

Statement from the Chief Executive Officer



Dear colleagues!

2015 was a very successful year for Moscow Exchange, despite major challenges facing the majority of emerging markets, including Russia. We achieved record-high operating and financial results, demonstrating that the Company's strategy and business model adopted in 2015 are working.

Moscow Exchange's revenue for the year grew by 51%, while profit was up 74%. The main growth drivers included an increase in trading volumes and the expansion of the Group's services to meet growing customer needs. At the end of 2015, we launched on-exchange trading in grain, based on unique trading technology and logistics services that ensure the delivery of wheat across Russia. During the year, we worked actively on a major new project — the introduction of general collateral certificates, which allow traders to significantly increase the volume of transactions they can carry out in the Money Market and also to manage collateral more effectively.

Moscow Exchange reaffirmed its status as the main platform used by Russian companies to raise capital. In 2015, we saw eight successful offerings by domestic issuers and a record-high bond issuance, totalling RUB 2 trillion.

We have seen an increase in trading from Russian retail investors, an area which we believe represents substantial potential for the long-term development of our business. In addition, despite a difficult external environment, the share of trading volumes accounted for by foreign investors increased in 2015.

Moscow Exchange will continue to focus on developing the domestic investor base, while also promoting the Russian stock market and local issuers to both local and international investors. We are committed to realizing our mission to enable Russian companies to attract capital, while creating convenient, reliable and transparent conditions for both Russian and international investors.

We are pleased that our market capitalisation grew by 55% in 2015. We continue to work against our strategy aimed at the further growth and diversification of our business, while our new dividend policy shows our intention to pay out a higher percentage of earnings, with dividend payments having grown significantly year to year.

To further develop our infrastructure, we will expand our post-trading services, raise the efficiency of collateral management and provide netting services across all Moscow Exchange markets. These improvements will allow investors and traders to reduce their costs, thereby increasing the attractiveness of trading Russian assets in Moscow. In addition, we continue to improve the reliability of our IT systems, which includes transferring them to a new data centre, as well as carrying out upgrades to our overall IT architecture.

Our success would not be possible without the active engagement of market participants, shareholders and the regulator, and I would like to thank all of them for their support of Moscow Exchange and the Russian financial market.

Alexander K. Afanasiev