Q3 2023 Conference Call and Webcast

October 25, 2023

Strategic Update and Outlook:

Driving Better Trading Outcomes for Clients

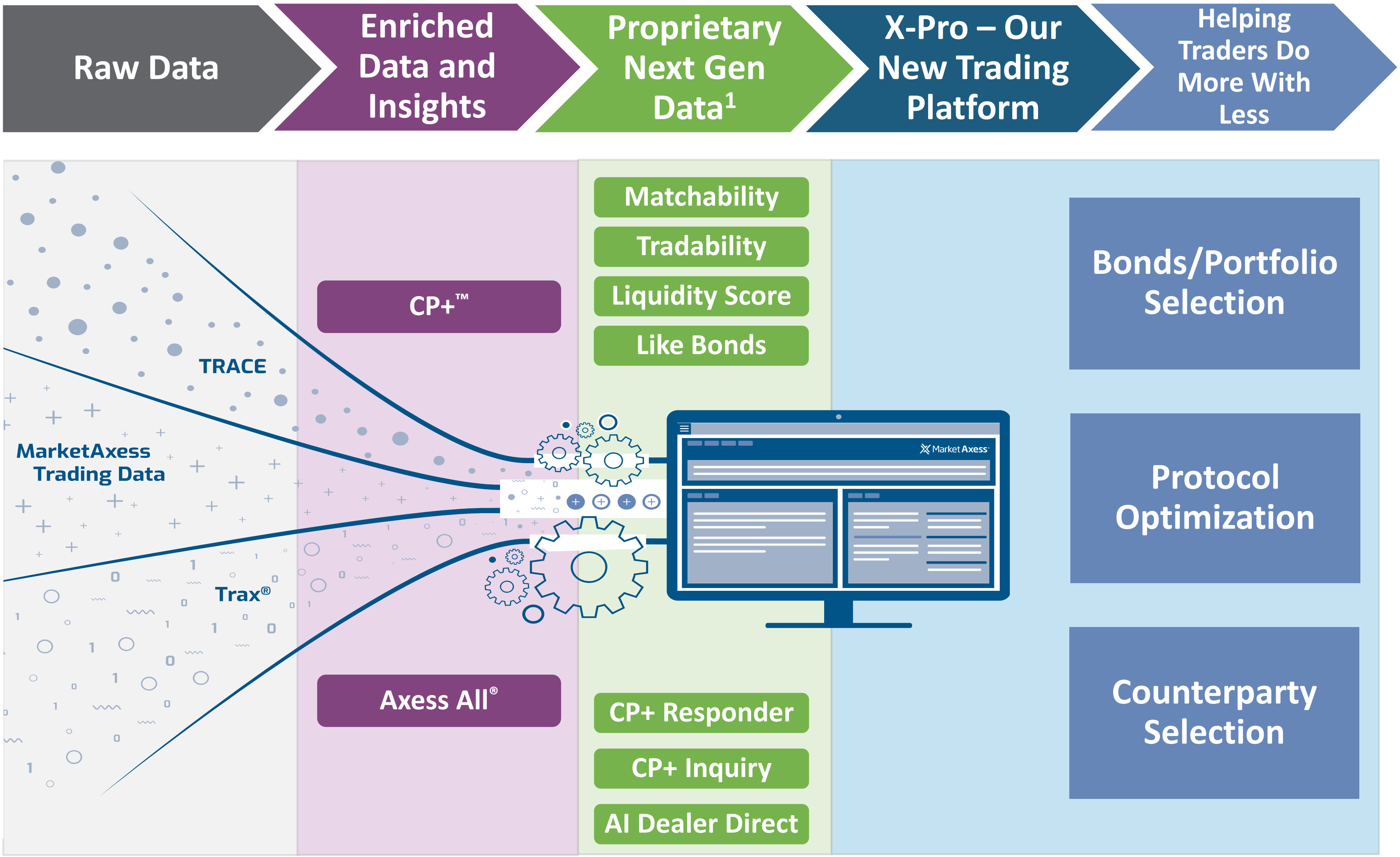
- Chris Concannon, CEO

3Q23 – Enhancing Trading Outcomes For Our Clients[1]

Innovate **Deliver New Data Tools, Trading Protocols, and Products**	**Unique Data Helping Traders Achieve Better Trading Outcomes with Pre-Trade Analytics & Ease of Workflow** • X-Pro enhancing daily trader workflows and increasing efficiency. • Continued strong adoption of CP+™ which is powering our automation tools. **Automation Suite Provides Simplified Workflow Solutions for Trading "Low-Touch" and "No-Touch" Trades.** • Integration of Pragma team with MKTX research to drive development of next gen client algo strategies. • Broader roll-out of Adaptive Auto-X to client base. **New Protocols/Liquidity Are Tailored to Create the Best Trading Outcomes for Clients.** • Enhanced Portfolio Trading functionality on X-Pro. • Open Trading X-Pro integration.
Integrate **Seamlessly Integrating Our Liquidity Pools**	**X-Pro, Unique Proprietary Data, and Automation Suite are Integrating our Trading Protocols** • X-Pro is the "cockpit" for traders that brings together our data and trading protocols. • Traders leverage our data and pre-trade analytics to optimize their portfolios and protocol selection; **35%** of our Portfolio Trades on X-Pro month-to-date in October 2023, up from **18%** in 3Q23. • Adaptive Auto-X provides a suite of sophisticated, AI driven trading algorithms that leverage all our trading protocols. • The integration of services through X-Pro and Adaptive Auto-X allows traders to fully leverage the power of our ecosystem, while operating more efficiently, and achieving better trading outcomes. • Together, X-Pro and Adaptive Auto-X make it easier for investor client traders to take full advantage of Open Trading, especially when acting as liquidity providers.
Execute **How We Executed in 3Q23**	**Continued Expansion of Client Network** • **Record** 2,093 **(+6%)** active client firms; **record** 1,625 **(+8%)** active U.S. credit client firms; **record** 1,056 **(+6%)** international active client firms; **record** 1,151 **(+7%)** active client firms trading three or more products. • **35%** growth in hedge fund and private bank client trading volume, reflecting growth in new client segments. **Strong Geographic and Product Diversification** • **11%** growth in international products (emerging markets & Eurobonds) and **7%** growth in municipal bond ADV. • **Record** data revenue, up **22%**; up **17%** excluding impact of foreign currency fluctuations. **Enhancing the Franchise** • **Closed acquisition of Pragma**, a leading quantitative trading technology provider. • **Launched Open Trading for emerging markets local currency bonds** in Poland, Czech Republic, Hungary and South Africa.

