



ANNUAL REPORT **2010**



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**NAME OF THE INSURANCE COMPANY:** MAPFRE GENEL SİGORTA A.Ş. **PERIOD:** 01.01.2010-31.12.2010

**ANNUAL REPORT PREPARED RELATING THE  
PERIOD 01.01.2010 – 31.12.2010 PURSUANT  
TO THE REGULATION CONCERNING THE INSURANCE,  
REINSURANCE AND PENSION COMPANIES**

We would like to submit **ANNUAL REPORT** relating the activities of our Company during the year 2010 that we have prepared within the frame of the process and principals set out in Regulation Relating the Financial Structure of Insurance, Reinsurance and Pension Companies, with its annexes to your revision and approval.

Sincerely,  
16.03.2011



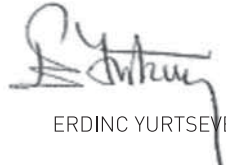
JAVIER JOSE  
FERNANDEZ-CID PLANIOL

Chairman of the Board  
of Directors



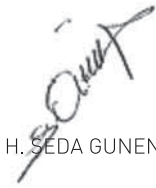
SERDAR GUL

Board Member and  
General Manager



ERDINC YURTSEVEN

Assistant General Manager



H. SEDA GUNENC

Manager

## ASSENT FOR ANNUAL REPORT

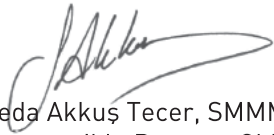
### To Mapfre Genel Sigorta Anonim Şirketi Plenary Committee

We have been assigned to audit the annual report prepared as of 31 December 2010 dated by Mapfre Genel Sigorta Anonim Şirketi (hereinafter referred as "Company"). The annual report on the focus is the competence of the company executives. As an audit institution, we are in charge of expressing an opinion about the financial data in the annual reports in comparison with the previous independently audited financial statements and explanatory notes.

The audit has been conducted in accordance with the 5684 Insurance Code's independent auditing principles regulating design and disclosure of the annual reports. Such regulations require that the annual reports are planned and executed in order to ensure a reasonable assurance whether there is a significant error in harmony between the financial data in the annual report and the previously audited financial statements and explanatory notes. We believe in that the conducted audit constitutes a reasonable, reliable and sufficient base to make up our mind.

As to our opinion, the financial data including in the annexed annual report accurately reflect the financial situation of the company with all significant aspects as of 31 December 2010 in line with the 5684 Insurance Code and the current regulations. And it includes the summarized executive committee report as well as our independent auditing assessment and is accordant with the previous independently audited financial statements and explanatory notes.

Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi  
A member firm of Ernst & Young Global Limited



Seda Akkuş Tecer, SMMM  
Responsible Partner, Chief Auditor

11 March 2011  
Istanbul, Turkey



**SECTION – I**  
**INTRODUCTION**

## Evaluations of the Chairman of the Executive Board and General Manager related to operating period and their expectations from the future

### Dear Our Partners,

Our company has become one of the few profitable companies in the insurance sector this year, like we were last year, as our net profit is 42 million TL at the end of 2010. The intense price competition in the insurance sector resulted in technical losses and the financial profits significantly dropped because the interest rates reduced 50% within a year. So these two factors have constituted a serious disadvantage preventing the sector from gaining accounting profit in 2010. Our company has avoided price competition in 2010 as possible as we did in the past, carried out its operations in effort to gain profit and managed to do so.

Gaziantep and İstanbul regional directorates have been opened in addition to the regional directorates in Kayseri, Konya and Samsun within the scope of our reorganization efforts launched last year to reach out wider audience across the country and provide better service to the agents. The number of our agents which was 432 in 2009 has been reached to 824 with a 90 percent increase. Accordingly, we have increased our personnel number from 294 to 390. We have increasingly continued our IT investments since the last year in order to enhance our service quality.

Our company has a equity capital which is almost double of the minimum equity capital to cover its liabilities in accordance with the existing regulations and our strong financial structure constitutes an assurance for our insurers and the third parties.

As a significant change in capital asset of our company within 2010, our majority shareholder - Mapfre International S.A. has taken over the 9,75 % shares owned by Avor İnşaat Gıda Tekstil Kimya Sanayi ve Ticaret A.Ş. and increased its shares from %90 to 99.75.

In 2011, our company will continue its operations in order to get better results and ensure higher quality services to compete with its rivals in the sector.

In this scope, we present the operational results of 2010 to the attention of yours.

Sincerely,

Chairman of the Board of Directors  
Javier Fernandez-Cid



Board Member and General Manager  
Serdar Gül



## Summarized financial highlights of operating results

### Dear Our Partners,

Hereinafter, we are presenting our company's operating results in 2010.

Our company has reached at a sales volume of 367,608,696 TL with a 13% increase in comparison with the previous year on basis of the direct sales. Together with the undertaken business, our total premium production realized as 411,788,338 TL.

Analyzing in terms of the branches, auto branch-constituting %53 out of our total premium production- has been increased %22, but fire and ship branches experienced decreases of %9 and %5.

Our company ended up 2010 with (1) a technical profit of 41,647,070 TL. And the highest technical profit 9,761,161 TL received from the fire branch.

In terms of branches, the technical results are available in the annexed table.

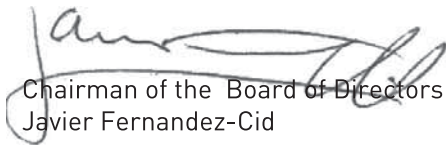
The administrative expenses for our operations is 33,441,986 TL (2) and our total expenses together with other operating expenses is 47,976,459 TL.

Our investment income is 67,766,161 TL as the amount excepting from the income transferred to the non-life technical segment is 10,900,093 TL. In result of the loss of 14,534,473 TL experienced in the extraordinary operations, the net financial result has realized as 8,889,609 TL (3).


In 2010, our company has seen the pretax profit of 50,536,679 TL and the net profit of 42,082,927 TL.

We respectfully submit it to your information,

Sincerely yours,  
On behalf of the Board of Directors



Chairman of the Board of Directors  
Javier Fernandez-Cid



Board Member and General Manager  
Serdar Gül

(1) In the 31 December 2010 dated financial statements, the investment income transferred from non-technical segment has been calculated without considering net commission expense and other operating expenses apart from the other technical expenses.  
(2) The net commission expenses and other technical expenses have been deducted from the operating expenses given in the 31 December 2010 dated financial statements.

(3) The technical profit of 41,647,070 TL has been deducted from the period income and the remaining amount has constituted the financial profit in the 31 December 2010 dated financial statements.



**TECHNICAL RESULTS (TL)**

<b>TOTAL</b>	<b>2010/12</b>
Written Premium	411,788,338
Net Earned Premium	284,454,617
Net Incurred Losses (-)	-208,488,488
Difference between Commission Received - Paid	-31,235,726
Other Incomes - Expenses	-3,083,332
<b>Technical Profit / Loss</b>	<b>41,647,070</b>
<b>Technical Profit / Premium</b>	<b>10.11%</b>

Income distributed to technical part: TL 26.984.521

Expense distributed to technical part: TL 33.441.986

<b>FIRE</b>	<b>2010/12</b>
Written Premium	55,921,416
Net Earned Premium	18,201,272
Net Incurred Losses (-)	-9,174,033
Difference between Commission Received - Paid	1,787,093
Other Incomes - Expenses	-1,053,172
<b>Technical Profit / Loss</b>	<b>9,761,161</b>
<b>Technical Profit / Premium</b>	<b>17.46%</b>

<b>MARINE/CARGO</b>	<b>2010/12</b>
Written Premium	20,273,100
Net Earned Premium	12,782,719
Net Incurred Losses (-)	-3,406,271
Difference between Commission Received - Paid	-2,006,101
Other Incomes - Expenses	-2,950
<b>Technical Profit / Loss</b>	<b>7,367,397</b>
<b>Technical Profit / Premium</b>	<b>36.34%</b>

<b>MARINE/HULL</b>	<b>2010/12</b>
Written Premium	2,174,046
Net Earned Premium	453,094
Net Incurred Losses (-)	-354,484
Difference between Commission Received - Paid	171,409
Other Incomes - Expenses	0
<b>Technical Profit / Loss</b>	<b>270,019</b>
<b>Technical Profit / Premium</b>	<b>12.42%</b>

<b>MTPL</b>	<b>2010/12</b>
Written Premium	105,914,581
Net Earned Premium	85,957,527
Net Incurred Losses (-)	-66,495,044
Difference between Commission Received - Paid	-17,402,657
Other Incomes - Expenses	-287,425
<b>Technical Profit / Loss</b>	<b>1,772,402</b>
<b>Technical Profit / Premium</b>	<b>1.67%</b>

<b>CASCO</b>	<b>2010/12</b>
Written Premium	113,580,577
Net Earned Premium	107,427,141
Net Incurred Losses (-)	-84,138,549
Difference between Commission Received - Paid	-16,682,947
Other Incomes - Expenses	-1,599,597
<b>Technical Profit / Loss</b>	<b>5,006,048</b>
<b>Technical Profit / Premium</b>	<b>4.41%</b>

<b>MISCELLANEOUS ACCIDENT</b>	<b>2010/12</b>
Written Premium	26,743,014
Net Earned Premium	14,166,807
Net Incurred Losses (-)	-3,844,149
Difference between Commission Received - Paid	-1,080,172
Other Incomes - Expenses	-8,590
<b>Technical Profit / Loss</b>	<b>9,233,896</b>
<b>Technical Profit / Premium</b>	<b>34.53%</b>

<b>ENGINEERING</b>	<b>2010/12</b>
Written Premium	36,652,446
Net Earned Premium	6,002,730
Net Incurred Losses (-)	-3,208,448
Difference between Commission Received - Paid	6,465,457
Other Incomes - Expenses	-131,598
<b>Technical Profit / Loss</b>	<b>9,128,141</b>
<b>Technical Profit / Premium</b>	<b>24.90%</b>

<b>AGRICULTURE</b>	<b>2010/12</b>
Written Premium	4,829,616
Net Earned Premium	3,569,836
Net Incurred Losses (-)	-3,007,263
Difference between Commission Received - Paid	-1,179,839
Other Incomes - Expenses	0
<b>Technical Profit / Loss</b>	<b>-617,266</b>
<b>Technical Profit / Premium</b>	<b>-12.78%</b>

<b>HEALTH</b>	<b>2010/12</b>
Written Premium	38,304,056
Net Earned Premium	35,893,490
Net Incurred Losses (-)	-34,860,249
Difference between Commission Received - Paid	-1,788,090
Other Incomes - Expenses	0
<b>Technical Profit / Loss</b>	<b>-754,849</b>
<b>Technical Profit / Premium</b>	<b>-1.97%</b>

<b>TCIP</b>	<b>2010/12</b>
Written Premium	7,395,485
Net Earned Premium	0
Net Incurred Losses (-)	0
Difference between Commission Received - Paid	480,121
Other Incomes - Expenses	0
<b>Technical Profit / Loss</b>	<b>480,121</b>
<b>Technical Profit / Premium</b>	<b>6.49%</b>

### Historical background of the Company, and amendments to the Articles of Association during the annual period, if any, and reasons of such amendments

Genel Sigorta A.Ş. was incorporated in Sirkeci, İstanbul on 16 August 1948 with capital of 1.000.000 TL and participation by Türkiye Kredi Bankası A.Ş. and then businessmen. Genel Sigorta A.Ş. have been operational for 62 years and has a paid-up capital of 350 million.

Our company has introduced the following innovations;

- It brought the insurance type of Contractor All Risks into Turkey for the first time in 1950,
- It became the first insurance company with a contact office in Anatolia by launching a branch in Adana in 1961,
- It became the first insurance company giving seminars to its agents in 1977,
- It conducted a Project called 'Elite Project' in 1985 in order to effectively move the insurance and accounting applications on IT,
- It became the first company in Turkish insurance sector by organizing a management trainee program in 1988,
- It created a special maintaining network in 1999 in order to provide service to its clients in case of damages.

It went through difficult times after Türkiye Kredi Bankası was closed down. Later, with a capital change in 1975, it joined the Çukurova Holding A.Ş.

The company faced with another significant difficulty in 2002 when Pamukbank – its biggest production source and one of the biggest share holders – was transferred to the Saving Deposit Insurance Fund. However, it survived despite of the financial crisis and successfully went on its operations.

Genel Sigorta A.Ş. was evaluated by an international rating agency and given A+(Tur) credit rate in 2001 due to its strong financial structure. The company has reached out today with the same index. International Credit Rating Agency Fitch increased this degree to AA (Tur) in 2007 and confirmed the same rate at AA on 17 July 2009.

The transfer of the controlling shares to Mapfre Group have been completed as of 20 September 2007 and the 280.000.000 shares owned by Mapfre S.A. and representing %80 out of the company's capital was transferred to Mapfre International S.A. as of 23 April 2008.

During the extra-ordinary general assembly on 24 December 2008, some chapters of the principle agreement were amended and those amendments were published on the Turkish Trade Registry Gazette on 8 January 2009. With amendments made as of 24 December 2008, 350.000.000 company stocks have been divided into two categories: 280.000.000 Group A and 70.000.000 Group B. Besides, the decisions required at least %90 votes in favor (such as amendments in the principle agreement, capital increase, merger, company liquidation, participation in another company and distributing less than %70 out of the dividends) have been specified in the principle agreement. Some restrictions on the partners for stock transfer to the third parties have been introduced and it has been decided to distribute at least %70 of dividends to the partners.

Avor İnşaat Gıda Tekstil Kimya Sanayi ve Ticaret A.Ş. have become the new partner with %9,75 shares in the company after purchasing the %5,43 shares owned by Çukurova Holding, the %3,17 shares owned by Demir Toprak İthalat İhracat ve Ticaret A.Ş. and the %1,15 shares owned by Endüstri Holding through the stock selling agreements on 21 November 2008.

In accordance with the 03.12.2009 dated and 51308 numbered permission by the Undersecretariat of Treasury, the stocks at value of 35.000.000 TL, representing %10 of the company capital and owned by Demir Toprak İthalat İhracat ve Tic.A.Ş. was transferred to Mapfre Internacional S.A. and the transferring registration was recorded on the stock register.

In scope of the credit contract, Avor provided Mapfre S.A. with stock buying option while Mapfre S.A. provided Avor with stock selling option as much as %9.75 shares in the company. The stocks owned by Avor and representing %9,75 shares in the company with the value of 34.109.046 TL have been transferred to Mapfre Internacional S.A. and this transaction was recorded on the stock register during the executive committee meeting on 29 September 2010.

## MAPFRE GENEL SIGORTA A.S. SHAREHOLDING STRUCTURE AS OF 31.12.2010

Name	31.12.2010 Total Shares	% Share Rate	31.12.2009 Total Shares	% Share Rate
1 MAPFRE INTERNATIONAL S.A	349,109,046	99.75	315,000,000	90.00
2 AVOR INSAAT GIDA TEKSTIL KIMYA SANAYI VE TICARET A.S.			34.109.046	9.75
3 OTHER	890.954	0.25	890.954	0.25
<b>TOTAL</b>	<b>350.000.000</b>	<b>100.00</b>	<b>350.000,000</b>	<b>100.00</b>

HULUSI TASKIRAN VICE PRESIDENT OF EXECUTIVE BOARD HAS SHARES OF TL 2.800 AND MEHMET SAIT KUZEYLI BOARD MEMBER HAS SHARES OF TL 2.800.

### Information on the numbers of staff, liaison offices and branch offices, type of services and fields of activity of the Company, and considering the following, evaluation of the Company's position in the sector

MAPFRE GENEL SIGORTA A.S carries on business in the branches of Fire, Shipping, Accident, Engineering, Agriculture, Health, Credit and Legal Protection and also offers marketing, sales and after sales services.

Employing 390 employees in total as of the end of December 2010, MAPFRE GENEL SIGORTA A.S carries on business with 236 employees in General Directorate, 138 employees in Adana, Ankara, Bursa, Izmir, Malatya and Antalya District Offices and Konya, Kayseri and Samsun Branch Offices and 16 employees in Izmit District Office and Gaziantep Branch Office.

Table showing education status and genders of staff is below:

Alma Mater	Man			Woman			Total		
	Sector	MGS	Rate	Sector	MGS	Rate	Sector	MGS	Rate
Primary School	124	3	%2,42	25	1	%4,00	149	4	%2,68
Secondary School	99	3	%3,03	14	1	%7,14	113	4	%3,54
High Schools and Equivalentents	1.056	43	%4,07	1.150	37	%3,22	2.206	80	%3,63
Two-year Vocational High School	643	18	%2,80	1.549	35	%2,26	2.192	53	%2,42
University	4.233	110	%2,60	4.895	114	%2,33	9.128	224	%2,45
Postgraduate	495	13	%2,63	461	12	%2,60	956	25	%2,62
<b>TOTAL</b>	<b>6650</b>	<b>190</b>	<b>%2,86</b>	<b>8.094</b>	<b>200</b>	<b>%2,47</b>	<b>14.744</b>	<b>390</b>	<b>%2,65</b>

## Information on R-D practices on new services and activities

Mapfre Genel Sigorta follows the hereinafter procedures in developing new products and/or services:

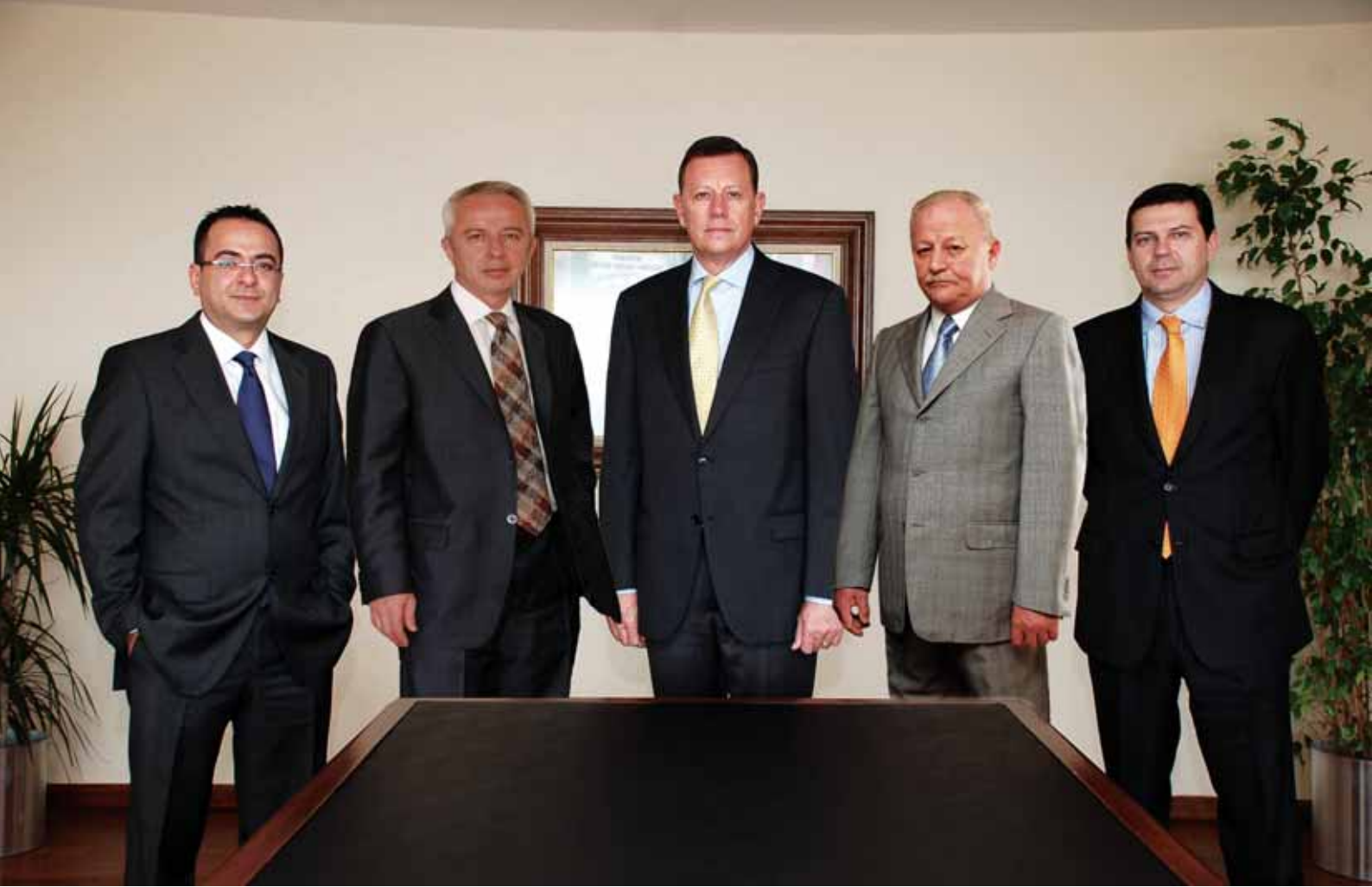
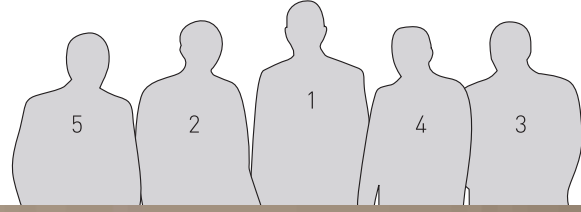
- Determine new requirements and needs on basis of client and resource ( agent, broker etc.) and specify new products and/or services in accordance with demands,
- Conduct feasibility studies on potential business capacity (market research - benchmarking) and design a plan for new products an/or services by getting know how support from Mapfre Headquarters,
- Check out the legal process related to the specified products and / or services,
- Define a guarantee coverage for product and/or service by complying with the insurance regulations and code as well as general insurance and reinsurance conditions,
- If necessary, the automation works related to product or/and service are carried out in coordination with Mapfre Soft.

Even in the cases of no requirement to get a new branch license, it might be necessary to apply the Undersecretariat of Treasury in order to get an approval for the new product/service. If necessary, all relative process of application and approval are completed as a final stage.

**SECTION – II**  
**INFORMATION RELATING THE**  
**MANAGEMENT AND INSTITUTION**  
**MANAGEMENT APPLICATIONS**



## Board of Directors



**1) Javier Jose Fernandez-Cid Planiol**  
Chairman of the Board of Directors

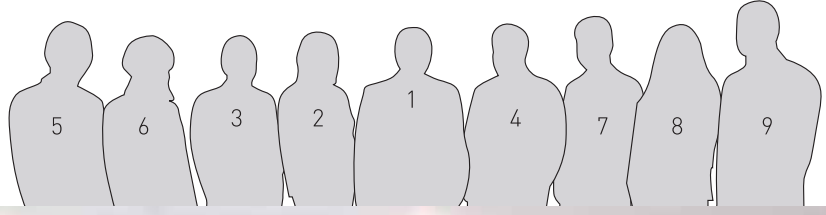
**2) Hulusi Taşkıran**  
Vice Chairman of the Board of Directors

**3) Pedro Lopez Solanes**  
Member of the Board of Directors

**4) Mehmet Sait Kuzeyli**  
Member of the Board of Directors

**5) Serdar Gül**  
Member of the Board of Directors / General Manager

## Executive Committee



**1) Serdar Gül**

General Manager

**2) Didem Elif Doğan**

Assistant General Manager/  
Marketing and Human Resources

**3) Erdinç Yurtseven**

Assistant General Manager/  
Financial and Administrative Affairs

**4) Nevzat Volkan Babür**

Assistant General Manager/Technic

**5) İlker Sırtıkırmızı**

Group Manager/Auto Underwriting/  
Claims and Agencies Marketing

**6) Muazzez Ağca**

Group Manager/  
Agents Premium Collection

**7) Mehmet Şükrü Acar**

Group Manager/Agents Non-Auto  
Claims and Organizational Operations

**8) Cristina Şaki**

Director of Group Relations and  
Business Development

**9) Tunç Eroğlu**

Service Manager/IT

## Names and surnames, duty terms, responsibility areas, educational backgrounds and professional experiences of Chairman of executive board and board members, general manager and vice general managers and functional managers

### Duty terms and professional experiences of Directors and Auditors

#### Javier Jose Fernandez-Cid Planiol / Chairman of the Board of Directors

ASSIGNMENT DATE	AREA OF RESPONSIBILITY	EDUCATIONAL BACKGROUND	PROFESSIONAL EXPERIENCE
01.01.2009	Mapfre Genel Sigorta A.S Chairman of Executive Board	U.Complutense Faculty of Law	2009-Mapfre Genel Sigorta A.S Chairman of Executive Board 2007-Mapfre Genel Sigorta A.S Vice President of Executive Board 2006-Mapfre International General Manager 2000-Mapfre Reinsurance Chairman and Chief Executive 1994-2000 Mapfre Reinsurance Deputy General Manager 1989-1994 C.I.A.R Deputy General Manager

#### Hulusi Taşkıran / Vice Chairman of the Board of Directors

ASSIGNMENT DATE	AREA OF RESPONSIBILITY	EDUCATIONAL BACKGROUND	PROFESSIONAL EXPERIENCE
13.02.2009	Mapfre Genel Sigorta A.S. Vice President of Executive Board	Bogazici University Faculty of Economics and Administrative Sciences Department of Business Administration	2009-Mapfre Genel Sigorta A.S. Vice President of Executive Board Association of Insurance and Reinsurance Companies of Turkey 2005-Chairman Mapfre Genel Sigorta A.S. 2000-Board member 1993-2009 General Manager 1988-1993 Vice General Manager 1981-1988 Sark Sigorta T.A.S Shipping Service Manager

#### Pedro Lopez Solanes / Member of the Board of Directors

ASSIGNMENT DATE	AREA OF RESPONSIBILITY	EDUCATIONAL BACKGROUND	PROFESSIONAL EXPERIENCE
20.09.2007	Mapfre Genel Sigorta A.S. Board Member	U. Complutense Faculty of Management	Mapfre Internacional CFO 2007/3 Mapfre International Finance Manager 1995-Mapfre Reinsurance Deputy General Manager 1992-1995 Mapfre Reinsurance Technical Accounting Manager 1987-1992 Corporation Mapfre Technical Accounting Manager

**Mehmet Sait Kuzeyli / Member of the Board of Directors**

ASSIGNMENT DATE	AREA OF RESPONSIBILITY	EDUCATIONAL BACKGROUND	PROFESSIONAL EXPERIENCE
27.02.2007	Mapfre Genel Sigorta A.S. Board Member	Robert Collage Mechanical Engineering	1993-2006 Cukurova Celik End. A.S General Manager 1988-1993 Mapfre Genel Sigorta A.S. General Manager Uluslararası End. Ve Tic. Bankası-7 years Garanti Bankası A.S.-3 years Koc Holding-2 years Arthur Andersen and Co. London-4 years

**Serdar Gül / Member of the Board of Directors / General Manager**

ASSIGNMENT DATE	AREA OF RESPONSIBILITY	EDUCATIONAL BACKGROUND	PROFESSIONAL EXPERIENCE
01.01.2009	Mapfre Genel Sigorta A.S. Board Member	Bogazici University Computer Engineering	Mapfre Genel Sigorta A.S. 2006-General Manager Head Assistant 2002-Vice General manager 1996-Coordinator 1990-1993 Marketing-Fire Service Manager

**Cemal Fenercioğlu / Internal Auditor**

ASSIGNMENT DATE	AREA OF RESPONSIBILITY	EDUCATIONAL BACKGROUND	PROFESSIONAL EXPERIENCE
31.03.2010	Mapfre Genel Sigorta A.S. Auditor	Bogazici University Faculty of Administrative Sciences Department of Management	1998 Tur Assist Ltd. Sti. Financial Affairs Manager 1993-1998 Mega Ship Group Financial Affairs Director 1990-1993 Johnson&Johnson Financial Affairs Manager Assistant 1998-1990 Egesat A.S. Export Manager 1983-1988 Enka Teknik A.S Iraq Financial Affairs Chief

**Ahmet Çınar / Internal Auditor**

ASSIGNMENT DATE	AREA OF RESPONSIBILITY	EDUCATIONAL BACKGROUND	PROFESSIONAL EXPERIENCE
31.03.2010	Mapfre Genel Sigorta A.S. Auditor	Ankara University FSS Department of Economics	1994/5 Cukurova Hoding A.S Legislation Control Specialist 1988/10-1994/5 TR Ministry of Finance Account Expert Board Account Expert

**Didem Elif Doğan / Assistant General Manager**

ASSIGNMENT DATE	AREA OF RESPONSIBILITY	EDUCATIONAL BACKGROUND	PROFESSIONAL EXPERIENCE
01.01.2002	Mapfre Genel Sigorta A.S. Marketing and Human Resources	Istanbul University Faculty of Management	Mapfre Genel Sigorta A.S. 2002- Vice General Manager 1998-2001 Group Manager 1994-1998 Marketing Manager 1990-1994 Damage - Marketing Vice Manager

**Erdoğan Yurtseven / Assistant General Manager**

ASSIGNMENT DATE	AREA OF RESPONSIBILITY	EDUCATIONAL BACKGROUND	PROFESSIONAL EXPERIENCE
02.01.2009	Mapfre Genel Sigorta A.S. Financial and Administrative Affairs	University of Illinois at Urbana-Champaign USA Finance / Postgraduate Marmara University Faculty of Economics and Administrative Sciences Department of Public Administration	05.2006-01.2009 TSRSB Assistant General Secretary 2005-2006 Republic of Turkey Prime Ministry Undersecretariat of Treasury Insurance Supervisory Board / Istanbul Group President 04.1990-05.2006 Turkish Prime Ministry Insurance Supervisory Board / Insurance Supervisor

**Nevzat Volkan Babür / Assistant General Manager**

ASSIGNMENT DATE	AREA OF RESPONSIBILITY	EDUCATIONAL BACKGROUND	PROFESSIONAL EXPERIENCE
02.01.2009	Mapfre Genel Sigorta A.S. Technical	Yıldız University Faculty of Construction Engineering Building Department	12.1993-10.1997 Oyak Sigorta A.S Technical Manager Assistant 01.1991-12.1993 Orkap Insaat Site manager 10.1990-01.1991 Kardesler Insaat Static Account Expert

**Y. Emre Göçmen / Internal Audit President**

ASSIGNMENT DATE	AREA OF RESPONSIBILITY	EDUCATIONAL BACKGROUND	PROFESSIONAL EXPERIENCE
07.05.2010	Mapfre Genel Sigorta A.S. Internal Audit President	Dokuz Eylül University Faculty of Construction Engineering - Graduation University of Northern Iowa - MBA	2010-Mapfre Genel Sigorta A.S. 2008-2010 KPMG Internal Audit Vice President 2004-2008 Anadolu Sigorta A.S. Supervisor

## Information on the participation of the Board Members in the meetings held during the annual period

According to the Principal Agreement, Board holds meeting whenever it considers necessary. Meetings are generally held in company's head office. For meetings to be valid, a number of board members more than half must attend to the meeting. Decisions are made with majority votes of attendance. Minute to be prepared according to this shall be registered on record book. Board manages the company and represents it with shareholders before the courts against Third Parties. 21 of 27 decisions made unanimously are made by the attendance of all members.

