

# ANADOLU SİGORTA

Financial Results  
2Q17

Conference Call  
July 28, 2017



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# Highlights of 2Q17 - Sector

- Changing trends & Market shares

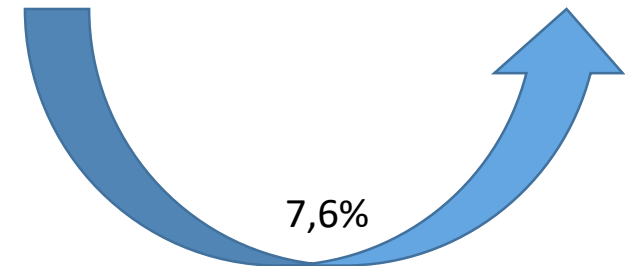
- Investment yield

- MTPL price cap regulation



- Newly introduced pool regulation to MTPL policies

	06.2017			06.2016	
	GPW	Share		GPW	Share
Allianz	2.604	13,1%	Allianz	2.822	15,3%
Anadolu	2.333	11,8%	Anadolu	2.440	13,2%
Axa	1.421	7,2%	Axa	2.000	10,9%
Mapfre	1.406	7,1%	Mapfre	1.432	7,8%
Ak	1.118	5,6%	Ak	970	5,3%
Top 10	13.333	67,3%	Top 10	13.588	73,8%
<b>Sector</b>	<b>19.822</b>	<b>100,0%</b>	<b>Sector</b>	<b>18.415</b>	<b>100,0%</b>



