

TÜRK P AND I SİGORTA A.Ş.

**CONVENIENCE TRANSLATION OF THE STATUTORY
FINANCIAL STATEMENTS FOR THE PERIOD
1 JANUARY - 31 DECEMBER 2014 AND
THE INDEPENDENT AUDITOR'S REPORT
(ORIGINALLY ISSUED IN TURKISH)**



**CONVENIENCE TRANSLATION OF THE INDEPENDENT
AUDITOR'S REPORT OF TÜRK P AND I SİGORTA A.Ş.
FOR THE PERIOD 1 JANUARY - 31 DECEMBER 2014**

To the Board of Directors of
Türk P and I Sigorta A.Ş.

1. We have audited the accompanying balance sheet of Türk P and I Sigorta A.Ş. (the "Company") as of 31 December 2014 and the income statement, statement of changes in equity and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

2. Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting principles and standards as set out Turkish Insurance Legislation (the "insurance legislation"). This responsibility includes: designing, implementing and maintaining internal systems relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; making accounting estimates that are reasonable in the circumstances; and selecting and applying appropriate accounting policies.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the regulations related to the principles on auditing as set out in the insurance legislation. Those regulations require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal systems relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal systems. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Company's management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

4. In our opinion, the accompanying financial statements give a true and fair view of the financial position of Türk Pand I Sigorta A.Ş as of 31 December 2014, and of its financial performance and its cash flows for the year then ended in accordance with the accounting principles and standards as set out in the insurance legislation (Note 2).

Reports on Other Liabilities Resulting from legislation

5. In accordance with the 6102 the Turkish Commercial Code ("TCC") fourth paragraph of Article 402, there no important arising matters encountered that the Company's January 1 - December 31, 2014 accounting period of bookkeeping scheme is not compatible with the financial reporting provisions of the law and of the articles of incorporation.
6. According to TCC's fourth paragraph of Article 402, Board of Directors have made the required explanation and given the required documents during the audit process.

Additional Paragraph for Convenience Translation into English

7. As discussed in Note 2.25 to the accompanying unconsolidated financial statements, the effects of differences between the accounting principles as set out by the related insurance laws and accounting principles generally accepted in countries in which the accompanying financial statements are to be distributed and International Financial Reporting Standards ("IFRS") have not been quantified in the accompanying financial statements. Accordingly, the accompanying financial statements are not intended to present the financial position and results of operations and changes in financial position and cash flows in accordance with accounting principles generally accepted in such countries and IFRS.

Başaran Nas Bağımsız Denetim and
Serbest Muhasebeci Mali Müşavirlik A.Ş.
a member of
PricewaterhouseCoopers

ORIGINAL SIGNED IN TURKISH

Talar Gül, SMMM
Partner

Istanbul, 23 February 2015

CONVENIENCE TRANSLATION OF THE COMPANY'S REPRESENTATION ON
THE FINANCIAL STATEMENTS PREPARED AS AT 31 DECEMBER 2014

We confirm that the accompanying financial statements and notes to these financial statements as of 31 December 2014 are prepared in accordance with the accounting principles and standards as set out in the insurance legislation and in conformity with the related regulations and the Company's accounting records.

Türk P and I Sigorta A.Ş.

23 February 2015

R. Ufuk Teker	Dr. Abdullah Kara	Jale İnan	A.Korhan Akçöl
A Member of Board of Directors, General Manager	Chief Financial Officer	Finance Director	Actuary

TÜRK P AND I SİGORTA A.Ş.

**CONVENIENCE TRANSLATION OF THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 JANUARY - 31 DECEMBER 2014**

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TÜRK P AND I SİGORTA A.Ş.

CONVENIENCE TRANSLATION OF THE BALANCE SHEETS AT 31 DECEMBER 2014 AND 2013

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

ASSETS	Note	Audited 31 December 2014	Unaudited 31 December 2013
I- Current Assets			
A- Cash and Cash Equivalents	14	5,304,441	300,000
1- Cash	2.12 and 14	885	-
2- Cheques Received		-	-
3- Banks	2.12 and 14	5,291,898	300,000
4- Cheques Given and Payment Orders (-)		-	-
5- Bank Guaranteed Credit Card Receivables with Maturities Less Than Three Months	2.12 and 14	11,658	-
6- Other Cash and Cash Equivalents		-	-
B- Financial Assets and Financial Investments at Insurees' Risk		-	-
1- Available for Sale Investments		-	-
2- Held to Maturity Investments		-	-
3- Trading Investments		-	-
4- Loans		-	-
5- Provision for Loans (-)		-	-
6- Financial Assets at Insuree's Risk		-	-
7- Company's Shares		-	-
8- Provision for diminution in value (-)		-	-
C- Receivables from Main Operations	12.1	1,601,418	-
1- Due from Insurance Operations	12.1	1,601,418	-
2- Provision for Due from Insurance Operations (-)		-	-
3- Due from Reinsurance Operations		-	-
4- Provision for Due from Reinsurance Operations (-)		-	-
5- Premium Deposits		-	-
6- Policy Loans		-	-
7- Provision for Policy Loans (-)		-	-
8- Due from Private Pension Operations		-	-
9- Doubtful Receivables from Main Operations		-	-
10- Provision for Doubtful Receivables from Main Operations (-)		-	-
D- Due from Related Parties		-	-
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 Due from Related Parties (-)		-	-
8- Doubtful Receivables from Related Parties		-	-
9- Provision for Doubtful Receivables from Related Parties (-)		-	-
E- Other Receivables		-	-
1- Leasing Receivables		-	-
2- Unearned Leasing Interest Income (-)		-	-
3- Deposits and Guarantees Given		-	-
4- Other Miscellaneous Receivables		-	-
5- Rediscount on Other Receivables (-)		-	-
6- Other Doubtful Receivables		-	-
7- Provision for Other Doubtful Receivables (-)		-	-
F- Prepaid Expenses and Income Accruals		285,448	1,382
1- Deferred Acquisition Costs	17	260,532	-
2- Accrued Interest and Rent Income		-	-
3- Income Accruals		-	-
4- Other Prepaid Expenses	47.1	24,916	1,382
G- Other Current Assets		62,554	133,262
1- Prepaid Office Supplies		1,917	-
2- Prepaid Taxes and Funds	2.18 and 35	58,746	-
3- Deferred Tax Assets		-	-
4- Job Advances		1,891	133,262
5- Advances to Personnel		-	-
6- Count Shortages		-	-
7- Other Current Assets		-	-
8- Provision for Other Current Assets (-)		-	-
I- Total Current Assets		7,253,861	434,644

The accompanying notes form an integral part of these financial statements.

TÜRK PANDİ SİGORTA A.Ş.

CONVENIENCE TRANSLATION OF THE BALANCE SHEETS AT 31 DECEMBER 2014 AND 2013

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

ASSETS	Note	Audited 31 December 2014	Unaudited 31 December 2013
II- Non-Current Assets			
A- Receivables from Main Operations		-	-
1- Due from Insurance Operations		-	-
2- Provision for Due from Insurance Operations (-)		-	-
3- Due from Reinsurance Operations		-	-
4- Provision for Due from Reinsurance Operations		-	-
5- Premium Deposits		-	-
6- Policy Loans		-	-
7- Provision for Policy Loans (-)		-	-
8- Due from Private Pension Operations		-	-
9- Doubtful Receivables from Main Operations		-	-
10- Provision for Doubtful Receivables from Main Operations (-)		-	-
B- Due from Related Parties		-	-
1- Due from Shareholder		-	-
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 Due from Related Parties (-)		-	-
8- Doubtful Receivables from Related Parties		-	-
9- Provision for Doubtful Receivables from Related Parties (-)		-	-
C- Other Receivables		21,030	14,750
1- Leasing Receivables		-	-
2- Unearned Leasing Interest Income (-)		-	-
3- Deposits and Guarantees Given		21,030	14,750
4- Other Receivables		-	-
5- Rediscount on Other Receivables (-)		-	-
6- Other Doubtful Receivables		-	-
7- Provision for Other Doubtful Receivables (-)		-	-
D- Financial Assets		-	-
1- Investment Securities		-	-
2- Associates		-	-
3- Capital Commitments to Associates (-)		-	-
4- Subsidiaries		-	-
5- Capital Commitments to Subsidiaries (-)		-	-
6- Joint-Ventures		-	-
7- Capital Commitments to Joint-Ventures (-)		-	-
8- Financial Assets and Financial Investments at Insurees' Risk		-	-
9- Other Financial Assets		-	-
10- Provision for Diminution in Value (-)		-	-
E- Tangible Assets	2.5 and 6	612,631	10,680
1- Investment Properties		-	-
2- Provision for Diminution in Value of Investment Properties (-)		-	-
3- Property for Operational Usage		-	-
4- Machinery and Equipment		-	-
5- Furniture and Fixtures	6	336,586	10,861
6- Motor Vehicles		-	-
7- Other Tangible Assets (including leasehold improvements)	6	362,943	-
8- Leased Assets		-	-
9- Accumulated Depreciation (-)	6	(86,898)	(181)
10- Advances Given for Tangible Assets (including construction in progress)		-	-
F- Intangible Assets	2.7 and 8	1,536	-
1- Rights	8	1,955	-
2- Goodwill		-	-
3- Start-up Costs		-	-
4- Research and Development Expenses		-	-
5- Other Intangible Assets		-	-
6- Accumulated Amortization (-)	8	(419)	-
7- Advances Given for Intangible Assets		-	-
G- Prepaid Expenses and Income Accruals	47.1	15,934	17,209
1- Deferred Acquisition Costs		-	-
2- Income Accruals		-	-
3- Other Deferred Expenses	47.1	15,934	17,209
H- Other Non-Current Assets		399,148	13,922
1- Effective Foreign Currency Accounts		-	-
2- Foreign Currency Accounts		-	-
3- Prepaid Office Supplies		-	-
4- Prepaid Taxes and Funds		-	-
5- Deferred Tax Assets	2.18, 21 and 35	399,148	13,922
6- Other Non-Current Assets		-	-
7- Other Non-Current Assets Depreciation (-)		-	-
8- Provision for Diminution in Value of Other Non-Current Assets (-)		-	-
II- Total Non-Current Assets		1,050,279	56,561
TOTAL ASSETS (I+II)		8,304,140	491,205

The accompanying notes form an integral part of these financial statements.

TÜRK PANDİ SİGORTA A.Ş.

