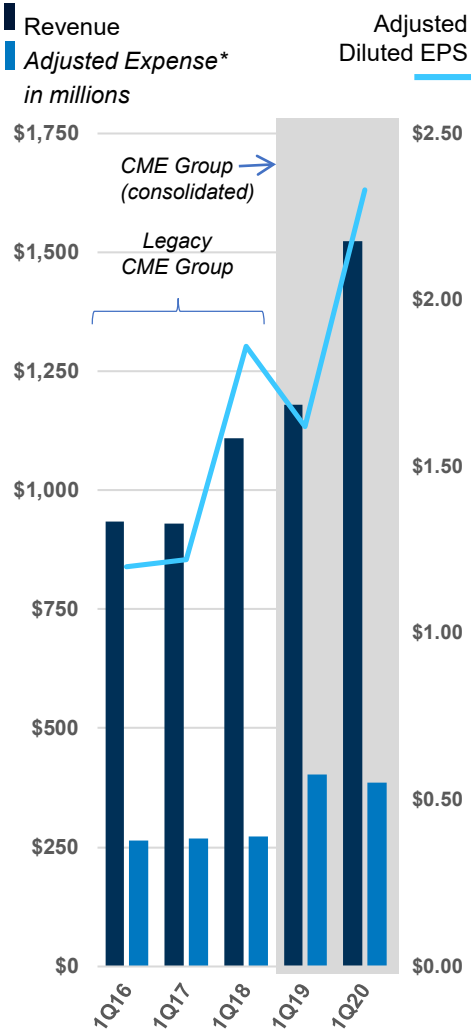


# 1Q 2020 Earnings Commentary

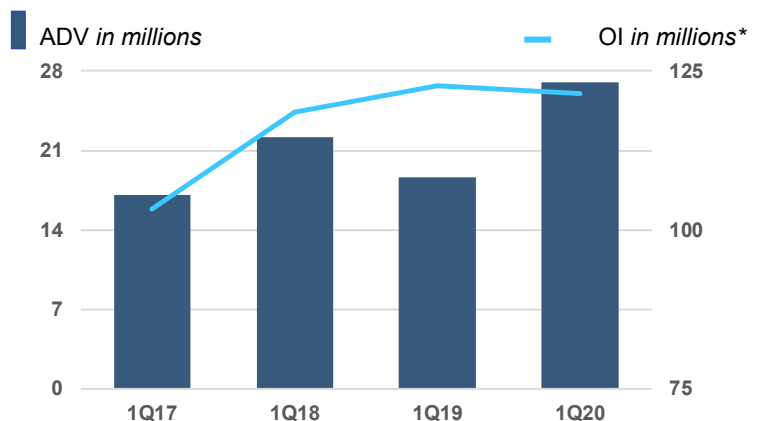


## 1Q 2020 Summary

- CME Group’s global investments in products, processes, technology and employees, providing electronic markets as well as margin, capital and total cost efficiencies, positioned the company well to help market participants manage risk during a quarter filled with unprecedented market uncertainty and volatility
- During 1Q20, CME Group undertook a series of actions to support the health of our customers, employees and markets including, but not limited to:
  - Discontinued non-essential travel early and moved the overwhelming majority of our workforce to work remotely
  - Closed remaining trading floors and assisted transition to electronic trading and block trades
  - Ensured strong functioning of CME Group markets – clearing risk management, and technology and operations performed well
  - Despite the restrictions on face-to-face meetings and potential challenges of working remotely, our sales and marketing teams were highly engaged with clients, both directly and through our channel partners, to support their business needs
- Our 1Q20 quarterly results reflect how our clients across the world chose to use our markets to manage their risk and rationalize their portfolios
  - 1Q20 average daily volume (ADV) grew 45% to a record 27 million contracts and included several quarterly records across product lines. 1Q 2020 non-U.S. ADV grew 56% from 1Q 2019 to a record 7.3 million contracts, including 54% growth in EMEA, 73% growth in APAC, and 21% growth in Latin America. 1Q20 options ADV rose 41% to a record 5.5 million contracts, including quarterly records in both Interest Rates and Metals options
  - BrokerTec U.S. Treasury Actives average daily notional value grew 10%, while EBS Spot increased 20%
  - Strategic execution led to adjusted net income attributable to CME Group of \$836 million and adjusted diluted EPS of \$2.33

