



**MOSCOW
EXCHANGE**

May 31, 2013

Q1 2013 Earnings Presentation

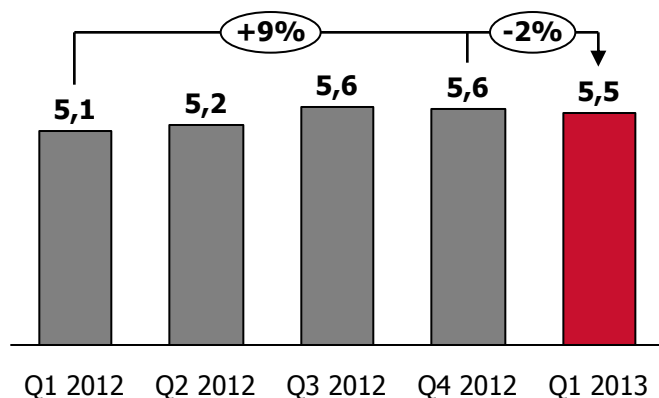
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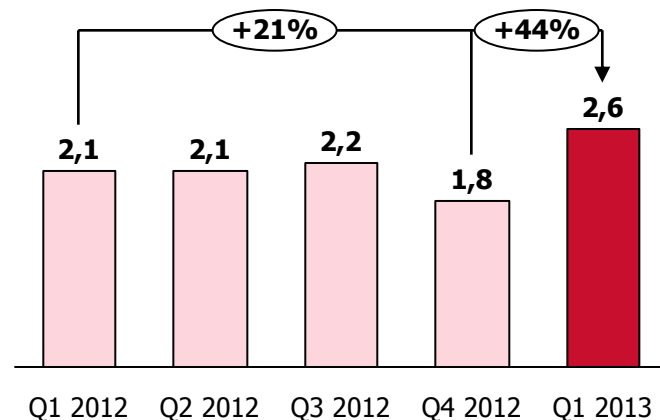
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 - perception of market services offered by the Company and its subsidiaries;
 - volatility (a) of the Russian economy and the securities market and (b) sectors with a high level of competition that the Company and its subsidiaries operate;
 - changes 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.
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Group Financial Results in Q1 2013: **Operating Income and Net Profit Growth**

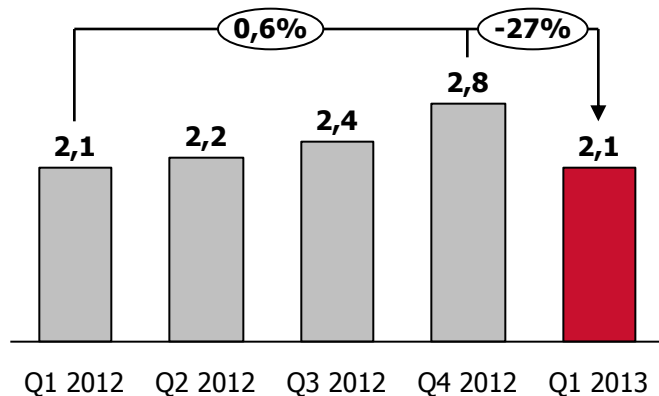
Operating income, RUB bn



Net Profit, RUB bn



Operating expenses, RUB bn

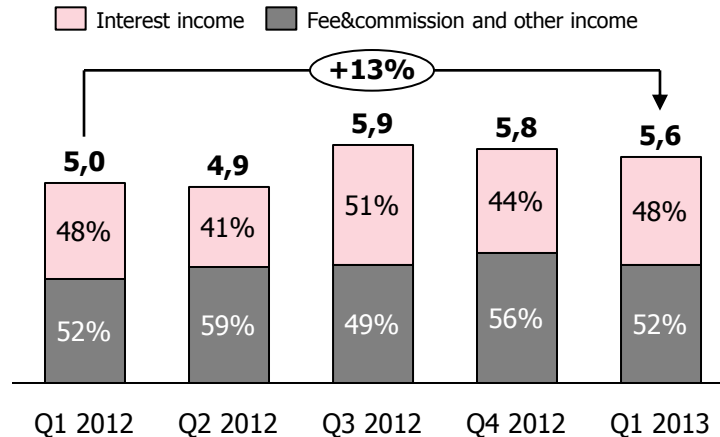


- **Operating income:** RUB 5,5bn, +9% compared to Q1 2012; -2% from Q4 2012
- **Operating expenses:** RUB 2,1bn, +0,6% compared to Q1 2012; -27% from Q4 2012
- **Net Profit:** RUB 2,6bn, +21% compared to Q1 2012; +44% from Q4 2012

