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TAGETIK UNIFIES FINANCIAL GOVERNANCE AND CPM IN A SINGLE PRODUCT

Lucca, Italy. 1st July 2008 – Almost six years after the landmark Sarbanes-Oxley Act was passed in the United States, regulatory compliance still poses a major challenge for public companies around the world. Tagetik, a global provider of Corporate Performance Management (CPM) software, delivers solutions to help companies minimize the costs of compliance, accelerate the filing cycle and increase overall transparency.

“Since Sarbanes Oxley was passed in 2002, most major international financial markets have introduced similar regulations without any consideration of their feasibility,” explains Manuel Vellutini, Chief Operating Officer of Tagetik. “In their attempts to ensure compliance, many companies still face major challenges such as integrating data from different applications and vendors, completing the closing and financial reporting processes on time or simply providing adequate controls and documentation. Plus, now that CFOs are required to sign off the filings, they need assurance that they can trust the numbers they see.”

An increase in both the number and complexity of disclosure that public companies are required to make has led - for instance in US - to the 40% increase in audit timetable over the four year period¹, and 7,8 millions US dollars and 700 man hours spent on Sarbanes-Oxley compliance by the average large company².

¹ BPM International Close Cycle Ranking 2007

² Business Week

"What most companies don't realize, however, is that resolving these issues is not as difficult as it appears," continues Vellutini. "Tagetik CPM, for example, unifies all financial processes for Corporate Performance Management and Financial Governance into a single product. Our customers experience confirms us that, by reducing the number of systems at various enterprise levels, companies gain unparalleled control over the consistency and reliability of their data."

The market is still in a very early stage of development. "Financial Governance covers a range of applications that are targeted at the CFO and are focused on improving financial processes and controls, particularly in the final stages before disclosure," remarks John E. Van Decker, Research Vice President Gartner. According to a Gartner Report ³, "There are many applications that focus on particular aspects of financial governance and in the next three to five years, a clearly defined market will emerge that will provide application suites addressing this topic."

"It (financial governance) will build additional process controls around financial consolidation to support financial close processes and the production of periodic financial statements for regulators. It will augment the compliance controls in finance GRCM solutions with broader controls that monitor capabilities, and when delivered as a comprehensive solution, it will enable CFOs to better manage financial risk. However, while financial governance solutions mature, CFOs will be faced with the challenge of addressing their most pressing governance issues with a variety of point solutions".³

"Tagetik CPM is so flexible that it already fulfilled financial governance requirements even before they were identified by analysts," adds Vellutini. "Our approach significantly reduces the time and costs required to adapt the system to new or changing regulations. Also, since all processes are truly unified, they become much more efficient. The CFO, therefore, can manage business performance and fulfill regulatory compliance with a single solution that supports multiple platforms and is based on an open architecture."

³ Gartner, Inc., Financial Governance will emerge to Enhance Financial Controls and Regulatory Reporting, October 11, 2007 - John E. Van Decker, Nigel Rayner

Tagetik CPM supports all financial processes for Corporate Performance Management and Financial Governance – including data collection, intercompany reconciliations, consolidation as well as financial closing and reporting – on all levels of the enterprise. In order to account for different regional compliance regulations, such as the Sarbanes-Oxley Act (SOX) in the United States or Law 262/2005 in Italy, Tagetik CPM structures these processes in traceable environments. To ease the highly-challenging “last mile” of the closing process, the solution also supports manual and automatic entries, various accounting standards, interfaces to multiple data sources, and reconciliations.

Tagetik CPM supports Financial Governance through:

- Consolidation
- Intercompany reconciliations
- Financial control & compliance (e.g. SOX, Law 262/05)
- Financial close & reconciliations (e.g. 10Q/10K, IAS / IFRS)
- Access and separation of the functions of control
- Financial and audit analytics
- Financial risk management

The main strengths of Tagetik CPM:

Single product for all CPM and Financial Governance needs

Tagetik CPM is the first and only software solution to unify all CPM and Financial Governance processes in a single process. Its double-entry logic and financial closed loop maximize data consistency and reliability.

Built-in features and workflow

Tagetik CPM delivers built-in logic-based accounting and native functionality.

Maximize existing technology investments

Since Tagetik CPM is a multi-platform, open architecture solution, companies fully utilize their existing IT infrastructures. The solution leverages leading relational databases and provides direct interfaces to major ERP systems.

Low cost of ownership

Since Tagetik CPM is fast to implement and is easy to maintain for a very low total cost of ownership.

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Tagetik is a global provider of the new generation of Corporate Performance Management (CPM) and Financial Governance (FG) solutions. The extensive experience in the Corporate Performance Management market has enabled Tagetik to offer a software solution that helps companies automate processes, obtain the necessary transparency and data accuracy for compliance, improve governance, reduce costs as well as meet industry-specific requirements.

Tagetik CPM is an innovative single solution that leverages cross platform technology and delivers unified and faster process cycles, powerful scalability, short implementation time and lower total cost of ownership (TCO) thanks to its out-of-the-box CPM Processes. Tagetik CPM is the first completely financial closed-loop, double entry solution, that unifies in a single product all core CPM processes (budgeting, planning & forecasting, profitability modeling & optimization, dashboard & scorecarding, financial consolidation, statutory & management reporting), extended CPM processes (such as credit reporting & analysis, ICT performance management, compliance), vertical CPM processes (such as regulatory accounting, cash flow management by project and regulatory reporting) and Financial Governance processes (Intercompany transaction management, Reconciliations management, Financial controls and compliance, Financial close management - "The Last Mile of Finance", Financial risk management, Access and segregation of duties controls, Financial analytics).

Tagetik CPM incorporates the knowledge and best practices gained in over a decade of real-world projects. Tagetik has over 300 customers representing all industries including Financial Services (Unicredit), Manufacturing (Barilla), Insurances (Talanx), Fashion (Gucci), Healthcare (SSL Healthcare), Automotive (Yamaha).