

ANADOLU SİGORTA

Financial Results 2Q18

Conference Call
July 31, 2018



- *Highlights of Sector*
- *Highlights of Anadolu*
- *Premium production*
- *Branch Technical Results*
- *Profitability*
- *Market Share & Rank*
- *Growth Performance*
- *Core indicators*
- *Financial statements*
- *Investment portfolio*
- *Q&A session*

- Pool effect in premium growth
- MTPL strategies
- High financial income environment

	18H1		17H1		
	GPW (mn TRY)	Share	GPW (mn TRY)	Share	
Allianz	2.892	12,0%	Allianz	2.604	13,1%
Anadolu	2.860	11,9%	Anadolu	2.333	11,8%
Aksigorta	1.676	7,0%	Axa	1.421	7,2%
Axa	1.579	6,6%	Mapfre	1.406	7,1%
Mapfre	1.366	5,7%	Ak	1.118	5,6%
Top 10	15.566	64,8%	Top 10	13.333	67,3%
Sector	24.030	100,0%	Sector	19.822	100,0%

21,2%

Premium Production – Sector (mn. TRY)

BRANCHES	18H1	17H1	Change (YoY) (%)
MTPL	7.739	5.839	32,5
MOD	3.317	3.285	13,2
Health	3.348	2.737	22,3
General Losses	3.297	2.741	20,3
Fire	3.284	2.897	13,4
Accident	916	829	10,5
General Liability	665	520	28,0
Marine Goods on Transit	416	343	21,3
Financial Lines	166	166	0,1
Watercraft	153	120	28,0
Credit	136	95	43,8
Other	193	252	-23,5
TOTAL	24.030	19.822	21,2
MTPL *	6.563	5.839	12,4
TOTAL *	22.854	19.822	15,3

* Indirect pool Premium excluded (1.176 mn TRY)

