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

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2009

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission file number: 000-32651

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

Delaware **(State or Other Jurisdiction of Incorporation or Organization)**	**52-1165937** **(I.R.S. Employer Identification No.)**
One Liberty Plaza, New York, New York **(Address of Principal Executive Offices)**	**10006** **(Zip Code)**

+1 212 401 8700
(Registrant's telephone number, including area code)

No changes
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☐ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at July 31, 2009
Common Stock, $.01 par value per share	202,741,202 shares

The NASDAQ OMX Group, Inc.
Form 10-Q
For the Quarterly Period Ended June 30, 2009

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About This Form 10-Q

The NASDAQ OMX Group, Inc. is a holding company created by the business combination of The Nasdaq Stock Market, Inc. and OMX AB (publ) which was completed on February 27, 2008. Under the purchase method of accounting, Nasdaq was treated as the accounting and legal acquirer in this business combination. As such, Nasdaq is the predecessor reporting entity of NASDAQ OMX and the results of operations of OMX are only included in NASDAQ OMX's consolidated results of operations beginning February 27, 2008.

Throughout this Form 10-Q, unless otherwise specified:

- "NASDAQ OMX," "we," "us" and "our" refer to The NASDAQ OMX Group, Inc.
- "Nasdaq" refers to The Nasdaq Stock Market, Inc., as that entity operated prior to the business combination with OMX AB.
- The "NASDAQ Exchange," "The NASDAQ Stock Market" and "NASDAQ" refer to the registered national securities exchange operated by The NASDAQ Stock Market LLC.
- "OMX AB" refers to OMX AB (publ), as that entity operated prior to the business combination with Nasdaq.
- "OMX" refers to OMX AB (publ) subsequent to the business combination with Nasdaq.
- "NASDAQ OMX Nordic" refers to collectively, NASDAQ OMX Stockholm, NASDAQ OMX Copenhagen, NASDAQ OMX Helsinki and NASDAQ OMX Iceland.
- "NASDAQ OMX Baltic" refers to collectively, NASDAQ OMX Tallinn, NASDAQ OMX Riga and NASDAQ OMX Vilnius.
- "PHLX" refers to the Philadelphia Stock Exchange, Inc. and its subsidiaries, as that entity operated prior to its acquisition by NASDAQ OMX.
- "NASDAQ OMX PHLX" refers to NASDAQ OMX PHLX, Inc. subsequent to its acquisition by NASDAQ OMX.
- "SEK" or "Swedish Krona" refers to the lawful currency of Sweden.
- "NOK" or "Norwegian Krone" refers to the lawful currency of Norway.

This Quarterly Report on Form 10-Q includes market share and industry data that we obtained from industry publications and surveys, reports of governmental agencies and internal company surveys. Industry publications and surveys generally state that the information they contain has been obtained from sources believed to be reliable, but we cannot assure you that this information is accurate or complete. We have not independently verified any of the data from third-party sources nor have we ascertained the underlying economic assumptions relied upon therein. Statements as to our market position are based on the most currently available market data. For market comparison purposes, The NASDAQ Stock Market data in this Quarterly Report on Form 10-Q for initial public offerings, or IPOs, is based on data provided by Thomson Financial, which does not include best efforts underwritings, and we have chosen to exclude closed-end funds; therefore, the data may not be comparable to other publicly-available IPO data. Data in this Quarterly Report on Form 10-Q for secondary offerings for The NASDAQ Stock Market also is based on data provided by Thomson Financial. Data in this Quarterly Report on Form 10-Q for new listings of equity securities on The NASDAQ Stock Market is based on data generated internally by us, which includes best efforts underwritings and issuers that switched from other listing venues, closed-end funds and exchange traded funds, or ETFs. OMX data in this Quarterly Report on Form 10-Q for IPOs and new listings of equity securities on the exchanges that comprise NASDAQ OMX Nordic and NASDAQ OMX Baltic also is based on data generated internally by us. IPOs, secondary offerings and new listings data is presented as of period end. While we are not aware of any misstatements regarding industry data presented herein, our estimates involve risks and uncertainties and are subject to change based on various factors. We undertake no obligation to update any industry data, except as may be required by the federal securities laws. We refer you to the "Risk Factors" section in this Quarterly Report on Form 10-Q, our Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2009 that was filed with the Securities and Exchange Commission, or SEC, on May 8, 2009 and our Annual Report on Form 10-K for the fiscal year ended December 31, 2008 that was filed with the SEC on February 27, 2009.

Forward-Looking Statements

The SEC encourages companies to disclose forward-looking information so that investors can better understand a company's future prospects and make informed investment decisions. This Quarterly Report on Form 10-Q contains these types of statements. Words such as "anticipates," "estimates," "expects," "projects," "intends," "plans," "believes" and words or terms of similar substance used in connection with any discussion of future operating results or financial performance identify forward-looking statements. These include, among others, statements relating to:

- *our 2009 outlook;*
- *the scope, nature or impact of acquisitions, dispositions, investments or other transactional activities;*
- *the integration of our recently acquired businesses, including accounting decisions relating thereto;*
- *the effective dates for, and expected benefits of, ongoing initiatives;*
- *future tax benefits;*
- *the cost and availability of liquidity; and*
- *the outcome of any litigation and/or government investigation to which we are a party and other contingencies.*

Forward-looking statements involve risks and uncertainties. Factors that could cause actual results to differ materially from those contemplated by the forward-looking statements include, among others, the following:

- *that our operating results may be lower than expected;*
- *our ability to successfully integrate our recently acquired businesses, including the fact that such integration may be more difficult, time consuming or costly than expected, and our ability to realize synergies from business combinations and acquisitions;*
- *loss of significant trading volume or listed companies;*
- *covenants in our credit facilities, indentures and other agreements governing our indebtedness which may restrict the operation of our business;*
- *economic, political and market conditions and fluctuations, including interest rate and foreign currency risks, inherent in U.S. and international operations;*
- *adverse global economic and credit conditions;*
- *government and industry regulation; and*
- *adverse changes that may occur in the securities markets generally.*

Most of these factors are difficult to predict accurately and are generally beyond our control. You should consider the uncertainty and any risk related to forward-looking statements that we make. These risk factors are discussed under the caption "Part II. Item 1A. Risk Factors," in this Quarterly Report on Form 10-Q and our Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2009 that was filed with the SEC on May 8, 2009 and more fully described in the "Risk Factors" section in our Annual Report on Form 10-K for the fiscal year ended December 31, 2008 that was filed with the SEC on February 27, 2009. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this report. You should carefully read this entire Form 10-Q, including "Part 1. Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations," and the condensed consolidated financial statements and the related notes. Except as required by the federal securities laws, we undertake no obligation to update any forward-looking statement, release publicly any revisions to any forward-looking statements, report events or to report the occurrence of unanticipated events. For any forward-looking statements contained in any document, we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995.

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The NASDAQ OMX Group, Inc.

PART 1—FINANCIAL INFORMATION

Item 1. Financial Statements.
The NASDAQ OMX Group, Inc.

Condensed Consolidated Statements of Income
(Unaudited)
(in millions, except per share amounts)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2009	2008	2009	2008
Revenues				
Market Services	$ 768	$ 684	$ 1,551	$1,406
Issuer Services	82	92	161	169
Market Technology	36	43	65	55
Other	3	3	6	5
Total revenues	889	822	1,783	1,635
Cost of revenues				
Liquidity rebates	(381)	(347)	(837)	(732)
Brokerage, clearance and exchange fees	(141)	(95)	(211)	(245)
Total cost of revenues	(522)	(442)	(1,048)	(977)
Revenues less liquidity rebates, brokerage, clearance and exchange fees	367	380	735	658
Operating expenses				
Compensation and benefits	105	115	202	189
Marketing and advertising	3	4	5	6
Depreciation and amortization	27	22	50	38
Professional and contract services	17	23	36	36
Computer operations and data communications	14	17	29	25
Occupancy	18	17	35	29
Regulatory	10	7	19	15
Merger expenses	3	6	11	7
General, administrative and other	11	14	24	25
Total operating expenses	208	225	411	370
Operating income	159	155	324	288
Interest income	2	8	7	18
Interest expense	(25)	(24)	(51)	(34)
Dividend and investment income	1	3	1	3
Loss on sale of investment security	(5)	—	(5)	—
Income (loss) from unconsolidated investees, net	(18)	1	(20)	28
Gain on foreign currency contracts, net	—	5	—	40
Income before income taxes	114	148	256	343
Income tax provision	46	47	94	122
Net income	68	101	162	221
Net (income) expense attributable to noncontrolling interests	1	(1)	1	(1)
Net income attributable to NASDAQ OMX	$ 69	$ 100	$ 163	$ 220
Basic and diluted earnings per share:				
Basic	$ 0.34	$ 0.50	$ 0.81	$ 1.22
Diluted	$ 0.33	$ 0.47	$ 0.77	$ 1.14

See accompanying notes to condensed consolidated financial statements.

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The NASDAQ OMX Group, Inc.
Condensed Consolidated Balance Sheets
(in millions, except share and par value amounts)

	June 30, 2009 (Unaudited)	December 31, 2008
Assets		
Current assets:		
Cash and cash equivalents	$ 419	$ 374
Restricted cash	152	141
Financial investments, at fair value	236	227
Receivables, net	383	339
Deferred tax assets	42	27
Market value, outstanding derivative positions	3,034	4,122
Other current assets	171	198
Total current assets	4,437	5,428
Non-current restricted cash	50	50
Property and equipment, net	170	183
Non-current deferred tax assets	615	659
Goodwill	4,591	4,492
Intangible assets, net	1,581	1,583
Other assets	216	357
Total assets	$ 11,660	$ 12,752
Liabilities and equity		
Current liabilities:		
Accounts payable and accrued expenses	$ 236	$ 242
Section 31 fees payable to SEC	114	49
Accrued personnel costs	97	157
Deferred revenue	171	98
Other accrued liabilities	110	165
Deferred tax liabilities	21	19
Market value, outstanding derivative positions	3,034	4,122
Current portion of debt obligations	225	225
Total current liabilities	4,008	5,077
Debt obligations	2,090	2,299
Non-current deferred tax liabilities	688	696
Non-current deferred revenue	163	155
Other liabilities	198	222
Total liabilities	7,147	8,449
Commitments and contingencies		
Equity		
NASDAQ OMX stockholders’ equity:		
Common stock, $0.01 par value, 300,000,000 shares authorized, shares issued: 203,036,921 at June 30, 2009 and 202,188,144 at December 31, 2008; shares outstanding: 202,725,160 at June 30, 2009 and 201,896,700 at December 31, 2008	2	2
Preferred stock, 30,000,000 shares authorized, none issued or outstanding	—	—
Additional paid-in capital	3,593	3,569
Common stock in treasury, at cost: 311,761 shares at June 30, 2009 and 291,444 shares at December 31, 2008	(11)	(10)
Accumulated other comprehensive loss	(600)	(619)
Retained earnings	1,507	1,344
Total NASDAQ OMX stockholders’ equity	4,491	4,286
Noncontrolling interests	22	17
Total equity	4,513	4,303
Total liabilities and equity	$ 11,660	$ 12,752

See accompanying notes to condensed consolidated financial statements.

The NASDAQ OMX Group, Inc.
Condensed Consolidated Statements of Cash Flows
(Unaudited)
(in millions)

	Six Months Ended June 30, 2009	Six Months Ended June 30, 2008
Cash flows from operating activities		
Net income	$ 162	$ 221
Net (income) expense attributable to noncontrolling interests	1	(1)
Net income attributable to NASDAQ OMX	163	220
Adjustments to reconcile net income to cash provided by operating activities:		
Depreciation and amortization	50	38
Share-based compensation	17	12
Excess tax benefits related to share-based compensation	(3)	(3)
Provision for bad debts	3	—
Gain on early extinguishment of debt	(4)	—
Gain on foreign currency contracts, net	—	(40)
Deferred taxes, net	(35)	(39)
Loss on sale of investment security	5	—
(Income) loss from unconsolidated investees, net	20	(28)
Other non-cash items included in net income	—	3
Net change in operating assets and liabilities, net of effects of acquisitions:		
Receivables, net	(49)	18
Other assets	23	(42)
Accounts payable and accrued expenses	(7)	32
Section 31 fees payable to SEC	64	6
Accrued personnel costs	(65)	(17)
Deferred revenue	80	49
Other accrued liabilities	(46)	18
Other liabilities	8	(7)
Cash provided by operating activities	224	220
Cash flows from investing activities		
Purchases of trading securities	(211)	(26)
Proceeds from sales and redemptions of trading securities	203	—
Proceeds from sale of available-for-sale investment	22	—
Proceeds from sale of equity method investment	54	—
Purchases of foreign currency contracts	—	(13)
Settlement of foreign currency contracts	—	67
Acquisitions of businesses, net of cash and cash equivalents acquired and purchase accounting adjustments	(19)	(1,989)
Purchases of property and equipment	(31)	(27)
Proceeds from sales of property and equipment	1	—
Cash provided by (used in) investing activities	19	(1,988)
Cash flows from financing activities		
Proceeds from contributions of noncontrolling interests	7	—
Proceeds from debt obligations, net of debt issuance costs	—	1,477
Payments of debt obligations	(228)	(353)
Issuances of common stock, net of treasury stock purchases	7	3
Excess tax benefits related to share-based compensation	3	3
Cash provided by (used in) financing activities	(211)	1,130
Effect of exchange rate changes on cash and cash equivalents	13	9
Increase (decrease) in cash and cash equivalents	45	(629)
Cash and cash equivalents at beginning of period	374	1,325
Cash and cash equivalents at end of period	$ 419	$ 696
Supplemental Disclosure Cash Flow Information		
Cash paid for:		
Interest	$ 38	$ 15
Income taxes, net of refund	$ 137	$ 152

See accompanying notes to condensed consolidated financial statements.

The NASDAQ OMX Group, Inc.
Notes to Condensed Consolidated Financial Statements

1. Organization and Nature of Operations

On February 27, 2008, Nasdaq and OMX AB combined their businesses and Nasdaq was renamed The NASDAQ OMX Group, Inc. We are a leading global exchange group that delivers trading, exchange technology, securities listing, and public company services across six continents. Our global offerings are diverse and include trading across multiple asset classes, market data products, financial indexes, capital formation solutions, financial services and market technology products and services. Our technology powers markets across the globe, supporting cash equity trading, derivatives trading, clearing and settlement and many other functions.

In the U.S., we operate The NASDAQ Stock Market, a registered national securities exchange. The NASDAQ Stock Market is the largest electronic cash equity securities market in the world in terms of share value traded. As of June 30, 2009, The NASDAQ Stock Market was home to 2,894 listed companies with a combined market capitalization of approximately $3.1 trillion. In addition, in the U.S. we operate NASDAQ OMX PHLX, which is the third largest U.S. options market, The NASDAQ Options Market, a second options market, NASDAQ OMX BX, a second cash equities trading market, NASDAQ OMX Futures Exchange, or NFX, a futures market, and International Derivatives Clearing Group, or IDCG, a derivatives clearinghouse.

In Europe, we operate exchanges in Stockholm (Sweden), Copenhagen (Denmark), Helsinki (Finland), and Iceland as NASDAQ OMX Nordic and exchanges in Tallinn (Estonia), Riga (Latvia) and Vilnius (Lithuania) as NASDAQ OMX Baltic. In addition, we operate NASDAQ OMX Europe (London), a marketplace for pan-European blue chip securities trading, NASDAQ OMX Commodities (Norway), an offering for trading and clearing commodities, and the Armenian Stock Exchange.

The exchanges that comprise NASADQ OMX Nordic and NASDAQ OMX Baltic offer trading in cash equities, bonds, structured products and ETFs, as well as trading and clearing of derivatives. Our Nordic and Baltic operations also offer alternative marketplaces for smaller companies called NASDAQ OMX First North. As of June 30, 2009, the exchanges within NASDAQ OMX Nordic and NASDAQ OMX Baltic were home to 808 listed companies with a combined market capitalization of approximately $697 billion.

We also operate two registered broker-dealers: Nasdaq Execution Services and NASDAQ Options Services. Nasdaq Execution Services is a wholly-owned subsidiary of The NASDAQ Stock Market. It has no customers, accepts orders from one user, The NASDAQ Stock Market, and currently operates solely as the routing broker for The NASDAQ Stock Market. Nasdaq Execution Services is distinguished from most broker-dealers in that it is a facility of The NASDAQ Stock Market. NASDAQ Options Services is also a wholly-owned subsidiary of The NASDAQ Stock Market. It performs a comparable function to Nasdaq Execution Services with respect to routing of orders from The NASDAQ Options Market.

We manage, operate and provide our products and services in three business segments: Market Services, Issuer Services and Market Technology.

Market Services

Our Market Services segment includes our U.S. and European Transaction Services businesses, as well as our Market Data and Broker Services businesses. We offer trading on multiple exchanges and facilities across several asset classes including equities, derivatives, debt, commodities, structured products and ETFs.

U.S. Transaction Services

In the U.S., we offer trading in equity securities, derivatives and ETFs on The NASDAQ Stock Market, NASDAQ OMX PHLX, The NASDAQ Options Market, NASDAQ OMX BX and NFX. Our transaction-based platforms in the U.S. provide market participants with the ability to access, process, display and integrate orders and quotes for cash equities and derivatives. The platforms allow the routing and execution of buy and sell orders as well as the reporting of transactions for cash equity securities, derivatives and ETFs, providing fee-based revenues.

European Transaction Services

Nordic Transaction Services

The exchanges that comprise NASDAQ OMX Nordic offer trading for equities and bonds and trading and clearing services for derivatives. Our platform allows the exchanges to share the same trading system which enables efficient cross-border trading, cross membership, and one source for Nordic market data.

Cash trading is offered in Nordic securities such as equities and depository receipts, warrants, convertibles, rights, fund units, ETFs, bonds and other interest-related products. NASDAQ OMX Nordic also offers trading in derivatives, such as stock options and futures, index options and futures, fixed-income options and futures and stock loans.

On NASDAQ OMX Stockholm, we offer clearing services for fixed-income options and futures, stock options and futures and index options and futures by serving as the central counterparty, or CCP. In doing so, we guarantee the completion of the transaction and market participants can thereby limit their counterparty risk. We also act as the counterparty for certain over-the-counter, or OTC, contracts. The transactions are reported electronically prior to CCP clearing and we thereby guarantee the completion of the transaction. Following the completion of a transaction, settlement takes place between parties with the exchange of the securities and funds. The transfer of ownership is registered and the securities are stored on the owner's behalf. Settlement and registration of cash trading takes place in Sweden, Finland, Denmark and Iceland via the local central securities depositories.

Baltic Transaction Services

NASDAQ OMX holds a 62% ownership stake in NASDAQ OMX Tallinn (Estonia) and holds a 93% ownership stake in both NASDAQ OMX Riga (Latvia) and NASDAQ OMX Vilnius (Lithuania). In addition, we own the central securities depositories in Estonia and Latvia, and 40% of the central securities depository in Lithuania.

The exchanges that comprise NASDAQ OMX Baltic offer their members trading, clearing, payment and custody services. Issuers, primarily large companies, are offered listing and a distribution network for their securities. The securities traded are mainly equities, bonds and treasury bills. Clearing, payment and custody services are offered through the central securities depositories in Estonia, Latvia and Lithuania. In addition, in Estonia and Latvia, NASDAQ OMX offers registry maintenance of fund units included in obligatory pension funds, and in Estonia, the maintenance of shareholder registers for listed companies. The Baltic central securities depositories offer a complete range of cross-border settlement services.

Pan-European Transaction Services

NASDAQ OMX Europe is a marketplace designed for high performance trading of the most actively traded European stocks. It is the first platform to connect European liquidity pools with pan-European routing. As of June 30, 2009, NASDAQ OMX Europe traded 876 securities including constituents of the main European indices, ETFs and other highly liquid securities.

Commodities Trading and Clearing

NASDAQ OMX Commodities, together with third party partner Nord Pool ASA, provides access to the world's largest power derivatives markets and one of Europe's largest carbon markets. NASDAQ OMX Commodities offers international derivatives and carbon products, operates a clearing business and offers consulting services to commodities markets globally. Nord Pool is responsible for exchange operations and trading activities, including ownership of Nordic derivatives products. NASDAQ OMX Commodities and Nord Pool have 385 members from 22 countries across a wide range of energy producers and consumers, as well as financial institutions. NASDAQ OMX Commodities' offering is designed for banks, brokers, hedge funds and other financial institutions, as well as power utilities, industrial, manufacturing and oil companies. NASDAQ OMX Commodities offers clearing services for energy derivative and carbon product contracts by serving as the CCP. In doing so, we guarantee the completion of the transaction and market participants can thereby limit their counterparty risk. We also act as the counterparty for trades on the OTC derivative market subject to our approval on a case-by-case basis. Trading on the contracts can take place up until the delivery period which can occur over a period of up to six years.

Access Services

We provide market participants with several alternatives for accessing our markets for a fee. We also earn revenues from annual and monthly exchange membership and registration fees.

Market Data

Market Data revenues are earned from U.S. tape plans and proprietary U.S. and European market data products.

Net U.S. Tape Plans

The NASDAQ Stock Market operates as the exclusive Securities Information Processor of the Unlisted Trading Privileges Plan, or the UTP Plan, for the collection and dissemination of best bid and offer information and last transaction information from markets that quote and trade in NASDAQ-listed securities. The NASDAQ Stock Market also is a participant in the UTP Plan and shares in the net distribution of revenue according to the plan on the same terms as the other plan participants. In the role as the Securities Information Processor, The NASDAQ Stock Market collects and disseminates quotation and last sale information for all transactions in NASDAQ-listed securities whether on The NASDAQ Stock Market or other exchanges. We sell this information to market participants and to data distributors which the data distributors then provide to subscribers. After deducting costs associated with acting as an exclusive Securities Information Processor, as permitted under the revenue sharing provision of the UTP Plan, we distribute the tape fees to the respective UTP Plan participants, including The NASDAQ Stock Market, based on a formula required by Regulation NMS that takes into account both trading and quoting activity. In addition, all quotes and trades in New York Stock Exchange, or NYSE-, and NYSE Amex-listed securities are reported and disseminated in real time, and as such, we share in the tape fees for information on NYSE- and NYSE Amex-listed securities.

U.S. Market Data Products

Our market data products enhance transparency and provide critical information to the professional and non-professional marketplace. We collect and process information and earn revenues as a distributor of our market data. We provide varying levels of quote and trade information to market participants and to data distributors, who in turn provide subscriptions for this information. Our systems enable distributors to gain direct access to our market depth, index values, mutual fund valuation, order imbalances, market sentiment and other analytical data. We earn revenues primarily based on the number of data subscribers and distributors of our data.

European Market Data Products

European market data products and services provide critical market transparency to the professional and non-professional investors that participate in European marketplaces, especially NASDAQ OMX Nordic, NASDAQ OMX Baltic and NASDAQ OMX Europe and, at the same time, give investors greater insight into these markets.

Information products and services that are based on the trading information from the exchanges that comprise NASDAQ OMX Nordic and NASDAQ OMX Baltic for three classes of securities: equities, bonds and derivative instruments. We provide varying levels of quote and trade information to market participants and to data distributors, who in turn provide subscriptions for this information. Revenues from European market data are subscription based and are generated primarily based on the number of data subscribers and distributors of our data.

Broker Services

Our Broker Services operations offer technology and customized securities administration solutions to financial participants in the Nordic market and in the United Kingdom. Broker Services provide services through a registered securities company which is regulated by the Swedish and United Kingdom Financial Supervisory Authorities. The primary services include flexible back-office systems, which allow customers to entirely or partly outsource their company’s back-office functions.

We offer customer and account registration, business registration, clearing and settlement, corporate action handling for reconciliations and reporting to authorities. Available services also include direct settlement with the Nordic central securities depositories, real-time updating and communication via the Society for Worldwide Interbank Financial Telecommunication to deposit banks. Revenues are based on a fixed basic fee for back-office brokerage services, such as administration or licensing, maintenance and operations, and a variable portion that depends on the number of transactions completed.

Issuer Services

Our Issuer Services segment includes our Global Listing Services and Global Index Group businesses.

Global Listing Services

Our Global Listing Services business includes our U.S. Listings, European Listings and Corporate Services businesses.

U.S. Listings

In the U.S., companies listed on The NASDAQ Stock Market represent a diverse array of industries including telecommunication services, information technology, financial services, healthcare, consumer products, industrials and energy. There are three types of fees applicable to companies that list on The NASDAQ Stock Market: an annual renewal fee, a listing of additional shares fees and an initial listing fee. Annual renewal fees for securities listed on The NASDAQ Stock Market are based on total shares outstanding. The fee for listing of additional shares is also based on the total shares outstanding, which we review quarterly, and the initial listing fee for securities listed on The NASDAQ Stock Market includes a listing application fee and a total shares outstanding fee.

European Listings

We also offer listings on the exchanges that comprise NASDAQ OMX Nordic and NASDAQ OMX Baltic. Revenues are generated through annual fees paid by companies listed on these exchanges which are measured in terms of the listed company's market capitalization. Our European listing customers are organizations such as companies, funds or governments. Customers issue securities in the forms of equities, depository receipts, warrants, ETFs, convertibles, rights, options, bonds and fixed-income related products.

Corporate Services

In addition, our Global Listing Services business includes revenues generated through our Corporate Services business. Our Corporate Services business provides customer support services, products and programs to companies, including companies listed on our exchanges. Through our Corporate Services offerings, companies gain access to innovative products and services that facilitate transparency, mitigate risk, maximize board efficiency and inspire better corporate governance.

Global Index Group

We develop and license NASDAQ OMX branded indexes, associated derivatives and financial products as part of our Global Index Group. These indexes and products leverage, extend and enhance the NASDAQ OMX brand. License fees for our trademark licenses vary by product based on assets or number or underlying dollar value of contracts issued. In addition to generating licensing revenues, these products, particularly mutual funds and ETFs, lead to increased investments in companies listed on our global exchanges, which enhances our ability to attract new listings. We also license cash-settled options, futures and options on futures on our indexes.

Market Technology

The Market Technology segment delivers technology and services to marketplaces throughout the world. Market Technology provides technology solutions for trading, clearing and settlement, and information dissemination, as well as offering facility management integration and advisory services. Revenues are derived from three primary sources: license, support and project revenues, facility management services revenues and other revenues. License, support and project revenues are derived from the system solutions developed and sold by NASDAQ OMX. After we have developed and sold a system solution, the customer licenses the right to use the software. In addition, license revenues include the amortization of the deferred revenue related to our contribution of technology licenses to NASDAQ Dubai and advisory services. See "The combination with OMX AB and strategic partnership with Borse Dubai Limited," of Note 4, "Acquisitions and Strategic Initiatives in 2008," for further discussion of our transaction with Borse Dubai Limited. Facility management services revenues are derived when NASDAQ OMX assumes responsibility for the continuous operation of a system platform for a customer and receives facility management services revenues. Other revenues include advisory services.

For further discussion of our segments, see Note 16, "Segments."

2. Basis of Presentation and Principles of Consolidation

The condensed consolidated financial statements are prepared in accordance with U.S. generally accepted accounting principles, or U.S. GAAP, and include the accounts of NASDAQ OMX, its wholly-owned subsidiaries and other entities in which NASDAQ OMX has a controlling financial interest. All significant intercompany accounts and transactions have been eliminated in consolidation. We consolidate those entities in which we are the primary beneficiary of a variable-interest entity, or VIE, as defined in Financial Accounting Standards Board, or FASB, Interpretation No. 46(R), "Consolidation of Variable Interest Entities (revised December 2003), an interpretation of Accounting Research Bulletin, or ARB, No. 51 (as amended by SFAS No. 160), or ARB 51," and entities where we have a controlling financial interest in accordance with ARB 51. As of June 30, 2009 and December 31, 2008, we were not the primary beneficiary of any VIE. When NASDAQ OMX is not the primary beneficiary of a VIE or does not have a controlling interest in an entity but exercises significant influence over the entity's operating and financial policies, such investment is accounted for under the equity method of accounting in accordance with Accounting Principles Board, or APB, Opinion No. 18, "The Equity Method of Accounting for Investments in Common Stock," or APB 18.

In accordance with APB 18, for certain equity method investments for which financial information is not sufficiently timely for us to apply the equity method of accounting currently, we record our share of the earnings or losses of an investee from the most recent available financial statements on a lag. See Note 6, “Equity Method Investments,” for further discussion of our equity method investments.

As permitted under U.S. GAAP, certain footnotes or other financial information can be condensed or omitted in the interim condensed consolidated financial statements. The information included in this Quarterly Report on Form 10-Q should be read in conjunction with the consolidated financial statements and accompanying notes included in NASDAQ OMX’s Annual Report on Form 10-K for the fiscal year ended December 31, 2008.

Certain prior year amounts have been reclassified to conform to the current year presentation.

The preparation of condensed consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts and the disclosure of contingent amounts in the condensed consolidated financial statements and accompanying notes. Actual results could differ from those estimates.

Income Taxes

We recognize and measure our unrecognized tax benefits in accordance with FASB Interpretation No. 48, “Accounting for Uncertainty in Income Taxes – an interpretation of FASB Statement No. 109,” or FIN 48. FIN 48 requires management to determine whether a tax position is more likely than not to be sustained upon examination, including resolution of any related appeals or litigation processes, based on the technical merits of the position. Once it is determined that a position meets the recognition thresholds, the position is measured to determine the amount of benefit to be recognized in the condensed consolidated financial statements. Interest and/or penalties related to income tax matters are recognized in income tax expense.

