

UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

**FORM 8-K**

**CURRENT REPORT PURSUANT TO SECTION 13 or 15(d) of THE  
SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported): August 6, 2020

**Intercontinental Exchange, Inc.**

(Exact Name of Registrant as Specified in Charter)

Delaware  
(State or other jurisdiction  
of incorporation)

001-36198  
(Commission File No.)

46-2286804  
(IR.S. Employer  
Identification Number)

5660 New Northside Drive, Third Floor, Atlanta, Georgia 30328  
(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code: (770) 857-4700

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, \$0.01 par value per share	ICE	New York Stock Exchange

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Item 7.01. Regulation FD Disclosure.**

Intercontinental Exchange, Inc. (the "Company") and Ellie Mae, Inc. ("Ellie Mae") issued a joint press release (the "Press Release") announcing that the Company had entered into a definitive agreement to acquire Ellie Mae. A copy of the Press Release is attached to this report as Exhibit 99.1 and is incorporated herein by reference. The Company intends to file an additional report on Form 8-K under which the Company will make the disclosures required by Item 1.01 relating to the proposed acquisition of Ellie Mae. The Company plans to hold a conference call to review the Investor Presentation attached to this report as Exhibit 99.2 on Thursday, August 6, 2020 at 5:00 p.m. ET.

The information contained herein, including the Press Release and the Investor Presentation, is furnished pursuant to Item 7.01 of Form 8-K and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Securities Exchange Act of 1934 except as may be expressly set forth by specific reference in such filing.

**Item 9.01 Financial Statements and Exhibits**

(d) Exhibits

Exhibit No.   Description

[99.1](#)            [Press release dated August 6, 2020.](#)

[99.2](#)            [Investor Presentation dated August 6, 2020.](#)

104            The cover page from Intercontinental Exchange, Inc.'s Current Report on Form 8-K, formatted in Inline XBRL.

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Current Report on Form 8-K to be signed on its behalf by the undersigned hereunto duly authorized.

INTERCONTINENTAL EXCHANGE, INC.

Date: August 6, 2020

By: /s/ Andrew J. Surdykowski  
Andrew J. Surdykowski  
General Counsel

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**Intercontinental Exchange Enters Definitive Agreement  
to Acquire Ellie Mae from Thoma Bravo**

*Deal strengthens ICE's focus on mortgage services*

*Extends track record of operating vital networks moving analog to digital*

*ICE will hold a conference call at 5:00 p.m. today to review transaction details*

**ATLANTA, GA and PLEASANTON, CA – August 6, 2020** – Intercontinental Exchange (NYSE: ICE), a leading operator of global exchanges and clearing houses and provider of mortgage technology, data and listing services, announced today that it has entered into a definitive agreement to acquire Ellie Mae®, the leading cloud-based platform provider for the mortgage finance industry. The transaction with Ellie Mae, a portfolio company of Thoma Bravo, a leading private equity investment firm, values Ellie Mae at approximately \$11 billion. The deal, following ICE's taking a majority stake in MERS in 2016, purchasing the remainder in 2018, and acquiring Simplifile in 2019, establishes ICE, through its growing ICE Mortgage Services network, as the leading provider of end-to-end electronic workflow solutions serving the evolving U.S. residential mortgage industry.

A conference call to review the transaction details will be held on Thursday, August 6, 2020 at 5:00 p.m. ET. Details for the call are included at the end of this announcement.

Ellie Mae, based in Pleasanton, California with approximately 1,700 employees, was founded in 1997 with a mission to automate and digitize the trillion-dollar residential mortgage industry. Through its Digital Lending Platform, Ellie Mae provides technology services to all participants in the mortgage supply chain, including its over 3,000 customers and thousands of partners and investors participating on their open network who provide liquidity to the market. Lenders rely on Ellie Mae to securely manage and facilitate the exchange of data across the ecosystem to enable the origination of mortgages while maintaining strict adherence to various local, state and federal compliance requirements.

"Twenty years after we founded Intercontinental Exchange to provide a transparent trading platform for the energy industry, and following two decades of providing continued innovation to help customers navigate global markets, we are pleased to announce the acquisition of Ellie Mae, which will help us similarly transform the mortgage marketplace," said Jeffrey C. Sprecher, Founder, Chairman and CEO of Intercontinental Exchange. "Our planned acquisition represents a one-of-a-kind opportunity to add an extraordinary enterprise with great leadership to our family. It will also enhance ICE's growth strategy in mortgage technology, with complementary products and a wide array of customers and stakeholders who will benefit from our core and proven expertise in operating networks and marketplaces."

"We are excited to be joining the Intercontinental Exchange family and having the opportunity to work closely with Simplifile and MERS in helping our industry to realize the true digital mortgage," said Jonathan Corr, President and CEO of Ellie Mae. "We have been on a journey, as we have long said, 'to automate everything automatable' for the mortgage industry, and joining ICE, which has followed a parallel journey in global exchanges, will allow us to further accelerate realizing our vision. We also greatly appreciate, and have significantly benefited from, the operational and strategic support from Thoma Bravo. They were instrumental in helping us achieve this outcome, which is a great one for our customers and the industry in general."

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Since acquiring Ellie Mae, Thoma Bravo has partnered with its leadership team to nearly double revenue while achieving best-in-class profitability and driving continued innovation in Ellie Mae’s core products. The combination of Ellie Mae’s market-leading solutions with Thoma Bravo’s deep operational expertise helped the company redesign its organizational structure to scale more efficiently, transform its go-to-market organization to better serve its existing customers, and focus on organic product innovation to drive long-term, sustainable growth. Thoma Bravo also worked closely with Ellie Mae to acquire Capsilon, a highly strategic acquisition that added significant product capabilities and greatly expanded the company’s total addressable market.

“We partnered with Jonathan Corr, Joe Tyrrell and the Ellie Mae team to advance their vision to automate the residential mortgage industry while also using Thoma Bravo’s deep software expertise to greatly improve the company’s operations and accelerate growth,” said Holden Spaht, a Managing Partner at Thoma Bravo. “We are confident that being part of ICE will enable Ellie Mae to continue transforming an industry still in the early innings of digitization, and we look forward to following Ellie Mae’s continued success as part of ICE for many years to come.”

