MANAGEMENT DISCUSSION SECTION

Operator: Please stand by. We're about to begin. Good day, and welcome to the NASDAQ OMX Fourth Quarter 2009 Earnings Results Conference Call. Today's call is being recorded. At this time, I'd like to turn the conference over to Vice President of Investor Relations, Mr. Vince Palmiere.

Vincent Palmiere, Investor Relations

Thank you, Operator. Good morning everyone and thanks for joining us today to discuss NASDAQ OMX's fourth quarter and full year 2009 earnings results. Joining me are Bob Greifeld, Chief Executive Officer; Adena Friedman, Chief Financial Officer and Ed Knight, our General Counsel. Following our prepared remarks we'll open up the line for Q&A. You can access the results press release and the presentation on our website at www.nasdaqomx.com. We intend to use the website as a means of disclosing material non-public information and for complying with disclosure obligations under SEC Regulation FD, and these disclosures will be included under the Events and Presentations section of our site.

Before I turn the call over to Bob, I'd like to remind you that certain statements in the prepared presentation and during the subsequent Q&A period may relate to future events and expectations and as such constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The actual results might differ materially from those projected in the forward-looking statements. Information concerning factors that could cause actual results to differ from forward-looking statements as contained in our press release and in our periodic reports filed with the SEC.

And with that, I'll turn it over to Bob.

Robert Greifeld, Chief Executive Officer

Thank you, Vincent. Thank you, everybody, for joining us this morning to discuss our fourth quarter 2009 results. Today is a day of celebration for us at NASDAQ OMX and not certainly because the Saints won last night. Today, February 8, is the anniversary date of the date that NASDAQ was founded. So it's our 39th birthday. And we cannot think of a better way to celebrate than by announcing the launch of INET in seven of our cash equity markets in the Nordic and the Baltics. The launch of this trading platform is designed to increase liquidity, increase trading velocity and improve operational efficiencies. So if you're in New York, near our One Liberty Plaza office, please stop by for a birthday cake and a celebratory cake.

Now I'd like to turn to the quarter. I will begin my remarks by spending a few minutes highlighting some key accomplishments and then update you on the progress of our initiatives. Adena Friedman, our CFO, will walk you through the financials in detail.

This morning we reported net income of $43 million or $0.20 per diluted share. On a non-GAAP basis, we delivered a solid quarter with net income of $99 million or $0.46 per share, an increase of 11% when compared with pro forma non-GAAP net income of $89 million or $0.42 per diluted share for the third quarter of 2009.

During the quarter, we witnessed growth in many of our business drivers, enabling us to benefit from the scalable nature of our model. In European derivatives trading and clearing, our volumes grew to more than 28 million transactions up 18% from the third quarter of 2009 and reaching their highest levels for the year.

In January 2010, we saw volumes grow again with average daily volume increasing another 18% from fourth quarter levels. Leading this growth in volume is the volume that transitioned from EDX during the quarter.

Our contract with EDX ended in December, and we were successful in moving virtually all the volume in OMX branded derivatives from EDX to our derivatives trading platform in the Nordics. In conjunction with this transition, we welcomed 34 clearing members to our European clearinghouse in December. This increased our total membership by 60% when compared to the prior year. Many of the new members are London based and previously cleared with LCH. As members of our European clearinghouse, they now have access to all our fixed income, equity, index and commodity derivatives products through one trading and clearing platform.

Finally, within European derivatives, we witnessed growth in our commodities businesses, where cleared energy contracts were up 14% from the fourth quarter of 2008 and 28% from the third quarter of 2009. In cash equities, we successfully introduced central counterparty clearing in the fourth quarter and during this transition we were able to maintain market share of approximately 84%. Although value traded declined slightly from the third quarter in January 2010, we saw activity rebound as average daily value traded increased to €2.7 billion up 23% from the fourth quarter. Also, the average number of trades in January increased 30% from the fourth quarter. So with the increase in January activity and today's successful launch of INET, we are certainly off to a good start.

Now turning to the U.S., in our options markets, the combined share of our two markets grew to 22% from 20% in third quarter of '09 with volumes growing 8%. Part of the increase in share gains was volume related to dividend capture trades, activity that yields us a lower average fee per contract. As a result, total revenues declined modestly when compared to third quarter of '09. In U.S. cash equities, while we saw industry volumes decline in the fourth quarter by 12%, when compared to the third quarter 2009 levels, the combined market share of NASDAQ and BX increased reaching 24% up from 22% in the third quarter.

In January, after a slow start, volumes in market share bounced back to levels consistent with those realized at the beginning of the fourth quarter and so far February is looking even better, in particular last week. Additionally, consistent with the guidance we provided during our call last quarter, our average net fee per matched share increased 30% from the third quarter, following adjustments to our fee structure for BX in September and NASDAQ in November.

In Access Services, again, consistent with our guidance, revenues increased to 39 million up from 36 million in the third quarter of 2009, reflecting the continued shift in our business model to one that includes increasing fee-based revenues. In Issuer Services, our business welcomed 143 new listings during 2009. There were 67 in the fourth quarter alone. Of these new listings, 33 were Chinese companies. NASDAQ now has 124 Chinese company listings, more than any other U.S. exchange. Including in the new listings for 2009 were 34 IPOs, 31 of which came to market in the second half of the year.

During the fourth quarter, we witnessed a remarkable performance by our team. 10 companies switched their listings from markets that comprise NYSE Euronext. In 2009, a total of 24 companies decided to switch to NASDAQ, including 10 from NYSE and 14 from NYSE Amex. Collectively, these companies represent more than $150 billion in global market capitalization.

Corporate Services continues to do well as the competitive advantages offered by these products are increasingly driving listing decisions. Specifically, Pinpoint Market Intelligence, our stock surveillance group, has witnessed growth in clients of nearly 60% from the prior year and 10% from the third quarter of 2009.

In Market Technology, we had one of the strongest periods in the fourth quarter of 2009. While part of the strength is driven by seasonally higher fourth quarter activity, the Market Technology business is sound and is growing. Order intake for the quarter grew to 148 million, representing an increase of more than five times from fourth quarter 2008 levels and up four-fold from the third quarter.

Total order value, which represents contracts signed but yet to be delivered, while consistent with prior year levels increased 30% from the third quarter 2009. And as we enter 2010, we see continued strength in the business following the recent contract wins of Osaka Stock Exchange and the Kuwait Stock Exchange. We're confident that customers will increasingly recognize the value of our technology solutions, and we believe we'll see additional announcements regarding contracts for GENIUM/INET in 2010.

Now let me review the status of some of our initiatives. On January 12, together with Nord Pool Spot, we launched our Power Market in the UK with the goal of establishing a liquid market and transparent price for the industry. As the reference price is established on a spot market, it will then be used as the basis for derivatives scheduled to launch later this year. Following the launch, the spot auction and forward markets have functioned well, with prices having been set for each and every hour, 24 hours a day, since we began trading. We continue to have strong industry support and remain excited about the prospects for this business.

