



# IntercontinentalExchange

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First Quarter 2008

Earnings Presentation – May 2, 2008

# Forward-Looking Statements

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## 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 our business that are not historical facts are forward-looking statements that involve risks, uncertainties and assumptions that are difficult to predict. These statements are not guarantees of future performance and actual outcomes and results may differ materially from what is expressed or implied in any forward-looking statement. For a discussion of certain risks and uncertainties that could cause actual results to differ from those contained in the forward-looking statements see our filings with the Securities and Exchange Commission (the "SEC"), including, but not limited to, the "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2007 as filed with the SEC on February 13, 2008. SEC filings are also available in the Investors & Media section of our website. All forward-looking statements in this presentation are based on information known to us on the date hereof, and we undertake no obligation to publicly update any forward-looking statements.*

# Earnings Conference Call – 1Q08

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**Jeffrey C. Sprecher**  
*Chairman and Chief Executive Officer*

**Scott A. Hill**  
*Senior Vice President, Chief Financial Officer*

**Charles A. Vice**  
*President, Chief Operating Officer*

**Kelly L. Loeffler**  
*Vice President, Investor Relations and  
Corporate Communications*

**Sarah M. Stashak**  
*Director, Investor and Public  
Relations*

# Summary Financials – 1Q08

(In millions, except EPS data)

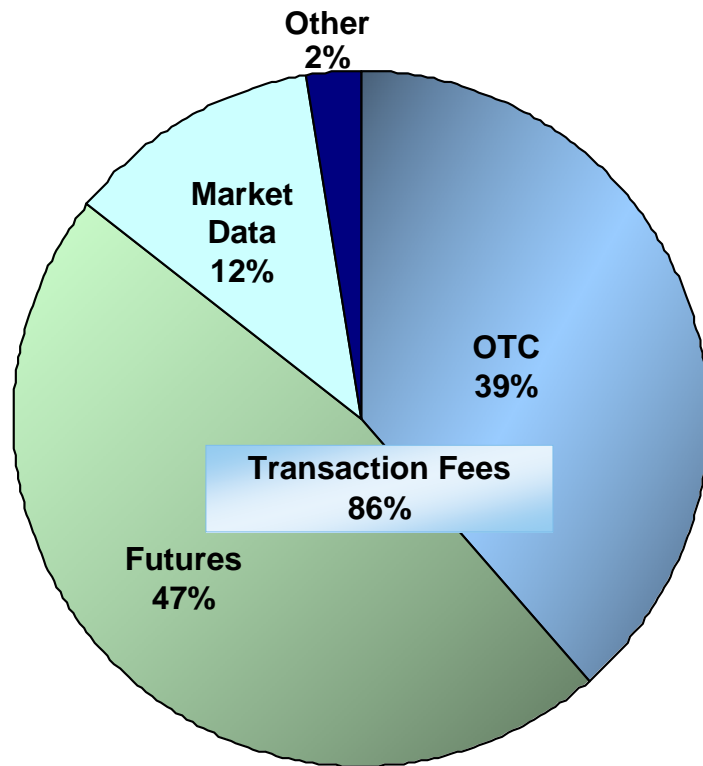
<b>INCOME STATEMENT</b>	<b>1Q08</b>	<b>1Q07</b>	<b>yty%</b>
Total Revenues	\$207	\$127	64%
Total Expenses	\$63	\$47	34%
Operating Income	\$144	\$80	81%
<i>Operating Margin</i>	70%	63%	7 bps
Income Taxes	\$50	\$32	55%
Net Income	\$92	\$56	66%
<i>Net Margin</i>	45%	44%	1 bps
EPS (Diluted)	\$1.29	\$0.80	61%
<b>BALANCE SHEET &amp; CASH FLOW</b>	<b>1Q08</b>	<b>1Q07</b>	<b>yty%</b>
Cash & ST Investments	\$277	\$177	56%
Operating Cash Flow	\$79	\$31	157%

- **Record transaction revenues**
  - Futures +57% yty
  - OTC +69% yty
  - Data +76% yty
- **Record OTC commissions**
  - ADC \$1.3 MM; +70% yty
- **Record contract volume exceeded 130 MM contracts**
  - Futures ADV +49 yty
  - Energy ADV +16% yty
  - Ags/FX/Index ADV +77% yty
- **Operating income up 81%**
  - 70% operating margin
- **Strong cash flow and financial flexibility**
- **Continued inflow of investment to commodities asset class**



# Revenue Detail – 1Q08

## 1Q08 Consolidated Revenue \$207.2 Million



## Revenue Drivers

- OTC: continued strength in both cleared and bilateral markets, as well as acquisitions, new customers products and partnerships
- Futures: new customers, volatility, investment in commodities rising, and ICE Futures U.S. transition to all-electronic futures trading