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- 1Q 2020 Highlights
- 1Q 2020 Product Detail – Financials
- 1Q 2020 Product Detail – Commodities
- Financial Results & Guidance
- Forward Looking Statements
- Q&A Conference Call Details



\* Represents quarterly adjusted operating expense excluding licensing and other fee agreements which is the basis for expense guidance

• 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

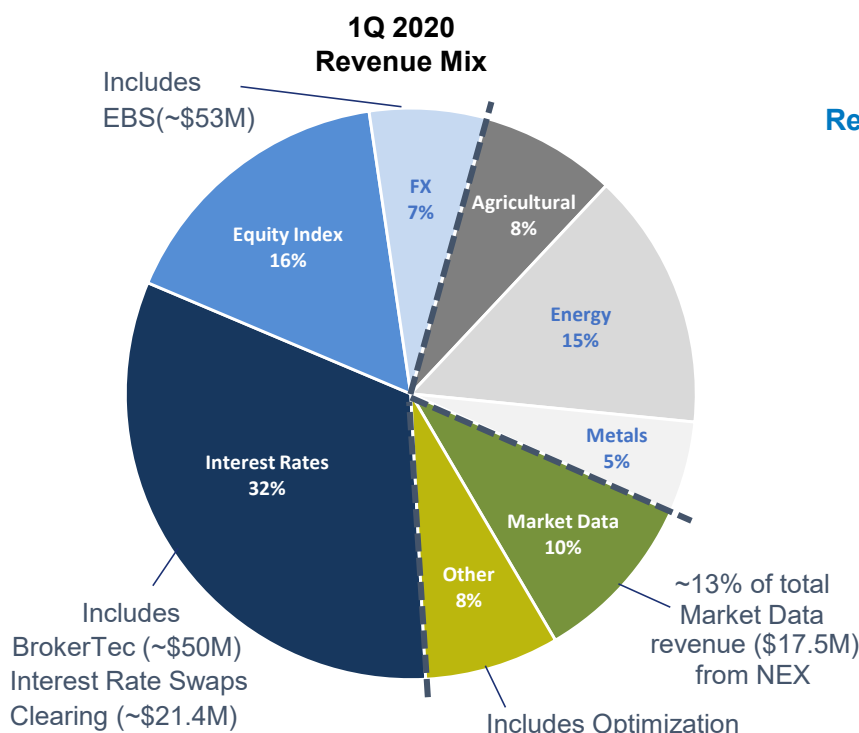
• All growth rates included in this document refer to 1Q20 versus 1Q19 unless otherwise noted, any information labeled as “to date in 2020 or 2Q20” is through April 24, 2020, and all global data/statistics exclude the open outcry venue activity

• OI within the chart, and throughout this document, includes only benchmark product within Energy (Crude Oil, Natural Gas and Refined Products)

# 1Q 2020 Highlights

The execution of CME Group’s focused strategy positioned the company well to help market participants manage risk during such unique circumstances. Our quarterly results reflect how our clients across the world turned to our markets to manage their risk and rationalize their portfolios

