

**Balance Sheet**  
as of 31 December 2015

Entity Public Joint-Stock Company "Moscow Exchange MICEX-RTS"  
Taxpayer Identification Number \_\_\_\_\_  
Type of economic activity Activity on organising the trading on financial markets  
Form of incorporation/form of ownership \_\_\_\_\_  
/ Private ownership

Measurement unit: RUB, thousand

Location (address)

13, Bolshoy Kislovsky per., Moscow, 125009

Codes			
OKUD	0710001		
Date (DDMMYY)	31	12	2015
OKPO	11538317		
INN	7702077840		
OKVED	67.11		
OKOPF/OKFS	47	16	
OKEI	384		

Notes	Item name	Code	As of 31 Dec 2015	As of 31 Dec 2014	As of 31 Dec 2013
	<b>ASSETS</b>				
	<b>I. NON-CURRENT ASSETS</b>				
1	Intangible assets	1110	325 091	259 142	231 044
	R&D results	1120	-	-	-
	Intangible development assets	1130	-	-	-
	Tangible development assets	1140	-	-	-
2	Property, plant and equipment	1150	2 392 027	1 772 169	1 870 270
	Income-bearing investments in tangible assets	1160	-	-	-
3	Financial investments	1170	55 873 669	62 278 669	62 763 212
	Deferred tax assets	1180	528	598	1 322
2.2	Other non-current assets	1190	721 112	424 840	399 404
	Total for Section I	1100	59 312 427	64 735 418	65 265 252
	<b>II. CURRENT ASSETS</b>				
4	Inventories	1210	10 905	7 876	10 848
	Value added tax on purchased assets	1220	19 403	13 143	15 061
5	Accounts receivable	1230	486 377	775 019	575 639
3	Financial investments (excluding cash equivalents)	1240	41 577	2 461 577	3 541 577
	Cash and cash equivalents	1250	3 590 691	849 519	1 195 325
	Other current assets	1260	104	6	5 359
	Total for Section II	1200	4 149 057	4 107 140	5 343 809
	<b>BALANCE</b>	1600	63 461 484	68 842 558	70 609 061

Notes	Item	Code	as of 31 Dec 2015	as of 31 Dec 2014	as of 31 Dec 2013
	<b>LIABILITIES</b>				
	<b>III. CAPITAL AND RESERVES</b>				
	Authorized capital (joint-stock capital, authorized fund, contributions of partners)	1310	2 278 636	2 278 636	2 378 489
	Treasury stock	1320	-	-	-
	Revaluation of non-current assets	1340	1 660	1 722	4 083
	Capital surplus (excluding revaluation)	1350	43 159 127	43 159 127	48 551 170
	Reserve capital	1360	118 924	118 924	118 924
	Retained earnings (uncovered loss)	1370	16 201 743	19 605 002	18 558 502
	<b>Total for Section III</b>	<b>1300</b>	<b>61 760 090</b>	<b>65 163 411</b>	<b>69 611 168</b>
	<b>IV. NON-CURRENT LIABILITIES</b>				
	Borrowings	1410	-	-	-
	Deferred tax liabilities	1420	94 559	74 821	68 283
	Provisions for contingent liabilities	1430	-	-	-
	Other liabilities	1450	-	-	-
	<b>Total for Section IV</b>	<b>1400</b>	<b>94 559</b>	<b>74 821</b>	<b>68 283</b>
	<b>V. CURRENT LIABILITIES</b>				
	Borrowings	1510	-	2 141 154	-
5	Accounts payable	1520	413 559	325 323	228 197
	Unearned revenue	1530	-	-	-
7	Provisions for contingent liabilities	1540	1 187 434	1 134 793	701 413
	Other liabilities	1550	5 842	3 056	-
	<b>Total for Section V</b>	<b>1500</b>	<b>1 606 835</b>	<b>3 604 326</b>	<b>929 610</b>
	<b>BALANCE</b>	<b>1700</b>	<b>63 461 484</b>	<b>68 842 558</b>	<b>70 609 061</b>

CEO \_\_\_\_\_  
(signature)

**Alexander Afanasiev**  
(printed name)

15 March 2016

**P&L statement**  
January – December 2015

Entity Public Joint-Stock Company "Moscow Exchange MICEX-RTS"  
 Taxpayer Identification Number \_\_\_\_\_  
 Type of economic activity Activity on organising the trading on financial markets  
 Form of incorporation/form of ownership \_\_\_\_\_  
 / **Private ownership**  
 Measurement unit: RUB, thousand

Codes			
OKUD	0710002		
Date (DDMMYY)	31	12	2015
OKPO	11538317		
INN	7702077840		
OKVED	67.11		
OKOPF /OKFS	47	16	
OKEI	384		

Notes	Item name	Code	Jan-Dec 2015	Jan-Dec 2014
	Revenue	2110	6 649 034	5 749 974
6	Cost of goods sold	2120	(5 665 577)	(4 882 380)
	Gross profit (loss)	2100	983 457	867 594
	Selling expenses	2210	-	-
	Administrative expenses	2220	-	-
	Profit (loss) on sales	2200	983 457	867 594
	Profit from interest in other entities	2310	5 071 291	5 580 962
	Interest receivable	2320	101 504	159 039
	Interest payable	2330	(7 225)	(135 541)
	Other income	2340	1 932 096	1 612 642
	Other expenses	2350	(2 435 784)	(1 232 669)
	Profit (loss) before taxes	2300	5 645 339	6 852 027
	Current income tax	2410	(210 558)	(378 268)
	including permanent tax liabilities (assets)	2421	(898 704)	(984 875)
	Adjustment of deferred tax liabilities	2430	(19 737)	(6 538)
	Adjustment of deferred tax assets	2450	(69)	(725)
	Other	2460	27	799
	Net profit (loss)	2400	5 415 002	6 467 295

Notes	Item name	Code	Jan-Dec 2015	Jan-Dec 2014
	Result from revaluation of non-current assets, not included in the net profit (loss) of the period	2510	(62)	(2 361)
	Result from other operations, not included in the net profit (loss) of the period	2520	-	-
	Total profit/loss of the period	2500	5 414 940	6 464 934
	For reference			
	Basic earnings (loss) per share	2900	-	-
	Diluted earnings (loss) per share	2910	-	-

CEO \_\_\_\_\_  
(подпись)

**Alexander Afanasiev** \_\_\_\_\_  
(расшифровка подписи)

15 March 2016 \_\_\_\_\_

**Statement of change in equity**  
for January-December 2015

Entity Public Joint-Stock Company "Moscow Exchange MICEX-RTS"  
 Taxpayer Identification Number \_\_\_\_\_  
 Type of economic activity Activity on organising the trading on financial markets  
 Form of incorporation/form of ownership Private ownership  
 Measurement unit: RUB, thousand

Codes		
OKUD	0710003	
Date (DDMMYY)	31	12 2015
OKPO	11538317	
INN	7702077840	
OKVED	67.11	
OKOPF/OKFS	47	16
OKEI	384	

**1. Capital flow**

item name	Code	Authorised capital	Treasury stock	Additional capital	Reserve funds	Retained earnings (uncovered loss)	Total
Equity as of 31 Dec 2013	3100	2 378 489	-	48 555 253	118 924	18 558 502	69 611 168
for 2014							
Increase in equity - total:	3210	-	-	-	-	6 469 656	6 469 656
including:							
net profit	3211	X	X	X	X	6 467 295	6 467 295
asset revaluation	3212	X	X	-	X	2 361	2 361
earnings directly attributed to increase in equity	3213	X	X	-	X	-	-
additional issue of shares	3214	-	-	-	X	X	-
share par-value increase	3215	-	-	-	X	-	X
corporate restructuring	3216	-	-	-	-	-	-
	3217	-	-	-	-	-	-
Decrease in equity - total:	3220	(99 853)	-	(5 394 404)	-	(5 423 156)	(10 917 413)
including:							
loss	3221	X	X	X	X	-	-
asset revaluation	3222	X	X	(2 361)	X	-	(2 361)
expenses directly attributable to decrease in equity	3223	X	X	(5 392 043)	X	-	(5 392 043)
share par-value decrease	3224	-	-	-	X	-	-
decrease in the number of shares	3225	(99 853)	-	-	X	-	(99 853)
corporate restructuring	3226	-	-	-	-	-	-
dividend	3227	X	X	X	X	-5423155853	(5 423 156)

Item name	Code	Authorised capital	Treasury stock	Additional capital	Reserve funds	Retained earnings (uncovered loss)	Total
Change in additional capital	3230	X	X	-	-	-	X
Change in reserve funds	3240	X	X	X	-	-	X
	3245	-	-	-	-	-	-
Equity as of 31 Dec 2014 for 2015	3200	2 278 636	-	43 160 849	118 924	19 605 002	65 163 411
Increase in equity - total:	3310	-	-	-	-	5 415 064	5 415 064
including:							
net profit	3311	X	X	X	X	5 415 002	5 415 002
asset revaluation	3312	X	X	-	X	62	62
earnings directly attributed to increase in equity	3313	X	X	-	X	-	-
additional issue of shares	3314	-	-	-	X	X	-
share par-value increase	3315	-	-	-	X	-	X
corporate restructuring	3316	-	-	-	-	-	-
	3317	-	-	-	-	-	-
Decrease in equity - total:	3320	-	-	(62)	-	(8 818 323)	(8 818 385)
including:							
loss	3321	X	X	X	X	-	-
asset revaluation	3322	X	X	(62)	X	-	(62)
expenses directly attributable to decrease in equity	3323	X	X	-	X	-	-
share par-value decrease	3324	-	-	-	X	-	-
decrease in the number of shares	3325	-	-	-	X	-	-
corporate restructuring	3326	-	-	-	-	-	-
dividend	3327	X	X	X	X	(8 818 323)	(8 818 323)
Change in additional capital	3330	X	X	-	-	-	X
Change in reserve funds	3340	X	X	X	-	-	X
	3345	-	-	-	-	-	-
Equity as of 31 Dec 2015	3300	2 278 636	-	43 160 787	118 924	16 201 743	61 760 090

