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Subject Company: CBOT Holdings, Inc.  
Subject Company's Commission File No.: 001-32650

# CBOT/CME: A Superior Combination for Shareholders, Members and Customers

**CBOT Member/Shareholder Meeting    March 22, 2007**



# Discussion of Forward-Looking Statements

## *Forward-Looking Statements*

*This presentation may contain forward-looking information regarding Chicago Mercantile Exchange Holdings Inc. and CBOT Holdings, Inc. and the combined company after the completion of the merger that are intended to be covered by the safe harbor for "forward-looking statements" provided by the Private Securities Litigation Reform Act of 1995. These statements include, but are not limited to, the benefits of the business combination transaction involving CME and CBOT, including future financial and operating results, the new company's plans, objectives, expectations and intentions and other statements that are not historical facts. Such statements are based on current beliefs, expectations, forecasts and assumptions of CME and CBOT's management which are subject to risks and uncertainties which could cause actual outcomes and results to differ materially from these statements. Other risks and uncertainties relating to the proposed transaction include, but are not limited to the satisfaction of conditions to closing; including receipt of shareholder, member, antitrust, regulatory and other approvals on the proposed terms; the proposed transaction may not be consummated on the proposed terms; uncertainty of the expected financial performance of CME following completion of the proposed transaction; CME may not be able to achieve the expected cost savings, synergies and other strategic benefits as a result of the proposed transaction; the integration of CBOT with CME's operations may not be successful or may be materially delayed or may be more costly or difficult than expected; general industry and market conditions; general domestic and international economic conditions; and governmental laws and regulations affecting domestic and foreign operations.*

*For more information regarding other related risks, see Item 1A of CME's Annual Report on Form 10-K for the fiscal year ended December 31, 2006. Copies of said 10-K is available online at <http://www.sec.gov> or on request from the CME. You should not place undue reliance on forward-looking statements, which speak only as of the date of this presentation. Except for any obligation to disclose material information under the Federal securities laws, CME undertakes no obligation to release publicly any revisions to any forward-looking statements to reflect events or circumstances after the date of this presentation.*

## *Additional Information*

*CME and CBOT have filed a definitive joint proxy statement/prospectus with the Securities and Exchange Commission (SEC) in connection with the proposed transaction. This material is not a substitute for the definitive joint proxy statement/prospectus or any other documents CME and CBOT have filed or will file with the SEC. Investors and security holders are urged to read the definitive joint proxy statement/prospectus and any other relevant documents filed or to be filed by CME or CBOT because they contain or will contain important information about the proposed transaction. The definitive joint proxy statement/prospectus is, and other documents filed or to be filed by CME and CBOT with the SEC are or will be, available free of charge at the SEC's Web site ([www.sec.gov](http://www.sec.gov)) or from Chicago Mercantile Exchange Holdings Inc., Shareholder Relations and Membership Services, 20 South Wacker Drive, Chicago, Illinois 60606, Attention: Beth Hausoul.*

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*CME and its directors, executive officers and other employees may be deemed to be participants in the solicitation of proxies in connection with the proposed transaction. Information about CME's directors and executive officers is available in the definitive joint proxy statement/prospectus.*

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*Statements included in this presentation relating to the ICE offer reflect the views of CME's management.*

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*This document shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offering of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the U.S. Securities Act of 1933, as amended.*

Terry Duffy

Executive Chairman, CME



# A Shared History...and Vision for the Future

**1848: CBOT founded – derivatives industry is born**

**1865: CBOT launches first grain futures**

**1898: Chicago Butter and Egg Board founded**

**1919: CME established**

**1972: Financial futures invented**

**1977: U.S. Treasury futures launched**

**1981: CME Eurodollar contract launched**

**1987: CME, CBOT, Reuters pioneer electronic trading**

**1997: E-mini stock index futures launched**

**2002: CME becomes a public company**

**2003: CBOT/CME common clearing link initiated**

**2005: CBOT becomes a public company**

**2006: CME and CBOT announce merger plans**

**Today: we are better together.**



# Strategic Benefits of CME's Proposal

Craig S. Donohue

CME Chief Executive Officer



**Financially**

**Strategically**

**Operationally**

## **ICE's proposal**

- ◆ exaggerates the estimated synergies
- ◆ offers CBOT shareholders a weaker currency
- ◆ will limit CBOT's comparative future growth potential and value creation opportunities
- ◆ poses significant execution and integration risks that could adversely affect customers and shareholders

**We remain confident that our merger  
will close mid-year 2007**

- **ICE's comments are misleading**
- **We are well advised by anti-trust counsel and leading economists**
- **We compete in a global market:**
  - ◆ Domestic and foreign exchanges
  - ◆ Securities, options and futures exchanges
  - ◆ Cash and OTC derivatives markets



### **ICE's proposed structure/transaction is not a differentiating factor**

- ICE has proposed same exact structure
- ICE has not offered a specific alternative
- ICE has not offered CBOT shareholders a guarantee
- CBOE has not consented to ICE's proposal
- CME will consider an alternative structure if CBOE confirms preservation of the exercise right

