

ANADOLU SİGORTA

Financial Results 4Q18

Earnings Call
February 5, 2019



- *Highlights of Sector*
- *Highlights of Anadolu*
- *Premium production*
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- Pool effect in premium growth
- MTPL strategies
- High financial income environment

	FY18		FY17		
	GPW (mn TRY)	Share	GPW (mn TRY)	Share	
Allianz	5.810	12,2%	Allianz	5.134	12,9%
Anadolu	5.701	11,9%	Anadolu	4.671	11,8%
Aksigorta	3.417	7,2%	Axa	2.908	7,3%
Axa	3.375	7,1%	Mapfre	2.680	6,8%
Mapfre	2.645	5,5%	Aksigorta	2.636	6,6%
Top 10	30.985	64,9%	Top 10	26.662	67,1%
Sector	47.733	100%	Sector	39.711	100%

20,2%

Premium Production – Sector (mn. TRY)

BRANCHES	FY18	FY17	Change (YoY) (%)
MTPL	15.854	13.042	21,6%
MOD	7.843	6.916	13,4%
Health	6.244	5.026	24,2%
General Losses	5.247	4.355	20,5%
Fire	6.973	5.746	21,3%
Accident	1.812	1.682	7,7%
General Liability	1.390	1.024	35,8%
Marine Transportation	830	652	27,3%
Financial Losses	346	326	6,1%
Watercraft	300	218	37,6%
Credit	248	174	43,0%
Other	646	549	17,7%
TOTAL	47.733	39.711	20,2
MTPL *	13.550	11.709	15,7
TOTAL *	45.429	38.378	18,4

* Indirect pool Premium excluded (2.304mTRY @12.2018 1.333mTRY @12.2017)