## Information on human resources practices

Mapfre Genel Sigorta is aware that the human resources applications are very important and adopts a strategic human resources administration model in order to enable the staff to be flexible and take over new roles in line with changing conditions.

There is a direct relation between our corporate objectives and staff skills as well as efforts. Accordingly, our vision to determine a human resources strategy is "to create a corporate atmosphere in which the highest caliber staff want to work, they are able to turn their potential into high performance, are happy and satisfied with working conditions and always pay attention to customer satisfaction".

Our mission in human resources management is to **employee the personnel with required qualifications and realize our strategic objectives by implementing specific programs to keep such personnel in our company and develop their skills.** In order to reach this goal, our managers and key staff at all levels cooperate.

Our human resources strategies are determined in centre of the following values.

- High performance,
- Team work,
- Innovative, creative and flexible approach against changing conditions,
- Perfection in controlling, management and leadership,
- Corporation development and learning thanks to constructive feedbacks,
- Effective and meaningful participation by the personnel,
- Equal opportunities

The human resources department provide support to enable all managers appreciate lead and develop the staff. In addition, all required equipment, tools and processes. Here are the basic functions of the human resources department:

- Employment
- Salary and Vested Benefits
- Performance Management
- Training
- Reporting
- Leadership Development
- Skills Management
- Career Management
- Personnel Administrative Affairs
- Processes to Comply With Legal Regulations

## Information on the transactions with the risk group in which the Company is involved

Mapfre Genel Sigorta acts and applies the rules for the relations with the third parties in its relations with the companies under the risk.

The business relations with the companies of Çukurova Holding have been intensively going on. The relations with the companies of Çukurova Holding have been focusing on the subjects of reinsurance, receivables and current/potential new business portfolio just like it is with other clients.



**SECTION III  
FINANCIAL INFORMATION AND  
ASSESSMENTS RELATING RISK  
MANAGEMENT**



## Auditor's report

TITLE	:	MAPFRE GENEL SIGORTA A.S.
HEADQUARTER	:	ISTANBUL
COMPANY'S		
CAPITAL	:	TL 350.000.000
AREA OF ACTIVITY	:	INSURANCE
AUDITOR'S		
Name-Surname	:	İBRAHİM CEMAL FENERCİOĞLU / AHMET ÇINAR
Term of Duty	:	1 Year
Partner or Not	:	Not
Number of Attended Board Meeting	:	None

Scope of the audit on partnership accounts book and documents, date of audit and conclusions : Nothing that requires review has been found during the audit on company accounts book and documents both at midyear and year end.

Number and Result of Inventories taken in Company's treasury pursuant to Subparagraph 3 Of Clause 1 of Article 353 of Turkish Trade Act : Nothing that requires review has been found as a result of the quarterly audit.

Number and Result of Audits done pursuant to Clause 4 of Article 353 of Turkish Trade Act : As a result of the monthly audit, it has been ascertained that all securities, guarantees and all kind valuable document is available and registered

Submitted complaints and corruptions and proceedings started about these : There is no complaint and corruption submitted.

We audited accounts and transactions of MAPFRE GENEL SIGORTA A.S pertaining to 01.01.2010-31.12.2010 period according to Turkish Trade Act, Company's prime contract, other legislation and generally accepted accounting principles and standards.

Apparently; balance sheet whose content we have adopted and which is dated 31.12.2010 and attached reflects the real financial situation of the company at the mentioned date while Profit-Loss Statement pertaining the period 01.01.2010-31.12.2010 reflects the real operating results of mentioned date and these are confirmed to be in full compliance with laws and Company Prime Contract.

We submit the voting of balance sheet and Profit/Loss statement and exoneration by Board to your votes.

### AUDITOR

İBRAHİM CEMAL FENERCİOĞLU



### AUDITOR

AHMET ÇINAR



## Information on Internal Audit Activities

### Content and Objective of Internal Auditing Operations in 2010

The internal auditing operations in 2010 has aimed at controlling and auditing all transactions in accordance with the existing law, regulations, notifications, company policies and administrative strategy in order to prevent any error, mistake or violations and determine if any.

In line this objective, the internal auditing operations in 2010 have been carried out in scope of Mapfre Genel Sigorta A.Ş. Internal Auditing Department Regulation and have covered all operations including services received from the outside, general management departments, regional directorates, branch managements and agents.

### Summary of Internal Auditing Department Operations in 2010

The Internal Auditing Department has conducted 23 audits in 2010. 12 out of these audits were carried out in general management departments, 6 out of them were carried out in the regional directorates, 3 out of them were carried out in the branch managements while one of them was a special mission and the another one was conducted in the agents.

### Result of Internal Auditing Operations in 2010

In result of the internal auditing operations in 2010, it has been confirmed that general management departments, regional directorates, branch managements and audited agents have generally been operational in line with the company principles and policies and no application which may financially effect the company.

Yunus Emre Göçmen  
Internal Audit Manager



## Information on Financial Structure

The objective of “the regulation to admeasure and evaluate capital adequacy of insurance, reinsurance and pension companies” is to make sure insurance companies keep adequate capital against potential risks and in compliance with the existing liabilities. According to Chapter 17 (Guarantees) of the 5684 Insurance Code, the non-life insurance companies will establish a minimum guarantee fund which is not less than 1/3 out of the capital adequacy. Minimum guarantee fund is never less than 1/3 of the minimum capital amount for each operational branches.

According to the capital adequacy statement measuring the required equity capital, the capital surplus of the company is 288.817.313 TL.

## Evaluation with respect to financial status, profitability and claim payment strength

The international ratios used in local auditing for the insurance sectors are available in the annexes. These ratios confirming the strong financial structure of Mapfre Genel Sigorta are significantly higher than the average of insurance sector as well as global norms.

The ratio of equity capital to compensate the damages is % 231 and net paid compensation rate is % 234. As for liquid assets, the rates for compensating damages are % 243 and % 246.

<b>A- RATIOS RELATING CAPITAL ADEQUACY</b>	<b>%</b>
1- Equity Capital / Premium Received (Gross)	117
2- Equity Capital / Premium Received (Net)	154
3- Equity Capital / Total Assets	59
4- Equity Capital / Technical Provisions	170
5- Foreign Assets / Total Assets	41
<b>B- RATIOS RELATING ASSETS QUALITY AND LIQUIDITY</b>	<b>%</b>
1- Liquid Assets / Total Assets	62
2- Liquidity ratios	153
3- Current Ratio	219
4- Premium and Reinsurance Receivables / Total Assets	21
5- Intermediary Receivables / Equity Capital	31
6- Collection Ratio	66
<b>C- OPERATING RATIOS</b>	<b>%</b>
1- Retention Ratio	76
2- Indemnity Ratio	59
3- Indemnity Share Rate	87
4- Premium Increase Rate	14

<b>D- PROFITABILITY RATIOS</b>	<b>%</b>
1- Loss Ratio (Gross)	59
2- Loss Ratio (Net)	73
3- Expense Ratio	21
4- Combined Ratio	95

## Information on risk management policies implemented by types of risks

The risk management policies and studies of our company are as follows.

### 1) Risk / Guarantee Coverage:

Our company has defined its risk acceptance policies in result of its deep rooted experiences and losses in the past. These policies are also reviewed in the light of international criteria and statistics. The reinsurance contracts constitute a base for annually assessed risk acceptance criteria in the company. Considering the fact that reinsurance protection is one of the most important means in terms of the company's survival, the risk engineers inspect in details and evaluate the specified risks. All related company officials and distribution channels are notified in written about the risk acceptance criteria and the application process is systematically followed.

### 2) Catastrophic Risk:

As is known, Turkey is overall under earthquake risk. So the quake risk has been closely followed by our company on basis of each quake zone as it is the same in all Turkish insurance sector. İstanbul is on the focus since it has the highest risk and all periodical reports are evaluated in these terms. We share such evaluations and assessments with our reinsurers. According to our total quake responsibilities (quake accumulation), the limits for required reinsurance protection programs are determined in cooperation with Mapfre Re reinsurance firm and other international reinsurance agents as well as brokers.

Such programs are variable in accordance with developments resulted by financial changes and growth rate of earthquake portfolio. Such programs cover both quake risks as well as other natural disasters and the results of the catastrophic risks including a number of risk factors other than the natural disasters.

### 3) Assessment of Conservations:

Conservation amount of each branch / product is separately determined in our company. By doing so, the relative risk profiles, damages frequency and size as well as estimated loss, loss rations and if any reinsurance requirements and conditions are evaluated. Then the determined conversion amount is treated in line with the equity regulations.

The relative regulations, criteria and product requirements are placed on top by assessing the conservations.

### 4) Reinsurance Policies:

In all reinsurance transactions, our company gives priority to have a strong financial structure and proof certificate from international rating agencies.

As a result of this policy, our company's has been much safer since 2008 while all divided and undivided reinsurance contracts have been made with Mapfre Re with a credit rating of AA.

## Brief financial data for the five - year period, including the reporting period MAPFRE GENEL SIGORTA A.Ş.

### COMBINED RATIO

	2010	2009	2008	2007	2006
	95%	94%	98%	89%	88%

### DAMAGE PREMIUM RATIOS

	2010	2009	2008	2007	2006
	73%	72%	84%	76%	74%

### TECHNICAL RESULTS

	2010	2009	2008	2007	2006
Written Premium	411,788,338	361,157,645	345,684,100	321,761,159	267,419,058
Net Earned Premium	284,454,617	249,149,978	226,644,898	213,352,152	171,228,371
Net Loss (1)	208,488,488	180,523,852	191,090,813	162,309,016	126,316,039
Technical Profit / Loss	41,647,070	41,574,668	23,080,920	33,929,401	28,297,774
<b>Technical Profit/Premium %</b>	<b>10.11%</b>	<b>11.51%</b>	<b>6.68%</b>	<b>10.56%</b>	<b>10.59%</b>
<b>Loss/Premium %</b>	<b>73.29%</b>	<b>72.46%</b>	<b>84.31%</b>	<b>76.08%</b>	<b>73.77%</b>

### PRODUCTION RATIOS ON RESOURCE BASIS

	2010	2009	2008	2007	2006
<b>DIRECT</b>	16.89%	17.86%	15.51%	17.99%	18.43%
<b>INTERMEDIARY</b>	64.63%	61.31%	63.59%	62.40%	68.07%
<b>BROKER</b>	18.48%	20.80%	20.89%	19.60%	13.50%
<b>BANK</b>	0.00%	0.03%	0.01%	0.01%	
<b>TOTAL</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

### SALES (2)

	2010	2009	2008	2007	2006
Fire	55,921,416	61,364,627	57,270,171	54,634,886	49,418,616
Marine	22,447,146	17,078,593	20,051,502	17,195,318	12,698,146
Accident	246,238,173	205,538,867	198,256,841	179,180,801	155,742,269
Engineering	36,652,446	35,405,516	32,338,923	38,720,077	31,588,942
Agriculture	4,829,616	1,606,925	1,869,082	1,741,129	193,194
Health	38,304,056	31,763,076	29,055,806	24,869,223	13,663,714
TCIP	7,395,485	8,400,039	6,841,775	5,419,725	4,114,176
<b>TOTAL</b>	<b>411,788,338</b>	<b>361,157,645</b>	<b>345,684,100</b>	<b>321,761,159</b>	<b>267,419,058</b>

### TEKNİK KAR

	2010	2009	2008	2007	2006
Fire	9,761,161	8,410,911	4,139,195	4,151,944	10,321,777
Marine	7,637,416	7,175,886	5,748,158	4,925,327	5,431,537
Accident	16,012,346	19,489,123	7,213,824	14,410,420	3,929,350
Engineering	9,128,141	8,968,628	6,818,569	10,327,092	9,950,067
Agriculture	-617,266	-126,363	233,754	-111,715	4,916
Health	-754,849	-2,664,515	-1,598,337	-155,001	-1,650,629
TCIP	480,121	321,000	525,756	381,333	310,756
<b>TOTAL</b>	<b>41,647,070</b>	<b>41,574,668</b>	<b>23,080,920</b>	<b>33,929,401</b>	<b>28,297,774</b>

(1) In data of year 2010, in order to ensure the consistency with the previous year, other recourse and salvage incomes are evaluated in paid indemnities.

(2) Distribution on branch basis is made taking branch definitions of the year 2007 and previous year into account.

**MAPFRE GENEL SIGORTA A.S.****5 YEAR BALANCE SHEET/ INCOME STATEMENT - TL**

<b>Assets</b>	<b>31.12.2010</b>	<b>31.12.2009</b>	<b>31.12.2008</b>	<b>31.12.2007</b>	<b>31.12.2006</b>
I- Cash Reserves	503,742,743	282,435,390	168,550,567	116,021,557	321,287,935
II- Securities Portfolio	2,416,667	208,984,769	295,945,413	252,300,262	54,852,919
III- Receivables	219,040,437	234,474,280	263,722,810	224,537,299	96,636,914
IV- Receivables in Administrative and Legal Proceeding	37	37	38	38	38
V- Affiliates	40,859,106	33,894,106	33,894,106	44,483,024	185,657,436
VI- Fixed Assets	55,180,354	61,156,856	55,271,318	62,167,718	78,066,253
VII- Other Assets (Net)	179,742	582,434	1,416,752	11,431	12,249,197
<b>Total Assets</b>	<b>821,419,086</b>	<b>821,527,872</b>	<b>818,801,004</b>	<b>699,521,330</b>	<b>748,750,691</b>

<b>Liabilities</b>					
I- Debts	39,867,099	60,113,191	62,264,112	42,003,895	68,091,229
II- Provisions	287,157,592	247,203,141	250,956,715	200,970,613	180,907,429
III- Other Liabilities	13,155,311	13,229,805	11,566,701	153,340	152,424
IV- Equity Capitals (1)	431,165,987	426,771,117	398,479,661	398,297,095	439,944,634
V- Profit (1)	50,073,097	74,210,619	95,533,815	58,096,387	59,654,974
<b>Total Liabilities</b>	<b>821,419,086</b>	<b>821,527,872</b>	<b>818,801,004</b>	<b>699,521,330</b>	<b>748,750,691</b>

<b>Income Statement</b>					
I- Technical Incomes (2)	293,010,785	250,262,972	227,383,459	603,066,072	471,770,464
II- Technical Expenses (3)	251,363,715	208,688,303	204,302,539	569,136,671	443,472,690
III- Technical Profit/Loss (I-II)	41,647,070	41,574,668	23,080,920	33,929,401	28,297,774
IV- General Expenses (4)	33,441,986	30,232,887	21,728,599	17,060,110	17,637,034
V- Financial Incomes	67,766,161	83,499,412	125,548,763	64,641,888	61,636,951
VI- Financial Expenses (5)	25,434,565	13,141,185	17,062,732	22,067,472	11,074,228
VII- Damage of Inflation					
<b>VIII- Period Profit/Loss (III-IV+V-VI-VII)</b>	<b>50,536,679</b>	<b>81,702,051</b>	<b>109,838,352</b>	<b>59,443,707</b>	<b>61,223,464</b>
<b>IX- Tax Provision for Period Profit and Provisions for Other Legal Obligations (-)</b>	<b>8,453,752</b>	<b>15,481,602</b>	<b>22,294,707</b>	<b>10,482,703</b>	<b>10,690,842</b>
<b>X- Net Period Profit/Loss (VIII-IX)</b>	<b>42,082,927</b>	<b>66,220,449</b>	<b>87,543,645</b>	<b>48,961,004</b>	<b>50,532,622</b>

(1) Equity Capital Amount indicated does not include previous year's profit and loss and previous years' profits and losses are included in profit amount indicated in V.

(2) Investment Incomes transferred from Non-Life non-technical section indicated in financial statement dated 2010, 2009 and 2008 is stated as "deducted"

(3) Amounts indicated as Non-Life technical expenses indicated in financial statement dated 2010, 2009 and 2008 are separated as technical expenses and general expenses in above statement.

(4) Net commission expense and other technical expenses are deducted from operating expenses indicated in financial statement dated 2010, 2009 and 2008

(5) Investment incomes transferred to non-life technical section from investment expenses indicated in financial statement dated 2010, 2009 and 2008 are deducted and income and profits from other operations and extraordinary operations and expenses and losses from other operations and extraordinary operations are taken into account.



**SECTION IV  
FINANCIAL STATEMENTS AS OF  
31.12.2010 AND INDEPENDENT  
AUDITING REPORT**



## Mapfre Genel Sigorta Anonim Şirketi

### Detailed balance sheet for the year ended 31 December 2010 (Currency Unit- Turkish Lira (TL))

Assets		Independently audited	Independently audited
	Note	31 Dec. 2010	31 Dec. 2009
<b>Current Assets</b>			
<b>A- Cash and Cashlike Assets</b>	2.12	<b>503,742,743</b>	<b>282,435,390</b>
1- Cash in Hand		13,316	7,061
2- Cheques Received		-	-
3- Banks	2.12	485,343,169	253,801,129
4- Cheques and Payment Orders Given (-)	2.12	(41,377)	(41,376)
5- Other Cash and Cash Equivalent Assets	2.12, 2.27, 14	18,427,635	28,668,576
<b>B-Financial Assets and Financial Investments That the Policyholders Bear the Investment Risk</b>	11	<b>2,416,667</b>	<b>208,984,769</b>
1- Financial Assets - Available for Sale	11	2,416,667	155,147,914
2- Financial Assets - Held to Maturity		-	-
3- Financial Assets - Held for Trading	11	-	-
4- Loans	11.12	-	53,836,855
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 Devaluation of Financial Assets (-)		-	-
<b>C- Receivables from Main Activities</b>	12	<b>173,647,508</b>	<b>143,218,817</b>
1- Receivables from Insurance Activities	12	170,209,497	138,805,156
2- Provisions for Receivables from Insurance Activities (-)	12	(694,522)	-
3- Receivables from Reinsurance Activities	12	4,051,008	4,397,957
4- Provisions for Receivables from Reinsurance Activities (-)		-	-
5- Deposit Accounts with Insurance and Reinsurance Companies	12	81,488	15,667
6- Loans Given to Insureds		-	-
7- Provisions for Loans Given to Insureds (-)		-	-
8- Receivables from Retirement Activities		-	-
9- Doubtful Receivables Arising from Main Activities	12	19,410,359	18,501,541
10- Provisions for Doubtful Receivables Arising from Main Activities (-)	12	(19,410,322)	(18,501,504)

The notes between pages of 51 to 119 are component parts for these financial statements.

## Mapfre Genel Sigorta Anonim Şirketi

### Detailed balance sheet for the year ended 31 December 2010 (Currency Unit- Turkish Lira (TL))

#### Assets (continued)

		Independently audited	Independently audited
	Note	31 Dec. 2010	31 Dec. 2009
<b>D- Receivables from Related Parties</b>	12	<b>11,871</b>	<b>46,458,092</b>
1- Receivables from Shareholders	12	-	46,409,812
2- Receivables from Participations		-	-
3- Receivables from Subsidiaries		-	-
4- Receivables from Enterprises Subject to Common Management /Joint Ventures		-	-
5- Receivables from Employees		1,567	-
6- Receivables from Other Related Parties	12	10,304	48,280
7- Rediscount for Receivables from Related Parties (-)		-	-
8- Doubtful Receivables from Related Parties		-	-
9- Provisions for Doubtful Receivables from Related Parties (-)		-	-
<b>E- Other Receivables</b>		<b>5,906,289</b>	<b>5,480,318</b>
1-Receivables Arising from Financial Leasing Transactions		-	-
2- Unearned Interests Arising from Financial Leasing Transactions (-)		-	-
3- Deposits and Securities Given		-	-
4- Other Miscellaneous Receivables	47.1	5,906,289	5,480,318
5- Rediscount for Other Miscellaneous Receivables (-)		-	-
6- Other Doubtful Receivables		-	-
7- Provisions for Other Doubtful Receivables (-)		-	-
<b>F- Expenses Related to Next Months and Income Accruals</b>		<b>29,762,078</b>	<b>24,298,966</b>
1-Expenses Related to Next Months	47.1	29,762,078	24,298,966
2- Interest and Rental Incomes Accrued		-	-
3- Income Accruals		-	-
4-Other Expense and Income Accruals Related to Next Months		-	-
<b>G-Other Current Assets</b>		<b>9,712,728</b>	<b>15,018,124</b>
1- Inventories to be Needed in Next Months		-	-
2- Pre-paid Taxes and Fund Shares	35	8,040,758	13,826,267
3- Deferred Taxes	21	1,607,291	1,145,282

The notes between pages of 51 to 119 are component parts for these financial statements.

## Mapfre Genel Sigorta Anonim Şirketi

### Detailed balance sheet for the year ended 31 December 2010 (Currency Unit- Turkish Lira (TL))

<b>Assets (continued)</b>	<b>Independently audited</b>	<b>Independently audited</b>
<b>Note</b>	<b>31 Dec. 2010</b>	<b>31 Dec. 2009</b>
4- Advance Payments Made for Business Activities	49,145	35,799
5- Advance Payments Made to Employees	8,818	1,848
6- Shortages Discovered in Counting and Delivery	-	-
7- Other Miscellaneous Current Assets	6,716	8,928
8- Provisions for Other Current Assets (-)	-	-
<b>I- Total of Current Assets</b>	<b>725,199,884</b>	<b>725,894,476</b>
<b>II- Non-Current Assets</b>		
<b>A- Receivables from Main Activities</b>		
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	-	-
7- Provisions for Loans Given to Insureds (-)	-	-
8- Receivables from Retirement Activities	-	-
9- Doubtful Receivables Arising from Main Activities	-	-
10-Provisions for Doubtful Receivables Arising from Main Activities (-)	-	-
<b>B- Receivables from Related Parties</b>		
1- Receivables from Shareholders	-	-
2- Receivables from Participations	-	-
3- Receivables from Subsidiaries	-	-
4- Receivables from Enterprises Subject to Common Management /Joint Ventures	-	-
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 (-)	-	-

The notes between pages of 51 to 119 are component parts for these financial statements.

## Mapfre Genel Sigorta Anonim Şirketi

### Detailed balance sheet for the year ended 31 December 2010 (Currency Unit- Turkish Lira (TL))

#### Assets (continued)

		Independently audited	Independently audited
	Note	31 Dec. 2010	31 Dec. 2009
<b>C- Other Receivables</b>		<b>77,806</b>	<b>54,522</b>
1- Receivables Arising from Financial Leasing Transactions		-	-
2- Unearned Interests Arising from Financial Leasing Transactions (-)		-	-
3- Deposits and Securities Given		77,806	54,522
4- Other Miscellaneous Receivables		-	-
5- Rediscount for Other Miscellaneous Receivables (-)		-	-
6- Other Doubtful Receivables		-	-
7- Provisions for Other Doubtful Receivables (-)		-	-
<b>D- Financial Assets</b>	9	<b>40,859,106</b>	<b>33,894,106</b>
1- Blocked Bonds and Securities	9	12,035	12,035
2- Participations	9	130,565	130,565
3- Capital Subscriptions to Participations (-)	9	-	-
4- Subsidiaries	9	40,716,506	33,751,506
5- Capital Subscriptions to Subsidiaries (-)		-	-
6- Enterprises Subject to Common Management /Joint Ventures		-	-
7- Capital Subscriptions to Enterprises Subject to Common Management (-)		-	-
8- Financial investments for the benefit of life insurance policyholders who bear the investment risk		-	-
9- Other Financial Assets		-	-
10- Provisions for Devaluation of Financial Assets (-)		-	-
<b>E-Tangible Assets</b>		<b>48,933,153</b>	<b>57,390,404</b>
1- Real Estates Acquired with Investment Purposes	7	27,672,382	39,589,922
2- Provisions for Devaluation of Real Estates Acquired with Investment Purposes (-)	7	(433,107)	(148,653)
3- Real Estates Acquired with Usage Purposes	6	20,248,551	18,181,742
4- Machinery and Equipments		-	-
5- Fixtures and Installations	6	7,951,277	4,791,127
6- Motor Vehicles	6	3,673,951	3,411,978
7- Other Tangible Assets (Including Special Cost Value)	6	1,303,831	999,690
8- Tangible Assets Acquired by Leasing		-	-

The notes between pages of 51 to 119 are component parts for these financial statements.

## Mapfre Genel Sigorta Anonim Şirketi

### Detailed balance sheet for the year ended 31 December 2010 (Currency Unit- Turkish Lira (TL))

Assets (continued)		Independently audited	Independently audited
	Note	31 Dec. 2010	31 Dec. 2009
9- Accumulated Depreciations (-)	6	(11,483,732)	(9,780,364)
10- Advance Payments Made for Tangible Assets (Including Investments in Progress)	6	-	344,962
<b>F- Intangible Assets</b>	<b>8</b>	<b>6,247,201</b>	<b>3,766,452</b>
1- Rights	8	7,373,850	977,133
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	(1,126,649)	(823,601)
7- Advance Payments Made for Intangible Assets	8	-	3,612,920
<b>G- Expenses Related to Next Years and Income Accruals</b>		<b>153</b>	<b>153</b>
1- Expenses Related to Next Years		153	153
2- Income Accruals		-	-
3- Other Expenses Related to Next Years and Income Accruals		-	-
<b>H- Other Non-Current Assets</b>		<b>101,783</b>	<b>527,759</b>
1- Accounts in Effective Foreign Currency		-	-
2- Accounts in Foreign Currency		-	-
3- Inventories to be Needed in Next Years		-	-
4- Advance Paid Taxes and Fund Shares		-	-
5- Deferred Tax Assets	21	101,783	527,759
6- Other Miscellaneous Non-Current Assets		-	-
7- Depreciations on Other Non-Current Assets		-	-
8- Provisions for Other Non-Current Assets		-	-
<b>II- Total of Non-Current Assets</b>		<b>96,219,202</b>	<b>95,633,396</b>
<b>TOTAL ASSETS</b>		<b>821,419,086</b>	<b>821,527,872</b>

The notes between pages of 51 to 119 are component parts for these financial statements.

