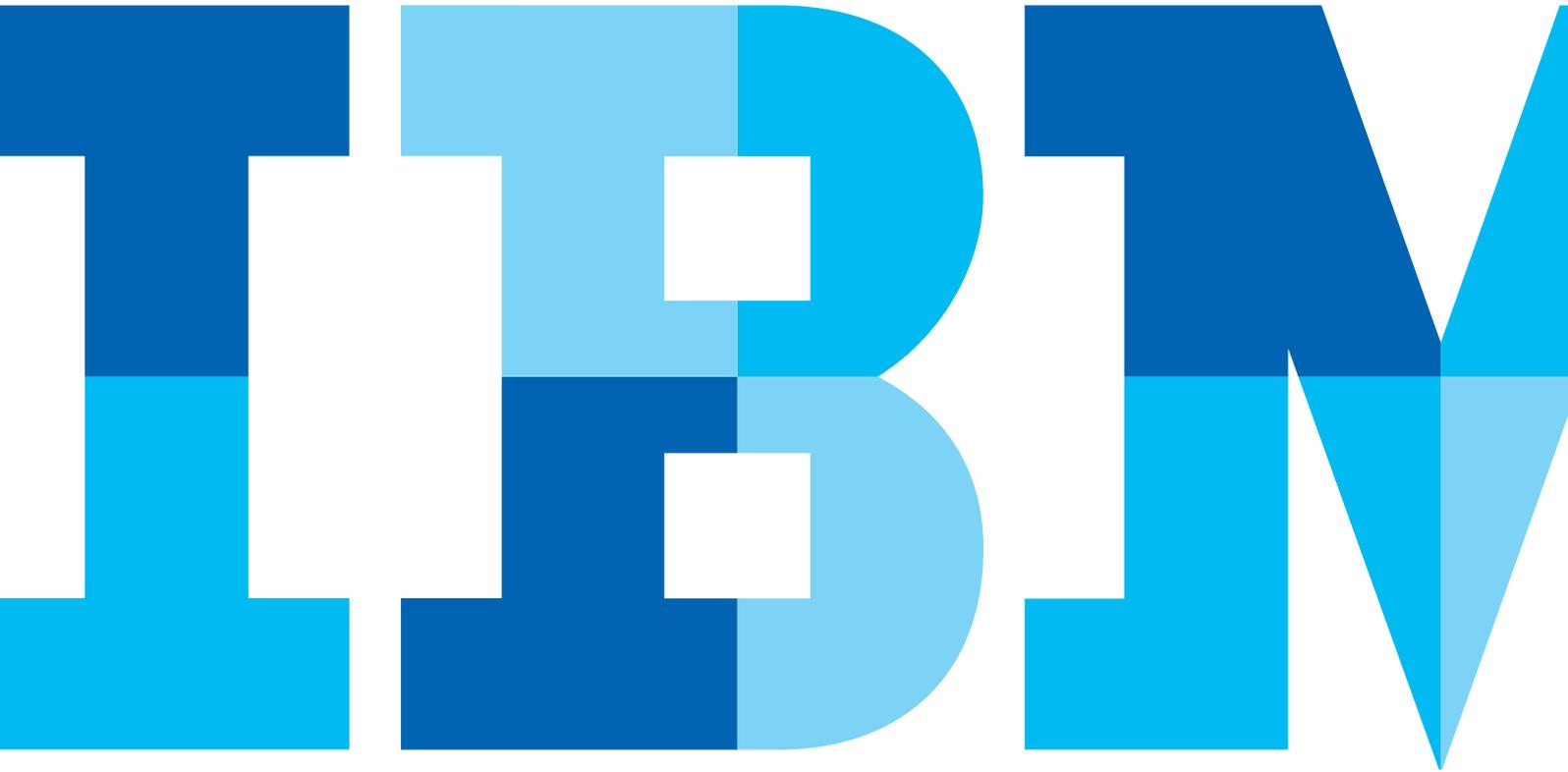
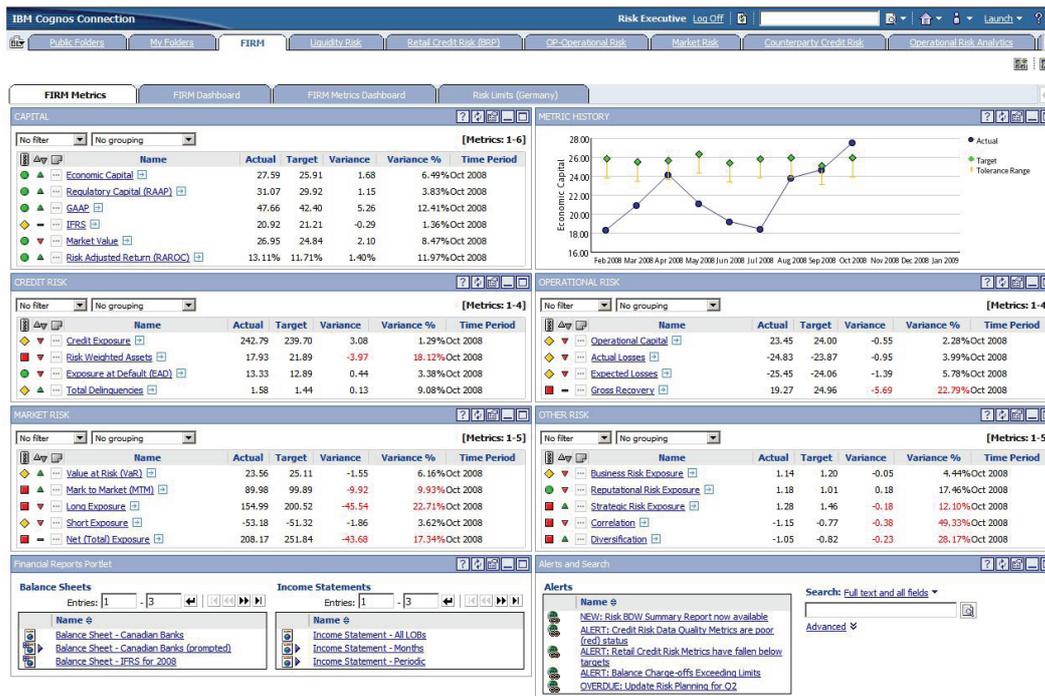