**2. Adjustments due to changes in accounting policies and correction of errors**

Item name	Code	as of 31 Dec 2013	Changes in equity for 2014		as of 31 Dec 2014
			attributable to net profit (loss)	attributable to other factors	
<b>Equity - total</b>					
before adjustments	3400	69 611 168	6 467 295	(10 915 052)	65 163 411
adjustments due to:					
changes in accounting policies	3410	-	-	-	-
correction of errors	3420	-	-	-	-
after adjustments	3500	69 611 168	6 467 295	(10 915 052)	65 163 411
including:					
Retained earnings (uncovered loss):					
before adjustments	3401	18 558 502	6 467 295	(5 420 795)	19 605 002
adjustments due to:					
changes in accounting policies	3411	-	-	-	-
correction of errors	3421	-	-	-	-
after adjustments	3501	18 558 502	6 467 295	(5 420 795)	19 605 002
before adjustments	3402	-	-	-	-
adjustments due to:					
changes in accounting policies	3412	-	-	-	-
correction of errors	3422	-	-	-	-
after adjustments	3502	-	-	-	-

**3. Net assets**

Item name	Code	as of 31 Dec 2015	as of 31 Dec 2014	as of 31 Dec 2013
Net assets	3600	61 760 090	65 163 411	69 611 168

CEO \_\_\_\_\_  
(signature)**Alexander Afanasiev**  
(printed name)\_\_\_\_\_  
15 March 2016

**Cash flow statement**  
January-December 2015

Entity **Public Joint-Stock Company "Moscow Exchange MICEX-RTS"**  
 Taxpayer Identification Number \_\_\_\_\_  
 Type of economic activity **Activity on organising the trading on financial markets**  
 Form of incorporation/form of ownership \_\_\_\_\_  
 / **Private ownership**  
 Measurement unit: RUB, thousand

Codes	
OKUD	<b>0710004</b>
Date (DDMMYY)	<b>31 12 2015</b>
OKPO	<b>11538317</b>
INN	<b>7702077840</b>
OKVED	<b>67.11</b>
OKOPF /OKFS	<b>47 16</b>
OKEI	<b>384</b>

Item name	Code	Jan-Dec 2015	Jan-Dec 2014
<b>Cash flows from current operations</b>			
Cash inflows – total	4110	10 794 276	11 268 348
including:			
from sale of products, goods, works and services	4111	6 395 324	5 832 254
rent, license payments, royalty, fees and commissions, and other similar payments	4112	259 973	280 089
resale of financial investments	4113	-	-
from short-term financial investment repayment	4114	3 920 000	5 000 000
from interests on short-term financial investment	4115	192 376	143 469
other inflows	4119	26 603	12 536
Cash outflows - total	4120	(7 840 450)	(9 205 545)
including:			
suppliers (contractors) for feedstock, materials, works, services	4121	-2604178128	(1 791 059)
employees' payroll	4122	(2 090 065)	(1 915 466)
interest on debt obligations	4123	(48 379)	(94 386)
corporate income tax	4124	(233 138)	(316 389)
payments of other taxes and levies	4125	(1 064 019)	(1 016 566)
acquisition of short-term financial investment	4126	(1 500 000)	(3 920 000)
other outflows	4129	(300 671)	(151 679)
Balance of cash flows from current operations	4100	2 953 826	2 062 803
<b>Cash flows from investment operations</b>			
Cash inflows - total	4210	11 309 959	6 569 226
including:			
from sale of non-current assets (except financial investments)	4211	6 338	14 341
sale of shares (participatory interests) in other entities	4212	6 232 330	919 803
repayment of loans granted, sale of debt securities (receivables from other persons)	4213	-	-
dividends, interest on debt financial investments, and similar inflows from participatory interests in other entities	4214	5 071 291	5 580 962
other inflows	4215	-	-
other inflows	4219	-	54 120
Cash outflows - total	4220	(771 351)	(364 184)
including:			
acquisition, creation, upgrading, reconstruction, and preparation for use of capital assets	4221	(771 351)	(329 345)
acquisition of shares (participatory interests) in other entities	4222	-	(34 839)
acquisition of debt securities (receivables from other persons), loans granted to other persons	4223	-	-
interest on debt obligations included into the cost of an investment asset	4224	-	-
other outflows	4225	-	-
other outflows	4229	-	-
Balance of cash flows from investment operations	4200	10 538 608	6 205 042

Item name	Code	Jan-Dec 2015	Jan-Dec 2014
<b>Cash flows from financial operations</b>			
Cash inflows – total	4310	100 000	2 100 000
including:			
loans and borrowings received	4311	100 000	2 100 000
cash contributions by owners (members)	4312	-	-
issue of shares, increase in participatory interests	4313	-	-
issue of bonds, promissory notes, and other debt securities,	4314	-	-
	4315	-	-
other inflows	4319	-	-
Cash outflows - total	4320	(11 018 323)	(10 858 473)
including:			
to owners (participants) due to the fact of share buy-back or cessation of membership	4321	-	(5 491 896)
dividend payments or other distribution to owners	4322	(8 818 323)	-5366577121
redemption (buy-back) of promissory notes and other debt securities, loan repayment	4323	(2 200 000)	-
	4324	-	-
other outflows	4329	-	-
Balance of cash flow from financial operations	4300	(10 918 323)	(8 758 473)
<b>Balance of cash flow for the reporting period</b>	4400	2 574 111	(490 628)
<b>Balance of cash and equivalents at the beginning of the reporting period</b>	4450	849 519	1 195 325
<b>Balance of cash and equivalents at the end of the reporting period</b>	4500	3 590 691	849 519
Effect of changes in the exchange rate of foreign currencies against ruble	4490	167 061	144 822

CEO \_\_\_\_\_  
(signature)

**Alexander Afanasiev**  
(printed name)

15 March 2016

**Notes to balance sheet and P&L statement (RUB, thousand)**

**1. Intangible assets and Research & Development Expenses (R&D).**

**1.1. Existence of, and changes in, intangible assets**

Form 0710005 p.1

Item name	Code	Period	At beginning of reporting year		Changes over the period							At end of reporting period	
			Initial cost	Accumulated amortisation and impairment losses	In	Out		Accrued amortisation	Impairment Loss	Revaluation		Initial cost	Accumulated amortisation and impairment losses
						Initial cost	Accumulated amortisation and impairment losses			Initial cost	Accumulated amortisation		
intangible assets - total	5100 5110	2015 2014	300 669 256 889	(93 457) (56 390)	19 566 43 780	(13 355) -	13 355 -	(55 157) (37 067)	- -	- -	- -	306 880 300 669	(135 259) (93 457)
Including:													
Exclusive copyright for software and databases	5101 5111	2015 2014	251 444 207 836	(63 721) (29 960)	15 296 43 608	- -	- -	(50 653) (33 761)	- -	- -	- -	266 740 251 444	(114 374) (63 721)
Exclusive owner rights for trademarks, service marks, and appellations of origin of goods	5102 5112	2015 2014	24 448 24 276	(10 191) (7 952)	4 270 172	- -	- -	(3 437) (2 239)	- -	- -	- -	28 718 24 448	(13 628) (10 191)
Non-current assets item	5103 5113	2015 2014	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -
Other intangible assets	5104 5114	2015 2014	24 777 24 777	(19 545) (18 478)	- -	(13 355) -	13 355 -	(1 067) (1 067)	- -	- -	- -	11 422 24 777	(7 257) (19 545)

**1.2. Initial cost of intangible assets produced in-house**

Item name	Code	As of 31 Dec 2015	As of 31 Dec 2014	As of 31 Dec 2013
Total	5120	95 353	80 057	48 329
Including:				
Exclusive copyright rights for software	5121	95 353	80 057	48 329







**2.2. CAPEX in progress**

Indicator	Code	Period	At beginning of reporting year	Changes for the period			At end of reporting period
				Spent for the period	Written-off	Entered into the books as change of PP&E value	
Construction in progress and pending transactions of PP&E acquisition, up-grade, etc. - total	5240	2015	36 922	1 216 918	(4 888)	(1 051 860)	197 092
	5250	2014	5 155	175 141	-	(143 374)	36 922
including:							
Machinery and Equipment	5241	2015	36 922	1 216 918	(4 888)	(1 051 860)	197 092
	5251	2014	5 155	175 141	-	(143 374)	36 922

**2.3. Change of PP&E value resulting from finishing, fitting-out, alterations and partial liquidation**

Indicator	Code	in 2015	in 2014
Increment in PP&E value resulting from finishing, fitting-out and alterations - total	5260	28 552	10 784
including:			
Machinery and Equipment	5261	28 305	10 784
Other types of PP&E	5262	247	-
Decrease in PP&E value resulting from partial liquidation - total	5270	(7 926)	(1 777)
including:			
Machinery and Equipment	5271	(6 305)	(1 777)
Other types of PP&E	5272	(1 621)	-

**2.4. Other use of PP&E**

Indicator	Code	as of 31 Dec 2015	as of 31 Dec 2014	as of 31 Dec 2013
Leased PP&E accounted for in the books	5280	13 811	18 610	20 385
Leased off-balance PP&E	5281	-	-	-
Rented PP&E accounted for in the books	5282	-	-	-
Rented off-balance PP&E	5283	290 749	379 920	380 976
Property accepted for operation and actually operated currently under on-going state registration process	5284	-	-	-
Moth-balled PP&E	5285	-	-	-
Other use of PP&E (pledged, etc.)	5286	-	-	-
	5287	-	-	-

