

The NASDAQ OMX Group



Q210 Earnings Presentation

July 27, 2010

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Information set forth in this communication contains forward-looking statements that involve a number of risks and uncertainties. NASDAQ OMX 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 about our future financial results, growth, trading volumes, tax benefits and achievement of synergy targets, (ii) statements about the implementation dates and benefits of certain strategic initiatives, (iii) statements about our integrations of our recent acquisitions, and (iv) other statements that are not historical facts. Forward-looking statements involve a number of risks, uncertainties or other factors beyond NASDAQ OMX's control. These factors include, but are not limited to, NASDAQ OMX'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 OMX's filings with the U.S. Securities Exchange Commission, including its annual reports on Form 10-K and quarterly reports on Form 10-Q which are available on NASDAQ OMX's website at <http://www.nasdaqomx.com> and the SEC's website at www.sec.gov. NASDAQ OMX undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise.

Non-GAAP Information

In addition to disclosing results determined in accordance with GAAP, NASDAQ OMX also discloses certain non-GAAP and pro forma non-GAAP results of operations, including net income, diluted earnings per share, operating expenses, and operating income that make certain adjustments or exclude certain charges and gains that are described in the reconciliation table of GAAP to non-GAAP and pro forma non-GAAP information provided at the end of this release. Management believes that this non-GAAP and pro forma non-GAAP information provides investors with additional information to assess NASDAQ OMX's operating performance by making certain adjustments or excluding costs or gains and assists investors in comparing our operating performance to prior periods. Management uses this non-GAAP and pro forma 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.

Website Disclosure

We intend to use our website, www.nasdaqomx.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 – Events and Presentations."

Q210 Highlights

Business Highlights

- Completed \$200 million of share repurchase program (~ 10 million shares); announced board approval of an additional \$100 million (\$400 million total)
- Announced the acquisition of SMARTS Group, a technology provider of market surveillance solutions
- Announced that Singapore Exchange (SGX) will adopt Genium INET
- Continued listings success, welcoming 16 new listings from Greater China and winning 80% of technology IPOs year-to-date
- Registered Interest Rate Swap contracts for clearing at IDCG and in the Nordic clearinghouse
- Recorded record day in NASDAQ Closing Cross, executing 1.04 billion shares in 0.855 seconds

Operational Highlights

- Strength in core fundamentals
 - Improving capture rates in U.S. equities with stable market share
 - Growing market share in U.S. options
 - Growth in European derivatives volumes
 - Attracted 66 new listings, including 27 IPOs

Non-GAAP Results⁽¹⁾

- Net Exchange Revenues⁽²⁾:
\$390 million
(\$360 million in Q110)
- Total Operating Expenses:
\$207 million
(\$201 million in Q110)
- Net Income Attributable to
NASDAQ OMX: \$108 million
(\$92 million in Q110)
- Diluted EPS: \$0.52
(\$0.43 in Q110)

(1) For comparison purposes, results are presented on a non-GAAP basis and exclude charges relating to the divestitures of businesses, severance, merger and strategic initiatives and certain other non-recurring items. Please refer to the non-GAAP schedules at the end of this slide presentation for a complete reconciliation of GAAP to non-GAAP results.

(2) Net exchange revenues reflect total revenues less liquidity rebates, brokerage, clearance, and exchange fees.

Net Exchange Revenues

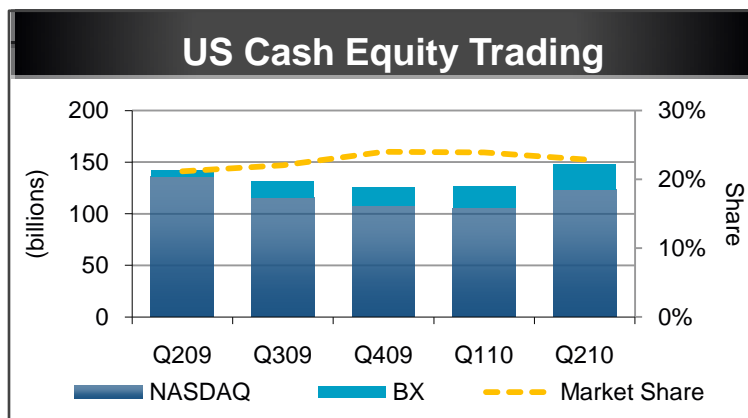
Revenues grew by 8% when compared to Q110