(In millions)	1Q08	1Q07 <sup>(1)</sup>	yty%
OTC	\$80.0	\$47.3	69%
Futures	\$97.4	\$62.1	57%
<b>Transaction Fee Revenue</b>	<b>\$177.4</b>	<b>\$109.3</b>	<b>62%</b>
Market Data	\$24.7	\$14.0	76%
Other	\$5.1	\$3.2	56%
<b>Total Rev</b>	<b>\$207.2</b>	<b>\$126.6</b>	<b>64%</b>

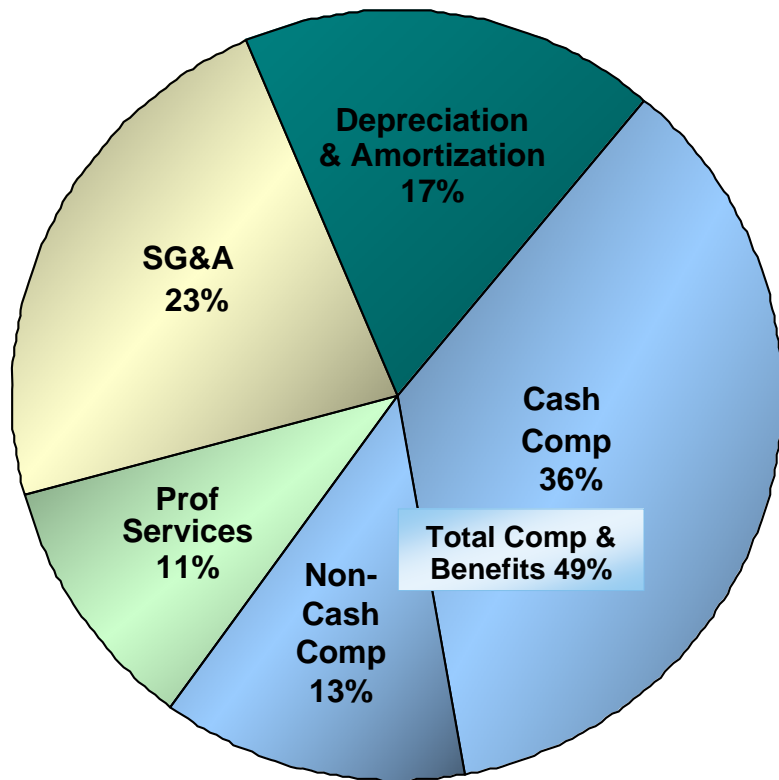
(1) ICE purchased ICE Futures U.S. on 1/12/07 and ICE Futures Canada on 8/27/07. Revenue earned by these entities prior to the acquisitions is excluded.

Note: Figures may not foot due to rounding. Please see press release dated May 2, 2008 for more detail available on [www.theice.com](http://www.theice.com).



# Expense Detail – 1Q08

## 1Q08 Consolidated Expenses



## Expense Drivers

- Non-cash compensation + \$4.1 MM yty
- 1Q08 expense includes \$2.1 MM in costs related to closure of ICE Futures U.S. futures pits
- Higher D&A expenses related to technology investments and 2007 acquisitions
- 1Q08 expenses include \$2.3 MM in costs for the establishment of ICE Clear Europe

(In millions)	1Q08	1Q07 <sup>(1)</sup>	yty%
Comp & Benefits	\$30.7	\$21.8	41%
Prof Services	\$7.0	\$4.9	43%
SG&A	\$14.3	\$13.8	4%
Depreciation & Amortization	\$10.9	\$6.5	68%
<b>Total Expenses</b>	<b>\$62.9</b>	<b>\$47.0</b>	<b>34%</b>

(1) ICE purchased ICE Futures U.S. on 1/12/07 and ICE Futures Canada on 8/27/07. Expenses incurred by these entities prior to the acquisitions is excluded.

