TMX Group Limited Reports Results for the Fourth Quarter 2013

- Revenue of $180.7 million, essentially unchanged from Q4/12
- Diluted earnings per share of 77 cents in Q4/13, up 26% from Q4/12
- Adjusted diluted earnings per share of 96 cents in Q4/13, up from 95 cents per share in Q4/12
- Adjusted diluted earnings per share of 96 cents excludes:
    - 15 cents per share of amortization of intangibles related to acquisitions
    - 3 cents per share charge related to Maple transaction and integration costs
    - 1 cent per share related to an adjustment to the gain on the sale of PC-Bond

February 5, 2014 (TORONTO) – TMX Group Limited [TSX:X] ("TMX Group") today announced results for the fourth quarter ended December 31, 2013.

Commenting on Q4 and 2013, Thomas Kloet, Chief Executive Officer of TMX Group, said:

"We were very pleased with our accomplishments in 2013, including the successful integration of TMX Group Inc., CDS, and Alpha. Despite subdued equities market activity in Canada, TMX Group produced good results for the fourth quarter, with adjusted EPS higher than both the fourth quarter of 2012 and the third quarter of 2013. We continue to be successful with our diversification efforts as we expand our products into new areas, particularly for our listed issuers through Equity Transfer. In 2014, we look forward to continuing with the implementation of our industry-leading trading platform, TMX Quantum XA, in our equities markets."

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

"We saw the benefit of the operating leverage in the business model, as market activity gained some momentum in the fourth quarter. With increased issuer services and information services revenue driving total revenue higher by over 9% with expenses up 3%, our income from operations grew by 21% as compared to last quarter. We also benefitted from the lower financing costs this quarter as a result of the restructuring of our long term debt at the end of Q3."

Summary of Financial Information

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

	Q4/13	Q4/12	$ Increase / (decrease)	% Increase
Revenue	$180.7	$181.1	$(0.4)	-
Operating expenses	$109.4	$105.6	$3.8	4%
Net income attributable to TMX Group shareholders	$41.4	$32.6	$8.8	27%
Earnings per share[▽]*:*				
Basic	$0.77	$0.61	$0.16	26%
Diluted	$0.77	$0.61	$0.16	26%
Cash flows from operating activities	$55.6	$20.0	$35.6	178%

Non-IFRS Financial Measures

Adjusted earnings per share and adjusted diluted earnings per share provided for the quarter and year ended December 31, 2013 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 credit facility refinancing expenses, 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 British Columbia (B.C.) corporate income tax rate, Maple Transaction and integration costs, 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 per share information is based on net income attributable to TMX Group shareholders.

Adjusted Earnings per Share° Reconciliation for Q4/13 and Q4/12

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

	Q4/13		Q4/12	
	Basic	**Diluted**	**Basic**	**Diluted**
Earnings per share$^{\nabla}$	$0.77	$0.77	$0.61	$0.61
Adjustment:				
Related to Maple Transaction and integration costs	$0.03	$0.03	$0.18	$0.18
Related to gain on sale of PC-Bond	$0.01	$0.01	$ -	$ -
Related to amortization of intangibles related to acquisitions	$0.15	$0.15	$0.16	$0.16
Adjusted earnings per share°	$0.96	$0.96	$0.95	$0.95

Weighted average number of basic common shares outstanding in Q4/13 was 54,098,994

Weighted average number of diluted common shares outstanding in Q4/13 was 54,160,140

Weighted average number of basic common shares outstanding in Q4/12 was 53,744,564

Weighted average number of diluted common shares outstanding in Q4/12 was 53,876,809

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

$^{\nabla}$ Earnings per share information is based on net income attributable to TMX Group shareholders.

THREE MONTHS ENDED DECEMBER 31, 2013 COMPARED WITH THREE MONTHS ENDED DECEMBER 31, 2012

Revenue

Revenue was $180.7 million in Q4/13, in line with revenue of $181.1 million in Q4/12. Revenue in Q4/13 included revenue from TMX Equity Transfer Services Inc. (Equity Transfer) (acquired April 5, 2013). There was an increase in Montreal Exchange Inc. (MX) and Canadian Derivatives Clearing Corporation (CDCC) *trading and clearing* revenue and *technology services* revenue from The Canadian Depository for Securities Limited (CDS) in Q4/13 compared with Q4/12. In addition, *information services* revenue increased, notwithstanding the reduction in revenue following the sale of PC-Bond on April 5, 2013. The increases were also offset by lower revenue from additional listing fees on both Toronto Stock Exchange and TSX Venture Exchange and lower trading revenue from BOX Market LLC (BOX).

