

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

	As of December 31,	
	2017	2016
Assets:		
Current assets:		
Cash and cash equivalents	\$ 535	\$ 407
Short-term restricted cash and cash equivalents	769	679
Short-term investments	16	23
Customer accounts receivable, net of allowance for doubtful accounts of \$6 and \$7 at December 31, 2017 and 2016, respectively	903	777
Margin deposits, guaranty funds and delivery contracts receivable	51,222	55,150
Prepaid expenses and other current assets	117	97
Total current assets	53,562	57,133
Property and equipment, net	1,246	1,129
Other non-current assets:		
Goodwill	12,216	12,291
Other intangible assets, net	10,269	10,420
Long-term restricted cash and cash equivalents	264	264
Long-term investments	—	432
Other non-current assets	707	334
Total other non-current assets	23,456	23,741
Total assets	\$ 78,264	\$ 82,003
Liabilities and Equity:		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 462	\$ 388
Section 31 fees payable	128	131
Accrued salaries and benefits	227	230
Deferred revenue	121	114
Short-term debt	1,833	2,493
Margin deposits, guaranty funds and delivery contracts payable	51,222	55,150
Other current liabilities	178	111
Total current liabilities	54,171	58,617
Non-current liabilities:		
Non-current deferred tax liability, net	2,283	2,958
Long-term debt	4,267	3,871
Accrued employee benefits	243	430
Other non-current liabilities	348	337
Total non-current liabilities	7,141	7,596
Total liabilities	61,312	66,213
Commitments and contingencies		
Redeemable non-controlling interest	—	36
Equity:		
Intercontinental Exchange, Inc. shareholders' equity:		
Preferred stock, \$0.01 par value; 100 shares authorized; no shares issued or outstanding at December 31, 2017 and 2016	—	—
Common stock, \$0.01 par value; 1,500 shares authorized; 600 and 583 shares issued and outstanding at December 31, 2017, respectively, and 596 and 595 shares issued and outstanding at December 31, 2016, respectively	6	6

Treasury stock, at cost; 17 and 1 shares at December 31, 2017 and 2016, respectively	(1,076)	(40)
Additional paid-in capital	11,392	11,306
Retained earnings	6,825	4,789
Accumulated other comprehensive loss	(223)	(344)
Total Intercontinental Exchange, Inc. shareholders' equity	16,924	15,717
Non-controlling interest in consolidated subsidiaries	28	37
Total equity	16,952	15,754
Total liabilities and equity	<u>\$ 78,264</u>	<u>\$ 82,003</u>

See accompanying notes.

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

	Year Ended December 31,		
	2017	2016	2015
Revenues:			
Transaction and clearing, net	\$ 3,131	\$ 3,384	\$ 3,228
Data services	2,084	1,978	871
Listings	417	419	405
Other revenues	202	177	178
Total revenues	5,834	5,958	4,682
Transaction-based expenses:			
Section 31 fees	372	389	349
Cash liquidity payments, routing and clearing	833	1,070	995
Total revenues, less transaction-based expenses	4,629	4,499	3,338
Operating expenses:			
Compensation and benefits	937	945	611
Professional services	121	137	139
Acquisition-related transaction and integration costs	36	80	88
Technology and communication	397	374	203
Rent and occupancy	69	70	57
Selling, general and administrative	155	116	116
Depreciation and amortization	535	610	374
Total operating expenses	2,250	2,332	1,588
Operating income	2,379	2,167	1,750
Other income (expense):			
Interest expense	(187)	(178)	(97)
Other income, net	325	40	—
Other income (expense), net	138	(138)	(97)
Income before income tax expense (benefit)	2,517	2,029	1,653
Income tax expense (benefit)	(25)	580	358
Net income	\$ 2,542	\$ 1,449	\$ 1,295
Net income attributable to non-controlling interest	(28)	(27)	(21)
Net income attributable to Intercontinental Exchange, Inc.	\$ 2,514	\$ 1,422	\$ 1,274
Earnings per share attributable to Intercontinental Exchange, Inc. common shareholders:			
Basic	\$ 4.27	\$ 2.39	\$ 2.29
Diluted	\$ 4.23	\$ 2.37	\$ 2.28
Weighted average common shares outstanding:			
Basic	589	595	556
Diluted	594	599	559
Dividend per share	\$ 0.80	\$ 0.68	\$ 0.58

See accompanying notes.

