

# Millî Reasürans Türk Anonim Şirketi

## Consolidated Balance Sheet

As At 30 June 2012

(Currency: Turkish Lira (TL))

ASSETS			
	Note	Audited 30 June 2012	Audited 31 December 2011
<b>I- Current Assets</b>			
<b>A- Cash and Cash Equivalents</b>	<b>14</b>	<b>1.573.637.246</b>	<b>1.493.918.555</b>
1- Cash	14	96.432	75.156
2- Cheques Received	14	--	--
3- Banks	14	1.381.682.437	1.273.591.713
4- Cheques Given and Payment Orders	14	(1.178.454)	(1.450.675)
5-Bank Guaranteed Credit Card Receivables with Maturities Less Than Three Months	14	193.036.831	221.702.361
6- Other Cash and Cash Equivalents		--	--
<b>B- Financial Assets and Financial Investments with Risks on Policyholders</b>	<b>11</b>	<b>680.901.509</b>	<b>634.221.435</b>
1- Available-for-Sale Financial Assets	11	477.543.893	376.998.930
2- Held to Maturity Investments	11	88.960.742	85.608.329
3- Financial Assets Held for Trading	11	120.194.486	177.411.788
4- Loans and Receivables		--	--
5- Provision for Loans and Receivables		--	--
6- Financial Investments with Risks on Life Insurance Policyholders		--	--
7- Company's Own Equity Shares		--	--
8- Diminution in Value of Financial Investments	11	(5.797.612)	(5.797.612)
<b>C- Receivables from Main Operations</b>	<b>12</b>	<b>811.656.346</b>	<b>790.518.246</b>
1- Receivables from Insurance Operations	12	605.608.538	511.613.696
2- Provision for Receivables from Insurance Operations	12	(6.605.132)	(4.649.888)
3- Receivables from Reinsurance Operations	12	140.034.940	170.938.567
4- Provision for Receivables from Reinsurance Operations		--	--
5- Cash Deposited to Insurance & Reinsurance Companies	12	72.618.000	112.615.871
6- Loans to the Policyholders		--	--
7- Provision for Loans to the Policyholders		--	--
8- Receivables from Private Pension Operations		--	--
9- Doubtful Receivables from Main Operations	4.2,12	83.669.713	82.454.972
10- Provision for Doubtful Receivables from Main Operations	4.2,12	(83.669.713)	(82.454.972)
<b>D- Due from Related Parties</b>	<b>12</b>	<b>44.237</b>	<b>90.230</b>
1- Due from Shareholders		--	--
2- Due from Associates		--	--
3- Due from Subsidiaries		--	--
4- Due from Joint-Ventures		--	--
5- Due from Personnel	12	44.237	90.230
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		--	--
<b>E- Other Receivables</b>	<b>12</b>	<b>4.167.934</b>	<b>2.079.390</b>
1- Finance Lease Receivables		--	--
2- Unearned Finance Lease Interest Income		--	--
3- Deposits and Guarantees Given	12	236.952	74.132
4- Other Miscellaneous Receivables	12	3.930.982	2.005.258
5- Rediscount on Other Miscellaneous Receivables		--	--
6- Other Doubtful Receivables	12	58.534	28.088
7- Provision for Other Doubtful Receivables	12	(58.534)	(28.088)
<b>F- Prepaid Expenses and Income Accruals</b>		<b>343.504.516</b>	<b>254.251.990</b>
1- Deferred Commission Expense	17	337.297.012	247.087.988
2- Accrued Interest and Rental Income		--	--
3- Income Accruals	4.2,12	4.951.536	7.164.002
4- Other Prepaid Expenses	4.2,12	1.255.968	--
<b>G- Other Current Assets</b>		<b>18.978.836</b>	<b>17.578.209</b>
1- Stocks to be Used in the Following Months		1.162.515	541.247
2- Prepaid Taxes and Funds	12,19	16.588.902	15.727.306
3- Deferred Tax Assets		--	--
4- Job Advances	12	148.294	38.150
5- Advances Given to Personnel	12	211.499	10.857
6- Inventory Count Differences		--	--
7- Other Miscellaneous Current Assets	12	867.246	1.260.649
8- Provision for Other Current Assets		--	--
<b>I- Total Current Assets</b>		<b>3.432.890.624</b>	<b>3.192.658.055</b>

**Millî Reasürans Türk Anonim Şirketi**  
**Consolidated Balance Sheet**

**As At 30 June 2012**

(Currency: Turkish Lira (TL))