- Strong Growth

(mn TRY)	FY17	FY18	YoY(%)
Anadolu	4.671	5.701	22,1
Sector	39.711	47.733	20,2

- *MTPL Excluded Growth - Stronger*

(mn TRY)	FY17	FY18	YoY(%)
Anadolu	3.329	4.151	24,7
Sector	26.669	31.879	19,5

- Improving financials

(mn TRY)	FY17	FY18	YoY(%)
Gross Profit	237	387	63
Net Profit	184	308	67

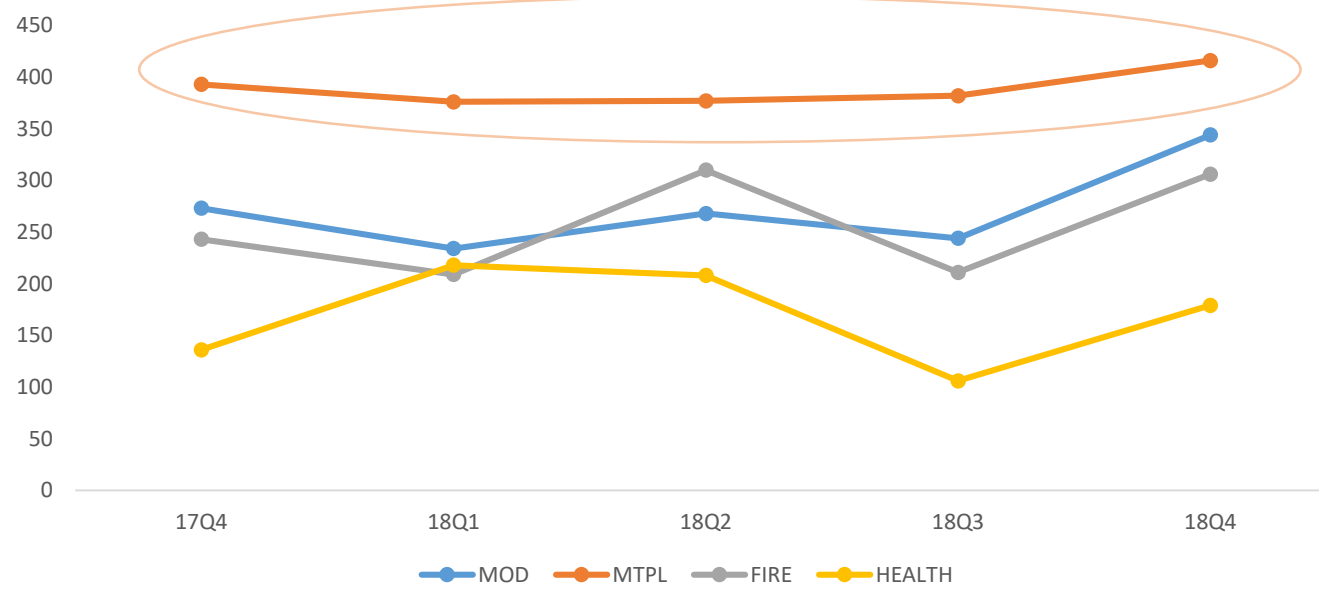
- Premium Increase In Health Branch

(mn TRY)	FY17	FY18	YoY(%)
Earned Premiums	454	599	32
GPW	538	711	32

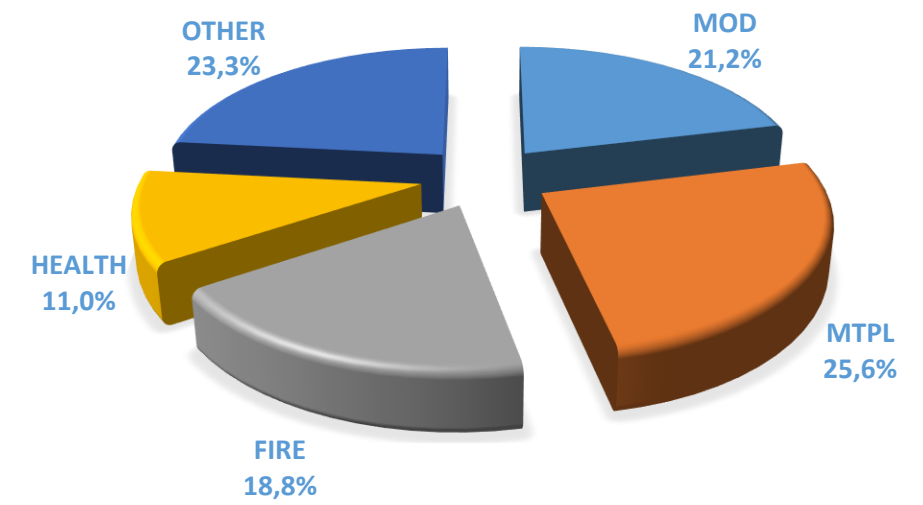
Premium Production (mn TRY)

	17Q4	18Q1	18Q2	18Q3	18Q4	YoY(%)
MOD	273	234	268	244	344	26,0
MTPL	393	376	377	382	416	5,9
FIRE	243	209	310	211	306	25,9
HEALTH	136	218	208	106	179	31,6
OTHER	296	341	319	275	379	28,0
TOTAL	1.341	1.378	1.482	1.218	1.624	21,1

