Cboe Global Markets, Inc.
Third Quarter 2026 Earnings Call
October 30, 2026

Ken
Good morning and thank you for joining us for our third quarter earnings conference call. On the call today, Craig Donohue, our CEO, will discuss our performance for the quarter and provide an update on our strategic outlook. Jill Griebenow, our Chief Financial Officer, will provide an overview of our financial results for the quarter as well as discuss updates to our 2026 financial guidance. Following their comments, we will open the call to Q&A. Also joining us for Q&A will be:

- Prashant Bhatia, our Head of Enterprise Strategy & Corporate Development,
- Heidi Fischer, our Global Head of Cash and Spot Markets;
- Rob Hocking, our Global Head of Derivatives, and
- Scott Johnston, our Chief Operating Officer.

I would like to point out that this presentation will include the use of slides. We will be showing the slides and providing commentary on each. A downloadable copy of the slide presentation is available on the Investor Relations portion of our website.

Slide 3: Disclosures
During our remarks, we will make certain forward-looking statements, which represent our current judgment on what the future may hold. While we believe these judgments are reasonable, these forward-looking statements are not guarantees of future performance and involve certain assumptions, risks, and uncertainties. Actual outcomes and results may differ materially from what is expressed or implied in any forward-looking statements. Please refer to our filings with the SEC for a full discussion of the factors that may affect any forward-looking statements.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events, or otherwise, after this conference call.

During the call this morning, we will be referring to non-GAAP measures as defined and reconciled in our earnings materials. Now, I'd like to turn the call over to Craig.

CRAIG
Opening Remarks
Good morning and thank you for joining us to review our third quarter results. Building on our year-to-date momentum, Cboe delivered another quarter of strong net revenue and adjusted earnings growth.

We also took two significant steps to strengthen the foundation of our company. At the end of September, we signed a 25-year extension of our exclusive licensing agreement with S&P Dow Jones Indices. It is our longest agreement with S&P to date and extends our collaboration

through 2051. Then, in October, we received approvals to offer securities-based KPI contracts on 23 companies, creating a new avenue for innovation in financial markets. Together, these milestones provide a long runway to drive growth for years to come.

I'll share some high-level comments before handing the call over to Jill for a financial update.

Slide 5: Net Revenue in the Third Quarter
During the third quarter, Cboe grew net revenue 18% year-over-year to $712 million, and adjusted diluted EPS increased a robust 36% to $3.63. The strong results continued to be broad-based, driven by double-digit net revenue growth in every major category and year-over-year net revenue growth in four of our five company segments.

Slide 6: Derivatives: Aligned with Cyclical and Secular Trends
Beginning with our Derivatives business, we delivered another very strong quarter, with net revenue up 22% year-over-year to $402 million. Index options led the way, with third quarter average daily volume rising 24% year-over-year to 6.1 million contracts. Multi-list activity was also solid with volumes growing 10% year-over-year in the third quarter. Within the index complex we saw ADV records across several products and services, including 0DTE SPX options, where 0DTE activity made up a record 65% of overall SPX activity; mini-SPX options, which averaged 251 thousand contracts per day; and Global Trading Hours, where nearly 250 thousand contracts traded per day in the third quarter.

Slide 7: Derivatives: SPX Volume Growth Across Environments and Customers
Within Options, stronger retail engagement was a consistent theme across our products last quarter. In SPX 0DTE, retail volume jumped 46% year-over-year, outpacing institutional growth of 20%. Retail made up an estimated 58% of record SPX 0DTE volume, up from 53% a year ago. In XSP, total volume more than doubled as compared to the third quarter of 2025, driven largely by retail following the June repeal of the Pattern Day Trader rule.

And it's not just US retail. GTH volume jumped over 130%, led by the Asian trading session, which now makes up over 30% of GTH volume, up from less than 20% a year ago. That success is a culmination of a long process of onboarding local brokers in the APAC region and extensive education and marketing efforts. We're excited to build on that momentum with our recent launch of extended early trading hours for single stock options, announced earlier this month, which will enable more international customers to trade US options in their local hours.

