

CME Group 4Q 2015 / FY 2015 Earnings Conference Call

February 5, 2016

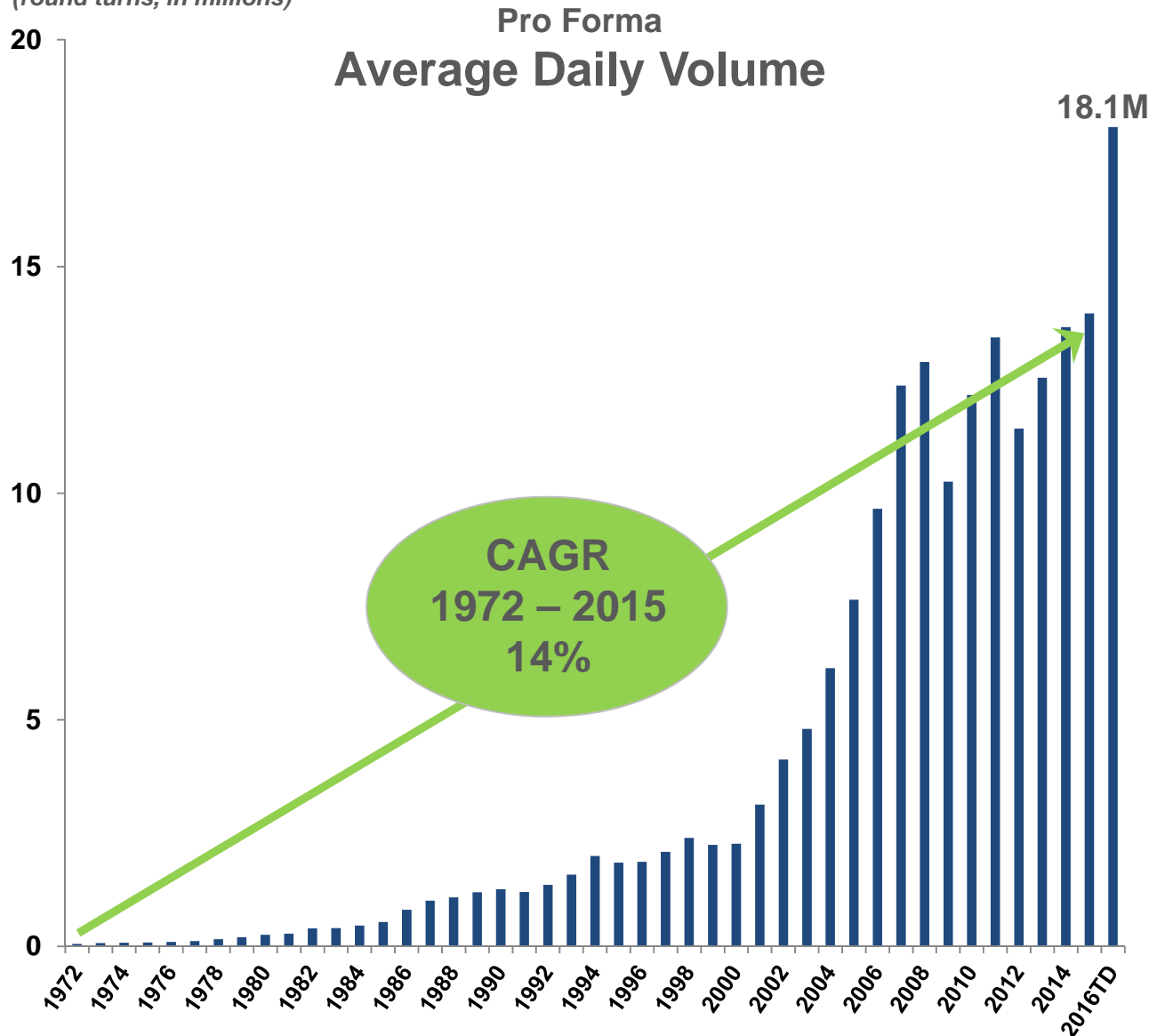
Forward Looking Statements

Statements in this presentation that are not historical facts are forward-looking statements. These statements are not guarantees of future performance and involve risks, uncertainties and assumptions that are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed or implied in any forward-looking statements. We want to caution you not to place undue reliance on any forward-looking statements. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise. Among the factors that might affect our performance are increasing competition by foreign and domestic entities, including increased competition from new entrants into our markets and consolidation of existing entities; our ability to keep pace with rapid technological developments, including our ability to complete the development, implementation and maintenance of the enhanced functionality required by our customers while maintaining reliability and ensuring that such technology is not vulnerable to security risks; our ability to continue introducing competitive new products and services on a timely, cost-effective basis, including through our electronic trading capabilities, and our ability to maintain the competitiveness of our existing products and services, including our ability to provide effective services to the swaps market; our ability to adjust our fixed costs and expenses if our revenues decline; our ability to maintain existing customers, develop strategic relationships and attract new customers; our ability to expand and offer our products outside the United States; changes in domestic and non-U.S. regulations, including the impact of any changes in domestic and foreign laws or government policy with respect to our industry, such as any changes to regulations and policies that require increased financial and operational resources from us or our customers; the costs associated with protecting our intellectual property rights and our ability to operate our business without violating the intellectual property rights of others; decreases in revenue from our market data as a result of decreased demand; changes in our rate per contract due to shifts in the mix of the products traded, the trading venue and the mix of customers (whether the customer receives member or non-member fees or participates in one of our various incentive programs) and the impact of our tiered pricing structure; the ability of our financial safeguards package to adequately protect us from the credit risks of clearing members; the ability of our compliance and risk management methods to effectively monitor and manage our risks, including our ability to prevent errors and misconduct and protect our infrastructure against security breaches and misappropriation of our intellectual property assets; changes in price levels and volatility in the derivatives markets and in underlying equity, foreign exchange, interest rate and commodities markets; economic, political and market conditions, including the volatility of the capital and credit markets and the impact of economic conditions on the trading activity of our current and potential customers; our ability to accommodate increases in contract volume and order transaction traffic and to implement enhancements without failure or degradation of the performance of our trading and clearing systems; our ability to execute our growth strategy and maintain our growth effectively; our ability to manage the risks and control the costs associated with our strategy for acquisitions, investments and alliances; our ability to continue to generate funds and/or manage our indebtedness to allow us to continue to invest in our business; industry and customer consolidation; decreases in trading and clearing activity; the imposition of a transaction tax or user fee on futures and options on futures transactions and/or repeal of the 60/40 tax treatment of such transactions; the unfavorable resolution of material legal proceedings; and the seasonality of the futures business. For a detailed discussion of these and other factors that might affect our performance, see our filings with the Securities and Exchange Commission, including our most recent periodic reports filed on Form 10-K and Form 10-Q.

NOTE: Unless otherwise noted, all references to CME Group volume, open interest and rate per contract information in the text of this document is based on pro forma results assuming the merger with CBOT Holdings and the acquisition of NYMEX Holdings were completed as of the beginning of the period presented. All data exclude CME Group's non-traditional TRAKRSSM products, for which CME Group received significantly lower clearing fees of less than one cent per contract on average. Unless otherwise noted, all year, quarter and month to date volume is through 12/31/2015.

Long-Term Growth in a Variety of Environments

(round turns, in millions)



2015

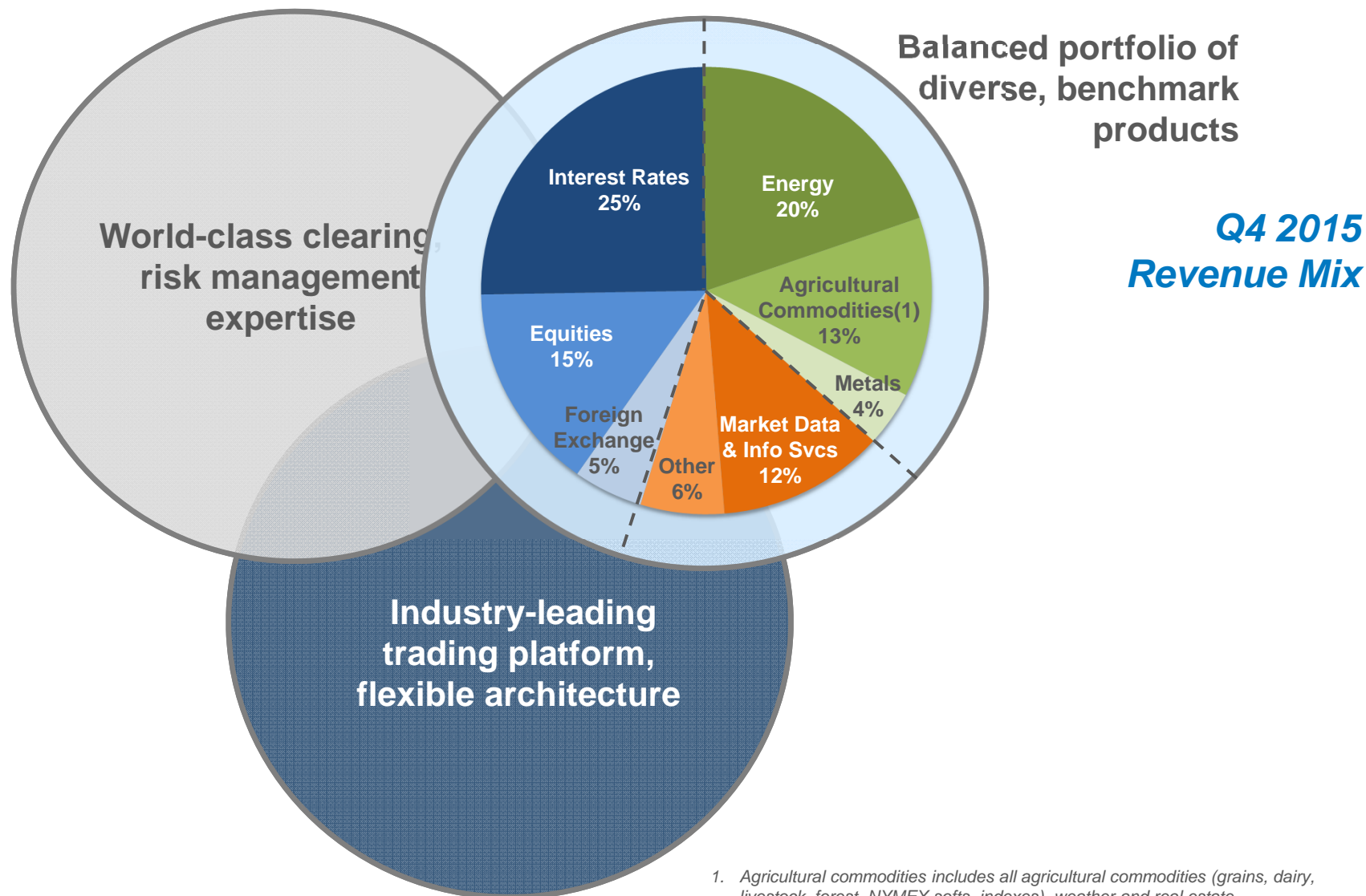
- Record overall ADV of 14M contracts
- Record ADV in Energy
- Record AG ADV / Revenue
- Record Options ADV (2.7M) and electronic Options ADV (1.4M)

