

**OPEN JOINT-STOCK COMPANY  
MOSCOW EXCHANGE  
MICEX-RTS**

**Consolidated Interim Condensed Financial Statements  
For the Three-Month Period Ended March 31, 2015**

# MOSCOW EXCHANGE GROUP

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# MOSCOW EXCHANGE GROUP


## Consolidated Interim Condensed Statement of Profit or Loss for the Three-Month Period Ended March 31, 2015

(in millions of Russian rubles)

	Notes	Three - month period ended March 31, 2015 (unaudited)	Three - month period ended March 31, 2014 (unaudited)
Fee and commission income	5	3 790,8	3 517,0
Interest and other finance income	6	7 299,7	2 381,8
Interest expense		(0,9)	(69,5)
Net loss on financial assets available-for-sale	7	(25,4)	(134,7)
Foreign exchange gains less losses	8	778,7	428,7
Other operating income	9	29,3	387,1
<b>Operating Income</b>		<b>11 872,2</b>	<b>6 510,4</b>
Administrative and other operating expenses	10	(1 412,3)	(1 229,0)
Personnel expenses	11	(1 456,7)	(1 334,9)
<b>Operating Profit</b>		<b>9 003,2</b>	<b>3 946,5</b>
Share of profits of associates		3,4	9,4
<b>Profit before Tax</b>		<b>9 006,6</b>	<b>3 955,9</b>
Income tax expense	12	(1 803,6)	(785,7)
<b>Net Profit</b>		<b>7 203,0</b>	<b>3 170,2</b>
<b>Attributable to:</b>			
Equity holders of the parent		7 246,8	3 222,0
Non-controlling interest		(43,8)	(51,8)
<b>Earnings per share</b>			
Basic earnings per share, rubles	27	3,25	1,45
Diluted earnings per share, rubles	27	3,23	1,44

  
Chairman of the Executive Board  
Afanasiev A.K.

May 14, 2015  
Moscow

  
Chief Financial Officer  
Fetisov E.E.

May 14, 2015  
Moscow

The notes 1-30 form an integral part of these consolidated interim condensed financial statements.

## MOSCOW EXCHANGE GROUP

### Consolidated Interim Condensed Statement of Other Comprehensive Income for the Three-Month Period Ended March 31, 2015

(in millions of Russian rubles)

	Notes	Three - month period ended March 31, 2015 (unaudited)	Three - month period ended March 31, 2014 (unaudited)
<b>Net profit</b>		<b>7 203,0</b>	<b>3 170,2</b>
<b>Other comprehensive income that may be reclassified subsequently to profit or loss:</b>			
Exchange differences on translating foreign operations		(113,5)	(116,2)
Net income/(loss) resulting from revaluation of investments available-for-sale		837,5	(786,8)
Net loss on investments available-for sale reclassified to profit or loss	7	25,4	134,7
Income tax relating to items that may be reclassified		(172,5)	130,4
<b>Other comprehensive income/(losses) that may be reclassified subsequently to profit or loss</b>		<b>576,9</b>	<b>(637,9)</b>
<b>Total comprehensive income</b>		<b>7 779,9</b>	<b>2 532,3</b>
<b>Attributable to:</b>			
Equity holders of the parent		7 872,1	2 635,2
Non-controlling interest		(92,2)	(102,9)
<b>Total comprehensive income</b>		<b>7 779,9</b>	<b>2 532,3</b>

The notes 1-30 form an integral part of these consolidated interim condensed financial statements.

# MOSCOW EXCHANGE GROUP

## Consolidated Interim Condensed Statement of Financial Position as at March 31, 2015

(in millions of Russian rubles)

	Notes	March 31, 2015 (unaudited)	December 31, 2014
<b>ASSETS</b>			
Cash and cash equivalents	13	1 162 030,3	1 163 783,1
Financial assets at fair value through profit or loss	14	11 588,8	11 442,0
Due from financial institutions	15	35 589,6	39 828,0
Central counterparty financial assets	16	279 518,6	139 609,8
Investments available-for-sale	17	100 479,8	80 950,3
Investments in associates	18	34,8	46,1
Property and equipment	19	6 609,0	6 050,3
Intangible assets	20	17 937,0	18 150,3
Goodwill	21	15 971,4	15 971,4
Current tax prepayments		180,6	39,5
Deferred tax asset	12	219,9	172,6
Other assets	22	938,1	1 461,5
<b>TOTAL ASSETS</b>		<b>1 631 097,9</b>	<b>1 477 504,9</b>
<b>LIABILITIES</b>			
Balances of market participants	23	1 238 890,4	1 231 999,1
Central counterparty financial liabilities	16	279 518,6	139 609,8
Distributions payable to holders of securities		3 343,0	6 353,0
Deferred tax liability	12	4 087,7	4 015,6
Current tax payables		1 529,6	736,7
Derivative financial liabilities		387,0	-
Other liabilities	24	3 629,0	2 943,3
<b>TOTAL LIABILITIES</b>		<b>1 531 385,3</b>	<b>1 385 657,5</b>
<b>EQUITY</b>			
Share capital	25	2 498,1	2 498,1
Share premium	25	32 520,1	32 528,0
Treasury shares	25	(3 236,8)	(3 365,0)
Foreign currency translation reserve		(127,6)	(62,5)
Investments revaluation reserve		(637,8)	(1 328,2)
Share-based payments		402,4	437,4
Retained earnings	26	67 982,4	60 735,6
<b>Total equity attributable to owners of the parent</b>		<b>99 400,8</b>	<b>91 443,4</b>
Non-controlling interest		311,8	404,0
<b>TOTAL EQUITY</b>		<b>99 712,6</b>	<b>91 847,4</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>1 631 097,9</b>	<b>1 477 504,9</b>

The notes 1-30 form an integral part of these consolidated interim condensed financial statements.

# MOSCOW EXCHANGE GROUP

## Consolidated Interim Condensed Statement of Cash Flows for the Three-Month Period Ended March 31, 2015

(in millions of Russian rubles)

		Three - month period ended March 31, 2015 (unaudited)	Three - month period ended March 31, 2014 (unaudited)
	Notes		
<b>CASH FLOWS FROM / (USED IN) OPERATING ACTIVITIES:</b>			
Profit before tax		9 006,6	3 955,9
Adjustments for:			
Depreciation and amortization charge	10	404,0	402,0
Deferred commission income	24	936,5	-
Fair value adjustment on securities at fair value through profit or loss		(119,7)	398,0
Revaluation of derivatives		387,0	(134,4)
Share-based payment expense		27,8	64,6
Unrealized loss on foreign exchange operations		98,7	14,4
Share of profits of associates		(3,4)	(9,4)
Loss on disposal of investments available-for-sale	7	25,4	134,7
Net change in interest accruals		(1 050,8)	(63,4)
Net (gain) / loss on disposal of property and equipment and intangible assets	9, 10	(0,6)	1,4
Gain from revaluation of previously held equity interest in the acquiree	9	-	(38,7)
Impairment of goodwill and other intangible assets	10	-	181,0
Impairment / (reversal of impairment) of other assets	9, 10	2,5	(0,9)
Impairment of due from financial institutions	10	103,9	-
Bargain gain	9	-	(18,6)
Provision for onerous contracts	12	133,2	-
Gain on disposal of non-current assets held for sale	9	-	(314,8)
<b>Changes in operating assets and liabilities:</b>			
Due from financial institutions		5 858,5	15 174,5
Financial assets at fair value through profit or loss		(638,5)	3 552,1
Central counterparty financial assets		(139 908,9)	(26 853,2)
Other assets		576,1	(569,3)
Balances of market participants		(7 641,3)	178 311,7
Central counterparty financial liabilities		139 908,9	26 853,2
Distributions payable to holders of securities		(3 010,0)	(1 935,9)
Other liabilities		(378,6)	105,4
Cash flows from operating activities before taxation		4 717,3	199 210,3
Income tax paid		(1 292,7)	(886,7)
<b>Cash flows from operating activities</b>		<b>3 424,6</b>	<b>198 323,6</b>

The notes 1-30 form an integral part of these consolidated interim condensed financial statements.

