001	5,000	4,894	4,943	4,974	-
Cash collateral account	7,556,397	6,800,115	10,502,716	12,000,622	8,402,415	-
Monthly Collateral account	-	-	-	-	-	-
<b>Total</b>	<b>7,561,398</b>	<b>6,805,115</b>	<b>10,507,610</b>	<b>12,005,565</b>	<b>8,407,389</b>	<b>-</b>
	Compartment PD 2018-1					
	31/03/2018	31/03/2017				
	GBP	GBP				
Distribution account	5,000	-				
Cash collateral account	17,000,000	-				
Monthly Collateral account	-	-				
<b>Total</b>	<b>17,005,000</b>	<b>-</b>				

Driver UK Multi-Compartment S.A.

NOTES TO THE ANNUAL ACCOUNTS

Note 28 - Other notes to the balance sheet as at 31 March 2018 per compartment (continued)

	Compartment 2		Compartment 3		Compartment 4	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
Provisions (see also note 8)						
	GBP	GBP	GBP	GBP	GBP	GBP
Audit fees	15,094	25,898	15,097	23,102	15,097	15,402
Tax advisory fees	178	82	178	154	178	154
	15,272	25,780	15,275	23,256	15,275	15,556

  

	Compartment 5		Compartment PD 2016-1		Compartment 6	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
	GBP	GBP	GBP	GBP	GBP	GBP
Audit fees	15,097	3,850	15,097	15,402	7,548	-
Tax advisory fees	178	154	178	154	178	-
	15,275	4,004	15,275	15,556	7,726	-

  

Compartment PD 2018-1	
31/03/2018	31/03/2017
GBP	GBP
Audit fees	4,440
Tax advisory fees	178
	4,618



Driver UK Multi-Compartment S.A.

**NOTES TO THE ANNUAL ACCOUNTS**

**Note 26 - Other notes to the balance sheet as at 31 March 2018 per compartment (continued)**

	<u>Compartment PD 2018-1</u>	<u>31/03/2017</u>
	GBP	GBP
<b>Debtenture loans (see also note 9)</b>		
<b><u>Floating Rate Notes Series A</u></b>		
Opening balance	-	-
Additional issuance during the year	918,700,000	-
Redemption during the year	-	-
Closing balance	<u>918,700,000</u>	<u>-</u>
Thereof scheduled for redemption within one year	-	-
Becoming due and payable after more than one year	<u>918,700,000</u>	<u>-</u>



Driver UK Multi-Compartment S.A.

NOTES TO THE ANNUAL ACCOUNTS

Note 26 - Other notes to the balance sheet as at 31 March 2018 per compartment (continued)

	Compartment 2		Compartment 3		Compartment 4	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
	GBP	GBP	GBP	GBP	GBP	GBP
Debenture loans (see also note 9)						
<u>Floating Rate Notes Series B</u>						
Opening balance	44,088,631	102,409,451	34,137,113	39,900,000	51,800,000	-
Additional issuance during the year	-	-	-	-	-	51,800,000
Redemption during the year	(44,088,631)	(58,320,820)	(17,712,937)	(5,762,887)	(1,370,165)	-
Closing balance	-	44,088,631	16,424,176	34,137,113	50,429,835	51,800,000
Thereof scheduled for redemption within one year	-	44,088,631	11,432,287	15,597,535	19,956,934	3,550,013
Becoming due and payable after more than one year	-	-	4,991,889	18,539,578	30,472,901	48,249,987
	Compartment 5		Compartment PD 2016-1		Compartment 6	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
	GBP	GBP	GBP	GBP	GBP	GBP
Opening balance	28,500,000	-	62,300,000	-	-	-
Additional issuance during the year	-	28,500,000	-	62,300,000	29,200,000	-
Redemption during the year	-	-	(5,156,751)	-	-	-
Closing balance	28,500,000	28,500,000	57,143,249	62,300,000	29,200,000	-
Thereof scheduled for redemption within one year	9,556,846	-	25,828,889	5,984,631	8,926,444	-
Becoming due and payable after more than one year	18,943,154	28,500,000	31,314,360	56,315,369	20,273,556	-

Driver UK Multi-Compartment S.A.

