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

09.04.2012

PRESS-RELEASE

(Translation from Russian)

RA «Expert-Rating» improves the rating of JSC AMC PFA «UkrSib Asset Management» up to the level uaAA+.amc

RA «Expert-Rating» improves the infrastructural rating of the asset management company JSC AMC PFA «UkrSib Asset Management» up to the level uaAA+.amc (a very high level of reliability).

Table 1

Key performance indicators of JSC AMC PFA «UkrSib Asset Management» for the 2011

Indicators	2011 (31.12.2011)	2010 (31.12.2010)	Change for 2010-2011	Growth rate of 2010-2011, %
Total net assets under AMC management, th. UAH	647 301	633 539	13 762	2,17
Including net assets of NPF under AMC management, th. UAH	1 455	0	1 455	-
Rate of change in net assets under AMC management for the Q4, th. UAH	47 512	-2 770	50 283	-
Net assets of public funds, th. UAH	88 599	111 014	-22 415*	-20,19
Number of funds under management (pcs)	12	11	1	9,09
Including a number of NPF under management (pcs)	1	0	1	-
Shareholders' equity, th. UAH	50 505	59 452	-8 947	-15,04
Authorized fund, th. UAH	50 000	50 000	0	0
Proceeds, th. UAH	3 101	2 936	165	5,6
Administrative expenses, th. UAH	6 106	4 850	1 256	20,89
Net profit (loss), th. UAH	437,4**	5 087	-4 649	-91,40
ROE, %	0,866**	8,556	-7,69 p.p.	-

Source: data of the Company, calculations by RA «Expert-Rating»
Note:
* — in 2011 one of the market funds «UkrSib Strategic investments» has been closed, which has repaid UAH 23 247 th. to its investors
**— excluding the impact of the turnover for the group BNP Paribas in Ukraine

When improving the infrastructural rating, the Agency was guided by the results of the AMC activity in 2011:

1. After expiration of Closed-End Non-diversified Corporate Investment Fund «UkrSib Strategic investments» the buyout of fund's shares from shareholders has been successfully carried out. The fund has implemented the balanced management strategy, placing assets in the most liquid stocks and bonds. Even in times of crisis «UkrSib Strategic investments» has kept a positive yield and has shown one of the best results in the securities market. The stock price has almost doubled over the entire period of the fund's operation since March 28, 2006 to March 27, 2011. The increase in assets value has exceeded 90% that allowed the investors to nearly double its capital.

2. In 2011 net assets under AMC management have increased by 2,17% and have amounted to UAH 647301 th. One of the most dynamic funds has remained JSC «Closed Non-diversified Corporate Investment Fund «Acceleration». Net assets value of CNCIF «Acceleration» has increased up to UAH 5,9 mln at the end of 2011. In the Q4 of 2011 net assets under AMC management have grown by UAH 47512 th., this trend has been contrary to the general market trend. AMC has offered a new mutual open-end diversified fund "UkrSib A-Vista" in April of 2011, thus the Company has made one more step towards the increase in the proportion of public funds having proposed to the investors an open fund with mixed strategy of investing. The value growth of assets under management of JSC AMC PFA «UkrSib Asset Management» has taken place in 2011 due to expanding the list of offered funds to investors as well as due to improving the efficiency of sales policy of AMC.

3. At the end of 2011 PJSC "ArcelorMittal Krivoy Rog" and JSC AMC PFA «UkrSib Asset Management» have become the partners in the field of private pension coverage. The non-governmental pension fund has appeared in management of JSC AMC PFA «UkrSib Asset Management», established for the employees of PJSC "ArcelorMittal Krivoy Rog". The Agency positively estimates the impact of this agreement on the AMC business, because the appearance of NPF of such large and significant counterparties as PJSC "ArcelorMittal Krivoy Rog" will certainly have a positive impact on the formation of long-term liabilities base of AMC funds. As of the beginning of 2012 net assets of NPF of PJSC "ArcelorMittal Krivoy Rog" have already amounted to UAH 1455 th. The number of engaged in the production of PJSC "ArcelorMittal Krivoy Rog" has amounted to nearly 36000 people.

