



1Q14 EARNINGS PRESENTATION

4.24.14

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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, but not limited to, net income attributable to NASDAQ OMX, diluted earnings per share, net exchange revenues, operating income, and operating expenses, that make certain adjustments or exclude certain charges and gains that are described in the reconciliation table of GAAP to non-GAAP information and pro forma non-GAAP provided in our quarterly earnings releases. 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

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1Q14 NON-GAAP SUMMARY ^{1,2}

<i>(US\$ millions, except per share)</i>	1Q14	1Q13	% chg.
Subscription and Recurring Revenue	\$381	\$299	27%
Transaction Revenue	\$148	\$119	24%
Net Revenue	\$529	\$418	27%
Diluted EPS	\$0.72	\$0.64	13%
<i>y-o-y organic rev. increase%</i>	9%		

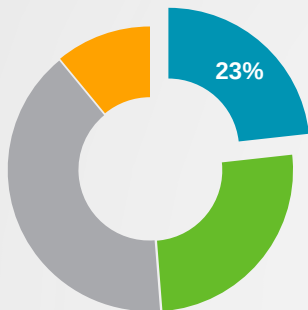
- ▶ 1Q14 had all-time record net revenues of \$529M, up 27% y-o-y, with 9% organic growth. All four segments had organic growth y-o-y.
- ▶ Subscription and recurring revenue (72% of total) increased \$82M, or 27% y-o-y, to \$381M, with increases from the Thomson Reuters IR/PR/Multimedia acquisition, as well as organic growth in Information Services, Listing Services, Technology Solutions, and Access and Broker Services.
- ▶ Transaction revenue (28% of total) rose \$29M, or 24% y-o-y, to \$148M, due primarily to the acquisition of eSpeed, but also significantly due to organic growth. While growth was broad-based, U.S. equity trading saw strong increases in market share, capture, and industry volumes.
- ▶ 1Q14 diluted EPS of \$0.72 reflected core organic EPS growth of \$0.09, benefit from acquisitions (net of financing costs) of \$0.02, partially offset by (\$0.01) of increased internal investment (GIFT), and higher fully diluted sharecount (\$0.02) as compared to 1Q13's EPS of \$0.64.

1. Please refer to the appendix for a complete reconciliation of GAAP to non-GAAP numbers.

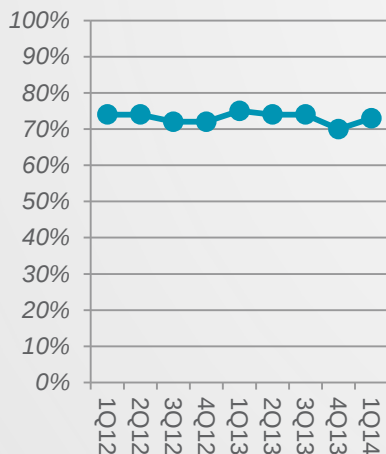
2. Net revenues represents revenues less transaction rebates, brokerage, clearance and exchange fees.

INFORMATION SERVICES (MARKET DATA + INDEX)

IS 1Q14
Net Revenue
Contribution



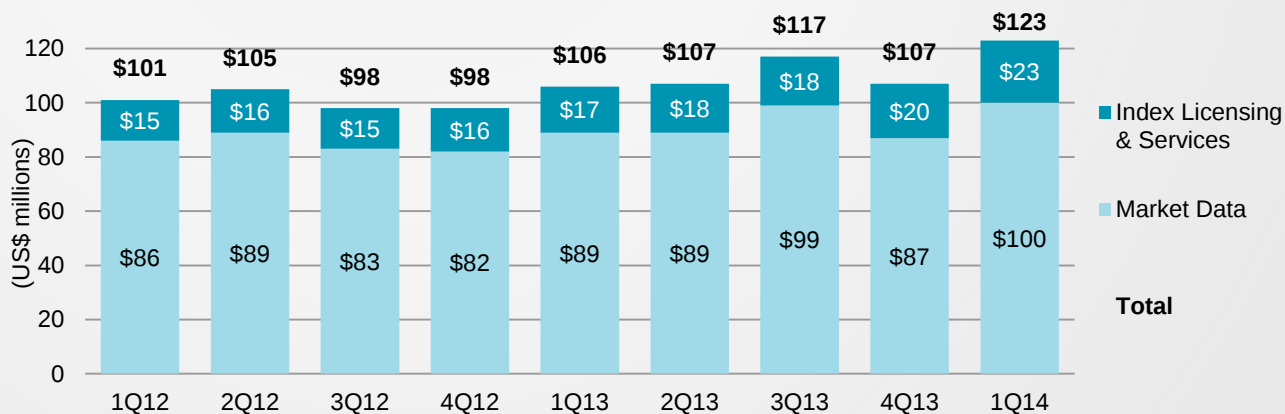
Operating Margin



Information Services Performance Summary

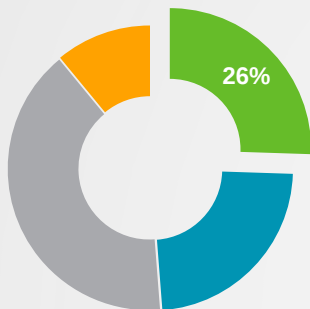
	1Q14	1Q13	% Change	
Net Revenue	\$123M	\$106M	16%	12% growth in Market Data: Driven by the inclusion of market data from the eSpeed acquisition, growth in BASIC subscribers, higher equity market share, and certain pricing initiatives, partially offset by \$1M lower audit collections. 35% growth in Index Licensing & Services: Growth in both assets under management and number of exchange-traded products licensed to NASDAQ OMX indexes, as well as an increase in the volume of licensed derivative contracts.
Operating Profit	\$90M	\$80M	13%	
Operating Margin	73%	75%		

INFORMATION SERVICES NET REVENUE



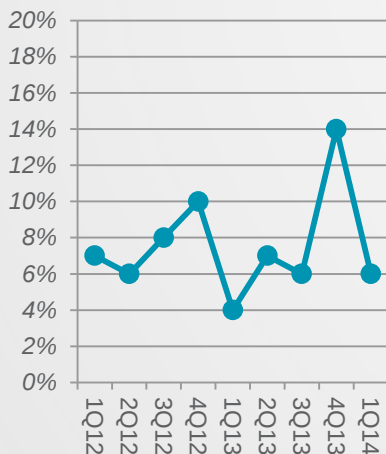
TECHNOLOGY SOLUTIONS (CORP. SOLUTIONS + MKT TECH.)

TS 1Q14
Net Revenue
Contribution

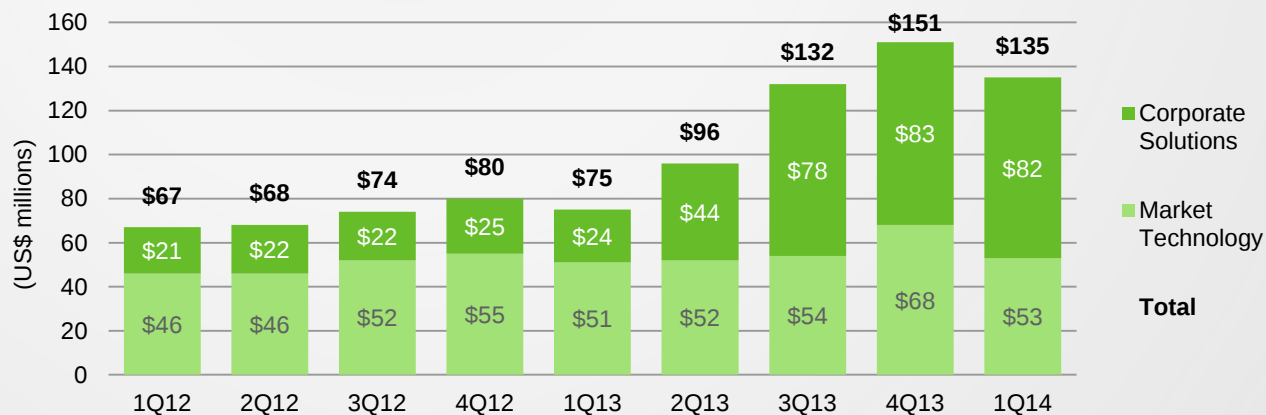


Technology Solutions Performance Summary				
	1Q14	1Q13	% Change	
Net Revenue	\$135M	\$75M	80%	242% growth in Corporate Solutions: Due primarily to the inclusion of acquired Thomson Reuters IR/PR/Multimedia businesses, and secondarily due to growth in legacy NASDAQ OMX Corporate Solutions revenue. 4% growth in Market Technology: Driven by organic growth, in particular at SMARTS and BWISE, partially offset by slightly lower change request revenues and \$1M in unfavorable FX impact.
Operating Profit	\$8M	\$3M	167%	
Operating Margin	6%	4%		

