

# Nasdaq, Inc.

## Consolidated Statements of GAAP Income

(all amounts in millions, except for per share amounts)

	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	2019	2020	2021	2022	2023
<b>Revenues:</b>														
Data and Listing Services <sup>(4)</sup>	182	179	182	185	187	188	189	186	187	541	572	678	727	749
Index	124	125	116	110	129	144	146	168	167	223	324	459	486	528
Workflow and Insights	115	118	121	120	122	124	126	125	127	358	389	429	469	493
<b>Capital Access Platforms</b>	<b>421</b>	<b>422</b>	<b>419</b>	<b>415</b>	<b>438</b>	<b>456</b>	<b>461</b>	<b>479</b>	<b>481</b>	<b>1,122</b>	<b>1,285</b>	<b>1,566</b>	<b>1,682</b>	<b>1,770</b>
Financial Crime Management Technology	44	45	48	52	54	58	60	64	67	—	—	104	176	223
Regulatory Technology <sup>(2)</sup>	31	32	34	32	35	35	110	90	95	107	116	127	130	212
Capital Markets Technology <sup>(2)(3)</sup>	139	140	149	145	146	145	229	238	258	502	521	541	558	664
<b>Financial Technology</b>	<b>214</b>	<b>217</b>	<b>231</b>	<b>229</b>	<b>235</b>	<b>238</b>	<b>399</b>	<b>392</b>	<b>420</b>	<b>609</b>	<b>637</b>	<b>772</b>	<b>864</b>	<b>1,099</b>
<b>Market Services<sup>(1)(4)</sup></b>	<b>245</b>	<b>239</b>	<b>245</b>	<b>260</b>	<b>242</b>	<b>236</b>	<b>247</b>	<b>237</b>	<b>250</b>	<b>713</b>	<b>902</b>	<b>1,005</b>	<b>988</b>	<b>987</b>
<b>Other Revenues<sup>(3)(4)</sup></b>	<b>13</b>	<b>12</b>	<b>11</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>9</b>	<b>8</b>	<b>91</b>	<b>79</b>	<b>77</b>	<b>48</b>	<b>39</b>
<b>Net revenues<sup>(1)</sup></b>	<b>893</b>	<b>890</b>	<b>906</b>	<b>914</b>	<b>925</b>	<b>940</b>	<b>1,117</b>	<b>1,117</b>	<b>1,159</b>	<b>2,535</b>	<b>2,903</b>	<b>3,420</b>	<b>3,582</b>	<b>3,895</b>
<b>Operating expenses:</b>														
Compensation and benefits	247	249	252	256	261	260	305	340	328	707	786	938	1,003	1,082
Professional and contract services	29	34	43	32	30	31	36	34	39	127	137	144	140	128
Computer operations and data communications	50	50	56	54	56	58	65	67	69	133	151	186	207	233
Occupancy	25	25	26	39	32	28	30	28	27	97	107	109	104	129
General, administrative and other	34	38	32	14	22	26	52	28	30	125	142	85	125	113
Marketing and advertising	11	10	20	9	9	12	16	11	12	39	39	57	51	47
Depreciation and amortization	65	63	63	69	65	64	125	155	153	190	202	278	258	323
Regulatory	8	9	9	9	9	9	8	9	18	31	24	64	33	34
Merger and strategic initiatives	12	14	41	2	45	4	97	9	4	30	33	87	82	148