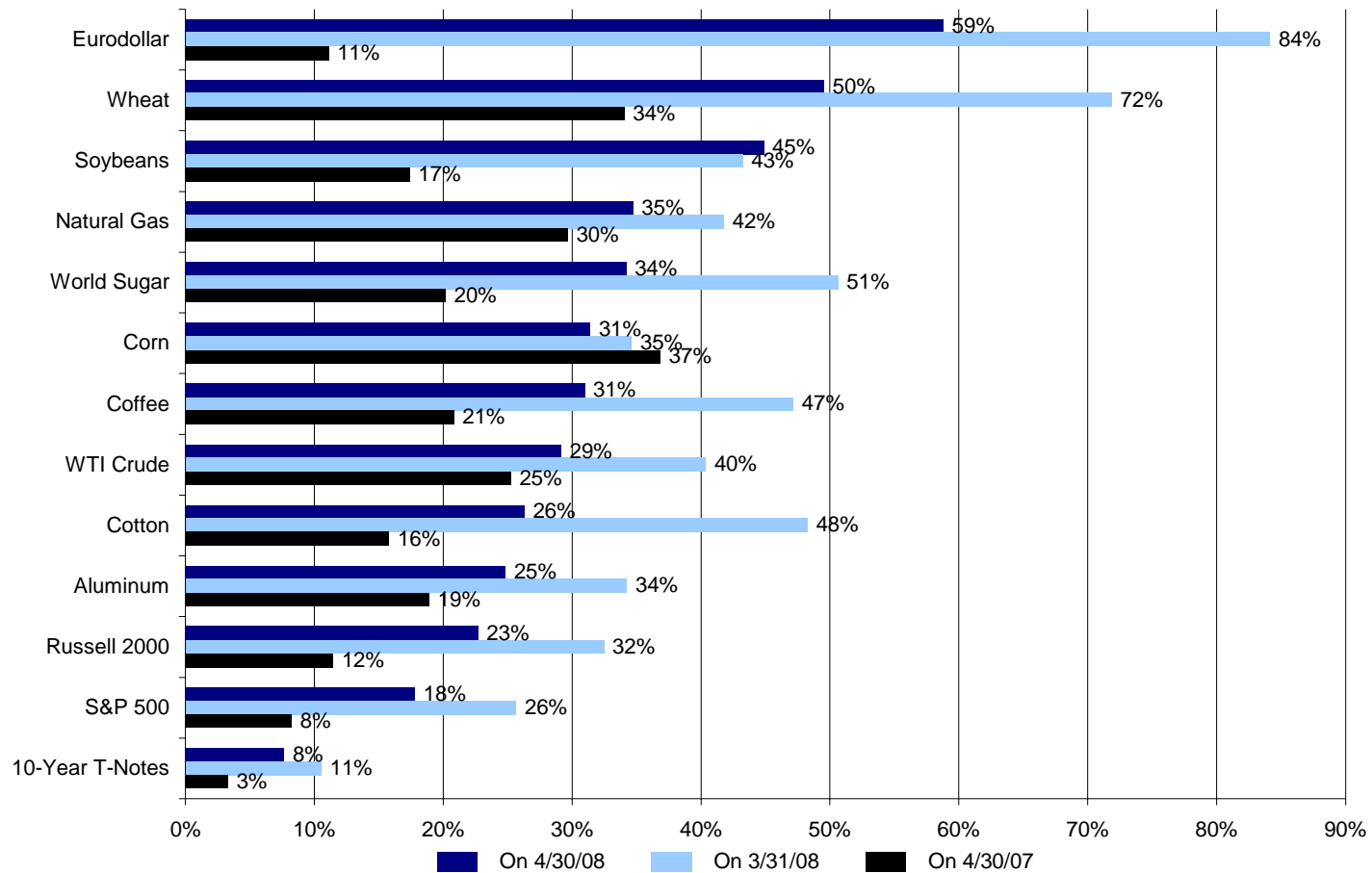
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# Relative Volatility Analysis

Volatility has declined from one month ago despite economic uncertainty and global credit issues

**30-Day Historical Volatility Comparison**

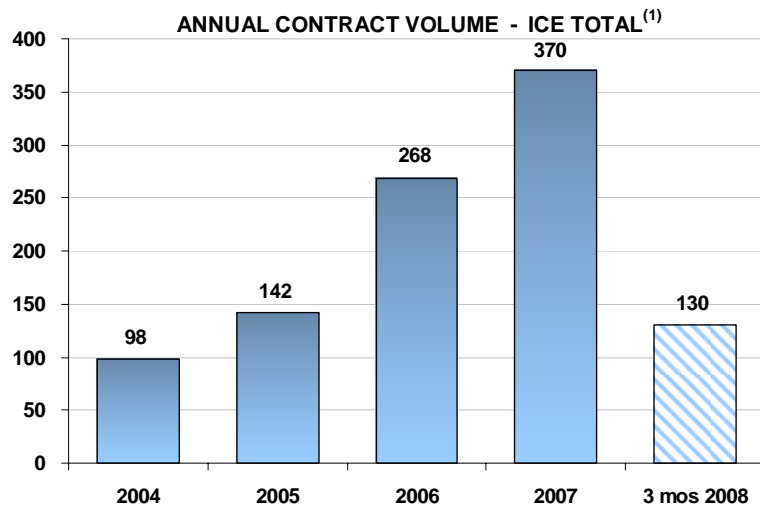
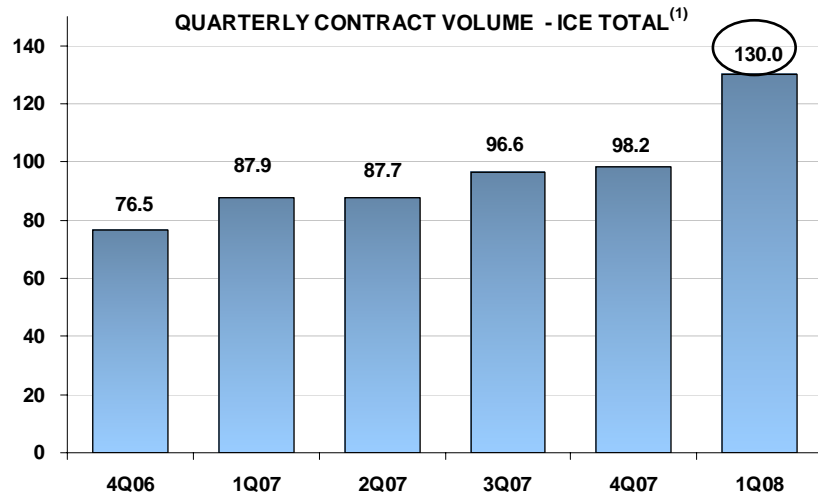