(In \$millions)

Revenue Statement	Q210	Q110	Q209	Q210 Net Exchange Revenues		
Cash Equity Trading	76	55	68			
Derivative Trading and Clearing	69	61	55			
Access Services	41	39	32			
Total Transaction Services	186	155	155			
Net U.S. Tape Plans	30	31	30			
U.S. Market Data Products	32	31	31			
European Market Data Products	17	18	19			
Broker Services	4	4	9			
Other Market Services	1	2	2			
Total Market Services	270	241	246			
Global Listing Services	74	72	75			
Global Index Group	12	12	10			
Total Issuer Services	86	84	85			
Market Technology	34	34	36			
Other	-	1	-			
Net Exchange Revenues ⁽¹⁾	390	360	367			

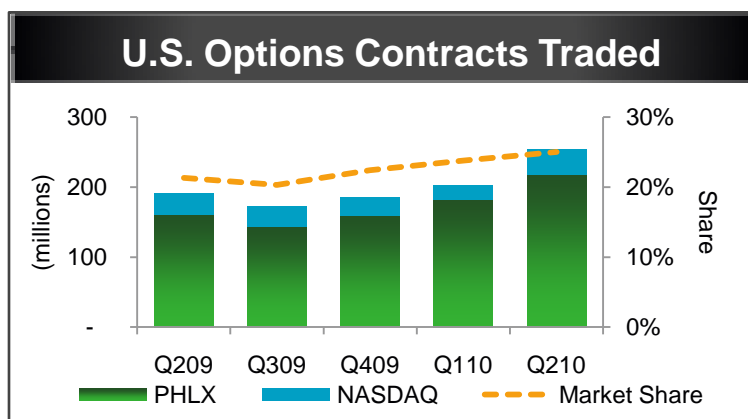
(1) Net exchange revenues reflect total revenues less liquidity rebates, brokerage, clearance, and exchange fees.

U.S. Transaction Drivers



U.S. Cash Equity Trading

- 22.8% matched market share in Q210
 - NASDAQ 19.0%; BX 3.8%
- Total matched volume reached 148 billion shares in Q210, up from 142 billion in Q209
- BX volumes continue to grow, reaching 24.5 billion shares in Q210
- Improving net capture rate
- Plans to introduce new price/size trading venue ⁽¹⁾



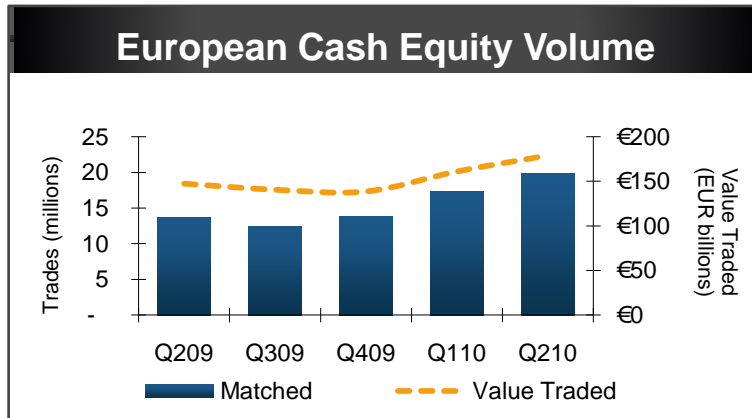
Options Volume

- Q210 combined share increased by 3.8 percentage points to 25.1% from prior-year levels
 - PHLX 21.7%; NOM 3.4%
- Q210 volumes increased 30% from Q209 levels
- Share growth through PHLX's enhanced complex order execution capabilities

(1) Pending SEC approval.

