

2011

ANNUAL REPORT



**AXA HAYAT
EMEKLİLİK**

gelecek / yeniden tanımlanıyor



AXA SİGORTA

sigortacılık / yeniden tanımlanıyor

1

MESSAGE FROM THE CHAIRMAN

MESSAGE FROM THE CHAIRMAN

JEAN LAURENT GRANIER



The path which has been followed by AXA SİGORTA since 1994 marks one of the most outstanding performances achieved within the AXA Group. AXA SİGORTA, which managed to take its place among the top-ranking insurers in the Turkish non-life insurance market in only a few years time after its foundation, has developed a trust-based relationship with its clients and distribution channels through its high quality products and immaculate client services. Putting its expertise at the service of society as part of a divine goal, AXA SİGORTA demonstrated its dedication to society by assigning its teams to help the victims of the earthquake that took place in Van in 2011.

With its strong and agile organisational structure, AXA SİGORTA aims to strengthen its regional presence by expanding its operations in the neighbouring markets, just like it has been doing recently in Azerbaijan.

At a time when the AXA Group aims to further expand its presence in emerging markets through “Ambition AXA”, the new strategic roadmap of the Group, the path followed and the success achieved by AXA SİGORTA has set a good example in terms of not only market strategy, operational immaculateness and commercial management, but also of corporate management and culture.

Jean Laurent Granier
Chairman

With its strong and agile organisational structure, AXA SİGORTA aims to strengthen its regional presence by expanding its operations in the neighbouring markets, just like it has been doing recently in Azerbaijan.

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MESSAGE FROM THE VICE-CHAIRMAN & CEO

MESSAGE FROM THE VICE-CHAIRMAN & CEO

H. CEMAL ERERDİ



In 2011, AXA SİGORTA attained its goal in terms of profitability and also achieved remarkable growth beyond its expectations in both premium production and market share. The decrease in prices in the insurance industry continued throughout 2011 as well with no apparent reason and this has driven insurance investors to question once again the reasons behind their companies' return on equity and need for additional capital. On the other hand, the two earthquakes and eight floods that took place in 2011 show that there is an increase in the frequency of natural disasters in Turkey. We paid a total of TRY 26 million in insurance claims arising from the two earthquakes, which took place in Van, effectively and quickly and this has demonstrated how important AXA SİGORTA's mission is in both financial and social responsibility terms. I believe that the effective marketing and sales activities carried out by AXA SİGORTA dealers and agents in Van, particularly after these earthquakes, played a key role in increasing considerably the number of individuals and companies insured by AXA SİGORTA in the region. On the other hand, AXA SİGORTA paid nearly TRY 18 million in insurance claims arising from the eight floods that took place in various parts of our country during 2011.

Another important development we observed in 2011 was the central government's regulation, which was promulgated in Official Gazette no. 27857 of 25 February 2011, authorising the Social Security Authority ("SSA") to cover the costs of health care services provided by hospitals for individuals injured in road traffic accidents. The same regulation requires that these costs be financed through the transfer by insurers to SSA of a premium not exceeding 15% of the compulsory traffic insurance premiums generated by them. Here is a snapshot of the regulation's impact on AXA SİGORTA's 2011 financial results: the net impact of the amount that is calculated as liquidated provision for SSA claims and due to SSA in the next three years is estimated to be TRY 22,8 million, while the return on the premiums transferred to SSA for 2011 is TRY 19 million.

The said regulatory change was unforeseen and had fairly important effects of on the industry during 2011, and this shows how difficult it is in our country to run a business amid uncertainties.

AXA SİGORTA maintained its leading position in the industry in 2011 and grew into a big company in Turkey, increasing its annual policy sales up to 5 million. On the other hand, AXA HAYAT VE EMEKLİLİK, our life and private pension company, was launched in December 2011.

AXA SİGORTA reserved an incurred but not reported losses (IBNR) reserve, which is the most critical among technical reserves in the industry, at the rate of 100% for 2011 although it is legally entitled to a reserve of 90% within the framework of the gradual shifting option provided for under the relevant law. The net impact of the reserve on our financial results was TRY 12 million.

AXA SİGORTA improved its premium production in the non-life segment by approximately 31,5% in 2011, up to TRY 1.997.608.930, and also increased its market share to 13,8%. AXA HAYAT VE EMEKLİLİK started selling private pension policies in last December, taking its place in this segment of the market as well. The company produced TRY 54.844.820 in premiums in 2011. With new resources created during the year, particularly our life operations have regained momentum.

AXA SİGORTA maintained its leading position in the industry in 2011 and grew into a big company, increasing its annual policy sales up to 5 million. On the other hand, AXA HAYAT VE EMEKLİLİK maintained its place as the 13th largest company in the market.

In 2011, AXA SİGORTA recorded an after-tax profit of TRY 19.349.410 and put on a striking performance in terms of overhead expenses and distribution channel strategy. AXA HAYAT VE EMEKLİLİK also showed a pattern of good performance, recording an after-tax profit of TRY 16.331.525, in the same year.

Our agencies, forming the most important sales channel of AXA SİGORTA, performed very well during 2011 in terms of both growth and operations and our professional agencies in particular recorded a growth rate of nearly 34,5%. We signed a long-term exclusive agency agreement with Deniz Bank for the purpose of improving diversity in our sales channels.

At AXA SİGORTA, we measure the satisfaction level of our stakeholders every year as part of our dedication to providing high-quality services. A field survey conducted by Nielsen, a global research company, during the year to gather information on "Client Satisfaction", showed that

86% of our clients are satisfied with AXA SİGORTA's services and this high level of satisfaction is attributable to our client-focused service structure. Another survey conducted by Nielsen again to measure the level of satisfaction of our agencies with AXA SİGORTA showed that our Agency Satisfaction Score stand at 94%.

AXA SİGORTA received various prominent awards in 2011, as it did in previous years. In its traditional "Most Preferred Companies in Turkey" survey, Capital, a leading financial magazine distributed in Turkey, named AXA SİGORTA as the "Most Preferred Insurance Company" for the fourth time successively. We also received the "Best Insurer in Turkey" award for the second time successively from World Finance, one of the leading financial magazines in the world, and this confirms that our superior performance is acclaimed not only in Turkey, but also in the international arena.

Our employees' loyalty and confidence toward our Company and its corporate policies is one of the most powerful driving forces behind our striking performance. The online employee satisfaction survey conducted in 2011 by Towers Watson, a global independent research company, among the employees of AXA Global shows that our employee satisfaction index stands at 95%, which is way above the highest employee loyalty level measured across AXA's MedLA Region during the same year. The survey, which also measures a number of our Company's policies (such as leadership, corporate culture, client-orientation, performance recognition, personal skills development, etc.) and the results of which we evaluate meticulously and share with our employees to identify areas for improvement, is our most significant feedback process and makes a difference with a participation rate of 98%.

I would like to extend my gratitude to our shareholders, agents, clients and employees for the contribution they have made to AXA SİGORTA in achieving the 2011 results.

H. Cemal Ererdi
Vice-Chairman & CEO

INTERNAL AUDIT

The Inspection Committee which was formed within the organizational structure of our Company in 1994 was restructured as an Internal Audit Department on 01 January 2005. Since then, the Department has been reporting directly to the Audit Committee, a subordinate organ of the Board of Directors, in accordance with the "Procedures for Audit Committee and Internal Audits" approved by the Board. It also functions in conformity with the "Regulations on Internal Audit Procedures of Insurance, Reinsurance and Private Pension Companies".

The Audit Committee has three members, two of whom also serve on the Board (the third member also acts as the General Secretary of the AXA Mediterranean and Latin American Region). Depending on the Committee's agenda, certain other executives of our Company and experts from the independent external audit firm providing audit services to our Company may also be invited to Committee meetings to advise on specific matters.

The Audit Committee held three meetings during 2011 and evaluated the internal audit and risk management operations as well as the ongoing activities intended to raise awareness about misconduct, prevention of money laundering and financing of terrorism, and information security systems. The Committee also revised the Company's misconduct policy and Procedures for Audit Committee and Internal Audits and consulted with both the Financial Department and the independent external audit firm on the closing accounts for 2011. All these matters considered by the Committee were presented by the Committee Chairman to the Chairman of the Board to obtain the Board's approval for its internal audit activities and results. The Audit Committee also reviewed the scope and functionality of its own activities. We have presented the results of the review to the AXA Group and taken actions to address the areas for improvement identified by the Group.

Compliance with both the relevant legal regulations in Turkey and International Standards on Internal Auditing is ensured in all the

phases of internal audit planning and implementation evaluated by the Audit Committee. In this context, the "Internal Audit Procedures", codified by the Internal Audit Department and approved by the Board of Directors, clearly describe the Internal Audit Department's tasks, powers, responsibilities and rules of procedures, and also regulates its relations with the executive organ of our Company. Accordingly, all internal audit activities are conducted with a view to ensuring that our Company's business is carried out in line with the related laws, regulations and the corporate strategies, policies, principles and objectives, and in a manner to provide assurance on the effectiveness and adequacy of our Company's internal audit, risk management and governance policies.

A team from the AXA Group's Audit Department conducted a quality assurance audit of our Company's internal audit function in 2011 and confirmed that our Company's internal audit function complies with international standards on auditing".

Since 31 December 2011, the Internal Audit Department has three members. One of them is an executive and the other two internal auditors. Our Company has identified all the tools necessary to regularly monitor and revise the performance criteria governing internal audit activities. Any performance criterion revised is presented to both the Audit Committee and the AXA Group.

The breakdown of the resources used by the Internal Audit Department during 2011 is as follows: 75% for audit and follow-up activities; 15% for planning, quality assurance (to ensure compliance with international standards on auditing) and guidance provided to AXA MBASK (Azerbaijan) audit team; 6% for ensuring coordination among AXA Group's/region's compliance, control and risk functions; 4% for training provided to the audit team (private pension, solvency, internal audit standards, miniMBA, etc.).

A team from the AXA Group's Audit Department conducted a quality assurance audit of our Company's internal audit function in 2011 and confirmed that our Company's internal audit function complies with international standards on auditing".

Our Company's annual internal audit plan is developed on the basis of the risk assessment performed by the Internal Audit Department and implemented upon its approval by the Audit Committee. In the development process of the annual internal audit plan for 2011, our Company's strategy and objectives, customer complaints, the results of previous audits and supervisions, and the operational risk analyses performed by the Risk Management Department were all reviewed and the risk measurements obtained through these analyses as well as our directors' perceptions of risk were taken into consideration.

Each audit report sets out the scope, purpose and findings of the audit, gives the name of the department audited, and also enumerates all proposed corrective actions, if any, giving a deadline for completing such corrective actions. Also, periodic reviews are performed so as to verify whether such corrective actions have been accomplished as recommended.

In addition to carrying out auditing activities as scheduled in each annual audit plan, the Internal Audit Department is also responsible for conducting investigations and enquiries, where needed, for helping improve awareness among our staff members about the warning signs of misconduct, and for providing advisory services to our senior management, if requested. The policy developed by the AXA Group in an effort to outline the Group's corporate approach to addressing misconduct was adapted to and shared across our Company in 2011 upon approval by the senior management and Audit Committee.

