

28 November 2018

**Supplement #1 to Nasdaq, Inc.'s prospectus for the offer to Nasdaq's employees in Sweden to participate in the Employee Stock Purchase Plan 2018/2019**

This document constitutes a supplement to Nasdaq, Inc.'s prospectus for the offer to Nasdaq's employees in Sweden to participate in the Employee Stock Purchase Plan 2018/2019 (FI dnr 18-8576) (the "ESPP Prospectus"), approved and registered by the Swedish Financial Supervisory Authority (Sw.*Finansinspektionen*) on 25 May 2018.

This supplement has been prepared in accordance with chapter 2, section 34 of the Financial Instruments Trading Act (Sw. *lag (1991:980) om handel med finansiella instrument*), and was approved and registered by the Swedish Financial Supervisory Authority on 28 November 2018, and made public at [http://www.nasdaqomxnordic.com/about\\_us/legalstructure](http://www.nasdaqomxnordic.com/about_us/legalstructure) on the same day.

This supplement forms a part of, and shall be read together with, the ESPP Prospectus. The ESPP Prospectus, including all supplements are available at [http://www.nasdaqomxnordic.com/about\\_us/legalstructure](http://www.nasdaqomxnordic.com/about_us/legalstructure).

This supplement has been prepared following the publication on 24 October 2018 of Nasdaq, Inc.'s quarterly results for the third quarter 2018, and is made to include the latest financial information from Nasdaq, Inc. prior to commencement of the second enrollment period of the 2018/2019 ESPP on 1 December 2018. Accordingly, the interim financial information for the first quarter 2018, which was included in the ESPP Prospectus, has been replaced with the interim financial information for the third quarter 2018.

As a result, information derived from the quarterly results for the first quarter 2018 have been replaced with financial information derived from the quarterly results for the third quarter 2018 on the following sections/pages:

- Section 1, Translation into Swedish of Summary (svensk översättning av prospektsammanfattning), B.7 Utvald historisk finansiell information (on page 5).
- Section 2, Summary, B.7, Selected historical key financial information (on page 11).
- Section 5, Selected Historical Financial information (on page 37).
- Section 6, Capitalization and other Financial Information (on pages 38 to 40)

The offering to the employees under the ESPP is described in the ESPP Prospectus Section 4, pages 31 to 36 (inclusive).

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# 1. Translation into Swedish of Summary (svensk översättning av prospektsammanfattning) (page 5 of the ESPP Prospectus)

B.7	Utvald historisk finansiell information	1 juli – 30 september,		1 januari – 31 december,		
		2018	2017	2017	2016	2015
		(miljoner, förutom aktier och data per aktie)				
<b>Information från resultaträkningen:</b>						
	Omsättning (Total revenues) .....	USD 964	USD 965	USD 3 965	USD 3 705	USD 3 403
	Transaktionsbaserade kostnader (Transaction-based expenses) .....	(364)	(362)	(1 537)	(1 428)	(1 313)
	Omsättning minus transaktionsbaserade kostnader (Revenues less transaction-based expenses) .....	600	603	2 428	2 277	2 090
	Rörelsekostnader (Total operating expenses) ..	354	341	1 429	1 438	1 370
	Rörelseintäkter (Operating Income) .....	246	262	999	839	720
	Nettoresultat (Net income) hänförligt till Nasdaq .....	163	170	734	108	428
Information per aktie:						
	Vinst per aktie före utspädning .....	USD 0,99	USD 1,02	USD 4,41	USD 0,65	USD 2,56
	Vinst per aktie efter utspädning .....	USD 0,97	USD 1,00	USD 4,33	USD 0,64	USD 2,50
	Beslutad kontantutdelning per aktie .....	USD 0,44	USD 0,38	USD 1,46	USD 1,21	USD 0,90
	Vägt genomsnittligt antal utestående aktier för vinst per aktie (Weighted average common shares outstanding for earnings per share):					
	Före utspädning .....	164.227,243	166,694,755	166 364 299	165 182 290	167 285 450
	Efter utspädning .....	167,290,916	170,002,147	169 585 031	168 800 997	171 283 271
		30 september,		31 december,		
		2018	2017	2017	2016	2015
		(miljoner)				
<b>Information från balansräkningen:</b>						
	Kontanta och likvida medel samt finansiella investeringar (Cash and cash equivalents and financial investments)	USD 526	USD 737	USD 612	USD 648	USD 502
	Totala tillgångar (Total assets) .....	14 855	15 072	15 731	14 150	11 861
	Totala långfristiga skulder (Total long-term liabilities) .....	3 454	4 614	4 616	4 638	3 332
	Totalt eget kapital (Total equity) .....	5 602	5 735	5 880	5 430	5 609
Ovanstående information från Nasdaq har tagits fram i enlighet med U.S. GAAP.						
Det har inte skett någon väsentlig förändring av Nasdaqs finansiella ställning eller marknadsställning sedan publiceringen av delårsrapporten för perioden juli-september 2018.						

