

Press release

FRSGlobal announces new version of RiskPro Credit Risk with Expected Credit Loss for advanced risk management

London – 18 November, 2009: [FRSGlobal](#), the only global provider of [risk](#) and [regulatory](#) compliance solutions on a unified platform with coverage for over 40 countries, today announced the release of the latest version of its Credit Risk TNG module within its unified risk and profitability analysis solution, RiskPro, to help the banking, insurance and corporate sectors strengthen risk management insight.

Credit risk - the risk of financial loss due to a deterioration of counterparty's credit quality – is recognised as having played a significant role in the majority of financial crisis to date, which makes it a crucial factor to be able to measure accurately and manage effectively. Good credit risk management starts with an assessment of credit quality (i.e. rating, probability of default and loss given default) and credit exposure at the counterparty level, and processing more advanced measurements at credit portfolio level.

The Credit Risk TNG module of RiskPro provides:

1. Exposure measurement taking credit risk enhancement into account
2. Expected loss measurement using a sophisticated analytical approach based on an [Edgeworth expansion](#).
3. Credit portfolio risk measurement taking into account:
 - Credit and market risk factors, thus providing an integrated view on Economic Capital
 - Correlations between systemic risk factors
 - Stochastic modelisation of loss given default (LGD)
 - Multi-period simulation
 - Important sampling to increase performance
4. Stress testing any kind of Credit and or Market risk factor

Thomas Brouwer, Head of Product Management at FRSGlobal, commented: “Sound credit risk measurement is the necessary foundation stone for building institution-wide risk measurement and management methodologies. The addition of our [Expected Credit Loss](#) and Credit portfolio risk components ensure high accuracy and address the industry need for fully integrated analysis in respect to Economic Capital calculations.

FRSGlobal's RiskPro solution covers a broad scope and depth of financial analysis ensuring consistency of results and reduction in the cost of analysis which includes:

- Easy-to-use and highly flexible modular software platform satisfying the internal and external analysis requirements in financial risk analysis - for small to large organisations
- Extensive financial product coverage - from saving accounts, complex loans and insurance instruments to exotic options and structured products
- Experienced and talented implementation and support resources - providing quality services and complete knowledge-transfer to ensure effective solution implementation, use and support
- Worldwide accessibility and global delivery capability through local presence and international teams.

--Ends--

About FRSGlobal

FRSGlobal is the only provider of risk management and regulatory compliance reporting solutions on a unified platform with a single data model.

FRSGlobal solutions are a combination of modules from [RegPro](#) and [RiskPro](#), sharing a single [DataFoundation](#) and [CalculationEngine](#):

- **RiskPro** provides profitability analysis across the following risk types: Asset Liability Management (ALM), Liquidity, Market, Credit, Basel II, IFRS/IAS32 and 39, Solvency II, Funds Transfer Pricing and Economic Capital.
- **RegPro** enables financial institutions to address major regulatory and compliance requirements locally and globally – with reports for more than 40 countries.
- Subscribing clients benefit from the **FRSGlobal Guarantee**, which ensures the regulatory reports are maintained in line with the Regulators' requirements.
- FRSGlobal **Centre of Risk & Regulatory Excellence** monitors risk and regulatory activities in 100+ countries.

FRSGlobal has nearly 20 years of industry expertise and its solutions are used in over 1500 financial organisations - including 41 of the top 50 global banking institutions. It is owned by the Carlyle Group and Kennet Partners.

FRSGlobal is headquartered in Brussels with a further 19 other offices in North America (Boston, New York and Toronto), Europe (Amsterdam, Brussels, Dublin, Lisbon, London, Luxembourg, Madrid, Paris, Zurich, Lausanne, Warsaw and Cluj-Napoca (Romania)), Dubai and Asia Pacific and Japan (Hong Kong, Pune and Singapore).

###

COMPANY CONTACTS

FRSGlobal

Lauren Dearmer, PR Manager

Tel: +44 (0) 20 7539 6525

Email: lauren.dearmer@frsglobal.com