

ISE ACQUISITION AND STRATEGY UPDATE CALL

MARCH 10, 2016



DISCLAIMERS

Cautionary Note Regarding Forward-Looking Statements

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

Website Disclosure

We intend to use our website, 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."

SUMMARY TRANSACTION OVERVIEW

Overview	<ul style="list-style-type: none">■ Nasdaq has agreed to acquire ISE from Deutsche Börse for \$1.1bn on a cash free / debt free basis■ In addition to the U.S. options business, Nasdaq is acquiring ISE's 20% ownership of Options Clearing Corp., and two smaller operating businesses
Financing	<ul style="list-style-type: none">■ Committed \$1.1bn Senior Bridge Loan Facility■ Permanent financing expected to consist of mix of cash, bank debt, and bonds
Rationale	<ul style="list-style-type: none">■ Adds volume and incremental profitability in equity options trading platforms■ Attractive risk-adjusted returns, with considerable earnings accretion■ Cost synergies targeted at a minimum of \$40 million
Conditions to Close	<ul style="list-style-type: none">■ Subject to Hart Scott Rodino (HSR) review and SEC regulatory approval & other customary conditions
Timing	<ul style="list-style-type: none">■ Closing expected in second half of 2016

EXECUTIVE SUMMARY

Nasdaq is pleased to announce we have agreed to acquire International Securities Exchange (ISE), an innovator and leader in electronic options trading

Compelling strategic rationale:

- Expands Nasdaq's U.S. equity and ETP options franchises
- Diversifies offering to serve the broadest range of customer needs via diverse market structures and pricing programs
- Strategically relevant to supporting Nasdaq's complementary competencies across our Market Services segment
- Brings Nasdaq's ownership interest in The Options Clearing Corporation (OCC) to 40% (from 20%)

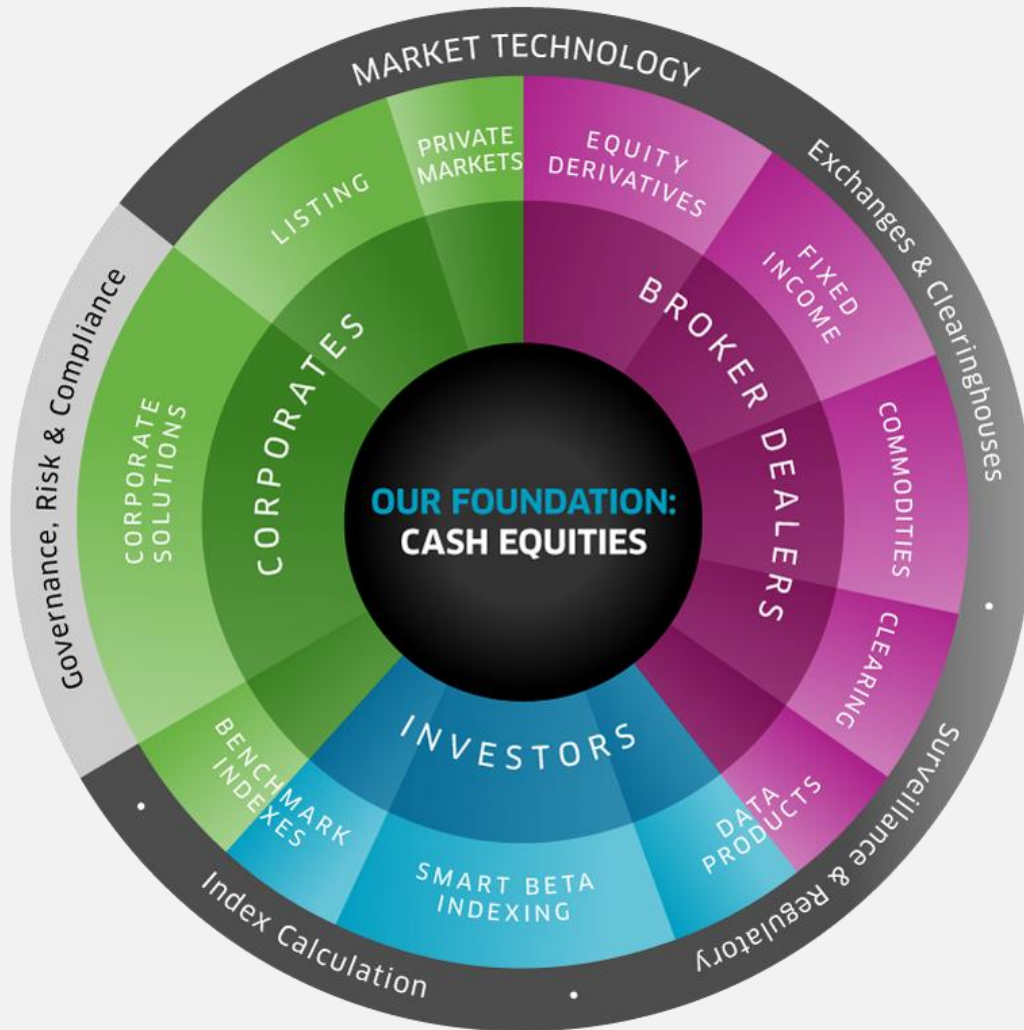
Significant growth opportunities:

