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# NASDAQ OMX GROUP, INC.

## FORM 8-K
(Current report filing)

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| | |
|---|---|
| Address | ONE LIBERTY PLAZA<br>NEW YORK, NY 10006 |
| Telephone | 2124018700 |
| CIK | 0001120193 |
| Symbol | NDAQ |
| SIC Code | 6200 - Security & Commodity Brokers, Dealers, Exchanges & Services |
| Industry | Investment Services |
| Sector | Financial |
| Fiscal Year | 12/31 |

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# UNITED STATES
# SECURITIES AND EXCHANGE COMMISSION
**Washington, D.C. 20549**

# FORM 8-K

## CURRENT REPORT

**Pursuant to Section 13 or 15(d) of the**
**Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): July 25, 2012**

# The NASDAQ OMX Group, Inc.
**(Exact name of registrant as specified in its charter)**

| | | |
|---|---|---|
| **Delaware**<br>(State or other jurisdiction of incorporation) | **000-32651**<br>(Commission File Number) | **52-1165937**<br>(I.R.S. Employer Identification No.) |

| | |
|---|---|
| **One Liberty Plaza,**<br>**New York, New York**<br>(Address of principal executive offices) | **10006**<br>(Zip code) |

**Registrant's telephone number, including area code: +1 212 401 8700**

**No change since last report**
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

**Item 2.02. Results of Operations and Financial Condition.**

On July 25, 2012, The NASDAQ OMX Group, Inc. ("NASDAQ OMX") issued a press release providing financial results for the second quarter of 2012. A copy of the press release is attached as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

**Item 7.01. Regulation FD Disclosure.**

On July 25, 2012, NASDAQ OMX posted slides to be used in its earnings presentation for the second quarter of 2012 on its website at http://ir.nasdaqomx.com/ .

**Item 8.01 Other Events.**

On July 25, 2012, NASDAQ OMX issued a press release announcing the declaration of a quarterly cash dividend. A copy of the press release is attached as Exhibit 99.2 to this Current Report on Form 8-K and is incorporated herein by reference.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits.

| Exhibit No. | Exhibit Description |
|---|---|
| 99.1 | Press release dated July 25, 2012 relating to financial results for the second quarter of 2012. |
| 99.2 | Press release dated July 25, 2012 relating to the declaration of a quarterly cash dividend. |

The information set forth under "Item 2.02 Results of Operations and Financial Condition" and "Item 7.01 Regulation FD Disclosure" is intended to be furnished pursuant to Item 2.02 and Item 7.01, respectively. Such information, including Exhibit 99.1, shall not be deemed "filed" for purposes of the Securities Exchange Act of 1934, as amended, nor shall it be deemed incorporated by reference into any of NASDAQ OMX's filings under the Securities Act of 1933, as amended, except as expressly set forth by specific reference in such filing.

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: July 25, 2012

The NASDAQ OMX Group, Inc.

By: /s/ Edward S. Knight

**Edward S. Knight**
**Executive Vice President and General Counsel**

**Exhibit 99.1**

# NEWS RELEASE

NASDAQ OMX

**July 25, 2012**

## NASDAQ OMX REPORTS SECOND QUARTER 2012 RESULTS

- Q212 non-GAAP diluted EPS of $0.64, up $0.02 compared to prior year quarter; Q212 GAAP diluted EPS of $0.53
- Q212 non-GAAP net exchange revenues [1] were $413 million, down 0.5% year-over-year, but up 3% year-over-year on an organic basis (constant currency and excluding acquisitions); Q212 net exchange revenues were $424 million
- Performance driven by growth in Global Market Data Products (revenues up 8% year-over-year to $90 million) and Access Services (revenues up 11% year-over-year to $61 million)

**New York, N.Y.—** The NASDAQ OMX Group, Inc. (NASDAQ: NDAQ) today reported results for the second quarter of 2012. Second quarter non-GAAP net exchange revenues were $413 million, down 0.5% compared to the second quarter of 2011. Excluding the impact of foreign currency, non-GAAP second quarter 2012 net exchange revenues increased 3% compared to the second quarter of 2011.

Operating expenses were $249 million, compared to $257 million in the second quarter of 2011. On a non-GAAP basis, excluding $17 million of restructuring charges, $1 million of merger and strategic initiative expenses, and $2 million of other charges, second quarter 2012 non-GAAP operating expenses were $229 million. Non-GAAP operating expenses were up $1 million year-over-year.

