

NASDAQ OMX Stockholm AB – Regulatory Capital and Financial Resources



December 1, 2011

NASDAQ OMXSM

Introduction

NASDAQ OMX Stockholm AB is the central counterparty in all the financial instrument and commodity instruments cleared through the NASDAQ OMX Nordics and NASDAQ OMX Commodities. The NASDAQ OMX Stockholm AB has dedicated capital resources which are specifically designed to cover counterparty losses, i.e. to handle extreme situations where the defaulting member's pledged collateral and other resources are insufficient.

In total, **NASDAQ OMX Stockholm AB** has committed resources of SEK 2,393 million to cover potential counterparty losses. The resources are ring-fenced from the rest of the NASDAQ OMX Group, which means that the financial resources only can be used to cover losses in relation to the clearinghouse. The clearinghouse's resources also assure continued business or an orderly wind down process and cover potential losses due to operational risks.

NASDAQ OMX Stockholm AB has its own capital resources of SEK 251 million in share capital and restricted reserves. This capital and additional capital (retained earnings) of SEK 993 million are primarily invested in low risk government securities. In addition, there is an on-demand guarantee of SEK 800 million provided by a third party which is collateralized with Swedish Government Bonds which can be utilized in the event of counterparty defaults. The remaining SEK 600 million of the dedicated clearing capital is covered via an insurance policy provided by **OMX Capital Insurance AG**.

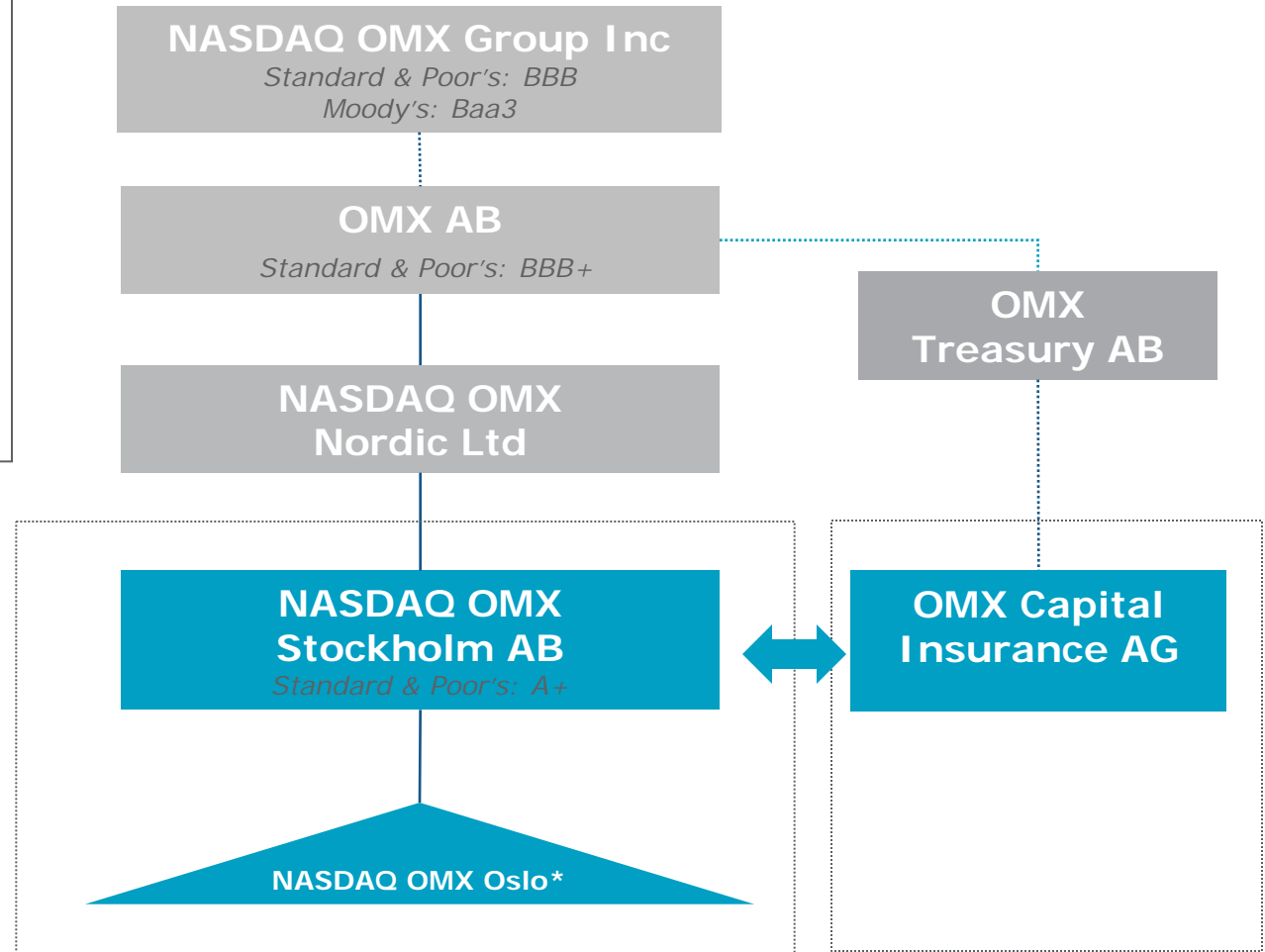
OMX Capital Insurance AG, authorized by the Swiss insurance regulator, is a wholly-owned insurance company within the NASDAQ OMX Group. OMX Capital Insurance AG has own financial resources of SEK 600 million invested in low risk government securities and dedicated for the clearing capital. These assets are fully financed by shareholder's equity.

