
**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): **February 2, 2023**

Tradeweb Markets Inc.

(Exact name of registrant as specified in charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-38860
(Commission
File Number)

83-2456358
(I.R.S. Employer
Identification No.)

1177 Avenue of the Americas
New York, New York
(Address of Principal Executive Offices)

10036
(Zip Code)

Registrant's telephone number, including area code: **(646) 430-6000**

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:

- 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))

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

| Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|---|--------------------------|--|
| Class A common stock, par value \$0.00001 | TW | Nasdaq Global Select Market |

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 2.02. Results of Operations and Financial Condition.

On February 2, 2023, Tradeweb Markets Inc. (the “Company”) issued a press release, a copy of which is furnished as Exhibit 99.1 hereto and incorporated herein by reference, announcing financial results for the quarter and full year ended December 31, 2022.

In accordance with General Instruction B.2 of Form 8-K, the information in this Item 2.02 of this Current Report on Form 8-K, including Exhibit 99.1 attached hereto, shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits:

| Exhibit Number | Exhibit Description |
|-----------------------|---|
| 99.1 | Press Release of Tradeweb Markets Inc., dated February 2, 2023. |
| 104 | Cover Page Interactive Data File (embedded within the Inline XBRL document). |

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

TRADEWEB MARKETS INC.

Date: February 2, 2023

By: /s/ Douglas Friedman
Name: Douglas Friedman
Title: General Counsel

TRADEWEB REPORTS FOURTH QUARTER AND FULL YEAR 2022 FINANCIAL RESULTS

QUARTERLY CASH DIVIDEND RAISED BY 12.5% to \$0.09 PER SHARE

New York, February 2, 2023 – Tradeweb Markets Inc. (Nasdaq: TW), a leading, global operator of electronic marketplaces for rates, credit, equities and money markets, today reported financial results for the fourth quarter and full year ended December 31, 2022.

\$293.0 million quarterly revenues increased **5.8%** (**9.3%** on a constant currency basis) compared to prior year period

\$1.1 trillion average daily volume (“ADV”) for the quarter, a decrease of **4.1%** compared to prior year period; quarterly ADV records in fully electronic U.S. High Grade credit, U.S. credit Tradeweb AllTrade®, municipal bonds, retail U.S. government bonds, retail U.S. credit and retail money markets, U.S. institutional ETFs and sessions-based trading across global cash bonds. Tradeweb captured a record **14.4%** share of fully electronic U.S. High Grade TRACE

\$99.0 million net income for the quarter increased by **65.0%** from prior year period primarily due to lower tax expense related to changes in our deferred tax assets and an increase in interest income. **\$116.9 million** adjusted net income increased by **17.2%** from prior year period

52.8% adjusted EBITDA margin or **\$154.7 million** adjusted EBITDA for the quarter, compared to 50.6% or \$140.1 million respectively in prior year period

\$0.42 diluted earnings per share (“Diluted EPS”) for the quarter and **\$0.49** adjusted diluted earnings per share for the quarter

\$0.09 per share quarterly cash dividend declared, a **12.5%** per share increase from prior year; \$34.0 million of shares repurchased in the fourth quarter

Billy Hult, CEO of Tradeweb:

“Tradeweb reported its 23rd consecutive year of revenue growth in 2022. The breadth of our business played an important role in these results, as we helped clients navigate interest rate volatility, geopolitical risk, a strong U.S. dollar and fear of a global recession. While this environment created some headwinds for rates trading in the fourth quarter, improved liquidity in December helped drive year-over-year ADV growth for the month in government bonds and swaps. Continued momentum in credit and equities contributed to our overall growth story, accounting for 61% and 29% of our fourth quarter revenue growth, respectively. In December, we announced an exciting partnership with BlackRock’s Aladdin to facilitate further electrification of credit trading.

I am thrilled to take the helm as CEO and to welcome Tom Pluta as Tradeweb’s new President. Our leadership team and employees are energized for the next wave of growth, and we believe we’re well positioned to continue to drive growth and increase market share.”

| SELECT FINANCIAL RESULTS | 4Q22 | 4Q21 | Change | Constant Currency Growth ⁽¹⁾ |
|---|------------|------------|-----------|---|
| (dollars in thousands except per share amounts)(Unaudited) | | | | |
| GAAP Financial Measures | | | | |
| Total revenue | \$ 293,042 | \$ 276,883 | 5.8 % | 9.3 % |
| Rates | \$ 145,314 | \$ 146,528 | (0.8) % | 3.2 % |
| Credit | \$ 83,393 | \$ 73,614 | 13.3 % | 15.8 % |
| Equities | \$ 23,003 | \$ 18,361 | 25.3 % | 30.8 % |
| Money Markets | \$ 13,299 | \$ 10,915 | 21.8 % | 24.1 % |
| Market Data | \$ 22,295 | \$ 21,648 | 3.0 % | 5.0 % |
| Other | \$ 5,738 | \$ 5,817 | (1.4) % | (1.3) % |
| Net income | \$ 99,002 | \$ 60,005 | 65.0 % | |
| Net income attributable to Tradeweb Markets Inc. ⁽²⁾ | \$ 88,946 | \$ 48,890 | 81.9 % | |
| Diluted EPS | \$ 0.42 | \$ 0.23 | 82.6 % | |
| Net income margin | 33.8 % | 21.7 % | 1,211 bps | |
| Non-GAAP Financial Measures | | | | |
| Adjusted EBITDA ⁽¹⁾ | \$ 154,749 | \$ 140,088 | 10.5 % | 12.9 % |
| Adjusted EBITDA margin ⁽¹⁾ | 52.8 % | 50.6 % | 221 bps | 166 bps |
| Adjusted EBIT ⁽¹⁾ | \$ 141,439 | \$ 128,217 | 10.3 % | 12.8 % |
| Adjusted EBIT margin ⁽¹⁾ | 48.3 % | 46.3 % | 196 bps | 149 bps |
| Adjusted Net Income ⁽¹⁾ | \$ 116,875 | \$ 99,689 | 17.2 % | 19.7 % |
| Adjusted Diluted EPS ⁽¹⁾ | \$ 0.49 | \$ 0.42 | 16.7 % | 21.4 % |