Issuer services revenue

(in millions of dollars)

	Q4/13	Q4/12	$ increase/ (decrease)	% increase/ (decrease)
Initial listing fees	$4.2	$5.6	$(1.4)	(25%)
Additional listing fees	$20.7	$23.8	$(3.1)	(13%)
Sustaining listing fees	$17.3	$18.0	$(0.7)	(4%)
Other issuer services	$7.8	$4.8	$3.0	63%
Total	$50.0	$52.2	$(2.2)	(4%)

- *Initial listing fees* in Q4/13 were lower primarily due to lower initial listing fee revenue reflecting decreases in the number and value of new listings on Toronto Stock Exchange.

- *Additional listing fees* in Q4/13 decreased compared with Q4/12 mainly due to a decrease in the number of additional financings on Toronto Stock Exchange and a decrease in the number and value of additional financings on TSX Venture Exchange. While the total value of additional financings on Toronto Stock Exchange increased in Q4/13 compared with Q4/12, this was primarily due to one significant transaction on which the listed issuer paid the maximum fee. Excluding this transaction, the value of additional financings on Toronto Stock Exchange decreased in Q4/13 compared with Q4/12.

- 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 partially due to a decline in the market capitalization of some issuers listed on Toronto Stock Exchange. While there was an overall increase in the market capitalization for issuers listed on Toronto Stock Exchange at December 31, 2012 compared with December 31, 2011, a number of issuers had reached the maximum fee; therefore, there was no incremental revenue. The decrease was also due to a decline in the market capitalization of issuers listed on TSX Venture Exchange at December 31, 2012 compared with December 31, 2011.

- *Other issuer services* revenue included revenue from Equity Transfer (acquired April 5, 2013).

Trading, clearing, depository and related revenue

(in millions of dollars)

	Q4/13	Q4/12	$ increase/ (decrease)	% increase/ (decrease)
Cash markets trading and clearing	$25.9	$25.8	$0.1	-
CDS Depository	$11.6	$11.4	$0.2	2%
Derivatives markets trading, clearing and related	$26.9	$25.8	$1.1	4%
Energy markets trading and clearing	$10.7	$11.5	$ (0.8)	(7%)
Total	$75.1	$74.5	$0.6	1%

Cash Markets

- The increase in *cash markets trading and clearing* revenue reflected a favourable product mix on Toronto Stock Exchange and higher volumes from increased fixed income trading revenue from Shorcan Brokers Limited (Shorcan). In addition, CDS clearing and settlement revenue, net of rebates, also increased, reflecting an increase in volume of trades processed. CDS processed 83.9 million exchange trades and 5.2 million non-exchange/OTC trades in Q4/13, compared with 77.1 million exchange trades and 4.4 million non-exchange/OTC trades in Q4/12.

- There was a 70% increase in the volume of securities traded on TMX Select Inc. (TMX Select) (0.76 billion securities in Q4/13 versus 0.45 billion securities in Q4/12).

- Partially offsetting the increase in *cash markets trading and clearing* revenue was the impact of a 2% decrease in volume of securities traded on Toronto Stock Exchange (18.7 billion securities in Q4/13 versus 19.1 billion securities in Q4/12) and an 8% decrease in the volume of securities traded on TSX Venture Exchange in Q4/13 (9.6 billion securities in Q4/13 versus 10.5 billion securities in Q4/12).

- The increase was also partially offset by the impact of a decrease in volume of securities traded on Alpha Trading Systems Inc. and Alpha Trading Systems Limited Partnership (collectively, Alpha). There were 4.3 billion securities traded on Alpha in Q4/13, compared with 7.2 billion securities traded on Alpha in Q4/12, reflecting lower market share in Q4/13 versus Q4/12.

CDS Depository

- CDS *depository* revenue, net of rebates, for Q4/13 increased slightly over Q4/12. CDS held a daily average of approximately 328,000 equities positions with an average of 273.2 billion shares and a daily average of approximately 180,000 debt positions with an average par value of $2.4 trillion on deposit in Q4/13, compared with a daily average of approximately 321,000 equities positions with an average of 276.2 billion shares and a daily average of approximately 180,000 debt positions with an average par value of $2.3 trillion on deposit in Q4/12.

Derivatives Markets

- The increase in *derivatives markets* revenue was due to an increase in trading and clearing revenue from MX and CDCC, reflecting higher volumes, as well as a more favourable product mix on MX and an increase in REPO fees. The appreciation of the U.S. dollar against the Canadian dollar in Q4/13 compared with Q4/12 also had a positive impact on BOX's revenue.

- Volumes increased by 7% on MX (15.8 million contracts traded in Q4/13 versus 14.7 million contracts traded in Q4/12). Open interest increased by 2% at December 31, 2013 compared with December 31, 2012.

- The increase in MX and CDCC trading and clearing revenue was partially offset by lower revenues from BOX primarily as a result of a 28% decrease in BOX volumes (21.0 million contracts in Q4/13 versus 29.3 million contracts traded in Q4/12) reflecting a loss in market share.

Energy Markets

- The decrease in *energy markets* revenue reflected a 10% decrease in total energy volume[#] in Q4/13 compared with Q4/12 (2.9 million terajoules in Q4/13 compared with 3.2 million terajoules in Q4/12). This volume decrease reflects an 11% decrease in natural gas volumes and a 28% increase in power volumes due to price volatility and increased liquidity in the power markets.