Additional capital within **NASDAQ OMX Stockholm AB** can be used to cover losses in excess of the size of the regulatory capital. As of Dec 31, 2010, NASDAQ OMX Stockholm AB has a total shareholders equity of SEK 3,739 million (of which SEK 1,887 million is goodwill and other intangibles), i.e. SEK 2,746 million in excess of the regulatory capital (please refer to separate slide). **NASDAQ OMX Group** also holds other financial resources which, if required, could be utilized to absorb greater losses than the size of the regulatory capital.

The Clearinghouse's Organizational Structure, Regulators and External Credit Rating

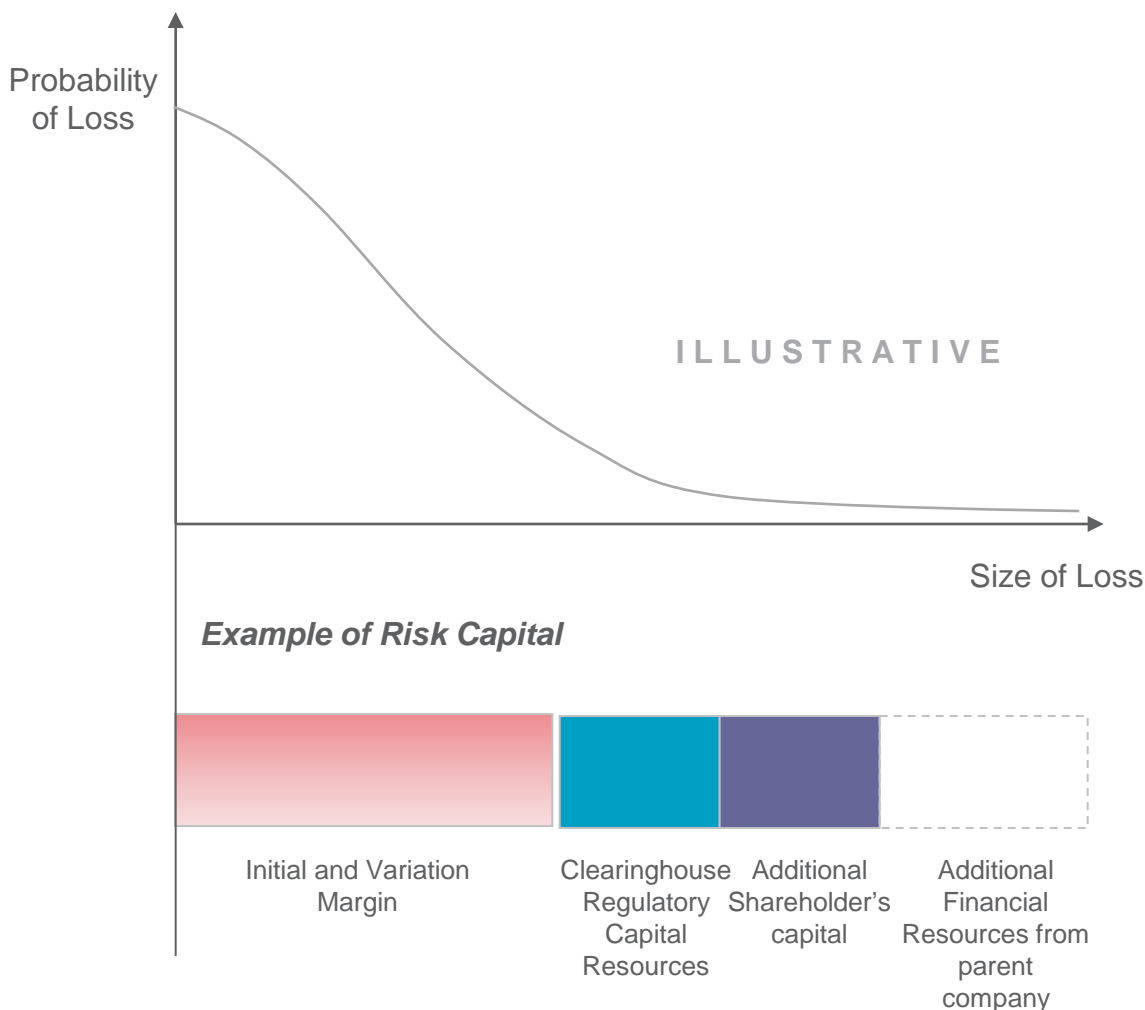
Regulators

- NASDAQ OMX Stockholm AB:
Authorized and supervised by Swedish Supervisory Financial Authority (SFSA)
- NASDAQ OMX Oslo (Branch)
Supervised by SFSA and the Norwegian FSA
- OMX Capital Insurance AG
Regulated by the Swiss Financial Supervisory Authority (FINMA)



* The NASDAQ OMX Oslo is a branch of NASDAQ OMX Stockholm AB, which means that they are the same legal entity.

Clearinghouse Counterparty Credit Risk



- In its role as central counterparty, NASDAQ OMX Stockholm AB assumes credit risk to its clearing counterparties
- To manage counterparty credit risk, NASDAQ OMX Stockholm AB holds risk capital (i.e. margin, regulatory capital, synthetic capital, additional financial capital, etc.)
- NASDAQ OMX Stockholm AB holds in total committed regulatory capital SEK 2,393 million (refer to next slides).

