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PRESS-RELEASE

(Translation from Russian)

RA «Expert-Rating» has confirmed the financial stability rating of the insurer PJSC «IC «MIR» at the level uaAA-

May 4, 2012 the rating committee of RA «Expert-Rating» has decided to confirm the stability rating of the insurer PJSC «IC «MIR» at the level **uaAA-** according to the national scale. Confirming the insurer's rating, the Agency was guided by the results of the company's activity in the Q1 of 2012.

Table

Key performance indicators of PJSC «IC «MIR»

Indicators	I quarter of 2012 (31.03.2012)	I quarter of 2011 (31.03.2011)	Change	Growth rate, %
Total assets, th. UAH	98125,7	101391,6	-3265,9	-3,22%
Shareholders' equity, th. UAH	85780	68787,8	16992,2	24,70%
Total liabilities, th. UAH	12345,7	32603,8	-20258,1	-62,13%
Shareholders' equity/Total liabilities ratio, %	694,82%	210,98%	483,84 p.p.	-
Cash and cash equivalents, th. UAH	8747,7	7125,2	1622,5	22,77%
Cash and cash equivalents/Total liabilities ratio, %	70,86%	21,85%	49,00 p.p.	-
Gross premiums, th. UAH	5229,5	5480,6	-251,1	-4,58%
Reinsurers' proportion in gross premiums, th. UAH	13,2	1078,6	-1065,4	-98,78%
Reinsurers' proportion in gross premiums/Gross premiums ratio, %	0,25%	19,68%	-19,43 p.p.	-
Insurance indemnities and reimbursements, th. UAH	288	747,7	-459,7	-61,48%
Insurance indemnities and reimbursements/Gross premiums ratio for the period, %	5,51%	13,64%	-8,14 p.p.	-
Financial result from operating activities, th. UAH	7262,4	3812,5	3449,9	90,49%
ROS, %	138,87%	69,56%	69,31 p.p.	-
Net profit (loss), th. UAH	2535,4	3634,6	-1099,2	-30,24%
ROE, %	2,96%	5,28%	-2,33 p.p.	-

Source: Data of PJSC «Insurance company «MIR», calculations by RA «Expert-Rating»

1. On 31.03.2012 assets of IC «MIR» have amounted to UAH 98,126 mln that is just by 3,22% less than on the same date of 2011. Shareholders' equity has equaled to UAH 85,78 mln at the end of the Q1 of 2012, thus having increased by 24,7% in comparison with 31.03.2011. At the same time, the company's liabilities have decreased from UAH 32,604 mln (on 31.03.2011) down to UAH 12,346 mln (on 31.03.2012), or by 62,13%. Therefore, the shareholders' equity/liabilities ratio has amounted to 694,82% that indicates the redundant capitalization of the insurer.

2. Cash on the company's accounts has amounted to UAH 8,748 mln on 31.03.2012 that is by 22,77% more, than on 31.03.2011. Due to the decrease in liabilities and the growth of cash, the liquidity of IC «MIR» has significantly increased, namely from 21,85% up to 70,86%, or by 49 p.p. As a result, the insurer's liquidity is at the good level for covering its liabilities and very close to the market averages.

3. IC «MIR» has collected UAH 5,23 mln of gross premiums for the Q1 of 2012. Reinsurers proportion in gross premiums of the company has decreased down to 0,25% in the Q1 of 2012. Gross

premiums of the insurer have decreased by 4,6% in the Q1 of 2012, a decrease rate of premiums is considered by the Agency as non-significant. At the same time, insurance indemnities have amounted to UAH 288 th. in the Q1 of 2012 that is by 61,48% less than the same indicator for the first quarter of 2011. The reduction in insurance indemnities has positively affected the financial result of the company's activity.

4. The financial result of operating activities has amounted to UAH 7,262 mln following the results of the insurer's activity in the Q1 of 2012 that is almost in twice more, than the same indicator in the Q1 of 2011. ROS of IC «MIR» has amounted to 138,87% that indicates a rather effective sales policy of the company. Insurance company has finished the first quarter of current year with net profit of UAH 2,535 mln. Due to the increase in the expenses of the insurer, net profit has decreased by 30,24% in the Q1 of 2012 in comparison with the Q1 of 2011. As a result, ROE has decreased by 2,33 p.p. and, therefore, this indicator has amounted to 2,96%.

As a whole, performance indicators of PJSC «IC «MIR» in the Q1 of 2012 show a good level of solvency and the company's financial stability.

Analytical service of RA «Expert-Rating»