IBM Business Analytics: Finance and Integrated Risk Management (FIRM) solution

Risk transparency across the enterprise



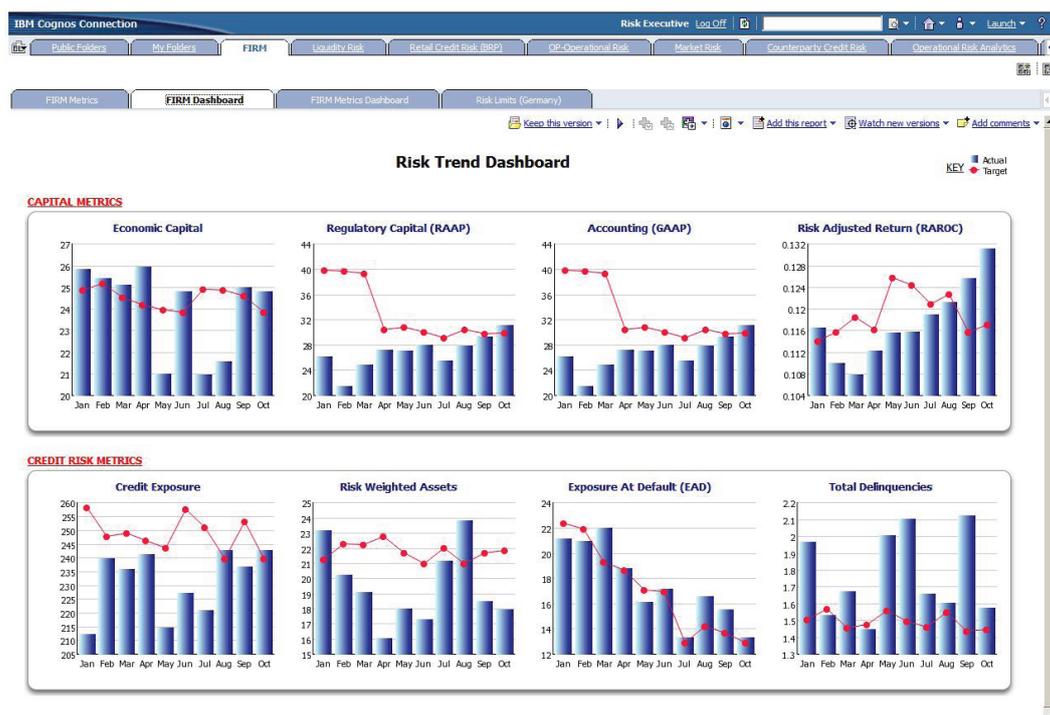


Highlights

- A single view of risk across the organization
- Deep insight into multiple risk areas including credit, operational, market, counterparty, liquidity, capital and more
- Ability to perform analysis and what-if scenarios in conjunction with leading risk calculation engines
- A comprehensive solution that brings in the power of IBM® Cognos® software along with IBM Information Management products and consulting services

Risk and finance executives are under increasing pressure from governments and business units to improve the quality and speed of risk reporting, insight and decision-making. They need to reduce risk exposures and losses, while anticipating the next big area of concern and opportunity.

