


ORACLE®

The image shows the Oracle logo in a bold, red, sans-serif font. The word "ORACLE" is written in all caps. A registered trademark symbol (®) is located at the top right of the letter "E". Below the main text, there is a faint, semi-transparent reflection of the word "ORACLE" on a light-colored surface, creating a 3D effect.



The following is intended to outline our general product direction. It is intended for information purposes only, and may not be incorporated into any contract. It is not a commitment to deliver any material, code, or functionality, and should not be relied upon in making purchasing decisions. The development, release, and timing of any features or functionality described for Oracle's products remains at the sole discretion of Oracle.



ORACLE APPLICATION DAY

15th October 2008, Budapest

ORACLE®

Oracle megoldások a pénzügyi szektor számára – belső működési, felügyeleti és ellenőrzési eszközök (GRC, Governance Risk and Compliance)

Ribarics Pál

Banki és Üzleti Intelligencia Alkalmazás Szakértő

Oracle

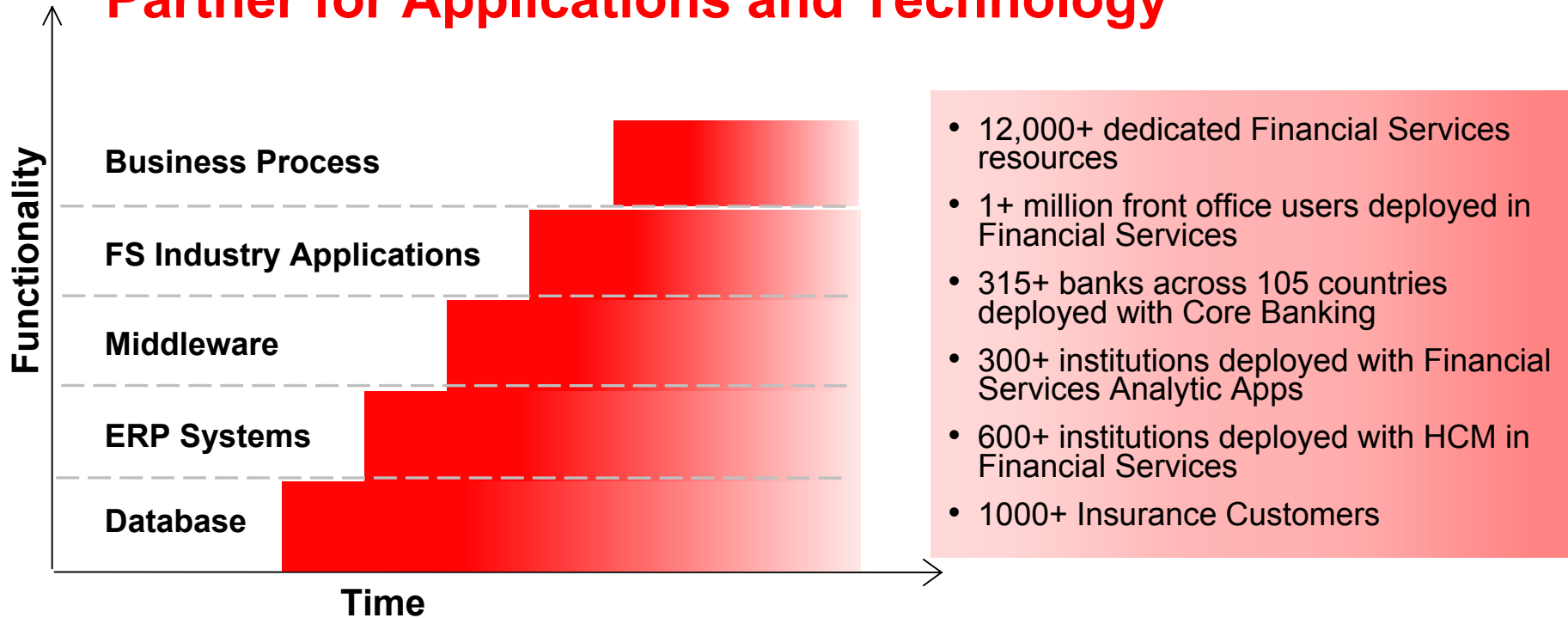
Oracle Corporation



- World's largest enterprise software vendor
- \$22.4 billion revenue in FY08
 - 25% total revenue growth
 - 28% new software license growth
- 300,000 global customers
- 84,000 employees
 - 20,000 developers
 - 7,500 support personnel
- 20,000 partners
 - 9,100 Independent Software Vendors
- Operating in 145 Countries

Oracle's Transformation

From a Technology Leader to a Strategic Business Partner for Applications and Technology



10 of the top 10 Global Banks

5 of the top 5 Mutual Fund Companies

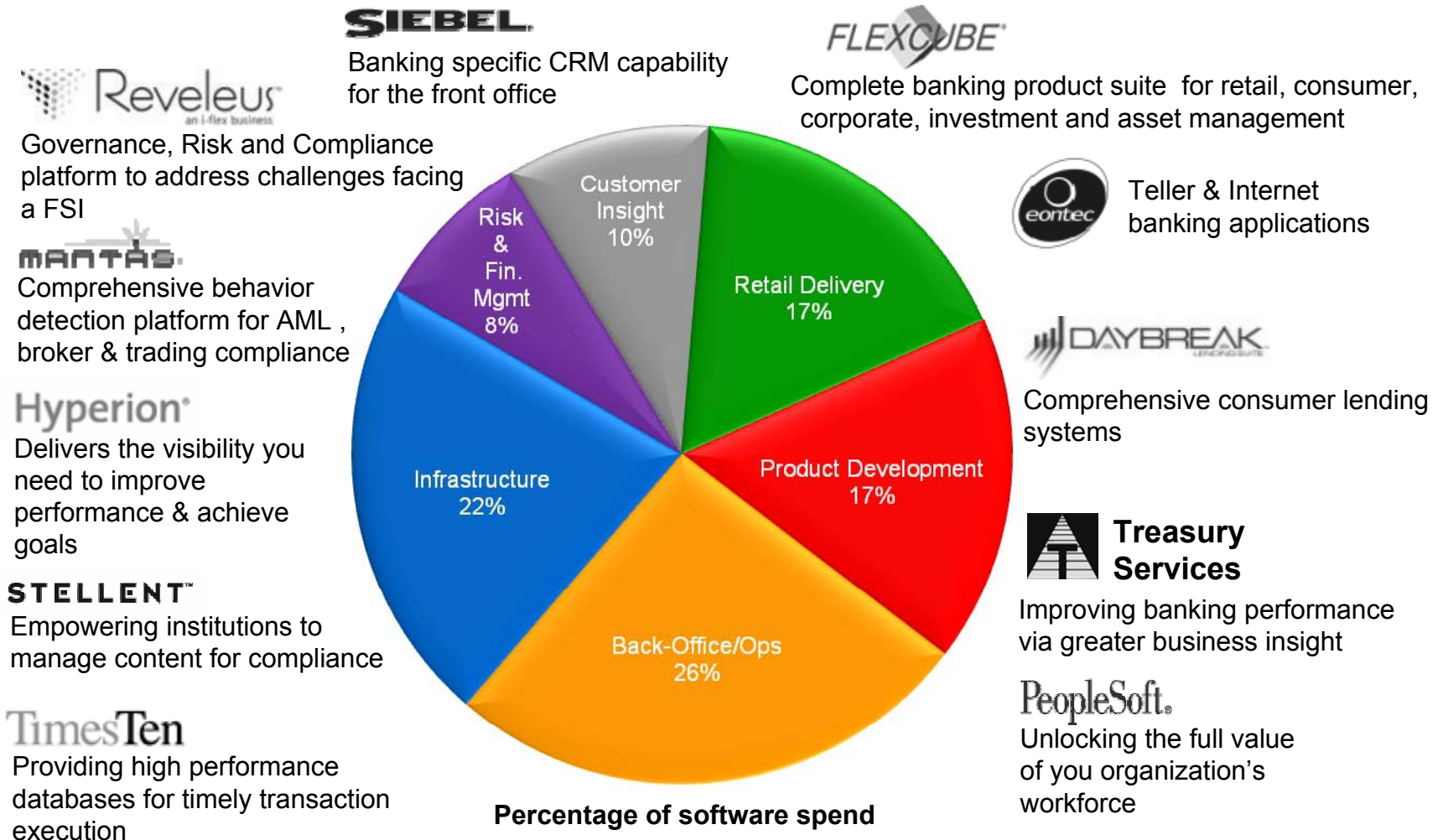
10 of the top 10 Insurance Companies

4 of the top 5 World Stock Exchanges

10 of the top 10 Securities Firms

Run **Oracle** Applications

Oracle's Investments to Address Key Priorities for Banking Industry



Oracle FSGBU Launch

NEW YORK 21-JUN-2007 01:21 PM

“Oracle Financial Services Global Business Unit (FSGBU) to deliver Comprehensive and Integrated Solutions Suite to Banking, Insurance and Capital Markets”

- 12,000+ dedicated Financial Services resources
- 8,500+ Financial Services customers
- 2,000+ Partners in the Financial Services ecosystem including SI's, ISV's and VAR's
- 300+ Financial Services products

