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PRESS RELEASE

The rating of collection company 'Agency on debt management' of CredEx group of companies is confirmed at the level uaA.col

On September, 18th, 2012 RA Expert Rating confirmed the infrastructural rating of collection company 'Agency on debt management' of CredEx group of companies at the level **uaA.col** (high level of reliability). The given rating estimation proves to the high level of Company readiness for execution of fiduciary obligations to clients. Confirming the rating at such high level, the Agency was based on the results of Company work in H1 2012.

Key performance indicators of collection company 'Agency on Debt Management' of CredEx Group of Companies (th. UAH, % and percentage points)

Indicators	H1 2012	H1 2011	Change, UAH th. and p.p. 2011-2012	Growth rate, % 2011-2012
Assets	1382,6	2708,20	-1325,6	-48,95%
Shareholders' equity	780,7	956,40	-175,7	-18,37%
Shareholders' equity/assets	56,47%	35,31%	21,16 p.p.	-
Authorized capital	2600,00	2600,00	0	-
Company earnings	3303,9	2941,41	362,49	12,32%
Operating costs	3508,9	2321,52	1187,38	51,15%
Net profit (loss)	(205)	619,89	-824,89	-133,07%
ROS	-14,83%	21,07%	-35,9 p.p.	-
ROE	-26,26%	64,85%	-91,11 p.p.	-
Amount of credit debt taken over for collection under agency scheme	243834,72	63868,35	179966,4	281,78%
Amount of debt collected from that taken over for collection under agency scheme	12250,87	4049,43	8201,44	202,53%
Amount of credit debts taken over/ Amount of debts collected under agency scheme	5,02%	6,34%	-1,32 p.p.	-
Amount of debt bought out from credit institutes and financial sector companies (totally within Credex group)	1225726,18	711188,17	514538	72,35%
Share of debt collected, previously bought out from credit institutes and financial sector companies (totally within Credex group)	1,42%	1,26%	0,16 p.p.	-

Sources: Company data, calculations by RA Expert-Rating

1. During the period from 30.06.2011 to 30.06.2012 Company assets have decreased from UAH 2,708 million to UAH 1,383 million, or on 48,95 %. At the same time, the volume of shareholders' equity decreased on 18,37 % for the same period and as of 30.06.2012 was UAH 780,7 th. Owing to advanced rates of decrease in assets over shareholders' equity of the company, the consolidated coefficient of autonomy for the last 12 months increased from 35,31 % to 56,47 %, or on 21,16 p.p. The decrease in volumes of assets and shareholders' equity of the company is explained by company return to practice of agency schemes of collection.

2. As of 30.06.2012 the volume of credit indebtedness taken over for collection under the agency scheme was UAH 243,835 million, that in 3,82 times exceeds the same indicator of 30.06.2011. The volume of the collected indebtedness taken over for collection under the agency scheme, also has shown considerable growth - 202,53 %. So, as of 30.06.2012 the volume of indebtedness taken over for collection under the agency scheme, was UAH 12,251 million, and the volume of the indebtedness bought out from credit institutes and companies of financial sector grew from UAH 711,188 million (on 30.06.2011) to 1,226 UAH billion (as of 30.06.2012). Thus, the ratios of agency and under redemption scheme between the already collected amounts and the indebtedness

have constituted 5,02 % and 1,42 %, accordingly, as of the reporting date of H1 2012. The given indicators prove to effective work of the collector both under the agency scheme, and under the scheme of buyout of problem indebtedness.

3. The revenue of 'Agency on debt management' following the results of H1 2012 made up UAH 3,304 million, that is on 12,32 % more vs. similar indicator of 2011. At the same time, operational costs in H1 2012 were UAH 3,509 million. Against the background of essential growth of operational costs (51,15 %) Company activity appeared unprofitable in H1 of current year. Dead loss has constituted UAH 205 thousand. In result, ROS and ROE have shown negative values-14,83 % and-26,26 %, accordingly. Unprofitableness of company work in H1 did not bear in itself a threat for its financial condition and has been caused by participation of the collector in large transactions for buyout of problem indebtedness.

Following the results of H1 the 'Agency on debt management' has essentially increased the presence in the Ukrainian market, at the same time showing business growth in agency collection and collection under buyout. RA Expert Rating expects that the company will return to practice of profitable work already in the H2 2012.

Analytical service of RA Expert Rating