



**MOSCOW  
EXCHANGE**

November 2018

**Investor presentation**

# History of MOEX

1992  
**Moscow Interbank  
 Currency Exchange  
 (MICEX)** established

1997  
**National Settlement  
 Depository (NSD)**  
 established

2006  
**National Clearing  
 Centre (NCC)**  
 established

2012  
 Launch of **Central  
 Securities Depository  
 (CSD)**

2013  
**The Central Bank of Russia**  
 becomes mega-regulator of  
 financial markets

Currency → Government securities → REPO → Corporate securities → Derivatives



→ Commodities → ...

1995  
**Russian Trading  
 System (RTS)**  
 established

1997  
**MICEX Index**  
 launched

2011  
 Merger of **MICEX** and **RTS**  
 – **Moscow Exchange  
 (MOEX)** established

2013  
**IPO** of Moscow  
 Exchange (MOEX)

2013 & onwards  
**Persistent  
 development** of  
 financial infrastructure



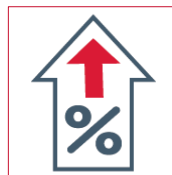
Operates in one of the worlds' largest economies and covers all major asset classes



Commitment to transparency and high standards of corporate governance



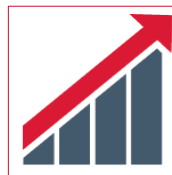
Uniquely diversified and vertically-integrated business model



Established track record of solid financial performance and attractive dividend policy



Resilient in alternating macro conditions, features low-cost product scalability

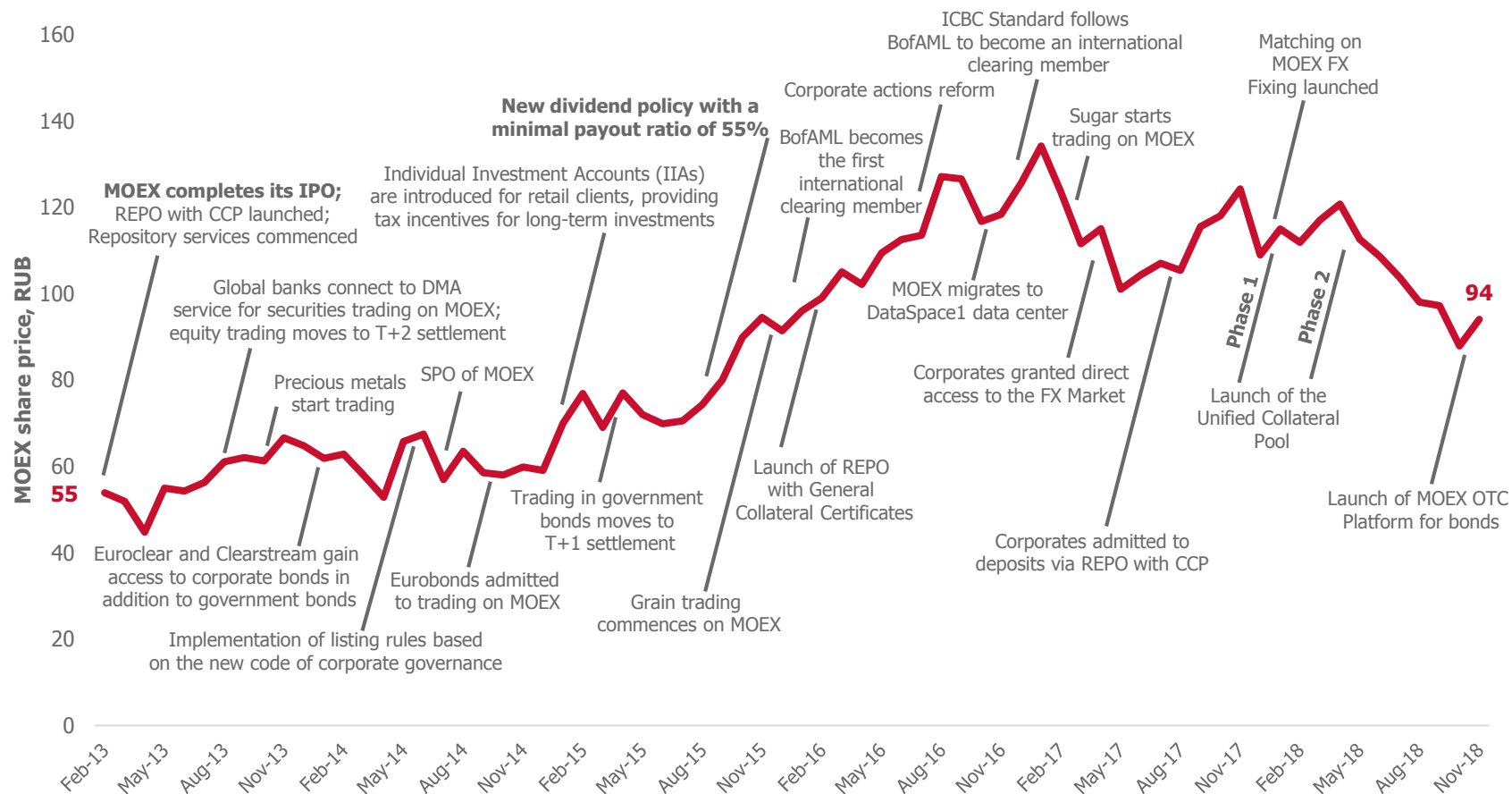


Successfully implemented infrastructure and regulatory reforms put MOEX on par with global peers



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# MOEX share price performance and financial market reforms



Share prices up to 14 November 2018



Business overview

2

Corporate governance and dividends

3

Market position and competitive strategy

4

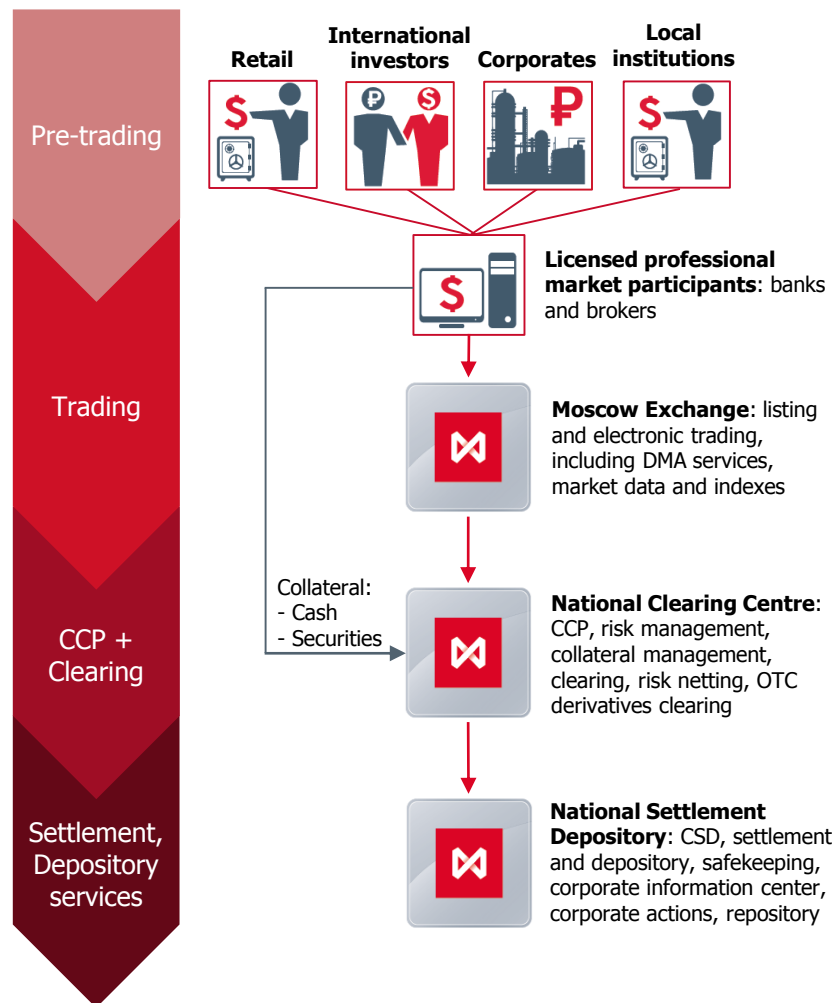
Financial track record

5

3Q 2018 update



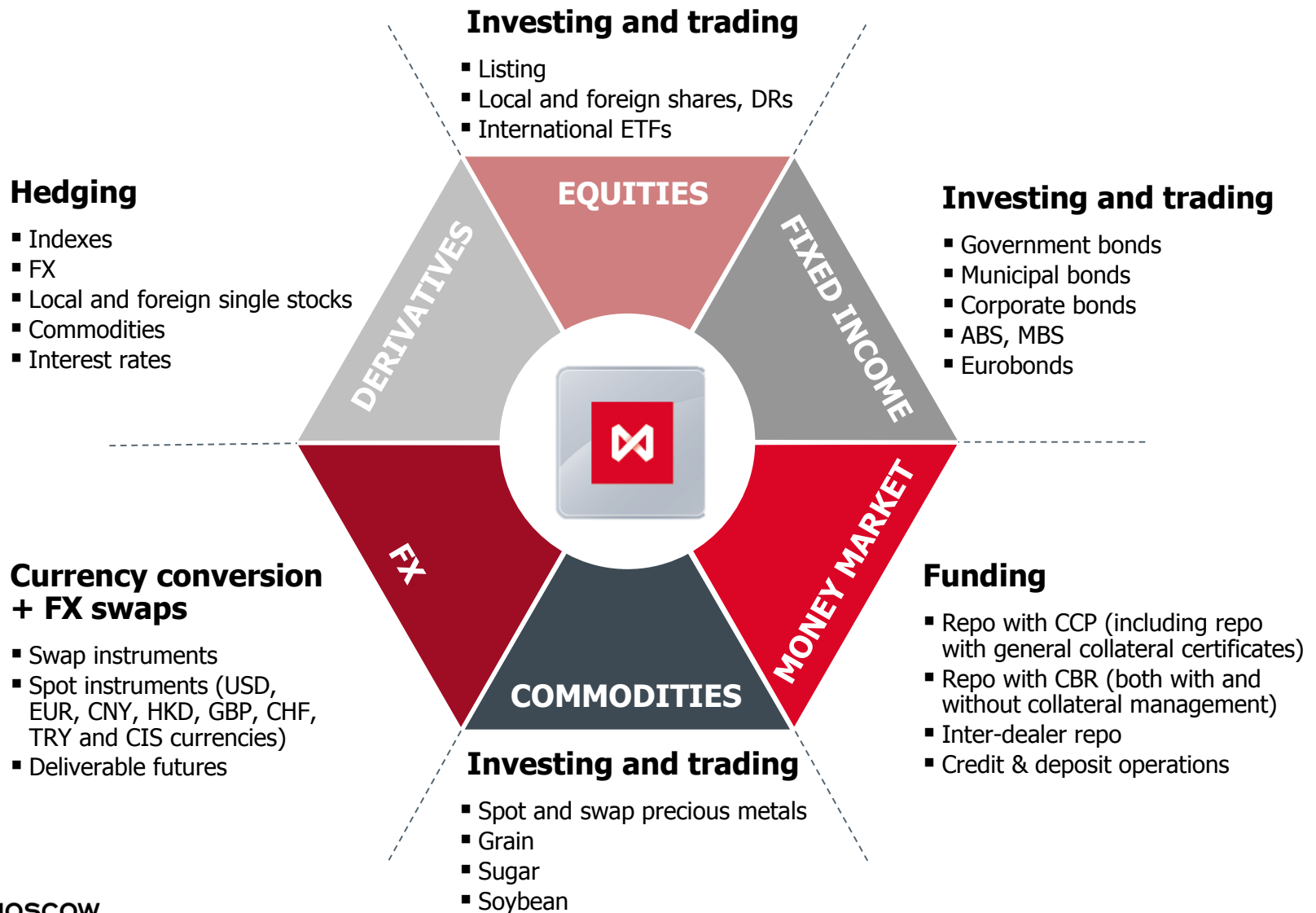
# On-exchange market: capturing the entire value chain



- ✓ MOEX captures the **entire value chain** for end-customers, offering a one-stop shop for listing, risk management, market data, multi-asset trading, clearing, settlement and custody.
- ✓ MOEX is **strategically positioned** to benefit from the development of Russia's capital markets in the coming years.
- ✓ Fully **vertically integrated infrastructure** with regulation and oversight by the Bank of Russia (CBR).
- ✓ Single-tier clearing system requires all participants to provide **eligible collateral** to trade any asset class, while pre-trade risk checks forestall any "fat fingers"/"flash crash" problems.
- ✓ The market has always been open for competition (except the CSD), but entry barriers are very high due to MOEX's post-trade infrastructure and **on-exchange market efficiency**. OTC is the key source of competition.
- ✓ Investors trade through brokers and banks, which are **licensed** locally and have access to MOEX markets. Foreign investors have **DMA, SMA and ICM services** at their disposal.



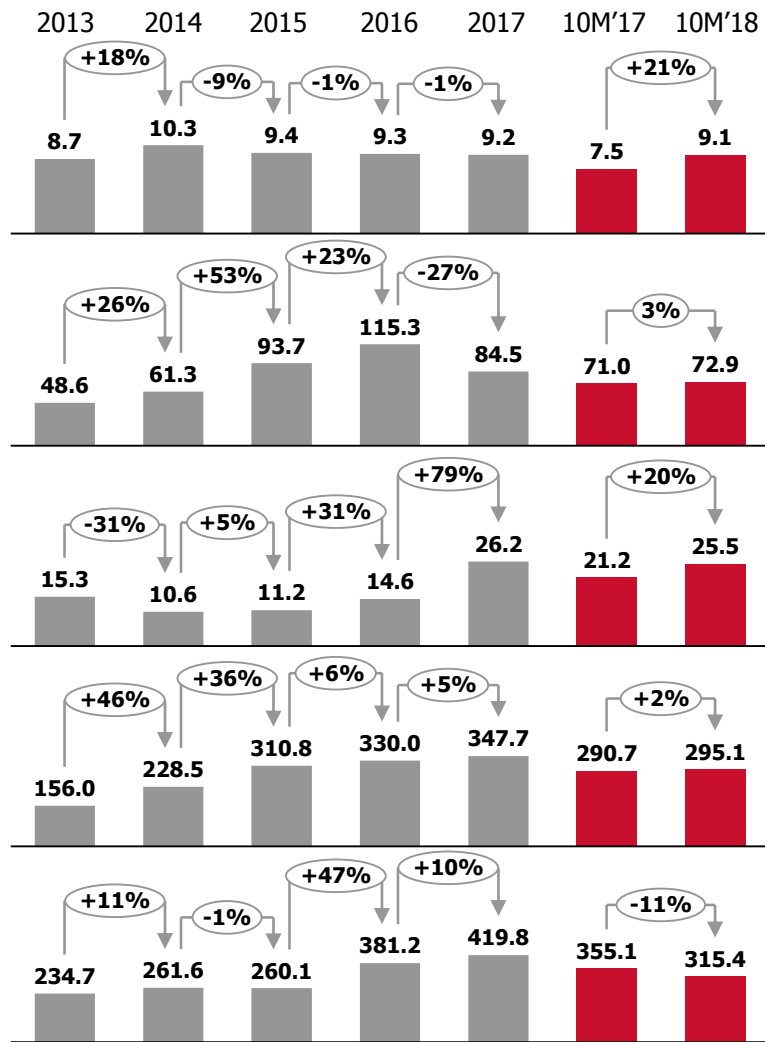
# Highly diversified product offering



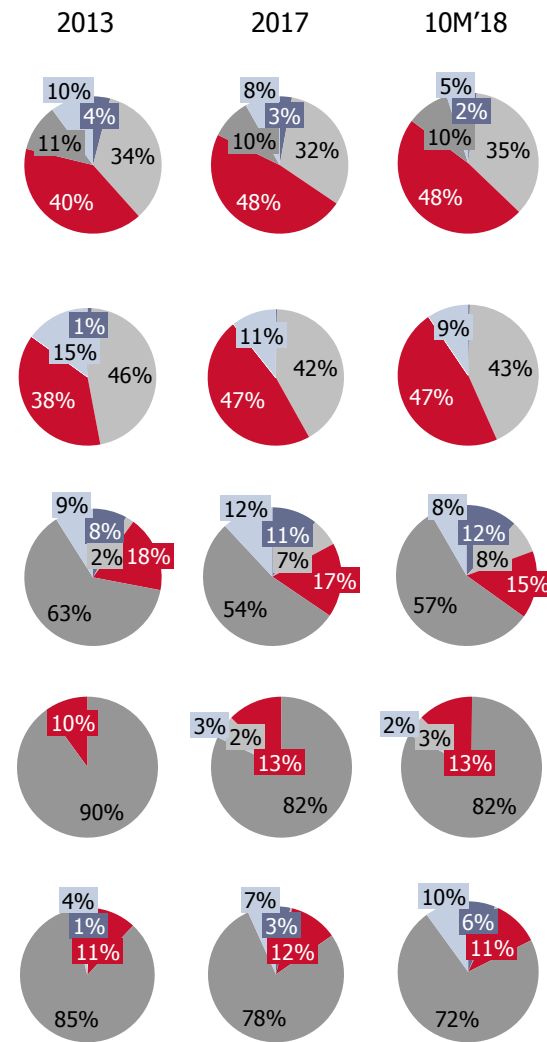
# Diversified investor base across different markets

- Equities Market  
RUB trn
- Derivatives Market  
RUB trn
- Fixed Income Market  
RUB trn
- FX Market  
RUB trn
- Money Market<sup>1</sup>  
RUB trn

**Trading volumes**



**Volume breakdown by investor types**



- Local funds
- Local banks and brokers
- Local retail investors
- Local corporates
- Foreign investors

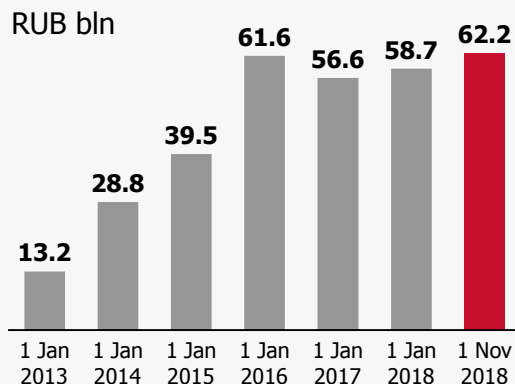
Source: Moscow Exchange data  
 1 Trading volumes include repo with collateral management through NSD.  
 Investor structure is based on on-exchange repo trading volumes only

# Robust post-trade infrastructure

Central Counterparty (CCP) and Central Securities Depository (CSD)

## CLEARING

### National Clearing Centre (NCC) proprietary funds (capital)<sup>1</sup>



### CCP cleared value based on ADTV (10M 2018)

RUB bln

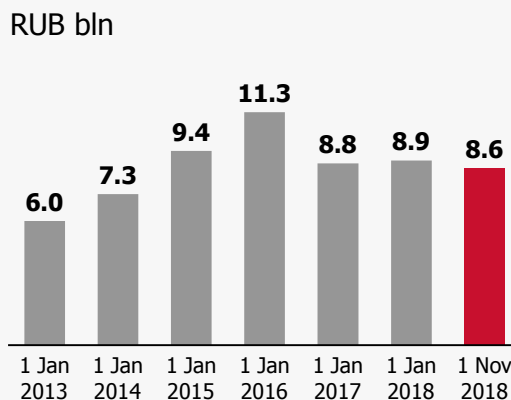
FX	1,392
Repo with CCP <sup>2</sup>	997
Derivatives	344
Fixed income	120
Equities	43
Commodities	0.6

### Comments

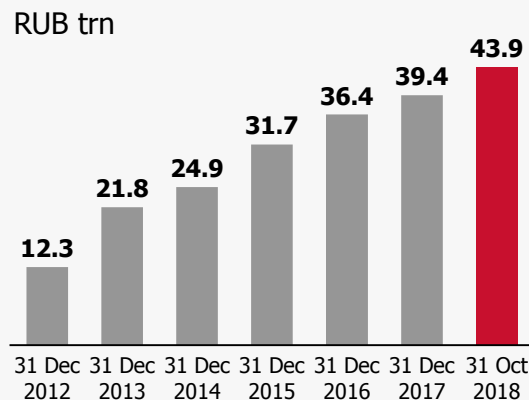
- Well-capitalized NCC acts as a CCP for all asset classes
- Solid risk management has ensured smooth operations amid high volatility
- The only qualified CCP in Russia. The status was granted by the CBR in 2013
- BBB** local currency rating from Fitch – one notch higher than Russia's sovereign rating

