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

# CME/CBOT Proposed Merger

March 22, 2007

Investor Presentation



# 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 result 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.*

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Terry Duffy

Executive Chairman



# CME's superior offer has larger and more immediate benefits to CBOT shareholders and members

**Combination will establish the world's largest derivatives exchange to the benefit of shareholders, members and customers**

## Strategically Attractive

- **Solidifies combined company's status as the premier global exchange, positioning combined company**
  - ◆ For continued growth as a consolidator rather than a target
  - ◆ As the partner of choice for matching and/or clearing ASP opportunities
- **Creates \$70M in operational and cost efficiencies for customers**
- **Creates immediate scale advantages**
- **Strengthens Chicago as the leader in derivatives**
- **Focuses the combined company on generating growth, rather than duplicative integration and development**
  - ◆ Globally
  - ◆ In over-the-counter (OTC) markets
- **Builds on over 200 years of innovation to the benefit of customers and shareholders**

## Financially Compelling

- **\$125+ million in estimated annual cost savings**
- **Expected to be accretive to GAAP earnings 12 – 18 months post-close**
- **Potential revenue synergies to be shared by combined shareholders**
- **Enhances operating leverage**



Craig Donohue

Chief Executive Officer



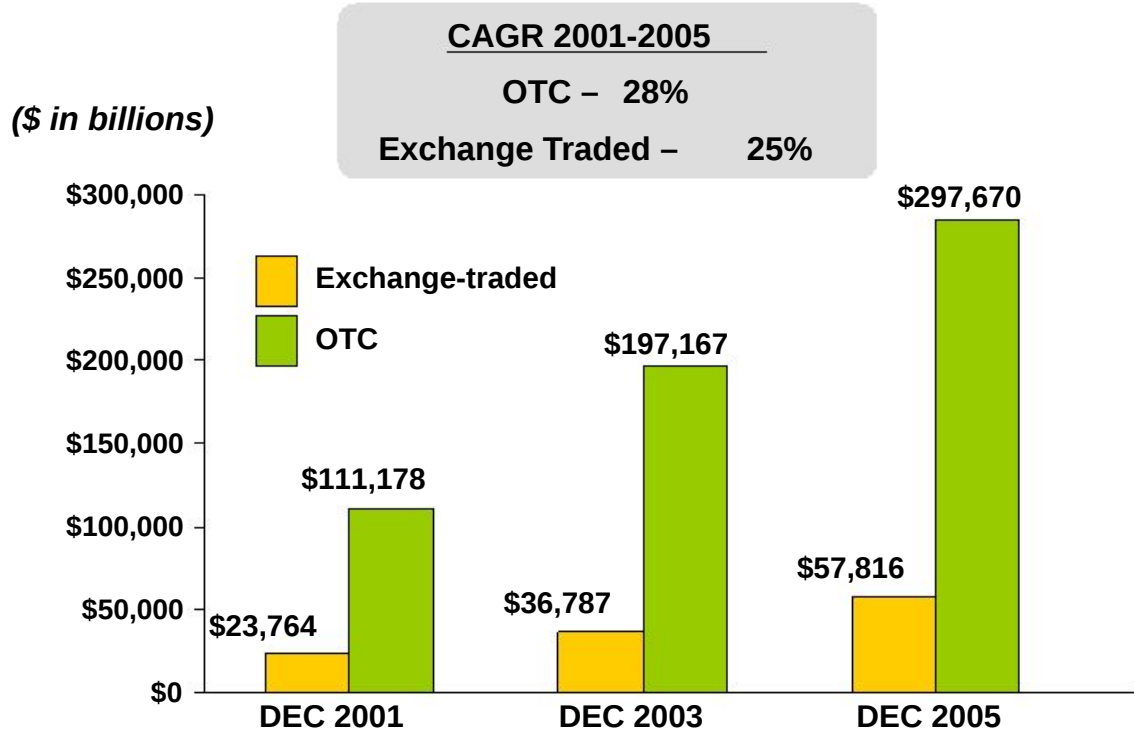


## ICE's proposal

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

# OTC derivatives markets are larger and growing faster

## Total Value Outstanding Positions (measured in notional value as of year-end)





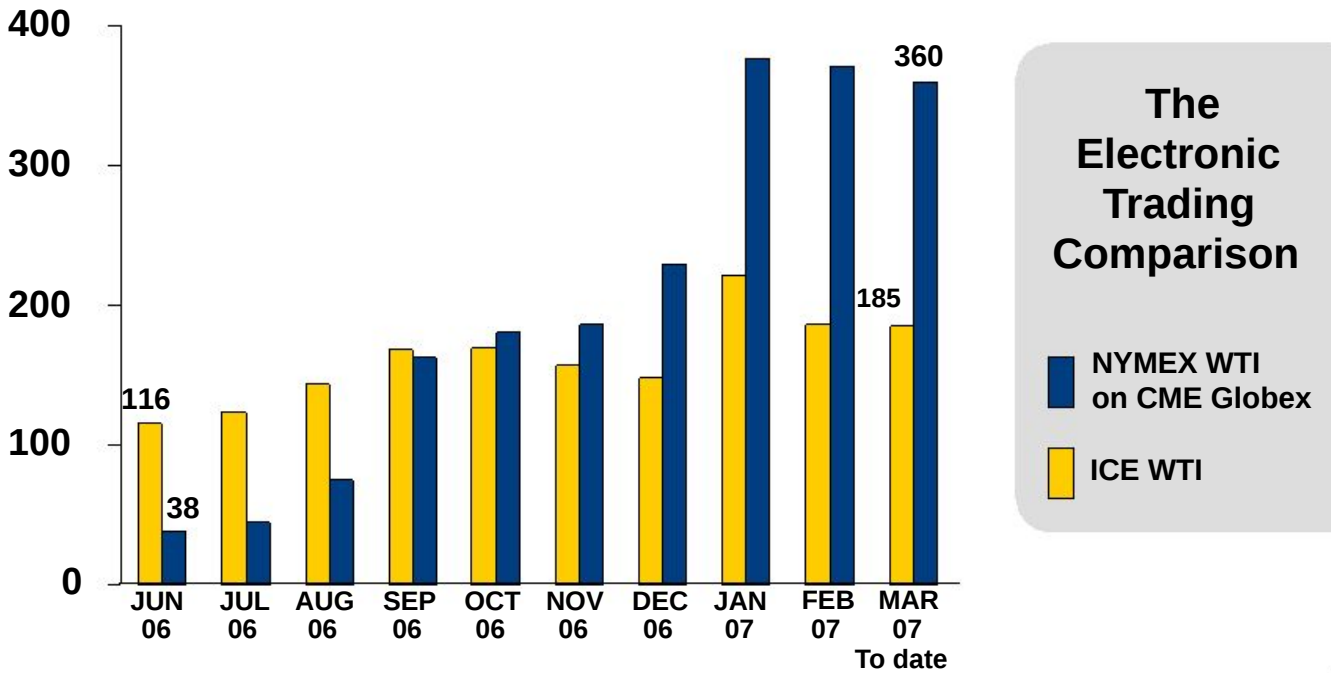
### **ICE's vague structure to preserve CBOE exercise rights is not a differentiating factor**

- **ICE has proposed same exact structure**
- **ICE has not identified specific changes**
- **ICE offered CBOT shareholders no guarantees or promises**
- **CBOE has not consented to ICE's proposal**

# CME successfully integrates NYMEX, and takes market share back from ICE

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

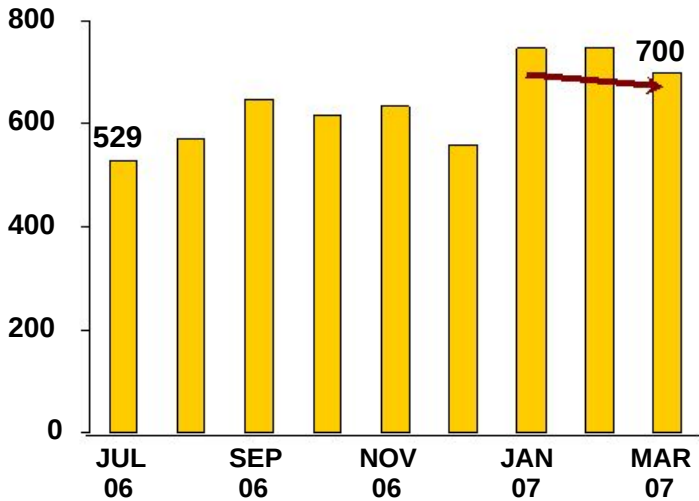
(by month; notionally adjusted; contracts in thousands)



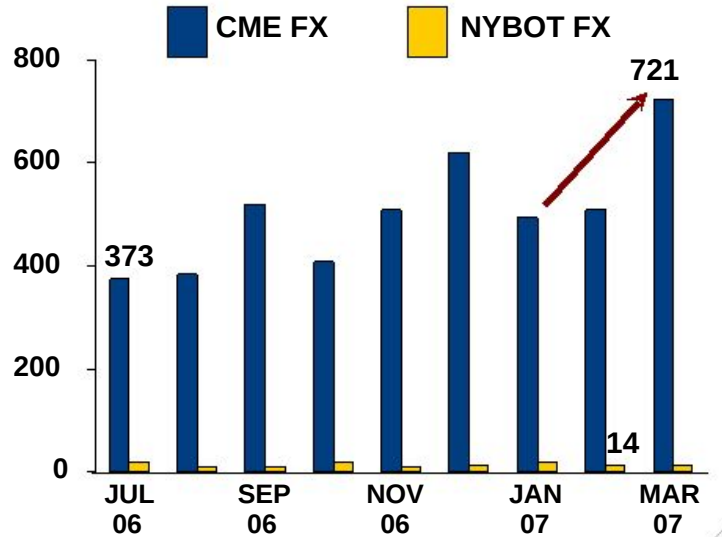
# CME FX Volume equals ICE/NYBOT total volume, and shows faster growth

**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)



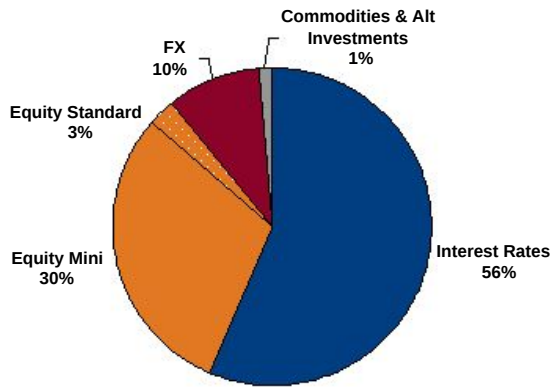
**Monthly CME FX ADV vs. NYBOT FX ADV**  
(contracts in thousands)



