



# IntercontinentalExchange

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Third Quarter 2008

Earnings Presentation – October 30, 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 and our Form 10-Q for the quarter ended June 30, 2008, as filed with the SEC on August 4, 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 – 3Q08

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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 & Highlights – 3Q08

SLIDE 4

(In millions, except EPS data)

<b>INCOME STATEMENT</b>	<b>3Q08</b>	<b>3Q07</b>	<b>yty%</b>
Total Revenues	\$201	\$152	33%
Total Expenses	\$82	\$51	62%
Operating Income	\$119	\$101	18%
<i>Operating Margin</i>	59%	66%	(7) bps
Tax Rate	36.6%	32.8%	4 bps
Net Income	\$75	\$67	12%
<i>Net Margin</i>	37%	44%	(7) bps
EPS (Diluted)	\$1.04	\$0.93	12%
<b>CASH FLOW</b>	<b>3Q08</b>	<b>3Q07</b>	<b>yty%</b>
Operating Cash Flow	\$108	\$91	19%
Cap Ex & Capitalized Software	\$15	\$9	56%

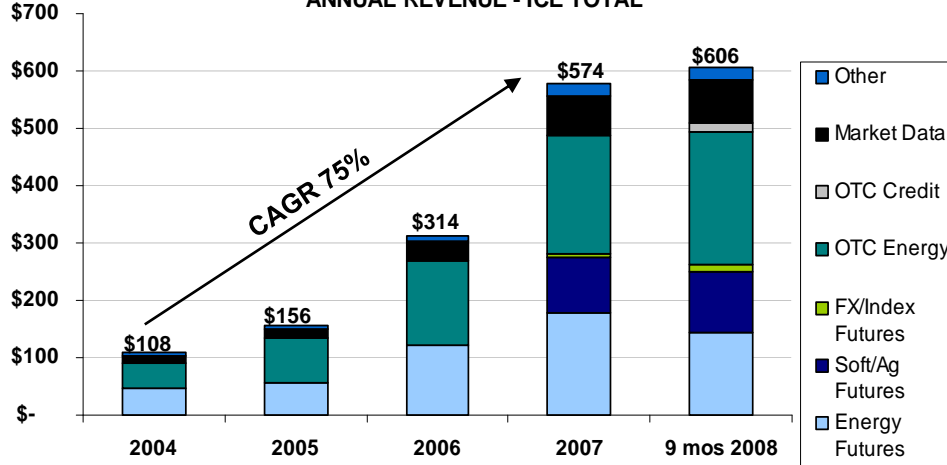
- Continued growth amid challenging global market environment
- 3Q transaction revenue increases
  - Futures +11% yty
  - OTC +55% yty
  - Data +50% yty
- OTC Energy ADC \$1.1MM; +25% yty
- 3Q08 contract volume 122 MM contracts; + 26% yty
- Record market data revenues \$26 MM
- Operating income up 18%
  - Strong cash flow generation
- Closed Creditex transaction
- Successful Russell transition

# Track Record of Growth & Diversification

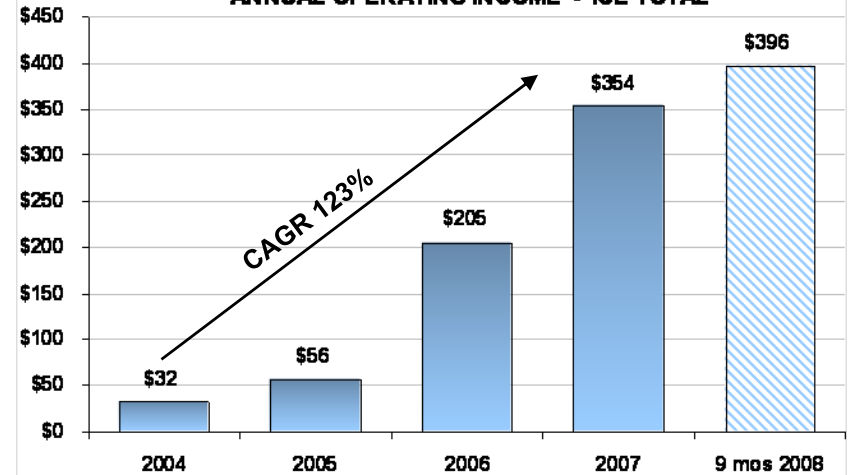
SLIDE 5

(In millions)