Jan 2016

- Record 18.2M overall ADV, up 16 percent from Jan-15
- Record electronic ADV of 15.4M contracts
- Record Options ADV of 4.3M contracts, up 37 percent
- Record electronic Options ADV of 2m contracts, up 30 percent
 - Record electronic Eurodollar Options ADV
 - Record WTI Options ADV
- Record Energy ADV of 2.6M
- Record WTI futures/options of 1.4M contracts, up 29 percent

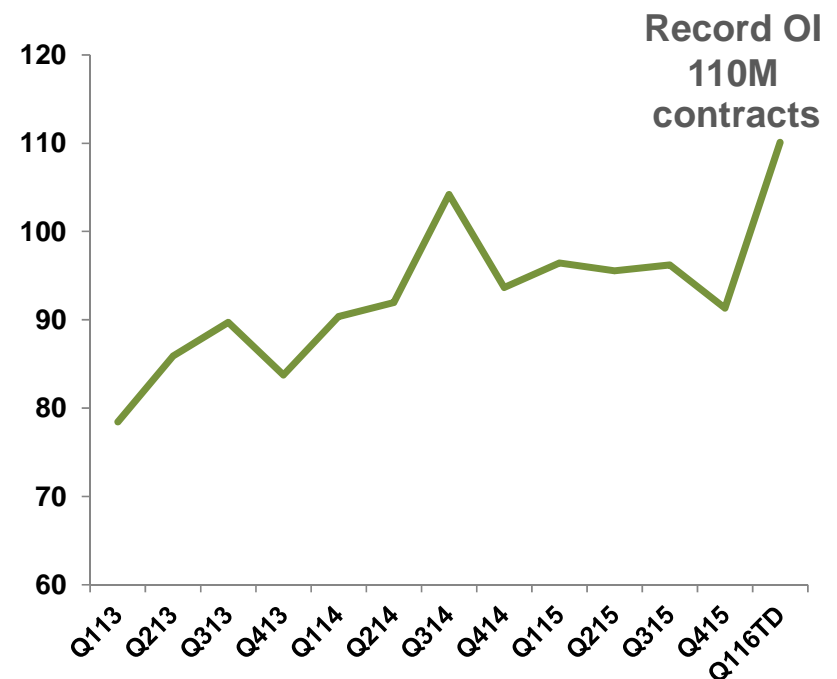
Note: Volumes are all pro forma as if CME owned NYMEX and CBOT over the illustrated period and 2016TD ADV is through 2/3/16

Unique Assets Provide Competitive Advantages



Strong Start to 2016 Following Record ADV in 2015

PRODUCT LINE	2015 ADV	JAN 2016 ADV	JAN16 vs. JAN15
Interest Rates	6,720	8,935	16%
Equities	2,792	4,139	30%
Energy	1,970	2,597	18%
Ag Commodities	1,265	1,133	-1%
FX	872	970	-3%
Metals	344	405	-1%
Total	13,963	18,179	16%

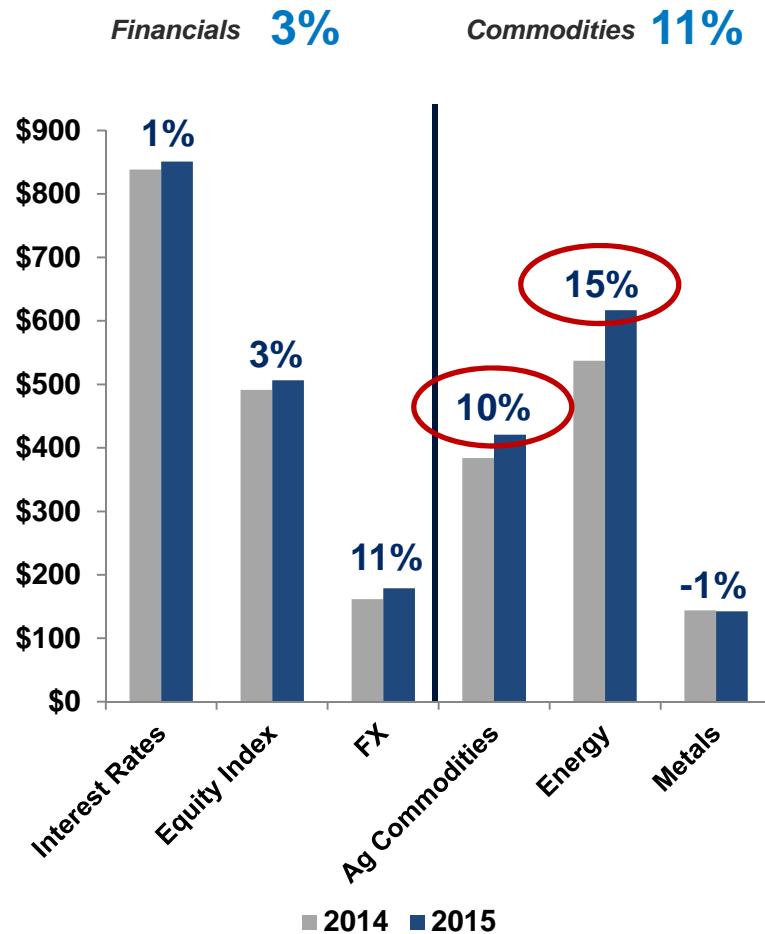


- Jan16 versus Dec15 month-end open interest – largest month-over-month variance of 16.5M contracts, up 18 percent
- Set total open interest record of 110.1M on February 3, surpassing previous record of 108.9M contracts on November 13, 2014

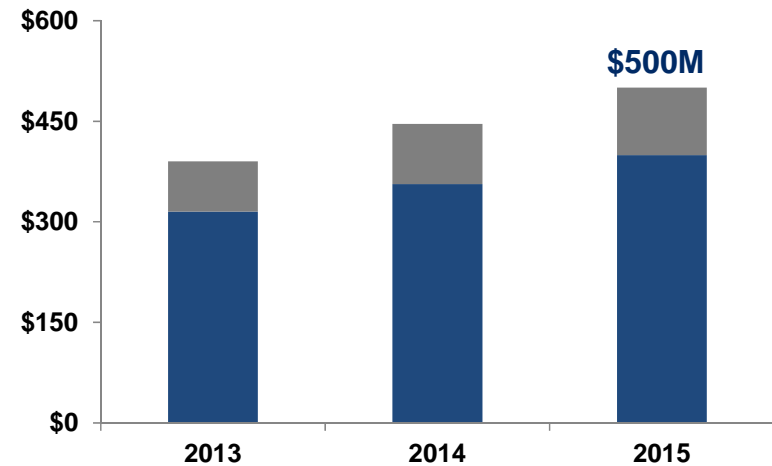
Note: Q115TD OI through February 3, 2016

