



Chi-X Europe Celebrates First Anniversary

Steady growth, addition of shareholders and regular price improvement for participants among the year-one highlights for Europe's first and only live MTF.

LONDON – 7 April 2008 – Chi-X[®] Europe Limited today marked the passage of its inaugural year as the first and only live, pan-European equity Multilateral Trading Facility (MTF). Since officially launching on 30 March 2007 by trading, clearing and settling the component stocks of the AEX25 (Dutch) and DAX 30 (German) indices with the help of Fortis' European Multilateral Clearing Facility (EMCF), Chi-X Europe has added the FTSE 100 (British), CAC 40 (French), SMI 20 (Swiss) and OMX Stockholm 30 (Swedish) indices, which represent Europe's most significant markets by volume and turnover.

“It has been an encouraging first year for Chi-X Europe, as we have established ourselves as a significant alternative execution venue for European equities,” commented Tony Mackay, CEO of Chi-X Global, a holding company for Instinet's Chi-X platforms. “Within that time we have seen steady growth by offering participants a high-speed, low-cost, high-capacity platform that supports a wide range of order types and consequently allows them to meet their own best execution objectives.”

Added Peter Randall, CEO of Chi-X Europe: “Going forward, Chi-X Europe will continue to look for ways to deliver substantial value for investors. We are pleased with the results we have achieved to date, and excited about the next stage in our development.”

Chi-X Europe's First Year Highlights

Growing market ratios¹

- Over the last 12 months, Chi-X Europe market ratios have steadily climbed. Chi-X Europe achieved a peak market ratio volume of 13.18 percent of total trading in FTSE100 stocks on 13 March 2008. On a similar basis, Chi-X Europe achieved 6.82 percent of DAX 30 trading on 14 March 2008; 10.00 percent of AEX 25 trading on 14 March 2008; and 5.86 percent of CAC 40 trading on 14 March 2008 (see table below).

High quality execution

- Chi-X Europe offers significant savings to its market participants and is committed to delivering continuing price value. Since launch, on average, more than half of all trades have been executed within the spreads of the underlying exchanges. As a result, participants have enjoyed an average price improvement² of 2.67 bps on Chi-X Europe since its launch when compared to trading on the primary exchange.

Low latency

- Chi-X Europe offers an average roundtrip latency of two milliseconds when proximity hosted and an average internal latency of 890 microseconds³, which is among the fastest in the industry and up to 10 times faster⁴ than the fastest European primary exchange.



Low costs

- With execution costs of 0.05 bps, (based on a passive/aggressive rebate ratio of 50:50) trading on Chi-X Europe is measurably less expensive than trading on the underlying stock exchanges. In addition, clearing and settlement are now also less costly, with EMCF offering clearing at, on average, half the price of the incumbent market infrastructure.⁵

High capacity

- Chi-X Europe can process 30,000 messages per second, according to NYSE TransactTool's January 2007 measurement, and due to the system's architecture, capacity is easily scalable to meet the future demands of the high frequency algorithmic trading community.

Innovative order types

- Chi-X Europe's innovative order types – including limit, market, iceberg, execute or eliminate, “fill or kill”, hidden, mid-peg and primary-peg – offer participants greater trading flexibility.

Smart order routing

- Chi-X Europe works with multiple third-party vendors to provide leading-edge Smart Order Routing solutions, which allow participants to automatically route trades to the preferred execution destination.

Free market data

- Since launch, Chi-X Europe has also offered its market data free of charge with no licence fees or per user charges.

Major shareholder base

- Chi-X Europe benefits from equity ownership participation by a consortium of major global financial institutions, each of whom took minority stakes in Chi-X Europe in December 2007. These shareholders are: BNP Paribas, Citadel, Citi, Credit Suisse, Fortis, Getco Europe, Ltd, Goldman Sachs, Lehman Brothers, Merrill Lynch, Morgan Stanley, Optiver, Société Générale and UBS.

1. Market ratio is defined as the percentage of Chi-X Europe volume as a proportion of primary exchange volume. For comparison, market share is defined as the percentage of combined Chi-X Europe and primary exchange volume executed on Chi-X Europe.

2. Price improvement defined as the difference between average primary exchange price and Chi-X execution price.

3. As measured by Instinet Europe Limited.

4. Based on Instinet Europe Limited's exchange linkages performance measurement statistics for average DMA order messaging in June 2007.

5. Comparison based on Instinet Europe Limited figures of average European clearing and settlement costs.

Chi-X[®] Europe Year-One Trading Highlights

Stock	Market Share	Market Ratio	Date
AEX 25 (Dutch)			
Philips KON	44.07%	78.79%	29-Aug-07
Aegon	22.04%	28.27%	10-Jan-08
ING Groep	19.52%	24.25%	18-Dec-07
Hagemeyer	18.41%	22.56%	11-Jan-08
Royal Dutch Shell A	17.19%	20.76%	28-Dec-07
DAX 30 (German)			
TUI	24.24%	31.99%	31-Mar-08
BASF	22.27%	28.65%	20-Sep-07
Bayer	17.36%	21.01%	18-Sep-07
Munich Re	17.26%	20.86%	14-Mar-08
Merck	16.14%	19.24%	11-Mar-08
FTSE 100 (UK)			
Royal & Sun Alliance Ins Group	34.30%	52.20%	12-Mar-08
Old Mutual	32.87%	48.97%	13-Mar-08
Standard Chartered	32.04%	47.15%	27-Mar-08
Legal & General Group	27.97%	38.83%	13-Mar-08
Cable & Wireless	27.88%	38.66%	13-Mar-08
Prudential	23.61%	30.90%	28-Feb-08
Lloyds TSB Group	23.43%	30.60%	18-Mar-08
Aviva	23.00%	29.87%	28-Mar-08
BT Group	22.78%	29.50%	14-Mar-08
Unilever	21.35%	27.15%	27-Mar-08
CAC 40 (French)			
Credit Agricole	15.81%	18.78%	3-Mar-08
Gaz de France	12.48%	14.26%	13-Mar-08
France Telecom	12.45%	14.22%	14-Mar-08
AXA	12.41%	14.17%	14-Mar-08
BNP Paribas	11.30%	12.74%	15-Jan-08



SMI 20 (Swiss)			
UBS	6.71%	7.19%	21-Jan-08
CS Group	5.26%	5.55%	23-Jan-08
Swatch Group	3.32%	3.43%	28-Jan-08
Clariant	2.70%	2.77%	5-Feb-08
Adecco	2.24%	2.29%	20-Feb-08
Overall			
AEX 25		10.00%	13-Mar-08
DAX 30		6.82%	14-Mar-08
FTSE 100		13.18%	13-Mar-08
CAC 40		5.86%	14-Mar-08
SMI 20		2.03%	14-Mar-08

About Chi-X[®] Europe

Chi-X Europe Limited, a majority-owned, indirect subsidiary of Instinet Incorporated, is an FSA-authorized securities firm operating as an MTF (Multilateral Trading Facility) for the trading of a wide range of European equities.

Chi-X Europe's low-cost, streamlined model is designed to help participants achieve ultra-low execution, clearing and settlement costs. Benchmark tests showed the Chi-X Europe operating model to be up to 10 times faster* and significantly less expensive than Europe's traditional equity exchanges. Chi-X Europe disseminates market data to clients directly and via third-party market data vendors at no cost, and off-exchange trade reporting is available for a low monthly fee. For more information, please visit: www.chi-x.com.

* Based on Instinet Europe Limited's exchange linkages performance measurement statistics for average DMA order messaging in June 2007. These Instinet internal figures are for round-trip latency message acknowledgement based on sending an average number of messages to the exchange system and obtaining a response back to Instinet's system over the course of a normal trading day. They are provided for illustrative purposes only and are not intended to represent an independent performance measure of latency. Market volatility and volume may affect actual performance.

About Instinet

Instinet is a global securities firm, providing over 1,500 clients around the world with the necessary trading tools, ATS platforms and global agency liquidity to achieve a high quality trade execution in more than 40 countries. Acting solely as an agent for its customers, Instinet seeks to improve institutional investment performance and lower overall trading costs through its various front-end trading systems, securities crossing networks, smart-routing technology, algorithms, commission management programs and investment research products. Instinet, through its subsidiaries, operates a wide array of ATS platforms around the world, including CBXSM in the United States, JapanCrossingSM in Asia and Chi-X[®] in Europe, Canada and, soon, Australia. The firm, which is a wholly-owned subsidiary of Nomura Holdings, Inc., has offices in North America, Europe and the Asia-Pacific region. For more information, please visit www.instinet.com.



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