

# ASX Announcement & Media Release

## MDS Financial Group Limited

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### Directors

#### Sean Rothsey

Chairman and Director

#### Damian Isbister

Executive Director and  
CEO – Corporate & Trading

#### Richard Symon

Executive Director and CEO - Software

#### Jamie Khoo

Independent Non-Executive Director

### Secretary

#### Tony Iremonger

Company Secretary and CFO

ASX Code: MWS

286.3 million listed shares  
75.1 million unlisted options

www.mdsfinancial.com.au

## MDS Financial Group Limited (MDS) Acquires Stockbroker D2MX

MDS Financial is pleased to announce the purchase of stockbroker D2MX for a cash consideration of \$150,000.

This acquisition will significantly expand MDS Financial's involvement in Australia's financial markets from execution-only services provided through its subsidiary Trader Dealer Online, to becoming a full market participant. As such the company considers this acquisition material to its ongoing operations.

The D2MX business will operate separately to the retail investor focused Trader Dealer and instead will deliver competitive wholesale broking services to third party brokers, going head to head with Australian financial services giants Commonwealth Bank and ANZ.

The development of the D2MX business will be spear-headed by MDS Financials current CEO of Corporate and Trading, Damian Isbister and he is confident of D2MX's potential for destabilising the comfortable ride the Commonwealth Bank's trading arm CommSec and ANZ's E-trade have been enjoying in recent years.

"We are offering brokers a genuine alternative to the current duopoly of the big banks. Any broker sick of the current lack of choice should call me to discuss the options open to them."

With the acquisition of D2MX MDS Financial steps up the challenge to the major banks it initiated last year with Trader Dealer, launching a free online trading platform and a new lower brokerage rate of \$19.50.

"There will be some strategic hires across the industry to ensure we get the right people for our business," said Mr Isbister. "When brokers call us they will be dealing with people who have extensive broking experience themselves, not people recently promoted from behind a teller."

"Furthermore, brokers who join us early will be eligible to participate in a unique equity opportunity, thereby gaining access to the future growth of the company in addition to receiving an excellent brokerage rate."

D2MX recently announced it has signed a 5-year exclusive agreement to provide clearing services for equities and exchange traded options to Penson Financial Services Australia Pty, Ltd, the Australian subsidiary of Penson Worldwide, Inc (NASDAQ: PNSN).

Craig Mason, CEO and Managing Director of Penson Financial Services, was enthusiastic about the acquisition.

"Penson is excited to have a proactive provider of online broking solutions go head to head with Commonwealth Bank and ANZ in the wholesale service provider space. We're pleased that, through the provision of seamless and efficient clearing services, we will be able to assist MDS Financial with the development of this segment of their business strategy."

It is intended that the first day of trade for MDS Financial's new broker subsidiary, D2MX, will be the 15th of May, 2011.

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## **ABOUT MDS FINANCIAL GROUP LIMITED**

MDS Financial Group Ltd is one of Australia's premier suppliers of online trading, charting and analysis software, share market data, wholesale trading and corporate advisory services.

## **ABOUT D2MX**

D2MX Pty Ltd is an independent Trading Participant of the ASX specializing in the execution and subsequent clearing through Penson of cash equities and exchange traded options for wholesale clients and provider of wholesale and intermediary Direct Market Access (DMA) broking services in Australia.

D2MX's goal is to provide its clients with leading edge financial solutions and an open architecture, enabling them to better serve their clients, enhance efficiencies and focus on their core business. D2MX's mission is to provide wholesale clients with a platform which offers a seamless trading solution, leverages off its staff expertise and experience, as well as its understanding of risk, clearing and settlement, whilst always delivering the highest levels of customer service.

D2MX is the only broker in the Australian market place to provide specific wholesale only broking services.

Launched in Dec 2008 with well over 60 Dealer Groups, D2MX rose to No. 30 in ASX's broker rankings to with turnover in excess of \$700 million per month.

## **ABOUT PENSON WORLDWIDE: [www.penson.com](http://www.penson.com)**

With approximately 430 correspondents globally, the Penson Worldwide group of companies provides execution, clearing, custody, settlement and technology infrastructure products and services to financial services firms and others servicing the global financial services industry. The Penson Worldwide group of companies includes Penson Financial Services, Inc., Penson Financial Services Canada Inc., Penson Financial Services Ltd., Nexa Technologies, Inc., Penson Futures, Penson Asia Limited, and Penson Financial Services Australia Pty Ltd., among other companies. Headquartered in Dallas, Texas, Penson has served the clearing needs of the global financial services industry since 1995.

Penson's independent, third party clearing model is gathering momentum in the global market and is enabling correspondents like D2MX to focus on their core strengths to grow their businesses more efficiently.

D2MX and Penson announced a 5-year exclusive agreement to provide clearing services for equities and exchange traded options for D2MX in February 2010.



Sean Rothsey  
Chairman

**END**

**For more information please contact:**

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