



# Nasdaq 3Q21 Quarterly Update

October 20, 2021

# 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, non-GAAP net income attributable to Nasdaq, non-GAAP diluted earnings per share, non-GAAP operating income, non-GAAP operating expenses, and non-GAAP EBITDA, 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 [ir.nasdaq.com/Income-Statement-Trend-Summary-and-GAAP-to-Non-GAAP-Reconciliation](https://ir.nasdaq.com/Income-Statement-Trend-Summary-and-GAAP-to-Non-GAAP-Reconciliation). 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 certain items 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. In addition, other companies, including companies in our industry, may calculate such measures differently, which reduces their usefulness as a comparative measure. Investors should not rely on any single financial measure when evaluating our business. This information should be considered as supplemental in nature and is not meant as a substitute for our operating results in accordance with U.S. GAAP. We recommend investors review the U.S. GAAP financial measures included in this presentation. 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 those noted above, 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 that have less bearing on our ongoing operating performance.

*Organic revenue growth, organic change and organic impact* are non-GAAP measures that reflect adjustments for: (i) the impact of period-over-period changes in foreign currency exchange rates, and (ii) the revenues, expenses and operating income associated with acquisitions and divestitures for the twelve month period following the date of the acquisition or divestiture. Reconciliations of these measures can be found in the appendix to this presentation.

*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 presentation 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

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# Strategic Update



“We're making continued progress on becoming the premier platform and ecosystem for the global capital markets and beyond with leading technology, insights and markets expertise.”

Adena Friedman, President & CEO, Nasdaq

# Strong growth in 3Q21, Continued Progress Advancing Strategy

(Year over year % change)

Annualized Recurring  
Revenues (ARR)\*

\$1,834M

+19%

Solutions Segments\*  
Revenue

\$541M

+19%

Solutions Segments  
Organic Revenue Growth

\$59M

+13%

Net Revenues\*

\$838M

+17%

Non-GAAP Diluted EPS

\$1.78

+16%

- **Our evolution is continuing in 2021:** SaaS revenues increased to 34% of ARR
- **Success in our foundational listings business has created "flywheel effects"** driving higher growth in trading and other businesses.
- The current capital markets and macro **backdrop remains largely conducive** to Nasdaq's execution
- **Expense guidance narrowed to the high end** of previously communicated range, driven by strong revenue growth
- **Clear recent progress** towards realizing our **unique ESG potential**
- **Key secular growth areas** we've positioned ourselves to serve remain very large: **Anti Financial Crime, Index and Analytics**

*For all non-GAAP information throughout this presentation, the U.S. GAAP to non-GAAP reconciliations may be found at [ir.nasdaq.com/Income-Statement-Trend-Summary-and-GAAP-to-Non-GAAP-Reconciliation](https://ir.nasdaq.com/Income-Statement-Trend-Summary-and-GAAP-to-Non-GAAP-Reconciliation). Reconciliations of organic revenue growth can be found in the appendix to this presentation. Organic revenue growth is considered a non-GAAP metric.*

*\* For all defined terms, refer to the appendix to this presentation.*

# Executing our Strategy to Broaden Opportunity & Accelerate Progress

## \$620M

SaaS revenues 3Q21 annualized<sup>1</sup>

## 42% YoY

SaaS Revenue Increase<sup>1</sup>

### Pillars of Strategy

**Re-allocating capital to better support opportunities as a technology and analytics provider**

**Implementing our vision of a SaaS-enabled technology provider**

**Accelerate performance of growth platforms**

**Amplifying the most distinctive aspects of our marketplace and corporate foundational businesses**

### Critical 2021 Developments and Data Points

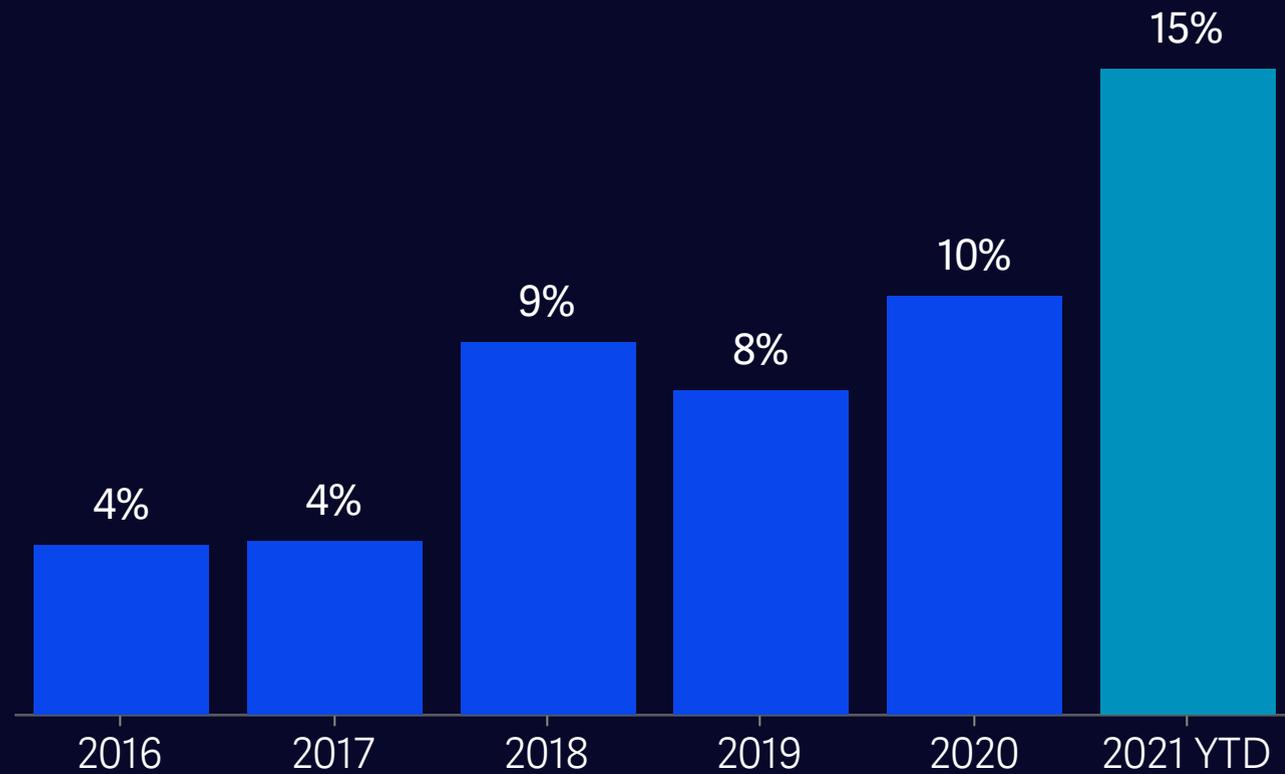
- Acquisition of **Verafin**, creating a new Anti-Financial Crime technology leader
- Divested our **U.S. Fixed Income business**
- Introduced **Nasdaq Data Link**, bringing SaaS and API delivery to proprietary, 3rd party, and customer insights
- Annualized SaaS revenues of **\$620 million** in 3Q21 increased **42% YoY**
- Anti Financial Crime Technology **58%** of Market Technology 3Q21 revenues (vs. 36% in FY20)
- Index and Analytics total **63%** of Investment Intelligence 3Q21 revenues (vs. 56% in FY20)
- **22%** year over year increase in global corporate issuer base<sup>2</sup>
- **668** Nasdaq-listed IPOs year to date
- Investments in **Puro.Earth** and **Level ATS** add new capabilities to address key client needs

<sup>1</sup> Includes the impact of the acquisition of Verafin

<sup>2</sup> Number of corporate issuers includes SPACs, excludes ETPs

# Progress on Key Metrics Confirm our Confidence in our Strategy

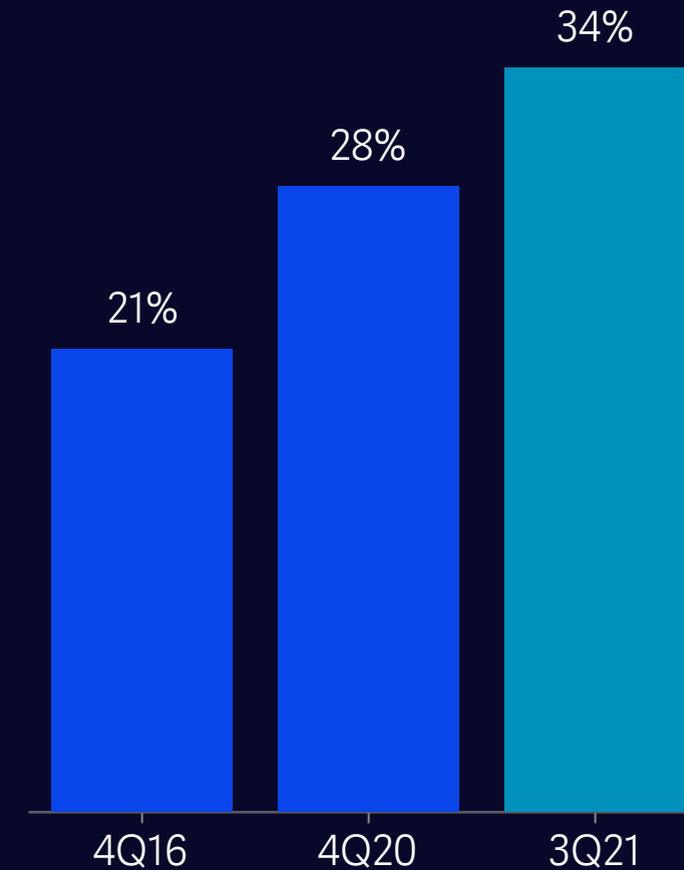
## Solutions Segments Organic Revenue Growth



