

«Standard Life» ӨСК» АҚ  
Қазақстан Республикасы,  
Индекс: 050059 (A25M6B0)  
Алматы қ., Медеу ауданы,  
Жаркент к. (Джаркентская), 3, т.е. 3  
Call center: 8 8000 700 800  
С моб. тел.: 7008  
e-mail: info@life.stdi.kz

**Жолданушы / Адресат:**

**АО «Казахстанская фондовая биржа»**

г. Алматы, ул. Байзакова, д.280, Бизнес Центр  
«Алматы Тауэрс» Северная башня.

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№ \_\_\_\_\_ от \_\_\_\_\_

Акционерное Общество "Компания по страхованию жизни "Standard Life" (далее по тексту – «Эмитент») выражает Вам свое почтение и желает успехов в осуществлении профессиональной деятельности.

Настоящим письмом Эмитент сообщает, что 12 марта 2018 года Международным рейтинговым агентством Fitch Ratings Эмитенту присвоен рейтинг финансовой устойчивости («РФУ») на уровне «В» и национального («РФУ») — «BBB – (kaz)». Прогноз стабильный.

*Приложение:*

- 1. Пресс-релиз о присвоении рейтинга (на английском языке).*

**Председатель Правления**



**С. Қырықбай**

Исп. Кобаева А.Т.  
Тел. 266-11-98 (вн. 151)

**Joint Stock Company - Life Insurance Company - Standard Life**  
**(/gws/en/esp/issr/92308290)**



Fitch Rates Kazakhstan's Standard Life 'B'; Outlook Stable

Fitch Ratings-Moscow/London-12 March 2018: Fitch Ratings has assigned Kazakhstan-based Joint-Stock Company Life Insurance Company Standard Life (Standard Life) an Insurer Financial Strength (IFS) Rating of 'B' and a National IFS Rating of 'BBB-(kaz)'. The Outlooks are Stable.

#### KEY RATING DRIVERS

The ratings reflect Standard Life's weak business profile, exposure to long-term risks in the insurance portfolio, high investment risk and poor asset-liability matching. This is offset by the company's strong regulatory solvency position.

Standard Life is a medium-sized Kazakh life insurance company with a market share of 6% measured by gross written premiums (GWP) (including workers' compensation business) in 2017. In international terms, Standard Life is a small life company with total assets of KZT22.7 billion at end-2017 (approximately USD70 million, based on current exchange rates).

Standard Life's new business mix has shifted since 2015 to pension annuities, de-emphasising life insurance. Pension annuities represented 73% of net written premiums (NWP) in 2017. However, the company is exposed to significant longevity and interest rate risks in its annuity business, particularly in the context of limited investment opportunities in local capital markets. Fitch believes the limited track record of operations and multiple changes in the management team also increase Standard Life's operational risk.

Fitch views Standard Life's regulatory capital position as strong for the rating. Standard Life complies comfortably with regulatory solvency capital requirements, with the coverage ratio at 340% at end-2017 (2016: 269%). Standard Life plans to maintain the solvency margin ratio above 260% throughout 2018.

Standard Life paid out a significant dividend in 2016, following a similar level of dividend in 2015 (in absolute amount). The dividend paid in 2016 represented 330% of net profit for the year, reflecting significant retained earnings in 2015 from "one-off" forex gains in that year. Fitch understands that the shareholder takes into account the level of the regulatory solvency margin coverage ratio in making decisions on profit repatriation.

Standard Life invests primarily in local bank deposits and to a lesser extent in fixed-income securities. Bank deposits accounted for 87% of total investments at end-2017,

in line with 2016. The deposits are largely placed with banks rated in the 'B' category.

Standard Life is exposed to a significant duration mismatch between its assets and its liabilities. The average duration of the liabilities related to pension annuity business is over 10 years while the duration of its assets is less than a year. The company's ability to reduce this gap is limited by a lack of sufficient long-dated assets, or hedging instruments, in the local capital markets.

Based on 2017 statutory reporting, Standard Life reported KZT766 million of net income, which was driven by positive technical results both in non-life and life segments. In the life segment, Standard Life benefited from a strong investment return component on the pension annuity business.

Standard Life lost its protection business distribution channel following the change in ownership in 2017. Protection policies were written through the bank branches of the former parent bank, and formed a significant amount of the company's premiums (60% of GWP in 2016). This business line also generated a positive contribution to the underwriting result in recent years. The termination of this business was followed by a KZT405 million reserve release, which will not be repeated in 2018. Fitch expects that the underwriting result in 2018 may therefore be weaker.

#### RATING SENSITIVITIES

The ratings could be downgraded if Standard Life's capital position or financial performance weakens significantly, which could be, for example, a result of reserve strengthening in the annuity or workers' compensation business lines. Both lines are significantly exposed to any potential changes in regulatory requirements, as regards pricing, tariffs and reserving in particular.

The ratings could be upgraded if Standard Life continues to be profitable or reduces investments risk or asset-liability mismatch, or improves the business diversification.

In accordance with Fitch's policies the issuer appealed and provided additional information to Fitch that resulted in a rating action that is different than the original rating committee outcome.