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PRESS-RELEASE

(Translation from Russian)

RA «Expert-Rating» confirms the rating of the insurer JSC «Ukrainian Security Insurance Company» at the level uaA+

May 17, 2012 the rating committee of RA «Expert-Rating» has decided to confirm the financial stability rating of Private JSC «Ukrainian Security Insurance Company» at the level **uaA+** (a high level of financial stability) according to the national scale.

Table

Key performance indicators of Private JSC «USIC» in the Q1 of 2012

Indicators	1 quarter of 2012 (31.03.2012)	1 quarter of 2011 (31.03.2011)	Change	Growth rate, %
Total assets, th. UAH	50092,6	45801,5	4291,1	9,37%
Shareholders' equity, th. UAH	27320,2	27191	129,2	0,48%
Total liabilities, th. UAH	22772,4	18610,5	4161,9	22,36%
Shareholders' equity/ Total liabilities ratio, %	119,97%	146,11%	-26,14 p.p.	-
Cash and cash equivalents, th. UAH	10276,7	8155,3	2121,4	26,01%
Cash and cash equivalents/ Total liabilities ratio, %	45,13%	43,82%	1,31 p.p.	-
Gross premiums, th. UAH	20198,2	22613,9	-2415,7	-10,68%
Reinsurer's proportion in gross premiums, th. UAH	14189,8	18162,6	-3972,8	-21,87%
Reinsurer's proportion in gross premiums/ Gross premiums ratio, %	70,25%	80,32%	-10,06 p.p.	-
Insurance indemnities and reimbursements, th. UAH	2362,2	972,6	1389,6	142,87%
Insurance indemnities and reimbursements / Gross premiums ratio for the period, %	11,70%	4,30%	7,39 p.p.	-
Financial result from operating activities, th. UAH	878,3	359,3	519	144,45%
ROS, %	4,35%	1,59%	2,76 p.p.	-
Net profit (loss), th. UAH	49	107,5	-58,5	-54,42%
ROE, %	0,18%	0,40%	-0,22 p.p.	-

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

Confirming the insurer's rating, the Agency was based on the following results of the analysis of the company's activity in the Q1 of 2012:

1. As of 31.03.2012 assets of Private JSC «USIC» have amounted to UAH 50,093 mln that is by 9,37% more than the same indicator on 31.03.2011. In the period from 31.03.2011 to 31.03.2012 shareholders' equity of the company has increased by 0,48% and has amounted to UAH 27,32 mln, while total liabilities have increased by 22,36% and on 31.03.2012 have amounted to UAH 22,772 mln. Therefore, the capital adequacy ratio has amounted to 119,97% as of 31.03.2012 that indicates the overcapitalization of the insurance company.

2. Cash on accounts of the insurer has increased from UAH 8,155 mln (on 31.03.2011) up to UAH 10,277 mln (on 31.03.2012), i.e. by 26,01%. As a result, the company has managed to increase the cash/liabilities ratio (the liquidity ratio) from 43,82% up to 45,13%. This indicator corresponds to a satisfactory level of liquidity.

3. Private JSC «Ukrainian Security Insurance Company» has collected UAH 20,198 mln of gross premiums in the Q1 of 2012. Reinsurers' proportion in gross premiums has reduced by 21,87% following the results of the Q1 of 2012, comparing to the indicator of the Q1 of 2011. At the same time, insurance indemnities have amounted to UAH 2,362 mln according to the results of the Q1 of 2012 that is in 2,4 times more, than the same indicator of the Q1 of 2011. The considerable increase in insurance indemnities hasn't affected the financial result of the Company.

4. The financial result from operating activities of the insurance company has amounted to UAH 878,3 th., which is in 2,4 times more than the indicator in the same period of 2011. As a result, ROS has increased from 1,59% up to 4,35%. Net profit of Private JSC «USIC» has amounted to UAH 49 th. according to the results of the Q1 of 2012 that has resulted in a decrease in ROE from 0,4% down to 0,18%.

Analytical service of RA «Expert-Rating»