

# 1Q16 EARNINGS PRESENTATION

April 27, 2016



# DISCLAIMERS

## Non-GAAP Information

In addition to disclosing results determined in accordance with GAAP, Nasdaq also discloses certain non-GAAP results of operations, including, but not limited to, net income attributable to Nasdaq, diluted earnings per share, operating income, and operating expenses, that include certain adjustments or exclude certain charges and gains that are described in the reconciliation tables of GAAP to non-GAAP information provided in the appendix to this presentation. Management believes that this non-GAAP information provides investors with additional information to assess Nasdaq's operating performance and assists investors in comparing our operating performance to prior periods. Management uses this non-GAAP information, along with GAAP information, in evaluating its historical operating performance.

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

## Cautionary Note Regarding Forward-Looking Statements

Information set forth in this communication contains forward-looking statements that involve a number of risks and uncertainties. Nasdaq cautions readers that any forward-looking information is not a guarantee of future performance and that actual results could differ materially from those contained in the forward-looking information. Such forward-looking statements include, but are not limited to (i) projections relating to our future financial results, growth, trading volumes, products and services, order backlog, taxes and achievement of synergy targets, (ii) statements about the closing or implementation dates and benefits of certain acquisitions and other strategic, restructuring, technology, de-leveraging and capital return initiatives, (iii) statements about our integrations of our recent acquisitions, (iv) statements relating to any litigation or regulatory or government investigation or action to which we are or could become a party, and (v) other statements that are not historical facts. Forward-looking statements involve a number of risks, uncertainties or other factors beyond Nasdaq's control. These factors include, but are not limited to, Nasdaq's ability to implement its strategic initiatives, economic, political and market conditions and fluctuations, government and industry regulation, interest rate risk, U.S. and global competition, and other factors detailed in Nasdaq's filings with the U.S. Securities and Exchange Commission, including its annual reports on Form 10-K and quarterly reports on Form 10-Q which are available on Nasdaq's investor relations website at <http://ir.nasdaq.com> and the SEC's website at [www.sec.gov](http://www.sec.gov). Nasdaq undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise.

## Website Disclosure

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

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

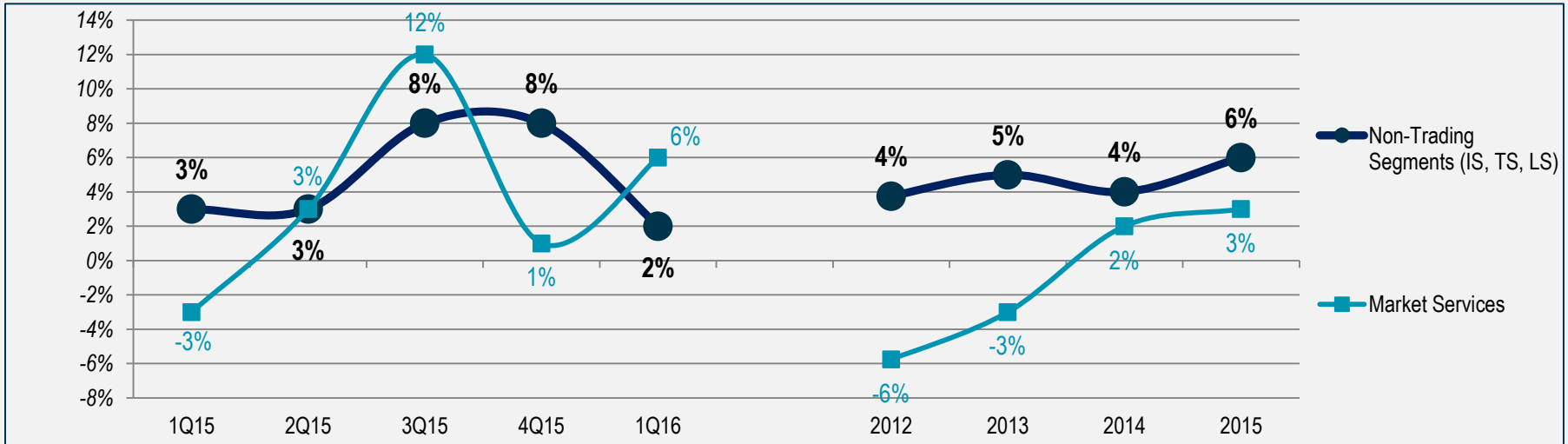
<i>(US\$ millions, except per share)</i>	1Q16	1Q15	% Δ	% Δ ex. FX <sup>(4)</sup>
Revenue from non-trading segments <sup>(2)</sup>	\$333	\$319	4%	5%
Market Services Net Revenue <sup>(3)</sup>	\$201	\$188	7%	7%
<b>Net Revenue<sup>(3)</sup></b>	<b>\$534</b>	<b>\$507</b>	<b>5%</b>	<b>6%</b>
Operating Expenses	\$280	\$272	3%	4%
Operating Income	\$254	\$235	8%	8%
<b>Diluted EPS</b>	<b>\$0.91</b>	<b>\$0.80</b>	<b>14%</b>	<b>13%</b>

- ▶ 1Q16 net revenues were \$534 million, +5% y-o-y. Excluding a \$2 million y-o-y negative impact of foreign currency, net revenues rose 6%.<sup>(4)</sup>
- ▶ Excluding the impact of foreign currency:
  - ▶ Revenue from non-trading segments increased 5%, or \$15 million y-o-y, with increases in Listings Services, Information Services, and Technology Solutions.
  - ▶ Revenue from Market Services increased 7%, or \$14 million y-o-y, on higher Cash Equity, Equity Derivatives, and Access and Broker Services revenues partially offset by lower FICC revenue.
- ▶ Subscription and recurring revenue businesses <sup>(5)</sup> constituted 74% of total revenues in 1Q16, versus 75% in 1Q15

1. See appendix for non-GAAP reconciliations
2. Information Services, Technology Solutions, and Listing Services
3. Represents revenues less transaction-based expenses
4. Please refer to slide s 15-16 for more information on the impact of changes in foreign exchange rates
5. Information Services, Technology Solutions, Listing Services, and Access & Broker Services

# ORGANIC REVENUE GROWTH AND OUTLOOK

NASDAQ YEAR-OVER-YEAR REVENUE GROWTH EXCLUDING ACQUISITIONS, CONSTANT CURRENCY



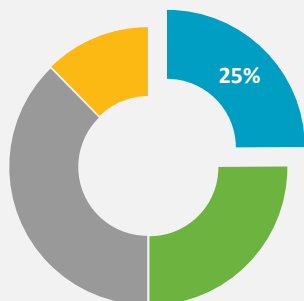
NASDAQ MEDIUM-TERM (3-5 YR) ORGANIC REVENUE GROWTH OUTLOOK

U.S. GDP <sup>1</sup>	S&P 500 Revenue Consensus <sup>2</sup>	Information Services	Technology Solutions	Listing Services	Non-Trading Segments (IS, TS, LS)
2% - 3%	3% - 4%	Mid Single Digits	Mid Single Digits	Low Single Digits	Mid-Single Digits

