

05.06.2012

## PRESS-RELEASE

(Translation from Russian)

### The credit rating of PJSC «Ukrainian Professional Bank» is confirmed at the level uaBBB+

June 05, 2012 RA «Expert-Rating» has decided to confirm the credit rating of PJSC «Ukrainian Professional Bank» and the bond rating of the bank of Series E at the level uaBBB+ (outlook is positive) according to the national scale. The borrower with rating uaBBB+ is characterized by a good solvency in comparison with other Ukrainian borrowers. Making decision about confirming the credit rating according to the national scale, the Agency was guided by the key results of the Bank's activity in the Q1 of 2012.

Table 1

Key indicators of PJSC «Ukrainian Professional Bank», th. UAH, p.p.,%

Indicators	I quarter of 2012 (01.04.2012)	I quarter of 2011 (01.04.2011)	Change	Growth rate
<b>Shareholders' equity</b>	<b>644 883</b>	<b>617 157</b>	<b>27 726</b>	<b>4,49%</b>
Authorized capital	500 000	500 000	0	0,00%
Regulatory capital (N1)	642 667	616 623	26 044	4,22%
Shareholders' equity/assets ratio, %	21,14%	21,39%	-0,25 p.p.	-
Regulatory capital adequacy (N2), %	20,81%	23,15%	-2,34 p.p.	-
Regulatory capital/total assets ratio (N3)	20,40%	20,47%	-0,07 p.p.	-
<b>Total liabilities</b>	<b>2 406 189</b>	<b>2 268 431</b>	<b>137 758</b>	<b>6,07%</b>
<i>Including liabilities in foreign currency</i>	<i>790 572</i>	<i>856 575</i>	<i>-66 003</i>	<i>-7,71%</i>
Funds of banks	421 058	646 989	-225 931	-34,92%
Funds of individuals	1 168 955	1 061 727	107 228	10,10%
Funds of legal entities	732 676	542 399	190 277	35,08%
<b>Total assets</b>	<b>3 051 072</b>	<b>2 885 588</b>	<b>165 484</b>	<b>5,73%</b>
Liquid assets (Cash and cash equivalents + Trading securities + Funds in other banks)	645 062	723 906	-78 844	-10,89%
<b>Customer credits and debt</b>	<b>2 109 567</b>	<b>2 065 540</b>	<b>44 027</b>	<b>2,13%</b>
<i>Including customer credits and debt in foreign currency</i>	<i>292 232</i>	<i>334 959</i>	<i>-42 727</i>	<i>-12,76%</i>
Loan provisions	141 847	125 280	16 567	13,22%
Loan provisions/ customer credits and debt ratio	6,72%	6,07%	0,65 p.p.	-
Norm of large loan risks (N8)	281,39%	290,33%	-8,94 p.p.	-
Norm of the maximum total amount of loans, guarantees and sureties issued to insiders (N10)	3,65%	3,92%	-0,27 p.p.	-
<b>Liquid assets/Liabilities ratio</b>	<b>26,81%</b>	<b>31,91%</b>	<b>-5,10 p.p.</b>	<b>-</b>
Instant liquidity (N4)	50,46%	24,03%	26,43 p.p.	-
Current liquidity (N5)	104,87%	55,39%	49,48 p.p.	-
Short-term liquidity (N6)	140,98%	123,37%	17,61 p.p.	-
<b>ROE</b>	<b>1,62%</b>	<b>0,45%</b>	<b>1,17 p.p.</b>	<b>-</b>
ROA	0,34%	0,10%	0,25 p.p.	-
Net interest income	47 328	14 241	33 087	232,34%
Net commission income	3 740	501	3 239	646,42%
Net commission income/ Net interest income ratio	7,90%	3,52%	4,38 p.p.	-
<b>Net profit</b>	<b>10 468</b>	<b>2 805</b>	<b>7 663</b>	<b>273,19%</b>

Source: data of PJSC «Ukrainian Professional Bank», calculations by RA «Expert-Rating»

