



MOSCOW
EXCHANGE

November 2014

Investor presentation



Well-positioned attractive investment opportunity

2

Successful track record of changes

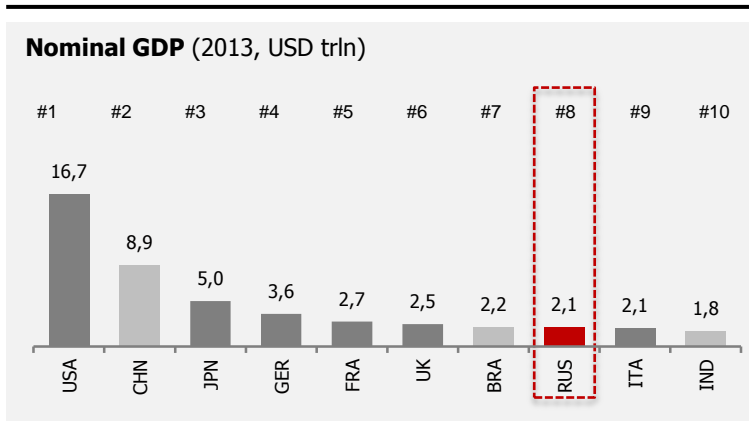
3

Strong operating and financial results

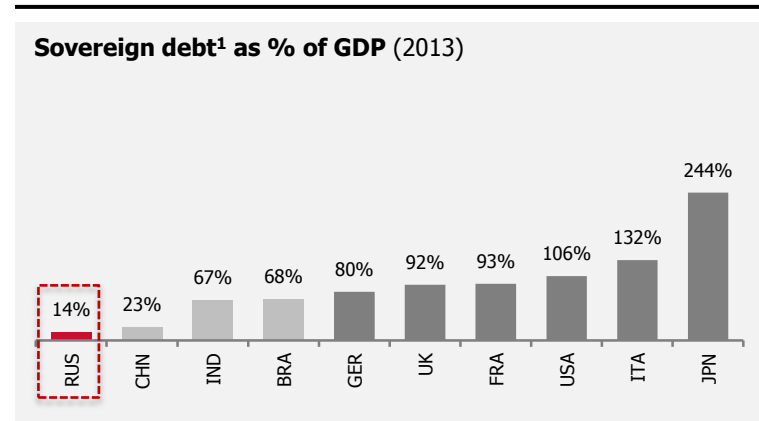


Russian capital market has **significant potential**

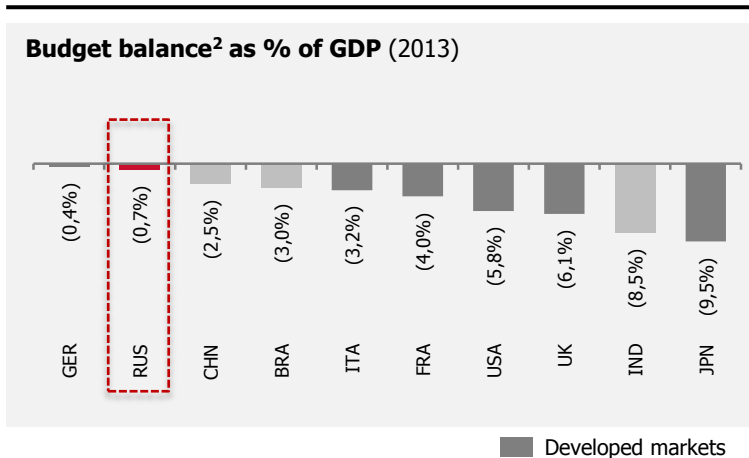
Large economy (#8 globally)...



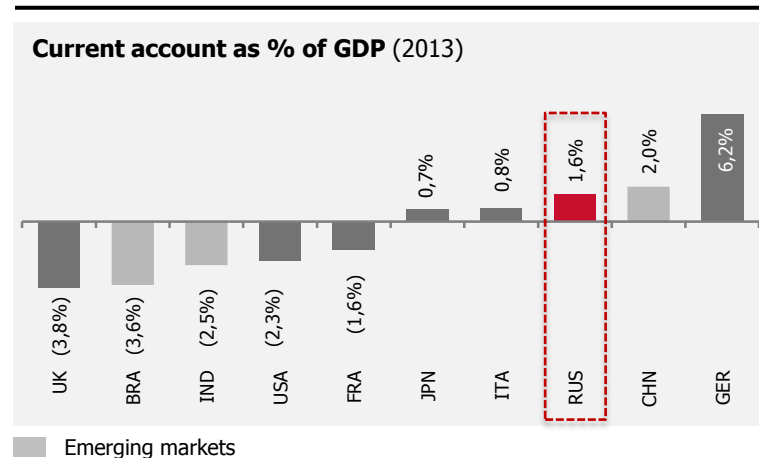
...with low government leverage...



...strong fiscal policy...



... and current account ratio



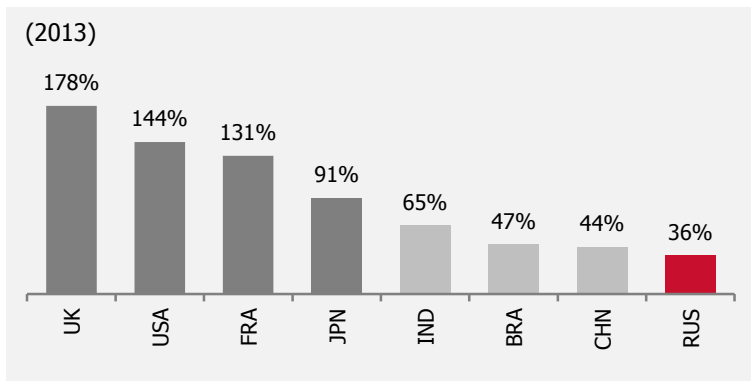
Source: Nominal GDP, Sovereign debt as % of GDP, Current account as % of GDP – IMF; Budget balance – Economist Intelligence Unit

1 Total gross debt (both local and foreign currency) owed by government to domestic residents, foreign nationals and multilateral institutions such as the IMF, expressed as a percentage of GDP

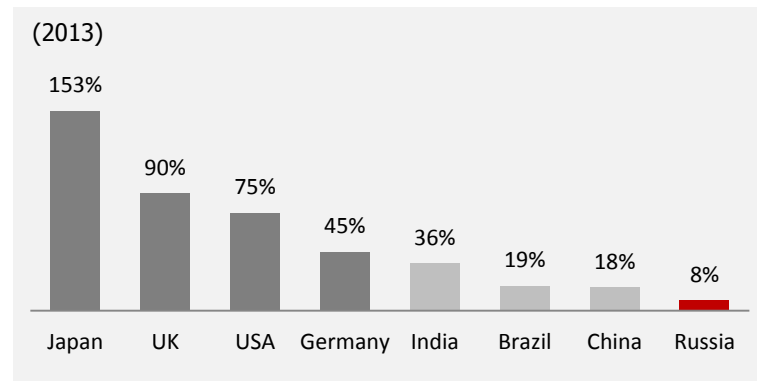
2 Central government receipts minus central government outlays, as a percentage of GDP

Relative underpenetration leaves **growth opportunities on all markets**

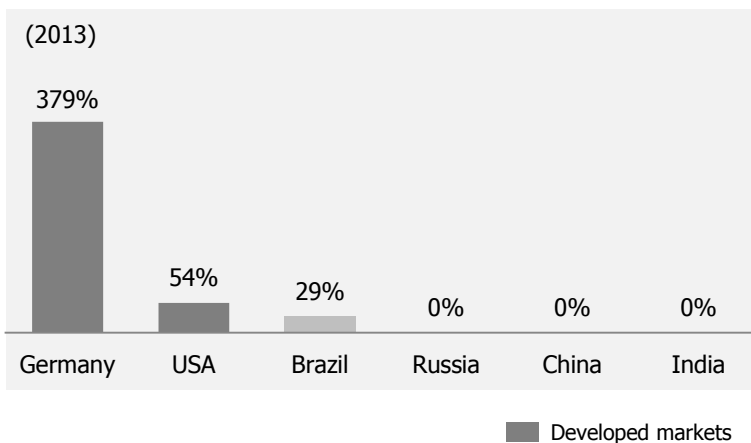
Equity market capitalisation to GDP¹



Corporate debt to GDP



Interest rate derivatives open position to GDP



Comments

- Russian capital and derivatives markets has significant upside potential both on supply and demand points of view:
 - Relatively low share of equity and debt market capitalisation to GDP
 - Potential in growth in interest rate derivatives due to market development and the CBR policy

Moscow Exchange is the major exchange in Russia and a leading exchange globally

One of the largest in fixed income (Jan – Aug 2014)¹

Rank	Exchange	Country	Trading vol. (USD bln)	Incl. REPOs
1	BME Spanish Exchanges	Spain	7 089	✓
2	Moscow Exchange	Russia	2 685	✓
3	LSE	UK	2 142	×
4	NASDAQ OMX	USA (Europe)	1 424	✓
5	Johannesburg SE	South Africa	1 189	✓
6	Korea Exchange	Korea	842	×
7	Colombia SE	Colombia	468	×
8	Oslo Børs	Norway	453	✓
9	Borsa Istanbul	Turkey	210	✓
10	GreTai Securities Market	Taiwan	191	✓

Top 7 in derivatives (Jan – Aug 2014) – WFE ranking

Rank	Exchange	Country	Contracts traded (mln)
1	CME	USA	2 172
2	Deutsche Börse	Germany	1 376
3	NSE India	India	1 099
4	ICE – NYSE ³	USA	1 063
5	CBOE	USA	855
6	BM&FBOVESPA	Brazil	825
7	Moscow Exchange	Russia	813
8	NASDAQ OMX ³	USA	744
9	Dalian Commodity Exchange	China	489
10	Shanghai Futures Exchange	China	447

Top 21 in equities (Jan – Aug 2014)²

Rank	Exchange	Country	Mkt Cap (USD bln)	Securities listed	Trading vol. (USD bln)
1	ICE&NYSE ³	USA	19 278	2 428	9 981
2	NASDAQ OMX ³	USA	8 075	3 513	8 259
3	Japan Exchange Group	Japan	4 572	3 433	3 590
4	London SE Group	UK	4 439	2 761	1 846
5	Euronext	Europe	3 647	1 066	1 295
6	Hong Kong Exchanges	Hong Kong	3 353	1 716	959
7	Shanghai SE	China	2 659	969	2 339
8	TMX Group	Canada	2 364	3 775	885
9	Deutsche Börse	Germany	1 790	689	984
10	Shenzhen SE	China	1 715	1 589	3 011
...
21	Moscow Exchange	Russia	619	266	178

Top 14 public exchanges by market capitalization⁵

Rank	Exchange	Country	Mkt Cap (USD bln)
1	CME	USA	28.8
2	HKEx	Hong Kong	26.5
3	ICE – NYSE	USA	24.6
4	Deutsche Börse	Germany	13.2
5	LSE Group	UK	11.2
6	BM&FBovespa	Brazil	7.4
7	NASDAQ OMX	USA	7.4
8	Japan Exchange	Japan	7.3
9	ASX	Australia	6.2
10	Dubai Financial	Dubai	5.9
11	SGX	Singapore	5.8
12	CBOE holdings	USA	5.2
13	BME	Spain	3.2
14	Moscow Exchange	Russia	2.9

Source: Moscow Exchange, WFE, Bloomberg

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

² Top equity trading exchanges are ranked by market capitalisation of public companies traded on the exchange

³ Includes both US and European market volumes and capitalization for equities market; both US and European market volumes for derivatives market

