

TÜRKİYE SİGORTA A.Ş. | 1Q26 Earnings Release

20 April 2026 | İstanbul, Türkiye

RECORD FIRST QUARTER: A 9-POINT COMBINED RATIO IMPROVEMENT**Real growth and profitability in both USD and TL terms**

TL6.4 bn Net Income (+42% yoy), 8% Above Consensus // Combined Ratio 90% Best Print Since 2022 // 9th Consecutive Quarter Below 100%

KEY HIGHLIGHTS

- **Net Income:** TL6.4 bn (+42% yoy), USD148 mn (+18% yoy) – **8% above consensus** of TL5.9 bn
- **Technical Income:** TL6.9 bn (+30% yoy) – strong core insurance profitability
- **Technical Income (excluding investment income):** TL2.0 bn (+244% yoy), USD46 mn (+185% yoy)
- **Combined Ratio:** 90%, 9 points better yoy and **500 bps above consensus** (95%); best print since 2022 and the 9th consecutive quarter below 100%
- **Combined Ratio (excluding MTPL): 81%** – in line with best-in-class global non-life peers; sector COR at 111% (2025YE)
- **Gross Written Premium (GWP):** TL53.8 bn (+30% nominal, **+11% real above insurance CPI of 17%**, +8% in USD)
- **ROAE:** 48% in TL and 48% in USD terms
- **Market Share: 16% (#1)** in 1Q26, with TL11 bn 1Q26 lead over the #2 player – in line with the TL32 bn annual gap observed at 2025YE in real terms
- **AuM (excluding arbitrage):** TL80.5 bn (+33% yoy) / USD1.8 bn (+14% yoy); AuM yield 31%, broadly matching CPI as the easing cycle repriced TL instruments
- **Capital Adequacy Ratio: 216%** – nearly 80 points above the 135% dividend threshold
- **Equity:** TL57 bn (+71% yoy), USD1.3 bn (+46% yoy)
- **Dividend:** TL3 bn cash dividend, 100% bonus share; only insurance company in the **BIST 50 Index**

CEO MESSAGE

Commenting on the results, **Taha Çakmak, CEO**, stated:

"This quarter tells a simple story. Net income is up 42%, but the combined ratio – the number that decides whether an insurer is actually performing well in its core business – improved by nine full points to 90%, the best print we have delivered since 2022. We are delivering sustainable profitability not solely driven by investment income, but increasingly supported by our technical performance." – **Taha Çakmak, CEO**

Türkiye Sigorta entered 2026 with a clear thesis: deliver real growth above insurance inflation, convert that growth into technical income, increase its investment portfolio size, and increase insurance accessibility. 1Q26 validates the thesis. Gross written premium grew 30% nominally – 11 percentage points above insurance inflation of 17% – while the combined ratio fell nine points yoy. Technical income grew 30% and now accounts for the majority of the P&L walk, a structural improvement rather than a cyclical one.

Our 2026 strategic priority remains accessibility: making insurance available to broader segments of society in both motor and health, while sustaining technical discipline.

RECORD PROFITABILITY WITH A STRUCTURAL COMBINED RATIO IMPROVEMENT

Türkiye Sigorta delivered record profitability from core insurance operations in 1Q26. Technical income increased by 30% to TL6.9 bn, while net income increased 42% to TL6.4 bn, marking an all-time-high first quarter performance.

The combined ratio improved by 9 percentage points yoy to 90% – the best print since 2022. Compared to the sector average of 111% (as of 2025 year-end), Türkiye Sigorta’s 90% implies a structural advantage of 21 points. On an excluding-MTPL basis, the combined ratio stands at 81%, placing the Company on par with top-tier global non-life insurers.

This performance is underpinned by three key drivers: disciplined pricing, effective claims management, and operational efficiency. The loss ratio improved by 9 points to 67%, the commission ratio fixed at 11%, and the expense ratio was kept under control.

Technical income (excluding investment income) surged 244% to TL2.0 bn, representing the clearest indication of pure underwriting profitability.

ROAE stands at 48% in both TL and USD terms. The decline from 59% in 1Q25 is purely a mathematical outcome of the 71% expansion in the equity base, while profitability per unit of capital remains robust.

Financial Summary (bn)

Metric	TL			USD		
	1Q26	1Q25	yoy	1Q26	1Q25	yoy
Gross Written Premiums	53.8	41.4	+30%	1,234	1,145	+8%
Technical Income	6.9	5.3	+30%	158	147	+7%
Technical Income (excluding investment)	2.0	0.6	+244%	46	16	+185%
Net Income	6.4	4.5	+42%	148	125	+18%
AuM (excluding arbitrage)	80.5	60.4	+33%	1,813	1,592	+14%

Key Performance Ratios

Ratio	1Q26	1Q25	yoy
Combined Ratio	90%	99%	-900bps
Combined Ratio (excluding MTPL)	81%	80%	best-in-class
Loss Ratio	67%	76%	-900bps
Commission Ratio	11%	12%	-100bps
Expense Ratio	12%	11%	+100bps
ROAE	48%	59%	Robust in organic growth and disinflation environment
ROAA	15%	17%	Equity rebase
Capital Adequacy Ratio	216%	188%	+28pp
AuM Yield	31%	42%	Rate path
Market Share (#1)	16%	16%	+30bps

ROAE normalization from 59% to 48% reflects a 71% yoy equity base expansion – a mathematical consequence of retained earnings compounding, not a deterioration in per-unit-of-capital productivity. Technical income-to-equity ratios continue to improve.