In June 2009, NASDAQ OMX filed an application for an advance tax ruling with the Swedish Tax Council for Advanced Tax Rulings. The application was filed to confirm whether certain interest expense is deductible for Swedish tax purposes under legislation that became effective on January 1, 2009. We expect to receive a favorable response from the Swedish Tax Council for Advance Tax Rulings by our fiscal year end 2009. We recorded the Swedish tax benefit as described above in our condensed consolidated financial statements. In the second quarter of 2009, we recorded a tax benefit of $5 million, or $.02 per diluted share. For the first six months of 2009, we recorded a tax benefit of $9 million, or $.04 per diluted share. We expect to record recurring quarterly tax benefits of $4 million to $5 million with respect to this issue for the foreseeable future.

3. Recent Accounting Pronouncements

Recently Adopted Accounting Pronouncements

SFAS No. 141(R) - On January 1, 2009, we adopted on a prospective basis the provisions of Statement of Financial Accounting Standards, or SFAS, No. 141(R) (revised 2007), “Business Combinations,” or SFAS 141(R), which revised SFAS No. 141, “Business Combinations.”

SFAS 141(R) significantly changed how business acquisitions were accounted for and will impact financial statements both on the acquisition date and in subsequent periods. SFAS 141(R) requires:

- More assets acquired and liabilities assumed to be measured at fair value as of the acquisition date;
- Liabilities related to contingent consideration to be remeasured at fair value in each subsequent reporting period; and
- An acquirer to expense acquisition-related costs (e.g., deal fees for attorneys, accountants, investment bankers).

The adoption of SFAS 141(R) did not have a material impact on our condensed consolidated financial statements as of June 30, 2009.

SFAS No. 160 - On January 1, 2009, we adopted the provisions of SFAS No. 160, “Noncontrolling Interests in Consolidated Financial Statements, an amendment of ARB 51,” or SFAS 160. SFAS 160 changed the accounting and reporting for minority interests, which are now characterized as noncontrolling interests and classified as a component of equity. SFAS 160 requires retroactive adoption of the presentation and disclosure requirements for existing noncontrolling interests. All other requirements of SFAS 160 have been applied prospectively. Noncontrolling interests were $22 million as of June 30, 2009 and $17 million as of December 31, 2008.

SFAS No. 161 - On January 1, 2009, we adopted the provisions of SFAS No. 161, “Disclosures about Derivative Instruments and Hedging Activities, an amendment of FASB Statement No. 133,” or SFAS 161. SFAS 161 expands the disclosure requirements for derivative instruments and hedging activities and specifically requires entities to provide enhanced disclosures concerning:

- How and why an entity uses derivative instruments;

- How derivative instruments and related hedged items are accounted for under SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities," or SFAS 133; and
- How derivative instruments and related hedged items affect an entity's financial position, financial performance and cash flows.

To meet the objectives in SFAS 161, we are required to disclose the following:

- Qualitative disclosures about objectives and strategies for using derivatives by primary underlying risk and by purpose or strategy;
- Quantitative tabular disclosures about statement of financial position location and gross fair value amounts of derivative instruments, statement of financial performance and other comprehensive income location, and amounts of gains and losses on derivative instruments by type of contract (e.g., interest rate contracts or foreign exchange contracts); and
- Disclosures about credit risk-related contingent features and concentrations of credit risk in derivative agreements.

See Note 14, "Derivative Financial Instruments and Hedging Activities," for further discussion.

FASB Staff Position APB No. 14-1 - In May 2008, the FASB issued FASB Staff Position, or FSP, APB No. 14-1, "Accounting for Convertible Debt Instruments That May Be Settled in Cash Upon Conversion," or FSP APB 14-1. FSP APB 14-1 requires us to separately account for the liability and equity components of a convertible debt instrument in a manner that reflects our nonconvertible debt borrowing rate when interest cost is recognized in subsequent periods. FSP APB 14-1 requires bifurcation of a component of the debt, classification of that component in equity and then accretion of the resulting discount on the debt as part of interest expense being reflected in the income statement.

On January 1, 2009, we adopted the provisions of FSP APB 14-1 which are applicable to our 2.50% convertible senior notes due 2013. We have adjusted all periods presented to reflect the reclassification of a portion of the carrying value from debt to equity and the accretion of the debt discount as part of interest expense. The incremental effect of adopting the provisions of FSP APB 14-1 on our Condensed Consolidated Statements of Income was additional interest expense of $3 million for the three months ended June 30, 2008 and $4 million for the six months ended June 30, 2008. The resulting tax benefit was $1 million for the three months ended June 30, 2008 and $2 million for the six months ended June 30, 2008. The incremental effects of adopting the provisions of FSP APB 14-1 on our Condensed Consolidated Balance Sheets at December 31, 2008 are presented in the following table (in millions).

	Before Adoption of FSP APB 14-1	Effect of Adopting FSP APB 14-1	After Adoption of FSP APB 14-1
Deferred tax liabilities	$ 14	$ 5	$ 19
Non-current deferred tax liabilities	672	24	696
Total debt obligations	2,598	(74)[1]	2,524
Total liabilities	8,494	(45)	8,449
Additional paid-in capital	3,518	51[2]	3,569
Retained earnings	1,350	(6)	1,344
Total NASDAQ OMX stockholders' equity	4,241	45	4,286

(1) As of December 31, 2008, the unamortized debt discount on the convertible debt included in debt obligations in the Condensed Consolidated Balance Sheets was $74 million. This amount will be accreted as part of interest expense through the maturity date of the convertible debt of August 15, 2013.

(2) As of December 31, 2008, the equity component of the convertible debt included in additional paid-in capital in the Condensed Consolidated Balance Sheets was $51 million. This amount is calculated as follows: $85 million of excess principal of the convertible debt over the carrying amount less $34 million of deferred taxes. The deferred tax liability is determined by multiplying the $85 million of excess principal of the convertible debt over the carrying amount by the U.S. marginal tax rate of 39.55%.

See Note 8, "Debt Obligations," for further discussion of our 2.50% convertible senior notes.

FASB Staff Position No. 107-1 - In April 2009, the FASB issued FSP No. 107-1, "Interim Disclosures about Fair Value of Financial Instruments," or FSP 107-1, which amends SFAS No. 107, "Disclosures about Fair Value of Financial Instruments," to require disclosures about fair value of financial instruments in interim as well as in annual financial statements. FSP 107-1 was effective for us in our interim financial reporting period ended June 30, 2009. The adoption of FSP 107-1 did not have a material impact on our financial position, results of operations, and disclosures. The additional disclosures required by FSP 107-1 are included in Note 13, "Fair Value of Financial Instruments."

SFAS No. 165 - In May 2009, the FASB issued SFAS No. 165, "Subsequent Events," or SFAS 165, which provides guidance to establish general standards of accounting for and disclosures of events that occur after the balance sheet date but before financial statements are issued or are available to be issued. SFAS 165 also requires entities to disclose the date through which subsequent events were evaluated as well as the basis for why that date was selected. SFAS 165 is effective prospectively for interim and annual financial reporting periods ending after June 15, 2009. SFAS 165 was effective for us in our interim financial reporting period ended June 30, 2009. We have evaluated our subsequent events through August 7, 2009, the issuance date of this Quarterly Report on Form 10-Q for the fiscal quarter ended June 30, 2009, and have determined that there were no significant subsequent events. The adoption of SFAS 165 did not have a material impact on our financial position, results of operations, and disclosures.

Recently Issued Accounting Pronouncements

FASB Staff Position No. 132(R)-1 - In December 2008, the FASB issued FSP No. 132(R)-1, "Employers' Disclosures about Postretirement Benefit Plan Assets," or FSP 132(R)-1. FSP 132(R)-1 requires that information about plan assets be disclosed, on an annual basis, based on the fair value disclosure requirements of SFAS No. 157, "Fair Value Measurements," or SFAS 157, as amended by FSP No. 157-2, "Effective Date of FASB Statement No. 157," or FSP 157-2. We will be required to separate plan assets into the three fair value hierarchy levels and provide a rollforward of the changes in fair value of plan assets classified as Level 3, if any. For further information on the three fair value hierarchy levels, see Note 13, "Fair Value of Financial Instruments." FSP 132(R)-1 will be effective for NASDAQ OMX's fiscal year end 2009. Since FSP 132(R)-1 requires only additional disclosures about our pension and other post-retirement benefit plan assets, the adoption of FAS 132(R)-1 will not affect our financial position or results of operations.

FASB Accounting Standards Codification - In June 2009, the FASB approved the FASB Accounting Standards Codification, or Codification, as the single source of authoritative nongovernmental U.S. GAAP, which was effective on July 1, 2009. The Codification does not change current U.S. GAAP, but is intended to simplify user access to all authoritative U.S. GAAP by providing all the authoritative literature related to a particular topic in one place. All existing accounting standard documents will be superseded and all other accounting literature not included in the Codification will be considered nonauthoritative. The Codification is effective for interim and annual periods ending after September 15, 2009. The Codification is effective for us during our interim period ending September 30, 2009 and will not have an impact on our financial condition or results of operations. We are currently evaluating the impact to our financial reporting process of providing Codification references in our public filings.

4. Acquisitions and Strategic Initiatives in 2008

During 2008, we completed the following acquisitions and strategic initiatives:

The combination with OMX AB and strategic partnership with Borse Dubai Limited. On February 27, 2008, Nasdaq and OMX AB combined their businesses pursuant to an agreement with Borse Dubai Limited, a Dubai company, or Borse Dubai. The purchase price of OMX AB was $4.4 billion, consisting of an equity component and a cash component. Our business combination with OMX AB created a premier global exchange company, bringing together complementary businesses, diversifying our operations, enhancing our existing product offerings and solidifying our leadership in global exchange technology.

Concurrently with the business combination with OMX AB, we also acquired 33 1/3% of the equity of the Dubai International Financial Exchange, or DIFX, in exchange for a contribution of $50 million in cash and the entry into certain technology and trademark licensing agreements. DIFX, which has been renamed NASDAQ Dubai, is an international financial exchange serving the region between Western Europe and East Asia. In November 2008, we listed our common stock on NASDAQ Dubai.

The acquisition of the Philadelphia Stock Exchange. In July 2008, we completed our acquisition of PHLX, expanding our presence in the derivatives market. The acquisition of PHLX provided us with the third largest options market in the U.S. and with increased exposure to a fast growing asset class and diversification into an area adjacent to our core equity trading business. PHLX, renamed NASDAQ OMX PHLX, Inc., operates as a distinct market alongside The NASDAQ Options Market, our options platform that was launched in March 2008. With the acquisition of PHLX and the launch of The NASDAQ Options Market, we have substantially increased our footprint in global derivatives.

The acquisition of the Boston Stock Exchange. We completed our acquisition of the Boston Stock Exchange, Incorporated, or BSX, in August 2008. The BSX acquisition provided us with an additional license for trading both equities and options and a clearing license. We used the BSX license to create a second U.S. cash equities market, called NASDAQ OMX BX, which was launched in January 2009. With NASDAQ OMX BX, we offer a second quote within the U.S. equities marketplace, providing our customers enhanced trading choices and price flexibility. We have been able to leverage our INET trading system, which runs The NASDAQ Stock Market, to operate NASDAQ OMX BX, providing customers an additional fast and efficient cash equities market.

The acquisition of certain businesses from Nord Pool ASA. In October 2008, we acquired Nord Pool ASA's clearing, international derivatives and consulting subsidiaries. As a result of the acquisition, we launched NASDAQ OMX Commodities, which offers energy and carbon derivatives products. NASDAQ OMX Commodities, together with third party partner Nord Pool, provides access to the world's largest power derivatives markets and one of Europe's largest carbon markets.

The acquisition of a majority interest in International Derivatives Clearing Group. In December 2008, we acquired a majority interest in IDCG, and IDCG became an independently operated subsidiary of NASDAQ OMX. IDCG, through its clearinghouse subsidiary, International Derivatives Clearinghouse, LLC, operates a central clearinghouse that has been granted approval by the U.S. Commodity Futures Trading Commission to clear and settle interest rate swap futures contracts and other fixed income derivatives contracts. NFX is serving as the designated contract market for trading of these interest rate swap products. In June 2009, The Bank of New York Mellon Corporation made a strategic noncontrolling investment in IDCG.

Investment in Agora-X. During 2008, we acquired a 20% aggregate equity interest in Agora-X, LLC (13.3% in March 2008 and an additional 6.7% in December 2008) which is accounted for under the equity method of accounting. Agora-X has launched an electronic communications network designed to enable institutional traders to efficiently negotiate OTC transactions in agricultural swaps and swaptions, as well as swaps and options on ethanol. The platform provides a more liquid and transparent marketplace for price discovery and negotiation.

The financial results of each acquisition and strategic initiative are included in our condensed consolidated financial statements from the date of each acquisition and strategic initiative.

Pro Forma Results

The condensed consolidated financial statements for the three and six months ended June 30, 2009 include the financial results of OMX AB, PHLX, BSX, certain businesses of Nord Pool, IDCG and Agora-X. Unaudited pro forma combined historical results for the three and six months ended June 30, 2008 are included in the table below. The unaudited pro forma combined results for the three months ended June 30, 2008 include the historical Condensed Consolidated Statements of Income of NASDAQ OMX and PHLX giving effect to the PHLX acquisition as if it had occurred at the beginning of the period presented. The historical results for the three months ended June 30, 2008 have not been adjusted for the OMX AB business combination as this transaction occurred on February 27, 2008, and therefore, is already included in the financial results. The unaudited pro forma combined results for the six months ended June 30, 2008 include the historical Condensed Consolidated Statements of Income of Nasdaq, OMX AB and PHLX giving effect to the OMX AB business combination and PHLX acquisition as if they had occurred at the beginning of the period presented. As stated above, we also acquired BSX in August 2008, certain businesses of Nord Pool in October 2008, IDCG in December 2008 and a 20% equity interest in Agora-X during 2008, but have not included their results prior to their respective acquisition dates in these pro forma results as these acquisitions were not considered significant.

	Three Months Ended June 30, 2008	Six Months Ended June 30, 2008
	(in millions, except per share amounts)	
Revenues	$ 865	$ 1,825
Revenues less liquidity rebates, brokerage, clearance and exchange fees	420	839
Net income	101	215
Net income attributable to NASDAQ OMX	100	214
Basic earnings per share	$ 0.50	$ 1.07
Diluted earnings per share	$ 0.47	$ 1.00

The pro forma results for the three months ended June 30, 2008 primarily include adjustments for amortization of the intangible assets acquired in the acquisition of PHLX, the elimination of PHLX's non-recurring expenses related to the acquisition, additional interest expense on our credit facilities and related tax adjustments.

The pro forma results for the six months ended June 30, 2008 primarily include adjustments for amortization of the intangible assets acquired in the business combination with OMX AB, the elimination of OMX AB's historical amortization expense, additional interest expense on our credit facilities and the 2.50% convertible senior notes, elimination of OMX AB's historical interest expense related to OMX AB's debt that was refinanced, elimination of interest income related to the net cash received from the sale of our investment in the London Stock Exchange Group plc, elimination of the non-recurring gain on the contribution of the Nasdaq trade name in the NASDAQ Dubai transaction discussed above, the adjustments related to the PHLX acquisition described above and related tax adjustments.

5. Goodwill and Purchased Intangible Assets

Goodwill

The following table presents the changes in goodwill by business segment during the six months ended June 30, 2009:

	Market Services	Issuer Services	Market Technology	Total
		(in millions)		
Balance at December 31, 2008	$4,159	$ 255	$ 78	$4,492
Purchase accounting adjustments	34	1	9	44
Foreign currency translation adjustment	48	3	4	55
Balance at June 30, 2009	$4,241	$ 259	$ 91	$4,591

The purchase accounting adjustments for Market Services primarily consist of a reduction in the fair value of certain assets acquired, additional working capital adjustments, severance costs and additional sublease loss reserves related to the PHLX acquisition. The purchase accounting adjustments for Market Technology, which were made in the first quarter of 2009, consist of changes in estimates of customer contracts and technology write-downs related to the business combination with OMX AB. Goodwill is allocated to the reporting units based on the assignment of the fair values of each reporting unit of the acquired company. In the first quarter of 2009, we finalized the allocation of the purchase price for the OMX AB business combination. The purchase price allocation for our other 2008 acquisitions discussed in Note 4, “Acquisitions and Strategic Initiatives in 2008,” will be finalized within one year from the acquisition dates.

As of June 30, 2009, the amount of goodwill that is expected to be deductible for tax purposes in future periods is $122 million. Our methodology for allocating the purchase price relating to purchase acquisitions is determined through established valuation techniques. Goodwill is measured as the excess of the cost of an acquisition over the sum of the amounts assigned to tangible and identifiable intangible assets acquired less liabilities assumed. We perform goodwill impairment tests on an annual basis and between annual tests in certain circumstances for each reporting period. We considered the need to update our most recent annual goodwill impairment test as of June 30, 2009 and concluded that there were no impairment indicators that triggered a revised impairment analysis. As such, we believe the assumptions used during the year end assessment remained appropriate. There was no impairment of goodwill for the six months ended June 30, 2009 and 2008. Although there is no impairment as of June 30, 2009, events such as continued economic weakness and unexpected significant declines in operating results of reporting units, may result in our having to perform a goodwill impairment test for some or all of our reporting units prior to the required annual assessment. These types of events and the resulting analysis could result in goodwill impairment charges in the future.

Purchased Intangible Assets

The following table presents details of our total purchased intangible assets, both finite- and indefinite-lived:

	June 30, 2009				December 31, 2008			
	Gross Carrying Amount	Accumulated Amortization (in millions)	Net Intangible Assets	Weighted-Average Useful Life (in Years)	Gross Carrying Amount	Accumulated Amortization (in millions)	Net Intangible Assets	Weighted-Average Useful Life (in Years)
Finite-Lived Intangible Assets								
Technology	$ 65	$ (30)	$ 35	4	$ 82	$ (37)	$ 45	4
Customer relationships	814	(89)	725	21	818	(76)	742	22
Other	5	(2)	3	9	7	(3)	4	7
Foreign currency translation adjustment	(87)	7	(80)		(94)	—	(94)	
Total Finite-Lived Intangible Assets	$ 797	$ (114)	$ 683		$ 813	$ (116)	$ 697	
Indefinite-Lived Intangible Assets								
Exchange and clearing registrations	$ 790	$ —	$ 790		$ 790	$ —	$ 790	
Trade names	173	—	173		173	—	173	
Licenses	76	—	76		76	—	76	
Foreign currency translation adjustment	(141)	—	(141)		(153)	—	(153)	
Total Indefinite-Lived Intangible Assets	$ 898	$ —	$ 898		$ 886	$ —	$ 886	
Total Intangible Assets	$ 1,695	$ (114)	$ 1,581		$ 1,699	$ (116)	$ 1,583	

Amortization expense for purchased finite-lived intangible assets was $14 million for the three months ended June 30, 2009 and $28 million for the six months ended June 30, 2009 compared to $11 million for the three months ended June 30, 2008 and $20 million for the six months ended June 30, 2008. The increase from the three months ended June 30, 2008 to the three months ended June 30, 2009 was primarily due to intangible asset amortization expense on identifiable finite-lived intangible assets purchased in connection with the acquisitions of PHLX and certain businesses of Nord Pool from the date of each acquisition. The increase from the six months ended June 30, 2008 to the six months ended June 30, 2009 was primarily due to intangible asset amortization expense on identifiable finite-lived intangible assets purchased in connection with the OMX AB business combination and the acquisitions of PHLX and certain businesses of Nord Pool from the date of each acquisition.

The estimated future amortization expense (excluding the impact of future foreign exchange rate changes) of purchased intangible assets as of June 30, 2009 is as follows:

	(in millions)
2009[1]	$ 31
2010	58
2011	46
2012	43
2013	43
2014 and thereafter	542
Total	$ 763

(1) Represents the estimated amortization to be recognized for the remaining six months of 2009.

6. Equity Method Investments

The equity method of accounting is used when we own less than 50% of the outstanding voting stock, but exercise significant influence over the operating and financial policies of a company.

We have $144 million of equity interest in our equity method investments, which consists primarily of an equity interest in NASDAQ Dubai, included in other assets in the Condensed Consolidated Balance Sheets as of June 30, 2009. During the second quarter of 2009, we made a strategic decision to sell our investment in Orc Software AB, or Orc, demonstrating our intent to no longer hold this investment. We sold our shares in Orc, representing 25.25% of the share capital of Orc to a group of Swedish and other international investors for $54 million in cash. As a result of the sale, we recognized a $19 million loss, which is net of costs directly related to the sale, primarily broker fees. The loss is included in income (loss) from unconsolidated investees, net in the Condensed Consolidated Statements of Income.

Income (loss) from unconsolidated investees, net was a net loss of $18 million for the three months ended June 30, 2009 and a net loss of $20 million for the six months ended June 30, 2009, primarily due to the sale of Orc shares. Income from unconsolidated investees, net was $1 million for the three months ended June 30, 2008 and $28 million for the six months ended June 30, 2008. The net income in the first six months of 2008 of $28 million primarily relates to the NASDAQ Dubai transaction. We contributed intangible assets and $50 million in cash to NASDAQ Dubai in exchange for a 33 1/3% equity ownership in NASDAQ Dubai. One of the intangible assets contributed was the Nasdaq trade name, which had a zero carrying value on Nasdaq’s books and records prior to the transfer. As a result, we recognized a $26 million gain for the difference between Nasdaq’s carrying value and the fair value of the contributed asset on this non-monetary exchange. Income (loss) recognized from our equity method investments is included in income (loss) from unconsolidated investees, net in the Condensed Consolidated Statements of Income.

NASDAQ Dubai is a related party, as NASDAQ Dubai is primarily owned by Borse Dubai, our largest stockholder.

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7. Deferred Revenue

At June 30, 2009, we have estimated that our deferred revenue, primarily related to Global Listing Services and Market Technology fees, will be recognized in the following years:

	Initial Listing Fees	Listing of Additional Shares Fees	Annual Renewal Fees and Other (in millions)	Market Technology[2]	Total
Fiscal year ended:					
2009 [1]	$ 10	$ 17	$ 91	$ 26	$144
2010	16	27	1	22	66
2011	12	17	—	20	49
2012	7	8	—	20	35
2013	3	1	—	20	24
2014 and thereafter	1	—	—	15	16
	$ 49	$ 70	$ 92	$ 123	$334

(1) Represents deferred revenue that is anticipated to be recognized over the remaining six months of 2009.

(2) The timing of recognition of our deferred Market Technology revenues is dependent upon when significant modifications are made pursuant to existing contracts. As such, as it relates to these fees, the timing represents our best estimate.

Our deferred revenue for the six months ended June 30, 2009 and 2008 is reflected in the following table.

	Initial Listing Fees	Listing of Additional Shares Fees	Annual Renewal Fees and Other (in millions)	Market Technology	Total
Balance at January 1, 2009	$ 57	$ 74	$ 22	$ 100	$ 253
Additions[1]	2	15	156	28	201
Amortization[1]	(10)	(19)	(86)	(7)	(122)
Translation adjustment	—	—	—	2	2
Balance at June 30, 2009	$ 49	$ 70	$ 92	$ 123	$ 334
Balance at January 1, 2008	$ 71	$ 79	$ 4	$ —	$ 154
Additions[2]	4	21	176	101	302
Amortization	(11)	(21)	(88)	(18)	(138)
Balance at June 30, 2008	$ 64	$ 79	$ 92	$ 83	$ 318

(1) The 2009 additions and amortization primarily reflect Issuer Services revenues from U.S. listing fees.

(2) Includes OMX's beginning balances since the date of the business combination, as well as Market Technology deferred revenue related to the contribution of technology licenses to NASDAQ Dubai.

Market Technology deferred revenues include revenues from delivered client contracts in the support phase charged during the period. Under contract accounting, where customization and significant modifications to the software are made to meet the needs of our customers, total revenues as well as costs incurred, are deferred until significant modifications are completed and delivered. Once delivered, deferred revenue and the related deferred costs are recognized over the post contract support period. We have included the deferral of costs in other assets in the Condensed Consolidated Balance Sheets. The amortization of Market Technology deferred revenue includes revenues earned from the technology licenses contributed to NASDAQ Dubai and from client contracts recognized during the period in accordance with U.S. GAAP.

8. Debt Obligations

The following table presents the changes in our debt obligations during the six months ended June 30, 2009:

	December 31, 2008	Additions	Payments, Conversions, Accretion and other (in millions)	June 30, 2009
3.75% convertible notes due October 22, 2012 (net of discount)	$ 119	$ —	$ —	$ 119
2.50% convertible senior notes due August 15, 2013[1] [2]	401	—	(33)	368
$2,000 million senior secured term loan facility credit agreement due February 27, 2013 (average interest rate of 3.09%[3] for the six months ended June 30, 2009)	1,925	—	(113)	1,812

	December 31, 2008	Additions	Payments, Conversions, Accretion and other	June 30, 2009
		(in millions)		
Debt obligations assumed from the Nord Pool transaction[4]	79	—	(63)	16
Total debt obligations	2,524	—	(209)	2,315
Less current portion	(225)	—	—	(225)
Total long-term debt obligations	$ 2,299	$ —	$ (209)	$2,090

(1) As adjusted for FSP APB 14-1. For further discussion, see "Adoption of FSP APB 14-1," of "2.50% Convertible Senior Notes" below.

(2) The decrease of $33 million is comprised of the repurchase of $47 million principal amount of the notes (cash payment of $40 million), offset by accretion of debt discount of $7 million as well as a $7 million reduction in the unamortized debt discount due to the early extinguishment of these notes. For further discussion, see "Adoption of FSP APB 14-1" and "Early Extinguishment of Debt," of "2.50% Convertible Senior Notes" below.

(3) In 2008, $200 million was swapped to fixed rate using float-to-fixed interest rate swaps. For the six months ended June 30, 2009, taking into account these swaps, the average effective interest rate on this debt was 3.09%. For further discussion, see "Interest Rate Swaps," of Credit Facilities below.

(4) Our debt obligations assumed in the Nord Pool transaction are denominated in NOK and totaled 550 million NOK at December 31, 2008, of which 450 million NOK was a vendor note issued to the previous owners of Nord Pool and 100 million NOK was subordinated debt. In the second quarter of 2009 we paid in full the vendor note of 450 million NOK, or $71 million. The decrease of $63 million is comprised of the $71 million payment, partially offset by foreign currency translation adjustments.

3.75% Convertible Notes

The 3.75% convertible notes were originally issued to Hellman & Friedman, or H&F, ($300 million), Silver Lake Partners, or SLP, ($141 million) and other holders ($4 million) in order to finance the acquisition of INET. These notes were convertible into our common stock at a price of $14.50 per share, representing 30,689,655 shares subject to adjustment, in general for any stock split, dividend, combination, recapitalization or similar event. We also issued warrants to purchase shares of our common stock at a price of $14.50 per share to H&F (3,400,000 shares), SLP (1,523,325 shares) and other holders (39,175 shares). The warrants became exercisable on April 22, 2006 and expired on December 8, 2008. During 2007, H&F converted all of their 3.75% convertible notes into common stock and exercised all of their outstanding warrants prior to expiration. During 2007 and 2008, SLP and other holders converted a portion of their 3.75% convertible notes into common stock and exercised all of their outstanding warrants prior to expiration. As of June 30, 2009 and December 31, 2008 approximately $120 million ($119 million related to SLP and $1 million related to other holders) in aggregate principal amount of the 3.75% convertible notes remained outstanding.

On an as-converted basis at June 30, 2009, SLP owned an approximate 4.0% equity interest in us as a result of its ownership of $119 million in aggregate principal amount of the 3.75% convertible notes, which are convertible into 8,177,715 shares of our common stock. We have registered for resale the shares underlying SLP's and the other holders' notes on a Form S-3 registration statement.

2.50% Convertible Senior Notes

During the first quarter of 2008, in connection with the business combination with OMX AB, we completed the offering of $475 million aggregate principal amount of 2.50% convertible senior notes due 2013. The interest rate on the notes is 2.50% per annum payable semi-annually in arrears on February 15 and August 15, beginning August 15, 2008. The notes will mature on August 15, 2013.

The notes are convertible in certain circumstances specified in the indenture for the notes. Upon conversion, holders will receive, at the election of NASDAQ OMX, cash, common stock or a combination of cash and common stock. It is our current intent and policy to settle the principal amount of the notes in cash. The conversion rate will initially be 18.1386 shares of common stock per $1,000 principal amount of notes, which is equivalent to a conversion price of approximately $55.13 per share of common stock. At June 30, 2009, the 2.50% convertible senior notes are convertible into 7,757,283 shares of our common stock, subject to adjustment upon the occurrence of specified events. Subject to certain exceptions, if we undergo a "fundamental change" as described in the indenture, holders may require us to purchase their notes at a price equal to 100% of the principal amount of the notes, plus accrued and unpaid interest.

Adoption of FSP APB 14-1

On January 1, 2009, we adopted FSP APB 14-1 which is applicable to our 2.50% convertible senior notes since the settlement structure of the notes permits settlement in cash upon conversion. FSP APB 14-1 requires us to separately account for the liability and equity components of the convertible debt in a manner that reflects our nonconvertible debt borrowing rate when interest cost is recognized in subsequent periods. FSP APB 14-1 requires bifurcation of a component of the debt, classification of that component in equity and then accretion of the resulting discount on the debt as part of interest expense being reflected in the income statement. FSP APB 14-1 requires retrospective application to all periods presented. See "FASB Staff Position APB No. 14-1," of Note 3, "Recent Accounting Pronouncements," for the incremental effects of adopting FSP APB 14-1.

