

Intercontinental Exchange, Inc. and Subsidiaries
Consolidated Balance Sheets
(In millions, except per share amounts)

	As of December 31,	
	2020	2019
Assets:		
Current assets:		
Cash and cash equivalents	\$ 583	\$ 841
Short-term restricted cash and cash equivalents.....	1,000	943
Customer accounts receivable, net of allowance for doubtful accounts of \$27 and \$8, respectively.....	1,230	988
Margin deposits, guaranty funds and delivery contracts receivable.....	84,083	64,987
Prepaid expenses and other current assets	323	220
Total current assets	87,219	67,979
Property and equipment, net	1,713	1,536
Other non-current assets:		
Goodwill	21,291	13,342
Other intangible assets, net	14,408	10,258
Long-term restricted cash and cash equivalents.....	408	404
Other non-current assets	1,161	974
Total other non-current assets	37,268	24,978
Total assets	<u>\$ 126,200</u>	<u>\$ 94,493</u>
Liabilities and Equity:		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 639	\$ 505
Section 31 fees payable.....	207	138
Accrued salaries and benefits	346	291
Deferred revenue.....	158	129
Short-term debt	2,411	2,569
Margin deposits, guaranty funds and delivery contracts payable.....	84,083	64,987
Other current liabilities	155	197
Total current liabilities	87,999	68,816
Non-current liabilities:		
Non-current deferred tax liability, net	3,563	2,314
Long-term debt	14,126	5,250
Accrued employee benefits	206	198
Non-current operating lease liability.....	320	281
Other non-current liabilities	359	270
Total non-current liabilities	18,574	8,313
Total liabilities	106,573	77,129
Commitments and contingencies		
Redeemable non-controlling interest in consolidated subsidiaries	93	78
Equity:		
Intercontinental Exchange, Inc. stockholders' equity:		
Preferred stock, \$0.01 par value; 100 authorized; none issued or outstanding	—	—
Common stock, \$0.01 par value; 1,500 authorized; 629 and 561 shares issued and outstanding at December 31, 2020, respectively, and 607 and 554 shares issued and outstanding at December 31, 2019, respectively	6	6
Treasury stock, at cost; 68 and 53 shares, at December 31, 2020 and December 31, 2019, respectively	(5,200)	(3,879)
Additional paid-in capital	13,845	11,742
Retained earnings	11,039	9,629

Accumulated other comprehensive loss.....	(192)	(243)
Total Intercontinental Exchange, Inc. stockholders' equity	19,498	17,255
Non-controlling interest in consolidated subsidiaries	36	31
Total equity	19,534	17,286
Total liabilities and equity	<u>\$ 126,200</u>	<u>\$ 94,493</u>

See accompanying notes.

Intercontinental Exchange, Inc. and Subsidiaries
Consolidated Statements of Income
(In millions, except per share amounts)

	Year Ended December 31,		
	2020	2019	2018
Revenues:			
Exchanges.....	\$ 5,839	\$ 4,652	\$ 4,573
Fixed income and data services	1,810	1,756	1,681
Mortgage technology	595	139	22
Total revenues	8,244	6,547	6,276
Transaction-based expenses:			
Section 31 fees	622	379	357
Cash liquidity payments, routing and clearing	1,586	966	940
Total revenues, less transaction-based expenses	6,036	5,202	4,979
Operating expenses:			
Compensation and benefits	1,188	1,042	994
Professional services	144	125	131
Acquisition-related transaction and integration costs	105	2	34
Technology and communication	549	469	432
Rent and occupancy	81	68	68
Selling, general and administrative	185	161	151
Depreciation and amortization	751	662	586
Total operating expenses	3,003	2,529	2,396
Operating income	3,033	2,673	2,583
Other income (expense):			
Interest income	10	35	22
Interest expense	(357)	(285)	(244)
Other income, net.....	80	58	159
Other income (expense), net	(267)	(192)	(63)
Income before income tax expense.....	2,766	2,481	2,520
Income tax expense.....	658	521	500
Net income	\$ 2,108	\$ 1,960	\$ 2,020
Net income attributable to non-controlling interest	(19)	(27)	(32)
Net income attributable to Intercontinental Exchange, Inc.	\$ 2,089	\$ 1,933	\$ 1,988
Earnings per share attributable to Intercontinental Exchange, Inc. common stockholders:			
Basic.....	\$ 3.79	\$ 3.44	\$ 3.46
Diluted.....	\$ 3.77	\$ 3.42	\$ 3.43
Weighted average common shares outstanding:			
Basic.....	552	561	575
Diluted.....	555	565	579

See accompanying notes.

