



Decide with Confidence

Business Information Report

DATE PRINTED APR 25, 2003

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NAME:	LEMMA INSURANCE CLOSED JOINT STOCK COMPANY
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DUNS: 49-926-4554

D&B RATING:	4A2
FORMER RATING:	3A2
CONDITION:	GOOD
TREND:	UP
AVG CREDIT (USD):	17,000
CREDIT:	NON-SEEKER
PAYMENTS:	NOT APPLICABLE

TRADING STYLES: 'LEMMA INSURANCE COMPANY'

ADDRESS: 3 KOLOMENSKAYA STREET
KHARKOV 61166
UKRAINE

TELEPHONE: 380572 142810

TELEFAX: 380572 142811

E-MAIL: lord@insurance.kharkov.ua,
lemma@insurance.kharkov.ua

ANY AMOUNTS HEREAFTER ARE IN LOCAL CURRENCY UNLESS OTHERWISE STATED

SUMMARY

STARTED	1994	SALES	82,100
YEAR INC	1996	PROFIT	4,514,000
LEGAL FORM	PRIVATE JOINT STOCK CO	NET WORTH	176,691,400
REG NO	6-1567	NOM CAPITAL	110,000,000
GOVT GAZ NO	22623173	PAID CAPITAL	ALL
EMPLOYS	35		
SIC	6499, 6321, 6324, 6331, 6351, 6361		
ACTIVITY	Insurance carriers Accident and health insurance Hospital and medical service plant Fire, marine, and casualty insurance Surety insurance Title Insurance		

PRINCIPALS

Sergey Ivanovich Chernyshev, president
Igor Victorovich Vasilchenko, vice-president
Alexander Vladimirovich Butsky, general director

BANKERS

Zembank 4 Chernyshevskogo street, Kharkov 310057, Ukraine.
Telephone: 380572 451162
Account No: 26001011026

PAYMENTS REPORTED

Informants report that due to the subject's line of business no relevant payment information is available.

HISTORY

PRINCIPALS ANTECEDENTS

NAME : Sergey Ivanovich Chernyshev
Born : 1965
Nationality: Ukrainian
Has a Degree in Engineering, Economics, Jurisprudence .

NAME : Igor Victorovich Vasilchenko
Born : 1961
Nationality: Ukrainian
Has a Degree in Philology from Kharkov University.

NAME : Alexander Vladimirovich Butsky
Born : 1969
Nationality: Ukrainian
Has a Degree in Economics .

BACKGROUND

Business started 1994

LEGAL FORM

Private joint stock co registered on Dec 4, 1996 in Kharkov
Registration Number: 6-1567
Government Gazette Number: 22623173

Auditors: A.Audit, Kharkov; cont person: Larisa Valentinovna Bezruchko

CAPITAL

Nominal capital: 110,000,000 . Paid-up capital: All.
Project Control Corporation, UK holds 20% of the voting capital.
International Reinsurance Trust Corporation, UK holds 10% of the voting capital.
S.I.Chernyshov holds 5.66% of the voting capital.
Model Vsesvitu Open Joint Stock Company holds 8.96% of the voting capital.
Fund Ecological Measures Open Joint Stock Company holds 8.96% of the voting capital.
Lantan Closed Joint Stock Company holds 2.74% of the voting capital.
Alef Closed joint Stock Company holds 2.53% of the voting capital.
ATN Invest LTD holds 2.55% of the voting capital.
KHRFPP Open Joint Stock Company holds 8.91% of the voting capital.
Zemelny None-State Pension Fund Closed Joint Stock Company holds 5.35% of the voting capital.

Fund Insuranse garanties JSC holds 3.89% of the voting capital.
Avante Insurance Company holds 1.81% of the voting capital.
NTITTP JSC holds 5.35% of the voting capital.
V.I.Chernyshov holds 0.5% of the voting capital.
S.I.Shatokhina holds 0.25% of the voting capital.
O.V.Butsky holds 0.35% of the voting capital.
O.M.Khismatulin holds 0.25% of the voting capital.
O.S.Dyachenko holds 0.49% of the voting capital.
Apriori JSC holds 8.35% of the voting capital.
Sp□ce International Inc. holds 3.1% of the voting capital.

