

# 2Q16 EARNINGS PRESENTATION

July 27, 2016



# DISCLAIMERS

## Non-GAAP Information

In addition to disclosing results determined in accordance with U.S. GAAP, Nasdaq also discloses certain non-GAAP results of operations, including, but not limited to, net income attributable to Nasdaq, diluted earnings per share, operating income, and operating expenses, that include certain adjustments or exclude certain charges and gains that are described in the reconciliation table of U.S. GAAP to non-GAAP information provided at the end of this release. Management uses this non-GAAP information internally, along with U.S. GAAP information, in evaluating our performance and in making financial and operational decisions. We believe our presentation of these measures provides investors with greater transparency and supplemental data relating to our financial condition and results of operations. In addition, we believe the presentation of these measures is useful to investors for period-to-period comparisons of results as the items described below do not reflect ongoing operating performance.

These measures are not in accordance with, or an alternative to, U.S. GAAP, and may be different from non-GAAP measures used by other companies. Investors should not rely on any single financial measure when evaluating our business. We recommend investors review the U.S. GAAP financial measures included in this earnings release. When viewed in conjunction with our U.S. GAAP results and the accompanying reconciliation, we believe these non-GAAP measures provide greater transparency and a more complete understanding of factors affecting our business than U.S. GAAP measures alone.

We understand that analysts and investors regularly rely on non-GAAP financial measures, such as non-GAAP net income attributable to Nasdaq, non-GAAP diluted earnings per share, non-GAAP operating income and non-GAAP operating expenses to assess operating performance. We use these measures because they highlight trends more clearly in our business that may not otherwise be apparent when relying solely on U.S. GAAP financial measures, since these measures eliminate from our results specific financial items, such as those described below, that have less bearing on our ongoing operating performance.

*Amortization expense of acquired intangible assets:* We amortize intangible assets acquired in connection with various acquisitions. Intangible asset amortization expense can vary from period to period due to episodic acquisitions completed, rather than from our ongoing business operations. As such, if intangible asset amortization is included in performance measures, it is more difficult to assess the day-to-day operating performance of the businesses, the relative operating performance of the businesses between periods and the earnings power of Nasdaq. Management does not consider intangible asset amortization expense for the purpose of evaluating the performance of our business or its managers or when making decisions to allocate resources. Therefore, we believe performance measures excluding intangible asset amortization expense provide investors with a more useful representation of our businesses' ongoing activity in each period.

*Restructuring charges:* Restructuring charges are associated with our 2015 restructuring plan to improve performance, cut costs and reduce spending and are primarily related to (i) the rebranding of our company name from The NASDAQ OMX Group, Inc. to Nasdaq, Inc., (ii) severance and other termination benefits, (iii) costs to vacate duplicate facilities, and (iv) asset impairment charges. We exclude these restructuring costs because these costs do not reflect future operating expenses and do not contribute to a meaningful evaluation of Nasdaq's ongoing operating performance or comparison of Nasdaq's performance between periods.

# DISCLAIMERS

## Non-GAAP Information (cont.)

*Merger and strategic initiatives expense:* We have pursued various strategic initiatives and completed a number of acquisitions in recent years which have resulted in expenses which would not have otherwise been incurred. These expenses include integration costs, as well as legal, due diligence and other third party transaction costs. The frequency and the amount of such expenses vary significantly based on the size, timing and complexity of the transaction. Accordingly, we exclude these costs for purposes of calculating non-GAAP measures which provide a more meaningful analysis of Nasdaq's ongoing operating performance or comparisons of Nasdaq's performance between periods.

*Other significant items:* We have excluded certain other charges or gains that are the result of other non-comparable events to measure operating performance. For the three months ended June 30, 2016, other significant items include tax expense due to an unfavorable tax ruling received during the three months ended June 30, 2016, the impact of which related to prior periods, and the release of a sublease loss reserve due to the early exit of a facility. We believe the exclusion of such amounts, which arise outside of the normal course of business, allow management and investors to better understand the financial results of Nasdaq.

*Foreign exchange impact on revenue:* In countries with currencies other than the U.S. dollar, revenues and expenses are translated using monthly average exchange rates. Certain discussions in this release isolate the impact of year-over-year foreign currency fluctuations to better measure the comparability of operating results between periods. Operating results excluding the impact of foreign currency fluctuations are calculated by translating the current period's results by the prior period's exchange rates.

## 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 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 relating to our future financial results, growth, trading volumes, products and services, order backlog, taxes and achievement of synergy targets, (ii) statements about the closing or implementation dates and benefits of certain acquisitions and other strategic, restructuring, technology, de-leveraging and capital return initiatives, (iii) statements about our integrations of our recent acquisitions, (iv) statements relating to any litigation or regulatory or government investigation or action to which we are or could become a party, and (v) other statements that are not historical facts. Forward-looking statements involve a number of risks, uncertainties or other factors beyond Nasdaq's control. These factors include, but are not limited to, Nasdaq'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'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's investor relations website at <http://ir.nasdaq.com> and the SEC's website at [www.sec.gov](http://www.sec.gov). Nasdaq undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise.

## Website Disclosure

We intend to use our website, [ir.nasdaq.com](http://ir.nasdaq.com), as a means for disclosing material non-public information and for complying with SEC Regulation FD and other disclosure obligations. These disclosures will be included on our website under "Investor Relations."

# 2Q16 NON-GAAP SUMMARY<sup>(1)</sup>

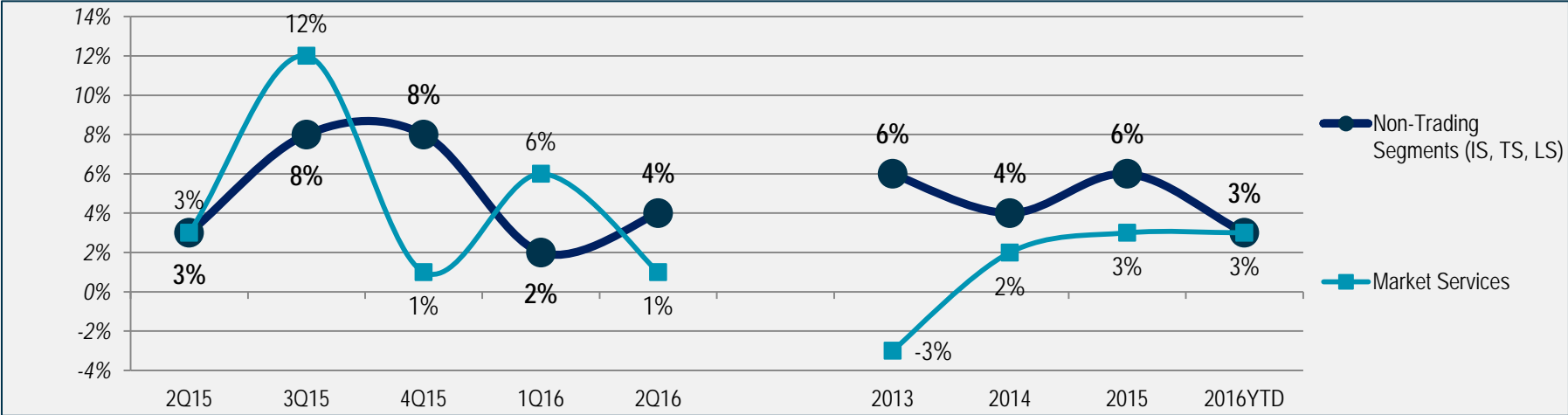
<i>(US\$ millions, except per share)</i>	2Q16	2Q15	% Δ
Revenue from non-trading segments <sup>(2)</sup>	\$365	\$329	11%
Market Services Net Revenue <sup>(3)</sup>	\$194	\$189	3%
<b>Net Revenues<sup>(3)</sup></b>	<b>\$559</b>	<b>\$518</b>	<b>8%</b>
Operating Expenses	\$300	\$281	7%
Operating Income	\$259	\$237	9%
<b>Diluted EPS</b>	<b>\$0.91</b>	<b>\$0.83</b>	<b>10%</b>

- ▶ 2Q16 net revenues were \$559 million, +8% y-o-y.
  - ▶ Revenue from non-trading segments increased 11%, or \$36 million y-o-y, with increases in Listings Services, Information Services, and Technology Solutions.
  - ▶ Revenue from Market Services increased 3%, or \$5 million y-o-y, on higher Access and Broker Services revenues.
- ▶ Subscription and recurring revenue businesses <sup>(4)</sup> constituted 77% of total revenues in 2Q16, versus 75% in 2Q15.