Intercontinental Exchange, Inc. and Subsidiaries
Consolidated Statements of Comprehensive Income
(In millions)

	Year Ended December 31,		
	2020	2019	2018
Net income	\$ 2,108	\$ 1,960	\$ 2,020
Other comprehensive income (loss):			
Foreign currency translation adjustments, net of tax expense (benefit) of \$—, \$1 and (\$1) for 2020, 2019 and 2018, respectively, and net impact of \$1 from adoption of ASU 2018-02 in 2018	43	50	(91)
Change in equity method investment.....	—	(1)	—
Employee benefit plan net gains (losses), net of tax expense of \$3, \$9 and \$9 in 2020, 2019 and 2018, respectively, and net impact of \$25 from adoption of ASU 2018-02 in 2018	8	23	(1)
Other comprehensive income (loss).....	51	72	(92)
Comprehensive income	\$ 2,159	\$ 2,032	\$ 1,928
Comprehensive income attributable to non-controlling interest	(19)	(27)	(32)
Comprehensive income attributable to Intercontinental Exchange, Inc.	\$ 2,140	\$ 2,005	\$ 1,896

See accompanying notes.

Intercontinental Exchange, Inc. and Subsidiaries
Consolidated Statements of Changes in Equity and Redeemable Non-Controlling Interest
(In millions)

	Intercontinental Exchange, Inc. Stockholders' Equity							Non-Controlling Interest in Consolidated Subsidiaries	Total Equity	Redeemable Non-controlling Interest
	Common Stock		Treasury Stock		Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)			
	Shares	Value	Shares	Value						
Balance, as of January 1, 2018.....	600	6	(17)	(1,076)	11,392	6,858	(223)	28	16,985	—
Other comprehensive loss.....	—	—	—	—	—	—	(66)	—	(66)	—
Exercise of common stock options	1	—	—	—	32	—	—	—	32	—
Repurchases of common stock.....	—	—	(16)	(1,198)	—	—	—	—	(1,198)	—
Payments relating to treasury shares.....	—	—	(2)	(80)	—	—	—	—	(80)	—
Stock-based compensation	—	—	—	—	146	—	—	—	146	—
Issuance of restricted stock.....	3	—	—	—	—	—	—	—	—	—
Changes in non-controlling interest.....	—	—	—	—	(23)	—	—	(2)	(25)	—
Distributions of profits.....	—	—	—	—	—	—	—	(28)	(28)	—
Dividends paid to stockholders.....	—	—	—	—	—	(555)	—	—	(555)	—
Redeemable non-controlling interest.....	—	—	—	—	—	—	—	—	—	71
Impact of adoption of ASU 2018-02 to reclassify items stranded in other comprehensive income.....	—	—	—	—	—	26	(26)	—	—	—
Net income attributable to non-controlling interest	—	—	—	—	—	(32)	—	32	—	—
Net income	—	—	—	—	—	2,020	—	—	2,020	—
Balance, as of December 31, 2018.....	604	6	(35)	(2,354)	11,547	8,317	(315)	30	17,231	71
Other comprehensive income.....	—	—	—	—	—	—	72	—	72	—
Exercise of common stock options	1	—	—	—	23	—	—	—	23	—
Repurchases of common stock.....	—	—	(17)	(1,460)	—	—	—	—	(1,460)	—
Payments relating to treasury shares.....	—	—	(1)	(65)	—	—	—	—	(65)	—
Stock-based compensation	—	—	—	—	143	—	—	—	143	11
Issuance under the employee stock purchase plan.....	—	—	—	—	29	—	—	—	29	—
Issuance of restricted stock.....	2	—	—	—	—	—	—	—	—	—
Distributions of profits.....	—	—	—	—	—	—	—	(29)	(29)	—
Dividends paid to stockholders.....	—	—	—	—	—	(621)	—	—	(621)	—
Net income attributable to non-controlling interest	—	—	—	—	—	(27)	—	30	3	(4)
Net income	—	—	—	—	—	1,960	—	—	1,960	—
Balance, as of December 31, 2019.....	607	\$ 6	(53)	\$ (3,879)	\$ 11,742	\$ 9,629	\$ (243)	\$ 31	\$ 17,286	\$ 78
Impact of adoption of ASU 2016-13, net of tax.....	—	—	—	—	—	(10)	—	—	(10)	—
Other comprehensive income.....	—	—	—	—	—	—	51	—	51	—
Stock consideration issued for acquisition...	18	—	—	—	1,895	—	—	—	1,895	—
Exercise of common stock options	1	—	—	—	31	—	—	—	31	—
Repurchases of common stock.....	—	—	(14)	(1,247)	—	—	—	—	(1,247)	—
Payments relating to treasury shares.....	—	—	(1)	(74)	—	—	—	—	(74)	—
Stock-based compensation	—	—	—	—	141	—	—	—	141	11
Issuance under the employee stock purchase plan.....	1	—	—	—	33	—	—	—	33	—
Warrants issued to minority interest holders	—	—	—	—	3	—	—	—	3	2
Issuance of restricted stock.....	2	—	—	—	—	—	—	—	—	—
Distributions of profits.....	—	—	—	—	—	—	—	(31)	(31)	—
Dividends paid to stockholders.....	—	—	—	—	—	(669)	—	—	(669)	—
Redeemable non-controlling interest	—	—	—	—	—	—	—	—	—	10
Issuance of non-controlling interest.....	—	—	—	—	—	—	—	9	9	—
Net income attributable to non-controlling interest.....	—	—	—	—	—	(19)	—	27	8	(8)
Net income	—	—	—	—	—	2,108	—	—	2,108	—
Balance, as of December 31, 2020.....	629	\$ 6	(68)	\$ (5,200)	\$ 13,845	\$ 11,039	\$ (192)	\$ 36	\$ 19,534	\$ 93