Another exciting development is the completion of the first cross-border merger of clearinghouses, with the combination of Nord Pool and Nordic clearinghouses. This integration delivers on the promise of the Nord Pool acquisition as it creates a clearinghouse to meet the demands of customers trading in multiple asset classes.

In 2010, we plan to drive growth by leveraging our clearing expertise and scalable technology to deliver enhanced services across financial derivatives and commodity products. And as we launch our UK Power Derivatives Market, those same benefits will be available to an expanding membership.

Here in the U.S., we remain on track to launch a new price/size trading platform, using the PHLX exchange license, which we intend to launch in May, pending SEC approval. This new market structure will enable clients to execute larger orders in a lit market environment by providing execution priority based on the size of the entering order. We'll also leverage the scale of our existing technology to introduce new functionality to our customers and truly is another example of how we continue to look for opportunities to be innovative and create value.

In December, we signed a commercial contract with BM&FBOVESPA regarding global distribution of market data and the provisioning of NASDAQ OMX products and corporate services to public companies in Brazil.

NASDAQ OMX also announced plans to develop a communications system to facilitate the routing of orders between participating brokers located in United States and brokers located in Brazil. This is subject to required regulatory approvals and other conditions.

Now turning to IDCG, our interest rate swap clearing business. In December, the House of Representatives passed financial reform legislation that mandates central clearing for standardized OTC contracts. As this reform bill moves through the Senate, we applaud the efforts of Washington to introduce sensible regulation designed to increase transparency. The overall debate on regulatory reform has been robust with a clear recognition in Congress and the regulators that transparent markets are a valuable and important element of creating sustained financial stability.

With respect to IDCG, we continue to work intensely with clients to integrate our offerings into their workflow and, as I've said before, progress in this venture will accelerate as more certainty of financial legislation develops. Gauging the positive feedback from clients, we continue to have confidence in the strengths of our unique offerings.

With respect to regulatory developments, as we consider the broader regulatory landscape, both with the legislative debate on regulatory reform and the SEC's concept release on market structure reform, we are pleased to see an active and healthy debate on these topics as they impact not only our industry but investors across the country. We truly believe in the value of debating substantial matters that are fundamental to our financial system. As passionate supporters of transparent markets, given that it is fundamental to who we are as a company and as a regulator, we trust that Congress and the SEC will find solutions that foster competitive, transparent markets with open and fair price discovery for the benefit of all market participants and investors.

Now looking back on the past year, we experienced some of the most difficult recessions of our lifetime. Entering 2009, we had to face challenges such as a dearth of IPOs, shrinking industry employment and a credit crisis that threatened businesses for all our customers, and yet as we exit the year we are very proud of the resilient nature of the NASDAQ OMX business model.

In the face of economic upheaval, we achieved some important accomplishments that contributed to the continued development of our global business.

We launched BX, a new trading venue, which is now a meaningful contributor to our strategy and our earnings. We found new pockets of market data users increasing the distribution of our U.S. proprietary data products. We completed the integration of PHLX, as promised, with the implementation of the INET system for all of our U.S. options trading.

We completed the first cross border regulatory merger of two clearinghouses with Nord Pool and our Nordic clearing house, while welcoming 34 new London-based members. We continue to find ourselves to be the natural strategic technology partner to some of the largest exchanges in the world, as the Tokyo commodity exchange went live on our platform and two additional leading exchanges, the Kuwait exchange and the Osaka exchange, signed on as new clients.

Finally, both rating agencies upgraded NASDAQ OMX debt ratings, validating the resiliency of our business model and the expense and capital discipline of our organization.

Looking into 2010, we are experiencing some strong tailwinds in our core businesses, including a strong IPO pipeline, growing employment in the financial industry as both Morgan Stanley and Bank of America-Merrill Lynch announced plans for new hirings, strong U.S. and European trading market share, improving volumes and value traded in Europe and extremely healthy order intake for market technology.

Additionally, as I stated earlier, we continue to make significant progress in delivering incremental growth through our new initiatives. We are enthusiastic about our prospects for 2010 and look forward to delivering on that enthusiasm through results.

With that, I'll turn the call over to Adena.

Adena T. Friedman, Executive Vice President, Corporate Strategy and Chief Financial Officer

Thank you very much, Bob, and good morning, everyone. Thanks for joining us today. This morning we've reported that net income attributable to NASDAQ OMX for the fourth quarter on a GAAP basis was $43 million, or $0.20 per diluted share. The GAAP results include an impairment charge of $51 million related to our investments in Dubai and Agora-X, net of tax. $16 million in pre-tax expenses related to occupancy, sublease reserves, workforce reductions and other non-recurring items and $12 million of pre-tax gains on the sales of certain businesses.

Excluding these items, our non-GAAP net income for the fourth quarter of 2009 was $99 million or $0.46 per diluted share, an increase when compared to non-GAAP net income of $89 million or $0.42 per share in the third quarter of 2009 but a decrease when compared to the non-GAAP net income of $110 million or $0.52 per diluted share for the fourth quarter of 2008.

As you can see on slide six of our presentation, the impact to non-GAAP diluted EPS was $0.01 when compared to non-GAAP EPS in the third quarter of 2009 of $0.02 in terms of FX rates. And I'm sorry, $0.02 when compared to the fourth quarter of 2008, when you're looking at the FX rate – the impact of FX rates on our results. Reconciliations of GAAP to non-GAAP results can be found in the attachments to our press release and in the presentation that's available on our website at ir.nasdaqomx.com.

Consistent with our prior calls, the remainder of my comments will address our non-GAAP results unless I note otherwise. Net exchange revenues were $369 million, an increase of $20 million or 6% when compared to the third quarter of 2009 but a decrease of 8% when compared to the prior year quarter.

U.S. cash equities revenues were higher when compared to the third quarter of 2009, due to a 30% increase in the average fee per matched share which resulted from the introduction of revised fees for BX in early September and NASDAQ in early November.

European cash equity trading revenue declined slightly when compared to the third quarter of 2009. This modest decline is due to lower value traded which declined to €139 billion from €141 billion in Q3 2009. Also contributing to the decline are fee changes that were introduced with the implementation of central counter party clearing during the fourth quarter of 2009.

Derivative revenues were $57 million in Q4 2009 versus $54 million in Q3 2009. Driving the increase when compared to the third quarter are derivative revenues in Europe, which were $26 million up from $20 million in the third quarter. This increase is primarily related to the growth in cleared energy products and the transfer of derivative volume from EDX to NASDAQ OMX.

Also contributing to growth in revenues is a partnership with broker dealers to launch a retail-oriented trading platform called The Order Machine, or TOM.

In our continuing efforts to improve the transparency of our revenue model, beginning this quarter, I will provide additional details by product group for our European derivatives revenues. Additionally, our goal in the first quarter is to begin providing daily volume information on our website.

Total revenue in the fourth quarter of 2009 from cleared energy and carbon products was $10 million. Trading and clearing of stock and indexed derivatives contributed $8.4 million. Revenue from clearing of fixed income products was $4 million. And TOM revenue and other fees were $4 million.

