



Unity Re Ltd.

Corporate presentation

2014

2013 key results:

- Outturn: 81,7%
- GWP: 2 328,9mln RUR
- Net Claims Incurred: 1 365,8 mln RUR
- Net profit: 424,3 mln RUR
- RoE: 32,54%
- Combined ratio: 88,43%
- Rank among specialist reinsurers: 1st (in 2012 – 1st, 2011 – 1st, 2010 – 1st)

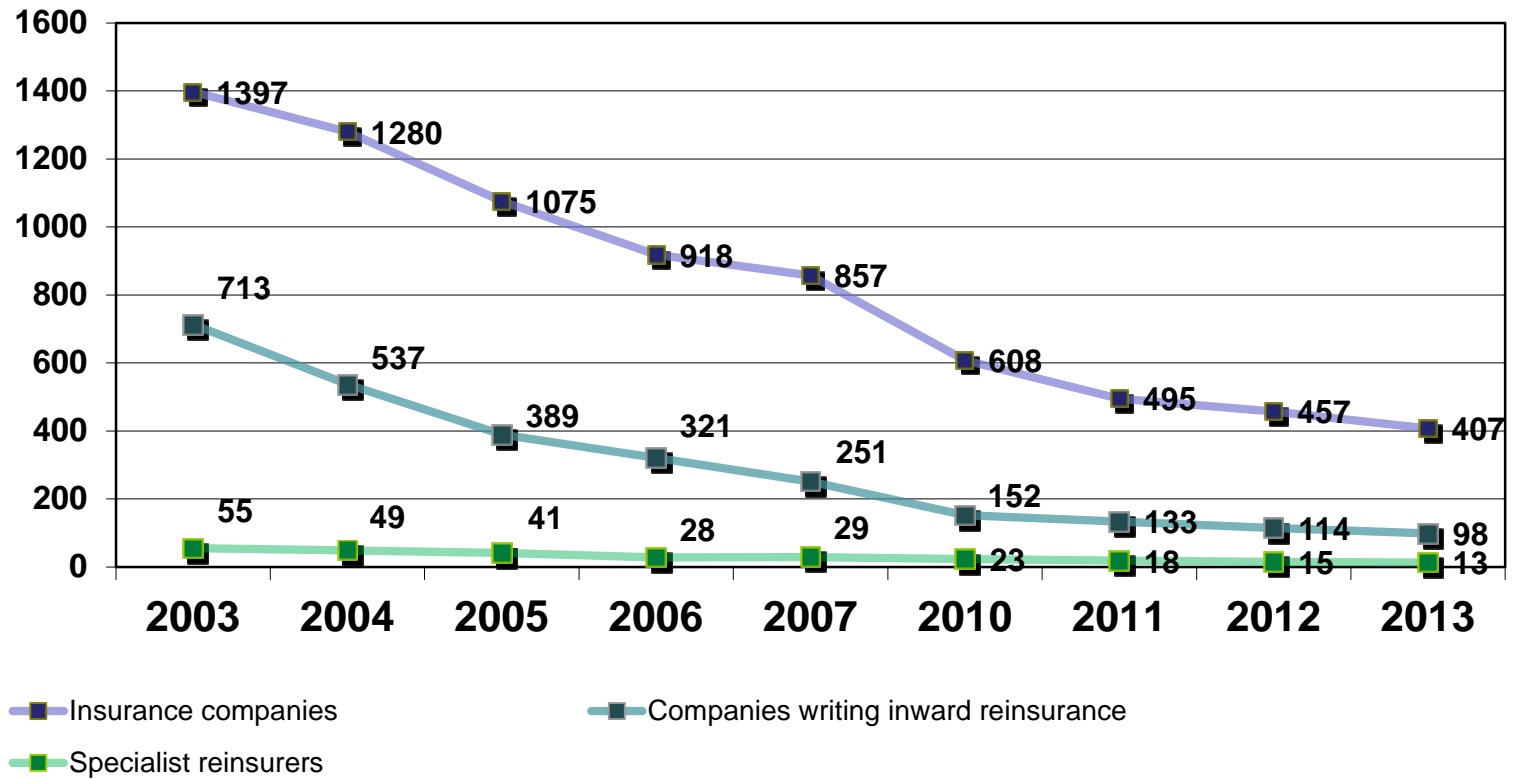
2005-2013 outlines:

- The only specialist reinsurer in the market with clear development strategy
- The largest local specialist reinsurer as per GWP for 2010-2013
- The widest clients base: over 600 clients domestically and worldwide
- Unrivalled market recognition resulting in Unity Re's unique feature: permanent cooperation with each and every Russian Top-50 Insurer

Market Leading Company	Leading specialist	Ranked 1st by reinsurance GPW among specialist reinsurers in Russia & CIS in 2010-2013
	Established team	Highly regarded & solid management team, wide market acknowledgement
	Strong financial performance	Consistently profitable with strong underlying growth. Prelim. results of 2013 (IFRS Proforma based): Net profit 424,3m RUR; LR 79,09%; CR 88,70%; ROE 32,54%
	Strong capitalisation	Exceptionally capitalised with a very strong solvency margin
	Rated	Financial Strength Rating from a leading international agency
	Regional distribution	Distribution across the whole of Russia and the former USSR territories and overseas
	Corporate governance	IFRS audited accounts since year-end 2006. Experienced Supervisory Board. Operating to international standards
	Excellent operational performance	2013: GPW growth – 50,8%; market share 7%; Renewal ratio – 83%; GPW per capita – 97 mln. RUR
	Largest and most stable clients' base	600+ Ceding companies and brokers from Russia, CIS and overseas
	Brand	A recognizable brand with Russia/FSU; London market; MENA region and SEA

- Total inward reinsurance premiums written in Russia in 2013 are estimated at RUB 44,7 billion (▲ 5.5%), out of which RUB 12,8 billion (40%) were ceded from abroad
- As the number of insurance companies in Russia has declined from over 1,000 in 2005 to 407 by the end of 2013, the number of companies writing inward reinsurance has also dropped significantly from 199 in 2007 to 98 by the end of 2013 due to both decrease in the number of insurance companies itself and remaining companies focusing more on their core operations
- Similarly, the number of specialist reinsurance companies has also dropped to 13 by the end of 2013, moreover perhaps only top-5 can be considered strong players
- Financial standing becomes even more dominating factor resulting in short security lists of major Insurance Companies

Shrinking Number of Russian Insurance and Reinsurance Companies



Among Specialist Reinsurance Companies

2013 Rank	2012 Rank	2011 Rank	2010 Rank	2009 Rank	2008 Rank	Company	GPW RUB '000
1	1	1	1	3	4	Unity Re	2 328 879
2	2	2	2	4	1	Moscow Re	1 182 672
3	4	5	10	n/a	n/a	SCOR Reinsurance	1 118 241
4	6	4	3	2	5	Transsib Re	764 713
5	7	6	6	6	7	Russian Re	655 025
6	5	9	n/a	n/a	n/a	Kama Re	602 680
7	3	3	4	1	2	Kapital Re	578 349

Among all companies writing Inward Reinsurance in 2013

Rank	Company	GWP, '000 RUR
1	Sogaz	6 122 891
2	Ingosstrakh	4 256 326
3	Unity Re	2 328 879
4	Kapital Insurance	1 792 045
5	ACE Insurance	1 436 866
6	Moscow Re	1 182 672
7	Alfastrakhovanie	1 139 592
8	SCOR Perestrakhovanie	1 118 241
9	Rosgosstrakh	1 028 962
10	VTB Insurance	948 610
11	Soglasie	814 979
12	Allianz	808 266
13	Transsib Re	764 713
14	Reso Garantiya	758 613
15	Transneft	667 629
16	Russian Re	655 025

Key Members of Unity Management

- **Svetlana Shekhovtsova, Chief Executive officer**

Svetlana graduated in 1975 and worked within the state administration before joining the State Pension Fund in 1990. In 1992, Svetlana joined RESO Garantia as the head of Far-eastern Branch before becoming a Deputy Managing Director and responsible for reinsurance in 2000. Svetlana has been the Managing Director of Unity Re since it was formed as RESO Re

