
2015

Annual Report



MAPFRE

GENEL SIGORTA

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GENEL SIGORTA

ANNUAL REPORT FOR THE 01.01.2015 - 31.12.2015 PERIOD PREPARED IN ACCORDANCE WITH THE REGULATION ON FINANCIAL STRUCTURE OF THE INSURANCE & REINSURANCE AND PENSION COMPANIES AND ARTICLE 516 OF THE TURKISH COMMERCIAL CODE

We submit for your examination and approval the ANNUAL REPORT together with its annexes that we have prepared in connection with the 2015 operations of our company, within the framework of the procedures and principles set forth in accordance with the Regulation on the Financial Structure of Insurance & Reinsurance and Pension Companies and Article 516 of the Turkish Commercial Code. (March 8, 2016)

Yours sincerely,

MAPFRE GENEL SİGORTA A.Ş



Serdar GÜL
Vice Chairman
General Manager



Hüsamettin KAVİ
Chairman of the Board



MAPFRE

GENEL SIGORTA

INDEPENDENT AUDITOR'S REPORT ON THE ANNUAL REPORT DRAWN UP BY THE BOARD OF DIRECTORS

To the General Board of the Mapfre Genel Sigorta Anonim Şirketi,

Report regarding the Audit of the Annual Report of the Board of Directors within the framework of Independent Auditing Standards We have audited the annual report of Mapfre Genel Sigorta Anonim Şirketi ("Company") relating to the accounting period that ended on December 31, 2015.

The responsibility of the Board of Directors regarding the Annual Report

The Company management is responsible for preparing the annual report in accordance with Article 514 of Turkish Commercial Code ("TCC") number 6102 and the provisions of the "Regulation on the Financial Structure of the Insurance & Reinsurance and Pension Companies" published in Official Gazette number 26606, dated August 7, 2007, so as to be consistent with the financial statements and to reflect the facts and for the internal audit deemed necessary to provide preparation of an annual report of this nature.

The responsibility of the Independent Auditor

Our responsibility is to provide opinion on whether the financial information contained in this annual report is consistent with the statements that were subject to the independent auditor's report dated March 8, 2016, and whether they reflect the facts by depending on the independent audit we carry out in accordance with Article 397 of the TCC and within the framework of the Regulation.

Our independent audit has been carried out in accordance with the regulations regarding the independent audit principles in force as per the insurance business legislation and the Independent Audit Standards which are a part of the Turkish Auditing Standards published by the Public Oversight Accounting and Auditing Standards Authority. These standards require ensuring compliance with the ethical provisions and carrying out the independent audit through planning in order to obtain a reasonable guarantee about whether the financial information contained in the annual report is consistent with the statements and reflects the facts.

The independent audit includes implementing the audit procedures in order to obtain an audit evidence about the historical financial information. Selection of these procedures depends on the professional judgement of the independent auditor . We believe that the audit evidence we obtained during the independent audit constitutes a sufficient and suitable ground for the creation of our opinion.

Opinion

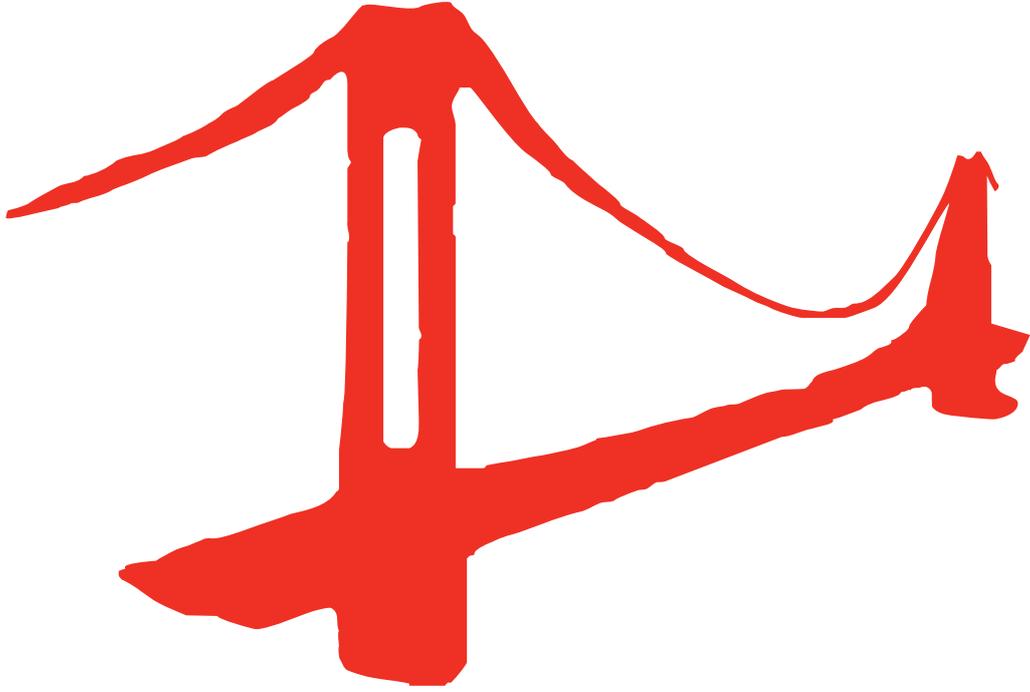
In our opinion, the financial information contained in the annual report of the board of directors is consistent with the statement audited and reflects the facts, in all respects.

Other Liabilities as per the Legislation

In accordance with paragraph 3 of Article 402 of the TCC; within the framework of BDS 570 "Continuity of the Establishment", no issue has been found to suggest that Mapfre Genel Sigorta Anonim Şirketi may fail to perform activities in the foreseeable future.

Akis Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.
A member of the KPMG International Cooperative

Alper Güvenç
Responsible Auditor
March 8, 2016
Istanbul, Turkey



GENERAL INFORMATION

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Assessment of the Chairman and General Manager on the operating period and their expectations for the future

Dear Shareholders,

While our company's profit before tax for 2015 was TRY 44,749,416.70 with a decrease of 24.8% compared to previous year, its profit after tax was TRY 32,816,870.76.

Our total premium production reached TRY 2,110,572.928 with an increase of 41.6% compared to the previous year and our market share increased to 7.74% from 6.57%. This result marks the first time we crossed the 2 billion TRY premium production threshold and we closed 2015 in 4th place by rising up one step in the premium production ranking.

When an assessment is made on the basis of branches, it will be seen that we moved to 3rd place by rising one step in the premium production with a market share of 10% in the engineering industry. Our 3rd place in the health care branch has not changed.

The insurance sector closed 2015 with a premium increase of 20% with a growth above the annual inflation which is 8.8% in non-life branches and this growth rate is a much better result than the 9% increase realized in the previous year. The 25% growth recorded in the automotive market, the upside acceleration experienced in residential sales and the premium increase of 37% obtained from traffic insurances can be considered as the most significant causes of the emergence of this growth.

We couldn't draw the same positive picture for the balance sheet data which we drew for the premium production. The industry's latest balance sheet results which are announced for 2015 belong to the end of September and accordingly the non-life companies are faced with a loss of TRY 110 million in the 9-month period. When we note that the industry had produced an accounting profit of TRY 570 million in the same period of last year, the negativity of the picture that emerged in 2015 will be assessed better.

When a through examination is made, it will be understood that the most important reason in the occurrence of this negative result is the technical loss experienced in traffic insurances. The technical losses in this branch, which has been producing negative results consistently, have reached an unsustainable size at TRY 1.7 billion in the first 9 months, and this damage is expected to exceed TRY 2 billion as of the end of the year. The negative picture experienced in traffic insurances has begun to threaten the financial capability of the companies, and as a reaction, the industry has started to increase traffic insurance premiums as of the second half of the year. The high-amount premium increases experienced in traffic insurances have found reaction in the public and the causes of this increase have begun to be questioned. Insurance industry representatives have explained to the public the reasons for this issue via various platforms and authorized bodies. The expectations and demands of the industry for a long time have been to establish a standard practice in the calculation of, in particular, the physical injuries, by making the necessary changes in the Highway Traffic Act and other relevant legislation, to establish a system where sufferers will seek compensation by applying to the insurance company at first and to terminate the arrangements that generate retrospective result. This way, those suffering will not have resort to the courts and the compensation amounts rising due to court costs and interests will be brought under control. Insurance companies' expenses not increasing and remaining predictable will prevent excess fluctuations in traffic insurance premiums.

The Insurance Association of Turkey has completed its technical studies on the Direct Payment System in traffic insurances and has initiated industry briefing meetings. In the present situation, the insurance companies compensate the damages caused to the opposite parties by their own insurees and they are not able to take an active role in the process of damage control. With the new system, the companies will compensate the financial damages of their customers who are faultless in the accidents and will receive the compensation from the insurance company of the faulty party. The companies that will pay the damage of their own customers will become more active in damage control and quality of service by shaping their damage compensation organizations accordingly. With the new system, the companies will have a chance to discriminate themselves from their competitors in a positive way through enhancing their service quality and the insurees will benefit from the increase in quality brought by the competition.

Our financial strength grade in 2015 has been confirmed as AA (Tur) by Fitch Ratings which is an international rating agency. This grade is being given as a result of the investigations made on the fields of the financial and technical capability, management structure, risk acceptance policies and reinsurance practices of our company and the independent assessment made on the basis of internationally generally recognized assessment criteria.

Our Izmir Regional Directorate has moved to Folkart Towers as of June and our regional directorate will continue its operations in its new building.

Within this framework, our operating results for year 2015 are presented for your attention.

Yours sincerely,



Serdar GÜL
Board Deputy Chairman
General Manager



Hüsamettin KAVI
Chairman of the Board



MAPFRE

GENEL SIGORTA

A summary of financial information relating to the operating results

Dear Shareholders,

Our Company's results on the commercial operations for 2015 are presented for your attention below.

Our company's total premium production has reached TRY 2,110,572,928.31 with an increase of 41.56% compared to the previous year.

When examined by branches, it is seen that there is a premium increase of 62.04% in the auto accident branch which constitutes 58.30% of the total premium production and there is an increase of 16.75% in the health care branch which constitutes 16.20% of the total premium production.

Our company closed 2015 with a technical profit of TRY 58,759,016.47 (1). The highest technical profit was obtained in the engineering branch.

The administrative expenses made for our operations were TRY 103,414,531.08 (2). The general expenses were TRY 149,142,402.93 together with the income & profits and expenses & damages from other operations and extraordinary operations and occurred over the previous year's level.

Our investment income was TRY 124,244,099.73, our investment costs were TRY 27,284,149.70 excluding the income transferred to the non-life technical department and the losses from extraordinary operations were TRY 24,898,303.20 and the net financial result was TRY -14,009,599.77 (3).

While our company's profit before tax for 2015 reached TRY 44,749,416.70, its profit after tax was TRY 32,816,870.76.

We respectfully submit for your information.



Serdar GÜL
Board Deputy Chairman
General Manager



Hüsamettin KAVI
Chairman of the Board

(1) The investment income transferred to the non-life technical section which amounts to TRY 76,807,654.21 has been deducted from the technical division balance which is stated as TRY 73,076,668 in the financial statements dated December 31, 2015 and an amount of TRY 103,414,531.08 which was calculated by deducting the net commission expense from the operating expenses was added. In addition, the doubtful receivables regarding the recourses accrued which amount to TRY 17,343,284.48 have been transferred to the technical profit from the TRY 24,898,303.20 amount that is followed in the income & profits and expenses & losses from other operations and extraordinary operations.

(2) The net commission expense has been deducted from the operating expenses stated in the financial tables dated December 31st, 2015.

(3) The remaining profit after the technical profit specified as TRY 58,759,016.47 is deducted from the profit for the period stated in the financial statements dated December 31, 2015 has been described as the financial profit.

The title and subject of activity of the company

The title of the company is Mapfre Genel Sigorta A.Ş. It was established on August 16, 1948, in Istanbul, Turkey, and its main operating field is to design and market insurance services and provide sales and after-sales services for the Loans, Illness/Health, Watercraft Liability, Aircraft Liability, General Damages, Motor Vehicles, Rail Vehicles, Air Vehicles, Accident, General Liability, Motor Vehicles Liability, Water Vehicles, Transportation, Fire and Natural Disasters, Breach of Trust, Financial Losses and Legal Protection branches.

Historical development of the company and if any, together with their reasons the changes made to the articles of association within the accounting period

T.Genel Sigorta A.Ş. was established on August 16, 1948, with the participation of the Türkiye Kredi Bankası A.Ş. and the businessmen of the period, with a capital of TRY 1,000,000 in Sirkeci, İstanbul and continues its 66 years of service to the Turkish Insurance Sector with a paid-up capital of TRY 350 million.

We can summarize the innovations brought to the industry by our company as follows:

- Bringing insurances called Contractor All Risks to Turkey in 1950,
- The company opened the first branch in Anatolia by opening a liaison office in Adana in 1961,
- Organizing the first seminar for the agencies in 1977,
- In 1985, the works towards transforming the insurance and accounting practices of the agencies into information processing in the most efficient and economical way under the name 'Elite Project',
- In 1988, opening the first management trainee program in the insurance market,
- In 1999, launching a private workshop network organization

only to serve for the damages of the company's clients.

It continued to operate under difficult conditions with the liquidation of the Türkiye Kredi Bankası and in 1975, with a capital change, it joined the Çukurova Holding A.Ş. which has an important place in the national economy.

Our company, which experienced a difficult time in 2002 such as the transfer of Pamukbank which is one of the major partners and the largest production source of the company to Saving Deposit Insurance Fund (TMSF) has managed to carry out its works and services with the successful outcomes which were realized well above the industry despite the economic crisis.

Genel Sigorta was assessed by an international rating company in 2001 with the A+(Tur) financial strength rating. Carrying its success through to today, the Fitch rating agency has raised our national financial strength grade to AA (Tur) in 2007 and confirmed our financial strength grade as AA (Tur) on 07 September 2015.

In 2007, the transfer of the controlling shares of our Company to the Mapfre group, which is Spain's largest insurance group, was completed as of 20 September 2007, and 280,000,000 shares owned by Mapfre S.A before the Company, and representing 80% of the Company's capital, was transferred to Mapfre International S.A., which is the affiliate responsible for the international investments as of April 23, 2008.

The Demir Toprak İthalat İhracat ve Tic. A.Ş. shares representing 10% of the Company's capital and amounting to TRY 35,000,000 were transferred to Mapfre Internacional S.A. pursuant to permit number 51308 dated 03.12.2009 given by the Republic of Turkey, Prime Ministry Undersecretariat of Treasury and the transfer process was recorded in the Company's share registry. Thus, Mapfre Internacional S.A's shares increased to 99.75%.

The Avor shares amounting to TRY 34,109,046 and representing 9.75% of the capital of the Company were transferred to Mapfre Internacional S.A. and the transfer process was recorded in the share registry after the Company's Board Meeting held on 29 September 2010.

In September 2012, the company purchased the majority share of 51% of the General Service that it has worked with in the form of joint venture for a long time and which owns 6 repair stations across the country.

The company's contact information

The registered office of the Company is Yenişehir Mahallesi Irmak Caddesi No.11 34435 Beyoğlu – İstanbul/ Turkey. The Company has regional directorates in the cities of Adana, Ankara, Antalya, Bursa, İzmir, İstanbul and İzmit and branch directorates in the cities of Mersin, Malatya, Konya, Kayseri, Samsun, Gaziantep, Eskisehir and Denizli.

The contact information for the General Directorate and Regional & Branch Directorates are as set out below.

General Directorate

Yenişehir Mahallesi Irmak Caddesi No:11
34435 Beyoğlu / İSTANBUL
Phone : 0212 334 90 00
Fax : 0212 334 90 19
e-mail : info@mapfregenelsigorta.com
web address : www.mapfregenelsigorta.com

Large Taxpayer Office: 879 001 8869
Registration Number: 38676

İstanbul Regional Directorate

Barış Mahallesi Eğitim Vadisi Bulvarı No.19
34520 Beylikdüzü / İSTANBUL
Phone : 0212 871 46 12
Fax : 0212 871 46 13
e-mail : istanbul@mapfregenelsigorta.com

Ankara Regional Directorate

Cevizlidere Caddesi No:1/13
06520 Balgat Çankaya / ANKARA
Phone: : 0312 472 75 72
Fax : 0312 472 58 59
e-mail : ankara@mapfregenelsigorta.com

Bursa Branch Directorate

Alaattin Bey Mahallesi İzmir Yolu Caddesi
Uludağ Ticaret Merkezi No:277/H
16120 Nilüfer / BURSA
Phone: : 0224 441 41 41 pbx
Fax : 0224 441 63 55

Kayseri Branch Directorate

Gültepe Mahallesi Mustafa Kemal Paşa Bulvarı No:52/A
Melikgazi / KAYSERİ
Phone : 0352 236 36 30
Fax : 0352 233 20 30
e-mail : kayseri@mapfregenelsigorta.com

Samsun Branch Directorate

Atatürk Bulvarı Kale Mahallesi Çenesizler İşhanı No:140/5
55030 İlkadım / SAMSUN
Phone : 0362 431 01 21
Fax : 0362 431 01 04
e-mail : samsun@mapfregenelsigorta.com

Adana Branch Directorate

Reşat Bey Mahallesi Vali Yolu Gülek Sitesi C Blok
No.27 01120 Seyhan / Adana
Phone : 0322 459 58 58
Fax : 0322 459 58 62
e-mail : adana@mapfregenelsigorta.com

Antalya Regional Directorate

Namık Kemal Bulvarı No:59
07090 Kepez / ANTALYA
Phone : 0242 312 12 30 pbx
Fax : 0242 313 06 04
e-mail : antalya@mapfregenelsigorta.com

İzmir Branch Directorate

Adalet Mahallesi Manas Bulvarı No:39 K.43
35530 Bayraklı / İZMİR
Phone : 0232 482 14 48
Fax : 0232 483 40 34
e-mail : izmir@mapfregenelsigorta.com

Konya Branch Directorate

Musalla Bağları Mahallesi Ankara Caddesi No:71/A 38030
42060 Selçuklu / KONYA
Phone : 0332 235 86 86
Fax : 0332 235 80 00
e-mail : konya@mapfregenelsigorta.com

Gaziantep Branch Directorate

İncilipınar Mahallesi 3 nolu Cadde Akınalan İş Merkezi
27090 Şehitkamil / GAZİANTEP
Phone : 0342 220 51 11
Fax : 0342 324 00 97
e-mail : gaziantep@mapfregenelsigorta.com

İzmit Branch Directorate

Mehmet Ali Paşa Mah.Bağdat cad.No:222
41050 Yenişehir / KOCAELİ
Phone : 0262 321 50 60
Fax : 0262 321 50 59
e-mail : izmit@mapfregenelsigorta.com

Eskişehir Branch Directorate

Kurtuluş Mah.Cumhuriyet Bulvarı Şimşek İşhanı No:75/31
26090 Odunpazarı / ESKİŞEHİR
Phone : 0222 240 13 33
Fax : 0222 240 13 38
e-mail : eskisehir@mapfregenelsigorta.com

Çankaya Regional Directorate

Cinnah Caddesi No.43/6 (D)
06680 Çankaya / ANKARA
Phone : 0312 441 00 84
Fax : 0312 441 00 87
e-mail : cankayabolge@mapfregenelsigorta.com

Malatya Regional Directorate

Niyazi Mahallesi Karakaş Sok. No.10
44100 Hüseyinbey / MALATYA
Phone : 0422 325 21 35
Fax : 0422 323 17 10
e-mail : malatya@mapfregenelsigorta.com

Denizli Branch Directorate

Saraylar Mah.Saltak cad.No:36
20010 Merkezefendi DENİZLİ
Phone : 0258 265 33 83
Fax : 0258 265 33 82
e-mail : denizli@mapfregenelsigorta.com

Beşiktaş Regional Directorate

Meclisi Mebusan caddesi No:23/1
Salıpazarı / İstanbul
Phone : 0212 377 52 07
Fax : 0212 243 18 11
e-mail : besiktasbolge@mapfregenelsigorta.com

İstanbul Anatolian Side Regional Directorate

Bağdat Caddesi Murat Apartmanı No.30 D.7
34728 Kadıköy / İSTANBUL
Phone : 0216 368 00 27
Fax : 0216 368 93 09
e-mail : istanbulanadoluyakasi@mapfregenelsigorta.com

Mersin Regional Directorate

Reşatbey Mah. Vali Yolu Gülek Sitesi
C Blok Asma Kat No.27 01120 Gazipaşa / ADANA
Phone : 0322 459 58 58
Fax : 0322 459 58 62
e-mail : mersin@mapfregenelsigorta.com

Capital and shareholding structure of the Company

The Company's paid capital is TRY 350,000,000 and its shareholding structure is as set out below.

NAME / TITLE OF THE PARTNERS	SHARE AMOUNT (TL)	SHARE RATE (%)
MAPFRE INTERNATIONAL S.A.	349.109.046	99,75%
OTHER	890.954	0.25%
TOTAL	350.000.000	100%

The Chairman and the Members of the Board the Company do not have any shares within the partnership structure.

Changes in the Company's capital and shareholding structure

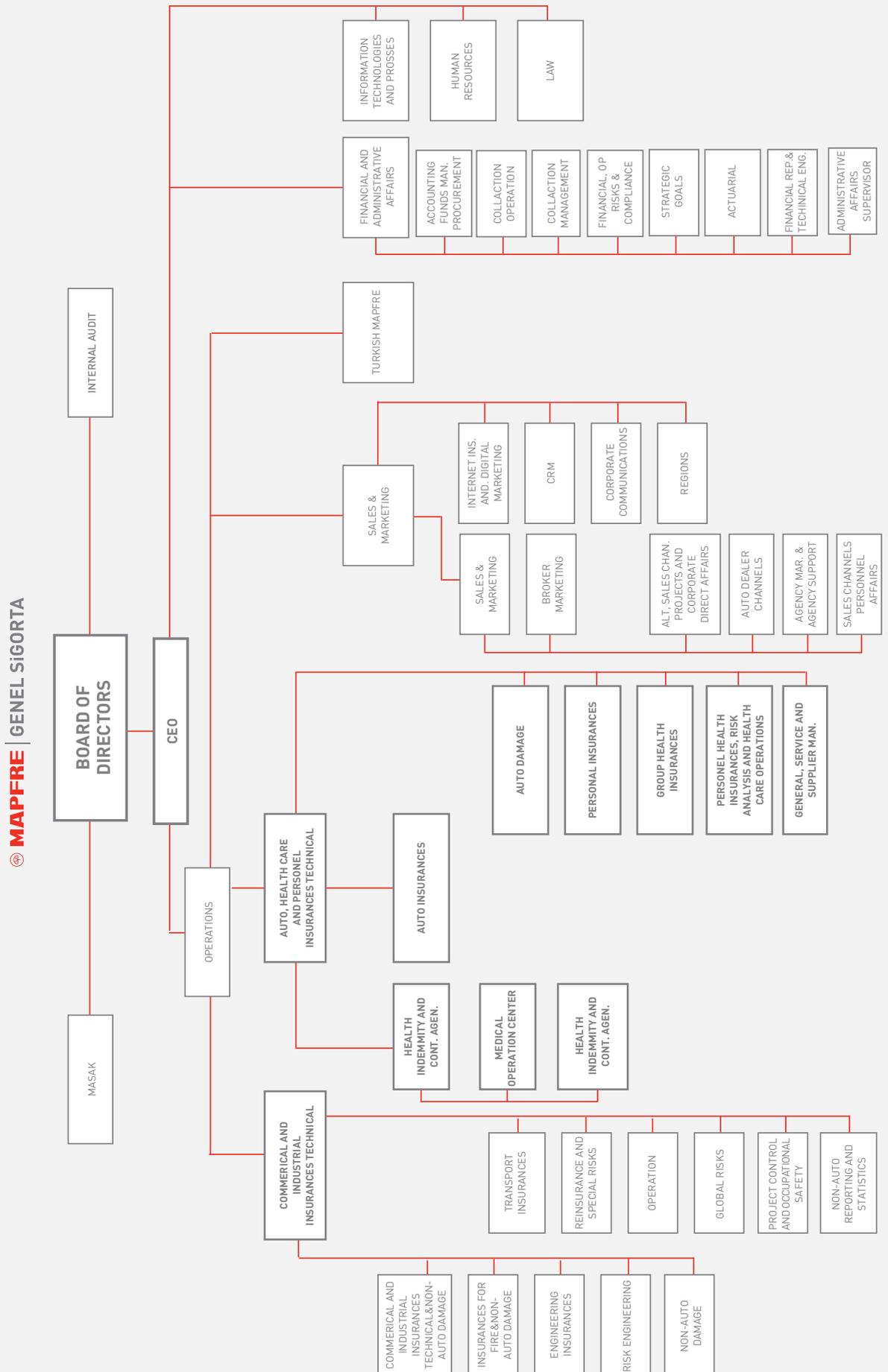
There has not been any change in the Company's capital and shareholding structure as of 31.12.2015.

The company's privileged share and the rights vested to these shares

The Company has no privileged shares and no rights vested to these shares as of 31.12.2015.

Organization Chart

The organizational structure of the company is as stated below.



Board of Directors

Pursuant to decision number 2015/17 taken at the Meeting of the Board of Directors of our Company dated July 7, 2015, the Extraordinary General Assembly Meeting was held on September 16, 2015, and the Board Members elected for the Board for a 3-year term as per article 3 of the agenda and the Board of Directors formed as a result of the distribution of the duties are as follows.



DATE OF ASSIGNMENT TO THE POSITION
23.07.2014

AREA OF RESPONSIBILITY
Mapfre Genel Yaşam Sigorta A.Ş.
Chairman of the Board

EDUCATION STATUS
İ.T.Ü Faculty of Civil Engineering-
Civil Engineering

TERM OF OFFICE AND PROFESSIONAL EXPERIENCES

2011 G.T.E Endüstri A.Ş Deputy Chairman of the Board
2001 Bemka Emaye Tel A.Ş Deputy Chairman of the Board
1978-2002 Kavi Kablo A.Ş Deputy Chairman of of the Board

Hüsamettin Kavi / Chairman of the Board



DATE OF ASSIGNMENT TO THE POSITION
15.12.2011

AREA OF RESPONSIBILITY
Mapfre Genel Sigorta A.Ş
Vice Chairman General Manager

EDUCATION STATUS
Boğaziçi University
Computer Engineering

TERM OF OFFICE AND PROFESSIONAL EXPERIENCES

2011/06-General Manager and Executive Board Member
2009-General Manager and Executive Board Member (Mapfre Genel Sigorta)
2006-Cheif Assistant General Manager (Mapfre Genel Sigorta)
2002-Asistant General Manager(Mapfre Genel Sigorta)
1996-Coordinator(Mapfre Genel Sigorta)
1990-1993 Director,Marketing-Fire Service(Mapfre Genel Sigorta)

Serdar Gül / Vice Chairman General Manager



DATE OF ASSIGNMENT TO THE POSITION
29.08.2014

AREA OF RESPONSIBILITY
Mapfre Genel Sigorta A.Ş.
Executive Board Member

EDUCATION STATUS
University of Liege (Belgium)

TERM OF OFFICE AND PROFESSIONAL EXPERIENCES

2014 Mapfre S.A Regional CEO Europe, Mediterranean and Africa
2008-2013 Mapfre Asistencia General Manager for Global Operations
2006-2007 Mapfre Asistencia General Manager
1994 Mapfre Asistencia Senior Manager

Nikolas Antimisaris / Executive Board Member



DATE OF ASSIGNMENT TO THE POSITION
15.12.2011

AREA OF RESPONSIBILITY
Mapfre Genel Sigorta A.Ş.
Executive Board Member

EDUCATION STATUS
METU
Faculty of Economics and Administrative

TERM OF OFFICE AND PROFESSIONAL EXPERIENCES

2015-Autoking CEO
2011-Mapfre Assistance Deputy District Director
2000-Tur Assist LTD.S./General Manager
1999-2000İnter Hayat A.Ş./Assistant General Manager
1997-1999 Nordstem İmtaş Hayat A.Ş./Assistant General Manager
1990-1997 Şark Hayat Sigorta/Sale Director

Ali Güven Aykaç / Executive Board Member



DATE OF ASSIGNMENT TO THE POSITION
16.09.2015

AREA OF RESPONSIBILITY
Mapfre Genel Sigorta A.Ş.
Executive Board Member

EDUCATION STATUS
Bilkent University Faculty of Administrative
Sciences Business Administration-Master

TERM OF OFFICE AND PROFESSIONAL EXPERIENCES

2013-Çukurova Holding A.Ş Business Development Coordinator
2011-2013 AKS Tv A.Ş Executive Board Managign Member
1998-2011 ET Medya A.Ş Executive Board Managign Member
1997-1998 Denizbank Branch Manager
1992-1997 İnterbank Marketing Manager

Süleyman Serdar Çaloğlu / Executive Board Memeber

Senior management

Our company's senior management is composed of a General Manager and 6 Assistant General Managers and their distribution of duties are set out below.



DATE OF ASSIGNMENT TO THE POSITION
15.12.2011

AREA OF RESPONSIBILITY
Mapfre Genel Sigorta A.Ş.
Vice Chairman General Manager

EDUCATION STATUS
Boğaziçi University
Computer Engineering

TERM OF OFFICE AND PROFESSIONAL EXPERIENCES

2009-General Manager and Executive Board Member (Mapfre Genel Sigorta)
2006-Chief Assistant General Manager (Mapfre Genel Sigorta)
2002-Vice General Manager (Mapfre Genel Sigorta)
1996-Coordinator (Mapfre Genel Sigorta)
1990-1993 Director,Marketing-Fire Service (Mapfre Genel Sigorta)

Serdar Gül / Vice Chairman General Manager



DATE OF ASSIGNMENT TO THE POSITION
02.11.2015

AREA OF RESPONSIBILITY
Mapfre Genel Sigorta A.Ş.
Operations Assistant General Manager

EDUCATION STATUS
Universidad Pontificia Comillas-Law / Business
CEF Financial Sciences Center MBA master

TERM OF OFFICE AND PROFESSIONAL EXPERIENCES

2011-Mapfre Middlesea p.l.c Chairman and CEO
2005-2011 Mapfre Asistencia Assistant General Manager

Alfredo Munoz Perez / Assistant General Manager



DATE OF ASSIGNMENT TO THE POSITION
02.01.2009

AREA OF RESPONSIBILITY
Mapfre Genel Sigorta A.Ş.
Assistant General Manager for Financial and
Administrative Affairs

EDUCATION STATUS
Marmara University Fac.of Economics and Administrative
University of Illinois at Urbana-Champaign, USA Finance/Post-Graduate

TERM OF OFFICE AND PROFESSIONAL EXPERIENCES

05.2006-01.2009 Insurance Association of Turkey,Assistant
Secretary General
2005-2006 Republic of Turkey,Prime Ministry,Undersecretariat of
Treasury,Insurance
04.1990-05.2006 Republic of Turkey,Prime Ministry,Insurance
Supervisory Board/

Erdiñç Yurtseven / Assistant General Manager



DATE OF ASSIGNMENT TO THE POSITION
02.01.2009

AREA OF RESPONSIBILITY
Mapfre Genel Sigorta A.Ş.
Assistant Technical General

EDUCATION STATUS
Yıldız University Faculty of Civil
Engineering Department of Construction

TERM OF OFFICE AND PROFESSIONAL EXPERIENCES

10.1997 Mapfre Genel Sigorta A.Ş Group Manager
12.1993-10.1997 Oya Sigorta A.Ş Assistant Technical Manager
01.1991-12.1993 Orkap Construction Site Manager
10.1990-01.1991 Kardeşler İnşaat Static Account Expert

Nevzat Volkan Babür / Assistant General Manager



DATE OF ASSIGNMENT TO THE POSITION
10.06.2011

AREA OF RESPONSIBILITY
Mapfre Genel Sigorta A.Ş.
Assistant General Manager for

EDUCATION STATUS
Istanbul Technical University

TERM OF OFFICE AND PROFESSIONAL EXPERIENCES

06.2011 Mapfre Genel Sigorta A.Ş Assistant General Manager
07.2010-06.2011 HDI Sigorta A.Ş / General Manager
2007-06.2010 / Başak Groupama Sig.A.Ş /Assistant General Man.
1995-2007 / Ray Sigorta A.Ş Assistant General Manager
1994-1995 / Milli Reasürans T.A.Ş. / Manager of Technical Affairs
1988-1989 / Destek Reasürans T.A.Ş. / Assistant Specialist

Osman Tolga Dağlıer / Assistant General Manager



DATE OF ASSIGNMENT TO THE POSITION
01.10.2012

AREA OF RESPONSIBILITY
Mapfre Genel Sigorta A.Ş.
Assistant General Manager of Sales and

EDUCATION STATUS
Istanbul Technical University
Environmetal Engineering

TERM OF OFFICE AND PROFESSIONAL EXPERIENCES

2004.01/Turkey Genel Sigorta A.Ş Group Executive
1999.01-2004.01/Turkey Genel Sigorta A.Ş Service Manager
1998.01-1999.01/Turkey Genel Sigorta A.Ş Deputy Manager
1997.01-1996.01/Turkey Genel Sigorta A.Ş Assistant Manager

İlker Sirtıkırmızı / Assistant General Manager



DATE OF ASSIGNMENT TO THE POSITION
01.01.2014

AREA OF RESPONSIBILITY
Mapfre Genel Sigorta A.Ş.
Assistant District Manager of Marketing

EDUCATION STATUS
Gazi University
Department of Labor Economics and Industrial
Relations

TERM OF OFFICE AND PROFESSIONAL EXPERIENCES

01.2004 Assistant General Manager
01.2009-12.2013 Group Executive
01.1999-01.2009 Manager, Ankara District
07.1995-01.1998 Assistant Manger ,Ankara District
01.1994-01.1995 Marketing Office, Ankara District
06.1990-12.1993 Sales Specialist, Ankara District

Ergun Ulusoy / Assistant General Manager

Within the scope of the permission given by the Company General Assembly, the governing body members do not perform any operation on behalf of themselves or others which would fall within the scope of the prohibition of competition.

Number of Staff

As of the end of December 2015, 634 staff are employed in total with 439 of them at the General Directorate and 195 of them at Adana, Ankara, Bursa, Izmir, Malatya, Izmit, Antalya and Istanbul Regional Directorates and Konya, Kayseri, Gaziantep, Denizli, Eskisehir and Samsun Branch Directorates.

The Board of Directors of the Company consists of 5 members including the General Manager. While the General Manager and 6 Assistant General Managers serve in the Company's senior management, the remaining staff consists of 11 Directors and 71 mid-level managers (units, service and location manager), 545 technical and administrative staff.

The table showing the Company staff by education and gender is below.

Department Graduated	Male	Female	Total
Primary school	5	1	6
Secondary school and equivalent	9	3	12
High School and equivalent	55	51	106
2-Year Undergraduate	43	66	109
University	163	196	359
Graduate	21	21	42
TOTAL	296	338	634

Information relating to human resources practices

Considering that being able to achieve our corporate objectives is proportional to the skill and efforts of our employees,

- **creating a corporate culture where the best employees wants to work,**
- **where they are loyal and happy since they can transform their potential to high performance,**
- **where the quality of service and customer satisfaction are the outcomes of the employees.**

In line with the Human Resources vision, it undertakes and aims:

- a) To create a working environment based on mutual respect and trust, where everyone feels responsible for achieving the set targets and to ensure its continuity,
- b) To encourage a two-way open communication between the employees and managers, which is the basis of trust and mutual understanding,
- c) To structure the works carried out so as to provide the most efficient operation and to ensure that the staff works in the roles which suit their knowledge and abilities,
- d) To evaluate the performance of the employees with objective criteria and to appreciate, encourage and motivate the high performing staff,
- e) To carry out the career development, promotion and remuneration of the staff within an objective system,
- f) To determine, plan and implement the training needs of the employees which are related to professional and personal development,
- g) To create a work environment that encourages employees to develop themselves and their work and to make improvements with their suggestions,

h) To employ the persons eligible to the work and corporate culture in the related jobs initially from the available human resources of the company, to ensure that high-performing employees have priority in roles with responsibility and to prepare the employees for roles they are assigned to so that they can properly perform,

i) To create a safe and healthy work environment,

j) To evaluate and implement all the rights of employees in accordance with the laws and rules.

Manpower is the leading value in the MAPFRE SYSTEM. With the awareness that all kinds of developments provided in this field play a key role in the future success of our organization, it adopts a management philosophy focused on training leaders who

- have effective people management skills,
- encourage learning and development,
- know and implement HR practices

through MGG HR policies and providing the right training to the right people.

At MAPFRE GENEL Sigorta, talent management refers to the integration into the organization and development of new employees, the development and retaining of existing employees and the process that will bring in the best and most talented employees to our company, manage their performance and reveal their potential. Our talent management practices are directly related to the performance management, leadership development, workforce planning and identification of the skill gaps and with our recruitment systems.

