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## PRESS-RELEASE

(Translation from Russian)

### Rating of OJSC «Transsib Re» is confirmed at the level uaAAA

**April 10, 2012** the rating committee of RA «Expert-Rating» has made a decision to confirm the rating of OJSC «Transsib Re» (Russian Federation) at the level **uaAAA** according to the Ukrainian national scale. This rating indicates the unprecedented high assessment of financial stability of OJSC «Transsib Re». Confirming the financial stability rating of the reinsurance company at such a high level, the Agency was based on the analysis of the Company's activity in 2011.

Table

#### Key performance indicators of OJSC «Transsib Re» in 2010–2011

Indicators	2011 (31.12.2011)	2010 (31.12.2010)	Change	Growth rate, %
Total assets, mln RUB	1242,598	1251,600	-9,002	-0,72%
Shareholders' equity, mln RUB	618,838	406,186	212,652	52,35%
Gross liabilities, mln RUB	623,760	845,414	-221,654	-26,22%
Shareholders' equity/Liabilities ratio, %	99,21%	48,05%	51,17 p.p.	-
Cash and cash equivalents, mln RUB	370,105	333,908	36,197	10,84%
Cash and cash equivalents/ Liabilities ratio, %	59,33%	39,50%	19,84 p.p.	-
<b>Total gross premiums, mln RUB</b>	<b>740,016</b>	<b>782,250</b>	<b>-42,234</b>	<b>-5,40%</b>
Proportion of insurance premiums, sent to the reinsurers, mln RUB	269,491	195,746	73,745	37,67%
Insurance premiums, sent to the reinsurers/Gross premiums ratio, %	36,42%	25,02%	11,39 p.p.	-
Insurance indemnities and reimbursements, mln RUB	417,790	501,179	-83,389	-16,64%
Insurance indemnities/Gross premiums ratio for the period, %	56,46%	64,07%	-7,61 p.p.	-
Financial result from operating activities, mln RUB	102,786	99,294	3,492	3,52%
ROS, %	13,89%	12,69%	1,20 p.p.	-
Net profit (loss), mln RUB	25,627	39,765	-14,138	-35,55%
ROE, %	4,14%	9,79%	-5,65 p.p.	-

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

1. In 2011 gross business of OJSC «Transsib Re» has decreased by 5,4% in comparison with the 2010. The Company has collected gross premiums of RUB 740 mln in 2011. The 2011 year hasn't been easy for the Russian reinsurers: the market has lived under conditions of a reduction in gross business and of its concentration to the large players. After increasing the normative requirements to the authorized capital of reinsurance companies in Russian Federation, at the beginning of the 2 half of 2011 in RF there have been left only 18 specialized reinsurance companies, at the beginning of 2010 there were 25 companies. OJSC «Transsib Re» has performed the requirements of the Russian legislation to the authorized capital of reinsurance companies and has significantly strengthened its market positions.

2. A slightly correction of the Company's gross business has become one of the reasons for a decrease in liabilities. In 2011 liabilities of the reinsurer have decreased by 26,22% and have amounted to RUB 623,76 mln. A decline in the Company's liabilities against the background of an increase in shareholders' equity has positively affected its capitalization. The Company has increased its equity by 52,35% in 2011. On 31.12.2011 shareholders' equity of OJSC «Transsib Re» has

amounted to RUB 618,838 mln. The increase in the Company's equity has been performed mostly due to the increase in the authorized capital, which in 2011 has grown from RUB 185 mln up to RUB 481,2 mln. Performing the new normative requirements has resulted in the Company's overcapitalization: the shareholders' equity/liabilities ratio has grown from 48,05% up to 99,21%, i.e. as of 31.12.2011 the equity of OJSC «Transsib Re» has almost fully covered its liabilities.

3. A significant increase in the Company's capitalization has been completed by an improvement of liquidity. Cash and cash equivalents have grown up to RUB 370 mln or by 10,84% in 2011, the cash/liabilities ratio has grown by 19,84 p.p. up to 59,33%. Indicators of operating income have improved in 2011 against the background of the redundant capitalization and the growing liquidity of the Company, although net profit has slightly decreased. One of the reasons for the increase in operating result of the reinsurer has become a decrease in payments from RUB 501 mln in 2010 down to RUB 417 mln in 2011, while the insurance indemnities/gross premiums ratio has decreased from 64,07% down to 56,46%. According to the Company's reporting in 2011 the financial result from operating activity has grown by 3,52%.

As a whole, a significant increase in liquidity against the background of the unprecedented overcapitalization has provided the Company with a very high level of financial stability.

*Analytical service of RA «Expert-Rating»*