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HY 2015 EARNINGS RELEASE

Summary

Growth;

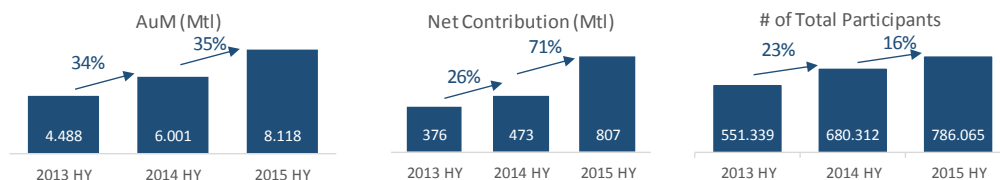
- Pensions growth was very strong: 71% in net contributions
- Pension AuM grew by 35% reaching 8,118 Mtl, making AvivaSA the market leader
- Total protection premiums remained flat due to sluggish credit-linked segment; -20% decline in credit-linked segment offset by 53% and 5% growth in non-credit life and PA respectively

Profitability;

- IFRS net profit amounted to 56.3 Mtl with 20% growth
- Statutory net profit reached 34.4 Mtl with an increase of 30%
- Annualized RoE reached 33%
- Value of New Business grew by 14%

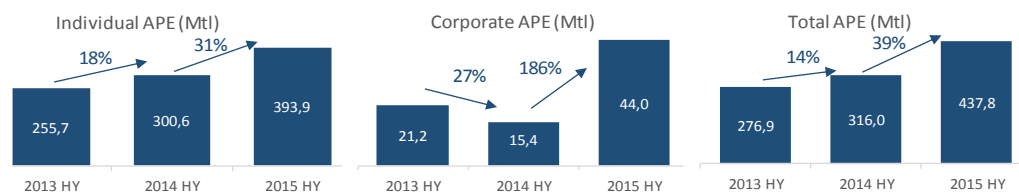
Topline Volumes

- Pension volumes continued to grow at a rapid pace in 2015 despite the fact that underlying assets did not perform very well. AvivaSA has become market leader in terms of Pensions AuM in June.

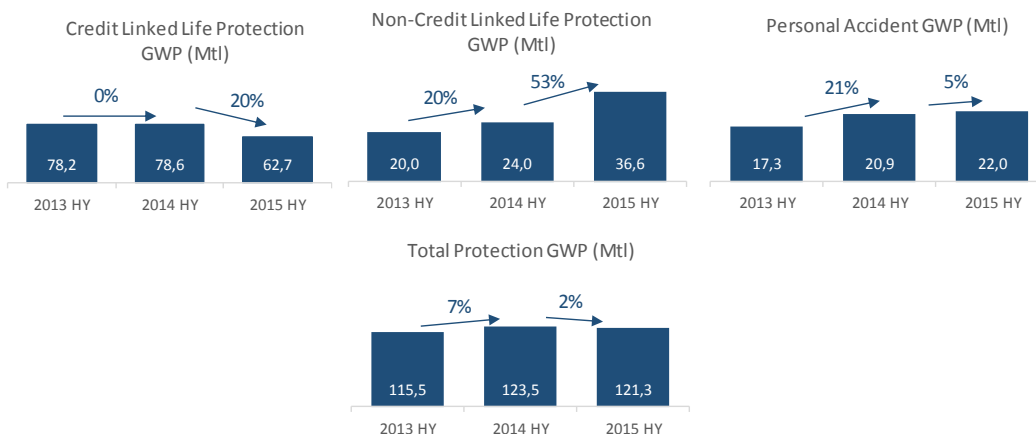


*Source: Pension Monitoring Center 30.06.2015

- Single premiums and corporate fund transfers helped to fuel the AuM growth in 2015
- Number of participants reached to 786k with an increase of 53.4k
- Our focus has been on growing the APE that increased by 39% in total;



- Total Protection gross written premiums reached 121.3 Mtl with a decrease of 2%



- Increase in non-linked protection sales by 53% partially compensate 20% decrease in credit-linked premiums
- Personal accident premiums increased by 5% mostly due to the production in Akbank branch network

IFRS Segmental Results

IFRS (m TL)	2014 HY	2015 HY	Change
Savings	1,5	1,0	-35%
Life Protection	52,6	53,4	2%
Personal Accident	6,4	11,7	83%
Pension	54,1	67,0	24%
Total Technical Income	114,6	133,2	16%
Total General Expenses	-76,9	-89,9	17%
Net Technical Profit	37,7	43,4	15%
Total Investment & Other Income	22,8	27,2	19%
Total Tax	-13,6	-14,2	4%
Net Profit	46,9	56,3	20%
Expense Ratio	13,2%	10,0%	-3%

