



AXA SİGORTA

sigortacılık / yeniden tanımlanıyor

2008

Annual Report

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Message from the Chairman and CEO

2008 was a truly painful year for both our national and the global economies. The deterioration in the financial ratios began to affect our country's economy particularly in the second half of the year and went on gradually worsening throughout the last quarter.

The AXA Group managed to leave its mark with a number of great achievements even during these difficult times. The increases achieved by our companies in premium production and, thereby, in our market shares despite 2008's tough economic conditions are a sign of remarkable success. The premium growth of nearly 9% and the market share of 12,1% achieved by AXA SİGORTA in elementary insurance segments helped it become the largest company in the industry. Compared with the increase of 6,2% in the industry's total premium production figure, this growth in premium production demonstrates that AXA SİGORTA has grown 3% above the industry average. In view of our principle of managing health premium production in our life insurance company, unlike our competitors, in elementary insurance segments, and our policy of not writing business in certain insurance segments, the foothold we have gained in the market should be appreciated beyond mere words.

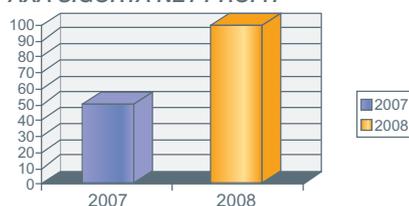
The painstaking and selective approach to writing business that AXA HAYAT SİGORTA has been making in its efforts to formulate the health insurance segment and the fact that some of our valuable business partner banks, with which we have been cooperating in the life insurance segment, started to establish their own life insurance / private pension companies prevented our company from achieving the expected level of premium production growth. With its 4,6% market share, AXA HAYAT SİGORTA ranked 9th in the market in 2008.



Message from the Chairman and CEO

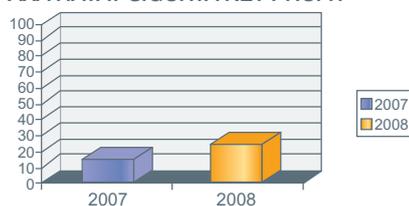
We maintained our principle of profitable growth in 2008 and fulfilled our mission of providing our shareholders with the highest return possible. This was proven by the fact that AXA SIGORTA recorded a net profit of TRY 112.6 million, increasing its previous year profit level by 124% and realising a 33.76% return on equity.

AXA SIGORTA NET PROFIT



Our AXA HAYAT company, on the other hand, recorded a net profit of TRY 27.8, increasing its previous year profit by 79% and realising a 70.44% return on equity.

AXA HAYAT SIGORTA NET PROFIT



Our Company, one of the few insurance companies in the industry that recorded real profits, realised the aforesaid profitability in spite of the fact that it set aside a reserve fund way above the levels set in this respect under the related regulations in force in our country. I would like to point out that the creation of such a high reserve fund, which will help our companies gain a competitive edge in the coming years, was achieved as a result of our deep-rooted, uncompromising approach to business writing, segmentation, client-orientation and innovation.

We launched a high number of innovative

projects in 2008 because we have never been satisfied with what we have achieved and we are dedicated to growing our Company continuously. I believe the "Good Driver" project we launched in 2008 has contributed remarkably to the wider recognition of both our Company and its distinguished way of doing business.

We are determined to launch a set of similar other projects during 2009. Also, in line with our goal of stepping into the Private Pension market, recently gaining ground in our country, we have been making efforts to turn our AXA HAYAT into a Private Pension company.

Considering the growth it has achieved to date, AXA SIGORTA has a promising future as a group of insurance companies that has adopted the most consistent, sustainable and reliable management policies in our country.

According to the 2008 results of the "Agency Satisfaction" survey conducted every year to measure our agencies' level of satisfaction with the services provided to them by AXA SIGORTA, 9 out of our 10 agencies polled said, as they did in the previous year, they were very satisfied with working with AXA SIGORTA. The comparative survey report written by AC Nielsen suggests that the overall satisfaction rating of our agencies for AXA SIGORTA, which was 4,2 on a 1 to 5 rating scale in 2007, increased to 4,3 in 2008. When asked to comment on what the future may have in store, 9 out of our 10 agencies polled indicated they were optimistic about both the future of AXA SIGORTA and its contribution to the industry.

One of the most significant driving forces behind our Company's high performance is our employees' level of loyalty to our Company. The index of the employee satisfaction survey we have been conducting every year has

increased 3 points since last year, reaching the level of 94%, which is high above the levels of loyalty measured in the AXA Mediterranean and Latin Groups as well as in the whole AXA Group. Additionally, the rate of participation in the survey, which was 96%, demonstrates that the survey results obtained reflect the views and loyalty of almost all of our employees.

The superior performance shown by our Company in 2008 was crowned with awards from Capital magazine and the daily Dünya. The traditional "Most Favoured Companies in Turkey" survey conducted by Capital magazine named AXA SIGORTA the "Most Favoured Company" of the insurance industry in 2008. A similar survey conducted by the daily Dünya selected the best performing companies in many industries and ranked AXA SIGORTA among the "Stars of Business" in 2008.

One other development worth mentioning was the acquisition by AXA of the shares of the OYAK Group, one of our valuable shareholders, in 2008. Our Company handled this acquisition very well and thus gained a new corporate identity smoothly. I would like to extend my gratitude to the OYAK Group for the remarkable support they provided to our Company in gaining the strong position it holds today.

By strengthening its market-making characteristics, our Group will launch exemplary projects that will help the industry restructure itself as needed. On the other hand, we will restructure our organisation in a manner that enables us to offer our clients services of the highest standards through our agency network spanning the whole country. I would like to thank our shareholders, agencies, employees and clients for the support they have given to AXA SIGORTA in achieving its high performance and goals.

H.Cemal ERERDI

Audit Committee Report

The annual accounts and operations of AXA SİGORTA A.Ş. for 2008 were reviewed by our Committee regularly during the year in accordance with the Turkish Code of Commerce and the Articles of Incorporation of the Company.

We have verified that the Company's Balance Sheet and Profit/Loss Statements reflect the statutory accounting records and documents of the Company accurately.

We were pleased to observe that the Company recorded a profit of TL 141.953.734 in 2008.

We hereby submit the Company's Balance Sheet and Profit/Loss Statements for your approval and kindly request that the Board of Directors be absolved in respect of its activities. We congratulate the Directors, executives and employees of the Company for their valuable contribution to this successful result achieved in 2008 and wish them an even more successful year.

Fahrettin DOĞAN
Audit Committee Member



Audit Committee Report

The annual accounts and operations of AXA HAYAT SİGORTA A.Ş. for 2008 were reviewed by our Committee regularly during the year in accordance with the Turkish Code of Commerce and the Articles of Incorporation of the Company.

We have verified that the Company's Balance Sheet and Profit/Loss Statements reflect the statutory accounting records and documents of the Company accurately.

We were pleased to observe that the Company

Fahrettin DOĞAN
Audit Committee Member



recorded a profit of TL 34.725.059 in 2008.

We hereby submit the Company's Balance Sheet and Profit/Loss Statements for your approval and kindly request that the Board of Directors be absolved in respect of its activities. We congratulate the Directors, executives and employees of the Company for their valuable contribution to this successful result achieved in 2008 and wish them an even more successful year.

Azize TINAY
Audit Committee Member



Report on Internal Audit Activities

The "Audit Committee" which was formed within the organizational structure of our Company in 1994, was disbanded in order to ensure harmonization with the "Communiqué on the Internal Audit Systems of Insurance and Reinsurance Companies", which took effect on the basis of Resolution No. B.02.1.HM.0.SGM.0.3.1.1 adopted by the Treasury Undersecretariat on September 29, 2004, and an Internal Audit Department was formed instead on January 01, 2005 in accordance with the said Communiqué.

The Internal Audit Department has since been serving as a subordinate unit of the Audit Committee in compliance with both the Treasury Undersecretariat's Communiqué of September 29, 2004 and "Communiqué on the Internal Audit Systems of Insurance, Reinsurance and Private Pension Companies", dated June 21, 2008. The Audit Committee, comprised of at least two Directors, convenes 3 times a year and reviews the activities of the Internal Audit Department.

When planning and carrying out internal audit activities, the utmost care is taken to ensure full compliance with both the related legal framework and "International Internal Audit Standards".

In this context, the "Regulations on Internal Audit", drawn up by the Internal Audit Department and approved by the Board of Directors clearly describes the Internal Audit Department's tasks, powers, responsibilities, code of business and its relations with the executive management.

Accordingly, auditing activities are conducted with a view to ensuring that the business of the Company is carried out in accordance with the related laws, regulations and the Company's corporate strategies, policies, principles and objectives and to providing

assurance on the effectiveness and adequacy of the Company's internal audit system.

The Internal Audit Department prepares annual risk-based audit plans in line with the "Regulations on Internal Audit" and submits them for the approval of the Audit Committee. Audit matters to be included in such plans can be focused on a specific department or a certain process using the performance and efficiency criteria applicable.

The results of any audit carried out on the basis of the annual audit plan approved by the Audit Committee are reported to the Audit Committee. Any such audit report includes information on the scope and objective of the audit, as well as the findings obtained, solutions proposed, the name of the department audited, and date of completion of each action plan proposed. Also, periodic checks are made to verify whether such action plans have been implemented properly.

The Internal Audit Department is also responsible for carrying out investigations and reviews, if needed, in addition to audits specified in the annual audit plans, and for providing consulting services to the management.

Additionally, the Internal Audit Department provides audit reports to

the Axa's Audit Department for the Mediterranean and Latin American Regions four times a year, and a report to the Axa Group's Audit Department on high-risk audits once a year, and also carries out joint audits under the coordination of the Regional or Group Audit Departments. Since December 31, 2008, the Internal Audit Department has been comprised of one manager and one internal auditor.

During 2008, the Internal Audit Department conducted a total of 13 audits and reviews of Agency Current Accounts, Overhead Expenses, Sale of Seized Properties, Reinsurance Operations, Reporting Tools, Risky Agencies, Policy Cancellation Process, Information Security, Compliance with Anti-money Laundering Law and four Regional Directorates. The Internal Audit Department received the necessary documented action plans and dates in respect of its audit findings and issued audit reports, covering the results of the said audits. In 2008, no incident requiring investigation was discovered.

Based on our approach intended to add value to our Company through internal audits, we take the utmost care in planning and conducting all the phases of internal audit activities, and also aim to strengthen and support our audit personnel to this end.