# Better Together – Our View

**Financially**

**Strategically**

**Operationally**

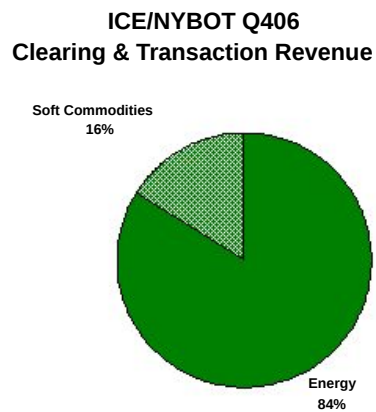
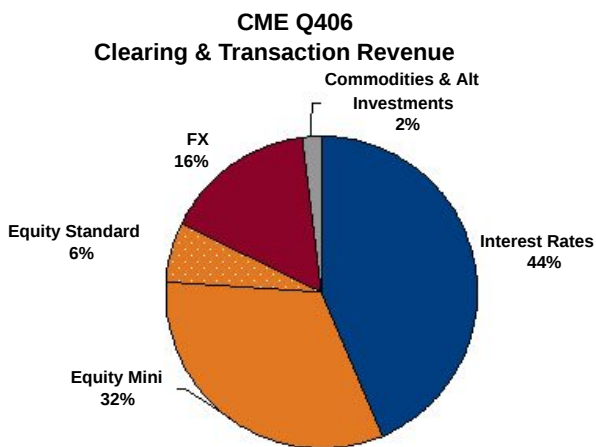
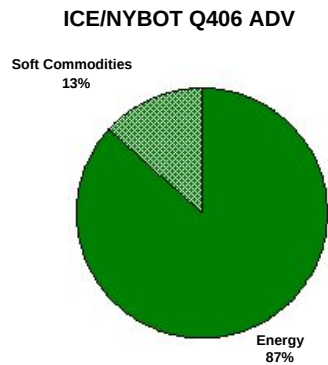
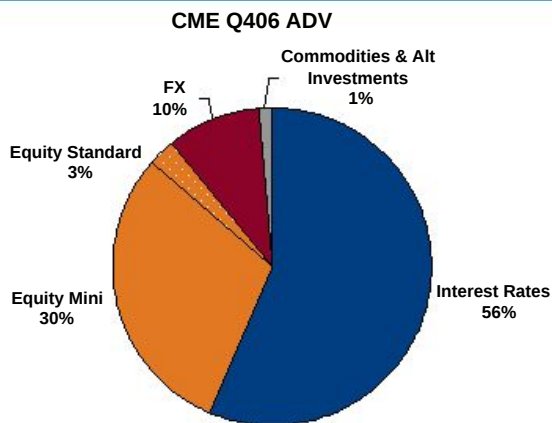


## CBOT/CME is Financially Compelling

- **CME and CBOT are 1<sup>st</sup> and 3<sup>rd</sup> largest exchanges**
  - ◆ ICE is 10th
- **CBOT and CME are the most well diversified exchanges in the world - by volume and revenue**
- **ICE has a narrow energy product set**
- **CME offers stronger currency**
- **CME will deliver on synergies**

# Diversity of ADV and Revenue

**ICE volume and revenue are limited to the energy and soft commodity markets**

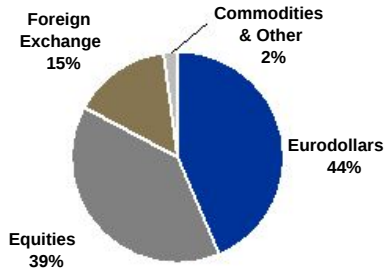


Sources: Company press releases and SEC filings

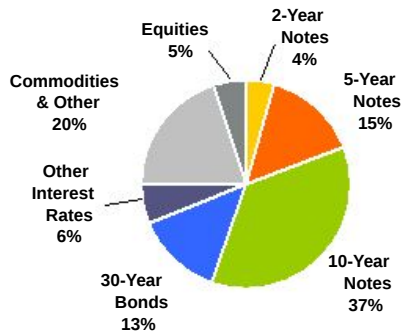
# CBOT/CME Product/Revenue Diversity

Strong and broad platform with a diversified product mix

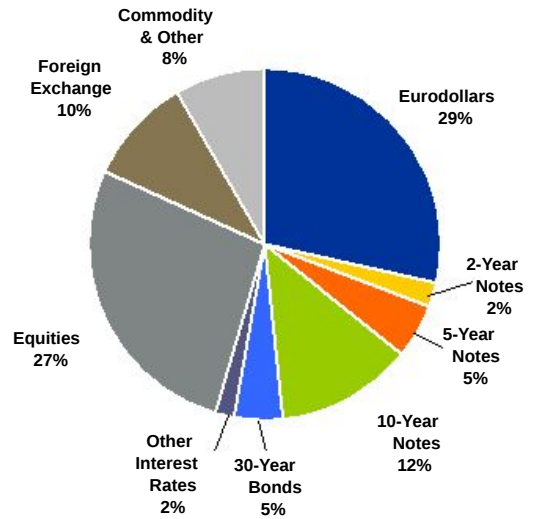
**CME Standalone Transaction Revenue Mix**



