This transcript should be read in conjunction with the related earnings presentation, which includes important additional detail, and is provided for the convenience of investors and analysts only. For a full recording of this earnings conference call please see the 4Q22 Earnings Call webcast.

OPERATOR

Good morning and welcome to Tradeweb's fourth quarter 2022 earnings conference call. As a reminder, today's call is being recorded and will be available for playback.

To begin, I'll turn the call over to Director of Investor Relations, Sameer Murukutla. Please go ahead.

PART I: INTRODUCTION AND DISCLAIMER

SAMEER MURUKUTLA (Slide 2-3)

Thank you and good morning.

Joining me today for the call are our CEO Billy Hult, who will review the highlights for the quarter and provide a brief business update, our President Tom Pluta, who will dive a little deeper into some growth initiatives and our CFO Sara Furber, who will review our financial results. We intend to use the website as a means of disclosing material, non-public information and complying with disclosure obligations under SEC regulation FD.

I'd like to remind you that certain statements in this presentation and during the Q&A may relate to future events and expectations, and as such, constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Statements related to, among other things, our guidance are forward-looking statements. Actual results may differ materially from these forward-looking statements. Information concerning factors that could cause actual results to differ from forward-looking statements is contained in our earnings release and presentation and periodic reports filed with the SEC.

In addition, on today's call we will reference certain non-GAAP measures. Information regarding these non-GAAP measures, including reconciliations to GAAP measures, are in our posted earnings release and presentation.

To recap, this morning we reported GAAP earnings per diluted share of $0.42. Excluding certain non-cash stock-based compensation expense, acquisition-related transaction costs, acquisition- and Refinitiv-related D&A and certain FX items, and assuming an effective tax rate of 22%, we reported Adjusted Net Income per diluted share of $0.49. Please see the earnings release and the Form 10-K to be filed with the SEC for additional information regarding the presentation of our historical results.

Now, let me turn the call over to Billy.

PART II: OVERVIEW & FINANCIAL RESULTS

BILLY HULT (Slide 4-8)

Thanks, Sameer. Good morning everyone, and thank you for joining our fourth quarter 2022 earnings call. Before I start, I'd like to congratulate our colleague, Ashley Serrao, on the birth of his daughter, and we're excited for his return post his paternity leave.

As I kick off my inaugural earnings call as CEO, I want to celebrate the past and the amazing journey that the team has taken to get where we are now. Since joining the firm almost 23 years ago, I've had an exciting front row seat to helping the team grow an innovative startup into a global business that generated nearly $1.2 billion in revenues in 2022, marking our 23rd straight year of record revenues. Brainstorming challenges and pushing the envelope on the next innovation has been truly rewarding. Our success has been a function of hard work, some luck along the way, and an unwavering core approach—creating great feedback loops by listening to our clients and then collaborating with them to make their lives easier across market environments.

Despite all the success we've had to date, I believe the best is yet to come. Our competitive advantage combines our people who are the heartbeat of our success, our expanding network, and pioneering technology—we believe these three elements will continue to propel our business to new heights in coming years. We believe our multi-asset, multi-protocol, multi-sector and global business really differentiates us from our electronic peers and positions us well to capitalize on the secular shift of phone and chat-based execution to electronic mediums.

As I highlighted last quarter, the entire organization recently galvanized around crafting our three-year plan and the excitement from the teams across products and geographies was undeniable. From product to sales, finance to technology, the singular focus remains providing all our clients with an increasingly better user experience across the trade lifecycle. Serial innovation will continue to be our North Star. We are also excited by the current state of the fixed income markets—the attractive yield environment is resonating with our retail and institutional clients and bodes wells for actively and passively managed fixed income.

As we look to the future, we are truly excited about the team that we have assembled. We're thrilled to have Tom Pluta, who officially transitioned to his President role at the beginning of the year, and we believe he will be a valuable addition as we look to grow Tradeweb's footprint over the coming years. However, our deep bench of talent goes beyond just Tom and Sara, and I believe our entire executive and operating management teams and rising stars are primed to drive our future growth.

Turning to slide 4, 4th quarter revenues of $293 million were up 5.8% yr/yr on a reported basis. Stripping out the 350 bps of FX headwinds that continued to be severe, we generated revenue growth of 9.3% on a constant currency basis. The revenue growth and the resulting scale translated into 17% adjusted EPS growth and improved profitability relative to full year 2021 as our Adjusted EBITDA margin increased by approximately 200 basis points to 52.8%.