| ADV (US \$bn) (Unaudited) | | | | | |
|------------------------------|--------------|-----------------|-----------------|----------------|--|
| Asset Class | Product | 4Q22 | 4Q21 | YoY | |
| Rates | Cash | \$ 318 | \$ 346 | (7.9)% | |
| | Derivatives | 311 | 384 | (18.9)% | |
| | Total | 629 | 729 | (13.7)% | |
| Credit | Cash | 10 | 9 | 14.5 % | |
| | Derivatives | 11 | 10 | 15.8 % | |
| | Total | 22 | 19 | 15.2 % | |
| Equities | Cash | 10 | 9 | 11.9 % | |
| | Derivatives | 8 | 7 | 3.1 % | |
| | Total | 17 | 16 | 7.8 % | |
| Money Markets | Cash | 401 | 351 | 14.3 % | |
| | Total | 401 | 351 | 14.3 % | |
| | Total | \$ 1,069 | \$ 1,115 | (4.1)% | |

(1) Adjusted EBITDA, Adjusted EBITDA margin, Adjusted EBIT, Adjusted EBIT margin, Adjusted Net Income, Adjusted Diluted EPS and constant currency growth are non-GAAP financial measures. See “Non-GAAP Financial Measures” below and the attached schedules for additional information and reconciliations of such non-GAAP financial measures.

(2) Represents net income less net income attributable to non-controlling interests.

DISCUSSION OF RESULTS: FOURTH QUARTER 2022

Rates – Revenues of \$145.3 million in the fourth quarter of 2022 decreased 0.8% compared to prior year period (increased 3.2% on a constant currency basis). While fourth quarter rates ADV was down 13.7% from prior year period, trading volumes in the month of December increased 7.0% compared to prior year period.

Credit – Revenues of \$83.4 million in the fourth quarter of 2022 increased 13.3% compared to prior year period (increased 15.8% on a constant currency basis). Credit ADV was up 15.2% with record ADV and record share of TRACE in fully electronic U.S. High Grade credit, record ADV in retail U.S. credit and municipal bonds, as well as strong growth in credit derivatives. Tradeweb's share of fully electronic TRACE volume for U.S. High Grade was a record 14.4% compared with 13.4% in the prior year period (+100 bps) and for U.S. High Yield was 6.7%, compared with 7.3% in the prior year period (-60 bps).

Equities – Revenues of \$23.0 million in the fourth quarter of 2022 increased 25.3% compared to prior year period (increased 30.8% on a constant currency basis). Equities ADV was up 7.8% with record ADV in U.S. institutional ETFs. Equities performance reflected increased adoption of request-for-quote (RFQ) for electronic trading in ETFs globally.

Money Markets – Revenues of \$13.3 million in the fourth quarter of 2022 increased 21.8% compared to prior year period (increased 24.1% on a constant currency basis). Money Markets ADV was up 14.3% led by record ADV in retail money markets and continued client adoption of Tradeweb's electronic trading solutions.

Market Data – Revenues of \$22.3 million in the fourth quarter of 2022 increased 3.0% compared to prior year period (increased 5.0% on a constant currency basis). The increase was derived primarily from increased third party market data fees and Refinitiv market data fees.

Other – Revenues of \$5.7 million in the fourth quarter of 2022 decreased 1.4% compared to prior year period (decreased 1.3% on a constant currency basis).

Operating Expenses – Operating expenses of \$201.5 million in the fourth quarter of 2022 increased 8.5% compared to \$185.7 million in the prior year period due to: higher general and administrative expenses primarily driven by unrealized losses on foreign forward contracts and increased travel and entertainment expense following the easing of restrictions relating to the pandemic and higher professional fees primarily due to an increase in legal costs.

Adjusted Expenses of \$151.6 million remained relatively flat, with an increase of only 2.0% (increased 6.3% on a constant currency basis) compared to the prior year period. Please see "Non-GAAP Financial Measures" below for additional information.

DISCUSSION OF RESULTS: FULL-YEAR 2022

Tradeweb recorded its 23rd consecutive year of record revenues for the year ended December 31, 2022, as total revenue increased 10.4% (increased 14.0% on a constant currency basis) to \$1.2 billion compared to full year 2021. Revenue was driven by average daily trading volume of more than \$1.1 trillion and record activity in each of the following: share of TRACE in fully electronic U.S. High Grade and U.S. High Yield credit; global portfolio trading; U.S. credit Tradeweb AllTrade; U.S. credit RFQ; emerging markets interest rate swaps and global institutional ETFs. Net income increased 31.7% to \$359.6 million for the year ended December 31, 2022, compared to \$273.1 million in 2021. Adjusted EBITDA margin increased to 51.9% for the year ended December 31, 2022 compared to 50.8% in 2021, representing an increase of 111 bps (113 bps on a constant currency basis). Diluted EPS increased 35.8% to \$1.48 for the year ended December 31, 2022. Adjusted Diluted EPS increased 16.6% to \$1.90 for the year ended December 31, 2022.

RECENT HIGHLIGHTS

- On January 1, 2023 Billy Hult became CEO of Tradeweb and Thomas Pluta became the company's President. Lee Olesky retired as Tradeweb's CEO on December 31, 2022 and continues to serve as non-executive Chairman of the Board
- Announced \$300 million share repurchase program
- Announced partnership with BlackRock with the goal to seamlessly integrate Tradeweb's credit trading solutions and data into BlackRock's Aladdin order execution management system
- Facilitated the first non-deliverable interest rate swap trade in Taiwan Dollar (TWD) on the Tradeweb platform
- Recognized in numerous awards celebrating our company, as well as our outstanding and diverse talent, including: *Asia Capital Markets Awards, Multi-Asset Trading System of the Year (Global Investor Group)*; *Asia Capital Markets Awards, Fixed Income Trading System of the Year (Global Investor Group)*; *RegTech Insight Awards APAC, Best Transaction Cost Analysis Solution for Best Execution (A-Team Group)*; *U.S. Women in Finance Awards, Excellence in Trading Platforms - Celeste Feehan (Markets Media)*; *U.S. Women in Finance Awards, Excellence in Compliance - Devi Shanmugham (Markets Media)*; *Notable Women on Wall Street - Erica Barrett (Crain's New York Business)*; *100 Most Influential Women in Finance - Zara Burrell (Financial News)*; *European Women in Finance Awards, Rising Star - Oxana Young (Markets Media)*; *European Women in Finance Awards, Excellence in Innovation - Serene Murphy (Markets Media)*