1. Company estimate.  
 2. FactSet consensus est. 2015-2017 revenue growth, as of 3/31/2016

# INFORMATION SERVICES

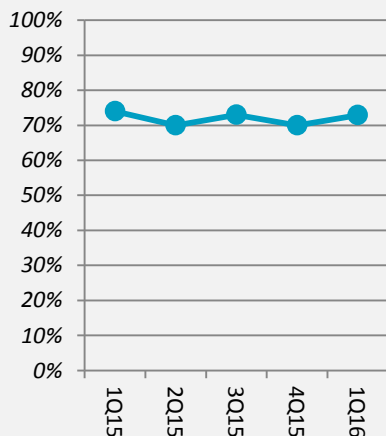
## IS 1Q16 Net Revenue Contribution



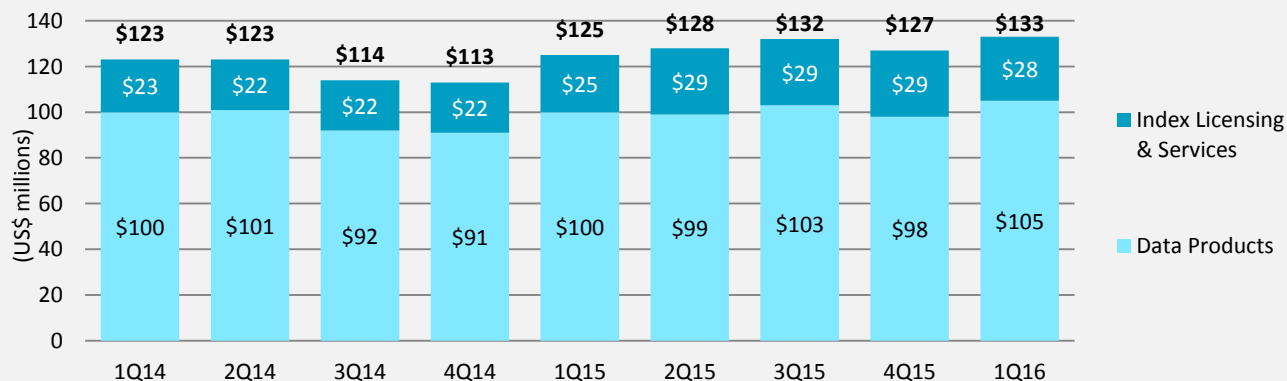
## Information Services Performance Summary

	1Q16	1Q15	% Δ	% Δ Ex. FX	
Net Revenue	\$133M	\$125M	6%	7%	<ul style="list-style-type: none"> <li>• <b>5% increase in Data Products revenue:</b> Increased revenue from proprietary products, audit, and index data, as well as the inclusion of revenue associated with the DWA (January 2015) and Chi-X (February 2016) acquisitions.</li> <li>• <b>12% growth in Index Licensing &amp; Services:</b> Driven primarily by DWA revenue, including organic growth subsequent to the January 2015 close and one additional month in 1Q16.</li> </ul>
Operating Profit	\$97M	\$92M	5%	7%	
Operating Margin	73%	74%			

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



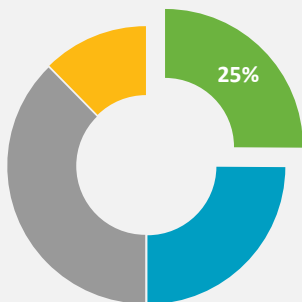
## INFORMATION SERVICES NET REVENUE



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

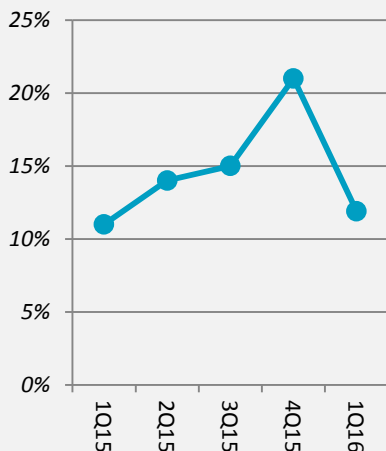
# TECHNOLOGY SOLUTIONS

TS 1Q16  
Net Revenue  
Contribution

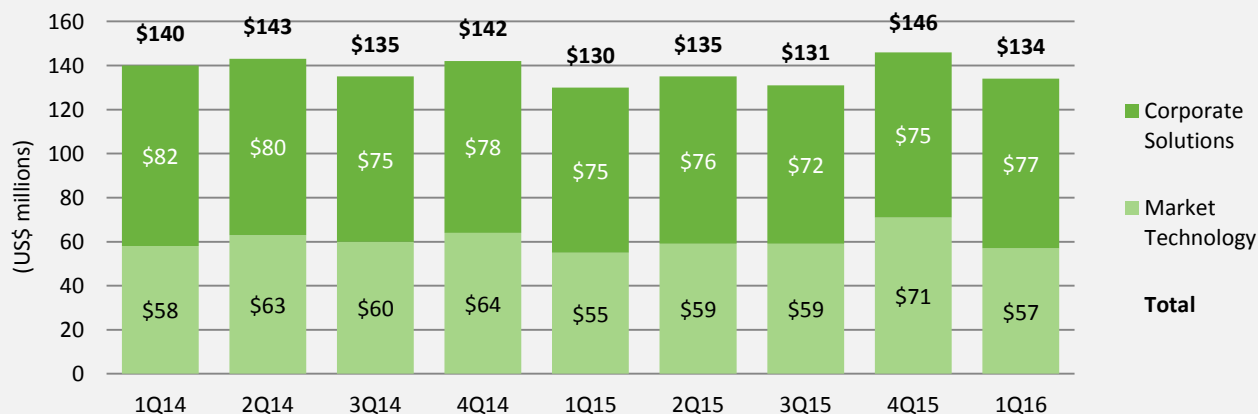


Technology Solutions Performance Summary					
	1Q16	1Q15	% Δ	% Δ Ex. FX	
Net Revenue	\$134M	\$130M	3%	3%	<ul style="list-style-type: none"> <li>• <b>4% growth in Market Technology:</b> Driven by growth in SMARTS and TradeGuard surveillance products.</li> <li>• <b>3% growth in Corporate Solutions:</b> Due to the inclusion of revenue from the acquisition of Marketwired.</li> </ul>
Operating Profit	\$16M	\$14M	14%	-	
Operating Margin	12%	11%			