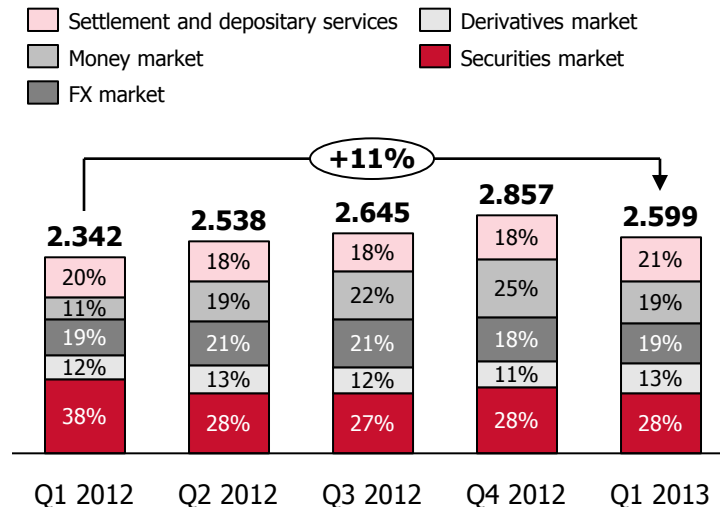


Group Operating Income Breakdown and Dynamics

Moscow Exchange operating income structure by key sources, RUB bn



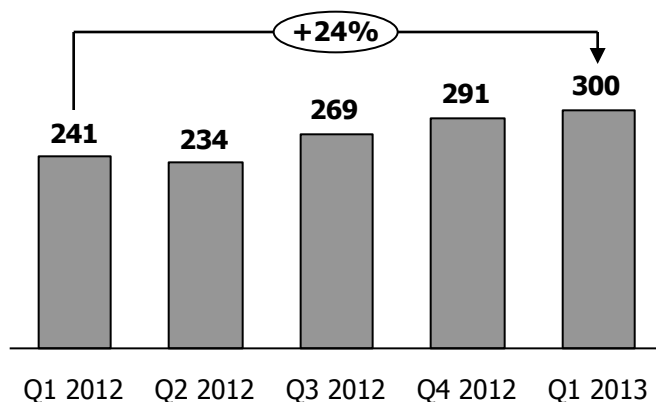
Fee & commission income breakdown, RUB m, %



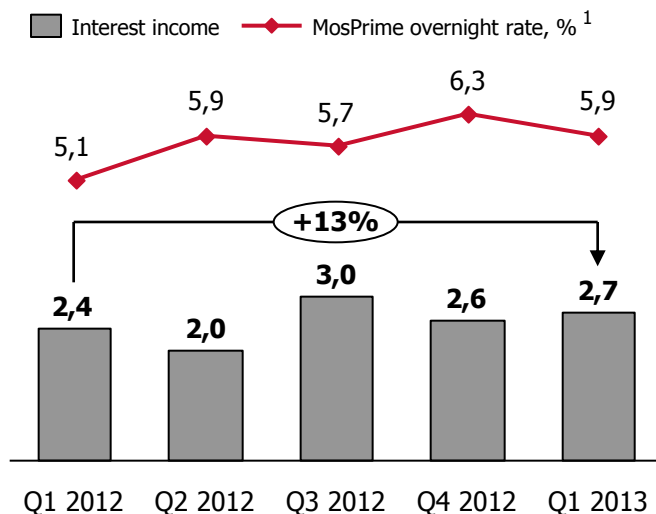
- Due to the revenue stream diversification, Moscow Exchange operating income in Q1 2013 has increased by 13% compared to Q1 2012 despite decreasing equity trading volumes
- In Q1 2013, fee & commission income grew by 11% compared to Q1 2012
- Lower income from securities (-18%) was offset by strong growth in other market segments
- Money market has demonstrated the most significant growth among other market segments (+101%) in Q1 2013
- Q1 results are usually weaker than average due to the seasonal factors

Group Interest Income

Investment portfolio (average assets volume), RUB bn



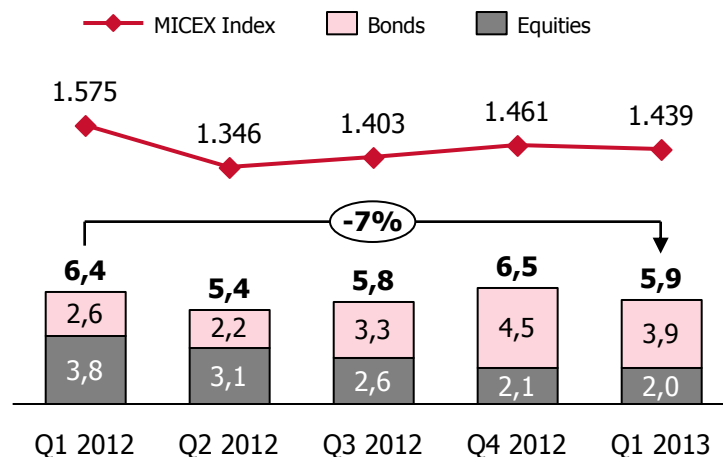
Moscow Exchange Group interest income dynamics, RUB bn