CONVENIENCE TRANSLATION OF THE BALANCE SHEETS AT 31 DECEMBER 2014 AND 2013

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

LIABILITIES	Note	Audited 31 December 2014	Unaudited 31 December 2013
III- Current Liabilities			
A- Financial Liabilities		-	-
1- Due to Credit Institutions		-	-
2- Leasing Payables		-	-
3- Deferred Leasing Costs (-)		-	-
4- Short Term Instalments of Long Term Borrowings		-	-
5- Issued Debt Securities		-	-
6- Other Issued Debt Securities		-	-
7- Value Differences of Other Issued Debt Securities (-)		-	-
8- Other Financial Payables (Liabilities)		-	-
B- Payables from Main Operations	4, 10 and 19	3,074,744	-
1- Payables from Insurance Operations	4, 10 and 19	3,074,744	-
2- Payables from Reinsurance Operations		-	-
3- Premium Deposits		-	-
4- Payables from Private Pension Operations		-	-
5- Payables from Other Main Operations		-	-
6- Rediscount on Payables from Other Operations (-)		-	-
C- Due to Related Parties	19 and 45	446	237,767
1- Due to Shareholders	19 and 45	446	237,767
2- Due to Associates		-	-
3- Due to Subsidiaries		-	-
4- Due to Joint-Ventures		-	-
5- Due to Personnel		-	-
6- Due to Other Related Parties		-	-
D- Other Payables	4, 19 and 47.1	32,103	5,439
1- Deposits and Guarantees Received		-	-
2- Payables to SSI regarding Medical Expenses		-	-
3- Other Miscellaneous Payables	4, 19 and 47.1	32,103	5,439
4- Rediscount on Other Payables (-)		-	-
E- Insurance Technical Provisions		289,135	-
1- Unearned Premium Reserve - Net	2.24 and 17	289,135	-
2- Unexpired Risks Reserve - Net	2.24	-	-
3- Mathematical Reserve - Net		-	-
4- Outstanding Claim Provision - Net	2.24 and 17	-	-
5- Bonus and Rebate Provision - Net		-	-
6- Other Technical Reserves - Net		-	-
F- Taxes and Other Fiscal Liabilities		86,120	3,688
1- Taxes and Funds Payable		62,642	3,688
2- Social Security Withholdings Payable		23,478	-
3- Overdue, Deferred or Restructured Taxes and Other Fiscal Liabilities		-	-
4- Other Taxes and Fiscal Liabilities		-	-
5- Corporate Tax Provision and Other Fiscal Liabilities		-	-
6- Prepaid Corporate Tax and Other Fiscal Liabilities (-)		-	-
7- Other Taxes and Fiscal Liabilities Provision		-	-
G- Provisions for Other Risks		60,000	-
1- Provision for Employment Termination Benefits		-	-
2- Provision for Social Aid Fund Asset Shortage		-	-
3- Provision for Expense Accruals	23	60,000	-
H- Deferred Income and Expense Accruals		434,221	-
1- Deferred Commission Income	10, 17 and 19	427,825	-
2- Expense Accruals	19	6,396	-
3- Other Deferred Income		-	-
I- Other Current Liabilities		-	-
1- Deferred Tax Liabilities		-	-
2- Count Overages		-	-
3- Other Current Liabilities		-	-
III- Total Current Liabilities		3,976,769	246,894

The accompanying notes form an integral part of these financial statements.

TÜRK P AND I SİGORTA A.Ş.

CONVENIENCE TRANSLATION OF THE BALANCE SHEETS AT 31 DECEMBER 2014 AND 2013

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

LIABILITIES	Note	Audited 31 December 2014	Unaudited 31 December 2013
IV- Non-Current Liabilities			
A- Financial Liabilities		-	-
1- Due to Credit Institutions		-	-
2- Leasing Payables		-	-
3- Deferred Leasing Costs (-)		-	-
4- Issued Debt Securities		-	-
5- Other Issued Debt Securities		-	-
6- Value Differences of Other Issued Debt Securities (-)		-	-
7- Other Financial Payables (Liabilities)		-	-
B- Payables from Main Operations		-	-
1- Payables from Insurance Operations		-	-
2- Payables from Reinsurance Operations		-	-
3- Premium Deposits		-	-
4- Payables from Private Pension Operations		-	-
5- Payables from Other Operations		-	-
6- Rediscount on Payables from Other Operations (-)		-	-
C- Due to Related Parties		-	-
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		-	-
D- Other Payables		-	-
1- Deposits and Guarantees Received		-	-
2- Payable to SSI medical expense		-	-
3- Other Miscellaneous Payables		-	-
4- Rediscount on Other Payables		-	-
E- Insurance Technical Provisions		-	-
1- Unearned Premium Reserve - Net		-	-
2- Unexpired Risks Reserve - Net		-	-
3- Mathematical Reserve - Net		-	-
4- Outstanding Claim Provision - Net		-	-
5- Bonus and Rebate Provision - Net		-	-
6- Other Technical Reserves - Net		-	-
F- Other Liabilities and Related Provisions		-	-
1- Other Payables		-	-
2- Overdue, Deferred or Restructured Taxes and Other Fiscal Liabilities		-	-
3- Other Taxes and Fiscal Liabilities Provision		-	-
G- Provisions for Other Risks		-	-
1- Provision for Employment Termination Benefits		-	-
2- Provision for Social Aid Fund Asset Shortage		-	-
H- Deferred Income and Expense Accruals		-	-
1- Deferred Commission Income		-	-
2- Expense Accruals		-	-
3- Other Deferred Income		-	-
I- Other Non-Current Liabilities		-	-
1- Deferred Tax Liabilities		-	-
2- Other Non-Current Liabilities		-	-
IV- Total Non-Current Liabilities		-	-

The accompanying notes form an integral part of these financial statements.

TÜRK P AND I SİGORTA A.Ş.

CONVENIENCE TRANSLATION OF THE BALANCE SHEETS AT 31 DECEMBER 2014 AND 2013

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

SHAREHOLDERS' EQUITY

	Note	Audited 31 December 2014	Unaudited 31 December 2013
V- Shareholders' Equity			
A- Share Capital	2.13 and 15	6,000,000	300,000
1- (Nominal) Capital	2.13 and 15	6,000,000	300,000
2- Unpaid Capital (-)		-	-
3- Adjustments to Share Capital		-	-
4- Adjustments to Share Capital (-)		-	-
5- Capital Not Yet Registered		-	-
B- Capital Reserves		-	-
1- Share Premium		-	-
2- Profit from Stock Abrogation		-	-
3- Sales Profits to be Added to the Capital		-	-
4- Foreign Currency Translation Differences		-	-
5- Other Capital Reserves		-	-
C- Profit Reserves		-	-
1- Legal Reserves		-	-
2- Statutory Reserves		-	-
3- Extraordinary Reserves		-	-
4- Special Funds (Reserves)		-	-
5- Valuation of Financial Assets		-	-
6- Other Profit Reserves		-	-
D- Retained Earnings		-	-
1- Retained Earnings		-	-
E- Accumulated Deficit (-)		(55,689)	-
1- Accumulated Deficit		(55,689)	-
F- Net Profit for the Period		(1,616,940)	(55,689)
1- Net Profit for the Period		-	-
2- Net Loss for the Period (-)	37	(1,616,940)	(55,689)
3- Profit not subject to Distribution		-	-
V- Total Shareholders' Equity		4,327,371	244,311
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY (III+IV+V)		8,304,140	491,205

The accompanying notes form an integral part of these financial statements.

TÜRK PANDİ SİGORTA A.Ş.

**CONVENIENCE TRANSLATION OF THE STATEMENTS OF INCOME
FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2014 AND 2013**

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

TECHNICAL PART

	Note	Audited 1 January - 31 December 2014	Unaudited 1 January - 31 December 2013 (*)
A- Non-Life Technical Income		367,797	
1- Earned Premiums (Net of Reinsurers' Share)	2,21 and 2,24	367,797	-
1.1- Written Premiums (Net of Reinsurers' Share)	2,21 and 2,24	656,932	-
1.1.1- Gross Written Premium (+)	2,21 and 2,24	7,196,749	-
1.1.2- Reinsurers' Share of Gross Written Premium (-)	10 and 24	(6,539,817)	-
1.1.3- Premiums Ceded to SSI (-)		-	-
1.2- Change in Unearned Premiums Reserve (Net of Reinsurers' Share and Reserves Carried Forward) (+/-)	17	(289,135)	-
1.2.1- Unearned Premiums Reserve (-)	17	(2,686,833)	-
1.2.2- Reinsurers' Share of Unearned Premiums Reserve (+)	10 and 17	2,397,698	-
1.2.3- SSI Share of Unearned Premium Reserves (+/-)		-	-
1.3- Change in Unexpired Risks Reserve (Net of Reinsurers' Share and Reserves Carried Forward) (+/-)		-	-
1.3.1- Unexpired Risks Reserve (-)		-	-
1.3.2- Reinsurers' Share of Unexpired Risks Reserve (+)		-	-
2- Investment Income Transferred from Non-Technical Part		-	-
3- Other Technical Income - (Net of Reinsurers' Share)		-	-
3.1- Gross Other Technical Income (+)		-	-
3.2- Reinsurers' Share of Other Gross Technical Income (-)		-	-
4- Claim Recovery and Salvage Income Accruals (+)		-	-
B- Non-Life Technical Expense (-)		(2,593,469)	(69,430)
1- Incurred Claims - (Net of Reinsurer's Share)		-	-
1.1- Paid Claims - (Net of Reinsurer's Share)		-	-
1.1.1- Gross Paid Claims (-)		(1,186,234)	-
1.1.2- Reinsurers' Share of Gross Paid Claims (+)	10	1,186,234	-
1.2- Change in Outstanding Claims (Net of Reinsurers' Share and Reserves Carried Forward) (+/-)		-	-
1.2.1- Outstanding Claims Provision (-)		(590,478)	-
1.2.2- Reinsurers' Share of Outstanding Claims Provision (+)	10	590,478	-
2- Change in Bonus and Rebate Provision (Net of Reinsurers' Share and Reserves Carried Forward) (+/-)		-	-
2.1- Bonus and Rebate Provision (-)		-	-
2.2- Reinsurers' Share of Bonus and Rebate Provision (+)		-	-
3- Change in Other Technical Reserves (Net of Reinsurers' Share and Reserves Carried Forward) (+/-)		-	-
4- Operating Expenses (-)	31 and 32	(2,593,469)	(69,430)
5- Change in Mathematical Reserves (Net of Reinsurer's Share and Reserves Carried Forward) (+/-)		-	-
5.1- Mathematical Reserves (-)		-	-
5.2- Net of Reinsurer's Share and Reserves Carried Forward (+)		-	-
6- Other Technical Expenses (-)		-	-
6.1- Gross Other Technical Expenses (-)		-	-
6.2- Reinsurers' Share of Other Gross Technical Expenses (+)		-	-
C- Net Technical Income - Non-Life (A - B)		(2,225,672)	(69,430)
D- Life Technical Income			
1- Earned Premiums (Net of Reinsurers' Share)		-	-
1.1- Written Premiums (Net of Reinsurers' Share)		-	-
1.1.1- Gross Written Premiums (+)		-	-
1.1.2- Reinsurers' Share of Gross Written Premiums (-)		-	-
1.2- Change in Unearned Premiums Reserve (Net of Reinsurers' Share and Returned Reserve) (+/-)		-	-
1.2.1- Unearned Premiums Reserve (-)		-	-
1.2.2- Reinsurers' Share of Unearned Premiums Reserve (+)		-	-
1.3- Change in Unexpired Risks Reserve (Net of Reinsurers' Share and Returned Reserve) (+/-)		-	-
1.3.1- Unexpired Risks Reserve (-)		-	-
1.3.2- Reinsurers' Share of Unexpired Risks Reserve (+)		-	-
2- Life Investment Income		-	-
3- Unrealised Investment Income		-	-
4- Other Technical Income - (Net of Reinsurers' Share) (+/-)		-	-
4.1- Gross Other Technical Income (+/-)		-	-
4.2- Reinsurers' Share of Gross Other Technical Income (+/-)		-	-
5- Claim Recovery and Salvage Income Accruals (+)		-	-
E- Life Technical Expense			
1- Incurred Claims - (Net of Reinsurer's Share) (+/-)		-	-
1.1- Paid Claims (Net of Reinsurer's Share) (-)		-	-
1.1.1- Gross Paid Claims (-)		-	-
1.1.2- Reinsurer's Share of Gross Paid Claims (+)		-	-
1.2- Change in Outstanding Claims (Net of Reinsurer's Share and Returned Reserve) (+/-)		-	-
1.2.1- Outstanding Claims Provision (-)		-	-
1.2.2- Reinsurer's Share of Outstanding Claim Provisions (+)		-	-
2- Change in Bonus and Rebate Provision (Net of Reinsurers' Share and Returned Reserve) (+/-)		-	-
2.1- Bonus and Rebate Provision (-)		-	-
2.2- Reinsurers' Share of Bonus and Rebate Provision (+)		-	-
3- Change in Mathematical Reserves (Net of Reinsurers' Share and Returned Reserve) (+/-)		-	-
3.1- Mathematical Reserves (-)		-	-
3.1.1- Actuarial Mathematical Reserves (+/-)		-	-
3.1.2- Profit Share Reserve (For Permanent Life Insurance Policies)		-	-
3.2- Reinsurers' Share of Mathematical Reserves (+)		-	-
3.2.1- Reinsurer's Share of Actuarial Mathematical Reserves (+)		-	-
3.2.2- Reinsurer's Share of Profit Share Reserve (for Permanent Life Insurance Policies) (+)		-	-
4- Change in Other Technical Reserves (Net of Reinsurer's Share and Returned Reserve) (+/-)		-	-
5- Operating Expenses (-)		-	-
6- Investment Expenses (-)		-	-
7- Unrealised Investment Expense (-)		-	-
8- Investment Income Transferred to Non-Life Technical Part (-)		-	-
F- Net Technical Income - Life (D - E)			
G- Private Pension Technical Income			
1- Fund Management Income		-	-
2- Management Expense Charge		-	-
3- Entrance Fee Income		-	-
4- Management Expense Charge in case of Suspension		-	-
5- Special Service Expense Charge		-	-
6- Capital Allowance Value Increase Income		-	-
7- Other Technical Income		-	-
H- Private Pension Technical Expense			
1- Fund Management Expense (-)		-	-
2- Capital Allowance Value Decrease Expense (-)		-	-
3- Operating Expenses (-)		-	-
4- Other Technical Expenses (-)		-	-
I- Net Technical Income - Private Pension (G - H)			

(*) The Company was established on 31 December 2013.