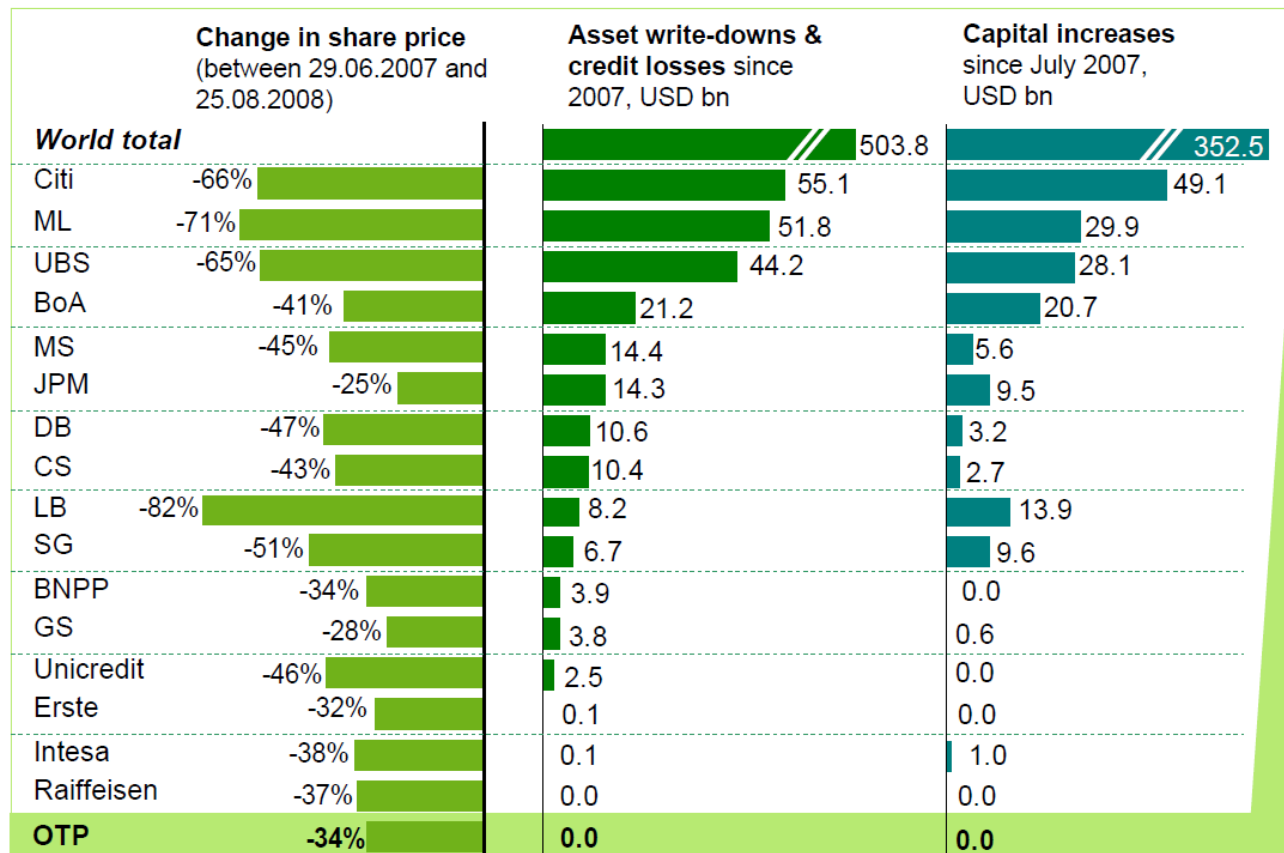


Market Conditions and our Strategy



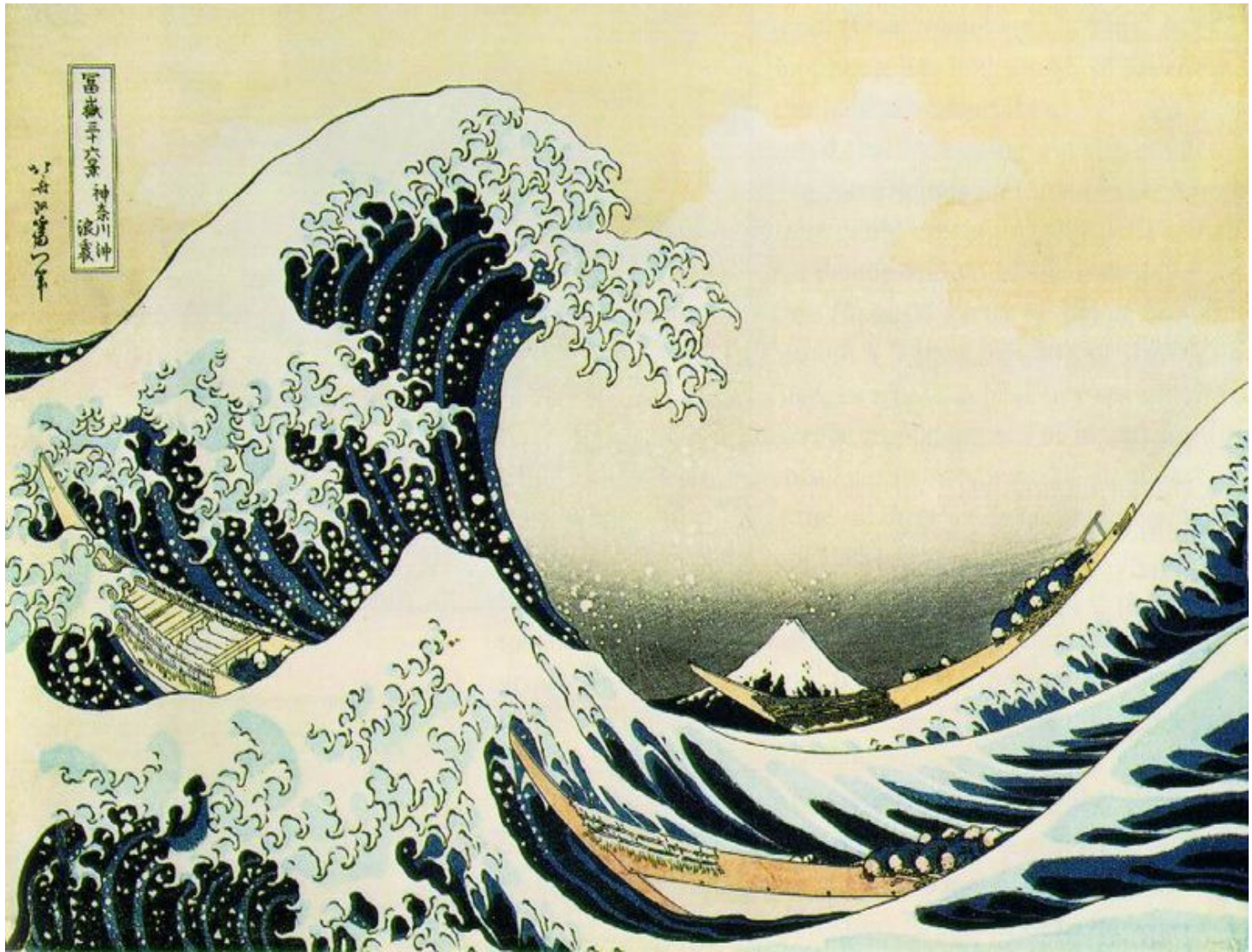
Market Conditions

Market conditions changed adversely, the near-term outlook in the global banking sector is highly challenging



Source: Bloomberg

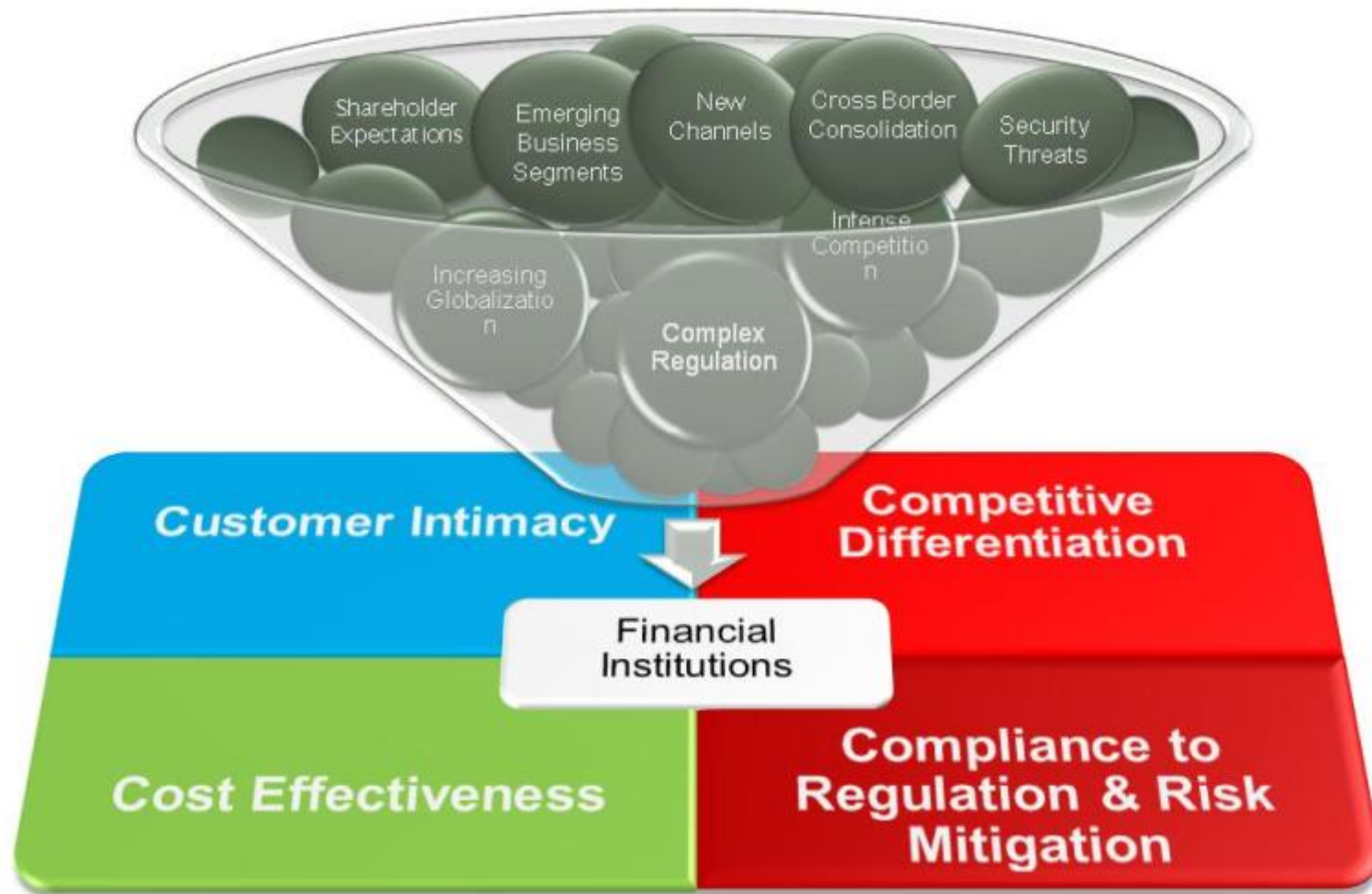
Changes in share prices are calculated without dividends.



