



Q1

1ST QUARTER 2015
REPORT TO SHAREHOLDERS

TMX GROUP LIMITED

CEO's LETTER TO SHAREHOLDERS

It is my pleasure to report to you on our first quarter 2015 results and, in particular, on our strategic review process.

For the first quarter, our revenue grew by 2% year over year reflecting higher revenue from Canadian derivative trading, Razor Risk and information services, which surpassed the \$50 million mark for the first time. We benefited from our investments to build diversified revenue streams as we were able to offset those areas of our business that were impacted by reduced commodity prices. This diversification and investment in new initiatives has resulted in a higher cost base in the short term as was reflected in a year over year decline in earnings. We already began to address that in the first quarter, and optimizing our business mix and cost structure over the longer term is an important element of our strategic review process.

We are making excellent progress with the strategic review. This has included a full scale analysis of our markets and our organization to understand how best to advance beyond the notion of a group of companies to an integrated organization.

We identified what we believe are the greatest areas of need for our clients and the markets in which they operate. From there, we will build out our investment strategy. At the same time, we are working through what is required to successfully execute that strategy in terms of both resources and organizational capabilities.

We are working to build on the foundation for how we provide value to clients, deliver total return to shareholders, and build competitive differentiation for TMX going forward.

Some very clear areas of focus have emerged for us going forward. One area that is of utmost importance for us is capital formation. One of our clear positions of strength is our portfolio of assets, including listings capabilities for issuers on our public and private markets. We connect investors of all types to entrepreneurs and all stages of companies that need funding.

Markets are constantly and rapidly evolving, and we will pursue strategies that most effectively leverage our portfolio of assets, which includes multi asset class trading venues, to connect those who need capital to grow with those who want to invest.

Another area of intense focus will be on ways in which we can help our clients be more successful. We will work on solutions that derive more insight and value from the vast amount of data that is generated across our businesses. We have a real opportunity to leverage technologies that provide analytics to help our clients efficiently and effectively manage volumes of diverse data sets to improve decision-making.

In operations, we will evolve our organization to look across all business lines to drive better support for each of those businesses, as well as to maximize the inherent cost advantages of being an integrated organization. We will continue to take measures to ensure TMX Group is operating as efficiently and cost effectively as possible. Keeping our costs down not only helps improve our company's financial performance, it enables us to redeploy savings and make necessary investments in our future.

I look forward to providing you with a further update on this process in the coming weeks and months.

A handwritten signature in black ink, appearing to read 'LVE', with a long horizontal stroke extending to the right.

Louis V. Eccleston
Chief Executive Officer
TMX Group Limited
May 12, 2015

TMX GROUP LIMITED

Q1/15 Management's Discussion and Analysis

May 11, 2015

This management's discussion and analysis (MD&A) of TMX Group Limited's (TMX Group) financial condition and financial performance is provided to enable a reader to assess our financial condition, material changes in our financial condition and our financial performance, including our liquidity and capital resources, for the quarter ended and as at March 31, 2015 compared with the quarter ended March 31, 2014 and as at December 31, 2014. This MD&A should be read together with our Q1/15 unaudited condensed consolidated interim financial statements as at and for the three months ended March 31, 2015 (financial statements) and the 2014 Annual MD&A.

Our financial statements and this MD&A for the quarter ended March 31, 2015 are filed with Canadian securities regulators and can be accessed through www.sedar.com or our website at www.tmx.com. The financial measures included in this MD&A are based on financial statements prepared in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB), unless otherwise specified. All amounts are in Canadian dollars unless otherwise indicated.

Certain comparative figures have been reclassified in order to conform with the financial presentation adopted in the current year.

Additional information about TMX Group, including the Annual Information Form, is available through www.sedar.com and on our website, www.tmx.com. We are not incorporating information contained on our website in this MD&A.

MARKET CONDITIONS AND UPDATE ON STRATEGIC REVIEW¹

Market Conditions

At March 31, 2015, there had been a modest increase in major North American equities indices since the end of 2014. While financing activity in the quarter was robust, it was driven by a small number of large financings on Toronto Stock Exchange (TSX). Resource based and energy industry companies, especially those on TSX Venture Exchange (TSXV), continue to be negatively impacted by lower commodity prices, particularly crude oil.

As seen across North American markets, volatility remained low during Q1/15. For example, the average for the CBOE Volatility Index (VIX) was up slightly at 16.6 for Q1/15 compared with 16.1 for Q4/14 and 14.8 for Q1/14, but still lower than the historical average. Along with low volatility, overall North American equities trading volumes were lower to flat during Q1/15 compared with both Q1/14 and Q4/14.

In January 2015, the Bank of Canada reduced the overnight interest rate target from 1.00% to 0.75%². The Bank said that its decision was in response to the recent sharp drop in oil prices, which it believes will be negative for growth and underlying inflation in Canada. This announcement resulted in increased volatility and higher volumes traded for interest rate products in Q1/15 on Montréal Exchange Inc. (Montréal Exchange or MX) compared with Q1/14.

Natural gas trading volumes declined in Q1/15 compared with last year. While there were periods of much colder than normal weather and price volatility in certain parts of North America in Q1/15, it was not as wide spread or as lengthy as during Q1/14.

Update on Strategic Review

As we stated in February 2015, we have been engaged in a comprehensive review of our portfolio of assets to establish our strategy going forward. This has included a full scale analysis of our markets and our organization to understand how best to advance beyond the notion of a group of companies to an integrated organization.

¹ The "Market Conditions and Update on Strategy" section above contains certain forward-looking statements. Please refer to "Caution Regarding Forward-Looking Information" for a discussion of risks and uncertainties related to such statements.

² Source: Bank of Canada, January 21, 2015 press release.

To start, we have focused on the greatest areas of need for our clients and the markets in which they operate. Putting clients first, and working to create increasing value in the services we provide, is our priority. From that, we will build out our investment strategy. This will require working through what it will take to successfully execute against our new strategy from both a resource and an organizational capability perspective. We will continue to examine our capital allocation model to ensure focus and discipline about making investment decisions. We are also looking at how to manage our infrastructure and operations even more effectively to maximize our ability to execute that strategy in the most cost efficient and profitable way.

A key element in this process is building the foundation for how we provide value to clients, deliver total return to shareholders, and differentiate ourselves. While it is premature to announce our strategic pillars, it is clear that our critical role and strength in capital and commodity markets will be the basis on which we will build our future strategy.

Capital formation will continue to be at the core of what we do. One of our key strengths is connecting entrepreneurs and companies that are engines of growth of our economy and employment with the investors and capital they need to drive their businesses. We will look for new ways to help our customers meet their diverse investing and funding needs.

We will also continue to operate efficient markets and provide data capabilities for client decision-making. Today, we have a world-class technology infrastructure. We plan to focus on how we can help clients derive more insight and value from the vast amount of data that is generated across all of our business operations. This could range from leveraging technologies that provide analytics to helping clients effectively manage vast amounts of diverse data to improve decision-making.

A very precise understanding of our core capabilities will also help us identify new markets and asset classes where we can leverage our assets to bring innovative solutions to clients.

In operations, we will evolve our organization to look across all business lines to drive better support for each of those businesses, as well as to maximize the inherent cost advantages of being an integrated organization. A re-allocation of costs and changes in organizational structure to align with the new strategy will be necessary as we move forward. We expect to provide a further update on this process and our strategy in the coming months.

UPDATE ON CASH MARKETS TRADING - ALPHA CHANGES AND PRICING³

Alpha Changes

In October 2014, we announced proposed changes to the TSX, TSXV, TMX Select and Alpha Exchange (Alpha) marketplaces. These initiatives are aimed at improving the Canadian trading landscape by introducing a domestic trading model with superior trading economics for retail and institutional orders, offering effective solutions to participants who do not use speed-based trading strategies, and reducing market complexity. In April 2015 we announced that we received Ontario Securities Commission (OSC) approval for changes to Alpha's trading model. Now scheduled to launch in September 2015, Alpha's model is designed to deliver superior execution quality for natural investors and reduce trading costs for retail and institutional dealers. Alpha features will include a minimum size threshold for liquidity-providing orders, competitive pricing for active flow and a short order processing delay (speed bump). In response to feedback received from customers through the public comment process for the proposed changes, Alpha will operate as an unprotected market under the Order Protection Rule (OPR). TMX Group is encouraged by announced regulatory efforts to re-examine the application of OPR to all marketplaces which impose order processing delays, and supports an approach to harmonize unprotected status across all speed bump markets.

TMX Group intends to close TMX Select as well as the Alpha IntraSpread Facility. In addition, key features and functionality will be harmonized across TSX, TSXV and Alpha to provide an improved user experience. These changes include eliminating the opening auction on Alpha and migrating Alpha to the TMX Quantum XA trading platform. These updates are planned in coordination with the expected launch of the approved Alpha model in September 2015.

³ The "Update on Cash Markets Trading - Alpha Changes and Pricing" section above contains certain forward-looking statements. Please refer to "Caution Regarding Forward-Looking Information" for a discussion of risks and uncertainties related to such statements.

Pricing

In May 2015 we announced important changes to our equity trading fee schedules that will deliver significant benefits to the market by addressing industry concerns related to the maker-taker fee model through a measured rate reduction program for Toronto Stock Exchange, TSX Venture Exchange and Alpha Exchange.

The globally-adopted maker-taker model involves paying rebates to participants that add liquidity (maker) and charging a fee to participants that remove liquidity (taker). This model was introduced to increase trading liquidity, tighten price spreads and increase the competitiveness of the Canadian capital markets. However, over time, market structure has evolved and the model has raised concerns about market efficiency, fairness and quality.

A drastic reduction or outright removal of the maker-taker model could have a negative impact on the market, including increased spreads, rise in volatility and loss of liquidity. To address these challenges, we are introducing a program of phased reductions in maker-taker rates that is designed to gradually lower dealer active trading costs, minimize unnecessary intermediation and increase investor confidence. This approach provides the ability to carefully monitor and actively manage the market impact of the changes.

The first phase of reductions, which is effective June 1, 2015 subject to regulatory approval, will differentiate between fees for interlisted and non-interlisted securities to maintain the competitiveness of the Canadian market relative to the U.S. market. Taker fees will be reduced up to 34% with an average reduction of 26% across all securities and participants, while maker rebates will be reduced by an average of 31%.

Subsequent phases of the program will be implemented in 6-9 month intervals over the next 18-24 months. Future rate adjustments will be determined based on data-driven research, detailed impact analysis and client feedback to ensure that any unintended consequences are addressed.

RESULTS OF OPERATIONS

THREE MONTHS ENDED MARCH 31, 2015 COMPARED WITH THREE MONTHS ENDED MARCH 31, 2014

The information below reflects the financial statements of TMX Group for the quarter ended March 31, 2015 (Q1/15) compared with the quarter ended March 31, 2014 (Q1/14).

(in millions of dollars, except per share amounts) (unaudited)	Q1/15	Q1/14	\$ increase/ (decrease)	% increase/ (decrease)
Revenue	\$ 185.3	\$182.1	\$ 3.2	2 %
Operating expenses	118.0	104.8	13.2	13 %
Income from operations	67.3	77.3	(10.0)	(13)%
Net income attributable to TMX Group shareholders	42.6	46.4	(3.8)	(8)%
Earnings per share ⁴				
Basic	0.78	0.86	(0.08)	(9)%
Diluted	0.78	0.86	(0.08)	(9)%
Adjusted Earnings per share ⁵				
Basic	0.91	1.05	(0.14)	(13)%
Diluted	0.91	1.05	(0.14)	(13)%
Cash flows from operating activities	50.9	31.3	19.6	63 %

⁴ Earnings per share information is based on net income attributable to TMX Group shareholders.

⁵ See discussion under the heading Non-IFRS Financial Measures.

Net income attributable to TMX Group shareholders

Net income attributable to TMX Group shareholders was \$42.6 million, or \$0.78 per common share on a basic and diluted basis, a decrease of 8% and 9%, respectively compared with net income of \$46.4 million, or \$0.86 per common share on a basic and diluted basis, in Q1/14. The decrease was driven by significantly higher compensation and benefits costs, higher information and trading systems expenses as well as lower issuer services and trading, clearing and depository and related revenue. This was partially offset by higher information services and technology services and other revenue. The increase in compensation and benefits costs was partially driven by a charge of approximately \$5.0 million before taxes (6 cents per basic and diluted share) relating to organizational transition costs as well as higher costs to support the increase in Razor Risk Technologies Limited's (Razor Risk) revenue.

Non-IFRS Financial Measures

Adjusted earnings per share and adjusted diluted earnings per share provided for the quarters ended March 31, 2015 and March 31, 2014 are non-IFRS measures and do not have standardized meanings prescribed by IFRS and are, therefore, unlikely to be comparable to similar measures presented by other companies. We present adjusted earnings per share and adjusted diluted earnings per share to indicate ongoing financial performance from period to period, exclusive of a number of adjustments. These adjustments include the amortization of intangible assets related to acquisitions and Maple Transaction⁶ and integration costs. Management uses these measures to assess our ongoing financial performance, including our ability to generate cash, exclusive of these adjustments, and to enable comparability across periods.

Adjusted Earnings per Share⁷ Reconciliation for Q1/15 and Q1/14

The following is a reconciliation of earnings per share to adjusted earnings per share⁷:

(unaudited)	Q1/15		Q1/14	
	Basic	Diluted	Basic	Diluted
Earnings per share ⁸	\$ 0.78	\$ 0.78	\$ 0.86	\$ 0.86
Adjustment related to:				
Amortization of intangibles related to acquisitions	0.13	0.13	0.14	0.14
Maple Transaction and integration costs	—	—	0.05	0.05
Adjusted earnings per share ⁷	\$ 0.91	\$ 0.91	\$ 1.05	\$ 1.05
Weighted average number of common shares outstanding	54,322,626	54,365,437	54,145,099	54,219,575

The decrease in adjusted earnings per share⁷ to 91 cents in Q1/15 from \$1.05 in Q1/14 reflects significantly higher operating expenses, including a charge relating to organizational transition costs of 6 cents per basic and diluted share as well as higher costs to support the increase in Razor Risk's revenue. The impact of this increase in expenses was somewhat offset by higher overall revenues.

⁶ TMX Group Limited (formerly Maple Group Acquisition Corporation or Maple) completed the acquisition of TMX Group Inc. on September 14, 2012 and the acquisitions of CDS and Alpha Trading Systems Inc. and Alpha Trading Systems Partnership (collectively, Alpha) on August 1, 2012 (collectively, the Maple Transaction).

⁷ See discussion under the heading Non-IFRS Financial Measures.

⁸ Earnings per share information is based on net income attributable to TMX Group shareholders.

Revenue

(in millions of dollars)	Q1/15	Q1/14	\$ increase/ (decrease)	% increase/ (decrease)
Issuer services revenue	\$ 44.3	\$ 46.7	\$ (2.4)	(5)%
Trading, clearing, depository and related	79.8	80.9	(1.1)	(1)%
Information services	50.3	47.3	3.0	6 %
Technology services and other	10.9	7.2	3.7	51 %
	\$ 185.3	\$ 182.1	\$ 3.2	2 %

Revenue was \$185.3 million in Q1/15, up \$3.2 million or 2% compared with \$182.1 million in Q1/14. There were increases in information services revenue, Canadian derivatives trading and clearing revenue, energy trading and clearing revenue as well as technology and other revenue offset by lower revenue from BOX Market LLC (BOX), cash markets trading as well as issuer services.

Issuer services revenue

(in millions of dollars)	Q1/15	Q1/14	\$ increase/ (decrease)	% increase/ (decrease)
Initial listing fees	\$ 1.5	\$ 1.7	\$ (0.2)	(12)%
Additional listing fees	18.1	20.3	(2.2)	(11)%
Sustaining listing fees	17.6	16.6	1.0	6 %
Other issuer services	7.1	8.1	(1.0)	(12)%
	\$ 44.3	\$ 46.7	\$ (2.4)	(5)%

- The number of new issuers listed on TSX in Q1/15 was similar to Q1/14. While there was an increase in the value of new issuers listed on TSX in Q1/15 compared with Q1/14, there was one significant transaction in Q1/15, which skewed the year over year comparison. Overall, there was a slight decrease in *initial listing fees*.
- There was a decline in the total number of financings on TSXV in Q1/15 compared with Q1/14, resulting in lower *additional listing fees*. A significant portion of companies listed on TSXV are resource based and energy companies that continue to be negatively impacted by lower commodity prices, particularly the lower price for crude oil. In addition, during Q1/15 there was a 13% decline in the total number of transactions billed on TSX that generated *additional listing fees* compared with Q1/14 despite an increase in the value of total financings raised.
- Issuers listed on TSX and TSXV pay annual *sustaining listing fees* primarily based on their market capitalization at the end of the prior calendar year, subject to minimum and maximum fees. The increase in sustaining listing fees on TSX was due to an increase in the market capitalization for issuers at December 31, 2014 compared with December 31, 2013 and an increase in the maximum sustaining fee on TSX effective January 1, 2015. The increase on TSX was partially offset by the impact of a decrease in market capitalization of issuers listed on TSXV at December 31, 2014 compared to December 31, 2013. (See Our **Business - Issuer Services - Revenue Description** in our 2014 Annual MD&A for more details on our Sustaining listing fees.)
- Other issuer services* in Q1/15 was lower compared to Q1/14 reflecting lower revenue from Equity Transfer.

Trading, clearing, depository and related revenue

(in millions of dollars)	Q1/15	Q1/14	\$ increase/ (decrease)	% increase/ (decrease)
Cash markets trading and clearing	\$ 28.9	\$ 29.5	\$ (0.6)	(2)%
CDS depository	11.1	11.4	(0.3)	(3)%
Derivatives markets trading, clearing and related	26.2	28.0	(1.8)	(6)%
Energy markets trading and clearing	13.6	12.0	1.6	13 %
	\$ 79.8	\$ 80.9	\$ (1.1)	(1)%

Cash markets

- The decrease in *cash markets* trading and clearing revenue reflected the impact of a 4% decrease in overall volume of securities traded for our equities marketplaces (37.8 billion securities in Q1/15 versus 39.5 billion securities in Q1/14). There was an increase in the volume of securities traded on TSX and TMX Select, which was partially offset by a decrease in the volume of securities traded on TSXV and Alpha. The decline partially reflected a decline in our combined domestic equities trading market share to 74%⁹ in Q1/15 from 77% in Q1/14. In addition, revenue from Shorcan Brokers Limited (Shorcan) was lower in Q1/15 compared with Q1/14, reflecting lower volumes in Government of Canada and Provincial bonds as well as in interest rate swaps.
- CDS clearing and settlement revenue, net of rebates, was essentially unchanged in Q1/15 compared with Q1/14. CDS processed 119.0 million exchange trades and 5.2 million non-exchange/OTC trades in Q1/15, compared with 95.3 million exchange trades and 5.4 million non-exchange/OTC trades in Q1/14. While there was an increase in trades processed, the positive impact was offset by an increase in rebates.

CDS depository

- CDS depository* revenue, net of rebates, declined slightly from Q1/14 to Q1/15. CDS held a daily average of approximately 318,000 equities positions with an average of 287.2 billion shares and a daily average of approximately 174,000 debt positions with an average par value of \$2.5 trillion on deposit in Q1/15, compared with a daily average of approximately 318,000 equities positions with an average of 276.7 billion shares and a daily average of approximately 177,000 debt positions with an average par value of \$2.4 trillion on deposit in Q1/14. Revenue in Q1/14 included a one-time new participant fee, which was not charged in Q1/15. In addition, there was a decrease in revenue from messaging and other related services provided by CDS.

Derivatives markets

- The decrease in *derivatives markets* revenue was due to a decline in revenue from BOX due to lower average fees as a result of the price reduction implemented in March 2014, partially offset by a 14% increase in BOX trading volumes (25.5 million contracts in Q1/15 versus 22.4 million contracts traded in Q1/14) and the positive impact of the appreciation of the U.S. dollar against the Canadian dollar in Q1/15 compared with Q1/14.
- The decrease in BOX revenue was partially offset by an increase in trading and clearing revenue from MX and CDCC, reflecting higher volumes partially attributable to increased volatility, a favourable customer mix and lower rebates. Volumes increased by 8% on MX (19.0 million contracts traded in Q1/15 versus 17.6 million contracts traded in Q1/14).

Energy markets

- The increase in *energy markets* revenue was mainly a result of lower deferrals of revenue in Q1/15 compared with Q1/14. Total energy volumes decreased by 18% at NGX (3.50 million terajoules in Q1/15 compared with 4.29 million terajoules in Q1/14). While there were periods of much colder than normal weather and price volatility in certain parts of North America in Q1/15, it was not as wide spread or as lengthy as during Q1/14 during the Polar Vortex.
- In addition, there was an increase in revenue from Shorcan Energy Brokers Inc. (Shorcan Energy Brokers) reflecting higher volumes in Q1/15 compared with Q1/14. The appreciation of the U.S. dollar against the Canadian dollar in Q1/15 compared with Q1/14 also had a positive impact on the revenue of NGX and Shorcan Energy Brokers.

Information services revenue

(in millions of dollars)	Q1/15	Q1/14	\$ increase	% increase
	\$50.3	\$47.3	\$3.0	6%

- The increase in *information services* revenue reflected revenue from the positive impact of the appreciation of the U.S. dollar against the Canadian dollar in Q1/15 compared to Q1/14, the acquisition of the microwave network business of Strike

⁹ Source: IIROC

Technologies (acquired October 31, 2014) and higher revenue from index licensing. The higher revenue also reflected an increase in BOX's market data revenue. Revenue recoveries related to under-reported usage of real-time quotes in prior periods were lower in Q1/15 compared to Q1/14.

- There was a 1% increase in the average number of professional market data subscriptions for TSX and TSXV products (115,790 professional market data subscriptions in Q1/15 compared with 115,069 in Q1/14).
- The average number of MX professional market data subscriptions for Q1/15 was in line with Q1/14 (19,316 MX professional market data subscriptions in Q1/15 compared with 19,341 in Q1/14).

Technology services and other revenue

(in millions of dollars)	Q1/15	Q1/14	\$ increase/ (decrease)	% increase/ (decrease)
Technology services and other	\$ 10.9	\$ 5.1	\$ 5.8	114 %
SEDAR, SEDI, NRD, and other CDS revenue	—	2.1	(2.1)	(100)%
	\$ 10.9	\$ 7.2	\$ 3.7	51 %

- The increase in *technology services and other* revenue was primarily due to higher Razor Risk revenue and an increase in net foreign exchange gains on U.S. dollar and other non-Canadian dollar denominated net assets in Q1/15 over Q1/14. These increases more than offset the decrease in revenue from the discontinuation of CDS services largely relating to the administration of SEDAR, SEDI and NRD. These operations were transitioned to a new service provider on January 13, 2014; the CDS agreement ended on January 31, 2014. In addition to earning revenue related to these services for one month during Q1/14, CDS also realized a gain on the sale of software.

Operating Expenses¹⁰

(in millions of dollars)	Q1/15	Q1/14	\$ increase/ (decrease)	% increase/ (decrease)
Compensation and benefits	\$ 62.8	\$ 50.0	\$ 12.8	26 %
Information and trading systems	16.7	15.7	1.0	6 %
General and administration	21.0	21.3	(0.3)	(1)%
Depreciation and amortization	17.5	17.8	(0.3)	(2)%
	\$ 118.0	\$ 104.8	\$ 13.2	13 %

Operating expenses in Q1/15 were \$118.0 million, up \$13.2 million or 13% from \$104.8 million in Q1/14. Operating expenses were higher reflecting higher compensation and benefits costs and increased information and trading systems expenses. The increase in compensation and benefits costs was partially driven by a charge of approximately \$5.0 million before taxes (6 cents per basic and diluted share) relating to headcount reductions as well as an increase in costs of approximately \$3.0 million in Q1/15 over Q1/14 to support the increase in Razor Risk's revenue. The headcount reductions are expected to generate ongoing cost savings of approximately \$4.3 million annually, which will support the funding of new initiatives. We deferred some initiative spending in Q1/15 as we work to complete the strategic review process and the setting of priorities.

Compensation and benefits

(in millions of dollars)	Q1/15	Q1/14	\$ increase	% increase
	\$ 62.8	\$ 50.0	\$ 12.8	26%

- *Compensation and benefits* costs increased significantly due to a charge of approximately \$5.0 million relating to organizational transition costs. However, we expect on-going annual savings of approximately \$4.3 million, which will support the funding

¹⁰ The "Compensation and benefits" section above contains certain forward-looking statements. Please refer to "Caution Regarding Forward-Looking Information" for a discussion of risks and uncertainties related to such statements.

of new initiatives. There were also higher costs in Q1/15 associated with merit increases, employee performance incentive plans (due to a one-time adjustment of \$1.1 million in Q1/14) and a reduction in capitalization of labour associated with technology initiatives of \$1.3 million. In addition, there was an increase in costs of approximately \$3.0 million from Q1/14 to Q1/15 to support the increase in Razor Risk's revenue.

- There were 1,297 TMX Group employees at March 31, 2015 versus 1,323 employees at December 31, 2014 and 1,292 employees at March 31, 2014.

Information and trading systems

(in millions of dollars)	Q1/15	Q1/14	\$ increase	% increase
	\$ 16.7	\$ 15.7	\$ 1.0	6%

- *Information and trading systems* expenses increased primarily due to new costs associated with the acquisition of Strike (acquired October 31, 2014).

General and administration

(in millions of dollars)	Q1/15	Q1/14	\$ (decrease)	% (decrease)
	\$ 21.0	\$ 21.3	\$ (0.3)	(1)%

- *General and administration* expenses decreased due to non-recurring reductions in costs of approximately \$2.4 million in BOX and the elimination of a 2011 commodity tax provision of \$0.5 million.
- These decreases were largely offset by higher costs related to professional fees, including those related to the current strategic review process.

Depreciation and amortization

(in millions of dollars)	Q1/15	Q1/14	\$ (decrease)	% (decrease)
	\$ 17.5	\$ 17.8	\$ (0.3)	(2)%

- *Depreciation and amortization* costs reflect a reduction in depreciation and amortization relating to assets that were fully depreciated or written-down by the end of Q1/15 (including BOX assets). The decrease was somewhat offset by accelerated amortization of assets relating to restructuring our equities trading offering.
- The *depreciation and amortization* costs of \$17.5 million included \$9.2 million (\$8.9 million, net of NCI, before taxes) related to amortization of intangibles related to acquisitions (13 cents per basic and diluted share).

Share of net income of equity accounted investees

(in millions of dollars)	Q1/15	Q1/14	\$ (decrease)	% (decrease)
	\$ 0.3	\$ 0.8	\$ (0.5)	(63)%

- *Share of net income of equity accounted investees* includes our 24.3% share of net income from FTSE TMX Global Debt Capital Markets and our 47% share of net income from CanDeal.ca Inc. (CanDeal).
- The decrease was due to recording lower net income from our interest in FTSE TMX Global Debt Capital Markets Limited.

Maple Transaction and integration costs

(in millions of dollars)	Q1/15	Q1/14	\$ (decrease)	% (decrease)
	\$ —	\$ 3.4	\$ (3.4)	(100)%

- In Q1/14, we incurred integration costs primarily related to organizational transition expenses as part of the integration process as well as costs associated with the Alpha arbitration process (see our 2014 Annual MD&A).

Net finance costs

(in millions of dollars)	Q1/15	Q1/14	\$ (decrease)	% (decrease)
	\$ 9.9	\$ 10.8	\$ (0.9)	(8)%

- The decrease in net finance costs was attributable to the positive impact from refinancing debt under our credit facility through the issuance of Commercial Paper during Q2/14, lower interest rates on our variable rate debt and a reduction in the overall amount of debt outstanding. The decrease in net finance costs in Q1/15 compared with Q1/14 was somewhat offset by an increase in net foreign exchange losses on a portion of our U.S. dollar Commercial Paper loans. There is a natural hedge with other U.S. dollar denominated assets and offsetting gains are included in *Technology Services and Other Revenue*.

Income tax expense

Income Tax Expense (in millions of dollars)		Effective Tax Rate (%)	
Q1/15	Q1/14	Q1/15	Q1/14
\$ 15.4	\$17.4	27%	27%

- The effective tax rate is unchanged from Q1/14 to Q1/15.

Net (loss) income attributable to non-controlling interests

(in millions of dollars)	Q1/15	Q1/14	\$ (decrease)	% (decrease)
	\$ (0.3)	\$0.1	\$ (0.4)	(400)%

- MX now holds a 56.2% ownership interest in BOX Holdings Group LLC (BOX Holdings) which holds all the membership units of BOX. The increase in ownership from 53.8% to 56.2% in Q1/15 resulted from BOX Holdings purchasing units for cancellation from one of its members. The results for BOX Holdings are consolidated in our Consolidated Income Statements. Net (loss) income attributable to non-controlling interests represents the other BOX Holding members' share of BOX Holding's income or loss for the period.
- The *net loss attributable to non-controlling interests* also reflects lower revenue from BOX Holdings.

SEGMENTS

The following information reflects TMX Group's financial statements as at and for the three months ended March 31, 2015, compared with the three ended March, 2014 and as at December 31, 2014, as applicable. TMX Group has certain corporate costs and other balances not allocated across the other disclosed operating segments. These balances, along with certain consolidation and elimination adjustments (including fair value increments determined as a result of the Maple Transaction), are presented in the *Corporate* segment.

Operating Results – Q1/15 compared with Q1/14

(in millions of dollars)	Cash Markets	Derivatives Markets	Energy Markets	CDS	Corporate	Total
Revenue:						
Q1/15	\$ 119.9	\$ 32.4	\$ 14.3	\$ 18.7	\$ —	\$ 185.3
Q1/14	116.4	33.4	12.6	20.7	(1.0)	182.1
Net income (loss) attributable to TMX Group shareholders:						
Q1/15	\$ 33.4	\$ 8.2	\$ 3.0	\$ 2.4	\$ (4.4)	\$ 42.6
Q1/14	39.7	6.7	2.7	2.8	(5.5)	46.4

Revenue

- *Cash Markets* revenue increased primarily due to higher information services and technology services and other revenue, partially offset by lower issuer services revenue and lower cash markets trading revenue.
- *Derivatives Markets* revenue decreased primarily due to lower revenue from BOX, partially offset by higher trading and clearing revenue from MX and CDCC.
- *Energy Markets* revenue increased primarily due to lower deferrals of revenue in Q1/15 compared with Q1/14, the positive impact from the appreciation of the U.S. dollar against the Canadian dollar and higher revenue from Shorcan Energy Brokers.
- *CDS* revenue decreased primarily due to the reduction in revenues from providing services related to SEDAR, SEDI and NRD effective February 1, 2014 (see **Technology services and other revenue**) and lower depository revenue in Q1/15 compared with Q1/14.