Board of Director's Reports December 2008

Overview of Economic Developments and Operations

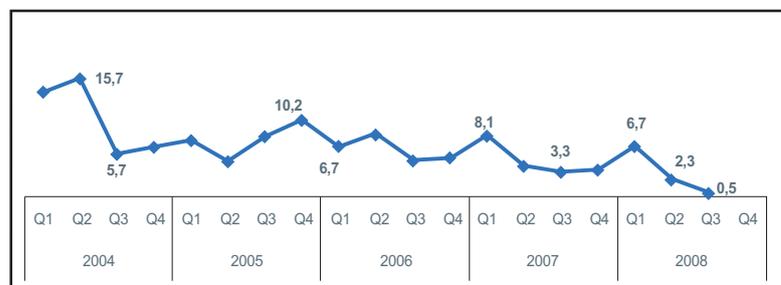
Economic Developments

It is expected that the global financial crisis, which has already hit the Turkish economy to a considerable extent, will reveal its true effects during 2009. From a global perspective, it is the financial industry that has been affected most by the financial crisis, and some of the leading banks have been funded and nationalized by governments. However, the case in Turkey is slightly different. The financial industry regulations enacted following the 2001 crisis made our financial system more resistant to the current crisis. The more conservative financial policy adopted in the banking sector following the 2001 crisis also helped the banks in Turkey become more robust than those in other countries.

Among those that will be affected directly by the said conservative financial policy are the manufacturing industry companies and SMEs, because such companies will now have difficulties in accessing bank loans that are their most important cash resources. Currently, there are many manufacturing companies that have decided to suspend operations and/or close down their plants due to the increase in their manufacturing costs and the decline in demand for their products. Loss of customers' trust and unemployment are among the main factors that are adversely affecting these companies. This is evident particularly in the automotive industry; when compared with 2007, the new car sales figure dropped 14.4% in the last quarter of 2008. In fact, the last quarter of almost every year normally witnesses an upward trend in car sales with the help of sales campaigns and special price cuts. On the other hand, the gross national growth rate in the last quarter of 2008 stood at a record low for the last 6-year period.

- The inflation rate had an upward trend in 2008, resulting in a slight fluctuation in the CPI but causing the PPI to stand at a record high of 2008 in June. Compared with 2007, the CPI and PPI increased by 2.2% and 1.7%, respectively, in 2008.

GDP Growth Rate



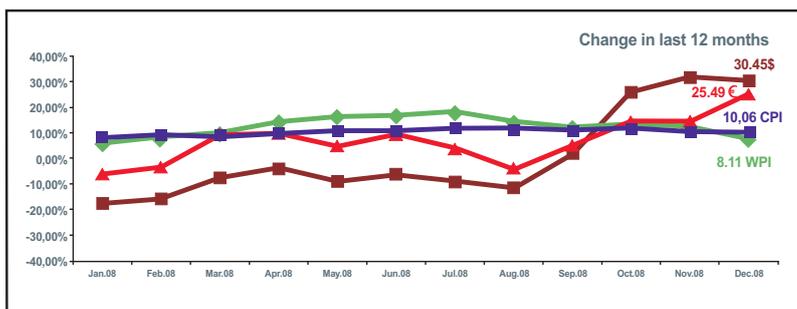
After showing a slow upward trend in the first quarter of 2008, the GDP growth rate plunged in the second and third quarters. The GDP growth rate for 2007 stood at 4.6%.

Overview of Business and Industry Developments

Though the Insurance Sector grew by 7.0% as of the end of 2008, that was the first real growth, standing at -2.8%, recorded since the 2001 crisis.

The growth rate in the Motor Insurance segment, which was 14% in 2007, fell down to -5.5% in 2008. The basic reason behind that fall was the decline in automotive sales figures. This downward trend is expected to continue in the first half of 2009.

On the other hand, the Compulsory Traffic Insurance segment, which recorded a 13.3% increase in sales, was one of the few segments that achieved a growth rate above inflation. The basic reason behind that increase was that the Compulsory Traffic Insurance tariff was made partly flexible.



- In September 2008, both the USD and EURO made a leap in value. The USD/TL exchange rate, which equalled TRY 1.16 at the end of 2007, stood at TRY 1.51 at the end of 2008.

As to the elementary insurance segments, which averaged by 15.3% in 2007, these segments mostly recorded a growth rate of 6.2% in 2008.

At such a period of time, full of difficulties and obscurity, AXA Sigorta aims to benefit from any potential opportunity more rapidly by launching new projects with a view to generating even better results.

We have decided to restructure AXA Hayat Sigorta A.Ş. into a Life Insurance and Private Pension company, and we are working hard to that end.

2008 Dividend Payment Tables of the AXA Group Companies

TL	AXA HAYAT SİGORTA A.Ş.	AXA SİGORTA A.Ş.
Profit before tax	34,725,059.69	141,953,733.08
Previous year's profit/loss	2,971,672.44	-2,531,744.39
Total Profit	37,696,732.13	139,421,988.69
Corporate Tax	6,874,186.35	29,310,278.90
After-tax profit	30,822,545.78	110,111,709.79
Legal reserve (5%)	1,884,836.61	6,971,099.43
Legal reserve II	2,506,487.72	84,146.40
1st dividend paid to shareholders	1,332,750.00	15,515,000.00
Distributable profit	25,098,471.45	87,541,463.96
Other reserves	33,594.20	86,700,000.00
<i>Real property sales profit (75%)</i>	33,594.20	5,354,475.42
<i>Contingency reserve</i>		62,060,000.00
<i>Extraordinary reserve</i>		19,285,524.58
Cash profit distributable profit (Gross)	26,397,627.25	16,356,463.96

AXA SİGORTA A.Ş.

Pursuant to the Turkish Code of Commerce, our Articles of Incorporation and the related regulations in effect, we have resolved by unanimous vote that the Board of Directors be authorised to deduct from the 2008 accounting profit the figures reflected in the shareholders' equity account, the prior years' loss amounts, a first dividend corresponding to 5% of the paid-in capital as well as all other legal reserves and the taxes due, and then to set aside a statutory reserve of TL 7.055.245,83, retain the sum of TL 5.354.475,42, which equals 75% of the real property sales profit, in a fund account opened under the Shareholders' Equity account, set aside the sum of TL 62.060.000, which equals 20% of the paid-in capital, as a contingency reserve, and a sum of TL 19.285.524,58 as an extraordinary reserve, and then distribute the remaining cash amount among our shareholders on or before May 31, 2009.

AXA HAYAT SİGORTA A.Ş.

Pursuant to the Turkish Code of Commerce, our Articles of Incorporation and the related regulations in effect, we have resolved by unanimous vote that the Board of Directors be authorised to deduct from the 2008 accounting profit the figures reflected in the shareholders' equity account, the prior years' loss amounts, a first dividend corresponding to 5% of the paid-in capital as well as all other legal reserves and the taxes due, and then to set aside a statutory reserve of TL 4.391.324,33, retain the sum of TL 33.594,20, which equals 75% of the real property sales profit, in a fund account opened under the Shareholders' Equity account, and then distribute the remaining cash amount among our shareholders on or before May 31, 2009.

Key Figures (TRY 1000)

	2008	2007	2006	2005	2004
Premiums Written	1.234.025	1.129.745	944.759	759.854	666.192
Claims Paid	677.201	619.973	510.249	466.193	358.740
Technical Profit	41.172	58.694	59.078	41.207	31.923
Overheads	68.081	59.001	49.769	47.650	40.831
Financial Income (Net)	168.862	80.062	67.130	66.951	53.981
Profit Before Tax	141.954	79.755	76.439	60.509	45.073
Net Profit	112.643	50.271	63.255	43.341	21.823
Shareholder' Equity	333.680	302.639	186.629	155.662	85.243
Paid-in Capital	310.300	222.560	171.675	154.065	74.065
Total Assets	1.512.356	1.126.012	881.433	714.078	512.914
Number of Policies	2.951.133	2.628.028	2.251.854	2.174.968	1.691.198
Number of Employees	520	453	440	444	453

Operational and Profitability Ratios

	2008	2007	2006	2005	2004
Claim / Premium	%69,0	%67,4	%65,7	%70,6	%70,5
Overheads / Premium	%5,5	%5,2	%5,3	%6,3	%6,1
Combined Ratio	%102,3	%100,0	%98,9	%100,9	%101,5
Technical Profit / Premium	%3,3	%5,2	%6,3	%5,4	%4,8
Profit Before Tax / Premium	%11,5	%7,0	%8,1	%8,0	%6,8
Premium / Shareholder' Equity	%369,8	%373,3	%506,2	%488,1	%781,5
Profit Before Tax / Shareholder' Equity	%42,5	%26,3	%41,0	%38,9	%52,9
Shareholder' Equity / Total Assets	%22,1	%26,9	%21,2	%21,8	%16,6
Premium Collection Period (Days)	60	71	81	83	78

AXA HAYAT SİGORTA A.Ş.

Key Figures (TRY 1000)

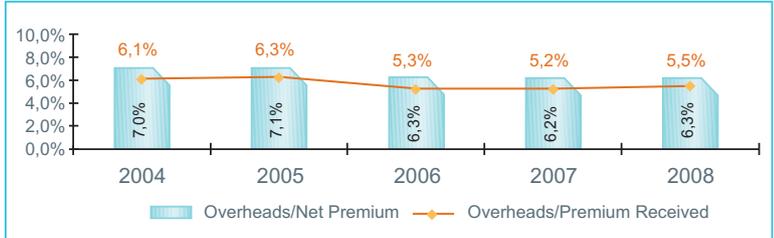
	2008	2007	2006	2005	2004
Premiums Written	123.612	140.846	127.215	113.261	106.834
Claims Paid	44.290	48.107	42.520	43.553	47.004
Technical Profit	24.686	18.629	18.108	15.477	14.980
Overheads	9.844	11.735	10.131	9.745	10.535
Financial Income (Net)	19.883	13.852	8.542	9.021	9.497
Profit Before Tax	34.725	20.746	13.456	14.753	13.943
Net Profit	27.851	15.571	10.318	10.745	8.191
Shareholder' Equity	39.537	34.727	29.074	26.214	16.768
Paid-in Capital	26.655	26.185	23.370	23.370	12.235
Total Assets	394.546	339.054	325.814	300.317	232.705
Number of Policies	1.046.980	1.140.517	900.266	845.338	795.034
Number of Employees	67	121	133	162	249

