Україна, 04073, м. Київ, пров.
Куренівський, 15, офіс 29
тел.: +38 (044) 227-60-74
general@expert-rating.com
www.expert-rating.com

Office. 29, 15 Kurenivs'kyi Ln.,
Kyiv, 04073, Ukraine
Tel.: +38 (044) 227-60-74
general@expert-rating.com
www.expert-rating.com

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Press-release

(translation from Russian)

RA "Expert-Rating" confirms rating of Private Joint-Stock Company AMC "National reserve" at the level uaBBB+.amc

RA "Expert-Rating" confirms infrastructural rating of Private JSC AMC "National reserve" at the level **uaBBB+.amc** (good level of reliability).

Table 1

Key performance indicators of AMC "National reserve" in 2010-2011

Indicator	The 1 half of 2011 (01.07.2011)	The 1 half of 2010 (01.07.2010)	Change of 2010-2011	Growth rate of 2010-2011
Total net assets under AMC management, th. UAH	298753	280192	18 561,00	6,62
Annual growth rate of net assets under AMC management, th. UAH	6,62	44,04	-37,42	-84,96
Net assets of public funds, th. UAH	4174	2666	1 508,00	56,56
Number of funds under management (pc)	31	31	0,00	0,00
Shareholders' equity, th. UAH	122938	122993	-55,00	-0,04
Authorized capital, th. UAH	8600	8600	0,00	0,00
Proceeds, th. UAH	494	429	65,00	15,15
Administrative costs, th. UAH	582	428	154,00	35,98
Net profit (loss), th. UAH	-85	-24	-61,00	254,17
ROE, %	-0,000691405	-0,000195133	0,00	254,33

Source: data of AMC "National reserve", calculations by RA 'Expert-Rating'

When confirming infrastructural rating of AMC "National reserve", the Agency was guided by following conclusions:

1. Net assets under management of AMC "National reserve" have grown by 6,62% for the 1 half of 2011. At the same time net assets of public funds under AMC management have increased by 56,56% in comparison to 01.07.2010, and number of funds remains the same: there are 31 funds under AMC management. Sharp rise in assets of public funds has been caused by exceptional effective work of company sales department. There are a number of new large clients in NPF. Proportion of net assets in public funds of total net assets under management has increased from 0,95%as of 01.07.2010 to 1,4% as of 01.07.2011.
2. In the 1 half of 2011 AMC "National reserve" has got loss of UAH 85000, the loss for the same period of 2010 has constituted UAH 24000. When taking into account the size of shareholders' equity of UAH 123 m the unprofitableness level of the 1 half of 2011 is insignificant and doesn't carry any threat for company solvency and interruption of its business processes. At the same time the Agency attracts attention to the rise of administrative costs by 36% or by UAH 154000 in the 1 half of 2011 in comparison to the same period of 2010. This rise is resulted from the expenses of conducting market research in the segment of non-governmental pensions provision. Thus, the company confirms its market position focused on the development of NPF.
3. According to the profitability analysis of 8 AMC public funds the average yield has constituted 3,82% in the 1 half of 2011. NPF "Reserve of Zaporojie" has shown the highest yield (+6,42%). The lowest yield (-0,67%) has been fixed by the mutual fund "Willis". In Agency's opinion, a low level of funds yield (below 10% per annum) is a common problem of the majority of AMC working with mutual funds. The main reason of low funds yield has become a situation on the Ukrainian stock market (see table 2).

Table 2

Data on the profitability of "market funds" under AMC "National reserve" management and on the value of net assets

Fund	Return since inception	Return for the 1 half of 2011, %	Return for the 1 half of 2010, %	Net assets value, th. UAH as of 01.07.2011
NPF "Reserve of Ternopolschina"	44,3	3,94	2,71	353,6
NPF "Reserve of Rovenschina"	20,45	4,28	2,51	894,1
NPF "Stolichniy Reserve"	13,16	3,6	3,96	193,5
NPF "Reserve of Zaporojie"	26,26	6,42	6,0	85,3
NPF "Reserve of Chernomorie"	30,02	4,77	5,59	97,8
NPF "Energoreserve"	36,05	3,88	4,86	170,3
NPF "Perviy Profsoyuzniy"	19,31	4,3	-0,34	867,4
Mutual fund "Willis"	34,32	-0,67	17,57	1245
The average:	27,98	3,82	5,35	488,375

Source: data of AMC "National reserve", calculations by RA 'Expert-Rating'

Analytical department of RA "Expert-Rating"