



**TÜRKİYE SİGORTA**

Its strength is implicit in its name...

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# Earnings Presentation

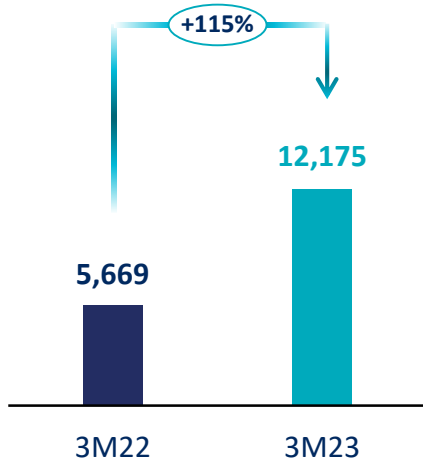
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**1Q 2023**

May 2, 2023

## Gross Written Premiums

Cumulative, Million ₺

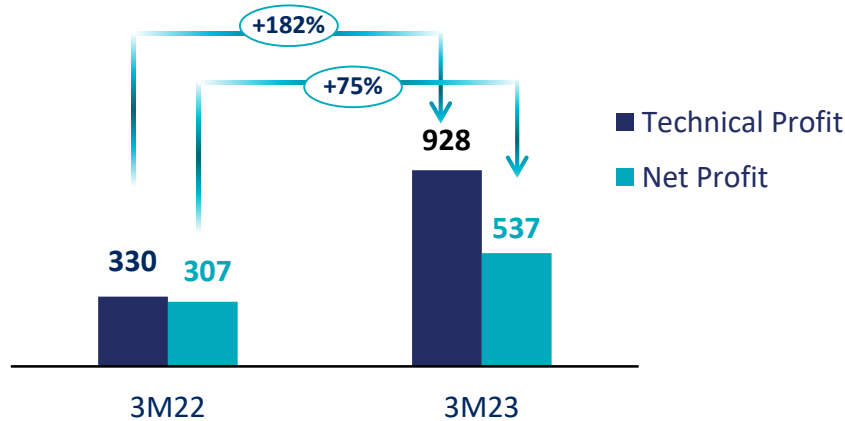


#1 in GWP Production



## Technical & Net Profit

Cumulative, Million ₺



## 3M23 Performance in Selected Strategic Branches

Selective growth and dynamic pricing in **MOD** lead to a;

remarkable  
Technical Profit



eye-catching  
Loss Ratio

391  
Mn ₺

vs.

5 mn ₺ loss in 3M22

36 %

vs.

75% in 2022

Effective pricing in **Sickness & Health** combined with a;

Sharp decline in  
Loss Ratio

resulted in  
Technical Profit

90 %

vs.

143% in 2022

26  
Mn ₺

vs.

39 mn ₺ loss in 3M22

Strong growth in **Accident** by gaining further;

Market Share



Technical Profit

33 %

vs.

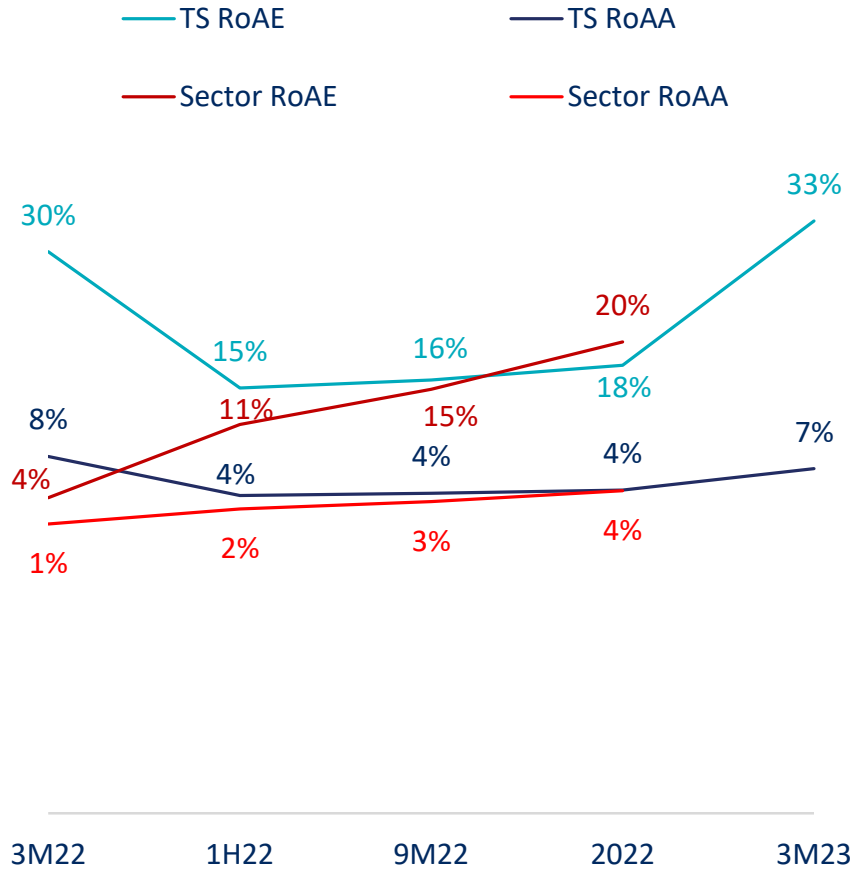
26% in 3M22

326  
Mn ₺

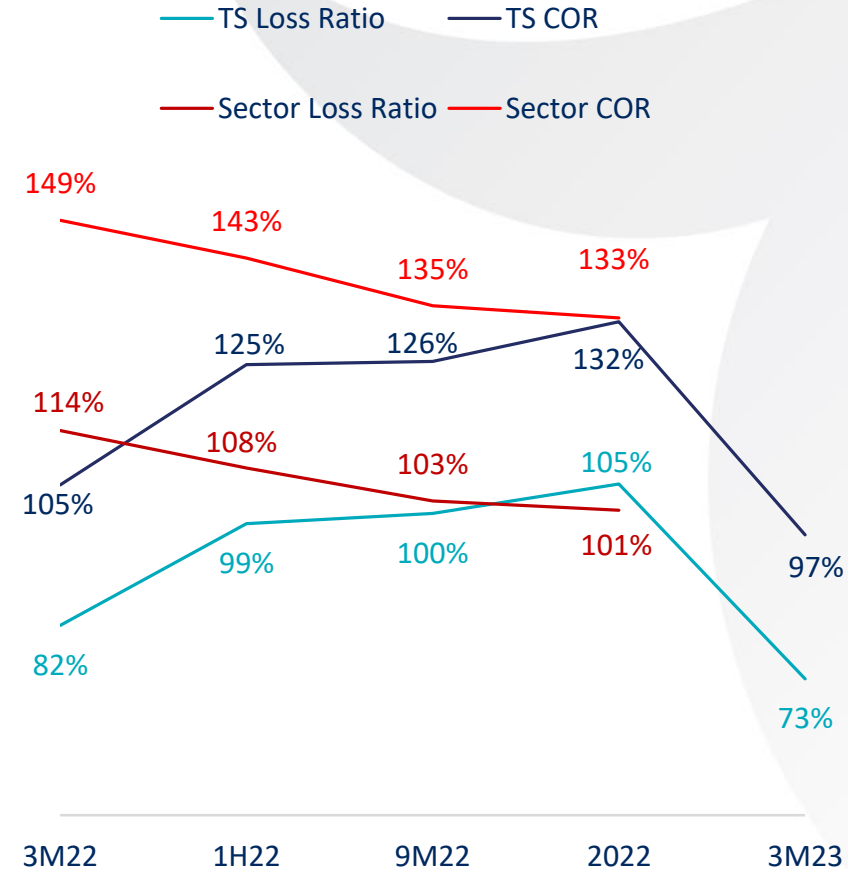
vs.