3-5 Year Outlook:

**6-9% CAGR**

## SaaS as % of ARR



2025 Objective:

**40%-50%**

# Today's Environment Generally Supportive of Near-term Execution

How our business environment impacts our ability to meet client needs and address challenges of our clients

	 <b>Institutional Investors &amp; Asset Owners</b>	 <b>Exchanges and other Market Operators</b>	 <b>Corporate Issuers</b>	 <b>Banks &amp; Broker Dealers</b>
<b>Long-term Secular Dynamics</b>	<p><b>Digitalization of investment processes</b> drives increased demand for analytics</p> <p>Increases in <b>passive</b> and <b>thematic investing</b></p>	<p><b>Increased demand</b> for <b>SaaS scalability</b> and <b>flexibility</b></p> <p><b>Increasing demand</b> for <b>Anti-Financial Crime Technology</b></p>	<p>Adoption of <b>direct listings</b> and <b>SPACs</b> complements traditional IPO to <b>broaden avenues to public ownership</b></p> <p><b>Demand for ESG solutions</b> increasing broadly</p>	<p><b>Increased outsourcing of technology</b> not critical to competitive differentiation</p> <p>Increasing <b>needs for technology</b> solutions to more <b>effectively stop financial crime</b></p>
<b>Cyclical &amp; External Factors</b>	<p><b>Industry AUM</b> dynamics continue to <b>provide tailwind</b></p>	<p><b>Market Infrastructure Technology</b> sales cycle and implementation <b>remains impacted by the pandemic</b></p>	<p>Many <b>recent IPOs</b> are future <b>IR &amp; ESG opportunities</b></p> <p>Operating company <b>IPO pipeline</b> is <b>healthy</b></p>	<p><b>Market volumes</b> moderating from recent peaks, <b>still active</b></p>

# Continue to Be Well Positioned Against Sizeable, Growing Opportunities

## Market Technology

- Verafin Fraud & AML (FRAML)
- Nasdaq Surveillance
- Nasdaq Financial Framework

\$26B TAM<sup>1</sup>

\$437M  
LTM'21  
Revenues



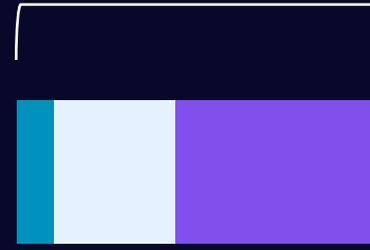
\$9.5B SAM<sup>1</sup>

## Analytics

- eVestment<sup>2</sup>
- Nasdaq Data Link
- Nasdaq Fund Network

\$19B TAM<sup>1</sup>

\$195M  
LTM'21  
Revenues



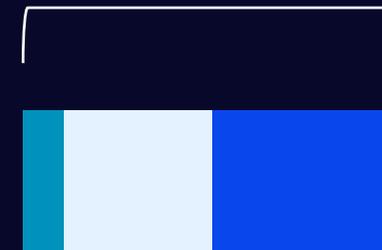
\$7B SAM<sup>1</sup>

## Index

- Nasdaq-100
- Thematics
- SmartBeta

\$3B TAM<sup>1</sup>

\$425M  
LTM'21  
Revenues



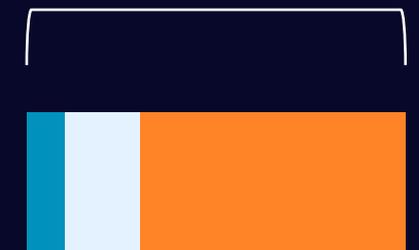
\$1.6B SAM<sup>1</sup>

## IR & ESG Services

- IR Insight & Advisory Services
- Boardvantage
- ESG Advisory, OneReport

\$7B TAM<sup>1</sup>

\$225M  
LTM'21  
Revenues



\$1.5B SAM<sup>1</sup>

Opportunity: SAM relative to LTM'21 Revenues

~22x

~36x

~4x

~7x

<sup>1</sup> Total addressable market (TAM) based on consulting reports, including from Oliver Wyman, TABB, Chartis, Forestar and Nasdaq analysis. Serviceable addressable market (SAM) is based on internal estimates reflecting market opportunity relative to total addressable market. Refer to slide 31 for further details.

<sup>2</sup> eVestment includes Solovis and the combined eVestment/Solovis offerings of Nasdaq Asset Owner Solutions.

# Business and Financial Update



“The third quarter 2021 revenue and profit growth was broad-based, and reflects increased investments to both unlock new opportunities and sustain our focus in our foundational markets and listings businesses.”

Ann Dennison, Executive Vice President  
and Chief Financial Officer, Nasdaq

# 3Q21 Financial Performance Summary

Driving Accelerating Growth,  
Creating Sustainable Value

+13%

Solutions Segments  
Organic Revenue Growth

+14%

Market Services  
Organic Revenue Growth

+19%

Growth in ARR  
to \$1.8 billion

+42%

Growth in Annualized SaaS  
Revenues to \$620 million

\$1.1B

Capital Return to  
Shareholders in 2021 YTD,  
including \$885 million in  
share repurchases

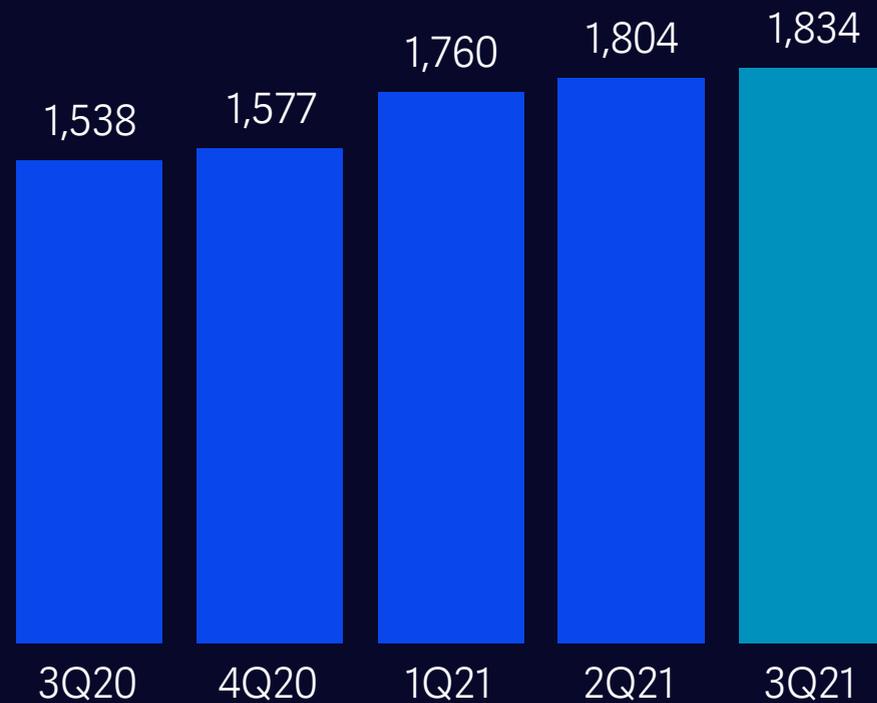
## Non-GAAP Financial Results

(US\$ millions, except per share)	3Q21	3Q20	% Δ
Net Revenues	\$838	\$715	17%
<i>Organic</i>			13%
Operating Expenses	\$397	\$346	15%
<i>Organic</i>			8%
Operating Income	\$441	\$369	20%
<i>Operating Margin</i>	53%	52%	
Income Before Income Taxes	\$409	\$345	19%
Net Income	\$303	\$256	18%
Diluted EPS <sup>1</sup>	\$1.78	\$1.53	16%
Dividend Per Share	\$0.54	\$0.49	10%

<sup>1</sup> Diluted EPS reflects weighted average diluted shares outstanding of 170.2 million in 3Q21 and 167.5 million in 3Q20.