Revenue Growth *(\$ in millions)*

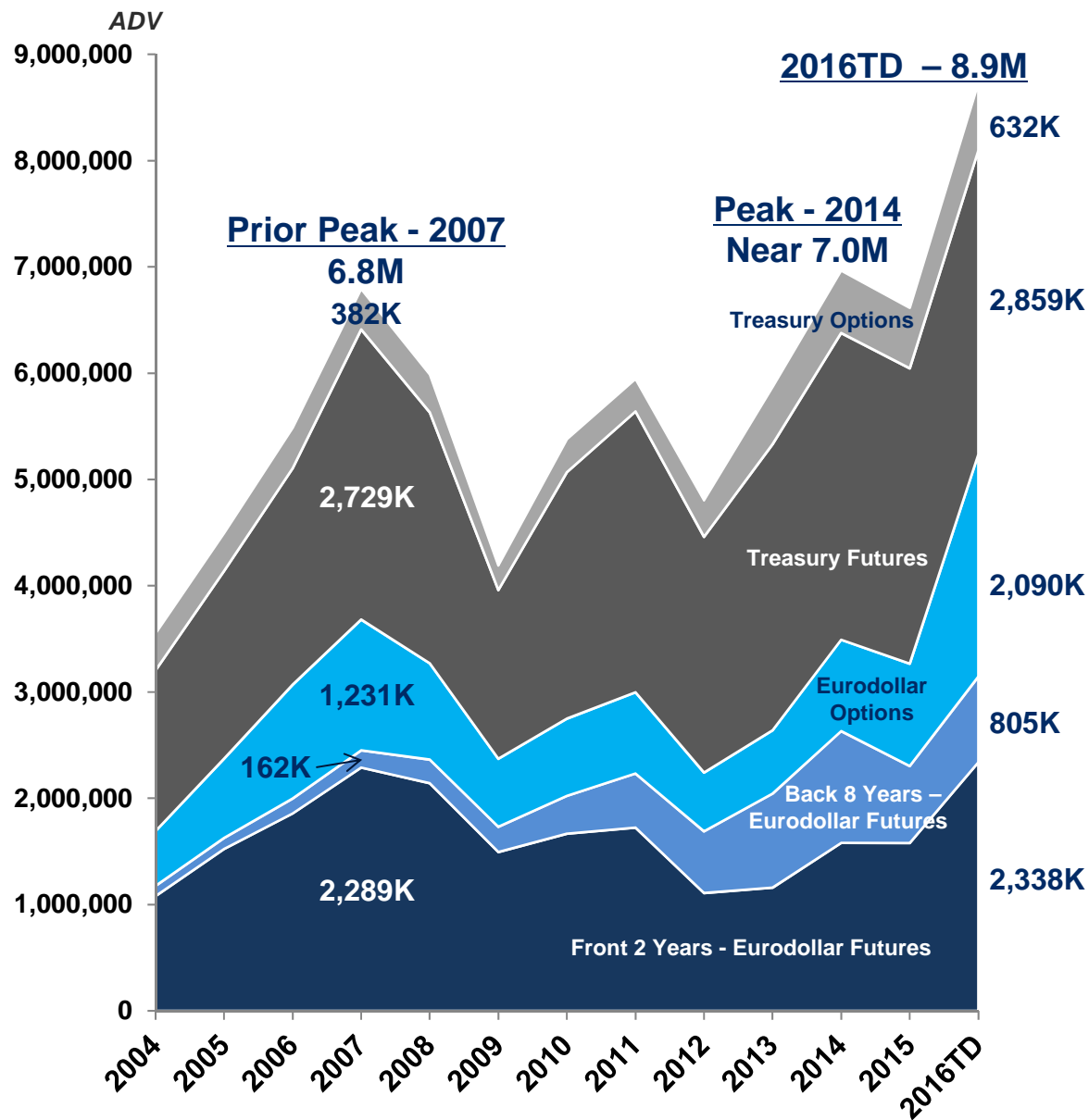
Product Line Transaction Fee Revenue 2015 vs. 2014



Market Data Revenue / S&P Dow Index Business Contribution



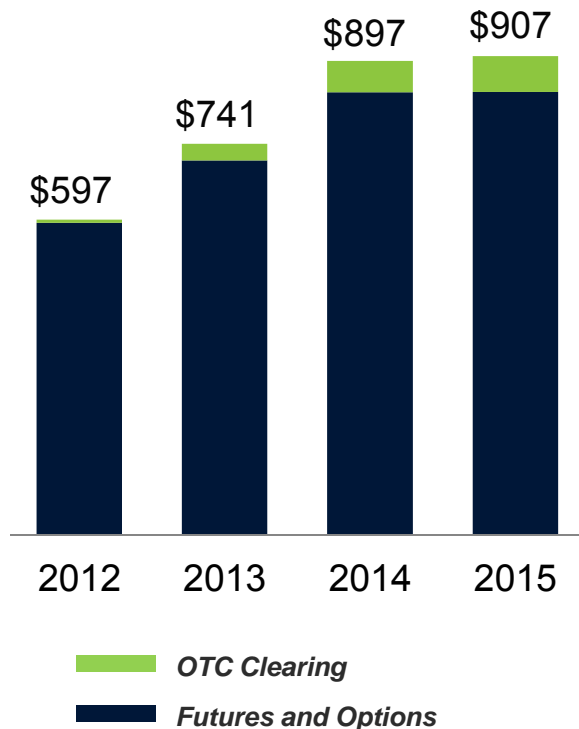
Momentum Building – Significant Growth in Eurodollars



Interest Rates - Continued Innovation

CME Group Interest Rate Annual Revenue

(\$ in millions)



- Ultra 10-Yr Treasury Futures/Options

- Approx. 400K contracts traded since launch
 - Surpasses previous all-time new product volume record for first 3 weeks established by Dow futures (224,923 contracts)
- **Open Interest:** 57,388 contracts, increasing consistently since launch
- **TN and TY Growing Together:** Existing 10-Yr Treasury Note futures OI has reached over 3M contracts, growing approximately 400K contracts since Jan. 8
- **Widespread Client Participation:** Over 140 participants trading all three global trading sessions
- **Variety of Trade Types Early:** Block trading, Options, cash-future basis (EFP) and invoice spreads (EFR) all traded in first 3 weeks

- Mexican Peso IRS Clearing

- Over 78 market participants clearing
- 2015 ADV was >\$4B notional per day
- 50 new market participants in 2015
- Broad participation - hedge funds, banks/dealers, asset managers

- Brazilian Real CDI Swap Clearing

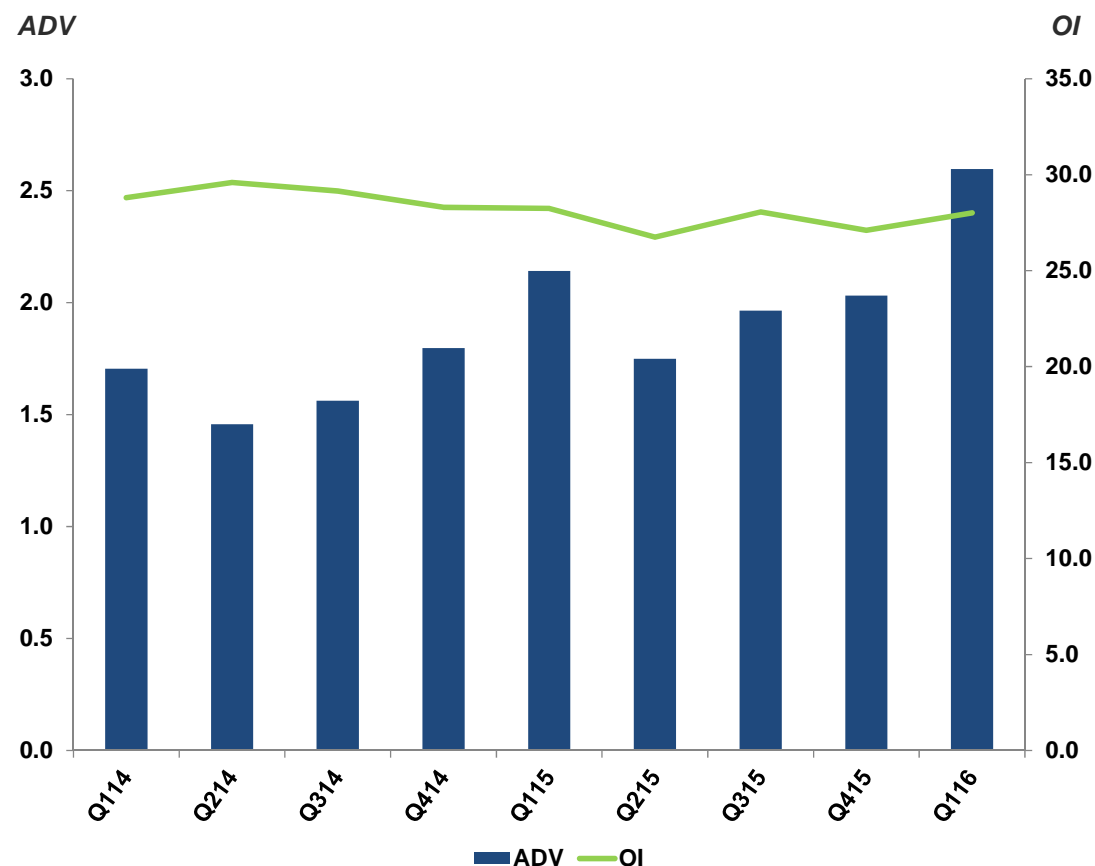
- Strong client demand – launched in August 2015 – 19th IRS currency

- Swaptions in the pipeline

- Compression

- Over \$20T notional reduced as we work with Dealers to increase their efficiencies