- Increasing Premium Production

(mn TRY)	17H1	18H1	YoY(%)
Anadolu	2.333	2.860	22,6%
Sector	19.822	24.030	21,2%

- Premium Production – *MTPL Excluded*

(mn TRY)	17H1	18H1	YoY(%)
Anadolu	1.713	2.106	23,0%
Sector	13.983	16.291	16,5%

- Improving financials

(mn TRY)	17H1	18H1	YoY(%)
Gross Profit	111	223	102,0%
Net Profit	86	172	100,1%

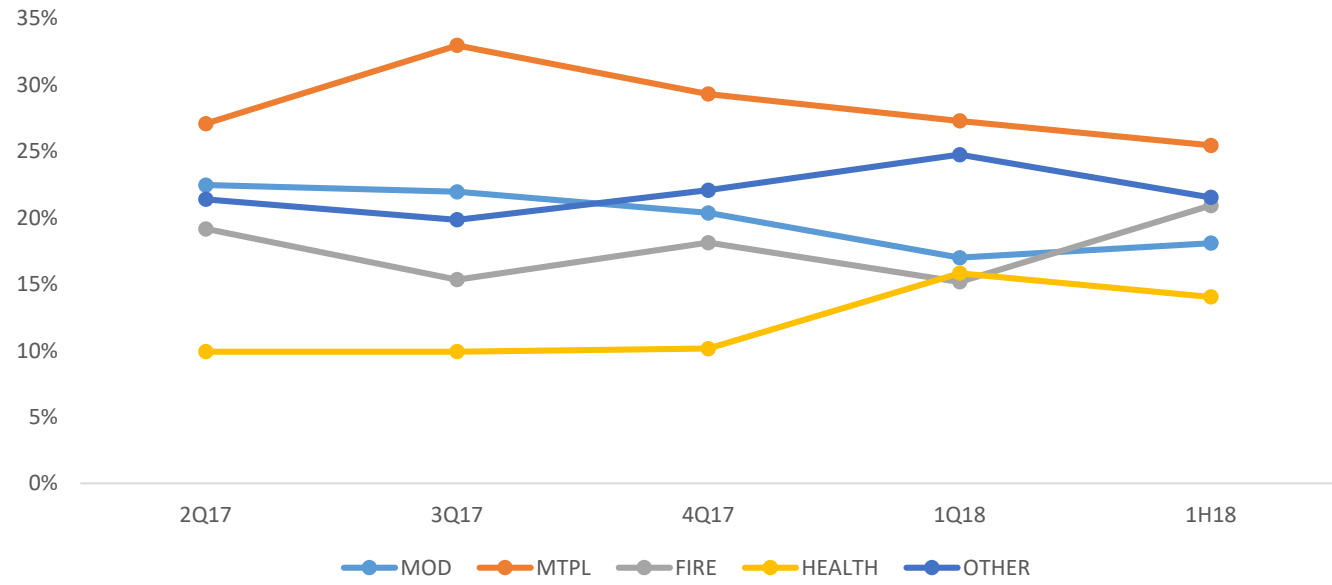
- Premium Increase In Health Branch

(mn TRY)	17H1	18H1	YoY(%)
Earned Premiums	210	278	33%
GPW	303	426	40%

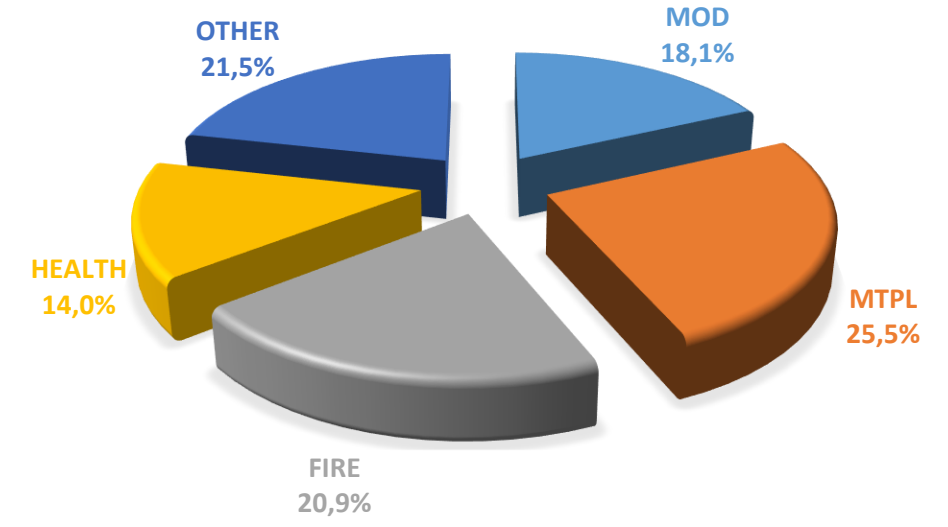
Premium Production (mn TRY)

	17Q2	17Q3	17Q4	18Q1	18Q2	YoY(%)
MOD	272	219	273	234	268	-1%
MTPL	328	329	393	376	377	15%
FIRE	232	153	243	209	310	33%
HEALTH	120	99	136	218	208	74%
OTHER	259	198	296	341	319	23%
TOTAL	1.211	998	1.341	1.378	1.482	22%

GPW Branch Breakdown



2Q18 Breakdown



Accident

	18Q1	18Q2	Change
GPW	32,9	37,4	14%
Earned Premiums	31,9	32,7	3%
Claims (Net)	9,1	9,5	4%
Claims Ratio	28,6%	29,0%	1%

- Both gpw and earned premiums increased in 18Q2.

- The most profitable branch

Health

	18Q1	18Q2	Change
GPW	217,5	208,0	-4%
Earned Premiums	131,5	146,8	12%
Claims (Net)	123,3	128,6	4%
Claims Ratio	93,8%	87,6%	-7%

- Strong growth of earned premium in 2Q18.

- Claims ratio on recovery trend.

Land Vehicles

	18Q1	18Q2	Change
GPW	233,7	268,1	15%
Earned Premiums	238,9	244,7	2%
Claims (Net)	161,1	187,9	7%
Claims Ratio	67,4%	76,8%	14%

- 15% growth in written premium compared to previous quarter
- The increase in realized claims was above the increase in earned premiums

General Losses

	18Q1	18Q2	Change
GPW	179,8	121,8	-32%
Earned Premiums	41,7	45,1	8%
Realized Claims	34,3	44,5	30%
Claims Ratio	82,4%	98,7%	20%

- Premium production decreased quarterly due to seasonal effect of agriculture line of business

MTPL

	18Q1	18Q2	Change
GPW	376,1	377,2	0%
Earned Premiums	241,4	231,5	-4%
Claims (Net)	233,8	223,2	-5%
Claims Ratio	96,9%	96,4%	-1%

- Stable premium production
- Claim ratio decreased due to improvement of realized claims.

General Liability

	18Q1	18Q2	Change
GPW	52,3	68,8	32%
Earned Premiums	34,0	23,1	-32%
Realized Claims	44,9	34,2	-24%
Claims Ratio	131,9%	148,0%	12%

- URR effect brought the earned premium below Q1 level.
- Strong increase in gpw in the Second quarter.