128 mn ₺ in 3M22

## Cumulative RoAE & RoAA



## Cumulative Loss Ratio & Combined Ratio Net



## Solvency & Dividend Details

**CAR**  
(2022)

**159 %**

vs.  
regulatory self-assessment level  
of 115%  
&  
profit distribution threshold  
of 135%

### Gross Dividend Payment

**493**  
Mn ₺

2021

**530**  
Mn ₺

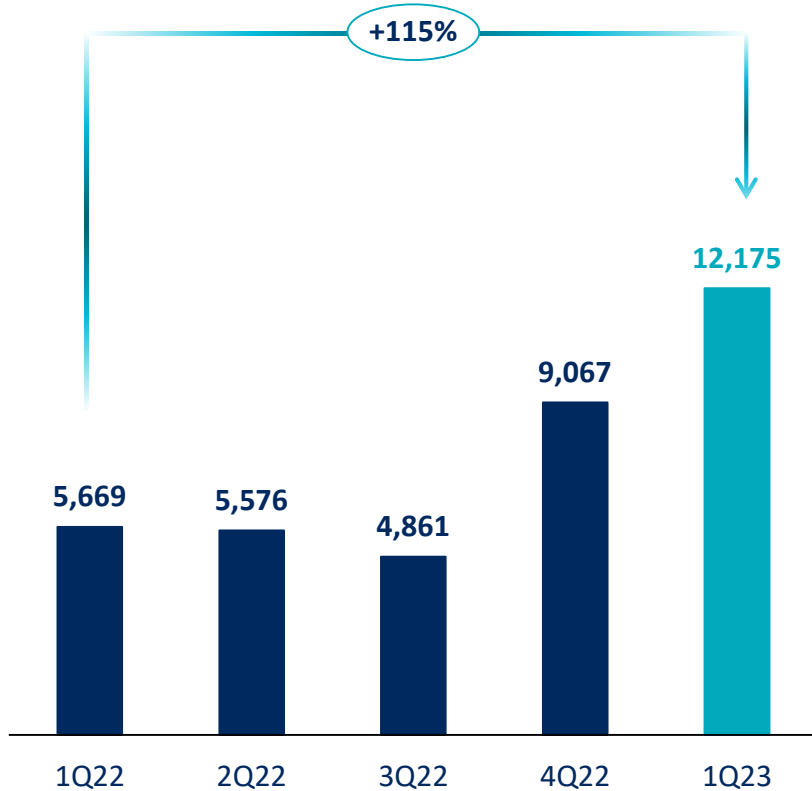
2022

**TRY 1.0 bn** total dividend payment  
within a two-year period.

With its solid profitability and  
solvency position, Türkiye Sigorta  
aims to sustain strong dividend  
pay-out performance