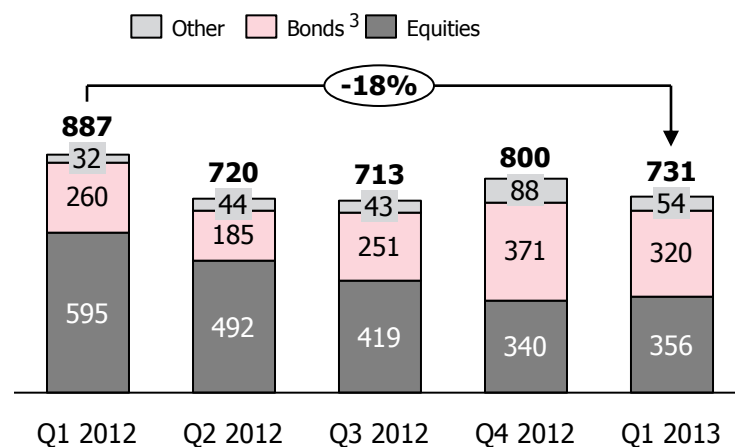
- In Q1 2013 interest income increased by 13% vs. Q1 2012 driven mainly by increase of Group investment portfolio volume by 24% due to the increase of the client deposits
- Return on investment portfolio in Q1 2013 was 3,72% compared to 3,98% in Q1 2012 while RUB benchmark interest rates grew from 5,1% in Q1 2012 to 5,9% in Q1 2013
- The growth of spread between the benchmark rate and the effective rate was due to the change in the structure of the client balances – the share of RUB balances decreased from 66% to 57%

Securities Market: Trading Volumes, Fee & Commission Income

Securities market trading volumes¹, RUB trn, MICEX Index, points



Securities market fee & commission income, RUB m

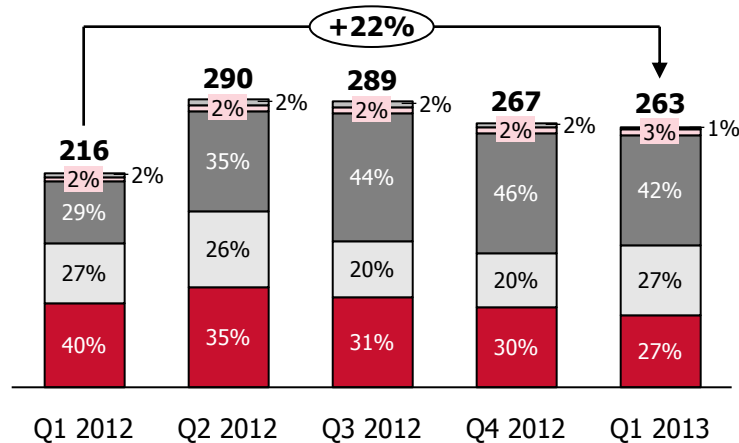


- Moscow Exchange in Q1 2013 was ranked among Europe's **Top-10** for equity trading volumes and **Top-5** for bond trading volumes²
- Securities market trading volumes decreased by 7% compared to Q1 2012
 - Equities trading volumes decreased by 48%
 - Bonds trading volumes increased by 53%
- In Q1 2013 fees and commissions from equities trading fell by 40% compared to Q1 2012
- Fees and commissions from bonds trading grew by 23% compared to Q1 2012
- Higher share of bond trading resulted in the steeper decline in securities market fee and commission income as effective bond trading fees are 77-25% lower than equities trading fees

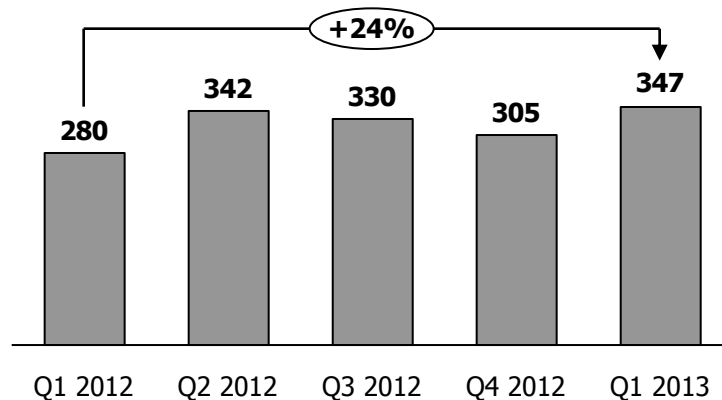
Derivatives Market: Trading Volumes, Fee & Commission Income

Derivatives trading volumes, millions of contracts

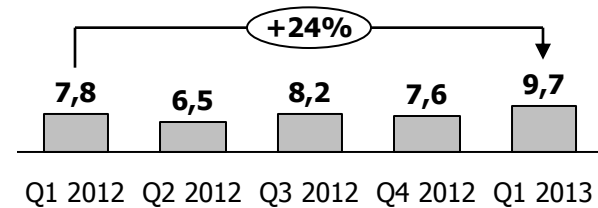
■ interest rates ■ commodities ■ currencies ■ securities ■ indices