Operating Margin

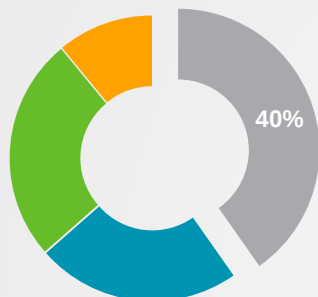


TECHNOLOGY SOLUTIONS NET REVENUE

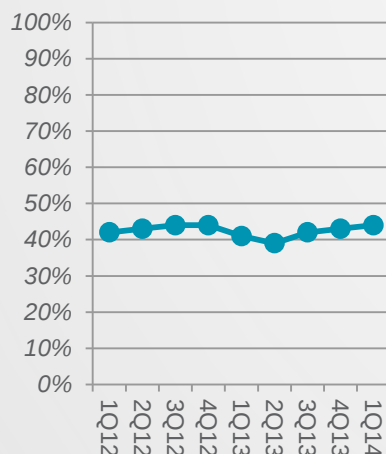


MARKET SERVICES (TRANSACTION, ACCESS/BROKER SVCS)

MS 1Q14
Net Revenue
Contribution



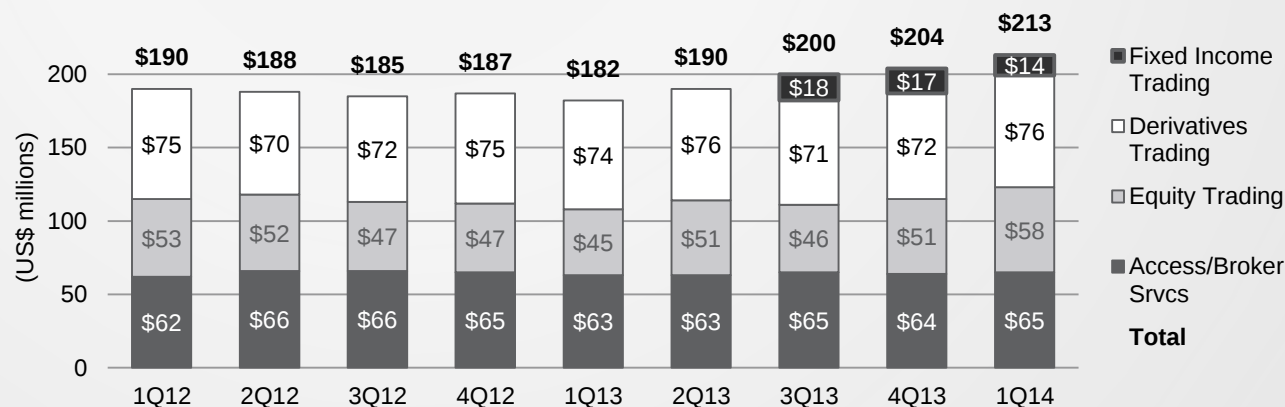
Operating Margin



Market Services Performance Summary

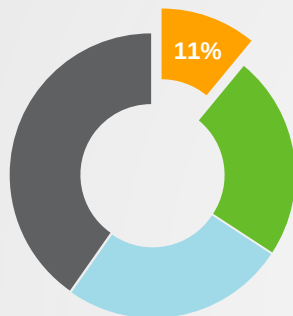
	1Q14	1Q13	% Change	
Net Revenue	\$213M	\$182M	17%	3% increase in Derivatives Trading : European derivatives increased driven primarily by commodities and clearing products, while U.S. derivatives were unchanged. 29% increase in Equities Trading: U.S. equities rose on higher market volumes, market share, and capture, while European equities rose on higher market volumes and market share. Fixed Income Trading: Revenues were down vs. the fourth quarter of 2013 due primarily to a previously expected ramp-down in revenues from a single 3rd party technology customer. 3% increase in Access & Broker Services: Access services revenue was higher, driven primarily by pricing initiatives and newer products, while Broker Services was unchanged.
Non-GAAP Operating Profit	\$94M	\$74M	27%	
Non-GAAP Operating Margin	44%	41%		

MARKET SERVICES NON-GAAP¹ NET REVENUE

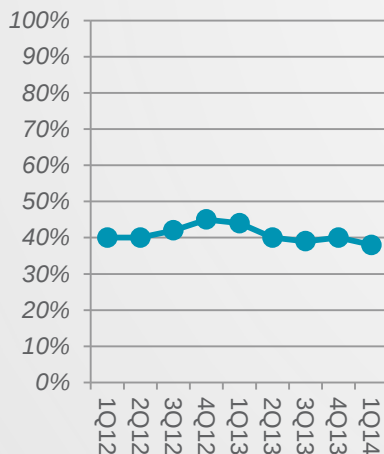


LISTING SERVICES

LS 1Q14 Net Revenue Contribution



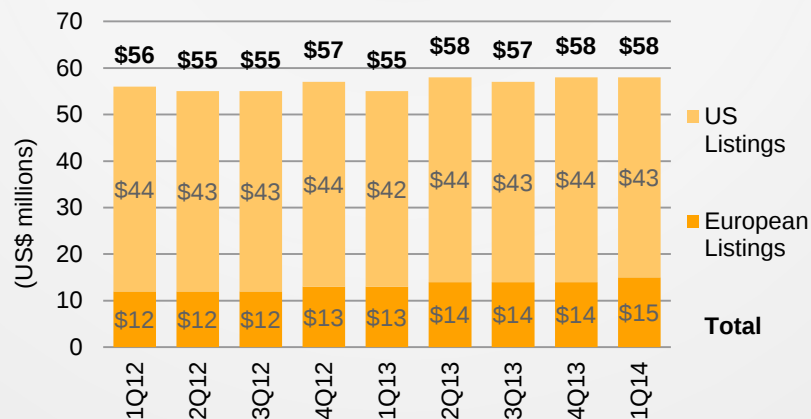
Operating Margin



Listing Services Performance Summary

	1Q14	1Q13	% Change	
Net Revenue	\$58M	\$55M	5%	2% Increase in U.S. Listing revenue: due primarily to an increased issuer base and the impact of elevated new issue activity. 15% Increase in European Listing revenue: primarily due to increased market capitalization of listed companies.
Operating Profit	\$22M	\$24M	(8%)	
Operating Margin	38%	44%		

LISTING SERVICES NET REVENUE



1Q14 KEY HIGHLIGHTS

- NASDAQ IPO wins in 1Q14 rose to 47 from 18 in 1Q13.
- U.S. win rate was 64% for 1Q14, vs. 52% for the full year of 2013 and 53% in 1Q13. 1Q14 activity included high healthcare activity, with 33 new listings. 100% of 1Q14 U.S. biotech IPOs listed on NASDAQ.
- 9 new Nordic listings, including ISS Group A/S, the largest new listing on a Nordic exchange in over 14 years, based on market capitalization. Total Nordic listed company market capitalization rose 17% vs. 1Q13.

