

TMX Group Limited Reports Results for the Third Quarter 2015

- Revenue of \$175.9 million for Q3/15, up 3% from Q3/14
- Diluted earnings per share of 67 cents in Q3/15 versus 73 cents in Q3/14
- Adjusted diluted earnings per share of 85 cents in Q3/15 compared with 86 cents in Q3/14
- Adjusted diluted earnings per share of 85 cents excludes 12 cents per share of amortization of intangibles related to acquisitions and 6 cents per share for strategic realignment expenses.
- Repaid \$77.5 million of debt in Q3/15

November 5, 2015 (TORONTO) TMX Group Limited [TSX: X] ("TMX Group") today announced results for the third quarter ended September 30, 2015.

Commenting on the last several months and future plans, Lou Eccleston, Chief Executive Officer of TMX Group, said:

"Despite some challenging conditions across much of our operating environment, we continue to streamline our business and have started to execute on our new strategy, including readying our new data analytics products for the market. TMX Group is focused firmly on making intelligent investment decisions for the future, allocating resources to business areas that should maximize our potential for profitable growth and transforming TMX Group into an innovative, technology driven solutions provider. We are on target to complete a capital plan, including a comprehensive investment strategy and cost control measures, as we move into full execution mode during 2016. We are confident that this year's committed efforts to push the evolution of TMX Group is building a foundation that is designed to better serve our clients and increase shareholder returns."

Michael Ptasznik, Chief Financial Officer of TMX Group, said:

"With a stronger U.S. dollar, there were increases in information services, derivatives and energy revenue, which drove 3% top line growth in Q3/15 over Q3/14. This growth was somewhat offset by the decline in additional listing fee revenue as our resource based listed issuers continued to be adversely impacted by lower commodities prices. Excluding strategic realignment expenses, income from operations for Q3/15 increased by 5% on a year over year basis."

SUMMARY OF FINANCIAL INFORMATION

Non-IFRS Financial Measures

Adjusted earnings per share and adjusted diluted earnings per share provided for the quarter and nine months ended September 30, 2015 and September 30, 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 amortization of intangible assets related to acquisitions, increase in deferred income tax liabilities resulting from the change in Alberta corporate income tax rate effective July 1, 2015, strategic realignment expenses, Maple Transaction and integration costs, credit facility refinancing expenses and non-cash impairment charges related to BOX Market LLC (BOX) (net of non-controlling interests or NCI) and other assets. Management uses these measures, and excludes certain items, because it believes doing so results in a more effective analysis of underlying operating and financial performance, including, in some cases, our ability to generate cash. Excluding these items also enables comparability across periods. The exclusion of certain items does not imply that they are non-recurring.

THREE MONTHS ENDED SEPTEMBER 30, 2015 COMPARED WITH THREE MONTHS ENDED SEPTEMBER 30, 2014

The information below reflects the financial statements of TMX Group for the quarter ended September 30, 2015 (Q3/15) compared with the quarter ended September 30, 2014 (Q3/14), except as otherwise indicated.

(in millions of dollars, except per share amounts) (unaudited)	Q3/15	Q3/14	\$ increase/ (decrease)	% increase/ (decrease)
Revenue	\$ 175.9	\$170.2	\$ 5.7	3 %
Operating expenses	114.0	107.1	6.9	6 %
Income from operations	61.9	63.1	(1.2)	(2)%
Net income attributable to TMX Group shareholders	36.5	39.4	(2.9)	(7)%
Earnings per share ¹				
Basic	0.67	0.73	(0.06)	(8)%
Diluted	0.67	0.73	(0.06)	(8)%
Adjusted Earnings per share ²				
Basic	0.85	0.86	(0.01)	(1)%
Diluted	0.85	0.86	(0.01)	(1)%
Cash flows from operating activities	65.1	73.4	(8.3)	(11)%

Net income attributable to TMX Group shareholders

Net income attributable to TMX Group shareholders was \$36.5 million, or 67 cents per common share on a basic and diluted basis, a decrease of 7% compared with net income of \$39.4 million, or 73 cents per common share on a basic and diluted basis, in Q3/14. The decline is largely attributable to strategic realignment expenses of \$4.4 million (see table below) and a \$1.6 million income tax adjustment related to BOX.

¹ Earnings per share information is based on net income attributable to TMX Group shareholders.

² See discussion under the heading **Non-IFRS Financial Measures**.