- Secular growth opportunities in options trading remain attractive, and are synergistic with cash equity business
- Front-end order and execution management system provide access to existing and new clients and allows for expansion opportunities across other Nasdaq exchanges and execution venues
- Adding ISE's ETF development and index licensing business to Nasdaq's robust suite of benchmark and smart beta indices
- Three new equity exchange licenses will be evaluated for new business opportunities

Attractive financial profile:

- Identified cost synergies of a minimum of \$40 million expected to be realized within 18 months
- Purchase price represents 12.8x multiple of 2015 EBITDA, excluding synergies
 - Pro-forma for full realization of targeted synergies 8.7x multiple of 2015 EBITDA
- Attractive returns in excess of our cost of capital
- Accretive to EPS within 12 months
- Approximately \$100 million cash tax benefit

NASDAQ'S STRATEGY AND STORY



- Historically, Nasdaq has expanded from its foundational cash equities businesses to serve the investment community and corporates in broader ways
- In both organic initiatives and M&A activity, the company seeks to utilize:
 - Core customer relationships
 - Flexible, scalable technology
- Pursue opportunities to strengthen and develop existing competencies to create opportunities for both our customers and our shareholders

CONSISTENT WITH NASDAQ'S DISCIPLINED APPROACH TO CAPITAL DEPLOYMENT

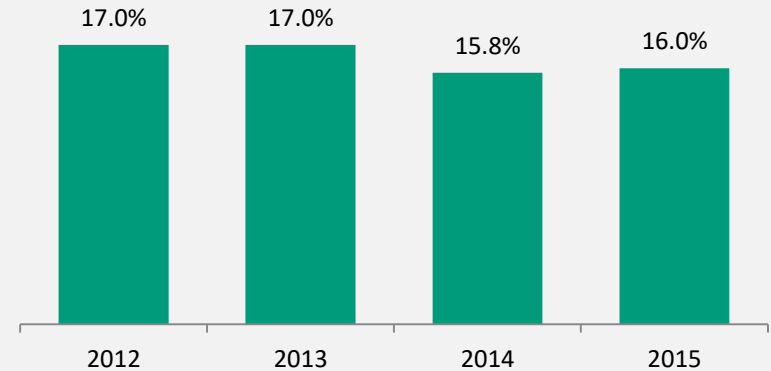
- Opportunistic
 - Nasdaq's discipline during expensive M&A environment in 2014-2015 created unique financial flexibility to capitalize on exceptional opportunities
- Attractive returns on capital
 - Reasonable 12.8x multiple of 2015 EBITDA, excluding synergies
 - Pro-forma for full realization of targeted synergies 8.7x multiple of 2015 EBITDA
 - High margin business, with meaningful synergies and expected strong free cash flow generation enhances our ability to continue to deliver returns above our cost of capital
 - Accretive to EPS within 12 months
- Priority on de-leveraging to 2.3x-2.7x gross leverage ratio
 - Remain selectively opportunistic on other uses of capital

OVERVIEW OF ISE

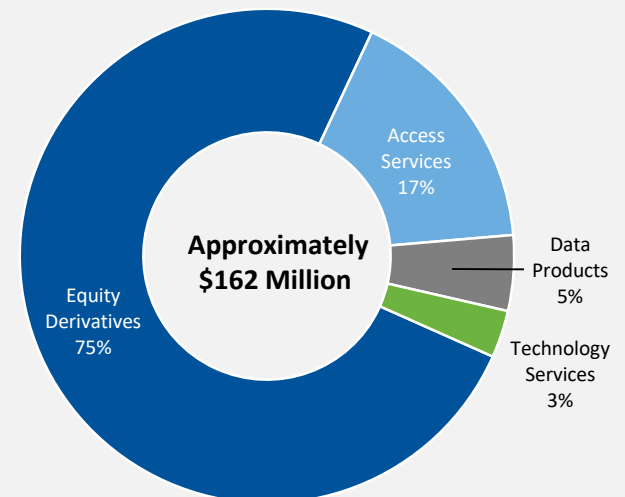
Business Description

- Founded in 2000 and headquartered in New York, ISE operates three electronic options exchanges
 - Trading equity, ETF, index, and FX options
- 2015 total revenue of ~\$162mm
 - *Equity Derivatives (Market Services)*
 - Transaction-based revenue, including certain regulatory fees and shared OPRA-related revenues
 - *Access/Broker Services (Market Services)*
 - Membership, port and access (front-end, connection) fees
 - *Data Products and Index Licensing (Information Services)*
 - Revenues associated with proprietary data products
 - Revenues associated with ETF Ventures
 - *Market Technology (Technology Solutions)*
 - Revenues associated with Longitude venture

