

Fidessa launches Fragmentation Index

London – 17th November 2008 – Fidessa group plc (LSE: FDSA), provider of the Fidessa and Fidessa LatentZero trading, market data and global connectivity solutions, has today announced the launch of the Fidessa Fragmentation Index (FFI) which will provide the trading community with an accurate, unbiased measurement of the true state of liquidity fragmentation across order-driven markets in Europe.

The Fidessa Fragmentation Index is available free at <http://fragmentation.fidessa.com>.

Liquidity in European markets is fragmenting rapidly as new MTFs have unveiled a range of low cost alternative trading platforms. Understanding how different stocks are fragmenting across these new venues is essential to implementing effective best execution strategies for both the buy and the sell side.

"Everyone agrees that liquidity is moving away from primary venues but there is no industry standard way to compare fragmentation quickly and easily between different stocks, indices and venues," explains Steve Grob, director of strategy at Fidessa. "This is exactly what we set out to achieve through the creation of the Fidessa Fragmentation Index."

The Fidessa Fragmentation Index provides a single number to show how a stock or index is fragmenting and so it's now easy to measure and compare fragmentation across Europe. In this way, the FFI can help the sell side understand where and how it should implement Smart Order Routing (SOR) and help buy side firms identify where to direct their flow.

The Fidessa Fragmentation Index is available via an interactive web site that also provides a dynamic and fluid forum designed to provide an evolving consensus on the new liquidity landscape. Very much shaped by its users, the site also anticipates the next wave of changes in the market and examines the impact that these will have on the community at large, on trading styles and on the adoption and application of technology following the implementation of MiFID.

The FFI is calculated using proven mathematical principles, and shows the average number of venues that should be visited to achieve best execution when completing an order. An index

value of 1 means that the stock is still traded at a Primary Exchange. Increases in the FFI signify increasing fragmentation of liquidity across further venues. An index value of 2 or more shows that the stock has been fragmented significantly and to the extent that it can no longer be regarded as having a Primary Exchange.

Steve Grob continues: "Each day we calculate the FFI across all the constituents of the major European indices, and this has shown us just how many stocks are fragmenting and the rate at which they are doing so: the FFI for the FTSE 100, for example, has risen to a peak of 1.77 and some individual stocks are already breaking the 2.0 barrier on a regular basis. It's clear that the ability to seek out liquidity in an intelligent fashion, coupled with the ability to trade across multiple venues is going to be key to successful operation in this market."

The FFI covers the constituents of all the major European indices: AEX, BEL 20, CAC 40, DAX, FTSE 100, IBEX 35, MIB 30, OMX 30 and SMI. To present a complete view of a stock's status, the FFI takes into account the total number of venues over which it is fragmented, and reflects, for example, the difference between a stock that is split 80:20 between a primary and alternative venue, and a stock that is split 80:10:10 between a primary and two alternative venues. It also enables changes in fragmentation to be plotted over time and allows comparisons in fragmentation to be made between different stocks and indices in real time and historically.

-ends-

About Fidessa group

Fidessa group is a world-leading supplier of multi-asset trading, portfolio analysis, decision support, investment compliance, market data and global connectivity solutions for both the buy-side and sell-side globally. Available as a simple workstation or as an integrated application suite, the Fidessa and Fidessa LatentZero products are built on the clear vision of providing the richest functionality, coverage and distribution to the financial markets community.

The Fidessa suite is used by 85% of tier-one, global equity brokers providing sophisticated multi-asset trading, market data, order management and execution capabilities to all tiers of the sell-side.

The Fidessa LatentZero suite is used by the world's largest asset management firms through to smaller specialist managers and hedge funds, and provides comprehensive portfolio analysis, real-time P&L, what-if analysis, investment compliance, order and execution management, and post trade processing tools, across all asset classes, to all tiers of the buy-side.

Fidessa's global network carries over 130 million messages a month covering DMA, Care and Algorithmic orders, Indications of Interest and FIX Allocations between over 1,800 buy-sides and 310 brokers across 100 markets worldwide.

Head-quartered in London and with offices in New York, Boston, Tokyo, Hong Kong, Paris, Toronto and San Francisco, Fidessa group serves 22,000 users across 600 clients globally. Fidessa group was founded in 1981, has revenues of around US\$350m, employs over 1,200 people and has been fully listed (LSE:FDSA) since 1997.

www.fidessa.com

www.latentzero.com

Fidessa® is a registered trademark of Fidessa Group plc

All product and company names herein may be trademarks of their registered owners.