In the U.S. market, net derivatives revenues were $31 million in the fourth quarter, representing a decline when compared to $34 million in the third quarter. Despite an increase in market share across PHLX and the NASDAQ Options Market in the fourth quarter, the decline when compared to the prior period is due to reductions in the average net fee per contract, which is primarily the result of a higher level of dividend capture trades in December, which command a lower fee.

As we guided on the third quarter call, Access Service revenues were $39 million for the fourth quarter up from $36 million in the third quarter. Driving the increase are revised fees and growth in demand for co-location services.

Market Data revenues were $83 million for the fourth quarter up $4 million when compared to the third quarter of 2009. The increase when compared to the third quarter is due to higher NASDAQ and BX trading and quoting market share and continued growth in our U.S. proprietary products.

Broker Services was $6 million in the fourth quarter, down 3 million from the third quarter, but the decline is primarily due to the sale of our UK Broker Services business.

In Q4 2009, we recognized approximately $1 million from our UK Broker Services business versus $3 million in Q3.

Issuer revenues were $82 million for the quarter, an increase of $1 million or 1% from the prior quarter. Somewhat offsetting this increase is a reduction due to the fourth quarter sale of Carpenter Moore, the insurance brokerage business.

Revenue from Carpenter Moore was $1 million in the fourth quarter, down from $3 million in the third quarter of 2009. The revenue increase in Issuer Services when compared to the third quarter of 2009 is primarily due to our continued growth in the Corporate Services business as well as higher market capitalization values for European listed equities, which in turn results in higher European listing fees.

As Bob mentioned, the Market Technology business had a great quarter with revenues at $44 million up $8 million or 22% when compared to the third quarter of 2009. These robust results are partly related to the seasonal nature of this business as well as to increases in deliveries of short-term technology contracts.

The Market Technology business revenue is derived by both large implementation projects where, in accordance with U.S. GAAP, a portion of the revenue is amortized over the life of the agreement, as well as shorter duration enhancement projects, where the revenue is recognized immediately upon delivery. Therefore, there can be some lumpiness to the revenues on a quarterly basis for the Market Technology business, depending upon the mix of deliveries of large implementations and small enhancements. And in the fourth quarter, we were the beneficiary of an increase in demand for short-term projects.

Now turning to expenses, for the fourth quarter, spending was $204 million, representing an increase of $7 million or 4% from the third quarter of 2009, primarily due to an increase in compensation expense and a seasonal increase in our advertising spend.

When comparing expenses for the full year of 2009 to 2008, we were very successful in maintaining our expense control discipline.

On slide 12 of the presentation, you can see that for the year, we reduced our core spending by $136 million or 14% from 2008.

Operating income for the fourth quarter was $165 million with operating margins coming in at 45%.

During the fourth quarter, we agreed to increase our ownership interest in Agora-X, a joint venture between NASDAQ OMX and FCStone that provides electronic trading of OTC commodities, primarily energy derivatives. We now have an 85% ownership in the Agora-X up from 20% in prior periods, and we'll start to consolidate results of this business into our financials in 2010. Because the most recent valuation of this business was lower than the original valuation made at the time of our initial investment, we are taking an impairment on the carrying value of $5 million.

Also during the quarter, we signed a binding term sheet with Borse Dubai and the Dubai Financial Market, or DFM, to convert our 33.33% interest in NASDAQ Dubai, a small international exchange into a 1% stake in DFM, which is one of the most successful publicly traded exchanges in the Middle East.

DFM is buying our interest as well as Borse Dubai's interest in NASDAQ Dubai in order to take 100% ownership of the company. NASDAQ Dubai will continue to be operated as a separate subsidiary of DFM, independently regulated by the Dubai FSA. Also, we will continue to maintain a seat on the NASDAQ Dubai Board.

As a result of this change in ownership, we took an impairment charge on our investment in NASDAQ Dubai. Specifically, our original investment included $50 million of cash as well as binding license agreements for our brands and technology. Therefore, the combined carrying value of our original investment at the time of this latest transaction was $120 million. Based upon and consistent with a third party valuation of NASDAQ Dubai, we have accepted a 1% stake in DFM and associated with this transaction we have recorded a non-cash impairment charge of $82 million which net of taxes is $46 million.

Net interest expense in the fourth quarter was $22 million down $1 million from the third quarter of 2009. Total interest expense in the fourth quarter of 2009 was $25 million and is comprised of $15 million in interest expense, $3 million of non-cash expense associated with the accretion of the 2.5% convertible notes, 3 million in non-cash deal amortization expenses and $4 million in other related fees.

As shown on slide 13 of the earnings presentation, subsequent to year end, we re-financed our existing debt by completing $1 billion underwritten public offering of five-year senior secured notes at 4% interest and 10-year senior unsecured notes at 5.55% interest, and we entered into new senior unsecured credit facilities providing for up to $950 million in borrowings, including 700 million in funded term loans at a rate of LIBOR plus 200 basis points and $250 million in unfunded revolving credit commitments.

The re-financing provides increased flexibility regarding the use of free cash, extends the maturity date of our debt obligations and reduces our interest rate risk. Additionally, NASDAQ's corporate debt ratings were recently upgraded by both Standard & Poor's to BBB and Moody's to Baa3. The ratings now reflect an investment grade profile from both agencies.

As a result of this re-financing, we expect to recognize a non-cash charge of approximately $30 million in the first quarter of 2010 related to the acceleration of deal costs from the original term loan. In addition, we expect to realize a loss of approximately $10 million due to terminating an interest rate swap contract that was used to hedge our interest rate exposure for the original term loan.

Finally, our interest expense for 2010 will include approximately $6 million in non-cash amortized deal expenses associated with the new debt. It will also continue to include approximately $14 million in non-cash accretion expense associated with the 2.5% convertible notes and approximately $6 million in other fees and expenses.

And finally, on the income statement, the effective tax rate for Q4 2009 was 32% within the range of our normalized tax rate of 32 to 34%.

Now turning briefly to the balance sheet, cash and cash equivalents and financial investments at quarter end were approximately $1 billion. Of this amount, approximately $469 million is reserved for regulatory requirements.

For the full year of 2009, cash flow from operations was approximately $582 million with capital spending of $59 million, 13 million of which came in the fourth quarter.

Our total debt obligations at the end of 2009 were $2.1 billion, reflecting a decline in the total principal amount of our debt of $432 million from the 2008 year end.

The new term loan requires us to begin paying down the debt at 35 million per quarter, beginning in the third quarter of 2010, although we expect to over-deliver on that amortization schedule.

Now looking forward for the full year of 2010, we expect total expenses will be in the range of 865 million to 885 million at current FX rates. Included in these figures are approximately $50 million of non-recurring expenses including those associated with the recent debt re-financing I mentioned earlier. Also included in this guidance is $54 million in discretionary R&D spending for new initiatives, slightly above the 2009 spending of $51 million in new initiatives.

In conclusion, in 2009, we continued our intense focus on controlling expenses and managing the balance sheet. We continued to drive down core operating costs and exit non-core businesses and investments, providing us the opportunity to pursue new growth initiatives in a disciplined manner while improving our cash position.

