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Subject Company  
CBOT Holdings, Inc.  
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# Chicago Board of Trade

**CBOT/CME:  
A Combination to Compete Successfully in the Global Marketplace**

**June 14, 2007  
Presentation to Members**



# Forward Looking Statements

JUNE 2007

Certain statements in this presentation may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and includes any use of the words “may,” “should,” “could,” “expects,” “plans,” “anticipates,” “believes,” “estimates,” “predicts,” “potential” or “continue”. These statements are based on management’s current expectations and involve assumptions that may be subject to change or risks and uncertainties that could cause actual results to differ materially from those set forth in the statements. Accordingly, actual outcomes and results may differ materially from what is expressed or implied in any forward-looking statement contained in this presentation. The factors that may affect our performance may be found in the joint proxy statement/prospectus described below and the Annual Report on Form 10-K and other periodic reports filed by CBOT Holdings, Inc. with the U.S. Securities and Exchange Commission (“SEC”). These filings can be obtained at the SEC’s website at [www.sec.gov](http://www.sec.gov). We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

## Important Merger Information

In connection with the proposed merger of CBOT Holdings, Inc. (“CBOT”) and the Chicago Mercantile Exchange Holdings Inc. (“CME”), the parties have filed relevant materials with the Securities Exchange Commission (“SEC”), including a joint proxy statement/prospectus regarding the proposed transaction. **INVESTORS ARE URGED TO READ THE JOINT PROXY STATEMENT/PROSPECTUS REGARDING THE PROPOSED TRANSACTION, BECAUSE IT CONTAINS IMPORTANT INFORMATION.** Investors are able to obtain a free copy of the joint proxy statement/prospectus, as well as other filings containing information about CBOT and CME without charge, at the SEC’s website (<http://www.sec.gov>). Copies of the joint proxy statement/prospectus can also be obtained, when available, without charge by directing a request to CBOT Holdings, Inc., Attn: Investor Relations, at 141 West Jackson, Chicago, Illinois 60604 or calling (312) 435-3500.

CBOT and its respective directors and executive officers and other members of management and employees and other CBOT members may be deemed to be participants in the solicitation of proxies from CBOT shareholders in respect of the proposed transaction. Information regarding CBOT directors and executive officers is available in CBOT’s proxy statement for its 2007 annual meeting of stockholders, dated March 29, 2007. Additional information regarding the interests of such potential participants is included in the joint proxy statement/prospectus and the other relevant documents filed with the SEC. 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 Securities Act of 1933, as amended.

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## Discussion Overview

- CME/CBOT Strategic Rationale
  - CME/CBOT Merger Enhancements
  - Transaction Summary
  - One-Time Dividend
  - Exercise Rights and Member Rights
  - Stock Valuation
  - Risks Associated with ICE Proposal
  - Summary
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## Transaction Summary

<b>Consideration:</b>	For each CBOT share, shareholders will receive 0.3500 CME shares All stock transaction; cash election eliminated
<b>Pro Forma Ownership:</b>	CME Shareholders: 65.4% CBOT Shareholders: 34.6%
<b>Expected Accretion:</b>	Accretive to earnings of the combined company on a cash basis within 12 months and on a GAAP basis within 12-18 months after the closing
<b>Board of Directors:</b>	30 Directors to include 20 Directors from CME and 10 Directors from CBOT until 2012
<b>Management:</b>	Terrence A. Duffy, Executive Chairman; Charles P. Carey, Vice-Chairman; Craig S. Donohue, CEO
<b>Anticipated Closing:</b>	Mid-2007 (subject to shareholder and CBOT member approvals), Regulatory approval has been received
<b>Exercise Rights:</b>	The right to continue as a class member in the CBOE lawsuit with all of its substantial upside recovery potential and a guarantee, even if the lawsuit is lost, of up to a \$250,000 payment; <b>OR</b> For members who do not want to pursue the lawsuit, the right to sell their Exercise Right to the corporation for \$250,000 payable following the closing of the merger Cap removed on CBOE Exercise Rights litigation
<b>Dividend:</b>	All CBOT stockholders would receive a cash dividend of \$9.14 per share of Class A common stock if the CBOT/CME merger closes