- The decrease was also due to a revenue deferral in Natural Gas Exchange Inc. (NGX) in Q4/13 compared with a net recovery of revenue in Q4/12.

- The appreciation of the U.S. dollar against the Canadian dollar in Q4/13 compared with Q4/12 had a positive impact on the revenue of NGX and Shorcan Energy Brokers Inc. (Shorcan Energy Brokers). The expansion into the power market in Texas during Q3/13 also had a positive contribution to revenues in the quarter.

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

Information services revenue

(in millions of dollars)

Q4/13	Q4/12	$ increase	% increase
$47.6	$47.3	$0.3	1%

- The increase in *Information services* revenue was due to higher revenue from TMX Atrium, feeds, co-location services, and royalties following the FTSE Group (FTSE) transaction. During Q4/13, there were also various revenue recoveries of approximately $2.8 million. The appreciation of the U.S. dollar against the Canadian dollar in Q4/13 compared with Q4/12 had a positive impact on revenue.

- The increase in *Information services* revenue was partially offset by the reduction in revenue following the sale of PC-Bond, which we did not consolidate following the close of the transaction with FTSE to create FTSE TMX Global Debt Capital Markets on April 5, 2013.

- The increase was also partially offset by lower revenue from market data subscriptions, reflection a 9% decrease in the average number of professional and equivalent real-time market data subscriptions to Toronto Stock Exchange and TSX Venture Exchange products (137,176 professional and equivalent real-time market data subscriptions in Q4/13 compared with 150,633 in Q4/12). There was also a 4% decrease in the average number of MX market data subscriptions (27,185 MX market data subscriptions in Q4/13 compared with 28,359 in Q4/12).

Technology services and other revenue[1]

(in millions of dollars)

	Q4/13	Q4/12	$ increase/ (decrease)	% increase/ (decrease)
Technology services and other revenue	$2.8	$3.0	$(0.2)	(7%)
SEDAR, SEDI, NRD and other CDS revenue	$5.1	$4.1	$1.0	24%
Total	$7.9	$7.1	$0.8	11%

- The increase in *Technology services and other revenue* reflects higher revenues from CDS services relating to the administration of the System for Electronic Document Analysis and Retrieval (SEDAR), the System for Electronic Disclosure by Insiders (SEDI) and the National Registration Database (NRD) and the impact of higher foreign exchange gains on U.S. dollar accounts receivables in Q4/13 compared with Q4/12.

[1] The "*Technology services and other revenue*" section above contains certain forward-looking statements. Please refer to "*Caution Regarding Forward-Looking Information*" for a discussion of risks and uncertainties related to such statements.

- The operations relating to the administration of SEDAR, SEDI, and NRD were transitioned to a new service provider on January 13, 2014, and the agreement ended on January 31, 2014. We will not be earning any revenue from securities regulators for these services after January 31, 2014. We expect that approximately $17.9 million of annual revenue and approximately $8.0 million of annual costs, or approximately $9.9 million in income from operations, will be eliminated due to the termination of the contract.

- The increases were partially offset by lower Razor Risk Technologies Limited (Razor Risk) revenues.

Operating Expenses[2]

Operating expenses in Q4/13 were $109.3 million, up $4.0 million or 4%, from $105.3 million in Q4/12. The increase reflects the inclusion of three months of operating expenses of Equity Transfer (acquired April 5, 2013). Operating expenses were also higher primarily due to higher costs associated with the short-term employee performance incentive plan, higher organizational transition costs, lower capitalization of *Compensation and benefits* costs associated with technology initiatives, and higher *Information and trading systems* costs related to technology initiatives. The increase was partially offset by the lower operating expenses related to PC-Bond that were no longer consolidated following the sale on April 5, 2013. In addition, we realized costs synergies as a result of the integration of TMX Group Inc., CDS, and Alpha.

In 2013, we made substantial progress on the integration of TMX Group Inc., CDS and Alpha. Subsequent to the completion of the Maple Transaction, we announced a target of approximately $20.0 million in annual cost synergies, net of incremental costs of regulation, on a run-rate basis in Q1/14. In the third quarter of 2013, we exceeded our original expectation and increased our target to $28.0 million in annualized net synergies on a run-rate basis in Q1/14. During the year, we realized approximately $21.0 million of these net synergies. These synergies came from the consolidation of operations, including the migration of the Alpha trading platform to our proprietary trading engine (TMX Quantum™), and the realization of efficiencies in overlapping functions. We now estimate approximately $26.0 million in one-time costs to complete the integration, up from previous estimate of approximately $24.0 million, partially reflecting an increase in the costs required to achieve the higher synergy target. Total integration costs incurred in 2013 were approximately $5.6 million, and cumulative integration costs from Q3/12 were approximately $23.5 million.