The changes in the liability and equity components of our 2.50% convertible senior notes during the six months ended June 30, 2009 are as follows:

	Liability Component (in millions)			Equity Component (in millions)		
	Principal Balance	Unamortized Debt Discount	Net Carrying Amount	Gross Equity Component	Deferred Tax	Net Equity Component
December 31, 2008	$ 475	$ 74	$ 401	$ 85	$ 34	$ 51
Accretion of debt discount	—	(7)	7	—	—	—
Early extinguishment of debt	(47)	(7)	(40)	(4)	(2)	(2)
June 30, 2009	$ 428	$ 60	$ 368	$ 81	$ 32	$ 49

The unamortized debt discount on the convertible debt as of June 30, 2009 was $60 million and is included in debt obligations in the Condensed Consolidated Balance Sheets. This amount will be accreted as part of interest expense through the maturity date of the convertible debt of August 15, 2013. Interest expense recognized in the Condensed Consolidated Statements of Income for the three months ended June 30, 2009 was $6 million and is comprised of $3 million of accretion of debt discount and $3 million of contractual interest. Interest expense recognized in the Condensed Consolidated Statements of Income for the six months ended June 30, 2009 was $13 million and is comprised of $7 million of accretion of debt discount and $6 million of contractual interest. The effective annual interest rate on the 2.50% convertible notes was 6.53% for the three and six months ended June 30, 2009, which includes the accretion of the debt discount in addition to the annual contractual interest rate of 2.50%.

As of June 30, 2009, the equity component of the convertible debt included in additional paid-in capital in the Condensed Consolidated Balance Sheets was $49 million. This amount is calculated as follows: $81 million of excess principal of the convertible debt over the carrying amount less $32 million of deferred taxes. The deferred tax liability is determined by multiplying the $81 million of excess principal of the convertible debt over the carrying amount by the U.S. marginal tax rate of 39.55%.

Early Extinguishment of Debt

In 2009, we repurchased $47 million principal amount of the 2.50% convertible senior notes for a cash payment of $40 million. For the first six months of 2009, we recognized a pre-tax gain on the early extinguishment of debt of $4 million (net of debt issuance and other costs of $0.8 million) which is recorded in general, administrative and other expense in the Condensed Consolidated Statements of Income. The aggregate principal amount outstanding on these notes as of December 31, 2008 was $475 million, excluding the unamortized debt discount of $74 million. As a result of the $47 million repurchase, the remaining aggregate principal amount outstanding on these notes as of June 30, 2009 was $428 million. See "Adoption of FSP APB 14-1" above for further discussion.

Debt Issuance Costs

In 2008, in conjunction with the issuance of the 2.50% convertible senior notes, we incurred debt issuance costs of $10 million. These costs, which are capitalized and included in other assets in the Condensed Consolidated Balance Sheets, are being amortized over the life of the debt obligation. In connection with the early extinguishment of a portion of these notes, we recorded a pre-tax charge of $0.4 million in the second quarter 2009 and $0.8 million in the first six months of 2009 for debt issuance costs. See "Early Extinguishment of Debt" above for further discussion. Amortization expense, which was recorded as additional interest expense for these costs, was immaterial for the three months ended June 30, 2009 and 2008, and $1 million for the six months ended June 30, 2009 and 2008.

Credit Facilities

In connection with the business combination with OMX AB, on February 27, 2008, NASDAQ OMX entered into a credit agreement which provides for up to $2,075 million of senior secured loans, which include (i) a five-year, $2,000 million senior secured term loan facility, or the Term Loan Facility, which consists of (a) a $1,050 million term loan facility allocated to the OMX AB business combination; (b) a $650 million term loan facility allocated to the acquisition of PHLX, and (c) a $300 million term loan facility allocated to the Nord Pool transaction, and (ii) a five-year, $75 million senior secured revolving credit facility, with a letter of credit subfacility and swingline loan subfacility, or the Revolving Credit Facility, and together with the Term Loan Facility, the Credit Facilities. The Revolving Credit Facility was undrawn as of June 30, 2009.

In addition, NASDAQ OMX may request that prospective additional lenders under the Credit Facilities agree to make available incremental term loans and incremental revolving commitments from time to time in an aggregate amount not to exceed $200 million.

In addition to financing the business combination with OMX AB, the acquisition of PHLX and the Nord Pool transaction, we used the debt financing under the Credit Facilities to pay fees and expenses incurred in connection with such transactions and repay certain indebtedness of OMX AB.

Borrowings under the Credit Facilities (other than swingline loans) bear interest at (i) the base rate (the higher of the prime rate announced by the Bank of America, N.A, and the federal funds effective rate plus 0.50%), plus an applicable margin, or (ii) the LIBO rate (set by the British Bankers Association LIBOR Rate), plus an applicable margin. The interest rate on swingline loans made under the Credit Facilities is the base rate, plus an applicable margin.

NASDAQ OMX's obligations under the Credit Facilities (i) are guaranteed by each of the existing and future direct and indirect material wholly-owned domestic subsidiaries of NASDAQ OMX, subject to certain exceptions, and (ii) are secured, subject to certain exceptions, by all the capital stock of each of our present and future subsidiaries (limited, in the case of foreign subsidiaries, to 65.0% of the voting stock of such subsidiaries) and all of the present and future property and assets (real and personal) of NASDAQ OMX and the guarantors.

The Credit Facilities contain customary negative covenants applicable to NASDAQ OMX and its subsidiaries, including the following:

- limitations on the payment of dividends and redemptions of NASDAQ OMX's capital stock;
- limitations on changes in NASDAQ OMX's business;
- limitations on amendment of subordinated debt agreements;
- limitations on prepayments, redemptions and repurchases of debt;
- limitations on liens and sale-leaseback transactions;
- limitations on business combinations, recapitalizations, acquisitions and asset sales;
- limitations on transactions with affiliates;
- limitations on restrictions on liens and other restrictive agreements; and
- limitations on loans, guarantees, investments, incurrence of debt and hedging arrangements.

In addition, the Credit Facilities contain financial covenants, specifically, maintenance of a minimum interest expense coverage ratio and a maximum total leverage ratio, as defined in the Credit Facilities.

The Credit Facilities also contain customary affirmative covenants, including access to financial statements, notice of defaults and certain other material events, maintenance of business and insurance, and events of default, including cross-defaults to our material indebtedness.

NASDAQ OMX is permitted to repay borrowings under the Credit Facilities at any time in whole or in part, without penalty. We also are required to repay loans outstanding under the Credit Facilities (i) with net cash proceeds from sales of property and assets of NASDAQ OMX and its subsidiaries (excluding inventory sales and other sales in the ordinary course of business) and casualty and condemnation proceeds, in each case subject to exceptions and thresholds to be agreed and subject to reinvestment rights; (ii) with net cash proceeds from the issuance or incurrence of additional indebtedness other than indebtedness permitted by the Credit Facilities; and (iii) with a percentage of our excess cash flow, and the percentage of such excess cash flow required to be used for repayments varies depending on our leverage ratio at the end of the year for which cash flow is calculated, with the maximum repayment percentage set at 50.0% of excess cash flow.

Principal Amortization Payment

As required under our Credit Facility, in 2009, we repaid a principal amount of $113 million.

Interest Rate Swaps

Under the provisions of our Credit Facilities, we are required to maintain approximately 30% of our debt structure on a fixed rate basis for two years from the date of the credit agreement. As such, in August 2008, we entered into interest rate swap agreements that effectively converted $200 million of funds borrowed under our Credit Facilities, which is floating rate debt, to a fixed rate basis through August 2011. The interest rate swaps were fixed to a base rate of 3.73% plus the current credit spread of 200 basis points as of June 30, 2009. The credit spread (not to exceed 200 basis points) is subject to change based upon the leverage ratio in accordance with the Credit Facilities. See "Cash Flow Hedges," of Note 14, "Derivative Financial Instruments and Hedging Activities," for further discussion.

Debt Issuance Costs

In 2008, in conjunction with our Credit Facilities, we incurred debt issuance costs of $44 million. These costs, which are capitalized and included in other assets in the Condensed Consolidated Balance Sheets, are being amortized over the life of the debt obligation. Amortization expense which was recorded as additional interest expense for these costs was $2 million for both the three months ended June 30, 2009 and 2008, $4 million for the six months ended June 30, 2009 and $3 million for the six months ended June 30, 2008.

Other Credit Facilities

We have other credit facilities related to our clearinghouses in order to meet liquidity and regulatory requirements. These credit facilities, which are available in multiple currencies, primarily Swedish Krona and U.S. dollar, totaled $501 million ($238 which is available to be pledged as collateral and $263 to satisfy regulatory requirements), of which $0.4 million was drawn at June 30, 2009. At December 31, 2008 these facilities totaled $246 million, of which $4 million was drawn. Amounts drawn were included in other accrued liabilities in the Condensed Consolidated Balance Sheets.

Debt Covenants

At June 30, 2009, we were in compliance with the covenants of all of our debt obligations.

9. Employee Benefits

We maintain a non-contributory, defined-benefit pension plan named The NASDAQ OMX Group, Inc. Pension Plan, or Pension Plan, and a non-qualified supplemental executive retirement plan, or SERP, for certain senior executives and other benefit plans for eligible employees in the U.S., or collectively, the NASDAQ OMX Benefit Plans.

We also provide subsidized medical benefits to a closed group of retirees and their eligible dependents, as well as life insurance in the fixed amount of $5,000, to all retirees who meet eligibility requirements through our post-retirement benefit plans.

Benefit Plans Assumed from PHLX

Upon completion of our acquisition of PHLX on July 24, 2008, we assumed the obligations related to a non-contributory, defined-benefit pension plan, named the NASDAQ OMX PHLX, Inc. Employees' Pension Plan, or the NASDAQ OMX PHLX Pension Plan, a supplemental executive retirement plan named the NASDAQ OMX PHLX, Inc. SERP, or the NASDAQ OMX PHLX SERP, for certain key executives and a post-retirement benefit plan, which provides certain health care and life insurance benefits for retired employees, referred to collectively as the NASDAQ OMX PHLX Benefit Plans.

The NASDAQ OMX PHLX SERP, which is an unfunded, non-qualified plan, was frozen on July 24, 2008. Future service and salary for the NASDAQ OMX PHLX SERP plan participants do not count toward an accrual of benefits under the NASDAQ OMX PHLX SERP after July 24, 2008. In addition, effective December 31, 2008, the NASDAQ OMX PHLX Pension Plan was frozen. Future service and salary for all participants will not count toward an accrual of benefits under the NASDAQ OMX PHLX Pension Plan after December 31, 2008.

Components of Net Periodic Benefit Cost

The following table sets forth the components of net periodic pension, SERP and post-retirement benefits cost for both the NASDAQ OMX Benefit Plans and the NASDAQ OMX PHLX Benefit Plans recognized in compensation and benefits expense in the Condensed Consolidated Statements of Income. The NASDAQ OMX PHLX benefit costs are from the date of acquisition and are therefore not reflected in the three and six months ended June 30, 2008:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2009	2008	2009	2008
	(in millions)			
Components of net periodic benefit cost				
Service cost	$ 0.2	$ —	$ 0.3	$ —
Interest cost	1.9	0.8	3.5	1.6
Expected return on plan assets	(0.8)	(0.6)	(1.7)	(1.3)
Recognized net actuarial loss	0.2	0.1	0.5	0.2
Benefit cost	$ 1.5	$ 0.3	$ 2.6	$ 0.5

Non-U.S. Benefit Plans

Most employees outside the U.S. are covered by local retirement plans or by applicable social laws. Benefits under social laws are generally expensed in the periods in which the costs are incurred. These costs are included in compensation and benefits expense in the Condensed Consolidated Statements of Income.

As part of the Nord Pool transaction, we assumed the obligation for several pension plans providing benefits for their employees. The benefit cost for these plans was immaterial for the three and six months ended June 30, 2009.

Defined Contribution Savings Plan

We sponsor a voluntary defined contribution savings plan, or 401(k) Plan, for U.S. employees. Employees are immediately eligible to make contributions to the plan and are also eligible for an employer contribution match at an amount equal to 100.0% of the first 4.0% of eligible employee contributions. Savings plan expense included in compensation and benefits expense in the Condensed Consolidated Statements of Income was $1 million for both the three months ended June 30, 2009 and 2008, and $2 million for both the six months ended June 30, 2009 and 2008.

PHLX also sponsored a voluntary defined contribution savings plan for former PHLX employees. This plan was merged into the NASDAQ OMX 401(k) Plan effective January 1, 2009.

We have a profit-sharing contribution feature to our 401(k) plan which allows eligible U.S. employees to receive employer retirement contributions, or ERCs, when we meet our annual corporate goals. In addition, we have a supplemental ERC for select highly compensated employees whose ERCs are limited by the annual Internal Revenue Service compensation limit. Included in compensation and benefits expense in the Condensed Consolidated Statements of Income was ERC expense of $1 million for both the three months ended June 30, 2009 and 2008, and $2 million for both the six months ended June 30, 2009 and 2008.

10. Share-Based Compensation

We have a share-based compensation program that provides our board of directors broad discretion in creating employee equity incentives. Grants of stock options, restricted stock, which includes awards and units, and performance share units, or PSUs, are designed to reward employees for their long-term contributions to us and provide incentives for them to remain with us. For accounting purposes, we consider PSUs to be a form of restricted stock. Restricted stock is generally time-based and vests over two to five-year periods beginning on the date of the grant. Stock options are also generally time-based. Stock option awards granted prior to January 1, 2005 generally vested 33% on each annual anniversary of the grant date over three years and expire ten years from the grant date. Stock option awards granted after January 1, 2005 generally included performance based accelerated vesting features based on us achieving specific levels of performance and expire ten years from the grant date. If we achieve the applicable performance parameters, 100% of the grant would vest on the fourth anniversary of the grant date. If we exceed the applicable performance parameters, the grant would vest on the third anniversary of the grant date and if we did not meet the applicable performance parameters, the grant would be extended to vest on the fifth anniversary of the grant date.

The following table shows the total share-based compensation expense resulting from equity awards and the 15.0% discount provided to employees under the NASDAQ OMX 2000 Employee Stock Purchase Plan, or ESPP, for the three and six months ended June 30, 2009 and 2008 in the Condensed Consolidated Statements of Income:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2009	2008	2009	2008
	(in millions)			
Total share-based compensation expense before income taxes	$ 9	$ 6	$ 17	$ 12
Income tax benefit	(4)	(2)	(7)	(5)
Total share-based compensation expense after income taxes	$ 5	$ 4	$ 10	$ 7

We estimated the fair value of share-based option awards using the Black-Scholes valuation model with the following weighted-average assumptions:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2009	2008	2009	2008
Expected life (in years)	5	5	5	5
Weighted-average risk free interest rate	2.55%	2.81%	2.54%	2.66%
Expected volatility	35.5%	35.0%	35.5%	35.0%
Dividend yield	—	—	—	—
Weighted-average fair value at grant date	$7.45	$ 13.97	$7.45	$14.01

Our computation of expected life is based on historical exercise patterns. The interest rate for periods within the expected life of the award is based on the U.S. Treasury yield curve in effect at the time of grant. Our computation of expected volatility is based on a combination of historical and market-based implied volatility. Our Credit Facilities restrict our ability to pay dividends. Before our Credit Facilities were in place, it was not our policy to declare or pay cash dividends on our common stock.

A summary of stock option activity for the six months ended June 30, 2009 is as follows:

	Stock Options	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value (in millions)
Outstanding at January 1, 2009	10,726,905	$ 18.08	6.5	$ 109
Grants [1]	923,469	21.29		
Exercises	(650,298)	7.86		
Forfeitures or expirations	(291,204)	33.32		
Outstanding at June 30, 2009	10,708,872	$ 18.56	6.7	$ 78
Exercisable at June 30, 2009	6,355,077	$ 10.32	5.2	$ 78

(1) In June 2009, our chief executive officer received a grant of 900,000 non-qualified stock options, which will vest 50% on December 31, 2011 and 50% on December 31, 2012.

We received net cash proceeds of $4 million from the exercise of approximately 0.5 million stock options for the three months ended June 30, 2009 and received net cash proceeds of $5 million from the exercise of approximately 0.7 million stock options for the six months ended June 30, 2009. We received net cash proceeds of $1 million from the exercise of approximately 0.1 million stock options for the three months ended June 30, 2008 and received net cash proceeds of $3 million from the exercise of approximately 0.3 million stock options for the six months ended June 30, 2008. In accordance with SFAS No. 123 (revised 2004), “Share-Based Payment,” we present excess tax benefits from the exercise of stock options, if any, as financing cash flows.

The June 30, 2009 aggregate intrinsic value in the above table represents the total pre-tax intrinsic value (i.e., the difference between our closing stock price on June 30, 2009 of $21.31 and the exercise price, times the number of shares) based on stock options with an exercise price less than NASDAQ OMX’s closing price of $21.31 as of June 30, 2009, which would have been received by the option holders had the option holders exercised their stock options on that date. This amount changes based on the fair market value of our common stock. The total number of in-the-money stock options exercisable as of June 30, 2009 was 5.8 million.

Total fair value of stock options vested was immaterial for the three months ended June 30, 2009, $4 million for the six months ended June 30, 2009, $1 million for the three months ended June 30, 2008 and $5 million for the six months ended June 30, 2008. The total pre-tax intrinsic value of stock options exercised was $6 million for the three months ended June 30, 2009, $8 million for the six months ended June 30, 2009, $2 million for the three months ended June 30, 2008 and $8 million for the six months ended June 30, 2008.

At June 30, 2009, $27 million of total unrecognized compensation cost related to stock options is expected to be recognized over a weighted-average period of 1.87 years.

A summary of restricted stock and PSU activity for the six months ended June 30, 2009 is as follows:

	Restricted Stock	Weighted-Average Grant Date Fair Value	PSUs	Weighted-Average Grant Date Fair Value
Unvested at January 1, 2009	1,884,472	$ 32.23	631,968	$ 33.87
Granted [(1)] [(2)]	763,845	20.91	80,000	23.82
Vested	(64,580)	32.51	—	—
Forfeited	(135,059)	33.49	(79,041)	37.48
Unvested at June 30, 2009	2,448,678	$ 28.63	632,927	$ 32.15

(1) In March 2009, our chief executive officer received a grant of PSUs under the terms of his employment agreement with a target amount of 80,000 shares. These PSUs are subject to a three year performance period and vest at the end of the period.

(2) In June 2009, a total of 650,000 restricted stock units were granted to certain executive officers, which will vest 30% on the second anniversary of the grant date and 70% on the third anniversary of the grant date.

At June 30, 2009, $49 million of total unrecognized compensation cost related to restricted stock and PSUs is expected to be recognized over a weighted-average period of 1.8 years.

As of June 30, 2009, we had approximately 6.7 million shares of common stock reserved for future issuance under our equity award plan and ESPP. Shares issued as a result of equity awards and our ESPP are generally issued out of common stock as newly issued shares.

11. Comprehensive Income (Loss)

The following outlines the components of comprehensive income (loss), net of tax:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2009	2008	2009	2008
	(in millions)			
Net income	$ 68	$ 101	$ 162	$ 221
Other comprehensive income (loss):				
Change in unrealized losses on available-for-sale investment[(1)]	—	(6)	(5)	(10)
Reclassification adjustment for loss realized in net income on available-for-sale investment[(2)]	5	—	5	—
Change in unrealized gains and losses on derivative financial instruments that qualify as cash flow hedges[(3)]	1	—	1	—
Change in foreign currency translation adjustments [(4)]	160	(2)	18	10
Total other comprehensive income	166	(8)	19	—
Total comprehensive income	234	93	181	221
Total comprehensive (income) loss attributable to noncontrolling interests	1	(1)	1	(1)
Total comprehensive income attributable to NASDAQ OMX	$ 235	$ 92	$ 182	$ 220

(1) The amounts represent unrealized losses on our long-term available-for-sale investment in the Oslo Børs exchange, or Oslo, included in other assets in the Condensed Consolidated Balance Sheets. During the second quarter of 2009, we made a strategic decision to sell this investment demonstrating our intent to no longer hold this investment. This investment was held by a non-U.S. subsidiary and the losses were not deductible for tax purposes.

(2) As indicated in footnote (1) above, in the second quarter 2009, we sold our available-for-sale investment in Oslo and reclassified the holding loss associated with this investment into earnings. See "Reclassification From Accumulated Other Comprehensive Income to Earnings" below for further discussion. This investment was held by a non-U.S. subsidiary and the loss was not deductible for tax purposes.

(3) The 2009 amounts represent the change in fair value of our cash flow hedge which we entered into in the third quarter of 2008 to effectively convert a portion of our floating rate debt to a fixed rate basis, net of tax of $0.6 million. See Note 8, "Debt Obligations" and Note 14, "Derivative Financial Instruments and Hedging Activities," for further discussion.

(4) The amounts include gains and losses on foreign currency translation adjustments from non-U.S. subsidiaries for which the functional currency is other than the U.S. dollar, net of deferred tax liability of $107 million for the second quarter of 2009, deferred tax liability of $57 million for the first six months of 2009, deferred tax asset of $2 million for the second quarter 2008 and deferred tax liability of $3 million for the first six months of 2008.

Reclassification From Accumulated Other Comprehensive Income to Earnings

In connection with our business combination with OMX AB, we acquired a long-term available-for-sale investment in Oslo which was accounted for in accordance with SFAS No. 115, "Accounting for Certain Investments in Debt and Equity Securities," or SFAS 115. In the second quarter of 2009, we sold this investment and recognized a $5 million loss which is recorded in loss on sale of investment security in the Condensed Consolidated Statements of Income. Under SFAS 115, the unrealized holding loss associated with this investment, which was recorded in other comprehensive income (loss), has been reclassified into earnings.

12. Earnings Per Common Share

The following table sets forth the computation of basic and diluted earnings per share:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2009	2008	2009	2008
	(in millions, except share and per share amounts)			
Numerator:				
Net income attributable to NASDAQ OMX:				
Net income for basic earnings per share	$ 69	$ 100	$ 163	$ 220
Interest impact of 3.75% convertible notes, net of tax	1	1	2	2
Net income for diluted earnings per share	$ 70	$ 101	$ 165	$ 222
Denominator:				
Weighted-average common shares outstanding for basic earnings per share[1]	202,308,479	199,721,424	202,127,850	180,350,043
Weighted-average effect of dilutive securities:				
Employee stock options and awards	3,661,813	5,492,058	3,798,619	5,623,077
3.75% convertible notes assumed converted into common stock	8,281,162	8,281,162	8,281,162	8,281,173
Warrants	—	916,036	—	961,754
Denominator for diluted earnings per share	214,251,454	214,410,680	214,207,631	195,216,047
Basic and diluted earnings per share:				
Basic earnings per share	$ 0.34	$ 0.50	$ 0.81	$ 1.22
Diluted earnings per share	$ 0.33	$ 0.47	$ 0.77	$ 1.14

(1) The three and six months ended June 30, 2008 amounts include 60,561,515 shares of common stock issued to Borse Dubai and the Borse Dubai Nasdaq Share Trust in conjunction with the business combination with OMX AB on a weighted-average basis from the date of the business combination.

Options to purchase 10,708,872 shares of common stock and 3,081,605 shares of restricted stock and PSUs were outstanding at June 30, 2009. The 3.75% convertible notes have been accounted for under the if-converted method in accordance with SFAS No. 128, "Earnings per Share," or SFAS 128, as we will settle the convertible notes in shares of our common stock. As such, the 3.75% convertible notes are convertible into 8,281,162 shares of common stock as of June 30, 2009. The 2.50% convertible notes are accounted for under the treasury stock method of SFAS 128 as it is our intent and policy to settle the principal amount of the notes in cash. Based on the settlement structure of the 2.50% convertible notes, which permit the principal amount to be settled in cash and the conversion premium to be settled in shares of our common stock or cash, we will reflect the impact of the convertible spread portion of the convertible notes in the diluted calculation using the treasury stock method.

For the three months ended June 30, 2009, we included 5,750,101 of the options outstanding, 98,042 shares of restricted stock and PSUs, and all of the shares underlying the outstanding 3.75% convertible notes in the computation of diluted earnings per share, on a weighted-average basis, as their inclusion was dilutive. The remaining options, shares of restricted stock and PSUs are antidilutive and the conversion spread of our 2.50% convertible senior notes was out of the money, and as such, they were properly excluded. For the six months ended June 30, 2009, we included 5,767,601 of the options outstanding, 98,042 shares of restricted stock and PSUs, and all of the shares underlying the outstanding 3.75% convertible notes in the computation of diluted earnings per share, on a weighted-average basis, as their inclusion was dilutive. The remaining options, shares of restricted stock and PSUs are antidilutive and the conversion spread of our 2.50% convertible senior notes was out of the money, and as such, they were properly excluded.

Options to purchase 9,903,453 shares of common stock, 1,313,573 shares of restricted stock and PSUs, 3.75% convertible notes convertible into 8,281,162 shares of common stock and warrants exercisable into 1,539,489 shares of common stock were outstanding at June 30, 2008. For the three months ended June 30, 2008, we included 6,981,854 of the options outstanding, 618,382 shares of restricted stock and PSUs, all of the shares underlying the 3.75% convertible notes and all of the shares underlying the warrants in the computation of diluted earnings per share, on a weighted-average basis, as their inclusion was dilutive. The remaining options, shares of restricted stock and PSUs were antidilutive, and the conversion spread of our 2.50% convertible senior notes was out of the money, and as such, they were properly excluded. For the six months ended June 30, 2008, we included 6,981,854 of the options outstanding, 881,453 shares of restricted stock and PSUs, all of the shares underlying the 3.75% convertible notes, including the 3.75% convertible notes that were converted into 2,000 shares of common stock during the first six months of 2008, and all of the shares underlying the warrants in the computation of diluted earnings per share, on a weighted-average basis, as their inclusion was dilutive. The remaining options, shares of restricted stock and PSUs were antidilutive, and the conversion spread of our 2.50% convertible senior notes was out of the money, and as such, they were properly excluded.

13. Fair Value of Financial Instruments

Fair Value Measurement—Definition and Hierarchy

On January 1, 2008, we adopted the provisions of SFAS 157, as amended by FSP 157-2. Under SFAS 157, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability, or the exit price, in an orderly transaction between market participants at the measurement date. SFAS 157 establishes a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect NASDAQ OMX's market assumptions. These two types of inputs create the following fair value hierarchy:

- Level 1—Quoted prices for identical instruments in active markets.
- Level 2—Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations whose inputs are observable or whose significant value drivers are observable.
- Level 3—Instruments whose significant value drivers are unobservable.

This hierarchy requires the use of observable market data when available.

The following table presents for each of the above hierarchy levels, our financial assets and liabilities that are measured at fair value on a recurring basis at June 30, 2009.

	Balance as of June 30, 2009	Fair Value Measurements (Level 1)	(Level 2) (in millions)	(Level 3)
Financial Assets Measured at Fair Value on a Recurring Basis				
Market value, outstanding derivative positions[1]	$ 3,034	$ —	$ 3,034	$ —
Financial investments, at fair value[2]	236	236	—	—
Total	$ 3,270	$ 236	$ 3,034	$ —
Financial Liabilities Measured at Fair Value on a Recurring Basis				
Market value, outstanding derivative positions[1]	$ 3,034	$ —	$ 3,034	$ —
Other liabilities[3]	11	—	11	—
Total	$ 3,045	$ —	$ 3,045	$ —

(1) Represents net amounts associated with our clearing operations in the derivatives markets of NASDAQ OMX Commodities and NASDAQ OMX Stockholm. See "Market Value, Outstanding Derivative Positions," of Note 14, "Derivative Financial Instruments and Hedging Activities," for further discussion.

(2) Primarily comprised of Swedish government debt securities. These securities are classified as trading securities and $120 million are restricted assets to meet regulatory capital requirements for NASDAQ OMX Stockholm's clearing operations.

(3) Primarily includes our interest rate swaps included in other liabilities in the Condensed Consolidated Balance Sheets. See "Cash Flow Hedges," of Note 14, "Derivative Financial Instruments and Hedging Activities," for further discussion.

The following table presents for each of the above hierarchy levels, our financial assets and liabilities that are measured at fair value on a recurring basis at December 31, 2008.

	Balance as of December 31, 2008	Fair Value Measurements (Level 1)	(Level 2) (in millions)	(Level 3)
Financial Assets Measured at Fair Value on a Recurring Basis				
Market value, outstanding derivative positions[1]	$ 4,122	$ —	$ 4,122	$ —
Financial investments, at fair value[2]	227	227	—	—
Other assets[3]	33	29	4	—
Total	$ 4,382	$ 256	$ 4,126	$ —
Financial Liabilities Measured at Fair Value on a Recurring Basis				
Market value, outstanding derivative positions[1]	$ 4,122	$ —	$ 4,122	$ —
Other liabilities[4]	24	3	21	—
Total	$ 4,146	$ 3	$ 4,143	$ —

(1) Represents net amounts associated with our clearing operations in the derivatives markets of NASDAQ OMX Commodities and NASDAQ OMX Stockholm. See "Market Value, Outstanding Derivative Positions," of Note 14, "Derivative Financial Instruments and Hedging Activities," for further discussion.

(2) Financial investments, at fair value are primarily comprised of Swedish government debt securities. These securities, which are classified as trading securities, are restricted assets to meet regulatory capital requirements for NASDAQ OMX Stockholm's clearing operations.

(3) Primarily includes our long-term available-for-sale investment securities included in other assets in the Condensed Consolidated Balance Sheets.

(4) Primarily includes our interest rate swaps included in other liabilities in the Consolidated Balance Sheets and our foreign currency option and forward contracts used to partially or fully economically hedge our Market Technology contracts included in other accrued liabilities in the Condensed Consolidated Balance Sheets. See "Cash Flow Hedges" and "Derivatives Not Designated as Hedges," of Note 14, "Derivative Financial Instruments and Hedging Activities," for further discussion.