<b>ASSETS</b>			
<b>II- Non-Current Assets</b>	<b>Note</b>	<b>Audited 30 June 2012</b>	<b>Audited 31 December 2011</b>
<b>A- Receivables from Main Operations</b>		--	--
1- Receivables from Insurance Operations		--	--
2- Provision for Receivables from Insurance Operations		--	--
3- Receivables from Reinsurance Operations		--	--
4- Provision for Receivables from Reinsurance Operations		--	--
5- Cash Deposited for Insurance and Reinsurance Companies		--	--
6- Loans to the Policyholders		--	--
7- Provision for Loans to the Policyholders		--	--
8- Receivables from Individual Pension Business		--	--
9- Doubtful Receivables from Main Operations	4.2.12	9.473.913	9.833.504
10- Provision for Doubtful Receivables from Main Operations	4.2.12	(9.473.913)	(9.833.504)
<b>B- Due from Related Parties</b>		--	--
1- Due from Shareholders		--	--
2- Due from Associates		--	--
3- Due from Subsidiaries		--	--
4- Due from Joint Ventures		--	--
5- Due from Personnel		--	--
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		--	--
<b>C- Other Receivables</b>		--	--
1- Finance Lease Receivables		--	--
2- Unearned Finance Lease Interest Income		--	--
3- Deposits and Guarantees Given		--	--
4- Other Miscellaneous Receivables		--	--
5- Rediscount on Other Miscellaneous Receivables		--	--
6- Other Doubtful Receivables		--	--
7- Provision for Other Doubtful Receivables		--	--
<b>D- Financial Assets</b>	<b>9</b>	<b>95.332.420</b>	<b>91.747.098</b>
1- Investments in Equity Shares		--	--
2- Investments in Associates	9	94.586.213	91.000.891
3- Capital Commitments to Associates		--	--
4- Investments in Subsidiaries	9	746.207	746.207
5- Capital Commitments to Subsidiaries		--	--
6- Investments in Joint Ventures		--	--
7- Capital Commitments to Joint Ventures		--	--
8- Financial Assets and Financial Investments with Risks on Policyholders		--	--
9- Other Financial Assets		--	--
10- Impairment in Value of Financial Assets		--	--
<b>E- Tangible Assets</b>	<b>6</b>	<b>62.371.195</b>	<b>64.451.777</b>
1- Investment Properties	6,7	48.325.615	48.325.615
2- Impairment for Investment Properties		--	--
3- Owner Occupied Property	6	37.780.674	37.745.132
4- Machinery and Equipments	6	26.251.504	25.657.096
5- Furniture and Fixtures	6	12.298.897	12.334.124
6- Motor Vehicles	6	2.519.387	2.309.072
7- Other Tangible Assets (Including Leasehold Improvements)	6	3.820.471	3.783.569
8- Tangible Assets Acquired Through Finance Leases	6	4.339.065	4.339.065
9- Accumulated Depreciation	6	(72.964.418)	(70.041.896)
10- Advances Paid for Tangible Assets (Including Construction in Progress)		--	--
<b>F- Intangible Assets</b>	<b>8</b>	<b>45.534.109</b>	<b>36.847.001</b>
1- Rights	8	21.518.439	18.607.067
2- Goodwill	8	16.250.000	16.250.000
3- Pre-operating Expenses		--	--
4- Research and Development Costs		--	--
5- Other Intangible Assets	8	--	--
6- Accumulated Amortization (Depreciation)	8	(14.317.926)	(12.346.494)
7- Advances Paid for Intangible Assets	8	22.083.596	14.336.428
<b>G- Prepaid Expenses and Income Accruals</b>		<b>576.206</b>	<b>574.409</b>
1- Deferred Commission Expense		561.891	561.891
2- Income Accruals		--	--
3- Other Prepaid Expenses and Income Accruals		14.315	12.518
<b>H- Other Non-Current Assets</b>	<b>21</b>	<b>51.270.094</b>	<b>58.418.543</b>
1- Effective Foreign Currency Accounts		--	--
2- Foreign Currency Accounts		--	--
3- Stocks to be Used in the Following Years		--	--
4- Prepaid Taxes and Funds		--	--
5- Deferred Tax Assets	21	51.270.094	58.418.543
6- Other Miscellaneous Non-Current Assets		--	--
7- Amortization on Other Non-Current Assets		--	--
8- Provision for Other Non-Current Assets		--	--
<b>II- Total Non-Current Assets</b>		<b>255.084.024</b>	<b>252.038.828</b>
<b>TOTAL ASSETS</b>		<b>3.687.974.648</b>	<b>3.444.696.883</b>

**Millî Reasürans Türk Anonim Şirketi**

**Consolidated Balance Sheet**

**As At 30 June 2012**

(Currency: Turkish Lira (TL))