While SPX growth was very strong last quarter, VIX options volume was more muted, with ADV up just 3% year-over-year. That's a result of a very stable volatility environment, with the VIX staying in a tight 14-20 range and giving investors few opportunities to monetize their views.

Through the early part of the fourth quarter though, we have seen the environment change markedly. Volatility has picked up heading into year-end, amid rising bond yields and growing geopolitical uncertainty, leading to more investors turning to VIX options to hedge. VIX call

volume hit its highest daily level in over two years earlier in October, surpassing any day during last year's Liberation Day sell-off when the VIX hit a high of over 50.

Slide 8: Derivatives: 0DTE Options Remain the Preferred Tool for Investors
The rapidly changing market backdrop is a good reminder of why options remain the tool of choice for most investors. Linear products like single stock futures or perpetual futures may provide leverage and directional exposure, but losses are unbounded and positions may get liquidated quickly if market conditions turn.

Options work differently. Investors are able to define their max loss upfront while keeping full exposure to the upside. When volatility rises and gap risk increases, that defined risk matters most. It's why the vast majority of 0DTE trading happens in capped-risk structures.

Options are also more than a directional bet. Investors use them for income, hedging, and volatility management, making them among the most versatile instruments available. We see them as a different type of product from linear derivatives, not a substitute, and it's a big reason SPX options volume has kept growing across market cycles and volatility regimes.

Slide 9: S&P Extension Secures Exclusive SPX Rights to 2051
A landmark achievement during the quarter was the signing of a 25-year extension of our exclusive licensing agreement with S&P Dow Jones Indices, which continues our collaboration through 2051. Cementing this relationship with the longest agreement we have had in our over four decade history with S&P, it gives customers and shareholders the certainty and continuity they expect, and a long runway to invest in the franchise.

Few relationships are as woven into Cboe's foundation as this one. It began in 1983 with the launch of SPX options, an innovation that has become the global standard for how investors gain and manage equity market exposure. Under the extended agreement, we continue to have the exclusive rights to offer trading in SPX options, and our exclusivity continues across the S&P options products we offer today, including mini-SPX, VIX, and S&P binary options. We anticipate collaborating with S&P DJI to pursue innovation beyond traditional index derivatives, including new products like exchange-traded, centrally cleared tokenized options contracts, where our exclusivity carries over.

As Jill will cover, from a financial perspective, there is no change to the 2026 royalty fee terms, and we anticipate the updated terms will have a "de minimis" impact on 2027 net revenue growth.

Slide 10: Cboe is Moving Quickly from Idea to Live Products
As we evolve and expand our derivatives business, we are excited to bring new products to market in the prediction market space. In June, we launched our first Cboe Predicts product, binary options on the Mini-S&P 500 Index. We have seen some initial interest, and we anticipate

adoption in this product and future products to accelerate as our broker-dealer partners roll out dedicated user interfaces over the coming months. We expect these interfaces to offer simple illustrative graphics and point-and-click trading, making it even easier for new derivatives customers to express their views on market outcomes.

Beyond binaries, we have received SEC approval to expand Cboe Predicts with our offering of company-KPI event contracts. Additionally, the SEC has approved our filing to temporarily clear these innovative contracts through Cboe Clear U.S. Both applications were filed in late June, and we anticipate a November product launch. That timeline reflects significant progress across concept, regulation, clearing, and distribution. This work is a direct result of investing in the right talent and capabilities to deliver solutions for investors. What stands out is how quickly we moved while staying true to our principles on market integrity. We built these products as securities, which provide retail and institutional investors with the transparency and investor protections they have come to expect from Cboe.

Just as important as how the contracts trade is how we bring them to market. In September, we announced Robinhood as our launch partner and have seen strong interest and support from Interactive Brokers and Schwab. By working across our distribution partners and our intermediated network, we reach investors where they trade, with the protections they know. Distribution breadth is an advantage that a closed, vertically integrated system cannot match, and we believe it is why our KPI contracts are well positioned to scale.

This is the first step in our broader event contract strategy. As we look to build on this foundation, we will analyze how KPI contracts scale alongside traditional equity, options, and futures products, and collaborate with market participants to develop new offerings. Over time, and supported by our enhanced clearing capabilities, we see an opportunity to expand into other asset classes, bundling new products with existing products and capabilities across trading and data, resulting in an ecosystem that deepens with each addition.