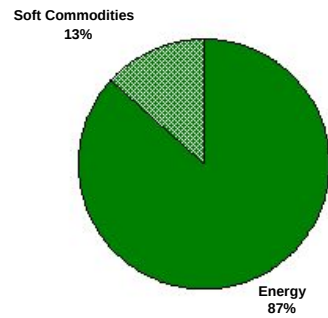
# Diversity of ADV and Revenue

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

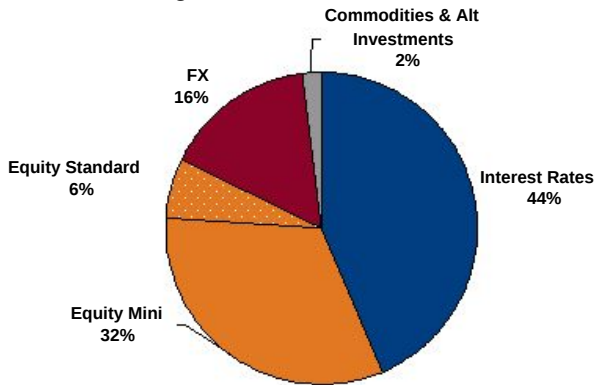
**CME Q406 ADV**



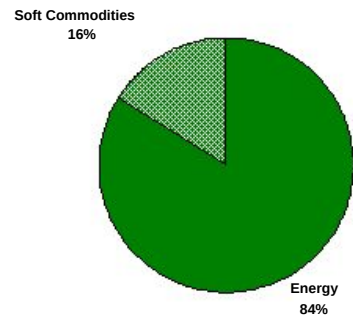
**ICE/NYBOT Q406 ADV**



**CME Q406 Clearing & Transaction Revenue**



**ICE/NYBOT Q406 Clearing & Transaction Revenue**



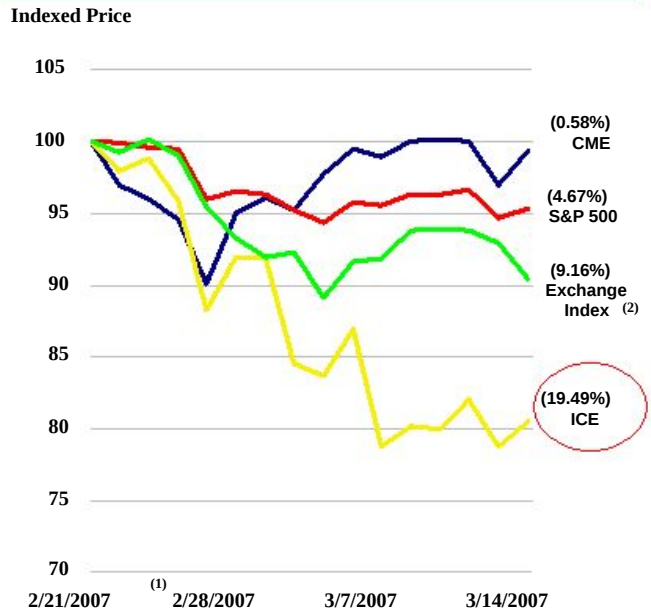
# CME's stock is less volatile than ICE's

## 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.

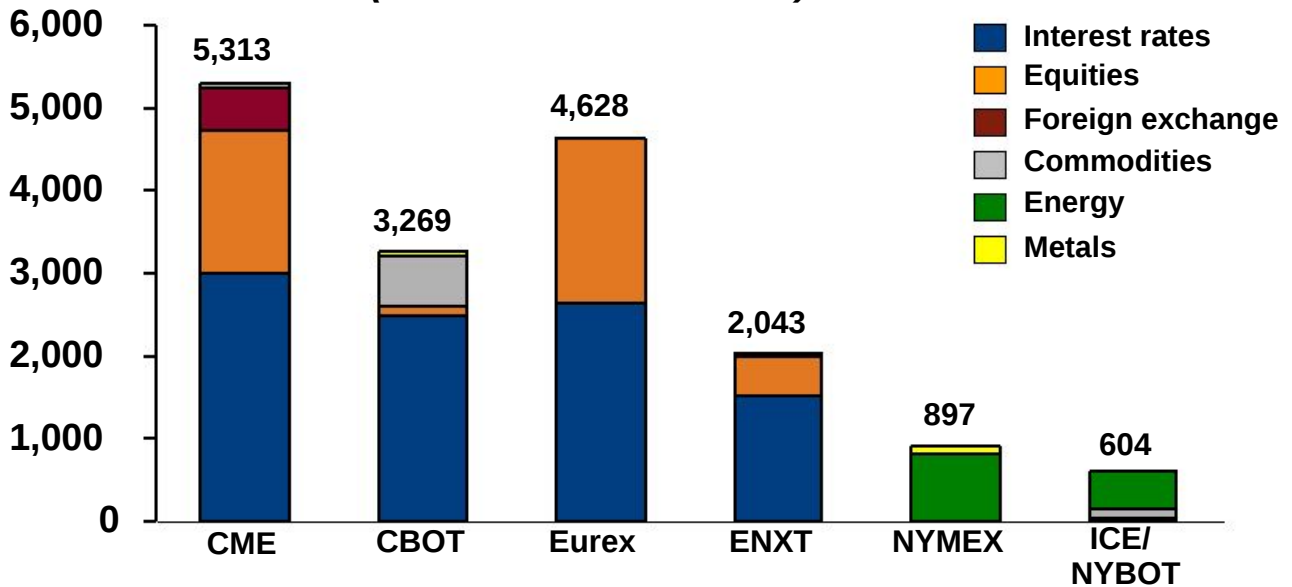
2. Exchange index includes TSX, OMX, ASX, Hong Kong Exchange, Singapore Exchange, Deutsche Boerse, Euronext, Bursa Malaysia, LSE, Bolsas y Mercados, ISE and NYSE.