INVESTMENT IN GIFT INITIATIVES

GIFT Program

- ▶ VC-disciplined investment in internal initiatives
- ▶ Leverages existing resources and expertise
- ▶ Must generate adequate risk adjusted returns
- ▶ Intense monitoring against milestones

Track Record

25% ROIC

All GIFT investments over past 4 completed fiscal years, including the following deployed initiatives at point of graduation:

- ▶ BX Options
- ▶ Inside Sales
- ▶ Index Weightings and Components
- ▶ BX Market

In Development

\$35-50M In 2014

We currently plan to invest \$35-\$50M on GIFT initiatives in 2014 such as:

- ▶ NLX: Euro interest rate futures
- ▶ Interest Rate Swaps OTC Clearing
- ▶ German Power

ACQUISITION UPDATE:

HOW ESPEED & TR IR/MM/PR MEET REQUIREMENTS FOR ACQUISITIONS

- ▶ **Strategically Relevant:** *Leverages NASDAQ OMX's technology and customers*
- ▶ **Accretive to EPS Within 1 year:** *Both were accretive in the first full quarter of ownership*
- ▶ **Attractive Returns on Capital:** *Considers ROIC vs. both cost of capital and deployment alternatives*

E-SPEED

- ▶ **Synergy Opportunity:**
 - + Cross-market electronic fixed income trading
 - + Expand product menu
 - + Structural expansion in Treasury market size
- ▶ **Progress Update**
 - + **System improvements:**
 - 35% reduction in latency since acquisition.
 - Data Center Migration scheduled for early May which is expected to bring further performance improvements.
 - + **Adding new market participants:**
 - 8 in 2H13. 3 additional in 1Q14, 59 in current pipeline
 - + **Menu expansion:**
 - Launched Floating Rate Notes in 1Q14
 - Expect UST Bills and associated “when issues” and “roll” in 1H14, Coupon Rolls and TIPS 3Q14.
 - Expect off-the-run Treasuries in 2014.

THOMSON REUTERS IR/MM/PR BUSINESSES

- ▶ **Synergy Opportunity:**
 - + Cross selling opportunities
 - + Enhances appeal by creating improved, “best of breed” products
 - + \$35 million of estimated cost synergies
- ▶ **Progress Update**
 - + “Order to Cash” project on schedule to migrate billing services from TR in 2014
 - + Sales & Service integration & training to increase cross-selling
 - + Product/client migration plans defined & execution underway.
 - + **Investing in:**
 - Next generation IR desktop and mobile systems
 - PR press distribution platform consolidation, media monitoring & targeting platform
 - Multimedia Solutions platform and encoding consolidation, security enhancements

SUMMARY NON-GAAP P&L REVIEW

- ▶ Net revenues increased 27% y-o-y in 1Q14, and increased 9% on an organic basis (constant currency, excluding acquisitions)
- ▶ Non-GAAP operating expenses up 33% y-o-y, due primarily to acquisitions. On an organic basis (including the impact of increased new initiative spending), operating expenses rose 6%.
- ▶ Net interest expense up \$7M
- ▶ Non-GAAP EPS of \$0.72 in 1Q14, up \$0.08 from \$0.64 in 1Q13
- ▶ Diluted shares up 4.0M y-o-y to 173.7 million, due to issuance of deferred equity consideration for eSpeed acquisition and recurring equity-based compensation.

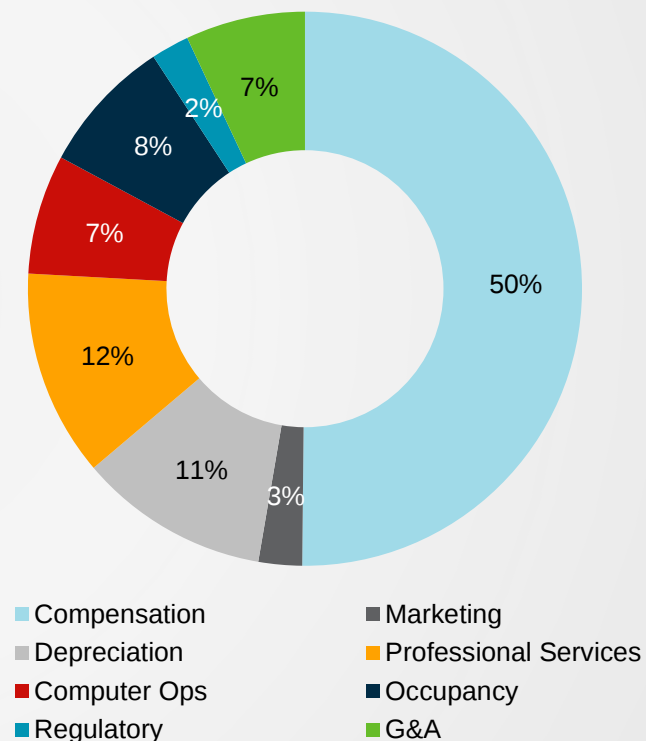
(US\$ millions, except per share)	1Q14	1Q13	\$ chg.	% chg.
Net Revenue	\$529	\$418	\$111	27%
<i>Organic revenue growth (constant currency, ex acquisitions)</i>	-	-	-	9%
Non-GAAP Operating Expenses	315	237	78	33%
<i>Organic operating expense growth (constant currency, ex acquisitions)</i>	-	-	-	6%
Non-GAAP Operating Income	214	181	33	18%
<i>Non-GAAP Operating Margin %</i>	40%	43%		
Net Interest Expense	28	21	7	33%
Non-GAAP Net Income	125	108	17	16%
Non-GAAP diluted EPS	\$0.72	\$0.64	\$0.08	13%
Diluted Shares	173.7	169.7	4.0	2%

NON-GAAP OPERATING EXPENSES

(US\$ millions)

Total Non-GAAP operating expenses	1Q14	4Q13	1Q13
Compensation and benefits	158	153	117
Marketing and advertising	8	8	7
Depreciation and amortization	35	34	27
Professional and contract services	38	44	27
Computer operations and data communications	22	25	15
Occupancy	25	24	22
Regulatory	7	7	7
General, admin. & other	22	18	15
Total non-GAAP operating expenses	\$315	\$313	\$237
1Q14 non-GAAP operating exp. @ 4Q13 rates	\$314		
1Q14 non-GAAP operating exp. @1Q13 rates	\$315		

1Q14 EXPENSE CATEGORIES



2014 NON-GAAP OPERATING EXPENSE AND TAX RATE GUIDANCE

► **2014 guidance (initiated 2/5/2014):**

- + **Core expense run-rate:**
 - \$1,215M-\$1,235M
- + **New initiative spending:**
 - \$35M-\$50M
- + **Total 2014 expense guidance:**
 - **\$1,250M-\$1,285M**
- + **2014 effective tax rate:**
 - **33%-35%**

NON-GAAP EXPENSE AND EFFECTIVE TAX RATE GUIDANCE ⁽¹⁾	
(US\$ millions)	2014 Guidance
Core Expenses	\$1,215-\$1,235
New Initiatives	\$35-\$50
Total Expenses	\$1,250-\$1,285
Effective Tax Rate	33%-35%

