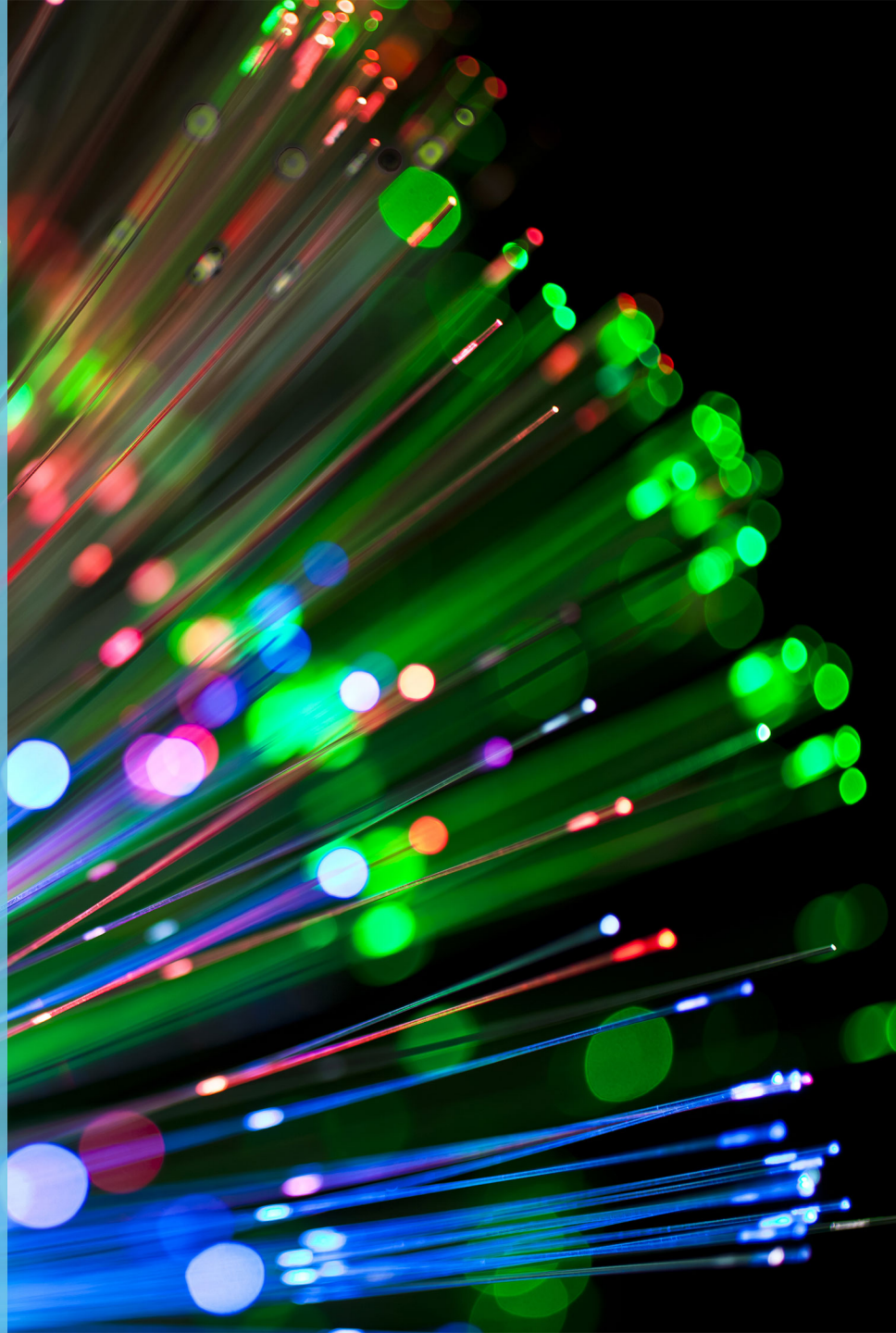
Intercontinental Exchange

2Q17 Earnings Supplement

August 3, 2017

ICE
LISTED
NYSE



Forward-Looking Statement and Legends

CAUTIONARY STATEMENT REGARDING FORWARD LOOKING STATEMENTS

This presentation may contain "forward-looking statements" made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Statements regarding ICE's business that are not historical facts are forward-looking statements that involve risks, uncertainties and assumptions that are difficult to predict. Although we believe the expectations reflected in these forward-looking statements are reasonable, these statements are not guarantees of future results, performance, levels of activity or achievements, and actual results may differ materially from what is expressed or implied in any forward-looking statement. The factors that might affect our performance include, but are not limited to: conditions in global financial markets, the economy and political and social conditions; changes in domestic and foreign laws, regulations, rules or government policy with respect to financial markets, or our businesses generally, including increased regulatory scrutiny or enforcement actions and our ability to comply with these requirements; volatility in our markets; our business environment and industry trends; the success of our clearing houses and our ability to minimize the risks associated with operating multiple clearing houses in multiple jurisdictions; the success of our equity exchanges and their compliance with regulatory and oversight responsibilities; the resilience of our electronic platforms and soundness of our business continuity and disaster recovery plans; continued high renewal rates of subscription-based data revenues; our ability to identify and effectively pursue acquisitions and strategic alliances and successfully integrate the companies we have acquired or acquire in the future; our ability to effectively maintain our growth; performance and reliability of our technology and the technology of our third party service providers; our ability to ensure that the technology we utilize is not vulnerable to security risks, hacking and cyber-attacks; our ability to identify trends and adjust our business to respond to such trends; the accuracy of our estimates and expectations; our belief that cash flows from operations will be sufficient to service our current levels of debt and fund our working capital needs and capital expenditures for the foreseeable future; our ability to maintain existing customers and attract new customers and offer new products; our ability to attract and retain our key talent; our ability to protect our intellectual property rights, including the costs associated with such protection, and our ability to operate our business without violating the intellectual property rights of others; and potential adverse results of litigation and regulatory actions and proceedings. For a discussion of such risks and uncertainties, which could cause actual results to differ from those contained in the forward-looking statements, see ICE's Securities and Exchange Commission (SEC) filings, including, but not limited to ICE's most recent Annual Report on Form 10-K for the year ended December 31, 2016, as filed with the SEC on February 7, 2017. These filings are available in the Investors section of our website. We caution you not to place undue reliance on these forward-looking statements. Any forward-looking statement speaks only as of the date on which such statement is made, and we undertake no obligation to update any forward-looking statement or statements to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of an unanticipated event. New factors emerge from time to time, and it is not possible for management to predict all factors that may affect our business and prospects. Further, management cannot assess the impact of each factor on the business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements.

GAAP AND NON-GAAP RESULTS

This presentation includes non-GAAP measures that exclude certain items we do not consider reflective of our cash operations and core business performance. We believe that the presentation of these non-GAAP measures provides investors with greater transparency and supplemental data relating to our financial condition and results of operations. These adjusted non-GAAP measures should be considered in context with our GAAP results. A reconciliation of Adjusted Net Income Attributable to ICE, Adjusted Earnings Per Share, Adjusted Operating Income, Adjusted Operating Margin and Adjusted Operating Expenses to the equivalent GAAP measure and an explanation of why we deem these non-GAAP measures meaningful appears in our Form 10-Q and in the appendix to this presentation. The reconciliation of Adjusted Effective Tax Rate, Adjusted Debt-to-EBITDA, and Free Cash Flows to the equivalent GAAP results appear in the appendix to this presentation. Our Form 10-Q, earnings press release and this presentation are available in the Investors and Media section of our website at www.theice.com.

EXPLANATORY NOTES

All net revenue figures represent revenues less transaction based expenses for periods shown. All earnings per share figures represent diluted weighted average share count on continuing earnings.

