

TMX Group Limited Reports Results for Fourth Quarter and Full Year 2018

- Revenue of \$207.6 million, up 22%, including 8% organic revenue growth, compared with Q4/17
- Diluted earnings per share of \$1.24, down 66%, or up 72% from continuing operations, compared with Q4/17
- Adjusted diluted earnings per share of \$1.31 up 7%, or up 17% from continuing operations over Q4/17
- Cash flows from operating activities of \$68.4 million, up 15% over Q4/17
- Increased quarterly dividend by 4 cents per common share, up 7% to 62 cents per common share

February 13, 2019 (TORONTO) – TMX Group Limited [TSX:X] ("TMX Group") today announced results for the full year and fourth quarter ended December 31, 2018.

Commenting on 2018 and the company's outlook, Lou Eccleston, Chief Executive Officer of TMX Group, said:

"TMX's 2018 results reflect the strength and resiliency in our diversified business model, with year over year growth across all operating segments. In a year highlighted by strong financial performance, TMX continued to make significant progress in the execution of our global growth strategy, increasing our presence in key new markets around the world. Looking ahead, TMX is steadfast in our client-first commitment to serving the world's premier capital markets, while keenly focused on generating long-term, profitable growth."

Commenting on operating performance in the fourth quarter of 2018, John McKenzie, Chief Financial Officer of TMX Group, said:

"We were pleased to report another strong quarter with revenue growth of 22%. Once again, we saw the benefits of having a diversified business where the strength in our trading, clearing and subscription based businesses more than offset a decrease in additional listing fees revenue. Our year over year organic revenue growth was 8% this past quarter excluding Trayport, which reported 12% year over year revenue growth in its core subscriber business. While operating expenses increased, we delivered solid earnings performance with \$1.24 in diluted earnings per share from continuing operations, up 72% over last year, and adjusted diluted earnings per share of \$1.31, up 7% over Q4/17.

Consistent with our target to maintain a dividend payout ratio in the same range as our domestic and international peers, we have increased our quarterly dividend by 4 cents per share, or 7%."

RESULTS OF OPERATIONS

Non-IFRS Financial Measures

Adjusted earnings per share, adjusted diluted earnings per share, adjusted earnings per share from continuing operations, and adjusted diluted earnings per share from continuing operations 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, adjusted diluted earnings per share, adjusted earnings per share from continuing operations, and adjusted diluted earnings per share from continuing operations to indicate ongoing financial performance from period to period, exclusive of a number of adjustments. These adjustments include amortization of intangibles related to acquisitions, non-cash impairment charges (including product write-off in 2017), increase in deferred income tax assets resulting from capital loss carryback, write-off of deferred income tax assets, transaction related costs (including acquisition and finance costs), net income tax recovery on gain on sale of NGX, gain on sale of Contigo, gain on sale of interest in TMX FTSE, gain on reduction in our shareholding in CanDeal, commodity tax provision, gain on FX forward, and change in net deferred income tax assets/liabilities resulting from change to B.C. and U.S. corporate income tax rates. 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 or not useful to investors.

Sale of NGX and Shorcan Energy - discontinued operations

On December 14, 2017, we completed the sale of NGX and Shorcan Energy Brokers Inc (Shorcan Energy). TMX Group has classified the sale of NGX and Shorcan Energy as discontinued operations. Prior to the sale, the operations of NGX and Shorcan Energy entirely comprised of the Energy Trading and Clearing operating segment and a small portion of the Global Solutions, Insights and Analytics operating segment.

The classification of discontinued operations occurred at December 14, 2017 which is the date of disposal of the operations. The 2017 consolidated income statements present the discontinued operations, including the gain on disposition, separately from continuing operations.

Three Months Ended December 31, 2018 Compared with Three Months Ended December 31, 2017

The information below reflects the financial statements of TMX Group for the quarter ended December 31, 2018 (Q4/18) compared with the quarter ended December 31, 2017 (Q4/17). Certain comparative information has been reclassified in order to conform with the financial presentation adopted in the current year.

(in millions of dollars, except per share amounts)	Q4/18	Q4/17	\$ increase/ (decrease)	% increase/ (decrease)
Revenue	\$207.6	\$170.8	\$36.8	22%
Operating expenses before acquisition costs	110.6	87.0	23.6	27%
Income from operations before acquisition costs	97.0	83.8	13.2	16%
Acquisition costs	—	13.4	(13.4)	(100)%
Income from operations	97.0	70.4	26.6	38%
Net income	69.8	202.3	(132.5)	(65%)
Earnings per share from continuing operations ¹				
Basic	1.25	0.72	0.53	74%
Diluted	1.24	0.72	0.52	72%
Earnings per share ²				
Basic	1.25	3.65	(2.40)	(66)%
Diluted	1.24	3.63	(2.39)	(66)%
Adjusted Earnings per share from continuing operations ³				
Basic	1.32	1.13	0.19	17%
Diluted	1.31	1.12	0.19	17%
Adjusted Earnings per share ⁴				
Basic	1.32	1.23	0.09	7%
Diluted	1.31	1.22	0.09	7%
Cash flows from operating activities	68.4	59.4	9.0	15%

Net income

Net income in Q4/18 was \$69.8 million, or \$1.25 per common share on a basic and \$1.24 on a diluted basis, compared with net income of \$202.3 million, or \$3.65 per common share on a basic and \$3.63 on a diluted basis, for Q4/17. Net income for Q4/17 included a gain of \$157.8 million from the sale of NGX and Shorcan Energy as well as a gain on FX forwards relating to the Trayport acquisition. In addition, net income for 2017 included income of \$19.1 million, net of tax, from January 1, 2017 to December 14, 2017 for NGX and Shorcan Energy. However, net income for Q4/17 was reduced by acquisition costs on the purchase of Trayport and non-cash income tax adjustments relating to a change in the B.C. and U.S. corporate income tax rates.

¹ Earnings per share from continuing operations is based on income before income from discontinued operations, net of tax.

² Earnings per share information is based on net income.

³ See discussion under the heading Non-IFRS Financial Measures.