[2] The *"Operating Expenses"* section above contains forward-looking information. Please refer to *"Caution Regarding Forward-Looking Information"* for a discussion of risks and uncertainties related to such statements.

Compensation and benefits

(in millions of dollars)

Q4/13	Q4/12	$ increase	% increase
$47.6	$42.1	$5.5	13%

- *Compensation and benefits* costs include expenses from Equity Transfer (acquired April 5, 2013) for the quarter. There were also higher short-term employee performance incentive plan costs, increased organizational transition costs, lower capitalization of costs associated with technology initiatives, and higher Razor Risk costs.

- There were 1,306 TMX Group employees at December 31, 2013 versus 1,310 employees at December 31, 2012, reflecting a decrease in the number of employees due to integration, as well as the reduction from PC-Bond, somewhat offset by an increase related to 68 employees from Equity Transfer following the acquisition in April 2013.

Information and trading systems

(in millions of dollars)

Q4/13	Q4/12	$ (decrease)	% (decrease)
$19.2	$20.1	$(0.9)	(4%)

- *Information and trading systems* expenses were lower primarily due to lower operating expenses resulting from synergies, and the exclusion of operating expenses related to PC-Bond that were no longer consolidated following the sale on April 5, 2013.

- The declines were partially offset by higher costs related to technology initiatives and higher telecommunications costs.

General and administration

(in millions of dollars)

Q4/13	Q4/12	$ increase	% increase
$24.2	$23.5	$0.7	3%

- *General and Administration* costs were higher partially due to the inclusion of expenses from Equity Transfer (acquired April 5, 2013).

Depreciation and amortization

(in millions of dollars)

Q4/13	Q4/12	$ (decrease)	% (decrease)
$18.3	$19.6	$(1.3)	(7%)

- *Depreciation and Amortization* costs reflect a reduction in depreciation and amortization relating to assets that were fully depreciated by the end of Q4/13.
- The *Depreciation and Amortization* costs of $18.3 million included $9.6 million related to amortization of intangibles related to acquisitions (15 cents per basic and diluted share).

Share of net income (loss) of equity accounted investees

(in millions of dollars)

Q4/13	Q4/12	$ (decrease)	% (decrease)
$(0.3)	$1.8	$(2.1)	(117%)

- This includes our 25% share of net income from FTSE TMX Global Debt Capital Markets and our 47% share of net income from CanDeal.ca Inc. (CanDeal).
- In Q4/13, we recorded a year-to-date adjustment related to the FTSE joint venture to account for amortization and taxes.

Gain on sale of PC-Bond

(in millions of dollars)

Q4/13	Q4/12	$ (decrease)	% (decrease)
$(0.4)	$ -	$(0.4)	-

- In Q4/13, we recorded an adjustment relating to goodwill on the gain on sale of PC-Bond on April 5, 2013.

Maple Transaction and integration costs

(in millions of dollars)

Q4/13	Q4/12	$ (decrease)	% (decrease)
$2.1	$13.1	$(11.0)	(84%)

- In Q4/13, we incurred lower costs primarily related to organizational transition expenses as part of the integration process compared with Q4/12.

Net finance (income) costs

(in millions of dollars)

	Q4/13	Q4/12	$ increase/ (decrease)
Finance (income)	$(0.9)	$(0.9)	$ -
Finance costs	$11.3	$17.1	$(5.8)
Net finance costs	$10.4	$16.2	$(5.8)

- The reduction in finance costs in Q4/13 compared with Q4/12 relates primarily to a reduction in the effective interest rate following the issuance of debentures ($1.0 billion aggregate principal amount) in Q3/13 and the amendment of our credit facility under more favourable terms. In addition, there was a reduction in the amount of debt outstanding and a reduction in the amortization of prepaid financing fees in Q4/13 compared with Q4/12.

Income tax expense

(in millions of dollars)

		Effective Tax Rate (%)	
Q4/13	Q4/12	Q4/13	Q4/12
$16.4	$13.5	28%	28%

- The effective tax rate was unchanged from Q4/12 to Q4/13.

Net income attributable to non-controlling interests

(in millions of dollars)

Q4/13	Q4/12	$ (decrease)	% (decrease)
$0.3	$1.9	$(1.6)	(84%)

- MX holds a 53.8% ownership interest in BOX. The results for BOX are consolidated in our Consolidated Income Statements. *Net income attributable to non-controlling interests* represents the other BOX members' share of BOX's income or loss for the period.

- The decline from Q4/12 to Q4/13 reflected lower revenue from a decrease in volumes traded on BOX, reflecting a loss in market share.

SUMMARY OF CASH FLOWS

The following tables provide the summary of cash flows for TMX Group for Q4/13, including Equity Transfer from April 5, 2013, compared with Q4/12.

