

13.04.2012

PRESS-RELEASE

(Translation from Russian)

RA «Expert-Rating» confirms the financial stability rating of Private JSC «Insurance group «U.B.I.» at the level uaA

April 13, 2012 the financial stability rating of the insurer Private JSC «Insurance group «U.B.I.» is confirmed at the level **uaA** according to the national scale. Confirming the rating of the insurer at such a high level, the Agency was based on the analysis of the company's activity in 2011.

Table

Key performance indicators of Private JSC «Insurance group «U.B.I.»

Indicators	2011 (01.01.2012)	2010 (01.01.2011)	Change	Growth rate, %
Total assets, th. UAH	48493	40859	7634	18,68%
Shareholders' equity, th. UAH	34298	34268	30	0,09%
Total liabilities, th. UAH	14195	6591	7604	115,37%
Shareholders' equity/ Total liabilities ratio, %	241,62%	519,92%	-278,30 p.p.	-
Cash and cash equivalents, th. UAH	10593	4433	6160	138,96%
Cash and cash equivalents/ Total liabilities ratio, %	74,62%	67,26%	7,37 p.p.	-
Gross premiums, th. UAH	21249,4	18732,3	2517,1	13,44%
Reinsurer's proportion in gross premiums, th. UAH	12240,5	11905	335,5	2,82%
Reinsurer's proportion in gross premiums/ Gross premiums ratio, %	57,60%	63,55%	-5,95 p.p.	-
Insurance indemnities and reimbursements, th. UAH	769,5	390,5	379	97,06%
Insurance indemnities and reimbursements / Gross premiums ratio for the period, %	3,62%	2,08%	1,54 p.p.	-
Financial result from operating activities, th. UAH	1146	652	494	75,77%
ROS, %	5,39%	3,48%	1,91 p.p.	-
Net profit (loss), th. UAH	30	646	-616	-95,36%
ROE, %	0,09%	1,89%	-1,80 p.p.	-

Source: Data of Private JSC «Insurance group «U.B.I.», calculations by RA «Expert-Rating»

1. In 2011 the Company's assets have grown by 18,68% and have amounted to UAH 48,493 mln, shareholders' equity has remained almost unchanged and, thus, it has amounted to UAH 34,298 mln as of 01.01.2012. The insurer's liabilities, in its turn, have increased by UAH 7,604 mln or by 115,37%. Taking into account a sharp increase in liabilities, the shareholders' equity/liabilities ratio has decreased from 519,92% down to 241,62% following the results of 2011. But even with such a ratio the insurance group «U.B.I.» has a redundant capitalization.

2. Cash on the Company's accounts has increased by 138,96% in the 12 months of 2011 and as of 01.01.2012 its volume has amounted to UAH 10,593 mln. Therefore, the cash/liabilities ratio in 2011 has grown from 67,26% up to 74,62% that provides the Company with a sufficient liquidity for performing its liabilities to lenders and insureds. As a whole, this ratio (74,62%) corresponds to the average of the system.

3. The Insurance Group «U.B.I.» has collected gross premiums of UAH 21,249 mln in 2011 that is by 13,44% more, than in 2010. Insurance indemnities, in its turn, have increased by 97,06%. The insurance indemnities/gross premiums ratio has amounted to 3,62% according to the results of 2011 that is by 1,54 p.p. more than in 2010.

4. The financial result from operating activity of the Company in 2011 has amounted to UAH 1,146 mln that is by 75,77% more, than in 2010. This rise has resulted from the efficient work of the sales department of the insurer. In 2011 IG «U.B.I.» has managed to improve ROS and this indicator has amounted to 5,39% in 2011. At the same time, ROE has decreased from 1,89% down to 0,09% due to the fall of net profit of the Company. The decrease in the Company's net profit has resulted from the decrease in the insurer's financial result from conducted financial operations. Despite that, the financial result from operating activity in 2011 has grown by 75,77%.

Analytical service of RA «Expert-Rating»