ICE Second Quarter 2017 Earnings Call Participants

Participants:



Jeff Sprecher
Chairman & CEO
Chairman, NYSE



Chuck Vice
President & COO



Scott Hill
Chief Financial Officer

Investor Relations:

• Warren Gardiner, CFA	Vice President, Investor Relations	warren.gardiner@theice.com
• Mary Caroline O'Neal, CPA	Manager, Investor Relations	marycaroline.oneal@theice.com
• Kelly Loeffler, CFA	Chief Communications and Marketing Officer	kelly.loeffler@theice.com

Second Quarter 2017 Highlights

- **Record quarterly revenues, +4% y/y; record adj. EPS, +9% y/y**
- **2Q17 constant currency data revenue growth +6%[(1)] y/y**
- **2Q17 record futures average daily volume +28% y/y, open interest +12% y/y**
- **NYSE listings leadership; 88% share of U.S. IPO proceeds YTD**
- **Adj. op. margin 59%, +3 pts y/y; record adj. operating income +8% y/y**
- **1H17 free cash flow (FCF) of $897MM[(2)]; ~80% returned to shareholders**

(1) Net revenues in constant currency are calculated holding both the pound sterling and euro at the average exchange rate from 2Q16, which was 1.4339 and 1.1294, respectively.

(2) Free Cash Flow = Cash Flow from Operations - Capital expenditures - Capitalized software development costs - Section 31 fees. See appendix for reconciliation to the equivalent GAAP measure.

Adjusted figures represent non-GAAP measures. Please refer to slides in the appendix for reconciliations to the equivalent GAAP measures.

Second Quarter 2017 Performance

INCOME STATEMENT HIGHLIGHTS (in millions except per share amounts and percentages)	2Q17	2Q16	% Chg
Net Revenues	$1,178	$1,129	4%
Net Revenues in Constant Currency[(1)]			**6%**
Adj. Operating Expenses	$488	$494	(1)%
Adj. Operating Income	$690	$635	8%
Adj. Operating Margin	59%	56%	+3 pts
Adj. Tax Rate	30%	31%	-1 pt
Adj. Net Income Attributable to ICE	$448	$411	9%
Adj. Diluted EPS	$0.75	$0.69	9%

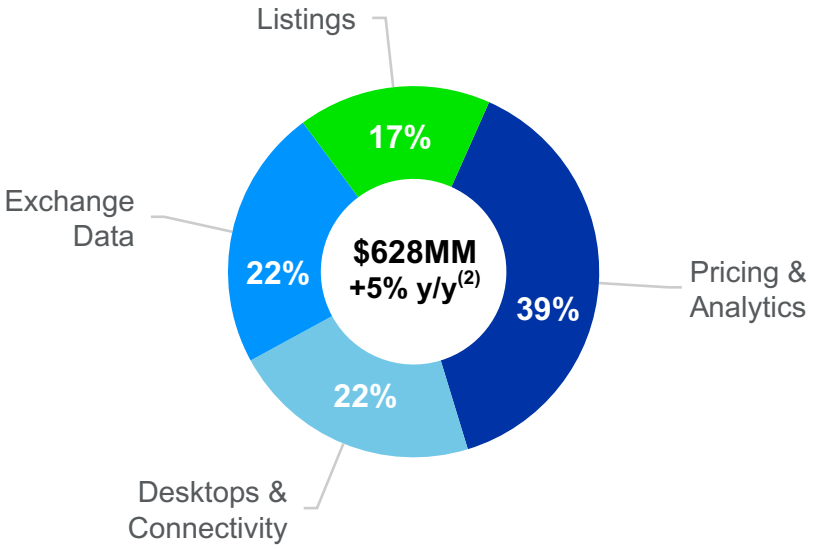
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Adjusted figures represent non-GAAP measures. Please refer to slides in the appendix for reconciliations to the equivalent GAAP measures.

Second Quarter 2017 Data & Listings Segment

- Recurring revenues 53% of total ICE revenues
- Data revenue +6% y/y in constant currency[2]; +4% y/y organic, constant currency[1][2]
  - Organic Pricing & Analytics (P&A) revenue +5% y/y in constant currency[1][2]
  - Organic Desktops & Connectivity (D&C) revenue +7% y/y in constant currency[1][2]
- Record quarterly listings revenue; $19.3B capital raised in 1H17
- Adj. operating income +11% y/y

$ (in millions)	2Q17	2Q16	% Chg	Const Curr[2]
Revenue:				
Pricing and Analytics	$242	$211	15%	16%
Exchange Data	142	139	2%	2%
Desktops and Connectivity	137	147	(7)%	(4)%
Data Total	**521**	**497**	**5%**	**6%**
Listings	107	105	2%	2%
Segment Revenue	**$628**	**$602**	**4%**	**5%**
Adj. Operating Expenses	$290	$298	(3)%	
Adj. Operating Margin	54%	50%	+4 pts	

2Q17 Data & Listings Revenue



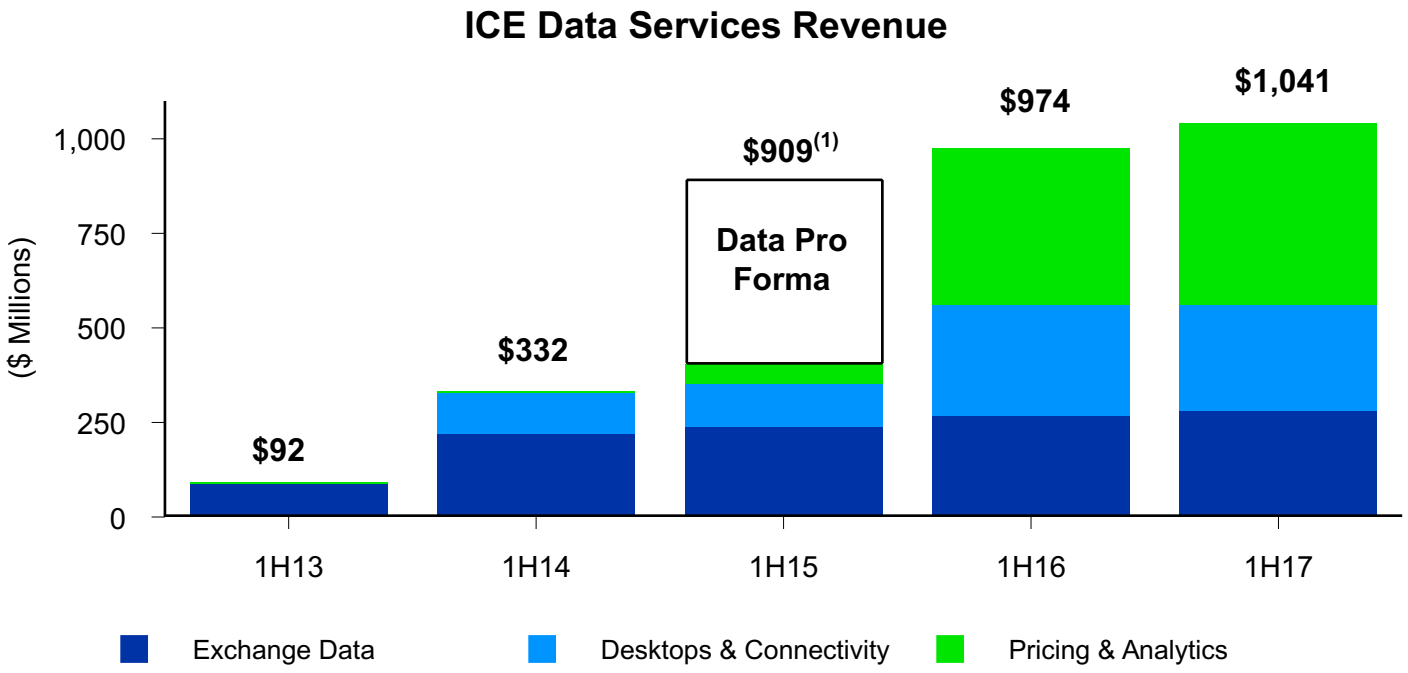
(1) Organic growth excludes material businesses that have been acquired, divested or discontinued and significantly impact the comparable periods. For 2Q17 and 2Q16, $27MM and $18MM of data revenues were excluded, respectively.

(2) Net revenues in constant currency are calculated holding both the pound sterling and euro at the average exchange rate from 2Q16, which was 1.4339 and 1.1294, respectively.