GPW Branch Breakdown



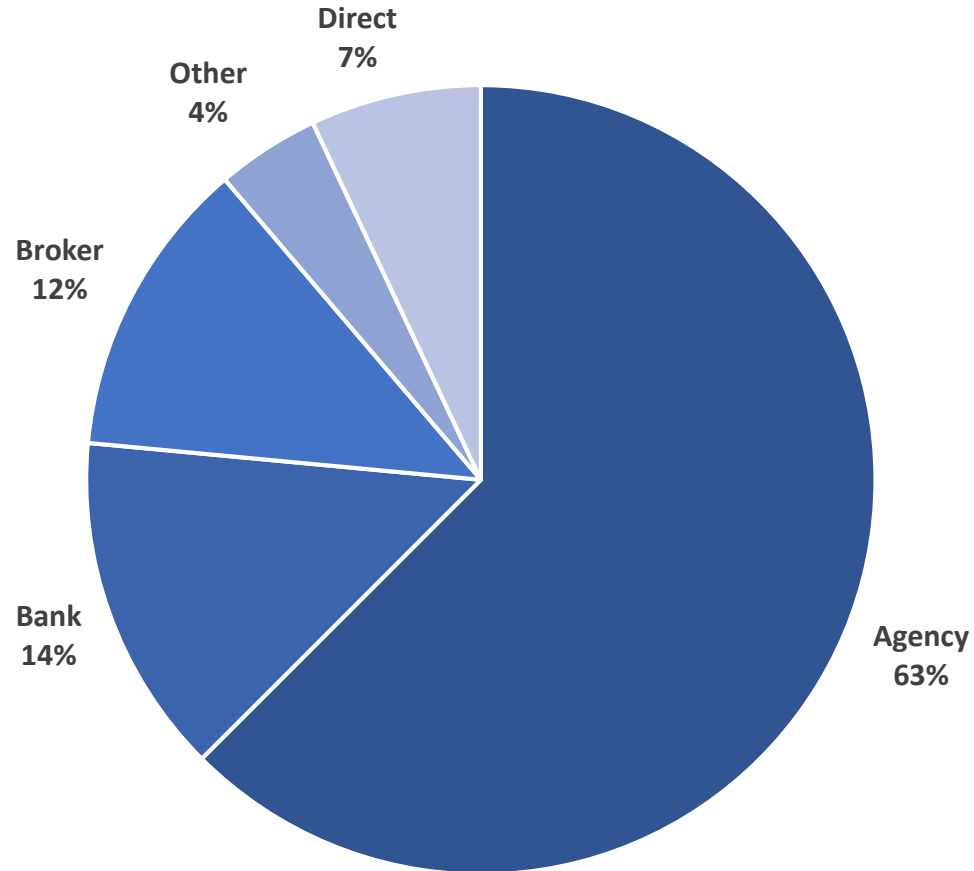
4Q18 Breakdown



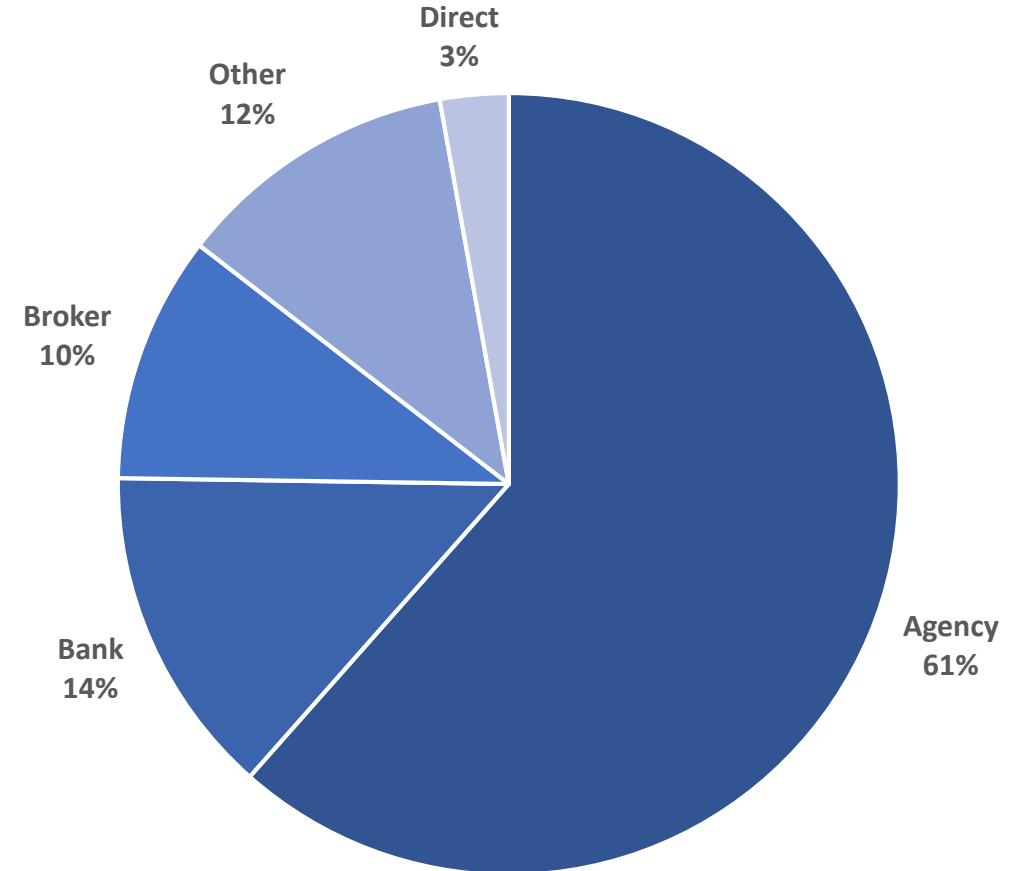
Market Share & Rank (mn. TRY)

BRANCHES	FY17	FY18	Rank 2018	Market Share 2018	Growth
MOD	953	1.090	1	14%	14%
Fire	814	1.035	1	15%	27%
General Liability	181	272	1	20%	50%
Marine Transportation	86	119	1	14%	37%
Watercraft	89	118	1	39%	33%
Bond Insurance	--	14	1	19%	--
MTPL	1.342	1.551	2	10%	15%
General Losses	414	513	2	10%	24%
Aircraft	27	43	2	24%	58%
Aircraft Liability	36	42	2	22%	19%
Health	538	711	3	11%	32%
Other	191	193	--	--	1%
TOTAL	4.671	5.701	2	12%	22%