## MOSCOW EXCHANGE GROUP

### Consolidated Interim Condensed Statement of Cash Flows for the Three-Month Period Ended March 31, 2015 (Continued)

(in millions of Russian rubles)

	Notes	Three - month period ended March 31, 2015 (unaudited)	Three - month period ended March 31, 2014 (unaudited)
<b>CASH FLOWS FROM / (USED IN) INVESTING ACTIVITIES:</b>			
Purchase of investments available-for-sale		(31 074,0)	(7 833,9)
Proceeds from disposal of investments available-for-sale		13 782,9	14 616,4
Purchase of property and equipment and intangible assets		(774,3)	(68,6)
Proceeds from disposal of property and equipment and intangible assets		0,7	0,3
Proceeds from sale of investments in associates		-	593,9
Acquisition of subsidiaries, net of cash acquired		-	5,9
Disposal of subsidiaries, net of cash disposed		-	440,0
<b>Cash flows (used in) / from investing activities</b>		<b>(18 064,7)</b>	<b>7 754,0</b>
<b>CASH FLOWS FROM / (USED IN) FINANCING ACTIVITIES:</b>			
Sale of treasury shares		57,5	117,2
Loans received		-	457,9
<b>Cash flows from financing activities</b>		<b>57,5</b>	<b>575,1</b>
Effect of changes in foreign exchange rates on cash and cash equivalents		12 829,8	15 660,7
<b>Net (decrease) / increase in cash and cash equivalents</b>		<b>(1 752,8)</b>	<b>222 313,4</b>
<b>Cash and cash equivalents, beginning of period</b>	13	<b>1 163 783,1</b>	<b>257 060,5</b>
<b>Cash and cash equivalents, end of period</b>	13	<b>1 162 030,3</b>	<b>479 373,9</b>

Interest received by the Group during the three-month period ended March 31, 2015, amounted to RUB 6 112,2 million (March 31, 2014: RUB 2 528,3 million).

Interest paid by the Group during the three-month period ended March 31, 2015, amounted to RUB 0,9 million (March 31, 2014: RUB 62,2 million).

## MOSCOW EXCHANGE GROUP

### Consolidated Interim Condensed Statement of Changes in Equity for the Three-Month Period Ended March 31, 2015

(in millions of Russian rubles)

	Share capital	Share premium	Treasury shares	Investments revaluation reserve	Share- based payments	Foreign currency translation reserve	Retained earnings	Total equity attributable to owners of the parent	Non- controlling interest	Total equity
<b>December 31, 2013</b>	<b>2 598,0</b>	<b>38 953,8</b>	<b>(10 194,1)</b>	<b>(280,7)</b>	<b>368,0</b>	<b>7,5</b>	<b>49 999,0</b>	<b>81 451,5</b>	<b>342,6</b>	<b>81 794,1</b>
Net profit (unaudited)	-	-	-	-	-	-	3 222,0	3 222,0	(51,8)	3 170,2
Other comprehensive income (unaudited)	-	-	-	(521,7)	-	(65,1)	-	(586,8)	(51,1)	(637,9)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(521,7)</b>	<b>-</b>	<b>(65,1)</b>	<b>3 222,0</b>	<b>2 635,2</b>	<b>(102,9)</b>	<b>2 532,3</b>
<b>Transactions with owners</b>										
Cancellation of treasury shares (unaudited)	(99,9)	(6 416,5)	6 516,4	-	-	-	-	-	-	-
Acquisition of subsidiary (unaudited)	-	-	-	-	-	-	-	-	91,3	91,3
Share-based payments (unaudited)	-	(2,9)	201,0	-	(16,3)	-	-	181,8	-	181,8
<b>Total transactions with owners</b>	<b>(99,9)</b>	<b>(6 419,4)</b>	<b>6 717,4</b>	<b>-</b>	<b>(16,3)</b>	<b>-</b>	<b>-</b>	<b>181,8</b>	<b>91,3</b>	<b>273,1</b>
<b>March 31, 2014</b>	<b>2 498,1</b>	<b>32 534,4</b>	<b>(3 476,7)</b>	<b>(802,4)</b>	<b>351,7</b>	<b>(57,6)</b>	<b>53 221,0</b>	<b>84 268,5</b>	<b>331,0</b>	<b>84 599,5</b>
<b>December 31, 2014</b>	<b>2 498,1</b>	<b>32 528,0</b>	<b>(3 365,0)</b>	<b>(1 328,2)</b>	<b>437,4</b>	<b>(62,5)</b>	<b>60 735,6</b>	<b>91 443,4</b>	<b>404,0</b>	<b>91 847,4</b>
Net profit (unaudited)	-	-	-	-	-	-	7 246,8	7 246,8	(43,8)	7 203,0
Other comprehensive income (unaudited)	-	-	-	690,4	-	(65,1)	-	625,3	(48,4)	576,9
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>690,4</b>	<b>-</b>	<b>(65,1)</b>	<b>7 246,8</b>	<b>7 872,1</b>	<b>(92,2)</b>	<b>7 779,9</b>
<b>Transactions with owners</b>										
Share-based payments (unaudited)	-	(7,9)	128,2	-	(35,0)	-	-	85,3	-	85,3
<b>Total transactions with owners</b>	<b>-</b>	<b>(7,9)</b>	<b>128,2</b>	<b>-</b>	<b>(35,0)</b>	<b>-</b>	<b>-</b>	<b>85,3</b>	<b>-</b>	<b>85,3</b>
<b>March 31, 2015</b>	<b>2 498,1</b>	<b>32 520,1</b>	<b>(3 236,8)</b>	<b>(637,8)</b>	<b>402,4</b>	<b>(127,6)</b>	<b>67 982,4</b>	<b>99 400,8</b>	<b>311,8</b>	<b>99 712,6</b>

The notes 1-30 form an integral part of these consolidated interim condensed financial statements.



# MOSCOW EXCHANGE GROUP

## Notes to the Consolidated Interim Condensed Financial Statements for the Three-Month Period Ended March 31, 2015 (continued)

(in millions of Russian rubles, unless otherwise indicated)

### 1. Organization

Open Joint-Stock Company Moscow Exchange MICEX-RTS (Moscow Exchange) is a stock exchange based in Moscow, Russian Federation. It was established as closed joint-stock company "Moscow Interbank Currency Exchange" (MICEX) in 1992. In December 2011 the company was reorganized into the form of open joint-stock company and renamed to Open Joint-Stock Company MICEX-RTS. In July 2012 the name of the company was changed to Open Joint-Stock Company Moscow Exchange MICEX-RTS.

