FINAL TRANSCRIPT

Moscow Exchange 3Q 2014 IFRS Results Conference Call

Event Date: November 19, 2014

SUMMARY: Strong earnings were driven by growth across Moscow Exchange's highly diversified business, particularly the FX Market, depository and settlement services, as well as strong interest income.

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SERGEY KLINKOV *– Director of Investor Relations, Moscow Exchange*

Thank you. Good afternoon, everyone, and welcome to the Moscow Exchange Q3 2014 IFRS results conference call. This is Sergey Klinkov, Head of Investor Relations, and I am joined by MOEX CFO, Evgeny Fetisov. As usual, we will take you through the presentation, which is posted on our website, and then we will move to the Q&A session. Firstly, I would like to remind you that certain statements in this presentation, including the Q&A session, may relate to future events and expectations and as such constitute forward-looking statements. Actual results may differ materially from those projections. The company does not intend to update these statements to reflect the events occurring after the date of the call, prior to the next conference call.

By now you all should have received our press release containing the results for Q3. The presentation can be found in the Investor Relations section of our website. Now I will hand the call over to Evgeny Fetisov, Chief Financial Officer of Moscow Exchange. Evgeny, please go ahead.

EVGENY FETISOV *– CFO, Moscow Exchange*

Thank you, Sergey. Let us start with covering some of the most important highlights of Q3. I would like to draw your attention to slide 2. In July this year the Central Bank of Russia successfully sold down half of its stake in MOEX at 16 bn RUB. The transaction was the largest Russian SPO since Spring 2013. We were quite pleased with the investor response as the deal was several times oversubscribed despite all the headwinds in the Russian equity market these days. With the material deal size the CBR placed the shares at 60 RUB per share representing a lower-than-average discount of 7.8% to the previous day's closing price. The deal gave us an even more balanced and diverse shareholder base with new high quality investors from across Asia, the Middle East, Europe, the UK and the USA. Since 1 July, as was anticipated, Russian equities became eligible for international CSDs (Central Securities Depositories). By now both Euroclear and Clearstream have launched this service for Russian equities. We believe this is an important step to further simplify access of international investors to the Russian market and increase their interest in trading shares. Two entities of MOEX Group, the National Settlement Depository and the National Clearing Centre, have been granted status of systematically important financial infrastructure by the Central Bank of Russia. This underlines their special role in ensuring the stability of the Russian financial system. Both organisations are already subject to specific regulatory oversight. The regulator granted the Central Securities Depository status as the NSD in 2012 and the NCC was named as a Qualified Counterparty last year. Status of systematically important financial institutions also means there will be additional regulatory scrutiny of our activity and thus additional verification of reliability and transparency of our Group of companies in the interests of all market participants. Though revolutionary changes of the regulatory framework on financial markets are already behind us, we continue to see further gradual improvements in particular areas. As a good illustration, the new law FZ-218 dated 21 July this year streamlines and qualifies the realisation of shareholder rights of foreign entities which have no direct analogue in the Russian legal environment i.e. foreign pension funds or trust companies.

Also the new version of the listing rules came into force. It simplified exchange bond issue and admission of foreign securities to trading.

We continued to enhance our product lines across our markets in Q3. Among the key initiatives I would mention Eurobond submission to on-exchange trading, the launch of foreign currency REPO and further collateral extension on the money market, launch of futures on Eurobonds, and the launch of risk rebalancing service on the FX and Derivatives Markets.

Page 3, please. As you can see on the chart, this is not the first time we pass the turbulent times on the market, whether it was driven by global macro negative sentiments in the market or risk-off attitudes. But we remain confident that Moscow Exchange is the market of choice for our clients as now we are much better positioned to withstand market turbulence than during any previous crisis. Thanks to our robust infrastructure, we provide uninterrupted trading, clearing and settlement in periods of increased volatility. During times of increased volatility and higher risk environment market participants tend to make more on-exchange trades to reduce counterparty risk. To meet their needs, MOEX has one of the most capitalised CCPs in the world with a large base of committed resources to the CCP prior to any loss mutualisation on each market. Our strong risk monitoring system and flexible margin adjustments allow us to immediately react to changing circumstances and market indicators. At the heart of MOEX's risk management architecture we have full pre-trade order validation that ensures that orders are only accepted in the case there is sufficient collateral against them.