Adjusted figures represent non-GAAP measures. Please refer to slides in the appendix for reconciliations to the equivalent GAAP measures

Growth in Proprietary Data Services

- **ICE data revenues on track to grow at least 6% y/y[(2)] in constant currency for FY 2017**
- 1H17 total new contract signings in EMEA +18% y/y and +15% y/y in Asia Pacific P&A
- Entering 3Q17, organic annual subscription value (ASV)[(2)(3)] +5% y/y; P&A ASV +7% y/y, D&C ASV +8% y/y

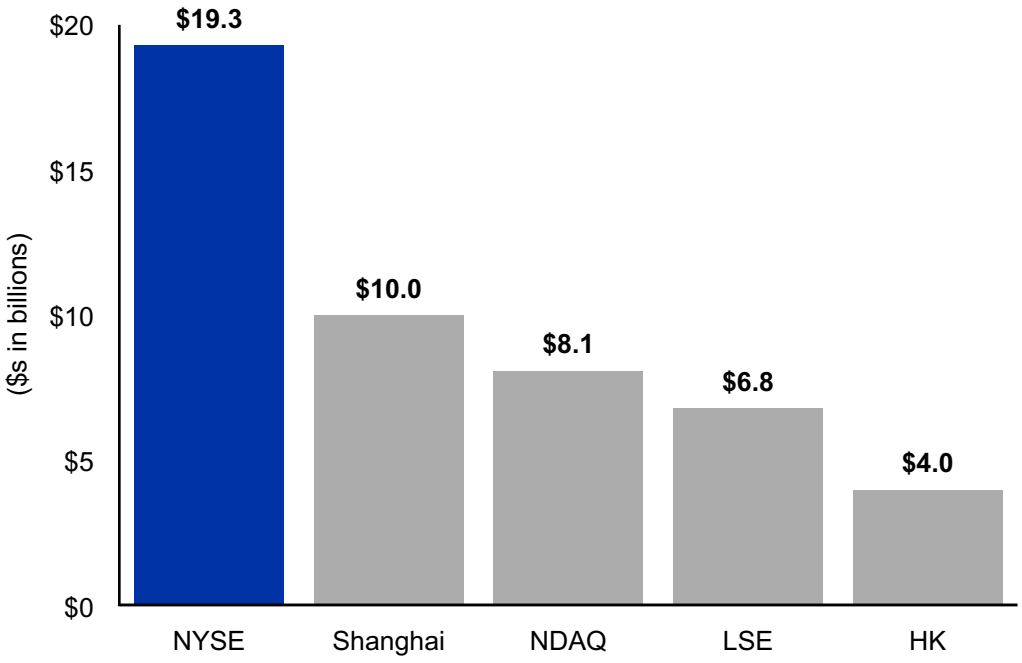


(1) 2015 figures reflect proforma results which include Interactive Data Corporation and Trayport as if we owned them during 2015. 2015 proforma results are available in the Investor Section of our website.
(2) Net revenues in constant currency are calculated holding both the pound sterling and euro at the average exchange rate from 2Q16, which was 1.4339 and 1.1294, respectively.
(3) Organic ASV is defined as the annual value of subscriptions under contract entering 3Q17 compared to subscriptions under contract entering 3Q16 excluding material businesses that have been acquired, divested or discontinued and significantly impact the comparable periods.

Global Listings Leadership

- NYSE remains the #1 exchange globally with over $19.3B in proceeds raised via 49 IPOs
- NYSE has listed 28 of the last 28 operating company IPOs that raised $700 million or more
- Global leader in listings and trading of ETFs
- NYSE Governance Services divestiture will reduce revenue and expenses by approx. $4MM in 3Q17

Global Capital Raised First Half 2017



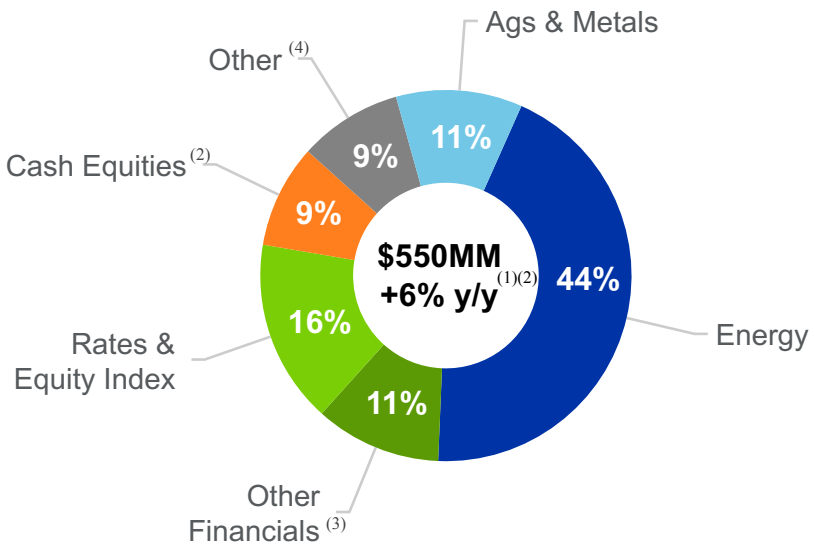


Second Quarter 2017 Trading & Clearing Segment

- Trading & Clearing revenue +6% y/y in constant currency[(1)]
  - Record Futures ADV +28% y/y, Energy +22% y/y, EU interest rates +63% y/y; OI +12% y/y
  - Record ADV quarter for Brent, Sterling, and MSCI contracts
- Adj. operating income +6% y/y
- July ADV +11% y/y; July OI +10% y/y
- Solid uptick in Energy RPC in July vs. June

$ (in millions)	2Q17	2Q16	% Chg	Const Curr[(1)]
Revenue, net:				
Commodities	$305	$291	**5%**	**5%**
Financials[(2)]	196	194	**1%**	**5%**
Other[(4)]	49	42	**16%**	**18%**
Segment Revenue	**$550**	**$527**	**4%**	**6%**
Adj. Operating Expenses	$198	$196	2%	
Adj. Operating Margin	64%	63%	+1 pt	