1. Please refer to the appendix for a reconciliation of U.S. GAAP to non-GAAP measures
2. Information Services, Technology Solutions, and Listing Services
3. Represents revenues less transaction-based expenses
4. Information Services, Technology Solutions, Listing Services, and Access & Broker Services

# ORGANIC REVENUE GROWTH AND OUTLOOK

NASDAQ YEAR-OVER-YEAR REVENUE GROWTH EXCLUDING ACQUISITIONS, CONSTANT CURRENCY<sup>(1)</sup>



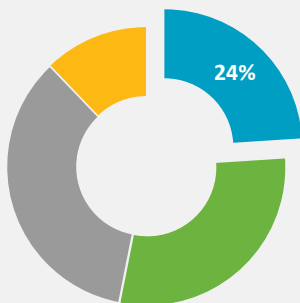
NASDAQ MEDIUM-TERM (3-5 YR) ORGANIC REVENUE GROWTH OUTLOOK

U.S. GDP <sup>(2)</sup>	S&P 500 Revenue Consensus <sup>(3)</sup>	Information Services	Technology Solutions	Listing Services	Non-Trading Segments (IS, TS, LS)
2% - 3%	2% - 3%	Mid Single Digits	Mid Single Digits	Low Single Digits	Mid-Single Digits

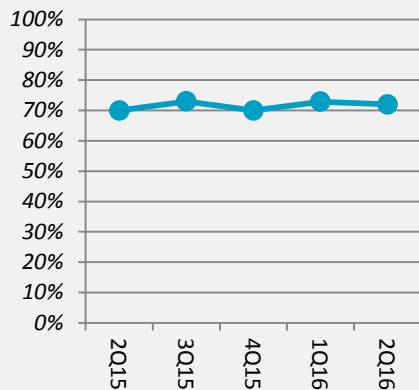
1. Non-GAAP, please refer to page 27 for reconciliation of U.S. GAAP to non-GAAP measures  
 2. Company estimate.  
 3. FactSet consensus est. 2015-2017 revenue growth, as of 6/30/2016

# INFORMATION SERVICES

## IS 2Q16 Net Revenue Contribution



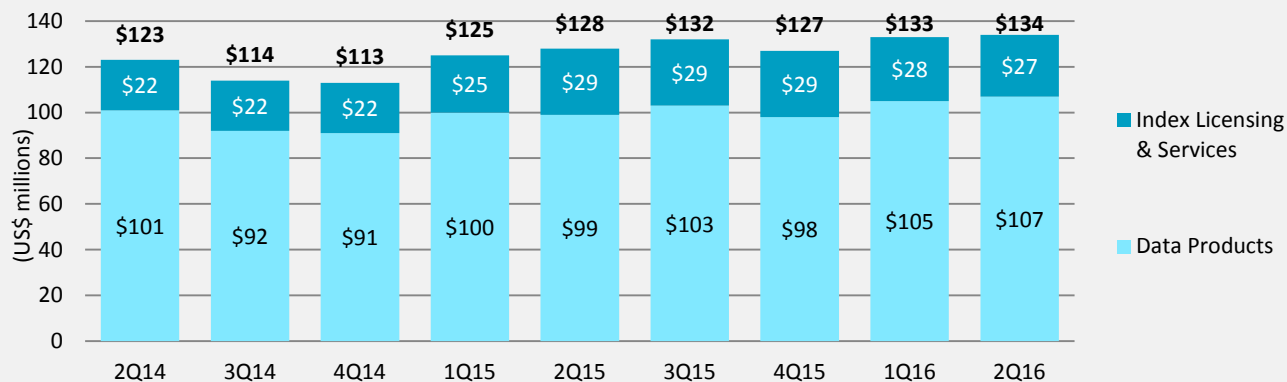
## Operating Income Margin<sup>(1)</sup>



## Information Services Performance Summary

	2Q16	2Q15	% Δ	
Net Revenue	\$134M	\$128M	5%	<ul style="list-style-type: none"> <li>8% increase in Data Products revenues: Due to increased audit collections and increased revenue from U.S. tape plans and index data, as well as inclusion of revenue associated with the Nasdaq CXC Limited, formerly Chi-X Canada (February 2016), acquisition.</li> </ul>
Operating Income	\$96M	\$89M	8%	
Operating Income Margin	72%	70%		<ul style="list-style-type: none"> <li>7% decline in Index Licensing &amp; Services revenues: Driven primarily by declines in average AUM in licensed products.</li> </ul>

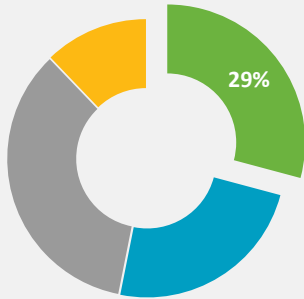
## INFORMATION SERVICES NET REVENUE



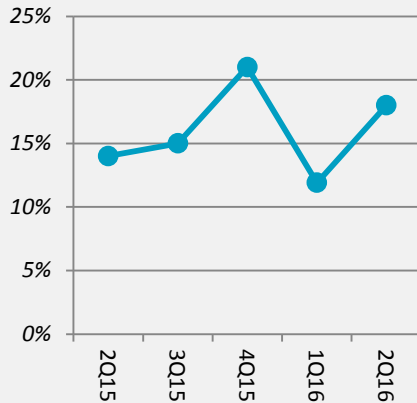
1. Information Services' margins reflect the allocation of certain costs that support the operation of various aspects of Nasdaq's business, including Market Services, to units other than Information Services.

# TECHNOLOGY SOLUTIONS

**TS 2Q16  
Net Revenue  
Contribution**



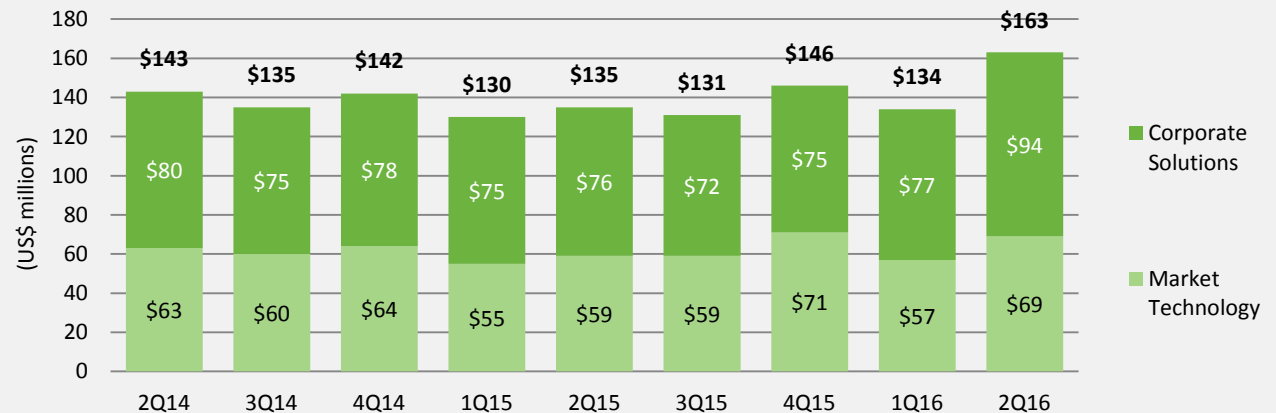
**Operating Income  
Margin**



**Technology Solutions Performance Summary**

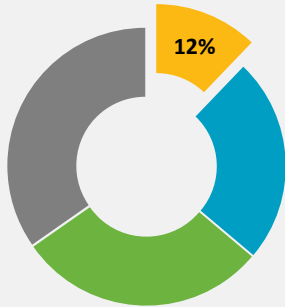
	2Q16	2Q15	% Δ	
Net Revenue	\$163M	\$135M	21%	<ul style="list-style-type: none"> <li>17% growth in Market Technology revenues: <i>Driven primarily by organic growth in revenues from software licensing and support and surveillance products.</i></li> <li>24% growth in Corporate Solutions revenues: <i>Due primarily to the inclusion of revenue from the acquisitions of Marketwired and Boardvantage.</i></li> </ul>
Operating Income	\$29M	\$19M	53%	
Operating Income Margin	18%	14%		

