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FOR IMMEDIATE RELEASE

INTERNATIONAL SECURITIES EXCHANGE TO LIST FIVE NEW OPTIONS

NEW YORK, October 8, 2002 – The ISE announced today that it will begin trading five new options on Wednesday, October 9. With the addition of these five names, ISE will be trading 519 issues.

One new option, trading in Bin 2 (PMM: SLK-Hull Derivatives LLC), will be: • InterMune Inc. (ITMN) – These options will trade on the January expiration cycle; position and exercise limits have been set at 75,000 contracts.

Four new options, trading in Bin 10 (PMM: Morgan Stanley & Co. Incorporated), will be: • Beazer Homes USA, Inc. (BZH) – These options will trade on the February expiration cycle; position and exercise limits have been set at 31,500 contracts.

• Hershey Foods Corporation (HSY) – These options will trade on the February expiration cycle; position and exercise limits have been set at 31,500 contracts.

• Sealed Air Corporation (SEE) - These options will trade on the January expiration cycle; position and exercise limits have been set at 60,000 contracts.

• **TECO Energy, Inc.** (TE) - These options will trade on the February expiration cycle; position and exercise limits have been set at 31,500 contracts.

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.

During the third quarter of this year, ISE was the industry volume leader in its listed issues, with a 27% market share. Daily volume during this period averaged 671,531 contracts.

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 currently lists 519 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 within the section entitled "Marketplace."

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 <u>www.iseoptions.com</u>.

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