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FOR IMMEDIATE RELEASE

Financial Engineering Associates Becomes WhiteLight Application Partner

PALO ALTO, Calif. and BERKELEY, Calif., March 7, 2000 – Financial Engineering Associates, Inc. (FEA) and WhiteLight Systems, Inc. today announced that FEA will integrate the WhiteLight Analytic Server within FEA's VaRworks[®] line of products. The addition of the WhiteLight Server to FEA's analytic tools will allow financial services businesses to quickly build high-powered applications that solve complex securities pricing and risk management problems.

FEA's software calculates market risk for portfolios of cash and securities according to a number of different Value-at-Risk (VaR) methodologies, including Monte Carlo, Analytic and Component VaR. According to Meridien Research, market risk applications represented a \$2.1 billion dollar market across banks, insurance and securities firms in 1999. This figure is expected to grow to over \$4 billion by 2004. Demand for this type of software has also spread to non-financial companies, due to new financial reporting rules by the SEC that will require all U.S. public companies to measure and disclose their market risks. The Financial Accounting Standards Board is also promoting financial portfolio management within such non-financial companies, via its FAS rule 133.

"Financial portfolio management, with its wealth of trade and market data, presents a natural vertical market that plays to the WhiteLight strengths," said WhiteLight Director of Financial Services Solutions Jay Wheeler. "FEA's current customer base of more than 550 institutions, and its momentum in this arena, will provide a great opportunity for both companies to offer value-added solutions."

In the past, FEA customers have used its derivatives analytics software in conjunction with Microsoft Excel or embedded in larger, custom software programs. Now, FEA customers can leverage the WhiteLight Server to easily access information in their current databases, and do modeling and scenario testing against that information using the FEA risk analysis capability – without having to program custom applications. Users can access the capabilities of the WhiteLight Server and the FEA calculation functions via Excel, popular web browsers, or conventional query and reporting tools.

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“There are several important requirements for Value-at-Risk calculation in today’s market, including access to legacy systems, the ability for multiple users to access a common, firm-wide risk measurement repository, and the ability to do real-time VaR analysis,” said Mark B. Garman, FEA’s CEO and founder. “The combination of FEA’s sophisticated VaR capabilities and the WhiteLight Server’s functionality fulfills these requirements for our customers.”

Garman explains, “VaR is a highly integrative mission that must be performed using extensive data from our customers’ numerous legacy systems, and the WhiteLight Server provides a best-of-breed integration point for such data. Multiple users must be able to access a common, firm-wide risk measurement repository via multiple views, which the WhiteLight client-side software delivers. And last, our customers require minimal-latency risk management, with instant VaR reports. They are no longer willing to wait for their risk management reports to emerge from an old-style batch processing system at a fixed time each day. WhiteLight’s capability and FEA’s fast analytics fulfill this requirement as well.”

About FEA

Berkeley-based Financial Engineering Associates, Inc.’s mission is to provide the trading and investment community with high-quality analytical tools for the valuation and risk management of derivative securities. The company aims to be the primary purveyor of, and authority on, models for derivative products. Clients include over 500 institutions, including energy firms, money center banks, Fortune 500 companies, trading enterprises, and cutting-edge financial firms worldwide. For more information, see <http://www.fea.com/>.

About WhiteLight

WhiteLight Systems, Inc. develops and markets patented software that helps large companies solve analytical problems they couldn't solve before. The WhiteLight Analytic Suite is the foundation for next generation analytic applications that combine the financial modeling capability of spreadsheets with the data query capability of conventional business intelligence tools, revolutionizing a company’s ability to make decisions about customers, competitors and corporate assets. WhiteLight is a privately held company based in Palo Alto, California, with European headquarters in Bracknell, UK. For more information about WhiteLight Systems, visit <http://www.whitelight.com>

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