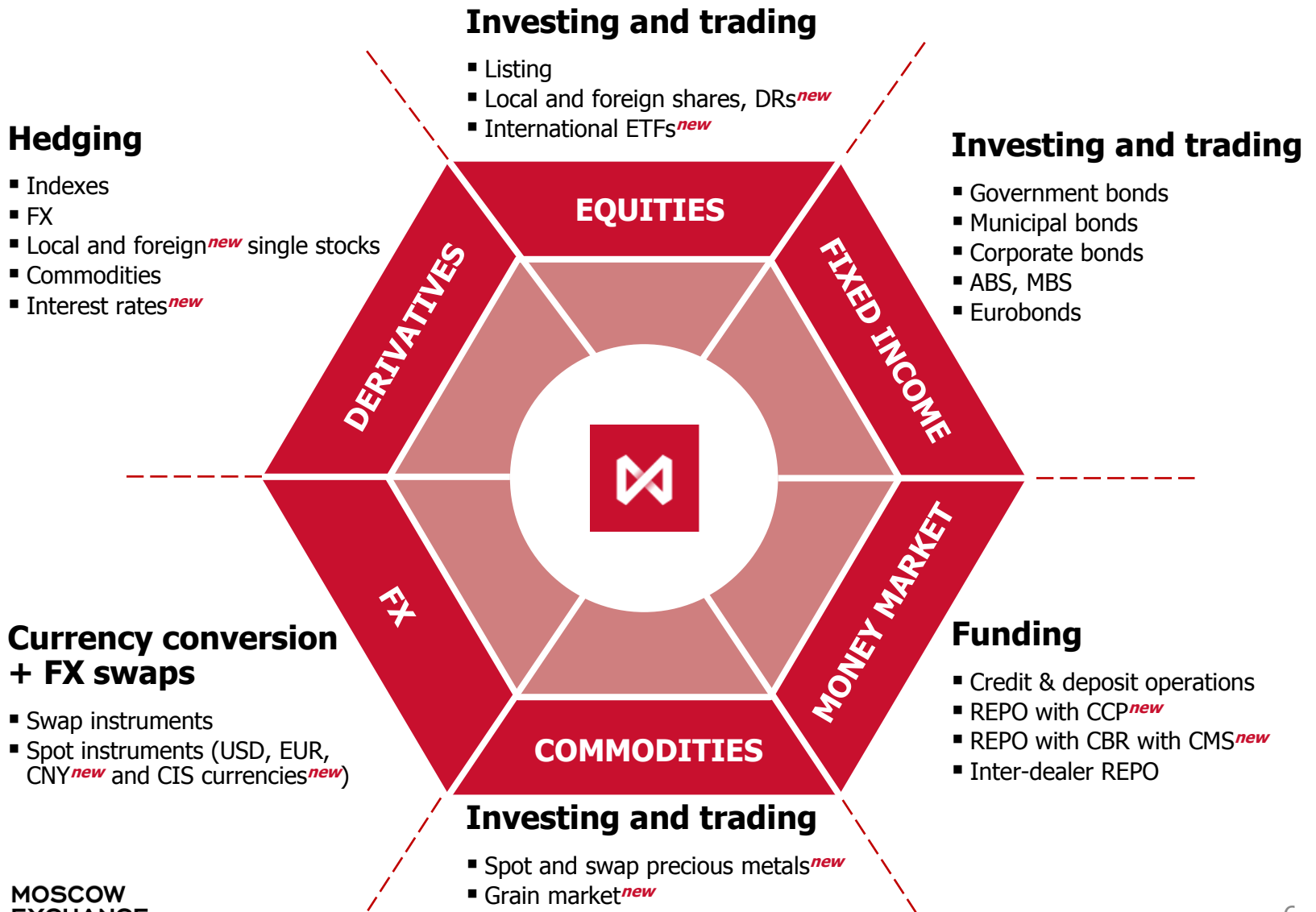
⁴ Includes both Tokyo and Osaka exchanges trading volumes

⁵ Market capitalization of public exchanges based on Bloomberg data as of November 07, 2014



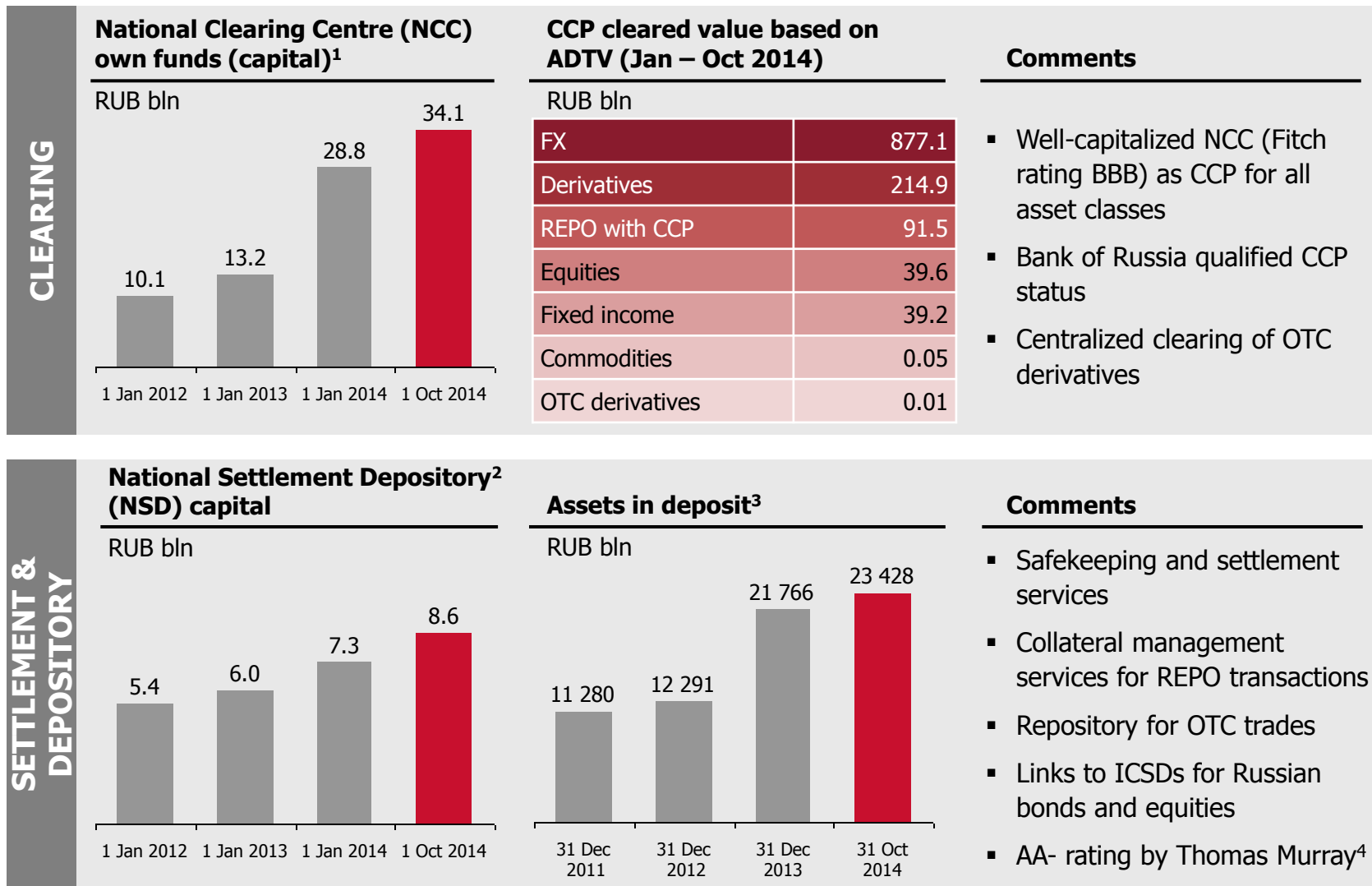
**MOSCOW
EXCHANGE**

Highly diversified product offering



...coupled with **strong post-trade infrastructure**

Post-Trade Excellence: CCP and CSD



Source: Moscow Exchange operational information

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

2 Russian Central Securities Depository

3 Assets in deposits based on Company' operational data

4 Thomas Murray – leading global agency for depository services

Diversified customer base driven by domestic investors

FX market
RUB trln

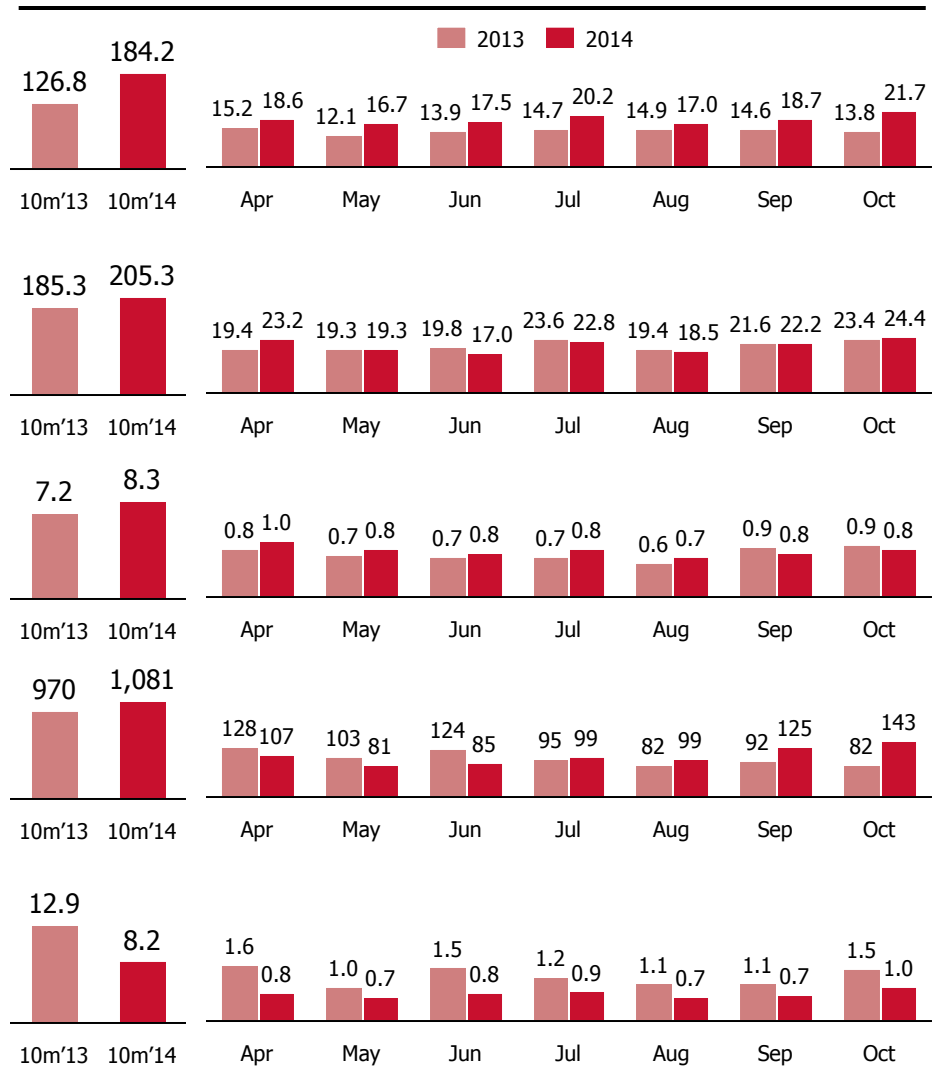
Money market¹
RUB trln

Equities market
RUB trln

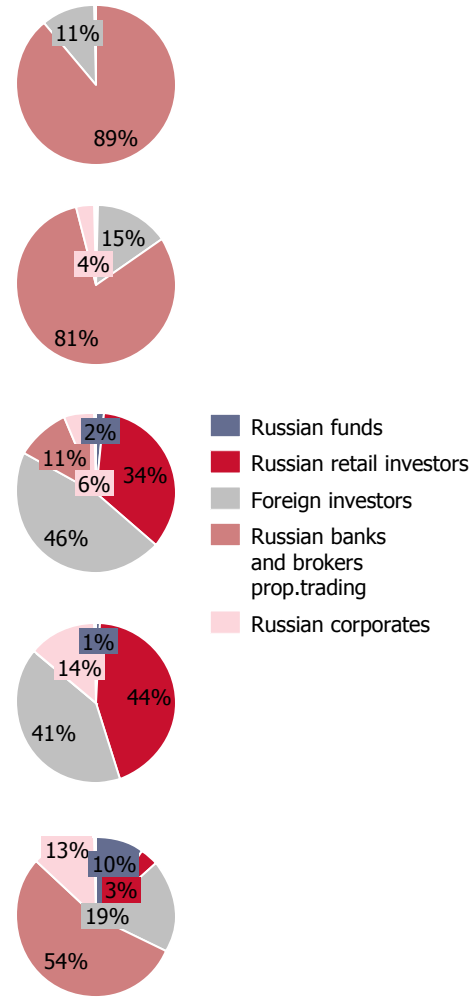
Derivatives market
mln contracts

Fixed Income market
RUB trln

Trading volumes



Volumes breakdown by investor types (9m'14)

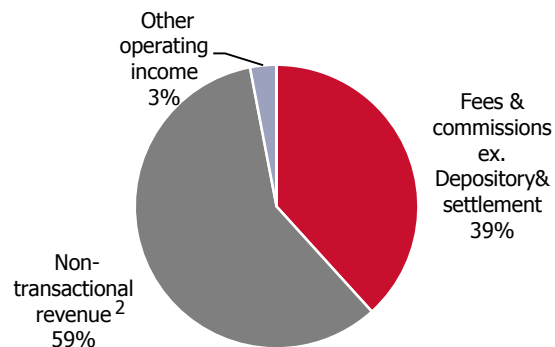


Markets are sorted by their share in fee&commission income
 1 trading volumes including REPO with CMS in NSD. Investor structure based on on-exchange trading volumes only

Strong **non-transactional revenue** based on post-trade services and diversified fee and commission income

Meaningful non-transactional income...

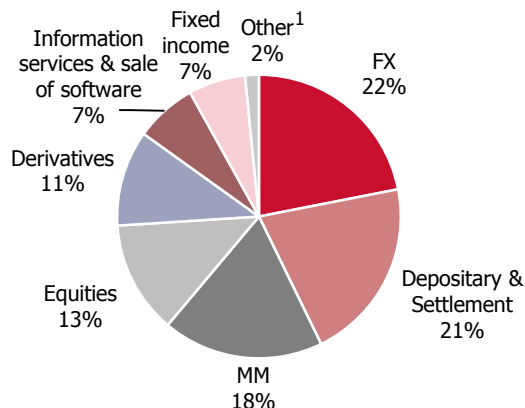
1H2014



Operating income structure

...and diversified F&C income...