<b>LIABILITIES</b>			
<b>III- Short-Term Liabilities</b>	<b>Note</b>	<b>Audited 30 June 2012</b>	<b>Audited 31 December 2011</b>
<b>A- Financial Liabilities</b>		--	--
1- Borrowings from Financial Institutions		--	--
2- Finance Lease Payables		--	--
3- Deferred Leasing Costs		--	--
4- Current Portion of Long Term Debts		--	--
5- Principal Installments and Interests on Bonds Issued		--	--
6- Other Financial Assets Issued		--	--
7- Valuation Differences of Other Financial Assets Issued		--	--
8- Other Financial Liabilities		--	--
<b>B- Payables Arising from Main Operations</b>	<b>19</b>	<b>194.404.286</b>	<b>186.377.182</b>
1- Payables Arising from Insurance Operations		115.333.551	115.697.180
2- Payables Arising from Reinsurance Operations		23.087.219	32.224.043
3- Cash Deposited by Insurance and Reinsurance Companies		1.651.518	2.694.464
4- Payables Arising from Pension Operations		--	--
5- Payables Arising from Other Operations		54.331.998	35.761.495
6- Discount on Payables from Other Operations		--	--
<b>C-Due to Related Parties</b>	<b>19</b>	<b>227.106</b>	<b>140.108</b>
1- Due to Shareholders		112.112	112.112
2- Due to Associates		--	--
3- Due to Subsidiaries		--	--
4- Due to Joint Ventures		--	--
5- Due to Personnel		--	--
6- Due to Other Related Parties		114.994	27.996
<b>D- Other Payables</b>	<b>19</b>	<b>36.313.096</b>	<b>27.242.753</b>
1- Deposits and Guarantees Received		3.065.775	2.530.631
2- Medical Treatment Payables to Social Security Institution		10.649.249	6.975.877
3- Other Miscellaneous Payables		22.759.744	17.863.072
4- Discount on Other Miscellaneous Payables		(161.672)	(126.827)
<b>E-Insurance Technical Provisions</b>	<b>17</b>	<b>2.413.088.846</b>	<b>2.262.896.936</b>
1- Reserve for Unearned Premiums - Net	17	1.398.852.222	1.210.885.376
2- Reserve for Unexpired Risks- Net	17	57.893.849	93.603.413
3- Life Mathematical Provisions - Net	17	1.251.273	1.377.701
4- Provision for Outstanding Claims - Net	17	955.091.502	957.030.446
5- Provision for Bonus and Discounts – Net		--	--
6- Other Technical Provisions – Net		--	--
<b>F- Provisions for Taxes and Other Similar Obligations</b>	<b>19</b>	<b>15.535.598</b>	<b>17.827.446</b>
1- Taxes and Funds Payable		14.079.826	16.254.171
2- Social Security Premiums Payable		1.455.772	1.573.275
3- Overdue, Deferred or By Installment Taxes and Other Liabilities		--	--
4- Other Taxes and Similar Payables		--	--
5- Corporate Tax Payable		--	220.899
6- Prepaid Taxes and Other Liabilities Regarding Current Year Income		--	(220.899)
7- Provisions for Other Taxes and Similar Liabilities		--	--
<b>G- Provisions for Other Risks</b>	<b>23</b>	<b>775.000</b>	<b>--</b>
1- Provision for Employee Termination Benefits		--	--
2- Provision for Pension Fund Deficits		--	--
3- Provisions for Costs	23	775.000	--
<b>H- Deferred Income and Expense Accruals</b>		<b>34.799.765</b>	<b>35.792.671</b>
1- Deferred Income	10	25.744.173	22.962.672
2- Expense Accruals		962.323	2.661.613
3- Other Deferred Income and Expense Accruals	23	8.093.269	10.168.386
<b>I- Other Short Term Liabilities</b>	<b>23</b>	<b>993.466</b>	<b>722.001</b>
1- Deferred Tax Liabilities		--	--
2- Inventory Count Differences		--	--
3- Other Various Short Term Liabilities	23	993.466	722.001
<b>III – Total Short Term Liabilities</b>		<b>2.696.137.163</b>	<b>2.530.999.097</b>

**Millî Reasürans Türk Anonim Şirketi**

**Consolidated Balance Sheet**

**As At 30 June 2012**

(Currency: Turkish Lira (TL))

<b>LIABILITIES</b>			
<b>IV- Long-Term Liabilities</b>	<b>Note</b>	<b>Audited 30 June 2012</b>	<b>Audited 31 December 2011</b>
<b>A- Financial Liabilities</b>		--	--
1- Borrowings from Financial Institutions		--	--
2- Finance Lease Payables		--	--
3- Deferred Leasing Costs		--	--
4- Bonds Issued		--	--
5- Other Financial Assets Issued		--	--
6- Valuation Differences of Other Financial Assets Issued		--	--
7- Other Financial Liabilities		--	--
<b>B- Payables Arising from Operating Activities</b>		--	--
1- Payables Arising from Insurance Operations		--	--
2- Payables Arising from Reinsurance Operations		--	--
3- Cash Deposited by Insurance and Reinsurance Companies		--	--
4- Payables Arising from Pension Operations		--	--
5- Payables Arising from Other Operations		--	--
6- Discount on Payables from Other Operations		--	--
<b>C- Due to Related Parties</b>		--	--
1- Due to Shareholders		--	--
2- Due to Associates		--	--
3- Due to Subsidiaries		--	--
4- Due to Joint Ventures		--	--
5- Due to Personnel		--	--
6- Due to Other Related Parties		--	--
<b>D- Other Payables</b>	<b>19</b>	<b>21.057.508</b>	<b>16.724.304</b>
1- Deposits and Guarantees Received		--	--
2- Medical Treatment Payables to Social Security Institution		23.459.710	20.167.047
3- Other Miscellaneous Payables		--	--
4- Discount on Other Miscellaneous Payables		(2.402.202)	(3.442.743)
<b>E-Insurance Technical Provisions</b>	<b>17</b>	<b>41.286.151</b>	<b>40.303.163</b>
1- Reserve for Unearned Premiums - Net		--	--
2- Reserve for Unexpired Risks- Net		--	--
3- Mathematical Provisions - Net		--	--
4- Provision for Outstanding Claims - Net		--	--
5- Provision for Bonus and Discounts - Net		--	--
6- Other Technical Provisions - Net	17	41.286.151	40.303.163
<b>F-Other Liabilities and Relevant Accruals</b>		--	--
1- Other Liabilities		--	--
2- Overdue, Deferred or By Installment Taxes and Other Liabilities		--	--
3- Other Liabilities and Expense Accruals		--	--
<b>G- Provisions for Other Risks</b>	<b>23</b>	<b>38.189.117</b>	<b>36.951.943</b>
1- Provisions for Employment Termination Benefits	23	13.018.870	11.781.696
2- Provisions for Pension Fund Deficits	22,23	25.170.247	25.170.247
<b>H-Deferred Income and Expense Accruals</b>	<b>19</b>	<b>41.666</b>	<b>66.666</b>
1- Deferred Commission Income		--	--
2- Expense Accruals		--	--
3- Other Deferred Income and Expense Accruals	19	41.666	66.666
<b>I- Other Long Term Liabilities</b>		--	--
1- Deferred Tax Liabilities		--	--
2- Other Long Term Liabilities		--	--
<b>IV - Total Long Term Liabilities</b>		<b>100.574.442</b>	<b>94.046.076</b>