Our aim is to ensure that employees are responsible about the business goals of our organization while they are performing their operations through transferring the responsibilities to each of our employees individually, starting from levels of management.

HR Practices serve the realization of our company's mission, goals, objectives and budgets by developing and implementing the planning and strategies relating to manpower.

Our corporate policies set forth the basic approaches to be followed in determining the method and conditions of personnel employment and pricing, training of the personnel, monitoring their performance and in their leave of employment to ensure all the works within our Company are carried out in an effective, efficient manner, according to the applicable law and in an ethical manner based on our corporate values.

The aim is to reflect the corporate values and principles which should guide the Company's operations as well as professional operations of the staff.

MAPFRE GENEL Group corporate policies are determined, published and executed according to the general principles set by the MAPFRE SYSTEM. The managers at all levels and the Staff are responsible for the implementation of the corporate policies and controlling the practices together.

MAPFRE GENEL Group Vision, Mission and Values

Our Vision

It is to be a reliable insurance company worldwide.

Our Mission

We are a multinational team that works with the purpose of continuous improvement and developing the best possible relationships with our customers, distribution channels, suppliers, shareholders and the public.

Our Values

Capital Power

- Financial strength with sustainable results.
- International diversification and strengthening the position in different markets.

Integrity

- The ethical values that guide our behavior.
- A sense of social responsibility that is the focus of all our activities.

Spirit of Service

- Continuous pursuit of excellence while carrying out our operations.
- Continuity in the business approach focused on maintaining and observing client relationships.

Innovation for Leadership

- Continuous development and improvement effort.
- Useful technology that serves the business and the business objectives.

A Dedicated Team

- A team fully dedicated to the MAPFRE project.
- Continuous training and development of the team's skills and abilities.

FINANCIAL BENEFITS PROVIDED TO THE MEMBERS OF THE GOVERNING BODY AND TO THE SENIOR EXECUTIVES



MAPFRE

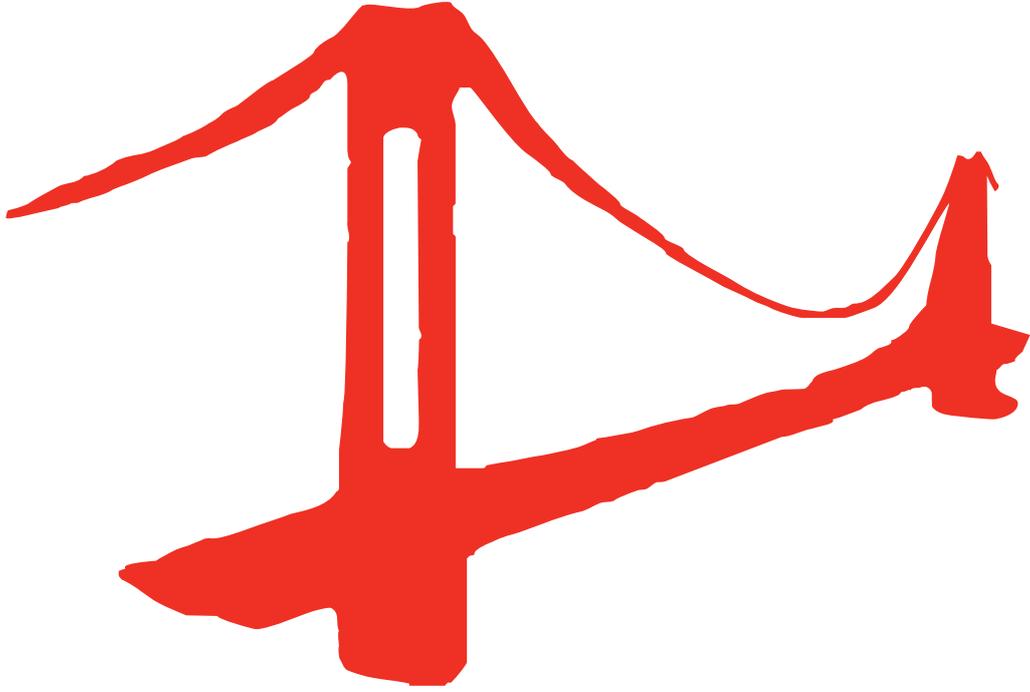
GENEL SIGORTA

Financial benefits provided to the members of the governing body and to the senior executives

Governing bodies and senior executives are composed of the Board Members, General Manager, Assistant General Managers and Directors.

The gross total amount of financial benefits such as daily allowance, wages, premiums, bonuses, dividends provided to governing body members and senior executives was TRY 6,674,617 in 2015.

The total amount of the appropriations, travel, accommodation and representation expenses provided to the governing body members and senior executives in 2015 was TRY 224,898 and the total amount of facilities in cash and in kind, insurances and other guarantees was TRY 249,194.



RESEARCH AND DEVELOPMENT ACTIVITIES



MAPFRE |

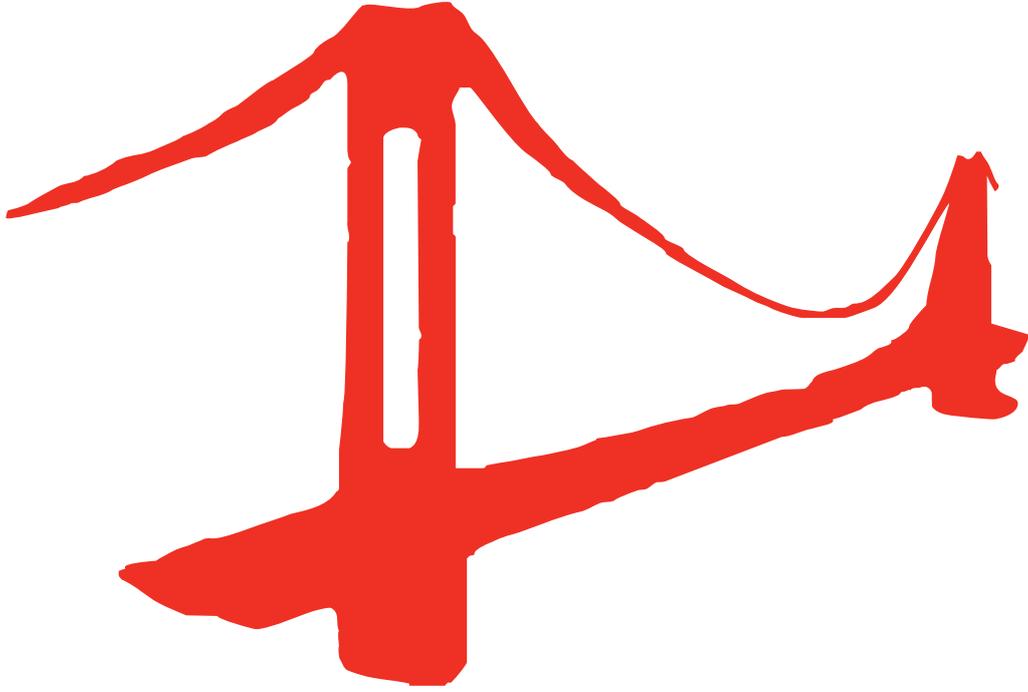
GENEL SIGORTA

Information relating to the research and development practices related to new services and activities

Mapfre Genel Sigorta takes the procedures set out below as the basis in the creation of new products and/or new services:

- Identification of the new needs on the basis of customer and resources (agency, brokers, etc.) and determination of the need for new products and/or new services by taking into account the demands,
- Carrying out the feasibility studies for the identification of the potential business volume (market research - benchmarking) and preparation of the new product and/or service design plan by seeking the know-how support from the relevant Mapfre center,
- Examination of the legal processes relating to the branch related to the product and/or service,
- Creation of the coverage of the guarantee, tariff related to the product and/or service in accordance with the insurance law and by taking into account the compliance with the Insurance General Conditions and possible reinsurance conditions,
- If the automation works for the product and/or service are necessary, completing such works in parallel with Mapfre Soft.

Even if there are issues which do not require the Company to obtain a new branch license, pursuant to the Legislation on the new products, it may be necessary to apply to the Undersecretariat of Treasury, General Directorate of Insurance and obtain the related approval. In cases where this need arises, after the completion of the works related to new product, the process is completed with the work necessary for the application and approval as the final stage.



**COMPANY'S
OPERATIONS AND
SIGNIFICANT
DEVELOPMENTS
RELATED TO THE
OPERATIONS**



MAPFRE

GENEL SIGORTA

Company's operations and significant developments related to the operations

The land located in Mugla, Bodrum Bitez which was included in the investment properties within the company's assets was sold on 14.07.2015.

2015 Internal Audit system activities

Our company's internal control system includes risk management, internal control and compliance functions and in accordance with the Regulation on the Internal Systems of the Insurance & Reinsurance and Pension Companies of the Undersecretariat of Treasury, it is executed under the administration of the General Manager and so that the ultimate responsibility belongs to the Board of Directors. The board member responsible for the internal systems, the risk manager and the internal control supervisor have already been assigned by the Board of Directors. The internal control system continues its functions in accordance with the written policies approved by the Board of Directors, in particular the Risk Management Policy, Compliance Policy and Internal Control Policy. In these policies, the principles of internal control system, its operating procedures, distribution of duties and the authorities and responsibilities of the internal control system responsables are defined. The Risk Management Committee consisting of General Manager, Assistant General Manager responsible for the Financial Affairs and Risk Manager operates within this context.

The internal control system, whose structure is based on the principle of triple line of defense, is a series of processes designed in order to ensure a continuance of the activities carried out for our company to achieve its objectives in an efficient and effective manner, reliability of the financial information and compliance with the external and internal rules and which belongs to all the employees. All process owners in the first line of defense have been made responsible for the effective execution of the internal control system by assuming the risks and controls together with the senior management in the light of the principles set forth in the Internal Control Policy and the Regulation on the Internal Systems of the Insurance & Reinsurance and Pension Companies. The Risk Management, Internal Control and Compliance Service located on the second line of defense are responsible for the supervision of this internal control system, and the Internal Audit Service located in the third line of defense is responsible for its audit.

Under the internal control system, the operational risks of the company are measured each year with an application called Risk Map, and the action plans related to the areas found risky in the risk maps generated as a result of the assessment are implemented. The operational risks and the control points relating to the actions contained in the modeled business processes are also identified. The financial risks are monitored periodically using certain models and their effects on capital adequacy are identified. In addition, the risks in the investment portfolio are analyzed, the risk limits arising from the investments are identified and compliance with these is monitored and reported on a daily basis.

The internal control system has been designed so that MAPFRE carries out its operations efficiently and effectively, in compliance with the internal rules and regulations and within the framework of the principles and values set out in the Good Governance Code. In this context, a Compliance Function has been established in order to ensure and control that our company complies with the legal regulations and internal company rules and there is a Compliance Policy in place which determines the purpose, scope, powers and duties of the Compliance Function. Accordingly, the compliance risks, effects of the changes in legislations on the company, the reportings required to be made periodically to public authorities and the MAPFRE Group written policies are followed and reported to the Board of Directors annually.

Within the year, an annual report summarizing all activities conducted relating to risk management and internal control is prepared in the context of internal control system and presented to the Board of Directors. The internal control activities recorded on these reports are audited by the Internal Audit Service each year.

2015 Internal Audit activities

The internal audit activities for the year 2015 outline the following aims: control and audit of the all businesses and operations of the company, in particular compliance with the applicable laws, regulations, communiqués, tariffs and instructions, general conditions and other legislation, internal guidelines of the company and management strategy and policy and the prevention and identification of the errors, frauds and irregularities.

In line with these purposes, the 2015 Internal Audit Department has carried out the activities within the framework of the MAPFRE Genel Sigorta A.Ş Internal Audit Departments Regulation so as to include all the activities, including the outsourcing activities of MAPFRE Genel Sigorta A.Ş, General Directorate Units, Regional Directorates and agencies.

In 2015, 39 audits were carried out by the Internal Audit Department. 14 of these audits were for Central Services, 17 were for Regional and Branch Directorates, 5 were for Special Duty, 1 was for Information Technology, 1 was for the affiliates and 1 was for agency audits.

Management's opinion on Internal Control System activities and Internal Audit activities

As a result of internal audit activities carried out in 2015, it was observed that, overall, the General Directorate Units, the Regional Directorates and the audited agencies perform in accordance with the principles and policies of the company, and no application that will significantly affect the company in financial terms could be found.

Financial risks and insurance risks are monitored by a risk-based capital adequacy model. In addition, the policies and procedures to monitor the risks arising from equity investments are determined. For this purpose, at the Company's Board of Directors meeting number 2015/28, dated 21/12/2015, the following were approved and put into practice:

- Risk appetite policy (risk management policies attachment)
- Policy for the conduct of Insurance and Reinsurance Functions and/or its activities through outsourcing
- Loans risk management policy
- Policy for the calculation of the capital adequacy and internal models
- Operational risk management policy
- Policy on the determination of the technical provisions
- Asset liability management policy
- Liquidity risk management policy
- Appropriateness and compliance policy
- Remuneration policy
- Internal control policy

The participations of the Company

As of 31.12.2015, the Company's participations are as follows.

	AMOUNT	SHARE
PARTICIPATIONS		
TARIM SİGORTALARI HAVUZ İŞLETMELERİ A.Ş. (TARSİM)	220.889	4,17%
SUBSIDIARIES		
MAPFRE GENEL YAŞAM SİGORTA A.Ş.	20.816.506	99.50%
GENEL SERVİS YEDEK PARÇA DAĞITIM TİC. A.Ş.	2.428.025	51%
	23.465.420	

- The Company has no acquired own share.

Public Audit

Within the company's 2015 fiscal year,

The Technical Provisions Audit has been initiated by the Insurance Auditing Board (IAB) as of 12.11.2014 and the relevant audit was completed with report number 2 dated 09.02.2015.

The Company was subject to the Reinsurance Operations Audit by the Insurance Auditing Board (IAB) and report number 5 dated 02.07.2015 was issued with regards to the audit.

As a result of both audits, no sanctions against the Company were implemented.

On 23.06.2014, the Republic of Turkey, Ministry of Finance, Tax Control Board, and the Istanbul Large-Scale Taxpayers Group Directorate initiated an investigation covering the entire Insurance Sector and relating to Insurance Transactions Tax, including the years 2009, 2010, 2011 and 2012, and this investigation is on going as of 31.12.2015.

Private audit

The information about the audit firms that the Company works with on the Independent Audit and Tax Audit and the audit hours are as set out below.

INDEPENDENT AUDIT FIRM'S

TITLE	AKİS BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş
ADDRESS	KAVACIK, RÜZGARLI BAHÇE MAH. KAVAK SOK. NO.29 BEYKOZ 34805 İSTANBUL
TAX OFFICE REGISTRATION NUMBER	BOĞAZIÇI KURUMLAR V.D 589 026 9940
PHONE	0216 681 90 00
FAX NUMBER	0216 681 90 90

<u>YEAR 2015 AUDIT</u>	<u>DURATION</u>
RESPONSIBLE PARTNER, CHIEF AUDITOR	36 HOURS
SENIOR AUDITOR	60 HOURS
AUDITOR AND ASSISTANT AUDITORS	904 HOURS
TOTAL	1.000 HOURS

CERTIFIED PUBLIC ACCOUNTANT

TITLE	FK YEMİNLİ MALİ MÜŞAVİRLİK LTD.ŞTİ.
ADDRESS	ATA 4 ÇARŞI PLAZA KAT.3 D.34 PLAZA ATAŞEHİR - İSTANBUL
TAX OFFICE REGISTRATION NUMBER	KOZYATAĞI V.D 385 034 6662
PHONE	0216 456 07 79
FAX NUMBER	0216 456 06 82

YEAR 2015 AUDIT CALENDER

MAY 2015	3 DAYS
JULY 2015	2 DAYS
AGUST 2015	5 DAYS
OCTOBER 2015	2 DAYS
DECEMBER 2015	3 DAYS
JANUARY 2016	2 DAYS
FABRUARY 2016	2 DAYS
APRIL 2016	3 DAYS
TOTAL	22 DAYS

Information relating to the internal audit supervisor of the company and the auditor authorized in accordance with Turkish Commercial Code number 6102**Internal audit responsible**

DATE OF ASSIGNMENT TO THE POSITION
07.05.2010

AREA OF RESPONSIBILITY
Mapfre Genel Sigorta A.Ş
Manager of Internal Audit

EDUCATION STATUS
Dokuz Eylül University Department of Civil
Engineering Northern Iowa University MBA

TERM OF OFFICE AND PROFESSIONAL EXPERIENCES

2010 - Mapfre Genel Sigorta A.Ş
2008-2010 KPMG VP, Internal Audit
2004-2008 Anadolu Sigorta A.Ş Inspector

Y.Emre Göçmen / President of internal Audit

The information relating to the authorized auditor elected within the content of agenda item No. 9 of the Ordinary General Assembly Meeting held on March 31, 2015 is as set out below.

Akis Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş

Eski Büyükdere Caddesi Orjin Maslak Plaza No.27 Maslak, Sarıyer / İstanbul

Kavacık, Rüzgarlı Bahçe Mahallesi Kavak Sokak No.29
Beykoz 34805 İstanbul

Boğaziçi Corporate Tax Office - 589 026 9940

Tel: 0216 681 90 00
Fax: 0216 681 90 90

www.kpmg.com

Lawsuits filed against the Company

Although they do not influence the financial situation and activities of the company, the number of lawsuits filed against the Company and which are continuing is 4,277. 4,271 of these lawsuits are related to damages equal to TRY 192,616,554, and this amount appears on the Company's financial statements as Outstanding Claims. There are also 6 other lawsuits equal to TRY 326,178.

The necessary provisions were allocated in the Company's financial statements both for the damage as well as for the other lawsuit.

Information concerning whether the targets set in the past have been reached and whether the General Assembly resolutions are fulfilled

While our company's profit before tax for 2015 was TRY 44,749,416.70 with a decrease of 24.8% compared to previous year, its profit after tax was TRY 32,816,870.76.

Our total premium production reached TRY 2,110,572.928 with an increase of 41.6% compared to the previous year and our market share increased to 7.74% from 6.57%. This result marks the first time we crossed the 2 billion TRY premium production threshold and we closed 2015 in 4th place by rising up one step in the premium production ranking.

When an assessment is made on the basis of branches, it will be seen that we moved to 3rd place by rising one step in the premium production with a market share of 10% in the engineering industry. Our 3rd place in the health care branch has not changed.

The insurance sector closed 2015 with a premium increase of 20% with a growth above the annual inflation which is 8.8% in non-life branches and this growth rate is a much better result than the 9% increase realized in the previous year. The 25% growth recorded in the automotive market, the upside acceleration experienced in residential sales and the premium increase of 37% obtained from traffic insurances can be considered as the most significant causes of the emergence of this growth.

We couldn't draw the same positive picture for the balance sheet data which we drew for the premium production. The industry's latest balance sheet results which are announced for 2015 belong to the end of September and accordingly the non-life companies are faced with a loss of TRY 110 million in the 9-month period. When we note that the industry had produced an accounting profit of TRY 570 million in the same period of last year, the negativity of the picture that emerged in 2015 will be assessed better.

When a thorough examination is made, it will be understood that the most important reason in the occurrence of this negative result is the technical loss experienced in traffic insurances. The technical losses in this branch, which has been producing negative results consistently, have reached an unsustainable size at TRY 1.7 billion in the first 9 months, and this damage is expected to exceed TRY 2 billion as of the end of the year. The negative picture experienced in traffic insurances has begun to threaten the financial capability of the companies, and as a reaction, the industry has started to increase traffic insurance premiums as of the second half of the year.

The high-amount premium increases experienced in traffic insurances have found reaction in the public and the causes of this increase have begun to be questioned. Insurance industry representatives have explained to the public the reasons for this issue via various platforms and authorized bodies. The expectations and demands of the industry for a long time have been to establish a standard practice in the calculation of, in particular, the physical injuries, by making the necessary changes in the Highway Traffic Act and other relevant legislation, to establish a system where sufferers will seek compensation by applying to the insurance company at first and to terminate the arrangements that generate retrospective result. This way, those suffering will not have resort to the courts and the compensation amounts rising due to court costs and interests will be brought under control. Insurance companies' expenses not increasing and remaining predictable will prevent excess fluctuations in traffic insurance premiums.

The Insurance Association of Turkey has completed its technical studies on the Direct Payment System in traffic insurances and has initiated industry briefing meetings. In the present situation, the insurance companies compensate the damages caused to the opposite parties by their own insurees and they are not able to take an active role in the process of damage control. With the new system, the companies will compensate the financial damages of their customers who are faultless in the accidents and will receive the compensation from the insurance company of the faulty party. The companies that will pay the damage of their own customers will become more active in damage control and quality of service by shaping their damage compensation organizations accordingly. With the new system, the companies will have a chance to discriminate themselves from their competitors in a positive way through enhancing their service quality and the insurees will benefit from the increase in quality brought by the competition.

Our financial strength grade in 2015 has been confirmed as AA (Tur) by Fitch Ratings which is an international rating agency. This grade is being given as a result of the investigations made on the fields of the financial and technical capability, management structure, risk acceptance policies and reinsurance practices of our company and the independent assessment made on the basis of internationally generally recognized assessment criteria.

Our Izmir Regional Directorate has moved to Folkart Towers as of June and our regional directorate will continue its operations in its new building.

Within this framework, our operating results for year 2015 are presented for your attention.

All the decisions taken at the Ordinary General Assembly Meeting held on 31.03.2015 were fulfilled by the Company Management.

Extraordinary General Assembly Meeting

The company carried out the extraordinary general assembly meeting on 16.09.2015 and the decisions taken are as follows. The main agenda of the meeting dated 16.09.2015 was the election of the new Board Members of the Company that will be valid as of 28.09.2015 for 3 years and the determination of the honorarium of the board members other than the Chairman of the Board who does not serve as tenured in any company affiliated to the Mapfre group and the board members who serve as tenured in any company affiliated to the Mapfre group.

Information on the attendance of board members at meetings

According to the Articles of Association, the Board of Directors meets as required. One more than half of the members should be present for the meetings to be valid. The decisions are taken by a majority of the present members. The minutes prepared accordingly are written in the minute book and signed by the members. The Board of Directors represents the company for its shareholders, 3rd parties and before the courts. In 29 of 30 board decisions taken unanimously during the year, all members participated.

The donations & grants and the expenditures within the framework of social responsibility projects made by the Company during the year

The total amount of donations made by the Company in 2015 was TRY 7,320.

The Volunteering projects and the Social responsibility projects realized by the Company in 2015 are below and the sponsor of both project groups is FUNDACIÓN MAPFRE.

The “I am a Volunteer” Program::

Within the scope of the “I am volunteer” projects, in 2015, the following activities were conducted:

- Stationery and clothing aid - Ağrı Kapanca Primary School, 22.01.2015
- Sakıp Sabancı Museum, Joan Miro Women, Birds and Stars exhibition - KORUNCUK, 07.02.2015
- Stationery and clothing aid - Şanlıurfa Suruç Dikmetaş Primary School, 09.03.2015
- Smiling faces - Kasımpaşa Orbay Primary School, 24.04.2015
- Blood donation - THE RED CRESCENT IN TURKEY, 20.05.2015
- MASK Book Club Book aid with the Spring Festival - Şanlıurfa Arisu Primary School, 21.05.2015
- Darıca Faruk Yalçın Zoo visit - KORUNCUK, 24.05.2015
- Wood painting workshop - KACUV, 27.06.2015
- Marbling Workshop - Alzheimer’s Foundation Nursing Home, 08.08.2015
- ADIM ADIM Run seminar KORUNCUK, 29.09.2015
- Stationery aid - Şanlıurfa Karatepe Primary School, 30.09.2015
- Recycling workshop - Kasımpaşa Orbay Primary School, 27.10.2015
- Organ donation - Istanbul Organ and Tissue Transplant Regional Coordination Team, 03.11.2015
- Blood donation - THE RED CRESCENT IN TURKEY, 05.11.2015
- LSV store product sales - LOSEV, 11.11.2015 - 12.11.2015
- ADIM ADIM Run - KORUNCUK, 15.11.2015
- MASK Marbling Club exhibition - The Spinal Cord Paralytics Association, 04.12.2015

MAPFRE Foundation Social Responsibility Projects:

In cooperation with the MAPFRE Foundation Road Safety and Accident Prevention Area, Target Zero in Traffic Accidents project, a Rollover simulator event was held at the Carrefour shopping center, EkşiFest, and Okan, Bilgi, Yıldız Technical and Sabancı Universities. A total of 2,040 people experienced the Rollover simulator.

In addition, 2,100 high-visibility vests and 21,050 leaflets were distributed in the event space. With the Intercity Academy, a total of 213 people were given training on Safe Driving, and in the autumn period of Target Zero in the Traffic Accident Project, all the participants (1,209 people) were provided with information about Safe Driving Training. In addition, the Road Safety portal was adapted to Turkish and more of the Road Safety in the Business Environment Booklets and Safe Driving Techniques DVDs were distributed.

In cooperation with the MAPFRE FOUNDATION Social Action Area, 11 graduate students at Bilgi University were granted a scholarship of 50%, and the annual education expenses of a successful high school student

who had lost his father and mother were covered. Also, the annual food costs of the Children in the Foundation of Vulnerable Children (Koruncuk) were covered.

In cooperation with the MAPFRE FOUNDATION Health Promotion Area, within the scope of the Healthy Living project, plans were made to conduct Healthy Living workshops against obesity in primary schools in 19 districts of Istanbul. This project was planned for the October 2015 - January 2016 period. As of 31.12.2015, at the end of the 11th week of the project, 8,226 students had been reached via 101 workshops held in 47 elementary schools in different districts of Istanbul. As part of the same project, the pictogram book called "Did your sweater get smaller?" and "Can and Cem's Secret" activity books were distributed to teachers and students. Also, distribution of the Back and Waist Health Guides are continued.

Relationships with the Company's community and their results

The Parent Company does not provide us with direct instructions regarding which company to work with. However, in 2015, our Company conducted business with Mapfre Group companies, subject to market conditions and within the framework of the company policies.

Our Company has realized all transactions with properly substituted performances subject to market conditions. Our company did not suffer any damages as a result of the operations it has carried out. On the contrary, considering the commercial life of our company, the operations carried out by our company with its Affiliates has led to the provision of faster feedback and speedier operations.

Considering our Company's relations in 2015 within the framework of Article 199 of the Turkish Commercial Code, it has been seen that such relations have been maintained with properly substituted performances subject to the market conditions. Accordingly, the Company is not required to perform any legal transaction or to take any legal measure under Article 199 of the TCC.

Corporate Governance Principles Compliance Report

1. DECLARATION OF COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES

Mapfre Genel Sigorta A.Ş. (the "Company") follows the corporate governance principles set forth in "Circular number 2011/8 on the Corporate Governance Principles of the Insurance Companies & Reinsurance Companies and Pension Companies" ("Circular") issued on 27.04.2011 by the Republic of Turkey Prime Ministry Undersecretariat of Treasury, and takes utmost care in carrying out its business and operations in accordance with this principle.

In this context, the Company's Board of Directors has decided to establish a Corporate Governance Committee with decision number 2013/27, dated 17 September 2013. The mission of the Corporate Governance Committee: to carry out the necessary work to ensure compliance with the principles set out in the Circular, advise the Board of Directors to this aim and to monitor the company's compliance with the principles.

Information about the members of the Corporate Governance Committee is listed below.

Name	Position in the Committee	Position in the Company	Contact Details Tel (212 334 90 00)
Serdar Gül	Chairman	General Manager Executive Board Member	sgul@mapfregenelsigorta.com
Erdinç Yurtseven	Member	Assistant General Manager	eyurtseven@mapfregenelsigorta.com
Necla Aksoy	Member	Human Resources Director	naksoy@mapfregenelsigorta.com
Can Akçaoğlu	Member	Director of Department of Legal Affairs	cakcaoglu@mapfregenelsigorta.com

However, the “MAPFRE Group Ethics and Conduct of Code Book”, which was approved on 25.06.2009 by MAPFRE S.A., which is the parent group company of Mapfre International S.A, and which entered into force on 01.09.2009, is being implemented in all MAPFRE Group Subsidiaries, including our company, and it makes a significant contribution in the adoption of the corporate governance principles by taking the equity, transparency, accountability and responsibility principles as its basis.

2. SHAREHOLDERS

Our company has not established a separate “Relationship with the Shareholders” Unit since the share rate of its main partner, Mapfre International S.A is 99.75%. Relationships with the shareholders are conducted within the Legal&Financial and Administrative Affairs Departments.

3. EXERCISE OF THE RIGHT TO INFORMATION OF THE SHAREHOLDERS

All shareholders are treated equally by our Company. There is no discrimination between the shareholders in the exercise of the rights to information and reviewing the information, and except for trade secrets, any provision of information to the shareholders is fulfilled. Any kind of information having importance that may affect the use of shareholders’ rights are presented to the shareholders in the “Announcements” section on our company’s website as up to date.

4. GENERAL ASSEMBLY MEETINGS

Our company takes every measure to ensure the participation of the shareholders at the General Assembly before the General Assembly Meetings in a timely manner and provides information on the agenda of the General Meeting in a complete manner so as not to create any hesitation and to enable the shareholders to make the necessary preparations. In the General Assembly Meeting, the issues on the agenda are communicated in an unbiased and detailed way, with a clear and understandable method and the shareholders are given the opportunity to express their opinions and ask questions under equal conditions and a healthy discussion environment is created. Our company provides each shareholder the opportunity to use their right to vote in the most appropriate and convenient way.

In 2015, two (2) General Assembly meetings were held, including one ordinary and one extraordinary. Both meetings were held at Yenişehir Mah. Irmak Cad. No:11, 34435, Beyoğlu, Dolapdere, İstanbul, which is the registered office of the Company.

The call for the Ordinary General Assembly Meeting convened on March 31, 2015, has been made, as stipulated in the articles of association, via announcement in Turkish Trade Registry Gazette number 8773 dated 6.03.2015 and in Aksam and Gunes Newspapers dated 09.03.2015 and on the company’s web site, on 10.03.2015, and also by notifying holders of the registered share of the meeting’s date and agenda via registered mail, within its duration. In the relevant meeting, our annual report for 2014 (including the financial statements), the independent auditor’s opinion and other documents constituting a basis for the agenda items of the General Assembly were presented to the shareholders. Our annual report for the 2015 period (including the financial statements), the independent auditor’s opinion and other documents constituting a basis for the agenda items of the General Assembly will be presented to the shareholders on 31.03.2016.

The call for the Extraordinary General Assembly Meeting convened on September 16, 2015, has been made, as stipulated in the articles of association, via announcement in Turkish Trade Registry Gazette number 8880 dated 10.08.2015 and in Aksam and Gunes Newspapers dated 07.08.2015 and on the company’s web site, on 07.08.2015, and also by notifying holders of the registered share of the meeting’s date and agenda via registered mail, within its duration. In the relevant meeting, re-election of the Company’s Board of Directors was decided.

In both General Assembly meetings, it is considered that our Shareholders did not experience any difficulties or disruptions in participating in the General Meeting, because no feedback was received in this regard.

The minutes of the General Assembly can be accessed from our company's website at www.mapfregenelsigorta.com. The related minutes are made available to shareholders at company headquarters. The shareholders asked no questions at the General Assembly and no advice on the agenda was given.

5. VOTING RIGHTS AND MINORITY RIGHTS

The Company avoids the practices that complicate the exercise of voting rights and it is intended that each shareholder uses their voting right according to the articles of association and the law.

The procedure of voting in the General Assembly has been set forth in the "Internal Guidelines on the Working Procedures and Principles of General Assembly of Mapfre Genel Sigorta Anonim Şirketi" which was prepared with Board decision number 2013/13 dated March 22, 2013, and approved with the Ordinary General Assembly Meeting held on March 29, 2013 and it is made available for review by the shareholders at the General Assembly Meetings.

The company shows maximum attention to the exercise of minority rights and avoids those practices that complicate the free transfer of the shares by shareholders.

6. PROFIT SHARE RIGHTS

There is no privilege regarding participation in the Company's profit. Profit distribution is carried out in accordance with the relevant legal legislation and the articles of association within the legal timeframe. In determining the distribution of profit, the articles of association, long-term group strategies, investment and financing policies, profitability and cash positions and most importantly the capital adequacy ratios are taken into account. In parallel with the estimates for the coming years regarding the Capital Adequacy of the Company and the company's objectives, profit distribution decisions are taken by the General Assembly in March each year by the partners.

The Company's policy for distribution of profit is set out in Article 53 of the Company's Articles of Association.

7. TRANSFER OF SHARES

Transfer of shares are made in accordance with the Articles of Association and the relevant legislation. There is no provision restricting the transfer in the Company's Articles of Association.

8. DISCLOSURE POLICY

Our Company's disclosure policy is approved by the Board of Directors. The disclosure intends to disclose information, except issues that fall within the scope of trade secrets within the framework of the legal legislation, timely and accurately and covers how, how often and in what way this information will be announced.

The information to be disclosed to the public within the framework of the disclosure policy has been determined as the quality policy; mission; vision; values; strategy; plans; past performance; goals; and other similar matters of the Company, except issues that are required to be disclosed by the relevant legal legislation and issues that fall within the scope of trade secrets.

The information specified to be disclosed with the relevant legal legislation is disclosed within the relevant period and issues other than these are disclosed via the above mentioned media when required. The disclosures are made on the company web address at www.mapfregenelsigorta.com ("Internet Address"); in company annual

reports, Financial Reports and Independent Auditor's Report; in the Trade Registry Gazette; via announcements made through Written and Visual Media Organizations; with communication via landline and GSM operators; with press releases, meetings and promotions; by e-mail and similar communication methods and due authorization carried out with the authorized signatures of the company.

Management and execution of the Disclosure Policy are the authority and responsibility of the Board of Directors. Related matters are announced by a member of personnel to be appointed with the approval of the Company's General Manager.

9. THE COMPANY'S WEBSITE AND ITS CONTENT

In the "Information Society Services" section of the Company's Internet Address, the following are included: the capital structure of the Company; its Trade Registry Information, Board of Directors' information; Financial Information; General Assembly resolutions; Internal Directive; Registry Announcements, Auditor's Information and the "Announcement" section where important considerations are published. The related information is kept up to date and presented for the information of the public and, in particular, of our shareholders.

10. ANNUAL REPORT

Our company's annual report presents the requirements of the Corporate Governance Principles to the shareholders and it is intended that the public obtains transparent and accurate information about the Company's activities.

11. INFORMATION TO STAKEHOLDERS

Our company uses the Company's Internet address actively in elucidation of the stakeholders and the public. In this context, the stakeholders are informed both via the section called the "Announcements" on the company's web site and by means such as press conferences, newsletters, annual reports, statements and so on. Thus, the information to be disclosed to the public, which may have an effect on the company's financial situation, the significant changes that may occur in this case are made available to the public in an accurate, complete, understandable, up to date and easily accessible format.

The activities with regards to notifying the employees of the human resources policies are carried out by the Human Resources Department both via the inter company intranet and e-mails and the written and visual posters.

12. PARTICIPATION OF THE STAKEHOLDERS TO THE MANAGEMENT

There is no arrangement for the participation of the stakeholders in Company management. However

- **Employees and Regions** are informed by inter Company e-mails regarding the Company's activities; and for employees of the regional directorates, periodic regional meetings are organized.
- **Agencies** are informed by inter Company e-mails regarding the Company's activities, and the agencies' contribution to the management is provided through agency meetings held during the year.
- **Shareholders** are provided in accordance with the legislation related to participation in management and the articles of association.
- **Customers:** The Company information is presented in detail on the website for the customers. Also, the opportunity to have customers contribute to management is provided via the Company's website.

13. HUMAN RESOURCES POLICY

The vision of the Human Resources Department is to create a corporate culture where the best want to work, where they are permanent and happy since they can transform their potential into high performance, and where service quality and customer satisfaction are the outcomes of the employees, starting from the point where the ability of the Company to be able to realize its corporate objectives is proportional to the skill and efforts of our employees.

In line with this vision, the Company undertakes and aims to create a high-performing working environment based on mutual respect and trust, where everyone feels responsible for achieving the set targets and to ensure continuity; to encourage two-way open communication between employees, which is the basis of trust and mutual understanding, and between the employees and their managers; to structure tasks so as to ensure the most efficient operation and to ensure that employees are working in positions that suit their knowledge and abilities; to assess employee performance with objective criteria; to ensure that high-performing employees are appreciated, encouraged and motivated; to carry out employee career development, promotion and remuneration within an objective system; to identify, plan and implement the training needs of employees related to professional and personal development; to create a work environment that encourages employees to develop themselves and their work and to make improvements with their suggestions; to employ persons eligible for the work and corporate culture in the relevant jobs, initially from the available human resources of the company; to ensure high-performing employees are given priority for roles with responsibility and to prepare employees for roles they are assigned so that they can properly perform; to create a safe and healthy work environment and to evaluate and implement all the rights of employees in accordance with the laws and rules.