1. The guidance does not reflect the impact of any restructuring or integration charges.

DEBT OBLIGATIONS

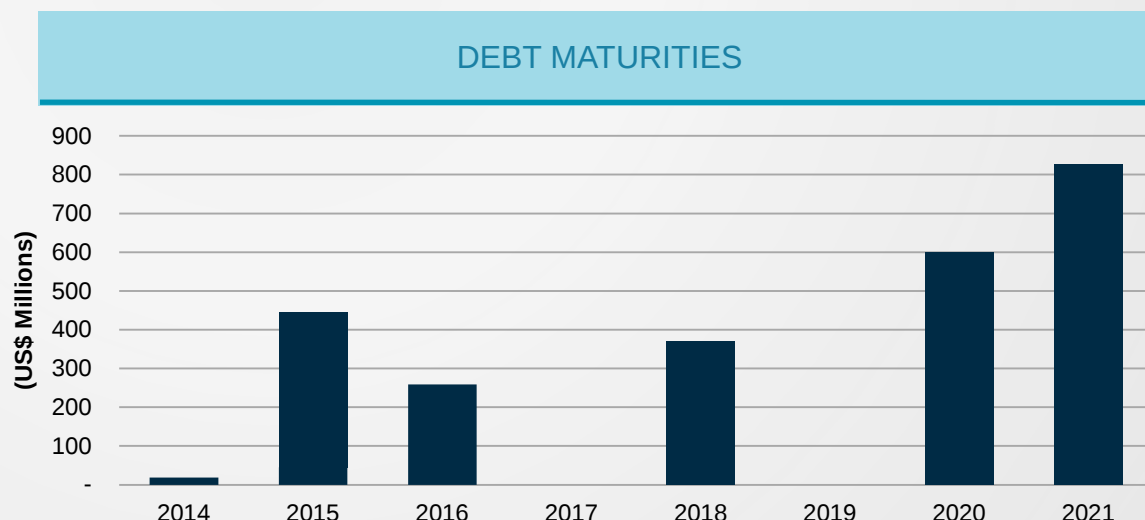
- ▶ 1Q14 total debt decreased by \$120M vs. 4Q13 primarily due to repayment of \$95M on revolver and \$26M on term loan, offset by \$1M increase in book value of Euro Bond due to Euro appreciation
- ▶ Manageable debt maturities, with \$400M maturing in 2015 and largest portion (33%) of debt maturing in 2021
- ▶ Net interest expense for 1Q14 was \$28M, an increase of \$7M as compared to \$21M in 1Q13, primarily due to increased interest expense on the Euro Bond which was issued to finance the eSpeed acquisition

(\$ millions)	3/31/14	Maturity Date
4.00% Bond	400	01/15/15
Revolver (Libor +137.5 bps)	-	09/19/16
Amortizing Term Loan (Libor +137.5 bps)	323	09/19/16
5.25% Bond	368	01/16/18
5.55% Bond	598	01/15/20
3.88% Euro Bond	825	06/07/21
Total Debt Obligations (inc. Current Portion of \$430M)	\$ 2,514	-
Less Cash and Cash Equivalents	(384)	-
Net Debt	\$2,130	-

Net Debt to EBITDA¹ = 2.2x

Total Debt to EBITDA¹ = 2.6x

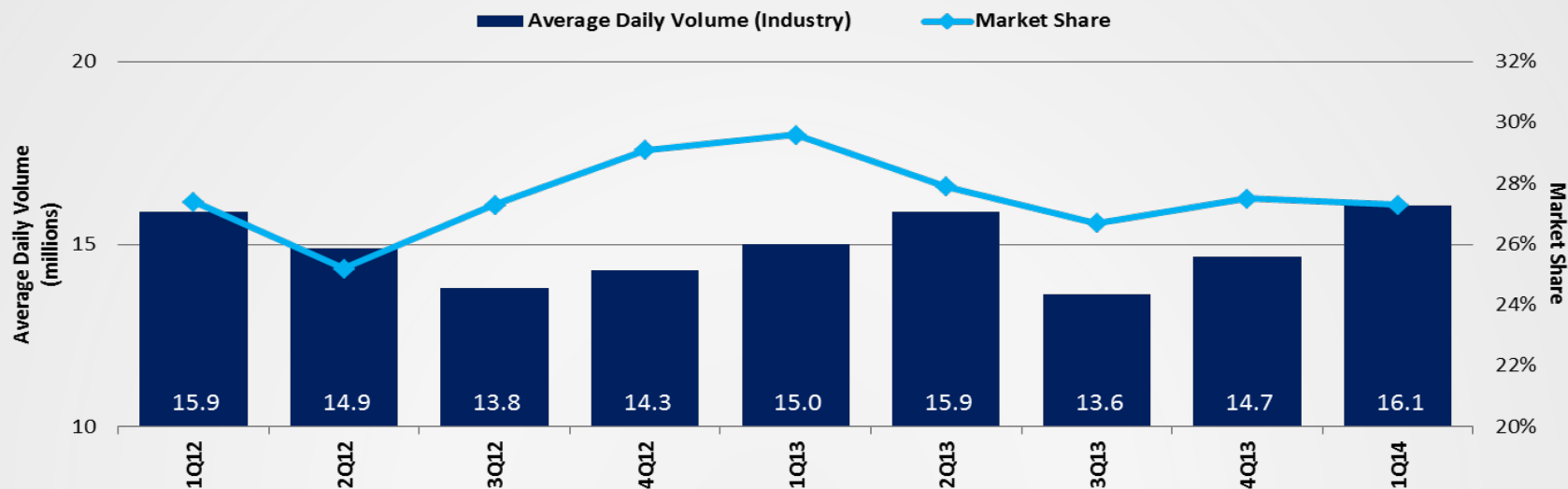
LTM EBITDA¹ = \$961 million



1. See Appendix for EBITDA reconciliation. Pro forma leverage ratios have been calculated for Q1'14 to reflect the acquisitions of eSpeed and Thomson Reuters IR, PR, MM.

APPENDIX

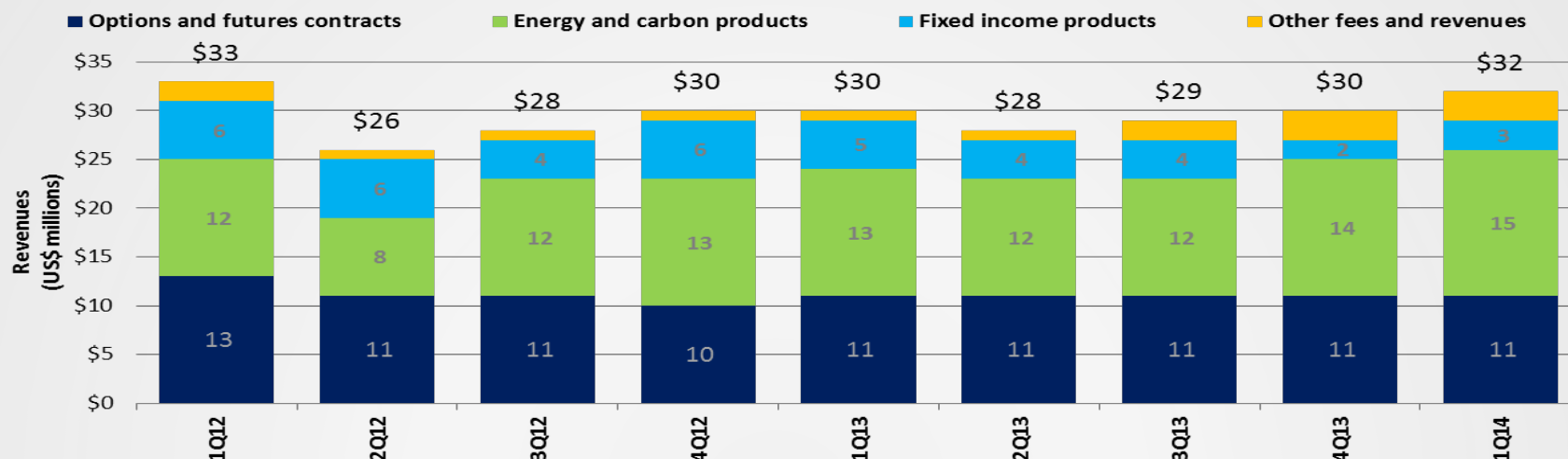
US DERIVATIVES



	FY12				FY13				FY14
	1Q12	2Q12	3Q12	4Q12	1Q13	2Q13	3Q13	4Q13	1Q14
Total industry ADV (Contracts in M) ^a	15.9	14.9	13.8	14.3	15.0	15.9	13.6	14.7	16.1
# of trading days ^b	62	63	63	62	60	64	64	64	61
Industry quarterly volume (M)^{a*b=c}	986	939	869	885	899	1,016	872	939	980
Matched market share % on:									
PHLX	22.2%	19.6%	21.4%	21.9%	20.7%	18.0%	16.7%	17.6%	16.0%
NOM	5.2%	5.6%	5.2%	6.2%	7.9%	8.9%	9.0%	9.1%	10.3%
BX			0.7%	1.0%	1.0%	1.0%	1.0%	0.8%	1.0%
Total market share^d	27.4%	25.2%	27.3%	29.1%	29.6%	27.9%	26.7%	27.5%	27.3%
NDAQ quarterly volume (M) ^{c*d=e}	270	237	237	257	266	284	233	258	268
Net U.S. derivative trading revenue^f	42	44	44	45	44	48	42	42	44
Revenue capture per contract^{f/e}	\$ 0.16	\$ 0.19	\$ 0.19	\$ 0.18	\$ 0.17	\$ 0.17	\$ 0.18	\$ 0.16	\$ 0.16
Section 31 fees	8	6	8	9	8	7	5	6	6

