

12.03.2014

PRESS-RELEASE

(Translation from Russian)

The rating of UJSIC “ASKA” is confirmed

March 12, 2014 the rating committee of RA «Expert-Rating» has decided to confirm the financial stability rating of the insurer UJSIC “ASKA” (13490997) at the level **uaAA** (a very high level of stability) according to the national scale. When confirming the rating at such level the Agency was guided by the results of the analysis of the Company’s activity in 2013.

Table

Key performance indicators of UJSIC «ASKA» (13490997) in 2013 (th. UAH, p.p., %)

Indicators	2013 (31.12.2013)	2012 (31.12.2012)	Change	Growth rate, %
Total assets, th. UAH	853 680,0	1 213 610,0	-359 930,0	-29,66%
Shareholders' equity, th. UAH	197 563,0	215 903,0	-18 340,0	-8,49%
Gross liabilities, th. UAH	656 117,0	997 707,0	-341 590,0	-34,24%
Shareholders' equity/Liabilities ratio, %	30,11%	21,64%	8,47 p.p.	-
Cash and cash equivalents, th. UAH	80 747,0	98 007,0	-17 260,0	-17,61%
Cash and cash equivalents/ Liabilities ratio, %	12,31%	9,82%	2,48 p.p.	-
Total gross premiums, th. UAH	614 195,6	678 424,0	-64 228,4	-9,47%
Proportion of insurance premiums, belonged to the reinsurers, th. UAH	327 618,6	284 911,6	42 707,0	14,99%
Insurance premiums, belonged to the reinsurers/Gross premiums ratio, %	286 577,0	393 512,4	-106 935,4	-27,17%
Insurance indemnities and reimbursements, th. UAH	46,66%	58,00%	-11,34 p.p.	-
Insurance indemnities/Gross premiums ratio for the period, %	167 082,0	184 251,8	-17 169,8	-9,32%
Financial result from operating activities, th. UAH	27,20%	27,16%	0,04 p.p.	-
ROS, %	30 083,0	-15 252,0	45 335,0	-
Net profit (loss), th. UAH	4,90%	-2,25%	7,15 p.p.	-
ROE, %	-21 654,0	-28 109,0	-	-
Total assets, th. UAH	-10,96%	-13,02%	-	-

Source: Data of the Company, calculations by RA «Expert-Rating»

1. Liabilities of the Company ASKA have reduced by UAH 341,590 mln or by 34,24% in 2013. Shareholders' equity has reduced only by 8,49% and has amounted to UAH 197,563 mln in the same period. At the end of 2013 assets of the Company have amounted to UAH 853,680 mln. Sharp fall of liabilities have positively affected the indicator of the ratio of shareholders' equity to liabilities of the insurer, having increased it by 8,47 p.p. and on 31.12.2013 the capitalization ratio has amounted to 30,11%.

2. Cash and its equivalents, being kept at the Company's accounts, as of 31.12.2013 have amounted to UAH 80,747 mln that is by UAH 17,260 mln less, than on 31.12.2012. Due to the higher reduction rate of liabilities the insurer has managed to increase liquidity by 2,48 p.p. and on 31.12.2013 it has amounted to 12,31%.

3. In 2013 IC “ASKA” has collected UAH 614,196 mln of gross premiums that is by 9,47% less, than in 2012. At the same time, the increase in net premiums in 2013 has amounted to 14,99% with respect to 2012. According to the results of 2013 net premiums of the Company have amounted to UAH 327,619 mln. Part of insurance premiums, belonged to the reinsurers, have amounted to

UAH 286,577 mln according to the results of 2013, while this ratio has been higher by 27,17% according to the results of 2012. As a result, the ratio of premiums, belonged to the reinsurers, to gross premiums has decreased in the analyzed period and has amounted to 46,66%.

4. Insurance indemnities and compensations, which have been performed by the Company in 2013, have amounted to UAH 167,082 mln that is by 9,32% less than in 2012. Due to the almost equal reduction rates of gross premiums and insurance indemnities in 2013 the ratio of indemnities to gross premiums has almost been unchanged and has amounted to 27,20% according to the results of 2013.

5. According to the results of 2013 IC “ASKA” has shown a positive financial result from operating activity in the amount of UAH 30,083 mln, while a loss in the amount of UAH 15,252 mln has been received in 2012. This has positively affected ROS in the analyzed period, having increased it by 7,15 p.p. Net loss from the insurer’s activity in 2013 has also been reduced by 23% in comparison with the results of 2012.

Therefore, despite the reduction of gross business in 2013 IC “ASKA” has been able to provide the increase in net premiums by 14,99%, to decrease a loss with respect to 2012, to improve indicators of general liquidity and ratio of the shareholders’ equity to liabilities of the insurer.

Analytical service of RA «Expert-Rating»