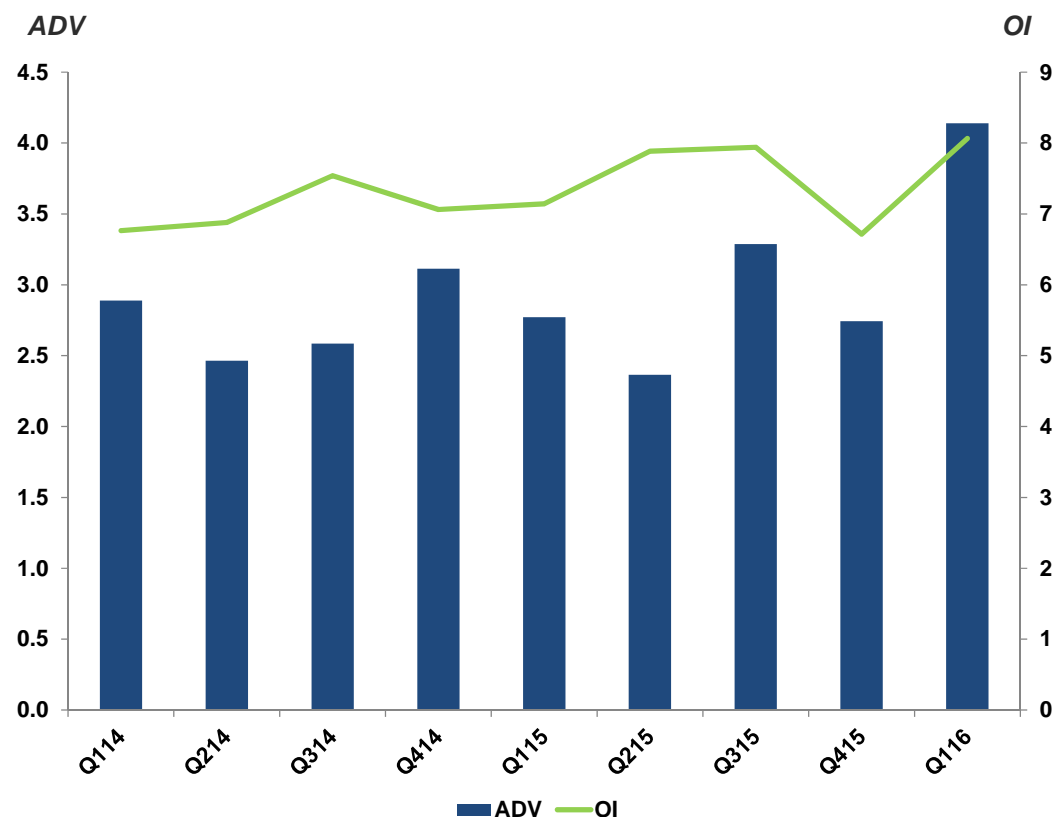
Energy – Sustained Volume Growth



Recent Energy Records

- Record Energy ADV in 2015
- Record Energy ADV of 2.6M contracts in Jan16, up 18 percent
- Record WTI futures/options ADV of 1.4M contracts, up 29 percent
- Other Jan-16 ADV records including Gasoil, Natural Gas Liquids and Plastics, and Coal products
- Record Large Open Interest Holders in Energy in 2015

Equity Index



Secured long-term rights to the FTSE Russell Indexes through partnership with LSE

- Launched FTSE emerging markets and Europe developed market products last month
- 2017 – launching Russell 2000 futures

S&P 500 Annual and Quarterly Dividend Index Futures

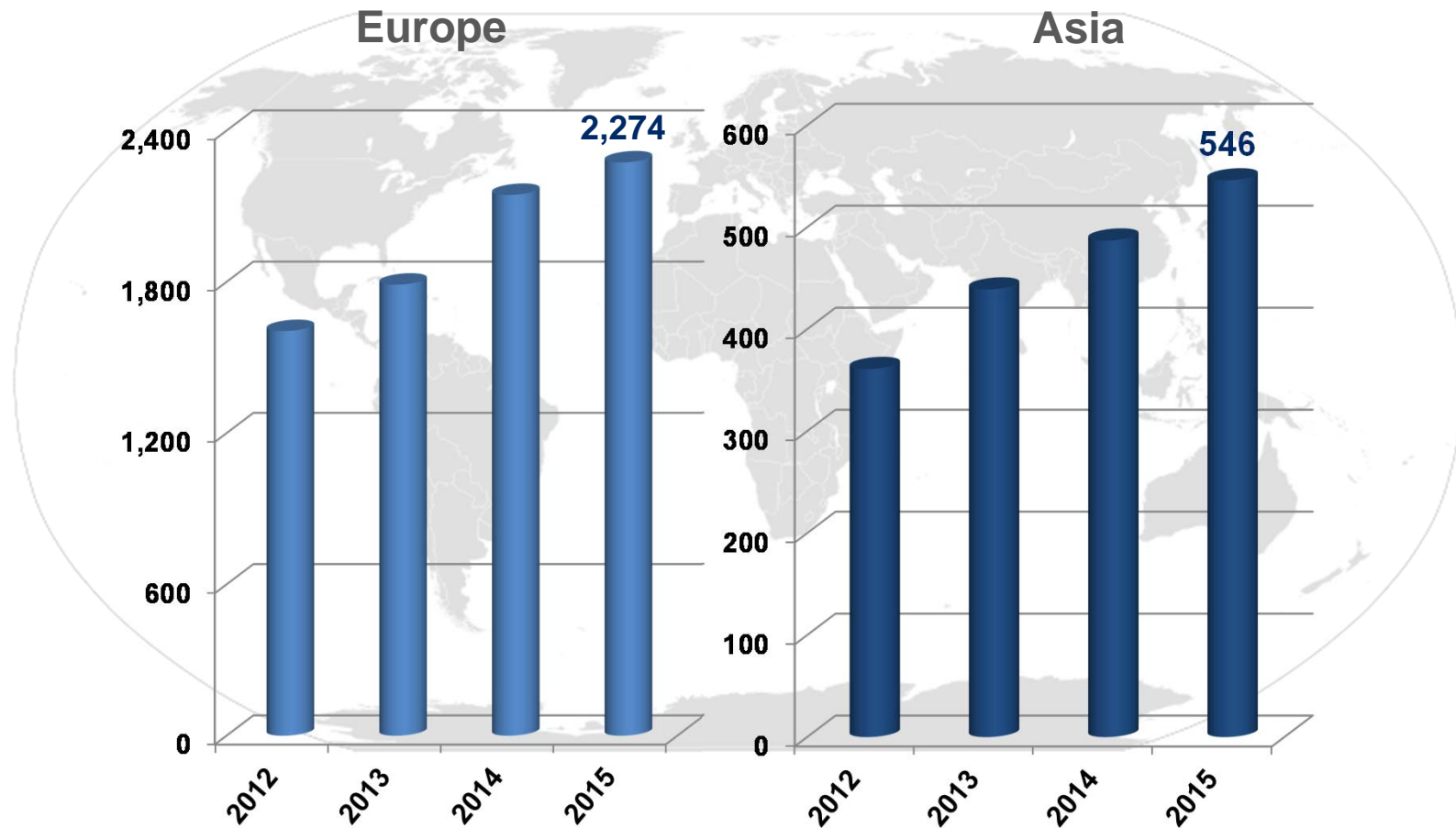
- Launched Nov15 - offers customers an innovative new way to express views on S&P 500 dividend exposure

Launched Basis Trade Index at Close (BTIC) functionality to the S&P 500, NASDAQ and Dow Jones index futures

- Since expansion to the US major indices in Nov15, over 132,000 contracts have been traded
- Historically this business had been done in a bilateral way off exchange

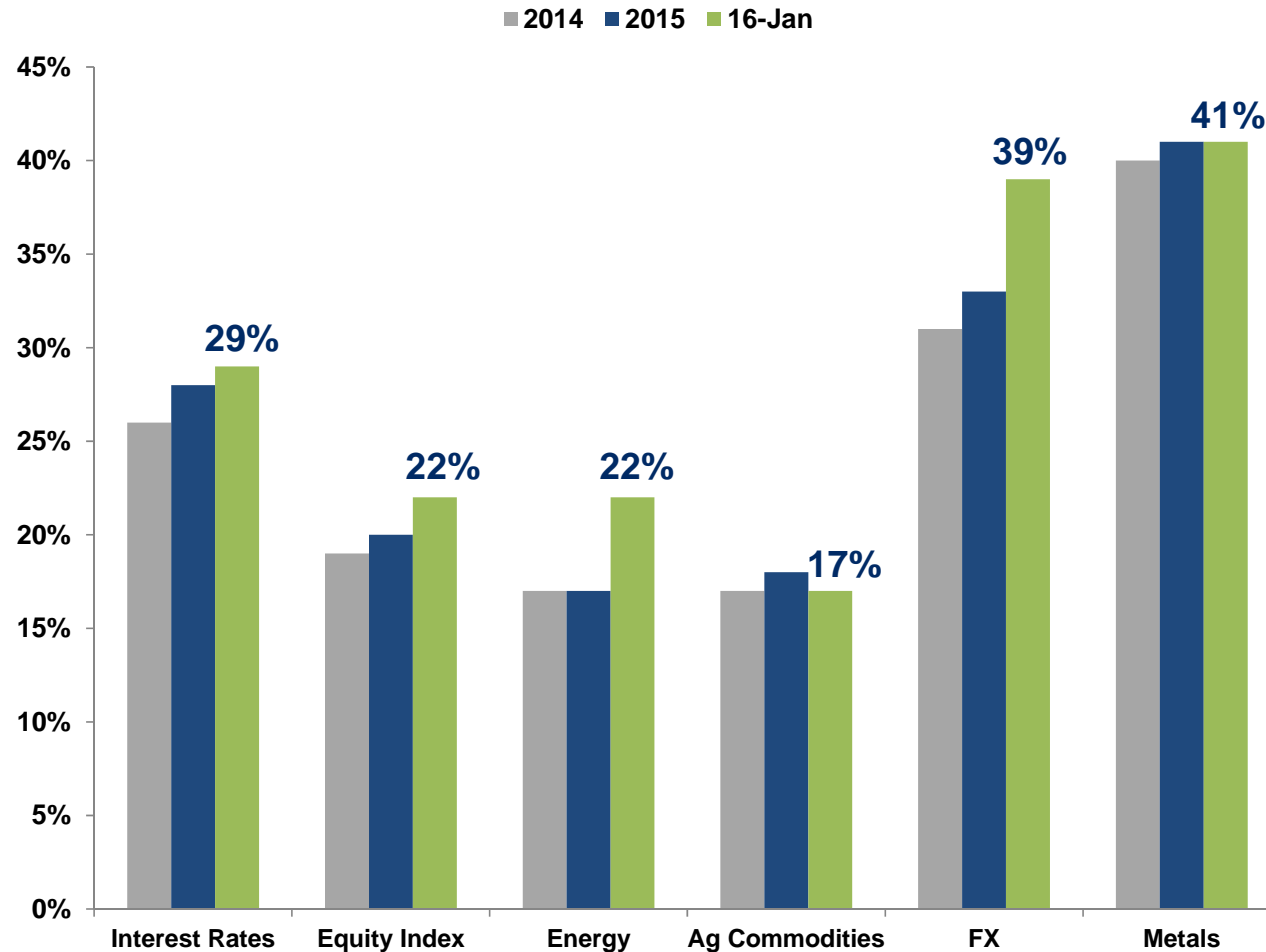
Investments in Globalization Are Paying Off