Second quarter 2012 non-GAAP diluted earnings per share were $0.64, up $0.02 compared to the prior year quarter. Non-GAAP earnings per share in Q212 excludes income from open positions relating to the operations of the Exchange of $11 million, non-cash intangible asset impairment charges of $28 million, restructuring charges of $17 million, merger and strategic initiative expenses of $1 million, and other charges of $2 million. On a GAAP basis, net income attributable to NASDAQ OMX for the second quarter of 2012 was $93 million, or $0.53 per diluted share, compared with $92 million, or $0.51 per diluted share, in the prior year quarter.

**Robert Greifeld, NASDAQ OMX's CEO, commented:** "The second quarter saw a continuation of solid growth in our recurring and subscription-based businesses. Strong growth in our Global Market Data, Access Services and Global Index businesses offset continued weak trends in our transaction-based businesses. This performance was a direct result of our continued focus on cost management, and the execution of our strategy to build strong, recurring and subscription-based revenue businesses that can drive growth, despite the trading environment."

**Lee Shavel, NASDAQ OMX's EVP and Chief Financial Officer, said:** "Over the last three and a half years, NASDAQ OMX has clearly demonstrated its ability to generate strong free cash flow during a historically difficult business cycle. In the second quarter of 2012, we continued to generate substantial capital and to execute on our strategy to deploy that capital effectively. We paid our first cash dividend of $0.13 per common share in June 2012, and repurchased $125 million of our common stock. In addition, we utilized approximately $57 million in cash to acquire a majority interest in BWise, a leader in enterprise governance, risk management and compliance, or GRC, software. The

[1] Represents revenues less transaction rebates, brokerage, clearance and exchange fees.

underpinning of our capital deployment strategy is a robust return-on-invested-capital framework which complements our operational discipline and delivers substantial value for our shareholders."

At June 30, 2012, the company had cash and cash equivalents of $491 million and total debt of $1,996 million, resulting in net debt of $1,505 million. This compares to net debt of $1,611 million at December 31, 2011. During the second quarter of 2012, the company repurchased 5.3 million shares of outstanding common stock under a share repurchase program, for a total of $125 million. Since January 2009, we have repurchased $1,072 million of outstanding common stock, representing 49.1 million shares at an average price of $21.85.

**BUSINESS HIGHLIGHTS**

**Market Services** (67% of total non-GAAP net exchange revenues) - non-GAAP net exchange revenues were $278 million in the second quarter of 2012, up $1 million when compared to the second quarter of 2011:

**Cash Equities (12% of total non-GAAP net exchange revenues) –** Total net cash equity trading revenues were $52 million in the second quarter of 2012, down $7 million compared to the second quarter of 2011. The decline was primarily the result of lower trading activity in U.S. and Europe, and an unfavorable impact from foreign exchange.

**Derivatives (17% of total non-GAAP net exchange revenues) –** Total net derivative trading and clearing revenues were $70 million in the second quarter of 2012, down $5 million compared to the second quarter of 2011. The year-over-year decline was due to lower industry trading volumes in the Nordic region, and an unfavorable impact from foreign exchange.

**Access and Broker Services (16% of total non-GAAP net exchange revenues) –** Revenues of $66 million were up $7 million in the second quarter of 2012 compared to the second quarter of 2011. The increase was primarily driven by the uptake of new products including 40G connectivity and Supercab.

**Market Data (22% of total non-GAAP net exchange revenues)** – Total Market Data revenues of $90 million reflect a $7 million increase compared to the year ago quarter. The increase in Market Data revenues was primarily the result of growth in U.S. proprietary products and increased audit collections.

**Issuer Services (22% of total non-GAAP net exchange revenues) –** Revenues were $91 million in the second quarter of 2012, down $1 million compared to the second quarter of 2011, as increased Corporate Solutions and Global Index Group revenues were more than offset by lower listing fee revenues and an unfavorable impact from foreign exchange.

**Market Technology (11% of total non-GAAP net exchange revenues) –** Revenues of $44 million in the second quarter of 2012 declined $2 million compared to the second quarter of 2011. Excluding the impact from foreign exchange, Market Technology revenues increased $3 million year-over-year, primarily due to increased delivery project revenues.

