

Swisscom IT Services acquires majority stake in Sourcag

Swisscom IT Services is moving into the BPO business (Business Process Outsourcing) and has acquired a 60 percent stake in Sourcag AG, making it the majority shareholder. The previous owners, BKB and BLKB, still hold a 20 percent stake each. Together with Comit, its subsidiary specialising in banking, Swisscom IT Services is moving into the area of Business Process Outsourcing (BPO) and thus expanding its service portfolio for the financial sector. Sourcag will be run as an independent subsidiary of Swisscom IT Services and Beat Lehmann will continue as Chief Executive of the company, which is based in Münchenstein. Eros Fregonas, a member of the Swisscom Group Executive Board, will serve as Chairman of the Board of Directors. The objective is to expand the company's current strong position and range of services in the banking sector and become Switzerland's leading provider of back-office services for banks.

Swisscom IT Services Ltd has acquired a 60 percent stake in Sourcag AG from its two main shareholders, Basellandschaftliche Kantonalbank (BLKB) and Basler Kantonalbank (BKB). Basler Kantonalbank and Basellandschaftliche Kantonalbank will continue to be represented on the Board of Directors. This will guarantee the vast expertise of Sourcag AG in the banking business and the banking market.

Münchenstein-based Sourcag AG will be run as an independent subsidiary of Swisscom IT Services from 1 July 2009. The company and its 200 employees provide standardised back-office services in the areas of security and payment transactions.

Entire value chain for banks covered

Sourcag, Comit and Swisscom IT Services are bundling their core competences. Through its broad expertise in the area of banking, Comit will provide application management services and integrate the core banking solutions Avaloq and Finnova. Sourcag will concentrate on standardised back-office services based on these modern core banking solutions. Swisscom IT Services will handle all IT operations including workplace management. "We are confident that we will become one of Switzerland's leading and most innovative providers of back-office services for financial institutions," said Eros Fregonas, member of Swisscom's Group Executive Board and CEO of Swisscom IT Services. Swisscom will now cover the entire value-added chain for banks: from business process outsourcing to application management

and IT infrastructure operations through to telecommunications services. For Swisscom, this is a strategic step in a market already being served successfully by Comit.

Stable revenue and management continuity

Sourcag AG generates revenue of around CHF 30 million a year and has made a name for itself on the market as a competent, professional service centre for banks. Swisscom IT Services considers Sourcag AG's specific corporate culture and its profound expertise in the area of banking to be a valuable asset and will consequently continue to run this Münchenstein-based enterprise as an independent subsidiary. The Management Board will remain in the hands of Beat Lehmann. While the new Board of Directors will consist mainly of members of Swisscom IT Services, the company's previous main shareholders will also hold seats. Eros Fregonas will take over as Chairman.

Ambitious goals

In the medium term, Sourcag, Comit and Swisscom IT Services aim to considerably increase revenue generated through customers from the financial sector. Initially the most attractive market segments will be cantonal and regional banks in German-speaking Switzerland, as well as private banks, particularly those using Avaloq and Finnova, depending on customer development. "We will expand joint business activities by 2013 using a three-phase approach," Eros Fregonas explains. Following a harmonisation phase, existing back-office services will be optimised in order to offer new services in the medium term. Sourcag's vast banking expertise, independence and financial strength as well as its "Swissness" are ideal attributes for successfully establishing the company over the long term.

The Avaloq operating agreements with the owner banks BKB and BLKB which have been in place since March 2009 are testimony to the fact that the future minority shareholders themselves support the combined value proposition of Sourcag, Comit and Swisscom.

About Sourcag

Sourcag AG, headquartered in Münchenstein, was founded in April 1998 as an independent subsidiary of Basler Kantonalbank and Basellandschaftliche Kantonalbank. With around 200 employees, the company serves as a service centre for financial institutions and concentrates on all aspects of the securities business, payment transactions and the outsourcing of IT services. Its clients include the eleven institutions which make up the ESPRIT banks, Basler Kantonalbank and Basellandschaftliche Kantonalbank, their subsidiaries Bank COOP and AAM Privatbank as well as Banque Cantonale de Genève. Every day, Sourcag provides its services to around one million end

customers of these banks. Sourcag is currently the leading BPO partner for cantonal and universal banks. Further information is available at www.sourcag.ch.

About Comit

Comit has been providing the financial sector with professional services along the entire IT value chain for 30 years: from strategic consulting to implementation and development through to operation of an IT solution. Its business fields are consulting & solutions, core solutions such as Avaloq and Finnova, application management and IT infrastructure services. Comit is an independent subsidiary of Swisscom IT Services, employing 700 IT and business experts at locations in Switzerland, Austria, Germany, Singapore and Luxembourg. Further information is available at www.comit.ch.

Berne, 23 June 2009 / 07:30