

18.05.2016

Rating of IC «BROKBUSINESS» is updated at the level uaAA-

May 18, 2016 at the meeting of the Rating committee of RA «Expert-Rating» it was decided to update the financial stability rating of the insurer Private JSC «Insurance company «BROKBUSINESS» (20344871) at the level **uaAA-** according to the national scale. Confirming the rating at such level, the Agency was guided by the results of the Company's activity for the first quarter of 2016.

1. IC «BROKBUSINESS» as at the end of the first quarter of 2016 has possessed a good reserve of equity: the ratio of shareholders' equity to liabilities of the insurer has amounted to 191,79%. The Company's assets for the period from 31.03.2015 to 31.03.2016 have reduced by UAH 9,96 mln. and have amounted to UAH 241,82 mln at the end of the period. Shareholders' equity of the Insurer has decreased by UAH 18,1 mln down to UAH 158,95 mln, and gross liabilities have grown by UAH 8,14 mln up to UAH 82,88 mln.

2. The balance of cash at the Company's accounts on 31.03.2016 has amounted to UAH 101,66 mln. As a result of the growth of liabilities and the decrease in cash at the Company's accounts, the Insurer's liquidity has slightly decreased, but remains at the level 122,66% that enables the Company to meet all its commitments maximally quickly, if necessary.

Table

Key performance indicators of PrJSC «IC «BROKBUSINESS» (th. UAH, p.p., %)

Indicators	I quarter of 2016 (31.03.2016)	I quarter of 2015 (31.03.2015)	Change	Growth rate, %
Total assets, th. UAH	241 823,0	251 781,0	-9 958,0	-3,96%
Shareholders' equity, th. UAH	158 946,0	177 046,0	-18 100,0	-10,22%
Gross liabilities, th. UAH	82 877,0	74 735,0	8 142,0	10,89%
Shareholders' equity/Liabilities ratio, %	191,79%	236,90%	-45,11 p.p.	-
Cash and cash equivalents, th. UAH	101 656,0	108 950,0	-7 294,0	-6,69%
Cash and cash equivalents/ Liabilities ratio, %	122,66%	145,78%	-23,12 p.p.	-
Total gross premiums, th. UAH	25 703,8	24 732,8	971,0	3,93%
Proportion of insurance premiums, belonged to the reinsurers, th. UAH	1 054,6	1 049,7	4,9	0,47%
Insurance premiums, belonged to the reinsurers/Gross premiums ratio, %	4,10%	4,24%	-0,14 p.p.	-
Insurance indemnities and reimbursements, th. UAH	12 715,2	8 480,0	4 235,2	49,94%
Insurance indemnities/Gross premiums ratio for the period, %	49,47%	34,29%	15,18 p.p.	-
Financial result from operating activities, th. UAH	7 173,0	22 653,0	-15 480,0	-68,34%
ROS, %	27,91%	91,59%	-63,68 p.p.	-
Net profit (loss), th. UAH	6 561,0	19 483,0	-12 922,0	-66,32%
ROE, %	4,13%	11,00%	-6,88 p.p.	-

Source: data of Private JSC «IC «BROKBUSINESS», calculations by RA «Expert-Rating»

3. For the three months of current year the Company has collected UAH 25,7 mln of gross premiums that is by 3,93% higher than the result of the same period of 2015. The part of insurance premiums, belonged to the reinsurers, has remained almost unchanged and has amounted to UAH 1,05 mln or 4,1% of gross premiums. Insurance indemnities and reimbursements of the Company have grown by 49,94% and have amounted to UAH 12,72 mln. The indemnities' level of the Insurer has grown by 15,18 p.p., having amounted to 49,47% that is higher than in the whole in the market.

4. Operating profit of the Insurer according to the results of the first quarter of 2016 has amounted to UAH 7,14 mln, and net profit – UAH 6,56 mln. Operating and net profit has been lower than in the first quarter of 2015, but the fact of the Company's profitable activity in an unfavorable period deserves a positive assessment.

Study and analysis of reports and work results of IC «BROKBUSINESS» for the first quarter of 2016 have shown a reduction of assets and a growth of indemnities with the unchanged level of gross business, but the Agency notes that the Company has a reserve of equity, an extra high liquidity and a positive financial result. The totality of these factors allows the Agency to confirm the financial stability rating of IC «BROKBUSINESS» at the level **uaAA-** according to the national scale.

Analytical service of RA «Expert-Rating»