**COST GUIDANCE –** For the full year of 2012, total core operating expenses are expected to be in the range of $870 million to $890 million (down from prior core expense guidance of $880 to $900 million), plus $40 million to $50 million in incremental new initiative spending,

and an additional $25 million due to the BWise and NOS acquisitions, resulting in total operating expenses in the range of $935 million to $965 million. This guidance excludes expenses related to the cost reduction plan and expenses for the proposed voluntary accommodation program and related expenses.

**About NASDAQ OMX Group**

The inventor of the electronic exchange, The NASDAQ OMX Group, Inc., fuels economies and provides transformative technologies for the entire lifecycle of a trade - from risk management to trade to surveillance to clearing. In the U.S. and Europe, we own and operate 24 markets, 3 clearinghouses and 5 central securities depositories supporting equities, options, fixed income, derivatives, commodities, futures and structured products. Able to process more than 1 million messages per second at sub-40 microsecond speeds with 99.999% uptime, our technology drives more than 70 marketplaces in 50 developed and emerging countries into the future, powering 1 in 10 of the world's securities transactions. Our award-winning data products and worldwide indexes are the benchmarks in the financial industry. Home to approximately 3,400 listed companies worth $6 trillion in market cap whose innovations shape our world, we give the ideas of tomorrow access to capital today. Welcome to where the world takes a big leap forward, daily. Welcome to the NASDAQ OMX Century. To learn more, visit www.nasdaqomx.com . Follow us on Facebook ( http://www.facebook.com/NASDAQ ) and Twitter ( http://www.twitter.com/nasdaqomx ). (Symbol: NDAQ and member of S&P 500)

**Non-GAAP Information**

In addition to disclosing results determined in accordance with GAAP, NASDAQ OMX also discloses certain non-GAAP results of operations, including, but not limited to, net income attributable to NASDAQ OMX, diluted earnings per share, net exchange revenues, operating income, and operating expenses, that make certain adjustments or exclude certain charges and gains that are described in the reconciliation table of GAAP to non-GAAP information provided at the end of this release. Management believes that this non-GAAP information provides investors with additional information to assess NASDAQ OMX's operating performance by making certain adjustments or excluding costs or gains and assists investors in comparing our operating performance to prior periods. Management uses this non-GAAP information, along with GAAP information, in evaluating its historical operating performance.

The non-GAAP information is not prepared in accordance with GAAP and may not be comparable to non-GAAP information used by other companies. The non-GAAP information should not be viewed as a substitute for, or superior to, other data prepared in accordance with GAAP.

**Cautionary Note Regarding Forward-Looking Statements**

Information set forth in this communication contains forward-looking statements that involve a number of risks and uncertainties. NASDAQ OMX cautions readers that any forward-looking information is not a guarantee of future performance and that actual results could differ materially from those contained in the forward-looking information. Such forward-looking statements include, but are not limited to (i) projections about our future financial results, growth, trading volumes, tax benefits and achievement of synergy targets, (ii) statements about the implementation dates and benefits of certain strategic and capital return initiatives, (iii) statements about our integrations of our recent acquisitions and (iv) other statements that are not historical facts. Forward-looking statements involve a number of risks, uncertainties or other factors beyond NASDAQ OMX's control. These factors include, but are not limited to, NASDAQ OMX's ability to implement its strategic

initiatives, economic, political and market conditions and fluctuations, government and industry regulation, interest rate risk, U.S. and global competition, and other factors detailed in NASDAQ OMX's filings with the U.S. Securities and Exchange Commission, including its annual reports on Form 10-K and quarterly reports on Form 10-Q which are available on NASDAQ OMX's website at http://www.nasdaqomx.com and the SEC's website at www.sec.gov. NASDAQ OMX undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise.