The legal address of Moscow Exchange: 13 Bolshoy Kislovsky per., Moscow, the Russian Federation.

Moscow Exchange Group ("the Group") is an integrated exchange structure that provides financial market participants with a full set of competitive trading, clearing, settlement, depository and information services. The Group operates on the following markets: foreign currencies exchange market, government securities and money market, market of derivative financial instruments, equities market, corporate and regional bonds market, commodities market.

Moscow Exchange is the parent company of the Group, which includes the following entities:

Name	Principal activities	March 31, 2015	December 31, 2014
		Voting rights, %	Voting rights, %
CJSC MICEX Stock Exchange (MICEX SE)	Stock exchange operations	100%	100%
NCO CJSC National Settlement Depository (NSD)	Depository, clearing and settlement services	99,997%	99,997%
Bank National Clearing Centre (JSC) (former CJSC National Clearing Center) (NCC)	Banking and clearing operations	100%	100%
CJSC DCC (former CJSC Depository Clearing Company) (DCC)	Depository services	99,995%	99,995%
OJSC Evraziyskaia Trading System Commodity Exchange (ETS)	Commodities exchange operations	60,82%	60,82%
LLC MICEX Finance (MICEX Finance)	Financial activities	100%	100%
LLC MICEX Cyprus (MICEX Cyprus)	Financial activities	100%	100%
PJSC PFTS Stock Exchange (PFTS SE)	Stock exchange operations	50,02%	50,02%
LLC ME Technology (former LLC E-Stock)	Technical support of exchange activities, IT services	100,00%	100,00%
CJSC National Mercantile Exchange (NAMEX)	Commodities exchange operations	61,90%	61,90%

MICEX SE provides services for Securities Market Sections of the Group.

NSD is the central securities depository of the Russian Federation. NSD is the Russian national numbering agency and the substitute numbering agency for the Commonwealth of Independent States (CIS), authorized to assign the international ISIN, CFI and pre-LEI codes. NSD holds licenses for depository, clearing and settlement operations issued by the Central Bank of Russia (CBR).

NCC performs functions of a clearing organization and central counterparty (CCP) on the financial market. NCC has a license for clearing activities.

The notes 1-30 form an integral part of these consolidated interim condensed financial statements.

# MOSCOW EXCHANGE GROUP

## Notes to the Consolidated Interim Condensed Financial Statements for the Three-Month Period Ended March 31, 2015 (continued)

(in millions of Russian rubles, unless otherwise indicated)

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### 1. Organization (continued)

PFTS SE is a stock exchange, which has a stock exchange license in Ukraine and facilitates spot trading.

MICEX Finance and MICEX (CYPRUS) LTD are established for facilitating financial activities of the Group.

DCC provides depository services. DCC has licenses to perform depository activities.

LLC ME Technology provides technical support of exchange activities and IT services to Moscow Exchange clients.

ETS is a commodity exchange, which has a license for organisation of trading in commodities in Kazakhstan.

NAMEX is a commodity exchange operating in Russia.

Moscow Exchange and all subsidiaries are located in Russia, except for ETS, PFTS SE and MICEX (CYPRUS) LTD. ETS is located in Kazakhstan, PFTS SE is located in Ukraine and MICEX (CYPRUS) LTD is registered in Cyprus.

The Group has 1 640 employees as at March 31, 2015 (December 31, 2014: 1 636 employees).

### 2. Basis of Presentation

#### ***Statement of compliance***

These Consolidated Interim Condensed Financial Statements of the Group have been prepared in accordance with the International Financial Reporting Standard IAS 34 "Interim Financial Statements".

#### ***Basis of presentation***

These Consolidated Interim Condensed Financial Statements are presented in millions of Russian rubles, unless otherwise indicated. These Consolidated Interim Condensed Financial Statements have been prepared on the historical cost basis except for certain financial assets and liabilities that are measured at fair value.

Moscow Exchange and its subsidiaries registered in the Russian Federation maintain their accounting records in accordance with Russian Accounting Standards ("RAS"). Foreign subsidiaries of the Group maintain their accounting records in accordance with the accounting standards of the countries in which they operate. These Consolidated Interim Condensed Financial Statements have been prepared on basis of the statutory accounting records and have been adjusted to conform to IFRS.

#### ***Inflation accounting***

The Russian economy was considered hyperinflationary until December 31, 2002. As such, the Group applied IAS 29 *Financial Reporting in Hyperinflationary Economies*. The effect of applying IAS 29 is that non-monetary items, including components of equity, were restated to the measuring units current at December 31, 2002 by applying the relevant inflation indices to the historical cost, and that these restated values were used as a basis for accounting in subsequent periods.

# MOSCOW EXCHANGE GROUP

## Notes to the Consolidated Interim Condensed Financial Statements for the Three-Month Period Ended March 31, 2015 (continued)

(in millions of Russian rubles, unless otherwise indicated)

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### 3. Significant Accounting Policies

The accounting policies adopted by the Group in the preparation of these Consolidated Interim Condensed Financial Statements are consistent with those followed in the preparation of the Group's Consolidated Financial Statements for the year ended December 31, 2014.

In the current period, the Group has adopted all of the new and revised Standards and Interpretations issued by the IASB and IFRIC of the IASB that are relevant to its operations and effective for reporting periods ending on March 31, 2015.

The adoption of these new and revised Standards and Interpretations has not resulted in significant changes to the Group's accounting policies that have affected the amounts reported for the current or prior years.

### 4. Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of the Group's accounting policies the Management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

#### ***Key sources of estimation uncertainty***

##### *Impairment of receivables*

The Group regularly reviews its receivables to assess for impairment. The Group's receivables impairment provisions are established to recognize incurred impairment losses in its portfolio of receivables.

The Group uses Management's judgment to estimate the amount of any impairment loss in cases where the debtor has financial difficulties and there are few available sources of historical data relating to similar debtors. Similarly, the Group estimates changes in future cash flows based on past performance, past counterparty behavior, observable data indicating an adverse change in the payment status, and national or local economic conditions that correlate with defaults on assets in the group.

As at March 31, 2015, the gross receivables totalled RUB 555,7 million (December 31, 2014: RUB 629,5 million) and allowance for impairment losses amounted to RUB 40,0 million (December 31, 2014: RUB 37,8 million).

##### *Valuation of financial instruments*

For financial instruments not traded in an active market, the fair value is determined using appropriate valuation techniques. Such techniques may include:

- using recent arm's length market transactions;
- reference to the current fair value of another instrument that is substantially the same;
- a discounted cash flow analysis or other valuation models.

The notes 1-30 form an integral part of these consolidated interim condensed financial statements.

## MOSCOW EXCHANGE GROUP

### Notes to the Consolidated Interim Condensed Financial Statements for the Three-Month Period Ended March 31, 2015 (continued)

(in millions of Russian rubles, unless otherwise indicated)

#### 4. Critical Accounting Judgements and Key Sources of Estimation Uncertainty (continued)

An analysis of fair values of financial instruments and further details as to how they are measured are provided in Note 29.

