



TMX Group Limited Reports Results for the Second Quarter 2013

- Revenue of \$182.3 million in Q2/13, up 6% compared with Q1/13
- Diluted earnings per share of 47 cents in Q2/13
- Adjusted diluted earnings per share of 89 cents in Q2/13, up 14% compared with Q1/13
- Adjusted diluted earnings per share of 89 cents excludes:
 - 22 cents per share charge related to the sale of PC-Bond and related income tax expense;
 - 5 cents per share charge related to an increase in deferred income tax liabilities resulting from the change in B.C. corporate income tax rate; and
 - 15 cents per share of amortization of intangible assets related to acquisitions

August 1, 2013 (TORONTO) – TMX Group Limited [TSX:X] (“TMX Group”) today announced results for the second quarter ended June 30, 2013.

Commenting on Q2/13, Thomas Kloet, Chief Executive Officer of TMX Group said:

“TMX Group made consistent operational and strategic progress in the second quarter. Our integration work with CDS and Alpha is advancing very well and we are working together to identify new opportunities to serve our customers by having listing, clearing and trading activities across multiple asset classes under common ownership. In parallel, we have strengthened our issuer services portfolio with the acquisition of Equity Financial’s transfer agency and corporate trust services business, and formed FTSE TMX Global Debt Capital Markets Limited, opening a new global growth opportunity in the fixed-income index business in which we hold a 25% interest.”

“While a general slowdown in capital markets activity in Canada has impacted our equities business, we benefited from the diversity of our portfolio as revenue from Montreal Exchange and CDCC continued to grow sequentially. We continue to promote Canadian capital markets on the global stage and are focused on attracting both global issuers and investors to our exchanges. We believe the group is well positioned for the future and is making the necessary investments to drive our global competitiveness while appropriately managing our cost base.”

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

“The 6% sequential improvement in our revenues over Q1/13 reflects an increase in initial and additional listing fee revenue, the positive contribution of the business acquired from Equity Financial, higher derivatives trading and clearing revenue, somewhat offset by the reduction in revenue following the sale of PC-Bond. This contributed to a 14% sequential increase in adjusted diluted earnings per share.”

“Operationally, we remain highly focused on achieving maximum cost synergies from the integration of TMX Group Inc., CDS, and Alpha. In parallel, we are working across the organization to identify cost reduction opportunities to both reflect the current business environment and help fund important development opportunities to enhance our business and competitive position.”

Important Information

TMX Group completed the acquisition of TMX Group Inc. on September 14, 2012 and the acquisitions of The Canadian Depository for Securities Limited (CDS) and Alpha Trading Systems Inc. and Alpha Trading Systems Limited Partnership (collectively, Alpha) on August 1, 2012 (collectively, the Maple Transaction). The TMX Group condensed consolidated interim financial statements (the financial statements) have been prepared in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB) and include the operating results of TMX Group Inc., CDS, and Alpha. Comparative financial statements for, and as at, the quarter and six months ended June 30, 2012 include TMX Group Limited only.

Maple Group Acquisition Corporation (Maple), as TMX Group was then named, was an acquisition corporation formed solely for the purpose of pursuing the Maple Transaction. The most significant aspect of the Maple Transaction was the purchase of TMX Group Inc., which was a publicly traded company. Prior to the completion of the acquisitions of CDS and Alpha on August 1, 2012 and the initial take up of 80% of the common shares of TMX Group Inc. on July 31, 2012 under the Maple offer, Maple had no material assets and no history of earnings and had not commenced commercial operations. The approach taken in this press release is intended to provide readers with a more complete view of the operating performance of TMX Group. Therefore, TMX Group's revenue, operating expenses, and net income (loss) attributable to non-controlling interests for the quarter and six months ended June 30, 2013 are compared with TMX Group Inc. for the quarter and six months ended June 30, 2012. Management believes that this is the most meaningful presentation for the purpose of discussion of revenue, operating expenses and net income (loss) attributable to non-controlling interests.

Three and Six Months Ended June 30, 2013 Compared With Three and Six Months Ended June 30, 2012

The information in the chart below reflects financial information for TMX Group Limited for the three and six months ended June 30, 2013, including the operating results of TMX Group Inc., CDS, Alpha, and their respective subsidiaries. The comparative financial information for the three and six months ended June 30, 2012 includes only the accounts of TMX Group Limited.

For the reasons outlined in the section above, management believes that the historical information for TMX Group Limited in this table will be of limited use to investors and other users of our financial information in evaluating the operating performance of our company for the comparative periods.