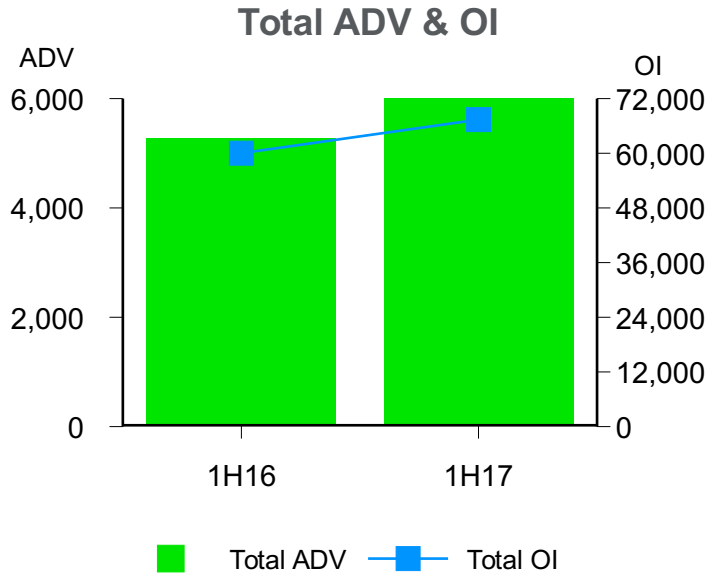
2Q17 Trading & Clearing Revenue

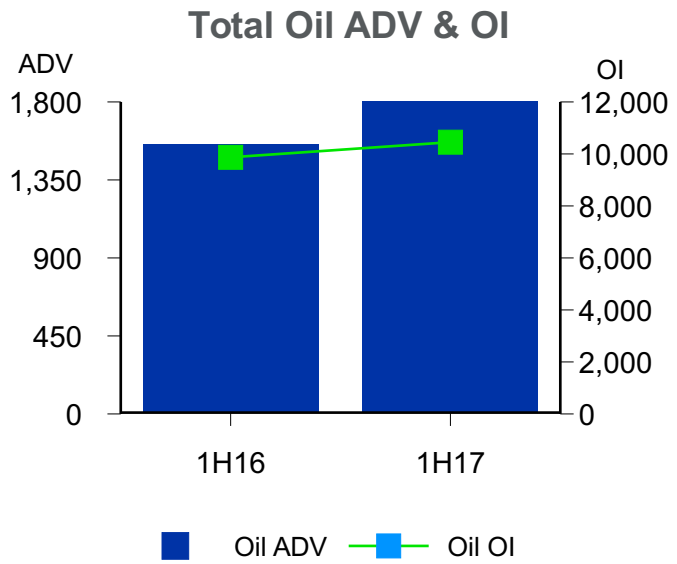


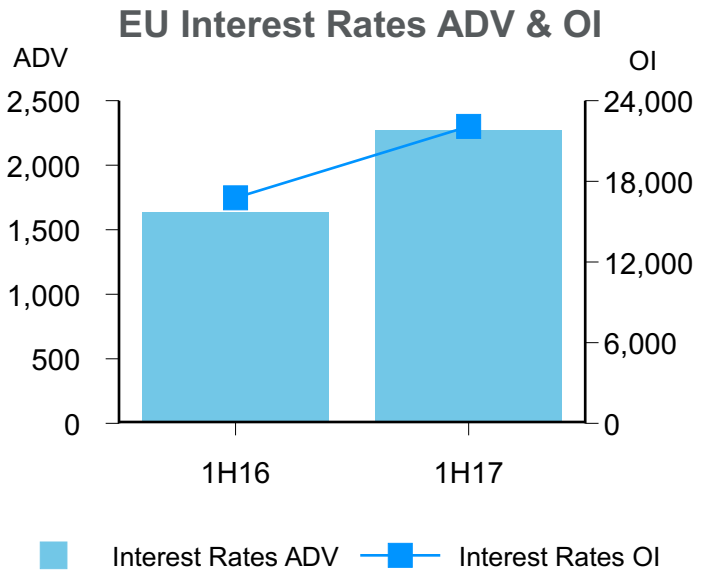
(1) Net revenues in constant currency are calculated holding both the pound sterling and euro at the average exchange rate from 2Q16, which was 1.4339 and 1.1294, respectively.
(2) Net of transaction based expenses.
(3) Other financials includes equity options, net and credit transactions
(4) Other revenue includes interest income on certain clearing margin deposits, regulatory penalties and fines, fees for use of our facilities, regulatory fees charged to member organizations of our U.S. securities exchanges, designated market maker service fees, exchange member fees, and agriculture grading and certification fees.
Adjusted figures represent non-GAAP measures. Please refer to slides in the appendix for reconciliations to the equivalent GAAP measures.

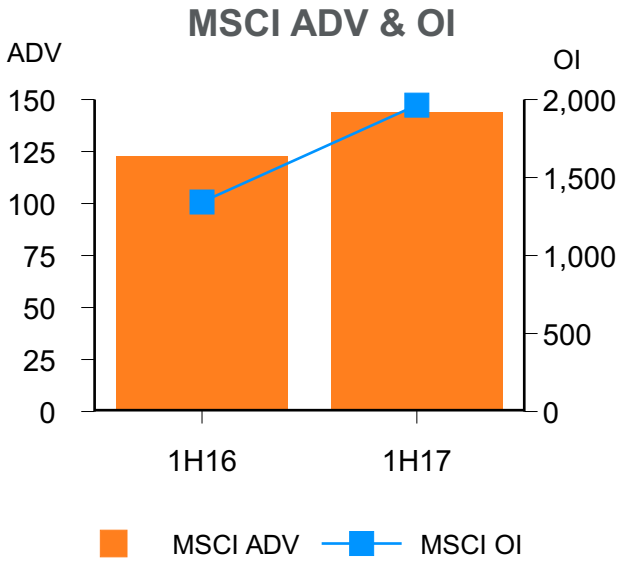
Strong Futures Volume and OI in 1H17

All figures in thousands



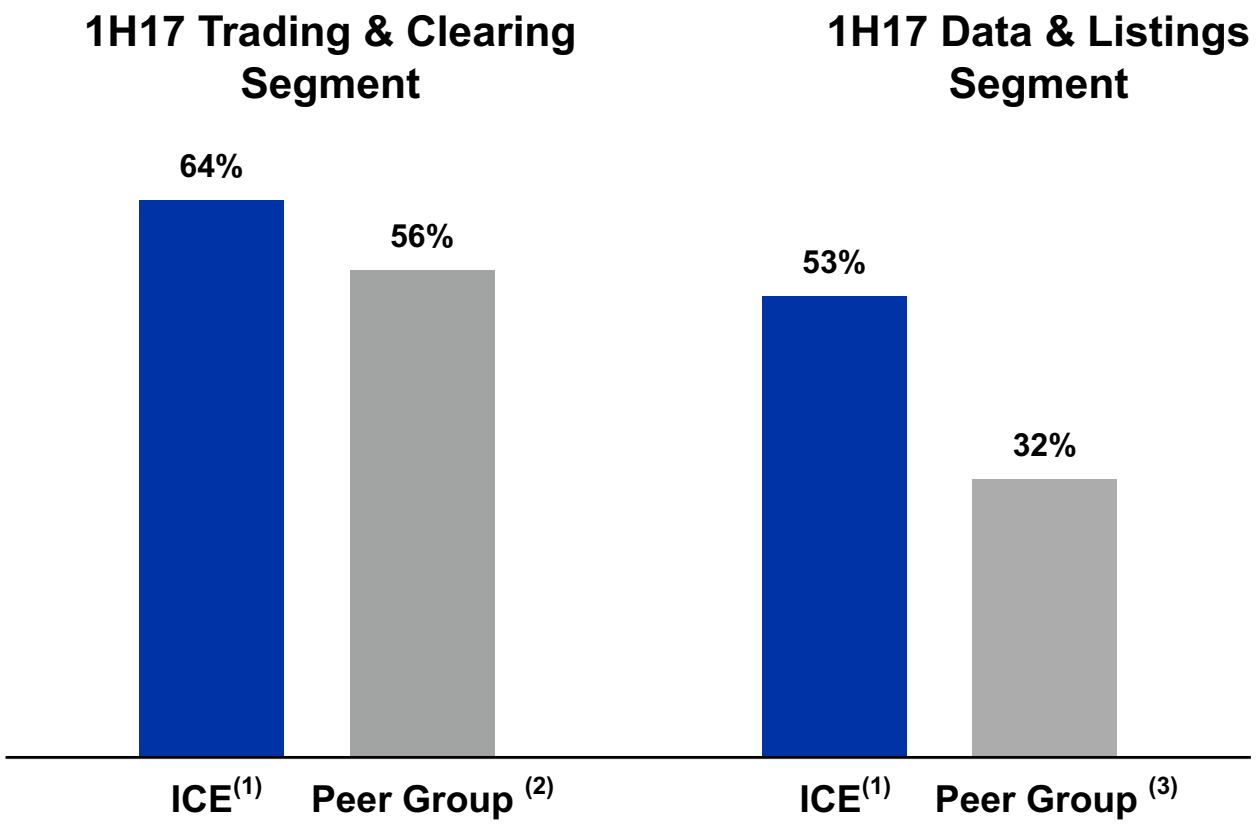






Operating Margins Distinguish ICE From its Peer Group

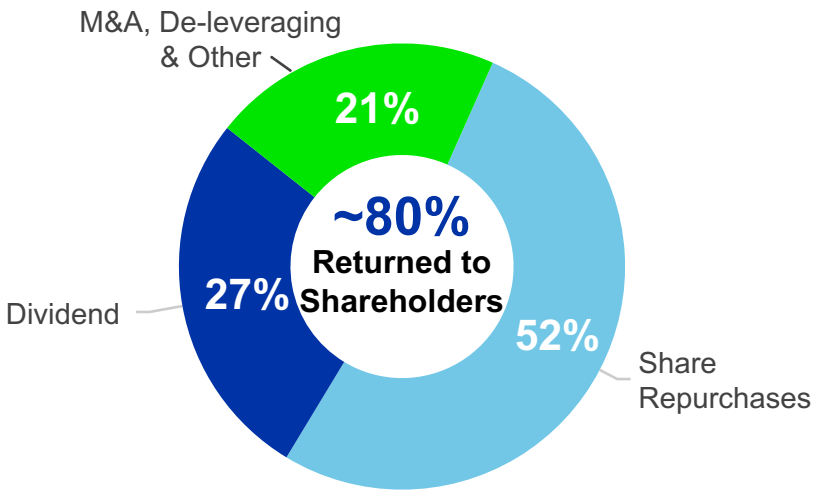
- Revenue growth at high-incremental margins delivers strong profit and cash flow growth
- Integration, execution, and innovative technology platform supports cost-efficient business expansion



(1) Adjusted figures represent non-GAAP measures for the 6 months ending 6/30/2017. Please refer to slides in the appendix for reconciliations to the equivalent GAAP measures.
(2) Peer group consists of CME Group Inc., Deutsche Boerse Ag, and Nasdaq Inc. market services business for the 6 months ending 6/30/2017 and London Stock Exchange Plc. capital markets, post-trade services and other segments for the 12 months ending 12/31/2016.
(3) Peer group consists of S&P Global Inc., Thomson Reuters Corp., and Nasdaq Inc. information services, market technology, and corporate services segments for the 6 months ending 6/30/2017, IHS Markit Ltd. for the 6 months ending 5/31/2017, MSCI Inc. for the 3 months ending 3/31/2017, and London Stock Exchange Plc. information services and technology services segments for the 12 months ending 12/31/2016. IHS Markit Ltd. adjusted operating margin adjusted to add back stock-based compensation to align with ICE reporting.