The accompanying notes form an integral part of these financial statements.

TÜRK P AND I SİGORTA A.Ş.

**CONVENIENCE TRANSLATION OF THE STATEMENTS OF INCOME
FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2014 AND 2013**

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

NON-TECHNICAL PART	Note	Audited 1 January - 31 December 2014	Unaudited 31 December 2013 (*)
C- Net Technical Income-Non-Life (A-B)		(2,225,672)	(69,430)
F- Net Technical Income-Life (D-E)		-	-
I- Net Technical Income-Private Pension (G-H)		-	-
J- Total Net Technical Income (C+F+I)		(2,225,672)	(69,430)
K- Investment Income		694,109	-
1- Income from Financial Investments	26	389,804	-
2- Income from Sales of Financial Investments		-	-
3- Valuation of Financial Investments		-	-
4- Foreign Exchange Gains	36	304,305	-
5- Income from Associates		-	-
6- Income from Subsidiaries and Joint-Ventures		-	-
7- Income from Land and Buildings		-	-
8- Income from Derivatives		-	-
9- Other Investments		-	-
10- Investment Income Transferred from Life Technical Part		-	-
L- Investment Expense (-)		(407,304)	(181)
1- Investment Management Expenses (Interest included) (-)		(999)	-
2- Diminution in Value of Investments (-)		-	-
3- Loss from Realization of Financial Investments (-)		-	-
4- Investment Income Transferred to Non-Life Technical Part (-)		-	-
5- Loss from Derivatives (-)		-	-
6- Foreign Exchange Losses (-)	36	(299,351)	-
7- Depreciation Expenses (-)	6 and 8	(87,317)	(181)
8- Other Investment Expenses (-)		(19,637)	-
M- Income and Expenses from Other Operations and Extraordinary Operations (+/-)		321,927	13,922
1- Provisions (+/-)	47.5	(60,000)	-
2- Rediscunts (+/-)		-	-
3- Special Insurance Account (+/-)		-	-
4- Inflation Adjustment (+/-)		-	-
5- Deferred Tax Assets (+/-)	21 and 35	385,226	13,922
6- Deferred Tax Liabilities Expenses (-)		-	-
7- Other Income		2,945	-
8- Other Expenses (-)		(6,244)	-
9- Prior Year's Income		-	-
10- Prior Year's Expenses (-)		-	-
N- Net Profit/(Loss) for the Period		(1,616,940)	(55,689)
1- Profit/(Loss) for the Period		(1,616,940)	(55,689)
2- Corporate Tax Provision and Other Fiscal Liabilities (-)		-	-
3- Net Profit/(Loss) for the Period		(1,616,940)	(55,689)
4- Inflation Adjustment		-	-

(*) The Company was established on 31 December 2013.

The accompanying notes form an integral part of these financial statements.

TÜRK P AND I SİGORTA A.Ş.

CONVENIENCE TRANSLATION OF THE STATEMENTS OF CASH FLOWS FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2014 AND 2013

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

	Note	Audited 1 January - 31 December 2014	Unaudited 31 December 2013 (*)
A- CASH GENERATED FROM MAIN OPERATIONS			
1- Cash inflows from insurance operations		5,001,223	-
2- Cash inflows from reinsurance operations		-	-
3- Cash inflows from private pension operations		-	-
4- Cash outflows from insurance operations (-)		(3,094,913)	-
5- Cash outflows from reinsurance operations (-)		(2,202,230)	-
6- Cash outflows from private pension operations (-)		-	-
7- Net cash from main operations (A1+A2+A3-A4-A5-A6)		(295,920)	-
8- Interest payment (-)		(999)	-
9- Income tax payment (-)		(58,746)	-
10- Other cash inflows		93,128	-
11- Other cash outflows (-)		(2,126,296)	-
12- Net cash used in main operations		(2,388,833)	-
B- CASH FLOWS FROM INVESTING OPERATIONS			
1- Sale of tangible assets		-	-
2- Tangible assets purchases (-)		(701,484)	-
3- Financial assets purchases (-)		-	-
4- Sales of financial assets		-	-
5- Interest received		389,804	-
6- Dividends received		-	-
7- Other cash inflows		-	-
8- Other cash outflows (-)		-	-
9- Net cash from investing activities		(311,680)	-
C- CASH FLOWS FROM FINANCING OPERATIONS			
1- Issue of shares	15	5,700,000	300,000
2- Cash flows due to the borrowings		-	-
3- Leasing payments (-)		-	-
4- Dividends paid (-)		-	-
5- Other cash inflows		-	-
6- Other cash outflows (-)		-	-
7- Net cash from financing activities		5,700,000	300,000
D- EFFECT OF EXCHANGE DIFFERENCES ON CASH AND CASH EQUIVALENTS	36	4,954	-
E- Net increase in cash and cash equivalents		3,004,441	300,000
F- Cash and cash equivalents at the beginning of the period		300,000	-
G- Cash and cash equivalents at the end of the period (E+F)	2.12	3,304,441	300,000

(*) The Company was established on 31 December 2013.

The accompanying notes form an integral part of these financial statements.

TÜRK P AND İ SİGORTA A.Ş.

**CONVENIENCE TRANSLATION OF THE STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2014 AND 2013**

Statements of Changes in Shareholders' Equity - Unaudited (*)											
	Capital	Outstanding Capita Stock (-)	Valuation Increase in Assets	Capital Reserves	Foreign Currency Translation Differences	Legal Reserves	Statutory Reserves	Other Reserves and Retained Profit	Net Loss for Period (-)	Accumulated Deficit (-)	Total
I- Balances as previously reported (31/12/2012)	-	-	-	-	-	-	-	-	-	-	-
A- Capital Increase (A1 + A2)	300,000	-	-	-	-	-	-	-	-	-	300,000
1- Cash (Note 15)	300,000	-	-	-	-	-	-	-	-	-	300,000
2- From internal resources	-	-	-	-	-	-	-	-	-	-	-
B- Treasury shares of the Company	-	-	-	-	-	-	-	-	-	-	-
C- Gain and losses not recognised in the income statement	-	-	-	-	-	-	-	-	-	-	-
D- Value increase in the assets	-	-	-	-	-	-	-	-	-	-	-
E- Foreign currency translation differences	-	-	-	-	-	-	-	-	-	-	-
F- Other income and losses	-	-	-	-	-	-	-	-	-	-	-
G- Inflation adjustments	-	-	-	-	-	-	-	-	-	-	-
H- Net loss for the period (-) (Note 37)	-	-	-	-	-	-	-	-	(55,689)	-	(55,689)
I- Dividends paid	-	-	-	-	-	-	-	-	-	-	-
J- Transfers	-	-	-	-	-	-	-	-	-	-	-
II- Balances at the period end (31/12/2013) (I+A+B+C+D+E+F+G+H+I+J)	300,000	-	-	-	-	-	-	-	(55,689)	-	244,311
Statements of Changes in Shareholders' Equity - Audited (*)											
	Capital	Outstanding Capita Stock (-)	Valuation Increase in Assets	Capital Reserves	Foreign Currency Translation Differences	Legal Reserves	Statutory Reserves	Other Reserves and Retained Profit	Net Loss for Period (-)	Accumulated Deficit (-)	Total
I- Balances at the previous period end (31/12/2013)	300,000	-	-	-	-	-	-	-	(55,689)	-	244,311
A- Capital Increase (A1 + A2)	5,700,000	-	-	-	-	-	-	-	-	-	5,700,000
1- Cash (Note 15)	5,700,000	-	-	-	-	-	-	-	-	-	5,700,000
2- From internal resources	-	-	-	-	-	-	-	-	-	-	-
B- Treasury shares of the Company	-	-	-	-	-	-	-	-	-	-	-
C- Gain and losses not recognised in the income statement	-	-	-	-	-	-	-	-	-	-	-
D- Value increase in the assets	-	-	-	-	-	-	-	-	-	-	-
E- Foreign currency translation differences	-	-	-	-	-	-	-	-	-	-	-
F- Other income and losses	-	-	-	-	-	-	-	-	-	-	-
G- Inflation adjustments	-	-	-	-	-	-	-	-	-	-	-
H- loss for the period (-) (Note 37)	-	-	-	-	-	-	-	-	(1,616,940)	-	(1,616,940)
I- Dividends paid	-	-	-	-	-	-	-	-	-	-	-
J- Transfers	-	-	-	-	-	-	-	-	55,689	(55,689)	-
II- Balances at the period end (31/12/2014) (I+A+B+C+D+E+F+G+H+I+J)	6,000,000	-	-	-	-	-	-	-	(1,616,940)	(55,689)	4,327,371

(*) The Company was established on 31 December 2013.

(**) Detailed explanations for the Shareholders' Equity balances are disclosed in Note 15.

The accompanying notes form an integral part of these financial statements.

TÜRK P AND I SİGORTA A.Ş.

CONVENIENCE TRANSLATION OF THE NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY - 31 DECEMBER 2014

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

1. General information

1.1 Name of the parent Company: As of 31 December 2014 and 2013 share of Group A of Türk P and I Sigorta A.Ş. ("Company") belongs to Ziraat Sigorta A.Ş., share of Group B belongs to Güneş Sigorta A.Ş., share of Group C belongs to Halk Sigorta A.Ş. and share of group D belongs to Omur Denizcilik A.Ş., Metropole Denizcilik and Ticaret Ltd. Şti. and Vitsan Denizcilik A.Ş. jointly (Note 2.13).

1.2 Legal residence of the Company, its legal structure, the country of incorporation and the address of its registered office: The Company was registered on 31 December 2013 in İstanbul, and started its operations after the declaration of its articles of incorporation on the Trade Registry Gazette on 8 January 2014. The Company has obtained a certificate, in accordance with the requirements of the Insurance Legislation, in order to operate in the vessels liability branch on 18 February 2014. The registered address of the Company is Muhittin Üstündağ Cad. No:21 Koşuyolu Kadıköy 34718 İstanbul/Türkiye.

1.3 Nature of operations: The Company is operating in accordance with the Insurance Law No: 5684 and has operations in vessels liability branch.

1.4 Explanation of the activities and characteristics of main operations of the corporation: Disclosed in Notes 1.2 and 1.3.

1.5 Average number of employees during the period by category:

31 December 2014

Top and middle management	2
Other personnel	11

13

1.6 Total salaries and benefits paid to the chairman and members of the board of directors, general manager, general coordinator, assistant general managers and other executive management during the current period: Total amount of wages and other benefits provided for the general managers and assistant general managers recognized as the top management of the Company is TL 609,784 (31 December 2013: TL 47,152).

