TMX Group Inc. Reports Results for the Second Quarter 2012

- Revenue of $167.5 million in Q2/12, down 1% from Q2/11, and up 3% from Q1/12
- Diluted earnings per share of 2 cents in Q2/12 after 79 cents of Maple and LSEG related costs, net impairment charges and tax adjustments
- Adjusted diluted earnings per share of 81 cents in Q2/12, down 14% from Q2/11, and up 7% from Q1/12
- Revenue of $329.8 million in the first half of 2012, down 4% compared with the first half of 2011
- 1H/12 diluted earnings per share of 78 cents after 78 cents of Maple and LSEG related costs, net impairment charges and tax adjustments
- Adjusted diluted earnings per share in 1H/12 of $1.56, down 18% from 1H/11

July 27, 2012 (TORONTO) – TMX Group Inc. [TSX:X] announced results for the second quarter ended June 30, 2012.

Commenting on this quarter's performance, Tom Kloet, Chief Executive Officer of TMX Group said:

"TMX Group advanced its strategic and operational goals at a time of continued uncertainty in global markets. While these macroeconomic conditions impacted our financial performance we benefited from the asset-class diversity of our business. In the derivatives segment, volumes on Montréal Exchange and Boston Options Exchange are ahead of the same period last year, somewhat offsetting revenue declines in our cash markets business."

Commenting on the Maple transaction, Mr. Kloet added:

"We are moving forward with the Maple transaction and look forward to a successful conclusion of the tendering process on July 31. The transaction provides value for shareholders, expands the business and enhances our international competitiveness. We are focused on providing additional benefits to Canadian participants and capital markets, and have begun work on the required integration planning with CDS and Alpha."

Michael Ptasznik, Chief Financial Officer of TMX Group said, "From an operational perspective, we were pleased with the sequential improvement in both revenues and adjusted diluted earnings per share. With the exception of cash markets trading revenue, we experienced sequential growth across our business, and at the same time realized a modest reduction in operating expenses."

Summary of Financial Information

(in millions of dollars, except per share amounts)

	Q2/12	Q2/11	$ Increase/ (decrease)	% Increase/ (decrease)
Revenue	$167.5	$169.3	($1.8)	(1%)
Operating expenses	$82.3	$71.5	$10.8	15%
Net income attributable to TMX Group shareholders	$1.8	$54.7	($52.9)	(97%)
Earnings per share[∇]*:*				
Basic	$0.02	$0.73	($0.71)	(97%)
Diluted	$0.02	$0.73	($0.71)	(97%)
Cash flows from operating activities	$ 113.6	$ 107.2	$6.4	6%

The decrease in net income attributable to TMX Group shareholders was due to:

- $54.4 million (pre-tax) of costs related to the Maple Group Acquisition Corporation's (Maple) proposed acquisition of TMX Group and the proposed merger with London Stock Exchange Group (LSEG) (Maple and LSEG related costs), including a $29.0 million fee to LSEG and $23.4 million of success fees to our financial advisors, payable in both cases upon Maple's initial take-up of TMX Group shares under the Maple offer, as well as legal, advisory and other costs incurred. (In Q2/11, net income was reduced by $20.8 million (pre-tax) of Maple and LSEG related costs.)

- Net impairment charges of $31.2 million, including a $44.6 million (pre-tax) non-cash write-down related to all of the intangible assets of NTP, partially offset by a $13.4 million non-cash reversal of an impairment loss on the intangible asset related to BOX, of which $7.2 million is attributable to TMX Group shareholders (see **Net Impairment Charges**).

- Lower revenue from issuer services and cash markets trading, partially offset by higher revenue from derivatives markets trading and clearing, technology services and other, including approximately $5.0 million related to the termination of our contract with Investment Industry Regulatory Organization of Canada (IIROC), as well as information services.

- Higher overall operating expenses.

These decreases in net income were offset by:

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

- A $32.2 million decrease in income tax expense compared with Q2/11 primarily due to our significantly reduced net income and the impact from the recognition of deferred income tax assets related to BOX (see **Income Tax (Recovery) Expense**).

Cash Flows from Operating Activities were $113.6 million in Q2/12, which were net of $1.2 million of cash outlays pertaining to Maple related costs, compared with $107.2 million of cash flows from operating activities in Q2/11, which were net of $13.1 million of cash outlays pertaining to LSEG and Maple related costs.

Adjusted Earnings per Share Reconciliation for Q2/12 and Q2/11**

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

	Q2/12		Q2/11	
	Basic	**Diluted**	**Basic**	**Diluted**
Earnings per share attributable to TMX Group shareholders	$0.02	$0.02	$0.73	$0.73
Adjustment related to Maple and LSEG related costs, net of income tax	$0.54	$0.53	$0.21	$0.21
Adjustment related to non-cash impairment of intangible assets related to NTP, net of income tax	$0.45	$0.45	-	-
Adjustment related to non-cash reversal of an impairment loss on the intangible asset related to BOX	($0.10)	($0.10)	-	-
Impact of the recognition of deferred income tax assets related to BOX	($0.09)	($0.09)	-	-
*Adjusted earnings per share***	$0.82	$0.81	$0.94	$0.94

Adjusted earnings per share** of $0.82 per common share ($0.81 on a diluted basis) was lower than adjusted earnings per share of $0.94 per common share on a basic and diluted basis for Q2/11. The decrease in adjusted earnings per share was due to lower revenue from issuer services and cash markets trading, partially offset by higher revenue from derivatives markets trading and clearing, technology services and other, as well as information services. The decrease in adjusted earnings per share was also due to higher overall operating expenses.

** The terms adjusted earnings per share and adjusted diluted earnings per share 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 *Maple and LSEG related costs*, non-cash impairment charges on intangible assets related to NTP, a non-cash reversal of an impairment loss on the intangible asset related to BOX, and the impact of the recognition of deferred income tax assets related to BOX in Q2/12, net of tax where applicable. Management uses these measures to assess our financial performance exclusive of these costs and to enable comparability across periods.

Somewhat offsetting these decreases, there was a reduction in income tax expense in Q2/12 compared with Q2/11 due to lower income from operations.

Summary of Financial Information

(in millions of dollars, except per share amounts)

	1H/12	**1H/11**	**$ Increase/ (decrease)**	**% Increase/ (decrease)**
Revenue	$329.8	$344.0	($14.2)	(4%)
Operating expenses	$ 165.4	$ 148.6	$16.8	11%
Net income attributable to TMX Group shareholders	$58.6	$117.8	($59.2)	(50%)
Earnings per share[▽]*:*				
Basic	$0.78	$1.58	($0.80)	(51%)
Diluted	$0.78	$1.57	($0.79)	(50%)
Cash flows from operating activities	$ 125.8	$ 179.3	($53.5)	(30%)

The decrease in net income attributable to the TMX Group shareholders was due to:

- $54.9 million (pre-tax) of Maple and LSEG related costs, including a $29.0 million fee to LSEG and $23.4 million of success fees to our financial advisors, payable in both cases upon Maple's initial take-up of TMX Group shares under the Maple offer, as well as legal, advisory and other costs incurred. (In 1H/11, net income was reduced by $29.1 million (pre-tax) of Maple and LSEG related costs.)

- Net impairment charges of $31.2 million, including a $44.6 million (pre-tax) non-cash write-down related to all of the intangible assets of NTP, partially offset by a $13.4 million non-cash reversal of an impairment loss on the intangible asset related to BOX, of which $7.2 million is attributable to TMX Group shareholders (see **Net Impairment Charges**).

- Lower revenue from issuer services and cash markets trading, partially offset by higher revenue from derivatives markets trading and clearing, technology services and other, including approximately $5.0 million related to the termination of our contract with IIROC, as well as information services.

- Higher overall operating expenses.

These decreases in net income were offset by:

- A $36.7 million decrease in income tax expense primarily due to our significantly reduced net income and the impact from the recognition of deferred income tax asset related to BOX (see **Income Tax (Recovery) Expense**).

[▽] Earnings per share information is based on net income attributable to TMX Group shareholders.

Cash Flows from Operating Activities were $125.8 million in 1H/12, which were net of $5.3 million of cash outlays pertaining to Maple related costs, compared with $179.3 million of cash flows from operating activities in 1H/11, which were net of $14.3 million of cash outlays pertaining to Maple and LSEG related costs.

Adjusted Earnings per Share Reconciliation for 1H/12 and 1H/11**

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

	1H/12		1H/11	
	Basic	**Diluted**	**Basic**	**Diluted**
Earnings per share attributable to TMX Group shareholders	$0.78	$0.78	$1.58	$1.57
Adjustment related to Maple and LSEG related costs, net of income tax	$0.54	$0.54	$0.29	$0.29
Adjustment related to non-cash impairment of intangible assets related to NTP, net of income tax	$0.45	$0.44	-	-
Adjustment related to non-cash reversal of an impairment loss on the intangible asset related to BOX	($0.10)	($0.10)	-	-
Impact of the recognition of deferred income tax assets related to BOX	($0.10)	($0.10)	-	-
Adjustment related to commodity tax adjustment net of income tax*	-	-	$0.05	$0.05
*Adjusted earnings per share***	$1.57	$1.56	$1.92	$1.91

Adjusted earnings per share** of $1.57 per common share ($1.56 on a diluted basis) was lower than adjusted earnings per share of $1.92 per common share ($1.91 on a diluted basis) for 1H/11. The decrease in adjusted earnings per share was due to lower revenue from issuer services and cash markets trading, partially offset by higher revenue from derivatives markets trading and clearing, technology services and other, as well as information services. The decrease in adjusted earnings per share was also due to higher overall operating expenses.