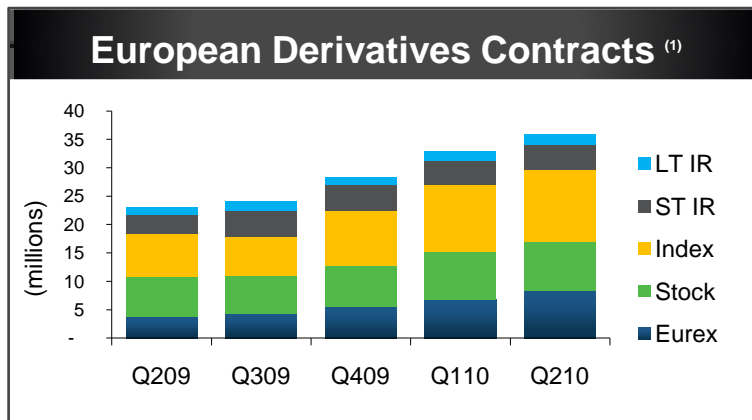
Improving competitive position

European Transaction Drivers



Increases in activity

- 19.8 million trades in Q210 represent an increase of 45% from Q209 levels
- Value traded of €179 billion in Q210 represents an increase of 22% from Q209 levels



Derivative volume trending higher

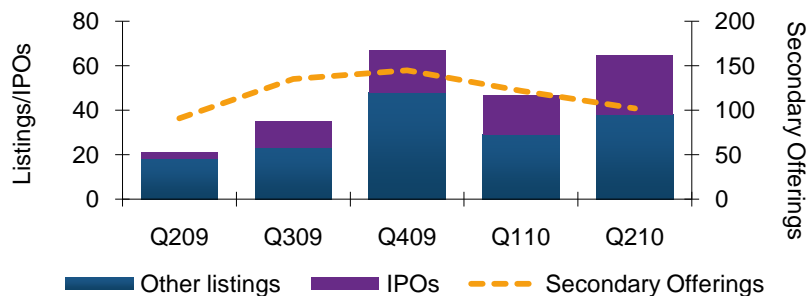
- Increasing volumes for Stock and Index options and futures
- 32.9 million contracts traded in Q210, a 56% increase over Q209 levels
 - 12.6 million index contracts, up 64% from Q209
 - 6.3 million fixed income contracts, up 37% from Q209
 - Stock option and futures volume at OMX up 24% from Q209 to 8.7 million contracts

(1) Excludes volume traded at EDX.

Recovering fundamentals drive volume growth

Issuer Services And Market Technology

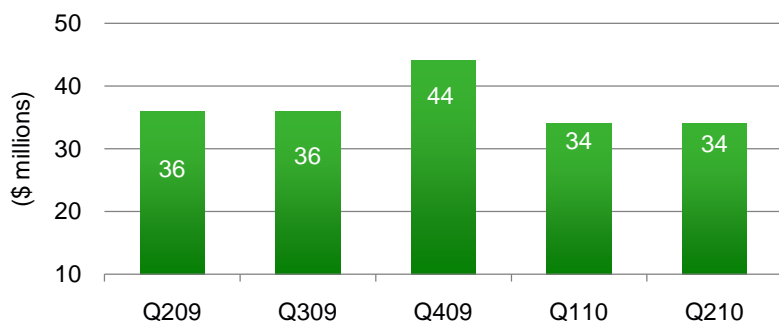
IPO and Secondary Offerings



IPO and Secondary offerings

- 27 IPOs in Q210, up from 18 in Q110 and 3 in Q209
- Total new listings grew to 65 in Q210, up from 21 in Q209
- 16 new Chinese company listings in Q210 for a total of 144, more than any other U.S. exchange
- Secondary offerings are also showing significant growth, with a total of 102, up from 91 in Q209

Market Technology Revenue



Strong customer pipeline

- Singapore Exchange (SGX) announced plans to adopt Genium INET technology
- Order intake was \$12 million in Q210, up 20% from Q209
- Total order value ("TOV") increased in Q210 to \$453 million, up from \$315 million in the prior year
 - The table to the right reflects the year in which TOV will be recognized into revenue ⁽¹⁾