# We operate in a global marketplace

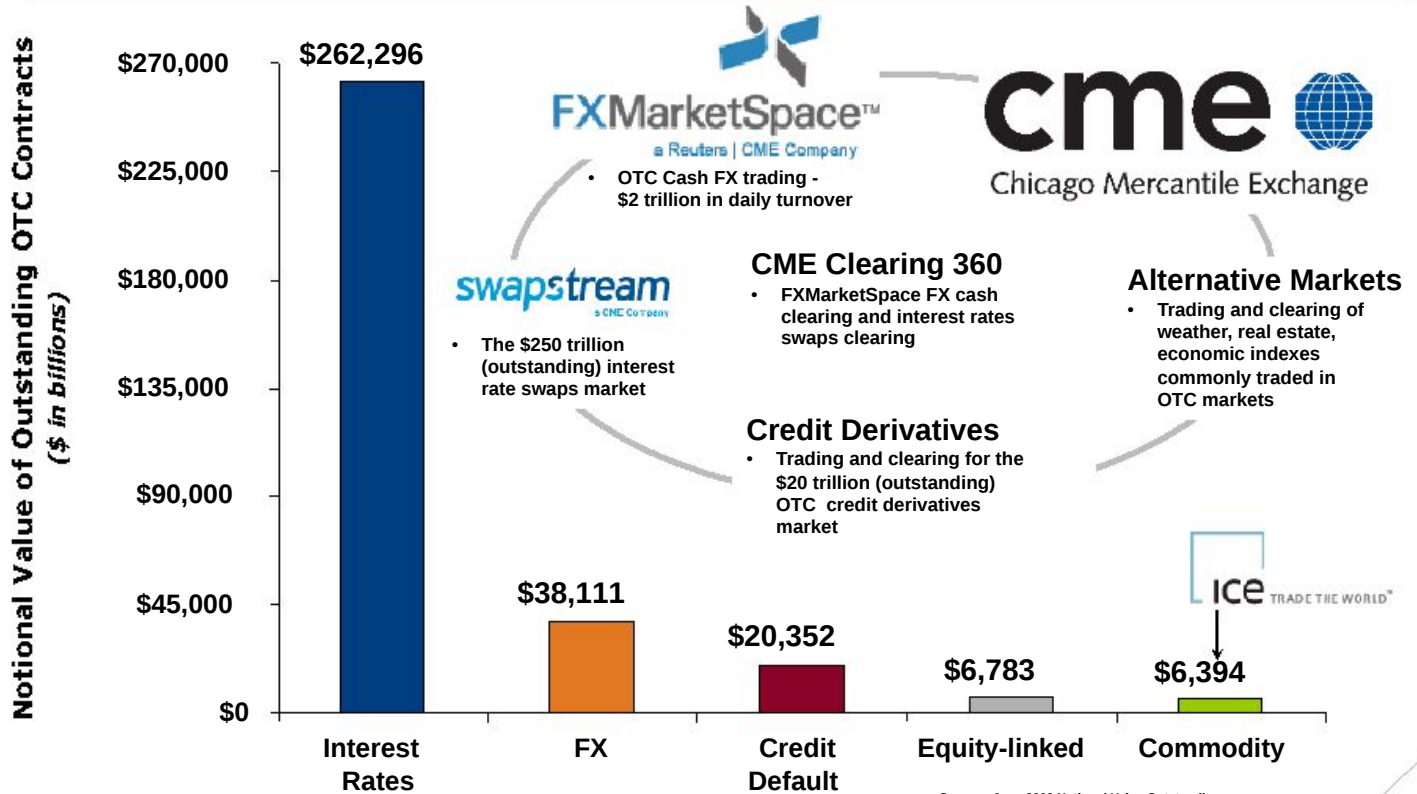
CME is the largest global derivatives exchange and has a strong partnership with the leading energy exchange, while ICE/NYBOT is not the largest in any segment

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



# OTC opportunities are larger with CME

OTC opportunities in CBOT will be more effectively pursued by leveraging CME's resources, experience and investments across both large and small OTC market segments



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

**Jamie Parisi**

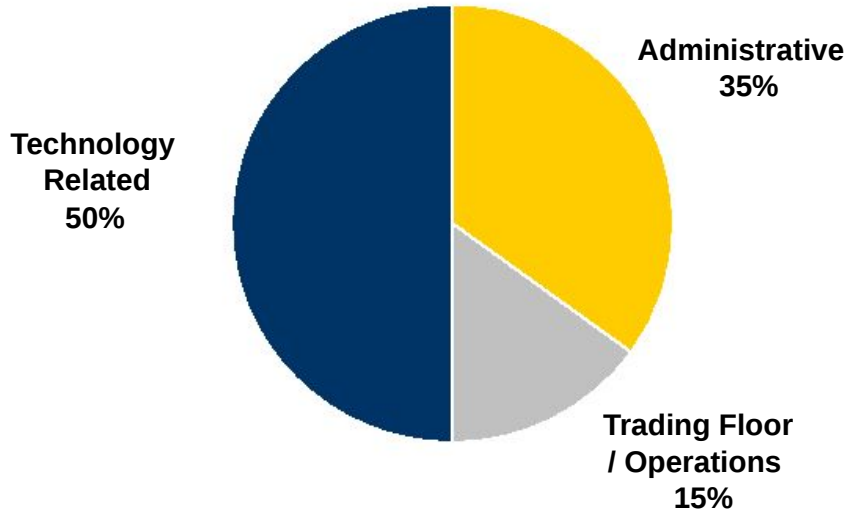
**Managing Director & Chief Financial Officer**