**3. Financial investments**  
**3.1. Existence of, and changes in, financial investments**

Item name	Code	Period	Opening balance		In	Changes over the period				Closing balance	
			Initial cos	Accumulated adjustment		Out (repid)		Accrued interest (including bringing the initial cost to the nominal)	Current market value (impairment losses)	Initial cost	Accumulated adjustment
						Initial cos	Accumulated adjustment				
Long-term – total	5301	2015	62 278 669	-	111 112	(6 232 330)	-	-	(283 782)	56 157 451	(283 782)
	5311	2014	62 763 212	-	34 839	(519 382)	-	-	-	62 278 669	-
including: contributions to authorised (joint-stock) capita of other companies	5302	2015	62 278 669	-	111 112	(6 232 330)	-	-	(283 782)	56 157 451	(283 782)
	5312	2014	62 763 212	-	34 839	(519 382)	-	-	-	62 278 669	-
Short-term – total	5305	2015	2 461 577	-	1 500 000	(3 920 000)	-	-	-	41 577	-
	5315	2014	3 541 577	-	3 920 000	(5 000 000)	-	-	-	2 461 577	-
including: loans granted	5306	2015	41 577	-	-	-	-	-	-	41 577	-
	5316	2014	41 577	-	-	-	-	-	-	41 577	-
deposits	5307	2015	2 420 000	-	1 500 000	(3 920 000)	-	-	-	-	-
	5317	2014	3 500 000	-	3 920 000	(5 000 000)	-	-	-	2 420 000	-
Financial investments - total	5300	2015	64 740 246	-	1 611 112	(10 152 330)	-	-	(283 782)	56 199 028	(283 782)
	5310	2014	66 304 789	-	3 954 839	(5 519 382)	-	-	-	64 740 246	-

**3.2. Other uses of financial investments**

Item name	Code	as of 31 Dec 2015	as of 31 Dec 2014	as of 31 Dec 2013
Pledged financial investments - total	5320	-	-	-
including:				
	5321	-	-	-
Financial investments transferred to third parties (other than sale) - total	5325	-	-	-
including:				
	5326	-	-	-
Other uses of financial investments	5329	-	-	-



**4.2. Pledged inventories**

Item name	Code	As of 31 Dec 2015	As of 31 Dec 2014	As of 31 Dec 2013
Inventory not paid up at the reporting date - total	5440	-	-	-
Including:				
	5441	-	-	-
Inventory pledged under contract - total	5445	-	-	-
Including:				
	5446	-	-	-

**5. Accounts receivable and payable**  
**5.1. Existence of, and changes in, accounts receivable**

Item name	Code	Period	At beginning of reporting year		In	Changes over the period							At end of reporting period	
			Recognised in accordance with contractual terms	Doubtful debt provisions		Resulting from business transactions (amount outstanding under an operation, transaction)	Out			Transfers from long-term receivables to short-term receivables	Transfer from receivables to payables	Transfer from payables to receivables	Recognised in accordance with contractual terms	Doubtful debt provisions
							Interest, fines and other charges receivable	Repaid	Written-off through profit and loss					
Long-term accounts receivable - total	5501 5521	2015 2014	45 682	- -	- -	1 31	(46) (668)	- -	- -	- -	- -	- -	45 -	- -
Including:														
Settlements with buyers and customers	5502	2015	-	-	-	-	-	-	-	-	-	-	-	-
Advance payments made	5503	2015	-	-	-	-	-	-	-	-	-	-	-	-
	5523	2014	-	-	-	-	-	-	-	-	-	-	-	-
Other	5504	2015	45	-	-	1	(46)	-	-	-	-	-	-	-
	5524	2014	682	-	-	31	(668)	-	-	-	-	-	45	-
	5505	2015	-	-	-	-	-	-	-	-	-	X	X	-
	5525	2014	-	-	-	-	-	-	-	-	-	X	X	-
Short-term accounts receivable - total	5510 5530	2015 2014	780 064 577 160	(5 090) (2 203)	17 800 868 12 706 099	129 203 233 681	(18 217 361) (12 736 299)	(29) (577)	(1 278) (2 887)	- -	- -	- -	492 745 780 064	(6 368) (5 090)
Including:														
Settlements with buyers and customers	5511	2015	145 866	(4 871)	9 607 980	36 246	(9 615 676)	-	(461)	-	-	-	174 416	(5 332)
	5531	2014	285 948	(1 751)	9 851 033	77 413	(10 068 511)	(17)	(3 120)	-	-	-	145 866	(4 871)
Advance payments made	5512	2015	448 042	(219)	1 185 518	-	(1 500 080)	-	(817)	-	-	-	133 480	(1 036)
	5532	2014	86 094	(452)	1 128 274	-	(765 766)	(660)	233	-	-	-	448 042	(219)
Other	5513	2015	186 156	-	7 007 370	92 957	(7 101 605)	(29)	-	-	-	-	184 849	-
	5533	2014	205 118	-	1 726 792	156 268	(1902022004)	-	-	-	-	-	186 156	-
	5514	2015	-	-	-	-	-	-	-	-	-	X	X	-
	5534	2014	-	-	-	-	-	-	-	-	-	X	X	-
Total	5500 5520	2015 2014	780 109 577 842	(5 090) (2 203)	17 800 868 12 706 099	129 204 233 712	(18 217 407) (12 736 967)	(29) (577)	(1 278) (2 887)	X X	X X	X X	492 745 780 109	(6 368) (5 090)

## 5.2. Overdue accounts receivable

Item name	Code	As of 31 Dec 2015		As of 31 Dec 2014		As of 31 Dec 2013	
		Recognised in accordance with contractual terms	Book value	Recognised in accordance with contractual terms	Book value	Recognised in accordance with contractual terms	Book value
Total	5540	-	-	-	-	-	-
including:							
settlements with buyers and customers	5541	-	-	-	-	-	-
settlements with suppliers and customers (to the extent of advance payments, prepayments)	5542	-	-	-	-	-	-
Other	5543	-	-	-	-	-	-
	5544	-	-	-	-	-	-

## 5.3. Existence of, and changes in, accounts payable

Item name	Code	Period	At beginning of reporting year	Changes over the period						At end of reporting period	
				In		Out		Transfers from long-term receivables to short-term receivables	Transfer from receivables to payables		Transfer from payables to receivables
				Resulting from business transactions (amount outstanding under an operation, transaction)	Interest, fines and other charges receivable	Repaid	Written-off through profit and loss				
Long-term accounts receivable - total	5551 5571	2015 2014	- -	- -	- -	- -	- -	- -	- -	- -	
including:											
credits	5552	2015	-	-	-	-	-	-	-	-	
	5572	2014	-	-	-	-	-	-	-	-	
	5553	2015	-	-	-	-	-	-	-	-	
borrowings	5573	2014	-	-	-	-	-	-	-	-	
other	5554	2015	-	-	-	-	-	-	-	-	
	5574	2014	-	-	-	-	-	-	-	-	
	5555	2015	-	-	-	-	-	-	X	X	
	5575	2014	-	-	-	-	-	-	X	X	
Short-term accounts receivable - total	5560 5580	2015 2014	2 466 477 228 197	25 146 095 19 369 760	7 435 135 575	(27 206 248) (17 266 377)	(200) (678)	- -	- -	413 559 2 466 477	
including:											
settlements with buyers and customers	5561 5581	2015 2014	211 268 129 362	3 948 703 2 203 765	210 34	(3 976 649) (2 121 863)	- (30)	- -	- -	183 532 211 268	
advance payments made	5562	2015	4 428	1 640 079	-	(1 640 428)	-	-	-	4 079	
	5582	2014	5 930	129 326	-	(130 228)	(600)	-	-	4 428	
taxes and contributions	5563 5583	2015 2014	99 606 78 340	1 104 221 957 279	-	(1 096 460) (936 013)	-	-	-	107 367 99 606	
credits	5564	2015	-	-	-	-	-	-	-	-	
	5584	2014	-	-	-	-	-	-	-	-	
borrowings	5565 5585	2015 2014	2 141 154 -	100 000 2 100 000	7 225 135 541	-2248379452 (84 387)	-	-	-	- 2 141 154	
other	5566 5586	2015 2014	10 021 14 565	18 353 092 13 979 390	-	(18 244 332) (13 983 886)	(200) (48)	-	-	118 581 10 021	
	5567	2015	-	-	-	-	-	-	X	X	
	5587	2014	-	-	-	-	-	-	X	X	
Total	5550 5570	2015 2014	2 466 477 228 197	25 146 095 19 369 760	7 435 135 575	(27 206 248) (17 266 377)	(200) (678)	X X	X X	413 559 2 466 477	

**5.4. Overdue accounts payable**

Item name	Coide	As of 31 Dec 2015	As of 31 Dec 2014	As of 31 Dec 2013
Total	5590	-	-	-
including:				
settlements with suppliers and customers	5591	-	-	-
settlements with buyers and customers	5592	-	-	-
	5593	-	-	-

### 6. Production costs (costs to sell)\*

Item name	Code	2015	2014
Materials cost	5610	71 525	57 896
Payroll costs	5620	2 434 050	1 702 012
Deductions for social needs	5630	485 539	279 428
Amortization and depreciation	5640	468 724	289 599
Other costs	5650	2 205 739	2 553 445
Total by elements	5660	5 665 577	4 882 380
Actual cost of goods sold	5665	-	-
Changes in balances (increase [-]) of: work in progress, finished products, etc.	5670	-	-
Changes in balances (decrease [+]) of: work in progress, finished products, etc.	5680	-	-
Total expenses on ordinary activities	5600	5 665 577	4 882 380

\* Line 5665 on actual cost of goods sold was added for companies carrying out trading activities

**7. Provisions**

Item name	Code	Balance at beginning of reporting period	Recognised	Repaid	Written-off as surplus	Balance at end of reporting period
Provisions - total	5700	1 134 793	1 278 445	(1 202 510)	(23 294)	1 187 434
Including:						
Annual bonus provisions for 2012	5701	3 578	20 713	(24 291)	-	-
Annual bonus provisions for 2013	5702	11 530	11 530	(11 530)	-	11 530
Annual bonus provisions for 2014	5703	741 990	59 814	(741 990)	-	59 814
Annual bonus provisions for 2015	5704	-	996 811	(6 576)	-	990 235
Provision for unused vacations	5705	204 492	189 577	(244 920)	(23 294)	125 855
Provision for other contingencies	5706	173 203	-	(173 203)	-	-
	5707	-	-	-	-	-

# Notes to the Annual Accounting Statements of Moscow Exchange for 2015

These Notes constitute an integral part of the Annual Accounting Statements of Public Joint-Stock Company "Moscow Exchange MICEX-RTS" for 2015 prepared in accordance with applicable laws of the Russian Federation.

