

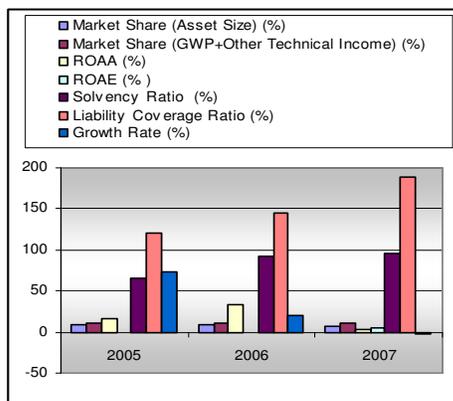
**Corporate Credit Rating**

**Insurance**

		Long-Term	Short-Term
<b>International</b>	Foreign currency	BB-	B
	Local currency	BB-	B
	Outlook	Stable	Stable
<b>National</b>	Local Rating	A- (Trk)	A-1 (Trk)
	Outlook	Stable	Stable
<b>Sponsored Support</b>		3	-
<b>Stand-alone</b>		B	-
<b>Sovereign*</b>	Foreign currency	BB-	-
	Local currency	BB-	-
	Outlook	Stable	-

\*Assigned by Japan Credit Rating Agency, JCR on May 28, 2008

**Analyst:** Cengiz ÖNDER/ +90 212 352 56 73  
 conder@jcravasyarating.com.tr



**Strengths**

- Dominant public institutions amongst its shareholders
- Has a liability coverage ratio which is above legal limit and displaying an increasing trend
- Has liquidity ratios which are compliant to local and international regulations
- Widespread agent network and continuity of the business volume provided by shareholders
- Experienced and coherent management team on board
- Honored and high recognition by international insurance associations (i.e. F.A.I.R. membership)

**Constraints**

- Currency risk undertaken on non-technical operations
- Increasing operating expenses, of which effects may be eliminated along with future growth
- Investment and significant operations which generate income in non-technical field should be improved
- High loss ratio in the casualty branch

**Publication Date: August 26, 2008**

**“Global Knowledge supported by Local Experience”**

<b>KIBRIS SIGORTA ŞTİ. LTD.                  (Cyprus Insurance Co. Ltd.)</b>			
<b>Financial Data</b>	<b>2007*</b>	<b>2006*</b>	<b>2005*</b>
Total Assets (000 USD)	4,111	3,494	3,064
Total Assets (000 TRY)	4,766	4,911	4,111
Equity (000 TRY)	2,986	3,009	1,823
Net Profit (000 TRY)	100	1,004	400
Technical Profit (000 TRY)	1,385	1,645	1,232
Premium Income (000 TRY)	8,790	7,777	7,073
Market share in premium income (%)	9.86	10.76	11.35
ROAA (%)	2.68	33.28	16.75
ROAE (%)	4.34	62.14	40.77
Solvency ratio (%)	96.64	91.48	66.10
Liability Coverage Ratio (%)	189.20	144.25	121.35
Asset growth (%)	-2.94	19.44	74.02
Gross written premium growth (%)	19.50	25.17	30.88

\*End of year

**Overview**

KIBRIS SIGORTA STI.LTD. (Kıbrıs Sigorta; Cyprus Insurance Co.Ltd.), established in 1995, is one of the biggest insurance companies in the Turkish Republic of Northern Cyprus (TRNC) operating in the non-life insurance sector. State Development Bank, E.T.I. Enterprises Ltd. and Vakıflar Bank Ltd. are some of its qualified shareholders.

Kıbrıs Sigorta is the third biggest insurance company amongst 32 insurance companies operating in TRNC. It has 48 intermediaries extended in the whole country (corporate: 32, individual: 16). Kıbrıs Sigorta is also a member of F.A.I.R. (Federation of Afro-Asian Insurers and Reinsurers) which has given membership to insurance and reinsurance companies from 53 countries from the Asian-African regions. Kıbrıs Sigorta has a worldwide reinsurance network.