Note: numbers may vary slightly due to rounding

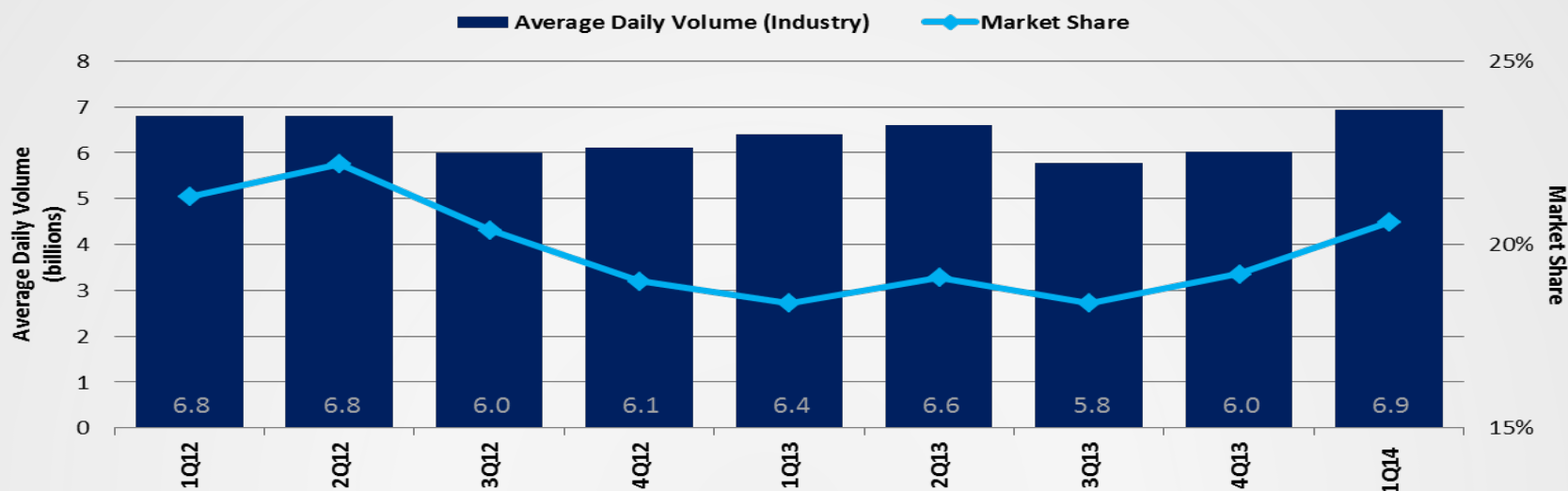
EUROPEAN DERIVATIVES



	FY12				FY13				FY14
	1Q12	2Q12	3Q12	4Q12	1Q13	2Q13	3Q13	4Q13	1Q14
Revenues (US\$ in Millions)									
Options and futures contracts	13	11	11	10	11	11	11	11	11
Energy and carbon products	12	8	12	13	13	12	12	14	15
Fixed income products	6	6	4	6	5	4	4	2	3
Other fees and revenues	2	1	1	1	1	1	2	3	3
European derivative & clearing	33	26	28	30	30	28	29	30	32
Volumes									
Options and futures (millions of contracts)	23.5	22.6	21.6	23.8	27.8	24.1	24.1	21.7	23.9
Energy trading and clearing (TWh)	810	531	604	688	704	644	566	692	683
Fixed income products (millions of contracts)	10.7	8.4	7.0	6.4	8.9	8.3	6.5	8.4	7.3
Revenue Capture									
Options and futures (RPC)	\$ 0.55	\$ 0.49	\$ 0.51	\$ 0.42	\$ 0.40	\$ 0.46	\$ 0.45	\$ 0.52	\$ 0.46
Energy trading and clearing (\$'000 per TWh) ⁽¹⁾	\$ 14.10	\$ 16.95	\$ 19.87	\$ 18.87	\$ 18.49	\$ 18.47	\$ 20.81	\$ 20.23	\$ 21.96
Fixed Income (RPC) ⁽²⁾	\$ 0.56	\$ 0.60	\$ 0.57	\$ 0.86	\$ 0.62	\$ 0.65	\$ 0.92	\$ 0.64	\$ 0.70
SEK/US\$	\$ 0.148	\$ 0.144	\$ 0.148	\$ 0.150	\$ 0.155	\$ 0.152	\$ 0.158	\$ 0.158	\$ 0.155
Euro/US\$	\$ 1.314	\$ 1.283	\$ 1.252	\$ 1.298	\$ 1.320	\$ 1.306	\$ 1.325	\$ 1.362	\$ 1.370

1. European energy and carbon product revenue includes 3Q12 and 4Q12 NOS revenues. 3Q12 and 4Q12 NOS volumes are not included in the revenue capture calculation.
2. Fixed Income revenue includes 2Q13, 3Q13, 4Q13 and 1Q14 impact from NLX, which is excluded in the revenue capture calculation.

