

Seamless integration of HVB Romania and BCIT achieved in record time



Capgemini plays a successful role in merger project that was recognized as a winner

The Situation

In order to further expand in Romania, the former HVB Group—now part of UniCredit Group—acquired Banca Comerciala Ion Tiriak (BCIT) and subsequently merged it with its local subsidiary.

HVB Group needed a competent integration partner to spearhead the complete legal, organizational and technical merger, which had to be accomplished within 10 months.

The Solution

Based on the positive experience in previous merger programs, Capgemini was again entrusted as integration partner. In an exciting collaboration between the two banks, the head office, the software provider WAVE Solutions, 3rd party providers and Capgemini, HVB Romania and BCIT have been seamlessly integrated into one legal entity with one IT system.

In addition, new business strategy, organizational structure and business processes, together with the Group's international service standards, were rolled out.

A transparent project setup ensured a quick decision-making and escalation process, while continuous change management activities provided stability and confidence. Experience from previous merger projects helped overcoming difficult situations.

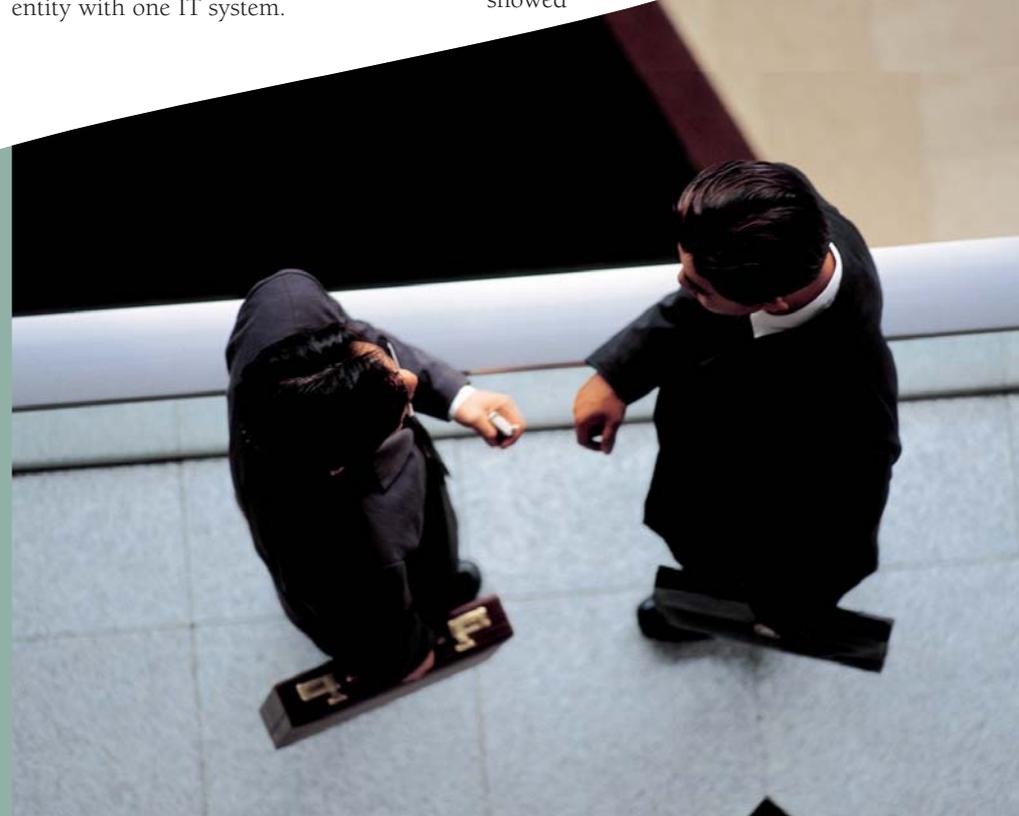
The Result

In spite of a tight time schedule and challenging conditions, the project was successfully accomplished in ten months.