** The terms adjusted earnings per share and adjusted diluted earnings per share 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 *Maple* and *LSEG related costs*, non-cash impairment charges on intangible assets related to NTP, a non-cash reversal of an impairment loss on the intangible asset related to BOX, the impact of the recognition of deferred income tax assets related to BOX in 1H/12 and a commodity tax adjustment reported in 1H/11, each net of tax. Management uses these measures to assess our financial performance exclusive of these costs and to enable comparability across periods.

* See "General and Administration" section.

Somewhat offsetting these decreases, there was a reduction in income tax expense in 1H/12 compared with 1H/11 due to lower income from operations.

Selected Segmented Financial Information

(in millions of dollars)

	Cash Markets and Other (includes Maple and LSEG related costs)	Derivatives Markets - MX, CDCC and BOX[+]	Energy Markets – NGX and Shorcan Energy Brokers[++]	Total
Q2/12				
Revenue	$118.1	$38.1	$11.3	$167.5
Net income (loss) attributable to TMX Group shareholders	$9.3	$22.7	($30.2)	$1.8
Q2/11				
Revenue	$127.0	$31.6	$10.7	$169.3
Net income attributable to TMX Group shareholders	$43.0	$9.5	$2.2	$54.7

	Cash Markets and Other (includes Maple and LSEG related costs)	Derivatives Markets - MX, CDCC and BOX	Energy Markets – NGX and Shorcan Energy Brokers	Total
1H/12				
Revenue	$234.1	$73.1	$22.6	$329.8
Net income (loss) attributable to TMX Group shareholders	$55.1	$30.9	($27.4)	$58.6
1H/11				
Revenue	$258.9	$63.0	$22.1	$344.0
Net income attributable to TMX Group shareholders	$94.8	$17.7	$5.3	$117.8

[+] Includes a non-cash reversal of an impairment loss on the intangible asset related to BOX and recognition of deferred income tax assets related to BOX

[++] Includes non-cash impairment of intangible assets related to NTP.

QUARTER ENDED JUNE 30, 2012 COMPARED WITH QUARTER ENDED JUNE 30, 2011

Revenue

Revenue was $167.5 million in Q2/12, down $1.8 million, or 1% compared with $169.3 million for Q2/11, reflecting lower revenue from issuer services and cash markets trading. These decreases were partially offset by increased revenue from derivatives markets trading and clearing, technology services and other (including revenue from Razor Risk Technologies Limited (Razor Risk), consolidated from February 14, 2012) and information services (including revenue from TMX Atrium, acquired July 29, 2011).

Issuer services revenue

(in millions of dollars)

	Q2/12	Q2/11	$ (decrease)	% (decrease)
Initial listing fees	$4.4	$ 8.5	($ 4.1)	(48%)
Additional listing fees	$ 25.9	$ 32.0	($ 6.1)	(19%)
Sustaining listing fees	$ 17.3	$ 18.6	($ 1.3)	(7%)
Other issuer services	$ 3.7	$ 3.9	($ 0.2)	(5%)
Total	$ 51.3	$ 63.0	($ 11.7)	(19%)

- *Initial listing fees* in Q2/12 were lower primarily due to a decrease in the number and value of new listings on Toronto Stock Exchange compared with Q2/11.

- *Additional listing fees* in Q2/12 decreased compared with Q2/11 primarily due to a decrease in the number and value of additional financings on TSX Venture Exchange and Toronto Stock Exchange.

- Issuers listed on Toronto Stock Exchange and TSX Venture Exchange pay annual sustaining listing fees primarily based on their market capitalization at the end of the prior calendar year, subject to minimum and maximum fees. The decrease in sustaining listing fees was due to the overall lower market capitalization of listed issuers on both exchanges at the end of 2011 compared with the end of 2010. The decrease was also due to a reduction in certain fees effective January 1, 2012.

Trading, clearing and related revenue

(in millions of dollars)

	Q2/12	Q2/11	$ increase/ (decrease)	% increase/ (decrease)
Cash markets revenue	$ 20.9	$ 25.0	($ 4.1)	(16%)
Derivatives markets revenue	$ 32.6	$ 26.8	$ 5.8	22%
Energy markets revenue	$ 11.3	$ 10.8	$ 0.5	5%
Total	$ 64.8	$ 62.6	$ 2.2	4%

Cash Markets

- *Cash markets* equity trading revenue decreased primarily due to a 41% decrease in the volume of securities traded on TSX Venture Exchange in Q2/12 compared with Q2/11 (9.63 billion securities in Q2/12 versus 16.37 billion securities traded in Q2/11) and a 17% decrease in the volume of securities traded on Toronto Stock Exchange in Q2/12 compared with Q2/11 (20.53 billion securities in Q2/12 versus 24.60 billion securities in Q2/11). *Cash markets* revenue also included revenue from TMX Select, which was launched in July 2011 (0.7 billion securities traded in Q2/12). Total volume traded on our combined equity markets was down 25% compared with the same period last year. This was in line with the decline across all Canadian marketplaces.

- The decrease was also as a result of changes to our market making fee schedule for Toronto Stock Exchange, effective October 1, 2011, which included introducing monthly credits.

- The decrease in overall *cash markets* revenue also reflected a price decrease in Shorcan fixed income trading that was effective April 18, 2012 and a change in product mix, somewhat offset by higher volumes in Q2/12 compared with Q2/11.

Derivatives Markets

- The increase in *derivatives markets* revenue reflects higher revenues from BOX primarily as a result of a 55% increase in BOX volumes (41.33 million contracts in Q2/12 versus 26.73 million contracts traded in Q2/11).

- The increase in *derivatives markets* revenue also reflects an increase in trading and clearing revenue from MX and CDCC. Volumes increased by 10% over Q2/11 (17.88 million contracts traded in Q2/12 versus 16.27 million contracts traded in Q2/11) reflecting increased trading across all major products. The increase in revenue was partially offset by the impact of price changes since Q2/11. Open interest was up 6% at June 30, 2012 compared with June 30, 2011.

- *Derivatives markets* revenue for Q2/12 also includes fees earned by CDCC for providing the clearing service on REPO transactions as well as bank fees that are charged back to Clearing Members (see ***Other Credit and Liquidity Facilities and Guarantee***). This service was launched on February 21, 2012.

Energy Markets

- The increase in energy markets revenue reflects an 8% increase in total energy volume[#] traded on NGX (3.81 million terajoules in Q2/12 compared to 3.54 million terajoules in Q2/11), primarily due to an 8% increase in natural gas volumes.

- NGX crude oil volumes (previously NTP's business) were lower due to limited acceptance of NGX's clearing services and increased competition from voice brokers, including from Shorcan Energy Brokers, a wholly-owned subsidiary of Shorcan. This decrease in NGX crude oil revenue was essentially offset by higher revenue from Shorcan Energy Brokers driven by higher volumes in Q2/12 compared with Q2/11. During Q2/12, we recorded a non-cash impairment charge on the intangible assets related to NTP (see **Net Impairment Charges**).

Information services revenue

(in millions of dollars)

Q2/12	Q2/11	$ increase	% increase
$ 43.8	$ 40.4	$3.4	8%

- The increase was primarily due to the inclusion and growth in revenue from TMX Atrium, acquired July 29, 2011, and higher revenue from co-location services, data feeds, index licensing and PC-Bond. The increase was also due to higher revenue recoveries related to under-reported usage of real-time quotes in prior periods during Q2/12 compared with Q2/11.

- There was an 8% increase in the average number of MX market data subscriptions[+] (27,195 MX market data subscriptions in Q2/12 compared with 25,202 in Q2/11), and a price increase effective April 1, 2012.

- The increases were partially offset by net price reductions on TSX market data subscriptions effective October 1, 2011 and April 1, 2012, and lower revenue from usage based quotes.

- Overall, there was a 7% decrease in the average number of professional and equivalent real-time market data subscriptions[+] to Toronto Stock Exchange and TSX Venture Exchange products compared with Q2/11 (152,672 professional and equivalent real-time market data subscriptions in Q2/12 compared with 163,804 in Q2/11).

[#] NGX total energy volume includes trading and clearing in natural gas, crude oil and electricity.

[+] Includes a base number of subscriptions for customers that have entered into enterprise agreements.

Technology services and other revenue

(in millions of dollars)

Q2/12	Q2/11	$ increase	% increase
$ 7.6	$ 3.3	$4.3	130%

- *Technology services and other* revenue increased primarily due to the receipt of a one-time termination fee, recovery of disposal and severance costs, and recognition of previously deferred revenue from IIROC of approximately $5.0 million. We consolidated revenue from Razor Risk effective from February 14, 2012. In addition, we realized net foreign exchange gains on U.S. dollar accounts receivable in Q2/12 whereas we realized net foreign exchange losses in Q2/11.

- Offsetting these increases in revenue was the loss in revenue from IIROC following the termination of our contract to provide services effective March 31, 2012, which amounts to approximately $6.7 million on an annual basis.

REPO interest

(in millions of dollars)

	Q2/12	Q2/11	$ increase/ (decrease)	% increase/ (decrease)
Interest income	$ 8.9	$ -	$ 8.9	-
Interest expense	($ 8.9)	$ -	($ 8.9)	-
Net REPO interest	$ -	$ -	$ -	-

- On February 21, 2012, CDCC launched the clearing of fixed income REPO agreements. The interest income and interest expense arising from the REPO agreements are equal. However, as CDCC does not have a legal right to offset these amounts, they are recognized separately on the condensed consolidated income statement.