**TECHNOLOGY SOLUTIONS NET REVENUE**

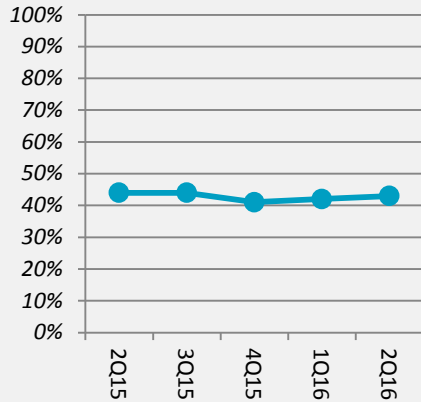


# LISTING SERVICES

## LS 2Q16 Net Revenue Contribution



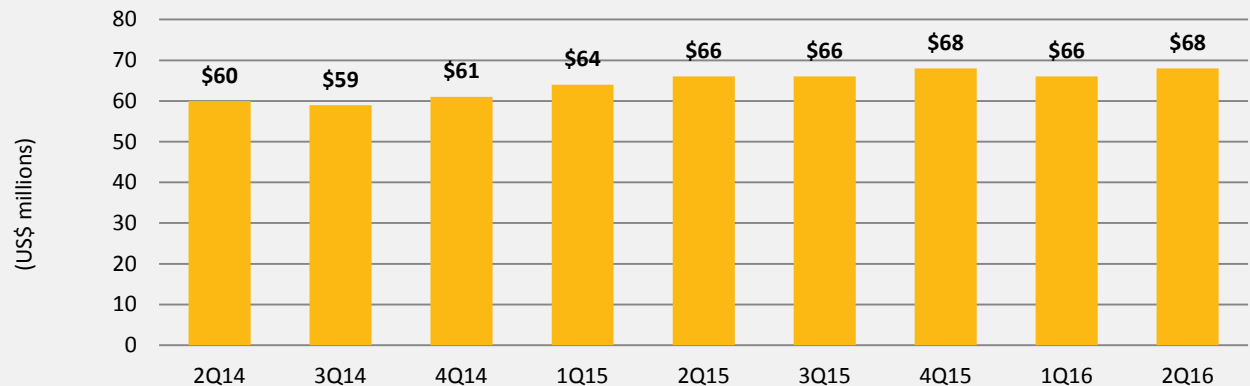
## Operating Income Margin



## Listing Services Performance Summary

	2Q16	2Q15	% Δ	
Net Revenue	\$68M	\$66M	3%	<ul style="list-style-type: none"> <li>• 3% increase in Listing revenues: Due primarily to higher revenues in the Nordics from an increase in the number of listed companies</li> <li>• 73 new U.S. listings including 25 IPOs in 2Q16, and a 69% U.S. IPO win rate</li> <li>• European new listings totaled 33 in 2Q16.</li> <li>• 36 new U.S. ETP listings and switches in 2Q16, and a leading 38% U.S. market share</li> <li>• 133 private companies using NPM software for shareholder liquidity and cap table management in 2Q16</li> </ul>
Operating Income	\$29M	\$29M	-	
Operating Income Margin	43%	44%		

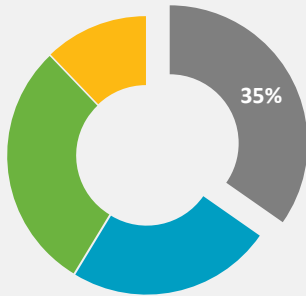
## LISTING SERVICES NET REVENUE



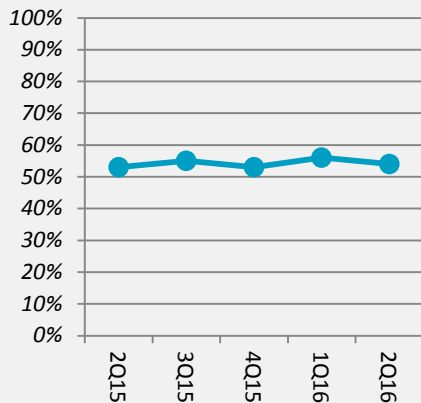


# MARKET SERVICES

## MS 2Q16 Net Revenue Contribution



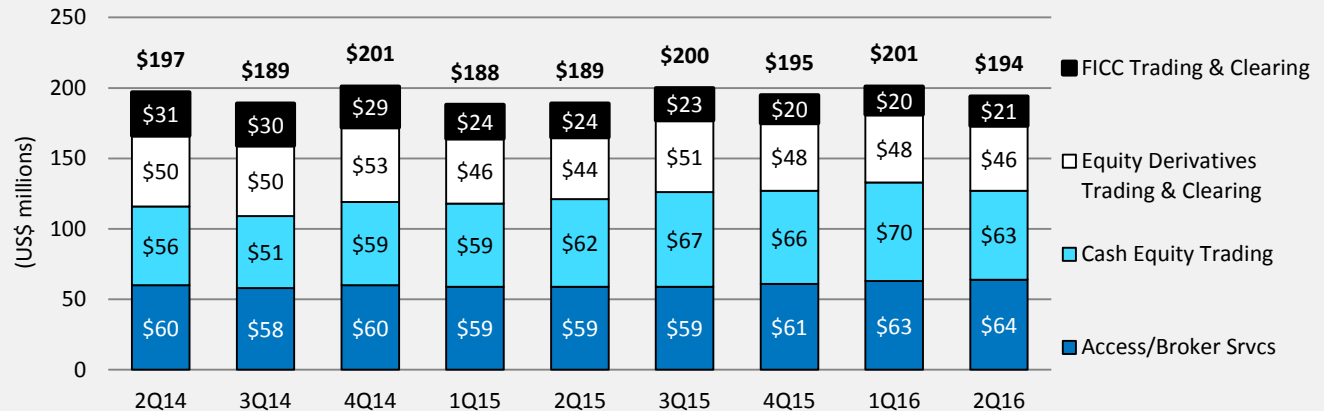
## Operating Income Margin



## Market Services Performance Summary

	2Q16	2Q15	% Δ	
Net Revenue	\$194M	\$189M	3%	<ul style="list-style-type: none"> <li>5% increase in Equity Derivative Trading and Clearing revenues: <i>The increase resulted primarily from higher U.S. industry volumes and higher U.S. market share.</i></li> <li>2% increase in Cash Equity Trading revenues: <i>The increase resulted primarily from higher industry U.S. volumes and the inclusion of revenue from Nasdaq CXC Limited, formerly Chi-X Canada, partially offset by lower market share and lower U.S. average net capture.</i></li> <li>13% decrease in FICC Trading and Clearing revenues: <i>Due to NFX rebates and declines in U.S. fixed income, partially offset by growth in European fixed income and commodities.</i></li> <li>8% increase in Access &amp; Broker Services revenues: <i>Due to organic growth in demand for connectivity.</i></li> </ul>
Operating Income	\$105M	\$100M	5%	
Operating Income Margin	54%	53%		

## MARKET SERVICES NET REVENUE

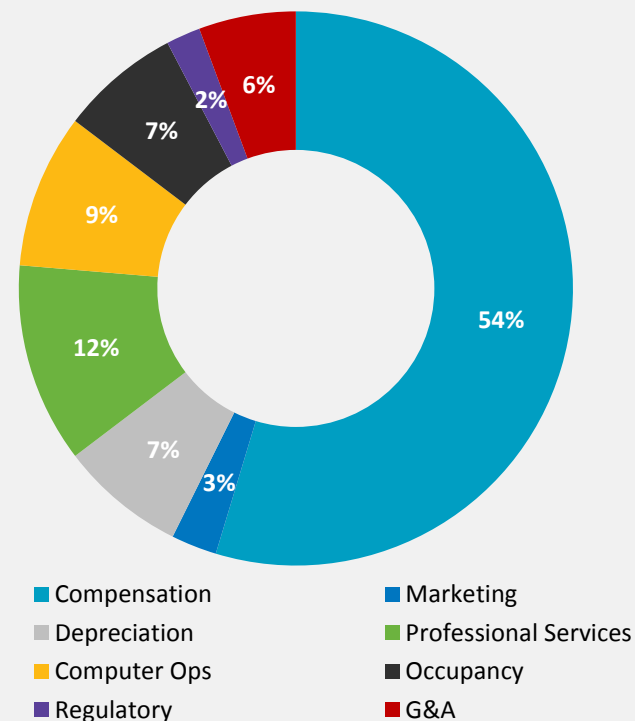


# NON-GAAP OPERATING EXPENSES<sup>(1)</sup>

(US\$ millions)

Total Non-GAAP operating expenses	2Q16	1Q16	2Q15
Compensation and benefits	164	152	144
Marketing and advertising	8	6	6
Depreciation and amortization	22	21	19
Professional and contract services	35	35	42
Computer operations and data communications	27	25	23
Occupancy	21	20	21
Regulatory	6	7	7
General, admin. & other	17	14	19
Total non-GAAP operating expenses	\$300	\$280	\$281

