

Corporate Credit Rating

INSURANCE

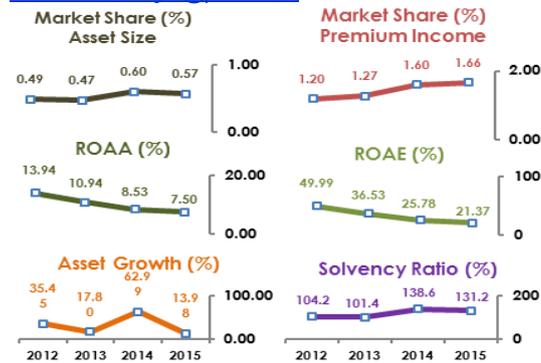
ACIBADEM SİGORTA		Long Term	Short Term	
International	Foreign Currency	BBB	A-3	
	Local Currency	BBB	A-3	
	Outlook	FC	Stable	Stable
		LC	Stable	Stable
National	Local Rating	AA (Trk)	A-1+(Trk)	
	Outlook	Stable	Stable	
Sponsor Support		2	-	
Stand Alone		AB	-	
Sovereign*	Foreign Currency	BBB-	-	
	Local Currency	BBB-	-	
	Outlook	FC	Stable	-
		LC	Stable	-

*Assigned by JCR Eurasia Rating, JCR-ER on October 7, 2016

Analyst:

Abdurrahman TUTGAÇ / +90 212 352 56 73

abdurrahman.tutgac@jcrer.com.tr



Strengths

- Superior premium growth and further market penetration both in the sector and health branch
- High quality liquid portfolio with satisfactory investment returns providing a cushion for volatile claims
- Visible future results based on the Company's proven track record of over 20 years, widely known health branch expertise in the sector and strong shareholding structure
- Strategic alliances strengthening its role as insurer of the other insurance companies in the sector and extending its distribution channels
- Efficient organizational design and systems dedicated to improving operational efficiency and investing in human capital
- Flexible balance sheet and financial stamina to cover risks as reinsurer
- Rooted customer base largely comprised of prominent Turkish and international companies operating in Turkey
- Regulatory environment creating a ring-fence control environment and supporting the best practices of the Corporate Governance Principles

Acıbadem Sağlık ve Hayat Sigorta A.Ş.					
Financial Data	9M2016	2015*	2014*	2013*	2012*
Total Assets (000 USD)	227,794	186,885	205,581	137,288	139,670
Total Assets (000 TRY)	683,472	543,388	476,721	292,478	248,278
Equity (000 TL)	217,507	194,148	163,788	90,791	71,180
Net Profit (000 TL)	22,937	30,764	27,068	23,797	22,895
Technical Profit (000 TL)	-2,693	4,624	5,926	15,028	21,246
Gross Written Premiums (000 TL)	590,863	522,361	416,307	308,020	237,216
Asset Market Share1 % (**)	0.60	0.57	0.60	0.47	0.49
Asset Market Share2 % (***)	0.94	0.88	0.94	0.76	0.78
Premium Market Share1 % (**)	1.99	1.66	1.60	1.27	1.20
Premium Market Share2 % (***)	18.98	14.83	12.69	9.07	8.75
ROAA (%)	n.a.	7.50	8.53	10.94	13.94
ROAE (%)	n.a.	21.37	25.78	36.53	49.99
Solvency Ratio (%)	119.59	131.19	138.60	101.45	104.23
Asset Growth (%)	n.a.	13.98	62.99	17.80	54.92
GWP Growth (%)	n.a.	25.47	35.16	29.85	34.16

* End of year, ** In the sector, *** In the Life & Pension Companies,

Overview

Acıbadem Sağlık ve Hayat Sigorta A.Ş. (henceforth Acıbadem Sigorta or the Company) primarily provides health insurance along with life and personal accident policies and is the only company in the sector specialized in the health insurance branch. The Company is the second largest health insurance provider in the Turkish insurance sector in terms of premium production.

Acıbadem Sigorta is incorporated under **Burau Ventures Sdn Bhd**, fully owned by the insurance holding **Avicennia Capital Sdn Bhd** of **Khazanah Nasional Berhad**, a strategic investment fund run by the Government of Malaysia since 2013. Mr. Mehmet Ali Aydınlar has transferred its 10% ownership on the Company's shares to Burau Ventures Sdn Bhd. in September, 6 2016.

The customer base of the Acıbadem Sigorta was chiefly comprised of group insurance contracts with major Turkish and international companies located in Turkey while a smaller portion of services are produced by the individual business line. As of September 2016, the Company employed a total of 263 staff and around 210 sales representatives.

Constraints

- Contraction in the technical profits due to volatile nature of claims and intense competition in the health branch
- Higher exposure to concentration risks due to relying on a single branch
- Corporate segment customers' sensitivity to cost cutting measures in macro-economic downturns which would create downward risks in premium generation
- Near-sighted strategies prevalent in the sector depressing the overall profitability
- Considerably low domestic per capita premium compared to global figures due to low domestic per capita income and lack of awareness towards insurance products

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