



# **TEMENOS COREBANKING – The Proven Retail Banking Solution**

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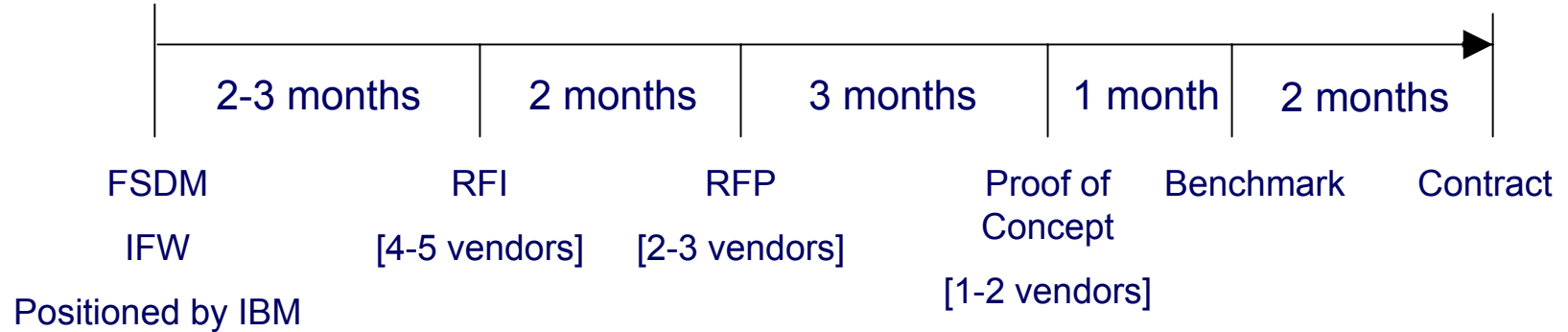
- Globally 500+ Banks delivering domestic retail products /services on mainframe based applications.
- 80 % Operating on In –house developed software applications originating in 1970's 80's.
- 15 % On packaged software applications designed in 1970's 80's.
- Applications were not designed to meet the product, service or competitive demands of modern retail banking.
- Applications have been extended beyond the limits of their architectural foundations.

50% of these Banks will be forced to replace their Corebanking systems over the next 5 years to remain competitive.

- Cost of In-house developed/maintained software too high to sustain competitively.
- Need to reduce transaction processing costs – workflow management software for back office streamlining.
- Increased product sophistication cannot be supported.
- New product innovation too slow to market/ too costly.
- Customer Profitability / Risk Management too slow/costly to deliver.
- Unable to meet the demands of 24/7 customer service.
- Unable to support multi-channel delivery (Internet,mobile,PDA)

- **Size** 200+ branches, 1-2 million+ accounts, \$50 billion+ assets- tiers 1, 2 and 3.
- **Scope** Retail Banking
- **Budget** Minimum \$20m+ (S/W5, H/W10 & Services5)
- **Tech.** IBM, MVS, zSeries, CICS, DB2, FSDM, IFW/Open systems
- **Culture** Conservative/Risk Averse. Committed to leverage investment in mainframe technology
- **Indicators** Board approved formal process underway, C - level contact, known competitors, consultants, RFI/RFP