Turning to slide 5, the diversity of our growth was on display once again this quarter. While rates faced a more challenging growth environment, credit and equities led the way, accounting for 61% and 29% of our 4th quarter revenue growth. Specifically, rates revenues were down 1% as growth across global government bonds was offset by a more risk-off swaps and sluggish mortgage environment. Credit posted another strong quarter, driven by strong Munis and U.S. corporate credit trading. Equities posted its highest 4th quarter revenues ever driven by institutional ETFs and our efforts to diversify and grow our other equity products. Money markets set a new record fueled by growth in our retail CD franchise and continued organic growth in institutional repos. Finally, market data revenue growth was equally split across our Refinitiv contract and our proprietary data products, which continue to enjoy robust growth.

Turning to slide 6, our 4th quarter capped off a record year in 2022. Record volumes across all asset classes translated into 10.4% and 14.0% revenue growth on a reported and constant currency basis, respectively. The scale generated by our strong top-line results drove approximately 111 basis points of adjusted EBITDA margin expansion, and 16% adjusted earnings growth. And as our growth initiatives continued to scale, we maintained our tradition of consistent and focused organic investment.

2022 was a very busy year with many accomplishments to highlight. Broadly, they can be summed up as enhancing our existing capabilities, adding new clients, and forging new partnerships. On the capability front, we made significant headway in integrating our Nasdaq Fixed Income acquisition, bolstering our EM offering in rates and credit with new currencies and adding new collateral types in repo. On the client side, specific highlights include the scaling of our credit platform to record levels as clients continue to embrace our RFQ, portfolio trading and AllTrade protocols. A similar story unfolded in equities and US Treasury streaming, as an expanding client base made 2022 another record year. Finally, we collaborated with S&P Global across European Credit to integrate with their digital primary markets platform. Perhaps most importantly, in December, we announced our credit partnership with Blackrock's Aladdin. This collaboration is a testament to the progress we have made in credit and should help our global credit business.

We believe our investments have not only positioned us well for the future, but also helped make 2022 another banner year for Tradeweb. Moving to slide 7, 2022 continued the streak of robust revenue growth that we have worked hard to deliver for multiple years now.

Specifically, 2022 showcased our portfolio of asset classes and regions that allowed us to consistently help our clients navigate a variety of macro environments and drive growth. Today while the majority of our revenues still come from rates, most of our growth actually came from our other businesses. Credit and Equities were highlights, accounting for 35% and 20% of our revenue growth in 2022. Regionally, we continue to see strong growth in our international business, which has grown revenues at an average of 19% since 2016 with 2022 growth of 15% on a constant currency basis.

Our international revenues are currently anchored by our European business. Looking ahead, we believe Asia Pacific, and more broadly emerging markets, will continue to become a larger component of our international growth story over the next few years. We believe we have room to grow our network as we expand our client footprint across domestic markets, expand our protocol offering, and cross-sell our leading products into fast growing domestic markets.

Relentless innovation has been critical to our success. Throughout our history we have prioritized being first to market, which requires constant investment. In the last 7 years, we have invested over $500 million in technology to help shape the future of electronic markets, growing those investments at an average of 14% since 2016. And as our investments bear fruit, adjusted EBITDA margins have expanded nicely.

Looking ahead, we expect 2023 to be another investment year. While our investments remain heavily concentrated in rates and credit, we are optimistic about the long-term durability of our growth across the business, given our market share gains and pipeline of innovations.

Moving on to slide 8—I will provide a brief update on two of our main focus areas — U.S. Treasuries and ETFs and turn it over to Tom to dig deeper into U.S. credit and global interest rate swaps.

Starting with U.S. Treasuries—record market share of 20% drove a 10% yr/yr increase in our revenues. The underlying dynamics were mixed—the higher interest rates fueled acceleration of our retail business was accompanied by a challenging environment across our institutional and wholesale client channels. Institutional clients trimmed risk and traded in smaller trade lots given the heightened volatility. Despite this challenging backdrop, institutional activity on the platform remained healthy with 4th quarter institutional average daily trades rising to record highs, up 60% yr/yr. Other important leading indicators of the institutional business remains strong—we maintained share versus Bloomberg and client engagement continues to grow as the number of users trading in the 4th quarter increased by 6% yr/yr.