We also consider our debt obligations to be financial instruments. The fair value of our debt obligations was estimated using discounted cash flow analyses based on our assumed incremental borrowing rates for similar types of borrowing arrangements and a Black-Scholes valuation technique that is utilized to calculate the convertible option value for the 3.75% convertible notes and the 2.50% convertible senior notes. At June 30, 2009, the carrying value of our debt obligations, before the $60 million unamortized debt discount resulting from the adoption of FSP APB 14-1, was approximately $25 million more than fair value primarily due to a decrease in fair value on the 2.50% convertible senior notes with a convertible option feature equivalent to a conversion price of approximately $55.13 compared to the closing price of $21.31 at June 30, 2009, partially offset by stock appreciation on the 3.75% convertible notes' convertible option feature from $14.50 at the time of issuance to $21.31 at June 30, 2009. At December 31, 2008, the carrying value of our debt obligations was approximately $13 million more than fair value primarily due to a decrease in fair value on the 2.50% convertible senior notes with a convertible option feature equivalent to a conversion price of approximately $55.13 compared to the closing price of $24.71 at December 31, 2008, partially offset by stock appreciation on the 3.75% convertible notes' convertible option feature from $14.50 at the time of issuance to $24.71 at December 31, 2008. For further discussion of our debt obligations, see Note 8, "Debt Obligations."

Financial Instruments Not Measured at Fair Value on a Recurring Basis

Some of our financial instruments are not measured at fair value on a recurring basis but are recorded at amounts that approximate fair value due to their liquid or short-term nature. Such financial assets and financial liabilities include: cash and cash equivalents, restricted cash, receivables, net, certain other current assets, accounts payable and accrued expenses, Section 31 fees payable to SEC, accrued personnel costs, and certain other current liabilities.

14. Derivative Financial Instruments and Hedging Activities

On January 1, 2009, we adopted the provisions of SFAS 161 which requires enhanced disclosures surrounding derivative instruments and hedging activities. See “SFAS No. 161,” of Note 3, “Recent Accounting Pronouncements,” for further discussion.

In the ordinary course of business, we may enter into various types of derivative transactions. These derivative transactions include:

- *Futures and foreign currency forward contracts* which are commitments to buy or sell at a future date a financial instrument, commodity or currency at a contracted price and may be settled in cash or through delivery.
- *Interest rate swap contracts* which are agreements between two parties to exchange one stream of future interest payments for another based on a specified principal amount over a set period of time.
- *Foreign currency option contracts* which give the purchaser, for a fee, the right, but not the obligation, to buy or sell within a limited time a financial instrument or currency at a contracted price that may also be settled in cash, based on differentials between specified indices or prices.

NASDAQ OMX may use these derivative financial instruments to manage exposure to various market risks, primarily foreign currency exchange rate fluctuations and changes in interest rates on our variable rate debt, and are an integral component of our market risk and related asset/liability management strategy and processes.

Fair Value Hedges

Depending on market conditions, we may use foreign currency future, forward and option contracts to limit our exposure to foreign currency exchange rate fluctuations on contracted revenue streams (hedged item) relating to our Market Technology sales. When the contracted revenue streams meet the definition of a firm commitment in accordance with SFAS 133, these derivative contracts may be designated as fair value hedges if the applicable hedge criteria is met. Changes in fair value on the derivatives and the related hedged items are recognized in the Condensed Consolidated Statements of Income. As of June 30, 2009, there were no outstanding fair value hedges.

Cash Flow Hedges

In the third quarter of 2008, we entered into interest rate swap agreements that effectively converted $200 million of our Credit Facilities, which is floating rate debt, to a fixed rate basis through August 2011, thus reducing the impact of interest rate changes on future interest expense.

All derivative contracts used to manage interest rate risk are measured at fair value and reported in other current assets or other accrued liabilities as appropriate with the offset in accumulated other comprehensive income (loss) within NASDAQ OMX stockholders’ equity in the Condensed Consolidated Balance Sheets. Any ineffectiveness would impact earnings through interest expense. There was no material ineffectiveness recorded in earnings for the three and six months ended June 30, 2009.

Net Investment Hedges

Net assets of our foreign subsidiaries are exposed to volatility in foreign currency exchange rates. We may utilize net investment hedges to offset the translation adjustment arising from remeasuring our investment in foreign subsidiaries. As of June 30, 2009, there were no outstanding net investment hedges.

Derivatives Not Designated as Hedges

NASDAQ OMX may also enter into economic hedges that either do not qualify or are not designated for hedge accounting treatment. This type of hedge is undertaken when SFAS 133 hedge requirements cannot be achieved or management decides not to apply SFAS 133 hedge accounting.

In order to economically hedge the foreign currency exposure on our business combination with OMX AB, we entered into foreign currency option and forward contracts beginning at the time of the announcement of the proposed combination. In accordance with SFAS 133, a derivative used to hedge exposure related to an anticipated business combination does not qualify for specialized hedge accounting, and as such, was marked to market through the income statement in gain on foreign currency contracts each reporting period. Also, in the first quarter of 2008, we entered into a forward contract for the Nord Pool transaction. See below for further discussion of these contracts. For additional discussion of the business combination with OMX AB and the Nord Pool transaction, see “The combination with OMX AB and strategic partnership with Borse Dubai Limited,” and “The acquisition of certain businesses from Nord Pool ASA,” of Note 4, “Acquisitions and Strategic Initiatives in 2008.”

In 2008, we also entered into foreign currency contracts, primarily foreign currency option and forward contracts, to partially or fully economically hedge foreign currency transactions and non-U.S. dollar cash flow exposures on our Market Technology contracts. These hedges generally matured within one year and changes in fair value of these derivatives were recognized in gain on foreign currency contracts, net in the Condensed Consolidated Statements of Income.

In the second quarter of 2008, we recorded a gain of $5 million related to our market technology forward currency contracts used to limit our exposure to foreign currency exchange rate fluctuations on contracted revenue streams. In addition, as shown in the below two tables, for the six months ended June 30, 2008 we recognized a loss of $7 million related to option contracts and recognized a gain of $47 million related to forward contracts for a net gain of $40 million.

The following table presents the realized and unrealized gain recognized in the Condensed Consolidated Statements of Income for the six months ended June 30, 2008 related to our foreign currency forward contracts. For the cumulative realized gain related to our foreign currency option contracts, see below.

	Realized Gain	Unrealized Gain	Total Gain for the Six Months Ended June 30, 2008
		(in millions)	
SEK 2008 Forward Contracts	$ 34	$ —	$ 34
NOK 2008 Forward Contract	—	8	8
Other[1]	—	5	5
Total	$ 34	$ 13	$ 47

[1] Represents Market Technology forward currency contracts used to limit our exposure to foreign currency exchange rate fluctuations on contracted revenue streams.

In the first quarter of 2008, we entered into forward contracts to hedge the SEK cash payment made in connection with the business combination with OMX AB and recorded a gain of $34 million at the closing of the business combination relating to the cash payments for the SEK forward contracts.

Also in the first quarter of 2008, we entered into a forward contract to hedge the NOK cash payment for the Nord Pool transaction. We agreed to purchase certain businesses of Nord Pool for approximately $320 million. We entered into a forward contract to buy NOK and sell U.S. dollars at an exchange rate of 5.2129. The closing of the Nord Pool transaction occurred on October 21, 2008 and this contract was settled at closing. For the six months ended June 30, 2008, we recorded an unrealized gain of approximately $8 million.

The following table presents the cumulative realized gain/(loss) on each option contract and the total loss recognized in the Condensed Consolidated Statements of Income for the six months ended June 30, 2008 related to our foreign currency option contracts.

	Purchase	Sale/Expiration	Cumulative Realized Gain (Loss)	Change in Unrealized (Loss)	Total Gain/(Loss) for the Six Months Ended June 30, 2008
			(in millions)		
SEK 2007 Option Contract[1]	$ 39	$ 67	$ 28	$ (22)	$ 6
SEK 2008 Option Contract[2]	13	—	(13)	—	(13)
Total	$ 52	$ 67	$ 15	$ (22)	$ (7)

[1] This contract, which was originally purchased in October 2007 to economically hedge the foreign currency exposure on our business combination with OMX AB, had a fair value at December 31, 2007 of $61 million. On January 7, 2008, we sold the SEK 2007 option contract for $67 million and recorded a gain of $6 million.

[2] On January 7, 2008, we purchased a new contract for $13 million which expired out-of-the-money in February 2008 and we recorded a loss for the purchase amount of $13 million.

The following table presents the fair value amounts and balance sheet location of our derivative instruments prior to netting:

	June 30, 2009 Fair Value		December 31, 2008 Fair Value	
	Asset	Liability	Asset	Liability
Derivatives Designated as Hedging Instruments under SFAS 133				
Cash flow hedges				
Interest rate swaps	$—	$ 10[1]	$—	$ 11[1]
Derivatives Not Designated as Hedging Instruments under SFAS 133				
Foreign exchange contracts	—	—	1[2]	10[3]
Interest rate futures	—	1[3]	—	3[3]
Total derivatives not designated as hedging instruments under SFAS 133	—	1	1	13
Total derivatives	$—	$ 11	$ 1	$ 24

(1) Included in other liabilities in the Condensed Consolidated Balance Sheets.
(2) Included in other current assets in the Condensed Consolidated Balance Sheets.
(3) Included in other accrued liabilities in the Condensed Consolidated Balance Sheets.

Other Derivative Positions at NASDAQ OMX Commodities and NASDAQ OMX Stockholm

NASDAQ OMX Commodities

NASDAQ OMX Commodities enters into energy derivative and carbon product contracts as the contractual counterparty. In doing so, NASDAQ OMX Commodities guarantees the completion of the transaction and market participants can thereby limit their counterparty risk. Market participants must provide collateral to cover the daily margin call, which is in addition to the initial collateral placed when signing the clearing membership agreement. Acceptable collateral is cash on a pledged bank account and/or an on-demand guarantee. We also act as the counterparty for trades on the OTC derivative market subject to our approval on a case-by-case basis. Trading on the contracts can take place up until the delivery period which can occur over a period of up to six years.

NASDAQ OMX Stockholm

On NASDAQ OMX Stockholm, we offer clearing services for fixed-income options and futures, stock options and futures and index options and futures by serving as the CCP. In doing so, we guarantee the completion of the transaction, exposing us to counterparty risk. We also act as the counterparty for certain OTC contracts. The transactions are reported electronically prior to CCP clearing and we thereby guarantee the completion of the transaction. Following the completion of a transaction, settlement takes place between parties with the exchange of the securities and funds. The transfer of ownership is registered and the securities are stored on the owner's behalf. Settlement and registration of cash trading takes place in Sweden and Finland via the local central securities depositories.

The counterparty risks are measured using models that are agreed with the financial inspection authority of the country in question which requires us to provide minimum guarantees and maintain certain levels of regulatory capital.

Market Value, Outstanding Derivative Positions

Through our clearing operations in the derivative markets with NASDAQ OMX Commodities and NASDAQ OMX Stockholm, we are the legal counterparty for each derivative position traded and thereby guarantee the fulfillment of each contract. The derivatives are not used by NASDAQ OMX Commodities or NASDAQ OMX Stockholm for the purpose of trading on their own behalf. As a legal counterparty of each transaction, NASDAQ OMX Commodities and NASDAQ OMX Stockholm bear the counterparty risk.

The structure and operations of NASDAQ OMX Commodities and NASDAQ OMX Stockholm differ from other clearinghouses. NASDAQ OMX Commodities and NASDAQ OMX Stockholm are not member owned organizations, do not maintain a guarantee fund to which members contribute and do not enforce loss sharing assessments amongst members. In addition, unlike other clearinghouses, they do not record any margin deposits and guarantee funds on the Condensed Consolidated Balance Sheets, as all risks and rewards of collateral ownership, including interest, belongs to the counterparty.

As such, the market value of the above mentioned derivative contracts for NASDAQ OMX Commodities and NASDAQ OMX Stockholm are reported gross on the balance sheet as a receivable pertaining to the purchasing party and a payable pertaining to the selling party. Such receivables and liabilities attributable to outstanding derivative positions have been netted to the extent that such a legal offset right exists and, at the same time, that it is our intention to settle these items. At June 30, 2009, our market value of outstanding derivative positions in the Condensed Consolidated Balance Sheets was $3.0 billion. See "Guarantees Issued, Credit Facilities Available and Collateral Received for Clearing Operations" of Note 15, "Commitments, Contingencies and Guarantees," for further discussion of our guarantees on the fulfillment of these contracts and collateral received.

The following table presents the fair value of our outstanding derivative positions at June 30, 2009 and December 31, 2008 prior to netting.

	June 30, 2009		December 31, 2008	
	Asset	Liability	Asset	Liability
	(in millions)			
Forwards and options	$2,457	$2,457	$3,306	$3,306
Stock options and futures	248	248	515	515
Index options and futures	199	199	239	239
Fixed-income options and futures	321	321	460	460
Total	$3,225	$3,225	$4,520	$4,520

15. Commitments, Contingencies and Guarantees

Brokerage Activities

In accordance with FASB Interpretation 45, "Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others," or FIN 45, Nasdaq Execution Services and NASDAQ Options Services provide guarantees to securities clearinghouses and exchanges under their standard membership agreements, which require members to guarantee the performance of other members. If a member becomes unable to satisfy its obligations to the clearinghouses, other members would be required to meet its shortfalls. To mitigate these performance risks, the exchanges and clearinghouses often require members to post collateral as well as meet certain minimum financial standards. Nasdaq Execution Services' and NASDAQ Options Services' maximum potential liability under these arrangements cannot be quantified. However, we believe that the potential for Nasdaq Execution Services and NASDAQ Options Services to be required to make payments under these arrangements is unlikely. Accordingly, no contingent liability is recorded in the Condensed Consolidated Balance Sheets for these arrangements.

Obligations Under Guarantee

NASDAQ OMX guarantees the obligations of The NASDAQ Stock Market LLC under the 3.75% convertible notes due October 22, 2012 and the related indenture.

Guarantees Issued, Credit Facilities Available and Collateral Received for Clearing Operations

Through our clearing operations in the derivative markets with NASDAQ OMX Commodities, NASDAQ OMX Stockholm and IDCG, we are the legal counterparty for each derivative position traded and thereby guarantee the fulfillment of each contract. We are required to pledge collateral for commitments with other clearinghouses. The amount of these commitments is calculated on the gross exposure between the clearinghouses. As collateral for these obligations, we have obtained financial guarantees and credit facilities which are guaranteed by us through counter indemnities which totaled $501 million at June 30, 2009. At June 30, 2009, financial guarantees pledged as collateral totaled $397 million. Credit facilities available to be pledged as collateral totaled $238 million, of which $0.4 million was utilized.

In addition, we obtained credit facilities to satisfy regulatory requirements totaling $263 million, none of which was utilized as of June 30, 2009. See "Other Credit Facilities," of Note 8, "Debt Obligations," for further discussion.

We require our customers to pledge collateral and meet certain minimum financial standards to mitigate the risk if they become unable to satisfy their obligations. At June 30, 2009, total customer pledged collateral with NASDAQ OMX Commodities and NASDAQ OMX Stockholm was $6.0 billion. This pledged collateral is held by a custodian bank. Since these funds are not held by NASDAQ OMX Commodities and NASDAQ OMX Stockholm and they are not available for our use, we do not receive any interest income on these funds. Customer pledged cash collateral held by IDCG was $3 million at June 30, 2009 and is included in restricted cash with an offsetting liability included in other accrued liabilities in the Condensed Consolidated Balance Sheets, as the risks and rewards of collateral ownership, including interest, belongs to IDCG. Non-cash margin and guaranty fund deposits pledged to IDCG are not reflected in the Condensed Consolidated Balance Sheets as IDCG does not take legal ownership.

We believe that the potential for us to be required to make payments under these arrangements is mitigated through the pledged collateral, our risk management policies and, in the case of NASDAQ OMX Commodities, a default insurance policy. Accordingly, no contingent liability is recorded in the Condensed Consolidated Balance Sheets for these arrangements.

Other Guarantees

We have provided other guarantees as of June 30, 2009 of $46 million, primarily related to obligations for our rental and leasing contracts. We have received financial guarantees from various financial institutions to support these guarantees.

Leases

We lease some of our office space and equipment under non-cancelable operating leases with third parties and sublease office space to third parties. Some of our leases contain renewal options and escalation clauses based on increases in property taxes and building operating costs.

Litigation

We may be subject to claims arising out of the conduct of our business. We are not currently a party to any litigation that we believe could have a material adverse effect on our business, financial condition, or operating results. However, from time to time, we have been threatened with, or named as a defendant in, lawsuits, or involved in regulatory proceedings.

16. Segments

We manage, operate and provide our products and services in three business segments, our Market Services segment, our Issuer Services segment and our Market Technology segment. Our Market Services segment includes our U.S. and European Transaction Services businesses and our Market Data business, which are interrelated because the Transaction Services businesses generate the quote and trade information that we sell to market participants and data distributors. Market Services also includes our Broker Services business. The Issuer Services segment includes our Global Listing Services and Global Index Group businesses. The companies listed on The NASDAQ Stock Market and the exchanges that comprise NASDAQ OMX Nordic and NASDAQ OMX Baltic represent a diverse array of industries. This diversity of companies listed on NASDAQ OMX markets allows us to develop industry-specific and other indexes that we use to develop and license NASDAQ OMX branded indexes, associated derivatives and index products as part of our Global Index Group. The Global Listing Services business also includes our Corporate Services business, which generates revenues through our insurance agency business, shareholder, directors, newswire and other services. Our Corporate Services business provides customer support services, products and programs to companies, including companies listed on our exchanges. Through our Corporate Services offerings, companies gain access to innovative products and services that facilitate transparency, mitigate risk, maximize board efficiency and inspire better corporate governance. Through our Market Technology segment, we provide technology solutions for trading, clearing and settlement, and information dissemination, and also offer facility management integration and advisory services. Our management allocates resources, assesses performance and manages these businesses as three separate segments.

We evaluate the performance of our segments based on several factors, of which the primary financial measure is income before income taxes. Results of individual businesses are presented based on our management accounting practices and our management structure. Certain amounts are allocated to corporate items in our management reports based on the decision that those activities should not be used to evaluate the segment's operating performance, including amounts related to the business combination with OMX AB and the Nord Pool transaction. See below for further discussion. The following table presents certain information regarding these operating segments for the three and six months ended June 30, 2009 and 2008.

	Market Services	Issuer Services	Market Technology (in millions)	Corporate Items and Eliminations	Consolidated
Three months ended June 30, 2009					
Total revenues	$ 768	$ 82	$ 36	$ 3	$ 889
Cost of revenues	(522)	—	—	—	(522)
Revenues less liquidity rebates, brokerage, clearance and exchange fees	246	82	36	3	367
Income (loss) before income taxes	$ 106	$ 24	$ 6	$ (22)(1)	$ 114

	Market Services	Issuer Services	Market Technology (in millions)	Corporate Items and Eliminations	Consolidated
Three months ended June 30, 2008					
Total revenues	$ 684	$ 92	$ 43	$ 3	$ 822
Cost of revenues	(442)	—	—	—	(442)
Revenues less liquidity rebates, brokerage, clearance and exchange fees	242	92	43	3	380
Income before income taxes	$ 119	$ 23	$ 4	$ 2	$ 148

	Market Services	Issuer Services	Market Technology (in millions)	Corporate Items and Eliminations	Consolidated
Six months ended June 30, 2009					
Total revenues	$ 1,551	$ 161	$ 65	$ 6	$ 1,783
Cost of revenues	(1,048)	—	—	—	(1,048)
Revenues less liquidity rebates, brokerage, clearance and exchange fees	503	161	65	6	735
Income (loss) before income taxes	$ 226	$ 46	$ 7	$ (23)(1)	$ 256

	Market Services	Issuer Services	Market Technology (in millions)	Corporate Items and Eliminations	Consolidated
Six months ended June 30, 2008					
Total revenues	$ 1,406	$ 169	$ 55	$ 5	$ 1,635
Cost of revenues	(977)	—	—	—	(977)
Revenues less liquidity rebates, brokerage, clearance and exchange fees	429	169	55	5	658
Income (loss) before income taxes	$ 235	$ 44	$ (1)	$ 65(2)	$ 343

(1) The three and six months ended June 30, 2009 amounts primarily include:
- loss on sale of our 25.25% share capital in Orc of $19 million; and
- loss on sale of an available-for-sale investment in Oslo of $5 million, which was acquired as part our business combination with OMX AB.

(2) The six months ended June 30, 2008 amount primarily includes:
- gain on foreign currency contracts, net of $35 million, which were purchased to hedge the foreign exchange exposure in connection with our business combination with OMX AB ($27 million) and the Nord Pool transaction ($8 million); and
- gain from unconsolidated investees, net of $28 million, primarily related to our $26 million gain on the non-monetary contribution of the Nasdaq trade name to obtain an equity interest in NASDAQ Dubai.

For further discussion of our segments' results, see "Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations—Segment Operating Results."

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

You should read the following discussion and analysis of the financial condition and results of operations of NASDAQ OMX in conjunction with our condensed consolidated financial statements and related notes included in this Quarterly Report on Form 10-Q.

Overview

On February 27, 2008, Nasdaq and OMX AB combined their businesses and Nasdaq was renamed The NASDAQ OMX Group, Inc. Under the purchase method of accounting, Nasdaq was treated as the accounting and legal acquirer in the business combination with OMX AB. We also completed our acquisitions of PHLX in July 2008, BSX in August 2008 and certain businesses of Nord Pool in October 2008. These acquisitions also have been treated as purchases for accounting purposes, with NASDAQ OMX treated as the acquirer. Additionally, during 2008, we purchased a majority stake in IDCG in December 2008 and a 20% aggregate equity interest in Agora-X (13.3% in March 2008 and an additional 6.7% in December 2008). The financial results of OMX AB are included in the consolidated financial results beginning on February 27, 2008. PHLX is included beginning July 2008, BSX is included beginning August 2008, the Nord Pool businesses are included beginning October 2008, IDCG is included beginning December 2008 and our initial equity interest in Agora-X of 13.3% beginning in March 2008 and the aggregate 20% beginning in December 2008.

Financial Highlights

The comparability of our operating results for the three months ended June 30, 2009 to the same period in 2008 is significantly impacted by our acquisition of PHLX and our Nord Pool transaction. The comparability of our operating results for the six months ended June 30, 2009 to the same period in 2008 is significantly impacted by our business combination with OMX AB as well as the acquisition of PHLX and our Nord Pool transaction. In our discussion and analysis of results of operations, we have quantified the contribution of additional revenues or expenses resulting from OMX, NASDAQ OMX PHLX and NASDAQ OMX Commodities operations wherever such amounts were material. While identified amounts may provide indications of general trends, the analysis cannot completely address the effects attributable to integration efforts.

In addition, fluctuations in the value of foreign currencies relative to the U.S. dollar impacted our operating results. Impacts associated with fluctuations in foreign currency are discussed in more detail under Item 3 "—Quantitative and Qualitative Disclosures about Market Risks." For the three months ended June 30, 2009, approximately 34% of our revenues less liquidity rebates, brokerage, clearance and exchange fees and 26% of our operating income were derived in currencies other than the U.S. dollar, primarily the Swedish Krona and Euro. For the six months ended June 30, 2009, approximately 33% of our revenues less liquidity rebates, brokerage, clearance and exchange fees and 22% of our operating income were derived in currencies other than the U.S. dollar, primarily the Swedish Krona and Euro.

In countries with currencies other than the U.S. dollar, revenues and expenses are translated using monthly average rates of exchange. The following discussion of results of operations eliminates 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 year's results by the prior period's exchange rates.

The following summarizes significant changes in our financial performance in the second quarter and first six months of 2009 when compared with the same periods in 2008:

- Revenues less liquidity rebates, brokerage, clearance and exchange fees decreased $13 million, or 3.4%, to $367 million in the second quarter of 2009, compared with $380 million in the second quarter of 2008, reflecting an unfavorable impact from foreign exchange of $33 million, partially offset by a $20 million increase due to operational growth. The operational growth was primarily due to an increase in derivative trading revenues due to the inclusion of NASDAQ OMX PHLX's derivative trading revenues for the second quarter of 2009.
- Revenues less liquidity rebates, brokerage, clearance and exchange fees increased $77 million, or 11.7%, to $735 million in the first six months of 2009, compared with $658 million in the first six months of 2008, reflecting a $124 million increase due to operational growth, partially offset by an unfavorable impact of $47 million from foreign exchange. The operational growth was primarily due to an increase in derivative trading revenues mainly due to the inclusion of NASDAQ OMX PHLX's derivative trading revenues for the six-month period in 2009 and the inclusion of results of operations from OMX for the full six-month period in 2009 compared to four months in 2008.
- Operating expenses decreased $17 million, or 7.6%, to $208 million in the second quarter of 2009, compared with $225 million in the second quarter of 2008, reflecting a favorable impact from foreign exchange of $23 million, partially offset by an increase in operating expenses of $6 million. The increase in operating expenses is primarily due the inclusion of NASDAQ OMX PHLX's operating expenses for the second quarter of 2009.

- Operating expenses increased $41 million, or 11.1%, to $411 million for the first six months of 2009, compared with $370 million for the first six months of 2008, reflecting an increase in operating expenses of $74 million, partially offset by a favorable impact of $33 million from foreign exchange. The increase in operating expenses was primarily due to the inclusion of OMX's operating expenses for the full six-month period in 2009 compared to four months in 2008, as well as the inclusion of NASDAQ OMX PHLX's operating expenses for the six-month period in 2009.
- Interest expense increased $17 million, or 50.0%, to $51 million for the first six months of 2009, compared with $34 million for the first six months of 2008, primarily reflecting a full six months of interest expense in 2009 for the debt outstanding related to our business combination with OMX AB compared to four months of debt outstanding in the first six months of 2008. In addition, interest expense increased due to our outstanding debt obligations related to the acquisitions of PHLX and certain businesses of Nord Pool that were completed in the second half of 2008.
- Income (loss) from unconsolidated investees, net was a net loss of $18 million for the second quarter of 2009 and a net loss of $20 million for the first six months of 2009, compared with net income of $1 million for the second quarter of 2008 and net income of $28 million for the first six months of 2008. The net loss for both the second quarter and first six months of 2009 is primarily due to a $19 million loss recorded in May 2009 related to the sale of our share capital in Orc. The net income for the first six months of 2008 primarily related to the NASDAQ Dubai transaction.

These current and prior year items are discussed in more detail below.

Business Environment

We serve listed companies, market participants and investors by providing high quality cash equity, fixed-income and derivative markets, thereby facilitating economic growth and corporate entrepreneurship. We also provide market technology to exchanges and markets around the world. In broad terms, our business performance is impacted by a number of drivers including macroeconomic events affecting the risk and return of financial assets, investor sentiment, government and private sector demands for capital, the regulatory environment for primary and secondary equity markets, and the changing technology in the financial services industry. Our future revenues and net income will continue to be influenced by a number of domestic and international trends including:

- Trading volumes, particularly in U.S. and Nordic equity and derivative securities, which are driven primarily by overall macroeconomic conditions;
- The number of companies seeking equity financing, which is affected by factors such as investor demand, the global economy, diverse sources of financing, and tax and regulatory policies;
- The gradual return of confidence to the credit markets increasing the availability of liquidity to our technology customers, our suppliers, trading participants, and our listed companies;
- The reorganization and restructuring of certain market participants following the partial or complete takeover of financial institutions by national governments and the distressed mergers of market participant organizations;
- The emergence of new market participants seeing opportunities in the recovering global economy;
- The ongoing constraints on our fixed-income issuers' ability to access the credit markets due to rating downgrades or illiquidity in the market;
- The caution of our technology customers and suppliers arising from the recent securities market decline and the economic slowdown;
- Continuing pressure related to transaction fee pricing due to intense competition in the U.S. and Europe;
- Competition for listings and trade executions related to pricing, and product and service offerings; and
- Other technological advancements and regulatory developments.

Currently our business drivers are characterized by improved stability in investors' outlook for financial institutions and global economic growth, continued declines in the levels of market volatility, ongoing industry adaptation to major regulatory initiatives (for example, the Markets in Financial Instruments Directive, or MiFID, in the European economic area) and continued rapid evolution and deployment of new technology in the financial services industry. The business environment that influenced our financial performance during the second quarter of 2009 can be characterized as follows:

- A slightly improved pace for new equity issuance relative to the first quarter of 2009 with 13 IPOs across all exchanges in the U.S. and 3 new IPOs on The NASDAQ Stock Market and the exchanges that comprise NASDAQ OMX Nordic and NASDAQ OMX Baltic;
- Continued reduced access to debt and equity capital for both new and established companies with the exception of capital raising activity associated with the financial crisis;
- Moderate 4% year-on-year growth was experienced by the NASDAQ Stock Market relative to the second quarter of 2008 in U.S. equity matched trades driven by increased trading levels, which were partially offset by lower market share;

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- 18% growth relative to the second quarter of 2008 in the number of equity transactions on our Nordic and Baltic exchanges driven by participant trading in response to changing economic conditions;
- 27% decrease relative to the second quarter of 2008 in the value of equity transactions on our Nordic and Baltic exchanges caused in large part by lower equity prices;
- A 27% decline experienced by our Nordic and Baltic exchanges relative to the second quarter of 2008 in number of traded derivatives contracts in equity related products (excluding EDX and Eurex);
- A 24% decrease relative to the second quarter of 2008 in number of cleared derivatives contracts in fixed-income related products on our Nordic and Baltic exchanges caused in large part by short-term interest rates nearing 0% yield;
- Intense competition among U.S. exchanges for both equity trading volume and listings and growing competition in Europe;
- Globalization of exchanges, customers and competitors extending the competitive horizon beyond national markets;
- Consolidation of major global customers as financial institutions are acquired, merged, and restructured; and
- Market trends requiring continued investment in technology to meet customers' demands for speed, capacity, and reliability as markets adapt to a global financial industry, as increasing numbers of new companies surface, and as emerging countries show ongoing interest in developing their financial markets.

