

Swisscom IT Services presses ahead with industrialisation of banking

Swisscom IT Services has acquired Entris Banking's IT outsourcing business, which employs around 250 people. The move paves the way for the Swisscom subsidiary to set up an industrial processing centre with a view to positioning itself as an innovative and trusted business partner for banks in Switzerland. The deal is expected to be concluded by the end of March 2013.

Swisscom IT Services has acquired IT outsourcing business from Entris Banking. The move, which will allow the Swisscom subsidiary to expand its banking expertise, will see the company acquire Entris Banking's business platform, using which 41 banks with a total balance sheet value of CHF 50 billion process their banking transactions, from payment transactions, credit business and securities trading to e-Banking. The highly standardised, multi-client enabled business platform comprises some 35 peripheral systems in addition to the Finnova banking solution. Thanks to standardisation, automation and high volumes, banks benefit from a good price-performance ratio.

Processing centre of the future

Swisscom IT Services is keen to connect others banks to the platform, combine additional volume and thereby further reduce processing costs. The business platform which has been acquired from Entris Banking will therefore be expanded in close collaboration with strategic partner Finnova to become a processing platform offering customers a flexible way of purchasing business services. Thanks to its open architecture, Swisscom can create an attractive offering for both retail and private banks.

The Swisscom subsidiary is using this platform in response to the needs of banks, which are focusing heavily on sourcing strategies in light of the pressure on costs and margins, growing regulatory requirements and complexity. Andreas König, CEO of Swisscom IT Services, says: "We are building the processing centre of the future for banks in Switzerland. In doing so, we are reducing the costs of

standardised banking processes and allowing banks to concentrate on their core competencies. Security, stability, reliability and efficiency are our priorities".

Owner of Entris Banking backs the move towards industrialisation

Owner of Entris Banking, RBA-Holding (RBA) views the sale of Entris Banking's IT outsourcing business as a logical step in the chosen strategy of bundling volumes and taking advantage of economies of scale. Jean-Baptiste Beuret, Chairman of the Board at RBA-Holding, explains: "The IT outsourcing business can be developed more effectively in this direction under the Swisscom umbrella. The services more closely related to banking, such as compliance services as well as the central banking functions and Entris Banking's banking licence are to remain with RBA Holding. These will continue to be offered under the name of Entris Banking for RBA banks.

The Swisscom Board of Directors and owner of Entris Banking have approved the deal, which should be concluded by the end of Q1 2013. The parties have agreed not to disclose details of the purchase price. Swisscom will take on all of the 250 or so employees and the Gümligen site will be retained. The acquired business unit will operate on the market under the Swisscom brand name from April 2013. The current CEO of Entris Banking, Philipp Perego, will take over management of the new unit within the Finance Division of Swisscom IT Services.

The acquisition sees Swisscom IT Services continue to pursue its strategy as a leading business partner for the financial sector. The company is investing a figure in the mid double-digit million range (CHF) to set up the processing centre. Swisscom IT Services is aiming to increase revenue in the banking segment from CHF 270 million to CHF 400 million by 2017.

Berne, 8 February 2013

About Swisscom IT Services



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Press Release

Swisscom IT Services ranks as one of the leading Swiss providers specialising in the integration and operation of complex IT systems. The Swisscom subsidiary's core competencies lie in the fields of IT outsourcing services, workplace services, SAP services and services for the financial industry. The 2,900 employees of Swisscom IT Services look after approximately 400 customers in Switzerland, Austria and Singapore, and generated revenues of CHF 837 million in 2012, CHF 521 million of which was from external customers.

The **Finance Services division** offers professional consulting and the expert implementation of IT solutions for the financial sector. The division designs, implements and operates standard industry-specific systems and individual solutions for around 190 banking and insurance institutions. And as one of the leading BPO partners for cantonal and full-service banks, Finance Services is also responsible for handling all securities business and payment transactions. Finance Services currently employs 700 IT and business experts at locations in Switzerland, Austria and Singapore.