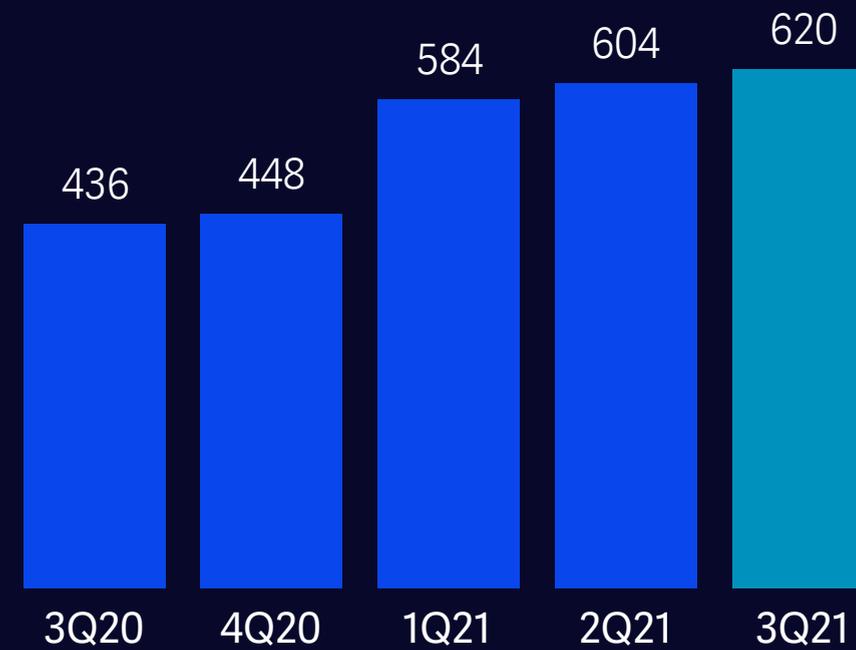
# Recurring Revenue KPIs Reflect Organic Growth and Verafin Impact

Annualized Recurring Revenue (\$Ms)



+19% YoY

Annualized SaaS Revenues (\$Ms)



+42% YoY

Note: Beginning in 1Q21, both ARR and annualized SaaS revenues include the impact of Verafin.

# Market Technology

**+54%**

Market Technology  
ARR growth

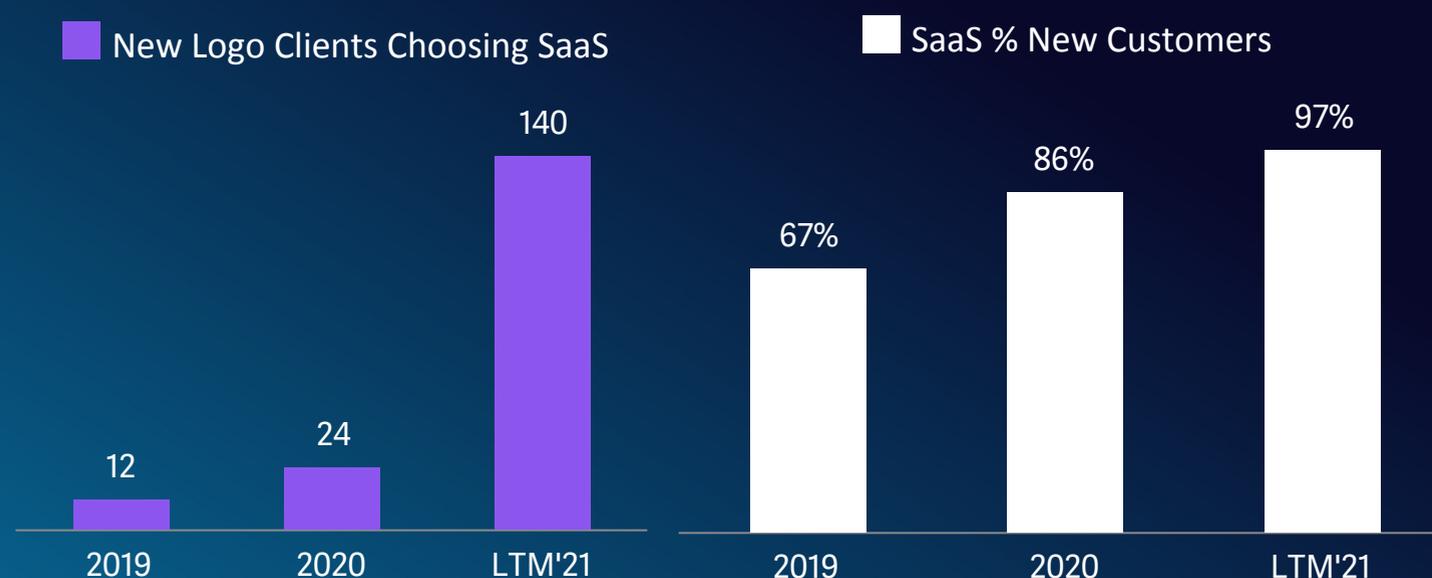
**57%**

Market Technology  
revenues from SaaS<sup>1</sup>

**+16%**

Anti Financial Crime  
revenue growth YoY  
ex Verafin

Customer Conviction Driving  
Continued Shift to SaaS Solutions



Note: Last 12 months includes the impact of Verafin since the close of the acquisition.

<sup>1</sup>Excludes the impact of the purchase price adjustment on deferred revenue related to Verafin.

## Quarter over Quarter Comparison

(US\$ millions)	3Q21	3Q20	% Δ
Anti Financial Crime Technology	\$66	\$32	106%
Market Infrastructure Technology	\$48	\$54	(11)%
Total Revenues	\$114	\$86	33%
<i>Organic revenue growth</i>			(1)%
Operating income	\$10	\$9	11%
Operating margin	9%	10%	
Annualized SaaS revenues	\$276	\$120	130%
ARR	\$428	\$278	54%

## 3Q21 Financial Highlights

- **Anti Financial Crime Technology:** Revenues increased primarily due to the inclusion of revenues from our acquisition of Verafin and continued growth in surveillance solutions. The temporary purchase price adjustment on deferred revenue related to the Verafin acquisition had a negative impact of \$7 million in the period.
- **Market Infrastructure Technology:** Revenues decreased primarily due to the successful completion of a significant long-term contract, and lower professional services revenue reflecting both elevated prior year comparisons period as well as capacity constraints that pandemic-related logistical challenges have imposed on installation and change request projects.

# Investment Intelligence

+15%

Growth in AUM in ETPs benchmarked to Nasdaq's indexes

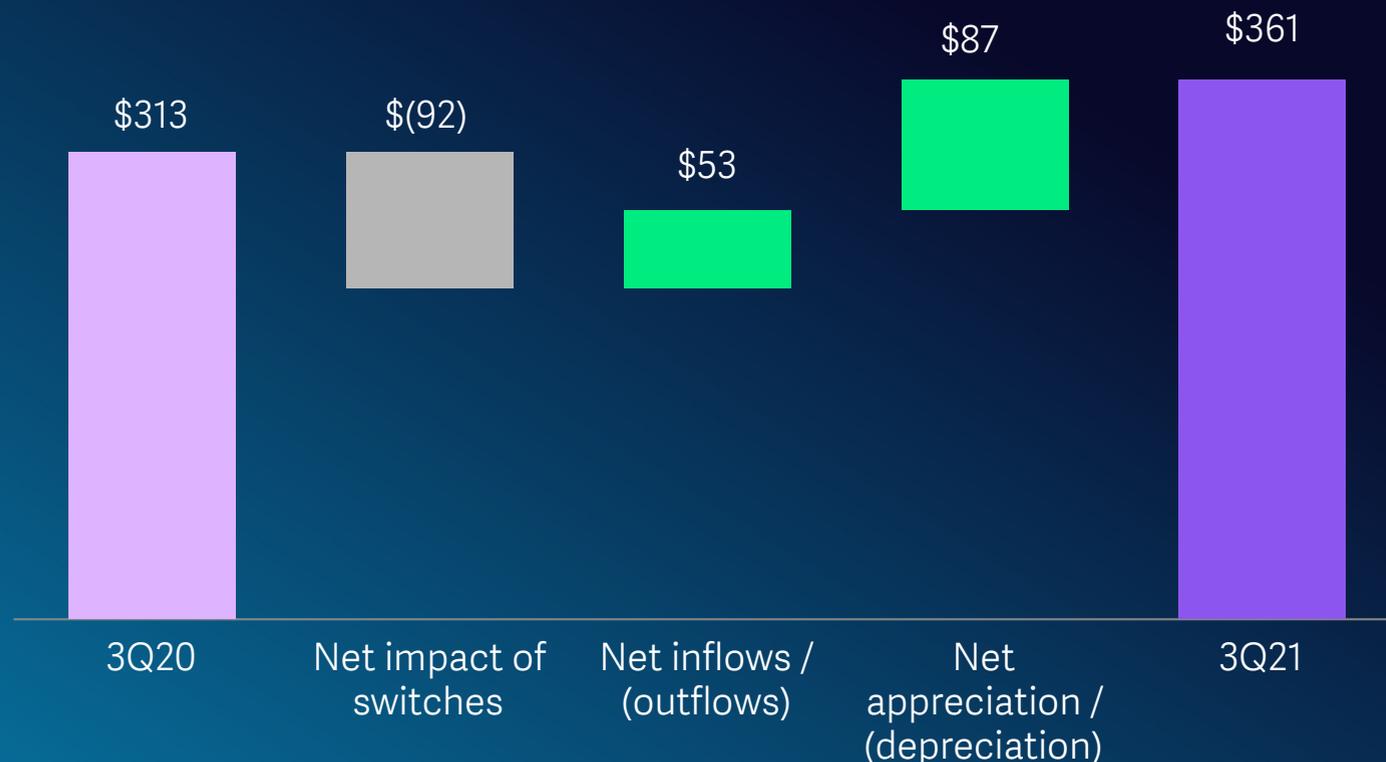
+13%

YoY revenue Growth in Analytics

+15%

Organic YoY revenue growth in Investment Intelligence

Change in Period End ETP AUM (\$B) Reflects Switches Which Entail Minimal Revenue Impact



