

29.08.2016

Rating of IC «BROKBUSINESS» is updated at the level uaAA-

August 29, 2016 at the meeting of the Rating committee of RA “Expert-Rating” it was decided to update the financial stability rating of the insurer Private JSC “Insurance company “BROKBUSINESS” (20344871) at the level **uaAA-** according to the national scale. Confirming the rating at such level, the Agency was guided by the results of the Company’s activity for the first half of 2016.

1. Assets of IC “BROKBUSINESS” in the period from 30.06.2015 to 30.06.2016 have increased by UAH 4,31 mln up to UAH 248,87 mln. Despite a reduction of shareholders’ equity and the growth of liabilities, the Company maintains a good reserve of equity: the Insurer’s capitalization on 30.06.2016 has amounted to 191,79%.

2. The balance of cash at the Company’s accounts as of 30.06.2016 has reduced by 13,55% with respect to 30.06.2015 and has amounted to UAH 80,12 mln. The growth of liabilities against the background of the decrease in the balance of cash at the Company’s accounts has decreased the Insurer’s liquidity by 24,81 p.p. down to 86,88% - according to the Agency’s estimations, it is a high level of liquidity.

Table

Key performance indicators of PrJSC «IC «BROKBUSINESS» (th. UAH, p.p., %)

Indicators	I half of 2016 (30.06.2016)	I half of 2015 (30.06.2015)	Change	Growth rate, %
Total assets, th. UAH	248 873,0	244 560,0	4 313,0	1,76%
Shareholders' equity, th. UAH	156 650,0	161 579,0	-4 929,0	-3,05%
Gross liabilities, th. UAH	92 223,0	82 981,0	9 242,0	11,14%
Shareholders' equity/Liabilities ratio, %	169,86%	194,72%	-24,86p.p.	-
Cash and cash equivalents, th. UAH	80 120,0	92 678,0	-12 558,0	-13,55%
Cash and cash equivalents/ Liabilities ratio, %	86,88%	111,69%	-24,81p.p.	-
Total gross premiums, th. UAH	64 315,0	61 092,7	3 222,3	5,27%
Proportion of insurance premiums, belonged to the reinsurers, th. UAH	7 184,7	6 354,1	830,6	13,07%
Insurance premiums, belonged to the reinsurers/Gross premiums ratio, %	11,17%	10,40%	0,77p.p.	-
Insurance indemnities and reimbursements, th. UAH	24 271,7	17 267,6	7 004,1	40,56%
Insurance indemnities/Gross premiums ratio for the period, %	37,74%	28,26%	9,47p.p.	-
Financial result from operating activities, th. UAH	4 151,9	11 402,0	-7 251,9	-63,60%
ROS, %	6,45%	18,66%	-12,21p.p.	-
Net profit (loss), th. UAH	4 278,0	9 557,0	-5 279,0	-55,24%
ROE, %	2,73%	5,91%	-3,18p.p.	-

Source: data of Private JSC “IC “BROKBUSINESS”, calculations by RA «Expert-Rating»

3. For the first half of this year the Company has collected UAH 64,32 mln of insurance premiums that is by UAH 3,22 mln more than for the same period of 2015. Part of insurance premiums belonged to the reinsurers, has grown by 13,07% and has amounted to UAH 7,19 mln or 11,17% of gross premiums. Insurance indemnities and reimbursements have grown by 40,56% and have amounted to UAH 24,27 mln. As a result, the indemnities’ level of the Insurer has increased by 9,47 p.p. up to 37,74%.

4. The financial result from operating activity of the Insurer according to the results of the first half of 2016 has amounted to UAH 4,15 mln, and net profit – UAH 4,28 mln. The Company’s activity remains profitable that deserves a positive assessment.

Analysis of statements and work results of IC “BROKBUSINESS” for the first half of 2016 has shown the growth of business activity indicators, the availability of equity reserve and a positive financial result. The totality of these factors allows the Agency to confirm the financial stability rating of IC “BROKBUSINESS” at the level **uaAA-** according to the national scale.

Analytical service of RA «Expert-Rating»