



**MOSCOW
EXCHANGE**

WELCOME TO MOSCOW EXCHANGE

Moscow Exchange provides exhaustive and convenient access to the Russian financial markets. The Exchange's markets offer clients trading opportunities across a diversified range of asset classes all combined with best-in-class post-trade services. Today, Moscow Exchange is the main liquidity and price discovery centre for Russian instruments.

Moscow Exchange hosts trading in equities, bonds, derivatives, currencies, money market instruments and commodities. The Group also includes Russia's central securities depository 'the National Settlement Depository' and the National Clearing Centre, which performs the function of central counterparty.

Moscow Exchange ranks among the world's top 20 exchanges by total capitalisation of shares traded, and also among the 10 largest exchange platforms for bonds and derivatives trading. Securities of over 700 issuers are admitted to trading on the equity and bond markets of Moscow Exchange.

The Exchange is also a leader in driving modernisation of Russia's financial markets infrastructure and promoting Moscow as an international financial centre. Over the past two years, long awaited infrastructure reforms were implemented: the central securities depository and central counterparty were qualified by the Bank of Russia and started to operate at full strength; international central securities depositories began servicing equity and bond markets clients and the equity market was transferred to the T+2 settlement cycle with partial prefunding. All these changes have made trading on Moscow Exchange as convenient as on the world's leading marketplaces and has resulted in growth of trading volumes.

Moscow Exchange has implemented reforms that simplify the listing process and brought it fully in line with international standards. Just as important, the new listing rules have strengthened corporate governance requirements for listed companies.

Moscow Exchange's RTS and MICEX indices are the major benchmarks for the Russian stock market and are widely used by portfolio managers to develop investment strategies. The Exchange is continually working to expand its range of indices and improve product support and refine the rules governing market data usage for all types of clients.

Moscow Exchange went public in February 2013 and is traded on its own trading platform under the ticker 'MOEX.'



FX AND MONEY MARKET

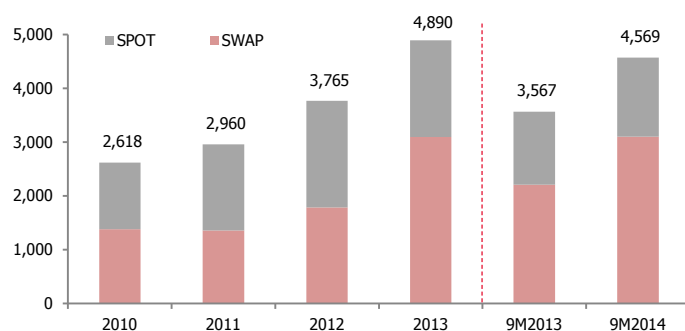
Moscow Exchange's FX and Money Market is a key element of the Russian financial system. The Bank of Russia uses the Exchange's infrastructure to implement monetary policy and provide liquidity to the market through repo transactions and FX swap transactions. For its domestic and international clients, including banks and corporates, Moscow Exchange offers a range of products to manage liquidity and FX exposure. It is the centre of pricing for RUB and offers many RUB currency pairs, all with tight spreads based on a transparent order book.

FX Market

All transactions (spot and swap) on the FX market are centrally cleared by National Clearing Centre. In the first nine months of 2014, average daily trading volume across all currency pairs was USD 24.7 bln. International clients account for around ten per cent of the trading volume. The FX Market is expected to soon garner additional attention from international investors as International Clearing Members gain access to the market.

While USD/RUB and EUR/RUB remain to most traded currency pairs, Moscow Exchange also actively promotes trading in other currencies. In particular the CNY/RUB pair has been well received by the market and trading in the GBP and HKD are to start soon. Moscow Exchange plans to start clearing and PVP services for

FX trading volume (USD bln)



RUB OTC transactions, which will be complimentary to exchange traded FX transactions.

Money Market

There are two segments of the Money Market: repo market (repo with the Bank of Russia and inter-dealer repo) and deposit-credit operations. Repo operations represent about 90% of the Money Market's total turnover. Sovereign and corporate Eurobonds as well as DRs were recently added to the list of securities eligible for repo, which also includes stocks, domestic corporate and government bonds.

