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**ALGORITHMICS' MARK-TO-FUTURE<sup>®</sup> FRAMEWORK WINS PRESTIGIOUS  
'TECHNOLOGICAL DEVELOPMENT OF THE YEAR' AWARD  
FROM RISK MAGAZINE**

*"MtF offers not only a methodology but also a technology architecture for analyzing risk across global institutions," according to industry-leading journal of risk measurement and management*

**TORONTO, January 18, 2001** – Risk Magazine has awarded Algorithmics Incorporated the 'Technological Development of the Year' award for 2000, citing the firm's Mark-to-Future (MtF<sup>™</sup>) methodology as "The most significant contribution to the analysis and processing of risk information...".

First introduced in 1998, Mark-to-Future is a powerful risk/reward management framework based on scenarios, which incorporates the interaction of market, credit, liquidity risk and asset liability management (ALM), to help financial institutions minimize their exposures (risk) and maximize their returns (rewards).

Full details of the award can be found in the January issue of Risk and on the award web site ([www.risk.net/riskawards2001/technologicaldevelopment.htm](http://www.risk.net/riskawards2001/technologicaldevelopment.htm)). The article references experts who have endorsed Mark-to-Future and names industry-leading financial institutions worldwide that are "...already putting MtF into practice..." Stephen Ross, Franco Modigliani Professor of Finance and Economics at the Massachusetts Institute of Technology, is quoted in the article, saying that "[It] is a powerful framework with a great potential to change the industry...The approach solves several key practical challenges of modern risk management. For example, [it] provides a methodology to integrate market, credit and liquidity risk into one overall comprehensive and consistent risk measurement methodology that is open to future extensions."

The awards, now in their second year, are given to individuals and firms that demonstrate leadership in bringing innovation and excellence to the derivatives and risk management industry as a whole. The Risk Awards will be presented at Risk 2001 Europe, Risk Magazine's 6<sup>th</sup> annual derivatives and risk management congress, to be held in Paris, in April. Accepting on behalf of Algorithmics will be the company's founder and CEO, Dr. Ron S. Dembo.

"This award confirms what we are hearing from customers, which is that Mark-to-Future is the first methodology to deliver a vision of integrated, enterprise-wide market, credit and liquidity risk, and

asset management, in an open framework that can grow as best practices and regulatory standards evolve,” said Dr. Dembo. “By mid-year, we had incorporated significant changes based on industry feedback to the [www.mark-to-future.com](http://www.mark-to-future.com) web site, including a detailed technical document and scenario generator. This ‘proof of concept’ has helped ensure that Mark-to-Future can be the framework that financial institutions, corporations and others can rely on when building their long-term solutions to their risk management problems.”

### **About Algorithmics**

Algorithmics was founded in 1989 in response to the complex issues surrounding financial risk management for the enterprise. Today, as the leading provider with the largest and most experienced team in the industry, Algorithmics continues to focus its efforts on creating and implementing enterprise risk management software that meets the evolving needs of its customers. Continuing its tradition of leading the way in risk measurement and management tools and processes, Algorithmics recently introduced Mark-To-Future™ (MtF), a new risk-reward measurement framework. Headquartered in Toronto, with 16 offices around the world, Algorithmics serves more than 110 global financial institutions with 150 installations worldwide.

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