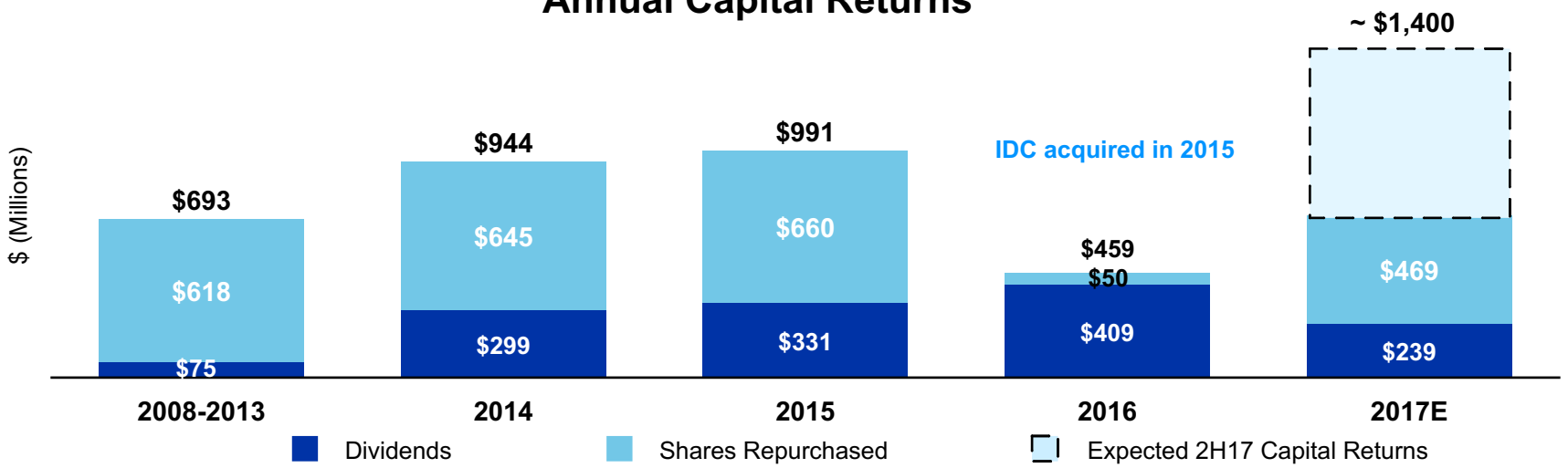
Strong Free Cash Flow Generation & Capital Return

1H17 Free Cash Flow Uses



- 1H17 op. cash flow of $1.1B; FCF $897MM[(1)]
- Achieved leverage target of 2.0x debt-to-EBITDA[(2)]
- Approx. 80% FCF returned to shareholder in 1H17
  - $469MM in shares repurchased in; $76MM repurchased in July
  - $239MM in dividends, +17% y/y
- ICE expects to return ~$1.4B to shareholders in 2017

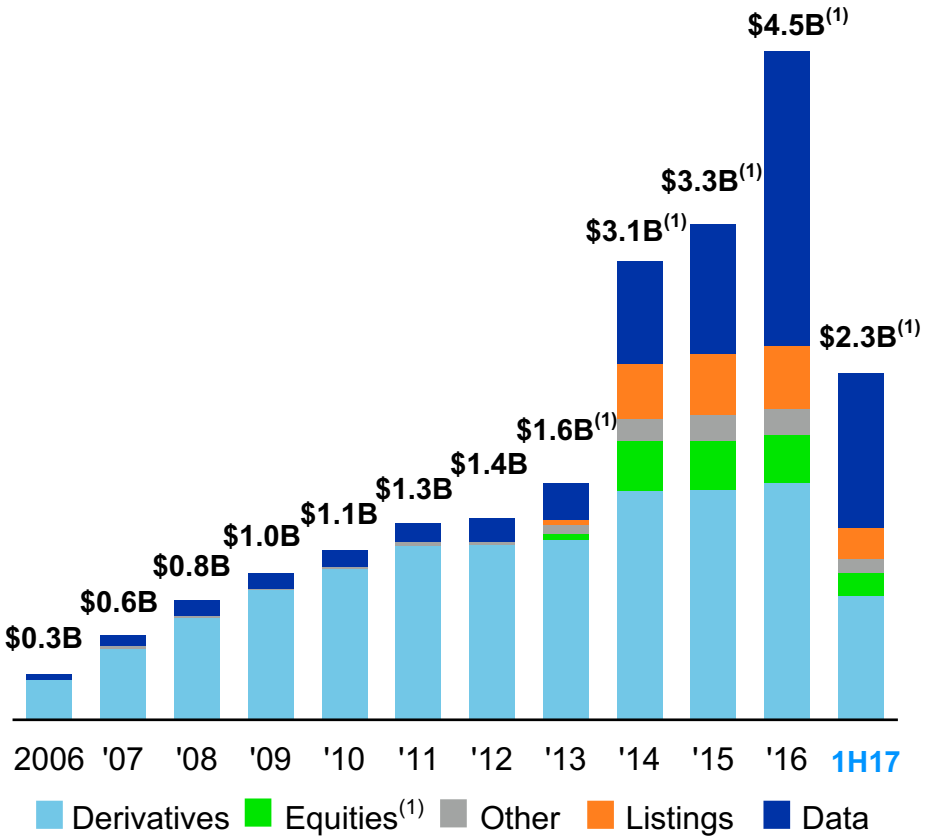
Annual Capital Returns



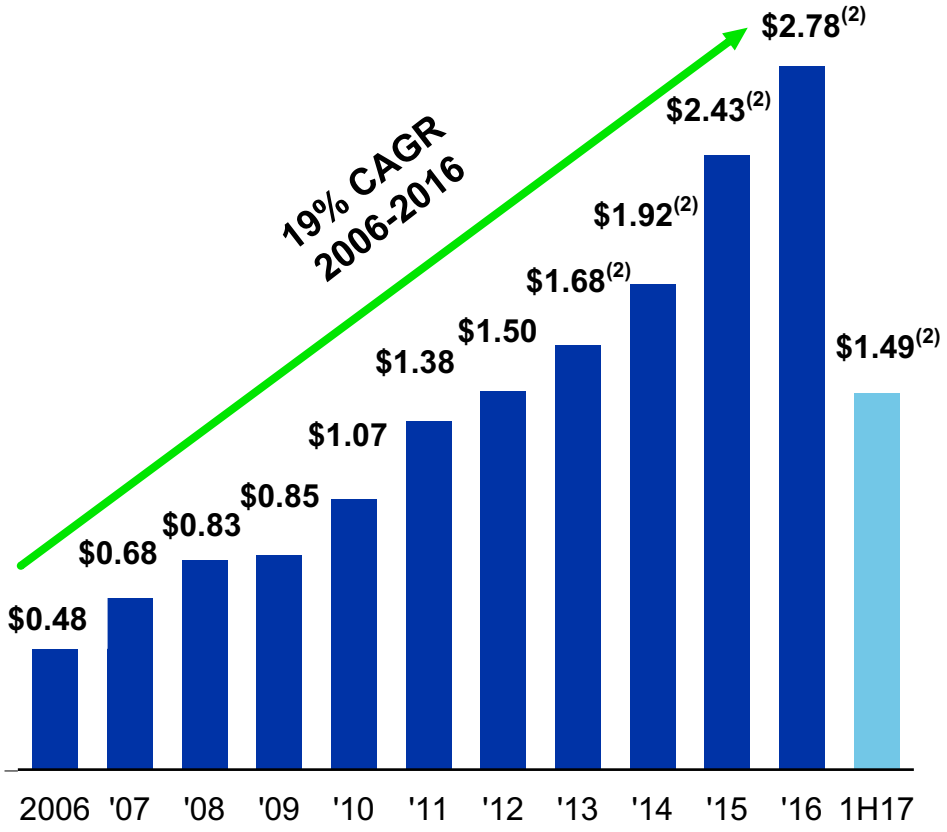
(1) Free Cash Flow = Cash Flow from Operations - Capital expenditures - Capitalized software development costs - Section 31 fees. See appendix for a reconciliation to the equivalent GAAP measure.
(2) Adjusted debt-to-EBITDA reflects the ratio of adjusted debt to adjusted EBITDA for the trailing twelve months. This reflects a non-GAAP measure. Please refer to slides in the appendix for reconciliation to the equivalent GAAP measure.

