Company’s name: MIR Joint Stock Insurance Company
Type of business: General insurance
Registration date: 11.04.1992
Business address: 7,Goloseevskaya Street, Kyiv, Ukraine, 03039,
Web address: http://www.avs-mir.com
E-mail: info@avs-mir.com
Tel.: +38 (044) 594-94-01
Fax: +38 (044) 251-46-05

Expert-Rating Rating Agency
Web address: http://expertra.com
Researcher: Vitaliy Shapran, ph.D., Chief financial analyst, Deputy Director
e-mail: vshapran@expert-rating.com

Table

Key indicators of MIR Insurance Company (UAH thousand)*

Indicators	2007	2006	2005	2004	2003	Changes 2003–2007, %
assets	70259.2	31105.1	14182	13986.7	11542.9	508.68
Equity capital	58610	29463.7	13245.8	13245.8	8114.7	622.27
Equity capital and assets ratio,%	83.42	94.72	93.40	94.70	70.30	-
Statuary fund	50050	25050	10050	10050	10050	398.01
Gross premiums	50365.3	50463.4	16177.6	7234.8	2321.5	2069.52
Share of reinsurance companies in gross premiums , %	55.33	92.07	79.76	0.09	-	-
Loss ratio, %	3.54	1.95	2.05	5.85	4.01	-
ROE, %	7.02	3.40	7.45	14.64	5.77	-
Net income (loss)	4116.3	1002.9	986.4	1938.8	468.3	778.99

a+ grade stability rating in Expert-Rating Rating Agency scale means high level of stability, with a positive forecast

Research results allow making following basic conclusions:

1.MIR JSIC is one of the oldest insurance companies in Ukraine. National aviation university, Chumak JSC, Ideks and Rud’ liability limited companies, Department of veterinary medicine for Agricultural Policy Ministry of Ukraine are among its clients. Expert-Rating estimates Mir company’s market share to be less than 1%.Company’s share in freight and baggage insurance market in the judgment of the RA accounts for about 3%.

2. MIR JSIC is basically specialized in freight and baggage insurance. By results of its performance in 2007 the 56.3% of all premiums were collected from this type of insurance. The level of clients diversification too can be characterized as satisfactory, 79% of collected premiums were collected from the five biggest clients.

3. MIR JSIC pursues a weighed policy of assets management, thus 99% of assets are placed in banks with high level of liability according to pi-ratings by Expert-rating. The Ra does not consider all volume of profitable assets to be quick assets, however cash assets and their equivalents cover Company’s liabilities with adequate supplies.

4. Company’s reinsurance portfolio contains a bare amount of rated reinsurers. This problem is a common feature of the home insurance market where just 10 companies out of those 400 registered in Ukraine are rated. RA acknowledges the complexity of the reinsurance covering quality rating assessment process in Ukraine

5. Company’s base is good for further increase in equity capital at the expense of both capitalization of earnings and external sources. Over a period of analyses Company two times increased the statuary fund two fold thus demonstrating the shareholders’ capabilities. RA positively estimates Company’s ability to attract the external investors. Company has a Code of corporate governing, an experience in cooperation with minor shareholders. Its equity capital efficiency (ROE) is within the range of requirement.

6. Hereafter Company can figure on improvement of the rating grade in case of solution of the problem of both clients and products diversification, increase of share of quick assets in profitable assets and improvement of the reinsurance portfolio at the expense of increase of the share of reinsurers rated either by international rating agencies or Expert-Rating RA.