## SETTLEMENT & DEPOSITORY

### National Settlement Depository (NSD) proprietary capital<sup>3</sup>



### Assets on deposit<sup>4</sup>



### Comments

- NSD is the Central Securities Depository in Russia
- Safekeeping and settlement services
- Collateral management services for repo transactions
- Repository for OTC trades
- Links to Euroclear and Clearstream for Russian bonds and equities
- AA-** rating from Thomas Murray<sup>5</sup>

Source: Moscow Exchange

1 Figures in accordance with Russian Accounting Standards as reported to and disclosed by the CBR on a monthly basis. Figures from the end of 2015 onwards include skin in the game and other deductions in accordance with the regulation of CCPs by the CBR

2 Including GCC repo

3 Figures in accordance with Russian Accounting Standards as reported to and disclosed by the CBR on a monthly basis

4 Assets on deposit based on Company's operational data

5 Thomas Murray is the leading global agency for depository services



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**1** Business overview



Corporate governance and dividends

**3**

Market position and competitive strategy

**4**

Financial track record













**5**

3Q 2018 update



# Best-in-class corporate governance standards

- ✓ Out of 12 members of the 2018-2019 Supervisory Board, 7 are independent (58% vs a minimum threshold of 20%<sup>1</sup>)
- ✓ Four of the six Supervisory Board committees are chaired by independent directors
- ✓ The 2018-2019 Supervisory Board does not include any executive directors
- ✓ MOEX was a pioneer to adopt the new criteria of Director Independence aligned with the new Corporate Governance Code

	Supervisory Board members	Strategy Planning	Audit	Nomination and Remuneration	Budget	Technical Policy <sup>2</sup>	Risk Management
	<b>Anatoly Braverman</b> First Deputy CEO at Russian Direct Investment Fund	✓			✓		✓
	<b>Andrey Golikov - Deputy Chairman</b> Deputy Chairman of the Supervisory Board at Moscow Exchange	✓			Chair	✓	
	<b>Valery Goreglyad</b> Chief Auditor at the Bank of Russia						✓
	<b>Yuriy Denisov</b> Chairman of the Supervisory Board at National Clearing Centre	✓					Chair
	<b>Bella Zlatkis</b> Deputy Chairman of the Executive Board at Sberbank of Russia						
	<b>Mikhail Bratanov</b> Head of Securities Services in Russia and CIS at Société Generale			✓			
	<b>Oleg Viyugin - Chairman</b> Professor at Higher School of Economics	✓		✓			
	<b>Maria Gordon</b> Member of the Supervisory Board at Alrosa		✓		✓		
	<b>Alexander Izosimov</b> Director General at DRCAdvisors AB	✓				✓	
	<b>Anatoly Karachinsky</b> President at IBS LLC					Chair	
	<b>Duncan Paterson</b> Company Secretary at Talent First Limited	✓	Chair				
	<b>Rainer Riess</b> Director General at Federation of European Securities Exchanges (FESE)	Chair	✓	Chair			

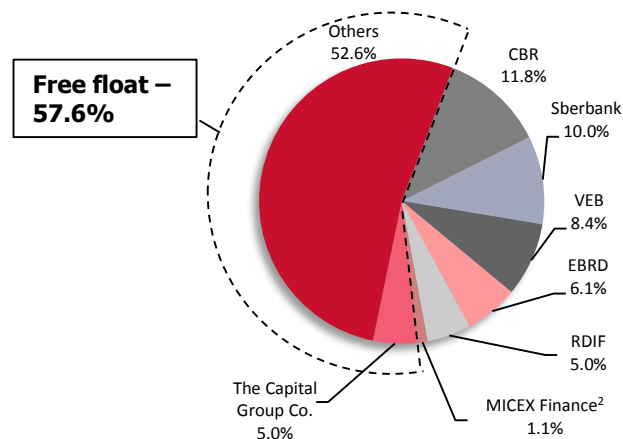
\* Independent directors

1 The threshold is for stocks listed in the First level of the Quotation list as per the Listing Rules of Moscow Exchange  
2 The Technical Policy committee includes key industry IT professionals

# Dispersed ownership with one of the **highest free-floats** in Russia

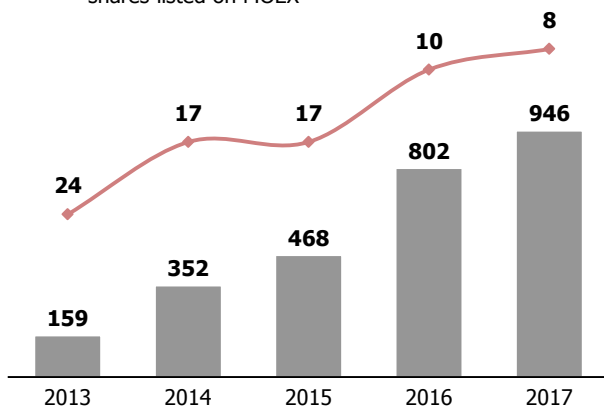
## Dispersed ownership with no controlling shareholder...

as of November 2018<sup>1</sup>

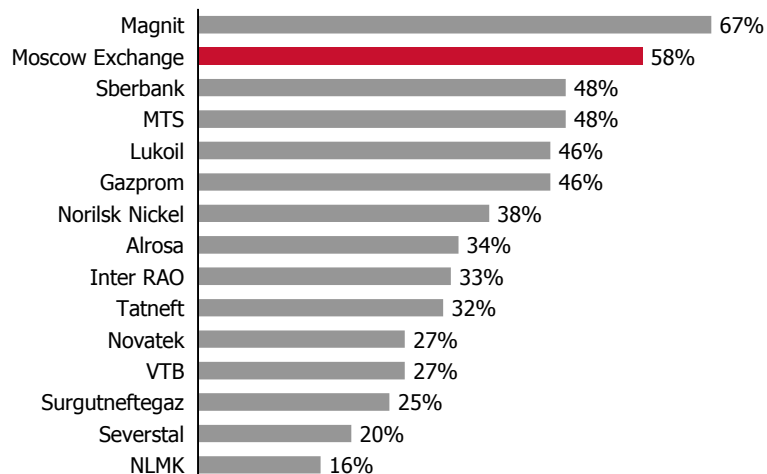


## Growing liquidity of MOEX shares<sup>4</sup>

RUB mln — Rank among the most liquid shares listed on MOEX<sup>5</sup> — Average daily trading volume



## ...and one of the highest free-floats in Russia<sup>3</sup>



## Transparency and international recognition

- **International index providers** MSCI and MVIS include MOEX shares in their indices
- **Voluntary disclosures** and regular updates of investor materials, including monthly trading results
- Annual **MOEX Forums** in Moscow, New York, London and Shanghai have become well-known venues to maintain dialogue with international market participants
- **Robust investor relations program:**
  - ✓ 355 investor meetings in 2017
  - ✓ IR activities in Russia, the UK, Europe and the US to maintain dialogue with overseas investors
  - ✓ IR awards in Russia in 2014-2017

1 Stakes of MICEX Finance and Capital Group are as reported in the most recent mandatory disclosure forms  
 2 100% owned subsidiary of the Moscow Exchange  
 3 Largest locally registered Russian companies (by market capitalization) included in the MOEX Index  
 4 Trading volumes in the main trading mode (T0, T+2)  
 5 The ranking includes ordinary and preferred shares

# 2017: dividend payout of 89%

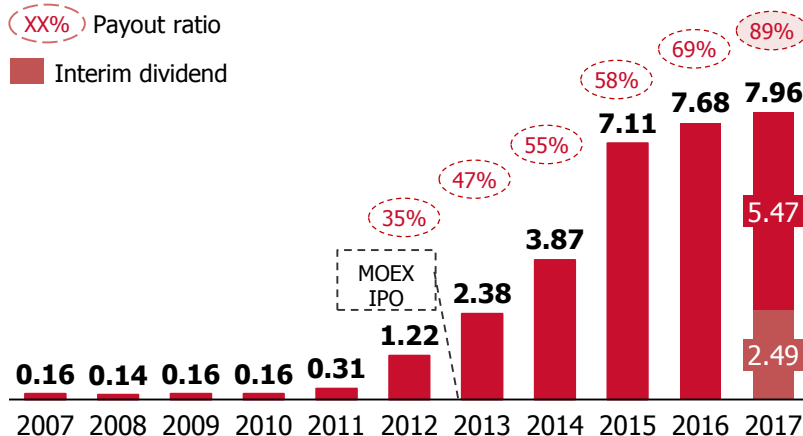
## History of dividend growth

DPS for the financial year, RUB

**35% CAGR of DPS '13-17**

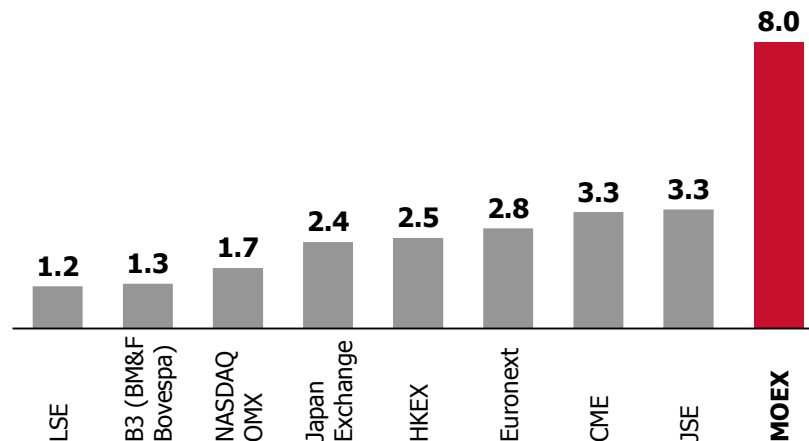
(XX%) Payout ratio

■ Interim dividend



## Dividend yields of MOEX and exchange peers, 2018E<sup>1</sup>

%



## Comments

- Dividend policy approved in September 2015 sets 55% of net profit as the minimum payout
- In 2017 Moscow Exchange switched to more frequent dividend payments, paying out its first ever interim dividend
- In April 2018 MOEX's AGM voted to pay out a dividend of RUB 7.96 per share, or 89% of 2017 net profit



**1** Business overview

**2** Corporate governance and dividends



Market position and competitive strategy

**4** Financial track record

**5** 3Q 2018 update



# Leading positions in a global context in 2017

## 2<sup>nd</sup> largest exchange in fixed income<sup>1</sup>

Rank	Exchange	Country	Trading vol. (USD bln)	Incl. REPOs
1	LSE Group	UK	9,196	×
<b>2</b>	<b>Moscow Exchange</b>	<b>Russia</b>	<b>4,818</b>	<b>✓</b>
3	BME	Spain	4,804	✓
4	Korea Exchange	Korea	2,144	×
5	Johannesburg SE	South Africa	2,083	✓
6	Nasdaq OMX	USA	1,704	✓
7	Oslo Borse	Norway	1,041	✓
8	Shanghai SE	China	355	×
9	Bolsa de Valores de Colombia	Colombia	312	×
10	Tel-Aviv SE	Israel	241	×

## 5<sup>th</sup> largest exchange in derivatives<sup>2</sup>

Rank	Exchange	Country	Contracts traded (mln)
1	CME Group	USA	4,089
2	NSE India	India	2,482
3	BM&FBOVESPA	Brazil	1,638
4	Deutsche Boerse	Germany	1,597
<b>5</b>	<b>Moscow Exchange</b>	<b>Russia</b>	<b>1,585</b>
6	CBOE	USA	1,274
7	Nasdaq OMX	USA	1,101
8	Korea Exchange	Korea	1,015
9	ICE&NYSE	USA	742
10	BSE India	India	608

## Among top 25 exchanges by equity trading volumes globally<sup>3</sup>

Rank	Exchange	Country	Mkt Cap (USD bln)	Securities listed	Trading vol. (USD bln)
1	ICE&NYSE	USA	22,081	2,286	14,535
2	Nasdaq OMX	USA	10,039	3,933	12,138
3	Shenzhen SE	China	3,622	2,089	9,112
4	Shanghai SE	China	5,090	1,396	7,563
5	Japan Exchange	Japan	6,223	3,604	5,813
6	LSE Group	UK	4,290	2,498	2,330
7	HKEx	Hong Kong	4,226	2,118	1,957
8	Euronext	EU	4,371	1,255	1,943
9	Korea Exchange	Korea	1,731	2,134	1,920
10	Deutsche Boerse	Germany	2,245	499	1,482
...	...	...	...	...	...
<b>25</b>	<b>Moscow Exchange</b>	<b>Russia</b>	<b>619</b>	<b>234</b>	<b>144</b>

## 13<sup>th</sup> largest publicly listed exchange by Mkt Cap<sup>4</sup>

Rank	Exchange	Country	Mkt Cap (USD bln)
1	CME	USA	55.8
2	ICE&NYSE	USA	42.6
3	HKEx	Hong Kong	37.5
4	Deutsche Boerse	Germany	25.6
5	LSE Group	UK	20.5
6	Nasdaq OMX	USA	15.2
7	CBOE	USA	11.7
8	BM&Fbovespa	Brazil	10.9
9	Japan Exchange	Japan	10.0
10	ASX	Australia	9.2
11	SGX	Singapore	5.6
12	Euronext	EU	4.5
<b>13</b>	<b>Moscow Exchange</b>	<b>Russia</b>	<b>3.9</b>

Sources: Moscow Exchange, WFE, Bloomberg

1 Due to different methodologies applied, data on fixed income trading may not be directly comparable among exchanges. Data for 2017

2 Data for 2017

3 Top equity trading exchanges are ranked by trading volume. Ranking without BATS (excluded due to absence of data for market capitalization and number of listed companies). Data for 2017

4 Market capitalization of public exchanges based on Bloomberg data as of 30 June 2018

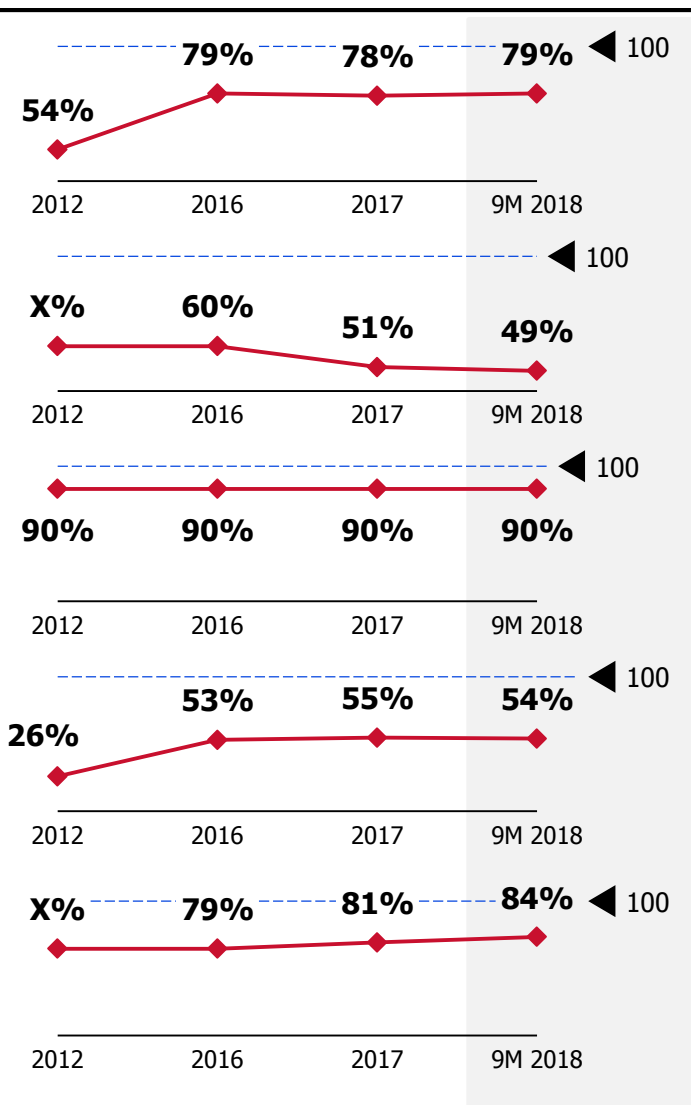


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# High and increasing market share versus OTC trading



Share on the local market

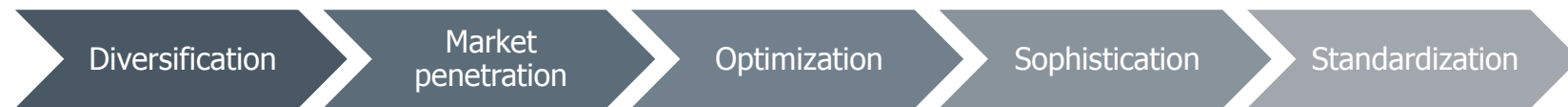


↑ +25 p.p.

↑ +28 p.p.

Source: Moscow Exchange data  
 1 Data before the launch of obligatory reporting to repository are unavailable  
 2 Repo trading volumes only. Data before the launch of obligatory reporting to repository are unavailable

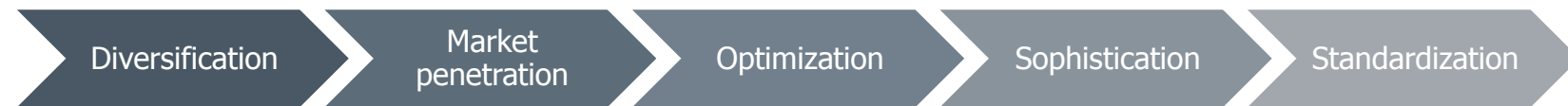
# Competitive strategy 2015-2020: key pillars (1)



	Strategy	Drivers and initiatives
<b>Equities</b>	Development of the equity market	<ul style="list-style-type: none"> <li>✓ Benefits from infrastructure put in place, tax and regulatory reforms (T+2, CSD and access of ICSDs, IIA)</li> <li>✓ Growth of the retail investor base</li> <li>✓ New listings and IPOs, repatriation of capital</li> <li>✓ Further simplification of access for international investors (SMA, ICM)</li> </ul>
<b>Fixed income</b>	Bonds to complement bank loans as a funding tool	<ul style="list-style-type: none"> <li>✓ Development of short-term and ultra short-term bonds, securitization</li> <li>✓ Easier access to the bond market for corporates</li> <li>✓ Growth of the retail investor base</li> <li>✓ Benefits from completed reforms (T+1 for OFZs, large block auctions, ICSDs)</li> <li>✓ Development of an OTC platform</li> </ul>
<b>Derivatives</b>	New global and local benchmarks; tariff reform	<ul style="list-style-type: none"> <li>✓ Tariff reform to increase effective fees</li> <li>✓ Development of commodity derivatives</li> <li>✓ Options market development</li> <li>✓ Synergies with spot markets via a unified collateral pool</li> <li>✓ OTC derivatives clearing</li> <li>✓ Liquidity enhancement via the IQS</li> </ul>
<b>Market data</b>	Enhancement of the product offering	<ul style="list-style-type: none"> <li>✓ Growth of market data sales</li> <li>✓ Development of a real-time and non-real time data platform</li> <li>✓ Development of the corporate information center</li> <li>✓ Development of the pricing center</li> <li>✓ Expansion of the repository offering</li> </ul>



# Competitive strategy 2015-2020: key pillars (2)



	Strategy	Drivers and initiatives
<b>FX Market</b>	Protecting market share through further expansion of product offering	<ul style="list-style-type: none"> <li>✓ Development of international clearing membership, international links</li> <li>✓ Direct access of corporates to the market</li> <li>✓ Development of SMA services</li> </ul>
<b>Money Market</b>	Increasing the market share through new products	<ul style="list-style-type: none"> <li>✓ Further enhancement of the existing product portfolio; new General Collateral Certificates (GCC) pools across securities and currencies</li> <li>✓ GCC repo terms' extension, introduction of early termination for GCC deposits</li> <li>✓ Direct access of corporates to GCC deposits (deposits with CCP)</li> </ul>
<b>Depository services</b>	Steady growth via increase of assets in custody and new services	<ul style="list-style-type: none"> <li>✓ Corporate actions reform</li> <li>✓ Launch of the corporate information center</li> <li>✓ Expansion of the repository offering</li> </ul>
<b>Treasury business</b>	Gradual replacement of NII with F&C income	<ul style="list-style-type: none"> <li>✓ Reduction of NII's contribution to revenue through the unified collateral pool, including a single account for all asset classes, netting of settlements, unification of collateral requirements across all markets and cross-margining</li> </ul>
<b>IT</b>	Ongoing enhancement of IT systems	<ul style="list-style-type: none"> <li>✓ Focus on reliability of hardware</li> <li>✓ Improved processes of software development and installation</li> <li>✓ Development of technologies complementary to MOEX's product offering</li> </ul>

# Global products and international investors

MOEX offers **global products to Russian investors** ...

