

INDEPENDENT AUDITOR'S REPORT

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

Opinion

We have audited the consolidated financial statements of Public Joint-Stock Company "Moscow Exchange MICEX-RTS" and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as at December 31, 2017, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2017, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (the "IESBA Code") together with the ethical requirements that are relevant to our audit of the consolidated financial statements in the Russian Federation, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The Entity: Public Joint-Stock Company "Moscow Exchange MICEX-RTS"

Primary State Registration Number: 1027739387411, record made in the State Register of Legal Entities on 16.10.2002.

Address: Russia 125009, Moscow, Bolshoy Kislovsky per., 13

Audit Firm: ZAO "Deloitte & Touche CIS"

Certificate of state registration № 018.482, issued by the Moscow Registration Chamber on 30.10.1992.

Primary State Registration Number: 1027700425444

Certificate of registration in the Unified State Register

№ 77 004840299 of 13.11.2002, issued by Moscow Interdistrict Inspectorate of the Russian Ministry of Taxation № 39.

Member of Self-regulated organization of auditors "Russian Union of auditors" (Association), ORNZ 11603080484.

Why the matter was determined to be a key audit matter

Carrying value of intangible assets and goodwill

The measurement of intangible assets and goodwill was determined to be a key audit matter, because management makes complex and subjective judgements over useful life of software and client base, as well as over existence of indicators of goodwill and intangible assets impairment. The carrying values of intangible assets and goodwill are significant for the users of consolidated financial statements.

We focused on the following areas:

- ▶ key assumptions used in determination of useful lives of the Group's intangible assets on initial recognition and subsequently;
- ▶ capitalisation of software enhancement costs incurred by the Group;
- ▶ key assumptions used in analysis of whether indications of impairment of intangible assets exist.

Information on accounting for intangible assets and goodwill is disclosed in Notes 17 and 18 to the consolidated financial statements, respectively.

How the matter was addressed in the audit

We obtained understanding of the management's methodology and process of initial and subsequent measurement of intangible assets and estimation of their useful lives. These procedures include understanding of relevant controls over the estimation and annual review of intangible assets useful lives, capitalisation of software costs, analysis of indications of impairment, assessment of recoverable amounts of cash-generating units (the "CGU's"), and recognition of impairment of intangible assets.

We checked that management's estimates in respect of useful lives of assets are in line with the historical usage of similar assets and consistent with general industry practices. We checked that the authorised changes to the assets' useful lives were applied prospectively to all assets within the same type.

On a sample basis, we assessed the nature of costs capitalised as part of intangible assets during the reporting period and tested that software enhancement costs meet capitalisation criteria.

As part of assessment of recoverability of goodwill and client base, we checked the allocation of these assets to the appropriate CGU.

We reviewed the management's analysis in respect of existence of indications of impairment. We checked the calculation of the recoverable amount of each CGU performed by the Group's management, and challenged key assumptions and judgements used in future cash flows forecasts and sensitivity of recoverable amount to changes in key assumptions. In particular, we focused on analysis of the value in use, projected cash flows, and historical accuracy of management forecasts against actual results.

In certain cases, our accounting estimates were different from the management's estimates. This was caused, inter alia, by inherent uncertainty about the future events and conditions which are disclosed in consolidated financial statements and did not have material effects on these consolidated financial statements.

We checked completeness and accuracy of disclosures in the consolidated financial statements, and their compliance with IFRS.

Why the matter was determined to be a key audit matter*Information Technology systems and related controls*

We focused on this area because functioning of the financial accounting and reporting systems are reliant on integrity of complex information technology (the "IT") systems, and on the effectiveness of related control procedures.

There is a risk that automated accounting procedures and IT related manual controls are not properly designed or operating ineffectively. We focused on testing of trading and clearing systems, as the most significant proportion of revenue is recognised based on automated data generated by these systems.

How the matter was addressed in the audit

We assessed the effectiveness of general IT controls.

We tested design and operating effectiveness controls over IT systems which support automatic financial accounting and reporting processes. In respect of these systems we examined controls over access security, change management, and operation of IT systems and identified key general IT controls implemented by the management which address risks of material misstatement of the Group's financial statements.

In certain cases based on results of our procedures, we identified certain deficiencies in general IT controls. However, the combination of tests of compensating controls and direct substantive testing performed provided us with sufficient evidence to rely on the Group's IT systems for the purposes of our audit.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Other Matter

The consolidated financial statements of the Group for the year ended December 31, 2016, were audited by another auditor, who expressed an unmodified opinion on those financial statements on March 2, 2017.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards ("IFRSs"), and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit 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 Group's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ▶ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the

Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- ▶ Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- ▶ Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period, which constitute the key audit matters included herein.


Neklyudov Sergei Vyacheslavovich
Engagement partner



Deloitte & Touche
2 March 2018