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, deleveraging 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.”
| **Overview** | 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** | Committed $1.1bn Senior Bridge Loan Facility  
Permanent financing expected to consist of mix of cash, bank debt, and bonds |
| **Rationale** | 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** | Subject to Hart Scott Rodino (HSR) review and SEC regulatory approval & other customary conditions |
| **Timing** | 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
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

<table>
<thead>
<tr>
<th>Year</th>
<th>Equity Derivatives</th>
<th>Access Services</th>
<th>Data Products</th>
<th>Technology Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>17.0%</td>
<td>17.0%</td>
<td>15.8%</td>
<td>16.0%</td>
</tr>
<tr>
<td>2013</td>
<td>17.0%</td>
<td>17.0%</td>
<td>15.8%</td>
<td>16.0%</td>
</tr>
<tr>
<td>2014</td>
<td>15.8%</td>
<td>17.0%</td>
<td>15.8%</td>
<td>16.0%</td>
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<tr>
<td>2015</td>
<td>16.0%</td>
<td>17.0%</td>
<td>15.8%</td>
<td>16.0%</td>
</tr>
</tbody>
</table>

2015 Net Revenue

- Approximately $162 Million

(1) Using Nasdaq external reporting segment methodology
## COMPLEMENTARY PRODUCT OFFERINGS

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

<table>
<thead>
<tr>
<th>Product Offering</th>
<th>Nasdaq</th>
<th>ISE</th>
<th>Combined Offering</th>
</tr>
</thead>
</table>
| **Product Offering** | • PHLX: Specialist system w/floor, classic pricing  
• NOM: Price/Time priority  
• BX Options: Rebate for customer remove platform with new auction functionality | • ISE: Modified market-taker fee schedule  
• ISE Gemini: Pure maker-taker fee schedule  
• ISE Mercury: Payment for order flow/rebate-driven fee structure | • Six options venues spanning a broad range of market structures and pricing models |

<table>
<thead>
<tr>
<th>Customer Strengths</th>
<th>Nasdaq</th>
<th>ISE</th>
<th>Combined Offering</th>
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</table>
| **Customer Strengths** | • Diverse and robust functionality across multiple platforms | • Front-end order execution system  
• All three markets have identical execution models | • 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 |

<table>
<thead>
<tr>
<th>Data / Connectivity / Ancillary Services</th>
<th>Nasdaq</th>
<th>ISE</th>
<th>Combined Offering</th>
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</table>
| **Data / Connectivity / Ancillary Services** | • Top of book data feeds  
• Historical data feeds  
• Connectivity solutions and market maker protocols | • Award-winning front-end order management system (PreciSE Trade®)  
• Connectivity to all three ISE exchanges as well as 3rd party providers | • 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)**

<table>
<thead>
<tr>
<th>Date</th>
<th>Thomson Reuters Acquisition (5/13)</th>
<th>eSpeed Acquisition (6/13)</th>
<th>ISE, Chi-X Canada, and Marketwired Acquisitions</th>
</tr>
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<tbody>
<tr>
<td>3/31/2013</td>
<td>2.3x</td>
<td>0.7x</td>
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<td>6/30/2013</td>
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<td>2.8x</td>
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<tr>
<td>12/31/2013</td>
<td>2.8x</td>
<td>2.3x</td>
<td></td>
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<tr>
<td>12/31/2014</td>
<td>2.3x</td>
<td>2.2x</td>
<td></td>
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<tr>
<td>12/31/2015</td>
<td>2.2x</td>
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<tr>
<td>Pro Forma 12/31/2015</td>
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<td>3.1x (Net 2.9x)</td>
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RECENT ACQUISITIONS SUPPORT NASDAQ’S DIVERSE BUSINESS MIX UPDATE

2015 Reported Revenue Mix

- Cash Equities 12%
- Market Technology 12%
- Corporate Solutions 14%
- Listing Srvcs 13%
- Data Products 19%
- Licensing 5%
- Access/Broker 12%

Total Revenue: $2.1bn

Non-Transaction Revenues 75%

2015 Pro Forma Revenue Mix

- Cash Equities 11%
- Market Technology 11%
- Corporate Solutions 14%
- Listing Srvcs 11%
- Data Products 18%
- Access/Broker 13%
- Index Licensing 5%
- FICC 4%

Total Revenue: $2.3bn

Non-Transaction Revenues 72%

ISE / Chi-X Canada

Marketwired

Combined Additional Revenue Mix

- Cash Equities 5%
- Market Technology 5%
- Corporate Solutions 19%
- Data Products 6%
- Access/Broker 13%

Total Revenue: $222mm

Equity Derivatives 55%
# MARKET SERVICES ACQUISITION IMPACTS

**ISE AND CHI-X CANADA FINANCIAL DETAIL**

<table>
<thead>
<tr>
<th>Based on 2015 (non-GAAP) results</th>
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<tr>
<td><strong>Initial revenue and expense impact</strong></td>
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<td><strong>Synergy targets</strong></td>
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<tr>
<td><strong>Balance sheet considerations</strong></td>
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<tr>
<td><strong>Net benefit to Nasdaq shareholders</strong></td>
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QUESTIONS & ANSWERS