- During 1Q20, CME Group undertook a series of actions to support the health of our employees, our clients and our markets, including but not limited to:
  - Implemented work from home mandates and travel restrictions to protect employees across our global offices. Assisted global customers in transitioning to work from home – for example, quickly onboarded hundreds of FX clients to our EBS Global Access, a browser-based trading solution, providing a secure access point to all manually-traded EBS instruments on EBS Markets and EBS Direct
  - Closed our open outcry trading floors and successfully assisted many clients who traded on the floor to the screen, leveraging our own front-end platform in order to quickly register and onboard a significant number of new users over a short time period. The majority of this historically floor-traded activity – primarily Eurodollar options – has held up well with interest rate options as a percentage of interest rate futures remaining at roughly the same levels as for the full year, and are actually ahead of where they were on the last few days that the trading floors were open
  - Technology systems and processes performed extremely well – providing consistent response times with peak order traffic. We coordinated actions with stock markets and were in regular contact with customers, Futures Commission Merchants (FCMs) and regulators. Our operational tools - including circuit breakers and velocity logic – worked as designed. As to be expected during peak volatility periods, our liquidity for highly active contracts did decline, but on average considerably less than the magnitude of the market moves that our clients experienced, which means that we remained the most liquid and active venue for our clients
  - Working in close collaboration with our clearinghouse risk committees, regulators and other clearing houses, we maintained our industry-leading clearing function to provide safeguards for every trade, and raised margins on many products across most asset classes in response to record activity and volatility
  - Shifted our client engagement to virtual mediums – calls, emails and video conferences – very early on in the quarter, and productivity remained high. With more than 50% of our global sales organization residing outside of the U.S., non-U.S. activity came in at record levels. We saw over a 122% increase in new retail customers during 1Q as our compelling product set and broker partners have continued to attract new participants
  - Client Development & Sales teams also used this time period to continue to progress key integration projects and accelerate product education to drive cross-selling activities globally. We completed over 290 cross-selling meetings to clients from both our traditional futures business, and those of the cash and optimization businesses we acquired. For reference, that compares to 400 of those cross-selling meetings during the full year of 2019



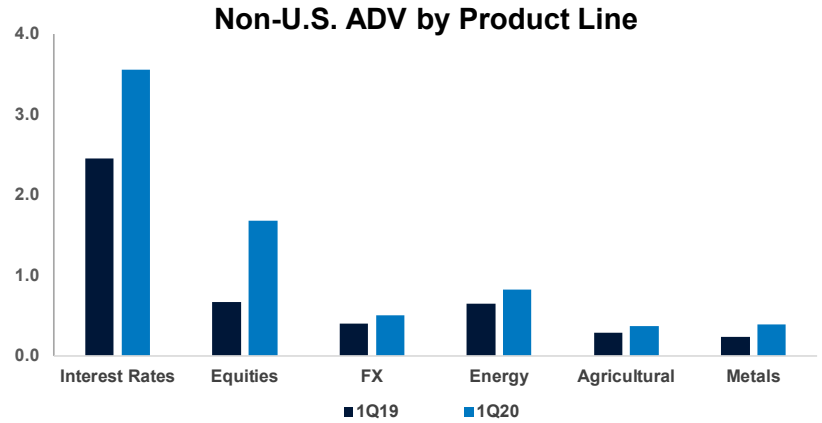
## Record 1Q20 ADV of 27 million contracts, up 45%

- Record Interest Rate ADV of 13.8 million contracts, up 34%
- Record Equity Index ADV of 6.5 million contracts, up 106%
- Record Energy ADV of 3.2 million contracts, up 38%
- Agricultural ADV of 1.5 million contracts, up 9%
- Foreign Exchange (FX) ADV of 1.1 million contracts, up 22%
- Record Metals ADV of 889,000 contracts, up 58%
- 26 trading days with daily volume over 25 million contracts to date in 2020, compared to 7 during the same time period in 2019

**1Q20 non-U.S. ADV grew 56% to a record 7.3 million contracts, with record ADV across EMEA and APAC**

**1Q20 non-U.S. ADV highlights:**

- Interest Rate ADV up 45% to 3.6 million contracts
- Equity Index ADV up 151% to 1.7 million contracts
- All product lines up over 25% compared with 1Q19
- Overall non-U.S. ADV grew from 27% of total ADV in 1Q19 to 28.5% of total ADV in 1Q20, and the proportion increased year-over-year across 5 of 6 product lines