The entire production chain of the mortgage industry, from lead generation to application, to pre-closing, to closing, to post-closing, has traditionally been a highly document-centric and manual process. ICE’s acquisition of MERS and Simplifile has helped to automate the post-closing process. The addition of Ellie Mae extends ICE’s reach to the origination space.

In addition to its Digital Lending Platform capabilities and its vast partner network, Ellie Mae also provides technology solutions that enable its clients to achieve greater levels of consumer engagement, efficiencies through automation, and a modernization of the loan manufacturing process through its recent introduction of machine learning and artificial intelligence. Through this complementary addition, ICE Mortgage Services will provide innovative technology that touches nearly every U.S. mortgage, accelerating additional digitization and streamlining of the mortgage manufacturing process, and ICE Data Services will be able to add to its offerings.

“This transaction will benefit ICE and its shareholders,” said Scott Hill, Chief Financial Officer of Intercontinental Exchange. “The strength of our balance sheet, and the combined cash flows, position this deal to be accretive in the first full year and to meet all of our key strategic and financial acquisition criteria.” The transaction, which is not subject to a financing condition, is expected to close in the [third quarter or early fourth quarter](#) of 2020, following the receipt of regulatory approvals and the satisfaction of customary closing conditions.

**Key Financial Metrics:**

- Transaction valued at an enterprise value of \$11 billion, with consideration in the form of a mix of cash (84% of EV) and newly issued shares of ICE common stock (16%).
  - Expected ICE Mortgage Services pro-forma 2020 revenues of \$1.1 billion (includes expected 2020 Ellie Mae revenues of ~\$900 million).
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- Expected ICE Mortgage Services pro-forma 2020 adjusted EBITDA<sup>1</sup> of ~\$600 million (includes expected 2020 Ellie Mae adjusted EBITDA<sup>2</sup> of ~\$470 million).
- Including past acquisitions of both MERS & Simplifile and, upon completion of the acquisition of Ellie Mae, ICE will have invested a total of roughly \$11.5 billion in its strategy to automate the mortgage workflow.
- Expected Ellie Mae transaction IRR of 10%; ICE ROIC will remain above ICE WACC in year one, growing thereafter.
- Expected to realize run-rate cost synergies of \$50 million to \$65 million by the end of year three.
- Expected that the acquisition of Ellie Mae will be accretive to adjusted EPS in the first full year of ownership.

Credit Suisse, Goldman Sachs and Wells Fargo are serving as lead financial advisors to Intercontinental Exchange, which also received financial advice from Broadhaven, Citigroup and Moelis & Company LLC. Shearman & Sterling LLP is serving as the legal advisor to Intercontinental Exchange, with additional legal advice from Morgan, Lewis & Bockius LLP, Potter Anderson & Corroon LLP and Sullivan & Cromwell LLP. J.P. Morgan Securities LLC and Jefferies LLC are serving as financial advisors to Thoma Bravo and Ellie Mae, and Kirkland & Ellis LLP is serving as the legal advisor to Thoma Bravo and Ellie Mae.

### **Conference Call Information**

ICE will hold a conference call today, August 6, 2020, at 5:00 p.m. ET to review details of the transaction. A live audio webcast of the conference call will be available on the company's website at [www.theice.com](http://www.theice.com) in the investor relations section. Participants may also listen via telephone by dialing (855) 527-2973 or (855) 527-2980 from the United States or (909) 715-1689 from outside the United States. Telephone participants are recommended to call 10 minutes prior to the start of the call. The call will be archived on the company's website for replay.

### **About Intercontinental Exchange**

Intercontinental Exchange (NYSE: ICE) is a Fortune 500 company formed in the year 2000 to modernize markets. ICE serves customers by operating the exchanges, clearing houses and information services they rely upon to invest, trade and manage risk across global financial and commodity markets. A leader in market data, ICE Data Services serves the information and connectivity needs across virtually all asset classes. As the parent company of the New York Stock Exchange, the company is the premier venue for raising capital in the world, driving economic growth and transforming markets.

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<sup>1</sup> Reflects legacy ICE Mortgage Services expected EBITDA plus Ellie Mae expected Adjusted EBITDA, which is adjusted to exclude approximately \$12 million of non-recurring professional fees. Legacy ICE Mortgage Services expected EBITDA is based on ICE estimates.

<sup>2</sup> Based on Ellie Mae estimates and adjusted to exclude approximately \$12 million of non-recurring professional fees.

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Trademarks of ICE and/or its affiliates include Intercontinental Exchange, ICE, ICE block design, NYSE and New York Stock Exchange. Information regarding additional trademarks and intellectual property rights of Intercontinental Exchange, Inc. and/or its affiliates is located at <http://www.intercontinentalexchange.com/terms-of-use>. Key Information Documents for certain products covered by the EU Packaged Retail and Insurance-based Investment Products Regulation can be accessed on the relevant exchange website under the heading “Key Information Documents (KIDS).”

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995 -- Statements in this press release regarding ICE, Ellie Mae and the combined business, including expected revenue and expected adjusted EBITDA for the twelve months ended December 31, 2020, that are not historical facts are "forward-looking statements" that involve risks and uncertainties. For a discussion of additional risks and uncertainties, which could cause actual results to differ from those contained in the forward-looking statements, see ICE's Securities and Exchange Commission (SEC) filings, including, but not limited to, the risk factors in ICE's Annual Report on Form 10-K for the year ended December 31, 2019, as filed with the SEC on February 6, 2020.

This release includes non-GAAP measures that exclude certain items we do not consider reflective of our cash operations and core business performance. We believe that the presentation of these non-GAAP measures provides investors with greater transparency and supplemental data relating to our financial condition and results of operations. These adjusted non-GAAP measures should be considered in context with our GAAP results.

We present expected adjusted EBITDA for Ellie Mae and the combined ICE Mortgage Services business for the twelve months ended December 31, 2020, adjusted to deduct approximately \$12 million in estimated non-recurring professional fees. Adjusted EBITDA is not a measurement under GAAP in the United States and may not be similar to EBITDA measures of other companies. We believe that Adjusted EBITDA provides useful information to management and investors as an indicator of the operating performance of these businesses. We are not able to forecast the most directly comparable measures calculated and presented in accordance with GAAP. Certain elements of the composition of the GAAP amounts are not predictable, making it impractical for us to forecast. As a result, no GAAP outlook is provided.