Restructuring charges	—	—	15	18	14	17	31	26	56	39	48	31	15	80
<b>Total operating expenses</b>	<b>481</b>	<b>492</b>	<b>557</b>	<b>502</b>	<b>543</b>	<b>509</b>	<b>765</b>	<b>707</b>	<b>736</b>	<b>1,518</b>	<b>1,669</b>	<b>1,979</b>	<b>2,018</b>	<b>2,317</b>
<b>Operating income</b>	<b>412</b>	<b>398</b>	<b>349</b>	<b>412</b>	<b>382</b>	<b>431</b>	<b>352</b>	<b>410</b>	<b>423</b>	<b>1,017</b>	<b>1,234</b>	<b>1,441</b>	<b>1,564</b>	<b>1,578</b>
<i>Operating margin</i>	<i>46 %</i>	<i>45 %</i>	<i>39 %</i>	<i>45 %</i>	<i>41 %</i>	<i>46 %</i>	<i>32 %</i>	<i>37 %</i>	<i>36 %</i>	<i>40 %</i>	<i>43 %</i>	<i>42 %</i>	<i>44 %</i>	<i>41 %</i>
Interest income	—	2	4	6	8	72	30	6	6	10	4	1	7	115
Interest expense	(32)	(32)	(33)	(36)	(36)	(101)	(111)	(108)	(102)	(124)	(101)	(125)	(129)	(284)
Net gain on divestiture of businesses	—	—	—	—	—	—	—	—	—	27	—	84	—	—
Other income (loss)	8	6	(6)	—	(6)	1	5	1	12	5	5	81	2	(1)
Net income (loss) from unconsolidated investees	9	8	8	14	(11)	(12)	2	3	2	84	70	52	31	(7)
Asset Impairments	—	—	—	—	—	—	—	—	—	—	—	—	—	—
<b>Income before taxes</b>	<b>397</b>	<b>382</b>	<b>322</b>	<b>396</b>	<b>337</b>	<b>391</b>	<b>278</b>	<b>312</b>	<b>341</b>	<b>1,019</b>	<b>1,212</b>	<b>1,534</b>	<b>1,475</b>	<b>1,401</b>
Income tax provision	90	88	82	95	70	97	81	79	119	245	279	347	352	344
<b>Net income</b>	<b>307</b>	<b>294</b>	<b>240</b>	<b>301</b>	<b>267</b>	<b>294</b>	<b>197</b>	<b>233</b>	<b>222</b>	<b>774</b>	<b>933</b>	<b>1,187</b>	<b>1,123</b>	<b>1,057</b>
Net loss attributable to Noncontrolling interests	—	—	1	1	—	—	—	1	—	—	—	—	2	2
<b>Net income attributable to Nasdaq</b>	<b>307</b>	<b>294</b>	<b>241</b>	<b>302</b>	<b>267</b>	<b>294</b>	<b>197</b>	<b>234</b>	<b>222</b>	<b>774</b>	<b>933</b>	<b>1,187</b>	<b>1,125</b>	<b>1,059</b>
Effective tax rate	22.7 %	23.0 %	25.5 %	24.0 %	20.8 %	24.8 %	29.1 %	25.3 %	34.9 %	24.0 %	23.0 %	22.6 %	23.9 %	24.6 %
<b>Earnings per Share:</b>														
Diluted EPS	\$ 0.62	\$ 0.59	\$ 0.48	\$ 0.61	\$ 0.54	\$ 0.60	\$ 0.36	\$ 0.40	\$ 0.38	\$ 1.55	\$ 1.86	\$ 2.35	\$ 2.26	\$ 2.08
<b>Weighted average numbers of common stock shares:</b>														
Diluted shares	496.6	496.3	497.0	494.8	493.6	494.1	550.6	578.9	579.0	500.9	500.7	505.1	497.9	508.4
Cash dividends declared per share	\$ 0.20	\$ 0.20	\$ 0.20	\$ 0.20	\$ 0.22	\$ 0.22	\$ 0.22	\$ 0.22	\$ 0.24	\$ 0.62	\$ 0.65	\$ 0.70	\$ 0.78	\$ 0.86