Derivatives market fee & commission income, RUB m



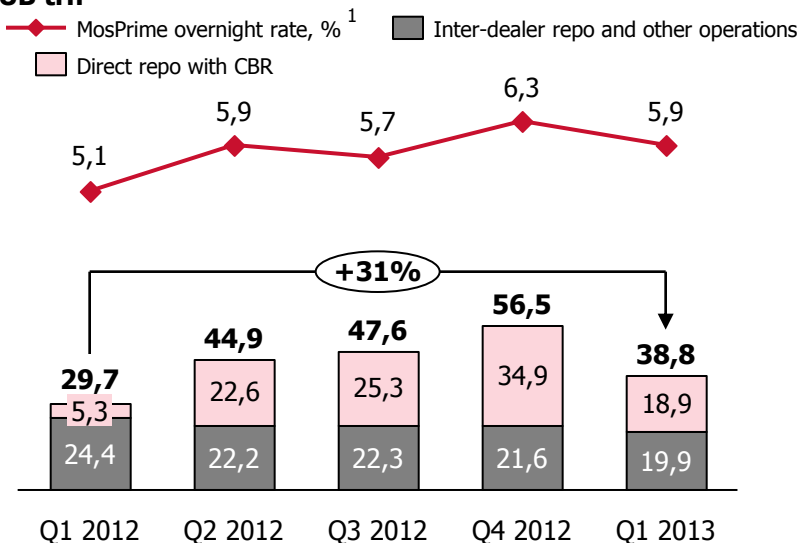
Open interest, millions of contracts



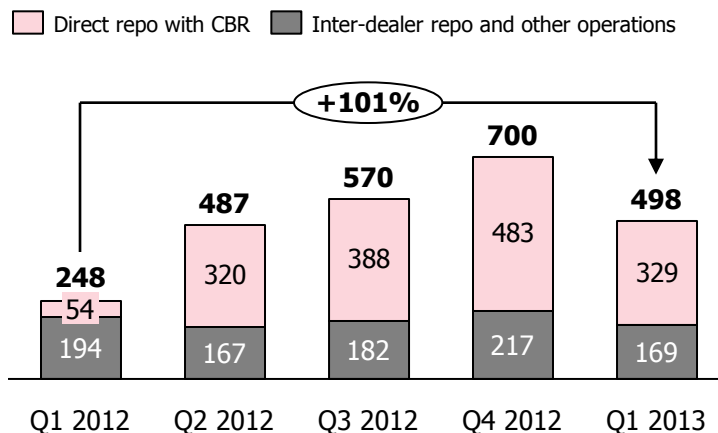
- Derivatives market trading volumes in Q1 2013 increased by 22% compared to Q1 2012
- In Q1 2013, derivatives market income increased by 24% compared to Q1 2012
- The share of currency derivatives in total trading volumes grew from 29% in Q1 2012 to 42% in Q1 2013, while the share of indices derivatives fell from 40% to 27%. Other contracts shares in trading volume haven't changed significantly
- In Q1 the "Active client" program stimulating market participants to attract new clients was implemented
 - The number of new clients increased in January-March by 19% to 5,5 thousand, the number of active clients – by 12% to 31,5 thousand
- The "Clash of the Titans" Competition was launched in February, 2013 to improve the quality of the order book:
 - 26 active participants
 - Trading volume of the competition participants in March grew twice compared to February (6,5% of index futures trading volume)
 - Average trade size increased by 43% for RTS index futures and by 50% for MICEX index futures

Money Market: Trading Volumes, Fee & Commission Income

Money market trading volumes (including repo with CBR), RUB trn



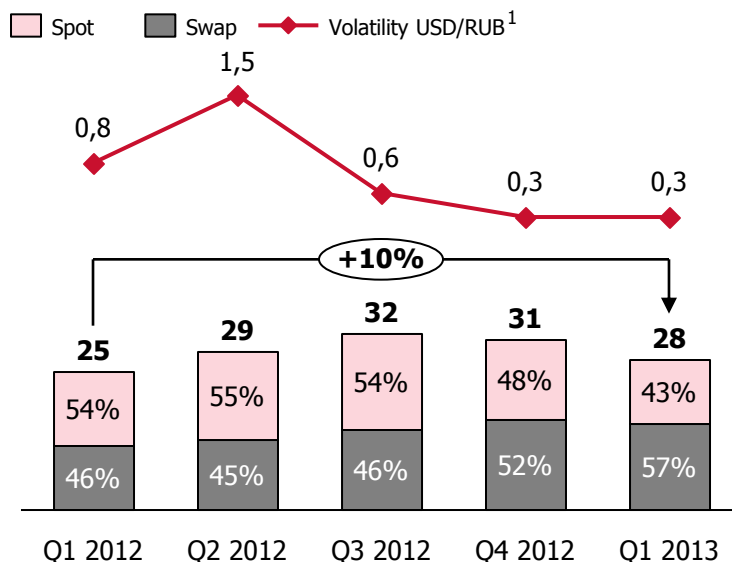
Money market fee & commission income, RUB m



