

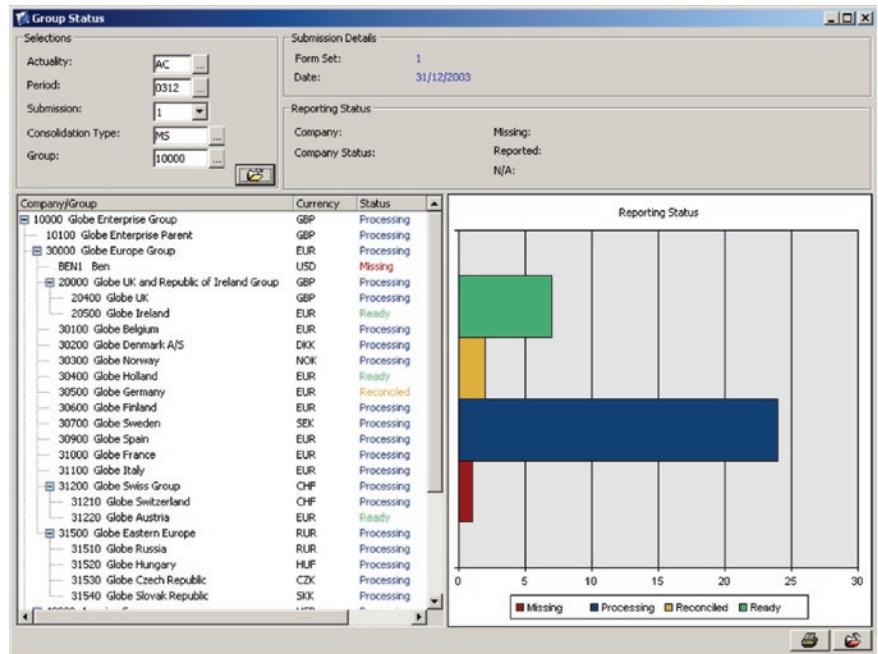
IBM Cognos 8 Controller

Consolidation drives performance and compliance

Overview

Improving performance management is critical to any organization. And the increasing focus on accountability, transparency, and corporate governance—exemplified by the Sarbanes-Oxley Act—along with demanding, rapidly changing reporting requirements such as International Financial Reporting Standards (IFRS), have made robust, cost-effective financial management more vital than ever.

Successful performance management strategies demand consolidation and financial reporting processes that reflect accepted best practices, are stable, rigorous, reliable, and free of control risks requiring manual intervention and the maintenance of spreadsheet-based “shadow systems.” To meet such requirements, increasing numbers of Global 3500 companies rely on IBM Cognos® 8 Controller.



Consolidating and reporting workflow

Technical specifications

Financial information: Enterprise performance in the hands of Finance

A key component of the IBM Cognos performance management platform, IBM Cognos 8 Controller is a comprehensive, Web-based solution that offers power and flexibility for streamlined, best-practice financial reporting and consolidation. It offers built-in financial intelligence and advanced analytics atop an industry-leading data platform to provide timely, accurate information, improved decision support, and rigorous regulatory compliance.

IBM Cognos 8 Controller provides support for IFRS, FASB, Basel II, and Sarbanes-Oxley requirements, as well as multi-jurisdictional GAAP reporting. It also enables individual segment reporting by customer, product, or market, and generates an extensive audit trail to satisfy the needs of external and internal auditors.

An enterprise application. IBM Cognos 8 Controller offers ready, yet easily-managed menu-driven user access and provides a solid foundation for smooth data collection

and dissemination of information. IBM Cognos 8 Controller provides a single shared source for rapid, enterprise-wide data access. At the heart of IBM Cognos 8 Controller is a centralized database that ensures efficient processing and administration, and enables continuous feedback and enhanced support for organizational decisions and their implementation. Its use of open, industry standard platforms and databases—such as Microsoft® SQL and Oracle—ensures high performance, data integrity, and rigorous, yet flexible security. And IBM Cognos 8 Controller is designed to align with in-place IT technology standards.

Putting users in control. IBM Cognos 8 Controller requires neither extensive development resources nor tedious, costly programming. Managed directly by finance, it allows users to amend entities, account details, and organizational structures as needed. IBM Cognos 8 Controller can quickly adapt to changing realities, ensuring shorter implementation times and a low total cost of ownership. As part of the IBM Cognos Performance Management System, IBM Cognos 8 Controller offers unparalleled support for management reporting, reporting workflow statutory consolidation, corporate planning, scorecarding, and analysis.

IBM Cognos 8 Controller offers a choice of interface, either the familiar Web browser or Microsoft Excel®. Either way, users have ready, yet secure access

to IBM Cognos 8 Controller data for updating and reporting. Full Microsoft Excel functionality streamlines financial data input and formatting; IBM Cognos 8 Controller capabilities are available from within Microsoft Excel to enhance management of information.