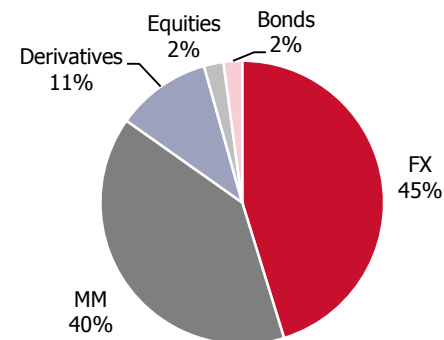
1H2014



Fee & commissions structure

...generated on all main markets

1H2014



Trading volumes structure

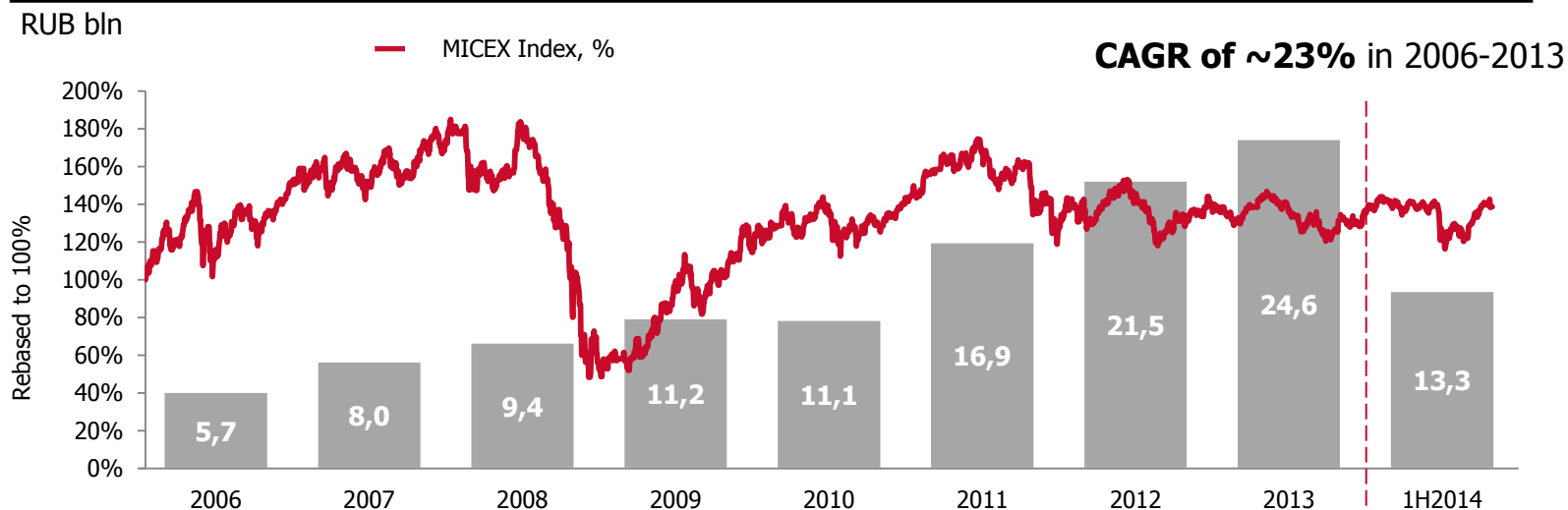
Comments

- Thanks to the established post-trade infrastructure Moscow Exchange has ~59% of non-transactional revenue, mainly in form of interest income, as well as depository services, IT services and sale of software and technologies
- Fee & commission income is well-diversified with the largest contribution of 22% by FX market, followed by Depository & Settlement services (21%), Money market (18%) and Equities (13%)



Moscow Exchange has a proven and **cycle-protected business model**

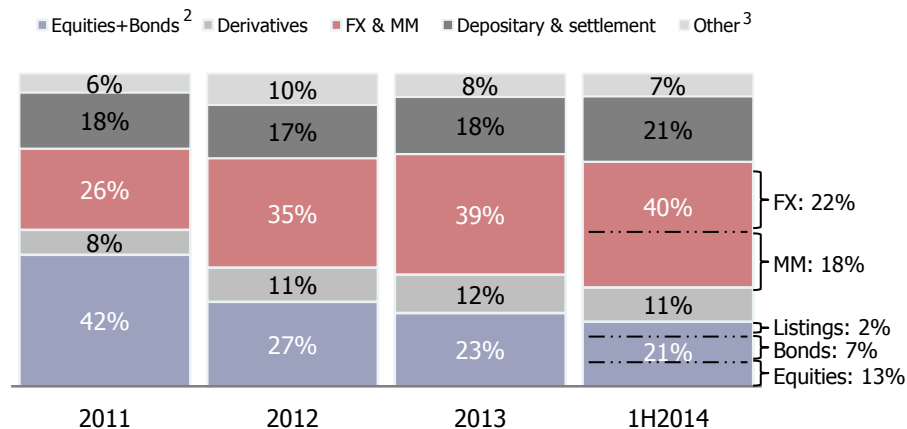
Operating income¹



Key highlights

- **2011** – merger of MICEX with RTS
- **2012** – Central Securities Depository launch
- **2013** – migration to T+2
- **2013-2014** – Euroclear and Clearstream settlement services for Russian sovereign, corporate bonds and equities

Fee & commission income evolution¹



According to Moscow Exchange IFRS financial statement

1 RTS data is consolidated from June 29, 2011

2 Include other income related to securities market in 2011-1H2014

3 Include income from Information services & sale of software and other fee&commission income in 2011-1H2014



**MOSCOW
EXCHANGE**

SPO of the CBR stake in MOEX highlights

Key information

July 2014



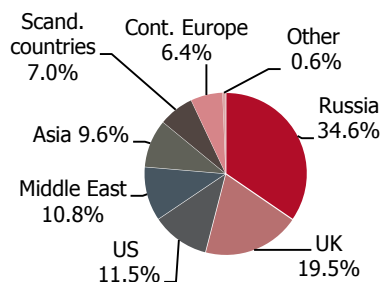
**MOSCOW
EXCHANGE**

Secondary public offering (SPO) of the CBR share in MOEX in form of ABB¹

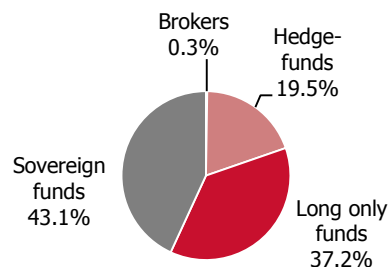
Deal amount: **RUB 16 bln** (USD 469 mln)

The bookbuilding period	The book has been opened: July 1st at 7pm The book has been closed: July 2nd before trading hours
The Seller	The Central Bank of Russia
The transaction form	100% secondary offering in form of ABB ¹
Issuer	OJSC «Moscow Exchange MICEX-RTS»
Security	Ordinary shares
Trading venue	Moscow Exchange
Demand	The book was multiple times oversubscribed
Price	60 RUB per share
Discount vs market	7.8% (Last day close price RUB 65.05)
Lock-up period	180 days
Global coordinators	J.P. Morgan, Goldman Sachs, Sberbank CIB, VTB Capital
Global bookrunners	Citi and Gazprombank

Distribution by geography



Distribution by investors



Highlights

- The **largest Russian SPO** since spring 2013
- The first public equity offering of **local shares only** in 2014, which was priced with lower than average discount despite the material deal size (63x 3-month ADTV)
- The book was multiple times oversubscribed and dominated by **high-quality** sovereign wealth funds and long only funds

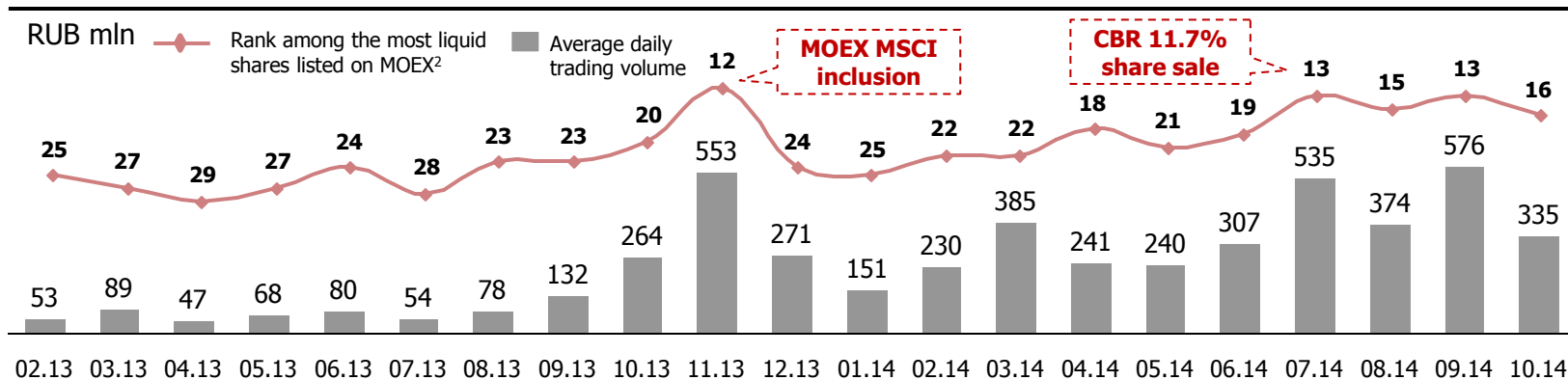


**MOSCOW
EXCHANGE**

¹ ABB – accelerated bookbuilding

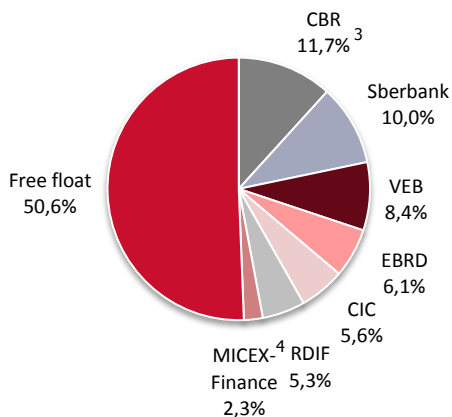
One of the highest free-floats among Russian issuers

Growing ADTV of MOEX shares¹

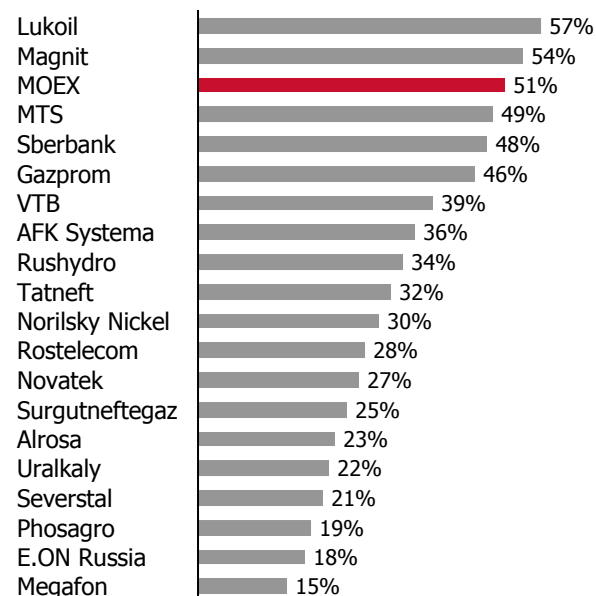


Dispersed ownership with no controlling shareholder...

as of May 12, 2014, including shareholders' regulatory disclosure following the CBR SPO

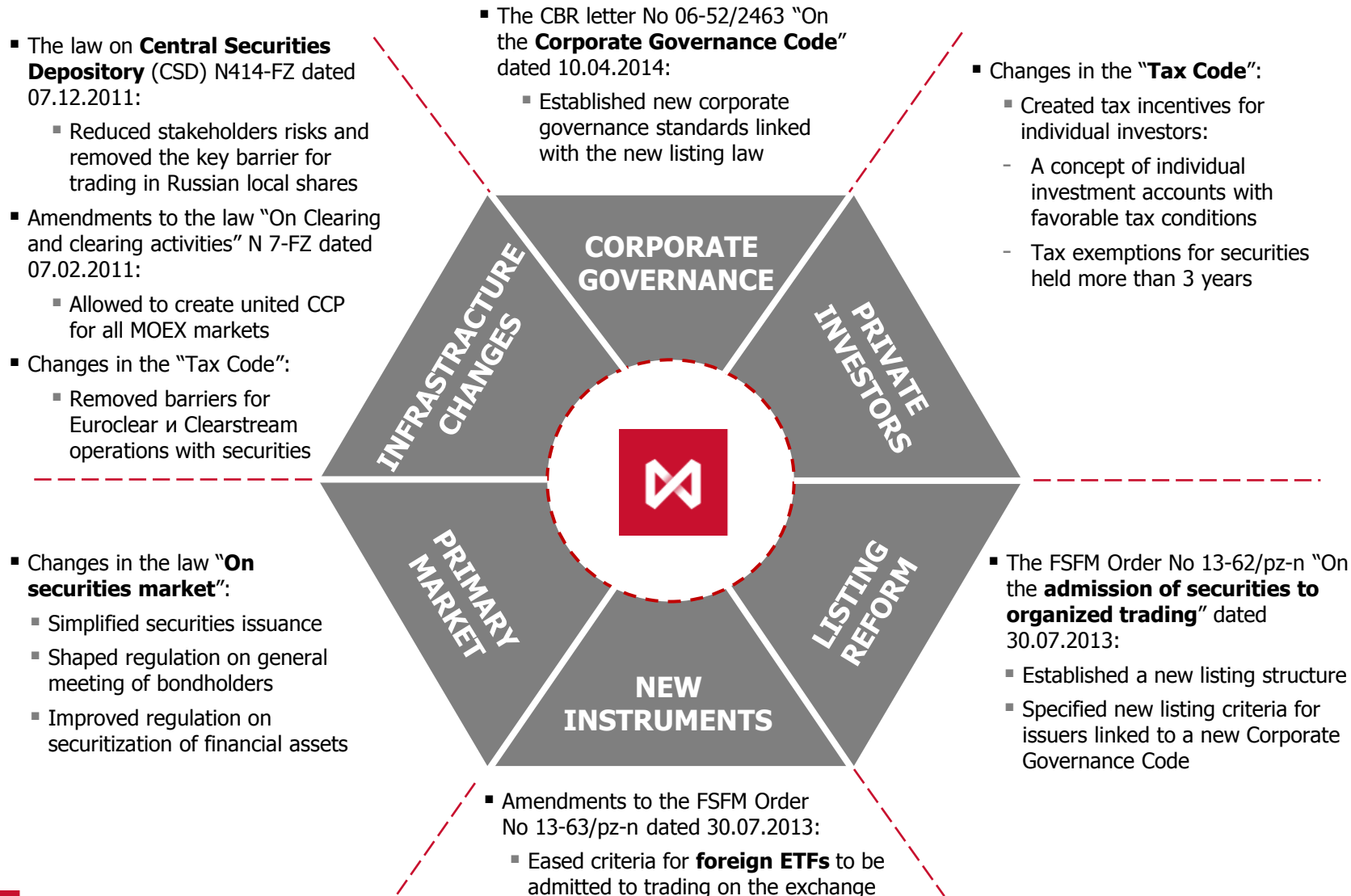


...and one of the highest free-floats in Russia⁵



1 Trading volume in main trading mode (T0, T+2)
 2 Ordinary and preferred shares
 3 1.4% of shares held by the CBR as a result of repo transactions are included in the free-float
 4 100% owned subsidiary of the Moscow Exchange
 5 Top 20 companies by market capitalisation from MICEX Index