(1) Represents revenues less transaction-based expenses.

(2) In the first quarter of 2022, Nasdaq reclassified risk solutions product revenues from the Anti Financial Crime business to the market technology business. For all quarterly periods presented, the reclassification was \$4 million per period.

(3) In the third quarter of 2022, Nasdaq reclassified prior period revenues related to our Broker Services business from trade management services to Other revenues due to the wind down of the business in June 2022.

(4) In the third quarter of 2023, Nasdaq reclassified prior period revenues related to the proposed sale of our European power trading and clearing business from Market Services and Data to Other revenues.

## Nasdaq, Inc.

### Consolidated Statements of Non-GAAP Income

(all amounts in millions, except for per share amounts)

	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	2019	2020	2021	2022	2023
<b>Revenues:</b>														
Data and Listing Services <sup>(4)</sup>	182	179	182	185	187	188	189	186	187	541	572	678	727	749
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Workflow and Insights	115	118	121	120	122	124	126	125	127	358	389	429	469	493
<b>Capital Access Platforms</b>	<b>421</b>	<b>422</b>	<b>419</b>	<b>415</b>	<b>438</b>	<b>456</b>	<b>461</b>	<b>479</b>	<b>481</b>	<b>1,122</b>	<b>1,285</b>	<b>1,566</b>	<b>1,682</b>	<b>1,770</b>
Financial Crime Management Technology	44	45	48	52	54	58	60	64	67	—	—	104	176	223
Regulatory Technology <sup>(2)</sup>	31	32	34	32	35	35	110	90	95	107	116	127	130	212
Capital Markets Technology <sup>(2)(3)</sup>	139	140	149	145	146	145	229	238	258	502	521	541	558	664
<b>Financial Technology</b>	<b>214</b>	<b>217</b>	<b>231</b>	<b>229</b>	<b>235</b>	<b>238</b>	<b>399</b>	<b>392</b>	<b>420</b>	<b>609</b>	<b>637</b>	<b>772</b>	<b>864</b>	<b>1,099</b>
<b>Market Services<sup>(1)(4)</sup></b>	<b>245</b>	<b>239</b>	<b>245</b>	<b>260</b>	<b>242</b>	<b>236</b>	<b>247</b>	<b>237</b>	<b>250</b>	<b>713</b>	<b>902</b>	<b>1,005</b>	<b>988</b>	<b>987</b>
<b>Other Revenues<sup>(3)(4)</sup></b>	<b>13</b>	<b>12</b>	<b>11</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>9</b>	<b>8</b>	<b>91</b>	<b>79</b>	<b>77</b>	<b>48</b>	<b>39</b>
<b>Net revenues<sup>(1)</sup></b>	<b>893</b>	<b>890</b>	<b>906</b>	<b>914</b>	<b>925</b>	<b>940</b>	<b>1,117</b>	<b>1,117</b>	<b>1,159</b>	<b>2,535</b>	<b>2,903</b>	<b>3,420</b>	<b>3,582</b>	<b>3,895</b>
<b>Operating expenses:</b>														
Compensation and benefits	247	249	252	256	261	260	296	317	328	707	785	938	1,003	1,073