**CBOT Standalone Transaction Revenue Mix**



**Pro Forma Transaction Revenue Mix**



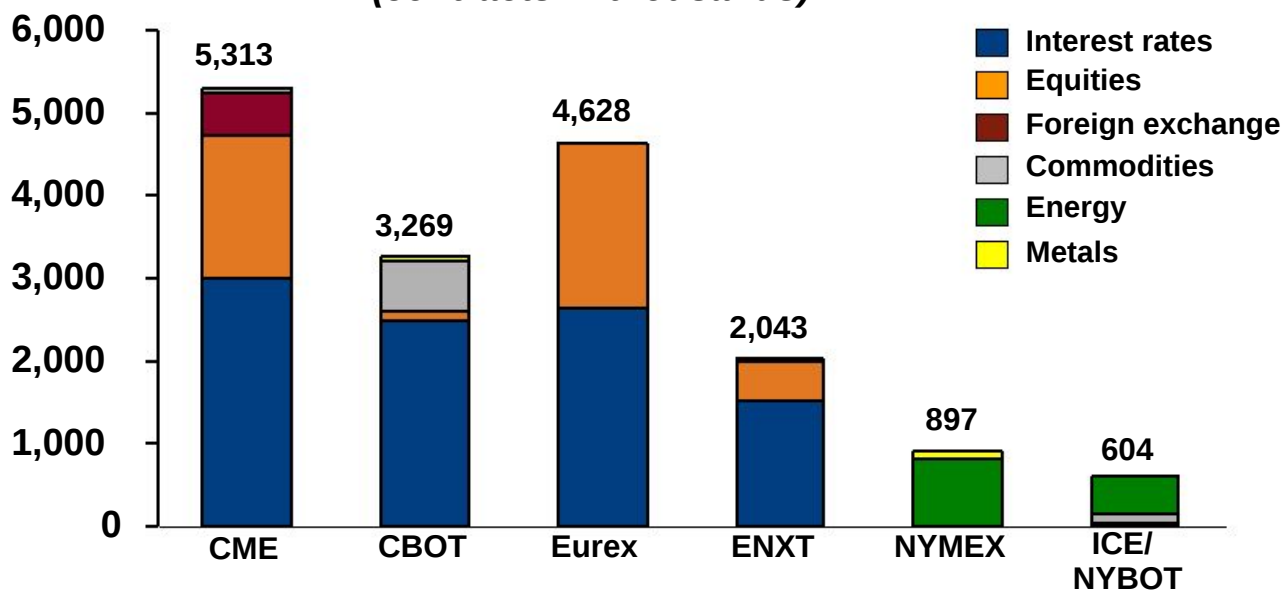
NOTE: Data as of 1H06.



# We Operate in a Global Marketplace

CME is the largest global derivatives exchange and has a strong partnership with the leading energy exchange, while ICE/NYBOT is not the largest in any segment

## Q406 Average Daily Volume By Exchange (contracts in thousands)

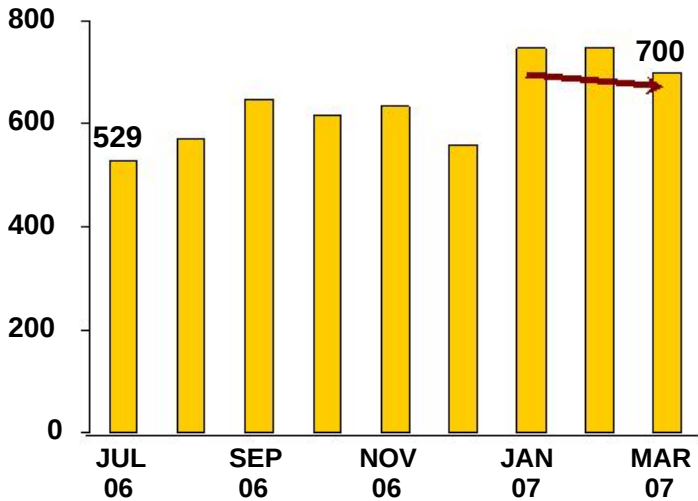


Sources: Company press releases and SEC filings  
Note: Individual equity options excluded

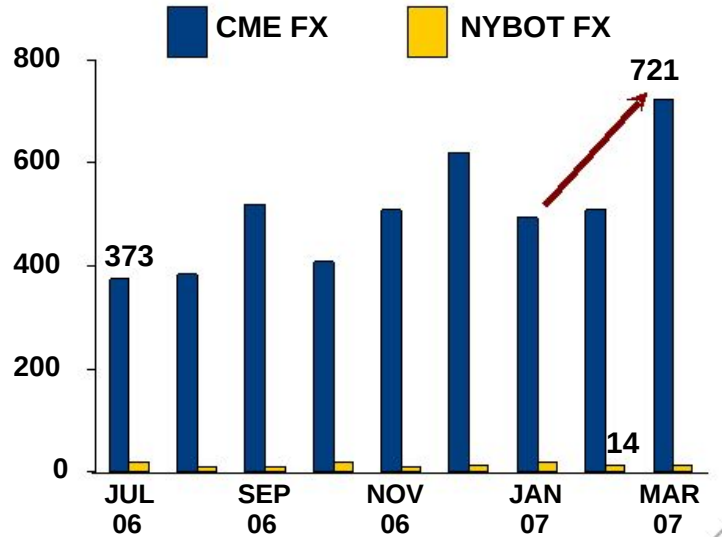
# CME FX Volume Equals ICE/NYBOT Total Volume, and Shows Faster Growth