Manpower is the leading value within the MAPFRE system. With the awareness that all kinds of development in this field play a key role in the future success of our Company, the Human Resources Policy adopts a management philosophy focused on developing leaders who have effective people management skills; encourages learning and development; and knows and implements human resources practices. In this context: the employment policy; wage policy; education policy; performance evaluation policy and the promotion policy principles have been determined by the Human Resources Department in accordance with MAPFRE Group Global Policies and guidelines. During the preparation of the recruitment policy and the career planning, the principle of providing equal opportunities to people in equal conditions has been adopted, and the briefing meetings about the programs for the company's values, financial facilities provided, career development, training needs and health promotion have been carried out.

Executives have determined the job descriptions and distribution of duties of Company employees and shared these with the employees, and all attempts have been made to provide a safe environment and good conditions for the employees. Measures for the protection of the employees against physical, mental and emotional abuse within the company have been taken and in this regard, the "Protocol on the Prevention of Harassment Cases" has been put into effect. The Human Resources Department organizes e-learning sessions on issues such as Ethics and Code of Conduct and Prevention of Harassment Cases.

14. ETHICS AND SOCIAL RESPONSIBILITY

The Company has brought Ethics and Code of Conduct to the attention of the company's employees in the company intranet. The company is sensitive to social responsibility projects and acts in accordance with the regulations and ethical rules relating to the environment, consumers and public health. In this regard, volunteer and social responsibility projects were organized within the scope of the company.

The "I am volunteer" projects and the social responsibility projects conducted by the company in 2015 are listed below, the sponsor of both project groups is the MAPFRE Foundation (Fundación MAPFRE).

Projects realized with volunteering employees in 2015 are:

- Stationery and clothing aid - Ağrı Kapanca Primary School, 22.01.2015
- Sakıp Sabancı Museum, Joan Miro Women, Birds and Stars exhibition - KORUNCUK, 07.02.2015
- Stationery and clothing aid - Şanlıurfa Suruç Dikmetaş Primary School, 09.03.2015
- Smiling faces - Kasımpaşa Orbay Primary School, 24.04.2015
- Blood donation - THE RED CRESCENT IN TURKEY, 20.05.2015
- MASK Book Club Book aid with the Spring Festival - Şanlıurfa Arısu Primary School, 21.05.2015
- Darıca Faruk Yalçın Zoo visit - KORUNCUK, 24.05.2015
- Wood painting workshop - KACUV, 27.06.2015
- Marbling Workshop - Alzheimer's Foundation Nursing Home, 08.08.2015
- ADIM ADIM Run seminar KORUNCUK, 29.09.2015
- Stationery aid - Şanlıurfa Karatepe Primary School, 30.09.2015
- Recycling workshop - Kasımpaşa Orbay Primary School, 27.10.2015
- Organ donation - Istanbul Organ and Tissue Transplant Regional Coordination Team, 03.11.2015
- Blood donation - THE RED CRESCENT IN TURKEY, 05.11.2015
- LSV store product sales - LOSEV, 11.11.2015 - 12.11.2015
- ADIM ADIM Run - KORUNCUK, 15.11.2015
- MASK Marbling Club exhibition - The Spinal Cord Paralytics Association, 04.12.2015

Corporate Social Responsibility Projects:

In cooperation with the MAPFRE Foundation Road Safety and Accident Prevention Area, Target Zero in Traffic Accidents project, a Rollover simulator event was held at the Carrefour shopping center, EkşiFest and Okan, Bilgi, Yıldız Technical and Sabancı Universities. While a total of 2,040 people experienced the Rollover simulator, 2,100 high-visibility vests and 21,050 leaflets were distributed in the event space. In collaboration with the Intercity Academy, a total of 213 people were given training on Safe Driving and also in the autumn period of the Target Zero in the Traffic Accident Project, all participants (1,209 people) were provided with information about the Safe Driving Training. Also, the Road Safety portal was adapted to Turkish.

In cooperation with the MAPFRE Foundation Social Action Area, 11 graduate students at Bilgi University were granted a scholarship of 50% and the annual education expenses of a successful high school student who had lost his father and mother were covered. Also, the annual food costs of the Children in the Foundation of Vulnerable Children (Koruncuk) were covered.

In cooperation with the MAPFRE Foundation Health Promotion Area, within the scope of the Healthy Living project, plans were made to conduct Healthy Living workshops against obesity in primary schools in 19 districts of Istanbul. This project was planned for the October 2015 - January 2016 period. During this time, 9435 children were reached with 125 workshops carried out in 57 primary schools in 39 districts in Istanbul. As part of the same project, the pictogram book called "Did your sweater get smaller?" and "Can and Cem's Secret" activity books were distributed to teachers and students. Also, distribution of the Back and Waist Health Guides to new company employees continued.

15. STRUCTURE AND FORMATION OF THE BOARD OF DIRECTORS

The Board of Directors consists of 5 members.

Name	Title
Hüsametttin Kavi	Chairman of the Board
Serdar Gül	Deputy Chairman of the Board and General Manager
Ali Güven Aykaç	Executive Board Member
Nikolaos Antimisarıs	Executive Board Member
Süleyman Serdar Çaloğlu	Executive Board Member

Mr. Hüsametttin Kavi and Mr. Ali Güven Aykaç, members other than Mr. Süleyman Serdar Çaloğlu, work in the existing MAPFRE GROUP companies.

16. OPERATING PRINCIPLES OF THE BOARD OF DIRECTORS

The Board of Directors determines the company's policy and strategy, methods to follow to achieve these policies and strategies, the developments relating to these policies and strategies, the process to be followed in the supervision and evaluations. In this context, the Board of Directors reviews the degree to which the company meets its target, and its operations and past performance, in a continuous and effective way and takes measures where necessary. The Board of Directors observes the compliance of the company's operations with the legislation, Articles of Association, internal regulations and the established policies.

According to the Articles of Association, the Company's Board of Directors consists of at least five (5) and at most seven (7) people, including the General Manager. The General Manager is a natural member of the Board of Directors. According to Article 25 of the Company's Articles of Association, the Board of Directors meets anytime in order to fulfill their duties and manage the business in accordance with Turkish Commercial Code No. 6102, other applicable legislation and the Articles of Association. Board members are appointed for a period of three (3) years.

It is essential that Board members perform their duties prudently and in good faith, and it is mandatory, due to legal legislation, that the majority of the Board members have received at least four (4) years of higher education and are selected from among people who have at least three (3) years of experience in the fields of insurance, economics, business, accounting, law, finance, mathematics, statistics, actuarial or engineering. All of the members have these qualities.

17. NUMBER, STRUCTURE AND INDEPENDENCE OF THE COMMITTEES ESTABLISHED IN THE BOARD OF DIRECTORS

The Investment Strategy Committee, Risk Management Committee, Corporate Governance Committee the and Executive Committee have been established under the Board of Directors. The Risk Management Committee

and the Corporate Governance Committee were established in 2013 by the Board of Directors, and although the Investment Strategy Committee was established in 2010 as the Investment Committee, it underwent a name change in 2013. The Executive Committee was established in 2015 by the Board of Directors.

18. RISK MANAGEMENT, INTERNAL CONTROL AND COMPLIANCE MECHANISM

The Company's risk management, internal control and compliance functions are executed under the administration of the General Manager in accordance with the Regulation on the Internal Systems of the Insurance & Reinsurance and Pension Companies of the Undersecretariat of Treasury so that the ultimate responsibility belongs to the Board of Directors. The board member responsible for the internal systems, the risk manager, the internal control responsible and head of the compliance function have already been assigned by the Board of Directors. The functions for the internal systems continue to function in accordance with the written policies approved by the Board of Directors, in particular the Risk Management Policy, Compliance Policy and Internal Control Policy. In these policies, the risk management, principles of internal control and compliance functions, operating processes, distribution of duties and the authorities and responsibilities of the internal control system supervisors are defined. In this context, there is a department in charge of the fulfillment of these functions, and a Risk Management Committee composed of the General Manager, Assistant General Manager responsible for Financial Affairs and the Risk Manager is also active.

The internal systems, which are structured based on the principle of triple line of defense, are a series of processes designed in order to ensure the continuation of activities carried out in order for our company to achieve its objectives in an efficient and effective manner, reliability of the financial information and compliance with the external and internal rules and which belongs to all the employees. All process owners in the first line of defense assume the risks and controls together with the senior management in the light of the principles set forth in the relevant internal regulations and the Regulation on the Internal Systems of the Insurance & Reinsurance and Pension Companies. The Risk Management and Internal Control and Compliance functions located on the second line of defense are responsible for the supervision of the system, and the Internal Audit Service located on the third line of defense is responsible for its audit.

Under the risk management, the operational risks of the company are measured each year with an application called Risk Map and the action plans related to the areas found risky in the risk maps generated as a result of the assessment are implemented. The operational risks and the control points relating to the actions contained in the modeled business processes are also identified. The insurance risks and the financial risks are monitored periodically using certain models and their effects on capital adequacy are identified. In addition, the risks in the investment portfolio are analyzed, the risk limits arising from the investments are identified and compliance with these is monitored and reported on a daily basis.

The internal systems have been designed so that MAPFRE carries out its operations efficiently and effectively, in compliance with the internal rules and regulations and within the framework of the principles and values set out in the Good Governance Code. In this context, a Compliance Function has been established in order to ensure and control that our company complies with the legal regulations and internal company rules and there is a Compliance Policy in place which determines the purpose, scope, powers and duties of the Compliance Function. Accordingly, the compliance risks, effects of the changes in legislations on the company, the reportings required to be made periodically to public authorities and the MAPFRE Group written policies are followed and reported to the Board of Directors annually.

Within the year, an annual report summarizing all activities conducted relating to the risk management and internal control is prepared in the context of internal systems, and through this report, the activities of the internal control system are subject to audit by the Internal Audit Service. The final version after the audit is presented to the Board of Directors.

19. STRATEGIC OBJECTIVES OF THE COMPANY

The mission of our company, whose vision is to be a reliable insurance company worldwide, is to become a multinational team that aims at continuous improvement in the service and to develop the best possible relations with our customers, distribution channels, suppliers, shareholders and with the public.

Our company's quality policy is to be a transparent and dynamic organization that has a business partnership approach with reinsurers and insurance agents in line with the vision of being a reliable insurance company worldwide that focuses on customer needs and expectations, knows that quality is the outcome of systematic endeavour, that supports the active participation and advice of its employees, that sees providing quality services as a leadership element, that adopts continuous improvement at all levels as a management philosophy and that improves its service understanding constantly.

Our company's values are capital strength, integrity, spirit of service, a team dedicated to innovation and leadership. Our company's vision, mission and values are publicly disclosed on the Company's website.

Our values, which light the way for us to reach our global vision of being the most reliable insurance company, support our corporate governance principles.

In this context, the workshops on our values of Integrity, Capital Power, Being a Dedicated Team, Spirit of Service, Innovation for Leadership and our strategic competencies determined based on these values which are Customer Orientation, Mutual Commitment, and Innovation were held with the participation of all domestic MAPFRE employees.

Our strategic objectives are determined within the framework of the conjuncture of the world and Turkey, competitive conditions and the economic climate by the Board of Directors every year and approved by our Board of Directors. Our Board of Directors checks the degree to which we have reached each of our goals, past performances, and implementation process on a yearly basis.

Our Company has adopted the principle of Management by Objectives and the company supports the strategic objectives with a Performance Management System which will support all employees to take ownership of strategic objectives and responsibility, starting from the top.

20. FINANCIAL BENEFITS

The policy on the remuneration to be given to the Board members, senior management and other personnel is approved by the decision of the Board of Directors.

The purpose of the remuneration policy is to determine the appropriate compensation levels for each task/job and the performance displayed here and to function as a source of satisfaction and motivation that facilitates reaching the goals and compliance with the corporate strategy for the staff.

The Remuneration Policy constitutes effective risk management by avoiding the risks in excess of tolerance limits as well as the conflicts of interest.

MAPFRE GENEL SİGORTA A.Ş. Remuneration Policy

Our remuneration policy is task/job oriented and includes measures to eliminate all types of conflicts of interest that may arise.

This policy takes the merit, technical equipment, professional skills and performance into account;
Guarantees equality without discriminating against gender, race or ideology;

Is transparent since it is presented to all parties affected;

It is flexible in structural terms and therefore it can be adapted to the different groups and market conditions.

We make every attempt to satisfy our staff members in the best way and within the framework of the existing possibilities in terms of wages and social rights.

The balances within the company, sectoral and general wage policy reports and the MAPFRE GROUP wage policies and principles are taken into account in the regulation of wages.

The remuneration to be paid to the Board members is at the discretion of the General Assembly.



MAPFRE

GENEL SIGORTA

FINANCIAL SITUATION



MAPFRE

GENEL SIGORTA

Financial situation and results of operations

Our Company's results on the commercial operations for 2015 are presented for your attention below.

Our company's total premium production has reached TRY 2,110,572,928.31 with an increase of 41.56% compared to the previous year.

When examined by branches, it is seen that there is a premium increase of 62.04% in the auto accident branch which constitutes 58.30% of the total premium production and there is an increase of 16.75% in the health care branch which constitutes 16.20% of the total premium production.

Our company closed 2015 with a technical profit of TRY 58,759,016.47 (1). The highest technical profit was obtained in the engineering branch.

The administrative expenses made for our operations were TRY 103,414,531.08 (2). The general expenses were TRY 149,142,402.93 together with the income & profits and expenses & damages from other operations and extraordinary operations and occurred over the previous year's level.

Our investment income was TRY 124,244,099.73, our investment costs were TRY 27,284,149.70 excluding the income transferred to the non-life technical department and the losses from extraordinary operations were TRY 24,898,303.20 and the net financial result was TRY -14,009,599.77 (3).

While our company's profit before tax for 2015 reached TRY 44,749,416.70, its profit after tax was TRY 32,816,870.76.

We respectfully submit for your information.

(1) The investment income transferred to the non-life technical section which amounts to TRY 76,807,654.21 has been deducted from the technical division balance which is stated as TRY 73,076,668 in the financial statements dated December 31, 2015 and an amount of TRY 103,414,531.08 which was calculated by deducting the net commission expense from the operating expenses was added. In addition, the doubtful receivables regarding the recourses accrued which amount to TRY 17,343,284.48 have been transferred to the technical profit from the TRY 24,898,303.20 amount that is followed in the income & profits and expenses & losses from other operations and extraordinary operations.

(2) The net commission expense has been deducted from the operating expenses stated in the financial tables dated December 31st, 2015.

(3) The remaining profit after the technical profit specified as TRY 58,759,016.47 is deducted from the profit for the period stated in the financial statements dated December 31, 2015 has been described as the financial profit.

Summarized financial information for a five-year period, including the reporting period

MAPFRE GENEL SİGORTA A.Ş.

5 YEAR BALANCE SHEET ANCOME STATEMENT – TRY

Assets	31.12.2015	31.12.2014	31.12.2013	31.12.2012	31.12.2011
I-Cash Reserves	1.035.542.462	574.173.361	524.266.693	531.553.595	388.287.481
II-Securities Portfolio	217.954.348	330.743.901	221.839.534	55.029.331	146.886.670
III-Receivables	858.632.493	789.360.785	719.353.485	486.263.273	364.633.495
IV-Receivables under Administrative and Legal Proceedings	-	-	-	39	38
V-Participations	23.477.455	23.467.886	43.281.691	43.281.691	40.853.666
VI-Fixed Assets	179.883.831	33.354.061	27.585.230	45.882.839	50.123.831
VII-Other Assets(Net)	17.990.294	9.242.877	11.070.607	115.227	83.450
Total Assets	2.333.480.881	1.760.342.870	1.547.397.240	1.162.125.995	990.868.631
Liabilities					
I-Debts	327.352.455	249.584.247	204.631.167	166.145.838	108.275.837
II-Provisions	1.379.057.144	898.000.593	779.354.763	480.841.468	382.843.917
III-Other Liabilities	40.400.543	31.234.168	27.767.427	22.610.571	27.233.318
IV-Equity Capital (1)	545.863.698	525.535.436	449.184.653	445.854.926	438.280.043
V-Profit (1)	40.807.043	55.988.427	86.459.230	46.673.192	34.235.515
Total Liabilities	2.333.480.881	1.760.342.870	1.547.397.240	1.162.125.995	990.868.631
Statement of Income					
I-Technical Income (2)	1.299.039.204	1.103.446.803	902.277.842	591.921.359	376.189.801
II-Technical Expenses (3)	1.229.747.295	1.005.266.803	841.044.517	510.475.752	328.159.730
III-Technical Profit/Loss (I-II)	69.291.910	98.180.000	61.233.325	81.445.607	48.030.071
IV-General Expenses (4)	96.604.140	86.942.063	81.948.688	58.706.070	44.719.962
V-Financial Income	124.244.100	82.380.328	148.552.426	57.248.784	60.206.345
VI-Inflation Loss (5)	52.182.453	34.097.132	34.195.432	31.735.097	29.836.600
VII-Inflation Loss	-	-	-	-	-
VIII- Profit/Loss for the Period (III-IV-V-VI-VII)	44.749.417	59.521.134	93.641.631	48.253.224	33.679.854
IX-Provisions for Tax and Other Liabilities on Profit for the Period (-)	11.932.546	11.522.879	15.172.572	9.570.202	7.434.508
X-Net Profit/Loss for the Period (VII-IX)	32.816.871	47.998.255	78.469.059	38.683.022	26.245.346

(1)The equity figures stated do not include the profit and losses of the previous year and losses of the previous year are included in the profit figure stated in V.

(2)The investment income transferred from the non-life non-technical section stated in the financial statements dated December 31st,2015 are stated as deducted.

(3)The amounts stated as non-life technical expense in the financial statements dated December 31st,201 are divided into technical expenses and general expenses in the table above.

(4)The net, commission expense is deducted from the operating expenses stated in the financial statements dated December 31st,2015.

(5)The investment income transferred to the non-life technical section is deducted from the investment expenses stated in financial statement dated December 31st,2015 and the income & profit and the expenses & losses from other operations and extraordinary operations are taken into account.

The identification and the Governing Body's Assessment on whether the Company's capital is unreciprocated and whether it is in debt

Information relating to the financial structure

The objective of the Regulation on the Measurement and Evaluation of the Capital Adequacies of Insurance & Reinsurance and Pension Companies is to ensure that insurance companies keep a sufficient amount of equity against damages that may arise due to existing obligations and potential risks. According to Article 17 of Insurance Law No. 5684, non-life insurance companies will provide the minimum guarantee fund as collateral so as not to be less than one-third of the capital adequacy. Minimum guarantee fund may never be less than one third of the minimum capital amounts required for the branches for a given term.

According to the results of the capital adequacy statements measuring the amount of required equity capital for the company, the Company's capital adequacy dated 31.12.2015 was calculated as TRY 16.426.715 as positive.

Assessment on the financial situation, profitability and compensation solvency

The ratios related to the financial structure which are used in the on-site audit of the insurance companies and which are internationally recognized are presented in the attached table. These ratios, which also confirm the financial structure of Mapfre Genel Sigorta, are well above the insurance industry averages and world standards.

The ratio of the equities in compensating for the net claims is 59% and in compensating for the net paid damage is 66%. The ratios for compensating for damage by liquid assets are 126% and 140% respectively.

Profit share distribution policy

The Company takes its profits for the period to the General Assembly with the recommendation of the Board of Directors and the profit sharing is made according to the decision taken by the General Assembly. The Company will discuss the recommendation decision of the Board of Directors related to the profit for year 2015 at the Ordinary General Assembly meeting to be held on March 31, 2016.

Our ratios

A- RATIOS REGARDING CAPITAL ADEQUACY

	%
1- Equity capital / Premium Received(Gross)	28
2- Equity capital / Premium Received(Net)	36
3- Equity capital / Total Assets	25
4- Equity capital / Technical Provisions	43
5- Liabilities / Total Assets	75

B- RATIOS FOR ASSET QUALITY AND LIQUIDITY

	%
1- Liquid Assets / Total Assets	54
2- Liquid Ratio	74
3- Current Ratio	124
4- Premium and Reinsurance Receivables / Total Assets	29
5- Agency Receivables / Equity Capital	90
6- Collection Ratio	73

C- OPERATING RATIOS

	%
1-Retention Ratio	78
2-Claims Payment Ratio	66
3-Claims Share Ratio	89
4-Premium Growth Rate	42

D- PROFITABILITY RATIOS

	%
1- Damage /Premium Ratio (Gross)	66
2- Damage /Premium Ratio (Net)	74
3- Expense Ratio	18
4- Combined Ratio	92

THE RISKS AND ASSESSMENT OF THE GOVERNING BODY



MAPFRE

GENEL SIGORTA

Information relating to the operations carried out with the risk group where the Company is involved

Mapfre Genel Sigorta acts within the conditions and rules of application which are applicable to third parties in its relationships with the companies within the risk group where it is involved. On September 20, 2007, MAPFRE Genel Sigorta joined the MAPFRE Group with the majority stake.

Since the reinsurance protections owned by MAPFRE are subject to the 100% MAPFRE RE placements, as of 01.01.2008, the reinsurance protections of MAPFRE Genel Sigorta on the basis of treaty are also got off to MAPFRE RE. According to A.M BEST MAPFRE RE has been graded as "A", and MAPFRE RE is a reinsurance company that operates in Spain/Madrid as affiliated to the MAPFRE S.A group.

Information relating to the risk management policies implemented by risk type

Our company's risk management policies and activities are conducted as specified in the following main headings.

1) On the Basis of Risk/Guarantee:

Our company creates the risk acceptance policies through the damage suffered in the past as a result of a long period and its other experiences. These are also periodically reviewed in the light of the internationally recognized general statistics and criteria. And our company's reinsurance contracts create the basis of our risk acceptance criteria which are identified annually.

From the point of view that reinsurance protection is one of the most important factors in continuing the presence of the company, the identified risks are analyzed by the risk engineers, and other methods, and assessed. Risk Acceptance Criteria are communicated in writing to all company officials and distribution channels and their application is also followed carefully in a systematic manner.

2) On the Basis of Catastrophic Risk:

The catastrophic scenario of the Company has been created taking into account the risk of earthquakes since Turkey is located on active seismic fault lines. Therefore, in our Company, the risk of earthquake is monitored on the basis of the earthquake zone, as it is monitored in the entire insurance industry of Turkey. The earthquake risk in Istanbul and the surrounding area is closely monitored, since it is the earthquake zone with the highest risk; and this risk is kept under control with periodic reports on the subject. These considerations are also shared with our reinsurers.

According to our obligations related to the total number of earthquakes (earthquake cumulations), with Mapfre Re reinsurance company, and other international reinsurance companies with which we cooperate in connection with earthquakes, on the advice of brokers, the limits of the necessary reinsurance protection programs are identified and the protections are purchased accordingly. The purchased protection limits can be revised according to the growth rates and economic changes of the company's earthquake portfolio during the year.

While these programs cover other natural disasters as well as the risk of earthquake, the consequences of catastrophic risks other than natural disasters where multiple risk issues may be affected are also included in the coverage.

3) Determination of Our Retentions:

The retention amounts related to each branch/product in our company are determined separately. While this is carried out, the related risk profiles, damage frequencies, dimensions, average damage amounts and loss-premium ratios, and, if any, reinsurance needs and circumstances are analyzed, and the company's equity capital for the determined retention amounts is also determined in accordance with the relevant legislation.

4) Reinsurance Policies:

Our company's reinsurance activities occur in different ways based on risk and annual treaty agreements. Although our need for Optional Reinsurance on the basis of risk is addressed with the companies with whom we have annual treaty agreements, our first choice of reinsurers are those companies whose financial structures are strong, based on need and expertise and the power of which is documented by their agreements.

Our proportional or non-proportional annual reinsurance contracts have been made with Mapfre Re since 2008, and the needs and reinsurance solutions of the company are solved mutually with this company.

OTHER CONSIDERATIONS

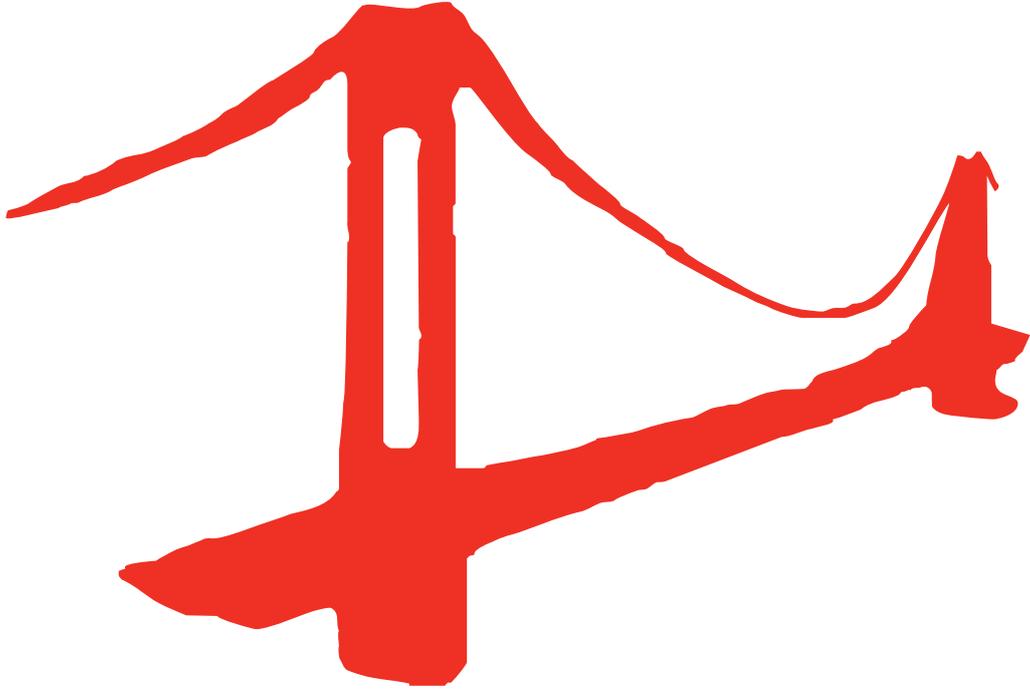


MAPFRE |

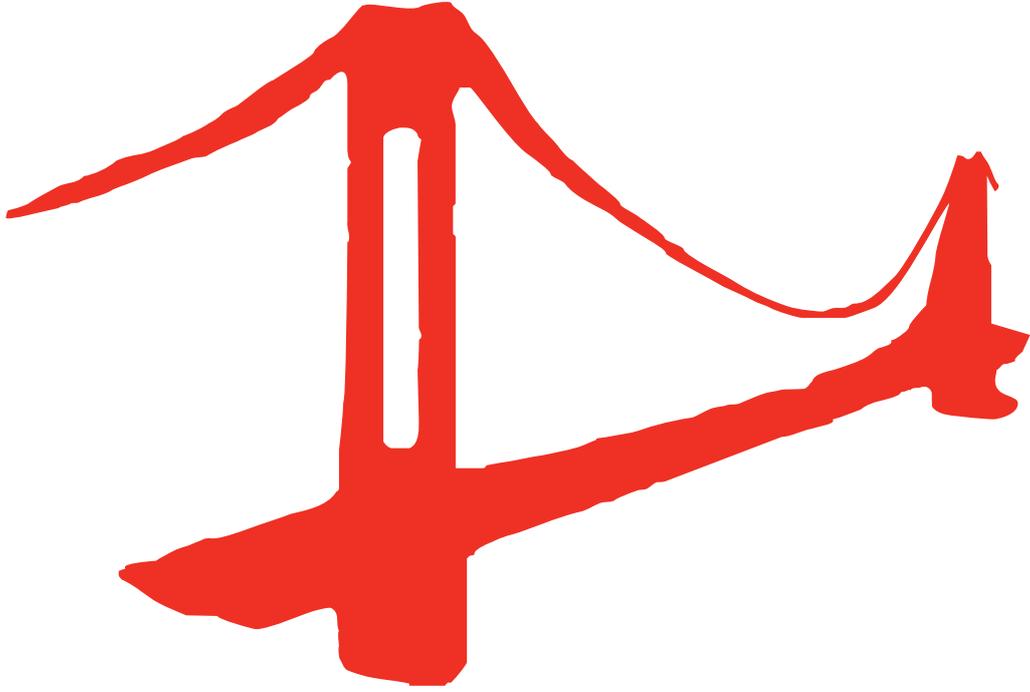
GENEL SIGORTA

Other considerations

After the end of the year of operation, other than those specified in the content of this report, no incident occurred in the company of significant importance that will effect the rights of the partners, creditors or other interested persons and organizations.



FINANCIAL STATEMENTS AND NOTES



MAPFRE GENEL SİGORTA ANONİM ŞİRKETİ

Non-consolidated Financial Statements
and Independent Auditor's Report
for the Accounting Period ending on
December 31, 2015



MAPFRE

GENEL SIGORTA

Mapfre Genel Sigorta Anonim Şirketi

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Non-consolidated Financial Statements and Independent Auditor's Report for the Accounting Period ending on December 31, 2015

To the Board of Directors of the Mapfre Genel Sigorta Anonim Şirketi,

Report on the Financial Statements

We have audited Mapfre Genel Sigorta Anonim Şirketi's ("the Company") balance sheet dated December 31, 2015 and the financial statements attached which include the income statement, statement of changes in equity and cash flow statement as well as the notes and other explanatory notes for the accounting period ending on the same date.

Responsibility of the Management for Financial Statements

The Company management is responsible for preparing the financial statements in accordance with the regulations on the accounting and financial reporting which are in force as per the insurance legislation and in matters which are not regulated by these, the Legislation on Insurance, Accounting and Financial Reporting which include the Turkish Accounting Standards, presentation of these statements fairly and for the internal control which is deemed required in order to ensure the preparation of the financial statements which do not include material misstatement due to error and deception.

Responsibility of the Independent Auditor

Our responsibility is to provide opinion on these financial statements depending on the independent audit we carry out. Our independent audit has been carried out in accordance with the regulations regarding the independent audit principles in force as per the insurance legislation and the Independent Auditing Standards which are a part of the Turkish Auditing Standards published by the Public Oversight Accounting and Auditing Standards Authority. These standards require ensuring compliance with ethical provisions and carrying out the independent audit by way of planning in order to obtain a reasonable assurance on whether the financial statements include a material misstatement.

The independent audit includes implementing the auditing procedures in order to obtain an audit evidence about the amounts and descriptions contained in the financial statements. The selection of these procedures depends on the professional judgment of the independent auditor, including the assessment of the "material misstatement" risks arising from the errors and deceptions in the financial statements. While the independent auditor carries out the risk assessments, it assesses the internal control relating to the preparation of the financial statements of the company and their fair presentation in order to design the audit procedures according to the circumstances, but this assessment does not aim to provide an opinion on the effectiveness of the company's internal control. The independent audit also includes the evaluation of the overall presentation of the financial statements as well as the evaluation of the appropriateness of the accounting policies used by the company's management and whether the accounting estimates made are reasonable.

We believe that the audit evidences we have obtained during the independent audit constitute a sufficient and suitable ground in creating our opinion.

Opinion

In our opinion, the financial statements attached present the Mapfre Genel Sigorta Anonim Şirketi's financial position as of December 31, 2015, its financial performance and cash flows for the accounting period ending at the same date, in accordance with the Legislation on Insurance Business Accounting and Financial Reporting, fairly with all the important aspects.

Other Consideration

The comprehensive audit of the Mapfre Genel Sigorta Anonim Şirketi's financial statements for the accounting period that ends on December 31, 2014 has been performed by another independent auditing company and the independent auditing company in question has given a positive opinion on its independent auditor's report dated March 9, 2015.

Report on Other Liabilities due to Legislation

1) In accordance with the fourth paragraph of Article 402 of Turkish Commercial Code ("TCC") No. 6102, the bookkeeping scheme relating to January 1 - December 31, 2015 fiscal year of the Company has not demonstrated an important discrepancy against TCC and the Company's articles of association.

2) The Board of Directors has given the requested explanations and presented the requested documents in accordance with the fourth paragraph of Article 402 of the TCC.

Akis Bağımsız Deneti ve Serbest Muhasebeci Mali Müşavirlik A.Ş. A member of the KPMG International Cooperative

Alper Güvenç
Responsible Auditor
March 08, 2016
Istanbul, Turkey

Mapfre Genel Sigorta Anonim Şirketi

Detailed non-consolidated balance sheet as of December 31, 2015 (Currency - Turkish Lira (TRY))

ASSETS	Footnote	Independently audited December 31, 2015	Independently audited December 31, 2014
I- Current ssets			
A-Cash and Cash Equivalents	2.12	1.035.542.463	574.173.361
1- Cash	2.12	5.844	10.334
2- Cheques Received		-	-
3- Banksa	2.12	709.683.391	447.955.862
4- Cheques Issued and Payment Orders (-)	2.12	-	-
5- Credit Card Receivables Guaranteed by Bank and with a Less than Three-Month Term	2.12	323.853.228	126.207.165
6- Other Cash and Cash Equivalents	2.12	-	-
B- Financial Assets and the Financial Investments for the Benefit of life Insurance Policyholders who Bear the Risk	11	217.954.348	330.743.900
1- Financial Assets Available for Sale	11	217.954.348	330.743.900
2- Financial Assets to be Held to Maturity		-	-
3- Marketable Securities in the trade book		-	-
4- Loans		-	-
5- Provisions for Loans (-)		-	-
6- Financial Investments for the Benefit of life Insurance Policyholders who Bear the Investment Risk		-	-
7- Share of the Company		-	-
8- Provisions for Impairment of Financial Assets (-)		-	-
C- Receivables from Main Activities	12	678.145.887	525.646.207
1- Receivables from Insurance Activities	12	671.441.833	520.700.070
2- Provisions for Receivables from Insurance Activities (-)	12	(1.599.152)	(1.314.725)
3- Receivables from Reinsurance Activities	12	8.236.062	6.214.276
4- Provisions for Receivables from Reinsurance Activities (-)		-	-
5- Deposit Accounts with Insurance and Reinsurance Companies	12	67.144	46.548
6- Loans Given to Insureds (Credits)		-	-
7- Provisions for Loans Given to Insureds (Credits) (-)		-	-
8- Receivables Arising from Pension Operations		-	-
9- Doubtful Receivables from Real Operations	12	96.232.824	74.791.730
10- Provisions for Doubtful Receivables from Real Operations (-)	12	(96.232.824)	(74.791.692)
D- Receivables from Related Parties	12	1.014.348	743.359
1- Receivables from Shareholders		-	-
2- Receivables from Affiliates	12	-	-
3- Receivables from Subsidiaries		-	-
4- Receivables from Enterprises Subject to Common Management		-	-
5- Receivables from Employees		68.811	8.407
6- Receivables from Other Related Parties	12	945.537	734.952
7- Rediscount for Receivables from Related Parties (-)		-	-
8- Doubtful Receivables from Related Parties		-	-
9- Provisions for Doubtful Receivables from Related Parties (-)		-	-
E- Other Receivables		16.102.054	149.440.254
1- Receivables from Financial Leasing		-	-
2- Unearned Interests Income from Financial Leasing Transactions (-)		-	-
3- Deposits and Securities Given		-	-
4- Other Miscellaneous Receivables	47.1	16.674.805	150.196.575
5- Rediscount for Other Miscellaneous Receivables (-)		(572.751)	(756.321)
6- Other Doubtful Receivables		-	-
7- Provisions for Other Doubtful Receivables (-)		-	-
F- Future Expenses and Revenue Accruals (Months)		161.446.757	110.385.154
1- Deferred Production Income	47.1	151.856.135	101.604.006
2- Interest and Rental Incomes Accrued		-	-
3- Accrued Income		83.773	59.820
4- Other Future Expenses	47.1	9.506.849	8.721.328
G- Other Current Assets		1.739.196	3.017.974
1- Stocks for Future Needs		322.683	461.676
2- Pre-paid Taxes and Fund Shares	35	-	-
3- Deferred Tax Assets	21	-	-
4- Advance Payments for Work		29.948	18.556
5- Advance Payments Made to Employees		1.389.565	933.892
6- Shortages Discovered in Counting and Delivery		-	-
7- Other Miscellaneous Current Assets		-	1.603.850
8- Provisions for Other Current Assets (-)		-	-
I- Total of Current Assets		2.111.945.053	1.694.150.209

Mapfre Genel Sigorta Anonim Şirketi

Detailed non-consolidated balance sheet as of December 31, 2015 (Currency - Turkish Lira (TRY))

ASSETS (cont.)		Independently audited	Independently audited
	Footnote	December 31, 2015	December 31, 2014
II- Non-Current Assets			
A- Receivables from Main Activities			
1- Receivables from Insurance Activities		-	-
2- Provisions for Receivables from Insurance Activities (-)		-	-
3- Receivables from Reinsurance Activities		-	-
4- Provisions for Receivables from Reinsurance Activities (-)		-	-
5- Deposit Accounts with Insurance and Reinsurance Companies		-	-
6- Loans Given to Insureds (Credits)		-	-
7- Provisions for Loans Given to Insureds (Credits) (-)		-	-
8- Receivables Arising from Pension Operations		-	-
9- Doubtful Receivables from Real Operations		-	-
10- Provisions for Doubtful Receivables from Real Operations (-)		-	-
B- Receivables from Related Parties			
1- Receivables from Shareholders		-	-
2- Receivables from Affiliates		-	-
3- Receivables from Subsidiaries		-	-
4- Receivables from Enterprises Subject to Common Management		-	-
5- Receivables from Employees		-	-
6- Receivables from Other Related Parties		-	-
7- Rediscount for Receivables from Related Parties (-)		-	-
8- Doubtful Receivables from Related Parties		-	-
9- Provisions for Doubtful Receivables from Related Parties (-)		-	-
C- Other Receivables			
		184.247	127.836
1- Receivables from Financial Leasing		-	-
2- Unearned Interests Income from Financial Leasing Transactions (-)		-	-
3- Deposits and Securities Given		184.247	127.836
4- Other Miscellaneous Receivables		-	-
5- Rediscount for Other Miscellaneous Receivables (-)		-	-
6- Other Doubtful Receivables		-	-
7- Provisions for Other Doubtful Receivables (-)		-	-
D- Financial Assets			
	9	23.477.455	23.467.886
1- Long-Term Securities	9	12.035	12.035
2- Participations	9	220.889	211.320
3- Capital Subscriptions to Participations (-)	9	-	-
4- Subsidiaries	9	23.244.531	23.244.531
5- Capital Subscriptions to Subsidiaries (-)		-	-
6- Enterprises Subject to Common Management		-	-
7- Capital Subscriptions to Enterprises Subject to Common Management (-)		-	-
8- Financial Assets and the Financial Investments for the Benefit of life Insurance Policyholders who Bear the Risk		-	-
9- Other Financial Assets		-	-
10- Provisions for Impairment of Financial Assets (-)		-	-
E- Tangible Assets			
		171.016.722	24.129.897
1- Investment Properties	7	145.036	570.036
2- Provision for Impairment of Investment Properties (-)	7	-	(275.000)
3- Properties for Use	6	20.515.185	18.848.161
4- Machines and Equipment		-	-
5- Fixtures and Installations	6	14.065.146	13.118.280
6- Motor Vehicles	6	3.791.341	4.435.637
7- Other Tangible Assets (Including Special Cost Prices)	6	3.911.752	4.076.730
8- Tangible Assets Acquired by Leasing		-	-
9- Accumulated Depreciation (-)	6, 7	(20.167.232)	(17.967.063)
10- Advance Payments Made for Tangible Assets (Including Investments in Progress)	6	148.755.494	1.323.116
II- Intangible Assets			
	8	8.867.109	9.224.165
1- Rights	8	11.968.455	12.563.645
2- Goodwill		-	-
3- Expenses Related to the Period Before Starting the Activities		-	-
4- Research and Development Expenses		-	-
5- Other Intangible Assets		-	-
6- Accumulated Depreciations (-)	8	(5.226.462)	(5.366.864)
7- Advance Payments Made for Intangible Assets	8	2.125.116	2.027.384
G- Future Expenses and Revenue Accruals (Years)			
		741.209	450.563
1- Deferred Production Income		-	-
2- Accrued Income		-	-
3- Other Future Expenses	47.1	741.209	450.563
H- Other Non-Current Assets			
		17.249.084	8.792.313
1- Accounts in Effective Foreign Currency		-	-
2- Accounts in Foreign Currency		-	-
3- Stocks for Future Needs (Years)		-	-
4- Pre-paid Taxes and Fund Shares		-	-
5- Deferred Tax Assets	21	17.249.084	8.792.313
6- Other Miscellaneous Non-Current Assets		-	-
7- Depreciations on Other Non-Current Assets (-)		-	-
8- Provisions for Other Non-Current Assets (-)		-	-
II- Total of Non-Current Assets			
		221.535.826	66.192.660
Total Assets (I + II)			
		2.333.480.879	1.760.342.869

Notes between Pages 86 and 151 are complementary to these financial statements.