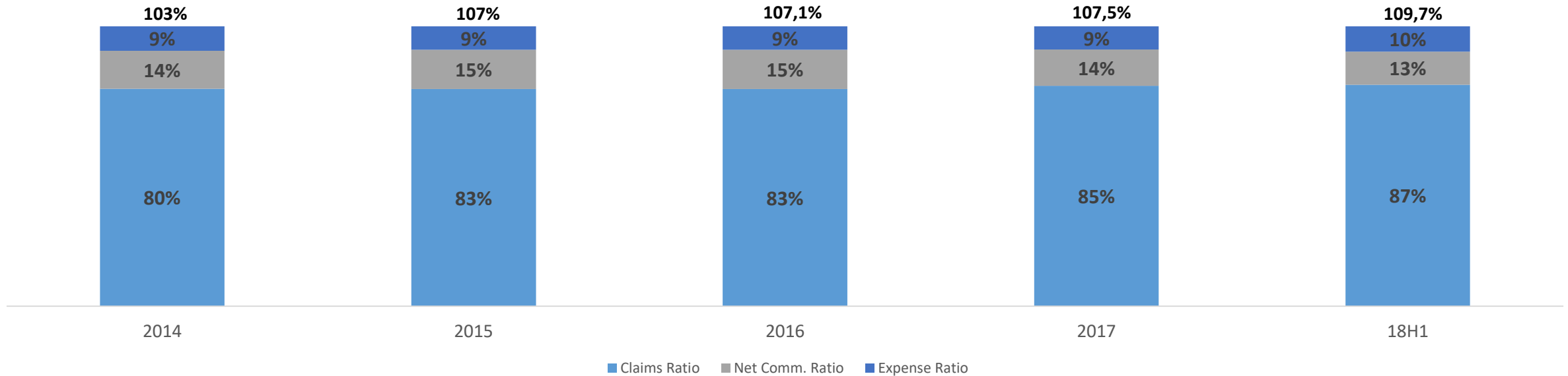
Fire

	18Q1	18Q2	Change
GPW	208,7	310,0	49%
Earned Premiums	94,5	97,7	3%
Claims (Net)	36,3	71,5	97%
Claims Ratio	38,4%	73,3%	90,9%

- Growth in Premium production continues similar to Q1.
- Despite increase in claims ratio in 18Q2, fire branch is back in its profitable track

Profitability – Combined Ratio

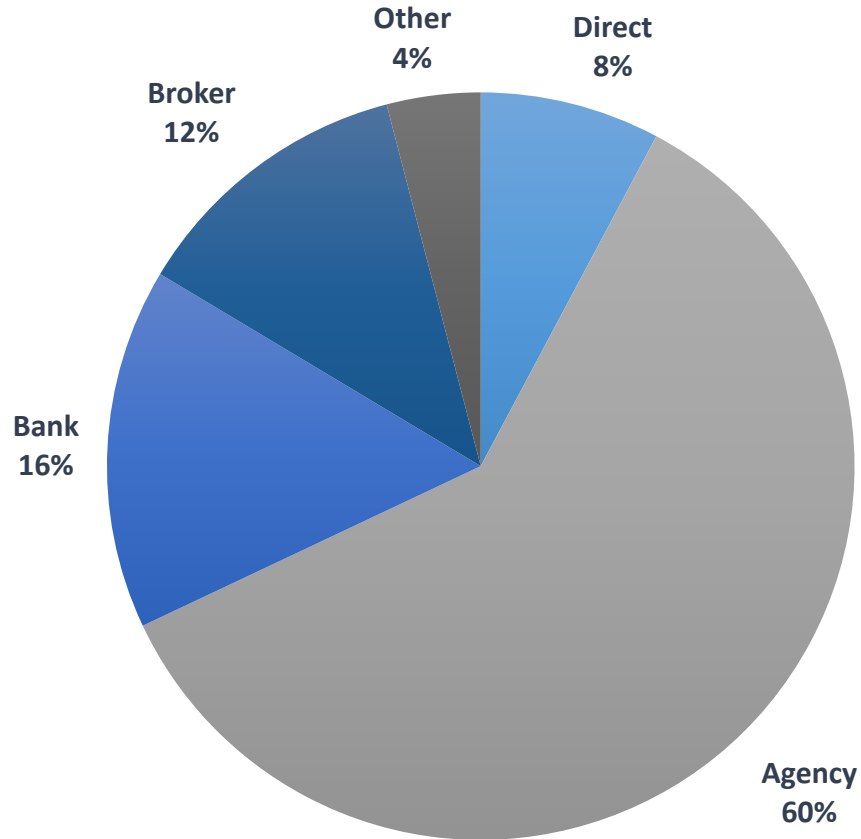
Combined Ratio	17Q2	18Q1	18Q2	17H1	18H1
MOD	102,8%	97,8%	109,0%	100,7%	103,5%
MTPL	119,2%	120,2%	119,6%	106,9%	119,9%
Fire	129,3%	84,2%	106,7%	109,7%	95,6%
Health	130,9%	121,5%	111,3%	117,0%	116,2%
P.Accident	50,5%	76,2%	68,0%	59,3%	72,0%
General Liability	96,1%	153,1%	153,2%	183,0%	153,1%
General Losses	68,9%	109,5%	117,7%	80,4%	113,8%
Total	109,8%	107,3%	112,1%	106,2%	109,7%