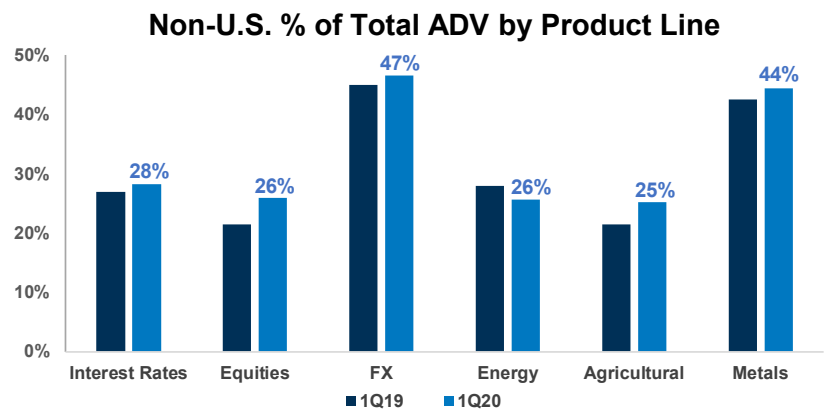
**1Q20 Europe Middle East Africa (EMEA) highlights:**

- Interest Rates ADV up 46% to 2.7 million contracts
- Equity Index ADV up 139% to 1.2 million contracts
- Metals ADV up 58% to 253,000 contracts

**1Q20 APAC highlights:**

- Interest Rates ADV up 60% to 668,000 contracts
- Equity Index ADV up 195% to 444,000 contracts
- Metals ADV up 76% to 127,000 contracts

**1Q20 Latin America ADV up 21% to 182,000 contracts**



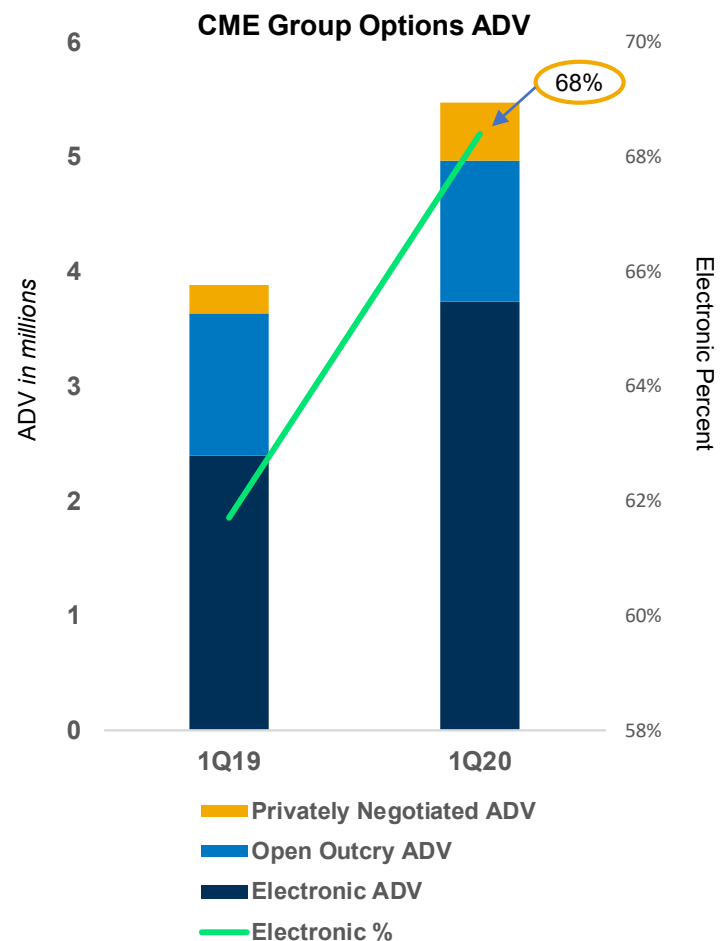
**1Q20 options ADV grew 41% to a record 5.5 million contracts versus 1Q19**

