

— PARTICIPANTS

Corporate Participants

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Scott A. Hill – Chief Financial Officer & Senior Vice President
Jeffrey C. Sprecher – Chairman & Chief Executive Officer

Other Participants

Kenneth B. Worthington – Analyst, JPMorgan Securities LLC
Richard H. Repetto – Analyst, Sandler O'Neill & Partners
Chris Harris – Analyst, Wells Fargo Securities LLC
Daniel T. Fannon – Analyst, Jefferies & Co., Inc.
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— MANAGEMENT DISCUSSION SECTION

Operator: Good day, ladies and gentlemen, and welcome to the IntercontinentalExchange Fourth Quarter and Year-end 2011 Earnings Call. At this time, all participants are in a listen-only mode. Later, we will conduct a question-and-answer session, and instructions will follow at that time. [Operator Instructions] As a reminder, this conference call is being recorded.

I would now like to introduce your host for today's conference, Kelly Loeffler, Vice President of Investor Relations and Corporate Communications.

Kelly L. Loeffler, VP-Investor Relations & Corporate Communications

Good morning. ICE's fourth quarter 2011 earnings release and presentation can be found in the 'Investors' section of our website. These items will be archived, and our call will be available for replay.

Today's remarks may contain forward-looking statements. These statements represent our current judgments and are subject to risks, assumptions and uncertainties. We undertake no obligation to update forward-looking statements.

For a description of the risks that could cause results to differ materially from those described in forward-looking statements, please refer to our Form 10-K, which was filed with the SEC today.

The results presented today include our adjusted operating results. We believe that these are more reflective of our business performance. A non-GAAP reconciliation is included in the earnings

material. We explain why this information is meaningful and how management uses these measures.

With us on the call today are Jeff Sprecher, Chairman and CEO; Scott Hill, Chief Financial Officer; and Chuck Vice, President and Chief Operating Officer. I'll now turn the call over to Scott.

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

Thanks, Kelly. Good morning, everyone, and thank you for joining us today. We had a good end to another record year in 2011, and we're off to a very solid start in 2012, including January revenues that were up more than 10% over the prior year.

I'll begin this morning on Slide 4 by reviewing our full year 2011 results. ICE grew consolidated revenue 15% to a record \$1.3 billion, our eighth consecutive year of revenue growth at or above 15%. Each segment contributed to our performance with ICE's futures and OTC revenues increasing by 20% and 10% respectively. Strong top line coupled with disciplined expense management delivered expanding operating margins and a 25% increase in adjusted earnings per share.

These financial metrics distinguish ICE from our peers. Our operational achievements were equally strong. In order to continue to drive long term growth, we expanded our post-trade footprint, we made strategic investments in Brazil, and we added hundreds of new products for clearing, including sovereign CDS. We executed on this diverse range of initiatives, while delivering record operating cash flow and increasing our return on invested capital. ICE's consistent growth is the result of our willingness to solve complex problems, and to invest in growth oriented initiatives in a disciplined manner, throughout economic cycles.

Let's now move to Slide 5, where I will discuss our fourth quarter results. Revenues rose 15% over the prior fourth quarter to \$327 million, combined with expense growth of just 5%, operating income grew 23% to \$195 million and operating margin expanded four points to 60%. Adjusted diluted earnings per share increased 30% to \$1.76. For 2011, CapEx and capitalized software totaled \$88 million and cash flow from operations were up 34% to a record \$713 million.

You'll also note that our full year tax rate came in at the low end of our guidance and our fourth quarter rate was only 29%. This is not the result of any single or fleeting factor. We continue to see strong growth in our non-U.S. businesses and the UK corporate tax rate continues to come down. Thus, we expect our tax rate for 2012 to be in the 28% to 31% range, and to be clear, as that tax rate improves, so does the net income we deliver for our shareholders.

Revenue and expense components for the fourth quarter are detailed on Slide 6. Starting on the left side of the slide, transaction and clearing revenues grew 14% to \$287 million. Futures revenues rose 13% to \$143 million. OTC energy revenue increased 18% to \$103 million and credit revenues grew 10% to \$41 million. Finally, market data revenues increased 18% to a record \$33 million.

Moving to the expense side of Slide 6, you can see that operating margin improvement was driven by modest increases in expenses. Core operating margin increased two points to 65%. You'll note that we provided additional detail on the expense items on the slide, including a new line item for our technology and communication expenses, which we separated out from SG&A. Given that it was the largest component of SG&A, and that many of our growth initiatives contain technology elements, we believe this information will further enhance shareholders' understanding of our expenses.

We maintain a lean expense structure while we invest for future growth. Regardless of the global economic climate, this discipline ensures that our spending remains focused on those initiatives

that generate return. Based on our current business outlook, we continue to expect double digit revenue growth in 2012, coupled with modest expense growth, which means profits should once again grow faster than revenues.

Specifically, we expect that expenses will be up slightly on a GAAP basis and up 3% to 6% on an adjusted basis, including compensation expenses rising 6% to 7%. We've included additional financial guidance in our earnings release, so please refer to it for more detail.

Let's turn to Slide 7 and review the fourth quarter performance of ICE's Futures segment. Volume grew 11%, generating a 13% increase in revenue. Average daily volume at ICE Futures Europe grew 22%, contributing to the exchange's fourteenth consecutive year of record volume. This is further confirmation of the rise and importance of our benchmark contracts and the critical function they perform around the world. ICE Brent, and Gas Oil futures and options posted average daily volume growth of 36% and 21% respectively during the fourth quarter.

In January, the Brent contract achieved an important milestone, reaching 1 million contracts in open interest. Conversely, WTI volume has underperformed, as idiosyncratic issues with the contracts have made it less useful for hedging for customers with international price exposure. ICE's Emissions contracts also continued to perform well, as volumes grew 51% and open interest grew 26% over the prior fourth quarter.

In our North American futures market, volumes decreased slightly in the fourth quarter with demand in ag markets lower, primarily due to European financial market conditions. Russell index volume was up 30% and open interest grew 25% on the back of heightened levels of U.S. equity market volatility during the fourth quarter.

Volume in the U.S. dollar index grew 11% year-to-year. Last week, we reported a 6% decline in futures volume in January. While average daily volume was up 36% from December levels, volumes were restrained by lower volatility, particularly in the WTI and sugar markets. However, improved revenue capture resulted in solid futures revenue growth in the month of January.

Turning to Slide 8, I'll review our fourth quarter OTC business starting with energy. OTC energy average daily commissions were \$1.6 million. North American natural gas revenues grew 23% to \$67 million and, importantly, open interest grew 91% compared to the prior fourth quarter, continuing a trend seen throughout 2011.

Global oil revenues increased 65% to \$13 million as a result of solid traction in new cleared products. In 2011, we launched 260 new cleared OTC energy swaps and we now offer 650 cleared OTC energy contracts. New OTC products generated \$38 million in 2011, nearly double the \$21 million generated in 2010. We believe demand for our cleared OTC products will continue to increase, as regulation in the United States and Europe progresses.

Into January, we've seen continued strength in average daily commissions which surpassed \$2 million a day during the month. Trading activity in our natural gas business was solid throughout the month of January and into February, as a result of new products and, more importantly, volatility. While we caution against extrapolating this level of activity across the entire year, we believe the fast start reflects the importance of volatility rising open interest, and product innovation versus the absolute price level alone.

Turning to our credit derivatives business, fourth quarter revenues were up 10% to \$41 million. CDS clearing contributed \$18 million up from \$15 million last year. Creditex revenues were \$23 million in the quarter, up 2%. Notably 69% of Creditex's revenues came from electronic offerings versus only 53% a year ago. During the quarter, ICE Clear Credit became the first clearinghouse to clear sovereign CDS with the addition of four Latin American names. We continue to lead in CDS clearing and continue to support the evolution of the industry.

