



NASDAQ's Official Closing Price to be Used in Annual Rebalancing of Russell Indexes

New York, NY - The Nasdaq Stock Market, Inc. (NASDAQ®) today announced that the NASDAQ Official Closing Price will be used for the first time during the annual reconstitution of Frank Russell Company's 21 U.S. stock indexes. The NASDAQ Official Closing Price will be used to calculate the closing values of the Russell indexes when they undergo their annual reconstitution on June 30.

The annual process to recalibrate Russell indexes to accurately reflect market changes over the year is a significant liquidity event, as investors and money managers trade securities to keep the composition of their portfolios identical to the indexes.

Lori Richards, senior product manager of the Russell indexes, commented: "Russell's use of the NASDAQ Official Closing Price will ensure a more reliable and accurate measure of the index values. It will enable participants to make better investment decisions based on the use of highly reliable index values, which act as an appropriate benchmark for the current capital market environment."

Russell reconstitutes its indexes annually in order to accurately rank the 3,000 largest companies in the U.S. stock market by market capitalization. This realignment allows the indexes to provide a truer reflection of stock market activity and performance.

NASDAQ began calculating the Official Closing Price for all NASDAQ National Market® and SmallCap securities on April 14. NASDAQ indices - as well as other major market indices such as those managed by Russell, Dow Jones and Standard & Poors - use NASDAQ data for index value calculations.

"The NASDAQ Official Closing Price will give influential index providers, such as Russell, a vital tool in determining their index valuations during this important liquidity event," said Adena Friedman, executive vice president of NASDAQ Data Products. "Index providers and other users of our data will be provided with another layer of quality assurance."

The NASDAQ Official Closing Price offers investors a primary market close that is validated and subject to NASDAQ and National Association of Securities Dealers (NASD) surveillance.

Only trade reports submitted to NASDAQ within two seconds of the market close are included in the NASDAQ Official Closing Price, a practice that provides any NASDAQ trade executed at market close an opportunity to set the NASDAQ-specific closing price. Furthermore, the NASDAQ Official Closing Price imposes reasonability standards on the closing price by ensuring that it is at, or within NASDAQ's best bid and ask quotations. By relying on both quote and trade information, the NASDAQ Official Closing Price provides a tradable, closing price without outlying values.

Prior to launching its official closing price, NASDAQ did not designate an "official" NASDAQ closing price. The last NASDAQ trade report that was eligible to set the last sale value - and had been entered into ACT at or before 4:01:30 p.m. - was employed by many market participants as a de-facto primary market closing price for NASDAQ securities. Because market participants had 90 seconds to report a transaction, slowly reported trades had an opportunity set the closing price.

The NASDAQ Official Closing Price is not to be confused with the consolidated last sale price, which is comprised of the final last sale eligible trade report submitted to the Securities Information Processor (SIP) during the regular trading session by any market center, including NASDAQ. The NASDAQ Official Price calculation does not affect the consolidated last sale price or its calculation in any way.

About Frank Russell Company

Frank Russell Company, a global leader in multi-manager investment services, provides investment products and services in more than 35 countries. Russell manages \$70 billion in assets and advises clients worldwide representing \$1.8 trillion. Founded in 1936, Russell is a subsidiary of Northwestern Mutual and is headquartered in Tacoma, Wash., with additional offices in New York, Toronto, London, Paris, Singapore, Sydney, Auckland and Tokyo. For more information, go to www.russell.com.

About NASDAQ

NASDAQ (OTCBB:NDAQ) is the world's largest electronic stock market. With more than 3,500 companies, NASDAQ lists more companies and trades more shares per day on average than any other U.S. market. It is home to category-defining companies that are leaders across all areas of business including technology, retail, communications, financial services, media and biotechnology industries. For more information about NASDAQ, visit the NASDAQ Web site at www.NASDAQ.com or NASDAQ NewsroomSM at www.nasdaq.com/newsroom.

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