



International Securities Exchange, Inc. Plans Initial Public Offering

NEW YORK, May 3, 2004 – The International Securities Exchange, Inc. (ISE) announced today that it plans to issue shares of its common stock in an underwritten initial public offering. The offering is expected to commence in the second half of 2004, subject to Securities and Exchange Commission (SEC) effectiveness and the receipt of all necessary approvals.

This announcement shall not constitute an offer to sell or the solicitation of an offer to buy any securities described herein, nor shall there be any sale of these securities in any state or jurisdiction in which the offer, solicitation or sale would be unlawful. This announcement is being issued pursuant to and in accordance with Rule 135 under the Securities Act of 1933.

ISE Background

International Securities Exchange, Inc., the world's largest equity options exchange, was founded on the principle that technology fosters and infuses new efficiencies and operational innovations into securities trading. After developing an innovative market structure that integrated auction market principles into an advanced screen-based trading system, ISE launched the first fully electronic US options exchange in May 2000. ISE continually enhances its trading systems to provide investors with the best marketplace to execute their options orders.

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