# CME/CBOT planned synergies

**Expected cost savings of \$125+ million annually,  
beginning in year two post-close**

## Cost Savings Areas



**Total: \$125+ million**

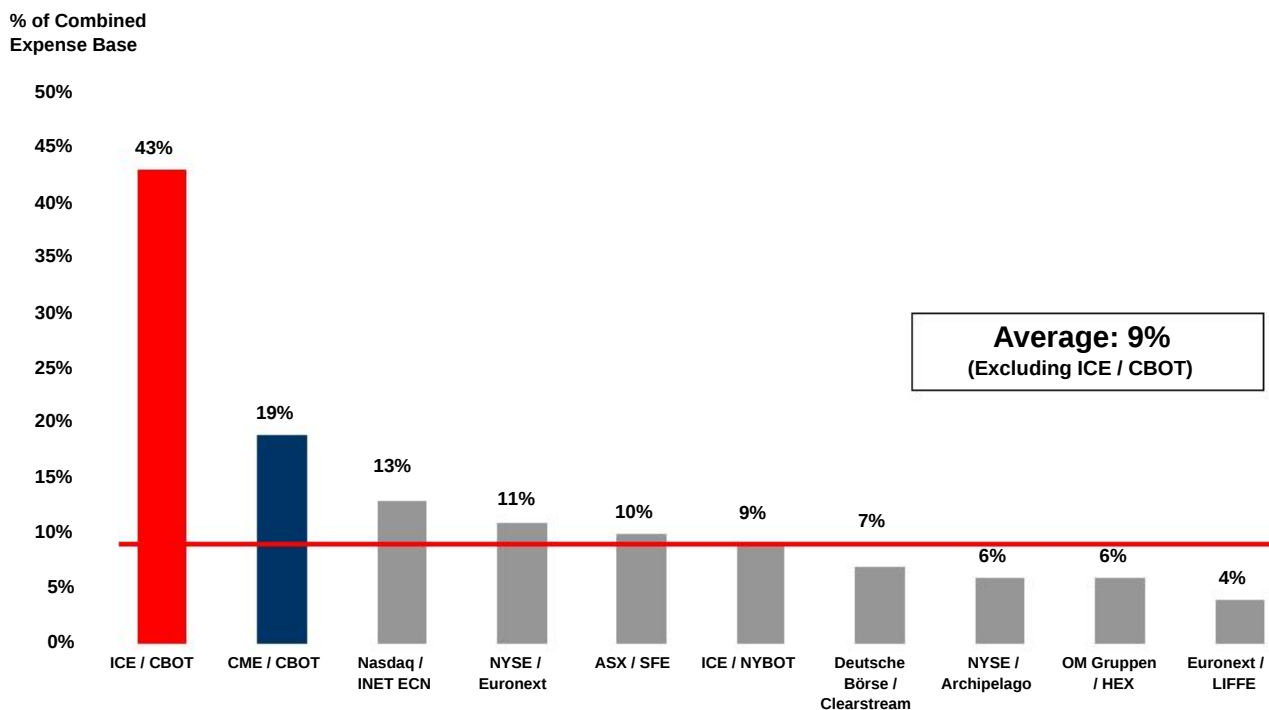
### ICE's synergy estimates are not based in reality

- **The \$50M revenue synergies are highly speculative**
  - ◆ ICE provided no quantifiable basis for revenue synergies
  - ◆ CME's revenue synergies with CBOT would be greater driven by CME Globex distribution and speed, as well as adjacency to sizable OTC markets in CME's multiple asset classes
- **The \$100M operational expense synergies are questionable**
  - ◆ ICE provided limited insight as to how synergies would be achieved
  - ◆ ICE claims that they can remove 43% of the combined expenses, excluding d & a - well outside the range of precedent transactions
  - ◆ CME believes a reasonable range is closer to \$40M to \$65M versus CME/CBOT highly developed synergy estimate of \$125M+
- **The \$90M clearing synergies are unrealistic**
  - ◆ ICE has not included significant expenses necessary to handle the increased clearing volume
  - ◆ Some of the synergies ICE is claiming could come from CBOT's standalone alternatives
  - ◆ CME believes a reasonable range could be \$20M to \$40M



# ICE's cost synergies are inflated relative to other mergers

**ICE/CBOT cost synergies represent 43% of the combined expense base versus the 9% average for comparable deals**



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Source: Lehman Brothers

Note: Excludes depreciation and amortization

Kim Taylor

Managing Director &  
President CME Clearing



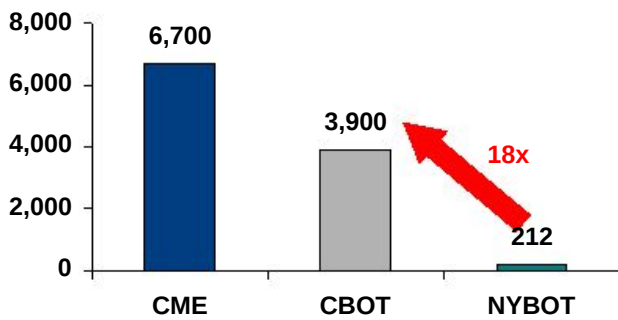
## Benefits of CME Clearing

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

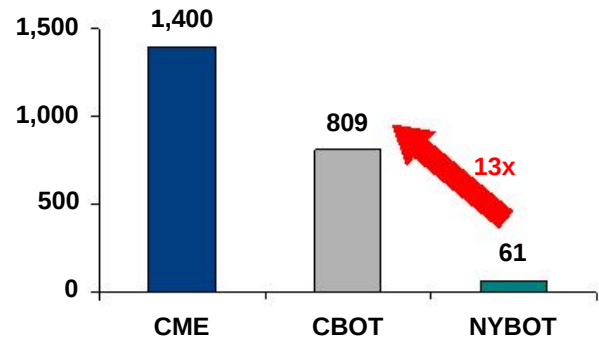
**NYBOT would need to scale up clearing capacity on day 1 more than 18 times to accommodate CBOT average volume**