Moving onto the wholesale channel, overall industry volumes were down 9% yr/yr. Our legacy streaming offering outperformed with volumes on par with the 4Q21 while our CLOB underperformed as elevated volatility benefited the incumbent. As I highlighted earlier, we completed the clearing migration and the broker dealer consolidation in 2022, and we look forward to the migration of the data centers in the first half of 2023. After we migrate the data centers, we believe that this will be a catalyst for revenue growth as we rebuild the liquidity pool and enhance our protocol offering based on client needs. Stepping back, we believe our unique position in the market where we cater to all client channels, offer a full suite of protocols, and a dynamic technology stack, puts us in a leadership position to respond to and drive healthy market structure change.

Finally, within equities, clients continue to recognize the utility of ETFs as an easily tradable tool to obtain exposure to a broad range of asset classes and benchmark indices. In many cases, the ETFs can be more liquid than the underlying securities they hold. The reduction of manual touch points and automation of ETF trading continues to enable our clients to be more-efficient and nimble. The liquidity in ETFs, combined with client specific customized solutions, have made it possible to transfer large amounts of risk with reduced manual intervention. Our efforts to lead with innovation resulted in another quarter of strong institutional revenue growth with ADV up 31% yr/yr driven by new client wins and strong industry volumes. Our other initiatives to expand beyond our flagship ETF franchise are also bearing fruit with momentum continuing in equity options, convertibles, and ADRs. Institutional equity derivative revenues were up over 10% yr/yr in the 4th quarter. Looking ahead, the client pipeline remains strong as the benefits of our electronic solutions continue to resonate. We're excited about the potential for the business after this record year, and we believe we remain well-positioned to benefit from the secular growth in ETFs and our other growth initiatives scaling.

With that I will turn it over to Tom.

TOM PLUTA (Slide 9-10)

Thanks Billy. I am excited to be participating in my first Tradeweb earnings call.

Despite my long history with Tradeweb, these first 4 months have been eye-opening as I deep-dive into the business with our teams. As Billy highlighted in his opening, the singular focus has been and always will be continuous improvement of our clients' user experience across the trading lifecycle. We believe that our client-first philosophy was never more important than it was in 2022. From low rates to high rates, low inflation to high inflation, and low volatility to high volatility, our clients have had to deal with an evolving and challenging macro backdrop. We believe we provide that one-stop shop where clients can access over 40 products globally, numerous client channels, a diverse set of protocols, and leading pre-trade and post-trade services, all while getting the benefits of straight through processing. Looking forward, we believe we're primed to continue to grow that connective tissue, not only within our existing products and clients, but also as we expand our geographic, product, and client footprint.

U.S. Credit

Turning to slide 9 for a closer look at Credit.

Our global credit business produced a healthy 4th quarter with all products seeing positive yr/yr revenue growth on a constant currency basis. U.S. Corporate credit continues to face a mixed industry volume backdrop as spreads have stabilized while IG duration improved in December. While high volatility and FX continue to dampen the true growth across U.S. and European Credit, our muni business continues to see strong revenue growth, a product of the higher rates driving our retail channel and continued success in gaining wallet share across the institutional channel. All in, our 4th quarter global credit revenues grew 16% yr/yr on a constant currency basis, the 2nd best quarter in our history.

We believe our U.S. Credit business is here to stay and we continue to drive our differentiated strategy by expanding our client network, growing our A2A volumes, and developing our integrated strategy across client channels. At Tradeweb, we're cognizant of the continued drive for trading speed, transaction cost reduction and a minimized trading footprint. And our strategy is working as the number of clients on our U.S. Credit platform are up 9% yr/yr. We are excited to hit another record across fully electronic IG market share, and we believe further investments in high yield can lead to a similar outcome in the coming quarters and years.

