

2Q17 EARNINGS PRESENTATION

July 26, 2017



NASDAQ 2Q17 HIGHLIGHTS¹

Applied Technology, Innovation, Growth, Resiliency and Total Shareholder Return

Record Net Revenues, Non-GAAP Op. Inc.

Operating Income:
\$287 Million +11% Y-o-Y

Diluted EPS:
\$1.02 +12% Y-o-Y

Information Services

Record Revenues
of \$144 million

Organic Growth
2Q17: +7% Y-o-Y

Index Licensing & Services

Record Revenues of
\$33 million

2Q17 Growth
+22% Y-o-Y

Market Technology

1H17 Revenues
Up 10% Y-o-Y

Record Backlog:
\$799 Million, +4% Y-o-Y

Outperforming on Synergies

\$60 Million Achieved
at 6/30/2017

Total Target Raised
to \$70-80 Million

Nasdaq Futures, Inc. (NFX)

2Q17 ADV: 212K,
+77% Y-o-Y

Open Interest: 3.1
million
(June '17 Peak)

Free Cash Flow ex Section 31 Fees

\$402 Million
YTD 2017

Up 24% vs. 1H16

Capital Returns to Shareholders²

\$272 Million
YTD 2017

76% of non-GAAP Net
Income

¹Please refer to the appendix for a reconciliation of U.S. GAAP to non-GAAP measures.

²Refers to share repurchases plus dividends.

2Q17 NON-GAAP SUMMARY⁽¹⁾

<i>(US\$ millions, except per share)</i>	2Q17	2Q16	% Δ
Revenue from non-trading segments ⁽²⁾	\$380	\$365	4%
Market Services Net Revenue ⁽³⁾	\$222	\$194	14%
Net Revenues⁽³⁾	\$602	\$559	8%
Operating Expenses	\$315	\$300	5%
Operating Income	\$287	\$259	11%
Operating Margin	48%	46%	-
Net Income	\$172	\$153	12%
Diluted EPS	\$1.02	\$0.91	12%
Diluted Shares Outstanding	168.5	168.2	-

- ▶ 2Q17 net revenues were \$602 million, +8% Y-o-Y.
 - ▶ Revenue from non-trading segments⁽²⁾ increased 4%, or \$15 million y-o-y, with increases in Information Services, Corporate Services and Market Technology.
 - ▶ Net revenue from Market Services increased 14%, or \$28 million y-o-y, primarily on higher Equity Derivatives and Trade Management Services revenues.
- ▶ Subscription and recurring revenue businesses⁽⁴⁾ constituted 75% of total revenues in 2Q17.

1. Please refer to the appendix for a reconciliation of U.S. GAAP to non-GAAP measures.

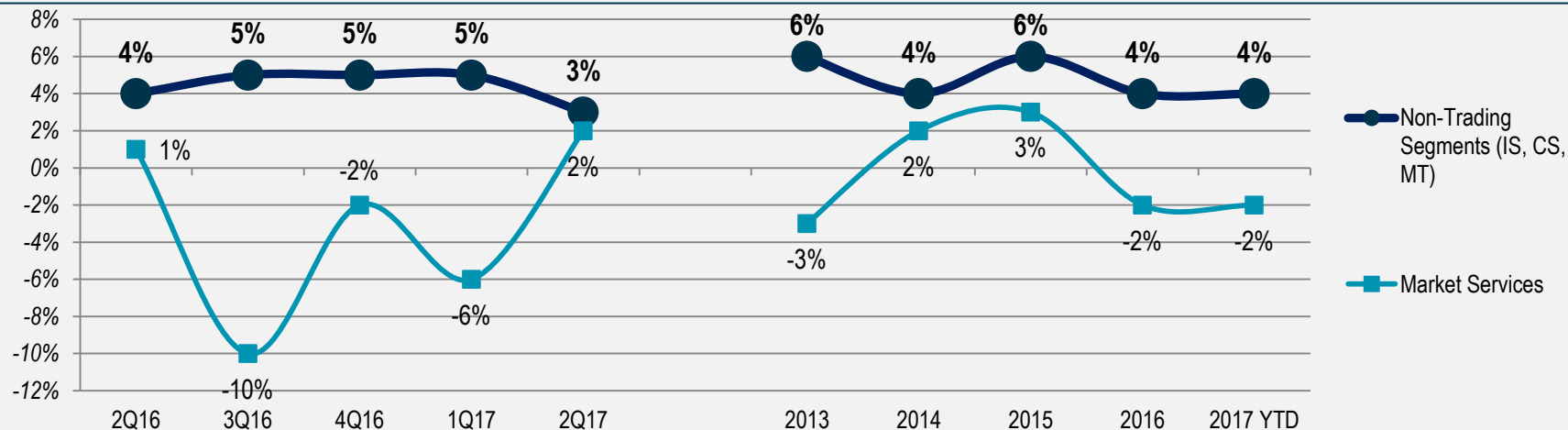
2. Represents revenues from our Corporate Services, Information Services and Market Technology segments.

3. Represents revenues less transaction-based expenses.

4. Represents revenues from our Corporate Services, Information Services and Market Technology segments, as well as our Trade Management Services business.

ORGANIC REVENUE GROWTH AND OUTLOOK

NASDAQ YEAR-OVER-YEAR REVENUE GROWTH EXCLUDING ACQUISITIONS, CONSTANT CURRENCY⁽¹⁾



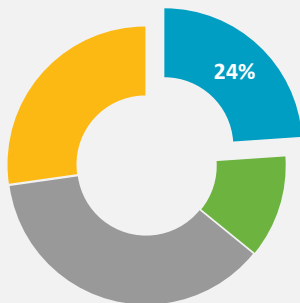
NASDAQ MEDIUM-TERM (3-5 YR) ORGANIC REVENUE GROWTH OUTLOOK

U.S. GDP ⁽²⁾	S&P 500 Revenue Consensus ⁽³⁾	Information Services	Market Technology	Corporate Services	Non-Trading Segments (IS, CS, MT)
2% - 2.5%	4% - 5%	Mid Single Digits	Mid to High Single Digits	Low Single Digits	Mid-Single Digits

1. Please refer to pages 24-25 for a reconciliation of organic revenue growth.
2. GDP forecasts for 2017 and 2018 according to Consensus Economics Inc.
3. FactSet consensus est. 2016-2018 average annual revenue growth, as of 7/12/2017.