Operating Margin

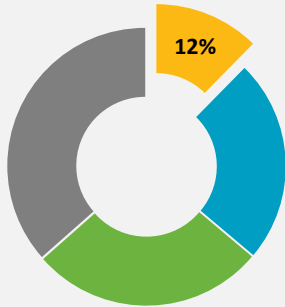


TECHNOLOGY SOLUTIONS NET REVENUE



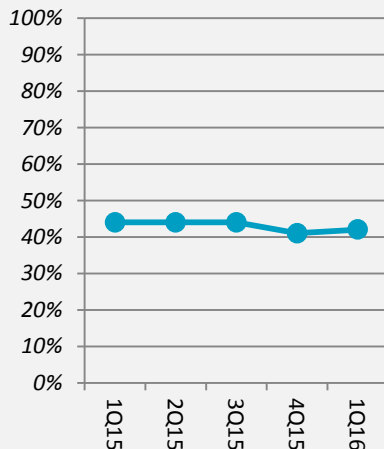
# LISTING SERVICES

LS 1Q16  
Net Revenue  
Contribution

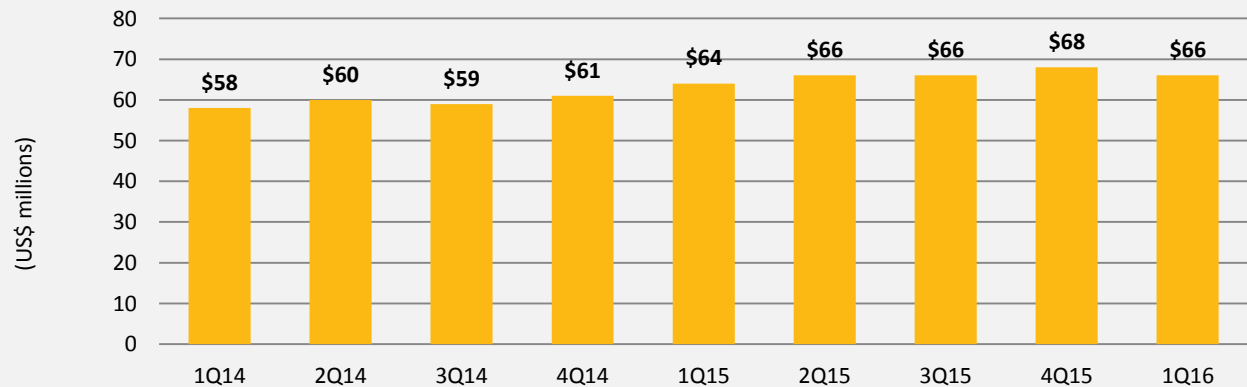


Listing Services Performance Summary					
	1Q16	1Q15	% Δ	% Δ Ex. FX	
Net Revenue	\$66M	\$64M	3%	3%	<ul style="list-style-type: none"> <li>• <b>3% increase in Listing revenue:</b> Due primarily to a higher number of listed companies</li> <li>• 47 new U.S. listings including 10 IPOs in 1Q16, and a 100% U.S. IPO win rate</li> <li>• European new listings totaled 14 in 1Q16.</li> <li>• 25 new ETP listings and switches in 1Q16, and a leading 42% market share</li> <li>• 122 private companies using software for shareholder liquidity and cap table management in 1Q16, up from 46 in 1Q15</li> </ul>
Operating Profit	\$28M	\$28M	-	-	
Operating Margin	42%	44%			

Operating Margin

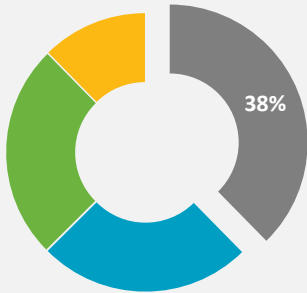


LISTING SERVICES NET REVENUE



# MARKET SERVICES

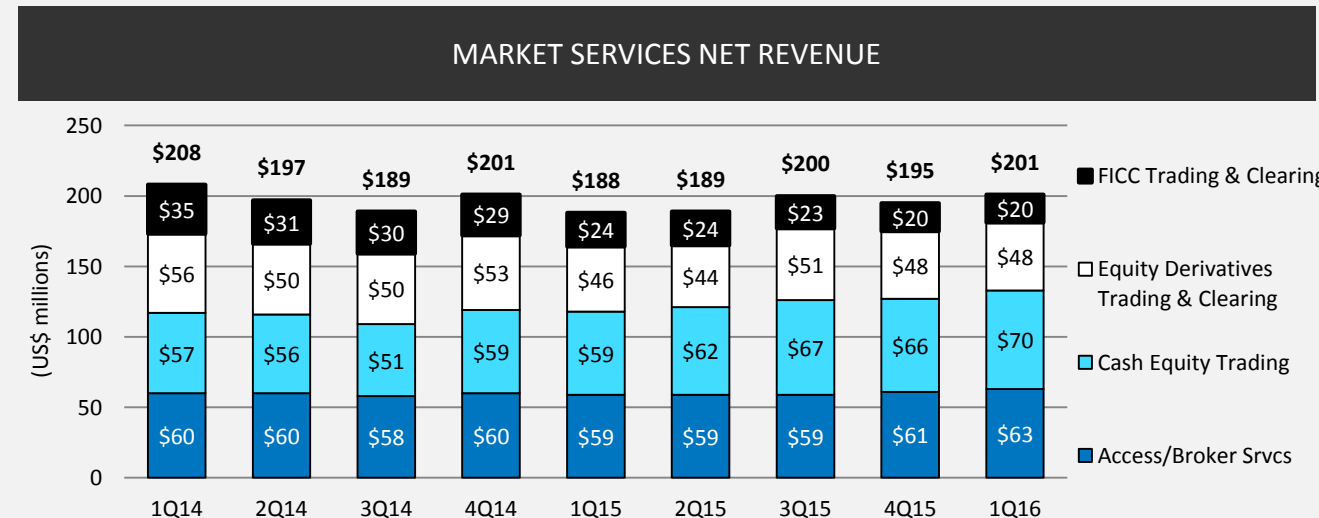
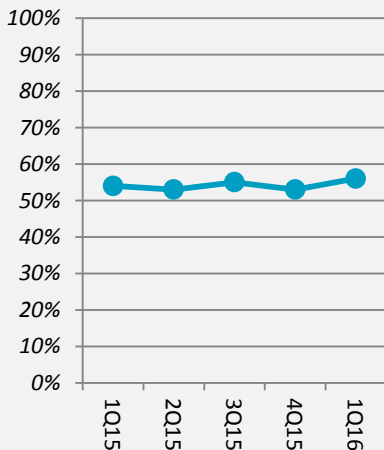
## MS 1Q16 Net Revenue Contribution



Market Services Performance Summary				
	1Q16	1Q15	% Δ	% Δ Ex. FX
Net Revenue	\$201M	\$188M	7%	7%
Operating Profit	\$113M	\$101M	12%	12%
Operating Margin	56%	54%		

- **4% increase in Equity Derivative Trading and Clearing:** The increase resulted from higher U.S. industry volume, higher average U.S. capture, partially offset by lower U.S. market share.
- **19% increase in Cash Equity Trading:** The increase resulted from higher industry volumes and average net capture, the inclusion of revenue associated with the acquisition of Chi-X Canada, partially offset by lower share.
- **17% decrease in FICC Trading and Clearing:** Due to NFX rebates and declines in U.S. fixed income, partially offset by growth in European fixed income and commodities.
- **7% increase in Access & Broker Services:** The increase resulted primarily from organic growth due to demand for connectivity.

## Operating Margin



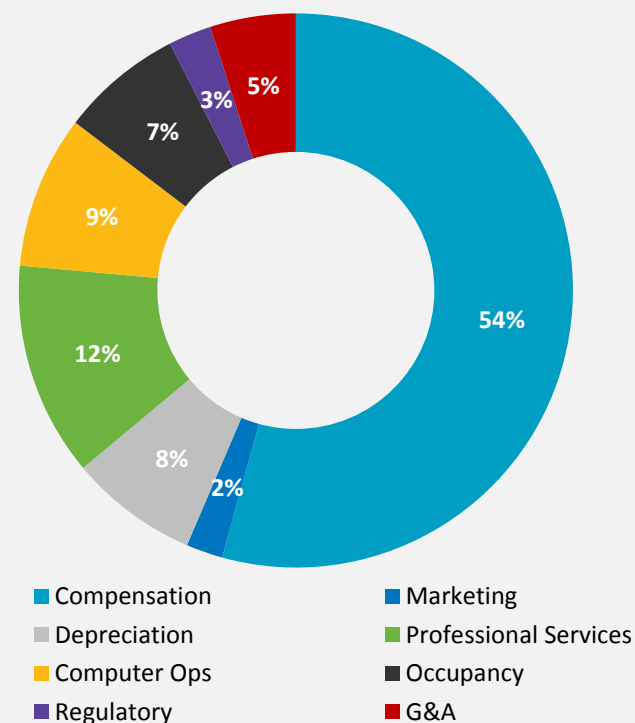


# NON-GAAP OPERATING EXPENSES

(US\$ millions)