(in millions of dollars)

	Q4/13	Q4/12	$ increase/ (decrease) in cash
Cash Flows from Operating Activities	$55.6	$20.0	$35.6
Cash Flows (used in) Financing Activities	(44.7)	(89.8)	45.1
Cash Flows from Investing Activities	4.1	32.0	(27.9)

- The increase in *Cash Flows from Operating Activities* in Q4/13 compared with Q4/12 was primarily due to an increase in trade and other payables and long-term accrued and other non-current liabilities, lower Maple Transaction and integration related cash outlays, and reduced interest paid, somewhat offset by a decrease in income from operations.

- In Q4/13, *Cash Flows (used in) Financing Activities* was lower than in Q4/12 primarily due to lower net repayments on our credit facilities (net of financing costs).

- In Q4/13, *Cash Flows from Investing Activities* was lower than in Q4/12 primarily due to a reduction in the sale of marketable securities.

YEAR ENDED DECEMBER 31, 2013

The following tables contain TMX Group Limited revenue, operating expenses, net income attributable to TMX Group shareholders, earnings per share, adjusted earnings per share, and cash flows from (used in) operating activities for 2013, including the operating results of Equity Transfer from April 5, 2013. The amounts for 2012 include financial information for TMX Group Inc. from July 31, 2012 and financial information for CDS and Alpha from August 1, 2012. There is no comparative information on adjusted earnings per share for 2012.

For a meaningful discussion of the results of operations for 2013 compared with 2012, please see our TMX Group Limited 2013 Management's Discussion and Analysis (MD&A) that can be accessed through www.sedar.com or our website at www.tmx.com.

(in millions of dollars, except per share amounts)

	Year ended		
	Dec. 31/13	Dec. 31/12	$ Increase
Revenue	$700.5	$294.5	$406.0
Operating expenses	$442.8	$179.4	$263.4
Net income attributable to TMX Group shareholders	$123.9	$15.1	$108.8
Earnings per share$^{\nabla}$*:*			
Basic	$2.29	$0.72	$1.57
Diluted	$2.29	$0.72	$1.57
Cash flows from (used in) operating activities	$250.4	$(144.0)	$394.4

(unaudited)

	Year Ended December 31, 2013	
	Basic	Diluted
Earnings per share$^{\nabla}$	$2.29	$2.29
Adjustment:		
Related to credit facility refinancing expenses (includes write-off of prepaid financing fees and related items)	$0.22	$0.22
Related to the sale of PC-Bond and related income tax expense	$0.11	$0.11
Related to increase in deferred income tax liabilities resulting from the change in B.C. corporate income tax rate	$0.05	$0.05
Related to Maple Transaction and integration costs	$0.11	$0.11
Related to amortization of intangibles related to acquisitions	$0.60	$0.60
Adjusted earnings per share$^{\circ}$	$3.38	$3.38

$^{\nabla}$ Earnings per share information is based on net income attributable to TMX Group shareholders.

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

FINANCIAL STATEMENTS GOVERNANCE PRACTICE

The Finance & Audit Committee of the Board of Directors of TMX Group reviewed this press release as well as the 2013 audited annual consolidated financial statements and related MD&A, and recommended they be approved by the Board of Directors. Following review by the full Board, the 2013 audited annual consolidated financial statements, MD&A and the contents of this press release were approved.

CONSOLIDATED FINANCIAL STATEMENTS

Our 2013 audited annual consolidated financial statements are prepared in accordance with IFRS and are reported in Canadian dollars. The financial measures included in this press release are derived from financial information prepared in accordance with IFRS, unless otherwise specified. All amounts in the press release are in Canadian dollars unless otherwise noted.

TMX Group has filed its 2013 audited annual consolidated 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 TMXshareholder@tmx.com.

CAUTION REGARDING FORWARD-LOOKING INFORMATION

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

In particular, this press release contains information regarding the integration of the business of TMX Group Inc. with CDS and Alpha and the anticipated benefits and synergies from the acquisitions of CDS and Alpha. There are costs associated with achieving these synergies. This is forward-looking information as defined in applicable Canadian securities legislation and is subject to the assumptions (in the 2013 MD&A under the heading “Integration”), risks, and uncertainties outlined in the following paragraphs. In addition to the risk factors outlined below, 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 effectively 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.

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

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

While we anticipate that subsequent events and developments may cause our views to change, we have no intention to update this forward-looking information, except as required by applicable securities law. This forward-looking information should not be relied upon as representing our views as of any date subsequent to the date of this press release. We have attempted to identify important factors that could cause actual actions, events or results to differ materially from those current expectations described in forward-looking information. However, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended and that could cause actual actions, events or results to differ materially from current expectations. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. These factors are not intended to represent a complete list of the factors that could affect us. A description of the above-mentioned items is contained under the heading **Risks and Uncertainties** in the 2013 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 Q4/13.

Time: 8:00 a.m. - 9:00 a.m. ET on Wednesday, February 5, 2014.

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 32073205.

