

## **BATS Global Markets Agrees to Acquire Chi-X Europe**

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Deal Links Largest Pan-European Venues; Pending Regulatory Approval

BATS Global Markets today entered a definitive agreement to acquire Chi-X Europe, creating the largest pan-European trading center in terms of market share and notional value traded.

Financial terms will not be disclosed for the transaction, under which Chi-X Europe and BATS Europe will combine to form BATS Chi-X Europe. The acquisition, expected to close in the second quarter of 2011, requires certain regulatory approvals.

"This transaction joins two successful and innovative market centers and will be a tremendous boost for competition in pan-European trading in the face of increasing consolidation among incumbent exchanges," said Joe Ratterman, president and chief executive of BATS Global Markets. "BATS was drawn to Chi-X Europe because of our many similarities, particularly in the areas of culture, technology, market structure and innovation.

"We look forward to the integration process and thank our customers and investors for their continued support," he added.

Chi-X Europe Chief Executive Alasdair Haynes said, "I am very proud of what Chi-X Europe has achieved since its launch in 2007 and am confident that the combined entity will ensure that competition among exchanges will be strengthened. Both Chi-X Europe and BATS believe strongly in the pan-Europe model and we will continue to work tirelessly to reduce trading costs for our users."

Mark Hemsley, chief executive of BATS Europe, echoed those comments.

"BATS Europe and Chi-X Europe have worked together closely on key market structure issues such as tick sizes, symbology, market data and clearing, aiming to reduce longstanding barriers in Europe's trading environment. We are enthusiastic about the possibilities that lie ahead for the combined operation," he said.

In the fourth quarter, Chi-X Europe accounted for EUR368 billion traded as it became the second largest European equity exchange in 2010. BATS Europe reached EUR140.3 billion traded in the fourth quarter, about 6.4% of pan-European securities.

BATS Global Markets and Chi-X Europe entered into exclusive negotiations on the 22<sup>nd</sup> of December.

Broadhaven Capital Partners, through Beech Hill Securities, acted as financial adviser to BATS Global Markets with legal advice furnished by Davis Polk & Wardwell LLP and Macfarlanes LLP. For Chi-X Europe, Lexicon Partners acted as financial adviser with Slaughter and May as well as Alston & Bird serving as legal advisers.

More information about the BATS Europe/Chi-X Europe integration will be available shortly at [www.batschi-xeurope.com](http://www.batschi-xeurope.com) and [www.chi-xeurope.com](http://www.chi-xeurope.com).

## About BATS

BATS Global Markets (BATS) is a global financial markets technology company headquartered in the Kansas City, Mo., area with additional offices in New York and London. Founded in June 2005, BATS operates two stock exchanges in the US, the BZX Exchange and BYX Exchange; BATS Options, a US equity options market; and BATS Europe, an FSA-authorized multilateral trading facility in Europe. The BATS technology platform is internally developed by a dedicated core team of market and technology professionals, catering to the needs of the broker-dealer and trading community. BATS ... Making Markets Better.

## About Chi-X Europe

Launched in March 2007, Chi-X Europe Limited is an FSA-authorized securities firm operating a multilateral trading facility (MTF) for the trading of more than 1,300 of the most liquid securities across 24 indices and 15 major European markets, as well as ETFs (exchange traded funds), ETCs (exchange traded commodities) and IDRs (international depository receipts) in both a visible order book and the Chi-Delta(TM) non-displayed order book. Chi-X Europe's low-cost, streamlined operating model is designed to help trading participants achieve ultra-low execution and clearing and settlement costs.