(in millions of dollars, except per share amounts) (unaudited)	Q3/15	
	Pre-tax Amount	Basic and Diluted Earnings per Share Impact ³
Compensation and benefits expenses	\$ 3.3	\$ 0.04
General and administration expenses	1.1	0.02
Strategic realignment expenses	\$ 4.4	\$ 0.06

Adjusted Earnings per Share⁴ Reconciliation for Q3/15 and Q3/14

The following is a reconciliation of earnings per share³ to adjusted earnings per share⁴:

(unaudited)	Q3/15		Q3/14	
	Basic	Diluted	Basic	Diluted
Earnings per share ³	\$ 0.67	\$ 0.67	\$ 0.73	\$ 0.73
Adjustment related to:				
Amortization of intangibles related to acquisitions	0.12	0.12	0.13	0.13
Strategic realignment expenses	0.06	0.06	—	—
Adjusted earnings per share ⁴	\$ 0.85	\$ 0.85	\$ 0.86	\$ 0.86
Weighted average number of common shares outstanding	54,339,450	54,354,915	54,302,453	54,334,116

The decrease in adjusted earnings per share⁴ to 85 cents in Q3/15 from 86 cents in Q3/14 reflects the impact of a \$1.6 million income tax expense adjustment related to BOX. There was an increase in revenue somewhat offset by higher operating costs, excluding strategic realignment expenses. Overall, there was a favourable impact from a weaker Canadian dollar relative to other currencies, including the U.S. dollar, in Q3/15 versus Q3/14. The impact on income from operations was approximately \$3 million (pre-tax).

Revenue

(in millions of dollars)	Q3/15	Q3/14	\$ increase/ (decrease)	% increase/ (decrease)
Issuer services	\$ 45.6	\$ 47.1	\$ (1.5)	(3)%
Trading, clearing, depository and related	74.7	70.5	4.2	6 %
Information services	51.2	45.9	5.3	12 %
Technology services and other	4.4	6.7	(2.3)	(34)%
	\$ 175.9	\$ 170.2	\$ 5.7	3 %

Revenue was \$175.9 million in Q3/15, up \$5.7 million or 3% compared with \$170.2 million in Q3/14. There were increases in *Information services* and *Trading, clearing, depository and related* revenue, partially offset by decreases in *additional listing fees*, *other issuer services* revenue, reflecting the loss of revenue from Equicom (sold in July 2015), Razor Risk Technologies Limited (Razor Risk) revenue and lower net foreign exchange gains on U.S. and other non-Canadian dollar denominated net monetary assets in Q3/15 compared with Q3/14. There was a favourable impact from a weaker Canadian dollar relative to other currencies, including the U.S. dollar, in Q3/15 versus Q3/14. The impact was approximately \$5 million.

³ Earnings per share information is based on net income attributable to TMX Group shareholders.

⁴ See discussion under the heading **Non-IFRS Financial Measures**.

Operating expenses

(in millions of dollars)	Q3/15	Q3/14	\$ increase/ (decrease)	% increase/ (decrease)
Compensation and benefits	\$ 55.7	\$ 51.2	\$ 4.5	9 %
Information and trading systems	18.8	16.5	2.3	14 %
General and administration	22.0	22.6	(0.6)	(3)%
Depreciation and amortization	17.5	16.8	0.7	4 %
	\$ 114.0	\$ 107.1	\$ 6.9	6 %

Operating expenses in Q3/15 were \$114.0 million, up \$6.9 million or 6% from \$107.1 million in Q3/14. The increase reflected \$4.4 million of strategic realignment expenses, including severance expense of \$3.3 million (4 cents per basic and diluted share), exit costs of \$0.7 million (1 cent per basic and diluted share) related to the sale of Equicom and professional fees of \$0.4 million (1 cent per basic and diluted share). Overall, there was an unfavourable impact from a weaker Canadian dollar relative to other currencies, including the U.S. dollar, in Q3/15 versus Q3/14. The impact was approximately \$2 million. During Q3/15, we also incurred additional costs related to the microwave network business of Strike Technologies Services, LLC (Strike Technology Services) (acquired October 31, 2014), partially offset by a reduction in expenses related to the operations of Equicom (sold in July 2015).

NINE MONTHS ENDED SEPTEMBER 30, 2015 COMPARED WITH NINE MONTHS ENDED SEPTEMBER 30, 2014

The information below reflects the financial statements of TMX Group for the nine months ended September 30, 2015 compared with the nine months ended September 30, 2014, except as otherwise indicated.