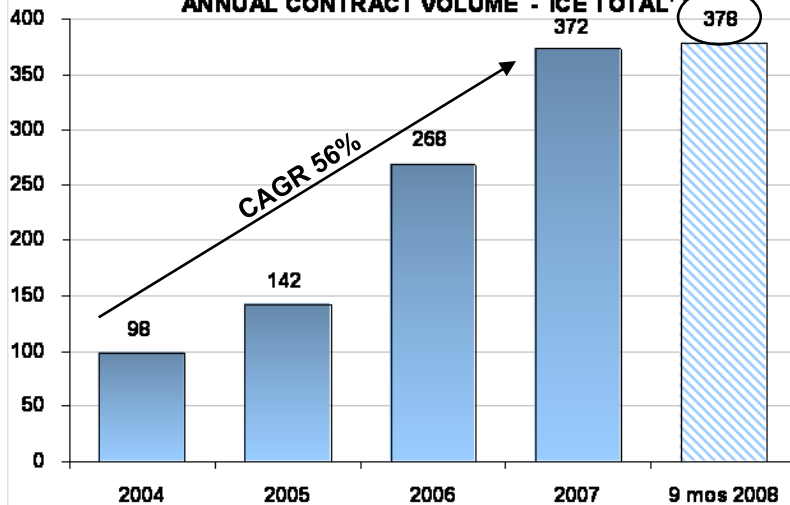
ANNUAL REVENUE - ICE TOTAL



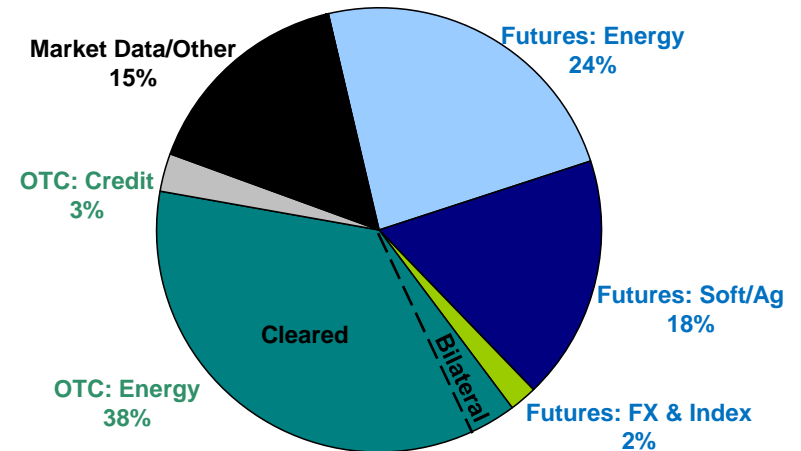
ANNUAL OPERATING INCOME - ICE TOTAL



ANNUAL CONTRACT VOLUME - ICE TOTAL <sup>(1)</sup>



ICE'S DIVERSE PRODUCT OFFERING - REVENUE 9 mos 2008

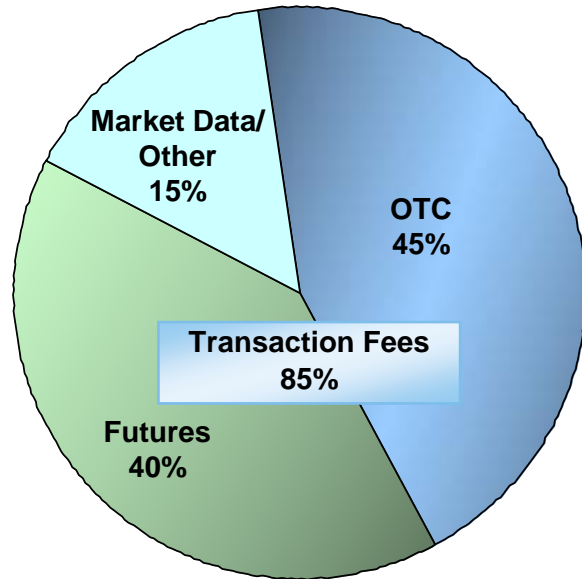


(1) Volumes include pro-forma 2007 data for both ICE Futures U.S. and ICE Futures Canada which were purchased by ICE on 1/12/07 and 8/27/07, respectively.