Operational and Profitability Ratios

	2008	2007	2006	2005	2004
Overheads / Premium	%8,0	%8,3	%8,0	%8,6	%9,9
Technical Profit / Premium	%20,0	%13,2	%14,2	%13,7	%14,0
Mathematical Reserves / Total Assets	% 68,5	% 65,5	% 70,6	% 72,1	% 77,1
Premium / Shareholder' Equity	%312,6	%405,6	%437,6	%432,1	%637,1
Profit Before Tax / Shareholder' Equity	%87,8	%59,7	%46,3	%56,3	%83,2
Shareholder' Equity / Total Assets	%10,0	%10,2	%8,9	%8,7	%7,2

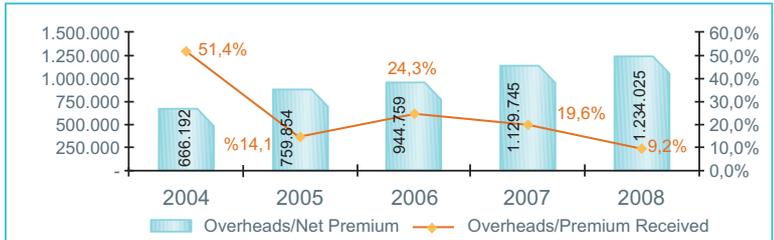
OVERHEADS

Year	Overheads (TRY '000)	Overheads/ Premium Written	Overheads/ Net Premium
2004	40.831	6,1%	7,0%
2005	47.650	6,3%	7,1%
2006	49.769	5,3%	6,3%
2007	59.001	5,2%	6,2%
2008	68.081	5,5%	6,3%



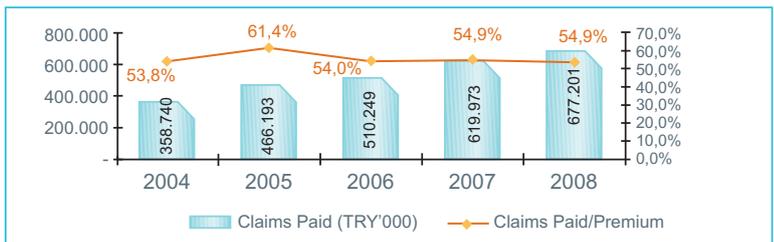
PREMIUM PRODUCTION

Year	Premium Written (TRY '000)	Değişim
2004	666.192	51,4%
2005	759.854	14,1%
2006	944.759	24,3%
2007	1.129.745	19,6%
2008	1.234.025	9,2%



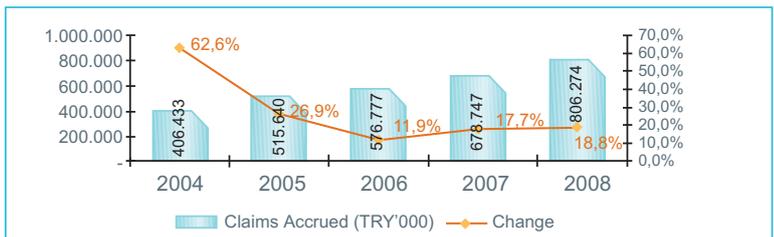
CLAIMS PAID

Year	Claims Paid (TRY '000)	Claims Paid/ Premium
2004	358.740	53,8%
2005	466.193	61,4%
2006	510.249	54,0%
2007	619.973	54,9%
2008	677.201	54,9%

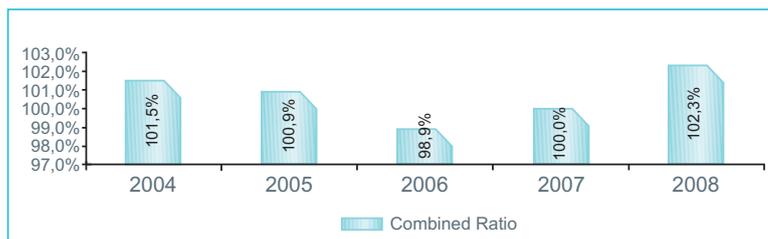
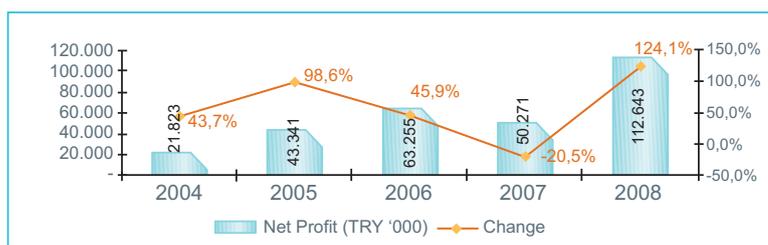
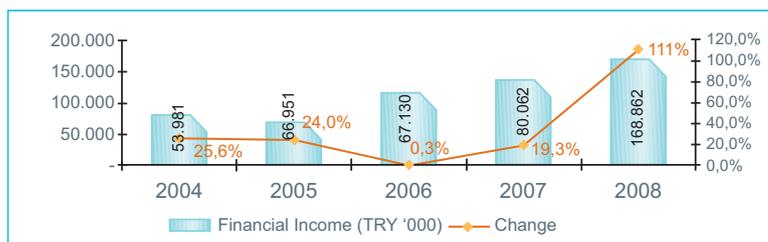
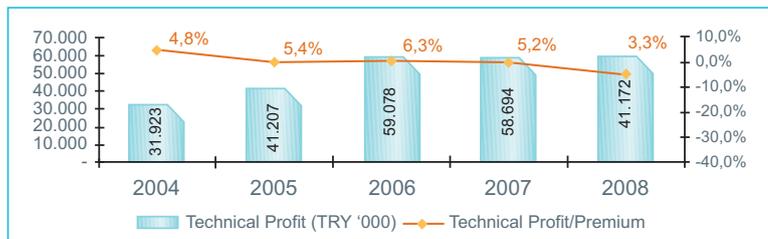


CLAIMS MADE

Year	Claims Made (TRY '000)	Change
2004	406.433	62,6%
2005	515.640	26,9%
2006	576.777	11,9%
2007	678.747	17,7%
2008	806.274	18,8%



Outlook of AXA SİGORTA A.Ş. after 2008



TECHNICAL PROFIT

Year	Technical Profit (TRY '000)	Technical Profit/Premium
2004	31.923	4,8%
2005	41.207	5,4%
2006	59.078	6,3%
2007	58.694	5,2%
2008	41.172	3,3%

FINANCIAL INCOME

Year	Financial Income (TRY '100)	Change
2004	53.981	25,6%
2005	66.951	24,0%
2006	67.130	0,3%
2007	80.062	19,3%
2008	168.862	110,9%

NET PROFIT

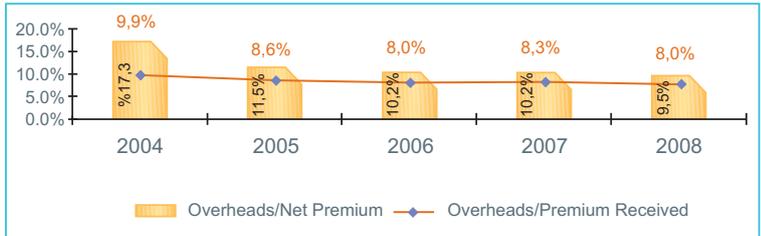
Year	Net Profit (TRY '000)	Change
2004	21.823	43,7%
2005	43.341	98,6%
2006	63.255	45,9%
2007	50.271	-20,5%
2008	112.643	124,1%

COMBINED RATIO

Year	Combined Ratio
2004	101,5%
2005	100,9%
2006	98,9%
2007	100,0%
2008	102,3%

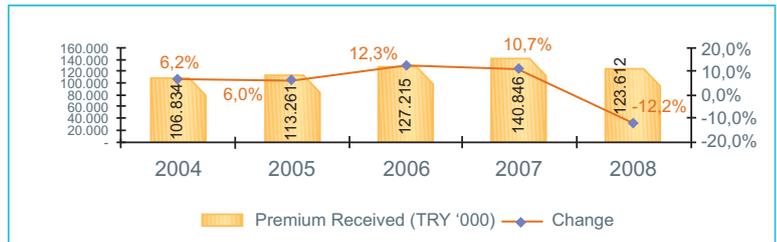
OVERHEADS

Year	Overheads (TRY '000)	Overheads/ Premium Written	Overheads/ Net Premium
2004	10.535	9,9%	17,3%
2005	9.745	8,6%	11,5%
2006	10.131	8,0%	10,2%
2007	11.735	8,3%	10,2%
2008	9.,844	8,0%	9,5%



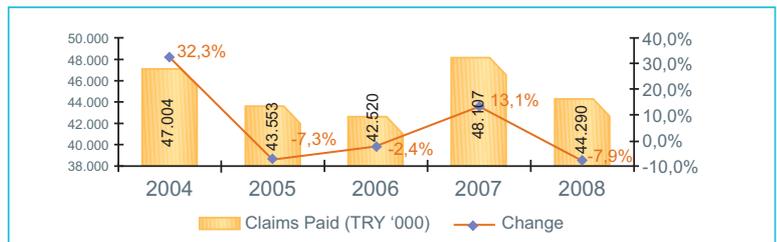
PREMIUM PODODUCTION

Year	Premium Written (Bin YTL)	Change
2004	106.834	6,2%
2005	113.261	6,0%
2006	127.215	12,3%
2007	140.846	10,7%
2008	123.612	-12,2%



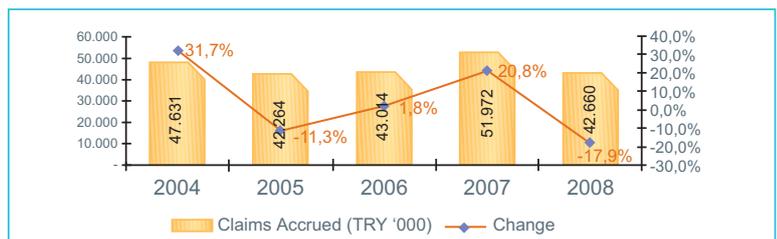
CLAIMS PAID (Health+Individual Accident)

Year	Claims Paid (TRY '000)	Change
2004	47.004	32,3%
2005	43.553	-7,3%
2006	42.520	-2,4%
2007	48.107	13,1%
2008	44.290	-7,9%

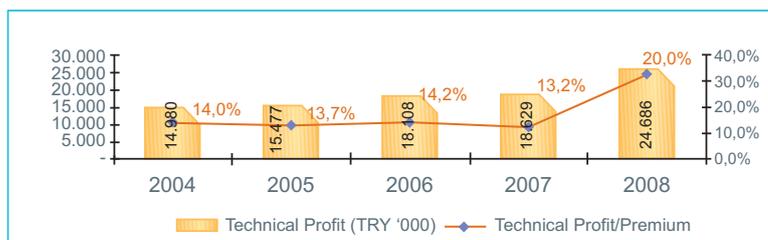


CLAIMS PAID (Health+Individual Accident)

