

# NEXT GENERATION SYSTEM

Global Leader beyond the Consolidation...  
→ We share the knowledge & Experiences with you.....

Providing Liquidity is top priority for the efficient execution of securities order.  
With the equipment of its IT system, KRX offers cost-efficient trading on a liquid market.  
In order to continue to secure the benefits in the future, KRX is continually improving the technical infrastructure and optimizing the functions of its trading system.  
NGS will be one of the world's most powerful fully integrated trading system for capital market.

8 October 2008

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Korea Exchange

**FIX**PROTOCOL  
INDUSTRY-DRIVEN MESSAGING STANDARD™



World-class Premier Exchange

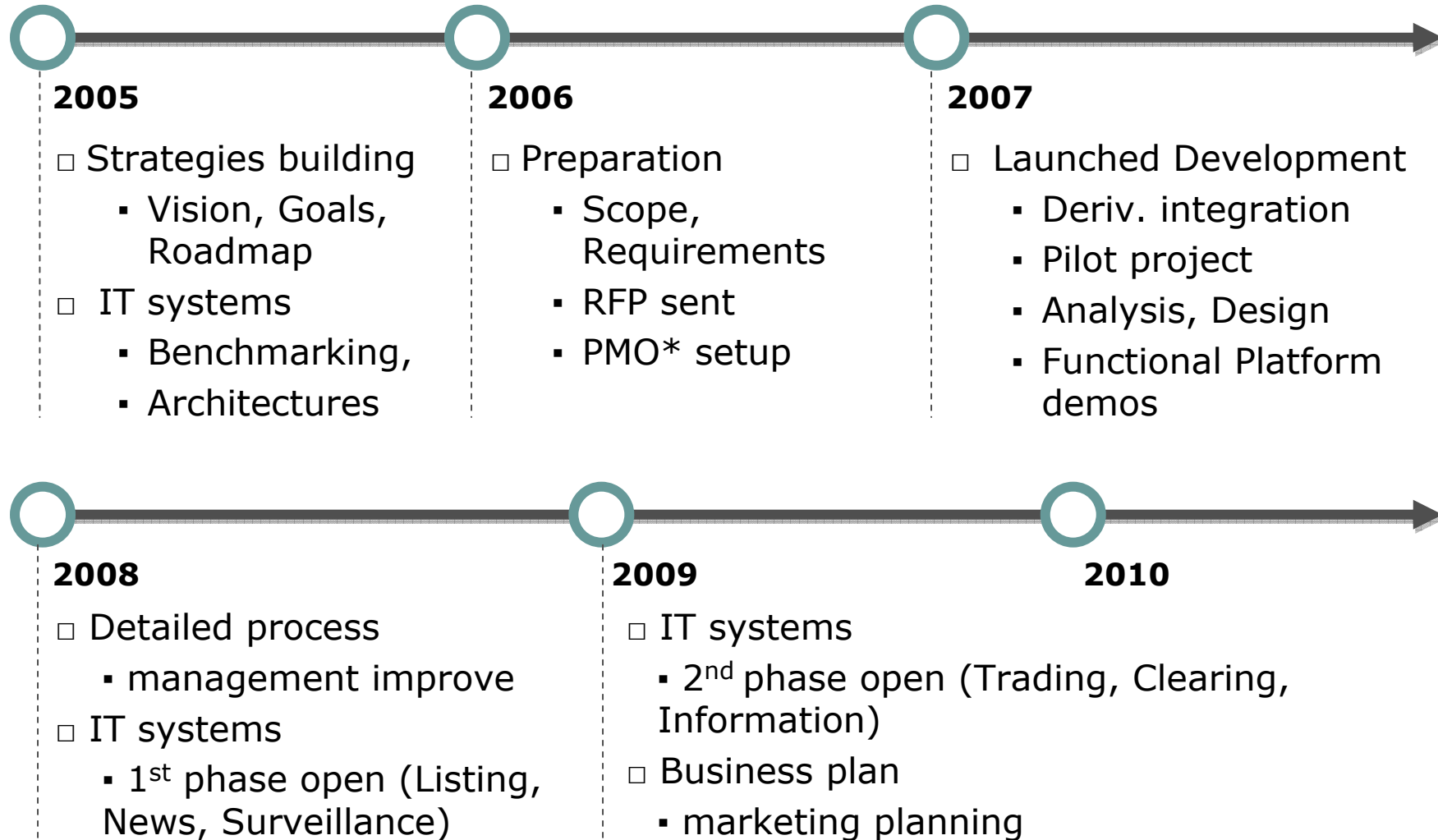


## Development Backgrounds

- Rapidly changing in global exchange area stimulated KRX to considerate our strategical positions.
  - Demutualization
  - M&A of major exchanges
  - Alliances between exchanges
  - IT asset selling
  - Increasing IT investment
- There were also requirements from KRX customers internally.
  - 3 markets consolidated
  - High performance - more transactions, shorter latency
  - Single unified access method
  - STP (Straight Through Processing)



