



INTERNATIONAL SECURITIES EXCHANGE

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FOR IMMEDIATE RELEASE

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**INTERNATIONAL SECURITIES EXCHANGE
NOW THE THIRD LARGEST U.S. OPTIONS EXCHANGE**

Solid Growth Trend Strengthens

NEW YORK, November 1, 2001 – Within just 18 months of its launch, the International Securities Exchange (ISE) has grown to become the third largest U.S. options exchange, trailing only the Chicago Board Options Exchange (CBOE) and the American Stock Exchange (AMEX) among the nation's five options exchanges. This measurement is based on total volume transacted in all listed options, equity as well as index products, traded during the month of October.

During October, ISE averaged 380,299 contracts daily, reflecting a 16% market share in the issues it trades, and a 12% overall share when all listed equity and index options are included. The exchange's current market share is approximately six times what it was one year ago. ISE currently trades 409 option issues and does not trade index options, which account for sizeable volumes on the other U.S. options exchanges.

"We are proud of this milestone and believe that the growth we have experienced is a direct result of the customer benefits inherent to our market structure and trading system," said David Krell, ISE president and CEO. "The speed, efficiency, high quality markets and reduced costs introduced to the industry by the ISE are the elements that fueled the wide acceptance and explosive growth of this unique marketplace."

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ISE Becomes Third Largest Options Exchange - 2

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 intends to list the top 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 products. The updated list of issues traded is available on ISE's web site (www.iseoptions.com) within the section entitled "Product Information."

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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