NOTES TO THE ANNUAL ACCOUNTS

Note 26 - Other notes to the balance sheet as at 31 March 2018 per compartment (continued)

	Compartment PD 2018-1	
	31/03/2018	31/03/2017
	GBP	GBP
<b>Floating Rate Notes Series B</b>		
Opening balance	-	-
Additional issuance during the year	87,500,000	-
Redemption during the year	-	-
Closing balance	87,500,000	-
Thereof scheduled for redemption within one year	-	-
Becoming due and payable after more than one year	87,500,000	-

Driver UK Multi-Compartment S.A.

NOTES TO THE ANNUAL ACCOUNTS

Note 26 - Other notes to the balance sheet as at 31 March 2018 per compartment (continued)

Amounts owed to affiliated companies (see also note 10)

- becoming due and payable within one year

	Compartment 2		Compartment 3		Compartment 4	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
	GBP	GBP	GBP	GBP	GBP	GBP
Overcollateralisation payable	51,480	27,856,067	10,299,556	10,965,140	20,410,255	19,810,048
Advanced collections	-	30,739,193	12,331,330	13,452,981	-	-
Interest Compensation Ledger	-	3,115,539	2,015,016	2,101,352	3,424,840	3,519,215
Subordinated Loan	-	43,495,576	22,711,157	24,814,678	46,605,327	11,000,558
Interest on Subordinated Loan	-	12,854	10,655	17,350	59,984	45,388
Servicer fees	-	267,465	126,812	259,291	481,245	639,714
<b>Total</b>	<b>51,480</b>	<b>105,485,694</b>	<b>47,494,526</b>	<b>51,610,792</b>	<b>70,981,651</b>	<b>35,014,923</b>

	Compartment 5		Compartment PD 2016-1		Compartment 6	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
	GBP	GBP	GBP	GBP	GBP	GBP
Overcollateralisation payable	14,115,648	12,292,171	19,304,248	19,876,351	15,974,703	-
Advanced collections	-	-	-	-	-	-
Interest Compensation Ledger	3,387,106	1,945,587	3,364,032	3,455,455	3,512,408	-
Subordinated Loan	16,354,681	-	46,788,524	17,387,985	11,019,615	-
Interest on Subordinated Loan	26,993	18,804	56,013	53,267	32,036	-
Servicer fees	322,327	372,124	422,675	642,943	384,654	-
<b>Total</b>	<b>34,206,755</b>	<b>14,628,686</b>	<b>69,935,492</b>	<b>41,416,001</b>	<b>30,923,416</b>	<b>-</b>

Driver UK Multi-Compartment S.A.

**NOTES TO THE ANNUAL ACCOUNTS**

**Note 26 - Other notes to the balance sheet as at 31 March 2018 per compartment (continued)**

**Amounts owed to affiliated companies (see also note 10) continued**

- becoming due and payable within one year

	<u>31/03/2018</u>	<u>31/03/2017</u>
	GBP	GBP
Overcollateralisation payable	43,180,923	-
Advanced collections	-	-
Interest Compensation Ledger	3,626,198	-
Subordinated Loan	-	-
Interest on Subordinated Loan	119,977	-
Servicer fees	1,061,649	-
<b>Total</b>	<b><u>47,988,747</u></b>	<b><u>-</u></b>

Driver UK Multi-Compartment S.A.

NOTES TO THE ANNUAL ACCOUNTS

Note 26 - Other notes to the balance sheet as at 31 March 2018 per compartment (continued)

	Compartment 2		Compartment 3		Compartment 4	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
<b>Subordinated debts (see also note 10)</b>						
<u>Changes during the year/period</u>						
Opening balance	43,495,576	117,137,954	59,312,291	68,724,574	112,177,390	-
Increase during the year	-	-	-	-	-	111,002,083
Capitalised interest	-	-	-	442,570	-	1,175,307
Redemption during the year	(43,495,576)	(73,642,378)	(28,601,134)	(9,854,853)	(4,981,890)	-
Closing balance	-	43,495,576	30,711,157	59,312,291	107,195,500	112,177,390
Thereof scheduled for redemption within one year	-	43,495,576	22,711,157	24,814,678	46,605,327	11,000,558
Becoming due and payable after more than one year	-	-	8,000,000	34,497,613	60,590,173	101,176,832
	Compartment 5		Compartment PD 2016-1		Compartment 6	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
Opening balance	63,046,480	-	108,756,868	-	-	-
Increase during the year	-	63,046,480	-	105,704,084	72,501,235	-
Capitalised interest	746,720	-	-	3,052,784	928,042	-
Redemption during the year	-	-	(13,755,372)	-	-	-
Closing balance	63,793,200	63,046,480	95,001,496	108,756,868	73,429,277	-
Thereof scheduled for redemption within one year	16,354,681	-	46,788,524	17,387,985	11,019,615	-
Becoming due and payable after more than one year	47,438,519	63,046,480	48,212,972	91,368,883	62,409,662	-