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

From an operational perspective, the net decrease in net income described above was partially offset by the impact of higher revenue from *Global Solutions, Insights and Analytics (GSIA)* in Q4/18, which included \$28.6 million related to Trayport (acquired December 14, 2017) compared with \$4.5 million in Q4/17. There was also higher revenue from *Equities and Fixed Income Trading and Clearing*, and *Derivatives Trading and Clearing* driven by higher trading volumes in TSX, Alpha and MX. The increases in revenue were partially offset by higher operating expenses, which included \$14.6 million related to Trayport. The overall decrease in basic and diluted earnings per share was also due to an increase in the number of weighted-average common shares outstanding in Q4/18 compared with Q4/17 and higher net finance costs.

Adjusted Earnings per Share⁵ and Adjusted Earnings per Share from continuing operations⁶ Reconciliation for Q4/18 and Q4/17

(unaudited)	Q4/18		Q4/17	
	Basic	Diluted	Basic	Diluted
Earnings per share from continuing operations ⁷	\$1.25	\$1.24	\$0.72	\$0.72
Adjustments related to:				
Amortization of intangibles related to acquisitions	0.17	0.17	0.12	0.12
Transaction related costs (including acquisition and finance costs) ⁸	—	—	0.25	0.24
Gain on FX Forward ⁹	—	—	(0.16)	(0.16)
Non-cash impairment charges (including product write-off in 2017) ¹⁰	—	—	0.05	0.05
Change in net deferred income tax assets/liabilities resulting from change to B.C. and U.S. corporate income tax rates	—	—	0.15	0.15
Gain on reduction in our shareholding in CanDeal	(0.02)	(0.02)	—	—
Gain on sale of Contigo	(0.04)	(0.04)	—	—
Net income tax recovery on gain on sale of NGX	(0.04)	(0.04)	—	—
Total adjustments from continuing operations	\$0.07	\$0.07	\$0.41	\$0.40
Adjusted earnings per share from continuing operations ¹¹	\$1.32	\$1.31	\$1.13	\$1.12
Earnings per share	1.25	1.24	3.65	3.63
Total adjustments from continuing operations	0.07	0.07	0.41	0.40
Amortization of intangibles related to acquisitions (discontinued operations)	—	—	0.01	0.01
Gain on sale of NGX and Shorcan Energy (discontinued operations)	—	—	(2.84)	(2.82)
Adjusted earnings per share ¹²	\$1.32	\$1.31	\$1.23	\$1.22
Weighted average number of common shares outstanding	55,782,699	56,175,835	55,368,970	55,786,624

Adjusted diluted earnings per share from continuing operations increased by 7% from \$1.22 in Q4/17 to \$1.31 in Q4/18. The increase in adjusted diluted earnings per share from continuing operations reflected higher revenue from *GSIA*, which included \$28.6 million related to Trayport (acquired December 14, 2017). There was also higher revenue from *Equities*

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

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

⁷ Earnings per share from continuing operations is based on income from continuing operations, net of tax.

⁸ Includes costs related to the acquisition of Trayport in 2017 (24 cents), including finance costs (1 cent).

⁹ Related to the acquisition of Trayport in 2017.

¹⁰ Agriclear impairment (3 cents), and product write-off (2 cents) in 2017.

¹¹ See discussion under the heading Non-IFRS Financial Measures.

¹² See discussion under the heading Non-IFRS Financial Measures.

and Fixed Income Trading and Clearing, and Derivatives Trading and Clearing driven by higher trading volumes in TSX, Alpha and MX. The increase in revenue was partially offset by higher operating expenses, which included \$14.6 million related to Trayport. The increase in adjusted diluted earnings per share from continuing operations was partially offset by the impact from an increase in the number of weighted-average common shares outstanding in Q4/18 compared with Q4/17 and higher net finance costs.

Revenue

(in millions of dollars)	Q4/18	Q4/17	\$ increase/ (decrease)	% increase/ (decrease)
Capital Formation	\$45.4	\$49.3	\$(3.9)	(8)%
Equities and Fixed Income Trading and Clearing	51.3	45.6	5.7	13%
Derivatives Trading and Clearing	35.1	27.6	7.5	27%
Global Solutions, Insights and Analytics (formerly Market Insights)	73.8	48.3	25.5	53%
Other	2.0	—	2.0	n/a
	\$207.6	\$170.8	\$36.8	22%

Revenue was \$207.6 million in Q4/18, up \$36.8 million or 22% compared with \$170.8 million in Q4/17 largely attributable to an increase in *Global Solutions, Insights and Analytics* revenue reflecting the inclusion of revenue from Trayport (acquired December 14, 2017) of approximately \$28.6 million. There were also increases in *Equity and fixed income trading and clearing* as well as *Derivatives trading and clearing* revenue and *Other* revenue. *Other* revenue increased largely due to the impact from recognizing net foreign exchange gains on U.S. dollar net monetary assets in Q4/18 compared with net foreign exchange losses in Q4/17. These increases in revenue were partially offset by a decrease in *Capital Formation* revenue.

Our organic revenue growth in Q4/18 was 8% (based on revenue of \$207.6 million less Trayport revenue of approximately \$28.6 million for Q4/18, and revenue of \$170.8 million for Q4/17 less Trayport revenue of approximately \$4.5 million for Q4/17).

Capital Formation

(in millions of dollars)	Q4/18	Q4/17	\$ increase/ (decrease)	% increase/ (decrease)
Initial listing fees	\$3.1	\$3.5	\$(0.4)	(11)%
Additional listing fees	18.0	22.1	(4.1)	(19)%
Sustaining listing fees	17.9	17.8	0.1	1%
Other issuer services	6.4	5.9	0.5	8%
	\$45.4	\$49.3	\$(3.9)	(8)%

- *Initial listing fees* in Q4/18 decreased from Q4/17 due to a decrease in *initial listing fees* on TSX reflecting a decline in both the number of initial public offerings (IPOs) and in initial public offering financing dollars raised. The decrease in *initial listing fee* revenue was partially offset by an increase in *initial listing fees* on TSXV reflecting an increase in new issuers listed and in initial public offering financing dollars raised.