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TMX GROUP LIMITED

Consolidated Balance Sheets
(In millions of Canadian dollars)

		December 31, 2013		December 31, 2012
Assets				
Current assets:				
Cash and cash equivalents	$	**212.2**	$	156.5
Restricted cash and cash equivalents		**102.9**		67.9
Marketable securities		**67.0**		89.0
Trade and other receivables		**83.6**		89.1
Energy contracts receivable		**764.9**		696.4
Fair value of open energy contracts		**72.7**		62.9
Balances with Clearing Members and Participants		**10,164.7**		7,773.9
Other current assets		**11.2**		15.0
Current income tax assets		**6.0**		11.8
		11,485.2		8,962.5
Non-current assets:				
Fair value of open energy contracts		**14.2**		2.8
Goodwill		**1,293.8**		1,320.4
Intangible assets		**3,513.1**		3,630.8
Other non-current assets		**129.0**		58.1
Deferred income tax assets		**60.2**		67.6
Total Assets	$	**16,495.5**	$	14,042.2
Liabilities and Equity				
Current liabilities:				
Trade and other payables	$	**104.9**	$	82.0
Participants' tax withholdings		**102.9**		67.9
Energy contracts payable		**764.9**		696.4
Fair value of open energy contracts		**72.7**		62.9
Balances with Clearing Members and Participants		**10,164.7**		7,773.9
Credit and liquidity facilities drawn		**1.3**		-
Other current liabilities		**23.2**		26.6
Current income tax liabilities		**2.2**		1.5
		11,236.8		8,711.2
Non-current liabilities:				
Fair value of open energy contracts		**14.2**		2.8
Loans payable		**331.4**		1,453.1
Debentures		**996.4**		-
Fair value of interest rate swaps		**0.4**		1.7
Other non-current liabilities		**45.0**		45.0
Deferred income tax liabilities		**900.5**		929.0
Total Liabilities		**13,524.7**		11,142.8
Equity:				
Share capital		**2,849.2**		2,833.7
Retained earnings (deficit)		**27.4**		(20.4)
Contributed surplus – share option plan		**5.2**		4.0
Accumulated other comprehensive income (loss)		**6.0**		(1.1)
Total Equity attributable to equity holders of the Company		**2,887.8**		2,816.2
Non-controlling interests		**83.0**		83.2
Total Equity		**2,970.8**		2,899.4
Total Liabilities and Equity	$	**16,495.5**	$	14,042.2

TMX GROUP LIMITED

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

	Three months ended December 31, **2013**	Three months ended December 31, 2012	Twelve months ended December 31, **2013**	Twelve months ended December 31, 2012
Revenue:				
Issuer services	**$ 50.0**	$ 52.2	**$ 189.3**	$ 81.3
Trading, clearing, depository and related	**75.1**	74.5	**303.1**	124.5
Information services	**47.6**	47.3	**181.5**	77.4
Technology services and other	**8.0**	7.1	**26.6**	11.3
REPO interest:				
Interest income	**17.0**	12.3	**73.4**	18.6
Interest expense	**(17.0)**	(12.3)	**(73.4)**	(18.6)
Net REPO interest	**-**	-	**-**	-
Total revenue	**180.7**	181.1	**700.5**	294.5
Expenses:				
Compensation and benefits	**47.6**	42.4	**204.8**	75.7
Information and trading systems	**19.2**	20.1	**74.2**	33.7
General and administration	**24.3**	23.5	**91.2**	36.7
Depreciation and amortization	**18.3**	19.6	**72.6**	33.3
Total operating expenses	**109.4**	105.6	**442.8**	179.4
Income from operations	**71.3**	75.5	**257.7**	115.1
Share of net income of equity accounted investees	**(0.3)**	1.8	**2.6**	2.0
Gain on sale of PC-Bond	**(0.4)**	-	**5.4**	-
Maple transaction and integration costs	**(2.1)**	(13.1)	**(7.2)**	(49.9)
Finance income (costs):				
Finance income	**0.9**	0.9	**3.1**	2.4
Finance costs	**(11.3)**	(17.1)	**(60.6)**	(27.9)
Credit facility refinancing expenses	-	-	**(16.4)**	-
Net finance costs	**(10.4)**	(16.2)	**(73.9)**	(25.5)
Income before income taxes	**58.1**	48.0	**184.6**	41.7
Income tax expense	**16.4**	13.5	**60.9**	21.2
Net income	**$ 41.7**	$ 34.5	**$ 123.7**	$ 20.5
Net income (loss) attributable to:				
Equity holders of the Company	**$ 41.4**	$ 32.6	**$ 123.9**	$ 15.1
Non-controlling interests	**0.3**	1.9	**(0.2)**	5.4
	$ 41.7	$ 34.5	**$ 123.7**	$ 20.5
Earnings per share (attributable to equity holders of the Company):				
Basic	**$ 0.77**	$ 0.61	**$ 2.29**	$ 0.73
Diluted	**$ 0.77**	$ 0.61	**$ 2.29**	$ 0.73