During 2011, the Internal Audit Department performed a total of 9 audits/reviews of various functions and operations of our Company, including our regional offices' claims handling processes and expenses, non-performing assets, risk-bearing agencies, agency setup procedures, information security procedures, catastrophic risks and other matters that have the potential to affect our Company's financial structure, compliance with the law and regulations regarding the prevention of money laundering and financing of terrorism, and the travel insurance policies sold by our agencies during the year. The staff members in charge of the above-listed functions and operations provided the Department with their documented action plans, with proposed completion deadlines, concerning the findings obtained, and the Department issued reports covering the results of these audits.

The internal audit functions are performed in coordination with other internal functions. Our goal is to constantly improve our internal control system in a manner that it contributes to our Company in attaining its objectives. With all this in mind, we are planning to further strengthen our internal audit processes and expand and support our internal audit staff.



AXA SİGORTA A.Ş.

Financial Highlights (TRY 000)

AXA SİGORTA A.Ş.	2011	2010	2009	2008	2007
Premiums Earned	1.997.609	1.518.548	1.277.193	1.234.025	1.129.745
Claims Paid	1.187.976	851.412	892.620	677.201	619.973
Technical Profit	27.220	112.792	92.308	111.923	60.467
Overhead Expenses	115.671	108.984	71.925	68.081	59.001
Taxable Income (Net)	114.586	96.773	127.780	168.862	80.062
Profit Before Tax	28.581	100.340	106.186	154.369	77.923
Net Profit	19.349	87.329	92.867	112.643	50.271
Shareholders' Equity	508.804	571.475	541.617	446.323	352.910
Paid-in Capital	387.300	364.000	310.300	310.300	222.560
Total Assets	2.096.636	1.818.268	1.616.803	1.512.356	1.126.012
Number of Policies Sold	5.128.187	4.139.876	3.332.594	2.951.133	2.628.028
Number of Employees	588	582	540	520	453

Operating and Profitability Ratios

AXA SİGORTA A.Ş.	2011	2010	2009	2008	2007
Claims / Premiums	69,0%	61,6%	68,8%	67,4%	65,7%
Overhead Expenses/Premium	5,8%	7,2%	5,6%	5,5%	5,2%
Combined Ratio	104,7%	97,7%	100,5%	102,3%	100,0%
Technical Profit/Premium	1,4%	7,4%	7,2%	9,1%	5,4%
Equity Dividend Rate	4,0%	18,0%	20,7%	33,8%	16,6%
Premium/ Shareholders' Equity	392,6%	265,7%	235,8%	276,5%	320,1%
PBT/Premium	1,4%	6,6%	8,3%	12,5%	6,9%
Shareholders' Equity/Total Assets	24,3%	31,4%	33,5%	29,5%	31,3%
Premium Collection Period (Days)*	46	47	56	52	65

* This refers only to sums due by the insured and agencies.

AXA HAYAT VE EMEKLİLİK A.Ş

Financial Highlights (TRY 000)

AXA HAYAT VE EMEKLİLİK A.Ş.	2011	2010	2009	2008	2007
Premiums Earned	54.845	56.648	108.622	123.612	140.846
Claims Paid	75.793	64.587	104.364	102.263	104.449
Technical Profit	6.585	13.899	23.049	30.813	17.879
Overhead Expenses	8.603	7.377	10.311	9.844	11.735
Taxable Income (Net)	14.371	12.736	19.174	19.883	13.852
Profit Before Tax	19.199	25.335	26.710	34.963	20.556
Net Profit	16.332	20.197	21.486	27.851	15.571
Shareholders' Equity	92.269	88.532	67.496	67.388	50.298
Paid-in Capital	33.265	31.265	26.655	26.655	26.185
Total Assets	386.366	397.184	380.052	394.546	339.054
Number of Policies Sold	290.994	350.538	564.849	1.046.980	1.140.517
Number of Employees	43	37	58	67	121

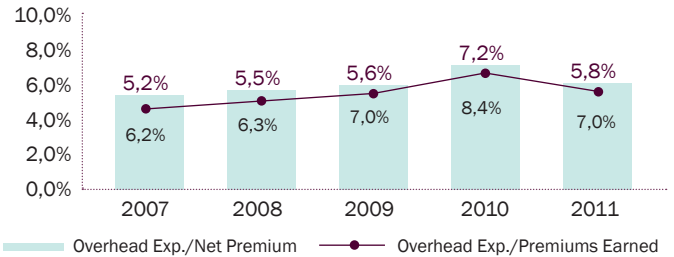
Operating and Profitability Ratios

AXA HAYAT VE EMEKLİLİK A.Ş.	2011	2010	2009	2008	2007
Overhead Expenses / Premiums	15,7%	13%	9,5%	8,0%	8,3%
Premiums / Shareholders' Equity	59,4%	64,0%	160,9%	183,4%	280,0%
Equity Dividend Ratio	21,5%	29,6%	46,7%	70,4%	44,8%
Shareholders' Equity/Total Assets	23,9%	22,3%	17,8%	17,1%	14,8%

OVERVIEW OF 2011 AXA SİGORTA A.Ş.

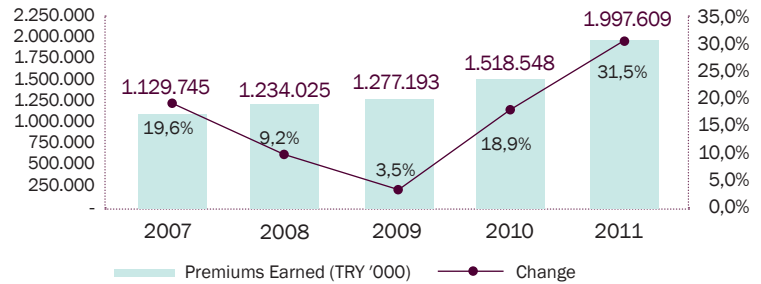
Overhead Expenses

Year	Overhead Exp. (TRY '000)	Overhead Exp. / Premiums Earned	Overhead Exp. / Net Premium
2007	59.001	5,2%	6,2%
2008	68.081	5,5%	6,3%
2009	71.925	5,6%	7,0%
2010	108.984	7,2%	8,4%
2011	115.671	5,8%	7,0%



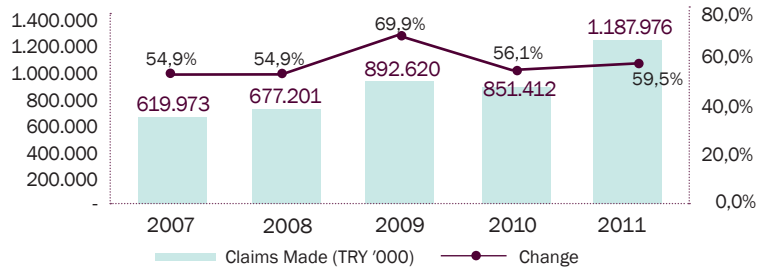
Premium Production

Year	Premiums Earned (TRY '000)	Change
2007	1.129.745	19,6%
2008	1.234.025	9,2%
2009	1.277.193	3,5%
2010	1.518.548	18,9%
2011	1.997.609	31,5%



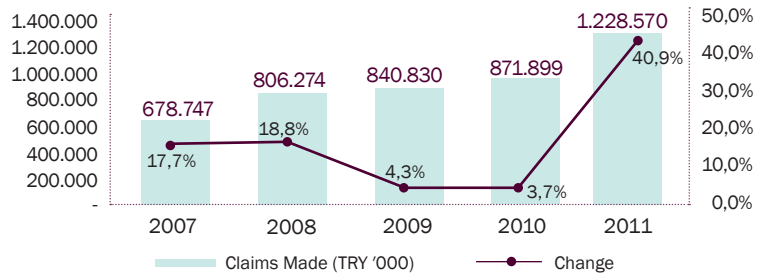
Claims Paid

Year	Claims Paid (TRY '000)	Claims Paid / Premiums
2007	619.973	54,9%
2008	677.201	54,9%
2009	892.620	69,9%
2010	851.412	56,1%
2011	1.187.976	59,5%



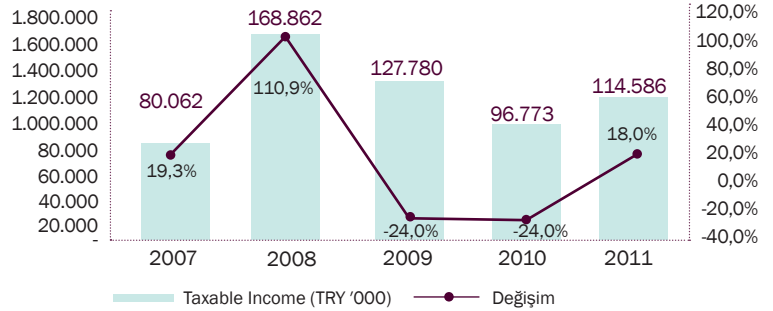
Claims Made

Year	Claims Made (TRY '000)	Change
2007	678.747	17,7%
2008	806.274	18,8%
2009	840.830	4,3%
2010	871.899	3,7%
2011	1.228.570	40,9%



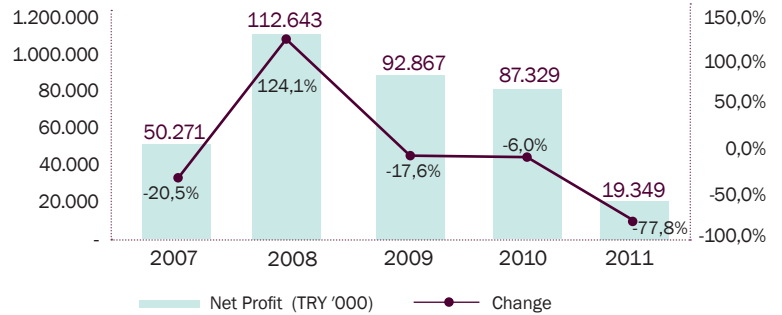
Taxable Income

Year	Taxable Income (TRY '000)	Change
2007	80.062	19,3%
2008	168.862	110,9%
2009	127.780	-24,0%
2010	96.773	-24,0%
2011	114.586	18,0%



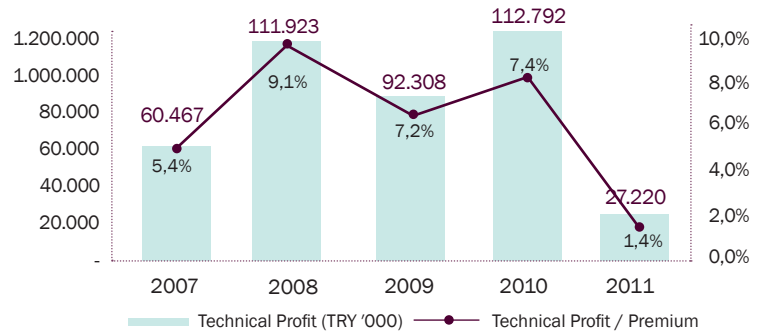
Net Profit

Year	Net Profit (TRY '000)	Change
2007	50.271	-20,5%
2008	112.643	124,1%
2009	92.867	-17,6%
2010	87.329	-6,0%
2011	19.349	-77,8%



