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

24.02.2011

RATING CONCLUSION

(Translation from Russian)

Private JSC IC «Status» has been assigned the financial stability rating of the insurer at the level uaA

February 24, 2012 the Rating committee RA «Expert-Rating» has made a decision about assigning the financial stability rating of Private JSC IC «Status» at the level **uaA** according to the national scale. The rating at the level **uaA** means that the insurance company is characterized by a high financial stability in comparison with other Ukrainian insurers. The rating has been assigned following the analysis of the insurer's reporting for the 2011.

Table

Key performance indicators of Private JSC IC «Status» for the 2010-2011, th. UAH

Indicators	2011 (31.12.2011)	2010 (31.12.2010)	Change	Growth rate, %
Total assets, th. UAH	128993,8	76309,6	52684,2	69,04%
Shareholders' equity, th. UAH	90771,9	63180,4	27591,5	43,67%
Gross liabilities, th. UAH	38221,9	13129,2	25092,7	191,12%
Shareholders' equity/Liabilities ratio, %	237,49%	481,22%	-243,73 п.п.	-
Cash and cash equivalents, th. UAH	29068,1	12751,8	16316,3	127,95%
Cash and cash equivalents/ Liabilities ratio, %	76,05%	97,13%	-21,07 п.п.	-
Total gross premiums, th. UAH	**93371,3**	**54041,3**	**39330**	**72,78%**
Proportion of insurance premiums, belonged to the reinsurers, th. UAH	14457,3	33541,4	-19084,1	-56,90%
Insurance premiums, belonged to the reinsurers/Gross premiums ratio, %	15,48%	62,07%	-46,58 п.п.	-
Insurance indemnities and reimbursements, th. UAH	10728,8	6761,7	3967,1	58,67%
Insurance indemnities/Gross premiums ratio for the period, %	11,49%	12,51%	-1,02 п.п.	-
Financial result from operating activities, th. UAH	26290,9	1297,2	24993,7	1926,74%
ROS, %	28,16%	2,40%	25,76 п.п.	-
Net profit (loss), th. UAH	**27591,5**	**1908,1**	**25683,4**	**1346,02%**
ROE, %	30,40%	3,02%	27,38 п.п.	-

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

The rating has been impacted by the following factors:

1. IC «Status» refers to the category of dynamic and rapidly developing companies, the nominal proportion of the insurer in the Ukrainian market is about 1%, the Company's real proportion is estimated by the Agency in about 2%. Gross premiums of the insurer have grown by 73% for the 2011, this indicator is one of the highest indicators among the Ukrainian insurers. Despite a difficult economic situation, the Company confidently increases its market share and remains profitable.

2. IC «Status» has finished the 2011 year with net profit of UAH 27,6 mln., having demonstrated its ROE of 30,4%. The Company has also demonstrated the high ROS, it has exceeded 28% following the results of 2011, the same indicator of 2010 amounted to 2,4%. In the Agency's opinion, the rise in gross premiums of the insurer has been provided due to the intensification of sales and the quality improvement of offered insurance products.

3. In the opinion of analytical department of RA «Expert-Rating», IC «Status» has been provided by the shareholders' equity in surplus. Thus, on 31.12.2011 the shareholders' equity of the insurer has amounted to UAH 90,77 mln., but the Company's liabilities have constituted only UAH 38,22 mln. The most liquid assets have covered the Company's liabilities by 76% that, as a whole, corresponds to the average of the

system. At the beginning of 2012 cash and cash equivalents of IC «Status» have amounted to UAH 29 mln., its volume has grown by 128% for the 2011. According to the analytical department of RA «Expert-Rating», IC «Status» has a sufficient liquidity in order to perform its commitments to the insurants and lenders.

4. The analysis of the insurer's reporting upstream from the regulator of the insurance market has shown that IC «Status» maintains a rather high quality of its assets, while respecting the norms of the Ukrainian legislation and placing its technical reserves only in banks with rating of investment level, the Company also conducts its own assessment of the banks' reliability that certainly reduced the insurer's losses during the banking crisis. The policy of the company's assets management is identified by RA «Expert-Rating» as conservative, directed to maintaining the business stability and the insurer's resistance, but not to receiving a high investment or interest income.

Analytical service of RA «Expert-Rating»