Driver UK Multi-Compartment S.A.

NOTES TO THE ANNUAL ACCOUNTS

Note 26 - Other notes to the balance sheet as at 31 March 2018 per compartment (continued)

	Compartment PD 2018-1	
	31/03/2018	31/03/2017
	GBP	GBP
<b>Subordinated debts (see also note 10)</b>		
<u>Changes during the year/period</u>		
Opening balance	-	-
Increase during the year	217,605,567	-
Capitalised interest	-	-
Redemption during the year	-	-
Interest capitalised during the year	-	-
Closing balance	217,605,567	-
Thereof scheduled for redemption within one year	-	-
Becoming due and payable after more than one year	217,605,567	-

Driver UK Multi-Compartment S.A.

NOTES TO THE ANNUAL ACCOUNTS

Note 26 - Other notes to the balance sheet as at 31 March 2018 per compartment (continued)

	Compartment 2		Compartment 3		Compartment 4	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
	GBP	GBP	GBP	GBP	GBP	GBP
Other creditors (see also note 11)						
- becoming due and payable within one year						
Interest on Class A Notes	-	19,600	17,255	20,860	70,059	65,601
Interest on Class B Notes	-	6,985	3,926	5,231	14,540	10,697
Interest on Swaps	-	37,429	10,562	21,643	-	15,661
Creditors	-	-	-	-	-	-
Amount payable to general compartment	1,808	1,750	-	58	-	-
Total	1,808	65,764	31,743	47,792	84,599	91,959
	Compartment 5		Compartment PD 2016-1		Compartment 6	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
	GBP	GBP	GBP	GBP	GBP	GBP
Interest on Class A Notes	43,588	32,946	76,378	101,837	55,044	-
Interest on Class B Notes	6,578	4,517	16,447	15,812	6,739	-
Interest on Swaps	28	10,221	-	-	-	-
Creditors	-	-	-	-	-	-
Amount payable to general compartment	-	-	-	-	-	-
Total	50,194	47,684	92,825	117,649	61,783	-

Driver UK Multi-Compartment S.A.

**NOTES TO THE ANNUAL ACCOUNTS**

**Note 26 - Other notes to the balance sheet as at 31 March 2018 per compartment (continued)**

	Compartment PD 2018-1	
	31/03/2018	31/03/2017
	GBP	GBP
<b>Other creditors (see also note 11)</b>		
- <u>becoming due and payable within one year</u>		
Interest on Class A Notes	174,277	-
Interest on Class B Notes	24,509	-
Interest on Swaps	105,160	-
Creditors	25,689	-
Amount payable to general compartment	-	-
<b>Total</b>	<b>329,635</b>	<b>-</b>



Driver UK Multi-Compartment S.A.

NOTES TO THE ANNUAL ACCOUNTS

Note 27 - Other notes to the profit and loss account for the year ending 31 March 2018 per compartment (continued)

	Compartment 2		Compartment 3		Compartment 4	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
	GBP	GBP	GBP	GBP	GBP	GBP
Other operating income (see also note 12)						
<u>Other operating income</u>						
Change in equalisation provision (see note 2.2.11)	4,388,052	4,750,308	665,583	-	349,140	-
Other income	-	364	-	825	-	-
Total	4,388,052	4,750,672	665,583	825	349,140	-
	Compartment 5		Compartment PD 2016-1		Compartment 6	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
	GBP	GBP	GBP	GBP	GBP	GBP
Change in equalisation provision (see note 2.2.11)	-	-	1,609,335	-	-	-
Other income	-	-	-	-	-	-
Total	-	-	1,609,335	-	-	-
	Compartment PD 2018-1					
	31/03/2018	31/03/2017				
	GBP	GBP				
Change in equalisation provision (see note 2.2.11)	-	-				
Other income	-	-				
Total	-	-				

Driver UK Multi-Compartment S.A.