# Revenue & Expense Detail – 3Q08

SLIDE 6

## 3Q08 Consolidated Revenues

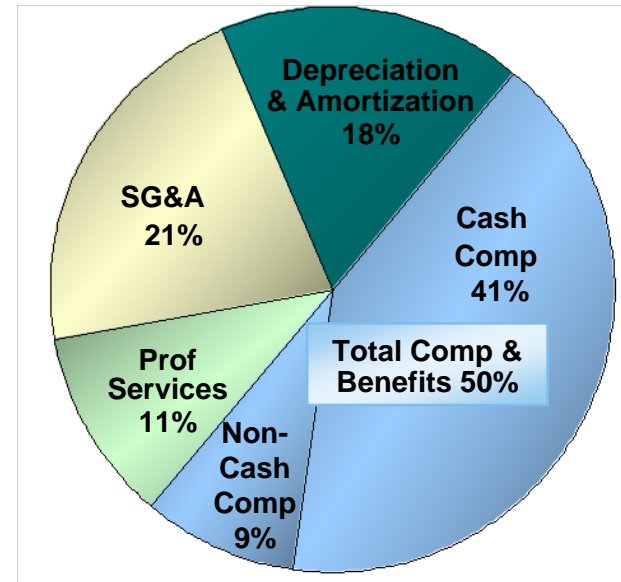


(In millions)

	3Q08	3Q07	yty%
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OTC	\$89.6	\$57.8	55%
Futures	\$81.3	\$73.3	11%
<b>Transaction Fee Revenue</b>	<b>\$171.0</b>	<b>\$131.1</b>	<b>30%</b>
Market Data	\$25.8	\$17.2	50%
Other	\$4.7	\$3.4	37%
<b>Total Revenue</b>	<b>\$201.4</b>	<b>\$151.7</b>	<b>33%</b>

## 3Q08 Consolidated Expenses



(In millions)

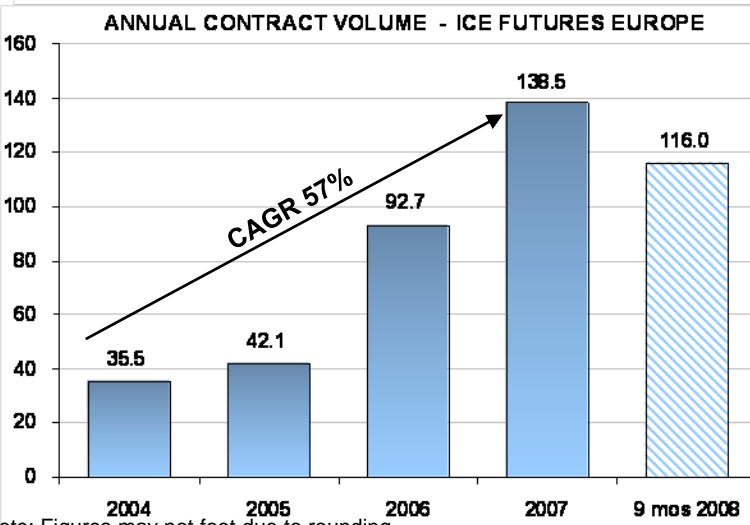
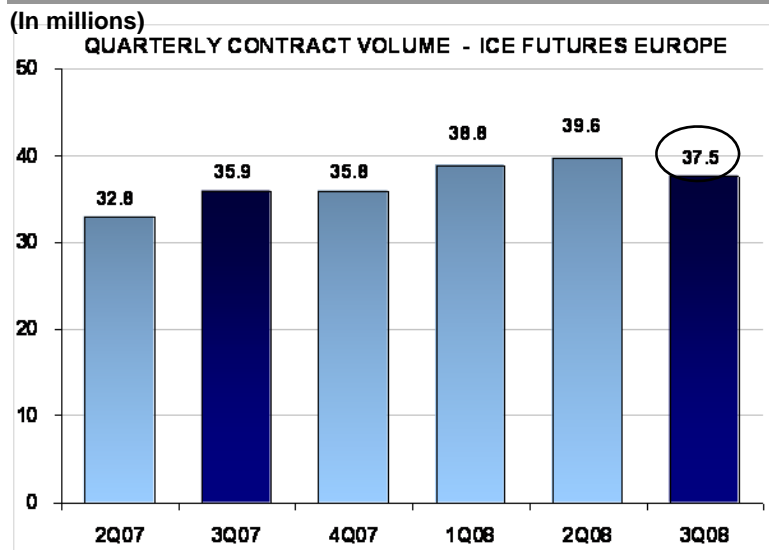
	3Q08	3Q07	yty%
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Comp & Benefits	\$41.2	\$23.0	79%
Prof Services	\$9.1	\$6.8	34%
SG&A	\$17.6	\$12.2	45%
Depreciation & Amortization	\$14.4	\$8.9	62%
<b>Total Expenses</b>	<b>\$82.3</b>	<b>\$50.9</b>	<b>62%</b>