- In Q2/12, CDCC cleared 4,822 transactions, comprised of 93 eligible International Securities Identification Numbers (ISINs) with a notional value of $218.0 billion.

- Fees earned by CDCC for providing the clearing service for the REPO agreements are included in *Derivatives Markets Trading, clearing and related revenue*.

Operating Expenses

Overall operating expenses in Q2/12 were $82.3 million, up $10.8 million, or 15%, from $71.5 million in Q2/11 primarily due to the inclusion of approximately $6.0 million of expenses related to TMX Atrium, acquired July 29, 2011, Razor Risk, consolidated from February 14, 2012 and ir2020, the assets of which were acquired December 23, 2011. There was also an overall increase in all operating expenses compared with Q2/11.

Compensation and Benefits

(in millions of dollars)

Q2/12	Q2/11	$ increase	% increase
$ 39.7	$ 33.4	$6.3	19%

- *Compensation and benefits* costs increased due to an overall increase in salary and benefits costs relating to increased headcount and merit increases. There were 951 employees at June 30, 2012 versus 857 employees at June 30, 2011. The increased headcount attributable to TMX Atrium (25), Razor Risk (36) and ir2020 (3) contributed to the higher costs. In addition, we continue to invest in our leading technologies, and over the past year we have continued to add resources to generate future revenue growth. For example, there have been 10 new employees engaged in the REPO initiative since Q2/11.

- We incurred approximately $2.8 million in higher costs due to the impact of share price appreciation on our long-term employee incentive plans.

- The higher costs were partially offset by higher capitalization of costs associated with technology initiatives and lower costs associated with short-term employee performance incentive plans.

Information and Trading Systems

(in millions of dollars)

Q2/12	Q2/11	$ increase	% increase
$ 13.3	$ 11.3	$2.0	18%

- *Information and trading systems* expenses were higher primarily due to the inclusion of costs related to TMX Atrium.

General and Administration

(in millions of dollars)

Q2/12	Q2/11	$ increase	% increase
$ 20.3	$ 19.8	$0.5	3%

- The increase in expenses was due to the inclusion of costs related to TMX Atrium and Razor Risk. In addition, we incurred bank fees relating to the REPO initiative, some of which have been charged back to the Clearing Members on a pro rated basis based on service usage, and are included in *Derivatives Markets Trading, clearing and related revenue*.

- The increase was also due to the inclusion of trade routing fees incurred by BOX and higher bad debt expenses, somewhat offset by lower consulting fees, marketing costs and a recovery of commodity taxes.

Depreciation and Amortization

(in millions of dollars)

Q2/12	Q2/11	$ increase	% increase
$ 9.0	$ 7.0	$2.0	29%

- *Depreciation and amortization* costs increased due to increased amortization of intangible assets related to REPO clearing, on-book Dark Order types, TMX Select, TSX Quantumfeeds and co-location services as well as intangible assets related to acquisitions including TMX Atrium, Razor Risk and ir2020.

Maple and LSEG Related Costs

(in millions of dollars)

Q2/12	Q2/11	$ increase	% increase
$ 54.4	$ 20.8	$ 33.6	162%

- In Q2/12, these costs included a $29.0 million fee to LSEG and $23.4 million of success fees to our financial advisors, payable in both cases upon Maple's initial take-up of TMX Group shares under the Maple offer, as well as legal, advisory and other costs incurred.

- In Q2/11, these costs included a $10.0 million fee due to LSEG upon termination of our merger agreement on June 29, 2011 as well as legal, advisory and other costs incurred.

Net Impairment Charges

(in millions of dollars)

Q2/12	Q2/11	$ increase	% increase
$ 31.2	-	$31.2	-

NTP

- We entered the physical crude space in 2009 with the acquisition of NTP. On September 6, 2007, we paid $9.5 million for the right to acquire all the shares of NTP. The shareholders of NTP also had a right to sell all of the shares of NTP under the same terms to us. On May 1, 2009, we completed the acquisition of NTP and paid $23.7 million in cash in addition to issuing 878,059 TMX Group common shares. We recognized intangible assets related to the crude oil business acquired as part of the acquisition of NTP, including the customer list, a definite life intangible asset, along with the crude oil products and an index license, both indefinite life intangible assets.

- As required under International Financial Reporting Standards (IFRS), we performed an impairment test on the intangible assets related to the acquisition of NTP at June 30, 2012. Based on the results of that test, despite a continued commitment to initiatives designed to regain NGX's crude oil market share and increase activity, it was determined that previously forecasted revenues would not be achieved. We recorded a

BOX

- We recognized an impairment charge of $14.8 million ($6.8 million relating to non-controlling interests) relating to the BOX customer list intangible asset as part of our transition adjustments on conversion to IFRS.

- Since Q1/10, there has been an increase in BOX volumes in the U.S. options market. BOX's unique Price Improvement Period (PIP) auction, an automated trading mechanism which permits brokers to seek to improve executable client orders, remains favourable for customers and BOX runs on our SOLA technology, a leading-edge technology for equity options. BOX also recently announced the launch of its Complex Order offering in October 2012. As a result of the continued growth in BOX volumes and its success in the U.S. options market, we determined that this impairment no longer exists, and as a result recorded a gain of $13.4 million ($6.2 million related to **Non-Controlling Interests**) on the reversal of the impairment loss.

Finance Income

(in millions of dollars)

Q2/12	Q2/11	$ (decrease)	% (decrease)
$ 2.6	$ 3.0	($0.4)	(13%)

- The decrease in *Finance income* reflected higher unrealized gains in Q2/11 compared with Q2/12, partially offset by an increase in cash available for investment in Q2/12 compared with Q2/11.

Finance Costs

(in millions of dollars)

Q2/12	Q2/11	$ (decrease)	% (decrease)
$ 2.3	$ 2.4	($0.1)	(4%)

- *Finance costs* decreased as a result of lower fees on the debt outstanding (*see* **Term Loan**).

Income Tax (Recovery) Expense

(in millions of dollars)

Q2/12	Q2/11	$ (decrease)	% (decrease)
($ 9.6)	$ 22.6	($32.2)	(142%)

- The decrease was primarily due to our significantly reduced net income in Q2/12 compared with Q2/11.
- In addition, in previous reporting periods, no deferred income tax assets were recognized relating to BOX as we did not consider it probable that those deferred income tax assets could be utilized. We no longer consider that to be the case given the current performance of BOX. As such, in Q2/12, net deferred income tax assets of $5.7 million, $6.8 million related to prior periods, were recognized, along with the related income tax recovery.

Net Income Attributable to Non-Controlling Interests

(in millions of dollars)

Q2/12	Q2/11	$ increase	% increase
$7.5	$0.4	$7.1	1775%

- MX holds a 53.8% ownership interest in BOX. The results for BOX are consolidated in our consolidated Income Statement.
- Net income attributable to non-controlling interests represents the other BOX unitholders' share of BOX's net income in the period.
- The increase reflects the non-controlling interests' share of the non-cash reversal of an impairment loss on the intangible asset related to BOX, which was $6.2 million (see **Net Impairment Charges –** *BOX*). In addition, the increase in Q2/12 over Q2/11 is also due to higher net income from BOX, as a result of a 55% increase in trading volumes.

SIX MONTHS ENDED JUNE 30, 2012 COMPARED WITH SIX MONTHS ENDED JUNE 30, 2011

Revenue

Revenue was $329.8 million in 1H/12, down $14.2 million, or 4% compared with $344.0 million for 1H/11, reflecting lower revenue from issuer services and cash markets trading. These decreases were partially offset by increased revenue from derivatives markets trading and clearing, information services (including revenue from TMX Atrium, acquired July 29, 2011), and technology services and other (including revenue from Razor Risk, consolidated from February 14, 2012).

Issuer services revenue

(in millions of dollars)

	1H/12	1H/11	$ Increase/ (decrease)	% Increase/ (decrease)
Initial listing fees	$ 8.3	$ 16.8	($ 8.5)	(51%)
Additional listing fees	$ 50.8	$ 63.7	($ 12.9)	(20%)
Sustaining listing fees	$ 34.8	$ 37.5	($ 2.7)	(7%)
Other issuer services	$ 7.6	$ 7.0	$ 0.6	9%
Total	$ 101.5	$ 125.0	($ 23.5)	(19%)

- *Initial listing fees* in 1H/12 were lower primarily due to a decrease in the number and value of new listings on Toronto Stock Exchange compared with 1H/11. Initial listing fees in 1H/11 included approximately $3.0 million of revenue as a result of a large number of issuers converting from income trusts to corporate entities in the period.

- *Additional listing fees* in 1H/12 decreased compared with 1H/11 primarily due to a decrease in the number and value of additional financings on TSX Venture Exchange and the number of additional financings on Toronto Stock Exchange. While there was a significant increase in the value of additional listings on Toronto Stock Exchange in 1H/12 compared with 1H/11, this was driven by a number of high value transactions where the issuers paid the maximum listing fee.

- Issuers listed on Toronto Stock Exchange and TSX Venture Exchange pay annual sustaining listing fees primarily based on their market capitalization at the end of the prior calendar year, subject to minimum and maximum fees. The decrease in sustaining listing fees was due to the overall lower market capitalization of listed issuers on both exchanges at the end of 2011 compared with the end of 2010. The decrease was also due to a reduction in certain fees effective January 1, 2012.