SUBSIDIARIES

Lemma-akvizit Subsidiary Company, Ukraine
Subject owns 100% of the capital.
Lemma-kiev Subsidiary Company, Kiev, Ukraine
Subject owns 100% of the capital.
Lemma-odessa Subsidiary Company, Odessa, Ukraine
Subject owns 100% of the capital.
Lemma-feodosia Subsidiary Company, Feodosia, Ukraine
Subject owns 100% of the capital.
Lemma-eupatoria Subsidiary Company, Eupatoria, Ukraine
Subject owns 100% of the capital.
Lemma-avantazh Subsidiary Company, Ukraine
Subject owns 100% of the capital.
Lemma-avenue Subsidiary Company, Kharkov, Ukraine
Subject owns 100% of the capital.
Year started: 1999.
Lemma-kharkov Subsidiary Company, Kharkov, Ukraine
Subject owns 100% of the capital.

AFFILIATES

The following are related through principal(s) and/or financial interest(s):

Akvizit-invest Limited Liability Company, Kharkov, Ukraine
Model Of The World Limited Liability Company, Kharkov, Ukraine
Trest Trast Company, Kharkov, Ukraine
Year started: 1995.
Genesis Limited Liability Company, Ukraine
Oktopus Limited Liability Company, Ukraine
Tavriya-invest Limited Liability Company, Sevastopol, Ukraine
Year started: 1995.
Chernobyl Memory Fund, Ukraine
Zemelny Non-government Pension Fund, Ukraine
Latek Limited Liability Company, Ukraine
Alef Closed Joint Stock Company, Kharkov, Ukraine
Year started: 1999.
Lantan Closed Joint Stock Company, Kharkov, Ukraine
Year started: 1999.
Nast National Insurance Closed Joint Stock Company, Kiev, Ukraine
Year started: 1999.
Salamandra-skhid Insurance Joint Stock Company, Lugansk, Ukraine
Year started: 1995.

OPERATIONS

Non-life insurance company dealing with:
Insurance carriers
Accident and health insurance
Hospital and medical service plant
Fire, marine, and casualty insurance
Surety insurance
Title insurance

In Ukraine subject is considered to be a medium concern in this field.

Sells to the general public, group companies, Tavrica JSBank; GarantVeksel LTD; Akhtol LTD; Orbita Lux LTD; Investbank Ukraine and other on a regular basis.

Number of accounts: 120

Exports to Slovakia, Uzbekistan, Slovenia, Latvia (according to subject's information)

Subject does not import.

EMPLOYS: 20 as at 2000

Operates from rented office, covering approximately 660 square metres at heading address.

Subject is located in a central business area.

REGISTERED OFFICE: At heading address.

POSTAL ADDRESS: P O Box 589, Kharkov.

FINANCES

	Fiscal Dec 31, 2000	Fiscal Dec 31, 2001	Fiscal Dec 31, 2002
Turnover	3,828,900	4,365,300	82,100
Pre-tax Profit	2,805,600	4,731,500	4,514,000
Net Worth	78,293,900	172,578,300	176,691,400
Fixed Assets	62,500	53,400	41,900
Total Assets	149,941,300	247,050,500	465,708,000
Current Assets	132,484,500	236,093,100	439,412,000
Current Liabs	68,459,400	71,117,300	283,864,100
Working Capital	64,025,100	164,975,800	155,547,900
Long Term Debt	3,188,000	3,354,900	5,152,500
Financial Assets	17,394,300	10,904,000	26,254,100
Intangibles	100	100	100
Employees	25	30	35

Net Worth and Total Assets are tangible figures shown after the deduction of intangible assets.