Note: Figures may not foot due to rounding. Please see press release dated October 30, 2008 for more detail available on [www.theice.com](http://www.theice.com).

# ICE Futures Europe Volume – 3Q08

SLIDE 7



Note: Figures may not foot due to rounding.

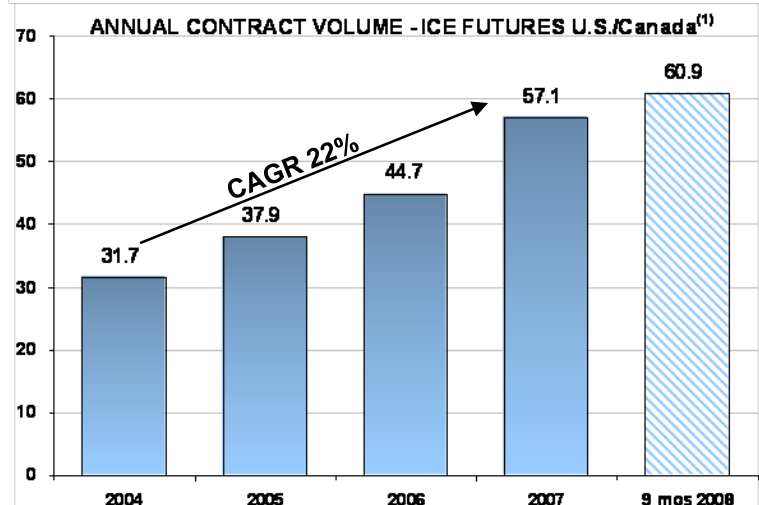
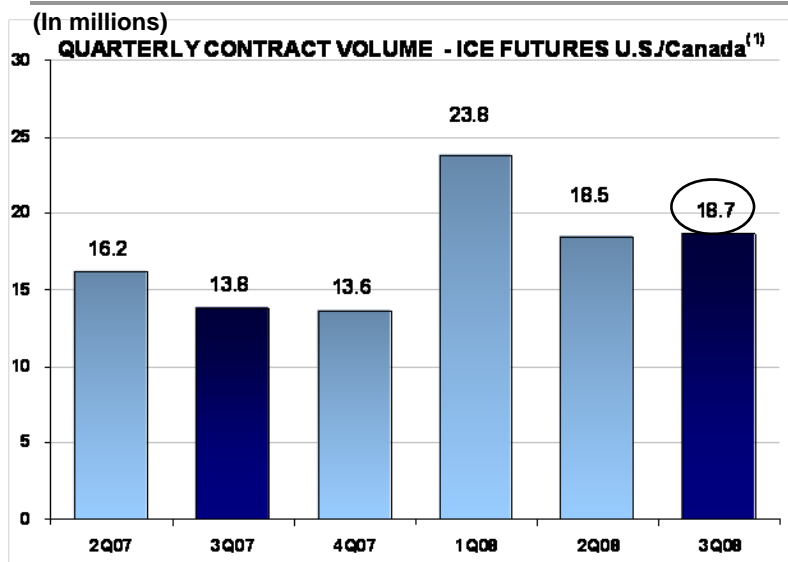
- \$46 MM in transaction revenue; ~flat yty
- Continued strong crude oil volatility contributed to second highest quarterly volume in ICE history
- The ICE Gas Oil contract achieved a quarterly volume record; total exchange-wide open interest record also set in September
- Rate Per Contract
 

	3Q08	2Q08	3Q07
	\$1.22	\$1.21	\$1.29

(In 000)	3Q08	3Q07	yty%
<b>Total Volume</b>	37,538	35,915	5%
<b>Brent ADV</b>	250	232	8%
<b>WTI ADV</b>	184	205	-10%
<b>Gas Oil ADV</b>	115	102	13%
<b>Other ADV</b>	19	13	45%
<b>Total ADV</b>	569	553	3%