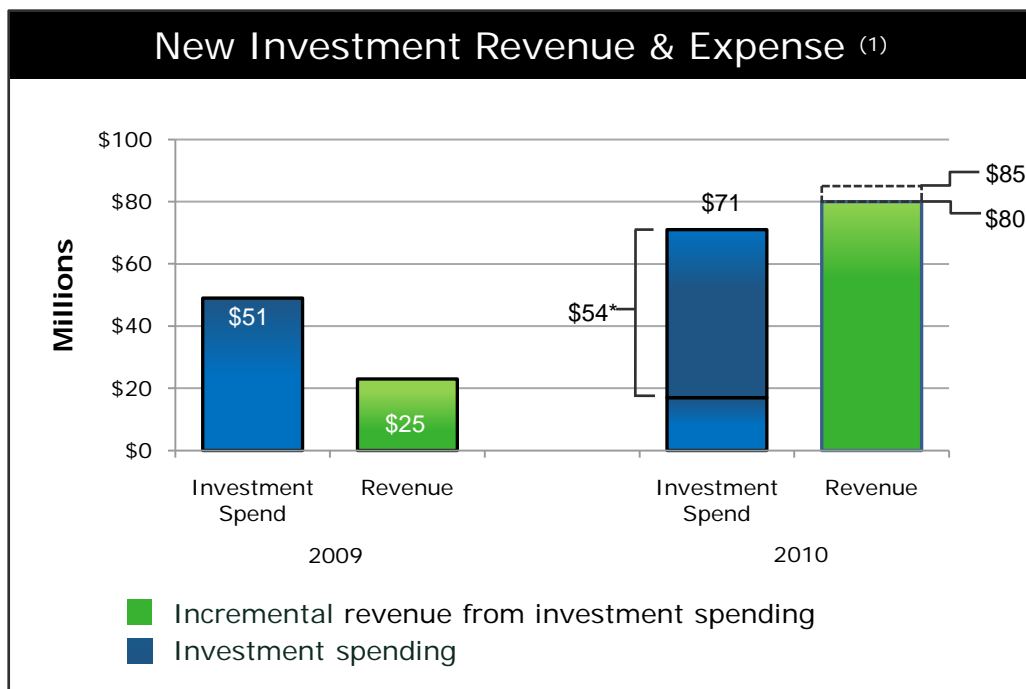
Year	TOV
2010 ⁽²⁾	62
2011	116
2012	95
2013	71
2014	52
2015 +	57
Total	\$453

1. The recognition and timing of these revenues depends on many factors, including those that are not within our control. As such, the following table of Market Technology revenues to be recognized in the future represents our best estimate.

2. Represents revenue that is anticipated to be recognized over the remaining six months of 2010.

Investments in New Initiatives

- Expected to generate between \$80 to \$85 million in revenue in 2010
- Targeted to provide a 5-year rate of return in excess of twice our WACC
- Initiatives launched in 2009 expected to deliver margins of 40-45% in 2010, with further margin expansion in 2011.



New Initiatives

- BX Equity Market
- NASDAQ Options Market
- Global Index Data Service
- NASDAQ Basic
- Pinpoint Market
- Intelligence/Bloom Partners
- IDCG
- PSX Equity Market
- UK Power Market
- NOCC
- Other 2010 new initiatives

(1) Updated for Q210 performance and projections, including our NEURO decision and NOCC investment.

* Represents incremental spend for revenues in 2010 and beyond.

Driving top line growth

Foreign Currency Exchange Impact

(In \$millions except for EPS and FX rates)

Q210 Results	USD	SEK	EUR	DKK	NOK	GBP	Other	Total
Net exchange revenues ⁽¹⁾	280	44	39	7	4	2	14	390
Total non-GAAP operating expenses ⁽²⁾	130	51	5	4	5	3	9	207
Non-GAAP operating income ⁽³⁾	150	(7)	34	3	(1)	(1)	5	183
Average FX to USD in Q210	-	0.132	1.270	0.171	0.161	1.49	-	-

* All values are presented in US dollars.

