

December 2, 2010

Rating confirmation for JSC IC 'BUSIN' (Kiev)

On December, 2nd, 2010 the Rating Agency 'Expert-rating' has confirmed stability rating of the insurance company JSC IC BUSIN (USREO code 19492371) at the level **uaAA** on national scale. Rating **uaAA** means very high probability of that the company will resist under the influence of adverse factors in the future.

Table

Key performance indicators of JSC IC BUSIN in 9 months of 2007-2010

Indicators	9 months period				Growth rate 2009-2010	Growth rate 2007-2010
	2010	2009	2008	2007		
Assets, th. UAH	79947,4	76266,7	50239,5	46143,8	4,83%	73,26%
Shareholders equity, th. UAH	45702,9	30887,8	35859,0	41694,1	47,96%	9,61%
Shareholders equity /Assets, %	57,16%	40,50%	71,37%	90,36%	-	-
Authorized capital, th.UAH	24400,0	24400,0	24400,0	10125,0	0,00%	140,99%
Gross premium, th. UAH	57949,9	66465,6	40191,9	28937,8	-12,81%	100,26%
Reinsurer's share in gross premium, %	21,18%	22,67%	63,76%	83,42%	-	-
Total indemnities, th. UAH	2130,9	9161,6	1224,6	2251,1	-76,74%	-5,34%
Loss ratio, %	3,67%	13,78%	3,05%	7,78%	-	-
ROE, %	37,59%	11,63%	22,18%	4,09%	-	-
Net income (loss), th. UAH	17180,9	3593,8	7954,0	1703,4	378,07%	908,62%

Source: Company data, RA Expert Rating calculations.

Following 9 months of the year 2010 the following tendencies in Company development can be outlined:

1. Company assets grew by 4,8 %, equity by 48 %. The equity grew much faster than assets because of net profit capitalisation. For 9 months of 2010 net profit of the Company has made UAH 17,18 m. It is an absolute record for the entire history of Company observation by the Agency since 2007. Low level of indemnities and good investment income allowed the Company to obtain good profits that ensured ROE at the rate of 37,6 % following the 9 months. Due to high profitability equity/assets ratio has grown from 40,5 % to 57,16 %. The agency establishes the fact that JSC IC has been recovering redundant capitalisation.

2. Gross premiums of the Company dropped to 12,8 %. For the 9 months of 2010 the Company has collected almost UAH 58 m. of gross premiums, that is in 2 times more than for the same period of 2007, and by 45% more than for the same period of 2008. Against profit and capital adequacy growth decrease in total volume of business by 12,8 % can be considered as unessential factor. As of 10/1/2010 the company accounts accumulated UAH 28,6 m. at liabilities of UAH 34,2 m. Thus, money resources covered Company liabilities by 84 %. Such level of liquidity can be considered as redundant.

Growing capital adequacy, high liquidity level and essential volume of profit indicate that the Company is in good state and is able to in time meet liabilities to insurers and creditors.

RA 'Expert-Rating' analytical service