To enhance our financial flexibility and lower our debt commitments, we converted Silver Lake's notes, reduced our other debt obligations by over $330 million and ultimately refinanced our term loan to put us in a much improved financial position. Due to our financial discipline in 2009 as we enter 2010 we are now well positioned to take advantage of positive trends in our core businesses, as well as progress in our new initiatives to drive earnings growth for our shareholders.

Thank you and I will now turn it back over to Vince.

Vincent Palmiere, Investor Relations

Thank you. Operator, at this time we're going to take questions.

QUESTION AND ANSWER SECTION

Operator: Thank you. [Operator Instructions]. We'll take our first question from Dan Fannon at Jefferies.

<Q – Daniel Fannon>: Good morning.

<A – Robert Greifeld>: How are you doing, Dan?

<Q – Daniel Fannon>: Good, thank you. Bob, you've historically kind of mapped out what you think the revenue opportunities are for some of your new initiatives and kind of ranked them, and historically – I think last call you mentioned IDCG as being the biggest. And just wanted to get an update, you still have several things out there that you're working on, what you think is the – has the biggest opportunity both near-term as well as long-term in terms of your initiatives?

<A – Robert Greifeld>: Well, we certainly believe that the interest rate swap market is the largest untapped market for us to try and gain traction in. And our feeling is it's almost hard to comprehend in 2010 that a market that large really doesn't have any basic organization to it. So that stands alone. Many good things are going on here. I would certainly direct you to the UK Power Market where, as I said in my prepared comments, the spot market is at this point very successful. The large opportunity for us is in the derivatives market, and it's our goal to have that derivatives market launched sometime in the spring. So we're optimistic about that.

We are certainly excited about what a price/size market can mean. It's hard for us to quantify that in any meaningful way at this point in time. We also have to get regulatory approval for that effort. So I would say just a number of good things going on here and they have different dimensions to them. Size led by IDCG, I think, immediacy by UK Power but like any of these investments you make, you never know which one's going to win at the end of the fourth quarter.

<Q – Daniel Fannon>: Okay. And then with regards to your MTF in Europe, can you give us some color as to what you think has been the challenge there for you in terms of gaining market share in a meaningful way, as some people have – if it was just a first mover advantage with some of the up-starts or what you think you guys need to do to get that going?

<A – Robert Greifeld>: I think you need to have basic and fundamental dealer support for your MTF and for us to get the higher levels of success in that market, we're going to have to be that much closer to our customers.

<Q – Daniel Fannon>: And so have you done any – are you doing things now to – initiatives or programs to kind of get that going?

<A – Robert Greifeld>: Yes. I mean, when you certainly recognize the problem being that you have to have the dealer support and that support has to come in some basic and fundamental way. We're working hard at making that happen.

<Q – Daniel Fannon>: Okay. Thank you.

Operator: And we'll take our next question from Rich Repetto at Sandler O'Neill.

<Q – Richard Repetto>: Yes. Hi, good morning. First, congrats on the upward trend in the revenue captured equities. You broke the trend.

<A – Robert Greifeld>: Yes. That we did. We did. We're also happy with the $0.46 a share. That was a good trend reversal.

<Q – Richard Repetto>: Exactly. I guess first question is on the balance sheet and the debt restructuring and with the restructuring, can you talk a little bit about the flexibility in regards to either act – what's your capital management strategy and the flexibility are not that you get in regards to acquisitions, buybacks and dividends?

<A – Adena Friedman>: So, hey, Rich. For the first time in two years, we do have financial flexibility in terms of how we use our existing cash, and how we can continue to use debt as a means for us to grow. So I think that the new term loan does give us the flexibility to use cash – use our cash to buy back shares or pay dividends as well as do acquisitions and investments. And we also have the ability to increase our debt to take on acquisitions if we like. So that's one of the main focuses of the refinancing was to kind of give us that new flexibility on a note.

<A – Robert Greifeld>: Well, the other thing I would say, Rich, is we recognize that we're not a bank. We have a large amount of excess cash on the balance sheet today. You're keenly aware that this business model generates a lot of cash and that number will obviously increase then as 2010 waxes on. So I think it's definitely a consideration of the management and the Board of Directors at NASDAQ OMX in terms of how to best deploy that capital and it's something that we will be thinking about in the weeks and months to come.

<Q – Richard Repetto>: Okay. And then the follow-up question is on expenses. Normally, there's been an associated drop in technology expenses and actually people as well with the consolidation of the platforms and we know INET and now you said that whatever seven or eight Nordic. I guess the question is, is there any expense – is this already in the run rate and because we see the modest up tick in overall year-over-year expense guidance but is there incremental expense savings from the platform consolidation?

<A – Robert Greifeld>: Well, I would say this. One, in terms of the move to the consolidated platform today that obviously will result in some expense synergies within the context of NASDAQ OMX in the time to come. But it's important to recognize that that's a smaller scale against a larger organization. So when you look at the expense guidance today, it represents some decrease in expenses based upon the live date today. But also there's other parts of the businesses where we have growth opportunities where there's necessarily some increases in expenses. So that's how we net them out in the guidance that we gave. Adena, you want to say anything?

<A – Adena Friedman>: No, that's exactly right. I mean, we continue to drive efficiency in the operations, Rich, and we do have that tax synergy associated with retiring taxes when that happens this year, but we also have other areas where we want to invest in our growth.

<Q – Richard Repetto>: Okay. And very last quickly, you did touch a little bit on the regulatory landscape and it looks promising. I guess my specific question is your Access Services co-location revenues went up, as you predicted. What's been the demand of co-location, given the sort of increased visibility the SEC's brought on it, say in the last month and half or so? Are you still seeing – could you still see increases in revenues due to co-location?

<A – Robert Greifeld>: Definitely, Rich. I think the deliberations that the SEC or others will undertake will have zero impact in terms of the business that we have in co-location Access Services and in a certain respect increased regulation could be seen as a positive because clearly our co-location business is under the regulatory regime of the SEC. They have complete and transparent insight into the business. And I think they're aware that we run this as a fair access standard business, where we make sure that every single customer of ours is treated in the exact same manner. And as we've spoken about before, we ensure that if somebody is 50 feet from the matching engine, they have an identical user experience to somebody who is 300 feet. So there is a lot of pluses to how we run the co-location in terms of fairness, so we think that will be a positive for us in the days to come.

<Q – Richard Repetto>: Great. That's all I have. Thank you very much.

<A – Robert Greifeld>: Thanks, Rich.

Operator: And we'll take our next question from Mike Vinciquerra at BMO Capital Markets.

<Q – Michael Vinciquerra>: Thanks very much. I just wanted to go back to the new technology in the Nordic there. Can you give us a sense for the speed differential between INET and the previous platform you've had in place there? Just give us a sense for what traders are seeing in terms of increased performance?

<A – Robert Greifeld>: Definitely. As you know, they're getting the new version of INET in the Nordics. We're down to about 250 microseconds, so it's about a 10-fold increase in speed in the environment. And I think as important as the speed is the fact that we now have a common interface.

So our customers in the U.S. or customers in London can essentially do a plug and play into the Nordic marketplace today. So we certainly expect to see increasing velocity coming on the heels of the go-live date today.