Expected Adjusted EBITDA are only estimates and contain forward-looking information. We and Ellie Mae have made a number of assumptions in preparing these projections, which may or may not prove to be correct. The expected Adjusted EBITDA amounts are subject to various risks and uncertainties, and do not guarantee actual results for the period indicated. Factors, risks and uncertainties that could cause actual results to differ materially from those projected include those in the documents that we file with the SEC. We undertake no obligation to update or revise any of the projections, whether as a result of new information, future developments or otherwise.

#### **About Ellie Mae**

Ellie Mae is the leading cloud-based platform provider for the mortgage finance industry. Ellie Mae's technology solutions enable lenders to originate more loans, lower origination costs, and reduce the time to close, all while ensuring the highest levels of compliance, quality and efficiency. Visit [EllieMae.com](http://EllieMae.com) or call (877) 355-4332 to learn more.

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**About Thoma Bravo**

Thoma Bravo is a leading private equity firm focused on the software and technology-enabled services sectors. With a series of funds representing more than \$45 billion in capital commitments, Thoma Bravo partners with a company's management team to implement operating best practices, invest in growth initiatives and make accretive acquisitions intended to accelerate revenue and earnings, with the goal of increasing the value of the business. The firm has offices in San Francisco and Chicago. For more information, visit [thomabravo.com](http://thomabravo.com).

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Building a Leading Provider of  
Digital Mortgage Solutions

August 6<sup>th</sup>, 2020



## CAUTIONARY STATEMENT REGARDING 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 ICE's business that are not historical facts are forward-looking statements that involve risks, uncertainties and assumptions that are difficult to predict. Although we believe the expectations reflected in these forward-looking statements are reasonable, these statements are not guarantees of future results, performance, levels of activity or achievements, and actual results may differ materially from what is expressed or implied in any forward-looking statement. The factors that might affect our performance include, but are not limited to: conditions in global financial markets, the economy and political and social conditions; changes in domestic and foreign laws, regulations, rules or government policy with respect to financial markets, climate change or our businesses generally, including increased regulatory scrutiny or enforcement actions and our ability to comply with these requirements; volatility in our markets; our business environment and industry trends, including our competition; the success of our clearing houses and our ability to minimize the risks associated with operating multiple clearing houses in multiple jurisdictions; the success of our exchanges and their compliance with regulatory and oversight responsibilities; the resilience of our electronic platforms and soundness of our business continuity and disaster recovery plans; changes in renewal rates of subscription-based data revenues; our ability to execute our growth strategy, identify and effectively pursue, timely close, implement and integrate acquisitions and strategic alliances and realize the synergies and benefits of such transactions, including Ellie Mae; performance and reliability of our technology and the technology of our third party service providers; our ability to keep pace with technological developments and client preferences; our ability to ensure that the technology we utilize is not vulnerable to cyber-attacks, hacking and other cybersecurity risks; our ability to identify trends and adjust our business to respond to such trends; our ability to evolve our benchmarks and indices in a manner that maintains or enhances their reliability and relevance; the accuracy of our estimates and expectations; our belief that cash flows from operations will be sufficient to service our current levels of debt and fund our working capital needs and capital expenditures for the foreseeable future; our ability to secure additional debt; our ability to maintain existing customers and attract new customers; our ability to offer new products and services, leverage our risk management capabilities and enhance our technology in a timely and cost-effective manner; our ability to attract and retain key talent; our ability to protect our intellectual property rights, including the costs associated with such protection, and our ability to operate our business without violating the intellectual property rights of others; potential adverse results of litigation and regulatory actions and proceedings; our ability to realize the expected benefits of our investment in Baikt, and our ability to detect illegal activity through digital currency transactions that are easily exploited. In addition, we have updated our risk factors to include the risk that the COVID-19 pandemic could have an adverse effect on our business, results of operations and financial condition. For a discussion of such risks and uncertainties, which could cause actual results to differ from those contained in the forward-looking statements, see ICE's Securities and Exchange Commission (SEC) filings, including, but not limited to ICE's most recent Annual Report on Form 10-K for the year ended December 31, 2019, as filed with the SEC on February 6, 2020 and ICE's most recent Quarterly Report on Form 10-Q for the quarter ended June 30, 2020, as filed with the SEC on July 30, 2020. These filings are available in the Investors section of our website. We caution you not to place undue reliance on these forward-looking statements. Any forward-looking statement speaks only as of the date on which such statement is made, and we undertake no obligation to update any forward-looking statement or statements to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of an unanticipated event. New factors emerge from time to time, and it is not possible for management to predict all factors that may affect our business and prospects. Further, management cannot assess the impact of each factor on the business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements.

## GAAP AND NON-GAAP RESULTS

This presentation includes non-GAAP measures that exclude certain items we do not consider reflective of our cash operations and core business performance. We believe that the presentation of these non-GAAP measures provides investors with greater transparency and supplemental data relating to our financial condition and results of operations. These adjusted non-GAAP measures should be considered in context with our GAAP results. A reconciliation Adjusted Earnings Per Share to the equivalent GAAP measure and an explanation of why we deem these non-GAAP measures meaningful appears in our Form 10-K and in the appendix to this presentation. Our Form 10-Q and this presentation are available in the Investors and Media section of our website at [www.theice.com](http://www.theice.com).

In addition, we present pro-forma EBITDA for the legacy ICE Mortgage Services business, which is an estimate of the net income plus interest, taxes, depreciation and amortization for the twelve months ended December 31, 2020. We also present pro-forma adjusted EBITDA for Ellie Mae and the combined ICE Mortgage Services business for the twelve months ended December 31, 2020, adjusted to deduct approximately \$12 million in estimated nonrecurring professional fees. EBITDA and Adjusted EBITDA are not measurements under GAAP in the United States and may not be similar to EBITDA measures of other companies. We believe that EBITDA and Adjusted EBITDA provide useful information to management and investors as an indicator of the operating performance of these businesses. We are not able to forecast the most directly comparable measures calculated and presented in accordance with GAAP. Certain elements of the composition of the GAAP amounts are not predictable, making it impractical for us to forecast. As a result, no GAAP outlook is provided.