Electronic ADV, in 000s



Investments in Globalization Are Paying Off

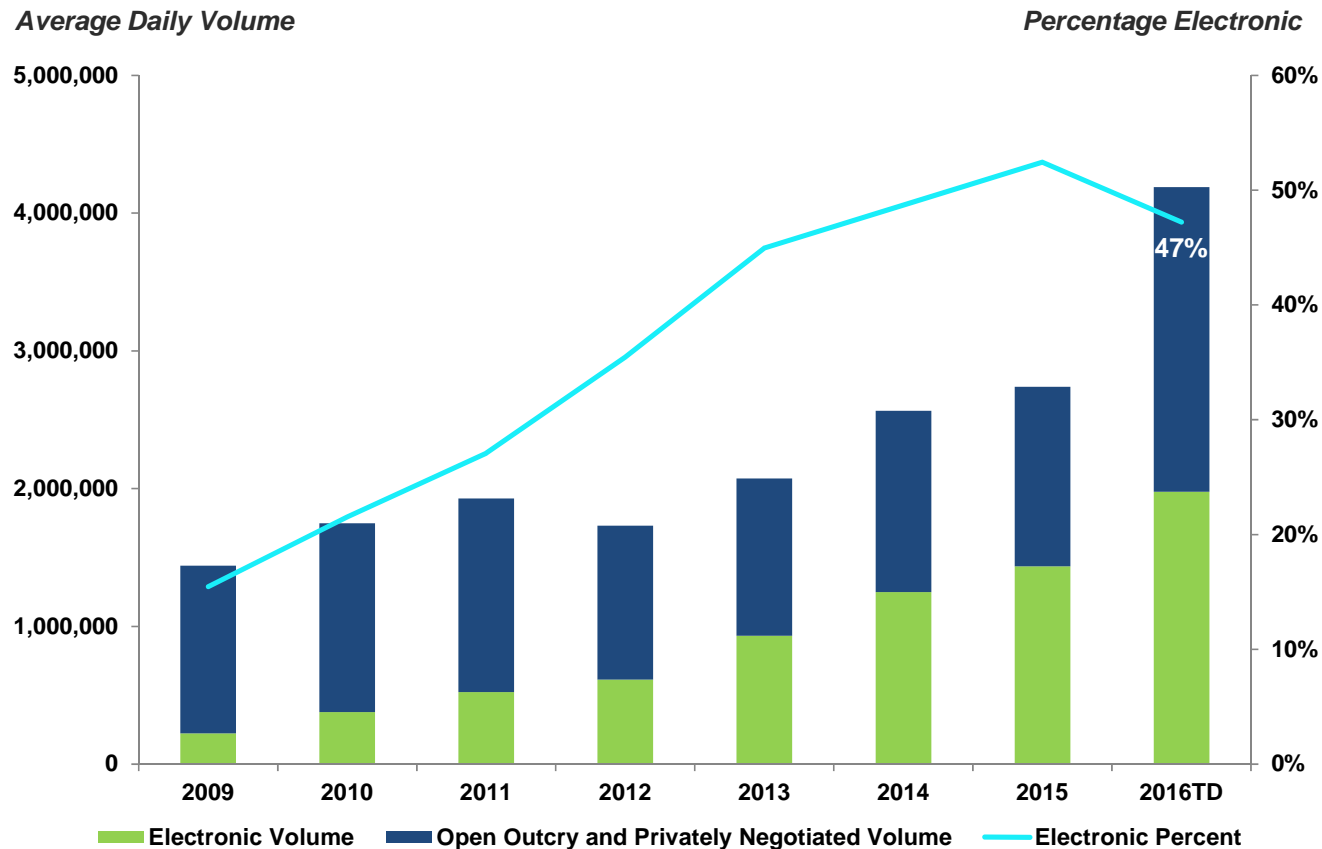
% of Total Electronic Average Daily Volume Outside U.S.



- Non U.S. electronic ADV in Jan-16 up 28 percent vs. Jan-15, while U.S. electronic ADV up 9 percent
- Non U.S. electronic volume represented 26 percent of overall electronic volume in Jan-16, up from 23 percent in Jan-15

Options Business – Continued Opportunities

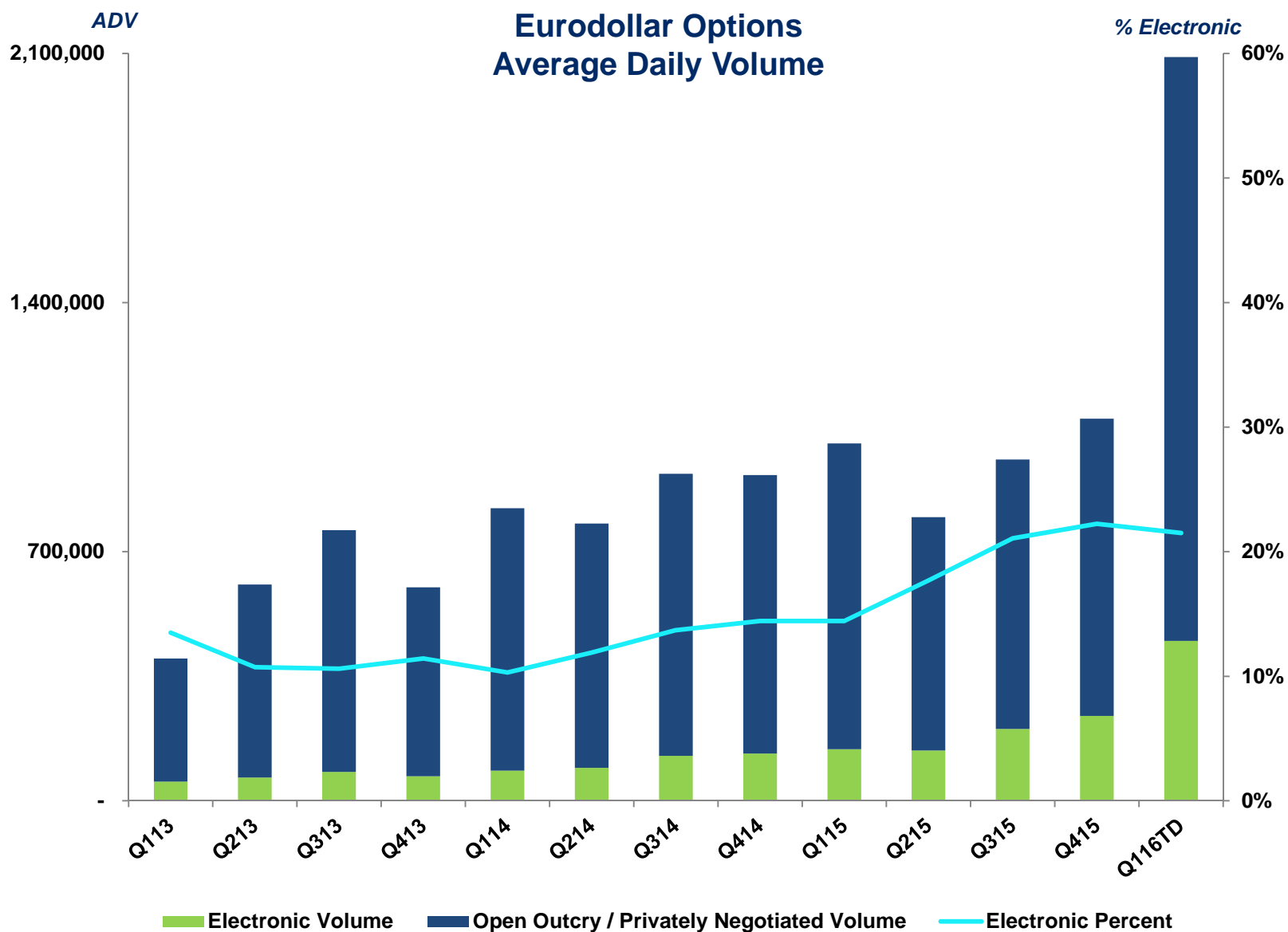
Annual ADV by Venue



Jan16 Records

- Options ADV of 4.3M contracts, up 37 percent versus Jan-15
- Electronic options ADV of 2M contracts, up 30 percent
- Electronic Eurodollar options ADV of 458K contracts, 21 percent of total ED options ADV
- WTI options ADV of 236K, up 28 percent
- 2015 vs. 2014 growth in electronic options - 23 percent in Europe and 11 percent in Asia
- 2015 record 40 percent of Options Spreads traded on CME Globex (vs. 10 percent in 2010)

Record Electronic Eurodollar Options in January 2016



2015 Key Innovations / Initiatives

Product and Service Innovations

- Development of a solution to facilitate roll forward of the T-Bond contract and tail spread solution
- Launched short-dated New Crop Options
- Introduced Basis Trade at Index Close (BTIC) functionality for Equities futures
- Launched fertilizer offerings on CME Europe
- Introduced half-ticks for Japanese Yen futures outright
- First-ever physically delivered Crude Oil storage futures (Loop)
- Launched S&P 500 Dividend Index Futures
- Launched Physically Delivered Zinc and Lead Futures
- Created unique methodology for creation, storage and management of warehouse warrants for Cocoa