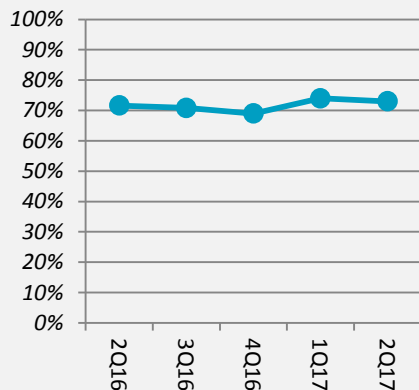
INFORMATION SERVICES

IS 2Q17
Net Revenue
Contribution

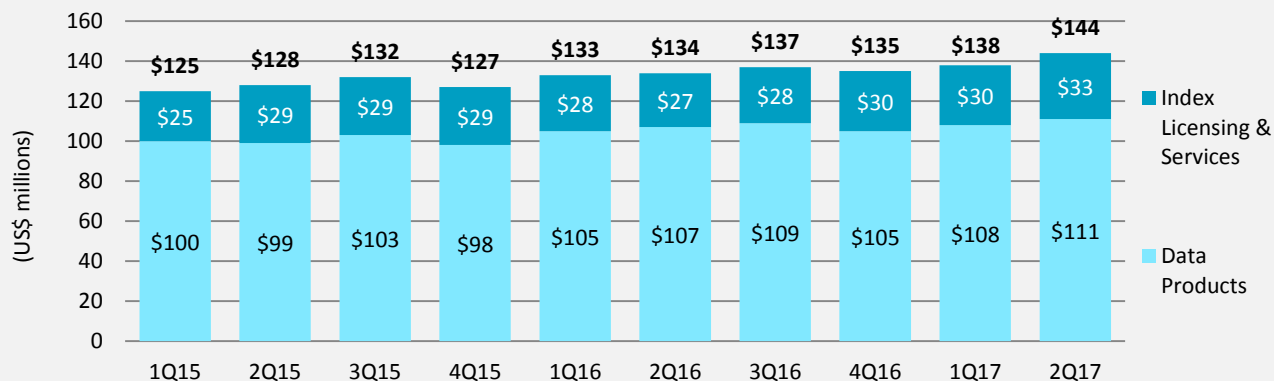


Information Services Performance Summary				
	2Q17	2Q16	% Δ	
Net Revenue	\$144M	\$134M	7%	<ul style="list-style-type: none"> • 4% increase in Data Products revenues: <i>Primarily due to growth in proprietary data products revenues.</i> • 22% increase in Index Licensing & Services revenues: <i>Primarily due to higher assets under management in exchange traded products linked to Nasdaq indexes.</i>
Operating Income	\$105	\$96M	9%	
Operating Income Margin	73%	72%		

Operating Income
Margin⁽¹⁾



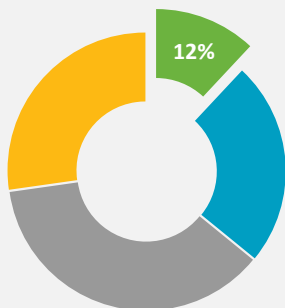
INFORMATION SERVICES NET REVENUE



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.

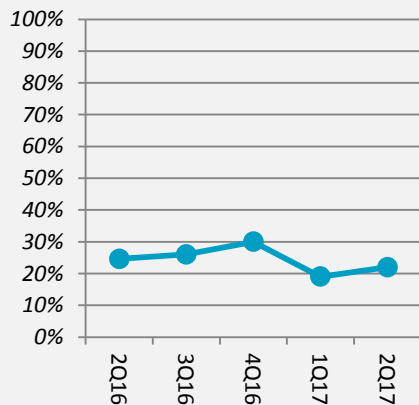
MARKET TECHNOLOGY

MT 2Q17
Net Revenue
Contribution

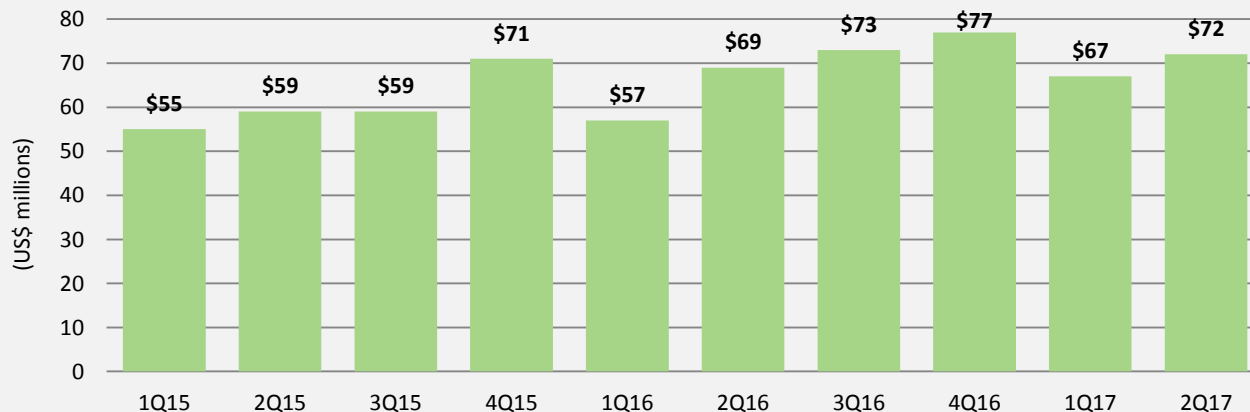


Market Technology Performance Summary				
	2Q17	2Q16	% Δ	
Net Revenue	\$72M	\$69M	4%	<ul style="list-style-type: none"> • 4% growth in Market Technology revenues: Driven primarily by organic growth from software, licensing and support, software as a service, particularly growth in SMARTS surveillance subscriptions, as well as higher change request revenues. • \$64 million new order intake in 2Q17. • 4% y-o-y increase in total order value to \$799 million at 2Q17 from \$769 million at 2Q16.
Operating Income	\$16M	\$17M	(6%)	
Operating Income Margin	22%	25%		

Operating Income
Margin

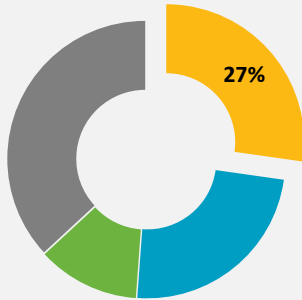


MARKET TECHNOLOGY NET REVENUE

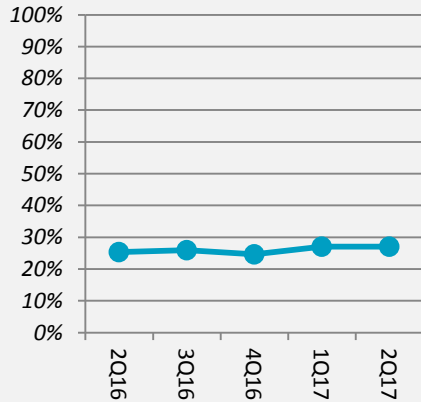


CORPORATE SERVICES

CS 2Q17 Net Revenue Contribution



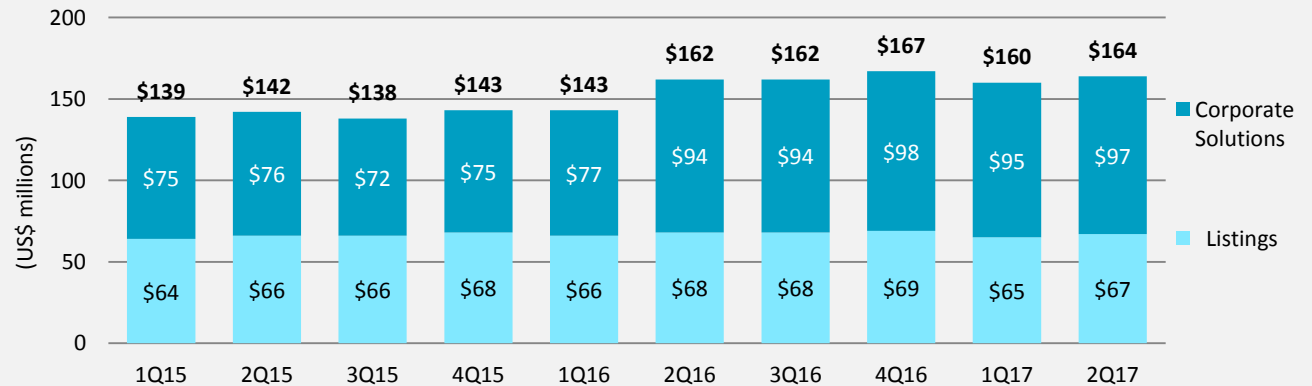
Operating Income Margin



Corporate Services Performance Summary			
	2Q17	2Q16	% Δ
Net Revenue	\$164M	\$162M	1%
Operating Income	\$45M	\$41M	10%
Operating Income Margin	27%	25%	

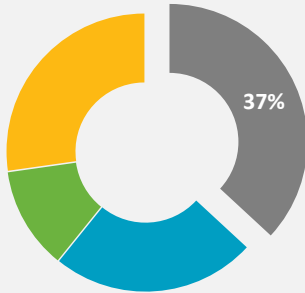
- **3% growth in Corporate Solutions revenues:** Due primarily to the inclusion of revenues from the Boardvantage acquisition in May 2016.
- **1% decrease in Listing revenues:** Increase in European listing services revenues were offset by lower U.S. revenues from run-off of listing of additional shares fees as a result of the implementation of our all-inclusive annual fee, and an unfavorable impact due to changes in foreign exchange rates.
- 64 new U.S. listings including 36 IPOs in 2Q17, and a 52% U.S. IPO win rate.
- European new listings totaled 45 in 2Q17.