Professional and contract services	27	31	41	35	30	30	34	32	33	121	133	133	132	129
Computer operations and data communications	50	50	56	54	56	58	65	67	69	133	152	186	207	233
Occupancy	25	25	26	26	27	27	28	28	27	95	95	107	103	108
General, administrative and other	19	18	32	20	22	26	25	28	30	81	84	56	89	93
Marketing and advertising	11	10	20	9	9	12	16	11	12	39	39	57	51	47
Depreciation and amortization	26	25	25	27	27	27	30	32	31	88	96	108	104	111
Regulatory	8	9	8	9	9	9	10	9	9	31	30	31	32	36
<b>Total operating expenses</b>	<b>413</b>	<b>417</b>	<b>460</b>	<b>436</b>	<b>441</b>	<b>449</b>	<b>504</b>	<b>524</b>	<b>539</b>	<b>1,295</b>	<b>1,414</b>	<b>1,616</b>	<b>1,721</b>	<b>1,830</b>
<b>Operating income</b>	<b>480</b>	<b>473</b>	<b>446</b>	<b>478</b>	<b>484</b>	<b>491</b>	<b>613</b>	<b>593</b>	<b>620</b>	<b>1,240</b>	<b>1,489</b>	<b>1,804</b>	<b>1,861</b>	<b>2,065</b>
<i>Operating margin</i>	<i>54 %</i>	<i>53 %</i>	<i>49 %</i>	<i>52 %</i>	<i>52 %</i>	<i>52 %</i>	<i>55 %</i>	<i>53 %</i>	<i>53 %</i>	<i>49 %</i>	<i>51 %</i>	<i>53 %</i>	<i>52 %</i>	<i>53 %</i>
Net interest expense	(32)	(30)	(29)	(30)	(28)	(22)	(79)	(102)	(96)	(114)	(97)	(124)	(122)	(158)
Other (loss) income	(1)	—	—	—	1	1	1	1	—	—	1	1	(1)	2
Net income (loss) from unconsolidated investees	—	—	1	—	—	—	—	—	—	2	—	—	2	—
<b>Income before taxes</b>	<b>447</b>	<b>443</b>	<b>418</b>	<b>448</b>	<b>457</b>	<b>470</b>	<b>535</b>	<b>492</b>	<b>524</b>	<b>1,128</b>	<b>1,393</b>	<b>1,681</b>	<b>1,740</b>	<b>1,909</b>
Income tax provision	105	108	102	110	107	121	140	126	127	293	362	408	418	478
<b>Net income</b>	<b>342</b>	<b>335</b>	<b>316</b>	<b>338</b>	<b>350</b>	<b>349</b>	<b>395</b>	<b>366</b>	<b>397</b>	<b>835</b>	<b>1,031</b>	<b>1,273</b>	<b>1,322</b>	<b>1,431</b>
Net loss attributable to Noncontrolling interests	—	—	1	1	—	—	—	1	—	—	—	—	2	2
<b>Net income attributable to Nasdaq</b>	<b>342</b>	<b>335</b>	<b>317</b>	<b>339</b>	<b>350</b>	<b>349</b>	<b>395</b>	<b>367</b>	<b>397</b>	<b>835</b>	<b>1,031</b>	<b>1,273</b>	<b>1,324</b>	<b>1,433</b>
Effective tax rate	23.5 %	24.4 %	24.4 %	24.6 %	23.4 %	25.7 %	26.2 %	25.6 %	24.2 %	26.0 %	26.0 %	24.3 %	24.0 %	25.0 %
<b>Earnings per Share:</b>														
Diluted EPS	\$ 0.69	\$ 0.68	\$ 0.64	\$ 0.69	\$ 0.71	\$ 0.71	\$ 0.72	\$ 0.63	\$ 0.69	\$ 1.67	\$ 2.06	\$ 2.52	\$ 2.66	\$ 2.82
<b>Weighted average numbers of common stock shares:</b>														
Diluted shares	496.6	496.3	497.0	494.8	493.6	494.1	550.6	578.9	579.0	500.9	500.7	505.1	497.9	508.4