Trading, clearing and related revenue

(in millions of dollars)

	1H/12	1H/11	$ increase/ (decrease)	% increase/ (decrease)
Cash markets revenue	$ 45.5	$ 58.6	($ 13.1)	(22%)
Derivatives markets revenue	$ 62.5	$ 53.1	$ 9.4	18%
Energy markets revenue	$ 22.2	$ 22.2	-	-
Total	$ 130.2	$ 133.9	($ 3.7)	(3%)

Cash Markets

- *Cash markets* equity trading revenue decreased primarily due to a 42% decrease in the volume of securities traded on TSX Venture Exchange in 1H/12 compared with 1H/11

- The decrease was also as a result of changes to our equity trading fee schedule effective March 1, 2011, which reduced the fees for significant usage for our Market on Open (MOO) facility and introduced net credit payments for trading in our continuous limit order book as well as additional changes effective April 1, 2011, which provided cost savings to participants that trade equities where the trade price per-security is lower than $1.00. Effective October 1, 2011, we also made changes to our market making fee schedule for Toronto Stock Exchange, including introducing monthly credits. The decrease was partially offset by a favourable product mix for Toronto Stock Exchange.

- The decrease in overall *cash markets* revenue also reflects a change in Shorcan fixed income trading product mix and a price decrease effective April 18, 2012.

Derivatives Markets

- The increase in *derivatives markets* revenue reflects higher revenues from BOX primarily as a result of a 37% increase in BOX volumes (80.26 million contracts in 1H/12 versus 58.40 million contracts traded in 1H/11).

- The increase in *derivatives markets* revenue also reflects an increase in trading and clearing revenue from MX and CDCC. Volumes increased by 11% over 1H/11 (34.22 million contracts traded in 1H/12 versus 30.82 million contracts traded in 1H/11) reflecting increased trading across all major products. The increase in revenue was partially offset by the impact of price changes since 1H/11. Open interest was up 6% at June 30, 2012 compared with June 30, 2011.

- *Derivatives markets* revenue for 1H/12 also includes fees earned by CDCC for providing the clearing service on REPO transactions as well as bank fees that are charged back to Clearing Members (see ***Other Credit and Liquidity Facilities and Guarantee***). This service was launched on February 21, 2012.

Energy Markets

- There was a 2% increase in total energy volume[#] traded on NGX from 1H/11 (7.82 million terajoules in 1H/12 compared to 7.64 million terajoules in 1H/11) primarily due to a 3% increase in natural gas volumes; however, NGX deferred more revenue in 1H/12 compared with 1H/11.

[#] NGX total energy volume includes trading and clearing in natural gas, crude oil and electricity.

- There was a 77% decline in NGX crude oil volumes (previously NTP's business) due to limited acceptance of NGX's crude oil clearing services and increased competition from voice brokers, including from Shorcan Energy Brokers, a wholly-owned subsidiary of Shorcan. This decrease in NGX crude oil revenue was essentially offset by higher revenue from Shorcan Energy Brokers driven by higher volumes in 1H/12 compared with 1H/11. During 1H/12, we recorded a non-cash impairment charge on the intangible assets related to NTP (see **Net Impairment Charges**).

Information services revenue

(in millions of dollars)

1H/12	1H/11	$ increase	% increase
$ 86.6	$ 80.4	$6.2	8%

- The increase was primarily due to the inclusion and growth in revenue from TMX Atrium, acquired July 29, 2011, and higher revenue from co-location services, data feeds, index licensing and PC-Bond. The increase was also due to higher revenue recoveries related to under-reported usage of real-time quotes in prior periods during 1H/12 compared with 1H/11.

- The increase was also due to an 11% increase in the average number of MX market data subscriptions[+] (27,186 MX market data subscriptions in 1H/12 compared with 24,475 in 1H/11), and a price increase effective April 1, 2012.

- The increases were partially offset by net price reductions on TSX market data subscriptions effective October 1, 2011 and April 1, 2012, and lower revenue from usage based quotes.

- Overall, there was a 5% decrease in the average number of professional and equivalent real-time market data subscriptions[+] to Toronto Stock Exchange and TSX Venture Exchange products compared with 1H/11 (154,098 professional and equivalent real-time market data subscriptions in 1H/12 compared with 161,438 in 1H/11).

Technology services and other revenue

(in millions of dollars)

1H/12	1H/11	$ increase	% increase
$ 11.5	$ 4.7	$6.8	145%

- *Technology services and other* revenue increased primarily due to receipt of a one-time termination fee, recovery of disposal and severance costs, and recognition of previously deferred revenue from IIROC of approximately $5.0 million. We consolidated revenue from Razor Risk, effective from February 14, 2012. In addition, we realized lower net

[+] Includes a base number of subscriptions for customers that have entered into enterprise agreements.

foreign exchange losses on U.S. dollar accounts receivable in 1H/12 compared with 1H/11.

- Offsetting these increases in revenue was the loss in revenue from IIROC following the termination of our contract to provide services effective March 31, 2012, which amounts to approximately $6.7 million on an annual basis.

REPO interest

(in millions of dollars)

	1H/12	1H/11	$ increase/ (decrease)	% increase/ (decrease)
Interest income	$ 9.7	$ -	$ 9.7	-
Interest expense	($ 9.7)	$ -	($ 9.7)	-
Net REPO interest	$ -	$ -	$ -	-

- On February 21, 2012, CDCC launched the clearing of fixed income REPO agreements. The interest income and interest expense arising from the REPO agreements are equal. However, as CDCC does not have a legal right to offset these amounts, they are recognized separately on the condensed consolidated income statement.

- From February 21, 2012 through June 30, 2012, CDCC cleared 5,183 transactions, comprised of 93 eligible ISINs with a notional value of $234.2 billion.

- Fees earned by CDCC for providing the clearing service for the REPO agreements are included in *Derivatives Markets Trading, clearing and related revenue*.

Operating Expenses

Operating expenses in 1H/12 were $165.4 million, up $16.8 million, or 11%, from $148.6 million in 1H/11 primarily due to the inclusion of approximately $11.0 million of expenses related to TMX Atrium, acquired July 29, 2011, Razor Risk, consolidated from February 14, 2012 and ir2020, the assets of which were acquired December 23, 2011. There was an overall increase in salary and benefits costs, information and trading systems costs and depreciation and amortization, somewhat offset by lower general and administration costs due to the inclusion in 1H/11 of a commodity tax adjustment of $4.8 million relating to prior periods.

Compensation and Benefits

(in millions of dollars)

1H/12	1H/11	$ increase	% increase
$ 80.0	$ 70.2	$9.8	14%

- *Compensation and benefits* costs increased due to an overall increase in salary and benefits costs relating to increased headcount and merit increases. There were 951 employees at June 30, 2012 versus 857 employees at June 30, 2011. The increased

- We incurred approximately $2.8 million in higher costs due to the impact of share price appreciation on our long-term employee incentive plans.

- The higher costs were partially offset by higher capitalization of costs associated with technology initiatives and lower costs associated with short-term employee performance incentive plans.

Information and Trading Systems

(in millions of dollars)

1H/12	1H/11	$ increase	% increase
$ 28.1	$ 21.9	$6.2	28%

- *Information and trading systems* expenses were higher primarily due to the inclusion of costs related to TMX Atrium.

- The increase was also due to higher spending on new technology initiatives in 1H/12 compared with 1H/11. We invested in a number of new projects, including TMX Quantum XA, REPO clearing and corporate software conversions.

General and Administration

(in millions of dollars)

1H/12	1H/11	$ (decrease)	% (decrease)
$ 40.4	$ 42.9	($2.5)	(6%)

- In 1H/11, *General and Administration* costs included a commodity tax adjustment of $4.8 million relating to prior periods. This was partially offset by the inclusion of costs related to TMX Atrium and Razor Risk in 1H/12. In addition, we incurred bank fees relating to the REPO initiative, some of which have been charged back to the Clearing Members on a pro rated basis based on service usage, and are included in *Derivatives Markets Trading, clearing and related revenue*.

- The increase was also due to the inclusion of trade routing fees incurred by BOX, somewhat offset by lower marketing costs and lower bad debt expenses.

Depreciation and Amortization

(in millions of dollars)

1H/12	1H/11	$ increase	% increase
$ 16.9	$ 13.6	$3.3	24%

- *Depreciation and amortization* costs increased due to increased amortization of intangible assets related to REPO clearing, on-book Dark Order types, TMX Select, TSX Quantumfeeds and co-location services as well as intangible assets related to acquisitions including TMX Atrium, Razor Risk and ir2020.

Maple and LSEG Related Costs

(in millions of dollars)

1H/12	1H/11	$ increase	% increase
$ 54.9	$ 29.1	$ 25.8	89%

- In 1H/12, these costs included a $29.0 million fee to LSEG and $23.4 million of success fees to our financial advisors, payable in both cases upon Maple's initial take-up of TMX Group shares under the Maple offer, as well as legal, advisory and other costs incurred.

- In 1H/11, these costs included a $10.0 million fee due to LSEG upon termination of our merger agreement on June 29, 2011 as well as legal, advisory and other costs incurred.

Net Impairment Charges

(in millions of dollars)

1H/12	1H/11	$ increase	% increase
$ 31.2	-	$31.2	-

NTP

- We entered the physical crude space in 2009 with the acquisition of NTP. On September 6, 2007, we paid $9.5 million for the right to acquire all the shares of NTP. On May 1, 2009, we completed the acquisition of NTP and paid $23.7 million in cash in addition to issuing 878,059 TMX Group common shares. We recognized intangible assets related to the crude oil business acquired as part of the acquisition of NTP, including the customer list, a definite life intangible asset, along with the crude oil products and an index license, both indefinite life intangible assets.