Page 4, please. Unsurprisingly, MOEX is becoming an increasingly attractive trading platform for international investors thanks to the significant upgrade and reforms that have been undertaken. It is still the case that today the majority of our fee and commission income is derived from domestic clients such as Russian banks, brokers, corporates, retail investors and funds. For example now in FX and Money Market segments, the main growth drivers in recent quarters, international investors represent only 11% and 14% of trading volumes respectively. However, their share has grown if we compare it with the numbers for 2013. This is also true for the Equities Market where the share of international investors grew from 40% of total trading volumes in 2013 to 46% for 9M 2014. As for the Derivatives Market, foreign investors' share grew from 38% to 41%. Thus our robust financial performance is driven by strong domestic trading, which remains the core, while the growing interest from foreign investors is indeed important for us and reflects the results of efforts that have been made to improve the financial market infrastructure.

Page 5, please. Coming to our financial performance, we posted another quarter of strong financial results hitting a new record in revenue and profit. MOEX's resilient business model has proved itself and continued showing growth driven by complimentary and [related] products while showing strong performance because of its stage in the economic market cycle. Operating income in Q3 increased 16% YoY to 7.3bn RUB. Operational expenses were well controlled and declined by 18% YoY to 2.2bn RUB, thanks to lower personnel costs and administrative expenses. In Q3 personnel costs again were affected by different methodology for annual bonus accrual. Starting from the beginning of this year the bonus pool is accrued evenly throughout the year while last year we made accruals only in 2H. Net profit was up 42% YoY to 4.1bn RUB, making 9M net profit up 23%. EPS grew 41% YoY to 1.82 RUB per share. EBITDA margin is reaching as high as almost 75%, namely 74.9%, which is an outstanding number. Cost-to-income was 30.5%.

Page 6, please. In Q3 2014 fee and commission income remained well diversified and grew by 13.5% YoY. A weaker performance by the Bond and Derivatives Markets was more than offset by a strong performance across all other markets, where solid growth was driven by

Depository and Settlement Services, up 41% YoY; FX Market up 26% YoY, followed by Equities (up 22% YoY) and Money Market (up 9%). The FX Market continues to be the main contributor to fee and commission income, constituting 22%, followed by Depository and Settlement Services fees (21%) and Money Market (19%).

I will now take you through the highlights of each of our markets. Equities Market: Trading volume in equities continued its upward trend, increasing 6% YoY in Q3 driven by continued positive impact from market reforms as well as high market volatility. Velocity also grew to 39%. This is a very interesting trend. At first glance, it seems to be somewhat counter-intuitive. Given all the negatives which have effected the Equities Market this year: oil price dynamics, rouble depreciation, muted macroeconomic growth, and higher interest rates, one may have expected much lower market activity. However, the market reforms completed last year brought us to an entirely different picture, with trading volumes growth of 19% YoY for 9M 2014. Fee and commission income grew by 22% YoY thanks to trading volume growth and changes in presentation of fee and commission income applied in Q2 2014, which actually better reflects fee distribution across different markets. MOEX market share vs LSE remains above 50% throughout the year despite a negative market backdrop. Strategically we believe interest in local shares vs depository receipts is set to grow as local shares are becoming a less risky and less expensive product to trade and to hold.

Now let us move to page 8. Fixed Income Market remained muted, trading volumes declined by 34% YoY, while fees and commissions were down by 28% YoY. Significant and rapid rouble depreciation coupled with interest rate growth affected primary placements. However we saw the Fixed Income Market picking up in October 2014, actually showing maximum volume of placements this year at 202bn RUB per month, reflecting the growing need for issuers to refinance the outstanding debt amid a lack of opportunities on the international capital markets and a limited supply of bank loans due to Tier 1 capital ratio constrains across the banking system.