**CME offers extremely liquid FX markets – FX is CME's third largest product and is currently averaging the same amount of volume as all ICE futures and all NYBOT combined**

**Monthly Average Daily Volume Total ICE Futures & NYBOT**  
(contracts in thousands)



**Monthly CME FX ADV vs. NYBOT FX ADV**  
(contracts in thousands)

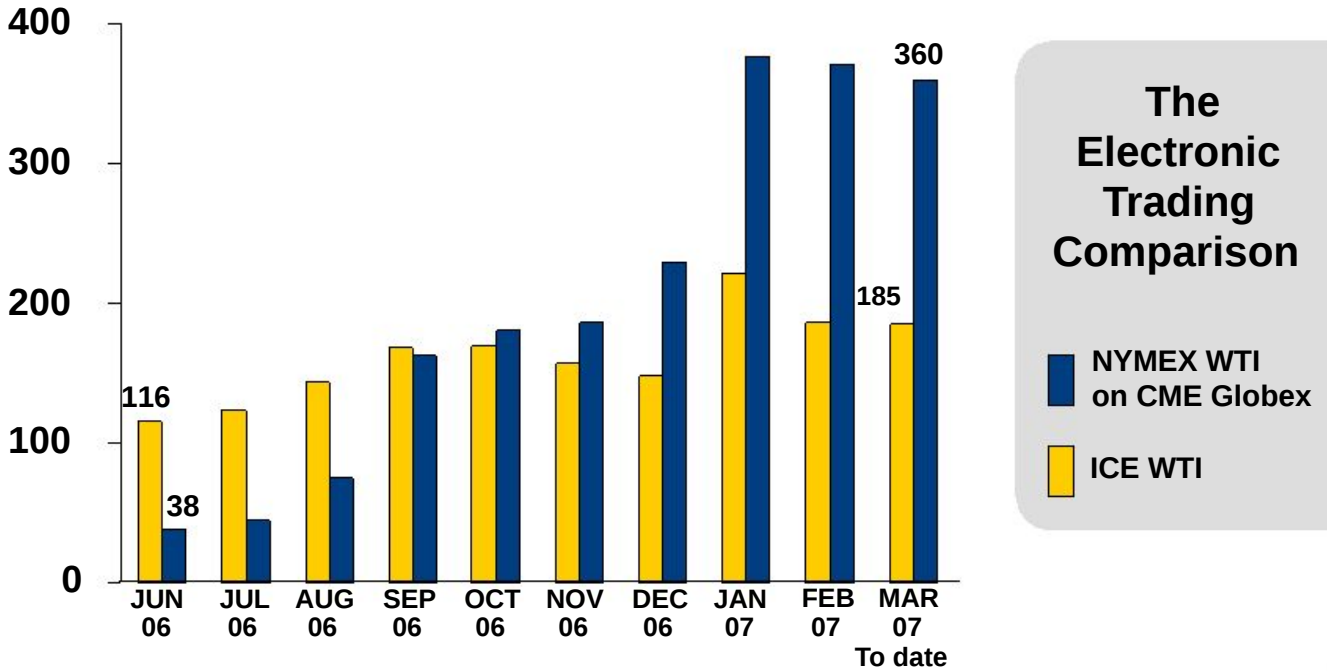


Source: CME data, ICE and NYBOT websites

# CME Successfully Integrates NYMEX, and Takes Market Share Back from ICE

## WTI Average Daily Volume NYMEX on CME Globex vs. ICE

(by month; notionally adjusted; contracts in thousands)



Source: Derived from NYMEX web site and CME data

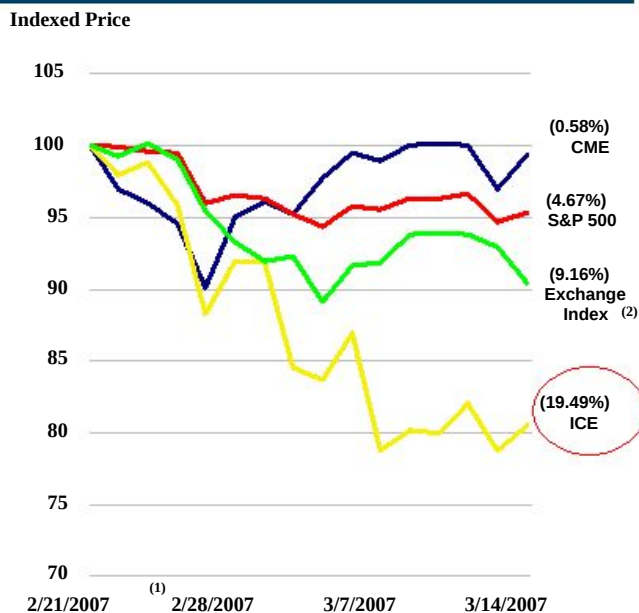
# CBOT/CME is Financially Compelling

**In a challenging market, ICE's unseasoned stock declined 20%**

## Quality of Currency Characteristics

- ICE's volatility is 30% higher than CME's
- Since ICE's IPO, ICE's P/E has fluctuated more than 26 points vs. CME's fluctuation of 10 points over the same time period
- ICE has a limited track record as a public company
  - ◆ ICE has been public for only 1.5 years (CME has been public for over 4 years)
  - ◆ CME has a history of exceeding earnings expectations