1.7 Criteria set for the allocation of investment incomes and operating expenses (personnel, management, research and development, marketing and sales, outsourcing utilities and services and other operating expenses) at financial statements: The Company allocates the investment income and personnel, management, research and development, marketing and selling, outsourced benefits and services and other operational expenses related to the technical accounts in accordance with the Undersecretariat of Treasury's Circular on the Fundamentals of the Procedures and Principals of the Criteria used in Prepared Financial Statements pursuant to Insurance Uniformed Chart of Accounts and Circular Clauses No 2010/9 and dated 9 August 2010.

1.8 Whether financial statements include only one firm or group of firms: The financial statements include only one company (Türk P and I Sigorta A.Ş.).

1.9 Name and other identification information of the reporting firm and changes in this information since the previous balance sheet date: Name and other identification information of the Branch are disclosed in Notes 1.1, 1.2 and 1.3.

1.10 Events occurred after the balance sheet date: The financial statements for the period 1 January - 31 December 2014 are signed and approved on 23 February 2015 by General Manager Ufuk Teker and Assistant General Manager Abdullah Kara under the authorization of Board of Directors. Events occurred after the balance sheet date are explained in Note 46.

CONVENIENCE TRANSLATION OF THE NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY - 31 DECEMBER 2014

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

2. Summary of Significant Accounting Policies

2.1 Basis of Preparation

The Branch prepares its financial statements in accordance with the Insurance Law numbered 5684 and the regulations issued for insurance and reinsurance companies by the Treasury.

The financial statements are prepared in accordance with the Insurance Chart of Accounts included in the communiqué issued by the Treasury regarding the Insurance Chart of Accounts and Prospects, published in the Official Gazette (No:25686) dated 30 December 2004 (Insurance Accounting System Communiqué No:1). Content and the format of the financial statements prepared and explanations and notes thereof are determined in accordance with the Communiqué on Presentation of Financial Statements published in the Official Gazette numbered 26851 dated 18 April 2008 and numbered 2012/7 and dated 31 May 2012 Notice regarding to the Presentation of the New Account Codes and Financial Statements.

The Company accounts and recognizes its insurance technical provisions in its financial statements as of 31 December 2014 in accordance with the "Regulation Regarding the Technical Reserves of Insurance, Reinsurance and Pension Companies and the Assets to which These Reserves Are Invested" ("Regulation on Technical Reserves") dated 28 July 2010 published in official gazette numbered 27655 and changes on this regulation on 17 July 2012 and numbered 28356 and other regulations issued for insurance and reinsurance companies by the Treasury (Note 2.24).

According to the "Regulation on Financial Reporting of Insurance and Reinsurance Companies and Pension Companies" issued on 14 July 2007 and effective from 1 January 2008, except for the communiqués which may be issued by the Treasury, operations of insurance companies shall be accounted for in accordance with the Turkish Accounting Standards ("TAS") and the Turkish Financial Reporting Standards ("TFRS") as issued by the Turkish Accounting Standards Board ("TASK") and other regulations, communiqués and explanations issued by the Treasury regarding accounting and financial reporting issues. With reference to the notice of the Treasury No. 9 dated 18 February 2008, "TAS 1- Financial Statements and Presentation", "TAS 27- Consolidated and Unconsolidated Financial Statements", "TFRS 1 - Transition to TFRS" and "TFRS 4- Insurance Contracts" have been scoped out of this application. In addition, the companies are obliged to comply with the Communiqué on the Preparation of the Consolidated Financial Statement of Insurance and Reinsurance Companies and Pension Companies dated 31 December 2008 and published in official gazette numbered 27097 effective from 31 March 2009. The Company does not have any affiliates for consolidation in this respect.

Financial statements were prepared in TL denomination by taking the cost principle into consideration.

Where necessary, comparative figures have been reclassified to conform to the presentation of the current year financial statements.

Accounting policies and measurement principles that are used in the preparation of the financial statements are explained in the notes from 2.4 to 2.24 below.

a. *New Standards effective as of 31 December 2014 and the alterations and comments made to the existing previous Standards:*

- Amendment to TAS 32, 'Financial instruments: Presentation', on offsetting financial assets and financial liabilities, effective from annual periods beginning on or after 1 January 2014. This amendment updates the application guidance in TAS 32, 'Financial instruments: Presentation', to clarify some of the requirements for offsetting financial assets and financial liabilities on the balance sheet.
- Amendments to TAS 36, 'Impairment of assets', effective from annual periods beginning on or after 1 January 2014. These amendments address the disclosure of information about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal.

CONVENIENCE TRANSLATION OF THE NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY - 31 DECEMBER 2014

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

2. Summary of Significant Accounting Policies (Continued)

2.1 Basis of Preparation (Continued)

- Amendment to TAS 39 'Financial instruments: Recognition and measurement', on novation of derivatives and hedge accounting, effective from annual periods beginning on or after 1 January 2014. These narrow-scope amendments allow hedge accounting to continue in a situation where a derivative, which has been designated as a hedging instrument, is novated to effect clearing with a central counterparty as a result of laws or regulation, if specific conditions are met.
 - IFRIC 21, 'Levies', effective from annual periods beginning on or after 1 January 2014. This interpretation is on TAS 37, 'Provisions, contingent liabilities and contingent assets'. TAS 37 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past event (known as an obligating event). The interpretation clarifies that the obligating event that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy.
 - Amendments to TFRS 10, 'Consolidated financial statements', TFRS 12 and TAS 27 for investment entities, effective from annual periods beginning on or after 1 January 2014. These amendments mean that many funds and similar entities will be exempt from consolidating most of their subsidiaries. Instead, they will measure them at fair value through profit or loss. The amendments give an exception to entities that meet an 'investment entity' definition and which display particular characteristics. Changes have also been made TFRS 12 to introduce disclosures that an investment entity needs to make.
- b. Changes and standards those are published for the periods and the year starting from 31 December 2014 but have not just become effective:**
- Annual improvements 2012; effective from annual periods beginning on or after 1 July 2014. These amendments include changes from the 2010-12 cycle of the annual improvements project, that affect 7 standards:
 - TFRS 2, 'Share-based payment'
 - TFRS 3, 'Business Combinations'
 - TFRS 8, 'Operating segments'
 - TFRS 13, 'Fair value measurement'
 - TAS 16, 'Property, plant and equipment' and TAS 38, 'Intangible assets'
 - Consequential amendments to TFRS 9, 'Financial instruments', TAS 37, 'Provisions, contingent liabilities and contingent assets', and
 - TAS 39, Financial instruments – Recognition and measurement'
 - Annual improvements 2013; effective from annual periods beginning on or after 1 July 2014. These amendments include changes from the 2011-12-13 cycle of the annual improvements project, that affect 4 standards:
 - TFRS 1, 'First time adoption'
 - TFRS 3, 'Business combinations'
 - TFRS 13, 'Fair value measurement' and
 - TAS 40, 'Investment property'.
 - Amendment to TFRS 11, 'Joint arrangements' on acquisition of an interest in a joint operation, effective from annual periods beginning on or after 1 January 2016. This amendment adds new guidance on how to account for the acquisition of an interest in a joint operation that constitutes a business. The amendments specify the appropriate accounting treatment for such acquisitions.
 - TFRS 9 'Financial instruments', effective from annual periods beginning on or after 1 January 2018. This standard replaces the guidance in TAS 39. It includes requirements on the classification and measurement of financial assets and liabilities; it also includes an expected credit losses model that replaces the current incurred loss impairment model.
 - Amendments to TAS 16 'Property, plant and equipment', and TAS 41, 'Agriculture', regarding bearer plants, effective from annual periods beginning on or after 1 January 2016. These amendments change the financial reporting for bearer plants, such as grape vines, rubber trees and oil palms. It has been decided that bearer plants should be accounted for in the same way as property, plant and equipment because their operation is similar to that of manufacturing. Consequently, the amendments include them within the scope of TAS 16, instead of TAS 41. The produce growing on bearer plants will remain within the scope of TAS 41.

CONVENIENCE TRANSLATION OF THE NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY - 31 DECEMBER 2014

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

2. Summary of Significant Accounting Policies (Continued)

2.1 Basis of Preparation (Continued)

- Amendment to TAS 19 regarding defined benefit plans, effective from annual periods beginning on or after 1 July 2014. These narrow scope amendments apply to contributions from employees or third parties to defined benefit plans. The objective of the amendments is to simplify the accounting for contributions that are independent of the number of years of employee service, for example, employee contributions that are calculated according to a fixed percentage of salary.
- Annual improvements 2014, effective from annual periods beginning on or after 1 January 2016. These set of amendments impacts 4 standards:
 - TFRS 5, 'Non-current assets held for sale and discontinued operations' regarding methods of disposal.
 - TFRS 7, 'Financial instruments: Disclosures', (with consequential amendments to IFRS 1) regarding servicing contracts.
 - TAS 19, 'Employee benefits' regarding discount rates.
 - TAS 34, 'Interim financial reporting' regarding disclosure of information.

In accordance with the "Circular on Outstanding Claims Reserve" No: 2014/16, published by the Undersecretariat of Treasury on 5 December 2014, as of 1 January 2015 incurred but not reported outstanding claims will be calculated by the company's actuary. According to this, data selection, adjustments, selection of the most appropriate method and development factor along with the intervention to development factors on calculations related to incurred but not reported outstanding claims will be performed by the company's actuary by using the appropriate actuary methods. As of the validity date of the aforementioned circular, the following circulars will be abolished:

- Circular related to the "Actuary Chain Ladder Method" No: 2010/12, except the articles 9 and 10.
- Circular related to the "Calculation Principles related to Incurred but Not Reported Outstanding Claims in Life Branch" No: 2010/14
- Circular related to "Additional Explanations related to circulars No: 2010/12 and 2010/14 and the Industry Declaration No: 2010/29" except the clause J.
- Circular related to the "Principles on Excluding the Recourse, Salvage and the like expenses in the calculation of the Test IBNR" No: 2011/13.

Operations on determining the effects of the amendments, applied with the aforementioned circular, on the subsequent financial statements of the Company are in progress.

2.2 Consolidation

The Company does not have any subsidiaries in the scope of the "Communiqué on the Preparation of the Consolidated Financial Statements of Insurance, Reinsurance and Pension Companies" published in Official Gazette dated 31 December 2008 and numbered 27097 which is effective from 31 March 2009.

2.3 Segment Reporting

The Company operates only in Turkey and only in non-life insurance business, treated as a single reportable segment as of 31 December 2014. The Company does not perform segment reporting in the scope of "TFRS 8 - Segment Reporting", since it is not a listed company.

2.4 Foreign Currency Translation

The functional currency of the Company is TL. Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Changes in the fair value of monetary securities denominated in foreign currency classified as available for sale are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in equity.

Foreign exchange differences arising from the translation of non monetary financial assets and liabilities are considered as part of the fair value changes and those differences are accounted for in the accounts in which the fair value changes are accounted for.

CONVENIENCE TRANSLATION OF THE NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY - 31 DECEMBER 2014

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

2. Summary of Significant Accounting Policies (Continued)

2.5 Property and Equipment

Property and equipment are carried at cost less accumulated depreciation. Since lands have an infinite life, they are not depreciated. Depreciation is calculated using the straight-line method over the estimated useful life of the tangible assets. The depreciation periods which are based on estimated useful lives of tangible assets are as follows:

Furniture and fixture	3-15 years
Leasehold improvements	5 years

If there are indicators of impairment on tangible assets, a review is made in order to determine possible impairment and as a result of this review, if an asset's carrying amount is greater than its estimated recoverable amount, the asset's carrying amount is written down immediately to its recoverable amount by accounting for an impairment provision. Gains and losses on disposals of property and equipment are included in other non-operational income and expenses accounts (Note 6).

2.6 Investment property

The company does not have investment property as of 31 December 2014 (31 December 2013: None).