Summary of Financial Information

(in millions of dollars, except per share amounts)
(unaudited)

	Q2/13	Q2/12	\$ Increase
Revenue	\$182.3	-	\$182.3
Operating expenses	\$115.0	-	\$115.0
Net income (loss) attributable to TMX Group shareholders	\$25.5	\$(28.4)	\$53.9
Earnings/(loss) per share [∇] :			
Basic	\$0.47	\$(33.99)	\$34.46
Diluted	\$0.47	\$(33.99)	\$34.46
Cash flows from (used in) operating activities	\$80.4	\$(5.5)	\$85.9

(in millions of dollars, except per share amounts)
(unaudited)

	1H/13	1H/12	\$ Increase
Revenue	\$354.5	-	\$354.5
Operating expenses	\$227.0	-	\$227.0
Net income (loss) attributable to TMX Group shareholders	\$63.3	-	\$63.3
Earnings/(loss) per share [∇] :			
Basic	\$1.17	\$(45.13)	\$46.30
Diluted	\$1.17	\$(45.13)	\$46.30
Cash flows from (used in) operating activities	\$138.1	\$(35.2)	\$173.3

Non-IFRS Financial Measure

Adjusted earnings per share and adjusted diluted earnings per share provided below 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 operating performance exclusive of a number of adjustments that are not indicative of underlying business performance. These adjustments include Maple Transaction and integration costs, an adjustment related to the sale of PC-Bond and related income tax expense, the increase in deferred income tax liabilities resulting from the change in B.C. corporate income tax rate, and the amortization of intangible assets related to acquisitions. Management uses these measures to assess our financial performance, including our ability to generate cash, exclusive of these costs, and to enable comparability across periods.

[∇] Earnings (loss) per share information is based on net income (loss) attributable to TMX Group shareholders.

Adjusted Earnings per Share Reconciliation for Q2/13 and Q2/12^o

The following is a reconciliation of earnings/(loss) per share to adjusted earnings per share^o:

	Q2/13		Q2/12	
	Basic	Diluted	Basic	Diluted
Earnings/(loss) per share [∇]	\$0.47	\$0.47	\$(33.99)	\$(33.99)
Adjustment:				
Adjustment related to the sale of PC-Bond and related income tax expense	\$0.22	\$0.22	-	-
Adjustment related to increase in deferred income tax liabilities resulting from the change in B.C. corporate income tax rate	\$0.05	\$0.05	-	-
Adjustment related to amortization of intangibles related to acquisitions	<u>\$0.15</u>	<u>\$0.15</u>	=	=
Adjusted earnings (loss) per share ^o	<u>\$0.89</u>	<u>\$0.89</u>	<u>\$(33.99)</u>	<u>\$(33.99)</u>

Weighted average number of basic common shares outstanding in Q2/13 was 54,078,739

Weighted average number of diluted common shares outstanding in Q2/13 was 54,135,173

Weighted average number of basic and diluted common shares outstanding in Q2/12 was 835,702

^o See discussion under the heading **Non-IFRS Financial Measure**.

[∇] Earnings (loss) per share information is based on net income (loss) attributable to TMX Group shareholders.

Adjusted Earnings per Share Reconciliation for 1H/13 and 1H/12^o

The following is a reconciliation of earnings/(loss) per share to adjusted earnings per share^o:

	1H/13		1H/12	
	Basic	Diluted	Basic	Diluted
Earnings/(loss) per share [∇]	\$1.17	\$1.17	\$(45.13)	\$(45.13)
<i>Adjustment:</i>				
Adjustment related to Maple Transaction and integration costs	\$0.03	\$0.03	-	-
Adjustment related to the sale of PC-Bond and related income tax expense	\$0.11	\$0.11	-	-
Adjustment related to increase in deferred income tax liabilities resulting from the change in B.C. corporate income tax rate	\$0.05	\$0.05	-	-
Adjustment related to amortization of intangibles related to acquisitions	<u>\$0.31</u>	<u>\$0.31</u>	-	-
Adjusted earnings (loss) per share ^o	<u>\$1.67</u>	<u>\$1.67</u>	<u>\$(45.13)</u>	<u>\$(45.13)</u>

Weighted average number of basic common shares outstanding in 1H/13 was 53,988,933

Weighted average number of diluted common shares outstanding in 1H/13 was 54,101,181

Weighted average number of basic and diluted common shares outstanding in 1H/12 was 727,371

Supplementary Information For Three Months Ended June 30, 2013 Compared With Three Months Ended June 30, 2012

The following table contains TMX Group Limited revenue and operating expenses, income from operations and net income attributable to non-controlling interests which include the accounts of TMX Group Limited and the operating results of TMX Group Inc. and its subsidiaries and the operating results of CDS and Alpha and their subsidiaries for the period from April 1, 2013 to June 30, 2013. In order to provide a meaningful discussion of the results of operations in this press release, we have compared TMX Group Limited consolidated revenue and operating expenses, income from operations and net income attributable to non-controlling interests for Q2/13 with TMX Group Inc. information for Q2/12. This approach is similar to how the results would be reported if TMX Group Inc. was the acquirer of CDS and Alpha.