Premium Production – Sector



Premium Production – ANSGR



Accident

	18Q3	18Q4	Change
GPW	33,3	40,8	22,4%
Earned Premiums	30,8	31,8	3,4%
Claims (Net)	8,6	6,9	-19,2%
Claims Ratio	27,9%	21,7%	-22,3%

- Strong Premium production in the last quarter
- Improvement in the claims ratio brings combined ratio to %69 at the end of the year

Health

	18Q3	18Q4	Change
GPW	106,4	179,0	68,3%
Earned Premiums	156,7	163,5	4,3%
Claims (Net)	121,5	156,5	28,7%
Claims Ratio	77,5%	95,7%	23,4%

- Robust growth in term of Premium production drives the claim ratio up to %92 for FY 2018

Land Vehicles

	18Q3	18Q4	Change
GPW	244,1	344,1	41,0%
Earned Premiums	253,6	263,7	4,0%
Claims (Net)	236,8	239,2	1,0%
Claims Ratio	93,4%	90,7%	-2,9%

- Strong Premium production in the last quarter brings the cumulative growth to 14% from 10% .
- Significant progress in terms of claims ratio

General Losses

	18Q3	18Q4	Change
GPW	93,5	117,6	25,7%
Earned Premiums	59,2	50,4	-14,9%
Claims (Net)	49,0	48,3	-1,4%
Claims Ratio	82,8%	95,8%	15,8%

- Increasing written premiums
- Claims ratio deteriorated mainly due to slowing down earned premiums

MTPL

	18Q3	18Q4	Change
GPW	381,6	415,6	8,9%
Earned Premiums	247,2	241,6	-2,3%
Claims (Net)	291,5	283,7	-2,7%
Claims Ratio	117,9%	117,4%	-0,4%

- Monthly 1,5% increase at the ceiling
- Flat claims ratio despite the increasing reserves due to minimum wage increase

