

PRESS RELEASE

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RESULTS FOR FIRST HALF OF 2013: PPF LIFE INSURANCE BOOSTS ITS BUSINESS BY 15%

In the first half of 2013 PPF Life Insurance increased the total amount of gross written premiums by 15%, compared to the same period a year earlier (according to Russian accounting standards, RSBU). Savings life insurance and pension life insurance achieved the highest growth rate (25%) within the business.

PPF Life Insurance has focused on the development of the traditional life insurance segment, steadily decreasing the proportion of the activities associated with credit liability insurance in the company's portfolio. Sales volumes for savings life insurance policies and pension life insurance policies increased by 25% in the first half of 2013, compared to the first half of 2012.

In the first half of 2013, the aggregate amount of collected premiums of PPF Life Insurance was more than 6.9 billion roubles, a 15% growth year-on-year. The volume of disbursement of liabilities to clients grew faster than the amount of collected premiums reaching 51%.

Among the sales channels, a 29% growth rate was reached by the agency sales channel, followed by the sale of employee accidental insurance in the corporate sphere (13%).

The successful implementation of the regional expansion programme contributed to the company's positive results. As proposed in its development plan, at the beginning of the year, the company opened five new agencies in Penza, Sarov, Naberezhnye Chelny, Vologda and Smolensk. Currently the company's own agency network comprises 51 agencies and by the end of the year the company plans to open several new agencies in the large Federal Okrugs of the Russian Federation.

The achievements of PPF Life Insurance also include the reduced length of time for claims to be settled. In the first half of 2013, decisions on submitted insurance claims were made within seven working days from the submission of the complete set of documents in 99% of cases, and in 55% of these cases the decisions were made within two working days.

Clients' confidence in PPF Life Insurance is high, as evidenced by the fact that every year the term of as many as a third of the life insurance policies with private clients is extended. Over the last 6 years, the average term length of savings life insurance and pension life insurance has increased by more than 30% and currently stands at 20 years. The average insurance amount in this category of the company's products has also grown significantly: over 6 years it increased by 70% and currently it exceeds 500,000 roubles.

Vít Sedláček, Chairman of the Board of Directors of PPF Life Insurance, says: "In the first half of the year we reached our target parameters and we continue to move ahead. I believe that clients' confidence is the key indicator of success in our business. We are successfully building a trustworthy and client-focused company".

PPF LIFE INSURANCE

PPF Life Insurance (OOO PPF Strakhovanie zhizni) is one of the leading players in the Russian life insurance market. At the end of 2012, it had total GWP of RUB 15.5 billion, the total volume of assets exceeded RUB 20.8 billion and the insurance reserves exceeded RUB 16.2 billion. The Expert RA rating agency gave PPF Strakhovaniie zhizni a rating of A++ (superior creditworthiness).

PPF Life Insurance was established in 2002 (having previously operated under the names Generali PPF Life Insurance and the Czech Insurance Company). The PPF Group, which is the company's founder and sole shareholder, is a stable and successful investment group operating in the financial and property sectors with a focus on diverse business areas in Central and Eastern Europe, the Commonwealth of Independent States and Asia.

PPF GROUP

PPF Group invests into multiple market segments such as banking and financial services, insurance, real estate, energy, metal mining, agriculture, retail and biotechnology. PPF's reach spans from Central and Eastern Europe to Russia and across Asia. PPF Group owns assets amounted to EUR 21.5 billion (as of 31 December 2012).

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