**1Q20 highlights:**

- Record Interest Rate options ADV up 37% to 3.7 million contracts
  - Record Eurodollar options ADV up 39% to 2.4 million contracts
  - Record 10-Year Treasury Note options ADV up 39% to 879,000 contracts
- Equity Index options ADV up 66% to 1 million contracts
- Energy options ADV up 60% to 356,000 contracts
- Record Metals options ADV up 82% to 112,000 contracts
  - Record Gold options ADV up 84% to 95,000 contracts

**1Q20 options ADV regional highlights:**

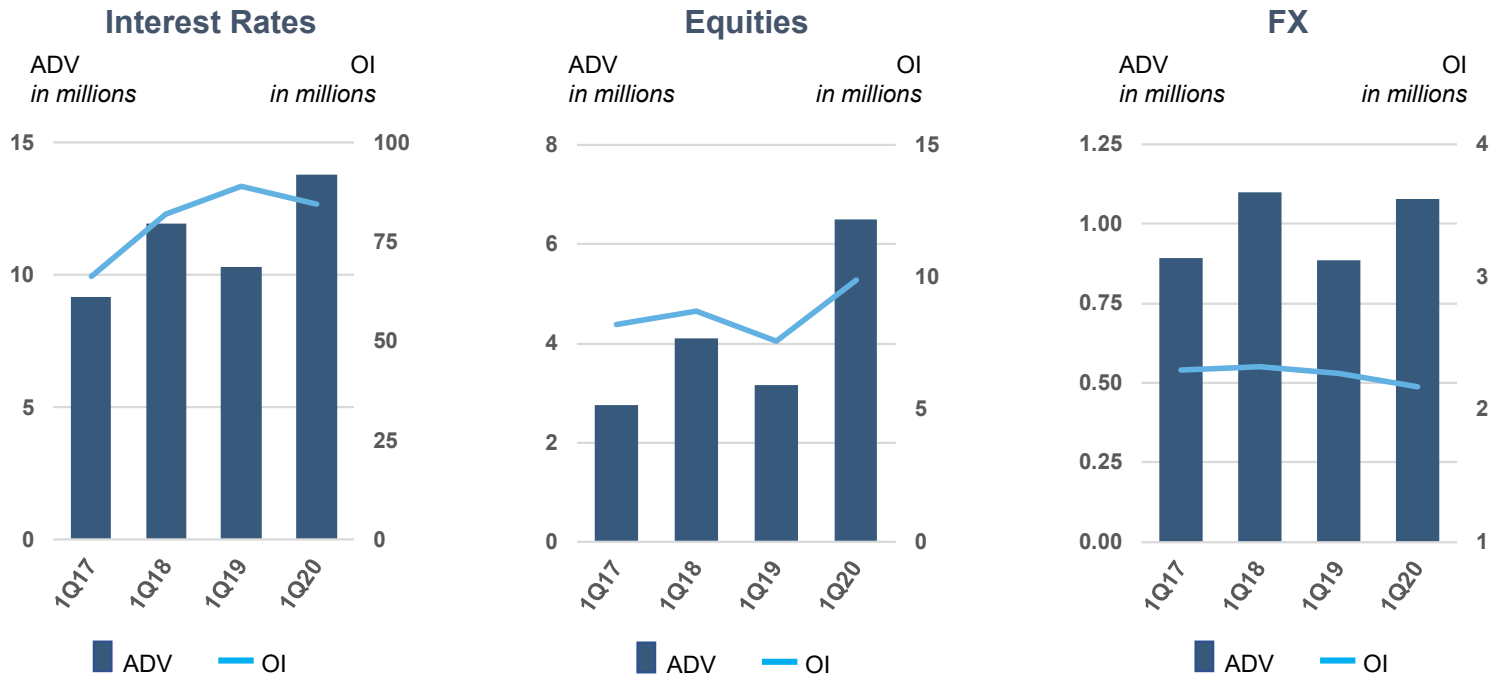
- Record EMEA options ADV up 78% to 904,000 contracts, including the following individual product quarterly records:
  - Eurodollar options ADV up 153% to 384,000 contracts
  - E-mini S&P 500 options ADV up 92% to 159,000 contracts
- Record APAC options ADV up 37% to 112,000 contracts
- Latin America options ADV up 6% to 68,000 contracts