Already in the year of the merger, the bank as well as its clients reaped the first benefits. The bank's profit surged and KPIs showed

“The project team, including Capgemini, has not only mastered the merger process but also paved the way for a successful future of UniCredit Group in Romania.”

Andreas Gschwenter,
COO
UniCredit Tiriak Bank



considerable improvement. Clients received access to state-of-the-art service standards in an enlarged countrywide branch network.

Recognizing the outstanding work done, Capgemini and the bank were jointly recognized by The Banker with the Technology Awards 2007 for the best back-office project of the year.

How HVB Romania, BCIT and Capgemini Worked Together

The major achievements of the project were:

- merging the two units technically, legally and organizationally within 10 months
- bringing two Head Office locations, 82 branches and 1,590 employees to Group standards
- developing a brand new business strategy
- rolling out a centralized operating model and preparing the bank for the outsourcing of back-office functions
- implementing the Group's in-house core banking system with a new front-end solution and a combined cards system
- training 1,500 persons on systems, procedures and sales
- converting more than 540,000 clients, 726,600 accounts and 117,000 loans
- integrating more than 550,000 cards, 3071 POS and 287 ATM terminals.

To accomplish all these within the tight time schedule was extremely demanding. There was no time for failure, wrong, or delayed decisions; and certainly no place for personal conflicts. The entire organization had to act in perfect alignment and cooperation. Every person was required to work at best capacity and even exceed their limits. In addition, competition in the booming Romanian banking market took every opportunity to lure away top-performers from a temporarily unstable organization.

The success of the merger goes back to a small set of basic values that Capgemini managed to introduce into the project: Leadership, Empowerment

and Project Organization. Being successful in respect to these factors is crucial for a project of this amplitude. The persistent willingness and commitment of project managers, as well as constant involvement and support of top management, are key to making a merger project happen. In case of HVB Romania and BCIT, these values turned a very tightly planned project into the success story of a newly-born, fourth largest bank in Romania. After completing the merger project, HVB Tiriac Bank was in a position to further consolidate its back-office by outsourcing its centralized

functions and thereby establish an efficient, state-of-the-art operating model.

Leveraging on the experience of the first integration, HVB Tiriac Bank successfully completed its next merger process with UniCredit Romania, creating UniCredit Tiriac Bank during Q2/2007.

UniCredit Tiriac Bank is a member of UniCredit Group, which is by far the leading bank in Central and Eastern Europe with some 65,000 employees in more than 3,100 branches serving over 24 million customers.



About Capgemini and the Collaborative Business Experience

Capgemini, one of the world's foremost providers of Consulting, Technology and Outsourcing services, has a unique way of working with its clients, called the Collaborative Business Experience.

Backed by over three decades of industry and service experience, the Collaborative Business Experience is designed to help our clients achieve better, faster, more sustainable results through seamless access to our network of world-leading technology partners and

collaboration-focused methods and tools. Through commitment to mutual success and the achievement of tangible value, we help businesses implement growth strategies, leverage technology, and thrive through the power of collaboration.

Capgemini employs over 75,000 people worldwide and reported 2006 global revenues of 7.7 billion euros.

More information about our services, offices and research is available at www.capgemini.com.

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Post Merger Integration

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In collaboration with



After the integration of HVB Romania and BCIT, the new bank HVB Tiriac Bank became number 4 in the Romanian banking market. KPIs showed considerable improvement in 2006, as compared to the previous year: Revenues increased 15.6%, whereas operating costs stayed constant (+0.3%), Cost-income ratio decreased

by 6.7%, staff costs have been reduced by 7.1%. The merged bank operated via 82 branches and with 1,700 employees. Leveraging on the experience of the first integration, HVB Tiriac Bank successfully completed its next merger process with UniCredit Romania, creating UniCredit Tiriac Bank during Q2/2007. UniCredit Tiriac Bank is a member of UniCredit Group, which is by far the leading bank in Central and Eastern Europe with some 65,000 employees in more than 3,100 branches serving over 24 million customers.