Total Non-GAAP operating expenses	1Q16	4Q15	1Q15
Compensation and benefits	152	149	147
Marketing and advertising	6	9	7
Depreciation and amortization	21	20	19
Professional and contract services	35	39	33
Computer operations and data communications	25	26	23
Occupancy	20	22	21
Regulatory	7	6	7
General, admin. & other	14	14	15
Total non-GAAP operating expenses	\$280	\$285	\$272
<b>1Q16 non-GAAP operating exp. @ 4Q15 currency rates</b>	<b>\$280</b>		
<b>1Q16 non-GAAP operating exp. @ 1Q15 currency rates</b>	<b>\$283</b>		

## 1Q16 EXPENSE CATEGORIES



# FOUR STRATEGICALLY RELEVANT ACQUISITIONS

Market Services	Corporate Solutions <sup>2</sup>
<ul style="list-style-type: none"> <li>• <b>Chi-X Canada</b> <ul style="list-style-type: none"> <li>• Completed acquisition on February 1, 2016</li> <li>• Re-platforming of systems to Nasdaq's INET technology expected to occur in 2H16</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• <b>Marketwired</b> <ul style="list-style-type: none"> <li>• Completed acquisition on February 24, 2016</li> <li>• Product roadmaps and client migration plans defined and underway</li> </ul> </li> </ul>
<ul style="list-style-type: none"> <li>• <b>ISE<sup>1</sup></b> <ul style="list-style-type: none"> <li>• Cleared HSR review</li> <li>• Pending SEC regulatory approval</li> <li>• Acquisition close expected 2H16</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• <b>Boardvantage<sup>1</sup>:</b> <ul style="list-style-type: none"> <li>• Cleared HSR review</li> <li>• Acquisition close expected 2Q16</li> </ul> </li> </ul>
<ul style="list-style-type: none"> <li>• <b>Combined \$60 million in cost synergies expected within 18 months of close</b> <ul style="list-style-type: none"> <li>• <b>Expected to be accretive to EPS within 12 months of closing</b></li> </ul> </li> <li>• <b>Expected to be \$0.37 accretive to non-GAAP diluted EPS pro-forma 2015, including full synergy realization</b></li> </ul>	

<sup>1</sup>ISE and Boardvantage are pending close

<sup>2</sup>Corporate Solutions is a reporting unit in our Technology Solutions segment

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

(US\$ millions)	Prior 2016 Guidance <sup>(1)</sup>	Revised 2016 Guidance <sup>(1)</sup>
Core Non-GAAP Operating Expenses	\$1,075-\$1,115	\$1,075-\$1,115
Impact of Acquisitions <sup>2</sup> (Chi-X, Marketwired, and Boardvantage)	-	\$70
Research & Development	\$35-\$45	\$35-\$45
<b>Total Non-GAAP Operating Expenses</b>	<b>\$1,110-\$1,160</b>	<b>\$1,180-\$1,230</b>

1. The guidance does not reflect the impact of any restructuring or integration charges, and excludes amortization of acquired intangibles.
2. Chi-X acquisition closed February 1<sup>st</sup> and Marketwired closed February 24<sup>th</sup>. Boardvantage expected to close in 2Q16.

# DEBT OBLIGATIONS

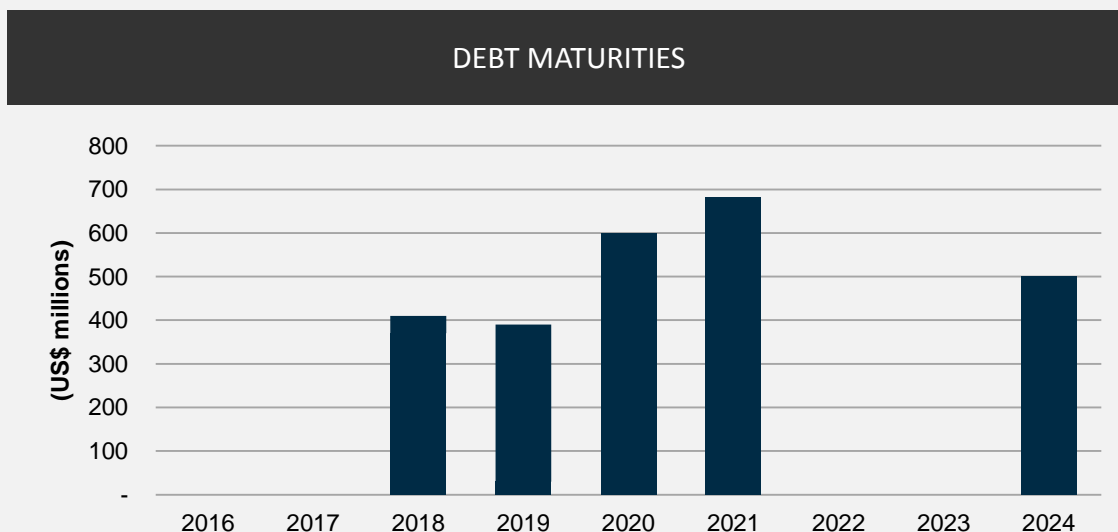
- ▶ 1Q16 total debt increased by \$201M vs. 4Q15 primarily due to a \$399 million term loan financing (net of issuance cost of \$1 million) to finance the acquisitions, a \$31 million increase in Euro bond book value (caused by a stronger Euro) and a \$1 million increase due to amortization of debt issuance costs offset by a \$230 million payment on the revolver
- ▶ Manageable debt maturities, with largest maturity in 2021
- ▶ Net interest expense for 1Q16 was \$27M, flat as compared to 1Q15

Net Debt to EBITDA <sup>1</sup> = 2.1x

Total Debt to EBITDA <sup>1</sup> = 2.4x

LTM EBITDA <sup>1</sup> = \$1,089 million

(\$ millions)	3/31/16	Maturity Date
Revolver (Libor + 117.5 bps)	28	11/25/19
Term Loan (Libor + 150 bps)	399	11/25/19
5.25% Bond	368	01/16/18
5.55% Bond	597	01/15/20
3.875% Euro Bond	678	06/07/21
4.25% Bond	495	06/01/24
<b>Total Debt Obligations</b>	<b>\$ 2,565</b>	
Less Cash and Cash Equivalents	(331)	
Net Debt	\$2,234	



1. See Appendix for EBITDA reconciliation. Pro forma leverage ratios have been calculated for Q1'16 to reflect the acquisition of Chi-X Canada and Marketwired

# HISTORICAL CASH FLOW / USES OF CASH FLOW

Free Cash Flow Calculation (US\$ millions)	2010	2011	2012	2013	2014	2015	2016YTD
Cash flow from operations	\$440	\$669	\$588	\$574	\$687	\$685	\$251
Capital expenditure	(42)	(88)	(87)	(115)	(140)	(133)	(23)
<b>Free cash flow</b>	<b>398</b>	<b>581</b>	<b>501</b>	<b>459</b>	<b>547</b>	<b>552</b>	<b>228</b>
Section 31 fees (net) *	46	(22)	13	8	(28)	16	18
<b>Free cash flow ex. Section 31 fees</b>	<b>444</b>	<b>559</b>	<b>514</b>	<b>467</b>	<b>519</b>	<b>568</b>	<b>246</b>
<b>Uses of cash flow</b>							
Share repurchases	797	100	275	10	178	377	29
Net repayment/(borrowing) of debt	(193)	248	145	(606)	235	(137)	(169)
Acquisitions (less dispositions)	189	26	112	1,164	-	256	213
Dividends	-	-	65	87	98	149	41
<b>Total uses of cash flow</b>	<b>793</b>	<b>374</b>	<b>597</b>	<b>655</b>	<b>511</b>	<b>645</b>	<b>114</b>

\* Net of change in Section 31 fees receivables of (\$9 million) in 2010; \$2 million in 2011; \$4 million in 2012; (\$7 million) in 2013; \$14 million in 2014; (\$11 million) in 2015; and \$0 million in 2016YTD.