## 2Q16 EXPENSE CATEGORIES



1. Non-GAAP, please refer to page 25 for reconciliation of U.S. GAAP to non-GAAP measures

# EXECUTING ON ATTRACTIVE ACQUISITIONS

	Market Services		Corporate Solutions	
Acquisition	ISE	Nasdaq CXC Limited	Marketwired	Boardvantage
	<ul style="list-style-type: none"> <li>Operator of three U.S. equity options exchanges</li> <li>Leading market share in complex options trades</li> <li>20% ownership of OCC</li> </ul>	<ul style="list-style-type: none"> <li>Alternative Canadian equity trading platform for TSX and TSXV-listed securities</li> <li>Top-2 market position</li> <li>Product expansion opp.</li> </ul>	<ul style="list-style-type: none"> <li>Global provider of news distribution services</li> <li>Unique media analytic tools</li> <li>7,000 corporate clients</li> </ul>	<ul style="list-style-type: none"> <li>A leading Board collaboration and productivity platform.</li> <li>1,900 corporate clients</li> </ul>
	<i>Closed 2Q16</i>	<i>Closed 1Q16</i>	<i>Closed 1Q16</i>	<i>Closed 2Q16</i>
Operational Update	<ul style="list-style-type: none"> <li>Re-platforming to Nasdaq's INET technology is underway and expected to complete mid-2017</li> </ul>	<ul style="list-style-type: none"> <li>Re-branding complete</li> <li>Re-platforming to Nasdaq's INET technology expected to occur in 1Q17</li> </ul>	<ul style="list-style-type: none"> <li>Product roadmaps and client migration plans underway</li> <li>Expect to transition from two product platforms to one in 2017</li> </ul>	<ul style="list-style-type: none"> <li>Product roadmaps and client migration plans underway</li> <li>Expect to transition from two product platforms to one in 2017</li> </ul>
Synergies	<p><b>Cost synergies of \$40M targeted</b>  <b>\$8M achieved as of 2Q16</b>  <i>Full synergies expected within 18 months of closing</i></p>		<p><b>Cost synergies of \$20M targeted</b>  <b>\$2M achieved as of 2Q16</b>  <i>Full synergies expected within 18 months of closing</i></p>	
<p><b>\$0.40 accretive to 2015 diluted EPS</b></p> <p><i>Assumes 2015 Pro-Forma w/ Full Synergy Realization</i></p>				

# 2016 NON-GAAP EXPENSE GUIDANCE <sup>(1)</sup>

(US\$ millions)	Prior 2016 Guidance <sup>(1)</sup>	Revised 2016 Guidance <sup>(1)</sup>
Non-GAAP Operating Expenses	\$1,145-\$1,185	\$1,145-\$1,185
Impact of ISE <sup>2</sup>	-	\$35
Research & Development	\$35-\$45	\$35-\$45
<b>Total Non-GAAP Operating Expenses</b>	<b>\$1,180-\$1,230</b>	<b>\$1,215-\$1,265</b>

1. U.S. GAAP operating expense guidance is not provided due to the inherent difficulty in quantifying certain amounts due to a variety of factors including the unpredictability in the movement in foreign currency rates, as well as future charges or reversals outside of the normal course of business.
2. ISE acquisition closed June 30, 2016.

---

# APPENDIX

---

# DEBT OVERVIEW

## PLAN TO DE-LEVER TO MID-2X

- ▶ 2Q16 debt increased by \$1,166M vs. 1Q16 primarily to finance the acquisitions
- ▶ Plan to de-lever to mid-2x leverage ratio over the next 18 months
- ▶ Net interest expense for 2Q16 was \$31M, \$5M higher as compared to \$26M in 2Q15, primarily due to acquisition debt

## LEVERAGE RATIOS

Net Debt to EBITDA <sup>(1)</sup> = 2.8x

Total Debt to EBITDA <sup>(1)</sup> = 3.1x

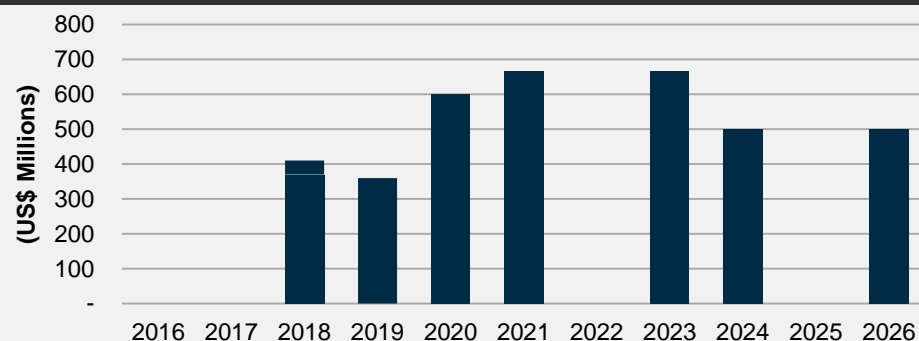
LTM EBITDA <sup>(1)</sup> = \$1,212M

(1) See Appendix for EBITDA reconciliation. Pro forma leverage ratios have been calculated for Q2'16 to reflect the acquisitions of Nasdaq CXC Limited (formerly Chi-X Canada), Marketwired, Boardvantage and ISE

## \$3.4B NET DEBT

(\$ millions)	6/30/16	Maturity Date
Revolver (Libor + 117.5 bps)	58	11/25/19
Term Loan (Libor + 150 bps)	399	11/25/19
5.25% Bond	369	01/16/18
5.55% Bond	597	01/15/20
3.88% Euro Bond	661	06/07/21
1.75% Euro Bond	657	05/19/23
4.25% Bond	495	06/01/24
3.85% Bond	495	06/30/26
<b>Total Debt Obligations</b>	<b>\$ 3,731</b>	
Less Cash and Cash Equivalents	(344)	
<b>Net Debt</b>	<b>\$3,387</b>	

## WELL LADDERED DEBT MATURITIES



# HISTORICAL CASH FLOW / USES OF CASH FLOW

Free Cash Flow Calculation (US\$ millions)	2009	2010	2011	2012	2013	2014	2015	2016YTD	2009 – 2016YTD
Cash flow from operations	\$582	\$440	\$669	\$588	\$574	\$687	\$685	\$392	<b>\$4,617</b>
Capital expenditure	(59)	(42)	(88)	(87)	(115)	(140)	(133)	(51)	<b>(715)</b>
<b>Free cash flow</b>	<b>523</b>	<b>398</b>	<b>581</b>	<b>501</b>	<b>459</b>	<b>547</b>	<b>552</b>	<b>341</b>	<b>3,902</b>
Section 31 fees (net) <sup>(1)</sup>	(62)	46	(22)	13	8	(28)	16	(53)	<b>(82)</b>
<b>Free cash flow ex. Section 31 fees</b>	<b>461</b>	<b>444</b>	<b>559</b>	<b>514</b>	<b>467</b>	<b>519</b>	<b>568</b>	<b>288</b>	<b>3,820</b>
<b>Uses of cash flow</b>									
Share repurchases	-	797	100	275	10	178	377	45	<b>1,782</b>
Net repayment/(borrowing) of debt	340	(193)	248	145	(606)	235	(137)	(1,358)	<b>(1,326)</b>
Acquisitions (less dispositions)	(46)	189	26	112	1,164	-	256	1,460	<b>3,161</b>
Dividends	-	-	-	65	87	98	149	94	<b>493</b>
<b>Total uses of cash flow</b>	<b>294</b>	<b>793</b>	<b>374</b>	<b>597</b>	<b>655</b>	<b>511</b>	<b>645</b>	<b>241</b>	<b>4,110</b>

(1) Net of change in Section 31 fees receivables of \$26 million in 2009; (\$9 million) in 2010; \$2 million in 2011; \$4 million in 2012; (\$7 million) in 2013; \$14 million in 2014; (\$11 million) in 2015; \$4 million in 2016YTD and \$23 million in 2009-2016YTD.