ISE Listed Equity Options Share



2015 Net Revenue⁽¹⁾



(1) Using Nasdaq external reporting segment methodology

COMPLEMENTARY PRODUCT OFFERINGS

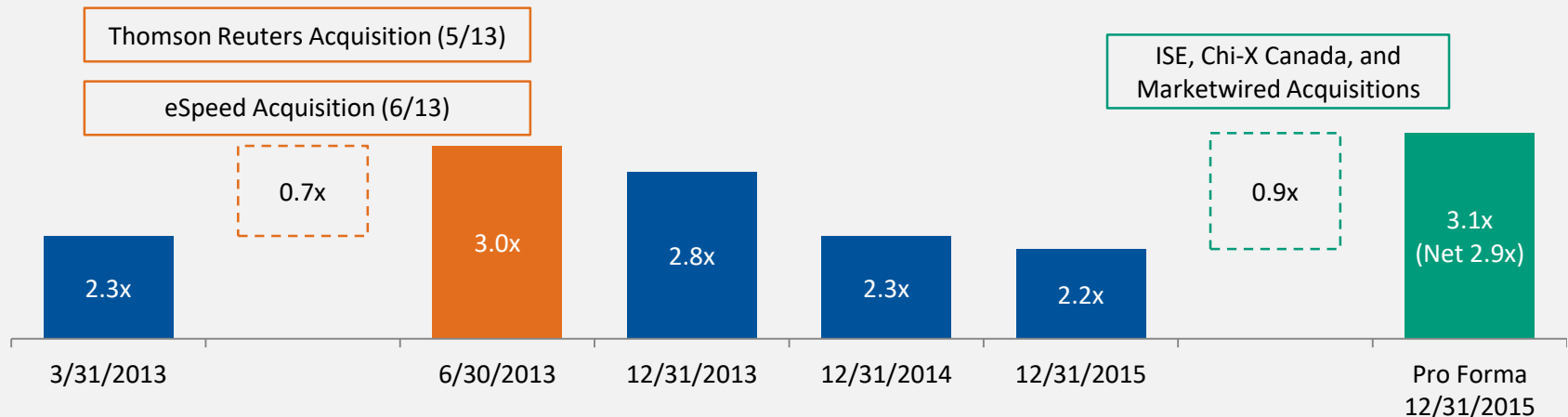
Strengthens Nasdaq's diverse product offerings, expanding client base and serving broader customer needs

	Nasdaq	ISE	Combined Offering
Product Offering	<ul style="list-style-type: none"> • PHLX: Specialist system w/ floor, classic pricing • NOM: Price/Time priority • BX Options: Rebate for customer remove platform with new auction functionality 	<ul style="list-style-type: none"> • ISE: Modified market-taker fee schedule • ISE Gemini: Pure maker-taker fee schedule • ISE Mercury: Payment for order flow/rebate-driven fee structure 	<ul style="list-style-type: none"> • Six options venues spanning a broad range of market structures and pricing models
Customer Strengths	<ul style="list-style-type: none"> • Diverse and robust functionality across multiple platforms 	<ul style="list-style-type: none"> • Front-end order execution system • All three markets have identical execution models 	<ul style="list-style-type: none"> • High quality technology offering, an industry leader in liquidity and functionality • Front end technology to use across all options venues and expand into multi-asset access
Data / Connectivity / Ancillary Services	<ul style="list-style-type: none"> • Top of book data feeds • Historical data feeds • Connectivity solutions and market maker protocols 	<ul style="list-style-type: none"> • Award-winning front-end order management system (PrecISE Trade[®]) • Connectivity to all three ISE exchanges as well as 3rd party providers 	<ul style="list-style-type: none"> • A leading options front-end and order management system, PrecISE Trade • Connectivity solutions • Broader, diversified data products

DEMONSTRATED ABILITY TO DELEVERAGE

- **Near term cash flow priority focused on deleveraging to 2.3x-2.7x Gross Debt to EBITDA**
 - \$1.1bn Senior Bridge Loan Facility for ISE acquisition (permanent financing expected to consist of cash, bank debt and bonds)
 - Nasdaq expects to receive approximately \$100 million in cash tax benefits in 2016-2017 associated with the acquisition of ISE, which will not impact the P&L
- **Nasdaq will remain selectively opportunistic on other uses of capital**