Source: Bloomberg



# ICE Total Futures & OTC Volume

(In millions)



(In 000)	1Q08	1Q07 <sup>(1)</sup>	yty%
<b>Total Vol</b>	130,020	87,865	48%
<b>ICE Futures Europe ADV</b>	616	531	16%
<b>ICE Futures U.S./Canada ADV</b>	389	220	77%
<b>ICE OTC ADV</b>	1,107	662	67%
<b>Total ADV</b>	2,112	1,413	49%

## ICE's Diverse Product Offering

Crude Oil	Sugar	Russell Indexes
Natural Gas	Coffee	Foreign Exchange
Electric Power	Cocoa	US Dollar Index
Refined Oil Products	Cotton	Wood Pulp
Emissions	OJ	Ethanol
Canola	Feed Wheat	Western Barley

(1) Volumes include pro-forma 2007 data for both ICE Futures U.S. and ICE Futures Canada which were purchased by ICE on 1/12/07 and 8/27/07, respectively.....

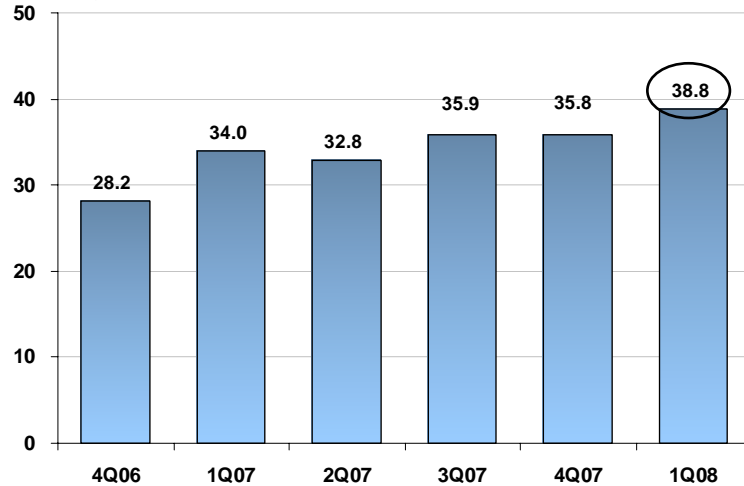




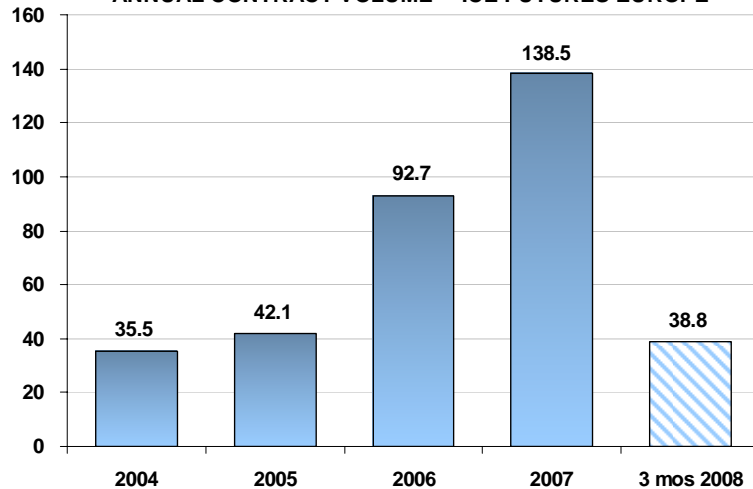
# ICE Futures Europe Volume – 1Q08

(In millions)

QUARTERLY CONTRACT VOLUME - ICE FUTURES EUROPE



ANNUAL CONTRACT VOLUME - ICE FUTURES EUROPE



Note: Figures may not foot due to rounding.