## Mapfre Genel Sigorta Anonim Şirketi

### Detailed balance sheet for the year ended 31 December 2010 (Currency Unit- Turkish Lira (TL))

#### Liabilities

		Independently audited	Independently audited
	Note	31 Dec. 2010	31 Dec. 2009
<b>III- Short-term liabilities</b>			
<b>A- Financial Liabilities</b>			
1-Liabilities to Loan Institutions		-	-
2- Liabilities from Financial Lease Operations		-	-
3- Deferred Financial Lease 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 Liabilities		-	-
<b>B- Liabilities Arising From Main Operations</b>	<b>19</b>	<b>23.210.921</b>	<b>36.356.728</b>
1- Liabilities Arising from Insurance Operations	2.27, 19	3.183.049	17.343.998
2- Liabilities Arising from Reinsurance Operations	19	17.830.797	16.793.867
3- Deposits Received from Insurance and	19	2.197.075	2.218.863
4- Liabilities Arising from Pension Operations		-	-
5- Liabilities Arising from Other Main Operations		-	-
6- Rediscount for Liabilities Arising from Other Main Operations and Notes Payable (-)		-	-
<b>C- Liabilities to Related Parties</b>		<b>1.546.278</b>	<b>846.882</b>
1- Liabilities to Shareholders	12.2	57.455	43.798
2- Liabilities to Affiliates		1	1
3- Liabilities to Subsidiaries		-	-
4- Liabilities to Enterprises Subject to Common Management		-	-
5- Liabilities to Employees		1.476.945	572.438
6- Liabilities to Other Related Parties	12	11.877	230.645
<b>D- Other Liabilities</b>		<b>2.397.998</b>	<b>2.155.375</b>
1- Deposits and Guarantees Received		330.245	121.107
2- Other Various Liabilities	47.1	2.081.943	2.052.907
3- Rediscount for Other Various Liabilities		(14.190)	(18.639)
<b>E- Technical Provisions Insurance Business</b>		<b>278.436.409</b>	<b>240.491.404</b>
1- Provisions for Unearned Premiums - Net	17.15	153.578.495	126.332.517
2- Provisions for Continuing Risks - Net	17.15	828.664	918.960

The notes between pages of 51 to 119 are component parts for these financial statements.

## Mapfre Genel Sigorta Anonim Şirketi

### Detailed balance sheet for the year ended 31 December 2010 (Currency Unit- Turkish Lira (TL))

#### Liabilities (continued)

	Note	Independently audited 31 Dec. 2010	Independently audited 31 Dec. 2009
3- Life Mathematical Provisions - Net		-	-
4- Provisions for Outstanding Losses and Claims	17.15	124.029.250	113.239.927
5- Provisions for Bonuses and Discounts - Net		-	-
6- Provisions for policies, investment risk of which is born by life policyholders - Net		-	-
7- Other Technical Provisions - Net		-	-
<b>F- Provisions for taxes payable and other fiscal liabilities</b>		<b>12.711.902</b>	<b>20.754.206</b>
1- Taxes and Funds Payable		3.287.608	3.694.344
2- Social Security Withholdings Payable		382.290	242.329
3- Overdue, Deferred or Restructures Taxes and Other Liabilities		-	-
4- Other Taxes and Similar Liabilities Payable		1.636.594	1.164.126
5- Provisions for tax and other liabilities on profit for the period	35	7.405.410	15.653.407
6- Prepaid Tax and Other Liabilities on Profit for the Period (-)			
7- Provisions for other Taxes and Similar Liabilities			
<b>G- Provisions for other risks</b>		<b>-</b>	<b>571.961</b>
1- Provisions for Termination Indemnities			
2- Provisions for Social Aid Fund Deficits			
3- Provision for Cost Expenses		-	571.961
<b>H- Income and Expense Accruals Relating to Future Months</b>	<b>19</b>	<b>12.364.490</b>	<b>12.695.455</b>
1- Incomes for future months	19	12.363.351	12.694.316
2- Expense Accruals	19	578	578
3- Other incomes and expense accruals for future months		561	561
<b>I- Other Short-Term Liabilities</b>	<b>22</b>	<b>785.321</b>	<b>528.850</b>
1- Deferred Tax Liability		-	-
2- Inventory Overages		-	-
3- Other Various Short-Term Liabilities	22	785.321	528.850
<b>III -Total Short Term Liabilities</b>		<b>331.453.319</b>	<b>314.400.861</b>

The notes between pages of 51 to 119 are component parts for these financial statements.

## Mapfre Genel Sigorta Anonim Şirketi

### Detailed balance sheet for the year ended 31 December 2010 (Currency Unit- Turkish Lira (TL))

#### Liabilities (continued)

	Independently audited	Independently audited
Note	31 Dec. 2010	31 Dec. 2009
<b>IV- Long-Term liabilities</b>		
<b>A- Financial Liabilities</b>	-	-
1-Liabilities to Loan Institutions	-	-
2- Liabilities from Financial Lease Operations	-	-
3- Deferred Financial Lease Costs (-)	-	-
4- Bonds issued	-	-
5- Other Financial Assets Issued	-	-
6- Value Difference of Other Financial Assets Issued (-)	-	-
7- Other Financial Liabilities	-	-
<b>B- Liabilities Arising From Main Operations</b>	-	-
1- Liabilities Arising from insurance Operations	-	-
2- Liabilities Arising from reinsurance Operations	-	-
3- Deposits Received from Insurance and Reinsurance Companies	-	-
4- Liabilities Arising from Pension Operations	-	-
5- Liabilities Arising from Other Main Operations	-	-
6- Rediscount for Liabilities Arising from Other Main Operations and Notes Payable (-)	-	-
<b>C- Liabilities to Related Parties</b>	-	-
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	-	-
<b>D- Other Liabilities</b>	<b>5.500</b>	<b>5.500</b>
1- Received Deposits and Guarantees Received	5.500	5.500
2- Other Various Liabilities	-	-
3- Rediscount for Other Various Liabilities	-	-
<b>E- Technical provisions for Insurance Business</b>	<b>4.371.332</b>	<b>2.602.500</b>
1- Provisions for Unearned Premiums - Net	-	-

The notes between pages of 51 to 119 are component parts for these financial statements.



## Mapfre Genel Sigorta Anonim Şirketi

### Detailed balance sheet for the year ended 31 December 2010 (Currency Unit- Turkish Lira (TL))

#### Liabilities (continued)

		Independently audited	Independently audited
	Note	31 Dec. 2010	31 Dec. 2009
2- Provisions for Continuing Risks - Net		-	-
3- Life Mathematical Provisions - Net		-	-
4- Provisions for Outstanding Losses and Claims - Net		-	-
5- Provisions for Bonuses & Discounts - Net		-	-
6- Provisions for policies, investment risk of which is born by life policyholders - Net		-	-
7- Other Technical Provisions - Net	17.15,47.1	4.371.332	2.602.500
<b>F- Provisions for Other Debts and Liabilities</b>		-	-
1- Other Liabilities Payable		-	-
2- Overdue, Deferred or Restructured Taxes and Other Liabilities		-	-
3- Provisions for Other Liabilities and Expenses		-	-
<b>G- Provisions for other risks</b>		<b>4,349,851</b>	<b>3,537,276</b>
1- Provisions for Termination Indemnities	22	1,979,817	1,444,590
2- Provisions for Social Aid Fund Deficits	22,23	2,370,034	2,092,686
<b>H- Other incomes and expense accruals for future years</b>		-	-
1- Incomes for Future Years		-	-
2- Expense Accruals		-	-
3- Other incomes and expense accruals for future years		-	-
<b>I- Other Long Term Liabilities</b>		-	-
1- Deferred Tax Liability		-	-
2- Other Long Term Liabilities		-	-
<b>IV- Total Long Term Liabilities</b>		<b>8,726,683</b>	<b>6,145,276</b>

The notes between pages of 51 to 119 are component parts for these financial statements.

## Mapfre Genel Sigorta Anonim Şirketi

### Detailed balance sheet for the year ended 31 December 2010 (Currency Unit- Turkish Lira (TL))

#### Equity

		Independently audited	Independently audited
	Note	31 Dec. 2010	31 Dec. 2009
<b>V- Shareholders' equity</b>			
<b>A- Paid-In Capital</b>		<b>350.000.000</b>	<b>350.000.000</b>
1- (Nominal) Capital	2.13,15	350.000.000	350.000.000
2- Unpaid Capital (-)		-	-
3- Capital Restatement Positive Differences		-	-
4- Capital Restatement Negative Difference (-)		-	-
<b>B- Capital Reserves</b>		<b>-</b>	<b>-</b>
1- Premiums on Issues of Common Stock		-	-
2- Profits on Cancellation of Common Stocks		-	-
3- Sales profits to be Added to Capital		-	-
4- Foreign Currency Conversion Differences		-	-
5- Other Capital Reserves		-	-
<b>C- Profit Reserves</b>		<b>81.165.987</b>	<b>76.771.116</b>
1- Legal Reserves	15	44.660.156	37.820.395
2- Statutory Reserves		-	-
3- Extraordinary Reserves		21.105.029	14.482.985
4- Special Funds (Reserves)		28.856	28.856
5- Valuation of Financial Assets	15	200.550	9.267.484
6- Other Profit Reserves	15	15.171.396	15.171.396
<b>D- Retained earnings</b>		<b>12.677.028</b>	<b>12.677.028</b>
1- Retained earnings		12.677.028	12.677.028
<b>E- Losses from Previous Years (-)</b>		<b>(4.686.858)</b>	<b>(4.686.858)</b>
1- Losses from Previous Years		(4.686.858)	(4.686.858)
<b>F- Net Profit for the Period</b>		<b>42.082.927</b>	<b>66.220.449</b>
1- Net Profit for the Period		42.082.927	66.220.449
2- Net Loss for the Period (-)		-	-
<b>Total Shareholders' Equity</b>		<b>481.239.084</b>	<b>500.981.735</b>
<b>Total Liabilities</b>		<b>821.419.086</b>	<b>821.527.872</b>

The notes between pages of 51 to 119 are component parts for these financial statements.

## Mapfre Genel Sigorta Anonim Şirketi

### Detailed income statement for the year ended 31 December 2010 (Currency Unit- Turkish Lira (TL))

#### I- Technical Part

		Independently audited	Independently audited
	Note	1 January - 31 Dec. 2010	1 January - 31 Dec. 2009
<b>A- Non-life Technical Income</b>		<b>319.995.306</b>	<b>285.065.171</b>
1- Premiums Earned (After Deduction of Reinsurer's Share)		284.454.618	249.149.978
1.1- Premiums Written (After Deduction of Reinsurer's Share)	24	311.610.300	259.936.624
1.1.1 Gross written premiums (+)	24	411.788.338	361.157.645
1.1.2 Premiums ceded to reinsurers (-)	10, 24	(100.178.038)	(101.221.021)
1.2- Change in Provisions for Unexpired Risks (After Deduction of Reinsurer's Share and the Part Carried Forward) (+/-)	47	(27.245.978)	(10.086.762)
1.2.1- Provisions for Unearned Premiums (-)		(26.293.311)	(15.878.358)
1.2.2- Reinsurer's share in provisions for unearned premium (+)	10	(952.667)	5.791.596
1.3- Change in Provisions for Unexpired Risks (After Deduction of Reinsurer's Share and the Part Carried Forward) (+/-)		90.296	(699.884)
1.3.1- Provision for continuing risks-Net		90.296	(699.884)
1.3.2- Reinsurer's share in the continuing risk provisions (+)		-	-
2- Investment Incomes transferred from non-technical part		26.984.521	34.802.199
3- Other Technical Incomes (After Deduction of Reinsurer's Share)		8.556.167	1.112.994
3.1- Other gross technical incomes (+)		8.556.167	1.112.994
3.2- Reinsurer's share in other gross technical incomes (-)		-	-
<b>B- Non-Life Technical Expenses (-)</b>		<b>(284.805.701)</b>	<b>(238.919.148)</b>
1- Losses Incurred (After Deduction of Reinsurer's Share)		(216.477.495)	(180.523.852)
1.1- Losses Incurred (After Deduction of Reinsurer's Share)	17	(213.587.930)	(195.493.951)
1.1.1 Gross paid claims (-)	17	(245.594.550)	(257.244.868)
1.1.2- Reinsurer's share in claims paid (+)	10, 17	32.006.620	61.750.917
1.2- Change in provisions for outstanding losses (After deduction of reinsurer's share and the part carried forward) (+/-)	47	(2.889.565)	14.970.099
1.2.1- Provision for outstanding claim (-)		8.191.032	17.932.753
1.2.2- Reinsurer's share in provisions for outstanding claim (+)	10	(11.080.597)	(2.962.654)
2- Change in Provisions for Bonuses and Discounts (reinsurer share and transferred portion deducted) (+/-)		-	-

The notes between pages of 51 to 119 are component parts for these financial statements.

## Mapfre Genel Sigorta Anonim Şirketi

### Detailed income statement for the year ended 31 December 2010 (Currency Unit- Turkish Lira (TL))

#### I- Technical Part (continued)

		Independently audited	Independently audited
	Note	1 January - 31 Dec. 2010	1 January - 31 Dec. 2009
2.1- Provision for bonus and discounts (-)		-	-
2.2- Reinsurer's share in provisions for bonus and discounts (+)		-	-
3- Change in other technical provisions (After Deduction of Reinsurer's Share and the part carried forward) (+/-)	17, 47	(1.768.832)	(1.456.198)
4- Operating Expenses (-)	31	(66.559.374)	(56.939.098)
<b>C- Technical Part Profit - Non - Life</b>		<b>35.189.605</b>	<b>46.146.023</b>
<b>D- Life - Technical Incomes</b>		-	-
1- Premiums Earned (After Deduction of Reinsurer's Share)		-	-
1.1- Premiums written (After Deduction of Reinsurer's Share)		-	-
1.1.1- Gross written premiums (+)		-	-
1.1.2- Premiums ceded to reinsurers (-)		-	-
1.2- Change in provisions for premiums unearned (After Deduction of Reinsurer's Share and part carried forward) (+/-)		-	-
1.2.1- Provisions for unearned premiums (-)		-	-
1.2.2- Reinsurer's share in provisions for unearned premium (+)		-	-
1.3- Change in provisions for unexpired risks (After Deduction of Reinsurer's Share and the Part Carried Forward) (+/-)		-	-
1.3.1- Provision for Continuing Risks (-)		-	-
1.3.2- Reinsurer's share in continuing risk provisions (+)		-	-
2- Life Branch Investment Incomes		-	-
3- Unrealized Profits in Investments		-	-
4- Other Technical Incomes (After Deduction of Reinsurer's Share)		-	-
<b>E- Life - Technical Expenses</b>		-	-
1- Losses Incurred (After Deduction of Reinsurer's Share)		-	-
1.1- Claims paid (After Deduction of Reinsurer's Share)		-	-
1.1.1- Gross paid indemnities (-)		-	-
1.1.2- Reinsurer's share in indemnities paid (+)		-	-
1.2- Change in provisions for outstanding indemnities (After deduction of reinsurer's share and the part carried forward) (+/-)		-	-

The notes between pages of 51 to 119 are component parts for these financial statements.

## Mapfre Genel Sigorta Anonim Şirketi

### Detailed income statement for the year ended 31 December 2010 (Currency Unit- Turkish Lira (TL))

#### I- Technical Part (continued)

	Independently audited	Independently audited
Note	1 January - 31 Dec. 2010	1 January - 31 Dec. 2009
1.2.1- Provision for outstanding indemnities (-)		
1.2.2- Reinsurer's share in provisions for outstanding claim (+)	-	-
2- Change in provisions for bonuses and discounts (After deduction of reinsurer's share and the part carried forward) (+/-)	-	-
2.1- Provisions for Bonuses & Discounts (-)	-	-
2.2- Reinsurer's share in the provisions for bonuses and discounts (+)	-	-
3- Change in life mathematical provisions (After deduction of reinsurer's share and the part carried forward) (+/-)	-	-
3.1- Life Mathematical Provisions (-)	-	-
3.2- Mathematical reserves for life branch (+)	-	-
4- Change in provisions for policies, investment risk of which is born by life policyholders (After deduction of reinsurer's share and the part carried forward) (+/-)	-	-
4.1- Provisions for policies, investment risk of which is born by life policyholders (-)	-	-
4.2- Reinsurer's share in provision for policies, investment risk of which is born by life policyholders (+)	-	-
5- Change in other technical provisions (After deduction of reinsurer's share and the part carried forward) (+/-)	-	-
6- Operating Expenses (-)	-	-
7- Investment Expenses (-)	-	-
8- Unrealized Losses in Investments (-)	-	-
9- Investment incomes transferred to non-technical part (-)	-	-

The notes between pages of 51 to 119 are component parts for these financial statements.

## Mapfre Genel Sigorta Anonim Şirketi

### Detailed income statement for the year ended 31 December 2010 (Currency Unit- Turkish Lira (TL))

#### I- Technical Part (continued)

	Independently audited	Independently audited
Note	1 January - 31 Dec. 2010	1 January - 31 Dec. 2009
<b>F- Technical Part Profit - Life (D - E)</b>	-	-
<b>G- Pension Technical Income</b>	-	-
1- Fund Management Incomes	-	-
2- Management Fee Deduction	-	-
3- Initial Contribution Fee	-	-
4- Management Fee Deduction in case of Interruption	-	-
5- Special Service Fee Deduction	-	-
6- Capital Advances Income	-	-
7- Other technical incomes	-	-
<b>H- Pension Technical Expenses</b>	-	-
1- Fund Management Expenses (-)	-	-
2- Advances on Capital Allowance (-)	-	-
3- Operating Expenses (-)	-	-
4- Other Technical Expenses (-)	-	-
<b>I- Technical Part Profit - Pension (G - H)</b>	-	-

The notes between pages of 51 to 119 are component parts for these financial statements.

## Mapfre Genel Sigorta Anonim Şirketi

### Detailed income statement for the year ended 31 December 2010 (Currency Unit- Turkish Lira (TL))

#### II- Non-Technical Part

		Independently audited	Independently audited
	Note	1 January - 31 Dec. 2010	1 January - 31 Dec. 2009
<b>C- Technical part profit - Non - life (A - B)</b>		<b>35.189.605</b>	<b>46.146.023</b>
<b>F- Technical part profit - Life (D - E)</b>		-	-
<b>I- Technical part profit - Pension (G - H)</b>		-	-
<b>J- Overall Technical part profit (C + F + I)</b>		<b>35.189.605</b>	<b>46.146.023</b>
<b>K- Investment incomes</b>	<b>26</b>	<b>67.766.161</b>	<b>83.499.412</b>
1- Incomes from financial investments	26	50.581.485	68.878.332
2- Profits from Realization of Financial Investments	26	6.039.229	1.104.156
3- Valuation of Financial Investments	26	-	564.119
4- Foreign Exchange Profits	26, 36	2.163.361	9.570.148
5- Income from Affiliates		-	-
6- Incomes from subsidiaries and enterprises subject to common management		-	-
7- Incomes from lands and buildings	26	8.982.086	3.382.657
8- Incomes from derivative products		-	-
9- Other investments		-	-
10- Investment incomes transferred from life technical part		-	-
<b>L- Investment expenses (-)</b>		<b>(37.884.614)</b>	<b>(46.248.161)</b>
1- Investment management expenses - interest included (-)		-	-
2- Impairments of investments (-)	11	1.277.710	(1.764.364)
3- Losses from realization of investments (-)		(2.147.140)	(98.133)
4- Investment incomes transferred to non-life technical part (-)		(26.984.521)	(34.802.199)
5- Losses from derivative products (-)		-	-
6- Foreign Exchange losses (-)	36	(7.205.338)	(8.428.293)
7- Depreciation expenses (-)	31	(2.825.325)	(1.155.172)
8- Other investment expenses (-)		-	-

The notes between pages of 51 to 119 are component parts for these financial statements.

## Mapfre Genel Sigorta Anonim Şirketi

### Detailed income statement for the year ended 31 December 2010 (Currency Unit- Turkish Lira (TL))

#### II- Non-Technical Part

		Independently audited	Independently audited
	Note	1 January - 31 Dec. 2010	1 January - 31 Dec. 2009
<b>M- Incomes and Profits and Expenses and Losses from Other Operations and Extraordinary Operations (+/-)</b>		<b>14.534.473</b>	<b>1.695.223</b>
1- Provisions Account (+/-)	47	(9.884.227)	1.855.202
2- Rediscount Account (+/-)	47	(243.830)	115.518
3- Specific insurances account (+/-)		67.075	35.595
4- Inflation Adjustment Account (+/-)		-	-
5- Deferred Tax Assets Account (+/-)		90.697	-
6- Deferred Tax Liability Expenses (-)	35	-	(257.585)
7- Other Incomes and Profits	47.5	1.369.216	680.438
8- Other Expenses and Losses (-)	47.5	(5.933.404)	(4.124.3917)
9- Previous Year Expenses and Losses (-)		-	-
10- Previous year's expenses and losses (-)	47.4	-	-
<b>N- Net Profit or Loss for the period</b>		<b>42.082.927</b>	<b>66.220.449</b>
1- Profit or loss for the Period		50.536.679	81.702.051
2- Provisions for tax and other legal liabilities on profit for the period (-)	35, 47	(8.453.752)	(15.481.602)
3- Net profit or Loss for the period		42.082.927	66.220.449
4- Inflation adjustment account			-

The notes between pages of 51 to 119 are component parts for these financial statements.



## Mapfre Genel Sigorta Anonim Şirketi

### Cash flow statement for the accounting period ending on 31 December 2010 (Currency unit - Turkish lira (TL))

	Independently audited	Independently audited
	1 January - 31 Dec. 2010	1 January - 31 Dec. 2009
Note		
<b>A- Operational Cash Flows</b>		
1- Cash inflow from insurance business	379.253.246	347.025.799
2- Cash inflow from reinsurance business	61.083.631	92.547.446
3- Cash inflows from Pension business	-	-
4- Cash outflow for insurance business (-)	(313.578.834)	(313.859.195)
5- Cash outflow for reinsurance business (-)	(97.366.332)	(103.996.764)
6- Cash outflow for pension business (-)	-	-
7- Cash from operations (A1+A2+A3-A4-A5-A6)	29.391.711	21.717.286
8- Interest payments (-)	-	-
9- Income tax payments (-)	(9.908.145)	(20.331.060)
10- Other cash inflow	3.038.242	1.816.571
11- Other cash outflow (-)	(38.037.393)	(39.108.499)
12- Net cash from operations	(15.515.585)	(35.905.702)
<b>B- Cash inflow from investments</b>		
1- Sales of tangible assets	12.612.190	3.336.135
2- Acquisition of tangible assets (-)	(8.926.558)	(6.167.306)
3- Acquisition of financial assets (-)	(14.916.643)	(72.365.688)
4- Sales of financial assets	135.692.499	182.117.834
5- Interests Received	58.211.680	40.802.109
6- Dividends Received	26 2.797.496	4.626.809
7- Other cash inflow	108.282.269	69.932.685
8- Other cash outflow (-)	(25.349.561)	(141.817.147)
9- Net cash from investments	268.403.372	80.465.431
<b>C- Cash inflow from financial operations</b>		
1- Issues of Common Stock	-	-
2- Cash inflow from loans	-	-
3- Payments of leasing payables (-)	-	-

The notes between pages of 51 to 119 are component parts for these financial statements.

## Mapfre Genel Sigorta Anonim Şirketi

### Cash flow statement for the accounting period ending on 31 December 2010 (Currency unit - Turkish lira (TL))

		Independently audited	Independently audited
	Note	1 January - 31 Dec. 2010	1 January - 31 Dec. 2009
4- Dividends paid(-)	15.1	(52.744.270)	(69.057.654)
5- Other cash inflow			-
6- Other cash outflow (-)		-	-
7- Net Cash from Financial Operations(used)		(52.744.270)	(69.057.654)
<b>D- Effect of exchange differences on cash and cash equivalent</b>		<b>(2.227.147)</b>	<b>5.240.728</b>
<b>E- Net increase in cash and cash equivalents (A12+B9+C7+D)</b>		<b>197.916.370</b>	<b>(19.257.197)</b>
<b>F- Balance of cash and cash equivalent at the beginning of the period</b>	2.27	<b>138.037.621</b>	<b>157.294.818</b>
<b>G- Balance of cash and cash equivalent at the end of the period (E+F)</b>	2.12	<b>335.953.991</b>	<b>138.037.621</b>

The notes between pages of 51 to 119 are component parts for these financial statements.

## Statement of Changes in Shareholders' Equity for the annual period ended 31 December 2010

Independently audited											
31 December 2010											
Statement of change in equities (*)											
	Capital	The company's own shares (-)	Increase in value of assets	Equity inflation adjustment differences	Foreign Currency Translation Difference	Legal Reserves	Extraordinary Reserves	Other reserves and undistributed profits	Net period profit / (loss)	Previous years profits/ (losses)	Total
<b>I- Balance at the end of previous year (31 December 2009)</b>	<b>350,000,000</b>	-	<b>9,267,484</b>	-	-	<b>37,820,395</b>	<b>14,482,985</b>	<b>15,200,252</b>	<b>66,220,449</b>	<b>7,990,170</b>	<b>500,981,735</b>
<b>II- Amendments in accounting policies (Note 2.1.1)</b>	-	-	-	-	-	-	-	-	-	-	-
<b>III- New balance (I + II) (1 January 2009)</b>	<b>350,000,000</b>	-	<b>9,267,484</b>	-	-	<b>37,820,395</b>	<b>14,482,985</b>	<b>15,200,252</b>	<b>66,220,449</b>	<b>7,990,170</b>	<b>500,981,735</b>
A- Capital increase (A1 + A2)	-	-	-	-	-	-	-	-	-	-	-
1- Cash	-	-	-	-	-	-	-	-	-	-	-
2- Internal resources	-	-	-	-	-	-	-	-	-	-	-
B- Own stocks of the company	-	-	-	-	-	-	-	-	-	-	-
C- Profits and losses non-registered in the income statement	-	-	-	-	-	-	-	-	-	-	-
D- Increase/decrease in value of the assets	-	-	(9,066,934)	-	-	-	-	-	-	-	(9,066,934)
E- Foreign currency translation differences	-	-	-	-	-	-	-	-	-	-	-
F- Other gains and losses	-	-	-	-	-	-	-	-	-	-	-
G- Inflation adjustment differences	-	-	-	-	-	-	-	-	-	-	-
H- Net profit (loss) in the period	-	-	-	-	-	-	-	-	42,082,927	-	42,082,927
I- Distributed dividends (Note 15)	-	-	-	-	-	-	-	-	(52,758,644)	-	(52,758,644)
J- Profit distribution from previous year	-	-	-	-	-	6,839,761	6,622,044	-	(13,461,805)	-	-
<b>IV- Balance at the end of the year (31 December 2010)</b>	<b>350,000,000</b>	-	<b>200,550</b>	-	-	<b>44,660,156</b>	<b>21,105,029</b>	<b>15,200,252</b>	<b>42,082,927</b>	<b>7,990,170</b>	<b>481,239,084</b>
<b>(III+ A+B+C+D+E+F+G+H+I+J)</b>	<b>350,000,000</b>	-	<b>(551,214)</b>	-	-	<b>28,102,002</b>	<b>5,728,621</b>	<b>15,200,252</b>	<b>87,543,645</b>	<b>7,990,170</b>	<b>494,013,476</b>
<b>I- Previous balance at the end of the year (31 December 2009)</b>	<b>350,000,000</b>	-	<b>(551,214)</b>	-	-	<b>28,102,002</b>	<b>5,728,621</b>	<b>15,200,252</b>	<b>87,543,645</b>	<b>7,990,170</b>	<b>494,013,476</b>
<b>II- Amendments in accounting policies (Note 2.1.1)</b>	-	-	-	-	-	-	-	-	-	-	-
<b>III- New balance (I + II) (1 January 2009)</b>	<b>350,000,000</b>	-	<b>(551,214)</b>	-	-	<b>28,102,002</b>	<b>5,728,621</b>	<b>15,200,252</b>	<b>87,543,645</b>	<b>7,990,170</b>	<b>494,013,476</b>
A- Capital increase (A1 + A2)	-	-	-	-	-	-	-	-	-	-	-
1- Cash	-	-	-	-	-	-	-	-	-	-	-
2- Internal sources	-	-	-	-	-	-	-	-	-	-	-
B- Own stocks of the company	-	-	-	-	-	-	-	-	-	-	-
C- Gains and losses non-registered in the income statement	-	-	-	-	-	-	-	-	-	-	-
D- Increase / decrease in value of assets	-	-	9,818,698	-	-	-	-	-	-	-	9,818,698
E- Foreign currency translation differences	-	-	-	-	-	-	-	-	-	-	-
F- Other gains and losses	-	-	-	-	-	-	-	-	-	-	-
G- Inflation adjustment differences	-	-	-	-	-	-	-	-	-	-	-
H- Period net profit (loss)	-	-	-	-	-	-	-	-	66,220,449	-	66,220,449
I- Distributed dividend (Note 15)	-	-	-	-	-	-	-	-	(69,070,888)	-	(69,070,888)
J- Profit distribution from previous years	-	-	-	-	-	9,718,393	8,754,364	-	(18,472,757)	-	-
<b>IV- Balance at the end of year (31 December 2009)</b>	<b>350,000,000</b>	-	<b>9,267,484</b>	-	-	<b>37,820,395</b>	<b>14,482,985</b>	<b>15,200,252</b>	<b>66,220,449</b>	<b>7,990,170</b>	<b>500,981,735</b>
<b>(III+ A+B+C+D+E+F+G+H+I+J)</b>	<b>350,000,000</b>	-	<b>9,267,484</b>	-	-	<b>37,820,395</b>	<b>14,482,985</b>	<b>15,200,252</b>	<b>66,220,449</b>	<b>7,990,170</b>	<b>500,981,735</b>

(\*) Details of equity items are available at note 15.