In order to fulfill this mandate, they need to evolve past lackluster solutions that attempt to address a single risk class. They require a platform that synthesizes disparate risk and finance data into an integrated, enterprise wide view of risk across divisions, geographies and risk classes.



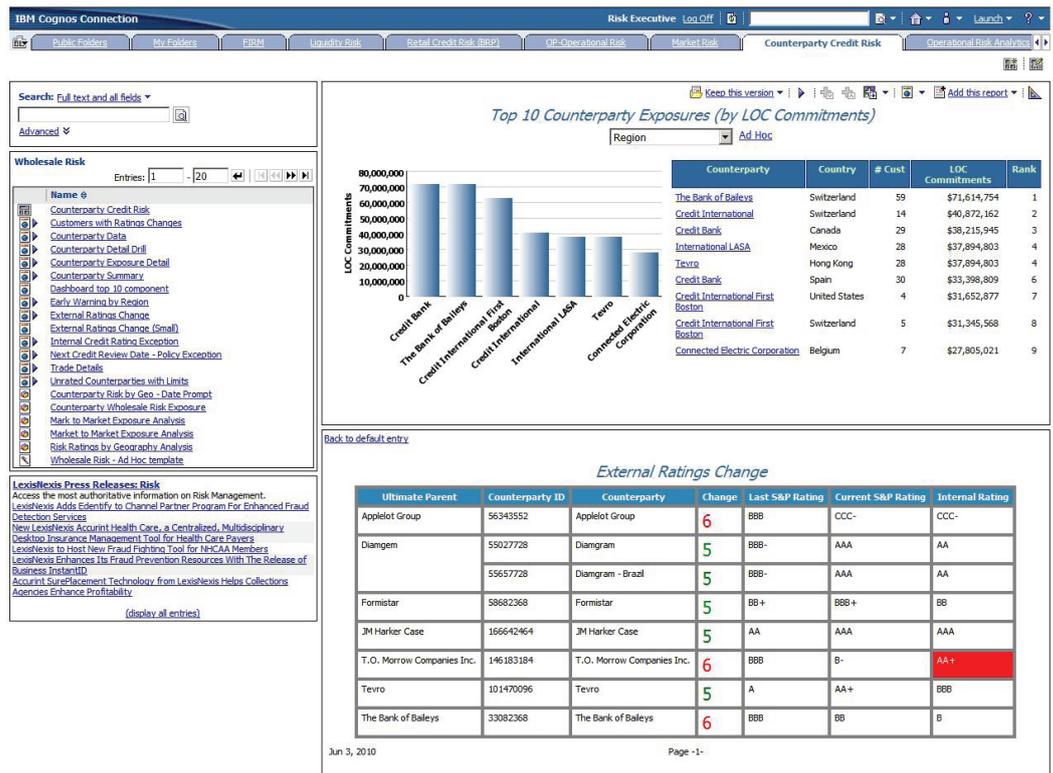
The Finance and Integrated Risk Management (FIRM) solution

The IBM Cognos Finance and Integrated Risk Management (FIRM) solution provides that single view.

It offers prebuilt reports, scorecards, dashboards and analytical views that give risk professionals, senior bank executives and business users insight into risk types across the enterprise. FIRM is built on IBM Cognos Business Intelligence and Financial Performance Management software and is designed to accelerate risk implementations by providing a set of templates, examples and best practices. The content includes over 500 report samples, 20 data sources and 10 unique risk demonstrations.

FIRM consolidates risk information from multiple spreadsheets and locations into an easy-to-use risk information dashboard that highlights all risk classes, including:

- Credit Risk: Metrics for credit exposures, risk weighted assets, exposure at default and total delinquencies.
- Operational risk: Metrics for operating capital, actual risk, expected losses, gross recovery and more.
- Market risk: Value at risk, market-to-market risk, long and short exposures, net (total) exposures and many more.
- Capital risk: Economic and regulatory, capital, GAAP, IFRS, RAROC and more.
- Other: Business risk exposure, reputational risk, strategic risk exposure and correlations.