Clearing is a critical step in the evolution of the credit derivatives market. Having cleared over \$27 trillion in notional value to-date, we believe clearing is contributing to the liquidity and recovery of the credit market.

I'll conclude on Slide 9 with a few additional metrics that highlight our consistently strong performance. In 2011, cash flow from operations increased 34% and we ended the year with \$823 million in cash on hand. With effectively no net debt, a strong balance sheet and access to nearly \$2 billion in credit facility, we have flexibility as we evaluate ways to continue to build value for our shareholders. ICE has improved our return on invested capital each of the last three years, and remains the only major U.S. exchange to produce returns above their cost of capital. This is a critical distinction.

For firms who are unable to achieve returns above their cost of capital, returning capital is an obvious choice. However, as long as ICE can effectively invest in strategic growth initiatives, which provide appropriate return, we will continue to deploy our capital in a disciplined manner to create increasing value for our shareholders.

To further validate our approach, we screen the S&P 500 to search for other companies with similar performance metrics. Among companies in the S&P 500, that have a five-year average revenue growth rate at or above 20%, ICE is one of only 14 companies that also has generated returns on invested capital above 15%, and that is expected to deliver double digit annual earnings growth for the next three years.

Make no mistake though, ICE returned \$175 million of cash to shareholders in 2011 via share repurchases, and we still have another \$334 million available under our remaining repurchase authorization. We will continue to act opportunistically to repurchase our shares, when the price disconnects from the fundamental value of our company, or when the purchase of ICE shares is more attractive than other currently available alternatives.

We believe there remains ample opportunity in our industry to grow our business and we will continue to be disciplined and deliberate, when opportunities arise to deliver the next stage of growth.

I'll wrap up my comments by stating that we are confident in our strategic and financial position. We are focused on delivering meaningful value to our shareholders and solutions to our customers, and with January revenues up more than 10% over the prior year, the momentum from a solid 2011 has continued into the first quarter of 2012.

With that I'll be happy to address any questions during our Q&A and I'll now turn the call over to Jeff.

Jeffrey C. Sprecher, Chairman & Chief Executive Officer

Thank you, and good morning, everyone. As you just heard from Scott and you can see on Slide 10, our consistent growth across each of our business segments continued in 2011. This performance has produced six consecutive years of record revenue and record net income, setting a new record year, each year that ICE has been a public company.

To that end, this morning, I'll review the drivers of our performance and then provide our perspective on 2012 and longer term.

Turning to Slide 11, we detailed the secular trends that continue to drive growth in our markets. From our positioning in the commodities market to growing demand for risk management and the

increased use of clearing and technology, we're meeting the global demand for more of these services.

We've managed the company's expansion deeper into the derivatives market to ensure that we're well positioned in the context of these trends. ICE's culture remains one of anticipating customer and market needs particularly given our focus on the end user. We've invested in clearing and post trade businesses when they were not well appreciated or understood.

In particular, we saw the need in the OTC energy and credit markets and our team built both ICE Clear Europe and ICE Clear Credit despite concerns and doubts that it could be done. We've also implemented greater regulatory controls in our markets over the past decade. Following the implementation of position limits in our key U.S. energy contracts in 2009, our markets continue to grow and our record levels of volume and open interest.

Our OTC market model for both clearing and execution has served as a framework for financial reform. ICE has successfully navigated and in many cases introduced change. We continue to evolve our markets alongside of our customers, and this partnership strengthens our position today.

On that note, if you'll turn to slide 12, we've included statistics on our customer base that help explain our growth. The first chart shows that nearly half of our revenues in 2011 came from outside the United States, up from 36% in 2009. With our global reach and established infrastructure, we believe ICE has exposure to more opportunities.

Our geographic diversification continues to serve as a catalyst for growth. It's driven growth in our customer base, which is illustrated on the second chart on slide 12. And this in turn drives trading and clearing volume. This can be demonstrated in a couple of ways. In 2010, connections to the ICE platform averaged 8,000 per day. At the end of 2011, we averaged 10,000 daily connections. And you should note that a single connection may represent one or many more than one users on the platform. Similarly, in our OTC natural gas markets, the number of companies transacting has grown each year. 11 years after the launch of our OTC natural gas markets and a mid-consolidation of our customers and the financial crisis, we continue to grow this business.

On slide 13 you can see the volume trends in our energy markets. First in oil, Brent and Gas Oil have been become widely relied upon benchmarks for global crude and refined products. And while WTI Futures volumes are down sharply this year across both energy exchanges, we continue to view this contract as an important U.S. benchmark. However, ICE Brent prices the majority of the world's physical oil and we see increasing demand for Brent by major oil exporting and importing countries, commercial firms and commodity indexes that track the price of oil.

With our open interest surpassing 1 million contracts for the first time just two weeks ago, we see strong evidence of the increased use of Brent for hedging and trading. And coupled with Gas Oil and our cleared OTC oil products participants are benefiting from margin efficiencies by doing the portfolio of their business on ICE. Similarly, the volume trend for North American gas has been solid despite the declining gas prices over the past year. It's our view that natural gas is becoming an increasingly vital North American energy input, which is driving interest in our products. There is deep liquidity, record open interest and strong market participation, despite low price levels. Our average daily commissions exceeded \$2 million a day in January, demonstrating the health of trading in this market.

We also continue to look for new products to serve the changing market dynamics. And in December, we announced the expansion of our Platts relationship, in which Platts' energy information services will be distributed via the ICE stream. This is just one example of the value that the ICE platform continues to offer our market participants. Because we continue to invest in our markets and provide more functionality, more products and more liquidity for our customers, our revenue capture has been increasing.

On slide 14, we've listed a few of our strategic initiatives and the results that they've produced. Some of these provide optionality longer-term and others are more advanced in their contribution. But nonetheless, each is responsive to a demand or an opportunity that we see in the market.

For example, new product development, supported by ICE Clear Europe has generated meaningful incremental revenue since 2009. And despite a very challenging CDS market environment, our CDS revenues have increased. ICE's clearing services support our customers' regulatory requirements and we have a strong framework for clearing swaps that we believe remains unparalleled.

We know that well developed clearing capabilities are critical to addressing the opportunities that exist today. And to support the move to clearing, we've completed many clearing enhancements in the past year to improve capital efficiencies for our customers.

We introduced portfolio margining at ICE clear credit and last year we completed a two-year project at ICE Clear Europe to transition from third-party clearing technology on to ICE's more efficient proprietary systems.

In 2011 we also expanded our foreign-exchange products and set volume records in the U.S. dollar index futures. We look to Asia, Brazil and Northern Canada to meet the demand for clearing and commodity markets and we've seen good progress with our BRIX partnership in Brazil with 70 participant firms and electricity volumes rising.

Our strategic stake in Cetip has provided further exposure to Brazil and we anticipate providing additional updates about that investment later this year. I also want to note our successful integration of Climate Exchange, which is delivering strong growth including 2011 revenues of \$63 million. Taken together, this collection of initiatives leverages our unique and valuable infrastructure to offer new areas of growth.

If you will turn to slide 15, I'd like to discuss a few themes that are top of mind as we begin 2012. As always there are uncertainties about what lies ahead. However these uncertainties are often the very drivers of growth at ICE. Companies rely on our markets to hedge their risks where uncertainty exists and we've consistently delivered growth on top of growth and believe that, that will continue to be the case. We are investing in our markets to support the revolution and to grow them.

To that end, we are leveraging our existing platforms, clearing houses and other infrastructure to expand their relevance even further. For example, our clearing houses will be used to clear many new products and ICE's eConfirm is being leveraged to establish a swaps data repository. We also believe that our electronic platforms will be assets in serving us energy and credit swap execution facilities. We continue to work in the U.S. and in Europe to meet the needs of our customers as they comply with new regulations. In the past, we've highlighted the significant investments that we've made in leading edge surveillance systems, reporting and compliance tools. And as a result of our leadership in implementing regulation, our efforts to bring greater transparency to markets, ICE is well-positioned with customer centric solutions that are in place today.