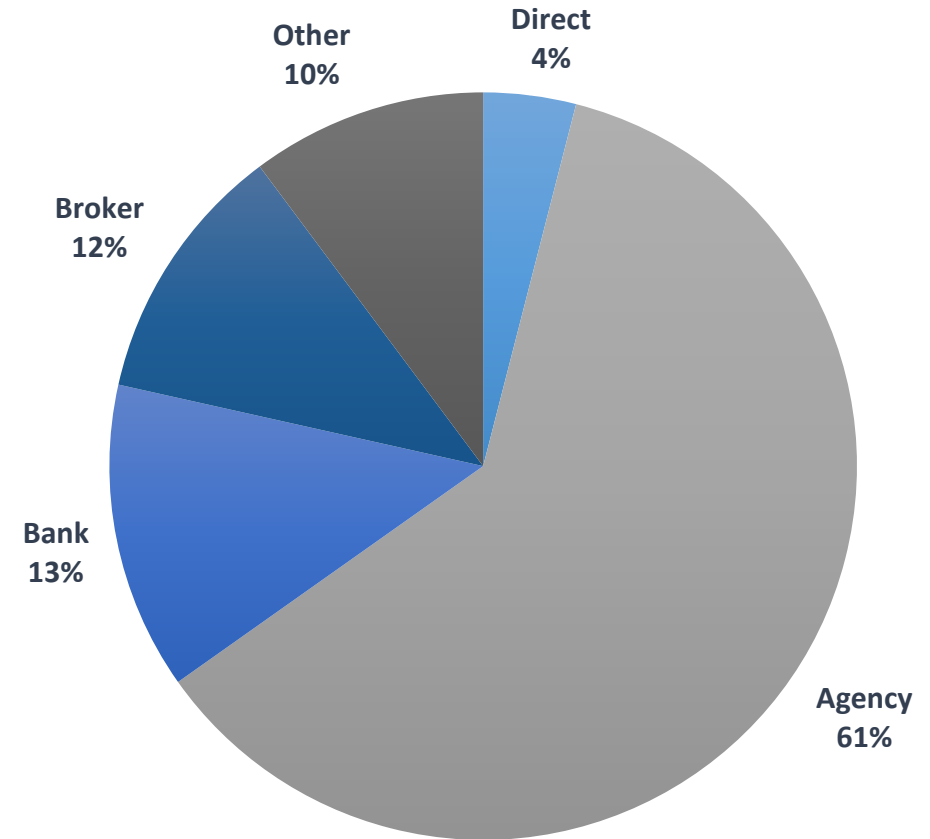
Market Share & Rank (mn. TRY)