- **CME has operational capacity to clear business of CBOT's magnitude**

**Average Volume**



**Average Transactions**



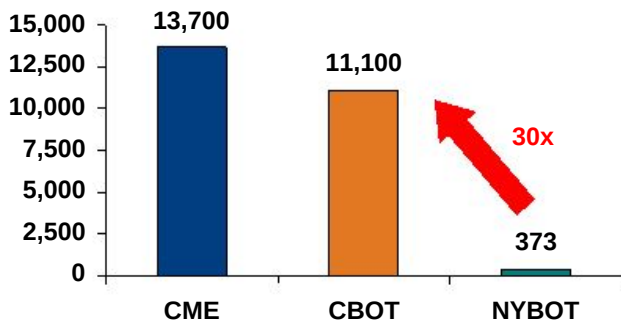
Notes: CME and CBOT YTD through 3/16/07, NYBOT YTD through 2/28/07. NYBOT Average Transactions are CME estimates

# Operational capacity and reliability

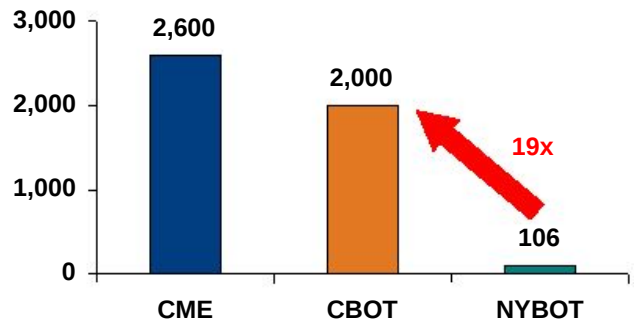
**NYBOT would need to scale up clearing capacity by 30 times to handle CBOT peak volume**

- Clearing operational capacity & reliability at *peak* activity levels is extremely critical to CBOT business

## Peak Volume



## Peak Transactions



Note: CME and CBOT Peak volumes occurred on 2/27/07, NYBOT peak volume occurred on 2/9/07. NYBOT Peak Transaction are CME estimates



### **ICE's net margining proposal is a step backwards from CME's optimal margining innovation**

- **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**

**CME has real-time risk management 24 hours a day, 6 days a week, ensuring early detection of large risk exposures**

- **CME Clearing is widely recognized as the industry leader in risk management**
- **109 year, default-free history**
- **Industry leading risk management:**
  - ◆ **Real-time 24 hour risk monitoring**
  - ◆ **Stress testing at the clearing member & large client levels**
  - ◆ **Specialized real-time risk monitoring for ATS & other large day traders**
  - ◆ **On-site risk reviews of clearing member firms**
  - ◆ **Real-time risk management support to clearing members**
- **Proven crisis management**

## CME is experienced with managing mark-to-market flows 40 times greater than NYBOT

- CME Clearing has extensive experience & capabilities to risk manage business of CBOT's scope & scale

	CME	CBOT	NYBOT
Open Interest <sup>1</sup> :	44.5M	15.9M	2.5M
Average daily MTM:	\$1.8B		\$.05-\$.1B (est.)
Record MTM:	\$8.5B		<\$.2B (est.)

Note:

1. As of February 28, 2007. NYBOT February 2007 Monthly Volume Report, CBOT February 2007 Monthly Open Interest Report and CME Volume Tracker

### ICE cross-margining savings of \$50 million doesn't compare to margin savings 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 disruption to capital efficiency:</b>	<b>\$1.3 - \$1.6 billion</b>

### 5 of the top 10 CBOT volume leaders are not NYBOT clearing members

- **With its current capabilities, CME Clearing has created 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**

# Phupinder Gill

**President & Chief Operating Officer**



## CME ready to integrate, while ICE offer has significant execution risk

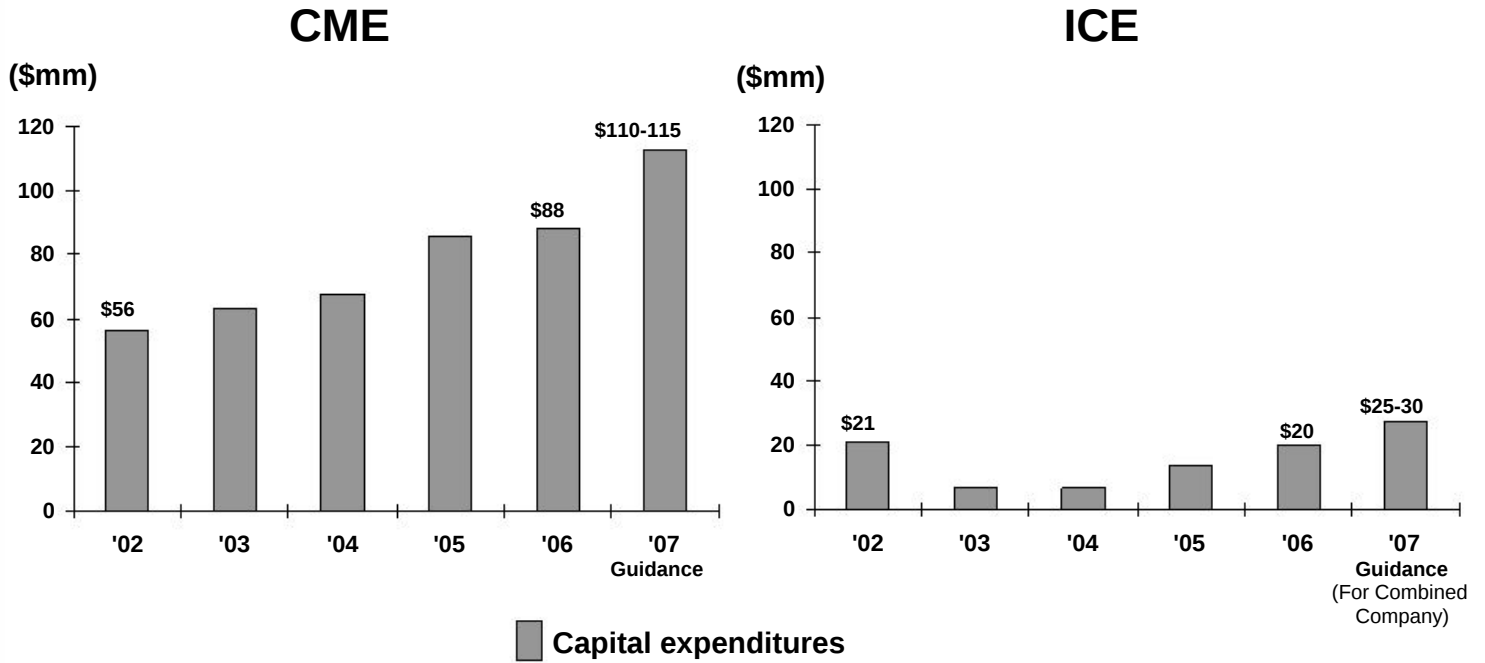
**2/3's of mergers fail to increase shareholder value due to poor integration execution**

