

The Next Generation Market Platform from Nasdaq

MORE TRANSPARENCY

MORE ACCESS TO LIQUIDITY

MORE STABLE TRADING

NASDAQ[®]



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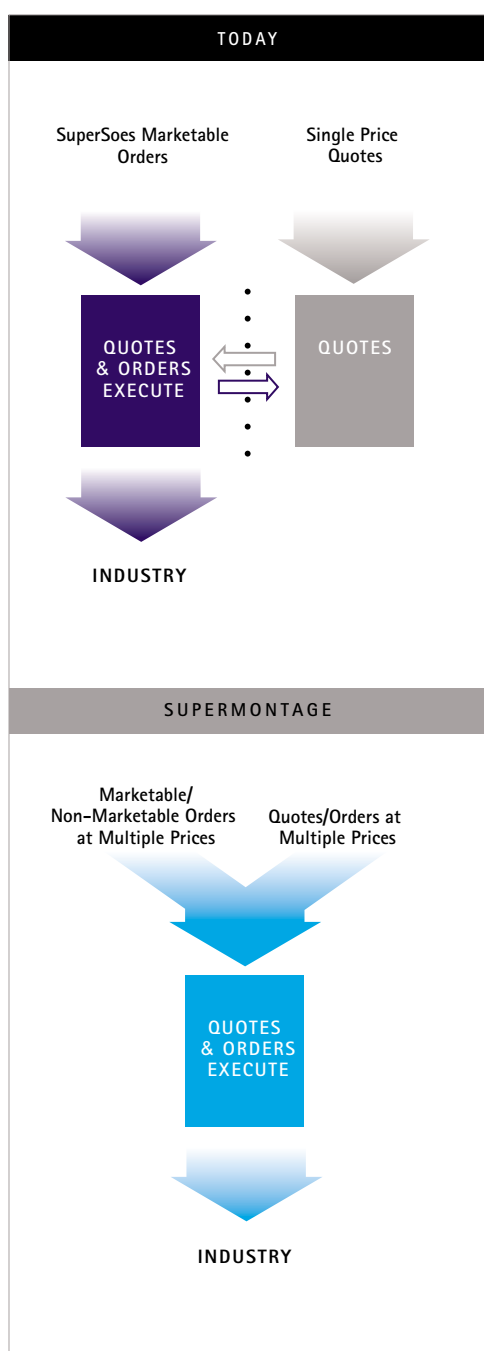
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Simply stated, the purpose of securities markets is to bring buyers and sellers together, linking public companies to pools of capital. Since its inception in 1971, The Nasdaq Stock Market® has used technology to facilitate these connections. As technology has improved, Nasdaq has built these improvements into our market to create more, better and faster connections between buyers and sellers.



An ongoing series of stepped enhancements have kept Nasdaq® performance at the forefront of stock markets worldwide. The upcoming installation of our next generation market platform, popularly known as SuperMontageSM, will take Nasdaq performance to an even higher level.

SuperMontage, a fully integrated order display and execution system, will generate more access to liquidity for Nasdaq securities. With SuperMontage, greater depth and breadth of orders will be available, and this ultimately could lead to a tempering of price volatility.

How will these changes be effected? Today on Nasdaq, a market maker's best buy and sell quotation in each security is broadcast over a vast network, making Nasdaq a highly transparent marketplace. Buy and sell interest can be seen by all market participants—professional and individual investors alike. Their view is about to get better.

With SuperMontage, the display of orders will be expanded for even more transparency and investor protection. More buyers' and sellers' orders can be displayed, and investors will be able to see more of the orders that are available to them. Market makers will have the ability to input all or part of their buy and sell interest, by name or anonymously, and this buy and sell interest will be available to view at five price

levels—not just best price. Once entered into the montage, orders can be executed against electronically almost instantaneously. With this combination of new features, market makers will have the flexibility to put more of what they have to buy or sell into the electronic montage, resulting in increased depth and breadth of orders for a company's securities.

Transparency, the ability to see, buy and sell orders for securities at multiple price levels, helps investors see more and gauge trends in the market—of critical importance for investors making decisions about purchasing a company's stock.

Long-term, Nasdaq's new market platform will roll out to Europe, Asia and beyond. The result? A seamless international market linking listed companies to major pools of capital worldwide. Greater depth of orders, and increased transparency will make for more comprehensive market intelligence and a smoother more stable market environment. These changes will afford the opportunity for in-depth real-time monitoring of trading activity in individual stocks—valuable information for companies looking for a deeper insight into how their stock is moving in the market.

Better ways to trade for Nasdaq-listed Securities

SuperMontage will be the culmination of a series of stepped enhancements to Nasdaq trading. Below is a summary of other recent and planned initiatives and their impact on Nasdaq listed securities.

Lower Spreads—Decimal Pricing

The move to decimal pricing, implemented in April 2001, resulted in a dramatic reduction in spreads for stocks listed on Nasdaq. This means better prices for a company's investors. Spreads decreased more than 50% resulting in a weighted average spread of less than 4 cents for Nasdaq stocks.

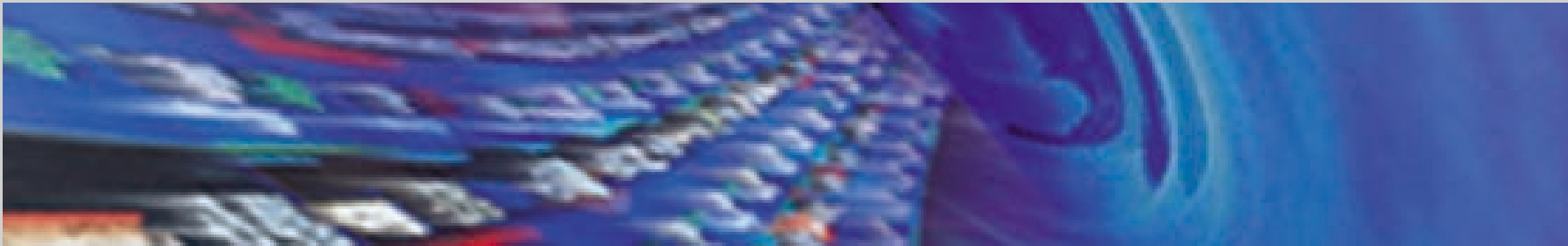
Faster More Accurate Executions— SuperSoesSM Automated Trading

With the ability to handle increased volume, SuperSoes represents a dramatic improvement in the way liquidity is accessed for Nasdaq stocks. Since installation in August 2001, the market has seen faster executions, higher order fill rates, and orders filled at market prices. SuperSoes allows orders of all sizes to be executed automatically – in less than a second. This means more accuracy and more reliability of quotes for investors.

Price Improvement—Primex

Bringing the best aspects of an auction market model to Nasdaq's electronic trading platform, the upcoming installation of the Primex Auction System™ as a facility of Nasdaq will create opportunities for investor orders to receive prices that improve on the displayed best bid and offer.

To learn more about how SuperMontage and other Nasdaq initiatives are improving market performance look under *Hot Topics* on www.nasdaqtrader.com.



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