

November, 30, 2010

PRESS RELEASE

Total business volume of the Public Joint-Stock Company ‘Insurance company Leader Re’ following 9 months of 2010 remains at the level of the same period of 2009

On November, 30th, 2010 RA ‘Expert-rating’ has confirmed the rating of the PJSC ‘Insurance company Leader Re’ (USREO code 32830769) at level **uaAA-** on national scale.

Table

Key performance indicators of PJSC ‘Leader Re’ for the 9 months of 2007-2010

Indicators	9 months (01.10.)				Growth rate 2009-2010	Growth rate 2007-2010
	2010	2009	2008	2007		
Assets, th. UAH	56045	65887	65434,0	64215,2	-14,94%	-12,72%
Shareholders equity, th. UAH	50239	59142	50984,8	53124,7	-15,11%	-5,50%
Shareholders equity /Assets, %	89,64%	89,76%	77,9%	82,7%	-	-
Authorized capital, th.UAH	50000,0	50000,0	50000,0	50000,0	0,00%	0,00%
Gross premium, th. UAH	20355,0	20651,0	28607,6	21347,7	-1,43%	-4,65%
Reinsurer’s share in gross premium, %	52,85%	49,78%	12,85%	8,15%	-	-
Ceded to reinsurance, th. UAH	10757,0	10282,0	3674,8	1739,0	4,62%	518,57%
Loss ratio, %	36,79%	54,69%	55,6%	62,7%	-	-
Total indemnities, th. UAH	7490,0	11295,0	15916,2	13381,6	-33,69%	-44,03%
ROE, %	0,07%	25,93%	-3,76%	1,97%	-	-
Net income (loss), th. UAH	34	15341	-2 553,1	1396,7	-99,78%	-97,57%

Source: PJSC Insurance Company Leader RE data, calculations by ‘Expert Rating’ RA

Confirming the rating at the level uaAA- PA ‘Expert-rating’ was guided by following conclusions:

1. For the 9 months of 2010 the Company obtained net profit in the amount of 34 thousand UAH, actually having finished the period with zero result. Company indemnities paid for 9 months of 2010 decreased by 33,69 % in comparison with the similar period of last year. Gross premiums remained practically at the same level, as in 2009, having reduced just on 1,43 %. Equity/assets ratio was remaining invariable, at the level of 90 %. By Agency estimations, the Company was overcapitalized.

2. On September, 10th, 2010 the extraordinary assembly of shareholders took place on which the decision was taken about cancellation of additional share issue of the Company. The shareholders plan to make a decision on additional share issue by PJSC IC ‘Leader Re’ after summarizing the financial year 2010.

3. According to the analytical service of the Agency, the Company maintains liquidity at high enough level. As of 10/1/2010 the volume of money resources on Company accounts was 3,7 m. UAH at liabilities of 5,8 m. UAH. Liquid assets covered the liabilities of the Company on 63%. High liquidity level at overcapitalization indicates the presence at the Company of the capacity to discharge obligations to clients.

For the 9 months of 2010 the Company did not succeeded in essentially increasing volumes of operations, however its activity remained break-even, and the managers ensured volume of total business at the level of 2009 results. No losses, good liquidity and redundant capitalization allowed the Agency to maintain Company rating at the level uaAA-

‘Expert-rating’ RA analytical service.