<Q – Michael Vinciquerra>: Great. Now that you have that project out there, are you going to start looking at rolling INET out to your OMX technology customers to give them the same advantages?

<A – Robert Greifeld>: Well, it's interesting. I spoke of GENIUM INET and really this is one of the wonderful outcomes of the merger together. So when you look at the INET technology, it is the best of class at handling high volumes of relatively simple instruments.

The old OMX technology had the ability to process any variety of asset class, any variety of instrument. So with the GENIUM project we're basically using the messaging layer of INET to deliver outstanding speed and combining that which was the application functionality that CLICK brought to the marketplace. So I think you'll see the vast majority of our customers choose the GENIUM powered by INET platform.

<Q – Michael Vinciquerra>: Great. Thank you. And then just in the tech business, seeing a nice surge there of course in revenues. Can you give us a sense for what the margins are in that business today, and what a reasonable expectation would be going forward?

<A – Robert Greifeld>: Well, I'll let Adena take the second part. I would say the margins are better than they've ever been. It was a relatively low bar. We've established a long-term goal for this business to get it in and around a 30% margin business, which we think is reasonable for a technology business. It's not going to be the level of some of our other businesses, and I think today we're at, what, in the mid-teens?

<A – Adena Friedman>: Yes, I think that we actually ended the year probably closer to 20% on that business.

<A – Robert Greifeld>: Okay.

<Q – Michael Vinciquerra>: Great. Thank you. And then just finally, just on the Options side, you talked a bit about the growth in market share, and of course you mentioned the dividend trading had an effect there. But I mean, revenues were – net revenue was actually down 3 million sequentially, and I calculate you probably traded about 16 million more contracts. Was there anything besides the dividend trading that lowered your net capture in that business or is that simply the only driver there that changed things?

<A – Robert Greifeld>: I don't want to say the only driver, but it was the dispositive driver. So whatever else happened was really not material. It was the dividend trades.

<Q – Michael Vinciquerra>: Okay. Thank you, guys.

Operator: We'll take our next question from Howard Chen at Credit Suisse.

<Q – Howard Chen>: Morning, Bob and Adena.

<A – Robert Greifeld>: How are we doing?

<A – Adena Friedman>: Hello.

<Q – Howard Chen>: Good. Thanks. Happy birthday to the exchange.

<A – Robert Greifeld>: Yes. We're going to be a perpetual 39 now. This is it.

<Q – Howard Chen>: Then you start counting backwards now.

<A – Robert Greifeld>: Exactly.

<Q – Howard Chen>: I know, there's a lot floating around Washington right now. I just had a question specifically about the Volcker rule and the proposals to curb proprietary trading. Could you just help us frame, Bob, like how you think about the contribution to your business or overall market volumes that's driven from sell side profit trading operations?

<A – Robert Greifeld>: Yes. That's a great question. It's kind of impossible for us to answer because we don't have the orders coming in delineated between proprietary and non-prop. And in a sense that shows you the difficulty that the legislators would have prescribing anti-prop trading. I think that's – it's a hard job for them to do because once you get into what's prop, what's customer facilitation, what's riskless principal; it gets impossible. So I think they would have to find a different path to go, would be my personal feeling. So we certainly see our customer business primarily focused on serving the buy side institutional efforts, and we certainly don't think that will be impacted by whatever comes out of Washington.

<Q – Howard Chen>: Okay. And then switching gears, a follow-up on Market Technology and the really strong results. Maybe could you provide us any sense of the composition of the order intake and the big backlog improvement, I don't know, if that's whether geographic or newer versus legacy customers, and how reliable do you think those figures are as we think about the trajectory of that growth going forward?

<A – Robert Greifeld>: Well, I'll start and then I'll let Adena finish. One is when you look at 2010, in Market Technology, the success was driven by I think a multitude of smaller projects and that has a way of hitting the income statement sooner rather than later. So when we look across our broad range of customers, we did I think good business with the vast majority of them in 2009. I think 2010 is going to be characterized by large amounts of business with a smaller subset of our customer base.

<A – Adena Friedman>: Yes. I think we look at the fact that we've got Osaka and Kuwait coming on. We also have some larger enhancement initiatives that we hope to achieve in 2010. And those can have some level of delay in terms of revenue recognition, since with U.S. GAAP you have to wait until you've delivered and the customer's accepted the enhancements. But at the same time, we do get continuous requests from our clients to do small enhancements. We call them Client Requests, CRs, and we continue to see a very healthy number of those coming in. But sometimes we don't – they're less easy to predict because as they go through the year, they might need a small enhancement that just needs to get done. So you kind of have layered on top of each other some larger implementations, as Bob said, in 2010 along with just a continuous request for enhancements coming from our clients. So it's very good. The numbers that we provided you are in fact as we said committed, just not delivered, and that means that the revenue will be coming forward as we get those implementations completed.

<A – Robert Greifeld>: And the general comment I will make is that the technology we provide to our fellow exchanges is fundamental to their success. All right. We provide the central matching engine. We provide the core clearing technology. So in that environment, there is always things to be done with our customer base. And I think we've become increasingly effective at providing those services and that helped drive our 2009 results.

<A – Adena Friedman>: I just want to finalize by saying one thing about market tech though, is we're spending a lot more time with our clients looking at a more holistic view of their exchange in terms of how we can be a strategic partner to them with technology as the foundation. So with some of our clients they are looking at our Corporate Services and how they can deploy those to our issuers. They're looking at how we can leverage the market data, global market data distribution and broaden their distribution market data, and there are other partnership opportunities that are going to come. And those will also help bring in revenues, probably more through revenue-sharing or what I would call shared risk model.

<Q – Howard Chen>: Great. Thanks. That's all, really helpful, and makes a lot of sense to me. Finally, I was hoping you could provide a bit more detail about the 54 million of discretionary spending, where's it heading in 2010, and maybe help us frame, where you – how you gauge the payoff from the 50 million-ish you spoke to spending in 2009, acknowledging a lot of that was longer term kind of growth initiative in nature?

<A – Robert Greifeld>: Well, I would say this. With these initiatives, it's very important for us to know when to move on from the initiatives, so we have I think a very good cross-functional management process to make sure everything we do is evaluated. We also take an initiative away from this category when it has been profitable for a period of quarters. So as we look at 2010, obviously BX and NOM moved from the new initiative category to part of our core operations in terms of how we manage it. So there's always more demand for investment dollars than we have supply, which I think is a healthy dynamic within the organization. With respect to the new initiatives, some of them are small, some medium and some large. We tend to highlight the larger ones on the call, those that have a bigger claim on the balance sheet. The two biggest efforts right now with respect to dollars are IDCG and NEURO [NASDAQ OMX Europe]. But they're just one of a number of new initiatives. So I'm not sure what your question was anymore.

<Q – Howard Chen>: That's okay. Thanks. Thanks. Happy Birthday, again.

<A – Robert Greifeld>: Thank you.

Operator: And we'll take our next question from Roger Freeman at Barclays Capital.

<Q – Roger Freeman>: Hi. Good morning.