CORPORATE SERVICES NET REVENUE

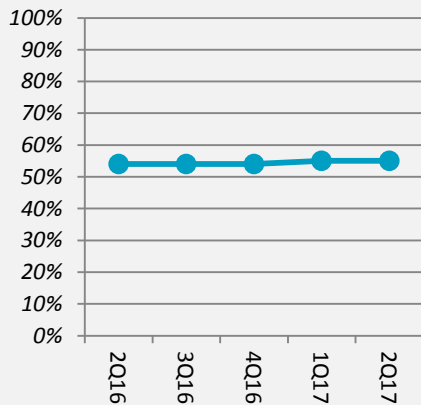


MARKET SERVICES

MS 2Q17 Net Revenue Contribution



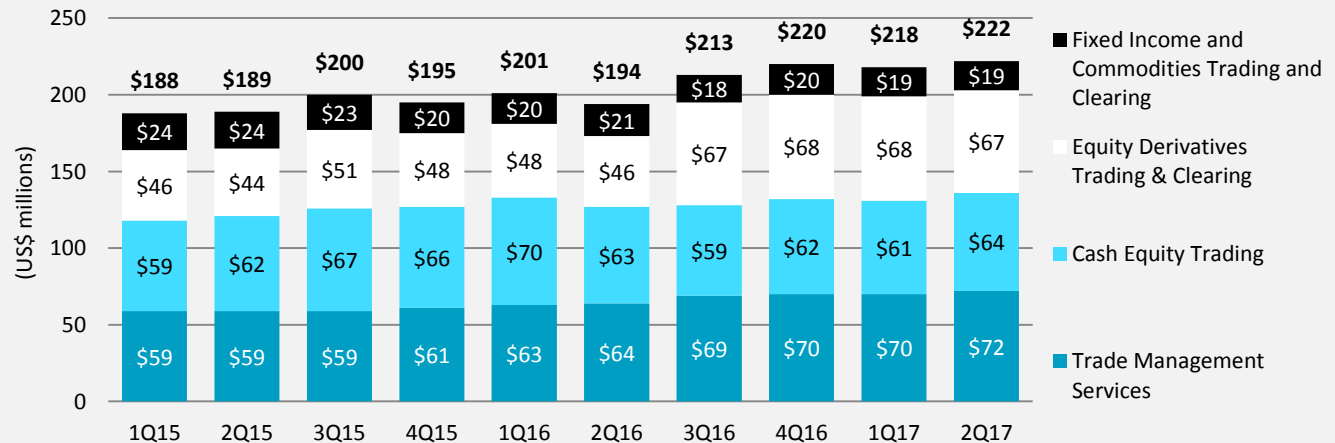
Operating Income Margin



Market Services Performance Summary

	2Q17	2Q16	% Δ	
Net Revenue	\$222M	\$194M	14%	<ul style="list-style-type: none"> • 46% increase in Equity Derivative Trading and Clearing revenues: The increase is primarily due to the inclusion of revenues from our acquisition of ISE in June 2016. • 2% increase in Cash Equity Trading revenues: The increase resulted primarily from higher European cash equities. • 13% increase in Trade Management Services revenues: Due to the inclusion of revenues associated with the acquisition of International Securities Exchange, or ISE, and an increase in demand for network connectivity.
Operating Income	\$121M	\$105M	15%	
Operating Income Margin	55%	54%		

MARKET SERVICES NET REVENUE

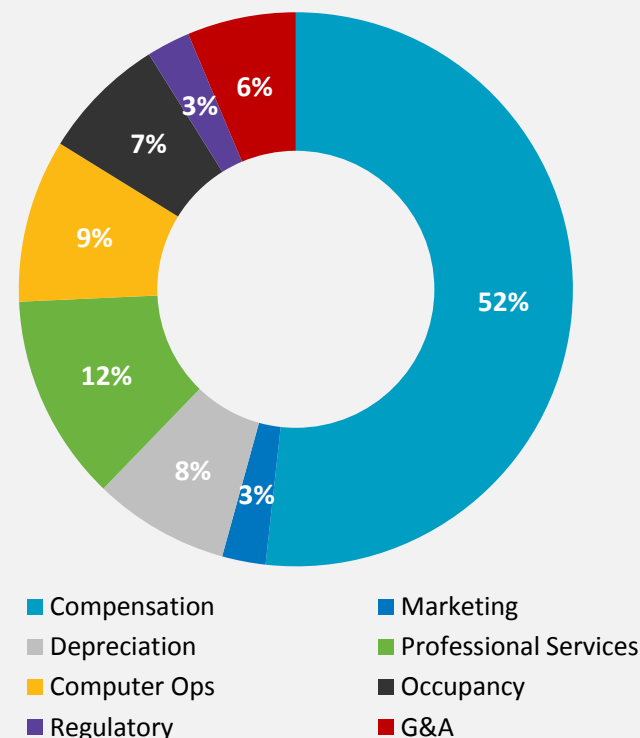


NON-GAAP OPERATING EXPENSES⁽¹⁾

(US\$ millions)

Total Non-GAAP operating expenses	2Q17	1Q17	2Q16
Compensation and benefits	163	161	164
Professional and contract services	38	36	35
Computer operations and data communications	30	30	27
Occupancy ⁽²⁾	23	23	21
General, admin. & other ⁽²⁾	20	19	17
Marketing and advertising	8	7	8
Depreciation and amortization ⁽²⁾	25	22	22
Regulatory	8	8	6
Total non-GAAP operating expenses	\$315	\$306	\$300

2Q17 EXPENSE CATEGORIES



1. Please refer to the appendix for reconciliation of U.S. GAAP to non-GAAP measures.

2. Depreciation and amortization expense in all periods has been adjusted from GAAP expense. For 2Q17, general, admin. & other expense was adjusted and for 2Q16, occupancy expense was also adjusted. Refer to slides 21 and 22 for the amounts and details of the adjustments for all periods presented.

DISCIPLINED EXPENSE MANAGEMENT APPROACH

Organic Y-o-Y Expense Trends	
2015 Organic Expense Growth	3%
2016 Organic Expense Growth	3%
2017 YTD Organic Expense Growth	3%

Expense Synergy Update (\$ Millions)		
Period	Cumulative, Annualized Synergy Achievement (End of Period)	Synergy Impact On Period Non-GAAP Expenses
2Q16	\$10	-
3Q16	\$23	\$6
4Q16	\$38	\$8
1Q17	\$50	\$11
2Q17	\$60	\$15
Targeted	\$70-\$80	N/A

Operating Income Margin Trends			
Segment	2014	2015	2016
Information Services ²	74%	71%	71%
Corporate Services	22%	25%	25%
Market Technology	20%	23%	25%
Market Services	52%	54%	54%
Total Nasdaq ³	45%	47%	46%

2017 Tax and Expense Guidance ¹ (\$ Millions)	
Core Non-GAAP Operating Expenses	\$1,220-\$1,240
Research & Development	\$40-\$50
Total Non-GAAP Operating Expenses	\$1,260-\$1,290
Expected 3Q17 Non-GAAP Effective Tax Rate	30%-32%
Expected 2017 Non-GAAP Effective Tax Rate	30%-32%

1. U.S. GAAP operating expense guidance and U.S. GAAP effective tax rate outlook are 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, fluctuations in our stock price, as well as future charges or reversals outside of the normal course of business.
2. 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.
3. See our non-GAAP schedule on slides 21-23.