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**NDAQF**

(tables follow)
(income statement)
(revenue statement)
(balance sheet)
(GAAP reconciliation table)
(key drivers)

**The NASDAQ OMX Group, Inc.**
**Consolidated Statements of Income**
**(in millions, except per share amounts)**
**(unaudited)**

| | Three Months Ended | | |
|---|---|---|---|
| | June 30, 2012 | March 31, 2012 | June 30, 2011 |
| **Revenues:** | | | |
| Market Services | $ 688 | $ 666 | $ 699 |
| **Cost of revenues:** | | | |
| Transaction rebates | (299) | (306) | (322) |
| Brokerage, clearance and exchange fees | (100) | (84) | (100) |
| Total cost of revenues | (399) | (390) | (422) |
| Total Market Services revenues less transaction rebates, brokerage, clearance and exchange fees | 289 | 276 | 277 |
| Issuer Services | 91 | 90 | 92 |
| Market Technology | 44 | 45 | 46 |
| **Revenues less transaction rebates, brokerage, clearance and exchange fees** | 424 | 411 | 415 |
| **Operating Expenses:** | | | |
| Compensation and benefits | 113 | 112 | 115 |
| Marketing and advertising | 6 | 6 | 5 |
| Depreciation and amortization | 25 | 26 | 26 |
| Professional and contract services | 23 | 22 | 20 |
| Computer operations and data communications | 17 | 17 | 17 |
| Occupancy | 23 | 23 | 23 |
| Regulatory | 9 | 9 | 8 |
| Merger and strategic initiatives | 1 | 2 | 29 |
| Restructuring charges | 17 | 9 | — |
| General, administrative and other | 15 | 14 | 14 |
| Total operating expenses | 249 | 240 | 257 |
| **Operating income** | 175 | 171 | 158 |
| Interest income | 2 | 2 | 3 |
| Interest expense | (24) | (24) | (31) |
| Asset impairment charges | (28) | (12) | — |
| Income from unconsolidated investees, net | — | — | 1 |
| **Income before income taxes** | 125 | 137 | 131 |
| Income tax provision | 33 | 53 | 40 |
| **Net income** | 92 | 84 | 91 |
| Net loss attributable to noncontrolling interests | 1 | 1 | 1 |
| **Net income attributable to NASDAQ OMX** | $ 93 | $ 85 | $ 92 |
| **Basic and diluted earnings per share:** | | | |
| Basic earnings per share | $ 0.55 | $ 0.49 | $ 0.52 |
| Diluted earnings per share | $ 0.53 | $ 0.48 | $ 0.51 |
| **Cash dividends declared per common share** | $ 0.13 | $ — | $ — |
| **Weighted-average common shares outstanding for earnings per share:** | | | |
| Basic | 169 | 173 | 177 |
| Diluted | 173 | 178 | 181 |

**The NASDAQ OMX Group, Inc.**
**Revenue Detail**
**(in millions)**
**(unaudited)**

| | Three Months Ended | | |
|---|---|---|---|
| | June 30, 2012 | March 31, 2012 | June 30, 2011 |
| **MARKET SERVICES** | | | |
| **Transaction Services** | | | |
| **Cash Equity Trading Revenues:** | | | |
| U.S. cash equity trading | $ 373 | $ 340 | $ 387 |
| Cost of revenues: | | | |
| Transaction rebates | (246) | (235) | (258) |
| Brokerage, clearance and exchange fees | (94) | (75) | (93) |
| Total U.S. cash equity cost of revenues | (340) | (310) | (351) |
| Net U.S. cash equity trading revenues | 33 | 30 | 36 |
| European cash equity trading | 19 | 23 | 23 |
| **Total net cash equity trading revenues** | 52 | 53 | 59 |
| **Derivative Trading and Clearing Revenues:** | | | |
| U.S. derivative trading and clearing | 103 | 122 | 115 |
| Cost of revenues: | | | |
| Transaction rebates | (53) | (71) | (64) |
| Brokerage, clearance and exchange fees | (6) | (9) | (7) |
| Total U.S. derivative trading and clearing cost of revenues | (59) | (80) | (71) |
| Net U.S. derivative trading and clearing revenues | 44 | 42 | 44 |
| European derivative trading and clearing | 26 | 32 | 31 |
| **Total net derivative trading and clearing revenues** | **70** | **74** | **75** |
| **Access Services Revenues** | **61** | **57** | **55** |
| **Total Transaction Services revenues less transaction rebates, brokerage, clearance and exchange fees** | **183** | **184** | **189** |
| **Market Data Revenues:** | | | |
| Net U.S. tape plans | 31 | 31 | 30 |
| U.S. market data products | 38 | 34 | 32 |
| European market data products | 21 | 22 | 21 |
| **Total Market Data revenues** | **90** | **87** | **83** |
| **Broker Services Revenues** | **5** | **5** | **4** |
| **Other Market Services Revenues** | **11** | **—** | **1** |
| **Total Market Services revenues less transaction rebates, brokerage, clearance and exchange fees** | **289** | **276** | **277** |
| **ISSUER SERVICES** | | | |
| **Global Listing Services Revenues:** | | | |
| Annual renewal | 28 | 28 | 29 |
| Listing of additional shares | 10 | 10 | 10 |
| Initial listing | 4 | 6 | 6 |
| Total U.S. listing services | 42 | 44 | 45 |
| European listing fees | 12 | 12 | 15 |
| Corporate Solutions | 22 | 20 | 19 |
| **Total Global Listing Services revenues** | 76 | 76 | 79 |
| **Global Index Group Revenues** | 15 | 14 | 13 |
| **Total Issuer Services revenues** | **91** | **90** | **92** |
| **MARKET TECHNOLOGY** | | | |
| License, support and facility management | 26 | 29 | 30 |
| Delivery project | 8 | 7 | 6 |
| Change request, advisory and broker surveillance | 10 | 9 | 10 |
| **Total Market Technology revenues** | **44** | **45** | **46** |
| **Total revenues less transaction rebates, brokerage, clearance and exchange fees** | **$ 424** | **$ 411** | **$ 415** |