# Highlights of 2Q17 – Aspects of Pooling System

## MTPL Pool Regulation

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graph TD; A[MTPL Pool Regulation] --> B[Includes high-risk policies; Commercial vehicles (taxi, minibus, bus and trucks) + non-commercial vehicles at 1st, 2nd & 3rd segments]; A --> C[Agency commission decreased to 8% from 10%]; A --> D[Premium & Claims distribution; 50% of them to be distributed to all companies equally, 50% of will be calculated based on last three years market share]; A --> E[Discount rates dropped; Commercial vehicles at 5th, 6th & 7th segments reduced to 10%, 20% & 30% from 15%, 30%, 45% respectively => %13 Premium increase]; A --> F[%5 commission will be paid to the issuer company for claim management];
```

Includes high-risk policies;  
Commercial vehicles (taxi, minibus, bus and trucks) + non-commercial vehicles at 1st, 2nd & 3rd segments

Agency commission decreased to 8% from 10%

Premium & Claims distribution;  
50% of them to be distributed to all companies equally, 50% of will be calculated based on last three years market share

%5 commission will be paid to the issuer company for claim management

Discount rates dropped;  
Commercial vehicles at 5th, 6th & 7th segments reduced to 10%, 20% & 30% from 15%, 30%, 45% respectively => %13 Premium increase

# Highlights of 2Q17 - Anadolu

- Strong financials;

	1Q17	2Q17	1H17
Gross Profit	85,2	25,4	110,6
Net Profit	61,7	24,3	86
ROE	4,90%	1,56%	6,46%

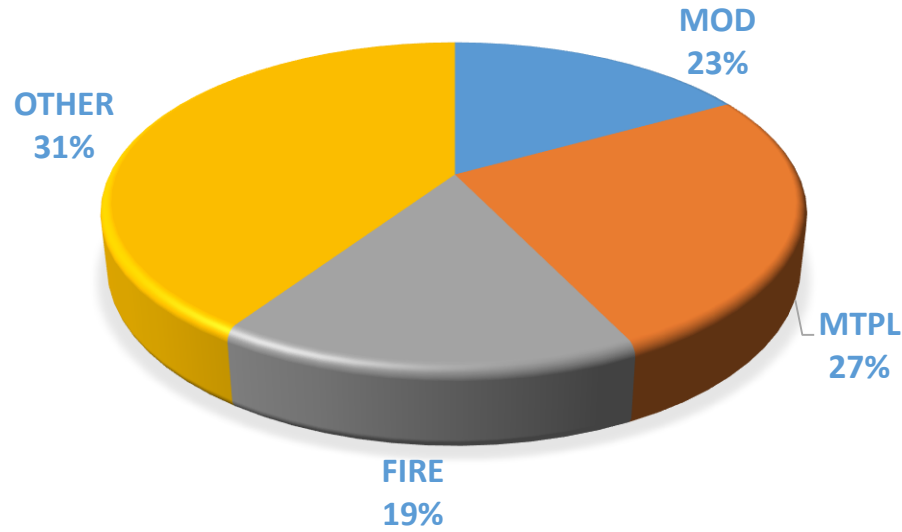
- Technical profit of MTPL branch

## Combined Ratio

*1H16 : 124% → 35 mn TRY tech. loss*

*1H17 : 107% → 37 mn TRY tech. profit*

## Anadolu Sigorta



## MTPL Excluded

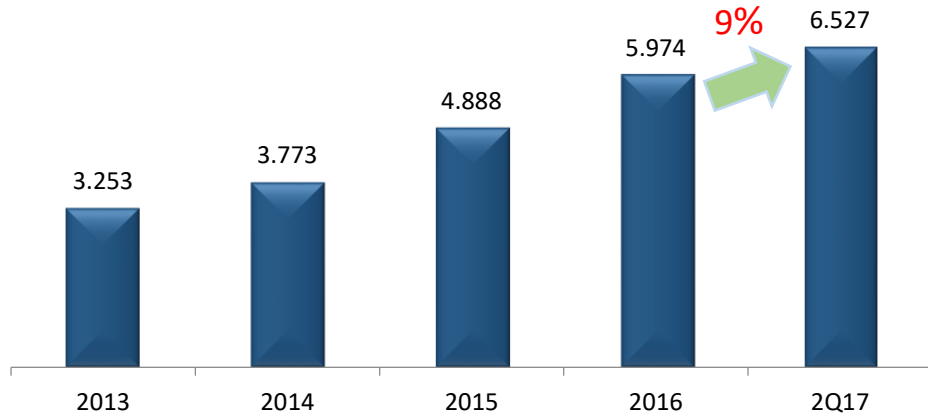
	06.2016	06.2017	YoY(%)
MOD	485	461	-5%
FIRE	360	417	16%
OTHER	649	835	29%
<b>TOTAL</b>	<b>1.494</b>	<b>1.713</b>	<b>15%</b>

	1H16	3Q16	4Q16	1Q17	2Q17	1H17	YoY(%)
MOD	485	175	240	189	272	461	-5%
MTPL	945	287	349	292	328	620	-34%
FIRE	360	165	231	185	232	417	16%
OTHER	649	246	352	456	379	835	29%
<b>TOTAL</b>	<b>2.439</b>	<b>873</b>	<b>1.172</b>	<b>1.122</b>	<b>1.211</b>	<b>2.333</b>	<b>-4%</b>

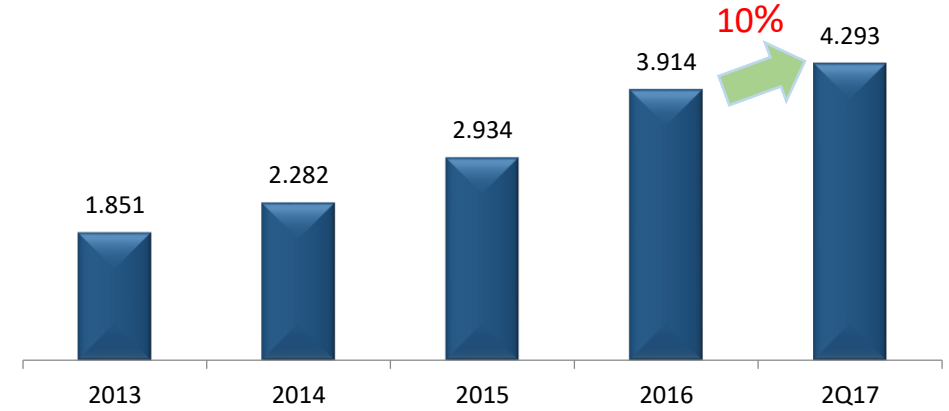
MTPL excluded

# Growth Performance

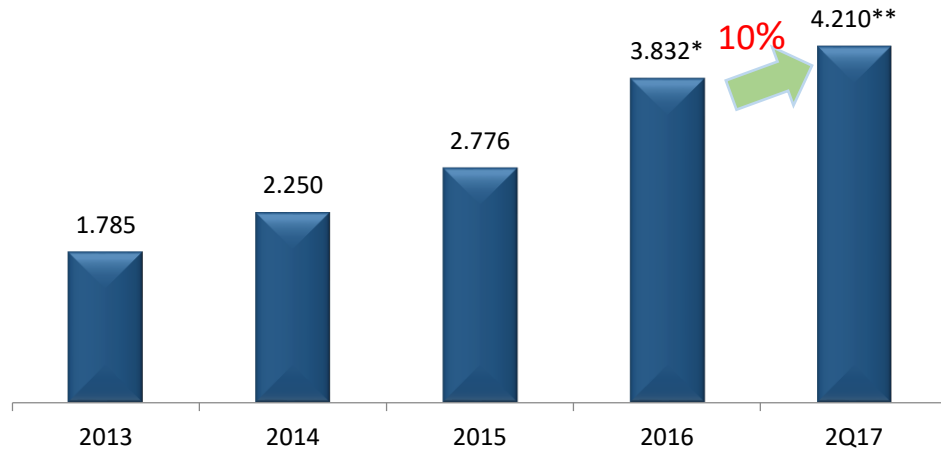
