

More cloud, increased investment in trading and risk management and continuing concerns over regulation

Linedata reveals the results of its Annual Investment Management Survey

PARIS, December 1, 2011 - Linedata (NYSE Euronext: LIN), the global solutions provider dedicated to the investment management and credit industries, today announced the results of its Annual Global Investment Management Survey. Key findings include the recognition of regulation as a present and future challenge; a clear move towards cloud computing and hosted environments; plus risk and trading systems as top IT priorities. Despite a small number of downbeat pronouncements, the majority predicted market growth in 2012.

Linedata surveyed 159 investment management professionals over the course of six weeks in September- November 2011, during Linedata Exchange London, New York, Hong Kong and Singapore. On the key findings, Gavin Little-Gill, Linedata Global Head of Asset Management Product Strategy, commented:

“The investment management industry is weighing an avalanche of regulatory proposals. Linedata’s survey results clearly illustrate apprehension over coming regulations and their impact on business. This explains one significant shift in IT priorities: whereas in 2010, it was all about improving legacy systems, this year, priorities have shifted towards managing risk. Asset managers need a better understanding of the entire trade lifecycle, a more comprehensive insight into risk and, generally, increased transparency. The acquisition of better front and middle office solutions are critical to managing the overall operational risk of an asset manager’s business and providing insight into the firm’s risk exposure throughout the day. Robust solutions such as those offered by Linedata help investment management professionals meet their client mandates and regulatory demands. These survey results are aligned with Linedata’s understanding of market trends; our product enhancements have been focused on automation, auditability, limits and controls and transparency.”

Top challenges of today and tomorrow

The survey shows that 25% of respondents consider regulation to be their top or second priority; more important even than investment performance which rated as their second greatest concern. Looking towards the future, the interviewees identified adapting to new regulatory regimes as their greatest challenge in 2012, followed by market volatility; the latter was also re-iterated many times in the unprompted section of the survey. When asked if there would be growth in 2012, two thirds said ‘yes,’ although the respondents were divided as to where this growth would occur.

Main IT priorities

Trading and other front office applications were the main IT priorities of the largest single group of respondents at 27%; risk management and compliance combined as a significant 33%. Another notable trend was a move towards the cloud and hosted services, with 36% saying their business already runs in the cloud and a further 42% considering a move to the cloud in either the short or medium term future. Gavin Little-Gill observed, “The investment industry as a whole is moving towards hosted solutions - they are secure, flexible, scalable and cost-effective, requiring no capital expenditure and less in-house resource. With over 105 clients now using our hosted solutions, Linedata can attest to this trend. In addition, Linedata Hosting also comes with full business contingency and disaster recovery services which can be a challenge to provision with an in-house deployed system.”

The full survey can be read here:

http://www.linedata.com/files/2011/12/Global_Investment_Management_Survey_2011.pdf

ABOUT LINEDATA

Linedata is a global solutions provider with 700 clients operating in 50 countries. With more than 900 employees across the globe, Linedata is dedicated to the investment management and credit community. Linedata has been at the service of the financial industry from day one, and applies its market and client insight to provide innovative

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and tailored mission-critical software and services that help its clients grow. As a pioneer for over 10 years with the setup of SaaS infrastructure for the financial industry, Linedata has preached and spread this model throughout the global financial community, for its full range of products. Headquartered in France, Linedata achieved revenues of EUR 136.2 million in 2010. This company is listed on Euronext Paris FR0004156297-LIN - Reuters LDSV.LN - Bloomberg LIN:FP.

Linedata provides comprehensive front-to-back solutions and services to manage all types of investment processes, from pre-trade to post-settlement, across a wide range of firms, including institutional portfolio and collective management companies, hedge funds, prime brokers, fund managers, transfer agents, corporate savings fund managers, and subsidiaries of banks or independents.

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