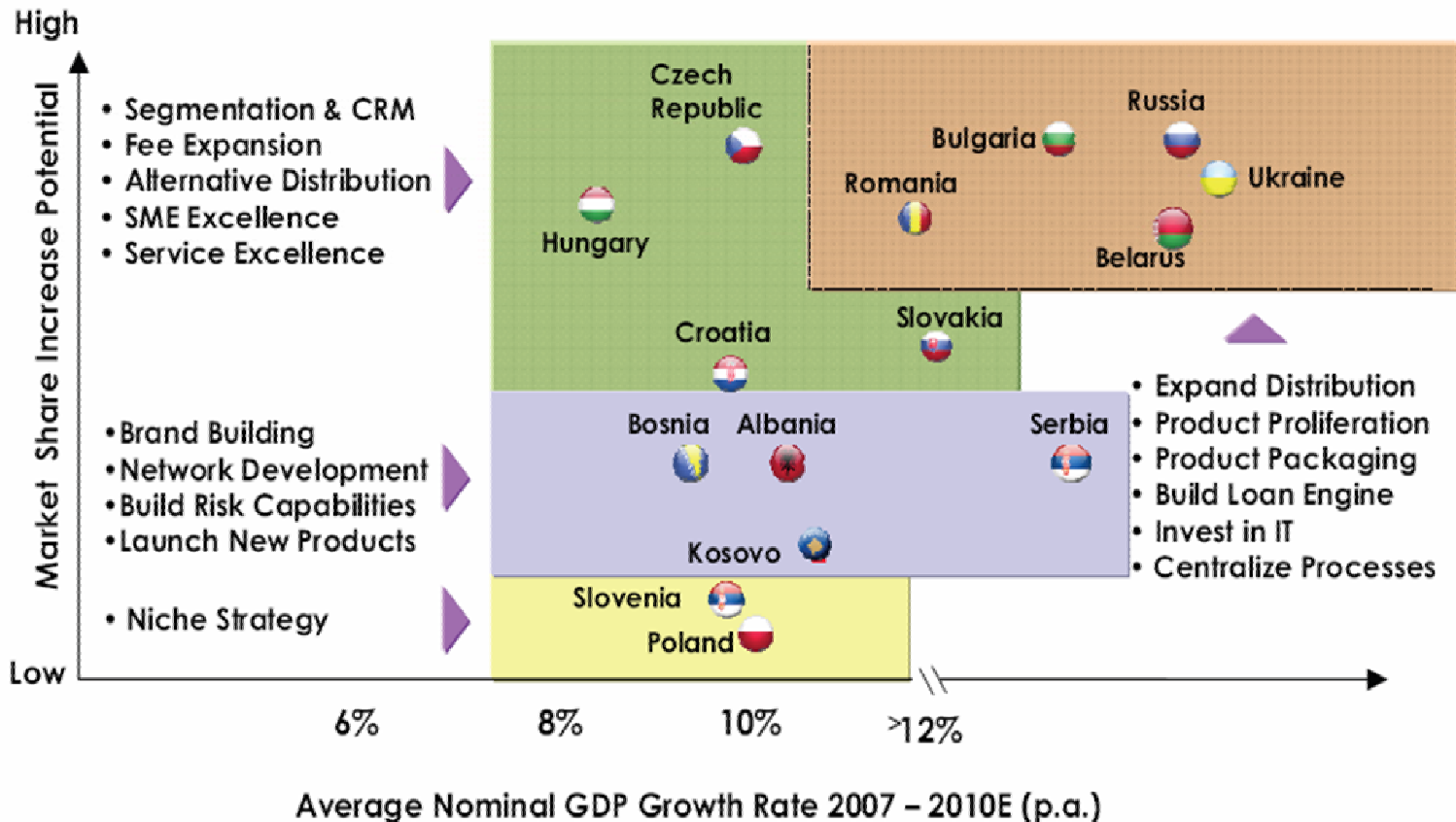
Caveats

- None of the forecasts, surveys and statistical analyses from any source have yet been updated to reflect the impact of the most recent events in the world's financial markets (September 2008)
- The dramatic nature of these events implies that the consequences have the potential of being equally dramatic; however, this is by no means certain

Industry Trends and Challenges are Driving New Business Priorities at Financial Institutions