Page 9, please. Derivatives Market trading volumes were up 20% with regard to the number of contracts, largely due to the changed historical correlation between main economic inputs: GDP growth rate, oil price, key interest rates and FX rates linkage have been distorted over the recent months. This results in a much higher demand for hedging strategies. For example, increased volatility on the FX market led to 60% YoY growth in FX derivatives trading and making it most popular product in the derivatives product line. Average open interest in Q3 reached 12.9m of contracts, up 26%YoY.

Money Market. On-exchange Money Market trading volumes declined 70% YoY, which is mainly the result of the CBR migration from 1 day REPO to 1 week REPO. In February this year the Central Bank changed its operational procedure, abolished the overnight REPO auctions and substituted them with one-week REPO auctions. The total volume of REPO transactions including OTC REPO with collateral management through NSD grew by 12% YoY. REPO with the central counterparty remained the most rapidly growing product, up 6.3 times YoY. As market players prefer to trade on-exchange to manage counterparty risk on [the back of] higher risk on the system. We continue to address market needs and enhance our product portfolio. For example, in October 2014 MOEX launched foreign currency REPO with the Central Bank and on the inter-dealer market, as well in October this year. Money Market fees and commissions increased 9% YoY during the quarter.

FX Market. In Q3 the FX Market enjoyed 26% YoY trading volume growth driven by rouble exchange rate volatility. Swap transactions volumes grew 33% YoY due to the growing demands from local banks to manage liquidity positions, while the spot market showed 14% YoY growth thanks to increased volatility. An outstanding growth of more than 9 times YoY was recorded in CNY/RUB pair and this trend continues on into Q4. The record volume of 91.8bn RUB in Q3 has been beaten in October this year, which came in at 83.5bn RUB.

NSD. Assets in deposits at the NSD increased 19% YoY in Q3, fees and commissions increased 41% YoY driven by growth of assets under custody and by higher number of inventory transactions in the reporting period due to the strong demand for collateral management services. Collateral management system for REPO transactions continued to perform well and comprised approximately 16% of total income from depository and settlement services in Q3. In July NSD was recognised as systemically important financial market infrastructure by the Central Bank of Russia and the status of nationally important CSD was granted, while its payment system was recognised as nationally important payment system.

Other fees and commissions, please. This year's other fees and commissions income increased 5% YoY mainly driven by high listing fees and income from information services. Listing fees grew 37% YoY thanks to new pricing following the completion of the listing reform. Information services were driven by information audit and extra penalties received by the exchange from corporate customers.

Interest income. The investment portfolio enjoyed strong growth of 113% YoY in 3Q reaching 743bn RUB. This was mainly driven by continued growth of average market participant balances on the FX Market. The share of non-rouble-denominated client balances was a bit higher in Q3. On average, the FX-denominated collateral comprised 77% of total client balances. Though we enjoyed the best of impact of interest rate growth on the rouble part of our portfolio, FX balances brought us relatively low yields. The growth of effective yield was 1.9%, a bit higher than in Q2. The total interest income grew by 16% YoY.

Just to reiterate: our investment policy puts liquidity and safety as a priority over […] and as such we do not take any currency risks.

Operating expenses. Operating expenses declined by 18% YoY in Q3 to 2.2bn RUB bringing costs down for 9M 2014 to just 3% growth. Personnel contracted by 18% YoY to 1.2bn RUB and remained the major cost item, comprising 54% of total costs. Administrative and other operating expenses remained under control, with lowest spending on market makers fees (down 48% YoY) and lower taxes other than income tax (down 25% YoY). These items coupled with a base effect due to impairment of investments in associates recognised in Q3 last year allowed decreasing administrative expenses by 18% YoY. We continue to expect some seasonal cost growth in Q4 however control over expenses in the reporting quarter leaves us to revise our cost guidance for this year to 3–4% growth YoY, well below the inflation level.