Following the bankruptcy of MF Global, we anticipate further rules relating to FCMs and clearing houses and believe that these will be aimed at restoring customer confidence and fixing the segregation framework. I want to note that in regard to MF Global's bankruptcy, we completed the transfer of customer positions last year and we continue to emphasize the importance of a timely return of customer collateral in working with administrators and trustees.

And finally, we remain focused on delivering growth in a way that creates value for shareholders and the opportunity for our customers. We again beat expectations in 2011 with a 25% adjusted EPS growth, three points of adjusted margin expansion and 19% returns on our invested capital.

This performance was delivered by support of fundamentals, our strong futures over-the-counter and clearing franchises, coupled with new customers, products and geographies and highlight ICE's ability to execute.

I hope that these differentiators that we've established for ICE are evident to you. We're levered to expanding markets outside the U.S. Our customer base and revenues are rising. And we have meaningful contribution from new initiatives. We are well-positioned for financial reform, given our role in the over-the-counter markets and with our clearing houses.

Ours is a growth business and we see many opportunities for innovation and reducing the complexity of risk management in a global derivatives market and at that's what drives the ICE team to innovate and outperform. So on behalf of everyone at ICE, I'd like to thank our customers for their business in 2011. I'd also like to thank the institutional investors and the sell-side analysts who recently recognized me and our Investor Relations team and most of all I'd like to thank my colleagues for delivering the best year in our history. I'm confident that 2012 will be another strong year for us.

With that I'll now ask the operator to open the question-and-answer session.

QUESTION AND ANSWER SECTION

Operator: Thank you. [Operator Instructions] Our first question comes from Ken Worthington with JPMorgan.

<Q – Kenneth Worthington – JPMorgan Securities LLC>: Hi, good morning. First, maybe Jeff, I was hoping you could further flush out the comments that both you and Scott made on product development. I guess first, how does the pace of introduction of new products compare over the next year or two to what you've done over the past two or three years because you've done so much in terms of like gas and power and oils and the OTC products. Can that pace of innovation continue? And if you could flush out a little more, I know you touched on it a bit but where you see your focus really being?

<A – Jeffrey Sprecher – IntercontinentalExchange, Inc.>: Sure. I think the short answer is yes the pace can continue. There's a continued move more broadly in trading generally to the derivative space and we've been particularly focused over the last few years in building out things like our options capability so we have an opportunity to lift options on many of the flat-price contracts that we already have launched.

And then we continue to find a nexus from our existing portfolio into highly correlated related asset classes that are going to be cleared for which people would really like the ability to have that portfolio margining offset. So the spider web continues to get bigger, if you will.

<A – Scott Hill – IntercontinentalExchange, Inc.>: And just – Ken, just to give you a couple of numbers, we launched over 100 products in 2009 and, I think, nearly 100 in 2010, and I mentioned the 260 we did this past year. And as I also mentioned, revenues last year were \$21 million in OTC energy up to \$38 million. So, not only we're continuing to launch products, but we continue to see the products we have launched generate incremental revenues for us.

<Q – Kenneth Worthington – JPMorgan Securities LLC>: Okay, great. And then on NYBOT, it doesn't seem to be, kind of, keeping pace with the business in Europe and in the OTC area on a volume basis. Again, Scott, you touched on it in the prepared remarks, but can you further flush out the dynamics playing out there, like is the MF bankruptcy having an impact there? And then how are you addressing the issues? You mentioned that revenue capture is up there. You're bringing on new clients. Is that the way you're kind of dealing with the lesser volume growth there?

<A – Jeffrey Sprecher – IntercontinentalExchange, Inc.>: Ken, this is Jeff. I know you directed that to Scott, but let me take a bit of it. First of all, MF Global started business in life as a sugar broker, and sugar is our number one agricultural contract. So there is a relationship between its bankruptcy and some of our customers that continue to do business through MF Global.

The bigger impact however in our mind has been the restructuring of many European banks that provided trade financing to the agricultural market, and those banks have been pulling back that merchant financing, and this is not just financing of futures margins but also of warehouse space and other things that really affect agribusiness.

But we have seen in the recent terms – in the recent time and I've read about this elsewhere, so other people are seeing it is that, that gap is being filled by new banks that are coming into this market. So we have started to see a recovery, we're seeing a recovery of our open interest coming back in sugar and in fact many of those banks are Chinese banks, which is quite interesting to us.

Operator: Our next question comes from Rich Repetto with Sandler O'Neill.

<Q – Richard Repetto – Sandler O'Neill & Partners>: Yeah. Good morning and Jeff congrats to you and the team on the [ph] II (27:51) recognition.

<A – Jeffrey Sprecher – IntercontinentalExchange, Inc.>: Thank you very much.

<Q – Richard Repetto – Sandler O'Neill & Partners>: I guess the first question just to go back a little bit. Scott, I know you were cautious on the above \$2 million in OTC average daily commissions in January. And I was wondering whether you could help us – if \$2 million isn't – could you give us more color on what's driving the \$2 million number – your opinion for seasonality versus volatility versus new products, so to give us a better feel for what we should look at to model if it's not say \$2 million.

<A – Scott Hill – IntercontinentalExchange, Inc.>: Not to be trite but it's really kind of all of the above. I mean, there was a significant amount of volatility in January and that's always a contributor to good volume growth. Clearly the new products are providing some substantial revenues for us. In particular, the options products that we launched throughout 2011 are seeing just some terrific uptake. So I think it's really all of those factors that are contributing to the above \$2 million that we not only saw in January but are also seeing through the first few days of February. As I said in my remarks I don't think you take that number and multiply it times 12 for the OTC, but it clearly does indicate that as OI builds and you get into [ph] volatile (29:18) periods, that the volumes and the revenues will follow.

<Q – Richard Repetto – Sandler O'Neill & Partners>: You're making it hard not to model to that number, Scott. Just kidding. And I guess my one follow-up, Jeff, trying to follow the breadcrumbs as you sort of referred to before. ICE has been probably arguably the most innovative in gaining traction in totally new markets. So with this OTC market, I see you doing things with the swap data repository in eConfirm. You've talked about SEF-in-a-box in the past. I guess it's just hard for me to sit back and say, you're not going to get more involved than what you already are with CDS in the OTC. So, anyway, the question is, where do you see the big opportunities and how is ICE positioned beyond CDS in – with the Dodd-Frank reform?

<A – Jeffrey Sprecher – IntercontinentalExchange, Inc.>: Yeah, that's a very good question, Rich. It's obviously the thing that we spend a tremendous amount of time thinking about strategically and I think that the high level takeaway is that the Dodd-Frank and EMIR and MiFID and the Volcker Rule and Basel requirements and things that are going to follow suit in Singapore and throughout Asia are incredibly complicated for many of our customers. And to the extent that we can show up with readymade solutions that allow them to easily do business with us and we take care of all of that back-end regulatory stuff for them, we think it will drive more business and make customers incredibly loyal to us. And so we have spent an inordinate amount of time both participating in the rule makings that have been going on around the world but then bringing that knowledge back and trying to figure out how we can make life easy for our customers. Because I think that's at the end of the day, where value will – where customers will pay for values, if you can simplify this for them.

Operator: Our next question comes from Chris Harris with Wells Fargo Securities.

<Q – Chris Harris – Wells Fargo Securities LLC>: Thanks. Good morning, guys.

<A – Jeffrey Sprecher – IntercontinentalExchange, Inc.>: Good morning.

<A – Scott Hill – IntercontinentalExchange, Inc.>: Good morning.