- Effective January 1, 2018, we changed our method for recognizing *initial listing fee* revenue in accordance with IFRS 15, *Revenue from Contracts with Customers* (see **Changes in accounting policies in 2018 Annual MD&A**). In Q4/18, we recognized \$0.8 million of total *initial listing fees* received of \$3.1 million with the balance of \$2.3 million to be recognized over the remaining 12-month deferral period. Since the cumulative impact of this change was recorded effective January 1, 2018, we also recognized *initial listing fees* received in 2017, Q1/18, Q2/18 and Q3/18 of \$0.3 million, \$0.6 million, \$0.7 million and \$0.7 million respectively during Q4/18. Under IFRS 15, total *initial listing fees* of \$3.1 million was approximately the same as the revenue that would have been the case if *initial listing fees* were recognized when the listing occurred.
- Based on *initial listing fees* billed in 2018, the following amounts have been deferred to be recognized in Q1/19, Q2/19, Q3/19 and Q4/19: \$2.4 million, \$1.7 million, \$0.9 million and \$0.2 million respectively. Total *initial listing fees* revenue for future quarters will also depend on listing activity in those quarters.
- *Additional listing fees* in Q4/18 decreased compared to Q4/17 largely due to a decline in *additional listing fees* on TSX. The decline reflected a 27% decrease in the number of transactions billed on TSX. There was also a decrease in the number of financings on TSXV, which contributed to a decline in *additional listing fees* on TSXV. The decreases in revenue were somewhat offset by the impact of a higher maximum additional listing fee on TSX.
- 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. There was a slight increase in *sustaining listing fees* on TSXV due to the increase in the market capitalization of issuers at December 31, 2017 compared with December 31, 2016; however, the increase was largely offset by the impact from certain price reductions for issuers listed on TSX.
- *Other issuer services* revenue in Q4/18 was higher compared to Q4/17 reflecting increased revenue from TSX Trust primarily for transfer agent services somewhat offset by lower margin income.

Equities and Fixed Income Trading and Clearing

(in millions of dollars)	Q4/18	Q4/17	\$ increase	% increase
Equities and fixed income trading	\$28.6	\$25.2	\$3.4	13%
Equities and fixed income clearing, settlement, depository and other services (CDS)	22.7	20.4	2.3	11%
	\$51.3	\$45.6	\$5.7	13%

- There was an increase in *Equity and fixed income trading* revenue in Q4/18 compared with Q4/17 reflecting higher *equity trading* revenue on TSX and Alpha due to higher volumes somewhat offset by lower volumes on TSXV. The increase in *Equities trading revenue* was somewhat higher than the increase in total volumes due to product mix. There was also higher *fixed income trading* revenue due to increased activity in Government of Canada bonds and swaps.
- There was an increase in the overall volume of securities traded on our equities marketplaces of 5% (40.5 billion securities in Q4/18 versus 38.4 billion securities in Q4/17). Volumes on TSX and Alpha increased by 34% and 57%, respectively, while volumes on TSXV decreased by 35% in Q4/18 compared with Q4/17.
- Excluding intentional crosses, in all listed issues in Canada, our combined domestic equities trading market share was 59% in Q4/18, up from 58% in Q4/17.

- Excluding intentional crosses, for TSX and TSXV listed issues, our combined domestic equities trading market share was approximately 68% in Q4/18, down 1% from approximately 69% in Q4/17.
- CDS revenue increased by 11% from Q4/17 to Q4/18 reflecting higher clearing and settlement revenues due to market volatility, increased revenue from the New York Link (NYL) service as well as higher interest on clearing funds.

Derivatives Trading and Clearing

(in millions of dollars)	Q4/18	Q4/17	\$ increase	% increase
	\$35.1	\$27.6	\$7.5	27%

- The increase in *Derivatives Trading and Clearing* revenue was driven by higher revenue from MX and CDCC due to higher volumes. The revenue increase in MX and CDCC were in line with volumes which increased by 38% on MX (31.1 million contracts traded in Q4/18 versus 22.6 million contracts traded in Q4/17). This increase was partially offset by lower revenue from BOX.

Global Solutions, Insights and Analytics

(in millions of dollars)	Q4/18	Q4/17	\$ increase	% increase
GSIA (excluding Trayport)	\$45.2	\$43.8	\$1.4	3%
Trayport	28.6	4.5	24.1	536%
	\$73.8	\$48.3	\$25.5	53%

- The increase in *Global Solutions, Insights and Analytics (GSIA)* revenue reflected the inclusion of revenue from Trayport (acquired December 14, 2017) of approximately \$28.6 million in Q4/18 compared with approximately \$4.5 million in Q4/17. There was also higher revenue from subscriptions, usage based quotes, data feeds and co-location. In addition, there was a favourable impact from a weaker Canadian dollar relative to the U.S. dollar in Q4/18 compared with Q4/17.
- These increases were partially offset by lower benchmarks and indices revenue driven by the sale of our interest in TMX FTSE in Q2/18, and lower revenue recoveries related to under-reported usage of real-time quotes in prior periods.

GSIA (excluding Trayport)

- The average number of professional market data subscriptions for TSX and TSXV products was up 1% in Q4/18 compared with Q4/17 (102,267 professional market data subscriptions in Q4/18 compared with 101,006 in Q4/17).
- The average number of MX professional market data subscriptions was up 3% in Q4/18 from Q4/17 (19,110 MX professional market data subscriptions in Q4/18 compared with 18,602 in Q4/17).

Trayport (acquired December 14, 2017)

The following table summarizes the average number of Trayport subscribers over the last eight quarters:

	Q4/18	Q3/18	Q2/18	Q1/18	Q4/17	Q3/17	Q2/17	Q1/17
Trader Subscribers	4,684	4,370	4,353	4,230	4,079	4,037	4,030	4,002
Total Subscribers	21,485	20,623	20,312	20,213	20,000	19,927	20,108	19,890
Revenue (in millions of GBP)	£16.8	£16.5	£16.0	£15.4	£14.9	£15.2	£15.1	£14.7

Total Subscribers refers to all chargeable licenses of core Trayport products in core customer segments including traders, brokers and exchanges. Trader Subscribers are a subset of Total Subscribers. Trader Subscribers revenue represents over 50% of total Trayport revenue.

