

Instinet Agrees to Acquire TORC Financial, LLC

Acquisition will significantly enhance Instinet's derivatives trading capability

NEW YORK – August 26, 2009 – Instinet Incorporated, a global leader in electronic trading and agency-only brokerage services, today announced that it has agreed to acquire substantially all the business and assets of TORC Financial, LLC, a leading provider of derivatives trading technologies.

The acquisition will provide Instinet's clients with immediate access to TORC's suite of options-focused, broker-agnostic solutions for institutional derivatives trading. These solutions – which include execution, analytics and risk management capabilities – will significantly enhance Instinet's electronic cross-asset trading offering.

“Instinet has long been recognized for its sophisticated electronic equities trading tools. Trading in derivatives is evolving in a manner very similar to the cash equity markets over the last decade. This acquisition allows us to leverage the capabilities of the two organizations and move Instinet to the forefront of electronic derivatives trading,” said Anthony Abenante and Fumiki Kondo, co-Chief Executive Officers of Instinet Incorporated.

U.S. options volumes have seen a nearly 20 percent CAGR (compound annual growth rate) since 1995, according to the Options Clearing Corporation. A February 2009 survey by the TABB Group found that 63 percent of options traders expected to increase their options volume in 2009.

“We see the options space as one of the fastest growing asset classes in the U.S. The TORC acquisition is a strategically integral move for Instinet and greatly enhances our ability to serve our customers,” added Abenante and Kondo.

Led by trading technology and options industry veteran John Duffell, TORC offers a full suite of derivatives trading technologies, including TOP (TradeSpeed Options Professional), a multi-asset class application that offers integrated options analytics and execution capabilities and is integrated with most major US-based prime brokers; and RiskPro, which allows for the real-time tracking of risk metrics across positions, accounts, groups, asset classes and trading desks.

“We're excited to join forces with Instinet, given the clear synergies between our offerings and the similarities in our approach to technology development. The combination of our extensive options industry experience with Instinet's global distribution footprint and superior technology infrastructure bode well for a successful integration and a rich cross-asset offering for our combined client base,” commented Duffell.

Terms of the transaction will not be disclosed. Financial Technology Partners served as Instinet's financial and strategic advisors in connection with the transaction. Freeman & Co. LLC served as TORC's advisor.



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 help institutions 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[®] 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.

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