FX Impact on Q210 Results at: ⁽⁴⁾	Q110 Rates	Q209 Rates
Net exchange revenues ⁽¹⁾	(8)	2
Total non-GAAP operating expenses ⁽²⁾	5	(2)
Non-GAAP operating income ⁽³⁾	(3)	-
Diluted earnings per share	(\$0.01)	-

USD	=	US Dollar
SEK	=	Swedish Krona
EUR	=	Euro
DKK	=	Danish Krone
NOK	=	Norwegian Krone
GBP	=	British Pound Sterling

(1) Net exchange revenues reflect total revenues less liquidity rebates, brokerage, clearance and exchange fees.

(2) Please refer to slide 17 of this presentation for a complete reconciliation of non-GAAP operating expenses.

(3) Please refer to slide 16 of this presentation for a complete reconciliation of non-GAAP operating income.

(4) The impact reflects changes to Q210 results if amounts were translated at the prior period rates.

Operating Expenses

(In \$millions)

Total Non-GAAP operating expenses	Q210	Q110	Q209	Q210 Expense Categories			
Compensation and benefits	101	97	102				
Marketing & advertising	5	4	3				
Depreciation & amortization	25	25	25				
Professional and contract services	20	19	17				
Computer ops. & data comm.	14	16	14				
Occupancy	21	20	18				
Regulatory	9	9	10				
General, admin. & other	12	11	10				
Total non-GAAP operating expenses ⁽¹⁾	207	201	199			<p>(In \$millions) Quarterly Expense Trend ⁽²⁾</p>	
Expenses at Constant FX ⁽³⁾	207	196	201				

- (1) For comparison purposes results are presented on a non-GAAP basis and exclude charges relating to the divestitures of businesses, severance, merger and strategic initiatives, and other non-recurring items. Please refer to the non-GAAP schedules at the end of this slide presentation for a complete reconciliation.
- (2) Q208 through Q308 results are presented on a pro forma non-GAAP basis that reflect the results of NASDAQ OMX and PHLX as if they were a combined company for the periods presented, and exclude merger expenses and certain other non-recurring items. Please refer to the non-GAAP schedules at the end of this slide presentation for a complete reconciliation.
- (3) Expenses presented using Q210 foreign currency exchange rates.

Balance Sheet Highlights

<i>(in \$ millions)</i>	6-30-10	12-31-09
<u>Assets</u>		
Cash, Restricted Cash & Short Term Investments	\$ 972	\$ 1,012
Receivables, net	361	301
Market value, outstanding derivative positions	1,511	2,054
Goodwill	4,526	4,800
Intangible assets, net	1,513	1,631
Other assets	1,027	924
Total assets	\$9,910	\$10,722
<u>Liabilities and stockholders' equity</u>		
Accounts payable and accrued expenses	\$ 172	\$ 119
Market value, outstanding derivative positions	1,511	2,054
Debt obligations	2,052	2,092
Non-current deferred tax liabilities	644	683
Other liabilities	838	815
Total liabilities	\$5,217	\$5,763
Series A convertible preferred stock	-	15
Total equity	4,693	4,944
Total liabilities, series A convertible preferred stock and equity	\$9,910	\$10,722

Balance Sheet & Capital Spending Highlights

- Debt Obligations
 - Principal amount of outstanding debt obligations were \$2.1 billion at the end of Q210
 - Made optional debt payments of \$42 million
 - Term loan - \$25 million
 - Nord Pool obligation - \$17 million

- Capital Spending
 - Purchases of property and equipment totaled \$20 million for Q210
 - Repurchased \$154 million of shares in Q210

- Market Value Outstanding Derivative Positions
 - As legal counterparty for Nordic clearing transactions, NASDAQ OMX reports gross market value of derivative positions, net of customer positions

Debt Obligations

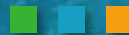
(in \$ millions)	6-30-10
Term Loan	\$ 675
5 Year Bond	398
10 Year Bond	598
3.75% Convertible Note ⁽¹⁾	-
2.50% Convertible Note	381
Other	-
Total Debt Obligations	\$ 2,052
Less Current Portion	(140)
Long Term Portion	\$ 1,912
Cash & Investments	\$ 972
Less:	
Restricted Cash and Regulatory Capital	(458)
Net Debt Excluding Restricted Cash and Regulatory Capital	\$ 1,538

Note: All debt is shown at book value

(1) Approximately \$0.5 million principal amount of the 3.75% convertible notes remain outstanding.