NASDAQ OMX's Operating Results

Key Drivers

The following table includes key drivers for our Market Services, Issuer Services, and Market Technology segments. In evaluating the performance of our business, our senior management closely watches these key drivers.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2009	2008	2009	2008
Market Services				
Cash Equity Trading				
Average daily share volume in NASDAQ securities (in billions)	2.41	2.11	2.32	2.28
Matched market share in NASDAQ securities(1)	33.2%	42.0%	35.7%	44.5%
Market share reported to the FINRA/NASDAQ Trade Reporting Facility in NASDAQ securities(2)	37.6%	23.1%	34.5%	21.8%
Total market share in NASDAQ securities(3)	70.7%	65.1%	70.2%	66.4%
Matched market share in NYSE securities(1)	15.8%	22.1%	17.1%	21.6%
Market share reported to the FINRA/NASDAQ Trade Reporting Facility in NYSE securities(2)	32.6%	19.2%	30.1%	17.9%
Total market share in NYSE securities(3)	48.4%	41.3%	47.2%	39.4%
Matched market share in NYSE Amex and regional securities(1)	22.6%	34.3%	26.2%	35.3%
Market share reported to the FINRA/NASDAQ Trade Reporting Facility in NYSE Amex and regional securities(2)	35.7%	17.0%	31.1%	16.5%
Total market share in NYSE Amex and regional securities(3)	58.3%	51.3%	57.3%	51.8%
Matched share volume in all U.S.-listed equities (in billions)	142.4	136.4	309.2	290.1
Matched market share in all U.S.-listed equities(1)	21.2%	29.6%	23.1%	30.3%
Average daily number of equity trades on the exchanges that comprise NASDAQ OMX Nordic and NASDAQ OMX Baltic	228,233	194,006	221,366	198,845
Average daily value of shares traded on the exchanges that comprise NASDAQ OMX Nordic and NASDAQ OMX Baltic (in billions)	$ 3.3	$ 6.1	$ 3.1	$ 6.2
Derivative Trading				
Average daily volume of U.S. equity contracts (in millions)	14.2	12.3	13.7	12.8
NASDAQ OMX PHLX matched market share of U.S. equity options	18.0%	—	17.5%	—
The NASDAQ Options Market matched market share of U.S. equity options	3.3%	0.7%	3.0%	0.4%
Average daily volume of equity and fixed-income contracts traded on the exchanges that comprise NASDAQ OMX Nordic and NASDAQ OMX Baltic	322,313	435,601	328,295	468,353
Average daily volume of Nordic equity contracts traded on EDX London	113,121	150,891	122,216	153,911
Average daily volume of Finnish option contracts traded on Eurex	61,783	74,108	78,867	74,956
Clearing Turnover:				
Power contracts (TWh)(4)	496.6	—	1,093.5	—
Carbon contracts (1000 tCO2) (4)	9,136	—	20,451	—

	Three Months Ended June 30, 2009	Three Months Ended June 30, 2008	Six Months Ended June 30, 2009	Six Months Ended June 30, 2008
Issuer Services				
Initial public offerings:				
NASDAQ	3	3	3	10
Exchanges that comprise NASDAQ OMX Nordic and NASDAQ OMX Baltic	—	9	—	11
New listings:				
NASDAQ(5)	18	42	34	90
Exchanges that comprise NASDAQ OMX Nordic and NASDAQ OMX Baltic	3	12	7	14
Number of listed companies:				
NASDAQ(6)	2,894	3,080	2,894	3,080
Exchanges that comprise NASDAQ OMX Nordic and NASDAQ OMX Baltic(7)	808	847	808	847
Market Technology				
Order intake (in millions)(8)	$ 10	$ 77	$ 19	$ 126
Total order value (in millions)(9)	$ 315	$ 435	$ 315	$ 435

(1) Includes transactions executed on both NASDAQ's and NASDAQ OMX BX's systems.

(2) Transactions reported to the Financial Industry Regulatory Authority, or FINRA/NASDAQ Trade Reporting Facility.

(3) Includes transactions executed on both NASDAQ's and NASDAQ OMX BX's systems plus trades reported through the FINRA/NASDAQ Trade Reporting Facility.

(4) Transactions executed on Nord Pool ASA and reported for clearing to NASDAQ OMX Commodities measured by Terawatt hours (TWh) and one thousand metric tons of carbon dioxide (1000 tCO2).

(5) New listings include IPOs, including those completed on a best efforts basis, issuers that switched from other listing venues, closed-end funds and separately listed ETFs.

(6) Number of listed companies for NASDAQ also includes separately listed ETFs.

(7) Represents companies listed on the exchanges that comprise NASDAQ OMX Nordic and NASDAQ OMX Baltic and companies on the alternative markets, NASDAQ OMX First North.

(8) Total contract value of orders signed.

(9) Represents total contract value of orders signed that are yet to be recognized as revenue.

Business Segments

We manage, operate and provide our products and services in three business segments: Market Services, Issuer Services and Market Technology.

- The Market Services segment includes our U.S. and European Transaction Services businesses and our Market Data business, which are interrelated because the Transaction Services businesses generate the quote and trade information that we sell to market participants and data distributors. Market Services also includes our Broker Services business.
- The Issuer Services segment includes our Global Listing Services and the Global Index Group businesses. The companies listed on The NASDAQ Stock Market and the exchanges that comprise NASDAQ OMX Nordic and NASDAQ OMX Baltic represent a diverse array of industries. This diversity of companies listed on NASDAQ OMX markets allows us to develop industry-specific and other indexes that we use to develop and license NASDAQ OMX branded indexes, associated derivatives and index products as part of our Global Index Group.
- The Market Technology segment provides technology solutions for trading, clearing and settlement, and information dissemination, and also offers facility management integration and advisory services.

Our management allocates resources, assesses performance and manages these businesses as three separate segments. See Note 16, "Segments," to the condensed consolidated financial statements for further discussion.

Segment Operating Results

Of our total second quarter 2009 revenues less liquidity rebates, brokerage, clearance and exchange fees of $367 million, 67.0% was from our Market Services segment, 22.4% was from our Issuer Services segment, 9.8% was from our Market Technology segment and 0.8% related to other revenues, compared to our total second quarter 2008 revenues less liquidity rebates, brokerage, clearance and exchange fees of $380 million, of which 63.7% was from our Market Services segment, 24.2% was from our Issuer Services segment, 11.3% was from our Market Technology segment and 0.8% related to other revenues.

Of our first six months of 2009 revenues less liquidity rebates, brokerage, clearance and exchange fees of $735 million, 68.5% was from our Market Services segment, 21.9% was from our Issuer Services segment, 8.8% was from our Market Technology segment and 0.8% related to other revenues, compared to our total first six months of 2008 revenues less liquidity rebates, brokerage, clearance and exchange fees of $658 million, of which 65.2% was from our Market Services segment, 25.7% was from our Issuer Services segment, 8.3% was from our Market Technology segment and 0.8% related to other revenues.

The following table shows our total revenues, cost of revenues and revenues less liquidity rebates, brokerage, clearance and exchange fees by segment:

	Three Months Ended June 30, 2009	Three Months Ended June 30, 2008	Percentage Change	Six Months Ended June 30, 2009	Six Months Ended June 30, 2008	Percentage Change
	(in millions)			(in millions)		
Market Services	$ 768	$ 684	12.3%	$ 1,551	$1,406	10.3%
Cost of revenues	(522)	(442)	18.1%	(1,048)	(977)	7.3%
Market Services revenues less liquidity rebates, brokerage, clearance and exchange fees	246	242	1.7%	503	429	17.2%
Issuer Services	82	92	(10.9)%	161	169	(4.7)%
Market Technology	36	43	(16.3)%	65	55	18.2%
Other	3	3	—	6	5	20.0%
Total revenues less liquidity rebates, brokerage, clearance and exchange fees	$ 367	$ 380	(3.4)%	$ 735	$ 658	11.7%

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MARKET SERVICES

The following table shows total revenues less liquidity rebates, brokerage, clearance and exchange fees from our Market Services segment:

	Three Months Ended June 30, 2009	Three Months Ended June 30, 2008	Percentage Change	Six Months Ended June 30, 2009	Six Months Ended June 30, 2008	Percentage Change
	(in millions)			(in millions)		
Transaction Services						
Cash Equity Trading Revenues:						
U.S. cash equity trading (1)	$ 540	$ 495	9.1%	$ 1,102	$1,093	0.8%
Cost of revenues:						
Liquidity rebates	(359)	(345)	4.1%	(798)	(730)	9.3%
Brokerage, clearance and exchange fees(1)	(138)	(95)	45.3%	(207)	(245)	(15.5)%
Total U.S. cash equity cost of revenues	(497)	(440)	13.0%	(1,005)	(975)	3.1%
U.S. cash equity trading revenues less liquidity rebates, brokerage, clearance and exchange fees	43	55	(21.8)%	97	118	(17.8)%
European cash equity trading	25	38	(34.2)%	50	51	(2.0)%
Total cash equity trading revenues less liquidity rebates, brokerage, clearance and exchange fees	68	93	(26.9)%	147	169	(13.0)%
Derivative Trading Revenues:						
U.S. derivative trading(2)	61	3	#	114	3	#
Cost of revenues:						
Liquidity rebates	(22)	(2)	#	(39)	(2)	#
Brokerage, clearance and exchange fees(2)	(3)	—	#	(4)	—	#
Total U.S. derivative trading cost of revenues	(25)	(2)	#	(43)	(2)	#
U.S. derivative trading revenues less liquidity rebates, brokerage, clearance and exchange fees	36	1	#	71	1	#
European derivative trading	19	20	(5.0)%	40	27	48.1%
Total derivative trading revenues less liquidity rebates, brokerage, clearance and exchange fees	55	21	#	111	28	#
Access Services revenues	32	26	23.1%	63	51	23.5%
Total Transaction Services revenues less liquidity rebates, brokerage, clearance and exchange fees	155	140	10.7%	321	248	29.4%
Market Data						
Net U.S. tape plans	30	36	(16.7)%	65	71	(8.5)%
U.S. market data products	30	27	11.1%	57	52	9.6%
European market data products	19	25	(24.0)%	38	34	11.8%
Total Market Data revenues	79	88	(10.2)%	160	157	1.9%
Broker Services	9	12	(25.0)%	17	19	(10.5)%
Other Market Services	3	2	50.0%	5	5	—
Total Market Services revenues less liquidity rebates, brokerage, clearance and exchange fees	$ 246	$ 242	1.7%	$ 503	$ 429	17.2%

\# Denotes a variance greater than 100.0%.

(1) Includes Section 31 fees of $92 million in second quarter of 2009, $37 million in the second quarter of 2008, $117 million in the first six months of 2009 and $128 million in the first six months of 2008. Section 31 fees are recorded as U.S. cash equity trading revenues with a corresponding amount recorded in cost of revenues.

(2) Includes Section 31 fees of $3 million in both the second quarter and first six months of 2009. Section 31 fees are recorded as U.S. derivative trading revenues with a corresponding amount recorded in cost of revenues.

Transaction Services

Transaction Services revenues less liquidity rebates, brokerage, clearance and exchange fees increased in the second quarter and first six months of 2009 compared with the same periods in 2008, primarily due to an increase in derivative trading revenues less liquidity rebates, brokerage, clearance and exchange fees mainly due to the inclusion of NASDAQ OMX PHLX's derivative trading revenues for both the second quarter of 2009 and first six months of 2009, partially offset by a decrease in cash equity trading revenues less liquidity rebates, brokerage, clearance and exchange fees.

U.S. Cash Equity Trading Revenues

U.S. cash equity trading revenues increased in the second quarter of 2009 compared with the same period in 2008, primarily due to an increase in Section 31 fees, partially offset by a decrease in the number of shares matched and routed on NASDAQ's trading system and one less trading day in the quarter. The increase in the first six months of 2009 compared with the same period in 2008 was primarily due to an increase in the number of shares matched and routed by NASDAQ, partially offset by a decrease in Section 31 fees and one less trading day.

As discussed above, we record Section 31 fees as cash equity trading revenues with a corresponding amount recorded as cost of revenues. We are assessed these fees from the SEC and pass them through to our customers in the form of incremental fees. Since the amount recorded in revenues is equal to the amount recorded in cost of revenues, there is no impact on our revenues less liquidity rebates, brokerage, clearance and exchange fees. Section 31 fees were $92 million in the second quarter of 2009 and $117 million in the first six months of 2009 compared with $37 million in the second quarter of 2008 and $128 million in the first six months of 2008. The increase in the second quarter of 2009 compared with the same period in 2008 is primarily due to higher Section 31 fee rates. The decrease in the first six months of 2009 compared with the same period in 2008 is primarily due to lower dollar volume traded, partially offset by higher Section 31 fee rates.

Liquidity rebates, in which we credit a portion of the per share execution charge to the market participant that provides the liquidity, increased in the second quarter and first six months of 2009 compared with the same periods in 2008, primarily due to a higher number of shares matched on NASDAQ. Also contributing to the increase in the first six months of 2009 compared to the same period in 2008 was an increase in the amount of the rebate offered to liquidity providers.

Brokerage, clearance and exchange fees increased in the second quarter of 2009 and decreased in the first six months of 2009 compared with the same periods in 2008. The increase in the second quarter of 2009 was primarily due to higher Section 31 fee rates, partially offset by lower routing costs due to a decrease in the amount of volume routed by NASDAQ and lower fees incurred from the National Securities Clearing Corporation, or NSCC. The decrease in the first six months of 2009 was primarily due to lower routing costs as a result of less volume being routed by NASDAQ along with a decrease in Section 31 fees due to lower dollar volume traded. These decreases were partially offset by a lower rebate received in the first quarter of 2009 from NSCC due to NSCC's pricing reductions announced in 2008.

European Cash Equity Trading Revenues

European cash equity trading revenues include trading revenues from equity products traded on the exchanges that comprise NASDAQ OMX Nordic and NASDAQ OMX Baltic. European cash equity trading revenues decreased in the second quarter of 2009 and first six months of 2009 compared with the same periods in 2008, primarily due to a decrease in the value traded per day due to lower average market capitalization of stocks traded. The decrease in the first six months of 2009 was partially offset by the inclusion of European cash equity trading revenues for the full six-month period in 2009 compared to four months in 2008. In addition, foreign exchange negatively impacted European cash equity trading revenues by $7 million in the second quarter of 2009 and $10 million in the first six months of 2009.

Derivative Trading Revenues

U.S. derivative trading revenues less liquidity rebates, brokerage, clearance and exchange fees increased in the second quarter and first six months of 2009 compared with the same periods in 2008, primarily due to the inclusion of NASDAQ OMX PHLX's derivative trading revenues of $35 million in the second quarter of 2009 and $68 million in the first six months of 2009 along with increases in average daily contracts matched and routed on NASDAQ's trading systems.

European derivative trading revenues include trading and clearing revenues from derivative products traded on NASDAQ OMX Stockholm and derivative trading revenues from derivative products traded on NASDAQ OMX Copenhagen. European derivatives include revenues from NASDAQ OMX Commodities of $8 million in the second quarter of 2009 and $16 million in the first six months of 2009. However, foreign exchange negatively impacted European derivative trading revenues by $4 million in the second quarter of 2009 and $5 million in the first six months of 2009.

Access Services Revenues

Access services revenues increased in the second quarter and first six months of 2009 compared with the same periods in 2008. The increase was primarily due to the inclusion of NASDAQ OMX PHLX's revenues of $4 million in the second quarter of 2009 and $7 million in the first six months of 2009, as well as increases in customer demand for network connectivity and co-location services and increases in exchange and other membership fees.

Market Data

Market Data revenues decreased in the second quarter of 2009 compared with the same period in 2008. The decrease was due to a decrease in net U.S. tape plans revenues and a decrease in European market data products revenues. These decreases were partially offset by an increase in U.S. market data products revenues.

The decline in net U.S. tape plans revenues was primarily due to the decline in NASDAQ's trading and quoting market share of U.S. equities. European market data products revenues decreased primarily due to an unfavorable impact from foreign exchange of $5 million.

U.S. market data products revenues which are generated from the sale of NASDAQ OMX proprietary data products increased primarily due to growth of products such as the NASDAQ Global Index Data Service and other proprietary data products.

Market Data revenues increased in the first six months of 2009 compared with the same period in 2008. The increase was due to an increase in U.S. market data products and European market data products revenues, partially offset by a decrease in net U.S. tape plans revenues.

The increase in U.S. market data products revenues was primarily due to growth of products such as the NASDAQ Global Index Data Service and other proprietary data products.

European market data products revenues increased primarily due to the inclusion of European market data products revenues for the full six-month period in 2009 compared with four months in 2008, partially offset by an unfavorable impact from foreign exchange of $6 million.

The decline in net U.S. tape plans revenues was primarily due to the decline in NASDAQ's trading and quoting market share of U.S. equities.

ISSUER SERVICES

The following table shows revenues from our Issuer Services segment:

	Three Months Ended June 30,		Percentage Change	Six Months Ended June 30,		Percentage Change
	2009	2008		2009	2008	
	(in millions)			(in millions)		
Global Listing Services:						
Annual renewal fees	$ 29	$ 31	(6.5)%	$ 58	$ 62	(6.5)%
Listing of additional shares fees	9	10	(10.0)%	19	21	(9.5)%
Initial listing fees	5	6	(16.7)%	10	11	(9.1)%
Total U.S. listing fees	43	47	(8.5)%	87	94	(7.4)%
European listing fees	11	17	(35.3)%	22	23	(4.3)%
Corporate services	18	17	5.9%	33	31	6.5%
Total Global Listing Services	72	81	(11.1)%	142	148	(4.1)%
Global Index Group	10	11	(9.1)%	19	21	(9.5)%
Total Issuer Services revenues	$ 82	$ 92	(10.9)%	$ 161	$ 169	(4.7)%

Global Listing Services

U.S. Listing Services Revenues

Annual renewal fees decreased in the second quarter and first six months of 2009 compared with the same periods in 2008, primarily due to a decrease in the number of listed companies on The NASDAQ Stock Market. The number of companies listed on The NASDAQ Stock Market on January 1, 2009 was 3,023, compared to 3,135 on January 1, 2008, the date on which listed companies are billed their annual fees. The decrease in the number of listed companies was due to 289 delistings by The NASDAQ Stock Market in 2008, partially offset by 177 new listings in 2008. The number of listed companies as of January 1, 2009 and 2008 also includes separately listed ETFs. Annual renewal fees are recognized ratably over a 12-month period.

Listing of additional shares fees decreased in the second quarter and first six months of 2009 compared with the same periods in 2008 as fewer companies have issued additional shares in the past year compared to prior years. Listing of additional shares fees are amortized on a straight-line basis over an estimated service period of four years.

Initial listing fees decreased slightly in the second quarter and first six months of 2009 compared with the same periods in 2008, primarily due to a decrease in the number of new listings. There were 18 new listings, including 3 new IPOs, during the second quarter of 2009 and 34 new listings, including 3 new IPOs, during the first six months of 2009 compared with 42 new listings, including 3 new IPOs, during the second quarter of 2008 and 90 new listings, including 10 new IPOs, during the first six months of 2008. The decrease in new listings during 2009 will impact future revenues as these fees are amortized on a straight-line basis over an estimated service period of six years.

European Listing Services Revenues

European Listing Services revenues decreased in the second quarter and first six months of 2009 compared with the same periods in 2008, primarily due to a decline in the market capitalization of Nordic issuers as well as a decrease in the number of listed companies from 847 as of June 30, 2008 to 808 as of June 30, 2009. In addition, foreign exchange negatively impacted European Listing Services revenues by $3 million in the second quarter of 2009 and $4 million in the first six months of 2009. Partially offsetting the decline in the first six months of 2009 was an increase in revenues due to the inclusion of European Listing Services revenues for the full six-month period in 2009 compared to four months in 2008. European Listing Services revenues are derived from annual fees received from listed companies on the exchanges that comprise NASDAQ OMX Nordic and NASDAQ OMX Baltic, and are directly related to the listed companies' market capitalization. These revenues are recognized ratably over a 12-month period.

Corporate Services Revenues

Global Listing Services revenues also include fees from Corporate Services. These fees include commission income from Carpenter Moore, subscription income from Shareholder.com and Directors Desk, fees from GlobeNewswire and revenues from Corporate Services Nordic. Corporate Services revenues increased in the second quarter and the first six months of 2009 compared with the same periods in 2008, primarily due to expanding customer utilization of our Corporate Services. In addition, the inclusion of Corporate Services Nordic for the full six-month period in 2009 compared with four months in 2008 contributed to the increase in the first six months of 2009.

Global Index Group Revenues

Global Index Group revenues primarily include license fees from NASDAQ OMX branded indexes, associated derivatives and financial products in the U.S. and abroad. Global Index Group revenues decreased in the second quarter and first six months of 2009 compared with the same periods in 2008, primarily due to a decrease in underlying assets associated with NASDAQ OMX-licensed ETFs and a decrease in licensed derivatives volumes.

MARKET TECHNOLOGY

The following table shows revenues from our Market Technology segment:

	Three Months Ended June 30, 2009	Three Months Ended June 30, 2008	Percentage Change	Six Months Ended June 30, 2009	Six Months Ended June 30, 2008	Percentage Change
	(in millions)			(in millions)		
Market Technology:						
License, support and project revenues	$ 28	$ 33	(15.2)%	$ 49	$ 42	16.7%
Facility management services	7	9	(22.2)%	13	12	8.3%
Other revenues	1	1	—	3	1	#
Total Market Technology revenues	$ 36	$ 43	(16.3)%	$ 65	$ 55	18.2%

# Denotes a variance greater than 100.0%.

Market Technology revenues decreased in the second quarter of 2009 compared with the same period in 2008, primarily due to an unfavorable impact of $10 million from foreign exchange. Market Technology revenues increased in the first six months of 2009 compared to the same period in 2008, primarily due to the inclusion of Market Technology revenues for the full six-month period in 2009 compared to four months in 2008, partially offset by an unfavorable impact of $13 million from foreign exchange.

Market Technology provides technology solutions for trading, clearing and settlement, and information dissemination, and also offers facility management integration and advisory services to marketplaces throughout the world.

License, support and project revenues are derived from the system solutions developed and sold by NASDAQ OMX. After we have developed and sold a system solution, the customer licenses the right to use the software. Each project involves individual adaptations to the specific requirements of the customer, such as those relating to functionality and capacity. When NASDAQ OMX provides a system solution, it undertakes to upgrade, develop and maintain the system and receives regular support revenues for this work which is recognized over the contract period. Under contract accounting, where customization and significant modifications to the software are made to meet the needs of our customers, total revenues, as well as costs incurred, are deferred until the customization and significant modifications are complete and are then recognized over the support period. In addition, license, support and project revenues also include amortization of the deferred revenue related to our contribution of technology licenses to NASDAQ Dubai. See “The combination with OMX AB and strategic partnership with Borse Dubai Limited,” of Note 4, “Acquisitions and Strategic Initiatives in 2008,” to the condensed consolidated financial statements for further discussion of our transaction with Borse Dubai.

Facility management services revenues are derived when NASDAQ OMX assumes responsibility for the continuous operation of a system platform for a customer and receives facility management services revenues which can be both fixed and volume-based. Facility management services revenues are recognized as services are rendered over the contract period after delivery has occurred.

Other revenues include advisory services that are recognized in revenue when earned.

Expenses

Operating Expenses

The following table shows our operating expenses:

	Three Months Ended June 30, 2009	Three Months Ended June 30, 2008	Percentage Change	Six Months Ended June 30, 2009	Six Months Ended June 30, 2008	Percentage Change
	(in millions)			(in millions)		
Compensation and benefits	$ 105	$ 115	(8.7)%	$ 202	$ 189	6.9%
Marketing and advertising	3	4	(25.0)%	5	6	(16.7)%
Depreciation and amortization	27	22	22.7%	50	38	31.6%
Professional and contract services	17	23	(26.1)%	36	36	—
Computer operations and data communications	14	17	(17.6)%	29	25	16.0%
Occupancy	18	17	5.9%	35	29	20.7%
Regulatory	10	7	42.9%	19	15	26.7%
Merger expenses	3	6	(50.0)%	11	7	57.1%
General, administrative and other	11	14	(21.4)%	24	25	(4.0)%
Total operating expenses	$ 208	$ 225	(7.6)%	$ 411	$ 370	11.1%

Total operating expenses decreased $17 million in the second quarter of 2009 compared with the same period in 2008, reflecting a favorable impact from foreign exchange of $23 million, partially offset by an increase in operating expenses of $6 million primarily due to the inclusion of NASDAQ OMX PHLX's operating expenses. Total operating expenses increased $41 million in the first six months of 2009 compared to the same period in 2008, reflecting an increase in operating expenses of $74 million, partially offset by a favorable impact of $33 million from foreign exchange. The increase in operating expenses of $74 million was primarily due to the inclusion of OMX's operating expenses for the full six-month period in 2009 compared with four months in 2008 and the inclusion of NASDAQ OMX PHLX's operating expenses for the first six months of 2009. See below for further discussion.

Compensation and benefits expense decreased in the second quarter of 2009 compared with the same period in 2008, primarily due to foreign exchange which had a favorable impact of $11 million. Compensation and benefits expense increased in the first six months of 2009 compared to the same period in 2008, primarily due to the inclusion of OMX's compensation and benefits expense for the full six-month period in 2009 compared with four months in 2008 and the inclusion of NASDAQ OMX PHLX's compensation and benefits expense of $11 million in the first six months of 2009 as well as increased compensation and stock based compensation as a result of other recent acquisitions. Headcount increased to 2,345 employees at June 30, 2009 compared with 2,334 employees at June 30, 2008 due to additional headcount as a result of recent acquisitions. Partially offsetting the increase in compensation and benefits expense in the first six months of 2009 was a favorable impact of $16 million from foreign exchange.

Depreciation and amortization expense increased in the second quarter and first six months of 2009 compared with the same periods in 2008. The increase in the second quarter of 2009 was primarily due to the inclusion of NASDAQ OMX PHLX's depreciation and amortization expense of $4 million. The increase in the first six months of 2009 was primarily due to the inclusion of NASDAQ OMX PHLX's depreciation and amortization expense of $7 million in the first six months of 2009 and an increase of $3 million in OMX's depreciation and amortization expense reflecting OMX's results of operations for the full six-month period in 2009 compared with four months in 2008, partially offset by a favorable impact of $4 million from foreign exchange.

Professional and contract services expense decreased in the second quarter of 2009 compared with the same period in 2008, primarily due to decreases in technology related services through cost saving programs, as well as foreign exchange, which had a favorable impact of $2 million. Professional and contract services remained flat in the first six months of 2009 compared with the same period in 2008. An increase due to the inclusion of OMX's professional and contract services expense for the full six-month period in 2009 compared with four months in 2008 was offset by a favorable impact from foreign exchange.

Computer operations and data communications expense decreased in the second quarter of 2009 compared with the same period in 2008, primarily due to a decrease of $6 million in OMX's computer operations and data communications expense due to realized synergies and foreign exchange, which had a favorable impact of $1 million. The decrease in computer operations and data communications expense for the second quarter of 2009 was partially offset by the inclusion of NASDAQ OMX PHLX's computer operations and data communications expense of $2 million. Computer operations and data communications expense increased in the first six months of 2009 compared with the same period in 2008, primarily due to the inclusion of NASDAQ OMX PHLX's computer operations and data communications expense of $3 million.

Occupancy expense increased slightly in the second quarter of 2009 and increased $6 million in the first six months of 2009 compared with the same periods in 2008. The increase in the first six months of 2009 was primarily due to the inclusion of NASDAQ OMX PHLX's occupancy expense of $3 million and an increase of $2 million in OMX's occupancy expense reflecting the inclusion of OMX's results of operations for the full six-month period in 2009 compared with four months in 2008, partially offset by a favorable impact of $3 million from foreign exchange.

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Regulatory expense increased in the second quarter and first six months of 2009 compared with the same periods in 2008 primarily due to new regulatory fees from FINRA and an expansion of regulatory services to new markets. FINRA provides regulatory services to The NASDAQ Stock Market, The NASDAQ Options Market and, as of March 2009, the markets operated or regulated by NASDAQ OMX BX, including the regulation of trading activity and surveillance and investigative functions.

Merger expenses were $3 million in the second quarter of 2009 and $11 million for the first six months of 2009 compared with $6 million for the second quarter 2008 and $7 million for the first six months of 2008. These costs are directly attributable to the business combination with OMX AB and the acquisition of PHLX, but do not qualify as purchase accounting adjustments. The costs primarily include consulting and legal costs related to our integration of OMX AB and PHLX.

General, administrative and other expense decreased in the second quarter and first six months of 2009 compared with the same periods in 2008. The decrease in the second quarter of 2009 was primarily due to a decrease of $4 million in OMX's general, administrative and other expense due to foreign exchange which had a favorable impact of $4 million. In addition, we recognized a pre-tax gain of $1 million on the early extinguishment of debt, net of debt issuance and other costs in the second quarter of 2009. The decrease in the first six months of 2009 was primarily due to foreign exchange which had a favorable impact of $5 million and the recognition of pre-tax gains of $4 million on the early extinguishment of debt, net of debt issuance and other costs, partially offset by an increase in OMX's general, administrative and other expense reflecting the inclusion of OMX's results of operations for the full six-month period in 2009 compared with four months in 2008. See "Early Extinguishment of Debt," of Note 8, "Debt Obligations," to the condensed consolidated financial statements for further discussion of the early extinguishment of debt.