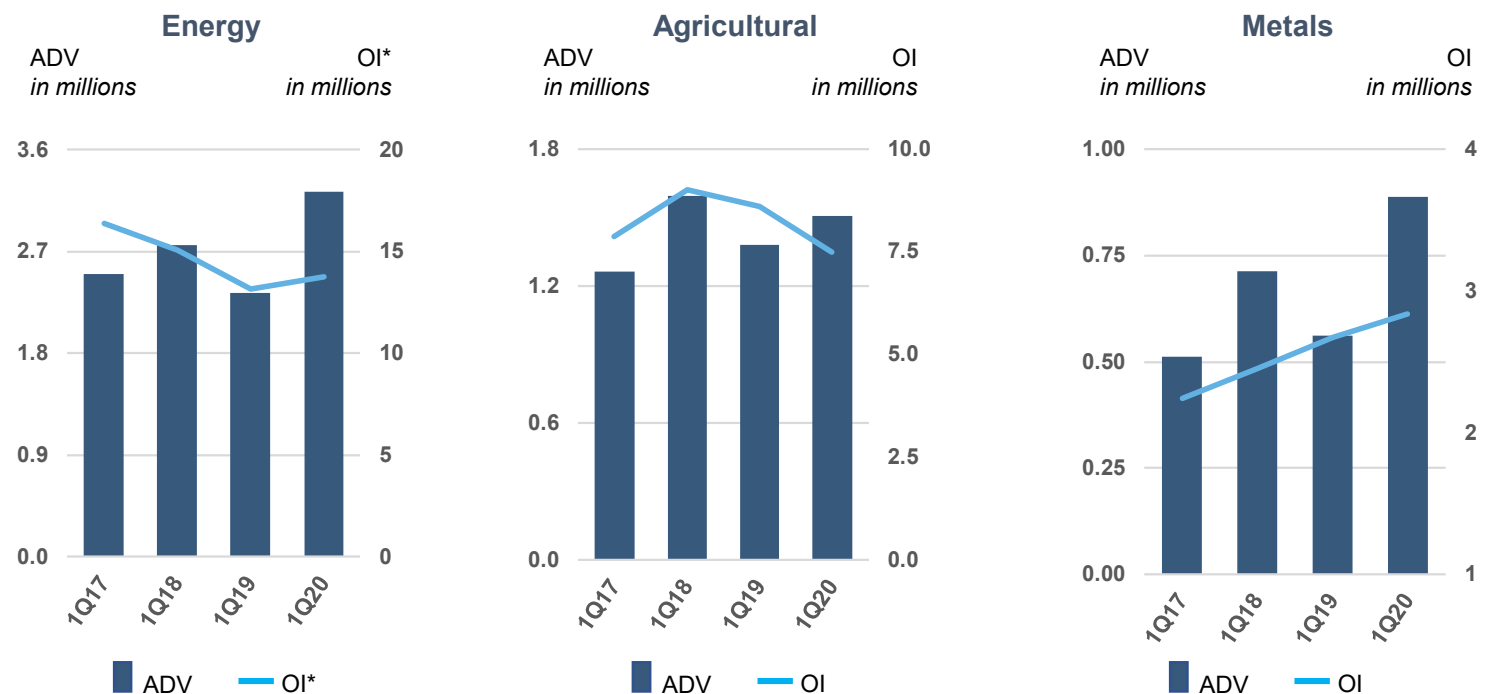
### Significant 1Q20 OTC activity

- Notional ADV across all products and currencies of \$89 billion, up 21% from 4Q19
- Record revenue of \$20.8 million
- Record \$7 billion in initial margin savings through portfolio margining of Interest Rate swaps and futures