International Expansion

- Launched products to provide physical delivery of locally relevant products in Europe and Asia
 - Physically Delivered Cocoa Futures & Cocoa Options
 - Kilo Gold Futures delivered in Hong Kong
 - EU Natural Gas & Power offerings
- CFETS Agreement on the joint development and innovation of offshore RMB products
- Exclusive license with Rim Intelligence to develop and clear energy derivatives based on Japan LNG Assessment
- Executed MOU with MCX in India to jointly develop Commodities products in India

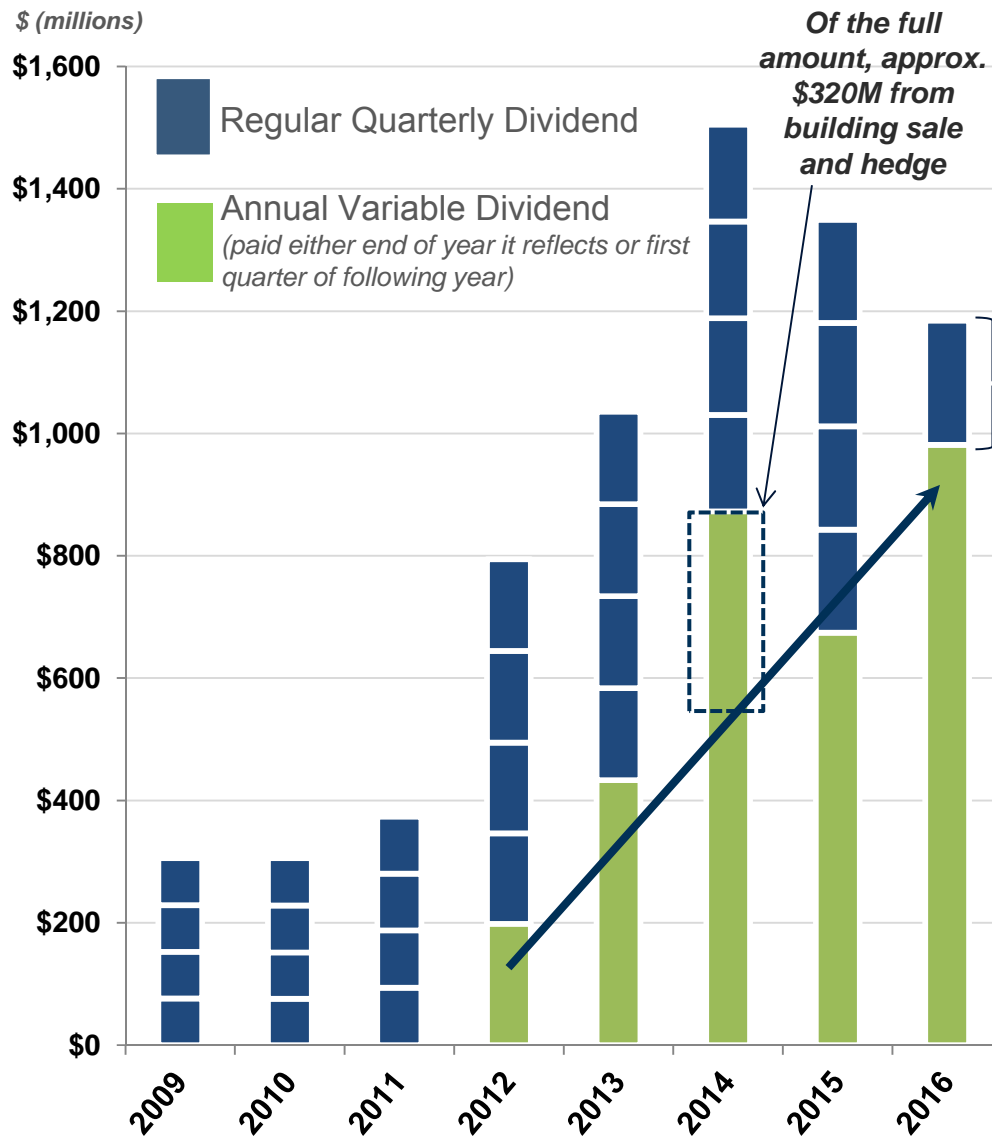
Expanding Scope of Business

- Secured long-term rights to the FTSE Russell indexes
- Launched CME Compression Services and gained substantial traction around coupon blending and portfolio margining services
- Successful QuickStrike analytics into CME Direct and Pivot to create unique industry options solution
- Executed SGX and ASX Co-Location Agreements
- CME Ventures investments in 9 portfolio companies, 5 new this year

2015 Financial Highlights

- **Record annual ADV up 2 percent and RPC up 4 percent**
- **Strong organic revenue growth**
 - Commodity Products up 11 percent / Financial Products up 3 percent
 - Market Data up 12 percent
- **Expense discipline**
 - Expenses down 1 percent versus 2014 – despite License Fees up 9 percent
 - Compensation ratio of 16.1 percent in 2015 versus 17 percent in 2014
- **Expanded operating margins**
 - Grew from 58 percent in 2014 to 61 percent in 2015
- **EPS growth**
 - 2015 diluted EPS up 14 percent
- **Significant cash generation**
 - Total cash, restricted cash and marketable securities at December 31, 2015 of \$1.87B
 - Returned almost \$1B to shareholders in annual, variable dividend in January
 - Just announced 20 percent increase in regular dividend from 50 cents per share to 60 cents per share
 - Dividend yield over the last 4 years of more than 5 percent

Committed to Returning Cash to Shareholders



- First-quarter 2016 regular dividend declared at \$0.60 per share, increased 20 percent from 2015 level
- CME Group to keep \$700M minimum cash
- Creates opportunity to sweep excess cash to shareholders annually
- Unique annual, variable structure
- Returned more than \$5.6 billion to shareholders in dividends since beginning of variable dividend policy in early 2012
- Dividend yield over the last 4 years of more than 5 percent

Note – Annual, variable dividend reflecting excess cash from 2011 was paid in 1Q 2012, and annual, variable dividend reflecting excess cash from 2012 (which is illustrated in 2013 on this chart), was paid early in 4Q 2012.

Notes / Guidance

- **Market Data**

- 4Q15 Market Data revenue of \$99M came in up 11 percent compared to Q4 last year and we expect our market data revenue to increase by 4 to 5 percent in 2016.

- **Operating Expense**

- We are providing guidance for total expense excluding our licensing and other fee agreements which was \$1.171 billion in 2015. Based on current plans and business mix, we expect a modest increase to that of one percent to approximately \$1.185 billion in 2016.

- **Effective Tax Rate**

- Expect 2016 effective tax rate to be at a similar level to 2015, at 36.5 percent.

- **Capital Expenditures**

- Fourth-quarter capital expenditures, net of leasehold improvement allowances, totaled \$28 million and for the full year came in at \$113 million. Expect full-year 2016 capital expenditures to come in between \$115 million and \$120 million.

CME Group 4Q 2015 Adjusted Financial Results¹

- Revenue of \$814M, down 3 percent
- Operating Expense of \$336.5M, down 1 percent
- Operating Income of \$477M, down 5 percent
- Operating Margin of 58.6 percent compared with 59.5 percent in 4Q14
- Net Income Attributable to CME Group of \$311M, down 2 percent
- Diluted EPS of \$0.92, down 3 percent

CME Group Average Rate Per Contract (RPC)

<u>Product Line</u>	<u>4Q 2014</u>	<u>1Q 2015</u>	<u>2Q 2015</u>	<u>3Q 2015</u>	<u>4Q 2015</u>
Interest Rates	\$ 0.472	\$ 0.480	\$ 0.502	\$ 0.506	\$ 0.517
Equities	0.697	0.721	0.725	0.708	0.718
Foreign Exchange	0.760	0.831	0.816	0.785	0.813
Energy	1.279	1.250	1.277	1.197	1.232
Ag Commodities	1.321	1.324	1.311	1.290	1.339
Metals	1.664	1.662	1.634	1.600	1.644
Average RPC	\$ 0.731	\$ 0.753	\$ 0.777	\$ 0.759	\$ 0.789

1) A reconciliation of the non-GAAP financial results mentioned to the respective GAAP figures can be found within the Reconciliation of GAAP to Non-GAAP Measures chart at the end of the financial statements.