All amounts are given in thousands of Russian rubles (RUB). Negative figures are shown in round brackets.

## 1. Background

Public Joint-Stock Company "Moscow Exchange MICEX-RTS" (the "Moscow Exchange") was established on 19 December 2011 through the reorganization by merger of RTS Stock Exchange OJSC with MICEX CJSC.

Moscow Exchange brings together professional participants of FX Market, Securities Market, Derivatives Market and other segments of the Russian financial market. Moscow Exchange provides the arrangement of trading in various financial instruments and the development of the financial market infrastructure.

Taxpayer Identification Number: INN 7702077840.

Registered address: 13, Bolshoy Kislovskiy per., Moscow, Russian Federation, 125009.

Moscow Exchange has isolated subdivisions: one representative office and five branches:

- Samara Representative Office at: 4A, ul. Moskovskoye shosse, bldg. 2, Samara, 443110;
- Volga Branch at: 10A, 5, Kholodny per., Nizhniy Novgorod, 603000;
- Ural Branch at: 3, ul. Kolmogorova, bldg. A2, 95, Yekaterinburg, 620034;
- Siberian Branch at: 27/29, 21, ul. Communisticheskaya, Novosibirsk, 630007;
- North-Western Branch at: office 201-a, bldg. 4A, per. Gritsova, Saint Petersburg, 190000;
- Southern Branch at: 78,201-a, pr. Sokolova, Rostov-on-Don, 344000.

As of 31 December 2015 the number of active employees amounted to 861 persons (881 persons as of 31 December 2014).

Moscow Exchange carries out business activities under the License No. 077-001 of 29 August 2013 for carrying out the licensed activity as an organizer of trading.

Members of the Supervisory Board of Stock Exchange as of 31 December 2015 are listed in the table on the next page.

	<b>Name</b>	<b>Position</b>
1.	Alexey Kudrin	Moscow Exchange Supervisory Board Chairman
2.	Andrey Golikov	Moscow Exchange Executive Board Deputy Chairman
3.	Alexander Afanasiev	Moscow Exchange CEO, Executive Board Chairman
4.	Nicola Jane Beattie	Nbxc Ltd , Senior Executive Director
5.	Mikhail Bratanov	<i>Independent Director</i> , Head of Securities Services Department at Public JSC ROSBANK
6.	Valery Goreglyad	Bank of Russia, Chief Auditor
7.	Sergey Lykov	Vnesheconombank, Member of the Executive Board, Deputy Chairman
8.	Yuriy Denisov	NCC Clearing Bank, Deputy Chairman of the Supervisory Board
9.	Bella Zlatkis	Sberbank of Russia, Deputy Chairman of the Executive Board
10.	Anatoly Karachinsky	<i>Independent Director</i> , IBS, LLC, Chairman of the Board
11.	Rainer Riess	<i>Independent Director</i> , Federation of European Securities Exchanges, Director General
12.	Andrei Sharonov	<i>Independent Director</i> , The Moscow School of Management SKOLKOVO, Dean
13.	Kirill Shershun	CentroCredit, First Deputy Chairman of the Executive Board
14.	Sean Glodek	MC RDIF, LLC, Director, member of the Executive Board
15.	Yuan Wang	<i>Independent Director</i> , China Development Bank, Head of Training and Education Department

Members of the Revision Commission are listed in the table below.

	<b>Name</b>	<b>Position</b>
1.	Olga Romantsova	Department Head at Internal Audit, Sberbank
2.	Vladislav Zimin	Economic Advisor, Market Service Department, Bank of Russia
3.	Viacheslav Uluygov	Head of Internal Control Service, VEB

Members of the Executive Board of Moscow Exchange are listed in the table below.

	<b>Name</b>	<b>Position</b>
1.	Alexander Afanasiev	Moscow Exchange CEO, Executive Board Chair
2.	Andrey Shemetov	Moscow Exchange Executive Board Deputy Chair (as of reporting date, powers terminated)

3.	Sergei Poliakoff	Moscow Exchange CIO
4.	Dmitry Shcheglov	Moscow Exchange COO
5.	Evgeny Fetisov	Moscow Exchange CFO

## **2. ACCOUNTING POLICY PRINCIPLES**

### **Basic approach to annual accounting statements preparation**

Moscow Exchange maintains its accounting records in accordance with Federal Law No. 402-FZ of 6 December 2011 “On Accounting”, Principals of Accounting and Reporting in the Russian Federation approved by the Order of the Russian Federation Ministry of Finance No. 34-н of 29 July 1998 (as amended on 30 December 1999; 24 March 2000; 18 September 2006; 26 March 2007; 25 October 2010 and 24 December 2010), as well as applicable Principles of Accounting. The Accounting Statements for 2015 have been prepared in accordance with laws and regulations in effect.

The accounting of property, liabilities and business operations is carried out in Russian rubles, the currency of the Russian Federation.

When accounting business transactions performed in foreign currencies, the official rate of the Russian ruble set by the Central Bank of Russia effective on the date of the transaction shall apply. Monetary assets and liabilities denominated in foreign currencies are recorded in the accounting (financial) statements in amounts calculated based on the official exchange rate of the Russian ruble of RUB 72.8827 per USD 1 and RUB 79.6972 per EUR 1 as of 31 December 2015, RUB 56.2584 per USD 1 and RUB 68.3427 per EUR 1 as of 31 December 2014, and RUB 32.7292 per USD 1 and RUB 44.9699 per EUR 1 as of 31 December 2013. The accounting of property, liabilities and business operations, accounting and reporting operations are documented and carried out in Russian. Accounting records are maintained based on source documents prepared under the forms approved by the Accounting Policy of Moscow Exchange. Documents with forms not provided for in the Accounting Policy are accepted for accounting when they contain mandatory details provided by the Federal Law No.402-FZ “On Accounting” dated 6 December 2011.

Accounting records are computerized and maintained in 1C: Enterprise system.

### **Estimate Uncertainty**

The following are the key assumptions concerning the future, and other key sources of estimate uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

- provision for doubtful debts;
- provisions for financial investments impairment;
- provision for inventory impairment;
- useful lives of intangible assets;

- provisions established due to the effects of contingencies.

### **Contingent Liabilities**

In the course of entity's financial and business operations, estimates of individual liabilities with an uncertain value or maturity may occur. The uncertainty of estimates shall arise from provisions of laws and other regulations, court decisions, agreements, as well as a result of the entity's actions when, by an established pattern of past practice or a statement, the entity has indicated to other parties that it assumes certain obligations.

Estimated liabilities are future expenses of the company that may arise as a result of compliance with legal requirements, fulfillment of agreements. Estimated liabilities shall occur when all three conditions are met:

- this or that obligation to be discharged occurs as a result of the entity's operations;
- the discharge of this obligation will lead to a reduction in economic benefits;
- the amount of expenses that is associated with the discharge of this obligation can be reasonably estimated.

Moscow Exchange forms provisions for estimated liabilities based on legal requirements, resolutions of the management bodies and evaluation of financial and business operations. Estimated liabilities comprise of provisions for future expenses on the payment of annual leaves, and year-end remuneration.

The amount of provisions on the payment of annual leaves is formed on the basis of unused annual leave days per employee considering their average salary and social security contributions.

Moscow Exchange establishes provisions (provisions for estimated liabilities) for the payment of remuneration due to members of the Supervisory Board based on the results of operations in the reporting year with due regard to social security contributions in accordance with resolution of HR Commission.

### **Intangible Assets**

In compliance with Item 6 of RAS 14/2007 "Accounting for Intangible Assets", intangible assets are recognized at their historical cost. The historical cost of intangible assets is defined as the amount calculated in monetary terms equal to the amount of payment in monetary or any other form or to the amount of accounts payable, paid or accrued by the entity at the acquisition, creation of the asset and while ensuring conditions for the use assets as planned.

Intangible assets include trademarks and acquired and (or) created intellectual deliverables and intellectual property items (exclusive rights) used in production for a long period of time (over 12 months). Intangible assets are depreciated through the straight-line method based on their estimated useful lives. The useful life is established by the Commission proceeding from the period during which the use of intangible assets brings economic benefits. Intangible assets are recognized at their historical cost less depreciation accrued for the period of their useful lives. In 2015 the revaluation of intangible assets was not conducted. During the reporting period, Moscow Exchange revealed no factors indicating the need to clarify the useful lives.

### **Property, Plant and Equipment**

In the accounting statements, property, plant and equipment are recognized at their historical cost less depreciation accrued during the operation. No revaluation of property, plant and equipment was conducted.

In 2010 land plots being in the ownership and joint shared ownership (at 11, 13, Bolshoy Kislovskiy per.; 1/13, Sredniy Kislovskiy per., bldg. 4, bldg. 8) were included in the structure of property, plant and equipment.

Land plots are not subject to depreciation.

The depreciation of property, plant and equipment shall be accrued by the straight-line method monthly on the last day of the month, the useful life of property, plant and equipment shall be established in accordance with the RF Government Decree of 1 January 2002 No. 1 "On the Classification of Property, Plant and Equipment included in Depreciation Groups".

