Hyosung TCR Sales Training

TetraLink Partner Conference 2019

5/16

HYOSUNG

Duopoly

Bigger Picture

Lack of Innovation

Data Driven Service

Captive Buyers

A lack of choices leads to inflated prices and customers left on the sidelines

Whole Branch Automation

Other Manufacturers stop at the teller line. Hyosung's approach is much bolder

Few Changes in 20+ Years

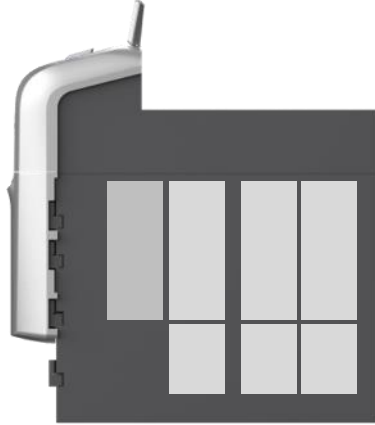Stagnant innovation and execution.

Service is in our DNA

Hyosung Service is all about the data. We add a personal touch with our *SmartDesk* support ecosystem

2. MS500 Platform
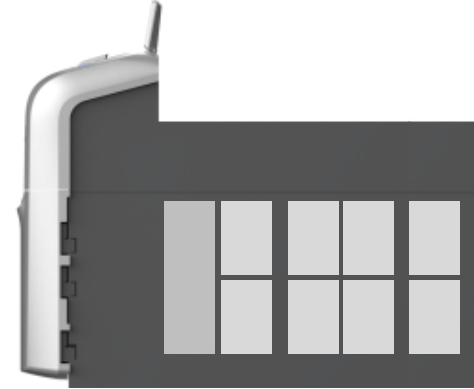
More than just a one TCR – A Universal Platform

MS500

MS500S

Features

Enabling New Operational Efficiency

Transit Cassette

Self Audit

Compatible

Creates Closed Loop Cash Ecosystem

Leverage Increasing Cash Deposit Volumes at Self Service

Scalable

Full Capacity for High Volume Locations

Small Capacity/Footprint for Lower Volume Locations

Modern Branch

One platform enables branch of the future & small footprint designs

Secure

MS500 TCR family share a common integration platform based on a secure Win10 operating System

MS500*S* - The Sit-Down TCR without Compromise

- Enables small footprint and branch transformation initiatives

- Maintains feature superiority in sit down, retail branches & branch transformation markets

- Transit cassette enabled

- Self audit enabled

- 10,000 note total capacity (Recycle + Overflow)

- Unified software development (MS500 & MS500S)

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Hardware Comparison – MS500 vs. MS500*S*

Model Name	Hyosung MS500	Hyosung MS500*S*
Unit Image		
RECYCLE Capacity	12,400	8,000 Notes
Deposit Speed	12 n/s	12 n/s
Continuous Feed	Yes	Yes
Service footprint	Small	Small
Transit Cassette	Yes - External	Yes - External
Self Audit	Yes	Yes
Stacking Cassette	Yes	Yes
Shutter	Yes - Standard	Yes - Standard
Secure OS Platform	Yes - Windows 10	Yes - Windows 10
Universal Platform Ecosystem	Yes	Yes

3. Competitors & Strategy

ARCA

GLORY

ATEC

MS500 Hardware Comparison vs. Glory & ARCA

Model Name	Hyosung MS500(S)	Glory RBG-100	ARCA CM18 T/Evo
Unit Image			
RECYCLE Capacity	12,400*	12,600	5400
Deposit Speed	12 n/s	10 n/s	5 n/s
Continuous Feed	Yes	Yes	No
Service footprint	Small	Small	Small
Transit Cassette	Yes - External	No	No
Self Audit	Yes	No	No
Stacking Cassette	Yes	Yes	No
Shutter	Yes - Standard	Yes - Optional	No
Secure OS Platform	Yes - Windows 10	Yes	No – WinCE5
Universal Platform Ecosystem	Yes	No	Yes

* MS500 capacity

Glory Competitive information

*With ~65% total FI TCR market share in the US, **Glory** is our most successful competitor.*

*Being one of the first TCR makers to enter the US market and through acquisitions(Talaris), **Glory** has strong brand recognition within FIs and the highest teller software integration compatibility of our competitors.*