2.7 Intangible Assets

Intangible assets consist of the information systems and software acquired by the Company. Intangible assets are recognised at acquisition cost and amortised by the straight-line method over their estimated useful lives after their acquisition date. If impairment exists, carrying amounts of the intangible assets are written down immediately to their recoverable amounts. The amortisation periods of intangible assets are 3 years (Note 8).

2.8 Financial Assets

The Branch classifies for its financial assets as "Loans and receivables (Receivables from main operations)". Receivables from main operations are the receivables arising from insurance agreements and they are classified as financial assets in the financial statements.

Loans and receivables (Receivables from main operations):

Loans and receivables are financial assets which are generated by providing money or service to the debtor. Loans and receivables are initially recognised at acquisition value and subsequently measured at cost. Fees and other charges paid in relation to assets obtained as guarantee for the above mentioned receivables are not deemed as transaction costs and charged as expenses to the income statement.

The Company accounts for a provision for its receivables based on evaluations and estimations of the management. The Company sets its estimations in accordance with the risk policies and the principle of prudence by considering the structure of current receivable portfolio, financial structure of policyholders and intermediaries, non-financial data and economical conditions. The Company does not have provision for receivables as of 31 December 2014 and 2013. (Note 12).

2.9 Impairment of Assets

The details about the impairment of assets are explained in the notes in which the accounting policies of the relevant assets are explained.

Mortgages or guarantees on assets are explained in Note 43, provisions for receivables which are overdue and provision expenses for the period are explained in Note 47.5.

2.10 Derivative Financial Instruments

None (31 December 2013: None).

2.11 Offsetting Financial Instruments

Financial assets and liabilities are offset only when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or when the realisation of the asset and the settlement of the liability take place simultaneously.

TÜRK PANDİ SİGORTA A.Ş.

CONVENIENCE TRANSLATION OF THE NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY - 31 DECEMBER 2014

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

2. Summary of Significant Accounting Policies (Continued)

2.12 Cash and Cash Equivalents

Cash and cash equivalents includes cash in hand, demand deposits held at banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Cash and cash equivalents included in the statement of cash flows are as follows:

	31 December 2014	31 December 2013
Cash (Note 14)	885	-
Banks (Note 14)	5,291,898	300,000
Bank Guaranteed Credit Card Receivables with Maturities Less Than Three Months (Note 14)	11,658	-
Minus - Blocked deposits (*) (Note 43)	(2,000,000)	-
Total cash and cash equivalents	3,304,441	300,000

(*) The aforementioned change in blocked bank deposits is transferred from main operations in the cash flow statement into the other cash outflows.

2.13 Share Capital

As of 31 December 2014 and 2013 the capital of the company composed of A, B, C and D groups of shares and the distribution of the capital is as follow:

Name of shareholders	Group	31 December 2014		31 December 2013	
		Share Ratio (%)	Share Amount	Share Ratio (%)	Share Amount
Omur Denizcilik A.Ş.	D	36.75	2,205,000	36.75	110,250
Ziraat Sigorta A.Ş.	A	16.67	1,000,000	16.67	50,000
Güneş Sigorta A.Ş.	B	16.67	1,000,000	16.67	50,000
Halk Sigorta A.Ş.	C	16.67	1,000,000	16.67	50,000
Metropole Denizcilik and Ticaret Ltd. Şti.	D	7.50	450,000	7.50	22,500
Vitsan Denizcilik A.Ş.	D	5.75	345,000	5.75	17,250
Total		100.00	6,000,000	100.00	300,000

As of 31 December 2014 there are no privileges granted for the shares that represent the capital. (31 December 2013: None).

Other information about the Company's share capital is explained in Note 15 (Note 46).

2.14 Insurance and Investment Contracts - Classification

The insurance contracts are those contracts that transfer insurance risk. Insurance contracts protect policyholders against the adverse financial consequences of loss event under the terms and conditions stipulated in the insurance policy.

The main insurance contracts produced by the Company, as stated below, are insurance contracts in non-life branches such as vessel liability policies and reinsurance contracts.

Under the vessel liability insurance, losses caused by all kinds of vessels to third parties due to firm's fault are covered. However, possible losses that occur during the construction and launching process of the vessels are also evaluated within the context of hull insurances. The risks are excluded from the scope excluding the risks such as sinking, burning, explosion, washing up onto shore, shipwrecking, storm, capsizing, collision with another ship or boat, liability due to collision, salvage charges due to risks guaranteed, sue and labour charges, general average losses and expenses, hidden defect in the boats and machines, losses to boat during loading and disembarkment.

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2. Summary of Significant Accounting Policies (Continued)

2.14 Insurance and Investment Contracts - Classification (Continued)

Reinsurance Agreements

Reinsurance agreements are the agreements enforced by the Company and the reinsurer, in exchange for a certain compensation, to cede the losses which may occur in relation to one or more insurance policies produced by the Company.

The Company has two proportional quota share agreement under the vessels liability branch that the Company operates. These agreements are based on the 100% loss transfer principle and ceded premium after the broker fees are excluded.

2.15 Insurance Contracts and Investment Contracts with Discretionary Participation Feature

None (31 December 2013: None).

2.16 Investment Contracts without Discretionary Participation Feature

None (31 December 2013: None).

2.17 Borrowings

None (31 December 2013: None).

2.18 Taxes

Corporate Tax

Corporate tax for 2014 is payable at a rate of 20% in Turkey (2013: 20%). Corporate tax rate is applied on tax base which is the income of the Company adjusted for certain disallowable expenses, exempt income (such as dividend income) and other deductions in accordance with tax legislation. No further tax is payable unless the profit is distributed.

Dividends paid to non-resident corporations, which have a place of business in Turkey or resident corporations are not subject to withholding tax. Otherwise, dividends paid are subject to withholding tax at the rate of 15%. An increase in capital via issuing bonus shares is not considered as a profit distribution and thus does not incur withholding tax.

Corporations are required to pay advance corporation tax quarterly at the rate of 20% on their corporate income. Advance Tax is declared by 14th and is payable by the 17th of the second month following each calendar quarter end. Advance tax paid by the corporations is credited against the annual corporation tax liability. If, despite offsetting, there remains a paid advance tax amount, it may be refunded or offset against other liabilities to the government.

75% of profits from sale of participation shares and property which have been in assets for at least two years is exempt from corporate tax provided that these profits are added to share capital or are not withdrawn from the equity within 5 years, as prestated in Corporate Tax Law.

According to Turkish tax legislation, tax losses on the returns can be offset against period income for up to 5 years. However, tax losses cannot be offset against retained earnings.

There is no such application for the reconciliation of payable taxes with the tax authority. Corporate tax returns are submitted to the related tax office by the 25th day of the 4th month following the month when the accounting period ends. In tax reviews authorized bodies can review the accounting records for the past five years and if errors are detected, tax amounts may change due to tax assessment.

Deferred Income Tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax assets and liabilities are determined using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled. Deferred income tax assets are accounted for to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. (Notes 21 and 35).

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2. Summary of Significant Accounting Policies (Continued)

2.19 Employee Benefits

The Company accounts for its liability related to employment termination and vacation benefits accordance with "Turkish Accounting Standards Regarding Employee Benefits" ("TAS 19"). Employment termination is classified in balance sheet under the account "Provision for Employment Termination Benefits" and vacation benefits are classified in balance sheet under the account "Expense Accruals".

According to the Turkish labour legislation, the Company is required to pay termination benefits to each employee whose jobs are terminated except for the reasons such as resignation, retirement and attitudes determined in the Labour Law. The provision for employment termination benefits is calculated over present value of the possible liability in accordance with the Labour Law by considering determined actuarial estimates

As a result of the amendment to TAS 19, effective from annual periods beginning on or after 1 January 2013, Actuarial gain and loss that occurs from calculation regarding the liability of employee benefits shall be directly accounted for under equity. Within this context, the services and interest costs regarding the calculations of provision for employment termination benefits are accounted for under income statements and the actuarial gain and loss are accounted for under equity as "Other Profit Reserves"

2.20 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. Provision amounts are estimated over expenditures expected to be required to settle the obligation at the balance sheet date by considering the risks and uncertainties related to the obligation. When the provision is measured by using the estimated cash outflows that are required to settle the obligation, the carrying value of the provision is equal to the present value of the related cash outflows.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised as an asset if and only it is virtually certain that reimbursement will be received and the reimbursement can be reliably estimated.

Liabilities that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity are classified as contingent liabilities and not included in the financial statements (Note 23).

2.21 Accounting for Revenues

Written Premiums

Written premiums represent premiums on policies written during the year, net of cancellations. As disclosed in Note 2.24, premium income is recognised in the financial statements on accrual basis by allocating the unearned premium provision over written premiums.

Reinsurance Commissions

Commission income received in relation to ceded premiums to reinsurance companies is accrued in the related period and classified in technical part under operating expenses in the income statement. As disclosed in Note 2.24, reinsurance commission income is recognised in the financial statements on an accrual basis by allocating the deferred commission income over commissions received.

Interest Income

Interest income is recognised by using the effective interest rate method on an accrual basis.

2.22 Leases

The Company does not have any leased financial assets as of 31 December 2014 (31 December 2013: None).

2.23 Dividend Distribution

Dividend liabilities are recognised as a liability in the financial statements in the period in which the dividends are declared as a component of dividend distribution.

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2. Summary of Significant Accounting Policies (Continued)

2.24 Technical Provisions

Unearned Premium Reserve

Unearned premium reserve is calculated on a daily basis for all policies in force as of balance sheet date for unearned portions of premium written. During the calculation of unearned portion of premiums written on a daily basis, it is supposed that the policies start at 12.00 noon and finish at 12.00 noon again. According to "Regulation on Technical Reserves", unearned premium reserves and the reinsurers' share of the unearned premium reserves of policies written are calculated and accounted as the unearned portion of the premiums and ceded premiums to reinsurers without deducting commissions or any other expenses, on an accrual and on a gross basis (Note 17).

Deferred Commission Expenses and Deferred Commission Incomes

Within the framework of the Circular numbered 2007/25 and dated 28 December 2007 published by Treasury, the unearned portion of commissions paid to agencies for the written premiums and commissions received from reinsurers for the ceded premium, are recorded as in deferred expenses and deferred commission income, respectively on the balance sheet, and as operating expenses on a net basis in the income statement (Note 17).

Outstanding Claims Provision

The Company accounts for accrued and calculated outstanding claim provision for ultimate cost of the claims incurred, but not paid in the current or prior periods or for the estimated ultimate cost if the cost is not certain yet, and for the incurred but not reported claims. Claim provisions are accounted for based on reports of experts or initial assessments of policyholders and experts, and in the related calculations claim recoveries, salvage and similar gains are not deducted.

Calculations relating to outstanding claims provision, the Regulation on Technical Provisions and the principles set out in relation to new branches in Circular No. 2010/16, dated 18 October 2010, have been taken into account for all branches. Within this framework, incurred but not reported outstanding claims provision and outstanding claims adequacy provision have been calculated based on calculations made by the Company actuary.

During the calculation of incurred but not reported claim and loss amounts in vessels liability branch, as of 30 June 2014, provided sector averages have been used and as of 31 December 2014 TL 162,874 (31 December 2013: None) gross amount of incurred but not reported outstanding claims provision has been calculated, and all of the aforementioned amount has been accounted as reinsurance share under the framework of the effective reinsurance agreements. (Note 17).

Unexpired Risks Reserve

Within the framework of Regulation on Technical Reserves, insurance companies are required to account for an unexpired risk reserve against the probability that future losses incurred from in force policies may exceed the unearned premium reserve accounted for the related policies considering expected loss ratios. Expected loss ratio is calculated by dividing the incurred losses to earned premiums in accordance with the "Regulation regarding the Changes in the Calculation of Unexpired Risk Reserve" dated 13 December 2012 and numbered 2012/15 published by the Treasury. If the loss ratio calculated for a branch is higher than 95%, net unexpired risk reserve for that branch is calculated by multiplying the ratio in excess of 95% with net unearned premium reserve for the related branch and gross unexpired risk reserve for that branch is calculated by multiplying the ratio in excess of 95% with gross unearned premium reserve for the related branch. The difference between gross amount and net amount is recognized as reinsurers' share.