**Millî Reasürans Türk Anonim Şirketi****Consolidated Balance Sheet****As At 30 June 2012***(Currency: Turkish Lira (TL))*

<b>EQUITY</b>			
<b>V- Equity</b>	<b>Note</b>	<b>Audited 30 June 2012</b>	<b>Audited 31 December 2011</b>
<b>A- Paid in Capital</b>		<b>615.000.000</b>	<b>615.000.000</b>
1- (Nominal) Capital	2,13,15	615.000.000	615.000.000
2- Unpaid Capital		--	--
3- Positive Capital Restatement Differences		--	--
4- Negative Capital Restatement Differences		--	--
5- Register in Progress Capital		--	--
<b>B- Capital Reserves</b>	<b>15</b>	<b>681.175</b>	<b>(735.708)</b>
1- Share Premiums		--	--
2- Cancellation Profits of Equity Shares		--	--
3- Profit on Sale Assets That Will Be Transferred to Capital	15	--	--
4- Currency Translation Adjustments	15	(3.996.206)	(5.367.227)
5- Other Capital Reserves	15	4.677.381	4.631.519
<b>C- Profit Reserves</b>		<b>114.897.772</b>	<b>91.133.993</b>
1- Legal Reserves	15	75.456.222	73.993.593
2- Statutory Reserves	15	45.217.862	44.333.069
3- Extraordinary Reserves	15	17.420.430	14.084.730
4- Special Funds	15	--	--
5- Revaluation of Financial Assets	11,15	22.537.982	4.457.325
6- Other Profit Reserves	15	25.325.325	25.325.325
7- Transactions under common control	15	(71.060.049)	(71.060.049)
<b>D- Retained Earnings</b>		<b>--</b>	<b>7.018.250</b>
1- Retained Earnings		--	7.018.250
<b>E- Accumulated Losses</b>		<b>(162.597.232)</b>	<b>--</b>
1- Accumulated Losses		(162.597.232)	--
<b>F-Net Profit/(Loss) for the Year</b>		<b>61.081.101</b>	<b>(163.886.498)</b>
1- Net Profit for the Year		61.081.101	--
2- Net Loss for the Year		--	(163.932.361)
3- Profit not Available for Distribution		--	45.863
<b>G- Non-controlling interest</b>		<b>262.200.227</b>	<b>271.121.673</b>
<b>Total Equity</b>		<b>891.263.043</b>	<b>819.651.710</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3.687.974.648</b>	<b>3.444.696.883</b>

**Millî Reasürans Türk Anonim Şirketi**  
**Consolidated Statement of Income**  
**For The Period 30 June 2012**  
*(Currency: Turkish Lira (TL))*