## Indexed Price Performance



1. February 21, 2007 represents ICE's all time high share price.

2. Exchange index includes TSX, OMX, ASX, Hong Kong Exchange, Singapore Exchange, Deutsche Boerse, Euronext, Bursa Malaysia, LSE, Bolsas

y Mercados, ISE and NYSE.

## CBOT/CME is Financially Compelling

- **CBOT/CME will deliver synergies as promised**
  - ◆ \$125+ million in estimated annual cost savings expected to be achieved year two post closing
- **CBOT/CME expected to be accretive to GAAP earnings 12 – 18 months post close**
  - ◆ Cash accretive immediately v. 18 months out w/ ICE
- **CBOT/CME offers greater potential revenue synergies**
- **CBOT/CME enhances operating leverage**



## CBOT/CME is Financially Compelling

### ICE claims exaggerated synergies of \$240M

- **We believe that ICE synergies are actually in the \$60 – \$105M range**
- **If ICE's synergies are not achieved, the implied value of the ICE currency offered to CBOT shareholders would be less than the offer price**

# CBOT/CME is Financially Compelling

## ICE claims exaggerated synergies of \$240M

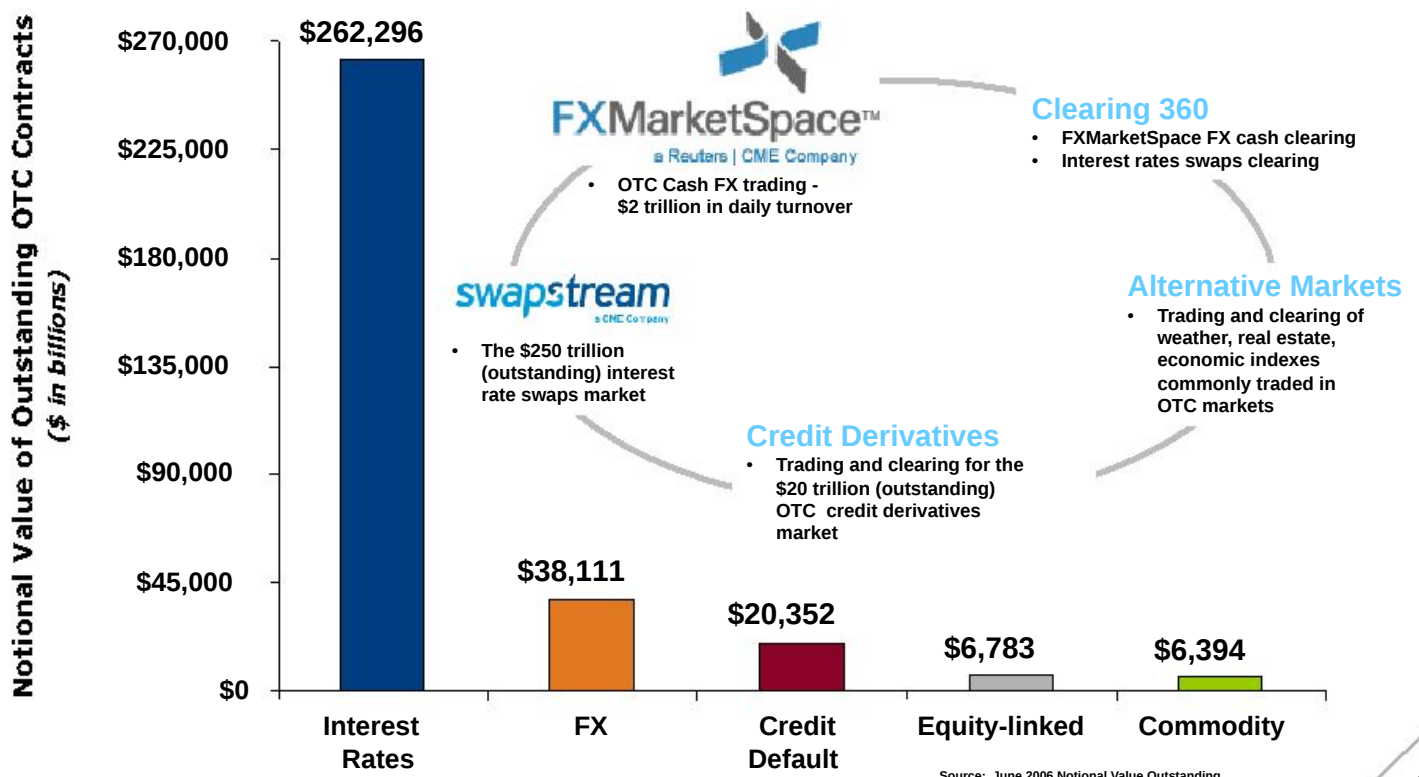
- **\$100M operational expense synergies are questionable**
  - ◆ Limited insight as to how synergies would be achieved
  - ◆ 43% in expense reduction excluding d&a is well outside range of precedents
  - ◆ **CME view of ICE expense synergies: \$40M to \$65M**
- **\$90M clearing synergies are unrealistic**
  - ◆ No account for significant expenses to handle increased clearing volume
  - ◆ Some of the synergies ICE is claiming could come from CBOT standalone alternatives
  - ◆ **CME view of ICE clearing synergies: \$20M - \$40M**