(in millions of dollars, except per share amounts) (unaudited)	Nine months ended September 30, 2015	Nine months ended September 30, 2014	\$ increase/ (decrease)	% increase/ (decrease)
Revenue	\$ 539.9	\$ 534.6	\$ 5.3	1 %
Operating expenses	347.5	323.0	24.5	8 %
Income from operations	192.4	211.6	(19.2)	(9)%
Net income attributable to TMX Group shareholders	106.7	59.4	47.3	80 %
Earnings per share ⁵				
Basic	1.96	1.09	0.87	80 %
Diluted	1.96	1.09	0.87	80 %
Adjusted Earnings per share ⁶				
Basic	2.77	2.91	(0.14)	(5)%
Diluted	2.77	2.91	(0.14)	(5)%
Cash flows from operating activities	201.7	195.7	6.0	3 %

Net income attributable to TMX Group shareholders

Net income attributable to TMX Group shareholders was \$106.7 million, or \$1.96 per common share on a basic and diluted basis in the nine months ended September 30, 2015, an increase of 80%, compared with net income of \$59.4 million, or \$1.09 per common share on a basic and diluted basis, in the nine months ended September 30, 2014. The increase in net income was primarily due to significantly lower non-cash impairment charges in the first nine months of 2015 compared to the first nine months of 2014. The impact was somewhat offset by \$14.5 million of strategic realignment expenses (see table below) and lower issuer services revenue.

(in millions of dollars, except per share amounts) (unaudited)	Nine months ended September 30, 2015	
	Pre-tax Amount	Basic and Diluted Earnings per Share Impact ⁵
Compensation and benefits expenses	\$ 10.3	\$ 0.13
General and administration expenses	4.2	0.06
Strategic realignment expenses before impairment charges	\$ 14.5	\$ 0.19
Impairment charges	5.9	0.10
Strategic realignment expenses and impairment charges	\$ 20.4	\$ 0.29

⁵ Earnings per share information is based on net income attributable to TMX Group shareholders.

⁶ See discussion under the heading **Non-IFRS Financial Measures**.

Adjusted Earnings per Share⁷ Reconciliation for the nine months ended September 30, 2015 and the nine months ended September 30, 2014

The following is a reconciliation of earnings per share⁸ to adjusted earnings per share⁷ :

(unaudited)	Nine months ended September 30, 2015		Nine months ended September 30, 2014	
	Basic	Diluted	Basic	Diluted
Earnings per share ⁸	\$ 1.96	\$ 1.96	\$ 1.09	\$ 1.09
Adjustment related to:				
Amortization of intangibles related to acquisitions	0.39	0.39	0.39	0.39
Increase in deferred income tax liabilities resulting from the change in Alberta corporate income tax rate effective July 1, 2015	0.13	0.13	—	—
Strategic realignment expenses	0.19	0.19	—	—
Non-cash impairment charges related to BOX (net of NCI) and other assets	0.10	0.10	1.32	1.32
Maple Transaction and integration costs	—	—	0.06	0.06
Credit facility refinancing expenses	—	—	0.05	0.05
Adjusted earnings per share ⁷	\$ 2.77	\$ 2.77	\$ 2.91	\$ 2.91
Weighted average number of common shares outstanding	54,332,187	54,378,077	54,219,272	54,313,230

The decrease in adjusted earnings per share⁷ to \$2.77 for the nine months ended September 30, 2015 from \$2.91 for the nine months ended September 30, 2014 reflected a decrease in issuer services revenue of \$8.6 million (pre-tax) and a \$1.6 million income tax adjustment related to BOX. Overall, there was a favourable impact from a weaker Canadian dollar relative to other currencies, including the U.S. dollar, in the nine months ended September 30, 2015 versus the nine months ended September 30, 2014. The impact on income from operations was approximately \$12 million (pre-tax). This benefit was largely offset by a \$5.6 million (pre-tax) decrease in revenue recoveries related to under-reported usage of real-time quotes in prior periods and lower income from operations from Razor Risk.

Revenue

(in millions of dollars)	Nine months ended September 30, 2015	Nine months ended September 30, 2014	\$ increase/ (decrease)	% increase/ (decrease)
Issuer services	\$ 143.7	\$ 152.3	\$ (8.6)	(6)%
Trading, clearing, depository and related	227.3	224.8	2.5	1 %
Information services	149.6	140.9	8.7	6 %
Technology services and other	19.3	16.6	2.7	16 %
	\$ 539.9	\$ 534.6	\$ 5.3	1 %

Revenue was \$539.9 million in the nine months ended September 30, 2015, up \$5.3 million compared with \$534.6 million in the nine months ended September 30, 2014. There were increases in revenue from Canadian derivatives trading, energy trading,

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.

information services, including from the microwave network business of Strike Technologies Services (acquired October 31, 2014), and Razor Risk. There was a favourable impact from a weaker Canadian dollar relative to other currencies, including the U.S. dollar, in the nine months ended September 30, 2015 versus the nine months ended September 30, 2014. The impact was approximately \$17 million. These increases were largely offset by decreases in revenue from issuer services, cash markets trading and BOX.