In addition, FIRM provides capabilities that are top of mind for any banking risk professional including:

- Comprehensive liquidity analysis: Liquidity risk has been recognized as a major contributor to the financial crisis of 2007-09. FIRM offer the right capabilities for regulator interpretation, analysis and modeling of banks liquidity risk, along with liquidity insight, analysis and scenario modeling across a bank's LOB, products, geographies and more.
- Deep scenario analysis: Banks need near-real time risk aggregation, data updates, feeds and storage. FIRM offers a packaged set of scenario dashboards, reporting and alerting templates and includes a risk sandbox and what-if scenario analysis.

- Accurate counterparty risk insight: Executive and risk managers need new approaches to setting limits on counterparty credit exposures and limiting concentration of credit exposures in certain markets. With FIRM they can do this while estimating potential future credit exposures, including stress testing to gauge exposures in volatile markets, and model validation procedures including back-testing.

Equally important is to make sure that a risk platform brings in all the right data. Since IBM Cognos software has both BI and financial performance management capabilities (budgeting, planning, forecasting), it can pull from other financial sources and combine, sales, customer, product data and more into the risk analysis framework.

Primary Financial Bank
Consolidated Balance Sheets - GAAP
Year Ended October 31, 2008
(000's)

	RETAIL BANK	INVESTMENT BANK	INTERNATIONAL
Assets			
Cash Resources	\$43,189	\$17,711	\$1,114
Securities			
Trading	\$0	\$147,502	\$16,289
Investment	\$0	\$49,323	\$1,480
Available for sale	\$0	\$0	\$0
Other assets	\$1,491	\$1,491	\$1,491
Loan substitutes	\$12	\$12	\$12
	\$1,502	\$189,327	\$22,272
Loans			
Residential mortgages	\$128,742	\$0	\$71,523
Consumer installment and other personal	\$61,845	\$0	\$24,358
Credit cards	\$7,382	\$0	\$4,101
Businesses and governments	\$84,069	\$9,069	\$84,069
Securities borrowed or purchased	\$6,627	\$59,640	\$33,124
Customer's liability under acceptances	\$1,523	\$13,202	\$7,615
Allowance for credit losses	(\$1,763)	(\$1,585)	(\$1,585)
	\$290,012	\$80,831	\$233,215
Other Assets			
Derivative instruments	\$6,412	\$57,209	\$32,060

A comprehensive solution

With FIRM banks can accelerate their risk deployment with IBM Cognos Business Intelligence. Along with capabilities for enterprise reporting, dashboarding, scorecarding, analysis and event management, banks can also deploy content via the internets, extranets, mobile devices, office environments or through search engines.

While the solution can work alongside any data source, it is also tightly integrated and augments the capabilities of the following products:

- IBM Cognos TM1: Adds in memory risk aggregation capability and provides a 'sandbox' for risk scenario analytics.
- IBM Cognos Now: Brings in real-time operational risk reporting capabilities.
- IBM Websphere® and InfoSphere™: Increases the speed and efficiency of the infrastructure and provides better data management capabilities.
- The IBM Banking Data Warehouse: Provides clean, meaningful risk data management across multiple channels and products to the implementation.

IBM also surrounds the platform with services and proven practices from Cognos and GBS professionals. These consultants combine deep industry expertise, practical tools, powerful research capabilities and innovative thinking to ignite growth in your business.

Why IBM?

IBM Business Analytics software is a proven solution—one that has been successfully implemented at thousand of banks worldwide, including four of the top five banks in the world and all of the top five banks in North America and Europe. FIRM is just one more way IBM is sharing that experience with customers to help them gain faster ROI, comprehensive insight and better decision-making across the organization.



About IBM Business Analytics

IBM Business Analytics software delivers complete, consistent and accurate information that decision-makers trust to improve business performance. A comprehensive portfolio of business intelligence, advanced analytics, financial performance and strategy management and analytic applications gives you clear, immediate and actionable insights into current performance and the ability to predict future outcomes.

Through the combination of rich industry solutions, proven practices and professional services, organizations of every size can drive the highest IT productivity and deliver better results.

For more information

For further information or to reach a representative:

ibm.com/cognos/banking

Request a call

To request a call or to ask a question, go to ibm.com/cognos/contactus. An IBM Cognos representative will respond to your enquiry within two business days.

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