Within the framework of Regulation on Technical Reserves, in the branches that just stated operating, the unexpired risks reserve has to be calculated by the company's actuary until the end of the 24th month of going into action. Within this context, since the company started its operations in 2011, as of 31 December 2014 the evaluation regarding the unexpired risks reserve is performed by the Company's actuary, and as a result of this evaluation, it has been decided and understood that there is no need for unexpired risks reserve.

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2. Summary of Significant Accounting Policies (Continued)

2.25 Convenience translation into English

The effects of differences between the accounting principles as set out by the related insurance laws and accounting principles generally accepted in countries in which the financial statements are to be distributed and International Financial Reporting Standards ("IFRS") have not been quantified in the financial statements. Accordingly, the financial statements are not intended to present the financial position and results of operations and changes in financial position and cash flows in accordance with accounting principles generally accepted in such countries and IFRS.

3. Critical Accounting Estimates and Judgments

Preparation of financial statements requires the use of estimations and assumptions which may affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities as of the balance sheet date and reported amounts of income and expenses during the financial period. Accounting estimates and assumptions are continuously evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under current circumstances. Although the estimations and assumptions are based on the best knowledge of the management for existing events and operations, they may differ from the actual results.

The estimation of the ultimate liability for technical expenses that can be incurred for the existing insurance contracts is the one of the most critical accounting estimates. Estimation of the insurance liabilities, by nature, includes the evaluation of several uncertainties.

Income Taxes

Use of significant judgment is necessary in several situations, for transactions and calculations during the normal course of business which may impact the ultimate taxation amount. The Company recognizes deferred tax assets for carry forward tax losses or to be realised through future taxable income and liabilities for anticipated tax expenses based on estimates of whether additional taxes will be due. In case where the ultimate tax consequences are different from the amounts recorded currently, such differences may have an impact on the income taxes and deferred tax assets and liabilities. (Note 21).

4. Management of Insurance and Financial Risk

Insurance risk

The risk under any insurance contract is the possibility that the insured event occurs and the uncertainty of the amount of the resulting claim. By the very nature of the insurance contracts, this risk is random and therefore unpredictable.

For a portfolio of insurance contracts where the theory of probability is applied to pricing and reserving, the principal risk that the Company faces under its insurance contracts is that the actual claims and benefit payments exceed the carrying amount of insurance liabilities. The Company determines its insurance underwriting strategy based on the type of insurance risk accepted and the claims incurred.

The Company's pricing mainly depends on statistical analysis and outputs from historical data and/or on some mortality/disability/morbidity tables assumed to be best fit for the related product. The Company manages the aforementioned risks by its overall underwriting strategy and via reinsurance agreements, which the Company is a party to.

The concentration of insurance risk (maximum insured loss) under each branch is summarised below:

	31 December 2014	31 Decembe 2013 (*)
Vessels liability	372,271,875,005	-

(*) The company was established on 31 December 2013 and has no premium production in 2013.

Sensitivity analysis

Financial risk

The Company is exposed to financial risk through its financial assets, reinsurance assets and insurance liabilities. In particular the key financial risk is that the proceeds from its financial assets are not sufficient to fund the obligations arising from its insurance contracts. The most important components of the financial risk are market risk (including foreign exchange risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential negative effects on the Company's financial performance. The Company does not use derivative financial instruments. Risk management is carried out by management under policies approved by the Board of Directors.

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4. Management of Insurance and Financial Risk (Continued)

(a) Market risk

i. Cash flow, market interest rate and price risk

The Company is not exposed to the interest rate risk due to the changes in interest rates since it has no interest bearing assets and liabilities with floating (variable) interest rates.

ii. Foreign currency risk

The Company is exposed to foreign exchange risk through the impact of rate changes at the translation of Turkish Lira pertaining to foreign currency denominated assets and liabilities.

As of 31 December 2014, if USD appreciated/depreciated by 10% against TL, with all other variables held constant, loss before tax would be lower/higher by TL 367,556 (31 December 2013: None) as a result of foreign exchange gains/losses on the translation of USD denominated assets and liabilities.

iii. Price risk

The Company does not exposed to price risk since it does not have any financial assets.

(b) Credit risk

Ownership of financial assets involves the risk that counterparties may be unable to meet the terms of their agreements. The Company’s exposure to credit risk arises mainly from cash and cash equivalents and bank deposits, financial assets, reinsurers’ share of insurance liabilities, due from reinsurers and premium receivables from policyholders and intermediaries. The Company management deems these risks as total credit risk to the counterparty.

The Company follows and monitors the credit risk of financial assets classified as loans and receivables and receivables from insurance operations (including reinsurance receivables) by guarantees received and procedures applied for the selection of the counterparties. Other explanations in relation to these receivables are disclosed in Note 12.

The Company’s financial assets which are subject to credit risk, except for loans and receivables, generally consist of government bonds and time and demand deposits held in banks and other financial institutions in Turkey; and such receivables are not deemed to have a high credit risk.

(c) Liquidity risk

The Company uses its available cash resources to pay claims arising from insurance contracts. Liquidity risk is the risk that cash may not be available to pay obligations when due at a reasonable cost. Management sets limits on the minimum portion of funds available to meet such liabilities.

The table below analyses the Company’s financial liabilities and insurance liabilities into relevant maturity groups based on the remaining period at the balance sheet date to the expected or contractual maturity date. The amounts disclosed in the tables are the undiscounted cash flows:

Contractual Cash flows

31 December 2014	Up to 3 months	3 months - 1 year	1 year - 5 years	Over 5 years	Total
Payables to reinsurance companies	1,265,362	1,809,382	-	-	3,074,744
Other payables	32,103	-	-	-	32,103
Total	1,297,465	1,809,382	-	-	3,106,847

Contractual Cash flows

31 December 2013	Up to 3 months	3 months - 1 year	1 year - 5 years	Over 5 years	Total
Other payables	5,439	-	-	-	5,439
Total	5,439	-	-	-	5,439

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4. Management of Insurance and Financial Risk (Continued)

Fair value of the financial assets

Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation, and is best evidenced by a quoted market price, if one exists.

The estimated fair values of financial instruments have been determined by the Company using available market information and appropriate valuation methodologies.

The following methods and assumptions were used to estimate the fair value of the financial instruments for which it is practicable to estimate fair value:

Financial assets

The fair values of balances denominated in foreign currencies, which are translated at period end exchange rates, are considered to approximate carrying values. The fair values of certain financial assets carried at amortised cost, including cash and cash equivalents are considered to approximate their respective carrying values carried at amortised cost due to their short-term nature. The fair value of receivables from main operations along with related provision for overdue receivables is considered to approximate respective carrying values carried at amortised cost. The cost of the financial assets that are not quoted in an active market, less impairment if any, are considered to approximate carrying value.

Financial liabilities

The fair values of liabilities from main operations and other financial liabilities are considered to approximate to their respective carrying values.

Capital management

Company's objectives when managing the capital are:

- to comply with the capital requirements of the Treasury,
- to safeguard the Company's ability to continue as a going concern so that it can continue the operations.

As of 31 December 2014, the minimum required shareholders' equity amount is calculated as TL 2,695,741 within the framework of the related regulations on capital adequacy. Based on the regulation issued on 19 January 2009 related to the "Evaluation and Assessment of the Capital Adequacy of the Insurance, Reinsurance and Pension Companies", the shareholders' equity calculated is higher than the minimum required shareholders' equity by TL 1,631,630.

5. Segment information

Disclosed in Note 2.3.

6. Property and equipment

6.1 Depreciation and amortisation expenses for the period: TL 87,317 (31 December 2013: 181 TL).

6.1.1 Depreciation expense: TL 86,898, (31 December 2013: TL 181).

6.1.2 Redemption and depletion: TL 419, (31 December 2013: None).

6.2 Changes in depreciation calculation methods and effect of such changes on depreciation expenses for the year: None (31 December 2013: None).

6.3 Movements of property and equipment in the current period:

6.3.1 Cost of property and equipment purchased, manufactured or constructed: TL 699,529, (31 December 2013: TL 10,861).

6.3.2 Cost of property and equipment sold or used as scrap: TL 10,861 (31 December 2013: None).

6.3.3 Revaluation increases in the current period:

6.3.3.1 Cost of fixed assets (+): None (31 December 2013: None).

6.3.3.2 Accumulated depreciation (-): None (31 December 2013: None).

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6. Property and equipment (Continued)

Movement of tangible assets:

	1 January 2014	Additions	Disposals	31 December 2014
Cost:				
Furniture and fixture	10,861	336,586	(10,861)	336,586
Leasehold improvements	-	362,943	-	362,943
Total Cost	10,861	699,529	(10,861)	699,529
Accumulated depreciation:				
Furniture and fixture	(181)	(56,825)	181	(56,825)
Leasehold improvements	-	(30,073)	-	(30,073)
Total Cost	(181)	(86,898)	181	(86,898)
Net book value	10,680			612,631
	1 January 2013	Additions	Disposals	31 December 2013 ^(*)
Cost:				
Furniture and fixture	-	10,861	-	10,861
Total Cost	-	10,861	-	10,861
Accumulated depreciation:				
Furniture and fixture	-	(181)	-	(181)
Total Accumulated depreciation:	-	(181)	-	(181)
Net book value	-			10,680

(*) The Company was established on 31 December 2013.

There are no mortgages on the fixed assets of the Company as of 31 December 2014 and 2013.

7. Investment Properties

The Company does not have Investment Properties as of 31 December 2014 (31 December 2013: None).

8. Intangible Assets

	1 January 2014	Additions	Disposals	31 December 2014
Cost:				
Rights	-	1,955	-	1,955
Total	-	1,955	-	1,955
Accumulated amortisation:				
Rights	-	(419)	-	(419)
Total	-	(419)	-	(419)
Net book value	-			1,536

9. Investments in Associates

The Company does not have any investments in associates accounted for using the equity accounting method. (31 December 2013: None).

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10. Reinsurance Assets

Reinsurance Assets/(Liabilities)	31 December 2014	31 December 2013^(*)
Reinsurers' share of unearned premiums reserve (Note 17)	2,397,698	-
Reinsurers' share of outstanding claims provision (Note 17)	590,478	-
Deferral of commission income (Note 19)	(427,825)	-
Payables to Reinsurance companies (Note 19)	(3,074,744)	-
	1 January - 31 December 2014	31 December 2013^(*)
Reinsurance Income/(Expense)		
Reinsurers' share of change in unearned premiums reserve (Note 17)	2,397,698	-
Commissions received from reinsurers (gross)	1,262,844	-
Reinsurers' share in paid claims	1,186,234	-
Reinsurers' share of change in outstanding claims provision (Note 17)	590,478	-
Ceded premiums to reinsurers (Note 24)	(6,539,817)	-

(*) The Company was established on 31 December 2013 and does not have any written premium, reinsurance asset and liability and reinsurance income/expense in 2013.

11. Financial assets

11.1 The Company's financial assets are summarised below by measurement category in the table below:

	31 December 2014	31 December 2013
Borrowings and receivables (Note 12.1)	1,601,418	-
Total	1,601,418	-

11.2 **Marketable securities issued during the year other than share certificates:** None (31 December 2013: None).

11.3 **Debt securities redeemed during the year:** None (31 December 2013: None).

11.4 **Market value of marketable securities and financial assets carried at cost and carrying value of marketable securities and financial assets carried at market value:** None (31 December 2013: None).

11.5 **Amounts of marketable securities classified under marketable securities and investment securities accounts issued by the Company's shareholders, associates and subsidiaries and the issuers:** None (31 December 2013: None).

11.6 **Value increase on financial assets in the last three years:** None (31 December 2013: None).

11.7 **Other information about financial assets:** None (31 December 2013: None).