- **Marina Shugaeva, First Deputy CEO**

Marina has worked in the insurance industry since 1988 when she started her career at Rosgosstrakh. Marina subsequently joined Victoria Insurance Company as Reinsurance Director and worked at various insurance and reinsurance companies including as CEO of Nasta Re. In 2005, Marina joined Unity Re and is responsible for operations and Russian market development

- **Svetlana Chepeleva, Deputy CEO**

Svetlana has worked in the insurance sector for over 25 years. Between 1986 and 2006, Svetlana worked for Rosgosstrakh, ultimately as the Director of the Reinsurance Department. Svetlana joined Unity Re in 2006 and is the head of underwriting

Key Members of Unity Management (cont'd)

- **Andrey Zimin, Deputy CEO**

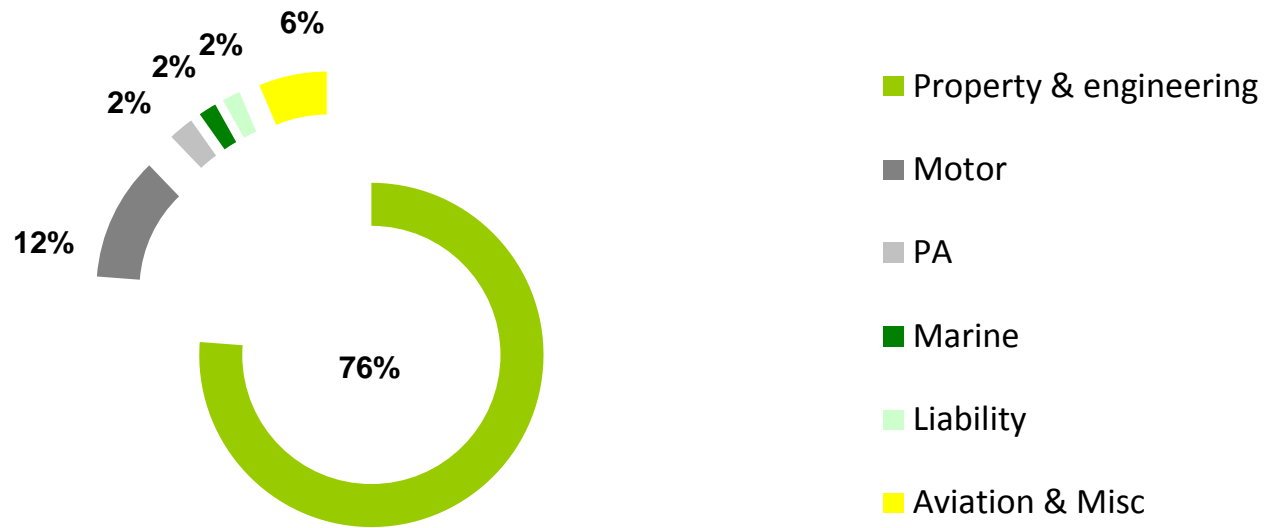
Andrey graduated from Leningrad State University in 1988, but subsequently undertook further legal training and graduated from the Moscow State Academy of Law in 2000. From 2000 to 2006 Andrey was Deputy Head of the legal department in RESO Garantia. In 2006, he joined Unity Re and is responsible for claims and legal matters

- **Igor Shekhovtsov, Deputy CEO**

Igor has worked in reinsurance whole his career since 2004 when he started at Malakut Insurance Brokers as a junior expert in aviation department handling MENA placements. Joined Unity Re in 2006, after graduating in 2007 took position of development director. Currently took over his senior colleague position and is responsible for non-domestic business, strategic planning, PR and marketing

