

Description of the probable risk factors

In the course of its ordinary operations our enterprise may face the currency risk.

Currency risks occur with financial instruments in foreign currency, which is not being functional, and are inherently monetary. Currency risk occurs basically not with functional currencies, in which the enterprise's financial instruments are nominated.

Basically, the enterprise operates with the following currencies: euro, U.S. dollar, Russian ruble and Ukrainian hryvna.

Basic currency risk for the enterprise is mainly related to the availability of the monetary assets and liabilities, denominated in the currencies other than hryvna. It also includes risks, related to the operating flow of funds, cash balance, amounts of accounts receivable and payable, denominated in the currencies other than hryvna.

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