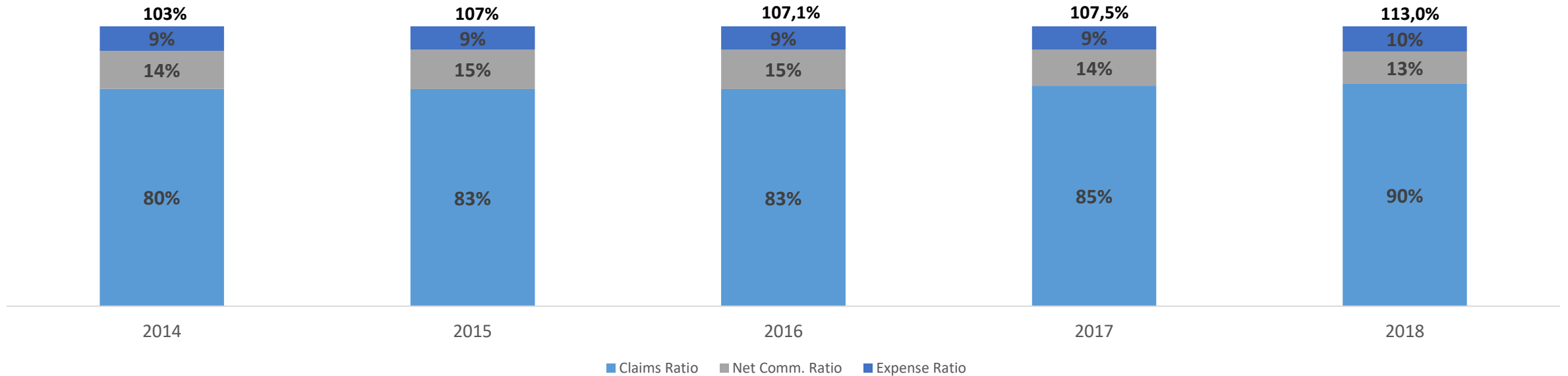
Fire

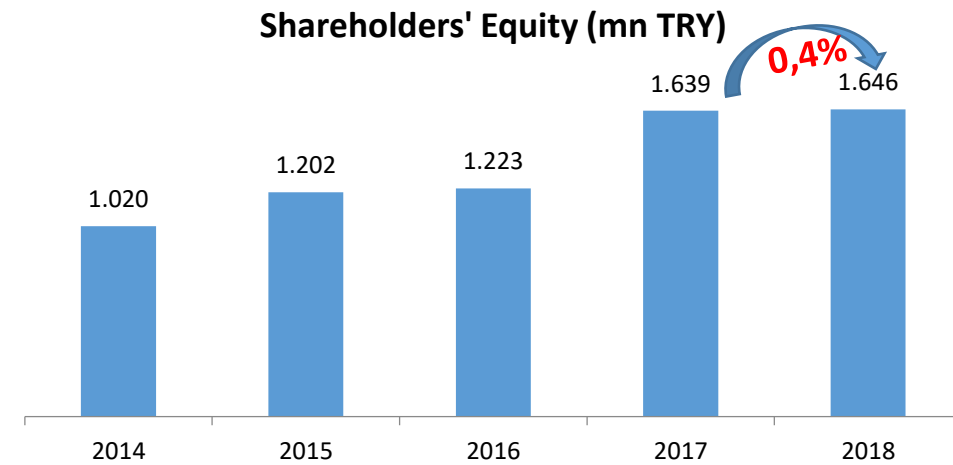
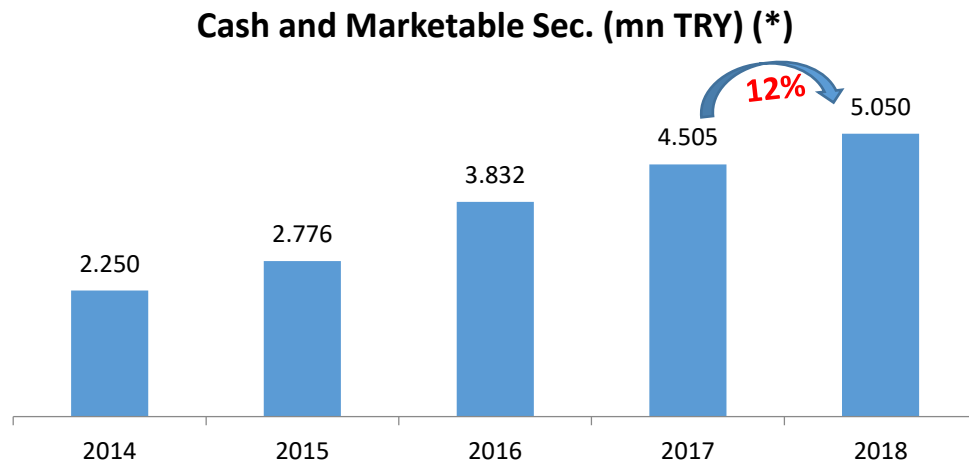
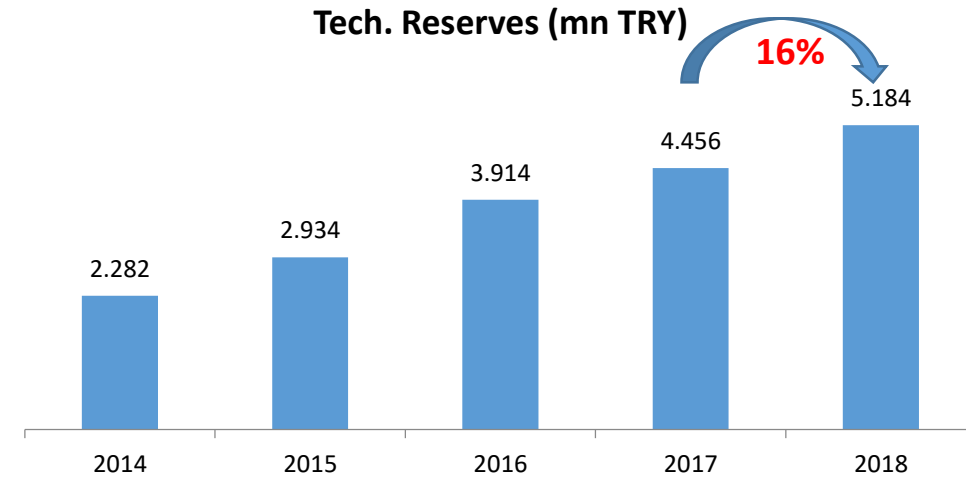
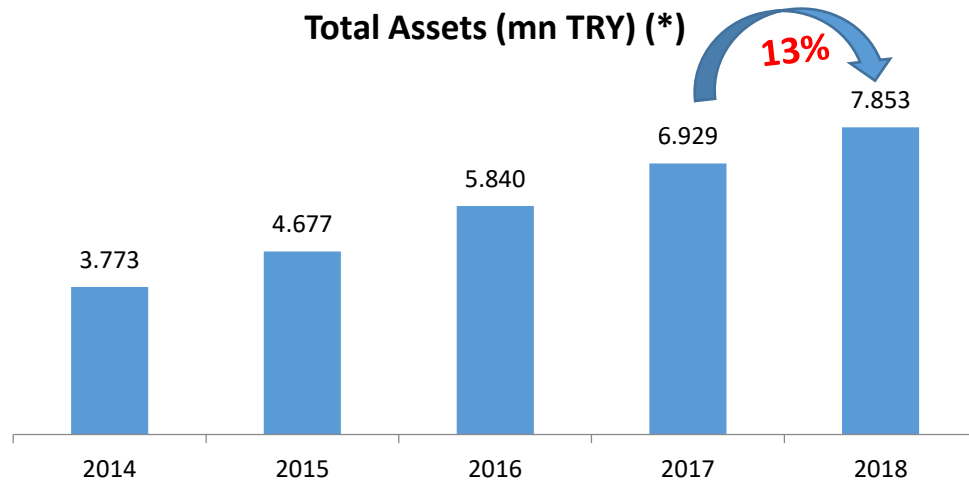
	18Q3	18Q4	Change
GPW	211,1	305,7	44,8%
Earned Premiums	112,7	121,0	7,4%
Claims (Net)	115,0	64,7	-43,7%
Claims Ratio	102,0%	53,5%	-47,6%

