

20/03/2013

Press-release (Translation from Russian)

The rating of JSC AMC «KINTO» is updated

March 20, 2013 at the meeting of the rating committee of RA «Expert-Rating» it was decided to confirm the infrastructural rating of JSC AMC «KINTO» (16461855) at the level **uaAA.amc** according to the national scale. Confirming the rating of the Company at a high level, the Agency was based on the analysis results of the activity of AMC «KINTO» according to the results of 2012.

Table 1

Key performance indicators of JSC «KINTO» according to the results of 2012 (th. UAH, %, p.p.)

Indicators	2012r. (01.01.2013)	2011r. (01.01.2012)	Change, th. UAH, p.p.	Growth rate, %
Total net assets under AMC management, th. UAH	239017	389793	-150776	-38,68%
Change of net assets under AMC management, th. UAH	-150776	-140910	-9866	7,00%
Net assets of public funds, th. UAH	181458	331781	-150323	-45,31%
Proportion of public funds in net assets under AMC management	75,92%	85,12%	-9,20 p.p.	-
Net value of NPF assets under AMC management, th. UAH	19507	22080	-2573	-11,65%
Proportion of pension funds in the net assets under AMC management	8,16%	5,66%	2,50 p.p.	-
Number of funds under management including NPF	18	21	-3	-
Shareholders equity, th. UAH	69437	76239	-6802	-8,92%
Shareholders equity/net assets under AMC management ratio	29,05%	19,56%	9,49 p.p.	-
Authorized capital, th. UAH	66660	66660	-	-
Revenues, th. UAH	6305	27161	-20856	-76,79%
Net profit (loss), th. UAH	-6769	-7202	433	-6,01%
ROE, %	-9,75%	-9,45%	-0,30 p.p.	-

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

1. As of 01.01.2013 net assets under AMC management have amounted to UAH 239,02 mln that is by 38,68% less than the same indicator on 01.01.2012. At the same time it should be taken into consideration that the quantity of funds under the company management has decreased by 3 funds in the period from 01.01.2012 to 01.01.2013. Net assets of public funds in the period from 01.01.2012 to 01.01.2013 have decreased by UAH 150,32 mln (by 45,31%). Absence of the increase in net assets of the Company has resulted from the prolonged downward trend of the investors' interests to the Ukrainian stock market. The Agency reminds that stock indices UX and PFTS have demonstrated the fall of 35,63% and 39,87%, respectively, in 2012.

2. Net asset value of NPFs has amounted to UAH 19,5 mln on 01.01.2013 that is by 11,65% lower than the same indicator as of 01.01.2012. The proportion of pension funds in AMC net assets has grown by 2,5 p.p. up to 8,16% in the analyzed period. The Agency positively estimates the increase in the proportion of NPFs in assets under AMC management, as NPFs usually have a more stable dynamics of assets that positively affects the business of AMC.

3. The Company has managed to improve the ratio of shareholders' equity to net assets under AMC management by 9,5 p.p. Revenues have amounted to UAH 6,3 mln in 2012. The Company's loss has decreased by 6% and has amounted to UAH 6,77 mln.

4. In 2012 the Company has launched Fund «KINTO-Kaznacheskiy». NSMSC has recognized the fund as compliance with the requirements on the minimal volume of assets. The Agency appreciates the opening of new fund and considers that the launch of fund, which is aimed at protecting investments of investors from economic disasters, is a timely reaction of AMC to the conditions of the Ukrainian stock market and world economics.

Table 2

**Data on the profitability of JSC «KINTO» public funds
according to the results of 2012 (UAH, %)**

Fund	01.01.2012 – 01.01.2013	01.01.2011 – 01.01.2012	Net asset value as of 01.01.2013, UAH
'Classical' open-end diversified mutual fund	-3,09%	-22,75%	24 201 831,46
'KINTO-Equity' open-end diversified mutual fund	-13,17%	-41,02%	4 316 149,43
'Narodny' interval diversified mutual fund	-12,78%	-23,77%	9 515 424,19
'Dostatok' interval diversified mutual fund	0,61%	-9,56%	15 214 246,06
'Synergy-7' closed-end non-diversified corporative investment fund	-38,12%	-40,72%	4 475 057,71
'Synergy-5' closed-end non-diversified corporative investment fund	-35,99%	-24,55%	19 672 340,66
'Synergy-4' closed-end non-diversified corporative investment fund	-35,61%	-38,50%	41 110 274,92
'KINTO-Spring' closed-end non-diversified mutual fund	-25,70%	-37,96%	622 457,36
'KINTO-Summer' closed-end non-diversified mutual fund	-22,72%	-44,02%	652 366,05
'KINTO-Autumn' closed-end non-diversified mutual fund	-23,34%	-32,54%	647 752,52
'KINTO-Winter' closed-end non-diversified mutual fund	-21,73%	-34,45%	634 758,04
'UX index' closed-end non-diversified mutual fund	-35,94%	Beginning of activity	2 454 285,14
'Synergy Real Estate' closed-end non-diversified corporative investment fund	-7,57%	-5,47%	21 887 435,30
'Synergy Club' closed-end non-diversified corporative investment fund	-43,44%	-23,25%	15 147 242,06
'Social standard' open-end pension fund	-10,05%	-15,33%	19 479 984,08
'KINTO-Kaznacheskiy' open-end diversified mutual fund	Beginning of activity	-	1 426 155,66
Total:	-21,91%	-28,14%	181 457 760,64

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

5. The average loss ratio of the Company's public funds has amounted to 21,91% that is by 6,23 p.p. less than the loss ratio of 2011. Stock indices UX and PFTS have demonstrated the fall of 35,63% and 39,87%, respectively, in 2012. When comparing the profitability of key Ukrainian stock indices with public funds of AMC «KINTO», one may conclude that two third of public funds under the Company's management have worked more effectively than stock indices.

Therefore, AMC «KINTO» has reduced the unprofitability in 2012, at least 2/3 of funds under the company management have shown profitability/unprofitability better than stock indices, the company has continued to expand the variety of funds under management including the changes in conditions of the national markets.

Analytical service of RA «Expert-Rating»