---

# APPENDIX

---

# SUMMARY NON-GAAP P&L REVIEW

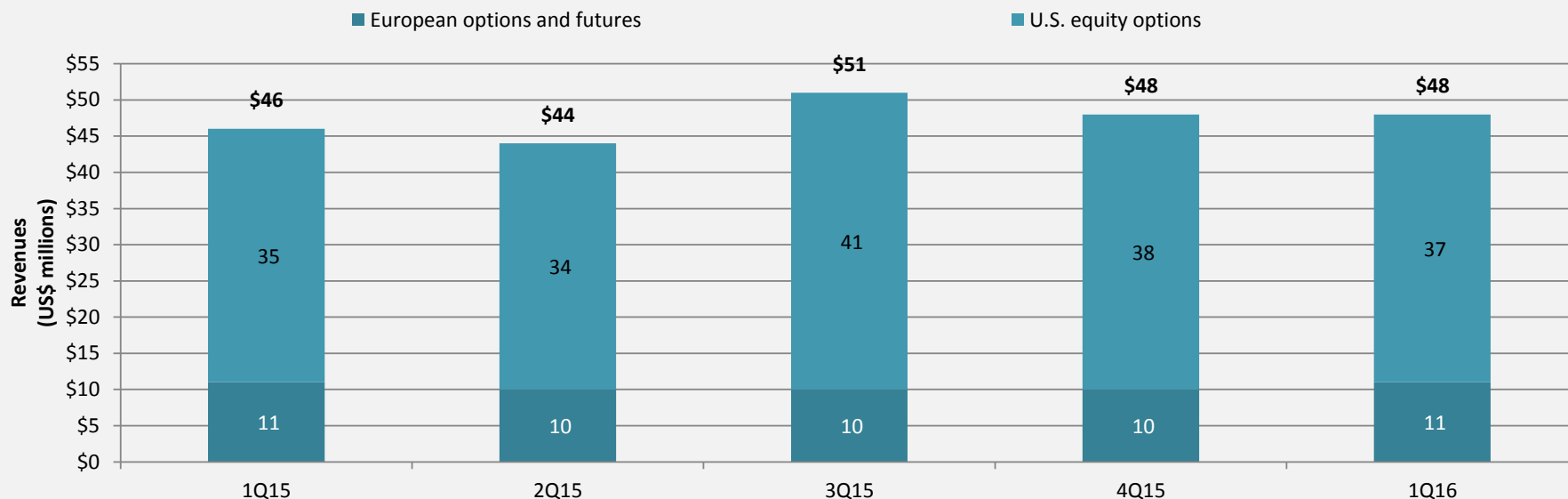
(US\$ millions, except per share)	1Q16	1Q15	\$ Δ	% Δ	% Δ ex. FX
<b>Net Revenue</b>	<b>\$534</b>	<b>\$507</b>	<b>\$27</b>	<b>5%</b>	<b>6%</b>
<b>Non-GAAP Operating Expenses</b>	<b>280</b>	<b>272</b>	<b>8</b>	<b>3%</b>	<b>4%</b>
<b>Non-GAAP Operating Income</b>	<b>254</b>	<b>235</b>	<b>19</b>	<b>8%</b>	<b>8%</b>
<i>Non-GAAP Operating Margin %</i>	48%	46%			
Net Interest Expense	27	27	-	-	-
<b>Non-GAAP Net Income</b>	<b>153</b>	<b>138</b>	<b>15</b>	<b>11%</b>	<b>10%</b>
<b>Non-GAAP diluted EPS</b>	<b>\$0.91</b>	<b>\$0.80</b>	<b>\$0.11</b>	<b>14%</b>	<b>13%</b>
Diluted Shares	168.4	172.7			

# TOTAL VARIANCE NET IMPACTS

All figures in US\$ Millions	1Q16	1Q15	Total Variance		Organic Impact		Acquisition Impact		FX Impact (Prior Year Rates)	
			\$M	%	\$M	%	\$M	%	\$M	%
Market Services	\$201	\$188	\$13	7%	\$12	6%	\$2	1%	(\$1)	-
Listing Services	66	64	2	3%	2	3%	-	-	-	-
Information Services	133	125	8	6%	5	4%	4	3%	(1)	(1%)
Technology Solutions	134	130	4	3%	-	-	4	3%	-	-
<b>Total Net Revenue</b>	<b>\$534</b>	<b>\$507</b>	<b>\$27</b>	<b>5%</b>	<b>\$19</b>	<b>4%</b>	<b>\$10</b>	<b>2%</b>	<b>(\$2)</b>	<b>(1%)</b>
<b>Non-GAAP Expenses</b>	<b>\$280</b>	<b>\$272</b>	<b>\$8</b>	<b>3%</b>	<b>\$5</b>	<b>2%</b>	<b>\$6</b>	<b>2%</b>	<b>(\$3)</b>	<b>(1%)</b>
<b>Non-GAAP Operating Income</b>	<b>\$254</b>	<b>\$235</b>	<b>\$19</b>	<b>8%</b>	<b>\$14</b>	<b>6%</b>	<b>\$4</b>	<b>2%</b>	<b>\$1</b>	<b>-</b>
	1Q16	4Q15	Total Variance		Organic Impact		Acquisition Impact		FX Impact (Prior Quarter Rates)	
			\$M	%	\$M	%	\$M	%	\$M	%
Market Services	\$201	\$195	\$6	3%	\$3	2%	\$2	1%	\$1	-
Listing Services	66	68	(2)	(3%)	(2)	(3%)	-	-	-	-
Information Services	133	127	6	5%	5	4%	1	1%	-	-
Technology Solutions	134	146	(12)	(8%)	(16)	(11%)	4	3%	-	-
<b>Total Net Revenue</b>	<b>\$534</b>	<b>\$536</b>	<b>(\$2)</b>	<b>-</b>	<b>(\$10)</b>	<b>(2%)</b>	<b>\$7</b>	<b>1%</b>	<b>\$1</b>	<b>1%</b>
<b>Non-GAAP Expenses</b>	<b>\$280</b>	<b>\$285</b>	<b>(\$5)</b>	<b>(2%)</b>	<b>(\$10)</b>	<b>(4%)</b>	<b>\$5</b>	<b>2%</b>	<b>-</b>	<b>-</b>
<b>Non-GAAP Operating Income</b>	<b>\$254</b>	<b>\$251</b>	<b>\$3</b>	<b>1%</b>	<b>-</b>	<b>-</b>	<b>\$2</b>	<b>1%</b>	<b>\$1</b>	<b>-</b>