## CBOT/CME is Strategically Attractive

- **CBOT/CME solidifies combined company's status as the premier global exchange:**
  - ◆ Broadest product line
  - ◆ Strong technology and clearing platforms
  - ◆ Deepest liquidity
  - ◆ Vibrant open outcry
- **CBOT/CME builds on 200+ years of innovation**
- **CBOT/CME delivers operational, cost efficiencies**
- **CBOT/CME creates immediate scale advantages**
- **CBOT/CME strengthens Chicago as leader in derivatives**
- **CBOT/CME poised to capitalize on growth day one**
  - ◆ Consolidation
  - ◆ Transaction Processing
  - ◆ OTC

# CBOT/CME is Strategically Attractive

**CBOT/CME better positioned to take advantage of OTC growth opportunities**



Source: June 2006 Notional Value Outstanding per March 2007 BIS Quarterly Review

# CBOT/CME: The Superior Combination

	CME	ICE
Shared sense of heritage	✓	
Most valuable exchange	✓	
Proven record as a public company	✓	
Stable and tested currency	✓	
Most significant opportunities for growth	✓	
Best ability to execute and integrate	✓	
Greatest operational efficiencies	✓	
Most robust product line	✓	
Ability to deliver promised synergies	✓	
Industry-leading clearing house	✓	
Most scalable technology	✓	
Broadest global distribution	✓	
<b>Best smoke and mirrors</b>		✓



# The CBOT/CME Clearing Advantage

Kim Taylor

President, CME Clearing



## Benefits of the Common Clearing Link

- **Offers rock solid operational reliability**
- **Provides high degree of risk management and financial integrity**
- **Delivers low-cost services**
- **Leverages scalability and adaptability**

### **ICE lacks operational capacity to clear business of CBOT's magnitude**

- **NYBOT would need to scale up clearing capacity to accommodate CBOT volume:**
  - ◆ By 18+ times to accommodate CBOT ADV on day one
  - ◆ By 30 times to handle peak volume
- **CME has supported give-up functionality for 15 years & a 2-way API for the past 5 years**
  - ◆ Both are critical to processing CBOT business
- **CME is experienced with managing mark-to-market flows more than 40 times NYBOT**

## ICE's net margining proposal is a step backwards

- **CME offers important innovation over clearing houses that offer solely net or gross margining:**
  - ◆ **CBOT house portfolios are margined net by CME**
  - ◆ **CBOT customer portfolios have the choice between net margining or gross margining**
  - ◆ **For some portfolios, net margining is more efficient and for other portfolios, gross margining is more efficient**

## Clearing: Cost & Capital Efficiencies

**ICE cross-margining efficiencies of \$50 million don't compare to margin efficiencies with CME/CBOT**

- **The combination of CME & CBOT products under a single clearing house resulted in significant capital savings & efficiency for the market**

<b>Potential Margin Efficiencies Lost:</b>	<b>\$700 million-\$1 billion+</b>
<b>Potential Guarantee Fund Requirements:</b>	<b>\$550 million</b>
<b>NYBOT Ad'l Req:</b>	<b>\$350 million</b>
<b>CME Savings Lost:</b>	<b>\$200 million</b>
<b>Total potential disruption to capital efficiency:</b>	<b>\$1.3 - \$1.6 billion</b>

## Clearing: Growth Capabilities

**Five of the top 10 CBOT volume firms  
are not NYBOT clearing members**

- **CME Clearing already has a strong foundation to continue growing the combined business of the CME & CBOT**
- **Clearing provides the following capabilities to support or drive growth in our combined business base:**
  - **Operational scale**
  - **Product scope**
  - **Functional richness**
  - **Deep risk management experience**
  - **OTC growth capabilities (Clearing360)**
- **NYBOT's focus will be on absorbing rather than growing the CBOT business**

