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PRESS RELEASE

RA Expert Rating reinstates the rating of JSC KINTO at the level uaAA.amc

On June, 15th, 2011, RA 'Expert Rating' has confirmed infrastructure stability rating of Asset Management Company Private Joint-Stock Company 'KINTO' (USREOU code 16461855) following the results of 2010 at the level **uaAA.amc** (very high stability level). Confirming the rating, the Agency was guided by the results of work of Joint-Stock Company KINTO in Q1 2011.

Table 1

Key performance indicators of PJSC 'KINTO'

Indicators	Q1 2011	Q1 2010	Q1 2009	Change, UAH th, p.p.	Growth rate, %
Total net assets under AMC management, UAH th.	533 141	555714,36	369016,44	-22 574	-4,06%
Growth rate of net assets under AMC management for 12 months	2 437	112527,42	-39714,54	-	-
Public funds net assets, UAH th.	475 841	486478,86	303076,06	-10 638	-2,19%
Share of public funds in the net assets under AMC management	89,25%	87,54%	82,13%	1,71 p.p.	-
Net value of NPF assets under AMC management, UAH th.	25 074	21145,17	9814,07	3 929	18,58%
Share of pension funds in the net assets under AMC management	4,70%	3,81%	2,66%	0,90 p.p.	-
Number of funds under management (pc)	21	16	15	-	-
Shareholders equity, UAH th.	81 848	92224	104429	-10 376	-11,25%
Shareholders equity/net assets under AMC management	15,35%	16,60%	28,30%	-1,25 p.p.	-
Authorized capital, UAH th.	66 660	66660	66000	0	0,00%
Proceeds, UAH th.	3 153	3395,0	3258,0	-242	-7,13%
Net profit (loss), UAH th.	-1593	-3043,0	-2851,0	1 450	-
ROS (Net profit / Proceeds)	-	-	-	-	-
Рентабельность собственного капитала, %	-1,95%	-3,30%	-2,73%	1,35 p.p.	-

Source: Company data, calculations by 'Expert Rating'

In the Q1 2011 the Company KINTO was affected by the following tendencies:

1. The volume of net assets under control of AMC KINTO dropped from UAH 555,7m as of the beginning of Q 2 2010 to 533,14 m UAH at the start of Q2 2011. Rate of decrease in net assets under management has made 4,06 %, and in public funds - 2,19 %. The drop of net assets value was of market nature, the number of public funds under AMC management grew. If as of 01.04.2010 there were 16 funds under KINTO management, already on 01.04.2011 this number become 21. Thus, by Agency estimate, AMC effectively resisted the market tendencies by increasing the range of funds available to investors. Such strategy should affect well the market share of the Company in the market of public funds at renewed growth in stock market.

2. Share of NPFs gradually grew in the structure of net assets under control of KINTO. As of 01.04.2011 the share of NPF in the net assets of KINTO funds made 4,7 %, 12 months ago - 3,81 %. On 01.04.2011 net assets of NPF under control of KINTO has reached UAH 25 m, growth rate in 12 months was 18,58 %. The Agency positively estimates the operations of KINTO in the market of NPFs. Here the Company performs long-term strategy aimed on expansion of its presence in this market on the eve of eventual Pension reform.

3. The Q1 2011 again was unprofitable for KINTO. Company loss was UAH 1,593 m, that is almost twice as less, than for the same period of 2010. KINTO continued unprofitable work for the

third year in row, in the Q1 2011 the loss ratio reduced almost in 2 times. According to the Agency, the unprofitable work of AMC did not bear in itself threats for stability of work of the Company due to insignificant size of losses. KINTO still was overcapitalized as of Q2 beginning: on 01.04.2011 the own capital of the Company made UAH 81,8 m.

4. Following Q1 results among 16 KINTO funds monitored by RA Expert Rating only 3 funds have shown negative profitableness, and at three other funds the annual equivalent of profitableness essentially exceeded bank deposit rates: CIF 'Synergy 5' (+28,95 %), UIF 'KINTO-SUMMER' (+30,32 %), UIF 'KINTO-AUTUMN' (+37,56 %). Profitableness of funds for 12 months from 01.04.2010 to 01.04.2011 looked not too attractive, on the average the funds have shown + 4,35 % per annum. According to Agency, such state of affairs was quite corresponding to the dynamics of key benchmarks.

Table 2

**Data about profitableness of public funds of JSC KINTO
following Q1 2011 results (annual interest)**

Fund	01.01.2011 – 01.04.2011	01.04.2010 – 01.04.2011	Net assets value as of 01.04.2011, UAH.
'Classical' open-end diversified unit investment fund	7,50%	-5,25%	43 207 138,71
'KINTO-Equity' open-end diversified unit investment fund:	12,87%	-15,40%	12 317 451,97
Narodny' ('Peoples') interval diversified unit investment fund:	13,15%	4,32%	23 506 640,85
'Dostatok' ('Welfare') interval diversified unit investment fund:	11,13%	-8,88%	17 207 862,32
'Synergy-7' closed end non-diversified corporative investment fund:	9,78%	0,25%	12 482 606,50
'Synergy-5' closed end non-diversified corporative investment fund:	28,95%	-2,55%	59 882 764,54
'Synergy-4' closed end non-diversified corporative investment fund:	5,51%	-8,01%	144 152 319,29
'Synergy-3' closed end non-diversified corporative investment fund:	-9,44%	-9,12%	102 307 460,14
'KINTO-Spring' closed end non-diversified unit investment fund	12,75%	9,40%	1 350 440,71
'KINTO-Summer' closed end non-diversified unit investment fund	30,32%	n/a	1 555 390,08
'KINTO-Autumn' closed end non-diversified unit investment fund	37,56%	n/a	1 354 847,04
'KINTO-Winter' closed end non-diversified unit investment fund	5,54%	n/a	1 253 730,78
Ukrainian stock index closed end non-diversified unit investment fund	n/a	n/a	5 058 592,80
'Synergy Real Estate' closed end non-diversified corporative investment fund:	-4,10%	-3,34%	24 791 412,82
'Synergy Bond' closed end non-diversified corporative investment fund:	-53,85%	-17,44%	337 890,54
'Social standard' open end pension fund:	13,23%	3,78%	25 074 430,22
Total:	8,06%	-4,35%	475 840 979,31

Source: Company data, calculations by 'Expert Rating'

Analytical service of RA Expert rating