Net income (loss) attributable to TMX Group shareholders

- Net income attributable to TMX Group shareholders from *Cash Markets* decreased, reflecting significantly higher compensation and benefits costs including organizational transition costs and higher costs to support the increase in Razor Risk's revenue.
- Net income attributable to TMX Group shareholders from *Derivatives Markets* increased due to non-recurring reductions in costs of approximately \$2.4 million in BOX, lower net finance costs, partially offset by lower overall revenue.
- Net income attributable to TMX Group shareholders from *Energy Markets* increased reflecting higher revenue, somewhat offset by higher compensation and benefits costs.
- Net income attributable to TMX Group shareholders from *CDS* decreased due to lower revenue. The impact was partially offset by the fact that we incurred integration costs in Q1/14.

Total Assets and Total Liabilities

(in millions of dollars)	Cash Markets	Derivatives Markets	Energy Markets	CDS	Corporate	Total
Total assets:						
As at March 31, 2015	\$ 1,967.2	\$ 9,822.6	\$ 756.6	\$ 581.7	\$ 1,599.4	\$ 14,727.5
As at December 31, 2014	1,941.4	9,896.8	999.8	526.1	1,600.0	14,964.1
Total liabilities:						
As at March 31, 2015	\$ 1,028.4	\$ 8,708.8	\$ 699.7	\$ 511.1	\$ 811.1	\$ 11,759.1
As at December 31, 2014	994.1	8,781.1	946.9	457.9	838.2	12,018.2

- Total assets include goodwill and other intangible assets acquired in connection with the Maple Transaction. In addition, the *Derivatives Markets*, *Energy Markets*, and *CDS* segments hold assets related to their clearing operations (see **Total Assets**).
- Total liabilities in our various segments include the segments' share of Debentures. Commercial Paper is allocated to the *Corporate* segment. In addition, the *Derivatives Markets*, *Energy Markets* and *CDS* segments carry offsetting liabilities related to the clearing assets described above (see **Total Assets**).
- The decrease in total assets and total liabilities was primarily due to the decrease in energy contracts receivable and fair value of open energy contracts reflecting a decrease in overall energy prices as well as less trading activity on the forward curve, which lowered the fair value of open energy contracts at March 31, 2015 compared to December 31, 2014.

LIQUIDITY AND CAPITAL RESOURCES

Cash, Cash Equivalents and Marketable Securities

(in millions of dollars)	As at March 31, 2015	As at December 31, 2014	\$ (decrease)
Cash, cash equivalents and marketable securities	\$ 261.6	\$ 273.7	\$ (12.1)

- The decrease in cash, cash equivalents and marketable securities reflects net repayments on commercial paper of approximately \$33.4 million, dividends to TMX Group shareholders of \$21.7 million, additions to premises and equipment and intangible assets of \$6.6 million and the impact from purchasing units for cancellation from one of the member's in BOX of \$3.8 million, largely offset by cash flows from operating activities of \$50.9 million.

Total Assets

(in millions of dollars)	As at March 31, 2015	As at December 31, 2014	\$ (decrease)
Total assets	\$ 14,727.5	\$ 14,964.1	\$ (236.6)

- Our consolidated balance sheet as at March 31, 2015 includes outstanding balances related to our various clearing operations. These balances have equal amounts included within *Total Liabilities*. The decrease in *Total Assets* of \$236.6 million from December 31, 2014 to March 31, 2015 is largely attributable to the decrease in energy contracts receivable and fair value of open energy contracts reflecting a decrease in overall energy prices as well as less trading activity on the forward curve, which lowered the fair value of open energy contracts at March 31, 2015 compared to December 31, 2014.

COMMERCIAL PAPER, DEBENTURES, OTHER CREDIT AND LIQUIDITY FACILITIES

Commercial Paper

(in millions of dollars)	As at March 31, 2015	As at December 31, 2014	\$ (decrease)
Commercial paper	\$204.4	\$233.9	\$(29.5)

- There was \$204.4 million outstanding under the program at March 31, 2015 reflecting net repayments in Q1/15.

Debentures

(in millions of dollars)	As at March 31, 2015	As at December 31, 2014	\$ increase
Debentures	\$997.4	\$997.2	\$0.2

- For additional information on the Debentures, see **Debentures** under the heading **LIQUIDITY AND CAPITAL RESOURCES** in our 2014 Annual MD&A.

Effective Interest Rates

- The effective interest rates as at March 31, 2015 for the Debentures are shown below:

Debentures and Commercial Paper	Principal (\$ millions)	Maturity	Reference Rate	Spread	Swap Rate	All-in Rate
Series A Debentures	\$400.0	Oct. 3, 2018				3.253%
Series B Debentures	250.0	Oct. 3, 2023				4.461%
Series C Debentures	350.0	Oct. 3, 2016	3-mo CDOR ¹¹	0.70%	1.499%	2.199%
Commercial Paper - Unhedged	116.5	Apr. 7, 2015 to Apr. 28, 2015				0.95% ¹²
Commercial Paper - Hedged (Interest Rate)	50.0	Apr. 7, 2015 to Apr. 28, 2015				1.42% ¹²
Commercial Paper, USD - Unhedged ¹³	15.0 USD	Apr. 23, 2015 to Apr. 28, 2015				0.35% ¹⁴
Commercial Paper, USD - Hedged (Currency)	15.0 USD	Apr. 23, 2015 to Apr. 28, 2015				0.85% ¹²

Other Credit and Liquidity Facilities

CDCC also maintains a repurchase facility with a syndicate of six Canadian major chartered banks. This facility is in place to provide end-of-day liquidity in the event that CDCC is unable to clear the daylight liquidity facilities to zero. It will provide liquidity in exchange for securities that have been pledged to or received by CDCC. At March 31, 2015, the overall size of this facility was \$12,264.0 million of uncommitted liquidity whereas at December 31, 2014 there was \$11,064.0 million of uncommitted liquidity and \$1,200.0 of committed liquidity. In addition, the terms of the facility were amended to increase the minimum required amount of CDCC's total shareholder's equity from \$20.0 million to \$30.0 million.

For additional information, see **Other Credit and Liquidity Facilities** under the heading **LIQUIDITY AND CAPITAL RESOURCES** in our 2014 Annual MD&A.

Total Equity Attributable to Shareholders of TMX Group

(in millions of dollars)	As at March 31, 2015	As at December 31, 2014	\$ increase
Total equity attributable to shareholders of TMX Group	\$ 2,933.3	\$2,908.8	\$ 24.5

- At March 31, 2015, there were 54,331,026 common shares issued and outstanding and 2,210,276 options outstanding under the share option plan.
- At May 8, 2015, there were 54,334,981 common shares issued and outstanding and 2,212,708 options outstanding under the share option plan.

¹¹ Canadian Dealer Offered Rate.

¹² Rate denoted in CAD or CAD equivalent.

¹³ We have USD denominated assets which provide a natural hedge.

¹⁴ Rate denoted in USD.

- The increase in Total Equity Attributable to Shareholders of TMX Group is primarily attributable to the inclusion of net income of \$42.6 million partially offset by the dividend payments to shareholders of TMX Group of \$21.7 million.

SUMMARY OF CASH FLOWS

The following tables provide the summary of cash flows for TMX Group for Q1/15 compared with Q1/14, respectively.

(in millions of dollars)	Q1/15	Q1/14	\$ increase/ (decrease) in cash
Cash flows from operating activities	\$ 50.9	\$ 31.3	\$ 19.6
Cash flows (used in) financing activities	(59.6)	(22.7)	(36.9)
Cash flows from (used in) investing activities	5.3	(15.7)	21.0

Q1/15 compared with Q1/14

- The increase in *Cash flows from operating activities* in Q1/15 compared with Q1/14 was primarily due to a lower cash outflow in Q1/15 compared with Q1/14 related to trade and other payables partially offset by an increase in income taxes paid and a decrease in income from operations (excluding depreciation and amortization).
- In Q1/15, *Cash flows used in financing activities* were higher than in Q1/14 primarily due to higher net repayments on our debt (see **Commercial Paper**), and the impact from BOX purchasing units for cancellation from one of its members.
- In Q1/15, *Cash flows from investing activities* were higher than in Q1/14 reflecting a net sale of marketable securities in Q1/15 to generate cash versus a net repurchase of marketable securities in Q1/14.

Summary of Cash Position and Other Matters¹⁵

We had \$261.6 million of cash and cash equivalents and marketable securities at March 31, 2015. For the three months ended March 31, 2015 cash flows from operating activities were \$50.9 million. We paid \$21.7 million in dividends on TMX Group common shares during that period. Based on our current business operations and model, we believe that we have sufficient cash resources to operate our business, make interest payments, and meet our financial covenants under the TMX Group credit facility dated May 30, 2014 (see **Loans Payable**) and our capital maintenance requirements.

Debt financing of future investment opportunities could be limited by current and future economic conditions, the covenants in the TMX Group credit facility and the Debentures, and by capital maintenance requirements imposed by regulators (see **MANAGING CAPITAL** in our 2014 Annual MD&A for a description of our capital maintenance requirements).

The recognition orders of some of our subsidiaries contain certain financial viability tests that must be met. As at March 31, 2015, to the best of our knowledge, we met all of the above requirements under these tests. For additional information on these financial viability tests, see **MANAGING CAPITAL** in our 2014 Annual MD&A.

¹⁵ The "Summary of Cash Position and Other Matters" section above contains certain forward-looking statements. Please refer to "Caution Regarding Forward-Looking Information" for a discussion of risks and uncertainties related to such statements.

QUARTERLY FINANCIAL INFORMATION¹⁶

In the quarterly financial information table below, we have compared the results for the most recent eight quarters of TMX Group.

