

## Country Analysis Report – 2013

Country	Premium Development	Claims Development	Underwriting Profitability	Business Outlook
<p><b>Turkey</b></p>	<p>For Engineering Insurance lines, total premium production has shown increase by 34.00% in TRY terms when compared to results of 2012 and reached to TRY 1.261.982.705 in 2013. With this premium production, Engineering Insurance lines have produced to 6.21% of the whole non-life premium production in 2013, while this share was 5.50% in 2012.</p> <p>Machinery Breakdown Insurance had the first rank with 42.61% of total premium production of engineering insurance lines in 2013. CAR line was producing 34.53% of the Engineering lines in 2013; CAR premium has reached to TRY 435,774,486 by 51.97% increases in 2013, while this figure was TRY 286.766.290 in 2012. The main reason for the growth in this line is increase in public investment with 40% compared to last year's figures.</p>	<p>For engineering lines, loss ratio has decreased to 58.10% from 72.98% in 2013. In the engineering insurance lines, total paid losses has decreased by 25.35% in TRY terms when compared to 2011 results and has reached TRY 598,466,211 in 2012.</p> <p>Similar as 2012, total paid and reserved losses in Machinery Breakdown line, took the first place in 2012 with amount of TRY 289,964,629 which consisted 56.58% of the whole paid losses engineering insurance lines. The Contractors All Risks Insurance, with TRY 109,890,470 paid losses and share of 21.43%, had second rank in 2013.</p>	<p>Technical Profit generated by the whole non-life insurance market is TRY 834,511,351.99 in 2013. For the engineering lines; technical profit has decreased to 5.48% from 8.63% in 2013.</p>	<p>In 2013, Turkish economy grew by 4%, and which means annual growth rate between 2003 and 2013 was 5%. Annual inflation in 2013 was realized as 7.50%. In 2013, unemployment rate was 9.7%. For Insurance Business, in 2013, total premiums in the Turkish insurance market rose by 22.72% year-on year. Turkey's insurance sector closed 2013 with a profit by 8.63%.</p> <p>For engineering lines, total premium production in the same period of 2014 has decreased to TRY 328,846,161 and that shows 25.30% decrease comparing the last year's same period. In the 1Q of 2012, this figure was TRY 219,856,325. Different from premium distribution of 1Q of 2013, MB line hit the first rank between the engineering lines, with total premium of TRY 160.058.529 as of 31.03.2014.</p>