Pro-forma EBITDA and Adjusted EBITDA are only estimates and contain forward-looking information. We and Ellie Mae have made a number of assumptions in preparing these projections, which may or may not prove to be correct. The pro-forma EBITDA and Adjusted EBITDA amounts are subject to various risks and uncertainties, and do not guarantee actual results for the period indicated. Factors, risks and uncertainties that could cause actual results to differ materially from those projected include those discussed above and/or in the documents that we file with the SEC. We undertake no obligation to update or revise any of the projections, whether as a result of new information, future developments or otherwise.

## EXPLANATORY NOTES

Throughout this supplement:

- All earnings per share figures represent diluted weighted average share count on continuing earnings.
- References to Return on Invested Capital, or ROIC, are equal to  $\text{TTM (Operating Income} \times (1 - \text{Tax Rate))} / (\text{Avg Debt} + \text{Avg Shareholders Equity} + \text{Avg Non-Controlling Interest} + \text{Avg Cash, Cash Equiv. \& ST Investments})$ . References to Weighted Average Cost of Capital, or WACC, are equal to  $(\text{Cost of Equity} \times \% \text{ of Equity}) + ((\text{Cost of Debt} \times (1 - \text{Tax Rate})) \times \% \text{ of Debt})$ .
- References to 2020 revenues and EBITDA are based on first half actual results and second half estimated results.
- References to pro-forma amounts or results include the combined results of Ellie Mae and ICE Mortgage Services.
- References to Ellie Mae financial information were provided by Ellie Mae.



# Call Participants

## ICE Management:



**Jeff Sprecher**  
Chairman & CEO  
Chairman, NYSE



**Ben Jackson**  
President



**Scott Hill**  
Chief Financial Officer



**Jonathan Corr**  
President & CEO,  
Ellie Mae



**Joe Tyrrell**  
Chief Operating Officer,  
Ellie Mae

## ICE Investor Relations:

Warren Gardiner, CFA  
Mary Caroline O'Neal, CPA

Vice President, Investor Relations  
Manager, Investor Relations

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[marycaroline.oneal@theice.com](mailto:marycaroline.oneal@theice.com)

# Transaction Overview

## ICE to Acquire Ellie Mae

### Strategic Rationale

- Two combined networks establish ICE as a leading provider of end-to-end electronic mortgage workflow solutions
- Large and growing addressable market driven by demand for automation & efficiencies
- Complementary platforms drive strong network effects and customer efficiency gains
- Expanded network/digital marketplace and data sets combined with unique tools & analytics are critical to automating disconnected and disparate processes across the mortgage workflow

### Consideration & Financials

- Transaction valued at an enterprise value of ~\$11 billion (mix of 84% cash / 16% equity)
- Meets or exceeds all ICE acquisition criteria:
  - ✓ Expected return (IRR) of 10%
  - ✓ ICE ROIC expected to be above WACC in year one and to grow thereafter
  - ✓ Expected to be accretive to revenue growth
  - ✓ \$50 to 65 million run-rate cost synergies expected to be realized by year 3
- Accretive to adjusted EPS in the first full year

### Approvals & Closing

- Transaction expected to close in the third quarter or early fourth quarter of 2020 pending Hart-Scott-Rodino (HSR) review & clearance



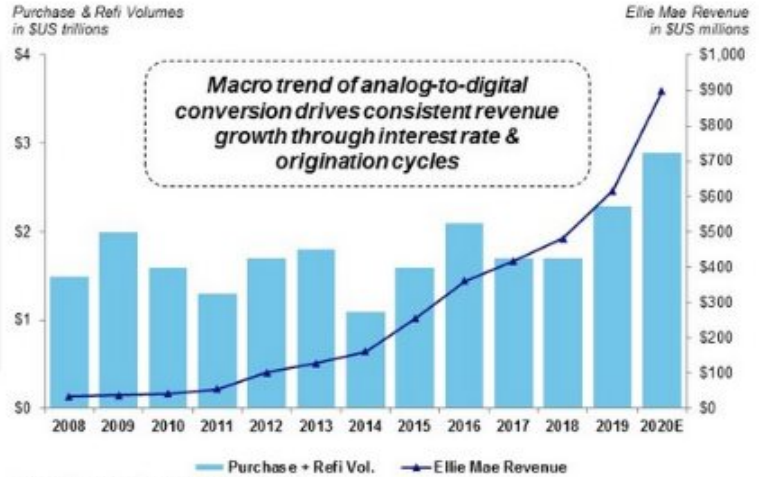
# About Ellie Mae

## Ellie Mae Overview

- A leading enterprise digital lending platform and B2B network helping non-bank lenders, credit unions, investors and banks to automate the full mortgage origination workflow
- Cloud-based platform is the single system of record, connecting thousands of industry participants for nearly half of all U.S. mortgages
- Deeply embedded in customer workflows, offering mission critical solutions that drive customer savings as evidenced by 95%+ retention rates on Encompass

## Ellie Mae Key Products

Product	Description
<b>Encompass</b>	Flagship mission critical digital lending platform enabling lenders and investors to automate the origination workflow
<b>Network</b>	Access to thousands of investors, lenders and third party vendors through proprietary network
<b>Capsilon</b>	Document recognition and eStorage of mortgage documents as well as automated data extraction
<b>Velocity</b>	Customer engagement platform
<b>AllRegs</b>	Comprehensive, online database of government and conventional lending guidelines/reference data



**~\$900mm '20 Revenue**  
'08 to '19 CAGR of ~30%

**~\$470mm '20 Adj. EBITDA<sup>1</sup>**  
~52% Adj. EBITDA Margin

<sup>1</sup>. Adjusted to exclude approximately \$12 million of non-recurring professional fees