NOTES TO THE ANNUAL ACCOUNTS

Note 27 - Other notes to the profit and loss account for the year ending 31 March 2018 per compartment (continued)

Other external expenses (see also note 13)

	Compartment 2		Compartment 3		Compartment 4	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
	GBP	GBP	GBP	GBP	GBP	GBP
Maintenance fees	16,899	16,096	16,394	15,596	17,274	8,566
Service fees	1,114,160	4,966,251	2,183,403	3,723,813	6,666,940	3,109,267
Rating agency fees	41,475	58,036	49,709	51,643	52,766	34,131
Trustee services	3,502	7,845	4,783	5,057	5,476	2,750
Audit fees	7,120	1,778	6,636	-	14,238	19,179
Tax advisory fees	30	-	24	377	24	372
Bank charges	58	58	-	58	-	-
Other miscellaneous external charges	387	45	261	46	3,197	-
<b>Total</b>	<b>1,183,631</b>	<b>4,950,109</b>	<b>2,261,210</b>	<b>3,796,590</b>	<b>6,759,915</b>	<b>3,174,265</b>

	Compartment 5		Compartment PD 2016-1		Compartment 6	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
	GBP	GBP	GBP	GBP	GBP	GBP
Maintenance fees	18,702	-	16,394	34,878	9,962	-
Service fees	4,218,858	372,124	6,562,055	6,275,474	2,622,182	-
Rating agency fees	59,585	-	44,927	-	28,686	-
Trustee services	6,369	-	5,078	4,268	5,089	-
Audit fees	11,246	3,850	14,326	19,192	7,548	-
Tax advisory fees	24	154	24	871	178	-
Bank charges	-	-	-	-	-	-
Other miscellaneous external charges	228	-	229	3,809	174	-
<b>Total</b>	<b>4,315,012</b>	<b>376,128</b>	<b>6,643,033</b>	<b>6,338,492</b>	<b>2,673,819</b>	<b>-</b>

Driver UK Multi-Compartment S.A.

NOTES TO THE ANNUAL ACCOUNTS

Note 27 - Other notes to the profit and loss account for the year ending 31 March 2018 per compartment (continued)

	Compartment PD 2018-1		Compartment 2		Compartment 3		Compartment 4		Compartment 5		Compartment 6	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
	GBP	GBP	GBP	GBP	GBP	GBP	GBP	GBP	GBP	GBP	GBP	GBP
Other external expenses (see also note 13) continued												
Maintenance fees	-	-	-	-	-	-	-	-	-	-	-	-
Service fees	1,061,649	-	-	-	-	-	-	-	-	-	-	-
Rating agency fees	26,714	-	-	-	-	-	-	-	-	-	-	-
Trustee services	1,626	-	-	-	-	-	-	-	-	-	-	-
Audit fees	4,440	-	-	-	-	-	-	-	-	-	-	-
Tax advisory fees	178	-	-	-	-	-	-	-	-	-	-	-
Bank charges	-	-	-	-	-	-	-	-	-	-	-	-
Other miscellaneous external charges	-	-	-	-	-	-	-	-	-	-	-	-
Total	1,094,607	-	-	-	-	-	-	-	-	-	-	-
Other operating expenses (see also note 14)												
Change in overcollateralisation provision	-	-	-	-	-	(913,514)	-	-	-	-	(595,632)	(936,452)
Change in overcollateralisation provision	(47,604)	(392,172)	-	-	-	(1,390,192)	-	-	-	-	-	-
Change in overcollateralisation provision	(1,980,924)	-	-	-	-	-	-	-	-	-	-	-

Driver UK Multi-Compartment S.A.