# SUMMARY NON-GAAP P&L REVIEW (1)

(in US\$ millions, except per share)	2Q16	2Q15	\$ Δ	% Δ
<b>Net Revenue</b>	<b>\$559</b>	<b>\$518</b>	<b>\$41</b>	<b>8%</b>
<b>Non-GAAP Operating Expenses</b>	<b>300</b>	<b>281</b>	<b>19</b>	<b>7%</b>
<b>Non-GAAP Operating Income</b>	<b>259</b>	<b>237</b>	<b>22</b>	<b>9%</b>
<i>Non-GAAP Operating Margin %</i>	46%	46%		
Net Interest Expense	31	26	5	19%
<b>Non-GAAP Net Income</b>	<b>153</b>	<b>143</b>	<b>10</b>	<b>7%</b>
<b>Non-GAAP diluted EPS</b>	<b>\$0.91</b>	<b>\$0.83</b>	<b>\$0.08</b>	<b>10%</b>
Diluted Shares	168.2	172.1		

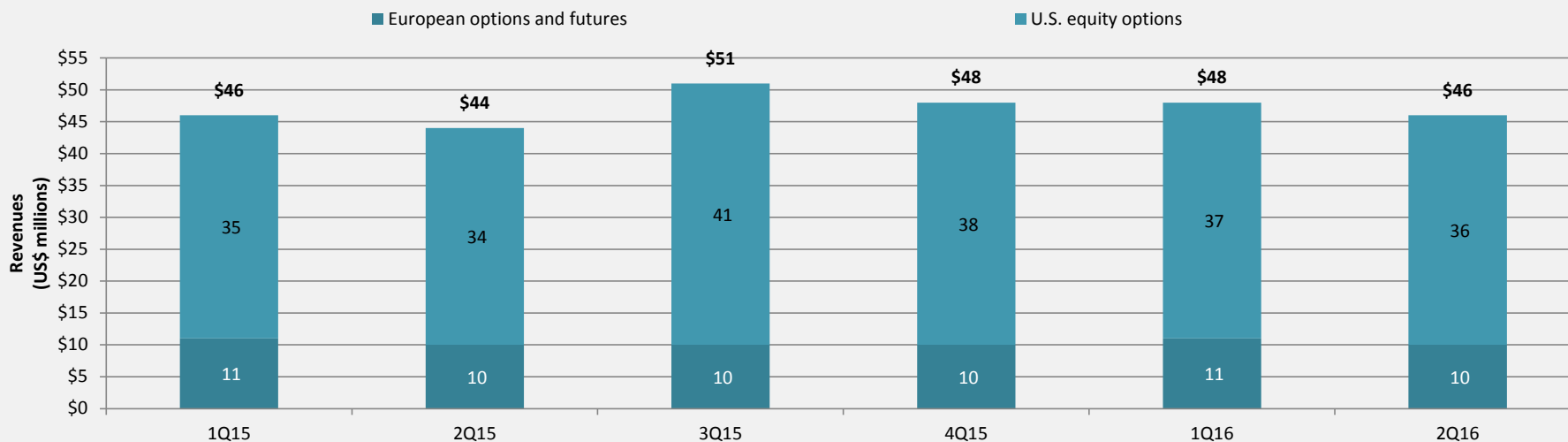
1. Non-GAAP, please refer to slides 23-25 for a reconciliation of U.S. GAAP to non-GAAP measures



# TOTAL VARIANCE NET IMPACTS

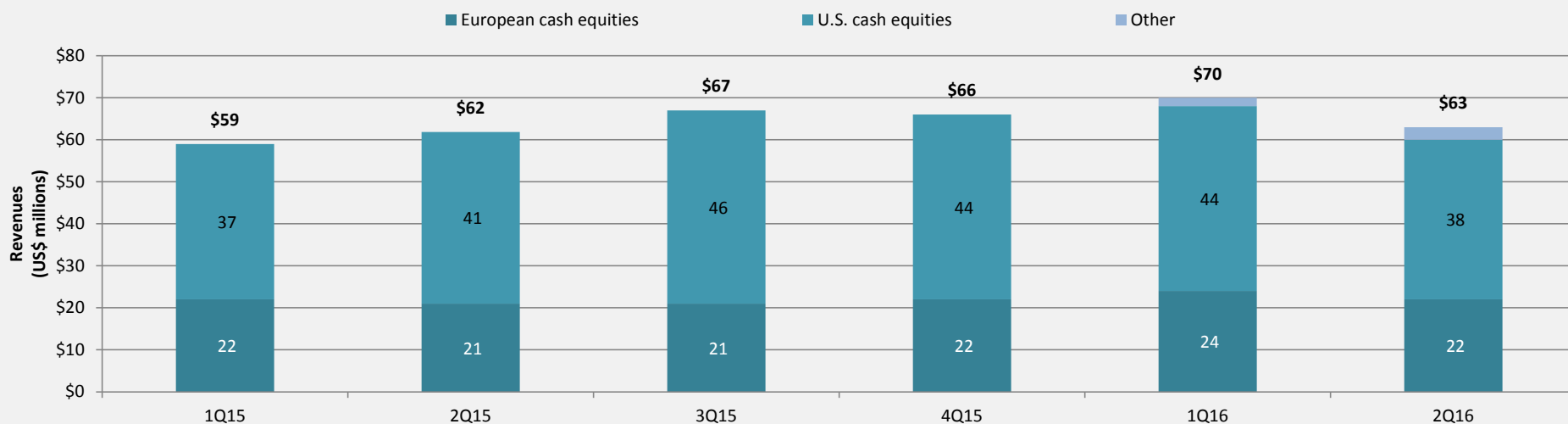
<i>All figures in US\$ Millions</i>	2Q16 actuals	2Q15 actuals	Total Variance		Organic Impact		Acquisition Impact		FX Impact (Prior Year Rates)	
			\$M	%	\$M	%	\$M	%	\$M	%
Market Services	\$194	\$189	\$5	3%	\$1	1%	\$3	2%	\$1	1%
Listing Services	68	66	2	3%	2	3%	-	-	-	-
Information Services	134	128	6	5%	3	2%	2	2%	1	1%
Technology Solutions	163	135	28	21%	8	6%	19	14%	1	1%
<b>Total Net Revenue</b>	<b>\$559</b>	<b>\$518</b>	<b>\$41</b>	<b>8%</b>	<b>\$14</b>	<b>3%</b>	<b>\$24</b>	<b>5%</b>	<b>\$3</b>	<b>1%</b>
<b>Total Non-trading Segment Revenue</b>	<b>\$365</b>	<b>\$329</b>	<b>\$36</b>	<b>11%</b>	<b>\$13</b>	<b>4%</b>	<b>\$21</b>	<b>6%</b>	<b>\$2</b>	<b>1%</b>
<b>Non-GAAP Expenses</b>	<b>\$300</b>	<b>\$281</b>	<b>\$19</b>	<b>7%</b>	<b>\$4</b>	<b>1%</b>	<b>\$15</b>	<b>5%</b>	<b>-</b>	<b>-</b>
<b>Non-GAAP Operating Income</b>	<b>\$259</b>	<b>\$237</b>	<b>\$22</b>	<b>9%</b>	<b>\$10</b>	<b>4%</b>	<b>\$9</b>	<b>4%</b>	<b>\$3</b>	<b>1%</b>

# EQUITY DERIVATIVE TRADING AND CLEARING



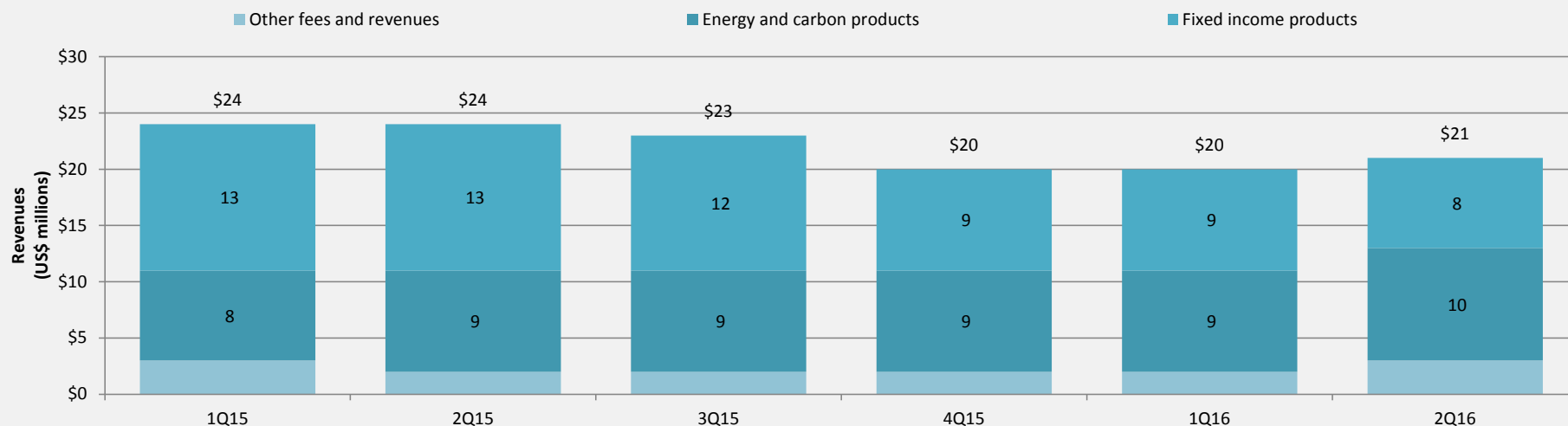
	FY15				FY16	
	1Q15	2Q15	3Q15	4Q15	1Q16	2Q16
<b>Net Revenues (US\$ in Millions)</b>						
U.S. equity options	35	34	41	38	37	36
European options and futures	11	10	10	10	11	10
<b>Equity Derivatives</b>	<b>46</b>	<b>44</b>	<b>51</b>	<b>48</b>	<b>48</b>	<b>46</b>
<b>Nasdaq Volumes</b>						
U.S. equity options (millions of contracts)	252	210	240	239	224	221
European options and futures (millions of contracts)	24.9	24.0	22.2	24.5	27.6	27.2
<b>Revenue Capture</b>						
U.S. equity options (RPC)	\$ 0.14	\$ 0.16	\$ 0.17	\$ 0.16	\$ 0.16	\$ 0.16
European options and futures (RPC)	\$ 0.44	\$ 0.42	\$ 0.45	\$ 0.42	\$ 0.41	\$ 0.35
<i>SEK/US\$ average</i>	\$ 0.120	\$ 0.119	\$ 0.118	\$ 0.118	\$ 0.118	\$ 0.122
<i>Euro/US\$ average</i>	\$ 1.127	\$ 1.107	\$ 1.113	\$ 1.094	\$ 1.104	\$ 1.129