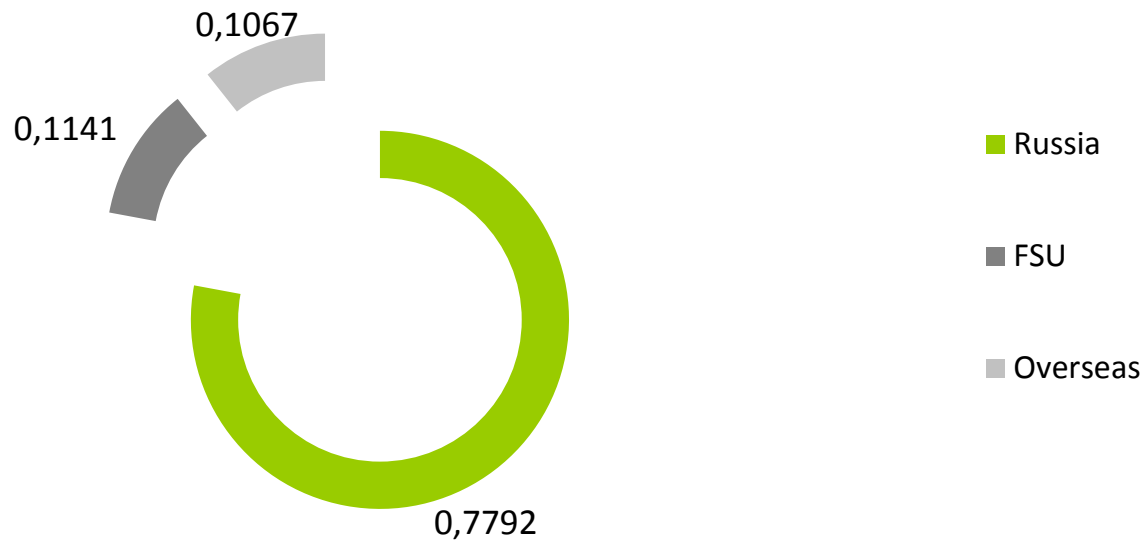
Portfolio – Premium, Split by Line of Business