DEBT OVERVIEW

PLAN TO DE-LEVER TO MID-2X

- ▶ 2Q17 debt decreased by \$69M vs. 1Q17 primarily due to \$160M net debt repayment offset by a \$91M increase in Euro bonds book values caused by a stronger Euro
- ▶ Plan to de-lever to mid-2x leverage ratio by mid-2018
- ▶ 2Q17 net interest expense was \$34M, \$3M higher than in 2Q16, primarily due to debt issued in connection with acquisitions
- ▶ Initiated commercial paper program and used the proceeds from the commercial paper issuance and cash on hand to redeem the 5.25% Jan'18 bond and pay down \$300M of the term loan

LEVERAGE RATIOS

Net Debt to EBITDA ⁽¹⁾ = 2.7x

Total Debt to EBITDA ⁽¹⁾ = 3.0x

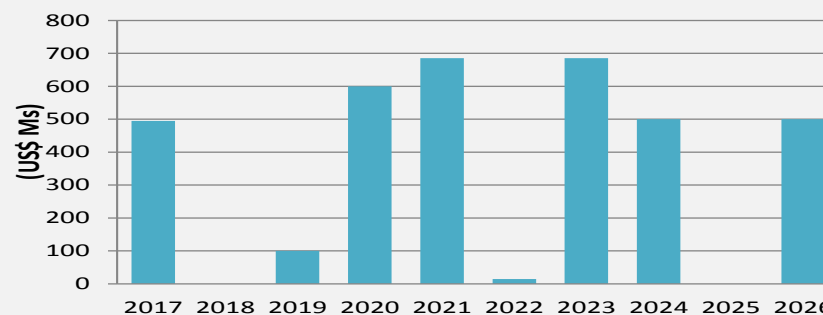
LTM EBITDA ⁽¹⁾ = \$1,199M

1. See Appendix for EBITDA reconciliation.
2. Excludes \$18M of restricted cash as of June 30, 2017 and \$78 million as of March 31, 2017.

\$3.2B NET DEBT

(US\$ millions)	6/30/2017	3/31/2017	Maturity Date
Commercial Paper	494	-	Various
Revolver (Libor + 117.5 bps)	10	-	Apr 2022
Term Loan (Libor + 150 bps)	100	399	Nov 2019
5.25% Bond	-	369	Jan 2018
5.55% Bond	598	598	Jan 2020
3.88% Euro Bond	681	633	Jun 2021
1.75% Euro Bond	677	631	May 2023
4.25% Bond	496	496	Jun 2024
3.85% Bond	496	495	Jun 2026
Total Debt Obligations	\$ 3,552	\$3,621	
Less Cash and Cash Equivalents ⁽²⁾	(356)	(386)	
Net Debt	\$3,196	\$3,235	

WELL LADDERED DEBT MATURITIES



APPENDIX

HISTORICAL CASH FLOW / USES OF CASH FLOW

Free Cash Flow Calculation (US\$ millions)	2014	2015	2016	2017 YTD	2014 – 2017 YTD
Cash flow from operations ⁽¹⁾	\$647	\$727	\$776	\$514	\$2,664
Capital expenditure	(140)	(133)	(134)	(64)	(471)
Free cash flow	507	594	642	450	2,193
Section 31 fees, net ⁽²⁾	(28)	16	(4)	(48)	(64)
Free cash flow ex. Section 31 fees	479	610	638	402	2,129
Uses of cash flow					
Share repurchases	178	377	100	156	811
Net repayment/(borrowing) of debt	235	(137)	(1,300)	175	(1,027)
Acquisitions	-	256	1,460	-	1,716
Dividends	98	149	200	116	563
Total uses of cash flow	511	645	460	447	2,063

1. Cash flow from operations has been restated for adoption of ASU 2016-15, ASU 2016-18, and ASU 2016-09.

2. Net of change in Section 31 fees receivables of \$14 million in 2014; (\$11 million) in 2015; \$1 million in 2016; \$13 million in 2017 YTD; and \$17 million in 2014-2017 YTD.

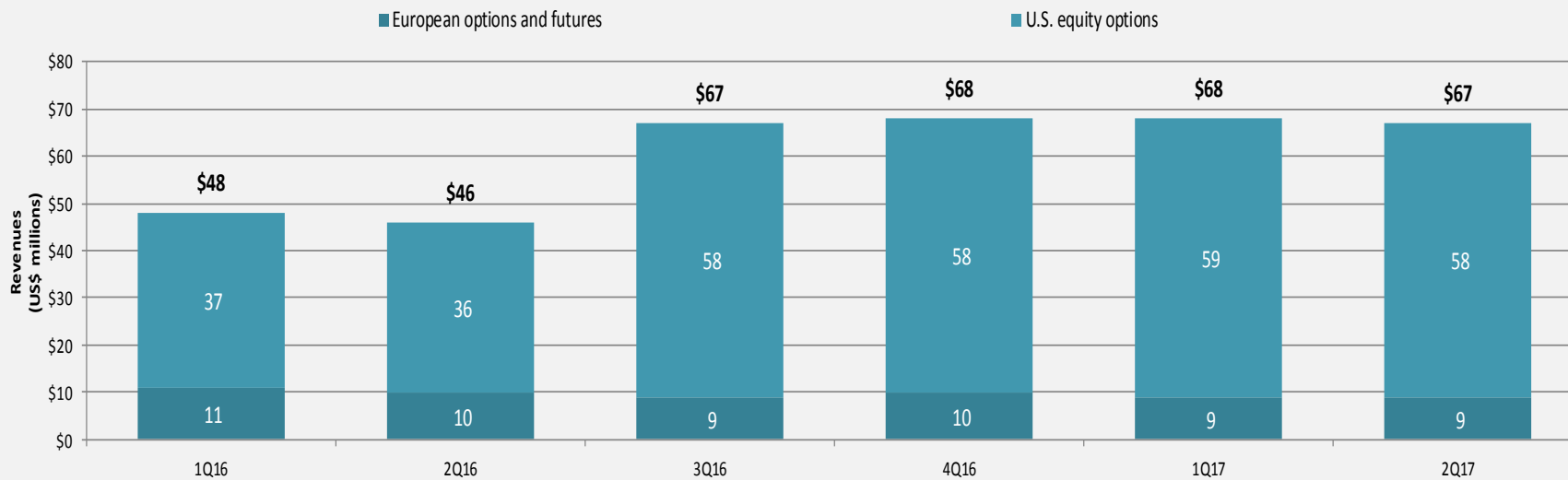
TOTAL VARIANCE NET IMPACTS: 2Q17 & YTD 2017