4. The international group BNP Paribas, which structure includes JSC AMC PFA «UkrSib Asset Management» has shown ambiguous results of activity for the 2011. The debt crisis in Eurozone has revealed in the balance sheet

performance indicators of BNP Paribas by a slightly decrease in assets (down to EUR 1,965 trillion) and in liabilities (down to EUR 1,879 trillion), as well as by a sharp 100% increase in the group's liquidity against the background of strengthening the capital base (see table 2).

Table 2

Performance indicators of BNP Paribas Group in 2010-2011

Indicators	2011 (31.12.2011)	2010 (31.12.2010)	Change for 2010-2011 гг.	Growth rate of 2010-2011, %
Total assets, mln EUR	1 965 283	1 998 158	-32 875	-1,65%
Total liabilities, mln EUR	1 879 657	1 912 529	-32 872	-1,72%
Cash and cash equivalents on accounts at the end of the period, mln EUR	50 329	25 015	25 314	+101,2%
Shareholders' equity, mln EUR	75 370	74 632	738	+1%
Assets under the Group's management, bn EUR	842	901	-59	-6,5%

Source: data of BNP Paribas Group, calculations by RA «Expert-Rating»

Volumes of business in terms of the group BNP Paribas have also slightly decreased. Thus, assets under the Group's management in 2011 have decreased down to EUR 842 bn or by 6,5%. As noted by the Company, the key reason for a decrease in assets under management is the fall of stock markets in the 2 Half of 2011. According to the Group, the outflow of assets under trust management has been observed in the countries of Continental Europe, Asian-Pacific and Middle East, the group on the contrary has noted the increase in assets under management.

5. On April 3, 2012 the National Commission for Regulation of Financial Services Markets, carrying out the state regulation in the field of financial services market, has issued to JSC AMC PFA «UkrSib Asset Management» the license, providing the right of administrating the non-governmental pension funds. This license has become the first one, issued by the regulator after its transformation. In the Agency's opinion, the regulator has confirmed by its decision the conformity of JSC AMC PFA «UkrSib Asset Management» to the requirements of legislation to the administrator of pension funds.

6. According to the results of 2011, the yield of the most of AMC funds has been negative that is obvious under conditions of the steady fall of the Ukrainian stock market and key stock indices. CNCIF «Acceleration» and MNIF "UkrSib Stable investments" have managed to keep a positive yield at 6,19% and 6,09% respectively.

Table 3

Data on the profitableness of «market» funds under management of JSC AMC PFA «UkrSib Asset Management», on net assets value following the results of 2011

Fund's name	Yield since opening moment, %	Yield for the 2011, %	Yield for the 2010, %	Net assets value, th. UAH as of 31.12.2011
JSC «Closed Non-diversified Corporate Investment Fund «Acceleration»	3,00	6,19	6,83	5 942
JSC «Closed Non-diversified Corporate Investment Fund «UkrSib Index»	-13,20	-43,09	26,30	685
JSC «Closed Non-diversified Corporate Investment Fund «UkrSib Dynamic Income»	-12,62	-54,45	4,25	717
JSC «Closed Non-diversified Corporate Investment Fund «UkrSib Stable Income 2»	7,29	-9,18	15,29	18 006
JSC «Closed Non-diversified Corporate Investment Fund «UkrSib Real Estate Fund»	6,13	-3,41	7,99	11 218
Mutual Open-end Diversified Investment Fund UkrSib A-Vista	-6,98	-6,98	-	1 977
Mutual Closed-end Non-Diversified Investment Fund "UkrSib Stable investments"	6,09	6,09	-	50 052
The average:	-1,47	-14,9757	12,132	12 657

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

Therefore, the main motives for improving the rating of JSC «UkrSib Asset Management» have become:

- emergence of a new NPF for systematic client, which can make a positive impact on improving the liabilities base of funds under AMC management;
- stable position of BNP Paribas Group, whose activities still have a scale character, the group has reacted to the debt crisis in Eurozone with the growth of liquidity and strengthening of capital base;
- despite the decrease of key stock indices in Ukraine for the 2011, the activity of JSC AMC PFA «UkrSib Asset Management» without the influence of the group has remained profitable, while the average loss ratio of the group of AMC public funds has been in several times lower, than the rates of decline in key stock indices PFTS and UX.

Analytical service of RA «Expert-Rating»