# Leveraging Operational Excellence for Customers

**Phupinder Gill** Chief Operating Officer



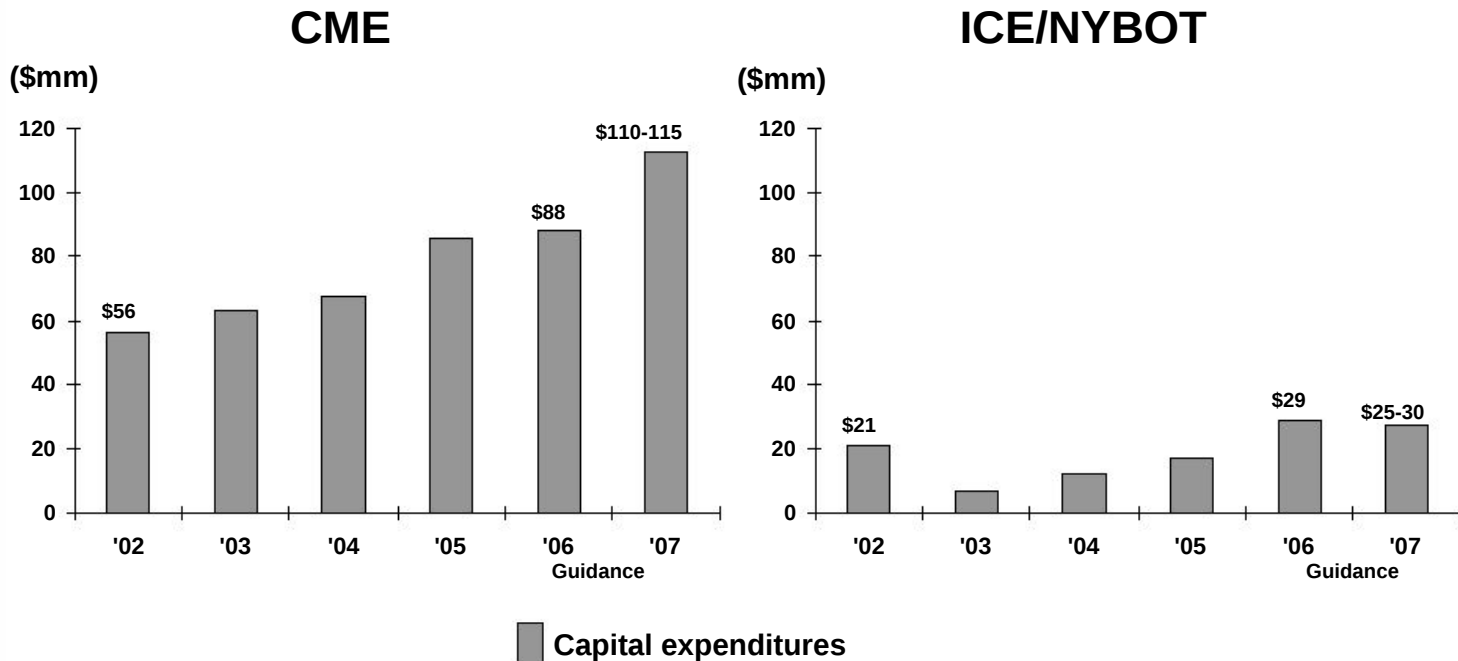
# CME/CBOT Leverages Operational Excellence

- **Clearing**
- **Technology**
- **Ready to execute**



# Technology Investment Fuels Growth

To support scaling of technology infrastructure, CME has averaged \$70M for past 5 years in capital reinvestment, while ICE/NYBOT combined have averaged less than \$20M