##### *Impairment of goodwill*

Goodwill is tested for impairment annually (as at December 31) and when there is an indication that the carrying value may be impaired.

Impairment is determined by assessing the recoverable amount of each cash-generating unit (CGU) or group of CGUs to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised.

##### *Share-based payments*

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option and volatility and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 11.

#### 5. Fee and Commission Income

	Three - month period ended March 31, 2015	Three - month period ended March 31, 2014
Foreign exchange	859,7	799,5
Depository and settlement services	822,4	733,7
Money market	804,2	579,8
Securities market	739,0	703,2
Derivatives	246,4	433,7
Information services	176,4	105,2
Sale of software and technical services	127,2	126,0
Other	15,5	35,9
<b>Total fee and commission income</b>	<b>3 790,8</b>	<b>3 517,0</b>

Income from securities market comprises fees and commissions from equities trading, bonds trading, listing and service fees:

	Three - month period ended March 31, 2015	Three - month period ended March 31, 2014
Equities	429,8	451,9
Bonds	222,5	216,2
Listing and other service fees	86,7	35,1
<b>Total fee and commission income from securities market</b>	<b>739,0</b>	<b>703,2</b>

The notes 1-30 form an integral part of these consolidated interim condensed financial statements.

## MOSCOW EXCHANGE GROUP

### Notes to the Consolidated Interim Condensed Financial Statements for the Three-Month Period Ended March 31, 2015 (continued)

(in millions of Russian rubles, unless otherwise indicated)

#### 6. Interest and Other Finance Income

	Three - month period ended March 31, 2015	Three - month period ended March 31, 2014
<b>Income on securities at fair value through profit or loss</b>		
Interest income	215,2	263,3
Net profit / (loss) on securities at fair value through profit or loss	136,7	(217,1)
<b>Total income on securities at fair value through profit or loss</b>	<b>351,9</b>	<b>46,2</b>
<b>Interest income on financial assets other than at fair value through profit or loss</b>		
Interest on cash and cash equivalents and due from financial institutions	5 084,4	906,2
Interest income on investments available-for-sale	1 863,4	1 429,4
<b>Total interest income on financial assets other than at fair value through profit or loss</b>	<b>6 947,8</b>	<b>2 335,6</b>
<b>Total interest and other finance income</b>	<b>7 299,7</b>	<b>2 381,8</b>

#### 7. Net Loss on Financial Assets Available-for-Sale

In the three-month period ended March 31, 2015 the Group recognized a net loss on financial assets available-for-sale of RUB 25,4 million (three-month period ended March 31, 2014: loss of RUB 134,7 million). Interest income received on these bonds exceeded the losses realised on the sale of such securities.

#### 8. Foreign Exchange Gains Less Losses

	Three - month period ended March 31, 2015	Three - month period ended March 31, 2014
Foreign exchange swaps	884,7	396,9
Net other foreign exchange (loss) / gain	(106,0)	31,8
<b>Total foreign exchange gains less losses</b>	<b>778,7</b>	<b>428,7</b>

The Group enters into foreign exchange swaps for the purposes of short-term investments and liquidity management.

The notes 1-30 form an integral part of these consolidated interim condensed financial statements.

## MOSCOW EXCHANGE GROUP

### Notes to the Consolidated Interim Condensed Financial Statements for the Three-Month Period Ended March 31, 2015 (continued)

(in millions of Russian rubles, unless otherwise indicated)

#### 9. Other operating income

	Three - month period ended March 31, 2015	Three - month period ended March 31, 2014
Advisory fee	17,9	-
Income from lease	3,2	5,4
Gain on disposal of property, equipment and intangible assets	0,6	-
Gain on sale of MICEX-IT	-	314,8
Revaluation of previously owned share in NAMEX	-	38,7
Bargain gain on acquisition of NAMEX	-	18,6
Reversal of impairment of other assets	-	1,7
Other income	7,6	7,9
<b>Total other operating income</b>	<b>29,3</b>	<b>387,1</b>

On January 1, 2014, the Group obtained control over CJSC National Mercantile Exchange (NAMEX), which is a commodity exchange operating in Russia.

The Group recognised a gain of RUB 38,7 million as a result of remeasuring to fair value the equity interest in NAMEX held by the Group before the business combination.

#### 10. Administrative and Other Operating Expenses

	Three - month period ended March 31, 2015	Three - month period ended March 31, 2014
Amortisation of intangible assets	295,2	275,6
Professional services	166,1	124,9
Rent and office maintenance	135,8	102,8
Provision for onerous contracts (Note 24)	133,2	-
Equipment and intangible assets maintenance	132,7	108,8
Taxes, other than income tax	116,4	85,7
Depreciation of property and equipment	108,8	126,4
Impairment of due from financial institutions (Note 15)	103,9	-
Advertising and marketing costs	81,7	59,0
Market makers fees	61,9	90,9
Communication services	32,2	28,3
Business trip expenses	17,9	7,6
Security expenses	8,0	9,2
Transport expenses	4,4	5,4
Impairment of other assets (Note 22)	2,5	-
Charity	0,8	2,8
Impairment of goodwill and other intangible assets (Notes 20, 21)	-	181,0
Loss on disposal of property, equipment and intangible assets	-	1,4
Other	10,8	19,2
<b>Total administrative and other operating expenses</b>	<b>1 412,3</b>	<b>1 229,0</b>

During the three-month period ended March 31, 2015 the Group recognised impairment of due from financial institutions related to the Ukrainian business in the amount of RUB 103,9 million.

The notes 1-30 form an integral part of these consolidated interim condensed financial statements.

## MOSCOW EXCHANGE GROUP

### Notes to the Consolidated Interim Condensed Financial Statements for the Three-Month Period Ended March 31, 2015 (continued)

(in millions of Russian rubles, unless otherwise indicated)

#### 10. Administrative and Other Operating Expenses (continued)

During the three-month period ended March 31, 2014 the Group recognised impairment of goodwill and other intangible assets related to the Ukrainian business at the amount of RUB 181,0 million.

Professional services comprise consulting, audit, insurance, legal services and other.

#### 11. Personnel Expenses

	Three - month period ended March 31, 2015	Three - month period ended March 31, 2014
Short-term benefits except for share-based payments	1 157,1	1 058,8
Payroll related taxes	271,8	211,5
Share-based payment expense	27,8	64,6
<b>Total personnel expenses</b>	<b>1 456,7</b>	<b>1 334,9</b>

The Group grants equity-settled share options to senior management and some employees. The options give to holders a choice either to purchase the full number of shares at exercise price or to get shares in amount of fair value of the option at exercise date for free. A majority of the options vest when the employee continues to be employed by the Group at the vesting date. The maximum contractual term of the options is four years. The fair value of the options is measured at the grant date using a binomial model taking into account the terms and conditions upon which the instruments were granted.