Study	Sample Size	Definition of Failure	% Failed	Causes
<b>Mercer</b>	<b>215</b>	<b>Poor shareholder returns after 3 years</b>	<b>63%</b>	<b>Lack of Vision Lack of Alignment Slow Integration</b>
<b>Mitchell/EIU</b>	<b>150</b>	<b>Would not buy again</b>	<b>70%</b>	<b>Poor Planning Poor Communication Slow Integration</b>
<b>McKinsey &amp; Co.</b>	<b>116</b>	<b>Failure to earn back capital in 3 years</b>	<b>77%</b>	<b>Weak Core Business Large Target Size Overly Optimistic Slow Integration</b>
<b>PWC</b>	<b>125</b>	<b>Low revenues, cash, profitability</b>	<b>66%</b>	<b>Slow Integration</b>
<b>Healy et. al.</b>	<b>50</b>	<b>Poor cash flow relative to peers</b>	<b>50%</b>	<b>Poor Strategy</b>



# Capital expenditures comparison

To support scaling of technology infrastructure, CME has spent \$360M over the past 5 years in capital reinvestment, while ICE has spent less than \$70M



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

# Potential for revenue synergies from international growth are larger with a CME/CBOT combination

- **CME has Globex distribution of institutional screens spanning 88+ countries and foreign jurisdictions**

Algeria, Argentina, Australia, Austria, Bahamas, Barbados, Belgium, Belize, Bermuda, Brazil, British Virgin Islands, Bulgaria, Canada, Cayman Islands, Chile, China, Costa Rica, Cyprus, Czech Republic, Denmark, Ecuador, Egypt, Finland, France, Great Britain, Germany, Gibraltar, Greece, Hong Kong, Hungary, Iceland, India, Indonesia, Iran, Ireland, Isle of Man, Israel, Italy, Jamaica, Japan, Jordan, Kuwait, Lebanon, Liechtenstein, Luxembourg, Macau, Madagascar, Malaysia, Mauritius, Mexico, Monaco, Mongolia, Namibia, Netherlands, New Zealand, Norway, Pakistan, Peru, Philippines, Poland, Portugal, Puerto Rico, Republic of Korea, Romania, Russian Federation, Saint Pierre and Miquelon, Saudi Arabia, Senegal, Seychelles, Singapore, Slovakia, South Africa, Spain, Sweden, Switzerland, Taiwan, Thailand, Turkey, United Arab Emirates, US, US Virgin Islands, Venezuela

- **CME has telecommunications hubs globally**

## *Europe*

- Amsterdam
- Dublin
- Paris
- Gibraltar
- London
- Milan

## *Asia Pacific*

- Singapore

- **CME has global products across asset classes**

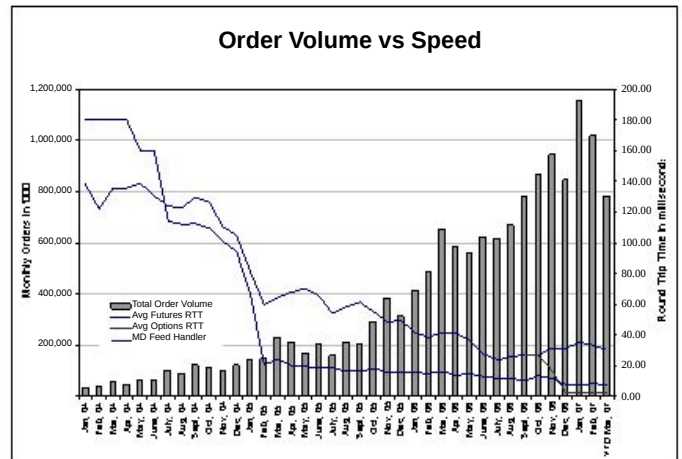
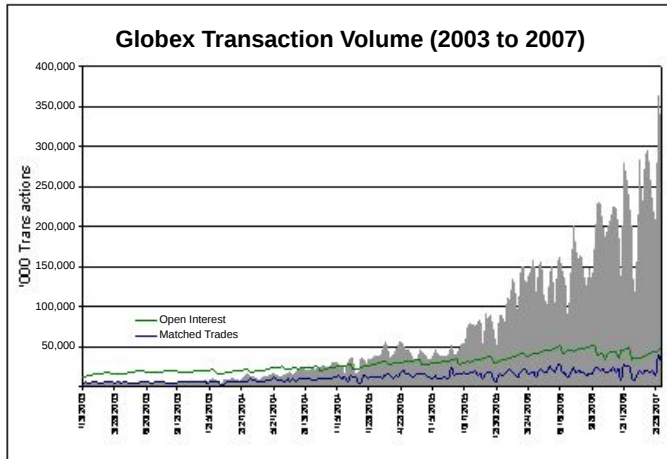
- Equities-Nikkei 225, MSCI EAFE, S&P 500
- Interest rates – Eurodollar, Euroyen
- FX – Euro, Yen, Chinese Reminbi, Korean Won