(in millions of dollars, except per share amounts — unaudited)	Mar 31/15	Dec 31/14	Sept 30/14	June 30/14	Mar. 31/14	Dec. 31/13	Sept. 30/13	June 30/13
Revenue	\$185.3	\$182.7	\$170.1	\$182.3	\$182.1	\$180.7	\$165.3	\$182.3
Income from operations	67.3	67.0	63.2	71.3	77.3	71.3	58.9	67.3
Net (loss) income attributable to TMX Group shareholders	42.6	41.1	39.4	(26.4)	46.4	41.4	19.2	25.5
Earnings (loss) per share:								
Basic	\$0.78	\$0.76	\$0.73	\$(0.49)	\$0.86	\$0.77	\$0.35	\$0.47
Diluted	0.78	0.76	0.73	(0.49)	0.86	0.77	0.35	0.47

Q1/15 compared with Q4/14

- Revenue in Q1/15 increased by 1% compared with Q4/14 reflecting an increase in information services revenue somewhat offset by a decrease in issuer services revenue from initial and additional listing fees.
- Operating expenses increased by 2% from Q4/14 to Q1/15. Compensation and benefit costs increased significantly reflecting a charge of approximately \$5.0 million relating to organizational transition costs. We expect on-going annual savings of approximately \$4.3 million from this initiative. There were also higher costs associated with our employee performance incentive plans as well as higher payroll taxes in Q1/15 compared with Q4/14. The increase in these costs was somewhat offset by lower technology and marketing expenses related to initiatives in Q1/15 compared with Q4/14.
- Income from operations increased slightly from Q4/14 to Q1/15, reflecting the impact of the higher revenue largely offset by higher overall operating expenses.
- Net income attributable to TMX Group shareholders in Q1/15 increased by 4% compared with Q4/14. Maple transaction and integration costs were \$2.5 million in Q4/14 and nil in Q1/15. This was partially offset by the impact of higher net finance costs in Q1/15 compared with Q4/14.

For additional information on the seven previous quarters please see **Select Annual and Quarterly Financial Information** in our 2014 Annual MD&A.

MANAGING CAPITAL

Our primary objectives in managing capital are described in our 2014 Annual MD&A.

As of March 31, 2015, to the best of our knowledge we were in compliance with all of the externally imposed capital requirements. (See **Loans Payable** in this MD&A and **MANAGING CAPITAL** in our 2014 Annual MD&A for a description of our capital maintenance requirements.)

¹⁶ The "Quarterly Financial Information" section above contains certain forward-looking statements. Please refer to "Caution Regarding Forward-Looking Information" for a discussion of risks and uncertainties related to such statements.

ACCOUNTING AND CONTROL MATTERS

Changes in accounting policies

The following new amendments were effective for TMX Group from January 1, 2015:

- Defined Benefit Plans: Employee Contributions - Amendments to IAS 19, *Employee Benefits*;
- Annual Improvements to IFRSs 2010-2012 Cycle - IFRS 2, *Share-based Payment*, IFRS 3, *Business Combinations*, IFRS 8, *Operating Segments*, IFRS 13, *Fair Value Measurement*, IAS 16, *Property, Plant and Equipment*, IAS 24, *Related Party Disclosures*, IAS 38, *Intangible Assets*; and
- Annual Improvements to IFRSs 2011-2013 Cycle - IFRS 3, *Business Combinations*, IFRS 13, *Fair Value Measurement*, IAS 40, *Investment Property*.

There was no significant impact on the financial statements as a result of their adoption.

Future changes in accounting policies

A number of other new standards and amendments to standards are not yet effective and have not been applied in preparing the financial statements. These amended and new standards are required to be implemented for our financial year beginning on or after January 1, 2016, unless otherwise noted:

- Annual Improvements 2012-2014 cycle (Amendments to various standards) - These narrow-scope amendments apply to a total of four standards as part of the International Accounting Standards Board's (IASB's) annual improvements process. The IASB uses the annual improvements process to make non-urgent but necessary amendments to IFRS. Most amendments will apply prospectively for annual periods beginning on or after January 1, 2016. Earlier application is permitted with special transitional requirements.
- Disclosure initiative (Amendments to IAS 1, *Presentation of Financial Statements*) - As a part of the IASB's major initiative to improve presentation and disclosure in financial reports, the amendments provide guidance on and encourage the application of judgment in the preparation of financial statements and disclosures. The amendments are effective for annual periods beginning on or after January 1, 2016 with earlier application permitted.
- Clarification of acceptable methods of depreciation and amortization (Amendments to IAS 16, *Property, Plant and Equipment* and IAS 38, *Intangible Assets*) - The amendments explicitly prohibit the use of revenue-based methods of depreciation for property, plant and equipment and introduce a rebuttable presumption that its use for intangible assets is inappropriate. The amendments are effective for annual periods beginning on or after January 1, 2016 with earlier application permitted.
- Sale or contribution of assets between an investor and its associate or joint venture (Amendments to IFRS 10, *Consolidated Financial Statements* and IAS 28, *Investments in Associates and Joint Ventures*) - The amendments require full gain recognition when the transfer of assets involving an associate or joint venture meet the definition of a business under IFRS 3, *Business Combinations*. The amendments also introduce new accounting that involves neither a cost nor full step-up of certain retained assets that are not businesses. The amendments are effective for annual periods beginning on or after January 1, 2016 with earlier application permitted.
- Business combination accounting for interest in a joint operation (Amendments to IFRS 11, *Joint Arrangements*) - The amendments require business combination accounting to be applied when a joint operation that constitutes a business is acquired. The amendments are effective for annual periods beginning on or after January 1, 2016 with earlier application permitted.
- IFRS 9, *Financial Instruments* - IFRS 9 replaces the guidance in IAS 39, *Financial Instruments: Recognition and Measurement*, for the classification and measurement of financial assets and financial liabilities and new standards for hedge accounting. Financial assets will be classified into one of two categories on initial recognition: amortized cost or fair value. For financial liabilities measured at fair value under the fair value option, changes in fair value attributable to changes in credit risk will be recognized in other comprehensive income, with the remainder of the change recognized in profit or loss. IFRS 9 will provide for more hedging strategies to qualify for hedge accounting, introduce more judgment in assessing the effectiveness of a hedging

relationship, and include a single, forward-looking “expected loss” impairment model. The mandatory date for IFRS 9 is for annual periods beginning on or after January 1, 2018, with early application permitted for annual periods beginning on or after January 1, 2015.

- IFRS 15, *Revenue from Contracts with Customers* - The IASB and the U.S. Financial Accounting Standards Board (“FASB”) jointly issued converged accounting standards on the recognition of revenue from contracts with customers; the IASB’s standard is IFRS 15, *Revenue from Contracts with Customers*. The previous requirements of both IFRS and U.S. GAAP were different and often resulted in different accounting for transactions that were economically similar. IFRS 15 and its U.S. GAAP equivalent, contain a single revenue model that applies to contracts with customers with the exception of contracts for insurance, financial instruments and leases. Under the model, there are two approaches to recognizing revenue: at a point in time or over time. The model features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognized. New estimates and judgmental thresholds have been introduced, which may affect the amount and/or timing of revenue recognized. The mandatory effective date for IFRS 15 is for annual periods beginning on or after January 1, 2017 with either full retrospective application, retrospective with optional practical expedients or a modified prospective approach with disclosure requirements. On April 28, 2015, the IASB voted to publish an Exposure Draft proposing a one-year deferral of the effective date of IFRS 15 to January 1, 2018.

We intend to adopt each of the above amendments and standards, as applicable, in the year in which they are effective. We are reviewing these new amendments and standard to determine the potential impact, if any, on our financial statements once they are adopted. At this time, we have not been able to estimate reasonably the impact on our financial statements.

Changes in internal control over financial reporting

There were no changes to internal control over financial reporting during the quarter beginning January 1, 2015 and ended on March 31, 2015 that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

CAUTION REGARDING FORWARD-LOOKING INFORMATION

This MD&A of TMX Group contains “forward-looking information” (as defined in applicable Canadian securities legislation) that is based on expectations, assumptions, estimates, projections and other factors that management believes to be relevant as of the date of this MD&A. Often, but not always, such forward-looking information can be identified by the use of forward-looking words such as “plans,” “expects,” “is expected,” “budget,” “scheduled,” “targeted,” “estimates,” “forecasts,” “intends,” “anticipates,” “believes,” or variations or the negatives of such words and phrases or statements that certain actions, events or results “may,” “could,” “would,” “might,” or “will” be taken, occur or be achieved or not be taken, occur or be achieved. Forward-looking information, by its nature, requires us to make assumptions and is subject to significant risks and uncertainties which may give rise to the possibility that our expectations or conclusions will not prove to be accurate and that our assumptions may not be correct.

Examples of forward-looking information in this MD&A include, but are not limited to, factors relating to stock, derivatives and energy exchanges and clearing houses and the business, strategic goals and priorities, market condition, pricing, proposed technology and other initiatives, financial condition, operations and prospects of TMX Group which are subject to significant risks and uncertainties. These risks include: competition from other exchanges or marketplaces, including alternative trading systems and new technologies, on a national and international basis; dependence on the economy of Canada; adverse effects on our results caused by global economic uncertainties including changes in business cycles that impact our sector; failure to retain and attract qualified personnel; geopolitical and other factors which could cause business interruption; dependence on information technology; vulnerability of our networks and third party service providers to security risks; failure to implement our strategies; constraints imposed by our level of indebtedness, risks of litigation or regulatory proceedings; dependence on adequate numbers of customers; failure to develop, market or gain acceptance of new products; currency risk; adverse effect of new business activities; not being able to meet cash requirements because of our holding company structure and restrictions on paying dividends; dependence on third-party suppliers and service providers; dependence of trading operations on a small number of clients; risks associated with our clearing operations; challenges related to international expansion; restrictions on ownership of TMX Group common shares; inability to protect our intellectual property; adverse effect of a systemic market event on certain of our businesses; risks associated with the credit of customers; cost structures being largely fixed; dependence on market activity that cannot be controlled; the regulatory constraints that apply to the business of TMX Group and its regulated subsidiaries, costs of on exchange clearing and depository services, trading volumes (which could be higher or lower than estimated) and revenues; future levels of revenues being lower than expected or costs being higher than expected.

