20 October 2025

Türkiye Sigorta A.Ş. 2025 Q3 Financial Results

Türkiye's non-life insurance market leader Türkiye Sigorta A.Ş. (Türkiye Sigorta, TURSG) announced its 3rd quarter 2025 unaudited solo financial results.

Strong Technical Profitability and Sustained Growth Through Disinflation Phase

For the 4th consecutive quarter, TURSG has been the first company in the stock exchange to announce its financial results. And again, the Company exceeded the market consensus with **the highest ever 3rd quarter net profit – above inflation, highest ever quarterly result and it is achieved through disinflation phase.**

Taha Çakmak, General Manager of Türkiye Sigorta, shared the following assessments:

Contrary to prevailing market perception of the non-life insurance sector, TURSG keeps successfully combining sustainable organic growth with actuarial discipline and a proactive managed investment portfolio, supported by strategic executive maneuvers. Throughout the quarter, the Company also continued to lead many sector-defining initiatives and once again delivered record profitability in the 3rd quarter.

Regardless of market dynamics including disinflation phase, for the past 6 consecutive quarters we have consistently outperformed expectations across all key metrics – including premium growth, profitability, and combined ratio. At the same time, we have continued to advance numerous national and international initiatives that contribute to the development of our sector and the broader Turkish economy.

Our profitability is built on consistent, high-quality technical income and disciplined underwriting, not on temporary margin swings. **With a 55% ROAE, capital adequacy 191%, and a combined ratio below 100% for six consecutive quarters, Türkiye Sigorta continues to deliver superior returns and resilience on a much larger equity base.** While our year-on-year growth may appear more moderate due to last year's exceptional results, our earnings quality, scale, and sustainability justify a premium valuation within the sector.

Key highlights from Q3 and 9M2025:

1. Record 3rd quarter profit reinforced by our motto of sustainable profitability

- Türkiye Sigorta's 3Q25 solo net profit reached TL 5.0 billion, up 63% yoy, beating market expectations.
- 9M25 technical income showed a 41% year-over-year increase and combined ratio stood at 97.7%, even slightly better than 9M24 (97.9%) despite agricultural frost and discounting factor effects.
- Despite pressures from frost claims in Q1&Q2 and a lower discount rate environment in Q1&Q3, Türkiye Sigorta achieved TL 14.3 billion net income in 9M25, marking a 49% yoy increase.
- Our organically and efficiently growing scale with proactive initiative implementations reduced sensitivity to discount rate changes. P&L impact of the discount rate change from 2Q25 to 3Q25: reflected as a negative TL 421 million in total – TL 392 million (net) from provisional reserve and IBNR, and TL 29 million from the Unexpired Risk Reserve (URR).

2. Improved pricing predictability is set to unlock the Company's potential in the disinflation period

- Proactive measures and actuarial discipline continue to drive remarkable technical and operational results in Q3.
- Constructed mechanism to optimize risks-return amid dynamic economic conditions, increased exposure to held-to-maturity government bonds and maintained positions in high-rated corporate bonds to capture opportunities.
- Declining inflation level is expected to improve both visibility and growth projections, thus potential policy rate cuts are likely to boost credit activity, supporting credit-linked insurance business.

3. Sustaining Strong Market Leadership Position Through Continued Support for Sectoral Growth and Innovation

- By rebalancing the long-term loss-making Traffic (MTPL) line in our portfolio – and despite ranking 8th in that branch – our gap with the nearest competitor rose to TL 27 billion as of September 2025; our undisputed leadership in non-life sector strengthened with a 14.4% market share.

- Premiums up 45% year-over-year to TL 105 billion in the first nine months of 2025, exceeding 2024 full-year levels and outpacing inflation.

4. Robust Capital and Reinsurance Backbone Sustaining Disciplined, Profitable Growth

- Capital Adequacy Ratio 191% and ROAE being 55% reflects a solid foundation.
- Robust, long-term reinsurance program and disciplined underwriting kept sustaining growth across both non-motor and motor segments.
- Strong capital-reinsurance synergy enabled stable returns, stakeholder protection, and enduring market leadership.