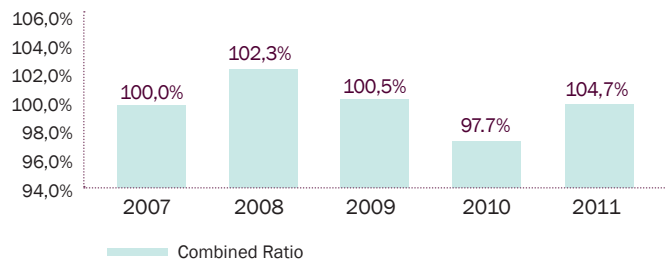
Technical Profit

Year	Net Profit (TRY '000)	Technical Profit / Premium
2007	60.467	5,4%
2008	111.923	9,1%
2009	92.308	7,2%
2010	112.792	7,4%
2011	27.220	1,4%



Combined Ratio

Year	Combined Ratio
2007	100,0%
2008	102,3%
2009	100,5%
2010	97,7%
2011	104,7%

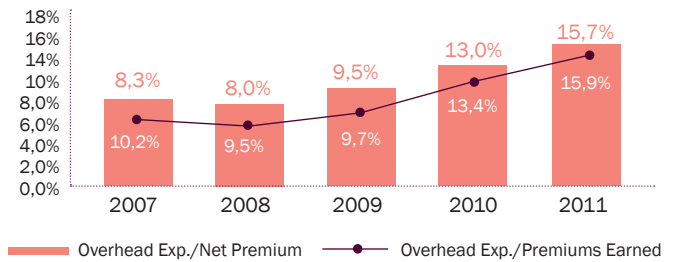


AXA HAYAT VE EMEKLİLİK A.Ş.

OVERVIEW OF 2011

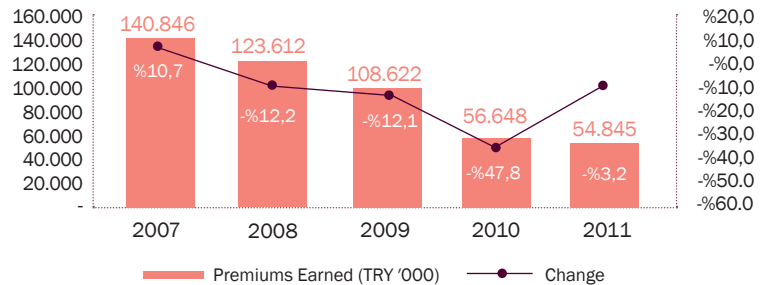
Overhead Expenses

Year	Overhead Exp. (TRY 000)	Overhead Exp. / Premiums Earned	Overhead Exp. / Net Premium
2007	11.735	%8,3	10,2%
2008	9.844	%8,0	9,5%
2009	10.311	%9,5	9,7%
2010	7.377	%13,0	13,4%
2011	8.603	%15,7	15,9%



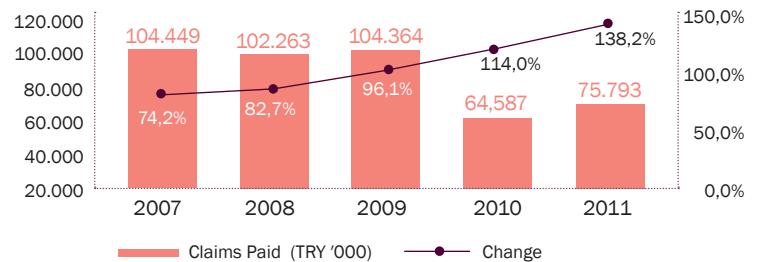
Premium Production

Year	Premiums Earned (TRY '000)	Change
2007	140.846	10,7%
2008	123.612	-12,2%
2009	108.622	-12,1%
2010	56.648	-47,8%
2011	54.845	-3,2%



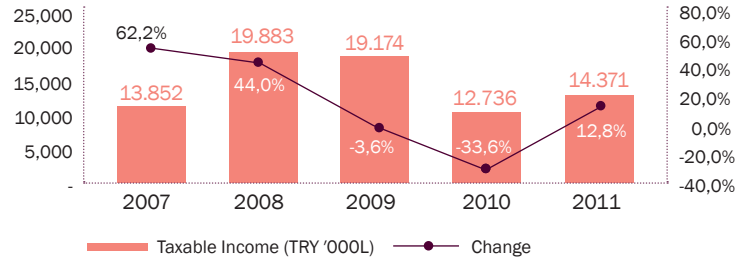
Claims Paid

Year	Claims Made (TRY '000)	Change
2007	104.449	74,2%
2008	102.263	82,7%
2009	104.364	86,1%
2010	64.587	114,0%
2011	75.793	138,2%



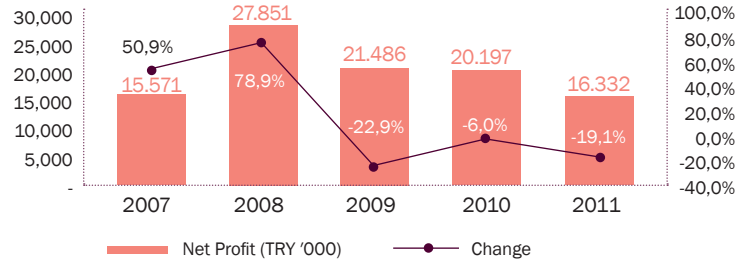
Taxable Income

Year	Taxable Income (TRY '000)	Change
2007	13.852	62,2%
2008	19.883	44,0%
2009	19.174	-3,6%
2010	12.736	-33,6%
2011	14.371	12,8%



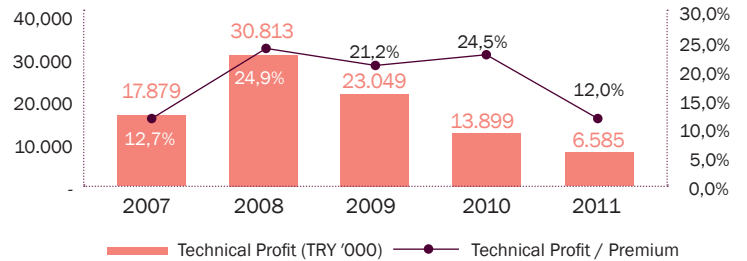
Net Profit

Year	Net Profit (TRY '000)	Change
2007	15.571	50,9%
2008	27.851	78,9%
2009	21.486	-22,9%
2010	20.197	-6,0%
2011	16.332	-19,1%



Technical Profit

Yıl	Net Profit (TRY '000)	Technical Profit / Premium
2007	17.879	12,7%
2008	30.813	24,9%
2009	23.049	21,2%
2010	13.899	24,5%
2011	6.585	12,0%



REPORT OF THE AUDIT COMMITTEE

We have regularly audited the accounting records and business transactions of AXA SİGORTA A.Ş. for 2011 in accordance with the Turkish Code of Commerce and the Company's Articles of Incorporation.

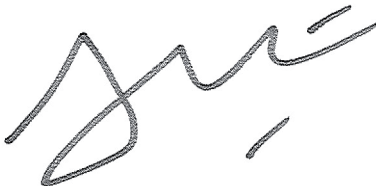
Based on our audit, we have concluded that the Company's Balance Sheet and Statement of Profit and Loss presents fairly and accurately the operating results of the Company.

We gladly observe that the Company closed 2011, recording a profit of TRY 24,406,176.57.

For these reasons, we recommend that the Company's Balance Sheet and Statement of Profit and Loss as well as the report of the Board of Directors for the year be all approved. We would like to thank the Board of Directors, Managers and employees of the Company for their contribution in achieving this successful result in 2011, and also wish our Company even more remarkable performance in the years to come.

Fahrettin DOĞAN

Audit Committee Member



Cemil YALÇINKAYA

Audit Committee Member





OPINION ON COMPLIANCE OF ANNUAL REPORT

To the General Meeting of Shareholders of
AXA SİGORTA A.Ş.

We have been engaged to perform an audit of the accompanying Annual Report of AXA SİGORTA A.Ş. ("Company") that was drawn up for the year ending at 31 December 2011 and will be presented to the Company's General Meeting of Shareholders. The Company's management is responsible for preparing and presenting fairly the accompanying Annual Report. As an independent audit firm, our responsibility is to express an opinion on whether or not the financial information provided in the accompanying Annual Report are in agreement with the financial statements that were independently audited and included in the independent audit report of 13 March 2012.

We conducted the audit in accordance with the regulations and procedures put into force pursuant to Insurance Law No. 5684 with regard to the preparation and disclosure of annual reports. The said regulations and procedures require us to perform the audit in a manner to provide reasonable assurance on whether or not the financial information provided in the Annual Report is free of any material misstatement and reflects the independently audited the financial statements fairly and accurately. We believe that the audit evidence we have obtained provides a reasonable and adequate basis for our qualified audit opinion.

In our opinion, the financial information contained in the accompanying Annual Report is congruent, in all material respects, with the Company's independently audited financial statements drawn up as of 31 December 2011.

Talar Gül, CPA
Responsible Partner, Chief Auditor

A handwritten signature in blue ink, appearing to read "T. Gül", is placed above the printed name and title.

Başaran Nas Bağımsız Denetim ve
Serbest Muhasebeci Mali Müşavirlik A.Ş.
a member of
PriceWaterhouseCoopers

Istanbul, 13 March 2012

REPORT OF THE AUDIT COMMITTEE

We have regularly audited the accounting records and business transactions of AXA HAYAT VE EMEKLİLİK A.Ş. for 2011 in accordance with the Turkish Code of Commerce and the Company's Articles of Incorporation.

Based on our audit, we have concluded that the Company's Balance Sheet and Statement of Profit and Loss presents fairly and accurately the operating results of the Company.

We gladly observe that the Company closed 2011, recording a profit of **TRY 20,386,292.70**.

For these reasons, we recommend that the Company's Balance Sheet and Statement of Profit and Loss as well as the report of the Board of Directors for the year be all approved. We would like to thank the Board of Directors, Managers and employees of the Company for their contribution in achieving this successful result in 2011, and also wish our Company even more remarkable performance in the years to come.

Fahrettin DOĞAN

Audit Committee Member



Eftal ÜSTEL

Audit Committee Member





OPINION ON COMPLIANCE OF ANNUAL REPORT

To the General Meeting of Shareholders of
AXA SİGORTA A.Ş.

To the General Meeting of Shareholders of AXA HAYAT VE EMEKLİLİK A.Ş.

We have been engaged to perform an audit of the accompanying Annual Report of AXA HAYAT VE EMEKLİLİK A.Ş. ("Company") that was drawn up for the year ending at 31 December 2011 and will be presented to the Company's General Meeting of Shareholders. The Company's management is responsible for preparing and presenting fairly the accompanying Annual Report. As an independent audit firm, our responsibility is to express an opinion on whether or not the financial information provided in the accompanying Annual Report are in agreement with the financial statements that were independently audited and included in the independent audit report of 13 March 2012.