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## 2. Summary (page 11 of the ESPP Prospectus)

B.7	Selected historical key financial information	Three Months Ended		Year Ended December 31,		
		September 30,				
		2018	2017	2017	2016	2015
		(in millions, except share and per share amounts)				
<b>Statements of Income Data:</b>						
Total revenues .....		\$ 964	\$ 965	\$ 3,965	\$ 3,705	\$ 3,403
Transaction-based expenses .....		(364)	(362)	(1,537)	(1,428)	(1,313)
Revenues less transaction-based expenses .....		600	603	2,428	2,277	2,090
Total operating expenses .....		354	341	1,429	1,438	1,370
Operating Income .....		246	262	999	839	720
Net income attributable to Nasdaq ...		163	170	734	108	428
Per share information:						
Basic earnings per share .....		\$ 0.99	\$ 1.02	\$ 4.41	\$ 0.65	\$ 2.56
Diluted earnings per share .....		\$ 0.97	\$ 1.00	\$ 4.33	\$ 0.64	\$ 2.50
Cash dividends declared per common share .....		\$ 0.44	\$ 0.38	\$ 1.46	\$ 1.21	\$ 0.90
Weighted average common shares outstanding for earnings per share:						
Basic .....		164,227,243	166,694,755	166,364,299	165,182,290	167,285,450
Diluted .....		167,290,916	170,002,147	169,585,031	168,800,997	171,283,271
		September 30,		December 31,		
		2018	2017	2017	2016	2015
		(in millions)				
<b>Balance Sheets Data:</b>						
Cash and cash equivalents and financial investments		\$ 526	\$ 737	\$ 612	\$ 648	\$ 502
Total assets .....		14,855	15,072	15,731	14,150	11,861
Total long-term liabilities .....		3,454	4,614	4,616	4,638	3,332
Total equity .....		5,602	5,735	5,880	5,430	5,609
The information above that Nasdaq has provided has been prepared in accordance with U.S. GAAP.						
There has been no substantial change in Nasdaq's financial position or market position since the publication of the report for the quarterly for the period ended 30 September 2018.						

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## 5. Selected Historical Financial Information (page 37 of the ESPP Prospectus)

The information below is a summary of Nasdaq, Inc's financial results and position for the fiscal years 2015-2017 and for the three months ended September 30, 2017 and 2018. Nasdaq's financial statements are prepared in accordance with U.S. generally accepted principles ("U.S GAAP").<sup>1</sup> The information should be read together with the section "*Capitalization and other Financial Information*" below and Nasdaq, Inc's financial statements for the fiscal years 2015-2017 and the three months ended September 30, 2017 and 2018 which are available at Nasdaq, Inc's website [www.business.nasdaq.com](http://www.business.nasdaq.com) and the SEC's website at [www.sec.gov](http://www.sec.gov). Nasdaq, Inc's financial statements for the fiscal years 2015-2017 have been audited by Ernst & Young LLP.