- Significant improvement in claims ratio mainly due to lower foreign currency
- Robust growth in the last quarter

Profitability – Combined Ratio

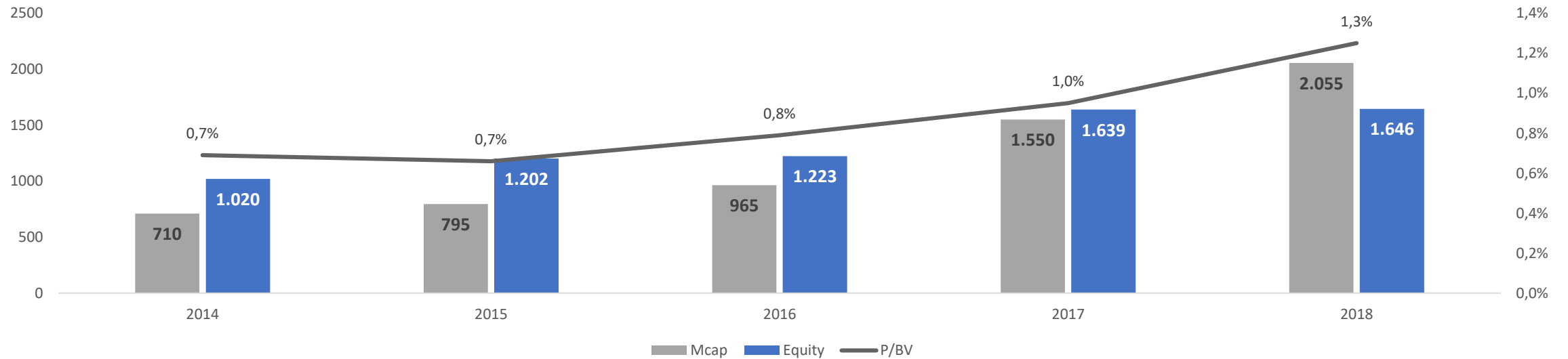
Combined Ratio	17Q4	18Q3	18Q4	FY17	FY18
MOD	107,5%	119,2%	115,9%	105,0%	110,7%
MTPL	110,9%	131,4%	140,0%	110,1%	127,9%
Fire	107,3%	137,7%	92,6%	112,4%	105,9%
Health	113,6%	100,5%	120,8%	109,8%	113,3%
P.Accident	52,9%	66,8%	65,5%	59,0%	69,2%
General Liability	165,4%	152,8%	28,8%	177,2%	114,8%
General Losses	83,5%	99,9%	117,7%	97,0%	110,6%
Total	105,4%	120,4%	111,4%	107,5%	113,0%





(*) Financial loan excluded for 2015, 2016, 2017 and 2018

(TRY)	2018	2017	Change (2018-2017)
Mcap	2.055mn	1.550mn	33%
Equity (Book Value)	1.646mn	1.639mn	0,4%
P / BV	1,25	0,95	



