

IBM buying Algorithmics for \$387 million

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Visitors crowd an IBM stand at an IT fair in Hanover, Germany in March 2011. The US computer giant announced Thursday it is buying Algorithmics, a Toronto-based firm that makes risk analytics software, for \$387 million.

US computer giant IBM announced Thursday it is buying Algorithmics, a Toronto-based firm that makes risk analytics software, for \$387 million.

The acquisition of Algorithmics by the Armonk, New York-based [IBM](#) comes one day after it bought i2, a British firm that makes software for crime and fraud prevention, for an undisclosed amount.

Algorithmics, which has around 900 employees, is a member of the Fitch Group, which is majority owned by Paris-based holding company Fimalac.

It makes [software](#) for banks, investment and insurance businesses to help

them assess risk and address regulatory requirements.

Its clients include The Allianz Group, BlueCrest, HSBC, Nedbank, Nomura, Societe Generale, and Scotia Capital.

"With the combination of IBM and Algorithmics' [analytics](#) technologies, companies can measure and assess operational risk associated with lending processes, market and credit risk exposures," IBM said in a statement.

Rob Ashe, general manager of business analytics at IBM, said "today's economic environment demands that [financial institutions](#) have more cash on hand, a better understanding of their financial standing and the ability to deliver more transparency to stakeholders.

"Combining Algorithmics' expertise with IBM's deep analytics portfolio will allow clients to take a more holistic approach to managing risk and responding to economic change across their enterprises," Ashe said.

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