## One-Time Dividend Payment

- All CBOT stockholders would receive a cash dividend of \$9.14 per share of Class A common stock if the CBOT/CME merger closes
    - The CBOT Holdings Board will set and announce a record date prior to the July 9th vote
    - If you own the stock as of the record date, you would be entitled to the dividend
  - Full members with 27,338 shares would receive approximately \$250,000
  - The dividend would be paid immediately prior to the closing of the merger
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## ERP Guarantee

- The \$15 million cap on the Delaware litigation has been eliminated
  - Exercise Right holders will have the option to:
    - **OPTION 1: cash out** shortly after the merger closes by selling your exercise right to the CBOT
    - OR**
    - **OPTION 2: stay in the litigation**, in which case the CBOT will guarantee a minimum value for your exercise right
  - Unlike the ICE/CBOE proposal, this does not need approval of CBOE members, or the court or the plaintiff class in the litigation
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## ERP Guarantee – Option 1 – Cash Out

- If you held a Series B-1 membership and an Exercise Right as of May 29, 2007, the record date for the merger vote, and you want to **cash out**:
    - The CBOT will buy your exercise right for approximately \$250,000
      - So B-1 members with 27,338 shares could get a total of \$500,000 in cash shortly after the closing from the dividend and the sale of the exercise right
      - The ICE/CBOE proposal, by contrast, would require the approval of CBOE members, and the court and the class plaintiff in the CBOE litigation, creating significant uncertainty regarding if or when the ICE/CBOE Exercise Right consideration would be paid
    - You don't need to own 27,338 shares to take advantage of this option
    - You have 45 days after the closing of the merger to decide whether to sell your exercise right
    - If you want to sell, you simply need to complete a short assignment agreement and send it to the CBOT within the 45 day exercise period
    - If you sell, you would be paid within 30 days after the end of the offer period
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## ERP Guarantee – Option 2 – Stay in the Litigation

- If you want to **remain in the litigation**:
    - The CBOT will guarantee that class members receive not less than \$250,000 in value for their exercise right
      - If class members receive less than \$250,000 in value, the CBOT would pay the difference in cash to each class member
      - If class members don't receive anything, the CBOT would pay approximately \$250,000 in cash to each class member
    - This option preserves the opportunity to get substantially more if we are successful in the litigation, where we are seeking equal treatment for exercise right holders in the CBOE's demutualization
    - Currently, to qualify as a class member you must own all three parts (a Series B-1 membership, an Exercise Right and 27,338 shares of stock)
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## Exercise Rights

- Exercise right holders represented as a class by separate counsel in Delaware litigation
  - The ICE/CBOE proposal would require the approval of the court and the class plaintiff in the Delaware litigation
  - In Delaware litigation we are seeking equal treatment of CBOT Eligible Full Members in CBOE's demutualization
  - The CME agreement requires combined company to pursue the CBOE litigation
  - The cap of \$15 million on CBOE litigation costs eliminated
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## Exercise Rights

- Our position that the conditions of the 1992 Agreement are satisfied in connection with the CME merger is well founded
    - The surviving entity is an exchange (CBOT will continue to exist as an exchange after the merger)
    - CBOT full members will be granted membership in the surviving entity (holders of CBOT Series B-1 memberships immediately prior to the merger will continue to hold those memberships after the merger)
    - That membership will entitle the holder to have full trading rights and privileges in all products then or thereafter traded on the survivor (holders of CBOT Series B-1 memberships will have the right to trade all new products first introduced on either exchange after the closing of the merger)
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## Member Rights Better Protected Under CME Agreement