The notes between pages of 51 to 119 are component parts for these financial statements.

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 1. General Information

**1.1 The parent company's name and the last owner of the group:** Mapfre General Insurance Company ("Company") was incorporated on 16 August 1948 in Istanbul, Turkey and has been mainly operational in the field of all kinds of non-life insurances applied in Turkey including accident insurance, personal accident insurance, motor insurance and insurance against power of nature. The company's controlling shares have been transferred to Spanish Mapfre Group as of 20 September 2007 and 280.000.000 shares representing 80 percent out of the company capital has been transferred to Mapfre Internacional S.A. ("Mapfre") as of 23 April 2008 and this transfer has been written down on the book of stock register.

Shares owned by Demir Toprak İthalat İhracat ve Tic. A.Ş which represents 10 percent out of the company capital and is priced at 35.000.000 TL have been transferred to Mapfre Internacional S.A. and the transfer was noted on the book of stock register.

Shares owned by Avor İnşaat Gıda Tekstil Kimya San. ve Tic. A.Ş. which represents 9,75 percent out of the company capital and is priced at 34.109.046 TL have been transferred to Mapfre Internacional S.A. under the 69664 permission by Turkish Prime Ministry Undersecretariat of Treasury and the transfer was noted on the book of stock register.

As a result of the executive committee meeting on 13 February 2009, it was decided to change the title of the company as Mapfre General Insurance Company. In order to get required permissions, the company has made official application to Turkish Industry and Trade Ministry as well as Prime Ministry Undersecretariat of Treasury on 16 February 2009. So, the company's trade name has been changed as Mapfre General Insurance Company as of 1 April 2009.

**1.2 Location and legal structure:** The country where the company has been incorporated and the registered office address: The registered address of the headquarters is Meclisi Mebusan Caddesi No:25 Salıpazarı - Istanbul/Turkey. The company has region headquarters in the provinces of Adana, Ankara, Antalya, Bursa, Izmir, Mersin, Malatya, Konya, Kayseri and Samsun. Besides in accordance with the separate executive committee decisions, Izmit Branch Office was opened on 1 April 2010 and Gaziantep Branch Office was opened on 29 September 2010 and Istanbul Beylikdüzü Branch Office was opened on 30 December 2010.

**1.3 Principle business activity:** The company has been carrying out all non-life insurance transactions including fire, natural disasters, logistics, land platforms / vehicles, rail vehicles, air platforms / vehicles, shipping, accident, financial losses IV, financial losses VII, financial losses IX, credit and legal protection insurance. The company carries out reinsurance transactions in the field of health, too.

**1.4 Disclosure of the main features and business field:** Details are available in note 1.2 and 1.3.

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 1. General Information (continued)

##### 1.5 Annual average of employees:

	31 December 2010	31 December 2009
Top and senior executives	45	42
Other personnel	345	252
	<b>390</b>	<b>294</b>

**1.6 The total amount paid as salaries and other financial beneficiaries for executives including the chief executive as well as other executive committee members, the general manager, the general coordinator, and the deputies of the general manager is 3.404.737 TL (31 December 2009 - 3.161.977 TL).**

**1.7 At the financial statements, the keys used for distribution of investment income and operational expenses (personnel, administration, research-development, marketing, sale, external services and other operational expenses):**

##### **Investment income transferred from non-technical department to technical department**

All income received from that the assets considered as technical provisions have been invested is transferred to the technical department in accordance with 2008/1 numbered and dated 4 January 2008 circular note by Turkish Prime Ministry Undersecretariat of the Treasury about "The Keys Used at Financial Tables as to Uniform Chart of Accounts". The amount transferred to the technical department is distributed to the subbranches at the rate calculated by dividing the net cash flow discounted the share of reinsurance into the total net cash flow. The net cash flow is the amount calculated by discounting the net claims paid from the net written premiums.

##### **Distribution of operational costs**

As of 31 December 2010, the non-directly distributed expenses of personnel, management, research& development, marketing and sales as well as external services and the other operational costs have been distributed, in accordance with weighed average calculated by respectively comparing the number of insurance policies produced over the last three years for each subbranch, the gross premium amount and the number of notice of claims with total number of produced policies, total number of produced policies, total gross premium amount and total number of notices of claim under the above mentioned circular note by the Treasury Undersecretariat.

**1.8 Whether the financial statements cover one company or a group of companies:** Non-consolidated financial tables cover only one company (Mapfre Genel Sigorta Anonim Şirketi). Besides, the consolidated financial tables of the company are designed in accordance with Circular Note of Consolidated Financial Tables in Insurance, Reinsurance and Pension Companies.

**1.9 ID information of reporting corporation and related amendments since the date of previous balance sheet:** The company's name and other ID information are noted at the chapters of 1.1, 1.2 and 1.3 and also all amendments since the date of the previous balance sheet are defined at the related notes.

**1.10 Post-balance sheet events:** The financial tables designed as of 31 December 2010 have been approved by the company management in order to present it to the executive committee on 11 March 2011. The Plenary Committee and respective legal bodies have right to make amendment in the financial tables after they are issued.

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 2. Summary of important accounting policies

##### 2.1 Basic preliminaries

##### 2.1.1 Basics for financial statements and information of specific accounting policies:

The company keeps its records as Turkish Lira currency and in line with the Insurance Accounting Plan that was defined in the 30 December 2004 dated regulation of "Insurance Accounting Plan and Offering Circular" by the Undersecretariat of Treasury - which was issued on the 25686 numbered Official Gazette and came into force.

Upon the 2 May 2008 dated and 2008/20 numbered notification by the Undersecretariat of Treasury, the company clears up its consolidated financial tables in accordance with insurance and reinsurance regulations as well as the accounting standards defined by the 5684 Insurance Code which was published in 26552 numbered official gazette on 14 June 2007.

The company presents its financial statements in accordance with "Circular Note of Financial Report Presentation" designed under the Insurance Code and "Financial Reporting Regulations" - which came into force as of 1 January 2008 after being published on 26852 numbered official gazette on 14 July 2007.

In scope of Financial Reporting Regulations, the operations of insurance, reinsurance and pension companies must be accounted according to Turkey Accounting Standards and Turkey Financial Reporting Standards defined by Turkey Accounting Standards Board (TMSK). Besides, insurance contracts and accounting of subsidiaries, affiliates and jointly controlled entity as well as consolidated financial statements, to be publicized financial statements and related statements and cross references are designed in line with the regulations. Therefore, as of 1 January 2008, the company has been accounting its all operations in accordance with current regulations, official notifications and circular notes by TMSK and the Undersecretariat of Treasury. Through a sectoral declaration by the Undersecretariat of Treasury on 18 February 2008, it was announced that the standards related to TFRS 4 "Insurance Contracts", TMS 27 "Consolidated and Individual Financial Statements" and TMS 1 "Financial Statements Presentation" would no longer be applied. In accordance with the regulation dated 31 December 2009 and published on the 27097 numbered official gazette by the Undersecretariat of Treasury, the company has started clearing up its consolidated financial statements as of 31 March 2009. The consolidated financial statements are additionally presented to the Undersecretariat of Treasury.

Besides, as of 1 January 2008, the company has reflected the insurance technical provisions at the financial statements dated 31 December 2010 by calculating in scope of various statements by the Undersecretariat of Treasury and current "Technical Provisions Regulations for Insurance, Reinsurance and Pension Companies".

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 2. Summary of important accounting policies (continued)

##### 2.1.2. Other accounting policies to understand financial statements:

###### Amendment in financial statements at times of high inflation

Referring to the notification numbered 19387 and dated 4 April 2005 by the Undersecretariat of Treasury, no more amendment in financial statements has been made in order to regulate with inflation rate. Therefore, non-monetary assets and liabilities as well as equity items including capital have been calculated by indexing the up-to date inputs (until 31 December 2004) under the no. 29 standard of "Financial Reporting in Hyperinflationary Economies" by TMSK or moving the inputs (which occurred after 31 December 2004) at nominal values.

###### 2.1.3 Presentation Currency:

The company uses Turkish Lira (TL) as presentation currency. All amounts in financial statement as well as cross references are presented as TL unless otherwise specified.

###### 2.1.4 Degree of rounding-off figures and amounts presented in financial statement:

Unless otherwise specified, all amounts in the financial statements are presented in TL and without any rounding-off.

###### 2.1.5 Measurement basics in financial statement presentation:

The financial statements have been designed based on historical costs, excepting the above mentioned inflation amendments, available-for-sale financial assets and marketable securities in tradebook.

###### 2.1.6 Accounting policies, amendments and errors in accounting estimates:

The company makes up its financial statements in line with the accounting policies specified at the chapter 2.1.1. Apart from applying the hereafter new standards and amendments as of 1 January 2010, the accounting policies implemented in the financial statements of the company comply with the accounting policies applied in the annual financial statements for the term ends on 31 December 2009, too.

###### Amendments in reporting standards, accounting policies and notifications in Turkey:

The accounting policies - basis for making up non-consolidated financial statements - have been applied in compliance with the previous year, excepting the new standards and commentaries herein after summarized. The company have applied the following TFRS and TFRYK commentaries during the accounting period started as of 1 January 2010.

- TFRS 17 Distributing Non-Cash Assets to Shareholders,
- TMS 39 Financial Tools: Accounting and Measure (Revision) - Eligible protected tools,
- TFRS 2 Share-Based Payments (Revision) - Share-based payments made by the company in cash,
- Re-arranged TFRS 3 Mergers and IAS 27 Consolidated and Individual Financial Statements (Revision),

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 2. Summary of important accounting policies (continued)

- **Improvements in TFRS, May 2008** - The standard related to all publicized amendments, UFRS 5 Marketable Tangible Fixed Assets and Discontinued Operations is in force for the accounting term ending on 31 December 2009, excepting from the amendment clarifying how to classify all assets and liabilities owned by the affiliate company in case of still holding non-controlling shares after the sale.

- **Improvements in TFRS, April 2009**

- TFRS 2 Share-Based Payments
- TFRS 5 Marketable Tangible Fixed Assets and Discontinued Operations
- TFRS 8 Operation Fields
- TMS 1 Financial Statements' Presentation
- TMS 7 Cash Flow Table
- TMS 17 Leasings
- TMS 18 Income
- TMS 36 Impairment of Assets
- TMS 38 Intangible Fixed Assets
- TMS 39 Financial Tools: Accounting and Measure - Items considered to be free -off financial risk
- TFRS 9 Revaluation of Embedded Derivative Products
- TFRS 16 To Protect Abroad Business and Related Net Investment From Financial Risk

The given standards, commentaries and amendments have no impact in the financial statements or operations of the company.

Publicized but yet to be effective and non-early applied standards

#### **TFRS 19 Financial Liabilities Paid with Financial Tools Based on Equity**

The commentary is for the annual accounting periods starting on/after 1 July 2010. It indicates how to account the cases when the corporation and credit supplier negotiate about revising the financial liability provisions and then the credit supplier agrees to receive payment of whole or a part of the loan with capital tools. TFRS 19 clarifies that these capital tools will be considered as "cost of acquisition" in accordance with 41. chapter of TMS 19. As a result, the financial liabilities are removed from the financial statements and the discounted capital tools are treated as cost of acquisition to finalize the mentioned financial liability. The company does not expect the commentary has any impact on its financial situation or performance.

#### **TFRS 14 Minimum Funding Conditions (Amendment)**

The amendment is for the annual accounting periods starting on/after 1 January 2011. Its aim is to allow the companies to consider their voluntary prepayments for minimum funding as an asset. Earlier application is allowed and its implementation must be retrospectively done. The company does not expect the amendment has any impact on its financial situation or performance.

#### **TFRS 9 Financial Tools – Stage 1 Financial Assets and Liabilities, Classification and Explanation**

The new standard is for the accounting periods starting on/after 1 January 2013. The first stage of TFRS 9 Financial Tools standard introduces new regulations on measuring and classifying the financial assets and liabilities. Early application is allowed. But this standard has yet to be approved by the European Union. The company has been evaluating whether the regulation has any impact on its financial situation or performance.



## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 2. Summary of important accounting policies (continued)

##### **TMS 32 Financial Tools: Presentation and Explanation – Classifying the exports including new rights (Amendment)**

The amendment is for annual accounting periods starting on / after 1 February 2010. It is related to right exporting proposals made on condition of specific foreign currency amounts accounted as a derivative liability tools in line current standard. The amendment notes that such right exports require to be classified as equity without considering the currency type to be effective during the transaction in case that some specific conditions are met. The amendment should be retrospectively applied. The company does not expect the amendment affect its financial situation or performance.

##### **TMS 24 Related Party Disclosures (Re-adjustment)**

The re-adjustment is for annual accounting periods starting on/after 1 February 2011. It is about the company's evaluation of whether the public corporations can be qualified as one client. The company should consider the content of the economic integration between itself and those public corporations while making this evaluation. Earlier application is allowed and the early application should be retrospectively made. The company does not expect this adjustment has any impact on its financial situation or performance.

**In May 2010, TMSK has issued the third frame adjustment in order to eliminate inconsistency and clarify the wording. Various effective dates have been fixed and the earlier effective date is the accounting periods starting on / after 1 July 2010. Besides, earlier application is allowed.**

**TFRS 1 First Application of International Financial Reporting Standards** is for the annual accounting periods starting on/after 1 January 2011. The improvement clarifies the evaluation of the accounting policies implemented after the financial statements is disclosed in accordance with TMS 34 Mid Term Financial Reporting Standard in the year TFRS started to be implemented. In addition to that, the amendment gives the first implementers the right to use the fair value fixed depending on the events happen before TFRS financial statements are disclosed as estimated value. And it also extends the concept of the estimated cost used for tangible fixed assets or intangible assets in order to include the operations subject to the adjustment.

**TFRS 3 Mergers** is for the annual accounting periods starting on/after 1 July 2010. This improvement clarifies that the amendments made in TFRS 7 Financial Tools: Disclosures, TMS 32 Financial Tools: Presentation, TMS 39 Financial Tools: Accounting and Measure standards and removing the exemption related to the conditional cost are not effective for the conditional cost arisen from the mergers which took place before the TFRS 3 which was re-adjusted in 2008 started to be implemented. Besides, this improvement limits the content of measurement options of the non-controlling shares' components which specified as the proportional share tools granting ownership rights in the purchased company's net assets. Eventually, this improvement requires accounting the amendments of the share-based payments of the company purchased by another company (as a part of a merger). For example, the cost of acquisition and post-merger costs are separated.

**TFRS 7 Financial Tools: Disclosures are** for the annual accounting periods starting on/after 1 January 2011. The amendment clarifies the disclosure required as to TFRS 7 and quantitative and qualitative statements highlight the interaction between nature and degree of the risks about the financial tools.

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 2. Summary of important accounting policies (continued)

**TMS 1 Financial Statement Presentation** is for the annual accounting periods starting on / after 1 January 2011. The amendment clarifies that the company requires to submit an analysis about the other comprehensive income in the financial statement cross references or statement of changes in equity for each of the equity items.

**TMS 27 Consolidated and Individual Financial Statements** are effective for the accounting periods starting on/after 1 July 2010. As a result of the changes in TMS 27, this improvement clarifies that the changes in the standards of TMS 21 Exchange Rate Changes' Effects, TMS 31 Business Partners and TMS 28 Investments in Affiliates will be applied on 1 July 2009 or as of the following annual accounting period or will be rewardingly applied as of an earlier date in case that TMS 27 is applied earlier than expected.

**TMS 34 Mid Term Reporting** is for the annual accounting periods starting on / after 1 January 2011. The amendment guides on how to apply the disclosure principles in TMS 34 and makes addition to the required disclosure.

**TFRS 13 Customer Loyalty Programs** are effective for the annual accounting periods starting on / after 1 January 2011. The amendment clarifies how much the sales and promotions given to those customers who are not involved in the customer loyalty programs must be taken into account on basis of the usage value of the gift scores granted to those part of the loyalty,

**TFRS 7 Financial Tools - Disclosures about comprehensive investigation in transactions outside the balance sheet (Amendment)** is effective for the annual accounting periods starting on / after 1 July 2011.

The aim of the amendment is make the financial statement analysts to understand better the the transfer transactions of the financial assets (like securitization) including the probable risks for the transferring part. Besides, the amendment requires additional disclosures in cases that disproportionate financial asset transfer transactions are made towards the end of the accounting period. Such amendments mainly comply with the disclosure requirements of TFRS and US GAAP (American General Accepted Accounting Principles). But this amendment has yet to be approved by the European Union.

The company does not expect the amendments will affect its financial situation or performance.

#### 2.2 Consolidation

The company has started drawing up its consolidated financial statements as of 31 March 2009 in line with the public notice disclosed on the 31 December 2008 dated and 27097 numbered official gazette by the Undersecretariat of Treasury about "Financial Statements' Regulation in Insurance, Reinsurance and Pension Companies". The consolidated financial statements of the company are separately presented to the Undersecretariat of Treasury, too. The company has registered Mapfre General Life Insurance Company in its non-consolidated financial statements by translating the capital increases up-to 31 December 2004 with a proper adjustment coefficient in accordance with the 18 February 2008 dated and 2008/9 numbered sectoral notification by the Undersecretariat of Treasury. Accordingly, the capital increases up-to 31 December 2004 have been registered in the non-consolidated financial statement as considering the increased amount (accrual).

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 2. Summary of important accounting policies (continued)

##### 2.3 Segment reporting

The company produces its policies in Turkey. The company carries on its insurance operations in only one reportable segment and in the non-life elementary branches. Since it is close corporation, it does not make segment reporting.

##### 2.4 Foreign currency exchange

Turkish Central Bank's (TCMB) buying rate constitutes basis for the transactions (insurance policies and other transactions) with foreign currency. At end of the accounting period, the company uses the TCMB buying rates by translating the outstanding balance in foreign currency into the currency in use. Exchange differences are reflected in the financial statement as loss or gain.

Here are the exchange rates at the end of the period:

	31 December 2010			31 December 2009		
	TL/ABD Doları	TL/Euro	TL/GBP	TL/ABD Doları	TL/Euro	TL/GBP
Foreign exchange buying rate	1,5460	2,0491	2,3886	1,5057	2,1603	2,3892
Foreign exchange selling rate	1,5535	2,0590	2,4011	1,5130	2,1707	2,4017

##### 2.5 Tangible fixed assets

All tangible fixed assets are registered on the basis of cost value in the beginning, and until 31 December 2004, they are translated with proper adjustment coefficient and moved on the basis of their re-adjusted cost value. However, those purchased as of early 2005 are moved on the basis of purchase cost value. The tangible assets have been registered on the basis of their net value after the accumulated amortization is discounted from the cost value and - if there is- the impairment value is disintegrated (cost recovery basis).

The tangible assets are depreciated on the basis of their economic life but the land is exceptional because it is assumed to have unlimited useful life. Vehicles, equipment and furniture are depreciated on the basis of reducing balance method while the buildings are subject to the normal depreciation.

Here are the depreciaton periods fixed on the basis of economic useful lifes of the tangible assets:

Properties (Buildings)	12 - 50 years
Furniture and instalitions	3 - 50 years
Vehicles	5 years
Leasehold improvements amount	5 years

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 2. Summary of important accounting policies (continued)

##### 2.6 Investment properties

The lands and buildings held for being used in the business operations or/and administrative purposes or/and leasing profit or/and appreciation are classified as investment properties. The investment properties-excepting the lands-are registered after the accumulated depreciation is reduced from the cost value. Lands are assumed to have an unlimited useful economic life and that is why they cannot be depreciated. However, buildings are subject to depreciation on the basis of the straight-line method. If there are conditions signalling any impairment of the investment properties, an investigation is held. If it is found out that the registered value is higher than the amount recoverable, the value of the investment property is reduced to the amount recoverable by setting a provision. The amount recoverable is determined after selling costs as well as net cash flow to-be gained from usage of the given investment property are discounted to find a reasonable amount. Depreciation period for investment properties is assumed as follows:

Investment properties (Buildings)      10 - 50 years

Besides, there are investment properties which the company holds for sale and closely follows. The company is planning to sell these properties within a year and does not depreciate them since it has met the required conditions under TFRS 5 "Turkey Financial Reporting Standard for Marketable Properties and Discontinued Operations". The investment properties are evaluated with purchase cost and low fair value.

##### 2.7 Intangible fixed assets

The intangible fixed assets consist of the software license. The intangible assets registered on the basis of cost value in the beginning are moved on the basis of re-adjusted cost value after being translated with a proper adjustment coefficient up-to 31 December 2004. Those purchased in / after 2005 are moved on the basis of their cost value.

Value of the intangible assets have been inspected to test whether there is any impairment in case of changing circumstances.

As of 31 December 2010, the intangible assets have been subjected to prorata depreciation with the straight-line method on the basis of their economic use life. The depreciation period for the intangible assets is as follows:

Rights      3 - 15 years

##### 2.8 Financial assets

Financial tools are the agreements increasing the financial assets of one corporation and financial liabilities or capital tools of another corporation. Financial assets:

- cash,
- a contract-based right of receiving cash or another financial assets from a corporation,
- a contract-based right of favourably interchanging financial tools with another corporation, or,
- capital tools of another corporation.

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 2. Summary of important accounting policies (continued)

A financial asset or liability is accounted by adding the transaction expenses - if there is any - on the basis of fair value of the transaction costs that are initially given (for the financial asset) and acquired (for the financial liability). The fair value means the price subject to purchase and sale between the parties in a current transaction, excepting from a compulsory sale and purge. If there is, a quoted market price is the best value reflecting the real value of the financial tool. The assumed fair value of the financial tools have been determined by using current market information as well as suitable evaluation methods.

The company reflects its financial assets or liabilities on the balance sheet if it enters into the related financial tool contracts. The company partly or totally deletes the financial asset from the registration when it loses the control over its rights arising from the related contract. The company can delete the financial liabilities from the registration only when the liabilities given in the contract are abolished, cancelled or terminated.

All normal purchases and sales of the financial assets are reflected on the registration on the transaction date, in other words, when the company agrees to purchase or sell. Such purchases and sales generally requires the transfer of the financial asset within the period determined by market regulations and conditions.

#### Current financial assets

The company classifies its current financial assets as the marketable securities, the marketable securities to-be held until maturity, the marketable securities in the trade book and the receivables from the credits and main operations.

Classification and evaluation of financial investments;

#### a) Marketable financial assets

They are non-derivative financial assets defined as the marketable securities (a) to be held until maturity, (b) the securities in the tradebook, (c) credits and receivables. After the initial registration, the following evaluation of the marketable securities is made on the basis of the fair value.

As of 31 December 2010 and 31 December 2009, all securities constituting the marketable financial assets of the company are in currency of Turkish Lira.

#### i) Public Securities

The public securities among the marketable securities have been evaluated on the basis of fair value. The public securities' value calculated with internal rate of return method has been compared with the best buying order among the current orders in the related exchange market and the difference has been accounted under equity in the "Financial Assets Valuation". The difference between the cost value and the value calculated with internal rate of return method of the public securities is reflected on the income table as interest income.

As of 31 December 2010, the company has no more public securities.

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 2. Summary of important accounting policies (continued)

##### ii) Shares / Marketable securities

Marketable securities are followed on basis of fair market value since the first registration date. Losses or profits are accounted in the financial assets valuation account under the equities. All received dividends are also reflected on the dividend incomes.

Fair value is determined with the securities exchange market's closing price on the balance sheet date.

As 31 December 2010, all securities constituting the marketable financial assets of the company are in Turkish Lira currency.

##### b) Marketable securities to be held until maturity

They are stabilized or flexible assets.

The financial assets subject to reverse repo transactions are classified as the marketable securities to be held until maturity and they are accounted by using effective interest method and with its discounted values after the first registration.

Any impairment is registered in loss/profit account in the income table.

The interest received from the transaction of the marketable securities to be held until maturity are reflected on the non-consolidated income table.

As 31 December 2010, the company has no marketable securities to be held until maturity in its own portfolio.

##### c) Marketable securities in the tradebook

Marketable securities in the tradebook are the tools to gain profits from short-term up and downs in the market. Since the registered date, the marketable securities in the tradebook are followed on the basis of current values. All related realized or non-realize profits and losses are included in the non-consolidated income statement,

As 30 June 2010, the company has no marketable securities in the tradebook in its own portfolio.

##### d) Credits and receivables:

Credits and receivables are the financial assets created by providing service or money to the debtor. The company registers the receivables from the main operations on the basis of initial cost and follows them with registered values. The credits and receivables are moved on the basis of their discounted costs after the first registration date. The provision is allocated if there is a concrete indicator signalling the receivables from insurance operations may not be collected. The related fees, deposits and other costs are not considered as a part of transaction costs and are not reflected on the expense account.

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 2. Summary of important accounting policies (continued)

Besides, the company allocates the provision for collection and legal proceedings for its relative doubtful receivables. This provision is indicated in the balance sheet as "provision for the doubtful receivables from main business operations".

##### **Non-current financial assets**

The long-term investments in equity securities consists of the company's %0.17 shares in General Insurance A.S. Employees Retirement and Social Support Fund Foundation. Such securities, participations and affiliates are indicated in the registration on the basis of cost value.

##### **Registering and deleting financial assets from the entry book**

The company reflects the financial assets and liabilities on the balance sheet in case of entering the relative financial tool contracts. All ordinary purchases and sales of financial assets are reflected on the registration on the date of the delivery. The company deletes whole or a part of the financial asset only when it loses the control over the rights arising from the contract through which it has transferred the ownership risks and benefits. The company deletes the financial liabilities only when its liabilities arising from the contract is abolished, cancelled or terminated.

#### 2.9 Impairment of assets

##### **Financial assets:**

The neutral indicators of that a financial asset or financial assets group are subject to impairment include the following conditions:

- a) Exporter or contractor faces with significant financial difficulties,
- b) The contract has been violated,
- c) Credit side bestows extra-ordinary privileges on debit side due to economical or legal reasons related to the financial difficulties
- d) The debit side is most probably to go bankrupt or another type of financial restructuring
- e) The effective market related to the given financial asset no longer exists due to financial difficulties

As of the balance sheet date, the company evaluates whether there is any indicator and then reflects the impairment if there is any.

Besides, the long term and significant decrease in value of the marketable financial assets is recognized as a natural indicator, too. In accordance with this criteria, TMS 39 (by Turkey Accounting Standards) are different than the UMS 39 (by International Accounting Standards Board). TMS 39 points out that "long-term or significant decrease resulting in drop the cost value" is required in order to determine any impairment of the marketable financial assets while UMS 39 point out that "long-term or significant decrease in fair value resulting in drop under the cost value".

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 2. Summary of important accounting policies (continued)

However, both standards envisages that the accumulated impairment created under equities and consisting of the difference between cost value and current value should be discounted from equities and be reflected as loss on the income statement in case of a natural indicator of impairment. The company has been following the impairment of share via the account of decrease/increase in value of assets in the statement of changes in equity because neither TMS 39 nor UMS 39 clearly defines the terms of "long term" and "significant" nor the Undersecretariat of Treasury clarifies these terms and the given impairment of the securities has taken place for less than a year. In 2009, the company has determined some specific criteria in order to define "long-term" and "significant" by envisaging impairment of some financial assets could extend. So "long-term" means 18-month long impairment of the financial assets while "significant" means %40 decrease in cost value of the financial assets. The company has decided to allocate impairment provision for the financial assets. As of 31 December 2010 has reflected an impairment amount of 202.200 TL (31 December 2009 - 1.764.364 TL) on the non-consolidated income statement.

