

CASE STUDY



Technology at the Heart of Transformation

Bank of Alexandria



YOUR INNOVATION PARTNER



Technology at the Heart of Transformation

OVERVIEW

The Challenge

Create a unified technology environment for the bank's operations to meet the demands of strategic business imperatives arising out of the bank's aggressive growth plan.

The Solution

Finacle universal banking solution to be centrally deployed to replace the legacy technology platform and power the core banking, e-banking, CRM, wealth management, financial management, asset-liability management and loan origination operations across its branches.

The Benefit

Lowered total cost of ownership, improved efficiency, smooth management of unprecedented growth and greater responsiveness to market opportunities.

PROFILE

Bank of Alexandria became the first Egyptian public sector bank to be privatized post being acquired by the Italian group Intesa SanPaolo in October 2006. Following, its recent mergers and acquisitions Bank of Alexandria is currently the fifth largest bank in Egypt in terms of branch network and asset size. The bank has one of the largest retail networks in Egypt including over 190 branches, with a large number of new branches currently being established. BOA is a major player in the financing of the public sector, especially the large industrial companies and manufacturing complexes, and is a major issuer of trade finance instruments. The bank offers both retail and corporate banking services, in addition to providing private banking services with a view to expand these services in the future. The bank is also one of the leading underwriters of bond issues and a lead manager of syndications in the market. During the past 45 years the bank has continued to grow and prosper, consistently retaining its position as one of the dominant institutions in Egypt.

KEY BUSINESS DRIVERS



Leverage Technology to Drive Transformation

Legacy Replacement

Bank of Alexandria has a wide network of branches spread across Egypt. Prior to deploying Finacle, the bank's branches worked on loosely connected disparate decentralized, mainframe based systems. Approximately 150+ ATMs were in use, working on ARKSYS switch.

The bank had a branch automation system deployed at its 25 largest branches to meet retail, corporate and trade finance requirements. The remaining branches featured a mix of standalone systems developed in-house and manual operations. The disparate systems used across the bank's network to cover the banking operations worked in silos and data was unavailable from a single source point. Various departments of the bank operated their own applications, such as SWIFT Alliance, Training

Application, Personnel Management Application, Correspondent Accounts, Accounting System and Draft Management System at the branches. This translated to a condition of unavailability of online information and management tools to make strategic business decisions.

Comprehensive Business Transformation

Bank of Alexandria embarked on a comprehensive business transformation initiative in 2004. The key objective was to create a clear differentiation in the Egyptian banking market with better, more personalized customer service, greater customer convenience, innovative products and services, higher efficiency, lower cost of operations, and technology enabled aggressive growth. An intensive evaluation process followed to identify a banking solution to support the bank's current and future business requirements and enable it to efficiently manage operations.



“Considering the criticality of the core banking platform implementation to our overall business transformation, Finacle going live within the scheduled timeline was critical to our success. Finacle’s intrinsic versatility is enabling us to align our business objectives to the rapidly changing financial landscape in Egypt and the entire region, by using new generation technology as the key enabler.”



Mahmoud Abdel Latif
Chairman
Bank of Alexandria

SOLUTION OVERVIEW

After a thorough and intensive evaluation of core banking platforms from across the globe, Bank of Alexandria zeroed in on Finacle from Infosys as its solution of choice. The bank recognized that the implementation of a robust, flexible and scalable core banking platform was the key driver of the transformation process.

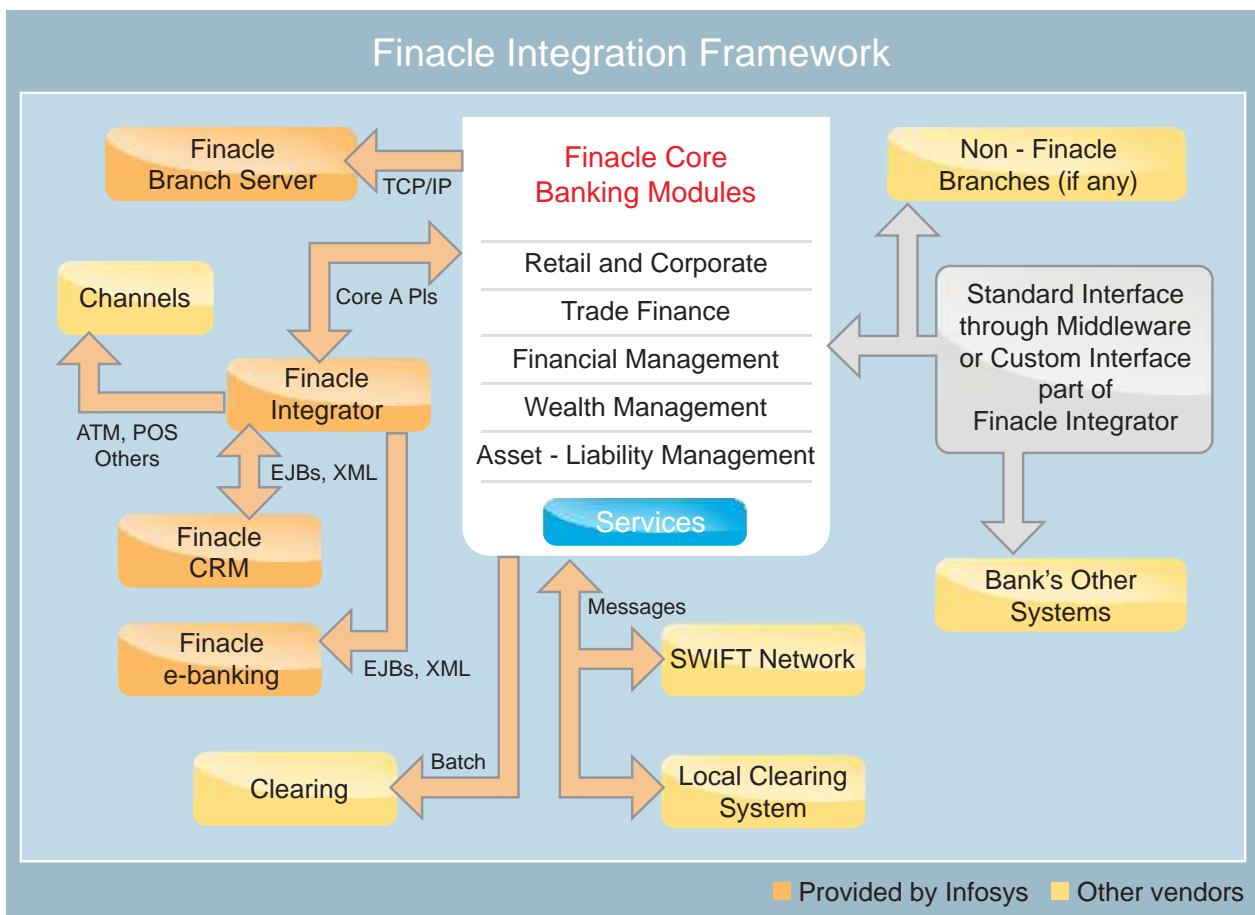
Bank of Alexandria's selection of the Finacle universal banking solution to power its transformation initiative was announced in March 2005. The bank opted to deploy Finacle to power its core banking, e-banking, CRM, wealth management, financial management, asset-liability management and loan origination requirements across its branches.