Features and benefits

Financial consolidation: Meeting local and global regulations

Data collection. IBM Cognos 8 Controller handles all the process and control steps necessary to gather financial information from multiple sources and systems. Both quantitative and qualitative data may be entered automatically or manually in IBM Cognos 8 Controller. Financial data may be collected and presented in multiple reporting and transaction currencies. Individual data entry forms and templates are easy to create and manage. Users

can attach documents to reported figures for a broadened perspective beyond quantitative information, while text notes and reporting manuals can be collected to explain reported information and facilitate its analysis. IBM Cognos 8 Controller can also access critical information that often resides in Microsoft Word or Microsoft Excel documents, e-mail attachments, or links to Web pages stored on personal desktop computers.

Validation. IBM Cognos 8 Controller enables thorough validation processes to cut lead times and ensure data consistency. Once entry or upload is complete, data is readily reconciled for accuracy, while users are immediately notified of inconsistencies. IBM Cognos 8 Controller facilitates certification of data submissions to insure accountability—crucial to the consolidation process.

Balance Sheet with GAAP Adjustments					
Globe NA					
Division: Commercial					
December 2003					
	Original Version	102	101	103	GAAP Version
Intangible Assets	61,635	0	0	0	61,635
Tangible assets	3,439,244	0	0	0	3,439,244
Investments	0	0	0	0	0
Fixed assets	3,500,879	0	0	0	3,500,879
Total stocks	20,374,090	0	1,000	0	20,375,090
Total debtors	8,558,127	0	1,000	1,000	8,558,127
Cash & Bank	537,987	0	0	0	535,487
Current assets	29,470,204	0	0	1,000	29,469,204
Creditors due < 1 year - Total	4,904,026	0	0	1,000	4,903,026
NET CURRENT ASSETS	24,566,178	0	0	0	24,566,178
TOTAL ASSETS LESS CURRENT LIABILITIES	28,067,057	0	0	0	28,067,057
Share capital	1,424,527	0	0	0	1,424,527
Share premium	1,783,715	0	0	0	1,783,715
Capital reserves	1,069,414	0	0	0	1,069,414
Other reserves	721,636	0	0	0	721,636
Revaluation reserves	0	0	0	0	0
Profit and loss account	7,328,672	0	0	0	7,328,672
TOTAL EQUITY	12,327,964	0	0	0	12,327,964
Minority interests - equity	3,486,570	0	0	0	3,486,570
Minority interests - non equity	3,452	0	0	0	3,452
Creditors due > 1 year - Total	10,758,261	0	0	0	10,758,261
Provisions	517,295	0	0	0	517,295
Minority interests - equity	3,486,570	0	0	0	3,486,570
US deferred tax balance	310,377	0	0	0	310,377
Overseas deferred tax balance	724,213	0	0	0	724,213
Total Deferred Taxation	1,034,590	0	0	0	1,034,590
LIABILITIES	15,800,168	0	0	0	15,800,168

Multiple reporting standards based on a single system

Managing the process. IBM Cognos 8 Controller offers an array of features to support and simplify the consolidation process—performing consolidations both automatically and manually with checkpoints, painlessly guiding users through every stage. Built-in process control enables users to track reporting from data capture and processing to printed or electronic output. Color-coding identifies those who have submitted information and those who have not. Submissions are identified by date and by whether or not they have been verified and reconciled. When submissions are approved, IBM Cognos 8 Controller enables an administrator to lock data period and versions by entity and person.

Consolidation. Successful performance management demands a single view of reality—consolidated actuals, consolidated budgets, forecasts, and plans. Consolidated management data that fails to stand up to scrutiny alongside consolidated plans forms a weak base for future decision-making. But a reliable view of current conditions, based on a clear link between statutory and management consolidation, provides a firm foundation for both operational decisions and strategic action. Enabling pain-free investments adjustment and links between automatic journals and consolidation types, IBM Cognos

8 Controller extends capabilities to support unique or complex local consolidation requirements.

Currency conversion. IBM Cognos 8 Controller supports all currency conversion methods. It translates data in a foreign currency into the group default currency using predefined rates. Consequent translation effects are calculated automatically and reported in detail. IBM Cognos 8 Controller can also simulate the impact of exchange rate fluctuations. Any currency may be used on any account, so that operating entities can effectively work in their own currency, while corporate finance can present figures in any currency suited to its purposes.