# Strategic Rationale

<b>Leading Industry Position</b>	<ul style="list-style-type: none"><li>▪ <b>Transaction firmly establishes ICE as the leading provider of end-to-end electronic workflow solutions serving the U.S. residential mortgage industry</b><ul style="list-style-type: none"><li>▪ ~\$1.1 billion of '20 pro-forma ICE Mortgage Services revenues; ~\$600 million of pro-forma adjusted EBITDA<sup>1</sup></li><li>▪ ~\$11.5 billion of invested capital (including investments in MERS &amp; Simplifile)</li></ul></li><li>▪ <b>Unique value proposition directly address workflow inefficiencies</b></li></ul>
<b>Large &amp; Growing TAM</b>	<ul style="list-style-type: none"><li>▪ <b>Opportunity to monetize a ~\$10 billion total addressable market (TAM) that spans the full mortgage lifecycle</b><ul style="list-style-type: none"><li>▪ Continued growth in industry TAM &amp; wallet share gains supported by accelerating demand for workflow automation &amp; productivity tools</li></ul></li></ul>
<b>Strong Network Effects</b>	<ul style="list-style-type: none"><li>▪ <b>Combination of complementary assets creates a unique digital ecosystem connecting the key stakeholders across the mortgage origination value chain</b><ul style="list-style-type: none"><li>▪ Accelerates opportunity to digitize the cloud-based closing process, building on existing partnerships</li></ul></li></ul>
<b>Data &amp; Analytics Fueling Automation</b>	<ul style="list-style-type: none"><li>▪ <b>Expanded digital network/marketplace and data sets combined with unique analytics &amp; tools, critical to automating disconnected and disparate processes across the mortgage workflow</b><ul style="list-style-type: none"><li>▪ Improve loan quality &amp; bring increased transparency to mortgage industry participants</li><li>▪ Leverage ICE Data Services' expertise and network to create content and distribute real-time data and analytics</li></ul></li></ul>

<sup>1</sup>. Adjusted to exclude approximately \$12 million of non-recurring professional fees



# A Leader in End-to-End Mortgage Workflow Solutions



**~\$1.1 billion**  
 '20 Pro-forma Revenue

**~\$600 million**  
 '20 Pro-forma Adj. EBITDA<sup>1</sup>

**\$11.5 billion**  
 Invested Capital

1. Adjusted to exclude approximately \$12 million of non-recurring professional fees

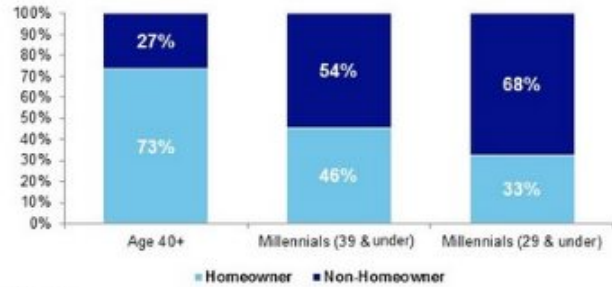
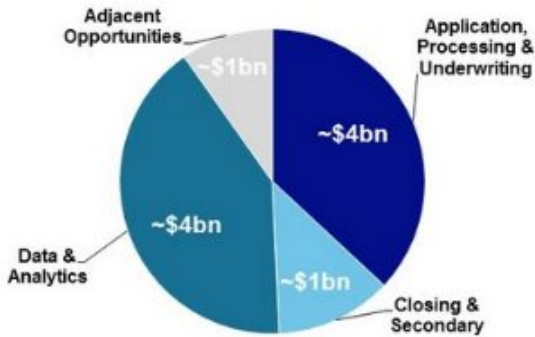


# Large & Growing Addressable Market

## Large Addressable Market

- Demand for workflow automation and productivity tools driving addressable market growth
- Additional industry tailwinds from secular growth in millennial homeownership & a robust refinancing backlog that is system capacity constrained

~\$10 billion Total Addressable Market



Source: US Census Bureau, eBBS & Goldman Sachs research, TAI Elle Mae & ICE Mortgage Services estimates

INTERCONTINENTAL EXCHANGE | 8



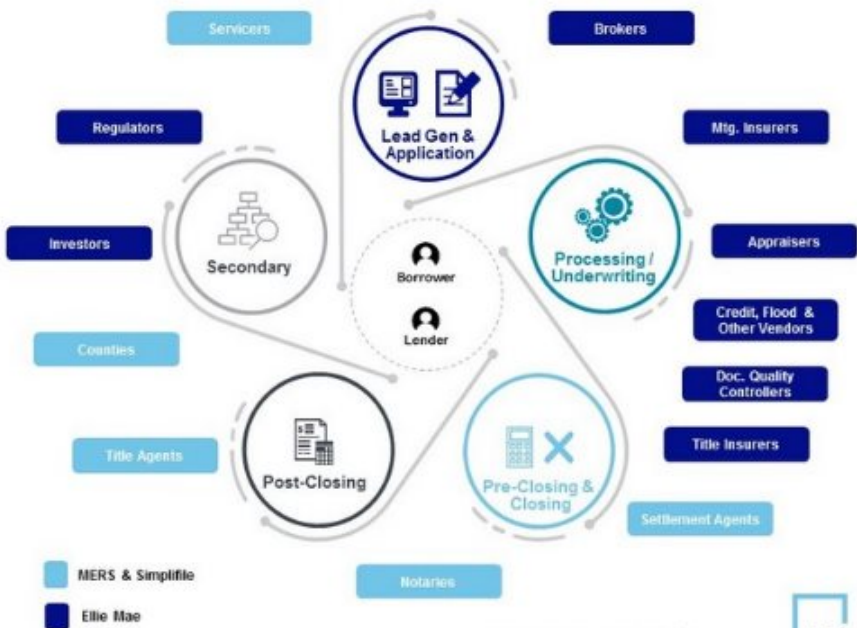
# Largest Electronic Network of Mortgage Stakeholders

## Platform Connects All Stakeholders in One Digital Ecosystem

- Brings together Title, Settlement & County stakeholders, which have traditionally been disconnected from the lender process
- Creates additional revenue touchpoints for each service
- 95%+ TTM customer retention rates

## Opportunities for Combined Platform

- Accelerates opportunity to digitize the cloud-based closing process, building on existing partnership
  - Accelerated adoption and pull through of MERS® eNotes
  - Broader adoption of eRecording, Collaboration and Post Closing solutions
- Access to thousands of customers & third party vendors to drive cross/upsell



Source: Retention rate based on Elle Mae estimates



# Data & Analytics Fueling Automation

## Network & Data

- Encompass = one of the largest systems of record
  - Data is refreshed & cleansed throughout loan manufacturing process ensuring accuracy
- AllRegs = comprehensive online database of government & conventional lending guidelines/reference data
- Terms fees for over 2,000 U.S. counties representing over 85% of the U.S. population → critical for automation of the recording process
  - Over 100 million documents eRecorded since inception
- ~80-85% of U.S. Mortgages registered on the MERS database; 110 million registered since inception