- Revenue from Trayport's core subscriber business was £16.0 million in Q4/18, up 12% over Q4/17. Revenue from Contigo (sold November 30, 2018); the ancillary non-subscriber based risk application business of Trayport; was £0.9 million in Q4/18.

Other

(in millions of dollars)	Q4/18	Q4/17	\$ increase	% increase
	\$2.0	\$—	\$2.0	n/a

- The increase in *Other* revenue was largely due to the impact from recognizing net foreign exchange gains on net monetary assets in Q4/18 compared with net foreign exchange losses in Q4/17.

Operating expenses

(in millions of dollars)	Q4/18	Q4/17	\$ increase	% increase
Compensation and benefits	\$53.4	\$39.8	\$13.6	34%
Information and trading systems	15.2	11.7	3.5	30%
Selling, general and administration	24.0	23.6	0.4	2%
Depreciation and amortization	18.0	11.9	6.1	51%
	\$110.6	\$87.0	\$23.6	27%

Operating expenses before acquisition costs in Q4/18 were \$110.6 million, up \$23.6 million or 27%, from \$87.0 million in Q4/17. This reflected increased costs related to Trayport (acquired December 14, 2017) of \$14.6 million compared to Q4/17. There was also an increase of approximately \$2.6 million in severance costs related to organizational changes, higher employee performance incentive plan costs of approximately \$3.1 million, and higher project and infrastructure spending, including costs related to the modernization of our clearing houses, CDS and CDCC.

Compensation and benefits¹³

(in millions of dollars)	Q4/18	Q4/17	\$ increase	% increase
	\$53.4	\$39.8	\$13.6	34%

- *Compensation and benefits* costs increased in Q4/18 reflecting higher costs related to inclusion of Trayport (acquired December 14, 2017) of approximately \$6.7 million, increased severance costs of approximately \$2.6 million related to organizational changes, and higher employee performance incentive plan costs of approximately \$3.1 million.
- There were 1,208 TMX Group employees at December 31, 2018 versus 1,238 employees at December 31, 2017 reflecting a decrease from the sale of Contigo (sold November 30, 2018) which employed approximately 40 people. The decrease was partially offset by an increase in headcount attributable to investing in the various growth areas of our business.
- In Q1/19, it is anticipated that we will have severance costs related to organizational changes consistent with the range provided in Q1/18.

Information and trading systems

(in millions of dollars)	Q4/18	Q4/17	\$ increase	% increase
	\$15.2	\$11.7	\$3.5	30%

- *Information and trading systems* expenses increased in Q4/18 compared with Q4/17 reflecting the inclusion of costs related to Trayport of \$1.2 million and higher project and infrastructure costs including costs related to the modernization of our clearing houses, CDS and CDCC.

Selling, general and administration

(in millions of dollars)	Q4/18	Q4/17	\$ increase	% increase
	\$24.0	\$23.6	\$0.4	2%

- *Selling, general and administration* expenses increased in Q4/18 compared with Q4/17 primarily due to the inclusion of Trayport costs of \$2.1 million and higher consulting fees. This increase was largely offset by lower occupancy costs.

Depreciation and amortization

(in millions of dollars)	Q4/18	Q4/17	\$ increase	% increase
	\$18.0	\$11.9	\$6.1	51%

- Higher *Depreciation and amortization* costs largely reflects increased amortization related to Trayport of \$4.6 million.
- The *Depreciation and amortization* costs in Q4/18 of \$18.0 million included \$11.8 million related to amortization of intangibles related to acquisitions (17 cents per basic and diluted share).

¹³ The "Compensation and benefits" section contains certain forward-looking statements. Please refer to "Caution Regarding Forward-Looking Information" for a discussion of risks and uncertainties related to such statements.

- The *Depreciation and amortization* costs in Q4/17 of \$11.9 million included \$8.1 million related to amortization of intangibles related to acquisitions (12 cents per basic and diluted share).

Acquisition costs

	Q4/18		Q4/17	
(in millions of dollars, except per share amounts)	Pre-tax Amount	Basic and Diluted Earnings per Share Impact	Pre-tax Amount	Basic and Diluted Earnings per Share Impact
	\$—	\$—	13.4	0.24

- The decrease in acquisition costs relate to the acquisition of Trayport that closed on December 14, 2017.

Additional Information

Income from discontinued operations

(in millions of dollars)	Q4/18	Q4/17	\$ (decrease)	% (decrease)
	\$—	\$162.4	\$(162.4)	(100)%

- In Q4/17 income from NGX and Shorcan Energy (sold on December 14, 2017) was \$162.4 million net of tax, which included an after-tax gain on sale of \$157.8 million.

Share of income/(loss) from equity accounted investees

(in millions of dollars)	Q4/18	Q4/17	\$ increase	% increase
	\$0.8	\$(0.4)	\$1.2	300%

- In Q4/18 there was a \$1.2 million increase in our share of income from equity accounted investees compared to Q4/17.

Impairment charges

(in millions of dollars)	Q4/18	Q4/17	\$ (decrease)	% (decrease)
	\$—	\$1.7	\$(1.7)	(100)%

- In Q4/17 we determined that the fair value of Agriclear was below its carrying value, resulting in impairment charges of \$1.7 million.

Net finance (income)/costs

(in millions of dollars)	Q4/18	Q4/17	\$ increase	% increase
	\$10.4	\$(3.3)	\$13.7	415%

- The increase in net finance costs from Q4/17 to Q4/18 reflected higher interest expense due to increased debt levels following the Trayport acquisition. In Q4/18, we also had a higher average interest rate on our debt driven by the interest rates on our long term Series D Debentures and Series E Debentures compared with that on Commercial Paper.
- In Q4/17, we also had a gain on FX forwards related to the Trayport acquisition of \$10.2 million before tax (16 cents per share on a basic and diluted basis).