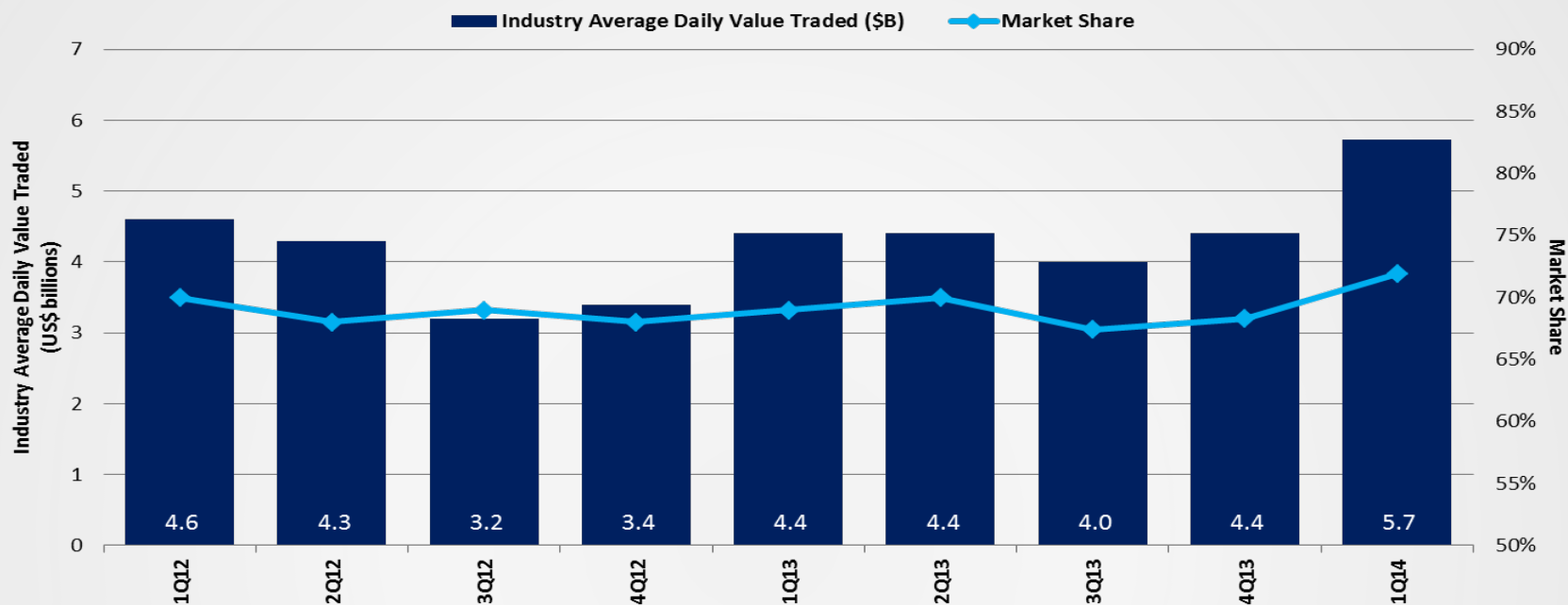
US EQUITIES



	FY12				FY13				FY14
	1Q12	2Q12	3Q12	4Q12	1Q13	2Q13	3Q13	4Q13	1Q14
Average Daily Share Volume (B) ^a	6.8	6.8	6.0	6.1	6.4	6.6	5.8	6.0	6.9
# of trading days ^b	62	63	63	62	60	64	64	64	61
Industry quarterly volume (B) ^{a*b=c}	423	431	377	378	382	422	370	385	423
Matched market share % on:									
NASDAQ	17.7%	18.1%	16.8%	15.4%	15.1%	15.9%	15.3%	16.1%	17.2%
BX	2.5%	2.8%	2.7%	2.6%	2.5%	2.4%	2.4%	2.6%	2.9%
PSX	1.1%	1.3%	0.9%	1.0%	0.8%	0.8%	0.7%	0.5%	0.5%
Total market share^d	21.3%	22.2%	20.4%	19.0%	18.4%	19.1%	18.4%	19.2%	20.6%
NDAQ quarterly share volume (B) ^{c*d=e}	90	96	77	72	70	81	68	74	87
Net U.S. cash equity trading revenue ^f	30	33	29	29	23	29	25	29	32
Revenue capture per 1000 shares ^{f/e}	\$ 0.33	\$ 0.34	\$ 0.38	\$ 0.40	\$ 0.33	\$ 0.36	\$ 0.37	\$ 0.40	\$ 0.38
Section 31 fees	63	84	66	65	64	69	52	58	69

Notes: numbers may vary slightly due to rounding,
2Q12 revenue presented as non-GAAP, and excludes \$11m of income from open positions related to operations of the exchange.

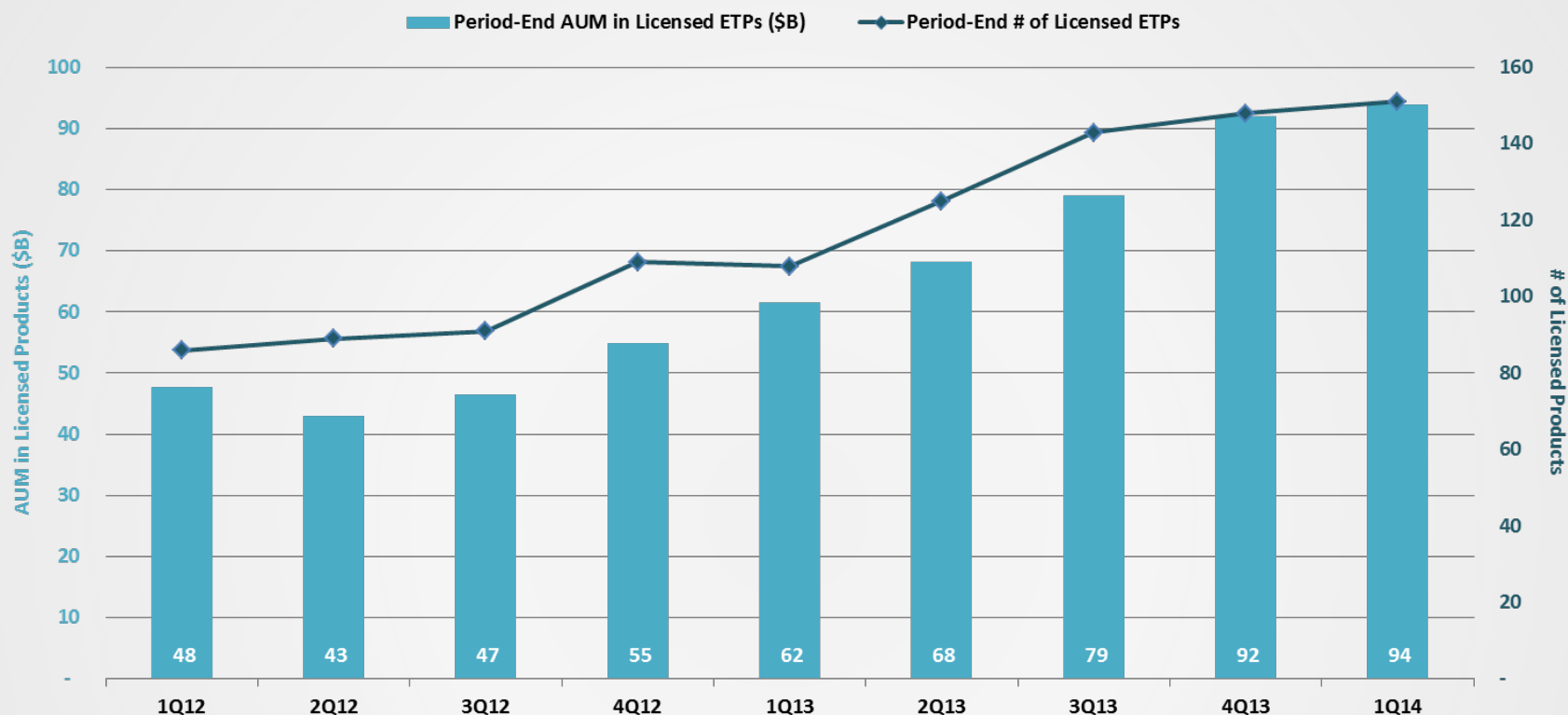
EUROPEAN EQUITIES



	FY12				FY13				FY14
	1Q12	2Q12	3Q12	4Q12	1Q13	2Q13	3Q13	4Q13	1Q14
Industry Average Daily Value Traded (\$B)	4.6	4.3	3.2	3.4	4.4	4.4	4.0	4.4	5.7
NASDAQ OMX Market Share %	70%	68%	69%	68%	69%	70%	67%	68%	72%
NDAQ ADV traded (\$B)	3.2	2.9	2.2	2.3	3.0	3.1	2.7	3.0	4.1
# of trading days	64	59	65	62	62	60	65	62	62
NDAQ quarterly value shares traded (\$B)	205	171	144	145	192	183	176	185	255
Euro cash equity trading rev. (\$M)	23	19	18	18	22	22	21	22	26
Revenue capture per \$'000 traded	\$ 0.11	\$ 0.11	\$ 0.12	\$ 0.12	\$ 0.11	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.10
SEK/US\$	\$ 0.148	\$ 0.144	\$ 0.148	\$ 0.150	\$ 0.155	\$ 0.152	\$ 0.158	\$ 0.158	\$ 0.155