## Analytics & Tools

- Leverage Ellie Mae document recognition & document storage capabilities
- Apply automated data extraction tools
- Document quality control, reducing errors and lowering costs
- Automated data validation tools (Income Analyzer)

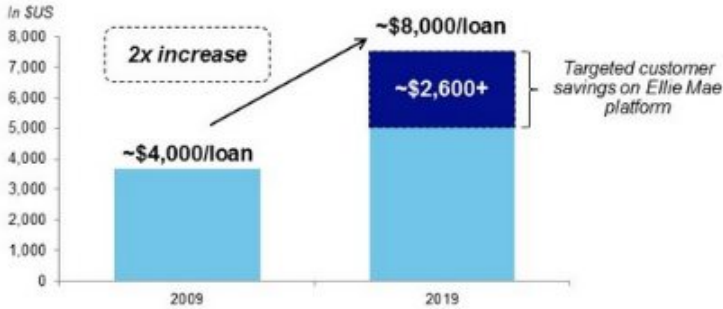
- ✓ Real-time data, analytics & tools critical to automating disconnected and disparate processes, improving loan quality & bringing transparency to mortgage industry participants
- ✓ Leverage ICE Data Services' expertise and network to create new content and distribute new, real-time data and analytics

# Value Proposition Directly Address Workflow Inefficiencies

## Opportunity to Share in Customer Efficiency Gains

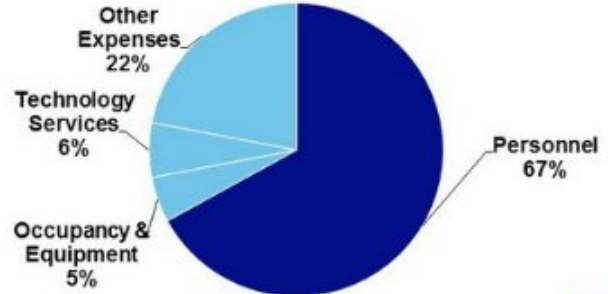
- Rising origination costs and large origination backlogs are driving demand for more efficient workflow tools
- Targeted customer savings of more than \$2,600 per loan or nearly one-third of current total origination costs
- When combined with ICE Mortgage Services offering, the all-in cost is a fraction of total potential savings
- Potential for ICE Mortgage Services to share in value proposition/customer savings

### Loan Origination Costs Rising



Source: Mortgage Bankers Association, Ellie Mae and ICE Mortgage Services estimates

### Existing Industry Costs are Largely Personnel-Related



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## Transaction Details & Assumptions

<b>Pro-forma Revenue &amp; EBITDA</b>	<ul style="list-style-type: none"> <li>▪ ICE Mortgage Services pro-forma 2020 revenue of ~\$1.1 billion &amp; pro-forma adjusted EBITDA<sup>1</sup> of ~\$600 million               <ul style="list-style-type: none"> <li>▪ Ellie Mae: ~\$900 million of revenue &amp; ~\$470 million of adjusted EBITDA<sup>1</sup></li> <li>▪ Legacy ICE Mortgage Services: ~\$190 million revenue and ~\$130 million of EBITDA</li> </ul> </li> </ul>
<b>Cost Synergies</b>	<ul style="list-style-type: none"> <li>▪ Full run-rate cost synergies of \$50 million to \$65 million               <ul style="list-style-type: none"> <li>▪ Full run-rate cost synergies expected to be realized by the end of year three</li> <li>▪ One-time cost to achieve expected to be 60-75% of full run-rate savings</li> </ul> </li> </ul>
<b>Financing &amp; Balance Sheet</b>	<ul style="list-style-type: none"> <li>▪ Newly issued debt of \$9.25 billion               <ul style="list-style-type: none"> <li>▪ Assumes beginning gross debt-to-EBITDA of ~4.25x at transaction close</li> <li>▪ Targeting &lt;3.25x gross leverage by the end of 2022</li> <li>▪ Share repurchases expected to resume once gross leverage is below ~3.25x</li> </ul> </li> <li>▪ \$1.75 billion of newly issued ICE equity to Thoma Bravo               <ul style="list-style-type: none"> <li>▪ ~18 million ICE shares to be issued based on trailing 10-day VWAP, subject to adjustment</li> </ul> </li> <li>▪ Deal weighted average cost of capital (WACC) of ~3%</li> <li>▪ ICE expects to continue to pay and grow the current quarterly dividend of \$0.30/sh</li> </ul>
<b>Adj. EPS &amp; Return Impact</b>	<ul style="list-style-type: none"> <li>▪ Accretive to adj. EPS in first full year post-close</li> <li>▪ IRR expected to be 10%</li> <li>▪ ICEROIC expected to be above WACC in year one, with growth thereafter</li> </ul>
<b>Fees, Approvals &amp; Timing</b>	<ul style="list-style-type: none"> <li>▪ No break fee</li> <li>▪ Transaction expected to close in third quarter or early fourth quarter of 2020 pending Hart-Scott-Rodino (HSR) review &amp; clearance</li> </ul>

<sup>1</sup>. Adjusted to exclude approximately \$12 million of non-recurring professional fees



## Expected Re-Segmenting

Segment	% of Pro-forma Revenue	% of Pro-forma Adj. EBITDA <sup>1</sup>	Comments
<b>Exchanges</b>	<b>56-59%</b>	<b>64-67%</b>	<b>Expected to include:</b> <ul style="list-style-type: none"> <li>• Trading &amp; Clearing: ICE futures and the NYSE</li> <li>• Data &amp; Listings: Exchange data, colocation &amp; administration fees related to ICE futures and the NYSE</li> <li>• Data &amp; Listings: NYSE listings revenue</li> </ul>
<b>Fixed Income &amp; Other</b>	<b>25-28%</b>	<b>20-23%</b>	<b>Expected to include:</b> <ul style="list-style-type: none"> <li>• Trading &amp; Clearing: ICE Bonds &amp; CDS clearing</li> <li>• Data &amp; Listings: pricing &amp; reference data, analytics, indices, consolidated feeds and ICE Global Network</li> </ul>
<b>Mortgage Technology</b>	<b>14-17%</b>	<b>12-15%</b>	<b>Expected to include:</b> <ul style="list-style-type: none"> <li>• Trading &amp; Clearing: MERS &amp; Simplifile</li> <li>• Ellie Mae upon close</li> </ul>