Mapfre Genel Sigorta Anonim Şirketi

Detailed non-consolidated balance sheet as of December 31, 2015 (Currency - Turkish Lira (TRY))

LIABILITIES	Footnote	Independently audited December 31, 2015	Independently audited December 31, 2014
III- Short-Term Liabilities			
A- Financial Liabilities	20	-	-
1- Liabilities to Loan Institutions		-	-
2- Liabilities from Financial Leasing Operations		-	-
3- Deferred Financial Leasing Borrowing Costs (-)		-	-
4- Principal Instalments and Interests of Long-Term Loans		-	-
5- Principals, Instalments and Interests of Bonds Issued		-	-
6- Other Financial Assets Issued		-	-
7- Value Difference of Other Financial Assets Issued (-)		-	-
8- Other Financial Debts (Liabilities)		-	-
B- Liabilities From Main Activities	19	189.765.631	167.721.342
1- Liabilities from Insurance Activities	2.27, 19	100.172.976	62.528.014
2- Liabilities from Reinsurance Operations	19	89.020.731	104.906.363
3- Deposits Received from Insurance and Reinsurance Companies	19	571.924	286.965
4- Liabilities from Pension Operations		-	-
5- Liabilities from Other Main Operations		-	-
6- Rediscount for Liabilities from Other Main Operations and Notes Payable (-)		-	-
C- Liabilities to Related Parties		178.490	470.795
1- Liabilities to Shareholders	12.2	83.001	76.644
2- Liabilities to Affiliates		-	1
3- Liabilities to Subsidiaries		-	-
4- Liabilities to Enterprises Subject to Common Management		-	-
5- Liabilities to Employees		17.371	16.620
6- Liabilities to Other Related Parties	12	78.118	377.531
D- Other Liabilities		99.203.041	61.044.511
1- Deposits and Securities Received		6.215.119	4.213.737
2- Liabilities to SSI for Treatment Expenses		42.731.776	13.293.039
3- Other Miscellaneous Liabilities	47.1	51.481.130	44.018.666
4- Rediscount for Other Miscellaneous Liabilities (-)		(1.224.984)	(480.931)
E- Technical Provisions for Insurance Business		1.329.863.849	862.377.967
1- Provisions for Unearned Premiums - Net	17.15	917.348.877	550.246.397
2- Reserve for On-going Risks - Net	17.15	-	16.116
3- Mathematical Provisions - Net		-	-
4- Provisions for Outstanding Claims - Net	17.15	404.899.973	306.824.831
5- Provisions for Bonuses & Discounts - Net	17.15	7.614.999	5.290.623
6- Other Technical Provisions - Net		-	-
F- Taxes and Other Similar Liabilities Payable and their Provisions		38.205.292	20.347.599
1- Taxes and Funds Payable		17.339.329	8.815.071
2- Social Security Withholdings Payable		1.130.220	933.305
3- Overdue, Deferred or Restructured Taxes and Other Liabilities		-	-
4- Other Taxes and Similar Liabilities Payable		22.454.708	8.654.261
5- Provisions for Tax and Other Liabilities on Profit for the Period	35	11.932.546	12.343.168
6- Prepaid Tax and Other Liabilities on Profit for the Period (-)		(14.651.511)	(10.398.206)
7- Provisions for Other Taxes and Similar Liabilities		-	-
G- Provisions for Other Risks		8.396.178	5.646.492
1- Provisions for Severance Pay		-	-
2- Provisions for Social Aid Fund Deficits		-	-
3- Provision for Cost Expenses	23.2	8.396.178	5.646.492
H- Income and Accrued Expenses Relating to Future Months	19	35.644.981	28.565.116
1- Deferred Commission Income	19	35.644.981	28.565.116
2- Accrued Expenses		-	-
3- Other Income Related to Next Months	19	-	-
I- Other Short-Term Liabilities		1.616.525	-
1- Deferred Tax Liability		-	-
2- Inventory Overages		-	-
3- Other Miscellaneous Short-Term Liabilities		1.616.525	-
III- Total Short-Term Liabilities		1.702.873.987	1.146.173.822

Mapfre Genel Sigorta Anonim Şirketi

Detailed non-consolidated balance sheet as of December 31, 2015
(Currency - Turkish Lira (TRY))

LIABILITIES (cont.)	Footnote	Independently audited December 31, 2015	Independently audited December 31, 2014
IV- Long-Term Liabilities			
A- Financial Liabilities			
1- Liabilities to Loan Institutions		-	-
2- Liabilities from Financial Leasing Operations		-	-
3- Deferred Financial Leasing Borrowing Costs (-)		-	-
4- Bonds Issued		-	-
5- Other Financial Assets Issued		-	-
6- Value Difference of Other Financial Assets Issued (-)		-	-
7- Other Financial (Liabilities)		-	-
B- Liabilities From Main Activities			
1- Liabilities from Insurance Activities		-	-
2- Liabilities from Reinsurance Operations		-	-
3- Deposits Received from Insurance and Reinsurance Companies		-	-
4- Liabilities from Pension Operations		-	-
5- Liabilities from Other Main Operations		-	-
6- Rediscount for Liabilities from Other Main Operations and Notes Payable (-)		-	-
C- Liabilities to Related Parties			
1- Liabilities to Shareholders		-	-
2- Liabilities to Affiliates		-	-
3- Liabilities to Subsidiaries		-	-
4- Liabilities to Enterprises Subject to Common Management		-	-
5- Liabilities to Employees		-	-
6- Liabilities to Other Related Parties		-	-
D- Other Liabilities			
1- Deposits and Securities Received		-	-
2- Liabilities to SSI for Treatment Expenses		-	-
3- Other Miscellaneous Liabilities		-	-
4- Rediscount for Other Miscellaneous Liabilities		-	-
E- Technical Provisions for Insurance Business			
1- Provisions for Unearned Premiums - Net		33.124.796	23.824.254
2- Reserve for On-going Risks - Net		-	-
3- Mathematical Provisions - Net		-	-
4- Provisions for Outstanding Claims - Net		-	-
5- Provisions for Bonuses & Discounts - Net		-	-
6.- Other Technical Provisions - Net	17,15, 47,1	33.124.796	23.824.254
F- Other Liabilities and their Provisions			
1- Other Liabilities Payable		-	-
2- Overdue, Deferred or Restructured Taxes and Other Liabilities		-	-
3- Provisions for Other Liabilities and Expenses		-	-
G- Provisions for Other Risks			
1- Provisions for Severance Pay	22	5.424.958	4.111.651
2- Provisions for Social Aid Fund Deficits	22, 23	2.247.362	2.040.228
H- Income and Accrued Expenses Relating to Future Years			
1- Deferred Commission Income		-	-
2- Accrued Expenses		-	-
3- Other Expenses Related to Future Years		-	-
I- Other Long-Term Liabilities			
1- Deferred Tax Liability		3.139.037	2.669.052
2- Other Miscellaneous Long-Term Liabilities	22, 47,5	3.139.037	2.669.052
IV- Total Long-Term Liabilities		43.936.153	32.645.185

Mapfre Genel Sigorta Anonim Şirketi

Detailed non-consolidated balance sheet as of December 31, 2015 (Currency - Turkish Lira (TRY))

EQUITY CAPITAL	Footnote	Independently	Independently
		audited	audited
		December 31, 2015	December 31, 2014
V- Equity Capital			
A- Paid-in Capital		350.000.000	350.000.000
1- (Nominal) Capital	2.13, 15	350.000.000	350.000.000
2- Unpaid Capital (-)		-	-
3- Capital Restatement Positive Differences		-	-
4- Capital Restatement Negative Differences (-)		-	-
5- Capital Pending to be Registered		-	-
B- Capital Reserves		-	47.580.649
1- Premiums on Sale of Share Certificates		-	-
2- Profits on Cancellation of Share Certificates		-	-
3- Sales Profits to be Added to Capital		-	-
4- Foreign Currency Conversion Differences		-	-
5- Other Capital Reserves	15	-	47.580.649
C- Profit Reserves		195.863.698	127.954.788
1- Legal Reserves	15	63.756.757	56.761.168
2- Statutory Reserves		-	-
3- Extraordinary Reserves		71.128.181	55.702.314
4- Special Funds (Reserves)	22	46.875.499	(489.923)
5- Valuation of Financial Assets	15	(1.068.135)	809.833
6- Other Profit Reserves	15	15.171.396	15.171.396
D- Retained Earnings		12.677.029	12.677.029
1- Retained Earnings		12.677.029	12.677.029
E- Losses from Previous Years (-)		(4.686.859)	(4.686.859)
1- Losses from Previous Years		(4.686.859)	(4.686.859)
F- Net Profit for the Period		32.816.871	47.998.255
1- Net Profit for the Period		32.816.871	46.644.937
2- Net Loss for the Period (-)		-	-
3- Non-distributable Net Profit for the Period	15	-	1.353.318
Equity Capital		586.670.739	581.523.862
Total Liabilities (III + IV + V)		2.333.480.879	1.760.342.869

Mapfre Genel Sigorta Anonim Şirketi

Detailed non-consolidated income statement for the fiscal year ending on December 31, 2015 (Currency - Turkish Lira (TRY))

1- TECHNICAL PART	Footnote	Independently audited December 31, 2015	Independently audited December 31, 2014
A- Non-life Technical Income		1.375.846.858	1.165.285.534
1- Earned Premiums (Reinsurer Share Deducted)		1.277.901.084	1.091.985.144
1.1- Written Premiums (Reinsurer Share Deducted)	24	1.644.987.448	1.145.186.497
1.1.1- Gross Written Premiums (+)	24	2.110.572.928	1.490.945.215
1.1.2- Premiums Transferred to Reinsurer (-)	10, 24	(370.321.741)	(298.233.496)
1.1.3- Premiums Transferred to SSI (-)		(95.263.739)	(47.525.222)
1.2- Change in Reserves for Unearned Premiums (Reinsurer Share and Transferred Part Deducted) (+/-)	47	(367.102.480)	(54.257.241)
1.2.1- Provisions for Unearned Premiums (-)		(438.600.648)	(76.114.564)
1.2.2- Reinsurer Share in Provisions for Unearned Premiums (+)	10	34.205.773	21.513.728
1.2.3- SSI Share in Provisions for Unearned Premiums (+/-)		37.292.395	343.595
1.3- Change in Reserve for On-going Risks (Reinsurer Share and Transferred Part Deducted) (+/-)	17	16.116	1.055.888
1.3.1- Reserve for On-going Risks (-)	17	93.168	1.754.154
1.3.2- Reinsurer Share in Reserve for On-going Risks (+)	10, 17	(77.052)	(698.266)
2- Investment Incomes Transferred from Non-technical Part		76.807.654	61.838.730
3- Other Technical Income (Reinsurer Share Deducted) +		808.095	4.295.081
3.1- Other Gross Technical Incomes (+/-)		808.095	4.303.449
3.2- Reinsurer Share in Other Gross Technical Income (+/-)		-	(8.368)
4- Accrued Recourse and Salvage Income (+)		20.330.025	7.166.579
B- Non-life Technical Expense (-)		(1.326.351.453)	(1.092.208.863)
1- Incurred Compensations (Reinsurer Share Deducted) (+/-)		(992.146.050)	(809.722.931)
1.1- Paid Compensations (Reinsurer Share Deducted) (+/-)	17	(894.070.908)	(758.394.739)
1.1.1- Gross Paid Compensations (-)	17	(1.001.747.672)	(840.869.278)
1.1.2- Reinsurer Share in Paid Compensations (+)	10, 17	107.676.764	82.474.539
1.2- Change in Provision for Outstanding Claims (Reinsurer Share and Transferred Part Deducted) (+/-)	47	(98.075.142)	(51.328.192)
1.2.1- Provisions for Outstanding Claims (-)		(101.709.431)	(60.554.598)
1.2.2- Reinsurer Share in Provision for Outstanding Claims (+)	10	3.634.289	9.226.406
2- Change in Provision for Bonuses and Discounts (Reinsurer Share and Transferred Part Deducted) (+/-)	17	(27.373.976)	(5.290.623)
2.1- Provisions for Bonuses & Discounts (-)	17	(27.373.976)	(5.290.623)
2.2- Reinsurer Share in Provisions for Bonuses & Discounts (+)		-	-
3- Change in Other Technical Provisions (Reinsurer Share and Transferred Part Deducted) (+/-)	17, 47	(9.300.542)	(6.995.028)
4- Operating Expenses (-)	31	(274.944.699)	(238.087.690)
5- Change in Mathematical Provisions (Reinsurer Share and Transferred Part Deducted) (+/-)		-	-
5.1- Mathematical Provisions (-)		-	-
5.2- Reinsurer Share in Mathematical Provisions (+)		-	-
6- Other Technical Expenses (-)		(22.586.168)	(32.112.591)
6.1- Gross Other Technical Expenses (-)	47,5	(22.586.168)	(32.119.445)
6.2- Reinsurer Share in Other Gross Technical Expenses (+)		-	6.854
C- Technical Division Balance - Non-life (A - B)		49.495.423	73.076.671
D- Life Technical Income		-	-
1- Earned Premiums (Reinsurer Share Deducted)		-	-
1.1- Written Premiums (Reinsurer Share Deducted)		-	-
1.1.1- Gross Written Premiums (+)		-	-
1.1.2- Premiums Transferred to Reinsurer (-)		-	-
1.2- Change in Reserves for Unearned Premiums (Reinsurer Share and Transferred Part Deducted) (+/-)		-	-
1.2.1- Provisions for Unearned Premiums (-)		-	-
1.2.2- Reinsurer Share in Provisions for Unearned Premiums (+)		-	-
1.3- Change in Reserve for On-going Risks (Reinsurer Share and Transferred Part Deducted) (+/-)		-	-
1.3.1- Reserve for On-going Risks (-)		-	-
1.3.2- Reinsurer Share in Reserve for On-going Risks (+)		-	-
2- Life Branch Investment Income		-	-
3- Unrealized Profits from Investments		-	-
4- Other Technical Income (Reinsurer Share Deducted) (+/-)		-	-
4.1- Other Gross Technical Incomes (+/-)		-	-
4.2- Reinsurer Share in Other Gross Technical Income (+/-)		-	-
5- Accrued Recourse Income (+)		-	-

Mapfre Genel Sigorta Anonim Şirketi

Detailed non-consolidated income statement for the fiscal year ending on December 31, 2015 (Currency - Turkish Lira (TRY))

1- TECHNICAL PART (cont.)	Footnote	Independently audited December 31, 2015	Independently audited December 31, 2014
E- Life Technical Expenses		-	-
1- Incurred Compensations (Reinsurer Share Deducted) (+/-)		-	-
1.1- Paid Compensations (Reinsurer Share Deducted) (-)		-	-
1.1.1- Gross Paid Compensations (-)		-	-
1.1.2- Reinsurer Share in Paid Compensations (+)		-	-
1.2- Change in Provision for Outstanding Claims (Reinsurer Share and Transferred Part Deducted) (+/-)		-	-
1.2.1- Provisions for Outstanding Claims (-)		-	-
1.2.2- Reinsurer Share in Provision for Outstanding Claims (+)		-	-
2- Change in Provision for Bonuses and Discounts (Reinsurer Share and Transferred Part Deducted) (+/-)		-	-
2.1- Provisions for Bonuses & Discounts (-)		-	-
2.2- Reinsurer Share in Provisions for Bonuses & Discounts (+)		-	-
3- Change in Mathematical Provisions (Reinsurer Share and Transferred Part Deducted) (+/-)		-	-
3.1- Mathematical Provisions (-)		-	-
3.1.1- Actuarial Mathematical Provisions (+/-)		-	-
3.1.2- Bonus Provision (Provision reserved for Policies the Investment Risk of which is owned by Policy Holders)		-	-
3.2- Reinsurer Share in Mathematical Provisions (+)		-	-
3.2.1- Actuarial Mathematical Provisions Reinsurer Share (+)		-	-
3.2.2- Bonus Provision Reinsurer Share (Provision reserved for Policies the Investment Risk of which is owned by Policy Holders) (+)		-	-
4- Change in Other Technical Provisions (Reinsurer Share and Transferred Part Deducted) (+/-)		-	-
5- Operating Expenses (-)		-	-
6- Investment Expenses (-)		-	-
7- Unrealized Losses from Investments (-)		-	-
8- Investment Income transferred to Non-technical Part (-)		-	-
F- Technical Division Balance - Life (D - E)		-	-
G- Pension Technical Income		-	-
1- Fund Operating Income		-	-
2- Management Expense Deduction		-	-
3- Entry Allowance Incomes		-	-
4- Management Expense Reduction in Case of Cession		-	-
5- Special Service Expense Deduction		-	-
6- Capital Allocation Advance Value Increase Incomes		-	-
7- Other Technical Incomes		-	-
H- Pension Technical Expense		-	-
1- Fund Operating Income (-)		-	-
2- Capital Allocation Advance Devalorization Expenses (-)		-	-
3- Operating Expenses (-)		-	-
4- Other Technical Expenses (-)		-	-
I- Technical Part Balance - Pension (G - H)		-	-

Mapfre Genel Sigorta Anonim Şirketi

Detailed non-consolidated income statement for the fiscal year ending on December 31, 2015 (Currency - Turkish Lira (TRY))

II- NON-TECHNICAL PART		Independently audited	Independently audited
	Footnote	December 31, 2015	December 31, 2014
C- Technical Division Balance - Non-life (A - B)		49.495.423	73.076.671
F- Technical Division Balance - Life (D - E)		-	-
I- Technical Division Balance - Pension (G - H)		-	-
J- General Technical Division Balance (C+F+I)		49.495.423	73.076.671
K- Investment Income	26	124.244.099	82.380.327
1- Revenues Obtained from Financial Investments	26	88.765.906	57.203.460
2- Revenues Obtained by Converting Financial Investments into Cash	26	-	-
3- Valuation of Financial Investments	26	(6.102.032)	7.734.490
4- Foreign Currency Gains	26, 36	37.389.110	13.030.742
5- Revenues from Affiliates		-	-
6- Revenues from Subsidiaries and Enterprises Subject to Common Management	26	3.625.435	2.070.465
7- Revenues Obtained from Field, Land and Buildings	26	565.680	2.341.170
8- Revenues Obtained from Derivative Products		-	-
9- Other Investments		-	-
10- Investment Income Transferred from the Life Technical Section		-	-
L- Investment Expenses (-)		(104.091.803)	(79.757.362)
1- Investment Management Expenses- Including Interest (-)		-	-
2- Investment Value Decrease (-)	11	73.647	(73.647)
3- Loss Caused by Converting Investment into Cash (-)		(180.206)	-
4- Investment Income Transferred to Non-life Technical Section (-)	26	(76.807.654)	(61.838.730)
5- Loss Caused as a Result of Derivative Products (-)		-	-
6- Foreign Exchange Loss (-)	26, 36	(12.774.560)	(14.929.119)
7- Depreciation Expenses (-)	31	(4.779.431)	(5.070.425)
8- Other Investment Expenses (-)		-	-
M- Revenue and Profit and Expense and Loss from Other Activities and Extraordinary Activities (+/-)		(24.898.302)	(16.178.502)
1- Reserves Account (+/-)	47	(22.301.283)	(10.609.239)
2- Rediscount Account (+/-)	47	(2.771.449)	2.842.352
3- Qualifying Insurances Account (+/-)		-	-
4- Inflation Adjustment Account (+/-)		-	-
5- Deferred Tax Asset Account (+/-)	35	(7.983.457)	(1.569.270)
6- Deferred Tax Liability Expense (-)		-	-
7- Other Revenues and Profits	47,5	2.862.013	1.608.855
8- Other Expenses and Losses (-)	47,5	(10.671.040)	(8.451.200)
9- Revenues and Profits of Previous Year		-	-
10- Expenses and Loss of Previous Year (-)		-	-
N- Term Net Profit or Loss		32.816.871	47.998.255
1- Profit and Loss for the Period	35	44.749.417	59.521.134
2- Provisions for Tax and Other Liabilities on Profit for the Period (-)	35, 47	(11.932.546)	(11.522.879)
3- Term Net Profit or Loss		32.816.871	47.998.255
4- Inflation Adjustment Account		-	-

Mapfre Genel Sigorta Anonim Şirketi

Detailed non-consolidated cash flow statement for the fiscal year ending on December 31, 2015 (Currency - Turkish Lira (TRY))

CASH FLOW STATEMENT	Footnote	Independently audited	Independently audited
		January 1 - Decem- ber 31, 2015	January 1 - Decem- ber 31, 2014
A- CASH FLOW ARISING FROM MAIN ACTIVITIES			
1- Cash inflows arising from insurance operations		1.996.492.730	1.457.680.212
2- Cash inflows arising from reinsurance operations		184.834.064	142.653.008
3- Cash inflows arising from pension operations		-	-
4- Cash outflow due to insurance activities (-)		(1.227.895.671)	(1.074.930.303)
5- Cash outflow due to reinsurance activities (-)		(452.315.789)	(318.172.994)
6- Cash outflow due to pension activities (-)		-	-
7- Cash due to main activities (A1+A2+A3-A4-A5-A6)		451.115.334	207.229.923
8- Interest payments (-)		-	-
9- Income Tax Payments (-)		(16.582.986)	(11.390.283)
10- Other cash inflows		1.475.702	739.362
11- Other cash exits (-)		(125.304.683)	(106.701.263)
12- Net cash arising from main activities		310.703.367	89.877.739
B- CASH FLOWS ARISING FROM INVESTMENT ACTIVITIES			
1- Sale of tangible assets		16.189.488	39.504.604
2- Acquisition of tangible assets (-)		(32.329.131)	(55.851.289)
3- Financial assets acquisition (-)		(65.116.278)	(155.201.969)
4- Sale of tangible assets		169.160.312	59.384.521
5- Received interests		92.393.060	56.647.084
6- Dividends received	26	3.653.040	2.097.242
7- Other cash inflows		578.286	526.507
8- Other cash exits (-)		(153.588.698)	(31.061.939)
9- Net cash arising from Investment Activities		30.940.079	(83.955.239)
C- CASH FLOWS ARISING FROM FINANCING ACTIVITIES			
1- Issues of share		-	-
2- Cash inflows related to loans		-	-
3- Payment of financial leasing debts (-)		-	-
4- Dividends paid (-)	15.1	(25.022.142)	(6.271.821)
5- Other cash inflows		-	-
6- Other cash exits (-)		-	-
7- Net cash arising from Financing Activities		(25.022.142)	(6.271.821)
D- EFFECT OF EXCHANGE RATE DIFFERENCES ON CASH AND CASH EQUIVALENTS		306.764	381.703
E- Net increase in cash and cash equivalents (A12+B9+C7+D)		316.928.068	32.382
F- Cash and cash equivalents in the beginning of the period		316.598.542	316.566.160
G- Cash and cash equivalents at the end of the period	2.12	633.526.610	316.598.542

Mapfre Genel Sigorta Anonim Şirketi
Non-consolidated statement of changes
in equity for the fiscal year ending on December 31,
2015 (Currency - Turkish Lira (TRY))

	Independently audited										
	December 31, 2015 (*)										
	Capital	Share certificates of the Enterprise (-)	Value increase in assets	Equity capital inflation adjustment differences	Foreign currency conversion differences	Legal Reserves	Extraordinary reserve	Other reserves and undistributed profits	Net profit/ (loss) for the period	Profits/ (loss) of previous years	Total
CURRENT PERIOD											
I- Balance at the End of Previous Period (December 31, 2014)	350.000.000	-	809.833	-	-	56.761.168	55.702.314	62.262.122	47.998.255	7.990.170	581.523.862
II- Changes in Accounting Policies (Note 2.1.1)	-	-	-	-	-	806.340	(806.340)	-	-	-	-
III- New Balance (I + II) (January 1, 2015)	350.000.000	-	809.833	-	-	56.761.168	56.508.654	61.455.782	47.998.255	7.990.170	581.523.862
A- Capital increase (A1 + A2)	-	-	-	-	-	-	-	-	-	-	-
1- Cash	-	-	-	-	-	-	-	-	-	-	-
2- From internal resources	-	-	-	-	-	-	-	-	-	-	-
B- Share certificates of the Enterprise	-	-	-	-	-	-	-	-	-	-	-
C- Earnings and losses not included in income statement	-	-	(1.877.968)	-	-	-	-	(769.884)	-	-	(2.647.852)
D- Value increase/decrease in assets	-	-	-	-	-	-	-	-	-	-	-
E- Foreign currency conversion differences	-	-	-	-	-	-	-	-	-	-	-
F- Other earnings and losses	-	-	-	-	-	-	-	-	-	-	-
G- Inflation adjustment differences	-	-	-	-	-	-	-	-	-	-	-
H- Term Net Profit (loss)	-	-	-	-	-	-	(22.142)	-	32.816.871	-	32.816.871
I- Distributed dividend (Note 15)	-	-	-	-	-	-	-	-	(25.000.000)	-	(25.022.142)
J- Transfer to reserves	-	-	-	-	-	6.995.589	14.641.669	1.360.997	(22.998.255)	-	-
Minority shares	-	-	-	-	-	-	-	-	-	-	-
IV- Balance at the end of period (December 31, 2015) (III+ A+B+C+D+E+F+G+H+I+J)	350.000.000	-	(1.068.135)	-	-	63.756.757	71.128.181	62.046.895	32.816.871	7.990.170	586.670.739
PREVIOUS PERIOD											
I- Balance at the End of Previous Period (December 31, 2013)	350.000.000	-	(3.505.631)	-	-	52.237.715	31.395.788	19.056.781	78.469.059	7.990.170	535.643.882
II- Changes in Accounting Policies (Note 2.1.1)	-	-	-	-	-	-	-	-	-	-	-
III- New balance (I + II) (January 1, 2014)	350.000.000	-	(3.505.631)	-	-	52.237.715	31.395.788	19.056.781	78.469.059	7.990.170	535.643.882
A- Capital increase (A1 + A2)	-	-	-	-	-	-	-	-	-	-	-
1- Cash	-	-	-	-	-	-	-	-	-	-	-
2- From internal resources	-	-	-	-	-	-	-	-	-	-	-
B- Share certificates of the Enterprise	-	-	-	-	-	-	-	-	-	-	-
C- Earnings and losses not included in income statement	-	-	4.315.464	-	-	-	-	-	-	-	4.315.464
D- Value increase/decrease in assets	-	-	-	-	-	-	-	-	-	-	-
E- Foreign currency conversion differences	-	-	-	-	-	-	-	-	-	-	-
F- Other earnings and losses	-	-	-	-	-	-	-	(160.759)	-	-	(160.759)
G- Inflation adjustment differences	-	-	-	-	-	-	-	-	-	-	-
H- Term Net Profit (loss)	-	-	-	-	-	-	-	-	47.998.255	-	47.998.255
I- Distributed dividend (Note 15)	-	-	-	-	-	-	(272.980)	-	(6.000.000)	-	(6.272.980)
J- Transfer to reserves	-	-	-	-	-	4.523.453	24.579.506	43.366.100	(72.469.059)	-	-
Minority Shares	-	-	-	-	-	-	-	-	-	-	-
IV- Balance at the end of period (December 31, 2014) (III+ A+B+C+D+E+F+G+H+I+J)	350.000.000	-	809.833	-	-	56.761.168	55.702.314	62.262.122	47.998.255	7.990.170	581.523.862

(*) The explanations relating to the equity capital are included in Note No. 15.

Notes between Pages 86 and 151 are complementary to these financial statements.

Mapfre Genel Sigorta Anonim Şirketi

Notes for the non-consolidated financial statements

for the fiscal year ending on December 31, 2015

(Currency - Unless otherwise specified is shown in Turkish Lira (TRY))

1. General Information

1.1 The parent company's name and the last owner of the group: Mapfre Genel Sigorta Anonim Şirketi ("Company") was established in Istanbul-Turkey on August 16, 1948 and its main field of activity consists of all kinds of insurance transactions in Turkey in the non-life insurances field, which are, primarily accident, personal accident, traffic, fire, transportation, TCIP, engineering, agriculture and health branches. The company's controlling shares have been transferred to Spanish Mapfre Group as of 20 September 2007 and 280,000,000 shares representing 80% of the company capital have been transferred to Mapfre Internacional S.A. ("Mapfre") which is the affiliate responsible for the international investments as of 23 April 2008 and this transfer process has been written down on the book of stock register.

The Demir Toprak İthalat İhracat ve Tic. A.Ş. shares representing 10% of the Company's capital and amounting to TRY 35,000,000 have been transferred to Mapfre Internacional S.A. and the transfer process has been written down in the stock register.

Avor İnşaat Gıda Tekstil Kimya San. ve Tic. A.Ş. shares amounting to TRY 34,109,046 representing 9.75% of the company capital have been transferred to Mapfre Internacional S.A. by virtue of the letter of permit dated October 4, 2010 and numbered 69664 of Republic of Turkey Prime Ministry Undersecretariat of Treasury and the transfer process has been written down in the stock register.

As a result of the board of directors meeting held on February 13, 2009, it was decided to change the Company's title to Mapfre Genel Sigorta Anonim Şirketi and the Company made legal applications to the Republic of Turkey Ministry of Industry and Commerce, Internal Trade General Directorate and Republic of Turkey Prime Ministry Undersecretariat of Treasury Insurance General Directorate with letters dated February 16, 2009 to obtain the relevant permits. The company's title changed to Mapfre Genel Sigorta Anonim Şirketi as of April 1, 2009.

1.2 The residence and legal structure of the corporation, the country of establishment and the address of the registered office: The registered office of the Company is Yenişehir Mahallesi İrmak Caddesi No:11 34435 Beyoğlu - İstanbul/Turkey. The Company has regional directorates in the cities of Adana, Ankara, Antalya, Bursa, Izmir, Istanbul and Izmit and branch directorates in the cities of Mersin, Malatya, Konya, Kayseri, Samsun, Gaziantep, Eskisehir, Istanbul, Ankara and Denizli.

1.3 Subject of activity of the enterprise: The Company makes all kinds of insurance transactions in Turkey in the field of non-life insurances including primarily fire and natural disasters, transportation, land vehicles, rail vehicles, aircrafts, watercrafts, accidents, general liability, land vehicles liability, watercrafts liability, aircrafts liability, general losses, breach of confidence (bailment), financial losses, loan, legal protection and health branches. The company carries out reinsurance transactions in the health branch as well. The Company started to operate in the health insurance field as of August 1, 2011 by taking over the health portfolio from Mapfre Genel Yaşam A.Ş. The Company has decided to purchase 36,720 shares corresponding to 51% of Genel Servis Yedek Parça Dağıtım Ticaret A.Ş. with resolution number 2012/23 of the Board of Directors dated September 21, 2012.

1.4 Explanation of the activities and main fields of operation of the corporation: Explained in Note 1.2 and 1.3.

Mapfre Genel Sigorta Anonim Şirketi

Notes relating to non-consolidated financial statements as of December 31, 2015 (cont.)

(Currency - Unless otherwise specified is shown in Turkish Lira (TRY))

1. General Information (cont.)

1.5 The average number of employees in one year by category:

	December 31, 2015	December 31, 2014
Top and senior executives	90	87
Other personnel	544	539
Total	634	626

1.6 The total amount of the salaries and similar benefits provided to senior executives such as the Chairman of the Board and members of the Board of Directors as well as the general manager, general coordinator, assistant general managers in the current period: January 1 - December 31, 2015: TRY 7,148,709, (January 1 - December 31, 2014: TRY 5,934,952).

1.7 Keys used for the distribution of investment revenues and operating expenses (personnel, management, research and development, marketing and sales, outsourced benefits and services, and other operating expenses):

Transferred investment income from non-technical part to the technical part

As per the “Circular on the Procedures and Principles for the Keys Used in the Financial Statements within the Scope of Uniform Insurance Accounting Plan” number 2008/1 dated January 4, 2008 issued by the T.R. Prime Ministry Undersecretariat of Treasury, all revenues earned from investing the assets that compensate technical reserves are being transferred to the technical part. The amount transferred to the technical part is distributed in proportion to the ratios obtained by dividing the net cash flow calculated having deducted the reinsurer’s share for each branch under sub-branches by total net cash flow amounts. Net cash flow refers to the amount obtained by deducting net paid damages from net written premiums.

Distribution of operating expenses

As of December 31, 2015, personnel, management, research and development, marketing and sales expenses as well as outsourced benefits and services and other operating expenses, which are not directly distributable, are distributed according to the weighted average of the ratios obtained by proportioning the number of policies produced for each sub-branch, gross written premium amount and claim reports within the last three years by the number of total policies produced, total gross written premium amount and the number of claim reports, - respectively, as per the above mentioned circular issued by the Undersecretariat of Treasury.

1.8 Whether financial statements cover a single company or a group of companies: Non-consolidated financial statements cover a single company (Mapfre Genel Sigorta Anonim Şirketi). Company’s consolidated financial statements are separately prepared as per the Communiqué on the Preparation of the Consolidated Financial Statements of the Insurance, Reinsurance and Pension Companies.