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options:

	Number	WAEP
Outstanding at 1 January 2014	43 323 724	47,53
Exercised	(3 080 445)	46,90
Expired	(1 652 888)	46,90
<b>Outstanding at 31 March 2014</b>	<b>38 590 391</b>	<b>47,58</b>
Outstanding at 1 January 2015	32 857 357	47,50
Granted	3 200 000	64,68
Exercised	(1 964 530)	46,90
Forfeited	(233 333)	46,90
Expired	(1 619 136)	46,90
<b>Outstanding at 31 March 2015</b>	<b>32 240 358</b>	<b>49,26</b>

WAEP for exercised options in the table above is calculated based on the contractual exercise price.

The weighted average share price for share options exercised in the three-month period ended March 31, 2015 at the date of exercise was RUB 59,05 (in the three-month period ended March 31, 2014: RUB 53,46).

## MOSCOW EXCHANGE GROUP

### Notes to the Consolidated Interim Condensed Financial Statements for the Three-Month Period Ended March 31, 2015 (continued)

(in millions of Russian rubles, unless otherwise indicated)

#### 11. Personnel Expenses (continued)

The weighted average remaining contractual life for the share options outstanding as at March 31, 2015 was 0,57 years (December 31, 2014: 0,51 years). The weighted average fair value of options granted during the three-month period ended March 31, 2015 was RUB 18,28 (three-month period ended March 31, 2014: nil) per 1 option. Exercise prices for options outstanding as at March 31, 2015 were RUB 46,9 – RUB 65,15 (December 31, 2014: RUB 46,9 – RUB 60,64).

The following table lists the inputs to the models used:

Assumption	Value
Expected volatility	25,8%
Risk-free interest rate	12,5%
Weighted average share price, RUB	70,68
Dividend yield	6,8%

The volatility assumption is based on implied volatilities of quoted shares of similar stock exchanges.

#### 12. Income Tax

The Group provides for taxes based on the tax accounts maintained and prepared in accordance with the tax regulations of countries where the Group and its subsidiaries operate and which may differ from IFRS.

Deferred taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for tax purposes. Temporary differences relate mostly to different methods of income and expense recognition, as well as to recorded values of certain assets.

The tax rate used for the reconciliations between tax expense and accounting profit is the corporate tax rate of 20% payable by corporate entities in the Russian Federation on taxable profits under the tax law in that jurisdiction.

Reconciliation of income tax expense and accounting profit for the three-month period ended March 31, 2015 and 2014, are explained below:

	Three - month period ended March 31, 2015	Three - month period ended March 31, 2014
<b>Profit before income tax</b>	<b>9 006,6</b>	<b>3 955,9</b>
Tax at the statutory tax rate (20%)	1 801,3	791,0
Non-deductible expenses for tax purposes	34,2	64,8
Tax effect of income taxed at rates different from the prime rate	(31,8)	(40,4)
Adjustments in respect of current income tax of previous years	(0,1)	(1,0)
Non-taxable gain on acquisition of subsidiary	-	(11,5)
Deferred tax from a previously unrecognised temporary difference of a prior period	-	(17,2)
<b>Income tax expense</b>	<b>1 803,6</b>	<b>785,7</b>
Current income tax expense	1 973,0	659,4
Deferred taxation movement due to origination and reversal of temporary differences	(195,5)	132,3
Deferred taxation movement due to tax losses carried forward	26,1	(6,0)
<b>Income tax expense</b>	<b>1 803,6</b>	<b>785,7</b>

The notes 1-30 form an integral part of these consolidated interim condensed financial statements.



## MOSCOW EXCHANGE GROUP

### Notes to the Consolidated Interim Condensed Financial Statements for the Three-Month Period Ended March 31, 2015 (continued)

(in millions of Russian rubles, unless otherwise indicated)

#### 12. Income Tax (continued)

	Three - month period ended March 31, 2015	Three - month period ended March 31, 2014
<b>Beginning of the period – deferred tax assets</b>	<b>172,6</b>	<b>186,6</b>
<b>Beginning of the period – deferred tax liabilities</b>	<b>(4 015,6)</b>	<b>(3 824,0)</b>
Changes in deferred income tax balances recognized in other comprehensive income	(201,1)	64,8
Change in deferred income tax balances recognized in profit or loss	169,4	(126,3)
Effect of movements in exchange rates	6,9	(1,6)
Deferred income tax liabilities arising from business combinations	-	(19,5)
<b>End of the period - deferred tax assets</b>	<b>219,9</b>	<b>138,8</b>
<b>End of the period - deferred tax liabilities</b>	<b>(4 087,7)</b>	<b>(3 858,8)</b>

#### 13. Cash and Cash Equivalents

	March 31, 2015	December 31, 2014
Correspondent accounts and overnight deposits with banks	819 868,8	709 479,6
Balances with the CBR	342 152,0	454 292,3
Cash on hand	9,5	11,2
<b>Total cash and cash equivalents</b>	<b>1 162 030,3</b>	<b>1 163 783,1</b>

#### 14. Financial Assets at Fair Value Through Profit or Loss

	March 31, 2015	December 31, 2014
Bonds issued by Russian Federation	11 514,3	11 383,7
Shares issued by Russian companies	58,3	58,3
Derivative financial instruments at fair value through profit or loss	16,2	-
<b>Total financial assets at fair value through profit or loss</b>	<b>11 588,8</b>	<b>11 442,0</b>

The notes 1-30 form an integral part of these consolidated interim condensed financial statements.

## MOSCOW EXCHANGE GROUP

### Notes to the Consolidated Interim Condensed Financial Statements for the Three-Month Period Ended March 31, 2015 (continued)

(in millions of Russian rubles, unless otherwise indicated)

#### 15. Due from Financial Institutions

	March 31, 2015	December 31, 2014
Interbank loans and term deposits	32 259,7	37 811,0
Mandatory cash balances with the CBR (restricted)	3 179,5	1 976,1
Correspondent accounts in precious metals	235,4	26,1
Receivables on broker and clearing operations	39,9	14,8
<b>Total gross due from financial institutions</b>	<b>35 714,5</b>	<b>39 828,0</b>
Less: allowance for impairment	(124,9)	-
<b>Total due from financial institutions</b>	<b>35 589,6</b>	<b>39 828,0</b>

The movements in allowance for impairment of interbank loans and term deposits were as follows:

	Three - month period ended March 31, 2015
<b>Beginning of the period</b>	-
Charge during the period (Note 10)	103,9
Foreign currency translation reserve	21,0
<b>End of the period</b>	<b>124,9</b>

#### 16. Central Counterparty Financial Assets and Liabilities

	March 31, 2015	December 31, 2014
Repo transactions	271 330,7	104 401,2
Currency transactions	8 187,9	35 208,6
<b>Total central counterparty financial assets and liabilities</b>	<b>279 518,6</b>	<b>139 609,8</b>

CCP financial assets are receivables under currency and repo transactions and CCP financial liabilities are payables under offsetting transactions, which the Group entered with market participants as a CCP.

As at March 31, 2015 and December 31, 2014, none of these assets were past due.

CCP financial assets and liabilities under currency transactions represent fair values of overnight currency deals.

The notes 1-30 form an integral part of these consolidated interim condensed financial statements.

