

## **Arcesium Launched as Leading Edge Technology Company Providing Asset Managers with Key Software and Services for Post-Trade Activities**

*The D. E. Shaw Group and Blackstone Alternative Asset Management to Be Initial Clients and Jointly Own Arcesium*

**New York, March 2, 2015**—The D. E. Shaw group, a global investment and technology development firm, and Blackstone Alternative Asset Management (BAAM), the world's largest discretionary allocator to hedge funds, today announced the launch of Arcesium LLC, a new, independently operated technology and service company that will provide asset managers with software and service solutions for their post-trade activities.

Arcesium's fully hosted technology platform offers asset managers sophisticated post-trade support for the various activities of the trade lifecycle—including security master maintenance, trade capture, asset servicing, treasury functions, pricing-related services, and portfolio data warehousing—in a highly automated and secure manner. Arcesium's service offering complements its technology platform with robust, exception-driven processes that effectively balance efficiency and control. The platform, which was refined by the D. E. Shaw group over many years, is able to address a wide array of asset classes, fund structures, collateral, and pricing methodologies, as well as a large number of trading venues and counterparties. Arcesium's software and service offerings can be integrated with the systems of other service providers its clients may use, including those of industry-leading fund administrators.

Arcesium's initial clients, the D. E. Shaw group and BAAM, both will use the company's software and service capabilities, with the first BAAM fund moving onto the platform this spring. Later in the year, Arcesium will offer its solutions to additional clients. The new company is launching with over 300 technology, accounting, and operations staff and is expected to grow to over 400 staff in its New York and Hyderabad offices by the end of 2015.

"We are excited to launch Arcesium with the D. E. Shaw group and Blackstone as our first clients, and we expect to be servicing over \$40 billion in assets by the summer," said Gaurav Suri, Arcesium CEO, who has been head of information technology and software development for the D. E. Shaw group. "A key step in our development of this business was the decision to operate it independently from the D. E. Shaw group, and having Blackstone join us as a business partner and early client helps us realize this goal. Arcesium will also benefit tremendously from Blackstone's market knowledge and deep industry relationships."

"Over more than 25 years, the D. E. Shaw group has assembled an exceptional technology and operational team and built what we believe is world-class infrastructure to support our investment activities," said Anne Dinning, managing director and member of the Executive Committee of the D. E. Shaw group. "The firm has a

long history of developing and spinning out successful technology-enabled businesses. We expect the talented Arcesium team to succeed in attracting and satisfying new clients while continuing to provide our funds excellent service.”

“The tremendous resources, depth of expertise, and innovative technology of the D. E. Shaw group made a strategic relationship around Arcesium very attractive to us,” said J. Tomilson Hill, Vice Chairman of the Blackstone Group and President and CEO of Blackstone Alternative Asset Management. “As the world’s largest provider of hedge fund solutions, with investors who include many of the world’s leading institutions, we understand the needs of fund managers and their investors. We believe Arcesium will support the effective management of our funds and provide us with solutions superior to those offered by other providers in the marketplace.”

For additional inquiries, please contact [info@arcesium.com](mailto:info@arcesium.com).

### **About the D. E. Shaw group**

The D. E. Shaw group is a global investment and technology development firm with approximately \$36 billion in aggregate investment capital as of March 1, 2015 and offices in North America, Europe, and Asia. Since its organization in 1988, the firm has earned an international reputation for financial innovation, technological leadership, and an extraordinarily distinguished staff.

### **About Blackstone Alternative Asset Management**

Blackstone Alternative Asset Management (BAAM), Blackstone’s Hedge Fund Solutions platform, is the world’s largest discretionary investor in hedge funds, with \$64 billion in assets under management. BAAM manages a diversified set of businesses including a customized solutions business, a special situations platform, a long-only solutions business, a hedge fund seeding business, an open-ended mutual fund platform and a business that purchases stakes in established hedge funds. In all of BAAM’s business lines, it carefully selects and partners with fund managers across a variety of asset classes and strategies to create solutions for its investors.

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*Please visit [www.arcesium.com](http://www.arcesium.com) for current and additional information about Arcesium. Please visit [www.deshaw.com](http://www.deshaw.com) for current and additional information about the D. E. Shaw group. Please visit [www.blackstone.com](http://www.blackstone.com) for current and additional information about the Blackstone Group, LP.*