1.9 Name or other identifying information of the reporting enterprise and changes in such information since the previous balance sheet date: Name and other identifying information of the Company are indicated in Notes 1.1, 1.2 and 1.3, and the changes in such information which took place since the previous balance sheet date are also included in these notes.

1.10 Events after the balance sheet date: None.

Mapfre Genel Sigorta Anonim Şirketi

Notes relating to non-consolidated financial statements
as of December 31, 2015 (cont.)

(Currency - Unless otherwise specified is shown in Turkish Lira (TRY))

2. Summary of significant accounting policies

2.1 Preparation principles

2.1.1 Principles used in preparation of the financial statements and information regarding the special accounting policies being implemented:

The Company prepares its non-consolidated financial statements within the framework of the relevant regulation in line with the provisions of "Regulation on Financial Reports of Insurance, Reinsurance, and Pension Companies" issued by the Undersecretariat of Treasury based on Article 18 of the Insurance Business Law and Turkish Accounting Standards ("TAS"), Turkish Financial Reporting Standards ("TFRS") as well as other regulations, clarifications and circulars issued by the Undersecretariat of Treasury on accounting and financial reporting procedures (which are all the "Reporting Standards").

The Company has calculated its technical provisions relating to the insurance business within the framework of the "Regulation on the Technical Provisions of the Insurance & Reinsurance and Pension Companies and the Assets where such Provisions will be Deposited" which was issued under Insurance Business Law number 5684 published on July 28, 2010 and in Official Gazette number 27655 and put into force after the changes put into effect on September 30, 2010 as well as other relevant legislation and reflected in the financial statements as of December 31, 2015.

The form and content of the financial statements to be prepared by the companies have been regulated in order for the comparison of the financial statements with the previous periods and the financial statements of other companies with the "Communiqué on Presentation of Financial Statements" published on Official Gazette number 26851, dated April 18, 2008.

2.1.2 Other accounting policies suitable for comprehending the financial statements:

Adjustment of financial statements in periods of high-inflation

Upon letter no. 19387 issued by the Undersecretariat of Treasury on April 4, 2005, the Company ceased to adjust financial statements according to the inflation in 2005 and since the beginning of 2005, the Company has not adjusted the financial statements according to the inflation. Therefore, non-monetary assets, liabilities or equity items, including equity capital in the balance sheet dated December 31, 2015, were calculated by indexing the entries made until December 31, 2004 to the same date within the scope of standard no. 29 on "Financial Reporting in High-Inflation Economies" issued by TMSK, and by transferring the entries after this date from nominal values.

2.1.3 Currency used:

The Company's valid and reporting currency is Turkish Lira (TRY). Unless specified otherwise, the Company has presented the amounts in the financial statements and footnotes in TRY.

2.1.4 Degree of rounding-up for the amounts presented in financial statements:

Unless specified otherwise, all amounts in the financial statements and footnotes have been presented without rounding-up and in TRY.

2.1.5 Measurement principles observed while preparing the financial statements:

The financial statements have been prepared in line with the historical cost principle except the aforementioned inflation adjustments and financial assets available for sale and marketable securities in the trade book which are presented with their fair values.

Mapfre Genel Sigorta Anonim Şirketi

Notes relating to non-consolidated financial statements
as of December 31, 2015 (cont.)

(Currency - Unless otherwise specified is shown in Turkish Lira (TRY))

2. Summary of significant accounting policies (cont.)

2.1.6 Accounting policies, changes and errors regarding accounting estimations:

The Company prepares its financial statements within the framework of the accounting policies specified in the footnote 2.1.1.

New standards and comments not implemented yet

As of the accounting period ending on December 31, 2015, there are new standards not put into force and not implemented in the preparation of the financial statements attached and there are updates to the standards and comments. On the financial statements of the Company, no significant effect of these standards and the updates to the standards except the TFRS 9 is expected.

TFRS 9 Financial Instruments - Classification and Explanation

With the amendment made in December 2012, the new standard will be effective for the annual accounting periods as of January 1, 2018. The first phase of TFRS 9 Financial Instruments standard stipulates new provisions for the measurement and classification of financial assets and liabilities. Amendments to TFRS 9 will mainly affect the classification and measurement of financial assets, and the measurement of financial liabilities classified as measured by reflecting fair value difference in profit or loss; and it requires presenting the part in connection with the credit risk of the fair value changes in such financial liabilities in the other comprehensive financial statement. Early implementation of the standard is permitted. The Company evaluates the effects of the standard on its financial status and performance.

2.2 Consolidation

The Company has begun to adjust its consolidated financial statements as of March 31, 2009, as per the "Communiqué on the Preparation of Consolidated Financial Statements of Insurance, Reinsurance, and Pension Companies" issued by the Undersecretariat of Treasury and published in Official Gazette no. 27097 on December 31, 2008. The Company's consolidated financial statements are separately submitted to the Undersecretariat of Treasury.

The Company reflected Mapfre Genel Yaşam Sigorta Anonim Şirketi in the non-consolidated financial statements by adjusting capital contributions made until December 31, 2004 based on proper adjustment coefficients, in line with the industrial announcement of the Undersecretariat of Treasury no. 2008/9 issued on February 18, 2008, over the readjusted acquisition cost, and by taking capital contributions made after December 31, 2004 into account over the amount contributed.

The Company's non-consolidated financial statements include the subsidiary Genel Servis Yedek Parça Dağıtım Ticaret A.Ş. (Genel Servis) which needs to be consolidated within the scope of "TAS 27 - Consolidated and Separate Financial Statements" (TAS 27). However, as per sub-paragraphs 5 and 6 of Article 5 of the Communiqué on the Preparation of the Consolidated Financial Statements of Insurance, Reinsurance and Pension Companies issued by the Undersecretariat of Treasury and published in Official Gazette no. 27097 on June 30, 2009, the Company will not consolidate its financial statements dated December 31, 2015 and has presented its subsidiary in the records with the cost method.

2.3 Segment reporting

The company produces its policies in Turkey. The Company carries out its insurance operations in a single reportable segment in Turkey and in non-life elemental branches and does not perform segment reporting on account of not being a public company.

Mapfre Genel Sigorta Anonim Şirketi

Notes relating to non-consolidated financial statements
as of December 31, 2015 (cont.)

(Currency - Unless otherwise specified is shown in Turkish Lira (TRY))

2. Summary of significant accounting policies (cont.)

2.4 Foreign currency conversion

The Company takes the Central Bank of the Republic of Turkey (CBRT) selling rate of exchange applicable on the date of transaction as basis for the policy transactions realized in foreign currency, and CBRT buying rates applicable on the date of transaction for other transactions. The Company uses CBRT buying rates of exchange while converting foreign currency balances into the currency in use at the end of the period. The exchange rate difference revenues or expenses due to the conversion of foreign currency transactions into the currency in use or due to the expression of monetary items are reflected in the financial statement in the relevant period.

Exchange rates as of the end of the period are as follows:

	December 31, 2015			December 31, 2014		
	TRY/USD	TRY/EUR	TRY/GBP	TRY/USD	TRY/EUR	TRY/GBP
Buying rate of exchange	2,9076	3,1776	4,3007	2,3189	2,8207	3,5961
Selling rate of exchange	2,9128	3,1833	4,3231	2,3230	2,8258	3,6149

2.5 Fixed Tangible Assets

All fixed tangible assets are initially recorded over their cost value and then transferred until December 31, 2004, over the re-adjusted cost value obtained through conversion by the adjustment coefficient appropriate for the purchasing year. Those purchased as of the beginning of 2005 are transferred over their cost value of purchase. Fixed assets are presented with their net values having deducted accumulated depreciation from the cost, and if any, after deducting provision for impairment.

The usual maintenance and repair expenses made to the fixed tangible assets are recognized as expenses.

There are there are no encumbrances on the tangible fixed assets such as pledge, mortgage or similar.

There is no change in the accounting estimates which have a significant effect to the current period and are expected to have a significant effect to the next periods.

	December 31, 2015	December 31, 2014
Provision for Tangible Fixed Assets Impairment	-	(275.000)

Depreciation is calculated by considering the economic lives of fixed tangible assets except land; according to declining balance method for vehicles, fixtures, and special costs; and buildings are subject to depreciation on pro rata basis according to normal depreciation method.

Mapfre Genel Sigorta Anonim Şirketi

Notes relating to non-consolidated financial statements as of December 31, 2015 (cont.)

(Currency - Unless otherwise specified is shown in Turkish Lira (TRY))

2. Summary of significant accounting policies (cont.)

Depreciation periods estimated based on useful lives of tangible fixed assets are stated below:

Asset Type	Useful Life
Properties for use (Buildings)	12 Years-50 Years
Fixtures and installations	2 Years-50 Years
Motor vehicles	5 Years
Special cost prices	5 Years

2.6 Investment properties

Land and buildings which are held to receive rent or for appreciation or both instead of being utilized for company's operations, administrative purposes or being sold throughout the normal course of business are categorized as investment properties. Investment properties consist of land and buildings, and they are presented having deducted accumulated depreciation except land from the cost of acquisition. No depreciation is allocated for lands since they have an unlimited useful life. Buildings, on the other hand, are subject to depreciation over their useful life with the

linear depreciation method. In the case of conditions implying the impairment of investment properties, an investigation is carried out to determine possible depreciation, and as a result of this investigation, the registered value of investment property is reduced to the amount recoverable by allocating a provision if the registered value is higher than the amount recoverable. The amount recoverable is considered to be the higher one of the net cash flows to be received from the present use of the relevant investment property or the reasonable value less cost to sell. Depreciation periods for investment property are as follows:

Asset Type	Useful Life
Investment properties (Buildings)	10 Years-50 Years

2.7 Fixed intangible assets

Fixed intangible assets consist of software licenses. The intangible assets initially recorded over their cost in accordance with the TMS 38 - Recognition of Intangible Assets Standard are transferred until December 31, 2004, over the re-adjusted cost obtained through conversion by the adjustment coefficient appropriate for the purchasing year. Those purchased as of 2005 are transferred over their cost of purchase.

Values of intangible assets are reviewed to be tested for any impairment in the case of changing conditions. Intangible fixed assets, as of December 31, 2015, have been subjected to prorata depreciation over their useful lives with linear depreciation method. Depreciation periods for intangible fixed assets are given below:

Asset Type	Useful Life
Rights	3 Years-15 Years

Mapfre Genel Sigorta Anonim Şirketi

Notes relating to non-consolidated financial statements
as of December 31, 2015 (cont.)

(Currency - Unless otherwise specified is shown in Turkish Lira (TRY))

2. Summary of significant accounting policies (cont.)

2.8 Financial assets

Financial instruments are contracts increasing the financial assets of an enterprise and the financial liabilities or capital instruments of another enterprise. Financial assets:

- cash,
- contractual rights allowing to receive cash or other financial assets from another enterprise,
- contractual rights allowing the enterprise to exchange their financial instruments with another enterprise to the former's advantage, or
- capital instruments of another enterprise.

A financial asset or liability is calculated over the transaction costs which are the initial fair value given (for the financial instrument) and obtained (for the financial liability), adding transaction charges to them, if any. Fair value refers to the marketable price of a financial instrument in a current transaction, to be purchased and sold by willing parties, except conditions such as forced sale or liquidation. Quoted market price refers to, if any, the value that best reflects the fair value of a financial instrument. The Company has determined estimated fair values of financial instruments based on current market information and proper valuation methods.

The Company reflects financial assets or liabilities in its balance sheet in case it participates in the relevant financial instrument contracts. The Company deletes the record of the financial asset wholly or partially only when it loses its control on the rights arising from the contract in which these assets are subject matter. The Company deletes the financial liabilities from registry only if the contractual obligations disappear, are canceled or prescribed.

All ordinary financial asset purchases and sales are registered on the transaction date, i.e. when the Company undertakes to purchase or sell the relevant asset. Such purchases and sales require that the financial asset be delivered within a period of time usually determined by general practices and regulations within the market.

Current financial assets

The Company classifies current financial assets as available-for-sale, to be held until maturity, marketable securities, and receivables from credits and principal operations.

Classification and evaluation of financial investments

a) Financial assets available for sale

Financial assets available for sale are non-derivative financial assets which are not classified as (a) to be held until maturity, (b) marketable securities, or (c) credits and receivables. Subsequent evaluation of available for-sale assets is performed over their fair value after initial registry.

The unrealized profits/losses which state the difference between the amortized cost prices and the fair value which arises from the changes in fair value of the financial assets available for sale and calculated with the properties' effective interest method are recognized in "Financial Asset Valuation" account under equity items. In case of disposing the financial assets available for sale, the value that occurs in the equity accounts as a result of fair value application is recognized in the profits or losses. The long-term securities of the company are valued in the financial assets available for sale.

Mapfre Genel Sigorta Anonim Şirketi

Notes relating to non-consolidated financial statements as of December 31, 2015 (cont.)

(Currency - Unless otherwise specified is shown in Turkish Lira (TRY))

2. Summary of significant accounting policies (cont.)

The purchases and sales of securities are recognized at the date of delivery. Financial assets are deleted from the records when the Company ceases its control on the contractual rights on these assets. This occurs in case of realization of such rights, expiry of their term and their delivery.

All the securities comprising the financial assets available for sale portfolio of the Company as of December 31, 2015 and December 31, 2014 are in Turkish Lira.

i) State bonds

The state bonds classified under available-for-sale financial assets have been evaluated based on their fair value. The values of the government securities calculated according to the internal return method using applicable interest rates were compared to the fair values of the relevant security obtained by taking into consideration the best order among the current orders in the stock exchange market, and the difference between them was recognized in the "Valuation of Financial Assets" account under the equity capital. The difference between the values of the government securities calculated with the applicable interest rates according to internal return method and their cost values is reflected in the income statement as interest income.

ii) Shares

Valuation of shares, classified under financial assets available for sale is performed over their fair value after initial registry. Unrealized profits/losses due to the changes in fair value are recognized in "Financial Asset Valuation" account under equity. Dividends received are presented in dividend revenues on the date of receipt.

Fair values of the available-for-sale securities being traded in active markets are determined over the final quotation issued in the Stock Exchange Market as of the date of the balance sheet.

All the securities comprising the financial assets available for sale portfolio of the Company as of December 31, 2015 are in Turkish Lira.

b) Financial Assets to be Held until Maturity

Financial assets acquired to be held until maturity and which have fixed or terminable payments are classified as securities to be held until maturity.

Financial assets subject to reverse repurchasing transactions are classified under financial assets to be held until maturity, and they are recognized after initial registry by using the effective interest method over the value discounted.

Incurred profit or loss in connection with the impairment or disposal of the securities transferred over discounted cost value is included in the financial statement in the relevant period.

Interest received in connection with the transfer of financial assets to be held until maturity is monitored in the non-consolidated income statement.

There is no financial asset to be held until maturity in the Company's portfolio as of December 31, 2015 and December 31, 2014.

Mapfre Genel Sigorta Anonim Şirketi

Notes relating to non-consolidated financial statements
as of December 31, 2015 (cont.)

(Currency - Unless otherwise specified is shown in Turkish Lira (TRY))

2. Summary of significant accounting policies (cont.)

c) Marketable securities in the trade book

Marketable securities in the trade book consist of the assets that are acquired to gain profit from short-term price or other fluctuations in the market and which are part of a short-term profit portfolio regardless of the reason for which they are acquired. After the initial registry, marketable securities are followed up over the fair value, considering the best purchase order among the current orders in the stock exchange. All actual and unrealized profits and losses in connection with the marketable securities in the trade book are included in the non-consolidated income statement for the relevant period.

There are no marketable securities in the Company's portfolio as of December 31, 2015 and December 31, 2014.

d) Credits and receivables:

Credits and receivables are financial assets generated by providing funds or services to debtors. The Company initially records operating receivables over acquisition costs and monitors them by their recorded value. After the initial record date, credits and receivables are transferred over their discounted cost. If there is sufficient evidence to suggest that due receivables from insurance operations may not be collected, a provision for receivable is allocated. Charges and other costs paid in connection with the assets received as collateral for them are not considered a part of the operational cost and they are reflected in expense accounts.

Further, the Company allocates relevant provisions for the doubtful receivables subject to administrative and legal proceedings in connection with agencies and policyholders. This provision is presented under "Doubtful Receivables from Real Operations" in the balance sheet.

Non-current financial assets

Long-term securities consist of the 0.17% shares held by the Company in Genel Sigorta A.Ş. Memur ve Hizmetlileri Emeklilik ve Yardım Sandığı Vakfı, and shares in Mapfre Genel Yaşam A.Ş. again owned by the Company at the rate of 99.50%. These securities, participations and subsidiaries are presented in the records over the acquisition cost.

Financial instruments' registration and deletion from the records

The Company reflects financial assets or financial liabilities in its balance sheet in case it participates in the relevant financial instrument contracts. All ordinary trading transactions for financial assets are reflected in the records on the delivery date. The Company deletes the record of the financial asset wholly or partially only when it transfers the risks and benefits in connection with the property of these assets and when it loses its control on the rights arising from the contract in which these assets are the subject matter. The Company deletes the financial liabilities from registry only if the contractual obligations disappear, are canceled or prescribed.

Mapfre Genel Sigorta Anonim Şirketi

Notes relating to non-consolidated financial statements as of December 31, 2015 (cont.)

(Currency - Unless otherwise specified is shown in Turkish Lira (TRY))

2. Summary of significant accounting policies (cont.)

2.9 Impairment in assets

Financial assets:

Objective indicators which demonstrate that a financial asset or a financial asset group has incurred impairment include the following:

- a) Significant financial difficulty experienced by the issuer or subscriber,
- b) Breach of contract,
- c) A privilege granted by the debtor to the creditor for economic or legal reasons regarding the financial difficulties experienced by the debtor, which would not be granted under other circumstances,
- d) High probability of bankruptcy or other financial restructuring on the part of the debtor,
- e) Disappearance of the active market for the financial asset in question due to financial problems,

The Company evaluates the existence of a relevant indicator as of the balance sheet dates, and reflects impairment, if any, in its records.

Further, substantial and long-term reductions which take place, under the cost value, in the fair value of the financial assets characterized as available-for-sale capital instrument are considered as an objective indicator for impairment. TAS 39 differs from IAS 39 issued by the International Accounting Standards Board in terms of this criterion. Whereas TAS 39 requires "long-term reductions in the fair value substantially below the cost value" to be able to determine the impairment of financial assets available for sale, IAS 39 addresses the same criterion as "long-term reductions or reductions substantially below the cost value in the fair value".

However, where there is an objective indicator with regard to impairment, both standards stipulate that the accumulated impairment amount which consists of the difference between the cost value and the market value, and which is generated under equities, be deducted from equities and reflected as loss in the income statement. The Company used to follow the share impairment under appreciation/(impairment) account in the owner's equity statement for reasons such as the lack of an express definition of "long-term" and "substantial" in TAS 39 or IAS 39, lack of guidance by the Undersecretariat of Treasury with regard to the definitions of "long-term" and "substantial", and since the decline in the stock exchange market prices for shares the fair value of which dropped below their cost lasted for a period of less than a year. Having evaluated the recent developments throughout the year, in 2009, the Company anticipated that the impairment in some financial assets could be long term, and set certain criteria to decide whether the impairment of financial assets was "long-term" and "substantial". Whereas the concept "long-term" represents the financial assets depreciating for a period of 18 months, and "substantial" represents the financial assets with a depreciation of 40% over its cost. The Company allocates a provision for impairment for the financial assets meeting both criteria.

The amount of the relevant loss is recognized under profit and loss in the case of the presence of an objective indicator suggesting a depreciation loss in credits and receivables. Moreover, the Company allocates specific provisions for doubtful receivables subject to administrative and legal proceedings as well as the uncollected amounts or amounts which are no longer likely to be collected in connection with agents and policyholders.

Mapfre Genel Sigorta Anonim Şirketi

Notes relating to non-consolidated financial statements as of December 31, 2015 (cont.)

(Currency - Unless otherwise specified is shown in Turkish Lira (TRY))

2. Summary of significant accounting policies (cont.)

Non-financial assets:

Where the assets cannot be liquidated over the value they bear, one looks for impairment. When the value of assets exceeds the amount to be liquidated, a provision for impairment is reflected as expense in the income statement. The amount to be liquidated is the higher one of the net sale price and the usage value of the asset. Usage value reflects the current value of the prospective cash flows anticipated to be acquired from using an asset and selling at the end of its economic life whereas the net sale price reflects the amount remaining after the sales costs are deducted from the sales revenue. If it is possible to do so, the amount to be liquidated is determined for each asset; if it is not, it will be estimated for the group which provides cash flow and includes the asset. If the provision for impairment allocated in previous years is no longer valid or if a lower provision becomes necessary, the concerned amount is withdrawn and then such amount is reflected in the non-consolidated income statement.

2.10 Derivative financial instruments

None.

2.11 Offsetting the financial assets

Financial assets and liabilities are shown on the non-consolidated balance sheet by offsetting in case of having a legal right or power of sanction for offsetting and having a purpose to collect/pay these assets and liabilities on the net basis or to finalize simultaneously.

2.12 Cash and cash equivalents

Cash and cash equivalents include the term and demand deposit and credit card amounts in the safety deposits and banks. Cash equivalents are short-term investments with high liquidity, i.e. which can be easily liquidated, with a maturity not exceeding 3 months, and without the risk of impairment.

The cash and cash equivalents are presented with the sum of their acquisition costs and accrued interests.

	December 31, 2015	December 31, 2014
Cash	5.844	10.334
Banks	706.299.375	442.298.557
- demand deposit	16.784.070	7.511.737
- time deposit	689.515.305	434.786.820
Credit card receivables guaranteed by bank and with less than three-month term	325.853.228	126.207.165
Payment orders	-	-
In-transit moneys (postal cheque)	-	-
Interest accrued	3.384.016	5.657.305
Cash and cash equivalents	1.035.542.463	574.173.361
Time deposit with a maturity exceeding 3 months (including blocked deposits)	(402.182.601)	(252.862.155)
Interest accrued	(3.384.016)	(5.657.305)
Rediscount	3.550.764	944.641
Financial assets and the financial investments for the benefit of the policyholders who bear the risk	-	-
The cash and cash equivalents which constituted a basis for the cash flow statement	633.526.610	316.598.542

Mapfre Genel Sigorta Anonim Şirketi

Notes relating to non-consolidated financial statements
as of December 31, 2015 (cont.)

(Currency - Unless otherwise specified is shown in Turkish Lira (TRY))

2. Summary of significant accounting policies (cont.)

2.13 Capital

2.13.1 The capital and shareholding structure of the Company as of December 31, 2015 and December 31, 2014 are given below:

Name	Share rate	December 31, 2015		December 31, 2014	
		Share rate	Share value	Share rate	Share amount
Mapfre International S.A.	99,75%	349.109.046	99,75%	349.109.046	
Other	0,25%	890.954	0,25%	890.954	
Paid-in Capital	100,00%	350.000.000	100,00%	350.000.000	
Positive/negative differences from capital adjustment	-	-	-	-	
Nominal Capital		350.000.000		350.000.000	

The Company did not contribute to capital within the period that ended on December 31, 2015 (December 31, 2014: None).

The Company amended several articles of the Articles of Association in the Executive Board meeting held on May 14, 2014, and these amendments were issued in the Official Gazette on August 7, 2014. The Company's stock, 350,000,000 divided into 2 groups consisting of 280,000,000 Group A and 70,000,000 Group B shares in line with the changes on December 24, 2008, amounts to TRY 350,000,000.00 as of May 14, 2014, divided into 350,000 registered shares each amounting to TRY 1. The amendments require that five percent (5%) of the annual profit be allocated to general legal reserve until 20% of the issued capital is reached. 10% of the annual profit is kept in voluntary reserves. 5% of the paid-in capital is distributed between the partners as the first dividend. One tenth of the remaining amount is paid to the founders in the context of dividend shares. Having reached the legal limit specified in the Turkish Commercial Code no. 6102, the amounts determined in sub-paragraphs (a), (b), and (c) of the 2nd paragraph of Article 519 of the TCC are added to the general legal reserves. The General Board will decide whether to distribute the remaining amount fully or partially to shareholders as the second dividend, to employees as share of profit, to keep it in reserves, as well as the dates on which such amounts will be distributed.

2.13.2 No privilege had been granted to the shares representing the capital between December 31, 2015, and December 31, 2014.

2.13.3 The Company is not subject to registered capital system as of December 31, 2015, and December 31, 2014.

2.13.4 Other information regarding the Company's capital are explained in Note 15.

2.14 Insurance and investment contracts – classification

Insurance contracts

All contracts held by the Company pertaining to its operations were insurance operations as of December 31, 2015, and December 31, 2014, and the Company has no investment contracts. Insurance contracts are those which transfer the insurance risk. Insurance contracts protect the policyholder against the adverse economic consequences of a loss under the terms and conditions guaranteed in the insurance policy. The Company mainly produces contracts for fire and natural disasters, transport, land vehicles, railway vehicles, aircraft, watercraft, accidents, general liability, land vehicles liability, watercraft liability, aircraft liability, general damages, fidelity guarantee (bailment), financial losses, credits, legal protection, and health branches.

Mapfre Genel Sigorta Anonim Şirketi

Notes relating to non-consolidated financial statements
as of December 31, 2015 (cont.)

(Currency - Unless otherwise specified is shown in Turkish Lira (TRY))

2. Summary of significant accounting policies (cont.)

Reinsurance contracts

The Company transfers insurance risks assumed in operating branches to the reinsurer companies within the framework of reinsurance contracts. Reinsurance assets refer to the amounts to be received from reinsurance companies. Impairment of reinsurance assets have been evaluated as of the date of reporting. Revenues and expenses in connection with the reinsurance contracts are recognized on the date of accrual and by taking the periodicity concept into account.

Reinsurance contracts do not release the Company from its obligations arising from the insurance contracts or transfer the insurance risk presented in the financial statements.

Premiums written and damages incurred are presented separately as gross and reinsurance share in the financial statements.

Reinsurance assets and liabilities will be removed from the financial statement when the contract ends.

2.15 Features of optional participation in insurance and investment contracts

The feature of optional participation in the insurance and investment contracts is a contractual right for having the additional benefits below in addition to the guaranteed benefits:

- (i) Nominee to constitute a major part of the total contractual benefits;
- (ii) The amount and timing of which is at the discretion of the issuer; and
- (iii) Which depends on the following, as per the contract:
 - (1) The performance of a certain pool of contracts or a certain type of contract;
 - (2) The investment income of a certain pool of assets held by the issuer, which are actual and/or unrealized; or
 - (3) The profit or loss of a contract issuing company, fund or a different entity,

The company has no insurance or investment contracts with a nature of optional participation as of the end of the period.

2.16 Investment contracts without optional participation

None (December 31, 2014 - None).

2.17 Debts

Contractual financial liabilities are:

- contractual liabilities allowing the transfer of cash or other financial assets to another enterprise, or
- contractual liabilities allowing the enterprise to exchange their financial instruments with another enterprise to the former's disadvantage.

No credit has been borrowed as of December 31, 2015, and December 31, 2014.

Mapfre Genel Sigorta Anonim Şirketi

Notes relating to non-consolidated financial statements
as of December 31, 2015 (cont.)

(Currency - Unless otherwise specified is shown in Turkish Lira (TRY))

2. Summary of significant accounting policies (cont.)

2.18 Taxes

Deferred income tax

The deferred tax liability or asset is determined by the calculation over the “temporary differences” between the values of the assets and liabilities, which are shown on the financial statements in accordance with the TAS 12 - Income Taxes standard and the amounts taken into account in the tax base account. According to the tax legislation, the differences which do not effect the financial or commercial profit, which occur at the date of acquisition of the assets or liabilities are excluded from this calculation.

The deferred tax assets and the deferred tax liabilities are shown in the financial tables clearly only if the Company has a legal right to offset its current tax assets with the current tax liabilities.

If the valuation differences that occur as a result of valuation of the assets are recognized in the income statement, the current period corporate tax and the deferred tax income or expense relating to these are recognized in the income statement as well. If the valuation differences that occur as a result of valuation of the relevant assets are recognized directly in the equity accounts, the associated tax effects are recognized directly in the equity accounts as well.

2.19 Employee benefits

The Company has to indemnify the personnel in case of dismissal except the dismissals for justified reasons and resignations and in case of retirement under the Code of Labor in effect. This indemnity is the equivalent of a wage for 30 days for each professional year until dismissal or retirement as of December 31, 2015, provided that it does not exceed the maximum wage which is the basis for SSI premium. (Note: 22)

Liabilities regarding severance pay should be calculated within the framework of the provisions of “Turkish Accounting Standard on Employee Benefits” (“TAS 19”) using certain actuarial estimations over current value of the estimated provision for the likely prospective liabilities in connection with all employees. (Footnote: 22)~

Pension rights and defined contribution plan:

The Company’s employees are members to Türkiye Genel Sigorta A.Ş. Memur ve Hizmetlileri Emeklilik ve Yardım Sandığı (“Fund”) established according to provisional article 20 of Social Insurance Law no. 506. The Company pays premiums to the Fund for the employees. The technical financial statements of the Fund are audited by an actuary registered with the registry of actuaries in accordance with articles 1, 21, 28 and 31 of Insurance Law no. 5684.

Paragraph 1 of Article 23 of the Banking Law issued in Official Gazette no. 25983 on November 01, 2005 used to stipulate transfer of the bank funds to the Social Security Institution (“SSI”) within 3 years as of the date of issuance of the Banking Law, and regulate the principles of such transfer. The law article in question concerning the transfer has been abolished and revoked as of the date of issuance of decision no. E. 2005/39, K. 2007/33 dated March 22, 2007 and issued in Official Gazette no. 26479 on March 31, 2007 as a result of the application made to the Constitutional Court by the President on November 2, 2005.

Mapfre Genel Sigorta Anonim Şirketi

Notes relating to non-consolidated financial statements
as of December 31, 2015 (cont.)

(Currency - Unless otherwise specified is shown in Turkish Lira (TRY))

2. Summary of significant accounting policies (cont.)

The justified decision regarding the abolition of the article in question by the Constitutional Court has been published in Official Gazette no. 26372 on December 15, 2007. After publication of the justified decision, the Turkish Grand National Assembly ("TGNA") began to work on new legal regulations concerning the banks' transfer of fund contributors to SSI, and the relevant articles of the "Law Amending the Law of Social Insurance and General Health Insurance as well as Several Laws and Statutory Decrees" numbered 5754 ("New Law") governing the principles of transfer was adopted by the General Assembly of the TGNA on April 17, 2008. The New Law became effective having been published in the Official Gazette no. 26870 on May 08, 2008. The New Law stipulates that bank funds must be transferred to the SSI within three years as of the date of issuance of the relevant article without need to observe any further procedure, and the transfer period of three years may be extended by a Cabinet decision for two years at maximum. The Cabinet decision no. 2011/1559 issued in the Official Gazette on April 09, 2011 extended the period allowed for the transfer of bank funds to the Social Security Institution for 2 more years. With Law no. 6283 Amending the Social Insurance Law and General Health Insurance Law issued in the Official Gazette on March 08, 2012, the Cabinet was granted the authority to further extend the 2 years of extension to 4 years. May 2015 has been set as the date of transfer as per the Cabinet decision on February 24, 2014. However, with Article 51 of the Law. No. 6645 published in the Official Gazette dated April 23, 2015 and numbered 29335, the authority to determine the transfer date has been granted to the Cabinet and thus the transfer of the funds has been postponed to an unknown date.

The commission to be formed with the participation of SSI, Ministry of Finance, Undersecretariat of Treasury, Undersecretariat of State Planning Organization, BRSA, SDIF, a member representing the Fund being calculated and another representing the Fund participations separately for each fund; decided in relation to the persons being transferred as of the transfer date, including the contributors leaving the fund for each fund, that the cash value of the liability will be calculated using the technical interest rate of 9.80% taking into consideration the differences in question in the event that revenues and expenses per insurance branch of the funds within the scope of the Law and the monthly wages and revenues paid by the funds are above the monthly wages and revenues within the framework of SSI regulations. After transfer to SSI of the Fund contributors and those whom a monthly wage and/or revenue are paid and beneficiaries thereof under the New Law, other social benefits and payments held by those persons which are not provided despite being included in the foundation voucher to which those people are subject to shall be provided by the funds and by the corporations employing fund contributors.

Law no. 6283 Amending the Social Insurance and General Health Insurance Law known by the public as "adjustment law" has been issued in the Official Gazette on March 08, 2012. (Note: 22)

2.20 Provisions

Provisions, contingent liabilities and contingent assets

The provisions are recorded only if the Company has a pending liability (legal or structural), if it is likely that the assets bringing economic benefit to the enterprise may be lost due to such liability, and if the amount of the liability to arise can be estimated reliably. When the monetary depreciation gains significance, provisions are calculated by discounting the pre-tax ratio of the current market estimations reflecting the time value of money over the future cash flows (and liability-specific risks, if appropriate).

If the situation requiring fund transfer is not highly likely, contingent liabilities are not reflected in the financial statements but explained in the footnotes. Contingent assets, on the other hand, are not reflected in the financial statements but explained if the footnotes if they are highly likely to generate economic returns.

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Notes relating to non-consolidated financial statements
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2. Summary of significant accounting policies (cont.)

Insurance business technical reserves

a) Provision for unearned premiums:

Provision for unearned premiums consists of amounts extending to the next accounting period in view of the gross number of days without any reduction of the premiums accrued in connection with the insurance contracts entered between January 1 - December 31, 2013 in effect as of the balance sheet date excluding the earthquake insurance premiums and transport branch premiums in the policies issued before June 14, 2007 under "Regulation on Technical Reserves of Insurance, Reinsurance, and Pension Companies and Assets in which such Reserves Will Be Invested" (Regulation on Technical Reserves) which became effective as of January 1, 2008 upon publication in the Official Gazette no. 26606 on August 7, 2007. The provision for unearned premiums is being calculated for the earthquake insurance premiums in the policies issued after June 14, 2007 within the scope of the Circular issued by the Undersecretariat of Treasury on July 04, 2007. This provision for the transportation insurance contracts is calculated based on 50% of the net premiums written in the last three months.

On the other hand, it was stipulated that the practice of allocation of unearned premiums after deduction of commissions for policies issued before December 31, 2007 should continue since the provision for unearned premiums prepared for 2007 were transferred to the financial statements of 2008 as per the Circular no. 2007/25 dated December 28, 2007 issued by the Undersecretariat of Treasury. As of "the Industrial Announcement regarding Technical Provisions and Implementation of the Relevant Legislation" issued by the Undersecretariat of Treasury on March 27, 2009, starting and ending dates of the policies considered under the provision for unearned premiums shall be considered 12.00 at noon, and the policies shall be considered half day for the date of issuance of all policies and their dates of completion.

The terms and conditions and commissions of the reinsurance contracts in effect are taken into consideration for calculating the reinsurer's share in the provision for unearned premiums.

The part of the amounts accrued for non-obligatory reinsurance contracts corresponding to later periods are followed in the deferred expenses account.

Accordingly, concerning the policies in effect as of December 31, 2015, the Company calculated a provision for earned premiums over the amount remaining after commissions are deducted from gross premiums for the policies issued before January 01, 2008, and over gross premiums for the policies issued after January 01, 2008 (Footnote: 17). The part of the commissions paid to the intermediaries and the part of the commissions collected due to the premiums transferred to reinsurers corresponding to future periods are kept in the balance sheet respectively under accounts of deferred production revenues (Future revenues (months) Note: 19) and deferred production expenses (Future expenses (months) Note: 47.1) accounts, and under operating expenses account in the income statement.

b) Reserve for on-going risks:

For the insurance contracts issued as of January 01, 2008, the reserve for on-going risks under the Technical Reserves Regulation is allocated for the insurance branches where the risk levels undertaken throughout the term of the insurance contract and the time distribution of the earned premiums do not match, in the event that the provision for unearned premiums is inadequate compared to the risk incurred by the company and the anticipated level of expense.

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2. Summary of significant accounting policies (cont.)

While allocating reserve for on-going risks, the Companies are obliged to carry out an adequacy test as of the end of each accounting period to include the last 12 months against the possibility that the indemnities that might arise from the insurance contracts in effect prove to be more than the provision for unearned premiums allocated for the relevant contracts. In the event that the loss ratio expected for the branches to be determined by the Undersecretariat of Treasury is over 95%, the amount found by multiplying the ratio exceeding 95% by net unearned premiums is considered to be the reserve for on-going risks of that branch.

Article 7 of the industrial announcement no. 2012/13 issued by the Undersecretariat of Treasury on July 18, 2012 stipulates that in the event of a change in the methods of calculation for the provision for outstanding claims or provision for unearned premiums under calculation of the reserve for on-going risks, the calculations for the provision for outstanding claims or provision for unearned premiums of the previous year subject to calculation of the reserve for on-going risks should be made according to the new method in order to eliminate any misleading effect.