On the right track: changes of the regulatory framework



Key growth areas for 2014 and beyond

Equities

- Lifting restrictions on cross-agency trades
- Opening Auction
- Optimization the Intraday Clearing Session schedule and settlement

Fixed Income

- OFZ migration to T+1 settlement
- Block trading in OFZs
- Local corporate bonds denominated in foreign currencies
- Simplification of issuing procedures to speed up placements

Derivatives

- New FX futures
- Dividend futures
- Weekly options
- Interest rate derivatives

FX

- New currency pairs
- Additional protection of clients assets: portability and segregation

Money Market

- FX REPO with CBR
- Collateral base extension
- REPO with basket of securities and collateral management

Post-trade services

- Development of technology for e-proxy-voting and electronic processing of corporate actions
- Interaction with foreign Repositories
- Further improving of collateral management services
- Innovations in clearing



1

Well-positioned attractive investment opportunity



Successful track record of changes

3

Strong operating and financial results



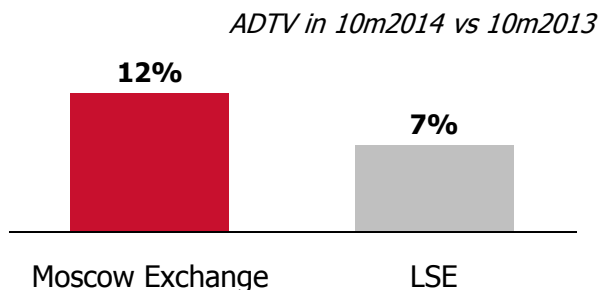
MOEX has delivered on strategic goals announced at IPO

Target	Delivery stage
1 Upgrade infrastructure to international standards <ul style="list-style-type: none">– Deliver T+2 settlement– Establish fully functioning CSD– Establish integrated CCP function	<ul style="list-style-type: none">✓ T+2 launched in March 2013 and implemented fully in September 2013 in equities market✓ Launch of the CSD in November 2012 removed the key barrier for trading in Russian local shares for foreign investors:<ul style="list-style-type: none">– Direct and simplified settlement– Lower costs– Direct participation in corporate actions✓ National Clearing Centre (NCC) is the CCP for all MOEX markets; NCC has been additionally capitalized in 2013, equity capital reached RUB 34.1 bln (as of October 1, 2014)
2 Opening up of MOEX to international investors	<ul style="list-style-type: none">✓ Euroclear and Clearstream offer settlement services for Russian sovereign and corporate bonds and for Russian equities✓ Six global banks (Citigroup, Credit Suisse, Merrill Lynch, Morgan Stanley, UBS and Deutsche Bank¹) offer Direct Market Access (DMA) to securities trading on MOEX
3 Attract liquidity to securities platform of MOEX	<ul style="list-style-type: none">✓ Re-attracted listings to MOEX✓ Modernisation to international standards of listing rules and disclosure requirements✓ Continued incentives to increase local demand and supply (tax incentives for retail investors, privatisation plans)✓ Development of new products (foreign stocks and DRs, ETFs, ABS, CDO, MBS and others)
4 Adapt world-class governance standards	<ul style="list-style-type: none">✓ 5 independent non-executive directors out of 15✓ New hires with vast international experience✓ Following the CBR SPO, the free float exceeded 50%. No controlling shareholder✓ Treasury shares were cancelled in March 2014
5 Establish regular investor interaction	<ul style="list-style-type: none">✓ Established world-class level of investor interaction with regular roadshows, conferences and investor meetings



Trading volumes growth driven by **upgrades to MOEX infrastructure**

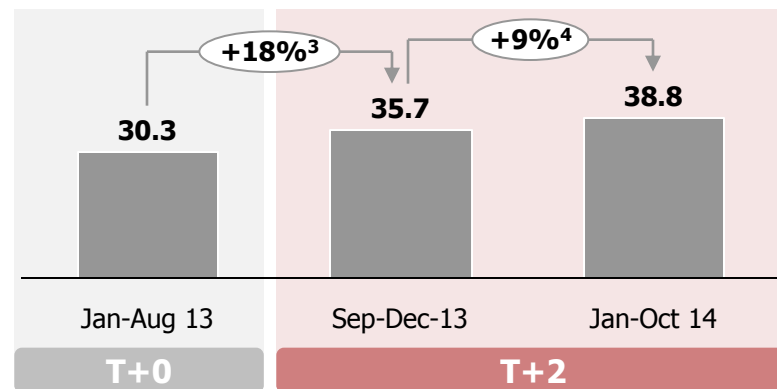
MOEX vs LSE ADTV growth¹



Following transition to T+2, trading volumes growth on Moscow Exchange exceeded the growth of DRs traded on LSE by **~2 times in 10m2014**

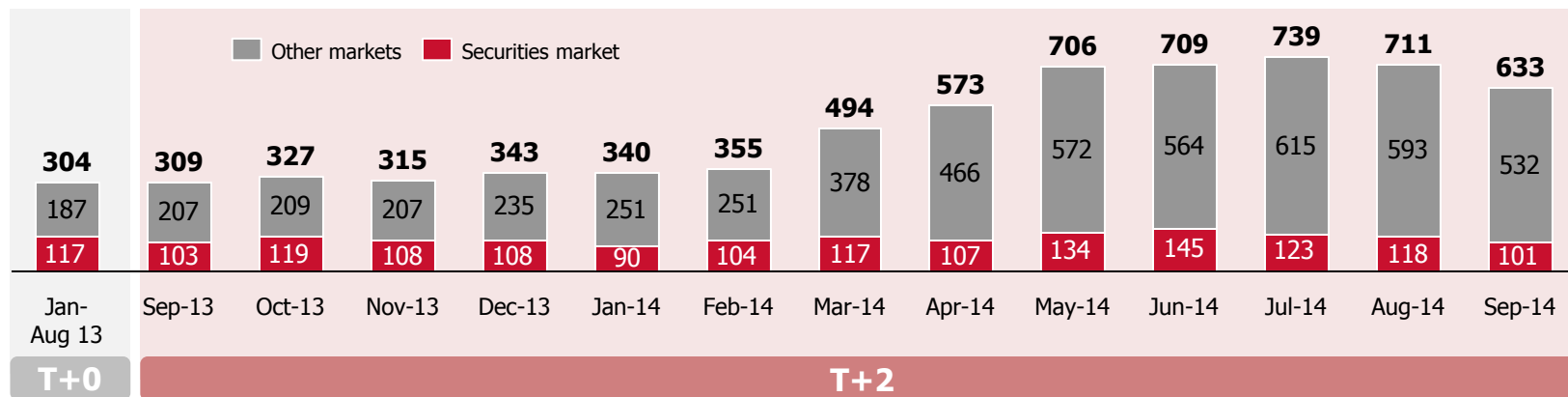
ADTV on equities market² in 2013-2014

RUB bln



Average daily client balances

RUB bln



Source: Moscow Exchange operational data

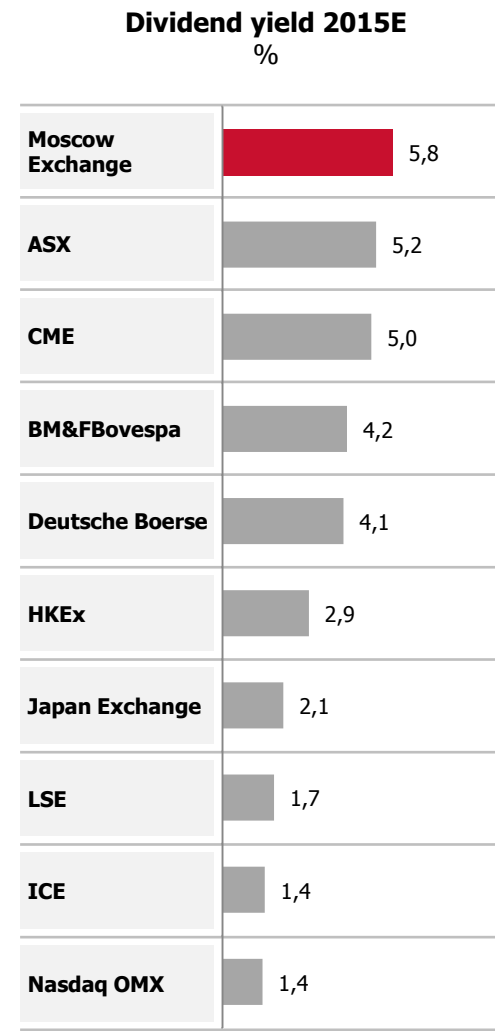
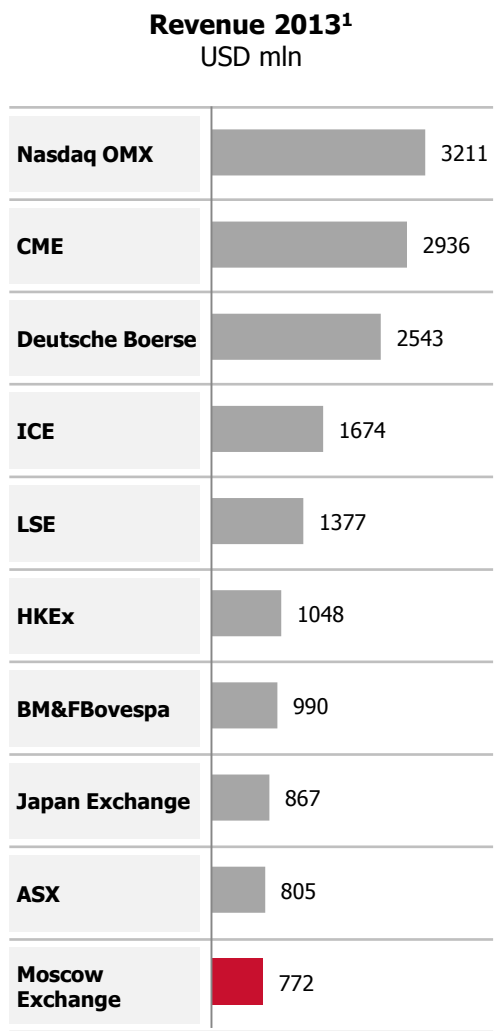
- 1 Trading volumes in Moscow Exchange main trading mode vs LSE international order book (IOB), calculated for 33 dual-listed companies
- 2 Daily average secondary trading volume in EOB on Main market (T0,T+2), including negotiated deals with CCP
- 3 Average daily trading volumes in September-December 2013 vs January-August 2013
- 4 Average daily trading volumes in January-October 2014 vs September-December 2013



MOSCOW EXCHANGE

Highest dividend yield among global exchanges

TOP 10 public exchanges by revenue in 2013



Investment highlights

1

MOEX operates in #8 largest economy globally and covers Russia's largest public trading markets

2

Leading market position in a global context

3

Unique business model, offering trading of a wide range of assets together with well-established centralized post-trade infrastructure

4

High transparency and corporate governance standards

5

Successful track record of infrastructural reforms and improving regulatory framework