## MOSCOW EXCHANGE GROUP

### Notes to the Consolidated Interim Condensed Financial Statements for the Three-Month Period Ended March 31, 2015 (continued)

(in millions of Russian rubles, unless otherwise indicated)

#### 17. Investments Available-for-Sale

	March 31, 2015	December 31, 2014
Bonds issued by Russian Federation	52 121,8	34 444,7
Bonds issued by Russian companies	22 962,0	18 678,4
Bonds issued by Russian banks	17 410,7	20 087,5
Bonds issued by foreign companies	7 904,1	7 660,0
Bonds issued by Russian Federation subjects and Municipal bonds	46,8	45,5
Shares issued by foreign companies	20,6	20,6
Shares issued by Russian companies	13,8	13,6
<b>Total investments available-for-sale</b>	<b>100 479,8</b>	<b>80 950,3</b>

#### 18. Investments in Associates

As at March 31, 2015 investments in associates are presented as follows:

	March 31, 2015				
	Ownership interest	Principal place of business	Country of incorporation	Nature of activities	Carrying value
Open Joint-Stock Company "Ukrainian Exchange" (UEX)	43,08%	Ukraine	Ukraine	Stock exchange operations	34,8
<b>Total investments in associates</b>					<b>34,8</b>

As at December 31, 2014 investments in associates are presented as follows:

	December 31, 2014				
	Ownership interest	Principal place of business	Country of incorporation	Nature of activities	Carrying value
Open Joint-Stock Company "Ukrainian Exchange" (UEX)	43,08%	Ukraine	Ukraine	Stock exchange operations	46,1
<b>Total investments in associates</b>					<b>46,1</b>

The notes 1-30 form an integral part of these consolidated interim condensed financial statements.

## MOSCOW EXCHANGE GROUP

### Notes to the Consolidated Interim Condensed Financial Statements for the Three-Month Period Ended March 31, 2015 (continued)

(in millions of Russian rubles, unless otherwise indicated)

#### 19. Property and Equipment

	Land	Buildings and other real estate	Furniture and equipment	Construction in progress	Total
<b>Cost</b>					
<b>December 31, 2013</b>	<b>221,8</b>	<b>5 983,4</b>	<b>3 353,8</b>	<b>6,5</b>	<b>9 565,5</b>
Additions	-	-	23,0	5,1	28,1
Disposals	-	-	(43,8)	-	(43,8)
Effect of movements in exchange rates	(1,0)	(6,7)	(1,8)	-	(9,5)
<b>March 31, 2014</b>	<b>220,8</b>	<b>5 976,7</b>	<b>3 331,2</b>	<b>11,6</b>	<b>9 540,3</b>
<b>December 31, 2014</b>	<b>227,8</b>	<b>6 018,8</b>	<b>3 378,5</b>	<b>40,4</b>	<b>9 665,5</b>
Additions	-	0,9	45,8	623,4	670,1
Reclassification	-	-	3,5	(8,4)	(4,9)
Disposals	-	-	(111,2)	-	(111,2)
Effect of movements in exchange rates	0,4	1,9	(0,5)	-	1,8
<b>March 31, 2015</b>	<b>228,2</b>	<b>6 021,6</b>	<b>3 316,1</b>	<b>655,4</b>	<b>10 221,3</b>
<b>Accumulated depreciation</b>					
<b>December 31, 2013</b>	<b>-</b>	<b>993,3</b>	<b>2 309,8</b>	<b>-</b>	<b>3 303,1</b>
Charge for the period	-	30,3	96,1	-	126,4
Disposals	-	-	(43,6)	-	(43,6)
Effect of movements in exchange rates	-	(0,5)	(1,1)	-	(1,6)
<b>March 31, 2014</b>	<b>-</b>	<b>1 023,1</b>	<b>2 361,2</b>	<b>-</b>	<b>3 384,3</b>
<b>December 31, 2014</b>	<b>-</b>	<b>1 118,4</b>	<b>2 496,8</b>	<b>-</b>	<b>3 615,2</b>
Charge for the period	-	30,3	78,5	-	108,8
Disposals	-	-	(111,1)	-	(111,1)
Effect of movements in exchange rates	-	0,1	(0,7)	-	(0,6)
<b>March 31, 2015</b>	<b>-</b>	<b>1 148,8</b>	<b>2 463,5</b>	<b>-</b>	<b>3 612,3</b>
<b>Net book value</b>					
<b>December 31, 2014</b>	<b>227,8</b>	<b>4 900,4</b>	<b>881,7</b>	<b>40,4</b>	<b>6 050,3</b>
<b>March 31, 2015</b>	<b>228,2</b>	<b>4 872,8</b>	<b>852,6</b>	<b>655,4</b>	<b>6 609,0</b>

As at March 31, 2015, historical cost of fully depreciated property and equipment amounts to RUB 1 688,7 million (December 31, 2014: RUB 1 684,8 million).

The notes 1-30 form an integral part of these consolidated interim condensed financial statements.

## MOSCOW EXCHANGE GROUP

### Notes to the Consolidated Interim Condensed Financial Statements for the Three-Month Period Ended March 31, 2015 (continued)

(in millions of Russian rubles, unless otherwise indicated)

#### 20. Intangible Assets

	Software and licenses	Client base	Total
<b>Cost</b>			
<b>December 31, 2013</b>	<b>1 926,1</b>	<b>19 503,6</b>	<b>21 429,7</b>
Acquisition through business combination	-	103,1	103,1
Additions	40,5	-	40,5
Disposals	(20,9)	-	(20,9)
Effect of movements in exchange rates	(26,3)	-	(26,3)
<b>March 31, 2014</b>	<b>1 919,4</b>	<b>19 606,7</b>	<b>21 526,1</b>
<b>December 31, 2014</b>	<b>2 335,1</b>	<b>19 606,7</b>	<b>21 941,8</b>
Additions	82,8	-	82,8
Disposals	(2,4)	-	(2,4)
Effect of movements in exchange rates	(37,6)	-	(37,6)
<b>March 31, 2015</b>	<b>2 377,9</b>	<b>19 606,7</b>	<b>21 984,6</b>
<b>Accumulated depreciation and impairment</b>			
<b>December 31, 2013</b>	<b>674,6</b>	<b>1 972,5</b>	<b>2 647,1</b>
Charge for the period	79,5	196,1	275,6
Disposals	(19,3)	-	(19,3)
Impairment (Note 10)	(99,7)	-	(99,7)
Effect of movements in exchange rates	(2,9)	-	(2,9)
<b>March 31, 2014</b>	<b>632,2</b>	<b>2 168,6</b>	<b>2 800,8</b>
<b>December 31, 2014</b>	<b>1 034,7</b>	<b>2 756,8</b>	<b>3 791,5</b>
Charge for the period	99,1	196,1	295,2
Disposals	(2,4)	-	(2,4)
Effect of movements in exchange rates	(36,7)	-	(36,7)
<b>March 31, 2015</b>	<b>1 094,7</b>	<b>2 952,9</b>	<b>4 047,6</b>
<b>Net book value</b>			
<b>December 31, 2014</b>	<b>1 300,4</b>	<b>16 849,9</b>	<b>18 150,3</b>
<b>March 31, 2015</b>	<b>1 283,2</b>	<b>16 653,8</b>	<b>17 937,0</b>

The notes 1-30 form an integral part of these consolidated interim condensed financial statements.