Repo with the central counterparty (CCP) is another new product available to banks and traders, with the National Clearing Centre acting as the CCP. The advantages of the service are the CCP's guarantee to fulfil repo obligations to all clients and opportunities for participants to lend and borrow cash or securities against collateral using the Exchange infrastructure.

New products under development include further extension of CCP repo terms and securities; the introduction of basket repo with the Bank of Russia and collateral management by NSD; inter-dealer repo with collateral management by NSD, and General Collateral repo with CCP.

Repo operations (USD bln)



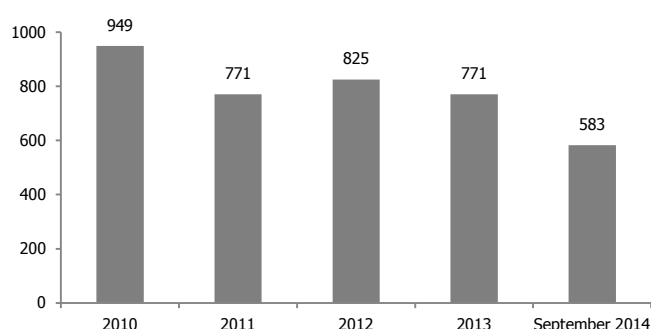
EQUITY & BOND MARKET

The Equity & Bond Market is a key platform for Russian businesses to raise capital and for domestic and international investors to access equity and debt investment opportunities. The marketplace is the main trading venue for Russian stocks as well as government, municipal, and corporate bonds. In 2013-2014 YTD, 16 companies have placed stock via Moscow Exchange, raising a total of nearly RUB 200 bln. On the fixed income side, more than 484 bond issues were placed, raising more than RUB 3.4 trln for issuers.

In 2013, the exchange moved the trading in stocks to T+2 settlement cycle. The central counterparty emerged as an important element of the new trading system.

Most global investment banks began to provide their clients with DMA

Domestic market cap (USD bln)

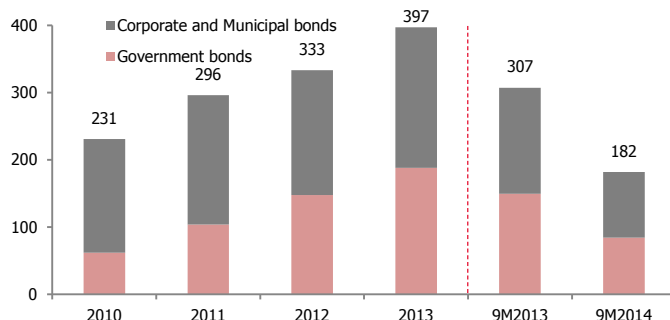


to the Russian market in 2013. As a result of regulatory changes, the international central securities depositories Euroclear and Clearstream now offer settlement services for Russian stocks and bonds.

The new closing auction introduced in 2013 sets representative share prices at the close of trading. A new price-determining algorithm used in the auction substantially reduces the chances of market manipulation and corresponds with international best practice for setting closing prices.

Recent developments include a new methodology for setting tick sizes, which are now determined not only by a stock's price, but also by its liquidity. The new procedure aims to narrow bid-ask spreads and to aggregate liquidity at the best price level.

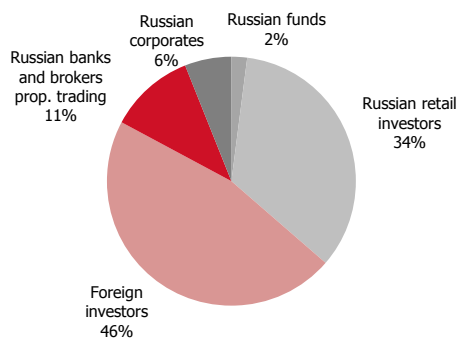
Fixed Income: structure of secondary trading volume (USD bln)



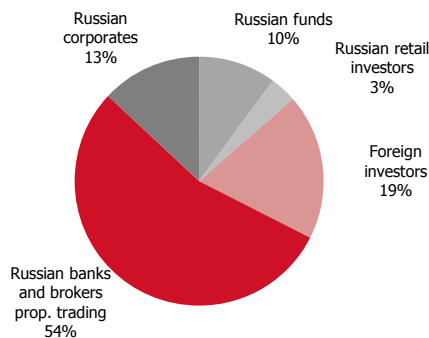
In addition to attracting international investors to trade on its platform, Moscow Exchange is focused on further developing the domestic investor base. Recent changes to the regulation of pension funds, together with changes to the listing rules, allow more assets of non-

state pension funds to be invested into the market. Other legislative changes incentivise retail investors through reduced taxation to invest into stocks and bonds.