Income tax expense and effective tax rate

Income Tax Expense (in millions of dollars)		Effective Tax Rate (%)	
Q4/18	Q4/17	Q4/18	Q4/17
\$21.5	\$31.7	24%	44%

- The effective tax rate for Q4/18 was 24%, slightly lower than our statutory tax rate of 26% due to an adjustment related to a capital loss on the liquidation of a foreign wholly-owned subsidiary. The capital loss was carried back to reduce the income tax on sale of NGX in 2017, resulting in a tax benefit of approximately \$2.0 million.
- The effective tax rate for Q4/17 was higher than our statutory tax rate for that year of approximately 27% largely due to non-cash income tax adjustments of approximately \$8.3 million related to changes in B.C. and U.S. corporate income tax rates. The acquisition costs related to Trayport, and non-cash impairment charge related to Agriclear are non-deductible for tax purposes, which increased the effective tax rate. The impact was somewhat offset by the gain on FX forwards being taxed at 50% of our statutory rate.

Summary of Cash Flows

Q4/18 compared with Q4/17

(in millions of dollars)	Q4/18	Q4/17	\$ increase/ (decrease) in cash
Cash flows from operating activities	\$68.4	\$59.4	\$9.0
Cash flows from/(used in) financing activities	(146.3)	380.1	(526.4)
Cash flows from/(used in) investing activities	27.0	(595.1)	622.1

- In Q4/18, *Cash flows from operating activities* increased reflecting higher income from operations (excluding depreciation and amortization) compared with Q4/17. This increase in cash was somewhat offset by a decrease in cash related to trade and other payables, trade and other receivables, and prepaid expenses, other assets and liabilities as well as an increase in income taxes paid.

- In Q4/18, *Cash flows used in financing activities* were higher than in Q4/17 when we generated cash from financing activities. During Q4/18 we used \$400.0 million in cash when we repaid our Series A Debentures whereas in Q4/17 we received \$300.0 million in cash following the issuance of our Series D Debentures. The impact of this \$700.0 million decrease in cash was somewhat offset by a net increase in the issuance of Commercial Paper of almost \$200.0 million.
- In Q4/18, *Cash flows from investing activities* were higher than in Q4/17 when we used cash in investing activities. During Q4/17, there was a cash outflow of \$613.5 million related to the purchase of Trayport. The increase in cash was somewhat offset by an increase in additions to premises and equipment and intangible assets and lower proceeds on the sale of investments and businesses in Q4/18 compared with Q4/17.

Year ended December 31, 2018 Compared with Year ended December 31, 2017

The information below reflects the financial statements of TMX Group for the year ended December 31, 2018 compared with the year ended December 31, 2017. Certain comparative information has been reclassified in order to conform with the financial presentation adopted in the current year.

(in millions of dollars, except per share amounts)	Year ended December 31, 2018	Year ended December 31, 2017	\$ increase/ (decrease)	% increase/ (decrease)
Revenue	\$817.1	\$668.9	\$148.2	22%
Operating expenses	448.1	356.3	91.8	26%
Income from operations before acquisition costs	369.0	312.6	56.4	18%
Acquisition costs	0.0	13.8	(13.8)	(100)%
Income from operations	369.0	298.8	70.2	23%
Income from discontinued operations, net of tax	0.0	176.8	(176.8)	(100)%
Net income	286.0	368.0	(82.0)	(22%)
Earnings per share - from continuing operations ¹⁴				
Basic	5.14	3.46	1.68	49%
Diluted	5.10	3.43	1.67	49%
Earnings per share ¹⁵				
Basic	5.14	6.66	(1.52)	(23%)
Diluted	5.10	6.60	(1.50)	(23%)
Adjusted Earnings per share from continuing operations				
Basic	5.20	4.30	0.90	21%
Diluted	5.16	4.26	0.90	21%
Adjusted Earnings per share ¹⁶				
Basic	5.20	4.69	0.51	11%
Diluted	5.16	4.65	0.51	11%
Cash flows from operating activities	347.1	276.6	70.5	25%

Net income

Net income in the year ended December 31, 2018 was \$286.0 million, or \$5.14 per common share on a basic basis and \$5.10 per common share on a diluted basis, compared with a net income of \$368.0 million, or \$6.66 per common share on a basic and \$6.60 on a diluted basis, for the year ended December 31, 2017. Net income for 2017 included a gain of \$157.8 million from the sale of NGX and Shorcan Energy as well as a gain on FX forwards relating to the Trayport acquisition. In addition, net income for 2017 included income of \$19.1 million, net of tax, from January 1, 2017 to

¹⁴ Earnings per share from continuing operations is based on income from continuing operations, net of tax.

¹⁵ Earnings per share information is based on net income.

¹⁶ See discussion under the heading Non-IFRS Financial Measures.

December 14, 2017 for NGX and Shorcan Energy. However, net income for 2017 was reduced by acquisition costs on the purchase of Trayport and non-cash income tax adjustments relating to a change in the B.C. and U.S. corporate income tax rates. Net income for 2018 included a before and after tax gain on the sale of TMX FTSE of \$26.8 million, an after tax gain of \$0.9 million on the reduction in our shareholding in CanDeal, and an after tax gain of \$2.3 million on the sale of Contigo. In 2018, there was also a net income tax recovery on the gain on sale of NGX, which increased net income.

From an operational perspective, the net decrease in net income described above was partially offset by the impact from higher revenues across each operating segment of our business, which included \$111.7 million related to Trayport (acquired December 14, 2017). The increase was partially offset by higher operating expenses, including \$70.5 million related to Trayport. The overall decrease in basic and diluted earnings per share was also due to an increase in the number of weighted-average common shares outstanding in 2018 compared with 2017 and higher net finance costs.