6

Strong financial performance

7

Attractive dividend policy



1

Well-positioned attractive investment opportunity

2

Successful track record of changes



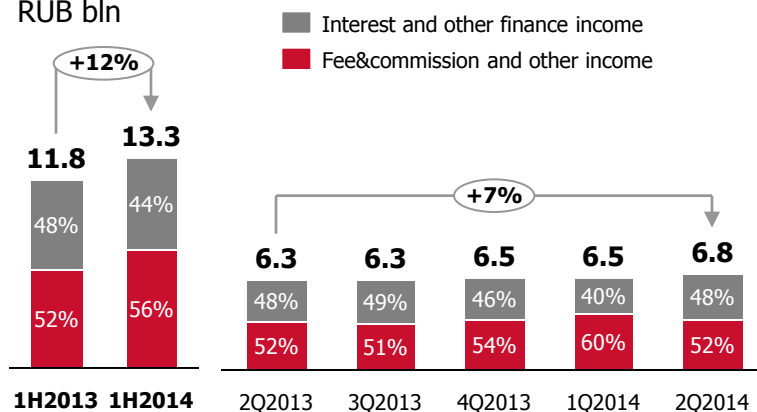
Strong operating and financial results



Financial results: operating income and net profit growth

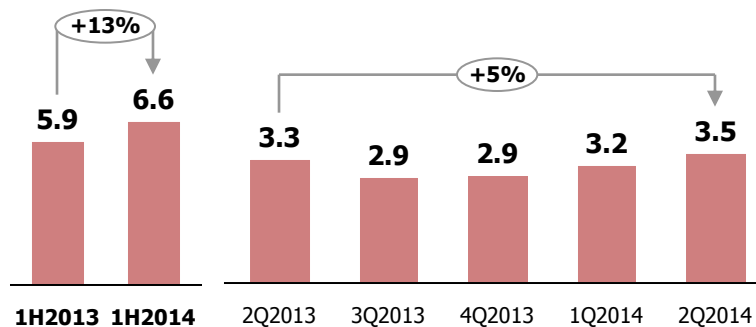
Operating income

RUB bln



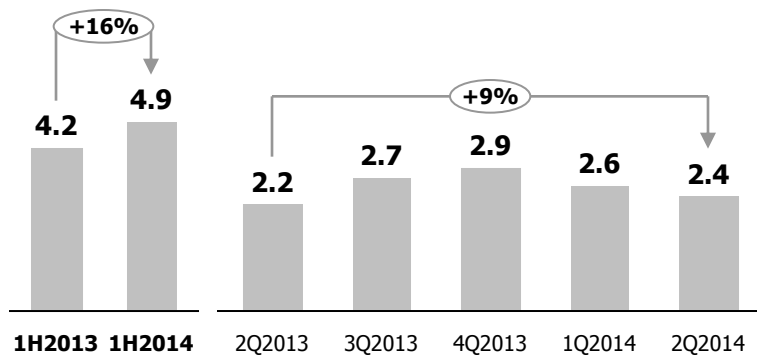
Net profit

RUB bln



Operating expenses

RUB bln



EPS and key financial ratios

	2Q2014	2Q2013	Chg
Basic EPS, RUB	1.58	1.49	+6.0% ↑
EBITDA margin	75.3%	72.1%	+320 bp ↑
Cost income ratio	35.0%	34.4%	+60 bp ↓



**MOSCOW
EXCHANGE**

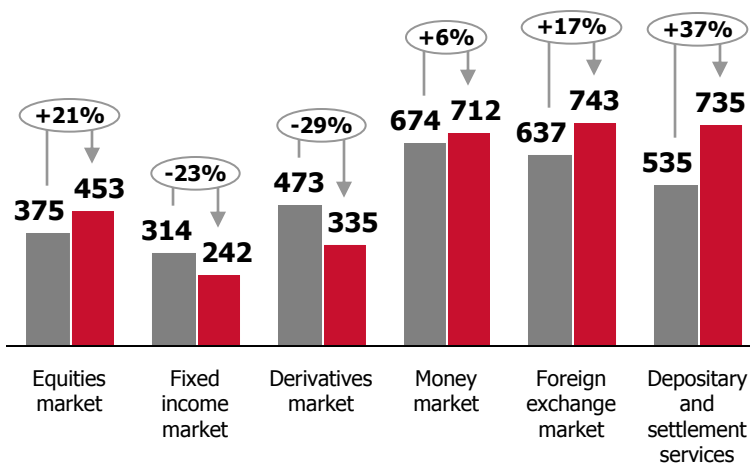
Source: Consolidated Financial Statements

Diversified fee & commission income

Fee & commission income performance

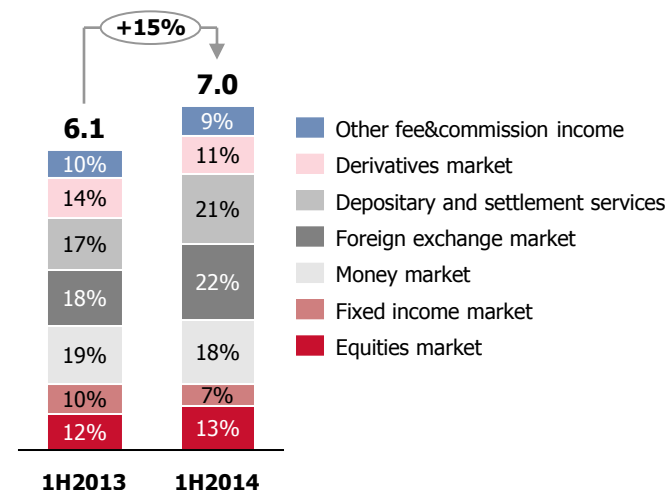
RUB mln

■ 2Q2013
■ 2Q2014



Fee & commission income breakdown

RUB bln



Comments

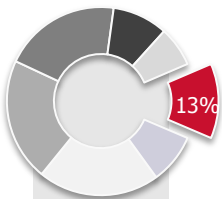
- In 2Q2014 fee & commission income remained well-diversified and grew by 7% YoY
- Lower income from fixed income and derivatives markets was more than offset by strong performance in FX market, depository and settlement services and equities market



**MOSCOW
EXCHANGE**

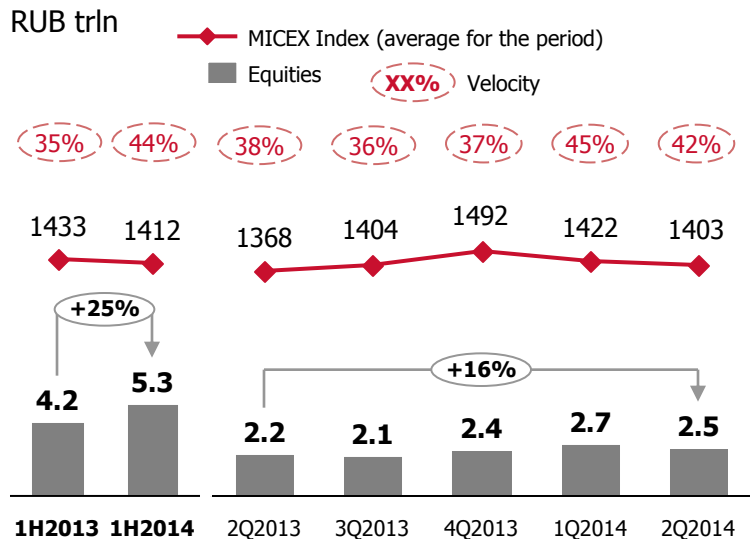
Source: Consolidated Financial Statements

Other fee&commission income mainly includes income from sale of software and technical services and information services, listing and other service fees

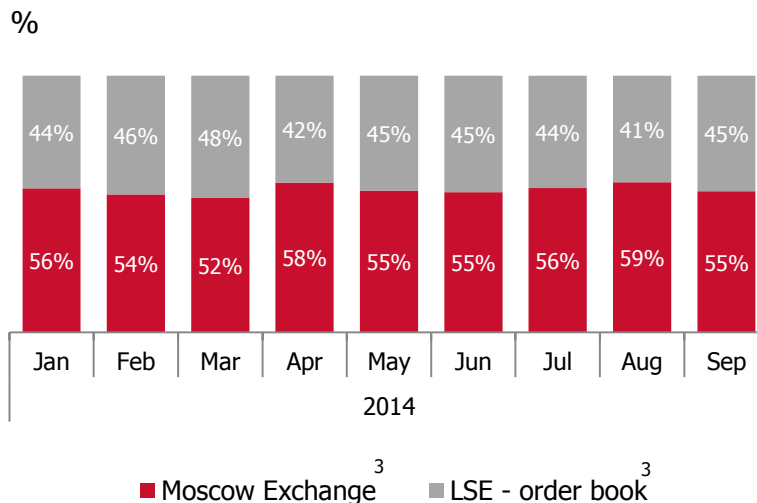


Equities Market: trading volumes and fee & commission income

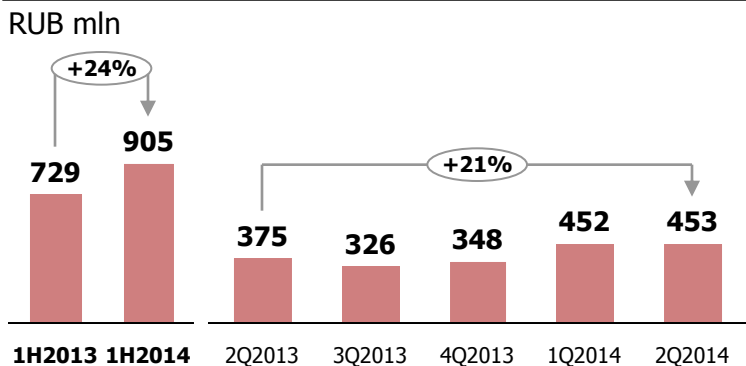
Trading volumes¹



Russian equities trading volume², MOEX vs LSE



Fee & commission income



Comments

- Trading volumes growth was largely driven by migration to T+2, while velocity increased to 42%
- MOEX market share vs LSE started to recover following low point reached in March due to risk-off environment.
- In 2Q2014 Yandex was listed on MOEX and Qiwi held an SPO both on MOEX and Nasdaq



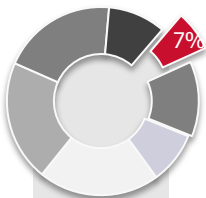
MOSCOW EXCHANGE

Source: Moscow Exchange operational information and Consolidated Financial Statements, equities and fixed income market fee&commission income for Q2 2013 was not reported in IFRS interim statements – management accounts data are used for the purposes of presentation

¹ Volumes on both primary and secondary markets

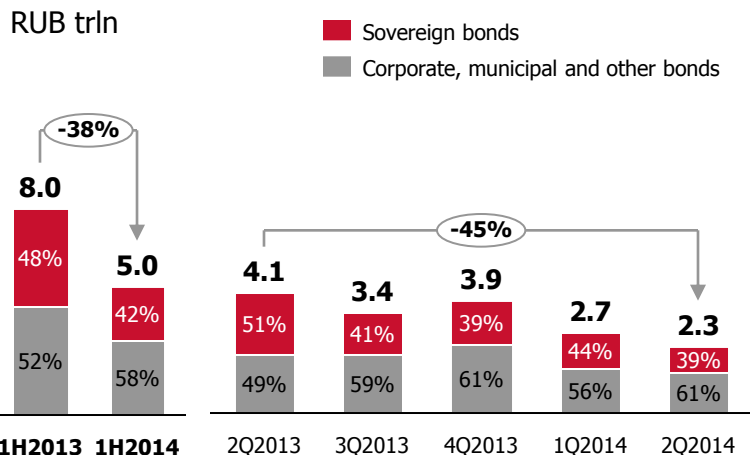
² Moscow Exchange and London Stock Exchange data for Russian dual-listed companies

³ Only electronic order book deals

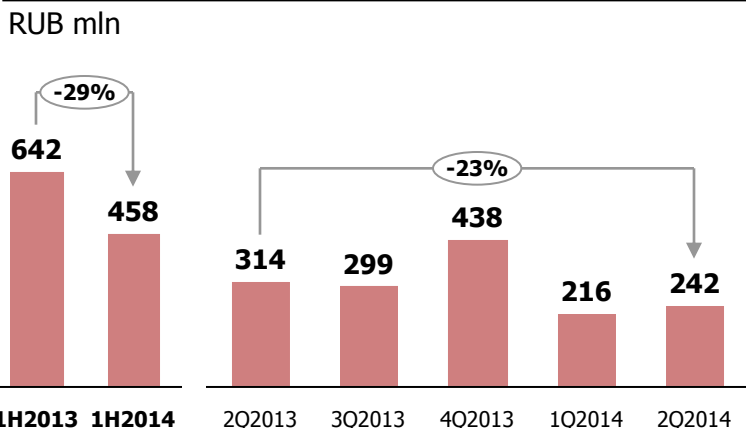


Fixed Income Market: remained under pressure

Trading volumes¹



Fee & commission income



Comments

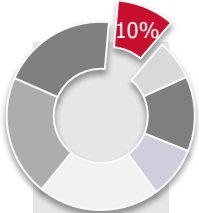
- Fixed income market trading volumes drop both in corporate and sovereign sectors as a result of higher interest rates and exchange rate volatility
- Primary placements were also affected by challenging market conditions
- However in 2Q2014 primary market volumes were up 62% QoQ, leading by new placements of MinFin, RZhD, Gazprombank, AHML, VEB and Megafon
- In 2Q2014, **50** corporate and regional issuers placed **66** bonds issues, compared to 24 corporate and regional issuers with 30 bonds issues in 1Q2014
- Going forward domestic public debt might be better positioned for growth due to lower accessibility of foreign markets and pressure on local banks capital



**MOSCOW
EXCHANGE**

Source: Moscow Exchange operational information and Consolidated Financial Statements, equities and fixed income market fee&commission income for Q2 2013 was not reported in IFRS interim statements – management accounts data are used for the purposes of presentation