NOTES TO THE ANNUAL ACCOUNTS

Note 27 - Other notes to the profit and loss account for the year ending 31 March 2018 per compartment (continued)

	Compartment 2		Compartment 3		Compartment 4	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
Income from other investments and loans forming part of the fixed assets (see also note 15)						
Derived from affiliated undertakings						
Interest income from Permitted Assets	5,627,951	21,933,658	11,637,798	14,503,083	25,486,031	11,177,373
Interest Compensation Order of Priority Amount	1,553,589	3,545,523	1,799,022	2,792,610	4,624,290	2,400,320
<b>Total</b>	<b>7,181,540</b>	<b>25,479,181</b>	<b>13,436,820</b>	<b>17,295,693</b>	<b>30,110,321</b>	<b>13,577,693</b>
	Compartment 5		Compartment PD 2016-1		Compartment 6	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
Interest income from Permitted Assets	15,481,435	1,284,046	26,696,799	24,204,829	9,796,808	-
Interest Compensation Order of Priority Amount	2,613,562	274,296	4,051,401	4,140,955	1,476,464	-
<b>Total</b>	<b>18,094,997</b>	<b>1,558,342</b>	<b>30,748,200</b>	<b>28,345,784</b>	<b>11,273,272</b>	<b>-</b>
	Compartment PD 2018-1					
	31/03/2018	31/03/2017				
Interest income from Permitted Assets	5,125,652	-				
Interest Compensation Order of Priority Amount	335,365	-				
<b>Total</b>	<b>5,461,017</b>	<b>-</b>				

Driver UK Multi-Compartment S.A.

**NOTES TO THE ANNUAL ACCOUNTS**

**Note 27 - Other notes to the profit and loss account for the year ending 31 March 2018 per compartment (continued)**

**Other interest receivable and similar income (see also note 16)**

	Compartment 2		Compartment 3		Compartment 4	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
	GBP	GBP	GBP	GBP	GBP	GBP
Interest income on bank accounts	32,250	81,664	43,232	45,655	21,301	4,659
Foreign exchange gains	2,857	-	-	-	-	-
<b>Total</b>	<b>35,107</b>	<b>81,664</b>	<b>43,232</b>	<b>45,655</b>	<b>21,301</b>	<b>4,659</b>

**Other interest and similar financial income**

	Compartment 5		Compartment PD 2016-1		Compartment 6	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
	GBP	GBP	GBP	GBP	GBP	GBP
Interest income on bank accounts	14,849	115	20,971	9,449	13,142	-
Foreign exchange gains	-	-	-	-	-	-
<b>Total</b>	<b>14,849</b>	<b>115</b>	<b>20,971</b>	<b>9,449</b>	<b>13,142</b>	<b>-</b>

**Compartment PD 2018-1**

	31/03/2018	31/03/2017
	GBP	GBP
Interest income on bank accounts	-	-
Foreign exchange gains	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

Driver UK Multi-Compartment S.A.

NOTES TO THE ANNUAL ACCOUNTS

Note 27 - Other notes to the profit and loss account for the year ending 31 March 2018 per compartment (continued)

	Compartment 2		Compartment 3		Compartment 4	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
Value adjustments in respect of financial assets and of investments held as current assets (see also note 17)						
Defaulted receivables	6,404,464	9,562,002	4,521,377	1,302,419	1,876,408	146,921
Reversal of value adjustment on Permitted Assets	-	(1,784,282)	-	(1,287,898)	-	-
<b>Total</b>	<b>6,404,464</b>	<b>7,777,720</b>	<b>4,521,377</b>	<b>14,521</b>	<b>1,876,408</b>	<b>146,921</b>

	Compartment 5		Compartment PD 2016-1		Compartment PD 6	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
Defaulted receivables	503,460	3,787	3,118,164	418,364	59,461	-
Reversal of value adjustment on Permitted Assets	-	-	-	-	-	-
<b>Total</b>	<b>503,460</b>	<b>3,787</b>	<b>3,118,164</b>	<b>418,364</b>	<b>59,461</b>	<b>-</b>

	Compartment PD 201-1	
	31/03/2018	31/03/2017
Defaulted receivables	-	-
Reversal of value adjustment on Permitted Assets	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

Driver UK Multi-Compartment S.A.