- \$49 MM in transaction revenue; + 10% yty
- Energy franchise strength also reflected in OTC; ICE does not list a U.S. Natural Gas futures contract
- Record daily volume record exchange-wide, and in Brent and Gas Oil
- Rate Per Contract
 

1Q08	4Q07	1Q07
\$1.25	\$1.27	\$1.29

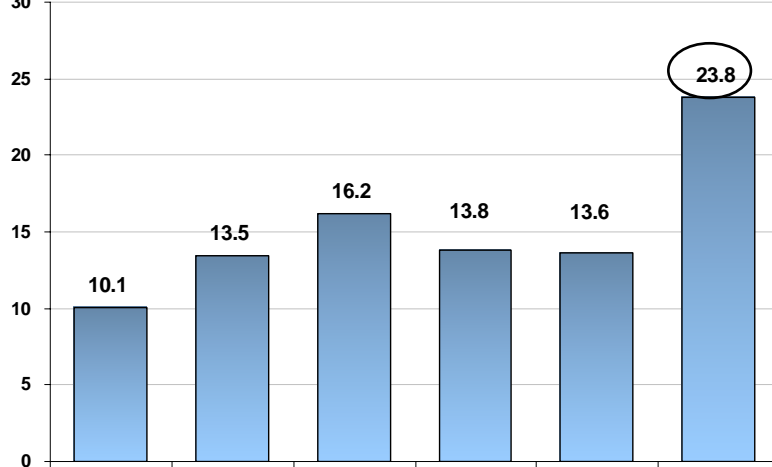
(In 000)	1Q08	1Q07	yty%
<b>Total Vol</b>	38,777	33,973	14%
<b>Brent ADV</b>	266	233	14%
<b>WTI ADV</b>	221	200	10%
<b>Gas Oil ADV</b>	116	88	31%
<b>Other ADV</b>	14	9	49%
<b>Total ADV</b>	616	531	16%



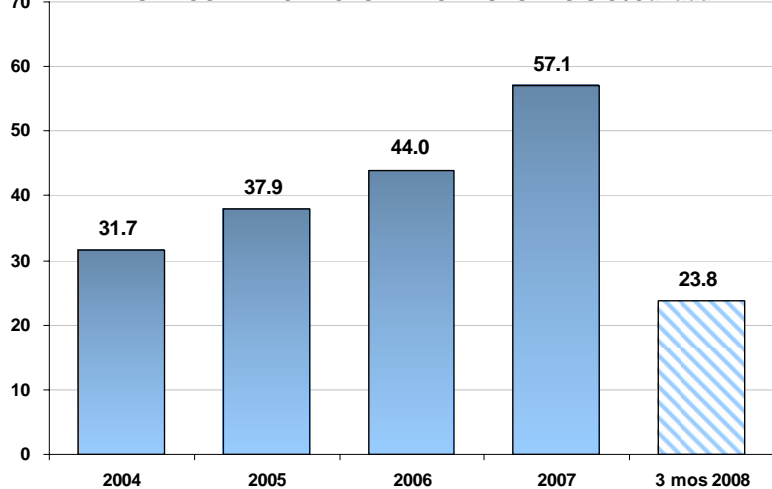
# ICE Futures U.S./Canada Volume – 1Q08

(In millions)

QUARTERLY CONTRACT VOLUME - ICE FUTURES U.S./Canada<sup>(1)</sup>



ANNUAL CONTRACT VOLUME - ICE FUTURES U.S./Canada<sup>(1)</sup>



- \$49 MM in transaction revenue; + 172% yty
- Exchange-wide daily volume records: Sugar, Cotton, Coffee, U.S. Dollar Index & Russell 2000
- Rate Per Contract – ICE Futures U.S. Softs:

1Q08	4Q07	1Q07
\$2.14	\$2.03	\$1.59

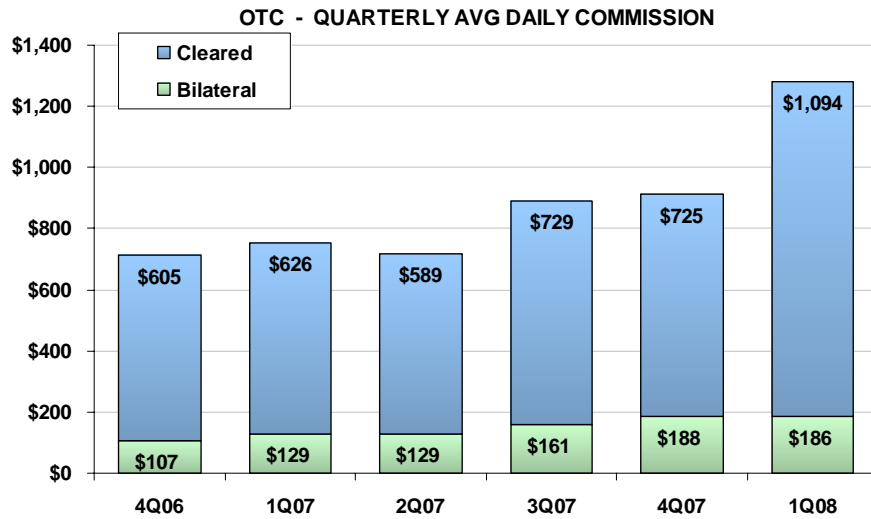
(In 000)	1Q08	1Q07 <sup>(1)</sup>	yty%
<b>Total Vol</b>	23,753	13,483	76%
<b>Sugar ADV</b>	211	105	101%
<b>Cotton ADV</b>	74	33	123%
<b>Other ADV</b>	104	82	28%
<b>Total ADV</b>	389	220	77%