Competitive strategy against RBG-100 -

- <u>Hardware Feature</u> - Self Audit – Talk about Self Audit, the convince and time savings
- <u>Hardware Feature</u> - Transit cassette + NBS Compatibility(Future) Loading and unloading, CIT, Security, low cash exposure, Time savings.
- <u>More Branch Technology</u> - ATM+NBS. TCR is a part of bigger in branch ecosystem
- <u>Universal TCR Platform</u> - for Sit-down and Stand-up (MS500+MS500S)
- <u>Aggressive Pricing</u> – We have to be very aggressive in price competition
- <u>Service Organization</u> – Make the case for service excellence, pilot service program
- <u>Customer Integration Education</u> – Either For or against a Direct Integration depending on customer

Glory Product Lineup

Performance/Retail:
RBG-300

Mid/High:
RBG-100 (CAS)
RBG-200 (RSM)

Entry/Sit-Down:
Vertera

ARCA Competitive information

ARCA takes a holistic approach to sales by offering free branch level ROI analysis and focuses on identifying and solving a problem. ARCAs market share has increased dramatically over the last 5 years but because of recent difficulty, these gains are at risk.

*ARCAs Primary product the CM18, consists of 3 product lines – **CM18 standa**rd(Tall & Short), **Evo**(T&S) & **Solo**(T&S)*

Competitive Strategy against the CM18x:

- Insecure Platform Running WindowsCE5 - Make it clear it's a security risk – Make sure IT staff knows.
- Branch Technology - ATM+NBS. TCR is a part of bigger in branch ecosystem
- Outdated Technology - (~2007 released) without any of the newer industry standard features.
- Constant Changes - Large acquisitions, new management, revolving sales force – unknown future.
- Storage Technology message - RSM vs Stacking cassettes.
- Customer Integration Education – Either For or against a Direct Integration depending on customer.
- No New TCR technology - Purchasing TCR technology from ATEC/BranchServ and rebranding it as an **ARCA** product.

ARCA TCR Product Lineup

Performance:

- Vero (ATEC/BranchServ LTA-350)

High:

- CM18 Evo Short(6-8cass)
- CM18 Evo Tall(6-12cass)

Mid:

- CM18 Short(6-8cass)
- CM18 Tall(6-12cass)

Evo

Entry:

- CM18 Solo Short (6-8cass)
- CM18 Solo Tall (6-12cass)

Standard

Solo

Newer cosmetic design

First CM18 release in ~2007

Touch screen removal & Intentional designed limitation on user connectivity

Same hardware technology but at different pricing and "tiers"

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*ATEC is a new entry into the TCR market with its **LTA-350** and soon to be released **LTA-450**. ATEC Has partnered with **BranchServ** and agreed to an exclusive relationship. BranchServ has recently partnered with ARCA as a special reseller with a large discount as apposed to its normal resellers.*

Competitive Strategy against the LTA-350:

- Insecure Platform Running Android 4.04 - security risk – Make sure IT staff knows.
- No Nationwide Service Coverage and few trained technicians – large deployments will be a problem
- Certified Direct Integrations are almost non existent – Middleware is the primary option
- Internal transit cassette requires opening of the safe – All Cash Exposed & non secure
- MASSIVE service footprint - A plinth is needed for standard counter height Installations
- New US device introduction – **BranchServ** is a service organization
- BranchServ Exclusivity - May be at risk due to difficulty with maintaining quota. Recruited ARCA to help.

ATEC Product Lineup

High Capacity/Performance:
LTA-450

Mid/Sitdown:
LTA-350

Entry:
No Product

Win10, Stand-up,
More capacity,
no split cassette

Traditional Stand-Up - Hardware Comparison Key Advantages

Model Name	MS500	Glory RBG-100	ARCA CM18 T/Evo	ATEC LTA-350
Unit Image				
RECYCLE Capacity	12,400	12,600	5400	12,000
Deposit Speed	12 n/s	10 n/s	5 n/s	12 n/s
Continuous Feed	Yes	Yes	No	Yes
Service footprint	Small	Small	Small	Large + Plinth
Transit Cassette	Yes - External	No	No	Yes - Internal
Self Audit	Yes	No	No	Yes
Stacking Cassette	Yes	Yes	No	Yes
Shutter	Yes	Yes – Optional	No	Yes
Secure OS Platform	Yes - Windows 10	Yes	No – WinCE5	No - Android 4.04
Universal Platform Ecosystem	Yes	No	Yes	No
Service Organization	Strong	Strong	Out Sourced 100%	~ 50 Techs Nationwide