(1) Represents revenues less transaction-based expenses.

(2) In the first quarter of 2022, Nasdaq reclassified risk solutions product revenues from the Anti Financial Crime business to the market technology business. For all quarterly periods presented, the reclassification was \$4 million per period.

(3) In the third quarter of 2022, Nasdaq reclassified prior period revenues related to our Broker Services business from trade management services to Other revenues due to the wind down of the business in June 2022.

(4) In the third quarter of 2023, Nasdaq reclassified prior period revenues related to our European power trading and clearing business from Market Services and Data to Other revenues.

# Nasdaq, Inc.

## Non-GAAP reconciliations

(\$s in millions, except for per share amounts)

	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	2019	2020	2021	2022	2023
<b>U.S. GAAP operating expenses</b>	<b>481</b>	<b>492</b>	<b>557</b>	<b>502</b>	<b>543</b>	<b>509</b>	<b>765</b>	<b>707</b>	<b>736</b>	<b>1,518</b>	<b>1,669</b>	<b>1,979</b>	<b>2,018</b>	<b>2,317</b>
Non-GAAP adjustments:														
Amortization expense of acquired intangible assets	(39)	(38)	(38)	(38)	(37)	(37)	(95)	(123)	(122)	(101)	(103)	(170)	(153)	(206)
Merger and strategic initiatives	(12)	(14)	(41)	(2)	(45)	(4)	(97)	(9)	(4)	(30)	(33)	(87)	(82)	(148)
Charitable donations	—	—	—	—	—	—	—	—	—	—	(17)	—	—	—
Restructuring charges	—	—	(15)	(18)	(14)	(17)	(31)	(26)	(56)	(39)	(48)	(31)	(15)	(80)
Lease asset impairments	—	—	—	(17)	(5)	—	(1)	—	—	—	—	—	—	(25)
Legal and regulatory matters	(2)	(20)	(3)	10	—	—	(23)	(2)	(13)	(7)	12	(44)	(26)	(12)
Extinguishment of debt	(16)	—	—	—	—	—	—	—	—	(11)	(36)	(33)	(16)	—
Provision for notes receivable	—	—	—	—	—	—	—	—	—	(20)	(6)	—	—	—
Pension settlement charge	—	—	—	—	—	—	(9)	(23)	—	—	—	—	—	(9)
Other	1	(5)	—	(1)	(1)	(2)	(5)	—	(2)	(15)	(24)	2	(5)	(7)
Total operating expense non-GAAP adjustments	<b>(68)</b>	<b>(77)</b>	<b>(97)</b>	<b>(66)</b>	<b>(102)</b>	<b>(60)</b>	<b>(261)</b>	<b>(183)</b>	<b>(197)</b>	<b>(223)</b>	<b>(255)</b>	<b>(363)</b>	<b>(297)</b>	<b>(487)</b>
<b>Non-GAAP operating expenses</b>	<b>413</b>	<b>415</b>	<b>460</b>	<b>436</b>	<b>441</b>	<b>449</b>	<b>504</b>	<b>524</b>	<b>539</b>	<b>1,295</b>	<b>1,414</b>	<b>1,616</b>	<b>1,721</b>	<b>1,830</b>
<b>U.S. GAAP operating income</b>	<b>412</b>	<b>398</b>	<b>349</b>	<b>412</b>	<b>382</b>	<b>431</b>	<b>352</b>	<b>410</b>	<b>423</b>	<b>1,017</b>	<b>1,234</b>	<b>1,441</b>	<b>1,564</b>	<b>1,578</b>
Non-GAAP adjustments	68	77	97	66	102	60	261	183	197	223	255	363	297	487
<b>Non-GAAP operating income</b>	<b>480</b>	<b>475</b>	<b>446</b>	<b>478</b>	<b>484</b>	<b>491</b>	<b>613</b>	<b>593</b>	<b>620</b>	<b>1,240</b>	<b>1,489</b>	<b>1,804</b>	<b>1,861</b>	<b>2,065</b>