12. Loans and Receivables

12.1 Classification of the receivables as receivables from customers, receivables from related parties, advance payments (short-term and long-term prepayments) and others:

	31 December 2014	31 December 2013^(*)
Receivables from insurees	1,601,418	-
Receivables from main operations	1,601,418	-

(*) The Company was established on 31 December 2013 and does not have any written premium and receivables from insurees in 2013.

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12. Loans and Receivables (Continued)

12.2 Due from/due to shareholders, associates and subsidiaries:

The transactions and balances with the related parties are disclosed in Note 45.

12.3 Total mortgages and collaterals obtained for receivables: None (31 December 2013: None).

12.4 Receivables and payables denominated in foreign currencies having no foreign exchange rate guarantees, assets in foreign currencies and conversion rates:

31 December 2014

Foreign Currency Type	Foreign Currency Amount	Exchange Rate	Amount TL
USD	690,594	2.3189	1,601,418
Total			1,601,418

12.5 - 12.7 Other information about loans and receivables:

The aging of due from insurance operations is as follows:

	31 December 2014	31 December 2013
Overdue receivables	62,748	-
Up to 3 months	750,065	-
3 - 6 months	569,721	-
6 months to 1 year	218,884	-
Total	1,601,418	-

The details of the receivables from insurees overdue but not yet become doubtful are given below:

	31 December 2014	31 December 2013
Up to 3 months	62,748	-
Total	62,748	-

The Company does not have doubtful receivables from main operations as of 31 December 2014 (31 December 2013: None).

13. Derivative Financial Instruments

None.

14. Cash and Cash Equivalents

Cash and cash equivalents that are included in the statements of cash flows for the year ended 31 December 2014 and 2013 are shown in Note 2.12 and the details of bank deposits of the Company are as follows:

	31 December 2014	31 December 2013
Cash (Note 2.12)	885	-
Banks (Note 2.12)	5,291,898	300,000
Bank Guaranteed Credit Card Receivables with Maturities Less Than Three Months (Note 2.12)	11,658	-
Total	5,304,441	300,000

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14. Cash and Cash Equivalents (Continued)

The details of the bank deposits of the Company are given below:

	31 December 2014	31 December 2013
Bank deposits in TL		
- demand deposits	1,467,225	300,000
- time deposits	2,195,575	-
	3,662,800	300,000
Foreign time deposits		
- demand deposits	1,629,098	-
	1,629,098	-
Total	5,291,898	300,000

As of 31 December 2014, time deposits amounting to TL 2,000,000 is blocked in favour of the Treasury (31 December 2013: None) (Notes 17 and 43).

Time and demand deposits in foreign currency:

	31 December 2014			
	Foreign Currency		TL Amount	
	Timed	Free	Timed	Free
USD	-	702,531	-	1,629,098
Total	-	702,531	-	1,629,098

15. Share Capital

The Company has 6,000,000 units of shares which are fully paid (31 December 2013: 300,000 units). Each of the Company's shares has a nominal value of 1 Kr and the total nominal value is TL 6,000,000 (31 December 2013: TL 300,000).

The movement of the shares at the beginning and at the end of the period is shown below:

	1 January 2014		Issued		Redeemed		31 December 2014	
	Unit	Nominal TL	Unit	Nominal TL	Unit	Nominal TL	Unit	Nominal TL
Paid-in capital	300,000	300,000	5,700,000	5,700,000	-	-	6,000,000	6,000,000
Total	300,000	300,000	5,700,000	5,700,000	-	-	6,000,000	6,000,000

It was decided to increase the capital of the company during the Extraordinary General Meeting on 17 January 2014 from TL 300,000 to TL 6,000,000 in cash. The aforementioned capital raise was registered and declared on the Trade Registry Gazette No: 8499 on 3 February 2014 in accordance with the Ministry of Customs and Trade General Directorate of Domestic Trade's permission No: 895 on 21 January 2014 (Notes 2.13 and 46).

16. Other Reserves and Equity Component of Discretionary Participation Feature

Information about other reserves classified under the equity is explained in Note 15.

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17. Insurance Liabilities and Reinsurance Assets

17.1 Guarantees to be provided and guarantees provided for life and non-life branches:

	31 December 2014	31 December 2013^(*)
Required guarantee amount to be provided for non-life branches (**)	1,733,333	-
Guarantee amount provided for non-life branches (Note 43)	2,000,000	-

(*) The Company was established on 31 December 2013.

(**) Under the article 4 of the "The Communiqué on the Financial Structure of Insurance, Reinsurance and Pension Companies", published in accordance with the Insurance Law, in the Official Gazette dated 7 August 2007 and numbered 26606, the insurance companies and private pension companies operating in life and personal accident branches are required to provide guarantees that equal to one third of required capital amount as determined by capital adequacy calculation, as Minimum Guarantee Fund, in each capital adequacy calculation period. However Minimum Guarantee Fund could not be less than one third of total minimum corporation capital amount. Since the Company's calculated Minimum Guarantee Fund is less than one third of total minimum corporation capital amount, the Company has determined the guarantee amount has to be installed as one third of the minimum corporation founding capital.

17.2 Number of life policies, the number and mathematical reserve amount of the life policies that enter and exit during the year and current status: None (31 December 2013: None).

17.3 Insurance coverage amount on a branch basis provided for non-life branches: Disclosed in Note 4.

17.4 Unit prices of pension funds and savings founded by the Company: None (31 December 2013: None).

17.5 Units and amounts of share certificates in portfolio and in circulation: None (1 January - 31 December 2013: None).

17.6 Numbers and portfolio amounts of the individual and group pension participants entered, left, cancelled during the period and the current participants: None (1 January - 31 December 2013: None).

17.7 Valuation methods of profit share calculation for life insurance: None (1 January - 31 December 2013: None).

17.8 Number of units and individual/group allocation of gross/net contribution amounts of the private pension participants entered during the period: None (1 January - 31 December 2013: None).

17.9 Number of units and individual/group allocation of gross/net contribution amounts of the private pension participants transferred from another company during the period: None (1 January - 31 December 2013: None).

17.10 Number of units and individual/group allocation of gross/net contribution amounts of the private pension participants transferred from the life insurance portfolio to the private pension portfolio during the period: None (1 January - 31 December 2013: None).

17.11 Number of units and individual/group allocation of gross/net contribution amounts of the private pension participants that left the company and transferred to another company or that left the company but did not transfer to another company: None (1 January - 31 December 2013: None).

17.12 Number of units, gross/net premiums and individual/group allocation for life policyholders that joined the portfolio during the period: None (1 January - 31 December 2013: None).

17.13 Number of units, gross/net premiums and individual/group allocation of mathematical reserves for life policyholders that left the portfolio during the period: None (1 January - 31 December 2013: None).

17.14 Profit share allocation rate to the life policyholders: None (1 January - 31 December 2013: None).

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CONVENIENCE TRANSLATION OF THE NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY - 31 DECEMBER 2014

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17. Insurance Liabilities and Reinsurance Assets (Continued)

17.15 - 17.19 Other required information about liabilities from insurance agreements:

Outstanding claims provision:

	2014		Net
	Gross	Reinsurers' Share	
Opening balance - 1 January (*)	-	-	-
Paid claims	(1,186,234)	1,186,234	-
Change			
- Current period claims	1,613,838	(1,613,838)	-
Closing balance reported claims - 31 December	427,604	(427,604)	-
Claims incurred but not reported	162,874	(162,874)	-
Total	590,478	(590,478)	-

Unearned premium reserve:

	2014		Net
	Gross	Reinsurers' Share	
Opening balance - 1 January (*)	-	-	-
Net change	2,686,833	(2,397,698)	289,135
Closing balance - 31 December	2,686,833	(2,397,698)	289,135

(*) The Company was established on 31 December 2013 and does not have any written premium, outstanding claims reserve and unearned premium reserve in 2013.

As of 31 December 2014 the deferred commission expense and income are TL 260,532 (31 December 2013: None) and TL 427,825 (31 December 2013: None) respectively (Note 19) and placed on the balance sheet under the "Deferred Acquisition Expenses" and "Deferred Commission Income" accounts.

18. Investment Contract Liabilities

None (31 December 2013: None).

19. Trade and Other Payables, Deferred Income

	31 December 2014	31 December 2013
Payables to reinsurance companies	3,074,744	-
Payables from main operations - Short - term	3,074,744	-
Payables to suppliers	32,103	5,439
Payables to shareholders	446	237,767
Other payables	32,549	243,206
Deferred commission income (Note 17)	427,825	-
Accrued expenses	6,396	-
Expense and income accruals for future periods	434,221	-

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19. Trade and Other Payables, Deferred Income (Continued)

Foreign currency denominated payables are as follows:

Payables to reinsurance companies:

31 December 2014

Foreign Currency Type	Foreign Currency Amount	Foreign Exchange Rate	Amount in TL
USD	1,325,949	2.3189	3,074,744
Total			3,074,744

The Company does not have any foreign currency denominated payables as of 31 December 2013.

20. Borrowings

None (31 December 2013: None).

21. Deferred Income Tax

The Company calculates deferred income tax assets and liabilities for the temporary differences in the balance sheet items arising due to the measurement in these financial statements and measurement in accordance with Tax Procedure Law.

The enacted tax rate used for the calculation of deferred income tax assets and liabilities on temporary differences that are expected to be realised in the following periods under the liability method is 20% (31 December 2013: %20).

As of 31 December 2014 and 2013 the temporary differences giving rise to deferred income tax assets and liabilities with using enacted tax rates are as follows:

	Cumulative temporary differences		Deferred income tax assets/(liabilities)	
	31 December 2014	31 December 2013	31 December 2014	31 December 2013
Deferred income tax assets				
Accumulated financial loss	1,984,061	69,611	396,812	13,922
Provision for bonus	60,000	-	12,000	-
	2,044,061	69,611	408,812	13,922
Deferred income tax liabilities				
Tangible and intangible assets	(48,319)	-	(9,664)	-
	(48,319)	-	(9,664)	-
Net deferred income tax assets (Note 35)			399,148	13,922

As of 31 December 2014 and 2013 the maturity distribution of the Company's deductible financial losses:

	31 December 2014	31 December 2013
2018	69,611	69,611
2019	1,914,450	-
Total	1,984,061	69,611

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21. Deferred Income Tax (Continued)

The movement of the deferred tax assets in the period is as follows:

	2014	2013
Opening balance - 1 January (*)	13,922	-
Deferred tax income (Note 35)	385,226	13,922
Closing balance - 31 December	399,148	13,922

(*) The Company was established on 31 December 2013.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax assets and liabilities are determined using tax rates and tax legislation that have been enacted at the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

22. Retirement Benefit Obligations

Under Turkish Labor Law, the Company is required to pay termination benefits to each employee who has completed one year of service and whose employment is terminated without due cause, is called up for military service, dies or who retires after completing 25 years of service (20 years for women) and achieves the retirement age (58 for women and 60 for men). After the legislative change on 23 May 2002 some transition process articles have been released related to service period before the retirement.

The amount payable consists of one month's salary limited to a maximum of TL 3,438.22 for each year of service at 31 December 2014 (31 December 2012: TL 3,254.44).

Provision for employment termination benefits is not funded as there is no legal funding requirement.

Provision for employment termination benefits has been calculated by estimating the present value of the future probable obligation of the Company arising from the retirement of the employees.

Since the Company does not have any employees have the right for employment termination benefits it does not have employment termination benefit obligations as of 31 December 2014 and 2013.

23. Provisions for Other Liabilities and Charges:

The details of the provisions classified under provisions for expense accruals on the balance sheet are as follows:

	31 December 2014	31 December 2013
Provision for Personnel Bonuses	60,000	-
Total	60,000	-

24. Net Insurance Premium Revenue

	1 January- 31 December 2014 (*)		Net
	Gross	Reinsurance Share	
Vessles liability	7,196,749	(6,539,817)	656,932
Total premium income	7,196,749	(6,539,817)	656,932

(*) The Company was established on 31 December 2013 and does not have written premium in 2013 .