Note: numbers may vary slightly due to rounding

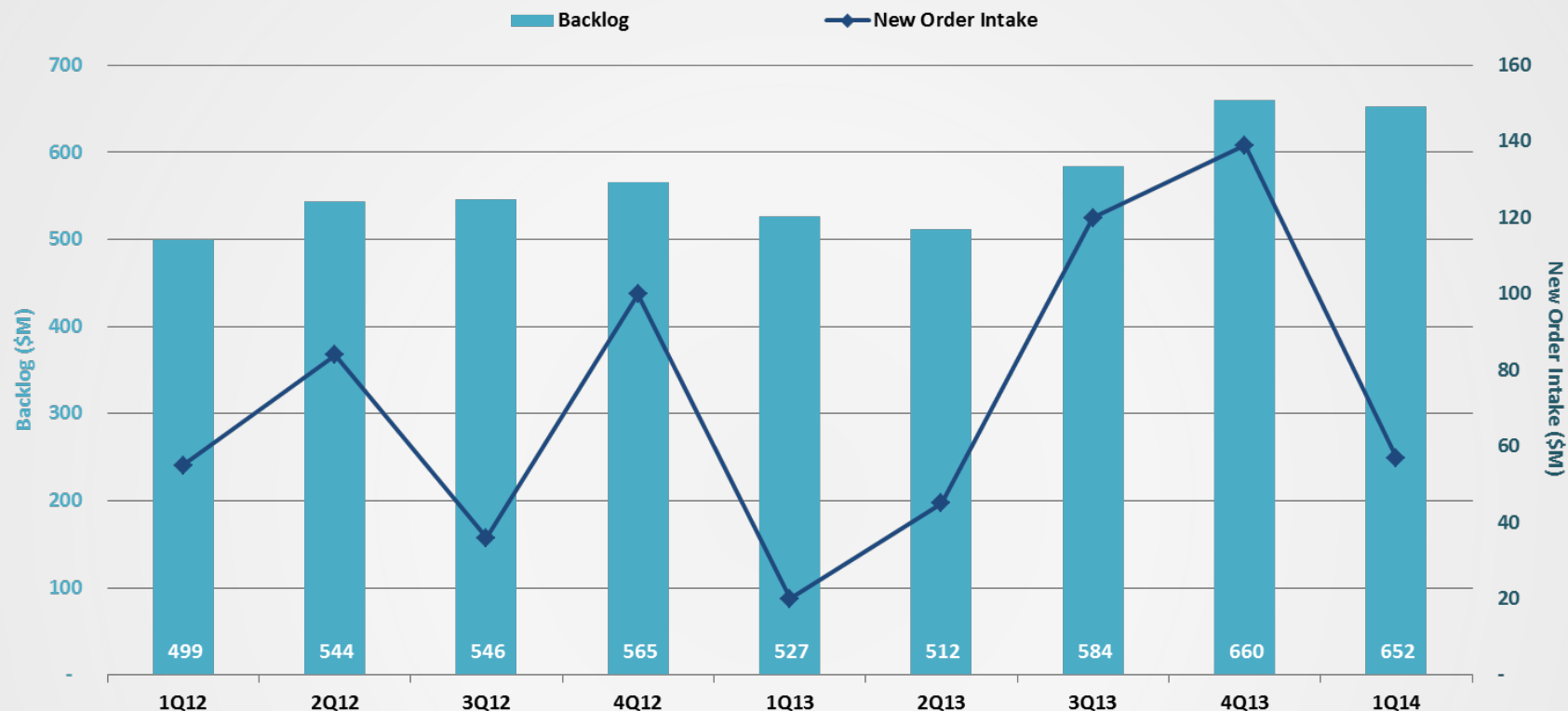
INDEX



	FY12				FY13				FY14
	1Q12	2Q12	3Q12	4Q12	1Q13	2Q13	3Q13	4Q13	1Q14
Period-End # of Licensed ETPs	86	89	91	109	108	125	143	148	151
Period-End AUM in Licensed ETPs (\$B)	48	43	47	55	62	68	79	92	94
Index Licensing & Servicing Revenues	15	16	15	16	17	18	18	20	23
Index Data Revenues	6	7	6	6	7	6	7	7	7
Total Index Related Revenues (\$M)	21	23	21	22	24	24	25	27	30

Note: numbers may vary slightly due to rounding

MARKET TECHNOLOGY



	FY12				FY13				FY14
	1Q12	2Q12	3Q12	4Q12	1Q13	2Q13	3Q13	4Q13	1Q14
New Order Intake	55	84	36	100	20	45	120	139	57
Backlog	499	544	546	565	527	512	584	660	652
Revenue	46	46	52	55	51	52	54	68	53

Note: numbers may vary slightly due to rounding, all new order intake, backlog, and revenue figures have been updated to reflect reclassification of SIP Processor revenues into Market Technology from Market Data.

“HIGH ORDER TO TRADE” (HOTT) RELATED REVENUES

- 100-to-1, 80-to-1 and 60-to-1 Order to Trade Ratios (OTR): A persistent pattern of a high order to trade ratio may indicate that orders are being submitted by the firm potentially for reasons other than obtaining an execution.
- MPIDs which are registered market makers on NASDAQ excluded
- Access Services Products Included: All U.S. Co-Location (including Cabinets, Cross Connects, Microwave, etc.) and High Speed Market Data & Order Entry Ports
- Market Data Products Included: U.S. TotalView proprietary market data product with tick-by-tick details for all booked orders in the NASDAQ, BX and PSX markets, for all US listed securities
- Transaction Services Products Included: U.S. equity continuous trading (i.e. excludes opening/closing auctions)
- Please refer to the “High Order to Trade” (HOTT) Analysis Methodology on P. 22

All Figures In Millions of \$		Access Services	Market Data	Transaction Services	Total	% of NDAQ Total Rev.
Revenue From Customers By Minimum Order To Trade Ratio	100/1 and Above	4 - 6	1 - 3	7 - 9	12 - 18	1%
	80/1 and Above	8 - 10	2 - 4	10 - 12	20 - 26	1%
	60/1 and Above	9 - 11	2 - 4	12 - 14	23 - 29	1%
Revenue in Associated Products (Detailed Above)		88 - 93	70 - 75	68 - 73	226 - 241	
% of Associated Revenue From HOTT	100/1 and Above	6%	3%	11%	6%	
	80/1 and Above	10%	4%	16%	10%	
	60/1 and Above	11%	4%	18%	11%	

Please note: 80/1 group includes 100/1 group, and 60/1 group includes both 80/1 and 100/1 groups

“HIGH ORDER TO TRADE” (HOTT) ANALYSIS METHODOLOGY

This information is provided for illustrative purposes only and is based upon the criteria described by NASDAQ OMX officers during the earnings call. The analysis is not based on any legal or regulatory definitions or terms, as we believe no such definitions or terms exist. These numbers represent estimates using the best available information and reasonable assumptions. In some instances, we have extrapolated data from limited time periods and/or particular markets. Below is a list of what we believe are the key assumptions used in the analysis. This list does not purport to include all of the assumptions used.

Key Assumptions:

- Order to execution ratios were analyzed by MPID for the month of December 2013 on the NASDAQ exchange only. Order to execution ratios may vary from month to month and from market to market.
- Access Services and Market Data revenues are based on invoices for 2013 activity.
- For firms that have multiple MPIDs, with some meeting the criteria and others not, the revenue estimates for Access Services and Market Data are pro-rated based on March 2014 trading volumes.
- Transaction Services revenues are based on cash equity trading in March 2014 on the NASDAQ exchange only. The analysis includes revenues from the continuous match and excludes revenues from routing and the opening/closing/additional crosses.
- Transaction Services revenues are estimated based on “both sides of the trade.” In other words, these revenues include only the net revenues received by the NASDAQ exchange after taking into account the revenues received from one side of the trade and the corresponding rebate on the other side of the trade.
- PSX and BX revenues are estimated based on the analysis for NASDAQ exchange.
- The analysis applies only to U.S. revenues from specific products in the Access Services, Market Data and Transaction Services businesses.

U.S. MARKET STRUCTURE & NASDAQ OMX

Highly regulated & transparent operation

- NASDAQ OMX is subject to statutory requirements enforced by the SEC in regards to all of its exchange products.
- These products are subject to filing with the SEC. (NASDAQ OMX makes 400+ public rule filings a year)
 - Market data products are subject to this including composition, dissemination and pricing
- NASDAQ OMX hires FINRA, a regulator with no interest in NASDAQ OMX, to monitor our markets for violative conduct.