## MOSCOW EXCHANGE GROUP

### Notes to the Consolidated Interim Condensed Financial Statements for the Three-Month Period Ended March 31, 2015 (continued)

(in millions of Russian rubles, unless otherwise indicated)

#### 21. Goodwill

	Three - month period ended March 31, 2015	Three - month period ended March 31, 2014
<b>As at January 1</b>	<b>15 971,4</b>	<b>16 071,5</b>
Effect of movements in exchange rates	-	(18,8)
Impairment (Note 10)	-	(81,3)
<b>As at March 31</b>	<b>15 971,4</b>	<b>15 971,4</b>

#### 22. Other Assets

	March 31, 2015	December 31, 2014
<b>Other financial assets:</b>		
Receivables on services rendered and other operations	555,7	629,5
Less allowance for impairment	(40,0)	(37,8)
<b>Total other financial assets</b>	<b>515,7</b>	<b>591,7</b>
<b>Other non-financial assets:</b>		
Prepaid expenses	277,9	231,4
Taxes receivable other than income tax	86,7	57,4
Non-current assets prepaid	26,9	369,9
Precious metals	20,9	203,9
Other	10,0	7,2
<b>Total other assets</b>	<b>938,1</b>	<b>1 461,5</b>

The movements in allowance for impairment of receivables on services rendered and other operations were as follows:

	Three - month period ended March 31, 2015	Three - month period ended March 31, 2014
<b>Beginning of the period</b>	<b>37,8</b>	<b>29,1</b>
Net charge / (reversal) for the period (Note 9, 10)	2,5	(0,9)
Write-offs	(0,3)	-
<b>End of the period</b>	<b>40,0</b>	<b>28,2</b>

The notes 1-30 form an integral part of these consolidated interim condensed financial statements.

## MOSCOW EXCHANGE GROUP

### Notes to the Consolidated Interim Condensed Financial Statements for the Three-Month Period Ended March 31, 2015 (continued)

(in millions of Russian rubles, unless otherwise indicated)

#### 23. Balances of Market Participants

	March 31, 2015	December 31, 2014
Accounts of clearing participants	1 133 040,0	1 165 525,4
Other current and settlement accounts	102 242,5	63 003,4
Risk-covering funds	3 351,6	3 240,4
Accounts in precious metals	256,3	229,9
<b>Total balances of market participants</b>	<b>1 238 890,4</b>	<b>1 231 999,1</b>

Accounts of clearing participants include margins deposited by clearing participants to cover risks arising from open positions and to guarantee payment of commissions. The purpose of margins is to support clearing settlements on the market and to cover risks arising from open positions of market participants, including operations of market participants, where the Group acts as a central counterparty. If an initial margin requirement exceeds the collateral posted by a market participant in the guarantee fund, the participant is required to cover the deficit by posting additional margin for the unsettled trades or to reduce the open position to an appropriate level. The margins is payable to a market participant when it closes its positions. The Group places guarantee fund amounts on current accounts and deposits with reputable banks or short-term repo receivables (Notes 13, 15).

Market participants also pledge traded securities to the guarantee fund as collateral for their obligations. These securities are blocked at the participants' custody accounts in NSD and DCC. These securities are not assets of the Group and are not recognised in the Consolidated Statement of the Financial Position.

The risk-covering funds comprise contributions deposited by market participants. The purpose of these funds is to provide additional insurance to the market participants in respect of the ability of the Group to guarantee proper settlements of open positions in case of a market participant default. The minimum contribution amount per one participant is determined by the NCC Supervisory Board and it is approved by the Derivatives Market Committee, the Currency Market Committee, the Securities Market Committee and the Securities Lending & REPO Committee. Risk-covering funds amounts are only used to cover the deficit if a margin posted by a trading participant is not sufficient to cover its losses. The Group places cash received from the market participants in the risk-covering funds with top-rated banks (Notes 13, 15).

## MOSCOW EXCHANGE GROUP

### Notes to the Consolidated Interim Condensed Financial Statements for the Three-Month Period Ended March 31, 2015 (continued)

(in millions of Russian rubles, unless otherwise indicated)

#### 24. Other Liabilities

	March 31, 2015	December 31, 2014
<b>Other financial liabilities</b>		
Payables to employees	951,9	1 678,4
Trade payables	604,9	683,6
<b>Total other financial liabilities</b>	<b>1 556,8</b>	<b>2 362,0</b>
<b>Other non-financial liabilities</b>		
Deferred commission income	936,5	-
Taxes payable, other than income tax	440,9	148,2
Advances received	388,4	259,0
Provision for onerous contracts	306,4	173,2
Other	-	0,9
<b>Total other liabilities</b>	<b>3 629,0</b>	<b>2 943,3</b>

#### 25. Share Capital and Share Premium

The share capital of Moscow exchange comprises ordinary shares with a par value of RUB 1 each:

	Authorized shares (number of shares)	Ordinary shares issued and fully paid (number of shares)	Treasury shares (number of shares)
<b>December 31, 2013</b>	<b>2 578 200 000</b>	<b>2 378 489 153</b>	<b>(156 207 433)</b>
Cancellation of treasury shares	-	(99 852 660)	99 852 660
Exercised options (Note 11)	-	-	3 080 445
<b>March 31, 2014</b>	<b>2 578 200 000</b>	<b>2 278 636 493</b>	<b>(53 274 328)</b>
<b>December 31, 2014</b>	<b>2 578 200 000</b>	<b>2 278 636 493</b>	<b>(51 563 004)</b>
Exercised options (Note 11)	-	-	1 964 530
<b>March 31, 2015</b>	<b>2 578 200 000</b>	<b>2 278 636 493</b>	<b>(49 598 474)</b>

Share premium represents an excess of contributions received over the nominal value of shares issued.



## MOSCOW EXCHANGE GROUP

### Notes to the Consolidated Interim Condensed Financial Statements for the Three-Month Period Ended March 31, 2015 (continued)

(in millions of Russian rubles, unless otherwise indicated)

#### 26. Retained Earnings

During the three-month periods ended March 31, 2015 and March 31, 2014, the Group did not pay or declare dividends on ordinary shares.

The Group's distributable reserves are limited to the amount of reserves reported in the statutory financial statements of the Group members. Non-distributable reserves comprise a reserve fund, which is created according to the statutory regulations, to cover risks, including future losses and other unforeseen risks and contingencies.

#### 27. Earnings per Share

The calculation of earnings per share is based on the profit for the year attributable to shareholders of the Group and the weighted average number of ordinary outstanding during the year, calculated as shown below.

	Three - month period ended March 31, 2015	Three - month period ended March 31, 2014
<b>Net profit attributable to ordinary equity holders of the parent</b>	<b>7 246,8</b>	<b>3 222,0</b>
<b>Weighted average number of shares</b>	<b>2 230 478 984</b>	<b>2 223 226 884</b>
Effect of dilutive share options	9 681 473	8 323 079
<b>Weighted average number of shares adjusted for the effect of dilution</b>	<b>2 240 160 457</b>	<b>2 231 549 963</b>
Basic earnings per share, RUB	3,25	1,45
Diluted earnings per share, RUB	3,23	1,44

#### 28. Transactions with Related Parties

Intragroup transactions have been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Group and other related parties are disclosed below.