- As required under IFRS, we performed an impairment test on the intangible assets of NTP at June 30, 2012. Based on the results of that test, despite a continued commitment to initiatives designed to regain NGX's crude oil market share and increase activity, it was determined that previously forecasted revenues would not be achieved. We recorded a non-cash impairment charge of $44.6 million (pre-tax) related to all of the intangible assets in NTP. The main factor contributing to the impairment was a limited

BOX

- We recognized an impairment charge of $14.8 million ($6.8 million relating to non-controlling interests) relating to the BOX customer list intangible asset as part of our transition adjustments on conversion to IFRS.

- Since Q1/10, there has been an increase in BOX volumes in the U.S. options market. BOX's unique Price Improvement Period (PIP) auction, an automated trading mechanism which permits brokers to seek to improve executable client orders, remains favourable for customers and BOX runs on our SOLA technology, a leading-edge technology for equity options. BOX also recently announced the launch of its Complex Order offering in October 2012. As a result of the continued growth in BOX volumes and its success in the U.S. options market, we determined that this impairment no longer exists, and as a result recorded a gain of $13.4 million ($6.2 million related to **Non-Controlling Interests**) on the reversal of the impairment loss.

Finance Income

(in millions of dollars)

1H/12	1H/11	$ increase	% increase
$ 4.3	$ 4.2	$0.1	2%

- The increase in *Finance income* reflected an increase in cash available for investment in 1H/12 compared with 1H/11, largely offset by unrealized losses in 1H/12.

Finance Costs

(in millions of dollars)

1H/12	1H/11	$ increase	% increase
$ 4.7	$ 4.4	$0.3	7%

- *Finance costs* increased as a result of higher fees on the debt outstanding (*see* **Term Loan**).

Income Tax (Recovery) Expense

(in millions of dollars)

1H/12	1H/11	$ (decrease)	% (decrease)
$ 10.6	$ 47.3	($36.7)	(78%)

- The decrease was primarily due to our significantly reduced net income in 1H/12 compared with 1H/11.
- In addition, in previous reporting periods, no deferred income tax assets were recognized relating to BOX as we did not consider it probable that those deferred income tax assets could be utilized. We no longer consider that to be the case given the current performance of BOX. As such, in 1H/12, net deferred income tax assets of $5.7 million, $7.6 million related to prior periods, were recognized, along with the related income tax recovery.

Net Income Attributable to Non-Controlling Interests

(in millions of dollars)

1H/12	1H/11	$ increase	% increase
$ 9.3	$ 1.6	$7.7	481%

- MX holds a 53.8% ownership interest in BOX. The results for BOX are consolidated in our Income Statement.
- Net income attributable to non-controlling interests represents the other BOX unitholders' share of BOX's net income in the period.
- The increase reflects the non-controlling interests' share of the non-cash reversal of an impairment loss on the intangible asset related to BOX, which was $6.2 million (see **Net Impairment Charges – BOX**). In addition, the increase in 1H/12 over 1H/11 reflects higher net income from BOX, partly due to significantly higher trading volumes.

QUARTER ENDED JUNE 30, 2012 COMPARED WITH QUARTER ENDED MARCH 31, 2012

Summary of Financial Information

(in millions of dollars, except per share amounts)

	Q2/12	Q1/12	$ Increase/ (decrease)	% Increase/ (decrease)
Revenue	$167.5	$162.3	$5.2	3%
Earnings per share[▽]*:*				
Basic	$0.02	$0.76	($0.74)	(97%)
Diluted	$0.02	$0.76	($0.74)	(97%)

- Revenue in Q2/12 increased over Q1/12. In Q2/12, we had higher derivatives markets trading and clearing revenue as well as higher technology services and other revenue including revenue from Razor Risk (consolidated from February 14, 2012) and increased revenue from issuer services and information services. The increases in revenue were offset by lower cash markets trading revenue.

- Basic and diluted earnings per share for Q2/12 decreased over Q1/12 primarily due to higher Maple and LSEG related costs and net impairment charges somewhat offset by lower income tax expense.

Liquidity and Capital Resources

Cash, Cash Equivalents and Marketable Securities

(in millions of dollars)

June 30, 2012	December 31, 2011	$ increase
$ 520.8	$ 490.4	$ 30.4

- The increase was primarily due to $125.8 million of cash from operating activities, partially offset by dividend payments of $59.8 million, capital expenditures of $11.9 million, additions to intangible assets of $10.7 million and acquisitions for $9.7 million.

[▽] Earnings per share information is based on net income attributable to TMX Group shareholders.

Total Assets

(in millions of dollars)

June 30, 2012	December 31, 2011	$ increase
$9,773.1	$ 3,394.8	$6,378.3

- Our condensed consolidated balance sheet as at June 30, 2012 includes outstanding balances on open REPO agreements within Balances with Clearing Members (formerly *Daily settlements and cash deposits*), following CDCC's launch of clearing of fixed income REPO agreements on February 21, 2012. OTC REPO agreements between buying and selling Clearing Members are novated to CDCC whereby the rights and obligations of the Clearing Members under the REPO agreements are cancelled and replaced by new agreements with CDCC. Once novation occurs, CDCC becomes the counterparty to both the buying and selling Clearing Member. As a result, the contractual right to receive and return the principal amount of the REPO as well as the contractual right to receive and pay interest on the REPO is transferred to CDCC. Receivable and payable balances outstanding with the same Clearing Member are offset when they are in the same currency and are to be settled on the same day, as CDCC has a legally enforceable right to offset. Balances with Clearing Members include outstanding balances on open REPO transactions, including both the original principal amount of the REPO and the accrued interest, which are both carried at amortized cost. As CDCC is the central counterparty, an equivalent amount is recognized in both assets and liabilities. Balances with Clearing Members were $7,223.0 million at June 30, 2012 compared with $550.8 million at December 31, 2011.

- The overall increase was partially offset by a decrease in energy contracts receivable of $307.6 million related to the clearing operations of NGX and a decrease in the fair value of energy contracts of $48.1 million at June 30, 2012 compared with December 31, 2011.

Credit and Liquidity Facilities and Guarantee

Term Loan

(in millions of dollars)

June 30, 2012	December 31, 2011	$ increase
$429.9	$429.8	$ 0.1

- In connection with the combination with MX, we established a non-revolving three-year term unsecured credit facility of $430.0 million (the Term Loan). On April 30, 2008, we borrowed $430.0 million in Canadian funds under the Term Loan to satisfy the cash consideration of the purchase price for MX. This credit facility has been extended and is currently set to expire on December 28, 2012, but will become immediately due and payable upon a change of control of TMX Group as a result of the proposed Maple transaction. If a change of control occurs on July 31, 2012, TMX Group expects to repay the loan on August 1, 2012, using a combination of cash, marketable securities and new debt that will be put in place as part of the Maple transaction.

- This credit facility contains customary covenants, including a requirement that TMX Group maintain:

  - a maximum debt to adjusted EBITDA ratio of 3.5:1, where adjusted EBITDA means earnings on a consolidated basis before interest, taxes, extraordinary, unusual or non-recurring items, depreciation and amortization, all determined in accordance with IFRS;

  - a minimum consolidated net worth covenant based on a pre-determined formula; and

  - a debt incurrence test whereby debt to adjusted EBITDA must not exceed 3.0:1.

  At June 30, 2012, all covenants were met.

Other Credit and Liquidity Facilities and Guarantee

To backstop its clearing operations, NGX currently has a credit agreement in place with a Canadian Schedule I chartered bank which includes a US$100.0 million clearing backstop fund. We are NGX's unsecured guarantor for this fund up to a maximum of US$100.0 million. This facility had not been drawn upon at June 30, 2012.

NGX also has an Electronic Funds Transfer (EFT) Daylight liquidity facility of $300.0 million in place with a Canadian Schedule I chartered bank. NGX also has a $20.0 million overdraft facility.

In 2011, CDCC put in place a $300.0 million daylight liquidity facility with a Canadian Schedule I bank. In January 2012, CDCC replaced its $50 million revolving standby liquidity facility with a $100.0 million syndicated revolving standby liquidity facility and signed an additional daylight liquidity facility for $400.0 million with a Canadian Schedule 1 chartered bank, for a total of $700.0 million in daylight liquidity facilities. CDCC's revolving standby liquidity facility is in place to provide end of day liquidity in the event that CDCC is unable to clear the daylight liquidity facilities to zero. This would only occur in the event of a Clearing Member default. Advances under the revolving facility will be secured by collateral in the form of securities that have been received by CDCC. CDCC's daylight liquidity facilities are in place to provide liquidity on the basis of collateral in the form of securities that have been received by CDCC. The daylight liquidity facilities must be cleared to zero at the end of each day. The revolving facilities had not been drawn upon at June 30, 2012.

In February 2012, CDCC signed a $1.2 billion repurchase facility with a syndicate of six Canadian Schedule 1 chartered banks (the syndicated REPO facility). The facility is comprised of $300.0 million in committed liquidity and $900.0 million in uncommitted liquidity. In April 2012, the CDCC syndicated REPO facility was increased from $1.2 billion to $4.8 billion. The revised facility is comprised of $1.2 billion in committed liquidity and $3.6 billion in uncommitted liquidity. The facility remains with the same syndicate of six Canadian Schedule 1 chartered banks. CDCC's syndicated REPO facility is also in place to provide end of day liquidity in the event that CDCC is unable to clear the daylight liquidity facilities to zero. This would only occur in the event of a Clearing Member default. The facility will provide liquidity in exchange for securities that have been received by CDCC. The bank fees for this facility are included in *General and Administration* costs. However, these bank fees are charged back to the Clearing Members on a pro rated basis based on service usage, and are included in *Derivatives Markets Trading,* *clearing and related revenue*. The syndicated REPO facility had not been drawn upon at June 30, 2012.

