Intercontinental Exchange Inc. (ICE)

Updated November 15th, 2025 by Prakash Kolli

Key Metrics

Current Price:	$152	**5 Year CAGR Estimate:**	8.2%	**Market Cap:**	$86.71B
Fair Value Price:	$145	**5 Year Growth Estimate:**	8.0%	**Ex-Dividend Date:**	12/16/25
% Fair Value:	105%	**5 Year Valuation Multiple Estimate:**	-1.0%	**Dividend Payment Date:**	12/31/25
Dividend Yield:	1.3%	**5 Year Price Target**	$213	**Years Of Dividend Growth:**	13
Dividend Risk Score:	B	**Sector:**	Financials	**Rating:**	Hold

Overview & Current Events

Intercontinental Exchange, Inc. is an operator of financial exchanges and mortgage technology. The company owns the New York Stock Exchange, operates a derivatives exchange, operates an electronic marketplace for futures and over the counter energy contracts, and owns the leading soft commodity exchange. ICE also offers pricing and market data, risk management, and trading support. The company acquired Ellie Mae in 2020 and Black Knight in 2023, expanding into mortgage technology services. The firm now has three reporting segments: Exchanges (55%), Fixed Income and Data Services (28%), and Mortgage Technology (16%). Total revenue in 2024 was $9.3B.

ICE reported Q3 2025 results on October 30, 2025. For the quarter, net revenue grew 2% in constant currency to $2,411M from $2,349M and adjusted diluted earnings per share rose 10% to $1.71 from $1.55 on a year-over-year basis. On a GAAP basis, diluted earnings per share increased 25% to $1.42 from $1.14 in comparable periods. ICE benefitted from greater fixed income volumes and rising Mortgage Technology segment revenue.

The Exchanges segment revenue increased 1% to $1,265M in the quarter from $1,254M in the prior year driven by increases in Energy (+2%), and Data and Connectivity (+9%), and Listings (+2%), offset by Ags (-13%), Cash and Equity Options (-2%), Financials (-2%), and OTC & Other (-10%). Fixed Income and Data Services segment revenue increased 5% to $618M from $586M in comparable periods driven by increases in Data & Network Technology (+11%), Fixed Income Data and Analytics (+5%), and Fixed Income Execution (+15%), offset by CDS Clearing (-7%). Mortgage Technology segment revenue was up 4% to $528M versus $509M on gains in Origination Tech (+3%), Closing Solutions (+8%), Servicing Software (+3%), and Data & Analytics (+4%).

ICE set revenue growth estimates at low-to-mid-single digits for 2025.

Growth on a Per-Share Basis

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2030
EPS	$2.43	$2.78	$2.95	$3.59	$3.88	$4.51	$5.61	$5.30	$5.62	$6.07	***$6.90***	***$10.14***
DPS	$0.58	$0.68	$0.80	$0.96	$1.10	$1.20	$1.32	$1.52	$1.68	$1.80	***$1.92***	***$2.82***
Shares[1]	559	599	594	579	565	555	565	561	565	578	***575***	***561***

ICE has grown the bottom line at a good clip by organic growth and many acquisitions. ICE is acquisitive and has bought several firms including NYSE Euronext in 2013, Interactive Data in 2015, Ellie Mae in 2020, and Black Knight in 2023, adding to the top line. But the additional shares issued for the purchases have kept a lid on earnings per share growth. Over time, organic growth will come from increased trading, new market and pricing data products, and mortgage origination. The company increased adjusted earnings per share at a roughly 16% rate from 2006 to 2022. We are now forecasting on average 8% annual earnings per share growth through 2030, accounting for slowing growth rates.

ICE initiated a dividend in 2013 and grew it at a double-digit rate since then, but the current yield is low. We are forecasting on average 8% annual growth rate in the dividend, matching earnings growth. The company had a $2.4B share repurchase authorization, which was then suspended because of the Black Knight deal.

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[1] Share count in millions.