Non-operating Income and Expenses

The following table presents our non-operating income and expenses:

	Three Months Ended June 30, 2009	Three Months Ended June 30, 2008	Percentage Change	Six Months Ended June 30, 2009	Six Months Ended June 30, 2008	Percentage Change
	(in millions)			(in millions)		
Interest income	$ 2	$ 8	(75.0)%	$ 7	$ 18	(61.1)%
Interest expense	(25)	(24)	4.2%	(51)	(34)	50.0%
Net interest expense	(23)	(16)	43.8%	(44)	(16)	#
Dividend and investment income	1	3	(66.7)%	1	3	(66.7)%
Loss on sale of investment security	(5)	—	#	(5)	—	#
Income (loss) from unconsolidated investees, net	(18)	1	#	(20)	28	#
Gain on foreign currency contracts, net	—	5	#	—	40	#
Total non-operating income and (expenses)	$ (45)	$ (7)	#	$ (68)	$ 55	#

# Denotes a variance greater than or equal to 100.0%.

Interest Income

Interest income decreased in the second quarter and first six months of 2009 compared with the same periods in 2008, primarily due to lower interest rates and a lower average cash balance in the second quarter and first six months of 2009.

Interest Expense

Interest expense remained flat in the second quarter and increased in the first six months of 2009 compared with the same periods in 2008. The increase in the first six months of 2009 primarily reflects a full six-month period of interest expense in 2009 on our outstanding debt obligations related to the OMX AB business combination compared with four months of interest expense in 2008 and additional interest expense due to our outstanding debt obligations related to the acquisitions of PHLX and certain businesses of Nord Pool that were completed in the second half of 2008.

Dividend and Investment Income

Dividend and investment income decreased in the second quarter and first six months of 2009 compared with the same periods in 2008 primarily due to a decrease in the dividend per share received from our available-for-sale investment in Oslo.

Loss on Sale of Investment Security

In connection with our business combination of OMX AB, we acquired a long-term available-for-sale investment in Oslo which was accounted for in accordance with SFAS 115. During the second quarter of 2009, we made a strategic decision to sell this investment demonstrating our intent to no longer hold this investment and recorded a $5 million loss, which is net of costs directly related to the sale, primarily broker fees.

Income (Loss) from Unconsolidated Investees, net

The net loss in the second quarter of 2009 of $18 million and the first six months of 2009 of $20 million was primarily due to a $19 million loss recorded in May 2009 related to the sale of our 25.25% share capital in Orc. The net income in the first six months of 2008 of $28 million primarily related to the NASDAQ Dubai transaction. We contributed intangible assets and $50 million in cash to NASDAQ Dubai in exchange for a 33 $^{1}/_{3}$% equity ownership in NASDAQ Dubai. One of the intangible assets contributed was the Nasdaq trade name, which had a zero carrying value on Nasdaq's books and records prior to the transfer. As a result, we recognized a $26 million gain for the difference between Nasdaq's carrying value and the fair value of the contributed asset on this non-monetary exchange.

Gain on Foreign Currency Contracts, net

In the second quarter of 2008, we recorded a gain of $5 million primarily related to gains on forward currency contracts used to economically hedge our Market Technology contracted revenue streams. In the first six months of 2008, we recorded a net gain of $40 million which relates to net gains on forward and option contracts entered into to hedge the foreign currency exposure on our business combination with OMX AB ($27 million), an unrealized gain on a forward contract entered into to hedge the NOK cash payment for the Nord Pool transaction ($8 million) and unrealized gains on forward currency contracts used to economically hedge our Market Technology contracted revenue streams ($5 million). See "Derivatives Not Designated as Hedges," of Note 14, "Derivative Financial Instruments and Hedging Activities," to the condensed consolidated financial statements for further discussion.

Income Taxes

NASDAQ OMX's income tax provision was $46 million in the second quarter of 2009 and $94 million in the first six months of 2009 compared with $47 million in the second quarter of 2008 and $122 million in the first six months of 2008. The overall effective tax rate was approximately 40% in the second quarter of 2009 and approximately 32% in the second quarter of 2008. The overall effective tax rate was approximately 37% in the first six months of 2009 and approximately 36% in the first six months of 2008. The higher effective tax rate in 2009 is primarily due to losses on the sale of our equity method investment in Orc and our available-for-sale investment in Oslo, which are not deductible for tax purposes in the local jurisdiction where these investments were held. Excluding the impact of these losses, the overall effective tax rate would have been approximately 33% in the second quarter of 2009 and approximately 34% in the first six months of 2009.

The effective tax rate may vary from period to period depending on, among other factors, the geographic and business mix of earnings and losses. These same and other factors, including history of pre-tax earnings and losses, are taken into account in assessing the ability to realize deferred tax assets.

As previously discussed, we adopted FSP APB 14-1 on January 1, 2009 and have adjusted all periods presented to reflect the tax impact on the incremental interest expense, which resulted in a change in tax expense and current and non-current deferred tax liabilities. See "FASB Staff Position APB No. 14-1," of Note 3, "Recent Accounting Pronouncements" and "Adoption of FSP APB 14-1," of "2.50% Convertible Senior Notes," of Note 8, "Debt Obligations," for further discussion.

We recognize and measure our unrecognized tax benefits in accordance with FIN 48. FIN 48 requires management to determine whether a tax position is more likely than not to be sustained upon examination, including resolution of any related appeals or litigation processes, based on the technical merits of the position. Once it is determined that a position meets the recognition thresholds, the position is measured to determine the amount of benefit to be recognized in the condensed consolidated financial statements. Interest and/or penalties related to income tax matters are recognized in income tax expense.

NASDAQ OMX and its eligible subsidiaries file a consolidated U.S. federal income tax return, and applicable state and local income tax returns and non-U.S. income tax returns. Federal income tax returns for years 2005-2007 are subject to examination by the Internal Revenue Service. Several state tax returns are currently under examination by the respective tax authorities for years 1996-1998 and 2000-2006 and we are subject to examination for 2007. Non-U.S. tax returns are subject to review by the respective tax authorities for years 2002-2008. We anticipate that the amount of unrecognized tax benefits at June 30, 2009 will significantly decrease in the next twelve months as we expect to settle certain tax audits. The final outcome of such audits cannot yet be determined. We anticipate that such adjustments would not have a material impact on our condensed consolidated financial position or results of operations.

In June 2009, NASDAQ OMX filed an application for an advance tax ruling with the Swedish Tax Council for Advanced Tax Rulings. The application was filed to confirm whether certain interest expense is deductible for Swedish tax purposes under legislation that became effective on January 1, 2009. We expect to receive a favorable response from the Swedish Tax Council for Advance Tax Rulings by our fiscal year end 2009. We recorded the Swedish tax benefit as described above in our condensed consolidated financial statements. In the second quarter of 2009, we recorded a tax benefit of $5 million, or $.02 per diluted share. For the first six months of 2009, we recorded a tax benefit of $9 million, or $.04 per diluted share. We expect to record recurring quarterly tax benefits of $4 million to $5 million with respect to this issue for the foreseeable future.

Liquidity and Capital Resources

Recent global market and economic conditions have been, and continue to be, disruptive and volatile, having an adverse impact on financial markets in general. As a result of concern about the stability of the markets and the strength of counterparties, many lenders and institutional investors have reduced and, in some cases, ceased to provide funding to borrowers resulting in severely diminished liquidity and credit availability. At this time, the extent to which these conditions will persist is unclear. To date, our cost and availability of funding has not been adversely affected by illiquid credit markets and we do not expect it to be materially impacted in the near future.

We require cash to pay our operating expenses, make capital expenditures and service our debt and other long-term liabilities. Our principal source of funds is cash from our operations. In addition, we have obtained funds by selling our common stock in the capital markets. In order to finance our business combination with OMX AB, our acquisition of PHLX and the Nord Pool transaction, we have incurred additional debt and issued shares of our common stock. See Note 8, "Debt Obligations," to the condensed consolidated financial statements for further discussion of our debt obligations.

In the near term, we expect that our operations will provide sufficient cash to fund our operating expenses, capital expenditures and interest payments on our debt. As of June 30, 2009, our cash and cash equivalents of $419 million was primarily invested in money market funds. In the long-term, we may use both internally generated funds and external sources to satisfy our debt and other long-term liabilities.

Principal factors that could affect the availability of our internally-generated funds include:

- deterioration of our revenues in any of our business segments;
- changes in our working capital requirements; and
- an increase in our expenses.

Principal factors that could affect our ability to obtain cash from external sources include:

- financial covenants contained in our Credit Facilities that limit our total borrowing capacity;
- increases in interest rates applicable to our floating rate term debt;
- credit rating downgrades, which could limit our access to additional debt;
- a decrease in the market price of our common stock; and
- volatility in the public debt and equity markets, especially the recent seize up of the credit markets.

The following sections discuss the effects of changes in our cash flows, capital requirements and other commitments on our liquidity and capital resources.

Cash and Cash Equivalents and Changes in Cash Flows

Cash and cash equivalents include cash in banks and all non-restricted highly liquid investments with original maturities of three months or less at the time of purchase. Restricted cash, which was $152 million as of June 30, 2009 and $141 million as of December 31, 2008, is not available for general use by us due to regulatory and other requirements and is classified as restricted cash in the Condensed Consolidated Balance Sheets. Non-current restricted cash, which was $50 million at both June 30, 2009 and December 31, 2008, relates to a deposit to the guarantee fund of IDCG and is classified as non-current restricted cash in the Condensed Consolidated Balance Sheets.

The following tables summarize our cash and cash equivalents and changes in cash flows:

	June 30, 2009	December 31, 2008	Percentage Change
	(in millions)		
Cash and cash equivalents [1]	$ 419	$ 374	12.0%

(1) Cash and cash equivalents exclude restricted cash which is not available for general use by us due to regulatory and other requirements.

	Six Months Ended June 30, 2009	2008	Percentage Change
	(in millions)		
Cash provided by operating activities	$ 224	$ 220	1.8%
Cash provided by (used in) investing activities	19	(1,988)	#
Cash provided by (used in) financing activities	(211)	1,130	#
Effect of exchange rate changes on cash and cash equivalents	13	9	44.4%

# Denotes a variance greater than 100.0%.

Cash and cash equivalents. Cash and cash equivalents increased $45 million from December 31, 2008 primarily due to proceeds from sales of investments, collections of Global Listing Services' annual billings and other positive cash flows from operating activities. These increases were partially offset by payments of outstanding debt obligations, purchases of trading securities and payment of accrued personnel costs.

Changes in Cash Flows

Cash provided by operating activities. The following items impacted our cash provided by operating activities for the six months ended June 30, 2009:

- Net income attributable to NASDAQ OMX of $163 million, plus:
  - Non-cash items of $53 million comprised primarily of depreciation and amortization of $50 million, loss from unconsolidated investees, net of $20 million and share-based compensation of $17 million, partially offset by deferred taxes, net of $35 million.
  - Increase in deferred revenue of $80 million mainly due to Global Listing Services' annual billings.
  - Increase in Section 31 fees payable to SEC of $64 million primarily due to a six month accrual included in the June 2009 balance compared to a four month accrual included in the December 2008 balance. Payments are made twice a year in March (for the four month period September through December of the prior year) and in September (for the eight month period January through August of the current year) of each year. The increase is also due to an increase in Section 31 fee rates.
- Partially offset by a:
  - Decrease in accrued personnel costs of $65 million primarily due to payment of 2008 incentive compensation in the first quarter of 2009, partially offset by the 2009 accrual.
  - Increase in receivables, net of $49 million primarily due to an increase in income tax receivable, reflecting quarterly estimates paid in excess of the current liability owed, as well as an increase in Market Services receivables as a result of an increase in Section 31 fees receivable due to a rate fee increase.
  - Decrease in other accrued liabilities of $46 million primarily due to decreases in accrued taxes as a result of payments made.

During the six months ended June 30, 2008, the following items impacted our cash provided by operating activities:

- Net income attributable to NASDAQ OMX of $220 million, plus:
  - Increase in deferred revenue of $49 million mainly due to Global Listing Services' annual billings.
  - Increase in accounts payable and accrued expenses and other accrued liabilities of $50 million primarily due to additional rebates payable as a result of increases in market share, as well as an increase in interest payable on our credit facilities.

- Partially offset by:
  - Non-cash items of approximately $57 million comprised primarily of the gain on foreign currency contracts, net of $40 million, deferred taxes, net of $39 million and income from unconsolidated investees, net of $28 million, partially offset by depreciation and amortization of $38 million and share-based compensation of $12 million.
  - Increase in other assets of $42 million due to the increase in the restricted cash balance as of June 30, 2008.

We expect that cash provided by operating activities may fluctuate in future periods as a result of a number of factors, including fluctuations in our operating results, accounts receivable collections, share-based compensation and the timing and amount of other payments that we make.

Cash provided by (used in) investing activities. Cash provided by investing activities for the six months ended June 30, 2009 is primarily due to cash received from sales and redemptions of trading securities and our available-for-sale investment in Oslo, as well as cash received from the sale of our 25.25% equity method investment in Orc. Partially offsetting cash received, was cash used in connection with the purchase of trading securities, as well as purchases of property and equipment. In the first six months of 2008, cash used in investing activities primarily related to our business combination with OMX AB, net of cash acquired, as well as the acquisition of 33 1/3% of the equity of NASDAQ Dubai and the equity interest in Agora-X, for total cash paid of $1,981 million.

Cash provided by (used in) financing activities. Cash used in financing activities in the first six months of 2009 consisted of $113 million in principal payments made on our Term Loan Facility and a $71 million payment to repay in full the vendor note issued to the previous owners of Nord Pool in connection with the acquisition of certain businesses of Nord Pool. In addition, we repurchased $47 million principal amount of our 2.50% convertible senior notes for a cash payment of $40 million and recognized a pre-tax gain of $4 million, net of debt issuance and other costs. We also made a $4 million payment on our other credit facilities in the first six months of 2009. In the first six months of 2008, cash provided by financing activities consisted of the proceeds from the issuance of $475 million aggregate principal amount of 2.50% convertible senior notes and $1,050 million in senior secured indebtedness under our Credit Facilities. See “Credit Facilities” below for further discussion. The 2008 proceeds from the 2.50% convertible senior notes and new credit facilities were partially offset by the refinancing of $353 million of OMX AB outstanding debt obligations at the time of the business combination.

Capital Resources and Working Capital

Working capital (calculated as current assets less current liabilities) was $429 million at June 30, 2009, compared with $351 million at December 31, 2008, an increase of $78 million, or 22.2%. We have historically been able to generate sufficient funds from operations to meet working capital requirements. At June 30, 2009, we had total contractual debt obligations of $2,375 million, of which $225 million is due within one year. See below for further discussion.

At June 30, 2009, none of our lenders were affiliated with NASDAQ OMX, except to the extent, if any, that SLP would be deemed an affiliate of NASDAQ OMX due to its ownership of $119 million aggregate principal amount of the 3.75% convertible notes and shares of our common stock and representation on our board of directors.

3.75% Convertible Notes due 2012

As of June 30, 2009, approximately $120 million in aggregate principal amount of the 3.75% convertible notes due 2012 remained outstanding, of which $119 million was owned by SLP.

2.50% Convertible Senior Notes due 2013

In the first quarter of 2008, in connection with the business combination with OMX AB, we completed the offering of $475 million aggregate principal amount of 2.50% convertible senior notes due 2013. In 2009, we repurchased $47 million principal amount of the notes for a cash payment of $40 million. For the first six months of 2009, we recognized a pre-tax gain on the early extinguishment of debt of $4 million, net of debt issuance and other costs of $0.8 million. These gains were recorded in general, administrative and other expense in the Condensed Consolidated Statements of Income. The aggregate principal amount outstanding on these notes as of December 31, 2008 was $475 million. As a result of the repurchase, the remaining aggregate principal amount outstanding on these notes as of June 30, 2009 was $428 million. It is our intent and policy to settle the principal amount of the notes in cash and we are permitted to settle the conversion premium in shares of our common stock or cash.

Credit Facilities

In the first quarter of 2008, we entered into the Credit Facilities to finance the business combination with OMX AB, the acquisition of PHLX and the Nord Pool transaction. The Credit Facilities provide for up to $2,075 million of debt financing, which includes (i) a five-year, $2,000 million senior secured term loan facility which consists of (a) a $1,050 million term loan facility allocated to the OMX AB business combination, (b) a $650 million term loan facility allocated to our acquisition of PHLX and (c) a $300 million term loan facility allocated to fund the Nord Pool transaction and (ii) a five-year, $75 million senior secured revolving credit facility. At June 30, 2009 and December 31, 2008, the revolving credit facility was unused. Total debt obligations outstanding under the Credit Facilities were $1,812 million at June 30, 2009 and $1,925 million at December 31, 2008.

Under the provisions of our Credit Facilities, we are required to maintain approximately 30% of our debt structure on a fixed rate basis for two years from the date of the credit agreement. As such, in August 2008, we entered into interest rate swap agreements that effectively converted $200 million of funds borrowed under our Credit Facilities, which is floating rate debt, to a fixed rate basis through August 2011. The interest rate swap was fixed to a base rate of 3.73% plus the current credit spread of 200 basis points as of June 30, 2009. The credit spread (not to exceed 200 basis points) is subject to change based upon the leverage ratio in accordance with the Credit Facilities. See “Cash Flow Hedges,” of Note 14, “Derivative Financial Instruments and Hedging Activities,” to the condensed consolidated financial statements for further discussion.

We have other credit facilities related to our clearinghouses in order to meet liquidity and regulatory requirements. These credit facilities, which are available in multiple currencies, primarily Swedish Krona and U.S. dollar, totaled $501 million ($238 which is available to be pledged as collateral and $263 to satisfy regulatory requirements), of which $0.4 million was drawn at June 30, 2009. At December 31, 2008 these facilities totaled $246 million, of which $4 million was drawn. Amounts drawn were included in other accrued liabilities in the Condensed Consolidated Balance Sheets.

At June 30, 2009, we were in compliance with the covenants of all of our debt obligations.

See Note 8, “Debt Obligations,” to the condensed consolidated financial statements for further discussion of our 3.75% convertible notes, 2.50% convertible senior notes and Credit Facilities.

Broker-Dealer Net Capital Requirements

Our broker-dealer subsidiaries, Nasdaq Execution Services and NASDAQ Options Services, are subject to regulatory requirements intended to ensure their general financial soundness and liquidity, which require that they comply with minimum capital requirements. At June 30, 2009, Nasdaq Execution Services was required to maintain minimum net capital of $0.3 million and had total net capital of approximately $1.4 million or $1.1 million in excess of the minimum amount required. At June 30, 2009, NASDAQ Options Services was also required to maintain minimum net capital of $0.3 million and had total net capital of approximately $4.8 million or $4.5 million in excess of the minimum amount required.

Other Capital Requirements

NASDAQ Options Services is also required to maintain a $2 million minimum level of net capital under our clearing arrangement with The Options Clearing Corporation, or OCC.

Derivative Clearing Operations Regulatory Capital Requirements

We are required to maintain minimum levels of regulatory capital for our clearing operations for NASDAQ OMX Stockholm, NASDAQ OMX Commodities and IDCG. The level of regulatory capital required to be maintained is dependent upon many factors including market conditions and creditworthiness of the counterparty. At June 30, 2009, we were required to maintain regulatory capital of $278 million which is comprised of:

- $108 million of restricted cash;
- $ 50 million of non-current restricted cash; and
- $120 million primarily in Swedish government debt securities. These securities are included in financial investments, at fair value in the Condensed Consolidated Balance Sheets as of June 30, 2009.

In addition, we have available credit facilities of $263 million which can be utilized to satisfy our regulatory capital requirements.

OMX AB Share Purchase

On August 27, 2008, through compulsory acquisition procedures under Swedish law, NASDAQ OMX received advanced title for the remaining 1.2% of OMX AB shares held by OMX AB shareholders for an aggregate consideration of SEK 370.8 million ($61.7 million at August 27, 2008). As a result of the compulsory acquisition procedures, OMX AB is now wholly-owned by NASDAQ OMX. The additional purchase price for the shares acquired was included in other liabilities in the Condensed Consolidated Balance Sheets as of December 31, 2008. In accordance with the compulsory acquisition procedures, NASDAQ OMX was required to maintain cash amounts greater than the total amount due, and as such, segregated SEK 440 million ($73.2 million as of August 27, 2008) in other assets in the Condensed Consolidated Balance Sheets as of December 31, 2008. In February 2009, NASDAQ OMX paid the full liability of SEK 370.8 million ($41 million at February 28, 2009) plus interest to holders of the remaining 1.2% of OMX AB shares.

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Item 3. Quantitative and Qualitative Disclosures About Market Risk.

As a result of our operating and financing activities, we are exposed to market risks such as interest rate risk, foreign currency exchange rate risk, equity risk and credit risk.

We have implemented policies and procedures to measure, manage, monitor and report risk exposures, which are reviewed regularly by management and the board of directors. We identify risk exposures and monitor and manage such risks on a daily basis.

We perform sensitivity analyses to determine the effects that market risk exposures may have. We may use derivative instruments solely to hedge financial risks related to our financial positions or risks that are incurred during the normal course of business. We do not use derivative instruments for speculative purposes.

Interest Rate Risk

The majority of our financial assets and liabilities are based on floating rates and fixed rates with an outstanding maturity or reset date falling in less than one year. The following table summarizes our significant exposure to interest rate risk as of June 30, 2009:

	Financial Assets	Financial Liabilities[2]	Negative impact of a 100 bp adverse shift in interest rate[3]
		(in millions)	
Floating rate positions[1]	$ 632	$ 1,612	$ 17
Fixed rate positions[4] [5]	236	763	2
Total	$ 868	$ 2,375	$ 19

(1) Includes floating rate and fixed interest rates with a maturity or reset date due within 12 months.

(2) Represents total contractual debt obligations.

(3) Annualized impact of a 100 basis point parallel adverse shift in the yield curve.

(4) Financial assets primarily consist of our Swedish government debt securities, which are classified as trading investment securities, with an average duration of 0.3 years. See Note 13, “Fair Value of Financial Instruments,” to the condensed consolidated financial statements for further discussion.

(5) Financial liabilities include $200 million of our Credit Facilities which were swapped to fixed rate using float-to-fixed interest rate swaps in the third quarter of 2008. See “Interest Rate Swaps,” of Note 8, “Debt Obligations,” and “Cash Flow Hedges,” of Note 14, “Derivative Financial Instruments and Hedging Activities,” to the condensed consolidated financial statements for further discussion.

We are exposed to cash flow risk on floating rate positions. When interest rates on financial assets of floating rate positions decrease, net interest income decreases. When interest rates on financial liabilities of floating rate positions increase, net interest income decreases. Based on June 30, 2009 positions, each 1.0% change in interest rates on our net floating rate positions would impact annual pre-tax income by $17 million in total as reflected in the table above.

We are exposed to price risk on our fixed rate financial investments which total $236 million. At June 30, 2009, these fixed rate positions have an average outstanding maturity or reset date falling in more than one year. A shift of 1.0% of the interest rate curve would in aggregate impact the fair value of these positions by approximately $1 million. The average duration of the portfolio was 0.3 years. The net effect of such a yield curve shift, taking into account the change in fair value and the increase in interest income, would impact annual pre-tax income negatively by $2 million.

Foreign Currency Exchange Risk

As an international company, we are subject to currency translation risk. For the three months ended June 30, 2009, approximately 34% of our revenues less liquidity rebates, brokerage, clearance and exchange fees and 26% of our operating income are derived in currencies other than the U.S. dollar, primarily the Swedish Krona and Euro. For the six months ended June 30, 2009, approximately 33% of our revenues less liquidity rebates, brokerage, clearance and exchange fees and 22% of our operating income are derived in currencies other than the U.S. dollar, primarily the Swedish Krona and Euro.

Our primary exposure to foreign denominated revenues less liquidity rebates, brokerage, clearance and exchange fees and operating income for the second quarter of 2009 is presented in the following table:

	Swedish Krona	Euro	Other Foreign Currencies
	(in millions, except currency rate)		
Average foreign currency rate to the U.S. dollar in the second quarter of 2009	0.1265	1.3631	#
Percentage of revenues less liquidity rebates, brokerage, clearance and exchange fees	21%	4%	9%
Percentage of operating income	17%	6%	3%
Impact of a 10% adverse currency fluctuation on revenues less liquidity rebates, brokerage, clearance and exchange fees	$ (8)	$ (2)	$ (3)
Impact of a 10% adverse currency fluctuation on operating income	$ (3)	$ (1)	$ —

\# Represents multiple foreign currency rates.

Our primary exposure to foreign denominated revenues less liquidity rebates, brokerage, clearance and exchange fees and operating income for the six months ended June 30, 2009 is presented in the following table:

	Swedish Krona	Euro	Other Foreign Currencies
	(in millions, except currency rate)		
Average foreign currency rate to the U.S. dollar in first six months of 2009	0.1229	1.3343	#
Percentage of revenues less liquidity rebates, brokerage, clearance and exchange fees	20%	4%	9%
Percentage of operating income	13%	6%	3%
Impact of a 10% adverse currency fluctuation on revenues less liquidity rebates, brokerage, clearance and exchange fees	$ (14)	$ (3)	$ (7)
Impact of a 10% adverse currency fluctuation on operating income	$ (4)	$ (2)	$ (1)

\# Represents multiple foreign currency rates.

Equity Risk

Our investments in foreign subsidiaries are exposed to volatility in currency exchange rates through translation of the foreign subsidiaries' net assets or equity to U.S. dollars. Our primary exposure to this equity risk as of June 30, 2009 is presented by foreign currency in the following table:

	Net Investment	Impact on Consolidated Equity of a 10% Decrease in Foreign Currency
	(millions of dollars)	
Swedish Krona	$ 242	$ 24
Euro	170	17
Norwegian Krone	112	11
Danish Krone	86	9

Credit Risk

We are exposed to credit risk from third parties, including customers, counterparties and clearing agents. These parties may default on their obligations to us due to bankruptcy, lack of liquidity, operational failure or other reasons. We limit our exposure to credit risk by rigorously selecting the counterparties with which we make investments and execute agreements. The financial investment portfolio objective is to invest in securities to preserve principal while maximizing yields, without significantly increasing risk. Credit risk associated with investments is minimized substantially by ensuring that these financial assets are placed with governments, well-capitalized financial institutions and other creditworthy counterparties.

Our subsidiaries Nasdaq Execution Services and NASDAQ Options Services may be exposed to credit risk, due to the default of trading counterparties, in connection with the clearing and routing services that Nasdaq Execution Services and NASDAQ Options Services provide for our trading customers. System trades in equities routed to other market centers for members of The NASDAQ Stock Market are cleared by Nasdaq Execution Services, as a member of the NSCC. System trades in derivative contracts executed in the opening and closing cross and trades routed to other market centers are cleared by NASDAQ Options Services, as a member of the OCC.

Pursuant to the rules of the NSCC and Nasdaq Execution Services' clearing agreement, Nasdaq Execution Services is liable for any losses incurred due to a counterparty or a clearing agent's failure to satisfy its contractual obligations, either by making payment or delivering securities. Pursuant to the rules of the OCC and NASDAQ Options Services' clearing agreement, NASDAQ Options Services is also liable for any losses incurred due to a counterparty or a clearing agent's failure to satisfy its contractual obligations, either by making payment or delivering securities. Adverse movements in the prices of securities and derivative contracts that are subject to these transactions can increase our credit risk. However, we believe that the risk of material loss is limited, as Nasdaq Execution Services' and NASDAQ Options Services' customers are not permitted to trade on margin and NSCC and OCC rules limit counterparty risk on self-cleared transactions by establishing credit limits and capital deposit requirements for all brokers that clear with NSCC and OCC. Both Nasdaq Execution Services and NASDAQ Options Services have never incurred a liability due to a customer's failure to satisfy its contractual obligations as counterparty to a system trade. Credit difficulties or insolvency or the perceived possibility of credit difficulties or insolvency of one or more larger or visible market participants could also result in market-wide credit difficulties or other market disruptions.

Through our clearing operations in the derivative markets with NASDAQ OMX Commodities, NASDAQ OMX Stockholm and IDCG, we are the legal counterparty for each derivative position traded and thereby guarantee the fulfillment of each contract. We are required to pledge collateral for commitments with other clearinghouses. The amount of these commitments is calculated on the gross exposure between the clearinghouses. As collateral for these obligations, we have obtained financial guarantees and credit facilities which are guaranteed by us through counter indemnities. At June 30, 2009, financial guarantees pledged as collateral totaled $397 million and available credit facilities totaled $238 million, of which $0.4 million was utilized. In addition, we obtained credit facilities totaling $263 million in order to satisfy regulatory requirements, none of which has been utilized as of June 30, 2009.

We require our customers to pledge collateral and meet certain minimum financial standards to mitigate the risk if they become unable to satisfy their obligations. At June 30, 2009, total customer pledged collateral with NASDAQ OMX Commodities and NASDAQ OMX Stockholm was $6.0 billion. This pledged collateral is held by a custodian bank. Since these funds are not held by NASDAQ OMX Commodities and NASDAQ OMX Stockholm and they are not available for our use, we do not receive any interest income on these funds. Customer pledged cash collateral held by IDCG was $3 million at June 30, 2009 and is included in restricted cash with an offsetting liability included in other accrued liabilities in the Condensed Consolidated Balance Sheets, as the risks and rewards of collateral ownership, including interest, belongs to IDCG. Non-cash margin and guaranty fund deposits pledged to IDCG are not reflected in the Condensed Consolidated Balance Sheets as IDCG does not take legal ownership.

We believe that the potential for us to be required to make payments under these arrangements is mitigated through the pledged collateral, our risk management policies and, in the case of NASDAQ OMX Commodities, a default insurance policy. Accordingly, no contingent liability is recorded in the Condensed Consolidated Balance Sheets for these arrangements.