**The NASDAQ OMX Group, Inc.**
**Consolidated Balance Sheets**
**(in millions)**

| | June 30, 2012 (unaudited) | December 31, 2011 |
|---|---|---|
| **Assets** | | |
| Current assets: | | |
| Cash and cash equivalents | $ 491 | $ 506 |
| Restricted cash | 36 | 34 |
| Financial investments, at fair value | 196 | 279 |
| Receivables, net | 341 | 308 |
| Deferred tax assets | 16 | 16 |
| Default funds and margin deposits | 204 | 17 |
| Open clearing contracts: | | |
| Derivative positions, at fair value | — | 1,566 |
| Resale agreements, at contract value | — | 3,745 |
| Other current assets | 126 | 110 |
| Total current assets | 1,410 | 6,581 |
| Non-current restricted cash | 105 | 97 |
| Property and equipment, net | 198 | 193 |
| Non-current deferred tax assets | 392 | 392 |
| Goodwill | 5,103 | 5,061 |
| Intangible assets, net | 1,625 | 1,648 |
| Other non-current assets | 94 | 119 |
| Total assets | $ 8,927 | $ 14,091 |
| **Liabilities** | | |
| Current liabilities: | | |
| Accounts payable and accrued expenses | $ 160 | $ 164 |
| Section 31 fees payable to SEC | 156 | 106 |
| Accrued personnel costs | 74 | 132 |
| Deferred revenue | 201 | 124 |
| Other current liabilities | 120 | 112 |
| Deferred tax liabilities | 27 | 27 |
| Default funds and margin deposits | 204 | 17 |
| Open clearing contracts: | | |
| Derivative positions, at fair value | — | 1,566 |
| Repurchase agreements, at contract value | — | 3,745 |
| Current portion of debt obligations | 45 | 45 |
| Total current liabilities | 987 | 6,038 |
| Debt obligations | 1,951 | 2,072 |
| Non-current deferred tax liabilities | 661 | 670 |
| Non-current deferred revenue | 160 | 154 |
| Other non-current liabilities | 198 | 171 |
| Total liabilities | 3,957 | 9,105 |
| **Commitments and contingencies** | | |
| **Equity** | | |
| NASDAQ OMX stockholders' equity: | | |
| Common stock | 2 | 2 |
| Additional paid-in capital | 3,797 | 3,793 |
| Common stock in treasury, at cost | (1,017) | (860) |
| Accumulated other comprehensive loss | (368) | (350) |
| Retained earnings | 2,547 | 2,391 |
| Total NASDAQ OMX stockholders' equity | 4,961 | 4,976 |
| Noncontrolling interests | 9 | 10 |
| Total equity | 4,970 | 4,986 |
| Total liabilities and equity | $ 8,927 | $ 14,091 |