Depreciation and amortization of tangibles	26	25	25	27	27	27	30	32	31	88	96	108	104	111
<b>EBITDA <sup>(1)</sup></b>	<b>506</b>	<b>500</b>	<b>471</b>	<b>505</b>	<b>511</b>	<b>518</b>	<b>643</b>	<b>625</b>	<b>651</b>	<b>1,328</b>	<b>1,585</b>	<b>1,912</b>	<b>1,965</b>	<b>2,176</b>
<b>GAAP net income (loss)</b>	<b>307</b>	<b>294</b>	<b>241</b>	<b>302</b>	<b>267</b>	<b>294</b>	<b>197</b>	<b>234</b>	<b>222</b>	<b>774</b>	<b>933</b>	<b>1,187</b>	<b>1,125</b>	<b>1,059</b>
Operating income Non-GAAP adjustments	68	77	97	66	102	60	261	183	197	223	255	363	297	487
Non-operating Gain Non-GAAP adjustments:														
Net loss (income) from unconsolidated investees	(9)	(8)	(7)	(14)	11	12	(2)	(3)	(2)	(82)	(70)	(52)	(29)	7
Net gain on divestiture of businesses	—	—	—	—	—	—	—	—	—	(27)	—	(84)	—	—
Other	(9)	(6)	6	—	7	7	(2)	—	(12)	(5)	(4)	(80)	(3)	14
<b>Total non-operating Non-GAAP adjustments</b>	<b>(18)</b>	<b>(14)</b>	<b>(1)</b>	<b>(14)</b>	<b>18</b>	<b>19</b>	<b>(4)</b>	<b>(3)</b>	<b>(14)</b>	<b>(114)</b>	<b>(74)</b>	<b>(216)</b>	<b>(32)</b>	<b>21</b>
<b>Total non-GAAP pre-tax adjustments</b>	<b>50</b>	<b>63</b>	<b>96</b>	<b>52</b>	<b>120</b>	<b>79</b>	<b>257</b>	<b>180</b>	<b>183</b>	<b>109</b>	<b>181</b>	<b>147</b>	<b>265</b>	<b>508</b>
<b>Total non-GAAP adjustments to tax provision</b>	<b>(15)</b>	<b>(20)</b>	<b>(20)</b>	<b>(15)</b>	<b>(37)</b>	<b>(24)</b>	<b>(59)</b>	<b>(47)</b>	<b>(8)</b>	<b>(48)</b>	<b>(83)</b>	<b>(61)</b>	<b>(66)</b>	<b>(134)</b>
<b>Total non-GAAP adjustments, net of tax</b>	<b>35</b>	<b>43</b>	<b>76</b>	<b>37</b>	<b>83</b>	<b>55</b>	<b>198</b>	<b>133</b>	<b>175</b>	<b>61</b>	<b>98</b>	<b>86</b>	<b>199</b>	<b>374</b>
<b>Non-GAAP net income</b>	<b>342</b>	<b>337</b>	<b>317</b>	<b>339</b>	<b>350</b>	<b>349</b>	<b>395</b>	<b>367</b>	<b>397</b>	<b>835</b>	<b>1,031</b>	<b>1,273</b>	<b>1,324</b>	<b>1,433</b>
GAAP effective tax rate	22.7 %	23.0 %	25.5 %	24.0 %	20.8 %	24.8 %	29.1 %	25.3 %	34.9 %	24.0 %	23.0 %	22.6 %	23.9 %	24.6 %
Impact of non-GAAP adjustments on effective tax rate	0.8 %	1.4 %	(1.1)%	0.6 %	2.6 %	0.9 %	(2.9)%	0.3 %	(10.7)%	2.0 %	3.0 %	1.7 %	0.1 %	0.4 %
Non-GAAP effective tax rate	23.5 %	24.4 %	24.4 %	24.6 %	23.4 %	25.7 %	26.2 %	25.6 %	24.2 %	26.0 %	26.0 %	24.3 %	24.0 %	25.0 %
Average Diluted Shares Outstanding	496.6	496.3	497.0	494.8	493.6	494.1	550.6	578.9	579.0	500.9	500.7	505.1	497.9	508.4
<b>GAAP diluted EPS</b>	<b>\$0.62</b>	<b>\$0.59</b>	<b>\$0.48</b>	<b>\$0.61</b>	<b>\$0.54</b>	<b>\$0.60</b>	<b>\$0.36</b>	<b>\$0.40</b>	<b>\$0.38</b>	<b>\$1.55</b>	<b>\$1.86</b>	<b>\$2.35</b>	<b>\$2.26</b>	<b>\$2.08</b>
<b>Non-GAAP diluted EPS</b>	<b>\$0.69</b>	<b>\$0.68</b>	<b>\$0.64</b>	<b>\$0.69</b>	<b>\$0.71</b>	<b>\$0.71</b>	<b>\$0.72</b>	<b>\$0.63</b>	<b>\$0.69</b>	<b>\$1.67</b>	<b>\$2.06</b>	<b>\$2.52</b>	<b>\$2.66</b>	<b>\$2.82</b>