That wraps up my initial remarks – so now I would like to open up the call for any questions that you may have.

Operator: Thank you. As a reminder, if you wish to ask a question, please press "*1" on your telephone, and wait for your name to be announced. If you wish to cancel your request, please press the "#" key. Your first question comes from the line of Svetlana Aslanova. Please, ask your question.

SVETLANA ASLANOVA *– Analyst, VTB Capital*

Good evening, thank you very much for the presentation. I would like to ask you on your interest income. In absolute terms from what I saw from your presentation, interest-earning assets denominated in roubles increased in Q3 while current accounts in roubles declined. You said that your investment policy remains conservative, but shall we assume that you decided to invest more in Q3? Would that mean more income from your rouble-denominated account? And was this one of the reasons why the effective yields picked up in Q3? Thank you.

EVGENY FETISOV *– CFO, Moscow Exchange*

Thank you for the question. I would say that the way we see the rouble balances were basically flat QoQ, I mean Q2 over Q3. The main driver for the growth of the interest income is the interest rate. The increased interest rate provides us with a higher effective yield.

SVETLANA ASLANOVA *– Analyst, VTB Capital*

Thank you. Probably you can update us more on the current situation, the current share of foreign currency in the investment portfolio? Shall we assume further increase in foreign currency denominated funds, or probably rouble funds are growing?

EVGENY FETISOV *– CFO, Moscow Exchange*

We currently see growth in both. I mean, there was a decline in rouble balances at the end of Q1 but now we see growth in both rouble and FX balances. However the share of rouble balances is decreasing, so right now we have 84% of non-rouble client balances. Just to reiterate: we see a slight growth in rouble balances; however, its share is decreasing and it is now 16% and 84% is non-rouble.

SVETLANA ASLANOVA *– Analyst, VTB Capital*

OK, thank you very much indeed.

Operator: Your next question comes from the line of Andrew Keeley from Sberbank. Please ask your question.

ANDREW KEELEY *– Analyst, Sberbank CIB*

Good afternoon there. Thanks for the call. My first question is on your costs. Obviously, they were great in Q3. I am just wondering whether you can elaborate a bit more in terms of what surprised you or particularly pleased you on the costs front. If we look at, say, the CAPEX so far this year it seems very low and quite a bit lower than you were guiding originally. I am just wondering whether you can tell us, does this mean we can expect some of this kind of CAPEX to roll through into the next year and we can see a higher cost growth next year, to balance the lower growth this year. Thank you.

EVGENY FETISOV *– CFO, Moscow Exchange*

Thank you for the question. You are quite right, we will see some CAPEX moving forward from this year to next year as it took us longer to proceed with investments into the new data centre and into the new IT system architecture. So we expect a higher CAPEX number next year which would result in higher amortisation and depreciation. As for this year, I think it went more or less in line with what we wanted to get. I wouldn't say the surprise—the unexpected saving came from the market makers side although we still need to see the Q4 results. We definitely see the seasonal decrease in Q3 as the spending was lower than we initially anticipated.

ANDREW KEELEY *– Analyst, Sberbank CIB*

Evgeny, thanks. Could you just remind us: what your CAPEX guidance or expectations were for this year and the next couple of years? I think it was something like a billion a year but maybe you can give us a sense now of what you will be expecting in terms of CAPEX for the next year?

EVGENY FETISOV *– CFO, Moscow Exchange*

The initial CAPEX we expected was, I would say, roughly 1.5bn RUB. I would give a range of 1.4–1.6. It looks like this year it will be somewhat below 1bn for CAPEX spending, this comes as a result of some delays with investment into IT projects, as I said. We are moving ahead but not as fast as we initially planned. Some parts of that are moving to 2015 when we will have a higher CAPEX. I would not be able to give you a number right now as we are just working on the budget but that would definitely be higher than the 1bn RUB this year.

