



NASDAQ to Transfer OTCBB Business to The NASD

New York, July 8, 2005 — The Nasdaq Stock Market, Inc. (NASDAQ: NDAQ) announced today that it plans to enter into an agreement to transfer the Over-the-Counter Bulletin Board® (OTCBB) business and the trade reporting of all other Over-the-Counter (OTC) securities to NASD. The transfer is subject to approval from the Securities and Exchange Commission (SEC), the signing of a definitive agreement, and other necessary approvals. This development is designed to facilitate corporate structure changes related to NASDAQ achieving exchange status. It is not expected to have a material impact on NASDAQ's operating results.

NASDAQ and NASD have structured this transfer of the businesses to be seamless to the customers of the OTCBB and OTC trade reporting businesses. NASDAQ will continue to provide the technology and connectivity used to carry out the day-to-day functions of the OTCBB and OTC trade reporting while the OTCBB business will be owned, managed and continue to be regulated by NASD.

The OTCBB will continue to be accessed through the existing channels: the NASDAQ Workstation II® and application programming interface (API) (both available until October 31, 2005), the computer-to-computer interface (CTCI), and through NASDAQ's new offerings in 2005, QIX, NASDAQ's proprietary connectivity protocol, and the new NASDAQ Workstation. OTCBB market data will also continue to be offered through the Bulletin Board Dissemination ServiceSM (BBDSSM) and the NASDAQ Trade Data Dissemination ServiceSM (TDDSSM).

About NASDAQ

NASDAQ® is the largest electronic screen-based equity securities market in the United States. With approximately 3,200 companies, it lists more companies and, on average, trades more shares per day than any other U.S. market. It is home to companies that are leaders across all areas of business including technology, retail, communications, financial services, transportation, media and biotechnology. NASDAQ is the primary market for trading NASDAQ-listed stocks. For more information about NASDAQ, visit the NASDAQ Web site at www.nasdaq.com or the NASDAQ Newsroom at www.nasdaq.com/newsroom/.

Cautionary Note Regarding Forward-Looking Statements

The matters described herein may contain forward-looking statements that are made pursuant to the Safe Harbor provisions of the Private Securities Litigation Reform Act of 1995. The NASDAQ Stock market, Inc. ("NASDAQ") cautions that these statements are not guarantees of future performance. Actual results may differ materially from those expressed or implied in the forward-looking statements. Forward-looking statements involve a number of risks, uncertainties or other factors beyond NASDAQ's control. These factors include, but are not limited to, NASDAQ's ability to implement its strategic initiatives, economic, political and market conditions and fluctuations, government and industry regulation, interest rate risk, U.S. and global competition, and other factors detailed in NASDAQ's annual report on Form 10-K, and periodic reports filed with the U.S. Securities and Exchange Commission. We undertake no obligation to release any revisions to any forward-looking statements

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