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## Chi-X Global Acquires Cicada

*Exchange technology specialist to become exchange services unit of Chi-X Global*

NEW YORK – November 18, 2008 – Chi-X® Global Inc., a holding company for the regional Chi-X trading platforms, today announced the acquisition of substantially all the business and assets of Cicada Corp., a leading provider of low latency data management technologies, customer qualification and compliance software, and other services for financial institutions, exchanges and data vendors. Terms of the deal were not announced.

With this acquisition, which is effective immediately and includes Cicada's entire global employee base, Cicada founder and CEO Gregory E. Smith will become the head of Chi-X Global's newly-created exchange services business unit, Chi-X Global Technology, LLC. The new exchange services business will operate separately from Chi-X's regional trading platforms.

"Market centers around the world are today looking to build out their trading infrastructures in order to accommodate the global trading community's vastly increased demands, and Cicada has clear expertise in this area after having worked with a number of global exchanges on their technology needs. Not only is this development knowledge an extremely complementary fit with the global Chi-X business model, but it also allows us to now offer exchanges and MTFs a proven, scalable and low-cost technology infrastructure," said Tony Mackay, CEO of Chi-X Global.

Continued Mr. Mackay, "As we've seen thus far, the market efficiencies created by Chi-X and others have not only dramatically lowered costs for our participants and their end customers, they have also helped to greatly increase the liquidity and trading volumes found on the primary exchanges. We believe that by leveraging the expertise of our newly-created services business, trading venues around the world will be able to create similarly efficient marketplaces, which at the end of the day benefits everyone – exchanges, brokers and investors – involved in the trading process."

"Chi-X's technology has proven to be robust and scalable and has been instrumental in the early success that the platforms have seen in Europe and, increasingly, Canada. With this acquisition, Chi-X will be able to continue to innovate with technology advances while expanding its business into new areas by serving the technology needs of exchanges, MTFs and users of these trading venues globally. The unique experience and capabilities of the combined organization is a very powerful competitive edge in a rapidly changing market," added Mr. Smith.

Cicada's data management platforms have been deployed by some of the world's leading exchanges to manage, package and disseminate real-time market data to distributors and customers. Cicada's Profiler® product assists financial firms in managing their customer qualification process and conduct periodic reviews, data collection, document gathering and other due diligence activities required for anti-money laundering (AML) and "know your customer" (KYC) compliance. Cicada's MarketPrizm™ platform is an ASP-based algorithmic trading infrastructure that assists brokerage firms in trading effectively and cost-efficiently in the European markets.

Financial Technology Partners LP and FTP Securities LLC (together "FT Partners") acted as exclusive strategic and financial advisor to Cicada in this transaction.



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## **About Chi-X<sup>®</sup> Global**

A subsidiary of electronic trading pioneer Instinet, Chi-X Global is a holding company for the regional operations of Chi-X market centers. Chi-X aims to provide investors around the world with the most efficient markets possible through its high-speed, low-cost, intelligent trading model. Chi-X believes that by offering a true competitive alternative, markets will be more accessible to the international investment community, which ultimately helps to increase overall market volumes and improve investor performance. The name Chi-X is derived from the 22nd letter of the Greek alphabet, “χ”, symbolizing the “crossing,” or matching, of the two sides of a trade. Along with the “X” from the English alphabet, the name signifies a combination of the old world and modern world, or traditional securities trading techniques married with cutting-edge technology.

## **About Instinet**

Instinet is an electronic trading pioneer, having established the world’s first significant electronic trading venue in 1969, one of the first recognized U.S. ECNs in 1997 and the first pan-European MTF in 2007. Through its subsidiaries and affiliates, Instinet operates two distinct business lines: a global network of agency-only brokers that seek to enable institutional investors to lower overall trading costs and improve investment performance through the use of innovative electronic trading products, including smart-routing, algorithms, DMA, dark pools and EMS platforms, and also provide sales trading, commission management services and independent research; and the Chi-X<sup>®</sup> trading systems, which aim to improve the efficiency of capital markets globally by providing high-performance, low-cost alternative execution venues. Instinet is a wholly-owned subsidiary of Nomura Holdings, Inc. For more information, please visit [www.instinet.com](http://www.instinet.com).

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