2013



Portfolio – Premium, Geographical Split

2013



Largest Paid Claims 2007-2013

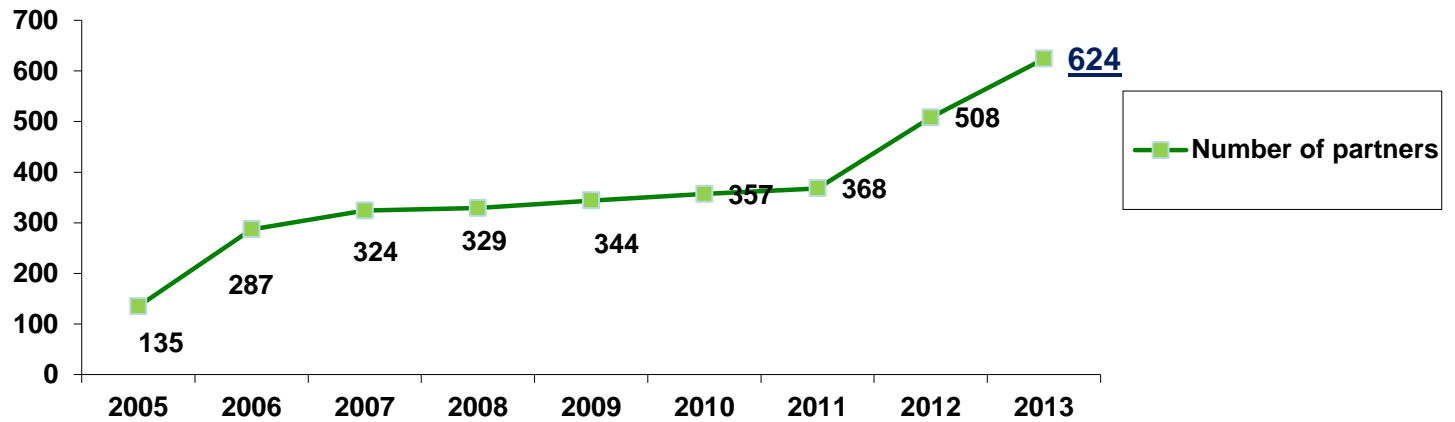
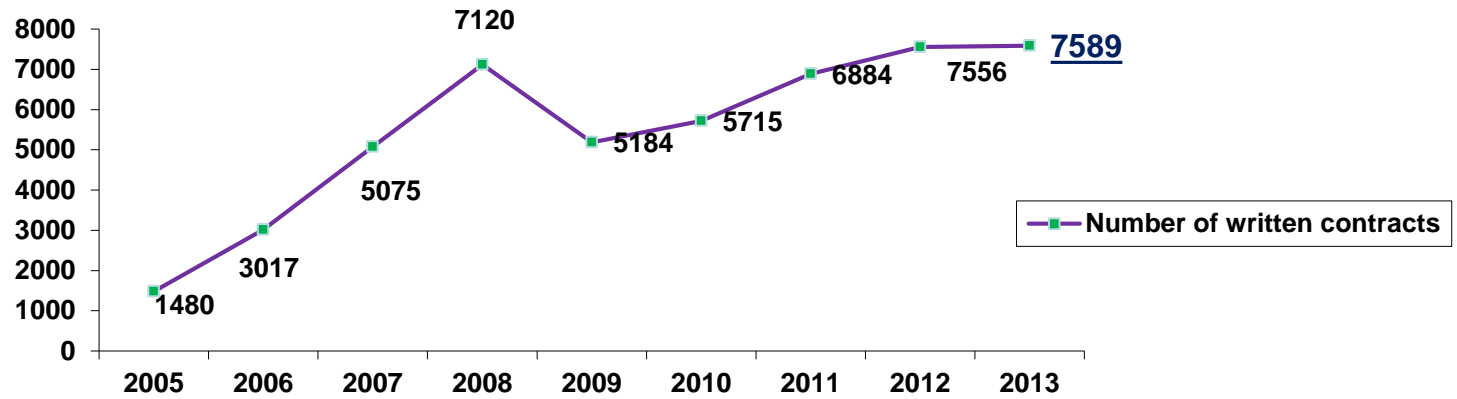
Amount paid,mIn RUR	Year	Cedant	Details
75,00	2010	Sogaz	Fire at Novokuybyshevsky refinery
52,99	2013	Ingosstrakh	Fire in pyrolysis gas workshop, Stavrolen refinery, Lukoil J.S.
29,9	2012	Megaruss D	Damage to an electronic equipment during transit
19,7	2007	Renessans insurance	Explosion of a blust-furnace at Azov-steel plant
19,4	2010	Military IC	Fire at a meat processing plant
17,6	2010	AzRe	Loss of a motor yacht
16,7	2012	Kapital Insurance	Explosion & fire at Baksanskaya HPP
16,5	2010	ROSNO	Explosion at Sayano-Shushenskaya HPP
16,2	2012	ASKA	Damage to the converting equipment at smelter
15,9	2011	Alfastrakhovanie	Damage to a mining equipment
13,9	2008	Spasskie vorota	Fire at an office building
13,8	2010	ZHASO	Damage to a rolling stock
13,0	2011	Soglasie	Fire at a electrical sub-station
12,3	2013	Asuransi Mega	Total loss to M/V "Marina Nusantara"
12,2	2013	Ingosstrakh	Stillage wreckage in warehouse for oil and lubricants
11,6	2010	Sogaz	Damage of railway property after EQ
11,1	2006	KNIC	Heavy rains' damage to residential property