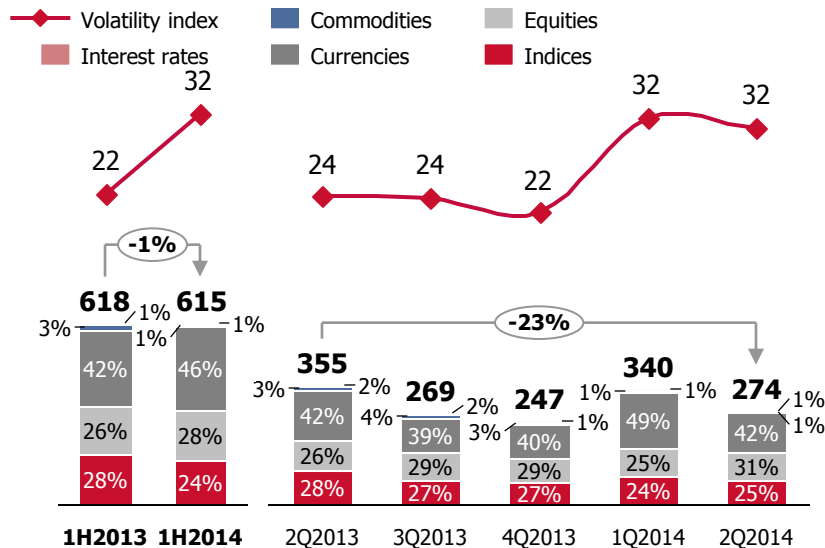
¹ Trading volumes on fixed income market include placements



Derivatives Market: growth of open interest

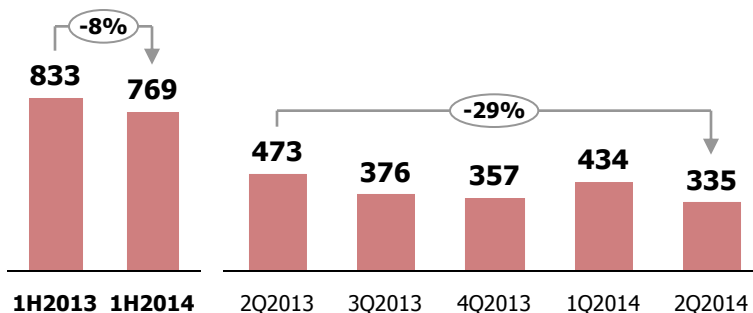
Trading volumes

millions of contracts



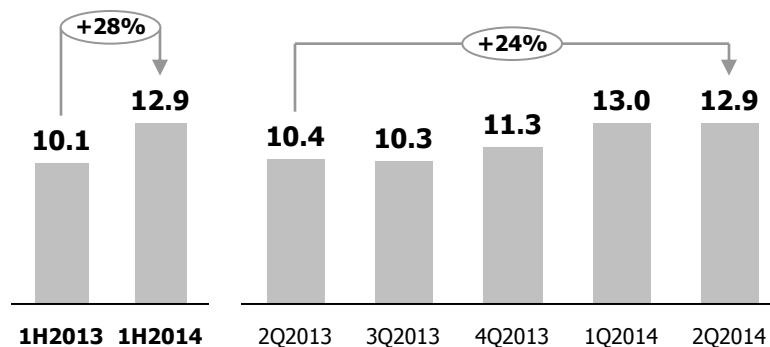
Fee & commission income

RUB mln



Open interest

millions of contracts, daily average



Comments

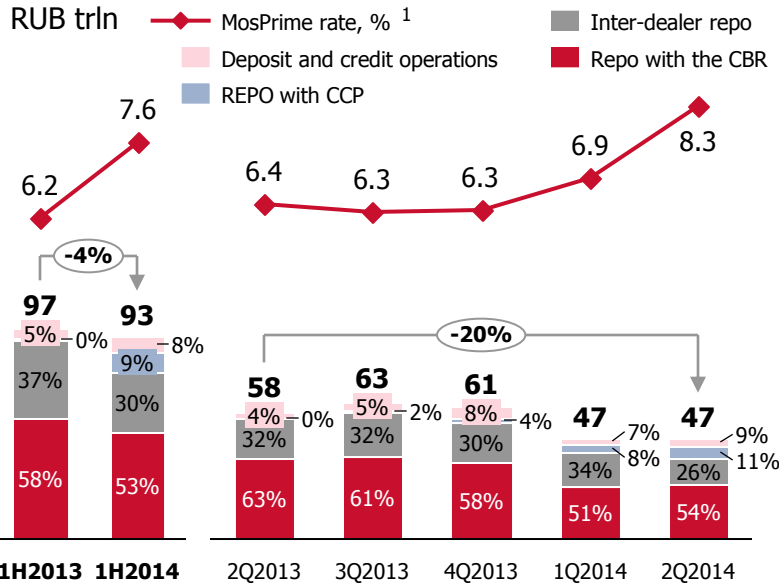
- High uncertainty and increased market risks led to "wait-and-see" position of market participants and moderately lower trading activity
- However, open interest continued to grow, mainly driven mainly by new institutional clients
- Moscow Exchange included new instruments to market maker ranking program and launched new VIX index in 2Q2014



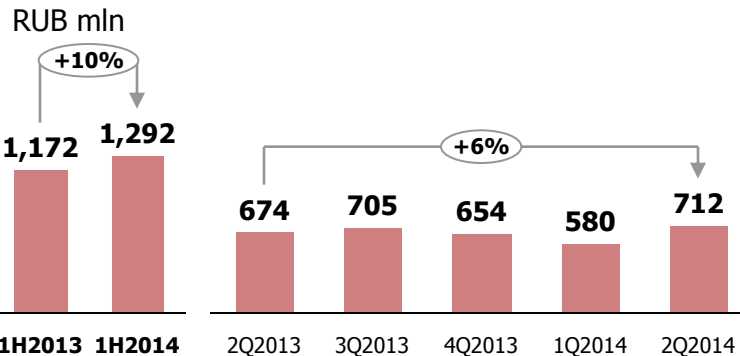
MOSCOW EXCHANGE

Money Market: healthy demand for liquidity

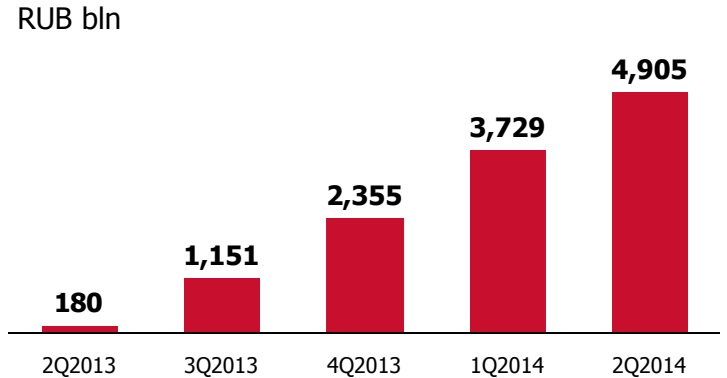
Trading volumes



Fee & commission income



REPO with CCP trading volumes

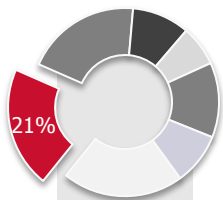


Comments

- On-exchange trading volumes contracted mainly due to the CBR shift to 1-week repo auctions instead of overnight auctions. Longer maturity resulted in higher income on transactions despite lower volumes, since both volumes and maturity are the basis for fees
- Total volumes of REPO operations (including on-exchange and REPO through NSD) remained almost flat YoY
- MOEX continued to expand collateral base for REPO: a number of depositary receipts, foreign issuers' shares and eurobonds became eligible for REPO transactions

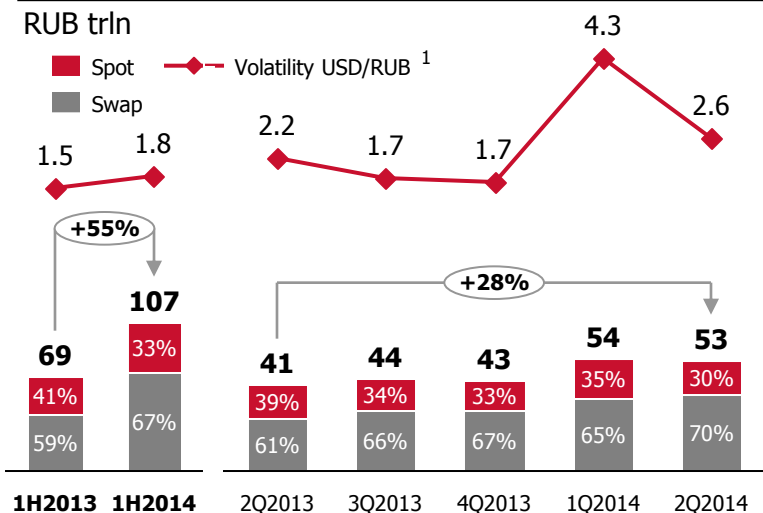


**MOSCOW
EXCHANGE**

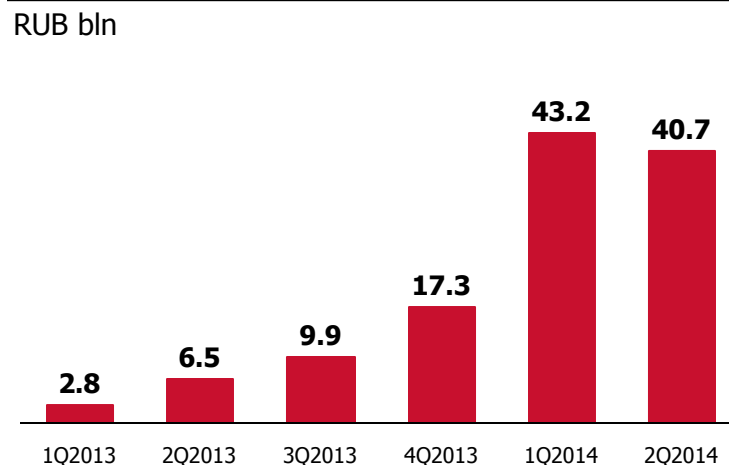


FX Market: strong growth of trading volume

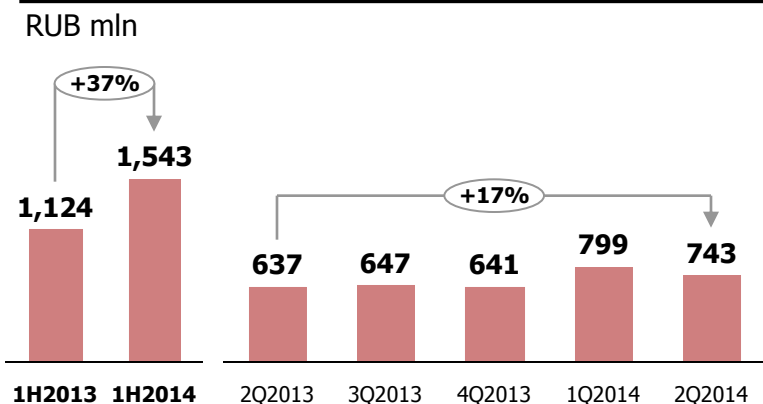
Trading volumes



CNY/RUB trading volumes

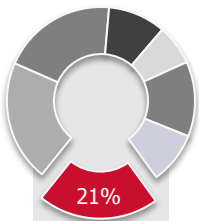


Fee & commission income



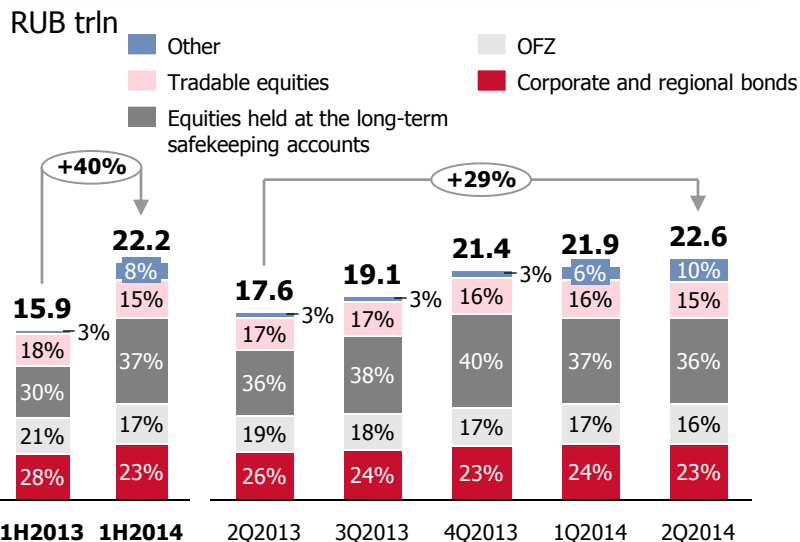
Comments

- In 2Q2014 spot trading volumes remained flat YoY, while swap trading volumes grew by 47% due to higher demand for interest rates instruments and liquidity management products
- CNY/RUB currency pair demonstrated solid 7x trading volume growth



NSD: collateral management services drive F&C growth

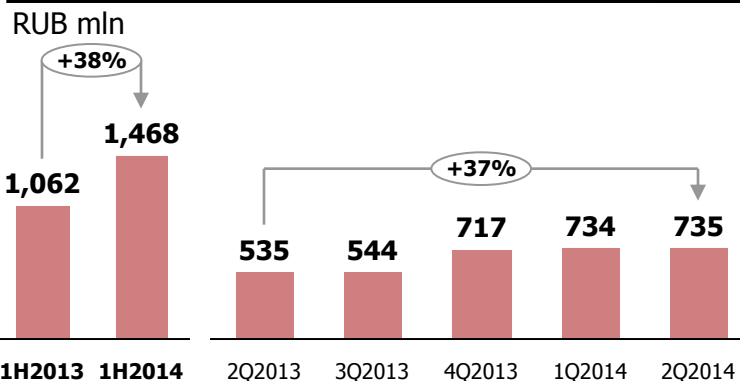
Assets in deposit (average for a period)