(1) Volumes include pro-forma 2007 data for both ICE Futures U.S. and ICE Futures Canada which were purchased by ICE on 1/12/07 and 8/27/07, respectively.

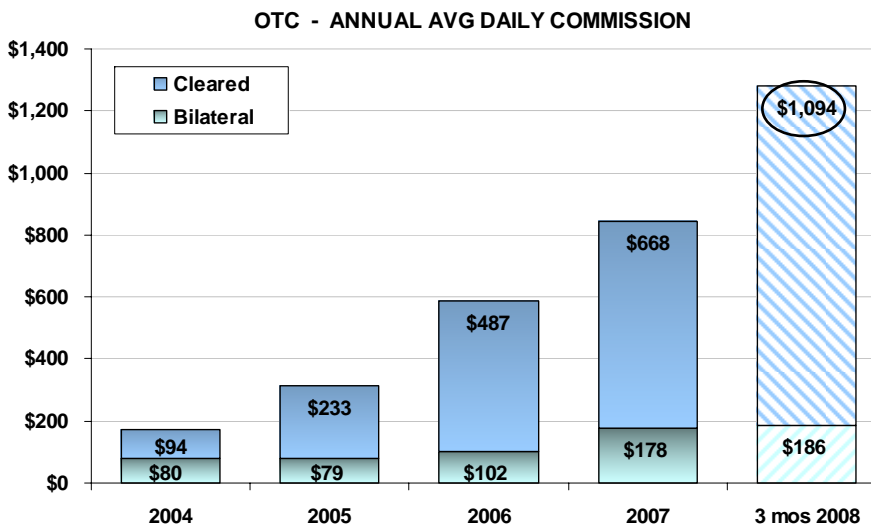


# ICE OTC Average Daily Commission – 1Q08

(In 000)



- \$80 MM in transaction revenue; +69% yty
- 45% of consolidated transaction revenue
- ADC of \$1.3 MM; steady customer mix
- Incremental contribution from acquisitions & partnerships

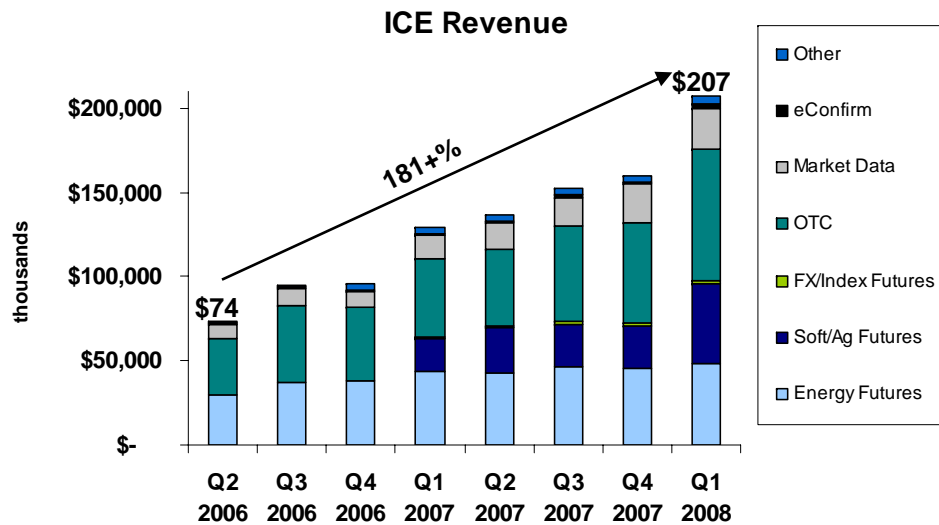


(In 000)	1Q08	1Q07	yty%
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<b>Contracts Traded</b>	67,500	40,409	67%
<b>Cleared</b>	60,007	34,165	76%
% Cleared	89%	85%	
<b>Cleared ADC</b>	\$1,094	\$626	75%
% Cleared	85%	83%	
<b>Bilateral ADC</b>	\$186	\$129	44%
% Bilateral	15%	17%	
<b>Total ADC</b>	\$1,280	\$755	70%