Adjusted Earnings per Share¹⁷ and Adjusted Earnings per Share from continuing operations¹⁸
Reconciliation for Year ended December 31, 2018 and Year ended December 31, 2017

(unaudited)	Year ended December 31, 2018		Year ended December 31, 2017	
	Basic	Diluted	Basic	Diluted
Earnings per share from continuing operations ¹⁹	\$5.14	\$5.10	\$3.46	\$3.43
Adjustments related to:				
Amortization of intangibles related to acquisitions	0.68	0.68	0.45	0.44
Non-cash impairment charges (including product write-off in 2017) ²⁰	—	—	0.14	0.14
Increase in deferred income tax assets resulting from capital loss carryback ²¹	—	—	(0.04)	(0.04)
Write-off of deferred income tax assets ²²	—	—	0.05	0.05
Transaction related costs (including acquisition and finance costs) ²³	—	—	0.25	0.25
Net income tax recovery on gain on sale of NGX	(0.18)	(0.18)	—	—
Gain on sale of Contigo	(0.04)	(0.04)	—	—
Gain on sale of interest in TMX FTSE	(0.48)	(0.48)	—	—
Gain on reduction in our shareholding in CanDeal	(0.02)	(0.02)	—	—
Commodity tax provision	0.10	0.10	—	—
Gain on FX Forward ²⁴	—	—	(0.16)	(0.16)
Change in net deferred income tax assets/liabilities resulting from change to B.C. and U.S. corporate income tax rates	—	—	0.15	0.15
Total adjustments from continuing operations	\$0.06	\$0.06	\$0.84	\$0.83
Adjusted earnings per share from continuing operations ²⁵	\$5.20	\$5.16	\$4.30	\$4.26
Earnings per share	5.14	5.10	6.66	6.60
Total adjustments from continuing operations	0.06	0.06	0.84	0.83
Amortization of intangibles related to acquisitions (discontinued operations)	—	—	0.04	0.04
Gain on sale of NGX and Shorcan Energy (discontinued operations)	—	—	(2.85)	(2.82)
Adjusted earnings per share ²⁶	\$5.20	\$5.16	\$4.69	\$4.65
Weighted average number of common shares outstanding	55,635,123	56,093,543	55,285,668	55,730,437

¹⁷ See discussion under the heading Non-IFRS Financial Measures.

¹⁸ See discussion under the heading Non-IFRS Financial Measures.

¹⁹ Earnings per share from continuing operations is based on income from continuing operations, net of tax.

²⁰ Related to TMX Atrium impairment (9 cents), Agriclear impairment (3 cents), and product write-off (2 cents) in 2017.

²¹ Related to sale of Razor Risk.

²² Related to TMX Atrium Wireless.

²³ Includes costs related to the agreement to acquisition of Trayport in 2017 (24 cents), including finance costs (1 cent).

²⁴ Related to the acquisition of Trayport in 2017.

²⁵ See discussion under the heading Non-IFRS Financial Measures.

²⁶ See discussion under the heading Non-IFRS Financial Measures.

Adjusted diluted earnings per share from continuing operations increased by 21% from \$4.26 in the year ended December 31, 2017 to \$5.16 in the year ended December 31, 2018. The increase in adjusted diluted earnings per share from continuing operations reflected higher revenue which included \$111.7 million related to Trayport (acquired December 14, 2017). The increase in revenue was partially offset by higher operating expenses which included \$70.5 million related to Trayport. The increase in adjusted diluted earnings per share from continuing operations was partially offset by the impact from an increase in the number of weighted-average common shares outstanding in the year ended December 31, 2018 compared with the year ended December 31, 2017, and higher net finance costs.

For additional information on net Income and adjusted diluted earnings per share, see **Revenue, Operating expenses, and Additional Information** in our 2018 Annual MD&A.

FINANCIAL STATEMENTS GOVERNANCE PRACTICE

The Finance & Audit Committee of the Board of Directors of TMX Group (Board) reviewed this press release as well as the 2018 audited annual consolidated 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 2018 audited annual consolidated financial statements, MD&A and the contents of this press release were approved.

CONSOLIDATED FINANCIAL STATEMENTS

Our 2018 audited annual consolidated financial statements are prepared in accordance with IFRS 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 MATERIALS

TMX Group has filed its 2018 audited annual consolidated 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 include, but are not limited to, growth objectives; our target dividend payout ratio; the ability of TMX Group to de-leverage and the timing thereof; TMX Group's business integration initiative including the modernization of clearing platforms, including the expected cash expenditures related to the modernization of our clearing platforms and the anticipated cost savings resulting from this initiative and the timing of the modernization and the anticipated savings; other statements related to cost reductions; the impact of the decrease of market capitalization of TSX and TSXV issuers overall (from 2017 to 2018) net of changes to sustaining fees on TMX Group's revenue; anticipated increases to severance costs as a result of organizational changes, and the timing thereof; TMX Group's anticipated statutory income tax rate for 2019; factors relating to stock, and derivatives exchanges and clearing houses and the business, strategic goals and priorities, market conditions, pricing, proposed technology and other initiatives, financial results or 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 conditions or 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, including cyber-attacks; failure to properly identify or implement our strategies; regulatory constraints; constraints imposed by our level of indebtedness, risks of litigation or other proceedings; dependence on adequate numbers of customers; failure to develop, market or gain acceptance of new products; failure to effectively integrate acquisitions to achieve planned economics, or divest under-performing businesses; currency risk; adverse effect of new business activities; adverse effects from business divestitures; 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; the failure to realize cost reductions in the amount or the time frame anticipated; 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 exchange rates from Canadian dollars to the U.S. dollar or British pound sterling), commodities prices, 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.

In addition to the assumptions outlined above, forward looking information related to long term revenue cumulative average annual growth rate (CAGR) objectives, and long term adjusted earnings per share CAGR objectives are based on assumptions that include, but not limited to:

- TMX Group's success in achieving growth initiatives and business objectives;

- continued investment in growth businesses and in transformation initiatives including next generation post-trade systems;
- no significant changes to our effective tax rate, recurring revenue, and number of shares outstanding;
- moderate levels of market volatility;
- level of listings, trading, and clearing consistent with historical activity;
- economic growth consistent with historical activity;
- no significant changes in regulations;
- continued disciplined expense management across our business;
- continued re-prioritization of investment towards enterprise solutions and new capabilities; and
- free cash flow generation consistent with historical run rate.