In order for Cboe's event contracts to scale, and for prediction markets to thrive over the long term, they need to rest on the sound legal framework Congress has already established, one that is built on clarity, not compromise. Event contracts based on securities indices or on corporate performance metrics that issuers disclose as material to their actual reported financial or operating performance, such as earnings and revenue, meet the definition of a security and squarely fall within SEC jurisdiction. What a platform chooses to call a product does not change that. Allowing these products to trade outside the securities laws risks creating a shadow securities market, one where investors take on securities risk without the registration, disclosure, and market integrity protections the law requires. We built our products as securities so investors can benefit from the safeguards against manipulation and insider trading that no alternative framework can replicate. We also believe that the filings and self-certifications behind event contracts should be public, without large portions that are unavailable for public review, so that market participants can assess risk. The success of prediction markets will depend on both innovation and investor confidence. Clear rules, consistent oversight, and strong market protections have helped make U.S. capital markets the envy of the world. Applying those same principles to prediction markets will strengthen competition, foster responsible innovation, and build lasting trust.

Slide 11: Cash and Spot: Solid Performance Across Products and Platforms
Moving to cash and spot markets, net revenue grew 12% year-over-year to $131 million, with growth across our three segments.

- Global FX delivered another very strong quarter, with net revenue up 23% to $28 million as average daily notional value increased 22%.
- North American Equities net revenue increased 10% to $114 million, with net transaction and clearing fees up 16% on improved net capture rates for our U.S. on-exchange activity.
- In Europe and Asia Pacific, net revenue increased 6% to $73 million, driven by growth in net transaction and clearing fees and partially offset by softer market data and access fees. The segment includes Cboe Australia through the closing of its sale on July 31.

As we noted last quarter, cash equities remain one of the most dynamic asset classes in the world today. We remain ready to extend cash equities trading to 23x5 this December, pending industry readiness, and, looking further out, we continue to explore tokenized solutions on the path to 24x7.

Slide 12: Cboe Data Vantage: Driving Durable Growth
Turning now to Data Vantage, net revenue increased 13% year-over-year. New subscription and unit sales continued to grow, driven by higher market volumes and strong international demand. We continued to pursue expansion of new datasets, analytics, and index products within our Data Vantage portfolio.

Before I turn the call over to Jill, I'd like to welcome Catherine Grover, who will join Cboe as Executive Vice President and Chief Human Resources Officer on November 16. Cathy joins us from PNC, where she spent more than 29 years in HR leadership and business roles, most recently as Executive Vice President, Human Resources. Cathy's experience will help us attract, develop and retain the exceptional talent our ambitions require. I would also like to thank Jill for her leadership as interim Chief Human Resources Officer throughout this search.

JILL
Slide 14: 3Q26 Financial Summary
Thanks, Craig. Cboe posted another quarter of strong results, reflecting positive execution across our core businesses. Diluted EPS reached a record $4.08, helped by a gain from the sale of our Cboe Australia business, and on an adjusted basis, diluted EPS rose 36% year-over-year to $3.63. Before turning to the segment results, I'll walk through a few high-level takeaways from the quarter.

Net revenue increased 18% versus the third quarter of 2025, finishing at $712 million. Double-digit growth continued across all categories, led by our Derivatives business. Specifically:

- Derivatives net revenue increased 22%, as volume growth across our proprietary index options and multi-list products drove the category's performance,
- Data Vantage net revenue was up 13% on a year-over-year basis driven by continued growth in new unit sales, and
- Cash and Spot Markets net revenue rose 12%.

Adjusted operating expenses came in at $204 million, down 3% year-over-year, while adjusted operating EBITDA grew 28% to $522 million. Adjusted operating EBITDA margin expanded 5.8 percentage points to 73.3% in the third quarter, reflecting strong revenue performance and expense discipline.