Our institutional volume growth continues to be underpinned by growth in RFQ and portfolio trading. Our 4th quarter RFQ ADV grew 22% yr/yr driven by investment grade. RFQ remains the primary protocol in the U.S. Credit market, and the ability to intelligently determine the optimal RFQ is critical, especially when there is a lack of market liquidity. The best trading technology is meaningless if you can't assess, identify, and capture the liquidity that drives our clients' business. Our clients are increasingly incorporating our AiEX functionality into their RFQ trading, and it's a great example of outcome-focused innovation. In the 4th quarter, over 30% and 20% of our fully electronic institutional IG and HY trades, respectively, utilized our AiEX offering. This was a high-water mark for the year despite the challenging macro backdrop. Expanding our RFQ presence across IG and HY remains our biggest opportunity and we continue to see great success cross-selling the innovations we have brought to the credit market to gain wallet share.

Despite the wider spreads and elevated volatility, we continue to see strong portfolio trading activity on the platform. Portfolio trading was an offering we launched in 2019 and the protocol saw healthy growth in 2020 in an environment of low volatility. Fast forward to 2022, we believe the question of whether portfolio trading can help clients in a higher volatility environment was answered with a resounding yes. At the core of it, the protocol provided clients with greater access to liquidity, minimization of information leakage, and a higher certainty of execution. 4th quarter ADV grew 21% yr/yr and was driven by record quarterly ADV in U.S. portfolio trading with overall portfolio trading hitting a record in November. The underlying trends remain impressive — globally, the number of users are up by 5% while the line items traded were up over 40% yr/yr. The 4th quarter caps off a record 2022 where we executed nearly $370 billion in portfolio trading volumes, with ADV up 22% yr/yr, and up over 150% since 2020.

The strength in RFQ and portfolio trading was matched by the strong growth of our anonymous liquidity solution, AllTrade. This produced a record quarter with over $110 billion in volume — which represented ADV growth of 16% yr/yr. Our all-to-all liquidity volumes saw positive yr/yr growth across IG, but faced tougher client conditions within HY, though ADV rebounded nearly 30% qtr/qtr. While HY volumes were down yr/yr, the number of HY all-to-all responders showed yr/yr growth, giving us confidence that we can continue to deepen our liquidity pool moving forward. We believe our collaboration with Blackrock's Aladdin will help even the playing field in all-to-all. Sessions volumes saw nearly double-digit volume growth led by IG, while HY faced tougher hit rate conditions given more one-way submission flow. Similar to HY all-to-all, our HY sessions ADV improved over 10% qtr/qtr. Finally, we remain laser focused on maximizing the value of session liquidity uploaded on our platform through newer protocols like Rematch, which accesses our all-to-all liquidity. Our Rematch ADV was up over 200% in the 4th quarter.

Turning to the non-US credit business, revenues grew 30% yr/yr and continued to perform well in the current market environment. Our muni business achieved a record quarter with revenues up over 130% yr/yr, led by records across our institutional and retail offering. The strong 4th quarter capped off a record year with 2022 muni revenues growing over 80% yr/yr. We're excited to leverage our leading position in munis to expand our offering into the institutional taxable muni space, which we expect to roll-out in the coming months. On the market data side, client feedback has been very positive on our AiPrice for Munis offering. We continue to make additional enhancements and have expanded the pricing into our retail platform. After a record nine months of trading, a more subdued environment across CDS produced relatively flat yr/yr growth in the 4th quarter, though up nearly 10% on a constant currency basis.

Another area of growth over the coming years is emerging markets. Our focus across emerging markets rates and credit is on innovation, differentiation and cross-product adoption. We continue to develop strong dealer relationships, and leverage our existing buyside client network to grow our emerging markets footprint. We believe our position as a global multi-asset class firm gives us a unique one-stop shop proposition, being able to offer EM products across cash rates and credit, swaps, CDS, and China Bonds to our clients.

In sum, it was another solid quarter and year for global credit, and we continue to see a lot of opportunity as our institutional and wholesale platforms continue to scale and the retail business continues to thrive. Finally, we're excited about our partnership with Blackrock's Aladdin with our mutual interest to further electronify credit trading, streamline workflows, deepen liquidity and provide more choice for our clients. We look forward to sharing more as we make progress on the integration.

Global Swaps

Moving to global swaps on slide 10, despite the relative risk-off environment in the 4th quarter, the multi-year growth story continues as swaps registered another strong year. Our 4th quarter variable swaps revenues fell 5% yr/yr, driven by a 20% reduction in duration, while client engagement levels remained at all-time highs with institutional average daily trades up 39% yr/yr. Market share fell to 14.7%, primarily driven by a reduction in <1-year volumes. However, we achieved the 2nd highest share in our history in December, at 18.2%. Similar to global credit, our global swaps business produced a record 2022 with constant currency revenue growth of 18% yr/yr.