In April 2012, CDCC signed an agreement that would allow the Bank of Canada to provide emergency last-resort liquidity to CDCC at the discretion of the Bank of Canada. This facility is intended to provide end of day liquidity only in the event that CDCC is unable to access liquidity from the revolving standby liquidity facility and the syndicated REPO facility. Use of this facility would be on a fully collateralized basis.

Total Equity attributable to Shareholders of TMX Group

(in millions of dollars)

June 30, 2012	December 31, 2011	$ (decrease)
$ 1,181.2	$ 1,196.5	($ 15.3)

- We earned $58.6 million of net income attributable to TMX Group shareholders during 1H/12 and paid $59.8 million in dividends.

- During Q2/12, we amended our share option plan to permit holders of vested rights to acquire TMX Group common shares to exchange those rights for a cash settlement amount (net of withholdings) immediately prior to the take up by Maple of TMX Group common shares under the Maple offer. The cash settlement amount is equal to the "in-the-money" value of the related right (less applicable withholdings). The in-the money value is equal to the amount, if any, by which the trading price of the TMX Group common shares immediately before take-up by Maple of TMX Group common shares under the Maple offer exceeds the exercise price of the relevant right. As a result of this modification to the share option plan, we recognized a $17.1 million liability as at June 30, 2012, included within trade and other payables on the condensed consolidated balance sheet, representing the fair value of the vested share options at that date and Total Equity attributable to Shareholders of TMX Group was reduced by $17.1 million.

- We have elected to recognize the entire liability as a reclassification from equity, as allowed under IFRS 2, Share-based Payments, with $10.9 million representing the previously amortized share option fair value, charged to contributed surplus and the remaining $6.2 million charged to retained earnings. TMX Group will re-measure the liability at fair value until the awards are settled.

- At June 30, 2012, there were 74,695,248 common shares issued and outstanding. In Q2/12, 4,000 common shares were issued on the exercise of share options. At June 30, 2012, 3,737,168 common shares were reserved for issuance upon the exercise of options granted under the share option plan. At June 30, 2012, there were 1,763,655 options outstanding.

- At July 25, 2012, there were 74,699,721 common shares issued and outstanding and 1,759,182 options outstanding under the share option plan.

Cash Flows from Operating Activities

(in millions of dollars)

	Q2/12	Q2/11	Increase in cash
Cash Flows from Operating Activities	$ 113.6	$ 107.2	$6.4

Cash Flows from Operating Activities were $113.6 million in Q2/12, which were net of $1.2 million of cash outlays pertaining to Maple related costs, compared with $107.2 million of cash flows from operating activities in Q2/11, which were net of $13.1 million of cash outlays pertaining to LSEG and Maple related costs.

(in millions of dollars)

	Q2/12	Q2/11	Increase/ (decrease) in cash
Income (loss) before income taxes	($ 0.3)	$ 77.7	($ 78.0)
Depreciation and amortization	$ 9.0	$ 7.0	$ 2.0
Decrease in trade and other receivables and prepaid expenses	$61.6	$ 47.5	$14.1
Maple and LSEG related costs	$ 54.4	$ 20.8	$33.6
Maple and LSEG related cash outlays	($ 1.2)	($ 13.1)	$11.9
Net impairment charges	$31.2	-	$31.2
Net increase/(decrease) in trade and other payables, long-term accrued and other non-current liabilities	($ 0.9)	$ 14.2	($ 15.1)
(Decrease) in deferred revenue	($ 20.0)	($ 21.0)	$ 1.0
Income taxes paid	($ 20.8)	($ 28.3)	$ 7.5
Increase in provisions	$ 1.7	$ 2.6	($ 0.9)
Net (decrease) in other items	($ 1.1)	($0.2)	($ 0.9)
Cash Flows from Operating Activities	$ 113.6	$ 107.2	$6.4

Cash Flows from Operating Activities

(in millions of dollars)

	1H/12	1H/11	(Decrease) in cash
Cash Flows from Operating Activities	$ 125.8	$ 179.3	($53.5)

Cash Flows from Operating Activities were $125.8 million in 1H/12, which were net of $5.3 million of cash outlays pertaining to Maple related costs, compared with $179.3 million of cash flows from operating activities in 1H/11, which were net of $14.3 million of cash outlays pertaining to Maple and LSEG related costs.

(in millions of dollars)

	1H/12	1H/11	Increase/ (decrease) in cash
Income before income taxes	$ 78.5	$ 166.7	($ 88.2)
Depreciation and amortization	$ 16.9	$ 13.6	$ 3.3
(Increase)/decrease in trade and other receivables and prepaid expenses	($ 12.4)	$ 0.5	($12.9)
Maple and LSEG related costs	$ 54.9	$ 29.1	$ 25.8
Maple and LSEG related cash outlays	($ 5.3)	($ 14.3)	$ 9.0
Net impairment charges	$31.2	-	$31.2
Net (decrease) in trade and other payables, long-term accrued and other non-current liabilities	($ 17.8)	($ 4.8)	($ 13.0)
Increase in deferred revenue	$ 34.4	$ 37.3	($ 2.9)
Income taxes paid	($ 52.1)	($ 57.5)	$ 5.4
(Decrease) / increase in provisions, including commodity tax adjustment	($ 2.6)	$ 8.0	($ 10.6)
Net increase in other items	$0.1	$ 0.7	($ 0.6)
Cash Flows from Operating Activities	$ 125.8	$ 179.3	($53.5)

Cash Flows from (used in) Financing Activities

(in millions of dollars)

	Q2/12	Q2/11	(Decrease) in cash
Cash Flows from (used in) Financing Activities	($ 30.1)	($ 29.5)	($ 0.6)

Cash Flows (used in) Financing Activities were $0.6 million higher in Q2/12 compared with Q2/11 due to:

(in millions of dollars)

	Q2/12	Q2/11	(Decrease) in cash
Dividends paid on common shares	($ 29.9)	($ 29.9)	-
Proceeds from exercised share options	-	$ 0.5	($ 0.5)
Net (decrease) in other items	($ 0.2)	($ 0.1)	($ 0.1)
Cash Flows from (used in) Financing Activities	($30.1)	($ 29.5)	($ 0.6)

	1H/12	1H/11	(Decrease) in cash
Cash Flows from (used in) Financing Activities	($ 62.4)	($ 54.1)	($ 8.3)

Cash Flows (used in) Financing Activities were $8.3 million higher in 1H/12 compared with 1H/11 due to:

(in millions of dollars)

	1H/12	1H/11	Increase/ (decrease) in cash
Dividends paid on common shares	($ 59.8)	($ 59.7)	($ 0.1)
Proceeds from exercised share options	$ 1.6	$ 6.6	($ 5.0)
BOX dividend to non-controlling interests	($ 3.7)	-	($ 3.7)
Net (decrease) in other items	($ 0.5)	($ 1.0)	$ 0.5
Cash Flows from (used in) Financing Activities	($62.4)	($ 54.1)	($ 8.3)

Cash Flows from (used in) Investing Activities

(in millions of dollars)

	Q2/12	Q2/11	(Decrease) in cash
Cash Flows from (used in) Investing Activities	($ 83.4)	($ 60.5)	($ 22.9)

Cash Flows (used in) Investing Activities were $22.9 million higher in Q2/12 compared with Q2/11 due to:

(in millions of dollars)

	Q2/12	Q2/11	Increase/ (decrease) in cash
Capital expenditures primarily related to our co-location facility, TMX Atrium's network and hardware as well as leasehold improvements	($ 4.9)	($ 1.7)	($ 3.2)
Additions to intangible assets including TMX Quantum XA (2012), SOLA internal development costs (2012), NGX clearing system development costs (2012), development costs related to REPO clearing (2012 and 2011), TSX Quantumfeeds (2012 and 2011), TMX Select development costs (2011) and TSX Quantum on-book Dark Order types (2011)	($ 5.3)	($ 3.5)	($ 1.8)
Proceeds on disposal of EDX investment	-	$ 3.0	($ 3.0)
Net (purchases) of marketable securities	($ 73.2)	($ 58.3)	($ 14.9)
Cash Flows from (used in) Investing Activities	($ 83.4)	($ 60.5)	($ 22.9)

Cash Flows from (used in) Investing Activities

(in millions of dollars)

	1H/12	1H/11	Increase in cash
Cash Flows from (used in) Investing Activities	($ 48.5)	($ 93.5)	$ 45.0

Cash Flows (used in) Investing Activities were $45.0 million lower in 1H/12 compared with 1H/11 due to:

(in millions of dollars)

	1H/12	1H/11	Increase/ (decrease) in cash
Capital expenditures primarily related to our co-location facility, TMX Atrium's network and hardware as well as leasehold improvements	($ 11.9)	($ 2.0)	($ 9.9)
Additions to intangible assets including TMX Quantum XA (2012), SOLA internal development costs (2012), NGX clearing system development costs (2012), development costs related to REPO clearing (2012 and 2011), TSX Quantumfeeds (2012 and 2011), TMX Select development costs (2011) and TSX Quantum on-book Dark Order types (2011)	($ 10.7)	($ 6.0)	($ 4.7)
Acquisitions, net of cash acquired	($ 9.7)	($ 1.0)	($ 8.7)
Proceeds on disposal of EDX investment	-	$ 6.2	($ 6.2)
Net sales/(purchases) of marketable securities	($ 16.2)	($ 90.7)	$ 74.5
Cash Flows from (used in) Investing Activities	($ 48.5)	($ 93.5)	$ 45.0

Financial Statements Governance Practice

The Finance & Audit Committee of the Board of Directors of TMX Group reviewed this press release as well as the Q2/12 condensed 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 Q2/12 financial statements, MD&A and the contents of this press release were approved.