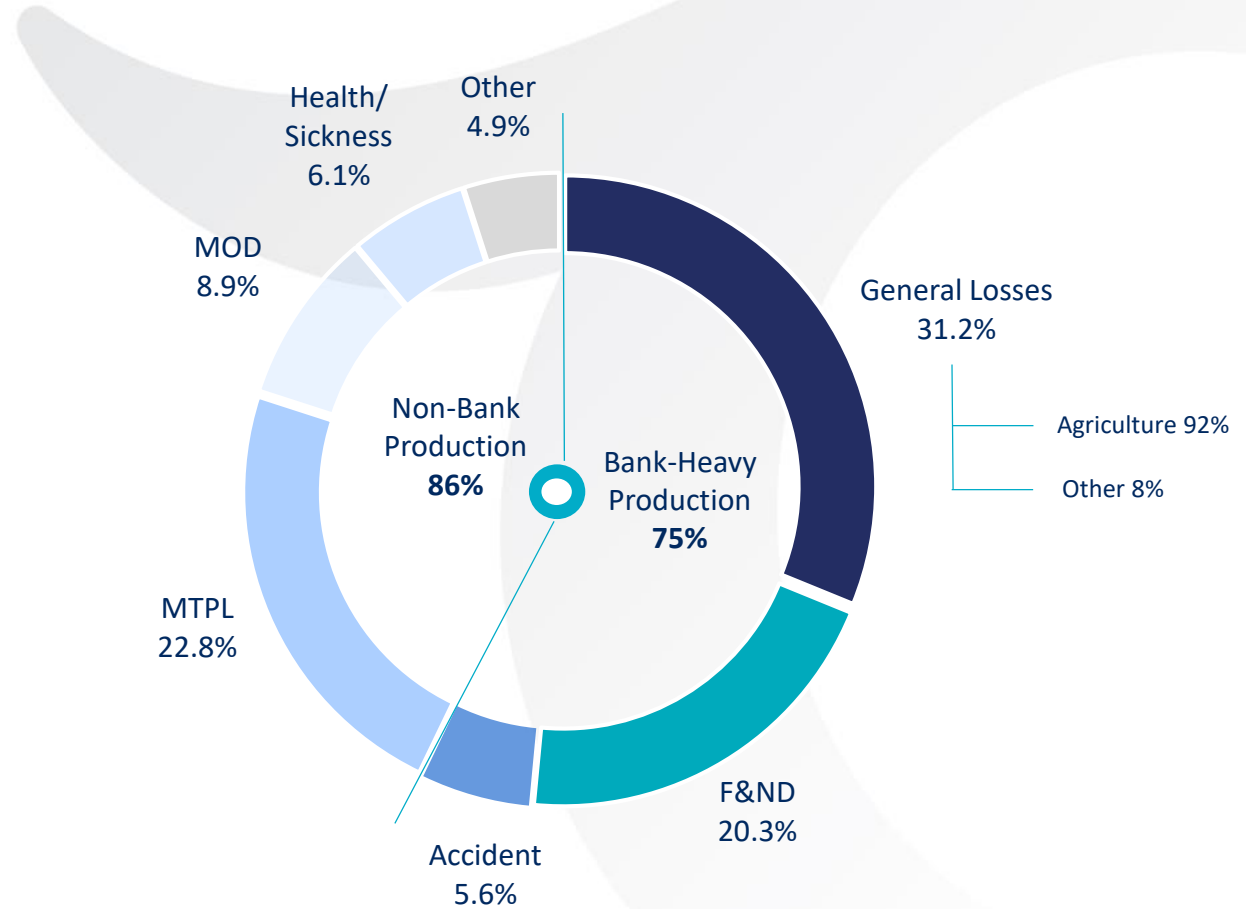
## GWP Production

Quarterly, Million ₺



## GWP Mix by Major Branches

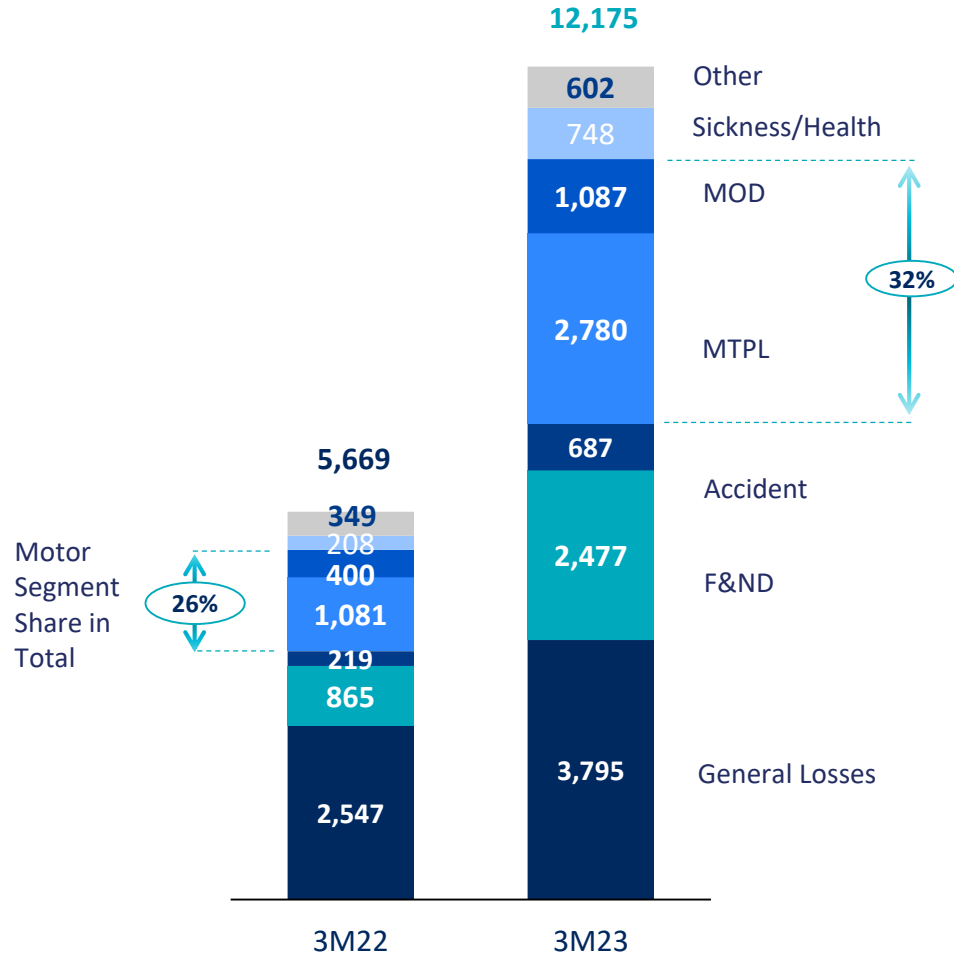
Cumulative



# GWP Production by Major Branches

## Türkiye Sigorta GWP Production by Major Branches

Cumulative, Million ₺

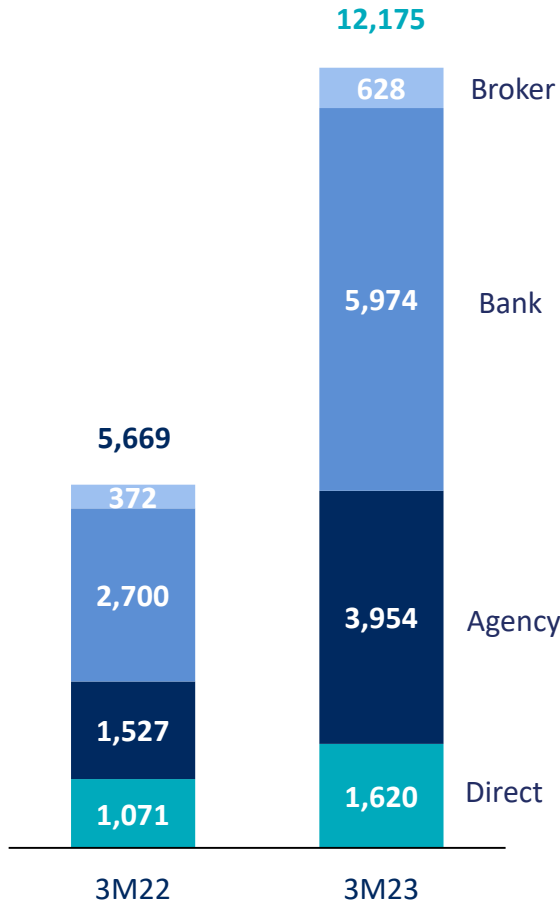


Main Branches	Annual Change		Türkiye Sigorta	
	Türkiye Sigorta	Sector	Market Share	Sector Ranking
General Losses	49%	99%	31%	1
F&ND	186%	143%	19%	1
Accident	214%	149%	33%	1
MTPL	157%	166%	13%	1
MOD	172%	176%	7%	6
Sickness/Health	259%	171%	4%	6
Other	72%	94%	8%	3
<b>TOTAL</b>	<b>115%</b>	<b>146%</b>	<b>13.2%</b>	<b>1</b>

# GWP Production by Distribution Channel

## Türkiye Sigorta GWP Production by Distribution Channel

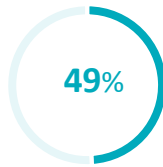
Cumulative, Million ₺



Exclusive Bancassurance Agreement

10 + 10 year 3 State-owned Banks

Bank Channel Share in Total Premium Production



vs. Sector Average: 14%

Bank Channel Market Share



Agency Channel Share in Total Premium Production



vs. Sector Average: 57%

Agency Channel Market Share



Dist. Channels YoY Change	Türkiye Sigorta	Sector
Direct	51%	80%
Agency	159%	164%
Bank	121%	147%
Broker	69%	138%
<b>TOTAL</b>	<b>115%</b>	<b>146%</b>