Slide 15: 3Q26 Net Revenue by Segment and Key Drivers
Turning to the key drivers of the quarter by segment. Our press release and the appendix of our slide deck include information detailing the key metrics for our business segments, so I'll provide some highlights for each:

- Options growth remained robust, with net revenue up 23% year-over-year, driven by a 24% increase in net transaction and clearing fees.
    - Total options ADV climbed 14%, including a 24% increase in index options volume and a 10% increase in multi-listed options volume.
    - The revenue per contract for our options business rose 9% year-over-year, a result of continued mix shift toward index options, coupled with a 3% increase in the index options rate per contract.
- North American Equities net revenue increased 10% versus the third quarter of 2025 led by a 16% increase in net transaction and clearing fees from higher on-exchange net capture.
- Europe and APAC net revenue improved 6% year-over-year, or 7% on a constant currency basis, with net clearing fees up 31% as investments in Cboe Clear Europe continued to gain traction.
- Futures net revenue was down 5% from the third quarter of 2025, due to lower net transaction and clearing fees given lower VIX Futures activity.
- Lastly, turning to Global FX, net revenue rose 23% year-over-year, driven by a 22% increase in average daily notional value.

Slide 16: Data Vantage Grew Net Revenue 13% in 3Q26
Moving to our Cboe Data Vantage business, net revenues increased by 13% compared to the third quarter of 2025.

Access and capacity fees were up 16%, accounting for approximately 82% of the year-over-year growth, with the remainder coming from proprietary market data. New subscription and unit sales continued to drive growth on the back of healthy market activity and strong international demand.

Slide 17: 3Q26 Adjusted Operating Expenses
On the expense side, total adjusted operating expenses came in at $204 million, down 3% year-over-year. The decline was driven by lower compensation and benefits, reflecting reduced salaries and wages following our strategic realignment, along with lower travel and promotional spend.

Notable GAAP Items for the Quarter
Before discussing forward guidance, I'd like to briefly cover two notable items which impacted the quarter's GAAP financials, both of which are excluded from our adjusted results.

In September, we recorded a $14.0 million incremental reserve on our notes receivable from CAT LLC, the operator of the Consolidated Audit Trail, reflecting a change in our assessment of the probability that CAT LLC will recover certain historical costs.

Separately, the sale of Cboe Australia to TMX Group closed July 31st, resulting in a net gain of $71.5 million in the third quarter.

The Cboe Australia gain is non-taxable, which lowered our GAAP effective tax rate to 22.8%, down 5.8 percentage points from 28.6% in the second quarter. On an adjusted basis, the effective tax rate was 27.6%, down 0.9 points sequentially and within our full-year guidance range of 27.5% to 29.5%.

Slide 18: 2026 Guidance

Turning now to our 2026 guidance: Like last quarter, we will continue to provide organic net revenue growth metrics that exclude the impact of the Cboe Australia sale, and we'll also break out the absolute dollar impact for modeling purposes. Cboe Canada will remain part of our ongoing 2026 guidance until we have more clarity as to the exact timeline for closing.

We now expect Cboe total **organic** net revenue growth in 2026 to be in the 'high teens', compared to last quarter's 'mid to high teens' guidance. We estimate Cboe Australia contributed approximately $20 million in net revenue through July 31 of 2026. Factoring in the loss of future revenue, we still expect total net revenue growth to finish in the ‘high teens' range for 2026.

For Data Vantage, we now expect 2026 **organic** net revenue growth in the 'mid teens' range, up from last quarter's 'low teens' guidance. We estimate Cboe Australia contributed approximately $17 million in 2026 net revenue. Factoring in the loss of future revenue from the sale, we expect total Data Vantage net revenue growth in the 'low to mid teens' in 2026.

As Craig mentioned in his remarks, the impact of the extension of the exclusive licensing agreement with S&P Dow Jones Indices will have no impact on 2026 net revenues as the updated royalty terms will begin in 2027. We anticipate that the increase in 2027 royalty fees terms will have a de minimis impact on 2027 net revenues when considered against expected organic and ecosystem-driven volume growth, pricing optimization opportunities, and continued business execution. I would note that the extended contract, as structured, positions Cboe for long-term growth, with future royalty fee adjustments smaller than the 2027 reset.

Turning to expenses, we have revised our adjusted operating expense guidance to $830 million to $845 million primarily reflecting lower compensation and benefits expenses.