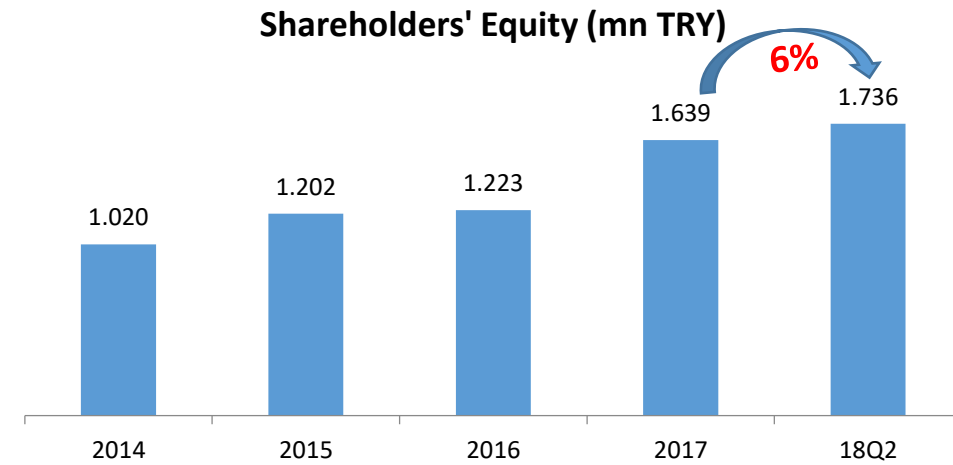
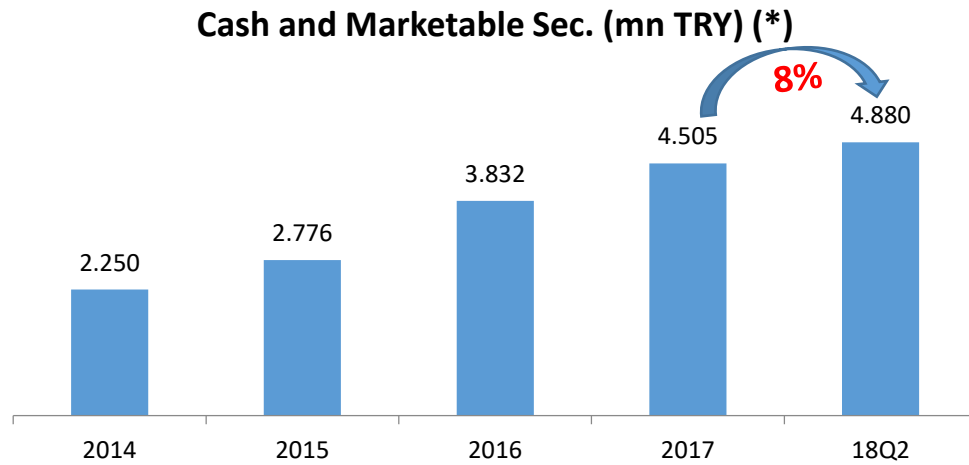
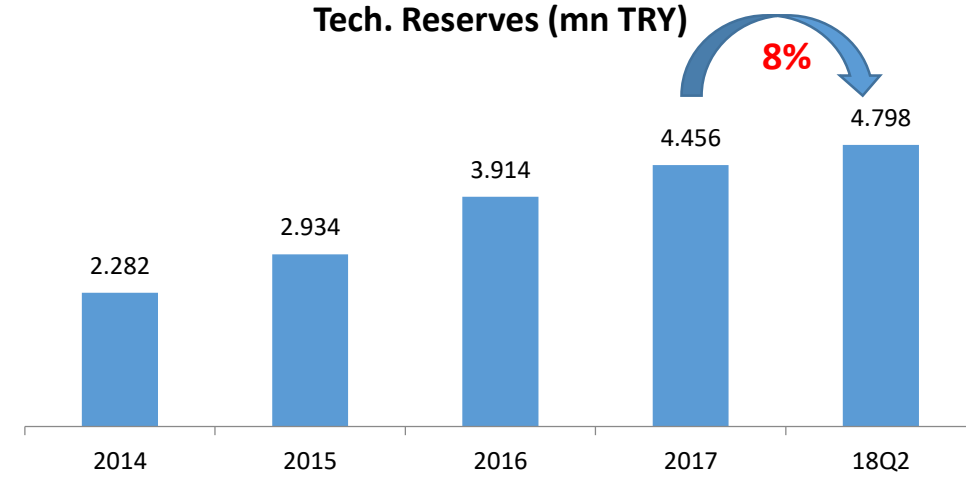
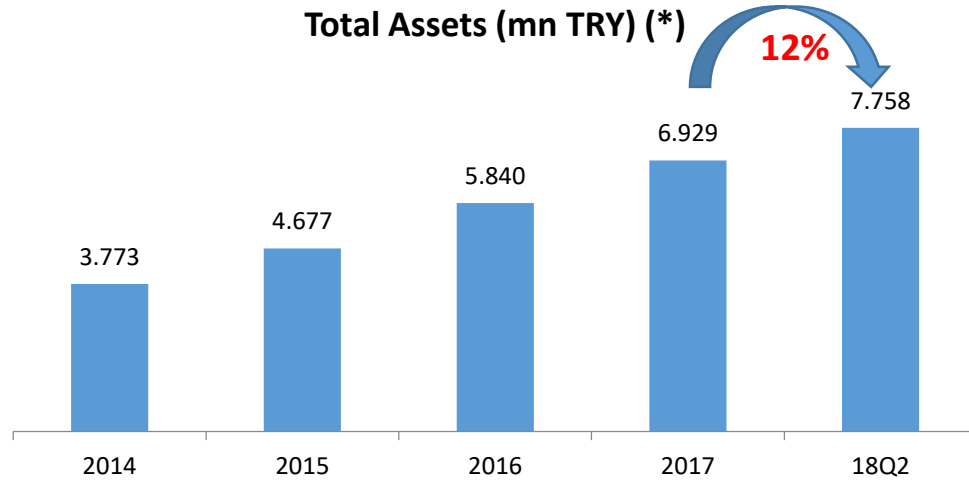
BRANCHES	18H1	17H1	Rank 18H1	Market Share 18H1	Growth
MOD	502	462	1	14%	9%
Fire	519	417	1	16%	24%
General Liability	121	93	1	18%	30%
Watercraft	54	41	1	35%	32%
Aircraft	23	14	1	63%	58%
Aircraft Liability	16	14	1	39%	9%
MTPL	753	620	2	10%	21%
Health	426	303	3	13%	40%
General Losses	302	234	3	9%	29%
Other	145	134	--	--	8%
TOTAL	2.860	2.333	2	11,9%	23%