Consistent Growth Driven by Innovation and Execution

ICE Consolidated Net Revenues



Adjusted EPS



Annual revenue and adj. EPS growth for 11 years, across economic cycles

(1) Net of transaction-based expenses
(2) Adjusted figures represent Non-GAAP measures. Please refer to slides in the appendix for reconciliations to the equivalent GAAP measures.

Leading, Comprehensive Trading, Clearing & Data Solutions

We leverage our global network to serve the evolving needs of market participants around the world






We are …a leading global operator of **exchanges, clearing and listings,** and a leading provider of **data services** across global financial and commodity markets.

We operate …regulated marketplaces for trading, listing and clearing **energy, agriculture, fixed income, equity and equity derivatives,** alongside related **data solutions.**

We offer …**leading markets, technology** and **comprehensive data** to support trading, investment, risk management and connectivity across asset classes and end-users.

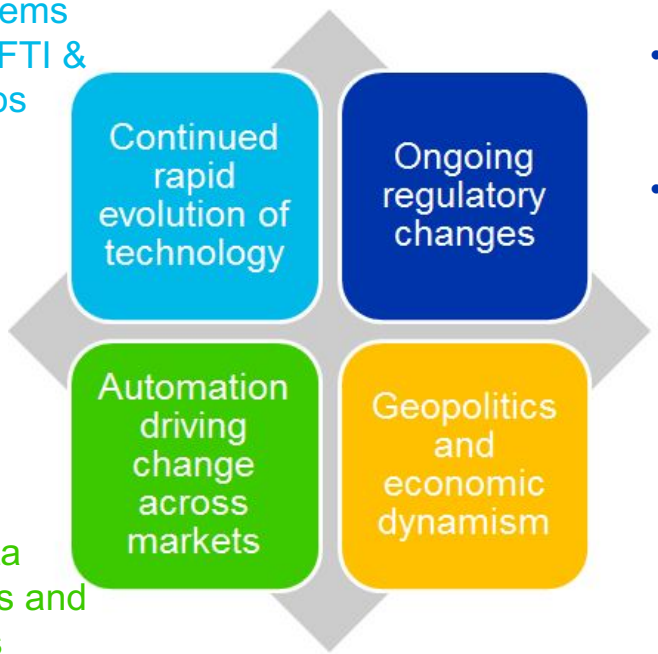
Proprietary Solutions for Mission-Critical Workflow

Distribution:
Global technology infrastructure

- Trading automation solutions
- Expanding clearing & risk systems
- Secure connectivity through SFTI & wireless; feeds versus desktops
- Efficient access through ICE Connect for ICE apps and proprietary data

Content & distribution:
Clearing and risk management

- Unparalled global clearing framework on common technology
- EMIR, Dodd-Frank, MiFID II & Basel III compliance and capital efficiency solutions
- Compliance with local regulations provides customer choice and flexibility



Content & distribution:
Leading markets and data sets

- Multi-asset class markets & data
- Leading global energy, EU rates and soft commodity futures markets
- Focus on proprietary data globally
- Expanding benchmark & index solutions with IBA and BofAML
- Primarily organic growth through new customers, pricing and new products, as well as M&A

Content & distribution:
Innovating through proprietary data

- Leader in addressing automation, clearing & data demand through integrated technology
- New products in trading & data such as Gold clearing
- MERS - intermediate term
- ICE Bond platform leverages existing assets
- ICE Benchmark Administration, recent silver price mandate
- NYSE market models & technology

ICE Clearing Serves Customers Globally With Local Operations

Global Flexibility
- 6 clearing houses in 5 countries
- Operating across time zones & regulatory jurisdictions
- Most diverse product set
- Common technology platform

Capital Efficiency
- Strong default risk protection
- Cross margining
- Continuous position & collateral monitoring
- Responsive to new regs/rules

Product Innovation
- Multi-asset clearing
- Over 3,000 products cleared
- New risk models
- Proprietary data drives product development



- ✓ Leadership & governance in every market – treasury, risk, compliance and operations
- ✓ Consistent global risk model and technology platform, with local customization
- ✓ Leverages strength of global distribution and integrated technology

ICE's Data Solutions Align With Secular Demand Drivers

Growth Drivers	ICE Data Services Solutions
Rising Market Automation	Feeds Covering 450+ Trading Venues Low Latency Connectivity & Colocation Index Services, Continuous Evaluated Pricing

Clients receive consolidated real-time exchange data and house servers / applications in ICE's server colocation space

Increased Compliance & Regulation	Best Execution / Liquidity Indicators / Continuous Evaluated Pricing / Regulatory services

As requirements for regulatory compliance grows, use of clearing, data and related post-trade services continues to grow

Focus on Independent Pricing & Reference Data	Pricing for 2.7M+ Fixed Income Securities; Pricing From ~200 Markets; Reference Data on 10MM Instruments

Clients use pricing to value financial instruments to meet regulatory requirements and enable mission-critical processes

Demand for Efficient, Custom Data Solutions	Customized Delivery of Comprehensive Proprietary Data

Innovative and streamlined products and services to meet unique customer needs

Increased Passive Investing and Automated Trading	Innovative index, evaluated pricing and reference data solutions (i.e., BofAML transaction, ICE Indices)

Continue to expand product suite to deliver optionality for customers

Growing Capacity Demand, Focus on Cyber Security	Secure Financial Transaction Infrastructure (SFTI) Network