- As mentioned last quarter, our expense guidance reflects expected savings from the completed Cboe Australia sale. While most Cboe Australia expenses have ceased, we expect to continue to provide transition support and incur some related expense, for up to 12 months after closing, subject to operational readiness. While the remaining transition costs are included in our guidance, a majority of the expense will be offset in non-operating income, making the impact to overall net income immaterial.
- Also consistent with last quarter, our guidance includes $20 to $25 million of 2026 savings from our strategic realignment, and we remain on track to hit our annualized run rate of $40 to $50 million.

Rounding out 2026 guidance:

- CapEx is unchanged from prior quarter guidance at $98 million to $108 million. This reflects continued investment across our business, along with inflationary pressure on technology-related costs, two drivers that we anticipate will persist going forward. On investment, we will be deliberate in deploying capital behind opportunities we believe will drive long-term profitable growth, including KPIs, clearing, and extended market hours. Regarding inflationary pressure, we are seeing AI-driven demand raising hardware and software prices across both our CapEx and OpEx, and we do not expect that to abate in the near future. We will continue to proactively manage both areas with the same rigor we have demonstrated to deliver attractive returns to shareholders.
- We continue to expect depreciation and amortization in the range of $54 to $58 million.
- And our outlook for the full-year effective tax rate on adjusted earnings remains in the range of 27.5 to 29.5% under current tax laws.
- Finally, while we don't formally guide to interest income or expense, we expect net interest income (income net of expense) to contribute $12 to $13 million positively in the fourth quarter, given higher cash balances and higher market interest rates. In addition, we anticipate a $2 million positive quarterly impact to non-operating income from the transition services agreement with TMX; this has an immaterial impact on overall net income as it recoups expenses included within our expense guidance for providing transition support related to Cboe Australia.

Slide 19: Efficient Allocation of Capital to Create Long-Term Shareholder Value
Concluding with capital allocation, our strong capital and cash positions provide us with the ability to invest in organic or inorganic growth, prudently manage our debt, and return capital to shareholders.

We maintain significant balance sheet flexibility, with adjusted cash of $2.7 billion and a leverage ratio of 0.7 times. As we highlighted last quarter, we continue to anticipate repaying $650 million of senior notes maturing in the first quarter of 2027 with cash on hand.

In the third quarter, we returned $146 million to shareholders, up 35% as compared to the second quarter. This included $56 million of share repurchases and a $90 million dividend payment of $0.86 per share. In addition, last week we announced a $550 million increase to our share repurchase authorization, bringing total capacity to approximately $1.0 billion when added to our outstanding authorization as of October 28. With this added flexibility, we will continue to evaluate repurchases based on our share price, trading window, and other capital deployment priorities.

With that, I'd like to hand it back to Craig for closing comments.

CRAIG
Slide 21: Secular Tailwinds Are Structural, Our Momentum Continues
Thank you, Jill.

The strong third quarter results reflect Cboe's continued momentum, built upon the secular trends that underpin our business. The U.S. equity market remains the bedrock of global capital,

with the S&P 500 Index at the heart of it. U.S. households continue to grow financial assets, and retail investors are playing a bigger role in markets than ever before. Options live where these trends converge, and remain among the fastest-growing asset classes, with the market expanding and demand building every year. With our exclusive S&P license now secured, we are well positioned at the center of all three trends for decades to come.

Slide 22: Advancing Our Strategy Through Continuous Execution
As we build on the foundation of options growth, Cboe Clear U.S. (CCUS) is creating an innovation lane for Cboe and other market participants, with clearing playing a critical role in unlocking opportunity as markets and regulation evolve. CCUS recently received temporary SEC registration to clear securities. This expands its authority beyond futures and swaps, which it clears as a CFTC-registered Derivatives Clearing Organization (DCO), to include securities products. CCUS will initially use its SEC registration to clear Cboe's company-KPI contracts. It also recently received CFTC approval to clear a broad range of margined futures products, and it continues to clear digital asset derivatives under its DCO registration.

