

Daiwa Securities America Improves Performance and Reduces Costs with JBoss Solutions

Large Japanese securities brokerage migrates from proprietary solutions to JBoss Enterprise Application Platform and JBoss Enterprise Portal Platform

RALEIGH, NC – July 14, 2008 – Red Hat (NYSE: RHT), the world's leading provider of open source solutions, today announced that Daiwa Securities America Inc., one of Japan's largest securities brokerages with a focus on sales and trading of Japanese and U.S. Equities and fixed-income instruments, financial futures and investment banking, has migrated from proprietary solutions to JBoss Enterprise Application and Portal Platforms. As a result, Daiwa has cut application development time in half, dramatically improved application performance and saved over \$300,000 in licensing and hardware costs.

In 2006, Daiwa Securities America faced issues with the internal portal that 250 of its employees depended on to access the applications necessary to execute on their daily responsibilities. The portal, called DSAweb, supports 120 of Daiwa's internal applications, ranging from its Compliance Dashboard to back-office integration systems. With frequent crashes and downtime for the DSAweb portal, Daiwa's former proprietary solution caused both business and technical issues that threatened business-critical functions. When Daiwa's previous proprietary application server released a new version with much-needed functionality, it provided further frustrations for Daiwa because it had a large number of bugs that delayed application time-to-market. In addition, Daiwa couldn't find adequate support for the solution.

"It got to the point where we couldn't keep the server up for more than a week at a time," said Tom Cordova, senior vice president, Information Technology at Daiwa Securities America, Inc. "When it crashed, we'd be down for as long as 90 minutes at a stretch. Our users wouldn't be able to do what they needed to keep our business running. You can't get more mission-critical than that. When we upgraded our proprietary solution and faced issues, the vendor suggested we needed to purchase additional hardware and software licenses to solve the problems we were having. We thought this was outrageous, and it pushed us to find another solution."

With some previous experience with JBoss solutions, Daiwa first downloaded a free version of the JBoss.org Portal project. Recognizing the mission-critical nature of the DSAweb portal, Daiwa quickly purchased a subscription to the JBoss Enterprise Portal Platform to benefit from the stability and reliability of an enterprise-class platform including support, patches and updates.

Over the course of the next year, Daiwa migrated its 120 DSAweb applications to JBoss and developed and went live with 80 new applications. In addition to the Portal Platform, Daiwa also uses the JBoss Rules framework to embed alerts into portal applications, has incorporated the caching functionality of the JBoss Enterprise Application Platform to seamlessly and securely share information across applications and uses the message queuing functionality also included in JBoss Enterprise Application Platform. With Alfresco's open source content management system, it additionally provides its employees with single sign-on access.

Since migrating to JBoss solutions, Daiwa has reduced costs and improved performance dramatically. Daiwa saved \$300,000 by avoiding software licensing and hardware expenses that were demanded by its previous solution. The company's developers are also now able to compile and roll out new applications in seconds, rather than in the 15 minutes required previously. With JBoss solutions, Daiwa employees are more productive with faster portal application loading time, developer productivity has increased with the ease of development on open source solutions and JBoss support from Red Hat has been fast and reliable.

"With JBoss, we're a much more agile company," said Steve Dunstan, enterprise systems architect and senior vice president, Information Technology at Daiwa Securities America, Inc. "Today, if the business needs a new application, we can deliver it immediately. If our portal were to go down today, it would be

catastrophic. JBoss Enterprise Application and Portal platforms have been extremely reliable and stable. JBoss is a trusted, worry-free solution that helps us sleep better at night.”

Daiwa has recently begun a project to develop Web 2.0 applications and is utilizing a clustered server environment that will be monitored by JBoss Operations Network.

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