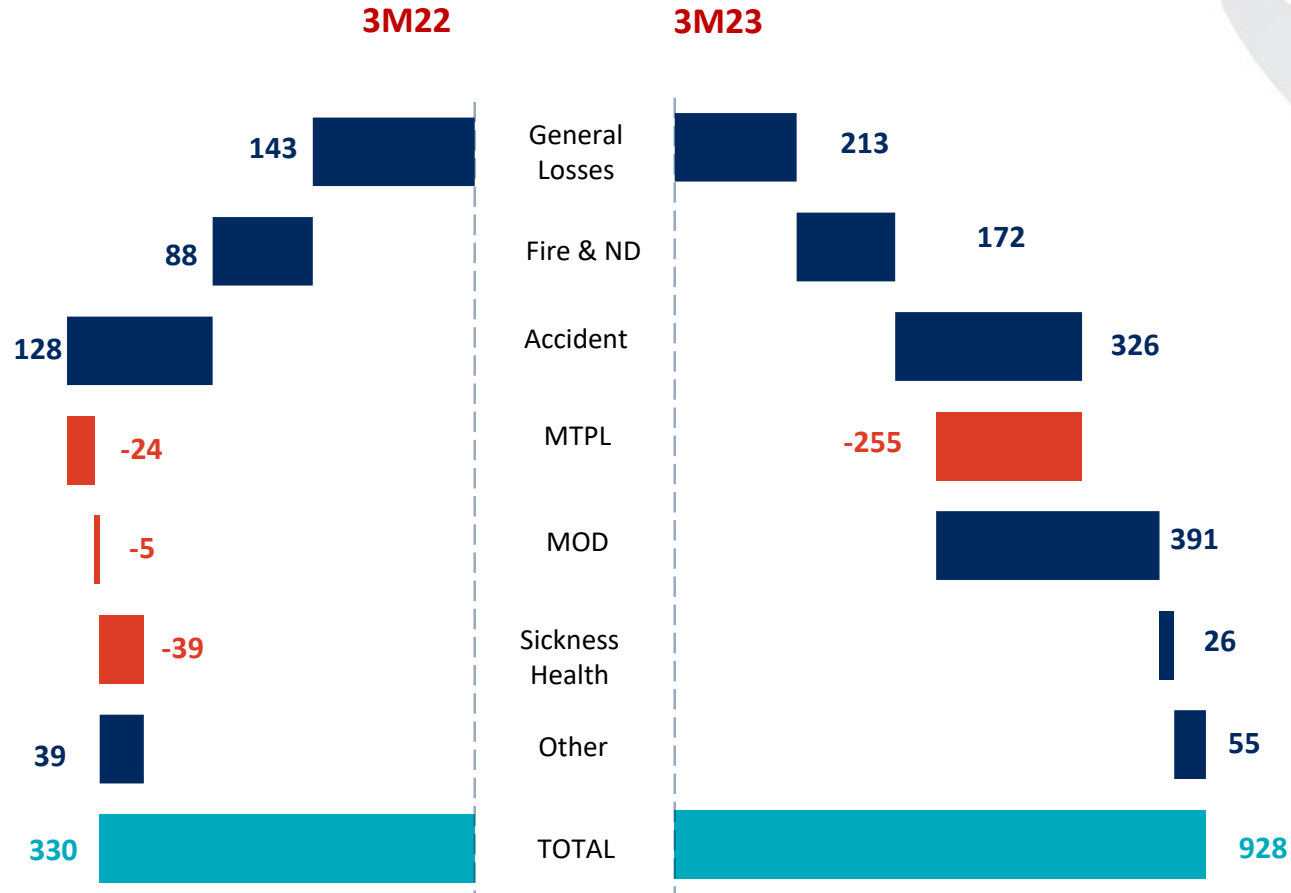
  

Share in Total Production	3M22	3M23
Direct	19%	13%
Agency	27%	32%
Bank	48%	49%
Broker	7%	5%

# Impressive Technical Profitability Performance, Fueled by Strong Recovery of the Distressed Branches of the Last Year

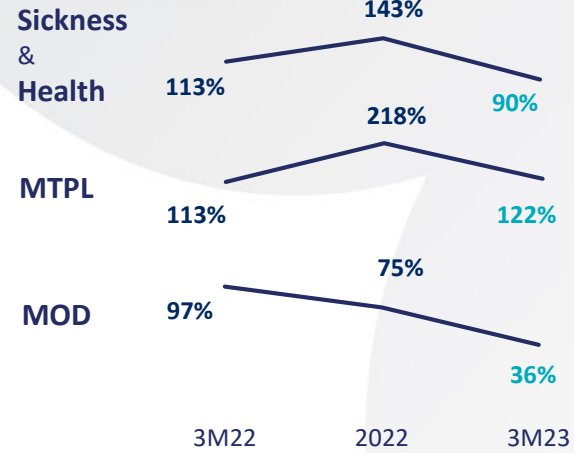
## Technical Profit Walk by Major Branches