# Business Status and Initiatives – 1Q08



## BUSINESS FUNDAMENTALS

- Fast growing, global commodity markets
- Technology and distribution advantages
- Ability to add new products & asset classes
- Demonstrated M&A strategy and ability to integrate futures and OTC businesses
- Enhanced global risk management capabilities through clearing

## 2008 PRIORITIES

- Execute on clearing strategy
  - Regulatory approval
  - Complete integration/transfer
- Facilitate Russell Index transition
  - Strong value proposition through pricing, liquidity and relationships
- Grow ICE Futures US electronic business, deliver additional synergies
- Expand options business through YellowJacket, Chatham and technology
- New M&A opportunities; leverage recent acquisitions



# ICE Clear Europe

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*Upon approval, ICE Clear Europe will be the first new major London derivatives clearing house in 120+ years. ICE is investing in clearing to bring enhanced, around-the-clock, multiple-asset class clearing services to meet the underserved risk management needs of its customers in the global marketplace.*

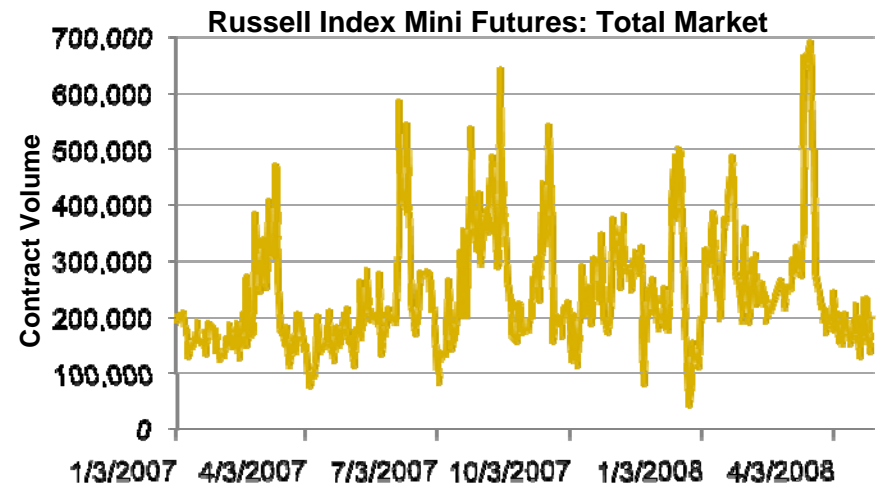
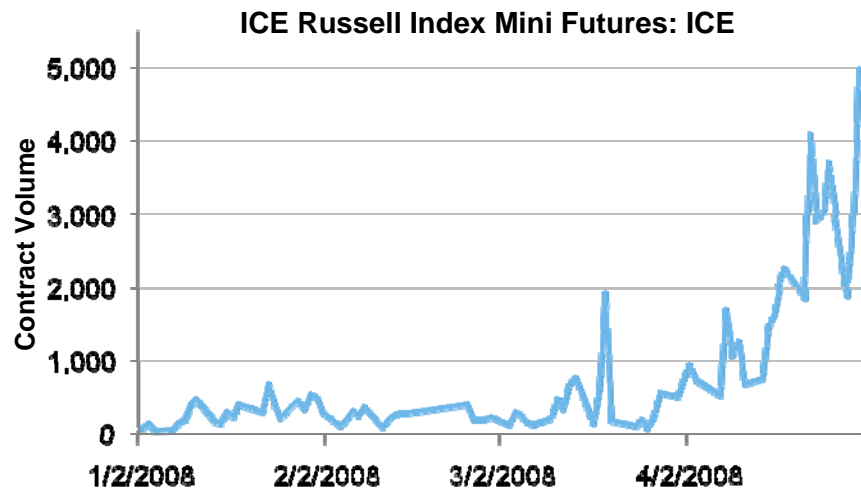
## **Regulatory Update**

- Complete application filed July '07
- Review and comment by FSA and OFT completed
- Final review by HM Treasury underway
- Risk controls, funding levels, rule book, member committees and governance established and in place
- On track for July '08 launch
- Engaged with regulators on operational requirements post-recognition

## **Operational Update**

- World-class clearing operations team
- Completed technology systems and testing in 1Q08 with 44 clearing firms; Testing of new billing module near completion
- TRS/CPS in place, ECS integration complete, SWIFT connections
- Guaranty fund structure and clearing economics completed
- Next steps through July '08: regulatory approval, complete memberships, establish guaranty fund, transfer positions

# Russell Index Futures on ICE: Key Growth Opportunity



- Numerous daily volume records achieved on ICE in April 2008
- 20 market makers, tight markets, and roll opportunities approaching in June
- Significant interest by commercial users and active traders
- Stronger value proposition for all classes of customers and faster matching engine
- Existing Russell 2000 mini futures volume demonstrates increasingly attractive market opportunity
- Growth opportunity for Russell 1000 Index volume; primary liquidity exists today on ICE
- Cross margining arrangement in place with OCC