## Quarter over Quarter Comparison

(US\$ millions)	3Q21	3Q20	% Δ
Market Data	\$102	\$105	(3)%
Index	\$119	\$86	38%
Analytics	\$51	\$45	13%
Total Revenues	\$272	\$236	15%
<i>Organic revenue growth</i>			15%
Operating income	\$177	\$153	16%
Operating margin <sup>(1)</sup>	65%	65%	
Annualized SaaS revenues	\$200	\$176	14%
ARR	\$555	\$507	9%

## 3Q21 Financial Highlights

- Market Data: Revenues decreased primarily due to a decline in U.S. tape revenues, partially offset by an increase in proprietary data revenues driven by an 11% increase in ARR, excluding NFI.
- Index: Revenues increased primarily due to higher AUM in exchange traded products linked to Nasdaq indexes and revenues related to futures trading linked to the Nasdaq-100 Index.
- Analytics: Revenues increased primarily due to growth in our eVestment platform driven by new sales, strong retention, and higher average revenue per client from expanded offerings.

<sup>(1)</sup> The Investment Intelligence operating margin reflects the allocation of certain costs that support the operation of various aspects of Nasdaq's business, including Market Services, to units other than Investment Intelligence.

# Corporate Platforms

75%

IPO win rate. Nasdaq led U.S. exchanges for IPOs with 147 IPOs that raised \$29 billion

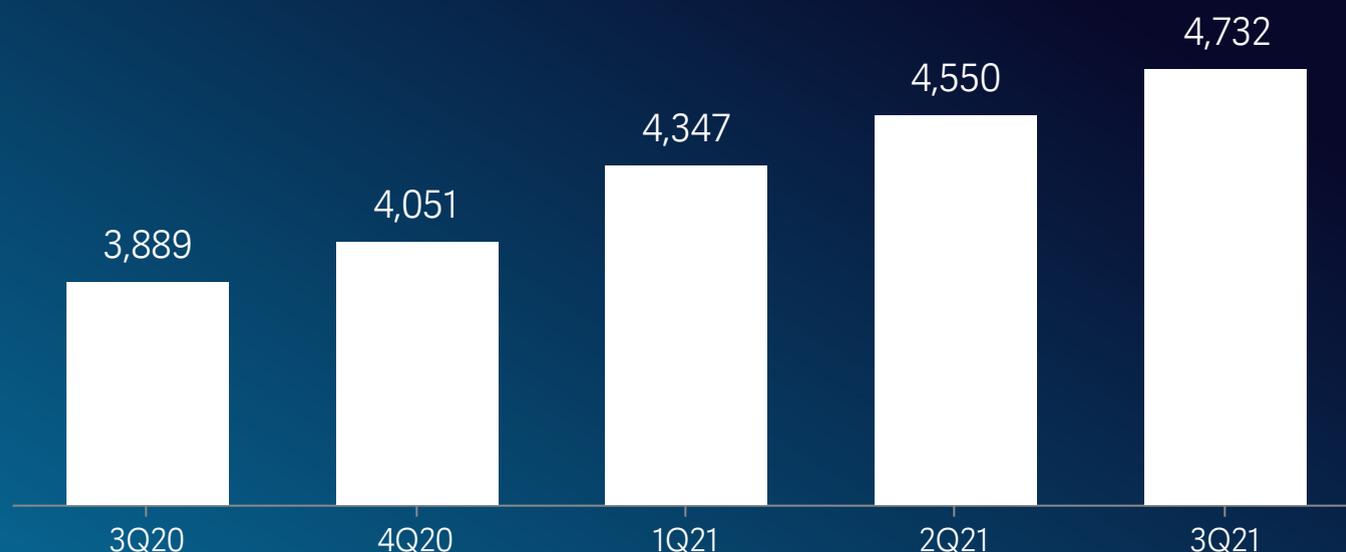
+6%

Increase in IR & ESG Services revenue reflecting strong demand for IR & ESG product offerings

+18%

Organic YoY revenue growth

22% Growth in Nasdaq-listed Corporate Issuers<sup>1</sup> vs. Prior Year



## Quarter over Quarter Comparison

(US\$ millions)	3Q21	3Q20	% Δ
Listing Services	\$99	\$78	27%
IR & ESG Services	\$56	\$53	6%
Total Revenues	\$155	\$131	18%
Organic revenue growth			18%
Operating income	\$65	\$51	27%
Operating margin	42%	39%	
Annualized SaaS revenues	\$144	\$140	3%
ARR	\$529	\$453	17%

## 3Q21 Financial Highlights

- Listing Services: Revenues increased primarily due to higher U.S. listing revenues reflecting primarily an increase in the overall number of listed companies.
- IR & ESG Services: Revenues increased as a result of increased sales and higher retention rates. Growth in revenues reflect an increase in the number of corporate issuer clients as well as higher adoption across the breadth of investor relations and newer ESG advisory and reporting offerings.
- The operating margin of 42% increased three percentage points compared to the prior year period and was driven by the continued increase in the listed issuer base.

<sup>1</sup> Number of issuers reflects U.S. and European corporates, including SPACs but excluding ETPs

# Market Services

~80%

% of Cash Equities net revenues from Nasdaq-listed companies

+25%

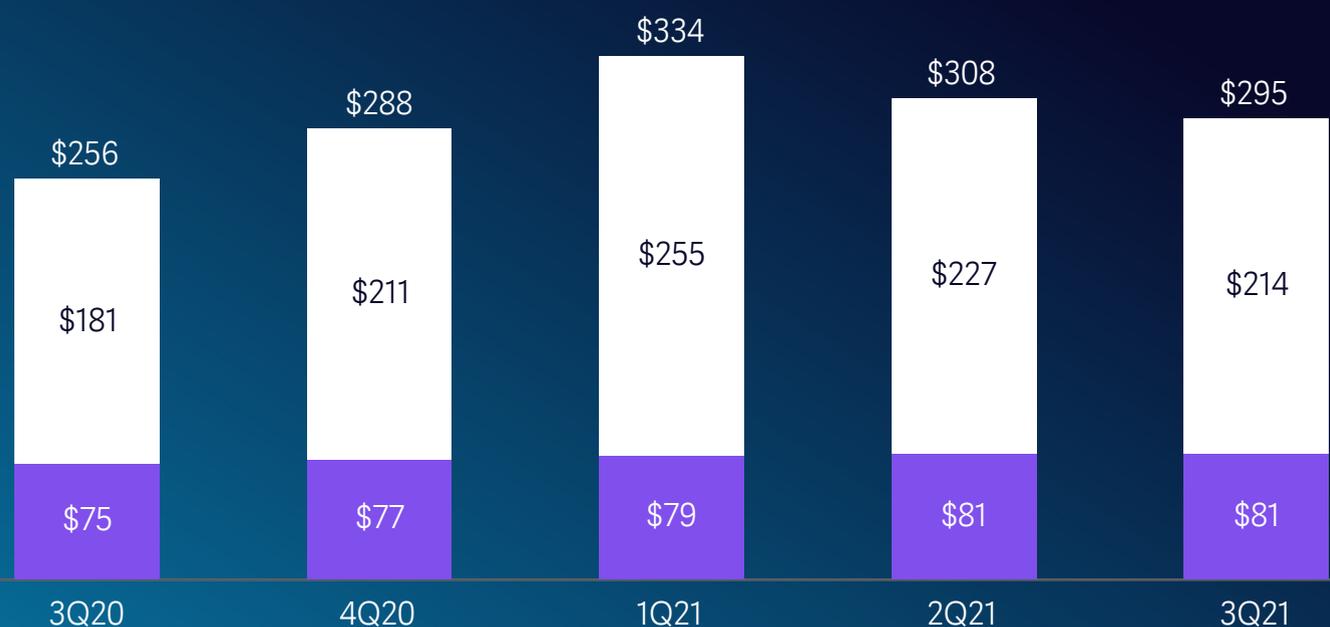
Increase in Equity Derivatives Trading & Clearing net revenues

+14%

Organic YoY revenue growth

Quarterly Net Revenue Reflects Expansion of Both Trading and Recurring Sources vs. Prior Year

Trading and Clearing Trade Management Services



## Quarter over Quarter Comparison

(US\$ millions)	3Q21	3Q20	% Δ
Equity Derivatives Trading and Clearing	\$105	\$84	25%
Cash Equity Trading	\$96	\$85	13%
Fixed Income and Commodities Trading and Clearing	\$13	\$12	8%
Trade Management Services	\$81	\$75	8%
Total Revenues	\$295	\$256	15%
Operating income	\$187	\$154	21%
Operating margin	63%	60%	
ARR	\$322	\$300	7%

## 3Q21 Financial Highlights

- Equity Derivative Trading and Clearing: Revenues increased primarily due to higher U.S. industry trading volumes, higher U.S. capture rates, partially offset by lower U.S. market share.
- Cash Equity Trading: Revenues increased primarily due to higher U.S. net capture rates, higher European value traded, partially offset by lower U.S. market share.
- Fixed Income and Commodities Trading and Clearing: Revenues increased primarily due to the impact of higher European product revenues.
- Trade Management Services: Revenues increased primarily due to increased demand for connectivity services.

