



INTERNATIONAL SECURITIES EXCHANGE

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FOR IMMEDIATE RELEASE

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INTERNATIONAL SECURITIES EXCHANGE MOVES UP IN INDUSTRY RANKING

Strong Growth Pattern Continues

NEW YORK, September 5, 2001 – After only fifteen months of trading, the International Securities Exchange (ISE) has grown to become the fourth largest of the five U.S. options exchanges in terms of total equity options volume transacted and, for the second consecutive month, the third largest U.S. options exchange in the 400 issues that it currently lists. This exceptional expansion is due to the benefits of electronic trading that have been realized by the broker-dealer community since the ISE launched trading on May 26, 2000.

During the past two months, ISE's average daily volume in its listed issues (275,859 contracts) has surpassed the average volume on both the Pacific Exchange (261,737 contracts) and the Philadelphia Stock Exchange (208,062 contracts).

Also notable is that in all listed equity options, ISE's average daily volume during August (263,518 contracts) has exceeded that of the Philadelphia Stock Exchange (256,061 contracts), making ISE the fourth largest U.S. equity options exchange.

The market share that ISE has captured through the end of August is equally impressive: 14% (for the 400 issues traded) with a peak of 18% set on August 23.

Bruce Goldberg, senior vice president of marketing and business development of ISE, said, "We are extremely pleased with our strong growth record and look forward to greater expansion in the months ahead. Our membership, the broker-dealer community and the investing public have expressed their enthusiasm for ISE's structure and capabilities by their increasing level of participation."

ISE Expansion - 2

On May 26, 2000, the ISE listed three issues as a first step in its rollout to trade the top 600 equity options on the world's only exchange to combine electronic trading with auction market principles. Currently, ISE trades 400 issues and is continuing to increase the roster in its rollout toward the full contingent of 600 listings. The updated list of issues traded is available on ISE's web site (www.iseoptions.com) within the section entitled "Product Information."

ISE Background

ISE is the first nationally registered securities exchange since 1973, the first fully electronic options exchange in the United States, and the world's first options marketplace combining electronic trading and auction market principles. Trading in this innovative market began on May 26, 2000.

ISE has announced its intention to list the top 600 equity options classes representing over 90% of the option industry's average daily trading volume. ISE's rollout schedule involves starting trading with a small number of options classes and growing over time to the full list of 600.

Risk Waters Group recently named ISE the Derivatives Exchange of the Year. *Risk*, a trade publication service, selected ISE for this prestigious award due to the innovations it has made in the derivatives industry as well as its significant impact on the structure and efficiency of the options market.

ISE headquarters is located at 60 Broad Street, New York, NY 10004 and can be reached at (212) 943-2400 or, for additional information, visit its web site at www.iseoptions.com.

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