See accompanying notes.

Intercontinental Exchange, Inc. and Subsidiaries
Consolidated Statements of Cash Flows
(In millions)

	Year Ended December 31,		
	2020	2019	2018
Operating activities:			
Net income	\$ 2,108	\$ 1,960	\$ 2,020
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	751	662	586
Stock-based compensation	139	139	130
Deferred taxes	92	(33)	27
Gain on acquisition of remaining MERS interest.....	—	—	(110)
Gain on equity investments.....	(55)	—	—
Other	(25)	(40)	(24)
Changes in assets and liabilities:			
Customer accounts receivable	(149)	(30)	(44)
Other current and non-current assets	(83)	(17)	(45)
Section 31 fees payable.....	69	34	(33)
Deferred revenue.....	2	(18)	1
Other current and non-current liabilities	32	2	25
Total adjustments	773	699	513
Net cash provided by operating activities.....	2,881	2,659	2,533
Investing activities:			
Capital expenditures	(207)	(153)	(134)
Capitalized software development costs	(203)	(152)	(146)
Cash paid for acquisitions, net of cash acquired	(9,446)	(352)	(1,246)
Return of capital from equity method investment.....	—	60	—
Purchases of equity investments	—	—	(306)
Proceeds from investments, net	4	9	77
Other.....	22	(6)	—
Net cash provided by (used in) investing activities.....	(9,830)	(594)	(1,755)
Financing activities:			
Proceeds from debt facilities, net.....	9,606	10	2,213
Repayments of debt facilities.....	(2,004)	—	(600)
Proceeds from/(redemption of) commercial paper, net.....	1,094	360	(283)
Repurchases of common stock	(1,247)	(1,460)	(1,198)
Dividends to stockholders.....	(669)	(621)	(555)
Payments relating to treasury shares received for restricted stock tax payments and stock option exercises.....	(74)	(65)	(80)
Acquisition of non-controlling interest	—	—	(35)
Proceeds from issuance of redeemable non-controlling interest	—	—	71
Other.....	38	23	4
Net cash provided by (used in) financing activities.....	6,744	(1,753)	(463)
Effect of exchange rate changes on cash, cash equivalents, and restricted cash and cash equivalents.....	8	4	(11)
Net (decrease) increase in cash, cash equivalents, and restricted cash and cash equivalents.....	(197)	316	304
Cash, cash equivalents, and restricted cash and cash equivalents at beginning of year	2,188	1,872	1,568
Cash, cash equivalents, and restricted cash and cash equivalents at end of year	\$ 1,991	\$ 2,188	\$ 1,872
Supplemental cash flow disclosures:			
Common stock issued for acquisition	\$ 1,895	\$ —	\$ —
Cash paid for income taxes	\$ 642	\$ 557	\$ 533
Cash paid for interest	\$ 298	\$ 280	\$ 202

See accompanying notes.