# Supporting Growth with Appropriate Resources

## 2021 Guidance Update

**\$1.605B-\$1.620B**

Non-GAAP operating expense guidance reflecting the impact of strong and broad-based organic revenue growth on variable expenses

**25.0%-27.0%**

Non-GAAP Tax Rate<sup>(1)</sup>

## Quarter over Quarter Comparison

(US\$ millions)	3Q21	3Q20	% Δ
Total Non-GAAP operating expenses			
Compensation and benefits	\$230	\$198	16%
Professional and contract services	\$33	\$35	(6)%
Computer operations and data communications	\$47	\$39	21%
Occupancy	\$27	\$24	13%
General, administrative and other	\$13	\$11	18%
Marketing and advertising	\$12	\$7	71%
Depreciation and amortization	\$27	\$24	13%
Regulatory	\$8	\$8	—%
Total non-GAAP operating expenses	\$397	\$346	15%
Organic non-GAAP operating expense			8%

3Q21 non-GAAP operating expenses increased \$51 million, or 15%, to \$397 million. The increase reflects a \$26 million, or 8%, organic increase, a \$25 million increase from the impact of acquisitions, and a \$4 million increase from the impact of changes in FX rates due to a weaker U.S. dollar, partially offset by a \$4 million decrease from the impact of divestitures.

Of the \$26 million, or 8%, organic increase:

- \$14 million, or 7%, increase in compensation expense, driven primarily by increased headcount, as well as the impact of higher variable compensation
- \$5 million, or 71%, increase in marketing and advertising expense, largely driven by the higher level of new listing activity in the period
- \$3 million, or 8%, increase in computer operations and data communications expense, driven by higher data costs and actions to increase capacity in our marketplaces.

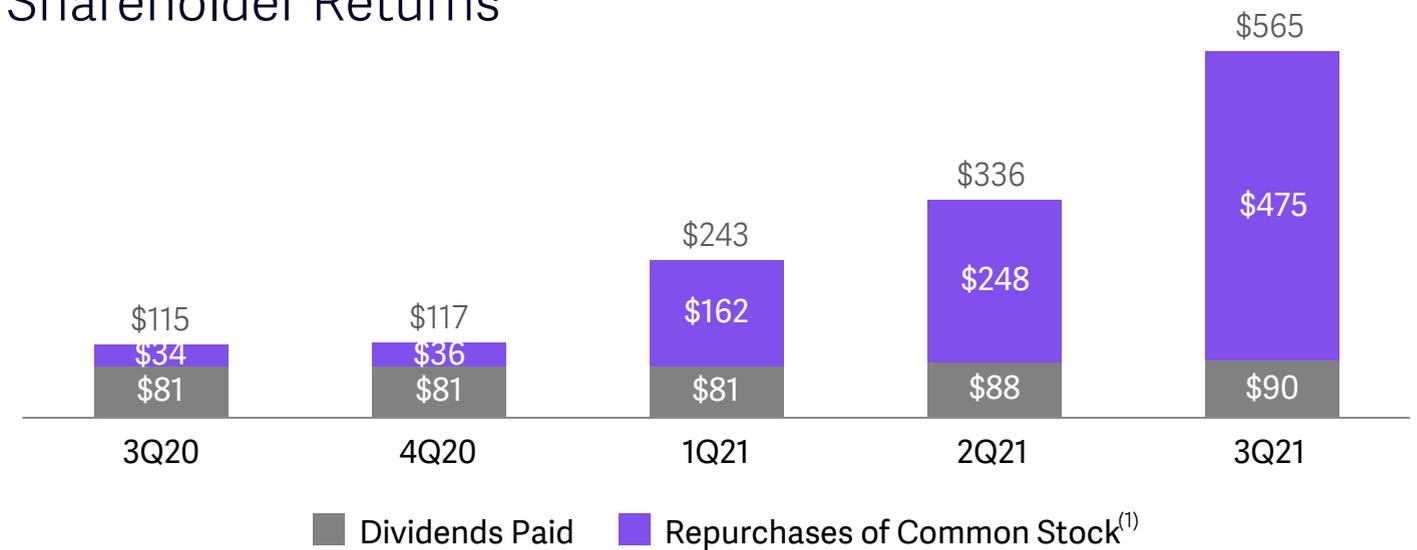
<sup>(1)</sup> U.S. GAAP operating expense and tax rate guidance are not provided due to the inherent difficulty in quantifying certain amounts due to a variety of factors including the unpredictability in the movement in foreign currency rates, as well as future charges or reversals outside of the normal course of business.

# Executing Consistent Capital Plan

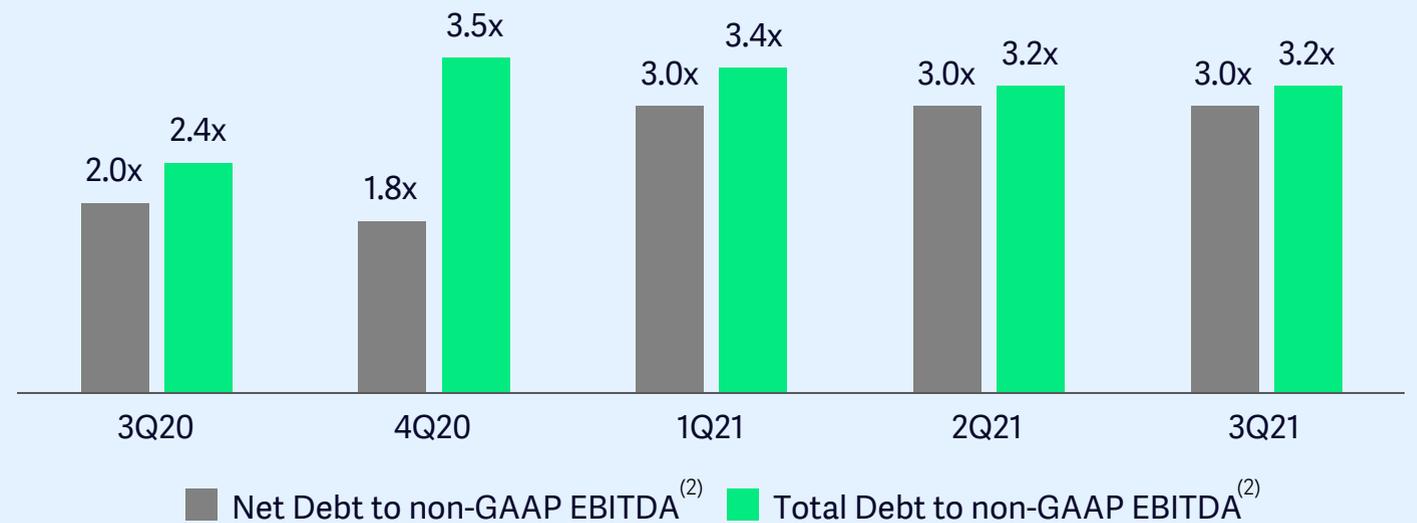
## 3Q21 Highlights

- In July 2021, we entered into an ASR agreement to repurchase an additional \$475 million of our shares. We received an initial delivery of approximately 2.0 million shares of common stock and expect to receive the remaining shares in the fourth quarter of 2021. We expect additional planned repurchases related to the sale of our U.S. Fixed Income business to resume in 2022.
- As of September 30, 2021, there was \$984 million remaining under the board authorized share repurchase program.
- 3Q21 debt increased by \$226 million vs. 2Q21 primarily due to net issuances of \$259 million of commercial paper and net increase of \$19 million of Euro bonds from refinancing the 2023 Eurobond with the 2033 Eurobond, partially offset by a \$52 million decrease in Euro bond book values caused by a weaker Euro.
- 3Q21 net interest expense was \$33 million, \$9 million higher than in 3Q20, primarily due to higher debt balances related to the Verafin acquisition.

## Shareholder Returns



## Leverage Ratios



1. Repurchases of common stock include the impact of the ASR agreement.

2. All non-GAAP EBITDA is last twelve months. Pro forma non-GAAP EBITDA of \$1,846M includes a net \$3M related to pre-acquisition EBITDA of Verafin and pre-divestment EBITDA of Nasdaq Fixed Income and pro-rata for Nasdaq Private Market.