Our momentum in major currencies continues with record annual share in euro, sterling, and EM-denominated swaps. Over 50% of our 2022 volumes came from trades tied to new risk-free rates, up from only 19% in the year ago period. We look forward to assisting our clients as they transition off of dollar LIBOR swaps by June, and then helping our clients as they transition off current Canadian and Mexican benchmarks next year.

Taking a step back, the strength of our global swaps franchise has been our ability to innovate with the goal of providing improved pricing, better liquidity, best execution, and straight through processing for our clients. Successfully collaborating with our clients has helped drive our share across currencies higher over time, and deepen that connective tissue across our swaps business. The number of users trading in the 4th quarter increased by 30% yr/yr, and 29% for 2022. The strong annual growth was led by strong double-digit growth across euro, sterling, dollar, and yen swaps.

We believe we can further deepen our connectivity with clients. We are leveraging that expertise across developed markets swaps and our RFQ protocol to further our penetration across emerging markets swaps and our RFM protocol. We've learned that our swaps dealers increasingly prefer receiving electronic inquiries in order to price and handle orders faster, while our clients benefit from the efficiencies I described earlier. Given the success our clients have had in trading G10 swaps electronically, we are seeing increasing numbers of traders expanding their electronic execution capabilities into emerging market swaps. We saw record EM share in 2022 with revenues increasing by over 90% yr/yr, and we believe there is still a lot of room to grow. Finally, we continue to make inroads with our RFM protocol as 4th quarter ADV was up 28% yr/yr, while full year ADV reached record levels and grew 70% yr/yr.

Looking ahead, we believe the long-term swaps revenue growth potential is meaningful. With the market still only 30% electronified, we believe there remains a lot that we can do to help digitize our clients' manual work flows while the global fixed income markets and broader swaps market grow.

And with that, let me turn it over to Sara to discuss our financials in more detail.

SARA FURBER (Slide 11-16)

Thanks Tom and good morning.

As I go through the numbers, all comparisons will be to the prior year period, unless otherwise noted. Let me begin with an overview of our volumes on Slide 11.

We reported 4th quarter average daily volume of nearly $1.1 trillion, down 4% yr/yr, but up 3% when excluding short tenor swaps. Among the 22 product categories that we include in our monthly activity report, 8 of the 22 product areas produced year-over-year ADV growth of more than 20%. Areas of strong growth include U.S. investment grade credit, munis, credit swaps, global ETFs, repos, and other money markets.

Slide 12 provides a summary of our quarterly earnings performance.

- The 4Q volume growth translated into gross revenues increasing by 5.8% on a reported and 9.3% on a constant currency basis. We derived approximately one-third of our revenues from international customers, and recall that ~30% of our revenue base is denominated in currencies other than dollars, predominantly in Euros.
- Our variable revenues increased by 11.0% and our total trading revenue increased by 6.1%.
- Total fixed revenues related to our 4 major asset classes were down 5.4% and down 1.4% on a constant currency basis.
    - Rates fixed revenues were down given the migration of certain European government bond clients from fixed to variable contracts at the end of last year and the impact of FX.
    - Equities fixed revenues were down primarily due to a timing adjustment benefiting the year ago period and the impact of FX.
    - Money Markets fixed revenue growth was driven by global repos.
    - And other trading revenues were down 1% -- as a reminder, this line does fluctuate as it is affected by periodic revenues tied to technology enhancements performed for our retail clients.
- Market data increased by 3.0% due to growth in Refinitiv and our proprietary data products.
- This quarter's adjusted EBITDA margin of 52.8% increased by 221 basis points on a reported basis, and 166 bps on a constant currency basis, relative to the fourth quarter of 2021. Similarly, our adjusted EBITDA margin for the full year 2022 increased by 111 bps on a reported basis, and 113 bps on a constant currency basis, from the full year 2021.
- All in, we reported Adjusted Net Income per diluted share of $0.49.

Moving on to fees per million on Slide 13. The trends I am about to describe are driven by a mix of the various products within our four asset classes.