## 1Q 2020 Product Detail - Financials



## 1Q 2020 Product Detail - Commodities



\*OI includes benchmark product areas only – Crude Oil, Natural Gas and Refined

## Financial Results

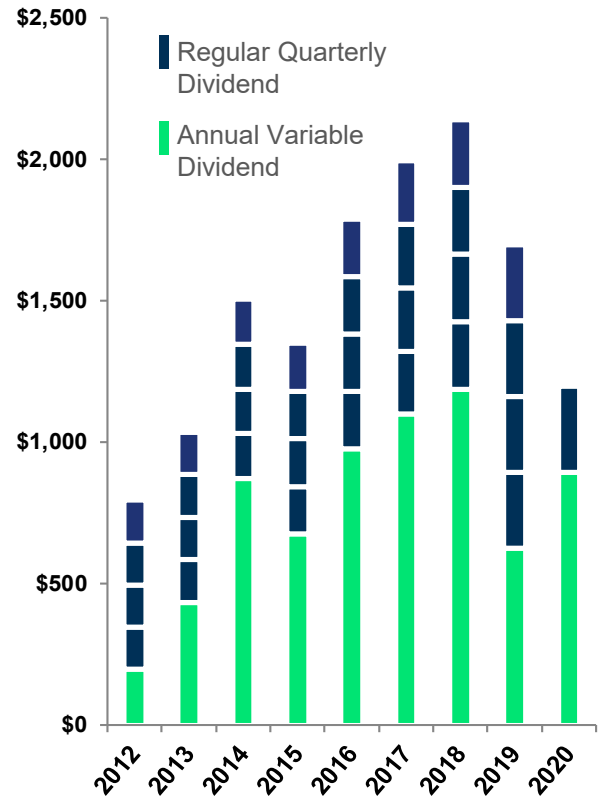
- 1Q20 revenue was \$1.52 billion, including \$189 million generated by legacy NEX businesses
- 1Q20 clearing and transaction fees revenue totaled \$1.3 billion, including approximately \$124 million from NEX. EBS generated \$53 million of transaction revenue during the quarter, up 21% compared to 4Q19, and BrokerTec generated \$50 million, up 14% versus 4Q19
- Overall 1Q20 RPC was 67.6 cents, down from 71.3 cents in 1Q19. Seventy-five percent of the change was driven by very strong activity in the lower priced and very popular micro E-mini equity contracts, which were launched in 2Q19 and averaged 1.4 million contracts per day in 1Q20
- Market Data revenue in 1Q20 was \$132 million, up slightly compared with 1Q19, and included \$17.5 million from NEX
- 1Q20 Other revenue was \$112 million, up 15% from 1Q19. Total Other revenue from legacy NEX businesses was \$47.5 million
- 1Q20 adjusted expense excluding license fees was \$386 million, down 4% from \$403 million in 1Q19
- 1Q20 adjusted non-operating income was \$32.6 million, up from \$21.6 million in 1Q19. Note that interest on excess reserves was reduced to 10 basis points in mid-March and commensurate with that reduction CME Group is now retaining 2 basis points
- The adjusted 1Q20 effective tax rate was 23.6%
- Adjusted net income attributable to CME Group was \$836 million and adjusted diluted earnings per share (EPS) were \$2.33
- Capital expenditures for 1Q20 totaled \$38 million and includes \$1.4 million of leasehold improvements, the majority of which will be reimbursed over time, and approximately \$6 million in one-time capital expenditures associated with the integration
- As of March 31, the company had approximately \$1.0 billion in cash (including \$125 million deposited with Fixed Income Clearing Corporation (FICC) and included in other current assets) and \$3.5 billion of debt. **We reached our 1x debt to EBITDA target during the first quarter.** The company paid dividends during 1Q20 of \$1.2 billion, including the annual variable dividend for 2019 of \$894 million. The company has returned approximately \$13.5 billion to shareholders in the form of dividends since implementing the variable dividend policy in early 2012