CAPITAL MANAGEMENT

- \$1.3 billion in cash and cash equivalents and an undrawn \$500 million credit facility at December 31, 2022
- Cash capital expenditures and capitalized software development in the fourth quarter 2022 of \$14.7 million and \$60.1 million in full-year 2022
- Free cash flow for the year ended December 31, 2022 of \$572.7 million, up 8.7% compared to prior year period. See “Non-GAAP Financial Measures” for additional information
- In December 2022, Tradeweb announced a new \$300 million share repurchase program after completing its prior \$150 million share repurchase program announced in February 2021. During the fourth quarter of 2022, under both programs, Tradeweb purchased a total of 554,372 shares of Class A common stock, at an average price of \$61.33, for purchases totaling \$34.0 million. For full year 2022, under both programs, Tradeweb purchased a total of 1,347,067 shares of Class A common stock, at an average price of \$73.73, for purchases totaling \$99.3 million. As of December 31, 2022, a total of \$275.0 million remained available for repurchase pursuant to the current share repurchase program
- \$1.4 million in shares of Class A common stock were withheld in the fourth quarter of 2022 and \$101.7 million in shares of Class A common stock were withheld in the full-year 2022 to satisfy tax obligations related to the exercise of stock options and vesting of restricted stock units and performance-based restricted stock units
- The Board of Directors declared a quarterly cash dividend of \$0.09 per share of Class A common stock and Class B common stock, a 12.5% per share increase from prior year. The dividend will be payable on March 15, 2023 to stockholders of record as of March 1, 2023

OTHER MATTERS

Full-Year 2023 Guidance*

- Adjusted Expenses: \$669 - 714 million
- Acquisition and Refinitiv Transaction related depreciation and amortization expense: \$127 million
- Assumed non-GAAP tax rate: ~24 - 25%
- Cash costs of capital expenditures and capitalized software development: \$56 - 62 million

**GAAP operating expenses and tax rate guidance are not provided due to the inherent difficulty in quantifying certain amounts due to a variety of factors including the unpredictability in the movement of foreign currency rates.*

CONFERENCE CALL

Tradeweb Markets will hold a conference call to discuss fourth quarter and full-year 2022 results starting at 9:30 AM EST today, February 2, 2023. A live, audio webcast of the conference call along with related materials will be available at <http://investors.tradeweb.com>. Alternatively, interested parties can access the call by registering at <https://register.vevent.com/register/BI5b85a9d5b4f84eb4a6850a9743361194>. Once registered, the participant will receive an email confirmation with the dial-in information and a personalized PIN to access the conference call. Only one person can use this PIN at a time. If you need additional PINs please register multiple times.

After the conference call, an archived recording will be available at <http://investors.tradeweb.com>.

ABOUT TRADEWEB MARKETS

Tradeweb Markets Inc. (Nasdaq: TW) is a leading, global operator of electronic marketplaces for rates, credit, equities and money markets. Founded in 1996, Tradeweb provides access to markets, data and analytics, electronic trading, straight-through-processing and reporting for more than 40 products to clients in the institutional, wholesale and retail markets. Advanced technologies developed by Tradeweb enhance price discovery, order execution and trade workflows while allowing for greater scale and helping to reduce risks in client trading operations. Tradeweb serves approximately 2,500 clients in more than 65 countries. On average, Tradeweb facilitated more than \$1.1 trillion in notional value traded per day over the past four fiscal quarters. For more information, please go to www.tradeweb.com.

TRADEWEB MARKETS INC.
INCOME STATEMENT
Dollars in Thousands, Except Per Share Data

| | Quarter Ended December 31, | | Year Ended December 31, | |
|--|----------------------------|------------------|-------------------------|-------------------|
| | 2022 | 2021 | 2022 | 2021 |
| | (unaudited) | (unaudited) | (unaudited) | (unaudited) |
| Revenues | | | | |
| Transaction fees and commissions | \$ 232,780 | \$ 216,841 | \$ 950,269 | \$ 846,354 |
| Subscription fees | 41,585 | 41,307 | 165,922 | 158,448 |
| Refinitiv market data fees | 16,367 | 16,116 | 62,721 | 61,161 |
| Other | 2,310 | 2,619 | 9,869 | 10,484 |
| Total revenue | 293,042 | 276,883 | 1,188,781 | 1,076,447 |
| Expenses | | | | |
| Employee compensation and benefits | 101,820 | 107,153 | 432,421 | 407,260 |
| Depreciation and amortization | 44,881 | 43,652 | 178,879 | 171,308 |
| Technology and communications | 17,231 | 13,941 | 65,857 | 56,189 |
| General and administrative | 21,755 | 10,344 | 46,561 | 32,153 |
| Professional fees | 11,932 | 7,188 | 37,764 | 36,181 |
| Occupancy | 3,869 | 3,424 | 14,726 | 14,528 |
| Total expenses | 201,488 | 185,702 | 776,208 | 717,619 |
| Operating income | 91,554 | 91,181 | 412,573 | 358,828 |
| Tax receivable agreement liability adjustment | 13,653 | 12,745 | 13,653 | 12,745 |
| Net interest income (expense) | 8,400 | (411) | 11,907 | (1,590) |
| Income (loss) from investments | (1,000) | — | (1,000) | — |
| Income before taxes | 112,607 | 103,515 | 437,133 | 369,983 |
| Provision for income taxes | (13,605) | (43,510) | (77,520) | (96,875) |
| Net income | 99,002 | 60,005 | 359,613 | 273,108 |
| Less: Net income attributable to non-controlling interests | 10,056 | 11,115 | 50,275 | 46,280 |
| Net income attributable to Tradeweb Markets Inc. | \$ 88,946 | \$ 48,890 | \$ 309,338 | \$ 226,828 |

