

Moderator: Scott Montigelli, VP, Kyriba Corp.

Panelists:

- Craig Jeffrey, Managing Director, Strategic Treasurer LLC
- Liza Mondonedo, Yaskawa Electric America
- Frank Fiorille, Director of Enterprise Risk Mgmt, Paychex, Inc

Middle Market Treasury

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Illuminating On-demand Treasury Management

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BEST PRACTICES SUMMIT

Middle Market Treasury of the Year

November 6th and 7th, 2007
New York, NY

Middle Market Treasury of the Year

□ Frank Fiorille

- Director, Enterprise Risk Management, Paychex



□ Liza Mondenedo

- Senior Analyst, Yaskawa Electric America



□ Craig Jeffery

- Founder & Managing Director, Strategic Treasurer



□ Scott Montigelli (Moderator)

- Vice President, Kyriba Corporation



- ASP Treasury Solutions Provider:
 - First 100% Web-based Cash / Liquidity Management Solution
 - Connectivity Hub + Scalable TMS
- Client Profiles:
 - Domestic & Multi-Nationals: \$100MM - \$80B / 2 Users – 800 Users
 - N. America + S. America + E. Europe + W. Europe + Asia Pacific
- Global Presence:
 - San Diego (HQ), Paris, New York, Calgary, Madrid, Milan, Rio, Hong Kong ('08)

“Kyriba empowers customers to achieve an economic advantage with treasury solutions that enhance visibility & operational control.”

Treasury Infrastructure



Safeguard Assets
Financial Integrity
Performance
Liquidity Management
Risk Management

People & Organization



- Strategy
- Structure
- Competencies
- Benchmarking

Enabling Technology



- Automation
- Integration
- Functionality
- Utilization

Process & Controls



- Cost Control
- Efficiency
- Effectiveness
- Best Practices

THE CHALLENGES

- Compliance
 - SARBANES-OXLEY / FAS 133 / FIN 46
- Costs
 - FUNDING / FTEs / FEES / OPPORTUNITY
- Income
- Exposure / Risk
 - OPERATIONAL / FINANCIAL / REPUTATIONAL
- Data Integrity
 - QUALITY / TIMELINESS / COMPLETENESS
- Transparency

FOCAL POINTS

- Working Capital Management/Liquidity
- Relationship Management
 - Internal
 - External
- International/Global Concentration/Trajectory
- Process
 - Controls/Risk Management
- People
 - Technology

MIDDLE MARKET TRIGGERS

- **Hurdles – Key Events**
 - 250M / 300M
 - Global/International Size
 - Treasury Intensity
 - On the Margin
 - Growth Rates

COMPANY PROFILE

- Headquartered in Rochester, NY
- Revenues Approximately \$1.9B
- 560,000 Clients / Focus on Small to Mid-size Businesses
- Second Largest Payroll Accounting Firm in US
- Also offers Human Resources / Professional Employer Organization
- 2004 Expansion to Germany: first offices outside of the US

PROGRAM SUMMARY

- **Challenge:**

- Escalating Losses from Credit / Risk Issues

Initiatives:

- **Risk Management Focus:**

- Created Operational Risk Department
- Developed Client Retention Model
- Implementation of Back-up & Disaster Recovery Plan

Results:

- More than Halved Losses from Annual Operating / Credit Risk problems
- Impact >\$6MM Annually

COMPANY PROFILE

- US Subsidiary of Japanese Parent Yaskawa Electric
- Headquartered in Waukegan, IL
- Revenues Approximately \$410MM
- Manufacturer of Industrial Automation Equipment
- Motoman Subsidiary Makes Industrial Robots
- Operations throughout the US, Canada, and Brazil

PROGRAM SUMMARY

• Challenge:

- Exposures to Currency Fluctuations
- Manual Processes / Inefficiencies / Stale Data

Initiatives:

- Initiate Hedging Program:
 - Reevaluate Currency Budget Thresholds
 - Evolution of Products: Spots → Structured Options
- Implemented ASP Treasury Workstation

Results:

- Reduced Exposure to Currency Volatilities
- Achieved Visibility / Automation / Efficiency / Straight-Through Process

Questions

- ❑ Frank Fiorille
 - Director, Enterprise Risk Management, Paychex
- ❑ Liza Mondenedo
 - Senior Analyst, Yaskawa Electric America
- ❑ Craig Jeffery
 - Founder & Managing Director, Strategic Treasurer
- ❑ Scott Montigelli
 - Vice President, Kyriba Corporation