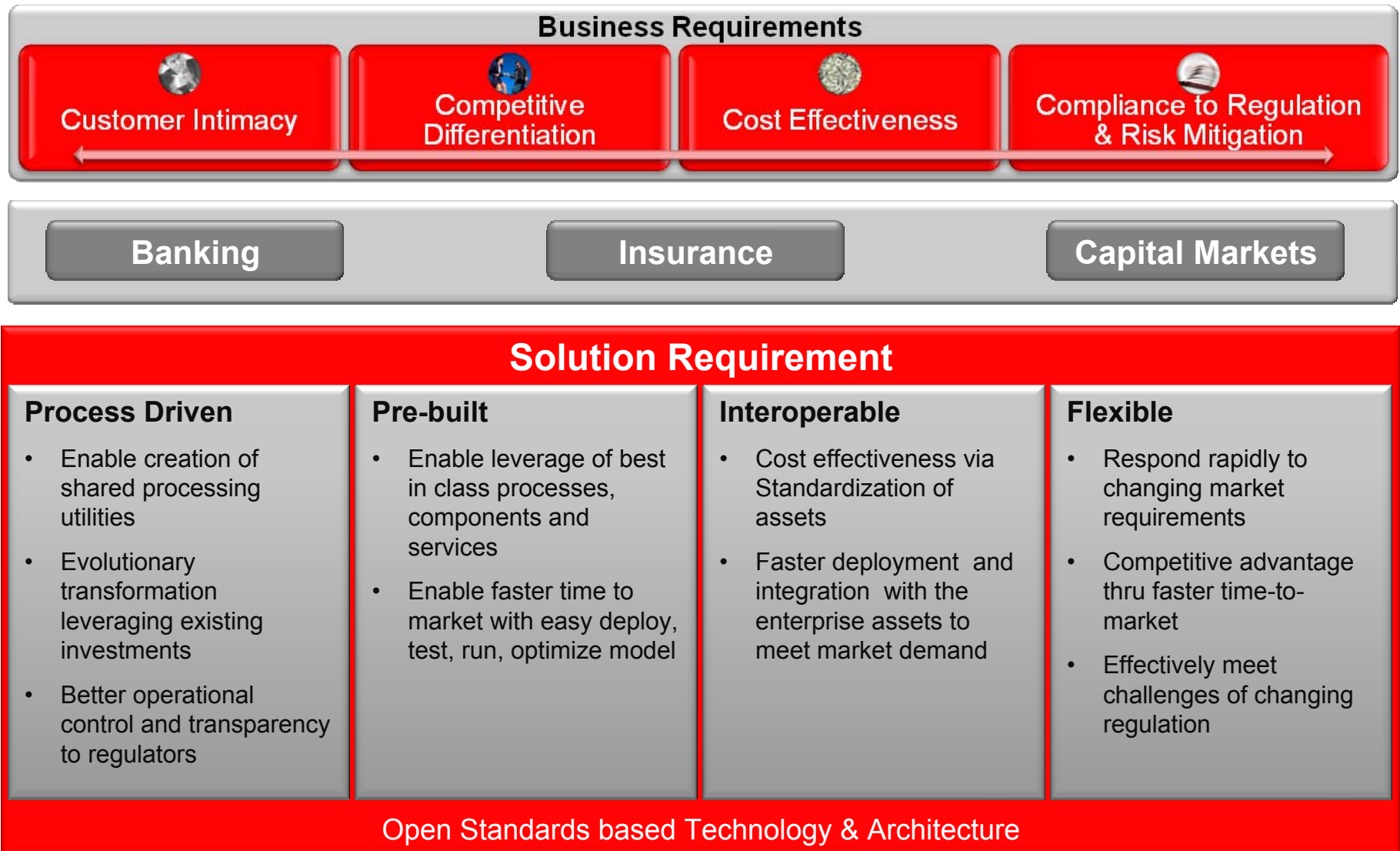


Emerging market strategy – example Raiffeisen

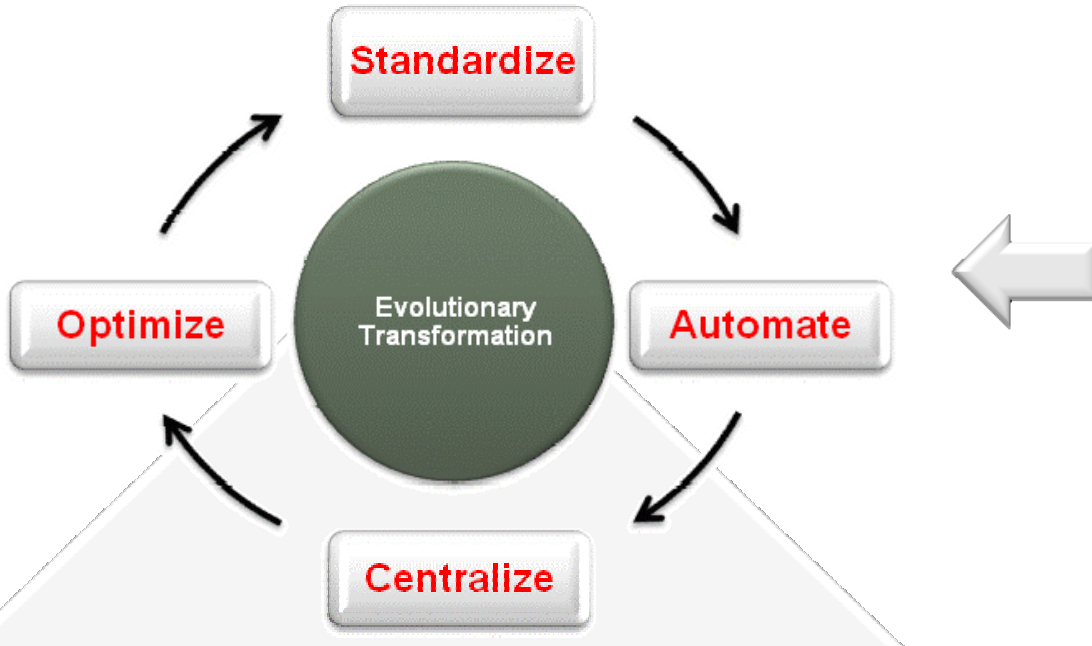


Source: Raiffeisen International, Capital Markets Day, Sept 26, 2008

Pillars of Oracle's Financial Services Strategy



Oracle's Process Centric View Enables Continuous Improvement



Across lines of business	Banking
	Insurance
	Capital Markets



Changing the Rules of the Game

Enable financial institutions to excel through the effective use of information technology

New

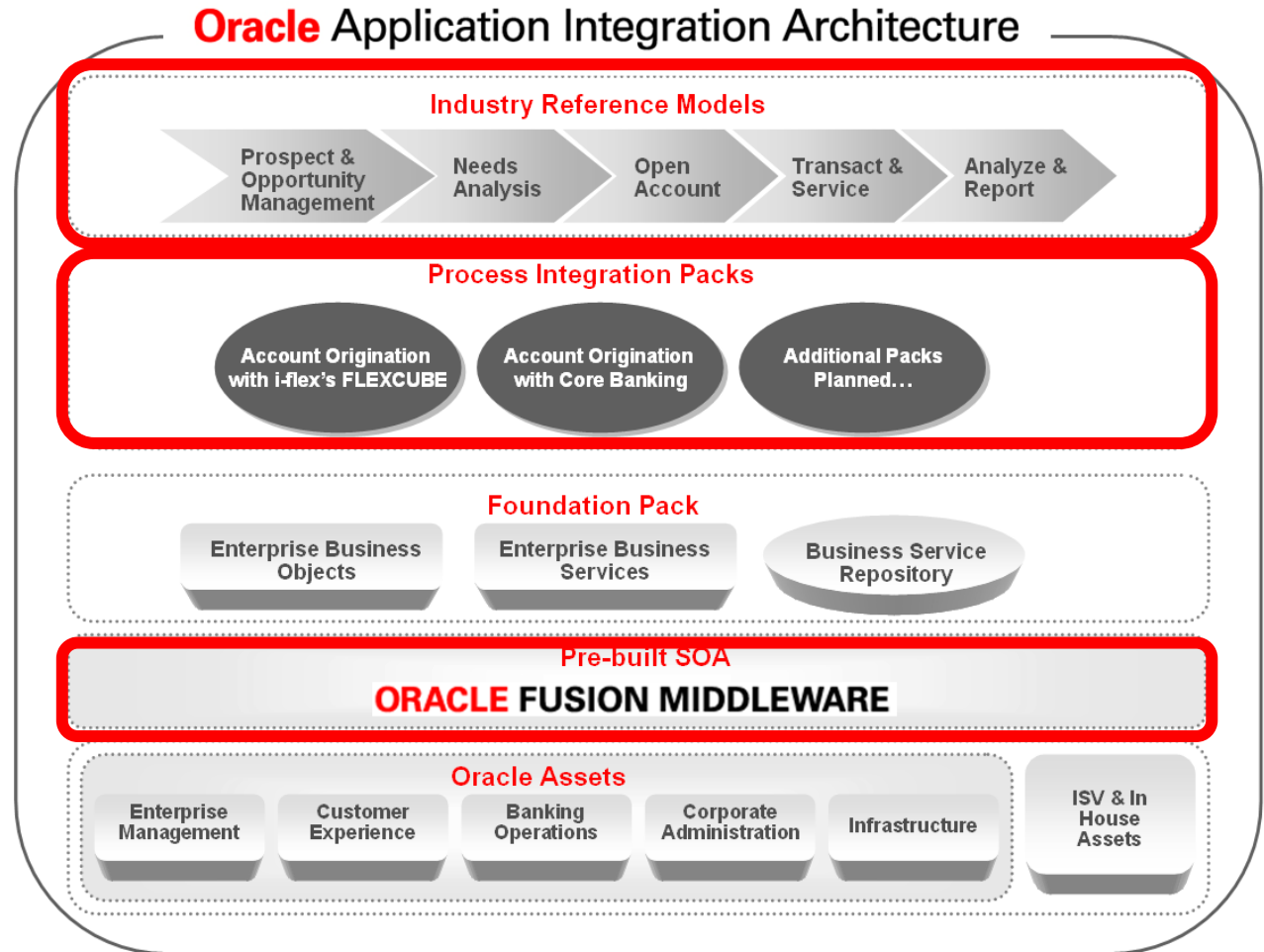


- Most comprehensive range of solutions available from any single vendor
- Unique combination of best-of-breed and integrated solutions
- Business process-driven enablement of evolutionary transformation
- Strong commitment to open standards
- A partner-oriented approach to the market
- Deep domain expertise for effective solution delivery

Oracle Application Integration Architecture

Key Components

- **Industry Reference Models:**
Optimize business performance by using documented industry best practices processes
- **Process Integration Packs:**
Quickly integrate Oracle Applications to create the business processes you need, without the risk
- **Pre-built SOA:**
Application independent service translation and transformation



Oracle's Footprint in Banking

Financial Services Industry Applications

Delivery Channels

Customer Management

Transaction Processing

Customer & Business Insight

Gouvernance, Risk & Compliance

Corporate Administration

Financial Services Industry Engines

Fusion Middleware

Master Data Management

Open Standards based Technology and Architecture

Oracle's Acquisitions in Banking

Financial Services Industry Applications



Delivery Channels

SIEBEL

Customer Management

SIEBEL

Transaction Processing

DAYBREAK

FLEXCUBE

Customer & Business Insight

Hyperion®



Treasury Services

Gouvernance, Risk & Compliance

Reveleus
an i-flex business

MANTAS

STELLENT™

Corporate Administration

ORACLE
e-businesssuite

PeopleSoft®

Financial Services Industry Engines

TimesTen

Fusion Middleware

Master Data Management

Open Standards based Technology and Architecture

Financial Services Solution Map

ALL USERS Users Customers Partners Brands Staff

TOUCH POINTS Internet Mobile/PDA KIOSK Phone Branch Surface Mail ATM Outsourced Services

INTEGRATED DISTRIBUTION PLATFORM

Distribution Processing Marketing Sales Origination Service

Infra Services Customer Advice Delivery Events & Notification Workflow SLA Escalation Offers Fulfillments

MANUFACTURING & TRANSACTION PROCESSING

RISK Retail Risk Corporate Risk ALM BASEL II Economic Capital	Deposits Term Deposits Target Savings Plan Certificates of Deposit Safe Deposit Box Savings/TXN Accounts Retirement Accounts Sweeps Standing Order	Lending Loans Origination Decisioning Engine Scoring Collections Mortgages Term Loans Revolving Loans Overdrafts Loan Syndication & Project Loans Impaired Assets Management	Payments, Trade & Working Capital Management Letters of Credit & Bank Guarantees Bills and Collections Funds Transfer Cash & Liquidity Management Nostro Reconciliation	Wealth Management Profiling & Planning Portfolio Definition Asset Allocation Corporate Actions Simulations Mutual Funds Performance Analysis Order / TXN Capture Portfolio Administration & Valuation	Treasury Back Office Foreign Exchange Money Markets Swaps & FRAs Securities Futures & Options	EPM Profitability FTP Planning RAPM aCRM Customer Marketing Channel					
							Shared Services				
							Service Charges	Relationship Pricing	Interest Plans	Tax Controls	Inventory Management
							Central Limits	Payments	Product Ledger	Collateral Management	e-CIF Clearing

GENERAL LEDGER

Oracle Banking Solutions

Next Generation Software That Helps Banks Effectively Grow Their Business and Optimize Performance From the Front to the Back-Office

Develop Customer-Centric Processes

Enable Flexibility to be Responsive to Market Needs

Embed an Intelligent Compliance & Risk Mgmt Framework and Performance Measurement within the Business