- **CME has expanded international sales and marketing staff in the last year**

- **CME has international relationships in China, India and Singapore**

# CME Globex has the capacity to handle large transaction volumes at a high speed

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



***“We had many challenges both organizationally and technologically” (referring to the NYBOT acquisition)***

**- Chuck Vice, ICE President & COO, February 7, 2007**

Source: Chuck Vice, ICE President & COO, ICE 4Q2006 earnings conference call transcript, February 7, 2007

# CME: Robust functionality for fast, protected and efficient trading

## CME Offers Critical Customer Protection Functionality

	CME	ICE
Mass quote cancel on disconnect	✓	
Market maker traded quantity, execution and new quote fill protections	✓	
Covered delta and side reasonability check	✓	
Stop spike protection for futures	✓	
eStop option support	✓	
In-flight fill mitigation logic	✓	
Mass quote governor	✓	
Market or stop order with protection points	✓	

## CME Offers Robust and Efficient Matching

LMM with or without TOP	✓	
Pro rata with or without TOP (and LMM)	✓	
Auction or automated request for cross	✓	
Pro rata small lot aggregation	✓	
Pro rata with configurable TOP minimum/maximum quantity or match %-age	✓	

## CME Offers Theoretical Price Function for Spread Leg Price Assignment

### A CME transaction...

- **Retains Common Clearing Link Efficiencies**
  - ◆ CME/CBOT retains \$700M - \$1B+ cross margining efficiencies versus ICE/CBOT estimated \$50M
- **Keeps costs lower for end users and firms**
  - ◆ CME/CBOT transaction estimated to generate at least \$70M in annual savings
  - ◆ ICE transaction requires interfaces & deposits with two clearing houses rather than one, as well interface to ICE electronic platform
- **Gives CBOT customers access to Globex**
- **Allows trading of complementary products on a single platform**
- **Greatly reduces operational and financial risk from migrating clearing**
  - ◆ Clearing firms and market users, not ICE/CBOT, will bear this risk

**“We are putting tremendous demands on traditional NYBOT clearers and customers” (to bring the products up electronically) – Jeff Sprecher, CEO, 2/7/07**

Source: Jeff Sprecher, ICE CEO, ICE 4Q2006 earnings conference call transcript, February 7, 2007

# Appendix



## CME Clearing has proven to be a global leader in risk management

### CME played a central role in the successful conclusion of a number of events

- **Black Monday – Dow fell 22% on October 19, 1987**
- **Drexel Burnham Lambert Parent– December 21, 1988 pleaded guilty to insider trading. February 13, 1990 DBL filed for bankruptcy**
- **Barings Bank – Declared insolvent on February 26, 1995 after failing to find a buyer. Afterward, ING agrees to buy the bank for \$1**
- **LTCM – September 1, 1998 Meriwether discloses the fund's massive losses and limits client withdrawals. September 23rd, a consortium of banks agrees to inject \$3.5B in funds at the NY Federal Reserve Office**
- **Refco Parent – October 10, 2005, Refco discloses \$430 million in hidden debt. October 17th, Refco filed for bankruptcy**
- **Amaranth/Motherrock – CME facilitated daily information sharing among multiple exchanges pertaining to liquidation & transfer of positions, as well as loss coverage**



### Unlike NYBOT, CME Clearing's approach to risk management has prevented any CME clearing firm defaults

- **First West owned by NYFE (a division of NYBOT) Chairman Norman Eisler defaults causing Klein to default to NYBOT on May 17, 2000**
  - ◆ **The firm is undercapitalized (pro forma) by \$3.8 million**
- **Mr. Eisler settles with CFTC for \$4.9 million for price manipulation and false reporting**
- **CFTC also issues an order against NYFE (and \$75,000 penalty) for failure to enforce its own rule for determining settlement prices**
- **Klein files a \$100 million lawsuit against NYBOT blaming the exchange for the default due to Mr. Eisler's role in setting settlement prices and lackadaisical crisis response by exchange senior management**

## Operational functionality

**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**

- **CBOT business depends heavily on post-trade processing functionality:**
  - ◆ **20% of CBOT customer volume is for Give-up/APS**
  - ◆ **Trade transaction account for only approximately 20% of total clearing transactions (peak clearing transactions of 15M for CME & 7.4M for CBOT)**

<b>Clearing Technology</b>	<b>CME</b>	<b>NYCC</b>
<b>Support enhanced order routing and trading floor technologies</b>	✓	
<b>Proven, reliable 2 way API to support real time risk management</b>	✓	
<b>Robust state-of-the-art post trade management system</b>	✓	
<b>Industry leader in developing messaging technology</b>	✓	
<b>Ability to interface with electronic give-up agreement system</b>	✓	
<b>State-of-the-art broker billing and give-up payment systems</b>	✓	