## *Global Products*

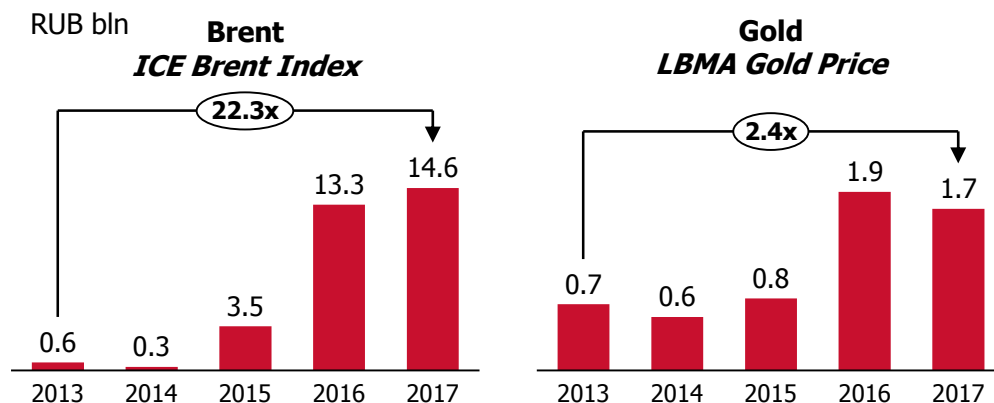
*Plans 2018*

**FX Market**  
✓ Trading links with key FX platforms

**Derivatives Market**  
✓ Major global benchmarks

**Equities Market**  
✓ Top global stocks

## Trading volumes of derivative contracts on international benchmarks on MOEX



... and **Russian products to international investors**

*Plans 2018*

**FX Market**

**Derivatives Market**

**Equities and Fixed Income Markets**

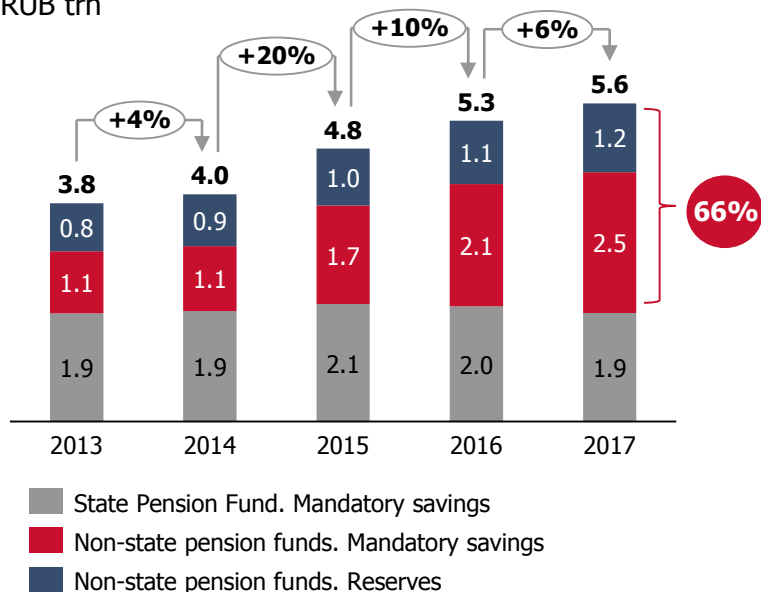
- Development of SMA: introduction of pre-trade controls
- Development of ICM
- Tradable FX Fixing instruments for international participants
- Declaration of adherence to FX Global Code
- Launch of ICM: remote clearing membership for international banks
- Launch of SMA: introduction of pre-trade controls and cancellation of orders on disconnection
- Onboarding of international HFT clients
- Development of SMA
- Launch of ICM
- Onboarding of international HFT clients



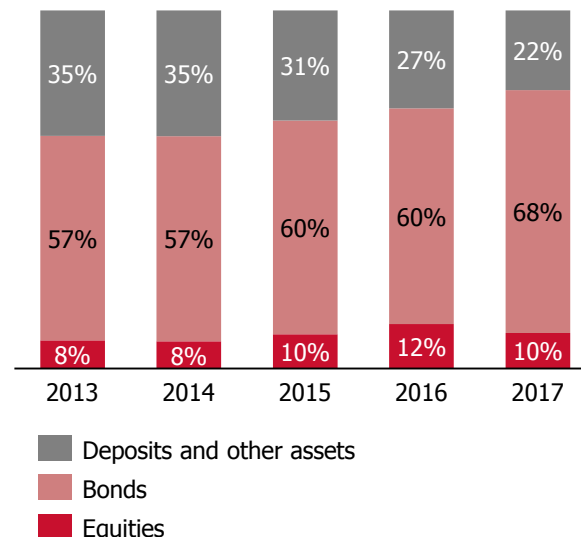
# Local institutional investors: the potential of **pension funds**

## Pension assets in Russia

RUB trn



## Pension system asset allocation dynamics<sup>1</sup>



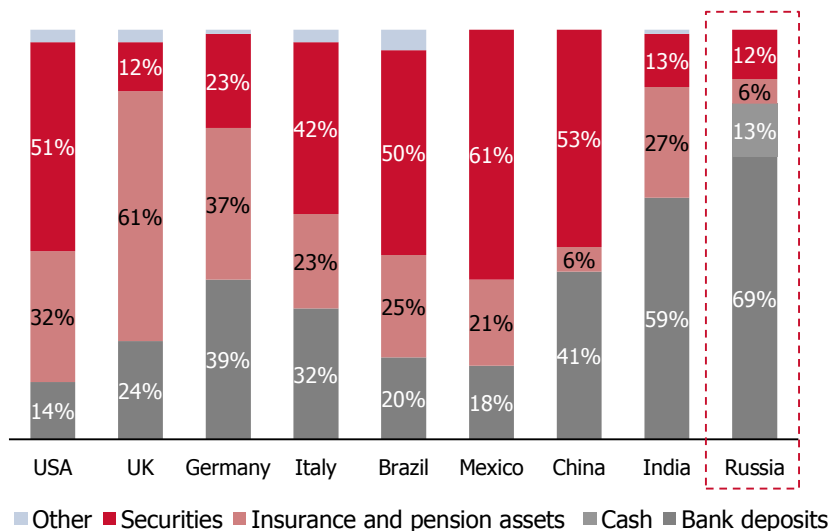
## Key highlights of the pension reform

- Bank of Russia became a regulator of the pension system in 2013
- Adopted changes in non-state pension fund regulation:
  - “One year non-loss” rule was abolished
  - Investment horizon of NPFs was extended to 5 years
  - Customers are now incentivized to stay with the fund for not less than 5 years
  - Guarantee fund mechanism (similar to the Deposit Insurance Agency in the banking system)
  - New allocations to NPFs remained under moratorium until 2019, which reduced growth potential and left room for organic growth only

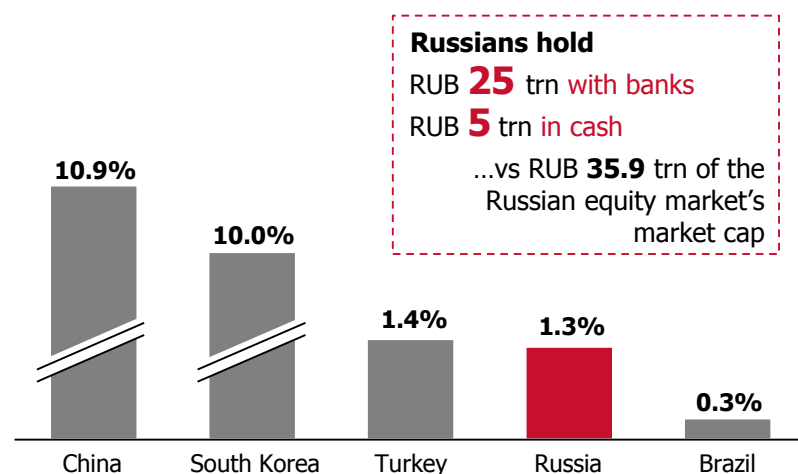


# Retail money: aiming to grow the culture of investing

## Russians hold majority of savings in banks and cash<sup>1</sup>



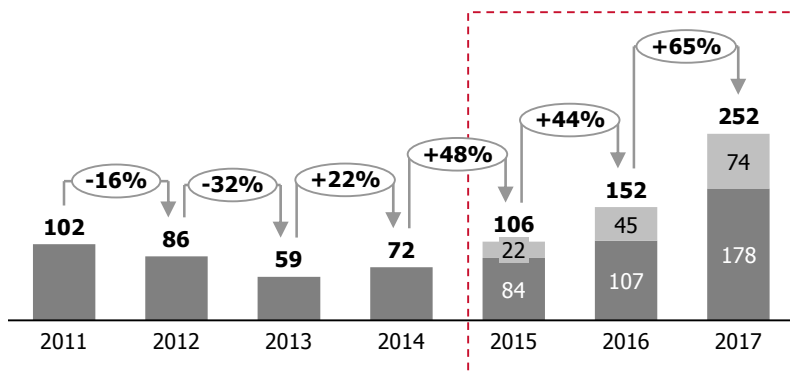
## Number of retail broker accounts as % of population<sup>2</sup>



## Newly opened retail accounts of first-time (unique) clients

thousand

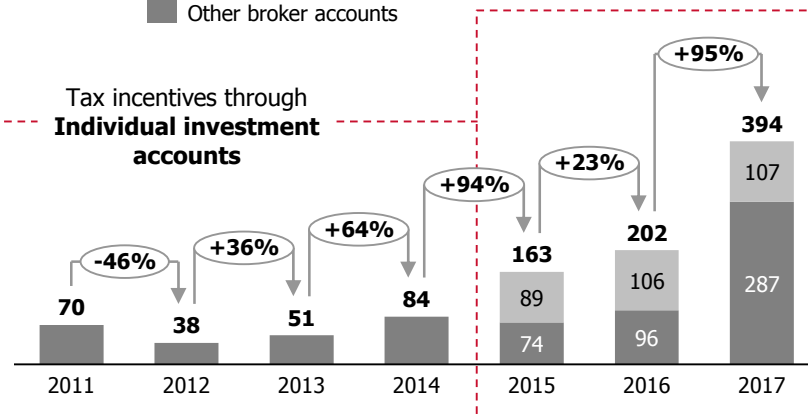
- Individual investment accounts (IIA) as the first broker account
- Other broker accounts as the first broker account



## Net change in the number of retail accounts

thousand

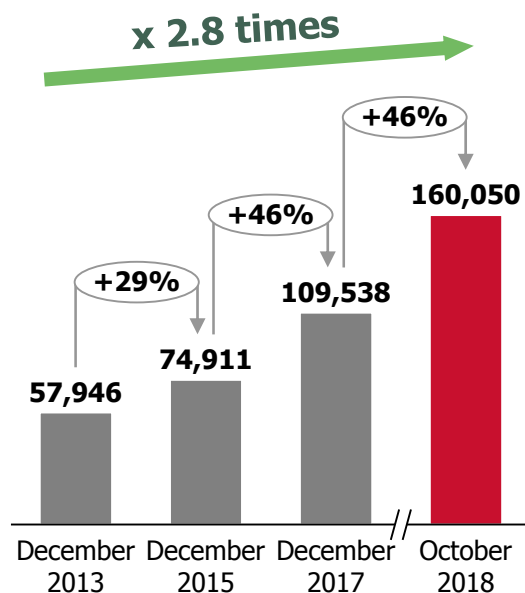
- Individual Investment Accounts
- Other broker accounts



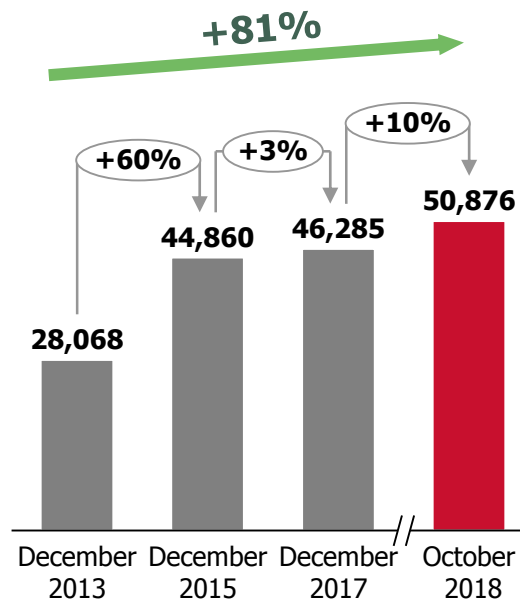
# Retail clients: a growing segment of the Russian financial market

## Number of active retail client accounts

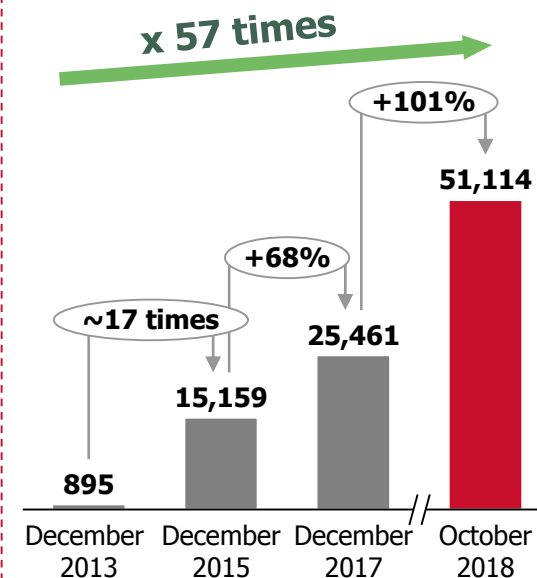
### Equities Market



### Derivatives Market



### FX Market<sup>1</sup>



### Recent regulatory changes:

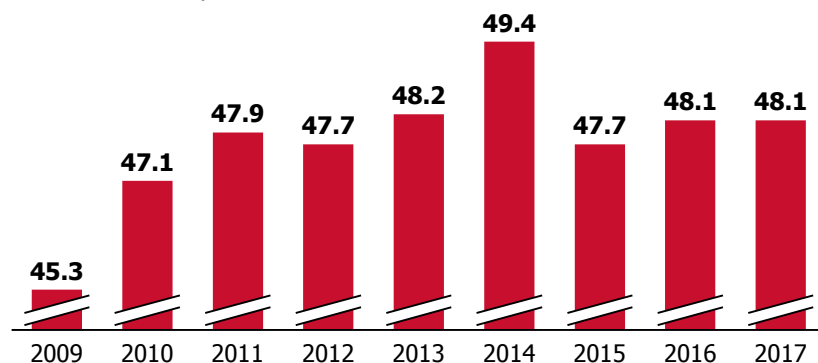
- Introduction of **individual investment accounts** for private investors since 2015: more than 480,000 accounts opened as of end of October 2018
- **Tax breaks** on capital gains on securities held for more than 3 years (up to RUB 9 mln for securities purchased after 1 Jan 2014)
- Retail investors allowed to **remotely open a brokerage account**. This simplifies the process for retail investors in Russia's far-flung regions



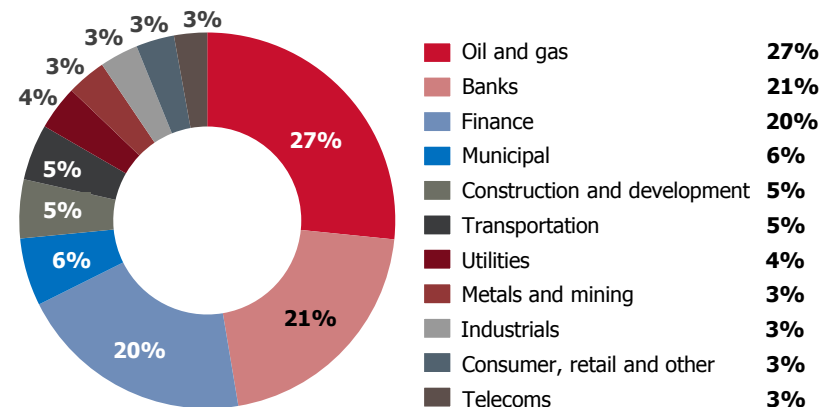
# Bond market – why we are strong believers

## Ageing fixed assets require long-term investments

Accumulated depreciation as % of fixed assets



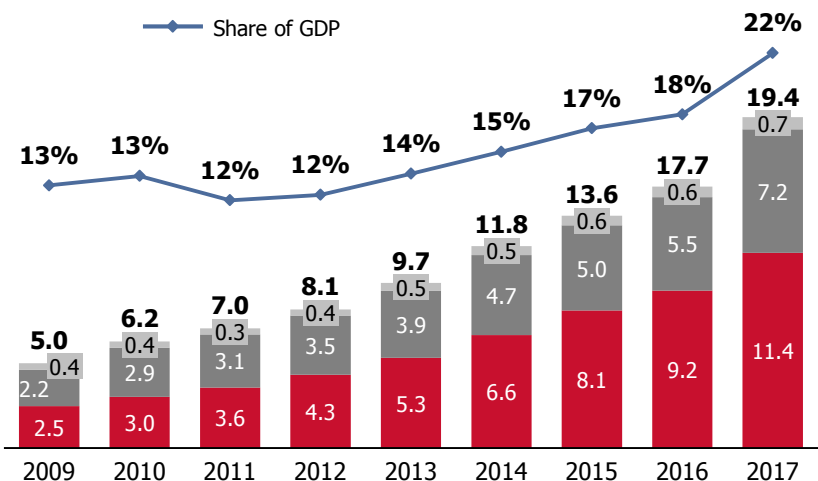
## Breakdown of bond issuers<sup>1</sup> by industry



## Growth of outstanding local bonds

RUB trn Regional Government Corporate

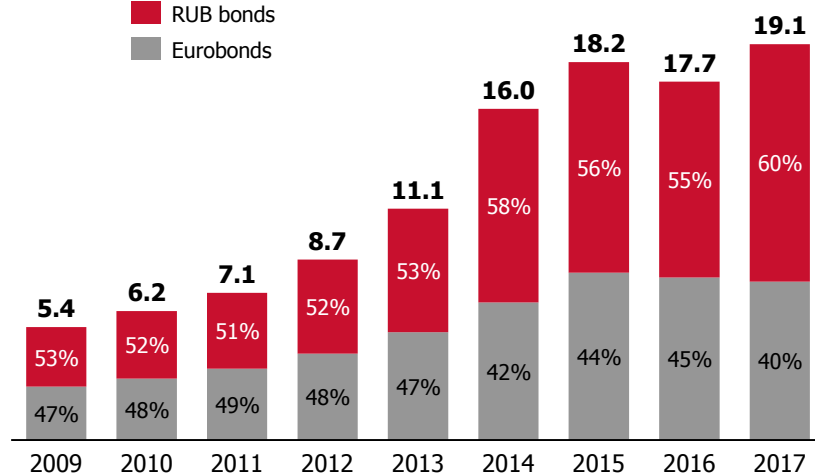
Share of GDP



## Local bonds vs Eurobonds of Russian corporates<sup>2</sup>

RUB trn

RUB bonds Eurobonds



# “Bondization”: growing a deeper Bond Market

## Completed in 2017

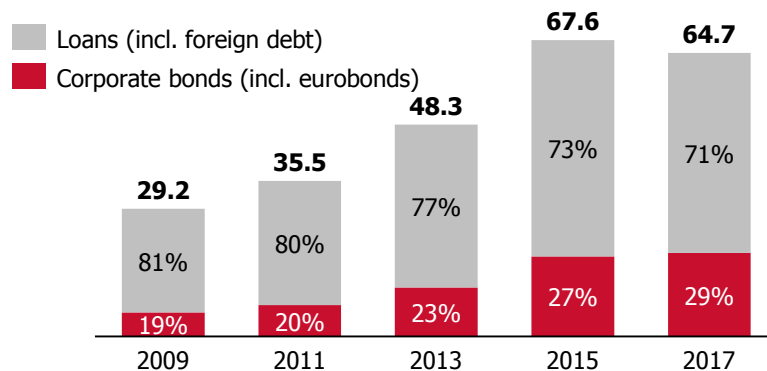
- **Issuance documents constructor** for exchange-traded bonds was implemented in the user account, it reduces the time for preparation of each document to 15-20 minutes
- Bonds can now be admitted to trading without a prospectus
- 60 new exchange-traded bond programs were registered in 2017 (+56% vs 2016)
- **On-exchange bookbuilding**
- **Increase of OFZ liquidity** due to market-maker programs and change in tick size (+32% trading volumes in 2017 vs 2016)
- **Cross-product OFZ spreads**