<i>All figures in US\$ Millions</i>	2Q17 actual	2Q16 actual	Total Variance		Organic Impact		Acquisition Impact ⁽¹⁾		FX Impact (Prior Year Rates)	
			\$M	%	\$M	%	\$M	%	\$M	%
Market Services	\$222	\$194	\$28	14%	\$3	2%	\$27	14%	(\$2)	(1%)
Corporate Services	164	162	2	1%	-	-	4	2%	(2)	(1%)
Information Services	144	134	10	7%	9	7%	2	1%	(1)	(1%)
Market Technology	72	69	3	4%	3	4%	1	1%	(1)	(1%)
Total Non-trading Segment Revenue	\$380	\$365	\$15	4%	\$12	3%	\$7	2%	(\$4)	(1%)
Total Revenue less transaction expenses	\$602	\$559	\$43	8%	\$15	3%	\$34	6%	(\$6)	(1%)
Non-GAAP Operating Expenses	\$315	\$300	\$15	5%	\$9	3%	\$11	4%	(\$5)	(2%)
Non-GAAP Operating Income	\$287	\$259	\$28	11%	\$6	2%	\$23	9%	(\$1)	-
Non-GAAP Operating Margin	48%	46%	-	-	-	-	-	-	-	-

<i>All figures in US\$ Millions</i>	YTD 2017 actual	YTD 2016 actual	Total Variance		Organic Impact		Acquisition Impact		FX Impact (Prior Year Rates)	
			\$M	%	\$M	%	\$M	%	\$M	%
Market Services	\$440	\$394	\$46	12%	(\$7)	(2%)	\$57	14%	(\$4)	(1%)
Corporate Services	325	305	20	7%	3	1%	20	7%	(3)	(1%)
Information Services	282	268	14	5%	11	4%	4	1%	(1)	-
Market Technology	138	126	12	10%	12	10%	2	2%	(2)	(2%)

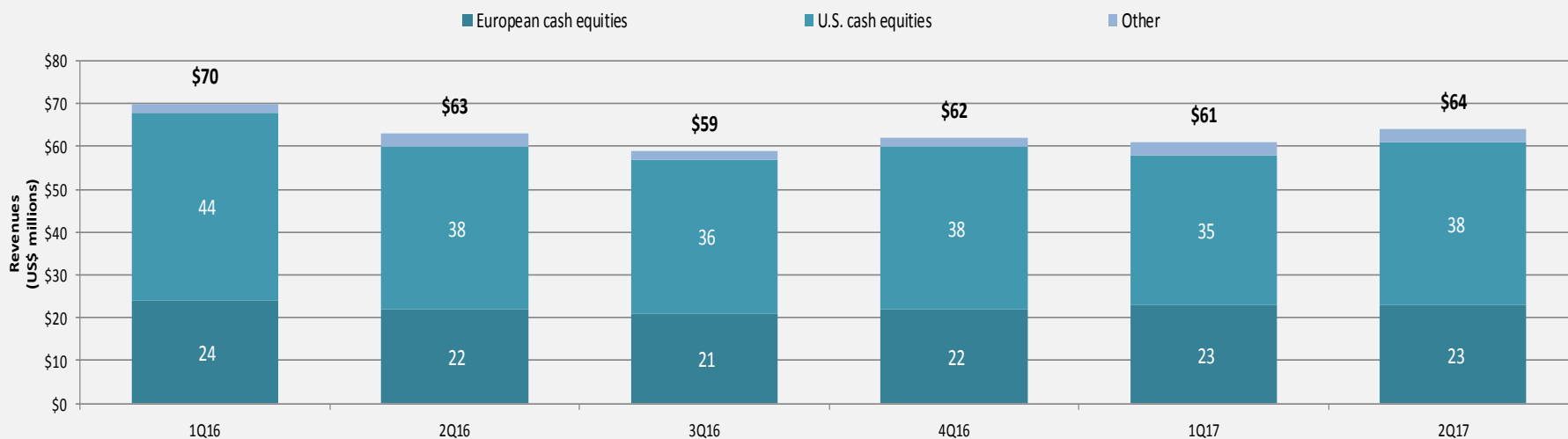
14 (1) Acquisition impact for 2Q17 reflects ISE, for Market Services, Information Services and Market Technology segments, and reflects Boardvantage for Corporate Services.

EQUITY DERIVATIVE TRADING AND CLEARING



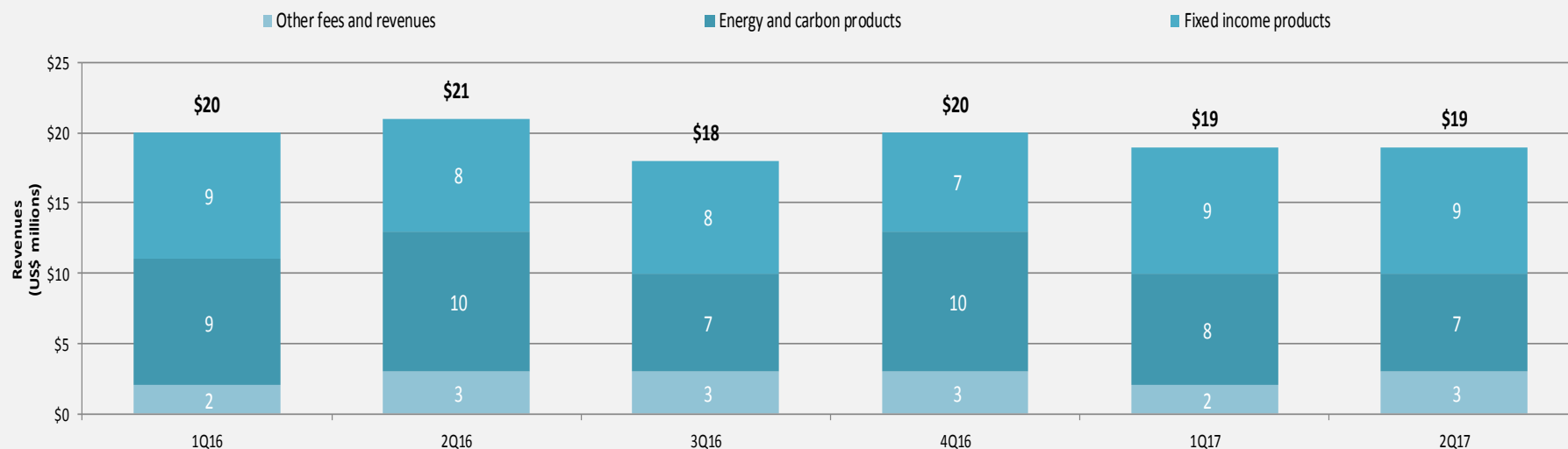
	FY16				FY17	
	1Q16	2Q16	3Q16	4Q16	1Q17	2Q17
Net Revenues (US\$ in Millions)						
U.S. equity options	37	36	58	58	59	58
European options and futures	11	10	9	10	9	9
Equity Derivatives	48	46	67	68	68	67
Nasdaq Volumes						
U.S. equity options (millions of contracts)	224	221	347	356	385	386
European options and futures (millions of contracts)	27.6	27.2	19.2	21.2	21.7	22.2
Revenue Capture						
U.S. equity options (RPC)	\$ 0.16	\$ 0.16	\$ 0.17	\$ 0.16	\$ 0.15	\$ 0.15
European options and futures (RPC)	\$ 0.41	\$ 0.35	\$ 0.47	\$ 0.46	\$ 0.42	\$ 0.39
<i>SEK/US\$ average</i>	\$ 0.118	\$ 0.122	\$ 0.117	\$ 0.110	\$ 0.112	\$ 0.114
<i>Euro/US\$ average</i>	\$ 1.104	\$ 1.129	\$ 1.116	\$ 1.078	\$ 1.065	\$ 1.100

