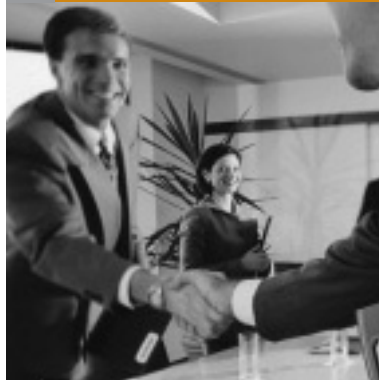


SAP Customer Success Story Banking



Working together with consultants from SAP, **HVB Real Estate Capital France** implemented an e-business solution that encompasses all business areas and has set a new benchmark in international real estate banking. Highlights included streamlining and automating the syndication process and implementing new refinancing functions. The technological basis of this remarkable project was mySAP™ Banking. And rollout is scheduled for more subsidiaries in the future.

HVBRealEstateCapital



HVB REAL ESTATE CAPITAL (HVB GROUP)

mySAP™ BANKING: A TAILORED SOLUTION FOR INTERNATIONAL REAL ESTATE FINANCING

A BANK DESIGNED FOR PROFESSIONAL REAL ESTATE CUSTOMERS

HVB Real Estate Capital France SA – called HVB REC France for short – is the Parisian competence center for professional real estate financing of the HypoVereinsbank Group. HVB REC is part of the group's international real estate business, which has a loan portfolio of over €30 billion at its disposal and another €6 billion of syndicated loans. Due to an increase in business, commissions from securitizations, structurings, and syndications (similar to those in investment banking) amount to some 30% of the company's total income. The group is focused on continuing its expansion in integrated real estate banking and on strengthening its position in the European market.

LAUNCHING INTO A NEW IT ERA WITH SAP

HVB REC is staying abreast of the far-reaching changes in the industry with extensive consultancy competence and state-of-the-art IT structures. Since April 2001, the company has been using SAP software for financial and cost accounting, and in July 2001, it went live with mySAP™ Banking. The SAP e-business implementation included key capabilities for core banking mortgage loans (CML), used for loan management and object and collateral management; and corporate finance management (CFM), used for handling money market transactions. "Never before has a financial company processed syndicated

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loans in this form using the loan management capability of mySAP Banking, so it's a first for us in the area of banking," says project lead Markus Plenk at SAP Consulting, who is proud of his team's achievements.

SUCCESSFUL COLLABORATION WALLDORF – MUNICH – PARIS

In November 2000, the project got under way, and the team set to work on the business blueprint, concentrating on processes and user orientation. "The central architecture, the remote connection of branches and subsidiaries, and the individual tailoring performed in the SAP standard system were important to us," says Elisabeth Hungley, technical project lead at HVB REC. "Within just eight months, the consulting team from SAP successfully piloted a demanding project – and SAP truly established itself as a strategic partner for HVB."

OPTIMIZED WORKFLOW WITH AUTOMATED PROCESSES

Before implementing the SAP solution, the group had to deal with an older system that was extremely inflexible. "A large number of manual interfaces and various workflows made it difficult for us to position new financial products on the market quickly," says Ulrike Umkehrer, departmental project lead at HVB REC. Now things are very different. New financial products can be rapidly established because they are easy to configure and set up. Unified terminology for transaction data and costing meth-

ods has improved global communication. "The optimized electronic workflow and the reduced time and effort needed for controlling have enabled us to attain over 50% automation," says Hungley. Redundant data retention is a thing of the past, as are error-prone multiple entries and time-consuming reconciliations. In addition, auditable access authorization and security for individual transactions now protect customer and financial data.

CONSISTENT, HIGHLY ACCESSIBLE INFORMATION

mySAP Banking plays a key role when it comes to displaying syndicated loans. All processing, product, and costing data is automatically saved and can be used for productivity and profitability calculations. What's more, easy access to data improves risk and liquidity management, and user-oriented reporting allows business data to be consolidated in various ways to meet specific reporting needs. Whether an employee needs deal-specific or customer-specific information or a general overview, all data is available at any time. This has proved to be a great advantage for risk controlling, for example. Reports

"From marketing to payment transactions, mySAP Banking is the central pool of information for everyone involved. I'd particularly like to stress the system-supported syndication, which has increased our competitive edge in this area significantly."

Ulrike Umkehrer,
Departmental Project Lead, HVB Real Estate Capital

required by the parent company, which previously were very laborious to create, are now available at the click of a mouse. This is where the SAP solution really comes into its own; it enables clear presentations of syndicated transactions plus global profit-group analyses and profitability reports for user departments and the executive board.