Earnings per share attributable to Tradeweb Markets Inc. Class A and B common stockholders:

| | | | | |
|---|-------------|-------------|-------------|-------------|
| Basic | \$ 0.43 | \$ 0.24 | \$ 1.50 | \$ 1.13 |
| Diluted | \$ 0.42 | \$ 0.23 | \$ 1.48 | \$ 1.09 |
| Weighted average shares outstanding: | | | | |
| Basic | 207,978,371 | 202,576,021 | 205,576,637 | 201,419,081 |
| Diluted | 210,329,656 | 208,282,322 | 208,400,040 | 207,254,840 |

TRADEWEB MARKETS INC.
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES (UNAUDITED)
Dollars in Thousands, Except per Share Data

| Reconciliation of Net Income to Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted EBIT and Adjusted EBIT Margin | Quarter Ended December 31, | | Year Ended December 31, | |
|---|----------------------------|------------|-------------------------|------------|
| | 2022 | 2021 | 2022 | 2021 |
| | (dollars in thousands) | | | |
| Net income | \$ 99,002 | \$ 60,005 | \$ 359,613 | \$ 273,108 |
| Merger and acquisition transaction and integration costs ⁽¹⁾ | 1,029 | (113) | 1,069 | 5,073 |
| Net interest (income) expense | (8,400) | 411 | (11,907) | 1,590 |
| Depreciation and amortization | 44,881 | 43,652 | 178,879 | 171,308 |
| Stock-based compensation expense ⁽²⁾ | 6,570 | 5,328 | 20,409 | 16,509 |
| Provision for income taxes | 13,605 | 43,510 | 77,520 | 96,875 |
| Foreign exchange (gains) / losses ⁽³⁾ | 10,715 | 40 | 4,409 | (4,702) |
| Tax receivable agreement liability adjustment ⁽⁴⁾ | (13,653) | (12,745) | (13,653) | (12,745) |
| (Income) loss from investments | 1,000 | — | 1,000 | — |
| Adjusted EBITDA | \$ 154,749 | \$ 140,088 | \$ 617,339 | \$ 547,016 |
| Less: Depreciation and amortization | (44,881) | (43,652) | (178,879) | (171,308) |
| Add: D&A related to acquisitions and the Refinitiv Transaction ⁽⁵⁾ | 31,571 | 31,781 | 126,659 | 124,580 |
| Adjusted EBIT | \$ 141,439 | \$ 128,217 | \$ 565,119 | \$ 500,288 |
| Net income margin ⁽⁶⁾ | 33.8 % | 21.7 % | 30.3 % | 25.4 % |
| Adjusted EBITDA margin ⁽⁶⁾ | 52.8 % | 50.6 % | 51.9 % | 50.8 % |
| Adjusted EBIT margin ⁽⁶⁾ | 48.3 % | 46.3 % | 47.5 % | 46.5 % |

- (1) Represents incremental direct costs associated with the acquisition and integration of completed and potential mergers and acquisitions. These costs generally include legal, consulting, advisory, due diligence, severance and other third party costs incurred that directly relate to the acquisition transaction or its integration.
- (2) Represents non-cash stock-based compensation expense associated with the Special Option Award and post-IPO options awarded in 2019 and payroll taxes associated with the exercise of such options. During the quarters ended December 31, 2022 and 2021 and the years ended December 31, 2022 and 2021, this adjustment also includes \$5.6 million, \$1.3 million, \$15.0 million and \$1.7 million, respectively, of non-cash accelerated stock-based compensation expense and related payroll taxes associated with our retired CEO and former CFO.
- (3) Represents unrealized gain or loss recognized on foreign currency forward contracts and foreign exchange gain or loss from the revaluation of cash denominated in a different currency than the entity's functional currency.
- (4) Represents income recognized during the applicable period due to changes in the tax receivable agreement liability recorded in the consolidated statement of financial condition as a result of changes in the mix of earnings, tax legislation and tax rates in various jurisdictions which impacted our tax savings.
- (5) Represents intangible asset and acquired software amortization resulting from the NFI Acquisition and intangible asset amortization and increased tangible asset and capitalized software depreciation and amortization resulting from the application of pushdown accounting to the Refinitiv Transaction (where all assets were marked to fair value as of the closing date of the Refinitiv Transaction).
- (6) Net income margin, Adjusted EBITDA margin and Adjusted EBIT margin are defined as net income, Adjusted EBITDA and Adjusted EBIT, respectively, divided by revenue for the applicable period.

| Reconciliation of Net Income to Adjusted Net Income and Adjusted Diluted EPS | Quarter Ended December 31, | | Year Ended December 31, | |
|---|--|-----------|-------------------------|------------|
| | 2022 | 2021 | 2022 | 2021 |
| | (in thousands, except per share amounts) | | | |
| Earnings per diluted share | \$ 0.42 | \$ 0.23 | \$ 1.48 | \$ 1.09 |
| Net income attributable to Tradeweb Markets Inc. | \$ 88,946 | \$ 48,890 | \$ 309,338 | \$ 226,828 |
| Net income attributable to non-controlling interests ⁽¹⁾ | 10,056 | 11,115 | 50,275 | 46,280 |
| Net income | 99,002 | 60,005 | 359,613 | 273,108 |
| Provision for income taxes | 13,605 | 43,510 | 77,520 | 96,875 |
| Merger and acquisition transaction and integration costs ⁽²⁾ | 1,029 | (113) | 1,069 | 5,073 |
| D&A related to acquisitions and the Refinitiv Transaction ⁽³⁾ | 31,571 | 31,781 | 126,659 | 124,580 |
| Stock-based compensation expense ⁽⁴⁾ | 6,570 | 5,328 | 20,409 | 16,509 |
| Foreign exchange (gains) / losses ⁽⁵⁾ | 10,715 | 40 | 4,409 | (4,702) |
| Tax receivable agreement liability adjustment ⁽⁶⁾ | (13,653) | (12,745) | (13,653) | (12,745) |
| (Income) loss from investments | 1,000 | — | 1,000 | — |
| Adjusted Net Income before income taxes | 149,839 | 127,806 | 577,026 | 498,698 |
| Adjusted income taxes ⁽⁷⁾ | (32,964) | (28,117) | (126,946) | (109,713) |
| Adjusted Net Income | \$ 116,875 | \$ 99,689 | \$ 450,080 | \$ 388,985 |
| Adjusted Diluted EPS ⁽⁸⁾ | \$ 0.49 | \$ 0.42 | \$ 1.90 | \$ 1.63 |