1. All period comparisons are 3Q23 vs. 3Q22 unless otherwise noted.

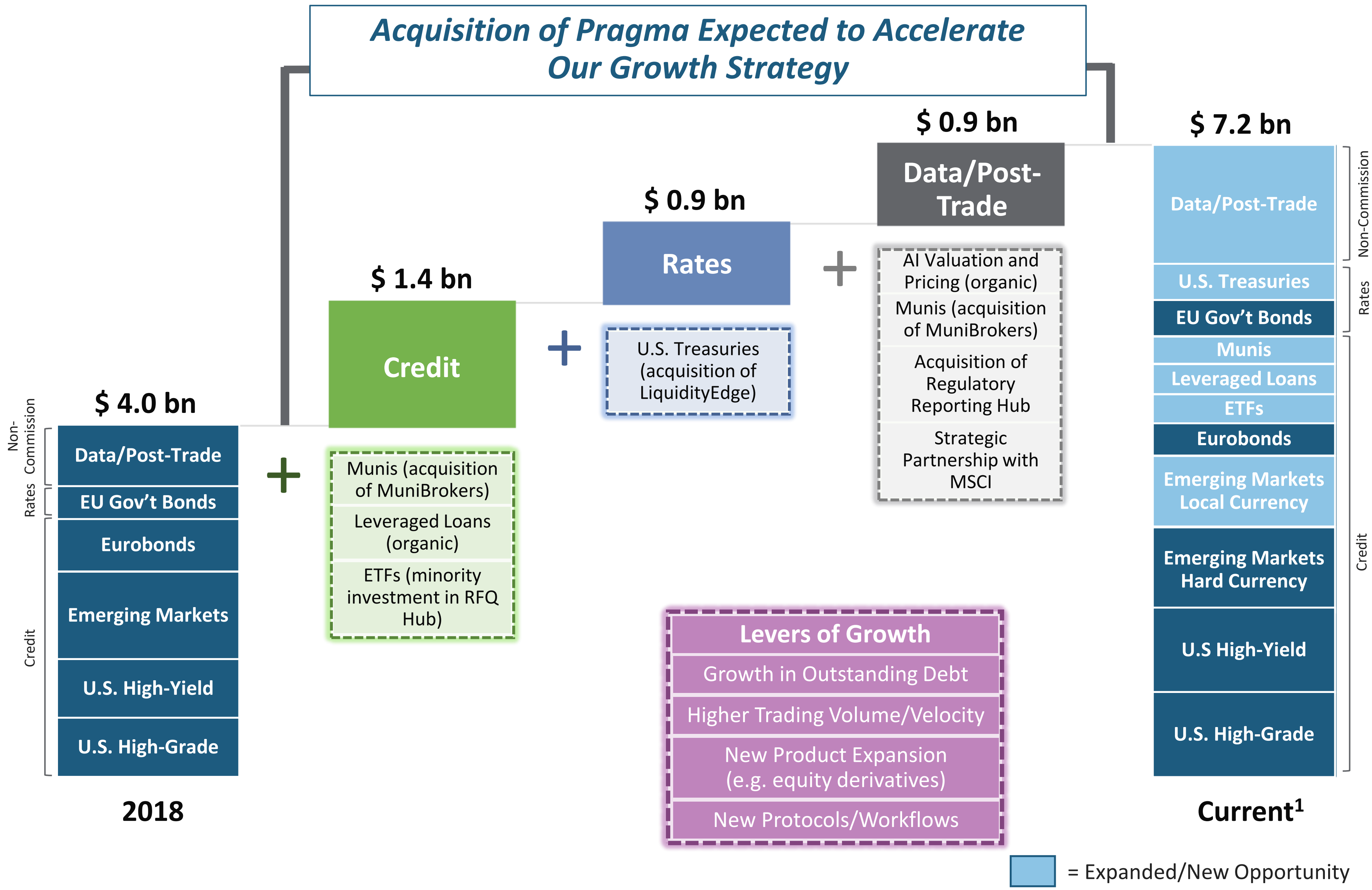
Proprietary Data/AI Powering New Trading Platform



1. Not exhaustive of full capabilties, for illustrative purposes only.

Expanding our Addressable Market from ~$4bn to ~$7bn

(in $ billions)

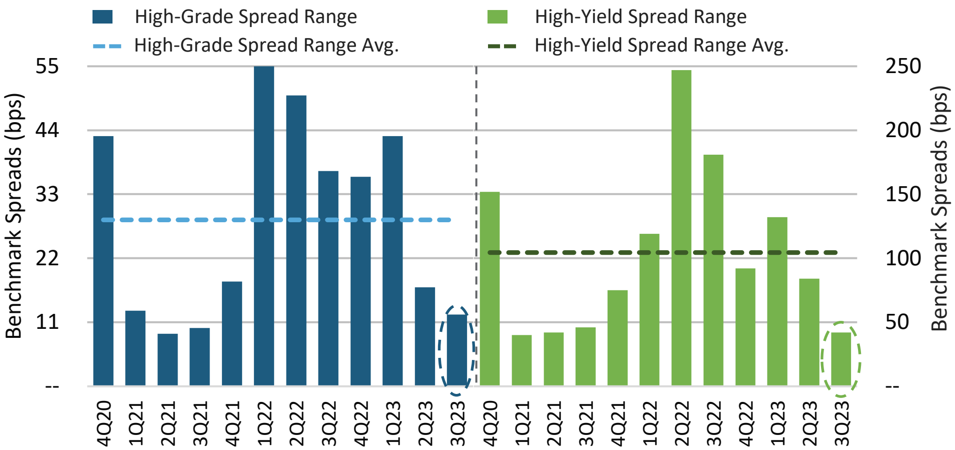


Sources: MarketAxess estimates; TRACE, TRAX, MSRB, SIFMA, LSTA, NYFRB, ISDA, BondConnect, SSGA

1. Estimated revenue opportunity assumes constant fee capture.

Market Conditions & Outlook

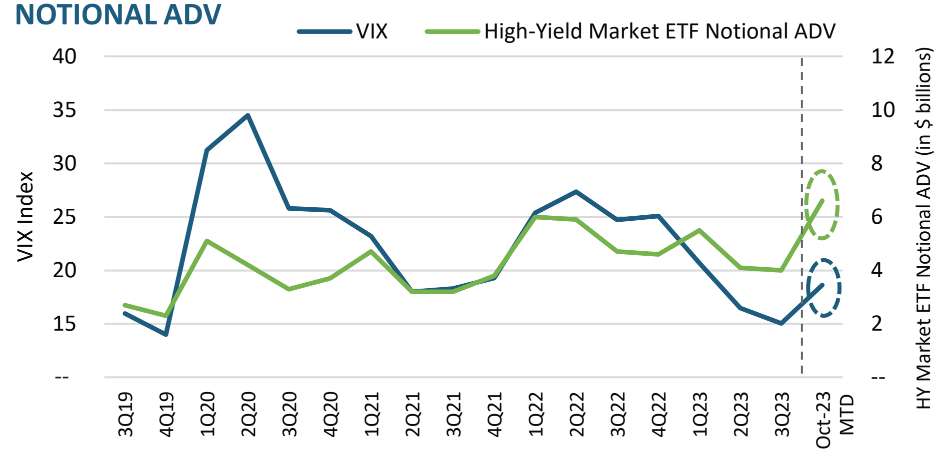
HIGH-GRADE AND HIGH-YIELD SPREAD RANGES



Note: Data based on quarterly ranges.

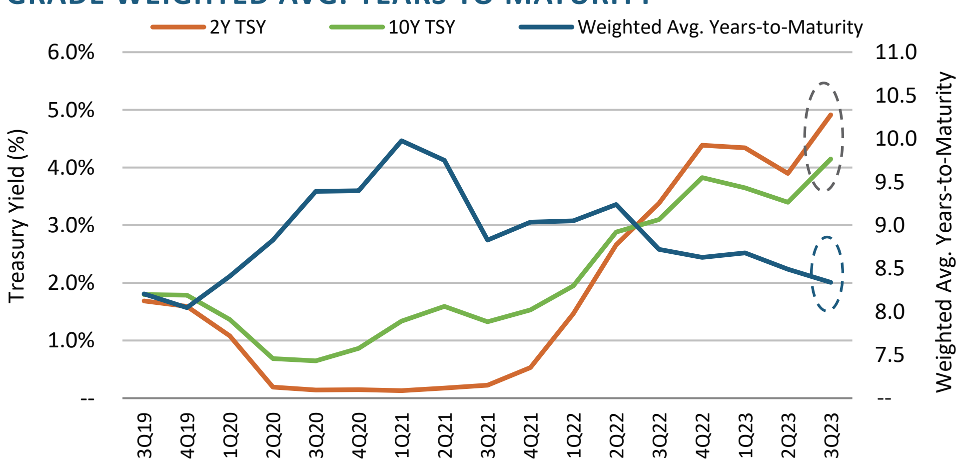
Source: Credit Suisse Global Credit Strategy

VOLATILITY INDEX (VIX) AND HIGH-YIELD MARKET ETF NOTIONAL ADV



Source: FactSet

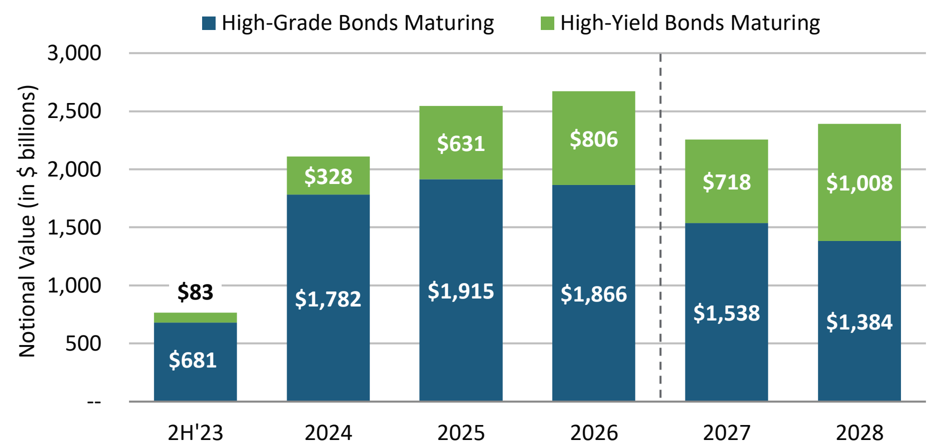
10YR & 2YR TREASURY YIELDS & MKTX U.S HIGH-GRADE WEIGHTED AVG. YEARS TO MATURITY



Note: Data based on quarterly averages.

Source: Federal Reserve

CORPORATE DEBT SET TO MATURE WITHIN NEXT 3 YEARS EXPECTED TO DRIVE INCREASED SECONDARY MARKET TURNOVER



Source: S&P Global

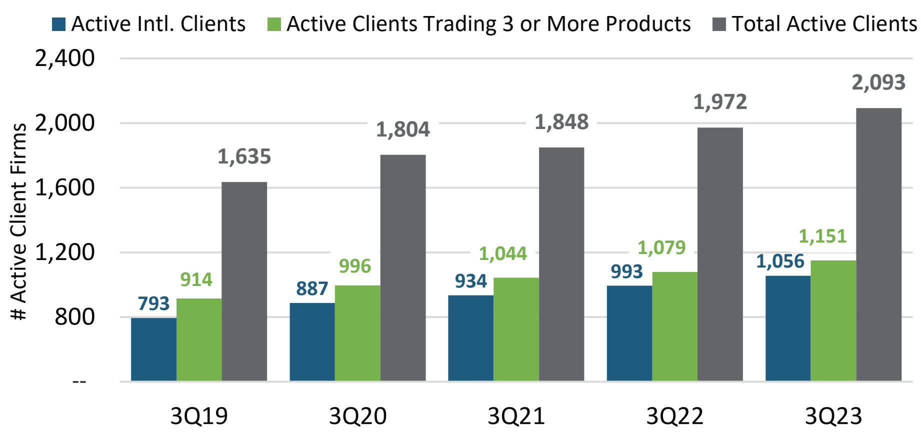
Update on Our Market:

X-Pro, Data & Automation: Key to Driving Higher Levels of Growth

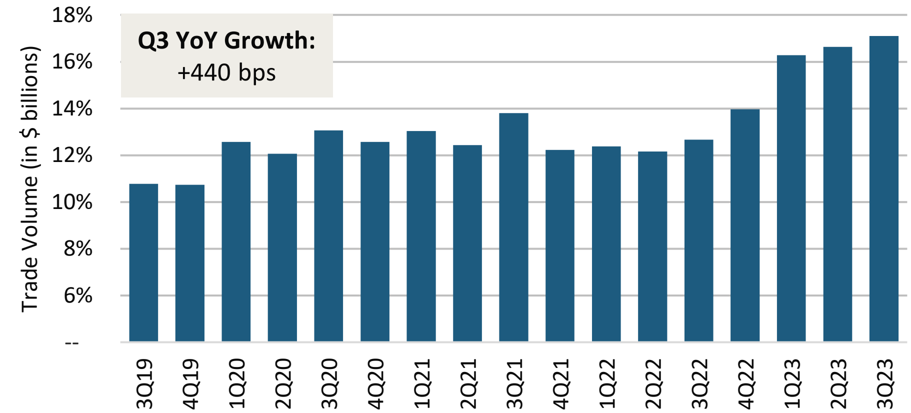
- Rich Schiffman, Global Head of Trading Solutions

Continued Strong Expansion of the Client Network

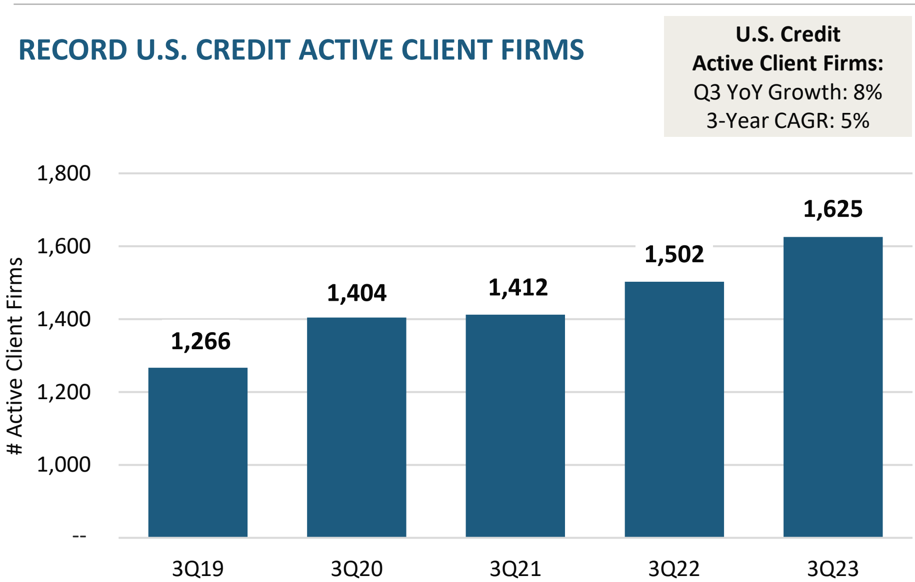
RECORD ACTIVE, INTERNATIONAL AND CLIENT FIRMS TRADING 3 OR MORE PRODUCTS



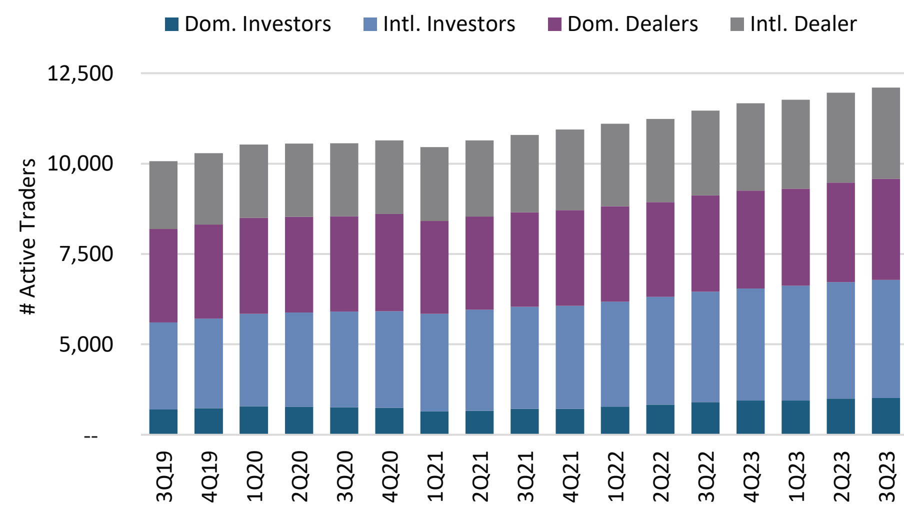
RECORD PERCENT CONTRIBUTION FROM HEDGE FUND AND PRIVATE BANK CLIENTS TO TOTAL CREDIT TRADING VOLUME



RECORD U.S. CREDIT ACTIVE CLIENT FIRMS



RECORD ACTIVE INVESTOR AND RECORD ACTIVE DEALER TRADERS

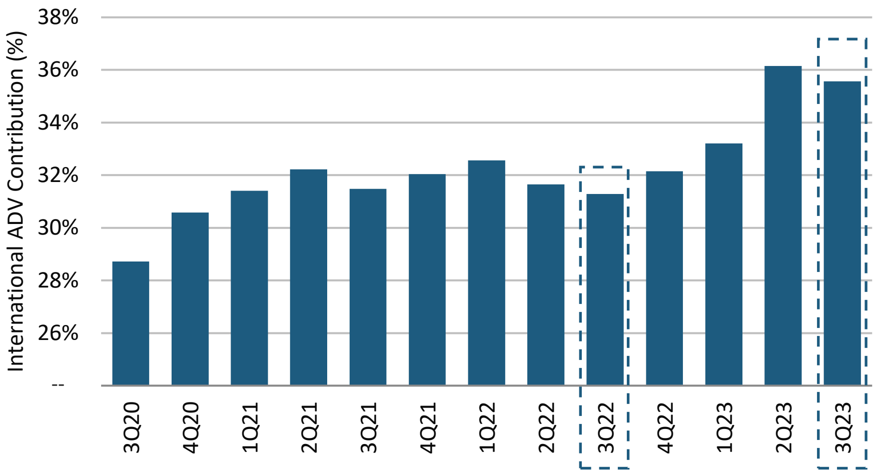


MarketAxess

International Diversification Enhances Our Market

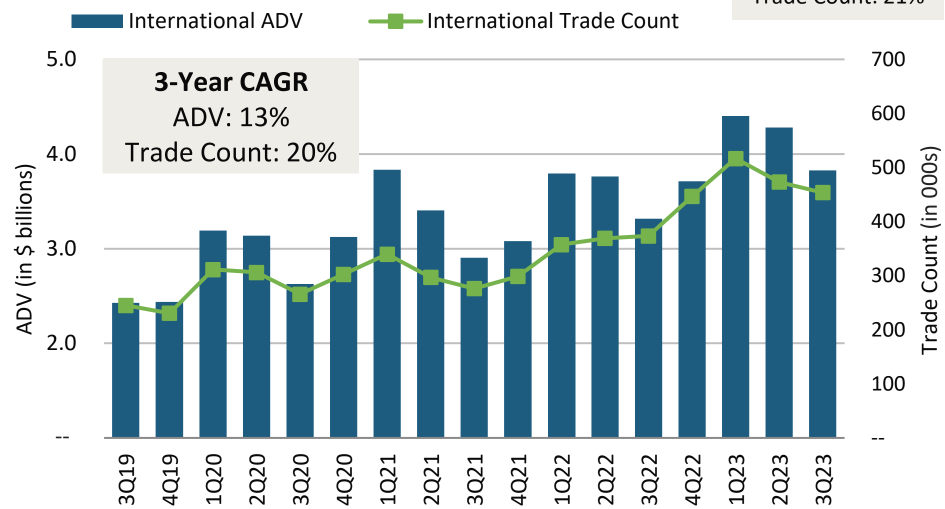
INTERNATIONAL PERCENT CONTRIBUTION TO ADV

Q3 YoY Growth:
+430 bps



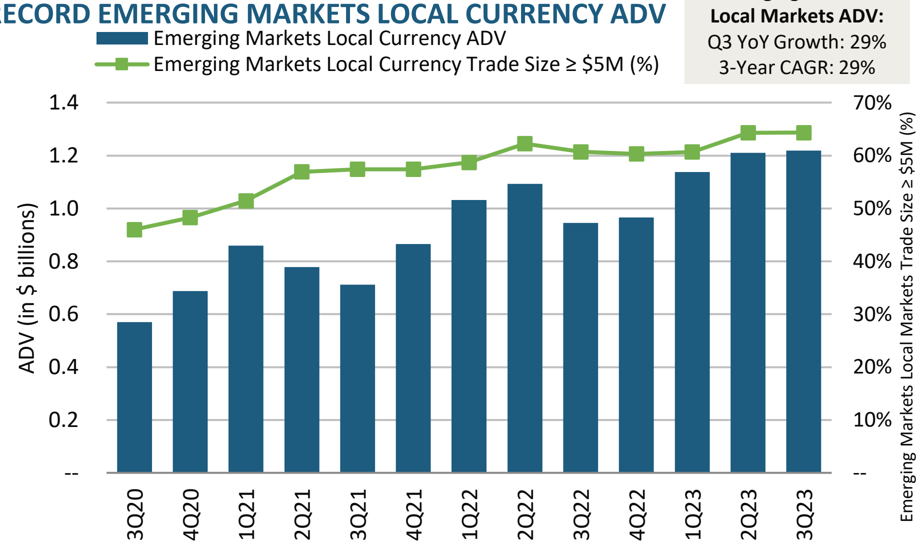
INTERNATIONAL GROWTH IN ADV AND TRADE COUNT