Operating Expenses

(in millions of dollars)	Nine months ended September 30, 2015	Nine months ended September 30, 2014	\$ increase/ (decrease)	% increase/ (decrease)
Compensation and benefits	\$ 173.5	\$ 153.9	\$ 19.6	13 %
Information and trading systems	55.1	48.4	6.7	14 %
General and administration	66.5	68.4	(1.9)	(3)%
Depreciation and amortization	52.4	52.3	0.1	— %
	\$ 347.5	\$ 323.0	\$ 24.5	8 %

Operating expenses in the nine months ended September 30, 2015 were \$347.5 million, up \$24.5 million or 8% from \$323.0 million in the nine months ended September 30, 2014. Operating expenses were higher reflecting strategic realignment expenses of \$14.5 million. These strategic realignment expenses included a charge of \$10.3 million (13 cents per basic and diluted share) related to severance, \$3.5 million (5 cents per basic and diluted share) for professional fees and \$0.7 million (1 cent per basic and diluted share) related to the sale of Equicom (sold in July 2015).

During the nine months ended September 30, 2015, we also incurred additional costs related to the microwave network business of Strike Technologies Services (acquired October 31, 2014), and to support Razor Risk's business, partially offset by a reduction in expenses related to the operations of Equicom. There was an unfavourable impact from a weaker Canadian dollar relative to other currencies, including the U.S. dollar, in the nine months ended September 30, 2015 versus the nine months ended September 30, 2014. The impact was approximately \$5 million.

Financial Statements Governance Practice

The Finance & Audit Committee of the Board of Directors of TMX Group reviewed this press release as well as the Q3/15 financial statements and related Management's Discussion and Analysis (MD&A) and recommended they be approved by the Board of Directors. Following review by the full Board, the Q3/15 financial statements, MD&A and the contents of this press release were approved.

Condensed Consolidated Interim Financial Statements

Our Q3/15 financial statements are prepared in accordance with IFRS as issued by the IASB, are in compliance with IAS 34, *Interim Financial Reporting*, and are reported in Canadian dollars unless otherwise indicated. Financial measures contained in the MD&A and this press release are based on financial statements prepared in accordance with IFRS, unless otherwise specified and are in Canadian dollars unless otherwise indicated.

Access to Quarterly Materials

TMX Group has filed its Q3/15 financial statements and MD&A with Canadian securities regulators. These documents may be accessed through www.sedar.com, or on the TMX Group website at www.tmx.com. We are not incorporating information contained on the website in this press release. In addition, copies of these documents will be available upon request, at no cost, by contacting TMX Group Investor Relations by phone at (416) 947-4277 or by e-mail at TMXshareholder@tmx.com.

Caution Regarding Forward-Looking Information

This press release 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 press release. 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 press release 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; regulatory constraints; 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 & 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 press release. 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.

About TMX Group (TSX:X)

TMX Group's key subsidiaries operate cash and derivative markets and clearinghouses for multiple asset classes including equities, fixed income and energy. Toronto Stock Exchange, TSX Venture Exchange, TSX Alpha Exchange, The Canadian Depository for Securities, Montréal Exchange, Canadian Derivatives Clearing Corporation, NGX, BOX Options Exchange, Shorcan, Shorcan Energy Brokers, AgriClear and other TMX Group companies provide listing markets, trading markets, clearing facilities, depository services, data products and other services to the global financial community. TMX Group is headquartered in Toronto and operates offices across Canada (Montréal, Calgary and Vancouver), in key U.S. markets (New York, Houston, Boston and Chicago) as well as in London,

Beijing, Singapore and Sydney. For more information about TMX Group, visit our website at <http://www.tmx.com>. Follow TMX Group on Twitter: @TMXGroup.

Teleconference / Audio Webcast

TMX Group will host a teleconference / audio webcast to discuss the financial results for Q3/15.

Time: 8:00 a.m. - 9:00 a.m. ET on Friday, November 6 2015.

To teleconference participants: Please call the following number at least 15 minutes prior to the start of the event. The audio webcast of the conference call will also be available on TMX Group's website at www.tmx.com, under Investor Relations.

Teleconference Number: 647-427-7450 or 1-888-231-8191

Audio Replay: 416-849-0833 or 1-855-859-2056

The passcode for the replay is 48620806.

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