- Tighter liquidity and rising interest rates (MosPrime rate has grown from 5,1% in Q1 2012 to 5,9% in Q1 2013) led to an increase in money market trading volumes by 31%
- In Q1 2013, money market fee & commission income grew by 101% compared to Q1 2012 on the back of the increased term of REPO deals which led to increased average fees
- First stage of REPO with the CCP was launched in February 2013 for the government bonds segment (OFZ)
 - The number of participants in May increased to 84
 - Average daily trading volume in February-May reached RUB 1,6 bn
- The share of REPO with CBR exceeded 60% in Q1 2013 due to shortage of liquidity in the financial system. The share of REPO with CBR has fluctuated around 60-70% since Q2 2012, in contrast to only 22% in Q1 2012

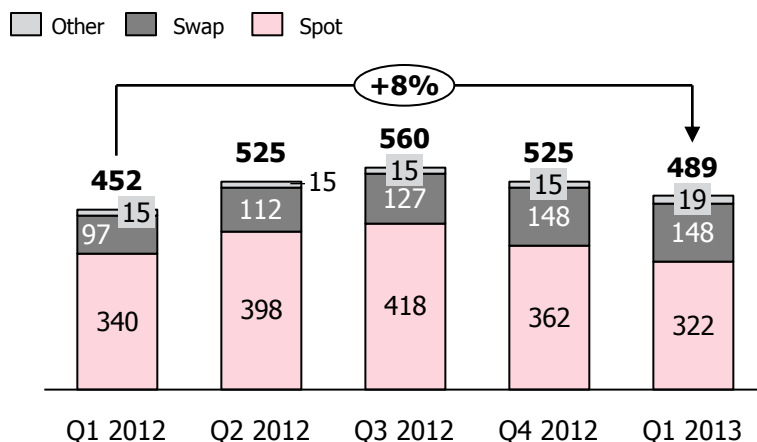
FX Market: Trading Volumes, Fee & Commission Income

FX market trading volumes, RUB trn



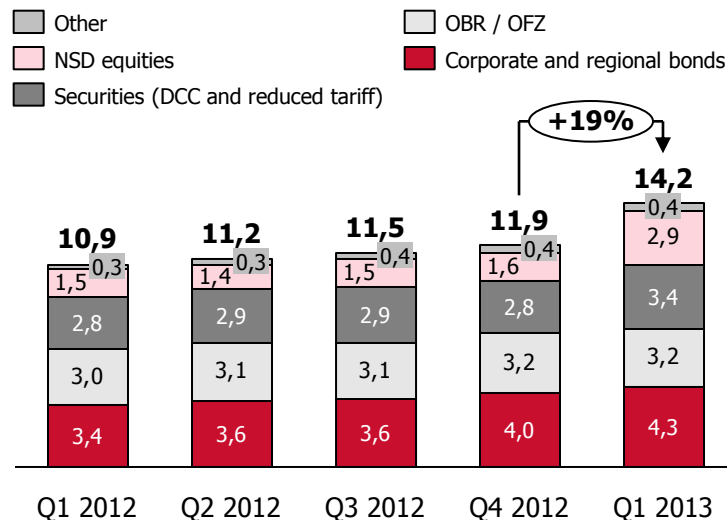
- FX market trading volumes increased by 10% compared to Q1 2012
- Decrease in spot trading volumes (due to the lower volatility of the exchange rates) was offset by increase in swap trading volumes which are used for liquidity management purposes
- In Q1 2013 FX market income increased by 8% compared to Q1 2012

FX market fee & commission income, RUB m

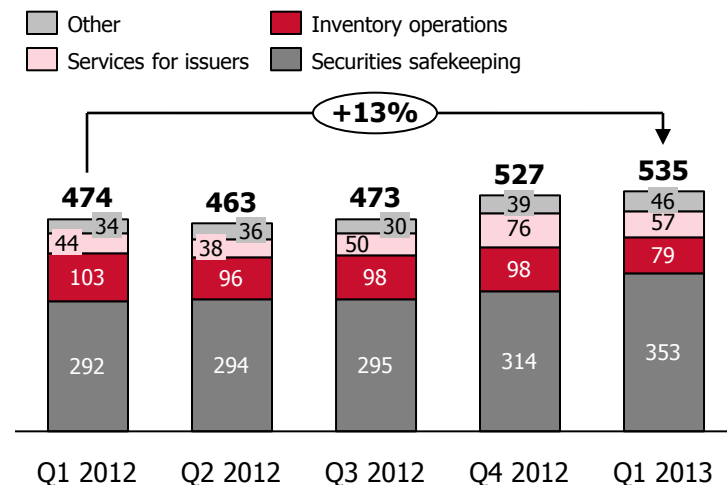


NSD: Securities in Deposit Volume, Fee & Commission Income

Assets in deposit, RUB trn



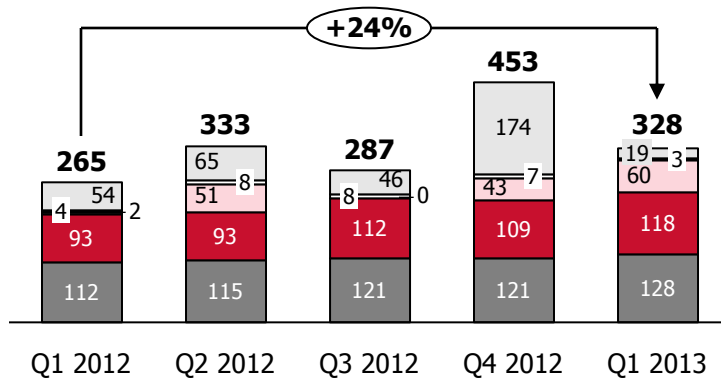
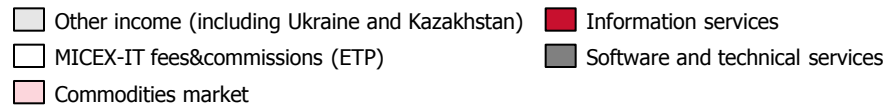
Fee & commission income, RUB m



- In Q1 2013 the volume of assets in deposit increased by 19% compared to Q4 2012 due to NSD start of functioning as CSD
- Both Euroclear and Clearstream opened nominee accounts in NSD and start providing settlement services for OFZ transactions
- In Q1 2013 fee & commission income increased by 13% compared to Q1 2012
- Inventory operations fees decreased by 24% in line with decreased securities trading volume
- Securities safekeeping fees grew 21% due to increased volume of assets

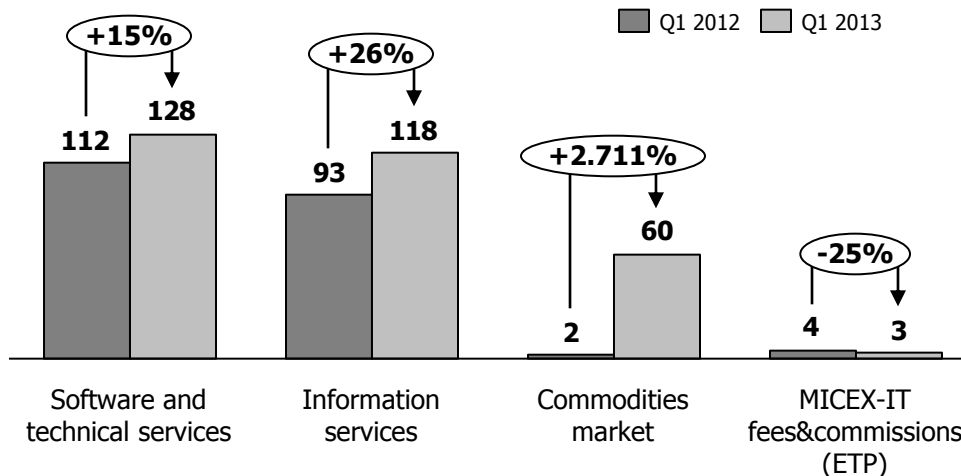
Other Income Breakdown and Dynamics

Other income, RUB m



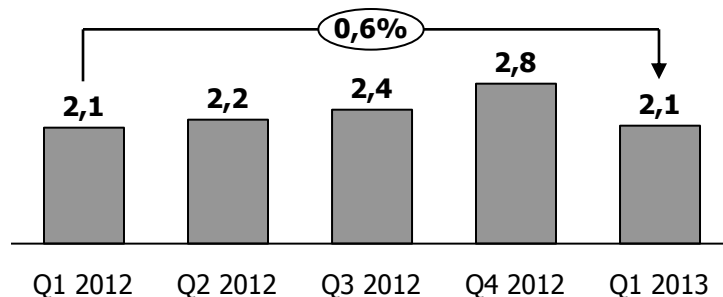
- In Q1 2013 other income grew by 24% and was largely received from information services (market data) as well as software and technical services

Other income breakdown, RUB m

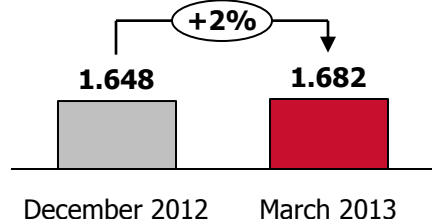


Group Operating Expenses Breakdown and Dynamics

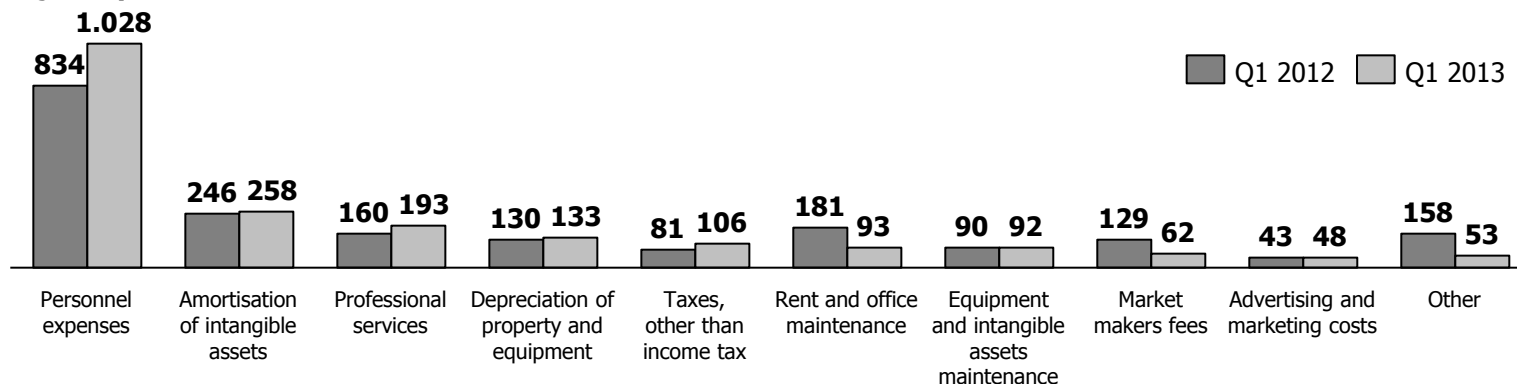
Operating expenses, RUB bn



Headcount as of Q1 end



Major expense items, RUB m



- In Q1 2013 Group operating expenses have grown only by 0,6% compared to Q1 2012
- Major expense item - personnel expenses - grew by 23% compared to Q1 2012
- Synergies were reached in rent and office maintenance expenses (-49%)
- Market makers expenses decreased 52% Y-o-Y partially due to the ceased support of RTS Standard in Q1 2012 and T+2 launch only at the end of Q1 2013

Capital **Expenditure**

- Total capex for 2013 is estimated at RUB 1,1 bn
- Capex related to new projects is estimated at RUB 0,3 bn. This number includes spending on a new data centre and on the first stage of new trading platform development
- Regular capex is estimated at RUB 0,8 bn



History of dividend payments during the period of 2007-2012 and **recommended dividends for 2012**

	Dividends declared (mm RUB)	% of net income according to IFRS	Dividends per share (RUB)
2007	245,80	6,76%	0,16
2008	221,27	5,22%	0,14
2009	247,21	4,26%	0,16
2010	342,58	7,10%	0,16
2011	681,20	10,17%	0,32
2012	2 474,00	30,17%	1,04
2012	2 902,00	35,40%	1,22



Minimum level of dividends in accordance with approved dividend policy



Recommended level of dividends



Planned cancelation of **quasi-treasury shares**

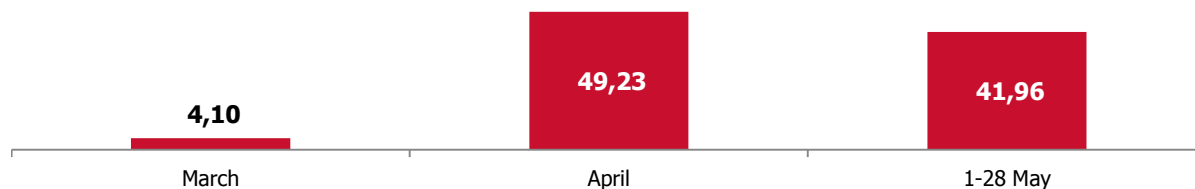
- MICEX-Finance LLC, a wholly-owned subsidiary of Moscow Exchange, has 157 988 486 (6,64%) quasi-treasury shares of Moscow Exchange
 - 58 135 826 shares (2,44%) are used for the employee stock options program
 - 99 852 660 shares (4,20%) were acquired before and after the IPO
- The Supervisory Board of Moscow Exchange on 23 May 2013 approved a proposal to buy and subsequently cancel Moscow Exchange quasi-treasury shares held by MICEX-Finance. The terms of the transaction will be determined in the third quarter of 2013