Q3 YoY Growth
ADV: 15%
Trade Count: 21%

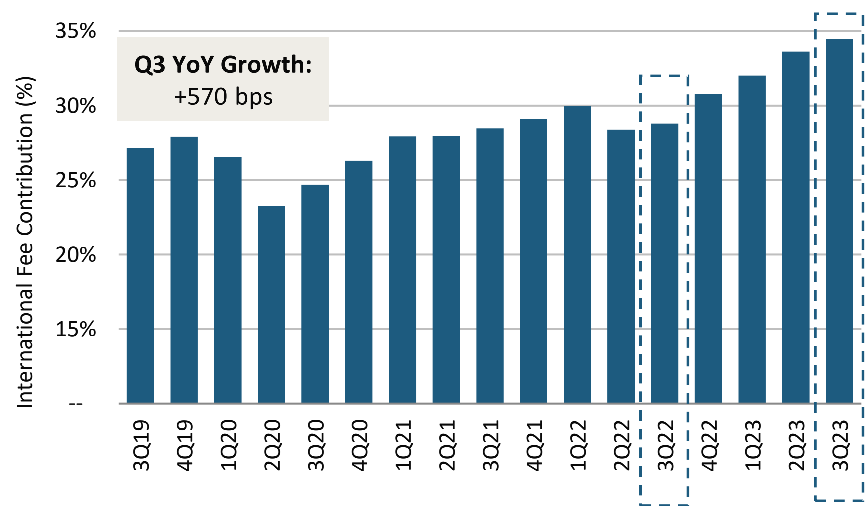


RECORD EMERGING MARKETS LOCAL CURRENCY ADV

Emerging Markets Local Markets ADV:
Q3 YoY Growth: 29%
3-Year CAGR: 29%

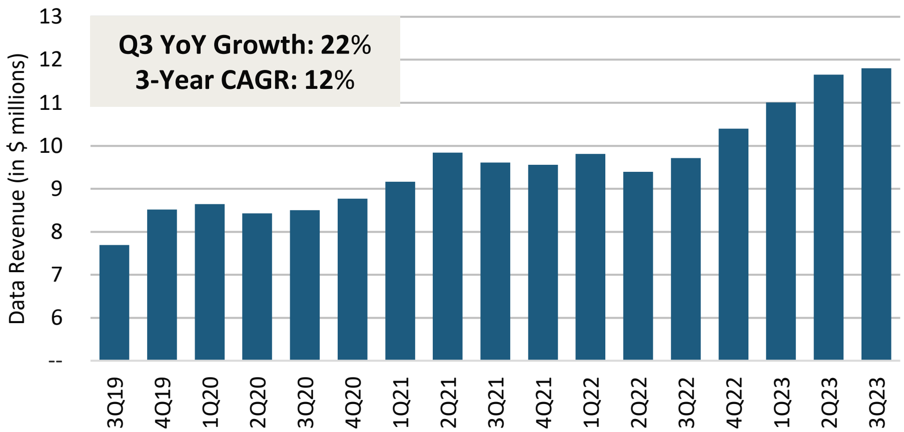


RECORD INTERNATIONAL PERCENT CONTRIBUTION TO TRANSACTION FEES



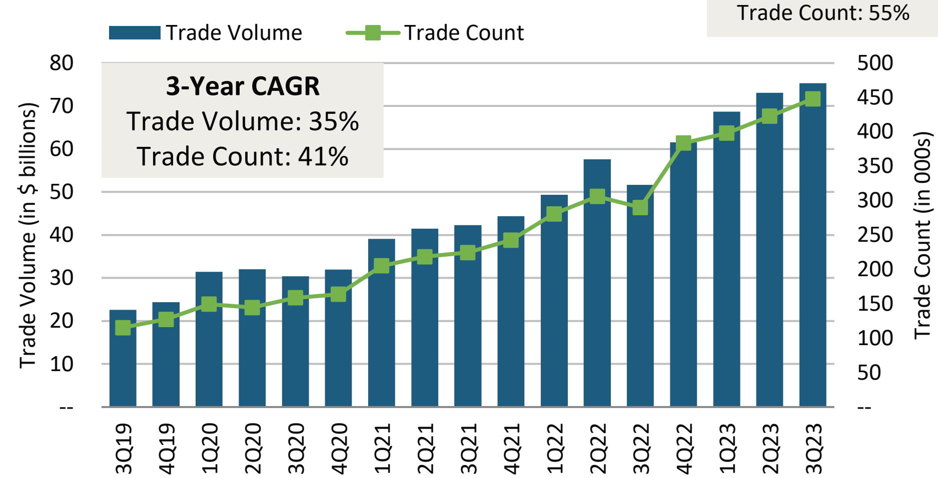
Integrating Our Full Ecosystem Through Automation

RECORD DATA REVENUE DRIVEN BY CP+ ADOPTION

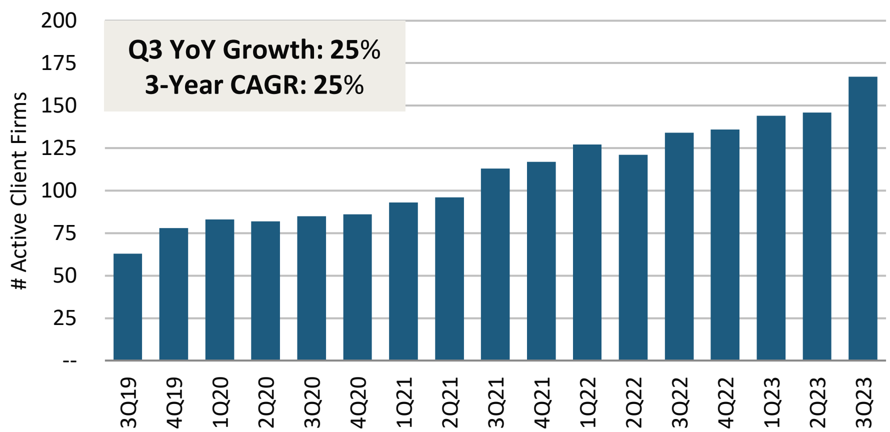


RECORD AUTO-X TRADE VOLUME AND COUNT

Q3 YoY Growth
Trade Volume: 46%
Trade Count: 55%

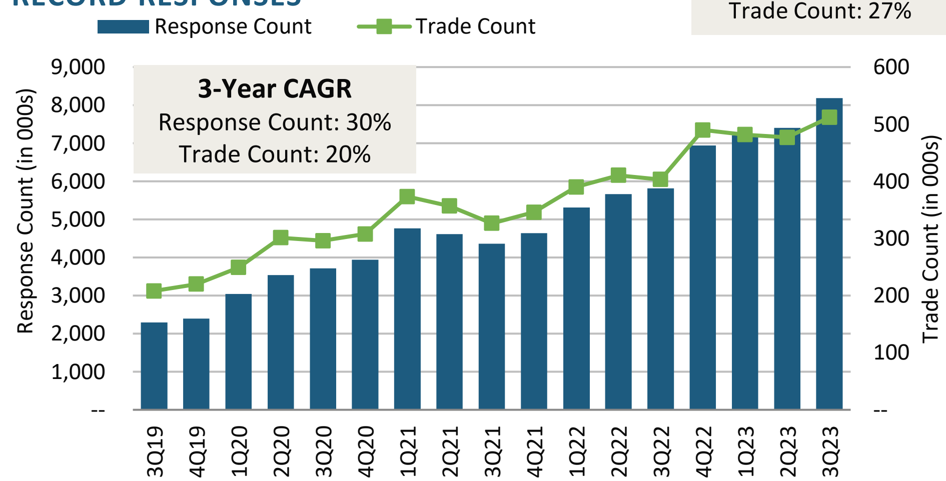


RECORD AUTO-X ACTIVE CLIENT FIRMS



RECORD TOTAL DEALER ALGO TRADES AND RECORD RESPONSES[1]