- In sum, our blended fees per million increased 18% yr/yr, primarily as a result of stronger growth in Cash Credit and Cash Equities, and an increase in Cash Rates fee per million. Excluding lower fee per million short tenor swaps and futures, our blended fees per million were up 10%.
- Let's review the underlying trends by asset class, starting with rates
    - Average fees per million for rates were up 21%.
    - For cash rates products, fees per million were up 23%, primarily due to a positive mix shift towards higher fee per million U.S. Treasuries and the migration of certain European government bond clients from fixed to variable contracts at the end of last year. The positive mix shift towards U.S. Treasuries was also aided by core growth in fee per million due to the continued pickup in our retail channel.
    - For long tenor swaps, fees per million were down 5% primarily due to lower duration while

we continue to see growth in EM swaps and RFM.
    - In other rates derivatives, which includes rates futures and short tenor swaps, average fees per million increased over 100% due to a shift towards rates futures, which carries a higher fee per million than the group average, and a core increase in OIS fee per million.
- Continuing to credit
    - Average fees per million for credit increased 2%
    - Drilling down on Cash Credit, average fees per million increased 6% due to stronger growth in Munis, which carries a higher fee per million than overall Cash Credit. This more than offset the continued duration-related fee pressures in U.S. High Grade. Notably, our fully electronic U.S. High Grade volumes were a record in the 4th quarter.
    - Looking at the Credit Derivatives and electronically processed U.S. Cash Credit category, fees per million decreased 8%, driven by stronger growth in U.S. index CDS, which carries a lower fee per million than the group average.
- Continuing with equities
    - Average fees per million for equities were up 25%.
    - For cash equities, average fees per million increased by 24% due to a positive mix shift towards higher fee per million institutional U.S. ETFs.
    - Equity derivatives average fees per million increased 8% due to an increase in convertibles fees per million.
- Finally, within money markets
    - Fees per million increased 17%.
    - This was primarily driven by a mix shift towards U.S. CDs, which carries a higher fee per million than overall Money Markets. The higher fee per million retail money markets business continues to improve given the higher interest rate environment.

Slide 14 details our expenses

- Adjusted Expenses for 4Q increased 2.0% on a reported basis and 6.3% on a constant currency basis. Recall ~15% of our expense base is denominated in currencies other than dollars, predominantly in Sterling.
- 4Q22 adjusted operating expenses were higher as compared to 4Q21 primarily due to increased professional fees, technology and communication, and D&A which were partially offset by a decrease in compensation.
- Compensation costs decreased 6.5% due to lower accruals for performance-related variable compensation.
- Adjusted non-comp expense increased 20.3% primarily due to professional fees, technology and communication, and D&A. but were helped by favorable movements in FX. Adjusted non-comp expense on a constant currency basis increased 26.9%.
- Specifically, professional fees increased 49.3% mainly due to higher legal costs in connection with regulatory and compliance matters, including periodic information requests.
- Technology and communication costs increased primarily due to higher data fees related to increased retail volumes, and our previously communicated investments in data strategy and infrastructure.
- Adjusted general and administrative costs increased primarily due to an increase in travel and entertainment as we recover from the pandemic. In addition, favorable movements in FX resulted in a $2.6 million gain in 4Q22 versus a $1.3 million gain in 4Q21.

Slide 15 details capital management and our guidance

- First, on our cash position and capital return policy
    - We ended 4Q in a strong position, with $1.3 billion in cash and cash equivalents and free cash flow reached approximately $573 million for the trailing twelve months.

  - Our net interest income of $8.4 million increased due to a combination of higher cash balances and interest yields. This was primarily driven higher by recent Fed hikes and more efficient management of our cash.
  - We have access to a $500 million revolver, that remains undrawn as of quarter-end.
  - Capex and capitalized software development for the year was $60 million, an increase of 17% year over year, in-line with our prior guidance.
  - With this quarter's earnings, the Board declared a quarterly dividend of $0.09 per Class A and Class B share, an increase of 12.5% yr/yr. The Board periodically evaluates our dividend along with the consistency of our earnings and free cash flow generation over time.
  - In December 2022, our Board authorized a new $300 million share buyback after the company completed our original $150 million share buyback program last October. In aggregate, across both programs, we spent $99.3 million during the year, leaving $275 million for future deployment at the end of the year.