**The NASDAQ OMX Group, Inc.**
**Reconciliation of GAAP Net Income, Diluted Earnings Per Share, Operating Income, Revenues and Operating Expenses to Non-GAAP Net Income, Diluted Earnings Per Share, Operating Income, Revenues and Operating Expenses**
**(in millions, except per share amounts)**
**(unaudited)**

| | Three Months Ended | | |
|---|---|---|---|
| | June 30, 2012 | March 31, 2012 | June 30, 2011 |
| **GAAP net income attributable to NASDAQ OMX:** | $ 93 | $ 85 | $ 92 |
| Non-GAAP adjustments: | | | |
| Income from open positions relating to the operations of the Exchange | (11) | — | — |
| Asset impairment charges | 28 | 12 | — |
| Restructuring charges | 17 | 9 | — |
| Merger and strategic initiatives | 1 | 2 | 29 |
| Other | 2 | — | — |
| Total non-GAAP adjustments | 37 | 23 | 29 |
| Adjustment to the income tax provision to reflect non-GAAP adjustments (1) | (13) | (3) | (9) |
| Significant tax adjustments, net | (6) | 3 | — |
| Total non-GAAP adjustments, net of tax | 18 | 23 | 20 |
| **Non-GAAP net income attributable to NASDAQ OMX:** | $ 111 | $ 108 | $ 112 |
| **GAAP diluted earnings per common share:** | $ 0.53 | $ 0.48 | $ 0.51 |
| Total adjustments from non-GAAP net income above | 0.11 | 0.13 | 0.11 |
| **Non-GAAP diluted earnings per common share:** | $ 0.64 | $ 0.61 | $ 0.62 |

| | Three Months Ended | | |
|---|---|---|---|
| | June 30, 2012 | March 31, 2012 | June 30, 2011 |
| **GAAP operating income:** | $ 175 | $ 171 | $ 158 |
| Non-GAAP adjustments: | | | |
| Income from open positions relating to the operations of the Exchange | (11) | — | — |
| Restructuring charges | 17 | 9 | — |
| Merger and strategic initiatives | 1 | 2 | 29 |
| Other | 2 | — | — |
| Total non-GAAP adjustments | 9 | 11 | 29 |
| **Non-GAAP operating income:** | $ 184 | $ 182 | $ 187 |

| | | | |
|---|---|---|---|
| **Non-GAAP revenues less transaction rebates, brokerage, clearance and exchange fees** | $413 | $411 | $415 |
| **Non-GAAP operating margin (2)** | 45% | 44% | 45% |

(1) We determine the tax effect of each item based on the tax rules in the respective jurisdiction where the transaction occurred.
(2) Non-GAAP operating margin equals non-GAAP operating income divided by non-GAAP revenues less transaction rebates, brokerage, clearance and exchange fees.

**The NASDAQ OMX Group, Inc.**
**Reconciliation of GAAP Net Income, Diluted Earnings Per Share, Operating Income, Revenues and Operating Expenses to Non-GAAP Net Income, Diluted Earnings Per Share, Operating Income, Revenues and Operating Expenses**
**(in millions)**
**(unaudited)**

| | Three Months Ended | | |
|---|---|---|---|
| | June 30, 2012 | March 31, 2012 | June 30, 2011 |
| **GAAP revenues less transaction rebates, brokerage, clearance and exchange fees:** | $ 424 | $ 411 | $ 415 |
| Non-GAAP adjustments: | | | |
| Income from open positions relating to the operations of the Exchange | (11) | — | — |
| Total non-GAAP adjustments | (11) | — | — |
| **Non-GAAP revenues less transaction rebates, brokerage, clearance and exchange fees:** | $ 413 | $ 411 | $ 415 |

| | Three Months Ended | | |
|---|---|---|---|
| | June 30, 2012 | March 31, 2012 | June 30, 2011 |
| **GAAP operating expenses:** | $ 249 | $ 240 | $ 257 |
| Non-GAAP adjustments: | | | |
| Restructuring charges | (17) | (9) | — |
| Merger and strategic initiatives | (1) | (2) | (29) |
| Other | (2) | — | — |
| Total non-GAAP adjustments | (20) | (11) | (29) |
| **Non-GAAP operating expense:** | $ 229 | $ 229 | $ 228 |