ANDREW KEELEY *– Analyst, Sberbank CIB*

OK, that is great, thank you. My second question is in terms of the capital position of NCC and NSD. I think before you mentioned something like 35bn RUB or so seen as a kind of sufficient capital level. Could you may be just tell us what the level of capital is for these two bodies now and how much further would capital, you think, they will require for the next year? Thank you.

EVGENY FETISOV *– CFO, Moscow Exchange*

All right. Yes, we still reiterate our position as we had before that: 35bn RUB is seen as an adequate level of capital for NCC. We will be doing a new calculation for the capital required for the next year early next year. Currently the capital for NCC is 36.7bn RUB. However, one needs to take into account that NCC is one of the entities that keeps most of the retained earnings of the group so before we calculate the capital we need to account for the dividends that NCC will pay to MOEX, for MOEX to pay its dividends to the shareholders next year.

ANDREW KEELEY *– Analyst, Sberbank CIB*

OK, so we can probably have an idea some time early next year in terms of the next three years?

EVGENY FETISOV *– CFO, Moscow Exchange*

Yes, we expect that we will do this exercise in Q1 and basically before we make recommendations to the Supervisory Board in terms of the amount of dividends that the company can pay, we will have this calculation in place.

ANDREW KEELEY *– Analyst, Sberbank CIB*

Great, thank you. And just one quick final question: in terms of demand from the one-year FX REPO. Early this week it was very weak. I am just wondering, if I understand it correctly that one of the factors was kind of technical issues in terms of technical requirements making it quite difficult for banks. Can you comment on that? Are there any plans to change that so there will be more demand for this longer-term FX REPO?

EVGENY FETISOV *– CFO, Moscow Exchange*

I will try to give my comment although market people do this better and in more detail. The way we see it this: one of the reasons it is actually lower than expected demand for the dollar liquidity – it looks like there is sufficient liquidity in the banking system. The second thing is that yes, indeed, the REPO when the collateral should be pledged for one year, maybe, is not something, I would say, that is popular at this point of time.

ANDREW KEELEY *– Analyst, Sberbank CIB*

OK, all right. Thanks very much, Evgeny.

Operator: Your next question comes from the line of Michael Shlemov from UBS. Please ask your question.

MICHAEL SHLEMOV *– Analyst, UBS*

Evgeny, Sergey, good evening. Congratulations on the great results. A couple of questions from me. First of all, to follow up on Andrew's question about this one-year FX REPO: We were mentioning that there are issues with potential switch of the collateral during the duration of the deal and it is actually something which you should be fixing. Do you have any timeline when this could be addressed? Possibly this or early next year? The second question is about the net interest income, specifically about the FX side of it. I have noticed that there was quite a switch in terms of FX client funds from dollars into euros. What kind of impact did it have on average interest rates which you have seen in the hard currency and basically at what interest rate you are able now to place overnight FX liquidity with Russian banks? Thank you.

EVGENY FETISOV *– CFO, Moscow Exchange*

Your first question needs a more detailed follow-up on of this particular product developed. I do not have it in my head right now so we will need to follow-up the Money Market people and get back to you on this one, Michael.

MICHAEL SHLEMOV *– Analyst, UBS*

OK, that is fine.

EVGENY FETISOV *– CFO, Moscow Exchange*

As for the average rates, I would say that in terms of euros we are making it close to zero. Fluctuation of the amount of euro balances which we have on our books does not really affect us. So we are more or less indifferent in terms of how much euros we are getting. As for the dollar funds I have to admit that as we said we are fairly limited in terms of the instruments or counter budgets we can use for placing our dollar or rouble balances. So most of the dollars we have are staying with the corresponding accounts with the largest international banks, so the yields which we are producing are at a fair level.

MICHAEL SHLEMOV *– Analyst, UBS*

Evgeny, thank you very much for this. In terms of the US Dollar overnight perhaps you could give indication to what part of book is placed with the local banks and how the yields actually changed in Q3.