<sup>1</sup>. Adjusted to exclude approximately \$12 million of non-recurring professional fees

## A History of Evolution & Growth



# Appendix



# Overview of Ellie Mae Products and Revenue Model

	Product Description	Revenue Model
<b>Encompass Loan Origination System</b>	<ul style="list-style-type: none"> <li>All-in-one SaaS-based mortgage management system providing workflow management and vendor connectivity                             <ul style="list-style-type: none"> <li>Processing</li> <li>Risk Management and Business Reporting</li> <li>Connectivity and Integration</li> <li>Underwriting</li> <li>Secondary Marketing and Trade Management</li> <li>Closing and Funding</li> <li>Post-Closing, Shipping and Delivery</li> <li>System of Record for Lenders</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Primarily "success-based pricing" equal to:                             <ol style="list-style-type: none"> <li>The greater of a minimum contracted monthly base fee, or</li> <li>The closed loan fee times the number of monthly closed loans</li> </ol> </li> </ul>
<b>Ellie Mae Network</b>	<ul style="list-style-type: none"> <li>Exchange platform that allows originators to connect with a wide array of vendors offering component services necessary to perform a mortgage origination without needing to leave the system                             <ul style="list-style-type: none"> <li>Credit Report</li> <li>Product Eligibility and Pricing Engine</li> <li>Automated Underwriting (GSEs)</li> <li>Data Transmission</li> <li>Appraisals</li> <li>Title Report/ Insurance</li> <li>Flood Certification</li> <li>Compliance Review and Fraud Detection</li> <li>Mortgage Insurance</li> <li>Applicant Verifications</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Transactional, varying with loan volume</li> </ul>
<b>Capitol A/Q</b>	<ul style="list-style-type: none"> <li>Document recognition and electronic storage of mortgage documents</li> <li>Automated data extraction tool that pulls information from mortgage documents</li> <li>Semi-automated document quality control that flags errors in key areas, such as end customer names and addresses</li> <li>Digital Underwriter is a data consolidator within a single underwriter workspace that flags applicant issues, automates data assembly and income calculations and identifies required docs and data based on the loan program and borrower type</li> </ul>	<ul style="list-style-type: none"> <li>Fees from contracted minimums</li> <li>Additional fees if contracted application folder volume capacity is exceeded</li> <li>Access fees for stored loans</li> </ul>
<b>Other Solutions</b>	<ul style="list-style-type: none"> <li>Velocity / CRM – suite of sales and marketing tools for customer engagement management and automation</li> <li>AllRegs – online database of lending guidelines and regulations</li> <li>DataAnalytics – helping customers uncover actionable insights faster and make smarter decisions by leveraging near real-time access to loan data</li> </ul>	<ul style="list-style-type: none"> <li>Primarily subscription-based</li> </ul>
<b>Services</b>	<ul style="list-style-type: none"> <li>Best practice implementations and ongoing software upkeep to support customers' preferred workflows and integrate with other critical systems</li> </ul>	<ul style="list-style-type: none"> <li>Project-based revenues for implementations, solutions consulting, etc.</li> </ul>



# Overview of Simplifile Products and Revenue Model

	Product Description	Revenue Model
<b>E-Record</b>	<ul style="list-style-type: none"> <li>• <b>Largest e-recording network</b> facilitating electronic document submission and payment of recording fees to over 2,000 U.S. counties</li> <li>• Submitters electronically prepare and submit documents through web-based service for recording and payment of recording fees</li> <li>• County electronically receives the documents, reviews for accuracy and then officially records the documents with the county</li> </ul>	<ul style="list-style-type: none"> <li>• Transactional, varying with new loan and loan payoff volumes</li> <li>• Per document charge</li> </ul>
<b>Collaboration</b>	<ul style="list-style-type: none"> <li>• <b>Electronic collaboration tool</b> that allows lenders and settlement agents to securely share, validate, and collaborate on loan documents, disclosures, and fees</li> <li>• Robust configuration by product type, document workflows and custom fee sets</li> <li>• Real time, two way reconciliation of fees and key documents</li> <li>• Loan origination and title production system integrations, including Ellie Mae Encompass, support streamlined workflows</li> </ul>	<ul style="list-style-type: none"> <li>• Transactional, varying with loan volume</li> <li>• Per loan charge</li> </ul>
<b>E-close</b>	<ul style="list-style-type: none"> <li>• <b>Streamlined access to industry e-close integrations</b> via the Simplifile collaboration tools, offering agents one platform connection to leading industry e-close platforms</li> <li>• Provides settlement agent coordination and training to prepare for a lender's e-close event</li> <li>• Closing agents and notaries can access multiple e-closing systems via one login and workflow</li> <li>• Drives adoption of e-close by providing settlement a one stop shop for e-closing regardless of the lender platform selection</li> <li>• Supports all closing types, ranging from hybrid to fully digital, including remote online notarization</li> </ul>	<ul style="list-style-type: none"> <li>• Transactional, varying with loan volume</li> <li>• Revenue share per loan from e-close channel partners</li> </ul>
<b>Post Closing</b>	<ul style="list-style-type: none"> <li>• <b>Electronic collaboration tool</b> that provides lenders insight into the settlement agent's post closing processes, including document recording and other trailing documents</li> <li>• Provides lender transparency into the recording process and estimated recording times by jurisdiction</li> <li>• Automates the return of recorded documents and final recording fees to the lender</li> <li>• Facilitates the electronic return of the final title insurance policy</li> </ul>	<ul style="list-style-type: none"> <li>• Transactional, varying with loan volume</li> <li>• Per loan charge</li> <li>• Typically success based pricing – triggered by return of a recorded document</li> </ul>
<b>Document Builder</b>	<ul style="list-style-type: none"> <li>• <b>Automated workflow tool for mortgage servicers</b> integrated with Simplifile e-Record to streamline submission and recording of lien releases, assignments and other documents</li> <li>• Document templates by recording jurisdiction or support for custom document management</li> <li>• Supports document creation, e-signing and e-notarization</li> </ul>	<ul style="list-style-type: none"> <li>• Transactional, varying with servicing activities and loan payoff volume</li> <li>• Per package charge in addition to e-recording fees</li> </ul>