Forward-looking information is based on a number of assumptions which may prove to be incorrect, including, but not limited to, assumptions in connection with the ability of TMX Group to successfully compete against global and regional marketplaces; business and economic conditions generally; exchange rates (including estimates of the U.S. dollar–Canadian dollar exchange rate), the level of trading and activity on markets, and particularly the level of trading in TMX Group's key products; business development and marketing and sales activity; the continued availability of financing on appropriate terms for future projects; productivity at TMX Group, as well as that of TMX Group's competitors; market competition; research and development activities; the successful introduction and client acceptance of new products; successful introduction of various technology assets and capabilities; the impact on TMX Group and its customers of various regulations; TMX Group's ongoing relations with its employees; and the extent of any labour, equipment or other disruptions at any of its operations of any significance other than any planned maintenance or similar shutdowns.

While we anticipate that subsequent events and developments may cause our views to change, we have no intention to update this forward-looking information, except as required by applicable securities law. This forward-looking information should not be relied upon as representing our views as of any date subsequent to the date of this MD&A. We have attempted to identify important factors that could cause actual actions, events or results to differ materially from those current expectations described in forward-looking information. However, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended and that could cause actual actions, events or results to differ materially from current expectations. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. These factors are not intended to represent a complete list of the factors that could affect us. A description of the above-mentioned items is contained under the heading Risks and Uncertainties in the 2014 Annual MD&A.

TMX GROUP LIMITED

Condensed Consolidated Interim Balance Sheets

(in millions of Canadian dollars)
(Unaudited)

	Note	March 31, 2015	December 31, 2014
Assets			
Current assets:			
Cash and cash equivalents	\$	212.9	\$ 214.0
Restricted cash and cash equivalents		73.6	75.6
Marketable securities		48.7	59.7
Trade and other receivables		125.4	91.3
Energy contracts receivable		567.6	696.5
Fair value of open energy contracts		82.7	201.3
Balances with Clearing Members and Participants		8,795.2	8,807.2
Other current assets		20.6	14.7
		9,926.7	10,160.3
Non-current assets:			
Fair value of open energy contracts		12.8	12.5
Goodwill and intangible assets		4,646.2	4,650.3
Other non-current assets		123.0	123.1
Deferred income tax assets		18.8	17.9
Total Assets	\$	14,727.5	\$ 14,964.1
Liabilities and Equity			
Current liabilities:			
Trade and other payables	\$	65.3	\$ 77.1
Participants' tax withholdings		73.6	75.6
Energy contracts payable		567.6	696.5
Fair value of open energy contracts		82.7	201.3
Balances with Clearing Members and Participants		8,795.2	8,807.2
Commercial paper	6	204.4	233.9
Liquidity facilities drawn	6	4.5	2.2
Deferred revenue and other current liabilities		75.9	34.9
		9,869.2	10,128.7
Non-current liabilities:			
Fair value of open energy contracts		12.8	12.5
Debentures	6	997.4	997.2
Other non-current liabilities		53.9	52.6
Deferred income tax liabilities		825.8	827.2
Total Liabilities		11,759.1	12,018.2
Equity:			
Share capital		2,859.0	2,858.3
Contributed surplus		8.1	7.2
Retained earnings		54.0	34.0
Accumulated other comprehensive income		12.2	9.3
Total Equity attributable to equity holders of the Company		2,933.3	2,908.8
Non-controlling interests	4	35.1	37.1
Total Equity		2,968.4	2,945.9
Total Liabilities and Equity	\$	14,727.5	\$ 14,964.1

See accompanying notes which form an integral part of these condensed consolidated interim financial statements.

TMX GROUP LIMITED**Condensed Consolidated Interim Income Statements**

(In millions of Canadian dollars,
except per share amounts)
(Unaudited)

		For the three months ended	
		March 31	
	Note	2015	2014
Revenue:			
Issuer services		\$ 44.3	\$ 46.7
Trading, clearing, depository and related		79.8	80.9
Information services		50.3	47.3
Technology services and other		10.9	7.2
REPO interest:			
Interest income		12.8	19.8
Interest expense		(12.8)	(19.8)
Net REPO interest		—	—
Total revenue		185.3	182.1
Expenses:			
Compensation and benefits		62.8	50.0
Information and trading systems		16.7	15.7
General and administration		21.0	21.3
Depreciation and amortization		17.5	17.8
Total operating expenses		118.0	104.8
Income from operations		67.3	77.3
Share of net income of equity accounted investees		0.3	0.8
Maple transaction and integration costs		—	(3.4)
Finance income (costs):			
Finance income		1.2	1.0
Finance costs		(11.1)	(11.8)
Net finance costs		(9.9)	(10.8)
Income before income taxes		57.7	63.9
Income tax expense		15.4	17.4
Net income		\$ 42.3	\$ 46.5
Net income (loss) attributable to:			
Equity holders of the Company		\$ 42.6	\$ 46.4
Non-controlling interests	4	(0.3)	0.1
		\$ 42.3	\$ 46.5
Earnings per share (attributable to equity holders of the Company):	5		
Basic		\$ 0.78	\$ 0.86
Diluted		\$ 0.78	\$ 0.86

See accompanying notes which form an integral part of these condensed consolidated interim financial statements.

TMX GROUP LIMITED**Condensed Consolidated Interim Statements of Comprehensive Income**

(In millions of Canadian dollars)
(Unaudited)

For the three months ended

March 31

	2015	2014
Net income	\$ 42.3	\$ 46.5
Other comprehensive income:		
Items that may be reclassified subsequently to the consolidated income statements:		
Unrealized gains on translating financial statements of foreign operations	7.6	7.7
Change in fair value of effective portion of interest rate swaps designated as cash flow hedges, net of taxes	(2.1)	(0.8)
Reclassification to net income of losses on interest rate swaps, net of taxes	0.5	0.4
Total items that may be reclassified subsequently to the consolidated income statements	6.0	7.3
Total comprehensive income	\$ 48.3	\$ 53.8
Total comprehensive income attributable to:		
Equity holders of the Company	\$ 45.5	\$ 50.5
Non-controlling interests	2.8	3.3
	\$ 48.3	\$ 53.8

See accompanying notes which form an integral part of these condensed consolidated interim financial statements.

TMX GROUP LIMITED**Condensed Consolidated Interim Statements of Changes in Equity**(In millions of Canadian dollars)
(Unaudited)

For the three months ended March 31, 2015

	Note	Attributable to equity holders of the Company					Non-controlling interests	Total equity
		Share capital	Contributed surplus	Accumulated other comprehensive income	Retained earnings	Total attributable to equity holders		
Balance at January 1, 2015		\$ 2,858.3	\$ 7.2	\$ 9.3	\$ 34.0	\$ 2,908.8	\$ 37.1	\$ 2,945.9
Net income (loss)		—	—	—	42.6	42.6	(0.3)	42.3
Other comprehensive income:								
Foreign currency translation differences		—	—	4.5	—	4.5	3.1	7.6
Net change in interest rate swaps designated as cash flow hedges, net of taxes		—	—	(1.6)	—	(1.6)	—	(1.6)
Total comprehensive income		—	—	2.9	42.6	45.5	2.8	48.3
Dividends to equity holders	8	—	—	—	(21.7)	(21.7)	—	(21.7)
Dividend to non-controlling interests		—	—	—	—	—	(1.3)	(1.3)
Changes to BOX Holdings non-controlling interests	4	—	0.2	—	(0.9)	(0.7)	(3.5)	(4.2)
Proceeds from exercised share options		0.7	—	—	—	0.7	—	0.7
Cost of share option plan		—	0.7	—	—	0.7	—	0.7
Balance at March 31, 2015		\$ 2,859.0	\$ 8.1	\$ 12.2	\$ 54.0	\$ 2,933.3	\$ 35.1	\$ 2,968.4

See accompanying notes which form an integral part of these condensed consolidated interim financial statements.

TMX GROUP LIMITED**Condensed Consolidated Interim Statements of Changes in Equity**

(In millions of Canadian dollars)
(Unaudited)

For the three months ended March 31, 2014

(Unaudited)

	Attributable to equity holders of the Company						Non-controlling interests	Total equity
	Share capital	Contributed surplus	Accumulated other comprehensive income	Retained earnings	Total attributable to equity holders			
Balance at January 1, 2014	\$ 2,849.2	\$ 5.2	\$ 6.0	\$ 27.4	\$ 2,887.8	\$ 83.0	\$ 2,970.8	
Net income	—	—	—	46.4	46.4	0.1	46.5	
Other comprehensive income:								
Foreign currency translation differences	—	—	4.5	—	4.5	3.2	7.7	
Net change in interest rate swaps designated as cash flow hedges, net of taxes	—	—	(0.4)	—	(0.4)	—	(0.4)	
Total comprehensive income	—	—	4.1	46.4	50.5	3.3	53.8	
Dividends to equity holders	—	—	—	(21.7)	(21.7)	—	(21.7)	
Proceeds from exercised share options	2.4	—	—	—	2.4	—	2.4	
Cost of exercised share options	0.2	(0.2)	—	—	—	—	—	
Cost of share option plan	—	0.7	—	—	0.7	—	0.7	
Balance at March 31, 2014	\$ 2,851.8	\$ 5.7	\$ 10.1	\$ 52.1	\$ 2,919.7	\$ 86.3	\$ 3,006.0	

See accompanying notes which form an integral part of these condensed consolidated interim financial statements.