- CBOT designates individuals to serve as CBOT directors on combined company's board extended until 2012
    - Until 2012, rule changes that would impair business opportunities (i.e. member fee preferences) of CBOT members would need approval by committee that includes majority of CBOT directors (a 3 year extension of this member rights protection)
  - Agreement with CME gives CBOT B-1 members right to trade *all* new products traded at either CBOT or CME
    - The right to trade new products under ICE proposal limited to new U.S. grain, U.S. interest rate, and U.S. equity indices products (and excluded Russell and NYSE products)
  - CME Has History of Protecting Core Rights and Membership Rights
  - CME has a proven track record of continuing member fee preferences and thereby enhancing value of CME B membership (currently at all time high of \$710,000)
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## Core Rights Provisions

- The following provisions cannot be changed without the vote of the B-1 and B-2 members:
    - Number of authorized B-1 and B-2 memberships
    - Allocation of products among members
    - Right of B-1 members to trade all new products on CME or CBOT
    - Right to lower fees than non-members
    - Membership qualifications and requirements
    - Commitment to maintain open outcry trading
    - Ability to engage in dual trading (this is a new core right)
    - Agreement to pursue the exercise right litigation
    - Put right and guarantee for the exercise right
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## Core Rights Provisions - continued

### ➤ No minimum fee preference, but:

- Until 2012, CME can't change fees without CBOT Director-controlled rules committee approval
- Also, CME's pricing strategy has been to reward liquidity providers
  - Their members get significant fee preferences (4 ½ years after their IPO)
  - And it's reflected in the value of their memberships, which are worth over \$700,000 today

### ➤ Continued CBOT Representation

- Until 2012, 10 of 30 directors and Vice Chairman are CBOT Directors
  - Also significant CBOT representation on executive committee (3 of 8 directors) and nominating committee (2 of 6 directors) during transition period
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## Tender Offer Availability

### *Reconfirming CME's Commitment*

- The CME will make a \$3.5 billion cash tender offer at \$560 a share shortly following the closing
    - If the CME stock you receive in the merger is trading below \$560 per share, you can sell a portion of it back to the CME for \$560 per share
    - If the tender offer is oversubscribed, stockholders will participate pro rata (for example, if everyone tendered all of their shares (obviously unlikely), CBOT stockholders would be able to tender \$1.2 billion in the tender offer (35% of \$3.5 billion))
  - We expect the CME to launch the tender offer shortly after the closing of the merger
  - If the CME doesn't launch the tender offer within 30 business days of the closing or complete it within 90 days of the closing, the CBOT directors can cause CME to complete the tender offer
  - Once the tender offer is launched, it must remain open for at least 20 business days
    - You can tender at any time while the tender offer is open – so you can wait until the end to see where the CME stock is trading
    - And you can withdraw previously tendered shares while the tender offer is open if you change your mind
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## CME/CBOT: A Strategic Fit

- Creates world's largest futures exchange
- Clearly aligned with CBOT's strategic vision
- Better positioned to pursue immediate and long term growth opportunities
- Entails low integration and execution risk
- Better able to compete and win in changing global marketplace



**Chicago Board of Trade**

## **CME and CBOT Merger Offers Substantial Advantages to Stockholders and Members**

- Immediate Cash Payments; Not Contingent on Stock Price or cap
  - Better protection of members' rights
  - Exercise right guarantee provides certainty and choice to holders, and retains ability to participate in any upside from litigation
  - Low integration risk
  - Ability to close deal sooner and focus on strategic growth initiatives
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## CME Combination Clearly Aligned with CBOT Strategic Vision

- Expands access to global markets
  - Offers innovative new trading opportunities
  - Enhances depth and breadth of liquidity that we provide the market place
  - Provides long-term value to stockholders and members
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## Better Positioned for Immediate and Long-Term Growth Opportunities