EVGENY FETISOV *– CFO, Moscow Exchange*

I would say, it is a fairly insignificant amount. So I would say it is irrelevant, Michael.

MICHAEL SHLEMOV *– Analyst, UBS*

OK. Thank you.

Operator: Your next question comes from the line of Alex Kantarovich from JP Morgan. Please ask your question.

ALEX KANTAROVICH *– Analyst, JP Morgan*

Hello. Thank you. Looks like a great quarter, judging by 9M results that are likely to beat consensus if you believe Bloomberg numbers. I recall you saying that the ideology of your dividend payout policies is to return unused cash, cash that is not needed for CAPEX, to shareholders. And with 1bn or maybe 1.5bn RUB obviously the cash generation is much higher. So I again want to return to the topic of potentially exceeding the dividend payout schedule that you pledged during the IPO 2014, I recall, it is 50%. Can we please get some colour on this?

EVGENY FETISOV *– CFO, Moscow Exchange*

Thank you for your question, Alex. I am very tempted to tell you that yes, we will, but I have to be very conservative due to my role. We have a policy in place, which says that we will pay out a minimum of 50% of the results of this year. And I am sure we will. As for the overall approach, I would have to admit, I would reiterate that the Board's approach and the management approach is that we will be paying out any extra cash that we have post our CAPEX and capitalisation requirements of NCC. With NCC we have discussed it, we still have the current target in place, which is 35bn RUB, we will review it early next year. As for the CAPEX programme, we are working on the budget right now. It will be in excess of… I would say it will be well in excess of 1bn RUB, maybe higher and closer to 2bn RUB. We will need to see that. I mean, we will have to do this calculation and see how much we can reasonably digest and then we will do the calculation of how much cash will be returned to the shareholders and do our recommendation to the Board. I hope I have answered your question.

ALEX KANTAROVICH *– Analyst, JP Morgan*

Yes, thanks. Thanks for reiterating on the pledge again. It is very important. Thank you.

Operator: Your next question comes from the line of Anil Sharma from Morgan Stanley. Please ask your question.

ANIL SHARMA *– Analyst, Morgan Stanley*

Hi. I have a couple of questions, actually. The first one is on the costs. If I take your 9M numbers annualised, it looks like you are actually going to be down in YoY costs terms, down for 5–6%. Whereas your fees are regarded to go up 3–4%. I am wondering what it is within the admin line that you anticipate such a material pick-up. The market-maker fees have been pretty steady for the three quarters. Just wondering, what is in it (that is, QoQ)?

Secondly it is on the invest portfolio: 743bn RUB in Q3. Where is that number now? Because I imagine it has probably gone down with banks having to use their funds so I want to kind of check, where we are.

And then the final one, just a follow-up on the capital, actually. To check what way we should think about that. You have got an AGM early next year so for this year 50% will be a sensible payout but opposed to AGM in May next year you may get some revision of the policy, is that kind of the way you think about it?

EVGENY FETISOV *– CFO, Moscow Exchange*

Thank you for your questions, Anil. Starting with your first question, I would say we did not revise the guidance up, quite on the contrary. So previously we were saying that our cost floors would be 6–7% and we will try to keep it below the inflation level. Right now we are saying that the cost growth floor will be 3–4% YoY for 2014FY.

ANIL SHARMA *– Analyst, Morgan Stanley*

That is right, I get that. What I do not understand is why you expect it to grow at all. Surely, it looks like the costs will be lower YoY. So I am just wondering what it is.

EVGENY FETISOV *– CFO, Moscow Exchange*

We still do not see, I would say, the full visibility of market making spending as well as how much CAPEX we will do this year, how much of that we will translate into the taxes other than income tax. We will also need to see how much we spend on marketing as we have some space in the budget, like we said, so we may be conservative there but this is the way we see this at this point of time.

ANIL SHARMA *– Analyst, Morgan Stanley*

Understood, thank you.