RATIOS

	Dec 31, 2000	Dec 31, 2001	Dec 31, 2002
Current Ratio (X)	1.93	3.31	1.54
Solvency Ratio (%)	191.51	143.15	263.57
Fixed Assets / Net Worth (%)	.	.	.
Current Liabs / Net Worth (%)	87.43	41.20	160.65
Asset Turnover (%)	2.55	1.76	.
Sales / Net Working Cap (X)	.	.	.
Assets / Sales (%)	3916.04	5659.41	567244.82
Profit Margin (%)	73.27	108.38	5498.17
S/holders Return (%)	3.58	2.74	2.55
Return On Assets (%)	1.87	1.91	.96
Sales / Employees	153156.00	145510.00	2345.71
Profit / Employees	112224.00	157716.66	128971.42

Abstract from fiscal balance sheet as at Dec 31, 2002.

LIABILITIES

Capital	110,000,000
Legal Reserves	25,224,000
Retained Profits	41,466,900
Misc Reserves	600

ASSETS

Total Fixed Ass	41,900
Investments	780,500
Misc Fin'cl Ass	25,473,600

Net Worth	176,691,500	Total Fin'cl Ass	26,254,100
Misc Def Liabs	5,152,500	Total Intangible	100
CURRENT LIABILITIES:		CURRENT ASSETS:	
Trade Creditors	70,324,000	Stock	5,700
Misc Creditors	112,464,500	Trade Debtors	45,395,900
Bank Overdraft	1,862,600	Misc Debtors	169,084,300
Due to Group	1,700	Prepaid Expenses	79,400
H P Instalments	7,800	Cash	144,285,200
Taxation	360,400	Tax Recoverable	2,200
Misc Curr Liabs	98,843,100	Market Security	72,649,200
		Misc Curr Ass	7,910,100
TOTAL CURRENT	283,864,100	TOTAL CURRENT	439,412,000
TOTAL LIABS & NW	465,708,100	TOTAL ASSETS	465,708,100

Profit & Loss Account from Jan 1, 2002 to Dec 31, 2002.

Net Sales	82,100
Cost of Goods Sold	0
Gross Profit	82,100
Selling/Admin Expenses	1,466,500
Misc Operating Charges	7,301,300
Misc Operating Income	13,179,500
Net Operating Income	4,493,800
Interest Receivable	2,174,300
Misc Financial Income	915,793,300
Total Financial Income	917,967,600
Interest Payable	1,854,700
Misc Financial Expenses	916,092,700
Total Financial Expenses	917,947,400
Profit Before Taxes	4,514,000
Income Tax	400,900
Profit After Tax	4,113,100
Net Profit	4,113,100

BALANCE SHEET (UKRAINIAN ACCOUNTANT STANDARD)

Financial statements for 2002

ASSETS	Code	Year beginning	Year ends
I. Fixed assets UAH, Thou			
Intangible assets			
Depreciated cost	010	0,1	0,1
Acquisition cost	011	0,1	0,1
Depreciation	012	-	-
Work in progress	020	-	-
Fixed assets			
Depreciated cost	030	53,4	41,9
Depreciation	031	116,3	116,3

ASSETS	Code	Year beginning	Year ends
Acquisition cost	032	62,9	74,4
Long term financial investments			
participation in other companies' capitals	040	2629,2	780,5
Other financial investments	045	8274,8	25473,6
Long term debtors	050		
Deferred tax assets	060	-	-
Other non-current asstes	070	-	-
Total on Section I	080	10957,5	26296,1
II. Current assets			
Stock			
Production materials	100	2,9	2,9
Animals	110	-	-
Work in progress	120	-	-
Finished commodity	130		
Goods	140		
Promissory notes recieved	150	20634,8	7908,0
Debtors for goods supplied and services rendered			
Realization cost	160	66411,7	45395,9
Acquisition value	161	66411,7	45395,9
Provision for bad debts	162	-	-
Debtors on accounts with:			
state budget	170	2,0	2,2
advances given	180	-	-
accrual income	190	-	-
Due from group	200	-	-
Other current debtors:	210	32766,1	169084,3
Current financial investments	220	68705,8	72649,2
Cash and cash equivalents			
in national currency	230	47220,2	143976,9
in foreign currency	240	36,9	308,3
Other current assets	250	11,0	2,1
Total on Section II	260	235791,4	439332,6
III. Future periods expenses	270	1,7	79,4
BALANCE	280	246750,6	465708,1