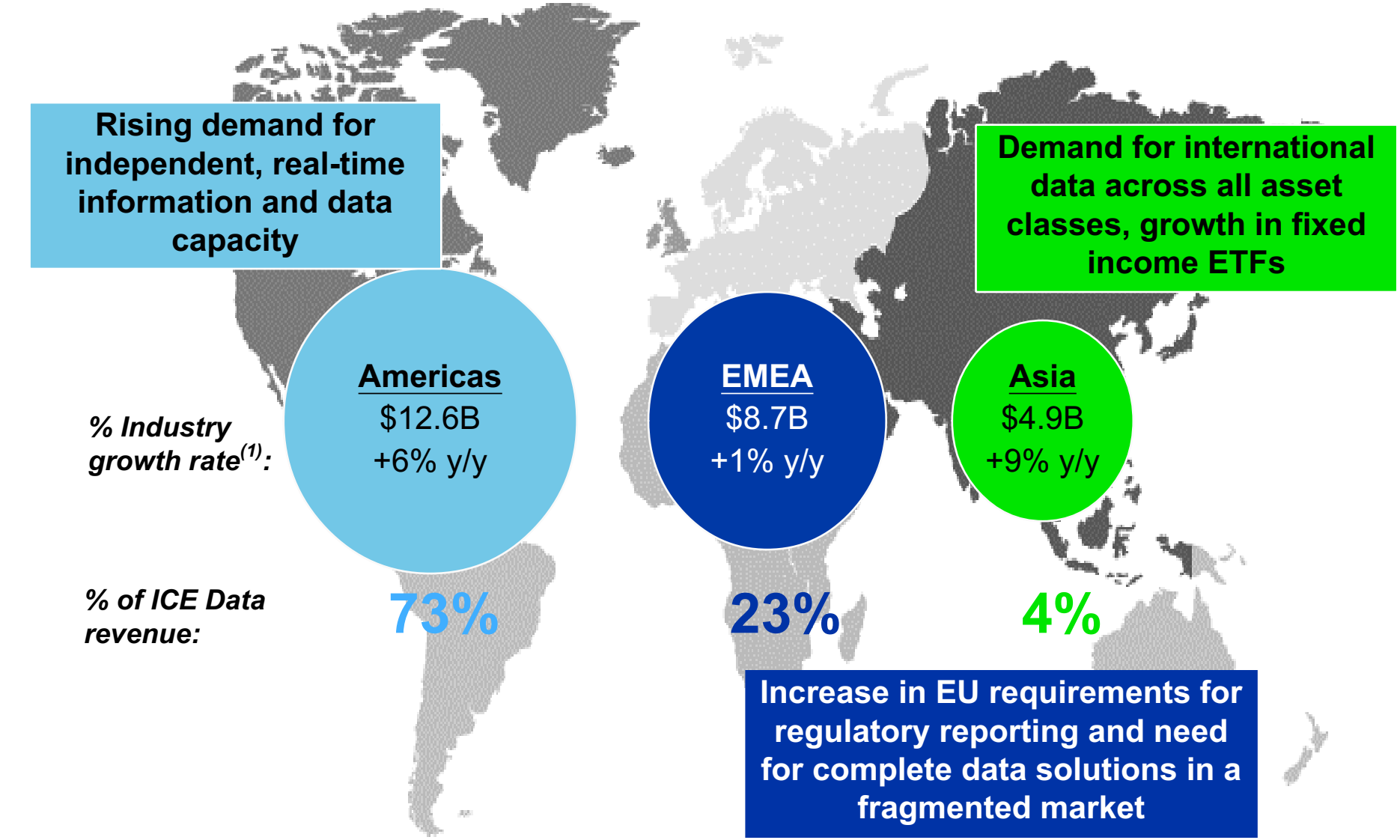
SFTI connects markets with market participants, allowing them to receive data feeds

Global Opportunity To Access Multiple Growth Drivers

Upside remains to meet growing data demand across the globe[(1)]

Rising demand for independent, real-time information and data capacity

Demand for international data across all asset classes, growth in fixed income ETFs



% Industry growth rate[(1)]:

% of ICE Data revenue:

73%

23%

4%

Increase in EU requirements for regulatory reporting and need for complete data solutions in a fragmented market

Source: Burton-Taylor Financial Market Data/Analysis Global Share & Segment Sizing 2017; Burton-Taylor Exchange Global Share & Segment Sizing 2016; ICE Estimates

[1] Y-o-Y growth based on 2016 data for ICE addressable market (Real-Time & Trading Data, Portfolio Management & Analytics, Pricing, Reference & Valuation Data and Exchange Data); Exchange Data approximated based on 2015 report data and 2016 company disclosure

Consistent Track Record of Revenue & Earnings Growth

- 54% recurring revenue with exposure to volatility, underpinned by best in class operating margins
- **Rising free cash flow, achieved leverage targets, growing dividends and share repurchases**

2Q Highlights

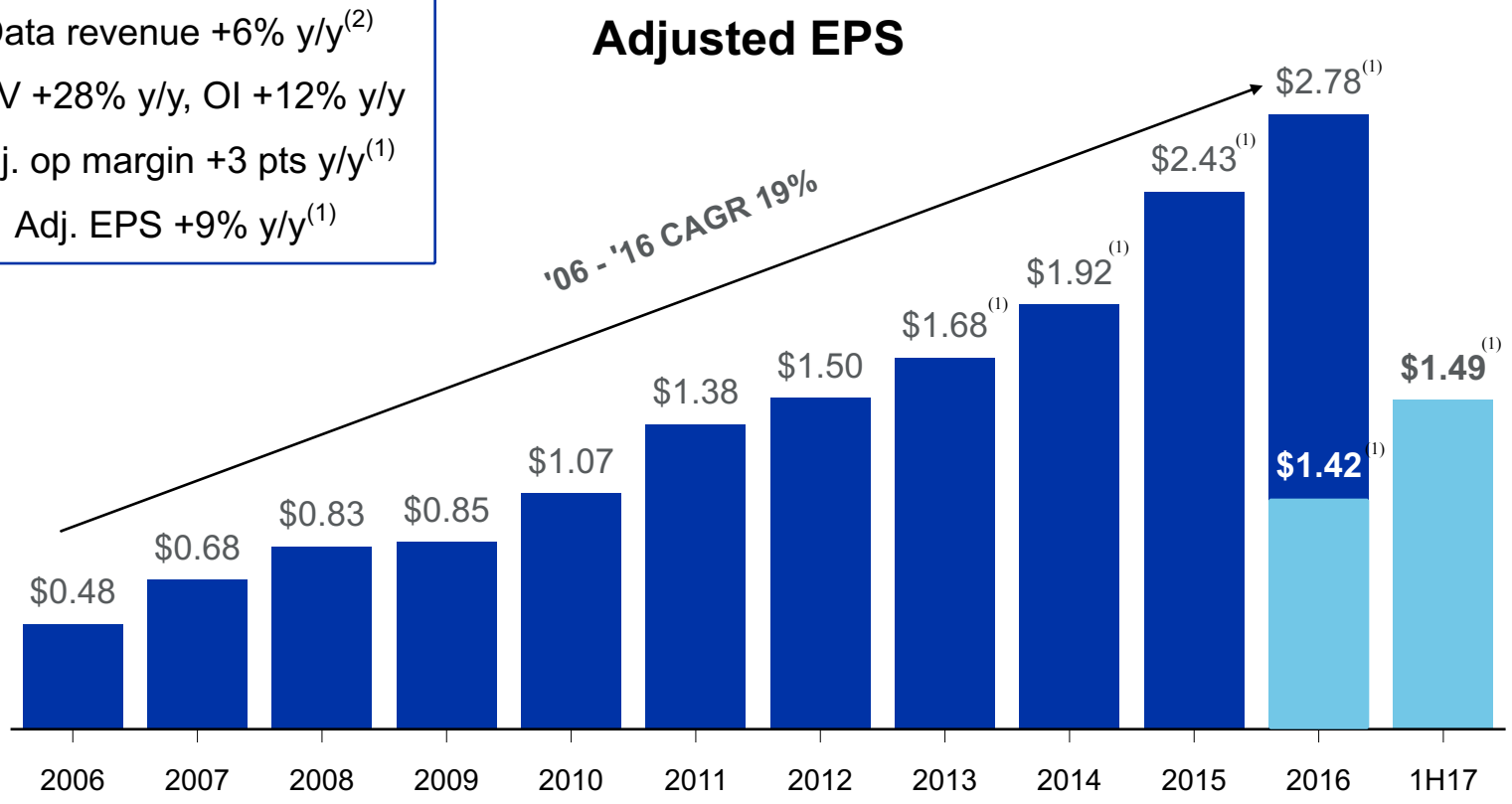
Net revenues +6% y/y(2)

Data revenue +6% y/y(2)

ADV +28% y/y, OI +12% y/y

Adj. op margin +3 pts y/y(1)

Adj. EPS +9% y/y(1)



(1) Adjusted figures represent non-GAAP measures. Please refer to slides in the appendix for reconciliations to the equivalent GAAP measures.
(2) Net revenues in constant currency are calculated holding both the pound sterling and euro at the average exchange rate from 2Q16, which was 1.4339 and 1.1294, respectively.