Property, plant and equipment are divided into the following depreciation groups for the purposes of depreciation accrual:

<b>Property, plant and equipment groups</b>		<b>Useful life</b>
1	Hand-held building and installation tools,	1-2 years
2	Power-driven building and installation tools, computing machinery etc.	2-3 years
3	Photocopiers, elevators, telephones, vehicles with an engine capacity < 3.5 hp	3-5 years
4	Furniture, boards, windows, truck and etc.	5-7 years
5	Air conditioners, generator, radio communication, radio broadcasting and television equipment, vehicles	7-10 years

	with an engine capacity of > 3.5 hp	
6	Communication facilities	10-15 years
7	Cable communications equipment, sewerage and etc.	15-20 years
8	Metal equipment for valuables safekeeping (cash-boxes, safes) etc.	20-25 years
10	Buildings	>30 years

Facilities that meet the requirements of Item 4 of RAS 6/01, with the value not exceeding RUB 40 thousand per unit, are recognized in inventories and written off on production expenses as they are released for production or operation.

Income and expense from disposal of property, plant and equipment are recognized in the income statement as other income and other expenses.

### **Financial investments**

Financial investments include securities, investments in subsidiaries and affiliated companies, as well as amounts of loans granted. Investments in subsidiaries and affiliated companies are recognized at their actual cost of acquisition; in certain cases, investments in equities without current quotes on the organized securities market and obtained by the Exchange under agreements providing for the fulfillment of obligations in non-monetary form (equities obtained by the Exchange as a contribution to its authorized capital) are recognized at the cost by agreed shareholders, as determined by the Supervisory Board relying on the report of an independent appraiser.

Financial investments include deposits placed with banks on the terms and conditions defined by contractual relations. In the balance sheet, the accrued interest on deposits is recognized in current non-delinquent accounts receivable.

Financial investments denominated in foreign currencies are recognized in the accounting and reporting in the Russian ruble value. These assets are converted in Russian rubles at the closing exchange rate of the Central Bank of Russia.

Upon disposal of the asset accounted for as financial investments for which no current market value is determinable, its value is determined based on the historical cost of each accounting item of financial investments.

For securities which market value is not determinable a check for sustained material reduction shall be conducted. Should a sustained reduction is confirmed, a reserve against the devaluation of financial investments shall be established.

## **Inventories**

In the accounting records, inventories are recognized in the total amount of actual costs incurred in connection with their acquisition. At the issue of inventories for production purposes and for other disposal, they are valued at the average cost (Accounting Principles 5/01).

At the end of the reporting period, inventories are recognized in the balance sheet at cost determined on the basis of the above mentioned valuation procedure.

## **Accounts Receivable**

The Company establishes provisions for doubtful debts in the event that receivables are recognized as doubtful with the attribution of such expense amounts for provisions to the financial result.

A doubtful debt is an outstanding account receivable that is not repaid within the period exceeding the contractual term by six months and is not secured by proper guarantees.

Should accounts receivable be recognized as doubtful for a period:

- exceeding six months, provisions in the amount of 50% of the debt shall be established;
- exceeding one year, provisions in the amount of 100% of the debt shall be established.

Quarterly as of the balance sheet date, Moscow Exchange performs the valuation of accounts receivable in order to identify doubtful debts and establish provisions with their attribution to the financial result.

Accounts receivable on settlements between member entities of Moscow Exchange Group shall not be recognized as doubtful.

## **Cash and Cash Equivalents, Presentation of Cash Flows**

For the purposes of making the Cash Flow Statement, Moscow Exchange includes cash equivalents, which mean short-term highly liquid financial investments in the overnight, in the amount of cash.

For the purposes of making the Balance Sheet, Moscow Exchange includes cash equivalents in the amount of cash.

## **Net presentation of Cash Flows**

In the Cash Flow Statement cash flows with regard to indirect taxes included in cash receipts from buyers and customers, payments to suppliers and contractors and payments of indirect taxes to the budget system of the Russian Federation or reimbursement payments from the same, are presented on a net basis.

### **Authorized Capital**

The authorized capital is recognized at the nominal value of shares issued. Moscow Exchange recognizes treasury shares at the actual cost of their acquisition.

### **Capital Surplus**

The capital surplus includes the amount of the property, plant and equipment revaluation surplus, as well as the share premium created as the difference between the offer price of shares and their nominal value.

### **Reserve Capital**

Funds are established in accordance with requirements of federal laws and resolutions of the General Shareholders Meeting of Moscow Exchange from its own funds.

Funds established by the resolution of the General Shareholders Meeting are recognized in the "Capital and Reserves" section under "Funds formed under constituent documents" subsection.

The procedure for using the funds is determined in separate Regulations for each fund of Moscow Exchange.

### **Revenue**

The revenue is recognized in the amount calculated in monetary terms equal to the amount of cash proceeds and other property and (or) the amount of accounts receivable (subject to provisions of Clause 3 of the Regulations on Accounting "Revenue of the Entity" RAS 9/99 (as amended on 30 December 1999, 30 March 2001, 18 September 2006, 27 November 2006, 25 October 2010, 27 April 2012 and 6 April 2015)). If proceeds cover only a portion of the revenue, the revenue recognized for accounting is defined as the sum of proceeds and accounts receivable (to the extent not covered by the proceeds). In the accounting records, the revenue is recognized when all the following conditions are met (Item 12 of RAS 9/99):

- the entity has the right to receive this revenue arising out of a particular agreement or confirmed in any other appropriate manner;
- the amount of revenue can be determined;
- there is confidence that a specific transaction will lead to the increase in economic benefits;
- the ownership (right to possess, use and dispose) of products (goods) was transferred from the entity to the buyer or the work was accepted by the customer (the service was rendered).

Revenues from operating activities include the following:

- commissions charged in accordance with the exchange trading rules and other charges in accordance with internal documents of Moscow Exchange;
- commissions for information technology services;
- implementation of information services and the exercise of property rights;
- revenue from property leasing (on a regular basis);
- implementation of other services.

The following is recognized as other income:

- bank interest receivable;
- interest on loans granted;
- revenue from sales of securities;
- foreign exchange gains;
- revenue from the purchase and sale of foreign currency;
- fines, penalties received due to the failure of counterparties to meet the terms and conditions of concluded agreements;
- earnings from transactions of previous years revealed in the reporting period;
- other revenue.

## **Expenses**

In compliance with RAS 10/99 “Expenses of the entity”, expenses are recognized in the accounting records regardless of the intent to get revenue, other income or regardless of the expense form (in monetary form, in kind and other forms). According to 18 of RAS 10/99 “Expenses of the entity”, expenses are recorded in the accounting period when they are incurred, regardless of timing of actual cash payment and other form of settlements.

Expenses from ordinary activities include administrative and selling expenses, are formed by expense item on the balance sheet account No. 26 “General business expenses”

and, at the end of the reporting quarter, are charged to debit of the appropriate sub-account of the balance sheet account No. 90 "Sales".

Other expenses include interest on loans received, expenses on securities transactions, fines, losses of previous years, foreign currency losses, expenses in the form of bonuses paid due to the satisfaction of certain conditions specified in the trading rules, fee schedule and etc.

### **Prepaid expenses**

The expenses incurred by the entity in the reporting period but also related to next reporting periods, shall be recognized in the balance sheet in accordance with general principles of assets recognition set forth by the accounting standards, and shall be written off in accordance with the procedure established for writing off assets of this type. These expenses shall be recorded at Account No. 97 "Prepaid Expenses" and, if they are long-term, shall be classified as "Other Non-Current Assets" in the balance sheet except for the portion due within 12 months after the balance sheet date. The given expenses, as well as initially short-term expenses, shall be recorded in the balance sheet line "Accounts receivable".

### **Deferred Taxes**

In accordance with requirements of Russian Accounting Principles 18/02 "Accounting for Income Taxes", Moscow Exchange records the deferred income tax (deferred tax assets and deferred tax liabilities, permanent tax assets and liabilities), i.e. amounts that can affect the amount of current income tax in the future reporting periods, in the accounting and reporting. Amounts of deferred tax assets and deferred tax liabilities are recognized separately in non-current assets and non-current liabilities, respectively.

### **Changes in the Accounting Policy**

In 2015 Moscow Exchange introduced no amendments or alterations to its Accounting Policy. In 2016 no changes in the Accounting Policy will be made.

## **3. DISCLOSURE OF MATERIAL INFORMATION**

### **Changes in the opening balance**

There are no changes in the opening balance.

## **Intangible assets**

In 2015 Moscow Exchange acquired licenses and exclusive rights to software, trademark registration. The flow of intangible assets during the reporting period is presented in Section 1.1 of the Notes to the Balance Sheet and Financial Statement. Section 1.2 of these Notes provides disclosures on items created on its own.

## **Property, Plant and Equipment**

The property, plant and equipment (PPE) availability and flow are presented in Section 2 of the Notes to the Balance Sheet and Financial Statement.

PPE shall include land plots with consumer properties that do not change over time. The historical cost of land plots amounted RUB 114,375 thousand. As of 31 December 2013, 31 December 2014 and 31 December 2015 the cost remained unchanged.

In 2015 Moscow Exchange donated PPE and inventory items valued RUB 2 148 thousand.

In 2014 Moscow Exchange donated inventory items valued RUB 262 thousand.

## **Inventories**

Information on the availability and flow of inventories during the reporting period is presented in Table 4.1. of the Notes to the Balance Sheet and Financial Statement.

## **Accounts receivable**

Accounts receivable amounted to RUB 486,377 thousand as of 31 December 2015, RUB 775,019 thousand as of 31 December 2014, RUB 575,639 thousand and RUB 3,608,659 thousand as of 31 December 2013.

Information on accounts receivable and payable flow in 2014-2015 is represented in Tables 5.1-5.4 of the Notes to the Balance Sheet and Income Statement.

## ***Provision for Doubtful Debts***

As of 31 December 2015 the size of provision for doubtful debts amounted to RUB 6,368 thousand, as of 31 December 2014 it totaled RUB 5,090 thousand; and RUB 2,203 thousand in Y2013. The size of provision grew mostly due to outstanding debts of banks those banking licenses were revoked by the regulator.

## **Financial investments**

As of 31 December 2015 long-term financial investments in the authorized capital of subsidiaries and affiliated companies are accounted for at the acquisition price; the current market value of presented investment is not determined; the carrying value of investments is given in the table below.