Cumulative, Million ₺

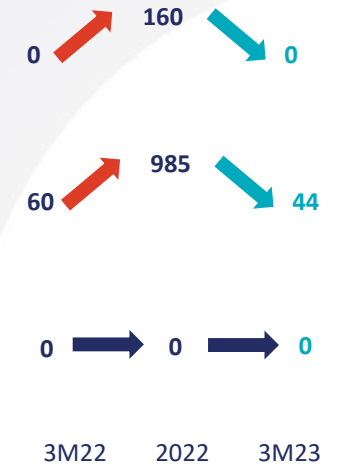


## Improvement in Distressed Branches of the Previous Year

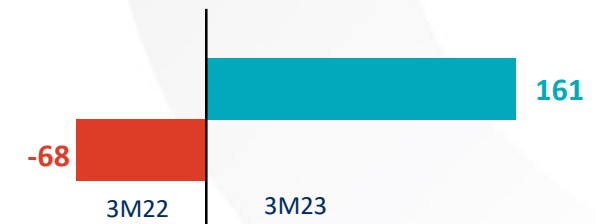
Loss Ratios  
Cumulative, Net



Unexpired Risk Reserves  
Cumulative, Million ₺



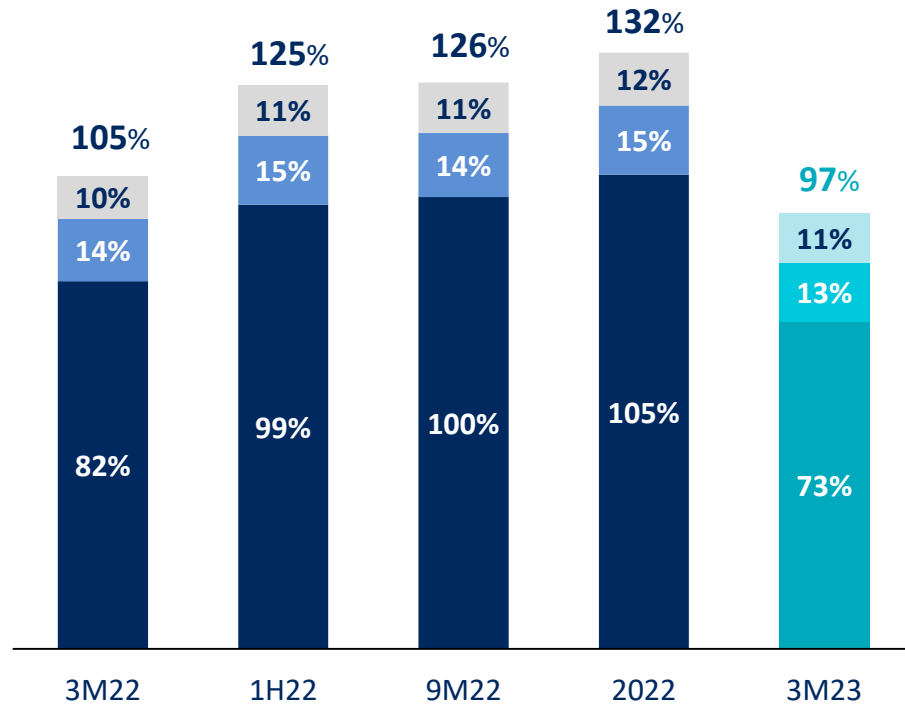
Motor & Health Branches  
Technical Profit, Million ₺