This Q2/12 information differs from the TMX Group Limited consolidated financial statements. The TMX Group Limited consolidated financial statements reflect only the accounts of TMX Group Limited during Q2/12.

^o See discussion under the heading **Non-IFRS Financial Measure**.

[∇] Earnings (loss) per share information is based on net income (loss) attributable to TMX Group shareholders.

(In millions of dollars) (Unaudited)

	TMX Group Limited Q2/13	TMX Group Inc. Q2/12 [◊]
Revenue:		
Issuer services	\$ 51.9	\$ 51.3
Trading, clearing, depository and related Information services	80.0	64.8
Technology services and other	43.6	43.8
REPO interest:	6.8	7.6
Interest income	18.7	8.9
Interest expense	(18.7)	(8.9)
Net REPO interest	-	-
Total revenue	182.3	167.5
Operating Expenses:		
Compensation and benefits	52.3	39.7
Information and trading systems	19.1	13.3
General and administration	25.6	20.3
Depreciation and amortization	18.0	9.0
Total operating expenses	115.0	82.3
Income from operations	67.3	85.2
Net income attributable to non-controlling interests	0.3	7.5

Revenue

Revenue was \$182.3 million in Q2/13, up \$14.8 million, or 9% compared with \$167.5 million[◊] in Q2/12 reflecting the inclusion of \$31.0 million of revenue from CDS, Alpha, and from April 5, 2013, Equity Transfer Services Inc. (Equity Transfer) following the acquisition of the transfer agent and corporate trust services business of Equity Financial Holdings Inc. The increase was partially offset by lower revenue from additional listing fees and BOX Market LLC (BOX), as well as the reduction in revenue following the sale of PC-Bond on April 5, 2013. In addition, during Q2/12, revenue was higher due to the one-time receipt of approximately \$5.0 million from Investment Industry Regulatory Organization of Canada (IIROC).

Operating Expenses

Operating expenses in Q2/13 were \$115.0 million, up \$32.7 million or 40%, from \$82.3 million[◊] due to the additional operating expenses included from acquisitions. The increase was largely attributable to \$32.4 million of combined expenses from CDS, Alpha, and Equity Transfer, including \$9.2 million related to the incremental amortization of intangible assets related to TMX Group's acquisitions of TMX Group Inc., CDS, Alpha, and Equity Transfer.

Net Income Attributable to Non-Controlling Interests

MX holds a 53.8% ownership interest in BOX. The results for BOX are consolidated in our Condensed Consolidated Interim Income Statement. Net income attributable to non-controlling interests represents the other BOX members' share of BOX's income or loss for the period. In Q2/12, the net income attributable to non-controlling interests included their share of a non-cash reversal of an impairment loss

[◊] TMX Group Inc. results for April 1, 2012 to June 30, 2012.

of \$6.2 million on an intangible asset. In addition, prior to May 14, 2012, BOX received Options Regulatory Fees.

Supplementary Information For Six Months Ended June 30, 2013 Compared With Six Months Ended June 30, 2012

The following table contains TMX Group Limited revenue and operating expenses, income from operations and net income attributable to non-controlling interests which include the accounts of TMX Group Limited and the operating results of TMX Group Inc. and its subsidiaries and the operating results of CDS and Alpha and their subsidiaries for the period from January 1, 2013 to June 30, 2013 (1H/13). In order to provide a meaningful discussion of the results of operations in this press release, we have compared TMX Group Limited consolidated revenue and operating expenses, income from operations and net income (loss) attributable to non-controlling interests for 1H/13 with TMX Group Inc. information for 1H/12. This approach is similar to how the results would be reported if TMX Group Inc. was the acquirer of CDS and Alpha.

This 1H/12 information differs from the TMX Group Limited consolidated financial statements. The TMX Group Limited consolidated financial statements reflect only the accounts of TMX Group Limited during 1H/12.

(In millions of dollars) (Unaudited)

	TMX Group Limited 1H/13	TMX Group Inc. 1H/12*
Revenue:		
Issuer services	\$ 94.6	\$ 101.5
Trading, clearing, depository and related Information services	155.7	130.2
Technology services and other	91.5	86.6
REPO interest:		
Interest income	12.7	11.5
Interest expense	39.4	9.7
Net REPO interest	(39.4)	(9.7)
Total revenue	-	-
Total revenue	354.5	329.8
Operating Expenses:		
Compensation and benefits	105.6	80.0
Information and trading systems	38.1	28.1
General and administration	47.0	40.4
Depreciation and amortization	36.3	16.9
Total operating expenses	227.0	165.4
Income from operations	127.5	164.4
Net income (loss) attributable to non-controlling interests	(0.1)	9.3

* TMX Group Inc. results for January 1, 2012 to June 30, 2012.