Inter-company eliminations. Inter-company transactions can be entered at entity level. Counter-party input can be viewed online to resolve differences immediately. The ability to enter the original transaction currency (such as the invoicing currency) helps distinguish currency differences from real differences: Real differences are automatically eliminated from predefined accounts. Differences can be posted to accounts receivable or accounts payable as required. Inter-company elimination is carried out in stages, regardless of consolidation structure, with all transactions handled at the point of origin.

Capital eliminations. IBM Cognos 8 Controller supports all current methods of capital consolidation and can perform staged eliminations in legal or management structures. After entering the investment value at the individual holding company level and entering relevant acquisition data, share capital is automatically eliminated. Goodwill is written off and can be booked to the individual company as required. The development of reserves, such as the identification of and changes in any impact of currency movements on the initial consolidation, can be reconciled at any time. IBM Cognos 8 Controller fully supports any structural changes such as acquisitions, disposals, or mergers.

Audit and compliance. IBM Cognos 8 Controller helps users understand adjustments and accounting changes to information submitted or collected during consolidation by tracking the date and time of data access and load, by monitoring approvals, and by maintaining an unchanged version of source data. IBM Cognos 8 Controller maintains a clear audit trail to follow application and data changes by individual users and offers the ability to filter, evaluate, and analyze changes, supporting both application maintenance and critical requirements for compliance and internal control.

Feature overview

Performance: Ensuring quality decision making

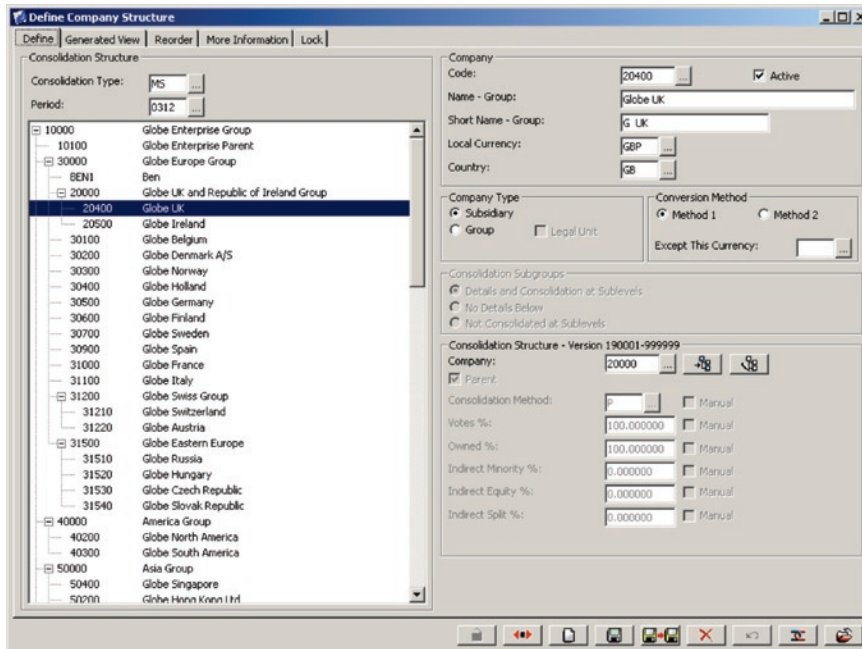
Analysis and decision support. By providing access to accurate data, reports, and analyses, IBM Cognos 8 Controller helps compress cycle times and meet increasingly stringent reporting requirements. Different users have different analytical needs. For financial analysts and those responsible for the close process that need access to financial data quickly, IBM Cognos 8 Controller offers more than 200 readily configurable, out-of-the-box reports. And seamless integration with IBM Cognos 8 Business Intelligence makes IBM Cognos 8 Controller information readily accessible for query, analysis, ad hoc reporting, scorecarding, and event management.

Managing change. IBM Cognos 8 Controller's built-in intelligence options accommodate change such as mergers, acquisitions, or reorganizations. Structure and business rule updates are made only once, and are then reflected throughout the application, supporting statutory consolidation, management consolidation, planning, monitoring, and strategy management.

Changes to entity structures can be saved with a time stamp. By linking entity structures to a time axis, structural changes can be easily carried out, enabling users to follow development in group structure. If a company is bought or sold either internally or externally, relevant postings like acquisition or adjustment of opening balance are automatically executed