TMX GROUP LIMITED

Consolidated Statements of Comprehensive Income
(In millions of Canadian dollars)
(Unaudited)
Three months and year ended December 31, 2013 and 2012

	Three months ended December 31,		Twelve months ended December 31,	
	2013	2012	**2013**	2012
Net income	**$ 41.7**	$ 34.5	**$ 123.7**	$ 20.5
Other comprehensive income:				
Items that will not be reclassified to the consolidated income statements:				
Actuarial gains (losses) on defined benefit pension and other post-retirement benefit plans, net of taxes	**9.0**	(4.8)	**10.3**	(4.8)
Total items that will not be reclassified to the consolidated income statements	**9.0**	(4.8)	**10.3**	(4.8)
Items that may be reclassified subsequently to the consolidated income statements:				
Unrealized gain (loss) on translating financial statements of foreign operations, net of taxes	**6.2**	2.7	**12.3**	(1.0)
Unrealized fair value gain (loss) on interest rate swaps designated as cash flow hedges, net of taxes	**(0.9)**	1.6	**0.8**	(2.1)
Reclassification to net income of (gains) losses on interest rate swaps, net of taxes	**(0.1)**	0.5	**(0.7)**	0.9
Total items that may be reclassified subsequently to the consolidated income statements	**5.2**	4.8	**12.4**	(2.2)
Total comprehensive income	**$ 55.9**	$ 34.5	**$ 146.4**	$ 13.5
Total comprehensive income attributable to:				
Equity holders of the Company	**$ 53.1**	$ 31.7	**$ 141.3**	$ 9.2
Non-controlling interests	**2.8**	2.8	**5.1**	4.3
	$ 55.9	$ 34.5	**$ 146.4**	$ 13.5

TMX GROUP LIMITED

Consolidated Statements of Changes in Equity
(In millions of Canadian dollars)
Year ended December 31, 2013 and 2012

	Attributable to equity holders of the Company						
	Share capital	**Contributed surplus – share option plan**	**Accumulated other comprehensive (loss) income**	**Retained earnings (deficit)**	**Total attributable to equity holders**	**Non-controlling interests**	**Total equity**
Balance at January 1, 2013	$ 2,833.7	$ 4.0	$ (1.1)	$ (20.4)	$ 2,816.2	$ 83.2	$ 2,899.4
Net income	-	-	-	123.9	123.9	(0.2)	123.7
Other comprehensive income:							
Foreign currency translation differences, net of taxes	-	-	7.0	-	7.0	5.3	12.3
Net change in interest rate swaps designated as cash flow hedges, net of taxes	-	-	0.1	-	0.1	-	0.1
Actuarial gains on defined benefit pension and other post-retirement benefit plans, net of taxes	-	-	-	10.3	10.3	-	10.3
Total comprehensive income	-	-	7.1	134.2	141.3	5.1	146.4
Dividends to equity holders	-	-	-	(86.4)	(86.4)	-	(86.4)
BOX dividend to non-controlling interest	-	-	-	-	-	(5.3)	(5.3)
Proceeds from exercised share options	14.5	-	-	-	14.5	-	14.5
Cost of exercised share options	1.0	(1.0)	-	-	-	-	-
Cost of share option plan	-	2.2	-	-	2.2	-	2.2
Balance at December 31, 2013	$ 2,849.2	$ 5.2	$ 6.0	$ 27.4	$ 2,887.8	$ 83.0	$ 2,970.8

TMX GROUP LIMITED

Consolidated Statements of Changes in Equity
(In millions of Canadian dollars)
Year ended December 31, 2013 and 2012

	Attributable to equity holders of the Company						
	Share capital	**Contributed surplus – share option plan**	**Accumulated other comprehensive loss**	**Deficit**	**Total attributable to equity holders**	**Non-controlling interests**	**Total (deficit) equity**
Balance at January 1, 2012	$ 10.0	$ -	$ -	$ (37.3)	$ (27.3)	$ -	$ (27.3)
Net income	-	-	-	15.1	15.1	5.4	20.5
Other comprehensive loss:							
Foreign currency translation differences, net of taxes	-	-	0.1	-	0.1	(1.1)	(1.0)
Net change in interest rate swaps designated as cash flow hedges, net of taxes	-	-	(1.2)	-	(1.2)	-	(1.2)
Actuarial losses on defined benefit pension and other post retirement benefit plans, net of taxes	-	-	-	(4.8)	(4.8)	-	(4.8)
Total comprehensive loss	-	-	(1.1)	10.3	9.2	4.3	13.5
Net issuance of common shares	2,822.0	-	-	-	2,822.0	-	2,822.0
Non-controlling interests arising on the acquisition of TMX Group Inc.	-	-	-	-	-	850.3	850.3
Acquisition of remaining 20% of TMX Group Inc.	-	-	-	28.1	28.1	(771.4)	(743.3)
Dividends to equity holders	-	-	-	(21.5)	(21.5)	-	(21.5)
Share options exchanged on acquisition	-	3.5	-	-	3.5	-	3.5
Proceeds from exercised share options	1.6	-	-	-	1.6	-	1.6
Cost of exercised share options	0.1	(0.1)	-	-	-	-	-
Cost of share option plan	-	0.6	-	-	0.6	-	0.6
Balance at December 31, 2012	$ 2,833.7	$ 4.0	$ (1.1)	$ (20.4)	$ 2,816.2	$ 83.2	$ 2,899.4