🟩 Segment Most Important   🟨 Competitor Segment Weakness

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Commercial Market - Hardware Comparison Key Advantages

Model Name	MS500	Glory RBG-100	ARCA CM18 T/Evo	ATEC LTA-350
Unit Image				
TOTAL Capacity	14,400	17,100	5400	16,250
Deposit Speed	12 n/s	10 n/s	5 n/s	12 n/s
Continuous Feed	Yes	Yes	No	Yes
Service footprint	Small	Small	Small	Large + Plinth
Transit Cassette	Yes - External	No	No	Yes - Internal
Self Audit	Yes	No	No	Yes
Stacking Cassette	Yes	Yes	No	Yes
Shutter	Yes	Yes – Optional	No	Yes
Secure OS Platform	Yes - Windows 10	Yes	No – WinCE5	No - Android 4.04
Universal Platform Ecosystem	Yes	No	Yes	No
Service Organization	Strong	Strong	Out Sourced 100%	~ 50 Techs Nationwide

■ Segment Most Important   ■ Competitor Segment Weakness

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Sit-down TCR Market & Hardware Comparison Key Advantages

Model Name	MS500S	Glory G6	ARCA CM18 Solo/Short
Unit Image			
Total Capacity	10,000 Notes	4,800 Notes	2,700 to 3,600
Deposit Speed	12 n/s	5 n/s	5 n/s
Continuous Feed	Yes	Yes	No
Modern Touch Screen	Yes	Yes	No
Transit Cassette	Yes	Yes (optional)	No
Self Audit	Yes	No	No
Stacking Cassette	Yes	No	No
Shutter	Yes	No	No
Secure OS Platform	Yes - Windows 10	Yes	No – Win CE5
Universal Platform Ecosystem	Yes	No	Yes
Service Organization	Strong	Strong	Outsourced 100%

🟩 Segment Most Important   🟨 Competitor Segment Weakness

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Proving an ROI: Branch Cash Process Savings Basic worksheet

	Current Manual Process Accumulated Time	Addition of TCR New Accumulated time	Time Savings
Start of Day	20 Min	10 Min	**10**
End of Day	45 Min	15 Min	**30**
Night Drop	30 Min	10 Min	**20**
Consumer Cash Transactions	80 Min	40 Min	**40**
Commercial Cash Transactions	260 Min	45 Min	**215**
Trial & Final Balance	60 Min	30 Min	**30**
Buys/Sells	60 Min	10 Min	**50**
CIT Deliveries	30 Min	10 Min	**20**
Cash Order Preparation	45 Min	10 Min	**35**
Teller Audits & Reports	30 Min	5 Min	**25**
Total	**660 Min**	**185**	**475 Min or $ Amount**
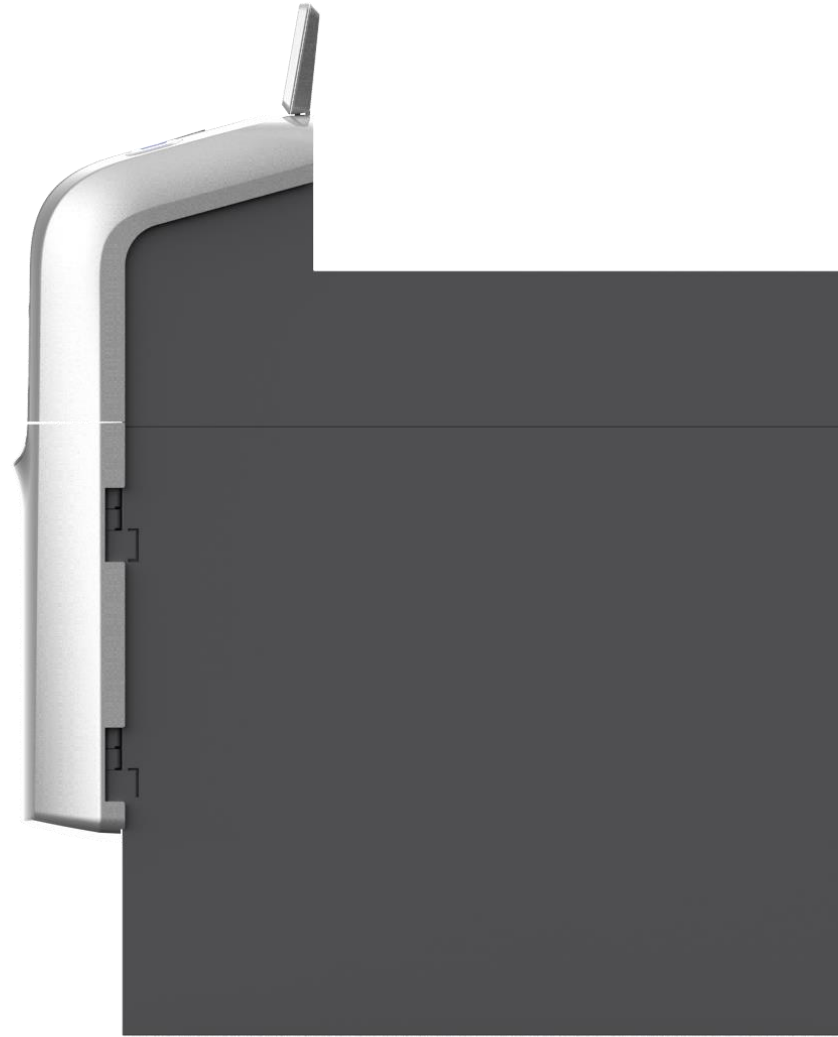
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MoniSafe500