- Turning to guidance for 2023
  - We will continue to invest in 2023, and are expecting Adjusted Expenses to range from $669 - $714 million.
  - The midpoint of this range would represent an approximate 10% increase when excluding the impact of FX gains in 2022, in-line with our average expense growth from 2016. We believe we can drive adjusted EBITDA and operating margin expansion compared to 2022 at either end of this range, although, we expect the incremental margin expansion to be more modest relative to last year as overall margins are higher and we continue to focus on balancing margin expansion with investing for the future.
  - As Billy and Tom described, we continue to invest for the future with credit and rates remaining key focus areas with a long runway for growth. We are investing in driving new protocol adoption, growing our client footprint, and expanding our geographic and product reach. Some of these investments will take some time to scale but we continue to prize innovation and have a technology pipeline that continues to grow.
  - We expect G&A expenses to ramp from 4Q22 levels through the course of the year as we don't expect $7 million in FX gains primarily tied to our hedges from the US dollar's rapid appreciation to repeat in 2023.
  - We expect technology and communications expenses to grow from 4Q22 levels driven by continued investments in data strategy and infrastructure. Additionally, we expect continued growth of Credit All-Trade and our UST streaming platform.
  - For forecasting purposes, our assumed non-GAAP tax rate ranges from 24% - 25% for the year. Approximately 80% of the increase in our tax rate is driven by lower equity compensation windfall benefits tied to our stock price. The remaining increase is driven by the firm now becoming subject to prior tax law changes, related to executive compensation.
  - We expect capex and capitalized software development to be about $56 to $62 million. We estimate that approximately 70% will be spent on software development to support our growth initiatives, and ~30% will be related to growth and maintenance capex. The midpoint of our capex guidance implies roughly a -2% yr/yr decline, due to prior year's accelerated infrastructure enhancements. Excluding those opportunistic infrastructure investments, midpoint growth would be ~20% yr/yr.
  - Acquisition and Refinitiv Transaction related D&A, which we adjust out due to the increase associated with pushdown accounting, is expected to be $127 million.
- Finally, on slide 16, we have updated our quarterly share count sensitivity for 1Q23 to help you calibrate your models for fluctuations in our share price.

Now I'll turn it back to Billy for concluding remarks.

BILLY HULT

Thanks, Sara.

Historically, change has created opportunities for us to help our clients improve their trading workflow, and that continues to be the ethos for our company. It started with a pandemic and a lockdown and now has morphed into inflation, historically fast Fed rate hikes, liquidity concerns, a war in Europe, and a pending recession. We see that some of our largest clients are now making tough personnel and cost decisions as they look to weather the next storm. In times like these, it's never been more important to be in front of our clients to help them navigate the fixed income markets in a more time and cost-efficient manner.

We released January volumes this morning, and the secular trends powering electronification were on display again having already facilitated more than $1 trillion in average daily volume. January volumes were up 3% yr/yr, with double-digit growth across >1-year global swaps, our biggest rates product, and U.S. Credit, our biggest credit product. In addition, we also saw double-digit growth across European govt bonds, munis, and repos. The month started off slow, but momentum picked up as we ended the month achieving the best revenue day in our history. Our U.S. IG credit share in January was 13.7%, a strong month when factoring in the strong pickup in new issue volume. Our share of U.S. HY credit fell to 5.6%, primarily due to lower industry HY portfolio trading volumes, and lighter volumes in our all-to-all network. We believe the best is yet to come with our HY franchise, and we achieved our highest fully electronic daily share to end the month.

In closing, we are extremely focused on capitalizing on the growing demand for global fixed income products and on the various growth opportunities ahead of us while continuing to strike the right balance between investing for the future and driving margin expansion to create long-term value for our shareholders. I would like to conclude my remarks by thanking our clients for their business and partnership in the quarter, and I want to thank my colleagues for their efforts that contributed to the strong quarterly and annual revenues and volumes at Tradeweb.

With that, I will turn it back to Sameer for your questions.

SAMEER MURUKUTLA

Thanks Billy. As a reminder, please limit yourself to one question only. Feel free to hop back in the queue and ask additional questions at the end. Q&A will end at 10:30 am Eastern time. Operator, you can now take our first question.

THANK YOU

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