

CIMB invests RM1.1b in IT platform

By Adeline Paul Raj
adeline@nstp.com.my
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CIMB Group (1023), the country's second largest banking group, will spend RM1.1 billion over the next five years to implement a unified banking platform across Malaysia, Indonesia, Singapore and Thailand.

The so-called 1Platform project, which involves building a single operations and information technology (IT) framework, will help it operate as one entity across the region, its group chief executive officer Datuk Seri Nazir Razak said.

"(It) unifies CIMB group and enables us to compete as a truly regional bank. It will also facilitate product development and proliferation across the region, enabling our people to more effectively bundle and cross-sell products," he told reporters after CIMB inked agreements with its four main technology partners for the project yesterday.

The partners were awarded jobs worth about 40 per cent of the total investment.

The RM1.1 billion investment, which will come from internal funds, is the biggest component of the group's regional transformation blueprint, for which CIMB has budgeted RM2.1 billion over up to five years.

CIMB chose Silverlake Axis, a homegrown global IT solutions provider, to provide the core banking system. Its other partners for the project are IDS Scheer, IBM and Accenture.

Given the scale and magnitude of the 1Platform project, its implementation will be completed on a country-by-country basis, starting with Thailand, followed by Malaysia, Indonesia and Singapore.

The whole group is expected to be on the unified platform by 2015, Nazir said.

CIMB's investment in the project is on top of its usual RM350 million a year spending on IT.

"The full impact of our investment in 1Platform and other transformation initiatives will only be felt progressively over the next three to five years," he said.

On another matter, Nazir said CIMB "stands ready" to apply for a dual-listing on the Jakarta Stock Exchange once rules there permit this. Bloomberg reported later yesterday that the group wanted to list there towards the end of this year or early next year, citing PT Bank CIMB Niaga president director Arwin Rashid.