# CASH EQUITY TRADING



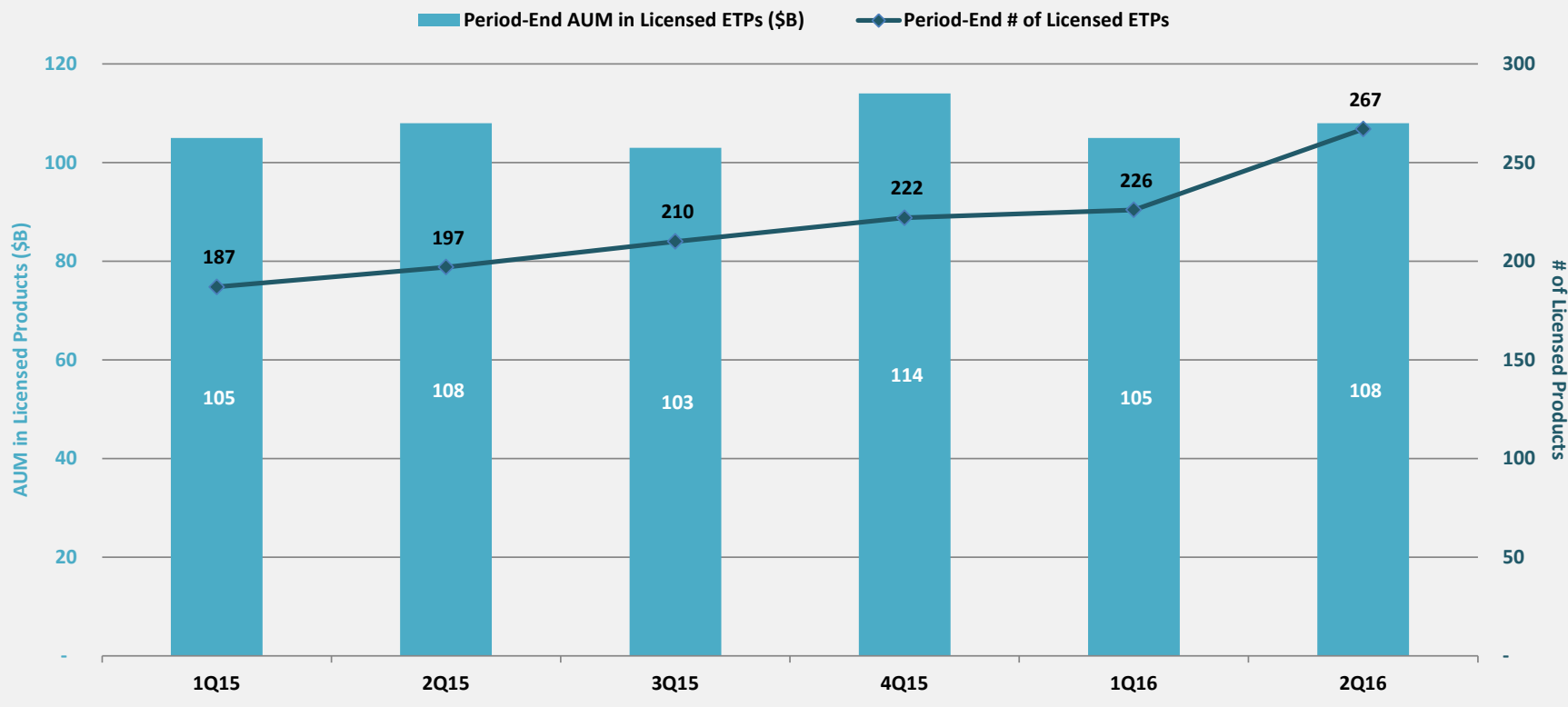
	FY15				FY16	
	1Q15	2Q15	3Q15	4Q15	1Q16	2Q16
<b>Net Revenues (US\$ in Millions)</b>						
U.S. cash equities	37	41	46	44	44	38
European cash equities	22	21	21	22	24	22
Other					2	3
<b>Cash Equity Trading</b>	<b>59</b>	<b>62</b>	<b>67</b>	<b>66</b>	<b>70</b>	<b>63</b>
<b>Nasdaq Volumes</b>						
U.S. cash equities (billions of shares)	83.1	74.3	88.2	82.2	93.7	80.6
European cash equities value shares traded (\$B)	234	219	204	212	216	205
<b>Revenue Capture</b>						
U.S. cash equities revenue capture per 1000 shares	\$ 0.44	\$ 0.55	\$ 0.52	\$ 0.53	\$ 0.47	\$ 0.48
European cash equities revenue capture per \$'000 traded	\$ 0.10	\$ 0.10	\$ 0.10	\$ 0.10	\$ 0.11	\$ 0.11
<i>SEK/US\$ average</i>	\$ 0.120	\$ 0.119	\$ 0.118	\$ 0.118	\$ 0.118	\$ 0.122
<i>Euro/US\$ average</i>	\$ 1.127	\$ 1.107	\$ 1.113	\$ 1.094	\$ 1.104	\$ 1.129