(RUB, thousand)

Company	31 Dec 2015	31 Dec 2014	31 Dec 2013
NCC Clearing Bank	15,750,844	15,750,844	15,172,256
National Settlement Depository (NSD)	9,324,153	9,324,153	9,324,153
PFTS Stock Exchange	307,301	307,301	307,301
MB Technologies LLC	1,111,147	1,111,147	1,111,147
MICEX-Finance LLC	3,181,385	9,413,715	9,413,715
MICEX Stock Exchange CJSC	26,201,865	26,201,865	26,201,865
National Mercantile Exchange	33,854	33,854	300
AKRA	111,112	–	–
Other	135,790	135,790	1,232,475
<b>Total value of financial investments before provision for impairment</b>	<b>56,157,451</b>	<b>62,278,669</b>	<b>62,763,212</b>
Provision for impairment	(283,782)	–	–
<b>Total value of financial investments before provision for impairment</b>	<b>55,873,669</b>	<b>62,278,669</b>	<b>62,763,212</b>

In 2015 the Moscow Exchange built up provisions for impairment of investments totaling RUB 283,782 thousand.

Impairment testing revealed that as the component of the Exchange's portfolio there was a company seeing a sustained reduction in net asset value and losses according to performance in the previous and the reporting year:

Type of investment	Purchase price (RUB)	Number of shares purchased (pcs)	NAV (RUB)/ number of shares (pcs), total	Current estimated value of shares (RUB)	Provision size (RUB)
Moscow Exergy Exchange (MOSENEX) shares	32,507,506.93 (RUB 61.9189 per share)	525,001	140,564,000 / 3,500,000	RUB 40	11,507,467

In parallel, there was a resolution of the Supervisory Board to exit assets in the Ukraine that prompted the creation of provision. Provisions size was calculated based on the share sell price.

Type of investment	Purchase price (RUB)	Number of shares purchased (pcs)	Sell price per 1 share (UAH)	Block of shares estimated sell price (RUB)	Provision size (RUB)
PFTS Stock Exchange	307,301,267	16,010	1,000	48,771,263	<b>258,530,004</b>
Ukrainian Exchange	21,045,578	5,611	1,100	18,802,068	<b>2,243,510</b>
Ukrainian Exchange Holding	28,790,156	135,000	42.04	17,288,971	<b>11,501,185</b>

In 2014-2013 no provision for impairment of investments was established due to lack of evidence of a sustained reduction in the historical cost of investments.

### Loans Granted

The Moscow Exchange did not provide loans in 2015.

On 1 October 2013 Moscow Exchange redeemed the right of claim for loans granted to RTS Clearing Center CJSC, ETS Commodity Exchange JSC (Kazakhstan) in the amount of RUB 41,577 thousand. The redeemed right includes the principal under three loan agreements and interest accrued on the date of the right of claim transfer. The interest accumulated for the period since the transfer of rights amounts to USD 113 thousand as of 31 December 2015.

### Deposits

As of 31 December 2015 the Moscow Exchange recorded no deposits of temporarily available funds.

The following table shows a breakdown of deposits at the end of 2014 and 2013:

*(RUB, thousand)*

Bank	2014			2013		
	Deposit amount	%	Maturity	Deposit amount	%	Maturity
Rosbank	400,000	10.50	26.03.15	-		
	380,000	10.83	14.04.15	-		
VTB	750,000	9.5	12.01.15	-		
UniCredit Bank				900,000	7.2	14.02.14
GPB	400,000	9.37	12.01.15			
Russian	490,000	9.68	12.01.15	2,000,000	7.07	30.01.14

Agricultural Bank				500,000	7.2	25.02.14
NCC Clearing Bank	-			100,000	6.7	29.01.14
<b>Total</b>	<b>2,420,000</b>			<b>3,500,000</b>		

### Cash and Cash Equivalents

As of 31 December 2014, December 2013 and December 2012 cash equivalents are comprised of overnight deposits.

	2015	2014	2013
Cash on hand and at bank in RUB	3,053,040	466,553	900,612
Cash at bank in foreign currency	246,796	80,114	35,859
<b>Total cash as part of the accounting statements</b>	<b>3,299,836</b>	<b>546,667</b>	<b>936,471</b>
Cash equivalents	290,855	302,852	258,854
<b>Total cash and cash equivalents</b>	<b>3,590,691</b>	<b>849,519</b>	<b>1,195,325</b>

### Authorised capital

The number of shares outstanding is as follows:

	Number of shares outstanding, pcs.	Number of repurchased shares, pcs	Authorised capital (thousand rubles.)	Treasury shares (thousand rubles)
<b>As of 31 December 2013</b>	<b>2,378,489,153</b>		<b>2,378,489</b>	
Shares retired as a result of authorized capital reduction		99,852,660		99,853
<b>As of 31 December 2014</b>	<b>2,278,636,493</b>		<b>2,278,636</b>	
<b>As of 31 December 2015</b>	<b>2,278,636,493</b>		<b>2,278,636</b>	

### Additional capital

The size of additional capital was RUB 43,160,787 thousand as of 31 December 2015. In 2015 the Exchange reduced the size of additional capital by the sum of increases in the value of written-off items of assets and intangible assets equaling RUB 62 thousand. This sum was added to retained earnings.

The size of additional capital was RUB 43,160,849 thousand as of 31 December 2014. The Moscow Exchange used RUB 5,392,043 thousand to repay for loss as a result of higher buyback price per share (RUB 55) than the share par value (RUB 1), and to write off the sum of RUB 2,361 thousand (revaluation surplus) on the back of fixed assets retirement and liquidation.

The size of additional capital was RUB 48,555,253 thousand as of 31 December 2013.

### **Reserve capital**

The reserve capital of the Moscow Exchange over years 2015, 2014 and 2013 has not changed and remained RUB 118,924 thousand.

Pursuant to the resolution of the Annual Shareholders Meeting of Moscow Exchange (Minutes No. 49 dated 25 June 2013), funds in the amount of RUB 738.4 thousand were allocated from the net earnings for increasing the reserve capital. Thus, as of December 31, 2013 the reserve capital amounted to RUB 118,924 thousand.

### **Profit allocation**

Net profit of the Moscow Exchange of RUB 5,751,102 thousand generated in 2013 was allocated in accordance with AGM resolution (Minutes No. 52 of 26 June 2014, in particular RUB 5,423,156 thousand for dividend payment (RUB 2.38 per 1 share), and RUB 327,946 thousand as retained earnings.

In 2014 total profit of the Moscow Exchange was RUB 6,469,656 thousand. AGM (Minutes No.53 dated 30 April 2015) resolved to pay out dividend of RUB 8,818,323 (RUB 3.87 per 1 share).

3 March 2016 the Supervisory Board recommended that the AGM should resolve on approval of 2015 dividend payout RUB 7.11 per 1 share.

### **Borrowings**

As of 31 December 2015 the Exchange reported no borrowings. As of 31 December 2014 borrowings totaled 2,100,000 thousand rubles, and as of 31 December 2013 no borrowings are available; borrowings and pay-back dates for 2014 are presented in the table below:

#### **Short-term borrowings**

<b>Item</b>	<b>2015</b>	<b>2014</b>			<b>2013</b>
MICEX-Finance	No borrowings available	Amount	%	Date of loan /Loan pay-back	No borrowings available
		2,100,000	7.775	3 March 2014/31 Jan 2015	
<b>Total borrowings</b>		<b>2,100,000</b>			

**There are no long-term borrowings.**

### **Provisions for contingent liabilities**

Provisions for contingent liabilities established in 2013, 2014 and 2015 are presented in the table below.

*(RUB, thousand)*

	<b>Unused annual leave</b>	<b>Year-end compensation, bonuses</b>	<b>Other</b>	<b>Total</b>
<b>31 December 2013</b>	<b>81,663</b>	<b>592,884</b>	<b>26,866</b>	<b>701,413</b>
Established in the reporting period	307,613	783,362	173,203	1,264,178
Used (cancelled)	(184,784)	(619,148)	–	(803,932)
Recovered	–	–	(26,866)	26,866
<b>31 December 2014</b>	<b>204,492</b>	<b>757,098</b>	<b>173,203</b>	<b>1,134,793</b>
Established in the reporting period	189,577	1,022,469	66,399	1,278,445
Used (cancelled)	(244,920)	(784,387)	(173,203)	(1,202,510)
Recovered	(23,294)	–	–	(23,294)
<b>31 December 2015</b>	<b>125,855</b>	<b>995,180</b>	<b>66,399</b>	<b>1,187,434</b>

### ***Provisions for Future Annual Leave Payments***

This provision has been established in respect of future expenses on the payment of employee annual leaves not used as of 31 December 2015. Provisions include social security contributions. Moscow Exchange management believes that expenses on the payment of annual leaves will not exceed the established provision amount recorded as at 31 December 2015. This provision will be used throughout 2016.

### ***Provisions for Remuneration***

When drawing up 2015 budget, the Supervisory Board resolved on payment of compensations based on the results of operations of Moscow Exchange in 2015 following the performance review and approval of financial statements; for these purposes, a provision for remuneration was established. As of 31 December 2015 the size of provision was RUB 923,835 thousand. Along with that, the reserve for payment of remuneration portion payable to Executive Board members for 2013 and 2014 in amount of RUB 11,530 thousand and RUB 59,815 accordingly as resolved by the Nomination and Remuneration Commission.

Payment of remuneration out of these provisions is expected to be in March 2016.

### **Other provisions**

Other provisions created to pay remuneration due to members of the Supervisory Board. The size was estimated based on Provisions on Remuneration and Compensation payable to members of the Supervisory Board approved by the AGM in 2015.

In 2014 The Exchange recovered the reserve for certain IT units generated in 2013, as the plans for reorganization were not implemented.

### **Relocation**

Following the revision of office premises rent terms and conditions, Vozdvizhenka office rent rates and rented area was reduced. Provision for relocation generated as of 31 December 2014 was exhausted to pay penalties related to termination of rent.