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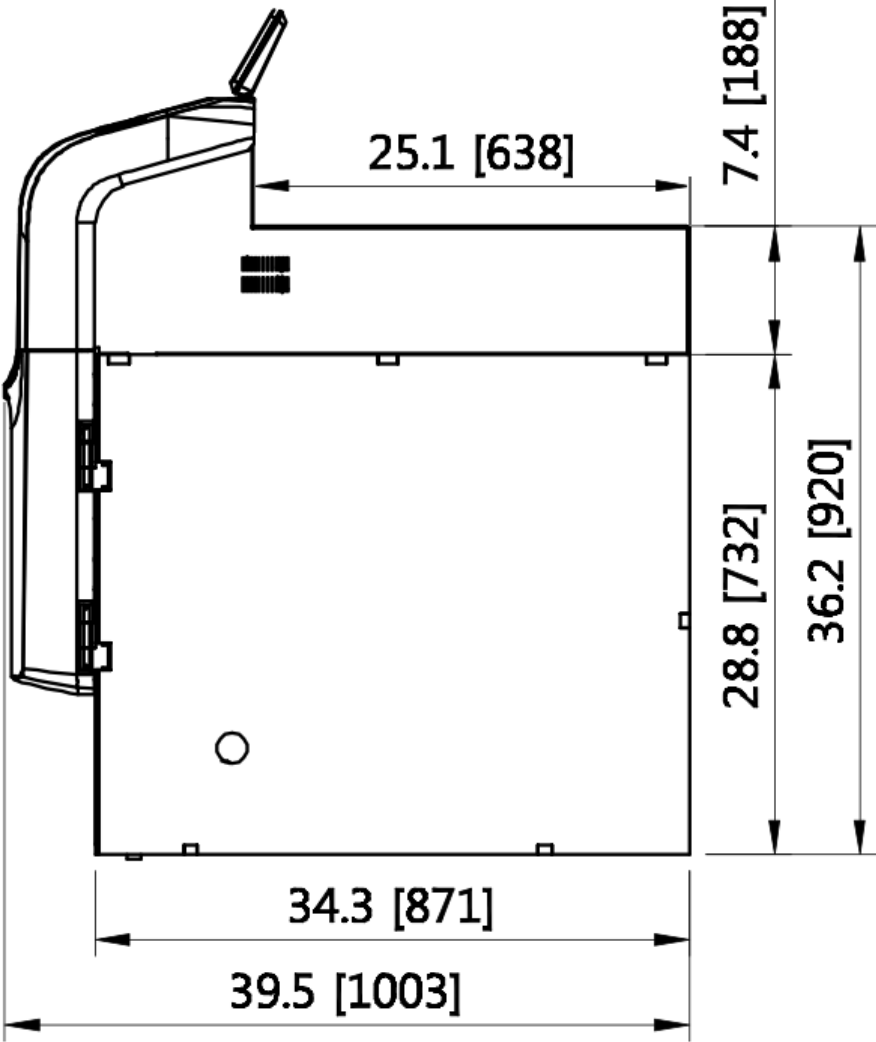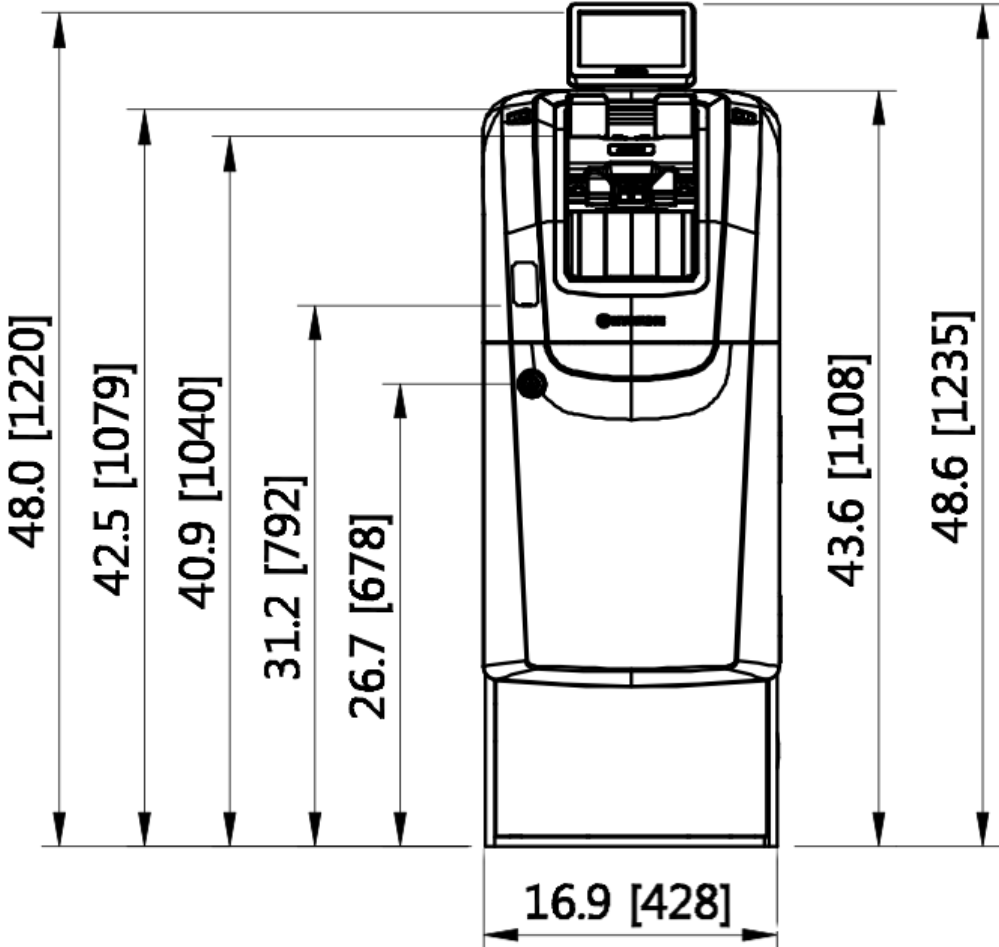
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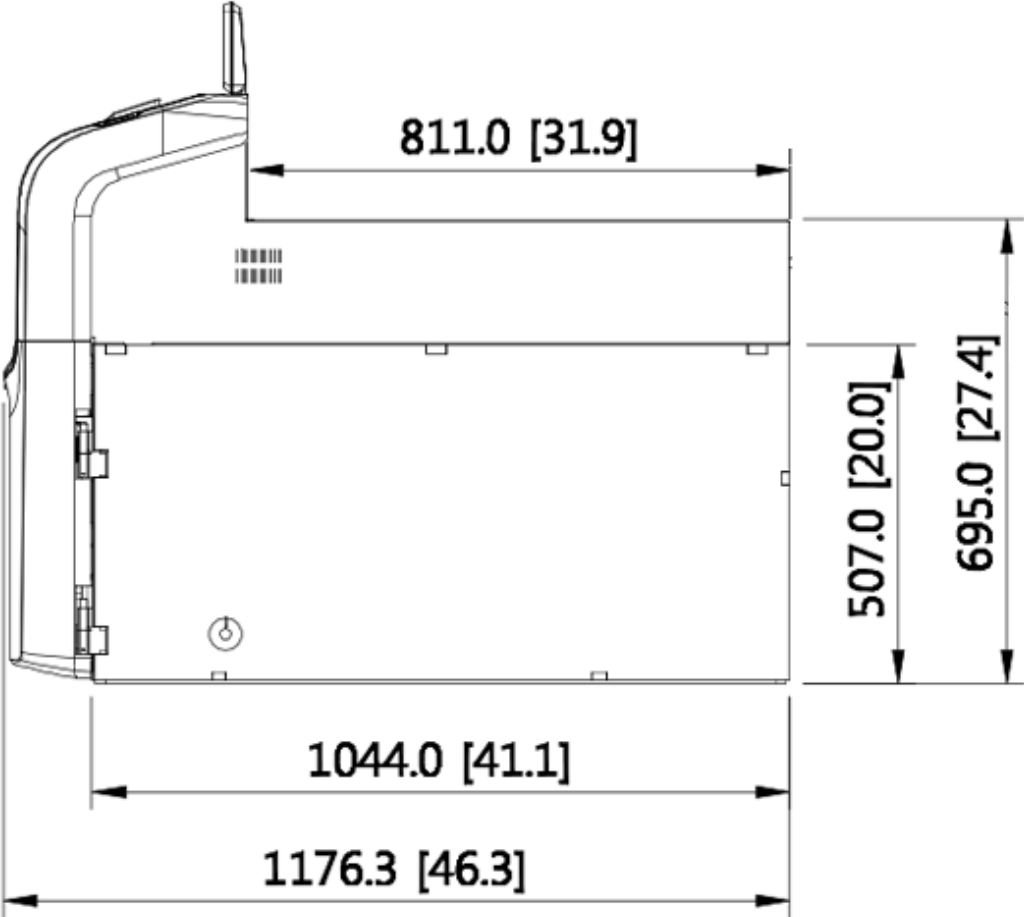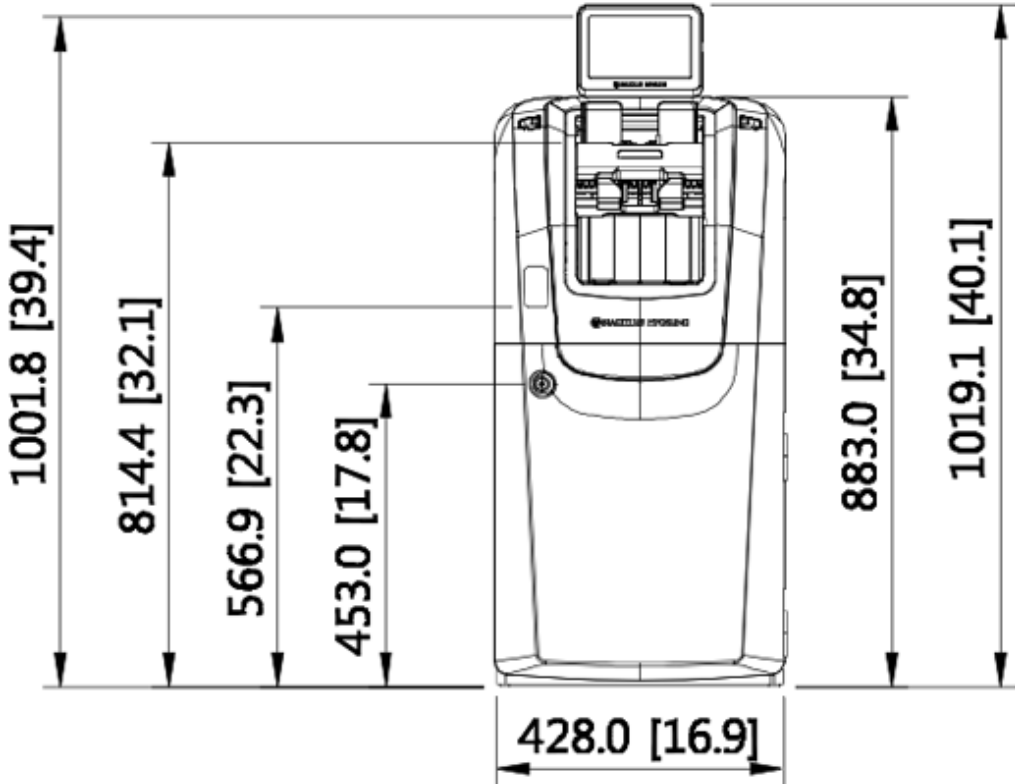