# FICC TRADING AND CLEARING



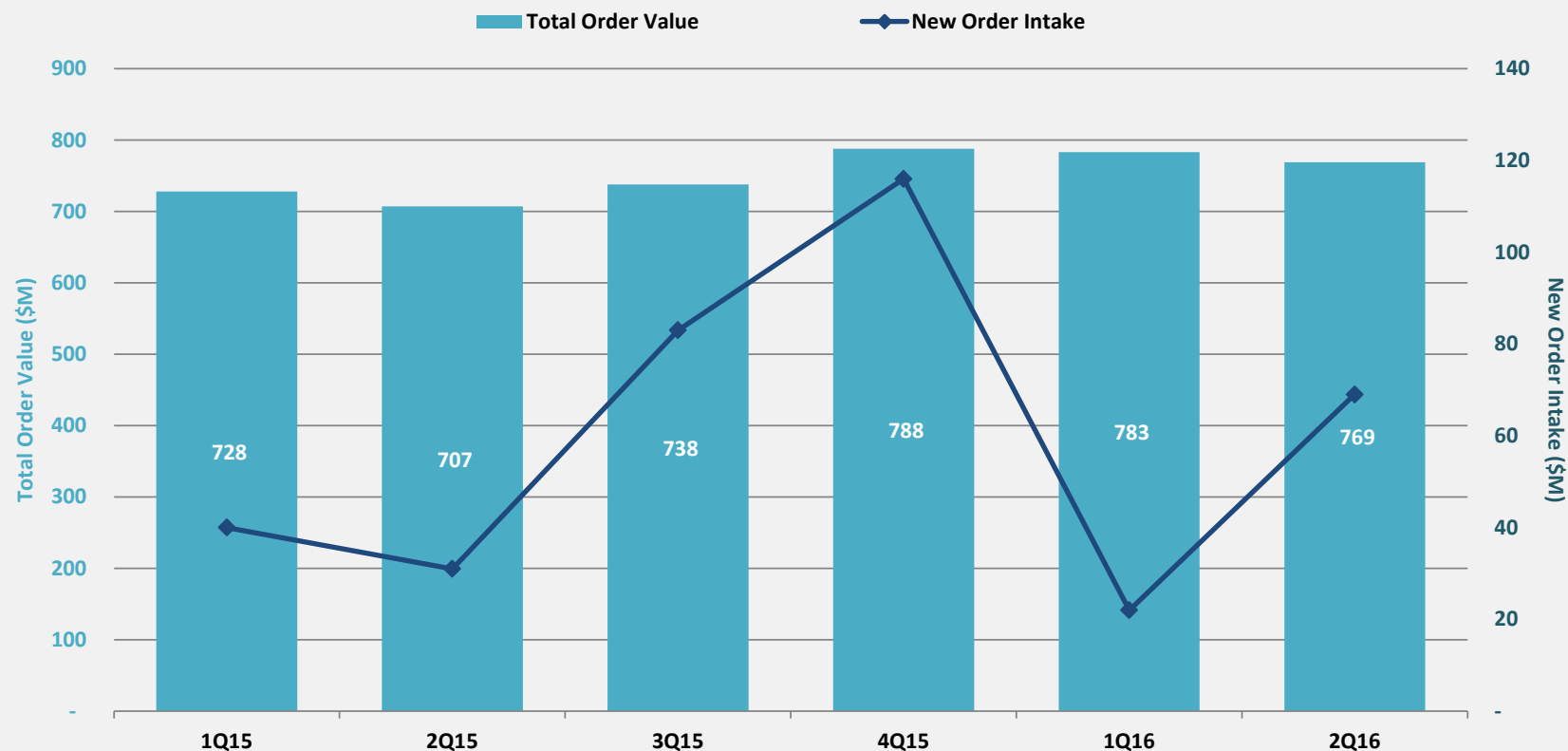
	FY15				FY16	
	1Q15	2Q15	3Q15	4Q15	1Q16	2Q16
<b>Net Revenues (US\$ in Millions)</b>						
Fixed income products	13	13	12	9	9	8
Energy and carbon products	8	9	9	9	9	10
Other fees and revenues	3	2	2	2	2	3
<b>Fixed Income, Currency and Commodities Trading and Clearing</b>	<b>24</b>	<b>24</b>	<b>23</b>	<b>20</b>	<b>20</b>	<b>21</b>
<b>Nasdaq Volumes</b>						
U.S. Fixed income trading volume (billions of \$ notional)	8,365	8,281	7,397	5,191	5,968	5,255
European Fixed income products (millions of contracts)	6.7	6.3	7.7	6.6	6.2	5.6
Energy trading and clearing (TWh)	589	515	624	653	657	703
<b>Revenue Capture</b>						
European Fixed Income (RPC) <sup>(1)</sup>	\$ 0.51	\$ 0.53	\$ 0.54	\$ 0.51	\$ 0.61	\$ 0.64
Energy trading and clearing (\$'000 per TWh)	\$ 13.58	\$ 17.48	\$ 14.42	\$ 13.78	\$ 13.70	\$ 14.22
SEK/US\$ average	\$ 0.120	\$ 0.119	\$ 0.118	\$ 0.118	\$ 0.118	\$ 0.122
Euro/US\$ average	\$ 1.127	\$ 1.107	\$ 1.113	\$ 1.094	\$ 1.104	\$ 1.129

# INDEX LICENSING AND SERVICES



	FY15				FY16	
	1Q15	2Q15	3Q15	4Q15	1Q16	2Q16
Period-End # of Licensed ETPs	187	197	210	222	226	267
Period-End AUM in Licensed ETPs (\$B)	105	108	103	114	105	108
Index Licensing & Servicing Revenues	25	29	29	29	28	27

# MARKET TECHNOLOGY



	FY15				FY16	
	1Q15	2Q15	3Q15	4Q15	1Q16	2Q16
New Order Intake	40	31	83	116	22	69
Total Order Value	728	707	738	788	783	769
Net Revenue	55	59	59	71	57	69

# NET INCOME AND DILUTED EARNINGS PER COMMON SHARE: RECONCILIATION OF U.S. GAAP TO NON-GAAP

<i>(US\$ millions, except EPS)</i>	2Q16	1Q16	2Q15
<b>U.S. GAAP net income attributable to Nasdaq:</b>	<b>\$70</b>	<b>\$132</b>	<b>\$133</b>
Amortization expense of acquired intangible assets <sup>(1)</sup>	19	17	15
Restructuring charges <sup>(2)</sup>	33	9	2
Merger and strategic initiatives <sup>(3)</sup>	35	9	3
Sublease loss reserve <sup>(4)</sup>	(2)	-	-
<b>Total Non-GAAP adjustments</b>	<b>85</b>	<b>35</b>	<b>20</b>
Non-GAAP adjustment to the income tax provision <sup>(7)</sup>	(2)	(14)	(10)
Total Non-GAAP Adjustments, net of tax	83	21	10
<b>Non-GAAP net income attributable to Nasdaq:</b>	<b>\$153</b>	<b>\$153</b>	<b>\$143</b>
<b>U.S. GAAP diluted earnings per share:</b>	<b>\$0.42</b>	<b>\$0.78</b>	<b>\$0.77</b>
Total adjustments from non-GAAP net income above	0.49	0.13	0.06
<b>Non-GAAP diluted earnings per share</b>	<b>\$0.91</b>	<b>\$0.91</b>	<b>\$0.83</b>

Please refer to slide 26 for detailed footnotes

# OPERATING INCOME:

## RECONCILIATION OF U.S. GAAP TO NON-GAAP

<i>(US\$ millions)</i>	2Q16	1Q16	4Q15	3Q15	2Q15
<b>U.S. GAAP operating income:</b>	<b>\$174</b>	<b>\$219</b>	<b>\$246</b>	<b>\$231</b>	<b>\$217</b>
<b>Non-GAAP adjustments:</b>					
Amortization expense of acquired intangible assets <sup>(1)</sup>	19	17	15	15	15
Restructuring charges <sup>(2)</sup>	33	9	12	8	2
Merger and strategic initiatives <sup>(3)</sup>	35	9	4	4	3
Sublease loss reserve <sup>(4)</sup>	(2)	-	-	-	-
Loss reserve and insurance recovery <sup>(8)</sup>	-	-	(26)	(5)	-
Total non-GAAP adjustments	85	35	5	22	20
<b>Non-GAAP operating income</b>	<b>\$259</b>	<b>\$254</b>	<b>\$251</b>	<b>\$253</b>	<b>\$237</b>
<b>Revenues less transaction-based expenses</b>	<b>\$559</b>	<b>\$534</b>	<b>\$536</b>	<b>\$529</b>	<b>\$518</b>
<b>U.S. GAAP operating margin <sup>(5)</sup></b>	<b>31%</b>	<b>41%</b>	<b>46%</b>	<b>44%</b>	<b>42%</b>
<b>Non-GAAP operating margin <sup>(6)</sup></b>	<b>46%</b>	<b>48%</b>	<b>47%</b>	<b>48%</b>	<b>46%</b>

Please refer to slide 26 for detailed footnotes



# OPERATING EXPENSES: RECONCILIATION OF U.S. GAAP TO NON-GAAP

<i>(US\$ millions)</i>	2Q16	1Q16	2Q15
<b>U.S. GAAP operating expenses:</b>	<b>\$385</b>	<b>\$315</b>	<b>\$301</b>
<u>Non-GAAP adjustments:</u>			
Amortization expense of acquired intangible assets <sup>(1)</sup>	(19)	(17)	(15)
Restructuring charges <sup>(2)</sup>	(33)	(9)	(2)
Merger and strategic initiatives <sup>(3)</sup>	(35)	(9)	(3)
Sublease loss reserve <sup>(4)</sup>	2	-	-
Total non-GAAP adjustments	(85)	(35)	(20)
<b>Non-GAAP operating expenses</b>	<b>\$300</b>	<b>\$280</b>	<b>\$281</b>

Please refer to slide 26 for detailed footnotes

# FOOTNOTES:

## RECONCILIATION OF U.S. GAAP TO NON-GAAP

(1) Refer to the non-GAAP information section of the earnings presentation for further discussion of why we consider amortization expense of acquired intangible assets to be a non-GAAP adjustment.

(2) During the first quarter of 2015, we performed a comprehensive review of our processes, businesses and systems in a company-wide effort to improve performance, cut costs, and reduce spending. For the three months ended June 30, 2016 and March 31, 2016, restructuring charges primarily related to severance costs and asset impairment charges. For the three months ended June 30, 2015, restructuring charges primarily related to severance costs and asset impairment charges, partially offset by a credit of \$10 million which pertained to the release of a previously recorded sublease loss reserve. In June 2015, as part of our real estate reorganization plans, management decided to occupy this space. Restructuring charges are recorded on restructuring plans that have been committed to by management and are, in part, based upon management's best estimates of future events. Changes to the estimates may require future adjustments to the restructuring liabilities. Refer to the non-GAAP information section of the earnings presentation for further discussion of why we consider restructuring charges to be a non-GAAP adjustment.