- Can immediately pursue OTC growth opportunities
  - Greater diversity of revenues
  - Complementary products create opportunities for significant revenue/growth synergies
    - Financials, equities and agricultural products
  - Both organizations have proven track record of long-term growth
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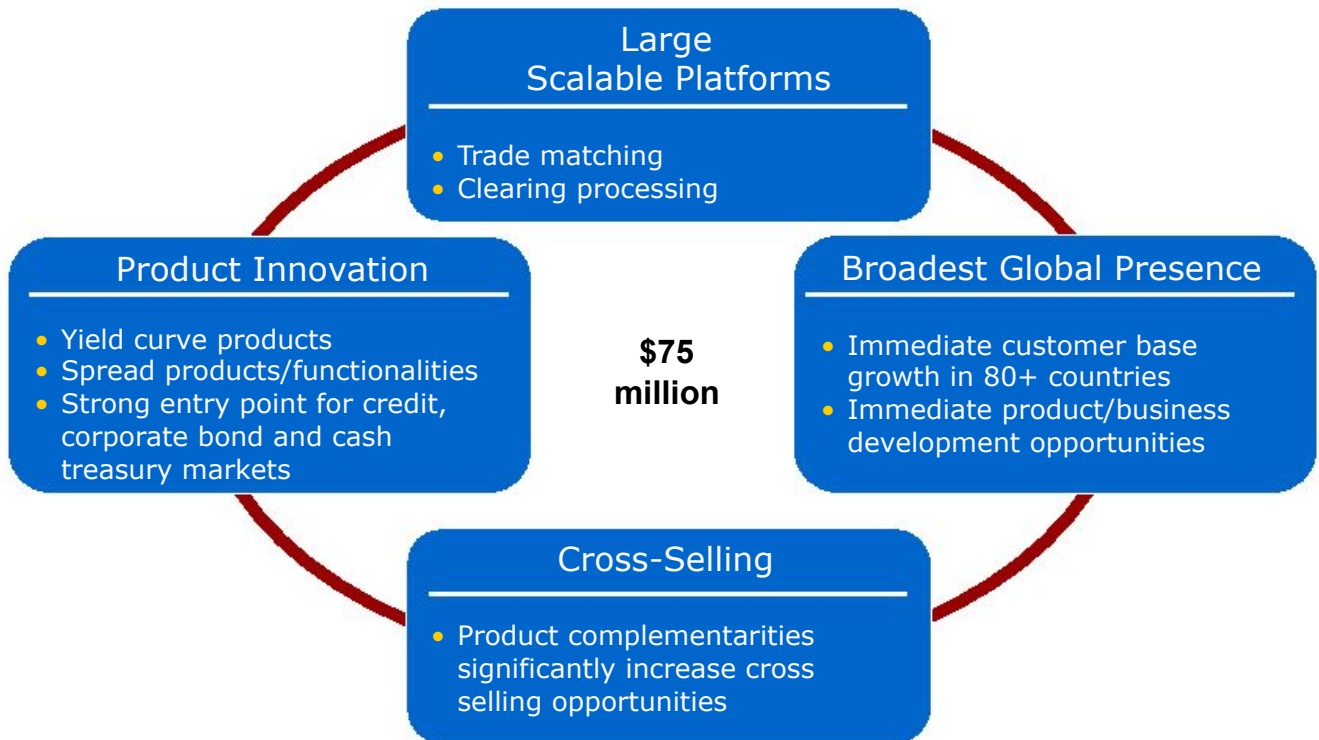
## Entails Low Integration and Execution Risk

- Builds on strong productive relationship between CME and CBOT over many years
  - CME and CBOT have proven track record in integration
    - Successful integration of CCL in 9 months
    - CME integration of NYMEX in 2 months
  - Speed to integration
    - Migration to Globex expected Q1 2008
    - Trading floor consolidation expected Q2 2008
    - Bringing together a larger pool of liquidity providers
    - Leveraging CBOT investments in floor technologies
  - Have completed more than seven months of detailed integration planning
    - Ready to go on Day One
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## Substantial Synergy Potential: Realizable & Certain