APPENDIX

Second Quarter & First Half 2017 GAAP Results

INCOME STATEMENT HIGHLIGHTS (In millions except per share amounts)	GAAP 2Q17	GAAP 2Q16	% Chg	GAAP YTD Jun. '17	GAAP YTD Jun '16	% Chg
Net revenues	$1,178	$1,129	4%	$2,342	$2,283	3%
Operating Expenses	$569	$578	(2)%	$1,151	$1,148	—%
Operating Income	$609	$551	11%	$1,191	$1,135	5%
Operating Margin	52%	49%	+3 pts	51%	50%	+1 pt
Net Income attributable to ICE	$418	$357	17%	$920	$726	27%
Diluted EPS	$0.70	$0.60	17%	$1.54	$1.21	27%

Second Quarter 2017 Balance Sheet

In millions	06/30/2017	12/31/2016	CHANGE
Assets			
Unrestricted Cash	$398	$407	$(9)
Other Current Assets	56,050	56,726	(676)
Current Assets	56,448	57,133	(685)
PPE (net)	1,161	1,129	32
Other Assets	22,715	23,741	(1,026)
Total Assets	$ 80,324	$ 82,003	$(1,679)
Liabilities & Equity			
Short-Term Debt	2,023	$ 2,493	$(470)
Other Current Liabilities	54,796	56,124	$(1,328)
Long-Term Debt	3,874	3,871	3
Other Long-Term Liabilities	3,698	3,725	(27)
Total Liabilities	64,391	66,213	(1,822)
Redeemable Noncontrolling Int	0	36	(36)
Total Equity	15,933	15,754	179
Total Liabilities & Equity	$ 80,324	$ 82,003	$(1,679)

- $398MM unrestricted cash
- Total debt of $5.9B; Adj. Debt-to-EBITDA(1) of 2.0x
- $150MM YTD 2017 capex
  - Op capex & cap software $142MM
  - Real estate capex $8MM
- TTM ROIC(2) of 7.5%; WACC 6.2%

(1) This is a non-GAAP measure. Please refer to slides in the appendix for reconciliation to the equivalent GAAP measure.
(2) ROIC = LTM (Operating Income x (1-Tax Rate)) / (Avg Debt + Avg Shareholders Equity + Avg Minority Interest - Avg Cash, Cash Equiv, & ST Investments). ICE ROIC excludes $176 million Cetip realized investment gain.

Adjusted Net Income Attributable to ICE and EPS

In millions (except per share amounts)	3 Months Ended 6/30/17	3 Months Ended 6/30/16	6 Months Ended 6/30/2017	6 Months Ended 6/30/2016
Net income attributable to ICE	$418	$357	$920	$726
Add: Interactive Data and NYSE transaction and integration costs	8	7	20	24
Add: Amortization of acquisition-related intangibles	67	77	132	154
Add: Accruals relating to ongoing investigations and inquiries	—	—	10	—
Add: Net loss on divestiture of NYSE Governance Services	6	—	6	—
Add: Foreign exchange loss and transaction expenses on sale of Cetip	9	—	9	—
Less: Cetip Investment gain	—	—	(176)	—
Add/(Less): Income tax effect for the above items	(60)	(30)	(32)	(65)
Add/(Less) Deferred tax adjustment on acquisition-related intangibles	—	—	—	13
Add/(Less): Other tax adjustments	—	—	—	—
Add/(Less): Income (loss) from discontinued operations, net of tax	—	—	—	—
Adjusted net income attributable to ICE	$448	$411	$889	$852
Diluted EPS from continuing operations	$0.70	$0.60	$1.54	$ 1.21
Adjusted Diluted EPS from continuing operations	$0.75	$0.69	$1.49	$1.42
Diluted weighted average common shares outstanding	595	599	597	598

Adjusted Net Income Attributable to ICE and EPS

In millions (except per share amounts)	12 Months Ended 12/31/16	12 Months Ended 12/31/15	12 Months Ended 12/31/14	12 Months Ended 12/31/13
Net income attributable to ICE	$1,422	$1,274	$981	$254
Add: Interactive Data and NYSE transaction and integration costs and acquisition-related success fees	46	83	124	140
Add: Amortization of acquisition-related intangibles	302	140	131	56
Add: Litigation settlements and accruals, net of insurance proceeds	—	15	—	—
Add: Employee severance costs related to Creditex U.K. brokerage operations	4	—	—	—
Add: Creditex customer relationship intangible asset impairment	33	—		
Add: Cetip impairment loss	—	—	—	190
Add: Duplicate rent expense and lease termination costs	—	—	—	7
Add: Early payoff of outstanding debt	—	—	—	51
Add: Pre-acquisition interest expense on debt issued for Interactive Data acquisition	—	5	—	—
Less: Income from OCC equity investment	—	—	(26)	—
Less: Net gain of sale of 6% remaining ownership in Euronext	—	—	(4)	—
Add/(Less): Income tax effect for the above items	(143)	(83)	(89)	(85)
Add/(Less) Deferred tax adjustment on acquisition-related intangibles	(22)	(82)	(14)	—
Add/(Less): Other tax adjustments	23	7	12	—
Add/(Less): Income (loss) from discontinued operations, net of tax			(11)	50
Adjusted net income attributable to ICE	$1,665	$1,359	$1,104	$663
Diluted EPS from continuing operations	$ 2.37	$ 2.28	$ 1.69	$ 0.77
Adjusted Diluted EPS from continuing operations	$2.78	$2.43	$1.92	$1.68
Diluted weighted average common shares outstanding	599	559	573	396

Adjusted Operating Income, Operating Margin & Operating Expense Reconciliation

In millions	Trading and Clearing Segment		Data and Listings Segment		Consolidated	
	Three Months Ended June 30,		Three Months Ended June 30,		Three Months Ended June 30,	
	2017	2016	2017	2016	2017	2016
Total revenues, less transaction-based expenses	$550	$527	$628	$602	$1,178	$1,129
Total operating expenses	$214	$214	$355	$364	$569	$578
Less: Interactive Data and NYSE transaction and integration costs	—	—	8	7	8	7
Less: Amortization of acquisition-related intangibles	16	18	51	59	67	77
Less: Net loss on divestiture of NYSE Governance Services	—	—	6	—	6	—
Adjusted total operating expenses	$198	$196	$290	$298	$488	$494
Operating income	$336	$313	$273	$238	$609	$551
Adjusted operating income	$352	$331	$338	$304	$690	$635
Operating margin	61%	59%	43%	40%	52%	49%
Adjusted operating margin	64%	63%	54%	50%	59%	56%

Adjusted EBITDA Reconciliation

In millions	Trailing 12 Months Ended 6/30/17
Adjusted net income	**$1,702**
Add: Income tax expense	616
Add: Income tax expense adjustment on Non-GAAP Items	122
Add: Interest expense	178
Add: Depreciation and amortization[(1)]	278
Adjusted EBITDA from Continuing Ops	**$2,896**
Adjusted EBITDA - Securities Evaluations & Credit Market Analysis (pre acquisition)[(2)]	**$12**
Combined Adjusted EBITDA	**$2,908**
Debt, as reported	**5,897**
Add: Balance of unamortized premiums/discounts and debt issuance costs, net	28
Principal amount of debt outstanding (Adjusted Debt)	**$5,925**
Adjusted Debt-to-EBITDA leverage ratio	**2.0x**

(1) Excludes adjustments already included in Non-GAAP financial measures.

(2) Represents pro forma EBITDA for the pre acquisition period covering 7/1/16 - 10/2/16 for Securities Evaluations & Credit Market Analysis.

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Adjusted Effective Tax Rate Reconciliation

In millions	3 Months Ended 6/30/17	3 Months Ended 6/30/16
Income before income taxes	$565	$516
Income tax expense	139	153
Effective tax rate	25%	30%
Income before income taxes	$565	$516
Add: Interactive Data and NYSE transaction and integration costs	8	7
Add: Amortization of acquisition-related intangibles	67	77
Add: Net loss on divestiture on NYSE Governance Services	6	—
Add: Foreign exchange loss and transaction expense on sale of CETIP	9	—
Adjusted income before income taxes	$655	$600
Income tax expense	$139	$153
Add: Income tax effect for the above items	60	30
Adjusted income tax expense	**$199**	**$183**
Adjusted effective tax rate	**30%**	**31%**

Free Cash Flow Reconciliation

Free Cash Flow Calculation (In millions)	1H17	1H16
Cash flow from operations	1,098	1,103
Less: Capital expenditures and capitalized software development costs	(150)	(157)
Less: Section 31 fees, net	(51)	(79)
Free cash flow	897	867