Demonstrated Ability to Deleverage Post Acquisitions (Gross Debt to EBITDA)



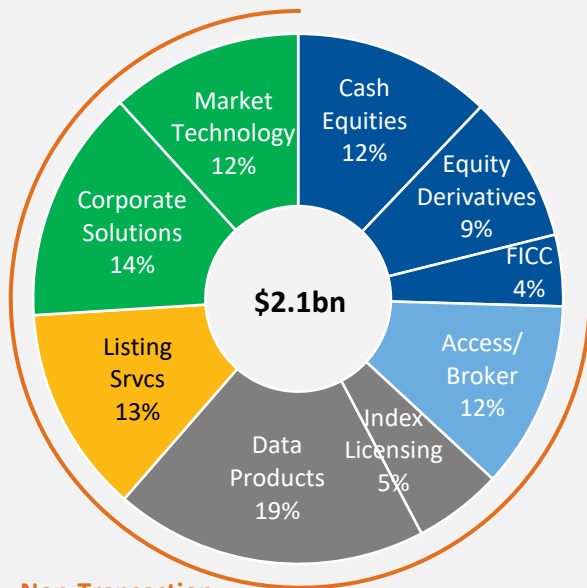
RECENT ACQUISITIONS SUPPORT NASDAQ'S DIVERSE BUSINESS MIX UPDATE



ISE / Chi-X Canada
Marketwired

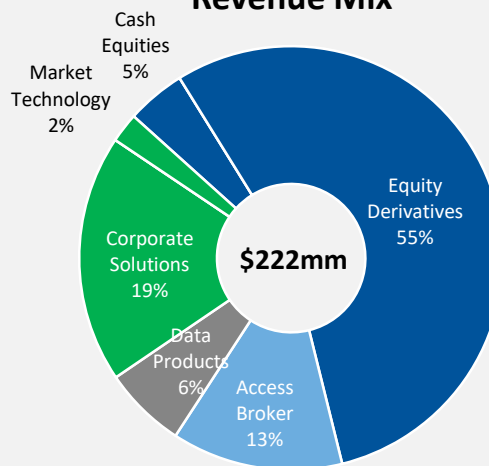


2015 Reported Revenue Mix

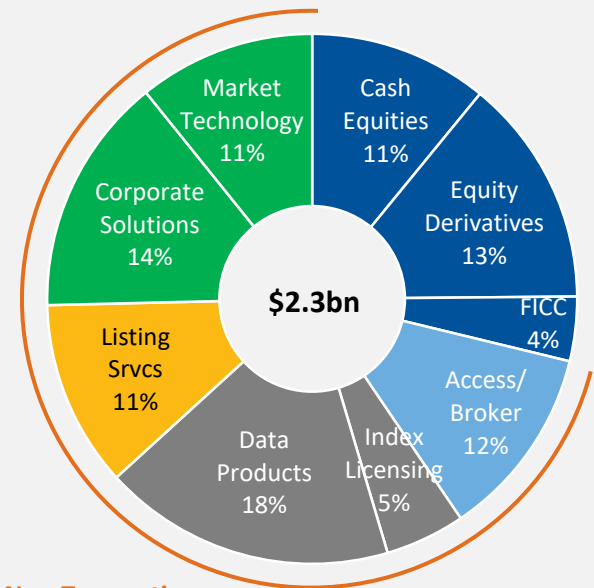


Non-Transaction Revenues 75%

Combined Additional Revenue Mix



2015 Pro Forma Revenue Mix



Non-Transaction Revenues 72%

MARKET SERVICES ACQUISITION IMPACTS

ISE AND CHI-X CANADA FINANCIAL DETAIL

Based on 2015 (non-GAAP) results	
Initial revenue and expense impact	<p>Nasdaq expects annualized incremental impact of:</p> <ul style="list-style-type: none"> • \$180M in net revenues • \$93M in non-GAAP operating expenses
Synergy targets	<ul style="list-style-type: none"> • Nasdaq projects cost synergies of a minimum of \$40M • The company intends to share a portion of combination's benefits with customers • Synergies are expected to be achieved within 18 months post closing.
Balance sheet considerations	<ul style="list-style-type: none"> • Nasdaq anticipates over 2016-17 to receive an approximately \$100M cash tax benefit
Net benefit to Nasdaq shareholders	<ul style="list-style-type: none"> • Each acquisition will be accretive to shareholders within 12 months of closing. • Upon full run-rate synergies, based on 2015 results, the acquisitions would have been approximately \$0.28 accretive to non-GAAP fully diluted EPS

QUESTIONS & ANSWERS