NASDAQ®

NASDAQ and the Philadelphia Stock Exchange Partner to Offer Options on the NASDAQ Composite Index

New York and Philadelphia — The Nasdaq Stock Market, Inc. ("NASDAQ®") and the Philadelphia Stock Exchange (PHLX) today announced that options on the NASDAQ Composite Index® will be listed and traded on PHLX, subject to approval by the Securities and Exchange Commission.

The NASDAQ Composite Index (NASDAQ: IXIC) is a market capitalization-weighted index of all the common stocks listed on NASDAQ and is the broadest, most well diversified real-time representation of the performance of NASDAQ-listed companies. The NASDAQ Composite Index is one of the most well-recognized and widely reported bellwethers in the world for tracking the performance of the U.S. stock market.

"Options on the NASDAQ Composite Index are an important step in making the entire basket of NASDAQ securities accessible to a larger segment of retail investors, institutions and professional traders," said John L. Jacobs, Executive Vice President of NASDAQ. "Used properly, options are powerful tools that help investors manage risk. With its long tradition of supporting innovative financial instruments and its success in index options, The Philadelphia Stock Exchange is well-suited to help NASDAQ in making the Composite Index a beneficial investment tool for all types of investors."

Cash-settled index options, available exclusively on PHLX, will provide investors the first-ever opportunity to hedge their stock market exposure by investing in the entire NASDAQ Composite Index in one transaction. Put and call options in both full- and mini-size will be available, all with the European-style of exercise.

Meyer S. "Sandy" Frucher, Chairman and CEO of the Philadelphia Stock Exchange, said, "We are pleased to add the NASDAQ Composite Index to our stable of exclusively listed index option products. The NASDAQ Composite is one of the most recognized benchmarks in the capital markets, and we're confident that this product will draw substantial interest from professional and retail investors." Frucher continued: "The PHLX is pleased that NASDAQ recognized our reputation as the leader in establishing benchmarks for index options, and this affiliation with NASDAQ will enhance both of our markets and trading communities."

Jacobs added, "NASDAQ will soon be announcing other premier partners that will be associated with the launch of additional trading products tied to the NASDAQ Composite Index, further extending the unique investment opportunities available on this important benchmark. Financial products tied to the NASDAQ Composite Index will be a wonderful complement to the highly successful suite of products that are already available on the NASDAQ-100 Index and the NASDAQ Biotechnology Index."

About NASDAQ

NASDAQ is the world's largest electronic stock market. With approximately 3,400 companies, it lists more companies and, on average, trades more shares per day than any other U.S. market. It is home to category-defining companies that are leaders across all areas of business including technology, retail, communications, financial services, media and biotechnology. For more information about NASDAQ, visit the NASDAQ Web site at www.NASDAQ.com or the NASDAQ Newsroom[SM] at www.nasdaq.com/newsroom.

About The Philadelphia Stock Exchange

The Philadelphia Stock Exchange was founded in 1790. The PHLX trades 2,000 stocks, nearly 1,000 equity options, 13 sectors index options and currency options. For more information about the PHLX and its products, visit www.phlx.com.

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