We conducted the audit in accordance with the regulations and procedures put into force pursuant to Insurance Law No. 5684 with regard to the preparation and disclosure of annual reports. The said regulations and procedures require us to perform the audit in a manner to provide reasonable assurance on whether or not the financial information provided in the Annual Report is free of any material misstatement and reflects the independently audited the financial statements fairly and accurately. We believe that the audit evidence we have obtained provides a reasonable and adequate basis for our qualified audit opinion.

In our opinion, the financial information contained in the accompanying Annual Report is congruent, in all material respects, with the Company's independently audited financial statements drawn up as of 31 December 2011.

Talar Gül, CPA
Responsible Partner, Chief Auditor

A handwritten signature in blue ink, appearing to read 'T. Gul', is positioned below the name and title of the auditor.

Başaran Nas Bağımsız Denetim ve
Serbest Muhasebeci Mali Müşavirlik A.Ş.
a member of
PriceWaterhouseCoopers

Istanbul, 13 March 2012

**STATEMENT OF RESPONSIBILITY FOR THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 31 DECEMBER 2011**

We, the undersigned, do hereby declare that our Company's financial statements for the year ended at 31 December 2011, including the footnotes thereto, have been prepared in compliance with the applicable accounting principles and standards, as required under the laws and regulations on insurance companies, and that they all reflect fairly and accurately our Company's relevant accounting records.

AXA SİGORTA A.Ş. Head-Office

Istanbul, 13 March 2012

 Hakkı Cemal ERERDİ	 Ayşegül DENLİ	 Hülya Kamile GÜLENDAG	 Fahrettin DOĞAN	 Cemil YALÇINKAYA	 Özgün GÜVENER
Vice-Chairman & Gen. Manager	Asst. General Manager Finance	Group Manager	Audit Committee Member	Audit Committee Member	Actuary

AXA SİGORTA

Meclis-i Mebusan Cad. No:15 Salıpazarı 34427 İstanbul Türkiye
Tel: 0212 334 24 24 Faks: 0212252 15 15

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FOR THE YEAR ENDING 31 DECEMBER 2011**

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AXA SİGORTA A.Ş. DETAILED BALANCE SHEETS FOR THE YEARS ENDING 31 DECEMBER 2011 AND 2010, RESPECTIVELY (TRY)

ASSETS	Independently Audited 31 Dec. 2011	Independently Audited 31 Dec. 2010
I- Current Assets		
A- Cash and Cash Equivalents	393,154,592	261,822,163
1- Cash	-	-
2- Cheques Received	-	-
3- Balance with Banks	357,930,066	234,491,788
4- Cheques and Payment Orders Issued (-)	-	-
5- Other Cash and Cash Equivalent Assets	35,224,526	27,330,375
B- Financial Assets; Investments at Policy-holders' Risk	740,423,186	877,520,877
1- Available-for-sale Investments	740,423,186	877,520,877
2- Held-to-maturity Investments	-	-
3- Financial Assets Held for Trading	-	-
4- Loans	-	-
5- Provision for Loans (-)	-	-
6- Financial Investments at Life Insurance Policy-holders' Risk	-	-
7- Equity Shares	-	-
8- Provision for Impairment of Financial Assets (-)	-	-
C- Accounts Receivable from Core Operations	673,059,512	493,199,601
1- Accounts Receivable from Insurance Operations	693,879,209	510,363,368
2- Provision for Accounts Receivable from Insurance Operations (-)	(27,483,531)	(23,980,869)
3- Accounts Receivable from Reinsurance Operations	-	-
4- Provision for Accounts Receivable from Reinsurance Operations (-)	-	-
5- Cash Deposited with Insurers and Reinsurers	6,663,834	6,817,102
6- Loans Given to Policy-holders	-	-
7- Provision for Loans Given to Policy-holders (-)	-	-
8- Accounts Receivable from Pension Operations	-	-
9- Doubtful Accounts Receivable from Core Operations	174,942,103	159,744,544
10- Provision for Doubtful Accounts Receivable from Core Operations (-)	(174,942,103)	(159,744,544)
D- Due from Related Parties	-	-
1- Due from Shareholders	-	-
2- Due from Associates	-	-
3- Due from Subsidiaries	-	-
4- Due from Jointly-controlled Companies	-	-
5- Due from Staff	-	-
6- Due from Other Related Parties	-	-
7- Rediscount on Receivables from Related Parties (-)	-	-
8- Doubtful Receivables from Related Parties	-	-
9- Provision for Doubtful Receivables from Related Parties (-)	-	-
E- Other Accounts Receivable	415,118	95,349
1- Financial Lease Accounts Receivable	-	-
2- Unearned Interest Income on Financial Lease (-)	-	-
3- Deposits and Guarantees Given	47,261	44,277
4- Other Miscellaneous Accounts Receivable	367,857	51,072
5- Rediscount on Other Miscellaneous Accounts Receivable (-)	-	-
6- Other Doubtful Accounts Receivable	-	-
7- Provision for Other Doubtful Accounts Receivable (-)	-	-
F- Prepaid Expenses and Accrued Income	170,343,174	124,361,588
1- Prepaid Expenses	169,857,129	124,361,588
2- Accrued Interest and Rent	-	-
3- Accrued Income	486,045	-
4- Other Prepaid Expenses and Accrued Income	-	-
G- Other Current Assets	15,083,792	17,049,097
1- Inventory for Future Months	373,528	323,885
2- Prepaid Taxes and Statutory Contributions	14,517,770	16,379,692
3- Deferred Tax Assets	-	-
4- Advances Given to Suppliers	29,324	202,666
5- Advances Given to Staff	163,170	142,854
6- Inventory Count Differences	-	-
7- Other Miscellaneous Current Assets	-	-
8- Provision for Other Miscellaneous Current Assets (-)	-	-
I- Total Current Assets	1,992,479,374	1,774,048,675

AXA SİGORTA A.Ş. DETAILED BALANCE SHEETS FOR THE YEARS ENDING 31 DECEMBER 2011 AND 2010, RESPECTIVELY (TRY)

ASSETS	Independently Audited 31 Dec. 2011	Independently Audited 31 Dec. 2010
II- Non-current Assets		
A- Accounts Receivable from Core Operations	-	-
1- Accounts Receivable from Insurance Operations	-	-
2- Provision for Accounts Receivable from Insurance Operations (-)	-	-
3- Accounts Receivable from Reinsurance Operations	-	-
4- Provision for Accounts Receivable from Reinsurance Operations (-)	-	-
5- Cash Deposited with Insurers and Reinsurers	-	-
6- Loans Given to Policy-holders	-	-
7- Provision for Loans Given to Policy-holders (-)	-	-
8- Accounts Receivable from Pension Operations	-	-
9- Doubtful Accounts Receivable from Core Operations	-	-
10- Provision for Doubtful Accounts Receivable from Core Operations (-)	-	-
B- Due from Related Parties	-	-
1- Due from Shareholders	-	-
2- Due from Associates	-	-
3- Due from Subsidiaries	-	-
4- Due from Jointly-controlled Companies	-	-
5- Due from Staff	-	-
6- Due from Other Related Parties	-	-
7- Rediscount on Accounts Receivable from Related Parties (-)	-	-
8- Doubtful Accounts Receivable from Related Parties	-	-
9- Provision for Doubtful Accounts Receivable from Related Parties (-)	-	-
C- Other Accounts Receivable	-	-
1- Financial Lease Accounts Receivable	-	-
2- Unearned Interest Income on Financial Lease (-)	-	-
3- Deposits and Guarantees Given	-	-
4- Other Miscellaneous Accounts Receivable	-	-
5- Rediscount on Other Miscellaneous Accounts Receivable (-)	-	-
6- Other Doubtful Accounts Receivable	-	-
7- Provision for Other Doubtful Accounts Receivable (-)	-	-
D- Financial Assets	3,136,029	3,086,923
1- Long-term Securities	-	-
2- Associates	3,136,029	3,112,071
3- Capital Commitments to Associates (-)	-	-
4- Subsidiaries	-	-
5- Capital Commitments to Subsidiaries (-)	-	-
6- Jointly-controlled Companies	-	-
7- Capital Commitments to Jointly-controlled Companies (-)	-	-
8- Financial Assets and Investments at Life Insurance Policy-holders' Risk	-	-
9- Other Financial Assets	-	-
10- Provision for Impairment of Financial Assets (-)	-	(25,148)
E- Tangible Assets	26,725,082	27,886,700
1- Investment Properties	8,804,471	8,651,960
2- Provision for Impairment of Investment Properties (-)	-	-
3- Owner-occupied Properties	22,923,628	22,735,558
4- Machinery and Equipment	-	-
5- Furniture and Fixtures	21,833,888	20,236,998
6- Motor Vehicles	60,072	149,758
7- Other Tangible Assets (including Leasehold Improvements)	2,919,598	2,885,881
8- Tangible Assets Acquired Through Financial Leasing	-	-
9- Accumulated Depreciation (-)	(30,008,035)	(26,960,315)
10- Advance Paid for Tangible Assets (including Construction in Progress)	191,460	186,860
F- Intangible Assets	65,113,040	9,242,522
1- Rights	75,022,530	16,012,842
2- Goodwill	-	-
3- Start-up Costs	-	-
4- Research and Development Costs	-	-
5- Other Intangible Assets	2,801,468	2,801,468
6- Accumulated Amortization (-)	(12,710,958)	(9,571,788)
7- Advances Paid for Intangible Assets	-	-
G- Prepaid Expenses and Accrued Income	64,189	60,661
1- Prepaid Expenses	-	-
2- Accrued Income	64,189	60,661
3- Other Prepaid Expenses and Accrued Income	-	-
H- Other Non-current Assets	9,117,806	3,943,034
1- Effective Foreign Currency Accounts	-	-
2- Foreign Currency Accounts	-	-
3- Inventory for Future Years	-	-
4- Prepaid Taxes and Contributions	-	-
5- Deferred Tax Assets	9,117,806	3,943,034
6- Other Miscellaneous Non-current Assets	-	-
7- Amortisation of Other Non-current Assets (-)	-	-
8- Provision for Other Non-current Assets (-)	-	-
II- Total Non-current Assets	104,156,146	44,219,840
Total Assets (I + II)	2,096,635,520	1,818,268,515

AXA SİGORTA A.Ş. DETAILED BALANCE SHEETS FOR THE YEARS ENDING 31 DECEMBER 2011 AND 2010, RESPECTIVELY (TRY)

