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FOR IMMEDIATE RELEASE

FEA VaRworks 4.1 Adds Convertible Bonds, Credit/Yield Curves

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Financial Engineering Associates, Inc. (FEA) announces the release of VaRworks® 4.1, the company's value-at-risk (VaR) software package for market risk management. New features in VaRworks 4.1 include direct support of convertible bonds, expanded credit curve capabilities, and optimization that cuts calculation times in half.

"FEA VaR clients with portfolio exposures to corporate credit instruments can return more precise calculations within their desktop application (Excel), as well as within their existing risk management, trading and treasury systems using FEA VaR.," said Laurent Birade, FEA VP of Sales and Marketing.

"With VaRworks 4.1 users will map corporate yield curves much more effectively," added Chris Brady, Manager Financial Solutions at FEA. "From a user standpoint, this new functionality permits more accurate risk analyses of corporate bonds, capturing the volatility of particular yield curves."

Nicholas Applegate Capital Management Director of Research and Risk Management Douglas Stone uses FEA's VaRworks in managing risk in client portfolios. "We have found that the FEA VaR solution is a very strong, easy-to-implement set of tools for analyzing market risk," Stone said.

FEA, the developer of analytic pricing tools and risk management software, launched its VaRworks market risk management software in 1995. The product has grown into a highly flexible, comprehensive VaR analysis tool incorporating multiple VaR methodologies, stress testing, as well as FEA's patented VaRdelta® technology. VaRworks 4.1, combined with MakeVC, is FEA's Excel-based VaR solution. The companion object library, VaRlib™ is integrated in FEA Partners solutions worldwide. FEA differentiates itself as a thought leader in analytics, going well beyond the standard financial textbooks by creating new foundations for financial calculations.

Mark Garman, FEA Chief Scientist and President, said, "We see a trend towards deploying risk management tools within multiple levels of the enterprise, not just solely the middle-office. Dissemination of risk management reports and drill-down tools throughout the organization can provide a more critical view of risk within the enterprise, to help avoid Enron-like disasters that can partially be viewed as stemming from 'risk myopia.' In conjunction with our alliance partners, FEA is increasing its emphasis on making risk more transparent by providing more analytic accessibility throughout the entire enterprise."

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About FEA

Focusing on the energy, financial, 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 700 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 <http://www.fea.com/>.