Innovate for Operational Effectiveness

Evolve a Business Process Driven Enterprise Architecture

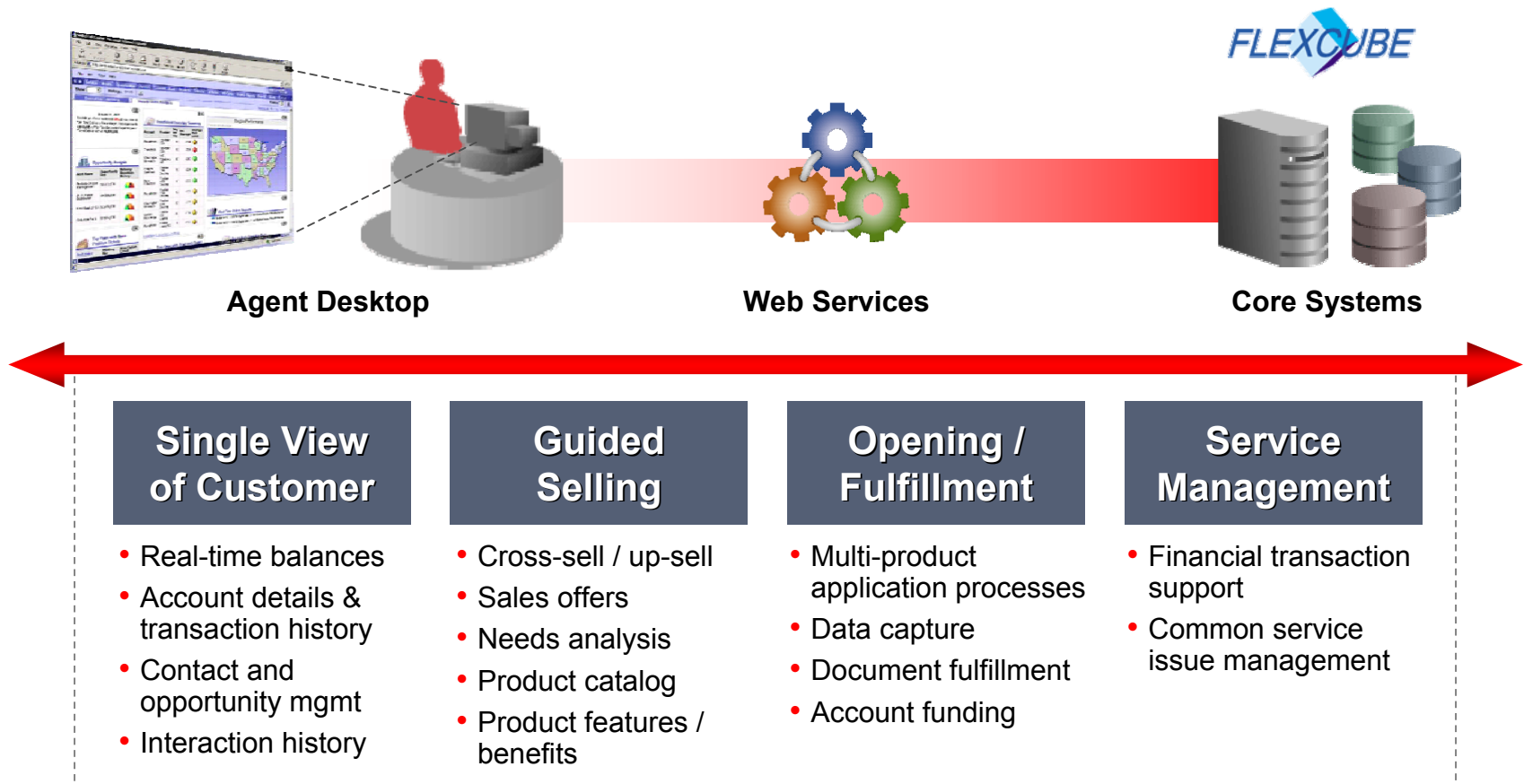


Create a Customer-Centric Enterprise

Requirement	Oracle Capability	The Oracle Difference
Drive intelligent customer interactions	→ Pre-Built Customer Analytics for Banking	→ Only end-to-end performance & profitability analytics in context of customer interactions
Show a complete view of customer to customer agent	→ 360 Degree Customer View through Integrated Banking Sales and Service	→ Only multi-channel sales, service, mktg & transaction solution pre-integrated with core-banking
Deliver multi-channel campaign and offer mgmt	→ Closed-Loop Marketing for Banking	→ Only complete offer and campaign mgmt solution with built in analytics to measure and refine marketing programs
Provide a single source of truth for customer data	→ Universal Customer Master for Banking	→ Only complete repository for data across the enterprise accessible by a hub and spoke model

Example: 360 Degree Customer View through Integrated Banking Sales and Service

Show a Complete View of Customer to Customer Agent



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Enable Flexibility to be Responsive to Market Needs

Requirement	Oracle Capability	The Oracle Difference
Provide process driven solutions	→ i-flex Process Framework for Banking	→ Largest repository of extensible and executable banking processes providing increased flexibility
Transforming core-banking processes	→ FLEXCUBE for Retail & Corporate Banking	→ Only open standards core banking solution enabling new products, relationship pricing & consolidation of existing systems
Support stand alone lending & leasing solutions	→ Daybreak and Oracle Lease Mgmt	→ Only integrated front-to-back solutions for consumer finance & commercial leasing

Example: FLEXCUBE for Retail & Corporate Banking

Transform Core-Banking



UNIVERSAL BANKING
SOLUTION



Retail Banking

- All consumer banking products
- Quick product definition
- Single view of customer

Lending

- Consumer lending
- Corporate lending
- Origination to collection

Commercial

- Trade finance
- Payments
- Cash management
- Treasury
- Departmental or bank-in-a-box solution

Wealth Management

- Mutual funds
- Asset managers
- Transfer agencies
- Online brokerage

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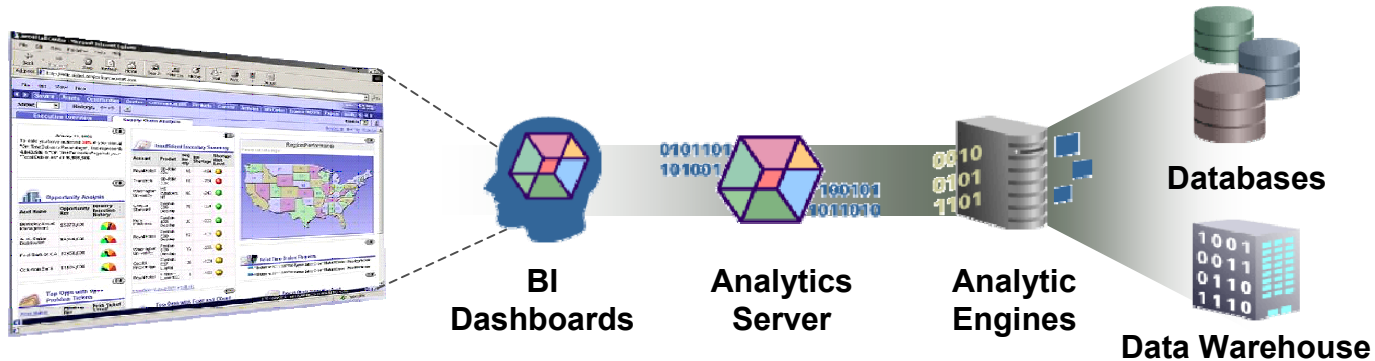


Embed an Intelligent Compliance and Risk Management Framework and Performance Measurement within the Business

Requirement		Oracle Capability		The Oracle Difference
Deliver actionable customer & product profitability insight	→	Customer & Product Profitability Engine (EPM, OFSA)	→	Only fully scalable solution to compute individual customer profitability deliverable to the front-office
Manage credit, market and operations risk	→	Enterprise Risk Mgmt Platform (Reveleus, Mantas) for Banking	→	Most complete end-to-end risk management solution extending into business operations and AML
Provide a foundation for regulatory compliance	→	Enterprise Compliance Apps for Financial Services	→	Only functionally complete compliance mgmt solution available on an enterprise compliance infrastructure

Example: Enterprise Compliance Application for Financial Services

Manage Credit, Market, and Operations Risk



Risk & Compliance

- Basel II compliance
- Reporting platform
- Consolidated data repository
- Embedded internal controls

Profitability Management

- Complete profitability suite
- Integrated with risk and finance solutions
- Multi-dimensional profitability