LIABILITIES	Independently Audited 31 Dec. 2011	Independently Audited 31 Dec. 2010
III- Short-term Liabilities		
A- Financial Liabilities	356,196	383,004
1- Borrowings from Financial Institutions	-	-
2- Liabilities Arising from Financial Leases	403,227	450,802
3- Deferred Costs of Financial Leases (-)	(47,031)	(67,798)
4- Long-term Loan Instalments and Interest	-	-
5- Instalments and Interest on Bonds Issued	-	-
6- Other Financial Securities Issued	-	-
7- Value Difference of Other Financial Securities Issued (-)	-	-
8- Other Financial Liabilities	-	-
B- Liabilities Arising from Core Operations	93,197,591	42,258,303
1- Liabilities Arising from Insurance Operations	82,361,754	36,496,690
2- Liabilities Arising from Reinsurance Operations	-	-
3- Deposits Received from Insurance and Reinsurance Companies	2,459	2,459
4- Liabilities Arising from Pension Operations	-	-
5- Liabilities Arising from Other Core Operations	10,833,378	5,759,154
6- Rediscount on Notes Payable Regarding Other Core Operations (-)	-	-
C- Due to Related parties	8,541	2,819
1- Due to Shareholders	2,568	2,572
2- Due to Associates	-	-
3- Due to Subsidiaries	-	-
4- Due to Jointly-controlled Companies	-	-
5- Due to Staff	5,973	247
6- Due to Other Related Parties	-	-
D- Other Debts Due	50,615,866	17,483,033
1- Deposits and Guarantees Received	2,114,004	1,762,005
2- Due to Social Sec. Authority Regarding Medical Treatments	15,201,248	-
3- Other Miscellaneous Debts	33,300,614	15,721,028
4- Rediscount on Other Miscellaneous Debts (-)	-	-
E- Insurance Technical Reserves	1,294,425,089	1,085,350,203
1- Reserves for Unearned Premiums - Net	901,416,333	711,036,464
2- Reserves for Unexpired Risks - Net	6,832,335	994,244
3- Mathematical Reserves for Life Policies - Net	-	-
4- Reserves for Outstanding Claims - Net	386,176,421	373,319,495
5- Reserves for Bonuses and Discounts - Net	-	-
6- Reserves for Policies at Life Insurance Policy-holders' Risk - Net	-	-
7- Other Technical Reserves - Net	-	-
F- Tax and Other Similar Liabilities Due and Provisions	30,867,785	37,106,188
1- Taxes and Statutory Contributions Due	19,589,808	14,096,613
2- Social Security Contributions Due	758,030	678,139
3- Taxes and Other Fiscal Liabilities Overdue, Deferred or Due in Instalments	-	-
4- Other Taxes and Similar Liabilities Due	7,403,802	5,436,870
5- Provision for Taxes and Other Similar Liabilities Due for 2010 Profit	3,116,145	16,894,566
6- Taxes and Other Similar Liabilities Prepaid for 2010 Profit (-)	-	-
7- Provision for Other Taxes and Similar Liabilities	-	-
G- Provisions for Other Risks	19,633,491	12,877,340
1- Provision for Employee Termination Benefits	-	-
2- Provision for Pension Fund Asset Deficits	-	-
3- Provision for Costs	19,633,491	12,877,340
H- Deferred Income and Expenses Accrued	20,894,726	12,854,183
1- Deferred Income	20,894,726	12,854,183
2- Expenses Accrued	-	-
3- Other Deferred Income and Other Expenses Accrued	-	-
I- Other Short-term Liabilities	163,846	-
1- Deferred Tax Liability	-	-
2- Inventory Overage	-	-
3- Various Other Short-term Liabilities	163,846	-
III – Total Short-term Liabilities	1,510,163,131	1,208,315,073

AXA SİGORTA A.Ş. DETAILED BALANCE SHEETS FOR THE YEARS ENDING 31 DECEMBER 2011 AND 2010, RESPECTIVELY (TRY)

LIABILITIES	Independently Audited 31 Dec. 2011	Independently Audited 31 Dec. 2010
IV- Long-term Liabilities		
A- Financial Liabilities	-	-
1- Borrowings from Financial Institutions	-	-
2- Liabilities Arising from Financial Leases	-	-
3- Deferred Costs of Financial Leases (-)	-	-
4- Bonds Issued	-	-
5- Other Financial Securities Issued	-	-
6- Value Difference of Other Financial Securities Issued (-)	-	-
7- Other Financial Liabilities	-	-
B- Liabilities Arising from Core Operations	-	-
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 Core Operations	-	-
6- Rediscount on Notes Payable Regarding Other Core Operations (-)	-	-
C- Due to Related parties	-	-
1- Due to Shareholders	-	-
2- Due to Associates	-	-
3- Due to Subsidiaries	-	-
4- Due to Jointly-controlled Companies	-	-
5- Due to Staff	-	-
6- Due to Other Related Parties	-	-
D- Other Debts Due	49,644,372	-
1- Deposits and Guarantees Received	-	-
2- Due to Social Sec. Authority Regarding Medical Treatments	49,644,372	-
3- Other Miscellaneous Debts	-	-
4- Rediscount on Other Miscellaneous Debts (-)	-	-
E- Insurance Technical Reserves	23,715,212	34,134,200
1- Reserves for Unearned Premiums - Net	-	-
2- Reserves for Unexpired Risks - Net	-	-
3- Mathematical Reserves for Life Policies - Net	-	-
4- Reserves for Outstanding Claims - Net	-	-
5- Reserves for Bonuses and Discounts - Net	-	-
6- Reserves for Policies at Life Insurance Policy-holders' Risk - Net	-	-
7- Other Technical Reserves - Net	23,715,212	34,134,200
F- Other Liabilities Due and Provisions	-	-
1- Other Liabilities Due	-	-
2- Taxes and Other Fiscal Liabilities Overdue, Deferred or Due in Instalments	-	-
3- Provision for Other Taxes and Similar Liabilities	-	-
G- Provisions for Other Risks	4,308,571	4,343,710
1- Provision for Employee Termination Benefits	4,308,571	4,343,710
2- Provision for Pension Fund Asset Deficits	-	-
H- Deferred Income and Expenses Accrued	-	-
1- Deferred Income	-	-
2- Expenses Accrued	-	-
3- Other Deferred Income and Other Expenses Accrued	-	-
I- Other Long-term Liabilities	-	-
1- Deferred Tax Liability	-	-
2- Various Other Long-term Liabilities	-	-
IV- Total Long-term Liabilities	77,668,155	38,477,910

AXA SİGORTA A.Ş. DETAILED BALANCE SHEETS FOR THE YEARS ENDING 31 DECEMBER 2011 AND 2010, RESPECTIVELY (TRY)

LIABILITIES V- Equity	Independently Audited 31 Dec. 2011	Independently Audited 31 Dec. 2010
A- Paid-in Capital	387,300,000	364,000,000
1- Capital (Nominal)	387,300,000	364,000,000
2- Unpaid Capital (-)	-	-
3- Difference from Restated Capital	-	-
4- Difference from Restated Capital (-)	-	-
B- Capital Reserves	-	-
1- Equity Share Premium	-	-
2- Profit on Equity Shares Cancelled	-	-
3- Sales Profit Transferrable to Capital	-	-
4- Foreign Currency Translation Adjustments	-	-
5- Other Capital Reserves	-	-
C- Profit Reserves	102,154,824	120,146,781
1- Legal Reserves	49,983,507	41,639,278
2- Statutory Reserves	-	-
3- Contingency Reserves	50,128,976	44,444,455
4- Special Funds (Reserves)	-	-
5- Revaluation of Financial Assets	2,042,341	34,063,048
6- Other Profit Reserves	-	-
D- Previous Years' Profits	-	-
1- Previous Years' Profits	-	-
E- Previous Years' Losses (-)	-	-
1- Previous Years' Losses	-	-
F- Net Profit	19,349,410	87,328,751
1- Net Profit	19,349,410	87,328,751
2- Net Loss (-)	-	-
3- Retained Earnings	-	-
V- Total Equity	508,804,234	571,475,532
Total Liabilities (III + IV + V)	2,096,635,520	1,818,268,515

AXA SİGORTA A.Ş. DETAILED STATEMENTS OF INCOME FOR THE YEARS ENDING 31 DECEMBER 2011 AND 2010, RESPECTIVELY (TRY)

