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FOR IMMEDIATE RELEASE

FEA's MakeVC® 2.2 Delivers Automatic Links to Data Providers in an Easy-to-Use Interface

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Financial Engineering Associates, Inc. (FEA), a leader in the development of value-at-risk (VAR) and derivative pricing technologies, announces the release of MakeVC® 2.2 — the latest edition of the company's software for generating the volatility and correlation forecasts that are fundamental to risk analysis and portfolio management.

"FEA developed MakeVC to provide users of risk analytics with a low-cost, easy-to-use program to build their own volatility and correlation datasets," comments Laurent Birade, FEA's Global Sales Manager. "With MakeVC 2.2 we now provide automatic links to the major data providers, including Bloomberg® and FAME®. These links, and a new streamlined Excel interface, make volatility and correlation dataset generation with MakeVC even faster and easier than before. This is especially important now that the Riskmetrics® data sets will lag by six-months."

Once free, up-to-date standard Riskmetrics™* data sets can now cost several thousand dollars per year; complimentary Riskmetrics data sets are now six months old. (According to the company's website, "From May 31, 2001, the standard RiskMetrics data sets will be updated with a lag of six months.") MakeVC users also overcome other limitations of the RiskMetrics datasets, which may not provide asset data coverage for all the instruments that an active trading operation needs to analyze.

When MakeVC users create their own datasets, they can also input their own observations about prices and rates, as well as information provided by the exchanges and other data providers. Such "open book" design is a fundamental philosophy behind FEA's product development. Mark Garman, FEA Chief Scientist and President adds, "FEA designs its software to give our clients the greatest flexibility and control. We believe that the more insight risk managers and traders have into their methodologies, the greater their ability to understand and manage their risks."

FEA leads the market in the practical applications of risk theory. Financial professionals worldwide use FEA software for its superior performance and results. FEA developed MakeVC to streamline risk management techniques available to firms that might employ a broad range of instruments. Currently used by traders and risk managers at leading financial institutions, energy firms, and other industrial enterprises, MakeVC reads historical price and interest-rate time series data, and uses exponentially-weighted moving averages (EWMA) to forecast volatilities and correlations. MakeVC produces datasets that can be used for all trading and risk management activities that involve variance-covariance methodologies, such as VAR.

For added flexibility, the MakeVC product comes with many user interfaces. Those included are a set of Excel add-in functions, a stand-alone Windows application, a set of command-line functions and a C programming library. As a library MakeVC allows maximum flexibility for customization and integration with third-party systems. FEA markets its analytics directly as Excel add-in functions, and as embedded components of systems offered by FEA Alliance Partners, including Alstom (NYSE:ALS), Caminus (Nasdaq:CAMZ), PeopleSoft (Nasdaq:PSFT), EFA Software Ltd., Algorithmics, Inc., and Triple Point Technology, as well as two dozen other well-known companies.

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About FEA

Focusing on the financial, energy and commodities markets since 1989, Financial Engineering Associates, Inc., is renowned for the development of option valuation models and market risk assessment software. Powered by constant innovation, aggressive release schedules, and superb technical support, FEA is routinely first-to-market with pricing models and authoritative risk management tools for the latest, most-complex financial instruments. FEA's more than 650 institutional clients include energy firms, money center banks, Fortune 500 companies, trading enterprises, and leading financial firms worldwide. FEA remains at the forefront of financial engineering through an on-going commitment to meeting the needs of its clients worldwide. For more information, please visit www.fea.com.

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