	Note	Audited 1 January - 30 June 2012	Unaudited 1 April - 30 June 2012	Audited 1 January - 30 June 2011	Unaudited 1 April - 30 June 2011
<b>I-TECHNICAL SECTION</b>					
<b>A- Non-Life Technical Income</b>		<b>1.366.298.767</b>	<b>707.161.328</b>	<b>1.056.852.517</b>	<b>549.331.641</b>
1- Earned Premiums (Net of Reinsurer Share)		1.251.838.461	658.982.613	930.308.856	466.400.022
1.1- Written Premiums (Net of Reinsurer Share)	17	1.400.316.452	671.448.713	1.148.980.458	600.213.539
1.1.1- Written Premiums, gross	17	1.671.018.609	813.385.342	1.381.332.983	738.598.725
1.1.2- Written Premiums, ceded	10,17	(245.812.646)	(117.047.118)	(232.352.525)	(138.385.186)
1.1.3 Premiums Transferred to Social Security Institutions		(24.889.511)	(24.889.511)	--	--
1.2- Change in Reserve for Unearned Premiums (Net of Reinsurer Shares and Less the Amounts Carried Forward)	17,29	(184.187.555)	(37.318.487)	(181.074.666)	(111.573.176)
1.2.1- Reserve for Unearned Premiums, gross	17	(220.215.564)	(59.850.950)	(232.579.050)	(139.842.090)
1.2.2- Reserve for Unearned Premiums, ceded	10,17	28.055.371	14.559.825	51.504.384	28.268.914
1.2.3- Reserve for Unearned Premiums, Social Security Institution Share		7.972.638	7.972.638	--	--
1.3- Change in Reserve for Unexpired Risks (Net of Reinsurer Share and Less the Amounts Carried Forward)	29,17	35.709.564	24.852.387	(37.596.936)	(22.240.341)
1.3.1- Reserve for Unexpired Risks, gross	17	38.363.534	21.701.644	(47.415.441)	(37.235.623)
1.3.2- Reserve for Unexpired Risks, ceded	17	(2.653.970)	3.150.743	9.818.505	14.995.282
2- Investment Income - Transferred from Non-Technical Section		109.628.778	51.239.266	91.288.447	62.140.803
3- Other Technical Income (Net of Reinsurer Share)		6.673.811	(1.218.268)	35.255.214	20.790.816
3.1- Other Technical Income, gross		6.673.811	(2.846.256)	33.258.819	22.386.591
3.2- Other Technical Income, ceded		--	1.627.988	1.996.395	(1.595.775)
4- Accrued Salvage and Subrogation Income		(1.842.283)	(1.842.283)	--	--
<b>B- Non-Life Technical Expenses</b>		<b>(1.324.077.323)</b>	<b>(702.858.158)</b>	<b>(1.143.944.290)</b>	<b>(622.242.414)</b>
1- Incurred Losses (Net of Reinsurer Share)		(960.960.218)	(512.326.257)	(837.271.289)	(467.476.147)
1.1- Claims Paid (Net of Reinsurer Share)	17,29	(963.331.980)	(466.856.415)	(718.409.129)	(363.231.997)
1.1.1- Claims Paid, gross	17	(1.022.891.394)	(495.058.939)	(767.673.723)	(396.017.895)
1.1.2- Claims Paid, ceded	10,17	59.559.414	28.202.524	49.264.594	32.785.898
1.2- Change in Provisions for Outstanding Claims (Net of Reinsurer Share and Less the Amounts Carried Forward)	17,29	2.371.762	(45.469.842)	(118.862.160)	(104.244.150)
1.2.1- Change in Provisions for Outstanding Claims, gross	17	33.585.078	(36.539.729)	(92.378.194)	(75.974.280)
1.2.2- Change in Provisions for Outstanding Claims, ceded	10,17	(31.213.316)	(8.930.113)	(26.483.966)	(28.269.870)
2- Change in Provision for Bonus and Reduction (Net of Reinsurer Share and Less the Amount Carried Forward)		--	--	--	--
2.1- Provision for Bonus and Discounts, gross		--	--	--	--
2.2- Provision for Bonus and Discounts, ceded		--	--	--	--
3- Change in Other Technical Reserves (Net of Reinsurer Share and Less the Amounts Carried Forward)	29,17	(833.445)	(510.111)	(10.420.201)	(4.887.479)
4- Operating Expenses	32	(361.392.445)	(189.130.575)	(296.252.800)	(149.878.788)
5- Change in Mathematical Provisions (Net of Reinsurer Share and Less the Amount Carried Forward)		--	--	--	--
5.1- Change in Mathematical Provisions, gross		--	--	--	--
5.2- Change in Mathematical Provisions, ceded		--	--	--	--
6- Change in Other Technical Provisions (Net of Reinsurer and Less the Amounts Carried Forward)		(891.215)	(891.215)	--	--
6.1- Change in Other Technical Provisions, gross		(891.215)	(891.215)	--	--
6.2- Change in Other Technical Provisions, ceded		--	--	--	--
<b>C- Net Technical Income Non-Life (A-B)</b>		<b>42.221.444</b>	<b>4.303.170</b>	<b>(87.091.773)</b>	<b>(72.910.773)</b>
<b>D- Life Technical Income</b>		<b>10.580.673</b>	<b>5.552.689</b>	<b>8.929.975</b>	<b>4.511.144</b>
1- Earned Premiums (Net of Reinsurer Share)		9.701.231	4.982.732	8.332.336	4.199.941
1.1- Written Premiums (Net of Reinsurer Share)	17	13.480.522	5.115.436	9.465.393	5.414.464
1.1.1- Written Premiums, gross	17	13.960.433	5.352.203	9.759.834	5.605.878
1.1.2- Written Premiums, ceded	10,17	(479.911)	(236.767)	(294.441)	(191.414)
1.2- Change in Reserve for Unearned Premiums (Net of Reinsurer Share and Less the Amounts Carried Forward)	17,29	(3.779.291)	(132.704)	(1.133.057)	(1.214.523)
1.2.1- Reserve for Unearned Premiums, gross	17	(3.869.262)	(163.776)	(991.722)	(1.179.168)
1.2.2- Reserve for Unearned Premiums, ceded	10,17	89.971	31.072	(141.335)	(35.355)
1.3- Change in Provision for Unexpired Risks (Net of Reinsurer Share and Less the Amounts Carried Forward)		--	--	--	--
1.3.1- Reserve for Unexpired Risks, gross		--	--	--	--
1.3.2- Reserve for Unexpired Risks, ceded		--	--	--	--
2- Investment Income		867.063	566.878	560.000	300.100
3- Unrealized Profits on Investments		--	--	--	--
4- Other Technical Income (Net of Reinsurer Share)		12.379	3.079	37.639	11.103
4.1- Other Technical Income, gross		12.379	3.079	37.639	11.103
4.2- Other Technical Income, ceded		--	--	--	--
5- Accrued Salvage Income		--	--	--	--

**Millî Reasürans Türk Anonim Şirketi**  
**Consolidated Statement of Income**  
**For The Period 30 June 2012**  
*(Currency: Turkish Lira (TL))*