	<u>Three Months Ended September 30,</u>		<u>Year Ended December 31,</u>		
	<u>2018</u>	<u>2017</u>	<u>2017<sup>2</sup></u>	<u>2016<sup>2</sup></u>	<u>2015<sup>2</sup></u>
(in millions, except share and per share amounts)					
<b>Statements of Income Data:</b>					
Total revenues	\$ 964	\$ 965	\$ 3,965	\$ 3,705	\$ 3,403
Transaction-based expenses <sup>3</sup>	(364)	(362)	(1,537)	(1,428)	(1,313)
Revenues less transaction-based expenses	600	603	2,428	2,277	2,090
Total operating expenses	354	341	1,429	1,438	1,370
Operating income	246	262	999	839	720
Net income attributable to Nasdaq	163	170	734	108	428
Per share information:					
Basic earnings per share	\$ 0.99	\$ 1.02	\$ 4.41	\$ 0.65	\$ 2.56
Diluted earnings per share	\$ 0.97	\$ 1.00	\$ 4.33	\$ 0.64	\$ 2.50
Cash dividends declared per common share <sup>4</sup>	\$ 0.44	\$ 0.38	\$ 1.46	\$ 1.21	\$ 0.90
Weighted average common shares outstanding for earnings per share:					
Basic	164,227,243	166,694,755	166,364,299	165,182,290	167,285,450
Diluted	167,290,916	170,002,147	169,585,031	168,800,997	171,283,271
(in millions)					
<b>Balance Sheets Data:</b>					
Cash and cash equivalents and financial investments	\$ 526	\$ 737	\$ 612	\$ 648	\$ 502
Total assets	14,855	15,072	15,731	14,150	11,861
Total long-term liabilities	3,454	4,614	4,616	4,638	3,332
Total equity	5,602	5,735	5,880	5,430	5,609

**Note:** The consolidated financial statements are prepared in accordance with U.S. generally accepted accounting principles. The financial statements include the accounts of Nasdaq, its wholly-owned subsidiaries and other entities in which Nasdaq has a controlling financial interest. All significant intercompany accounts and transactions have been eliminated in consolidation.

<sup>1</sup> On January 1, 2018, Nasdaq adopted ASU 2014-09, "Revenue from Contracts with Customers" ("Topic 606"), which impacted the revenue and expense recognition for Nasdaq's Market Technology business and revenue recognition for Nasdaq's Listing Services business. The adoption of Topic 606 did not have a material impact on Nasdaq's consolidated financial statements at the time of adoption or in any prior reporting periods. There was no impact to revenue and expense recognition for Nasdaq's other businesses. Certain prior year amounts for the three months ended September 30, 2017 and as of December 31, 2017, have been restated to conform to the current year presentation. All other prior year amounts for the fiscal years 2015-2017 have not been restated.

<sup>2</sup> Nasdaq completed several acquisitions during the years ended December 31, 2016 and 2015 and included the financial results of such acquisitions in Nasdaq's consolidated financial statements from the respective acquisition dates.

<sup>3</sup> Nasdaq records transaction-based revenues on a gross basis as revenues and record related expenses as transaction-based expenses.

<sup>4</sup> Cash dividends declared per common share of \$0.44 for third quarter 2018, \$0.38 for the third quarter of 2017, \$1.46 for 2017, \$1.21 for 2016 and \$0.90 for 2015 reflect quarterly dividends per share on Nasdaq's outstanding common stock.

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## 6. Capitalization and other Financial Information (pages 38-40 of the ESPP Prospectus)

### Shareholders' Equity and Liabilities

The information that Nasdaq has provided has been prepared in accordance with U.S. GAAP.

	<u>30 September, 2018</u>	<u>31 December, 2017</u>
	(Unaudited)	
<b>Liabilities</b>		
Current liabilities:		
Accounts payable and accrued expenses	USD \$ 176	USD \$ 177
Section 31 fees payable to SEC	21	128
Accrued personnel costs	145	170
Deferred revenue	257	161
Other current liabilities	173	85
Default funds and margin deposits	4,219	3,988
Short-term debt	808	480
Liabilities held for sale	--	45
Total current liabilities	<u>5,799</u>	<u>5,234</u>
Long-term debt	3,072	3,727
Deferred tax liabilities	137	225
Non-current deferred revenue	91	126
Other non-current liabilities	154	162
Total liabilities	<u>9,253</u>	<u>9,474</u>
<b>Commitments and contingencies</b>		
<b>Equity</b>		
Nasdaq stockholders' equity:		
Common stock, USD 0.01 par value, 300,000,000 shares authorized, shares issued: 169,423,805 at September 30, 2018 and 172,373,432 at December 31, 2017; shares outstanding: 163,949,047 at September 30, 2018 and 167,441,030 at December 31, 2017	2	2
Additional paid-in capital	2,676	3,024
Common stock in treasury, at cost: 5,452,116 shares at March 31, 2018 and 4,932,402 shares at December 31, 2017	(291)	(247)
Accumulated other comprehensive loss	(1,184)	(862)
Retained earnings	4,399	3,963
Total Nasdaq stockholders' equity	<u>5,602</u>	<u>5,880</u>
Total liabilities and equity	<u>\$ 14,855</u>	<u>\$ 15,354</u>