# ICE Futures U.S./Canada Volume – 3Q08

SLIDE 8



- \$35 MM in transaction revenue; + 31% yty
- Quarterly volume records were set in Russell 2000 and USDX; Exchange-wide record of 841K contracts achieved on September 16
- Rate Per Contract – ICE Futures U.S.:

Agricultural			Financial		
3Q08	2Q08	3Q07	3Q08	2Q08	2Q07
\$2.22	\$2.21	\$2.07	\$1.18	n/a	n/a

(In 000)	3Q08	3Q07	yty%
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Total Volume	18,702	13,769	36%
Sugar ADV	124	100	24%
Cotton ADV	29	41	-29%
Russell Index ADV	64	2	3100%
Other ADV	73	75	-3%
<b>Total ADV</b>	<b>290</b>	<b>218</b>	<b>33%</b>

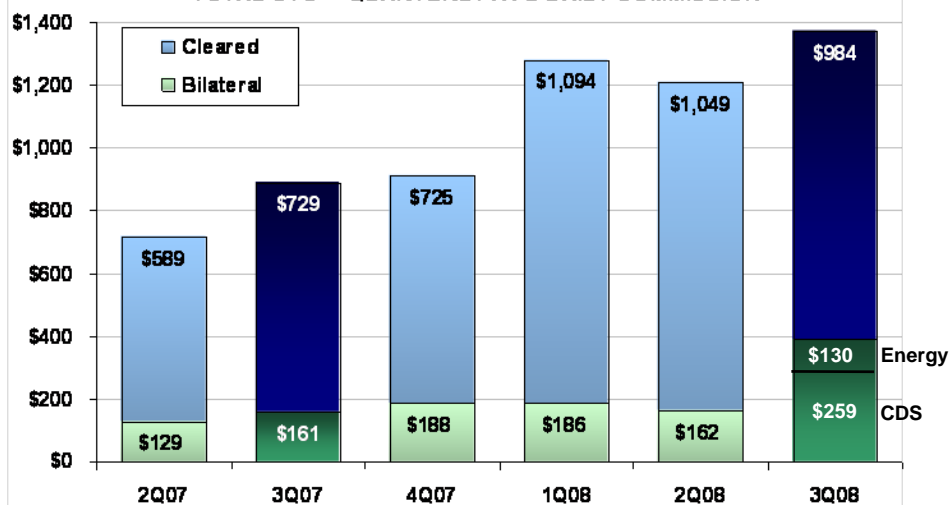
(1) Volumes include pro-forma 2007 data for both ICE Futures U.S. and ICE Futures Canada which were purchased by ICE on 1/12/07 and 8/27/07, respectively.



# ICE OTC Average Daily Commission – 3Q08

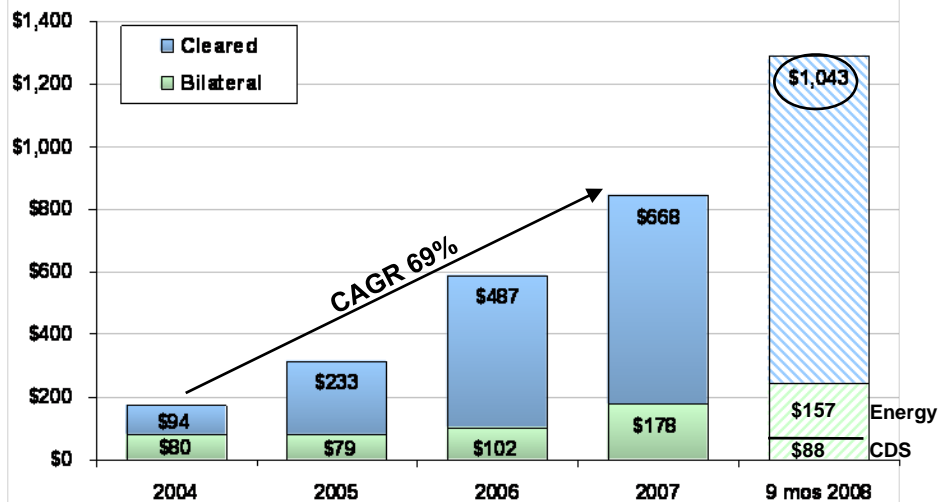
SLIDE 9

(In 000) TOTAL OTC - QUARTERLY AVG DAILY COMMISSION



- \$90 MM in transaction revenue; +55% yty
- 45% of consolidated transaction revenue
- Energy ADC of \$1.1 MM
- Steady energy customer mix: Commercials 47%; Banks/financials 23%; Liquidity providers 30%
- \$17 million in revenues from Creditex in September