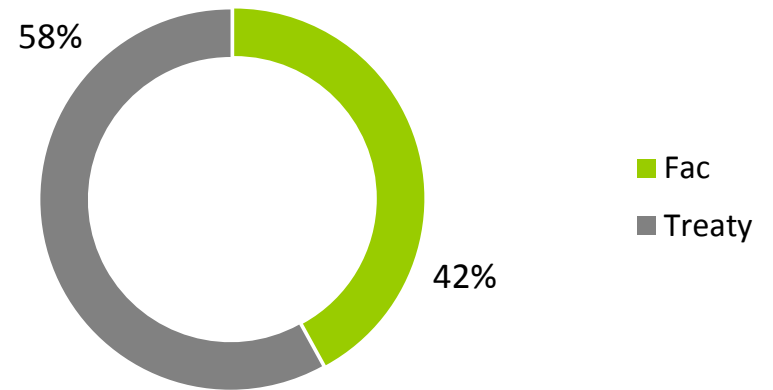
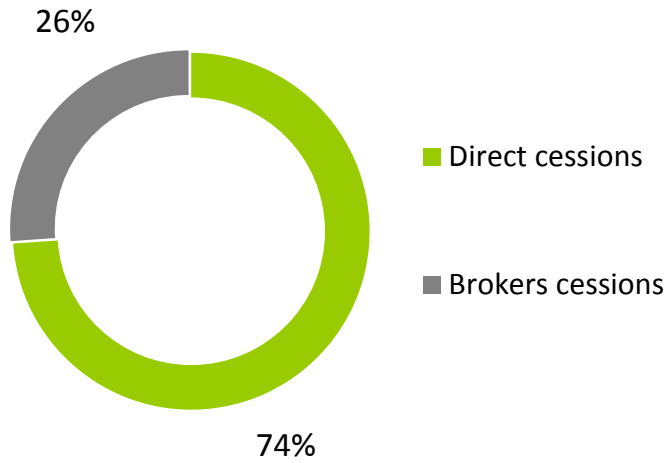
Available Capacity 2013

LOB	Maximum line Net retention Russia & FSU PML basis	Maximum line Gross retention Overseas PML basis	Maximum line Gross retention Russia & FSU
Property (FAP/PAR/IAR)	USD 2,000,000	USD 5,000,000	USD 50,000,000 (for business from Russia/CIS – XOL treaty)
CAR/EAR	USD 2,000,000	USD 5,000,000	USD 50,000,000 (for business from Russia/CIS – XOL treaty)
Energy off-shore	USD 1,000,000	USD 5,000,000	-
Marine hull / P&I	USD 500,000	USD 7,000,000	USD 7,000,000 (worldwide, XOL treaty)
Cargo	USD 500,000	USD 7,000,000	USD 10,000,000 (worldwide, XOL treaty)
GTPL	USD 500,000	USD 500,000	-
Aviation	USD 500,000	USD 500,000	-
Motor	USD 250,000	USD 250,000	-
Personal accident	USD 200,000	USD 200,000	USD 1,500,000

Treaty Retro Protection structure 2013 – 2014

<p>Property Engineering</p> <p>Risk Excess of loss</p> <p>Priority - 1 000 000 \$ (1 mln AAD)</p> <p>1 layer - 1 000 000 \$ xs 1 000 000</p> <p>2 layer - 8 000 000 \$ xs 2 000 000 \$</p> <p>3 layer - 20 000 000 \$ xs 10 000 000 \$</p> <p>4 layer - 20 000 000\$ xs 30 000 000\$</p> <p>Total capacity 50 000 000 \$</p>	<p>Marine hull Cargo</p> <p>Excess of loss</p> <p>Priority - 500 000 \$</p> <p>1 layer – 750 000 \$ xs 500 000 \$</p> <p>2 layer - 1 250 000 \$ xs 1 250 000 \$</p> <p>3 layer - 2 500 000 \$ xs 2 500 000 \$</p> <p>4 layer – 5 000 000\$ xs 5 000 000\$</p> <p>Total capacity 10 000 000 \$</p>	<p>Personal accident & Life</p> <p>Risk & Cat Excess of loss</p> <p>Priority - 200 000 \$</p> <p>1 layer - 1 300 000 \$ xs 200 000 \$</p> <p>2 layer - 500 000\$ xs 1 500 000\$</p> <p>Total capacity 1 500 000 \$</p>
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Distribution Channels

- 600+ Insurance, Reinsurance and Broker companies from Russia, CIS and overseas
- 140+ Insurance companies from Russia. Focused on cooperation with **each and every player from Top-50** (core market)
- 83+ companies from FSU territories, inc. all national market leaders from Ukraine, Kazakhstan, Belarus, Georgia, Azerbaijan, Turkmenistan, Moldova, Uzbekistan
- 130+ brokers worldwide, with our focus set on cooperation with largest insurance brokers operating in Russia, inc.: Marsh, Willis, AonBenfield, Malakut, UIB, JLT, Rifams, AFM, THB/Colemont, and others
- 250+ overseas Ceding companies from around 80 countries comprising Unity Re's global operations

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