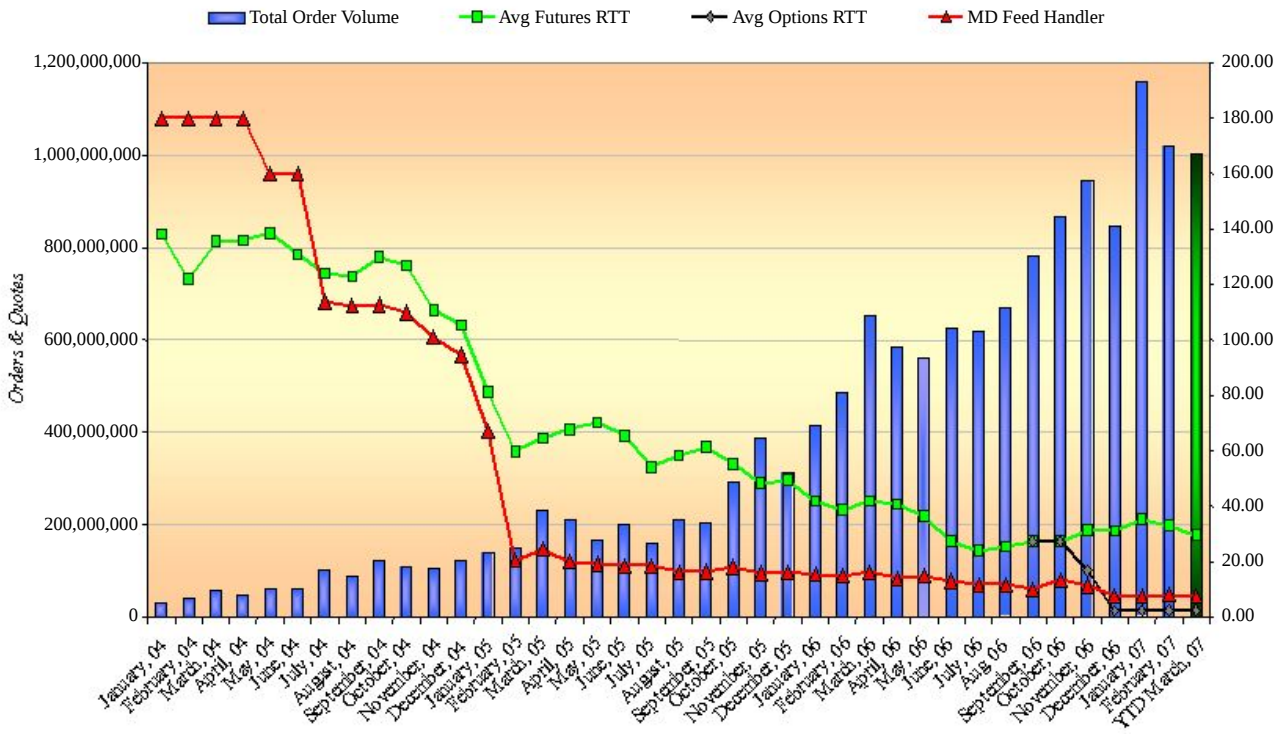


Source: CME 2006 and 2003 10Ks, CME press release dated 1/30/07, ICE 8K filed 3/13/07, ICE 2006 10K, ICE S1 filed 3/22/05, and ICE press release dated 2/7/07.

# CME Globex: High Volume, High Speed

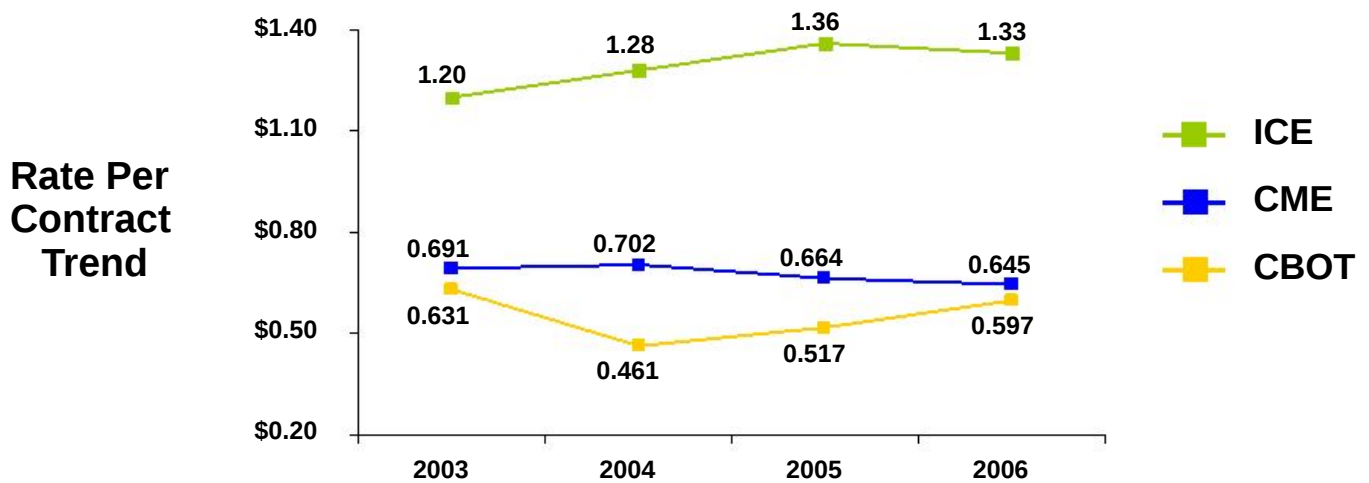
While orders/transactions grew by a factor of 30,  
the average round trip time fell 80% from its 2004 level

Monthly Total Order Volume vs. Avg. RTT



# CBOT/CME is Financially Compelling

**ICE charges customers, on average, more than twice the CME and CBOT rate per contract**



- ICE operating margins are the highest of any U.S. exchange, near **70%**
- Existing ICE clearing costs are **9¢** per side vs. CBOT clearing charge of **6¢** per side
- ICE 2006 rate per contract of **\$1.33** does not include recent price increase of **6¢** per contract – coincides with LCH Clearing charge decrease

## Customers Win with CBOT/CME

- **Retention of common clearing link efficiencies**
  - ◆ CBOT/CME retains more than \$1 billion in margining efficiencies v. ICE/CBOT \$50M
- **Lower costs for end users and firms**
  - ◆ At least \$70M in annual savings – trading floor unification and Globex
  - ◆ ICE transaction requires interfaces and deposits with two clearing houses rather than one, as well as interface to ICE electronic platform
- **Allows trading of complementary products on a single platform**
- **Provides CBOT customers with deeper liquidity and more trading opportunities from CME Globex functionality, scalability and reliability**
- **Greatly reduces operational and financial risk from migrating clearing**
  - ◆ Customers and clearing firms, not ICE/CBOT will bear this risk

### **ICE claims they will see overwhelming support from the FCM community, from FIA and from Wall Street**

- **We have to ask, why would these constituents who cheered the common clearing link:**
  - Give back more than \$1 billion in margin efficiencies?
  - Support the addition of \$550 million in security deposits?
  - Give up \$70 million in recurring annual cost efficiencies?
  - Support an exchange with 100% higher rate per trade?

**Customers trade more when they save more.**

## Questions & Answers

CBOT Member/Shareholder Meeting      March 22, 2007



**Financially**

**Strategically**

**Operationally**

## **ICE's proposal**

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