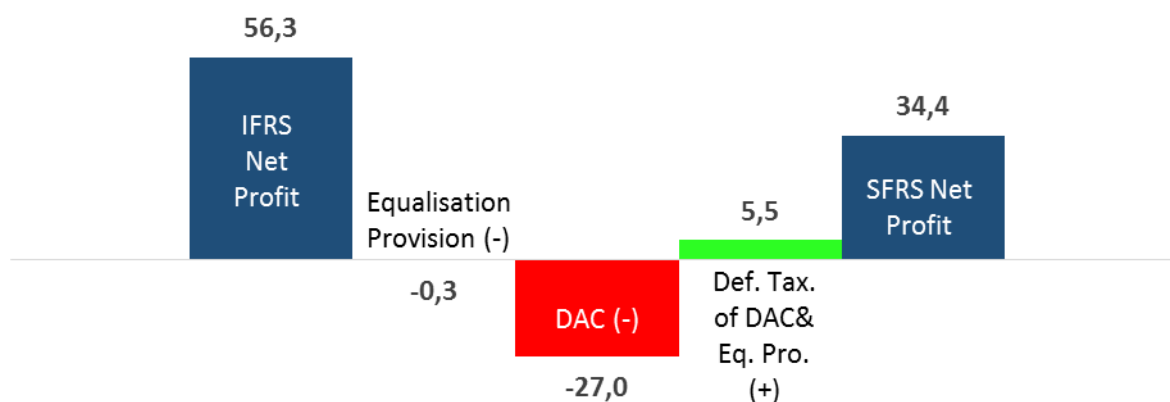
- Total technical profit grew by 16% driven by pension and personal accident businesses that grew by 24% and 83% respectively.
 - Growing pension business in terms of AuM (+35%) and net contributions (+71%), leading to a solid increase in technical profit, main driver being the fund management income
 - Life protection technical profit is at the same level with the previous year due to the effects of a dormant credit segment
 - Significant increase in personal accident is due to increase in earned premiums and decrease in outstanding claims reserve
- General expenses for the year was 89.9 Mtl increasing by 17% mainly due to personnel expenses. Expense ratio decreased to 10.0% due to significant growth in pension net contributions related with a corporate transfer from competition and single premiums
- Total investment and other income increased by 19% and reached 27.2 Mtl driven mainly by foreign exchange income

Statutory / SFRS Results

SFRS (m TL)	2014 HY	2015 HY	Change
Life	25,2	22,4	-11%
Non-Life	-1,1	3,9	na
Pension	-9,6	-8,5	12%
Net Technical Profit	14,5	17,8	23%
Total Investment & Other Income	20,7	25,4	23%
Tax	-8,6	-8,8	3%
Net Profit	26,6	34,4	30%

- Net profit for the year was 34.4 Mtl increasing by 30%
- Total net technical profit increased by 23%
 - Life (including life savings) net technical profit after general expenses was 22.4 Mtl decreasing by 11%
 - Non-life (personal accident) net technical profit after general expenses increased to 3.9 Mtl profit from a 1.1 Mtl loss
 - Pension net technical loss after general expenses decreased to 8.5 Mtl from 9.6Mtl due to an increase in income from the in-force

Bridging from IFRS to SFRS



Market Consistent Embedded Value

(m TL)	HY 2014	FY 2014	HY 2015	HY 2014 v HY 2015	FY 2014 v HY 2015
Value of In-Force	936.0	1,025.8	1,107.2	18.3%	7.9%
Present Value of Future Profits	1,006.1	1,101.1	1,190.6	18.3%	8.1%
Fricitional Costs	-10.0	-9.8	-11.6	16.7%	18.5%
Cost of Non-Hedgeable Risks	-60.2	-65.5	-71.7	19.2%	9.5%
Time Value of Options & Guarantees	0.0	0.0	0.0	0.0%	0.0%
Net Worth	161.5	178.2	172.8	7.0%	-3.0%
Free Surplus	48.4	53.5	44.7	-7.6%	-16.4%
Required Capital	113.1	124.8	128.1	13.3%	2.7%
Market Consistent Embedded Value	1,097.5	1,204.0	1,280.1	16.6%	6.3%

- AvivaSA MCEV stands at about 1.3bn TL as at the end of June 2015, an increase of 6% from year-end 2014
- Increase is driven by the value of new business (VNB) and the expected return, adjusted for non-economic experience variances and economic variances
- Net worth takes account of the dividend payment of 39.7m TL, hence reducing MCEV
- No allowance of the new pension legislation starting from 2016 is brought through to the present value of future profits (PVFP), to reflect ongoing consultation process

New Business

(m TL)	HY 2014	HY 2015	Change
Life Protection	46.4	40.3	-13%
Personal Accident	9.4	9.2	-2%
Pensions	36.3	55.3	52%
Value of New Business	92.1	104.8	14%

(m TL)	HY 2014	HY 2015	Change
Life Protection	141.9	154.4	9%
Personal Accident	26.0	30.6	18%
Pensions(*)	1,538.2	2,233.1	45%
Present Value of New Business Premiums	1,706.1	2,418.1	42%

(*): Including State Contribution

(m TL)	HY 2014	HY 2015	Change
Life Protection	32.7%	26.1%	-7%
Personal Accident	36.1%	30.0%	-6%
Pensions	2.4%	2.5%	0%
New Business Margin	5.4%	4.3%	-1%

- Sales as measured by present value of new business premiums (PVNBP) has increased by 42%, whereas VNB growth was at 14% due to new business mix. This has also lead to a lower margin at 4.3% compared to the first six months of 2014
- The spectacular pension PVNBP growth of 45% was mainly due to strong inflows of single premium in the bancassurance channel. The inflows have tripled in 2015 compared to last year, evidence of materializing the growth potential
- The margin expansion of the individual pensions business, mainly from single premiums, have secured growth without sacrificing from profitability
- Life protection VNB is lower year-on-year in light of the slowdown in credit-linked life protection business which has been offset, to an extent, by the good performance of the standalone life protection sales of the retail channel. This mix impact is reducing the overall life protection margin due to lower margins of the retail channel
- Personal accident volumes have been flat, where the margin has been maintained at a healthy 30% level