## Plans for 2018 and beyond

- OTC fixed income trading platform
  - Additional features not offered through electronic order book
  - MiFID II favors electronic OTC platforms due to transparency
  - The initiative takes advantage of data on ownership of more than 15,700 security issues kept by NSD
- Increase of market liquidity:
  - Transactions with bonds ex-date (coupon)
  - Further development of exchange bookbuilding

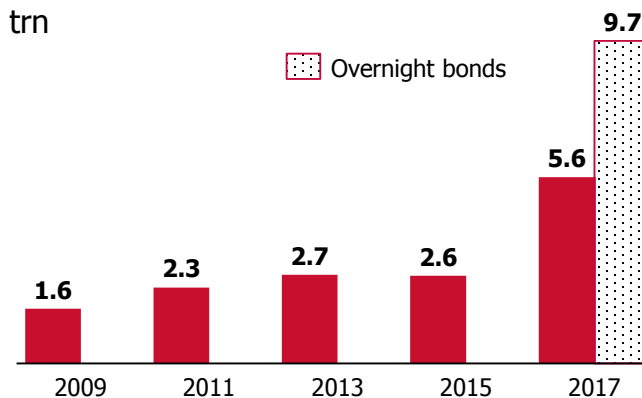
## Corporate loans vs corporate bonds in Russia

RUB trn



## Bond primary market trading volume

RUB trn



# Corporates on the FX and Money Markets

## Direct access of Russian corporates to the FX and Money Markets

### Direct access to the FX Market

Launched on 5 April 2017

**33** corporates

**621** RUB bln trading volume since launch

**1.5** RUB bln ADTV

### Deposits with the CCP for corporates

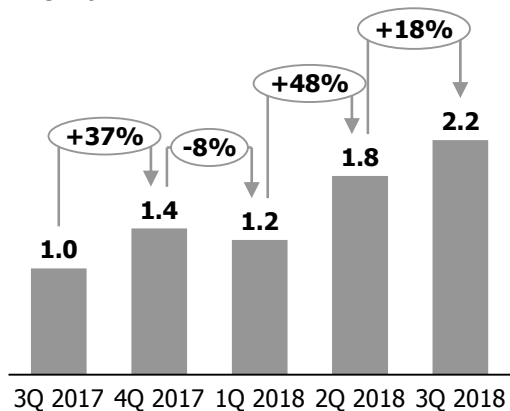
Launched on 24 July 2017

**100** corporates

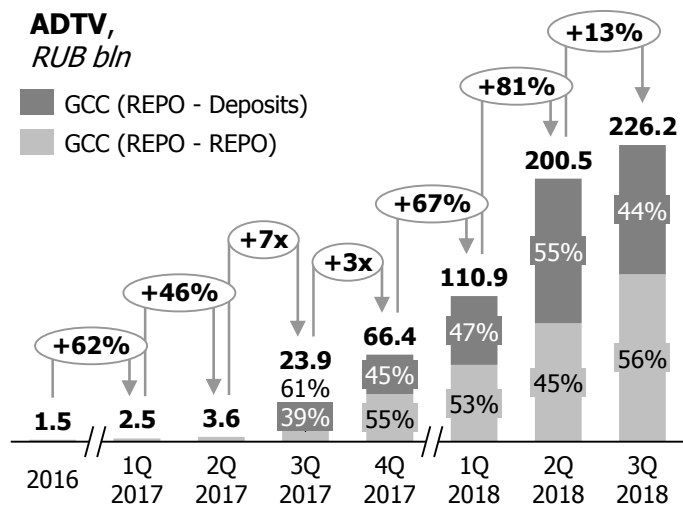
**19.6** RUB trn trading volume since launch

**316** RUB mln average trade size

ADTV, RUB bln



ADTV, RUB bln



## Plans 2018+

- Attract 30-50 new corporates to the FX and Money Markets
- Expand the range of currencies for CCP Deposits: USD (already available), EUR and CNY
- Extend the term of CCP Deposits' via ramp up of liquidity beyond 7d – up to 3m
- Introduce early termination of CCP Deposits with partial rate retention
- Introduce market-making and rebates to facilitate on-exchange FX trading





# Trend of local placements continued

Major public capital raisings by Russian companies in 2016 were held exclusively on MOEX

Company	Date	Transaction type	Transaction value, RUB bln
Europlan	December 2016	SPO	15.0
RussNeft'	November 2016	IPO	32.4
FG Future	October 2016	IPO	11.7
Alrosa	July 2016	SPO	54.4
UWC	May 2016	SPO	5.0
Promsvyazbank	April 2016	SPO	2.6
<b>Total 2016</b>			<b>121.1</b>

## Capital raisings on MOEX in 2017

Company	Date	Transaction type	Transaction value, RUB bln
TMK	February 2017	SPO	10.0
Detski Mir	February 2017	IPO	21.1
Phosagro	February 2017	SPO	15.0
UWC	May 2017	SPO	1.9
Polyus ( <i>dual</i> )	June 2017	SPO	52.3
Bank Saint Petersburg	July 2017	SPO	3.2
MVideo	July 2017	SPO	18.0
Norilsk Nickel'	July 2017	SPO	23.8
Magnitogorsk Iron & Steel Works	September 2017	SPO	13.0
Aeroflot	September 2017	SPO	9.8
MegaFon	October 2017	SPO	22.5
Obuv Rossii	October 2017	IPO	5.9
Credit bank of Moscow	October 2017	SPO	14.4
Globaltruck	November 2017	IPO	3.5
Magnit	November 2017	SPO	43.9
En+ ( <i>dual</i> )	November 2017	listing	
<b>Total 2017</b>			<b>258.3</b>

## Capital raisings on MOEX in 2018

Company	Date	Transaction type	Transaction value, RUB bln
X5 Retail Group	February 2018	listing	
Interrao	March 2018	SPO	4.2



# The Marketplace @ MOEX: a new strategic project

## THE CONCEPT:

- **Retail deposits (RUB 27 trn)** is the single largest asset pool that might drive growth of on-exchange products
- It lacks fast, convenient interface for retail deposit management across banks - **an area MOEX can digitalize**
- MOEX will expand its core expertise to **standardize and unify** the market of retail deposits, making it truly online

## MOEX HAS:

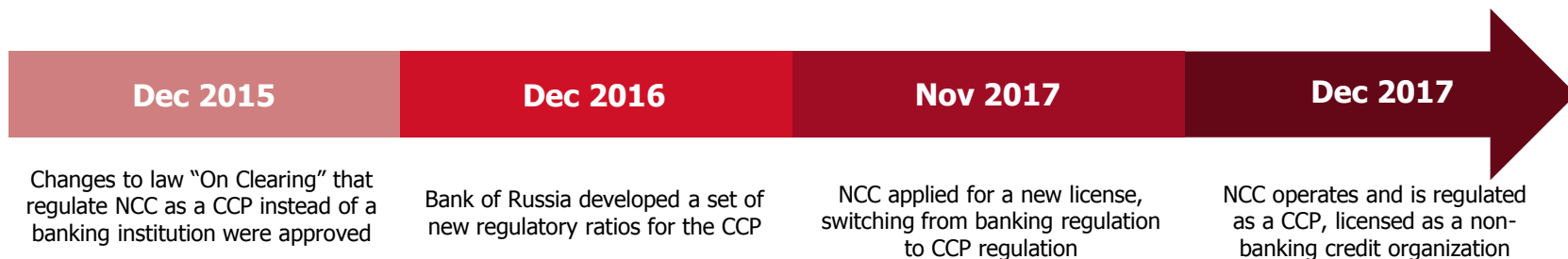
- **Market neutrality & trust:** no room for conflicts of interest since MOEX does not originate loans or deposits
- **Essential infrastructure:** NSD is the centerpiece, managing the repository for financial transactions (RFT)
- **Tech expertise:** IT development; 25+ years of interaction with banks via API in securities & FX trading etc.

## MOEX GETS:

- **A new source of fee income:** long-term revenue potential can be measured on a scale of RUB billions
- **Business development:** cross-selling to a new audience, many times larger than the existing set of active clients
- **Market intelligence & behavioral data:** obtaining a complete financial profile of a wide retail client base



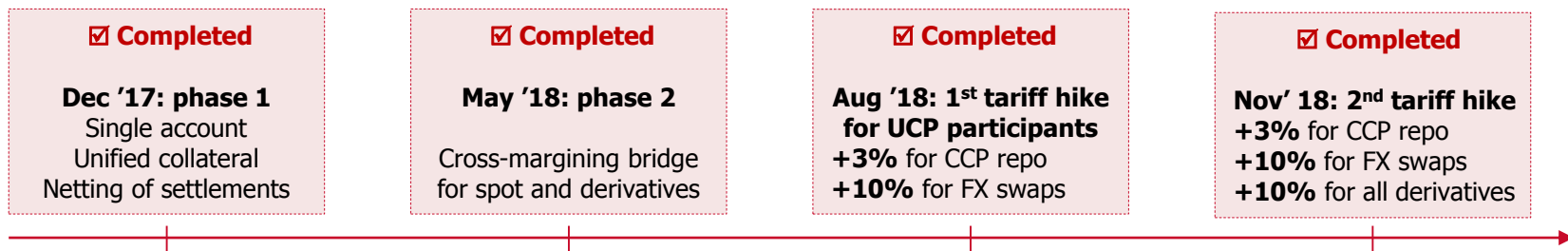
# NCC is now regulated as a clearing organization and a CCP



<b>Target capital</b>	Target capital in FY 2018 that complies with new regulatory requirements: <b>RUB 55 bln</b>
<b>New regulation requires:</b>	
<b>Capital adequacy</b>	At all times NCC's own capital shall exceed the sum of "skin in the game", the minimum capital to maintain 11% of RWA and a reserve of 75% of annual operating expenses
<b>Adequacy of total resources</b>	At all times the sum of "skin in the game" and the guarantee fund shall exceed potential losses in the event of default of the two largest counterparties
<b>Adequacy of initial margin</b>	Price fluctuations of each asset shall not exceed the initial margin amount in at least 99% of cases of price changes
<b>Liquidity ratio</b>	The amount of liquid assets of the CCP at any time shall exceed the amount of potential losses in the event of default of the two largest counterparties
<b>Collateral concentration</b>	A certain type of asset is eligible as collateral as long as its addition does not exceed 25% in total assets placed as collateral by market participants

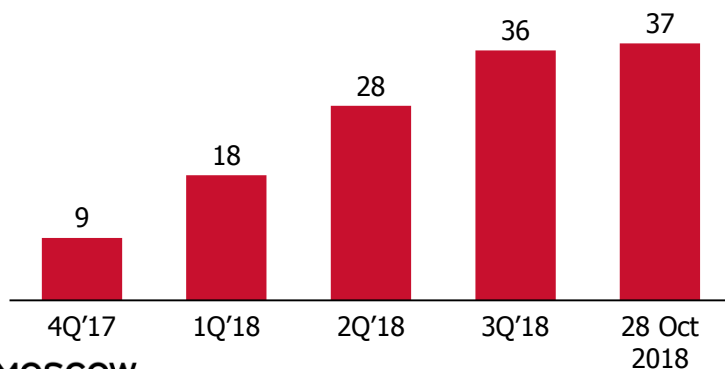
# Unified Collateral Pool: a strategic project completed

## Timeline and latest developments

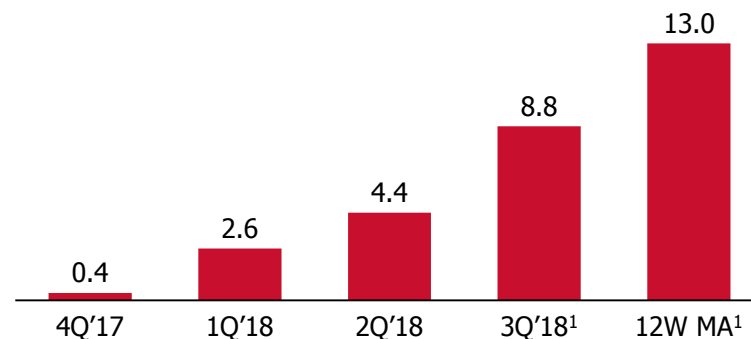


- The UCP take-up continued to grow: in 3Q'18 it accounted for 9% of total trading F&C compared to 4% in 2Q'18.
- The share of UCP accounts in the Derivatives Market – the UCP's cornerstone – has surpassed 40% of fees and volumes.
- On 1 November 2018 a universal tariff hike took place as scheduled. The UCP-linked tariff revision is now complete.
- New tariffs will incentivize market participants to use UCP capabilities more actively and speed up onboarding.

**Number of market participants with UCP accounts (as per end of period)**



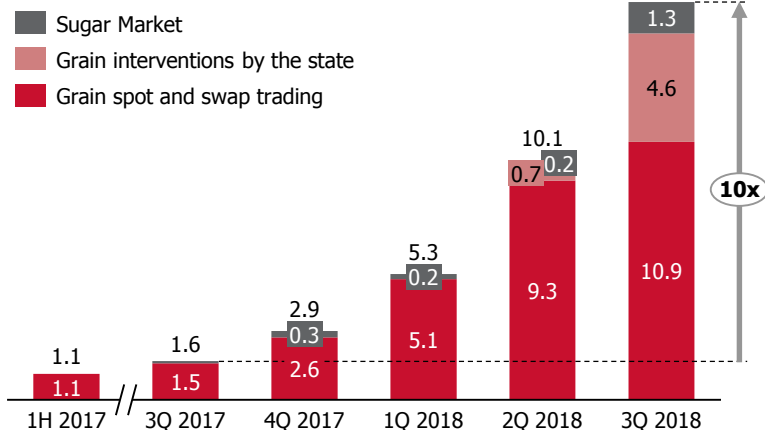
**Share of F&C from UCP accounts as % of total trading F&C**



# Soft Commodities Market: explaining the performance

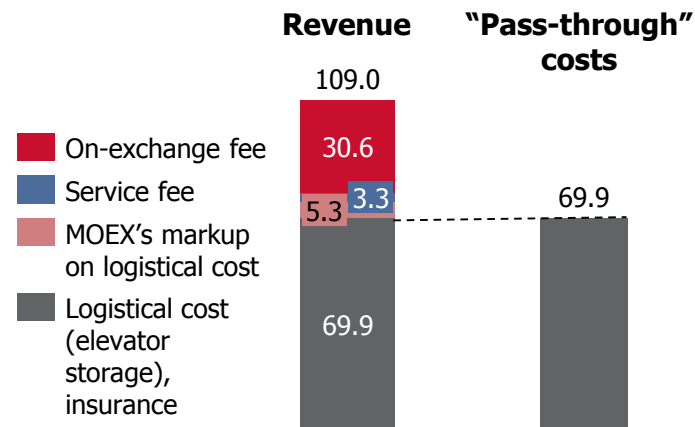
## Trading volumes in the Soft Commodities Market

RUB bln



## Soft Commodities' revenue and cost in 3Q'18<sup>1</sup>

RUB mln



## Comments

- Performance of Soft Commodities has improved markedly in 2018 YTD. Trading volumes were up 10x YoY in 3Q 2018.
- Revenue from Soft Commodities is a part of "Other fee income" under IFRS; costs fall into "Professional services".
- MOEX incurs grain storage costs – i.e. logistical costs – which are passed through to end-clients upon the trade.
- The effective on-exchange fee in Soft Commodities was 18bps in 3Q 2018, which is 10x that of Equities Market.
- There is a direct link between logistical costs and on-exchange fees. These are scaling up coherently.
- Thus, both corresponding P&L items expanded visibly in 3Q'18, adding ~2pp to YoY OPEX growth.
- We will consider showing Soft Commodities separately on the P&L in 2019, though it's not meaningful enough for IFRS to require it.



# Derivatives Market: recent additions and updates

**NEW**

## Deliverable futures on gold

Launched in Oct'18

6

RUB mln

trading volumes since 11 Oct 2018

- Complements the cash-settled futures on LBMA gold – 2<sup>nd</sup> most popular commodity futures contract on MOEX
- Will serve as a basis for a new Russian domestic gold price benchmark

**NEW**

## Futures on USD/INR

Launched in Oct'18

0.5

RUB mln

trading volumes since 22 Oct 2018

- USD/INR derivatives are among the top-3 most popular exchange-traded FX derivatives globally

**NEW**

## Futures on LME metals

Launched in Oct'18

8

RUB mln

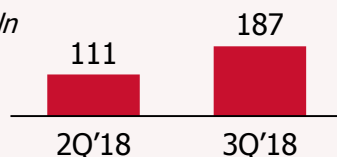
trading volumes since 24 Oct 2018

- 4 contracts on benchmarks: copper, aluminum, nickel and zinc
- Interest expected from corporate hedgers

## Futures on Light Sweet Crude oil

Launched in Apr'18

ADTV, RUB mln

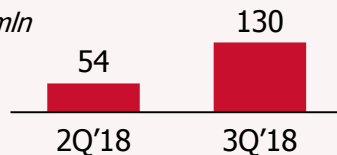


- Already the 4<sup>th</sup> most popular type of underlying among commodity futures on MOEX

## US500 futures

Launched in Jun'18

ADTV, RUB mln

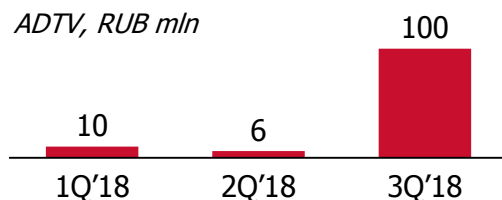


- The underlying is index of 500 largest US companies
- Foreign clients and retail traders (45% and 55% of trading volumes in Sep'18)

## RUONIA futures

Launched in Apr'13

ADTV, RUB mln



- There are long-term drivers for the development of interest rate derivatives:
  - Pause in Russia's monetary easing cycle creates interest rate uncertainty – see Sep-Oct 2018
  - Banking regulation emphasizes interest rate risk
  - Development of MOEX repo market suggest the launch of a proprietary derivative benchmark