	Independently Audited 01.01.2011 - 31.12.2011	Independently Audited 01.01.2010 31.12.2010
I- TECHNICAL SEGMENT		
A- Non-life Technical Income	1,550,878,247	1,261,711,551
1- Premiums Earned (Net of Reinsurers' Share)	1,449,871,584	1,186,210,839
1.1- Written Premiums (Net of Reinsurers' Share)	1,646,089,544	1,300,811,066
1.1.1- Written Gross Premiums (+)	1,997,608,931	1,518,548,452
1.1.2- Premiums Ceded to Reinsurers (-)	(305,033,281)	(217,737,386)
1.1.3- Premiums Transferred to Soc. Sec. Authority	(46,486,106)	-
1.2- Change in Provision for Unearned Premiums (Net of Reinsurers' Share and Provision Carried Forward)(+/-)	(190,379,869)	(145,385,156)
1.2.1- Provision for Unearned Premiums (-)	(265,345,492)	(146,671,768)
1.2.2- Reinsurers' Share in Provision for Unearned Premiums (+)	47,583,245	1,286,612
1.2.3- Change in Provision for Unearned Premiums - Soc. Sec. Authority Share (Net)	27,382,378	-
1.3- Change in Provision for Unexpired Risks (Net of Reinsurers' Share and Provision Carried Forward)(+/-)	(5,838,091)	30,784,929
1.3.1- Provision for Unexpired Risks (-)	(7,247,521)	30,516,782
1.3.2- Reinsurers' Share in Provision for Unexpired Risks (+)	1,409,430	268,147
2- Return on Investments, Transferred from Non-technical Segment	80,224,845	66,604,761
3- Other Technical Income (Net of Reinsurers' Share)	4,907,542	1,067,221
3.1- Other Gross Technical Income (+)	4,907,542	1,067,221
3.2- Reinsurers' Share in Other Gross Technical Income (-)	-	-
4- Subrogation and Salvage Accrued (+)	15,874,276	7,828,730
4.1 Subrogation and Salvage Accrued	19,838,960	30,023,797
4.1.1 Subrogation Accrued (+)	17,708,012	30,168,618
4.1.2 Reinsurers' Share in Subrogation Accrued (-)	2,130,948	(144,821)
4.2 Provision for Subrogation and Salvage Accrued (-)	(3,964,684)	(22,195,067)
4.2.1 Provision for Subrogation and Salvage Accrued (Gross) (-)	(2,749,266)	(23,832,785)
4.2.2 Reinsurers' Share in Subrogation and Salvage Accrued (+)	(1,215,418)	1,637,718
B- Non-life Technical Expenses (-)	(1,523,657,934)	(1,148,919,340)
1- Claims Made (Net of Reinsurers' Share)	(1,169,520,567)	(836,420,606)
1.1- Claims Incurred (Net of Reinsurers' Share)	(1,156,663,641)	(815,407,342)
1.1.1- Gross Claims Paid (-)	(1,187,976,483)	(851,412,299)
1.1.2- Reinsurers' Share in Claims Paid (+)	31,312,842	36,004,957
1.2- Change in Provision for Outstanding Claims (Net of Reinsurers' Share and Reserve Carried Forward) (+/-)	(12,856,926)	(21,013,264)
1.2.1- Provision for Outstanding Claims (-)	(40,593,586)	(20,486,295)
1.2.2- Reinsurers' Share in Provision for Outstanding Claims (+)	27,736,660	(526,969)
2- Change in Provision for Bonuses and Discounts (Net of Reinsurers' Share and Reserve Carried Forward) (+/-)	-	-
2.1- Provision for Bonuses and Discounts (-)	-	-
2.2- Reinsurers' Share in Provision for Bonuses and Discounts (+)	-	-
3- Change in Other Technical Provisions (Net of Reinsurers' Share and Provision Carried Forward) (+/-)	10,418,988	(11,844,700)
4- Operating Expenses (-)	(364,556,355)	(300,654,034)
C- Net Technical Income - Non-life (A - B)	27,220,313	112,792,211
D- Life Insurance Technical Income		
1- Premiums Earned (Net of Reinsurers' Share)	-	-
1.1- Premiums Written (Net of Reinsurers' Share)	-	-
1.1.1- Gross Premiums Written (+)	-	-
1.1.2- Premiums Ceded to Reinsurers (-)	-	-
1.2- Change in Provision for Unearned Premiums (Net of Reinsurers' Share and Provision Carried Forward) (+/-)	-	-
1.2.1- Provision for Unearned Premiums (-)	-	-
1.2.2- Reinsurers' Share in Provision for Unearned Premiums (+)	-	-
1.3- Change in Provision for Unearned Premiums (Net of Reinsurers' Share and Provision Carried Forward) (+/-)	-	-
1.3.1- Provision for Unexpired Risks (-)	-	-
1.3.2- Reinsurers' Share in Provision for Unexpired Risks (+)	-	-
2- Return on Investments, Life Insurance Segment	-	-
3- Accrued Return on Investments	-	-
4- Other Technical Earnings (Net of Reinsurers' Share)	-	-
E- Life Insurance Technical Expenses		
1- Claims Made (Net of Reinsurers' Share)	-	-
1.1- Claims Incurred (Net of Reinsurers' Share)	-	-
1.1.1- Claims Paid, Gross (-)	-	-
1.1.2- Reinsurer Share in Claims Paid (+)	-	-
1.2- Change in Provision for Outstanding Claims (Net of Reinsurers' Share and Provision Carried Forward) (+/-)	-	-
1.2.1- Provision for Outstanding Claims (-)	-	-
1.2.2- Reinsurer Share in Provision for Outstanding Claims (+)	-	-
2- Change in Provision for Bonuses and Discounts (Net of Reinsurers' Share and Provision Carried Forward) (+/-)	-	-
2.1- Provision for Bonuses and Discounts (-)	-	-
2.2- Reinsurers' Share in Provision for Bonuses and Discounts (+)	-	-
3- Change in Life Insurance Mathematical Provision (Net of Reinsurers' Share and Provision Carried Forward) (+/-)	-	-
3.1- Life Insurance Mathematical Provision (-)	-	-
3.2- Reinsurers' Share in Life Insurance Mathematical Provision (+)	-	-
4- Change in Provision for Policies with Investment Risks on Life Insurance Policy-holders (Net of Reinsurers' Share and Provision Carried Forward) (+/-)	-	-
4.1- Provision for Policies with Investment Risks at Life Insurance Policy-holders (-)	-	-
4.2- Reinsurer's Share in Provision for Policies with Investment Risks at Life Insurance Policy-holders (+)	-	-
5- Change in Other Technical Provisions (Net of Reinsurers' Share and Provision Carried Forward) (+/-)	-	-
6- Operating Expenses (-)	-	-
7- Investment Expenses (-)	-	-
8- Accrued Loss from Investments (-)	-	-
9- Return on Investments, Transferred to Non-technical Segment (-)	-	-
F- Net Technical Income - Life (D - E)	-	-
G- Private Pension Technical Income		
1- Fund Management Income	-	-
2- Management Expenses Deducted	-	-
3- Participation Fees Collected	-	-
4- Management Expense Collected Due to Policy Suspension	-	-
5- Fees for Special Services	-	-
6- Increase in Market Value of Capital Commitment Advances	-	-
7- Other Technical Income	-	-
H- Private Pension Technical Expenses	-	-
1- Fund Management Expenses (-)	-	-
2- Decrease in Market Value of Capital Commitment Advances (-)	-	-
3- Operating Expenses (-)	-	-
4- Other Technical Expenses (-)	-	-
I- Net Technical Income - Private Pension (G - H)	-	-

AXA SİGORTA A.Ş. DETAILED STATEMENTS OF INCOME FOR THE YEARS ENDING 31 DECEMBER 2011 AND 2010, RESPECTIVELY (TRY)

II- NON-TECHNICAL SEGMENT	Independently Audited Jan. 1 – 31 Dec. 2011	Independently Audited Jan. 1 – 31 Dec. 2010
C- Net Technical Income - Non-life Insurance (A-B)	27,220,313	112,792,211
F- Net Technical Income - Life (D-E)	-	-
I - Net Technical Income - Private Pension (G-H)	-	-
J- Total Technical Income (C+F+I)	27,220,313	112,792,211
K- Return on Investments	132,238,713	108,768,623
1- Income from Financial Investments	68,528,804	77,457,080
2- Income from Financial Investments Sold	17,895,473	10,430,275
3- Revaluation of Financial Investments	23,487,031	19,446,242
4- Foreign Exchange Earnings	21,431,374	-
5- Income from Associates	150,965	376,179
6- Income from Subsidiaries and Jointly-controlled Companies	-	-
7- Income from Real Properties	649,040	1,041,180
8- Income from Derivative Instruments	-	-
9- Other Investments	96,026	17,667
10- Return on Investments, Transferred from Life Technical Segment	-	-
L- Investment Expenses (-)	(104,911,790)	(83,691,122)
1- Investment Management Expenses – including Interest (-)	(6,991,962)	(8,209,205)
2- Impairment of Investments (-)	-	-
3- Loss from Investments Sold (-)	(10,724,993)	(2,529,709)
4- Investment Income Ceded to Non-life Technical Segment (-)	(80,224,845)	(66,604,761)
5- Loss from Derivative Instruments (-)	-	-
6- Foreign Exchange Losses (-)	-	(1,794,632)
7- Depreciation Expenses (-)	(6,969,990)	(4,552,815)
8- Other Investment Expenses (-)	-	-
M- Income and Profit / Loss and Expense from Other Non-core Operations (+/-)	(25,966,680)	(37,529,651)
1- Reserves Account (+/-)	-	(30,012,144)
2- Rediscount Account (+/-)	-	(35,035,364)
3- Commission Account for Natural Disaster and Agricultural Ins. (+/-)	-	-
4- Inflation Adjustment Account (+/-)	-	-
5- Deferred Tax Assets Account (+/-)	-	-
6- Deferred Tax Liability Expenses (-)	4,132,605	-
7- Other Income and Profits	-	(2,944,516)
8- Other Losses and Expenses (-)	577,494	640,836
9- Previous Year's Income and Profit	(664,635)	(190,607)
10- Previous Year's Losses and Expenses (-)	-	-
N- Net Profit / Loss for the Year	-	-
1- Profit / Loss for the Year	19,349,410	87,328,751
2- Provision for Taxes and Other Liabilities Due on Profit (-)	28,580,556	100,340,061
3- Profit / Loss for the Year	(9,231,146)	(13,011,310)
4- Inflation Adjustment Account	19,349,410	87,328,751
	-	-

AXA HAYAT VE EMEKLİLİK A.Ş. DETAILED BALANCE SHEETS FOR THE YEARS ENDING 31 DECEMBER 2011 AND 2010, RESPECTIVELY (TRY)

ASSETS	Independently Audited 31 Dec. 2011	Independently Audited 31 Dec. 2010
I- Current Assets		
A- Cash and Cash Equivalents	9,002,303	44,561,449
1- Cash	-	-
2- Cheques Received	-	-
3- Balance with Banks	6,974,113	42,547,845
4- Cheques and Payment Orders Issued (-)	-	-
5- Other Cash and Cash Equivalent Assets	2,028,190	2,013,604
B- Financial Assets; Investments at Policy-holders' Risk	364,669,128	342,349,505
1- Available-for-sale Investments	107,165,710	76,605,506
2- Held-to-maturity Investments	-	-
3- Financial Assets Held for Trading	-	-
4- Loans	-	-
5- Provision for Loans (-)	-	-
6- Financial Investments at Life Insurance Policy-holders' Risk	257,503,418	265,743,999
7- Equity Shares	-	-
8- Provision for Impairment of Financial Assets (-)	-	-
C- Accounts Receivable from Core Operations	8,857,092	4,297,786
1- Accounts Receivable from Insurance Operations	687,645	1,276,025
2- Provision for Accounts Receivable from Insurance Operations (-)	(6,914)	(43,065)
3- Accounts Receivable from Reinsurance Operations	-	-
4- Provision for Accounts Receivable from Reinsurance Operations (-)	-	-
5- Cash Deposited with Insurers and Reinsurers	-	-
6- Loans Given to Policy-holders	2,740,393	3,064,826
7- Provision for Loans Given to Policy-holders (-)	-	-
8- Accounts Receivable from Pension Operations	5,435,968	-
9- Doubtful Accounts Receivable from Core Operations	231,856	240,717
10- Provision for Doubtful Accounts Receivable from Core Operations (-)	(231,856)	(240,717)
D- Due from Related Parties	-	-
1- Due from Shareholders	-	-
2- Due from Associates	-	-
3- Due from Subsidiaries	-	-
4- Due from Jointly-controlled Companies	-	-
5- Due from Staff	-	-
6- Due from Other Related Parties	-	-
7- Rediscount on Receivables from Related Parties (-)	-	-
8- Doubtful Receivables from Related Parties	-	-
9- Provision for Doubtful Receivables from Related Parties (-)	-	-
E- Other Accounts Receivable	4,365	4,365
1- Financial Lease Accounts Receivable	-	-
2- Unearned Interest Income on Financial Lease (-)	-	-
3- Deposits and Guarantees Given	4,365	4,365
4- Other Miscellaneous Accounts Receivable	-	-
5- Rediscount on Other Miscellaneous Accounts Receivable (-)	-	-
6- Other Doubtful Accounts Receivable	-	-
7- Provision for Other Doubtful Accounts Receivable (-)	-	-
F- Prepaid Expenses and Accrued Income	340,109	353,879
1- Prepaid Expenses	301,114	353,879
2- Accrued Interest and Rent	-	-
3- Accrued Income	-	-
4- Other Prepaid Expenses and Accrued Income	38,995	-
G- Other Current Assets	2,856,672	4,232,291
1- Inventory for Future Months	-	-
2- Prepaid Taxes and Statutory Contributions	2,856,672	4,232,291
3- Deferred Tax Assets	-	-
4- Advances Given to Suppliers	-	-
5- Advances Given to Staff	-	-
6- Inventory Count Differences	-	-
7- Other Miscellaneous Current Assets	-	-
8- Provision for Other Miscellaneous Current Assets (-)	-	-
I- Total Current Assets	385,729,669	395,799,275

AXA HAYAT VE EMEKLİLİK A.Ş. DETAILED BALANCE SHEETS FOR THE YEARS ENDING 31 DECEMBER 2011 AND 2010, RESPECTIVELY (TRY)