We also have credit risk related to transaction fees that are billed to customers on a monthly basis, in arrears. Our potential exposure to credit losses on these transactions is represented by the receivable balances in our Condensed Consolidated Balance Sheets. Our customers are financial institutions whose ability to satisfy their contractual obligations may be impacted by volatile securities markets.

On an ongoing basis we review and evaluate changes in the status of our counterparty's creditworthiness. Credit losses such as those described above could adversely affect our consolidated financial position and results of operations.

Contractual Obligations and Contingent Commitments

NASDAQ OMX has contractual obligations to make future payments under debt obligations by contract maturity, minimum rental commitments under non-cancelable operating leases, net and other obligations. The following table shows these contractual obligations:

	Payments Due by Period				
Contractual Obligations	Total	Remainder of 2009	2010-2011	2012-2013	2014-thereafter
			(in millions)		
Debt obligations by contract maturity (See Note 8, "Debt Obligations")[1]	$2,563	$ 145	$ 991	$ 1,409	$ 18
Minimum rental commitments under non-cancelable operating leases, net	559	39	166	118	236
Other obligations	19	7	12	—	—
Total	$3,141	$ 191	$ 1,169	$ 1,527	$ 254

(1) Our debt obligations include both principal and interest obligations. The interest on our Credit Facilities reflects the net interest payment after consideration of interest rate swap agreements that effectively converted $200 million of our Credit Facility to fixed rate debt. See Note 8, "Debt Obligations," to the condensed consolidated financial statements for further discussion. A weighted-average interest rate of 2.69% at June 30, 2009 was used to compute the amount of the contractual obligations for interest on our Credit Facilities. For our 3.75% convertible notes, the contractual obligation for interest was calculated on a 360 day basis at the contractual fixed rate of 3.75% multiplied by the remaining aggregate principal amount of $120 million at June 30, 2009. The 2.50% convertible senior notes contractual obligation for interest was calculated on a 360 day basis at the contractual fixed rate of 2.50% multiplied by the aggregate principal amount of $428 million at June 30, 2009.

Off-Balance Sheet Arrangements

Brokerage Activities

In accordance with FIN 45, Nasdaq Execution Services and NASDAQ Options Services provide guarantees to securities clearinghouses and exchanges under their standard membership agreements, which require members to guarantee the performance of other members. If a member becomes unable to satisfy its obligations to the clearinghouses, other members would be required to meet its shortfalls. To mitigate these performance risks, the exchanges and clearinghouses often require members to post collateral as well as meet certain minimum financial standards. Nasdaq Execution Services' and NASDAQ Options Services' maximum potential liability under these arrangements cannot be quantified. However, we believe that the potential for Nasdaq Execution Services and NASDAQ Options Services to be required to make payments under these arrangements is unlikely. Accordingly, no contingent liability is recorded in the Condensed Consolidated Balance Sheets for these arrangements.

Obligations Under Guarantee

NASDAQ OMX guarantees the obligations of The NASDAQ Stock Market LLC under the 3.75% convertible notes due October 22, 2012 and the related indenture.

Guarantees Issued, Credit Facilities Available and Collateral Received for Clearing Operations

Through our clearing operations in the derivative markets of NASDAQ OMX Commodities, NASDAQ OMX Stockholm and IDCG, we are the legal counterparty for each derivative position traded and thereby guarantee the fulfillment of each contract. We are required to pledge collateral for commitments with other clearinghouses. The amount of these commitments is calculated on the gross exposure between the clearinghouses. As collateral for these obligations, we have obtained financial guarantees and credit facilities which are guaranteed by us through counter indemnities. At June 30, 2009, financial guarantees pledged as collateral totaled $397 million. Credit facilities available to be pledged as collateral totaled $238 million, of which $0.4 million was utilized.

In addition, we obtained credit facilities to satisfy regulatory requirements totaling $263 million, none of which has been utilized as of June 30, 2009.

We require our customers to pledge collateral and meet certain minimum financial standards to mitigate the risk if they become unable to satisfy their obligations. At June 30, 2009, total customer pledged collateral with NASDAQ OMX Commodities and NASDAQ OMX Stockholm was $6.0 billion. This pledged collateral is held by a custodian bank. Since these funds are not held by NASDAQ OMX Commodities and NASDAQ OMX Stockholm and they are not available for our use, we do not receive any interest income on these funds. Customer pledged cash collateral held by IDCG was $3 million at June 30, 2009 and is included in restricted cash with an offsetting liability included in other accrued liabilities in the Condensed Consolidated Balance Sheets, as the risks and rewards of collateral ownership, including interest, belongs to IDCG. Non-cash margin and guaranty fund deposits pledged to IDCG are not reflected in the Condensed Consolidated Balance Sheets as IDCG does not take legal ownership.

We believe that the potential for us to be required to make payments under these arrangements is mitigated through the pledged collateral, our risk management policies and, in the case of NASDAQ OMX Commodities, a default insurance policy. Accordingly, no contingent liability is recorded in the Condensed Consolidated Balance Sheets for these arrangements.

Other Guarantees

We have provided other guarantees as of June 30, 2009 of $46 million, primarily related to obligations for our rental and leasing contracts. We have received financial guarantees from various financial institutions to support these guarantees.

Item 4. Controls and Procedures.

(a). ***Disclosure controls and procedures.*** NASDAQ OMX's management, with the participation of NASDAQ OMX's Chief Executive Officer and Executive Vice President and Chief Financial Officer, has evaluated the effectiveness of NASDAQ OMX's disclosure controls and procedures (as defined in Rule 13a-15(e) and Rule 15d-15(e) under the Securities Exchange Act of 1934 (the "Exchange Act")) as of the end of the period covered by this report. Based upon that evaluation, NASDAQ OMX's Chief Executive Officer and Executive Vice President and Chief Financial Officer have concluded that, as of the end of such period, NASDAQ OMX's disclosure controls and procedures are effective.

(b). ***Internal controls over financial reporting.*** There have been no changes in NASDAQ OMX's internal control over financial reporting (as defined in Rule 13a-15(f) and Rule 15d-15(f) under the Exchange Act) during the fiscal quarter to which this report relates that have materially affected, or are reasonably likely to materially affect, NASDAQ OMX's internal control over financial reporting.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings.

We are not currently a party to any material pending legal proceeding that we believe could have a material adverse effect on our business, financial condition, or operating results. However, from time to time, we have been threatened with, or named as a defendant in, lawsuits, or involved in regulatory proceedings.

Item 1A. Risk Factors.

In addition to the other information set forth in this Quarterly Report, you should carefully consider the factors discussed under "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended December 31, 2008 as filed with the SEC on February 27, 2009. These risks could materially and adversely affect our business, financial condition and results of operations. The risks and uncertainties in our Form 10-K are not the only ones facing us. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also adversely affect our business.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

Repurchases made in the fiscal quarter ended June 30, 2009 (in whole number of shares):

Period	(a) Total Number of Shares (or Units) Purchased	(b) Average Price Paid per Share (or Units)	(c) Total Number of Shares (or Units) Purchased as Part of Publicly Announced Plans or Programs	(d) Maximum Number (or Approximate Dollar Value) of Shares (or Units) that May Yet Be Purchased Under the Plans or Programs
April 2009	8,404	$ 19.81	—	—
May 2009	380	19.59	—	—
June 2009	426	21.68	—	—
Total	9,210	$ 19.89	—	—

The shares repurchased during the second quarter of 2009 were acquired from employees in connection with the settlement of income tax and related benefit withholding obligations arising from vesting in restricted stock grants.

Item 3. Defaults upon Senior Securities.

None

Item 4. Submission of Matters to a Vote of Security Holders.

At our annual meeting of stockholders on May 20, 2009, the following matters set forth in our Proxy Statement dated April 3, 2009, which was filed with the SEC pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended, were voted upon with the results indicated below.

1. The nominees listed below were elected directors for one-year terms with the respective votes set forth opposite their names.

	For	Withheld
Soud Ba'alawy	136,871,829	1,714,260
Urban Bäckström	136,907,817	1,678,272
H. Furlong Baldwin	133,059,053	5,527,036
Michael Casey	133,833,020	4,753,069
Lon Gorman	135,948,207	2,637,882
Robert Greifeld	136,901,701	1,684,388
Glenn H. Hutchins	130,937,688	7,648,401
Birgitta Kantola	136,898,483	1,687,606
Essa Kazim	136,883,338	1,702,751
John D. Markese	135,346,720	3,239,369
Hans Munk Nielsen	136,000,748	2,585,341
Thomas F. O'Neill	136,875,594	1,710,495
James S. Riepe	136,851,194	1,734,895
Michael R. Splinter	136,872,926	1,713,163
Lars Wedenborn	136,909,013	1,677,076
Deborah L. Wince-Smith	136,002,262	2,583,827

2. A proposal seeking ratification of the appointment of Ernst & Young LLP as NASDAQ OMX's independent registered public accounting firm for the fiscal year ending December 31, 2009, was approved, with 136,736,944 votes cast for, 1,748,124 votes cast against, and 101,021 abstentions.

Item 5. Other Information.

None.

Item 6. Exhibits.

The exhibits required by this item are listed on the Exhibit Index.

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SIGNATURES

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

	The NASDAQ OMX Group, Inc. (Registrant)	
Date: August 7, 2009	By:	/s/ ROBERT GREIFELD
	Name:	**Robert Greifeld**
	Title:	***Chief Executive Officer***
Date: August 7, 2009	By:	/s/ DAVID P. WARREN
	Name:	**David P. Warren**
	Title:	***Executive Vice President and Chief Financial Officer***

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Exhibit Number	
3.1	Restated Certificate of Incorporation of The NASDAQ OMX Group, Inc., filed on May 11, 2009.
10.1	Form of NASDAQ OMX Restricted Stock Unit Award Agreement (directors).*
10.2	2009 Performance Share Unit Agreement, dated as of June 22, 2009, between NASDAQ OMX and Robert Greifeld.*
11	Statement regarding computation of per share earnings (incorporated herein by reference from Note 12 to the condensed consolidated financial statements under Part I, Item 1 of this Form 10-Q).
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 ("Sarbanes-Oxley").
31.2	Certification of Executive Vice President and Chief Financial Officer pursuant to Section 302 of Sarbanes-Oxley.
32.1	Certifications Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of Sarbanes-Oxley.

* Management contract or compensatory plan or arrangement.

Restated Certificate of Incorporation of The NASDAQ OMX Group, Inc.

The undersigned, Joan C. Conley, Corporate Secretary of The NASDAQ OMX Group, Inc. (“Nasdaq”), a Delaware corporation, does hereby certify:

FIRST: That the name of the corporation is The NASDAQ OMX Group, Inc. The date of the filing of its original Certificate of Incorporation with the Secretary of State of the State of Delaware was November 13, 1979. The name under which Nasdaq was originally incorporated was “NASD Market Services, Inc.”

SECOND: That the Restated Certificate of Incorporation of Nasdaq dated May 27, 2003, as previously amended by the Certificate of Amendment dated May 25, 2005; the Certificate of Amendment dated August 1, 2006; the Certificate of Amendment dated March 11, 2006; the Certificate of Elimination of the Series A Cumulative Preferred Stock, Series B Preferred Stock, and Series C Cumulative Preferred Stock dated March 31, 2006; the Certificate of Designation of Series D Preferred Stock dated December 14, 2005; the Certificate of Amendment dated February 27, 2008; and the Certificate of Elimination of Series D Preferred Stock dated March 10, 2009 is hereby restated and integrated to read in its entirety as follows:

ARTICLE FIRST

The name of the corporation is The NASDAQ OMX Group, Inc.

ARTICLE SECOND

The address of Nasdaq’s registered office in the State of Delaware is 1209 Orange Street, City of Wilmington, County of New Castle, Delaware 19801. The name of Nasdaq’s registered agent at such address is The Corporation Trust Company.

ARTICLE THIRD

The nature of the business or purposes to be conducted or promoted is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware.

ARTICLE FOURTH

A. The total number of shares of Stock which Nasdaq shall have the authority to issue is Three Hundred Thirty Million (330,000,000), consisting of Thirty Million (30,000,000) shares of Preferred Stock, par value $.01 per share (hereinafter referred to as “Preferred Stock”), and Three Hundred Million (300,000,000) shares of Common Stock, par value $.01 per share (hereinafter referred to as “Common Stock”).

B. The Preferred Stock may be issued from time to time in one or more series. The Board of Directors of Nasdaq (the “Board”) is hereby authorized to provide for the issuance of shares of Preferred Stock in one or more series and, by filing a certificate pursuant to the applicable law of the State of Delaware (hereinafter referred to as “Preferred Stock Designation”), to establish from time to time the number of shares to be included in each such series, and to fix the designation, powers, preferences and rights of the shares of each such series and the qualifications, limitations and restrictions thereof. The authority of the Board with respect to each series shall include, but not limited to, determination of the following:

1. The designation of the series, which may be by distinguishing number, letter or title.
2. The number of shares of the series, which number the Board may thereafter (except where otherwise provided in the Preferred Stock Designation) increase or decrease (but not below the number of shares thereof then outstanding).
3. The amounts payable on, and the preferences, if any, of shares of the series in respect of dividends, and whether such dividends, if any, shall be cumulative or noncumulative.
4. Dates at which dividends, if any, shall be payable.
5. The redemption rights and price or prices, if any, for shares of the series.
6. The terms and amount of any sinking fund provided for the purchase or redemption of shares of the series.
7. The amounts payable on, and the preferences, if any, of shares of the series in the event of any voluntary or involuntary liquidation, dissolution or winding up of the affairs of Nasdaq.
8. Whether the shares of the series shall be convertible into or exchangeable for shares of any other class or series, or any other security, of Nasdaq or any other corporation, and, if so, the specification of such other class or series or such other security, the conversion or exchange price or prices or rate or rates, any adjustments thereof, the date or dates at which such shares shall be convertible or exchangeable and all other terms and conditions upon which such conversion or exchange may be made.
9. Restrictions on the issuance of shares of the same series or of any other class or series.
10. The voting rights, if any, of the holders of shares of the series.

C. 1.

(a) Except as may otherwise be provided in this Restated Certificate of Incorporation (including any Preferred Stock Designation) or by applicable law, each holder of Common Stock, as such, shall be entitled to one vote for each share of Common Stock held of record by such holder on all matters on which stockholders generally are entitled to vote, and no holder of any series of Preferred Stock, as such, shall be entitled to any voting powers in respect thereof.

(b) Except as may otherwise be provided in this Restated Certificate of Incorporation or by applicable law, the holders of the 3.75% Series A Convertible Notes due 2012 (as may be amended, supplemented or otherwise modified from time to time, the "Series A Notes") and the 3.75% Series B Convertible Notes due 2012 (as may be amended, supplemented or otherwise modified from time to time, the "Series B Notes" and, together with the Series A Notes, the "Notes") which may be issued from time to time by Nasdaq shall be entitled to vote on all matters submitted to a vote of the stockholders of Nasdaq, voting together with the holders of the Common Stock (and of any other shares of capital stock of Nasdaq entitled to vote at a meeting of stockholders) as one class. Each principal amount of Notes shall be entitled to a number of votes equal to the number of votes represented by the Common Stock of Nasdaq that could then be acquired upon conversion of such principal amount of Notes into Common Stock, subject to adjustments as provided in the Notes and the Indenture dated as of April 22, 2005 between Nasdaq and Law Debenture Trust Company of New York, as trustee, as such Indenture may be amended, supplemented or otherwise modified from time to time. Holders of the Notes shall be deemed to be stockholders of Nasdaq, and the Notes shall be deemed to be shares of stock, solely for the purpose of any provision of the General Corporation Law of the State of Delaware or this Restated Certificate of Incorporation that requires the vote of stockholders as a prerequisite to any corporate action.

2. Notwithstanding any other provision of this Restated Certificate of Incorporation, but subject to subparagraph 6 of this paragraph C. of this Article Fourth, in no event shall (i) any record owner of any outstanding Common Stock or Preferred Stock which is beneficially owned, directly or indirectly, as of any record date for the determination of stockholders and/or holders of Notes entitled to vote on any matter, or (ii) any holder of any Notes which are beneficially owned, directly or indirectly, as of any record date for the determination of stockholders and/or holders of Notes entitled to vote on any matter, by a person (other than an Exempt Person)

who beneficially owns shares of Common Stock, Preferred Stock and/or Notes in excess of five percent (5%) of the then-outstanding shares of stock generally entitled to vote as of the record date in respect of such matter (“Excess Shares and/or Notes”), be entitled or permitted to vote any Excess Shares and/or Notes on such matter. For all purposes hereof, any calculation of the number of shares of stock outstanding at any particular time, including for purposes of determining the particular percentage of such outstanding shares of stock of which any person is the beneficial owner, shall be made in accordance with the last sentence of Rule 13d-3(d)(1)(i) of the General Rules and Regulations under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), as in effect on the date of filing this Restated Certificate of Incorporation.

3. The following definitions shall apply to this paragraph C. of this Article Fourth:

(a) “Affiliate” shall have the meaning ascribed to that term in Rule 12b-2 of the General Rules and Regulations under the Exchange Act, as in effect on the date of filing this Restated Certificate of Incorporation.

(b) A person shall be deemed the “beneficial owner” of, shall be deemed to have “beneficial ownership” of and shall be deemed to “beneficially own” any securities:

(i) which such person or any of such person’s Affiliates is deemed to beneficially own, directly or indirectly, within the meaning of Rule l3d-3 of the General Rules and Regulations under the Exchange Act as in effect on the date of the filing of this Restated Certificate of Incorporation;

(ii) which such person or any of such person’s Affiliates has (A) the right to acquire (whether such right is exercisable immediately or only after the passage of time) pursuant to any agreement, arrangement or understanding (other than customary agreements with and between underwriters and selling group members with respect to a bona fide public offering of securities), or upon the exercise of conversion rights, exchange rights, rights, warrants or options, or otherwise; *provided, however,* that a person shall not be deemed the beneficial owner of, or to beneficially own, securities tendered pursuant to a tender or exchange offer made by or on behalf of such person or any of such person’s Affiliates until such tendered securities are accepted for purchase; or (B) the right to vote pursuant to any agreement, arrangement or understanding; *provided,* *however,* that a person shall not be deemed the beneficial owner of, or to beneficially own, any security by reason of such agreement, arrangement or understanding if the agreement, arrangement or understanding to vote such security (1) arises solely from a revocable proxy or consent given to such person in response to a public proxy or consent solicitation made pursuant to, and in accordance with, the applicable rules and regulations promulgated under the Exchange Act and (2) is not also then reportable on Schedule 13D under the Exchange Act (or any comparable or successor report); or

(iii) which are beneficially owned, directly or indirectly, by any other person and with respect to which such person or any of such person's Affiliates has any agreement, arrangement or understanding (other than customary agreements with and between underwriters and selling group members with respect to a bona fide public offering of securities) for the purpose of acquiring, holding, voting (except to the extent contemplated by the proviso to (b)(ii)(B) above) or disposing of such securities; *provided, however,* that (A) no person who is an officer, director or employee of an Exempt Person shall be deemed, solely by reason of such person's status or authority as such, to be the "beneficial owner" of, to have "beneficial ownership" of or to "beneficially own" any securities that are "beneficially owned" (as defined herein), including, without limitation, in a fiduciary capacity, by an Exempt Person or by any other such officer, director or employee of an Exempt Person, and (B) the Voting Trustee, as defined in the Voting Trust Agreement by and among Nasdaq, the National Association of Securities Dealers, Inc., a Delaware corporation (the "NASD"), and The Bank of New York, a New York banking corporation, as such may be amended from time to time (the "Voting Trust Agreement"), shall not be deemed, solely by reason of such person's status or authority as such, to be the "beneficial owner" of, to have "beneficial ownership" of or to "beneficially own" any securities that are governed by and held in accordance with the Voting Trust Agreement.

(c) A "person" shall mean any individual, firm, corporation, partnership, limited liability company or other entity.

(d) "Exempt Person" shall mean Nasdaq or any Subsidiary of Nasdaq, in each case including, without limitation, in its fiduciary capacity, or any employee benefit plan of Nasdaq or of any Subsidiary of Nasdaq, or any entity or trustee holding stock for or pursuant to the terms of any such plan or for the purpose of funding any such plan or funding other employee benefits for employees of Nasdaq or of any Subsidiary of Nasdaq.

(e) "Subsidiary" of any person shall mean any corporation or other entity of which securities or other ownership interests having ordinary voting power sufficient to elect a majority of the board of directors or other persons performing similar functions are beneficially owned, directly or indirectly, by such person, and any corporation or other entity that is otherwise controlled by such person.

(f) The Board shall have the power to construe and apply the provisions of this paragraph C. of this Article Fourth and to make all determinations necessary or desirable to implement such provisions, including, but not limited to, matters with respect to (1) the number of shares of stock beneficially owned by any person, (2) the number of Notes beneficially owned by any person, (3) whether a person is an Affiliate of another, (4) whether a person has an agreement, arrangement or understanding with another as to the matters referred to in the definition of beneficial ownership, (5) the application of any other definition or operative provision hereof to the given facts, or (6) any other matter relating to the applicability or effect of this paragraph C. of this Article Fourth.

4. The Board shall have the right to demand that any person who is reasonably believed to hold of record or beneficially own Excess Shares and/or Notes supply Nasdaq with complete information as to (a) the record owner(s) of all shares and/or Notes beneficially owned by such person who is reasonably believed to own Excess Shares and/or Notes, and (b) any other factual matter relating to the applicability or effect of this paragraph C. of this Article Fourth as may reasonably be requested of such person.

5. Any constructions, applications, or determinations made by the Board, pursuant to this paragraph C. of this Article Fourth, in good faith and on the basis of such information and assistance as was then reasonably available for such purpose, shall be conclusive and binding upon Nasdaq, its stockholders and the holders of the Notes.

6. Notwithstanding anything herein to the contrary, subparagraph 2 of this paragraph C. of this Article Fourth shall not be applicable to any Excess Shares and/or Notes beneficially owned by (a) the NASD or its Affiliates until such time as the NASD beneficially owns five percent (5%) or less of

the outstanding shares of stock and/or Notes entitled to vote on the election of a majority of directors at such time, (b) any other person as may be approved for such exemption by the Board prior to the time such person beneficially owns more than five percent (5%) of the outstanding shares of stock and/or Notes entitled to vote on the election of a majority of directors at such time or (c) Hellman & Friedman Capital Partners IV, L.P., H&F International Partners IV-A, L.P., H & F International Partners IV-B, L.P., H&F Executive Fund, IV L.P.; Silver Lake Partners II TSA, L.P., Silver Lake Technology Investors II, L.L.C., Silver Lake Partners TSA, L.P., and Silver Lake Investors, L.P. or their respective affiliated investment funds that are: (i) under common management and control, (ii) comprised of members or partners with the same ultimate ownership, and (iii) subject to terms and conditions that are substantially identical in all material respects, if the Board has approved an exemption for any other person pursuant to Section 6(b) of this paragraph C. of this Article Fourth (other than an exemption granted in connection with the establishment of a strategic alliance with another exchange or similar market) provided that in no event shall the exemption contained in Section 6(c) cause a registered broker or dealer or an Affiliate thereof (a "Broker Affiliate," provided that, a Broker Affiliate shall not include an entity that either owns ten percent or less of the equity of a broker or dealer, or for which the broker or dealer accounts for one percent or less of the gross revenues received by the consolidated entity) to receive an exemption for a greater percentage of voting securities than has been granted to another Broker Affiliate by the Board. The Board, however, may not approve an exemption under Section 6(b): (i) for a Broker Affiliate or (ii) an individual or entity that is subject to a statutory disqualification under Section 3(a)(39) of the Exchange Act. The Board may approve an exemption for any other stockholder or holder of Notes if the Board determines that granting such exemption would (A) not reasonably be expected to diminish the quality of, or public confidence in, Nasdaq or The NASDAQ Stock Market LLC or the other operations of Nasdaq and its subsidiaries, on the ability to prevent fraudulent and manipulative acts and practices and on investors and the public, and (B) promote just and equitable principles of trade, foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to and facilitating transactions in securities or assist in the removal of impediments to or perfection of the mechanisms for a free and open market and a national market system.

7. In the event any provision (or portion thereof) of this paragraph C. of this Article Fourth shall be found to be invalid, prohibited or unenforceable for any reason, the remaining provisions (or portions thereof) of this paragraph C. of this Article Fourth shall remain in full force and effect, and shall be construed as if such invalid, prohibited or unenforceable provision (or portion hereof) had been stricken herefrom or otherwise

rendered inapplicable, it being the intent of Nasdaq, its stockholders and the holders of the Notes that each such remaining provision (or portion thereof) of this paragraph C. of this Article Fourth remains, to the fullest extent permitted by law, applicable and enforceable as to all stockholders and all holders of Notes, including stockholders and holders of Notes that beneficially own Excess Shares and/or Notes, notwithstanding any such finding.

ARTICLE FIFTH

A. The business and affairs of Nasdaq shall be managed by, or under the direction of, the Board. The total number of directors constituting the entire Board shall he fixed from time to time by the Board.

B. Subject to the provisions of this paragraph B, the Board (other than those directors elected by the holders of any series of Preferred Stock provided for, or fixed pursuant to the provisions of Article Fourth hereof (the "Preferred Stock Directors")) shall be divided into three classes, as nearly equal in number as possible, designated Class I, Class II and Class III. Each director elected or appointed prior to this effectiveness of this Certificate of Amendment under the General Corporation Law of the State of Delaware shall serve for his or her full term, such that the term of each Class I director shall expire at the 2007 annual meeting of stockholders; the term of each Class II director shall expire at the 2005 annual meeting of stockholders; and the term of each Class III director shall expire at the 2006 annual meeting of stockholders. In case of any increase or decrease, from time to time, in the number of directors (other than Preferred Stock Directors), the number of directors in each class shall be apportioned as nearly equal as possible. The term of each director elected at the 2005 annual meeting of stockholders and at each subsequent annual meeting of stockholders shall expire at the first annual meeting of stockholders following his or her election. Commencing with the 2007 annual meeting of stockholders, the foregoing classification of the Board shall cease, and the directors, other than the Preferred Stock Directors, shall be elected by the holders of the Voting Stock (as hereinafter defined) and shall hold office until the next annual meeting of stockholders and until their respective successors shall have been duly elected and qualified, subject, however, to prior death, resignation, retirement, disqualification or removal from office.

C. Subject to the rights of the holders of any one or more series of Preferred Stock then outstanding, newly created directorships resulting from any increase in the authorized number of directors or any vacancies in the Board resulting from death, resignation, retirement, disqualification, removal from office or other cause shall only be filled by the Board. No decrease in the number of directors shall shorten the term of any incumbent director.

D. Except for Preferred Stock Directors, any director, or the entire Board, may be removed from office at any time, but only by the affirmative vote of at least 66 2/3% of the total voting power of the outstanding shares of capital stock of Nasdaq entitled to vote generally in the election of directors ("Voting Stock"), voting together as a single class.

E. During any period when the holders of any series of Preferred Stock have the right to elect additional directors as provided for or fixed pursuant to the provisions of Article Fourth hereof, then upon commencement and for the duration of the period during which such right continues: (i) the then otherwise total authorized number of directors of Nasdaq shall automatically be increased by such specified number of directors, and the holders of such Preferred Stock shall be entitled to elect the additional directors so provided for or fixed pursuant to said provisions, and (ii) each such additional director shall serve until such director's successor shall have been duly elected and qualified, or until such director's right to hold such office terminates pursuant to said provisions, whichever occurs earlier, subject to his earlier death, disqualification, resignation or removal. Except as otherwise provided by the Board in the resolution or resolutions establishing such series, whenever the holders of any series of Preferred Stock having such right to elect additional directors are divested of such right pursuant to the provisions of such stock, the terms of office of all such additional directors elected by the holders of such stock, or elected to fill any vacancies resulting from death, resignation, disqualification or removal of such additional directors, shall forthwith terminate and the total authorized number of directors of Nasdaq shall automatically be reduced accordingly.

ARTICLE SIXTH

A. A director of Nasdaq shall not be liable to Nasdaq or its stockholders for monetary damages for breach of fiduciary duty as a director, except to the extent that such exemption from liability or limitation thereof is not permitted under the General Corporation Law of the State of Delaware as the same exists or may hereafter be amended.

B. Any repeal or modification of paragraph A shall not adversely affect any right or protection of a director of Nasdaq existing hereunder with respect to any act or omission occurring prior to such repeal or modification.

ARTICLE SEVENTH

No action that is required or permitted to be taken by the stockholders of Nasdaq at any annual or special meeting of stockholders may be effected by written consent of stockholders in lieu of a meeting of stockholders.

ARTICLE EIGHTH

A. In furtherance of, and not in limitation of, the powers conferred by law, the Board is expressly authorized and empowered to adopt, amend or repeal the By-Laws of Nasdaq; *provided, however,* that the By-Laws adopted by the Board under the powers hereby conferred may be amended or repealed by the Board or by the stockholders having voting power with respect thereto, *provided further* that, notwithstanding any other provision of this Restated Certificate of Incorporation or any provision of law which might otherwise permit a lesser vote or no vote, but in addition to any affirmative vote of the holders of any particular class or series of the stock required by law or this Restated Certificate of Incorporation, the affirmative vote of the holders of at least 66 2/3% percent of the total voting power of the outstanding Voting Stock, voting together as a single class, shall be required in order for the stockholders to adopt, alter, amend or repeal any By-Law.

B. For so long as Nasdaq shall control, directly or indirectly, The NASDAQ Stock Market LLC, any proposed adoption, alteration, amendment, change or repeal (an "amendment") of any By-Law shall be submitted to the Board of Directors of The NASDAQ Stock Market LLC (the "Exchange Board"), and if the Exchange Board determines that such amendment is required, under Section 19 of the Exchange Act and the rules promulgated thereunder, to be filed with, or filed with and approved by, the Securities and Exchange Commission (the "Commission") before such amendment may be effective, then such amendment shall not be effective until filed with, or filed with and approved by, the Commission, as the case may be.