### Common features:

Derivatives on global benchmarks

High demand from international clients, including HFTs and arbitrageurs

SMA, DMA access

**1** Business overview

**2** Corporate governance and dividends

**3** Market position and competitive strategy



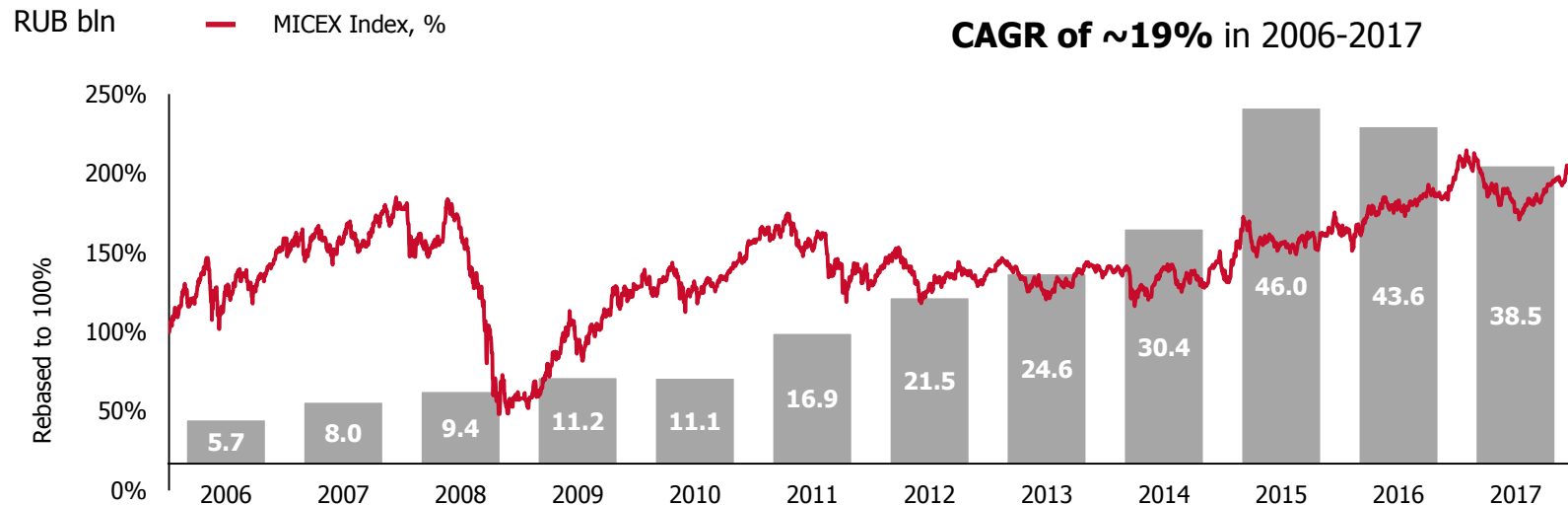
Financial track record

**5** 3Q 2018 update



# MOEX business model continues to deliver

## Operating income<sup>1</sup>

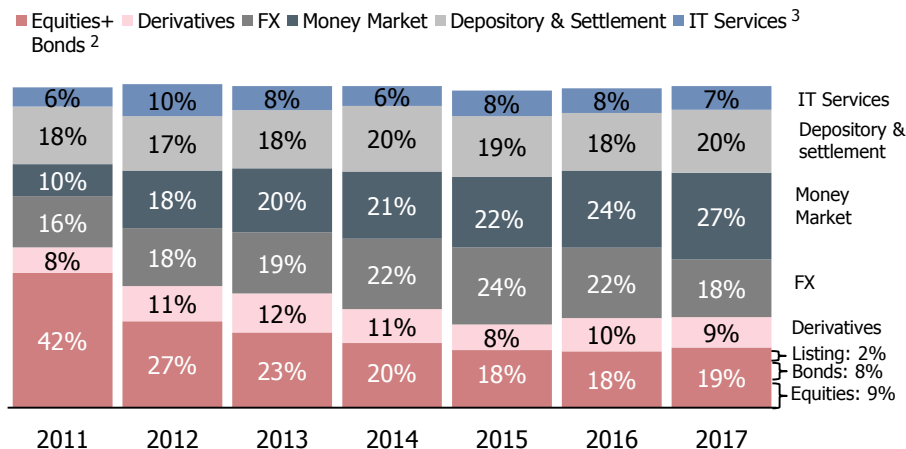


## Key highlights

**Unique business model** allows MOEX to increase operating income regardless of the stage of the economic cycle:

- **Business lines** are diversified, while markets have limited growth correlation
- **Growth drivers differ** across markets and products

## Fee & commission income evolution<sup>1</sup>

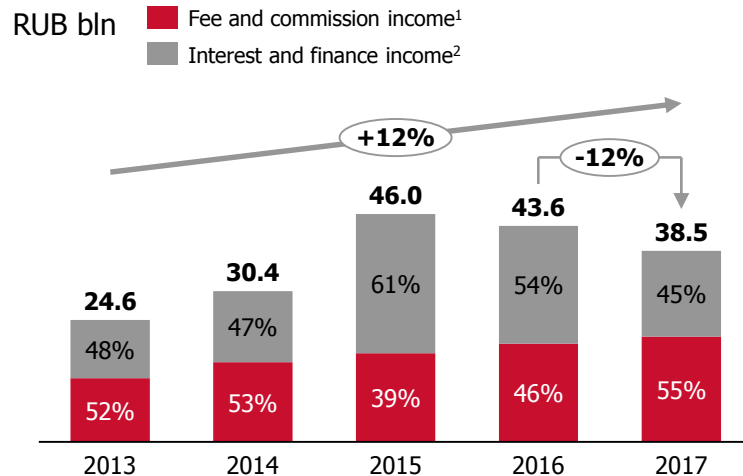




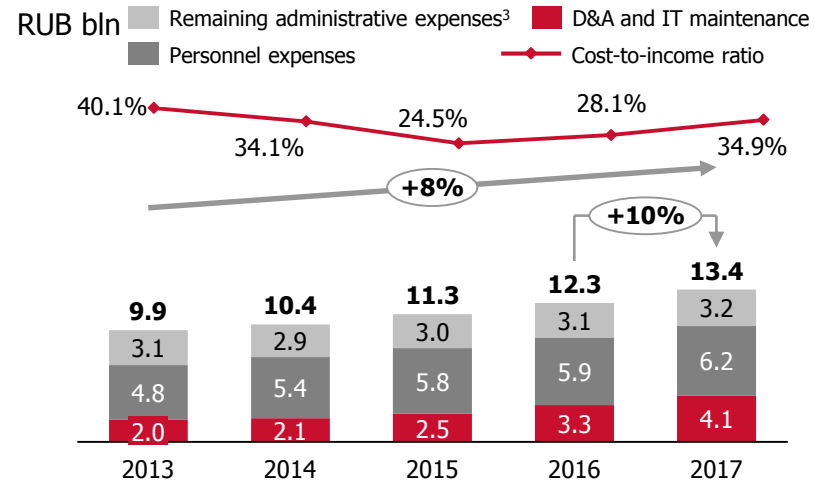
# Summary of financials

X% → CAGR '13-17

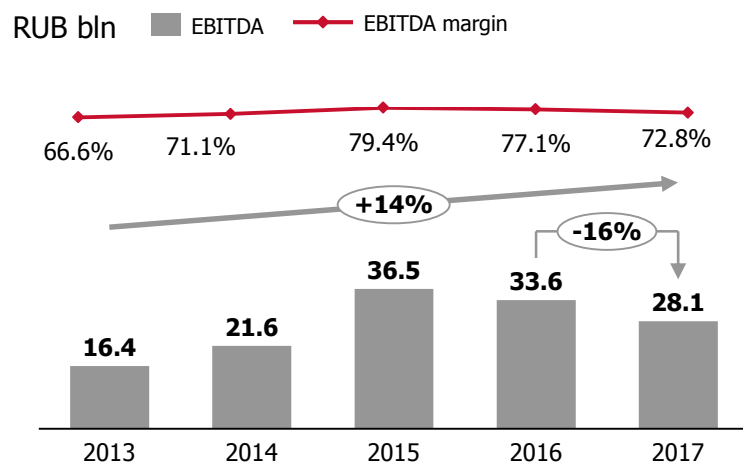
## Operating income



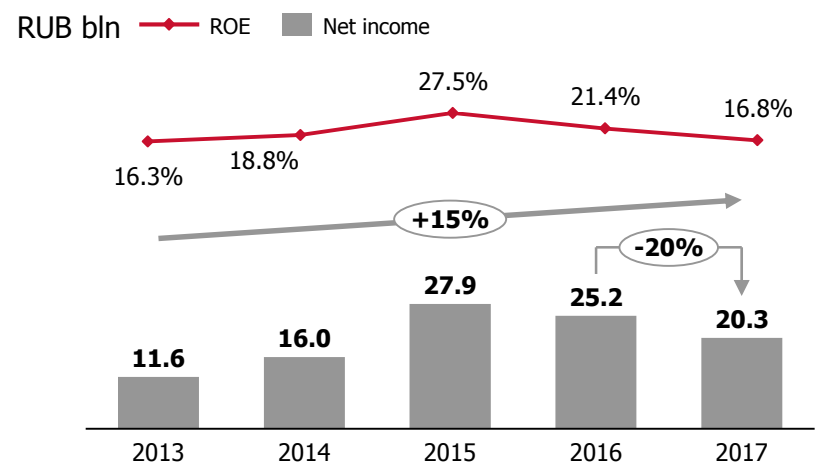
## Operating expenses



## EBITDA and EBITDA margin



## Net income



MOSCOW EXCHANGE

Source: Moscow Exchange

1 Includes Other operating income

2 Includes Interest and other finance income, Interest expense, Net loss on financial assets available-for-sale and Foreign exchange gains less losses

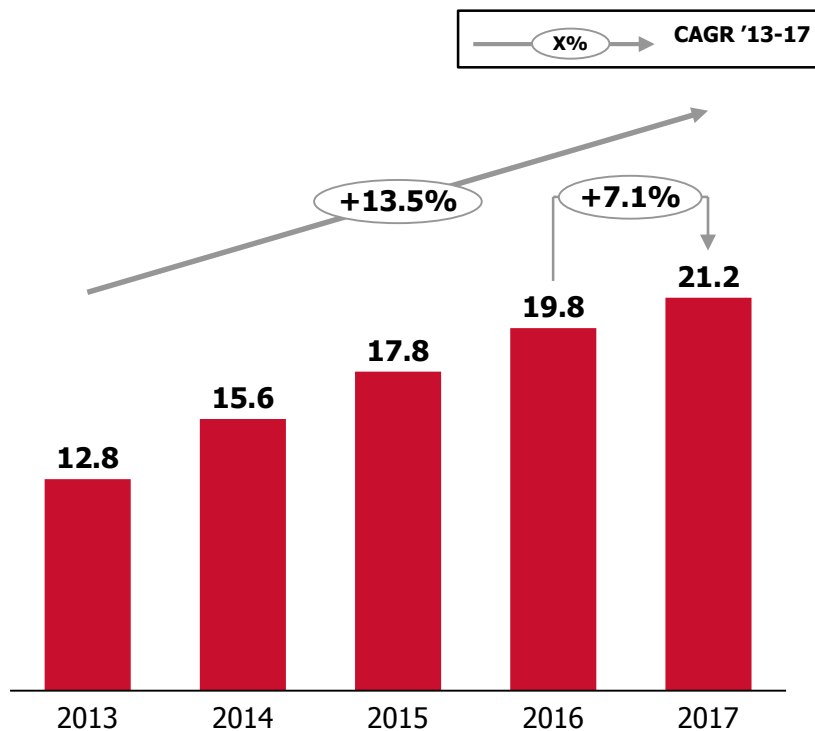
3 Remaining administrative expenses are calculated as Administrative expenses less Depreciation of property and equipment, Amortisation of intangible assets and Equipment and intangible assets maintenance

# Fee & commission income: strong and sustainable growth

## Fee and commission income (F&C)

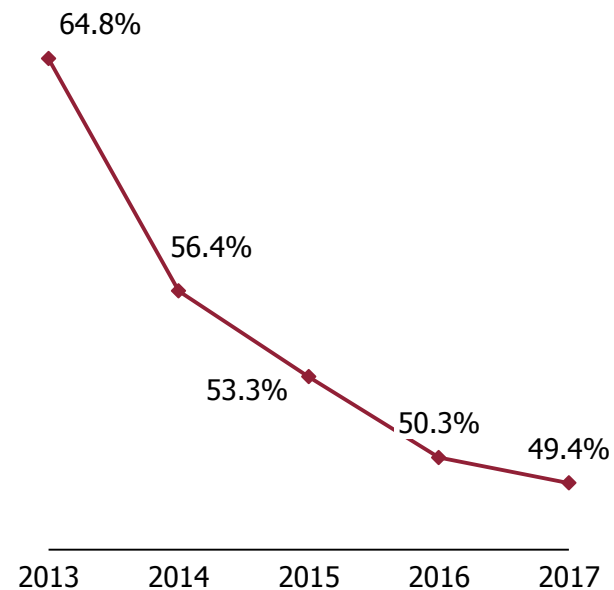
RUB bln

F&C income shows sustainable growth



## Cost (ex D&A) to fee income ratio

F&C growth is delivered in a cost efficient way

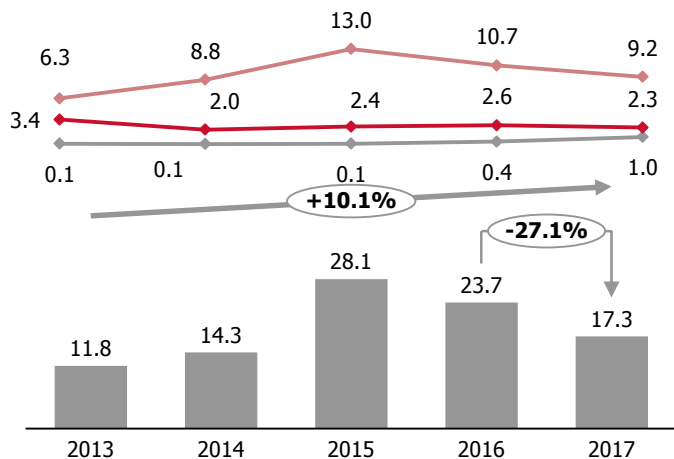


# Interest and finance income

X% → CAGR '13-17

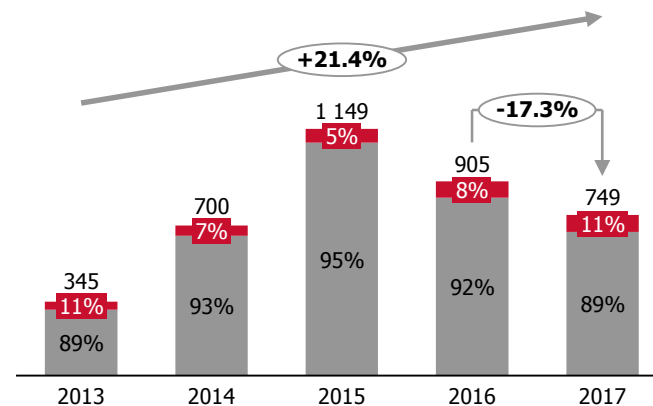
## Interest and finance income<sup>1</sup>

RUB bln — Mosprime<sup>2</sup>, % — Libor<sup>2</sup>, % — Effective yield, %

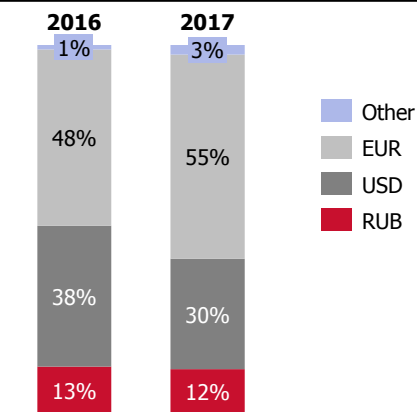


## Investment portfolio sources<sup>3</sup>

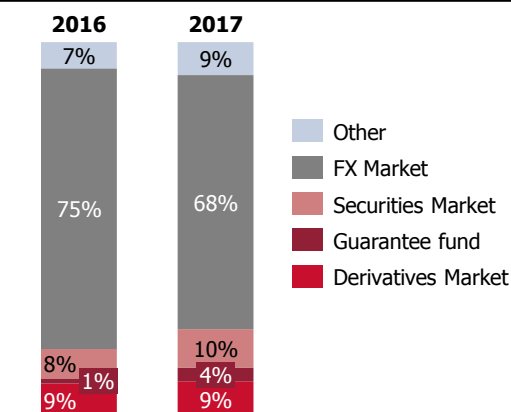
RUB bln — MOEX's own funds — Client funds



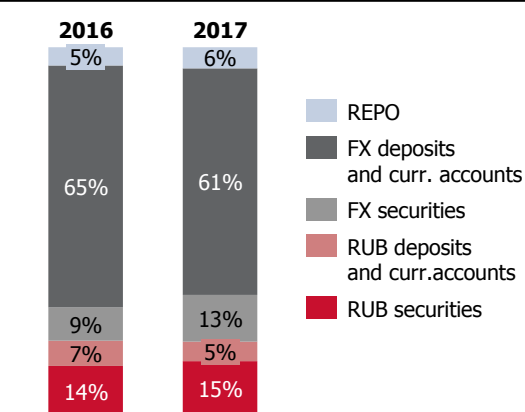
## Client funds by currency



## Client funds by source



## Investment portfolio by type of asset



Source: NFEA, Bloomberg, Moscow Exchange operational information and Consolidated Financial Statements

1 Interest and finance income includes Interest and other finance income, Interest expense, Net loss on financial assets available-for-sale,

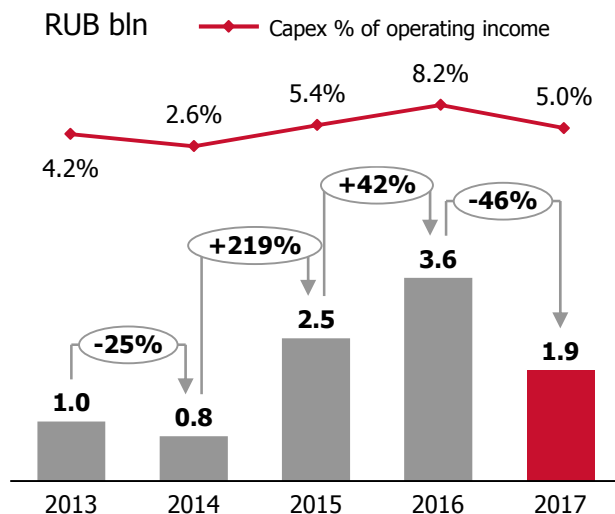
Foreign exchange gains less losses

2 Average overnight rate for the period

3 Based on average daily investment portfolio sources for the period according to management accounts

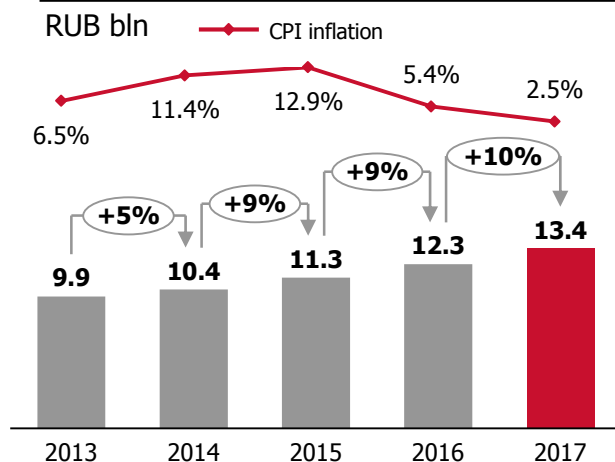
# CAPEX and OPEX: 2017-2018

## Capital expenditures



- In 2017, CAPEX was RUB 1.94 bln, including intangible asset additions of RUB 1.45 bln and fixed asset additions of RUB 0.49 bln.
- **In 2018, capital expenditures are expected to be RUB 2.0-2.2 bln**, in line with CAPEX for FY 2017. The split between maintenance CAPEX and CAPEX allocated to new projects is expected to be roughly equal (55% new projects/ 45% maintenance capex).
- 2018 CAPEX estimate does not include Ecosystem investments.