<Q – Chris Harris – Wells Fargo Securities LLC>: So, I want to come back to this issue on the OTC January volumes here, clearly very strong. Is power having a recovery in the OTC complex? I know we've had kind of two years of flat kind of power volumes, and I know those tend to be correlated with GDP to some extent. We've had a recovery in GDP. So, are you seeing a recovery in the power business? And if not, what is the catalyst really to get that business growing again?

<A – Scott Hill – IntercontinentalExchange, Inc.>: Yeah. The power business, I would say, we saw some modest levels of recovery. The strength really continues to be in natural gas and then also in global oil. We haven't talked a lot about that, but our global oil business for 2011 is literally three times the size of what it was back in 2009. That's another area where we continue to launch new products. So, it's really broad-based in OTC with again a bit of a modest recovery in terms of power. In power, similar to what we're doing in the other asset classes, we are launching new products, trying to get options and adding delivery points to try and get that business going a little bit more. But again, I would characterize the OTC performance as largely nat gas and oil with a modest contribution from power.

The one point I don't want to get lost on this, we had a terrific OTC energy month of January but other parts of the business that are also doing particularly well. Brent volumes are good, and OI was good. I mentioned in my remarks that overall January revenues were up 10%. So, it's not a one trick pony in the month just as it's never been in any single year. It's really reflective of the diversity of the business that we've built. We don't rely on any one single contract to determine whether or not we can grow.

<Q – Chris Harris – Wells Fargo Securities LLC>: Yeah. Thanks for that, Scott. And then, Jeff, this came up on the CME conference call, but I'd like to maybe get your perspective on what the CFTC is looking into in the kind of examination of the high frequency trader impact in the futures market. I know you have been somewhat critical of those traders and just wanted to get your input here on where you think that goes?

<A – Jeffrey Sprecher – IntercontinentalExchange, Inc.>: Sure. And I didn't listen to the CME call, so I don't want to – I really respect those guys, so I don't want to contradict them, so I'll just have to give you my view and hopefully we're thinking alike. First of all, we value high frequency traders. It's just we haven't built a business that solely targets them. They're one of a complex array of people that exist in the market. They're an important element of the market, but they're not the only part of the market. And so, it really seems right now that regulators are just trying to figure out what a high frequency trader is, to define what that is, and then to figure out the value of that liquidity in the marketplace, and to look at whether or not there is any abusive practices, which we haven't seen because we have – we do have a regulatory function here. So had we seen them, we would certainly be alerting people to them. But nonetheless, I think it just comes out of a lack of information.

It – the point that I make to the regulators a lot is that if you encourage markets to splinter and you want to fracture liquidity, then the natural outcome of that will be for the market itself to try to reassemble that liquidity so that people can see the actual bid offers in the market, and so the – to a large degree, the growth of algorithmic trading has followed the growth of changes in regulation, and so I think it's good that governments want to take a look at what the cause and effect is because to a certain degree, they have a strong hand in the growth of that business.

Operator: Our next question comes from Dan Fannon with Jefferies.

<Q – Daniel Fannon – Jefferies & Co., Inc.>: Hi, good morning. Scott, I guess you mentioned this on your comments around WTI. I guess if you could maybe expand a little bit on what's happening with the volumes there in January and whether that's more temporary and you expect that to kind of come back as the year progresses.

<A – Scott Hill – IntercontinentalExchange, Inc.>: WTI volumes have been down. Not just at ICE but also at our competitors. And I don't really think it's anything that we haven't talked about before. I mean there are issues that are specific to WTI that have been specific to Cushing. And I think the most fundamental factor is you no longer hear anyone except that competitor talk about WTI as the global benchmark for oil. And commercial customers who might have stayed with WTI because that

was the easy thing to do, over the last 12 to 18 months, given the disconnect, and as I said, showing off my English words, the idiosyncratic issues of WTI, they've had enough and they've moved to Brent oil as the global benchmark.

And I think you're seeing that in volumes, again, not just on our exchange, I think you're seeing it in OI, and frankly while I do think that the WTI contract remains a relevant contract and you will eventually see some bounce back, I think you see in our share, which now every day is well over 50% of the oil that Brent has established itself as the global benchmark for commercial customers and that's the people we build our business around.

<A – Jeffrey Sprecher – IntercontinentalExchange, Inc.>: Let me just mention to you that since part of our investor road show and our IPO was that we told our potential shareholders that we thought we could grow the relevance of Brent in the marketplace. And so, I mention that only because we have had an active marketing program for many, many years to try to get people to pay attention to Brent. And in fairness to our competitors, we are probably cannibalizing our own WTI markets much more than we're cannibalizing theirs as we're moving people to Brent because we have visibility into who trades WTI on our markets. We also, as we've moved into the options business more favorably, we have people that may have, if they wanted to do WTI business on ICE, they might have carried it as a flat price future that today are carrying a WTI position in an option, so – as a synthetic flat price position. And so, we've also cannibalized WTI with our own options business.

<Q – Daniel Fannon – Jefferies & Co., Inc.>: Okay, great. That's helpful. And then I guess in terms of capital deployment in 2012, I guess if you could maybe give us a backdrop of kind of what the M&A environment looks like from your perspective and kind of what – how big or how kind of deep is the opportunity set?

<A – Jeffrey Sprecher – IntercontinentalExchange, Inc.>: I think there is a lot of opportunity out there. There's going to be a lot of change that goes on as a result of regulatory change and the movement clearing which was already in place before regulators tried to stimulate it. And some of these more recent events like MF Global, like continued concerns over the balance sheets of the banking system, will create a lot of opportunity, I think, for services that customers need. And I continue to – I say it a lot and I sound like a broken record I know, but I think there are some things that are mispriced in the market. I think a lot of – there's some things that are overpriced that aren't going to survive and I think there are some businesses that on their own aren't going to be able to satisfy customer needs fast enough given the fast rate of evolution that's going on and they may have to look for partners or other infrastructure providers to get them to where they have to be. So, I'm relatively optimistic about the M&A opportunities that may come. We're, as you know, sort of opportunistic when it comes to M&A and we also really believe in if we can build it we prefer to build it as opposed to buy it. And so, we run everything through that same sieve.

Operator: Our next question comes from the line of Roger Freeman with Barclays Capital.

<Q – Roger Freeman – Barclays Capital, Inc.>: Hi, good morning.

<A – Jeffrey Sprecher – IntercontinentalExchange, Inc.>: Good morning.

<Q – Roger Freeman – Barclays Capital, Inc.>: In CDS, can you just update us on where you are with clearing single names? I guess I – my understanding is on the financial names, particularly the large dealers, are still not cleared. And I'm wondering what the obstacles on that are and if we're close to getting that resolved. And then just on CDS in general, the revenue guidance, you didn't give it this time. I assume that's just because of too many moving variables for this year?

<A – Scott Hill – IntercontinentalExchange, Inc.>: Yeah. So, let me start on the financials. You're right. We don't clear those. We've got a number of things that are in kind of development

queue, if you will, for CDS and the financials aren't one that sits in the front of that line. There are some complexities with clearing CDS for the people who are the members of the clearinghouse.

And you've seen how deliberate regulators have been, whether it's EU sovereigns or providing the decomposition model, which we did finally get approved for the sell-side and are working to get approved for the buy-side. And so just – we don't feel like right now is the right time to go and launch the clearing of the financials. We'll eventually get there. We clear today well over 300 products and we're doing them in the order of where is the demand and where is the volume, financials clearly is one with volume that we will get to, but it's not front of mind, if you will.

On the CDS revenue guidance, you nailed it. It is – fundamentally, there are a lot of moving parts as we go into 2012. Just as we always do, as we come on to each of these calls, as we have better visibility, we'll share that visibility. But within the span of a company that just did \$1.3 billion, I don't want to try and project every \$60 million to \$150 million piece of the business.

<Q – Roger Freeman – Barclays Capital, Inc.>: Sure. Okay. And then just on your expense guidance for the year. Is your sort of, let's say, CDS and regulatory related expense expectations given everything you're working on, is that growth in line with the overall expense guidance or is it growing faster?

<A – Scott Hill – IntercontinentalExchange, Inc.>: The CDS expense is actually, as I mentioned going into last year and I will say it again coming into this year. We're managing those expenses down ever so slightly and we've done a lot of the build in terms of the risk models. A lot of what we are working through right now is approval on model improvements and approval on new products, but I think we've hit a pretty good groove swing and are actually now driving efficiencies in that expense space as opposed to having to increment it. There is no question all the moving parts around the regulatory landscape are driving expenses for us.

As we consider what's it mean to be SEF and how are we going to build it and what are the rules in the clearing going to be and how are we going to adjust for it. So, you'll see in our professional services not a big uptick, you saw our overall guidance with 3% to 6% growth, which is relatively modest. But you'll see professional services continue to tick along because we do have some legal fees and other associated fees related to the regulatory world.

Operator: And our next question comes from Chris Allen with Evercore.

<Q – Chris Allen – Evercore Partners (Securities)>: Good morning, guys.

<A – Jeffrey Sprecher – IntercontinentalExchange, Inc.>: Good morning.

<A – Scott Hill – IntercontinentalExchange, Inc.>: Good morning.

<Q – Chris Allen – Evercore Partners (Securities)>: Just wanted to, I guess, ask a little bit about the emissions business. There is – I guess there's a temporary auction platform tenders that are coming up for bid. Just wondering what's the process there and kind of what the [ph] outlook (43:50) is for that business currently.

<A – Jeffrey Sprecher – IntercontinentalExchange, Inc.>: Sure. We are – we announced that we are going to participate in a tender. The tender is coming from continental Europe and we are going to use our U.K. infrastructure to respond to that tender. So, I'll let you figure out whether you think probabilistically you should put that in your model or not.

<Q – Chris Allen – Evercore Partners (Securities)>: Got it. And then...

<A – Jeffrey Sprecher – IntercontinentalExchange, Inc.>: We are going to respond and it is an important business that we would like to have. It's just that the dynamics of the politics of Europe right now are quite complicated.

<A – Scott Hill – IntercontinentalExchange, Inc.>: And as they look across where emissions business is getting done in Europe today, it's getting done on our platform. I talked about the revenue growth; I talked about the OI growth. As we have mentioned, or we foreshadowed in prior years, you've got the airlines coming on as customers in 2012. So, as we go into that competition and we put forward our platform, we can demonstrate that we've got a robust business that's operating today.

<Q – Chris Allen – Evercore Partners (Securities)>: Great. Thanks. That's all I got, guys.

<A – Jeffrey Sprecher – IntercontinentalExchange, Inc.>: Thank you.

Operator: Our next question comes from the line of Alex Kramm of UBS.

<Q – Alex Kramm – UBS Securities LLC>: Hi. Good morning.

<A – Scott Hill – IntercontinentalExchange, Inc.>: Good morning.

<A – Jeffrey Sprecher – IntercontinentalExchange, Inc.>: Good morning.

<Q – Alex Kramm – UBS Securities LLC>: Just wanted to come back on the CDS clearing question, real quick. Now clearly on the sell-side, you've been doing really, really well, but on the buy-side I think the open interest number has not really nudged up that much anymore and obviously it's very small in the context of the overall market. If I look at your competitors in some other markets like interest rate swaps, CME and LCH, looks like they are getting some real traction with, I don't know, like, 10, 20, buy-side firms consistently clearing now, at least that's what we are hearing. Like where is that on your end, like why is the buy-side not embracing CDS clearing as much and what needs to change here?

<A – Scott Hill – IntercontinentalExchange, Inc.>: Based on the information I've got in the CDS world did \$11 billion that's more CDS claim by the buy-side than any other platform. I won't challenge what you have heard in terms of the numbers that are actually actively participating on other platforms but I would suggest to you that's more inflated than anything I believe is occurring.

Look, fundamentally, one of the big things that we need to do in order to get the buy-side in is get the Decomp Model approved and just for the quick two second dive into the lead, all that fundamentally does it says we're going to take your single name position and we're going to decompose the index into the same single name position and give you offset. And as you can imagine, that's necessary for capital efficiency. We have gone to the regulators including the CFTC and the SEC who have approved for the sell-side and said that the buy-side wants it and needs it. The buy-side has spoken and written and said they want it and need it. I fundamentally believe that we will get that approval and when we do get that approval that will be a catalyst for the buy-side to come into our clearinghouse.

<A – Jeffrey Sprecher – IntercontinentalExchange, Inc.>: Yeah, remember unlike a lot of our competitors, we have a clearinghouse that we decided to have both SEC and CFTC regulated because CDS is both SEC and CFTC regulated. So just clearing the index business in one clearinghouse and clearing single names in another clearinghouse doesn't make sense so we have tried to move our offering as a combined, as Scott called, decomposed offering that we would give these tremendous margin offsets to typical portfolio. And I think as Scott said, we are making good progress there because deadlines are – government owned self-imposed deadlines, but wanting to get clearing available to the buy-side are approaching in 2012.

<Q – Alex Kramm – UBS Securities LLC>: Okay, great. And then just very quickly, a similar topic but on the energy side obviously OTC energy is doing pretty well so far this year. Are you – is part of the growth that you are seeing actually new participants also coming online because of Dodd-Frank, Basel III and all this other stuff or do you still think that people are still waiting there?

I mean, I guess, what I'm trying to say is people are always [ph] focusing (48:12) on CDS that interest rate swaps is a big opportunity with all these new regulations. But do you think, on the energy side, you could actually get very much surprised too and we're not seeing a lot of that yet? Thanks.

<A – Scott Hill – IntercontinentalExchange, Inc.>: Yeah. Look, there is no question in my mind we are seeing people move into cleared – our cleared OTC products. Again, I think, that's particularly evident in the oil offering, which, as I said, is three times as large in 2011 versus where we were in 2009.

You look at the metrics – when I started five years ago, I think, we were in the low 80s in terms of the percentage cleared in OTC. We're now 97%. There is no question that the market has started to move. I still believe though that there is an opportunity for more participants to come our way, as the rules are finalized and understood.

I mean the other thing is it's not just in our OTC energy business. You go over and look at ICE Futures Europe, our natural gas volumes in 2011 were two times where they were in 2009. We've got a power contract that's starting to do a little bit of business. Our coal contracts, our volumes are up two times where they were in 2009.

And again those are in our OTC energy group, but there are other contracts that were predominately traded bilateral that are now moving on to an electronic platform and into a clearinghouse. So there are clearly signs. I'd hesitate to say whether I think we've seen 10% of the opportunity or 40% of the opportunity. I will say we've seen meaningful uptake, and I believe there is still meaningful participation to come.

Operator: Our next question comes from Matthew Heinz with Stifel Nicolaus.

<Q – Matthew Heinz – Stifel, Nicolaus & Co., Inc.>: Hi. Good morning, guys.

<A – Jeffrey Sprecher – IntercontinentalExchange, Inc.>: Morning.

<A – Scott Hill – IntercontinentalExchange, Inc.>: Morning.

<Q – Matthew Heinz – Stifel, Nicolaus & Co., Inc.>: If I could just go back to the OTC energy business for a moment, thanks for the color you gave on January, but wondering if I could just get a little more information on kind of what you're saying in the nat gas business and clearly the recent volatility in the commodity has boosted volumes but how do you expect hedgers to behave if we kind of get to a new floor here in the commodity.

<A – Jeffrey Sprecher – IntercontinentalExchange, Inc.>: This is Jeff. One of the reasons we wanted to mention this trend on our call was that we have a lot of – we're getting a lot of investor calls that were concerned that it's very low priced natural gas, that natural gas having a \$2 handle on that was somehow bad for our business. And the reality is that forward pricing curve, if you look at it, has expectations for higher prices in the future, so people are trying to lock in low prices.

There's obviously a lot of storage issues going on as people try to lock in these low prices and figure out where to store this gas. So there is a very good fundamental going on right now. There are predictions that gas could go very, very low in the spot market because of all the storage

fundamentals, but longer-term the forward pricing curve is really suggesting this is a good time to be trading and that there is going to be volatility against expectations going forward.

So if you had to extrapolate, we're suggesting don't just take our current numbers and multiply them out but the reality is there is a pretty good pricing curve out there that would suggest that there is going to be a lot of active trading.

<A – Scott Hill – IntercontinentalExchange, Inc.>: We just don't want people to be disappointed at \$1.9 million [ph] bunch (51:38).

<Q – Matthew Heinz – Stifel, Nicolaus & Co., Inc.>: That would be awful. So I guess it's more about the steepness of that curve than the actual, than just the outright price of the commodity, it sounds like.

<A – Jeffrey Sprecher – IntercontinentalExchange, Inc.>: Seems like there were lot of people that, natural gas – there were a lot of people that were – that had a short on natural gas, were kind of waiting for it to fall. I mean there was an expectation that things were going to happen; they seem to be happening now with recent inflection point in terms of the activity of trading that's going on.

<Q – Matthew Heinz – Stifel, Nicolaus & Co., Inc.>: Okay, thanks. And if I could just – on the follow-up just kind of hit M&A real quick. Continue to read headlines regarding bidders for the LME but it seems like most of the industry have sort of thrown in the towel on M&A at this point. So it seems like an ICE – it seems like a time when ICE would historically be opportunistic. So, I guess, my question is, in your previous transactions with member owned co-ops like the IPE and NYBOT where a potential closure of the floor could kind of be a sensitive issue with the members, how are these discussions go and kind of how did you handle those scenarios?

<A – Jeffrey Sprecher – IntercontinentalExchange, Inc.>: Sure. Let me first – I can't talk specifically about LME, our relationship with LME. But let me address your question, which is, we successfully acquired these mutualized companies with an overwhelming vote of the members. And that was because we spent time figuring out their needs and addressing them in the deal. I think the LME is looking at itself and trying to figure out what its needs are, which is always a healthy thing for a company. And I believe that they could use a much better clearing infrastructure that would allow them to roll-out more products more quickly. I believe they will come to the conclusion that they have tremendous growth that's coming globally and to the extent they can get more global distribution. It would be a good thing for them. And I think that they are a company that is centered in London and I think that is an important element of their business going forward. So if I had to presuppose what the Board is going to be looking at it would be those things whether or not they do it – they did make a determination to do anything remains to be seen.

Operator: Our next question comes from Michael Carrier with Deutsche Bank.

<Q – Michael Carrier – Deutsche Bank Securities, Inc.>: Thanks guys. Just one question on the OTC energy, do you happen to have the open interest just at the end of January?

<A – Scott Hill – IntercontinentalExchange, Inc.>: I don't think we have put that out. And it's not a new metric I want to start talking about every month. But again I did mention in the fourth quarter that net gas OI was up 91% over the prior year. Volumes remained strong into January. So we are seeing good open interest trends generally speaking without giving you an update on any single month.

<Q – Michael Carrier – Deutsche Bank Securities, Inc.>: Okay. That's fine. And then Jeff, just – I think, when you look at how you're positioned in most of the clearinghouses, obviously like from a structural standpoint, given what's going on with regulation, it continues to be a net benefit. Given

the issues around MF, there's some concern that depending on how regulations change the pressures on the FCMs can place more pressure on the users in the market. So – obviously, it's early in that process and any types of changes, but in terms of what can change, do you feel like there could be enough kind of market structure changes with FCMs but the end users – you shouldn't see too much change or increased cost for them to do business?

<A – Jeffrey Sprecher – IntercontinentalExchange, Inc.>: It really depends – this is one of those things where the devil's in the detail, there's no question that there's going to be a large discussion about changing the FCM handling of customer segregated funds. And in that context, the trend is for that discussion to have the clearinghouse take over some of the responsibilities that are right now borne by the FCMs. That on its face is probably a good thing for us as a clearinghouse owner in terms of being able to provide more services for our customers. But in the absolute, if you actually take away all the incentives for an FCM to handle customer credit issues, you could really dramatically lower the risk protections that are in a clearinghouse which would mean that costs are going to have to go up and they could go up dramatically for the end user.

So, it's – when you step back and think about it, I mean the system can provide a lot more protection if people want to pay for them, but at some point you have to decide if the juice is worth the squeeze. And I would submit to you is that if everybody prepaid for everything they did, there would be no risk in the system, but there would also be no reason to transfer risk. So there is going to have to be a balance down there and I do think that people on both sides of that argument are aware of that and that we will find a happy median here.

We have been advocating by the way that some relatively minor changes that we think are within the power of the CFTC in the United States and the FSA in the U.K. could help the current system without wholesale restructuring it.

Operator: Our next question comes from Jillian Miller with BMO Capital Markets.

<Q – Jillian Miller – BMO Capital Markets (United States)>: Thanks. Morning guys.

<A – Scott Hill – IntercontinentalExchange, Inc.>: Morning.

<A – Jeffrey Sprecher – IntercontinentalExchange, Inc.>: Morning.

<Q – Jillian Miller – BMO Capital Markets (United States)>: Just want to get an update on your outlook for the credit broking markets to Creditex in 2012. Do you guys still feel like kind of the main headwind for trading activity in those markets is the uncertainty related to regulation in Dodd-Frank or at this point are the issues more related to the banks just in terms of lower trading profitability and some de-leveraging?

<A – Scott Hill – IntercontinentalExchange, Inc.>: I think to some extent those go hand in glove, but again it's a little bit of ease. There is no question that the CDS market remains very uncertain of what the rules are going to be, that's never good for a market. We absolutely are seeing the size of trading debts in the CDS market shrink. If you listen to Goldman and Citi and other banks talk about their performance in the fourth quarter, generally speaking, the fixed income businesses were down significantly and they are taking actions to reduce some of those impacts.

So it's clearly a soft market. But in that soft market, we are positioning ourselves for when that market comes back. As we said in our remarks, we believe that the clearing we are providing is stabilizing the CDS industry and ultimately will enable it to grow again. We also mentioned 69% of our business in the quarter was electronic versus 53% a year ago, and so we are already moving more towards electronic, and we are continuing to drive efficiencies out of our broker cost base, even as we maintain leadership positions in most of the key single-name and index products.

So there is no question, Jillian, it is a soft market right now. One of the reasons we are not guiding on that right now is there is still a great lack of clarity on when it will recover. But we still retain a good deal of confidence that it will ultimately recover, and we've positioned ourselves to more than benefit from that recovery.

<Q – Jillian Miller – BMO Capital Markets (United States)>: Okay, thanks. And then Jeff, I think in the last quarter call, you had mentioned that you thought a lot of the drive behind some of the open access clauses in MiFID II would I guess wane if the New York and Deutsche Börse deal were to fall through. So I just wanted to see if that's still kind of a feeling you have, and whether you have had any discussions with regulators recently that might give you an idea for how the regulation is progressing, and just a sentiment surrounding it?

<A – Jeffrey Sprecher – IntercontinentalExchange, Inc.>: Sure, I mean, the Deutsche Börse and NYSE through its like franchise had a very difficult time discussing this issue, while they were in the middle of their antitrust reviews. But now they are able to turn their focus on – along with the rest of the exchanges on providing a common voice on the risks of going too far with some of these proposed initiatives. And so, I think that now we'll get a healthy dialog going on, and I know that dialog has started.

I also think that there is a sense that there is not going to be a single dominant clearinghouse in Europe, so that competition can be preserved and you see other actions going on in Europe around clearing that will further – should they go forward, will further improve the competitive landscape for clearing. And I think ultimately, once customers are satisfied that they have sufficient choices and sufficient competition in the marketplace that they will also back rational reform and I see that happening right now. So, I feel like we're in a pretty good place right now.

Operator: Our next question comes from Niamh Alexander with KBW.

<Q – Niamh Alexander – Keefe, Bruyette & Woods, Inc.>: Hi, good morning, thanks. And congrats to a great finish of the year.

<A – Jeffrey Sprecher – IntercontinentalExchange, Inc.>: Thank you.

<Q – Niamh Alexander – Keefe, Bruyette & Woods, Inc.>: Can I understand Scott the tax rate guidance is a little better. I mean, what's changing here that is moving significantly lower?

<A – Scott Hill – IntercontinentalExchange, Inc.>: Number one, as you saw on one of the charts we did in the presentation, we continue to see our revenue mix shift outside the U.S. Clearing for us is a profitable business, and we continue to capture a lot of value in our clearinghouse and ICE Clear Europe is our largest clearinghouse, so that means if that revenue shift outside the U.S. is even more significant at a profit level.

And then just in terms of something that you had hoped that other governments might look at as a benefit, the U.K. government is actually doing things to improve their tax rate to attract business. If you go back to 2008, their corporate tax rate was 30%. In 2012, it's going to be 25%. And as proposed, it could drop further as you move forward to 24% and 23%. Now, the drop to 23% still requires some action, but a 5 point decline in a country where we're earning more and more of our profit is a big help to our overall tax rate. And as I said on the call, what that ultimately means to our shareholders is more dollars on the bottom line, more cash and greater returns.

<Q – Niamh Alexander – Keefe, Bruyette & Woods, Inc.>: Okay, that's very helpful, thank you. And then if I could just go back to the MiFID thing, Jeff, I mean with half your revenue now in the OTC business where technically I guess it doesn't enjoy any structural benefit from open clearing or not, doesn't that kind of position you relatively well compared to some others any way, if MiFID and its initial current proposal form does make it through to kind of require open clearing because

technically I guess you have that right now in the OTC business that you have and we're not seeing kind of exclusive price pressure or anything there in that business, does that kind of position you better than your peers? Is that a good way to think about maybe what do you think the futures might look at?

<A – Jeffrey Sprecher – IntercontinentalExchange, Inc.>: First of all, you're right on your premise that we – the last time I looked, I think we've accepted trades from 140 different trading venues for OTC clearing. So we are not the exclusive venue for that business. And in many products we have a minor or maybe even a zero market share in the execution business. So, yes, we're well positioned. Yes, we understand those dynamics. I don't know if our peers – I don't want to say our peers are not however positioned. This is something that we've started in year 2001 and 2002, so it's about a decade old model that we've been working under. So a lot of people have been able to look at it and see what we're doing and how we are doing and emulate it, and so we will just have to see how well prepared they are.

The thing that we have been investing in for the last decade is connectivity to our customers, breakthrough processing, ways of getting trades in and out. We've mentioned on this call we are going to make it easy to get into a swaps data repository through – because of the work we've done with the CFTC, we already do reporting of the OTC business through large trader reports into government databases. So a lot of the proposed Dodd-Frank infrastructure that's going to be required of OTC market participants is something that we have already built as a natural extension of our business and it remains to be seen whether others have been spending time in a laboratory working on that.

Operator: And next in line we have Daniel Harris with Goldman Sachs.

<Q – Daniel Harris – Goldman Sachs & Co.>: I guess most of my questions have been asked and answered, but I just have a quick one here in...

<A – Jeffrey Sprecher – IntercontinentalExchange, Inc.>: Well, it's good to hear your voice.

<Q – Daniel Harris – Goldman Sachs & Co.>: Yeah, thanks. I'm glad I squeaked in. Europe, we've seen a lot of changes in the banks and de-leveraging has been a common theme that we continue to hear inclusive of some of the things around commodity trade finance with some of the large French banks seemingly exiting that business or at least getting a lot smaller. How do you think that impacts the commodity trading business over there or maybe more broadly globally, do you see other banks coming in to fill that and does that play an important need for trading in general?

<A – Jeffrey Sprecher – IntercontinentalExchange, Inc.>: The answer is that you are right, we have seen and we hear a lot of anecdotal remarks about how European banks are de-leveraging. Scott recently – we did our own credit facilities, which has a pretty broad syndicate in there, so we were firsthand getting knowledge from people that we have had a long relationship with how they are thinking about risk inside their own companies and we have seen a pullback by many of these Continental European banks. There was a void in the market, it seem like in the – I don't know the third quarter or so, but we are now more recently in the fourth quarter and into this year, we are seeing new entrants come in, and what we find fascinating is a lot of Asian and particularly Chinese banks actively and aggressively trying to fill that void. So I think it's probably a temporary phenomenon, but it is interesting to see where the new money is coming from.

<Q – Daniel Harris – Goldman Sachs & Co.>: Okay, Jeff, I will leave it there. Thanks for the answer.

<A – Jeffrey Sprecher – IntercontinentalExchange, Inc.>: Thank you.

Operator: Our next question comes from Jonathan Casteleyn with Susquehanna.

<Q – Jonathan Casteleyn – Susquehanna Financial Group LLP>: Thanks. Good morning. It sounds like Creditex cost you 5 points of operating margin for the year. So I guess in a double digit revenue environment, what does fully loaded margins look like, just wondering how much opportunity you think is left?

<A – Scott Hill – IntercontinentalExchange, Inc.>: Yeah, I mean, you are looking at a fully loaded basis. I'd tell you that the Creditex business on a cash basis was very modestly accretive. If you look at EBITDA margin for the year, they were a little north of 10%. So the business is contributing in a smaller way. But again, it goes back to the question I answered earlier, it's a very soft market, and so what we are focused on right now is being efficient as we can in our brokerage business, while we maintain our share and continuing to launch new electronic offerings, and move people towards those electronic initiatives. In the current market, that's what we think is the right strategic move to position us for when the market does recover.

<Q – Jonathan Casteleyn – Susquehanna Financial Group LLP>: Okay. I guess, I was broadly talking about the overall complex margins. How much opportunity, I mean, can we see 65% pre-tax for the complex including all initiatives?

<A – Scott Hill – IntercontinentalExchange, Inc.>: You know, Jonathan, I always hesitate to project where margins can go, because as you have seen in the past one of the things that we like to do is to go out and invest in businesses that may be a little bit lower margin than our current business, but where we see an opportunity to grow those businesses and improve their margins. So, at the end of the day, I don't believe in the five years I've been here, Jeff has ever asked me to hit a margin target. He has consistently asked me to hit cash and profit, and that's what we focus on. So, where I'm going to continue to focus is, as I said in our prepared remarks, our Board objective is to grow profit faster than revenue and to keep those growing at double digits, and margins are going to be what they are.

<Q – Jonathan Casteleyn – Susquehanna Financial Group LLP>: Okay, that's great. And just my follow-up here is can you set some expectations on pricing within futures? I mean, obviously a good drift higher in RPC during 2011. Is customer mix you think at the most profitable level now, or would you expect pricing to continue to kind of gather some steam in 2012, or do you think we're going to flat line here?

<A – Scott Hill – IntercontinentalExchange, Inc.>: At the risk of answering your second question in an also unhelpful manner, I mean, you never know what mix is going to be in any given period, particularly in the energy business. We clearly are taking some pricing actions to reflect some of the new costs we're seeing from the additional regulation, rules, and changes like that, that will stabilize and support some of the trends you're seeing in RPC, but in any given month, in any given quarter, it's hard to predict what customer mix would be.