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Additional Technical Specs - MS500
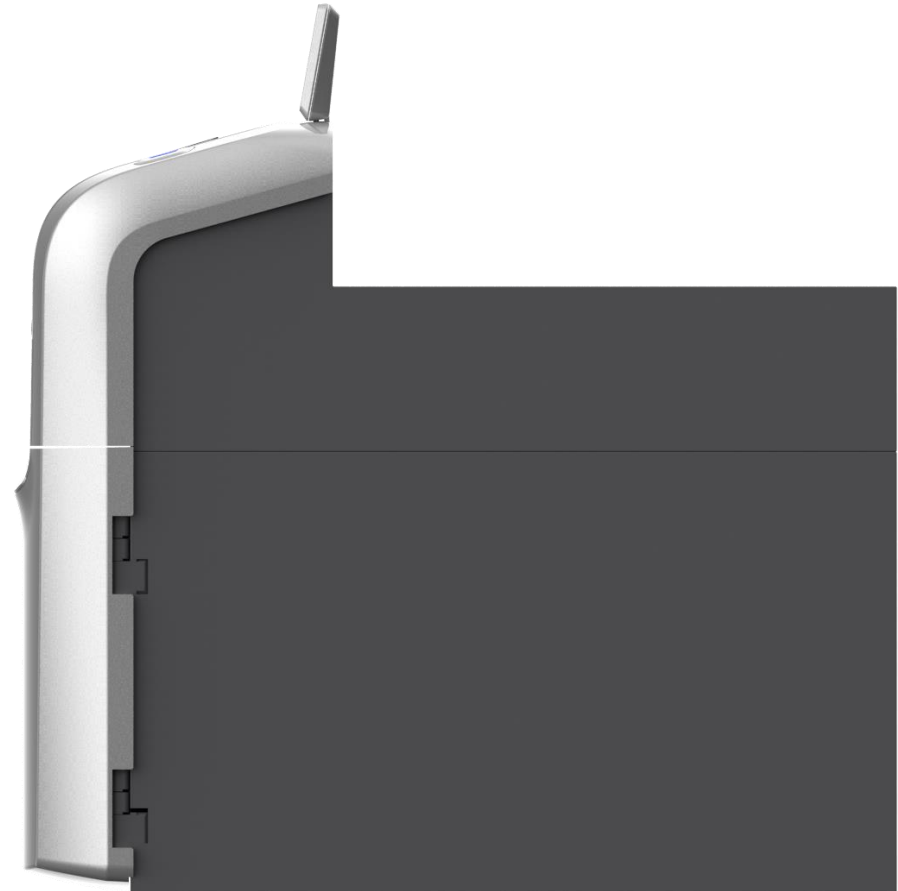
Display

7" wide TFT LCD
Touch Screen
Display status and cash balance

In-Use Button

Indicator lights
2 pcs (both sides)

2 line Display

7 Segment

Power Button

Manual drop box(Option)

Safe Door Cover

Deposit Slot

Continuous Accepting

Reject Slot

Deposit Reject
Max. 50 notes

Dispense Slot

Max. 200 notes/transaction
Shutter

Safe

UL291 Level 1
CEN(Option)

Bill Recycling Module

6~12 Recycling Cassettes
Large or small cassette combination

Additional Technical Specs - MS500*S*

Monitor
7" TFT LCD + Touch Screen

In-use Button

Manual Drop Box

Bill Recycler
8 Recycling Cassettes

Deposit Slot
Continuous Feeding

Reject Slot
Deposit Reject Max 50 notes

Dispense Slot
Max. 200 notes. transaction

Safe
CEN-III, UL L1