TOTAL OTC - ANNUAL AVG DAILY COMMISSION



(In 000)	3Q08	3Q07	yty%
<b>Energy Contracts Traded</b>	65,799	46,954	40%
Cleared	60,276	39,824	51%
% Cleared	92%	85%	
<b>Energy ADC</b>	\$1,114	\$890	25%
<b>OTC Transaction Fees</b>			
Natural Gas & Power	\$68,651	\$53,877	27%
Credit	\$16,561	\$ -	n/a
Other	\$4,426	\$3,880	14%
<b>Total OTC Transaction Fees</b>	<b>\$89,638</b>	<b>\$57,757</b>	<b>55%</b>

# Summary Financials – 9 mos 2008

SLIDE 10

(In millions, except EPS data)

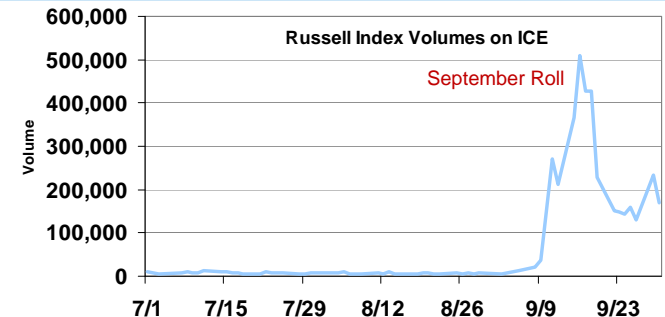
<b>INCOME STATEMENT</b>	<b>9-mos 2008</b>	<b>9-mos 2007</b>	<b>yty%</b>
Total Revenues	\$606	\$415	46%
Total Expenses	\$210	\$158	33%
Operating Income	\$396	\$257	54%
<i>Operating Margin</i>	65%	62%	3 bps
Tax Rate	35.7%	32.9%	3 bps
Net Income	\$252	\$176	43%
<i>Net Margin</i>	42%	42%	- bps
EPS (Diluted)	\$3.51	\$2.49	41%
<b>CASH FLOW</b>	<b>9-mos 2008</b>	<b>9-mos 2007</b>	<b>yty%</b>
Operating Cash Flow	\$299	\$186	61%
Capital Expenditures & Capitalized Software	\$30	\$34	-14%

- **Strong transaction revenue growth**
  - Futures +29% yty
  - OTC +65% yty
  - Data +61% yty
- **Energy & Credit OTC commissions**
  - ADC \$1.3 MM; +64% yty
- **Total contract volume of 378 MM contracts; + 39% yty<sup>(1)</sup>**
  - Total Futures ADV +20% yty<sup>(1)</sup>
- **Operating income up 54%**
- **Strong cash flow and financial flexibility**
  - \$245 MM Cash & ST Investments
- **ICE Clear Europe scheduled to launch November 3, 2008**
- **YellowJacket & Creditex acquisitions completed**
- **CDS clearing partnership underway**
- **3.2 MM shares repurchased since inception**

(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.....

## RUSSELL INDEX CONTRACTS & FX

- ICE's exclusive license for all Russell contracts began mid-September 2008; marketing efforts underway related to full suite of Russell products
- ICE Millions FX contracts to launch November 2008



## ICE CLEAR EUROPE

- The transition to ICE Clear Europe is expected to occur over the weekend of November 1-2
- Clearing capabilities increasingly valuable in today's credit and risk environment
- Operational expense and start-up investments already embedded in cost structure
- First major clearing house to launch in the UK in over 100 years

## OTC

- Approximately 40-60 new cleared OTC and futures contracts currently in the queue for launch beginning 4Q08
- New contracts will include swaps and/or futures for oil, natural gas, electricity and coal
- Shift in OTC trading volume from voice-brokered markets to cleared OTC platforms

*Unprecedented market conditions reinforce the need for a wide variety of risk management solutions for CDS.*

