

Comments from Second Quarter 2024 Results

We are publishing a summary of certain comments that we provided on July 25, 2024 in our 2Q24 earnings materials regarding our 2Q24 earnings results, including the additional commentary we provided about our 3Q24 and 2024 expectations. The below comments summarize historical statements and are not updates to previously made disclosures.

	3rd Quarter Commentary	FY24 & Other Commentary
Capital Access Platforms		- "We expect full-year [2024] revenue growth for Capital Access Platforms to exceed our medium-term growth outlook range"
Index		- "with Index expected to come in [for 2024] above its [medium-term growth outlook] range"
Data and Listings	- "We expect the quarterly headwind from lower amortization of prior period listing fees to increase from an immaterial YoY impact in 1Q24, and approximately \$1 million YoY in 2Q24, to about \$3 million YoY in each of the next four quarters."	- "and with Data and Listings essentially flat year-on-year [in 2024]." - "However, we have seen roughly 25% fewer de-listings in the first half of the year vs the prior year period, suggesting that de-listings should be less of a revenue headwind in 2025."
Workflow and Insights		- "Workflow & Insights expected to come in [for 2024] below its [medium-term growth outlook] range."
Financial Technology		
Financial Crime Mgmt		
Capital Markets Tech	- "The lower growth in revenue was due to year-over-year decline in Professional Services revenues. As we mentioned last quarter, in Market Tech we had a very large implementation in 2023 which created a \$27 million revenue benefit in the full year of 2023, and this year is resulting in subscription revenue or ARR of \$11 million. We expect this year-over-year headwind to persist in Q3 and abate in Q4." - "As we look forward, we continue to see solid momentum in the business, and expect Capital Markets Technology revenue growth for 2024 to remain in line with our medium-term outlook. Overall, for the second half of 2024, we expect more normalized growth across the products within the sub-division vs the first half of the year, with consistent growth between quarters."	- "The lower growth in revenue was due to year-over-year decline in Professional Services revenues. As we mentioned last quarter, in Market Tech we had a very large implementation in 2023 which created a \$27 million revenue benefit in the full year of 2023, and this year is resulting in subscription revenue or ARR of \$11 million. We expect this year-over-year headwind to persist in Q3 and abate in Q4." - "As we look forward, we continue to see solid momentum in the business, and expect Capital Markets Technology revenue growth for 2024 to remain in line with our medium-term outlook. Overall, for the second half of 2024, we expect more normalized growth across the products within the sub-division vs the first half of the year, with consistent growth between quarters."
Regulatory Tech		
AxiomSL & Calypso		- "We believe this [AxiomSL ratable revenue recognition] change would enhance our financial reporting and would not change the Adenza medium-term outlook we had provided nor our ability to achieve it this year."
Expenses & Synergies		- "For the full-year [2024], we expect non-GAAP operating expense of \$2.145 billion to \$2.185 billion, reflecting an increase to the bottom end of the range to account for strong revenue generation, which increases variable compensation and enables us to invest in growth initiatives, while also accounting for the synergy benefits realized in the year." - "Please note that the [expense synergy] actions of 2Q and 3Q have a longer timeline to expense recognition, and as such, we expect the full impact of synergies to moderate expense growth by approximately 1.5 percentage points for full year 2024."
Cost of Debt	- 3.9% pre-tax weighted average cost of debt at 2Q24-end. This is prior to the cumulative impact of Accretion of debt issuance costs and debt discount & Other fees. This was \$3M in 2Q24.	
Non-GAAP Tax Rate		- "We continue to expect a full-year tax rate of 24.5 to 26.5 percent on a non-GAAP basis."
Capital Allocation Priorities		- "Looking ahead, we remain focused on deleveraging and expect to pay down the remaining commercial paper balance near-term, while maintaining flexibility to be opportunistic. We also remain committed to offsetting employee dilution."

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Information set forth in this communication contains forward-looking statements that involve a number of risks and uncertainties. Nasdaq cautions readers that any forward-looking information is not a guarantee of future performance and that actual results could differ materially from those contained in the forward-looking information. Such forward-looking statements include, but are not limited to (i) projections relating to our future financial results, growth, products and services, ability to transition to new business models or implement our new corporate structure, taxes and achievement of synergy targets, (ii) statements about the benefits of certain acquisitions and other strategic and capital allocation initiatives, (iii) statements about our integrations of our recent acquisitions and (iv) other statements that are not historical facts. Forward-looking statements involve a number of risks, uncertainties or other factors beyond Nasdaq's control. These factors include, but are not limited to, Nasdaq's ability to implement its strategic initiatives, economic, political and market conditions and fluctuations, geopolitical instability, government and industry regulation, interest rate risk, U.S. and global competition. Further information on these and other factors are detailed in Nasdaq's filings with the U.S. Securities and Exchange Commission, including its annual reports on Form 10-K and quarterly reports on Form 10-Q, which are available on Nasdaq's investor relations website at <http://ir.nasdaq.com> and the SEC's website at www.sec.gov. Nasdaq undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise.