

Archipelago Exchange Continues Rapid Growth With New Total Volume Record

-- For the Second Time in Three Days, ArcaEx Reaches New Record in Total Share Volume; Third Day in a Row for Record OTC Share Volume --

CHICAGO – June 3, 2003 – The Archipelago Exchange (ArcaEx) today announced new volume records again in overall exchange volume and OTC volume for trading on June 2nd.

OTC and listed trading combined exceeded 600 million shares, greatly surpassing Friday's 555 million share record. Listed volume was approximately 59 million shares and OTC volume climbed to 542 million shares on June 2nd, compared to a previous OTC record on ArcaEx of 489 million shares. Of the OTC orders, 80% were matched on ArcaEx while 75% of listed orders were matched on the exchange.

"Our customers are taking advantage of the superior value proposition we offer in terms of execution quality, speed, and cost," said Archipelago CEO Jerry Putnam. "What's exciting is that our new technology platform has the capacity to handle ten times the current volumes to meet our customers' future needs."

ArcaEx's electronic system enables buyers and sellers to anonymously place orders and consistently execute trades at high speeds and a low cost. With a wide range of order types to choose from and connectivity to all markets, ArcaEx provides all investors with the most efficient order processing available.

Archipelago recently completed its migration of over-the-counter (OTC) stocks from the Archipelago Electronic Communications Network (ECN) to ArcaEx. 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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