5. Social Responsibility, Governance, Partnerships and Visibility

- Inclusive education in action: Opened special education classrooms in Elazığ with the **Tohum Autism Foundation**; CEO keynote at the **7th International Resilience Congress** underscored disaster-ready, informed communities.
- Broader insurance accessibility: Offered **10-installment plans for motor liability (MTPL)** and **12-installment options for MOD (Casco) and Health insurance**, making essential coverage more affordable for all segments of society.
- Strategic national platform presence: As a Strategic Partner to **Türkiye Innovation Week 2025**, earned the "Institutions Providing Strategic Support" award.
- Industry leadership & stakeholder outreach: High-level engagement at the **International Insurance Fair and the International Insurance Summit** (platinum supporter); led executive discussions on pricing, risk and automation.
- Customer access & health focus: Expanded affordability via installment campaigns and launched **Breast Cancer Awareness Month** benefits, including discounted women's critical-illness cover and mammography.
- International recognition & culture: Multiple wins at **Smart-i Awards**, **Brandon Hall Excellence Awards**, and **Stevie IBA**; named to **Best Workplaces in Financial Services & Insurance 2025**.
- Excellence in reporting & ESG: Multiple prizes at **LACP Vision Awards (1st best within companies from Türkiye)** and **International ARC Awards** distinctions for integrated/sustainability reports and TURSG remains the only rated insurance firm in Türkiye's insurance sector under **S&P Global ESG Rating and achieved an ESG score above global insurance firms average**.
- Investor value & fiscal contribution: Completed TL 2.0B **cash dividend distribution** (Aug 28, 2025) and ranked among **top corporate income taxpayers in Türkiye**.
- Social & national engagement: Donated 20,000 saplings for reforestation; broad sports sponsorship footprint **(Basketball Super League and Basketball National teams)** and celebration of **para-athlete international success**; presence at **IDEF'25** supporting national technology initiatives.
- Thought leadership: Published **PENSURA 2025** – Portrait of Risks, assessing sector outlook, growth drivers, and strategic indicators.
- Türkiye Sigorta is in several key indices, including **BIST Sustainability**, BIST Sustainability 25 Reserve List, MSCI EM, and FTSE EM Large Cap, while remaining the only non-life insurance firm in the **BIST Dividend 25** Index.

Operational and Financial Performance Snapshot

Premium growth: TL 105 billion in 9M25, up 45% yoy. Q3 alone saw 46% yoy growth
Segment highlights:
Health: TL 13.4 billion (+122% yoy)
Agriculture: TL 19.8 billion (+59% yoy)
Motor Own Damage (Casco): TL 12.2 billion (+50% yoy)
Fire & Natural Disasters: TL 26.1 billion (+32% yoy)
Technical profit: TL 17.7 billion in 9M25 (+41% yoy), led by Fire &Natural Disasters, Health and MOD segments
Investment performance: TL 76 billion AuM excluding arbitrage (+52% yoy), with a 42% yield
Combined ratio: 97.7%, reflecting solid underwriting performance despite frost and discounting factor effects
Distribution network: 26% agency, 42% bancassurance, 14% broker, 18% direct.

Strategic and Structural Developments

Technology & Digitalization: The AI-powered "Bilge" assistant evolved into an interactive digital service channel. Renewal of the corporate website and mobile application strengthened Türkiye Sigorta's digital presence, driving over 80% growth in organic web traffic and improving user experience across all platforms.

Operational Efficiency: The launch of the internal AI-Cube and Saha360 applications enhanced productivity and decision-making across the organization. HR evaluations were reduced from days to minutes, medical checks accelerated by 30%, and field operations were fully digitalized—enabling real-time planning, performance tracking, and data-driven insights. These initiatives further promoted transparency, collaboration, and sustainability through paperless processes.

Customer Experience: "Bilge" enabled customers to manage claims, policies, and transactions seamlessly. Türkiye Sigorta's innovation in AI, agile management, and data analytics was recognized with Stevie IBA, Brandon Hall Excellence, and Smart-i Awards, highlighting its leadership in digital transformation.

Investment and Macroeconomic Outlook

Our investment portfolio reached TL 76 billion (excluding arbitrage), increasing 52% year-over-year with a 42% yield. Total AuM size including repo transactions reached TL 92 billion as of September, 2025.

Asset allocation excluding arbitrage (as of 9M25):
Government Bonds: 35%
Private Sector Bonds: 16%
TL Deposits: 12%

Outlook

Türkiye Sigorta remains well-positioned to sustain its leadership with:
- A proven ability to adapt to macro and sectoral shifts
- Continued investments in digital infrastructure and product innovation
- Strong technical and investment performance
- A balanced and diversified distribution model

As insurance penetration in Türkiye remains relatively low at 1.8%, and with favorable demographics, the Company sees substantial long-term growth potential. With its strong fundamentals and dynamic execution, Türkiye Sigorta is committed to building on its momentum and creating enduring value for its stakeholders.

Note: 3Q25 Earnings webcast will be held today on October 20, 2025 at 5:00 p.m. Istanbul time.

You can easily access all financial information and announcements on our Investor Relations website using the links and the QR code below.

For presentation and press releases
Financial calendar