Year	Claims Paid (TRY '000)	Change
2004	47.631	31,7%
2005	42.264	-11,3%
2006	43.014	1,8%
2007	51.972	20,8%
2008	42.660	-17,9%

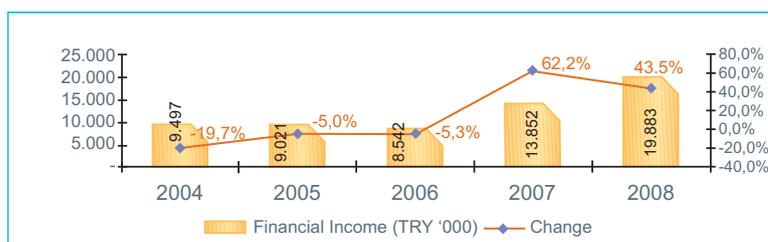


Outlook of AXA HAYAT SİGORTA A.Ş. after 2008



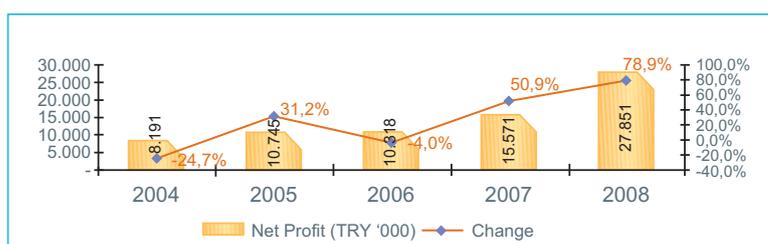
TECHNICAL PROFIT

Year	Technical Profit (TRY '000)	Technical Profit/Premium
2004	14.980	14,0%
2005	15.477	13,7%
2006	18.108	14,2%
2007	18.629	13,2%
2008	24.686	20,0%



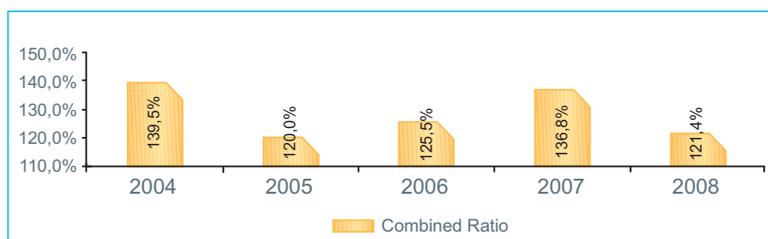
FINANCIAL INCOME

Year	Financial Income (TRY '000)	Change
2004	9.497	-19,7%
2005	9.021	-5,0%
2006	8.542	-5,3%
2007	13.852	62,2%
2008	19.883	43,5%



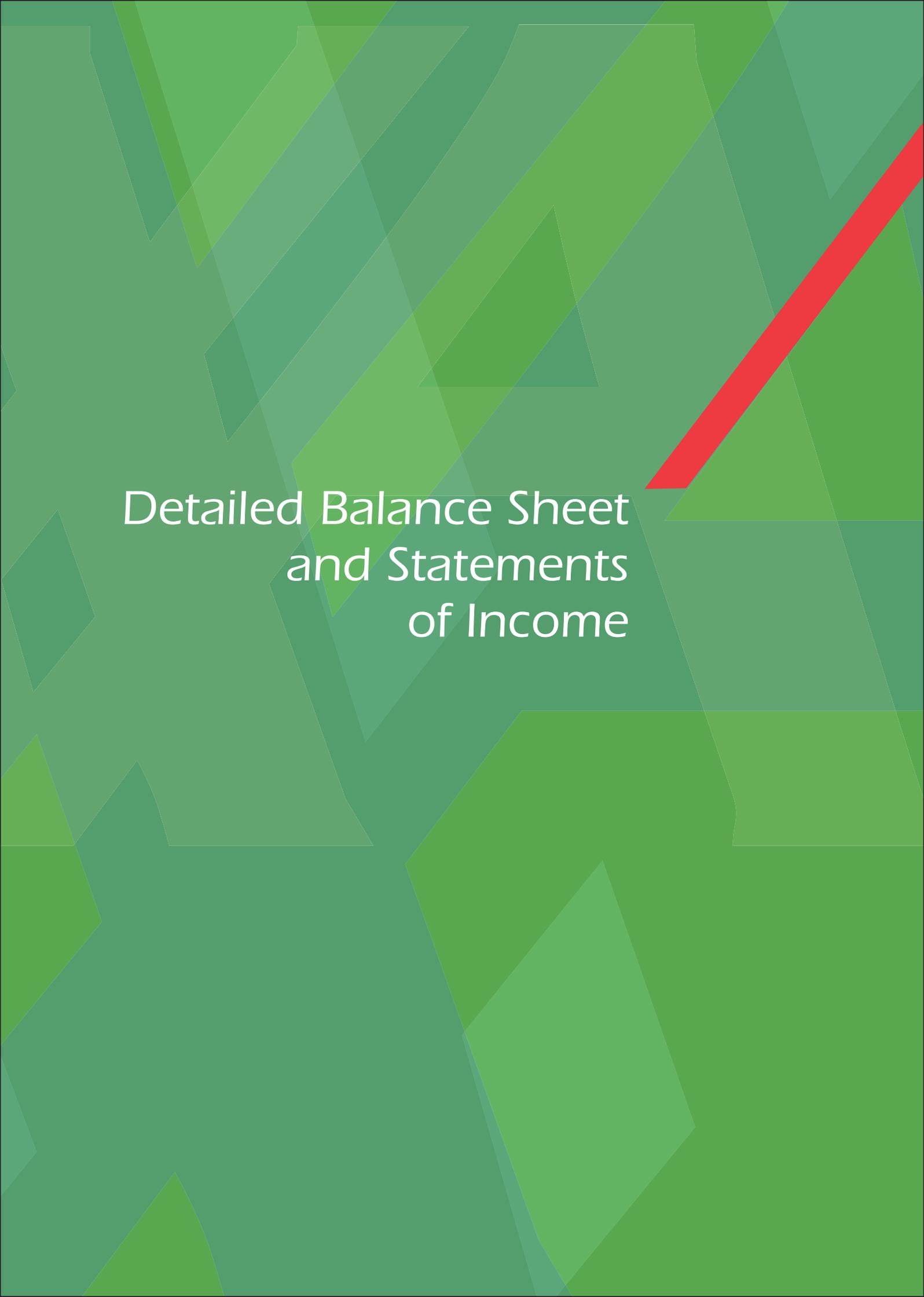
NET PROFIT

Year	Net Profit (TRY '000)	Change
2004	8.191	-24,7%
2005	10.745	31,2%
2006	10.318	-4,0%
2007	15.571	50,9%
2008	27.851	78,9%



COMBINED RATIO

Year	Combined Ratio
2004	139,5%
2005	120,0%
2006	125,5%
2007	136,8%
2008	121,4%



Detailed Balance Sheet
and Statements
of Income

Audited by an independent audit firm (December 31, 2008)

ASSETS	
I- Current Assets	
A- Cash and Cash Equivalents	429,781,073
1- Cash on Hand	
2- Checks Received	
3- Balances with Banks	430,372,816
4- Checks and Payment Orders Issued (-)	-591,743
5- Other Cash and Cash Equivalent Assets	
B- Financial Assets, and Investments with Risks on Policy-holders	667,546,946
1- Available-for-sale Investments	667,546,946
2- Held-to-maturity Investments	
3- Securities Held for Trade	
4- Loans	
5- Provision for Loans (-)	
6- Financial Investments with Risks on Life Insurance Policy-holders	
7- Equity Shares	
8- Provision for Diminution in Value of Financial Assets (-)	
C- Accounts Receivable from Core Operation	245,338,119
1- Accounts receivable from Insurance Operations	242,100,004
2- Provision for Accounts Receivable from Insurance Operations (-)	-2,606,042
3- Accounts Receivable from Reinsurance Operations	
4- Provision for Accounts Receivable from Reinsurance Operations (-)	
5- Cash Deposited with Insurers and Reinsurers	5,844,157
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	137,177,409
10- Provision for Doubtful Accounts Receivable from Core Operations (-)	-137,177,409
D- Due from Related Parties	0
1- Due from Shareholders	
2- Due from Affiliates	
3- Due from Subsidiaries	
4- Due from Jointly-controlled Entities	
5- Due from Staff	
6- Due from Other Related Parties	
7- Resdiscount on Receivables from Related Parties (-)	
8- Doubtful Receivables from Related Parties	
9- Provision for Doubtful Receivables from Related Parties (-)	
E- Other Accounts Receivable	1,708,764
1- Leasing Accounts Receivable	
2- Unearned Leasing Interest Revenue (-)	
3- Deposits and Guarantees Given	80,833
4- Other Miscellaneous Accounts Receivable	1,627,931
5- Resdiscount on Other Miscellaneous Accounts Receivable (-)	
6- Other Doubtful Accounts Receivable	
7- Provision for Other Doubtful Accounts Receivable (-)	
F- Prepaid Expenses and Accrued Income	
1- Prepaid Expenses	88,024,087
2- Accrued Interest and Rent	
3- Accrued Income	
4- Other Prepaid Expenses and Accrued Income	
G- Other Current Assets	26,761,241
1- Inventories	633,963
2- Prepaid Taxes and Statutory Contributions	25,990,060
3- Deferred Tax Assets	
4- Advances to Customers	20,256
5- Advances to Staff	106,841
6- Inventory and Delivery Shortages	
7- Other Miscellaneous Current Assets	10,121
8- Provision for Other Miscellaneous Current Assets (-)	
I- Total Current Assets	1,459,160,230

Audited by an independent audit firm (December 31, 2008)