Financial Transformation

- Next generation accounting rules engine
- Fully integrated with Oracle GL

Visionary

- RAPM enabled suite
- Foundation of Enterprise Risk Management suite

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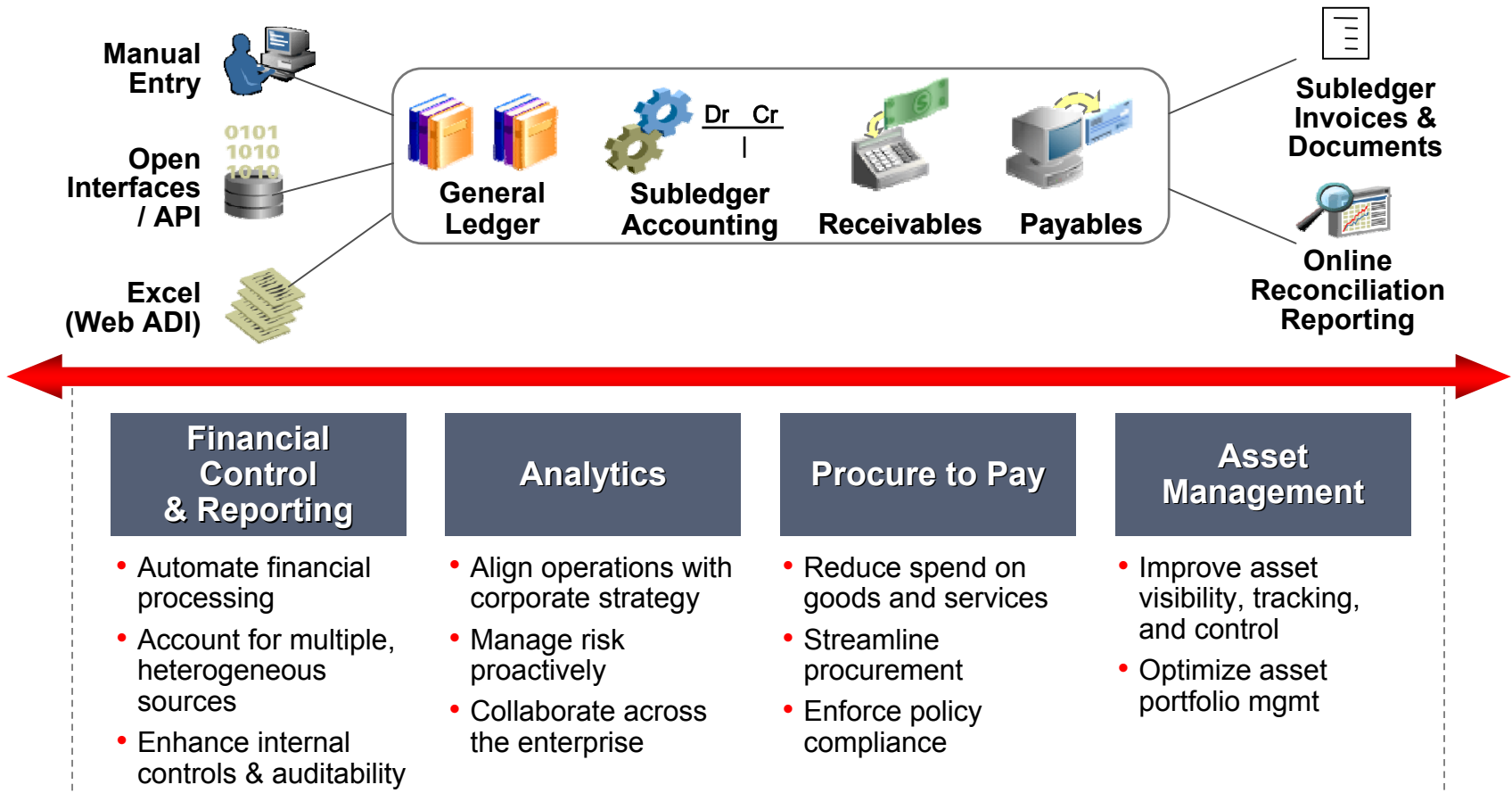


Innovate for Operational Effectiveness

Requirement	Oracle Capability	The Oracle Difference
Fully utilize employees as key company assets	→ Comprehensive Recruitment to Retirement Process Designed for FSI	→ Only applications designed for FSI based on the world's leading HCM and talent management solution
Reduce operational risk with comprehensive financial mgmt solutions	→ End-to-End Financial Mgmt and Consolidations Suite Designed for FSI	→ World's leading financials solution for FSI with multi-GAAP, IFRS & multi-book code processing
Manage projects more efficiently & effectively	→ Robust Enterprise Project Portfolio Management	→ Most fully integrated projects, procurement and financials suites designed for FSI
Transform corporate procurement function	→ Complete Integrated Procurement Solutions for Goods & Services with Strategic Sourcing Capabilities	→ Most comprehensive spend management applications deployed on-site or hosted

Example: End-To-End Financial Management and Consolidations Suite Designed for FSI

Reduce Operational Risk with Comprehensive Financial Mgmt Solutions



Oracle Banking Solutions

Next Generation Software That Helps Banks Effectively Grow their Business and Optimize Performance From the Front to the Back-Office

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Evolve a Business Process Driven Enterprise Architecture



Evolve a Business Process Driven Enterprise Architecture

Requirement

Oracle Capability

The Oracle Difference

Deliver new banking services quickly to existing and acquired customers



Service Enabled Process Framework for Banking



Only service-oriented architecture with a banking-specific data model and process library

Make real-time decisions with know-your-customer data across all channels



BI for Retail, Institutional and Private Banking



Only integrated KPIs & KRIs from data held in existing legacy banking systems

Secure client data against fraud, insider access, phishing & identity theft



Enterprise Security and Identity Mgmt



Only integrated data & identity solution for operational risk management and regulatory reporting

Selectively consolidate legacy systems onto open standards platform



Grid Computing and Enterprise Content Management



World's largest and most reliable database and low-cost grid computing platform

Oracle Banking Solutions Summary

Customer Centric



- Deliver Consistent Multi-Channel Customer Experience
- Increase Share of Customer's Wallet
- Streamline Front-to-Back Office Processes
- Provide Integrated Sales and Service

Core Banking Transformation



- Reduce Time-To-Market for New Products and Services
- Support Regulatory Needs
- More Quickly Integrate Acquired Assets

Risk, Performance & Compliance



- Stay Compliant With Continuously Changing Regulations
- Understand and Manage Enterprise Risk
- Deliver Actionable Customer & Product Profitability Insight

Manage Corporate Assets



- Provide Seamless Integration of Systems
- Optimize Workforce Management
- Connect Financials to Better Measure and Monitor Results

Agile, Intelligent & Secure



- Accelerate Development of New Services with a Open Standards Based Banking Platform
- Improve Agility With Capability to Create Flexible Composite Applications

Customers are achieving success with Oracle



"As a global financial services company which is using technology to **improve productivity and lower operating costs**, the use of FLEXCUBE will allow us to gain efficiencies by standardizing our operating environment."



"Oracle's acquisitions of PeopleSoft and Siebel give it a more **significant footprint** in business intelligence (BI), analytic applications, and performance management."



GE Money

"Oracle Financials lets us automate our planning process and data consolidation. Our financial planning and analysis staff can fully perform their roles as analysts and work closer with their operational managers--with **greater speed and flexibility**."



WACHOVIA

"We chose Reveleus for the completeness and flexibility of the Reveleus Basel II solution and its ability to meet our current and future requirements. Furthermore, we've found that the Reveleus team possesses **deep expertise and a detailed understanding** of the Basel II regulatory capital requirements."



"BCAA has **increased our ability to retain and do more business with existing customers**. We firmly believe that excellence has been achieved through the collaboration of our employees, our customers, PwC Consulting, and Siebel Systems, Inc."



MassMutual
FINANCIAL GROUP

"In the first 15 months after implementation of the Siebel suite we saw **a 15 percent increase in retention rates**. It was very measurable and very monumental"

charles SCHWAB

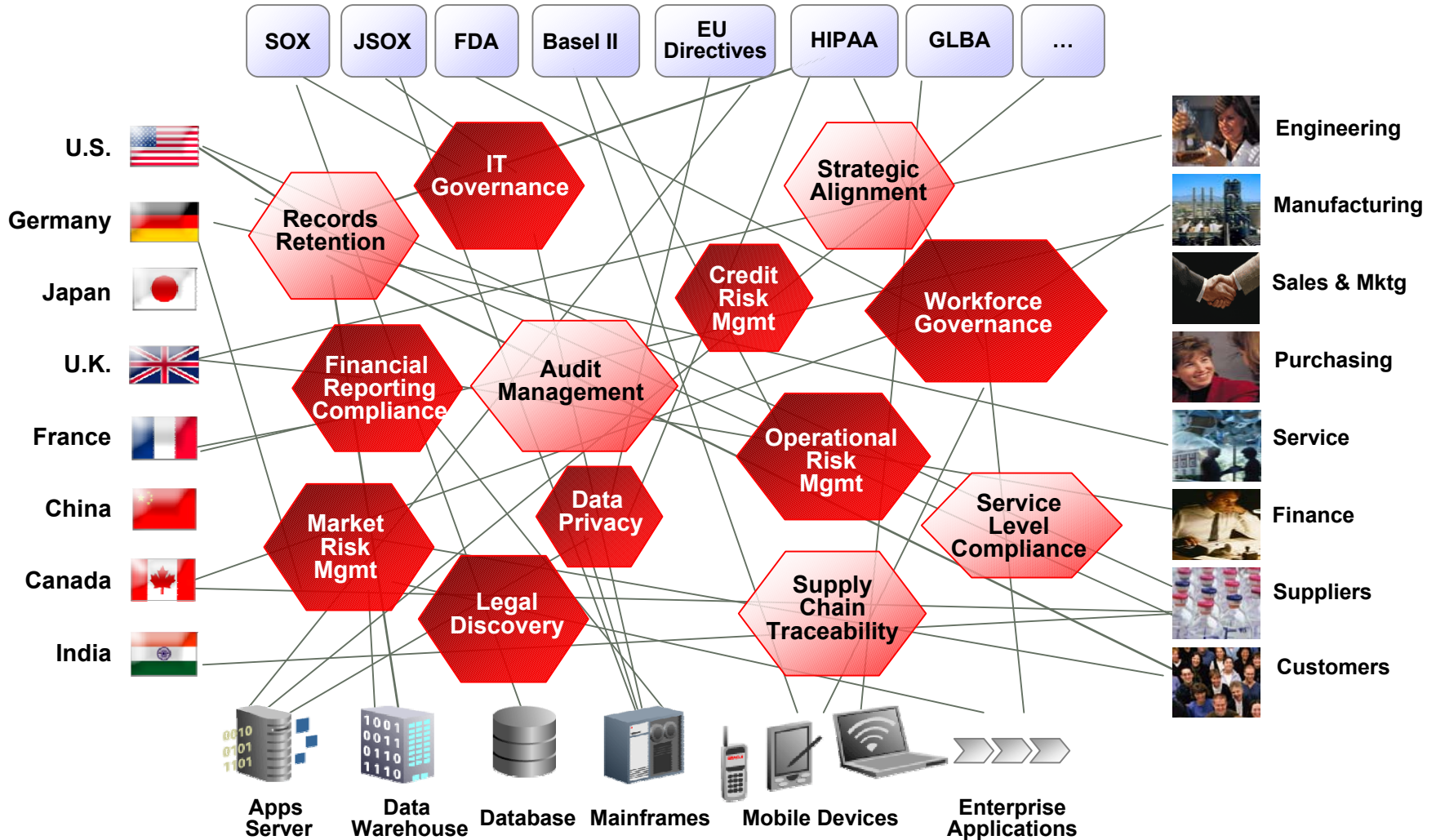
"In a recent survey, 81% of Charles Schwab employees stated that without CRM and the functionality provided by Siebel Systems, they would not be **able to complete their jobs and service their clients**"