<A – Robert Greifeld>: How are you doing, Roger?

<A – Adena Friedman>: Hi, Roger.

<Q – Roger Freeman>: Okay. Thanks. So I guess, just coming back to NEURO, Bob, it sounds like you're sort of re-focusing on the dealer front to get support. But I mean dealer support has been sort of a hallmark of your new initiatives. I guess is it that the opportunity has changed where you can get dealer support now where you couldn't before with Turquoise or have you really sort of changed tact with respect to how you're approaching it?

<A – Robert Greifeld>: I think both factors are coming into line for us. Clearly, we led with low pricing and with a smart order router and with the benefits of hindsight, we probably would have led with a consortium-based effort. So I think in terms of our mental evolution, combined with other things that are going on in the market, it seems to be an opportune time for us to do something a little bit differently.

<Q – Roger Freeman>: Okay. And then I guess and it'll be probably sort of tied in, but as you look at the increased flexibility that you've got now under the Fed agreements, number one, did they previously hamper any strategic initiative that you would have undertaken?

<A – Robert Greifeld>: I would say no, Roger. But they probably would have. Let's take credit for what we accomplished in 2009. We completed the integration of Philly [PHLX]. We completed the integration of Nordic, in particular the clearinghouses and certainly came to the end of our NASDAQ OMX integration, highlighted by the achievements today.

And as we've said to everybody before, we always build upon a solid platform, and we wanted to make sure that operationally we were integrated before we would contemplate doing anything larger. So I think the timing worked out well where we are now able to declare victory with respect to the acquisitions we have done. We have delivered to our investors and to our customers what we've promised and now through the actions of our financial staff, we have that kind of flexibility. So it puts us into a different place.

<Q – Roger Freeman>: Okay. Yes. I was just sort of getting at it from an acquisition perspective, because one of the things you had sort of hinted at was that you thought you'd be in a position to consolidate over in Europe. And you haven't done anything yet, and obviously, you've had a lot on your plate. But it hasn't been the financial flexibility that's prevented that, is that right?

<A – Robert Greifeld>: No. We certainly had a lot to accomplish in 2009, which we've done. If we didn't do what we did on the re-financing, then certainly in 2010 it would have been a barrier.

<Q – Roger Freeman>: Okay. And then just last question, just looking at back in the U.S. market share, December and January, we saw some reversal of the strong share gains over the course of the fall, internalization was up, a couple of your smaller competitors were gaining again. Can you just kind of talk to some of the dynamics there?

<A – Robert Greifeld>: Well, I also would direct you to the fact that we've certainly have made progress in the latter part of January, certainly more progress again in February. So I would attribute this, Roger, more to the ebb and flow. And we're happy with the share gains in the fourth quarter. We're happy with what we've done now in the first quarter. And as you know, we live in a time where we still have stocks, individual stocks that can drive market share. And depending upon how you're positioned in that stock at that moment in time, it's either a plus or a minus. So in the grand scheme of the market share battles, I think, it's just noise and we feel happy with our progress.

<Q – Roger Freeman>: Okay. Great. Thanks.

Operator: And we'll take our next question from David Grossman at Thomas Weisel.

<Q – David Grossman>: Good morning, and thanks. It seems like there were a lot of moving pieces in the fourth quarter, a lot of things actually reversing in your favor, I think, Access Services with a price increase, we changed the pricing structure in the U.S. and the transfer from EDX to

OMX. Did you get a full quarter of benefit from that in the fourth quarter, or should we continue to see some tailwinds at least on a run rate basis into the March quarter?

<A – Adena Friedman>: That's a great question. In terms of the changes in pricing on the U.S. side, we did see a full quarter effect from the change in the BX pricing but two months of effect from the change in the NASDAQ pricing. So there could be a little bit of a pick up on that.

And then on EDX, most of the change and the move over to the Nordic trade system and clearinghouse came in December, actually the very end of November up to December 7. So we really did not see a full quarter effect of that. In fact, most of the members came right in at the end and they started trading and clearing really starting in December. So we should see more tailwinds coming from that initiative. And then lastly, on the Access Services side, we did see a full quarter effect because that change in pricing was made in the middle of the third quarter.

<A – Robert Greifeld>: And I would just add that we have seen a fairly dramatic up tick in the equity trading in the Nordics in the first quarter of 2010. So that's been quite pleasant.

<Q – David Grossman>: Right, Robert. And one other thing, maybe for you, Bob, on the pricing side. I mean, obviously you took the move in the fourth quarter and your share really was relatively stable, if not improving modestly after that change. Is your gut feeling that we've gotten to a point where pricing has really stabilized in the U.S.?

<A – Robert Greifeld>: Well, I think I've said in previous calls that the pricing battles are more around the edges where we all recognize that we have customers across a wide spectrum who have different initiatives and goals through our pricing actions. And you have to decide through your pricing actions which subset of your customers you choose to attract. And every action you take has an equal and opposite reaction, and then you have to gauge kind of the net effect.

So when I look at the pricing actions in 2009 and what's contemplated in 2010, it's more of the to and fro-ing around which subset of customers you're trying to get. And it's a fundamentally different game than what existed in 2007 where it was net wholesale reductions across a wide range of customers.

<Q – David Grossman>: Okay. Very good. Thank you.

Operator: And we'll take our next question from Niamh Alexander with KBW.

<Q – Niamh Alexander>: Hi. Thanks for taking my questions. This is the second consecutive quarter now where your derivatives, net revenues exceeded your cash, which is congrats to you guys on the diversification. And, Bob, can I just ask, if you take a step back for the options industry, how should we think about NASDAQ taking leadership there with some trade changes because we've got the bifurcated pricing structure? You've got both models right now. Is now a good time to think about maybe moving the Philly on to the make/take model, especially with the high frequency volumes starting to pick up?

<A – Robert Greifeld>: Well, I was concerned that you might find bad news in the fact our derivatives revenue is doing so well, but I'm glad you haven't. So we're proud of that. And your question leads right into, as you are obviously aware of, what we did in January with the pro-rater, Make/Take Program with Philly. And we started it with the SPDRs. And in November, we had about 7%, 7.6% market share. In January, it shot up to 21.1, and in February it's running at 21.5.

So clearly, this is probably the first hybrid market structure that has worked. And it's worked from the get-go in a dramatic way. So we're learning from that. And again, we're breeding a culture of innovation in NASDAQ OMX, and this is clearly indication of that. And we're proud of it. And now we rolled it out to a couple of other options in February, and we've seen also dramatic changes with the queues. We went from 16% to 26 just from the beginning of the month. So we're proud of that. So we're on to that, and we certainly intend to take a leadership role in leveraging the strengths of the dealer market, combining it with the Maker/Taker.

<Q – Niamh Alexander>: That's helpful. Thanks, Bob. And just help me understand. I mean I assume the Maker/Taker is typically more lucrative for an exchange. What would be the objection or what would be the impediment shall we say to kind of do a more aggressive transfer over to the Maker/Taker – is the risk that you lose the customer volume?