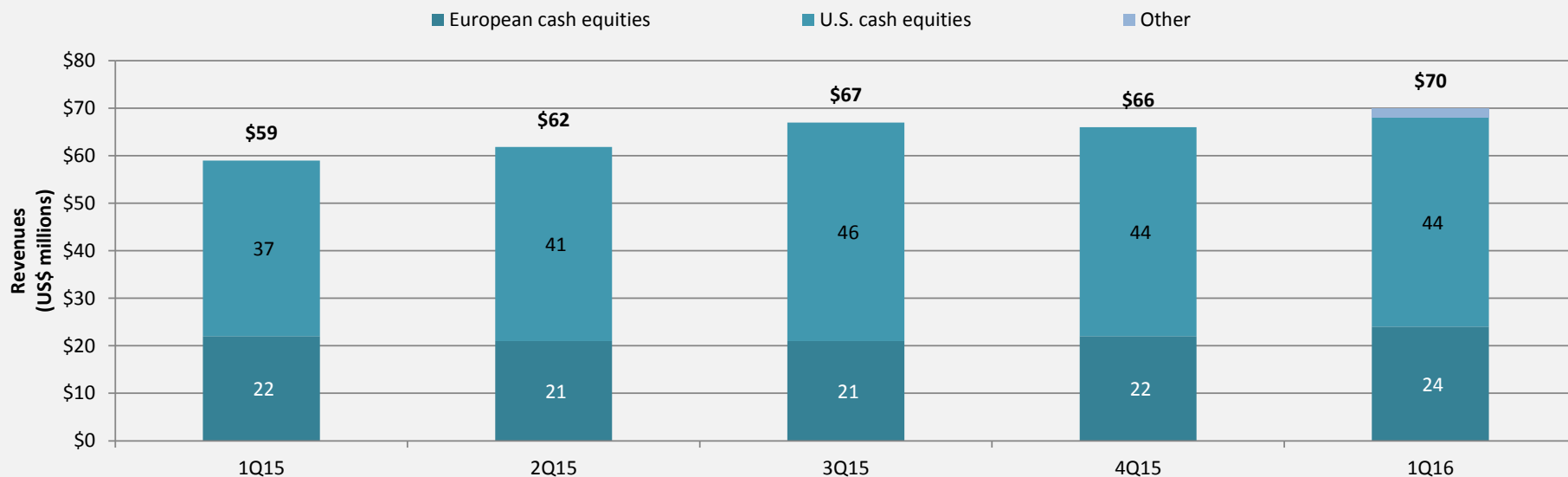


# EQUITY DERIVATIVE TRADING AND CLEARING



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

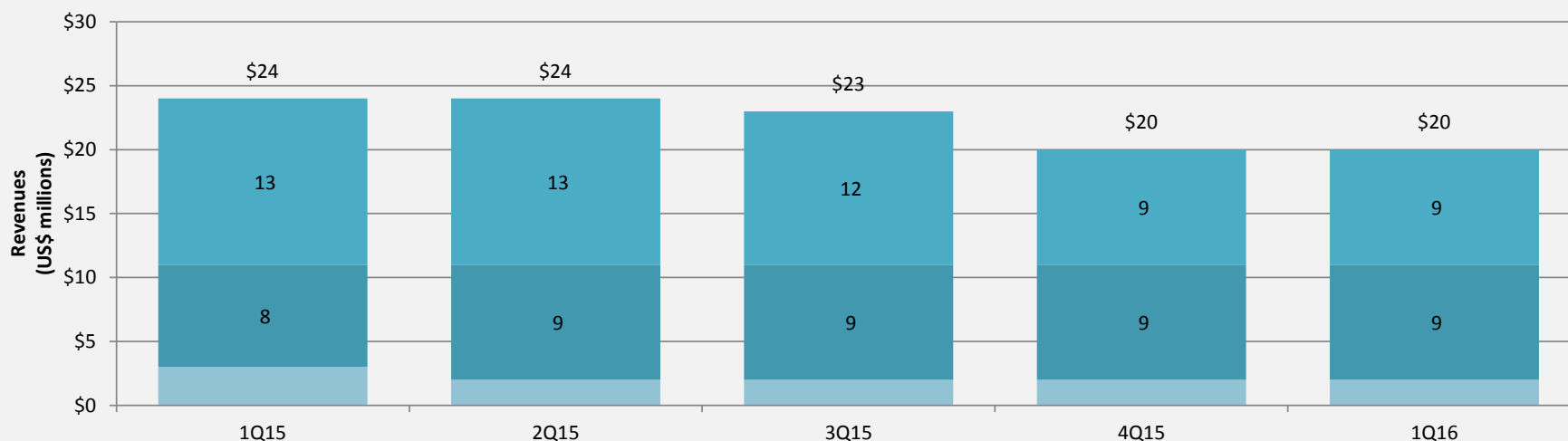
# CASH EQUITY TRADING



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

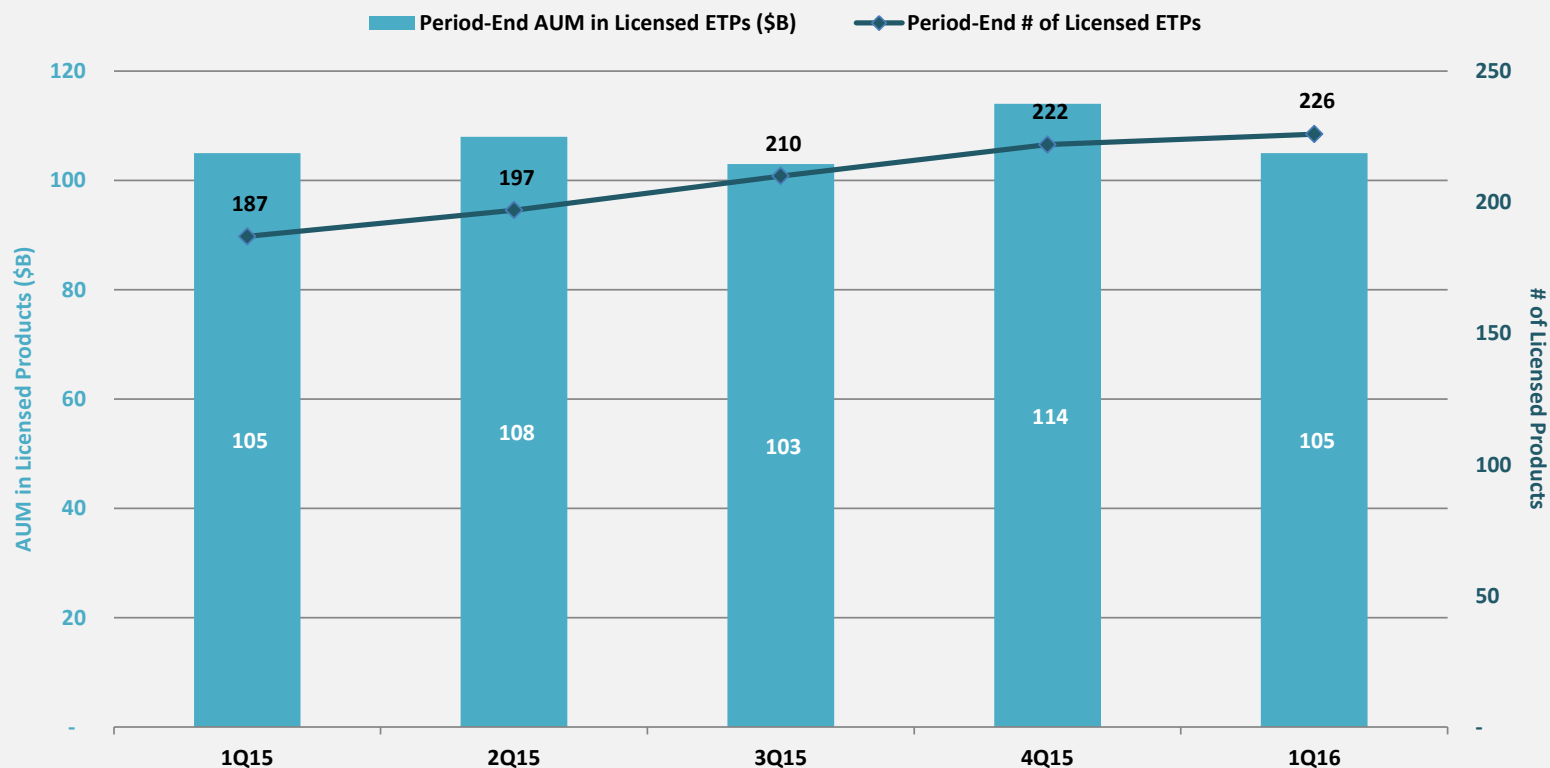
# FICC TRADING AND CLEARING

Other fees and revenues      Energy and carbon products      Fixed income products