Governance Risk and Compliance

in Time of Financial Turmoil



GRC Requirements and Complexity Increase Across the Map



Financial Turmoil Consequences

Opinions from SIBOS 2008

- What went wrong ?
 - Pretty much everything : inadequate regulation, reckless monetary policy, failure to understand and price risk, excessive compensation packages, shareholder pressure, mis- selling ...
- Coordinated global regulatory effort to address the excessive leverage of global financial institutions. Full scale reappraisal of risk management and an overhaul of capital adequacy regulation,
- Revision of Basel II
 - Internal models are conflicted and pro-cyclical
 - Marking to market to be offset by counter cyclical capital adequacy ratios
 - Off balance sheet liabilities attract the same level of regulatory capital as on balance sheet ones
- Responsibility of top management to maintain balance between risk and reward
- Liquidity kills banks, more lines of defence
- Better understanding of risk, return to simpler, more transparent financial instruments and processes
- Stress testing and quantitative evaluation

GRC framework: Converging Requirements

	AML	MiFID	RegNMS	KYC	COBIT	Info Security	Audit	Internal Controls	Basel OR-AMA
Analytics & Reporting	✓	✓	✓	✓	✓	✓	✓	✓	✓
Capital Calculations									✓
Attestations								✓	✓
Action Planning	✓	✓	✓	✓	✓	✓	✓	✓	✓
Case Management	✓			✓			✓		✓
Behavior Detection	✓	✓	✓	✓	✓	✓	✓	✓	✓
Controls Testing	✓	✓	✓	✓	✓	✓	✓	✓	✓
RCSA	✓	✓	✓	✓	✓	✓	✓	✓	✓
KRI									✓
Events Management									✓
Process Maps, Reference Data, Oversight Library	✓	✓	✓	✓	✓	✓	✓	✓	✓
GRC Infrastructure	✓	✓	✓	✓	✓	✓	✓	✓	✓

Oracle Governance, Risk, and Compliance

Processes

Risk & Compliance Mgmt Policy Mgmt
Controls Management Industry Specific

Applications

Oracle SAP Custom Legacy Other

Infrastructure Services

Content Mgmt
Identity Mgmt Change Mgmt
Data Security Data Audit
Repository

Insight

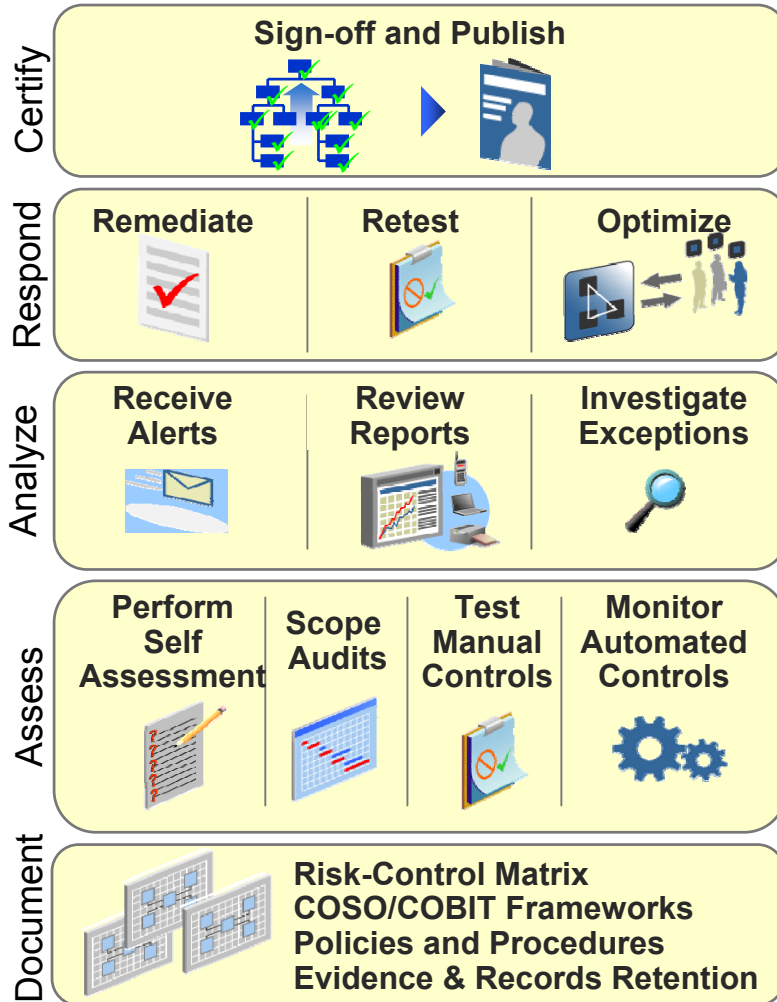
Risk & Control
Intelligence

Operational
Intelligence

Performance
Management

**Only Oracle Delivers
a Comprehensive
Platform for
Governance, Risk,
and Compliance
Management**

GRC Manager provides robust GRC process and content management



- End-to-End GRC Process Management
- Integrated robust process management capabilities
- Centralized GRC Content Management

Oracle Governance, Risk, and Compliance

Products

Risk & Compliance Mgmt

- GRC Manager
- Project Portfolio Mgmt

Controls Management

- Application Access Controls
- Application Configuration Controls

Policy Management

- Learning Management
- Policy & Procedure Portal

Content Management

- Universal Content Mgmt
- Universal Records Mgmt
- Content Database
- Records Database
- Information Rights Mgmt

Identity & Access Mgmt

- Access Manager
- Identity Manager
- Enterprise Single Sign-On
- Virtual Directory

Change Management

- Enterprise Manager

Data Audit

- Audit Vault

Risk & Control Intelligence

- Fusion GRC Intelligence

Operational Intelligence

- BPEL Process Manager
- Business Activity Monitoring
- Business Intelligence Apps

Performance Mgmt

- Hyperion Financial Mgmt
- Hyperion Financial Data Quality Management
- Hyperion Planning
- Hyperion Strategic Finance
- Hyperion Perf. Scorecard
- Hyperion Profitability Mgmt

Industry Specific

- iFlex Reveleus
- iFlex Mantas
- Clinical Trial Mgmt
- Adverse Event Reporting

Data Security

- Database Vault
- Label Security
- Advanced Security
- Secure Enterprise Search

Processes

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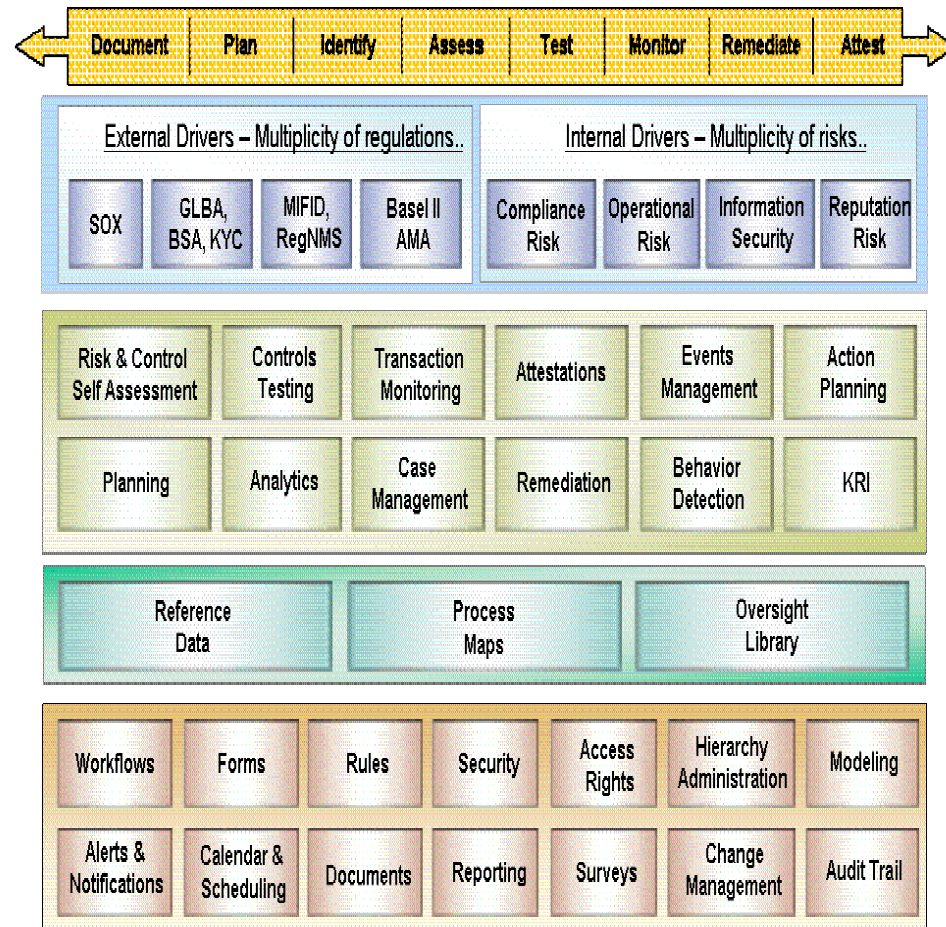
Operational Intelligence

