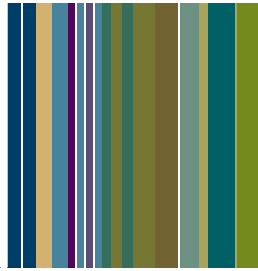




**SUNGARD** FRONT ARENA



## CASE STUDY

*Theoria Capital Management*

# Theoria Capital Management

## The Firm

Founded in 2007 by Minoru Umezaki and based in Singapore, Theoria Capital Management (Theoria) is a multi-strategy hedge fund, primarily focused on investments in the Japanese market. Starting up with only \$14 million AUM in 2007, Theoria has generated exceptional returns and now carries over \$135 million AUM. Employing multiple strategies, including arbitrage, directional, market neutral and event driven investing, Theoria serves a variety of professional investors globally.

## The Challenge

Experiencing rapid growth and planning to expand into new markets and asset classes, Theoria needed a solution that could help them monitor risk and enhance transparency across a multi-asset portfolio. Theoria already had an execution management system (EMS) in place to manage day-to-day trading activities but knew they needed a system to help them handle investments more diligently, with greater insight into live firm-wide and desk-level exposure.

They also needed a solution that would help them improve operational efficiencies throughout their business, enabling Theoria to remain focused on achieving exceptional returns for their investors over the next 3 to 5 years.

Emanuel Mond, president of SunGard's alternative investment business, said, "In an environment where global borders are consistently being broken down and investment strategies increasingly complex, having a solution in place that can manage a broad range of asset classes and investment strategies is of paramount importance. Front Arena will help Theoria Capital Management as they strive for growth, with the comprehensive coverage and pricing and analysis they need to efficiently mitigate risks and capitalize on potential investment opportunities."

## The Solution

Theoria selected SunGard's Front Arena to help them achieve the transparency and efficiency needed to grow their business. A multi-asset solution providing trade capture, real-time P&L, desk-level risk and securities and derivatives processing, Front Arena is an integral solution for hedge funds, traditional asset managers and other alternative investment managers.

Front Arena's broad cross-asset coverage and real-time P&L capabilities help Theoria to manage pricing, exposure and positions in real-time so that trades can be quickly modeled and executed from Theoria's EMS. Currently Theoria employs Front Arena for its equities, futures and options businesses but is looking to expand its usage into fixed income instruments.

In addition to enhancing transparency and availability of data, Front Arena has helped Theoria to leverage efficiencies through robust lifecycle management tools. Utilizing Front Arena's nimble integration tools, the system seamlessly links front-, middle- and operations with a single-point of entry.

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**Theoria finished implementation of Front Arena in April 2010, with an implementation time of only 67 days.**

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### The Future

Looking to significantly grow their business across Asian markets over the next few years and attract high calibre investors, leveraging Front Arena will help Theoria to differentiate themselves in the marketplace.

“With aggressive asset growth targets over the next few years, we are actively targeting new professional and institutional investors and looking to expand into a wide range of markets, strategies and asset classes. We needed a comprehensive platform that would meet our needs both now and as we plan into the future,” commented Minoru Umezaki.

With Front Arena, Theoria will benefit from a flexible, extensible solution that will continue to evolve as their business grows; and by placing a solution with complete audit trail and documented workflow controls in place, Theoria has drastically reduced their operational risk.

Theoria has also gained a domestic and global partner, with high quality local Front Arena specialists based in Singapore, Europe and the US.

The expectations of the current and future investor are far more demanding and comprehensive than ever, with an increased focus on all levels of risk. Front Arena will provide Theoria with the tools to reduce operational and portfolio risk, in addition to enhancing the transparency of their investments.

When marketing themselves at home and overseas, this will help Theoria to differentiate themselves in the Asian hedge fund market and will help them in their due diligence processes as they continue to grow their business. Theoria has a powerful and reliable partner in SunGard, and will be able to leverage Front Arena to help gain exceptional returns for investors and diligently manage risk for years to come.

[www.sungard.com/frontarena/learnmore](http://www.sungard.com/frontarena/learnmore)

### **About SunGard's Front Arena for Alternative Investments**

Front Arena is a real-time, enterprise-wide solution for portfolio management, operations and risk. It is used by hedge funds, asset managers and fund administrators, to manage single and multi-strategy portfolios. Front Arena provides traders and portfolio managers with pricing, position management, real-time P&L, risk and sensitivity analysis. Managers, operations and middle-office staff can view and manage portfolios, trades, P&L and cash from the highest level, customize according to reporting criteria and drill down to the lowest levels in real-time. Front Arena offers a front-to-back solution embracing full trade transparency, workflow, settlements and interfaces to prime brokers and fund administrators. Front Arena provides both hosted and installed solutions.

To learn more, visit [www.sungard.com/frontarena/learnmore](http://www.sungard.com/frontarena/learnmore).

### **About SunGard**

SunGard is one of the world's leading software and technology services companies. SunGard has more than 20,000 employees and serves 25,000 customers in 70 countries. SunGard provides software and processing solutions for financial services, higher education and the public sector. SunGard also provides disaster recovery services, managed IT services, information availability consulting services and business continuity management software. With annual revenue exceeding \$5 billion, SunGard is ranked 380 on the Fortune 500 and is the largest privately held business software and IT services company.

For more information, please visit SunGard at [www.sungard.com](http://www.sungard.com).

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