- Cost synergies of \$150 million already identified
    - Includes technology, trading floor consolidation and administrative
    - Expected to be accretive to earnings on a cash basis within 12 months and on GAAP basis within 12-18 months
      - Share repurchase expected to provide additional earnings accretion
  
  - Opportunity for significant revenue synergies anticipated to be \$75 million or more
    - Largest most scalable platforms
    - Strong product innovation: combining two strong R&D teams
    - Opportunities for cross-selling in multiple geographies are significant
    - Broadest global presence
  
  - Improved efficiencies for members and member firms
    - Single electronic platform and trading floor offers greater efficiencies
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# Opportunities for Significant Revenue Synergies



## Improved Competitiveness in Global Marketplace

- Combined organization will be better positioned to compete globally
    - Environment is changing rapidly with increased consolidation and this combination allows us to succeed on global basis
  - Can pursue untapped global growth
    - Customers in more than 80 countries with seven European/Asian hubs
  - Well positioned to pursue full scope of OTC growth opportunities
    - Largest global-exchange traded derivatives market
    - Largest global derivatives clearing house
    - Largest global exchange-traded derivatives customer base
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## Agreement with CME Allows Us to Successfully Compete Globally

- The CME/CBOT merger creates the world's largest futures exchange and significant long-term value for CBOT Holdings' stockholders, members and customers
  - A merged CME/CBOT will be better able to compete globally in a rapidly changing industry
  - Working together and building on shared history as member-owned exchanges, we will be uniquely positioned to grow and succeed in the global marketplace
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## ICE Proposal Contains Greater Contingencies

### ➤ Cash Election

- Value contingent upon ICE stock price at time of close of merger; CME tender offer provides a fixed price of \$560 per share post close

### ➤ Dividend Payment

- Lower dividend payout -dividend payment of \$0.29 per share for the third and fourth quarters and first quarter 2008 payment based on earnings; compared to one-time dividend of \$9.14 per share with CME agreement

### ➤ CBOE Exercise Rights

- Under ICE proposal Exercise Rights terminate upon merger
- ICE proposal does not allow ERP holders the option to maximize full-value of Exercise Rights; CME provides holders valuable choices
- And ICE proposal requires approval of CBOE members, court and class plaintiff, making any payment for the Exercise Rights from ICE/CBOE very uncertain

### ➤ Members' Rights

- Revised CME merger agreement provides stronger protections for member rights, including member fee preferences, because (1) until 2012, fees changes must be approved by a committee composed of a majority of CBOT directors that are existing CBOT directors (and may all be members, unlike the ICE proposal), and (2) the CME's history of protecting member rights
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## Combination with ICE Presents Significant Risks

- Risks related to integration and execution and, thus, to the long-term value of combined company
    - Functionality and scale of ICE's clearing and electronic platform would need to be significantly increased to support CBOT customers and trading volume
  - Migration of electronic trading and clearing to ICE's platform would take considerable amount of time
    - Estimated that effort would take 24 months based on high-level review
  - Expiration of existing service agreements for clearing and trading platform not aligned with each other or integration timeframe
    - Extension of service agreements could result in higher costs and diminished customer service
    - Uncertain whether extensions that would expire at same time could be obtained
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## Combination with ICE Presents Significant Risks

- Integration would be overseen and managed by a board comprised of a majority of ICE directors and ICE management
  - Product development may be adversely affected during migration to ICE platform
  - Loss of critical personnel during migration creates additional risk for business
  - Protracted integration process would put CBOT at competitive disadvantage in a rapidly changing industry
  - New functionality would be adversely affected as efforts would be focused on replicating existing functionality on ICE's platform
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## ICE Leverage Comparison

- ICE would be more leveraged to fund transaction
  - Need to service debt could restrict strategic growth alternatives
  - Although the CME transaction as proposed initially takes on more debt, the stronger combined balance sheet and future cash flows result in a more manageable level of debt
  - The ICE/BOT leverage ratio likely would result in a higher cost of financing
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## CME/CBOT: A Strategic Fit

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