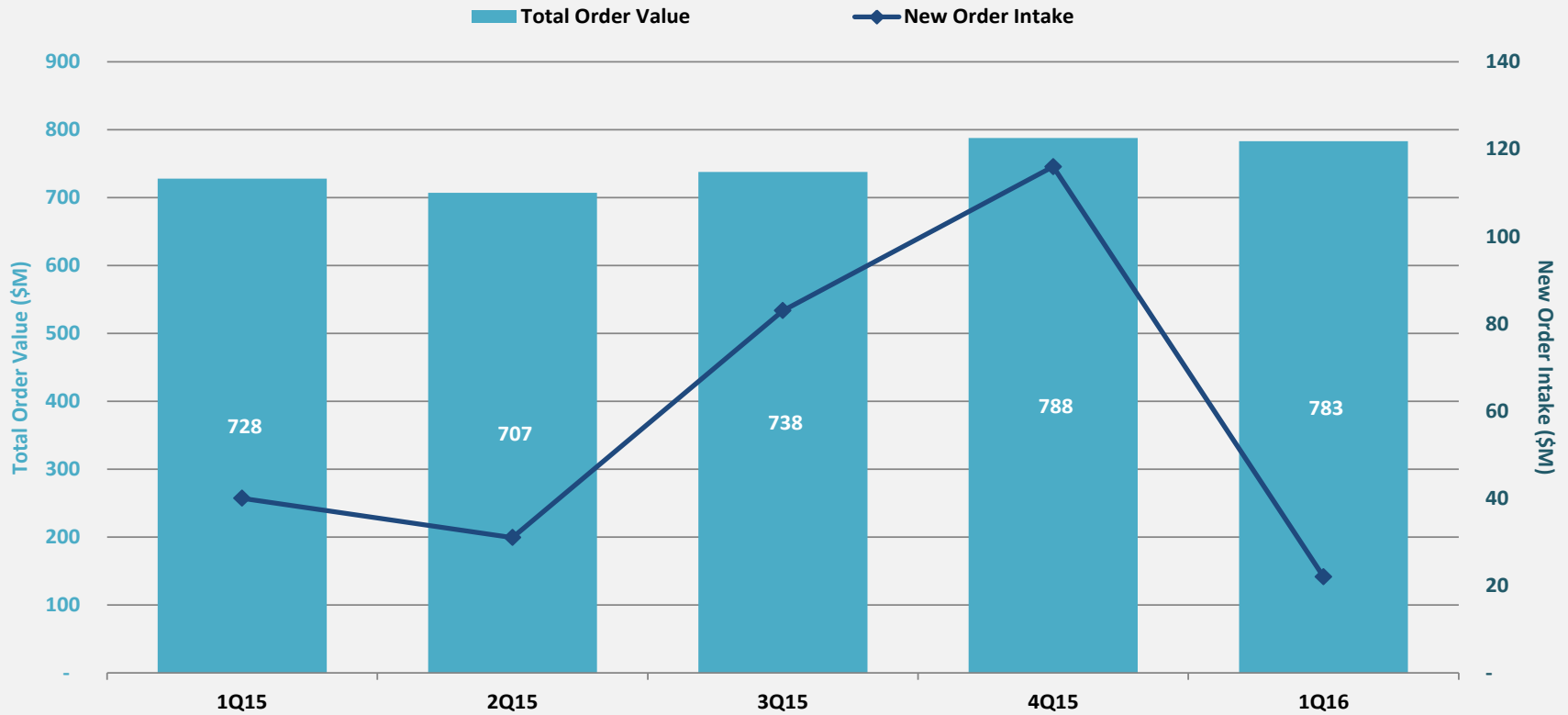
	FY15				FY16
	1Q15	2Q15	3Q15	4Q15	1Q16
<b>Revenues (US\$ in Millions)</b>					
Fixed income products	13	13	12	9	9
Energy and carbon products	8	9	9	9	9
Other fees and revenues	3	2	2	2	2
<b>Fixed Income, Currency and Commodities Trading and Clearing</b>	<b>24</b>	<b>24</b>	<b>23</b>	<b>20</b>	<b>20</b>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

# INDEX LICENSING AND SERVICES



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

# MARKET TECHNOLOGY



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

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

<i>(US\$ millions, except EPS)</i>	1Q16	4Q15	1Q15
<b>GAAP net income attributable to Nasdaq:</b>	<b>\$132</b>	<b>\$148</b>	<b>\$9</b>
Amortization expense of acquired intangible assets <sup>(1)</sup>	17	15	15
Restructuring charges <sup>(2)</sup>	9	12	150
Merger and strategic initiatives <sup>(3)</sup>	9	4	-
Loss reserve and insurance recovery <sup>(4)</sup>	-	(26)	31
Income from OCC equity investment <sup>(5)</sup>	-	-	(13)
Reversal of value added tax refund <sup>(6)</sup>	-	-	12
<b>Total Non-GAAP adjustments</b>	<b>35</b>	<b>5</b>	<b>195</b>
Non-GAAP adjustment to the income tax provision	(14)	(3)	(66)
Total Non-GAAP Adjustments, net of tax	21	2	129
<b>Non-GAAP net income attributable to Nasdaq:</b>	<b>\$153</b>	<b>\$150</b>	<b>\$138</b>
<b>GAAP diluted earnings per share:</b>	<b>\$0.78</b>	<b>\$0.88</b>	<b>\$0.05</b>
Total adjustments from non-GAAP net income above	0.13	0.01	0.75
<b>Non-GAAP diluted earnings per share</b>	<b>\$0.91</b>	<b>\$0.89</b>	<b>\$0.80</b>

Please refer to slide 25 for detailed footnotes

# OPERATING INCOME:

## RECONCILIATION OF GAAP TO NON-GAAP

<i>(US\$ millions)</i>	1Q16	4Q15	1Q15
<b>GAAP operating income:</b>	<b>\$219</b>	<b>\$246</b>	<b>\$27</b>
Non-GAAP adjustments:			
Amortization expense of acquired intangible assets <sup>(1)</sup>	17	15	15
Restructuring charges <sup>(2)</sup>	9	12	150
Merger and strategic initiatives <sup>(3)</sup>	9	4	-
Loss reserve and insurance recovery <sup>(4)</sup>	-	(26)	31
Reversal of value added tax refund <sup>(6)</sup>	-	-	12
Total non-GAAP adjustments	35	5	208
<b>Non-GAAP operating income</b>	<b>\$254</b>	<b>\$251</b>	<b>\$235</b>
<b>Total net revenues</b>	<b>\$534</b>	<b>\$536</b>	<b>\$507</b>
<b>Non-GAAP operating margin <sup>(7)</sup></b>	<b>48%</b>	<b>47%</b>	<b>46%</b>