<b>I-TECHNICAL SECTION</b>	<b>Note</b>	<b>Audited 1 January - 30 June 2012</b>	<b>Unaudited 1 April - 30 June 2012</b>	<b>Audited 1 January - 30 June 2011</b>	<b>Unaudited 1 April - 30 June 2011</b>
<b>E- Life Technical Expenses</b>		<b>(6.116.075)</b>	<b>(4.763.759)</b>	<b>(6.303.422)</b>	<b>(3.622.071)</b>
1- Incurred Losses (Net of Reinsurer Share)		(3.486.871)	(2.035.640)	(3.077.795)	(1.716.576)
1.1- Claims Paid (Net of Reinsurer Share)	17,29	(3.054.053)	(1.488.246)	(3.638.482)	(1.807.703)
1.1.1- Claims Paid , gross	17	(3.448.732)	(1.842.883)	(3.647.482)	(1.810.703)
1.1.2- Claims Paid , ceded	10,17	394.679	354.637	9.000	3.000
1.2- Change in Provision for Outstanding Claims (Net of Reinsurer Share and Less the Amounts Carried Forward)	17,29	(432.818)	(547.394)	560.687	91.127
1.2.1- Change in Provisions Outstanding Claims , gross	17	(440.427)	(565.198)	512.290	64.341
1.2.2- Change in Provisions for Outstanding Claims , ceded	10,17	7.609	17.804	48.397	26.786
2- Change in Provision for Bonus and Reduction (Net of Reinsurer and Less the Amounts Carried Forward)		--	--	--	--
2.1- Provision for Bonus and Discounts , gross		--	--	--	--
2.2- Provision for Bonus and Discounts , ceded		--	--	--	--
3- Change in Life Mathematical Provisions (Net of Reinsurer Share and Less the Amounts Carried Forward)	29	126.428	108.248	(58.959)	58.905
3.1- Change in Life Mathematical Provisions , gross	29	126.428	108.248	(58.959)	58.905
3.1.1- Change in Actuarial Mathematical Provisions , gross		126.428	108.248	--	--
3.1.2- Change in Profit Share Provisions(Provision for Financial Investments with Risks on Saving Life Policyholders),gross		--	--	--	--
3.2- Change in Life Mathematical Provisions, ceded		--	--	--	--
3.2.1-Change in Actuarial Mathematical Provisions, ceded		--	--	--	--
3.2.2- Change in Profit Share Provisions (Provision for Financial Investments with Risks on Saving Life Policyholders) , ceded		--	--	--	--
4- Change in Other Technical Provisions (Net of Reinsurer and Less The Amounts Carried Forward)	29,17	(149.543)	(78.950)	(108.601)	(63.044)
5- Operating Expenses	32	(2.606.089)	(2.757.416)	(3.058.067)	(1.901.356)
6- Investment Expenses		--	--	--	--
7- Unrealized Losses on Investments		--	--	--	--
8- Investment Income Transferred to the Non-Life Technical Section		--	--	--	--
<b>F- Net Technical Income - Life (D - E)</b>		<b>4.464.598</b>	<b>788.930</b>	<b>2.626.553</b>	<b>889.073</b>
<b>G- Pension Business Technical Income</b>		<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
1- Fund Management Income		--	--	--	--
2- Management Fee		--	--	--	--
3- Entrance Fee Income		--	--	--	--
4- Management Expenses Charge in case of Suspension		--	--	--	--
5- Income from Private Service Charges		--	--	--	--
6- Increase in Value of Capital Allowances Gives as Advance		--	--	--	--
7- Other Technical Expence		--	--	--	--
<b>H- Pension Business Technical Expenses</b>		<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
1- Fund Management Expenses		--	--	--	--
2- Decrease in Value of Capital Allowances Given as Advance		--	--	--	--
3- Operating Expenses		--	--	--	--
4- Other Technical Expenses		--	--	--	--
<b>I- Net Technical Income Pension Business (G - H)</b>		<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>

**Millî Reasürans Türk Anonim Şirketi**  
**Consolidated Statement of Income**  
**For The Period 30 June 2012**  
*(Currency: Turkish Lira (TL))*