Consolidated Financial Statements

Our Q2/12 unaudited condensed consolidated financial statements and MD&A are prepared in accordance with IFRS and are reported in Canadian dollars unless otherwise indicated.

TMX Group expects to file its Q2/12 financial statements and MD&A with Canadian securities regulators today, after which time 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 shareholder@tmx.com.

Information Regarding Maple Transaction

Pursuant to the terms of his employment agreement, Mr. Kloet has informed the Corporation that he will be tendering all of the TMX Group shares that he holds to the Maple offer and electing the Minimum Deposit Election (as defined in the Maple Circular dated June 10, 2011) in order to maximize the number of Maple shares he receives on the Maple Acquisition. Mr. Kloet has also informed Maple that he will be electing to exchange his rights under all of his vested, in-the-money share options for a cash settlement amount equal to their in-the-money value, in accordance with the terms of the Executive Stock Option Plan.

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 such 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 shares; inability to protect our intellectual property; adverse effect of a systemic market event on our derivatives business; risks associated with the credit of customers; cost structures being largely fixed; risks associated with integrating the operations, systems, and personnel of new acquisitions; and dependence on market activity that cannot be controlled.

The forward looking information contained in this press release is presented for the purpose of assisting readers of this document in understanding our financial condition and results of operations and our strategies, priorities and objectives and may not be appropriate for other purposes. Actual results, events, performances, achievements and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking information contained in this press release.

Such 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 in our 2011 Annual MD&A under the heading **Risks and Uncertainties**.

About TMX Group (TSX-X)

TMX Group's key subsidiaries operate cash and derivative markets for multiple asset classes including equities, fixed income and energy. Toronto Stock Exchange, TSX Venture Exchange, TMX Select, Montreal Exchange, Canadian Derivatives Clearing Corporation, Natural Gas Exchange, Boston Options Exchange (BOX), Shorcan, Shorcan Energy Brokers, Equicom and other TMX Group companies provide listing markets, trading markets, clearing facilities, 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, Sydney and Beijing. 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 Q2/12.

Time: 8:00 a.m. - 9:00 a.m. EST on Friday, July 27, 2012.

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 10888325

For more information please contact:

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TMX GROUP INC.

Condensed Consolidated Balance Sheets
(In millions of Canadian dollars)
(Unaudited)

		June 30, 2012		December 31, 2011 (audited)
Assets				
Current assets:				
Cash and cash equivalents	**$**	**102.1**	$	87.2
Marketable securities		**418.7**		403.2
Trade and other receivables		**90.9**		79.0
Energy contracts receivable		**338.1**		645.7
Fair value of open energy contracts		**110.9**		159.0
Balances with Clearing Members		**7,223.0**		550.8
Prepaid expenses		**9.3**		6.9
Current income tax assets		**11.4**		3.8
		8,304.4		1,935.6
Non-current assets:				
Premises and equipment		**36.3**		29.5
Investment in equity accounted investees		**17.8**		16.3
Goodwill		**438.3**		432.8
Other intangible assets		**892.1**		919.0
Deferred income tax assets		**73.1**		52.6
Other non-current assets		**11.1**		9.0
Total Assets	**$**	**9,773.1**	$	3,394.8
Liabilities and Equity				
Current liabilities:				
Trade and other payables	**$**	**134.2**	$	81.7
Energy contracts payable		**338.1**		645.7
Fair value of open energy contracts		**110.9**		159.0
Balances with Clearing Members		**7,223.0**		550.8
Deferred revenue		**54.8**		19.4
Provisions		**5.1**		7.5
Current income tax liabilities		**0.2**		4.4
Term loan		**429.9**		429.8
		8,296.2		1,898.3
Non-current liabilities:				
Accrued employee benefits payable		**14.7**		14.0
Deferred income tax liabilities		**222.7**		230.0
Other non-current liabilities		**27.3**		30.5
Total Liabilities		**8,560.9**		2,172.8
Equity:				
Share capital		**970.3**		968.3
Retained earnings		**209.4**		216.8
Contributed surplus – share option plan		**4.6**		14.0
Accumulated other comprehensive loss		**(3.1)**		(2.6)
Total Equity attributable to Shareholders of the Company		**1,181.2**		1,196.5
Non-controlling interests		**31.0**		25.5
Total Equity		**1,212.2**		1,222.0
Total Liabilities and Equity	**$**	**9,773.1**	$	3,394.8

TMX GROUP INC.

Condensed Consolidated Income Statements
(In millions of Canadian dollars, except per share amounts)
(Unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2012	2011	**2012**	2011
Revenue:				
Issuer services	**$ 51.3**	$ 63.0	**$ 101.5**	$ 125.0
Trading, clearing and related	**64.8**	62.6	**130.2**	133.9
Information services	**43.8**	40.4	**86.6**	80.4
Technology services and other	**7.6**	3.3	**11.5**	4.7
REPO interest:				
Interest income	**8.9**	-	**9.7**	-
Interest expense	**(8.9)**	-	**(9.7)**	-
Net REPO interest	**-**	-	**-**	-
Total revenue	**167.5**	169.3	**329.8**	344.0
Expenses:				
Compensation and benefits	**39.7**	33.4	**80.0**	70.2
Information and trading systems	**13.3**	11.3	**28.1**	21.9
General and administration	**20.3**	19.8	**40.4**	42.9
Depreciation and amortization	**9.0**	7.0	**16.9**	13.6
Total operating expenses	**82.3**	71.5	**165.4**	148.6
Income from operations	**85.2**	97.8	**164.4**	195.4
Share of net (loss) income of equity accounted investees	**(0.2)**	0.1	**0.6**	0.5
Gain on disposal of available for sale investment	**-**	-	**-**	0.2
Maple and LSEG related costs	**(54.4)**	(20.8)	**(54.9)**	(29.1)
Net impairment charges	**(31.2)**	-	**(31.2)**	-
Finance income (costs):				
Finance income	**2.6**	3.0	**4.3**	4.2
Finance costs	**(2.3)**	(2.4)	**(4.7)**	(4.4)
Net mark to market on interest rate swaps	**-**	-	**-**	(0.1)
Net finance income (costs)	**0.3**	0.6	**(0.4)**	(0.3)
(Loss) income before income taxes	**(0.3)**	77.7	**78.5**	166.7
Income tax (recovery) expense	**(9.6)**	22.6	**10.6**	47.3
Net income	**$ 9.3**	$ 55.1	**$ 67.9**	$ 119.4
Net income attributable to:				
Equity holders of the Company	**$ 1.8**	$ 54.7	**$ 58.6**	$ 117.8
Non-controlling interests	**7.5**	0.4	**9.3**	1.6
	$ 9.3	$ 55.1	**$ 67.9**	$ 119.4
Earnings per share (attributable to equity holders of the Company):				
Basic	**$ 0.02**	$ 0.73	**$ 0.78**	$ 1.58
Diluted	**$ 0.02**	$ 0.73	**$ 0.78**	$ 1.57
Share information:				
Weighted average number of common shares outstanding	**74,693,262**	74,598,103	**74,729,177**	74,532,329
Diluted weighted average number of common shares outstanding	**75,013,260**	74,902,980	**75,317,522**	74,827,180

TMX GROUP INC.

Condensed Consolidated Statements of Comprehensive Income
(In millions of Canadian dollars)
(Unaudited)

	Three months ended June 30, 2012	Three months ended June 30, 2011	Six months ended June 30, 2012	Six months ended June 30, 2011
Net income	**$ 9.3**	$ 55.1	**$ 67.9**	$ 119.4
Other comprehensive income (loss):				
Unrealized gain (loss) on translating financial statements of foreign operations (net of tax of $nil in 2012 and $nil in 2011)	**1.0**	(0.3)	**(0.6)**	(1.9)
Total comprehensive income	**$ 10.3**	$ 54.8	**$ 67.3**	$ 117.5
Total comprehensive income attributable to:				
Equity holders of the Company	**$ 2.4**	$ 54.5	**$ 58.1**	$ 116.5
Non-controlling interests	**7.9**	0.3	**9.2**	1.0
	$ 10.3	$ 54.8	**$ 67.3**	$ 117.5

TMX GROUP INC.