## Operating expenses



- The actual growth of OPEX in 2017 was 10%, below the latest guidance of 11-13% as a result of:
  - More conservative hiring
  - Stronger RUB
- **In 2018, growth of operating expenses is expected to be in the range of 7-9%.**



**1** Business overview

**2** Corporate governance and dividends

**3** Market position and competitive strategy

**4** Financial track record

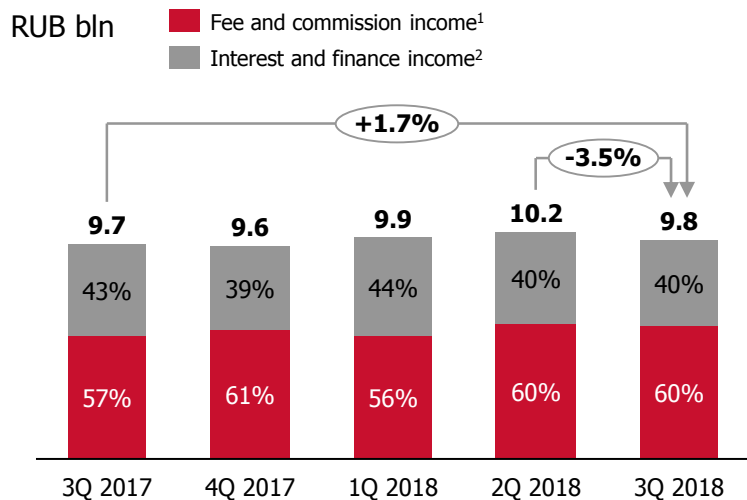


3Q 2018 update

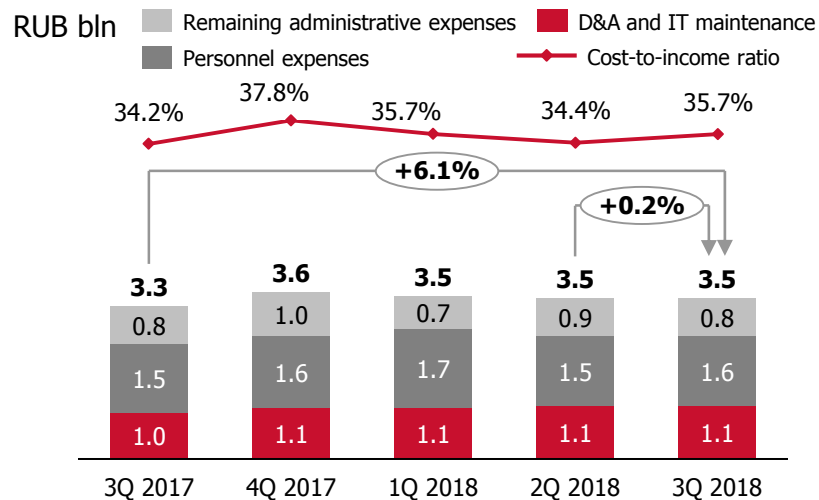


# 3Q 2018 summary of financials

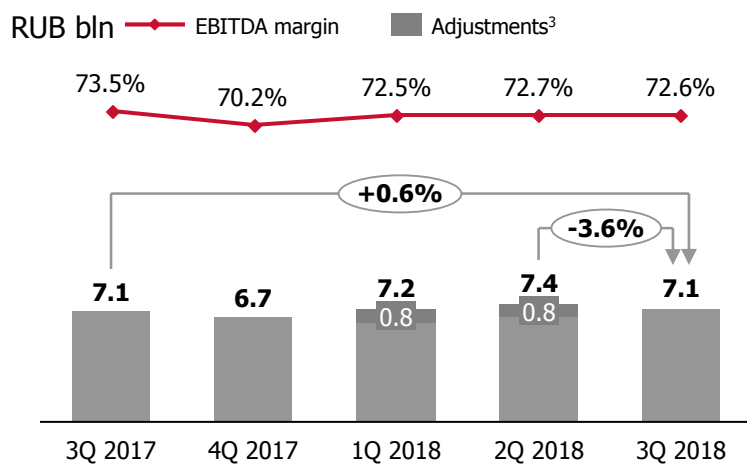
## Operating income



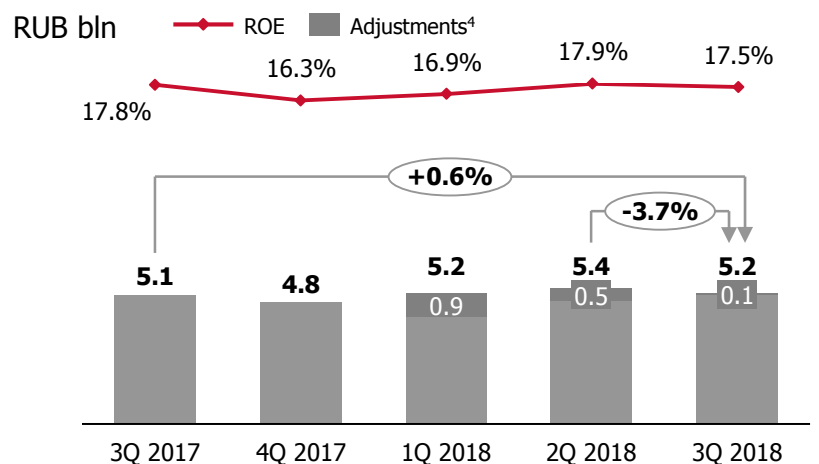
## Operating expenses



## EBITDA and EBITDA margin



## Net income



Source: Moscow Exchange

1 Includes Other operating income

2 Includes Interest and other finance income, Interest expense, Net gain on financial assets available-for-sale, Net gain on financial assets at fair value through other comprehensive income and Foreign exchange gains less losses

3 Adjustments are related to 1) IFRS 9 provisions change and 2) one-off provisions in 1Q and 2Q 2018.

4 Adjustments are related to 1) changes in amortization schedules, 2) IFRS 9 provisions change and 3) one-off provisions in 1Q and 2Q 2018.



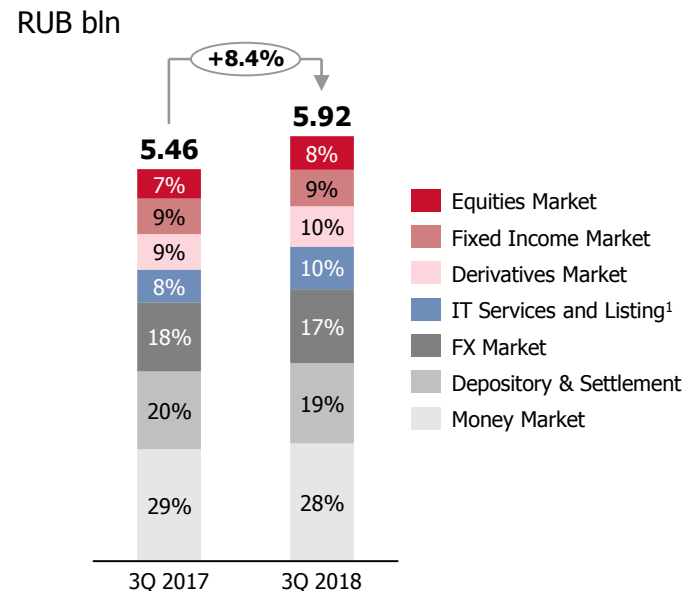
**MOSCOW  
EXCHANGE**

# Diversified fees and commissions: growth across every line

## Fee & commission income performance

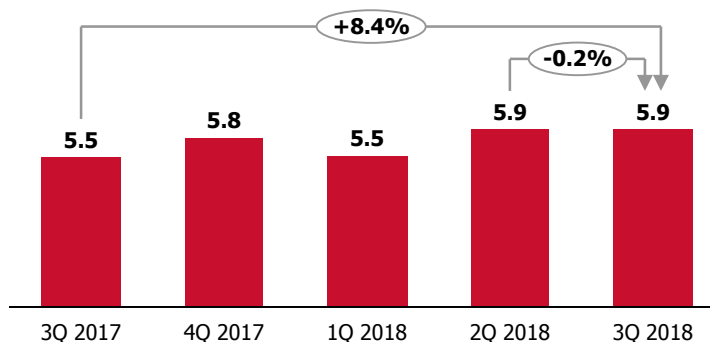
RUB mln	3Q 2017	3Q 2018	Change YoY, mln	Change YoY, %
Money Market	1,560.1	1,639.7	79.6	5.1%
Depository and Settlement	1,083.4	1,120.3	36.9	3.4%
FX Market	959.8	1,030.0	70.2	7.3%
IT Services and Listing <sup>1</sup>	457.4	589.3	131.9	28.8%
Derivatives Market	494.5	564.8	70.3	14.2%
Fixed Income Market	494.8	507.5	12.7	2.6%
Equities Market	408.5	466.0	57.5	14.1%

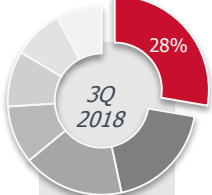
## Fee & commission income breakdown



## Fee & commission income dynamics

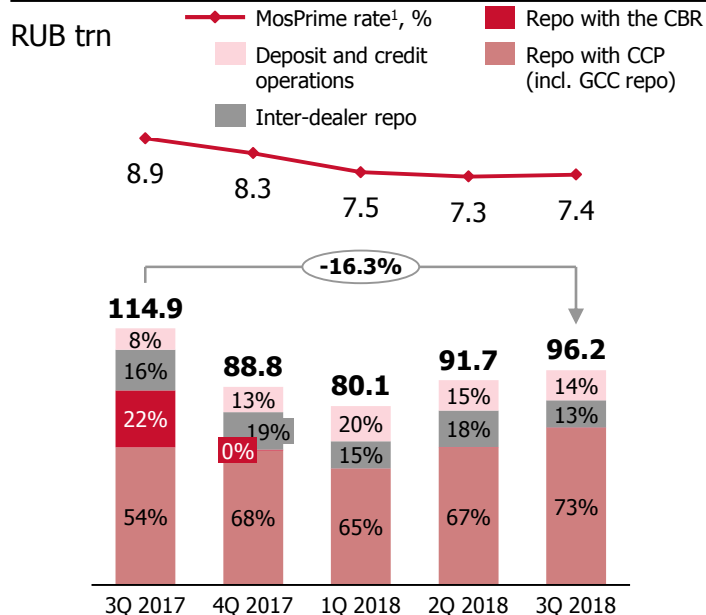
RUB bln



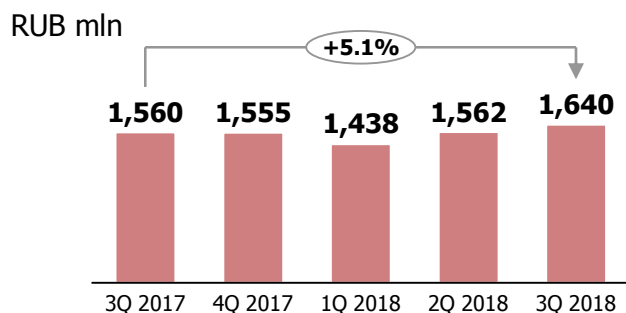


# Money Market

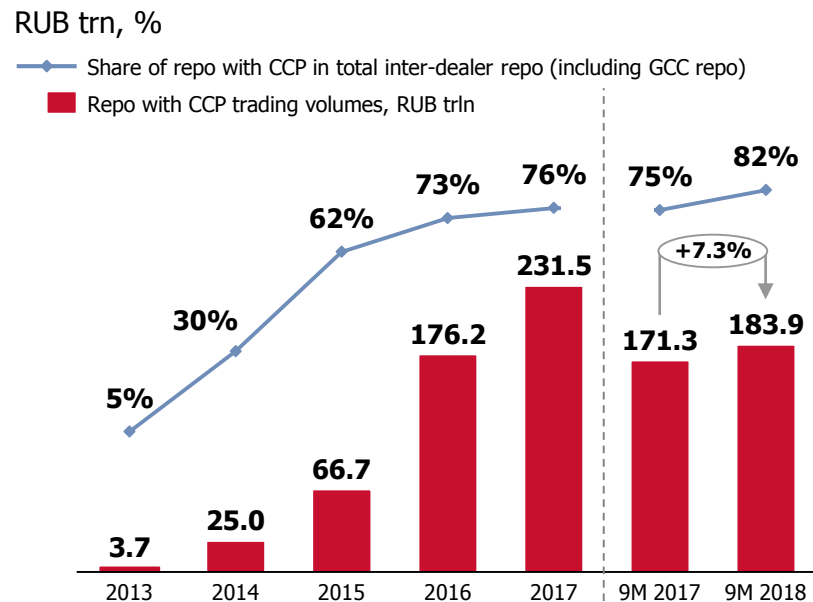
## Trading volumes



## Fee & commission income



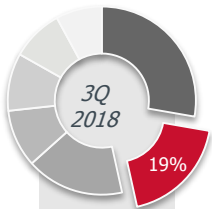
## Trading volumes of repo with CCP



## Comments

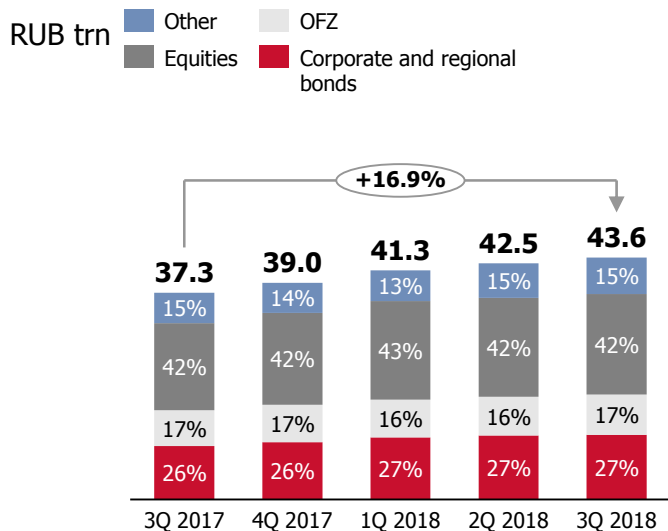
- Trading volumes decreased 16.3% YoY on the back of repo with CBR (-98.9% YoY) and interdealer repo (-33.2% YoY). 9-fold growth in GCC repo volumes partially offset the decline.
- F&C income increased 5.1% YoY. It was supported by (1) higher share of CCP repo (both GCC and single-security), (2) fee rate increases, (3) lower market concentration and (4) increasing average term of GCC repo (2.4 days in 3Q'18 vs 1.8 days in 3Q'17).
- The overall average term of on-exchange repo was 3.2 days, down from 3.6 days in 3Q 2017 and slightly up QoQ (2Q 2018: 3.1 days).



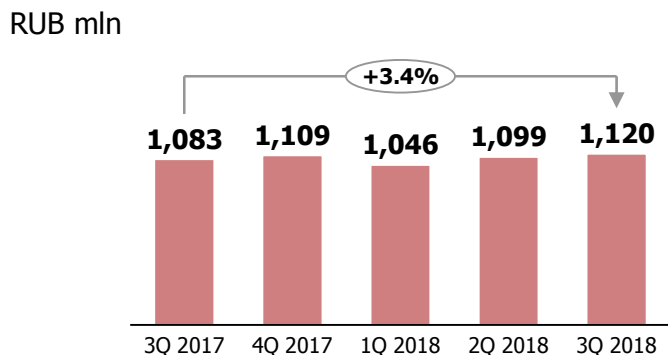


# Depository and Settlement

## Assets on deposit (average for the period)

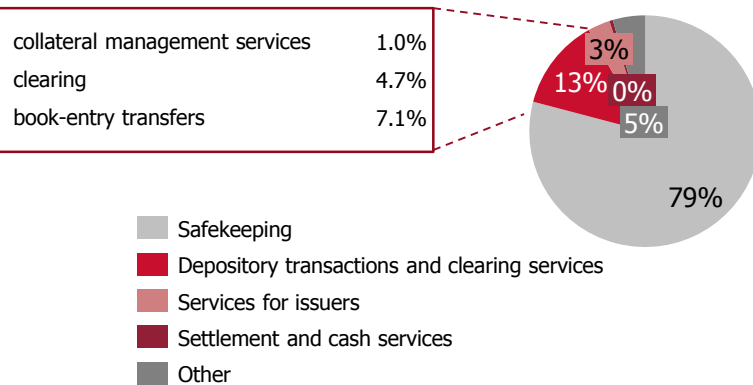


## Fee & commission income



## Fee & commission income breakdown

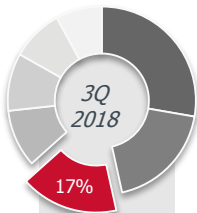
3Q 2018



## Comments

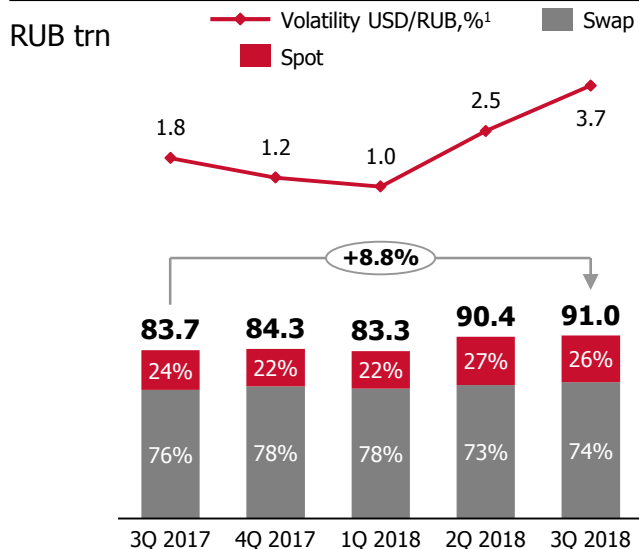
- F&C increased 3.4% YoY on the back of higher average assets on deposit (up 16.9% YoY).
- Growth in assets on deposit occurred across all asset classes. Corporate, regional and CBR bonds grew 21.0% YoY, OFZs (government bonds) grew 12.5% YoY and equities grew 15.4% YoY.
- The discrepancy between growth rates of assets on deposit and F&C income is explained by (1) a decline in volumes of repo with CMS through NSD and (2) a higher share of large market participants that are subject to lower fee rates.



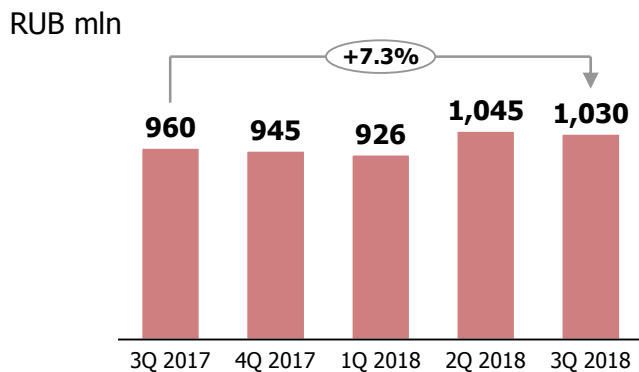


# FX Market

## Trading volumes

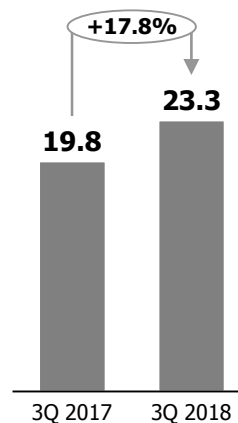


## Fee & commission income



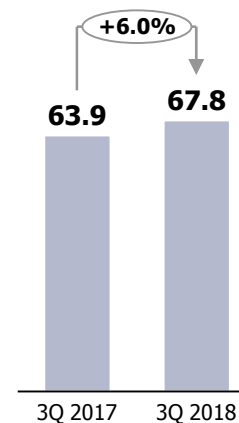
## Spot trading volumes

RUB trn



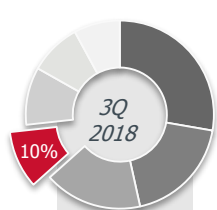
## Swap trading volumes

RUB trn



## Comments

- F&C was up 7.3% YoY due to higher trading volumes.
- Swap trading volumes were up 6.0% YoY. Spot trading volumes grew 17.8% amid high volatility.
- EUR/RUB trading volumes grew 30.0% YoY, with growth in both the spot and swap segments.
- CNY/RUB trading volumes grew 2.6x YoY. This currency pair accounted for 0.45% of total FX market volumes (3Q'17: 0.18%).
- Among other actively traded FX pairs were GBP/RUB (2x YoY) and CHF/RUB (+30% YoY).