Note: The sum of the quarterly amounts may not sum to the year-to-date amount due to rounding.

(1) For considerations for pro forma gross leverage ratios, the last-twelve-month (LTM) period ending in 2Q24 included \$95M of incremental Adenza EBITDA.

## **Non-GAAP Information**

In addition to disclosing results determined in accordance with U.S. GAAP, we have also provided certain non-GAAP results of operations, including, but not limited to, non-GAAP net income attributable to Nasdaq, non-GAAP diluted earnings per share, non-GAAP operating income, non-GAAP operating expenses and non-GAAP EBITDA that include certain adjustments or exclude certain charges and gains that are described in the reconciliation table of U.S. GAAP to non-GAAP information provided. Management uses this non-GAAP information internally, along with U.S. GAAP information, in evaluating our performance and in making financial and operational decisions. We believe our presentation of these measures provides investors with greater transparency and supplemental data relating to our financial condition and results of operations. In addition, we believe the presentation of these measures is useful to investors for period-to-period comparisons of our ongoing operating performance.

These measures are not in accordance with, or an alternative to, U.S. GAAP, and may be different from non-GAAP measures used by other companies. In addition, other companies, including companies in our industry, may calculate such measures differently, which reduces their usefulness as comparative measures. Investors should not rely on any single financial measure when evaluating our business. This non-GAAP information should be considered as supplemental in nature and is not meant as a substitute for our operating results in accordance with U.S. GAAP. We recommend investors review the U.S. GAAP financial measures included. When viewed in conjunction with our U.S. GAAP results and the accompanying reconciliations, we believe these non-GAAP measures provide greater transparency and a more complete understanding of factors affecting our business than U.S. GAAP measures alone. For further information, refer to 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 [ir.nasdaq.com](http://ir.nasdaq.com) and the SEC's website at [www.sec.gov](http://www.sec.gov).

We understand that analysts and investors regularly rely on non-GAAP financial measures, such as those described above, to assess operating performance. We use these measures because they highlight trends more clearly in our business that may not otherwise be apparent when relying solely on U.S. GAAP financial measures, since these measures eliminate from our results specific financial items, such as those described below, that have less bearing on our ongoing operating performance. The non-GAAP measures attributable to Nasdaq for the periods presented are calculated by adjusting for certain items as described below:

**Amortization expense of acquired intangible assets:** We amortize intangible assets acquired in connection with various acquisitions. Intangible asset amortization expense can vary from period to period due to episodic acquisitions completed, rather than from our ongoing business operations.

**Merger and strategic initiatives expense:** We have pursued various strategic initiatives and completed acquisitions and divestitures in recent years which have resulted in expenses which would not have otherwise been incurred. These expenses generally include integration costs, as well as legal, due diligence and other third party transaction costs. The frequency and amount of such expenses vary significantly based on the size, timing and complexity of the transaction. For the three and six months ended June 30, 2024, and for the three months ended June 30, 2023, these costs primarily relate to the Adenza acquisition. For the three and six months ended June 30, 2024, these costs were partially offset by a termination payment recognized in the second quarter of 2024 relating to the proposed divestiture of our Nordic power trading and clearing business.

**Charitable donations:** Donations made to the Nasdaq Foundation, COVID-19 response and relief efforts, and social justice charities.

**Restructuring charges:** In the fourth quarter of 2023, following the closing of the Adenza acquisition, our management approved, committed to and initiated a restructuring program, to optimize our efficiencies as a combined organization. In connection with this program, we expect to incur pre-tax charges principally related to employee-related costs, contract terminations, real estate impairments and other related costs. The 2024, 2023 and 2022 charges also relate to our divisional alignment program that was initiated in October 2022, following our September 2022 announcement to realign our segments and leadership, with a focus on realizing the full potential of this structure. In connection with the program, we expect to incur pre-tax charges principally related to employee-related costs, consulting, asset impairments and contract terminations over a two-year period. The charges in 2019, 2020 and 2021 are associated with our restructuring program initiated in September 2019 with the goal of transitioning certain technology platforms to advance Nasdaq's strategic opportunities as a technology and analytics provider and continuing our re-alignment of certain business areas. The 2019 program was completed as of June 30, 2021.