TMX GROUP LIMITED**Condensed Consolidated Interim Statements of Cash Flows**

(In millions of Canadian dollars)
(Unaudited)

		For the three months ended March 31	
	Note	2015	2014
Cash flows from (used in) operating activities:			
Income before income taxes		\$ 57.7	\$ 63.9
Adjustments to determine net cash flows:			
Depreciation and amortization		17.5	17.8
Net finance costs		9.9	10.8
Unrealized foreign exchange gain		(1.5)	(0.5)
Maple transaction and integration costs		—	3.4
Maple transaction and integration related cash outlays		(0.4)	(4.0)
Share of net income of equity accounted investees		(0.3)	(0.8)
Cost of share option plan		0.7	0.7
Employee defined benefits expense		1.2	0.7
Net settlement on interest rate swaps		(0.5)	(0.4)
Realized gain on settlement of commercial paper and related derivatives		1.7	—
Trade and other receivables, and prepaid expenses		(35.7)	(36.0)
Trade and other payables		(18.1)	(54.5)
Provisions		(1.9)	(2.0)
Deferred revenue		54.8	51.3
Other assets and liabilities		(4.4)	(1.3)
Cash paid for employee defined benefits		(0.5)	(1.0)
Income taxes paid		(29.3)	(16.8)
		50.9	31.3
Cash flows from (used in) financing activities:			
Interest paid		(2.1)	(4.3)
Reduction in obligations under finance leases		(0.3)	(0.8)
Proceeds from exercised options		0.7	2.4
Dividends paid to equity holders	8	(21.7)	(21.7)
Dividend paid to non-controlling interests		(1.3)	—
BOX Holdings purchase of membership units for cancellation	4	(3.8)	—
Net movement of commercial paper	6	(33.4)	—
Liquidity facilities drawn, net	6	2.3	21.7
Net repayment of loans payable, net of financing costs		—	(20.0)
		(59.6)	(22.7)
Cash flows from (used in) investing activities:			
Interest received		0.7	0.8
Dividends received		—	1.7
Additions to premises and equipment and intangible assets		(6.6)	(6.9)
Marketable securities		11.2	(11.3)
		5.3	(15.7)
Decrease in cash and cash equivalents		(3.4)	(7.1)
Cash and cash equivalents, beginning of the period		214.0	212.2
Unrealized foreign exchange gain on cash and cash equivalents held in foreign currencies		2.3	1.2
Cash and cash equivalents, end of the period		\$ 212.9	\$ 206.3

See accompanying notes which form an integral part of these condensed consolidated interim financial statements.

TMX GROUP LIMITED

Notes to the Condensed Consolidated Interim Financial Statements

(In millions of Canadian dollars, except per share amounts)

(Unaudited)

GENERAL INFORMATION

TMX Group Limited (formerly Maple Group Acquisition Corporation (“Maple”)) is a company domiciled in Canada and incorporated under the Business Corporations Act (Ontario). The registered office is located at The Exchange Tower, 130 King Street West, Toronto, Ontario, Canada.

TMX Group Limited controls, directly or indirectly, a number of entities which operate exchanges, markets, and clearinghouses primarily for capital markets in Canada and provide select services globally.

The unaudited condensed consolidated interim financial statements as at and for the three months ended March 31, 2015 (the “interim financial statements”), comprise the accounts of TMX Group Limited and its subsidiaries (collectively referred to as the “Company”), and the Company’s interests in equity accounted investees.

NOTE 1 – BASIS OF PREPARATION

Statement of compliance

The interim financial statements have been prepared by management in accordance with International Financial Reporting Standards (“IFRS”) and IFRS Interpretations Committee (“IFRIC”) interpretations, as issued by the International Accounting Standards Board (“IASB”), for the preparation of interim financial statements, and they are in compliance with IAS 34, *Interim Financial Reporting*.

The interim financial statements do not contain all disclosures required by IFRS for annual financial statements, but have been prepared using the same accounting policies and methods of application as those used in the most recently prepared audited annual consolidated financial statements, except as discussed in note 2 below. Accordingly, the interim financial statements should be read in conjunction with the audited annual consolidated financial statements of the Company for the year ended December 31, 2014.

The interim financial statements were approved by the Company’s Board of Directors on May 11, 2015.

Use of estimates and judgements

The preparation of the interim financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the interim financial statements and the reported amounts of revenue and expenses during the reporting period. The judgements, estimates and associated assumptions are based on historical experience and other factors that management considers to be relevant. The areas of significant judgement and estimation were identified in the Company’s audited annual consolidated financial statements for the year ended December 31, 2014. Actual results could differ from the estimates and assumptions made.

Judgements, estimates and underlying assumptions are reviewed on an ongoing basis, and revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES AND NEW ACCOUNTING POLICES ADOPTED

The following new amendments were effective for the Company from January 1, 2015:

- Defined Benefit Plans: Employee Contributions - Amendments to IAS 19, *Employee Benefits*;
- Annual Improvements to IFRSs 2010-2012 Cycle - IFRS 2, *Share-based Payment*, IFRS 3, *Business Combinations*, IFRS 8, *Operating Segments*, IFRS 13, *Fair Value Measurement*, IAS 16, *Property, Plant and Equipment*, IAS 24, *Related Party Disclosures*, IAS 38, *Intangible Assets*; and
- Annual Improvements to IFRSs 2011-2013 Cycle - IFRS 3, *Business Combinations*, IFRS 13, *Fair Value Measurement*, IAS 40, *Investment Property*.

There was no significant impact on the interim financial statements as a result of their adoption.

NOTE 3 – SEGMENT INFORMATION

The Company has four operating segments:

- The Cash Markets (“Cash”) segment contains operations encompassing listing and trading of cash equities and fixed income products, information services as well as technology, risk management, investor relations and corporate trust services;
- The Derivatives Markets (“Derivatives”) segment contains operations that provide markets for trading derivatives and clearing and settlement services for options and futures contracts and certain over-the-counter (“OTC”) products, including fixed income repurchase and reverse repurchase agreement (“REPO”) transactions, and related information services;
- The Energy Markets (“Energy”) segment contains the operations that provide a marketplace for trading and clearing of natural gas, crude oil and electricity contracts and the brokering of crude oil contracts; and
- The Canadian Depository for Securities Limited and its subsidiaries (“CDS”) segment includes the operations encompassing clearing, settlement and depository facilities as well as information services.

In addition, the Company has certain corporate costs and other balances not allocated to the operating segments. These balances, along with certain consolidation and elimination adjustments, are presented in the Corporate segment.

For the three months ended						March 31, 2015
	Cash	Derivatives	Energy	CDS	Corporate	Total
Revenue						
Issuer services	\$ 43.4	\$ —	\$ —	\$ 0.9	\$ —	\$ 44.3
Trading, clearing, depository and related	24.5	26.2	13.6	15.5	—	79.8
Information services	42.5	5.5	0.3	2.0	—	50.3
Technology services and other	9.5	0.7	0.4	0.3	—	10.9
REPO interest:						
Interest income	—	12.8	—	—	—	12.8
Interest expense	—	(12.8)	—	—	—	(12.8)
Net REPO interest	—	—	—	—	—	—
Total revenue	119.9	32.4	14.3	18.7	—	185.3
Amortization of intangibles related to acquisitions, net of non-controlling interests	(0.3)	(1.0)	—	—	(7.6)	(8.9)
Net income (loss) attributable to equity holders of the Company	\$ 33.4	\$ 8.2	\$ 3.0	\$ 2.4	\$ (4.4)	\$ 42.6

Notes to the Condensed Consolidated Interim Financial Statements (Unaudited)

For the three months ended

March 31, 2014

	Cash	Derivatives	Energy	CDS	Corporate	Total
Revenue						
Issuer services	\$ 46.0	\$ —	\$ —	\$ 0.7	\$ —	46.7
Trading, clearing, depository and related	25.0	28.0	12.0	15.9	—	80.9
Information services	40.3	4.8	0.3	1.9	—	47.3
Technology services and other	5.1	0.6	0.3	2.2	(1.0)	7.2
REPO interest:						
Interest income	—	19.8	—	—	—	19.8
Interest expense	—	(19.8)	—	—	—	(19.8)
Net REPO interest	—	—	—	—	—	—
Total revenue	116.4	33.4	12.6	20.7	(1.0)	182.1
Amortization of intangibles related to acquisitions, net of non-controlling interests	(0.3)	(1.0)	—	—	(8.1)	(9.4)
Net income (loss) attributable to equity holders of the Company	\$ 39.7	\$ 6.7	\$ 2.7	\$ 2.8	\$ (5.5)	46.4

The Company's assets and liabilities by reportable segment are as follows:

As at	Cash	Derivatives	Energy	CDS	Corporate	March 31, 2015 Total
Total assets	\$ 1,967.2	\$ 9,822.6	\$ 756.6	\$ 581.7	\$ 1,599.4	14,727.5
Total liabilities	1,028.4	8,708.8	699.7	511.1	811.1	11,759.1

As at	Cash	Derivatives	Energy	CDS	Corporate	December 31, 2014 Total
Total assets	\$ 1,941.4	\$ 9,896.8	\$ 999.8	\$ 526.1	\$ 1,600.0	14,964.1
Total liabilities	994.1	8,781.1	946.9	457.9	838.2	12,018.2

NOTE 4 – CHANGES TO BOX HOLDINGS NON-CONTROLLING INTERESTS

At December 31, 2014, the Company indirectly held a 53.8% controlling ownership interest in BOX Holdings Group LLC ("BOX Holdings"), which provides a market for the trading of United States ("US") equity options.

In January 2015, BOX Holdings purchased and cancelled 500 of its outstanding Class B membership units for US\$3.2, representing 4.2% of total ownership interest. As a result, the Company recognized a decrease in equity attributable to equity holders of \$0.9, net of deferred income taxes. Subsequent to the transaction, the Company indirectly holds 56.2% of BOX Holdings with corresponding 43.8% in non-controlling interests.

Also in January 2015, BOX Market LLC ("BOX"), a wholly-owned subsidiary of BOX Holdings, launched a program to incent subscribers to provide liquidity to BOX. In exchange for providing this liquidity, subscribers will receive volume performance rights ("VPR"s), which are comprised of Class C units of BOX Holdings and an order flow commitment. The VPRs vest over a 5-year order flow commitment period if minimum volume targets are achieved. If all VPRs ultimately vest, the Company's ownership interest in BOX Holdings will decrease to below 50%.

The VPR program is still subject to regulatory approval by the US Securities and Exchange Commission.

NOTE 5 – EARNINGS PER SHARE

Basic and diluted earnings per share for the period are as follows:

For the three months ended	March 31, 2015	March 31, 2014
Net income attributable to the equity holders of the Company	\$ 42.6	\$ 46.4
Weighted average number of common shares outstanding - basic	54,322,626	54,145,099
Effect of dilutive share options	42,811	74,476
Weighted average number of common shares outstanding - diluted	54,365,437	54,219,575
Basic earnings per share	\$ 0.78	\$ 0.86
Diluted earnings per share	\$ 0.78	\$ 0.86

NOTE 6 – DEBT

The Company has the following debentures, commercial paper and liquidity facilities drawn and outstanding:

	Interest rate†	Maturity date(s)	Principal/ Authorized	March 31, 2015 Carrying amount	December 31, 2014 Carrying amount
Series A Debentures	3.253%	Oct 3, 2018	\$ 400.0	\$ 398.9	\$ 398.8
Series B Debentures	4.461%	Oct 3, 2023	250.0	249.0	249.0
Series C Debentures	3 month B.A. + 70 bps	Oct 3, 2016	350.0	349.5	349.4
Debentures				997.4	997.2
Commercial paper	0.95-0.96% / USD 0.35%	Apr 7 – 28, 2015	400.0	204.4	233.9
Commercial paper				204.4	233.9
CDCC syndicated revolving standby liquidity facility	Prime less 1.75%	Mar 4, 2016	300.0	4.5	2.2
CDCC syndicated REPO facility	-	Mar 4, 2016	12,264.0	—	—
Liquidity facilities drawn				4.5	2.2
Total debentures, commercial paper and liquidity facilities drawn				\$ 1,206.3	\$ 1,233.3

†The interest rate charged on borrowings under the liquidity facilities vary as the actual rate will be based on the prevailing market rates at the time of draw.