CASH EQUITY TRADING



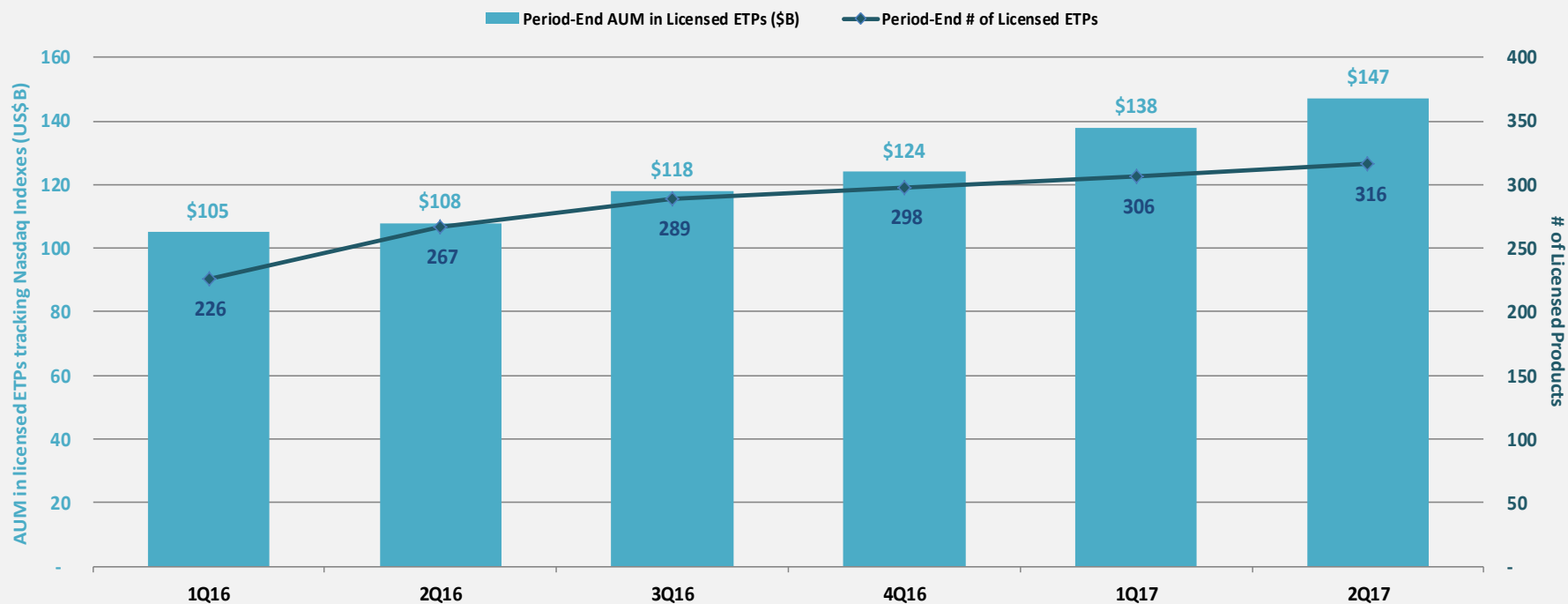
	FY16				FY17	
	1Q16	2Q16	3Q16	4Q16	1Q17	2Q17
Net Revenues (US\$ in Millions)						
U.S. cash equities	44	38	36	38	35	38
European cash equities	24	22	21	22	23	23
Other	2	3	2	2	3	3
Cash Equity Trading	70	63	59	62	61	64
Nasdaq Volumes						
U.S. cash equities (billions of shares)	93.7	80.6	71.0	76.4	74.7	79.3
European cash equities value shares traded (\$B)	216	205	180	201	206	220
Revenue Capture						
U.S. cash equities revenue capture per 1000 shares	\$ 0.47	\$ 0.48	\$ 0.51	\$ 0.49	\$ 0.47	\$ 0.49
European cash equities revenue capture per \$'000 traded	\$ 0.11	\$ 0.11	\$ 0.12	\$ 0.11	\$ 0.11	\$ 0.10
SEK/US\$ average	\$ 0.118	\$ 0.122	\$ 0.117	\$ 0.110	\$ 0.112	\$ 0.114
Euro/US\$ average	\$ 1.104	\$ 1.129	\$ 1.116	\$ 1.078	\$ 1.065	\$ 1.100

FIXED INCOME AND COMMODITIES TRADING & CLEARING



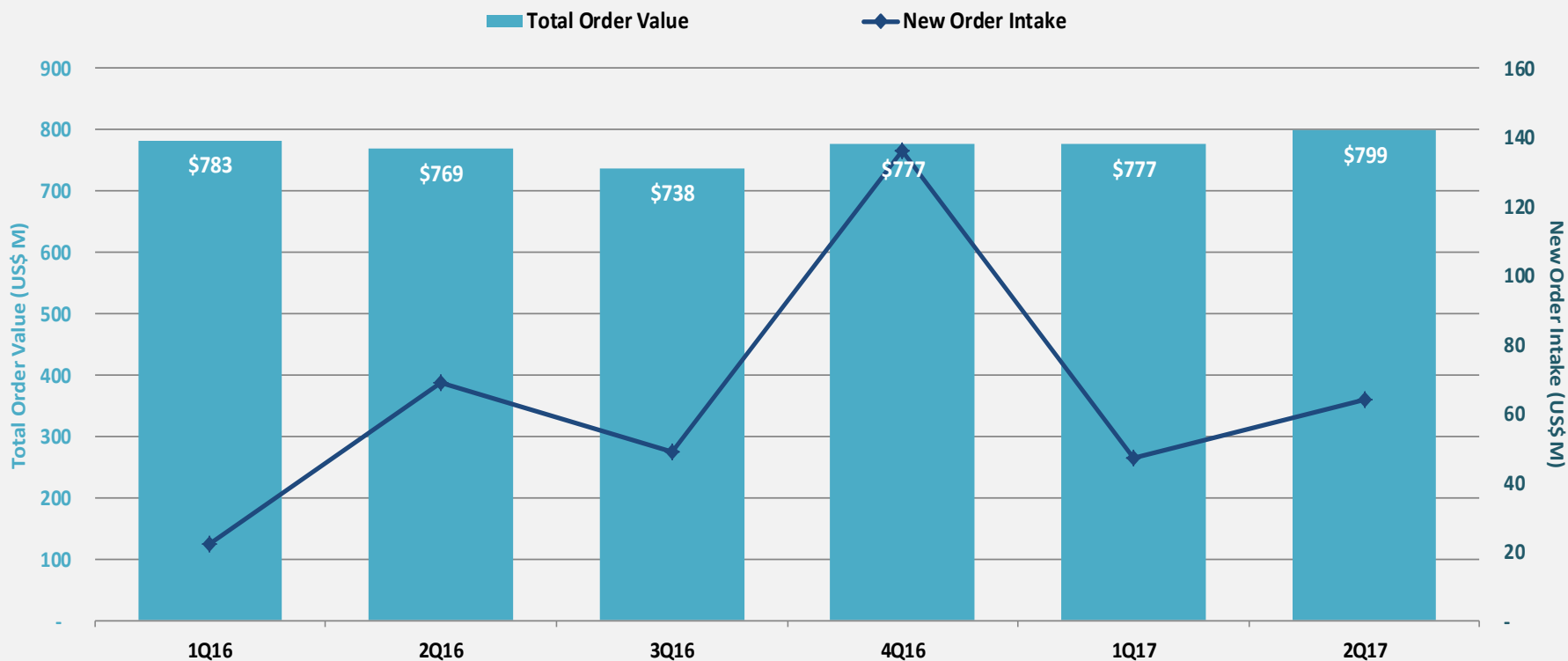
	FY16				FY17	
	1Q16	2Q16	3Q16	4Q16	1Q17	2Q17
Net Revenues (US\$ in Millions)						
Fixed income products	9	8	8	7	9	9
Energy and carbon products	9	10	7	10	8	7
Other fees and revenues	2	3	3	3	2	3
Fixed Income and Commodities Trading and Clearing	20	21	18	20	19	19
Nasdaq Volumes						
U.S. Fixed income trading volume (billions of \$ notional)	5,968	5,255	4,816	5,465	5,041	4,755
European Fixed income products (millions of contracts)	6.2	5.6	4.9	5.9	7.2	7.0
Energy trading and clearing (TWh)	657	703	511	721	585	406
Revenue Capture						
European Fixed Income (RPC) ⁽¹⁾	\$ 0.61	\$ 0.64	\$ 0.72	\$ 0.56	\$ 0.71	\$ 0.62
Energy trading and clearing (\$'000 per TWh)	\$ 13.70	\$ 14.22	\$ 13.70	\$ 13.87	\$ 13.68	\$ 17.24
SEK/US\$ average	\$ 0.118	\$ 0.122	\$ 0.117	\$ 0.110	\$ 0.112	\$ 0.114
Euro/US\$ average	\$ 1.104	\$ 1.129	\$ 1.116	\$ 1.078	\$ 1.065	\$ 1.100