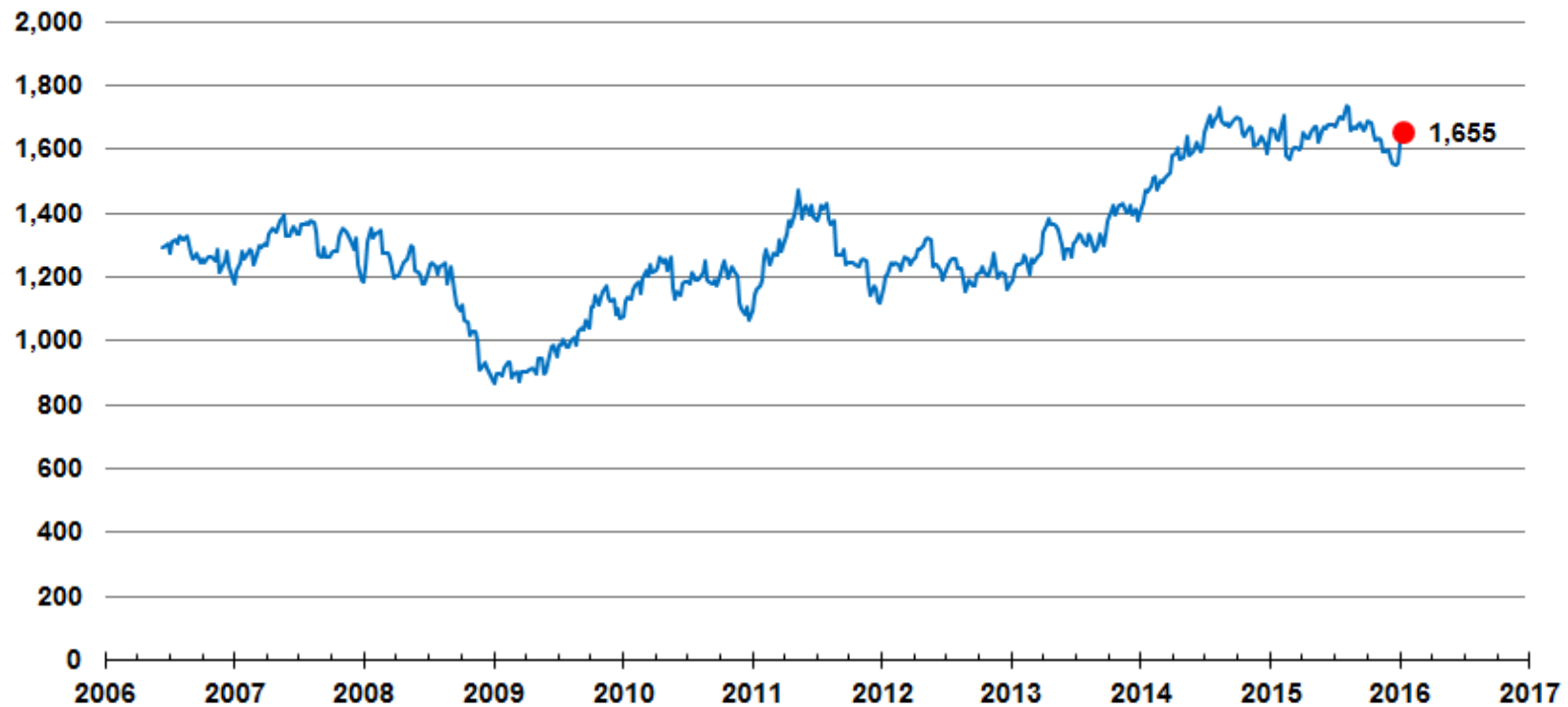
Appendix

February 5, 2016

Interest Rate Futures – Large Open Interest Holders

**CME Group Interest Rate Futures
Aggregate Number of Large Open Interest Holders***

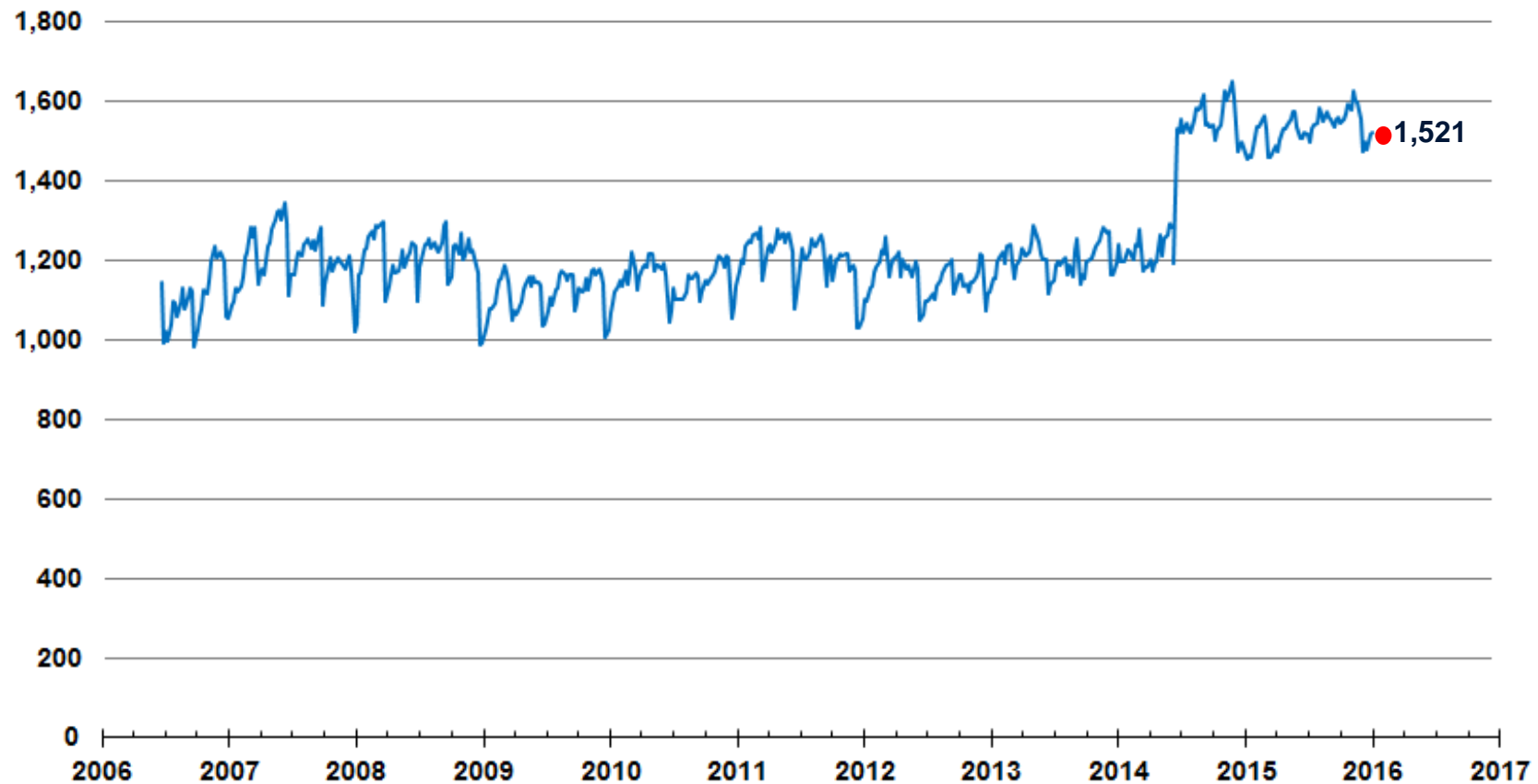
Source: CFTC



Equity Index Futures – Large Open Interest Holders

**CME Equity Index Futures
Aggregate Number of Large Open Interest Holders***

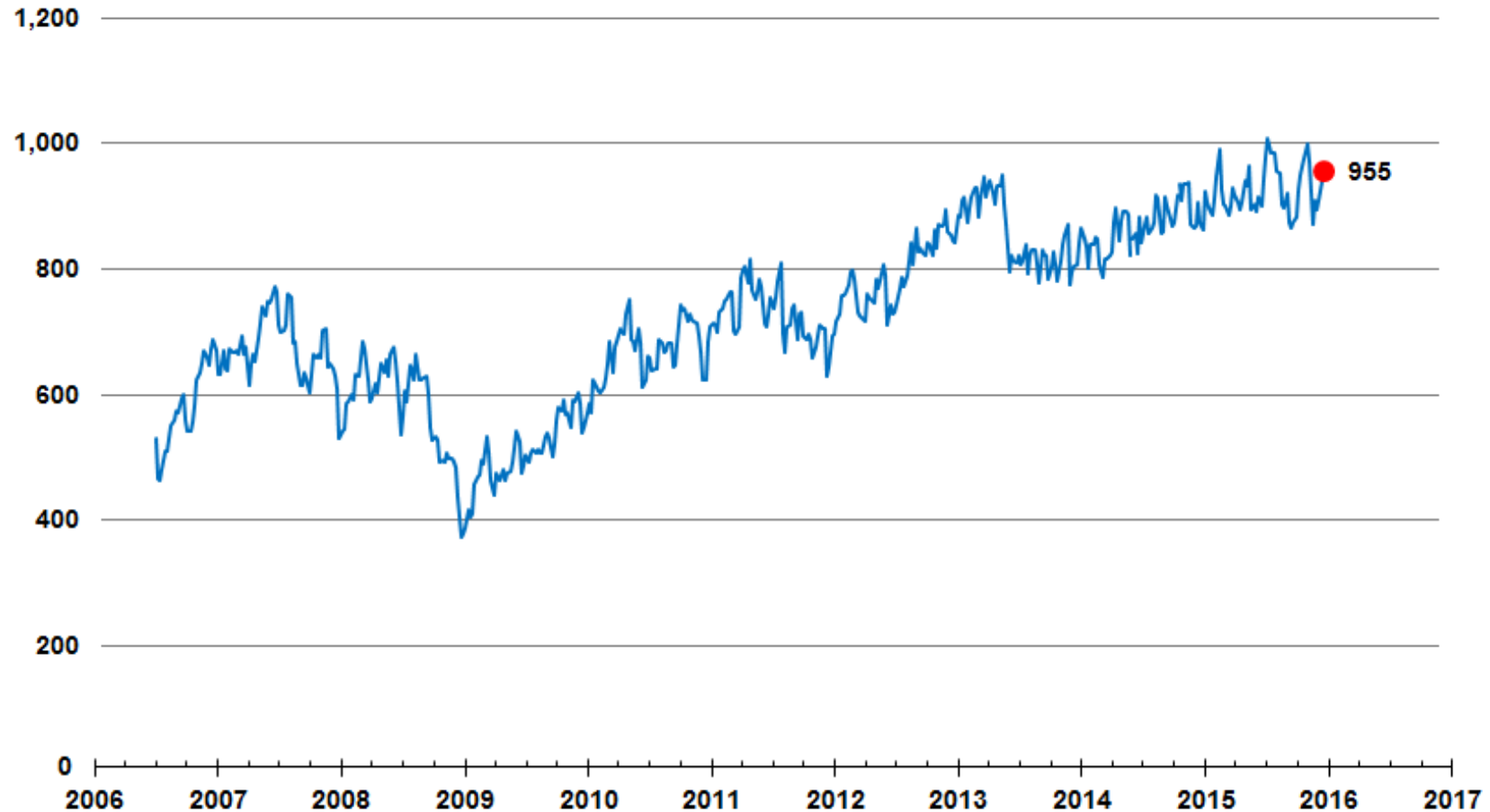
Source: CFTC



FX Futures – Large Open Interest Holders

CME Group Foreign Exchange Futures
Aggregate Number of Large Open Interest Holders*