### **Accounts payable**

In the reporting period the structure and flow of accounts payable is disclosed in Table № 5.3 of the Notes to the Balance Sheet and Income Statement. Accounts payable amounted to RUB 413,559 thousand as of 31 December 2015, RUB 325,323 as of 31 December 2014, and RUB 228,197 thousand and as of 31 December 2013. The Exchange has no overdue accounts payable.

### **Disclosures on revenues and expenses**

The general structure of revenues making 5 per cent or more of total revenues for the reporting period is presented in the table below.

*(RUB, thousand)*

<b>№</b>	<b>Item</b>	<b>2015</b>	<b>2014</b>
	<b>Moscow Exchange revenue, including</b>	<b>6,649,034</b>	<b>5,749,974</b>
1	FX Market commission and fees	2,559,426	1,991,759
2	Derivatives market commission and fees	1,536,688	1,630,121
3	Securities market commission and fees	896,416	778,942
4	IR services	431,620	395,575
5	Information services	624,578	343,362
6	Sovereign securities commission	201,301	210,247
7	Revenue from software sale	157,520	148,814
8	Revenue from asset leasing	138,452	145,243
9	Other revenue	102,583	105,911
10	<b>Other income including:</b>	<b>7,104,891</b>	<b>7,352,643</b>
11	Dividends received	5,071,291	5,580,962
12	Sale of securities	–	919,803

13	Interest on the placement of funds, interest on loans	101,504	159,039
14	Foreign exchange gains	1,861,505	404,653
15	License fees	–	9,604
16	Sub-agency services	–	142,355
17	Other income	70,591	136,227
	<b>Total</b>	<b>13,753,925</b>	<b>13,102,617</b>

The structure of revenue proves a steady increase in revenues in 2015. The FX Market saw the highest volume-based fee income due to increase in trading volumes. Given outstanding FX liabilities, the Exchange controlled the FX position throughout 2015. Seeing the high RUB volatility, in order to reduce costs the Exchange retained residual currency position on the accounts. This resulted in substantial revaluation-related difference in rates of exchange.

Under the Accounting Policy, Moscow Exchange's expenses are grouped into normal business expenses, and other expenses.

Normal business expenses are accounted on "General and administrative expenses" balance sheet account.

The table below shows the breakdown of significant expenses and other expenses under the following items: (in thousands of Russian rubles)

##	Item	2015	2014
	<b>General and administrative expenses</b>	<b>5,665,577</b>	<b>4,882,380</b>
1	Payroll expenses	2,434,050	2,321,046
2	Upkeep and maintenance of property, plant and equipment and software provision	713,324	553,185
3	Rental and maintenance of premises	438,703	430,328
4	Charges on payroll	485,539	409,419
5	Depreciation of property, plant and equipment and intangible assets	468,724	289,599
6	Information and consulting, auditing services	447,833	324,739
7	Market maker services	207,690	165,835
8	Communication services, post and courier services	115,479	92,475
9	Taxes	16,297	52,338
10	Tangible costs	71,610	57,896
11	Trading services	13,396	7,493
12	Other expenses on exchange activities	252,932	178,027
	<b>Other expenses</b>	<b>2,443,009</b>	<b>1,368,210</b>
13	Securities transactions	–	470,439
14	Exchange rate difference (negative)	1,703,901	252,058
15	Interest payable	7,225	135,541
16	Financial investment impairment	283,782	–
17	Earmarked contributions to nonprofit	39,493	46,413

	organizations		
18	Bonuses and rewards for participation in earmarked programs and competitions	40,932	35,301
19	Expenses related to IPO	4,230	33,291
20	Penalties under business contracts	115,763	–
21	Other	247,683	395,167
	<b>Total:</b>	<b>8,108,586</b>	<b>6,250,590</b>

The bonus amount for the Chairman and members of the Moscow Exchange Executive Board shall be determined by the Supervisory Board depending on financial performance in the relevant financial year.

The compensation (salary, bonuses, reimbursement of expenses and other payments) paid to the Chairman of the Executive Board, members of the Executive Board and the Supervisory Board amounted to RUB 340,159 thousand in 2015 (RUB 294,172 thousand to members of the Executive Board and RUB 45,987 thousand to members of the Supervisory Board).

The compensation (salary, bonuses, reimbursement of expenses and other payments) paid to the Chairman of the Executive Board, members of the Executive Board and the Supervisory Board amounted to RUB 229,762 thousand in 2014 (RUB 184,715 thousand to members of the Executive Board and RUB 45,047 thousand to members of the Supervisory Board).

### **Income tax**

Below is the table with details on accounting data adjustments for the income tax calculation purpose.

*(RUB, thousand)*

	2015	2014
Contingent expenses	1,268,687	1,418,231
Contingent income	(139,619)	(47,826)
Ongoing tax liability (asset)	(898,704)	(984,874)
Differed tax assets	(69)	(725)
Differed tax liabilities	(19,737)	(6,538)
Income tax	210,558	378,268

### **Basic earnings per share (basic EPS)**

Moscow Exchange's basic EPS amounted to 2 rubles 38 kopecks per share in 2015 and 2 rubles 83 kopecks per share in 2014.

## Balances on off-balance sheet accounts

The off-balance sheet accounts disclosure includes the cost of leased premises and other property in the amount of rent RUB 379,920 thousand as of 31 December 2014 and RUB 290,749 thousand as of 31 December 2015.

### Related parties

In the course of its financial and business operations, Moscow Exchange carries out transactions with companies that are related parties.

Related parties shall be:

- persons belonging to the group of persons that owns the given legal entity;
- subsidiaries and affiliated legal entities where Moscow Exchange is entitled to manage more than 20% of the total number of votes falling to voting shares;
- shareholders entitled to manage more than 20% of the total number of votes falling to voting shares of Moscow Exchange;
- members of the Supervisory Board of Moscow Exchange;
- members of the Executive Board of Moscow Exchange;
- Chairman of the Executive Board of Moscow Exchange.

**Related parties are listed in the table below.**

1	NCC Clearing Bank	13, Bolshoy Kislovskiy per., Moscow, 125009	100,00
2	Non-Banking Credit Organization Closed Joint-Stock Company National Settlement Depository	1/13, Sredniy Kislovskiy per., bldg. 8, Moscow, 125009	99,996
3	MB Technologies Limited Liability Company	21/1, ul. Sadovaya- Spasskaya, Moscow, 107217	100,00
4	MB Technologies Limited Liability Company	21/1, ul. Sadovaya- Spasskaya, Moscow, 107217	50,0156
5	Closed Joint-Stock Company MICEX Stock Exchange	13, Bolshoy Kislovskiy pereulok, Moscow, 125009	100,00
6	Joint-Stock Company National Mercantile Exchange	1/13, Sredniy Kislovskiy per., bldg. 4, Moscow, 125009	62
7	MICEX Finance LLC	13, Bolshoy Kislovskiy pereulok, Moscow, 125009	100,00
8	Public Joint-Stock Company UKRAINIAN EXCHANGE	42-44, ul. Shelkovichnaya, Kiev, Ukraine, 01004	22,44
9	Ukrainian Central Counterparty Limited Liability Company	42-44, ul. Shelkovichnaya, Kiev, Ukraine, 01004	100,00
10	Private Joint-Stock Company UKRAINIAN EXCHANGE HOLDING	42-44, ul. Shelkovichnaya, Kiev, Ukraine, 01004	100,00

11	Joint-Stock Company Eurasian Trading System Commodity Exchange	136, pr. Dostyk, Almaty, Republic of Kazakhstan, 050051	61,32
12	ETS Clearing House Limited Liability Partnership	136, pr. Dostyk, Almaty, Republic of Kazakhstan, 050051	25,1
13	Private Limited Company RTS EXCHANGE EUROPE LIMITED	Walmar House 288-292 Regent Street London W1B 3AC, England and Wales	100,00

## Related Transactions

In 2015 Moscow Exchange executed a set of related transactions (mainly with companies of Moscow Exchange Group); types and amounts of significant transactions are presented in the table below.

*(RUB, thousand)*

<b>Transaction type</b>	<b>2015</b>	<b>2014</b>
<b>Sales</b>		
Information technology services, engineering services	509,304	390,886
Rental of premises and other property	156,480	131,942
License fees	–	5,429
Outsourcing agreements and the sale of information	61,694	46,688
Regional representative services	30,996	22,531
Information, consultancy services, oper	–	146,093
Interest receivable	3,097	1,968
Disposals of fixed assets	–	9,701
<b>Purchase of goods, works and services</b>		
Rental of premises and other equipment, maintenance and support of the software and hardware complex, software, office equipment	13,408	19,245
Information, consultancy services, software use	127,592	100,815
Services for the organization of exchange activities, depository services, clearing services, communication	22,396	15,507
Interest on loans	7,225	135,541
Banking services	171	48
<b>Financial Transactions</b>		
Investments in authorized capitals/reduction of authorized capital	6,232,330	578,587
Loans granted/received	–	2,100,000

As part of its core business, the Moscow Exchange provides related parties with services on support of exchange trading with various financial instruments under general conditions. Settlements conducted by the Moscow Exchange as part of its core business are mostly performed through the accounts opened in its subsidiaries, i.e. National Settlement Depository and NCC Clearing Bank. The fee schedule for services is also established under general conditions.

Cost indicators on outstanding settlements are presented in the table below.

	<b>2015</b>	<b>2014</b>	<b>2013</b>
Accounts receivable	76,261	74,845	228,589
Accounts payable	40,730	12,215	15,923

Information on the amount of compensation paid to members of the Executive Board and the Supervisory Board is provided in Section “Disclosures on Revenues and Expenses”.

### **Business environment**

The Moscow Exchange conducts its business in the Moscow Federal District of Russia, which is characterised by risks associated with political and economic situation in the country as a whole.

The stability of the Russian economy is largely dependent on the course of economic reforms, development of the legal, tax and regulatory frameworks as well as effectiveness of financial and monetary policy measures taken by the Government of the Russian Federation.