<A – Robert Greifeld>: Well, I would not say – I would not agree with your premise that it's more lucrative. It really depends and I think in the options world the Maker/Taker is lucrative, but I don't mean to any way point any negative comments on the dealer-centric model there. So we play with both. It's really a question of what does the customer want, what can you do to leverage your existing platform? So we're focused on that. And when you look at the pro-rate Maker/Taker that we rolled out, it did have capabilities in that plan to make sure it retained its attractiveness to retail order flow.

<Q – Niamh Alexander>: Okay. That's helpful, Bob. Thank you very much. And then just if I could real quick, I know, you like to lever the mother ship when we talk about non-organic growth. But if you could update there in terms of, are we still thinking about putting new products on the existing platform or should we maybe think about NASDAQ expanding into kind of new services as it were, maybe some more horizontal integrations?

<A – Robert Greifeld>: Some more what, horizontal?

<Q – Niamh Alexander>: Yes, like new kind of services instead of just products shall we say onto the platform?

<A – Robert Greifeld>: Well, let me talk about our listings business for a second, where I think we've led the world in providing additional services to our listed companies and you see that those – that provision of services is one driving revenue growth for us, increasingly driving profit growth and also driving switches. So when you look at the number of companies that switched from competing exchanges to NASDAQ OMX the provision of services directly from us has been a key differentiator.

So we want to continue with meeting our customer needs, continuing to drive our revenue growth in that business, and I think you'll see us intensify our effort in that area in the time to come. And we think that's just a wonderful growth opportunity. We have this privileged relationship with 4,000 listed companies. It's our job to make sure that we, one, provide services and lever that distribution channel.

<Q – Niamh Alexander>: Okay. That's helpful. Thank you. And then, just lastly if I could clarify real quick with Adena. With respect to the expense guidance there was just over like 30, 35 million related to the debt retirement. Would that be kind of the one-time in the first quarter?

<A – Adena Friedman>: Actually, it's closer to 40 million because it was 30 million associated with accelerating the fees from the old debt and then 10 million from the expiration of the interest rate swap. So it's closer to 40 on related to that particular transaction. And then, the other 10 million or so is really related to continued efforts in the technology area to become more efficient and as we do that we're going to have some one-times associated with that effort throughout the year. So that's pretty much what comprises the full 50 million.

<Q – Niamh Alexander>: Okay. That's helpful. Thanks. And then, with respect to the debt, would that most of it hit in the first quarter?

<A – Adena Friedman>: It will all be in the first quarter.

<Q – Niamh Alexander>: Okay. That's great. Thanks very much.

<A – Adena Friedman>: Sure.

Operator: And we'll take our next question from Ed Ditmire at Macquarie.

<Q – Edward Ditmire>: Good morning, guys.

<A – Robert Greifeld>: How are you doing?

<Q – Edward Ditmire>: Quick question, is there anything discrete that might be keeping you guys from doing a stock buyback, such as being loathe to take on more financial leverage after getting your debt upgrade or is it – should we simply interpret the decision between buybacks, which seem like they would be highly accretive right now with the stock at nine times versus M&A opportunities that of course could offer more upside?

<A – Robert Greifeld>: Our stock is at nine times. That seems mighty low, doesn't it? But I would say this. As I said before, we now have flexibility. We have excessive cash on our balance sheet. And we certainly recognize we're not a bank. I think our Board of Directors recognizes that and it's for the board to consider how to best allocate that capital. And this is something that we will be focused on in the weeks and months to come.

<Q – Edward Ditmire>: There's no pre-existing buyback authorization?

<A – Robert Greifeld>: No.

<Q – Edward Ditmire>: Okay. Thanks, guys.

Operator: And we'll take our next question from Chelsea Brown (sic) [Celeste Brown] in Morgan Stanley.

<Q – Celeste Mellet Brown>: Hi. It's Celeste Brown. I don't think I changed my name this morning.

<A – Adena Friedman>: Hi, Celeste, how are you?

<Q – Celeste Mellet Brown>: Good, how are you? Just coming back to the Nordic, it's surprising and a positive front that you maintained your share on the equity side. Can you help us think about the competitive dynamics over the next 12 months, a lot of changes with clearing and INET launching today, do you expect to see more competition coming into that market as your competitors see the increased volumes, et cetera?

<A – Robert Greifeld>: Well, let's say this. As compared to a year ago, we are certainly significantly better positioned to compete. So a year ago, we had an environment where the lack of CCP gave a fundamental advantage to MTFs housed in London. So today we have CCP. A year ago we had a platform while improved was not competitive with other MTFs. Today, we have the fastest platform on the planet running our Nordic marketplace. So we feel obviously very strong that we're in a position to grow this market in some fundamental ways. We know our market is incredibly attractive to our U.S.-based customers, now that we have essentially a plug-and-play capability.

And I think it's important to recognize the pricing action we took in the Nordics in January, and it was a new and creative response as an established exchange to the pending competition from MTFs and other exchanges. And we allow people to essentially hit a max payment rate to us and this allows us to lock into revenue that we had in 2009, and the ability to then grow that revenue based upon new entrants coming into the marketplace. And that, as I said, is different. We haven't seen it done by any established exchange before. We think it will be surprisingly effective.

<Q – Celeste Mellet Brown>: Okay. And then sticking to the Nordics, again on the derivatives side, how tight do you think you have a grasp on the derivatives volumes that have moved over from EDX? We've seen talk of competitors trying to step up their efforts in that market. Do you feel like now that you've made the move, you've locked it or there's still some risk as the year progresses?

<A – Robert Greifeld>: Well, there's always risk. But the greater risk was moving the volume away from EDX. So we definitely feel proud of the fact that that volume essentially moved. I won't say 100%, but certainly 99% of the volume has moved. So there's always risk. But on a scale, the risk is dramatically declined to where it was three and six months ago. We will continue to stay close to our customers and make sure that we're delivering value to them. And obviously they have recognized that by the wonderful success we had in December of 2009.

<Q – Celeste Mellet Brown>: Okay. Thank you.

<A – Robert Greifeld>: And I think it's important to recognize now with this EDX transition, we have essentially turned our Nordic clearinghouse into a European clearinghouse. The new members, the 60% growth in membership, was driven not by new members from the Nordics but by European members coming in and they also requested us to make some changes to our clearinghouse practices that brought it more in line to what they're expecting in Europe and we have done that. And so now this clearinghouse is positioned. We have the connectivity with the customer base and there's many ways we can lever this clearinghouse in the time to come.

<Q – Celeste Mellet Brown>: Okay. Thank you.

Operator: And we'll take our next question from Bob Napoli at Piper Jaffray.

<Q – Robert Napoli>: Thank you and good morning.

<A – Robert Greifeld>: How're you doing, Bob?

<Q – Robert Napoli>: Very good, how are you?

<A – Robert Greifeld>: All right.

<Q – Robert Napoli>: The question on, just a follow-up on the U.S. options business. It does – what is your view the outlook for capture rates in the U.S. options business as we move into 2010 and '11? It does seem like the competitive battles are maybe ramping up somewhat there and I know you talked about the mix in the fourth quarter but I was wondering if you could give a little bit of an outlook, your best feel for capture rates?