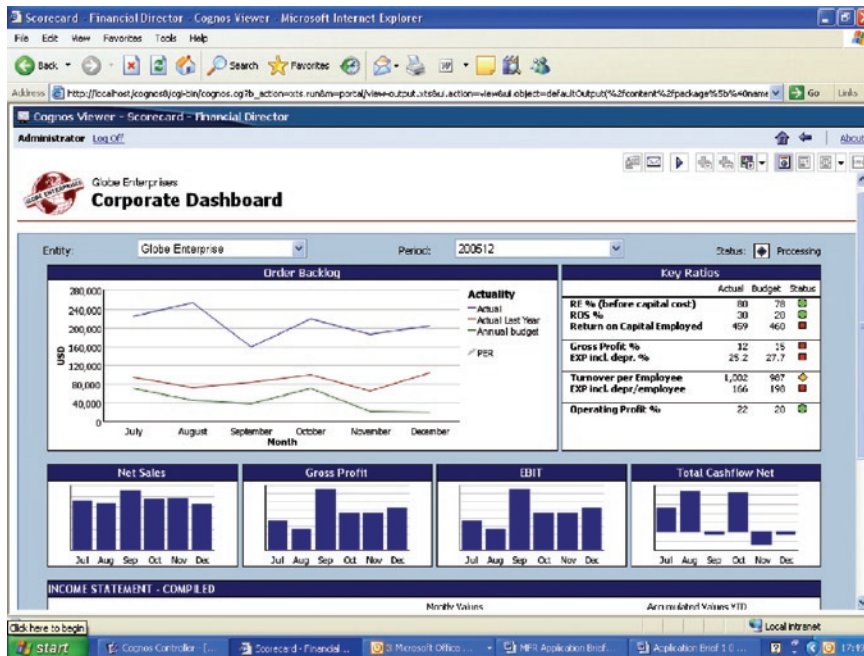
according to previously defined system configuration. Treatment of foreign currency effects is included.

Strategic financial analysis. IBM Cognos 8 Controller helps users translate corporate objectives and visions into concrete financial and tactical plans. Managers can quickly model and assess the impact of alternative business scenarios. With Global Targets and Key Drivers, initiatives can be modeled or simulated by entity, business area, product, or customer. Simulations are possible for all legal, operative, planning, or forecast scenarios, enabling detailed what-if analyses. Currency-adjusted analysis is also supported. Consolidating actual data at budget rates or using various currency rates is simple to set up and requires no additional data capture.



Organization hierarchy

Financial information from IBM Cognos 8 Controller automatically feeds the enterprise planning process, establishing an initial base for a plan or updating a plan with the latest actuals to facilitate a reliable rolling forecast. Seamlessly integrated with IBM Cognos 8 Planning and IBM Cognos 8 Business Intelligence, IBM Cognos 8 Controller enables forward-looking performance management across the enterprise. User participation in the planning process is enhanced through driver-based business models and familiar terminology. IBM Cognos 8 Planning and IBM Cognos 8 Controller form a powerful combination of financial credibility and forward-looking accuracy.



Complete report coverage

Monitoring. Monitoring is vital to the performance management process. IBM Cognos 8 Controller, with readily available scorecarding and metrics, can easily define critical success factors and link strategies to specific plans, measures, and objectives. Users can monitor and analyze results, identify shifts in trends, model alternative plans, and take timely action. IBM Cognos 8 Controller leverages an array of industry-leading IBM Cognos solutions for enterprise planning, budgeting, forecasting, scorecarding, analysis, and reporting—for example, multi-format, enterprise-wide, information delivery as enabled by IBM Cognos 8

Business Intelligence—offering tightly woven enterprise reporting, analytics, scorecarding, and event management.

IBM Cognos 8 Controller features

Specific features of IBM Cognos 8 Controller include:

- Web-based, fully scalable for any size organization.
- IBM Cognos 8 portal
 - Single access point to coordinate information delivery.
 - Single sign-on for easy access to IBM Cognos solutions.
 - Part of the IBM Cognos Performance Management System.

- IBM Cognos 8 security
 - Role-based security to minimize maintenance and enhance flexibility.
 - Security and authorization model for centralized solutions.
- Dynamic and user-modifiable workflow menus.
- Flexible processing of modifications to corporate and account structures and group histories.
- Integrated scenario manager for simulation and modeling.
- Real-time reconciliation of internal balances in data input.
- Automated calculation of
 - Group-internal earnings on inventories.
 - Elimination of internal balances.
 - Resolution of translation issues.
 - Acquisition value processing.
 - And more.
- Extensive process monitoring and control.
- Practical, automatic report book generation and distribution.
- Part of a complete performance management system for planning, monitoring, reporting, and analysis.
- Support for IAS, IFRS, US GAAP, local GAAPs, and other regulatory requirements.
- Multi-lingual support.

About IBM Cognos BI and Performance Management:

IBM Cognos business intelligence (BI) and performance management solutions deliver world-leading enterprise planning, consolidation and BI software, support and services to help companies plan, understand and manage financial and operational performance. IBM Cognos solutions bring together technology, analytical applications, best practices, and a broad network of partners to give customers an open, adaptive and complete performance solution. Over 23,000 customers in more than 135 countries around the world choose IBM Cognos solutions.

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