

## Instinet Introduces Newport 3 EMS Globally

*Instinet offers global access, enhanced performance, true broker neutrality and a full suite of transaction cost analytics with third-generation execution management system.*

NEW YORK – May 26, 2009 – Instinet Incorporated, a global leader in electronic trading and agency-only brokerage services, today announced the global launch of Newport® 3, Instinet’s third-generation EMS (execution management system). The platform boasts significant performance, functionality and analytics enhancements, and allows users to leverage Instinet’s full spectrum of high touch to high frequency global trading solutions including DMA (direct market access), smart order routing, algorithmic technology and agency-only sales trading.

“When we set out to develop Newport 3 for global execution, our customers demanded their EMS handle thousands of orders, be truly neutral and have pre- through post-trade TCA fully integrated,” said Frank Freitas, Head of Product Strategy at Instinet. “We’re committed to the continual enhancement of Newport 3 to ensure the platform evolves with our clients’ requirements, and we feel that this commitment has become even more compelling in the face of technology budget cuts across Wall Street.”

Key enhancements to Newport 3 include:

- **Broker-Neutrality:** Newport 3 is entirely broker neutral, allowing clients to access the algorithms and trading desks of most major global broker-dealers. In addition, clients can use Newport 3 to directly access over 80 trading destinations globally, including all major exchanges, ATS platforms, MTFs and dark pools throughout the Americas, Europe and Asia.
- **Third-Generation Performance:** Newport 3 represents the third generation of Instinet’s front-end trading technology and is paired with Instinet’s technology “core,” which also powers Instinet’s global ATS matching engines. Newport 3 and the core infrastructure both draw upon the firm’s decades of experience derived from past generations of cutting-edge trading technologies.
- **Integrated TCA (Transaction Cost Analysis) Platform:** Newport 3 features Instinet’s fully-integrated pre-trade, real-time and post-trade TCA platform, which allows clients to:
  - forecast risk and market impact at the single stock or portfolio level before trading;
  - track multiple benchmarks – including proprietary benchmarks – in real time;
  - use post-trade cost measurement analysis to validate strategies, monitor brokers and target best execution obligations.
- **Customization and Collaboration:** Newport 3 allows clients to design and refine complex, multi-legged order submission strategies, tailor strategy parameters, defaults and keystrokes and fully customize the Instinet Execution Experts algorithmic suite. In addition, the platform enables desk heads to view, work or route orders from any team member’s desktop; organize orders by trader, account, liquidity, sector, side, etc.; and seamlessly hand off orders to Instinet’s agency sales trading and portfolio trading desks in the Americas, Europe and Asia.

“Newport 3 empowers the buy-side with access to trading strategy creation tools and real-time transaction cost analytics that are the foundation of Instinet’s many execution quality accolades,” added Freitas. “This is driven by Instinet’s own neutrality and our commitment to eliminating all impediments to connectivity and functionality when dealing with any third-party broker. An EMS provider can’t claim to offer best execution tools while biasing its own brokerage.”

Earlier this year, Newport 3 was named “Best Execution Management System for 2009” by the readers of *World Finance* magazine (<http://worldfinance.com/news/home/awards/article491.html>).

## **About Instinet**

Instinet is an electronic trading pioneer, having established the world’s first significant electronic trading venue in 1969, one of the first recognized U.S. ECNs in 1997 and the first pan-European MTF in 2007. Through its subsidiaries and affiliates, Instinet operates two distinct business lines: a global network of agency-only brokers that seek to help institutions lower overall trading costs and improve investment performance through the use of innovative electronic trading products, including smart-routing, algorithms, DMA, dark pools and EMS platforms, and also provide sales trading, commission management services and independent research; and the Chi-X<sup>®</sup> trading systems, which aim to improve the efficiency of capital markets globally by providing high-performance, low-cost alternative execution venues. Instinet is a wholly-owned subsidiary of Nomura Holdings, Inc. For more information, please visit [www.instinet.com](http://www.instinet.com).

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