### Total Assets (mn TRY)



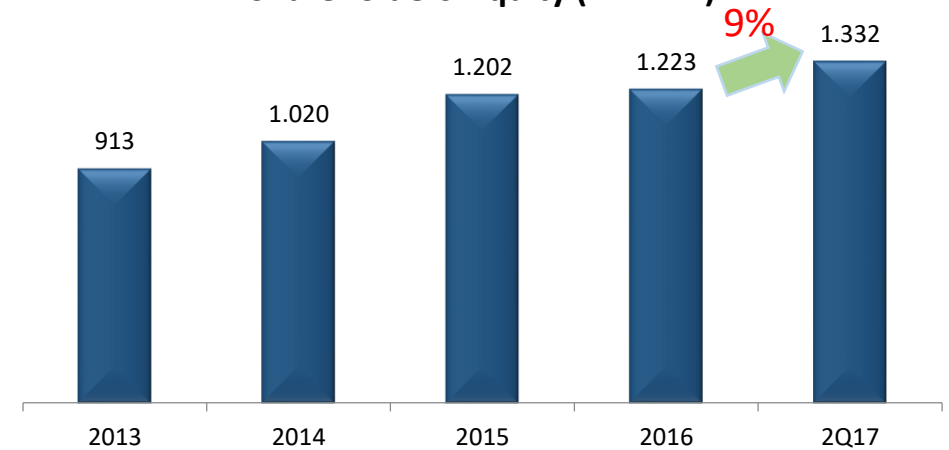
### Tech. Reserves (mn TRY)



### Cash and Marketable Sec. (mn TRY)



### Shareholders' Equity (mn TRY)



# Profitability

<b>Technical Balance (mn TRY)</b>	<b>1H17</b>	<b>1H16</b>
MOD	35,6	49,2
MTPL	36,8	-34,9
Fire	8,4	31,6
Health	-9,1	3,2
P.Accident	37,5	25
<b>Total</b>	<b>106,9</b>	<b>91,9</b>

<b>Combined Ratio</b>	<b>1H17</b>	<b>1H16</b>
MOD	100,7%	95,3%
MTPL	106,9%	124,2%
Fire	109,7%	84,9%
Health	117%	105%
P.Accident	59,3%	60,3%
<b>Total</b>	<b>106,2%</b>	<b>105,5%</b>

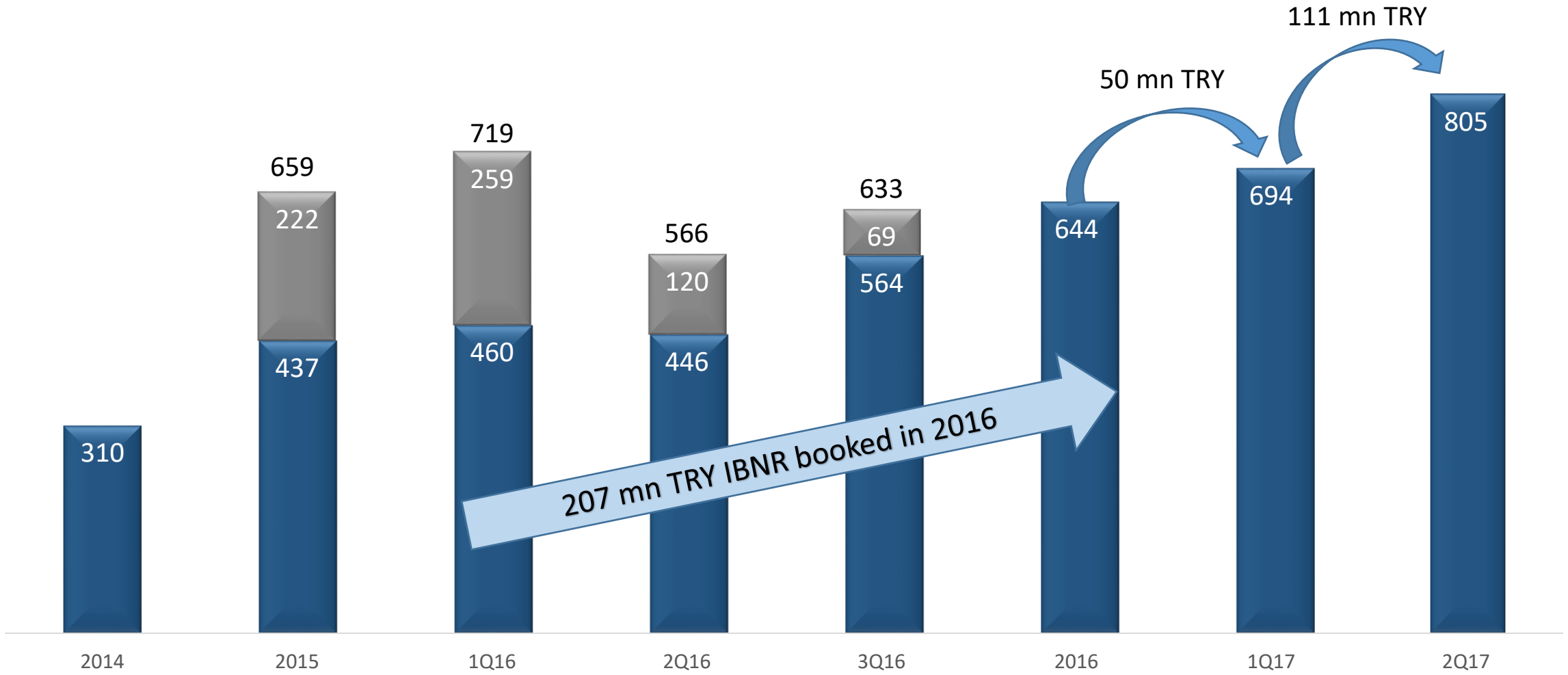


# Core Indicators

(TRY)	1H17	FY16	Change (1H17-FY16)	FY15	Change (FY16-FY15)
<b>ANSGR Market Value</b>	2,82	1,88	50%	1,55	21%
<b>Mcap</b>	1.410mn	940mn	50%	775mn	21%
<b>Equity (Book Value)</b>	1.332mn	1.223mn	9%	1.202mn	2%
<b>Net Profit</b>	86mn	87,9mn	--	63,8mn	38%
<b>ROE</b>	12,91%*	7,18%	80%	5,31%	35%
<b>P / BV</b>	1,06	0,77	38%	0,64	20%

\* Annualized ROE

# IBNR Reserve Development<sub>(mn.TRY)</sub>



# Financial Statements (mn.TRY)

P&L	1Q17	2Q17	1H17	1Q16	2Q16	1H16	Change (%) (1H16-1H17)
Tech. Income	864	850	1.714	708	775	1.483	16%