- Total principal amount of debt obligations were \$2.1 billion at the end of Q210
- Restricted and regulatory capital of \$458 million consists of clearing capital, broker dealer requirements, SEC section 31 fees collected, and other commitments
- Net Debt to EBITDA is 2.0 x
 - Net Debt = \$1,538 million
 - LTM EBITDA = \$763 million
(reconciliation provided on Slide 19)

Appendix



Net Income:

Reconciliation of GAAP to non-GAAP

<i>(in \$ millions)</i>	Q210	Q110	Q209
GAAP Net Income attributable to NASDAQ OMX:	\$96	\$ 61	\$ 69
Adjustments:			
Workforce reductions	3	2	3
Merger and strategic initiatives	1	-	3
Loss on divestiture of businesses	11	-	-
Loss on exchange of ownership of NASDAQ Dubai	1	-	-
Occupancy	-	2	-
Asset retirements	-	3	3
Debt related charges	-	40	-
Technology	-	-	1
Gain on debt extinguishment	-	-	(1)
Loss on sale of unconsolidated investee	-	-	19
Loss on sale of investment	-	-	5
Total Adjustments	16	47	33
Adjustment to the income tax provision to reflect non-GAAP adjustments ⁽¹⁾	(7)	(16)	(3)
Non-recurring tax items, net	3	-	-
Total Adjustments, net of tax	12	31	30
Non-GAAP Net Income attributable to NASDAQ OMX:	\$108	\$ 92	\$ 99

(1) We determine the tax effect of each item based on the tax rules in the respective jurisdiction where the transaction occurred.

EPS:

Reconciliation of GAAP to non-GAAP

	Q210	Q110	Q209
GAAP diluted earnings per common share:	\$0.46	\$0.28	\$0.33
Total other adjustments from non-GAAP net income (Slide 14)	\$0.06	0.15	0.14
Non-GAAP diluted earnings per common share	\$0.52	\$0.43	\$0.47

Operating Income:

Reconciliation of GAAP to Non-GAAP

<i>(in \$ millions)</i>	Q210	Q110	Q409	Q309	Q209	Q109
GAAP operating income:	\$179	\$112	\$149	\$131	\$159	\$166
<u>Other adjustments:</u>						
Workforce reductions	3	2	6	4	3	3
Occupancy	-	2	8	-	-	-
Debt related charges	-	40	-	-	-	-
Asset retirements	-	3	-	10	3	-
Professional	-	-	2	2	-	-
Technology	-	-	3	-	1	-
Regulatory	-	-	(3)	-	-	-
Gain on debt extinguishment	-	-	-	-	(1)	(4)
Loss on sale of business	-	-	-	-	-	2
Merger and strategic initiatives	1	-	-	5	3	8
Total adjustments	4	47	16	21	9	9
Non-GAAP operating income	\$183	\$159	\$165	\$152	\$168	\$175
Net exchange revenues ⁽¹⁾	\$390	\$360	\$369	\$349	\$367	\$369
Non-GAAP operating margin ⁽²⁾	47%	44%	45%	44%	46%	47%

(1) Net exchange revenues reflect total revenues less liquidity rebates, brokerage, clearance, and exchange fees.