# COREBANKING Sales Cycle



Average sales cycle of 9-12 months

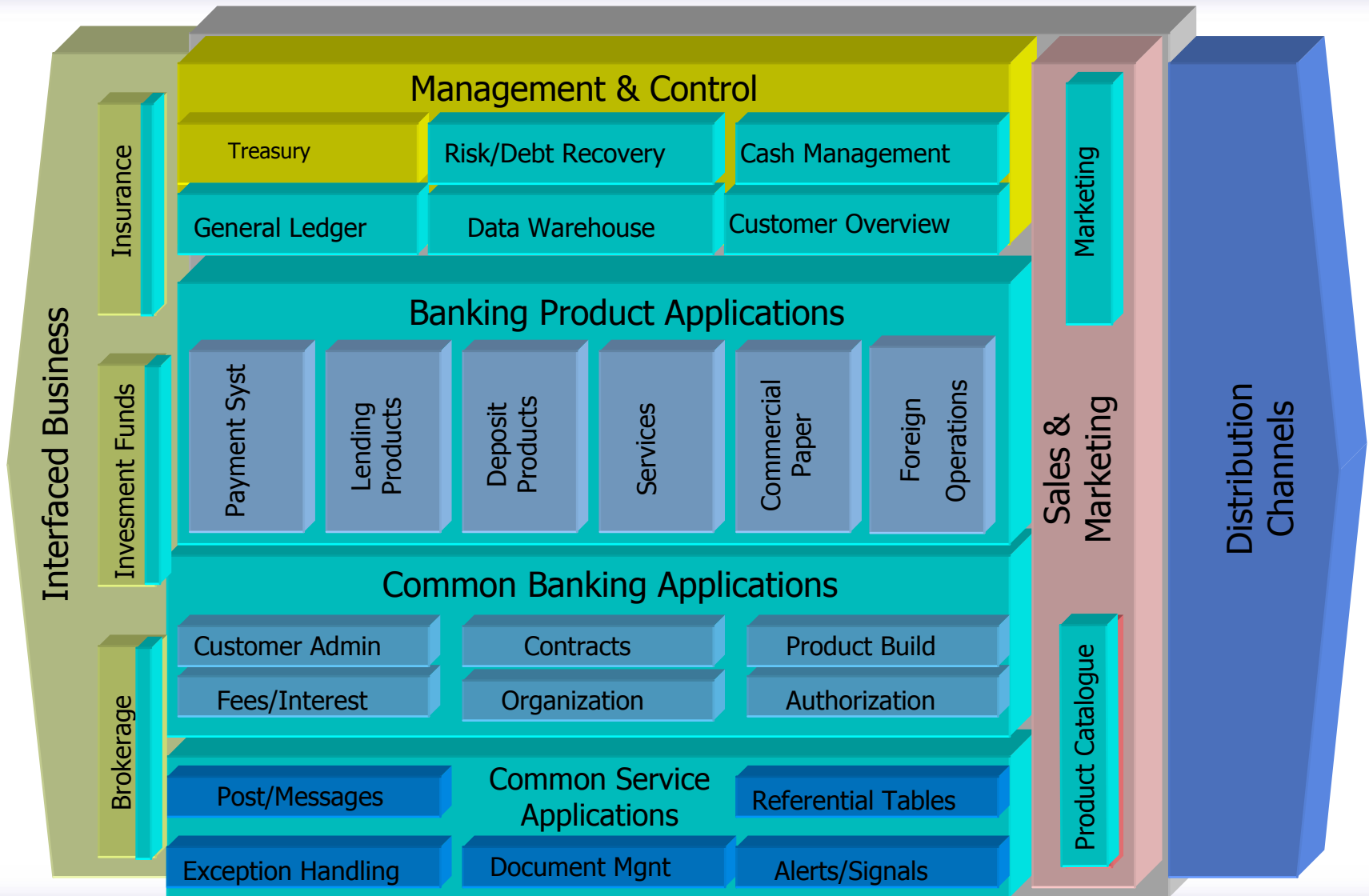
	Retail	Universal
<b>Tier 1</b>	X TCB	
<b>Tier 2</b>	X TCB	
<b>Tier 3</b>	X TCB	X T24
<b>Tier 4</b>		X T24
<b>Total # inst.</b>	500	1000

- TEMENOS T24 responds to the evolving market needs of universal regional banks that have up to 200 branches, with multiple functionality requirements and favour an open IT environment
- TEMENOS COREBANKING responds to the market needs of large-scale retail domestic banks, with more than 200 branches and mass transaction business requirements in a native mainframe environment

# TEMENOS COREBANKING - Application Architecture View



TEMENOS™



- **TCB delivers product to market rapidly.** It contains a product engine that allows all forms of products and packaged product sets to be delivered rapidly - *IT off the critical path and rapid time to market*
- **TCB is multi-bank.** Different banks with different product sets, organisation and accounting patterns can be processed in the same system – *Data centre, shared costs*
- **TCB significantly reduces cost of operations** – it has been proven to significantly reduce back office procedures - *STP*
- **TCB facilitates increased, profitable market share** – *increased wallet share; ability to target appropriate products*
- **TCB contains end to end loans processing that provides the bank with a better ability to manage and risk provision** – *facilitates lower debt provisions. Basel II*
- **TCB is customer centric** – *Single customer position for the entire Financial Institution; rich customer file*

- A highly scalable business process server, designed for large retail banking institutions
- Built and maintained using an industry standard data model, IBM's Financial Services Data Model – Relational Database
- Built using a comprehensive development environment, Appbuilder which allows Temenos to maintain the same source code but target and deliver different deployment environment options
- One homogenous architecture, designed to rationalise code and data rather than proliferate duplicated processing – cost of maintenance
- Comes with a branch channel that has been designed as a separate system, but using the same architectural principles.