Q3 YoY Growth
Response Count: 41%
Trade Count: 27%

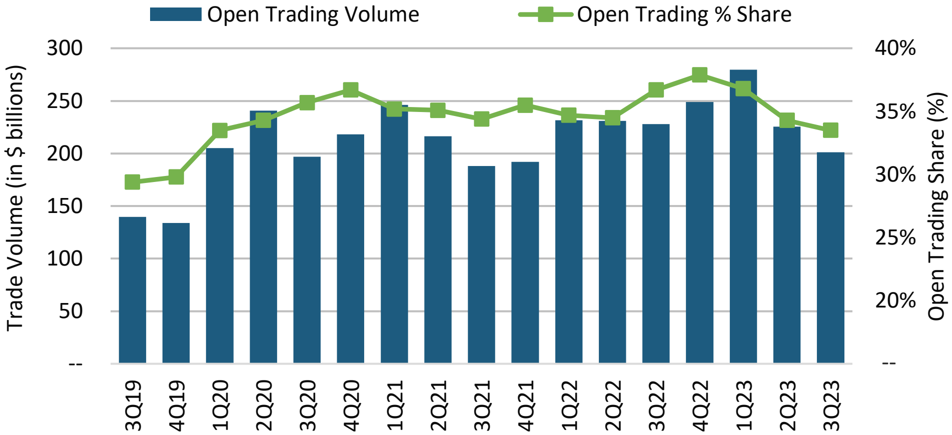


1. Algorithmic responses for U.S. high-grade and U.S. high-yield spread-based trades only.

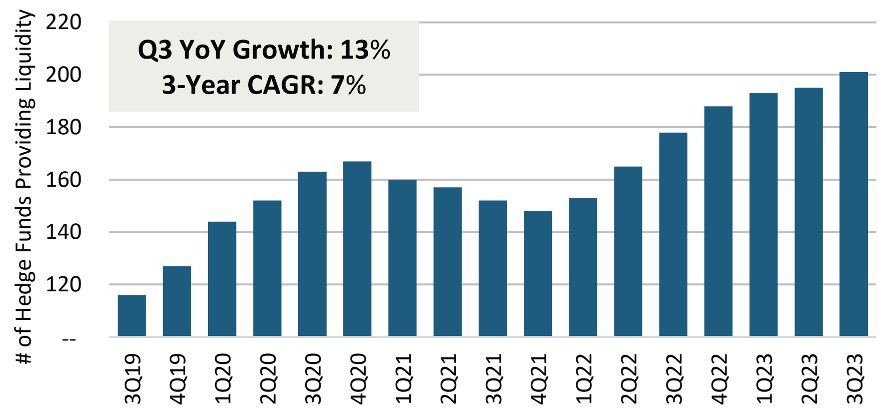
MarketAxess

Leveraging Open Trading as a Liquidity Destination

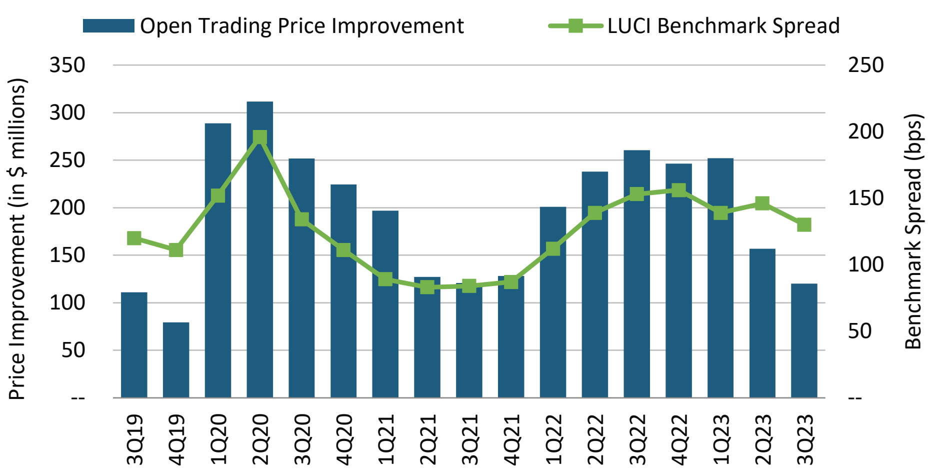
TOTAL CREDIT OPEN TRADING VOLUME AND TOTAL CREDIT OPEN TRADING SHARE[1]



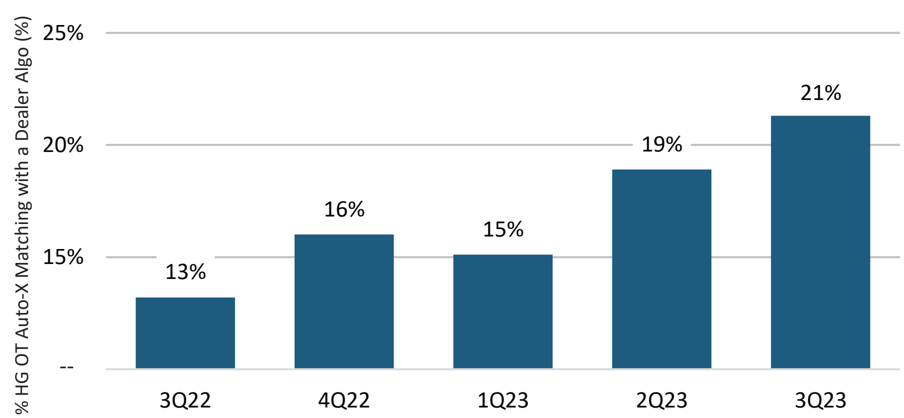
RECORD NUMBER OF HEDGE FUND CLIENTS PROVIDING LIQUIDITY ON OPEN TRADING



OPEN TRADING PRICE IMPROVEMENT[2] STILL DRIVING SIGNIFICANT BENEFIT FOR CLIENTS



"NO-TOUCH" PERCENT OF U.S. HIGH-GRADE OPEN TRADING TRADE COUNT (AUTO-X MATCHING WITH A DEALER ALGO)



Notes:

1. Total credit Open Trading share is derived by taking total Open Trading volume across all credit products where Open Trading is offered and dividing by total credit trading volume across all credit products where Open Trading is offered.
2. Estimated price improvement consists of estimated liquidity taker price improvement (defined as the difference between the winning price and the best disclosed dealer cover price) and estimated liquidity provider price improvement (defined as the difference between the winning price and then current CP+ bid or offer level, offer if the provider is buying, bid if provider is selling) at the time of the inquiry.

Financial Review

- Chris Gerosa, CFO

3Q23 Financial Summary

(in $ thousands, except EPS data)

Financial Results	3Q23	2Q23	3Q22	3Q23 vs. 3Q22
Commissions	$ 150,496	$ 158,586	$ 153,164	(1.7)%
Information Services	11,801	11,655	9,711	21.5 %
Post-trade Services	9,833	9,415	9,000	9.3 %
Other	154	190	237	(35.0)%
Total Revenues	**172,284**	**179,846**	**172,112**	**0.1 %**
Expenses	105,375	104,119	95,801	10.0 %
Operating Income	66,909	75,727	76,311	(12.3)%
Other income (expense)	4,834	3,223	2,552	89.4 %
Income Before Taxes	**71,743**	**78,950**	**78,863**	**(9.0)%**
Provision for Income Taxes	16,802	19,091	19,556	(14.1)%
Net Income	**$ 54,941**	**$ 59,859**	**$ 59,307**	**(7.4)%**
Operating Margin	38.8%	42.1%	44.3%	(5.5) pts
Net Income Margin	31.9%	33.3%	34.5%	(2.6) pts
EBITDA[1]	82,878	90,696	92,870	(10.8)%
EBITDA Margin[1]	48.1%	50.4%	54.0%	(5.9) pts
Effective Tax Rate	23.4%	24.2%	24.8%	(1.4) pts
Diluted EPS	**$ 1.46**	**$ 1.59**	**$ 1.58**	**$ (0.12)**
Diluted Shares	37,574	37,588	37,567	--

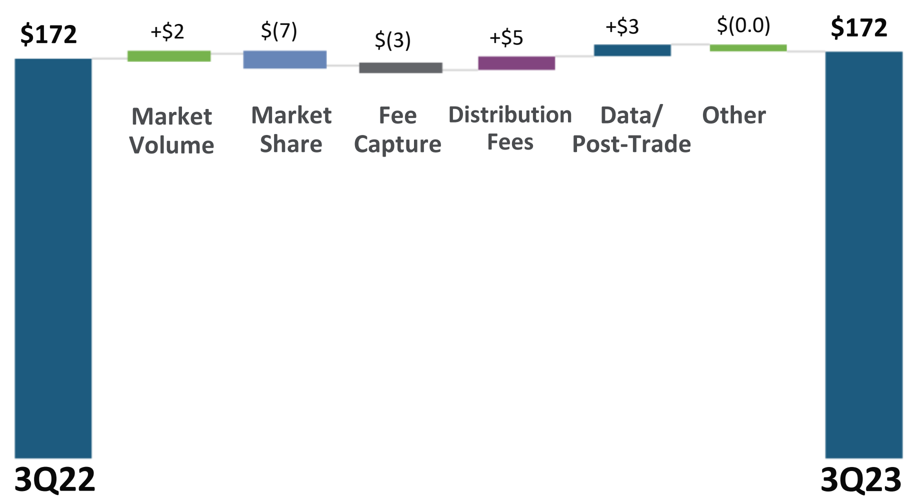
Notes:
1. Net income margin derived by dividing net income by total revenues.
2. See "Disclosures – Non-GAAP Financial Measures and Other Items" for a discussion of changes made to the calculation of EBITDA and EBITDA margin beginning in the first quarter of 2023.
3. All period comparisons are 3Q23 vs. 3Q22 unless otherwise noted.