ASSETS	
II- Non-current Assets	
A- Accounts Receivable from Core Operations	0
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	0
1- Due from Shareholders	
2- Due from Affiliates	
3- Due from Subsidiaries	
4- Due from Jointly-controlled Enterprises	
5- Due from Staff	
6- Due from Other Related Parties	
7- Resdiscount 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	0
1- Leasing Accounts Receivable	
2- Unearned Leasing Interest Revenue (-)	
3- Deposits and Guarantees Given	
4- Other Miscellaneous Accounts Receivable	
5- Resdiscount on Other Miscellaneous Accounts Receivable (-)	
6- Other Doubtful Accounts Receivable	
7- Provision for Other Doubtful Accounts Receivable (-)	
D- Financial Assets	1,091,900
1- Long-term Securities	
2- Affiliates	1,264,515
3- Capital Commitments for Affiliates (-)	
4- Subsidiaries	
5- Capital Commitments for Subsidiaries (-)	
6- Jointly-controlled Entities	
7- Capital Commitments for Jointly-controlled Entities (-)	
8- Financial Assets, and Investments with Risks on Life Insurance Policy-holders	
9- Other Financial Assets	
10- Provision for Diminution in Value of Financial Assets (-)	-172,615
E- Tangible Assets	25,263,851
1- Real Property Held for Investment	8,554,249
2- Provision for Diminution in Value of Real Estate Held for Investment (-)	
3- Real Property Held for Own Use	21,483,665
4- Machinery and Equipment	-
5- Furniture and Fixtures	17,723,548
6- Motor Vehicles	165,758
7- Other Tangible Assets (including Leasehold Improvements)	1,474,304
8- Leased Tangible Assets	-
9- Accumulated Depreciation (-)	-24,315,853
10- Advance Paid for Tangible Assets (including Construction in Progress)	178,180
F- Intangible Assets	4,971,574
1- Rights	11,681,360
2- Goodwill	
3- Start-up Costs	
4- Research and Development Costs	
6- Other Intangible Assets	
7- Accumulated Amortization (-)	-6,709,786
8- Advance Paid for Intangible Assets	
G- Prepaid Expenses and Accrued Income	0
1- Prepaid Expenses	
2- Accrued Income	
3- Other Prepaid Expenses and Accrued Income	
H- Other Non-current Assets	21,868,197
1- Effective Foreign Currency Accounts	
2- Foreign Currency Accounts	
3- Inventories	
4- Prepaid Taxes and Funds	
5- Deferred Tax Assets	21,868,197
6- Other Miscellaneous Non-current Assets	
7- Amortization of Other Non-current Assets (-)	
8- Provision for Other Non-current Assets (-)	
II- Total Non-current Assets	53,195,522
Total Assets (I + II)	1,512,355,752

Audited by an independent audit firm (December 31, 2008)

LIABILITIES	
III- Short-term Liabilities	
A- Borrowings	223,828
1- Financial Liabilities to Financial Institutions	
2- Financial Liabilities to Leasing Companies	229,468
3- Deferred Leasing Costs (-)	-5,640
4- Current Maturities and Interests of Long-term Loans	
5- Principal Installments and Interests of Bonds Issued	
6- Other Financial Securities Issued	
7- Value Difference of Other Financial Securities Issued (-)	
8- Other Financial Liabilities	
B- Liabilities from Core Operations	30,457,468
1- Liabilities from Insurance Operations	27,715,116
2- Liabilities from Reinsurance Operations	
3- Deposits Received from Insurance and Reinsurance Companies	4,505
4- Liabilities from Pension Operations	
5- Liabilities from Other Core Operations	2,737,847
6- Rediscount on Notes Payable for Other Liabilities from Core Operations (-)	
C- Due to Related parties	3,957
1- Due to Shareholders	2,570
2- Due to Affiliates	
3- Due to Subsidiaries	
4- Due to Jointly-controlled Entities	
5- Due to Staff	1,387
6- Due to Other Related Parties	
D- Other Debts Due	7,252,575
1- Deposits and Guarantees Received	1,726,805
2- Other Miscellaneous Debts	5,825,770
3- Rediscount on Miscellaneous Debts (-)	
E-Insurance Technical Provisions	942,328,495
1- Provision for Unearned Premiums - Net	526,276,192
2- Provision for Unexpired Risks - Net	32,334,670
3- Life Ins. Mathematical Provision - Net	
4- Provision for Outstanding Claims - Net	383,717,633
5- Provision for Bonuses and Discounts - Net	
6- Provision for Policies with Investment Risks on Life Insurance Policy-holders -Net	
7- Other Technical Provisions - Net	
F- Tax and Other Similar Liabilities Due and Provisions	54,155,812
1- Taxes and Statutory Contributions Due	8,890,249
2- Social Security Premiums Due	598,174
3- Taxes and Other Fiscal Liabilities Overdue, Deferred or Due by Installments	
4- Other Taxes and Similar Liabilities Due	2,963,596
5- Provision for Taxes and Other Similar Liabilities Due for 2008 Profit	41,703,793
6- Taxes and Other Similar Liabilities Prepaid for 2008 Profit (-)	
7- Provision for Taxes and Other Similar Liabilities	
G- Provision for Other Risks	10,771,854
1- Provision for Termination Benefits	
2- Provision for Pension Fund Asset Deficits	
3- Provision for Costs	10,771,854
H- Deferred Income and Expenses Accrued	7,866,002
1- Deferred Income	7,866,002
2- Expenses Accrued	
3- Other Deferred Income and Other Expenses Accrued	
I- Other Short-term Liabilities	0
1- Deferred Tax Liabilities	
2- Inventory and Delivery Surpluses	
3- Various Other Short-term Liabilities	
III – Total Short-term Liabilities	1,053,059,991

Audited by an independent audit firm (December 31, 2008)

LIABILITIES	
IV- Long-term Liabilities	
A- Borrowings	0
1- Financial Liabilities to Financial Institutions	
2- Financial Liabilities to Leasing Companies	
3- Deferred Leasing Costs (-)	
4- Bonds Issued	
5- Other Financial Securities Issued	
6- Value Difference of Other Financial Securities Issued (-)	
7- Other Financial Liabilities	
B- Liabilities from Core Operations	0
1- Liabilities from Insurance Operations	
2- Liabilities from Reinsurance Operations	
3- Deposits Received from Insurance and Reinsurance Companies	
4- Liabilities from Pension Operations	
5- Liabilities from Other Core Operations	
6- Rediscout on Notes Payable for Other Liabilities from Core Operations (-)	
C- Due to Related Parties	0
1- Due to Shareholders	
2- Due to Affiliates	
3- Due to Subsidiaries	
4- Due to Jointly-controlled Entities	
5- Due to Staff	
6- Due to Other Related Parties	
D- Other Debts Due	0
1- Deposits and Guarantees Received	
2- Other Miscellaneous Debts	
3- Rediscout on Miscellaneous Debts (-)	
E- Insurance Technical Provisions	10,174,723
1- Provision for Unearned Premiums - Net	
2- Provision for Unexpired Risks - Net	
3- Life Ins. Mathematical Provision - Net	
4- Provision for Outstanding Claims - Net	
5- Provision for Bonuses and Discounts - Net	
6- Provision for Policies with Investment Risks on Life Insurance Policy-holders -Net	
7- Other Technical Provisions - Net	10,174,723
F- Other Liabilities Due and Provisions	0
1- Other Liabilities Due	
2- Taxes and Other Fiscal Liabilities Overdue, Deferred or Due by Installments	
3- Provision for Other Liabilities and Expenses	
G- Provision for Other Risks	2,797,999
1- Provision for Termination Benefits	2,797,999
2- Provision for Pension Fund Asset Deficits	
H- Deferred Income and Expenses Accrued	0
1- Deferred Income	
2- Expenses Accrued	
3- Other Deferred Income and Other Expenses Accrued	
I- Other Long-term Liabilities	0
1- Deferred Tax Liabilities	
2- Other Various Long-term Liabilities	
IV- Total Long-term Liabilities	12,972,722

Audited by an independent audit firm (December 31, 2008)

SHAREHOLDERS' EQUITY	
V- Shareholder's Equity	
A- Paid-in Capital	310,300,000
1- Capital (Nominal)	310,300,000
2- Unpaid Capital (-)	
3- Positive Difference from Inflation Adjustment of Capital	
4- Negative Difference from Inflation Adjustment of Capital (-)	
B- Capital Reserves	0
1- Equity Share Premium	
2- Profit on Equity Shares Cancelled	
3- Sales Profit Transferrable to Capital	
4- Foreign Currency Translation Differences	
5- Other Capital Reserves	
C- Profit Reserves	25,911,327
1- Legal Reserves	23,160,771
2- Statutory Reserves	
3- Extraordinary Reserves	
4- Special Funds (Reserves)	
5- Revaluation of Financial Assets	2,750,556
6- Other Profit Reserves	
D- Profits from Previous Years	0
1- Profits from Previous Years	
E- Losses from Previous Years (-)	-2,531,743
1- Losses from Previous Years	-2,531,743
F- Net Profit for the Year	112,643,455
1- Net Profit for the Year	107,288,980
2- Net Loss for the Year (-)	
3- Retained Earnings for the Year	5,354,475
Total Shareholder's Equity	446,323,039
Total Liabilities (III + IV + V)	1,512,355,752

Audited by an independent audit firm (December 31, 2008)

ASSETS		
I- Current Assets		
A- Cash and Cash Equivalents	8,661,982	8,027,513
1- Cash on Hand		
2- Checks Received		
3- Balances with Banks		8,728,650
4- Checks and Payment Orders Issued (-)		-72,924
5- Other Cash and Cash Equivalent Assets		6,256
B- Financial Assets, and Investments with Risks on Policy-holders		356,450,309
1- Available-for-sale Investments		106,982,932
2- Held-to-maturity Investments		
3- Securities Held for Trade		
4- Loans		
5- Provision for Loans (-)		
6- Financial Investments with Risks on Life Insurance Policy-holders		249,467,377
7- Equity Shares		
8- Provision for Diminution in Value of Financial Assets (-)		
C- Accounts Receivable from Core Operations		19,179,316
1- Accounts receivable from Insurance Operations		14,469,361
2- Provision for Accounts Receivable from Insurance Operations (-)		-120,952
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		4,830,907
7- Provision for Loans Given to Policy-holders (-)		
8- Accounts Receivable from Pension Operations		
9- Doubtful Accounts Receivable from Core Operations		311,771
10- Provision for Doubtful Accounts Receivable from Core Operations (-)		-311,771
D- Due from Related Parties		0
1- Due from Shareholders		
2- Due from Affiliates		
3- Due from Subsidiaries		
4- Due from Jointly-controlled Entities		
5- Due from Staff		
6- Due from Other Related Parties		
7- Resdiscount 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
1- Leasing Accounts Receivable		
2- Unearned Leasing Interest Revenue (-)		
3- Deposits and Guarantees Given		4,365
4- Other Miscellaneous Accounts Receivable		
5- Resdiscount on Other Miscellaneous Accounts Receivable (-)		
6- Other Doubtful Accounts Receivable		
7- Provision for Other Doubtful Accounts Receivable (-)		
F- Prepaid Expenses and Accrued Income		3,302,446
1- Prepaid Expenses		3,302,446
2- Accrued Interest and Rent		
3- Accrued Income		
4- Other Prepaid Expenses and Accrued Income		
G- Other Current Assets		5,738,217
1- Inventories		
2- Prepaid Taxes and Statutory Contributions		5,709,317
3- Deferred Tax Assets		
4- Advances to Customers		28,900
5- Advances to Staff		
6- Inventory and Delivery Shortages		
7- Other Miscellaneous Current Assets		
8- Provision for Other Miscellaneous Current Assets (-)		
I- Total Current Assets	393,336,635	