Tech. Expenses	-887	-932	-1.819	-772	-792	-1.564	16%
Net Financial Inc. + Other Exp.	108	108	216	70	71	141	53%
<b>Gross Profit</b>	<b>85</b>	<b>26</b>	<b>111</b>	<b>5</b>	<b>55</b>	<b>60</b>	<b>83%</b>
Tax	-23	-2	-25	-3	-11	-14	78%
<b>Net Profit</b>	<b>62</b>	<b>24</b>	<b>86</b>	<b>2</b>	<b>44</b>	<b>46</b>	<b>85%</b>

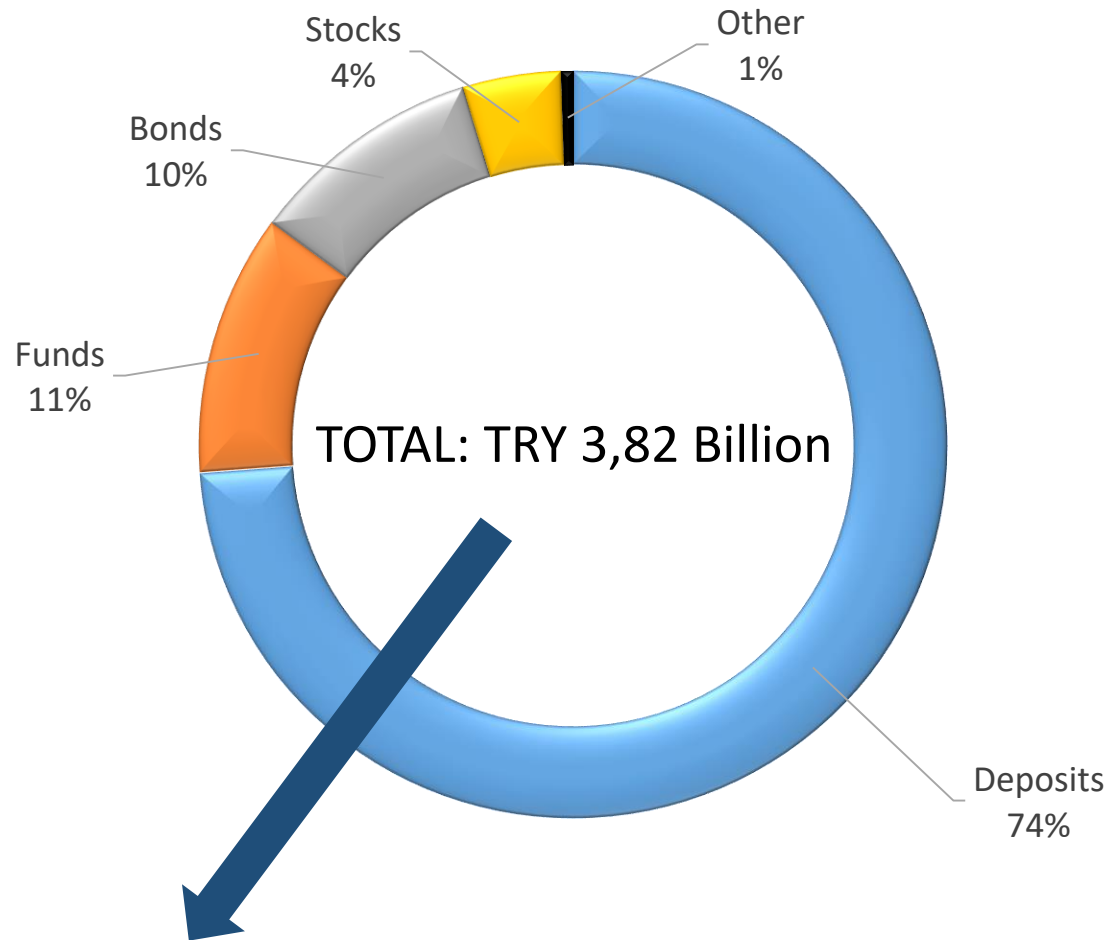
# Financial Statements (mn.TRY)

<b>Assets</b>	<b>30.06.17</b>	<b>31.12.16</b>	<b>Liabilities</b>	<b>30.06.17</b>	<b>31.12.16</b>
Cash + Marketable Sec.	4.383*	3.966**	Payables	735*	666**
Receivables	1.076	1.049	Technical Provisions	4.293	3.914
Equity Participations	474	427	Shareholders' Equity	1.332	1.223
Fixed Assets	154	158	Other Liabilities	167	171
Other Assets	440	374			
<b>Assets</b>	<b>6.527</b>	<b>5.974</b>	<b>Liabilities</b>	<b>6.527</b>	<b>5.974</b>

\* 173 mn financial loans included

\*\* 134 mn financial loans included

# Investment Portfolio



❖ TRY 3,41 bn at 31.12.2016

In 1H17;

Dividend from ANHYT	28 mn TRY
Investment Income *	247 mn TRY
Average Portfolio Income	14,1%

\* ANHYT dividend excluded.

Financial income  
from derivatives ;  
41 mn TRY

THANK YOU...

Q&A