Україна, 04073, м. Київ, пров.
Куренівський, 15, офіс 29
тел.: +38 (044) 227-60-74
general@expert-rating.com
www.expert-rating.com

RATING AGENCY EXPERT RATING

Office. 29, 15 Kurenivs'kyi Ln.,
Kyiv, 04073, Ukraine
Tel.: +38 (044) 227-60-74
general@expert-rating.com
www.expert-rating.com

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(Translation from Russian)

The rating of Private JSC UJSIC «ASKA» is confirmed at the level uaAA

November 19, 2012 at the meeting of the rating committee of RA «Expert-Rating» it was decided to confirm the rating of **UJSIC «ASKA»** at the level **uaAA** according to the national scale. Confirming the rating, the Agency was guided by the analysis results of the Company's activity in the 9 months of 2012.

Table

Key performance indicators of UJSIC «ASKA», th. UAH, %, p.p.

Indicators	9 months of 2012 (01.10.2012)	9 months of 2011 (01.10.2011)	Change	Growth rate, %
Total assets, th. UAH	400 585	389 805	10 780	2,77%
Shareholders' equity, th. UAH	268 552	285 156	-16 604	-5,82%
Gross liabilities, th. UAH	132 033	104 649	27 384	26,17%
Shareholders' equity/Liabilities ratio (the capital adequacy ratio), %	203,40%	272,49%	-69,09 p.p.	-
Cash and cash equivalents, th. UAH	92 676	93 340	-664	-0,71%
Cash and cash equivalents/ Liabilities ratio, %	70,19%	89,19%	-19 p.p.	-
Total gross premiums, th. UAH	535 519,5	266 994,0	268 525,5	100,57%
Proportion of insurance premiums, belonged to the reinsurers, th. UAH	332 978,8	99 152,9	233 825,9	235,82%
Insurance premiums, belonged to the reinsurers/Gross premiums ratio, %	62,18%	37,14%	25,04 p.p.	-
Insurance indemnities and reimbursements, th. UAH	136 374,5	94 719,6	41 654,9	43,98%
Insurance indemnities/Gross premiums ratio for the period, %	25,47%	35,48%	-10,01 p.p.	-
Financial result from operating activities, th. UAH	-4 034,0	-15 804,1	-	-
ROS, %	-0,75%	-5,92%	-	-
Net profit (loss), th. UAH	-16 160,0	-19 802,9	-	-
ROE, %	-6,02%	-6,94%	-	-

Source: data of UJSIC «ASKA», calculations by RA «Expert-Rating»

Key conclusions on the analysis of the Company's work in the 9 months of 2012:

1. Assets of the insurance company ASKA have amounted to UAH 400,585 mln on 01.10.2012 that is by 2,77% more, than the same indicator of 2011. In the period from 01.10.2011 to 01.10.2012 the shareholders' equity has decreased by 5,82% and thus, has amounted to UAH 268,552 mln as of the reporting date of the third quarter. Liabilities of the insurer have increased by 26,17% in the same period, having amounted to UAH 132,033 mln on 01.10.2012. Despite the growth of gross liabilities the Company remains overcapitalized, as indicated by the ratio of shareholders' equity to liabilities of the insurer, which has amounted to 203,4% on 01.10.2012.

2. In the period from 01.10.2011 to 01.10.2012 the cash at the Company's accounts has decreased only by 0,71% and has amounted to UAH 92,676 mln at the beginning of the fourth quarter. Resulting from the faster growth rates of liabilities over liquid assets that, first of all, is related to the formation of insurance reserves in a growing portfolio, the liquidity ratio has amounted

to 70,19% on 01.10.2012 that is by 19 p.p. lower than the indicator on 01.10.2011. This liquidity level is in the range of values, acceptable for the insurers, which specialize in general insurance.

3. IC ASKA has managed to collect UAH 535,52 mln of gross premiums in the three quarters of current year that exceeds more than in twice the indicator of the 9 months of 2011. Besides, the proportion of reinsurers in gross premiums of the Company has considerably increased from UAH 99,153 mln up to UAH 332,979 mln, or by 235,82%. Insurance indemnities have amounted to UAH 136,375 mln in the 9 months of 2012 that is by 43,98% more than insurance indemnities of the same period of 2011.

4. The financial result from operating activities of the insurer has amounted to UAH -4,034 mln in the three quarters of 2012 that is by 74,47% less, than the unprofitable result of the same period of 2011. Net loss of the Company has also decreased from UAH 19,803 mln down to UAH 16,16 mln. At the same time, UJSIC ASKA has returned to the profitable activity in the second quarter of 2012.

Therefore, an acceptable level of liquidity against the background of an excess capitalization, a significant increase in gross business, a return to the profitable activity in the second quarter of 2012 have positively affected the credit rating of UJSIC ASKA.

Analytical service of RA «Expert-Rating»