LIABILITIES	Code	Year beginning	Year ends
□. Net worth			
Nominal capital	300	100000,0	100000,0
Share capital	310	-	-
Additional invested capital	320	-	-
Other invested capital	330	0,6-	0,6-
Reserve capital	340	25000,0	25224,0
Retained profit (outstanding loss)	350	47577,8	41466,9
Unpaid capital	360	-	-
Excepted capital	370	()	()
Total on Section I	380	172578,4	176691,5
II.Provision of future expenses and payments			
Payments for the staff	400	-	-
Other provisions	410		
Unearned premium reserve	415	113151,1	177390,3
Reinsurers share in unearned premium reserve	416	(109796,6)	(172238,2)
Direct financing	420	0.4	0.4
Total on Section II	430	3354,9	5152,5

III. Long term liabilities			
Long term loans from banks	440	-	-
Other long term financial liabilities	450	-	-
Deferred tax liabilities	460	-	-
Other tax liabilities	470	-	-
Total on Section III	480	-	-
IV. Current liabilities			
Short term bank credits	500	11171,6	1862,6
Current debts on long term liabilities	510	-	-
Promissory notes issued	520	31282,9	112464,5
Creditors on goods supplied and services rendered	530	20051,0	70324,0
Current liabilities on accounts with:			
advances received	540	-	-
state budget	550	21,0	106,9
non-budget payments	560	-	-
social security	570	1,6	253,5
salaries to the staff	580	4,3	7,8
shareholders	590	-	-
Internal accounts	600	-	-
Other current liabilities	610	8284,9	98843,1
Total on Section IV:	620	70817,3	283864,1
V. Future periods income	630		
BALANCE	640	246750,6	465708,1

I. FINANCIAL RESULTS

Items	Code	2001	2002
		UAH, thou	UAH, thou
Income from realization of goods and services	010	7795,9	10620,2
VAT	015		
Excise	020		
Claims paid	025	3430,6	10538,1
□□□□ □□□□□□□□□□ □ □□□□□	030		
Net income from realization of goods and services	035	4365,3	82,1
Cost price of goods and services realized	040		
Gross profit:			
Profit	050	4365,3	82,1
Loss	055		
Other operational income	060	3153,8	13179,5
Administrative expenses	070	625,0	1466,5
Sales expenses	080	240,7	432,6
Other operational expenses	090	1310,5	6868,7
Financial results from operational activity			
Profit	100	5342,9	4493,8
Loss	105		
Income from participation in capital	110	3,7	2174,3
Other financial income	120	466,3	854,0
Other income	130	323255,3	914939,3
Financial expenses	140	1360,2	1162,4
Expenses from participation in capital	150	2,1	1854,7

Other expenses	160	322974,4	914930,3
Financial result from ordinary activity before tax:			
Profit	170	4731,5	4514,0
Loss	175		
Profit tax on ordinary activity	180	251,3	400,9
Financial result from ordinary activity:			
Profit	190	4480,2	4113,1
Loss	195		
Extraordinary:			
Income	200		
Expenses	205		
Tax on extraordinary income	210		
Net:			
Profit	220	4480,2	4113,1
Loss	225		

The average number of employees during the year was 35
According to the balance sheet as of Dec 31, 2002.
Subject to the foregoing, the financial statements give a true and fair
view of the company's affairs.

Financial statement obtained from subject on Apr 18, 2003.

Businesses in this line do not normally require extensive trade credit.
Subject is a leading company in this line, its principals are well known
and it is considered trustworthy for normal credit requirements.

The Dun & Bradstreet Rating of 4A2 Indicates:

**A Financial Strength of USD 25 million - 60 million (based on
Tangible Net Worth) and an Overall Condition which is Good (low
risk).**

End of the report