ARTICLE NINTH

A. Nasdaq reserves the right to amend, alter, change, or repeal any provisions contained in this Restated Certificate of Incorporation, in the manner now or hereafter prescribed by statute, and all rights conferred herein are granted subject to this reservation; *provided, however,* that the affirmative vote of the holders of at least 66 2/3% of the voting power of the outstanding Voting Stock, voting together as a single class, shall be required to amend, repeal or adopt any provision inconsistent with paragraph C. of Article Fourth, Article Fifth, Article Seventh, Article Eighth or this Article Ninth; *provided further, however,* the affirmative vote of at least 66 2/3% of the voting power of the holders of the outstanding Notes shall also be required to (i) amend paragraph C. of Article Fourth in a manner that would adversely affect the rights of the holders of the Notes thereunder without similarly affecting the rights of the holders of the Common Stock thereunder or (ii) amend this clause.

B. For so long as Nasdaq shall control, directly or indirectly, The NASDAQ Stock Market LLC, any proposed amendment of any provisions contained in this Restated Certificate of Incorporation shall be submitted to the Exchange Board, and if the Exchange Board determines that such amendment is required, under Section 19 of the Exchange Act and the rules promulgated thereunder, to be filed with, or filed with and approved by, the Commission before such amendment may be effective, then such amendment shall not be filed with the Secretary of State of the State of Delaware until filed with, or filed with and approved by, the Commission, as the case may be.

ARTICLE TENTH

Nasdaq shall have perpetual existence.

ARTICLE ELEVENTH

In light of the unique nature of Nasdaq and its subsidiaries, including the status of The NASDAQ Stock Market LLC as a self regulatory organization, the Board of Directors, when evaluating (A) any tender or exchange offer or invitation for tenders or exchanges, or proposal to make a tender or exchange offer or request or invitation for tenders or exchanges, by another party, for any equity security of Nasdaq, (B) any proposal or offer by another party to (1) merge or consolidate Nasdaq or any subsidiary with another corporation or other entity, (2) purchase or otherwise acquire all or a substantial portion of the properties or assets of Nasdaq or any subsidiary, or sell or otherwise dispose of to Nasdaq or any subsidiary all or a substantial portion of the properties or assets of such other party, or (3) liquidate, dissolve, reclassify the securities of, declare an extraordinary dividend of, recapitalize or reorganize Nasdaq, (C) any action, or any failure to act, with respect to any holder or potential holder of Excess Shares and/or Notes subject to the limitations set forth in subparagraph 2 of paragraph C. of Article Fourth, (D) any demand or proposal, precatory or otherwise, on behalf of or by a holder or potential holder of Excess Shares and/or Notes subject to the limitations set forth in subparagraph 2 of paragraph C. of Article Fourth or (E) any other issue, shall, to the fullest extent permitted by applicable law, take into account all factors that the Board of Directors deems relevant, including, without limitation, to the extent deemed relevant, (i) the potential impact thereof on the integrity, continuity and stability of Nasdaq and The NASDAQ Stock Market LLC and the other operations of Nasdaq and its subsidiaries, on the ability to prevent fraudulent and manipulative acts and practices and on investors and the public, and (ii) whether such would promote just and equitable principles of trade, foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to and facilitating transactions in securities or assist in the removal of impediments to or perfection of the mechanisms for a free and open market and a national market system.

THIRD: That such Restated Certificate of Incorporation has been duly adopted by Nasdaq in accordance with the applicable provisions of Sections 245 of the General Corporation Law of the State of Delaware;

FOURTH: That such Restated Certificate of Incorporation only restates and integrates and does not further amend the provisions of Nasdaq's certificate of incorporation as heretofore amended or supplemented, and that there is no discrepancy between those provisions and the provisions of such Restated Certificate of Incorporation.

IN WITNESS WHEREOF, the undersigned has executed this certificate this 11th day of May, 2009.

THE NASDAQ OMX GROUP, INC.

By:	/s/ Joan C. Conley
Name:	Joan C. Conley
Office:	Senior Vice President and Corporate Secretary

Exhibit 10.1

THE NASDAQ OMX GROUP, INC.
RESTRICTED STOCK UNIT AWARD AGREEMENT

RESTRICTED STOCK UNIT AWARD AGREEMENT (the "Agreement") dated as of **DATE OF GRANT** (the "Date of Grant"), between The NASDAQ OMX Group, Inc., a Delaware corporation (the "Company"), and **NAME** (the "Director"):

R E C I T A L S:

The Company has adopted The NASDAQ OMX Group, Inc. Equity Incentive Plan (the "Plan"), which Plan is incorporated herein by reference and made a part of this Agreement. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Plan.

The Committee has determined that it is in the best interests of the Company and its shareholders to grant the Restricted Stock Units provided for herein to the Director pursuant to the Plan and the terms set forth herein as an increased incentive for the Director to contribute to the Company's future success and prosperity.

NOW THEREFORE, in consideration of the mutual covenants hereinafter set forth, the parties hereto agree as follows:

1. Grant of the Restricted Stock Units. The Company hereby grants to the Director **NUMBER OF SHARES** Restricted Stock Units representing the right to receive an equal number of shares ("Shares") upon the vesting of such Restricted Stock Units, subject to the terms and conditions set forth in this Agreement and the Plan. Prior to vesting of the Restricted Stock Units pursuant to Sections 2, 3 or 4: (a) the Director shall not be treated as a shareholder as to Shares issuable to the Director with respect to such Restricted Stock Units, and shall only have a contractual right to receive such Shares, unsecured by any assets of the Company or its Subsidiaries; (b) the Director shall not be permitted to vote the Restricted Stock Units or the Shares issuable with respect to such Restricted Stock Units; and (c) the Director's right to receive such Shares following vesting of the Restricted Stock Units shall be subject to the adjustment provisions set forth in Section 12 of the Plan. The Restricted Stock Units shall be subject to all of the restrictions hereinafter set forth. At the sole discretion of the Committee, the Director shall be permitted to receive cash payments equal to the dividends and distributions paid on Shares (other than dividends or distributions of securities of the Company which may be issued with respect to Shares by virtue of any stock split, combination, stock dividend or recapitalization) to the same extent as if each Restricted Stock Unit was a Share, and those Shares were not subject to the restrictions imposed by this Agreement and the Plan; provided, however, that no dividends or distributions shall be payable to or for the benefit of the Director with respect to record dates for such dividends or distributions occurring on or after the date, if any, on which the Director has forfeited the Restricted Stock Units.

2. Vesting.

(a) Except as otherwise provided in this Section 2 and Section 3 hereof, and contingent upon the Director's continued service with the Company, one hundred percent of the Restricted Stock Units shall vest and become non-forfeitable on **VESTING DATE**. As used herein, "vested" Restricted Stock Units shall mean those Restricted Stock Units which (i) shall have become exercisable pursuant to the terms of this Agreement and (ii) shall not have been previously exercised.

(b) Notwithstanding any other provision of the Plan or this Agreement to the contrary, Restricted Stock Units (whether or not then vested) may not be transferred, assigned or otherwise encumbered other than in accordance with the applicable provisions of Section 4 hereof, prior to the completion of any registration or qualification of the Restricted Stock Units under applicable state and federal securities or other laws, or under any ruling or regulation of any government body, national securities exchange, or inter-dealer market system that the Committee shall in its sole discretion determine to be necessary or advisable.

(c) Upon vesting of the Restricted Stock Units and subject to the terms and conditions of the Plan, the Company will issue a stock certificate for the Shares issuable with respect to such vested Restricted Stock Units as soon as practicable (but in no event later than two and one-half months) following the applicable vesting date, net of any Shares withheld by the Company to satisfy the payment of taxes as described in Section 7 herein. The certificates representing the Shares issued in respect of the Restricted Stock Units shall be subject to such stop transfer orders and other restrictions as the Committee may determine is required by the rules, regulations, and other requirements of the Securities and Exchange Commission, any stock exchange upon which such Shares are listed, any applicable federal or state laws and the Company's Certificate of Incorporation and Bylaws, and the Committee may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions.

3. Termination of Service.

(a) If the Company terminates the Director's service on the Board on account of "Misconduct" (as such term is defined below), all Restricted Stock Units which have not as of the date of such termination become vested shall be deemed canceled and forfeited on the effective date of such termination without further consideration to the Director.

(b) If the Director's service on the Board terminates by reason of death or "Disability" (as such term is defined below), all Restricted Stock Units shall become vested on the date of such termination.

(c) If the Director's service on the Board terminates by reason of the expiration of his "Term" (as such term is defined below) prior to the date his Restricted Stock Units would otherwise vest pursuant to Section 2 hereof, all Restricted Stock Units shall become vested Restricted Stock Units.

(d) If the Director's service on the Board terminates for any reason other than those set forth in Sections (a) through (c) of this Section 3, all Restricted Stock Units which have not as of the date of such termination become vested shall be deemed canceled and forfeited on the effective date of such termination without further consideration to the Director.

(e) For purposes of this Agreement the terms "Misconduct," "Disability," and "Term" shall have meanings set forth in this Section 3(e):

(i) "Misconduct" means the Director's conviction of, or pleading *nolo contendre* to a felony or to any crime, whether a felony or misdemeanor, involving the purchase or sale of any security, mail or wire fraud, theft, embezzlement, or Company property or a material breach of the Director's fiduciary duty to the Company or its shareholders.

(ii) "Disability" means the Director's physical or mental incapacity for a period of 45 consecutive working days or 60 days in a six (6) month period which makes the Director unable to perform his duties to the Company. Any question as to the existence of the Disability of the Director shall be determined by a qualified physician selected by the Company.

(iii) "Term" shall mean each term of service on the Board commencing on the Director's election or most recent re-election to the Board and ending on the first anniversary thereafter unless the Director was elected for a longer or shorter period, in which event the longer or shorter period shall be the Term; provided, however, that the Term shall be deemed to include any automatic renewal thereof.

4. No Right to Continued Service. Neither the Plan nor this Agreement shall confer on the Director any right to be retained, in any position, as an employee, consultant or director of the Company.

5. Transferability.

(a) At any time prior to becoming vested, the Restricted Stock Units are not transferable and may not be sold, assigned, transferred, disposed of, pledged or otherwise encumbered by the Director, other than by will or the laws of descent and distribution. Upon such transfer (by will or the laws of descent and distribution), such transferee in interest shall take the rights granted herein subject to all the terms and conditions hereof.

(b) Subject to Section 5(a) hereof, in order to comply with any applicable securities laws, the Director agrees that the Restricted Stock Units shall only be sold by the Director following registration of the Shares under the Securities Act of 1933, as amended, or pursuant to an exemption therefrom.

6. Withholding. The Director shall pay to the Company promptly upon request, and in any event at the time the Director recognizes taxable income in respect of the Restricted Stock Units, an amount equal to the taxes the Company determines it is required to withhold under applicable tax laws with respect to the Restricted Stock Units. Such payment shall be made in the form of cash, Shares already owned for at least six months, delivering to the Company a portion of the Shares sufficient to satisfy the minimum withholding required with respect thereto, or in a combination of such methods, as irrevocably elected by the Director prior to the applicable tax due date with respect to such Restricted Stock Units. To the extent that a Director fails to elect a withholding preference by the time that the Company determines that the Director will recognize taxable income due to vesting, the Director shall be deemed to have irrevocably elected to make such payment by delivering to the Company a portion of the Shares sufficient to satisfy the minimum withholding required.

7. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to the conflicts of law provisions thereof.

8. Amendments. This Agreement may be amended or modified at any time by an instrument in writing signed by the parties hereto.

9. Notices. Any notice, request, instruction or other document given under this Agreement shall be in writing and may be delivered by such method as may be permitted by the Company, and shall be addressed and delivered, in the case of the Company, to the Secretary of the Company at the principal office of the Company and, in the case of the Director, to the Director’s address as shown in the records of the Company or to such other address as may be designated in writing (or by such other method approved by the Company) by either party.

10. Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, and each other provision of the Agreement shall be severable and enforceable to the extent permitted by law.

11. Restricted Stock Units Subject to Plan; Amendments to Agreement. This award is subject to the Plan as approved by the shareholders of the Company. The terms and provisions of the Plan as it may be amended from time to time are hereby incorporated herein by reference. In the event of a conflict between any term or provision contained herein and a term or provision of the Plan, the applicable terms and provisions of this Agreement will govern and prevail.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement. By execution of this Agreement, the Director acknowledges receipt of a copy of the Plan.

The NASDAQ OMX Group, Inc.

____

Director (Print Name)

____

Director Signature

Exhibit 10.2

THE NASDAQ OMX GROUP, INC.
PERFORMANCE SHARE UNIT AGREEMENT

This PERFORMANCE SHARE UNIT AGREEMENT (this "Agreement") between The NASDAQ OMX Group, Inc., a Delaware corporation (the "Company"), and Robert Greifeld (the "Grantee") memorializes the approval by the Management Compensation Committee of the Board of Directors of the Company (the "Committee") on March 23, 2009 of (i) the grant of performance share units to the Grantee pursuant to the terms of that certain Amended and Restated Employment Agreement by and between the Company and the Grantee, effective as of January 1, 2007 (the "Employment Agreement"), and (ii) the performance goal with respect to such performance share units.

RECITALS:

The Company has adopted The NASDAQ OMX Group, Inc. Equity Incentive Plan (the "Plan"), which Plan is incorporated herein by reference and made a part of this Agreement. The Plan in relevant part provides for the issuance of stock-based awards that are subject to the attainment of performance goals as established by the Committee.

The Committee has determined that it is in the best interests of the Company and its stockholders to grant the performance share units provided for herein to the Grantee pursuant to the Plan and under the terms set forth herein as an increased incentive for the Grantee to contribute to the Company's future success and prosperity.

Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Plan or the Employment Agreement, as the case may be.

NOW, THEREFORE, in consideration of the mutual covenants hereinafter set forth, the parties hereto agree as follows:

1. Grant of Performance-Based Award. The Company hereby grants to the Grantee 80,000 performance share units (the "Performance Share Units"), which Performance Share Units shall entitle the Grantee to receive up to 120,000 Shares (or a lesser number of Shares, or no Shares whatsoever), all in accordance with the terms and conditions set forth herein. Shares corresponding to the Performance Share Units granted herein are in all events to be delivered to the Grantee only after the Grantee has become vested in the Performance Share Units pursuant to Section 4, below.

2. Performance Period. For purposes of this Agreement, the term "Performance Period" shall be the period commencing on January 1, 2009 and ending on December 31, 2011.

3. Performance Goal. The Performance Goal is set out in Appendix A hereto, which Appendix A is incorporated by reference herein and made a part hereof. Depending upon the extent, if any, to which the Performance Goal has been achieved, and subject to compliance with the requirements of Section 4, each Performance Share Unit shall entitled the Grantee to

receive upon completion of the Performance Period between 0 and 1.5 Shares. The Committee shall, as soon as practicable following the last day of the Performance Period, certify (i) the extent, if any, to which, in accordance with Appendix A, the Performance Goal has been achieved with respect to the Performance Period and (ii) the number of whole and/or partial Shares, if any, which, subject to compliance with the requirements of Section 4, the Grantee shall be entitled to receive with respect to each Performance Share Unit (with such number of whole and/or partial Shares being hereafter referred to as the "Share Delivery Factor"). Such certification shall be final, conclusive and binding on the Grantee, and on all other persons, to the maximum extent permitted by law.

4. Vesting of Performance Share Units. The Performance Share Units are subject to forfeiture to the Company until they become nonforfeitable in accordance with this Section 4. Subject to the provisions of Section 6, the risk of forfeiture will lapse on all Performance Share Units, and all Performance Share Units shall thereupon become vested, upon the completion of the Performance Period.

5. Delivery of Stock Certificates. A certificate in the number of whole Shares (if any) equal to the product of (i) the number of vested Performance Share Units multiplied by (ii) the Share Delivery Factor (with such product rounded up to the next whole number) shall be registered in the name of the Grantee and delivered to the Grantee or the Grantee's legal representative not later than 30 days following the aforementioned certification by the Committee, but in no event later than the June 30th that immediately follows the completion of the Performance Period, provided that the Grantee has otherwise complied with the requirements of Section 12. Notwithstanding the foregoing, no certificate shall in any event be so registered or delivered in the event that the Grantee has not complied with the requirements of Section 12 by such June 30th.

6. Termination of Employment.

(a) In the event that (1) the Company terminates the Grantee's employment with the Company for Cause or (2) the Grantee terminates his employment with the Company without Good Reason, all Performance Share Units which have not as of the Date of Termination become vested shall be cancelled and forfeited, effective as of the Date of Termination, without further consideration to the Grantee.

(b) In the event that (1) the Company terminates the Grantee's employment with the Company without Cause, (2) the Grantee terminates his employment with the Company for Good Reason, (3) the Grantee's employment with the Company terminates by reason of death, Permanent Disability or Retirement, or (4) the Grantee's employment with the Company terminates by reason of the delivery of a Non-Renewal Notice by either the Company or the Grantee, all Performance Share Units shall become vested in accordance with the provisions of Section 4 as if the Grantee's employment had not terminated; *provided, however*, that in the event the Grantee breaches any of his obligations under Section 9 or 10 of the Employment Agreement, any unvested Performance Share Units or vested Performance Share Units for which Share certificates have not yet been delivered shall be deemed cancelled and forfeited without further consideration to the Grantee.

7. Repayment; Recalculation of Number of Shares to be Delivered. If the Company, for any reason, downwardly restates its financial results with respect to the fiscal year of the Company ending December 31, 2008 or the fiscal year of the Company ending December 31, 2011, the Committee, in its sole discretion, may, to the extent permitted by law and to the extent it determines in its sole judgment that it is in the best interests of the Company to do so, redetermine (i) the extent, if any, to which, in accordance with Appendix A, and based upon such restated financial results, the Performance Goal has been achieved with respect to the Performance Period and (ii) the number of whole and partial Shares, if any, which, subject to compliance with the requirements of Section 4, the Grantee shall thereupon be (or shall have been, as the case may be) entitled to receive with respect to each Performance Share Unit (with such number of whole or partial Shares being hereafter referred to as the "Revised Share Delivery Factor"). If the Committee in fact takes such action, (i) in the event that Shares have not yet been delivered to the Grantee pursuant to the provisions of Section 5, the number of Shares to be delivered shall instead be determined based upon the Revised Share Delivery Factor and (ii) in the event that Shares have already been delivered, the Committee shall require the repayment by the Grantee to the Company of that number of Shares equal to the difference between the number of Shares so delivered and the lesser number of Shares which would have been delivered based upon the Revised Share Delivery Factor.

8. Tax Consequences. The Grantee acknowledges that the Company has not advised the Grantee regarding the Grantee's income tax liability in connection with the grant or vesting of the Performance Share Units and the delivery of Shares in connection therewith. The Grantee has reviewed with the Grantee's own tax advisors the federal, state, and local and tax consequences of the grant and vesting of the Performance Share Units and the delivery of Shares in connection therewith as contemplated by this Agreement. The Grantee is relying solely on such advisors and not on any statements or representations of the Company or any of its agents. The Grantee understands that the Grantee (and not the Company) shall be responsible for the Grantee's own tax liability that may arise as a result of the transactions contemplated by this Agreement.

9. Transferability.

(a) Except as provided below, the Performance Share Units are nontransferable and may not be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by the Grantee, except by will or the laws of descent and distribution, and upon any such transfer, by will or the laws of descent and distribution, the transferee shall hold such Performance Share Units subject to all the terms and conditions that were applicable to the Grantee immediately prior to such transfer. Notwithstanding the foregoing, the Grantee may transfer any vested Performance Share Units to members of his immediate family (defined as his spouse, children or grandchildren) or to one or more trusts for the exclusive benefit of such immediate family members or partnerships in which such immediate family members are the only partners if the transfer is approved by the Committee and the Grantee does not receive any consideration for the transfer. Any such transferred portion of the Performance Share Units shall continue to be subject to the same terms and conditions that were applicable to such portion of the Performance Share Units immediately prior to transfer (except that such transferred Performance Share Units shall not be further transferable by the transferee). No transfer of a portion of the Performance Share Units shall be effective to bind the Company unless the Company shall have been furnished with written notice thereof and a copy of such evidence as the Committee may deem necessary to establish the validity of the transfer and the acceptance by the transferee of the terms and conditions hereof.

(b) Upon any transfer by will or the laws of descent and distribution, such transferee shall take the Performance Share Units and the Shares delivered in connection therewith (the "Transferee Shares") subject to all the terms and conditions that were (or would have been) applicable to the Performance Share Units and the Transferee Shares immediately prior to such transfer.

10. Rights of Grantee. Prior to the delivery, if any, of Shares to the Grantee pursuant to the provisions of Section 5, the Grantee shall not have any rights of a shareholder of the Company on account of the Performance Share Units.

11. Unfunded Nature of Performance Share Units. The Company will not segregate any funds representing the potential liability arising under this Agreement. The Grantee's rights in respect of this Agreement are those of an unsecured general creditor of the Company. The liability for any payment under this Agreement will be a liability of the Company and not a liability of any of its officers, directors or Affiliates.

12. Securities Laws. The Company may condition delivery of certificates for Shares delivered for any vested Performance Share Units upon the prior receipt from the Grantee of any undertakings which it may determine are required to assure that the certificates are being issued in compliance with federal and state securities laws.

13. Withholding. The Grantee shall pay to the Company promptly upon request, and in any event, no later than at the time the Company determines that the Grantee will recognize taxable income in respect of the Performance Share Units, an amount equal to the taxes the Company determines it is required to withhold under applicable tax laws with respect to the Performance Share Units. Such payment shall be made in the form of (i) cash, (ii) Shares already owned for at least six months, (iii) delivering to the Company a portion of the Shares otherwise to be delivered to the Grantee with respect to the Performance Share Units sufficient to satisfy the minimum withholding required with respect thereto to the extent permitted by the Company, or (iv) in a combination of such methods, as irrevocably elected by the Grantee prior to the applicable tax due date with respect to the Units; provided, however, that if the Grantee fails to make such election by the time that the Company determines that the Grantee will recognize such taxable income, the Grantee shall be deemed to have irrevocably elected to make such payment in the manner set out in clause (iii) of this sentence.

14. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware.

15. Amendments. This Agreement may be amended or modified at any time by an instrument in writing signed by the parties hereto.

16. No Right to Continued Employment. This Agreement shall not confer on the Grantee any right to be retained, in any position, as an employee, consultant or director of the Company.

17. Notices. Any notice, request, instruction or other document given under this Agreement shall be in writing and may be delivered by such method as may be permitted by the Company, and shall be addressed and delivered, in the case of the Company, to the Secretary of the Company at the principal office of the Company and, in the case of the Grantee, to the Grantee's address as shown in the records of the Company or to such other address as may be designated in writing (or by such other method. approved by the Company) by either party.

18. Conflict. In the event of conflict between any term or provision contained herein and a term or provision of the Plan, the applicable terms and provisions of this Agreement will govern and prevail.

19. Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, and each other provision of this Agreement shall be severable and enforceable to the extent permitted by law.

20. Execution. This Agreement may be executed, including execution by facsimile signature, in one or more counterparts, each of which will be deemed an original, and all of which together shall be deemed to be one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Performance Share Unit Agreement on the 22nd day of June 2009. By execution of this Performance Share Unit Agreement the Grantee acknowledges receipt of a copy of the Plan.

THE NASDAQ OMX GROUP, INC.

/s/ William H. Morgan

By: William H. Morgan
Title: Senior Vice President, Global HR

ROBERT GREIFELD

/s/ Robert Greifeld

Signature

Appendix A

Performance Goal for Performance Share Unit Grant
January 1, 2009 – December 31, 2011 Performance Period

This Appendix A to the Performance Share Unit Agreement sets forth the Performance Goal to be achieved and, depending upon the extent (if any) to which the Performance Goal is achieved, the number of whole and/or partial Shares, if any, which the Grantee shall have the right to receive with respect to each Performance Share Unit. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Agreement and the Plan.

The sole Performance Goal shall be earnings per share growth ("EPS Growth") of the Company during the Performance Period. EPS Growth shall be expressed as the compounded annual increase, if any, in the earnings per share of the Company during the Performance Period ("Percentage Rate of EPS Growth"), and shall be determined based upon the amount, if any, by which:

(i) the adjusted earnings per share of the Company, as determined in accordance with the provisions of the following paragraph, for the fiscal year of the Company ending December 31, 2011 exceeds

(ii) the earnings per share of the Company, as determined in accordance with U.S. generally accepted accounting principles ("US GAAP"), for the fiscal year of the Company ending December 31, 2008 (which has been determined to be $1.58).

For purposes of the preceding paragraph, the adjusted earnings per share of the Company for the fiscal year of the Company ending December 31, 2011 shall be equal to the earnings per share of the Company, for such fiscal year, as determined in accordance with US GAAP, adjusted as follows:

(i) any stock or asset acquisition which is made during the Performance Period by the Company (or by any other member of the corporate controlled group which includes the Company), or any other event enumerated in the definition of "Performance Goals" under the Equity Plan which occurs during the Performance Period ("Other Event"), shall be taken into account for such purpose if the financial results of such acquisition (or such Other Event) are accretive to EPS Growth of the Company, as otherwise determined in accordance with US GAAP, for the fiscal year of the Company ending December 31, 2011, except to the extent that the Committee, in its discretion, chooses to nevertheless disregard, in whole or in part, the financial results of such acquisition (or such Other Event); provided, however, that the Committee may exercise all such foregoing discretion with regard to any acquisition (and with respect to any such Other Event) at any time during, or after the close of, the Performance Period.

(ii) any stock or asset acquisition which is made during the Performance Period by the Company (or by any other member of the corporate controlled group which includes the

Company), or any Other Event, shall be disregarded if the financial results of such acquisition (or such Other Event) are dilutive to EPS Growth of the Company, as otherwise determined in accordance with US GAPP, for the fiscal year of the Company ending December 31, 2011, except to the extent that the Committee, in its discretion, chooses to take into account, in whole or in part, the financial results of such acquisition (or such Other Event); provided, however, that the Committee may exercise all such foregoing discretion with regard to any acquisition (and with respect to any such Other Event) at any time during, or after the close of, the Performance Period

The Committee will rely on the Company's audited financial statements and related information for purposes of determining the amount, if any, of EPS Growth.

Each Performance Share Unit shall, subject to the vesting provisions set forth in the Agreement, entitle the Grantee to 0.5 Shares for the achievement of *"threshold"* EPS Growth performance, 1.0 Share for the achievement of *"target"* EPS Growth performance, and 1.5 Shares for the achievement of *"maximum"* EPS Growth performance.

The following table sets forth these three EPS Growth performance levels:

Table 1: Levels of Achievement of the Performance Goal

	Threshold Performance	**Target Performance**	**Maximum Performance**
EPS Growth (compounded annual increase over the Performance Period)	5% growth (Adjusted EPS equal to $1.83)	10% growth (Adjusted EPS equal to $2.10)	15% growth (Adjusted EPS equal to $2.40)

The following table sets forth, subject to the vesting conditions set forth in the Agreement, the total number of Shares deliverable to the Grantee as a result of achievement of each such Performance Goal level.

Table 2: Number of Shares Deliverable Upon Achievement of Performance Goal

Threshold Performance	**Target Performance**	**Maximum Performance**
40,000	80,000	120,000

For EPS Growth below the *"threshold"* percentage level, no Shares shall be deliverable to the Grantee. For EPS Growth between (i) the *"threshold"* percentage level and the *"target"* percentage level or (ii) between the *"target"* percentage level and the *"maximum"* percentage level (as specified in Table 1, above), the whole and/or partial number of Shares deliverable with respect to each Performance Share Unit will be interpolated by the Committee to three decimal places.

Notwithstanding any of the foregoing provisions of this Appendix A to the contrary, to the extent permitted under Section 162(m) of the Code and any other applicable laws or regulations, the Committee may adjust the "target," "threshold" and "maximum" EPS Growth performance percentage levels, in its sole discretion, so as to prevent the dilution or enlargement of the Grantee's Performance Share Units as a result of any event specified in the definition of "Performance Goals" in the Plan, but only to the extent that the exercise of such discretion would not cause the Performance Share Units to fail to qualify as "performance-based compensation" under Section 162(m) of the Code.

All actions taken by the Committee pursuant to this Appendix A shall be final, conclusive and binding upon the Grantee, and all other persons, to the maximum extent permitted by law.

Exhibit 31.1

CERTIFICATION

I, Robert Greifeld, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of The NASDAQ OMX Group, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 7, 2009

	/s/ Robert Greifeld
Name:	Robert Greifeld
Title:	Chief Executive Officer

Exhibit 31.2

CERTIFICATION

I, David P. Warren, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of The NASDAQ OMX Group, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 7, 2009

	/s/ David P. Warren
Name:	David P. Warren
Title:	Executive Vice President and Chief Financial Officer

Exhibit 32.1

Certification of CEO and CFO Pursuant to
18 U.S.C. Section 1350
as Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report on Form 10-Q of The NASDAQ OMX Group, Inc. (the "Company") for the quarter ended June 30, 2009 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Robert Greifeld, as Chief Executive Officer of the Company and David P. Warren, as Executive Vice President and Chief Financial Officer of the Company, each hereby certifies, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to the best of his knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of the operations of the Company.

/s/ Robert Greifeld

Name: Robert Greifeld
Title: Chief Executive Officer
Date: August 7, 2009

/s/ David P. Warren

Name: David P. Warren
Title: Executive Vice President and Chief Financial Officer
Date: August 7, 2009

This certification accompanies the Report pursuant to § 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, be deemed filed by the Company for purposes of § 18 of the Securities Exchange Act of 1934, as amended.