Please refer to slide 25 for detailed footnotes

# OPERATING EXPENSES: RECONCILIATION OF GAAP TO NON-GAAP

<i>(US\$ millions)</i>	1Q16	4Q15	1Q15
<b>GAAP operating expenses:</b>	<b>\$315</b>	<b>\$290</b>	<b>\$480</b>
<b>Non-GAAP adjustments:</b>			
Amortization expense of acquired intangible assets <sup>(1)</sup>	(17)	(15)	(15)
Restructuring charges <sup>(2)</sup>	(9)	(12)	(150)
Merger and strategic initiatives <sup>(3)</sup>	(9)	(4)	-
Loss reserve and insurance recovery <sup>(4)</sup>	-	26	(31)
Reversal of value added tax refund <sup>(6)</sup>	-	-	(12)
Total non-GAAP adjustments	(35)	(5)	(208)
<b>Non-GAAP operating expenses</b>	<b>\$280</b>	<b>\$285</b>	<b>\$272</b>

Please refer to slide 25 for detailed footnotes



# FOOTNOTES:

## RECONCILIATION OF GAAP TO NON-GAAP

- (1) Amortization expense of acquired intangible assets results primarily from business combinations. These non-cash expenses are fixed and amortized over the estimated useful life of the intangible asset acquired. These expenses generally cannot be changed or influenced by management after the acquisition. Management does not consider these expenses for the purpose of evaluating the performance of the business or its managers or when making decisions to allocate resources. Therefore, such expenses are shown as a non-GAAP adjustment.
- (2) During the first quarter of 2015 as part of our 2015 restructuring plan, we performed a comprehensive review of our processes, businesses and systems in a company-wide effort to improve performance, cut costs, and reduce spending. In the first quarter of 2015, we also decided to change our company name from The NASDAQ OMX Group, Inc., to Nasdaq, Inc., which became effective in the third quarter of 2015. We currently estimate that we will recognize net pre-tax restructuring charges of \$196 million, consisting of the rebranding of our trade name, severance, asset impairments, facility-related and other costs. We recognized restructuring charges of \$9 million for the three months ended March 31, 2016, \$12 million for the three months ended December 31, 2015 and \$150 million for the three months ended March 31, 2015. Since the beginning of the program, we have recognized a total of \$181 million, with the remaining amount to be recognized through the program completion date of June 2016. Restructuring charges are recorded on restructuring plans that have been committed to by management and are, in part, based upon management's best estimates of future events. Changes to the estimates may require future adjustments to the restructuring liabilities.
- (3) For the three months ended March 31, 2016 merger and strategic initiatives expense primarily related to our acquisitions of Marketwired and Chi-X Canada as well as costs incurred related to our previously announced pending acquisitions of International Securities Exchange (ISE) and Boardvantage. For the three months ended December 31, 2015, merger and strategic initiatives expense primarily related to certain strategic initiatives and our acquisition of Dorsey, Wright & Associates, LLC.
- (4) In March 2015, we established a loss reserve of \$31 million for litigation arising from the Facebook IPO in May 2012, which was recorded in general, administrative and other expense. The reserve was intended to cover the estimated amount of a settlement of class-action litigation initiated on behalf of investors in Facebook common stock on the date of its IPO. The reserve also covered the cost of re-opening Nasdaq's voluntary accommodation program to allow any Nasdaq member that did not file for compensation in 2013 to submit a claim during the second quarter of 2015, subject to the conditions and limitations that were applicable to claims filed in 2013. The re-opened accommodation program is now closed. During the second half of 2015, we recorded an insurance recovery which offset the loss reserve that was recorded in March 2015. The insurance recovery recognized during the three months ended December 31, 2015 was \$26 million.
- (5) We record our investment in The Options Clearing Corporation, or OCC, as an equity method investment. Under the equity method of accounting, we recognize our share of earnings or losses of an equity method investee based on our ownership percentage. As a result of a new capital plan implemented by OCC, we were not able to determine what our share of OCC's income was for the year ended December 31, 2014 until the first quarter of 2015, when OCC financial statements were made available to us. Therefore, we recorded other income of \$13 million in the first quarter of 2015 relating to our share of OCC's income for the year ended December 31, 2014.
- (6) We previously recorded receivables for expected value added tax, or VAT, refunds based on an approach that had been accepted by the tax authorities in prior years. The tax authorities have since challenged our approach, and the revised position of the tax authorities was upheld in court during the first quarter of 2015. As a result, in the first quarter of 2015, we recorded a charge of \$12 million for previously recorded receivables based on the court decision.
- (7) Non-GAAP operating margin equals non-GAAP operating income divided by total revenues less transaction-based expenses.

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

<i>(US\$ millions)</i>	1Q16	4Q15	1Q15
<b><u>Depreciation and amortization</u></b>			
GAAP	38	35	34
Adjustments	(17)	(15)	(15)
<b>non-GAAP</b>	<b>\$21</b>	<b>\$20</b>	<b>\$19</b>
<b><u>Computer operations and data</u></b>			
GAAP	25	26	35
Adjustments	-	-	(12)
<b>non-GAAP</b>	<b>\$25</b>	<b>\$26</b>	<b>\$23</b>
<b><u>Merger and strategic initiatives</u></b>			
GAAP	\$9	\$4	-
Adjustments	(9)	(4)	-
<b>non-GAAP</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Continued on next page</b>			

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

<i>(US\$ millions)</i>	1Q16	4Q15	1Q15
<b><u>General, administrative and other</u></b>			
GAAP	14	(12)	46
Adjustments	-	26	(31)
<b>non-GAAP</b>	<b>\$14</b>	<b>\$14</b>	<b>\$15</b>
<b><u>Restructuring charges</u></b>			
GAAP	9	12	150
Adjustments	(9)	(12)	(150)
<b>non-GAAP</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Adjustments (Part 1 + Part 2)</b>			

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

<i>(US\$ millions)</i>	TTM <sup>+</sup>	1Q16	4Q15	3Q15	2Q15
<b>Non-GAAP operating income</b>	\$995	\$254	\$251	\$253	\$237
<u>Plus:</u>					
Depreciation and amortization of tangibles (NASDAQ)	79	21	20	19	19
EBITDA of Chi-X Canada/Marketwired <sup>*</sup>	15	2	4	4	5
<b>EBITDA pro forma for Chi-X Canada/Marketwired acquisition</b>	<b>\$1,089</b>	<b>\$277</b>	<b>\$275</b>	<b>\$276</b>	<b>\$261</b>

\* 1Q16 EBITDA of Chi-X Canada/Marketwired contains January'16 EBITDA for Chi-X Canada and January'16 to 23<sup>rd</sup> February'16 EBITDA of Marketwired. TTM EBITDA of Chi-X Canada/Marketwired contains April'15 to January'16 EBITDA for Chi-X Canada and April'15 to 23<sup>rd</sup> February'16 EBITDA of Marketwired. February'16 to March'16 Chi-X Canada EBITDA and 24<sup>th</sup> February'16 to March'16 Marketwired EBITDA is not included in EBITDA of Chi-X Canada/Marketwired because it is included in Non-GAAP operating income and Depreciation and Amortization of tangibles (NASDAQ). The sources of the pro forma information were LTM financials provided by Chi-X Canada and Marketwired.

<sup>+</sup> Numbers may not add up due to rounding