## Our ESG Strategy

At the epicenter of the capital markets and technology, we're uniquely positioned to lead the acceleration of ESG excellence both in how we operate internally, and by empowering our communities with strategic solutions that have measurable and lasting impact.



## Recent Developments

### YTD 2021

- SEC approved Nasdaq's Board Diversity Transparency rule
- Published 2020 sustainability report, with increased disclosure across Environmental, Social and Governance pillars. Published our first Task Force on Climate-Related Financial Disclosures report
- Acquired majority position in Puro.Earth, a provider of carbon removal solutions
- In September, received improved Sustainalytics risk rating score of 11.7 "Low Risk"; top 3rd percentile among global issuers

### 2020

- Began reporting diversity statistics on Nasdaq's employee population
- Received improved Sustainalytics risk rating score of 15.1 – "Low Risk"; top 7th percentile of global issuers
- Upgraded by MSCI ESG ratings to BBB (from BB)
- ISS Governance QualityScore 1 (1st decile)

## Recap:

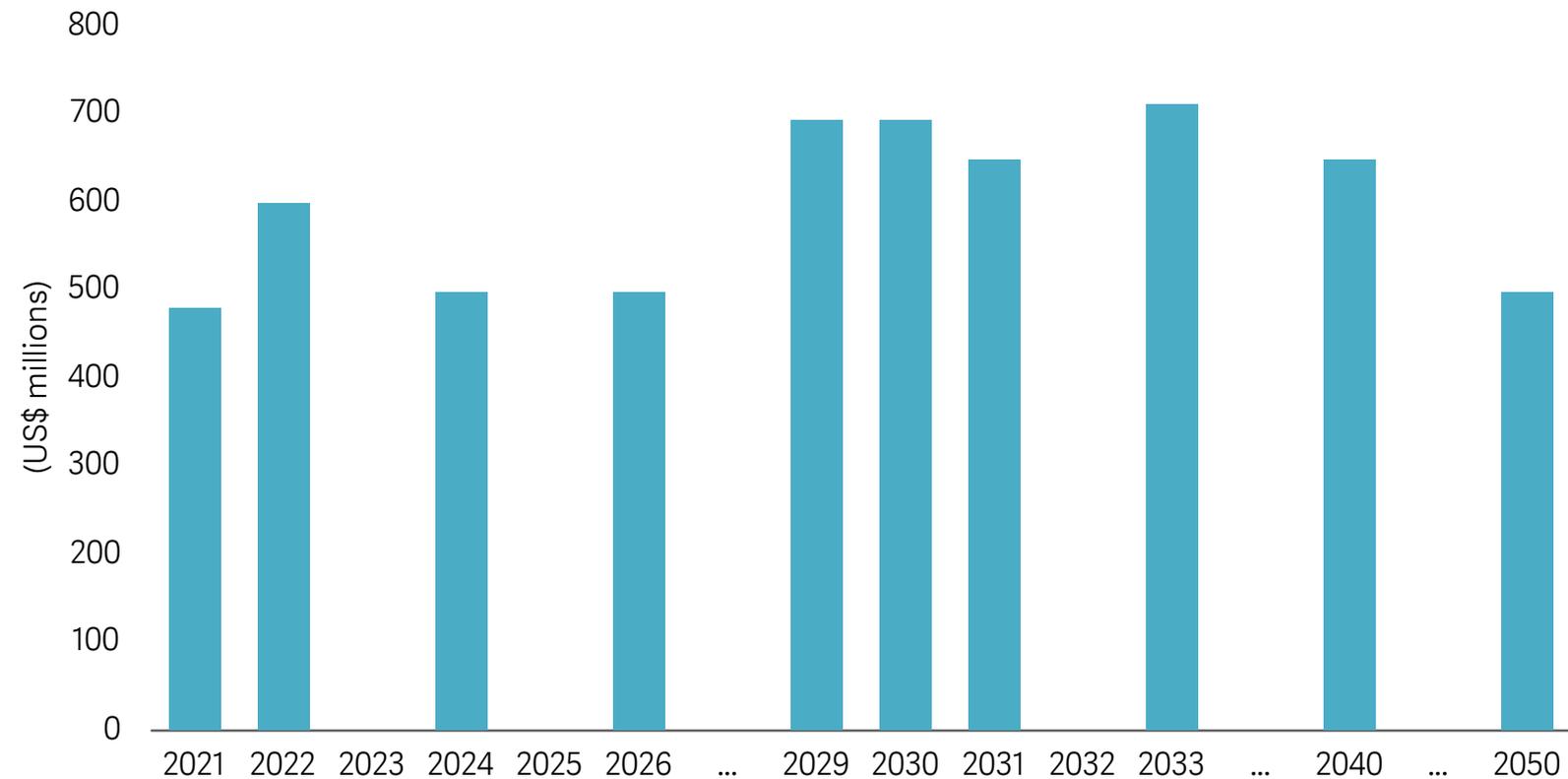
Strong growth in 3Q21,  
Continued Progress  
Advancing Strategy

- **Strong Revenue and ARR growth** reflect the high potential of a repositioned Nasdaq
- **Success in our foundational listings business has created "flywheel effects"** driving higher growth in trading and other businesses.
- **Our evolution continuing in 2021:** Acquisition of Verafin closed, investments in Puro.earth & Level ATS, sale of NFI\*
- The current capital markets and macro **backdrop remains largely conducive** to Nasdaq's execution
- **Expense guidance narrowed to the high end** of initial range, driven by strong revenue growth
- **Clear recent progress towards realizing** our **unique ESG opportunities and potential**
- **Key secular growth areas** we've positioned ourselves to serve remain **very large**

# Appendix

# Debt Overview

## Well Laddered Debt Maturities



## \$5.6B Net Debt

(US\$ millions)	9/30/2021	6/30/2021	Maturity Date
Commercial Paper	\$480	\$221	NA
0.445% Notes	\$598	\$598	Dec 2022
1.75% Euro Notes	\$—	\$709	May 2023
4.25% Notes	\$498	\$498	Jun 2024
Revolver (Libor + 105 bps) <sup>(1)</sup>	\$(4)	\$(4)	Dec 2025
3.85% Notes	\$498	\$497	Jun 2026
1.75% Euro Notes	\$689	\$705	Mar 2029
0.875% Euro Notes	\$689	\$705	Feb 2030
1.65% Notes	\$643	\$643	Jan 2031
0.90% Euro Notes	\$707	\$—	Jul 2033
2.50% Notes	\$643	\$643	Dec 2040
3.25% Notes	\$486	\$486	Apr 2050
<b>Total Debt Obligations</b>	<b>\$5,927</b>	<b>\$5,701</b>	
Less Cash and Cash Equivalents <sup>(2)</sup>	\$(303)	\$(390)	
<b>Net Debt</b>	<b>\$5,624</b>	<b>\$5,311</b>	

1. Includes debt issuance costs of \$4M at 9/30/2021 and \$4M at 6/30/2021.

2. Excludes \$29M of restricted cash at 9/30/2021 and \$40M at 6/30/2021.

# Historical Cash Flow / Uses of Cash Flow

- 2021 YTD free cash flow excluding Section 31 fees and Verafin structuring items totaled \$1,053 million, an increase of **35%** versus the comparable prior year period.
- 2021 YTD free cash flow includes the impact of Verafin related tax and structuring items, described below:
  - The Verafin purchase price of \$2.75B reflected certain amounts that were paid post close due to tax and other structuring items. These included a tax payment of \$221M and a purchase price holdback escrow of \$102M.
  - The cash outflow for the tax liability is offset within Acquisitions of businesses, net of cash and cash equivalents acquired within investing activities, leading to no impact on the total change in cash and cash equivalents and restricted cash and cash equivalents for the 9 months ended September 30, 2021.

Free Cash Flow Calculation (US\$ millions)	2018	2019	2020	2021 YTD	2018 - 2021 YTD
Cash flow from operations	\$1,028	\$963	\$1,252	\$699	\$3,942
Capital expenditure	(111)	(127)	(188)	(113)	(539)
<b>Free cash flow</b>	<b>\$917</b>	<b>\$836</b>	<b>\$1,064</b>	<b>\$586</b>	<b>\$3,403</b>
Verafin structuring items	—	—	—	323	323
Section 31 fees, net <sup>(1)</sup>	9	(14)	(57)	144	82
<b>Free cash flow ex. Section 31 and Verafin structuring items</b>	<b>\$926</b>	<b>\$822</b>	<b>\$1,007</b>	<b>\$1,053</b>	<b>\$3,808</b>
<i>Uses of cash flow</i>					
Share repurchases	\$394	\$200	\$222	\$410	\$1,226
Cash paid for ASR agreement	—	—	—	475	475
Net repayment/(borrowing) of debt	320	430	(1,912)	(469)	(1,631)
Acquisitions, net of dispositions and other	(380)	63	157	2,240	2,080
Verafin structuring items	—	—	—	323	323
Dividends paid	280	305	320	260	1,165
<b>Total uses of cash flow</b>	<b>\$614</b>	<b>\$998</b>	<b>\$(1,213)</b>	<b>\$3,239</b>	<b>\$3,638</b>

1. Net of change in Section 31 fees receivables of \$(10)M in 2018; \$9M in 2019; \$35M in 2020; \$(66)M in 2021 YTD; and \$(32)M in 2018-2021 YTD.