Disclosure: This analyst has no position in the security discussed in this research report, and no plans to initiate one in the next 72 hours.

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Valuation Analysis

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Now	2030
Avg. P/E	19.3	18.8	21.5	20.7	22.0	24.8	23.3	20.5	22.9	24.5	***22.0***	***21.0***
Avg. Yld.	1.2%	1.3%	1.3%	1.3%	1.3%	1.2%	1.1%	1.4%	1.3%	1.2%	***1.3%***	***1.3%***

ICE's stock price is down considerably since our last report on mixed results. Exchange revenue is slowing, after a solid first half of the year. We have reduced our 2025 earnings estimates to match consensus. Our fair value multiple is 21X, which is near the 10-year average. Our fair value estimate is $145. Our 5-year price target is $213.

Safety, Quality, Competitive Advantage, & Recession Resiliency

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2030
Payout	24%	24%	27%	27%	28%	27%	24%	29%	30%	30%	***28%***	***28%***

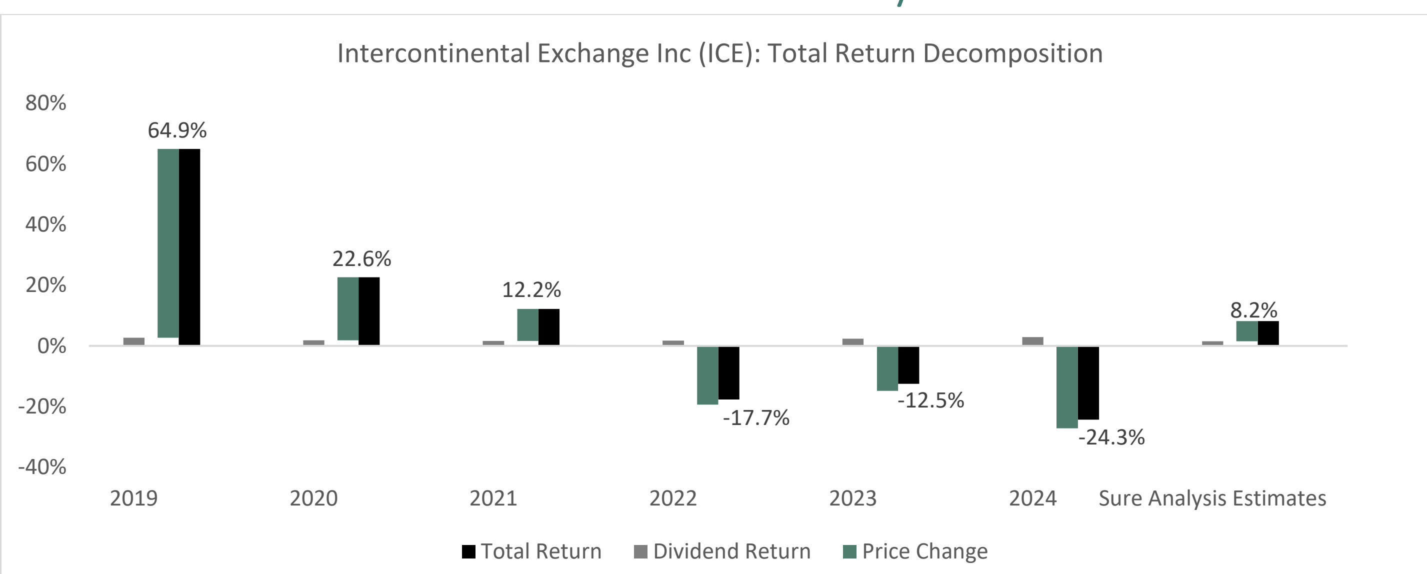
ICE's competitive advantage is its scale in trading, the NYSE brand, proprietary exchange products, data in commodity futures and fixed-income data, and mortgage technology. The company can provide unique datasets from its exchanges that competitors do not have access to. ICE does face risks in changing regulatory environments, lower home sales, and a decline in trading volumes. A downturn in trading volume during a recession will likely reduce ICE's top and bottom lines. During the Great Recession, EPS exhibited a significant sequential quarterly decline from $0.26 in Q1 2008 to a bottom of $0.13 in Q4 2008 before recovering through 2009. By Q1 2010, quarterly EPS had returned to $0.27. The stock price declined severely during this time. Next, there is the omnipresent threat of cyber-attacks or disruptions to trading.