Calculation of NASDAQ OMX Stockholm AB's Capital Requirement

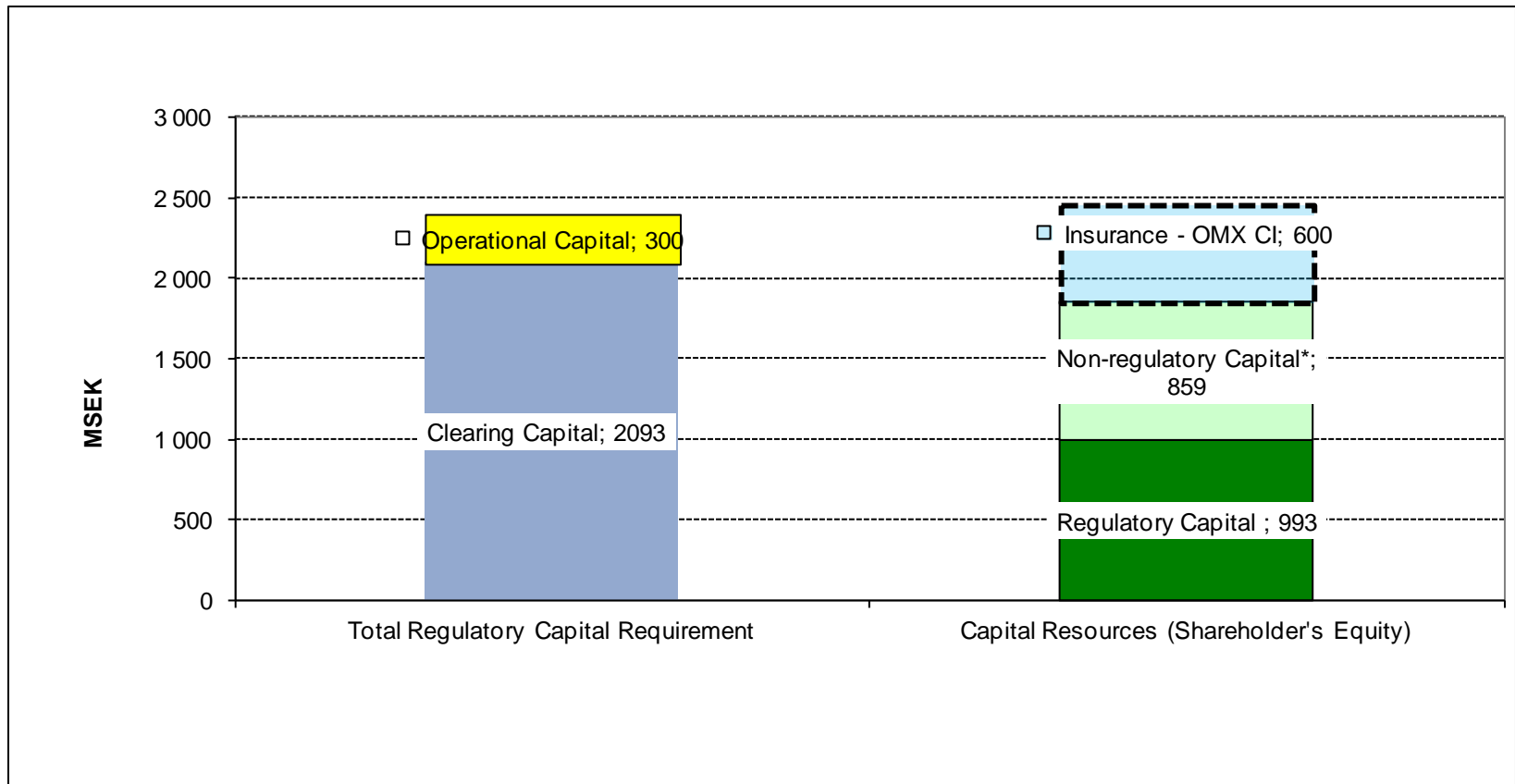
- The NASDAQ OMX Stockholm AB's total capital requirement is determined by aggregating the capital need to cover default risk (clearing capital) and the requirement to hold operational capital. The capital requirement to cover the default risk (clearing capital) can be fulfilled through risk transfer solutions (such as the internal insurance with OMX Capital Insurance AG).
- Clearing Capital:
 - CPSS/ISOSCOX as well as EECB/CESR standards for CCPs recommends that a clearinghouse hold capital to protect against the risk of a loss to its largest member.
 - The NASDAQ OMX Stockholm AB's methodology requires holding capital equal to withstand the default of the two counterparties to which it has the largest exposure.
 - The methodology also requires clearing capital to include additional amounts equal to the sum of the risk weighted exposure of the clearinghouse's remaining counterparty portfolio.
 - Finally, buffers are included in the clearing capital measure to guard against periods of heightened market volatility and economic stress

In total, the clearing capital is **2,393 MSEK**.

- Operational Capital:

According to the Swedish Security Act (2007:528), an regulated exchange as well as a clearinghouse should have sufficient capital in order to enable an orderly wind down of the exchange and cover operational risk. An adequate operational capital requirement is assessed to be **300 MSEK** for NASDAQ OMX Stockholm AB.