In case of a neutral indicator that impairment loss happens in the credits and receivables, the related damages are accounted in profits & losses. Besides the company are interested in both its agents and insurances takers and so follows the doubtful receivables subject to legal proceedings and allocates provisions for them.

#### **Non-financial assets:**

In cases that the financial assets are not cashable, it is checked out whether any impairment exists. When their market value exceeds the realizable (cashable) amount, the provision expense for impairment is reflected on the income statement. The realizable amount is the higher one of net selling price and usage value. The usage value means the current value of future cash flows assumed to be received from usage and sale of the asset at the end of its economical life. Net selling price means the remaining amount after the selling costs is discounted from the sales revenue. The realizable amount - if it is available - is determined for each security, otherwise, for the group providing cash flow that the security is included. If the impairment provisions allocated in the previous years is no longer effective or a smaller amount needs to be allocated, the related amount is withdrawn and reflected on the non-consolidated income statement.

#### **2.10 Derivative financial tools**

There is not any derivative financial tool.

#### **2.11 Clarifying financial assets (entering into an account / to appropriate)**

Financial assets and liabilities are clarified and reflected on the non-consolidated balance sheet in case of any legal right and sanction power as well as intention to collect the given assets and liabilities on the net basis or simultaneously result them.



## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 2. Summary of important accounting policies (continued)

##### 2.12 Cash and cash equivalents

Cash and cash equivalents include dated money and cash at call in the safe and bank accounts as well as the credit card amounts. The cash equivalents are easily cashable and they are short investments with maximum 3-month due term and without risk of loss.

Cash and cash equivalents are shown as the total of acquisition cost and the accumulated accrued interests.

##### Cash flow table

Cash and cash equivalents in the cash flow statement are shown as follows:

	31 December 2010	31 December 2009
Safe	13.316	7.061
Banks	481.457.649	243.012.088
- current account	1.430.918	4.615.492
- deposit account	480.026.731	238.396.596
Blocked credit cards	18.427.635	28.668.576
Accrual of interest	3.885.520	10.789.041
Payment orders	(41.377)	(41.376)
<b>Cash and cash equivalents</b>	<b>503.742.743</b>	<b>282.435.390</b>
Blocked credit cards and deposit account of which due term exceeds 3 months	(163.903.232)	(133.608.728)
Accrual of interest	(3.885.520)	(10.789.041)
<b>Cash and cash equivalents basis of cash flow table</b>	<b>335.953.991</b>	<b>138.037.621</b>

##### 2.13 Capital

2.13.1 As of 31 December 2010 and 31 December 2009, the company has a capital and partnership structure as follows:

Name	31 December 2010		31 December 2009	
	Share rate	Share value	Share rate	Share value
Mapfre International S.A. (Mapfre)	99,75%	349.109.046	90,00%	315.000.000
Avor İnS.Gİda Teks.Kimya San.Tic. A.Ş. (Avor)	-	-	9,75%	34.109.046
Others	0,25%	890.954	0,25%	890.954
<b>Total</b>	<b>100,00%</b>	<b>350.000.000</b>	<b>100,00%</b>	<b>350.000.000</b>

The company has a capital of 350.000.000 TL and been divided into 350.000.000 registered shares consisting of 280.000.000 A group and 70.000.000 B group certificates. The corporate stocks are followed within the scope of dematerialization basics. Mapfre International S.A owns all A group certificates.

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 2. Summary of important accounting policies (continued)

In accordance with the share purchase agreement signed between Çukurova Holding A.Ş.(Çukurova) and Mapfre on 23 March 2007, 280.000.000 share certificates with par value of 280.000.000 TL have been transferred to Mapfre S.A. on 20 September 2007. Mapfre S.A.- one of the new partners of the company- has sold out its participation stocks lying outside the scope of insurance to the group companies determined by Çukurova in accordance with the share transfer agreement. The given company's receivables from Çukurova Group companies has been absorbed from Çukurova's receivables from Mapfre S.A. As of 31 December 2010, the company has no more receivables from Mapfre S.A.(31 December 2009 - 93.350.587 TL) (Note 12.2)

Demir Toprak İthalat İhracat ve Tic. A.Ş. has transferred its stocks of 35.000.000 TL which used to constitute %10 out of the company capital stock to Mapfre Internacional S.A. and the transfer has been recorded into the stock registry book of the company.

Avor has become new company partner with %9,75 shares after purchasing %5,43 share from Çukurova Holding, %3,17 share from Demir Toprak İthalat İhracat ve Ticaret A.Ş. and %1,15 from Endüstri Holding in accordance with the share sale agreement signed on 21 November 2008. In reference to the given share purchase, the company has provided Avor (Çukurova Group Company) with a credit of 34.000.000 USD (credit). The due term for the credit is 20 September 2010 and the interest rate is %15. The interest payment of the credit will be made together with the principal amount at the end of due term. In accordance with the given credit agreement, Avor agrees to pay its credit loan with its dividend income from the company. Whole of the loan has been paid pack by absorbing the dividends as of 31 December 2010.

Also in scope of the credit contract, Avor provides Mapfre stock purchasing optionn while Mapfre provides Avor with stock selling option until 20 September 2010. Besides, Mapfre has put lien on the stocks owned by Avor (Note 12.2). Avor has used purchasing right for all of the stocks and transferred the stocks given to Mapfre Internacional S.A. and the related transaction was registered in the book of stock registry at the executive committee meeting on 29 September 2010,

The company did not increase its capital within the accounting period ending on 31 December 2010

In the extraordinary general assembly on 24 December 2008, the company has made some amendments in the principle agreement of the company. These amendments were disclosed on the 8 January 2009 dated official gazette. In these amendments, 350.000.000 stocks have been divided into 2 groups (280.000.000 A Group and 70.000.000 B Group). Also, some decisions requiring at least %90 votes in favour (changes in principle agreement, capital increase, merger, participation and distribution of less than 70 per cent out of dividend) have been specified in the principle agreement. Some limits on the stock transfer to third parties have been introduced and agreed to distribute at least %70 of the dividends within the limits of related legal regulations.

**2.13.2** As of 31 December 2010 and 31 December 2009, there is no more privilege for corporate stocks.

**2.13.3** As of 31 December 2010 and 31 December 2009, the company has not been subject to the registered capital system.

**2.13.4** More information related to the company's capital is available in note 15.

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 2. Summary of important accounting policies (continued)

##### 2.14 Insurance and investment contracts - classification

###### Insurance contracts

The company has only insurance contracts as of 31 December 2010 and 31 December 2009 and so has no investment contract.

The insurance contracts transfer the insurance risk. The insurance contracts protect the insurance taker against economical consequences of any damages under the conditions agreed and guaranteed in the insurance policy. The company mainly operates in the branches of fire, natural disasters, logistics, motorway vehicles, shipping, railway-vehicles, accidents, general responsibility, misuse of trust, financial losses, credits and legal contracts. The company also operates as reinsurer in the health branch.

###### Reinsurance contracts

The company transfers the insurance risks in the operational fields to reinsurer companies in the scope of reinsurance contracts. Reinsurance assets mean the receivables from the reinsurance companies. Impairment of the reinsurance assets has been evaluated on the date of the report.

Income and expenses related to reinsurance contracts are accounted in the gain/loss accounts on basis of the periodical principle.

Reinsurance contracts do not abolish the company's liabilities arising from the insurance contracts and do not transfer the current insurance risk in the financial statements.

Registered premiums and damages are separately shown as gross and reinsurance shares in the financial statements.

Reinsurance assets and liabilities are deleted from the financial statement as soon as the contract ends.

##### 2.15 Discretionary participation features in insurance and investment contracts

There is not. (31 December 2009 - There is not).

##### 2.16 Investment contracts without discretionary participation feature

There is not (31 December 2009 - There is not).

##### 2.17 Payables

Financial liabilities based on the contract:

- envisaging to give financial assets or cash to another corporation, or
- envisaging that the companies exchanging financial tools.

As of 31 December 2010 and 31 December 2009 no credit has been received.

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 2. Summary of important accounting policies (continued)

##### 2.18 Taxes

###### Deferred income tax

The deferred tax is reflected by taking into account the balance sheet liability method as well as the tax effects arising from the temporary differences between active and passive values reflected in the financial reporting and the legal tax account. The deferred tax liability should be calculated on basis of all temporary taxable differences.

The deferred tax assets needs to be calculated on basis of all temporary differences and un-used tax losses if it is possible to create sufficient profit in order to decrease all discountable temporary differences and un-used tax losses in the future.

The company has reflected its deferred tax active and liabilities on the financial statements by clarifying them. The deferred tax is calculated on the rates assumed to be effective in the period when the assets take place or liabilities are met. And then it is registered in the non-consolidated income table as loss or gain. In addition, the deferred tax is directly linked to the equity securities account group if it is related with equities in the same or different period.

##### 2.19 Employee benefits

###### Defined benefit plan:

The company requires to pay indemnity to the personnel in cases of retirement and discharge in line with the current Labour Code unless there is a reasonable condition for firing or the personel has voluntarily resigned. Such indemnity per year is at the amount of 30-day fee but not more than 2.517 TL as of 31 December 2010. (31 December 2009- 2.365 TL).

As of 1 January 2011, the seniority indemnity ceiling has been increased to 2.623 TL.

Seniority payment (severance allowance) should be calculated in consideration TMS 19 (Turkey Accounting Standard for Employee Benefits). So, an actuarial accounting has carried out for the related liabilities and registered as of the dates of 31 December 2009 and 31 December 2010.

###### Pension rights and defined contribution plan:

The company employees are members of the Social Support and Retirement Fund. The company has been making premium payment to the fund for the employees. The technical financial statements of the fund have been audited in line with the chapters 1, 21, 28 and 31 of 5684 Insurance Code.

The amendment published on the 1 November 2005 dated and 25983 numbered official gazette required that the retirement funds would have been transferred to the Social Security Institution (SGK) within the next 3 years. However, this regulation was cancelled by the Constitutional Court - upon an application by the president on 2 November 2005 - on 22 March 2007 and the related decision of E. 2005/39, K. 2007/ was published on the official gazette on 31 March 2007.

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 2. Summary of important accounting policies (continued)

The Constitutional Court disclosed the detailed decision including provisions etc. on 15 December 2007 on the 26372 numbered official gazette. Turkish Parliament re-evaluated the legal amendment and a designed new law by adding more employee beneficiaries. Then the new law came into force after being published on the 8 May 2008 dated and 26870 numbered official gazette.

The main opposition party applied to the Constitutional Court on 19 June 2008 by demanding cancellation some chapters in the given code.

SGK, Finance Ministry, the Undersecretariat of Treasury, the Undersecretariat of State Planning Institution, BDDK, TMSF, a representative from the Fund constitute a commission to coordinate the transfer the accumulated funds to the SGK. In line with the new code, the rights of the fund participants and those receiving pensions have been guaranteed while the employer companies continue premium payments.

The company in consideration the above mentioned conditions has separately calculated 2.370.024 TL and 2.092.686 TL actuarial balance deficits and reflected them on the registrations on 31 December 2010 and 2009,

#### 2.20 Provisions

##### Provisions, conditional liabilities and conditional assets

The provisions are reflected on the registrations only when the company has a related liability and it is possible to loose profitable resource because of this liability and the amount of liability can be reliably estimated. The monetary value decrease becomes significant in time, the provisions are accounted by considering current monetary value in the market as well as pre-tax rate and future cash flows.

The conditional liabilities are not reflected on the financial statements but disclosed in the cross references unless there is high possibility of resource transfer. Conditional assets are also not reflected on the financial statements but disclosed in the cross references in case of economical gain.

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 2. Summary of important accounting policies (continued)

##### Insurance technical provisions

The company has evaluated its insurance technical provisions within scope of TFRS 4 as of 31 December 2010.

##### a) Provision for unearned premiums:

In accordance with the "Technical Provisions Regulation" which was published on the 7 August 2007 dated and 26606 numbered official gazette and then came into force as of 1 January 2008, The provision for unearned premiums, excluding earthquake insurance premiums and logistics premiums in the policies dated earlier than 14 June 2007, consist of the insurance contracts signed in the period of 1 January - 31 December 2010 and extended into the next term on basis of gross day number.

In line with the 4 July 2007 dated notification by the Undersecretariat of Treasury, the provision for unearned premiums has been calculated for the earthquake insurance premiums in the policies signed after 14 June 2007. As for the logistics insurance contracts, the relative provision is calculated by taking %50 out of the premiums registered over the last 3 months.

Besides, in reference to the 28 December 2007 dated and 2007/25 numbered notification by the Undersecretariat of Treasury, it has been decided to continue the application of the provision for the unearned premiums after deducting a commission for the policies signed before 31 December 2007 because the provision for the unearned premiums in 2007 were transferred to 2008 after deducting a commission for 2007.

A sectoral announcement of "technical provision application" was made by the Undersecretariat by Treasury on 27 March 2009. It requires that the policies related to the unearned premiums start and terminate at 12 o'clock. All policies are taken into account as half day for both signature date and termination date.

The provision for unearned premiums is taken into account with current reinsurance contract's conditions in the reinsurer share amount.

The amounts for the undivided reinsurance agreements related to the future periods are followed in the deferred expenses account.

So that, the company has calculated the earned premiums for the policies signed in 2007 but still in effect as of 31 December 2010 after deducting proper commissions. As to premiums registered on/after 1 January 2008, they are followed under the operational expenses account and clarified in the income statement while the related commissions paid and premiums transferred to the reinsurers are reflected in deferred income and deferred expense accounts on the balance sheet. As of 31 December 2010, the deferred commission expense is 29.174.761 TL (31 December 2009 - 23.943.516 TL) and the deferred commission income is 12.363.351 TL (31 December 2009 - 12.694.316 TL) in the financial tables.

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 2. Summary of important accounting policies (continued)

##### b) Provision for ongoing risks:

For the insurance contracts signed as of 1 January 2008, in accordance with the technical provisions regulation, the provision for ongoing risks have been allocated in the insurance types in which earned premiums are not sufficient in comparison with the risk level over the insurance period,

The companies, allocating the provision for ongoing risks, have to carry out sufficiency test for the last 12 months at each period because of the risk that the compensations arising from the current insurance contracts may exceed the allocated provision for the unearned premiums in the given contracts. If the loss ratio exceeds %95 for the insurance types to be determined by the Undersecretariat of Treasury, this exceeding ration is multiplied with the provision for net unearned premiums to calculate the amount as the provision for the ongoing risks in that type of insurance.

The company has allocated 828.664 TL as provision for ongoing risks as of 31 December 2010 (31 December 2009 - 918.960 TL).

##### c) Provision for outstanding losses and compensation:

The company allocates damages provision for all liabilities that were registered in the damages folders but have yet to be paid at the end of the year. The provision for outstanding losses is determined on basis of the expert reports or the evaluation by the insurance taker and expert. (31 December 2009 - Although the provision for outstanding losses is fixed in line with the expert report or the joint evaluation by insurance taker and the expert, if there is any recourse or equivalent income items, they are reduced in calculation of the compensation for the outstanding losses.)

In line with the "Amendment in Regulation of Insurance, Reinsurance and Pension Companies' Technical Provisions and Related Assets" which was disclosed on the 28 July 2010 dated and 27655 numbered official gazetta and came into force as of 30 September 2010, a compensation amount has been fixed at the end of each accounting period by using actuarial methods but this amount is not reported immediately. In this calculation, the available methods are Standard Chain, Damages/Premium, Cape Cod, Frequency/Volume and Munich Chain. The company uses standard actuarial chaining stairs method in its compensation calculations for all types of insurances.

The actuarial chaining stairs method calculations are carried out with the gross amounts and net figures are found out in the current insurance agreements or related reinsurance agreements of the company.

Besides, through the actuarial method, a sufficiency difference calculation is made for the next year in which types of insurance a big damages has been picked out.

Big damages elimination is calculated in line with the "Big Damages" notification dated 18 October 2010 and numbered 2010/16 by the Undersecretariat of Treasury. The company has not made any big damages elimination in calculating the provision for the outstanding losses since 31 December 2010.

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 2. Summary of important accounting policies (continued)

In order to test the compensation amount for those happened but have yet to be reported, a separate calculation is carried out. In this calculation, the figures at the end of the accounting term are taken as gross in order to cover the last 12 months. The compensations, which happened earlier than these dates but are reported later, are recognized as the incurred but not reported compensation amount. In the calculation, the last 5 years are inspected to see whether there is any income like recourse and salvage. If there is any, they are discounted. The remaining amount is divided into the premium produced over these years to fix a weighed average. So the incurred but not reported compensation amount in the current period is calculated by multiplying the weighed average with the total gross premium production of the previous 12-month period.

The amount determined in result of the test, the amount calculated with the chosen actuarial chaining stairs method are compared on basis of total of the insurance types. And then the bigger amount is reflected on the financial statements as the incurred but not reported compensation amount. The company have taken into account all related results over the last 5 years and ended up with fixing an incurred but not reported compensation amount of net 21.059.806 TL as of 31 December 2010 (31 December 2009 - 21.996.638 TL). As to the calculation for the new branches (insurance types), the company carries out its calculation over the five years following the first operational date. The 18 October 2010 dated and 2010/16 numbered notification by the Undersecretariat of Treasury point out that a sufficiency difference of the provision for the outstanding loss is determined with the 5-year calculations starting on the first operational date in the new insurance branches. According to such calculations, the company has reflected 2.629 TL net IBNR as of 31 December 2010 for the profit loss insurance which is a new branch to operate for it. Besides, according to the outstanding sufficiency statements, no outstanding sufficiency difference has been calculated for this branch.

The 18 October 2010 dated and 2010/16 numbered notification by the undersecretariat of Treasury has another article about the accounting of recourse and salvage incomes. In line with this, the probable provisions for recourse and salvage income have been followed in the account of "provisions no longer required" for the part calculated as of 31 December 2009 and transferred to 2010 in the current period.

In this scope, the company has allocated 124.029.250 TL as of 31 December 2010 (31 December 2009 – 113.239.927 TL) as provision for net outstanding losses.

The company has carried out the calculation of the provision for the outstanding losses as of the balance sheet date after 31 December 2009. However, it includes the incurred but not reported compensation amount and the sufficiency difference. As of 31 December 2009, the company has reflected 576.839 TL as a provision for outstanding loss and compensation, 319.740 TL as actuarial chaining stairs method and 7.899.758 TL as estimated recourse and salvage income on its financial statements.



## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 2. Summary of important accounting policies (continued)

##### d) Equalization Provision:

The company has been calculating equalization provision since 1 January 2008 in line with the "Technical Provisions Regulation" which was published on the 7 August 2007 dated and 26606 numbered official gazette by the Undersecretariat of Treasury.

In accordance with this regulation, insurance companies have to allocate equalization provision for the insurance contract related to natural disasters in order to balance probable up and downs in the following period and avoid any catastrophic risks. Such provision is calculated on basis of %12 out the net premium for credits and quake insurances. While calculating the net premium, the amounts for undivided reinsurance agreements are considered as transferred premium. The company, as of 31 December 2010 and 2009 , have allocated 4.371. 332 TL and 2.602.500 TL as equalization provision and accounted this amount in the long-term other technical provisions.

#### 2.21 Income accounting

##### Premium revenue

The registered premiums means the remaining amount after the cancelled policies are discounted from the total of the policies issued over the period. Premium revenues are reflected on the non-consolidated financial statements on accrual basis by allocating a provision for the registered premiums.

##### Commission revenues and expenses

The commissions paid related to the registered premiums and the commission earnings received related to the premiums transferred to the reinsurance companies are accrued within the current period. The commissions followed, received and paid on accrual basis have been accounted under the operational expenses account in the non-consolidated income statement while they are chronologically registered in the income and expense accounts related to future months.

##### Recourse and salvage income

The company has been accounting the recourse receivables from corporations or individuals on the accrual basis as of 31 December 2009 in reference to the 18 January 2005 dated and B.02.1.HM.O.SGM.0.3.1.1 numbered notification by the Undersecretariat of Treasury. The company, also, has been allocating the provisions for doubtful receivables for its recourse receivables which are at the stage of the legal proceedings. As to the 13 December 2010 dated and non-consolidated financial statements, the company has allocated the provision for its recourse receivables which exceed the compensation date 6 months (for the receivables from the insurance companies) and 4 months (for the receivables from individual or corporations). While doing so, the company has acted in accordance with the 20 September 2010 dated and 2010/16 numbered as well as 14 January 2011 dated and 2011/1 numbered notifications by the Undersecretariat of Treasury. As of 31 December 2010, the recourse receivables are the amount of 694,522 TL (31 December 2009 - There is not).

##### Interest income

The interest income is registered on the accrual basis by using the effective return method.

##### Dividend income

Dividends are registered as income on the date of right to receive.

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 2. Summary of important accounting policies (continued)

##### Rental income

Monthly rental income is registered in the financial statements,

##### 2.22 Financial lease

Financial lease requiring to transfer all risks related to leased assets to the company are reflected on basis of contract value as of the signature date. Leasing payments are divided as premium amount and financial expense (might increase with interests in case of payment failure) for each accounting term. Financial expenses are directly reflected on the non-consolidated income statement. The activated leased assets are subject to deprivation on basis of its economic use life.

##### Operating lease

The leasings are called operational rentals when the owner of the assets still keep all risks and benefits related to the given asset. Operational rental payments are directly registered in the non-consolidated income statement over the leasing period.

##### 2.23 Dividend distribution

##### Earning per share

Earning per share is calculated by dividing the net periodical profit to be distributed to share holders into the weighed average number of the share certificates. If the capital is increased with internal resources during the accounting year, it is taken account in calculation of the weighed average number as well as dividends.

##### 2.24 Related parties

In case of at least one of the following criteria, the party is considered to be related with the company:

- (a) If the given party, directly or indirectly or through one or more than one mediators:
  - (i) it controls the company or is controlled by the company or be under the jointly controlled by the company (including parent companies and affiliates in the same business sector);
  - (ii) it has controlling shares to make significant effect on the company; or
  - (iii) it has jointly control over the company;
- (b) If the party is a participation of the company;
- (c) If the party is a jointy venture in which the company have invested;
- (d) If the party is a member of the key executives of the company or its parent company;
- (e) If the party is a relative (family member) of any individuals given in (a) or (d);
- (f) If the party is a corporation which is controlled by or is under significant influence or of which any individual given in (d) or (e) has significant controlling shares; or
- (g) If the party has post-employment benefit plans for the employees of the company or another company which is a related party with the company.

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 2. Summary of important accounting policies (continued)

A related party transaction is the transfer of sources, services or liabilities between the parties without considering whether it is carried out against remuneration.

In the non-consolidated financial statements dated 31 December 2010 or the related explanatory cross sections, the Mapfre Group companies, excepting from the partners, are defined as the related parties of the other partners and related parties with the company management.

##### 2.25 Other monetary items in balance sheet

They have been recorded in the balance sheet with their registered value.

##### 2.26 Events occurring after the balance sheet date

The events occurring after the company's balance sheet date and which might affect the situation on the balance sheet date (the event requiring adjustments) are reflected on the financial statements. The events which do not require any adjustment are disclosed in the cross references if they have importance.

##### 2.27 Comparative information

As of 31 December 2010, the payables from insurance operations are clarified with the credit card receivables in other cash and cash equivalents account. The same application has an impact of 16.025.634 TL as of 31 December 2009. However, since the financial statements dated 31 December 2009 have been disclosed earlier, those financial statements dated 31 December 2009 and presented in the annex for comparison do not include the above mentioned clarification.

#### 3. Significant accounting estimates and decisions

While preparing the financial statements, the company management needs to make estimates and assumptions determining the amount of incomes & expenses as of the reporting date as well as possible liabilities and guarantees which may happen as of the balance sheet date and affect the reported amount of the assets and liabilities. The realized results may be different than the estimated ones. The estimates are regularly revised, the required amendments are made and reflected in the non-consolidated income statement in the period when they take place. The used estimates are mainly related with provisions for outstanding insurance losses and compensations, other technical provisions and impairment value of the assets. And, such estimates are explained in the relative cross references in details. In additions, the significant assumptions used for the financial statement as follows:

##### Provision for severance payment:

The company has calculated the provision for severance payment by using actuarial estimates and reflected it on the registrations in the financial statements.

##### Provision for doubtful receivables:

The company has put aside 19.410.322 TL (31 December 2009 - 18.501.504 TL) as the provision for doubtful receivables for relative mediators and insurance takers who will not able to make payment in the financial statements of the accounting period ending on 31 December 2010.

##### Deferred tax:

Deferred tax assets are registered in case that it is possible to utilize temporary differences and accumulated loss by taking advantage of postponing the tax payments. As determining the amount of the to-be registered deferred tax, it is necessary to make significant estimates and evaluations about the possible future taxable profits (Note 21).

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 4. Insurance and Financial Risk Management

##### Insurance Risk

Insurance risk means that damages whose basic risk about the company's insurance policies has occurred and the payments of damages are more than expectations. Therefore, principle target of the company for insurance risk management is to be sure that there is enough insurance equivalences for these liabilities.

Company carries out business in the field of elementary and issues policies in following main branches:

- Fire and natural disasters
- Shipping
- Land vehicles
- Rail vehicles
- Air vehicles
- Water crafts
- Accident
- General liability
- Land vehicles liability
- Water crafts liability
- Air vehicles liability
- General damages
- Breach of trust
- Financial losses IV
- Financial losses VII
- Financial losses IX
- Credit
- Legal Protection

For Shipping branch, generally short-term policies within the period of shipment are issued while for engineering branch construction-assembly policies valid during the project and for other products 12-month policies are issued.

Principle risks that the Company must manage are natural disasters like earthquake, flood etc., fire, accident and robbery risks. In these branches, because tariff system is applied, risk management is done through the pricing and segmentation. And also the Company receives reinsurance support in order to meet the compensation claims both on risk basis and arising from a catastrophic damage.

The Company manages the risks that may arise from the accident branch through the segmentation and reasonable pricing, taking geographic and humane conditions into account.

The Company, also, carries business in health branch as reinsurer. The risks that may occur in this branch shall be managed through the determination and pricing the reinsurance agreement within the frame of appropriate limitations.

Therefore, the Company manages the relating risks through a comprehensive insurance agreement portfolio diversified by itself, reinsurance agreements and policy issuing strategies.

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 4. Insurance and Financial Risk Management (continued)

Insurance coverage given for non-life insurance branches as of the dates December 31st 2010 and December 31st 2009 is as below:

	31 December 2010	31 December 2009
Land vehicles	5.779.817.100	4.477.845.829
Land Vehicles Liability	1.181.975.670.146	724.991.263.392
Accident	8.034.412.144	7.014.889.648
Water Crafts	320.912.011	303.639.513
Air Vehicles	299.689.411	310.417.594
Air Vehicles Liability	1.255.924.600	1.130.115.990
General Liability	5.912.795.769	4.933.031.995
Fire and Natural Disasters	39.235.395.347	36.587.300.457
General Damages	21.087.875.222	34.643.165.479
Shipping	9.850.728.699	5.250.707.318
Financial Losses	835.265.782	1.314.070.357
Legal Protection	1.955.753.360	-
	1.276.544.239.591	820.956.447.572

Damage progress table of the Company that is prepare as of the date 31 December 2010 is included in Footnote 17.

#### Financial Risk Management

Certain financial instruments used by the Company are cash, forward bank deposit, reverse repo transactions, share, state bonds and receivables and credits from main activity areas. Because of the financial instruments and insurance agreement liabilities, the Company faces some financial risks. Risks arising from the used instruments are; market risk, foreign currency risk, liquidity risk and credit risk. Company management manages the risk in a way as below.

#### (a) Market Risk

##### i) Price risk

Because the Company owns the financial assets evaluated by market price, it incurs the price risk. On the following table, the effect of the 5% appreciation/(decrement) of shares constituting the available-for sale financial assets in company's portfolio over the Company's assets is shown; provided that all variables shall remain stable:

	31 December 2010	31 December 2009
<b>Market Price Increase / (Decrease)</b>	<b>Effect on Equity Capital</b>	<b>Effect on Equity Capital</b>
%5	120.883	837.610
{%5}	(120.883)	(837.610)

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 4. Insurance and Financial Risk Management (continued)

##### (a) Market Risk

##### (ii) Interest risk

Interest risk means the changes in fair value and future cash flow arising from the fluctuations in market interests. Interest risk is followed-up closely by the Company through the review of market information and appropriate evaluation methods.