What I would point you to is a history of very stable RPC up and down in any given month, but if you look over a year and really even over the quarters, it's been relatively stable. And, as I said, some of the upward trends that you're seeing, I think, we can hold on to as we move our way through the quarter.

Operator: Our next question comes from Brian Bedell with ISI Group.

<Q – Brian Bedell – International Strategy & Investment Group, Inc.>: Hi, good morning. Thanks for taking my questions.

<A – Scott Hill – IntercontinentalExchange, Inc.>: Good morning.

<Q – Brian Bedell – International Strategy & Investment Group, Inc.>: Jeff, obviously, you know the energy markets very well. I just wanted to get your view on what you think pricing and volatility trends might be longer term past this summer, both in – we've seen the Brent and WTI spread now re-widen, obviously, due to the supply issues. And, also you mentioned supply in natural gas coming into the summer. Do you think these are temporary phenomena over the next, say, couple of quarters and do you think that would normalize as we get towards the end of the year and into 2013?

<A – Jeffrey Sprecher – IntercontinentalExchange, Inc.>: Well, it's really hard to project. But, at a macro level, the interesting thing about the commodities business, in general, is that every new source of supply, whether it's energy or agriculture or metals, comes from an increasingly difficult place to find it with increasingly complex technologies to get it and none of that goes in a straight line. I do – I am – and maybe I'm biased because I came out of the power industry where we had a lot of natural gas exposure, but the U.S. is in a really good position in terms of having new sources of natural gas. But, there are significant questions being raised about environmental impacts and other things that will mean that we'll have ebbs and spurts in that market and all that will be reflected in price volatility. And, we've got this continuing volatility in the Middle East where obviously our oil is. So, you couple that with problems in the United States with pipelines going the wrong place or wanting to get built or not being able to be built. And so, all of that really supply and demand issue creates volatility and that's why people have to hedge. And, on a macro level, there is just nothing that you can see in the future that's going to change that dynamic. If anything, it looks even more complicated.

<Q – Brian Bedell – International Strategy & Investment Group, Inc.>: Yeah. That's very helpful. Thanks for that. And then, Jeff, you've also been correct on the – on your speculation on M&A – global M&A essentially not working. What's your view on – obviously, we'll probably see a reversion to smaller deals for the exchange industry over the next 12 months or so. But, what's your view over the next couple of years in terms of whether you think that gets restarted and then also your interest in building out your complex overall more broadly into financial futures longer term?

<A – Jeffrey Sprecher – IntercontinentalExchange, Inc.>: Yes, I actually think M&A can be done today or – I don't think anything has really changed in the history that I've been running the firm. M&A is always hard, and I haven't been always right by the way. I appreciate the compliment but it's not true. The interesting thing is that they have to be well thought out M&A. It's no longer just – I don't know that you could ever just say this guy will be Chairman; this guy will be CEO; oh, good, we have a deal, and let's go forward. I think you have – there are a lot of constituents around the exchange space and all of their needs have to be met for a thoughtful M&A to go forward and I think that's always been the case. And that was the case in 2001 when we acquired the IPE, for example. So, in terms of our own needs, I'd like to tell people that we jumped into a stream and it's taking us some place, and I'm not going to row upstream. We're going to row downstream and we'll see where it takes us. We've had a couple of attempts to get into financial futures. That was our premise on trying to buy the Chicago Board of Trade was to try to get into the clearing of OTC interest rates. Had we had that property at the time we had that vision, it'd be interesting to see where we'd be today given the trends now in regulatory demands to clear OTC interest rates. We obviously expressed interest in the LIFFE exchange with NASDAQ. So, there have been opportunities going down that stream that we couldn't resist. But, at the end of the day, I feel like our company is very global. You can see it in our numbers. I feel like we have really good distribution. I think we have a really good brand. I really like the people that I work with and so it's really about whether or not something comes along in that stream that would meet our rate of return objectives, but strategically, I don't think we have to do some kind of a global deal.

Operator: Our next question comes from Rob Rutschow with CLSA.

<Q – Rob Rutschow – Credit Agricole Securities (USA), Inc.>: Hey, good morning. I'm sorry to keep harping on – or going back to the OTC business but the CFTC data that you guys provide or that you report to them wouldn't have necessarily suggested such a strong increase in natural gas activity in January. So, I'm wondering if there is a disconnect there just in terms of the data or if you're starting to see a different segment of trader come into the market or – so to put it in other words, can you categorize what the volumes are looking like in terms of the market participants in January so far?

<A – Scott Hill – IntercontinentalExchange, Inc.>: Yes, to be honest with you I haven't tried to compare the large trader report to what we have seen in volumes side. I'd have to go back to what I've said earlier, which is what's driving the good volume growth right now is new products options in particular, volatility that we are seeing in the market and people trading around what has been a sustained build of open interest throughout 2011. Large trader reports are – should be indicative but they don't necessarily reflect the breadth of participation in the market so there might be some small disconnect but as I said we saw this pretty consistently throughout the month. This wasn't a situation where we had four good days – or four great days, followed by average days. This was good day, followed by good day, followed by good day, which has trended right into February. And that typically means we're seeing consistent participation, not spikes and not unusual participation.

<Q – Rob Rutschow – Credit Agricole Securities (USA), Inc.>: Okay, thanks. That's very helpful. My follow-up question would be it appears that CME is trying to develop some sort of web-based trading or sort of end-to-end trading for energy. How would you view that from a competitive standpoint? Is there a concern that they might be addressing an area that you guys aren't as strong in and then also how might that impact the inter-dealer space and might that drive more activity to you?

<A – Jeffrey Sprecher – IntercontinentalExchange, Inc.>: Well, look, they're good competitors and smart people, and so I'm sure they're going to be working on things that they think can do well for them. But, we have built an infrastructure over so many years that is so widely distributed. And, frankly, CME lists all of our products on Globex, which is – or the bulk of them, which is a really widely distributed and very well-respected platform. So, I'm not sure it's about the platform. It is really about the millions of things that go into building a stream of liquidity and getting eyeballs to focus on that liquidity. There have been lots of attempts in the marketplace to launch electronic trading of energy against our platform. And, Dodd-Frank may provide stimulus for others to try again, but the fact remains a lot of people have tried and failed. And, the reason is that it's a very good platform that has a lot of proprietary content on it and it's well priced. And, these are sort of niche markets in many cases where the market itself has not wanted the liquidity to split.

We are aware that it's up to us to constantly make that platform relevant. We haven't sat on our laurels. We announced that we're working with Platts on the Platts Global Alerts that are going on the platform. A couple of years ago, we did a deal with Platts where the Platts price assessments are done using our platform. We bought a company and re-branded it and rolled off ICE Mobile so that our platform has tremendous mobile capabilities now. We bought a small company that had instant messaging technology called YellowJacket, built that into the platform. So, it is a platform that is incredibly robust and has earned desktop space. And, I think it's going to be a challenge for people to dislodge. But, nonetheless, I think there will be competitors that will try as a result of Dodd-Frank or any other excuse to see if they can dislodge it. At the end of the day, we have a huge clearing franchise. And, to the extent the liquidity is split, the odd – the impact of that is it creates arbitrage, probably increases volume, and increases clearing revenue. So, I'm not sure that it's particularly a negative thing to have more execution competition.

Operator: And, at this time, I'd like to turn it over to our speakers for any closing remarks.

Jeffrey C. Sprecher, Chairman & Chief Executive Officer

Well, this is Jeff. Thank you, all, again for supporting us in 2011. It was a great quarter. Thanks our – thank you to our customers. I'd like to thank all of you on the call here, who helped us get our story out throughout the year, and we look forward to talking to you again next quarter.

Operator: Ladies and gentlemen, thank you for participating in today's conference. This concludes the program. You may all disconnect. Everyone, have a great day.

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