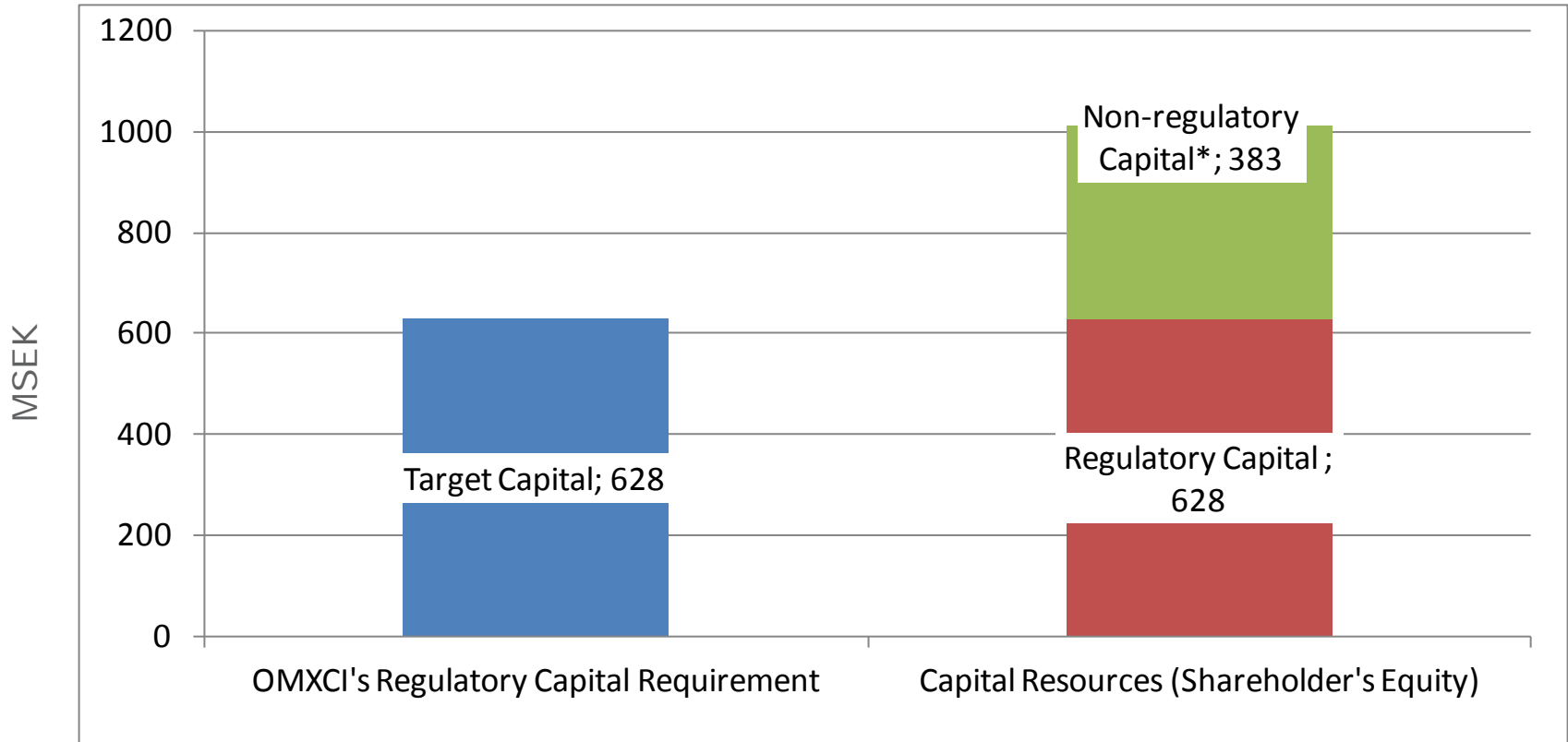
NASDAQ OMX Stockholm AB's Regulatory Capital Requirement and Other Resources



Non Regulatory Capital is based upon Balance Sheet as of Dec 31, 2010 and is shareholder's equity in excess of what must be held in NASDAQ OMX Stockholm AB in order to fulfill the regulatory requirement and adjusted for intangibles including goodwill (of in total 1,887 MSEK).

Regulatory Capital includes restricted share capital, reserves and additional shareholder's equity which must be held NASDAQ OMX Stockholm AB in order to fulfill the capital requirement (regulatory capital).