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25. Fee Income

None (31 December 2013: None).

26. Investment Income

The detail of the investment income is given below:

	1 January - 31 December 2014	31 December 2013 (*)
Cash and cash equivalents		
-Interest income	389,804	-
Total	389,804	-

(*) The Company was established on 31 December 2013.

27. Net Realised Gains on Financial Assets

None (31 December 2013: None).

28. Net Fair Value Gains on Assets at Fair Value through Income

None (31 December 2013: None).

29. Insurance Benefits and Claims

Disclosed in Note 17.

30. Investment Contract Benefits

None (31 December 2013: None).

31. Other expenses

	1 January - 31 December 2014	31 December 2013 (*)
Operating expenses classified under technical part	2,593,469	69,430
Total (Note 32)	2,593,469	69,430

32. Expenses by Nature

	1 January - 31 December 2014	31 December 2013 (*)
Personnel expenses (Note 33)	1,640,381	47,152
Outsources benefits and services	347,286	-
Commision expenses	333,577	-
Rent expenses	221,366	18,438
Information technology expenses	186,739	48
Establishment and formation expenses	122,161	-
Transportation expenses	100,346	-
Office expenses	85,441	115
Advertising and marketing expenses	85,378	-
Travel expenses	65,903	-
Other	239,910	3,677
Reinsurance commission income	(835,019)	-
Total (Note 31)	2,593,469	69,430

(*) The Company was established on 31 December 2013.

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33. Employee Benefit Expense

	1 January - 31 December 2014	31 December 2013 (*)
Personnel salaries	1,443,963	47,152
Employer's share of SSI Premium	131,744	-
Other	64,674	-
Total (Note 32)	1,640,381	47,152

(*) The Company was established on 31 December 2013.

Total amount of the salaries and the benefits provided to top management such as the chairman and the members of the board of directors, general manager, general coordinator, assistant general managers and other executive management in the current period are disclosed in Note 1.6.

34. Financial Costs

34.1 Total financial expenses for the period:

34.1.1 Expenses related to production cost: None (31 December 2013: None).

34.1.2 Expenses related to fixed assets: None (31 December 2013: None).

34.1.3 Direct expenses: TL 999 (31 December 2013: None).

34.2 **Financial expenses related to shareholders, subsidiaries and associates (Any amount exceeding 20% of total will be disclosed separately):** None (1 January - 31 December 2013: None).

34.3 **Sales to/purchases from shareholders, subsidiaries and associates (Any amount exceeding 20% of total will be disclosed separately.):** Related party transactions and balances are disclosed in Note 45 in details.

34.4 **Interest, rent or other charges received from or paid to shareholders, subsidiaries and associates (Any amount exceeding 20% of total will be disclosed separately.):** Related party transactions and balances are disclosed in Note 45 in details.

35. Income Taxes

Tax income and expenses recognised in the statements of income for the periods ended 31 December 2014 and 2013 are summarised below:

	1 January - 31 December 2014	31 December 2013 (*)
Deferred tax income (Note 21)	385,226	13,922
Total tax income	385,226	13,922
	31 December 2014	31 December 2013
Prepaid taxes	58,746	-
Prepaid taxes	58,746	-
Deferred income tax assets (Note 21)	408,812	13,922
Deferred income tax liabilities (Note 21)	(9,664)	-
Deferred income tax assets, net (Note 21)	399,148	13,922

(*) The Company was established on 31 December 2013.

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35. Income Taxes (Continued)

The income tax reconciliation is as follows:

	1 January - 31 December 2014	31 December 2013 (*)
Loss before tax	(2,002,166)	(69,611)
Tax rate	%20	%20
Calculated Tax income	400,433	13,922
Effect of non-deductible expenses	(15,207)	-
Total tax income	385,226	13,922

(*) The Company was established on 31 December 2013.

36. Net Foreign Exchange Gains

	1 January - 31 December 2014	31 December 2013 (*)
Foreign currency gains	304,305	-
Foreign currency Losses	(299,351)	-
Total	4,954	-

(*) The Company was established on 31 December 2013.

37. Earnings per Share

Earnings per share is calculated by dividing net profit for the period into weighted average number of shares of the Company.

	1 January - 31 December 2014	31 December 2013 (*)
Net loss for the period (-)	(1,616,940)	(55,689)
Weighted average number of shares with nominal value of TL 1 per share	5,562,740	300,000
Loss per Share (-) (TL)	(0.2907)	(0.1856)

(*) The Company was established on 31 December 2013.

38. Dividends per Share

The company has no dividend distribution for the years ended 31 December 2014 and 2013.

39. **Cash Generated from Operations:** Disclosed in the statement of cash flows.

40. **Convertible Bonds:** None (31 December 2013: None)

41. **Redeemable Preference Shares:** None (31 December 2013: None)

42. **Contingencies:** None (31 December 2013: None)

43. Commitments

Total amount of mortgages or restrictions on assets:

	31 December 2014	31 December 2013
Bank deposits (Notes 2.12 and 14)	2,000,000	-
Total	2,000,000	-

As of 31 December 2014, time deposits amounting to TL 2,000,000 is blocked in favour of the Treasury (31 December 2013: None).

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44. Business Combinations

None (31 December 2013: None).

45. Related Party Transactions

The total amount of salaries and benefits provided for the top management of the Company such as Chairman and board members, general manager, general coordinator and assistant general managers during the current period is disclosed in note 1.6.

	31 December 2014	31 December 2013
a) Payables to shareholders		
Ziraat Sigorta A.Ş.	446	-
Omur Denizcilik A.Ş.	-	237,767
Total	446	237,767

	1 January - 31 December 2014	31 December 2013 ^(*)
b) Written premium		
Solar Gemi Kurtarma Hizmetleri A.Ş.	49,465	-
Total	49,465	-

(*) The Company was established on 31 December 2013.

45.1 Doubtful receivables from shareholders, associates and subsidiaries: None (31 December 2013: None).

45.2 Breakdown of associates and subsidiaries having an indirect shareholding and management relationship with the Company; names, participation rates and amounts of associates and subsidiaries; profit/loss and net profit/loss in the latest financial statements, the period of these financial statements, whether these financial statements are prepared in accordance with the accounting principles and standards as set out in the insurance legislation, whether they are independently audited and the opinion type of the independent audit report: None (31 December 2013: None).

45.3 Bonus shares obtained through internally funded capital increases of equity investments and subsidiaries: None (31 December 2013: None).

45.4 Rights on immovables and their value: None (31 December 2013: None).

45.5 Guarantees, commitments and securities given for shareholders, investments and subsidiaries: None (31 December 2013: None).

46. Events after the Balance Sheet Date:

- The employment termination benefit ceiling has been increased to TL 3,541.37 effective from 1 January 2015.
- The legal process regarding transferring the C group of shares of the Company that belong to Halk Sigorta A.Ş. to Türkiye Halk Bankası A.Ş. in accordance with the decision of the Board of Directors No: 1 on 6 January 2015, has been started (Note 2.13).

47. Other

47.1 Details of "Other" items in the balance sheet which exceed 20% of its respective account group or 5% of total assets:

a) Other miscellaneous receivables	31 December 2014	31 December 2013
Payables to suppliers	32,103	5,439
Total	32,103	5,439

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47. Other

47.1 Details of "Other" items in the balance sheet which exceed 20% of its respective account group or 5% of total assets (Continued):

b) Other expenses for the following months (short term)

	31 December 2014	31 December 2013
Insurance expense	23,713	-
Other	1,203	1,382
Total	24,916	1,382

c) Other expenses for the following years (Long term)

Rent expense	13,709	17,209
Other	2,225	-
Total	15,934	17,209

47.2 Due from and due to personnel classified in "Other receivables" and "Other short-term or long-term payables" that exceed 1% of total assets: None (31 December 2013: None).

47.3 Claim recovery receivables followed under off-balance sheet items: None (31 December 2013: None).

47.4 Income and expenses related to prior periods and the amounts and sources of expenses and losses: None (31 December 2013: None).

47.5 Other information required by Treasury to be presented

Provision (expenses) for the period:

	1 January - 31 December 2014	31 December 2013 (*)
<i>Provisions expenses (-):</i>		
Bonus provision expenses (-)	(60,000)	-
	(60,000)	-

(*) The Company was established on 31 December 2013.

**APPENDIX I - CONVENIENCE TRANSLATION OF
THE STATEMENT OF PROFIT DISTRIBUTION**

	Note	Current Period	Previous Period
I. DISTRIBUTION OF PROFIT FOR THE PERIOD			
1.1. PROFIT FOR THE PERIOD		-	-
1.2. TAXES PAYABLE AND LEGAL LIABILITIES			
1.2.1. Corporate Tax (Income Tax)		-	-
1.2.2. Income Tax Deduction		-	-
1.2.3. Other Taxes and Legal Liabilities		-	-
A NET PROFIT FOR THE PERIOD (1.1 - 1.2)		-	-
1.3. PREVIOUS YEARS' LOSSES (-)		-	-
1.4. FIRST LEGAL RESERVE		-	-
1.5. LEGAL FUNDS TO BE KEPT IN THE COMPANY (-)		-	-
B NET DISTRIBUTABLE PROFIT FOR THE PERIOD [(A - (1.3 + 1.4 + 1.5))]		-	-
1.6. FIRST DIVIDEND TO SHAREHOLDERS (-)		-	-
1.6.1. To common shareholders		-	-
1.6.2. To preferred shareholders		-	-
1.6.3. To owners of participating redeemed shares		-	-
1.6.4. To owners of profit-sharing securities		-	-
1.6.5. To owners of profit and loss sharing securities		-	-
1.7. DIVIDENDS TO PERSONNEL (-)		-	-
1.8. DIVIDENDS TO FOUNDERS (-)		-	-
1.9. DIVIDENDS TO THE BOARD OF DIRECTORS (-)		-	-
1.10. SECOND DIVIDENDS TO SHAREHOLDERS (-)		-	-
1.10.1. To common shareholders		-	-
1.10.2. To preferred shareholders		-	-
1.10.3. To owners of participating redeemed shares		-	-
1.10.4. To owners of profit-sharing securities		-	-
1.10.5. To owners of profit and loss sharing securities		-	-
1.11. SECOND LEGAL RESERVE (-)		-	-
1.12. STATUTORY RESERVES (-)		-	-
1.13. EXTRAORDINARY RESERVES		-	-
1.14. OTHER RESERVES		-	-
1.15. SPECIAL FUNDS		-	-
II. DISTRIBUTION FROM RESERVES			
2.1. DISTRIBUTED RESERVES		-	-
2.2. SECOND LEGAL RESERVE (-)		-	-
2.3. DIVIDENDS TO SHAREHOLDERS (-)		-	-
2.3.1. To common shareholders		-	-
2.3.2. To preferred shareholders		-	-
2.3.3. To owners of participating redeemed shares		-	-
2.3.4. To owners of profit-sharing securities		-	-
2.3.5. To owners of profit and loss sharing securities		-	-
2.4. DIVIDENDS TO PERSONNEL (-)		-	-
2.5. DIVIDENDS TO THE BOARD OF DIRECTORS (-)		-	-
III PROFIT PER SHARE			
3.1. TO COMMON SHAREHOLDERS		-	-
3.2. TO COMMON SHAREHOLDERS (%)		-	-
3.3. TO PREFERRED SHAREHOLDERS		-	-
3.4. TO PREFERRED SHAREHOLDERS (%)		-	-
IV. DIVIDENDS PER SHARE			
4.1. TO COMMON SHAREHOLDERS		-	-
4.2. TO COMMON SHAREHOLDERS (%)		-	-
4.3. TO PREFERRED SHAREHOLDERS		-	-
4.4. TO PREFERRED SHAREHOLDERS (%)		-	-

The only authorized body of the Company about profit distribution is General Assembly. Since there is no profit distribution for the years 2014 and 2013, the statements of profit distribution have not been prepared.

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