1. The analysis of key performance indicators of PJSC «UPB» has shown a moderate dynamics of growth in the Q1 of 2012 compared to the same period of 2011. Thus, assets of the bank have increased by 5,73% that has enabled them to exceed UAH 3 bn and to amount to UAH 3,051 bn as of 01.04.2012, liabilities of the bank have grown by 6,07% in the same period and have amounted to UAH 2,406 bn, shareholders' equity has increased by 4,49% and has amounted to UAH 644,9 mln, the loan portfolio of the bank has amounted to UAH 2,110 bn that is by 2,13% more than as of 01.04.2012. Despite a low growth rate of the loan portfolio, which is a key component of profitable assets, net profit of the bank has increased in 3,73 times (by 273,19% or by UAH 7,663 mln) and has amounted to UAH 10,468 mln following the results of the Q1 of

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2012. The analysis of the Agency has shown that PJSC «UPB» has outperformed a lot of its competitors by the amount of net profit, including the large banks of Ukraine, whose financial results still look quite modest.

2. Dynamics of the bank's resource base has demonstrated multidirectional movement in the last 12 months. Funds of individuals have increased by 10,10% or by UAH 107,2 mln as of 01.04.2012 compared to 01.04.2011 and have amounted to UAH 1,169 bn, funds of legal entities have grown by 35,08% or by UAH 190,3 mln and have amounted to UAH 732,7 mln, while funds of other banks have decreased by 34,92% (or by UAH 225,9 mln) and have amounted to UAH 421,1 mln as of 01.04.2012. The analysis of capital adequacy ratios of PJSC «UPB» indicates a high availability level of own resources. Thus, as of 01.04.2012 the ratio between shareholders' equity and assets has amounted to 21,14% (the average of the banking system – 14,99%), the norm of regulatory capital adequacy (N2) has amounted to 20,81% (with the minimal indicator – not less 10%), and the norm of the ratio of regulatory capital to assets (N3) has equaled to 20,40% (with the required indicator – not less 9%).

3. The analysis of the quality indicators of the bank's loan portfolio has shown that the level of its risks is relatively low. Despite an increase in loans provisions, which has amounted to 13,22% in the period from 01.04.2011 to 01.04.2012, the ratio of loans provisions to the loan portfolio has increased only by 0,65 p.p. and has amounted to 6,72% as of 01.04.2012, while this average indicator of the banking system of Ukraine has been at the level 21,45%. The Agency also notes the decrease in exposure of currency risks to the loan portfolio, as indicated by a decline in proportion of customer credits and debt in foreign currency by 2,37 p.p. (from 16,22% down to 13,85%) in the total amount of loans provided by the bank. The analysis of bank's compliance with norms of loan risks (in particular, N8 and N10) indicates a good diversification level of the bank's loan portfolio in terms of volumes of provided loans (N8 has amounted to 281,39% as of 01.04.2012, while the required indicator is not more than 800%) and shows a low risk concentration of credit operations with insiders (N10 has amounted to 3,65%, while the norm is not more than 30%).

4. The liquidity indicators of the bank demonstrate high values. As of 01.04.2012 the norm of the Bank's instant liquidity (N4) has increased by 26,43 p.p. compared to 01.04.2011 and has amounted to 50,46% (with the minimal indicator – not less than 20%), the norm of current liquidity (N5) has grown by 49,48 p.p. and has amounted to 104,87% (with the required indicator – not less than 40%), the norm of short-term liquidity (N6) has increased by 17,61 p.p. and has amounted to 140,98% (with the required indicator – not less 60%). At the same time, the profitability indicators of the bank have considerably increased. Net profit of the bank has increased in 3,73 times (by UAH 7,663 mln) in the Q1 of 2012 compared to the same period of 2011 and has amounted to UAH 10,468 mln, net interest income has grown in 3,32 times (by UAH 33,087 mln) and has amounted to UAH 47,328 mln, net commission income has increased in 7,46 times (by UAH 3,239 mln) and has amounted to UAH 3,740 mln.

Therefore, the analysis of key performance indicators of PJSC «UPB» in the Q1 of 2012, compared to the same period of 2011, demonstrates its stable development. Key components of incomes and net profit of the bank have increased in several times at the rather restrained growth rates of assets and liabilities. The quality of the bank's assets is at a good level. Indicators of liquidity and capital adequacy significantly exceed the minimal requirements set by NBU that indicates the ability of the bank to perform the undertaken liabilities in time and in full.

*Analytical service of RA «Expert-Rating»*