Premium Production - Sector



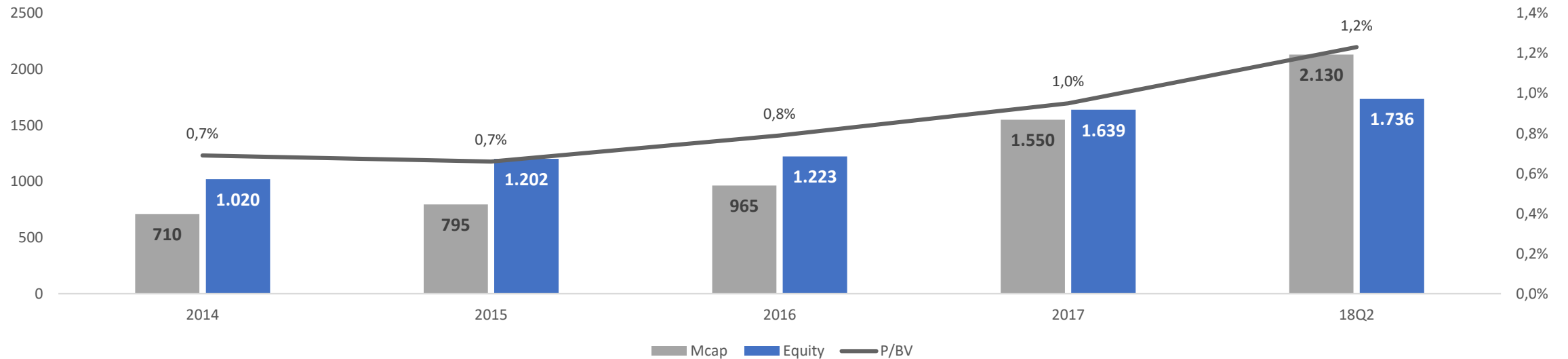
Premium Production - ANSGR





(*) Financial loan excluded for 2015, 2016, 2017 18Q2

(TRY)	18Q2	2017	Change (18Q2-2017)
Mcap	2.130mn	1.550mn	37%
Equity (Book Value)	1.736mn	1.639mn	6%
P / BV	1,23	0,95	29%