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 2018 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, and fixed income. Toronto Stock Exchange, TSX Venture Exchange, TSX Alpha Exchange, The Canadian Depository for Securities, Montréal Exchange, Canadian Derivatives Clearing Corporation, Trayport, and other TMX Group companies provide listing markets, trading markets, clearing facilities, depository services, technology solutions, data products and other services to the global financial community. TMX Group is headquartered in Toronto and operates offices across North America (Montréal, Calgary, Vancouver, and New York), as well as in key international markets including London and Singapore. 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 Q4/18.

Time: 8:00 a.m. - 9:00 a.m. ET on Thursday, February 14, 2019.

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 pass code for the replay is 1649126.

For more information please contact:

Catherine Kee
Manager, Corporate Communications
TMX Group
416-814-8834
catherine.kee@tmx.com

Amanda Tang
Senior Manager, Investor Relations
TMX Group
416-947-4787
amanda.tang@tmx.com

TMX GROUP LIMITED

Consolidated Balance Sheets

(In millions of Canadian dollars)

(Unaudited)

	December 31, 2018	December 31, 2017
Assets		
Current assets:		
Cash and cash equivalents	\$ 175.1	\$ 175.0
Restricted cash and cash equivalents	131.4	116.3
Marketable securities	55.6	50.1
Trade and other receivables	105.9	102.3
Balances with Participants and Clearing Members	25,991.4	19,946.0
Other current assets	25.9	18.1
	26,485.3	20,407.8
Non-current assets:		
Goodwill and intangible assets	5,054.9	5,067.6
Other non-current assets	92.6	134.4
Deferred income tax assets	25.1	15.0
Total Assets	\$ 31,657.9	\$ 25,624.8
Liabilities and Equity		
Current liabilities:		
Trade and other payables	\$ 110.2	\$ 90.3
Participants' tax withholdings	131.4	116.3
Balances with Participants and Clearing Members	25,991.4	19,946.0
Debt	319.5	795.0
Other current liabilities	107.9	61.1
	26,660.4	21,008.7
Non-current liabilities:		
Debt	746.8	547.6
Other non-current liabilities	54.0	61.3
Deferred income tax liabilities	814.9	824.4
Total Liabilities	28,276.1	22,442.0
Equity:		
Share capital	2,938.0	2,915.5
Contributed surplus	12.3	11.8
Retained earnings	410.0	252.6
Accumulated other comprehensive income	21.5	2.9
Total Equity	3,381.8	3,182.8
Commitments and contingent liabilities		
Total Liabilities and Equity	\$ 31,657.9	\$ 25,624.8

TMX GROUP LIMITED

Consolidated Income Statements

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

	For the three months ended December 31,		For the year ended December 31,	
	2018	2017	2018	2017
Revenue	\$ 207.6	\$ 170.8	\$ 817.1	\$ 668.9
REPO interest:				
Interest income	63.0	29.5	197.7	78.4
Interest expense	(63.0)	(29.5)	(197.7)	(78.4)
Net REPO interest	—	—	—	—
Total revenue	207.6	170.8	817.1	668.9
Compensation and benefits	53.4	39.8	220.1	171.4
Information and trading systems	15.2	11.7	52.4	51.2
Selling, general and administration	24.0	23.6	105.3	82.1
Depreciation and amortization	18.0	11.9	70.3	51.6
Total operating expenses before acquisition costs	110.6	87.0	448.1	356.3
Income from operations before acquisition costs	97.0	83.8	369.0	312.6
Acquisition costs	—	13.4	—	13.8
Income from operations	97.0	70.4	369.0	298.8
Share of income from equity accounted investees	0.8	(0.4)	3.0	2.9
Impairment charges	—	(1.7)	—	(6.5)
Other income	3.9	—	30.7	—
Finance income (costs):				
Finance income	0.6	10.7	3.8	13.1
Finance costs	(11.0)	(7.4)	(44.2)	(28.1)
Net finance costs	(10.4)	3.3	(40.4)	(15.0)
Income before income tax expense and income from discontinued operations	91.3	71.6	362.3	280.2
Income tax expense	21.5	31.7	76.3	89.0
Income from continuing operations, net of tax	69.8	39.9	286.0	191.2
Income from discontinued operations, net of tax	—	162.4	—	176.8
Net income	\$ 69.8	\$ 202.3	\$ 286.0	\$ 368.0
Earnings per share:				
Income from continuing operations, net of tax - basic	\$ 1.25	\$ 0.72	\$ 5.14	\$ 3.46
Income from continuing operations, net of tax - diluted	\$ 1.24	\$ 0.72	\$ 5.10	\$ 3.43
Net income - basic	\$ 1.25	\$ 3.65	\$ 5.14	\$ 6.66
Net income - diluted	\$ 1.24	\$ 3.63	\$ 5.10	\$ 6.60

TMX GROUP LIMITED

Consolidated Statements of Comprehensive Income

(In millions of Canadian dollars)
(Unaudited)

	For the three months ended December 31,		For the year ended December 31,	
	2018	2017	2018	2017
Net income	\$ 69.8	\$ 202.3	\$ 286.0	\$ 368.0
Other comprehensive income (loss):				
Items that will not be reclassified to the consolidated income statements:				
Actuarial gain (loss) on defined benefit pension and other post-retirement benefit plans (net of tax)	0.9	(2.3)	0.9	(2.3)
Total items that will not be reclassified to the consolidated income statements	0.9	(2.3)	0.9	(2.3)
Items that may be reclassified subsequently to the consolidated income statements:				
Unrealized gain (loss) on translating financial statements of foreign operations	26.2	(13.5)	21.3	(16.4)
Reclassification to net income of foreign currency translation differences	—	—	(2.7)	—
Total items that may be reclassified subsequently to the consolidated income statements	26.2	(13.5)	18.6	(16.4)
Total comprehensive income	\$ 96.9	\$ 186.5	\$ 305.5	\$ 349.3

TMX GROUP LIMITED

Consolidated Statements of Changes in Equity

(In millions of Canadian dollars)

