

Fidessa publishes white paper on pre-trade risk management

Discusses US brokers' need for consolidated, venue-neutral solutions

New York, 21st June, 2010 – Fidessa group plc (LSE:FDSA) the leading provider of trading systems, market data and global connectivity to buy-sides and sell-sides globally, has today announced the publication of a new white paper on pre-trade risk. The paper, entitled *Pre-trade risk: consolidation in a fragmented world*, looks at pre-trade risk in the context of traditional high-touch, care and proprietary trading as well as Direct Market Access (DMA) and High Frequency Trading (HFT) flow in US markets, and considers the value to be gained from deploying a central, pan-enterprise pre-trade risk management solution.

Pre-trade risk: consolidation in a fragmented world provides readers with a primer on the realities of pre-trade risk management, and the implications of the SEC's recent discussion papers on the subject. It looks at the essential requirements to manage pre-trade risk effectively, and the means by which brokers can minimize their exposure to clients' liabilities. Finally the paper considers the technology required to mitigate pre-trade risk and the relative merits of a neutral, vendor-provided solution compared to offerings from the venues themselves.

David Polen, director of sell-side product marketing for Fidessa in the US, says: "In the light of the events of May 6th and the widespread adoption of HFT in the US markets, much of the discussion about pre-trade risk to date has concentrated on this zero-touch sphere. But the reality is that the requirement to manage pre-trade risk is universal, whatever the trading strategies being offered and regardless of the level of automation involved. Our clients are just as concerned about pre-trade risk on their care orders as they are on their DMA flow. This paper has been written in response to their concerns and provides a more complete view of the issues surrounding pre-trade risk and the regulatory climate than has previously been available."

The paper supports Fidessa's contention that a consolidated system that enables brokers to manage pre-trade and pre-order risk across all asset classes, workflows,

internal departments and crucially, across all venues, is optimal in the highly fragmented US market.

Polen adds: "Fidessa's DMA offering and pre-trade risk controls are fully integrated within its core trading platform. It covers the complete range of broker services from more traditional care orders, high touch trading and market making through to all aspects of an electronic desk, and supports both equities and equity options trading at sub-millisecond latency. Integrating a DMA solution in this way guarantees a complete, 360-degree view of the risk associated with the firm's entire flow. We believe that's a very powerful proposition, and one that addresses the daily reality on the trading desk."

Pre-trade risk: consolidation in a fragmented world will be launched at this year's SIFMA Financial Technology conference which begins on June 22nd in New York. The paper will also be available through the Fidessa website, www.fidessa.com, or by contacting us.info@fidessa.com.

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About Fidessa group

Fidessa group is the leading supplier of multi-asset trading, portfolio analysis, decision support, compliance, market data and connectivity solutions for firms involved in trading the world's financial markets. **Fidessa's** products and services are built on the simple vision of making it easier to buy, sell and own financial assets of all types on a global basis.

PEDIGREE

A dynamic, growing company with a proven track record, **Fidessa** is recognised as the thought leader in the marketplace, with an unrivalled set of products and services which set the benchmark for this industry and, uniquely, serve both the buy-side and sell-side communities globally.

EXPERIENCED

With over 28 years' experience delivering powerful, resilient, mission-critical systems, **Fidessa** develops all its products itself from the ground up, investing heavily in their continual evolution. The resulting leading-edge, truly integrated solutions have established **Fidessa** as the industry's number one choice, and are used by over 85% of tier-one, global financial institutions.

SCALE

Headquartered in London and with regional operations across Europe, North America, Asia, and the Middle East, **Fidessa** supports 25,000 users across 850 clients, serving a broad spectrum of customers from major investment banks and asset managers through to specialist niche brokers and hedge funds.

ESTABLISHED

Fidessa group is listed on the London Stock Exchange (symbol FDSA) and is a FTSE 250 company. **Fidessa** has a turnover of around £240m, has delivered 30% compound growth since its 1997 listing and now employs 1,500 people globally.

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