

Kazkommertsbank builds disaster recovery distributed IT-infrastructure based on IBM Power Systems

April 20, 2011, Almaty, Moscow - Kazkommertsbank, one of the largest banks in Kazakhstan and Central Asia, and IBM (NYSE: IBM) announced the launch of a new data-center, which is based on IBM Power Systems.

The new computing system is the first of three remote for more than 1200 km data-centers, which will be combined into a disaster recovery solution. Creation of such information infrastructure will allow the bank to provide services to its customers around the clock in all time zones without delay in time.

The project is being implemented by IBM business-partner - Corporate Business Systems company (CBS).

Kazkommertsbank is one of the largest CIS commercial banks in terms of assets. Bank's network covers 23 regions, 152 operating branches, subsidiary banks in Russia, Tajikistan and Kyrgyzstan. The Bank serves 1,273 ATMs, 210 internet kiosks and 12,603 POS-terminals. Number of customers exceeds 900,000, including about 100 thousand customers who actively use Internet banking.

"The development of our own data-centers' network is a part of a coherent strategy aimed at achieving technological leadership in the banking sector of Kazakhstan - said Ms. Nina Zhussupova, CEO of Kazkommertsbank. Operating efficiency remains one of our strategic priorities, hence we chose IBM Power Systems platform that can support a substantial increase in workloads on the core banking system ensuring low costs of IT infrastructure".

The choice of IBM Power Systems reflects the bank's intention to guarantee the highest level of service, maximum security of critical data, as well as continuity of service 24/7 with minimal transaction costs and data-center costs.

Implementation of this project worth US\$ 10 million will provide Kazkommertsbank with a disaster-proof energy-efficient IT infrastructure that can support further business growth, as well as use of analytical tools that require processing huge amounts of data.

In 2010, the Bank processed more than 60 million transactions. The new system will be three times more efficient and will ensure processing of 200 million transactions a year.

"Banks see Power Systems as a sound investment to meet the needs of their expanding business, because these systems not only cut data centers costs, but also especially designed for such emerging workloads as analytics," said Ross Mauri, Vice-president IBM "POWER7 computing system Watson in its "Jeopardy!" game has lively demonstrated immense prospects of analytics. Real business visionaries already prepare themselves for application of new advantages to improve their competitive position".

The new IBM platform will cover the full range of automated services of the bank: Equation (Core-banking system), Card System (banking cards system), Onlinebank, Homebank (Internet banking systems), CRM (sales system and Call-Center), WorkFlow (internal document flow of the Bank) and data storage.

As part of its strategic program of building and developing its own information infrastructure Kazkommertsbank continues to modernize its existing data-center in the Head Office in Almaty, as well as plans to open additional data centers in the bank's new premises in Almaty and in the branch office in Astana.

Disaster recovery of IT-systems is ensured by remote location of main computing facilities, mirror and backup of storage and information processing systems. Opening of the new data-center in Almaty will secure safe and uninterrupted operations in case of possible mechanical damage, fire, power shutdown, technical malfunctions, etc. Launch of another data-center in Astana will protect banks operations from large-scale natural disasters: earthquakes, floods and other potential incidents.

Data center infrastructure corresponds to three levels of reliability and fault tolerance standard of the Association of the U.S. telecommunications industry TIA-942, which today is in fact an international standard. Plans for 2011 provides for modernization of infrastructure to ensure reliability of Level 4 (higher) standard TIA-942.

In order to minimize both planned and unplanned downtime Kazkommertsbank has selected MIMIX Availability solution of Vision Solutions, a leading global provider of software and services for the availability

of servers IBM Power Systems. The company Misys, supplier of Core-banking system Equation delivered a 24x7 module.

Cooperation between Kazkommertsbank and IBM began in December 1998 with the implementation of centralized automated banking system, which allowed Kazkommertsbank to consolidate information about all transactions and accounts in all regions and cities of Kazakhstan in real time. As of now the bank makes extensive use of IBM hardware and software solutions, including hi-end storage, CRM-system, IBM Tivoli for backup and automatic storage management. Cards processing is run on IBM hardware. Currently, mobile banking solution is being implemented on IBM hardware.

In 2004, Kazkommertsbank in conjunction with IBM and CBS, have implemented a charity project to digitize ancient manuscripts of the National Library of the Republic of Kazakhstan, allowing general public to get access to the national literary heritage of Kazakhstan.

About Kazkommertsbank

Kazkommertsbank (KKB) is one of the largest banks in Kazakhstan and Central Asia with total assets of KZT 2,698.4 billion (US\$ 18.3 billion equivalent) at 30 September 2010. In addition to its core banking business (retail and corporate) KKB has subsidiaries active in pension fund management, asset management, insurance and brokerage. KKB also has foreign subsidiaries in the Russian Federation, Kyrgyzstan and Tajikistan.

Major shareholders of Kazkommertsbank include the Central Asian Investment Company and Chairman of the Board Mr. Nurzhan Subkhanberdin, Alnair Capital Holding, the Kazakh Government through the Samruk-Kazyna National Wealth Fund and the European Bank for Reconstruction and Development. KKB's predecessor, Medeu Bank, was founded in July 1990, and re-registered as Kazkommertsbank in October 1991. KKB completed an IPO in GDR form on the London Stock Exchange in November 2006, the first CIS bank to do so, in a deal totaling \$845 million. The Bank's shares are listed on the Kazakhstan Stock Exchange.

Further information can be found at <http://en.kkb.kz>.

Enquiries:

Larissa Kokovinets, Director, Public Relations
Tel.: +7 (727) 258-54-56, E-mail: pr@kkb.kz

Arthur Trapizonyan, Head of External Relations IBM
Tel.: +7 (495) 775-88-00, E-mail: artur@ru.ibm.com

Alfia Aleksashova, sales representative CBS
Tel.: +7 (727) 262-22-18, E-mail: aalexashova@cbs.kz