Key projects implemented in Q1 2013

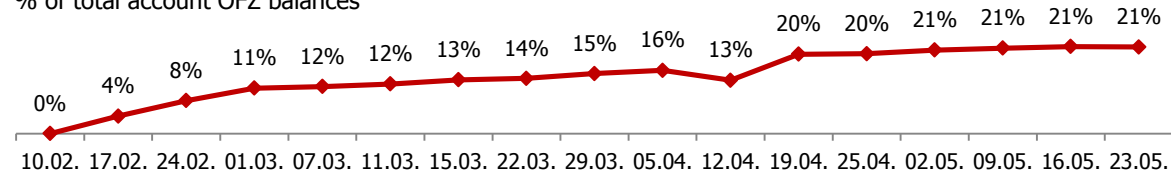
Launch of T+2

T+2 trading volumes, bn RUB



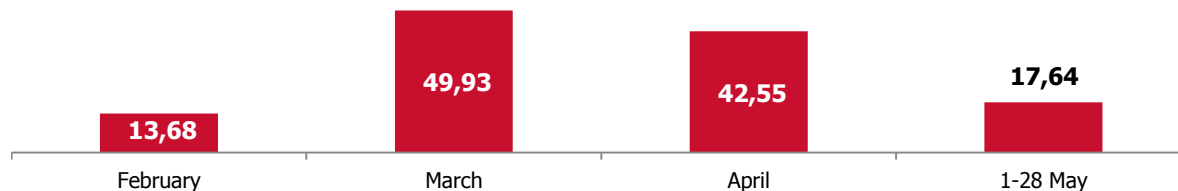
Fully functioning CSD

Foreign nominee accounts OFZ balances,
% of total account OFZ balances






REPO with CCP

REPO with CCP trading volumes, bn RUB



T+2 project timeline

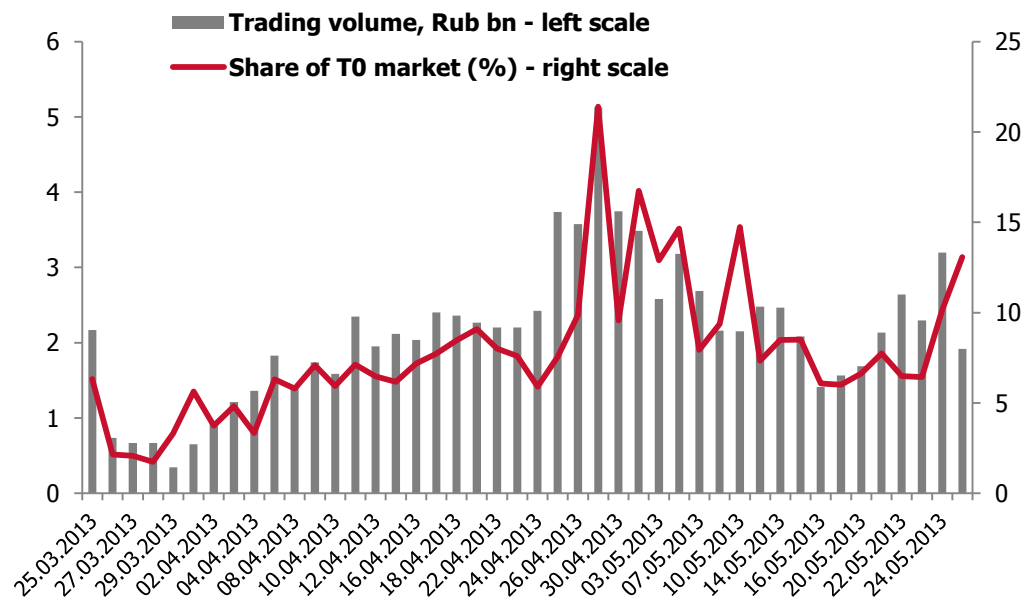
✓	Start	2013				2014
		I	II	III	IV	
✓	05/02	REPO with the central counterparty (negotiated/anonymous orders) • OFZ				
✓	25/03 Release 1	T+2: <ul style="list-style-type: none"> • Admitted to trading: 15 stocks + OFZ • Main trading mode T+2 • Negotiated deals mode with the central counterparty 				
✓	25/03	<i>Parallel run T0 / T+2 till September</i>				
	03/06	New clearing rules coming into force Acceptance of foreign currency as collateral				
	08/07 Release 2	T+2: <ul style="list-style-type: none"> • Up to 50 stocks and OFZ • Single cash accounts on T0 and T+2 markets • Single securities accounts on T0 and T+2 markets 				
		REPO with the central counterparty: <ul style="list-style-type: none"> • REPO with stocks in the mode «REPO with CCP – negotiated orders» 				
	02/09 Release 3	T+2: <ul style="list-style-type: none"> • Full conversion to T+2 • Optional settlement in foreign currency • Acceptance of foreign securities as collateral 				

T+2 project **initial results**

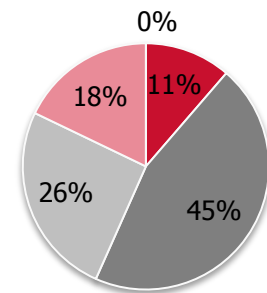
On March, 25th 2013

- T+2 launched for 15 stocks + OFZ
- 162 trading members are connected to T+2
- >90 members are trading on T+2

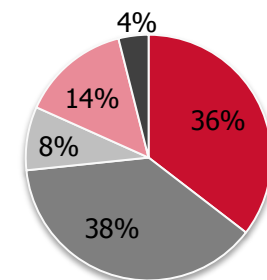
- Total trading volume in March-May > RUB 90 bn
- Number of trades > 250 000
- Average daily trading volume 1,8 RUB bn or 6,5% of total turnover



Market participants structure in T+2¹



Market participants structure in T0¹



- Private investors
- Companies
- Asset management
- Non-residents
- Dealers



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1 Main trading mode and negotiated deals mode