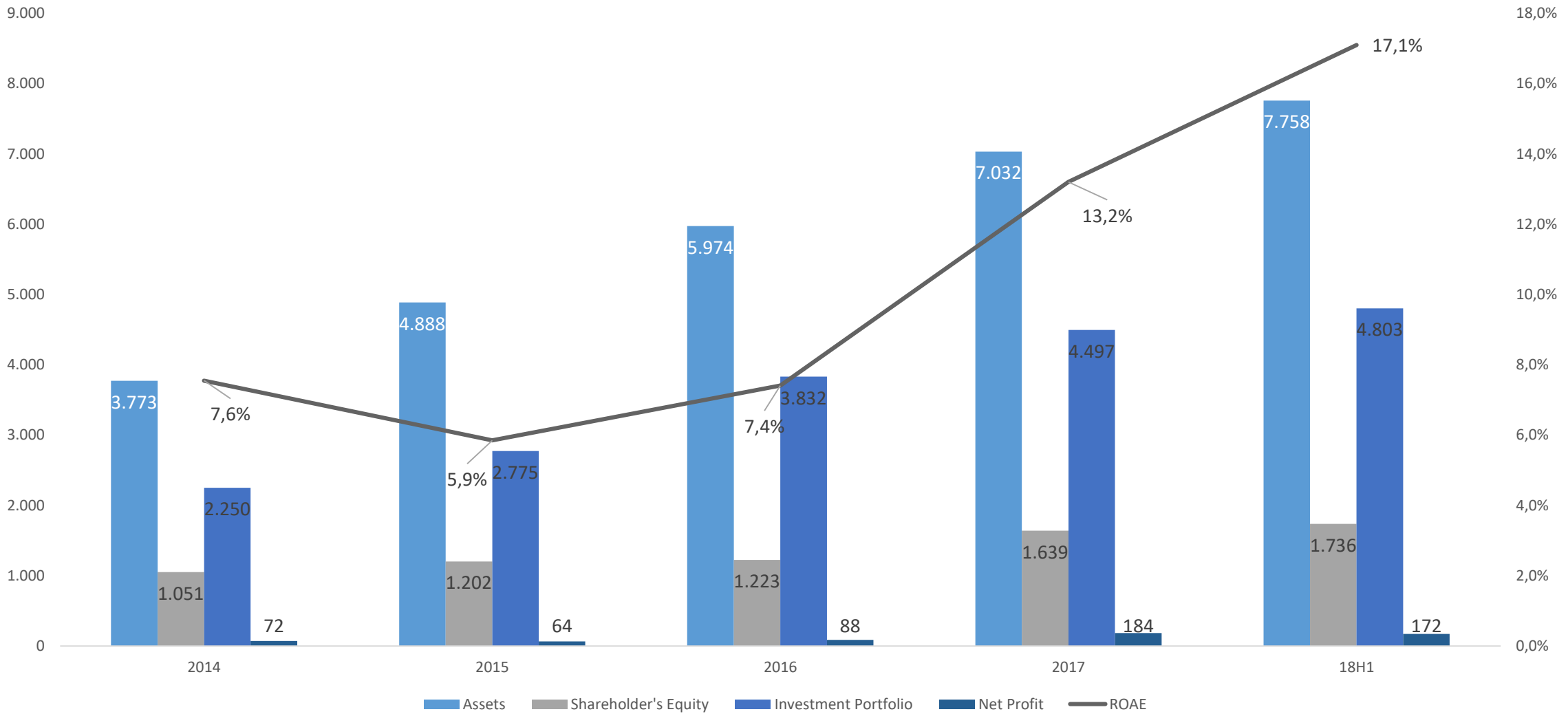


P&L	18Q2	17Q2	18Q1	Change (%) (YoY)	Change (%) (QoQ)
Tech. Income (*)	849	850	844	0%	1%
Tech. Expenses	-952	-932	-906	2%	5%
Net Financial Inc. + Other Exp. (*)	182	109	200	67%	-9%
Deferred Tax	-9	-2	15	350%	-160%
Gross Profit	70	25	154	180%	-55%
Tax	-7	-1	-45	600%	-84%
Net Profit	63	24	109	163%	-42%
<i>Income from subsidiary</i>	--	--	(34)		
Net Profit - dividend income excl.	63	24	75	163%	-19%

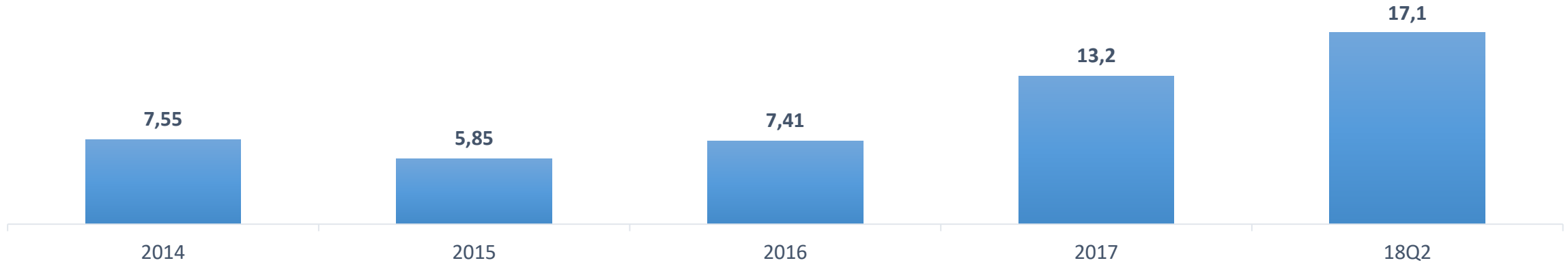
(*) Financial income transferred to technical division is excluded

Assets	30.06.18	31.12.17	Liabilities	30.06.18	31.12.17
Cash + Marketable Sec.	4.880	4.608	Technical Provisions	4.798	4.456
Equity Participations	735	690	Shareholders' Equity	1.736	1.639
Other Assets	2.143	1.734	Other Liabilities	1.224	937
Assets	7.758	7.032	Liabilities	7.758	7.032

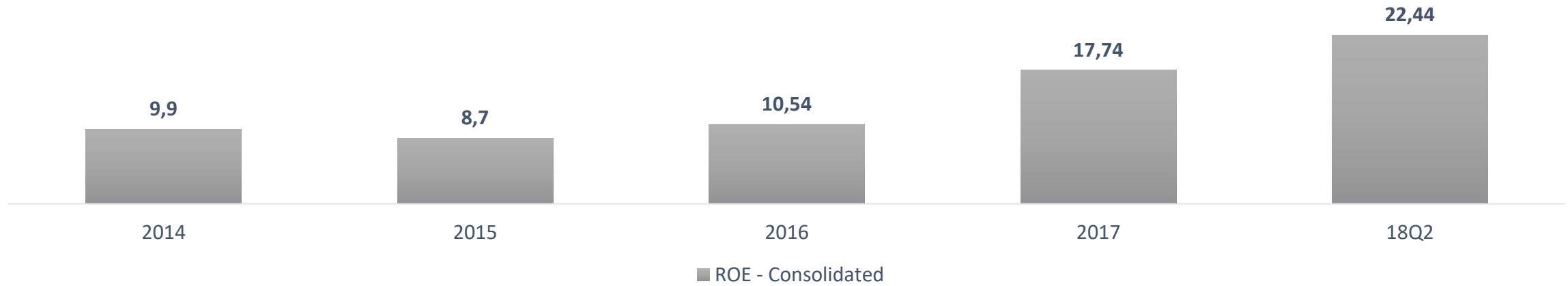
Financial Statements (Mn. TRY)