COMMENTARY[3]

- Commission revenue impacted by lower estimated U.S. credit market share and lower credit fee capture, partially offset by higher fixed distribution fees
- Record information services revenue was mainly driven by new data contracts and the impact of foreign currency fluctuations; 17% increase excluding impact of foreign currency fluctuations.
- Other income net gain of $4.8 million, compared to prior year net gain of $2.6 million
  - The current quarter included interest income of $6.6 million, compared to $1.4 million in the prior year

REVENUE MIX ANALYSIS[2] (3Q22 to 3Q23)

(in $ millions)



3Q23 Commission Revenue Detail

(in $ thousands, except transaction fees per million data)

Commissions	3Q23	2Q23	3Q22	3Q23 vs. 3Q22
Variable Transaction Fees				
Credit	$ 109,065	$ 118,710	$ 116,309	(6.2)%
Rates	5,209	4,547	5,463	(4.6)%
Total Variable Transaction Fees	114,274	123,257	121,772	(6.2)%
Fixed Distribution Fees				
Credit	36,167	35,268	31,328	15.4 %
Rates	55	61	64	(14.1)%
Total Fixed Distribution Fees	36,222	35,329	31,392	15.4 %
Total Commissions	**$ 150,496**	**$ 158,586**	**$ 153,164**	**(1.7)%**
Average Variable Transaction Fees per Million				
Credit	$ 154.85	$ 157.42	$ 165.60	(6.5)%
Rates	$ 4.56	$ 4.70	$ 4.17	9.4 %

COMMENTARY[1]

Credit

- Reduction in credit transaction fees principally due to lower U.S. credit estimated market share and fee capture, partially offset by stronger trading volumes in Eurobonds and market share gains in emerging markets and munis
- Increase in distribution fees principally due to new dealers on fixed fee plans and upgrades in existing fixed fee plans

Rates

- Decrease in transaction fees due to lower trading volumes, partially offset by higher average fees per million

1. All period comparisons are 3Q23 vs. 3Q22 unless otherwise noted.

3Q23 Expense Detail

(in $ thousands)

Expense Summary	3Q23	2Q23	3Q22	3Q23 vs. 3Q22
Employee Compensation and Benefits	$ 48,872	$ 48,383	$ 44,805	9.1%
Depreciation and Amortization	17,561	17,005	15,302	14.8%
Technology and Communications	15,339	15,235	14,169	8.3%
Professional and Consulting	9,181	8,023	7,560	21.4%
Occupancy	3,503	3,199	3,381	3.6%
Marketing and Advertising	2,100	3,308	1,797	16.9%
Clearing Costs	3,665	4,182	4,211	(13.0%)
General and Administrative	5,154	4,784	4,576	12.6%
Total Expenses	**$ 105,375**	**$ 104,119**	**$ 95,801**	**10.0%**

COMMENTARY[1]

- Total expenses of $105.4 million, up 10%; up 8% excluding the impact of foreign currency fluctuations
- Year-over-year increase in operating expenses due to continued investments to drive revenue diversification through trading system enhancements, product and protocol expansion
- Increase of $4.1 million in employee compensation and benefits driven by 17% increase in headcount
- Depreciation and amortization expense increased $2.3 million mainly due to increases in software development expense
- Increase of $1.6 million in professional and consulting expenses mainly due to M&A costs
- Technology and communications expenses increased $1.2 million due to higher SAAS, cloud hosting, and data center hosting expenses

1. All period comparisons are 3Q23 vs. 3Q22 unless otherwise noted.

FY 2023 Expense Guidance

- The Company is refining its previously stated full-year 2023 expense guidance range of $418.0 million to $446.0 million, to a new range of $432.0 million to $438.0 million.
  - The new range includes an estimated $12.5 million of M&A related expenses, including $8.5 million of direct operating expenses related to Pragma and $4.0 million of non-recurring M&A expenses.
- The Company is reconfirming its full-year 2023 capital expenditures guidance range of $52.0 million to $58.0 million.
- The full-year 2023 effective tax rate is now expected to be approximately 23.5%, below the previously stated range of 25.0% to 26.0%.
  - The lower effective tax rate for the year is mainly driven by favorable apportionment in connection with state tax filings and other federal tax filing positions.

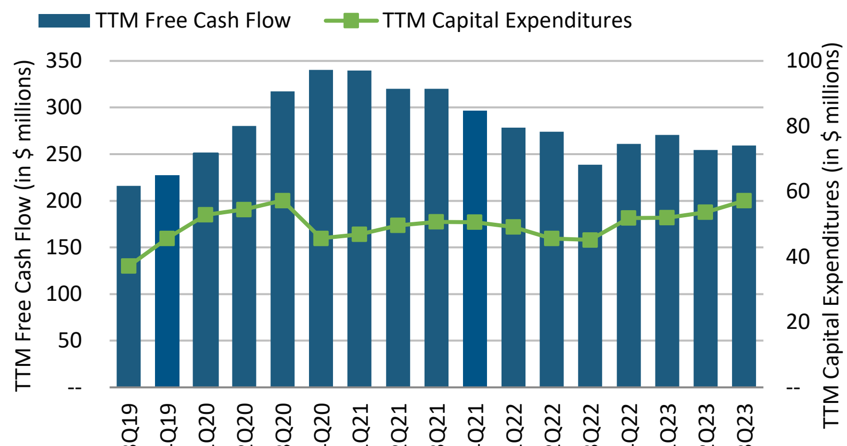
Cash Flow and Capital Management

QUARTERLY OVERVIEW

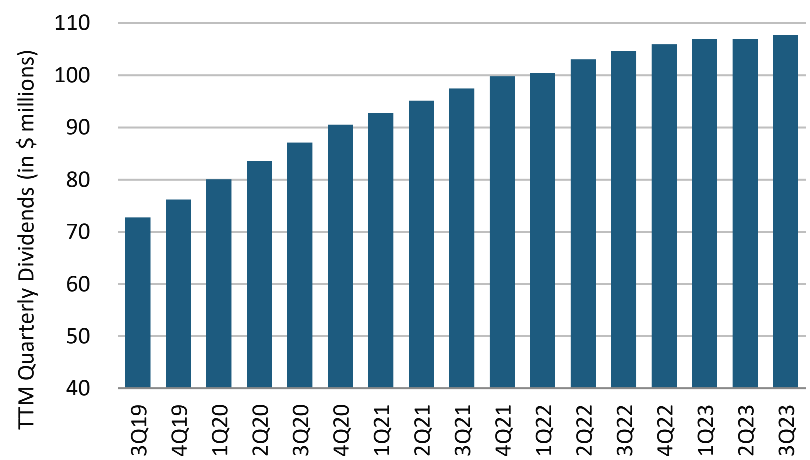
- Total cash and investments of $553 million; closing of Pragma acquisition (Oct. 2, 2023) $81 million in cash and $48 million in stock
- Trailing 12-month capital expenditures of $57 million to support investment in trading system enhancements
- Trailing 12-month free cash flow of $259 million
- $100 million remaining on outstanding repurchase authorization
- $108 million in capital returned to investors through dividends (TTM)
- No outstanding debt on credit facility
- Board of directors declared a regular quarterly cash dividend of $0.72 per share.

TTM FREE CASH FLOW[1] AND CAPITAL EXPENDITURES

Q3 TTM FCF[2]
5-Year CAGR: 8%



TTM QUARTERLY DIVIDENDS



Notes:
1. See third quarter 2023 earnings release and the Investor Relations section of the Company's website for a reconciliation of net cash provided by operating activities to free cash flow.
2. 5-year compound annual growth rate "CAGR" calculated on a trailing twelve months basis.