INDEX LICENSING AND SERVICES



	FY16				FY17	
	1Q16	2Q16	3Q16	4Q16	1Q17	2Q17
Period-End # of Licensed ETPs	226	267	289	298	306	316
Period-End AUM in Licensed ETPs (\$B)	105	108	118	124	138	147
Index Licensing & Servicing Revenues (\$M)	28	27	28	30	30	33

MARKET TECHNOLOGY



	FY16				FY17	
	1Q16	2Q16	3Q16	4Q16	1Q17	2Q17
New Order Intake	22	69	49	136	47	64
Total Order Value	783	769	738	777	777	799
Net Revenue	57	69	73	77	67	72

RECONCILIATIONS OF U.S. GAAP TO NON-GAAP

NON-GAAP ADJUSTMENTS

<i>(US\$ millions)</i>	2Q17	1Q17	2Q16	2016	2015	2014
Amortization expense of acquired intangible assets ⁽¹⁾	22	23	19	82	62	69
Merger and strategic initiatives ⁽²⁾	11	6	35	76	10	81
Restructuring charges ⁽³⁾	-	-	33	41	172	-
Asset impairment charges ⁽⁴⁾	-	-	-	578	-	49
Regulatory matter ⁽⁵⁾	-	-	-	6	-	-
Executive compensation ⁽⁶⁾	-	-	-	12	-	-
Income from OCC equity investment ⁽⁷⁾	-	-	-	-	(13)	-
Reversal of value added tax refund ⁽⁸⁾	-	-	-	-	12	-
Sublease loss reserve ⁽⁹⁾	-	-	(2)	(1)	-	11
Special legal expense	-	-	-	-	-	2
Other ⁽¹⁰⁾	2	-	-	6	-	2
Extinguishment of debt ⁽¹¹⁾	10	-	-	-	-	11
Total Non-GAAP adjustments	45	29	85	800	243	225
Non-GAAP adjustment to the income tax provision ⁽¹²⁾	(20)	(11)	(2)	(287)	(90)	(97)
Total Non-GAAP Adjustments, net of tax	25	18	83	513	153	128

Please see page 22 for above footnotes

NON-GAAP ADJUSTMENTS FOOTNOTES

(1) Refer to the disclaimer non-GAAP information section for further discussion of why we consider amortization expense of acquired intangible assets and other items to be non-GAAP adjustments.

(2) For the three months ended June 30, 2017 and 2016, merger and strategic initiatives expense primarily related to our acquisition of ISE. For the three months ended March 31, 2017, merger and strategic initiatives expense primarily related to our acquisitions of ISE, Boardvantage, Inc. and other strategic initiatives. For the year ended December 31, 2016, merger and strategic initiatives expense primarily related to our acquisition of ISE. For the year ended December 31, 2015, merger and strategic initiatives expense primarily related to certain strategic initiatives and our acquisition of Dorsey, Wright & Associates, LLC. For the year ended December 31, 2014, merger and strategic initiatives expense primarily related to our acquisition of the TR Corporate businesses in May 2013 and eSpeed in June 2013 and a charge of \$23 million related to the reversal of a receivable under a tax sharing agreement with an unrelated party.

(3) 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. In June 2016, we completed our 2015 restructuring plan. For the three months ended June 30, 2016 and the year ended December 31, 2016, restructuring charges primarily related to severance costs, asset impairment charges, facility-related costs associated with the consolidation of leased facilities and other charges, and for the year ended December 31, 2015, restructuring charges primarily related to the rebranding of our trade name, severance costs, facility-related costs associated with the consolidation of leased facilities and other charges.

(4) For the year ended December 31, 2016, we recorded a pre-tax, non-cash asset impairment charge of \$578 million related to the full write-off of the eSpeed trade name. The impairment charge was the result of a decline in operating performance and the rebranding of our overall Fixed Income business. For the year ended December 31, 2014, we recorded pre-tax, non-cash asset impairment charges of \$49 million related to certain acquired intangible assets associated with customer relationships and certain technology assets.

(5) In December 2016, we were issued a \$6 million fine by the Swedish Financial Supervisory Authority, or SFSA, as a result of findings in connection with its investigations of cybersecurity processes at our Nordic exchanges and clearinghouse. The SFSA's conclusions related to governance issues rather than systems and platform security. We have appealed the SFSA's decision, including the amount of the fine. This charge is included in regulatory expense in the Consolidated Statements of Income (Loss) for the year ended December 31, 2016.

(6) For the year ended December 31, 2016, we recorded \$12 million in accelerated expense due to the retirement of the company's former CEO for equity awards previously granted.

(7) We record our investment in The Options Clearing Corporation, or OCC, as an equity method investment. Under the equity method of accounting, we recognize our share of earnings or losses of an equity method investee based on our ownership percentage. As a result of a new capital plan implemented by OCC, we were not able to determine what our share of OCC's income was for the year ended December 31, 2014 until the first quarter of 2015, when OCC financial statements were made available to us. Therefore, we recorded other income of \$13 million in the first quarter of 2015 relating to our share of OCC's income for the year ended December 31, 2014.

(8) We previously recorded receivables for expected value added tax, or VAT, refunds based on an approach that had been accepted by the tax authorities in prior years. The tax authorities have since challenged our approach, and the revised position of the tax authorities was upheld in court during the first quarter of 2015. As a result, in the first quarter of 2015, we recorded a charge of \$12 million for previously recorded receivables based on the court decision.

(9) For the three months ended June 30, 2016, the credit of \$2 million pertains to the release of a previously recorded sublease loss reserve due to the early exit of a facility. The credit of \$1 million for the year ended December 31, 2016, pertains to the release of a previously recorded sublease loss reserve due to the early exit of a facility, partially offset by a sublease loss reserve charge recorded on space we currently occupy due to excess capacity. For the year ended December 31, 2014, we recorded a sublease loss reserve of \$11 million on space we occupied due to excess capacity.

(10) For the three months ended June 30, 2017, other charge relates to wind down costs associated with an equity method investment that was previously written off, which is included in net income from unconsolidated investees in the Condensed Consolidated Statements of Income. For the year ended December 31, 2016, other charges primarily include the impact of the write-off of an equity method investment, partially offset by a gain resulting from the sale of a percentage of a separate equity method investment.

(11) During the three months ended June 30, 2017, in connection with the early extinguishment of our 5.25% senior unsecured notes issued in December 2010 and the \$300 million repayment on our \$400 million senior unsecured term loan facility due November 25, 2019, we recorded a charge of \$10 million primarily related to a premium paid for early redemption. For the year ended December 31, 2014, we recorded a loss on extinguishment of debt of \$11.

