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First Derivatives plc
("First Derivatives")

Pioneering collaboration for "Bandwidth Exchange"

First Derivatives (AIM:FDP.L, ESM:FDP:I), a leading provider of software and consulting services to the capital markets industry is pleased to announce its pioneering collaboration with BT, Amartus, Intune Networks and Nokia Siemens Networks in exploring the concept of Bandwidth trading.

Currently, bandwidth is purchased under forward contracts which are traded in Over-The-Counter (OTC) transactions. First Derivatives, Amartus, Nokia Siemens Networks and Intune Networks are pooling their expertise to research the possibility of creating a commercially viable bandwidth exchange marketplace under the sponsorship of BT. This new concept would allow new revenue streams to be created through the securitisation of Bandwidth as an exchange tradable commodity for telecom companies and other service providers.

A live demonstration of the Bandwidth Exchange can be seen at TM Forum Management World 2012 at Dublin's Convention Centre from 22 May 2012 to 24 May 2012 (www.tmforum.org/mwd12RCR).

Peter Willis, Chief Data Architect at BT Innovate & Design, said: "This is a catalyst that demonstrates it's possible to implement a viable Bandwidth Exchange marketplace offering connectivity to cloud services. Providing flexibility in bandwidth provision and availability will enable exciting new network services and investment opportunities that complement flexible cloud services."

Brian Conlon, CEO of First Derivatives commented: "Whilst we continue to focus our commercial efforts within capital markets, we are delighted to collaborate with other technology leaders in this innovative venture which will draw upon our own expertise in the high frequency, low latency trading arena".

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About "Bandwidth Exchange"

The emergence of dynamic, on-demand computing resources has prompted the re-evaluation of bandwidth-on-demand service offerings. These would provide cost-effective connectivity between end-customers and data centres over short time durations.

A necessary precursor for this is the ability to trade bandwidth contracts for on-demand end-to-end Ethernet circuits, mediated through an electronic exchange that enables price-discovery. Then it would be possible to deliver Cloud Services more cost effectively through on-demand provision of the three core elements of Network, Storage & Computer.

About First Derivatives

First Derivatives is a global provider of software and consulting services to the financial services industry. With almost 16 years experience working with leading financial institutions, it continues to deliver technologically advanced products and services that anticipate and respond to the evolving needs of global capital markets.

First Derivatives currently employs over 650 people worldwide and counts many of the world's top investment banks, brokers and hedge funds as its customers. It has operations in London, New York, Stockholm, Shanghai, Singapore, Toronto, Sydney, Dublin, Newry and Hong Kong.

For further information please visit www.firstderivatives.com