**The NASDAQ OMX Group, Inc.**
**Quarterly Key Drivers Detail**
**(unaudited)**

| | Three Months Ended | | |
|---|---|---|---|
| | June 30, 2012 | March 31, 2012 | June 30, 2011 |
| **Market Services** | | | |
| **Cash Equity Trading** | | | |
| NASDAQ securities | | | |
| Average daily share volume (in billions) | 1.80 | 1.80 | 2.00 |
| Matched market share executed on NASDAQ | 27.3% | 26.3% | 28.8% |
| Matched market share executed on NASDAQ OMX BX | 2.9% | 2.6% | 1.8% |
| Matched market share executed on NASDAQ OMX PSX | 1.6% | 1.3% | 1.2% |
| Market share reported to the FINRA/NASDAQ Trade Reporting Facility | 31.4% | 33.2% | 32.2% |
| Total market share [1] | 63.3% | 63.4% | 64.0% |
| New York Stock Exchange, or NYSE, securities | | | |
| Average daily share volume (in billions) | 3.86 | 3.91 | 3.91 |
| Matched market share executed on NASDAQ | 13.7% | 13.4% | 14.0% |
| Matched market share executed on NASDAQ OMX BX | 2.7% | 2.5% | 2.1% |
| Matched market share executed on NASDAQ OMX PSX | 0.9% | 0.7% | 0.8% |
| Market share reported to the FINRA/NASDAQ Trade Reporting Facility | 29.1% | 31.5% | 27.8% |
| Total market share [1] | 46.4% | 48.2% | 44.7% |
| NYSE Amex and regional securities | | | |
| Average daily share volume (in billions) | 1.19 | 1.12 | 1.29 |
| Matched market share executed on NASDAQ | 18.3% | 19.0% | 18.5% |
| Matched market share executed on NASDAQ OMX BX | 2.9% | 2.3% | 1.9% |
| Matched market share executed on NASDAQ OMX PSX | 2.4% | 1.9% | 2.0% |
| Market share reported to the FINRA/NASDAQ Trade Reporting Facility | 28.1% | 29.4% | 25.5% |
| Total market share [1] | 51.8% | 52.6% | 47.9% |
| Total U.S.-listed securities | | | |
| Average daily share volume (in billions) | 6.85 | 6.83 | 7.19 |
| Matched share volume (in billions) | 95.8 | 90.1 | 99.7 |
| Matched market share executed on NASDAQ | 18.1% | 17.7% | 18.9% |
| Matched market share executed on NASDAQ OMX BX | 2.8% | 2.5% | 2.0% |
| Matched market share executed on NASDAQ OMX PSX | 1.3% | 1.1% | 1.1% |
| NASDAQ OMX Nordic and NASDAQ OMX Baltic Securities | | | |
| Average daily number of equity trades | 369,680 | 372,081 | 320,451 |
| Average daily value of shares traded (in billions) | $ 2.9 | $ 3.2 | $ 4.0 |
| **Derivative Trading and Clearing** | | | |
| U.S. Equity Options | | | |
| Total industry average daily volume (in millions) | 14.9 | 15.9 | 15.8 |
| NASDAQ OMX PHLX matched market share | 19.6% | 22.2% | 24.3% |
| The NASDAQ Options Market matched market share | 5.6% | 5.2% | 4.6% |
| NASDAQ OMX Nordic and NASDAQ OMX Baltic | | | |
| Average daily volume: | | | |
| Options, futures and fixed-income contracts | 431,154 | 470,216 | 428,041 |
| Finnish option contracts traded on Eurex | 92,616 | 71,411 | 109,682 |
| NASDAQ OMX Commodities | | | |
| Clearing Turnover: | | | |
| Power contracts (TWh) [2] | 346 | 521 | 383 |
| Carbon contracts (1000 tCO2) [2] | 6,951 | 30,912 | 12,114 |
| **Issuer Services** | | | |
| Initial public offerings | | | |
| NASDAQ | 15 | 21 | 25 |
| Exchanges that comprise NASDAQ OMX Nordic and NASDAQ OMX Baltic | — | 1 | 5 |
| New listings | | | |
| NASDAQ [3] | 29 | 43 | 40 |

| | | | |
|---|---|---|---|
| Exchanges that comprise NASDAQ OMX Nordic and NASDAQ OMX Baltic [4] | 2 | 3 | 13 |
| Number of listed companies | | | |
| NASDAQ [5] | 2,636 | 2,665 | 2,724 |
| Exchanges that comprise NASDAQ OMX Nordic and NASDAQ OMX Baltic [6] | 759 | 769 | 780 |
| **Market Technology** | | | |
| Order intake (in millions) [7] | $ 77 | $ 55 | $ 56 |
| Total order value (in millions) [8] | $ 529 | $ 496 | $ 483 |