Finacle brought to Bank of Alexandria the advantage of a solution leveraging Service Oriented

Architecture (SOA). The bank's business requirements also mandated a multilingual approach, with complete support for Arabic. Interfaces to third party signature solutions, as well as nonstandard ATM interfaces and a treasury interface with the bank's existing TREMA system were devised. The bank's document management system was replaced and Finacle enabled the bank to print reports in Arabic seamlessly, complying with the right-to-left alignment.

The entire Finacle implementation was successfully completed in a matter of months by a core team from the bank and Infosys. The first pilot branch went live on the appointed date as scheduled, with a full rollout that followed.

Finacle at Bank of Alexandria



REAPING THE BENEFITS

At Bank of Alexandria, Finacle core banking solution has been deployed centrally completely replacing the legacy systems of the bank. The CRM features of Finacle are also being used by the bank as in the case of asset product originations.

Finacle has helped Bank of Alexandria significantly in its effort to achieve the specific business goals targeted at the beginning of the transformation exercise. Branches have been transformed into customer-centric sales centers. Centralization of common processes has resulted in the bank being powered by a lean and more efficient back-office. The focus is now on leveraging Finacle's superior functionality and reporting features.

The bank has geared up for the retail mass market, with a visible thrust on customer convenience. Finacle's integrated CRM features help the bank derive maximum value from every customer interaction touch point. It has also proved invaluable in identifying the several profitable customer segments that the bank can tap into.

The bank underwent a restructuring program to modernize its business processes in line with its technological infrastructure. The bank's plans include deployment of a large ATM network to allow it to become a larger acquirer of ATM and Visa transactions in the country over the next 3 to 5 years. Part of the transformation is the impending launch of several innovative products in the retail banking, e-banking and wealth management spaces, powered by Finacle.

A comprehensive integrated delivery channel strategy has also been employed.

Being the first Egyptian public sector bank to be privatized, Bank of Alexandria's high-profile transformation initiative with Finacle at its heart was critical. The successful go-live of Finacle has been an important part of this journey. This has set the stage for the bank to become a large regional player and address a variety of global customer segments.

Bank of Alexandria has effectively leveraged the Finacle advantage in achieving its business objectives and is benefited in terms of:

- A ready framework for cross-sell and up-sell of product and service offerings
- Gaining competitive advantage through cost savings from stemmed revenue drains and increased revenue from fee based income
- Increased capacity for new customer acquisition and an empowered system to retain the existing customer base
- Infrastructure for profiling and segmentation of customers, with differentiated or customized offerings for identified target groups
- Easy integration of solution with multiple systems in the environment, enabled by Finacle's open architecture
- Improved efficiency through application supported and automated Straight Through Processing
- Support for easy management of volume growth

Finacle - Universal Banking Solution

Finacle from Infosys partners with banks to power-up their innovation agenda, enabling them to differentiate their products and service, enhance customer experience and achieve greater operational efficiency. Finacle solutions address the core banking, wealth management, CRM, Islamic banking and treasury requirements of retail, corporate and universal banks worldwide and provide online marketing tools like Finacle finanz tools. Finacle solutions also empower banks with multiple sales, service and marketing channels including e-banking, mobile banking and call centers. These offerings make Finacle a strong innovation-facilitator enabling banks to accelerate growth, while maximizing value from their large scale business transformation.

Infosys. The Organization behind Finacle.

Infosys Technologies Ltd. (NASDAQ: INFY) defines, designs and delivers IT enabled business solutions. Infosys' offerings span business and technology consulting, application services, systems integration, product engineering, custom software development, maintenance, re-engineering, independent testing and validation services, IT infrastructure services and business process outsourcing. Infosys today has more than a third of its business coming from the banking and financial services industry and has a strategic focus on this segment.

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