## Combined Ratio

Cumulative, Net

■ Loss Ratio ■ Expense Ratio ■ Commission Ratio



Sector Avg. COR

149%

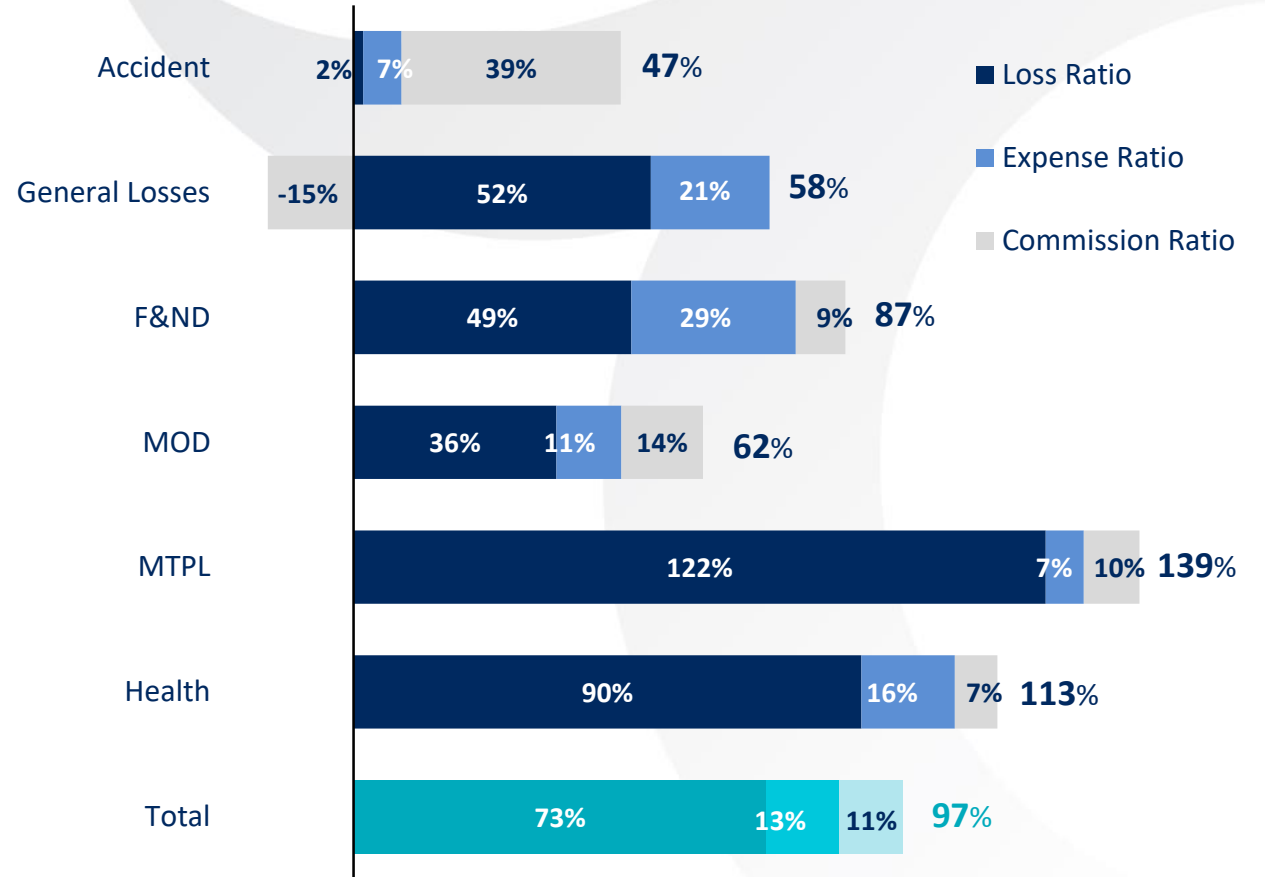
143%

135%

133%

## Combined Ratio by Major Branches

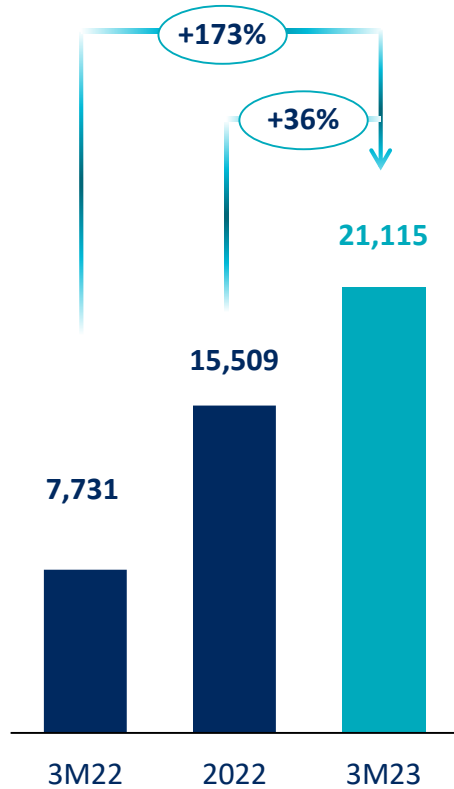
3M23, Net



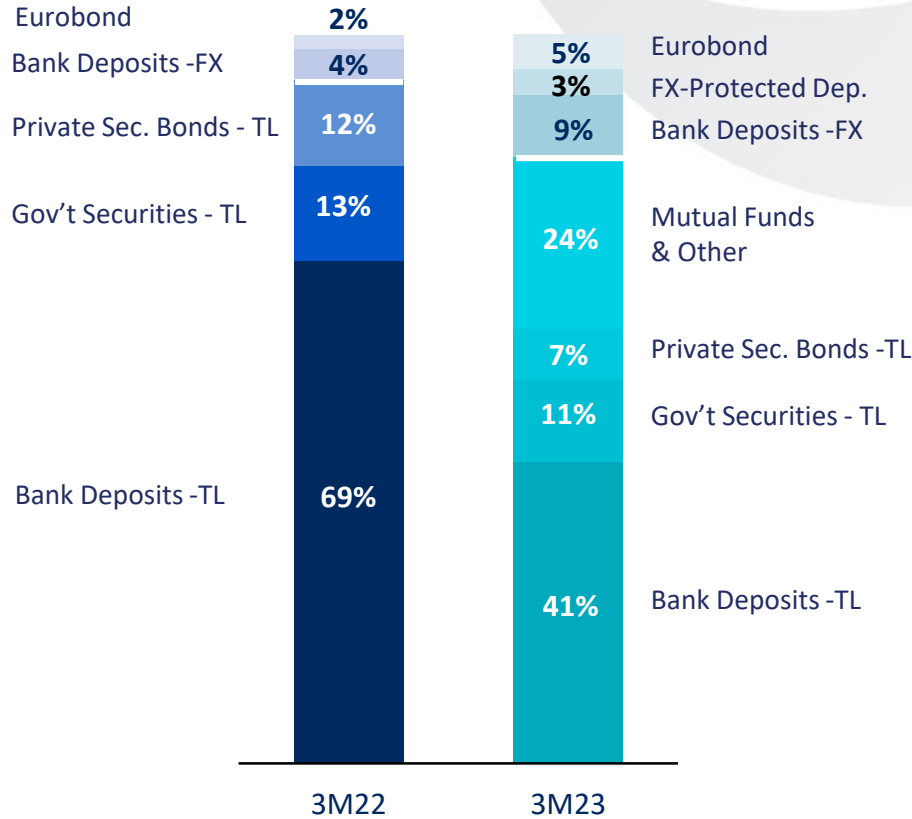


## Assets Under Management

Million ₺



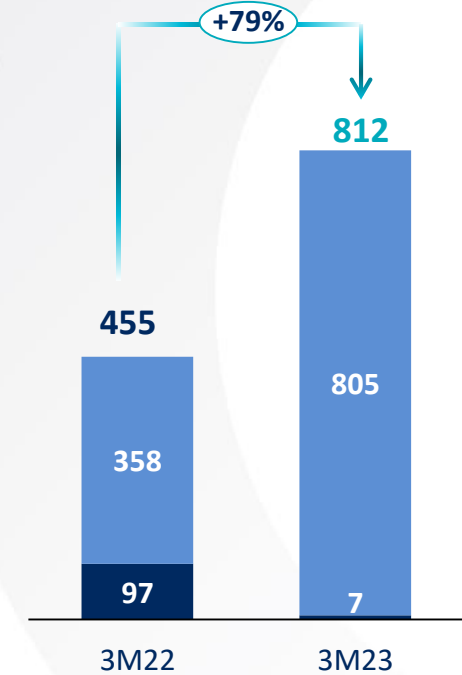
## AUM Breakdown



## Total Investment Income

Million ₺

■ Investment Inc. Transferred to Technical Division  
■ Net Investment Income



Summary P&L (million ₺)	3M22	3M23	YoY	
<b>Technical Income</b>	1.663	4.219	154%	
<i>Earned Premiums (Net of Reinsurer Share)</i>	1.261	3.374	167%	→ 2.6 bn ₺ unearned premium provisions on high premium production
<i>Investment Income From Non-Technical Division</i>	358	805	125%	→ Growing investment portfolio with higher yielding asset composition
<i>Other</i>	43	40	-7%	
<b>Technical Expenses</b>	-1.333	-3.290	147%	
<i>Claims Paid (Net of Reinsurer Share)</i>	-977	-1.882	93%	→ Pass-through impact of cost pushing factors of the last year
<i>Change in Provision for Outstanding Claims</i>	-54	-574	962%	→ Primarily consisting of MTPL provisions
<i>Operating Expenses</i>	-296	-812	174%	→ Significant increase in net commissions paid on growing premium production & 149% increase in personnel expenses
<i>Other</i>	-6	-23	256%	
Technical Profit/Loss	330	928	182%	
Investment Income	707	1.162	64%	→ High investment income despite the absence of dividend and income from disposal of subsidiaries
Investment Expenses	-610	-1.154	89%	
Income/Expense from Other Extraordinary Operations	-63	-251	302%	→ Mostly consisting of provisions for subrogation and salvage, deferred tax assets and one-off expenditures regarding earthquake tax and donation
Profit/Loss Before Tax	364	685	88%	
Tax	-57	-148	157%	
<b>Net Profit</b>	<b>307</b>	<b>537</b>	<b>75%</b>	