(1) Includes transactions executed on NASDAQ's, NASDAQ OMX BX's and NASDAQ OMX PSX's systems plus trades reported through the FINRA/NASDAQ Trade Reporting Facility.
(2) Primarily transactions executed on Nord Pool and reported for clearing to NASDAQ OMX Commodities measured by Terawatt hours (TWh) and one thousand metric tons of carbon dioxide (1000 tCO2).
(3) New listings include IPOs, including those completed on a best efforts basis, issuers that switched from other listing venues, closed-end funds and separately listed ETFs.
(4) New listings include IPOs and represent companies listed on the exchanges that comprise NASDAQ OMX Nordic and NASDAQ OMX Baltic and companies on the alternative markets of NASDAQ OMX First North.
(5) Number of listed companies for NASDAQ at period end, including separately listed ETFs.
(6) Represents companies listed on the exchanges that comprise NASDAQ OMX Nordic and NASDAQ OMX Baltic and companies on the alternative markets of NASDAQ OMX First North at period end.
(7) Total contract value of orders signed during the period.
(8) Represents total contract value of orders signed that are yet to be recognized as revenue.

# NEWS RELEASE

NASDAQ OMX

**July 25, 2012**

## NASDAQ OMX announces quarterly dividend of $0.13 per share

New York, N.Y.—The Finance Committee of the Board of Directors of The NASDAQ OMX Group, Inc. (NASDAQ: NDAQ) has declared a regular quarterly dividend of $0.13 per share on the company's outstanding common stock. The dividend is payable on September 28, 2012 to shareowners of record at the close of business on September 14, 2012. Future declarations of quarterly dividends and the establishment of future record and payment dates are subject to approval by the Finance Committee or the Board of Directors.

### Cautionary Note Regarding Forward-Looking Statements

Information set forth in this communication contains forward-looking statements that involve a number of risks and uncertainties. NASDAQ OMX cautions readers that any forward-looking information is not a guarantee of future performance and that actual results could differ materially from those contained in the forward-looking information. Such forward-looking statements include, but are not limited to, statements about our capital return initiatives. Forward-looking statements involve a number of risks, uncertainties or other factors beyond NASDAQ OMX's control. These factors include, but are not limited to, NASDAQ OMX's ability to implement its strategic initiatives, economic, political and market conditions and fluctuations, government and industry regulation, interest rate risk, U.S. and global competition, and other factors detailed in NASDAQ OMX's filings with the U.S. Securities and Exchange Commission, including its annual reports on Form 10-K and quarterly reports on Form 10-Q which are available on NASDAQ OMX's website at http://www.nasdaqomx.com and the SEC's website at www.sec.gov. NASDAQ OMX undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise.

### About NASDAQ OMX Group

The inventor of the electronic exchange, The NASDAQ OMX Group, Inc., fuels economies and provides transformative technologies for the entire lifecycle of a trade—from risk management to trade to surveillance to clearing. In the U.S. and Europe, we own and operate 24 markets, 3 clearinghouses and 5 central securities depositories supporting equities, options, fixed income, derivatives, commodities, futures and structured products. Able to process more than 1 million messages per second at sub-40 microsecond speeds with 99.999% uptime, our technology drives more than 70 marketplaces in 50 developed and emerging countries into the future, powering 1 in 10 of the world's securities transactions. Our award-winning data products and worldwide indexes are the benchmarks in the financial industry. Home to approximately 3,400 listed companies worth $6 trillion in market cap whose innovations shape our world, we give the ideas of tomorrow access to capital today. Welcome to where the world takes a big leap forward, daily. Welcome to the NASDAQ OMX Century. To learn more, visit www.nasdaqomx.com . Follow us on Facebook ( http://www.facebook.com/NASDAQ ) and Twitter ( http://www.twitter.com/nasdaqomx ). (Symbol: NDAQ and member of S&P 500)

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