Equity trading client breakdown



Fixed Income trading client breakdown



DERIVATIVES MARKET

Russia's main derivatives trading venue, the Derivatives Market allows traders and investors to trade futures and options on all classes of underlying assets available on the Russian market. Though the Russian derivatives market is relatively young, it occupies a significant place in global rankings: Moscow Exchange is among the top 10 derivatives trading venues by number of contracts traded. Currently 58 types of futures and 18 types of options are traded on the Exchange. International traders account for around 40% of market volumes.

Trading is concentrated among the top six products, comprising RTS Index futures, USD/RUB futures, options on RTS Index futures, EUR/USD futures and futures on Sberbank and Gazprom shares.

Top contracts are highly liquid by international standards, and USD/RUB futures are the most traded FX instrument globally.

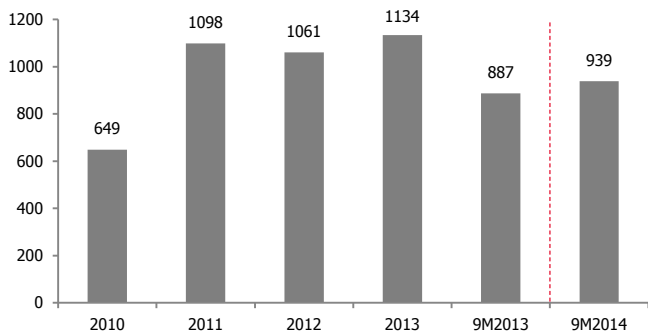
Promising new instruments include fixed income futures, calendar spreads for futures and OTC derivatives clearing via the CCP.

To make trading more convenient, in addition to RUB the Exchange now accepts both USD and Euro as collateral. Traders are also now able to net risk between the Derivatives and FX markets.

New instruments are being developed constantly to meet client demand. The most recent innovations include the launch of Russian market volatility futures and futures on the sovereign 2030-maturity Eurobond.

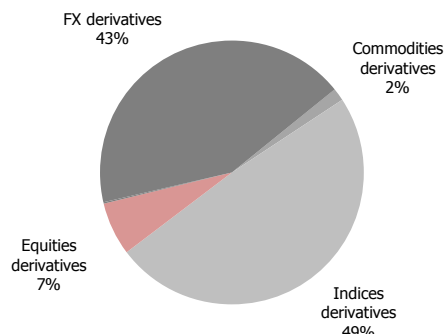
Moscow Exchange is focused on attracting all types of international participants to the Russian derivatives market.

Number of derivative contracts traded/cleared (mln)



Russian derivatives market trading volume breakdown

(based on number of contracts)



THE CENTRAL SECURITIES DEPOSITORY, SETTLEMENT BANK AND TRADE REPOSITORY

The creation of a fully functional central securities depository based on the National Settlement Depository (NSD), a Moscow Exchange subsidiary, marked a milestone in the development of the Russian market and the transformation of Moscow into an international financial centre.

In addition to acting as a depository, NSD offers clearing and collateral management services. NSD settles all on-exchange transactions and most OTC transactions (including in OTC derivatives), provides services with respect to both Russian securities (as a CSD) and foreign securities (NSD covers securities issued by organisations from more than 40 countries).

Obtaining CSD status brought NSD into line with the U.S. Securities and Exchange Commission's Rule 17f-7, acting as an endorsement of the settlement regime for the Russian market. NSD acts as a Qualified

Intermediary (QI), which allows clients to reduce withholding tax rates when investing in the OTC market.

The appeal of the Russian market was improved significantly by the opening of 'links' between the NSD and international central securities depositories, Euroclear and Clearstream.

NSD recently began operating as a tax agent for payments made as part of corporate actions. NSD has also registered in accordance with the FATCA requirements and obtained a Global Intermediary Identification Number (GIIN).