The political situation in the country is currently relatively stable, but the Russian economy is vulnerable to the negative effects of a significant decline in crude oil prices, and a devaluation of the Russian rouble, as well as the sanctions imposed on Russia by some countries.

Despite the stabilisation measures taken by the Government of the Russian Federation for the purposes of providing liquidity and debt refinancing for Russian banks and companies, the uncertainty continues regarding access to capital and cost of capital for the Moscow Exchange and its counterparties, which could affect the financial position, results of transactions and business prospects of the Moscow Exchange. The instability in the capital markets may lead to a significant deterioration of liquidity in the banking sector, and tighter credit conditions within Russia.

Overall, the Moscow Exchange has no significant impact on the economic situation in the country. However, should there be any negative impact of changes in the situation across the country or in a region of the Russian Federation where the Company operates;

the Company will take all necessary action to reduce the adverse effects on the financial position and financial performance of the Company.

### **Taxation**

The Company conducts its business in the Russian Federation. A number of applicable provisions of the Russian tax, currency and customs legislation are not defined clearly and unambiguously, often leading to different interpretations (which, in particular, can be applied to past legal relationships), selective and inconsistent application, as well as frequent and sometimes unpredictable changes. In this regard, the interpretation of such legislation by the Company's management with respect to the Company's transactions and business activity may be challenged by relevant regional and federal regulators. Recent events in the Russian Federation show that the tax authorities tend to take a more assertive stance in their interpretation and application of certain laws and during tax audits. As a result, the tax authorities may at any future time challenge the transactions and operations of the Company not challenged in the past. Subsequently, the relevant authorities may charge significant additional taxes, penalties and interest.

Field audits of tax calculation and payments by taxpayers conducted by tax authorities may cover three calendar years immediately preceding the year of the tax authorities' decision to conduct a tax audit. Under certain circumstances, audits may cover earlier periods.

The current Russian regulations on transfer pricing allows the Russian tax authorities adjust the tax base and charge additional profit tax in respect of all controlled transactions if the price used in the transaction is outside the market range. The list of controlled transactions include transactions between related parties (Russian and foreign), as well as certain types of transactions between independent parties, which are treated as controlled transactions.

The current Russian transfer pricing rules have significantly increased the burden on the taxpayers regarding the administration of tax compliance in comparison with the transfer pricing rules in force before 2012; in particular, the burden of proof of showing that market prices are used shifted from the Russian tax authorities to taxpayers. These rules apply not only to transactions made in 2015, but also to transactions entered into in previous tax periods, if the corresponding income and expenses were recognised in 2015 (except for certain types of transactions). Specific transfer pricing rules apply to transactions with securities and derivatives.

In 2015, the Company determined its tax liabilities arising from the controlled transactions based on actual transaction prices.

Due to the uncertainty and lack of practice in the application of the current Russian transfer pricing legislation, the Russian tax authorities may challenge the price level used by the Company in controlled transactions, and charge additional tax amounts, if the Company is unable to prove that the market prices were used in the controlled transactions, and that the Company submitted appropriate statements to the Russian tax authorities supported by relevant transfer pricing documents.

As of December 31, 2015, the Company management believes that its interpretation of the applicable rules is justified and that the position of the Company in respect of taxation issues, as well as currency and customs regulations will be supported.

In 2015, the Moscow Exchange has no legal and other claims against it.

### **Assessment of business risks**

In the conduct of its business, the Moscow Exchange is influenced by industry, regulatory and other internal and external factors (material conditions, events, circumstances, actions). In this regard, there are various risks that can materially affect the financial position and performance of the Company.

In the course of its activities, the Moscow Exchange is exposed to operational, regulatory, strategic and reputational risks.

### ***Risk management mechanism***

The management of the Moscow Exchange is in control of managing the above risks in order to minimise potential adverse effects on the financial position and financial performance of the Company. For the purposes of monitoring the Company risk management process, the Company approved Rules for Managing Risks Associated with Operations of Trading Organiser covering the Company's professional activities.

The Risk Management Commission of the Moscow Exchange Supervisory Board monitors compliance with measures to mitigate risks associated with trading organisation activities.

### ***Operational risk***

Operational risk is a risk of expenses (losses) of the trade organiser related to activities stipulated by the Law on Organised Trading caused by disruptions in the regular operation of the trade organiser's structural units, normal operation of the trade organiser's software and hardware, rules and regulations on operations of the trade organiser, including due to error, fraud or wilful misconduct of the trade organiser's employees, technical failures, as well as through the impact of external factors.

Key operational risk control (minimisation) methods used by the Company include:

- development of the organisational structure, internal rules and procedures for operations, delimitation of authority, approval (agreement) and accountability for operations aimed at removing (minimising) the probability of operational risk occurrence;
- development of control measures based on statistical data analysis,
- identification of typical operational risks based on operational risk event recurrence;
- monitoring compliance with established rules and procedures;
- development of transaction and data protection automation technology;
- insurance, including both traditional types of property and personal insurance (insurance of buildings, other property against destruction, damage and loss caused by natural disasters and other random events, or through actions of third parties or employees; insurance of employees against accidents and injury to health), and insurance against occupation-specific risks, both comprehensive risk insurance and by individual risk;
- development of a system of measures to ensure continuity of financial and business operations, including contingency plans (business continuity plan and/or business recovery plan).

### ***Regulatory risk***

Regulatory risk is a risk of expenses (losses) of the trade organiser caused by the non-compliance of the trade organiser and its operations with the Law on Organized Trading and its bylaws adopted by the federal financial market regulator, as well as with the charter and internal documents of the trade organiser related to activities of the trade organiser.

A regulatory risk arises from the direct or indirect possibility (caused by ambiguous wording) that a regulator may impose restrictions on the business processes based on some legal provision.

Regular monitoring of legislative information is in place, along with analysis of draft regulations, expert opinions of structural units responsible for government relations and strategy development.

### ***Strategic risk***

Strategic risk is a risk of expenses (losses) of the trade organiser caused by errors (deficiencies) in decision-making defining the strategy and development of the trade organiser.

Strategic risk mitigation measures include: defining in the internal documents, including the charter, the decision-making roles and responsibilities of the governing bodies; enforcement of decisions made by the governing bodies across organisations; defining internal procedure for approval of changes in documents and procedures related to the decision-making process; factor analysis of strategic risk impact on performance; monitoring resources, including financial, material, technical and human, for the implementation of strategic goals.

### ***Reputational risk***

Reputational risk is a risk of expenses (losses) of the trade organiser caused by reduced number of traders or decreased trading volume due to a negative public perception of the trade organiser's operational (technical) stability, quality of services or general nature of business.

The use of reputational risk control methods and tools, selection of responses to the reputational risk events is managed as part of the Company's overall strategy.

### **Events after reporting date**

23 October 2015 the Supervisory Board resolved to exit Moscow Exchange's assets in the Ukraine and to establish share sell price (Minutes No.7 of 25 October 2015). Sell price for PFTS Stock Exchange shares was set at a minimum of UAH 1,000 per share, for the Ukrainian Exchange shares at a minimum of UAH1,100 and UAH 42,04 for the shares of Ukrainian Exchange Holding.

29 January 2016 a contract for the purchase and sale of PFTS Stock Exchange block of shares held by the Moscow Exchange was signed. As of 5 February 2016 shares were paid and delivered to the buyers.

2 February 2016 the first contract for the purchase and sale of Ukrainian Exchange shares was signed. As of 4 February 2016 the Exchange sold 19.98% stake in the Ukrainian Exchange, remaining 23.09% was sold on 9 March 2016.

24 February 2016 Moscow Exchange received a 2015 dividend in amount of RUB 4,999,999 from NCC Clearing Bank.

Moscow Exchange CFO

Evgeny Fetisov

**Auditor's report on financial statements of  
Public Joint-Stock Company "Moscow Exchange MICEX-RTS" for  
2015**

*March 2016.*

**Auditor's report on financial statements of  
Public Joint-Stock Company "Moscow Exchange MICEX-RTS"**

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## Independent auditor's report

To the shareholders and the Supervisory Board  
of Public Joint-Stock Company "Moscow Exchange MICEX-RTS"

We have audited the accompanying accounting (financial) statements of Public Joint-Stock Company "Moscow Exchange MICEX-RTS" which comprise the balance sheet as of 31 December 2015, the income statement for 2015 and appendices thereto.

### *Audited entity's responsibility for financial statements*

Management of Public Joint-Stock Company "Moscow Exchange MICEX-RTS" is responsible for the preparation and fair presentation of these financial statements in accordance with rules on the preparation of financial statements established in the Russian Federation and for the internal control system relevant to the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

### *Auditor's responsibility*

Our responsibility is to express an opinion on the fairness of these statements based on our audit.

We conducted our audit in accordance with the Federal Standards on Auditing effective in the Russian Federation and International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing audit procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The audit procedures selected depend on our judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management of the audited entity, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Public Joint-Stock Company "Moscow Exchange MICEX-RTS" and its subsidiaries as at 31 December 2015, and their financial performance and cash flows for the year 2015 in accordance with Russian Accounting (Financial) Reporting Standards.

### *Other matters*

The accompanying financial statements are not intended to present the financial position and results of operations in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than the Russian Federation. Accordingly, the accompanying financial statements are not designed for those who are not informed about accounting principles, procedures and practices in the Russian Federation.

E.V. Zaichikova  
Partner  
Ernst & Young Vneshaudit LLC

15 March 2016

#### Details of the audited entity

Name: Public Joint-Stock Company "Moscow Exchange MICEX-RTS"

Record made in the State Register of Legal Entities on 19 December 2011, State Registration Number 1027739387411.

Address 125009, 13, Bolshoy Kislovskiy per., Moscow, Russia

#### Details of the auditor

Name: Ernst & Young Vneshaudit LLC

Record made in the State Register of Legal Entities on 4 February 2016; State Registration Number 1167746123478.

Address: Russia 115035, Moscow, Sadovnicheskaya naberezhnaya, 77, building 1.

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