Evgeny Fetisov: On the net interest income and amount of funds: right now we see a climb down as we turn somewhere at the level of 850+, which is recent and does not influence the average numbers of the quarter. But so far we have seen the growth in numbers which is driven by gaining growth and trading volume across the market. Driven mostly by derivatives, in effect.

ANIL SHARMA *– Analyst, Morgan Stanley*

Thank you.

EVGENY FETISOV *– CFO, Moscow Exchange*

On the AGM, on the post-revision: it will definitely come into place as our current dividend balance expires next year, so we will have to have a new formal policy. The Supervisory Board will recommend a new policy which we will adhere to.

ANIL SHARMA *– Analyst, Morgan Stanley*

Thank you.

Operator: Your next question comes from the line of Dmitry Trembolovsky from Goldman Sachs. Please ask your question.

DMITRY TREMBOVOLSKY *– Analyst, Goldman Sachs*

Hi. Most of my questions have been answered. There are just a couple of things I wanted to check with you. One is on the net interest income: is it fair to assume that Q4 will be stronger given the increase in Central Bank rates which we have seen recently? I will follow up with the second one.

EVGENY FETISOV *– CFO, Moscow Exchange*

I would say yes and no. We will still be… I mean, the answer is two-fold. First of all, yes, there is the direct translation of the higher interest rate into the P&L, but then there are certain portfolio regulations which we will see as a result of the changing yield curve. So I would say that Q1 will probably be better in terms of the translation of higher interest rates in the portfolio. I would say we should be reasonably… I mean, we should expect there will be a stable to high interest income in Q4.

DMITRY TREMBOVOLSKY *– Analyst, Goldman Sachs*

So you say “stable to high”, is it in nominal amount or what?

EVGENY FETISOV *– CFO, Moscow Exchange*

Could you repeat the question, please?

Dmitry Trembolovsky: No, I just did not get the answer. So you were saying that in Q4 the net interest income will be stable or higher, or you did not say that?

EVGENY FETISOV *– CFO, Moscow Exchange*
Yes, that is what I have said.

Dmitry Trembolovsky: OK. You have also said that despite the fact that the REPO rates were increased, there are certainly limitations in the portfolio meaning that you are going to be investing in the portfolio in the certain way which will not fully translate this increase in your margins?

EVGENY FETISOV *– CFO, Moscow Exchange*
That is correct.

DMITRY TREMBOVOLSKY *– Analyst, Goldman Sachs*

I see, understood. Is there any news on this extra, I would say, commission or fee that you wanted to charge for the ability to hold FX reserves instead of rouble?

EVGENY FETISOV *– CFO, Moscow Exchange*
No news so far. We are ready to, we have processed this internally. We have amended the rules to be able to charge that. However the market situation has changed. We do not need to do this at this point of time.

DMITRY TREMBOVOLSKY *– Analyst, Goldman Sachs*

So this is now completely cancelled or what?

EVGENY FETISOV *– CFO, Moscow Exchange*
It is not cancelled, it is something which we will be thinking about using if and when it is required. Right now the change in the interest environment allows us not to implement that.

DMITRY TREMBOVOLSKY *– Analyst, Goldman Sachs*

OK. But that was approved by all the committees and now it is the management decision or what is it? I mean it has expressed all the relevant volumes you have on the exchange, or not yet?

EVGENY FETISOV *– CFO, Moscow Exchange*
I would say not all of them, but 80%. It is very close for us to be able to implement this but as I said it is not what we see right now as required.

DMITRY TREMBOVOLSKY *– Analyst, Goldman Sachs*

All right. Understood. Thank you very much, this is it.

Operator: As a reminder: if you wish to ask a question, please press “*1” on your telephone and wait for your name to be announced. If you wish to cancel you request, please press the “#” key.

There are no further questions at this time. Please continue.

EVGENY FETISOV *– CFO, Moscow Exchange*

All right. If we have no further questions, I think at this point we may complete our call. Everybody, thank you for your participation and if you have any further follow-up, please feel free to contact us. Thank you.