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**Net Financial Indebtedness**

	<b>As of 30 September, 2018</b>
	(in millions)
A. Cash	USD 213
B. Cash equivalent	111
C. Trading securities <sup>5</sup>	202
<b>D. Liquidity (A)+(B)+(C)</b>	<b>526</b>
<b>E. Current Financial Receivable</b>	–
F. Current Bank debt	–
G. Current portion of non-current debt	(499)
H. Other current financial debt <sup>6</sup>	(309)
<b>I. Current Financial Debt (F)+(G)+(H)</b>	<b>(808)</b>
<b>J. Net Current Financial Liquidity/(Indebtedness) (I)-(E)-(D)</b>	<b>(282)</b>
K. Non-current Bank loans	(96)
L. Bonds issued	(2,976)
M. Other non-current loans	–
<b>N. Non-current Financial Indebtedness (K)+(L)+(M)</b>	<b>(3,072)</b>
<b>O. Net Financial Indebtedness (J)+(N)</b>	<b>USD (3,345)</b>

**Working Capital**

Nasdaq is of the opinion that the existing working capital (inclusive of expected cash generated from operations, liquidity and availability under the revolving credit facility) is sufficient to meet the current needs of Nasdaq for the next 12 months.

**Business Environment**

We serve listed companies, market participants and investors by providing derivative, commodities, cash equity, and fixed income markets, thereby facilitating economic growth and corporate entrepreneurship. We provide market technology to exchanges, clearing organizations and central securities depositories around the world. We also offer companies and other organizations access to innovative products, software solutions and services that increase transparency, mitigate risk, improve board efficiency and facilitate better corporate governance. In broad terms, our business performance is impacted by a number of drivers including macroeconomic events affecting the risk and return of financial assets, investor sentiment, government and private sector demands for capital, the regulatory environment for capital markets, changing technology, particularly in the financial services industry, and changes in investment patterns and priorities. Our future revenues and net income will continue to be influenced by a number of domestic and international economic trends including, among others:

- Trading volumes and values in equity derivative, cash equity and FICC, which are driven primarily by overall macroeconomic conditions;
- The number of companies seeking equity financing, which is affected by factors such as investor demand, the global economy, and availability of diverse sources of financing, as well as tax and regulatory policies;

<sup>5</sup> Referred to as “Financial investments, at fair value” in the unaudited interim consolidated financial statements of Nasdaq for the quarterly period ended September 30, 2018.

<sup>6</sup> Related to short-term borrowings under Nasdaq's commercial paper program.

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- The demand for information about, or access to, our markets, which is dependent on the products we trade, our importance as a liquidity center, and the quality and pricing of our data and trade management services;
- The demand by companies and other organizations for the products sold by our Corporate Solutions business, which is largely driven by the overall state of the economy and the attractiveness of our offerings;
- The demand for licensed ETPs and other financial products based on our indexes as well as changes to the underlying assets associated with existing licensed financial products;
- The challenges created by the automation of market data consumption, including competition and the quickly evolving nature of the data business;
- The outlook of our technology customers for capital market activity;
- Continuing pressure in transaction fee pricing due to intense competition in the U.S. and Europe;
- Competition related to pricing, product features and service offerings;
- Regulatory changes relating to market structure or affecting certain types of instruments, transactions, pricing structures or capital market participants; and
- Technological advances and members' and customers' demand for speed, efficiency, and reliability.

### **Trends and significant changes since publication of the report for the quarterly for the period ended 30 September 2018**

There has been no substantial change in Nasdaq's financial position or market position since the publication of the report for the quarterly for the period ended 30 September 2018.