	Note	Audited 1 January - 30 June 2012	Unaudited 1 April - 30 June 2012	Audited 1 January - 30 June 2011	Unaudited 1 April - 30 June 2011
<b>II- NON TECHNICAL SECTION</b>					
<b>C- Net Technical Income Non-Life (A-B)</b>		<b>42.221.444</b>	<b>4.303.170</b>	<b>(87.091.773)</b>	<b>(72.910.773)</b>
<b>F- Net Technical Income - Life (D - E)</b>		<b>4.464.598</b>	<b>788.930</b>	<b>2.626.553</b>	<b>889.073</b>
<b>I- Net Technical Income - Pension Business (G - H)</b>		--	--	--	--
<b>J- Total Net Technical Income (C + F + I)</b>		<b>46.686.042</b>	<b>5.092.100</b>	<b>(84.465.220)</b>	<b>(72.021.700)</b>
<b>K- Investment Income</b>		<b>156.912.342</b>	<b>76.371.258</b>	<b>130.552.580</b>	<b>76.400.330</b>
1- Income from Financial Assets	4.2	94.608.296	62.637.621	56.795.833	30.750.596
2- Income from Disposal of Financial Assets	4.2	20.567.938	5.131.029	45.312.301	16.527.678
3- Valuation of Financial Assets	4.2	17.312.788	(4.148.716)	(12.762.051)	1.427.151
4- Foreign Exchange Gains	4.2	10.289.978	5.873.569	20.564.741	13.867.543
5- Income from Associates	4.2	8.262.854	3.805.734	4.072.536	(28.767)
6- Income from Subsidiaries and Joint-Ventures	4.2	--	--	5.733.312	5.731.002
7- Income from Property , Plant and Equipment	7	5.475.876	2.802.731	4.803.530	2.468.887
8- Income from Derivative Transactions	4.2	369.664	244.342	6.002.289	5.626.151
9- Other Investments		24.948	24.948	30.089	30.089
10- Income Transferred from Life Section		--	--	--	--
<b>L- Investment Expense</b>		<b>(149.947.706)</b>	<b>(65.200.881)</b>	<b>(122.294.065)</b>	<b>(78.396.240)</b>
1- Investment Management Expenses (inc.interests)	4.2	(351.742)	(128.611)	(477.135)	(86.867)
2- Dimution in Value of Investments	4.2	(3.744.202)	(761.023)	(2.718.734)	623.262
3- Loss from Disposal of Financial Assets	4.2	(7.063.683)	(2.008.259)	(5.473.381)	(2.919.194)
4- Investment Income Transferred to Non-Life Technical Section		(109.628.778)	(51.239.266)	(91.288.447)	(62.140.803)
5- Loss from Derivative Transactions	4.2	(311.150)	(311.150)	(4.978.990)	(3.468.628)
6- Foreign Exchange Losses	4.2	(20.655.752)	(6.261.719)	(10.490.532)	(6.910.167)
7- Depreciation and Amortization Expenses	6.8	(5.267.893)	(2.627.591)	(4.536.114)	(2.243.748)
8- Other Investment Expenses		(2.924.506)	(1.863.262)	(2.330.732)	(1.250.095)
<b>M- Income and Expenses from Other and Extraordinary Operations</b>		<b>(8.502.780)</b>	<b>3.408.906</b>	<b>11.609.123</b>	<b>9.275.801</b>
1- Provisions	47	(3.169.284)	(1.561.085)	(11.114.334)	(4.747.349)
2- Discounts	47	(881.429)	2.323.454	674.849	560.172
3- Specified Insurances Accounts		--	--	--	--
4- Monetary Gains and Loses		--	--	--	--
5- Deferred Taxation (Deferred Tax Assets)	35	--	2.878.093	22.017.971	14.052.619
6- Deferred Taxation (Deferred Tax Liabilities)	35	(4.759.896)	--	--	--
7- Other Income		410.500	(180.139)	210.049	(525.235)
8- Other Expenses and Losses		(102.671)	(51.417)	(179.412)	(64.406)
9- Prior Years Income		--	--	--	--
10- Prior Expenses and Losses		--	--	--	--
<b>N- Net Profit for the Year</b>		<b>45.147.898</b>	<b>19.671.384</b>	<b>(70.397.481)</b>	<b>(63.174.298)</b>
1- Profit for the Year		45.147.898	19.671.384	(64.597.582)	(64.741.809)
2- Corporate Tax Provision and Other Fiscal Liabilities	35	--	--	(5.799.899)	1.567.511
3- Net Profit for the Year		45.147.898	19.671.384	(70.397.481)	(63.174.298)
3.1-Equity Holders of the Parent		61.081.101	30.666.998	(70.684.344)	(63.801.735)
3.2-Non-controlling Interest		(15.933.203)	(10.995.614)	286.863	627.437
4- Monetary Gains and Loses		--	--	--	--

**Millî Reasürans Türk Anonim Şirketi**  
**Consolidated Statement of Cash Flows**  
**For The Period 30 June 2012**

(Currency: Turkish Lira (TL))

	Note	Audited 30 June 2012	Audited 30 June 2011
<b>A. Cash flows from operating activities</b>			
1. Cash provided from insurance activities		1.215.654.433	30.793.087
2. Cash provided from reinsurance activities		596.207.080	1.475.887.200
3. Cash provided from private pension business		--	--
4. Cash used in insurance activities		(1.305.918.665)	(34.557.520)
5. Cash used in reinsurance activities		(535.322.262)	(1.407.431.873)
6. Cash used in private pension business		--	--
<b>7. Cash provided from operating activities</b>		<b>(29.379.414)</b>	<b>64.690.894</b>
8. Interest paid		--	--
9. Income taxes paid		--	(6.944.397)
10. Other cash inflows		45.616.894	9.040.098
11. Other cash outflows		(14.846.401)	(14.813.519)
<b>12. Net cash provided by / (used in) operating activities</b>		<b>1.391.079</b>	<b>51.973.076</b>
<b>B. Cash flows from investing activities</b>			
1. Proceeds from disposal of tangible assets		143.811	101.162
2. Acquisition of tangible assets	6, 8	(11.922.350)	(4.403.972)
3. Acquisition of financial assets	11	(410.141.106)	(671.367.467)
4. Proceeds from disposal of financial assets		438.990.888	846.577.983
5. Interests received		88.898.096	47.024.275
6. Dividends received		4.677.532	7.848.221
7. Other cash inflows		102.345.575	4.931.144
8. Other cash outflows		(38.549.470)	(135.762.597)
<b>9. Net cash provided by investing activities</b>		<b>174.442.976</b>	<b>94.948.749</b>
<b>C. Cash flows from financing activities</b>			
1. Equity shares issued		--	--
2. Cash provided from loans and borrowings		--	--
3. Finance lease payments		--	--
4. Dividends paid		--	(40.282.072)
5. Other cash inflows		--	--
6. Other cash outflows		--	--
<b>7. Net cash provided by financing activities</b>		<b>--</b>	<b>(40.282.072)</b>
<b>D. Effect of exchange rate fluctuations on cash and cash equivalents</b>		<b>(15.447)</b>	<b>1.128</b>
<b>E. Net increase in cash and cash equivalents</b>		<b>175.818.608</b>	<b>106.640.881</b>
<b>F. Cash and cash equivalents at the beginning of the year</b>	<b>14</b>	<b>1.076.406.738</b>	<b>906.256.255</b>
<b>G. Cash and cash equivalents at the end of the year</b>	<b>14</b>	<b>1.252.225.346</b>	<b>1.012.897.136</b>