Technical Profit

928 mn TL

↑ 182%  
YoY

Net Investment  
Income\*

812 mn TL

↑ 79%  
YoY

Net Profit

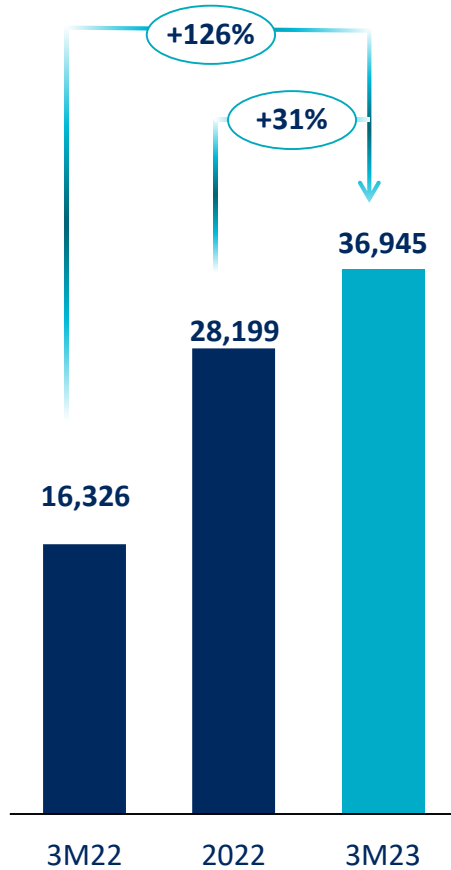
537 mn TL

↑ 75%  
YoY

\*Including investment income transferred to technical division

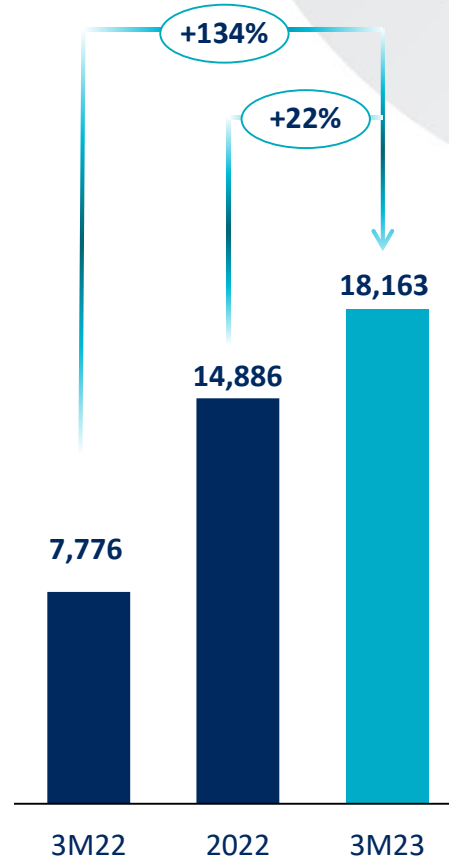
## Total Assets

Million ₺



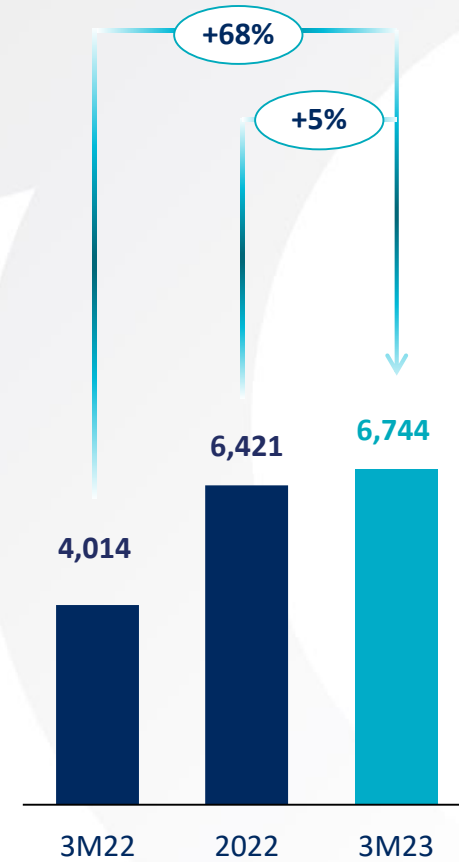
## Total Reserves

Million ₺







## Shareholder's Equity

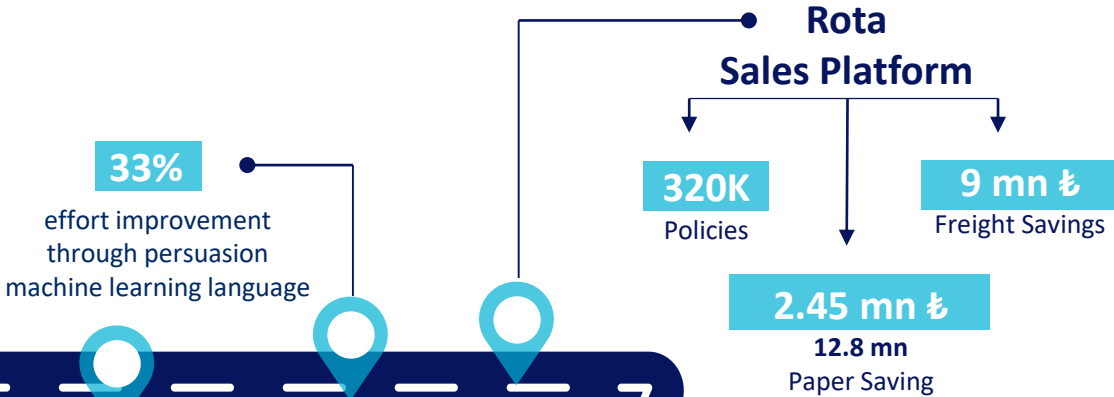
Million ₺



- Operational since **1957**
- Market Leader** with **13.2%** share in total premium production
- Rebranded as Türkiye Sigorta** post-merger of 3 state-owned non-life insurers
- Serving **6.6 million** standalone customers

	Headcount	Agency Network	Bank Branch Network	Broker
				
	<b>1,600</b>	<b>3,725</b>	<b>3,722</b>	<b>120</b>
<b>QoQ Change</b>	<b>+18</b>	<b>-41</b>	<b>+12</b>	<b>+6</b>
<b>YoY Change</b>	<b>+262</b>	<b>-316</b>	<b>+41</b>	<b>-1</b>

## Platforms & Efficiency



Receiving earthquake damage notification from mobile

In this process, a total of **11.4K** damage notifications were received.

## Customer Platform

- 2.3M+ users
- 395k non-cust. users
- 110k non-ins. service request
- 41k lead with 28% hit ratio
- 45k non-ins. service usage
- 28% average benefit per customer (Total 4.4 mn TL)

## Customer Satisfaction

### Chatbot


Nearly 100K calls were made with 24/7 service.

**28K** has been solved

In mobile transactions **70%** customer satisfaction

### Business Partnership

- 4 LoB
- 35+ partners
- 35+ categories
- 85+ service
- 4 integration models
- 4 service models
- Higher benefit for both customers and partners

- 
- Churn & Experience Module (ML)
  - Advanced Chat Module
  - Renewed World of Advantages
  - Robotic Process Automation (R.P.A)



- Customer Confidence Score
- Sales Platform (ROTA)
- Alternative Sales Modules,
- Provision Developments,
- Sales Performance ML Technologies (Text Mining),
- New Communication Methods (Push Notification)



**Page 15** Non-Life Main Branch GWP Production

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# Non-Life Main Branch GWP Production (3M23)

Main Branches	Gross Written Premium (Million ₺)	Branch Share	Market Share	Market Share Change (YoY)	Sector Ranking
General Losses	3,795	31.2%	30.6%	-10.2 pps	1
Fire and Natural Disasters	2,477	20.3%	19.0%	283 bps	1
MTPL	2,780	22.8%	12.6%	-41 bps	1
MOD	1,087	8.9%	6.6%	-12 bps	6
Sickness/Health	748	6.1%	4.0%	99 bps	6
Accident	687	5.6%	33.2%	688 bps	1
Other	602	4.9%	8.2%	-105 bps	3
<b>TOTAL</b>	<b>12.175</b>	<b>100.0%</b>	<b>13.2%</b>	<b>-195 bps</b>	<b>1</b>