(Unaudited)

For the year ended December 31, 2018

	Share capital	Contributed surplus	Accumulated other comprehensive income	Retained earnings	Total equity
Balance at January 1, 2018	\$ 2,915.5	\$ 11.8	\$ 2.9	\$ 252.6	\$ 3,182.8
Adjustment on initial application of IFRS 15	—	—	—	(4.8)	(4.8)
Adjusted balance at January 1, 2018	2,915.5	11.8	2.9	247.8	3,178.0
Net income	—	—	—	286.0	286.0
Other comprehensive income (loss):					
Foreign currency translation differences	—	—	21.3	—	21.3
Reclassification to net income of foreign currency translation differences	—	—	(2.7)	—	(2.7)
Actuarial gains on defined benefit pension and other post-retirement benefit plans, net of taxes	—	—	—	0.9	0.9
Total comprehensive income	—	—	18.6	286.9	305.5
Dividends to equity holders	—	—	—	(124.7)	(124.7)
Proceeds from exercised share options	20.1	—	—	—	20.1
Cost of exercised share options	2.4	(2.4)	—	—	—
Cost of share option plan	—	2.9	—	—	2.9
Balance at December 31, 2018	\$ 2,938.0	\$ 12.3	\$ 21.5	\$ 410.0	\$ 3,381.8

TMX GROUP LIMITED

Consolidated Statements of Changes in Equity

(In millions of Canadian dollars)
(Unaudited)

For the year ended December 31, 2017

	Share capital	Contributed surplus	Accumulated other comprehensive income	Retained earnings (deficit)	Total equity
Balance at January 1, 2017	\$ 2,896.4	\$ 10.3	\$ 19.3	\$(5.3)	2,920.7
Net income	—	—	—	368.0	368.0
Other comprehensive loss:					
Foreign currency translation differences	—	—	(16.4)	—	(16.4)
Actuarial losses on defined benefit pension and other post-retirement benefit plans, net of taxes	—	—	—	(2.3)	(2.3)
Total comprehensive (loss) income	—	—	(16.4)	365.7	349.3
Dividends to equity holders	—	—	—	(107.8)	(107.8)
Proceeds from exercised share options	17.3	—	—	—	17.3
Cost of exercised share options	1.8	(1.8)	—	—	—
Cost of share option plan	—	3.3	—	—	3.3
Balance at December 31, 2017	\$ 2,915.5	\$ 11.8	\$ 2.9	\$ 252.6	3,182.8

TMX GROUP LIMITED

Consolidated Statements of Cash Flows

(In millions of Canadian dollars)
(Unaudited)

For the three months ended December 31,
For the year ended December 31,
2018 2017 2018 2017

Cash flows from (used in) operating activities:

Income (including discontinued operations) before income taxes	\$ 91.3	\$ 280.7	\$ 362.3	\$ 507.5
Adjustments to determine net cash flows:				
Depreciation and amortization	18.0	12.8	70.3	56.1
Impairment charges and write-offs	0.1	2.7	—	8.3
Gain on sale of NGX and Shorcan Energy before income taxes	—	(203.2)	—	(203.2)
Other income	(3.9)	—	(30.7)	—
Net finance costs	10.4	(3.9)	40.4	14.4
Share of income of equity accounted investees	(0.8)	0.4	(3.0)	(2.9)
Cost of share option plan	0.6	0.8	2.9	3.3
Employee defined benefits expense	0.8	0.6	3.3	3.8
Unrealized foreign exchange gains (losses)	3.9	(2.5)	1.4	(2.5)
Trade and other receivables, and prepaid expenses	(9.0)	(8.5)	(11.2)	(11.8)
Trade and other payables	7.1	10.3	23.4	0.8
Provisions	0.7	(0.5)	6.1	(7.9)
Deferred revenue	(25.7)	(17.6)	(0.2)	(2.8)
Other assets and liabilities	(1.5)	6.2	(2.5)	11.0
Cash paid for employee defined benefits	(0.5)	(0.7)	(2.3)	(2.2)
Income taxes paid	(23.1)	(18.2)	(113.1)	(95.3)
	68.4	59.4	347.1	276.6

Cash flows (used in) from financing activities:

Interest paid	(26.1)	(15.9)	(43.4)	(29.0)
Net settlement on derivative instruments	0.6	10.3	0.6	10.2
Reduction in obligations under finance leases	—	—	—	(0.1)
Proceeds from exercised options	0.8	1.3	20.1	17.3
Dividends paid to equity holders	(32.4)	(27.7)	(124.7)	(107.8)
Credit facility and debt financing fees	0.3	(2.0)	(1.1)	(2.0)
Repayment of debenture	(400.0)	—	(400.0)	—
Proceeds from issuance of debenture	—	300.0	200.0	300.0
Net movement of Commercial Paper	322.3	123.9	(76.6)	86.4
Credit and liquidity facilities drawn, net	(11.8)	(9.8)	—	(4.6)
	(146.3)	380.1	(425.1)	270.4

Cash flows (used in) from investing activities:

Interest received	0.6	1.2	3.8	3.6
Dividends received	—	—	8.2	0.5
Additions to premises and equipment and intangible assets	(14.0)	(9.5)	(58.8)	(39.6)
Marketable securities, net	21.1	26.7	(5.5)	11.7
Acquisition of Trayport and sale of NGX and Shorcan Energy, net of cash	5.8	(613.5)	5.8	(613.5)
Proceeds from sale of subsidiary	5.7	—	5.7	25.3
Proceeds from reduction/sale of equity accounted investees	7.8	—	78.2	—
	27.0	(595.1)	37.4	(612.0)

Decrease in cash and cash equivalents

Cash and cash equivalents, beginning of the period	185.2	331.3	175.0	240.6
Unrealized foreign exchange gains (losses) on cash and cash equivalents held in foreign currencies	1.0	(0.7)	0.9	(0.6)

Cash and cash equivalents, net, end of the period	\$ 135.3	\$ 175.0	\$ 135.3	\$ 175.0
--	-----------------	-----------------	-----------------	-----------------