Audited by an independent audit firm (December 31, 2008)

ASSETS	
II- Non-current Assets	
A- Accounts Receivable from Core Operations	
1- Accounts Receivable from Insurance Operations	0
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 Affiliates	
3- Due from Subsidiaries	
4- Due from Jointly-controlled Enterprises	
5- Due from Staff	
6- Due from Other Related Parties	
7- Resdiscount 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- Leasing Accounts Receivable	
2- Unearned Leasing Interest Revenue (-)	
3- Deposits and Guarantees Given	
4- Other Miscellaneous Accounts Receivable	
5- Resdiscount on Other Miscellaneous Accounts Receivable (-)	
6- Other Doubtful Accounts Receivable	
7- Provision for Other Doubtful Accounts Receivable (-)	
D- Financial Assets	
1- Long-term Securities	
2- Affiliates	
3- Capital Commitments for Affiliates (-)	
4- Subsidiaries	
5- Capital Commitments for Subsidiaries (-)	
6- Jointly-controlled Entities	
7- Capital Commitments for Jointly-controlled Entities (-)	
8- Financial Assets, and Investments with Risks on Life Insurance Policy-holders	
9- Other Financial Assets	
10- Provision for Diminution in Value of Financial Assets (-)	
E- Tangible Assets	
1- Real Property Held for Investment	
2- Provision for Diminution in Value of Real Estate Held for Investment (-)	
3- Real Property Held for Own Use	
4- Machinery and Equipment	
5- Furniture and Fixtures	2,166,310
6- Motor Vehicles	
7- Other Tangible Assets (including Leasehold Improvements)	812,903
8- Leased Tangible Assets	
9- Accumulated Depreciation (-)	-2,977,385
10- Advance Paid for Tangible Assets (including Construction in Progress)	
F- Intangible Assets	
1- Rights	4,434,149
2- Goodwill	
3- Start-up Costs	
4- Research and Development Costs	
6- Other Intangible Assets	
7- Accumulated Amortization (-)	-4,434,149
8- Advance 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- Effective Foreign Currency Accounts	
2- Foreign Currency Accounts	
3- Inventories	
4- Prepaid Taxes and Funds	
5- Deferred Tax Assets	1,207,883
6- Other Miscellaneous Non-current Assets	
7- Amortization of Other Non-current Assets (-)	
8- Provision for Other Non-current Assets (-)	
II- Total Non-current Assets	
Total Assets (I + II)	
	1,209,711
	394,546,346

Audited by an independent audit firm (December 31, 2008)

LIABILITIES	
III- Short-term Liabilities	
A- Borrowings	0
1- Financial Liabilities to Financial Institutions	
2- Financial Liabilities to Leasing Companies	
3- Deferred Leasing Costs (-)	
4- Current Maturities and Interests of Long-term Loans	
5- Principal Installments and Interests of Bonds Issued	
6- Other Financial Securities Issued	
7- Value Difference of Other Financial Securities Issued (-)	
8- Other Financial Liabilities	
B- Liabilities from Core Operations	1,949,363
1- Liabilities from Insurance Operations	1,945,245
2- Liabilities from Reinsurance Operations	
3- Deposits Received from Insurance and Reinsurance Companies	
4- Liabilities from Pension Operations	
5- Liabilities from Other Core Operations	4,118
6- Rediscount on Notes Payable for Other Liabilities from Core Operations (-)	
C- Due to Related parties	95
1- Deposits and Guarantees Received	95
2- Due to Affiliates	
3- Due to Subsidiaries	
4- Due to Jointly-controlled Entities	
5- Due to Staff	
6- Due to Other Related Parties	
D- Other Debts Due	5,647,742
1- Deposits and Guarantees Received	244,373
2- Other Miscellaneous Debts	5,403,369
3- Rediscount on Miscellaneous Debts (-)	
E-Insurance Technical Provisions	36,965,184
1- Provision for Unearned Premiums - Net	22,645,559
2- Provision for Unexpired Risks - Net	
3- Life Ins. Mathematical Provision - Net	
4- Provision for Outstanding Claims - Net	11,384,263
5- Provision for Bonuses and Discounts - Net	2,935,362
6- Provision for Policies with Investment Risks on Life Insurance Policy-holders -Net	
7- Other Technical Provisions - Net	
F- Tax and Other Similar Liabilities Due and Provisions	7,842,204
1- Taxes and Statutory Contributions Due	378,591
2- Social Security Premiums Due	69,967
3- Taxes and Other Fiscal Liabilities Overdue, Deferred or Due by Installments	
4- Other Taxes and Similar Liabilities Due	118,080
5- Provision for Taxes and Other Similar Liabilities Due for 2008 Profit	7,275,566
6- Taxes and Other Similar Liabilities Prepaid for 2008 Profit (-)	
7- Provision for Taxes and Other Similar Liabilities	
G- Provision for Other Risks	1,400,613
1- Provision for Termination Benefits	
2- Provision for Pension Fund Asset Deficits	
3- Provision for Costs	1,400,613
H- Deferred Income and Expenses Accrued	1,079,104
1- Deferred Income	571,148
2- Expenses Accrued	
3- Other Deferred Income and Other Expenses Accrued	507,956
I- Other Short-term Liabilities	830,870
1- Deferred Tax Liabilities	
2- Inventory and Delivery Surpluses	
3- Various Other Short-term Liabilities	830,870
III – Total Short-term Liabilities	55,715,175

Audited by an independent audit firm (December 31, 2008)

LIABILITIES	
IV- Long-term Liabilities	
A- Borrowings	0
1- Financial Liabilities to Financial Institutions	
2- Financial Liabilities to Leasing Companies	
3- Deferred Leasing Costs (-)	
4- Bonds Issued	
5- Other Financial Securities Issued	
6- Value Difference of Other Financial Securities Issued (-)	
7- Other Financial Liabilities	
B- Liabilities from Core Operations	0
1- Liabilities from Insurance Operations	
2- Liabilities from Reinsurance Operations	
3- Deposits Received from Insurance and Reinsurance Companies	
4- Liabilities from Pension Operations	
5- Liabilities from Other Core Operations	
6- Rediscount on Notes Payable for Other Liabilities from Core Operations (-)	
C- Due to Related parties	0
1- Due to Shareholders	
2- Due to Affiliates	
3- Due to Subsidiaries	
4- Due to Jointly-controlled Entities	
5- Due to Staff	
6- Due to Other Related Parties	
D- Other Debts Due	0
1- Deposits and Guarantees Received	
2- Other Miscellaneous Debts	
3- Rediscount on Miscellaneous Debts (-)	
E- Insurance Technical Provisions	271,112,949
1- Provision for Unearned Premiums - Net	
2- Provision for Unexpired Risks - Net	
3- Life Ins. Mathematical Provision - Net	195,533,165
4- Provision for Outstanding Claims - Net	
5- Provision for Bonuses and Discounts - Net	
6- Provision for Policies with Investment Risks on Life Insurance Policy-holders –Net	74,928,599
7- Other Technical Provisions – Net	651,185
F- Other Liabilities Due and Provisions	0
1- Other Liabilities Due	
2- Taxes and Other Fiscal Liabilities Overdue, Deferred or Due by Installments	
3- Provision for Other Liabilities and Expenses	
G- Provision for Other Risks	329,858
1- Provision for Termination Benefits	329,858
2- Provision for Pension Fund Asset Deficits	
H- Deferred Income and Expenses Accrued	0
1- Deferred Income	
2- Expenses Accrued	
3- Other Deferred Income and Other Expenses Accrued	
I- Other Long-term Liabilities	0
1- Deferred Tax Liabilities	
2- Other Various Long-term Liabilities	
IV- Total Long-term Liabilities	271,442,807

Audited by an independent audit firm (December 31, 2008)

SHAREHOLDERS' EQUITY	
V- Shareholder's Equity	
A- Paid-in Capital	26,655,000
1- Capital (Nominal)	26,655,000
2- Unpaid Capital (-)	
3- Positive Difference from Inflation Adjustment of Capital	
4- Negative Difference from Inflation Adjustment of Capital (-)	
B- Capital Reserves	0
1- Equity Share Premium	
2- Profit on Equity Shares Cancelled	
3- Sales Profit Transferrable to Capital	
4- Foreign Currency Translation Differences	
5- Other Capital Reserves	
C- Profit Reserves	9,910,819
1- Legal Reserves	7,972,165
2- Statutory Reserves	
3- Extraordinary Reserves	
4- Special Funds (Reserves)	
5- Revaluation of Financial Assets	1,938,654
6- Other Profit Reserves	
D- Profits from Previous Years	2,971,672
1- Profits from Previous Years	2,971,672
E- Losses from Previous Years (-)	0
1- Losses from Previous Years	
F- Net Profit for the Year	27,850,873
1- Net Profit for the Year	27,817,279
2- Net Loss for the Year (-)	
3- Retained Earnings for the Year	33,594
Total Shareholder's Equity	67,388,364
Total Liabilities (III + IV + V)	394,546,346

Audited by an independent audit firm (January 01, 2008 to December 31, 2008)