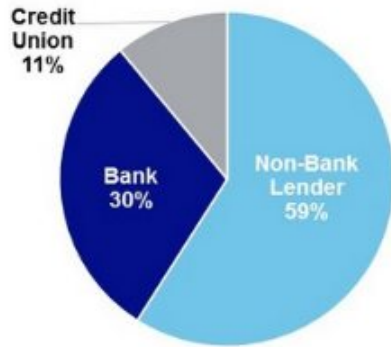


# Overview of MERS Products and Revenue Model

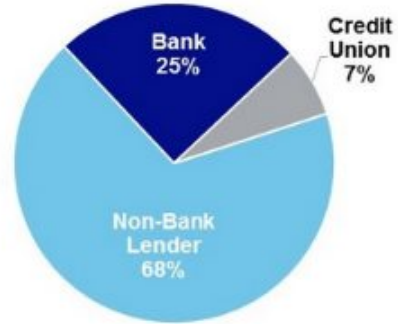
	Product Description	Revenue Model
MERS System	<ul style="list-style-type: none"> <li>A national electronic database that tracks changes in mortgage servicing rights and beneficial ownership interests in loans secured by residential real estate</li> <li>Up to 85% of all newly-originated residential loans in the U.S. are registered on the MERS System</li> <li>Established 1995 and has registered more than 119M loans since inception</li> <li>Eliminates need for certain paper assignments, reducing costs associated with transferring mortgage rights and decreasing issues that can arise from breaks in chain of title</li> </ul>	<ul style="list-style-type: none"> <li>Transactional, varying with origination and refinancing volumes</li> <li>Annual membership dues required to access the MERS System and to register loans</li> <li>Members include originators, servicers, warehouse lenders, investors, custody banks and service providers</li> </ul>
eRegistry	<ul style="list-style-type: none"> <li>System of record for identifying the Controller (holder) and Location (custodian) of the authoritative copy of an eNote</li> <li>Stores unique tamper-evident digital signature that identifies a specific loan</li> <li>Provides greater liquidity, transferability and security for lenders</li> <li>Shortens timeframe between the closing and the securitization, enabling the Note to move instantly</li> <li>Ensures uniform data is transmitted to counterparties and investors during the life of a loan</li> </ul>	<ul style="list-style-type: none"> <li>Transactional, varying with eNote volumes</li> <li>Per loan charge, typically combined with MERS Residential registration</li> </ul>
eDelivery	<ul style="list-style-type: none"> <li>Provides a secure method for distributing documents in any electronic format from one MERS eRegistry user to another, using the existing MERS eRegistry infrastructure and transaction security requirements</li> <li>Supports more than 200 document types that can be transmitted to support loan sales and transfers</li> <li>Provides electronic link between the eVaults of more than 109 participants</li> </ul>	<ul style="list-style-type: none"> <li>Transactional, varying with eNote volume</li> <li>Per loan charge linked to initial registration</li> </ul>

# Ellie Mae Customer Base

Customer Count By Type



'20F Ellie Mae Loan Volume by Type



# ICE Mortgage Services Revenue Mix

**MERS + Simplifile**



**Pro Forma ICE Mortgage Services  
(MERS, Simplifile & Ellie Mae)**



# Adjusted Net Income Attributable to ICE and EPS

in millions, except per share amounts	12 Months Ended 12/31/19	12 Months Ended 12/31/18	12 Months Ended 12/31/17	12 Months Ended 12/31/16	12 Months Ended 12/31/15	12 Months Ended 12/31/14	12 Months Ended 12/31/13
Net income attributable to ICE	\$1,933	\$1,988	\$2,526	\$1,429	\$1,274	\$981	\$254
Add: Interactive Data and NYSE transaction and integration costs and acquisition-related success fees	—	30	31	46	83	124	140
Less: Gain on acquisition of MERS	—	(110)	—	—	—	—	—
Add: Impairment of exchange registration intangible assets on closure of ICE Futures Canada and ICE Clear Canada	—	4	—	—	—	—	—
Add: Employee severance costs related to ICE Futures Canada and ICE Clear Canada operations	—	4	—	—	—	—	—
Add: Impairment on divestiture of NYSE Governance Services	—	—	6	—	—	—	—
Add: Accruals relating to investigations and inquiries	—	—	14	—	—	—	—
Add: Employee severance costs related to Creditex U.K. brokerage operations	—	—	—	4	—	—	—
Add: Creditex customer relationship intangible asset impairment	—	—	—	33	—	—	—
Add: Litigation settlements and accruals, net of insurance proceeds	—	—	—	—	15	—	—
Add: Impairment of CAT promissory notes	16	—	—	—	—	—	—
Add: Impairment of exchange registration intangible assets on ICE Futures Singapore	31	—	—	—	—	—	—
Add: Amortization of acquisition-related intangibles	309	287	261	302	140	131	56
Add / (Less): Gain on divestiture of Trayport, net	—	1	(110)	—	—	—	—
Add / (Less): Cetiip impairment loss / investment gain, net	—	—	(167)	—	—	—	100
Add: Duplicate rent expense and lease termination costs	—	—	—	—	—	—	7
Add: Early payoff of outstanding debt	—	—	—	—	—	—	51
Add: Pre-acquisition interest expense on debt issued for Interactive Data acquisition	—	—	—	—	5	—	—
Less: Income from OCC equity investment	—	—	—	—	—	(26)	—
Less: Net gain of sale of 6% remaining ownership in Euronext	—	—	—	—	—	(4)	—
Less: Income tax effect for the above items	(90)	(98)	(43)	(143)	(83)	(89)	(85)
Less: Deferred tax adjustment from U.S. tax rate reduction	—	(11)	(764)	—	—	—	—
Add / (Less): Deferred tax adjustment on acquisition-related intangibles	(8)	(5)	10	(22)	(82)	(14)	—
Add / (Less): Other tax adjustments	3	(13)	—	23	7	12	—
Add / (Less): Income (loss) from discontinued operations, net of tax	—	—	—	—	—	(11)	50
Adjusted net income attributable to ICE	\$2,194	\$2,077	\$1,764	\$1,672	\$1,359	\$1,104	\$653
Diluted EPS	\$3.42	\$3.43	\$4.25	\$2.39	\$2.28	\$1.69	\$0.77
Adjusted Diluted EPS	\$3.88	\$3.59	\$2.97	\$2.79	\$2.43	\$1.92	\$1.68
Diluted weighted average common shares outstanding	565	579	594	599	559	573	395