- Designed to co-exist with other software components
  - Product engine supports external business lines e.g insurance, securities, unit trust
  - Contains a GL, but can classify postings to feed other GLs (e.g.SAP at NBG)
  - GL has interfacing to import transactions from other accounting systems.
  - Customer file designed to support other business lines (e.g. life assurance information)
- Both an Operational Engine and a Data Warehouse
  - TCB comes with an enterprise-wide data warehouse and a set of data marts for risk, profitability, marketing segmentation and statistics

## TCB has a 100% track record of implementation Success

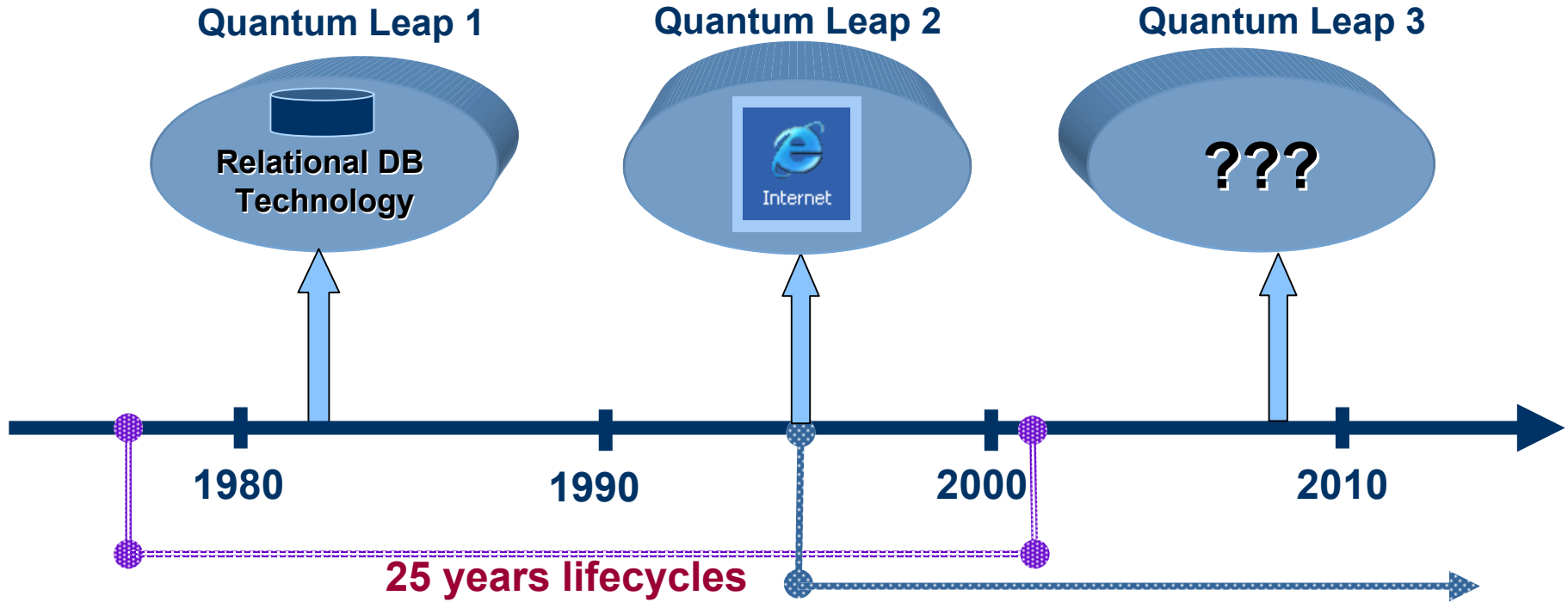
- RSI – data centre 74 banks all running on the same system implemented between end of 1998 and 2003
- National Bank of Greece selected in Q1 1999. In 18 months the entire bank's loans portfolio was implemented
- IBK – Project started in July 2002 and went live 6<sup>th</sup> September 2004
- Bansefi –project started in November 2003, in build part of customisation phase due live Mid-2005
- BAAC model bank delivered GAP analysis started and live date scheduled end 2005.

**Proven Ability to Implement and Deliver ROI benefits.**

## Implementation model - Partner with major System Integrators

- Significantly reduces contractual risks to Temenos
- Allows Temenos TCB resources to focus on maximising Licence sales
- Provides SI incentive to make further TCB sales
- Rapidly increases our deployment capacity hence increasing sales potential
- Provides immediately the in country critical mass necessary for credible bids

# Competitive Positioning



**FIDELITY**

Sanchez Systematics

Reverse Engineered



Engineered From Design

- TCB current ILF sales pipeline is significant
- Involved in 12 active sales campaigns
- Partnering with IBM on 2 Major contracts bids
- Partnering with local System Integrator on deals in Thailand