ASSETS	Independently Audited 31 Dec. 2011	Independently Audited 31 Dec. 2010
II- Non-current Assets		
A- Accounts Receivable from Core Operations	401	-
1- Accounts Receivable from Insurance Operations	-	-
2- Provision for Accounts Receivable from Insurance Operations (-)	-	-
3- Accounts Receivable from Reinsurance Operations	-	-
4- Provision for Accounts Receivable from Reinsurance Operations (-)	-	-
5- Cash Deposited with Insurers and Reinsurers	-	-
6- Loans Given to Policy-holders	-	-
7- Provision for Loans Given to Policy-holders (-)	-	-
8- Accounts Receivable from Pension Operations	401	-
9- Doubtful Accounts Receivable from Core Operations	-	-
10- Provision for Doubtful Accounts Receivable from Core Operations (-)	-	-
B- Due from Related Parties	-	-
1- Due from Shareholders	-	-
2- Due from Associates	-	-
3- Due from Subsidiaries	-	-
4- Due from Jointly-controlled Companies	-	-
5- Due from Staff	-	-
6- Due from Other Related Parties	-	-
7- Rediscount on Accounts Receivable from Related Parties (-)	-	-
8- Doubtful Accounts Receivable from Related Parties	-	-
9- Provision for Doubtful Accounts Receivable from Related Parties (-)	-	-
C- Other Accounts Receivable	-	-
1- Financial Lease Accounts Receivable	-	-
2- Unearned Interest Income on Financial Lease (-)	-	-
3- Deposits and Guarantees Given	-	-
4- Other Miscellaneous Accounts Receivable	-	-
5- Rediscount on Other Miscellaneous Accounts Receivable (-)	-	-
6- Other Doubtful Accounts Receivable	-	-
7- Provision for Other Doubtful Accounts Receivable (-)	-	-
D- Financial Assets	398,730	-
1- Long-term Securities	-	-
2- Associates	398,730	-
3- Capital Commitments to Associates (-)	-	-
4- Subsidiaries	-	-
5- Capital Commitments to Subsidiaries (-)	-	-
6- Jointly-controlled Companies	-	-
7- Capital Commitments to Jointly-controlled Companies (-)	-	-
8- Financial Assets and Investments at Life Insurance Policy-holders' Risk	-	-
9- Other Financial Assets	-	-
10- Provision for Impairment of Financial Assets (-)	-	-
E- Tangible Assets	467	83
1- Investment Properties	-	-
2- Provision for Impairment of Investment Properties (-)	-	-
3- Owner-occupied Properties	-	-
4- Machinery and Equipment	-	-
5- Furniture and Fixtures	1,677,648	1,882,488
6- Motor Vehicles	-	-
7- Other Tangible Assets (including Leasehold Improvements)	812,903	812,903
8- Tangible Assets Acquired Through Financial Leasing	-	-
9- Accumulated Depreciation (-)	(2,490,084)	(2,695,308)
10- Advance Paid for Tangible Assets (including Construction in Progress)	-	-
F- Intangible Assets	236,462	383,544
1- Rights	5,257,182	5,141,482
2- Goodwill	-	-
3- Start-up Costs	-	-
4- Research and Development Costs	-	-
5- Other Intangible Assets	-	-
6- Accumulated Amortization (-)	(5,020,720)	(4,757,938)
7- Advances Paid for Intangible Assets	-	-
G- Prepaid Expenses and Accrued Income	-	-
1- Prepaid Expenses	-	-
2- Accrued Income	-	-
3- Other Prepaid Expenses and Accrued Income	-	-
H- Other Non-current Assets	-	1,001,390
1- Effective Foreign Currency Accounts	-	-
2- Foreign Currency Accounts	-	-
3- Inventory for Future Years	-	-
4- Prepaid Taxes and Contributions	-	-
5- Deferred Tax Assets	-	1,001,390
6- Other Miscellaneous Non-current Assets	-	-
7- Amortisation of Other Non-current Assets (-)	-	-
8- Provision for Other Non-current Assets (-)	-	-
II- Total Non-current Assets	636,060	1,385,017
Total Assets (I + II)	386,365,729	397,184,292

AXA HAYAT VE EMEKLİLİK A.Ş. DETAILED BALANCE SHEETS FOR THE YEARS ENDING 31 DECEMBER 2011 AND 2010, RESPECTIVELY (TRY)

LIABILITIES	Independently Audited 31 Dec. 2011	Independently Audited 31 Dec. 2010
III- Short-term Liabilities		
A- Financial Liabilities		
1- Borrowings from Financial Institutions	-	-
2- Liabilities Arising from Financial Leases	-	-
3- Deferred Costs of Financial Leases (-)	-	-
4- Long-term Loan Instalments and Interest	-	-
5- Instalments and Interest on Bonds Issued	-	-
6- Other Financial Securities Issued	-	-
7- Value Difference of Other Financial Securities Issued (-)	-	-
8- Other Financial Liabilities	-	-
B- Liabilities Arising from Core Operations	554,038	648,586
1- Liabilities Arising from Insurance Operations	546,600	648,586
2- Liabilities Arising from Reinsurance Operations	-	-
3- Deposits Received from Insurance and Reinsurance Companies	-	-
4- Liabilities Arising from Pension Operations	7,438	-
5- Liabilities Arising from Other Core Operations	-	-
6- Rediscount on Notes Payable Regarding Other Core Operations (-)	-	-
C- Due to Related parties	192	166
1- Due to Shareholders	192	166
2- Due to Associates	-	-
3- Due to Subsidiaries	-	-
4- Due to Jointly-controlled Companies	-	-
5- Due to Staff	-	-
6- Due to Other Related Parties	-	-
D- Other Debts Due	370,109	331,978
1- Deposits and Guarantees Received	367,218	292,975
2- Other Miscellaneous Debts	2,891	39,003
3- Rediscount on Other Miscellaneous Debts (-)	-	-
E- Insurance Technical Reserves	17,008,084	16,749,983
1- Reserves for Unearned Premiums - Net	2,303,933	2,996,222
2- Reserves for Unexpired Risks - Net	246,439	-
3- Mathematical Reserves for Life Policies - Net	-	-
4- Reserves for Outstanding Claims - Net	10,320,112	9,793,030
5- Reserves for Bonuses and Discounts - Net	4,137,600	3,960,731
6- Reserves for Policies at Life Insurance Policy-holders' Risk - Net	-	-
7- Other Technical Reserves - Net	-	-
F- Tax and Other Similar Liabilities Due and Provisions	3,209,195	6,702,361
1- Taxes and Statutory Contributions Due	611,484	393,851
2- Social Security Contributions Due	62,472	47,910
3- Taxes and Other Fiscal Liabilities Overdue, Deferred or Due in Instalments	-	-
4- Other Taxes and Similar Liabilities Due	65,000	159,713
5- Provision for Taxes and Other Similar Liabilities Due for 2010 Profit	2,470,239	6,100,887
6- Taxes and Other Similar Liabilities Prepaid for 2010 Profit (-)	-	-
7- Provision for Other Taxes and Similar Liabilities	-	-
G- Provisions for Other Risks	1,360,978	1,692,839
1- Provision for Employee Termination Benefits	-	-
2- Provision for Pension Fund Asset Deficits	-	-
3- Provision for Costs	1,360,978	1,692,839
H- Deferred Income and Expenses Accrued	1,021,440	1,150,995
1- Deferred Income	299,799	478,018
2- Expenses Accrued	-	-
3- Other Deferred Income and Other Expenses Accrued	721,641	672,977
I- Other Short-term Liabilities	268,804	249,129
1- Deferred Tax Liability	-	-
2- Inventory Overage	-	-
3- Various Other Short-term Liabilities	268,804	249,129
III – Total Short-term Liabilities	23,792,840	27,526,037

AXA HAYAT VE EMEKLİLİK A.Ş. DETAILED BALANCE SHEETS FOR THE YEARS ENDING 31 DECEMBER 2011 AND 2010, RESPECTIVELY (TRY)

LIABILITIES	Independently Audited	Independently Audited
IV- Long-term Liabilities	31 Dec. 2011	31 Dec. 2010
A- Financial Liabilities	-	-
1- Borrowings from Financial Institutions	-	-
2- Liabilities Arising from Financial Leases	-	-
3- Deferred Costs of Financial Leases (-)	-	-
4- Bonds Issued	-	-
5- Other Financial Securities Issued	-	-
6- Value Difference of Other Financial Securities Issued (-)	-	-
7- Other Financial Liabilities	-	-
B- Liabilities Arising from Core Operations	401	-
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	401	-
5- Liabilities Arising from Other Core Operations	-	-
6- Rediscount on Notes Payable Regarding Other Core Operations (-)	-	-
C- Due to Related parties	-	-
1- Due to Shareholders	-	-
2- Due to Associates	-	-
3- Due to Subsidiaries	-	-
4- Due to Jointly-controlled Companies	-	-
5- Due to Staff	-	-
6- Due to Other Related Parties	-	-
D- Other Debts Due	-	-
1- Deposits and Guarantees Received	-	-
2- Other Miscellaneous Debts	-	-
3- Rediscount on Other Miscellaneous Debts (-)	-	-
E- Insurance Technical Reserves	269,850,983	280,887,131
1- Reserves for Unearned Premiums - Net	-	-
2- Reserves for Unexpired Risks - Net	-	-
3- Mathematical Reserves for Life Policies - Net	181,746,732	180,102,537
4- Reserves for Outstanding Claims - Net	-	-
5- Reserves for Bonuses and Discounts - Net	-	-
6- Reserves for Policies at Life Insurance	-	-
Policy-holders' Risk - Net	80,934,784	80,273,557
7- Other Technical Reserves - Net	7,169,467	20,511,037
F- Other Liabilities Due and Provisions	-	-
1- Other Liabilities Due	-	-
2- Taxes and Other Fiscal Liabilities Overdue, Deferred or Due in Instalments	-	-
3- Provision for Other Taxes and Similar Liabilities	-	-
G- Provisions for Other Risks	270,899	239,110
1- Provision for Employee Termination Benefits	270,899	239,110
2- Provision for Pension Fund Asset Deficits	-	-
H- Deferred Income and Expenses Accrued	-	-
1- Deferred Income	-	-
2- Expenses Accrued	-	-
3- Other Deferred Income and Other Expenses Accrued	-	-
I- Other Long-term Liabilities	181,828	-
1- Deferred Tax Liability	181,828	-
2- Other Long-term Liabilities	-	-
IV- Total Long-term Liabilities	270,304,111	281,126,241

AXA HAYAT VE EMEKLİLİK A.Ş. DETAILED BALANCE SHEETS FOR THE YEARS ENDING 31 DECEMBER 2011 AND 2010, RESPECTIVELY (TRY)