Comments

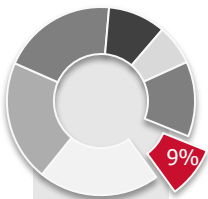
- Solid fees and commissions performance was driven by both assets under custody growth and higher number of inventory transactions in the reporting period due to strong demand for collateral management services
- Collateral management system for REPO transactions generated ~ RUB 140 mln in 2Q2014 (the same as in 1Q2014)¹
- In July the CBR granted NSD with the status of nationally important payment system

Fee & commission income



**MOSCOW
EXCHANGE**

Source: Moscow Exchange operational information and Consolidated Financial Statements
1 according to management accounts data

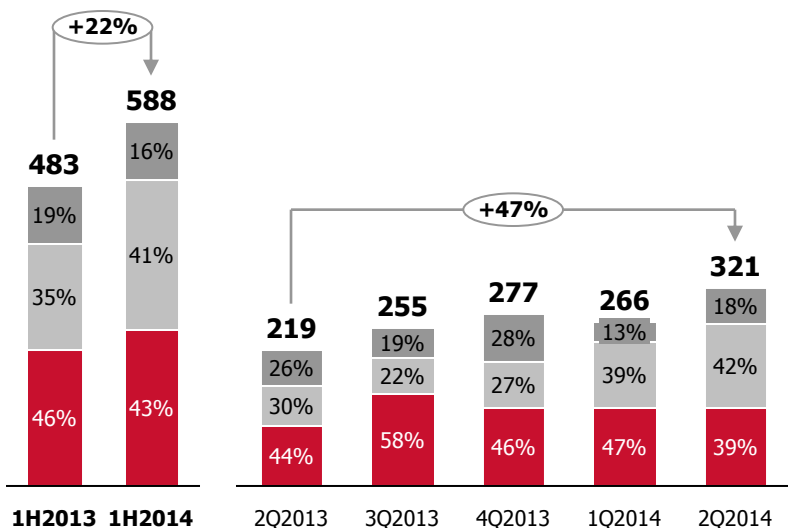


Other fee & commission income

Other fee & commission income¹

RUB mln

- Listing and other fees related to Securities market
- Information services
- Sale of software and technical services

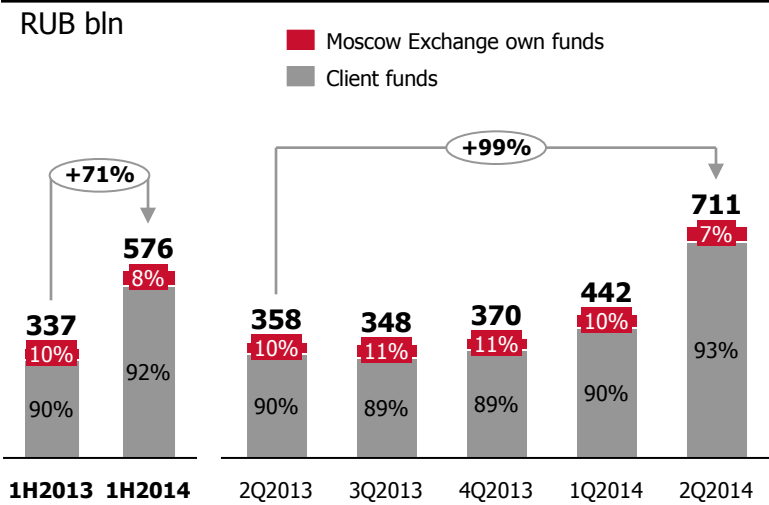


Comments

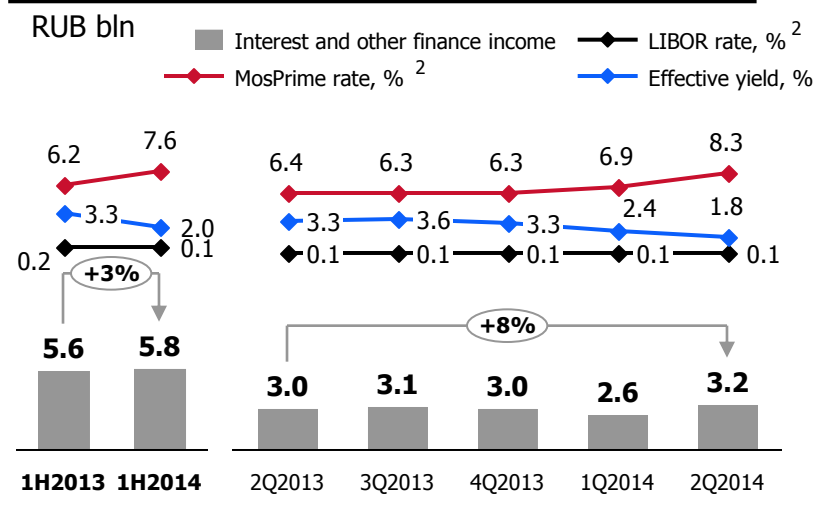
- Other fee & commission income grew by 47% YoY mainly driven by higher information services and sale of software and technical services
- Information services fees were driven by information audit and extra penalties received by the exchange from a large corporate customer
- Listing fees were flat despite of lower primary market activity, due to new tariffs following listing reform and higher bond placements in 2Q2014

Investment Portfolio: stable and sustainable revenue source

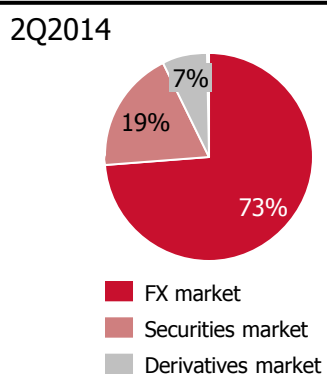
Investment portfolio¹ (average daily volume)



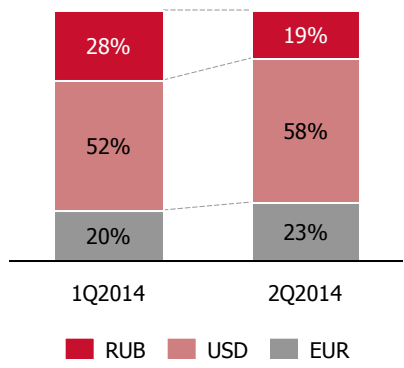
Interest income



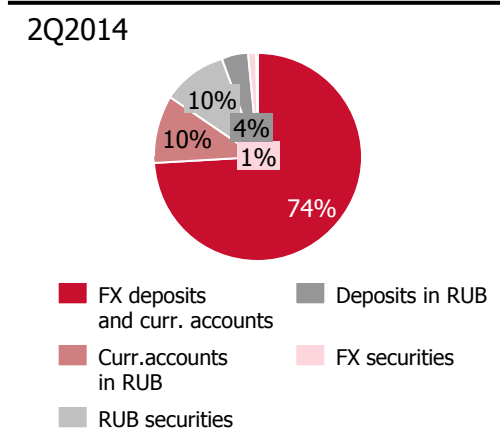
Clients funds by source



Clients funds by currency



Investment portfolio by type of asset

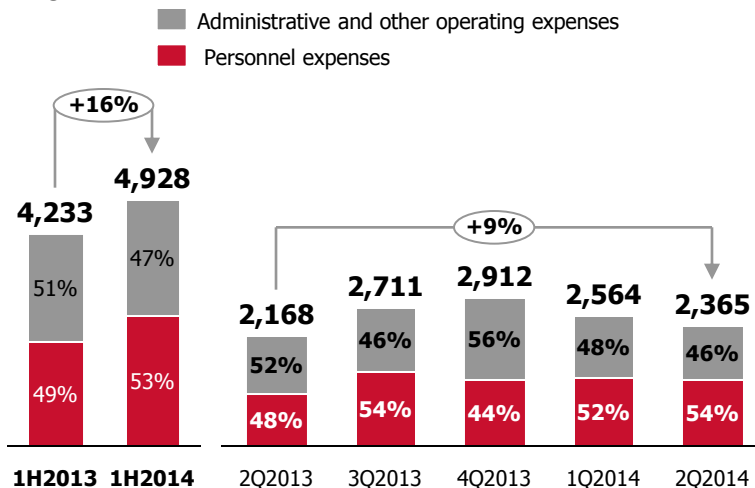


Source: NFEA, Bloomberg, Moscow Exchange operational information and Consolidated Financial Statements
 1 Based on average daily investment portfolio according to management accounts
 2 Average daily rate for the period

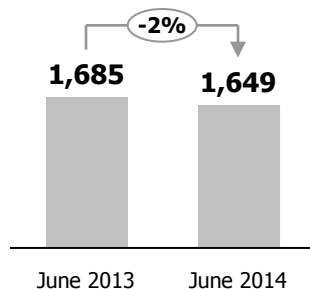
Operating expenses

Operating expenses

RUB mln



Headcount as of period end



Major expense items

RUB mln	2Q 2013	2Q 2014	Change YoY
Personnel expenses	1,042	1,287	23%
Administrative and other operating expenses, including	1,125	1,078	-4%
Amortisation of intangible assets	253	263	4%
Professional services	133	117	-12%
Market makers fees	105	62	-41%
Depreciation of property and equipment	135	126	-7%
Rent and office maintenance	105	107	2%
Taxes other than income tax	191	115	-39%
Total	2,168	2,365	9%
Cost income ratio	34.4%	35.0%	-

Comments

- Administrative expenses decreased by **4%** due to lower spending on market makers, professional services and taxes other than income tax
- Staff costs remained the major cost item, up 23% YoY, driven mainly by a low-base effect as a result of the introduction of a new methodology for bonus accruals. Part of bonuses for FY2014 were accrued in 1Q-2Q 2014, while similar expenses for the FY2013 started to be reflected in financials in the second half of 2013
- Excluding accrued bonuses, **personnel expenses declined 1%** YoY



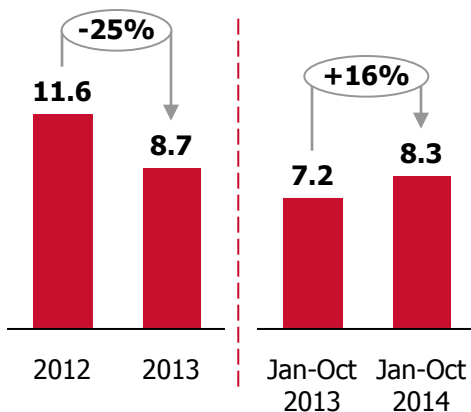
Appendix



Moscow Exchange trading volumes in 2013 and January-October 2014

Equities market

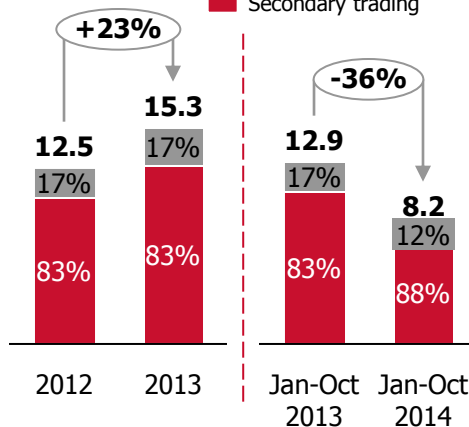
RUB trln



Fixed income market

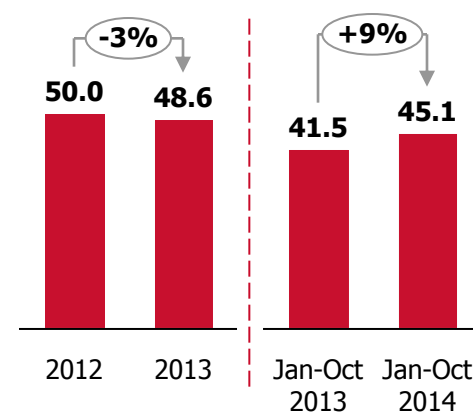
RUB trln

■ Primary market
■ Secondary trading



Derivatives market

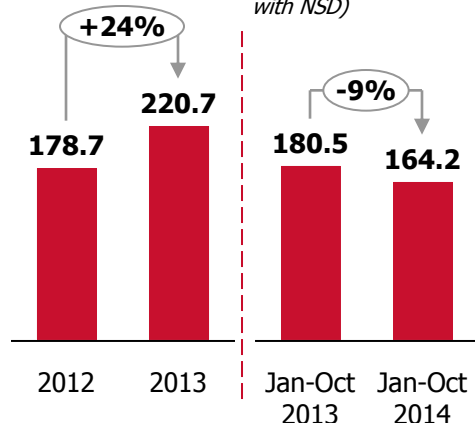
RUB trln



Money market

RUB trln

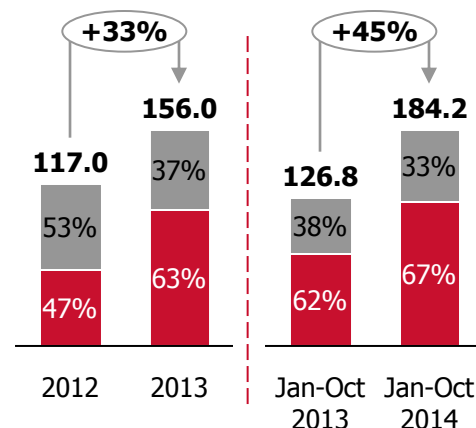
(not incl. REPO with CMS with NSD)