**Millî Reasürans Türk Anonim Şirketi**  
**Consolidated Statement of Changes in Equity**  
**For The Period 30 June 2012**

(Currency: Turkish Lira (TL))

Audited Changes in Equity – 30 June 2011														
	Note	Paid-in Capital	Own Shares of the Company	Revaluation of Financial Assets	Inflation Adjustment	Currency Translation Adjustment	Legal Reserves	Statutory Reserves	Other Reserves and Retained Earnings	Net Profit for the Year	Retained Earnings	Total Equity Attributable to Equity Holders of the Parent	Non-controlling Interest	Total
<b>I - Balance at the end of the previous year – 31 December 2010</b>	15	525.000.000	--	61.782.544	--	(357.479)	65.623.606	119.566.517	(40.078.170)	69.206.080	9.549.252	810.292.350	293.026.925	1.103.319.275
<b>II – Muhasebe Politikasında Değişiklikler</b>														
<b>III – Restated balance (I+II) (01/01/2011)</b>		525.000.000		61.782.544		(357.479)	65.623.606	119.566.517	(40.078.170)	69.206.080	9.549.252	810.292.350	293.026.350	1.103.319.275
A – Capital increase		90.000.000	--	--	--	--	--	(90.000.000)	--	--	--	--	--	--
1 – In cash		--	--	--	--	--	--	--	--	--	--	--	--	--
2 – From reserves		90.000.000	--	--	--	--	--	(90.000.000)	--	--	--	--	--	--
B – Purchase of own shares		--	--	--	--	--	--	--	--	--	--	--	--	--
C – Gains or losses that are not included in the statement of income		--	--	--	--	--	--	--	--	--	--	--	--	--
D – Revaluation of financial assets		--	--	(30.682.939)	--	--	--	--	--	--	--	(30.682.939)	(6.088.047)	(36.770.986)
E – Currency translation adjustments		--	--	--	--	(973.410)	--	--	--	--	--	(973.410)	--	(973.410)
F – Other gains or losses		--	--	--	--	--	--	--	--	--	--	--	--	--
G – Inflation adjustment differences		--	--	--	--	--	--	--	--	--	--	--	--	--
H – Net profit for the year		--	--	--	--	--	--	--	--	(70.684.344)	--	(70.684.344)	286.863	(70.397.481)
I – Dividends paid		--	--	--	--	--	--	--	--	(35.540.848)	--	(35.540.848)	(4.741.224)	(40.282.072)
J – Other reserves and transfers from retained earnings		--	--	--	--	--	8.369.987	14.766.552	13.059.695	(33.665.232)	(2.531.002)	--	--	--
<b>II – Balance at the end of the year – 30 June 2011</b>		615.000.000	--	31.099.605	--	(1.330.889)	73.993.593	44.333.069	(27.018.475)	(70.684.344)	7.018.250	672.410.809	282.484.517	954.895.326

Audited Changes in Equity – 30 June 2012														
	Note	Paid-in Capital	Own Shares of the Company	Revaluation of Financial Assets	Inflation Adjustment	Currency Translation Adjustment	Legal Reserves	Statutory Reserves	Other Reserves and Retained Earnings	Net Profit for the Year	Retained Earnings	Total Equity Attributable to Equity Holders of the Parent	Non-controlling Interest	Total
<b>I - Balance at the end of the previous year – 31 December 2011</b>	15	615.000.000	--	4.457.325	--	(5.367.227)	73.993.593	44.333.069	(27.018.475)	(163.886.498)	7.018.250	548.530.037	271.121.673	819.651.710
<b>II – Change in Accounting Standarts</b>														
<b>III – Restated balance (I+II) (01/01/2012)</b>		615.000.000		4.457.325		(5.367.227)	73.993.593	44.333.069	(27.018.475)	(163.886.498)	7.018.250	548.530.037	271.121.673	819.651.710
A – Capital increase		--	--	--	--	--	--	--	--	--	--	--	--	--
1 – In cash		--	--	--	--	--	--	--	--	--	--	--	--	--
2 – From reserves		--	--	--	--	--	--	--	--	--	--	--	--	--
B – Purchase of own shares		--	--	--	--	--	--	--	--	--	--	--	--	--
C – Gains or losses that are not included in the statement of income		--	--	--	--	--	--	--	--	--	--	--	--	--
D – Change in the value of financial assets		--	--	18.080.657	--	--	--	--	--	--	--	18.080.657	7.011.757	25.092.414
E – Currency translation adjustments		--	--	--	--	1.371.021	--	--	--	--	--	1.371.021	--	1.371.021
F – Other gains or losses		--	--	--	--	--	--	--	--	--	--	--	--	--
G – Inflation adjustment differences		--	--	--	--	--	--	--	--	--	--	--	--	--
H – Net profit for the year		--	--	--	--	--	--	--	--	61.081.101	--	61.081.101	(15.933.203)	45.147.898
I – Dividends paid		--	--	--	--	--	--	--	--	--	--	--	--	--
J – Other reserves and transfers from retained earnings		--	--	--	--	--	1.462.629	884.793	3.381.562	163.886.498	(169.615.482)	--	--	--
<b>II – Balance at the end of the year – 30 June 2012</b>	15	615.000.000	--	23.537.982	--	(3.996.206)	75.456.222	45.217.862	(23.636.913)	61.081.101	(162.597.232)	629.062.816	262.200.227	891.263.043