Following its audit, Thomas Murray, the specialist custody rating, risk management and research firm, kept the NSD's rating at AA-, which translates as 'very low Overall Risk', with a 'Stable' outlook.

SERVICES OF THE CENTRAL COUNTERPARTY AND RISK MANAGEMENT

The National Clearing Centre (NCC), which is part of the Moscow Exchange Group, acts as a clearing house and central counterparty to the Russian financial market, ensuring the stable functioning of its infrastructure by using a comprehensive risk management framework. The CCP guarantees the fulfilment of all obligations arising from transactions in which it acts as a central counterparty. This is achieved by using a multi-level risk management structure, which includes initial margin requirements, CCP's dedicated capital ('skin in the game'), members' contributions to market-specific default funds, as well as NCC's own assets.

Russia's CCP is one of world's best capitalised with RUB 34 bln of capital, a reflection of its strong commitment to the soundness of its clearing and settlement infrastructure.

Fitch's evaluation of the NCC's reliability as part of the Russian financial market's infrastructure resulted in an upgrade to its long term Issuer Default Ratings (IDRs) to BBB – which is Russia's sovereign rating – with a 'Stable' outlook.

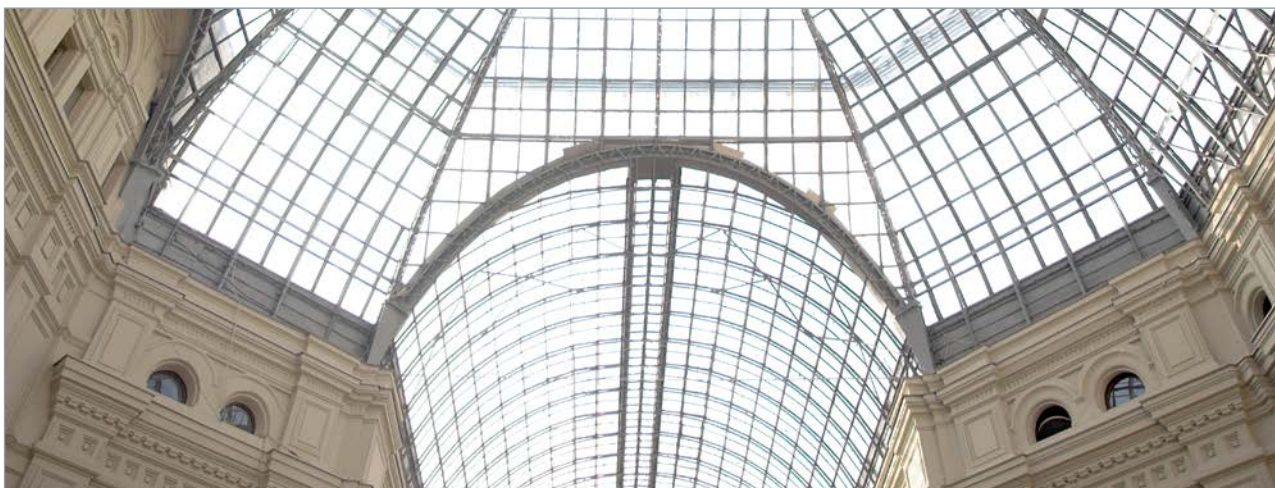
IT PLATFORM

Moscow Exchange's new and flexible IT architecture utilises a modular principle that enables it to employ all of the best practices currently available, and to add new functional modules in the future relatively easily, without the need to revamp the entire system. The Exchange is becoming more transparent and accessible to both domestic participants and foreign customers and counterparties. Moscow Exchange is also expanding partnerships with global providers that connect the Exchange to global financial systems.

In the infrastructure domain, Moscow Exchange consolidated all of its trading systems to a single data centre, greatly simplifying access for clients, reducing support costs, and ensuring stability of our production systems (achieving 99.99% system uptime).

The Exchange transitioned its network to 10 GB bandwidth, further reducing access latency for collocating clients. The Exchange utilizes two simple, streamlined platforms that non-collocating clients can use to gain physical connectivity. These platforms are Universal Schema and ConnectME.

Market participants and service suppliers can access the Russian markets via the Moscow Exchange's point of presence in London via the largest European DPC, which is operated by Equinix.



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