I- TECHNICAL SEGMENT	
A- Non-life Insurance Technical Income	1,082,198,309
1- Earned Premiums (Net of Reinsurer Shares)	918,078,394
1.1- Premiums Written (Net of Reinsurer Shares)	1,041,837,183
1.1.1- Gross Premiums Written (+)	1,234,024,889
1.1.2- Premiums Ceded to Reinsurers (-)	-192,187,706
1.2- Change in Reserve for Unearned Premiums (Net of Reinsurer Shares and Reserve Carried Forward)(+/-)	-109,160,042
1.2.1- Reserve for Unearned Premiums (-)	-127,987,486
1.2.2- Reinsurer Share in Reserve for Unearned Premiums (+)	18,827,444
1.3- Change in Reserve for Unexpired Risks (Net of Reinsurer Shares and Reserve Carried Forward)(+/-)	-14,598,747
1.3.1- Reserve for Unexpired Risks (-)	-14,598,747
1.3.2- Reinsurer Share in Reserve for Unexpired Risks (+)	
2- Investment Income Transferred from Non-technical Segment	125,268,676
3- Other Technical Income (Net of Reinsurer Shares)	38,851,239
3.1- Other Gross Technical Income (+)	38,851,239
3.2- Reinsurer Shares in Other Gross Technical Income (-)	
B- Non-life Insurance Technical Expenses (-)	-970,275,080
1- Claims Made (Net of Reinsurer Shares)	-765,807,550
1.1- Claims Paid (Net of Reinsurer Shares)	-653,088,623
1.1.1- Gross Claims Paid (-)	-677,201,434
1.1.2- Reinsurer Share in Claims Paid (+)	24,112,811
1.2- Change in Reserve for Outstanding Claims (Net of Reinsurer Shares and Reserve Carried Forward) (+/-)	-112,718,927
1.2.1- Reserve for Outstanding Claims (-)	-129,072,670
1.2.2- Reinsurer Share in Reserve for Outstanding Claims (+)	16,353,743
2- Change in Reserve for Bonuses and Discounts (Net of Reinsurer Shares and Reserve Carried Forward) (+/-)	0
2.1- Reserve for Bonuses and Discounts (-)	
2.2- Reinsurer Share in Reserve for Bonuses and Discounts (+)	
3- Change in Other Technical Reserves (Net of Reinsurer Shares and Reserve Carried Forward) (+/-)	-41,490,381
4- Operating Expenses (-)	-162,977,149
C- Non-life Insurance Technical Profit (A – B)	111,923,229
D- Life Insurance Technical Income	0
1- Premiums Earned (Net of Reinsurer Shares)	0
1.1- Premiums Written (Net of Reinsurer Shares)	0
1.1.1- Gross Premiums Written (+)	
1.1.2- Premiums Ceded to Reinsurers (-)	
1.2- Change in Reserve for Unearned Premiums (Net of Reinsurer Shares and Reserve Carried Forward) (+/-)	0
1.2.1- Reserve for Unearned Premiums (-)	
1.2.2- Reinsurer Share in Reserve for Unearned Premiums (+)	
1.3- Change in Reserve for Unearned Premiums (Net of Reinsurer Shares and Reserve Carried Forward) (+/-)	0
1.3.1- Reserve for Unexpired Risks (-)	
1.3.2- Reinsurer Share in Reserve for Unexpired Risks (+)	
2- Life Insurance Segment Investment Income	
3- Accrued Income from Investments	
4- Other Technical Earnings (Net of Reinsurer Shares)	
E- Life Insurance Technical Expenses	0
1- Claims Made (Net of Reinsurer Shares)	0
1.1- Claims Paid (Net of Reinsurer Shares)	0
1.1.1- Claims Paid, Gross (-)	
1.1.2- Reinsurer Share in Claims Paid (+)	
1.2- Change in Reserve for Outstanding Claims (Net of Reinsurer Shares and Reserve Carried Forward) (+/-)	0
1.2.1- Reserve for Outstanding Claims (-)	
1.2.2- Reinsurer Share in Reserve for Outstanding Claims (+)	
2- Change in Reserve for Bonuses and Discounts (Net of Reinsurer Shares and Reserve Carried Forward) (+/-)	0
2.1- Reserve for Bonuses and Discounts (-)	
2.2- Reinsurer Share in Reserve for Bonuses and Discounts (+)	
3- Change in Life Insurance Mathematical Reserve (Net of Reinsurer Shares and Reserve Carried Forward) (+/-)	0
3.1- Life Insurance Mathematical Reserve (-)	
3.2- Reinsurer Share in Life Insurance Mathematical Reserve (+)	
4- Change in Reserve for Policies with Investment Risks on Life Insurance Policy-holders (Net of Reinsurer Shares and Reserve Carried Forward)(+/-)	0

Audited by an independent audit firm (January 01, 2008 to December 31, 2008)

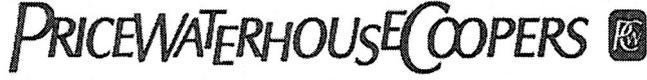
I- TECHNICAL SEGMENT	
4.1- Reserve for Policies with Investment Risks on Life Insurance Policy-holders (-)	
4.2- Reinsurer Share in Reserve for Policies with Investment Risks on Life Insurance Policy-holders (+)	
5- Change in Other Technical Reserves (Net of Reinsurer Shares and Reserve Carried Forward) (+/-)	
6- Operating Expenses (-)	
7- Investment Expenses (-)	
8- Accrued Loss from Investments (-)	
9- Investment Income Transferred to Non-technical Segment (-)	
F- Life Insurance Technical Profit (D – E)	0
G- Individual Pension Technical Profit	0
1- Fund Management Income	
2- Management Fee Deducted	
3- Subscription Dues	
4- Management Fee in Case of Policy Suspension	
5- Fees for Special Service Costs	
6- Increase in Market Value of Capital Commitment Advances	
7- Other Technical Income	
H- Individual Pension Technical Expenses	
1- Fund Management Expenses (-)	
2- Decrease in Market Value of Capital Commitment Advances (-)	
3- Operating Expenses (-)	
4- Other Technical Expenses (-)	
I- Individual Pension Technical Profit (G – H)	111,923,229
II- NON-TECHNICAL SEGMENT	
C- Non-life Insurance Technical Profit (A-B)	111,923,229
F- Life Insurance Technical Profit (D-E)	0
I - Individual Pension Technical Profit (G-H)	0
J- Total Technical Profit (C+F+I)	111,923,229
K- Investment Income	174,869,663
1- Income from Financial Investments	82,648,356
2- Income from Financial Investments Sold	15,996,593
3- Revaluation of Financial Investments	20,676,916
4- Foreign Exchange Earnings	45,129,581
5- Income from Affiliated Companies	211,480
6- Income from Subsidiaries and Jointly-controlled Entities	
7- Income from Real Estates and Buildings	8,945,085
8- Income from Derivative Instruments	
9- Other Investments	1,261,652
10- Investment Income Posted from Life Technical Segment	
L- Investment Expenses (-)	-136,146,113
1- Investment Management Expenses – including Interest (-)	-6,305,776
2- Diminution in Value of Investments (-)	
3- Loss from Investments Sold (-)	-1,518,527
4- Investment Income Ceded to Non-life Technical Segment (-)	-125,268,676
5- Loss from Derivative Instruments (-)	
6- Foreign Exchange Losses (-)	
7- Depreciation Expenses (-)	-3,053,134
8- Other Investment Expenses (-)	
M- Income and Profit / Loss and Expense from Other and Unforeseen Operations (+/-)	3,721,746
1- Reserves Account (+/-)	-10,397,706
2- Rediscount Account (+/-)	
3- Commission Account for Natural Disaster and Agricultural Ins. (+/-)46,026	46,026
4- Inflation Adjustment Account (+/-)	
5- Deferred Tax Assets Account (+/-)	12,414,791
6- Deferred Tax Liability Expenses (-)	
7- Other Income and Profits	1,841,892
8- Other Losses and Expenses (-)	-183,257
9- Previous Year's Income and Profit	
10- Previous Year's Losses and Expenses (-)	
N- Net Profit / Loss for the Year	112,643,455
1- Profit / Loss for the Year	154,368,525
2- Provision for Taxes and Other Liabilities Due on Profit (-)	-41,725,070
3- Profit / Loss for the Year	112,643,455
4- Inflation Adjustment Account	

Audited by an independent audit firm (January 01, 2008 to December 31, 2008)

I- TECHNICAL SEGMENT	
A- Non-life Insurance Technical Income	
1- Earned Premiums (Net of Reinsurer Shares)	36,843,505
1.1- Premiums Written (Net of Reinsurer Shares)	26,819,413
1.1.1- Gross Premiums Written (+)	32,906,291
1.1.2- Premiums Ceded to Reinsurers (-)	51,255,121
1.2- Change in Reserve for Unearned Premiums (Net of Reinsurer Shares and Reserve Carried Forward) (+/-)	-18,348,830
1.2.1- Reserve for Unearned Premiums (-)	-6,086,878
1.2.2- Reinsurer Share in Reserve for Unearned Premiums (+)	1,268,574
1.3- Change in Reserve for Unexpired Risks (Net of Reinsurer Shares and Reserve Carried Forward) (+/-)	-7,355,452
1.3.1- Reserve for Unexpired Risks (-)	-
1.3.2- Reinsurer Share in Reserve for Unexpired Risks (+)	-
2- Investment Income Transferred from Non-technical Segment	3,801,762
3- Other Technical Income (Net of Reinsurer Shares)	6,222,330
3.1- Other Gross Technical Income (+)	6,222,330
3.2- Reinsurer Shares in Other Gross Technical Income (-)	-
B- Non-life Insurance Technical Expenses (-)	
1- Claims Made (Net of Reinsurer Shares)	-33,447,113
1.1- Claims Paid (Net of Reinsurer Shares)	-29,796,969
1.1.1- Gross Claims Paid (-)	-28,525,403
1.1.2- Reinsurer Share in Claims Paid (+)	-44,290,048
1.2- Change in Reserve for Outstanding Claims (Net of Reinsurer Shares and Reserve Carried Forward) (+/-)	15,764,645
1.2.1- Reserve for Outstanding Claims (-)	-1,271,566
1.2.2- Reinsurer Share in Reserve for Outstanding Claims (+)	-1,299,987
2- Change in Reserve for Bonuses and Discounts (Net of Reinsurer Shares and Reserve Carried Forward) (+/-)	28,421
2.1- Reserve for Bonuses and Discounts (-)	-69,735
2.2- Reinsurer Share in Reserve for Bonuses and Discounts (+)	-69,735
3- Change in Other Technical Reserves (Net of Reinsurer Shares and Reserve Carried Forward) (+/-)	-
4- Operating Expenses (-)	-3,580,409
C- Non-life Insurance Technical Profit (A – B)	
	3,396,392
D- Life Insurance Technical Income	
1- Premiums Earned (Net of Reinsurer Shares)	163,968,131
1.1- Premiums Written (Net of Reinsurer Shares)	72,433,553
1.1.1- Gross Premiums Written (+)	70,987,212
1.1.2- Premiums Ceded to Reinsurers (-)	72,357,037
1.2- Change in Reserve for Unearned Premiums (Net of Reinsurer Shares and Reserve Carried Forward) (+/-)	-1,369,825
1.2.1- Reserve for Unearned Premiums (-)	1,446,341
1.2.2- Reinsurer Share in Reserve for Unearned Premiums (+)	1,418,423
1.3- Change in Reserve for Unearned Premiums (Net of Reinsurer Shares and Reserve Carried Forward) (+/-)	27,918
1.3.1- Reserve for Unexpired Risks (-)	0
1.3.2- Reinsurer Share in Reserve for Unexpired Risks (+)	-
2- Life Insurance Segment Investment Income	95,683,578
3- Accrued Income from Investments	-
4- Other Technical Earnings (Net of Reinsurer Shares)	851,000
E- Life Insurance Technical Expenses	
1- Claims Made (Net of Reinsurer Shares)	-141,551,864
1.1- Claims Paid (Net of Reinsurer Shares)	-59,426,351
1.1.1- Claims Paid, Gross (-)	-57,659,472
1.1.2- Reinsurer Share in Claims Paid (+)	-57,972,455
1.2- Change in Reserve for Outstanding Claims (Net of Reinsurer Shares and Reserve Carried Forward) (+/-)	312,983
1.2.1- Reserve for Outstanding Claims (-)	-1,766,879
1.2.2- Reinsurer Share in Reserve for Outstanding Claims (+)	-1,865,461
2- Change in Reserve for Bonuses and Discounts (Net of Reinsurer Shares and Reserve Carried Forward) (+/-)	98,582
2.1- Reserve for Bonuses and Discounts (-)	-2,865,627
2.2- Reinsurer Share in Reserve for Bonuses and Discounts (+)	-2,865,627
3- Change in Life Insurance Mathematical Reserve (Net of Reinsurer Shares and Reserve Carried Forward) (+/-)	-33,462,620
3.1- Life Insurance Mathematical Reserve (-)	-33,462,620
3.2- Reinsurer Share in Life Insurance Mathematical Reserve (+)	-
4- Change in Reserve for Policies with Investment Risks on Life Insurance Policy-holders (Net of Reinsurer Shares and Reserve Carried Forward) (+/-)	-15,029,110