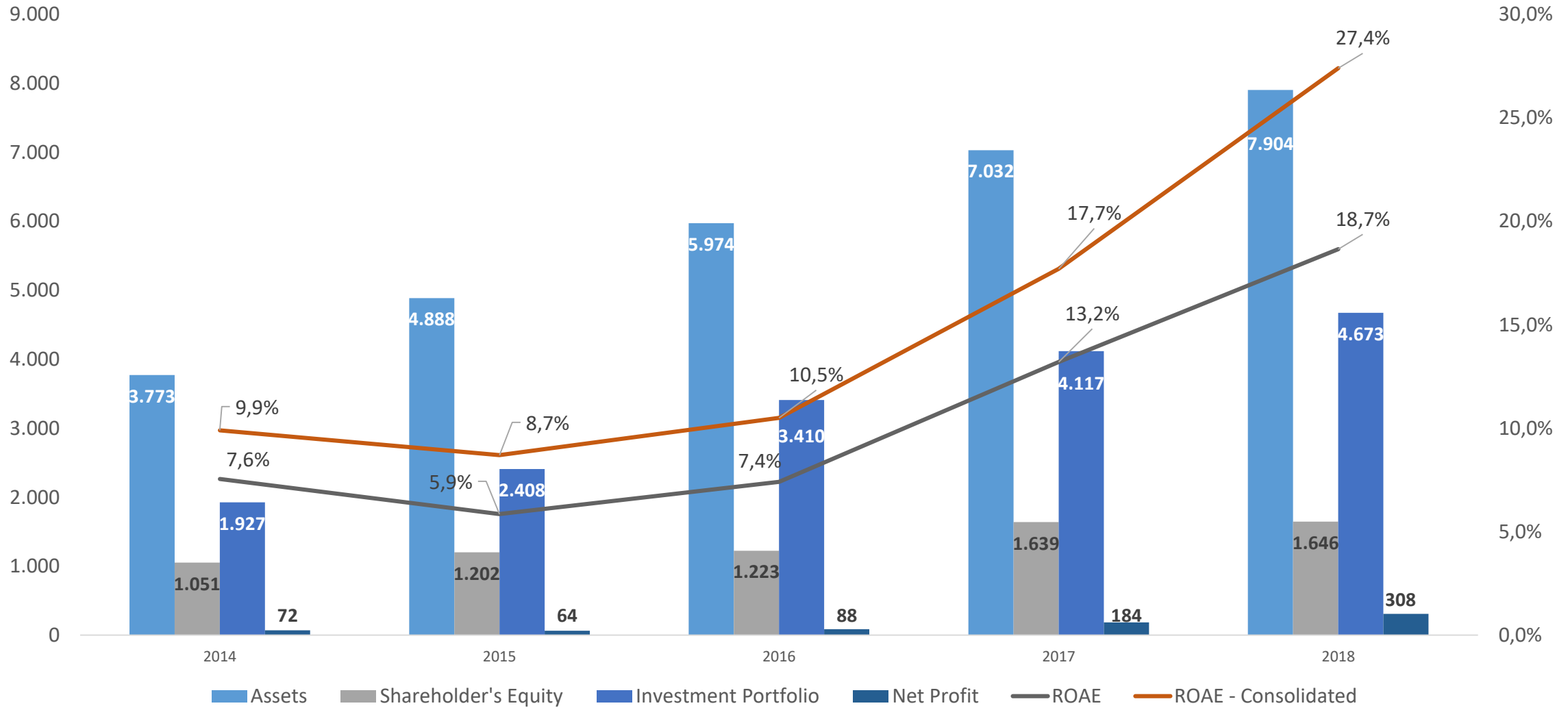
P&L	18Q4	17Q4	18Q3	Change (%) (YoY)	Change (%) (QoQ)
Tech. Income (*)	976	857	988	14%	-1%
Tech. Expenses	-1.084	-903	-1.178	20%	-8%
Net Financial Inc. + Other Exp. (*)	208	155	267	34%	-22%
Deferred Tax	-62	-11	49	464%	-227%
Gross Profit	38	98	126	-61%	-70%
Tax	38	-12	-66	-417%	-158%
Net Profit	76	86	60	-12%	27%