Revenue

Revenue was \$354.5 million in 1H/13, up \$24.7 million or 7%, compared with \$329.8 million* in 1H/12 reflecting the inclusion of \$58.1 million of revenue from CDS, Alpha, and from April 5, 2013, Equity Transfer. The increase was partially offset by lower revenue from initial and additional listing fees, cash markets trading on Toronto Stock Exchange and TSX Venture Exchange, and BOX, as well as the reduction in revenue following the sale of PC-Bond on April 5, 2013. In addition, during 1H/12, revenue was higher due to the one-time receipt of approximately \$5.0 million from IIROC.

Operating Expenses

Operating expenses in 1H/13 were \$227.0 million, up \$61.6 million or 37%, from \$165.4 million* due to the additional operating expenses included from acquisitions. The increase was largely attributable to \$63.6 million of combined expenses from CDS, Alpha, and Equity Transfer, including \$18.9 million related to the incremental amortization of intangible assets related to TMX Group's acquisitions of TMX Group Inc., CDS, Alpha, and Equity Transfer.

Net Income (Loss) Attributable to Non-Controlling Interests

MX holds a 53.8% ownership interest in BOX. The results for BOX are consolidated in our Condensed Consolidated Interim Income Statement. Net income (loss) attributable to non-controlling interests represents the other BOX members' share of BOX's income or loss for the period. In 1H/12, the net income attributable to non-controlling interests included their share of a non-cash reversal of an impairment loss of \$6.2 million on an intangible asset. In addition, prior to May 14, 2012, BOX received Options Regulatory Fees.

Three Months Ended June 30, 2013 Compared With Three Months Ended March 31, 2013

Revenue

Revenue in Q2/13 was 6% higher than in Q1/13 primarily due to higher other issuer services revenue, including Equity Transfer (acquired April 5, 2013), higher initial and additional listing fee revenue, and higher derivatives markets trading and clearing revenue, somewhat offset by lower information services revenue following the sale of PC-Bond on April 5, 2013.

Operating Expenses

Operating expenses in Q2/13 increased slightly over Q1/13 primarily due to the inclusion of Equity Transfer and an increase in general and administration expenses.

Income from Operations

Income from operations of \$67.3 million increased by 12% reflecting the 6% increase in revenue, partially offset by a 3% increase in operating expenses.

* TMX Group Inc. results for January 1, 2012 to June 30, 2012.

Financial Statements Governance Practice

The Finance & Audit Committee of the Board of Directors of TMX Group reviewed this press release as well as the Q2/13 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 Q2/13 financial statements, MD&A and the contents of this press release were approved.

Condensed Consolidated Interim Financial Statements

Our Q2/13 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 Q2/13 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. For Adjusted Earnings per Share Reconciliation for Q1/13, refer to our Q1/13 MD&A dated May 9, 2013. 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 shareholder@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; 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.

This press release also contains information regarding the intention to integrate the business of TMX Group Inc. with CDS and Alpha and the anticipated benefits and synergies from the acquisitions of CDS and Alpha. This is forward looking information as defined in applicable Canadian securities legislation. This information is subject to the assumptions outlined in the following paragraphs. In addition to the risk factors outlined above, this information is subject to the following risks: the inability to successfully integrate TMX Group Inc.'s operations with those of Alpha and CDS including, without limitation incurring and/or experiencing unanticipated costs and/or delays or difficulties; inability to reduce headcount, eliminate or consolidate contracts, technology, physical accommodations or other operating expenses; and the failure to realize the anticipated benefits from the acquisitions of TMX Group Inc., Alpha and CDS, including the fact that synergies are not realized in the amount or the time frame anticipated or at all.

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 2012 Annual MD&A.

About TMX Group (TSX:X)

TMX Group's key subsidiaries operate cash and derivative markets and clearing houses for multiple asset classes including equities, fixed income and energy. Toronto Stock Exchange, TSX Venture Exchange, TMX Select, Alpha Group, The Canadian Depository for Securities, Montreal Exchange, Canadian Derivatives Clearing Corporation, Natural Gas Exchange, BOX Options Exchange, Shorcan, Shorcan Energy Brokers, Equicom 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 (Montreal, Calgary and Vancouver), in key U.S. markets (New York, Houston, Boston and Chicago) as well as in London, Beijing and Sydney. For more information about TMX Group, visit our website at www.tmx.com. Follow TMX Group on Twitter at <http://twitter.com/tmxgroup>.

Teleconference / Audio Webcast

TMX Group will host a teleconference / audio webcast to discuss the financial results for Q2/13.

Time: 8:00 a.m. - 9:00 a.m. EDT on Thursday, August 1, 2013.

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 15964635.

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