ICE took on significant debt and leverage to build its mortgage business at a time when interest rates are rising, creating some risk. Short-term debt was $1,667M and long-term debt was $17,366M at end of Q3 2025. This was offset by $850M in cash and marketable securities. The leverage ratio is now over 3.03X and interest coverage is about 5.95X.

Final Thoughts & Recommendation

At present we are forecasting an 8.2% total annualized return through 2030 from a dividend yield of 1.3%, 8% EPS growth, and -1.0% P/E multiple contraction. ICE acquired Black Knight for $13B, but at the cost of much higher debt and leverage in the face of a slowing housing market and higher rates. However, greater market volatility is boosting trading volumes and results. Although this is a high-quality company, we have maintained our rating at hold.

Total Return Breakdown by Year



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Income Statement Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenue	4682	5971	5843	6276	6547	8244	9168	9636	9903	11761
Gross Profit	2727	3559	3692	3985	4160	4848	5018	5202	5659	6522
Gross Margin	58.2%	59.6%	63.2%	63.5%	63.5%	58.8%	54.7%	54.0%	57.1%	55.5%
SG&A Exp.	515	697	742	782	823	959	458	440	481	572
D&A Exp.	374	610	535	586	662	751	1009	1031	1215	1537
Operating Profit	1838	2252	2415	2617	2675	3138	3551	3731	3963	4413
Operating Margin	39.3%	37.7%	41.3%	41.7%	40.9%	38.1%	38.7%	38.7%	40.0%	37.5%
Net Profit	1274	1430	2526	1988	1933	2089	4058	1446	2368	2754
Net Margin	27.2%	23.9%	43.2%	31.7%	29.5%	25.3%	44.3%	15.0%	23.9%	23.4%
Free Cash Flow	1034	1784	1728	2253	2354	2471	2671	3072	3053	3857
Income Tax	358	586	-28	500	521	658	1629	310	456	826

Balance Sheet Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Assets	77987	82003	78264	92791	94493	126200	193500	194338	136084	139428
Cash & Equivalents	627	407	535	724	841	583	607	1799	899	844
Accounts Receivable	700	777	903	953	988	1230	1280	1169	1366	1490
Goodwill & Int. Ass.	22837	22711	22485	23547	23600	35699	34860	34201	47870	46901
Total Liabilities	63147	66249	61279	75560	77207	106666	170750	171577	110298	111708
Accounts Payable	514	519	590	626	643	846	703	866	1003	1051
Long-Term Debt	7308	6364	6100	7441	7819	16537	13290	18122	22613	20368
Shareholder's Equity	14808	15717	16957	17201	17255	19498	22710	22706	25717	27647
LTD/E Ratio	0.49	0.40	0.36	0.43	0.45	0.85	0.61	0.80	0.88	0.74

Profitability & Per Share Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Return on Assets	1.7%	1.8%	3.2%	2.3%	2.1%	1.9%	2.5%	0.7%	1.4%	2.0%
Return on Equity	9.4%	9.4%	15.5%	11.6%	11.2%	11.4%	19.2%	6.4%	9.8%	10.3%
ROIC	6.6%	6.5%	11.2%	8.3%	7.8%	6.8%	11.1%	3.7%	5.3%	5.7%
Shares Out.	595	595	596	569	604	598	565	561	565	576
Revenue/Share	8.38	9.97	9.84	10.84	11.59	14.85	16.23	17.18	17.53	20.42
FCF/Share	1.85	2.98	2.91	3.89	4.17	4.45	4.73	5.48	5.40	6.70

Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.