Debentures

For the three months ended March 31, 2015, the Company recognized interest expense on its Series A, Series B and Series C debentures of \$3.3, \$2.8 and \$1.8, respectively (three months ended March 31, 2014 – \$3.3, \$2.8, and \$1.7, respectively).

Commercial paper

During the three months ended March 31, 2015, the Company issued and repaid commercial paper with a cumulative amount of \$627.1 and \$660.5, respectively (three months ended March 31, 2014 – \$nil and \$nil, respectively). As at March 31, 2015, the carrying amount of commercial paper issued that remains outstanding is \$204.4, of which \$38.0 represents the Canadian dollar equivalent amount of US dollar commercial paper (December 31, 2014 – \$233.9 and \$87.0, respectively).

CDCC syndicated revolving standby liquidity and syndicate REPO facilities

Canadian Derivatives Clearing Corporation (“CDCC”), a wholly owned subsidiary, is the issuer and clearing house for options and futures contracts, certain OTC products and REPO transactions.

CDCC maintains a \$12,264.0 repurchase facility which is comprised of \$1,200.0 in committed liquidity and \$11,064.0 in uncommitted liquidity and is in place to provide end of day liquidity in the event that CDCC is unable to clear the daylight liquidity facilities to zero. The facility would provide liquidity in exchange for securities that have been received by, or pledged to, CDCC. On March 6, 2015, CDCC amended this facility from a partially committed liquidity facility to a fully uncommitted liquidity facility. In addition, the terms of the facility were amended to increase the minimum required amount of CDCC's total shareholder's equity from \$20.0 to \$30.0.

CDCC also maintains a syndicated revolving standby liquidity facility to provide end of day liquidity in the event that CDCC is unable to clear the daylight liquidity facilities to zero. Advances under the facility are secured by collateral in the form of securities that have been received by, or pledged to, CDCC. As at March 31, 2015, CDCC had drawn \$4.5 to facilitate a failed REPO settlement. The amount is fully offset by liquid securities included in cash and cash equivalents and was fully repaid subsequent to the reporting date.

NOTE 7 – FINANCIAL INSTRUMENTS**(A) FINANCIAL INSTRUMENTS – CARRYING VALUES AND FAIR VALUES**

The classification of the Company's financial instruments, along with their carrying amounts and fair values are as follows:

	March 31, 2015		December 31, 2014	
	Carrying amount	Fair value	Carrying amount	Fair value
Assets at fair value through profit or loss				
– Designated				
Marketable securities	\$ 48.7	\$ 48.7	\$ 59.7	\$ 59.7
	48.7	48.7	59.7	59.7
– Classified				
Fair value of open energy contracts	95.5	95.5	213.8	213.8
Foreign currency forward contracts	0.1	0.1	—	—
Total return swaps	1.7	1.7	—	—
	97.3	97.3	213.8	213.8
Available for sale financial assets				
Investment in privately-owned company	0.8	0.8	0.8	0.8
	0.8	0.8	0.8	0.8
Loans and receivables				
Cash and cash equivalents	212.9	212.9	214.0	214.0
Restricted cash and cash equivalents	73.6	73.6	75.6	75.6
Trade and other receivables	125.4	125.4	91.3	91.3
Energy contracts receivable	567.6	567.6	696.5	696.5
Clearing Members cash collateral	443.8	443.8	511.6	511.6
Other balances with Clearing Members	7,930.2	7,930.2	7,934.4	7,934.4
Balances with Participants	421.2	421.2	361.2	361.2
	9,774.7	9,774.7	9,884.6	9,884.6
Liabilities at fair value through profit or loss				
– Classified				
Fair value of open energy contracts	(95.5)	(95.5)	(213.8)	(213.8)
Foreign currency forward contracts	—	—	(0.2)	(0.2)
Total return swaps	—	—	(1.2)	(1.2)
Interest rate swaps	(0.1)	(0.1)	(0.1)	(0.1)
	(95.6)	(95.6)	(215.3)	(215.3)
Other financial liabilities				
Other trade and other payables	(35.4)	(35.4)	(37.6)	(37.6)
Accrued interest payable	(13.8)	(13.8)	(7.8)	(7.8)
Participants' tax withholdings	(73.6)	(73.6)	(75.6)	(75.6)
Energy contracts payable	(567.6)	(567.6)	(696.5)	(696.5)
Clearing Members cash collateral	(443.8)	(443.8)	(511.6)	(511.6)
Other balances with Clearing Members	(7,930.2)	(7,930.2)	(7,934.4)	(7,934.4)
Balances with Participants	(421.2)	(421.2)	(361.2)	(361.2)
Obligations under finance leases	(3.0)	(3.0)	(3.4)	(3.4)
Liquidity facilities drawn	(4.5)	(4.5)	(2.2)	(2.2)
Commercial paper	(204.4)	(204.4)	(233.9)	(233.9)
Debentures	(997.4)	(1,058.7)	(997.2)	(1,038.0)
	(10,694.9)	(10,756.2)	(10,861.4)	(10,902.2)
Relationships designated under hedge accounting				
Interest rate swaps	(2.9)	(2.9)	(0.5)	(0.5)
	\$ (2.9)	\$ (2.9)	(0.5)	(0.5)

The carrying amount of the Company's financial instruments approximate their fair values at each reporting date, with the exception of the Debentures. The fair values of the Debentures were obtained using Level 2 observable market prices as inputs.

(B) FAIR VALUE MEASUREMENT

The categories within the fair value hierarchy of the Company's financial instruments carried at fair value are as follows:

As at	Fair value measurements using:			March 31, 2015
Asset/(Liability)	Level 1	Level 2	Level 3	
Marketable securities	\$ 48.7	\$ —	\$ —	\$ 48.7
Fair value of open energy contracts	—	95.5	—	95.5
Total return swaps	—	1.7	—	1.7
Investment in privately-owned company	—	—	0.8	0.8
Fair value of open energy contracts	—	(95.5)	—	(95.5)
Foreign currency forward contracts	—	0.1	—	0.1
Interest rate swaps	—	(3.0)	—	(3.0)

As at	Fair value measurements using:			December 31, 2014
Asset/(Liability)	Level 1	Level 2	Level 3	
Marketable securities	\$ 59.7	\$ —	\$ —	\$ 59.7
Fair value of open energy contracts	—	213.8	—	213.8
Investment in privately-owned company	—	—	0.8	0.8
Total return swaps	—	(1.2)	—	(1.2)
Fair value of open energy contracts	—	(213.8)	—	(213.8)
Foreign currency forward contracts	—	(0.2)	—	(0.2)
Interest rate swaps	—	(0.6)	—	(0.6)

There were no transfers during the periods between any of the levels.

NOTE 8 – DIVIDENDS

Dividends recognized and paid in the period are as follows:

For the three months ended	March 31, 2015		March 31, 2014	
	Dividend per share	Total paid	Dividend per share	Total paid
Dividend paid in March	\$ 0.40	\$ 21.7	\$ 0.40	\$ 21.7

On May 11, 2015, the Company's Board of Directors declared a dividend of 40 cents per share. This dividend will be paid on June 12, 2015 to shareholders of record on May 29, 2015 and is estimated to amount to \$21.7.

Investor Contact Information

Investor Relations may be contacted at:

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Le rapport est également disponible en français.

Dividend Information

The Board of Directors of TMX Group Limited declared a dividend of \$0.40 on each common share outstanding, payable on June 12, 2015 to shareholders of record at the close of business on May 29, 2015. TMX Group hereby advises that this dividend is an “eligible dividend” for Canadian income tax purposes. Shareholders with questions regarding the tax treatment of dividends should consult with their own tax advisors or contact their local office of the Canada Revenue Agency and where applicable, the provincial taxation authorities.

Trade-Marks

Groupe TMX, Natural Gas Exchange, NGX, TMX, TMX Group, TMX Quantum, TMX Quantum XA, TMX Select, Toronto Stock Exchange, TSX, TSXV and TSX Venture Exchange are trade-marks of TSX Inc.

Bourse de Montréal, Montréal Exchange and MX are trade-marks of Bourse de Montréal Inc. and are used under license.

Alpha Exchange and Intraspread Facility are the trade-marks of Alpha Trading Systems Limited Partnership and is used under license.

BOX is the trade-mark of Boston Options Exchange Group, LLC and is used under license.

Canadian Derivatives Clearing Corporation, Corporation canadienne de compensation de produits dérivés, CDCC and CCCPD are trade-marks of Canadian Derivatives Clearing Corporation and are used under license.

CDS is trade-mark of The Canadian Depository for Securities Limited and is used under license.

Equicom is the trade-mark of The Equicom Group Inc. and is used under license.

Razor Risk is the trade-mark of Razor Risk Technologies Limited and is used under license.

Shorcan, Shorcan Brokers and Shorcan Energy Brokers are the trade-marks of Shorcan Brokers Limited and are used under license.

All other trade-marks used are the property of their respective owners.

Forward-Looking Information

This quarterly report contains forward-looking statements, which are not historical facts but are based on certain assumptions and reflect TMX Group's current expectations. These forward-looking statements are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations. We have no intention to update this forward-looking information, except as required by applicable securities law.

This forward-looking information should not be relied upon as representing our views as of any date subsequent to the date of this quarterly report. Please see "Caution regarding Forward-Looking Information" in the Q1-2015 Management's Discussion and Analysis for some of the risk factors that could cause actual events or results to differ materially from current expectations.



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