

21.12.2011

PRESS-RELEASE

(Translation from Russian)

RA «Expert-Rating» confirms the rating of JSC «KINTO» at the level uaAA.amc according to the 9 months of 2011

December 21, 2011 RA «Expert-Rating» confirms the infrastructural rating of Private JSC AMC «KINTO» at the level **uaAA.amc** (a very high level of reliability).

Table 1

Key performance indicators of JSC «KINTO»

Indicators	9 months of 2011 (01.10.2011)	9 months of 2010 (01.10.2010)	Change, th. UAH, p.p.	Growth rate, %
Total net assets under AMC management, th. UAH	416786,51	499228,81	-82442,30	-16,51%
Change of net assets under AMC management for a quarter, th. UAH	-48635,40	-5053,73	-43581,67	-862,36%
Net assets of public funds, th. UAH	358619,00	435053,24	-76434,24	-17,57%
Share of public funds in net assets under AMC management	86,04%	87,15%	-1,11 p.p.	-
Net value of NPF assets under AMC management, th. UAH	21619,11	21725,30	-106,19	-0,49%
Share of pension funds in net assets under AMC management	5,19%	4,35%	+0,84 p.p.	-
Number of funds under management including NPF	21	19	+2	-
Shareholders' equity, th. UAH	80288,00	88415,00	-8127	-9,19%
Shareholders' equity/ Net assets under AMC management ratio	19,26%	17,71%	+1,55 p.p.	-
Authorized capital, th. UAH	66660,00	66660,00	-	-
Proceeds, th. UAH	23054,00	13096,00	+9958,00	+76,02%
Net profit (loss), th. UAH	-3154,00	-6852,00	+3698,00	53,97%
ROE, %	-3,93	-7,75	+3,82 p.p.	-

Source: Data of the Company, calculations by RA «Expert-Rating»

When confirming the rating of the Company at the high level, the Agency was guided by the following conclusions:

1. Net assets under AMC «KINTO» management have decreased by 16,51% for the 9 months of 2011 in comparison to the same period of 2010 and have constituted UAH 416786,51 th. At the same time net assets of the company's public funds have declined by 17,57% and their share in net assets under AMC management has reduced by 1,11 p.p. This net assets decrease has resulted from the unfavorable situation in the domestic stock market: quotes of the companies are falling, transaction volumes are decreasing, investor interest in trading in the stock market is falling. In its turn, index PFTS has dropped by 43%, while index UX – by 41,3%. But AMC «KINTO» has managed to prevent a significant reduction in its assets under management, partially by increasing the number of funds under management of the Company (see Table 1)

2. Net value of NPF assets under AMC management has constituted UAH 21619 th. according to the results of the 9 months of 2011 that is less only by 0,49% than in the same period of 2010. Share of pension funds in net assets under the Company management has increased by 0,84 p.p. and has constituted 5,19%. AMC «KINTO» continues steadily increase the share of pension funds in its assets although at small rates. The Company is one of the first companies, which started to offer non-state pension funds at the Ukrainian market. In 2011 the non-state pension fund 'Social standard' turned 7 years. The number of participants in this fund exceeded 5300 persons, while the average annual yield constituted 13,8% since the beginning of the fund activity taking into account the crisis period.

3. Shareholders' equity of JSC «KINTO» has constituted UAH 80288 th. on 01.10.2011 that is by 9,19% less than on 01.10.2010. Shareholders' equity has increased by UAH 1218 th. for the Q3 of 2011 that has resulted in the decrease of loss by 28% in the same period. It also should be noted that the loss has reduced by 53,97% for the 9 months of 2011 in comparison to the 9 months of 2010 and has constituted UAH 3154 th. The Company makes the efforts in order to recover profitable activity. Proceeds of the asset management company have constituted UAH 23054 th. according to the 9 months of 2011 that is by 76,02% more than for the same period of

last year. The Company explains that the rise in proceeds is caused by the increase in securities sales from the portfolio of AMC "KINTO".

4. The average loss of public funds in JSC "KINTO" has constituted 31,99% for the 9 months of 2011. Most of all the prices have fallen on the securities of such funds as "Synergy-3" (by 49,21%), "KINTO-Equity" (by 48,87%) and "Synergy-7" (by 47,59%) that is comparable with a reduction of key Ukrainian stock indices. Funds of "KINTO" have shown the average yield of 13,24% for the period from 01.01.2010 to 01.10.2010. There are 10 of 11 funds, which have demonstrated a positive yield level. The loss of funds has been caused by the unfavorable conjuncture of the Ukrainian stock market according to the 9 months of 2011 (see Table 2).

Table 2

Data on the profitability of JSC "KINTO" public funds following the results of the 9 months (annual yield)

Fund	01.01.2011 –01.10.2011	01.01.2010 – 01.10.2010	Net asset value as of 01.10.2011, UAH
'Classical' open-end diversified mutual fund	-28,30%	+22,06%	30 757 710,96
'KINTO-Equity' open-end diversified mutual fund	-48,87%	+8,19%	6 574 701,63
'Narodny' interval diversified mutual fund	-24,91%	+24,57%	15 515 350,75
'Dostatok' interval diversified mutual fund	-10,01%	+1,11%	15 465 510,07
'Synergy-7' closed-end non-diversified corporative investment fund	-47,59%	+24,08%	7 524 423,33
'Synergy-5' closed-end non-diversified corporative investment fund	-22,07%	+13,44%	46 673 770,15
'Synergy-4' closed-end non-diversified corporative investment fund	-40,28%	+7,09%	96 743 542,57
'Synergy-3' closed-end non-diversified corporative investment fund	-49,21%	+18,49%	63 167 204,77
'KINTO-Spring' closed-end non-diversified mutual fund	-37,13%	-	830 807,33
'KINTO-Summer' closed-end non-diversified mutual fund	-29,87%	-	923 905,47
'KINTO-Autumn' closed-end non-diversified mutual fund	-41,56%	-	837 986,83
'KINTO-Winter' closed-end non-diversified mutual fund	-44,23%	-	799 389,20
'UX index' closed-end non-diversified mutual fund	-	-	2 349 255,42
'Synergy Real Estate' closed-end non-diversified corporative investment fund	-6,15%	-0,77%	23 886 794,74
'Synergy Bond' closed-end non-diversified corporative investment fund	-29,53%	+8,73%	314 697,35
'Social standard' open-end pension fund	-20,09%	+18,67	21 619 115,85
Total:	-31,99%	13,24%	333 984 166,42

Source: Data of the Company, calculations by RA «Expert-Rating»

Analytical department of RA «Expert-Rating»