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

	Year Ended December 31,		
	2017	2016	2015
Net income	\$ 2,542	\$ 1,449	\$ 1,295
Other comprehensive income (loss):			
Foreign currency translation adjustments, net of tax benefit of (\$6), (\$22) and (\$4) for the years ended December 31, 2017, 2016 and 2015, respectively	133	(300)	(58)
Change in fair value of available-for-sale securities	68	134	(81)
Reclassification of realized gain on available-for-sale investment to other income	(176)	—	—
Reclassification of foreign currency translation loss on sale of Trayport to other expense	76	—	—
Comprehensive income from equity method investment	—	—	2
Employee benefit plan net gains (losses), net of tax expense of \$8 and \$7 for the years ended December 31, 2017 and 2016, respectively	20	10	(5)
Other comprehensive income (loss)	121	(156)	(142)
Comprehensive income	\$ 2,663	\$ 1,293	\$ 1,153
Comprehensive income attributable to non-controlling interest	(28)	(27)	(21)
Comprehensive income attributable to Intercontinental Exchange, Inc.	\$ 2,635	\$ 1,266	\$ 1,132

See accompanying notes.

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

	Intercontinental Exchange, Inc. Shareholders' 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, 2015	579	\$ 6	(19)	\$ (743)	\$ 9,933	\$ 3,210	\$ (46)	\$ 32	\$ 12,392	\$ 165
Other comprehensive loss	—	—	—	—	—	—	(142)	—	(142)	—
Stock consideration issued for Interactive Data and Trayport acquisitions	45	—	—	—	2,197	—	—	—	2,197	—
Exercise of common stock options	—	—	—	—	19	—	—	—	19	—
Repurchases of common stock	—	—	(14)	(660)	—	—	—	—	(660)	—
Payments relating to treasury shares	—	—	(1)	(45)	—	—	—	—	(45)	—
Stock-based compensation	—	—	—	—	122	—	—	—	122	—
Issuance of restricted stock	4	—	—	—	—	—	—	—	—	—
Tax benefits from stock option plans	—	—	—	—	19	—	—	—	19	—
Adjustment to redemption value	—	—	—	—	—	(5)	—	—	(5)	4
Distributions of profits	—	—	—	—	—	—	—	(16)	(16)	(11)
Dividends paid to shareholders	—	—	—	—	—	(331)	—	—	(331)	—
Purchase of subsidiary shares	—	—	—	—	—	—	—	—	—	(128)
Net income attributable to non-controlling interest	—	—	—	—	—	(21)	—	16	(5)	5
Net income	—	—	—	—	—	1,295	—	—	1,295	—
Balance, as of December 31, 2015	628	6	(34)	(1,448)	12,290	4,148	(188)	32	14,840	35
Other comprehensive loss	—	—	—	—	—	—	(156)	—	(156)	—
Exercise of common stock options	1	—	—	—	22	—	—	—	22	—
Treasury shares retired in connection with stock split	(35)	—	35	1,512	(1,142)	(370)	—	—	—	—
Repurchases of common stock	—	—	(1)	(50)	—	—	—	—	(50)	—
Payments relating to treasury shares	—	—	(1)	(54)	—	—	—	—	(54)	—
Stock-based compensation	—	—	—	—	136	—	—	—	136	—
Issuance of restricted stock	2	—	—	—	—	—	—	—	—	—
Adjustment to redemption value	—	—	—	—	—	(2)	—	—	(2)	1
Distributions of profits	—	—	—	—	—	—	—	(19)	(19)	(3)
Dividends paid to shareholders	—	—	—	—	—	(409)	—	—	(409)	—
Net income attributable to non-controlling interest	—	—	—	—	—	(27)	—	24	(3)	3
Net income	—	—	—	—	—	1,449	—	—	1,449	—
Balance, as of December 31, 2016	596	6	(1)	(40)	11,306	4,789	(344)	37	15,754	36
Other comprehensive income	—	—	—	—	—	—	121	—	121	—
Exercise of common stock options	—	—	—	—	17	—	—	—	17	—
Repurchases of common stock	—	—	(15)	(949)	—	—	—	—	(949)	—
Payments relating to treasury shares	—	—	(1)	(88)	—	—	—	—	(88)	—
Stock-based compensation	—	—	—	—	152	—	—	—	152	—
Issuance of restricted stock	4	—	—	1	(1)	—	—	—	—	—
Acquisition of non-controlling interest	—	—	—	—	(82)	—	—	(10)	(92)	—
Distributions of profits	—	—	—	—	—	—	—	(26)	(26)	—
Dividends paid to shareholders	—	—	—	—	—	(476)	—	—	(476)	—
Acquisition of redeemable non-controlling interest	—	—	—	—	—	(2)	—	—	(2)	(37)
Net income attributable to non-controlling interest	—	—	—	—	—	(28)	—	27	(1)	1
Net income	—	—	—	—	—	2,542	—	—	2,542	—
Balance, as of December 31, 2017	600	\$ 6	(17)	\$(1,076)	\$ 11,392	\$ 6,825	\$ (223)	\$ 28	\$ 16,952	\$ —