Performance Management

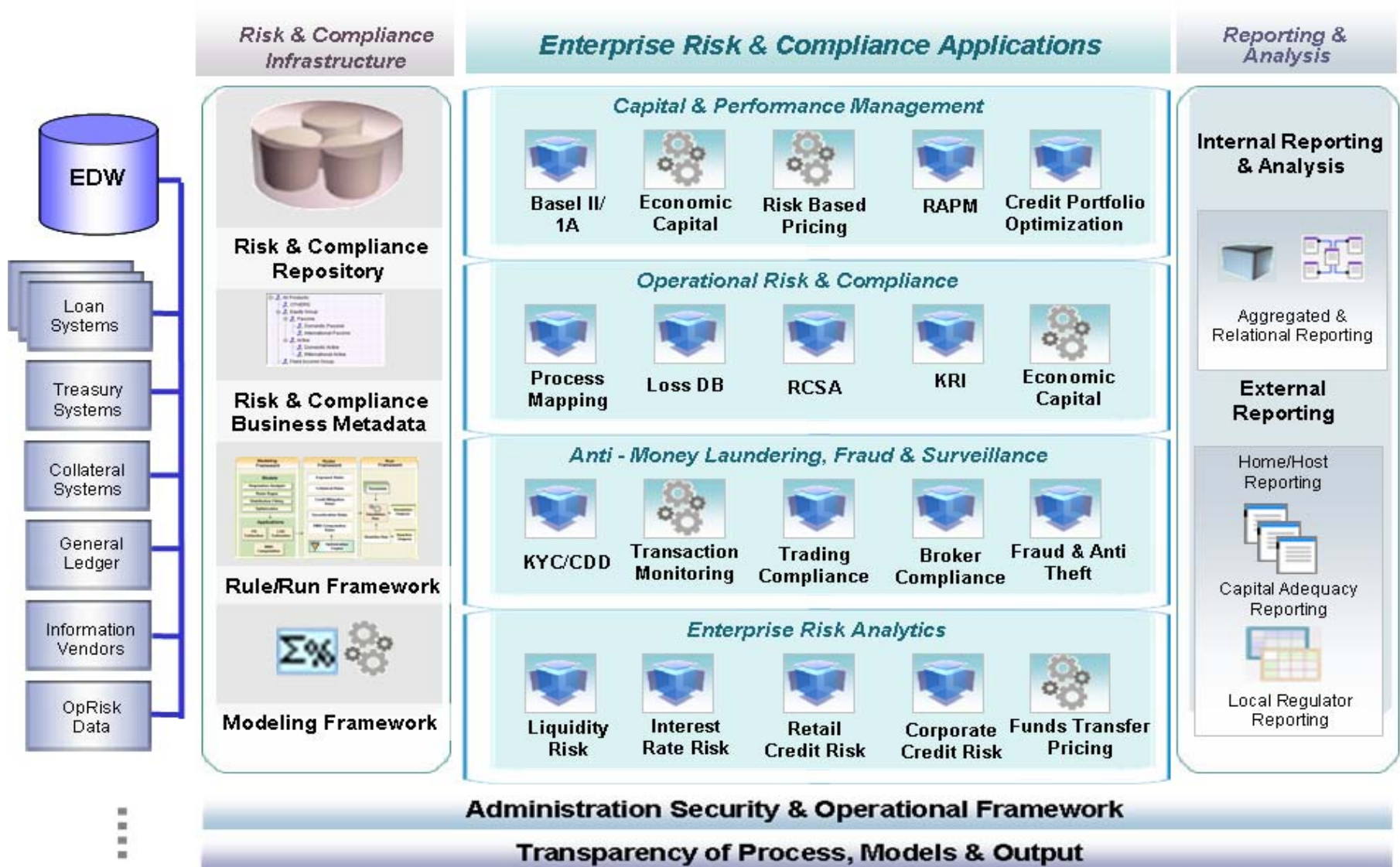
Oracle Governance, Risk and Compliance for FSI

- Industry's first GRC framework exclusively for FSI
- Brings together Reveleus GRC framework with Oracle GRC manager for a comprehensive solution
- GRC Solutions for Banking, Insurance, Capital Markets
 - SOX
 - MiFID, RegNMS
 - Operational Risk
 - Compliance Risk
 - Basel II & 1A, Solvency II
 - AML, KYC, Fraud Prevention
- Supported by Oracle's Technology offerings
 - Business Process Management
 - Content & Records Management
 - Identity & Access Management
 - GRC Intelligence

Reveleus | GRC FRAMEWORK



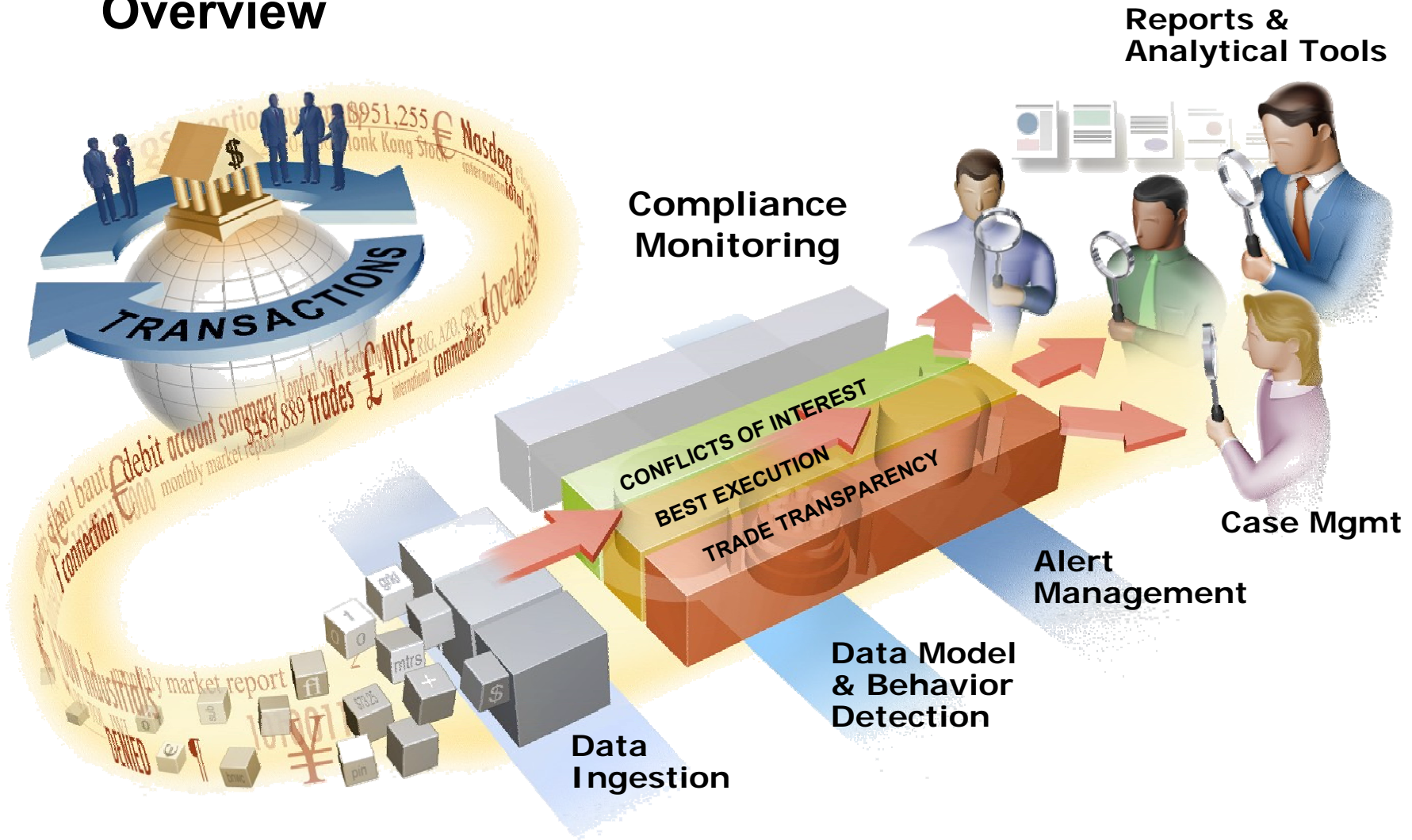
Oracle Governance, Risk, and Compliance



Recent Incidents and possible lessons learned

- Independent Compliance monitoring system to detect suspicious or irregular activity among all trades and orders in the organization.
- Danger of using in-house systems for Compliance monitoring
- Lack of adequate Surveillance and Behaviour Pattern Detection.
- Operational Risk to be more closely monitored and enforced within the financial organizations.
- Near-Real-Time alert generation of potentially fraudulent behaviours, irregular behaviours, excessively large positions, and other suspicious patterns
- An holistic view across all areas is required to provide transparency across multiple-asset classes and jurisdictions
- Integrated GRC systems

The Police : Behaviour Detection Platform Overview



Enterprise Risk Management Platform



i-flex solutions ltd.

Anti Money Laundering

- More than 5,000 professionals worldwide use Mantas
- The Mantas Behavior Detection Platform serves as a foundation for a set of business assurance applications.
- Mantas delivers true operational transparency and insight.
 - From regulatory compliance applications that provide reliable, best-in-class protection in a changing regulatory culture
 - To loss prevention applications that can expose unseen risks and losses;
 - To revenue generation applications that identify opportunities for institutions to increase revenues and improve customer satisfaction and reduce cost of sale

