

Archipelago Exchange Breaks Market Share Record, Handling More Than One in Four OTC Executions

-- Record Demonstrates Increased Recognition of ArcaEx As A Destination of Choice for OTC Orders --

CHICAGO – June 27, 2003 – The Archipelago Exchange (ArcaEx), the world's largest electronic stock exchange, today announced that it reached a new market share record for OTC trading on June 25th, 2003, handling over 27 percent of all OTC orders. Since the launch of ArcaEx for OTC stocks, market share has been steadily increasing with the top three market share days all occurring this week.

"By improving our core efficiencies and focusing on the needs of our clients, we have achieved record OTC market share, further solidifying ArcaEx's position as a primary destination for OTC trading," said Archipelago CEO Jerry Putnam. "In the fiercely competitive OTC arena, ArcaEx traded over 50% of PeopleSoft and Ericsson Telephone on June 25th underscoring the fact that our best execution model is meeting the needs of investors in today's rapidly changing market place."

ArcaEx's innovative electronic system provides a single entry point to all domestic markets for both OTC and listed trading. Archipelago completed its migration of over-the-counter (OTC) stocks from the Archipelago Electronic Communications Network (ECN) to ArcaEx in April 2003. ArcaEx now trades all U.S. equities – more than 8,000 total – across every exchange and liquidity pool.

About Archipelago

Dedicated to openness, transparency and equal access to equity markets, Archipelago has been a dynamic agent of change in the financial services industry since inception. Archipelago's leading-edge technology, open architecture and unbiased trading platform provide investors with fast, cost-efficient and anonymous market access. The Archipelago Exchange (ArcaEx) features a trading system that employs a proprietary algorithm to search for the best execution for each order. ArcaEx is the first totally open, fully electronic stock market to trade in all New York Stock Exchange, NASDAQ, American Stock Exchange and Pacific Exchange securities. ArcaEx is regulated by the Pacific Exchange. The Archipelago ECN, a precursor to ArcaEx, was one of four original ECNs, formed in December 1996 with Townsend Analytics. For more information about Archipelago, please visit www.archipelago.com.

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