On the following table, the effect of the 5% appreciation/(decrement) of interest rates of Company's the available-for sale financial assets in company's portfolio and states bonds in marketable securities in the trade book over the Company's assets, as of the date 31 December 2010 and 31 December 2009, is shown; provided that all variables shall remain stable:

	31 December 2010	31 December 2009
Interest Rate Increase / (Decrease)	Effect on Equity Capital	Effect on Equity Capital
%5	-	79.746
(%5)	-	(79.746)

##### (iii) Currency Risk

Currency risk results from the fact that the Company owns foreign currency debt and assets and from the changes in foreign exchange rates during covert of these into TL.

As of the date 31 December 2010 and 31 December 2009, Company's foreign currency position is as below:

31 December 2010	USA Dollar		Euro		British Pound		Other Currency Units		Total
	TL Equivalence	TL Equivalence	TL Equivalence	TL Equivalence	TL Equivalence	TL Equivalence	TL Equivalence		
Cash and Securities	166.830	257.919	80.685	165.332	400	955	-	424.206	
Receivables from Insurance Activities	14.299.529	22.107.072	4.849.480	9.937.069	13.617	32.526	1.191	32.077.858	
Receivables from Reinsurance Activities	-	-	-	-	-	-	-	-	
Credits	-	-	-	-	-	-	-	-	
Receivables from Shareholders	-	-	-	-	-	-	-	-	
<b>Total Assets</b>	<b>14.466.359</b>	<b>22.364.991</b>	<b>4.930.165</b>	<b>10.102.401</b>	<b>14.017</b>	<b>33.481</b>	<b>1.191</b>	<b>32.502.064</b>	
Real operating liabilities	994.360	1.537.281	866.299	1.775.133	-	-	-	3.312.414	
Technical provisions, net	4.849.593	7.497.471	2.887.345	5.916.459	10.063	24.036	1.998	13.439.964	
<b>Total Liabilities</b>	<b>5.843.953</b>	<b>9.034.752</b>	<b>3.753.644</b>	<b>7.691.592</b>	<b>10.063</b>	<b>24.036</b>	<b>1.998</b>	<b>16.752.378</b>	
<b>Foreign exchange position, net</b>	<b>8.622.406</b>	<b>13.330.239</b>	<b>1.176.521</b>	<b>2.410.809</b>	<b>3.954</b>	<b>9.445</b>	<b>(807)</b>	<b>15.749.686</b>	

31 December 2009	USA Dollar		Euro		British Pound		Other Currency Units		Total
	TL Equivalence	TL Equivalence	TL Equivalence	TL Equivalence	TL Equivalence	TL Equivalence	TL Equivalence		
Cash and Securities	2.418.349	3.641.308	5.420.193	11.709.243	21	50	-	15.350.601	
Receivables from Insurance Activities	10.910.898	16.428.539	4.100.917	8.859.212	8.195	19.579	579	25.307.909	
Receivables from Reinsurance Activities	-	-	77.651	167.749	-	-	-	167.749	
Credits	35.755.366	53.836.855	-	-	-	-	-	53.836.855	
Receivables from Shareholders	-	-	21.483.040	46.409.812	-	-	-	46.409.812	
<b>Total Assets</b>	<b>49.084.613</b>	<b>73.906.702</b>	<b>31.081.801</b>	<b>67.146.016</b>	<b>8.216</b>	<b>19.629</b>	<b>579</b>	<b>141.072.926</b>	
Real operating liabilities	6.920.538	10.420.254	764.587	1.651.737	-	-	-	12.071.991	
Technical provisions, net	6.331.722	9.533.674	3.214.727	6.944.775	4.883	11.666	2.686	16.492.801	
<b>Total Liabilities</b>	<b>13.252.260</b>	<b>19.953.928</b>	<b>3.979.314</b>	<b>8.596.512</b>	<b>4.883</b>	<b>11.666</b>	<b>2.686</b>	<b>28.564.792</b>	
<b>Foreign exchange position, net</b>	<b>35.832.353</b>	<b>53.952.774</b>	<b>27.102.487</b>	<b>58.549.504</b>	<b>3.333</b>	<b>7.963</b>	<b>(2.107)</b>	<b>112.508.134</b>	

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 4. Insurance and Financial Risk Management (continued)

##### (a) Market Risk

In the below table, the effect of the foreign exchange increase/(decrease) of 10 % in Company's portfolio against TL in the level of profit before tax - provided that all other variables shall remain stable - is shown:

31 December 2010	Currency unit	Exchange value Increase / (Decrease)	Pre-tax effect over profit
	USA Dollar	10%	1.333.024
		(10%)	(1.333.024)
	Euro	10%	241.081
		(10%)	(241.081)
	British Pound	10%	944
		10%	(944)

31 December 2009	Currency unit	Exchange value Increase / (Decrease)	Pre-tax effect over profit
	USA Dollar	10%	5.395.277
		(10%)	(5.395.277)
	Euro	10%	5.854.950
		(10%)	(5.854.950)
	British Pound	10%	796
		10%	(796)

##### (b) Credit Risk

Credit risk means the situation that the company may encounter as a result of the fact that the third parties with whom the company has mutual relations fails to fulfil their obligations partially or wholly, violating the provisions of the signed agreement. The Company tries to manage the credit risk by evaluating the reliability of the parties that it has relation with. Considering the area of activity, the Company manages the credit risk by taking security if it thinks it necessary.

Financial asset subject to the credit risk included in company's financial instruments consists of cash and securities, reverse repo transactions, state bonds and real operating receivables, excluding cash account. Total amount of the said financial instruments is TL 677.376.935 and represents the maximum credit risk (31 December 2009 - TL 584.522.934).

Information concerning the company's credit risk management is included in note 12.

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 4. Insurance and Financial Risk Management (continued)

##### (c) Liquidity risk

Liquidity risk means the risk of failure to satisfy the funding needs of a company. Company measure and evaluate the liquidity risk on periodic basis within the framework of the compliance with liquidity risk policies of the group to which it is affiliated. As of the date 31 December 2010, maturity distribution of company's unreduced commercial liabilities and financial liabilities according to maturity dates.

31 December 2010	Less than 1 Year	1 year-5 years	More than 5 years	Total
Liabilities from Reinsurance Activities	17.877.536	-	-	17.877.536
Liabilities from Insurance Activities	3.183.049	-	-	3.183.049
Other Liabilities	2.412.188	-	-	2.412.188
	23.472.773	-	-	23.472.773

31 December 2009	Less than 1 Year	1 year-5 years	More than 5 years	Total
Liabilities from Reinsurance Activities	17.022.173	-	-	17.022.173
Liabilities from Insurance Activities	17.343.998	-	-	17.343.998
Other Liabilities	2.174.014	-	-	2.174.014
	36.540.185	-	-	36.540.185

##### Capital Management

Arrangements relating the capital adequacy, are calculated on semi annual periods basis within the "Regulation Relating the Measurement and Evaluation of Pension Companies' Capital Adequacy with Insurance and Reinsurance" published in Official Gazette of Undersecretariat of Treasury dated 19.01.2009 and no. 26761. Main target of company's capital management is to constitute and maintain a strong capital structure and to maximize the value it provided to its shareholders in order to continue the company's operations.

According to the capital adequacy table updated within the framework of "Regulation Relating the Measurement and Evaluation of Pension Companies' Capital Adequacy with Insurance and Reinsurance" published in Official Gazette of Undersecretariat of Treasury dated 01.03.2009 and no. 27156, Company's capital surplus is calculated as an amount of TL 288.817.313 (31 December 2009 - TL 296.117.325).

#### 5. Segment Information

is explained in footnote 2.3.



## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 6. Tangible Assets

**6.1 Redemption and depletion with all depreciation expenses of the period** are TL 2.825.325 (31 December 2009 - TL 1.155.172).

**6.1.1** Depreciation expenses : TL 2.522.277 (31 December 2009 - TL 1.034.247).

**6.1.2** Redemption and depletion : TL 303.048 (31 December 2009 - TL 120.925).

**6.2 The increase (+) or decrease (-) in depreciation expenses produced by depreciation calculation methods and the amendments in these methods:** None (As of the date 31 December 2009, the Company revaluated the remaining lives for real estates whose book values are TL 10.726.659 as of the date 31 December 2009, of real estates for use and investment. Effect of the economic life change on net profit is in the direction of income and in an amount of TL 307.174.)

#### 6.3 Movements of fixed assets within current period:

**6.3.1 Cost of tangible assets purchased, manufactured or constructed:** TL 6,142,761

(31 December 2009 - TL 6,167,306)

**6.3.2 Cost of tangible assets sold or scrapped:** TL 12,612,190

(31 December 2009 - TL 4,062,330)

**6.3.3 Evaluation increases occurred during current period:** N/A

(31 December 2009 - N/A).

**6.3.4 Nature, total amount, starting and completion date and completion degree of ongoing investments:** There is no ongoing investment as of the date December 31st 2010.

(31 December 2009 - None).

#### Tangible Asset Movement Table:

	1 January		Transfers		Adjustments	31 December
	2010	Additions	Outputs		(Note 6.2)	2010
<b>Expenditure:</b>						
Real estate for use	18.181.742	912.008	(67.739)	1.222.540	-	20.248.551
Motor vehicles	3.411.978	629.334	(838.835)	471.474	-	3.673.951
Fixtures and Fittings	4.791.127	3.107.845	(81.561)	133.866	-	7.951.277
Leasehold improvement amounts	999.690	304.141	-	-	-	1.303.831
Advances relating Tangible Assets (*)	344.962	858.526	-	(1.203,488)	-	-
<b>Total cost</b>	<b>27.729.499</b>	<b>5.811.854</b>	<b>(988.135)</b>	<b>624.392</b>	<b>-</b>	<b>33.177.610</b>
<b>Accrued Depreciation:</b>						
Real estate for use	(3.150.757)	(417.645)	10.699	(71.863)	-	(3.629.566)
Motor vehicles	(2.811.038)	(651.894)	797.511	-	-	(2.665.421)
Fixtures and Fittings	(3.289.769)	(1.201.167)	-	-	-	(4.490.936)
Leasehold improvement amounts	(223.614)	(197.036)	-	-	-	(420.650)
<b>Total accrued depreciation</b>	<b>(9.475.178)</b>	<b>(2.467.742)</b>	<b>808.210</b>	<b>(71.863)</b>	<b>-</b>	<b>(11.206.573)</b>
<b>Net book value</b>	<b>18.254.321</b>	<b>3.344.112</b>	<b>(179.925)</b>	<b>552.529</b>	<b>-</b>	<b>21.971.037</b>

(\*) As of the date 31 December 2010, there is no any advance given by the Company. (31 December 2009 - TL 344.962).

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 6. Tangible Assets (continued)

	1 January 2009	Additions	Outputs	Adjustments (Note 6.2)	31 December 2009
<b>Expenditure:</b>					
Real estate for use	14,656,638	3,525,104	-	-	18,181,742
Motor vehicles	3,781,643	229,226	(624,443)	25,552	3,411,978
Fixtures and Fittings	3,543,012	1,248,115	-	-	4,791,127
Leasehold improvement amounts	247,074	752,616	-	-	999,690
Advances relating Tangible Assets (*)	-	344,962	-	-	344,962
<b>Total cost</b>	<b>22,228,367</b>	<b>6,100,023</b>	<b>(624,443)</b>	<b>25,552</b>	<b>27,729,499</b>
<b>Accrued Depreciation:</b>					
Real estate for use	(3,148,638)	(331,302)	-	329,183	(3,150,757)
Motor vehicles	(2,950,600)	(403,999)	543,561	-	(2,811,038)
Fixtures and Fittings	(2,824,759)	(465,010)	-	-	(3,289,769)
Leasehold improvement amounts	(150,633)	(72,981)	-	-	(223,614)
<b>Total accrued depreciation</b>	<b>(9,074,630)</b>	<b>(1,273,292)</b>	<b>543,561</b>	<b>329,183</b>	<b>(9,475,178)</b>
<b>Net book value</b>	<b>13,153,737</b>	<b>4,826,731</b>	<b>(80,882)</b>	<b>354,735</b>	<b>18,254,321</b>

There is a mortgage of TL 166.151 on real estates for use in favour of Undersecretariat of Treasury.

The Tangible Assets acquired by Company as lease holder within financial lease transactions have the undermentioned balances:

	31 December 2010	31 December 2009
Cost - capitalized financial lease agreements (fixtures and fittings)	800,578	800,578
Accrued Depreciation	(795,473)	(779,869)
<b>Net book value</b>	<b>5,105</b>	<b>20,709</b>

Company has reflected its operational lease expenses in an amount of TL 1,598,684 on its income statement in current period ending on the date 31 December 2010 (31 December 2009 - TL 872,064).

#### 7. Investment Property

	1 Januar 2010	Additions	Outputs	Transfers	31 December 2010
<b>Expenditure:</b>					
Land	16,751,659	-	-	-	16,751,659
Buildings	2,625,856	-	(61,876)	(624,392)	1,939,588
Held for sale buildings	20,212,407	330,907	(11,562,179)	-	8,981,135
<b>Total cost</b>	<b>39,589,922</b>	<b>330,907</b>	<b>(11,624,055)</b>	<b>(624,392)</b>	<b>27,672,382</b>
<b>Accrued depreciation and provision for losses:</b>					
Buildings - depreciation	(305,186)	(54,535)	10,699	71,863	(277,159)
Buildings and land - provision for losses (*)	(148,653)	(284,454)	-	-	(433,107)
<b>Total</b>	<b>(453,839)</b>	<b>(338,989)</b>	<b>10,699</b>	<b>71,863</b>	<b>(710,266)</b>
<b>Net book value</b>	<b>39,136,083</b>	<b>(8,082)</b>	<b>(11,613,356)</b>	<b>(552,529)</b>	<b>26,962,116</b>

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 7. Investment Property (continued)

	1 January 2009	Additions	Outputs	Adjustments (Note 6.2)	31 December 2009
<b>Expenditure:</b>					
Land	16.751.659	-	-	-	16.751.659
Buildings	2.558.573	67.283	-	-	2.625.856
Held for sale buildings	23.650.294	-	(3.437.887)	-	20.212.407
<b>Total cost</b>	<b>42.960.526</b>	<b>67.283</b>	<b>(3.437.887)</b>	<b>-</b>	<b>39.589.922</b>
<b>Accrued depreciation and provision for losses:</b>					
Buildings – depreciation	(215.048)	(68.129)	-	(22.009)	(305.186)
Buildings and land – provision for losses (*)	(2.305.132)	2.156.479	-	-	(148.653)
<b>Total</b>	<b>(2.520.180)</b>	<b>2.088.350</b>	<b>-</b>	<b>(22.009)</b>	<b>(453.839)</b>
<b>Net book value</b>	<b>40.440.346</b>	<b>2.155.633</b>	<b>(3.437.887)</b>	<b>(22.009)</b>	<b>39.136.083</b>

(\*) The Company, as of the date 31.12.2008, determined the fair value of investment properties and furnished provision of TL 2,305,132 for deprecation. The Company, in its unconsolidated financial statements dated 31.12.2008, registered as revenue by cancelling the deprecation provision of TL 2,156,479, considering the evaluation study that it made it done. Fair value studies were carried out by Ekspertur Gayrimenkul Değerleme ve Danışmanlık A.Ş.. Considering the evaluation study that it caused to be done within the year 2010, the Company updated the deprecation provision of TL 148,653 and increased it to TL 433,107. The Company, as of the date 31.12.2010, registered the rental income of TL 477,553 from investment properties as revenue in its income statement (31 December 2009 – TL 392,522).

#### 8. Intangible Assets

	1 January 2010	Additions	Transfers	31 December 2010
<b>Cost:</b>				
Rights	977.133	919.563	5.477.154	7.373.850
Advances relating intangible Assets (*)	3.612.920	1.864.234	(5.477.154)	-
<b>Total cost</b>	<b>4.590.053</b>	<b>2.783.797</b>	<b>-</b>	<b>7.373.850</b>
<b>Accrued Depreciation:</b>				
Rights	(823.601)	(303.048)	-	(1.126.649)
<b>Total</b>	<b>(823.601)</b>	<b>(303.048)</b>	<b>-</b>	<b>(1.126.649)</b>
<b>Net book value</b>	<b>3.766.452</b>	<b>2.480.749</b>	<b>-</b>	<b>6.247.201</b>

	1 January 2009	Additions	31 December 2009
<b>Expenditure:</b>			
Rights	809.420	167.713	977.133
Advances relating intangible Assets (*)	1.570.491	2.042.429	3.612.920
<b>Total cost</b>	<b>2.379.911</b>	<b>2.210.142</b>	<b>4.590.053</b>
<b>Accrued Depreciation:</b>			
Rights	(702.676)	(120.925)	(823.601)
<b>Total</b>	<b>(702.676)</b>	<b>(120.925)</b>	<b>(823.601)</b>
<b>Net book value</b>	<b>1.677.235</b>	<b>2.089.217</b>	<b>3.766.452</b>

(\*) As of the date 31 December 2009 the Company paid advance in an amount of TL 3,612,920 for software license purchase. In the year 2010, for the same license also TL 1,864,234 was paid. The paid advance was capitalized as of 31 December 2010.

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 9. Investments in Affiliates

The details of non-current financial assets of Company as of the date 31 December 2009 are as below:

	31 December 2010		
	Nominal value	Inflation difference	Total
Box	1	11.192	11.193
Other	5	837	842
<b>Dependent Securities</b>	<b>6</b>	<b>12.029</b>	<b>12.035</b>
Tarım Sigortaları Havuz İşletmesi A.Ş. (Tarsim) (*)	130.565	0	130.565
<b>Affiliates</b>	<b>130.565</b>	<b>0</b>	<b>130.565</b>
Mapfre Genel Yaşam Sigorta A.Ş. (Genel Yaşam)	31.840.000	8.876.506	40.716.506
<b>Subsidiaries</b>	<b>31.840.000</b>	<b>8.876.506</b>	<b>40.716.506</b>
<b>Total</b>	<b>31.970.571</b>	<b>8.888.535</b>	<b>40.859.106</b>

Special financial information of Affiliates and Subsidiaries are given in note 45.2.

	31 December 2009		
	Nominal value	Inflation difference	Total
Box	1	11.192	11.193
Other	5	837	842
Dependent Securities	6	12.029	12.035
Tarım Sigortaları Havuz İşletmesi A.Ş. (Tarsim) (*)	130.565	-	130.565
<b>Affiliates</b>	<b>130.565</b>	<b>-</b>	<b>130.565</b>
Mapfre Genel Yaşam Sigorta A.Ş. (Genel Yaşam)	24.875.000	8.876.506	33.751.506
<b>Subsidiaries</b>	<b>24.875.000</b>	<b>8.876.506</b>	<b>33.751.506</b>
<b>Total</b>	<b>25.005.571</b>	<b>8.888.535</b>	<b>33.894.106</b>

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 9. Investments in Affiliates (continued)

	31 December 2010		31 December 2009	
	Participation rate	Country of Incorporation	Participation rate	Country of Incorporation
Tarsim	4,35%	Turkey	4,35%	Turkey
Mapfre Genel Yaşam	99,50%	Turkey	99,50%	Turkey

(\*) The Company includes the Tarsim Investment to which it participates in the portion of 4.35% in affiliates instead of other financial asset.

#### 10. Reinsurance assets

Information regarding the Company's reinsurance agreements is given in footnote 2.14.

Amount included in Company's balance sheet and income statement relating the reinsurance transaction arising from insurance agreements as of 31.12.2010.

	1 January- 31 December 2010	1 January- 31 December 2009
Reinsurer share provision for unearned premiums (Note 17)	39.827.160	40.779.828
Reinsurer share provision for outstanding claims (Note 17)	48.920.800	59.097.826
Reinsurer Companies current account (net)	(12.154.293)	(6.605.968)
<b>Total reinsurance assets</b>	<b>76.593.667</b>	<b>93.271.686</b>

	1 Ocak- 31 December 2010	1 Ocak- 31 December 2009
Premiums transferred to Reinsurers	(100.178.038)	(101.221.021)
Commissions from Reinsurers	30.596.149	31.218.482
Reinsurer share in paid damages	32.006.620	61.750.917
Reinsurers' share in outstanding losses provision	(11.080.597)	(2.962.654)
Reinsurer share against unearned premiums	(952.667)	5.791.596
<b>Total reinsurance expenses</b>	<b>(49.608.533)</b>	<b>(5.422.680)</b>

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 11. Financial Assets

##### 11.1 Sub classifications of Items presented in compliance with Corporation activities:

31 December 2010			
Financial Assets	Blocked	Unblocked	Total
<b>Available for sale financial assets</b>	-	-	-
State bonds	-	-	-
Shares	-	2.416.667	2.416.667
<b>Available for purchase-sale financial assets</b>	-	-	-
State bonds	-	-	-
<b>Marketable securities to be held until maturity</b>	-	-	-
Reverse repo transactions	-	-	-
<b>Credits (*)</b>	-	-	-
<b>Total</b>	-	<b>2.416.667</b>	<b>2.416.667</b>
31 December 2009			
Financial Assets	Blocked	Unblocked	Total
<b>Available for sale financial assets</b>			
State bonds	71.767.118	49.297.449	121.064.567
Shares	-	34.083.347	34.083.347
<b>Available for purchase-sale financial assets</b>			
State bonds	-	-	-
<b>Marketable securities to be held until maturity</b>			
Reverse repo transactions	-	-	-
<b>Credits (*)</b>		53.836.855	53.836.855
<b>Total</b>	<b>71.767.118</b>	<b>137.217.651</b>	<b>208.984.769</b>

(\*) As of the date 31 December 2009, Company classified credits that it extended Avor from its shareholder under "Credits". Explanations relating the said credit is included in detailed way in note 2.13.1.

Company reflected deprecation of TL 202.200 for available for purchase-sale financial assets on its income statement as of the date 31 December 2010 (31 December 2009-1.764.364 TL).

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 11. Financial assets (continued)

Movements of available for sale financial assets within the year ending on 31 December 2010 are as below:

	2010	2009
1 January (*)	155.147.914	162.742.686
Purchases	7.951.643	72.365.688
Sales	(135.692.499)	(101.211.701)
Unrealized interest income reflected on income statement	-	11.309.378
Incurred loss reflected on statement of changes in equity, net	(16.491.943)	-
Unrealized loss reflected on statement of changes in equity, net	(10.060.612)	11.706.227
Depredation (Note 26)	1.562.164	(1.764.364)
<b>31 December</b>	<b>2.416.667</b>	<b>155.147.914</b>

Movements of financial assets for purchase and sale within the year ending on 31 December 2010 are as below:

	2010	2009
1 January	-	63.999.416
Purchases	-	-
Sales	-	(63.999.416)
Unrealized revenue and losses recorded on income statement, net	-	-
<b>31 December</b>	<b>-</b>	<b>-</b>

The Company, in the year 2009, following the redemption of marketable state bonds, classified the recently acquired state bonds under available for sale financial assets.

Movements of financial assets to be held until maturity within the year ending on 31 December 2010 are as below:

	2010	2009
1 January	-	16.906.717
Net barter	-	(16.906.717)
Interest rediscounts	-	-
<b>31 December</b>	<b>-</b>	<b>-</b>

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 11. Financial assets (continued)

Loans movement table within interim account periods ending on 31 December 2010 and 31 December 2009 is as below:

	31 December 2010	31 December 2009
1 January / 21 November	53.836.855	52.296.594
Set off dividend	(5.141.563)	(6.731.263)
Foreign exchange incomes	(605.751)	526.447
Interest incomes	5.895.071	7.701.100
Other	(43.977)	43.977
Credit Payment	(53.940.635)	-
<b>Total</b>	<b>-</b>	<b>53.836.855</b>

Maturity analysis of Financial assets is as below:

31 Dec. 2010	6 month - 1 year- More than							Total
	On demand	0-1 month	1 - 3 month	3 - 6 month	1 year	3 year	3 years	
Share	2.416.667	-	-	-	-	-	-	2.416.667
State Bonds	-	-	-	-	-	-	-	-
Reverse Repo Transactions	-	-	-	-	-	-	-	-
Credits (Note 12.2)	-	-	-	-	-	-	-	-
<b>Total</b>	<b>2.416.667</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2.416.667</b>

31 Dec. 2009	6 month - 1 year- More than							Total
	On demand	0-1 month	1 - 3 month	3 - 6 month	1 year	3 year	3 years	
Share	34.083.347	-	-	-	-	-	-	34.083.347
State Bonds	-	1.495.605	9.882.000	38.275.842	71.411.120	-	-	121.064.567
Reverse Repo Transactions	-	-	-	-	-	-	-	-
Credits (Note 12.2)	-	-	-	-	53.836.855	-	-	53.836.855
<b>Total</b>	<b>34.083.347</b>	<b>1.495.605</b>	<b>9.882.000</b>	<b>38.275.842</b>	<b>125.247.975</b>	<b>-</b>	<b>-</b>	<b>208.984.769</b>

As of 31.12.2010 and 31.12.2009, all financial assets of the Company is in TL.

**11.2 Securities other than shares issued during the year:** None.

**11.3 Securities representing the borrowing repaid during the year:** None.

**11.4 Information, according to the cost value, showing the values of securities and financial fixed assets showed over exchange market fair values according to the exchange market fair values of securities and financial fixed assets showed over cost value in balance sheet:**



## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 11. Financial assets (continued)

##### Securities

	31.12.2010		31.12.2009	
	Book value		Book value	
	Cost value	(Fair Value)	Cost value	(Fair Value)
Available for sale financial assets	<b>2.368.200</b>	<b>2.416.667</b>	130.109.036	155.147.914
State bonds	-	-	99.375.995	121.064.567
Shares	<b>2.368.200</b>	<b>2.416.667</b>	30.733.041	34.083.347
<b>Total</b>	<b>2.368.200</b>	<b>2.416.667</b>	130.109.036	155.147.914

##### Financial fixed assets

Financial fixed assets followed through cost value do not have fair value.

**11.5 Amount of securities included in securities and dependent securities and issued by firm's share holders, affiliates and subsidiaries and issuing partnerships:** None.

**11.6 Increase in value occurred in financial assets within last three years:** There is no increase in value occurred in financial assets within last three years.

**11.7 Amount of total mortgage and guaranty on asset value:**

	31.12.2010	31.12.2009
Securities portfolio	<b>73.540.000</b>	71.412.575
Real estate mortgages	<b>1.166.151</b>	1.166.151
<b>Total</b>	<b>74.706.151</b>	72.578.726

All blockages on securities portfolio and TL 166.151 of mortgage deeds, as of 31.12.2010 and 31.12.2009, are on behalf of T.R. Undersecretariat of Treasury. The Company calculated the securities that it blocked according to the evaluation provisions set out in Article 6 of "Regulation Relating the Financial Structure of Insurance, Reinsurance and Pension Companies" published in Official Gazette published pursuant to Insurance Law, dated 07.08.2007 and no. 26606. Fixed property mortgage of TL 1.000.000 is not given by the Company and transferred with purchased fixed property.

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 12. Receivables

12.1 The classification of receivables as “receivables from commercial customers”, “receivables from related parties”, “receivables for cash payment” (payments pertaining coming months and years) and others:

	31 December 2010	31 December 2009
<b>Receivables from Insurance Activities</b>		
Receivables from Insurance Holders	13.835.403	38.907.173
Receivables from intermediaries	148.654.517	95.701.018
Recourse and salvage receivables	8.024.396	4.485.696
Receivables from Insurance Companies	-	-
Rediscount (-)	(304.819)	(288.731)
	170.209.497	138.805.156
<b>Receivables from Reinsurance Activities</b>		
Receivables from Reinsurance Companies	4.051.008	4.397.957
<b>Stores before insurance and reinsurance companies</b>		
Stores before insurance and reinsurance companies	81.488	15.667
<b>Provision for receivables from Insurance Activities</b>		
Real operating receivables in legal proceeding	19.410.359	18.501.541
Provision for Real operating receivables in legal proceeding	(19.410.322)	(18.501.504)
Provision for receivables from Insurance Activities (*)	(694.522)	-
<b>Total</b>	<b>173.647.508</b>	<b>143.218.817</b>

(\*) The Company allocated provision for recourse receivables due for 6 months (receivables from insurance companies) and 4 months (receivables from real and legal entities) since the payment date of loss that constitute a basis for recourse receivables according to the terms of circulars of Undersecretariat of Treasury, respectively dated 20.09.2010 and 14.01.2011 and no. 2010/6 and 2011/1. As of the date 31 December 2010, provision for recourse receivables is TL 694.522 (31 December 2009 – None).