The Undersecretariat of Treasury, with the circular no. 2012/15, amended the following sentence in the second paragraph of the circular no. 2007/21 "In this context, for calculation of the Reserve for On-going Risks, it has been found appropriate to take as basis all sub-branches included in the Uniform Chart of Accounts for Insurance set forth by the Undersecretariat within the framework of the Insurance Law no. 5684" as "In this context, for calculation of the Reserve for On-going Risks, it has been found appropriate to take as a basis all main branches included in the Uniform Chart of Accounts for Insurance set forth by the Undersecretariat within the framework of the Insurance Law no. 5684", to take effect as of December 31, 2012. Further, the Company has started to calculate the reserve for on-going risks, which was calculated in net as per the circular no. 2013/2 of the Undersecretariat of Treasury, in gross and without reinsurance share as per 31 December, 2012. (Note: 17)

c) Provision for outstanding claims and compensations:

The Company allocates a claims reserve for all liabilities in connection with the claim files which are notified and not paid as of the end of the period. The provision for outstanding claims is determined in accordance with the expert reports or the evaluations of the policyholder and the expert.

Damages Realized but Not Reported

Pursuant to the "Circular on Provision for Outstanding Claims" numbered 2014/16, the explanations relating to the IBNR calculations made by main branches as of December 31, 2015 are stated below with their reasons and grounds.

Major Damages Elimination

No major damage was eliminated in any branch.

Net (from Reinsurance) Amount Calculation

In the calculation of the net part of the IBNR amount, in order to comply with the provisions of the reinsurance contracts, the gross-net ratio of the 7-year realized chain data has been used. The net IBNR figure has been achieved as a result of the multiplication of the ratio obtained from division of the amount subject to the chain realized which is calculated over the net values of the files on the basis of main branches to the amount subject to the chain realized which is calculated over the gross values of the files with the gross IBNR figure.

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**Notes relating to non-consolidated financial statements
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2. Summary of significant accounting policies (cont.)

Calculation Methods for Realized but not Reported Compensation Amount

The Company uses the standard actuarial chain ladder method in the General Responsibility, General Damages, Aircrafts, Optional Pecuniary Liability, Land Vehicles, Accident, Transportation, Health, Watercrafts and Fire/Natural disasters branches in which it operates and the frequency severity actuarial chain ladder method in the Compulsory Traffic branch. Also, the provisions realized but not reported in the Financial Losses, Bailment and Legal Protection branches which are initiated a short time ago are calculated with alternative methods.

Reserving Excess Provision

It has been considered that the results calculated with standard methods in the Compulsory Traffic Branch would be insufficient in covering the liabilities of the Company and that it would be better to make the calculation with an alternative method by taking into account all the assumptions that may effect the damage development.

In the calculation made based on the standard ACLM method, the Compulsory Traffic IBNR amount was calculated as TRY 144,702,199.

In the additional work carried out according to the standard ACLM method for financial and incapacity IBNR amount, and according to the frequency severity ACLM method for the physical IBNR amount, the Compulsory Traffic IBNR amount was calculated as TRY 133,779,338. Additionally, as a result of the work carried out on the IBNR and pending files, it has been found appropriate to allocate a total amount of TRY 51,900,767 as IBNR in order to reflect the effect of the minimum wage increase. When TRY 2,025,061 which has an effect of recourse accrual is included in the calculation, the gross IBNR figure was calculated as TRY 187,705,166, [net IBNR TRY 187,248,542].

In the “Circular on Amending the Circular relating to Provision for Outstanding Claims (2014/16)” which entered in force on April 1, 2015 and numbered 2015/28, “Article 1 - the Article 5.A of the Circular relating to Provision for Outstanding Claims has been amended as follows:

5. A. (1) If the amount found as a result of the IBNR calculation (a) is more than the previous three-month amount (b), the IBNR calculation can be made by adding the amount of the difference (a-b) in three-month periods to (b), starting from the second three-month period of 2015, as follows:

- 2.5%, 5%, 10% for 2015,
- 20%, 25%, 30%, 35% for 2016 and
- 45%, 55%, 75% and 100% for 2017...”

as stated with the article above, a right to make the IBNR calculation by adding the 10% of the increase compared to the IBNR amount on September 30, 2015 to the previous IBNR amount has arisen as of December 31, 2015. Accordingly, over the net figures;

	31.12.2015	30.09.2015	Difference	10%	Result
Compulsory Traffic IBNR	187.248.542	83.595.944	103.652.598	10.365.260	93.961.204

The IBNR figure to be recognized in the balance sheet for the Compulsory Traffic branch is TRY 93,961,204.

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Notes relating to non-consolidated financial statements
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2. Summary of significant accounting policies (cont.)

Adequacy of Provisions for Outstanding Claims

The difference of the Adequacy of Provisions for Outstanding Claims has been calculated in the branches in which ACLM is not applied and the results have been included in the financial statements. Accordingly, the amount recognized in the financial statements has been shown on the table below based on the branches.

Branch	MTKYF - Gross (TRY)	MTKYF - Net (TRY)
702 Financial Losses	88.584	4.547
736 Bailment	-	-
760 Legal Protection	-	-

Implemented Rate of Increase

The gradual transition rates of increase implemented in the IBNR calculation as of December 31, 2015 and the IBNR calculations (net) are provided in the table below.

Branch	31.12.2015 IBNR	30.09.2015 IBNR	Difference	Rate of Increase	Amount to be Added	31.12.2015 IBNR - Balance
General Responsibility	9.550.459	5.977.849	3.572.609	%10	357.261	6.335.110
General Losses	-561.726	-1.659.107	1.097.381	%10	109.738	-1.549.369
Legal Protection	82.239	81.707	532	%10	53	81.760
Voluntary FL	4.880.431	3.557.951	1.322.480	%10	132.248	3.690.199
Land Vehicles	-10.645.143	-12.698.651	2.053.507	%10	205.351	-12.493.300
Transportation	-203.207	-796.859	593.652	%10	59.365	-737.494
Health	1.933.402	1.301.138	632.263	%10	63.226	1.364.364
Compulsory Traffic	187.248.542	83.595.944	103.652.598	%10	10.365.260	93.961.204

d) Provisions for bonuses & discounts:

Provisions for bonuses & discounts refers to the provision which should be allocated when policyholders are promised for a bonus or discount without renewal for subsequent periods in connection with the current policies. In the event that the Company decides to grant bonuses or discounts, the provision for bonuses and discounts which must be allocated as per article 16 of the Insurance Law will consist of the amounts of bonuses and discounts granted to policyholders and beneficiaries according to the technical results of the current year.

The company calculates a provision for the bonuses and discounts undertaken based on loss ratios, and this provision is explained in notes 17 and 47.5 as of December 31, 2015. Regarding the bonuses and discounts promised on condition of renewal, if the group is more likely to renew than not, a provision for such bonuses and discounts is still calculated in pursuance of prudence.

e) Balancing provision:

The Company calculates balancing provision within the framework of the Technical Reserves Regulation no. 26606 issued by the Undersecretariat of Treasury in the Official Gazette on August 7, 2007, to be valid as of January 01, 2008. As per the Technical Provisions Regulation, insurance companies are obliged to allocate balancing provision for the insurance contracts including loan earthquake coverages to balance the fluctuations in the indemnity rates in the subsequent accounting periods and to meet the catastrophic risks. This provision is calculated at a rate of 12% of the net earthquake and loan premiums corresponding to each year. The amounts that accrue for the non-obligatory reinsurance agreements are accepted as transferred premium in calculation of the net premium. The balancing provision, which used to be calculated in net as per the Circular no. 2013/2 issued by Undersecretariat of Treasury, has started to be calculated separately

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2. Summary of significant accounting policies (cont.)

in gross and reinsurance share as of 31 December 2012, and is recognized under the Other Long-Term Technical Reserves account. (Note: 17)

2.21 New Regulation no. 2011/18 on Treatment Expenses for Traffic Accidents within the scope of "Circular on Recognition of Payments regarding Treatment Expenses to the Social Security Institution and on Opening of a New Account Code in the Insurance Chart of Accounts"

With article 59 of the "Law on Restructuring of Some Receivables and Amendment of the Social Insurances and General Health Insurance Law as well as Some Other Laws and Statutory Decrees" no. 6111 issued on the Official Gazette no. 27857 on February 25, 2011, it was stipulated that, as of February 25, 2011, in compulsory insurances providing health security to the traffic accidents, the amount to be specified by the Undersecretariat of Treasury not exceeding 15% of the premiums written by the insurance companies should be transferred to the Social Security Institution ("SSI"), and that upon such transfer the liabilities of the insurance companies regarding treatment expenses due to injuries resulting from traffic accidents should be transferred to SSI. Further, it was stipulated that after the amount to be determined by the Undersecretariat of Treasury is transferred to the SSI, provided that 20% of the amount to be transferred within the scope of Provisional article 1 of the same Law and article 59 is not exceeded, the treatment services delivered in connection with the injuries associated with traffic accidents before February 25, 2011 shall also be covered by the SSI.

In this context, principles and procedures regarding payment of the treatment expenses within the scope of compulsory traffic insurance, compulsory transport insurance, and compulsory seat personal accident insurance have been regulated with "the Regulation on Principles and Procedures regarding the Collection of the Health Service Costs Offered to the Concerned in Connection with Traffic Accidents" and the Circular no. 2011/17 issued in the Official Gazette no. 28038 on August 27, 2011. In parallel to this, the regulations for the Uniform Chart of Accounts for Insurance and the recognition principles with regard to the amendments have been regulated with the Circular on Recognition of the Payments Made to SSI regarding Treatment Expenses and Opening of a New Account Code in the Insurance Chart of Accounts (2011/18) in a way to take effect on September 30, 2011.

Accordingly, IBNR is calculated by excluding all data in connection with the indemnities paid for expenses of treatment out of ACLM development triangles, outstanding claims and collected recourse, salvage and similar revenues in the branches of 714-Compulsory Land Transportation Financial Liability, 715-Compulsory Traffic and 718-Compulsory Seat Personal Accident Insurance for Buses. However, since no separation has been made for the previous in the premium side, the premiums are taken into account including those transferred to SSI for ACLM calculations regarding the period after the enactment of the Law.

The outstanding loss files accrued in connection with the losses incurred before February 25, 2011 pertaining to the treatment expenses followed by the Company in its records as well as the calculated IBNR to be liquidated in connection with said treatment expenses have been closed and registered under the "Damages Paid" account. A debt equal to the liquidated amount is monitored under the accounts "346.02 Debts to SSI in connection with the Outstanding Claims Paid for Treatment Expenses" and "446.02 Debts to SSI in connection with the Outstanding Claims Liquidated for Treatment Expenses" in the balance sheet.

2.22 Regulation on "Outstanding Losses on Trial" within the scope of "the Circular on Explanations with regard to the Calculation of the Provision for Incurred but not Reported Indemnity (IBNR)" no. 2011/23:

According to the first paragraph of Article 4 of the Regulation on Financial Reports of the Insurance, Reinsurance, and Pension Companies, "Except for the communiqués to be issued by the Undersecretariat on matters specified in paragraph two, it is essential to recognize the Company activities within the framework of this Regulation and the legislations of TMSK on the principles regarding preparation and presentation of

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Notes relating to non-consolidated financial statements as of December 31, 2015 (cont.)

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2. Summary of significant accounting policies (cont.)

financial statements.” First paragraph of Article 6 of the same Regulation defines the balance sheet as the “statement reflecting the economic and financial status of the companies on a certain date, and representing accurately and fairly the assets, debts and equities thereof in the form of asset and liability accounts”.

In this context, with circular no. 2011/23, and to enable financial reports to represent fairly what they represent, it was specified that a reserve should be allocated by evaluating the likelihood of winning and losing the cases on trial, and the principles by which can a reduction in the provision for outstanding claims be made for the files on trial were determined.

Taking into consideration the date of conclusion of the lawsuit in accordance with the principles specified in the relevant circular, the win ratio was calculated over the amounts of the lawsuits filed regarding the sub-branches and the realizations within the retrospective last five years from the end of the period when the calculation was made, and a gross deduction was made from the pending files accrued for the files in lawsuit process based on such win ratio and these rates used on a sub-branch basis are given below.

Branch	December 31, 2015			December 31, 2014		
	Win Ratio (%)	Gross	Net	Win Ratio (%)	Gross	Net
Compulsory Traffic	5,09%	6.579.355	6.578.633	6,12%	6.568.611	6.567.613
Fires	25,00%	1.617.574	664.155	25,00%	1.517.667	527.363
Motor Land Vehicles Voluntary						
Financial Liability	25,00%	1.628.344	1.628.086	25,00%	1.573.064	1.572.811
Construction	25,00%	2.415.397	564.172	25,00%	2.872.833	473.671
Motor Land Vehicles -						
Motor Insurance	25,00%	811.386	811.386	22,26%	660.387	660.387
Goods	25,00%	489.438	249.845	15,00%	338.956	125.738
Pilferage	25,00%	99.191	52.452	25,00%	91.910	59.296
Assembly	6,53%	113.824	79.662	6,97%	124.097	83.371
Financial Liability against						
Third Parties	25,00%	1.190.468	427.998	25,00%	1.596.417	478.361
Machinery Breakdown	25,00%	1.020.354	26.407	25,00%	1.045.696	42.565
Personal Accident	14,20%	70.469	45.465	15,00%	95.821	58.939
Electronic devices	23,42%	29.662	28.243	24,38%	29.948	27.855
Employer Financial Liability	25,00%	4.653.765	1.433.748	25,00%	3.034.022	875.428
Compulsory Financial Liability for						
Medical Injury	15,00%	154.839	77.420	15,00%	88.565	44.282
Compulsory Seat Personal Accident						
Insurance for Buses	15,00%	325.812	34.610	25,00%	402.285	43.244
Illness/Health	1,78%	336	336	0,00%	-	-
Compulsory Land Transportation						
Financial Liability	2,50%	28.127	2.884	0,28%	2.276	234
Total		21.228.341	12.705.502		20.042.555	11.641.158

2.23 Recognition of revenues

Premium revenues

The premiums written refer to the amount remaining when cancellations are deducted from the policy premiums issued throughout the period. Premium revenues are reflected in the non-consolidated financial statements based on accrual and by way of allocating premium reserve over the premiums written.

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2. Summary of significant accounting policies (cont.)

Commission revenues and expenses

Commissions paid in connection with the premiums written and the commission revenues collected in relation to the premiums transferred to the reinsurance companies are subject to accrual within the current period. Commissions collected and paid, which are traced on an accrual basis are monitored under the operating expenses in the non-consolidated income statement as settled, and under future months' revenues and expenses, respectively in the non-consolidated balance sheet.

Recourse and salvage income

The Company, in the non-consolidated financial statements prepared as of December 31, 2015, recognizes the recourse receivables from insurance companies and natural persons and legal entities agreed in pais when the recourse revenues related to the damage payments become receivable for the period as per the letter of the Undersecretariat of Treasury issued on January 18, 2005 with the number B.02.1.HM.O.SGM.0.3.1.1. The Company also allocates a provision for doubtful receivables for its subrogation receivables on trial and being executed. The Company, in the financial statements prepared as of December 31, 2015, accrued a revenue for recourse receivables from natural persons and legal entities in accordance with the principles specified in the circulars issued by the Undersecretariat of Treasury on September 20, 2010 and on January 14, 2011, which are numbered 2010/16 and 2011/1 respectively, and allocated a provision for the recourse receivables of the past 6 months (receivables from insurance companies) and 4 months (receivables from natural persons and legal entities) after the date of payment of the damage which constitutes a basis to the recourse receivable. Also, the Company allocates a provision for doubtful receivables for its recourse receivables on trial and being executed.

In the non-consolidated financial statements prepared as of December 31, 2015, the Company recognizes the accrued recourse and salvage revenues under the "Accrued Recourse and Salvage Expenses" account in accordance with the principles set forth in the circulars of the Undersecretariat of Treasury dated September 20, 2010 and numbered 2010/13, and dated May 31, 2012 and numbered 2012/7.

Interest income

Interest income is recorded on an accrual basis by the effective return method.

Dividend income

Dividends are recorded as revenue as of the date on which they become collectible.

Rental income

Rental income is reflected in financial statements on a monthly basis, upon receipt.

2.24 Financial Leasing

The financial leasing requiring the transfer of all risks and benefits related to the proprietorship of the leased asset is reflected on the date of start of the financial leasing, taking into consideration the contractual price of the asset subject to the leasing. Financial leasing payments are allocated throughout the rental period as capital and financing expenses in a way to produce a fixed term interest rate for the remaining balance of each period. Financing expenses are reflected directly and periodically in the non-consolidated income statement. Leased assets capitalized are subject to depreciation over the estimated useful life of the asset.

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2. Summary of significant accounting policies (cont.)

Operating lease

The leases where the leaser keeps all risks and interests of the leased asset are classified as operational lease. Operational leases are recorded as expense in the non-consolidated income statement throughout the leasing term and on a linear basis.

2.25 Profit share distribution

Earnings per share

Earnings per share are calculated by dividing net period income that may be distributed to the shareholders by the weighted average of the number of shares throughout the year. In the event of capital increase from the internal resources within the term, the newly obtained value is accepted to be valid as of the start of the period while calculating the weighted average of the number of shares.

2.26 Affiliated parties

Persons or enterprises affiliated to the enterprise which has prepared its financial statements (referred to as 'reporting enterprise' in this Standard).

(a) A person or a close family member of that person shall be considered affiliated to the reporting enterprise in the following cases:

If the person in question,

- (i) has control or joint control on the reporting enterprise,
- (ii) has significant influence on the reporting enterprise,
- (iii) is a key executive in the reporting enterprise or in a parent company of the reporting enterprise.

(b) In the following cases, any enterprise shall be considered affiliated to the reporting enterprise:

- (i) The enterprise and the reporting enterprise are the members of the same group (that is, each parent, subsidiary and other subsidiary is affiliated to the others),
- (ii) The enterprise participates in or is a business partnership of the other enterprise (or a group to which the other enterprise is a member),
- (iii) Both enterprises are the business partnership of a third party,
- (iv) One of the enterprises is a business partnership of a third enterprise and the third enterprise participates in the other enterprise in question,
- (v) The enterprise has benefit plans with regard to the employees of the reporting enterprise or another enterprise affiliated to the reporting enterprise, for the period their after resignation, In the event that the reporting enterprise itself has this kind of a plan, the sponsoring employers are also deemed affiliated to the reporting enterprise.
- (vi) The enterprise is controlled severally or jointly by a person defined in article (a).
- (vii) A person defined in clause (i) of article (a) has significant influence on the enterprise or is a key executive staff of the enterprise in question (or of the parent company of this enterprise).

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Notes relating to non-consolidated financial statements as of December 31, 2015 (cont.)

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2. Summary of significant accounting policies (cont.)

Any transaction with an affiliated party constitutes a transfer of resources, services or liabilities between the reporting enterprise and the affiliated party notwithstanding whether such transaction is performed against a price or not.

Any transaction with affiliated parties constitutes a transfer of resources, services or liabilities between the reporting enterprise and the affiliated party notwithstanding whether such transaction is performed against a price or not.

Mapfre Group companies are defined as the affiliated parties of other partners, and the Company management is defined as an affiliated party as well in the non-consolidated financial statements dated December 31, 2015 and in the relevant explanatory footnotes

2.27 Other monetary balance sheet items

They are reflected in the balance sheet with their recorded values.

2.28 Events after the balance sheet date

Events that occur after the balance sheet date of the Company, which might affect the condition as of that date (events requiring correction) are reflected in the financial statements. Events not requiring correction are explained in footnotes if they bear a certain degree of significance.

3. Significant accounting estimations and rules

The Company management should make assumptions and estimations determining the probable liabilities and undertakings that might affect the amounts of assets and liabilities reported, which may occur as of the balance sheet date, and the amounts of revenues and expenses as of the reporting period. Actual results may differ from the estimations. Estimations are regularly reviewed, necessary adjustments are made, and they are reflected in the non-consolidated income statement in the period they are realized. The estimations used are primarily explained with insurance provisions for outstanding loss and claims, other technical reserves and provisions for depreciation of assets, and these estimations and assumptions are elaborated in the relevant footnotes. Other significant estimations used for the preparation of financial statements are given below:

Provisions for severance pay:

The Company calculated and recorded the provision for severance pay using actuarial assumptions in the non-consolidated financial statements enclosed hereto.

Provisions for doubtful receivables:

The Company allocated a provision for doubtful receivables in connection with the mediators and policyholders who are not able to repay, and for the recourse receivables under execution or on trial (Footnote: 12).

Deferred tax:

Deferred tax assets are recorded with a view to gain taxable profit in the future in cases where it is strongly likely to benefit from temporary differences and accumulated losses. Significant estimations and evaluations need to be performed for the deferred taxable profits that may arise in the future while determining the amount of the deferred tax assets to be registered (Footnote 21).

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4. Insurance and financial risk management

Insurance risk

That the incurred loss and payments for losses might exceed the expectations poses the main risk for the Company regarding insurance policies. Therefore, the Company primarily aims to make sure that it has adequate insurance provisions to meet such liabilities for the management of the insurance risk.

The Company operates in the elementary field, and issues policies in the following main branches:

- Fire and natural disasters
- Transportation
- Land vehicles
- Railway vehicles
- Aircraft
- Watercraft
- Accident
- General liability
- Land vehicles liability
- Watercraft liability
- Aircraft liability
- General losses
- Bailment (Fidelity guarantee)
- Financial losses IV
- Financial losses VII
- Financial losses IX Loans
- Legal protection
- Health

Generally short-term policies, valid for the time of transportation, are issued in the branch of transportation, construction-installation policies valid for the project's duration are issued in the engineering main branch, and generally 12-month policies are issued in other products.

The primary risks to be managed by the Company consist of earthquake, flood, storm etc. natural disasters, fire, accident, and theft. Due to the tariff system applicable to those branches, the risks are managed through pricing and segmentation. Further, the Company gets reinsurance support to meet the indemnity claims that can be received both on a risk basis and as a result of a catastrophic damage based on general principles accepted internationally

The Company treats the risks that might arise from the accident branch through segmentation and proper rating by taking geographical and human conditions into account.

The Company had acted as a reinsurer in the Health branch until August 01, 2011, and has acted as a direct insurer since then.

The Company thus manages the relevant risks through a wide portfolio of diversified insurance contracts, reinsurance contracts and policy writing strategies.

Mapfre Genel Sigorta Anonim Şirketi

**Notes relating to non-consolidated financial statements
as of December 31, 2015 (cont.)**

(Currency - Unless otherwise specified is shown in Turkish Lira (TRY))

4. Insurance and financial risk management (cont.)

The insurance coverages granted in connection with the non-life insurance branches as of December 31, 2015 and December 31, 2014 are as follows:

	December 31, 2015	December 31, 2014
Land Vehicles Liability	7.818.365.867.000	5.712.263.349.901
Illness/Health	603.895.400.000	578.448.090.223
Fire and Natural Disasters	162.874.411.000	128.170.270.736
General Losses	173.882.240.000	122.803.243.569
Transportation	165.569.776.000	106.249.566.695
Accident	21.109.887.000	23.955.714.930
General Responsibility	17.862.696.000	15.560.777.348
Land Vehicles	18.573.495.000	14.482.863.839
Legal Protection	2.941.017.000	2.770.133.691
Aircraft Liability	1.312.008.000	932.640.600
Watercraft Liability	1.083.078.000	764.756.857
Financial losses	441.474.000	391.349.857
Aircraft	293.916.000	514.691.797
Bailment	273.976.000	253.634.320
Non-life Total	8.988.479.241.000	6.707.561.084.363

Footnote 17 presents the Company's loss development table prepared as of December 31, 2015.

Financial risk management

Primary financial instruments used by the Company include cash, time bank deposits, reverse repurchase transactions, share certificates and state bonds as well as operating receivables and credits. On the other hand, the Company encounters certain financial risks due to the financial instruments utilized and insurance contract liabilities. Risks arising from said instruments include market risk, foreign currency risk, liquidity risk and credit risk. Company management manages these risks as specified below.

(a) Market risk

i) Price risk

Possessing financial assets that are valued depending on the market price, the Company is subject to price risk. Ceteris paribus, the table below shows the effect of 5% value increase/(decrease) in the market prices of the stock certificates, which constitute the financial assets available for sale within the Company's portfolio, on the Company's assets:

	December 31, 2015	December 31, 2014
Market price increase/(decrease)	Its effect on equity	Its effect on equity
5%	49.350	73.350
(5%)	(49.350)	(73.350)

Mapfre Genel Sigorta Anonim Şirketi

Notes relating to non-consolidated financial statements as of December 31, 2015 (cont.)

(Currency - Unless otherwise specified is shown in Turkish Lira (TRY))

4. Insurance and financial risk management (cont.)

ii) Interest rate risk

The interest risk refers to the changes in the fair values of the financial assets or future cash flows due to fluctuations in the market interest rates. The Company monitors the interest risk closely by review of the market information and through proper valuation methods.

Ceteris paribus, the table below shows the effect of 5% increase/(decrease) in value in the interest rates of the government bonds in the Company's portfolio, which are kept under the account of financial assets available for sale, on the Company's assets as of December 31, 2015 and December 31, 2014:

Interest rate increase (decrease)	December 31, 2015 Its effect on equity	December 31, 2014 Its effect on equity
5%	-	233.844
(5%)	-	(233.844)

iii) Exchange rate risk

The currency risk refers to the risk associated with foreign exchange rate changes, which arises when the Company's has foreign currency debts and assets, and converts them into Turkish Lira.

The Company's foreign currency position as of December 31, 2015 and December 31, 2014 are as follows:

December 31, 2015	US Dollar	TRY equiva- lent	Euro	TRY equiva- lent	British Pound	TRY equiva- lent	Other Cur- rencies TRY equivalent	Total TRY equivalent
Cash and cash equivalents	8.807.871	25.609.765	1.241.040	3.943.529	-	-	12.144	29.565.438
Financial assets	-	-	-	-	-	-	-	-
Receivables from insurance activities	29.677.512	86.290.335	19.440.094	61.772.843	14.024	60.311	1.334.788	149.458.277
Receivables from reinsurance activi- ties	-	-	143.283	455.296	-	-	-	455.296
Loans	-	-	-	-	-	-	-	-
Loans given to insureds	-	-	-	-	-	-	-	-
Deposits and securities given	-	-	-	-	-	-	-	-
Receivables from shareholders	-	-	-	-	-	-	-	-
Total assets	38.485.383	111.900.100	20.824.417	66.171.668	14.024	60.311	1.346.932	179.479.011
Liabilities From main operations	14.315.111	41.622.618	7.990.098	25.389.335	285	1.224	-	67.013.177
Technical provisions, net	3.168.562	9.212.910	2.112.964	6.714.155	279	1.200	-	15.928.265
Deposits and securities received	-	-	-	-	-	-	-	-
Total liabilities	17.483.673	50.835.528	10.103.062	32.103.490	564	2.424	-	82.941.442
Foreign currency position, net	21.001.710	61.064.572	10.721.355	34.068.178	13.460	57.887	1.346.932	96.537.569

Mapfre Genel Sigorta Anonim Şirketi

Notes relating to non-consolidated financial statements
as of December 31, 2015 (cont.)

(Currency - Unless otherwise specified is shown in Turkish Lira (TRY))

4. Insurance and financial risk management (cont.)

December 31, 2015	US Dollar	TRY equivalent	Euro	TRY equivalent	British Pound	TRY equivalent	Other Currencies TRY equivalent	Total TRY equivalent
Cash and cash equivalents	878.398	2.036.917	662.065	1.867.486	9	32	-	3.904.435
Financial assets	-	-	-	-	-	-	-	-
Receivables from insurance activities	32.335.766	74.983.408	15.291.000	43.131.324	10.480	37.687	1.503.530	119.655.949
Receivables from reinsurance activities	-	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-	-
Loans given to insureds	-	-	-	-	-	-	-	-
Deposits and securities given	-	-	-	-	-	-	-	-
Receivables from shareholders	-	-	-	-	-	-	-	-
Total assets	33.214.164	77.020.325	15.953.065	44.998.810	10.489	37.719	1.503.530	123.560.384
Liabilities From main operations	18.761.837	43.506.824	9.199.995	25.950.426	1.840	6.617	-	69.463.867
Technical provisions, net	3.432.946	7.960.658	1.949.295	5.498.376	1.456	5.236	-	13.464.270
Deposits and securities received	-	-	-	-	-	-	-	-
Total liabilities	22.194.783	51.467.482	11.149.290	31.448.802	3.296	11.853	-	82.928.137
Foreign currency position, net	11.019.381	25.552.843	4.803.775	13.550.008	7.193	25.866	1.503.530	40.632.247

Ceteris paribus, the table below shows the effect of a 10% increase/(decrease) in the value of the foreign currencies in the Company's portfolio against TRY on the profit before tax level:

Currency	December 31, 2015		31 Aralık 2014	
	Exchange rate increase/(decrease)	Effect on profit before tax	Exchange rate increase/(decrease)	Effect on profit before tax
US Dollar	10%	6.106.457	10%	2.555.284
US Dollar	(10%)	(6.106.457)	(10%)	(2.555.284)
Euro	10%	3.406.818	10%	1.355.001
Euro	(10%)	(3.406.818)	(10%)	(1.355.001)
Other	10%	5.789	10%	2.587
Other	(10%)	(5.789)	(10%)	(2.587)

(b) Credit risk

Credit risk refers to the situation the Company would encounter if the third parties with mutual relations fail to fully or partially perform their obligations under the contract on a timely basis, failing to comply with the contractual provisions. The Company manages the credit risk through constant evaluation of the reliability of the parties with established relations. The Company manages the credit risk related to its field of activity by receiving collaterals where it deems necessary.

Financial assets subject to credit risk among the financial instruments of the Company consist mostly of cash and cash equivalents apart from the cash account, reverse repurchase transactions, state bonds and receivables from main activities, and receivables posing credit risk included among other assets of the Company. The total amount of the financial instruments in question is TRY 2,041,762,439 as of December 31, 2015 (includes other receivable balance with credit risk amounting to TRY 6,522,251. Explained in footnote 47.1), and represents the maximum credit risk (December 31, 2014 – financial instruments total TRY 1,449,446,134).

Mapfre Genel Sigorta Anonim Şirketi

Notes relating to non-consolidated financial statements
as of December 31, 2015 (cont.)

(Currency - Unless otherwise specified is shown in Turkish Lira (TRY))

4. Insurance and financial risk management (cont.)

(c) Liquidity risk

Liquidity risk refers to the risk that a company may not meet its funding needs. The Company periodically measures and evaluates its liquidity risk within the framework of compliance with the liquidity risk policies of the Group. As of December 31, 2015 and December 31, 2014, maturity distributions of the Company's unreduced commercial debts and financial debts are as follows, by maturity dates;

December 31, 2015	Less than 1 year	1 Years-5 Years	More than 5 years	Total
Liabilities from reinsurance operations	90.585.378	-	-	90.585.378
Liabilities from insurance activities	100.172.976	-	-	100.172.976
Other liabilities	100.428.025	-	-	100.428.025
	291.186.379	-	-	291.186.379

December 31, 2015	Less than 1 year	1 Years-5 Years	More than 5 years	Total
Liabilities from reinsurance operations	105.396.414	-	-	105.396.414
Liabilities from insurance activities	62.528.014	-	-	62.528.014
Other liabilities	61.525.442	-	-	61.525.442
	229.449.870	-	-	229.449.870

Company's major capital management policies are stated below:

- To comply with the capital adequacy requirement identified by the Undersecretariat of Treasury
- To ensure the continuity of the operations within the framework of the going concern concept

5. Section information

Explained in footnote 2.3.

6. Fixed Tangible Assets

6.1 All amortization, depreciation and depletion expenses of the period: TRY 4,779,431 (December 31, 2014 - TRY 5,070,425).

6.1.1 Depreciation expenses: TRY 3,437,588 (December 31, 2014 - TRY 3,844,045).

6.1.2 Depreciation and depletion expenses: TRY 1,341,843 (December 31, 2014 - TRY 1,226,380).

6.2 Depreciation calculation methods, and resulting increases (+) or decreases (-) in the depreciation expenses of the current year due to changes applied to such methods: None (December 31, 2014 - None).

Mapfre Genel Sigorta Anonim Şirketi

Notes relating to non-consolidated financial statements
as of December 31, 2015 (cont.)

(Currency - Unless otherwise specified is shown in Turkish Lira (TRY))

6. Tangible fixed assets (cont.)

6.3 Movements of tangible fixed assets in the current period:

6.3.1 Cost of the tangible fixed assets purchased, produced, or constructed: TRY 153,981,322 (December 31, 2014 - TRY 9,666,403).

6.3.2 Cost for tangible fixed assets sold or scrapped: TRY 4,148,054 (December 31, 2014 - TRY 930,324,403).

6.3.3 Valuative appreciations in the current period: None (December 31, 2014 - None).

6.3.4 Characteristics, total amount, start and end date and progress of ongoing investments:
None (December 31, 2014 - None).

Table for fixed tangible asset movements:

	January 1, 2015	Additions	Losses	Transfers	December 31, 2015
Costs:					
Properties for use	18.848.161	1.667.024	-	-	20.515.185
Motor vehicles	4.435.637	52.437	(696.733)	-	3.791.341
Fixtures and installations	13.118.280	2.352.229	(604.785)	(800.578)	14.065.146
Special cost prices	4.076.730	55.718	-	(220.696)	3.911.752
Advances for tangible assets(*)	1.323.116	149.853.914	(2.421.536)	-	148.755.494
Total cost	41.801.924	153.981.322	(3.723.054)	(1.021.274)	191.038.918
Accumulated depreciation					
Properties for use	(2.509.562)	(551.563)	-	-	(3.061.125)
Motor vehicles	(2.773.139)	(589.447)	467.042	-	(2.895.544)
Fixtures and installations	(9.967.913)	(1.696.996)	-	549.681	(11.115.228)
Special cost prices	(2.663.157)	(594.271)	220.696	-	(3.036.732)
Total accumulated depreciation	(17.913.771)	(3.432.277)	687.738	549.681	(20.108.629)
Net recorded value	23.888.153				170.930.289

(*)As per the resolution of the Board of Directors dated June 20, 2013 and numbered 2013/23, the amounts paid in year 2013, 2014 and 2015 for 10 entire floors, which have been purchased at Ofis Kule in Torun Center built at Dikilitaş Man Şişli/ İstanbul to be the new place of operation for the Company have been transferred to the advances for the tangible assets account from the other receivables account.

	January 1, 2015	Additions	Losses	Transfers	December 31, 2015
Costs:					
Properties for use	12.088.221	6.555.965	-	203.975	18.848.161
Motor vehicles	4.254.554	232.137	(307.556)	256.503	4.435.637
Fixtures and installations	11.696.191	1.124.813	(31.785)	329.061	13.118.280
Special cost prices	4.054.676	22.054	-	-	4.076.730
Advances for tangible assets	500.338	1.612.316	-	(789.539)	1.323.116
Total cost	32.593.980	9.547.285	(339.341)	-	41.801.924
Accumulated depreciation					
Properties for use	(2.144.099)	(365.463)	-	-	(2.509.562)
Motor vehicles	(1.979.133)	(955.101)	161.095	-	(2.773.139)
Fixtures and installations	(8.190.031)	(1.805.551)	27.669	-	(9.967.913)
Special cost prices	(1.950.607)	(712.550)	-	-	(2.663.157)
Total accumulated depreciation	(14.263.870)	(3.838.665)	188.764	-	(17.913.771)
Net recorded value	18.330.110				23.888.153

Mapfre Genel Sigorta Anonim Şirketi

Notes relating to non-consolidated financial statements as of December 31, 2015 (cont.)

(Currency - Unless otherwise specified is shown in Turkish Lira (TRY))

6. Tangible fixed assets (cont.)

There is a mortgage worth to TRY 4,152 on the real property for use on behalf of the Undersecretariat of Treasury.

The tangible fixed assets acquired by the Company as the lessee through financial leasing transactions present the following balances:

	December 31, 2015	December 31, 2014
Cost-effective financial leasing contracts (fixtures and installations)	-	800.578
Accumulated depreciation	-	(799.773)
Net book value	-	805

The Company reflected its operational renting expense amounting to TRY 5,518,973 in the income statement as of December 31, 2015 (December 31, 2014 - TRY 4,542,036).

7. Investment properties

	January 1, 2015	Additions	Losses	Adjustments	December 31, 2015
Cost:					
Land	480.573	-	(425.000)	-	55.573
Buildings	89.463	-	-	-	89.463
Total cost	570.036	-	(425.000)	-	145.036
Accumulated depreciation and provision for impairment:					
Buildings - depreciation	(53.292)	(5.311)	-	-	(58.603)
Buildings and land - Provision for depreciation	(275.000)	-	275.000	-	-
Total	(328.292)	(5.311)	275.000	-	(58.603)
Net book value	241.744				86.433

	January 1, 2015	Additions	Losses	Adjustments	December 31, 2015
Cost:					
Land	480.573	-	-	-	480.573
Buildings	561.328	119.118	(590.983)	-	89.463
Buildings held for sale	-	-	-	-	-
Total cost	1.041.901	119.118	(590.983)	-	570.036
Accumulated depreciation and provision for impairment:					
Buildings - depreciation	(173.419)	(5.380)	125.507	-	(53.292)
Buildings and land - Provision for depreciation	(275.000)	-	-	-	(275.000)
Total	(448.419)	(5.380)	125.507	-	(328.292)
Net book value	593.482				241.744

Also, the company has gained a rental income of TRY 565,680 (December 31, 2014 - TRY 526,507) from the investment properties in the December 31, 2015 period.