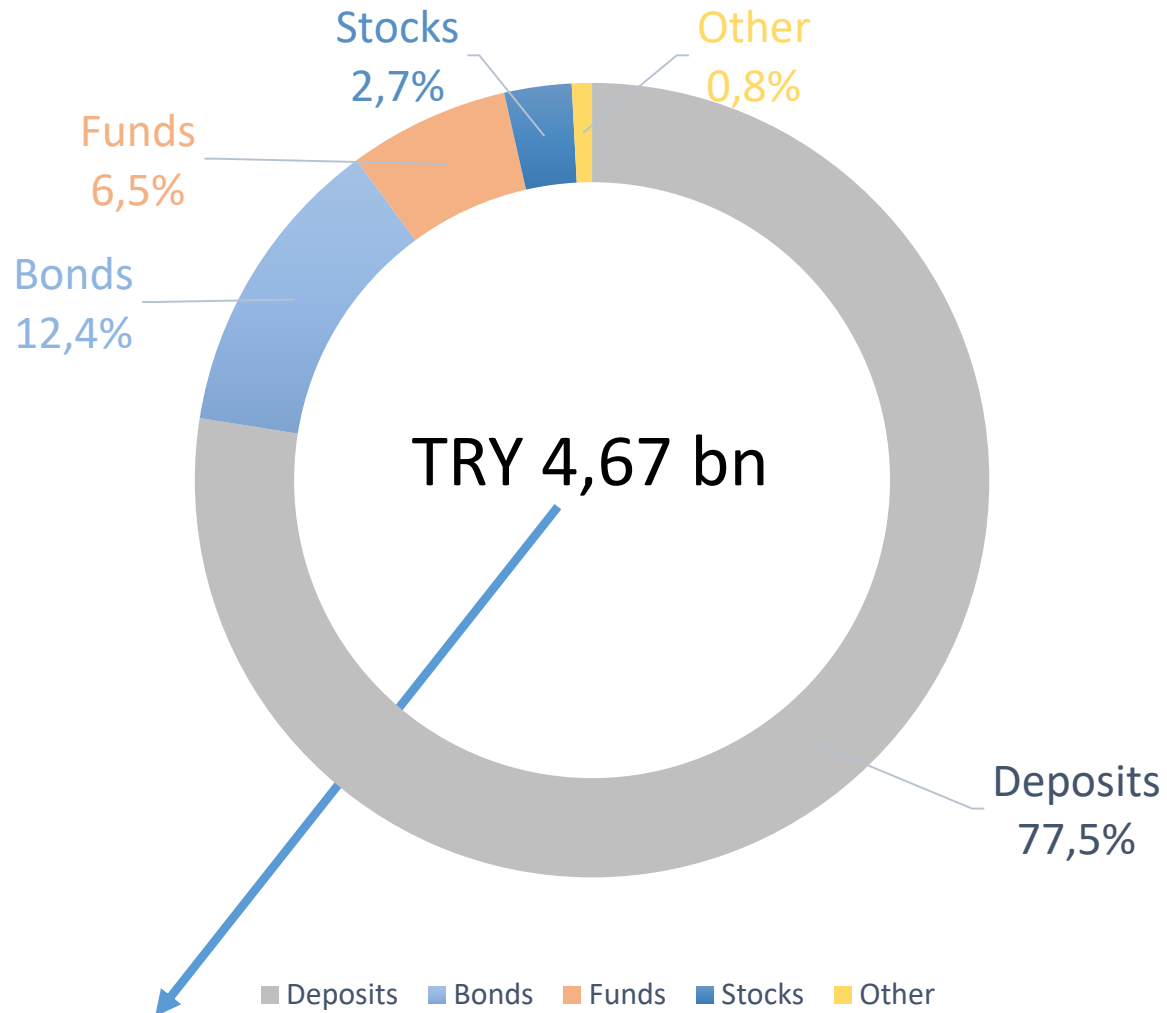
(*) Financial income transferred to technical division is excluded

P&L	FY18	FY17	Change (%) (YoY)
Tech. Income (*)	3.658	3.371	9%
Tech. Expenses	-4.122	-3.620	14%
Net Financial Inc. + Other Exp. (*)	857	481	78%
Deferred Tax	-6	5	-220%
Gross Profit	387	237	63%
Tax	-79	-53	49%
Net Profit	308	184	67%
<i>Income from subsidiary</i>	-34	-28	21%
Net Profit - dividend income excl.	274	156	76%

(*) Financial income transferred to technical division is excluded

Assets	31.12.18	31.12.17	Liabilities	31.12.18	31.12.17
Cash + Marketable Sec.	5.101	4.608	Technical Provisions	5.185	4.456
Equity Participations	517	690	Shareholders' Equity	1.646	1.639
Other Assets	2.286	1.734	Other Liabilities	1.073	937
Assets	7.904	7.032	Liabilities	7.904	7.032





❖ TRY 4,12 bn at 31.12.2017

In FY18;

Dividend from ANHYT 34 mn TRY

Investment Income * 930 mn TRY

Average Portfolio Income ~ 21,6%

* ANHYT dividend excluded.

%79
YoY increase in
Investment
Income

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Q&A