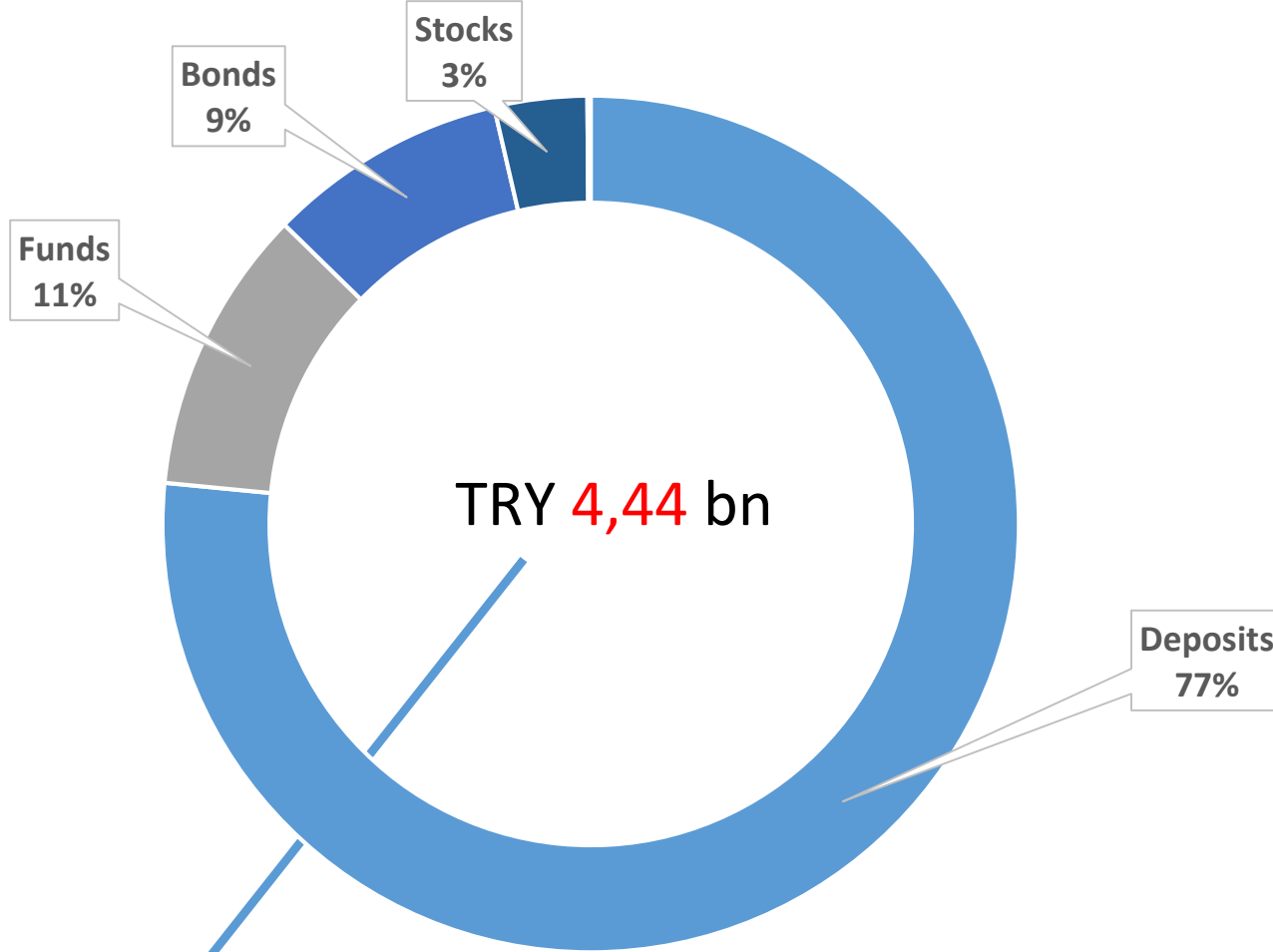
ROAE



ROE - Consolidated



■ ROE - Consolidated



❖ TRY 4,12 bn at 31.12.2017

In 1H18;

Dividend from ANHYT 34 mn TRY

Investment Income * 361 mn TRY

Average Portfolio Income ~ 16,6%

* ANHYT dividend excluded.

%46
YoY increase in
Investment
Income

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Q&A