The details of other miscellaneous receivables and expenses pertaining the coming years are given in footnote 47.

Provisions for Real operating receivables in legal proceeding are as below:

	1 January - 31 December 2010	1 January - 31 December 2009
Beginning of Period	18.501.504	16.971.363
Classifications	-	-
Additional provision	1.109.721	1.622.638
Liberated provision	(200.903)	(92.497)
<b>31 December</b>	<b>19.410.322</b>	<b>18.501.504</b>

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 12. Receivables (continued)

Forward-looking aging of receivables from undue insurance activities as of date 31 December 2010 is as below:

	31 December 2010	31 December 2009
0-90 days	65.242.768	54.377.784
91-180 days	40.567.710	37.220.065
181-270 days	16.371.709	16.366.538
271-360 days	4.235.021	3.561.375
More than 360 days	165.165	367.306
<b>Total</b>	<b>126.582.373</b>	<b>111.893.068</b>

Because the Company couldn't determine the collection date of overdue receivables, the abovementioned table shows only the undue receivables.

As of 31.12.2010 the Company's aging of receivables from insurance activities which are overdue but not made provisions is as below:

	31 December 2010	31 December 2009
Over due for 0-90 days	25.614.695	16.777.447
Over due for 90-180 days	8.359.157	3.914.134
Over due for 180-270 days	2.412.079	1.082.137
Over due for 270-360 days	1.247.666	785.536
Over due for more than 360 days	5.993.527	4.352.834
<b>Total</b>	<b>43.627.124</b>	<b>26.912.088</b>

(\*) As of 31.12.2010 the Company has a guarantee of TL 16.376.658 for receivables that are overdue but it did not make provisions (31 December 2009 – TL 12.121.590).

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 12. Liabilities and receivables (continued)

##### 12.2 Receivables – Liabilities relations of Company with shareholder, affiliates and subsidiaries:

	31 December 2010			
	Receivables		Liabilities	
	Commercial	Non commercial	Commercial	Non commercial
<b>1) Subsidiaries</b>				
Mapfre Genel Yaşam Sigorta A.Ş..	32.894	-	1.217.008	415.916
<b>2) Other related party</b>				
Baytur İnşaat Taahüt A.Ş	-	-	-	-
Mapfre RE Comp. SA	-	-	7.418.871	-
Mapfre Empresas Comp. DE Seguro	-	-	209.984	-
Mapfre Global	-	-	2.093.758	-
Mapfre Asistencia SA	-	-	241.816	-
<b>Total</b>	<b>32.894</b>	<b>-</b>	<b>11.181.437</b>	<b>415.916</b>

	31 December 2009			
	Receivables		Liabilities	
	Commercial	Non commercial	Commercial	Non commercial
<b>1) Shareholders (*)</b>				
Mapfre	-	46.409.812	-	-
Avor İnşaat Gıda Tekstil Kimya Sanayi ve Ticaret A.Ş. (Avor) (*)	-	53.836.855	-	-
Other ((Outstanding) Dividends to Shareholder)	-	-	-	43.798
<b>2) Subsidiaries</b>				
Mapfre Genel Yaşam Sigorta A.Ş.	3.639	-	724.581	79.278
<b>3) Other related party</b>				
Baytur İnşaat Taahüt A.Ş	1.780.706	-	-	-
Mapfre RE Comp. SA	6.601.646	-	-	-
Mapfre Empresas Comp. DE Seguro	203.724	-	-	-
Mapfre Global	1.573.266	-	-	-
Turkcell İletişim Hizmetleri A.Ş.	627.891	-	-	-
T Medya Yatırım Sanayi ve Ticaret A.Ş	623.800	-	-	-
Astelit LTD Liability Company	969.697	--	-	-
AKS T.V. Reklam ve Film San. ve Tic. A.Ş	174.729	-	-	-
Çukurova İnşaat Makine San. ve Tic. A.Ş	194.748	-	-	-
Digital Platform İletişim Hizmetleri A.Ş	98.163	-	-	-
BMC San. ve Tic A.Ş	161.488	-	-	-
Mapfre Asistencia SA	14.117	-	-	-
KKTCELL Kıbrıs Mobile Telekomunikasyon Ltd. Şti.	105.274	-	-	-
Çukurova Havacılık A.Ş.	225.125	-	225	-
Çukurova İthalat ve İhracat A.Ş.	196.154	-	1.501	-
Other	476.734	48.280	31.811	151.367
<b>Total</b>	<b>14.030.901</b>	<b>100.294.947</b>	<b>758.118</b>	<b>274.443</b>

(\*) The Company, provide credit in an amount of USD 34.000.000 to Avor (Çukurova Grup Şirketi) on the date 21 November 2008. Credit period is 20 September 2010 and the interest rate is 15%. The said credit was provided to Avor in pursuant to the credit agreement signed between Mapfre, Avor and the Company on 21 November 2008. Allocation of interest relating the said credit shall be done on the date of maturity along with principal. Pursuant to the said credit agreement, Avor accepts that dividend incomes from the Company shall be set off with credit debt. And also within the credit agreement, provided that it shall be used until the date 20 September 2010, Avor has given Mapfre share call option while Mapfre has given Avor share sale option. And also, Mapfre put lien on shares belonging to Avor. As of 31.12.2010, reimbursement of the said credit is completed.

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 12. Liabilities and receivables (continued)

Movement table of receivables from shareholders within interim account periods ending on 31 December 2010 and 31 December 2009 is as below:

	31 December 2010	31 December 2009
1 January	46.409.812	93.350.587
Set off dividend	(45.108.641)	(52.493.875)
Foreign exchange incomes	(1.909.699)	1.987.876
Interest incomes	490.068	2.872.380
Other	(692.844)	692.844
Dividend payment	811.304	-
<b>Total</b>	<b>-</b>	<b>46.409.812</b>

#### 12.3 Total amount of security and other guaranties taken for receivables:

	31 December 2010	31 December 2009
Securities	31.715.982	25.495.982
Cash	302.058	125.353
Received letter of guaranty	3.097.881	2.214.031
Other guaranties and warranties	1.547.779	362.953
<b>Total</b>	<b>36.663.700</b>	<b>28.198.319</b>

#### 12.4 Amounts of receivables and liabilities represented in foreign currency and not having rate guarantee and converting rate into TL, separately:

are showed together with converting rates in footnote 4 (a) ii.

#### 13. Derivative Financial Instruments

None.

#### 14. Cash and Securities

Cash and securities constitute the basis for cash flow table pertaining the period ending on the date 31 December 2010 are shown in footnote 2.12.

As of 31.12.2010, the Company does not have blocked time and/or demand deposit.

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 14. Cash and Securities (continued)

The distribution of blocked credit cards as of 31 December 2010 and 31 December 2009 is as below:

Days to maturity	31 December 2010	31 December 2009
1-90 days	14.693.403	22.755.848
91-180 days	2.728.870	4.355.051
181-270 days	1.005.362	1.557.677
<b>Total</b>	<b>18.427.635</b>	<b>28.668.576</b>

As of the balance sheet date, maturity of the Company's time deposit is between 3 and 104 days (31 December 2009 - between 4 and 365 days). Per-annum rates of time deposits on foreign currency basis are as below:

	31 December 2010	31 December 2009
Foreign exchange / TL	Per-annum rate (%)	Per-annum rate (%)
TL	5,50 - 9,40	4 - 17,25
Euro	1,50	1 - 1,25
USA Dollar	-	1,50- 2,50

Values of cash and securities on foreign exchange basis are shown in footnote 4 (a) ii.

#### 15. Capital

##### 15.1 Distributions to shareholder; amounts of transactions carried out by the incorporation with its shareholder and by shareholder within their own will:

Company paid dividends to shareholders in amount of TL 52.758.644 from 2009 profits on April 1st 2010. TL 52.744.270 of dividend is paid in cash.

##### 15.2 Legal reserves

According to the Turkish Commercial Code, legal reserves are separated into two as first legal reserves and second legal reserves. According to the Turkish Commercial Code, first legal reserves are allocated as 5% of the legal net profit until they reach to 20% of the company's paid/issued capital. Second order of legal reserves means 10% of allocated profit exceeding 5% of paid/issued capital. According to the Turkish Commercial Code, provided that legal reserves do not exceed 50% of paid/issued capital, they are only used for clarifying the losses, except this it is not possible to use legal reserves.

Movements of legal reserves within period are as below:

	2010	2009
1 January	37.820.395	28.102.002
Transfer from previous year profit	6.839.761	9.718.393
<b>31 December</b>	<b>44.660.156</b>	<b>37.820.395</b>

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 15. Capital (continued)

##### Evaluation of Financial Assets:

Unrealized profit and loss resulting from changes in fair value of available for sale financial assets and tax effects are followed up under "Financial Assets Evaluation" within equity.

Movements of amount of financial assets evaluation within interim account period are as below. The said amounts are shown by netting the deferred tax effect in equity.

	2010	2009
1 January	9.267.484	(551.214)
Fair value change and sale effects	(10.060.612)	11.706.227
Deferred tax amount relating the fair value increase (Note 21)	(54.664)	(1.715.724)
Transfer from current period corporate tax relating the fair value increase (Note 35)	1.048.342	(171.805)
<b>31 December</b>	<b>200.550</b>	<b>9.267.484</b>

##### Other profit reserves:

Means the Other Profit Reserves in an amount of TL 15.171.396 within the proprietorship account as of the dates 31 December 2010 and 31 December 2009; provisions for Earthquake Loss included balance sheet as of the date 31 December 2006 and incomes from these provisions and followed up within related provisions until the date 14 June 2007.

#### 15.3 Capital movements

Mapfre S.A transferred 280.000.000 A group shares representing shares in portion of 80% it owns in the Company to Mapfre Internacional S.A. as of the date 23 April 2008.

By the share sale agreement executed on 21 November 2008, Çukurova Holding's shares of 5,43%, Demir Toprak İthalat İhracat ve Ticaret A.Ş.'s shares of 3,17% and Endüstrü Holding's shares of 1,15% were transferred to Avor.

Demir Toprak İthalat İhracat ve Tic. A.Ş. shares of TL 35.000.000 representing 10% of the company capital were transferred to Mapfre Internacional S.A. pursuant to the letter of T.R. Prime Ministry Undersecretariat of Treasury dated 03.12.2009 and no. 51308 and this transfer transaction is registered to share ledger.

Avor shares of TL 34.109.046 representing 9,75% of Company capital were transferred to Mapfre Internacional S.A. and this transfer transaction is registered to share ledger.

The Company's paid in capital consists of 350.000.000 shares with a unit par value of TL 1 as of the date 31 December 2010 and 31 December 2009.

Other details relating the Company's capital is given in Footnote 2.13.

#### 16. Other provisions and capital components of discretionary participation

Information about other reserves in equity capital is included in footnote 15.

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 17. Insurance obligations and reinsurance assets

##### 17.1 Amount of the securities that the Company must establish for life and non-life branches and in terms of assets amount of securities established according to life and non-life branches:

	31 December 2010	31 December 2009
Amount of security to be established for non-life branches	54.984.368	60.857.054
Amount of security established for non-life branches (*)	73.540.000	71.412.575

(\*) Pursuant to Article 4 of "Regulation Relating the Financial Structure of Insurance, Reinsurance and Pension Companies" made with regard to Insurance Law and published in Official Gazette dated 07.08.2007 and no 26606, Minimum Guarantee Fund of insurance companies and pension companies active in life and personal accident branches shall not be less than one third (1/3) of their minimum founding capital. For non-life insurance branches, minimum guarantee fund capital adequacy is established as a guarantee within the accounting period. Company calculated the securities that it has blocked on behalf of Undersecretariat of Treasury as of 31.12.2010, according to the evaluation terms set out in Article 6 of the same regulation.

##### 17.2 Number and mathematical provisions of Company's life policy and life insurance holders that enters, leaves and are present: N/A (31 December 2009 - N/A).

##### 17.3 Amount of Insurance Guarantee in terms of non-life insurance branches: is explained in footnote 4.

##### 17.4 Pension Investments Funds founded by the Company and their unit prices: N/A (31 December 2009 – N/A).

##### 17.5 Number and amount of the participation documents in portfolio and in circulation: N/A (31 December 2009 – N/A).

##### 17.6 Portfolio amounts of individual and group pension participants that enters, leaves, cancels and that are still present in terms of their numbers: N/A (31 December 2009 – N/A).

##### 17.7 Evaluation methods used in calculation of profit share in participating life insurances: N/A (31 December 2009 – N/A).

##### 17.8 Number of the individual pension participants entering recently within the period and individual and corporate distribution of their gross and net participation shares: N/A (31 December 2009 – N/A).

##### 17.9 Number of the individual pension participants coming from another company within the period and individual and corporate distribution of their gross and net participation shares: N/A (31 December 2009 – N/A).

##### 17.10 Number of the individual pension participants transferring from company's life portfolio to individual pension within the period and individual and corporate distribution of their gross and net participation shares: N/A (31 December 2009 – N/A).

##### 17.11 Number of both individual pension participants transferring to another company and not transferring to another company within the period and individual and corporate distribution of their gross and net participation shares: N/A (31 December 2009 – N/A).



## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 17. Insurance obligations and reinsurance assets (continued)

**17.12 Number and gross and net premium amounts of life insurance holders entering newly within the period and their distribution as personal and group:** N/A (31 December 2009 – N/A).

**17.13 Number and gross and net premium amounts of life insurance holders leaving the portfolio within the period and distribution of their mathematical provisions as personal and group:** N/A (31 December 2009 – N/A).

**17.14 Dividend Distribution rate to life insurance holders within the period:** N/A (31 December 2009 – N/A).

#### 17.15 Amounts arising from insurance agreements:

	31 December 2010	31 December 2009
<b>Gross insurance technical provisions</b>		
Provision for unearned premiums	193.405.655	167.112.344
Provision for outstanding loss and compensation	172.950.050	172.337.754
Provision for continuing risks	828.664	918.960
Balancing provision	4.371.332	2.602.500
<b>Total</b>	<b>371.555.701</b>	<b>342.971.558</b>
<b>Reinsurer shares in insurance technical provisions</b>		
Provision for unearned premiums (Note 10)	39.827.160	40.779.827
Provision for outstanding loss and compensation (Note 10)	48.920.800	59.097.827
<b>Total</b>	<b>88.747.960</b>	<b>99.877.654</b>
<b>Net insurance technical provisions</b>		
Provision for unearned premiums	153.578.495	126.332.517
Provision for outstanding loss and compensation	124.029.250	113.239.927
Provision for continuing risks	828.664	918.960
Balancing provision	4.371.332	2.602.500
<b>Total</b>	<b>282.807.741</b>	<b>243.093.904</b>

#### Movement table of outstanding loss in accounting period

	31 December 2010			31 December 2009		
	Gross	Reinsurance share	Net	Gross	Reinsurance share	Net
1 January	172.337.754	59.097.827	113.239.927	190.270.507	62.060.481	128.210.026
Paid Loss	(245.594.550)	(32.006.620)	(213.587.930)	(257.244.868)	(61.750.917)	(195.493.951)
Increase in outstanding loss	237.403.518	20.926.023	216.477.495	239.312.115	58.788.263	180.523.852
Estimated Recourse and salvage income accrual for the year 2009 (*)	8.803.328	903.570	7.899.758	-	-	-
<b>End of period</b>	<b>172.950.050</b>	<b>48.920.800</b>	<b>124.029.250</b>	<b>172.337.754</b>	<b>59.097.827</b>	<b>113.239.927</b>

(\*) Because provisions for potential income calculated relating the Recourse and salvage pursuant to "Article J – Accounting Records Relating Recourse and Salvage Incomes" of the Circular published by Undersecretariat of Treasury dated 18 October and no 2010/16 are not included in current regulation, the part calculated as of the date 31.12.2009 and transferred to the year 2010 with a current period transfer registration is followed up in "Provisions No Longer Required" account.

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 17. Insurance obligations and reinsurance assets (continued)

	31 December 2010			31 December 2009		
	Gross	Reinsurance share	Net	Gross	Reinsurance share	Net
Realized and reported losses	148.887.433	(45.917.989)	102.969.444	147.065.069	(55.821.780)	91.243.289
Realized but not reported losses	24.062.617	(3.002.811)	21.059.806	25.272.685	(3.276.047)	21.996.638
<b>Total</b>	<b>172.950.050</b>	<b>(48.920.800)</b>	<b>124.029.250</b>	<b>172.337.754</b>	<b>(59.097.827)</b>	<b>113.239.927</b>

#### Movement table of unearned premiums in accounting period

	31 December 2010			31 December 2009		
	Gross	Reinsurance share	Net	Gross	Reinsurance share	Net
1 January	167.112.344	40.779.827	126.332.517	151.233.987	34.988.232	116.245.755
Increase / (decrease)						
-provision for current period unearned premium	191.565.627	38.098.085	153.467.542	163.307.682	37.291.772	126.015.910
-provision for unearned premiums from previous years	(165.272.316)	(39.050.752)	(126.221.564)	(147.429.325)	(31.500.177)	(115.929.148)
<b>End of period</b>	<b>193.405.655</b>	<b>39.827.160</b>	<b>153.578.495</b>	<b>167.112.344</b>	<b>40.779.827</b>	<b>126.332.517</b>

#### Movement table of provision for continuing risks within accounting year

	31 December 2010			31 December 2009		
	Gross	Reinsurance share	Net	Gross	Reinsurance share	Net
1 January	918.960	-	918.960	219.076	-	219.076
Net barter	(90.296)	-	(90.296)	699.884	-	699.884
<b>End of period</b>	<b>828.664</b>	<b>-</b>	<b>828.664</b>	<b>918.960</b>	<b>-</b>	<b>918.960</b>

#### Movement table of balancing provision in accounting period

	31 December 2010			31 December 2009		
	Gross	Reinsurance share	Net	Gross	Reinsurance share	Net
1 January	2.602.500	-	2.602.500	1.146.302	-	1.146.302
Net barter	1.768.832	-	1.768.832	1.456.198	-	1.456.198
<b>31 December</b>	<b>4.371.332</b>	<b>-</b>	<b>4.371.332</b>	<b>2.602.500</b>	<b>-</b>	<b>2.602.500</b>

Net technical provisions expressed in foreign exchange as of the date 31 December 2010 is indicated in footnote 4 (a) ii.

**Mapfre Genel Sigorta Anonim Şirketi****Notes related to financial tables as of 31 December 2010 (Continued)**

(Currency unit – Unless specified otherwise it is shown as Turkish Lira (TL))

**17. Insurance obligations and reinsurance assets (continued)**

Company's loss development table as of 31 December 2010 with final loss cost estimations is as below:

Notice year	Accident Year										Total
	2003 and previous years	2004	2005	2006	2007	2008	2009	2010			
<b>In Accident Year</b>	1.899.256	1.109.601	3.101.914	4.686.381	5.539.604	5.530.221	8.266.090	43.156.762	73.289.829		
1 year later	509.922	1.194.659	1.631.705	1.998.777	2.350.845	3.332.505	4.548.180		15.566.593		
2 years later	323.079	449.135	622.425	1.155.854	2.039.987	2.361.646			6.952.126		
3 years later	149.010	152.094	368.278	597.049	746.967				2.013.398		
4 years later	181.883	238.807	317.698	887.849					1.626.237		
5 years later	163.341	353.631	853.524						1.370.496		
6 years later	111.907	218.651							330.558		
7 years later	141.650								141.650		
<b>Total outstanding loss pursuant to loss development table</b>	<b>3.480.048</b>	<b>3.716.578</b>	<b>6.895.544</b>	<b>9.325.910</b>	<b>10.677.403</b>	<b>11.224.372</b>	<b>12.814.270</b>	<b>43.156.762</b>	<b>101.290.887</b>		
Realized but not reported losses									21.059.806		
Provision for received jobs outstanding loss									4.210.188		
Quota share provision for outstanding loss (2007 and previous years)									(2.197.075)		
Excess of Loss									(432.250)		
Cut Off									97.694		
<b>Total outstanding loss provision as of 31 December 2010</b>									<b>124.029.250</b>		

**Mapfre Genel Sigorta Anonim Şirketi****Notes related to financial tables as of 31 December 2010 (Continued)**

(Currency unit – Unless specified otherwise it is shown as Turkish Lira (TL))

**17. Insurance obligations and reinsurance assets (continued)**

Company's loss development table as of 31.12.09 with final loss cost estimations is as below:

Notice year	Accident Year										Total
	2002 and previous years	2003	2004	2005	2006	2007	2008	2009			
<b>In Accident Year</b>	<b>1.447.099</b>	<b>1.586.467</b>	<b>1.628.046</b>	<b>3.981.600</b>	<b>5.609.578</b>	<b>6.808.782</b>	<b>9.720.961</b>	<b>40.605.673</b>			<b>71.388.206</b>
1 year later	257.224	561.969	1.713.561	2.437.485	2.605.453	3.208.085	4.767.900			15.551.677	
2 years later	234.943	546.719	622.223	946.579	1.764.865	2.437.457			6.552.786		
3 years later	114.032	180.073	250.731	774.543	1.137.513			2.456.892			
4 years later	90.082	136.375	493.143	581.382			1.300.982				
5 years later	105.120	247.708	602.600			955.428					
6 years later	115.365	130.487			245.852						
7 years later	89.817					89.817					
<b>Total outstanding loss pursuant to loss development table</b>	<b>2.453.682</b>	<b>3.389.798</b>	<b>5.310.304</b>	<b>8.721.589</b>	<b>11.117.409</b>	<b>12.454.324</b>	<b>14.488.861</b>	<b>40.605.673</b>			<b>98.541.640</b>
Realized but not reported losses											21.996.638
Provision for received jobs outstanding loss											3.407.338
Quota share provision for outstanding loss (2007 and previous years)											(2.218.863)
Potential recourse deducted from outstanding loss provision											(7.899.758)
Absolute Competence											576.839
AZMM											319.740
Excess of Loss											(1.602.749)
Cut Off											119.102
<b>Total outstanding loss provision as of 31 December 2010</b>											<b>113.239.927</b>

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 18. Investment Agreement Obligations

N/A (31 December 2009 – N/A).

#### 19. Commercial and other Liabilities and deferred income

Company's real operating liabilities as of 31 December 2010 are as below:

	31 December 2010	31 December 2009
<b>Liabilities from Insurance Activities</b>	<b>3.183.049</b>	17.343.998
Liabilities to Insurance Holders	<b>2.750.829</b>	1.485.752
Liabilities to Intermediaries	-	15.568.209
Liabilities to Insurance Companies	<b>432.220</b>	290.037
<b>Liabilities to Reinsurance Activities</b>	<b>17.830.797</b>	16.793.867
Liabilities to Reinsurance Companies	<b>16.205.301</b>	11.003.925
Liabilities to Intermediaries	<b>569.759</b>	2.441.902
Liabilities to Insurance Companies	<b>1.102.476</b>	3.576.346
Liability Rediscount	<b>(46.739)</b>	(228.306)
<b>Purchased Stores</b>	<b>2.197.075</b>	2.218.863
<b>Total</b>	<b>23.210.921</b>	36.356.728

Liabilities from insurance activities as of the date 31 December 2010 and 31 December 2009 are netted with credit card receivables in cash and securities account.

Commercial and other liabilities expressed in foreign exchange as of the dates 31 December 2010 and 31 December 2009 is indicated in footnote 4 (a) ii.

The details of revenues and accrued expenses of the Company pertaining to the coming months, as of 31.12.2010 are as below:

	31 December 2010	31 December 2009
Deferred commission incomes	<b>12.363.351</b>	12.694.316
Accrued expenses	<b>578</b>	578
Other	<b>561</b>	561
	<b>12.364.490</b>	12.695.455

#### 20. Financial Liabilities

Company does not have any financial liabilities as of 31 December 2010 (31 December 2009 – N/A).

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 21. Deferred Income Tax

The distribution of taxes and obligations deferred by using temporary differences and effective tax rates subject of deferred tax as of 31.12.2010 is as below:

	31 December 2010		31 December 2009	
	Cumulative Temporary differences	Deferred Taxes / (Obligations)	Cumulative Temporary differences	Deferred Taxes / (Obligations)
<b>Current Deferred Taxes / (Obligations)</b>				
Valuation of security	(48.466)	(9.692)	(424.109)	(84.822)
Provisions for doubtful receivables	3.671.160	734.232	3.470.429	694.086
Personnel premiums and accrued attendance fees	1.425.381	285.076	991.426	198.285
Receivable and Liability discounts	425.190	85.038	255.435	51.087
Provision for continuing risks	828.664	165.732	699.884	139.977
Rediscount on notes receivable	(175.183)	(35.037)	(404.048)	(80.810)
Provisions for vacation	785.321	157.064	528.850	105.770
Provisions for BSMV	194.258	38.852	288.802	57.761
Provisions for Actuarial Chain	-	-	319.740	63.948
Portfolio transfer commission	927.500	185.500	-	-
Other	2.629	526	-	-
<b>Total</b>	<b>8.036.454</b>	<b>1.607.291</b>	<b>5.726.409</b>	<b>1.145.282</b>
<b>Non-Current Deferred Taxes / (Obligations)</b>				
Social Support Fund deficit	2.370.034	474.007	2.092.686	418.537
Provisions for asset decrement	433.107	86.621	148.653	29.731
Provisions for termination indemnities	1.979.817	395.963	1.444.590	288.918
Amortisation differences	(4.274.042)	(854.808)	(1.047.134)	(209.427)
<b>Total</b>	<b>508.916</b>	<b>101.783</b>	<b>2.638.795</b>	<b>527.759</b>
<b>Total deferred taxes</b>	<b>8.545.370</b>	<b>1.709.074</b>	<b>8.365.204</b>	<b>1.673.041</b>

Movement table of deferred tax is as below:

	31 December 2010	31 December 2009
1 January, Deferred Taxes	<b>1.673.041</b>	3.646.350
Deferred Tax Effect reflected on equity	<b>(54.664)</b>	(1.715.724)
Deferred Tax income / (expense)	<b>90.697</b>	(257.585)
End of period – deferred taxes	<b>1.709.074</b>	1.673.041

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 22. Retirement Benefit Obligations

According to Turkish Labour Law, the Company is obliged to pay termination indemnification to personnel dismissed or retired or completed his service year and entitled to pension, called-up or died. Termination indemnification to be paid is in an amount of one-month salary for every service year and this amount is classified as of the date 31 December 2010 (31 December 2009 - TL 2.365). The Company, as of the date 31 December 2010 calculated its related obligation according to TMS 19 and recorded termination indemnification in amount of TL 1.979.817 (31 December 2009 - TL 1.444.590).

Provision for termination indemnification is allocated by calculating current value of potential obligation to be paid in case of personnel retirement. Therefore, actuary assumptions used for calculating the obligation as of 31.12.2010 and 31.12.2009 are as below:

	<b>31 December 2010</b>	31 December 2009
Discount rat	<b>%10</b>	%11
Estimated salary increase rate	<b>%5,1</b>	%4,8

Provisions for termination indemnification transactions for interim accounting periods ending on 31 December 2010 and 31 December 2009 are as below:

	<b>1 January – 31 December 2010</b>	1 January - 31 December 2009
Beginning of Period	<b>1.444.590</b>	1.108.871
	<b>1.444.590</b>	1.108.871
Paid in period	<b>(516.219)</b>	(217.471)
Period expense (*)	<b>1.051.446</b>	553.190
	<b>1.979.817</b>	1.444.590

(\*) Actuarial gain/loss is included.

Provisions for social support fund asset deficit for interim accounting periods ending on 31 December 2010 and 31 December 2009 are as below:

	<b>1 January – 31 December 2010</b>	1 January - 31 December 2009
Beginning of Period	<b>2.092.686</b>	4.026.685
Period expense	<b>277.348</b>	(1.933.999)
	<b>2.370.034</b>	2.092.686

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 22. Retirement Benefit Obligations (continued)

Provisions for vacation as of the dates 31 December 2010 and 31 December 2009 are as below:

	1 January - 31 December 2010	1 January - 31 December 2009
Beginning of Period	528.850	160.773
Adjusting entry done to previous year balance	-	-
	528.850	160.773
Period expense	256.471	368.077
	785.321	528.850

#### 23. Other obligations and Provisions for cost

##### 23.1 Provisions for Personnel Social Security and Others:

Company employees are the members of Mapfre Genel Sigorta A.Ş. Officials and Employees Pension and Support Fund ("Fund") established pursuant to the temporary Article 20 of Law of Social Insurance no 506. The Company, through the actuary methods, assessed the deficit to be calculated by taking into accounts the methods determined within the frame of the said legal regulation during the transfer of the Fund to SSI pursuant to the legal regulations set out in detail in Note 2 and reflected it to financial statements within TMS 37 (as of the dates 31 December 2010 and 31 December 2009, respectively, TL 2.370.034 and TL 2.092.686).