TMX GROUP LIMITED

Consolidated Statements of Cash Flows
(In millions of Canadian dollars)
(Unaudited)
Three months and year ended December 31, 2013 and 2012

	Three months ended December 31, 2013	Three months ended December 31, 2012	Twelve months ended December 31, 2013	Twelve months ended December 31, 2012
Cash flows from (used in) operating activities:				
Income before income taxes	**$ 58.1**	$ 48.0	**$ 184.6**	$ 41.7
Adjustments to determine net cash flows:				
Depreciation and amortization	**18.3**	19.6	**72.6**	33.3
Net finance costs	**10.4**	16.2	**73.9**	25.5
Share of net income of equity accounted investees	**0.3**	(1.8)	**(2.6)**	(2.0)
Gain on sale of PC-Bond	**0.4**	-	**(5.4)**	-
Cost of share option plan	**0.6**	0.3	**2.2**	0.6
Unrealized foreign exchange loss (gain)	**0.2**	(0.2)	**(1.4)**	(0.2)
Maple transaction and integration costs	**2.1**	13.1	**7.2**	49.9
Maple transaction and integration related cash outlays	**(1.9)**	(5.7)	**(14.1)**	(105.0)
Trade and other receivables, and prepaid expenses	**(5.4)**	(2.9)	**6.2**	3.5
Other non-current assets	**(8.0)**	2.7	**(12.0)**	2.8
Trade and other payables	**10.7**	(4.5)	**29.4**	(93.7)
Modification and cash settlement of TMX Group Inc. share option plan	**-**	(15.9)	**-**	(15.9)
Provisions	**(1.1)**	4.9	**(1.3)**	3.1
Deferred revenue	**(16.4)**	(19.8)	**1.7**	(33.5)
Long-term accrued and other non-current liabilities	**9.9**	(9.0)	**9.1**	(6.0)
Net settlement on interest rate swaps	**(0.1)**	(0.7)	**(2.0)**	(1.2)
Cash received on unwind of interest rate swaps	**-**	-	**1.6**	-
Interest paid	**(10.5)**	(14.7)	**(47.8)**	(28.4)
Interest received	**1.0**	0.9	**3.4**	2.6
Income taxes paid	**(13.0)**	(10.5)	**(54.9)**	(21.1)
	55.6	20.0	**250.4**	(144.0)
Cash flows from (used in) financing activities:				
Reduction in obligations under finance leases	**(0.9)**	(0.9)	**(2.6)**	(1.5)
Proceeds from exercised options	**1.1**	1.6	**14.6**	1.6
Net issuance of common shares	**-**	-	**-**	2,078.7
Dividends paid to equity holders	**(21.6)**	(21.5)	**(86.4)**	(21.5)
Dividends paid to TMX Group Inc. equity holders	**-**	-	**-**	(29.9)
BOX dividend to non-controlling interest	**-**	-	**(5.3)**	-
Credit and liquidity facilities drawn, net	**0.8**	(12.0)	**1.3**	-
Financing and refinancing fees, expensed	**-**	-	**(0.8)**	-
Net repayment of loans payable, net of financing costs	**(24.1)**	(57.0)	**(1,146.6)**	(430.0)
Proceeds from loans payable, net of financing costs	**-**	**-**	**-**	1,449.9
Proceeds from debentures, net of financing costs	**-**	-	**996.2**	-
	(44.7)	(89.8)	**(229.6)**	3,047.3
Cash flows from (used in) investing activities:				
Additions to premises and equipment	**(3.3)**	(0.8)	**(8.1)**	(1.6)
Additions to intangible assets	**(6.4)**	(8.2)	**(20.3)**	(11.7)
Acquisitions, net of cash acquired	**-**	-	**(64.0)**	(2,677.1)
Proceeds from sale of PC-Bond	**-**	-	**104.0**	-
Dividends received from associate	**-**	3.5	**-**	3.5
Marketable securities	**13.8**	37.5	**21.8**	(65.0)
	4.1	32.0	**33.4**	(2,751.9)
Increase (decrease) in cash and cash equivalents	**15.0**	(37.8)	**54.2**	151.4
Cash and cash equivalents, beginning of the period	**196.4**	193.7	**156.5**	5.0
Unrealized foreign exchange gain on cash and cash equivalents held in foreign currencies	**0.8**	0.6	**1.5**	0.1
Cash and cash equivalents, end of the period	**$ 212.2**	$ 156.5	**$ 212.2**	$ 156.5