# KRX Development Status

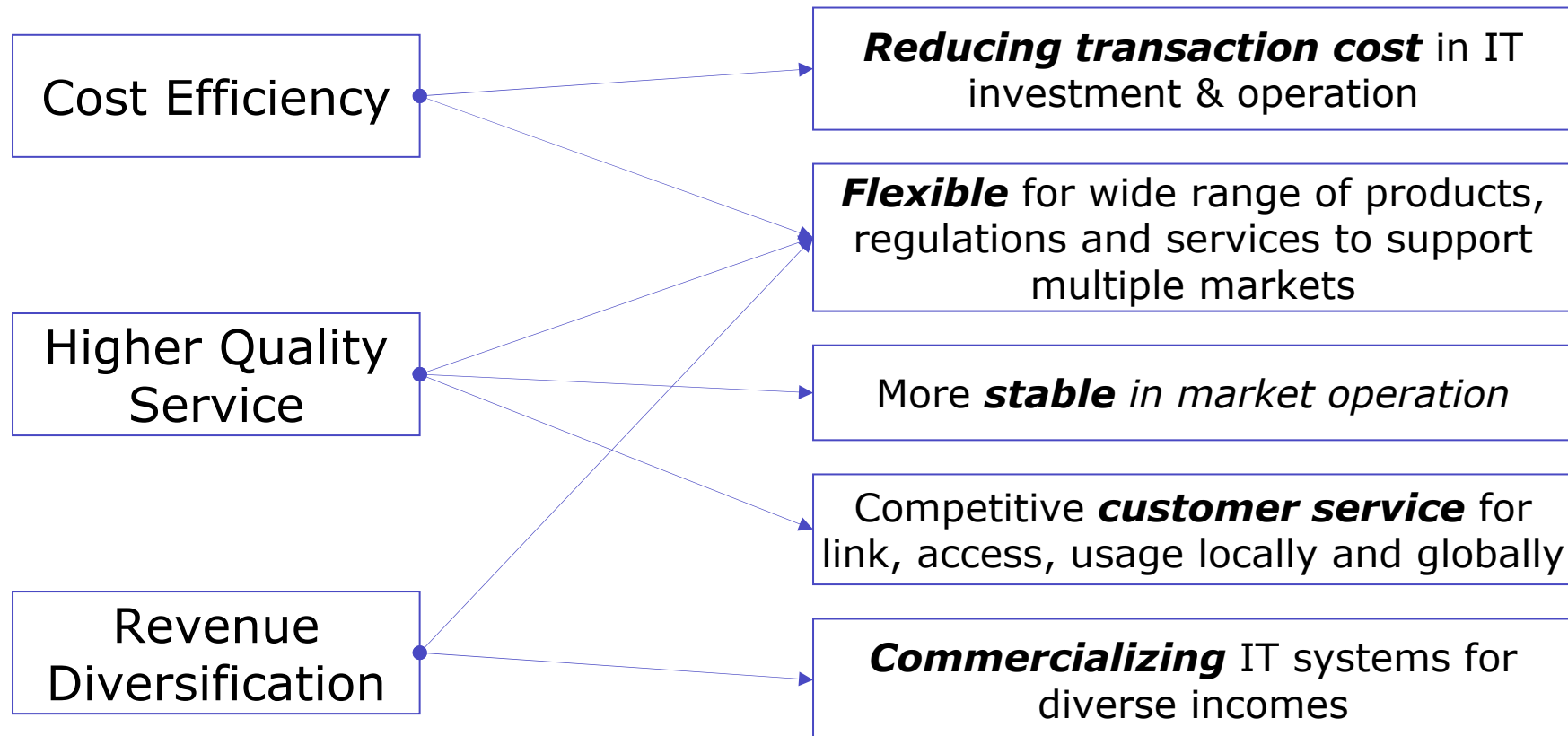




# Strategies

## IT Objectives

## Goals of IT Integration





# Technical Highlights

## Architecture

Integrated architecture

Service Oriented Archi.

Layered architecture

On-Demand

IT channel service

## Features

- Less redundant / reusable applications
- Cash and derivatives on single platform
- Fast reaction to business changes
- Modularized blocks, replaceable
- Less changing core business functions
- More changing at interface, rules, presentations
- Reaction to business needs
- High available, high performance, high service
- Standard protocols (FIX) to participants
- Single point of access



## Benefits expected

- Cost savings
  - Single network, single access method
  - Single data center
  - Single platform, single application
- Diversifying revenue
  - IT asset exporting
  - integrated market data
- Market participants
  - Decreasing trading cost
  - Easy access, better service



Thank you.

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