

## Neonet demonstrates superior trading performance using Smart Order Routing and extended market access

**Independent benchmarking and analytics identifies significant price improvement from employing SOR and MTFs.**

**Stockholm, Sweden, February 1, 2012** – Neonet, the independent equity execution services provider, today announced findings from a series of benchmarks that illustrate the benefits from implementing Smart Order Routing (SOR) and extending market access from primary exchanges to Multilateral Trading Facilities (MTFs).

Neonet recently entered a partnership with IFS LiquidMetrix to incorporate independent analytics and quality assurance tools with its equity execution services. Using these tools, Neonet can now analyze the performance of trade flows on individual or multiple trading venues with millisecond precision – a requirement for evaluating sophisticated Smart Order Routing (SOR) engines, such as those provided by Neonet.

Applying the LiquidMetrix analytics toolset, a study was conducted by Neonet on trading in Nordic stocks. It verifies that the Smart Order Routing operating with access to multiple trading venues including MTFs, contributes to raising the overall execution quality available to clients. This results in a significant price improvement when compared to trading the primary exchange only.

“We see a strong market focus on “cost only” when it comes to execution analytics,” said Carl-Johan Wallin, Global Head of Sales, Neonet Securities. “While cost certainly is important, we would like to shift the emphasis to execution quality. Our study clearly shows the significant benefits you can obtain by employing a good Smart Order Router and access to alternative trading venues.”

The findings from the study include:

- Having access to all MTFs corresponds to a price improvement by just over 0.65 basis points for Swedish stocks.
- Neonet’s SOR execution technology executes at or better than the EBBO (European Best Bid and Offer) price at a rate of 99.62%.

“We welcome Neonet’s efforts to inform the market about execution quality on the MTFs, which regularly offer prices that improve upon those offered by the listing markets,” said Paul O’Donnell, chief operating officer of BATS Chi-X Europe. “Market participants should have access to readily available execution quality data to avail themselves of the price improvement opportunities that MTFs can provide, and Neonet’s approach to benchmarking and analytics is consistent with BATS Chi-X Europe’s efforts to promote market transparency.”

“We highly appreciate Neonet’s transparency and flexibility,” said Bernhard Lamark, Head of Trading, SpareBank 1 Markets AS. “For Best Execution to be a meaningful concept, we need the ability to monitor trading performance, with tools that fairly and accurately measure and compare quality and costs. Neonet now provides all this in a very straightforward and accessible manner.”

On October 18, 2011, Neonet announced a partnership with IFS LiquidMetrix to provide execution performance quality assurance. Neonet’s goal is to lead the market in advising clients and investors about execution benchmarking, and to provide the most in-depth, independently verified data to enable this.

“This execution performance study is an excellent example of how innovative firms like Neonet could make use of our tools”, said Sabine Toulson, Managing Director, IFS LiquidMetrix. “Our

service enables the most technically advanced brokers, including Neonet, to measure, quantify and optimize their execution performance in today's fragmented equity markets.”

For further information, and more details about the execution performance study referred to above please contact [sales@neonet.com](mailto:sales@neonet.com)

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With market presence in all major global financial centers, Orc provides sales and support services from its offices across the EMEA, Americas and Asia-Pacific regions.

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