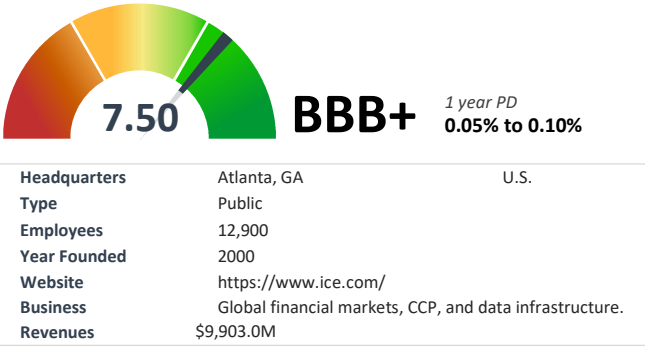


Intercontinental Exchange, Inc. ("ICE")



Company Overview

- Company Overview:** Intercontinental Exchange, Inc. (ICE) is a global financial services company specializing in operating exchanges and providing data and technology solutions. Amongst other things, they own the NYSE, and operate as a central counterparty clearinghouse.
- Product:** ICE's portfolio includes trading platforms for derivatives, equities, and fixed income; data services; and digital mortgage solutions through recent acquisitions.
- Customers:** Institutional investors, financial institutions, corporations, and governments, catering to diverse market participants globally.
- Ownership:** Publicly traded and listed on the NYSE (ticker:"ICE"), with institutional investors holding approximately 91.65% ownership.
- Debt Structure:** Average weighted maturity date of debt is 2037, with about \$7.4bn or ~35% maturing through 2028, including current debt.
- Publicly Rated:** S&P ('BBB+') and Moody's ('A3') rated the issuer in 12/20 and 8/20, respectively. Each reaffirmed their perspective since with a continued 'stable' outlook. Yet, both downgraded them in 2020 following a spike in debt after acquiring Ellie Mae for \$11.4bn.
- Other (pros/cons):** ICE benefits from its commanding scale as a global operator of exchanges and CCPs, driving robust cash flow and strong margins. They have a proven track record of deleveraging following significant debt-funded acquisitions, proving financial discipline (leverage in FY-21 was 2.0). Yet, their current leverage of 4.5 exceeds even their own target, following the acquisition of "Black Knight" in 8/23 for \$11.9bn - which boosted their performance in FY-24(A) after all. Net Income for example will be almost 2x FY-22.

Financial Snapshot

	Dec-22	Dec-23	Dec-24(A)	Chg
\$ '000s	T12	T12	T12	%
Total Revenue	9,636,000	9,903,000	11,641,333	17.6%
Gross Profit	7,292,000	7,988,000	9,274,667	16.1%
Adjusted EBITDA	4,669,000	4,909,000	5,840,000	19.0%
Gross Profit Margin	75.7%	80.7%	79.7%	-1.0 ppt
EBITDA Margin	48.5%	49.6%	50.2%	0.6 ppt
Net Income	1,498,000	2,438,000	2,790,667	14.5%

				Weight	Rating Range		
				75%	2.5	to	3.5

Financial Ratio Benchmarking

# of Benchmarks: 20		Industry Median	Company Metric	Percentile Rank	# of Industry Benchmarks 20		Company Financials Date	Dec-23
Liquidity	Revenue	\$1,838M	\$9,903M		Industry Benchmarks - Primary: Financial Exchanges and Data			
	Current Ratio	1.05	1.00	<div></div> 25%				
Leverage	Quick Ratio	3.16	1.00	<div></div> 0%				
	Net Debt / EBITDA	1.30	4.50	<div></div> 9%				
	Debt to Assets	22.7%	16.9%	<div></div> 54%				
Profitability	EBITDA Margin	43.6%	49.6%	<div></div> 60%				
	ROCE %	17.5%	7.2%	<div></div> 15%				

Business Risk

Industry Group Risk Profile			Capital Markets	20%	#VALUE!	to	#VALUE!
Industry Risk Assessment		KPI Rating	Contribution	Industry Group Description			
Cyclicality		#N/A	#N/A	Due to Scorecard limitations, we were primarily leaning on the public (issuer-)rating of ICE.			
Competitive Risk		#N/A	#N/A				
Global Industry		#N/A	#N/A				
Market Segment Outlook		Strong	#N/A				
Competitive Position Profile			Business And Consumer Services	50%	7.5	to	9.5
Competitive Position KPIs		KPI Rating	Contribution	Rating Guideline			
Cycle-Tested		< 2000	<div></div>	Navigated multiple economic down-cycles.			
Market Position		Strong	<div></div>	Favorable market position with barriers to entry, ability to integrate services into customer's operations.			
Scale and Scope		Strong	<div></div>	Operates in various attractive markets with superior scale.			
Brand Equity and Reputation		Strong	<div></div>	Strong brand with a clear price premium and high customer loyalty.			
Business Strategy		Above Average	<div></div>	Mostly consistent strategy with minor areas for improvement.			
Customer & End-Market Diversity		Strong	<div></div>	Diverse customer base; no reliance on specific customers.			
Service Diversity		Strong	<div></div>	Offers a wide range of services that cater to diverse customer needs.			
Geographic Diversity		Above Average	<div></div>	Moderate geographic diversification. Some dependence on specific regions.			
Technological Innovation		Above Average	<div></div>				
Management, Governance, Sponsorship				30%	8.0	to	10.0

Anchor Modifiers

Modifiers			
Revenue Segment	Normalization	<div></div>	\$1-10B
Trend Analysis	Adjustment	<div></div>	Strong Positive
Financial Flexibility	Adjustment	<div></div>	Limited
Other Modifier	Risk Flag	<div></div>	Alignment factor with public ratings

Rating Range (Rounded)

7.0 to 8.0