EQUITY V- Equity	Independently Audited 31 Dec. 2011	Independently Audited 31 Dec. 2010
A- Paid-in Capital	33,265,000	31,265,000
1- Capital (Nominal)	33,265,000	31,265,000
2- Unpaid Capital (-)	-	-
3- Difference from Restated Capital	-	-
4- Difference from Restated Capital (-)	-	-
B- Capital Reserves	-	-
1- Equity Share Premium	-	-
2- Profit on Equity Shares Cancelled	-	-
3- Sales Profit Transferrable to Capital	-	-
4- Foreign Currency Translation Adjustments	-	-
5- Other Capital Reserves	-	-
C- Profit Reserves	42,672,253	37,069,547
1- Legal Reserves	13,207,164	12,363,489
2- Statutory Reserves	-	-
3- Contingency Reserves	24,264,347	16,910,555
4- Special Funds (Reserves)	-	-
5- Revaluation of Financial Assets	5,200,742	7,795,503
6- Other Profit Reserves	-	-
D- Previous Years' Profits	-	-
1- Previous Years' Profits	-	-
E- Previous Years' Losses (-)	-	-
1- Previous Years' Losses	-	-
F- Net Profit	16,331,525	20,197,467
1- Net Profit	16,331,525	20,197,467
2- Net Loss (-)	-	-
3- Retained Earnings	-	-
V- Total Equity	92,268,778	88,532,014
Total Liabilities (III + IV + V)	386,365,729	397,184,292

AXA HAYAT VE EMEKLİLİK A.Ş. DETAILED STATEMENTS OF INCOME FOR THE YEARS ENDING 31 DECEMBER 2011 AND 2010, RESPECTIVELY (TRY)

	Independently Audited Jan. 1 – 31 Dec. 2011	Independently Audited Jan. 1 – 31 Dec. 2010
I- TECHNICAL SEGMENT		
A- Non-life Technical Income	43,297	602,280
1- Premiums Earned (Net of Reinsurers' Share)	42,880	593,473
1.1- Written Premiums (Net of Reinsurers' Share)	235,130	323,107
1.1.1- Written Gross Premiums (+)	284,476	356,091
1.1.2- Premiums Ceded to Reinsurers (-)	(49,346)	(32,984)
1.2- Change in Provision for Unearned Premiums (Net of Reinsurers' Share and Provision Carried Forward)(+/-)	54,189	270,366
1.2.1- Provision for Unearned Premiums (-)	46,121	269,848
1.2.2- Reinsurers' Share in Provision for Unearned Premiums (+)	8,068	518
1.3- Change in Provision for Unexpired Risks (Net of Reinsurers' Share and Provision Carried Forward)(+/-)	(246,439)	-
1.3.1- Provision for Unexpired Risks (-)	(299,831)	-
1.3.2- Reinsurers' Share in Provision for Unexpired Risks (+)	53,392	-
2- Return on Investments, Transferred from Non-technical Segment	-	-
3- Other Technical Income (Net of Reinsurers' Share)	417	8,807
3.1- Other Gross Technical Income (+)	417	8,807
3.2- Reinsurers' Share in Other Gross Technical Income (-)	-	-
B- Non-life Technical Expenses (-)	(1,110,097)	(16,372)
1- Claims Made (Net of Reinsurers' Share)	(933,855)	172,557
1.1- Claims Incurred (Net of Reinsurers' Share)	(734,932)	(710,277)
1.1.1- Gross Claims Paid (-)	(735,432)	(711,425)
1.1.2- Reinsurers' Share in Claims Paid (+)	500	1,148
1.2- Change in Provision for Outstanding Claims (Net of Reinsurers' Share and Reserve Carried Forward) (+/-)	(198,923)	882,834
1.2.1- Provision for Outstanding Claims (-)	(248,257)	666,204
1.2.2- Reinsurers' Share in Provision for Outstanding Claims (+)	49,334	216,630
2- Change in Provision for Bonuses and Discounts (Net of Reinsurers' Share and Reserve Carried Forward) (+/-)	-	58,216
2.1- Provision for Bonuses and Discounts (-)	-	58,216
2.2- Reinsurers' Share in Provision for Bonuses and Discounts (+)	-	-
3- Change in Life Insurance Mathematical Provision (Net of Reinsurers' Share and Reserve Carried Forward) (+/-)	(7,175)	-
4- Change in Other Technical Provisions (Net of Reinsurers' Share and Provision Carried Forward) (+/-)	-	-
5- Operating Expenses (-)	(169,067)	(247,145)
C- Net Technical Income - Non-life (A – B)	(1,066,800)	585,908
D- Life Insurance Technical Income	117,571,590	99,144,452
1- Premiums Earned (Net of Reinsurers' Share)	54,429,371	54,780,778
1.1- Premiums Written (Net of Reinsurers' Share)	53,791,271	54,747,094
1.1.1- Gross Premiums Written (+)	54,560,344	56,292,357
1.1.2- Premiums Ceded to Reinsurers (-)	(769,073)	(1,545,263)
1.2- Change in Provision for Unearned Premiums (Net of Reinsurers' Share and Provision Carried Forward) (+/-)	638,100	33,684
1.2.1- Provision for Unearned Premiums (-)	903,036	10,730
1.2.2- Reinsurers' Share in Provision for Unearned Premiums (+)	(264,936)	22,954
1.3- Change in Provision for Unearned Premiums (Net of Reinsurers' Share and Provision Carried Forward) (+/-)	-	-
1.3.1- Provision for Unexpired Risks (-)	-	-
1.3.2- Reinsurers' Share in Provision for Unexpired Risks (+)	-	-
2- Return on Investments, Life Insurance Segment	62,749,879	43,894,159
3- Accrued Return on Investments	-	-
4- Other Technical Earnings (Net of Reinsurers' Share)	392,340	469,515
E- Life Insurance Technical Expenses	(109,416,445)	(85,831,306)
1- Claims Made (Net of Reinsurers' Share)	(75,315,207)	(66,333,023)
1.1- Claims Incurred (Net of Reinsurers' Share)	(74,987,048)	(63,755,514)
1.1.1- Claims Paid, Gross (-)	(75,057,361)	(63,875,479)
1.1.2- Reinsurer Share in Claims Paid (+)	70,313	119,965
1.2- Change in Provision for Outstanding Claims (Net of Reinsurers' Share and Provision Carried Forward) (+/-)	(328,159)	(2,577,509)
1.2.1- Provision for Outstanding Claims (-)	(323,168)	(2,694,120)
1.2.2- Reinsurer Share in Provision for Outstanding Claims (+)	(4,991)	116,611
2- Change in Provision for Bonuses and Discounts (Net of Reinsurers' Share and Provision Carried Forward) (+/-)	(176,869)	(753,072)
2.1- Provision for Bonuses and Discounts (-)	(176,869)	(753,072)
2.2- Reinsurers' Share in Provision for Bonuses and Discounts (+)	-	-
3- Change in Life Insurance Mathematical Provision (Net of Reinsurers' Share and Provision Carried Forward) (+/-)	(1,637,020)	12,191,356
3.1- Life Insurance Mathematical Provision (-)	(1,637,020)	12,191,356
3.2- Reinsurers' Share in Life Insurance Mathematical Provision (+)	-	-
4- Change in Provision for Policies with Investment Risks on Life Insurance Policy-holders (Net of Reinsurers' Share and Provision Carried Forward) (+/-)	(661,227)	(876,243)
4.1- Provision for Policies with Investment Risks at Life Insurance Policy-holders (-)	(661,227)	(876,243)
4.2- Reinsurer's Share in Provision for Policies with Investment Risks at Life Insurance Policy-holders (+)	-	-
5- Change in Other Technical Provisions (Net of Reinsurers' Share and Provision Carried Forward) (+/-)	(677,819)	72,209
6- Operating Expenses (-)	(16,351,265)	(10,505,120)
7- Investment Expenses (-)	(14,597,038)	(19,627,413)
8- Accrued Loss from Investments (-)	-	-
9- Return on Investments, Transferred to Non-technical Segment (-)	-	-
F- Net Technical Income - Life (D – E)	8,155,145	13,313,146
G- Private Pension Technical Income	80,138	-
1- Fund Management Income	47,669	-
2- Management Expenses Deducted	-	-
3- Participation Fees Collected	-	-
4- Management Expense Collected Due to Policy Suspension	-	-
5- Fees for Special Services	-	-
6- Increase in Market Value of Capital Commitment Advances	32,462	-
7- Other Technical Income	7	-
H- Private Pension Technical Expenses	(583,191)	-
1- Fund Management Expenses (-)	(2,383)	-
2- Decrease in Market Value of Capital Commitment Advances (-)	(106,860)	-
3- Operating Expenses (-)	(372,102)	-
4- Other Technical Expenses (-)	(101,846)	-
I- Net Technical Income - Private Pension (G – H)	(503,053)	-

AXA HAYAT VE EMEKLİLİK A.Ş. DETAILED STATEMENTS OF INCOME FOR THE YEARS ENDING 31 DECEMBER 2011 AND 2010, RESPECTIVELY (TRY)

II- NON-TECHNICAL SEGMENT	Independently Audited	Independently Audited
	Jan. 1 – 31 Dec. 2011	Jan. 1 – 31 Dec. 2010
C- Net Technical Income - Non-life Insurance (A-B)	(1,066,800)	585,908
F- Net Technical Income - Life (D-E)	8,155,145	13,313,146
I - Net Technical Income - Private Pension (G-H)	(503,053)	-
J- Total Technical Income (C+F+I)	6,585,292	13,899,054
K- Return on Investments	14,930,394	12,980,687
1- Income from Financial Investments	11,752,625	10,543,702
2- Income from Financial Investments Sold	660,388	414,771
3- Revaluation of Financial Investments	-	1,600,735
4- Foreign Exchange Earnings	2,517,371	421,424
5- Income from Associates	-	-
6- Income from Subsidiaries and Jointly-controlled Companies	-	-
7- Income from Real Properties	-	-
8- Income from Derivative Instruments	-	-
9- Other Investments	10	55
10- Return on Investments, Transferred from Life Technical Segment	-	-
L- Investment Expenses (-)	(826,655)	(479,868)
1- Investment Management Expenses – including Interest (-)	(52,872)	(172,013)
2- Impairment of Investments (-)	(197,639)	-
3- Loss from Investments Sold (-)	(313,019)	(98,685)
4- Investment Income Ceded to Non-life Technical Segment (-)	-	-
5- Loss from Derivative Instruments (-)	-	-
6- Foreign Exchange Losses (-)	-	-
7- Depreciation Expenses (-)	(263,125)	(209,170)
8- Other Investment Expenses (-)	-	-
M- Income and Profit / Loss and Expense from Other Non-core Operations (+/-)	(1,489,936)	(1,064,607)
1- Reserves Account (+/-)	(298,589)	(1,046,431)
2- Rediscount Account (+/-)	-	-
3- Commission Account for Natural Disaster and Agricultural Ins. (+/-)	-	-
4- Inflation Adjustment Account (+/-)	-	-
5- Deferred Tax Assets Account (+/-)	-	-
6- Deferred Tax Liability Expenses (-)	(1,187,285)	(12,209)
7- Other Income and Profits	9,086	10,580
8- Other Losses and Expenses (-)	(13,148)	(16,547)
9- Previous Year's Income and Profit	-	-
10- Previous Year's Losses and Expenses (-)	-	-
N- Net Profit / Loss for the Year	16,331,525	20,197,467
1- Profit / Loss for the Year	19,199,095	25,335,266
2- Provision for Taxes and Other Liabilities Due on Profit (-)	-	-
3- Profit / Loss for the Year	(2,867,570)	(5,137,799)
4- Inflation Adjustment Account	16,331,525	20,197,467
	-	-

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