# GWP Production by Major Branches

## Quarterly GWP Production Million ₺

## Cumulative GWP Production Million ₺

Premium Production	Quarterly GWP Production					QoQ		Cumulative GWP Production					YoY
	1Q22	2Q22	3Q22	4Q22	1Q23	QoQ	YoY	3M22	1H22	9M22	2022	3M23	
General Losses	2,547	1,309	982	2,498	3,795	52%	49%	2,547	3,855	4,837	7,335	3,795	49%
F&ND	865	902	978	1,358	2,477	82%	186%	865	1,767	2,745	4,103	2,477	186%
Accident	219	310	348	651	687	6%	214%	219	529	876	1,527	687	214%
MTPL	1,081	2,046	1,339	2,185	2,780	27%	157%	1,081	3,126	4,465	6,650	2,780	157%
MOD	400	609	672	674	1,087	61%	172%	400	1,009	1,681	2,355	1,087	172%
Sickness/Health	208	129	251	737	748	1%	259%	208	337	588	1,325	748	259%
Other	349	272	292	965	602	-38%	72%	349	622	914	1,879	602	72%
<b>Total</b>	<b>5,669</b>	<b>5,576</b>	<b>4,861</b>	<b>9,067</b>	<b>12,175</b>	<b>34%</b>	<b>115%</b>	<b>5,669</b>	<b>11,246</b>	<b>16,106</b>	<b>25,173</b>	<b>12,175</b>	<b>115%</b>



# Technical Profit by Major Branches

## Quarterly Technical Profit\*

Million ₺

## Cumulative Technical Profit\*

Million ₺

Technical Profit	Quarterly Technical Profit*					QoQ		Cumulative Technical Profit*					YoY
	1Q22	2Q22	3Q22	4Q22	1Q23	QoQ	YoY	3M22	1H22	9M22	2022	3M23	
General Losses	143	127	136	187	213	14%	50%	143	270	406	593	213	50%
F&ND	88	89	236	322	172	-47%	95%	88	177	413	735	172	95%
Accident	128	137	250	380	326	-14%	155%	128	266	516	895	326	155%
MTPL	-24	-492	-542	-931	-255	-73%	954%	-24	-517	-1,059	-1,990	-255	954%
MOD	-5	44	110	315	391	24%	N.A	-5	39	150	465	391	N.A
Sickness/Health	-39	-92	-97	-125	26	N.A	N.A	-39	-131	-227	-352	26	N.A
Other	39	34	77	7	55	683%	43%	39	73	149	156	55	43%
<b>Total</b>	<b>330</b>	<b>-153</b>	<b>170</b>	<b>156</b>	<b>928</b>	<b>496%</b>	<b>182%</b>	<b>330</b>	<b>177</b>	<b>347</b>	<b>502</b>	<b>928</b>	<b>182%</b>

\*Including investment income transferred to technical division

# COR by Major Branches

Combined Ratio	Loss Ratio Cumulative			Expense Ratio Cumulative			Commission Ratio Cumulative			Combined Ratio Cumulative		
	3M22	2022	3M23	3M22	2022	3M23	3M22	2022	3M23	3M22	2022	3M23
General Losses	59,6%	52,9%	52,4%	18,2%	14,3%	20,9%	-12,7%	-16,7%	-15,1%	65,1%	50,5%	58,2%
F&ND	51,9%	32,1%	48,9%	23,8%	22,3%	29,0%	1,0%	4,7%	8,8%	76,8%	59,2%	86,7%
Accident	1,7%	1,6%	1,7%	8,2%	8,3%	6,7%	37,5%	37,9%	38,6%	47,4%	47,8%	47,1%
MTPL	113,3%	217,9%	122,0%	9,1%	9,9%	6,7%	9,6%	14,2%	9,8%	132,0%	241,9%	138,5%
MOD	96,9%	74,9%	35,7%	10,2%	9,9%	11,5%	15,0%	14,9%	14,4%	122,1%	99,7%	61,6%
Sickness/Health	112,6%	142,9%	89,5%	18,5%	38,2%	16,5%	9,2%	12,1%	7,5%	140,3%	193,2%	113,5%
<b>Total</b>	<b>81,7%</b>	<b>105,4%</b>	<b>72,8%</b>	<b>13,9%</b>	<b>15,4%</b>	<b>12,9%</b>	<b>9,5%</b>	<b>11,7%</b>	<b>11,1%</b>	<b>105,2%</b>	<b>132,5%</b>	<b>96,9%</b>

# Summary Balance Sheet

Balance Sheet, Million ₺	3M22	3M23	Share (%)	YoY Change
Cash and Cash Equivalents	6,808	13,202	36%	94%
Receivables from Main Operations	4,342	6,359	17%	46%
Financial Assets	3,458	13,611	37%	294%
Tangible and Intangible Assets	436	768	2%	76%
Other Assets	1,281	3,006	8%	135%
<b>TOTAL ASSETS</b>	<b>16,326</b>	<b>36,945</b>	<b>100%</b>	<b>126%</b>
Financial Liabilities	15	6,301	21%	N.M
Payables Arising from Main Operations	2,777	2,969	10%	7%
Technical Provisions	7,776	18,163	60%	134%
Other Liabilities	1,743	2,769	9%	59%
<b>TOTAL LIABILITIES</b>	<b>12,312</b>	<b>30,202</b>	<b>100%</b>	<b>145%</b>
Paid in Capital	1,162	1,162	3%	0%
Capital and Profit Reserves	2,545	4,101	11%	61%
Accumulated Profit/Losses	1	944	3%	N.M
Net Profit/Loss for the Period	307	537	1%	75%
<b>TOTAL EQUITY</b>	<b>4,014</b>	<b>6,744</b>	<b>18%</b>	<b>68%</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>16,326</b>	<b>36,945</b>	<b>100%</b>	<b>126%</b>

Ratios	3M22	3M23
ROAA	8.0%	6.7%
ROAE	29.8%	33.1%

# Summary Income Statement

Income Statement, Million ₺	3M22	3M23	YoY Change
Gross Written Premiums	5,669	12,175	115%
<b>Technical Balance (Technical Profit)</b>	<b>330</b>	<b>928</b>	<b>182%</b>
Earned Premiums (Net of Reinsurer Share)	1,261	3,374	167%
Incurred Losses (Net of Reinsurer Share)	-1,031	-2,456	138%
Other Technical Income & Expenses (Net of Reinsurer Share)	37	18	-52%
Financial Income - Transferred from Non-Technical Section	358	805	125%
Operating Expenses	-296	-812	174%
<b>Financial Profit</b>	<b>97</b>	<b>7</b>	<b>-92%</b>
Financial Income	707	1,162	64%
Financial Expenses	-610	-1,154	89%
<b>Income and Expenses From Other Operations</b>	<b>-63</b>	<b>-251</b>	<b>302%</b>
<b>Tax</b>	<b>-57</b>	<b>-148</b>	<b>157%</b>
<b>Net Profit/Loss</b>	<b>307</b>	<b>537</b>	<b>75%</b>

Ratios	3M22	3M23
Retention Ratio	37%	50%
Net Loss Ratio	82%	73%
Net Commission Ratio	10%	11%
Net Expense Ratio	14%	13%
Net Combined Ratio	105%	97%

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