##### (a) Transactions with key management

Key management personnel comprises members of the Executive Board and the Supervisory Board. The total remuneration paid to key management personnel includes short-term benefits (salary, bonuses, payroll related taxes, insurance, health care, etc.) and share-based payment expense.

	Three - month period ended March 31, 2015	Three - month period ended March 31, 2014
Short-term employee benefits	138,9	57,2
Share-based payment expense	10,4	30,3
<b>Total remuneration of key management personnel</b>	<b>149,3</b>	<b>87,5</b>

The notes 1-30 form an integral part of these consolidated interim condensed financial statements.

## MOSCOW EXCHANGE GROUP

### Notes to the Consolidated Interim Condensed Financial Statements for the Three-Month Period Ended March 31, 2015 (continued)

(in millions of Russian rubles, unless otherwise indicated)

#### 28. Transactions with Related Parties (continued)

##### (b) Transactions with government-related entities

The Central Bank of Russia sold an 11,7% stake in Moscow Exchange to the market on 2 July 2014. As the result of the sale, the entities controlled by the Russian Federation together hold less than 50% of voting shares of Moscow Exchange. Accordingly, as at March 31, 2015 the Russian Federation exercised significant influence over Moscow Exchange.

The Group considers government-related entities as related parties if Russian Federation has control, joint control or significant influence over the entity. In the ordinary course of business the Group provides stock exchange services to government-related entities, places funds with government-related banks and bonds issued by the Russian Federation and government-related entities.

##### (c) Transactions with associates

Included in the Consolidated Statement of Financial Position were the following amounts that arose on transactions with associates:

	March 31, 2015	December 31, 2014
Investments in associates	34,8	46,1
Other assets	0,9	0,8
Other liabilities	0,3	0,3

Included in the Consolidated Statement of Profit or Loss are the following amounts that arose due to transactions with associates:

	Three - month period ended March 31, 2015	Three - month period ended March 31, 2014
Share of profits of associates	3,4	9,4
Fee and commission income and other operating income	0,6	0,4
Foreign currency difference	0,1	-
Administrative and other operating expenses	(0,9)	(0,5)

#### 29. Fair Value Measurements

The Group performs a fair value assessment of its financial assets and liabilities, as required by IFRS 7 Financial Instruments: Disclosures. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability.

The notes 1-30 form an integral part of these consolidated interim condensed financial statements.

## MOSCOW EXCHANGE GROUP

### Notes to the Consolidated Interim Condensed Financial Statements for the Three-Month Period Ended March 31, 2015 (continued)

(in millions of Russian rubles, unless otherwise indicated)

#### 29. Fair Value Measurements (continued)

The Group measures fair values for financial assets recorded on the statement of financial position at fair value using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1: Quoted market prices in an active market (that are unadjusted) for identical assets or liabilities.
- Level 2: Valuation techniques (for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable).
- Level 3: Valuation techniques (for which the lowest level input that is significant to the fair value measurement is unobservable).

The foreign currency forward contracts are measured based on observable spot exchange rates and the yield curves of the respective currencies.

The fair value of the unquoted debt securities has been determined using a discounted cash flow model, by reference to quoted market prices for similar instruments.

The fair value of unquoted equity instruments has been determined based on market approach using price/net assets ratio for similar companies.

The table below analyses financial assets and liabilities measured at fair value at March 31, 2015, by the level in the fair value hierarchy into which the fair value measurement is categorised:

	March 31, 2015			Total
	Level 1	Level 2	Level 3	
Financial assets at fair value through profit or loss	11 514,3	16,2	58,3	<b>11 588,8</b>
Central counterparty financial assets and liabilities (currency transactions)	8 187,9	-	-	<b>8 187,9</b>
Investments available-for-sale	97 432,5	3 012,9	34,4	<b>100 479,8</b>
Derivative financial liabilities	-	387,0	-	<b>387,0</b>

Financial assets and liabilities measured at fair value at December 31, 2014, by the level in the fair value hierarchy into which the fair value measurement is categorised:

	December 31, 2014			Total
	Level 1	Level 2	Level 3	
Financial assets at fair value through profit or loss	11 383,7	-	58,3	<b>11 442,0</b>
Central counterparty financial assets and liabilities (currency transactions)	35 208,6	-	-	<b>35 208,6</b>
Investments available-for-sale	76 025,2	4 890,8	34,3	<b>80 950,3</b>

The notes 1-30 form an integral part of these consolidated interim condensed financial statements.

## MOSCOW EXCHANGE GROUP

### Notes to the Consolidated Interim Condensed Financial Statements for the Three-Month Period Ended March 31, 2015 (continued)

(in millions of Russian rubles, unless otherwise indicated)

#### 29. Fair Value Measurements (continued)

The following table shows a reconciliation for three-month period ended March 31, 2015 and 2014, for fair value measurements in Level 3 of the fair value hierarchy:

	<b>FVTPL</b>	<b>AFS</b>
<b>Balance at December 31, 2013</b>	<b>63,0</b>	<b>87,1</b>
Loss recognized in net loss on financial assets at fair value through profit or loss	(1,7)	-
Level 3 securities purchased	-	25,9
Foreign exchange loss	-	(0,3)
<b>Balance at March 31, 2014</b>	<b>61,3</b>	<b>112,7</b>
<b>Balance at December 31, 2014</b>	<b>58,3</b>	<b>34,3</b>
Foreign exchange gain	-	0,1
<b>Balance at March 31, 2015</b>	<b>58,3</b>	<b>34,4</b>

Management of the Group considers that the fair value of financial assets and liabilities approximates their carrying value.

#### *Transfers between level 1 and 2*

For assets and liabilities that are recognised at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The following table shows total amount of transfers of financial assets between level 1 and level 2. Transfers from level 2 to level 1 (from level 1 to level 2) occurred due to fact that markets for certain financial assets became (ceased to be) active during the period.

	<b>Transfers between Level 1 and Level 2</b>	
	<b>Three - month period ended March 31, 2015</b>	<b>Three - month period ended March 31, 2014</b>
<b>From Level 1 to Level 2</b>		
Investments available-for-sale	370,1	2 229,2
<b>From Level 2 to Level 1</b>		
Investments available-for-sale	1 974,5	-

The notes 1-30 form an integral part of these consolidated interim condensed financial statements.

## **MOSCOW EXCHANGE GROUP**

### **Notes to the Consolidated Interim Condensed Financial Statements for the Three-Month Period Ended March 31, 2015 (continued)**

(in millions of Russian rubles, unless otherwise indicated)

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#### **30. Events after the reporting date**

On April 28, 2015 at Annual General Meeting of Shareholders of Moscow Exchange (AGM) the company's new business name as Public Joint Stock Company Moscow Exchange MICEX-RTS was approved to meet revised standards of the Russian Civil Code. The new business name and respective changes to the Charter of Moscow Exchange will take effect from the day the registration authority records new version of the Charter.

The Group declared dividends for the year ended December 31, 2014 of RUB 8 818,3 million (for the year ended December 31, 2013: RUB 5 310,1 million). The amount of dividends per share is RUB 3.87 per ordinary share (dividends per share for the year ended December 31, 2013 were RUB 2.39 per ordinary share).