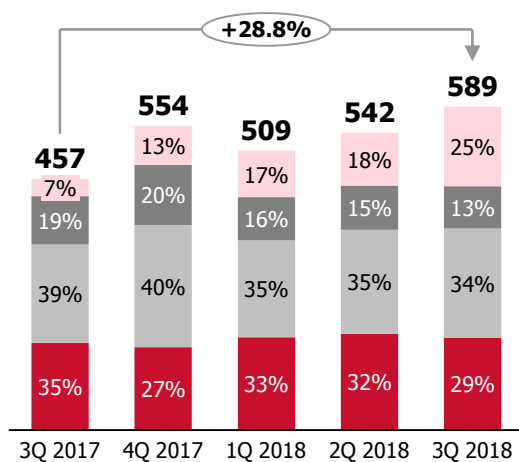


# IT Services and Listings

## IT Services and Listings<sup>1</sup>

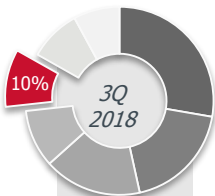
RUB mln

- Other fee and commission income
- Listing and other fees related to Securities Market
- Information services
- Sale of software and technical services



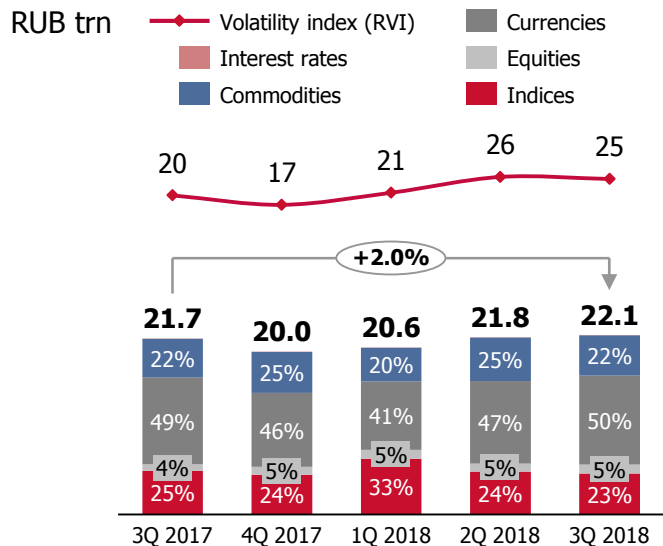
## Comments

- Listing and other service fees were RUB 76.9 mln, down 12.7% YoY on the back of increasing average issue size.
- Information services contributed RUB 199.2 mln, up 11.0% YoY due to the weaker ruble.
- Sales of software and technical services were RUB 168.1 mln, up 5.9% YoY.
- Other fee and commission income was RUB 145.1 mln, up 4.7 times YoY. This line includes contribution from the Soft Commodities Market of RUB 109.0 mln.



# Derivatives Market

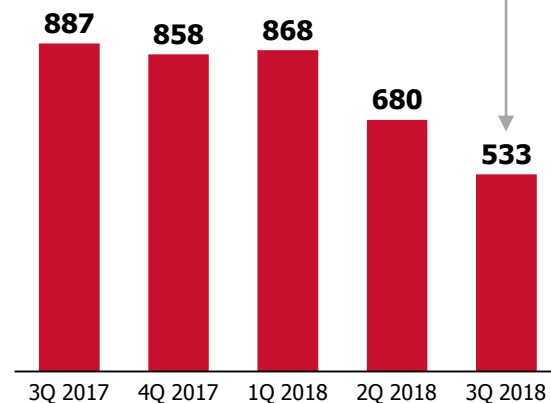
## Trading volumes



## Open interest

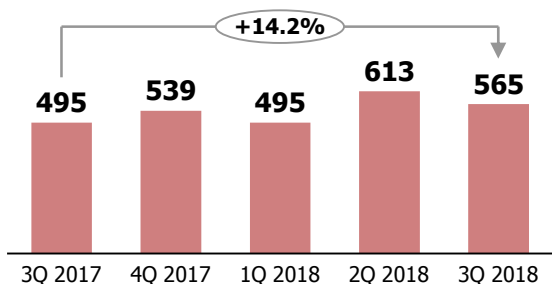
RUB bln, daily average

Participants' strategies have become shorter-term, hence open interest has declined despite robust trading volumes



## Fee & commission income

RUB mln



## Comments



- F&C grew 14.2% YoY. Trading volumes increased 2.0% YoY.
- Trading volumes of index derivatives declined 6.0% YoY.
- Trading volumes of single-stock derivatives rose 32.8% YoY, commodity derivatives – 3.5% YoY, currency derivatives – 2.9%. Trading in interest rate derivatives rose 34.4% YoY, although they still account for a negligible share of overall trading.
- F&C was supported by a higher share of equity (single-stock) derivatives.

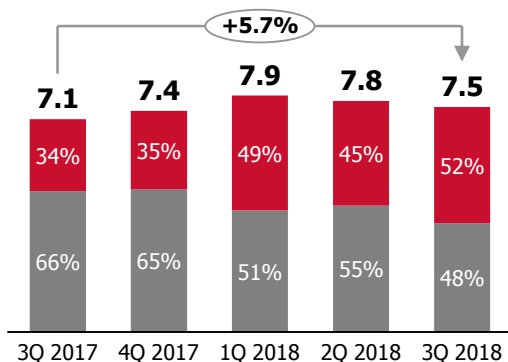


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# Fixed Income Market

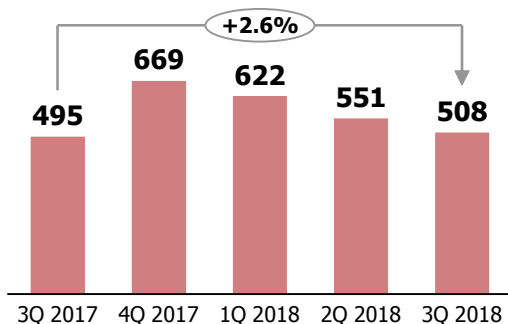
## Trading volumes<sup>1</sup>

RUB trn  Government and CBR bonds (OFZ, OBR)  Corporate, municipal and other bonds






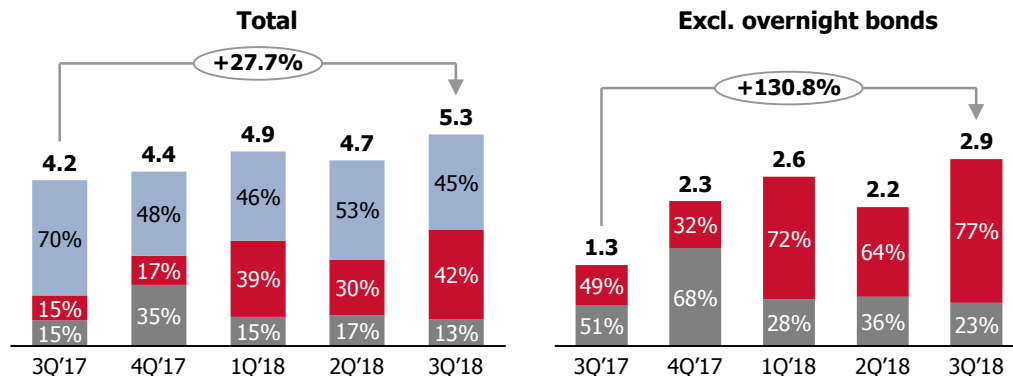
## Fee & commission income

RUB mln



## Primary market

RUB trn  Overnight bonds  Corporate, municipal and other bonds (excl. overnight)  Government and CBR bonds (OFZ, OBR)



## Comments

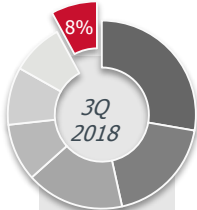
- F&C income grew 2.6% YoY due to continued growth of primary placements.
- Trading volumes were up 5.7% YoY. Primary placements (excl. overnight bonds) rose 130.8% YoY.
- The discrepancy in growth rates of F&C and trading volumes was attributable to (1) higher YoY share of government and CBR bonds in the primary market and (2) emergence of shorter-term OBRs and corporate bonds.
- In September 2018, the CBR placed RUB 792.7 bln of short-term bonds – an all-time monthly record.
- The regulation for issuance of bonds with partial principal protection has become available. This new segment of the Fixed Income Market will potentially be interesting to a large retail clientele.
- 4 market participants have joined the new OTC bond platform to date.



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Source: Moscow Exchange operational information and Consolidated Financial Statements

<sup>1</sup> Trading volumes on the Fixed Income Market include placements

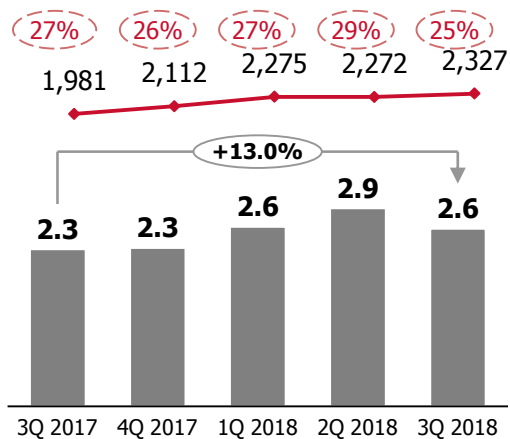


# Equities Market

## Trading volumes<sup>1</sup>

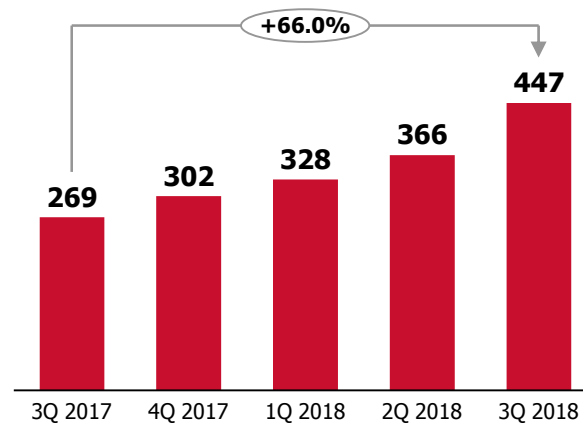
RUB trn ■ Equities — MOEX Index (average for the period)

XX% Velocity<sup>2</sup>



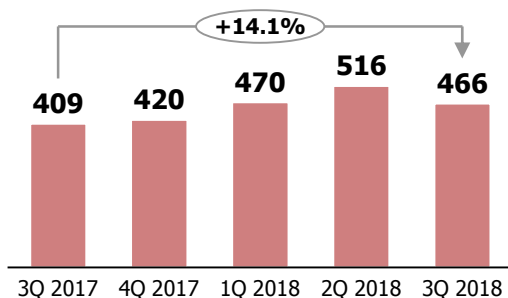
## Increasing popularity of Individual Investment Accounts

Individual Investment Accounts, thousands, end-of-period



## Fee & commission income

RUB mln

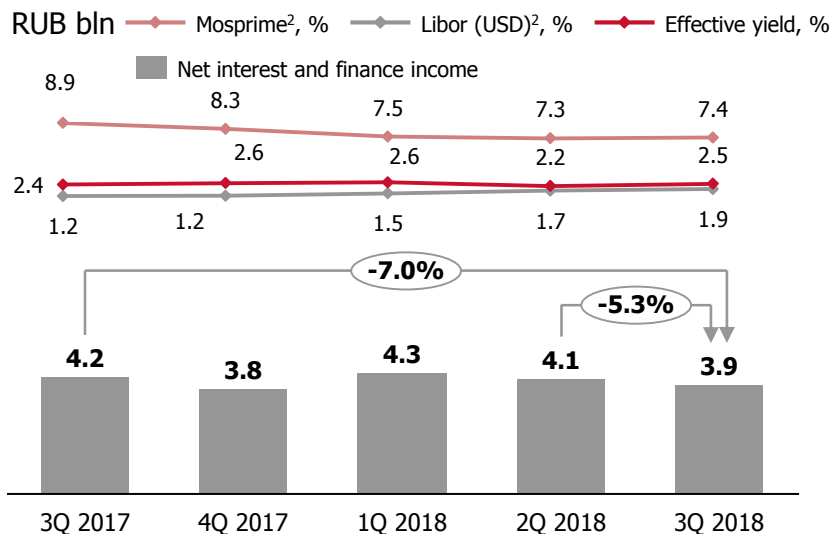


## Comments

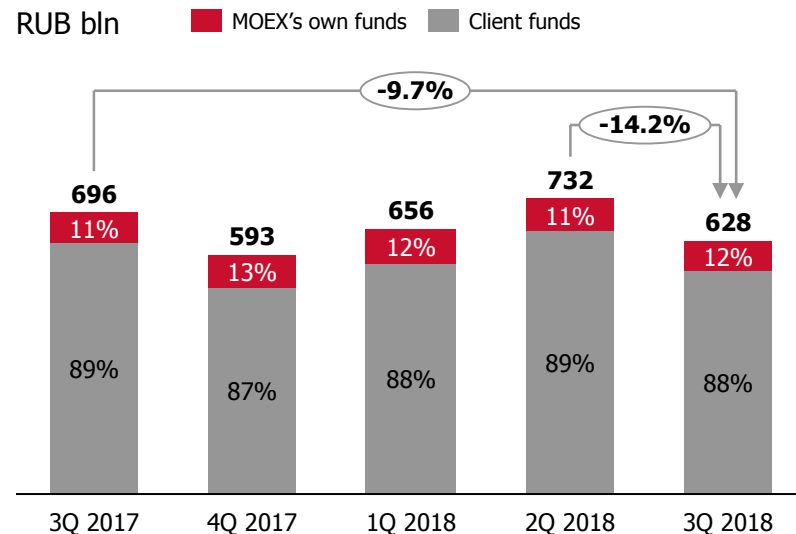
- Trading volumes increased 13.0% YoY. F&C rose by 14.1% YoY.
- Higher trading volumes were largely due to higher price levels: the average value of MOEX Russia Index grew 17.5% YoY.
- The ETF segment showed impressive growth in 9M 2018/3Q 2018, with its volumes rising 2.7x YoY.
- It is now possible to set up ETFs structured under Russian law. One such ETF, that tracks the MOEX Russia Index was launched in September. Several more Russian-law ETFs on various underlying assets are currently in the pipeline.

# Interest and finance income

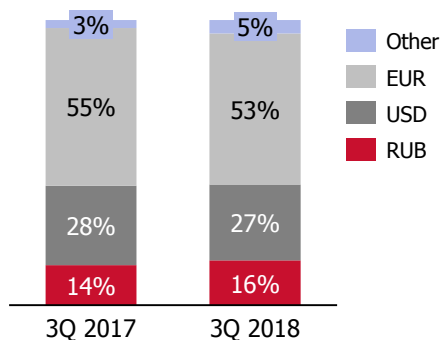
## Interest and finance income<sup>1</sup>



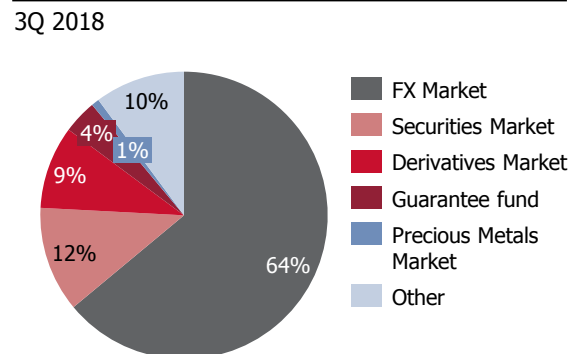
## Investment portfolio sources<sup>3</sup>



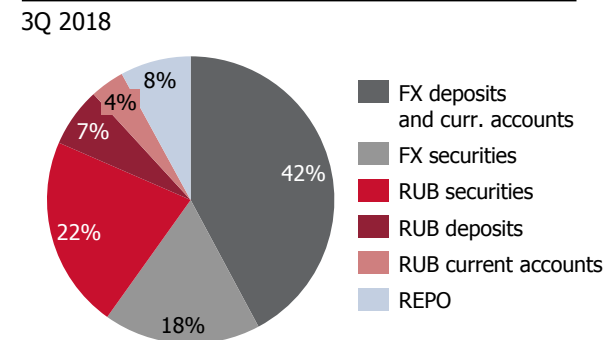
## Client funds by currency



## Client funds by source



## Investment portfolio by type of asset



Source: NFA, Bloomberg, Moscow Exchange operational information and Consolidated Financial Statements

1 Interest and other finance income, Interest expense, Net gain on financial assets available-for-sale, Net gain on financial assets at fair value through other comprehensive income and Foreign exchange gains less losses

2 Average daily rate for the period

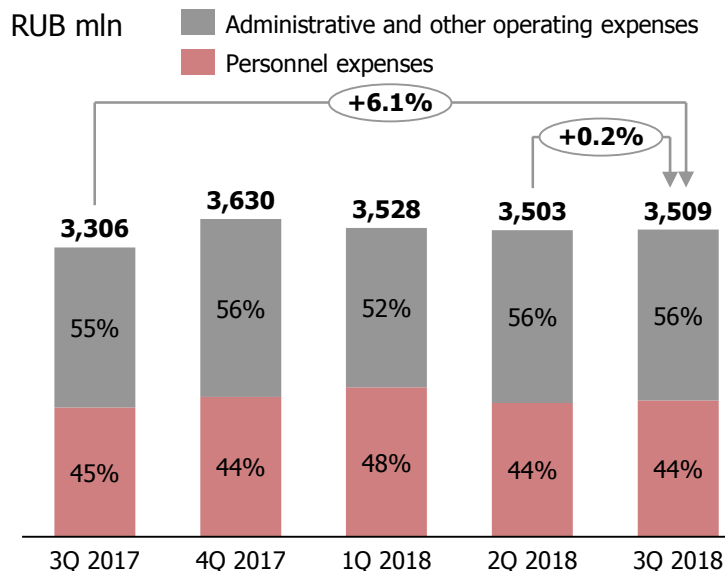
3 Based on average daily investment portfolio sources for the period according to management accounts



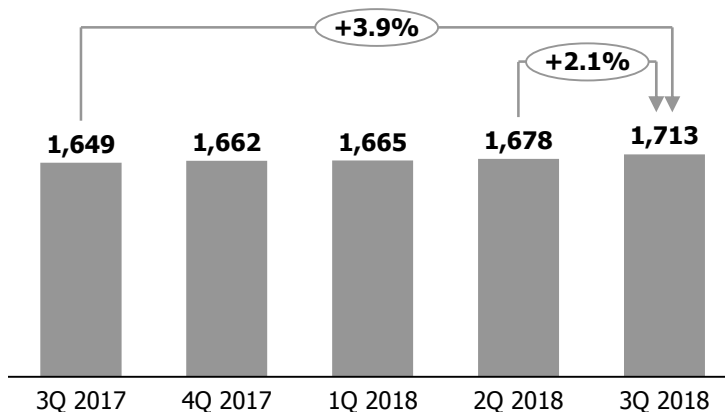
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# Operating expenses

## Operating expenses



## Headcount



## Major expense items

RUB mln	3Q 2017	3Q 2018	Change YoY
<b>Personnel expenses</b>	<b>1,475.5</b>	<b>1,555.3</b>	<b>5.4%</b>
<b>D&amp;A and IT maintenance</b>	<b>1,001.3</b>	<b>1,121.3</b>	<b>12.0%</b>
D&A & IT maintenance adjusted for change in amortization schedule	1,001.3	1,035.7	3.4%
<b>Remaining administrative expenses<sup>1</sup></b>	<b>829.4</b>	<b>832.2</b>	<b>0.3%</b>
<b>Total OPEX</b>	<b>3,306.2</b>	<b>3,508.8</b>	<b>6.1%</b>
Adjusted total OPEX <sup>2</sup>	3,306.2	3,423.2	3.5%
<b>Cost (adj.)/ Income Ratio</b>	<b>34.2%</b>	<b>35.0%</b>	<b>0.8 p.p.</b>

## Comments

- OPEX grew 6.1% YoY in 3Q'17.
- The growth was largely driven by D&A (+RUB 79.2 mln or 10.6% YoY) and equipment maintenance (+RUB 40.8 mln or +15.9% YoY). This was due to a change in amortization schedules in the beginning of 2018 that resulted in additional amortization of RUB 85.6 for 3Q'18.
- Professional services costs grew 19.0% YoY (+RUB 25.4 mln) due to pass-through costs from the Soft Commodities Market.
- Personnel expenses grew 5.4% YoY.