NOTES TO THE ANNUAL ACCOUNTS

Note 27 - Other notes to the profit and loss account for the year ending 31 March 2018 per compartment (continued)

Interest payable and similar expenses  
(see also note 18)

Concerning affiliated undertakings

	Compartment 2		Compartment 3		Compartment 4	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
	GBP	GBP	GBP	GBP	GBP	GBP
Interest payable on Subordinated Loan	362,612	1,777,433	1,017,172	1,555,726	3,661,652	1,223,158
Interest Compensation Amount	1,804,367	8,587,830	3,460,081	6,114,964	12,533,510	5,919,534
	<u>2,166,979</u>	<u>10,365,263</u>	<u>4,477,253</u>	<u>7,670,690</u>	<u>16,195,162</u>	<u>7,142,692</u>

Interest payable on Subordinated Loan  
Interest Compensation Amount

	Compartment 5		Compartment PD 2016-1		Compartment 6	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
	GBP	GBP	GBP	GBP	GBP	GBP
Interest payable on Subordinated Loan	1,536,038	18,804	4,118,473	3,113,538	969,093	-
Interest Compensation Amount	8,315,337	719,882	10,985,804	10,551,079	5,138,874	-
	<u>9,851,375</u>	<u>738,686</u>	<u>15,104,277</u>	<u>13,664,617</u>	<u>6,107,967</u>	<u>-</u>

Interest payable on Subordinated Loan  
Interest Compensation Amount

	Compartment PD 2018-1	
	31/03/2018	31/03/2017
	GBP	GBP
Interest payable on Subordinated Loan	119,977	-
Interest Compensation Amount	1,961,563	-
	<u>2,081,540</u>	<u>-</u>

Driver UK Multi-Compartment S.A.

NOTES TO THE ANNUAL ACCOUNTS

Note 27 - Other notes to the profit and loss account for the year ending 31 March 2018 per compartment (continued)

	Compartment 2		Compartment 3		Compartment 4	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
	GBP	GBP	GBP	GBP	GBP	GBP
Interest payable and similar expenses (see also note 18)						
<u>Other interest and similar expenses</u>						
Interest charges on Class A Notes	602,527	2,769,056	1,324,251	2,441,036	4,539,796	1,675,549
Interest charges on Class B Notes	219,586	924,591	322,038	518,917	825,754	272,465
Interest payable on Swaps	1,027,232	3,518,930	1,236,768	1,980,550	282,715	233,326
Foreign exchange losses	-	3,902	1,715	4,991	-	-
<b>Total</b>	<b>1,849,345</b>	<b>7,216,479</b>	<b>2,884,772</b>	<b>4,945,494</b>	<b>5,648,265</b>	<b>2,181,340</b>
	Compartment 5		Compartment PD 2016-1		Compartment 6	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
	GBP	GBP	GBP	GBP	GBP	GBP
Interest charges on Class A Notes	2,568,099	32,946	6,365,618	5,663,246	1,595,811	-
Interest charges on Class B Notes	354,793	4,517	1,146,391	879,161	200,138	-
Interest payable on Swaps	468,491	10,221	-	-	52,842	-
Foreign exchange losses	-	-	-	477	-	-
<b>Total</b>	<b>3,391,383</b>	<b>47,684</b>	<b>7,512,009</b>	<b>6,542,884</b>	<b>1,848,791</b>	<b>-</b>
	Compartment PD 2018-1					
	31/03/2018	31/03/2017				
	GBP	GBP				
Interest charges on Class A Notes	174,277	-				
Interest charges on Class B Notes	24,509	-				
Interest payable on Swaps	105,160	-				
Foreign exchange losses	-	-				
<b>Total</b>	<b>303,946</b>	<b>-</b>				



**Driver UK Multi-Compartment S.A.**

**5. NOTES TO THE ANNUAL ACCOUNTS**

**Note 28 - Subsequent events**

Effective as of 19 July 2018, Ms C. Lampis has resigned from her position as Director of the Company and has been replaced by Ms M.Mussai-Ramassur with effect as of 19 July 2018.

Effective as of 30 August 2018, Ms C. Pirrie has resigned from her position as Director of the Company and has been replaced by Mr Igor Valikoff with effect as of 30 August 2018.

No other event has occurred subsequent to the year-end which would have a material impact on the annual accounts as at 31 March 2018.

Luxembourg,

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Ms Zamyra H. Cammans  
Director

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Ms Meenakshi D. Mussai-Ramassur  
Director

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Mr Igor Valikoff  
Director