## Notes & Guidance

### No Change to Full-Year 2020 Guidance Below

- Adjusted operating expense excluding license fees expected to be between \$1.64 billion and \$1.65 billion
- Capital expenditures, net of leasehold improvement allowances and any one-time costs associated with the integration, expected to be between \$180 million and \$200 million
- Adjusted effective tax rate expected to be between 23% and 24%
- At the end of 2019, the company reached \$58 million in run rate expense synergies and \$6 million in subleasing revenue synergies for a total of \$64 million. At the end of 2020, we expect cumulative run rate synergies to be at \$110 million and expect to realize approximately \$15 million in P&L impact during the year

### Dividends Paid\* \$ in millions



\*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

### Integration Progress

- Global client outreach has continued ahead of the planned Globex migrations of BrokerTec and EBS, and we are in active dialogue with our customers given the impact of the virus on their businesses
- The migration of BrokerTec is planned for Q4 of 2020 and EBS is planned for Q4 of 2021
- Moved legacy CME employees into a new combined office in London with Singapore office combination planned for later this year
- Continued the integration efforts to migrate all employees onto our administrative systems, including rollout of common benefit programs for U.S. employees
- Closed on the divestiture of NEX Exchange following the attainment of the Financial Conduct Authority (FCA) approval

## Use of Non-GAAP Measures

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 and earnings presentation materials posted in the same area of the Investor Relations page on CME Group's Web site at [www.cmegroup.com](http://www.cmegroup.com).

## Forward-Looking Statements

Statements in this document 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 at substantially similar trading levels, develop strategic relationships and attract new customers; our ability to expand and globally offer our products and services; changes in regulations, including the impact of any changes in laws or government policy with respect to our products or services or 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 or changes to regulations in various jurisdictions; 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 credit and liquidity risk management practices to adequately protect us from the credit risks of clearing members and other counterparties, and to satisfy the margin and liquidity requirements associated with the BrokerTec matched principal business; 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; our dependence on third-party providers and exposure to risk through third-parties, including risks related to the performance, reliability and security of technology used by our third-party providers; volatility in commodity, equity and fixed income prices, and price volatility of financial benchmarks and instruments such as interest rates, credit spreads, equity indices, fixed income instruments and foreign exchange rates; economic, social, 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, control the costs and achieve the synergies associated with our strategy for acquisitions, investments and alliances, including those associated with the acquisition of NEX; 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; our ability to maintain our brand and reputation; and the unfavorable resolution of material legal proceedings. 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.

### Q&A Conference Call Details:

CME Group will hold a live Q&A teleconference to take questions related to first-quarter 2020 results at 8:30 a.m. Eastern Time today. A live audio Webcast of the Q&A teleconference will be available on the Investor Relations section of CME Group's Web site at [www.cmegroup.com](http://www.cmegroup.com). Following the conference call, an archived recording will be available at the same site. Those wishing to listen to the live Q&A teleconference via telephone should dial 1-800-367-2403 if calling from within the United States or +1-334-777-6978 if calling from outside the United States, at least 10 minutes before the call begins.

Analysts and investors are encouraged to review the Company's recent filings with the U.S. Securities and Exchange Commission, as well as the quarterly earnings reference documents posted to the Investor Relations page of CME Group's Web site.