See accompanying notes.

Intercontinental Exchange, Inc. and Subsidiaries
Consolidated Statements of Changes in Equity, Accumulated Other Comprehensive Income (Loss)
and Redeemable Non-Controlling Interest — (Continued)
(In millions)

	As of December 31,		
	2017	2016	2015
Accumulated other comprehensive income (loss) was as follows:			
Foreign currency translation adjustments.....	\$ (136)	\$ (345)	\$ (45)
Fair value of available-for-sale securities.....	—	108	(26)
Comprehensive income from equity method investment.....	2	2	2
Employee benefit plans adjustments	(89)	(109)	(119)
Accumulated other comprehensive loss	<u>\$ (223)</u>	<u>\$ (344)</u>	<u>\$ (188)</u>

See accompanying notes.

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

	Year Ended December 31,		
	2017	2016	2015
Operating activities			
Net income	\$ 2,542	\$ 1,449	\$ 1,295
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	535	610	374
Stock-based compensation	135	124	111
Deferred taxes	(651)	114	(108)
Cetip realized investment gain, net	(114)	—	—
Trayport gain, net	(110)	—	—
Amortization of fair market value premium on NYSE Notes	—	—	(23)
Other	(22)	(6)	(17)
Changes in assets and liabilities:			
Customer accounts receivable	(135)	(65)	(45)
Other current and non-current assets	(24)	7	(5)
Section 31 fees payable	(2)	14	(21)
Deferred revenue	17	42	27
Other current and non-current liabilities	(86)	(140)	(277)
Total adjustments	(457)	700	16
Net cash provided by operating activities	2,085	2,149	1,311
Investing activities			
Capital expenditures	(220)	(250)	(190)
Capitalized software development costs	(137)	(115)	(87)
Proceeds from sale of Cetip, net	438	—	—
Cash paid for acquisitions, net of cash acquired	(423)	(425)	(3,751)
Cash received from divestitures	761	—	—
Purchases of cost and equity method investments	(327)	(70)	(60)
Proceeds from term deposits	—	—	1,089
Other	—	—	(5)
Net cash provided by (used in) investing activities	92	(860)	(3,004)
Financing activities			
Proceeds from debt facilities, net	984	—	2,472
Repayments of debt facilities	(850)	—	(1,028)
Proceeds from (repayments of) commercial paper, net	(409)	(949)	1,686
Dividends to shareholders	(476)	(409)	(331)
Repurchases of common stock	(949)	(50)	(660)
Payments relating to treasury shares received for restricted stock tax payments and stock option exercises	(88)	(54)	(45)
Acquisition of non-controlling interest and redeemable non-controlling interest	(174)	—	—
Purchase of subsidiary shares from non-controlling interest	—	—	(128)
Other	(9)	—	10
Net cash provided by (used in) financing activities	(1,971)	(1,462)	1,976
Effect of exchange rate changes on cash, cash equivalents, and restricted cash and cash equivalents	12	(24)	(14)
Net increase (decrease) in cash, cash equivalents, and restricted cash and cash equivalents	218	(197)	269
Cash, cash equivalents, and restricted cash and cash equivalents at beginning of year	1,350	1,547	1,278
Cash, cash equivalents, and restricted cash and cash equivalents at end of year	\$ 1,568	\$ 1,350	\$ 1,547
Supplemental cash flow disclosure			
Cash paid for income taxes	\$ 594	\$ 460	\$ 542
Cash paid for interest	\$ 171	\$ 170	\$ 123
Supplemental non-cash investing and financing activities			
Common stock and vested stock options issued for acquisitions	\$ —	\$ —	\$ 2,197
Treasury stock retirement	\$ —	\$ 1,512	\$ —

See accompanying notes.