## **Creditex Risk Management**

**Existing Creditex capabilities have already played a significant role in providing risk management tools for the CDS market**

- 11 compression runs have been completed with Markit since August; Nearly \$500 billion of notional outstanding compressed to date
- Credit Event Auctions successfully run for Fannie Mae, Freddie Mac, Lehman, Washington Mutual and others
- September 2008 revenues increased 45% over 2007 levels
- T-Zero is the global market standard for CDS affirmation, novation consent, routing and straight through processing; supports every major CDS trading house as well as three IDBs

## **CDS Clearing Opportunity**

**Working closely with industry and regulators to develop a central counterparty clearing solution**

- MOUs signed with The Clearing Corporation (TCC) and nine major dealers to develop a joint global clearing solution for CDS
- MOUs provide that ICE will acquire all shares and interests in TCC
- CDS will be cleared through ICE US Trust, a New York limited trust company and member of the Federal Reserve System
- CDS clearing to be separated from futures clearing
- Parties working to execute definitive documents and begin clearing in 4Q08; regulatory approval process to be managed concurrently

# APPENDIX

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Earnings Presentation – October 30, 2008

# Additional Information – 3Q08

SLIDE 14

- As previously announced, ICE Clear Europe is expected to commence operations on November 3, 2008.
- ICE had 795 employees at September 30, 2008. ICE expects headcount to increase up to 2% during the fourth quarter of 2008, excluding increases relating to any future acquisitions.
- ICE expects the fourth quarter of 2008 non-cash compensation expense to be in the range of \$10 million to \$12 million, assuming certain full-year performance targets are achieved.
- ICE expects fourth quarter 2008 depreciation and amortization expense to be in the range of \$26 million to \$28 million. This includes \$6.3 million for amortization of Creditex intangibles and \$6.5 million related to ICE's exclusive Russell license agreement.
- Interest expense in the fourth quarter is expected to be approximately \$6 million to \$7 million, inclusive of interest expense related to the Russell license and additional interest expense associated with the revolving credit facility utilized for ICE's share repurchase program which began in September.
- ICE's consolidated tax rate is expected to be in the range of 34% to 36% for 4Q 2008.
- Consistent with prior guidance, Creditex is expected to be dilutive in the range of \$0.05 to \$0.08 in the fourth quarter of 2008.
- ICE expects 2008 capital expenditures to be in the range of \$35 million to \$37 million, including \$11 million to \$12 million for leasehold improvements relating to the relocation and expansion of the London office, which houses futures, OTC, clearing and market data staff and operations.
- ICE forecasts the diluted share count for the fourth quarter of 2008 to be in the range of 73.5 million to 74.5 million weighted average shares outstanding, and the diluted share count for fiscal year 2008 to be in the range of 72.0 million to 73.0 million weighted average shares outstanding. These projections do not reflect any estimate for additional shares that may be acquired by ICE under the stock repurchase program.
- Since the inception of its stock buyback program announced on August 4, ICE has repurchased approximately 3.2 million shares, or \$300 million in stock. The buyback authorization under this program is up to \$500 million through August 6, 2009.

# Summary Balance Sheet – 3Q08

SLIDE 15

(In millions)

BALANCE SHEET	9-30-08	12-31-07	Change
<b>Assets</b>			
Cash & ST Investments	\$245	\$261	(\$15)
Other Current Assets	1,503	882	621
Total Current Assets	1,748	1,142	606
PPE (net)	76	64	13
Other Assets	2,336	1,591	746
Total Assets	\$4,161	\$2,796	\$1,365
<b>Liabilities &amp; Equity</b>			
Current Liabilities	\$1,558	\$911	\$647
Long Term Debt	345	184	\$161
Other Liabilities	297	224	73
Total Liabilities	2,200	1,319	881
Minority Interest	6	-	n/a
Total Shareholders Equity	1,955	1,477	478
Total Liabilities & Shareholders Equity	\$4,161	\$2,796	\$1,365