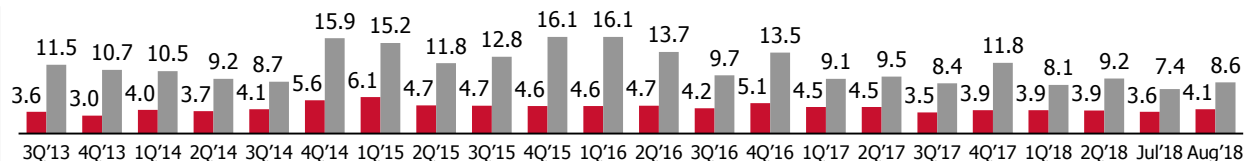
# Appendix

# Dual listed stocks virtual index spread dynamics

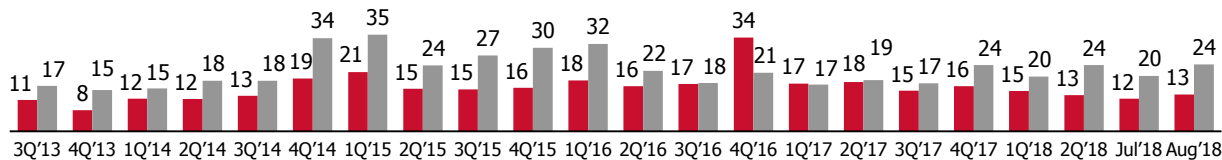
Analysis provided by  
LiquidMetrix

MICEX Virtual index<sup>2</sup>

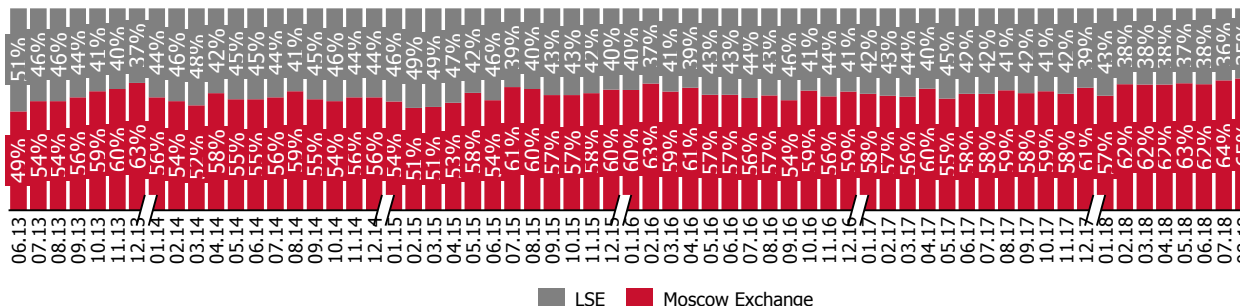
Bid - ask spread 1 Contract (b.p.<sup>1</sup>)



Bid - ask spread 50k EUR deal (b.p.)



Market share<sup>3</sup> (most liquid Russian dual listed stocks)



Notes:

**Spreads** measure the bid to offer spread of the best visible orders in the book, the result is based on measurements of the order books every 30 seconds

- Moscow Exchange is the liquidity center for Russian securities with more than 55% market share in total trading volumes
- Aggregated spreads for most liquid dual listed stocks are substantially lower in Moscow implying lower all-in trading costs

Data as of 4 September 2018

1 The value of the spread is quoted in basis points (0.01%)

2 MICEX Virtual Index – index calculated based on prices and EOB data of the most liquid Russian dual listed stocks

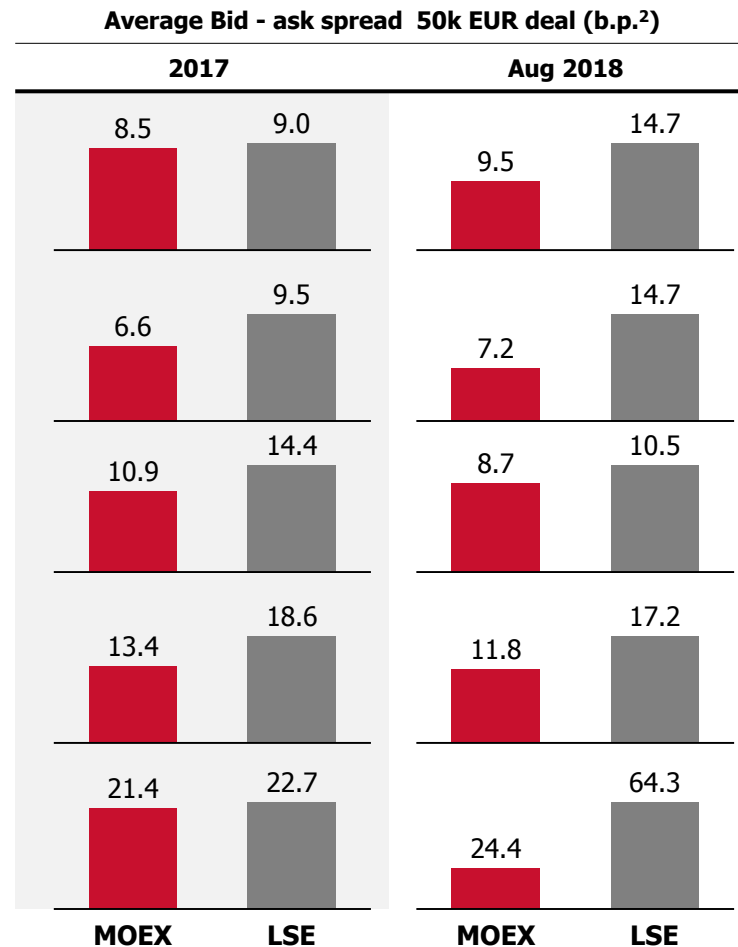
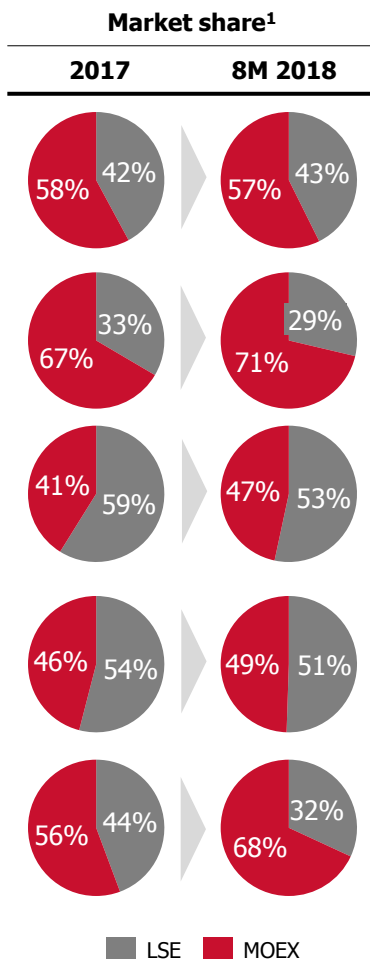
3 Data since December 2015 include trading auctions on MOEX. Data for March-April 2018 are based on Bloomberg data for LSE, data for other periods were provided by Liquidmetrix

Source: LiquidMetrix

# Blue Chips bid - ask spread dynamics for 50k EUR deal (1)

Analysis provided by  
LiquidMetrix

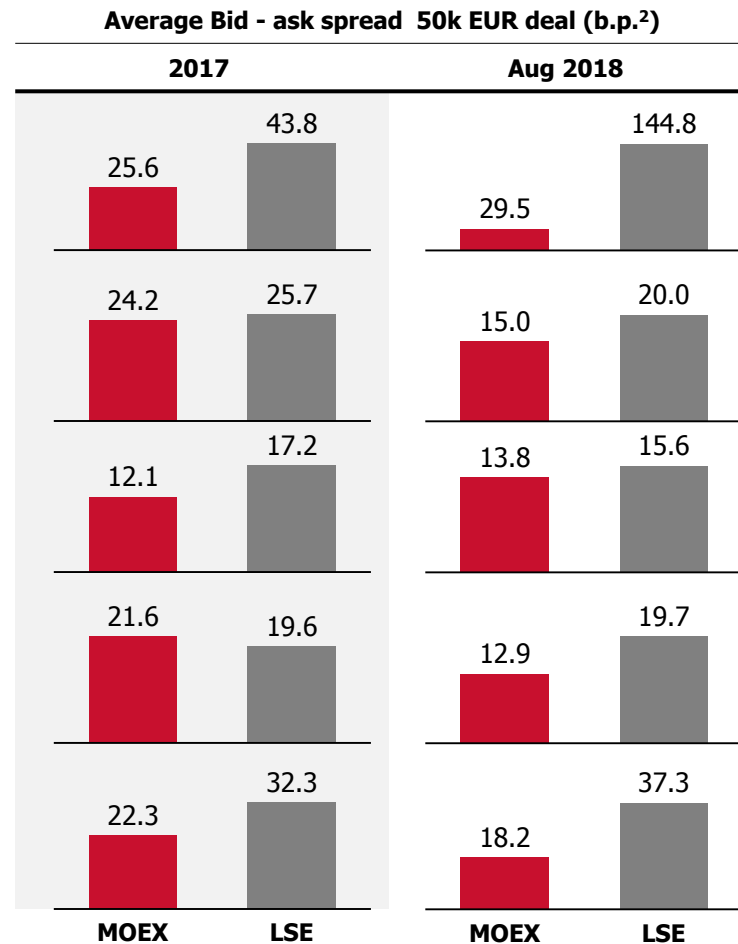
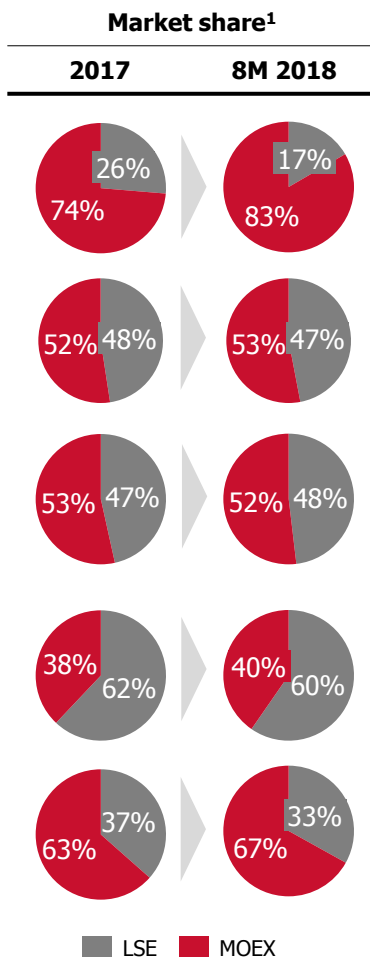
<b>Gazprom</b>
<b>Sberbank</b>
<b>Lukoil</b>
<b>Norilsk Nickel</b>
<b>Magnit</b>



Bid-ask spreads for majority of the Russian "Blue Chips" are substantially lower on Moscow Exchange than on other trading venues

# Blue Chips bid - ask spread dynamics for 50k EUR deal (2)

Analysis provided by  
LiquidMetrix



Bid-ask spreads for majority of the Russian "Blue Chips" are substantially lower on Moscow Exchange than on other trading venues

# DR holders pay substantial **EXTRA FEES** to depository banks

## Fees to be paid to depository bank for some of DR programs of Russian companies

DR program	Depository bank	Depository Service Fee <sup>1</sup> (DSF), USD per DR	Dividend Fee <sup>2</sup> , USD per DR	DSF + Dividend Fee as % of dividend amount <sup>3</sup>	DRs cancellations fee, USD per DR
Rossiyskiye Seti	BNY Mellon	0.02	0.002	109%	0.05
RusHydro	BNY Mellon	0.02	0.005	60%	0.05
FSK YeES	BNY Mellon	0.03	0.014	38%	0.05
VTB Bank	BNY Mellon	0.03	0.005	32%	0.05
SurgutNeftegaz	BNY Mellon	0.02	0.012	32%	0.05
Phosagro	Citi	0.02	-	16%	0.05
TMK	BNY Mellon	-	0.017	12%	0.05
Gazprom	BNY Mellon	-	0.020	8%	0.05
Rostelecom	JP Morgan	0.01	0.030	7%	0.05
Phosagro	JP Morgan	0.01	-	6%	0.05
Sberbank	JP Morgan	0.01	0.020	4%	0.05
Tatneft'	BNY Mellon	0.02	0.020	3%	0.05
Norilsk Nickel	BNY Mellon	0.01	0.020	3%	0.05
NLMK	Deutsche Bank	0.02	-	2%	0.05
Magnit	JP Morgan	0.01	-	2%	0.05
Novatek	BNY Mellon	-	0.020	2%	0.05
Lukoil	City	-	0.020	1%	0.05
Severstal	Deutsche Bank	-	-	0%	0.05
Lenta	Deutsche Bank	0.03	-	0%	0.05
Megafon	BNY Mellon	-	-	0%	0.05
<b>Average</b>		<b>0.012</b>	<b>0.010</b>	<b>17%</b>	<b>0.05</b>

## Gross DSF and dividend fees calculated for Top-3 international funds holding DRs of Russian companies<sup>4</sup>

<b>Fund A</b>	3,544,064 USD
<b>Fund B</b>	539,651 USD
<b>Fund C</b>	1,866,634 USD

## Cost of cancellation of all DRs in portfolios to local shares for Top-3 funds

<b>Fund A</b>	8,442,396 USD
<b>Fund B</b>	997,428 USD
<b>Fund C</b>	4,075,032 USD

- A depository service fee and a dividend fee are to be paid by a DR holder to the depository bank while there are no such fees for holders of local shares
- Majority of DRs cancellations are also charged 0.05 USD per DR



1 Service fees are charged annually, on an arbitrary date. Calculated based on number of DRs in a client's account on the record date

2 Dividend fees are charged when dividends are paid

3 As % of dividend amount after tax

4 Calculations based on Thomson Reuters data as of June 2018

Source: BNY Mellon, Deutsche Bank, JP Morgan, Citi, Thomson Reuters

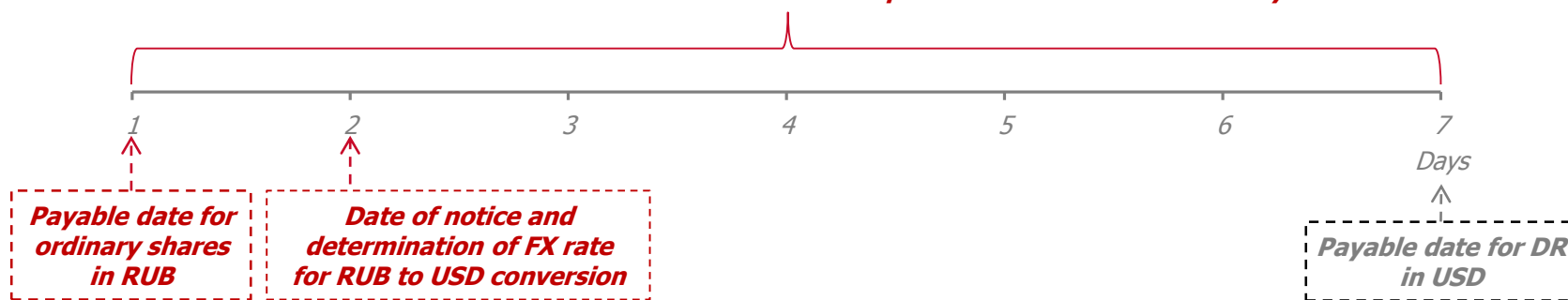
# Dividend payments for DR holders

## FX rate determination for dividends

- FX rates for conversion of dividends are determined in a non-transparent manner
- According to information from notices for DR holders<sup>3</sup>:
  - Custodian - DR issuer has no obligation to obtain the "best price" for any FX Trade
  - The conversion rate reflects a foreign currency transaction ("FX Trade") executed by the Custodian - DR issuer as principal counterparty and not as agent, fiduciary or broker

Issuer	Record date	Local Shares		DR		Diff.
		Payable date	FX rate <sup>1</sup>	Payable date	FX rate <sup>2</sup>	
Mosenergo	18-Jun-18	9-Jul-18	62.0	16-Jul-18	63.0	1.5%
MMK	25-Jun-18	9-Jul-18	62.0	16-Jul-18	62.9	1.4%
Sistema	19-Jul-18	7-Jul-18	62.8	14-Jul-18	63.6	1.3%
Cherkizovo Group	3-Apr-18	17-Apr-18	61.0	24-Apr-18	61.6	1.0%
VTB Bank	20-Jun-18	20-Jun-18	63.1	27-Jun-18	63.7	1.0%
Inter RAO YEES	1-Jun-18	18-Jun-18	63.6	25-Jun-18	64.1	0.7%
RusHydro	7-Jul-18	24-Jul-18	63.0	31-Jul-18	63.4	0.7%

**DR holders received their dividends one week later compared to holders of the ordinary shares**



# Consolidated Statement of **Profit or Loss**

<i>RUB mln</i>	<i>9M 2018</i>	<i>9M 2017</i>	<i>% chg. 9M 2018/ 9M 2017</i>
Fee and commission income	17,350.5	15,416.8	13%
Net interest and finance income <sup>1</sup>	12,337.5	13,499.9	-9%
Other operating income	185.4	30.8	502%
<b>Operating Income</b>	<b>29,873.4</b>	<b>28,947.5</b>	<b>3%</b>
Administrative and other operating expenses	5,750.6	5,246.1	10%
Personnel expenses	4,788.7	4,555.6	5%
<b>Operating Expense</b>	<b>10,539.3</b>	<b>9,801.7</b>	<b>8%</b>
<b>Profit before Other Expense</b>	<b>19,334.1</b>	<b>19,145.8</b>	<b>1%</b>
Other expense	-1,729.9	0	nm
<b>Profit before Tax</b>	<b>17,604.2</b>	<b>19,145.8</b>	<b>-8%</b>
Income tax expense	3,347.3	3,705.1	-10%
<b>Net Profit</b>	<b>14,256.9</b>	<b>15,440.7</b>	<b>-8%</b>
<b>Earnings per share</b>			
Basic earnings per share, RUB	6.34	6.87	-8%
Diluted earnings per share, RUB	6.32	6.84	-8%

# Consolidated Statement of Financial Position

<i>RUB mln</i>	<i>30 September 2018</i>	<i>1 January 2018</i>	<i>% chg. 30 September 2018/ 1 January 2018</i>
<b>Assets:</b>			
Cash and cash equivalents	254,278.2	273,243.4	-7%
Central counterparty financial assets	2,802,594.1	2,430,083.8	15%
Financial assets <sup>1</sup>	343,270.1	279,133.3	23%
Property and equipment and intangible assets	23,782.4	24,944.1	-5%
Goodwill	15,971.4	15,971.4	0%
Other assets <sup>2</sup>	4,690.1	4,334.2	8%
<b>Total Assets</b>	<b>3,444,586.3</b>	<b>3,027,710.2</b>	<b>14%</b>

<i>RUB mln</i>	<i>30 September 2018</i>	<i>1 January 2018</i>	<i>% chg. 30 September 2018/ 1 January 2018</i>
<b>Liabilities:</b>			
Balances of market participants	480,608.0	466,860.2	3%
Overnight bank loans	4,591.3	-	nm
Derivative financial liabilities	504.6	6.3	7910%
Central counterparty financial liabilities	2,802,594.1	2,430,083.8	15%
Distributions payable to holders of securities	28,648.5	2,507.8	1042%
Other liabilities <sup>3</sup>	7,353.1	6,654.5	10%
<b>Total Liabilities</b>	<b>3,324,299.6</b>	<b>2,906,490.9</b>	<b>14%</b>
<b>Total Equity</b>	<b>120,286.7</b>	<b>121,219.3</b>	<b>-1%</b>
<b>Total Liabilities and Equity</b>	<b>3,444,586.3</b>	<b>3,027,710.2</b>	<b>14%</b>

Source: Moscow Exchange, Consolidated Financial Statements

1 Financial assets at fair value through profit or loss, Due from financial institutions, Financial assets at fair value through other comprehensive income

2 Current tax prepayments, Deferred tax asset, Other assets

3 Margin account, Deferred tax liability, Current tax payables, Other liabilities



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– perception of market services offered by the Company and its subsidiaries;

– volatility (a) of the Russian economy and the securities market and (b) sectors with a high level of competition that the Company and its subsidiaries operate;

– changes in (a) domestic and international legislation and tax regulation and (b) state policies related to financial markets and securities markets;

– competition increase from new players on the Russian market;

– the ability to keep pace with rapid changes in science and technology environment, including the ability to use advanced features that are popular with the Company's and its subsidiaries' customers;

– the ability to maintain continuity of the process of introduction of new competitive products and services, while keeping the competitiveness;

– the ability to attract new customers on the domestic market and in foreign jurisdictions;

– the ability to increase the offer of products in foreign jurisdictions.

• Forward-looking statements speak only as of the date of this presentation and we expressly disclaim any obligation or undertaking to release any update of, or revisions to, any forward-looking statements in this presentation as a result of any change in our expectations or any change in events, conditions or circumstances on which these forward-looking statements are based. Past performance should not be taken as an indication or guarantee of future results, and no representation or warranty, express or implied, is made regarding such future performance.