Key Takeaways

- We continue to make strong progress in executing our growth strategy.
- Volatility increased at the end of September 2023 and has continued driving higher levels of ETF market maker activity in U.S. high-yield in October.
- Our client network has never been stronger, with continued diversification across client segments, regions and products.
- We are making excellent progress with the roll-out of X-Pro, powered by our unique proprietary data; strong increase in Portfolio Trading on X-Pro.
- Our unique data and automation are driving increased trader efficiency and better trading outcomes.
- We believe we are well positioned to deliver stronger levels of growth in the quarters ahead.

Appendix

Reconciliation of Net Income to EBITDA and Net Income Margin to EBITDA Margin

Reconciliation of Net Income to EBITDA and Net Income Margin to EBITDA Margin	3Q23	3Q22	YTD 2023	YTD 2022
Net income	**$ 54,941**	**$ 59,307**	**$ 188,428**	**$ 190,998**
Add back:				
Interest income	(6,590)	(1,433)	(16,151)	(1,746)
Interest expense	164	138	347	648
Provision for income taxes	16,802	19,556	60,460	67,862
Depreciation and amortization	17,561	15,302	51,027	45,716
EBITDA	**$ 82,878**	**$ 92,870**	**$ 284,111**	**$ 303,478**
Net income margin[1]	**31.9%**	**34.5%**	**33.9%**	**35.3%**
Add back:				
Interest income	(3.8)	(0.8)	(2.9)	(0.3)
Interest expense	0.1	0.1	0.1	0.1
Provision for income taxes	9.7	11.3	10.9	12.6
Depreciation and amortization	10.2	8.9	9.2	8.5
EBITDA margin[2]	**48.1%**	**54.0%**	**51.2%**	**56.2%**

Notes:
1. Net income margin is derived by dividing net income by total revenues for the applicable period.
2. EBITDA margin is derived by dividing EBITDA by total revenues for the applicable period.

Reconciliation of Net Cash Provided by Operating Activities to Free Cash Flow

Reconciliation of Net Cash Provided by Operating Activities to Free Cash Flow	3Q23	3Q22	YTD 2023	YTD 2022
Net cash provided by operating activities	**$ 79,161**	**$ 85,098**	**$ 192,082**	**$ 155,005**
Exclude: Net change in trading investments	24,771	(445)	24,300	(445)
Exclude: Net change in fail-to-deliver/receive from broker-dealers, clearing organizations and customers	(13,099)	(2,227)	(12,342)	45,939
Less: Purchases of furniture, equipment and leasehold improvements	(5,983)	(3,961)	(7,255)	(6,642)
Less: Capitalization of software development costs	(10,087)	(8,548)	(31,802)	(27,109)
Free cash flow	**$ 74,763**	**$ 69,917**	**$ 164,983**	**$ 166,748**

Disclosures

To the fullest extent permitted by applicable law, all warranties and representations are disclaimed. All information presented herein is considered to be accurate at the time of writing, provided "as is" with no express or implied representations or warranties—including without limitation in relation to fitness for purpose, accuracy, or completeness of contents—and is only intended to provide an overview of the subject matter and not an exhaustive treatment thereof. While sources of information are believed to be reliable, MarketAxess does not independently verify information obtained from third party sources Any information presented is not intended to represent an offer or solicitation of any financial instrument.

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Cautionary Note Regarding Forward-Looking Statements

This presentation may contain forward-looking statements, including statements about the outlook and prospects for Company and industry growth, as well as statements about the Company’s future financial and operating performance. These and other statements that relate to future results and events are based on MarketAxess’ current expectations. The Company’s actual results in future periods may differ materially from those currently expected or desired because of a number of risks and uncertainties, including: global economic, political and market factors; risks relating to the COVID-19 pandemic, including the possible effects of the economic conditions worldwide resulting from the COVID-19 pandemic; adverse effects as a result of climate change or other ESG risks that could affect our reputation; the level of trading volume transacted on the MarketAxess platform; the rapidly evolving nature of the electronic financial services industry; the level and intensity of competition in the fixed-income electronic trading industry and the pricing pressures that may result; reputational or credibility risks related to our data products and index business; the variability of our growth rate; our ability to introduce new fee plans and our clients’ response; our ability to attract clients or adapt our technology and marketing strategy to new markets; risks related to our growing international operations; our dependence on our broker-dealer clients; the loss of any of our significant institutional investor clients; our exposure to risks resulting from non-performance by counterparties to transactions executed between our clients in which we act as an intermediary in matched principal trades; risks related to self-clearing; risks related to sanctions levied against states or individuals that could expose us to operational or regulatory risks; the effect of rapid market or technological changes on us and the users of our technology; our dependence on third-party suppliers for key products and services; our ability to successfully maintain the integrity of our trading platform and our response to system failures, capacity constraints and business interruptions; the occurrence of design defects, errors, failures or delays with our platforms; our vulnerability to malicious cyber-attacks and attempted data security breaches; our actual or perceived failure to comply with privacy and data protection laws; our ability to protect our intellectual property rights or technology and defend against intellectual property infringement or other claims; our ability to enter into strategic alliances and to acquire other businesses and successfully integrate them with our business; our dependence on our management team and our ability to attract and retain talent; limitations on our flexibility because we operate in a highly regulated industry; the increasing government regulation of us and our clients; risks related to the divergence of U.K. and European Union legal and regulatory requirements following the U.K.’s exit from the European Union; our exposure to costs and penalties related to our extensive regulation; our risks of litigation and securities laws liability; our future capital needs and our ability to obtain capital when needed; limitations on our operating flexibility contained in our credit agreement; and other factors. The Company undertakes no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise. More information about these and other factors affecting MarketAxess’ business and prospects is contained in MarketAxess’ periodic filings with the Securities and Exchange Commission and can be accessed at www.marketaxess.com.

Non-GAAP Financial Measures and Other Items

To supplement the Company’s unaudited financial statements presented in accordance with generally accepted accounting principles (“GAAP”), the Company uses certain non-GAAP measures of financial performance, including earnings before interest, taxes, depreciation and amortization (“EBITDA”), EBITDA margin and free cash flow. Starting with the first quarter of 2023, our calculation of EBITDA has been revised to adjust for interest income in addition to interest expense. In prior periods, we only adjusted for interest expense because interest income amounts were insignificant. Prior comparable periods have now been recast to conform to the current presentation. Likewise, starting with the first quarter of 2023, EBITDA margin is calculated by adjusting for interest income in addition to interest expense and prior comparable periods have been recast to conform to the current presentation. We define EBITDA margin as EBITDA divided by revenues. We define free cash flow as cash flow from operating activities excluding the net change in trading investments and net change in securities failed-to-deliver and securities failed-to-receive from broker-dealers, clearing organizations and customers, less expenditures for furniture, equipment and leasehold improvements and capitalized software development costs. The Company believes that these non-GAAP financial measures, when taken into consideration with the corresponding GAAP financial measures, provide additional information regarding the Company’s operating results because they assist both investors and management in analyzing and evaluating the performance of our business. See the “Appendix” for a reconciliation of GAAP net income to EBITDA and GAAP net income margin to EBITDA margin and GAAP cash flow from operating activities to free cash flow. The Company also presents revenue and expense growth rates excluding the impact of foreign currency fluctuations. The Company believes that it is useful to provide investors with this framework that is also used by management to assess how our business performed excluding the effect of foreign currency fluctuations. To present this information, current and comparative prior period results for product areas reporting in currencies other than U.S. dollars are converted into U.S. dollars using the average exchange rates from the comparative period rather than the actual exchange rates in effect during the current period.

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