## BALANCE SHEET & CASH FLOW HIGHLIGHTS

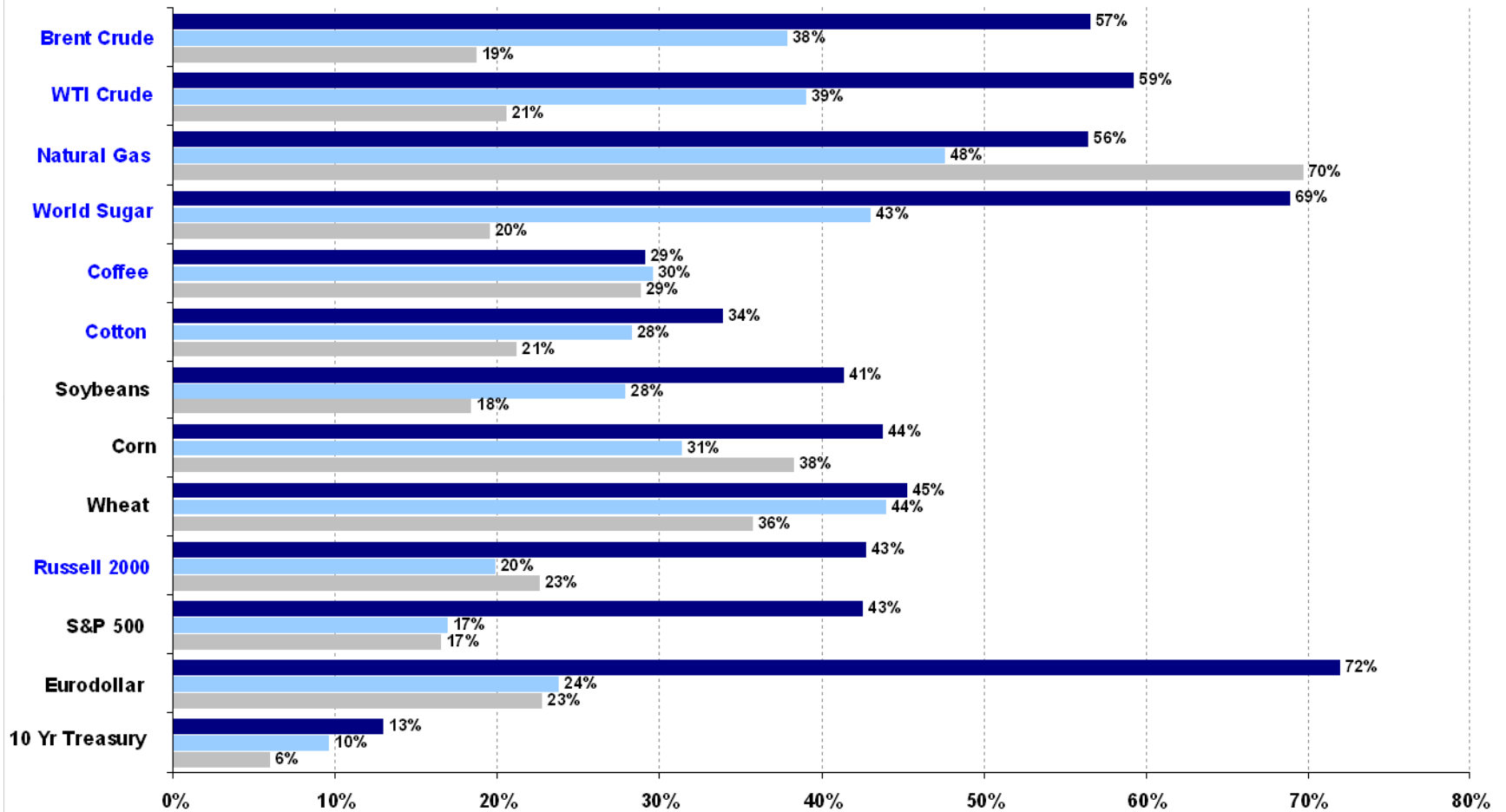
- **Year-to-date operating cash flow up 61% over 9mos-07 to \$299 MM**
- **Debt to trailing twelve-month EBITDA ratio remains <1.0x**
- **\$389 MM in total debt outstanding relating to the ICE Futures U.S. acquisition and 3Q08 share repurchases**
- **3Q08 capital expenditures:**
  - **Cap Ex of \$10.8 MM**
  - **Capital software of \$3.8 MM**

Note: Figures may not foot due to rounding. Please see press release, dated October 30, 2008 for more detail available on [www.theice.com](http://www.theice.com)



# Relative Volatility Analysis

30-Day Historical Volatility



Products listed on ICE noted in blue.

Source: FactSet

■ 09/28/2007 ■ 6/30/2008 ■ 9/30/2008