Source: CFTC

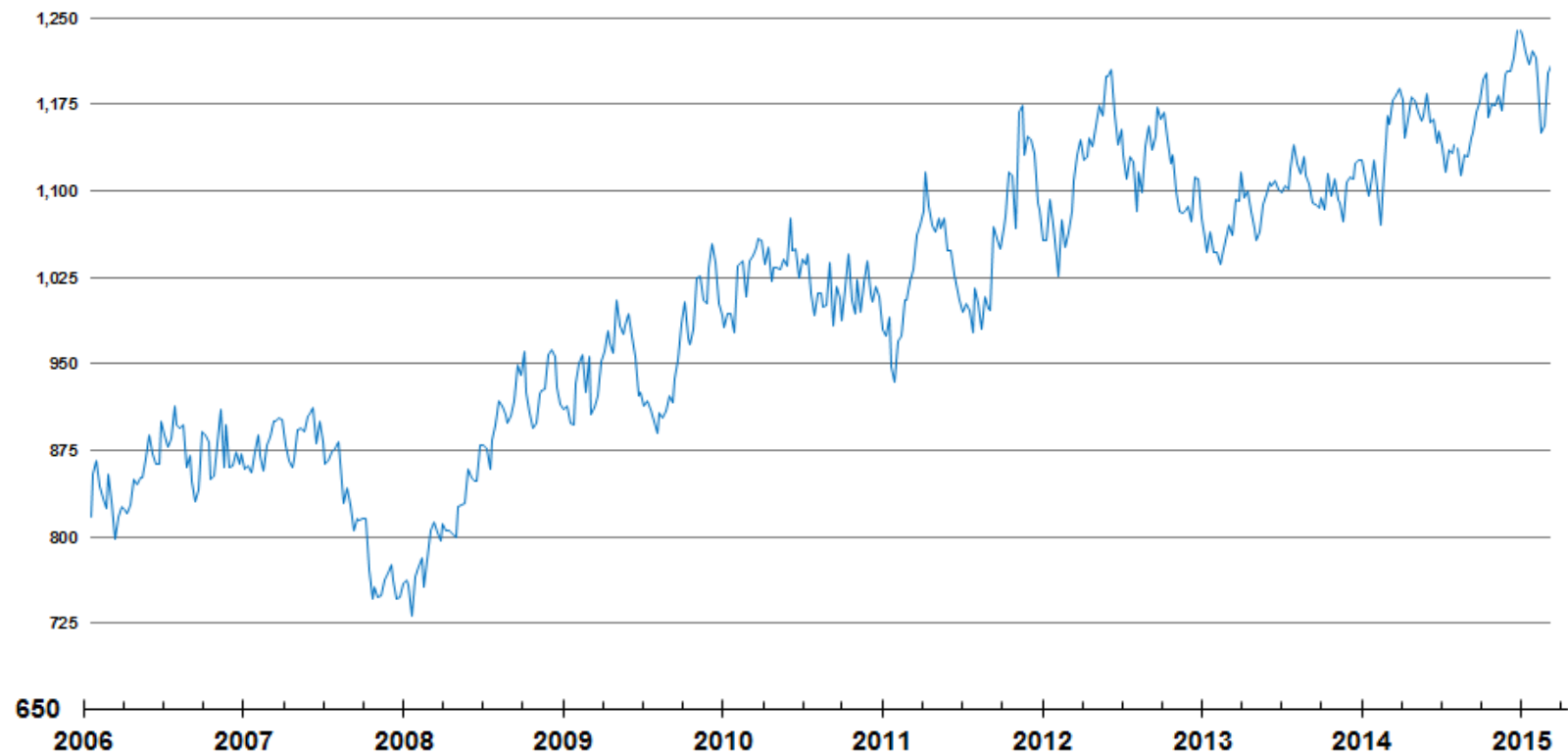


*The CFTC defines large open interest holders as having at least 400 open contracts in Major Foreign Currency futures and at least 100 open contracts in Other Foreign Currency futures.

Energy Futures – Large Open Interest Holders

CME Group Energy Futures
Aggregate Number of Large Open Interest Holders*

Source: CFTC



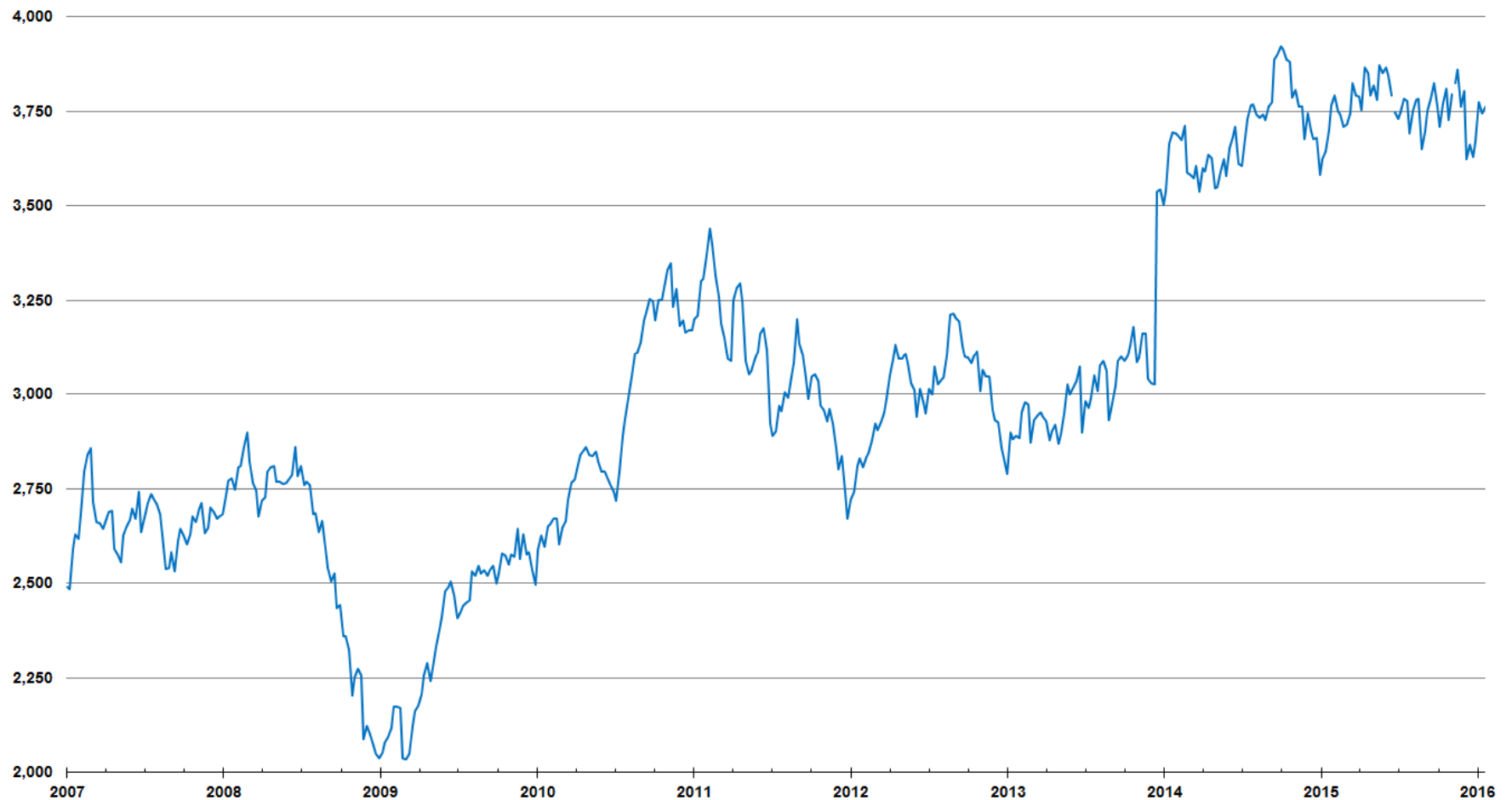
*The Aggregate number of Large Open Interest Holders is the sum of the LOIH traders for the following products: WTI (Crude Oil, Light Sweet), NG (Natural Gas), RBOB (Gasoline Blendstock), HO (#2 Heating Oil), International Coal, and U.S. Coal.

The Energy Product Line LOIH above is a sum of each product's LOIH and does not imply a unique number of Traders

Ag Futures – Large Open Interest Holders

CME Group Agricultural Futures
Aggregate Number of Large Open Interest Holders*

Source: CFTC



Metals Futures – Large Open Interest Holders

CME Group Metals Futures
Aggregate Number of Large Open Interest Holders*

Source: CFTC