DIVERSIFIED GROWTH ACROSS SEGMENTS

General Losses (including Agriculture): TL21.1 bn GWP (+68% yoy), technical income TL2.3 bn (+224% yoy). The dominant driver of the 1Q26 technical print. The segment benefited from a favorable base effect, as 1Q25 absorbed a once-in-a-decade frost event, with the cumulative combined ratio normalizing to 49%. Agriculture GWP reached TL18 bn, maintaining a 47% market share and #1 position.

Fire & Natural Disasters (F&ND): TL12.4 bn GWP (+21% yoy), technical income TL2.1 bn (+22% yoy). Combined ratio of 56% reflects disciplined pricing and the sector's highest fire capacity. #1 market position with 24% share. The Company continues to expand into Turkish interests abroad.

Motor Own Damage (MOD): TL5.3 bn GWP (+36% yoy), technical income TL1.8 bn (+17% yoy). Combined ratio of 86% reflects disciplined pricing and below-inflation motor product positioning consistent with the 2026 accessibility strategy, while maintaining market leadership.

Motor Third Party Liabilities (MTPL): TL3.8 bn GWP (+16% yoy), technical loss narrowed to –TL816 mn from –TL1.6 bn. Combined ratio improved to 128% from 169%, a TL800 mn reduction in technical losses yoy. The Company maintained its disciplined position in MTPL – capital allocation rather than volume-for-volume-sake, ranking ninth in the sector.

Accident and Other Non-motor: TL5.6 bn combined GWP (+16% yoy), technical income TL1.4 bn. #1 market position across non-motor segments.

Health Insurance: TL5.7 bn GWP (–14% yoy), technical income TL171 mn (–89% yoy). The decline reflects three convergent factors: (i) insurance inflation in health fell sharply from 49% in 1Q25 to 17% in 1Q26, mechanically compressing nominal premium growth; (ii) a high 1Q25 base tied to the timing of large individual-health contract renewals; and (iii) the natural lag between 2026 pricing adjustments and their earn-out into the technical margin. Agency-driven health production grew 59% yoy, confirming that the underlying retail health strategy is on track. Ranking fifth in the sector.

Segment Performance Summary

Segment	GWP (TL bn)	Growth (yoy)	Combined Ratio	Market Position
General Losses (including agriculture)	21.1	+68%	49%	#1
Fire & Natural Disasters	12.4	+21%	56%	#1
Motor Own Damage	5.3	+36%	86%	#1
MTPL	3.8	+16%	128%	#9
Accident + Other Non-motor	5.6	+16%	64%	#1
Health	5.7	-14%	109%	#5
Total	53.8	+30%	90%	#1

INVESTMENT PERFORMANCE & TREASURY

AuM (excluding arbitrage) reached TL80.5 bn, up 33% yoy. AuM yield moderated from 42% to 31% - moving in line with the CBRT policy rate path (45% → 37%) and disinflation (CPI 38% → 31%). Real yield remained broadly preserved, as the decline in nominal yields was aligned with lower inflation.

On a yoy basis, the portfolio saw a clear repositioning from FX deposits into TL government securities. The weight of TL government bonds increased from 18% to 41%. The new portfolio composition has been maintained since March 2026, positioning the Company appropriately for the current monetary environment.

CAPITAL, DIVIDEND, AND BIST 50

Capital Adequacy Ratio stands at **216%**, comfortably above both the 135% dividend-distribution threshold and the 115% legal minimum. Equity reached TL57 bn (+71% yoy) / USD1.3 bn (+46% yoy).

A **cash dividend of TL3 bn** will be paid in **August 2026**, consistent with our established practice of shareholder returns alongside growth. Türkiye Sigorta remains the **only insurance company included in the BIST 50 Index**, reflecting both the scale and the liquidity profile of the share.

Since 2020, cumulative cash dividends by the Company have exceeded **USD180 mn**. At the 2025 General Assembly, a bonus capital increase (**from TL10 bn to TL20 bn**) was approved and is currently pending regulatory approval.

2026 STRATEGIC PRIORITIES

Türkiye's insurance market remains materially under-penetrated versus OECD peers. Every percentage point of penetration represents a substantial premium opportunity, and Türkiye Sigorta is structurally positioned to capture it.

The 2026 strategy is built on five core pillars: sector leadership, real growth, increased penetration, systematic innovation, and financial, social, environmental and governance sustainability. These pillars are supported by four key operational priorities:

- 1. Accessibility:** Expanding insurance coverage to broader segments of society, particularly in motor and health, while maintaining technical discipline.
- 2. Technical profitability:** Converting real growth above insurance inflation into sustainable technical income.
- 3. Portfolio growth:** Continuing effective management of a dynamically steered and compounding investment portfolio.
- 4. Digital transformation:** Enhancing customer experience while improving operational efficiency.

EARNINGS WEBCAST & CAPITAL MARKETS DAY

1Q26 Earnings Webcast

Date: 20 April 2026 (Today)

Time: 19:00 Istanbul Time (GMT+3)

Speakers: IR Head; Chief Investment Officer

Link: [Türkiye Sigorta \(TURSG\) 1Q26 Financial Results Webcast](#)

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