



# Centralis Group

International Corporate Services

## **OUTSOURCING TREASURY, PARTNERING WITH CORPORATE TREASURERS TO CREATE EFFICIENCIES**

**Challenging the traditional treasury outsourcing model: becoming an  
integral part of your team**

# Your Partner for Treasury Outsourcing

Trust & Expertise

Our solutions provide an effective, cost-efficient alternative to establishing and running an in-house treasury operation. With an abundance of highly-qualified professionals, we take care of your front, middle and back office treasury functions.

Tailored services to  
suit all your  
treasury needs

Highly-driven specialists  
committed to  
delivering efficient,  
customised solutions

Best outsourcing  
and cross-border  
structuring  
solutions

# Our Focus on Treasury Services

Professional Outsourcing Services



Cash &  
Liquidity  
Management



Netting



Payment  
Factory



Treasury  
Services



Treasury  
Accounting &  
Reporting



Loan  
Administration

# What is Treasury Outsourcing?

## Professional Outsourcing Services

- The outsourcing of all or part of a Company's Treasury function to a 3<sup>rd</sup> party provider
- Most clients will outsource the day-to-day operational treasury activities while retaining control over:
  - the strategic direction of their treasury department
  - banking relationships



# Outsourced Treasury Benefits

Cost efficient and Independent



Provide bandwidth to client's Treasury Department



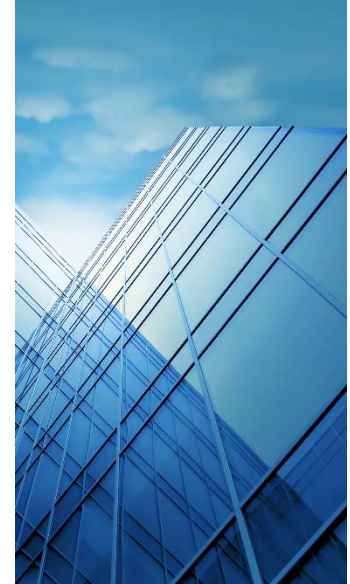
Client's wish to have a TMS or Netting solution but limited capacity to implement the system & solution



Leveraging providers industry knowledge and expertise



Flexible and scalable solutions to meet client's changing Treasury needs over time



Stringent Controlled Environment (SSAE18 certification)

# Traditional Outsourced Treasury Offering

What is it?

- Client engaged Outsourced Treasury Provider to support a fixed set of treasury operational services
- Limited client access to provider's TMS
- Providers predominantly followed an operational approach with defined scope and no incentive for the client offering to develop
- Limited interaction between Client and Provider



# Outsourced Treasury Changing Environment

- Majority of Global Banks exiting the Outsourced Treasury business
- Low interest rate environment:
  - Clients look to automate manual transfers through sweeps
- Banks developing their Global Liquidity product offering
- Clients have become more cost conscious and open to moving Treasury to a different jurisdiction
- Client's need for Outsourced Treasury providers to evolve from the Traditional Outsourced Treasury model through increased partnership



# Developing Partnership - Client & Provider

- Increasing trend over the past few years to develop the partnership between Outsourced Treasury Provider and Client further. We are seeing this in 2 areas:



## 1. Developing and Implementing Corporate Treasury activities within TMS

- Global Bank Balance Reporting
- External debt maintenance and Reporting
- Loan documentation repository
- Leveraging TMS bank connectivity for Payments processing
- Report building for Corporate Treasury to meet internal reporting requirements



## 2. Broadening the scope of existing services

- Large clients implementing complex multi-currency global liquidity sweep structures with all Global movements tracked and reported by TMS
- Implementation of FX Hedging Programs to manage Group Exposures
- Collaborative projects to identify areas of improvement from a risk or streamlining perspective



# Client Case Study

## Client Background & Spin-off

- The client:
  - Large US multinational operating in more than 30 countries across LATAM, EMEA and APAC
  - Outsourcing for many years
- In 2017 the Board decided to spin-off a large business division and create a separate Company

	CLIENT COMBINED	CLIENT POST SPLIT	SPIN-OFF COMPANY
Market Cap (USD)		7.5bn	4.4bn
Turnover (USD)	5bn (2017)	3bn (2018 f'casted)	2.2bn (2018 f'casted)
Employees	18400	10400	8600

# Client Case Study

## Client Background & Spin-off

- Why did the new Company decide to Outsource certain Treasury activities?



Comfortable with Outsourced Treasury model



Leverage knowledge of outsourcing company to assist the new associates joining the Treasury department



Need for a TMS as a system of record and Netting solution but having no bandwidth to implement within required timeframe



Required a flexible partner to assist with implementing and supporting future Treasury developments



Cost effective offering

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