<A – Robert Greifeld>: Well, I would focus on the market structure first and foremost. So it's a little bit different than the equity dynamic. So the nature of the market structure and the participants who are engaged in your market structure in some ways are more important than your particular nominal rate on a transaction. So we have to continue to deliver market structure innovations and advancements that retains and increases our customer base. So certainly with the pro-rate Maker/Taker model we put in Philly, we've done that. We've increased share. We have some reduction in rate for those particular options, but clearly the overall revenue has increased dramatically. So I think the option space is more nuanced than the equity space, and allows I think a good management team the opportunity to execute very well.

<Q – Robert Napoli>: Thanks, Bob. A question on the Access Services revenues and margin, can you remind me the pricing, how you price that business and what are the – if you can give some feel for the operating margins on the Access Services business?

<A – Adena Friedman>: Sure. So on Access Services, we – it's purely a monthly fee, although we do allow people if they want to pay forward, essentially, and guarantee they're having this for a year, they can pay us a slightly reduced rate and knowing that we have a year of revenue locked in. But generally it's a monthly fee. And it depends on the service, so if they're getting just a port, just a fixed connection into our market, it's in the hundreds of dollars a month. But if they're co-locating on our – in our data center and putting servers in the data center, we call them cabinets, then they're paying us a few thousand dollars a month to co-locate the servers. And some customers will have one server, and some customers will have 25 servers. It just depends on how much volume they're flowing into the marketplace.

And then they also pay for the market data that they're receiving as a distributor, so they're paying the distributor fees for the market data that they're receiving as well. So it adds up to a few thousand dollars a month. And I think all of our rates are published, so they're available for everyone to see and everyone pays the same, but it is essentially monthly revenue.

In terms of margin, it's not dissimilar to the overall margins in Market Services. We don't break out the Access Services margins, but under the new contract with Verizon that we entered into late last year, we feel comfortable in saying that the margins on that are at least the same as what we get overall for Market Services.

<Q – Robert Napoli>: What – how much capacity do you have to grow that business as far as the co-location portion? What kind of a revenue growth rate would you place on that business over the long run?

<A – Adena Friedman>: Well, we – in terms of capacity, we – actually Verizon completed a build-out of the data center and we have the ability – we actually have a further build-out later this year locked into our contract, so that we have the ability to essentially I think we tripled the capacity of the data center associated with the build-out. So we now have excess space and the ability to take in new demand from clients. And I think that it's something that we expect to continue to grow in terms of demand and we're out there actively selling space.

<A – Robert Greifeld>: Yes. As we said a year ago, we had more demand than supply. We have that in the right balance right now, where we have supply certainly for what would be the foreseeable future and the sales force is out there selling.

<Q – Robert Napoli>: Thanks. Last question. Just on the deal front, now that you do have more flexibility, I was wondering if you could just give a little color into what opportunities you see in the market. I'm sure any time anything is available, that you guys are on the distribution list and I mean is there a lot of activity going on in the market today? I mean, are there -

<A – Robert Greifeld>: Well, I'd like, we're an automatic recipient of any deal and that's probably not that far from the truth. But that being said in the environment you describe which we essentially agree with, the necessity of maintaining discipline is paramount and so we do that. We have our north star in terms of which guides us. We have to be leveraging the mother ship. It has to accrete within 12 months, very large deal can go slightly longer but not so much longer that you're trying to predict the future. So that being said, there is definitely opportunities out there, things that we consider, but our discipline will always guide us.

<Q – Robert Napoli>: Thank you.

Operator: And we'll take our next question from Jonathan Casteleyn at Susquehanna.

<Q – Jonathan Casteleyn>: Yes. Thanks, good morning. You mentioned starting the trading of your UK Power business within the next six months. How does that compare to your original scheduled timeframe? And is there any way to quantify the impact either in start-up costs or new earnings?

<A – Robert Greifeld>: Well, it's sooner than we originally thought and the good news here is the users in the marketplace, the spot market, are saying you need to go live sooner rather than later. And at this point in time, it's our internal issues to be ready to go live, so we thought we had six months. We have less time than that. We're working hard to make it happen sooner. That being said we're not quantifying at this point what the revenues are. We just know that the UK Power Market is roughly equivalent in size to the Nordic Power Market and you can see how large of an opportunity that is for us.

<A – Adena Friedman>: And I would say, Jonathan, that in terms of the investment, it's really existing resources that we're using to build out this capability because it's obviously building on the strength of our know-how and expertise in the Nordic Power Market. So, it's basically leveraging the systems and people we already have.

<A – Robert Greifeld>: Right. And the work we did to consolidate the clearinghouses in 2009 provides the platform for us to now lever that to use it for UK Power. So that work's been done and it's not so much incremental expenditure, it's a question of what takes the priority. So we've moved this up on the priority list with respect to our projects, and obviously there is a cost on the downstream, and some other things are not getting done.

<Q – Jonathan Casteleyn>: So any cost associated with the initiative are in your run rate guidance?

<A – Robert Greifeld>: No doubt.

<Q – Jonathan Casteleyn>: Okay. And then any chance we can get an update on the Borse Dubai holding? I mean I know they're a separate entity, but any communiqué with them and any sort of indication of their longer-term intentions with the stock holding?

<A – Robert Greifeld>: Well, as you know, we have representatives on their board. They're actively engaged board members, and they have certainly communicated to us in no uncertain terms that they are long-term holders of their position in NASDAQ OMX.

<Q – Jonathan Casteleyn>: Understood. Thank you very much.

Operator: And we'll take our next question from Johannes Thormann at HSBC Global Bank.

<Q – Johannes Thormann>: Good morning, everybody. Johannes from HSBC. One question. You talked about your success in migrating business from EDX to your own strong Nordic platform, and mentioned also clearing. What is your risk for this migration if a competitor buys EMCF from Fortis or majority stake at least in that platform?

<A – Robert Greifeld>: Well, those two are not related. So the EDX is our NASDAQ OMX branded license derivatives products. EMCF was set up as a cash equity clearinghouse. We currently own 22% of it. And at the time of the investment, we made it very clear that we were not trying to create a vertical silo and we invited others, whether it be exchanges and/or MTFs to take an equity interest in EMCF. Our goal with respect to clearing in Europe is to create a competitive dynamic that drives down the cost of clearing in Europe that then has a secondary benefit of increasing the velocity of trading in the market.

<Q – Johannes Thormann>: Okay. Thank you.

<A – Robert Greifeld>: Okay. We're done?

Operator: And it appears we have no further questions at this time. I'd like to turn the conference back over to you, Bob Greifeld, for any additional or closing remarks.

Robert Greifeld, Chief Executive Officer

Well, I would just say thanks, everybody, for joining us here the Monday after the Super Bowl on our 39th birthday. We're certainly proud of the year we had in 2009 against difficult macroeconomic and microeconomic conditions. It's certainly I think shows the resiliency of our business model and we look forward to executing very well as we always do against a more promising environment in 2010 and look forward to speaking to you in three months time. So thank you.

Operator: And that does conclude today's conference. Thank you for your participation today.