OMX Capital Insurance AG's Capital Requirements

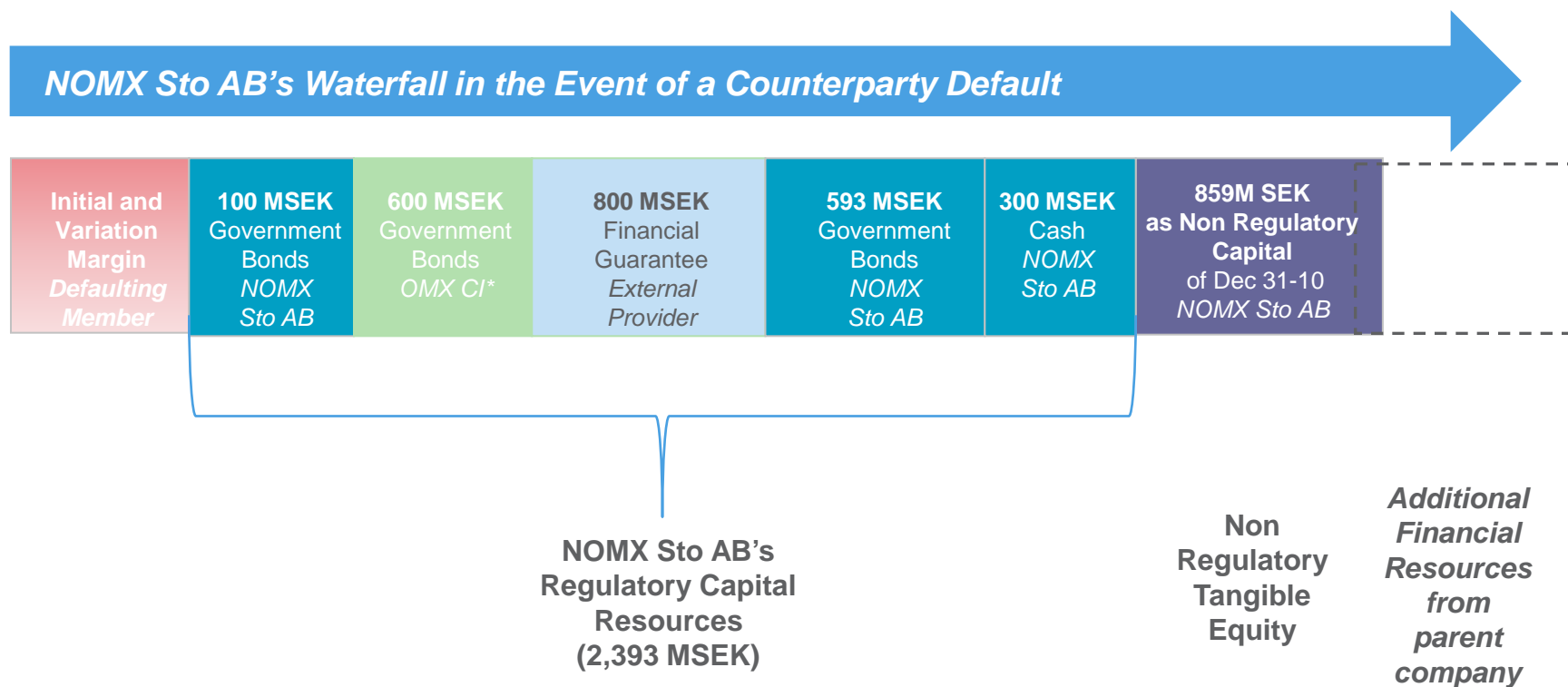


Target Capital is the risk bearing capital which an insurance company must hold in order to fulfill the regulatory capital requirement (Swiss Solvency 2), taken into account its obligations and risk in investments.

Non Regulatory Capital is based upon Balance Sheet as of Dec 31, 2010 and is shareholder's equity in excess of what must be held OMX Capital Insurance AG in order to fulfill the regulatory requirement.