(12) For the three months ended June 30, 2017, the non-GAAP adjustment to the income tax provision primarily reflects the tax impact of each non-GAAP adjustment and the recognition of previously unrecognized tax benefits of \$4 million associated with positions taken in prior years. For the three months ended March 31, 2017, the amount primarily reflects the tax impact of the above adjustments. For the three months ended June 30, 2016 and year ended December 31, 2016, the amount includes the tax impact of the above adjustments as well as \$27 million in 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. For the year ended December 31, 2014, the amount includes \$23 million associated with the recognition of a previously unrecognized tax benefit. This amount is offset by the reversal of the receivable described in note 2 above.

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

<i>(US\$ millions, except per share)</i>	2Q17	1Q17	2Q16	2016	2015	2014
U.S. GAAP operating expenses:	\$358	\$335	\$385	\$1,438	\$1,370	\$1,313
Total Non-GAAP adjustments:	(43)	(29)	(85)	(216)	(256)	(176)
Non-GAAP operating expenses:	\$315	\$306	\$300	\$1,222	\$1,114	\$1,137
U.S. GAAP operating income:	\$244	\$248	\$174	\$839	\$720	\$754
Total Non-GAAP adjustments:	43	29	85	216	256	176
Non-GAAP operating income:	\$287	\$277	\$259	\$1,055	\$976	\$930
Revenues less transaction based expenses	\$602	\$583	\$559	\$2,277	\$2,090	\$2,067
U.S.-GAAP operating margin ⁽¹⁾	41%	43%	31%	37%	34%	36%
Non-GAAP operating margin ⁽²⁾	48%	48%	46%	46%	47%	45%
U.S. GAAP net income attributable to Nasdaq:	\$147	\$169	\$70	\$108	\$428	\$414
Total Non-GAAP Adjustments, net of tax:	25	18	83	513	153	128
Non-GAAP net income attributable to Nasdaq:	\$172	\$187	\$153	\$621	\$581	\$542
U.S. GAAP diluted earnings per share:	\$0.87	\$0.99	\$0.42	\$0.64	\$2.50	\$2.39
Total adjustments from non-GAAP net income above:	0.15	0.11	0.49	3.04	0.89	0.74
Non-GAAP diluted earnings per share:	\$1.02	\$1.10	\$0.91	\$3.68	\$3.39	\$3.13

1. U.S. GAAP operating margin equals U.S. GAAP operating income divided by total revenues less transaction-based expenses.
2. Non-GAAP operating margin equals non-GAAP operating income divided by total revenues less transaction-based expenses.

NON-TRADING SEGMENTS ORGANIC REVENUE GROWTH

<u>Non-Trading Segments</u>			Total Variance		Organic Impact		Other Impact ⁽¹⁾	
<i>All figures in US\$ Millions</i>	Current Period	Prior-year Period	\$M	%	\$M	%	\$M	%
2017 YTD	745	699	46	7%	26	4%	20	3%
2Q17	380	365	15	4%	12	3%	3	1%
1Q17	365	333	32	10%	15	5%	17	5%
4Q16	379	341	38	11%	16	5%	22	6%
3Q16	372	329	43	13%	17	5%	26	8%
2Q16	365	329	36	11%	13	4%	23	7%
2016	1,450	1,319	131	10%	53	4%	78	6%
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%

1. Other impacts includes acquisitions and changes in FX rates.

MARKET SERVICES ORGANIC REVENUE GROWTH

<u>Market Services Segment</u>			Total Variance		Organic Impact		Other Impact ⁽¹⁾	
<i>All figures in US\$ Millions</i>	Current Period	Prior-year Period	\$M	%	\$M	%	\$M	%
2017 YTD	440	394	46	12%	(7)	(2%)	53	13%
2Q17	222	194	28	14%	3	2%	25	13%
1Q17	218	201	17	8%	(12)	(6%)	29	14%
4Q16	220	195	25	13%	(3)	(2%)	28	14%
3Q16	213	200	13	7%	(20)	(10%)	33	17%
2Q16	194	189	5	3%	1	1%	4	2%
2016	827	771	56	7%	(13)	(2%)	69	9%
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%

1. Other impacts includes acquisitions and changes in FX rates.

OPERATING EXPENSE ORGANIC REVENUE GROWTH

<u>Non-GAAP operating expense</u>			Total Variance		Organic Impact		Other Impact ⁽¹⁾	
<i>All figures in US\$ Millions</i>	Current Period	Prior-year Period	\$M	%	\$M	%	\$M	%
2017 YTD	621	581	40	7%	15	3%	25	4%
2016	1,222	1,114	108	10%	36	3%	72	6%
2015	1,114	1,137	(23)	(2%)	33	3%	(56)	(5%)

1. Other impacts includes acquisitions and changes in FX rates.

EBITDA: EARNINGS BEFORE INTEREST, TAXES, DEPRECIATION AND AMORTIZATION

<i>(US\$ millions)</i>	TTM ⁽¹⁾	2Q17	1Q17	4Q16	3Q16
GAAP net income attributable to Nasdaq:	\$223	147	169	(\$224)	\$131
Income tax provision	2	66	48	(180)	68
Net income from unconsolidated investees	(5)	(2)	(4)	3	(2)
Other investment income	(1)	(1)	-	-	-
Asset impairment charges	578	-	-	578	-
Net interest expense	141	34	35	36	36
GAAP operating income:	\$938	\$244	\$248	\$213	\$233
Non-GAAP Adjustments ⁽²⁾	169	43	29	62	35
Non-GAAP operating income:	\$1,107	\$287	\$277	\$275	\$268
Depreciation and amortization of tangibles (Nasdaq)	92	25	22	22	23
EBITDA:	\$1,199	\$312	\$299	\$297	\$291

1. Numbers may not add up due to rounding.
2. Please see slide 23 for reconciliation of GAAP operating income to non-GAAP operating income.

TAX RATE: RECONCILIATION OF GAAP EFFECTIVE TAX RATE TO NON-GAAP EFFECTIVE TAX RATE

	Three Months Ended June 30, 2017		
<i>(US\$ millions, except effective tax rate)</i>	U.S. GAAP	Non-GAAP Adjustments	Non-GAAP
Income before income taxes	\$213	\$45 ¹	\$258
Income tax provision	66	20 ¹	86
Net Income	\$147	\$25	\$172
Effective tax rate	31%	44%	33%

¹Please see slide 21 for details of non-GAAP adjustments and non-GAAP adjustment to the income tax provision.

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 reconciliations, 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 as of June 30, 2016 are primarily related to (i) severance and other termination benefits, (ii) asset impairment charges, and (iii) other 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 generally 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 in 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, 2017, other significant items include loss on extinguishment of debt, wind down costs associated with an equity method investment which was previously written off, and the recognition of previously unrecognized tax benefits associated with positions taken in prior years. For 2016, other significant items primarily included a regulatory fine received by our exchange in Stockholm and Nasdaq Clearing, accelerated expense due to the retirement of the company's former CEO for equity awards previously granted, the release of a sublease loss reserve due to the early exit of a facility, and the impact of the write-off of an equity method investment, partially offset by a gain resulting from the sale of a percentage of a separate equity method investment. For 2015, other significant items included income from our equity investment in The Options Clearing Corporation, or OCC, where we were not able to determine what our share of OCC's income was for the year ended December 31, 2014 until the first quarter of 2015, when financial statements were made available to us. As a result, we recorded other income in the first quarter of 2015 relating to our share of OCC's income for the year ended December 31, 2014. For 2015, significant adjustments also included the reversal of a value added tax refund. For 2014, other significant items included loss on extinguishment of debt, a sublease loss reserve, and special legal expense. We believe the exclusion of such amounts allow management and investors to better understand the financial results of Nasdaq.

Foreign exchange impact: 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.

DISCLAIMERS

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, total shareholder returns, 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. Nasdaq undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise.

Website Disclosure

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