Over the past year, we have strengthened CCUS's risk management and resilience, including electing to become a Subpart C DCO, which applies the CFTC's enhanced standards for financial resources, risk management, and operational resilience. Over time, we see CCUS complementing the U.S. clearing ecosystem and supporting new products and emerging asset classes across the industry, while our long-standing relationship with OCC in traditional equity options continues.

In Europe, our clearing strategy is well underway. Cboe Clear Europe is a leading pan-European equities clearing house and has expanded into adjacent markets such as securities financing transactions (SFT), with momentum building as we broaden the offering.

While expanding our clearing capabilities, we are extending when and where customers can trade. This month, with the help of our partners at the OCC, we launched extended trading hours for options on 24 single stocks and 5 ETFs, with pre-market trading starting at 7:30 a.m. ET and a post-market session after the close. The new sessions launched smoothly on October 19, with Cboe capturing 63% of morning and 91% of Curb volume during the first week.

In cash equities, we are moving towards 23x5 trading in December, pending industry readiness, and planning for 24x7 over time.

Advancing these priorities in parallel is a significant undertaking, but we have the team and the capabilities to deliver. We are investing today to drive long-term growth and create value for our shareholders. I am excited about Cboe's direction, and I look forward to updating you on progress in the quarters ahead.

Cautionary Statements Regarding Forward-Looking Information
This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that involve a number of risks and uncertainties. You can identify these statements by forward-looking words such as "may," "might," "should," "expect," "plan," "anticipate," "believe," "estimate," "predict," "potential," or "continue," and the negative of these terms and other comparable terminology. All statements that reflect our expectations, assumptions, or projections about the future other than statements of historical fact are forward-looking statements. These forward-looking statements, which are subject to known and unknown risks, uncertainties, and assumptions about us, may include projections of our future financial performance based on our growth strategies and anticipated trends in our business. These statements are only predictions based on our current expectations and projections about future events. There are important factors that could cause our actual results, level of activity, performance or achievements to differ materially from those expressed or implied by the forward-looking statements.

We operate in a very competitive and rapidly changing environment. New risks and uncertainties emerge from time to time, and it is not possible to predict all risks and uncertainties, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements.

Some factors that could cause actual results to differ include: the loss of our right to exclusively list and trade certain index options and futures products; economic, political and market conditions; compliance with legal and regulatory obligations; price and new products and services competition and consolidation in our industry; decreases in trading or clearing volumes, market data fees, or a shift in the mix of products traded on our exchanges; legislative or regulatory changes or changes in tax regimes; our ability to protect our systems and communication networks from security vulnerabilities and breaches; our ability to attract and retain skilled management and other personnel; increasing competition by foreign and domestic entities; our business and operational dependence on and exposure to risk from third parties; factors that impact the quality and integrity of our and other applicable indices; our ability to manage our global operations, growth, and strategic acquisitions, wind-downs, divestitures or alliances effectively; increases in the cost of the products and services we use; our ability to operate our business without violating the intellectual property rights of others and the costs associated with protecting our intellectual property rights; our ability to minimize the risks, including our credit, liquidity, market, investment, counterparty, and default risks, associated with operating our clearinghouses; our ability to accommodate trading and clearing volume and transaction traffic, including significant increases, without failure or degradation of performance of our systems; misconduct by those who use our markets or our products or for whom we clear transactions; challenges to our use of open source software code; our ability to meet our compliance obligations, including managing our business interests and our regulatory responsibilities; the loss of key customers or a significant reduction in trading or clearing volumes by key customers; damage to our reputation; the ability of our compliance and risk management methods to effectively monitor and manage our risks; restrictions imposed by our debt obligations and our ability to make payments on or refinance our debt obligations; our ability to maintain an investment grade credit rating; impairment of our goodwill, long-lived

assets, investments, or intangible assets; the accuracy of our estimates and expectations; and litigation risks and other liabilities. More detailed information about factors that may affect our actual results to differ may be found in our filings with the SEC, including in our Annual Report on Form 10-K for the year ended December 31, 2025 and other filings made from time to time with the SEC. We do not undertake, and we expressly disclaim, any duty to update any forward-looking statement whether as a result of new information, future events or otherwise, except as required by law. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof.