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09/13/2012

PRESS-RELEASE

(Translation from Russian)

The rating of the insurance company «MIR» has been improved

September 13 the rating committee of RA «Standard-Rating» has decided to improve the credit rating/ the financial stability rating of Private JSC «Insurance company «Mir» at the level **uaAA-** according to the national scale. The insurer with rating **uaAA-** is characterized by a high financial stability, compared to other Ukrainian insurers. The stability level is susceptible to adverse commercial, financial and economic conditions. The rating of Private JSC «Insurance company «Mir» (IC «Mir») has been updated, basing on the results analysis of the Company's activity in the I half of 2012 (see table).

Table

**Key indicators of Private JSC «Insurance company «Mir»
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, %
1	Total gross premiums, including	13382,6	11601,9	1780,7	15,35%
2	from insurants-individuals	2038	1933,9	104,1	5,38%
3	from reinsurers	964,2	972,2	-8	-0,82%
4	Proportion of individuals in gross premiums	15,23%	16,67%	-1,44 p.p.	-
5	Proportion of reinsurers in gross premiums	7,20%	8,38%	-1,17 p.p.	-
6	Insurance payments sent to reinsurers	84,1	1319,8	-1235,7	-93,63%
7	Coefficient of dependence on the reinsurers	0,63%	11,38%	-10,75 p.p.	-
8	Net premiums	13298,5	10282,1	3016,4	29,34%
9	Premium earned	16746,2	11196,9	5549,3	49,56%
10	Financial result from operating activity	15018,8	7080,6	7938,2	112,11%
11	ROS	112,23%	61,03%	51,20 p.p.	-
12	Insurance indemnities and compensations	749,5	1293,5	-544	-42,06%
13	Insurance indemnities/Gross premiums ratio	5,60%	11,15%	-5,55 p.p.	-
14	Shareholders' equity	93329,8	71864,4	21465,4	29,87%
15	Liabilities	11643,4	32711,8	-21068,4	-64,41%
16	Shareholders' equity/Liabilities ratio	801,57%	219,69%	581,9 p.p.	-
17	Liquid assets	9504,5	4271,4	5233,1	122,51%
18	Liquid assets/Liabilities ratio	81,63%	13,06%	68,57 p.p.	-
19	Net profit	10085,1	6713,3	3371,8	50,23%
20	ROE	10,81%	9,34%	1,46 p.p.	-

1. During the first 6 months of 2012 IC «Mir» has increased gross premiums by 15,35%, net premiums of the insurer have grown by 29,34%, earned premiums – by 49,56%. The Company has clearly demonstrated the growth of real business that has impacted on the financial result of the insurer. Thus, during the first 6 months of 2012 the financial result from operating activity has grown by 112,11%, ROS has increased by 51,2 p.p. and net profit – by 50,23%.

2. The increase in the insurer's profit has been largely provided by the increase in gross business against the background of the decrease in indemnities. Thus, in the I half of 2012 IC «Mir» has paid UAH 749,5 th. That is by 42,06% less than in the same period of 2011. As a result, the level of payments has decreased by 5,55 p.p. down to 5,6% that is also significantly lower, than the average on the market in the segment of classical insurance. The Company has managed to achieve this trend due to the predominance of clients-legal entities in the portfolio. Corporate segment has been more profitable for the insurers, and in the absence of major risks implementation the indemnities have automatically decreased that has resulted in the growth of the company's profit.

3. The profitability growth of the insurer's operations in the I half has positively impacted on the Company's indicators of liquidity and solvency. Thus, in the period from 30.06.2011 to 30.06.2012 liquid assets of the company have grown by 122,51% up to UAH 9,504 mln. The ratio of liquid assets to liabilities has grown by 68,57 p.p. up to 81,63% that is significantly higher than the average indicator on the companies of the classical insurance segment. The ratio of shareholders' equity to liabilities has grown by 581,9 p.p. As of 30.06.2012 the shareholders' equity of IC «Mir» has exceeded the company's liabilities in 8 times.

Therefore, during the first two quarters IC «Mir» has managed to increase its business, to improve its profitability, liquidity and solvency that considerably guarantees the company's performing its commitments to the insurants and lenders in future.

RA «Standard-Rating» (Ukraine)