Core principle: non-discriminatory:

- NASDAQ OMX must adhere to SEC requirements for nondiscriminatory access to products/services, including market data, co-location, and transactional offerings.
- All market data products (proprietary and SIP), all co-location options (cabinets, power, switches, etc.) and all data transmission options (copper, fiber and wireless) are equally available to any member or vendor who chooses them.

Data center has an inclusive & diverse customer group representing all the interests of the investment community

- U.S. Co-Location including: Cross Connects, Microwave, Cabinets, High Speed Mkt Data & Order Entry Ports (includes equities, options & fixed income trading customers):
 - ~150 customers

“Maker-Taker” pricing model

- NASDAQ OMX employs a variety of pricing conventions in its various exchanges and marketplaces, which are subject to filing with the SEC.

Tape C Securities Information Processor

- Tape C SIP is owned by 13 members who govern its operation. NASDAQ OMX runs the Tape C SIP on behalf of its operating committee.
- SIP data includes NBBO, all participating exchanges' BBO, last sale, and size offered at only one exchange's bid/offer (the price/size/time priority) at the NBBO.
- Proprietary data both augments and complements SIP data, depending on each investor's specific needs:
 - Proprietary depth-of-book data provides data at various price levels not shown on SIP feeds.
 - Proprietary top-of-book data offers a subset of SIP data – best bid/offer and last sale of NASDAQ only – for times that users don't need SIP data.
 - Proprietary cross data offers visibility into trading at the critical open and close of trading, including IPOs.

HISTORICAL CASH FLOW / USES OF CASH FLOW

Free Cash Flow Calculation (US\$ millions)	2009	2010	2011	2012	2013	2014YTD	2009 – 2014YTD
Cash flow from operations	\$582	\$440	\$669	\$594	\$574	\$183	\$3,042
Capital expenditure	(59)	(42)	(88)	(87)	(115)	(31)	(422)
Free cash flow	523	398	581	507	459	152	2,620
Section 31 fees	(88)	55	(24)	9	15	8	(25)
Free cash flow ex. Section 31 fees	435	453	557	516	474	160	2,595
Uses of cash flow							
Share repurchases	-	797	100	275	10	-	1,182
Net repayment/(borrowing) of debt	340	(193)	248	145	(606)	121	55
Acquisitions (less dispositions)	(46)	189	26	112	1,164	-	1,445
Dividends	-	-	-	65	87	22	174
Total uses of cash flow	294	793	374	597	655	143	2,856

NET EXCHANGE REVENUES: RECONCILIATION OF GAAP TO NON-GAAP

(\$ millions)	1Q14	4Q13	3Q13	2Q13	1Q13	4Q12	3Q12	2Q12
GAAP revenues less transaction rebates, brokerage, clearance and exchange fees:	\$529	\$520	\$506	\$451	\$418	\$422	\$412	\$427
Income from open positions relating to the operations of the exchange	-	-	-	-	-	-	-	(11)
Non-GAAP revenues less transaction rebates, brokerage, clearance and exchange fees:	\$529	\$520	\$506	\$ 451	\$418	\$422	\$412	\$ 416

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

(US\$ millions, except EPS)	1Q14	4Q13	1Q13
GAAP Net Income attributable to NASDAQ OMX:	\$103	\$141	\$ 42
Merger and strategic initiatives	28	(11)	8
Special legal expense	1	1	2
Gain on sale of investment security	-	(30)	-
Voluntary accommodation program	-	(18)	62
Asset impairment charges	-	5	10
Securities and Exchange Commission matter	-	-	10
Restructuring charges	-	-	9
Other	1	(3)	-
Total Non-GAAP Adjustments	30	(56)	101
Adjustment to the income tax provision to reflect non-GAAP adjustments ⁽¹⁾	(8)	29	(35)
Significant tax adjustments, net	-	5	-
Total Non-GAAP Adjustments, net of tax	22	(22)	66
Non-GAAP Net Income attributable to NASDAQ OMX:	\$125	\$119	\$ 108
GAAP diluted earnings per common share:	\$0.59	\$0.81	\$0.25
Total adjustments from non-GAAP net income, above	0.13	(0.12)	0.39
Non-GAAP diluted earnings per common share	\$0.72	\$0.69	\$0.64

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

OPERATING INCOME:

RECONCILIATION OF GAAP TO NON-GAAP

(US\$ millions)	1Q14	4Q13	1Q13
GAAP operating income:	\$184	\$238	\$90
<u>Adjustments:</u>			
Merger and strategic initiatives	28	(11)	8
Special legal expenses	1	1	2
Voluntary Accommodation Program	-	(18)	62
Securities and Exchange Commission matter	-	-	10
Restructuring charges	-	-	9
Other	1	(3)	-
Total adjustments	30	(31)	91
Non-GAAP operating income	\$214	\$207	\$181
Total net revenues	\$529	\$520	\$418
Non-GAAP operating margin ⁽¹⁾	40%	40%	43%

1. Non-GAAP operating margin equals non-GAAP operating income divided by total revenues less transaction rebates, brokerage, clearance and exchange fees.

OPERATING EXPENSES:

RECONCILIATION OF GAAP TO NON-GAAP

(US\$ millions)	1Q14	4Q13	1Q13
GAAP operating expenses:	\$ 345	\$ 282	\$ 328
<u>Adjustments:</u>			
Merger and strategic initiatives	(28)	11	(8)
Special legal expenses	(1)	(1)	(2)
Voluntary accommodation program	-	18	(62)
Securities and Exchange Commission matter	-	-	(10)
Restructuring charges	-	-	(9)
Other	(1)	3	-
Total adjustments	(30)	31	(91)
Non-GAAP operating expenses	\$ 315	\$ 313	\$ 237

EXPENSE DETAIL: RECONCILIATION OF GAAP TO NON-GAAP

(US\$ millions)	1Q14	4Q13	1Q13
<u>Compensation and benefits</u>			
GAAP	158	146	117
Adjustments	-	7	-
non-GAAP	\$158	\$153	\$117
<u>Professional and contract services</u>			
GAAP	39	45	29
Adjustments	(1)	(1)	(2)
non-GAAP	\$38	\$44	\$27
<u>Occupancy</u>			
GAAP	25	27	22
Adjustments	-	(3)	-
non-GAAP	\$25	\$24	\$22
<u>Merger and strategic initiatives</u>			
GAAP	28	(11)	8
Adjustments	(28)	11	(8)
non-GAAP	-	-	-
<u>Restructuring</u>			
GAAP	-	-	9
Adjustments	-	-	(9)
non-GAAP	-	-	-
<u>General, administrative and other</u>			
GAAP	23	19	25
Adjustments	(1)	(1)	(10)
non-GAAP	\$22	\$18	\$15
<u>Voluntary accommodation program</u>			
GAAP	-	(18)	62
Adjustments	-	18	(62)
non-GAAP	-	-	-
Total Adjustments	(\$30)	\$31	(\$91)

EBITDA: EARNINGS BEFORE INTEREST, TAXES, DEPRECIATION AND AMORTIZATION

(US\$ millions)	TTM	1Q14	4Q13	3Q13	2Q13
Non-GAAP operating income	\$807	\$214	\$207	\$202	\$184
<u>Plus:</u>					
Depreciation and amortization (NASDAQ)	130	35	34	33	28
EBITDA of TR/eSpeed Pre-acquisition*	24	0	0	0	24
EBITDA pro-forma for TR/eSpeed acquisitions	\$961	\$249	\$241	\$235	\$236

* 2Q13 EBITDA and TTM EBITDA of TR/eSpeed contains only April'13 to May'13 EBITDA for TR and April'13 to June'13 EBITDA for eSpeed. The sources of the pro forma information were LTM financials provided by eSpeed and Thomson-Reuters overlaid by NASDAQ OMX's indirect expenses.