**Lease asset Impairments:** During the first quarter of 2023, we initiated a review of our real estate and facility capacity requirements due to our new and evolving work models. As a result, for the three and six months ended June 30, 2023, we recorded impairment charges related to our operating lease assets and leasehold improvements associated with vacating certain leased office space, which are recorded in occupancy expense and depreciation and amortization expense in our Condensed Consolidated Statements of Income. We fully impaired our lease assets for locations we vacated, with no intention to sublease. Substantially all the property, equipment and leasehold improvements associated with the vacated lease office space was fully impaired as there are no expected future cash flows for these items.

**Legal and regulatory matters:** These charges primarily relate to accruals related to certain legal matters recorded in professional and contract services and general, administrative and other expense in the Condensed Consolidated Statements of Income. For the three months ended June 30, 2024, this also included a settlement of a Swedish Financial Supervisory Authority, or SFSA, fine recorded in regulatory expense in our Condensed Consolidated Statements of Income. For the three months ended March 31, 2023, legal accruals were offset by insurance recoveries related to legal matters recorded in general, administrative and other expense and professional and contract services expense in our Condensed Consolidated Statements of Income. For the three months ended December 31, 2022, the legal accruals were offset by a decrease relating to an approximately \$5 million release of the \$33 million reserve booked in 2021 relating to a fine imposed by the SFSA associated with the default of a member of the Nasdaq Clearing commodities market that occurred in 2018. For the year ended December 31, 2020 we recorded a \$6 million reversal of a regulatory fine issued by the SFSA in 2016 relating to findings following the SFSA's investigations of cybersecurity processes at our Nordic exchanges and clearinghouse. These charges and reversals were recorded to regulatory expense in our Consolidated Statements of Income.

**Extinguishment of debt:** These charges relate to premiums paid for the early extinguishment of previously outstanding debt.

**Provision for notes receivable:** These charges are associated with the funding of technology development for the consolidated audit trail.

**Pension settlement charge:** We recorded a pre-tax loss as a result of settling our U.S. pension plan. The plan was terminated and partially settled in 2023, with final settlement occurring during the first quarter of 2024. The loss is recorded in compensation and benefits in the Condensed Consolidated Statements of Income.

**Net loss (income) from unconsolidated investees:** We exclude our share of the earnings and losses of our equity method investments. This provides a more meaningful analysis of Nasdaq's ongoing operating performance or comparisons in Nasdaq's performance between periods.

**Net gain on divestiture of businesses:** Represents the net gain on sale of our U.S. Fixed Income business in the second quarter of 2021 and the net gain on the sale of the Bwise enterprise governance, risk and compliance software platform in 2019.

Other significant items include certain other charges or gains, including certain tax items and gains and losses from strategic investments entered into through our corporate venture program, that are the result of non-comparable events to measure operating performance. For the three months ended September 30, 2023, these items also included certain financing costs related to the Adenza transaction. For the year ended December 31, 2020, this also included charges associated with duplicative rent and impairment of leasehold assets related to our global headquarters move. For the year ended December 31, 2019, this also included a tax reserve for certain prior year examinations and certain litigation costs.

The non-GAAP adjustment to the income tax provision primarily includes the tax impact of each non-GAAP adjustment. In addition, for the three and six months ended June 30, 2024, tax items also include a net tax expense related to the completion of an intra-group transfer of certain IP assets to U.S. headquarters. For the three months and year ended December 31, 2021, we recorded a tax benefit related to state and local provision to return adjustments and a release of tax reserves due to statute of limitation expiration. For the year ended December 31, 2021, we also recorded a prior year tax benefit, net of reserve. In addition, for the three months and year ended December 31, 2020, we recorded a tax benefit related to favorable audit settlements, a release of tax reserves due to statute of limitation expiration, partially offset with an increase to certain tax reserves related to certain tax filings. For the year ended December 31, 2020, we also recorded a tax benefit on compensation related deductions determined to be allowable.