Audited by an independent audit firm (January 01, 2008 to December 31, 2008)

I- TECHNICAL SEGMENT	
4.1- Reserve for Policies with Investment Risks on Life Insurance Policy-holders (-)	-15,029,110
4.2- Reinsurer Share in Reserve for Policies with Investment Risks on Life Insurance Policy-holders (+)	
5- Change in Other Technical Reserves (Net of Reinsurer Shares and Reserve Carried Forward) (+/-)	
6- Operating Expenses (-)	-10,413,194
7- Investment Expenses (-)	-20,354,962
8- Accrued Loss from Investments (-)	
9- Investment Income Transferred to Non-technical Segment (-)	
F- Life Insurance Technical Profit (D – E)	27,416,267
G- Individual Pension Technical Profit	0
1- Fund Management Income	
2- Management Fee Deducted	
3- Subscription Dues	
4- Management Fee in Case of Policy Suspension	
5- Fees for Special Service Costs	
6- Increase in Market Value of Capital Commitment Advances	
7- Other Technical Income	
H- Individual Pension Technical Expenses	0
1- Fund Management Expenses (-)	
2- Decrease in Market Value of Capital Commitment Advances (-)	
3- Operating Expenses (-)	
4- Other Technical Expenses (-)	
I- Individual Pension Technical Profit (G – H)	0
II- NON-TECHNICAL SEGMENT	
C- Non-life Insurance Technical Profit (A-B)	3,396,392
F- Life Insurance Technical Profit (D-E)	27,416,267
I - Individual Pension Technical Profit (G-H)	0
J- Total Technical Profit (C+F+I)	30,812,659
K- Investment Income	8,289,950
1- Income from Financial Investments	6,082,428
2- Income from Financial Investments Sold	698,433
3- Revaluation of Financial Investments	-290,174
4- Foreign Exchange Earnings	1,375,694
5- Income from Affiliated Companies	
6- Income from Subsidiaries and Jointly-controlled Entities	
7- Income from Real Estates and Buildings	418,887
8- Income from Derivative Instruments	
9- Other Investments	4,682
10- Investment Income Posted from Life Technical Segment	
L- Investment Expenses (-)	-3,927,178
1- Investment Management Expenses – including Interest (-)	-29,810
2- Diminution in Value of Investments (-)	
3- Loss from Investments Sold (-)	-12,273
4- Investment Income Ceded to Non-life Technical Segment (-)	-3,801,762
5- Loss from Derivative Instruments (-)	
6- Foreign Exchange Losses (-)	
7- Depreciation Expenses (-)	-83,333
8- Other Investment Expenses (-)	
M- Income and Profit / Loss and Expense from Other and Unforeseen Operations (+/-)	-211,966
1- Reserves Account (+/-)	-487,469
2- Reeskont Hesabı (+/-)	
3- Special Insurances Account (+/-)	
4- Inflation Adjustment Account (+/-)	
5- Deferred Tax Assets Account (+/-)	238,406
6- Deferred Tax Liability Expenses (-)	
7- Other Income and Profits	69,389
8- Other Losses and Expenses (-)	-32,292
9- Previous Year's Income and Profit	
10- Previous Year's Losses and Expenses (-)	
N- Net Profit / Loss for the Year	27,850,873
1- Profit / Loss for the Year	34,963,465
2- Provision for Taxes and Other Liabilities Due on Profit (-)	-7,112,592
3- Profit / Loss for the Year	27,850,873
4- Inflation Adjustment Account	



Başaran Nas Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.
 a member of
PricewaterhouseCoopers
 BJK Plaza, Süleyman Seba Caddesi
 No:48 B Blok Kat 9 Akaretler
 Beşiktaş 34357 İstanbul-Turkey
www.pwc.com/tr
 Telephone +90 (212) 326 6060
 Facsimile +90 (212) 326 6050

**AUDIT OPINION ON THE ANNUAL REPORT
 TO BE PRESENTED TO THE GENERAL
 MEETING OF SHAREHOLDERS**

To the General Meeting of Shareholders of
 Axa Sigorta A.Ş.

We were appointed to audit the accompanying Annual Report of AXA Sigorta A.Ş. ("Company") that was drawn up for the year ending at December 31, 2008 and which will be presented to the Company's General Meeting of Shareholders. The accompanying Annual Report is the responsibility of the Company's management. 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 congruent with the financial statements that were independently audited and covered by an audit report, dated March 11, 2009.

We conducted the audit in accordance with the regulations and procedures that took effect pursuant to Insurance Law No. 5684 with regard to the preparation and disclosure of annual reports. The said regulations require us to carry out the audit in a manner to provide reasonable assurance on whether or not the financial information reflected in the Annual Report is free of material errors when compared with the financial statements independently audited. We believe that the audit we conducted provides a reasonable and adequate basis for our audit opinion.

In our opinion, the financial information contained in the accompanying Annual Report is congruent, in all respects, with the Company's independently audited financial statements drawn up as of December 31, 2008.

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

Talar Gül
 Responsible Partner, Chief Auditor

Istanbul, March 11, 2009



AXA SİGORTA

sigortacılık / **yeniden tanımlanıyor**

COMPLIANCE OPINION ON 2008 ANNUAL REPORT

**To the Board of Directors of
AXA SİGORTA A.Ş.**

We hereby present for your approval the 2008 Annual Report of our Company which was drawn up in accordance with the Regulations on the Financial Structure of Insurance, Reinsurance and Private Pension Companies, promulgated in Government Notices Gazette No. 26606 of August 07, 2007.

Istanbul, March 11, 2009

AXA SİGORTA A.Ş. Head-Office

H. Cemal ERERDİ
Chairman & General Manager

Aysegül ALGÜN
Asst. General Manager
Finance

Hülya Kâmile GÜLENDAG
Accounting Manager

AXA SİGORTA

Meclis-i Mebusan Cad. No: 15 Salıpazarı 34427 İstanbul Türkiye
Tel: 0 212 334 24 24 Faks: 0 212 252 15 15

Başaran Nas Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.
a member of
PricewaterhouseCoopers
BJK Plaza, Süleyman Seba Caddesi
No:48 B Blok Kat 9 Akaretler
Beşiktaş 34357 İstanbul-Turkey
www.pwc.com/tr
Telephone +90 (212) 326 6060
Facsimile +90 (212) 326 6050

**AUDIT OPINION ON THE ANNUAL REPORT
TO BE PRESENTED TO THE GENERAL
MEETING OF SHAREHOLDERS**

To the General Meeting of Shareholders of
Axa Hayat Sigorta A.Ş.

We were appointed to audit the accompanying Annual Report of AXA Hayat Sigorta A.Ş. ("Company") that was drawn up for the year ending at December 31, 2008 and which will be presented to the Company's General Meeting of Shareholders. The accompanying Annual Report is the responsibility of the Company's management. 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 congruent with the financial statements that were independently audited and covered by an audit report, dated March 11, 2009.

We conducted the audit in accordance with the regulations and procedures that took effect pursuant to Insurance Law No. 5684 with regard to the preparation and disclosure of annual reports. The said regulations require us to carry out the audit in a manner to provide reasonable assurance on whether or not the financial information reflected in the Annual Report is free of material errors when compared with the financial statements independently audited. We believe that the audit we conducted provides a reasonable and adequate basis for our audit opinion.

In our opinion, the financial information contained in the accompanying Annual Report is congruent, in all respects, with the Company's independently audited financial statements drawn up as of December 31, 2008.

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



Talar Gül
Responsible Partner, Chief Auditor

Istanbul, March 11, 2009



AXA SİGORTA

sigortacılık / **yeniden tanımlanıyor**

COMPLIANCE OPINION ON 2008 ANNUAL REPORT

**To the Board of Directors of
AXA HAYAT SİGORTA A.Ş.**

We hereby present for your approval the 2008 Annual Report of our Company which was drawn up in accordance with the Regulations on the Financial Structure of Insurance, Reinsurance and Private Pension Companies, promulgated in Government Notices Gazette No. 26606 of August 07, 2007.

Istanbul, March 11, 2009

AXA HAYAT SİGORTA A.Ş. Head-Office

H. Cemal ERERDİ
Chairman & General Manager

Aysegül ALI GÜN
Asst. General Manager
Finance

Hülya Kamile GÜLENDAG
Accounting Manager

AXA SİGORTA

Meclis-i Mebusan Cad. No: 15 Salıpazarı 34427 İstanbul Türkiye
Tel: 0 212 334 24 24 Faks: 0 212 252 15 15



AXA SİGORTA

sigortacılık / yeniden tanımlanıyor

GENERAL MANAGEMENT

Meclis-i Mebusan Cad. No.15
Salıpazarı 34433 İstanbul / TURKEY

Tel: +90 212 334 24 24 Fax: +90 212 252 15 15

www.axasigorta.com.tr • iletisim@axasigorta.com.tr