- (1) Represents the reallocation of net income attributable to non-controlling interests from the assumed exchange of all outstanding LLC Interests held by non-controlling interests for shares of Class A or Class B common stock.
- (2) Represents incremental direct costs associated with the acquisition and integration of completed and potential mergers and acquisitions. These costs generally include legal, consulting, advisory, due diligence, severance and other third party costs incurred that directly relate to the acquisition transaction or its integration.
- (3) Represents intangible asset and acquired software amortization resulting from the NFI Acquisition and intangible asset amortization and increased tangible asset and capitalized software depreciation and amortization resulting from the application of pushdown accounting to the Refinitiv Transaction (where all assets were marked to fair value as of the closing date of the Refinitiv Transaction).
- (4) Represents non-cash stock-based compensation expense associated with the Special Option Award and post-IPO options awarded in 2019 and payroll taxes associated with the exercise of such options. During the quarters ended December 31, 2022 and 2021 and the years ended December 31, 2022 and 2021, this adjustment also includes \$5.6 million, \$1.3 million, \$15.0 million and \$1.7 million, respectively, of non-cash accelerated stock-based compensation expense and related payroll taxes associated with our retired CEO and former CFO.
- (5) Represents unrealized gain or loss recognized on foreign currency forward contracts and foreign exchange gain or loss from the revaluation of cash denominated in a different currency than the entity's functional currency.
- (6) Represents income recognized during the applicable period due to changes in the tax receivable agreement liability recorded in the consolidated statement of financial condition as a result of changes in the mix of earnings, tax legislation and tax rates in various jurisdictions which impacted our tax savings.
- (7) Represents corporate income taxes at an assumed effective tax rate of 22% applied to Adjusted Net Income before income taxes for each of the quarters and years ended December 31, 2022 and 2021.
- (8) For a summary of the calculation of Adjusted Diluted EPS, see "Reconciliation of Diluted Weighted Average Shares Outstanding to Adjusted Diluted Weighted Average Shares Outstanding and Adjusted Diluted EPS" below.

The following table summarizes the calculation of Adjusted Diluted EPS for the periods presented:

| Reconciliation of Diluted Weighted Average Shares Outstanding to Adjusted Diluted Weighted Average Shares Outstanding and Adjusted Diluted EPS | Quarter Ended December 31, | | Year Ended December 31, | |
|--|----------------------------|-------------|-------------------------|-------------|
| | 2022 | 2021 | 2022 | 2021 |
| Diluted weighted average shares of Class A and Class B common stock outstanding | 210,329,656 | 208,282,322 | 208,400,040 | 207,254,840 |
| Weighted average of other participating securities ⁽¹⁾ | 382,800 | — | 193,441 | — |
| Assumed exchange of LLC Interests for shares of Class A or Class B common stock ⁽²⁾ | 26,347,881 | 30,529,403 | 28,830,686 | 30,699,577 |
| Adjusted diluted weighted average shares outstanding | 237,060,337 | 238,811,725 | 237,424,167 | 237,954,417 |
| Adjusted Net Income (in thousands) | \$ 116,875 | \$ 99,689 | \$ 450,080 | \$ 388,985 |
| Adjusted Diluted EPS | \$ 0.49 | \$ 0.42 | \$ 1.90 | \$ 1.63 |

- (1) Represents weighted average unvested restricted stock units and unsettled vested performance-based restricted stock units issued to certain retired executives that are entitled to non-forfeitable dividend equivalent rights and are considered participating securities prior to being issued and outstanding shares of common stock in accordance with the two-class method used for purposes of calculating earnings per share.
- (2) Assumes the full exchange of the weighted average of all outstanding LLC Interests held by non-controlling interests for shares of Class A or Class B common stock, resulting in the elimination of the non-controlling interests and recognition of the net income attributable to non-controlling interests.

| Reconciliation of Operating Expenses to Adjusted Expenses | Quarter Ended December 31, | | Year Ended December 31, | |
|--|----------------------------|------------|-------------------------|------------|
| | 2022 | 2021 | 2022 | 2021 |
| | (in thousands) | | | |
| Operating expenses | \$ 201,488 | \$ 185,702 | \$ 776,208 | \$ 717,619 |
| Merger and acquisition transaction and integration costs ⁽¹⁾ | (1,029) | 113 | (1,069) | (5,073) |
| D&A related to acquisitions and the Refinitiv Transaction ⁽²⁾ | (31,571) | (31,781) | (126,659) | (124,580) |
| Stock-based compensation expense ⁽³⁾ | (6,570) | (5,328) | (20,409) | (16,509) |
| Foreign exchange gains / (losses) ⁽⁴⁾ | (10,715) | (40) | (4,409) | 4,702 |
| Adjusted Expenses | \$ 151,603 | \$ 148,666 | \$ 623,662 | \$ 576,159 |

- (1) Represents incremental direct costs associated with the acquisition and integration of completed and potential mergers and acquisitions. These costs generally include legal, consulting, advisory, due diligence, severance and other third party costs incurred that directly relate to the acquisition transaction or its integration.
- (2) Represents intangible asset and acquired software amortization resulting from the NFI Acquisition and intangible asset amortization and increased tangible asset and capitalized software depreciation and amortization resulting from the application of pushdown accounting to the Refinitiv Transaction (where all assets were marked to fair value as of the closing date of the Refinitiv Transaction).
- (3) Represents non-cash stock-based compensation expense associated with the Special Option Award and post-IPO options awarded in 2019 and payroll taxes associated with the exercise of such options. During the quarters ended December 31, 2022 and 2021 and the years ended December 31, 2022 and 2021, this adjustment also includes \$5.6 million, \$1.3 million, \$15.0 million and \$1.7 million, respectively, of non-cash accelerated stock-based compensation expense and related payroll taxes associated with our retired CEO and former CFO.
- (4) Represents unrealized gain or loss recognized on foreign currency forward contracts and foreign exchange gain or loss from the revaluation of cash denominated in a different currency than the entity's functional currency.

