



INTERNATIONAL SECURITIES EXCHANGE

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FOR IMMEDIATE RELEASE

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INTERNATIONAL SECURITIES EXCHANGE INTRODUCES ISEline

Proprietary Communications System Activated

NEW YORK, September 25, 2002 – The ISE announced that it has implemented a new service that enhances the level of automated information sharing between the Exchange and its member firms. ISEline™, an internet-based instant messaging system, provides direct, real-time communications between the ISE Market Control Center, market makers, and member firm trading desks and service centers.

Created in-house by ISE's Development Group using Microsoft .NET and Web Services technologies, ISEline provides a robust and flexible communication platform. This service enables ISE staff to advise the entire ISE membership or specific preset sectors of the membership (by class or bin), instantaneously and simultaneously, about market situations requiring immediate attention as well as general communications; member firms are then able to assimilate events and react contemporaneously.

ISEline augments ISE's existing communications facilities and serves as a primary communication tool, enabling the Market Control team to keep member firms better informed. Additionally, ISEline provides member firms with the ability to communicate directly with the Market Control Center, as a more efficient alternative to the telephone.

"One of our primary goals is to continuously enhance customer service to the member firm community," said Bruce Goldberg, ISE's senior vice president of marketing & business development. "ISEline is another arrow in our quiver to support ISE's unique electronic trading environment."

ISE Background

ISE, widely recognized as the pioneer and pacesetter in electronic trading of U.S. equity options, has grown to become the third largest of the five U.S. options exchanges within just eighteen months of its launch. This measurement is based on total volume transacted in all listed options, equity as well as index products, traded on the five registered U.S. options exchanges.

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

ISE has demutualized, converting from a New York limited liability company, in which equity interests as well as trading rights were represented by single ownership interests, to a Delaware corporation, in which equity interests and trading rights are now represented by different securities. This new structure permits the infusion of additional capital, providing a broader base and enhanced capability for growth of its core business, as well as expansion into additional business lines.

ISE currently lists 506 issues for trading. The aggregate volume of these issues across all five U.S. options exchanges represents greater than 90% of all equity options volume. The updated list of issues is available on ISE's web site (www.iseoptions.com) within the section entitled "Product Information."

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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