Regulatory Capital includes restricted share capital, technical reserves and additional shareholder's equity which must be held in OMX Capital Insurance AG in order to fulfill the capital requirement.

The Clearinghouse's (NOMX Sto AB) Financial Resources – Waterfall



* OMX CI is OMX Capital Insurance AG, a fully owned insurance company within NASDAQOMX Group and regulated under the FINMA, the Swiss FSA.

Additional Information Related to Financial Resources in NASDAQ OMX Stockholm AB

- Regulatory capital

- All the financial resources dedicated to the clearing capital must be highly liquid and can be converted to liquid funds within a few days.
- The own assets held in NASDAQ OMX Stockholm AB and OMX Capital Insurance AG forms a part of the Clearing Capital that can only be invested in liquid bonds with very high credit rating.
- The regulatory capital requirement can be fulfilled with own assets or synthetic capital (e.g. reinsurance, financial guarantees etc.). The total amount of synthetic capital held may not exceed 50% of the total capital.

- Additional financial resources

- NASDAQ OMX Stockholm AB holds dedicated credit facilities in excess of SEK 1,300 million, divided between three banks, to meet any temporary liquidity needs.

NASDAQ OMX Stockholm AB – Balance Sheet (1)

(as of Dec 31)

ASSETS (SEK m)	Dec 31, 2010	Dec 31, 2009
Intangible fixed assets	1,887	2,127
<i>Of which GW</i>	1,285	1,443
Tangible fixed assets	3	5
Deferred tax assets	87	129
<i>Total Fixed Assets</i>	1,977	2,261
Current receivables	176	166
Short term investments	423	430
Cash and Cash Equivalent*	1,800	1,708
<i>Total Current Assets</i>	2,399	2,304
Total Assets	4,376	4,565

* Including group internal cash pool accounts and group internal term deposits

Based on Swedish GAAP to align with public Annual Report.

NASDAQ OMX Stockholm AB – Balance Sheet (2)

(as of Dec 31)

Liabilities (SEK m)	Dec 31, 2010	Dec 31, 2009
Share Capital	201	201
Restricted Reserves	50	50
Retained Earnings	2,892	2,920
Net Income	596	618
<i>Total Shareholder's Equity</i>	<i>3,739</i>	<i>3,789</i>
Long Term Debt (Interest Bearing)	0	123
Long Term Debt (Pensions)	42	46
Deferred Tax Liability	162	183
Current Liabilities	434	427
Total Liabilities	4,377	4,568

Based on Swedish GAAP to align with public Annual Report.

Ring-fencing of NASDAQ OMX Stockholm AB's Financial Resources Linked to Regulatory Capital

*To safeguard that the financial resources dedicated regulatory capital cannot be utilized in other parts of the NASDAQ OMX Group, the financial resources are ring-fenced through a **regulatory and legal protection** as well as an **operational protection**.*

Regulatory & legal protection

NASDAQ OMX Stockholm AB (NQX Sto) - Amendment to articles of associations (A-o-A)

- NOMX Sto's A-o-A restricts distribution of assets to owners and prevents any form of lending from NQX Sto to other entity within the group if not sufficient regulatory capital is held within the entity.
- Amendments to the A-o-A must be approved by Swedish FSA

OMX Capital Insurance AG -

Existing regulatory requirements

- Regulations applicable for OMXCI stipulates that tied assets (assets held in Switzerland) equal to ~150 MSEK must be held, and that sufficient capital to meet Swiss Solvency Test is held. Analysis conducted by OMXCI's independent actuary shows a requirement of risk bearing assets in OMXCI of minimum 810,5 MSEK.

Operational protection

Escrow Accounts

- Government Bonds held by NASDAQ OMX Stockholm AB and OMX Capital Insurance AG and which constitute a part of the financial resources linked to the Regulatory Capital are held in Escrow Accounts with a third party.
- The escrow account arrangement will ensure that these financial resources cannot be withdrawn from account except for two specific situations:
 - Counterparty default in NQX Sto
 - Regulatory capital surplus
- The escrow arrangement cannot be terminated without notification to the Swedish FSA and the rating agencies and there is a termination period of 6 months.