Mapfre Genel Sigorta Anonim Şirketi

Notes relating to non-consolidated financial statements
as of December 31, 2015 (cont.)

(Currency - Unless otherwise specified is shown in Turkish Lira (TRY))

8. Fixed intangible assets

	January 1, 2015	Additions	Losses	Adjustments	December 31, 2015
<u>Cost:</u>					
Rights	12.563.645	887.055	(1.482.245)	-	11.968.455
Ongoing investments	2.027.384	662.466	(564.734)	-	2.125.116
Total Cost	14.591.029	1.549.521	(2.046.979)	-	14.093.571
<u>Accumulated depreciation</u>					
Rights	(5.366.864)	(1.341.843)	1.482.245	-	(5.226.462)
Total Depreciation	(5.366.864)	(1.341.843)	1.482.245	-	(5.226.462)
Net book value	9.224.165				8.867.109

	January 1, 2015	Additions	Losses	Adjustments	December 31, 2015
<u>Cost:</u>					
Rights	11.531.877	914.948	-	116.820	12.563.645
Ongoing investments	1.270.245	873.959	-	(116.820)	2.027.384
Total Cost	12.802.122	1.788.907	-	-	14.591.029
<u>Accumulated depreciation</u>					
Rights	(4.140.484)	(1.226.380)	-	-	(5.366.864)
Total Depreciation	(4.140.484)	(1.226.380)	-	-	(5.366.864)
Net book value	8.661.638				9.224.165

9. Investments in affiliates

	December 31, 2015			December 31, 2014		
	Nominal value	Inflation difference	Total	Nominal value	Inflation difference	Total
Türkiye Genel Sigorta A.Ş. Memur ve Hizmetlileri Emeklilik Ve Yardım Sandığı Vakfı	1	11.192	11.193	1	11.192	11.193
Other	5	837	842	5	837	842
Long-term securities	6	12.029	12.035	6	12.029	12.035
Tarım Sigortalan Havuz İşletmesi A.Ş. (Tarsim)	220.125	764	220.889	211.320	-	211.320
Participations	220.125	764	220.889	211.320	-	211.320
Mapfre Genel Yaşam Genel Servis Yedek Parça Dağıtım Tic. A.Ş.	11.940.000	8.876.506	20.816.506	11.940.000	8.876.506	20.816.506
	2.428.025	-	2.428.025	2.428.025	-	2.428.025
Subsidiaries	14.368.025	8.876.506	23.244.531	14.368.025	8.876.506	23.244.531
Total	14.588.156	8.889.299	23.477.455	14.579.351	8.888.535	23.467.886

Mapfre Genel Sigorta Anonim Şirketi

Notes relating to non-consolidated financial statements
as of December 31, 2015 (cont.)

(Currency - Unless otherwise specified is shown in Turkish Lira (TRY))

9. Investments in affiliates (cont.)

	December 31, 2015		December 31, 2014	
	Participation Ratio	Location	Participation Ratio	Location
Tarsim (*)	4,17%	Turkey	4,00%	Turkey
Mapfre Genel Yaşam	99,50%	Turkey	99,50%	Turkey
Genel Servis	51,00%	Turkey	51,00%	Turkey

Summarized financial information for participations and subsidiaries is presented in Note 45.2.

(*) The Company presents a Tarsim investment of 4.17% under participations instead of other financial assets.

10. Reinsurance assets

The information on reinsurance contracts of the Company is presented in footnote 2.14.

As of December 31, 2015, the amounts held by the Company in the balance sheet and income statement related to the reinsurance operations arising from insurance contracts are as follows:

	December 31, 2015	December 31, 2014
Reinsurer share in unearned premiums (Note 17)	171.199.637	136.993.864
SSI's share in unearned premiums (Note 17)	62.842.828	25.550.433
Reinsurer share in the provision for outstanding claims (Note 17)	103.575.989	99.941.700
Reinsurer share in the reserve for on-going risks (Note 17)	-	77.052
Reinsurer share in the balancing provision (Note 17)	61.303.045	44.849.924
Current account for reinsurer companies (net)	(82.348.937)	(99.161.388)
Debts to TCIP	(1.508.251)	(1.532.248)
Debts to Tarsim	(1.941)	3.963
Liabilities to SSI for Treatment Expenses	(42.731.776)	(13.293.039)
Reinsurer share in recourse and salvage receivables	(36.678)	(26.974)
Total reinsurance assets/liabilities	272.293.916	193.403.287

	January 1 - December 31, 2015	January 1 - December 31, 2014
Premiums transferred to reinsurers	(370.321.741)	(298.233.496)
Premiums transferred to SSI	(95.263.739)	(47.525.222)
Commissions received from reinsurers	70.077.435	57.202.377
Reinsurer share in losses paid	107.676.764	82.474.539
Reinsurer share in the provision for claims reserve	3.634.289	9.226.406
Reinsurer share in the provision for unearned premiums	34.205.773	21.513.728
SSI's share in the provision for unearned premiums	37.292.395	343.595
Reinsurer share in the reserve for on-going risks	(77.052)	(698.266)
Reinsurer share in the balancing provision	16.453.121	11.096.889
Reinsurer share in the recourse share	(5.479.991)	(2.657.142)
Total reinsurer expense	(201.802.746)	(167.256.592)

Detailed explanations for reinsurance contracts are given in footnote 2.14.

Mapfre Genel Sigorta Anonim Şirketi

Notes relating to non-consolidated financial statements
as of December 31, 2015 (cont.)

(Currency - Unless otherwise specified is shown in Turkish Lira (TRY))

11. Financial assets

11.1 Sub-classes of the items presented according to the operations of the enterprise:

Financial assets	December 31, 2015			December 31, 2014		
	Blocked	Not blocked	Total	Blocked	Not blocked	Total
<u>Financial assets available for sale</u>						
State bonds	201.981.271	1.822.262	203.803.533	151.388.686	138.326.313	289.714.999
Private Sector Bonds	13.163.815	-	13.163.815	-	39.561.900	39.561.900
Repurchase agreement	-	-	-	-	-	-
Shares	987.000	-	987.000	-	1.467.001	1.467.001
Total	216.132.086	1.822.262	217.954.348	151.388.686	179.355.214	330.743.900

Movements of financial assets available for sale throughout the year that ended on December 31, 2015 and 2014, are as follows:

	January 1 - December 31, 2015	January 1 - December 31, 2014
Beginning of period	330.743.900	221.839.534
Purchases	65.116.278	155.201.969
Sales	(176.908.483)	(59.384.520)
Unrealized interest income reflected in the income statement	686.935	7.734.490
Unrealized loss reflected in the statement of changes in equity capital, net	(1.684.281)	5.352.427
End of period	217.954.348	330.743.900

The Company holds no marketable securities as of December 31, 2015. (December 31, 2014 - None). The Company has no financial asset to be held until maturity as of December 31, 2015 (December 31, 2014 - None).

Maturity analysis of the financial assets are as follows:

December 31, 2014	At Call	0-3 months	3-6 months	6 months - 1 year	1 year - 3 years	more than 3 years	Total
<u>Financial assets available for sale</u>							
Share	987.000	-	-	-	-	-	987.000
State bonds	-	102.908.661	-	100.894.872	-	-	203.803.533
Private Sector Bonds	-	-	5.574.415	7.589.400	-	-	13.163.815
Total	987.000	102.908.661	5.574.415	108.484.272	-	-	217.954.348

December 31, 2014	At Call	0-3 months	3-6 months	6 months - 1 year	1 year - 3 years	more than 3 years	Total
<u>Financial assets available for sale</u>							
Share	1.467.001	-	-	-	-	-	1.467.001
State bonds	-	20.801.444	112.251.940	13.226.200	143.435.415	-	289.714.999
Private Sector Bonds	-	25.597.658	772.232	-	13.192.010	-	39.561.900
Total	1.467.001	46.399.102	113.024.172	13.226.200	156.627.425	-	330.743.900

All financial assets of the Company are in Turkish Lira as of December 31, 2015, and December 31, 2014.

Mapfre Genel Sigorta Anonim Şirketi

Notes relating to non-consolidated financial statements
as of December 31, 2015 (cont.)

(Currency - Unless otherwise specified is shown in Turkish Lira (TRY))

11. Financial assets (cont.)

11.2 Securities other than the shares issued throughout the year: None.

11.3 Securities representing depreciated indebtedness throughout the year: None.

11.4 Information presenting the values of the securities and financial fixed assets shown over their cost prices in the balance sheet according to their stock exchange prices, and of the securities and financial tangible fixed assets shown over their stock exchange prices according to their cost prices:

Securities

	December 31, 2015	
	Cost value	Book value (Stock exchange price)
Financial assets available for sale		
State bonds	198.496.114	203.803.533
Private Sector bonds	13.000.000	13.163.815
Shares	1.628.793	987.000
Total	213.124.907	217.954.348

	December 31, 2015	
	Cost value	Book value (Stock exchange price)
Financial assets available for sale		
State bonds	278.670.819	289.714.999
Private Sector bonds	37.377.413	39.561.900
Shares	1.628.794	1.467.001
Total	317.677.026	330.743.900

Financial non-current assets

Financial non-current assets monitored by cost price do not have stock exchange prices.

11.5 11.5 Amounts of securities included in the securities and long-term securities group issued by shareholders, participations, and subsidiaries of the enterprise and the partnerships issuing the same:
None.

11.6 11.6 Increase in value of financial assets for the past three years: None.

11.7 Total amounts of mortgage or collateral on asset values:

	December 31, 2015	December 31, 2014
Securities portfolio	202.262.271	185.842.676
Real estate mortgages	4.152	4.152
Total	202.266.423	185.846.828

Mapfre Genel Sigorta Anonim Şirketi

**Notes relating to non-consolidated financial statements
as of December 31, 2015 (cont.)**

(Currency - Unless otherwise specified is shown in Turkish Lira (TRY))

11. Financial assets (cont.)

As of December 31, 2015, TRY 201,981,271 of the blockages on the securities portfolio, and TRY 4,152 of the mortgage deeds are on behalf of the Republic of Turkey, Undersecretariat of Treasury. The Company has calculated the securities it blocked according to the valuation conditions set forth in article 6 of the "Regulation on Financial Structure of the Insurance, Reinsurance, and Pension Companies" published in the Official Gazette no. 26606 on August 07, 2007 issued as per the Insurance Law. The part amounting to TRY 281,000 of the blockages on the securities portfolio is on behalf of Tarım Sigortaları Havuz İşletmesi A.Ş.

11.8 Fair value of financial instruments

Fair value refers to the value against which an asset may be transferred or a liability can be performed in transactions realized between informed and willing parties in accordance with market conditions.

The Company has determined the fair value of financial instruments based on market information available and proper valuation methods. Further, evaluating market information and estimating fair values include interpretation and reasoning. As a result, estimations presented herein may not indicate the amounts the Company may acquire out of a current market transaction.

The Company's financial assets presented with their fair value are shown under three categories in the table below, according to the valuation methods applied. "Category 1" represents the financial assets valued according to their fair values obtained from organized markets (market data), "Category 2" represents those valued according to previously realized transactions, and "Category 3" refers to those valued according to the future cash flows discounted on present values.

				December 31, 2015
	Category 1	Category 2	Category 3	Total
Financial assets available for sale				
State bonds	203.803.533	-	-	203.803.533
Private Sector bonds	13.163.815	-	-	13.163.815
Repurchase agreement	-	-	-	-
Shares	987.000	-	-	987.000
Total	217.954.348	-	-	217.954.348

				December 31, 2015
	Category 1	Category 2	Category 3	Total
Financial assets available for sale				
State bonds	289.714.999	-	-	289.714.999
Private Sector bonds	39.561.900	-	-	39.561.900
Repurchase agreement	-	-	-	-
Shares	1.467.001	-	-	1.467.001
Total	330.743.900	-	-	330.743.900

Mapfre Genel Sigorta Anonim Şirketi

Notes relating to non-consolidated financial statements
as of December 31, 2015 (cont.)

(Currency - Unless otherwise specified is shown in Turkish Lira (TRY))

12. Receivables

12.1 Classification of the receivables as receivables from commercial customers, receivables from affiliated parties, for advance payments (payments for future months, years) and other receivables:

	December 31, 2015	December 31, 2014
Current receivables		
<u>Receivables from insurance activities</u>		
Receivables from the policyholders	39.420.538	43.828.991
Receivables from intermediaries	526.055.828	423.928.593
Recourse and salvage receivables	16.280.724	13.267.198
Bank-guaranteed credit card receivables	93.193.766	40.984.578
Receivables from Insurance Companies	7.736	19.552
Receivables from Reinsurance Companies	-	-
Other receivables	-	-
Rediscount (-)	(3.516.759)	(1.328.842)
	671.441.833	520.700.070
<u>Receivables from reinsurance activities</u>		
Receivables from reinsurance activities	8.236.062	6.214.276
	8.236.062	6.214.276
<u>Deposit accounts with insurance and reinsurance companies</u>		
Deposit accounts with insurance and reinsurance companies	67.144	46.548
	67.144	46.548
<u>Loans given to insureds (credits)</u>		
Loans given to insureds (credits)	-	-
	-	-
<u>Provisions for receivables from insurance activities</u>		
Operating receivables under legal proceedings	96.232.824	74.791.730
Provision for operating receivables under legal proceedings	(96.232.824)	(74.791.692)
Provision for receivables from insurance operations (*)	(1.599.152)	(1.314.725)
	(1.599.152)	(1.314.687)
Non-current receivables		
Recourse and salvage receivables	-	-
Provision for recourse and salvage receivables	-	-
Receivables from agencies	-	-
Provisions for receivables from agencies	-	-
Other doubtful receivables	-	-
Provisions for other doubtful receivables	-	-
Total	678.145.887	525.646.207

The Company, in accordance with the principles specified in the circulars issued by the Undersecretariat of Treasury on September 20, 2010 and on January 14, 2011, which are numbered 2010/16 and 2011/1 respectively, allocated a provision for the recourse receivables of the past 6 months (receivables from insurance companies) and 4 months (receivables from natural persons and legal entities) after the date of payment of the damage which constitutes a basis to the recourse receivable. Recourse receivables amount to TRY 1,599,152 as of December 31, 2015 (December 31, 2014 – 1,314,725).

Mapfre Genel Sigorta Anonim Şirketi

Notes relating to non-consolidated financial statements
as of December 31, 2015 (cont.)

(Currency - Unless otherwise specified is shown in Turkish Lira (TRY))

12. Receivables (Cont.)

Other miscellaneous receivables and details of expenses for future months are presented in note 47.

Movement table of the provision for operating receivables under legal proceedings is as follows:

	January 1 - December 31, 2015	January 1 - December 31, 2014
Beginning of period	74.791.692	65.564.682
Classifications	-	(2.273)
Additional provision reserved	26.981.553	10.243.196
Provision released	-	(353.195)
Collection	(5.540.421)	(660.718)
End of period	96.232.824	74.791.692

The prospective and retrospective aging of the undue and overdue receivables from insurance activities as of December 31, 2015 are as follows, respectively:

Overdue receivables	December 31, 2015	December 31, 2014
0-90 days	235.860.028	80.153.229
91-180 days	211.006.363	226.526.833
181-270 days	81.975.202	81.464.836
271-360 days	41.833.064	28.747.571
More than 360 days	18.556.019	13.763.823
Total	589.230.676	430.656.292

Overdue receivables	December 31, 2015	December 31, 2014
0-90 days overdue	37.604.278	38.385.460
90-180 days overdue	6.451.560	8.890.266
180-270 days overdue	6.070.637	15.110.440
270-360 days overdue	7.238.836	5.279.985
Overdue more than 360 days	24.845.846	22.377.627
Total	82.211.157	90.043.778

(*) As of December 31, 2015, the Company has a total of TRY 13,931,301 guarantee for the overdue receivables without provision (December 31, 2014 - TRY 16,452,337).

Mapfre Genel Sigorta Anonim Şirketi

Notes relating to non-consolidated financial statements
as of December 31, 2015 (cont.)

(Currency - Unless otherwise specified is shown in Turkish Lira (TRY))

12. Receivables (Cont.)

12.2 Receivable-debt relation of the enterprise with partners, affiliates and subsidiaries:

	December 31, 2015			
	Receivables		Debts	
	Commercial	Non-commercial	Commercial	Non-commercial
1) Partners				
Mapfre International S.A.	-	-	-	83.001
Diğer	-	-	-	-
2) Subsidiaries				
Mapfre Genel Yaşam Sigorta A.Ş.	46.374	-	90.354	-
Genel Servis Yedek Parça Dağıtım Tic.A.Ş.	94.585	-	13.062	-
3) Other affiliated parties				
Mapfre Re Compania Reaseguros S.A.	-	-	34.140.778	-
Mapfre Empresas Comp. De Seguro	-	-	554.137	-
Mapfre Global	-	-	23.644.724	-
Mapfre Asistencia SA	-	-	1.352.638	-
Tur Asist	-	-	1.289.826	-
Mapfre Tech	-	-	75.920	-
Mapfre Soft	-	-	15.513	-
Fundacion Mapfre	26.039	-	-	-
Mapfre S.A	-	-	-	-
Other (*)	-	945.537	-	78.118
4) Board of Directors				
Board of Directors	-	-	-	-
Total	166.998	945.537	61.176.952	161.119

(*) TRY 839,270 of the amount results from transactions in connection with Türkiye Genel Sigorta A.Ş. Memur ve Hizmetlileri Emeklilik ve Yardım Sandığı Vakfı.

	December 31, 2015			
	Receivables		Debts	
	Commercial	Non-commercial	Commercial	Non-commercial
1) Partners				
Mapfre International S.A.	-	-	-	-
Diğer	-	-	-	76.644
2) Subsidiaries				
Mapfre Genel Yaşam Sigorta A.Ş.	26.690	-	6.597	-
Genel Servis Yedek Parça Dağıtım Tic.A.Ş.	-	94.585	17.703	-
3) Other affiliated parties				
Mapfre Re Compania Reaseguros S.A.	-	37.517	48.545.744	-
Mapfre Empresas Comp. De Seguro	436.176	-	-	-
Mapfre Global	-	-	22.906.746	-
Mapfre Asistencia SA	-	-	1.809.680	-
Tur Asist	-	-	-	-
Mapfre Tech	-	-	-	-
Mapfre Soft	-	-	-	-
Fundacion Mapfre	-	-	-	-
Mapfre S.A.	-	-	-	-
Mapfre RE	-	-	-	-
Other (*)	-	734.952	-	-
4) Board of Directors				
Board of Directors	-	-	-	377.531
Total	462.866	867.054	73.286.469	454.175

(*) TRY 724,648 of the amount results from transactions in connection with Türkiye Genel Sigorta A.Ş. Memur ve Hizmetlileri Emeklilik ve Yardım Sandığı Vakfı.

Mapfre Genel Sigorta Anonim Şirketi

Notes relating to non-consolidated financial statements
as of December 31, 2015 (cont.)

(Currency - Unless otherwise specified is shown in Turkish Lira (TRY))

12. Receivables (Cont.)

12.3 Total amount of mortgage and other securities received for the receivables:

	December 31, 2015	December 31, 2014
Mortgage bonds received	29.322.509	29.738.159
Cash	6.831.018	4.538.829
Letters of guarantee received	167.243.170	126.153.577
Other guarantees and bailments	2.073.962	2.042.936
Total	205.470.659	162.473.501

12.4 Separate amounts and rates of conversion into TRY for the receivables and debts in foreign currencies without exchange rate guarantee and foreign currencies included in assets:

Indicated with exchange rates in Note 4 (a), iii.

13. Derivative financial instruments

None (December 31, 2014 - None).

14. Cash and cash equivalents

Cash and cash equivalents constituting a basis for the cash flow statement pertaining to the period that ended on December 31, 2015 are presented in note 2.12.

The Company has no blocked time deposits in favor of the Republic of Turkey Undersecretariat of Treasury as of December 31, 2015. (December 31, 2014: TRY 33,000,000).

The maturity of the Company's time deposits as of the balance sheet date is 1 day to 124 days (December 31, 2014 - 1 day to 270 days). The annual interest rates applicable to the time deposits on a foreign currency basis is as follows:

	December 31, 2015	December 31, 2014
Foreign currency/TRY	Annual interest rate (%)	Annual interest rate
TRY	12,10-13,95	9,30-11,00
Euro	0,60	1,15-1,00
US Dollar	1,70-2,05	-

Values of cash and cash equivalents on a foreign currency basis are shown in Note 4 (a) ii.

15. Capital

15.1 Distributions to shareholders; amounts of the transactions realized by the corporation with shareholders by their will:

The Company, in accordance with the decision made in its Ordinary General Assembly Meeting held on March 31, 2015, distributed its dividend of TRY 25,000,000 in cash to the shareholders on June 15, 2015.

Mapfre Genel Sigorta Anonim Şirketi

Notes relating to non-consolidated financial statements as of December 31, 2015 (cont.)

(Currency - Unless otherwise specified is shown in Turkish Lira (TRY))

15. Capital (Cont.)

15.2 Legal reserves

Legal reserves are divided into two as primary and secondary legal reserves, according to the Turkish Commercial Code. The same law stipulates that 5% of the net legal profit shall be allocated until primary legal reserves reach 20% of the paid-up/issued capital of the Company. As to the secondary legal reserves, they consist of 10% of the distributed profit exceeding 5% of the paid-up/issued capital. According to the Turkish Commercial Code, the legal reserves, unless they exceed 50% of the paid-up/issued capital, may only be used to offset losses and it is not possible to be used in another way.

The movements of the legal reserves throughout the period are as follows:

	January 1 - December 31, 2015	January 1 - December 31, 2014
Beginning of Period	56.761.168	52.237.715
Transfers from previous year's profit	6.995.589	4.523.453
End of Period	63.756.757	56.761.168

Valuation of financial assets:

Unrealized profits or losses as well as tax effects arising from the changes in the fair value of the financial assets available for sale are monitored under "Valuation of Financial Assets" within the equity item.

The movements of the valuation amount of the financial assets within the accounting period are given below. These amounts are shown under equity capital as offset for deferred tax effect.

	January 1 - December 31, 2015	January 1 - December 31, 2014
Beginning of Period	809.833	(3.505.631)
Effect of changes in fair value and sales	(2.351.282)	5.352.428
Deferred tax amount for increased fair value (Note 21)	473.314	(216.675)
Transfer from current corporate tax for increased fair value (Note 35)	-	(820.289)
End of Period	(1.068.135)	809.833

Other profit reserves:

Other Profit Reserves under the Equity account as of December 31, 2015 and December 31, 2014 amounting to TRY 15,171,396 refers to the revenues earned from the Provisions for Earthquake Damages included in the balance sheet as of 31 December 2006 as well as revenues obtained from and monitored under such provisions until June 14, 2007.

Other capital reserves:

As of December 31, 2014, TRY 47,580,649 within the Other Capital Reserves has been transferred to the special funds account.

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**Notes relating to non-consolidated financial statements
as of December 31, 2015 (cont.)**

(Currency - Unless otherwise specified is shown in Turkish Lira (TRY))

15. Capital (Cont.)

Special Funds:

75% of the profits obtained from the sale of the participation stock held for a period of at least two years are exempt from taxation provided that they are added to capital as specified in the Corporate Tax Law or kept in equity for a period of 5 years.

As of December 31, 2015, the special funds balance is TRY 46,875,499. TRY 48,135,306 of this amount specifies the amount of the profit from sale of Real Estates which are held for at least two years, which is exempt from corporate tax in accordance with Article 511 of the Corporate Tax Law and which corresponds to 75% of the profit and again, as per the same article of the above-mentioned Law, a decision was made to incorporate it into the special funds account in the non-currents of the balance sheet. Also, TRY 1,228,663, which is the severance pay actuarial loss/earning and deferred tax effect, is traced in the special funds account.

TRY 806,340 of the real estate sold in 2012 has lost their exemption conditions which were benefitted with Corporate Tax 5/1, and these amounts were removed from the special funds accounts and placed in the Profit of Previous Years account.

15.3 Capital movements

As of December 31, 2015 and December 31, 2014, the Company’s paid-up capital consists of 350,000,000 shares, each of which has a nominal unit value amounting to TRY 1.

Other details regarding the capital of the Company are included in footnote 2.13.

15.4 Capital adequacy

The Company’s capital adequacy results calculated as per the “Regulation Amending the Regulation on Measurement and Evaluation of the Capital Adequacies of Insurance, Reinsurance, and Pension Companies” issued by the Undersecretariat of Treasury and published in the Official Gazette no. 27156 on March 01, 2009 are given below.

	December 31, 2015	December 31, 2014
Agreed capital	650.626.166	593.408.116
Equity amount required by the Company	634.199.450	533.733.956
Capital Adequacy Results	16.426.716	59.674.160

23. In line with the provisions of the Regulation on Measurement and Assessment of the Capital Adequacy of the Insurance & Reinsurance and Pension Companies dated August 2015, the works for the calculation of the capital adequacy are continued.

16. Other provisions and capital component of discretionary participation

Details regarding other equity reserves are provided in footnote 15.

Mapfre Genel Sigorta Anonim Şirketi

Notes relating to non-consolidated financial statements
as of December 31, 2015 (cont.)

(Currency - Unless otherwise specified is shown in Turkish Lira (TRY))

17. Insurance liabilities and reinsurance assets

17.1 Collaterals to be established by the Company for life and non-life branches and collaterals established for life and non-line branches by assets:

	December 31, 2015	December 31, 2014
Collaterals to be established for non-life branches	190.736.890	181.495.636
Collaterals established for non-life branches (*)	201.981.271	184.502.676

(*) In accordance with article 4 of "the Regulation on Financial Structures of Insurance, Reinsurance, and Pension Companies" enacted as per the Insurance Law published in Official Gazette no. 26606 on August 07, 2007, the Minimum Guarantee Fund of the insurance companies and pension companies operating in life and personal accident branch cannot be less than one-third of the total founding capital. Minimum guarantee fund for non-life insurance branches is allocated as collateral in the capital adequacy calculation period. The amount of collaterals to be allocated in relation to the financial statements of the Company dated December 31, 2014 and the amount allocated are given in the table above.

17.2 The number of life policies of the Company as well as the number of and mathematical reserves for the new, former, and current life policyholders: None (December 31, 2014 - None).

17.3 Insurance collateral provided to non-life insurances by branches: Explained in footnote 4.

17.4 Pension investment funds and unit prices established by the Company:
None (December 31, 2014 - None).

17.5 Participation documents in the portfolio as well as the number and amounts of participation documents in circulation: None (December 31, 2014 - None).

17.6 Portfolio amounts for the new, former, canceled and current private pension and group pension contributors within the term: None (December 31, 2014 - None).

17.7 Valuation methods used in calculation of the profit sharing in participating life insurances:
None (December 31, 2014 - None).

17.8 Number of new personal pension contributors in the period, and distribution of gross and net shares by persons and institutions: None (December 31, 2014 - None).

17.9 Number of personal pension contributors transferred from another company in the period, and distribution of gross and net shares by persons and institutions: None (December 31, 2014 - None).

17.10 Number of personal pension contributors joining personal pension from the Company's life portfolio, and distribution of gross and net shares by persons and institutions:
None (December 31, 2014 - None).

17.11 Number of personal pension contributors who joined or did not join the portfolio of another company having left the Company, and distribution of the personal pension contributors including both of gross and net shares by persons and institutions: None (December 31, 2014 - None).

17.12 Number of new life policyholders in the period, and distribution of gross and net shares by individuals and groups: None (December 31, 2014 - None).

Mapfre Genel Sigorta Anonim Şirketi

Notes relating to non-consolidated financial statements
as of December 31, 2015 (cont.)

(Currency - Unless otherwise specified is shown in Turkish Lira (TRY))

17. Insurance liabilities and reinsurance assets (cont.)

17.13 Number of life policyholders who left the portfolio in the period, and distribution of gross and net premiums and mathematical reserves by individuals and groups: None (December 31, 2014 - None).

17.14 Ratio of bonuses distributed to life policyholders throughout the period:
None (December 31, 2014 - None).

17.15 Amounts arising from insurance contracts:

	December 31, 2015	December 31, 2014
Gross insurance technical reserves		
Provision for unearned premiums	1.151.391.342	712.790.694
Provision for outstanding claims and compensations	508.475.961	406.766.531
Reserve for on-going risks	-	93.168
Provisions for bonuses & discounts	7.614.999	5.290.623
Balancing provision	94.427.841	68.674.178
Total	1.761.910.144	1.193.615.194
Reinsurer shares in technical reserves of insurance		
Provision for unearned premiums (Note 10)	(171.199.637)	(136.993.864)
SSI's share in unearned premiums (Note 10)	(62.842.828)	(25.550.433)
Outstanding claims and provision for compensation (Note 10)	(103.575.988)	(99.941.700)
Reserve for on-going risks	-	(77.052)
Balancing provision	(61.303.045)	(44.849.924)
Dengeleme karşılığı	(44.849.924)	(33.753.035)
Total	(398.921.499)	(307.412.973)
Net insurance technical reserves		
Provision for unearned premiums	917.348.877	550.246.397
Provision for outstanding claims and compensations	404.899.973	306.824.831
Reserve for on-going risks	-	16.116
Provisions for bonuses & discounts	7.614.999	5.290.623
Balancing provision	33.124.796	23.824.254
Total	1.362.988.645	886.202.221

Movement table, outstanding claims reserve in the accounting period

	January 1 - December 31, 2015			January 1 - December 31, 2014		
	Gross	Reinsurer share	Net	Gross	Reinsurer share	Net
Beginning of Period	406.766.531	(99.941.700)	306.824.831	346.211.933	(90.715.294)	255.496.639
Paid damages	(1.001.747.672)	107.676.764	(894.070.908)	(840.869.278)	82.474.539	(758.394.739)
Current period outstanding claims	1.103.457.102	(111.311.052)	992.146.050	901.423.876	(91.700.945)	809.722.931
End of Period	508.475.961	(103.575.988)	404.899.973	406.766.531	(99.941.700)	306.824.831

Mapfre Genel Sigorta Anonim Şirketi

Notes relating to non-consolidated financial statements
as of December 31, 2015 (cont.)

(Currency - Unless otherwise specified is shown in Turkish Lira (TRY))

17. Insurance liabilities and reinsurance assets (cont.)

	January 1 - December 31, 2015			January 1 - December 31, 2014		
	Gross	Reinsurer share	Net	Gross	Reinsurer share	Net
Incurring and reported losses	410.699.694	(96.959.311)	313.740.383	326.088.892	(94.484.658)	231.604.234
Incurring but not reported losses	97.776.267	(6.616.677)	91.159.590	80.677.639	(5.457.042)	75.220.597
End of Period	508.475.961	(103.575.988)	404.899.973	406.766.531	(99.941.700)	306.824.831

Movement table, the provision for unearned premiums:

	January 1 - December 31, 2015			January 1 - December 31, 2014		
	Gross	Reinsurer share	Net	Gross	Reinsurer share	Net
Beginning of Period	712.790.694	(162.544.297)	550.246.397	636.676.130	(140.686.974)	495.989.156
Increase/(decrease)						
- Provision for unearned premiums in the current period	1.129.181.153	(219.463.432)	909.717.721	690.065.622	(145.704.810)	544.360.812
- Provision for unearned premiums in previous year	(690.580.505)	147.965.264	(542.615.241)	(613.951.058)	123.847.487	(490.103.571)
End of Period	1.151.391.342	(234.042.465)	917.348.877	712.790.694	(162.544.297)	550.246.397

Movement table of the reserve for on-going risks in the accounting period:

	January 1 - December 31, 2015			January 1 - December 31, 2014		
	Gross	Reinsurer share	Net	Gross	Reinsurer share	Net
Beginning of Period	93.168	(77.052)	16.116	1.847.322	(775.318)	1.072.004
Net change	(93.168)	77.052	(16.116)	(1.754.154)	698.266	(1.055.888)
End of period	-	-	-	93.168	(77.052)	16.116

Movement table of the balancing provision in the accounting period:

	January 1 - December 31, 2015			January 1 - December 31, 2014		
	Gross	Reinsurer share	Net	Gross	Reinsurer share	Net
Beginning of period	68.674.178	(44.849.924)	23.824.254	50.582.261	(33.753.035)	16.829.226
Provision reserved for the period	25.952.338	(16.631.929)	9.320.409	21.143.894	(13.768.032)	7.375.862
Earthquake damages paid in the period	-	-	-	(132.750)	44.539	(88.211)
Earthquake damages, outstanding change	(198.675)	178.808	(19.867)	(2.919.227)	2.626.604	(292.623)
End of period	94.427.841	(61.303.045)	33.124.796	68.674.178	(44.849.924)	23.824.254

Net technical reserves in foreign currency as of December 31, 2015, are presented in footnote 4 (a) iii.

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Notes relating to non-consolidated financial statements
as of December 31, 2015 (cont.)

(Currency - Unless otherwise specified is shown in Turkish Lira (TRY))

17. Insurance liabilities and reinsurance assets (cont.)

Movement table, the provision for premiums and discounts in the accounting period:

	January 1 - December 31, 2015			January 1 - December 31, 2014		
	Gross	Reinsurer share	Net	Gross	Reinsurer share	Net
Beginning of period	5.290.623	-	5.290.623	-	-	-
Provision reserved for the period	27.373.976	-	27.373.976	5.290.623	-	5.290.623
Paid in the period	(25.049.600)	-	(25.049.600)	-	-	-
End of period	7.614.999	-	7.614.999	5.290.623	-	5.290.623

Mapfre Genel Sigorta Anonim Şirketi

Notes relating to non-consolidated financial statements as of December 31, 2015 (cont.)

(Currency - Unless otherwise specified is shown in Turkish Lira (TRY))

17. Insurance liabilities and reinsurance assets (cont.)

The Company's loss development table and final damage cost estimations as of December 31, 2015 are given below:

Report Year	Accident Year								
	December 31, 2008 and before	January 01, 2009 -December 31, 2009	January 01, 2010 -December 31, 2010	January 01, 2011 -December 31, 2011	January 01, 2012 -December 31, 2012	January 01, 2013 -December 31, 2013	January 01, 2014 -December 31, 2014	January 1, 2015 -December 31, 2015	Total
In the accident year	10.131.908	2.873.920	3.665.347	5.805.657	6.509.859	14.482.405	22.114.153	162.929.125	228.512.374
1 year later	1.690.501	1.789.088	1.621.760	3.140.570	6.395.219	13.453.331	34.985.215	-	63.075.684
2 years later	1.103.367	972.211	522.782	1.961.563	4.575.455	9.039.382	-	-	18.174.760
3 years later	1.263.296	219.906	431.416	813.209	2.204.470	-	-	-	4.932.297
4 years later	322.134	220.550	360.803	1.281.256	-	-	-	-	2.184.743
5 years later	713.169	258.771	755.306	-	-	-	-	-	1.727.246
6 year later	870.037	361.606	-	-	-	-	-	-	1.231.643
7 years later	1.891.977	-	-	-	-	-	-	-	1.891.977
Total outstanding claims based on loss development table	17.986.389	6.696.052	7.357.414	13.002.255	19.685.003	36.975.118	57.099.368	162.929.125	321.730.724
Incurring but not reported losses									91.159.590
Jobs assumed, outstanding claims reserve									4.973.662
Outstanding claims reserve quota share (2007 and before)									(284.959)
Excess of Loss									-
Cut Off									21.911
Recoverable Outstanding Amounts									(12.705.502)
OCR Adequacy Difference									4.547
Total outstanding claims and damages reserve as of December 31, 2015									404.899.973

Mapfre Genel Sigorta Anonim Şirketi

Notes relating to non-consolidated financial statements as of December 31, 2015 (cont.)