| Reconciliation of Cash Flows from Operating Activities to Free Cash Flow | Year Ended December 31, | |
|--|-------------------------|------------|
| | 2022 | 2021 |
| | (in thousands) | |
| Cash flow from operating activities | \$ 632,822 | \$ 578,021 |
| Less: Capitalization of software development costs | (36,882) | (34,470) |
| Less: Purchases of furniture, equipment and leasehold improvements | (23,214) | (16,878) |
| Free Cash Flow | \$ 572,726 | \$ 526,673 |

TRADEWEB MARKETS INC.
BASIC AND DILUTED EPS CALCULATIONS (UNAUDITED)
Dollars in Thousands, Except per Share Data

The following table summarizes the basic and diluted earnings per share calculations for Tradeweb Markets Inc.:

| EPS: Net income attributable to Tradeweb Markets Inc. | Quarter Ended December 31, | | Year Ended December 31, | |
|---|----------------------------|-------------|-------------------------|-------------|
| | 2022 | 2021 | 2022 | 2021 |
| (in thousands, except share and per share amounts) | | | | |
| Numerator: | | | | |
| Net income attributable to Tradeweb Markets Inc. | \$ 88,946 | \$ 48,890 | \$ 309,338 | \$ 226,828 |
| Less: Distributed and undistributed earnings allocated to unvested RSUs and unsettled vested PRSUs ⁽¹⁾ | (163) | — | (244) | — |
| Net income attributable to outstanding shares of Class A and Class B common stock - Basic and Diluted | \$ 88,783 | \$ 48,890 | \$ 309,094 | \$ 226,828 |
| Denominator: | | | | |
| Weighted average shares of Class A and Class B common stock outstanding - Basic | 207,978,371 | 202,576,021 | 205,576,637 | 201,419,081 |
| Dilutive effect of PRSUs | 694,635 | 2,270,263 | 770,726 | 2,067,558 |
| Dilutive effect of options | 1,420,913 | 3,064,477 | 1,810,956 | 3,473,549 |
| Dilutive effect of RSUs | 235,737 | 371,561 | 241,721 | 294,652 |
| Weighted average shares of Class A and Class B common stock outstanding - Diluted | 210,329,656 | 208,282,322 | 208,400,040 | 207,254,840 |
| Earnings per share - Basic | \$ 0.43 | \$ 0.24 | \$ 1.50 | \$ 1.13 |
| Earnings per share - Diluted | \$ 0.42 | \$ 0.23 | \$ 1.48 | \$ 1.09 |

(1) During the quarter and year ended December 31, 2022, there was a total of 382,800 and 193,441, respectively, weighted average unvested RSUs and unsettled vested PRSUs that were considered a participating security for purposes of calculating earnings per share in accordance with the two-class method. There were none during the quarter and year ended December 31, 2021.

TRADEWEB MARKETS INC.
REVENUES BY ASSET CLASS (UNAUDITED)

| Revenues | Quarter Ended December 31, 2022 | | Quarter Ended December 31, 2021 | | Year Ended December 31, 2022 | | Year Ended December 31, 2021 | |
|------------------------|------------------------------------|-----------|------------------------------------|-----------|---------------------------------|------------|---------------------------------|------------|
| | Variable | Fixed | Variable | Fixed | Variable | Fixed | Variable | Fixed |
| (dollars in thousands) | | | | | | | | |
| Rates | \$ 90,384 | \$ 54,930 | \$ 88,090 | \$ 58,438 | \$ 383,780 | \$ 221,626 | \$ 338,395 | \$ 224,483 |
| Credit | 76,891 | 6,502 | 66,915 | 6,699 | 305,760 | 26,043 | 266,367 | 26,070 |
| Equities | 20,825 | 2,178 | 15,752 | 2,609 | 84,354 | 9,120 | 60,579 | 10,497 |
| Money Markets | 8,867 | 4,432 | 6,731 | 4,184 | 32,306 | 17,652 | 27,884 | 16,410 |
| Market Data | — | 22,295 | — | 21,648 | — | 85,913 | — | 82,142 |
| Other | — | 5,738 | — | 5,817 | — | 22,227 | — | 23,620 |
| Total revenue | \$ 196,967 | \$ 96,075 | \$ 177,488 | \$ 99,395 | \$ 806,200 | \$ 382,581 | \$ 693,225 | \$ 383,222 |

TRADEWEB MARKETS INC.
AVERAGE VARIABLE FEES PER MILLION DOLLARS OF VOLUME (UNAUDITED)

| | Quarter Ended December 31, | | YoY % Change | | |
|--|----------------------------|--------------|-----------------|--------------|---------------|
| | 2022 | 2021 | | | |
| Rates | \$ | 2.33 | \$ | 1.93 | 20.8 % |
| Rates Cash | \$ | 2.42 | \$ | 1.98 | 22.6 % |
| Rates Derivatives | \$ | 2.24 | \$ | 1.89 | 18.6 % |
| Rates Derivatives (greater than 1 year) | \$ | 3.31 | \$ | 3.49 | (5.2)% |
| Other Rates Derivatives ⁽¹⁾ | \$ | 0.28 | \$ | 0.14 | 103.1 % |
| Credit | \$ | 57.95 | \$ | 57.02 | 1.6 % |
| Cash Credit ⁽²⁾ | \$ | 158.39 | \$ | 149.49 | 6.0 % |
| Credit Derivatives and U.S. Cash "EP" | \$ | 7.44 | \$ | 8.08 | (7.8)% |
| Equities | \$ | 19.18 | \$ | 15.40 | 24.6 % |
| Equities Cash | \$ | 29.60 | \$ | 23.84 | 24.1 % |
| Equities Derivatives | \$ | 6.09 | \$ | 5.62 | 8.4 % |
| Money Markets | \$ | 0.36 | \$ | 0.31 | 17.3 % |
| Total Fees per Million | \$ | 3.00 | \$ | 2.55 | 17.7 % |
| Total Fees per Million excluding Other Rates Derivatives ⁽³⁾ | \$ | 3.31 | \$ | 3.02 | 9.5 % |

(1) Includes Swaps/Swaptions with tenor less than 1 year and Rates Futures.