# APPENDIX

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Earnings Presentation – May 2, 2008

## Additional Information – 1Q08

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- ICE had 512 employees, including 18 from the acquisition of YellowJacket Software, Inc., at March 31, 2008. ICE expects headcount to increase between 5% and 10% during 2008, excluding headcount additions relating to any acquisitions.
- ICE reiterates its non-cash compensation expense guidance in the range of \$32 million to \$34 million for 2008, assuming certain full year performance targets are achieved. If performance targets are exceeded, non-cash compensation expense could increase by as much as 45%. Non-cash compensation expense guidance will be provided quarterly to reflect updated business performance relative to targets.
- ICE has decreased expectations for depreciation and amortization for 2008 to a range of \$50 million to \$54 million. This includes amortization relating to the exclusive license for U.S. Russell Index futures of \$0.7 million in the third quarter and \$6.5 million in the fourth quarter. ICE will also continue to record \$1.5 million in interest expense relating to the license in each quarter of 2008.
- ICE's consolidated tax rate is expected to be in the range of 34% to 36% for 2008.
- ICE forecasts the diluted share count for the second quarter of 2008 to be in the range of 71.1 million to 71.9 million weighted average shares outstanding, and the diluted share count for fiscal year 2008 to be in the range of 71.1 million to 72.1 million weighted average shares outstanding.
- ICE Clear Europe is expected to commence operations in July 2008. Development expenses for ICE Clear Europe incurred in 2007 and 2008 total approximately \$7 million to date, in-line with guidance.



# Summary Balance Sheet – 1Q08

(In millions)

<b>BALANCE SHEET</b>	<b>3-31-08</b>	<b>12-31-07</b>	<b>yty</b>
<b>Assets</b>			
Cash & ST Investments	\$277	\$261	\$16
Other Current Assets	1,058	882	176
Total Current Assets	1,334	1,142	192
PPE (net)	63	64	(1)
Other Assets	1,656	1,591	65
Total Assets	\$3,053	\$2,796	\$257
<b>Liabilities &amp; Equity</b>			
Current Liabilities	\$1,055	\$911	\$144
Long Term Debt	175	184	(\$9)
Other Liabilities	229	224	5
Total Liabilities	1,458	1,319	139
Total Shareholders Equity	1,594	1,477	118
Total Liabilities & Shareholders Equity	\$3,053	\$2,796	\$257

## BALANCE SHEET & CASH FLOW HIGHLIGHTS

- **Operating cash flow up 157% over 1Q07 to \$79 MM**
- **Access to full line of credit**
- **\$213 MM in total debt outstanding relating to the ICE Futures U.S. acquisition**
- **1Q08 capital expenditures:**
  - **Cap Ex of \$3.1 MM**
  - **Capital software of \$3.3 MM**

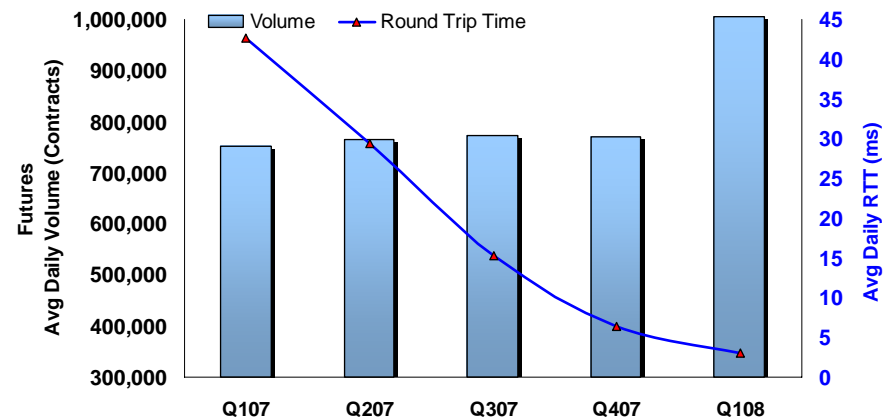
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# Innovation and Technology

- **Unparalleled system speed and reliability**
  - 3 millisecond roundtrip time for futures
  - Multi-generational implied engine
- **Completed transition of U.S. futures markets to platform in March**
- **Successful transition of NGX markets and customers to the ICE platform in February**
- **Chicago data center relocation completed in 1Q08**
- **Integration of YellowJacket underway**
- **Launch of ICERisk – integrated, real-time energy risk management tool**
- **ICE Clear Europe development on track**
  - Key technology and infrastructure in place
  - Successful connectivity and system testing with 40+ clearing firms

**ICE Platform Speed Relative to Futures ADV**



**ICE Technology CapEx**

