



TERRENCE A. DUFFY
*Executive Chairman
and President*

DEAR SHAREHOLDERS

The year 2015 was a time of dynamic changes in the global marketplace. Oil prices dropped to a 12-year low, the U.S. Federal Reserve raised interest rates for the first time in seven years, and equity markets declined as China's economic challenges intensified. During this period of global volatility, a larger number of market participants turned to CME Group's deep and liquid markets to manage their risk exposure. This propelled our volume and revenues to record levels in a year that many considered to be a challenging environment for financial services companies. Full-year 2015 average daily volume was approximately 14 million contracts and total trading volume for the year surpassed 3.5 billion contracts.

This historic performance demonstrated the value of our broadly diversified product suite. We saw significant year-over-year revenue growth in five of our six product lines, led by annual volume records for energy, up 21 percent, and agricultural commodities, up 13 percent. Our options business continued to thrive, with total options up seven percent and electronic options up 15 percent. Clearing and transaction fee revenue and market data revenue were up significantly compared with the prior year.

The increasingly competitive financial marketplace demands that we accelerate our new product innovation and expand our global partnerships, which we continued to do successfully in 2015. For example, we secured the long-term rights to the FTSE Russell Indexes, which have more than \$10 trillion of assets under management benchmarked to them. Together, we are providing market participants with the capital efficiencies of trading multiple indexes via one platform and clearing house.

Regarding new products, one standout within our interest rate franchise is our recently launched Ultra 10-Year U.S. Treasury Note product. The design, which was based on extensive customer collaboration, more

precisely reflects exposure of 10-Year Treasury Notes, the benchmark for U.S. Treasury securities. It best serves the risk management needs of the marketplace, and has been the most successful new contract launch in our history.

Given the company's underlying strength, we declared dividends during 2015 of \$1.6 billion, including the annual variable dividend for 2015 of \$977 million, which was paid in January 2016. We are continuing to move forward and have seen record monthly volume in the first two months of 2016. As a result, we announced a 20 percent increase in our regular quarterly dividend to 60 cents per share. In each of the prior four years, our total dividend yield has exceeded five percent. Cumulatively, the company has returned more than \$5.6 billion to shareholders in the form of dividends since the implementation of the variable dividend policy in early 2012.

On the regulatory front, our markets are always evolving. We work closely with regulators and legislators here and abroad to ensure that any changes are fair and robust – without undermining competition, innovation and economic growth.

All of our efforts are designed to enhance the long-term value of CME Group as we expand further globally, operate even more efficiently and continue to serve our customers worldwide in innovative new ways – while increasing the returns to our shareholders.



TERRENCE A. DUFFY

Executive Chairman and President

March 14, 2016



TO OUR SHAREHOLDERS

During 2015, we continued to expand our business worldwide, trading an average of 3 million contracts per day from outside the United States. Volume in Europe jumped from 2.1 million contracts per day in 2014 to nearly 2.3 million per day in 2015. In Asia, volume was approximately 550,000 contracts per day in 2015, up from 490,000 per day the prior year. Non-U.S. volume accounted for 24 percent of total volume generated from our CME Globex electronic trading platform.

Leading Core Business and Product Innovation

During 2015, we achieved record overall volume, averaging 14 million contracts per day, with multiple volume records across our core product portfolio. Continuing our history of innovation, we launched S&P 500 Dividend Index futures, basis trade at index close (BTIC) functionality for equity index futures, six FTSE Russell contracts, physically delivered gold kilo futures, physically delivered zinc futures, aluminum European and Japan premium futures, LOOP crude oil storage contracts, three new urea contracts (fertilizer), eight European power contracts, European natural gas contracts, three short-dated soybean options and cocoa futures and options.

Additionally, through CME Ventures, we have made minority investments in emerging technology companies. Long term, their innovative products or services could have an impact on CME Group's key business drivers and the broader financial services ecosystem.