(Currency - Unless otherwise specified is shown in Turkish Lira (TRY))

17. Insurance liabilities and reinsurance assets (cont.)

The Company's loss development table and final damage cost estimations as of December 31, 2014 are given below:

Report Year	Accident Year							Total	
	December 31, 2007 and before	January 01, 2008 - December 31, 2008	January 01, 2009 - December 31, 2009	January 01, 2010 - December 31, 2010	January 01, 2011 - December 31, 2011	January 01, 2012 - December 31, 2012	January 01, 2013 - December 31, 2013		January 1, 2014 - December 31, 2014
In the accident year	7.542.127	2.404.234	4.046.463	3.560.816	7.309.158	10.292.541	26.221.209	101.595.548	162.972.096
1 year later	1.695.321	1.525.762	2.891.371	2.316.683	4.939.421	10.875.944	26.073.927	-	50.318.429
2 years later	1.285.872	1.028.687	1.604.121	886.649	2.892.435	5.780.728	-	-	13.478.492
3 years later	900.835	1.061.998	383.599	459.574	1.641.271	-	-	-	4.447.277
4 years later	838.732	340.456	873.564	609.075	-	-	-	-	2.661.827
5 years later	304.634	386.289	999.953	-	-	-	-	-	1.690.876
6 year later	1.174.432	555.741	-	-	-	-	-	-	1.730.173
7 years later	1.623.959	-	-	-	-	-	-	-	1.623.959
Total outstanding claims based on loss development table	15.365.912	7.303.167	10.799.071	7.832.797	16.782.285	26.949.213	52.295.136	101.595.548	238.923.129
Incurring but not reported losses									75.220.597
Jobs assumed, outstanding claims reserve									4.338.117
Outstanding claims reserve quota share (2007 and before)									(286.965)
Excess of Loss									-
Cut Off									50.730
Recoverable Outstanding Amounts									(11.641.158)
OCR Adequacy Difference									220.381
Total outstanding claims and damages reserve as of December 31, 2014									306.824.831

Mapfre Genel Sigorta Anonim Şirketi

Notes relating to non-consolidated financial statements
as of December 31, 2015 (cont.)

(Currency - Unless otherwise specified is shown in Turkish Lira (TRY))

18. Investment contract liabilities

None (December 31, 2014 - None).

19. Commercial and other debts, deferred revenues

The Company's operating debts as of December 31, 2015 and December 31, 2014 are as follows:

	December 31, 2015	December 31, 2014
<u>Liabilities from insurance activities</u>	100.172.976	62.528.014
Debts owed to policyholders/intermediaries	99.737.430	61.834.565
Debts owed to insurance companies	435.546	693.449
<u>Liabilities from reinsurance operations</u>	89.020.731	104.906.363
Debts owed to reinsurance companies	75.704.560	93.358.465
Debts owed to intermediaries	12.387.543	9.922.987
Debts owed to insurance companies	2.493.275	2.114.962
Debt rediscount	(1.564.647)	(490.051)
<u>Deposits received</u>	571.924	286.965
Deposits received	571.924	286.965
<u>Liabilities arising from other main operations</u>		
Liabilities arising from other main operations	-	-
Total	189.765.631	167.721.342

Commercial and other debts in foreign currency as of December 31, 2015 and December 31, 2014 are presented in footnote 4 (a) ii.

As of December 31, 2015, the details for the Company's future months revenue and expense accruals are as follows:

	December 31, 2015	December 31, 2014
Deferred commission income	35.644.981	28.565.116
Accrued expenses	-	-
Other	-	-
Total	35.644.981	28.565.116

20. Financial liabilities

The Company has no financial debt as of December 31, 2015 (December 31, 2014 - None).

Mapfre Genel Sigorta Anonim Şirketi

Notes relating to non-consolidated financial statements as of December 31, 2015 (cont.)

(Currency - Unless otherwise specified is shown in Turkish Lira (TRY))

21. Deferred income tax

The distribution of the deferred tax assets and liabilities using temporary differences subject to deferred tax and effective tax rates as of December 31, 2015:

	Cumulative temporary differences December 31, 2015	Deferred tax assets/ (liabilities) December 31, 2015	Cumulative temporary differences December 31, 2014	Deferred tax assets/ (liabilities) December 31, 2014
Deferred tax assets/(liabilities)				
Security valuation	675.289	135.058	493.168	98.634
Provisions for doubtful receivables	10.272.898	2.054.580	9.367.883	1.873.577
Reserve for on-going risks	-	-	16.116	3.223
Provision for allowances	3.139.037	627.807	2.669.052	533.810
Provision for BITT	1.781.901	356.380	1.124.375	224.875
Receivable and debt rediscounts	4.851.021	970.204	2.079.572	415.914
Advance Bonus Payment for Personnel	7.950.000	1.590.000	5.125.166	1.025.033
Rediscount for bills receivable	(888.566)	(177.713)	(495.748)	(99.150)
Outstanding claims transferred to SSI, IBNR difference	-	-	-	-
Over-allocated ACLM amount	-	-	20.848.919	4.169.784
Provision for doubtful receivables, recourse and salvage	1.599.152	319.830	1.314.725	262.945
Excess of loss reserve	-	-	-	-
Incentive commission accrual	-	-	251.992	50.398
Social aid fund deficit	2.247.362	449.472	2.040.228	408.046
Provision for asset depreciation	-	-	275.000	55.000
Provisions for severance pay	5.424.958	1.084.992	4.111.651	822.330
Provision for security depreciation	-	-	-	-
Fixed asset depreciation differences	(7.569.151)	(1.513.830)	(7.908.764)	(1.581.753)
Provision for bonuses	7.614.999	1.523.000	2.378.897	475.779
Cases filed against the Company	326.178	65.236	269.334	53.868
Other Provisions	120.000	24.000	-	-
Sold real estate exchange rate difference	48.700.342	9.740.068	-	-
Total deferred tax asset	86.245.420	17.249.084	43.961.566	8.792.313

Movement table for the deferred tax asset is given below:

	January 1 - December 31, 2015	January 1 - December 31, 2014
Beginning of period	8.792.313	10.578.258
Deferred tax effect reflected in equity (Note 15)	473.314	(216.675)
Deferred tax revenue/(expense)	7.983.457	(1.569.270)
End of period	17.249.084	8.792.313

22. Pension social aid obligations

According to the Turkish Code of Labor, a Company is obliged to pay severance pay for its personnel who completed one year of service but were dismissed from the Company, or who retired and completed his/her years of service, who is entitled to retire, who was summoned for military service, or who is deceased. The pay to be made is equivalent to a month's salary for each year of service, and such amount is limited to TRY 3,828 as of December 31, 2015 (December 31, 2014 - TRY 3,438). The Company calculated the relevant liability as of December 31, 2015 according to TAS 19, and registered its severance pay liability amounting to TRY 5,424,958 (December 31, 2014 - TRY 4,111,651) in its records.

Provision for severance pay is allocated after calculating the current value of the liability to be paid when employees retire. Accordingly, the actuarial assumptions used to calculate the relevant liability as of December 31, 2015 and December 31, 2014 are as follows:

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Notes relating to non-consolidated financial statements as of December 31, 2015 (cont.)
(Currency - Unless otherwise specified is shown in Turkish Lira (TRY))

22. Pension social aid obligations (cont.)

	December 31, 2015	December 31, 2014
Discount rate	%11,00	%9,00
Estimated salary increase rate	%6,00	%6,00

The provision for severance pay for the accounting periods ending on January 1 - December 31, 2015 and 2014 are as follows:

	January 1 - December 31, 2015	January 1 - December 31, 2014
Beginning of period	4.111.651	3.167.790
Paid within the period	(959.172)	(375.881)
Actuarial loss/(earning)	912.118	200.949
Provision allocated in the current period	1.360.361	1.118.793
End of period	5.424.958	4.111.651

The provisions for social aid fund asset deficits for the accounting periods of January 01 - December 31, 2015 and 2014 are as follows:

	January 1 - December 31, 2015	January 1 - December 31, 2014
Beginning of period	2.040.228	2.115.148
Net (income) expense for the period	207.134	(74.920)
End of period	2.247.362	2.040.228

As of January 1 - December 31, 2015 and 2014, provision for allowances movement is as follows:

	January 1 - December 31, 2015	January 1 - December 31, 2014
Beginning of period	2.669.052	2.226.423
Expense for the period	469.985	442.629
	3.139.037	2.669.052

Mapfire Genel Sigorta Anonim Şirketi

Notes relating to non-consolidated financial statements as of December 31, 2015 (cont.)
(Currency - Unless otherwise specified is shown in Turkish Lira (TRY))

23. Provisions for other liabilities and expenses

23.1 Provisions for the personnel's social security and others:

The Company's employees are members of Mapfire Genel Sigorta A.Ş. Memur ve Hizmetlileri Emeklilik ve Yardım Sandığı ("Fund") established according to provisional article 20 of Social Insurance Law no. 506. The Company, as per the legal regulations specified in detail in Note 2, determined the deficit to be calculated through methods applied within the framework of the applicable legal regulations in the course of transfer to SSI, using actuarial methods, and reflected the provision regarding the fund deficit in the financial statements within the scope of TAS 37 as TRY 2,247,362 (TRY 2,040,228 as of December 31, 2014).

23.2 Provision for cost expenses

	December 31, 2015	December 31, 2014
Provision for incentive commission	-	251.992
Advance bonus payment for personnel	7.950.000	5.125.166
Other provisions	446.178	269.334
	8.396.178	5.646.492

23.3 Total amount of undertakings not included in liabilities:

Undertakings not included in liabilities are presented in note 43.

Mapfre Genel Sigorta Anonim Şirketi

Notes relating to non-consolidated financial statements
as of December 31, 2015 (cont.)

(Currency - Unless otherwise specified is shown in Turkish Lira (TRY))

24. Net insurance premium revenue

Details of the Company's written net insurance premiums for the accounting period as of December 31, 2015 and 2014 are as follows:

	January 1 - December 31, 2015			January 1 - December 31, 2014		
	Gross	Reinsurance share	Net	Gross	Reinsurance share	Net
Land vehicles	246.956.846	-	246.956.846	252.897.860	(8.504.893)	244.392.967
Land vehicles liability	981.966.603	(99.334.392)	882.632.211	504.914.493	(52.103.167)	452.811.326
Financial losses	775.458	(642.876)	132.582	717.594	(608.314)	109.280
Fire and natural disasters	245.436.398	(193.550.009)	51.886.389	199.415.258	(152.690.263)	46.724.995
General losses	187.321.505	(123.154.583)	64.166.922	146.920.340	(95.393.073)	51.527.267
Illness/health	341.847.043	(954.243)	340.892.800	292.793.249	(821.674)	291.971.575
Transportation	36.682.935	(10.151.555)	26.531.380	34.562.926	(8.209.285)	26.353.641
Accident	15.923.483	(3.160.758)	12.762.725	19.373.414	(3.636.765)	15.736.649
General liability	45.167.201	(29.557.311)	15.609.890	32.657.352	(19.907.738)	12.749.614
Watercraft	4.440.741	(3.661.163)	779.578	3.003.892	(2.446.904)	556.988
Aircraft	803.095	(800.872)	2.223	906.938	(906.666)	272
Aircraft liability	265.678	(265.416)	262	191.255	(191.205)	50
Legal Protection	1.644.775	-	1.644.775	1.574.978	-	1.574.978
Bailment	1.341.167	(352.302)	988.865	1.015.666	(338.771)	676.895
Total premium income	2.110.572.928	(465.585.480)	1.644.987.448	1.490.945.215	(345.758.718)	1.145.186.497

25. No contribution (price)

(December 31, 2014 - None).

Mapfre Genel Sigorta Anonim Şirketi

Notes relating to non-consolidated financial statements
as of December 31, 2015 (cont.)

(Currency - Unless otherwise specified is shown in Turkish Lira (TRY))

26. Investment income and expenses

Details for the investment income and expenses for the Company over the period December 31, 2015 and 2014 are as follows:

	January 1 – December 31, 2015	January 1 – December 31, 2014
<u>Investment Value Decrease</u>		
Provision for Value Decrease of Share	73.647	73.647
Total Investment Value Decrease	73.647	73.647
<u>Depreciation Expenses</u>		
Depreciation Expenses	(4.779.431)	(5.070.425)
Total Depreciation Expenses	(4.779.431)	(5.070.425)
<u>Loss Caused by Converting Investment into Cash</u>		
Fixed Asset Sales Loss	(180.206)	-
Total Loss Caused by Converting Investment into Cash	(180.206)	-
<u>Foreign Exchange Loss</u>		
Current accounts exchange rate difference loss	(22.200.591)	(11.346.345)
Foreign currency sales loss	(2.401)	(728.218)
Foreign exchange deposits exchange rate difference loss	(195.167)	(699.997)
Foreign currency deposits of foreign exchange losses	(699.997)	(3.785.288)
Total Foreign Exchange Losses	(22.398.159)	(12.774.560)
<u>Investment Income Transferred to Non-life Technical Section</u>		
Revenues from State Bonds	(18.090.221)	(16.328.865)
Revenues from Repurchase Agreement	(6)	-
Time Deposit Revenues	(53.522.978)	(38.081.687)
Private Sector Bonds	(1.488.159)	(3.494.342)
Real Estate Revenues	(500.243)	(2.087.611)
Dividend Revenues	(3.206.047)	(1.846.225)
Dividend income	(1.846.225)	-
Total Investment Income Transferred to Non-life Technical Section	(76.807.654)	(61.838.730)
Total	(104.091.803)	(79.757.362)

(*) The investment income transferred to the non-life technical part were calculated within the framework of the "Circular on Principles and Procedures for the Keys Used in Financial Statements Prepared in line with the Insurance Uniform Chart of Account" issued by the Republic of Turkey Prime Ministry, Undersecretariat of Treasury on January 04, 2008.

Mapfre Genel Sigorta Anonim Şirketi

Notes relating to non-consolidated financial statements
as of December 31, 2015 (cont.)

(Currency - Unless otherwise specified is shown in Turkish Lira (TRY))

26. Investment income and expenses (cont.)

	January 1 -December 31, 2015	January 1 -December 31, 2014
<u>Revenues Obtained from Financial Investments</u>		
Financial assets available for sale	28.241.500	14.496.419
Time deposit interest income	60.524.406	42.707.041
Total Revenues Obtained from Financial Investments	88.765.906	57.203.460
<u>Valuation of Financial Investments</u>		
Financial assets available for sale	(6.102.032)	7.734.490
Total Valuation of Financial Investments	(6.102.032)	7.734.490
<u>Foreign Currency Gains</u>		
Current accounts exchange rate difference profit	37.079.945	7.714.120
Foreign currency sales profit	309.165	1.107.761
Other foreign currency gains	-	4.208.861
Total Foreign Currency Gains	37.389.110	13.030.742
<u>Revenues obtained from subsidiaries</u>		
Dividend income received from subsidiaries	3.625.435	2.070.465
Revenues Obtained from Subsidiaries	3.625.435	2.070.465
<u>Revenues Obtained from Field, Land and Buildings</u>		
Rent	565.680	526.507
Sales	-	1.814.663
Total Revenues Obtained from Field, Land and Buildings	565.680	2.341.170
<u>Investment Income Transferred from the Life Technical Section</u>		
Investment Income Transferred from the Life Technical Section	-	-
Investment Income Transferred from the Life Technical Section	-	-
Total	124.244.099	82.380.327

27. Net accrual revenues of financial assets

The revenue and expense details in relation to the state bonds and private sector bonds monitored under the financial assets available for sale in the intermediary accounting periods ending on December 31, 2015 and 2014 are as follows;

	January 1 -December 31, 2015	January 1 -December 31, 2014
Available-for-sale state bonds	(4.140.866)	5.831.135
Available-for-sale private sector bonds	(1.961.166)	1.903.355
Other financial assets	-	-
Total	(6.102.032)	7.734.490

28. Assets the fair value differences of which are reflected in the income statement

None (December 31, 2014 - None).

Mapfre Genel Sigorta Anonim Şirketi

Notes relating to non-consolidated financial statements
as of December 31, 2015 (cont.)

(Currency - Unless otherwise specified is shown in Turkish Lira (TRY))

29. Insurance rights and claims

Explained in footnote 17 on insurance liabilities and reinsurance assets.

30. Investment contract rights

None (December 31, 2014 - None).

31. Other necessary expenses

	January 1 - December 31, 2015	January 1 - December 31, 2014
Operating expenses classified under non-life technical part	(274.944.699)	(238.087.690)
Operating expenses classified under non-technical part	(4.779.431)	(5.070.425)
Total	(279.724.130)	(243.158.115)

32. Expense types

	January 1 - December 31, 2015	January 1 - December 31, 2014
Personnel expenses	(61.675.649)	(50.549.172)
Net commission expense	(171.530.168)	(151.145.627)
General management expenses	(16.739.471)	(15.786.037)
Marketing and sales expenses	(9.688.111)	(11.658.633)
Outsourced benefits and services expenses	(3.721.477)	(2.731.814)
Other	(11.589.823)	(6.216.407)
Total	(274.944.699)	(238.087.690)

33. Employee benefits expenses

	January 1 - December 31, 2015	January 1 - December 31, 2014
Salaries	(51.017.763)	(41.291.342)
Severance pay	(959.172)	(375.881)
Social benefits	(6.354.510)	(5.654.542)
Other	(3.344.204)	(3.227.407)
Total	(61.675.649)	(50.549.172)

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Notes relating to non-consolidated financial statements
as of December 31, 2015 (cont.)

(Currency - Unless otherwise specified is shown in Turkish Lira (TRY))

34. Financial expenses

34.1 Total financing expenses for the period: None (December 31, 2014 - None).

34.1.1 34.1.1 Provided for production costs: None (December 31, 2014 - None).

34.1.2 Provided for fixed asset costs: None (December 31, 2014 - None).

34.1.3 Expenses directly written off: None (December 31, 2014 - None).

34.2 The portion of the financing expenses of the period pertaining to partners, subsidiaries and affiliates (those with more than 20% shares in the total amount will be shown separately.):

None (September 30, 2014 - None).

34.3 Sales to and purchases from the partners, subsidiaries and affiliates (those with more than 20% shares in the total amount will be shown separately.):

	January 1 - December 31, 2015		
	Received/(paid) reinsurance commission	Received/(paid) reinsurance premium in losse	(Transferred)/acquired reinsurance premium
Mapfre Re Compania Reaseguros S.A	53.653.273	83.711.924	(206.687.359)
Mapfre Global	1.743.189	1.788.757	(24.178.650)
Mapfre Asistanda	268.366	(1.362)	(2.094.446)
Mapfre Genel Yaşam	-	228.423	72.466
Total	55.664.828	85.727.742	(232.887.990)

	January 1 - December 31, 2015		
	Received/(paid) reinsurance commission	Received/(paid) reinsurance premium in losse	(Transferred)/acquired reinsurance premium
Mapfre Re Compania Reaseguros S A	45.780.719	66.730.399	(178.512.695)
Mapfre Global	2.490.308	6.229.871	(25.135.113)
Mapfre Asistanda	210.970	-	(10.579.594)
Mapfre Genel Yaşam	(8)	(453.534)	22.845
Total	48.481.989	72.506.736	(214.204.557)

34.4 Interests, rents, etc. received from or paid to the partners, subsidiaries and affiliates (those with more than 20% shares in the total amount will be shown separately.):

Presented in footnote 45.

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**Notes relating to non-consolidated financial statements
as of December 31, 2015 (cont.)**

(Currency - Unless otherwise specified is shown in Turkish Lira (TRY))

35. Income taxes

Company activities are subject to the tax legislation and practices in effect in Turkey.

Corporate tax rate is 20% in Turkey. Corporate tax is stated until the evening of the twenty fifth day of the fourth month following the end of the relevant accounting period, and is paid in a single sum until the end of the relevant month. As per the tax legislation, 20% advance tax is calculated and paid over the revenues generated in quarterly periods, and the amounts so paid are deducted from the tax calculated over the annual earnings.

The financial losses reflected in the declaration as per the Corporate Tax Law can be deducted from the corporate tax base of the period provided that they do not exceed 5 years. The statements and the relevant accounting records may be examined within five years by the tax office, and the tax accounts may be revised. Unlimited taxpayer corporations make a deduction of 15% over the profit shares distributed to the foreign taxpayer corporations excluding those earning profit share through a workplace or permanent representative in Turkey and foreign-based taxpayers exempt from corporate tax (adding profit to capital is not considered profit distribution), and listed in sub-paragraphs (1), (2) and (3) of the 2nd paragraph of article 75 of the Income Tax Law. Adding profit distributed to institutions exempt from corporate tax to capital is not considered profit distribution. A tax deduction of 15% is applied over the profits distributions listed in sub-paragraphs (1), (2) and (3) of the 2nd paragraph of article 75 of the Income Tax Law.

A tax deduction of 15% will be made over the profit shares distributed to the unlimited taxpayer real persons, to those who do not pay income and corporate tax, and to those who are exempt from income tax (adding profit to capital is not considered profit distribution), and which are listed in sub-paragraphs (1), (2) and (3) of the 2nd paragraph of article 75 of the Income Tax Law.

A tax deduction of 15% will be made over the profit shares distributed to the limited taxpayer real persons, and to the limited taxpayers who are exempt from income tax (adding profit to capital is not considered profit distribution), and which are listed in sub-paragraphs (1), (2) and (3) of the 2nd paragraph of article 75 of the Income Tax Law.

Withholding practice with reduced rate is possible in accordance with the provisions of the international treaty for the prevention of double taxation, and it can be applied upon submittal of the residence certificate. An enterprise will be exempt from corporate tax to the extent of 75% for the revenues from the stock certificates held in the company assets for a period longer than 2 years as per paragraph 1-e of article 5 of the Corporate Tax Law.

The amounts of the taxes paid in cash and tax provisions as of December 31, 2015 and December 31, 2014 are as follows:

	January 1 - December 31, 2015	January 1 - December 31, 2014
Provision for tax payable	11.932.546	12.343.168
Tax paid in advance	(14.651.511)	(10.398.206)
	(2.718.965)	1.944.962

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Notes relating to non-consolidated financial statements
as of December 31, 2015 (cont.)

(Currency - Unless otherwise specified is shown in Turkish Lira (TRY))

35. Income taxes (cont.)

The analysis of the tax provisions reflected in the income statement for the year ending on December 31, 2015 and 2014 is given below:

	January 1 - December 31, 2015	January 1 - December 31, 2014
Profit before tax (including deferred tax)	44.749.417	59.521.134
Deferred tax revenue/expense	(7.983.457)	1.569.270
	36.765.960	61.090.404
Tax rate	%20	%20
Calculated corporate tax provision	(7.353.192)	12.218.081
Additional IBNR provision	-	(1.698.103)
Dividend income	(605.209)	(419.448)
Non-deductible expenses	4.009.312	2.242.638
Current tax expense, net deferred tax revenue	(3.949.089)	12.343.168
	January 1 - December 31, 2015	January 1 - December 31, 2014
Reflected in the equity (Note 15)	-	820.289
Reflected in the income statement	11.932.546	11.522.879
Current tax expense	11.932.546	12.343.168

36. Net foreign exchange Revenues/Expenses

	January 1 -December 31, 2015	January 1 -December 31, 2014
Foreign exchange deposits exchange rate difference profit/loss	(195.774)	3.421.370
Current accounts exchange rate difference profit/loss	8.634.577	(140.142)
Foreign currency sales profit	306.764	379.543
Other transactions exchange rate difference profit/loss	6.245.384	(3.404.589)
Total Foreign Currency Gains	14.990.951	256.182

37. Earnings per share

37.1 Profit and profit share rates per share, shown separately for the ordinary and privileged shares:

Earnings per share are calculated by dividing the net profit for the period by the weighted average of the number of shares for the period. Calculated as follows:

	January 1 -December 31, 2015	January 1 -December 31, 2014
Net current profit/ (loss) for the period	32.816.871	47.998.255
Number of weighted average of the shares, each of TRY 1 nominal value	350.000.000	350.000.000
Profit/(loss) per share (TRY)	0,09	0,14

Mapfre Genel Sigorta Anonim Şirketi

Notes relating to non-consolidated financial statements
as of December 31, 2015 (cont.)

(Currency - Unless otherwise specified is shown in Turkish Lira (TRY))

38. Profit per share

Profit share per share is calculated by dividing the dividends paid in the year by the weighted average of the number of shares for the period. Calculated as follows:

	January 1 -December 31, 2015	January 1 -December 31, 2014
Dividends distributed for the period (*)	25.000.000	6.000.000
Number of weighted average of the shares, each of TRY 1 nominal value	350.000.000	350.000.000
Profit per share (TRY)	0,07	0,02

(*) TRY 25,000,000 profit share, which was decided to be paid in the Ordinary General Assembly held on March 31, 2015, was paid on June 15, 2015.

39. Operating cash

Operating cash is presented in the Cash Flow Statement.

40. Bonds convertible to share

None.

41. Realizable privileged shares

None.

42. Risks

Actions filed against the company as of December 31, 2015 are as follows:

	December 31, 2015	December 31, 2014
Actions for damages	192.616.555	165.683.897
Business actions	326.178	269.334
Total	192.942.733	165.953.231

43. Undertakings

	December 31, 2015	December 31, 2014
Letters of guarantee	27.888.678	16.484.080
	27.888.678	16.484.080

As of December 31, 2015, the bank letters of guarantee provided cover an amount of USD 521,700 and EURO 81,758.

44. Business mergers

None (December 31, 2014 - None).

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Notes relating to non-consolidated financial statements
as of December 31, 2015 (cont.)

(Currency - Unless otherwise specified is shown in Turkish Lira (TRY))

45. Transactions with affiliated parties

Affiliated parties refer to the establishments that can directly or indirectly control or significantly influence the other party through contractual rights, family relations or other similar ways, affiliated parties also include capital holders and Company management, affiliated party transactions include transfer of the assets and liabilities among related parties whether or not against a price. Affiliated parties of partners, and the Company management are defined as affiliated parties in the financial statements dated December 31, 2015 and in the relevant explanatory footnotes.

The Company's sales to and purchases from other affiliated parties as of December 31, 2015 and 2014 are as follows:

Sales to and purchases with partner and subsidiaries are explained in footnote 34.3.

	January 1 - December 31, 2015 Sales/(purchases) (Net)	January 1 - December 31, 2014 Sales/(purchases) (Net)
1- Insurance operations		
Mapfre Genel Yaşam	(159.534)	(175.855)
Total insurance operations	(159.534)	(175.855)
2- Rental income		
Mapfre Genel Yaşam	181.163	178.818
Genel Servis Yedek Parça Dağ Tic AŞ.	87.711	88.014
Total Rental Revenue	268.874	266.832
3- Other Sales/(Purchases)		
Mapfre Soft SA	(715.941)	(773.552)
Mapfre S.A.	(66.281)	(101.660)
Mapfre Tech	(1.250.191)	(787.863)
Mapfre RE	-	37.517
Mapfre International	-	54.596
Mapfre Genel Yaşam Sigorta A.Ş.	2.865	6.209
Genel Sigorta Memur ve Hiz Emeklilik ve Yardım Sand. Vakfı	1.864.074	1.794.371
Turasist Yardım ve Servis Ltd şti.	(14.035.397)	(3.181.468)
Centra De Experimentaclon Segurldad Vlal Mapfre S:A.	-	-
Fundacion Mapfre	26.039	1.406
Genel Servis Yedek Parça Dağ.Tic. A.Ş.	(554.522)	(450.846)
Mapfre Informatica	-	-
Total Other Sales/(Purchases)	(14.729.354)	(3.401.290)
4- Dividends Received/Paid		
Mapfre International S.A.	(24.937.500)	(5.985.000)
Other Partners	(84.642)	(15.000)
Mapfre Genel Yaşam A Ş	3.143.093	1.592.000
Genel Servis Yedek Parça Dağ Tic. A.Ş.	482.342	478.465
Total Dividends Received/Paid	(21.396.707)	(3.929.535)

Mapfre Genel Sigorta Anonim Şirketi

Notes relating to non-consolidated financial statements
as of December 31, 2015 (cont.)

(Currency - Unless otherwise specified is shown in Turkish Lira (TRY))

45. Transactions with affiliated parties (cont.)

45.1 Doubtful receivable amounts allocated due to receivables from partners, affiliates and subsidiaries, and their debts: None (December 31, 2014 - None).

45.2 The list of the affiliates and subsidiaries in indirect capital and management relations with the Company, names and participation rates and amounts of the partnerships included in the affiliates and subsidiaries account, the profit or loss for the period of the partnerships in question included in the last financial statements presented, net profit or loss for the period as well as the period of such financial statements, whether or not they were prepared in accordance with the standards set by our Board, whether or not they were subject to independent audit, and the type of the independent audit report, whether it is positive, negative or conditional:

Other financial non-current assets	Amount TRY	Rate	Period	Net profit/ (loss)	Equity	December 31, 2015	
						Whether independently audited	Independent audit report
Participations							
Tarım Sigortaları Havuz İşletmesi A Ş (Tarsim)	220.889	4,17%	31.12.2015	790.460	7.949.009	No	None
Subsidiaries							
Mapfre Genel Yaşam Sigorta A Ş	20.816.506	99,50%	31.12.2015	2.446.257	22.815.350	Yes	Yes
Genel Servis Yedek Parça Dağıtım Tic A Ş	2.428.025	51,00%	31.12.2015	1.667.859	2.498.130	No	None
	23.465.420			4.904.576	33.262.489		

Other financial non-current assets	Amount TRY	Rate	Period	Net profit/ (loss)	Equity	December 31, 2015	
						Whether independently audited	Independent audit report
Participations							
Tarım Sigortaları Havuz İşletmesi AŞ (Tarsim)	211.320	4,00%	31.12.2014	1.134.334	7.179.017	No	None
Subsidiaries							
Mapfre Genel Yaşam Sigorta A Ş	20.816.506	99,50%	31.12.2014	3.716.338	23.502.259	Yes	Yes
Genel Servis Yedek Parça Dağıtım Tic A Ş	2.428.025	51,00%	31.12.2014	1.092.981	2.014.735	No	None
	23.455.851			5.943.653	32.696.011		

45.3 Amount of the bonus share obtained due to the capital increase realized with internal resources in affiliates and subsidiaries: None (December 31, 2014 - None).

45.4 Real rights on the real property and values thereof: None (December 31, 2014 - None).

45.5 The amount of guarantee, warranty, bailment, advance, endorsement etc. liabilities on behalf of partners, participations and subsidiaries: None (December 31, 2014 - None).

46. Events after the balance sheet date

Presented in note 1.10.

Mapfre Genel Sigorta Anonim Şirketi

Notes relating to non-consolidated financial statements
as of December 31, 2015 (cont.)

(Currency - Unless otherwise specified is shown in Turkish Lira (TRY))

47. Other

47.1 Names and amounts of the items bearing the expression “other” in financial statements, which items exceed 20% of the total amount of the group they belong to, or which exceed 5% of the balance sheet total assets:

	December 31, 2015	December 31, 2014
a) Other miscellaneous receivables:		
Creditors in connection with compulsory earthquake insurance	(1.508.251)	(1.532.248)
Debtors in connection with compulsory earthquake insurance	1.370.341	1.724.174
Creditors in connection with state-sponsored agricultural insurance	(1.941)	-
Debtors in connection with state-sponsored agricultural insurance	1.229.125	1.349.780
Miscellaneous receivables from agents	7.283.804	7.274.792
Advances paid for real estate purchases	-	119.084.206
Real Estate Sale - Mersin	6.522.251	5.580.000
Real Estate Sale - Salıpazarı	-	-
Real Estate Sale - Bağcılar	-	14.780.000
Seller Advances	-	-
Other (*)	1.779.476	1.935.871
Total	16.674.805	150.196.575
a) Other miscellaneous receivables (Long-term):		
Real Estate Sale - Bağcılar	-	-
Real Estate Sale - Mersin	-	-
Total	-	-
b) Other miscellaneous liabilities:		
Debts owed to sellers	50.630.974	42.833.521
Other	850.156	1.185.145
	51.481.130	44.018.666
c) Other technical provisions:		
Balancing provision	33.124.796	23.824.254
	33.124.796	23.824.254
d) Future expenses (months/years):		
Deferred commission expenses	151.856.135	101.604.006
Other accrued expenses and income	10.331.831	9.231.711
	162.187.966	110.835.717
e) Future income (months/years):		
Deferred commission income	35.644.981	28.565.116
Other accrued expenses and income	-	-
	35.644.981	28.565.116

(*) The maturity of the receivables of the company relating to the real estate sales made within 2013 is December 1, 2016.

Mapfre Genel Sigorta Anonim Şirketi

Notes relating to non-consolidated financial statements
as of December 31, 2015 (cont.)

(Currency - Unless otherwise specified is shown in Turkish Lira (TRY))

47. Other (cont.)

47.2 “Separate totals of the receivables from and debts to the personnel under the account items “Other receivables” and “Other short or long-term debts” and which exceed one percent of the total assets of the balance sheet: None (December 31, 2014 - None).

47.3 Amounts regarding the recourse receivables monitored in memorandum accounts:
None (December 31, 2014 - None).

47.4 Explanatory note showing the amounts and sources of revenues and expenses for the previous period and expenses and losses for the previous period: None (December 31, 2014 - None).

47.5 Other notes to be included

Other revenues and profits:

	January 1 - December 31, 2015	January 1 - December 31, 2014
Agency interest income	391.782	671.940
Other interest income	1.361.281	481.855
Other income	812.731	331.022
Securities sale revenue	296.219	124.038
Total	2.862.013	1.608.855

Other expenses and losses:

	January 1 - December 31, 2015	January 1 - December 31, 2014
Banking virtual POS points and commission	(4.492.081)	(3.914.839)
Banking and insurance operations expenses	(4.632.325)	(3.045.198)
Non-deductible expenses	(470.541)	(513.263)
Interest paid	(26.588)	(29.767)
Other	(1.049.505)	(948.133)
Total	(10.671.040)	(8.451.200)

Gross other technical expenses

	January 1 - December 31, 2015	January 1 - December 31, 2014
Assistance and support services	(15.621.219)	(6.870.695)
Treatment expenses SBM statement differences before the law no. 6111*	-	(804.306)
SBM and TMTB participation and query fee	(1.264.473)	(882.519)
Other	(5.700.476)	(23.561.925)
Total	(22.586.168)	(32.119.445)

(*) Statements made by SBM regarding the amounts before law no. 6111 which are to be transferred to the SSI have been completed in 2014.

Mapfre Genel Sigorta Anonim Şirketi

**Notes relating to non-consolidated financial statements
as of December 31, 2015 (cont.)**

(Currency - Unless otherwise specified is shown in Turkish Lira (TRY))

47. Other (cont.)

Provision and rediscount expenses for the period:

a) Provision expenses

	January 1 - December 31, 2015	January 1 - December 31, 2014
<u>Non-technical provisions</u>		
Other provisions no longer required	195.318	(269.335)
Provisions for doubtful receivables, net (Note 12.1)	(21.418.294)	(9.229.283)
Provisions for severance pay, net (Note 22)	(401.189)	(742.912)
Securities impairment	(207.133)	74.920
Social aid fund deficit (Note 22)	(469.985)	(442.629)
Provision for allowances (Note 22)	-	-
Other Provisions	-	-
Total non-technical provisions	(22.301.283)	(10.609.239)
<u>Technical provisions</u>		
Provision for unearned premiums	(367.102.480)	(54.257.241)
Provision for outstanding claims compensations	(98.075.142)	(51.328.192)
Reserve for on-going risks (Note 17)	16.116	1.055.888
Mathematical Provisions	-	-
Provisions for bonuses & discounts	(27.373.976)	(5.290.623)
Other technical provisions (balancing provision) (Note 17)	(9.300.542)	(6.995.028)
Total technical provisions	(501.836.024)	(116.815.196)
<u>Provision for tax</u>		
Provision for tax	(11.932.546)	(11.522.879)
Total provision for tax	(11.932.546)	(11.522.879)

a) Rediscount expenses

	January 1 - December 31, 2015	January 1 - December 31, 2014
Rediscount interest income	5.840.186	7.382.174
Rediscount interest expenses	(8.611.635)	(4.539.822)
Total	(2.771.449)	2.842.352

Mapfre Genel Sigorta Anonim Şirketi

Notes relating to non-consolidated financial statements as of December 31, 2015 (cont.)

(Currency - Unless otherwise specified is shown in Turkish Lira (TRY))

47. Other (cont.)

47.6 Profit distribution table

The Company has obtained a profit of TRY 32,816,871 after the tax relation to the accounting period ending on December 31, 2015 (December 31, 2014 - TRY 47,998,255). The profit distribution table of the company for year 2015 will be clarified as a result of the General Assembly Meeting to be held.

	December 31, 2015	December 31, 2014
Period income		
Profit before corporate tax	44.749.417	59.521.134
Corporate tax	(11.932.546)	(12.343.168)
Tax expense reflected in equity	-	820.289
Net profit for the period	32.816.871	47.998.255
Previous year's losses	-	-
Primary reserve	-	(2.331.863)
Legal non-distributing funds subject to compulsory saving	-	(1.360.998)
Distributable profit for the period	32.816.871	44.305.395
Primary dividend to partners		
Shareholders	-	(17.500.000)
Privileged share holders	-	-
Participation dividend certificate holders	-	(22.142)
Participation bond holders	-	-
Profit and loss sharing certificate holders	-	-
Secondary dividend to partners		
Shareholders	-	(7.500.000)
Privileged share holders	-	-
Participation dividend certificate holders	-	-
Participation bond holders	-	-
Profit and loss sharing certificate holders	-	-
Secondary reserve	-	(4.663.726)
Extraordinary reserves	-	(14.619.527)
Other reserves	-	-
Special funds	-	-

