

Press Release

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The China Awards Programme 2011

Guangdong Rural Credit Cooperative Union Wins Best Core Banking Implementation (Large-sized Financial Institutions)

- ***GDRCU wins Best Core Banking Implementation***
- ***GDRCU implements a core banking system that utilises a customer-centric risk management paradigm***
- ***Over 90 banks and financial institutions across China were evaluated as part of the China Awards Programme***

Singapore, March 26th 2011 –Guangdong Rural Credit Union (GDRCU) and its partner Tata Consultancy Services (TCS) have won the Best Core Banking Implementation (Large-sized Financial Institution)* for 2011. The bank received the award at The Asian Banker Gala night, held in conjunction with The Asian Banker China International Banking Convention, China's largest annual meeting of decision makers and senior professionals in the financial services industry and the foremost forum for engaging on global and domestic themes bringing together international thought leaders and industry specialists. The Awards Night is a gathering of domestic institutions that have excelled in Retail Financial Services, Technology and Risk Management, held at the Westin Hotel (Financial Street) in Beijing on May 26th, 2011.

The awards programme, administered by The Asian Banker and refereed by prominent global bankers, consultants and academics, is the most prestigious of its kind in China

A stringent two-month evaluation process based on a balanced and transparent scorecard used to determine the winners and the positions of various banks in the region is attached.

GDRCU wins Best Core Banking Implementation

Guandong Rural Credit Cooperative Union and its partner TCS won the Best Core Banking Implementation Award (Large-sized Financial Institution), generating the highest score in the evaluation for the category for financial institutions with asset sizes between \$50 and \$100 billion.

In October 2009, GDRCU went live with its partner TCS' core banking system, less than two years since the project began. The financial institution was set on implementing a customer-centric and unified customer information mangement system with integrated accounting to support its operations in the province of Guangdong, China. The project sought to effectively integrate not only the current products and existing service channels of GDRCU but also the other platforms and external systems of other institutions for a seamless processing of transactions.

GRDCU implements a core banking system that utilises a customer-centric risk management paradigm

GRDCU's core banking implementation has allowed it to be more competitive by strengthening the oversight function and automating processes of transactions through a centralised operation and management model. It is also laudable for implementing a customer-centric, risk management paradigm as the core management model, a significant achievement compared to other financial institutions in the country.

By March 2011, 82 rural cooperative institutions have joined the centralised data processing system, serving 53.5 million deposit accounts. "The data centralisation system introduced more competitive products and services, increasing the institutions' market share," says Christian Kapfer, Head of Asian Banker Research. "The project is also laudable for the project's alignment with the institution's long-term strategies and the clear risk management framework that were evident during the implementation."

Over 90 banks and financial institutions across China were evaluated as part of the China Awards Programme

The Financial Services Industry in China is changing dramatically, and every year it looks very different from the previous year. The transformation of the industry since the early 2000 before the main institutions sought listings in the international capital markets, to what they have become today is nothing less than dramatic. They used to look to Western institutions for leadership and benchmarks in best practices. But after the global economic crisis, these same institutions found themselves leading the world in terms of capitalisation, profitability and product and process innovation, without meaningful peers against whom they can benchmark themselves on a continuous basis.

Mr Kapfer elaborated: "With this as the background, it has become even more important to keep track of the best Chinese financial institutions, where they are, the infrastructure they have invested in, their ability to scale and the risk processes they have in place to ensure that they are long term and sustainable institutions. All of these will become tested in the next banking crisis, which may well originate in the fast growing regions of today. The China Awards are designed to take stock of the annual changes taking place today. It is designed to identify winners and losers in the fierce competition between players in China for customers and market share, while making it very clear that we will also take note of the infrastructure the banks have been investing in, their risk management culture and capabilities as well as the philosophy and quality of leadership."

This year, over 90 financial institutions and banks in China were evaluated as part of The China Awards Programme in what has become the most prestigious, comprehensive and anticipated awards programme that recognises the pursuit of excellence amongst financial institutions in China today. Our assessment covered four large national banks, 13 joint stock commercial banks, 50 city commercial banks, 14 rural commercial banks and 10 foreign banks.

The transparent award evaluation process uses a balanced scorecard approach and a comprehensive methodology to evaluate product and process innovation that make an impact

on bank's business. The evaluation process involves extensive research and probing interviews, and taps the combined experience of a team of experienced researchers. For more information on the 'China Awards Programme', the evaluation criteria and the universe of Chinese financial institutions we look into please visit our website at

<http://www.asianbankerawards.com/chinaawards/index.php>

About The Asian Banker

The Asian Banker is the region's most authoritative provider of strategic business intelligence to the financial services community. The Singapore-based company has offices in Singapore, Malaysia, Hong Kong, Beijing and Shanghai as well as representatives in London, New York and San Francisco. It has a business model that revolves around three core business lines: publications, research services and forums. The company's website is www.theasianbanker.com

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