(2) The "Cash Credit" category represents the "Credit" asset class excluding (1) Credit Derivatives and (2) U.S. High Grade and High Yield electronically processed ("EP") activity.

(3) Included to contextualize the impact of short-tenored Swaps/Swaptions and Rates Futures on totals for all periods presented.

TRADEWEB MARKETS INC.
AVERAGE DAILY VOLUME (UNAUDITED)

| Asset Class | Product | 2022 Q4 | | 2021 Q4 | | YoY |
|----------------------|--|---------------------|------------------------|---------------------|------------------------|-----------------|
| | | ADV (USD mm) | Volume (USD mm) | ADV (USD mm) | Volume (USD mm) | ADV |
| Rates | Cash | \$ 318,193 | \$ 19,481,076 | \$ 345,509 | \$ 21,489,319 | (7.91)% |
| | U.S. Government Bonds | 126,182 | 7,697,129 | 135,018 | 8,371,141 | (6.54)% |
| | European Government Bonds | 33,305 | 2,098,194 | 30,999 | 1,983,966 | 7.44 % |
| | Mortgages | 153,847 | 9,384,660 | 175,504 | 10,881,259 | (12.34)% |
| | Other Government Bonds | 4,859 | 301,093 | 3,987 | 252,953 | 21.88 % |
| | Derivatives | 311,015 | 19,271,261 | 383,514 | 24,138,900 | (18.90)% |
| | Swaps/Swaptions ≥ 1Y | 201,759 | 12,504,981 | 200,495 | 12,639,759 | 0.63 % |
| | Swaps/Swaptions < 1Y | 107,597 | 6,665,075 | 182,152 | 11,445,372 | (40.93)% |
| | Futures | 1,659 | 101,206 | 867 | 53,769 | 91.27 % |
| | Total | 629,208 | 38,752,337 | 729,023 | 45,628,219 | (13.69)% |
| Credit | Cash | 10,120 | 619,806 | 8,839 | 550,188 | 14.50 % |
| | U.S. High Grade - Fully Electronic | 3,633 | 221,587 | 2,833 | 175,623 | 28.24 % |
| | U.S. High Grade - Electronically Processed | 2,595 | 158,294 | 2,017 | 125,052 | 28.66 % |
| | U.S. High Yield - Fully Electronic | 582 | 35,484 | 664 | 41,169 | (12.40)% |
| | U.S. High Yield - Electronically Processed | 288 | 17,543 | 313 | 19,412 | (8.14)% |
| | European Credit | 1,591 | 100,203 | 1,597 | 102,180 | (0.38)% |
| | Municipal Bonds | 458 | 27,962 | 183 | 11,374 | 149.86 % |
| | Chinese Bonds | 863 | 51,781 | 1,141 | 69,587 | (24.35)% |
| | Other Credit Bonds | 111 | 6,952 | 91 | 5,790 | 21.87 % |
| | Derivatives | 11,443 | 706,958 | 9,886 | 623,015 | 15.75 % |
| | Swaps | 11,443 | 706,958 | 9,886 | 623,015 | 15.75 % |
| | Total | 21,563 | 1,326,763 | 18,725 | 1,173,202 | 15.16 % |
| Equities | Cash | 9,595 | 604,515 | 8,579 | 549,052 | 11.85 % |
| | U.S. ETFs | 7,314 | 460,797 | 6,136 | 392,680 | 19.21 % |
| | European ETFs | 2,281 | 143,718 | 2,443 | 156,373 | (6.63)% |
| | Derivatives | 7,637 | 481,142 | 7,407 | 474,029 | 3.11 % |
| | Convertibles/Swaps/Options | 4,377 | 275,737 | 3,455 | 221,114 | 26.68 % |
| | Futures | 3,260 | 205,405 | 3,952 | 252,915 | (17.50)% |
| | Total | 17,233 | 1,085,656 | 15,986 | 1,023,081 | 7.80 % |
| Money Markets | Cash | 400,884 | 24,585,919 | 350,803 | 21,888,973 | 14.28 % |
| | Repurchase Agreements (Repo) | 383,070 | 23,498,024 | 336,820 | 21,021,413 | 13.73 % |
| | Other Money Markets | 17,813 | 1,087,895 | 13,984 | 867,560 | 27.39 % |
| | Total | 400,884 | 24,585,919 | 350,803 | 21,888,973 | 14.28 % |
| | | ADV (USD mm) | Volume (USD mm) | ADV (USD mm) | Volume (USD mm) | YoY |
| Total | | \$ 1,068,888 | \$ 65,750,676 | \$ 1,114,537 | \$ 69,713,476 | (4.10)% |

To access historical traded volumes, go to <https://www.tradeweb.com/newsroom/monthly-activity-reports/>.

FORWARD-LOOKING STATEMENTS

This release contains forward-looking statements within the meaning of the federal securities laws. Statements related to, among other things, our guidance, including full-year 2023 guidance, and future performance, the industry and markets in which we operate, our expectations, beliefs, plans, strategies, objectives, prospects and assumptions and future events are forward-looking statements.

We have based these forward-looking statements on our current expectations, assumptions, estimates and projections. While we believe these expectations, assumptions, estimates and projections are reasonable, such forward-looking statements are only predictions and involve known and unknown risks and uncertainties, many of which are beyond our control. These and other important factors, including those discussed under the heading "Risk Factors" in documents of Tradeweb Markets Inc. on file with or furnished to the SEC, may cause our actual results, performance or achievements to differ materially from those expressed or implied by these forward-looking statements. Given these risks and uncertainties, you are cautioned not to place undue reliance on such forward-looking statements. The forward-looking statements contained in this release are not guarantees of future performance and our actual results of operations, financial condition or liquidity, and the development of the industry and markets in which we operate, may differ materially from the forward-looking statements contained in this release. In addition, even if our results of operations, financial condition, or liquidity, and events in the industry and markets in which we operate, are consistent with the forward-looking statements contained in this release, they may not be predictive of results or developments in future periods. Any forward-looking statement that we make in this release speaks only as of the date of such statement. Except as required by law, we do not undertake any obligation to update or revise, or to publicly announce any update or revision to, any of the forward-looking statements, whether as a result of new information, future events or otherwise, after the date of this release.