Condensed Consolidated Statements of Changes in Equity
(In millions of Canadian dollars)
(Unaudited)

	Attributable to equity holders of the Company						
	Share capital	**Contributed surplus – share option plan**	**Accumulated other comprehensive loss**	**Retained earnings**	**Total attributable to equity holders**	**Non-controlling interests**	**Total equity**
Balance at January 1, 2012	**$ 968.3**	**$ 14.0**	**$ (2.6)**	**$ 216.8**	**$ 1,196.5**	**$ 25.5**	**$ 1,222.0**
Net income	**-**	**-**	**-**	**58.6**	**58.6**	**9.3**	**67.9**
Other comprehensive loss:							
Foreign currency translation differences, net of taxes	**-**	**-**	**(0.5)**	**-**	**(0.5)**	**(0.1)**	**(0.6)**
Total comprehensive (loss) income	**-**	**-**	**(0.5)**	**58.6**	**58.1**	**9.2**	**67.3**
Dividend to equity holders	**-**	**-**	**-**	**(59.8)**	**(59.8)**	**-**	**(59.8)**
BOX dividend to non-controlling interest	**-**	**-**	**-**	**-**	**-**	**(3.7)**	**(3.7)**
Proceeds from exercised share options	**1.6**	**-**	**-**	**-**	**1.6**	**-**	**1.6**
Cost of exercised share options	**0.4**	**(0.4)**	**-**	**-**	**-**	**-**	**-**
Cost of share option plan	**-**	**1.9**	**-**	**-**	**1.9**	**-**	**1.9**
Modification of share option plan	**-**	**(10.9)**		**(6.2)**	**(17.1)**	**-**	**(17.1)**
Balance at June 30, 2012	**$ 970.3**	**$ 4.6**	**$ (3.1)**	**$ 209.4**	**$ 1,181.2**	**$ 31.0**	**$ 1,212.2**
Balance at January 1, 2011	$ 959.4	$ 12.0	$ (3.2)	$ 102.4	$ 1,070.6	$ 18.8	$ 1,089.4
Net income	-	-	-	117.8	117.8	1.6	119.4
Other comprehensive loss:							
Foreign currency translation differences, net of taxes	-	-	(1.3)	-	(1.3)	(0.6)	(1.9)
Total comprehensive (loss) income	-	-	(1.3)	117.8	116.5	1.0	117.5
Dividend to equity holders	-	-	-	(59.7)	(59.7)	-	(59.7)
Proceeds from exercised share options	6.6	-	-	-	6.6	-	6.6
Cost of exercised share options	1.5	(1.5)	-	-	-	-	-
Cost of share option plan	-	1.9	-	-	1.9	-	1.9
Balance at June 30, 2011	$ 967.5	$ 12.4	$ (4.5)	$ 160.5	$ 1,135.9	$ 19.8	$ 1,155.7

TMX GROUP INC.

Condensed Consolidated Statements of Cash Flows
(In millions of Canadian dollars)
(Unaudited)

	Three months ended June 30, 2012	2011	Six months ended June 30, 2012	2011
Cash flows from (used in) operating activities:				
(Loss) income before income taxes	**$ (0.3)**	$ 77.7	**$ 78.5**	$ 166.7
Adjustments to determine net cash flows:				
Depreciation and amortization	**9.0**	7.0	**16.9**	13.6
Net finance (income) costs	**(0.3)**	(0.6)	**0.4**	0.3
Share of net loss (income) of equity accounted investees	**0.2**	(0.1)	**(0.6)**	(0.5)
Gain on disposal of available for sale investment	**-**	-	**-**	(0.2)
Net impairment charges	**31.2**	-	**31.2**	-
Cost of share option plan	**1.2**	0.9	**1.9**	1.9
Unrealized foreign exchange gain	**(0.1)**	-	**(0.2)**	-
Maple and LSEG related costs	**54.4**	20.8	**54.9**	29.1
Maple and LSEG related cash outlays	**(1.2)**	(13.1)	**(5.3)**	(14.3)
Trade and other receivables, and prepaid expenses	**61.6**	47.5	**(12.4)**	0.5
Other non-current assets	**(1.9)**	-	**(2.0)**	0.1
Trade and other payables	**4.9**	8.5	**(15.0)**	(12.8)
Provisions	**1.7**	2.6	**(2.6)**	8.0
Deferred revenue	**(20.0)**	(21.0)	**34.4**	37.3
Long-term accrued and other non-current liabilities	**(5.8)**	5.7	**(2.8)**	8.0
Realized gain (loss) on marketable securities	**0.1**	0.1	**0.2**	(0.1)
Realized loss on interest rate swaps	**-**	(0.2)	**-**	(0.8)
Interest paid	**(2.9)**	(2.6)	**(4.4)**	(4.2)
Interest received	**2.6**	2.3	**4.8**	4.2
Income taxes paid	**(20.8)**	(28.3)	**(52.1)**	(57.5)
	113.6	107.2	**125.8**	179.3
Cash flows from (used in) financing activities:				
Reduction in obligations under finance leases	**(0.2)**	(0.1)	**(0.5)**	(0.3)
Proceeds from exercised share options	**-**	0.5	**1.6**	6.6
Financing fees on term loan	**-**	-	**-**	(0.7)
Dividend to equity holders	**(29.9)**	(29.9)	**(59.8)**	(59.7)
BOX dividend to non-controlling interest	**-**	-	**(3.7)**	-
	(30.1)	(29.5)	**(62.4)**	(54.1)
Cash flows from (used in) investing activities:				
Additions to premises and equipment	**(4.9)**	(1.7)	**(11.9)**	(2.0)
Additions to intangible assets	**(5.3)**	(3.5)	**(10.7)**	(6.0)
Acquisitions, net of cash acquired	**-**	-	**(9.7)**	(1.0)
Proceeds on disposal of available-for-sale investment	**-**	3.0	**-**	6.2
Marketable securities	**(73.2)**	(58.3)	**(16.2)**	(90.7)
	(83.4)	(60.5)	**(48.5)**	(93.5)
Increase in cash and cash equivalents	**0.1**	17.2	**14.9**	31.7
Cash and cash equivalents, beginning of the period	**101.6**	84.2	**87.2**	69.9
Unrealized foreign exchange gain (loss) on cash and cash equivalents held in foreign currencies	**0.4**	-	**-**	(0.2)
Cash and cash equivalents, end of the period	**$ 102.1**	$ 101.4	**$ 102.1**	$ 101.4

TMX GROUP INC.

Market Statistics

(Unaudited)

	Three months ended June 30		Six months ended June 30	
	2012	**2011**	**2012**	**2011**
Toronto Stock Exchange:				
Volume (millions)	20,532.1	24,603.7	45,197.2	54,919.6
Value ($ billions)	293.7	355.0	650.7	773.8
Transactions (000s)	47,430.6	47,742.6	100,761.6	100,872.4
Issuers Listed	1,580	1,554	1,580	1,554
New Issuers Listed:	36	70	67	113
Number of Initial Public Offerings	25	47	46	78
Number of graduates from TSXV/NEX	9	13	18	19
New Equity Financing: ($ millions)	9,580.8	11,471.4	24,917.4	22,415.7
Initial Public Offering Financings ($ millions)	1,028.3	2,840.7	1,498.7	4,397.9
Secondary Offering Financings[1] ($ millions)	4,786.1	5,184.5	14,771.3	10,472.1
Supplementary Financings ($ millions)	3,766.4	3,446.2	8,647.4	7,545.7
Number of Financings	153	197	361	415
Market Cap of Issuers Listed ($ billions)	1,974.1	2,206.4	1,974.1	2,206.4
S&P/TSX Composite Index[2] Close	11,596.6	13,300.9	11,596.6	13,300.9
TSX Venture Exchange:[3]				
Volume (millions)	9,634.7	16,367.5	24,046.7	41,598.5
Value ($ millions)	5,816.0	12,667.1	14,340.2	29,688.6
Transactions (000s)	2,182.7	3,752.3	5,059.1	8,365.6
Issuers Listed	2,488	2,399	2,488	2,399
New Issuers Listed	44	47	99	95
New Equity Financing: ($ millions)	1,251.4	3,643.1	3,004.8	7,084.5
Initial Public Offering Financings ($ millions)	21.2	45.9	57.0	145.1
Secondary Offering Financings[1] ($ millions)	243.7	1,213.5	815.4	2,232.3
Supplementary Financings ($ millions)	986.5	2,383.7	2,132.4	4,707.1
Number of Financings	428	601	959	1,342
Market Cap of Issuers Listed: ($ billions)	40.4	65.1	40.4	65.1
S&P/TSX Venture Composite Index[2] Close	1,191.0	1,904.2	1,191.0	1,904.2
Toronto Stock Exchange and TSX Venture Exchange:				
Professional and Equivalent Real-time Data Subscriptions*	151,553	163,831	151,553	163,831
NGX:				
Total Volume (TJs)**	3,814,505	3,536,710	7,824,082	7,643,644

	Three months ended June 30		Six months ended June 30	
	2012	**2011**	**2012**	**2011**
Montreal Exchange:				
Volume (Contracts) (000s)	17,877.6	16,269.6	34,223.7	30,823.3
Open Interest (Contracts) (000s) as at June 30	4,627.2	4,361.9	4,627.2	4,361.9
Data Subscriptions*	27,125	27,031	27,125	27,031
Boston Options Exchange:				
Volume (Contracts) (000s)	41,327.4	26,730.4	80,257.5	58,403.7

[1] Secondary Offering Financings includes prospectus offerings on both a treasury and secondary basis.

[2] "S&P" as part of the composite mark S&P/TSX is a trade-mark of Standard & Poor's Financial Services LLC and is used under license. "TSX" is a trade-mark of TSX Inc.

[3] TSX Venture Exchange market statistics do not include data for debt securities. 'New Issuers Listed' and 'S&P/TSX Venture Composite Index Close' statistics exclude data for issuers on NEX. All other TSX Venture Exchange market statistics include data for issuers on NEX, which is a board that was established on August 18, 2003 for issuers that have fallen below TSX Venture Exchange's listing standards 210 issuers at June 30, 2012 and 206 issuers at June 30 2011).

*TMX and MX data subscriptions include a base number of subscriptions for customers that have entered into enterprise agreements.

**NGX Total Energy Volume includes trading and clearing in natural gas, crude oil and electricity.

Conversions:

Power:

MWH/100=TJ

Crude:

Total Barrels (Crude Oil Conversion Factor (6.29287 for Sweet Crude; 6.28981 for Heavy Crude)/1000) = TJ