# Total Variance Net Impacts: 3Q21

<i>All figures in US\$ Millions</i>			Total Variance		Organic Impact		Acq. & Div. Impact <sup>1</sup>		FX Impact	
	3Q21	3Q20	\$M	%	\$M	%	\$M	%	\$M	%
Market Technology	\$114	\$86	\$28	33 %	(\$1)	(1)%	\$29	34 %	\$—	— %
Investment Intelligence	272	236	36	15 %	36	15 %	—	— %	—	— %
Corporate Platforms	155	131	24	18 %	24	18 %	—	— %	—	— %
Market Services	295	256	39	15 %	37	14 %	—	— %	2	1 %
Other	2	6	(4)	(67)%	—	— %	(4)	(67)%	—	— %
<b>Total Solutions Segments Revenue</b>	<b>541</b>	<b>453</b>	<b>88</b>	<b>19 %</b>	<b>59</b>	<b>13 %</b>	<b>29</b>	<b>6 %</b>	<b>—</b>	<b>— %</b>
<b>Total Revenue less transaction-based expenses</b>	<b>838</b>	<b>715</b>	<b>123</b>	<b>17 %</b>	<b>96</b>	<b>13 %</b>	<b>25</b>	<b>3 %</b>	<b>2</b>	<b>— %</b>
<b>Non-GAAP Operating Expenses</b>	<b>397</b>	<b>346</b>	<b>51</b>	<b>15 %</b>	<b>26</b>	<b>8 %</b>	<b>21</b>	<b>6 %</b>	<b>4</b>	<b>1 %</b>
<b>Non-GAAP Operating Income</b>	<b>441</b>	<b>369</b>	<b>72</b>	<b>20 %</b>	<b>70</b>	<b>19 %</b>	<b>4</b>	<b>1 %</b>	<b>(2)</b>	<b>(1)%</b>
<b>Non-GAAP Operating Margin</b>	<b>53 %</b>	<b>52 %</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>

Note: The sum of the percentage changes may not tie to the percent change in total variance due to rounding.

<sup>1</sup> Reflects the impact of the Verafin acquisition as well as the Bwise, NFI and NPM divestitures.

# Market Technology and Market Services Additional Detail

(US\$ in Millions)	3Q20	4Q20	1Q21	2Q21	3Q21
<b>Market Technology Order Intake<sup>1</sup></b>	84	37	41	119	76
U.S. equity options	76	82	96	95	96
European options and futures	8	10	10	8	9
<b>Equity Derivatives Net Revenues</b>	<b>\$84</b>	<b>\$92</b>	<b>\$106</b>	<b>\$103</b>	<b>\$105</b>
U.S. cash equities	54	70	90	73	61
European cash equities	28	32	38	34	32
Other	3	3	5	3	3
<b>Cash Equity Trading Net Revenues</b>	<b>\$85</b>	<b>\$105</b>	<b>\$133</b>	<b>\$110</b>	<b>\$96</b>
Fixed income products	3	3	6	4	4
Energy and carbon products	6	8	7	6	6
Other fees and revenues	3	3	3	4	3
<b>Fixed Income and Commodities Trading and Clearing Net Revenues</b>	<b>\$12</b>	<b>\$14</b>	<b>\$16</b>	<b>\$14</b>	<b>\$13</b>

# Reclassified Operating Segment Results

Below are the operating segments results after considering the impact of the divestitures of our U.S. Fixed Income Business and Nasdaq Private Market:

		2Q21			1Q21			FY 2020		
		As reported	Adjustment	Recasted Results	As reported	Adjustment	Recasted Results	As reported	Adjustment	Recasted Results
<b>Market Technology</b>	<b>Revenues</b>	<b>117</b>	<b>—</b>	<b>117</b>	<b>100</b>	<b>—</b>	<b>100</b>	<b>357</b>	<b>—</b>	<b>357</b>
	Expense	100	—	100	102	—	102	325	—	325
	<b>Operating income</b>	<b>17</b>	<b>—</b>	<b>17</b>	<b>(2)</b>	<b>—</b>	<b>(2)</b>	<b>32</b>	<b>—</b>	<b>32</b>
<b>Investment Intelligence<sup>(1)</sup></b>	<b>Revenues</b>	<b>263</b>	<b>(2)</b>	<b>261</b>	<b>258</b>	<b>(2)</b>	<b>256</b>	<b>908</b>	<b>(10)</b>	<b>898</b>
	Expense	93	(1)	92	91	(1)	90	328	(2)	326
	<b>Operating income</b>	<b>170</b>	<b>(1)</b>	<b>169</b>	<b>167</b>	<b>(1)</b>	<b>166</b>	<b>580</b>	<b>(8)</b>	<b>572</b>
<b>Corporate Platforms<sup>(2)</sup></b>	<b>Revenues</b>	<b>154</b>	<b>(5)</b>	<b>149</b>	<b>155</b>	<b>(9)</b>	<b>146</b>	<b>530</b>	<b>(9)</b>	<b>521</b>
	Expense	89	(2)	87	90	(2)	88	340	(6)	334
	<b>Operating income</b>	<b>65</b>	<b>(3)</b>	<b>62</b>	<b>65</b>	<b>(7)</b>	<b>58</b>	<b>190</b>	<b>(3)</b>	<b>187</b>
<b>Market Services<sup>(1)</sup></b>	<b>Net Revenues</b>	<b>312</b>	<b>(4)</b>	<b>308</b>	<b>338</b>	<b>(4)</b>	<b>334</b>	<b>1,108</b>	<b>(12)</b>	<b>1,096</b>
	Expense	110	(2)	108	110	(2)	108	421	(10)	411
	<b>Operating income</b>	<b>202</b>	<b>(2)</b>	<b>200</b>	<b>228</b>	<b>(2)</b>	<b>226</b>	<b>687</b>	<b>(2)</b>	<b>685</b>
<b>Corporate Items<sup>(1,2)</sup></b>	<b>Revenues</b>	<b>—</b>	<b>11</b>	<b>11</b>	<b>—</b>	<b>15</b>	<b>15</b>	<b>—</b>	<b>31</b>	<b>31</b>
	Expense	—	5	5	—	5	5	—	18	18
	<b>Operating income</b>	<b>—</b>	<b>6</b>	<b>6</b>	<b>—</b>	<b>10</b>	<b>10</b>	<b>—</b>	<b>13</b>	<b>13</b>
<b>Total Company</b>	<b>Net revenue</b>	<b>846</b>	<b>—</b>	<b>846</b>	<b>851</b>	<b>—</b>	<b>851</b>	<b>2,903</b>	<b>—</b>	<b>2,903</b>
	Total expense	392	—	392	393	—	393	1,414	—	1,414
	<b>Non-GAAP operating income</b>	<b>454</b>	<b>—</b>	<b>454</b>	<b>458</b>	<b>—</b>	<b>458</b>	<b>1,489</b>	<b>—</b>	<b>1,489</b>
	<i>Operating margin</i>	54%	—%	54%	54%	—%	54%	51%	—%	51%

# Reclassified Operating Segment Results

Below are the operating segments results after considering the impact of the divestitures of our U.S. Fixed Income Business and Nasdaq Private Market:

	4Q20			3Q20			2Q20			1Q20		
	As reported	Adj.	Recasted Results									
<b>Market Technology</b>												
<b>Revenues</b>	<b>106</b>	<b>—</b>	<b>106</b>	<b>86</b>	<b>—</b>	<b>86</b>	<b>84</b>	<b>—</b>	<b>84</b>	<b>81</b>	<b>—</b>	<b>81</b>
Expense	107	—	107	77	—	77	69	—	69	73	—	73
<b>Operating income</b>	<b>(1)</b>	<b>—</b>	<b>(1)</b>	<b>9</b>	<b>—</b>	<b>9</b>	<b>15</b>	<b>—</b>	<b>15</b>	<b>8</b>	<b>—</b>	<b>8</b>
<b>Investment Intelligence<sup>(1)</sup></b>												
<b>Revenues</b>	<b>247</b>	<b>(2)</b>	<b>245</b>	<b>238</b>	<b>(2)</b>	<b>236</b>	<b>213</b>	<b>(3)</b>	<b>210</b>	<b>211</b>	<b>(3)</b>	<b>208</b>
Expense	87	(1)	86	83	—	83	81	—	81	77	(1)	76
<b>Operating income</b>	<b>160</b>	<b>(1)</b>	<b>159</b>	<b>155</b>	<b>(2)</b>	<b>153</b>	<b>132</b>	<b>(3)</b>	<b>129</b>	<b>134</b>	<b>(2)</b>	<b>132</b>
<b>Corporate Platforms<sup>(2)</sup></b>												
<b>Revenues</b>	<b>144</b>	<b>(5)</b>	<b>139</b>	<b>132</b>	<b>(1)</b>	<b>131</b>	<b>126</b>	<b>(1)</b>	<b>125</b>	<b>128</b>	<b>(2)</b>	<b>126</b>
Expense	99	(2)	97	81	(1)	80	77	(2)	75	83	(1)	82
<b>Operating income</b>	<b>45</b>	<b>(3)</b>	<b>42</b>	<b>51</b>	<b>—</b>	<b>51</b>	<b>49</b>	<b>1</b>	<b>50</b>	<b>45</b>	<b>(1)</b>	<b>44</b>
<b>Market Services<sup>(1)</sup></b>												
<b>Net Revenues</b>	<b>291</b>	<b>(3)</b>	<b>288</b>	<b>259</b>	<b>(3)</b>	<b>256</b>	<b>276</b>	<b>(3)</b>	<b>273</b>	<b>281</b>	<b>(4)</b>	<b>277</b>
Expense	113	(2)	111	105	(3)	102	100	(3)	97	103	(2)	101
<b>Operating income</b>	<b>178</b>	<b>(1)</b>	<b>177</b>	<b>154</b>	<b>—</b>	<b>154</b>	<b>176</b>	<b>—</b>	<b>176</b>	<b>178</b>	<b>(2)</b>	<b>176</b>
<b>Corporate Items<sup>(1,2)</sup></b>												
<b>Revenues</b>	<b>—</b>	<b>10</b>	<b>10</b>	<b>—</b>	<b>6</b>	<b>6</b>	<b>—</b>	<b>7</b>	<b>7</b>	<b>—</b>	<b>9</b>	<b>9</b>
Expense	—	5	5	—	4	4	—	5	5	—	4	4
<b>Operating income</b>	<b>—</b>	<b>5</b>	<b>5</b>	<b>—</b>	<b>2</b>	<b>2</b>	<b>—</b>	<b>2</b>	<b>2</b>	<b>—</b>	<b>5</b>	<b>5</b>
<b>Total Net revenue</b>	<b>788</b>	<b>—</b>	<b>788</b>	<b>715</b>	<b>—</b>	<b>715</b>	<b>699</b>	<b>—</b>	<b>699</b>	<b>701</b>	<b>—</b>	<b>701</b>
Total expense	406	—	406	346	—	346	327	—	327	336	—	336
<b>Non-GAAP operating income</b>	<b>382</b>	<b>—</b>	<b>382</b>	<b>369</b>	<b>—</b>	<b>369</b>	<b>372</b>	<b>—</b>	<b>372</b>	<b>365</b>	<b>—</b>	<b>365</b>
<i>Operating margin</i>	48%	—%	48%	52%	—%	52%	53%	—%	53%	52%	—%	52%

1. Reclassified quarterly non-GAAP results reflect the exclusion of U.S. Fixed Income revenues and expenses from Market Services and Investment Intelligence to Corporate Items.
2. Reclassified quarterly non-GAAP results reflect the exclusion of NPM revenues and expenses from Corporate Platforms to Corporate Items.

# Summary of Historical Financial Results

<b>NON-GAAP RESULTS (US\$ Millions, except EPS)</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>YTD'21</b>
Revenue from Solutions Segments	\$1,278	\$1,453	\$1,596	\$1,776	\$1,570
Market Services Net Revenues	850	931	893	1,096	938
Other Revenues	283	142	46	31	26
Net Revenues	2,411	2,526	2,535	2,903	2,534
Operating Expenses	1,271	1,320	1,295	1,414	1,182
Operating Income	1,140	1,206	1,240	1,489	1,352
Operating Margin <sup>(1)</sup>	47%	48%	49%	51%	53%
Income Before Income Taxes	1,008	1,075	1,128	1,393	1,261
Net Income	670	797	835	1,031	945
Diluted Earnings Per Share	\$3.95	\$4.75	\$5.00	\$6.18	\$5.63
Dividend Per share	\$1.46	\$1.70	\$1.85	\$1.94	\$1.57

1. Operating margin equals operating income divided by net revenues.

# Solutions Segments Organic Revenue Growth

<u>Solutions Segments</u>			Total Variance		Organic Impact		Other Impact <sup>(1)</sup>		
	<i>All figures in US\$ Millions</i>	Current Period	Prior-year Period	\$	%	\$	%	\$	%
3Q21		\$541	\$453	88	19 %	59	13 %	29	6 %
2Q21		527	419	108	26 %	73	17 %	35	8 %
1Q21		502	415	87	21 %	64	15 %	23	6 %
4Q20 <sup>(3)</sup>		497	421	76	18 %	66	16 %	10	2 %
2020 <sup>(3)</sup>		1,795	1,613	182	11 %	159	10 %	23	1 %
2019 <sup>(2),(3)</sup>		1,613	1,471	142	10 %	112	8 %	30	2 %
2018 <sup>(2)</sup>		1,471	1,294	177	14 %	113	9 %	64	5 %
2017 <sup>(3)</sup>		1,530	1,449	81	6 %	59	4 %	22	2 %
2016 <sup>(3)</sup>		1,449	1,319	130	10 %	53	4 %	77	6 %

Note: The sum of the percentage changes may not tie to the percent change in total variance due to rounding.

1. Other impact includes acquisitions, divestitures, and changes in FX rates.

2. Revenues from the BWISE enterprise governance, risk and compliance software platform, which was sold in March 2019, and the Public Relations Solutions and Digital Media Services businesses, which were sold in mid-April 2018, are included in Other Revenues for these periods and therefore not reflected above.

3. Revenues have not been recasted for the NPM sale in August 2021 or the sale of NFI.

# Market Services Organic Revenue Growth

<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	\$	%	\$	%	\$	%
3Q21		\$295	\$256	39	15 %	37	14 %	2	1 %
2Q21		308	273	35	13 %	27	10 %	8	3 %
1Q21		334	277	57	21 %	48	17 %	9	3 %
4Q20 <sup>(2)</sup>		291	225	66	29 %	60	27 %	6	3 %
2020 <sup>(2)</sup>		1,108	912	196	21 %	191	21 %	5	1 %
2019 <sup>(2)</sup>		912	958	(46)	(5)%	(29)	(3)%	(17)	(2)%
2018 <sup>(2)</sup>		958	881	77	9 %	75	9 %	2	— %
2017 <sup>(2)</sup>		881	827	54	7 %	(7)	(1)%	61	7 %
2016 <sup>(2)</sup>		827	771	56	7 %	(13)	(2)%	69	9 %

Note: The sum of the percentage changes may not tie to the percent change in total variance due to rounding.

1. Other impact includes acquisitions, divestitures and changes in FX rates.

2. Revenues have not been re-casted for the NFI sale in July 2021.

# TAM/SAM

	Market Technology	Analytics	Index	IR & ESG Services
<b>Total Addressable Market</b>	<b>\$26B</b>	<b>\$19B</b>	<b>\$3B</b>	<b>\$7B</b>
Categories included:	Trading; Clearing/Risk; CSD; Trade execution services; AML; Fraud; KYC; Screening, Surveillance; eCommunications; and New Markets <sup>1</sup>	Analytics and work flow tools serving the investment management community	Asset-based and subscription-based index licensing	IR software and advisory services; board and leadership workflow solutions and services; ESG consulting and advisory services; ESG software including reporting, disclosure, sustainability management, environmental health & safety, supply chain and product stewardship
<b>Serviceable Addressable Market</b>	<b>\$9.5B</b>	<b>\$7B</b>	<b>\$1.6B</b>	<b>\$1.5B</b>
Categories included:	Trading, Clearing/Risk; CSD; Trade execution services; AML; Fraud; Surveillance	Data, analytics and portfolio management solutions sold to asset managers, asset owners and their advisors and private markets	Asset-based index licensing	IR software and advisory services within developed, applicable markets; board portal software and assessments; ESG advisory services; ESG reporting and disclosure software

# Defined Terms

**ARR:** ARR for a given period is the annualized revenue derived from subscription contracts with a defined contract value. This excludes contracts that are not recurring, are one-time in nature, or where the contract value fluctuates based on defined metrics. ARR is currently one of our key performance metrics to assess the health and trajectory of our recurring business. ARR does not have any standardized definition and is therefore unlikely to be comparable to similarly titled measures presented by other companies. ARR should be viewed independently of revenue and deferred revenue and is not intended to be combined with or to replace either of those items. ARR is not a forecast and the active contracts at the end of a reporting period used in calculating ARR may or may not be extended or renewed by our customers.

**Solutions Segments:** Revenues from our Corporate Platforms, Investment Intelligence and Market Technology segments.

**Net Revenues:** Revenues less transaction-based expenses.

**AUM:** Assets Under Management.

**ETP:** Exchange Traded Product.

**NFI:** Nasdaq's U.S. Fixed Income business.

**New Logo Clients:** Net clients that have not previously transacted with Nasdaq.