BASIS OF PRESENTATION

Tradeweb Markets Inc. (unless the context otherwise requires, together with its subsidiaries, referred to as "we," "our," "Tradeweb," "Tradeweb Markets" or the "Company") closed its IPO on April 8, 2019. As a result of certain reorganization transactions (the "Reorganization Transactions") completed in connection with the IPO, on April 4, 2019, Tradeweb Markets Inc. became a holding company whose only material assets consist of its equity interest in Tradeweb Markets LLC ("TWM LLC") and related deferred tax assets. As the sole manager of TWM LLC, Tradeweb Markets Inc. operates and controls all of the business and affairs of TWM LLC and, through TWM LLC and its subsidiaries, conducts its business. As a result of this control, and because Tradeweb Markets Inc. has a substantial financial interest in TWM LLC, Tradeweb Markets Inc. consolidates the financial results of TWM LLC and its subsidiaries.

Numerical figures included in this release have been subject to rounding adjustments and as a result totals may not be the arithmetic aggregation of the amounts that precede them and figures expressed as percentages may not total 100%.

Please refer to the Company's previously filed Quarterly Reports on Form 10-Q and Annual Report on Form 10-K for capitalized terms not otherwise defined herein.

MARKET AND INDUSTRY DATA

This presentation includes estimates regarding market and industry data that we prepared based on our management's knowledge and experience in the markets in which we operate, together with information obtained from various sources, including publicly available information, industry reports and publications, surveys, our clients, trade and business organizations and other contacts in the markets in which we operate. In presenting this information, we have made certain assumptions that we believe to be reasonable based on such data and other similar sources and on our knowledge of, and our experience to date in, the markets in which we operate. While such information is believed to be reliable for the purposes used herein, no representations are made as to the accuracy or completeness thereof and we take no responsibility for such information.

TRADEWEB SOCIAL MEDIA

Investors and others should note that Tradeweb Markets announces material financial and operational information using its investor relations website, press releases, SEC filings and public conference calls and webcasts. Information about Tradeweb Markets, its business and its results of operations may also be announced by posts on the Company's accounts on the following social media channels: Instagram, LinkedIn and Twitter. The information that we post through these social media channels may be deemed material. As a result, we encourage investors, the media, and others interested in Tradeweb Markets to monitor these social media channels in addition to following our investor relations website, press releases, SEC filings and public conference calls and webcasts. These social media channels may be updated from time to time on our investor relations website.

NON-GAAP FINANCIAL MEASURES

This release contains "non-GAAP financial measures," including Adjusted EBITDA, Adjusted EBITDA margin, Adjusted EBIT, Adjusted EBIT margin, Adjusted Net Income, Adjusted Diluted EPS, Adjusted Expenses, Free Cash Flow, Adjusted Expenses and constant currency growth, which are supplemental financial measures that are not calculated or presented in accordance with GAAP. We make use of non-GAAP financial measures in evaluating our past results and future prospects. We present these non-GAAP financial measures because we believe they assist investors and analysts in comparing our operating performance across reporting periods on a consistent basis by excluding items that we do not believe are indicative of our core operating performance.

Management and our board of directors use Adjusted EBITDA, Adjusted EBITDA margin, Adjusted EBIT and Adjusted EBIT margin to assess our financial performance and believe they are helpful in highlighting trends in our core operating performance, while other measures can differ significantly depending on long-term strategic decisions regarding capital structure, the tax jurisdictions in which we operate and capital investments. Further, our executive incentive compensation is based in part on components of Adjusted EBITDA.

We use Adjusted Net Income and Adjusted Diluted EPS as supplemental metrics to evaluate our business performance in a way that also considers our ability to generate profit without the impact of certain items. Each of the normal recurring adjustments and other adjustments included in Adjusted Net Income and Adjusted Diluted EPS help to provide management with a measure of our operating performance over time by removing items that are not related to day-to-day operations or are non-cash expenses.

We use Adjusted Expenses as a supplemental metric to evaluate our underlying operating performance over time by removing items that are not related to day-to-day operations or are non-cash expenses.

We use Free Cash Flow to assess our liquidity in a way that considers the amount of cash generated from our core operations after non-acquisition related expenditures for capitalized software development costs and furniture, equipment and leasehold improvements.

We present certain growth information on a "constant currency" basis. Since our consolidated financial statements are presented in U.S. dollars, we must translate non-U.S. dollar revenues and expenses into U.S. dollars. Constant currency growth, which is a non-GAAP financial measure, is defined as growth excluding the effects of foreign currency fluctuations. Constant currency information is calculated by translating the current period and prior period's results using the annual average exchange rates for the prior period. We use constant currency growth as a supplemental metric to evaluate our underlying performance between periods by removing the impact of foreign currency fluctuations. We present certain constant currency growth information because we believe it provides investors and analysts a useful comparison of our results and trends between periods. This information should be considered in addition to, not as a substitute for, results reported in accordance with GAAP.

See the attached schedules for reconciliations of the non-GAAP financial measures contained in this release to their most comparable GAAP financial measure. Non-GAAP financial measures have limitations as analytical tools, and you should not consider these non-GAAP financial measures in isolation or as alternatives to net income attributable to Tradeweb Markets Inc., net income, net income margin, earnings per share, operating income, operating expenses or cash flow from operating activities or any other financial measure derived in accordance with GAAP. You are encouraged to evaluate each adjustment included in the reconciliations. In addition, in evaluating Adjusted EBITDA, Adjusted EBITDA margin, Adjusted EBIT, Adjusted EBIT margin, Adjusted Net Income, Adjusted Diluted EPS, Adjusted Expenses and Free Cash Flow, you should be aware that in the future, we may incur expenses similar to the adjustments in the presentation of these non-GAAP financial measures.

Our presentation of non-GAAP financial measures should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items. In addition, the non-GAAP financial measures contained in this release may not be comparable to similarly titled measures used by other companies in our industry or across different industries.

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