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PRESS-RELEASE

(Translation from Russian)

The rating of Private JSC «IC «BROKBUSINES» is confirmed at the level uaAA-

August 29, 2012 RA «Expert-Rating» confirms the rating of Private JSC «IC «BROKBUSINES» at the level uaAA- according to the national scale, basing the results of the Company's activity in the I half of 2012.

Table

Key performance indicators of Private JSC «IC «BROKBUSINES»

Indicators	I half of 2012	I half of 2011	Change	Growth rate, %
Total assets, th. UAH	225205	207935	17270	8,31%
Shareholders' equity, th. UAH	91790	107649	-15859	-14,73%
Gross liabilities, th. UAH	133415	100286	33129	33,03%
Shareholders' equity/Liabilities ratio, %	68,80%	107,34%	-38,54 p.p.	-
Cash and cash equivalents, th. UAH	103520	92173	11347	12,31%
Cash and cash equivalents/ Liabilities ratio, %	77,59%	91,91%	-14,32 p.p.	-
Total gross premiums, th. UAH	63293,9	74242,5	-10948,6	-14,75%
Proportion of insurance premiums, belonged to the reinsurers, th. UAH	7034,4	2721,2	4313,2	158,50%
Insurance premiums, belonged to the reinsurers/Gross premiums ratio, %	11,11%	3,67%	7,45 p.p.	-
Insurance indemnities and reimbursements, th. UAH	23924,4	34301,0	-10376,6	-30,25%
Insurance indemnities/Gross premiums ratio for the period, %	37,80%	46,20%	-8,40 p.p.	-
Financial result from operating activities, th. UAH	12840,8	17207,0	-4366,2	-25,37%
ROS, %	20,29%	23,18%	-2,89 p.p.	-
Net profit (loss), th. UAH	15970,7	16558,0	-587,3	-3,55%
ROE, %	17,40%	15,38%	2,02 p.p.	-

Source: Data of Private JSC «IC «BROKBUSINES», calculations by RA «Expert-Rating»

1. Assets of IC «BROKBUSINES» have amounted to UAH 225,2 mln as of 30.06.2012 that is by 8,31% more than as of 30.06.2011. In the period from 30.06.2011 to 30.06.2012 the Company's shareholders' equity has decreased by 14,73% and has amounted to UAH 91,79 mln as of the reporting date. At the same time, gross liabilities have increased from UAH 100,286 mln up to UAH 133,415 mln, or by 33,03%. Therefore, the autonomy coefficient has decreased by 38,54 p.p. and has amounted to 68,80% as of 30.06.2012. Despite a significant correction of the autonomy coefficient, the level of the Company's capitalization remains adequate to its undertaken risks. The Company was formerly overcapitalized that was repeatedly noted by the Agency.

2. At the end of the 2Q of 2012 cash at the insurer's accounts has amounted to UAH 103,52 mln that is by 12,31% more than the same indicator as of 30.06.2011. Due to the growth rate of liabilities has exceeded the growth of cash in the period from 30.06.2011 to 30.06.2012, the liquidity ratio has decreased by 14,32 p.p. down to 77,59% as of 30.06.2012. On 30.06.2012 the insurer's liquidity has exceeded by 2,59 p.p. the average market indicator. Previously, the Agency has repeatedly noted that the ratio of cash to liabilities at the level more 90% is redundant.

3. According to the results of the Company's activity in the I half of 2012 gross premiums have amounted to UAH 63,294 mln that is by 14,75% less than premiums in the same period of 2011. Despite the decrease in gross premiums, IC «BROKBUSINES» continues to be one of the largest

companies in terms of the business volume in the segment of classical insurance. In the Agency's opinion, the reduction of gross business of IC «BROKBUSINES» is a Company's reaction to the slowdown of economic recovery in the I half of 2012.

4. The decrease in gross premiums is not a threat to the stability of the insurer's activity. The Company has managed to take control of the dynamics of payments. In the I half of 2012 the indemnities have decreased by 30,25% down to UAH 34,301 mln, at the same time, the level of payments has decreased from 46,2% down to 37,8%. This dynamics of the insurance activity indicators has enabled the insurer to remain profitable. The financial result from operating activity of Private JSC «IC «BROKBUSINES» has amounted to UAH 12,841 mln in the I half of 2012. At the same time, net profit in the I half of 2012 has amounted to UAH 15,971 mln that is just by 3,55% less, than in the I half of 2011.

As a whole, IC «BROKBUSINES» has demonstrated good profitability and liquidity indicators and adequate level of capitalization that indicate the strong positions of the Company in the insurance market and its willingness to meet its obligations to clients and partners.

Analytical service of RA «Expert-Rating»