##### 23.2 Other provisions

##### 23.3 Total amount of commitments which are not shown in liabilities:

commitments which are not shown in liabilities is indicated in footnote 43.



## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 24. Net premium income

As of the dates 31 December 2010 and 31 December 2009, the details of Company's net premium income pertaining the accounting period are as below:

	1 January - 31 December 2010		
	Gross	Reinsurance share	Net
Land vehicles	112.550.488	2.596.367	109.954.121
Land vehicles liability	106.420.868	3.355.604	103.065.264
Financial Losses	1.623.688	1.360.824	262.864
Fire and natural disasters	61.693.213	42.237.798	19.455.415
General damages	45.989.960	32.558.475	13.431.485
Sickness/ Health (*)	38.304.056	-	38.304.056
Shipping	20.273.100	6.160.218	14.112.882
Accident	10.303.738	3.247.322	7.056.416
General liability	10.360.190	5.853.526	4.506.664
Water crafts	2.174.046	1.744.348	429.698
Air vehicles	628.443	627.534	909
Air vehicles liability	436.459	436.022	437
Legal Protection	1.030.089	-	1.030.089
<b>Total premium income</b>	<b>411.788.338</b>	<b>100.178.038</b>	<b>311.610.300</b>

(\*) The Company, also, involves in reinsurance activity in sickness/health branch.

	1 January - 31 December 2009		
	Gross	Reinsurance share	Net
Land vehicles	103.228.684	-	103.228.684
Land vehicles liability	77.764.022	3.595.207	74.168.815
Financial Losses	2.009.382	1.917.673	91.709
Fire and natural disasters	7.755.285	49.988.178	17.767.107
General damages	41.471.489	30.129.295	11.342.194
Sickness/ Health (*)	31.763.076	-	31.763.076
Shipping	14.791.736	4.285.126	10.506.610
Accident	9.728.690	3.264.746	6.463.944
General liability	9.441.106	5.248.473	4.192.633
Water crafts	2.286.857	1.876.270	410.587
Air vehicles	673.366	672.486	880
Air vehicles liability	243.952	243.567	385
<b>Total premium income</b>	<b>361.157.645</b>	<b>101.221.021</b>	<b>259.936.624</b>

(\*) The Company, also, involves in reinsurance activity in sickness/health branch.

#### 25. Contribution (fee) incomes

N/A (31 December 2009 - N/A).

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 26. Investment incomes and expenses

The details of the Company's investment incomes pertaining the account period 1 January-31 December 2010 are as below:

	1 January - 31 December 2010	1 January - 31 December 2009
<b>Income from financial investments</b>	<b>50.581.485</b>	68.878.332
Available for sale financial assets	14.029.558	26.091.427
Marketable financial assets	-	11.889.126
Interest income on time deposits	30.166.788	18.587.040
Interest income on receivables from shareholders	6.385.139	10.573.480
<b>Profit from liquidating the financial investments</b>	<b>6.039.229</b>	1.104.156
Available for sale financial assets	6.039.229	1.104.156
Marketable financial assets	-	-
Evaluation of financial investments	-	564.119
Available for sale financial assets	-	11.309.378
Marketable financial assets	-	(10.688.542)
Marketable securities to be held until maturity	-	(56.717)
<b>Foreign currency gains</b>	<b>2.163.361</b>	9.570.148
Foreign exchange deposit profit	465.576	(197.240)
Current account foreign exchange profit	1.589.177	2.159.002
Other transactions foreign exchange profit	108.608	7.608.386
<b>Income from estates, lands and buildings</b>	<b>8.982.086</b>	3.382.657
Lease	477.553	392.522
Sale	8.504.533	2.990.135
<b>Total</b>	<b>67.766.161</b>	83.499.412
	1 January - 31 December 2010	1 January - 31 December 2009
<b>Available for sale financial assets</b>	<b>20.068.787</b>	38.504.962
Dividend income	2.797.496	4.626.809
Net sales revenue	17.271.291	22.562.412
Interest incomes	-	11.309.378
B Type Investment Fund	-	6.363
<b>Marketable financial assets</b>	<b>-</b>	1.200.584
Unrealized profit	-	(10.688.542)
Net sales revenue	-	11.889.126
<b>Marketable securities to be held until maturity</b>	<b>-</b>	1.680.542
Interest income	-	1.737.259
Net unrealized profit	-	(56.717)
Net unrealized loss	-	-
<b>Interest income from time deposits and shareholders</b>	<b>36.551.927</b>	29.160.519
Interest income	36.725.478	7.797.998
Net unrealized interest income on time deposits	(6.558.690)	10.789.041
Net unrealized interest income from shareholders	6.385.139	10.573.480
<b>Foreign currency gains</b>	<b>2.163.361</b>	9.570.148
Foreign exchange income	2.163.361	9.570.148
<b>Income from investment property</b>	<b>8.982.086</b>	3.382.657
Lease	477.553	392.522
Sale	8.504.533	2.990.135
<b>Total</b>	<b>67.766.161</b>	83.499.412

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 26. Investment incomes and expenses (continued)

	1 January - 31 December 2010	1 January - 31 December 2009
<b>Investment Value Decrement</b>	<b>(1.277.710)</b>	1.764.364
Investment property value decrement (Note 7)	<b>284.454</b>	-
Provisions for share value decrement	<b>(1.562.164)</b>	1.764.364
<b>Depreciation expenses</b>	<b>2.825.325</b>	1.155.172
Depreciation expenses	<b>2.825.325</b>	1.155.172
<b>Available for sale financial assets</b>	<b>2.147.140</b>	98.133
Net sales loss	<b>2.147.140</b>	98.133
<b>Foreign currency losses</b>	<b>7.205.338</b>	8.428.293
Foreign exchange expense	<b>7.205.338</b>	8.428.293
<b>Investment income transferred to non-life technical department (*)</b>	<b>26.984.521</b>	34.802.199
Governmental bonds income	<b>5.036.043</b>	16.209.634
Repo income	-	804.991
Income from time deposits	<b>13.525.676</b>	8.869.736
Share sales profit/(loss)	<b>1.751.945</b>	480.074
Investment property sales profit	<b>3.806.235</b>	1.426.893
Shares dividend income	<b>1.254.294</b>	2.207.913
Income from Lease	<b>214.117</b>	187.311
Other	<b>1.396.211</b>	4.615.647
<b>Total</b>	<b>37.884.614</b>	46.248.161

(\*) Investment income transferred to non-life technical department is calculated within the frame of "Circular Relating the Procedure and Principles of the Keys Used in Financial Statement being Prepared Within the Frame of Insurance Uniform Chart of Accounts" published by T.R. Undersecretariat of Treasury dated 04.01.2008.

#### 27. Net Accrued Income of Financial Assets

Income and expenses information relating State bonds followed up in available for sale financial assets in the interim accounting period ending on 31 December 2010 and 31 December 2009 is as below;

	31 December 2010	31 December 2009
Available for sale State Bonds	-	11.309.378
<b>Total</b>	<b>-</b>	<b>11.309.378</b>

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 28. Current Assets Reflected on Fair Value Difference Statement

Company's investment income transferred to fair value difference statement, as of the dates 31.12.2010 and 31.12.2009 is as below:

	31 December 2010	31 December 2009
State Bond held for the purpose for purchase and sale	-	(10,688,542)
<b>Total</b>	-	(10,688,542)

#### 29. Insurance right and Claims

is explained in footnote 17 "Insurance Obligations and Reinsurance Assets".

#### 30. Investment Agreement Rights

N/A (31 December 2009 – N/A).

#### 31. Other Unavoidable Expenses

	1 January - 31 December 2010	1 January - 31 December 2009
Operational expenses classified under Technical Section	<b>66.559.374</b>	56.939,098
Operational expense classified under Technical Section	<b>2.825.325</b>	1.155,172
<b>Total</b>	<b>69.384.699</b>	58,094,270

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 32. Types of Expenses

	1 January - 31 December 2010	1 January - 31 December 2009
<b>Operational Expenses</b>		
Personnel expenses	21.026.908	15.357.080
Net commission expenses	31.235.726	20.138.542
Advertising and marketing expenses	2.999.274	7.302.848
Office expenses	3.768.224	2.842.261
Taxes and other legal dues	1.730.907	1.210.407
Depreciation expenses	2.825.325	1.155.172
Telecommunication and communication expenses	649.261	624.640
Transportation expenses	583.438	851.734
Maintenance and repair expenses	232.406	445.710
Outsourced service expenses	781.577	663.059
Operational Lease expenses	643.268	528.321
Lease expenses	955.517	343.744
Other technical expenses	1.952.868	6.630.752
<b>Total</b>	<b>69.384.699</b>	<b>58.094.270</b>
Depreciation expense in nontechnical section	(2.825.325)	(1.155.172)
<b>Operational expense transferred to technical department</b>	<b>66.559.374</b>	<b>56.939.098</b>

#### 33. Employee Benefits Expenses

	1 January - 31 December 2010	1 January - 31 December 2009
Salaries	13.628.432	11.182.511
Payment in Lieu of Notice	122.237	12.557
Premium payment	1.539.769	707.391
Employer's share of Fund	2.344.219	1.784.441
Food expenses	807.423	510.835
Personnel transport expenses	540.231	339.572
Other	1.528.378	602.302
Termination Indemnification	516.219	217.471
<b>Total</b>	<b>21.026.908</b>	<b>15.357.080</b>

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 34. Financial costs

**34.1 Financial expenses in the period:** There is not. (31 December 2009 ? There is not).

**34.1.1 Given to production cost:** There is not. (31 December 2009 - There is not).

**34.1.2 Given to fixed assets' cost:** There is not. (31 December 2009 - There is not).

**34.1.3 Directly registered in expenses:** There is not. (31 December 2009 - There is not).

**34.2 Periodical financial expenses related to partners, subsidiaries and participants (those with more than %20 shares will be seperately shown.):** There is not. (31 December 2009 – There is not).

**34.3 Sales and purchases with partners, subsidiaries and participants (those with more than %20 shares will be seperately shown.):**

	1 January - 31 December 2010		
	Received (given) reinsurance commission	In damages received/(given) reinsurance Premium	(transferred)/taken reinsurance Premium
Purchased reinsurance services			
Mapfre Re Compania Reaseguros S.A.	24.867.691	30.961.822	(75.861.319)
Mapfre Genel Yaşam Sigorta A.Ş.	(1.927.673)	(34.919.112)	38.354.052
1 January - 31 December 2010	22.940.018	(3.957.290)	(37.507.267)
	1 January - 31 December 2009		
	Received (given) reinsurance commission	In damages received/(given) reinsurance Premium	(transferred)/taken reinsurance Premium
Purchased reinsurance services			
Mapfre Re Compania Reaseguros S.A.	26.374.198	43.739.135	(66.473.346)
Genel Yaşam Sigorta A.Ş.	(1.572.931)	(30.761.404)	31.762.540
1 January - 31 December 2009	24.801.267	12.977.731	(34.710.806)

**34.4 Interests, rental and equivalents received from / paid to partners, subsidiaries and participants (those with more than %20 shares will be seperately shown.):**

Details are available in chapter 45.

#### 35. Income taxes

The company operations are subject to the current taxation and regulations.

In Turkey, the coporation tax rate is %20. The corporated-tax income return is submitted on 25th day of 4th month following the accounting period and is paid totally until the end of that month. In line with taxation regulations, a temporary tax is calculated at each 3 month-period and the corporation pays the %20 out of the corporate income as tax. However, at the end of the accounting year, this amount paid is discounted from the year-end tax.

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 35. Income Taxes (continued)

According to Corporations Taxation Code, the financial damages in the corporated-tax income return may constitute exemption but such indicators should not exceed 5 years. The submitted returns are inspected within the following 5 years and so the tax accounts can be revized during this period.

Tax payer corporations are subject to %15 taxation fee on the profit shares in accordance with chapters (1), (2) and (3) of 75. regulation in the income taxation code.

And tax exempfied corporations are subject to %15 taxation fee on the profits defined in the chapters (1), (2) and (3) of 75. regulation of the income taxation code.

The same provisions are applied for tax payer indivuals and partly-exempfied tax payer indivuals, too.

In line with the international standards, the companies operations in more than one country can avoid double taxation on condition of providing required documents.

In reference to the chapter 1-e of 5 in the corporation tax code, a company is %75 exempfied from the taxation for the stock revenues which have been kept in actives account for more than 2 years.

As of 31.12.2010 the prepaid tax and provision for tax are given below:

	1 January - 31 December 2010	1 January - 31 December 2009
Provision for tax to be paid	<b>7.405.410</b>	15.653.407
Prepaid tax	<b>(8.040.758)</b>	(13.826.267)
	<b>(635.348)</b>	1.827.140

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 35. Income Taxes (continued)

As of the year ending on the date 31 December 2010, analysis of provisions for tax expenses reflected on income statement is given below:

	1 January - 31 December 2010	1 January - 31 December 2009
Pre-tax Profit	50.536.678	81.702.051
Deferred Tax expense / (income)	(90.697)	257.585
	50.445.981	81.959.636
Tax rate	20%	20%
Calculated Provisions for Corporation Tax	10.089.196	16.391.927
Nonallowable Expenses / tax free incomes, net	(1.726.141)	(652.740)
<b>Current tax expenses, net deferred tax income</b>	<b>8.363.055</b>	<b>15.739.187</b>
	31 December 2010	31 December 2009
Reflected from equity	(1.048.342)	171.805
Reflected to income statement	8.453.752	15.481.602
<b>Current provisions for tax</b>	<b>7.405.410</b>	<b>15.653.407</b>

#### 36. Net incomes of changes in foreign currency rate

	1 January - 31 December 2010	1 January - 31 December 2009
Foreign exchange deposit profit	574.184	(197.240)
Current account foreign exchange profit	1.589.177	2.159.002
Other transactions foreign exchange profit	-	7.608.386
<b>Foreign currency profits</b>	<b>2.163.361</b>	<b>9.570.148</b>
Foreign exchange deposit loss	(2.335.755)	(6.602.844)
Current account foreign exchange loss	(2.354.132)	(1.980.649)
Other transactions foreign exchange loss	(2.515.451)	155.200
<b>Foreign currency losses</b>	<b>(7.205.338)</b>	<b>(8.428.293)</b>
Net profit change	(5.041.977)	1.141.855



## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 37. Earning per share

**37.1 Provided that it shall be showed separately for common and preference shares, earning per share and dividend per share:**

Earning per share is calculated by dividing the net period profit by average share number of company's shares in current period. Calculation is as below:

	1 January - 31 December 2010	1 January - 31 December 2009
Net Current Period Profit	42.082.926	66.220.449
Weighted average number of share with par value of TL 1	350.000.000	350.000.000
Earning/(Loss) per share (TL)	0,12	0,19

(31 December 2009- In Extraordinary General Assembly Meeting held on 24 December 2008, the Company made changes in some articles of Master Agreement and to the extent that the laws allow, it is decided to distribute at least 70% of the profit available for distribution to the shareholders).

#### 38. Dividend per share

Dividend per share is calculated by dividing the dividend by average share number of company's shares in current period. Calculation is as below: Calculation is as below:

	1 January - 31 December 2010	1 January - 31 December 2009
Dividend distributed during the year	52.758.644	69.070.888
Weighted average number of share with par value of TL 1	350.000.000	350.000.000
Earning per share (TL)	0,15	0,20

#### 39. Cash from Operations

Cash from Operations is indicated in Cash Flow Table.

#### 40. Convertible Bonds

None.

#### 41. Convertible preference shares

None.

#### 42. Risks

Total amount of Loss suits filed against the Company as of 31.12.2010 is TL 58.130.102 (31 December 2009 TL 51.642.269). There is no Labour suit filed against the Company. Provision amounts for the said suit filed against are taken into account for related provision calculations in attached financial statements.

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 43. Commitments

	31 December 2010	31 December 2009
Guarantee Letters	3.150.110	3.499.804

Guarantee Letters given as of the date 31 December 2010 and 31 December 2008 include a bank letter of guarantee in an amount of USD 111.000.

#### 44. Business Combination

N/A (31 December 2009 – N/A).

#### 45. Related Party Transactions

Related party means a corporation that can control the other party directly and indirectly or can affect vitally through the ways like shareholding, rights arising from agreement, family relations and etc.. Also investors and Company management are included in Related Party. Related Party transactions includes the transfer of resources and obligations between related parties, irrespective of the fact that a price is applied. In financial statements dated 31.12.2010 and explanatory footnotes related parties of the shareholder and Company management are defined as Related Party.

Sales and purchases realized with Company's other related parties as of 31.12.2010 are as below:

Because of the capital structure change realized in the year 2010, companies of Cukurova Group are defined as Related Corporation as of the date 31.12.2010.

	1 January - 31 December 2010	1 January - 31 December 2009
<b>1- Insurance Activities</b>		
Turkcell İletişim Hizmetleri A.Ş.	-	4.499.875
Astelit Ltd Liability Company	-	1.320.759
Baytur İnşaat Taahüt A.Ş.	-	1.004.401
BMC San ve Tic. A.Ş.	-	792.072
Digital Platform İletişim Hizmetleri A.Ş.	-	483.952
T Medya Yatırım Sanayi ve Ticarete A.Ş.	-	383.194
Tellcom İletişim Hizmetleri A.Ş.	-	440.022
Çukurova İnşaat Mak. San.ve Tic. A.Ş.	-	221.949
Çukurova İthalat ve İhracat T.A.Ş.	-	301.755
Çukurova Ziraat Endüstri ve Tic. A.Ş.	-	243.600
Selkasan Kağıt ve Paketleme Malzeme İmalatı San.ve Tic. A.Ş.	-	274.416
AKS T.V. Reklam ve Film	-	304.355
Çukurova Havacılık A.Ş.	-	503.368
Hobim Bilgi İşlem Hizmetleri A.Ş.	-	149.974
<b>Mapfre Genel Yaşam Sigorta A.Ş.</b>	<b>99.754</b>	243.210
Other	-	2.712.219
	<b>99.754</b>	13.879.121
<b>2- Rental Income</b>		
Doğu Denizcilik A.Ş.	-	960
Mapfre Genel Yaşam Sigorta A.Ş.	73.785	15.000
	73.785	15.960

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 45. Related Party Transactions (continued)

	1 January - 31 December 2010	1 January - 31 December 2009
<b>3- Advertising expenses</b>		
Digital Platform Teknoloji Hizmetleri A.Ş.	-	(603.270)
T Medya Yatırım San. ve Tic. A.Ş.	-	(42.719)
Zedpa Medya Paz.AŞ.	-	(787.287)
Mepaş Medya Pazarlama A.Ş.	-	(82.009)
T Medya Magazin Yayıncılık San ve Tic. A.Ş.	-	(12.390)
Pamukspor ve Turizm Hizmetleri San. ve Tic. A.Ş.	-	(33.737)
T Medya Pazarlama ve Dış Tic. A.Ş.	-	(131.288)
	-	(1.692.700)
<b>4- Communication Expenses</b>		
Superonline Uluslararası Elektronik Bilgilendirme	-	(14.004)
Telekomünikasyon ve Haberleşme Hizmetleri A.Ş.	-	(95.859)
Turkcell İletişim Hizmetleri A.Ş.	-	(109.863)
	-	-
<b>7- Other Sales /(Purchases)</b>		
Mapfre Soft SA	2.749.345	157.844
Mapfre Genel Yaşam Sigorta A.Ş.	(325.471)	(593.023)
Mapfre S.A.	18.722	-
Genel Sigorta Memur ve Hiz. Emeklilik ve Yardım Sand. Vakfı	(652.960)	520.766
Tur Asist Yardım ve Servis Ltd. Şti.	83.472	-
Digital Platform Teknoloji Hizmetleri A.Ş.	-	(1.004)
KVK teknoloji ürünleri ve tic a.ş.	-	(22.632)
Mapfre Informatica	43.589	-
Mapfre Servucious	70.966	-
Mapfre Internacional	7.759	-
	1.995.422	61.951
<b>8- Interest Income</b>		
Mapfre	490.068	2.872.380
Avor	5.895.071	7.701.100
	6.385.139	10.573.480
<b>9- Credits Issued</b>		
Avor	-	53.836.855
	-	53.836.855

Sales and purchases with Affiliates and Subsidiaries are explained in footnote 34.3.

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 45. Related Party Transactions (continued)

**45.1 Amount of Doubtful receivables appropriated for receivables from shareholders, affiliates and subsidiaries and liabilities of them:** N/A (31 December 2009 – N/A).

**45.2 List of the affiliates and subsidiaries having indirect capital and management relation with the Company, names, participation rates and participation amount of the partnerships in the affiliates and subsidiaries account, period profit and loss included in the last financial statement of the said partnerships, period of these financial statements along with the net period profit and loss, whether they have been prepared according to our Corporate standards, whether they have been subject to independent audit and the type of audit report; positive, negative or conditional:**

								31 December 2010						
								Independently						
								audited	Independent					
								or	audit					
								not	report					
								Amount	Net Period					
								TL	Profit/(Loss)					
								Share	Equity					
								Period						
<b>Financial fixed assets</b>														
<b>Affiliates</b>														
Tarım Sigortaları Havuz İşletmesi A.Ş. (Tarsim)								130.565	4,35%	31.12.2009	562.306	3.977.704	No	None
<b>Subsidiaries</b>														
Mapfre Genel Yaşam Sigorta A.Ş.								40.716.506	99,50%	31.12.2009	(2.320.604)	38.592.020	Yes	Yes
<b>Total</b>								<b>40.847.071</b>			<b>(1.758.298)</b>	<b>42.569.724</b>		
								31 December 2009						
								Independently						
								audited	Independent					
								or	audit					
								not	report					
								Amount	Net Period					
								TL	Profit/(Loss)					
								Share	Equity					
								Period						

**45.3 Amount of the no-par share acquired through the capital increase by internal resources of affiliates and subsidiaries:**

N/A (31 December 2009 - N/A).

**45.4 Real rights on the immoveables and the values of these rights:**

N/A (31 December 2009 - N/A).

**45.5 Amount of the obligations like guarantee, undertaking, indemnification, advance payment and endorsement given in favour of shareholders, affiliates and subsidiaries:**

N/A (31 December 2009 - N/A).

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 46. Events occurring after the balance sheet date

As of the approval date, financial statements' USD/TL rate of exchange is 1,5759 and EUR/TL rate of exchange is 2,1793.

#### 47. Other

47.1 Names and the amounts of the items exceeding 20% of the total amount of the group included the accounting items named as "Other" in financial statements and 5 % of total of current assets are as below:

	31 December 2010	31 December 2009
<b>a) Other miscellaneous receivables:</b>		
Creditors from mandatory earthquake insurance	1.909.773	2.165.947
Debtors from mandatory earthquake insurance	(545.884)	(542.816)
Creditors from state-backed crop insurance	1.116.791	182.523
Debtors from state-backed crop insurance	(870.360)	(2.736)
Miscellaneous Receivables from intermediaries	3.661.767	1.882.188
Other	634.202	1.795.212
<b>Total</b>	<b>5.906.289</b>	<b>5.480.318</b>
<b>b) Other Miscellaneous Liabilities:</b>		
Liabilities to Sellers	1.775.397	1.959.725
Other Liabilities	306.546	93.182
	<b>2.081.943</b>	<b>2.052.907</b>
<b>c) Other Technical Provisions:</b>		
Balancing provision	4.371.332	2.602.500
	<b>4.371.332</b>	<b>2.602.500</b>
<b>d) Prepaid Expenses for the Future Months:</b>		
Deferred commission expenses	29.174.761	23.943.516
Other expenses and Accrued income	587.317	355.450
	<b>29.762.078</b>	<b>24.298.966</b>

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 47. Other (continued)

**47.2 Separate sum of the amounts of receivables from personnel and liabilities to personnel exceeding 1% of balance sheet net asset and included in “Other short-term or long-term liabilities” accounting item along with “Other Receivables”:** N/A (31 December 2009 – N/A).

**47.3 Amounts relating the recourse receivables followed up in memorandum account:** N/A (31 December 2009 – N/A).

**47.4 Explanatory note indicating the amounts and resources of “income and expenses relating the previous period” and “expenses and losses relating the previous period”:** N/A (31 December 2009 – N/A).

#### 47.5 Other Notes to be Included

##### Other income and profits:

	1 January - 31 December 2010	1 January - 31 December 2009
Intermediary Interest Income	177.979	105.275
Other Interest income	142.908	81.515
Other incomes	1.048.329	493.648
	<b>1.369.216</b>	680.438

##### Other expenses and losses:

	1 January - 31 December 2010	1 January - 31 December 2009
Bank and insurance proceeding expenses	3.465.070	2.507.317
Nonallowable Expenses	328.648	-
Other	2.139.686	1.617.074
	<b>5.933.404</b>	4.124.391

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 47. Other (continued)

##### Provision and rediscount expenses of current period

##### a) Provision expenses

	1 January - 31 December 2010	1 January - 31 December 2009
Provision for Depredation (Note 7)	-	2.156.479
Other Provisions no longer required	<b>(7.705.460)</b>	91.158
Provisions for doubtful receivables, net (Note 12.1)	<b>(1.109.721)</b>	(1.622.638)
Provisions for termination indemnification, net (Note 22)	<b>(535.227)</b>	(335.719)
Provisions for Social Support Fund deficit	<b>(277.348)</b>	1.933.999
Provisions for vacation (Note 22)	<b>(256.471)</b>	(368.077)
<b>Total of nontechnical provisions</b>	<b>(9.884.227)</b>	1.855.202
Provision for unearned premiums	<b>(27.245.978)</b>	(10.086.762)
Provision for outstanding loss compensation	<b>(2.889.565)</b>	14.970.099
Provision for continuing risks (Note 17)	<b>90.296</b>	(699.884)
Other Technical Provisions (equalization provision) (Note 17)	<b>(1.768.832)</b>	(1.456.198)
<b>Total Technical Provisions</b>	<b>(31.814.079)</b>	2.727.255
<b>Tax provisions</b>	<b>8.453.752</b>	15.481.602

(\*) Because provisions for potential income calculated relating the Recourse and salvage pursuant to "Article J – Accounting Records Relating Recourse and Salvage Incomes" of the Circular published by Undersecretariat of Treasury dated 18 October and no 2010/16 are not included in current regulation, the part calculated as of the date 31.12.2009 and transferred to the year 2010 with a current period transfer registration is followed up in "Provisions No Longer Required" account.

##### b) Rediscount expenses

	1 January - 31 December 2010	1 January - 31 December 2009
Rediscount interest income	(186.016)	73.069
Rediscount interest expenses	(57.814)	42.449
<b>Total</b>	<b>(243.830)</b>	115.518

## Mapfre Genel Sigorta Anonim Şirketi

### Notes related to financial tables as of 31 December 2010 (Continued)

(Currency unit – Unless specified otherwise it is shown as Turkish lira (TL))

#### 47. Other (continued)

##### 47.6 Statement of Profit Appropriation

Company's statement of profit appropriation to be proposed to general assembly, as of the dates 31.12.2010 and 31.12.2009 is included in annex.

Corporation Tax and Profit appropriation of the years 2010 and 2009

	31 December 2010	31 December 2009
Profit before Corporation Tax	50.536.679	81.702.051
Corporation Tax	7.405.410	15.653.407
Tax expense reflected on equity	1.048.342	(171.805)
	42.082.927	66.220.449
Period income not subject to distribution	3.275.264	-
<b>Period income after tax</b>	<b>38.807.663</b>	66.220.449
5% reserve	1.940.383	3.311.022
10% extraordinary reserve	3.880.766	6.622.045
	32.986.514	56.287.382
Shareholder I. Dividend	21.000.000	21.000.000
10% Legal reserve	1.198.651	3.528.738
<b>Shareholder II. Dividend</b>	<b>10.787.863</b>	31.758.644
I. Dividend	21.000.000	21.000.000
Shareholder II. Dividend	10.787.863	31.758.644
<b>Profit available for distribution to Shareholders</b>	<b>31.787.863</b>	52.758.644

This Statement of Profit Appropriation is prepared as draft only for footnotes and shall be final upon being voted in ordinary general assembly to be held for 2010 accounting period.



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