FX market

RUB trln

■ Spot ■ Swap



MOSCOW EXCHANGE








Source: Moscow Exchange

Liquidity center: placements held **exclusively on MOEX prevail**

IPO/SPO on Moscow Exchange¹

	Date	Deal type	Deal value	Industry
 MOSCOW EXCHANGE	February 2013	IPO	RUB 15 bln (USD 462 mln)	Finance
	July 2014	SPO	RUB 16.0 bln (USD 469 mln)	
	April 2013	SPO ²	RUB 14.7 bln (USD 453 mln)	Chemicals
	May 2013	SPO	RUB 102.5 bln (USD 3.2 bln)	Finance
	June 2013	SPO	RUB 10.6 bln (USD 327 mln)	Real Estate/Property
	June 2013	SPO	RUB 526 mln (USD 15 mln)	Mining
	August 2013	SPO	RUB 3.02 bln (USD 91 mln)	Finance
	October 2013	SPO ³	RUB 9.2 bln (USD 286 mln)	Finance
	June 2014	SPO ³	RUB 10.9 bln (USD 319 mln)	
	October 2013	SPO	RUB 19.1 bln (USD 602 mln)	Finance
	October 2013	IPO	RUB 41.3 bln (USD 1.3 bln)	Mining
	February 2014	IPO ⁴	RUB 34.3 bln (USD 952 mln)	Retail

IPO/SPO of Russian companies offshore⁵

	Date	Deal type	Deal value	Industry
	March 2013	SPO	RUB 18.6 bln (USD 607 mln)	Computers & Electronics
	April 2013	SPO ²	RUB 14.7 bln (USD 453 mln)	Chemicals
	May 2013	IPO	RUB 7.1 bln (USD 229 mln)	Finance
	October 2013	SPO ³	RUB 9.2 bln (USD 286 mln)	
	June 2014	SPO ³	RUB 10.9 bln (USD 319 mln)	Computers & Electronics
	June 2013	IPO	RUB 2.6 bln (USD 84 mln)	
	November 2013	SPO	RUB 3.1 bln (USD 96 mln)	Computers & Electronics
	October 2013	IPO	RUB 34.7 bln (USD 1.1 bln)	Finance
	February 2014	IPO ⁴	RUB 34.3 bln (USD 952 mln)	Retail

1 Not including small offerings in Innovation and Investment Market

2 FosAgro SPO was executed on both Moscow Exchange and LSE

3 QIWI SPO was executed on both Moscow Exchange and Nasdaq in October 2013 and June 2014

4 Lenta IPO was executed on both Moscow Exchange and LSE

5 Excluding dual placements marked with footnotes, Yandex SPO was executed on Nasdaq, QIWI IPO – on Nasdaq, Luxoft IPO and SPO – on NYSE, Tinkoff IPO – on LSE

MOEX Management Team successfully transformed and **focused on delivering results**



Chairman of the Executive Board and CEO
Alexander Afanasiev

Executive Board



Deputy CEO
Andrey Shemetov

- Appointed Deputy Chairman of the Moscow Exchange Executive Board in 2012



Chief Financial Officer
Evgeny Fetisov

- Appointed Chief Financial Officer (CFO) and confirmed as a member of the Executive Board of Moscow Exchange in February 2013



Chief Operating Officer
Dmitry Shcheglov

- In 2013 was appointed Executive Director of Operations at the Moscow Exchange
- Deputy Head of the Project Center for the Integration since April 2011



Chief Information Officer
Sergei Poliakov

- Joined Moscow Exchange in 2013
- Previously worked for Morgan Stanley, NatWest Securities and Deutsche Bank

Senior Management



Managing Director of Securities Market
Anna Kuznetsova

- Joined RTS in 2001 and served as Head of New Markets Development



Managing Director of Money Market
Igor Marich

- Joined MICEX in 2000
- Previously worked for Elbim Bank as Head of the Securities Division



Managing Director of Derivatives Market
Roman Sulzhik

- Previously headed Derivatives Trading Division in DB Moscow and was a Derivatives trader at J.P. Morgan



Managing Director of Risk and Clearing
Luis Vicente

- Joined NCC as Chief Risk Officer in 2013
- Previously, Risk Systems Director and Risk Management Director in Brazil's BM&F BOVESPA



Moscow Exchange's new Supervisory Board: **5** independent directors of **15** directors

	Board members	Position	NEW
	Alexey Kudrin	<i>Chairman of the Supervisory Board; Sberbank of Russia, Member of the Supervisory Board</i>	✓
	Nicola Jane Beattie	<i>Nbxc Ltd, Director/Senior Executive Director</i>	
	Mikhail Bratanov	<i>Societe Generale Group, Head of Societe Generale Securities Services for Russia and CIS; Rosbank, Head of Depository Department at Rosbank</i>	
	Yuan Wang	<i>China Development Bank, Chief Economist</i>	✓
	Anatoly Karachinsky	<i>IBS Group, Chairman of the Board</i>	
	Rainer Riess	<i>Independent Director</i>	
	Sean Glodek	<i>Russian Direct Investment Fund, Director, Member of the Executive Board</i>	
	Andrey Golikov	<i>Strana Detej, Director for Investments and Commerce</i>	
	Valery Goreglyad	<i>Bank of Russia, Chief Auditor</i>	✓
	Yuriy Denisov	<i>NCC, Deputy Chairman of the Supervisory Board</i>	
	Bella Zlatkis	<i>Sberbank, Deputy Chairman of the Management Board</i>	
	Sergey Kozlov	<i>VTB-24, Senior Vice-president, Deputy Director of Investment Department</i>	✓
	Sergey Lykov	<i>Vnesheconombank, Deputy Chairman of the Executive Board</i>	
	Kirill Shershun	<i>CentroCredit, First Deputy Chairman of the Executive Board</i>	
	Alexander Afanasiev	<i>Moscow Exchange, CEO, Chairman of the Executive Board</i>	

Superiority of local shares vs. depositary receipts

	Shares	Depositary receipts
Shares liquidity on Moscow Exchange	<ul style="list-style-type: none"> Narrower spreads Centre of liquidity: Moscow Exchange accounts for over 60% of trading volume¹ 	<ul style="list-style-type: none"> Wider spreads Lower liquidity for the majority of dual listed Russian stocks
 Holders of shares have full shareholders' rights	<p>Full shareholders' rights (in accordance with the law on joint stock companies), including:</p> <ul style="list-style-type: none"> Receipt of dividends Voting at annual shareholders meeting Preemption right for purchasing new shares Nomination of a candidate for the Board (for more than 2% shareholders) Adding items to the agenda of the annual shareholders meeting (for more than 2% shareholders) Extraordinary shareholders meeting convocation (for more than 10% shareholders) 	<p>Rights are significantly restricted:</p> <ul style="list-style-type: none"> Receipt of dividends and voting allowance at annual shareholders meeting through depositary bank
Quicker dividend payments for shares	Standard terms	Time of dividend payments is 3+ days longer
Costs of ownership is significantly higher for depositary receipts	<p>Only custodian bank tariffs</p> <p>Starting from July 7, 2014 it is possible to own shares through Clearstream, Euroclear set up expected</p>	<ul style="list-style-type: none"> Custodian bank rates (in some cases) Depositary bank rates for issuance services, maintenance, conversion and dividends payment may constitute up to 0.5% annual rate of return Special tariff upon dividends payment. The variable part for some depositary programs reaches 14% of dividends
Issues related to taxation	Not applicable	<ul style="list-style-type: none"> Currently the transaction of converting local shares to depositary receipts and vice versa may be considered as the sale of securities for taxation purposes (capital gain tax)



DR holders pay substantial **EXTRA FEES** to depositary banks

Fees to be paid to depositary bank for some of DR programs of the Russian companies

DR program		Depository Service Fee ¹ (DSF), USD per DR	Dividend Fee ² , USD per DR	Dividend Fee as % of dividend amount ³	DRs cancellations fee, USD per DR
RusHydro	BoNY Mellon	0.02	0.004	14%	0,05
TGK-1	BoNY Mellon	0.02	0.002	13%	0,05
VTB Bank	BoNY Mellon	0.03	0.009	12%	0,05
TMK	BoNY Mellon	0.02	0.01	12%	0,05
MMK	BoNY Mellon	0.02	0.012	12%	0,05
Sberbank	BoNY Mellon	0.02	0.02	8%	0,05
Gazprom	BoNY Mellon	0.02 ⁵	0.02	7%	0,05
Surgutneftgaz-p	BoNY Mellon	0.02	0.02	6%	0,05
Russian Grids	BoNY Mellon	0.02	0.02	5%	0,05
Lukoil	BoNY Mellon	0.02 ⁵	0.02	2%	0,05
Norilsk Nickel	BoNY Mellon	0.01	0.02	2%	0,05
Acron	Deutsche Bank	0.02	0.015	9%	0,05
Mechel	Deutsche Bank	0.02	0.017	8%	0,05
MTS	JP Morgan	0.01	0.03	3%	0,05
Rosneft	JP Morgan	0.03	-	n/a	0,05
Phosagro	Citi	0.02	0.01	7%	0,05
Average		0.02	0.01	8%	0,05

Gross DSF and dividend fees calculated for Top-3 international funds holding DRs of Russian companies⁴

Fund A	4 734 003 USD
Fund B	5 029 605 USD
Fund C	3 179 714 USD

Cost of cancellations all DR in portfolios to local shares for Top-3 funds

Fund A	5 808 931 USD
Fund B	5 828 632 USD
Fund C	4 376 841 USD

- Depository service fee and Dividend fee are to be paid by DR holder to the depositary bank while there are no such fees for holders of local shares
- All DRs cancellations operations are also charged 0.05 USD per DR
- DR dividend income in case of non disclosure of beneficial owners will be taxed at a 30% rate in 2014⁶

(1) Service fees are charged annually, in arbitrary date. Calculated based on number of DR on client 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 2014

(5) Data on depositary service fees for these companies are not available. Indicative numbers based on average level of depositary service fee for DR of Russian companies are used for the purposes of this presentation.

(6) Federal Law of 02.11.2013 № 306-FZ came into force January 1, 2014

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



Disclaimer

NOT FOR RELEASE OR DISTRIBUTION OR PUBLICATION IN WHOLE OR IN PART IN OR INTO THE UNITED STATES, AUSTRALIA, CANADA OR JAPAN.

• This presentation has been prepared and issued by Open Joint Stock Company "Moscow Exchange MICEX-RTS" (the "Company"). Unless otherwise stated, the Company is the source for all data contained in this document. Such data is provided as at the date of this document and is subject to change without notice. Certain industry, market and competitive position data contained in this document come from official or third party sources believed to be reliable but the Company does not guarantee its accuracy or completeness. The Company does not intend to have any duty or obligation to update or to keep current any information contained in this presentation.

• Neither the presentation nor any copy of it may be taken or transmitted into the United States of America, its territories or possessions, or distributed, directly or indirectly, in the United States of America, its territories or possessions as defined in Regulation S under the US Securities Act 1933, as amended (the "Securities Act"), except to "qualified institutional buyers" as defined in Rule 144A under the Securities Act. Any failure to comply with this restriction may constitute a violation of United States securities laws. The presentation is not an offer or sale of securities in the United States. Moscow Exchange Group has not registered and does not intend to register any securities in the United States or to conduct a public offering of any securities in the United States.

• This presentation does not constitute an advertisement or a public offer of securities in any jurisdiction. It is not intended to be publicly distributed in any jurisdiction. This document is only being made available to interested parties on the basis that: (A) if they are UK persons, they are persons falling within Articles 19 or 49 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005; or (B) they are outside the United Kingdom and are eligible under local law to receive this document. Recipients of this document in jurisdictions outside the UK should inform themselves about and observe any applicable legal requirements.

This presentation is not a prospectus for purposes of Directive 2003/71/EC (and amendments thereto, including Directive 2010/73/EU, to the extent implemented in any relevant Member State and any relevant implementing measure in the relevant Member State) (the "Prospectus Directive"). In any EEA Member State that has implemented the Prospectus Directive, this presentation is only addressed to and is only directed at qualified investors in that Member State within the meaning of the Prospectus Directive.

This presentation is not directed to, or intended for distribution to or use by, any person or entity that is a citizen or resident or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation or which would require any registration or licensing within such jurisdiction.

• This document does not constitute or form part of, and should not be construed as, an offer or invitation for the sale or subscription of, or a solicitation of any offer to buy or subscribe for, any securities, nor shall it or any part of it or the fact of its distribution form the basis of, or be relied on in connection with, any offer, contract, commitment or investment decision, nor does it constitute a recommendation regarding the securities of the Company.

• The information in this document has not been independently verified. No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy or completeness of the information or opinions contained herein. None of the Company, or any of its subsidiaries or affiliates or any of such person's directors, officers or employees, advisers or other representatives, accepts any liability whatsoever (whether in negligence or otherwise) arising, directly or indirectly, from the use of this document or otherwise arising in connection therewith.

• This presentation includes forward-looking statements. All statements other than statements of historical fact included in this presentation, including, without limitation, those regarding MOEX financial position, business strategy, management plans and objectives for future operations are forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause our actual results, performance, achievements or industry results to be materially different from those expressed or implied by these forward-looking statements. These forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which we expect to operate in the future. Important factors that could cause our actual results, performance, achievements or industry results to differ materially from those in the forward-looking statements include, among other factors:

– 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.