(2) Non-GAAP Operating Margin equals non-GAAP Operating Income divided by Net Exchange revenues

Operating Expenses:

Reconciliation of GAAP to Pro Forma and Pro Forma non-GAAP

<i>(in \$ millions)</i>	Q210	Q110	Q409	Q309	Q209	Q109	Q408	Q308	Q208
GAAP Operating Expenses	\$211	\$248	\$220	\$218	\$208	\$203	\$223	\$227	\$225
<u>Pro forma adjustments:</u>									
OMX operating expenses	-	-	-	-	-	-	-	-	-
PHLX operating expenses	-	-	-	-	-	-	-	7	30
Amortization of intangibles	-	-	-	-	-	-	-	1	2
Professional and contract services	-	-	-	-	-	-	-	-	-
Computer ops. and data comm.	-	-	-	-	-	-	-	-	-
Total adjustments	-	-	-	-	-	-	-	8	32
Pro forma operating expenses	\$211	\$248	\$220	\$218	\$208	\$203	\$223	\$235	\$257
<u>Other adjustments:</u>									
Workforce reductions	(3)	(2)	(6)	(4)	(3)	(3)	-	(2)	-
Occupancy	-	(2)	(8)	-	-	-	-	-	-
Debt related charges	-	(40)	-	-	-	-	-	-	-
Asset retirements	-	(3)	-	(10)	(3)	-	-	-	-
Professional fees	-	-	(2)	(2)	-	-	-	(2)	-
Technology	-	-	(3)	-	(1)	-	-	-	-
Regulatory	-	-	3	-	-	-	-	-	-
Gain on debt extinguishment	-	-	-	-	1	4	-	-	-
Loss on sale of business	-	-	-	-	-	(2)	-	-	-
Merger and strategic initiatives	(1)	-	-	(5)	(3)	(8)	(10)	(9)	(6)
Total adjustments	(4)	(47)	(16)	(21)	(9)	(9)	(10)	(13)	(6)
PF non-GAAP operating expenses	\$207	\$201	\$204	\$197	\$199	\$194	\$213	\$222	\$251

Expense Detail:

Reconciliation of GAAP to Non-GAAP

<i>(in \$ millions)</i>	Q210	Q110	Q409	Q309	Q209	Q109
<u>Compensation</u>						
GAAP	104	99	110	99	105	97
Adjustments	(3)	(2)	(6)	(4)	(3)	(3)
non-GAAP	\$101	\$97	\$104	\$95	\$102	\$94
<u>Depreciation and amortization</u>						
GAAP	25	25	27	27	27	24
Adjustments	-	-	-	-	(2)	-
non-GAAP	\$25	\$25	\$27	\$27	\$25	\$24
<u>Professional and contract services</u>						
GAAP	20	19	20	20	17	18
Adjustments	-	-	(2)	(2)	-	-
non-GAAP	\$20	\$19	\$18	\$18	\$17	\$18
<u>Computer Operations and data communications</u>						
GAAP	14	16	16	14	14	15
Adjustments	-	-	(3)	-	-	-
non-GAAP	\$14	\$16	\$13	\$14	\$14	\$15
<u>Occupancy</u>						
GAAP	21	22	26	19	18	17
Adjustments	-	(2)	(8)	-	-	-
non-GAAP	\$21	\$20	\$18	\$19	\$18	\$17
<u>Regulatory</u>						
GAAP	9	9	3	10	10	9
Adjustments	-	-	5	-	-	-
non-GAAP	\$9	\$9	\$8	\$10	\$10	\$9
<u>Merger and strategic initiatives</u>						
GAAP	1	-	-	5	3	8
Adjustments	(1)	-	-	(5)	(3)	(8)
non-GAAP	-	-	-	-	-	-
<u>General, administrative and other</u>						
GAAP	12	54	11	21	11	13
Adjustments	-	(43)	(2)	(10)	(1)	2
non-GAAP	\$12	\$11	\$9	\$11	\$10	\$15
Total Adjustments	(4)	(47)	(16)	(21)	(9)	(9)

EBITDA

(Earnings Before Interest Taxes Depreciation and Amortization)

<i>(in \$ millions)</i>	LTM	Q210	Q110	Q409	Q309
Non-GAAP operating income (Slide 16)	\$659	\$183	\$159	\$165	\$152
<u>Plus:</u>					
Depreciation (Slide 18)	104	25	25	27	27
EBITDA	\$763	\$208	\$184	\$192	\$179

Note: LTM refers to Last Twelve Months

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