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**PRESS-RELEASE**  
(Translation from Russian)

**The rating of Private JSC «Ukrainian transport insurance company» is updated**

September 17, 2012 RA «Standard-Rating» (Ukraine) has decided to update the financial stability rating of the insurer/ the credit rating of Private JSC «Ukrainian transport insurance company» at the level **uaA** (stable outlook). The insurer with rating **uaA** is characterized by a high financial stability/ solvency in comparison with other Ukrainian insurers. The stability level is susceptible to adverse commercial, financial and economic conditions. When updating the rating, the Agency has taken into account the results of the insurer's activity in the I half of 2012.

*Table*

**Key performance indicators of Private JSC «Ukrainian transport insurance company»  
(22945712) in the I half of 2012, th. UAH, %, p.p.**

#	Indicators	I half of 2012 (30.06.2012)	I half of 2011 (30.06.2011)	Change	Growth rate, %
<b>1</b>	<b>Total gross premiums, including</b>	<b>31516,8</b>	<b>18069,8</b>	<b>13447</b>	<b>74,42%</b>
2	from insurants-individuals	4023,3	1539,2	2484,1	161,39%
3	from reinsurers	620,8	2996,1	-2375,3	-79,28%
4	Proportion of individuals in gross premiums	12,77%	8,52%	4,25 p.p.	-
5	Proportion of reinsurers in gross premiums	1,97%	16,58%	-14,61 p.p.	-
6	Insurance payments sent to reinsurers	3678	4659	-981	-21,06%
7	Coefficient of dependence on the reinsurers	11,67%	25,78%	-14,11 p.p.	-
8	Net premiums	27838,8	13410,8	14428	107,58%
9	Premium earned	24854,7	13905,6	10949,1	78,74%
10	Financial result from operating activities	3337,3	1909,5	1427,8	74,77%
11	ROS	10,59%	10,57%	0,02 p.p.	-
<b>12</b>	<b>Insurance indemnities and compensations</b>	<b>7208,8</b>	<b>4792,7</b>	<b>2416,1</b>	<b>50,41%</b>
<b>13</b>	<b>The ratio of indemnities to gross premiums</b>	<b>22,87%</b>	<b>26,52%</b>	<b>-3,65 p.p.</b>	<b>-</b>
14	Shareholders' equity	161828,2	157143,4	4684,8	2,98%
15	Liabilities	57370,2	37208,3	20161,9	54,19%
<b>16</b>	<b>Shareholders' equity/Liabilities ratio</b>	<b>282,08%</b>	<b>422,33%</b>	<b>-140,3 p.p.</b>	<b>-</b>
17	Liquid assets	54349	41492	12857	30,99%
<b>18</b>	<b>Liquid assets/Liabilities ratio</b>	<b>94,73%</b>	<b>111,51%</b>	<b>-16,8 p.p.</b>	<b>-</b>
<b>19</b>	<b>Net profit</b>	<b>1446,6</b>	<b>210,4</b>	<b>1236,2</b>	<b>587,55%</b>
20	ROE	0,89%	0,13%	0,76 p.p.	-

1. In the I half of 2012 the gross business of Private JSC «Ukrainian transport insurance company» has increased by 74,42% up to UAH 31,516 mln, while the net premiums have grown by 107,58% in the same period, and the earned insurance premiums – by 78,74%. The Company has demonstrated the growth of gross business at the level higher than the average market rates. The latter has meant that the insurer increases its proportion in the market of classical insurance in Ukraine.

2. The growth of indemnities may has been observed against the background of a significant increase in business volumes of the insurer. Thus, the indemnities have increased by 50,41% up to UAH 7,209 mln in the I half of 2012. However, due to the growth rate of gross business has considerably been higher than the growth rate of the insurer's indemnities, the level of payments has decreased by 3,65 p.p. As a result, in the I half of 2012 it has been possible to establish the fact of profitability growth of the company's operations: the financial result from operating activities has grown by 74,77%, net profit has grown in 6,86 times, and ROE has increased by 0,76 p.p.

3. There has been the growth of liabilities due to the growth of business volume. Thus, liabilities have grown by 54% in the period from 30.06.2011 to 30.06.2012. At the same time, the ratio of shareholders' equity to liabilities has decreased by 140,3 p.p. from 422,33% down to 282,08%. Despite such a significant decrease, Private JSC «Ukrainian transport insurance company» has remained excessively overcapitalized. That is why the Agency estimates the decrease of capitalization level as the increase in the efficiency use of shareholders' equity by the insurer.

4. Liquid assets of the insurer have grown from UAH 41,492 mln up to UAH 54,349 mln, i.e. by 31% in the period from 30.06.2011 to 30.06.2012. But due to the liabilities have grown faster than the liquid assets, the ratio of liquid assets to liabilities has decreased by 16,8 p.p. from 111,51% down to 94,73%. Even despite a significant decrease in liquidity level, this indicator has remained by approximately 19 p.p. higher, than in the average on the insurers involved into the segment of classical insurance.

5. In August of 2012, it was announced about the change in the shareholders structure of the insurer. Ukrainian citizen Vlasov Igor has concentrated 97,3% of the insurer's shares. The Agency identifies the change of the shareholders structure as equal and which doesn't significantly impact the level of external support of the insurer. In the beginning of September Grigoryuk Andrey has been appointed to the Chairman of the Board according to the decision of the Supervisory Board of the Company. The Supervisory Board has dismissed Khimenyuk Natalya, former the Chairman of the Board, as agreed by the parties from September 5, 2012. Grigoryuk Andrey has work experience of more than 12 years in the financial market. During his career he occupied key positions in the insurance companies. He has worked in the State Commission for Regulation of Financial Services Markets of Ukraine during from 2004 till 2005.

Therefore, the change of shareholders and management in the Company has occurred against the background of the growth of gross business, the slight correction of liquidity and capitalization, which has enabled to maintain the rating of the insurer at a high level.

*RA «Standard-Rating» (Ukraine)*