Globalizing Our Company and Our Business

We continued to grow and diversify our business worldwide in 2015 by offering the most broadly diversified portfolio of benchmark products.

Despite economic slowdowns in Asia and Latin America, we believe these and other emerging markets will experience superior growth and develop-

ment of their financial markets as they catch up to the more mature North American and European markets. In 2015, more than 30 percent of electronic trading revenues and 50 percent of our market data revenue was from outside the United States.

We have continued to extend the geographic reach of our clearing services through CME Clearing Europe, our U.K. clearing house. Trading on CME Europe, our London-based derivatives exchange – which currently offers foreign exchange, energy and agricultural products – has exceeded one million total contracts since launching in mid-2014. During the year, we continued to forge new and expand existing relationships abroad. One notable example is our agreement with the China Foreign Exchange Trade System (CFETS). Together we plan to promote each other's market infrastructure and facilitate the development of offshore renminbi products in both the United States and Asia.

Expanding Our Customer Base and Customer Participation

With changing regulatory capital requirements for many of our customers and the need for greater efficiencies, we have added tools to enable customers to build trading and clearing positions in our markets in a more efficient manner. This has resulted in greater customer participation over the past several years, including a gradual increase in the number of firms holding large exposures in futures since the OTC clearing mandates began in 2013. The number of large open interest holders within interest rate futures has grown from 1,200 at the beginning of 2013 pre-mandate to more than 1,600 currently.

With the ongoing implementation of regulatory reform in the United States and in Europe, we expect capital efficiencies and centralized clearing to continue to be important for our global client base.



PHUPINDER S. GILL
Chief Executive Officer

Extending Our Risk Management and Post-Trade Offerings

We provide clearing services for interest rate swaps (IRS), credit default swaps and foreign exchange swaps. In 2015, we extended the number of IRS currencies cleared, with the launch of our 19th currency, the Brazilian Real IRS. This builds on our considerable success with the Mexican Peso, launched in 2014, which is our fourth most actively cleared currency.

We also continued to introduce tools and services to assist customers with portfolio margining. During 2015, more than 40 institutions utilized CME Group's portfolio margining between swaps and futures, which resulted in nearly \$3 billion of reduced capital requirements at year end. In the past two years, we have introduced compression via coupon blending as well as CME CORE. This is an interactive margin calculator that enables clients to optimize their capital by providing insights on margin requirements prior to trading.

In 2015, we introduced multilateral compression for our cleared swap customers through a partnership with TriOptima, an ICAP company. Additionally, we added trade reporting services in the United States, Europe, Canada and Australia. During 2015, we cleared swap transactions with a notional value of more than \$34.5 trillion, and open interest as of December 31, 2015, was \$19.2 trillion.

Providing Leading Information Products and Index Services

During the year, we entered into a licensing agreement with FTSE Russell and launched respective E-mini Russell 1000 futures in September 2015. The Russell 2000 futures and options are expected to launch in mid-2017. We offer a variety of market data services for the futures, equities and cleared swaps markets. Our joint venture with McGraw-Hill combines the

world-class capabilities of S&P Indices and Dow Jones Indices. Our income from the joint venture increased 12 percent to more than \$100 million in 2015. In addition, market data and information services revenue rose 12 percent to nearly \$400 million.

We increased our operating margin by reducing costs from the prior year and streamlining operations. As part of these efforts, we closed certain futures pits, delayed management, consolidated data centers and created technological efficiencies.

We are honored that CME Group was named "Exchange of the Year" by *Risk Magazine*, especially since this award is based on feedback from our clients. This recognition, as well as numerous other significant awards, demonstrates that we are improving our agility in serving customers globally as they navigate through difficult market conditions and new regulatory requirements around the world. We are proud of what we accomplished in 2015 and aim to maintain this high level of customer service going forward, particularly as we focus on continuing our strong growth trajectory worldwide.



PHUPINDER S. GILL
Chief Executive Officer
March 14, 2016