(3) For the three months ended June 30, 2016, merger and strategic initiatives expense primarily related to our acquisition of International Securities Exchange, or ISE. For the three months ended March 31, 2016, merger and strategic initiatives expense primarily related to our acquisitions of Marketwired and Nasdaq CXC Limited, formerly Chi-X Canada, as well as costs incurred related to our subsequent acquisitions of ISE and Boardvantage Inc. For the three months ended June 30, 2015, merger and strategic initiatives expense primarily related to certain strategic initiatives and our acquisition of Dorsey, Wright & Associates, LLC. Refer to the non-GAAP information section of the earnings presentation for further discussion on why we consider merger and strategic initiatives to be a non-GAAP adjustment.

(4) The credit of \$2 million pertains to the release of a previously recorded sublease loss reserve due to the early exit of a facility.

(5) U.S. GAAP operating margin equals U.S. GAAP operating income divided by total revenues less transaction-based expenses.

(6) Non-GAAP operating margin equals non-GAAP operating income divided by total revenues less transaction-based expenses.

(7) Includes the tax impact of each non-GAAP adjustment. In addition, we recorded a \$27 million tax expense due to an unfavorable tax ruling received during the three months ended June 30, 2016, the impact of which related to prior periods.

(8) In March 2015, we established a loss reserve of \$31 million for litigation arising from the Facebook IPO in May 2012, which was recorded in general, administrative and other expense. The reserve was intended to cover the estimated amount of a settlement of class-action litigation initiated on behalf of investors in Facebook common stock on the date of its IPO. The reserve also covered the cost of re-opening Nasdaq's voluntary accommodation program to allow any Nasdaq member that did not file for compensation in 2013 to submit a claim during the second quarter of 2015, subject to the conditions and limitations that were applicable to claims filed in 2013. The re-opened accommodation program is now closed. The insurance recovery recognized during the three months ended December 31, 2015 and September 30, 2015 represents amounts reimbursed by applicable insurance coverage which offsets the loss reserve that was recorded in March 2015.

# ORGANIC REVENUE GROWTH: RECONCILIATION OF U.S. GAAP TO NON-GAAP

<u>Non-Trading Segments</u>			Total Variance		Organic Impact		Other Impact <sup>(1)</sup>	
<i>All figures in US\$ Millions</i>	Current Period	Prior-year Period	\$M	%	\$M	%	\$M	%
2Q16	365	329	36	11%	13	4%	23	7%
1Q16	333	319	14	4%	7	2%	7	2%
4Q15	341	316	25	8%	26	8%	(1)	0%
3Q15	329	308	21	7%	24	8%	(3)	(1%)
2Q15	329	326	3	1%	11	3%	(8)	(2%)
2016YTD	699	648	51	8%	22	3%	29	4%
2015	1,319	1,271	48	4%	70	6%	(22)	(2%)
2014	1,271	1,139	132	12%	46	4%	86	8%
2013	1,139	937	202	22%	59	6%	143	15%
<u>Market Services Segment</u>			Total Variance		Organic Impact		Other Impact <sup>(1)</sup>	
<i>All figures in US\$ Millions</i>	Current Period	Prior-year Period	\$M	%	\$M	%	\$M	%
2Q16	194	189	5	3%	1	1%	4	2%
1Q16	201	188	13	7%	12	6%	1	1%
4Q15	195	201	(6)	(3%)	2	1%	(8)	(4%)
3Q15	200	189	11	6%	22	12%	(11)	(6%)
2Q15	189	197	(8)	(4%)	6	3%	(14)	(7%)
2016YTD	394	377	17	5%	12	3%	5	1%
2015	771	796	(25)	(3%)	23	3%	(48)	(6%)
2014	796	756	40	5%	21	2%	19	3%
2013	756	737	19	3%	(24)	(3%)	43	6%

<sup>1</sup>Other impacts includes acquisitions and changes in FX rates

# EXPENSE DETAIL: RECONCILIATION OF U.S. GAAP TO NON-GAAP - PART 1 OF 2

<i>(US\$ millions)</i>	2Q16	1Q16	4Q15	3Q15	2Q15
<b><u>Depreciation and amortization</u></b>					
U.S. GAAP	41	38	35	34	34
Adjustments	(19)	(17)	(15)	(15)	(15)
<b>non-GAAP</b>	<b>\$22</b>	<b>\$21</b>	<b>\$20</b>	<b>\$19</b>	<b>\$19</b>
<b><u>Merger and strategic initiatives</u></b>					
U.S. GAAP	\$35	\$9	4	4	\$3
Adjustments	(35)	(9)	(4)	(4)	(3)
<b>non-GAAP</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Continued on next page</b>					

# EXPENSE DETAIL: RECONCILIATION OF U.S. GAAP TO NON-GAAP - PART 2 OF 2

<i>(US\$ millions)</i>	2Q16	1Q16	4Q15	3Q15	2Q15
<b><u>Occupancy</u></b>					
U.S. GAAP	19	20	22	22	21
Adjustments	2	-	-	-	-
<b>non-GAAP</b>	<b>\$21</b>	<b>\$20</b>	<b>\$22</b>	<b>\$22</b>	<b>\$21</b>
<b><u>Restructuring charges</u></b>					
U.S. GAAP	33	9	12	8	2
Adjustments	(33)	(9)	(12)	(8)	(2)
<b>non-GAAP</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b><u>General, admin &amp; other</u></b>					
U.S. GAAP	17	14	(12)	11	19
Adjustments	-	-	26	5	-
<b>non-GAAP</b>	<b>\$17</b>	<b>\$14</b>	<b>\$14</b>	<b>\$16</b>	<b>\$19</b>
<b>Total Adjustments (Part 1 + Part 2)</b>	<b>(\$85)</b>	<b>(\$35)</b>	<b>(\$5)</b>	<b>(\$22)</b>	<b>(\$20)</b>

# EBITDA: EARNINGS BEFORE INTEREST, TAXES, DEPRECIATION AND AMORTIZATION

<i>(US\$ millions)</i>	TTM <sup>(1)</sup>	2Q16	1Q16	4Q15	3Q15
<b>U.S. GAAP net income attributable to Nasdaq:</b>	<b>\$488</b>	<b>\$70</b>	<b>\$132</b>	<b>\$148</b>	<b>\$138</b>
Income tax provision	278	76	63	71	68
Net income from unconsolidated investees	(5)	(1)	(2)	-	(2)
Other investment income	(3)	(2)	(1)	-	-
Net interest expense	112	31	27	27	27
<b>U.S. GAAP operating income:</b>	<b>\$870</b>	<b>\$174</b>	<b>\$219</b>	<b>\$246</b>	<b>\$231</b>
Non-GAAP Adjustments <sup>(2)</sup>	147	85	35	5	22
<b>Non-GAAP operating income:</b>	<b>\$1,017</b>	<b>\$259</b>	<b>\$254</b>	<b>\$251</b>	<b>\$253</b>
Depreciation and amortization of tangibles (Nasdaq)	82	22	21	20	19
EBITDA of Nasdaq CXC Limited (formerly Chi-X Canada) / Marketwired / Boardvantage / ISE <sup>(3)</sup>	113	21	27	31	34
<b>EBITDA pro forma for Nasdaq CXC Limited (Chi-X Canada) / Marketwired / Boardvantage / ISE acquisitions:</b>	<b>\$1,212</b>	<b>\$302</b>	<b>\$302</b>	<b>\$302</b>	<b>\$306</b>

(1) Numbers may not add up due to rounding

(2) Please see slide 24 for reconciliation of U.S. GAAP operating income to non-GAAP operating income

(3) 2Q16 EBITDA of Nasdaq CXC Limited (formerly Chi-X Canada)/Marketwired/Boardvantage/ISE contains April'16 EBITDA of Boardvantage and April'16 to 29<sup>th</sup> June'16 EBITDA of ISE. TTM EBITDA of Nasdaq CXC Limited/Marketwired/Boardvantage/ISE contains July'15 to January'16 EBITDA for Nasdaq CXC Limited, July'15 to 23<sup>rd</sup> February'16 EBITDA of Marketwired, July'15 to April'16 EBITDA of Boardvantage and July'15 to 29<sup>th</sup> June'16 EBITDA of ISE. May'16 to June'16 Boardvantage EBITDA and 30<sup>th</sup> June'16 ISE EBITDA is not included in EBITDA of Nasdaq CXC Limited/Marketwired/Boardvantage/ISE because it is included in Non-GAAP operating income and Depreciation and Amortization of tangibles (Nasdaq). The sources of the pro forma information were LTM financials provided by Chi-X Canada, Marketwired, Boardvantage and ISE.