

## Media Information

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### **NYSE Euronext and FTSE to launch the FTSE 100 Volatility Index**

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*Amsterdam, Brussels, Lisbon, London, Paris, 26 November 2007:* - Beginning 17

December 2007 NYSE Euronext, the world's largest and most liquid exchange group, will launch the new volatility index: FTSE 100 Volatility Index. The index, in short referred to as the 'VFTSE', captures on a real time basis implied volatility embedded in prices of out of the money FTSE 100 call and put options available on Liffe. FTSE Group, the global index company, will take over the calculation of the index in 2008.

The FTSE 100 Volatility Index is calculated in a transparent manner using FTSE 100 Index option prices from LIFFE CONNECT<sup>®</sup>, and is quoted in terms of percentage points. The index translates the expected movement in the underlying index over the next 30-day period, on an annualised basis.

Market participants consider volatility indices to work like a barometer; a high value translates to a greater degree of underlying index turbulence; a low value is consistent with greater stability.

This new index expands NYSE Euronext's volatility index portfolio, which since 3 September 2007 has consisted of the AEX Volatility Index, BEL 20 Volatility Index, and CAC 40 Volatility Index. It also rounds out the range of European Indices developed by the partnership between FTSE and NYSE Euronext, which includes the FTSEurofirst Index Series.

Imogen Dillon-Hatcher, Managing Director, FTSE Europe Middle East and Africa said, "FTSE Group continues to work closely with our partners to produce new and innovative index products. With FTSE and NYSE Euronext's combined index expertise and knowledge

of investor needs the new FTSE 100 Volatility Index will be used by modern investors for further analysis of this complex market.”

Jonathan Seymour, Director of Equity Derivatives at Liffe said, “The VFTSE will provide an instant view of short-term implied volatility in the FTSE 100 Index options market. It will provide the market with a guide to sentiment and the trend in, what is colloquially known as, the ‘fear factor’.”

Andre Went, Managing Director Euronext Information Services said:

“We are very pleased to extend our range of volatility indices by adding the FTSE 100 Volatility Index to those of the AEX, BEL 20 and CAC 40. These indices are designed to become key tools for investors, asset managers and issuers of structured products to improve their perceptions of the market.”

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More information:

NYSE Euronext <http://volatility.euronext.com>

FTSE indices [www.ftse.com](http://www.ftse.com)

FTSEurofirst Index Series [www.ftseurofirst.com](http://www.ftseurofirst.com)

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The FTSE 100 Volatility Index is calculated by NYSE Euronext using the VIX<sup>®</sup> methodology, a sentiment indicator for the US market based on the S&P 500 index options prices on the Chicago Board Options Exchange.

| ISIN         | Mnemonic / Short Name | Long Name                 | Underlying Index |
|--------------|-----------------------|---------------------------|------------------|
| QS0011052162 | VFTSE                 | FTSE 100 Volatility Index | FTSE 100         |

## Notes to Editors

### FTSE Group

FTSE Group is a world-leader in the creation and management of indexes. With offices in London, Frankfurt, Hong Kong, Madrid, Paris, New York, San Francisco, and Tokyo, FTSE Group services clients in 77 countries worldwide. It calculates and manages the FTSE Global Equity Index series, which includes world-recognised indexes ranging from the FTSE All-World Index, the FTSE4Good series and the FTSEurofirst Index series, as well as domestic indexes such as the prestigious FTSE 100. The company has collaborative arrangements with the Athens, AMEX, Cyprus, Euronext, Johannesburg London, Madrid, NASDAQ and Taiwan exchanges, as well as Nomura Securities, Hang Seng and Xinhua Finance of China. FTSE recently signed an agreement with Dow Jones Indexes to develop a single sector classification system for global investors.

FTSE indexes are used extensively by investors worldwide for investment analysis, performance measurement, asset allocation, portfolio hedging and for creating a wide range of index tracking funds. Independent committees of senior fund managers, derivatives experts, actuaries and other experienced practitioners review all changes to the indexes to ensure that they are made objectively and without bias. Real-time FTSE indexes are calculated on systems managed by Reuters. Prices and FX rates used are supplied by Reuters.

### NYSE Euronext

NYSE Euronext, a holding company created by the combination of NYSE Group, Inc. and Euronext N.V., commenced trading on April 4, 2007. NYSE Euronext (NYSE Euronext: NYX) operates the world's largest and most liquid exchange group and offers the most diverse array of financial products and services. NYSE Euronext, which brings together six cash equities exchanges in five countries and six derivatives exchanges in six countries, is a world leader for listings, trading in cash equities, equity and interest rate derivatives, bonds and the distribution of market data. Representing a combined \$30.8 trillion/€22.8 trillion total market capitalization of listed companies and average daily trading value of approximately \$127.0 billion/€94.0 billion (as of June 29, 2007), NYSE Euronext seeks to provide the highest standards of market quality and integrity, innovative products and services to investors, issuers, and all users of its markets.

### Euronext N.V.

Euronext N.V., a subsidiary of NYSE Euronext, has successfully integrated local markets across Europe to provide users with a unified market that is broad, liquid and cost effective. Euronext is the largest central order book cash market in Europe and the second largest derivatives exchange in the world, by value of business traded.

Following the initial three-way merger of the local exchanges of Amsterdam, Brussels and Paris, Euronext acquired the London-based derivatives market LIFFE and merged with the Portuguese exchange in 2002. Euronext's unique business model incorporates the individual strengths and assets of each local market and has been implemented on all of Euronext's markets, covers technological integration, the harmonisation of market rules and the regulatory framework. The implementation of Euronext's horizontal model designed to generate synergies has proved that the most successful way to merge European exchanges is to apply global vision at a local level. Euronext's IT integration was completed in 2004, when a four-year migration plan resulted in harmonised IT platforms for cash trading (NSC<sup>®</sup>) and derivatives (LIFFE CONNECT<sup>®</sup>). As a result, every market participant now has a single point of access to trading. Euronext's IT structure was rationalized in 2005 with the creation of Atos Euronext Market Solutions (AEMS), an IT services-related vehicle between Euronext and Atos Origin which is now a leading global provider of technology services to Euronext and other global capital markets.

### Liffe

Liffe is the international derivatives business of Euronext, a subsidiary of NYSE Euronext. Liffe offers an unrivalled range of global futures and options products, which are made available to customers worldwide on its state-of-the-art trading platform, LIFFE CONNECT<sup>®</sup>. Business in derivatives on equities and interest rates, indices and commodities worth over €2,300 billion in total is traded through Liffe every day, making it the world's second largest derivatives exchange, by value of transacted business.

The **Euronext Volatility Indices** are the intellectual property of Euronext Indices B.V. AEX<sup>®</sup>, AEX-index<sup>®</sup>, BEL 20<sup>®</sup> and CAC 40<sup>®</sup> are registered trademarks of Euronext N.V. or its subsidiaries. A licence is required for use of the data, the trademarks or intellectual property rights in connection with any investment vehicle, derivatives or other financial products.

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