

27 RISK MANAGEMENT POLICY (Continuation)

	UZS	USD USD 1 = 2,809.98 UZS	EUR EUR 1 = 3,074.19 UZS	Other	31 December 2015 Total
<b>FINANCIAL ASSETS:</b>					
Cash and cash equivalents	5 716 635	6 569 142	2 057	56 272	12 344 106
Deposits in banks	18 588 249	98 967 496	368 903	-	117 924 648
Financial assets at fair value through profit or loss	-	138 868 697	-	-	138 868 697
Investments available for sale	32 740 917	1 384 681	-	-	34 125 598
Loans and receivables	3 592 000	-	-	-	3 592 000
Insurance and reinsurance receivable	274 283	1 701 870	-	-	1 976 153
Other financial assets	1 435 669	1 170 271	-	-	2 605 940
<b>TOTAL FINANCIAL ASSETS</b>	<b>62 347 753</b>	<b>248 662 158</b>	<b>370 960</b>	<b>56 272</b>	<b>311 437 142</b>
<b>FINANCIAL LIABILITIES:</b>					
Insurance and reinsurance payable	3 038 476	5 912 209	36	-	8 950 721
Other financial liabilities	443 814	2 029 386	-	-	2 473 200
<b>TOTAL FINANCIAL LIABILITIES</b>	<b>3 482 290</b>	<b>7 941 595</b>	<b>36</b>	<b>-</b>	<b>11 423 921</b>
<b>OPEN BALANCE SHEET POSITION</b>	<b>58 865 463</b>	<b>240 720 563</b>	<b>370 924</b>	<b>56 272</b>	<b>300 013 222</b>

Analysis of sensitivity to foreign exchange risk

The table below summarizes the sensitivity of the Group to 15% and 16% of the increase and decrease in the sum to the US dollar and euro as of 31 December 2016 and 2015, 11% and 3.8%, respectively. The Group's management believes that, given the current economic situation in the Republic of Uzbekistan, it is possible for the sum to fluctuate against the US dollar and euro at a rate of up to 25%. This level of sensitivity is used internally in the preparation of foreign exchange risk reports for key management personnel of the Company and represents management's assessment of possible changes in exchange rates. The sensitivity analysis includes only foreign currency amounts available at the end of the period, when converted at the end of the year, rates that are changed by 25% are used as compared to those effective as of 31 December 2016 and 2015, respectively.

	As at 31 December 2016		As at 31 December 2015	
	+15%	-15%	+16%	-16%
Impact on net profit and equity	47 415 562	(47 415 562)	38 515 290	(38 515 290)

  

	As at 31 December 2016		As at 31 December 2015	
	+11%	-11%	+3.8%	-3.8%
Impact on net profit and equity	42 498	(42 498)	14 095	(14 095)

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Limitations of sensitivity analysis

The above tables reflect the effect of a change in the main assumption, while other assumptions remain unchanged. In fact, there is a connection between assumptions and other factors. It should also be noted that the sensitivity is nonlinear, so interpolation or extrapolation of the results should not be performed.

The sensitivity analysis does not take into account that the Group actively manages assets and liabilities. In addition to this, the financial position of the Company may vary depending on the changes taking place in the market. For example, the Group's strategy in the area of financial risk management is aimed at managing the risk of market volatility. In the event of sharp negative price fluctuations in the securities market, management can resort to such methods as selling investments, changing the composition of the investment portfolio, and also to other methods of protection. Consequently, the change in assumptions may not have an impact on liabilities and significantly affect the assets recorded on the balance sheet at the market price. In this situation, different methods of valuation of assets and liabilities can lead to significant fluctuations in the amount of capital.

Other limitations in the above sensitivity analysis include the use (with the aim of disclosing the potential risk) of hypothetical market movements, which are just the Company's forecast of forthcoming market changes that can not be predicted with any degree of certainty. Also a limitation is the assumption that all interest rates change in an identical way.

**28 SUBSEQUENT EVENTS AFTER REPORTING DATE**

The Company's management does not have information on significant events after the reporting date