



TEMENOS

The Banking Software Company



Market leadership through Product Innovation



TEMENOS
The Banking Software Company

Temenos Investor Day

1. We have the best track record for innovation
2. We are extending our product leadership
3. Our evolving architecture opens new markets
4. We have the right team to deliver the roadmap

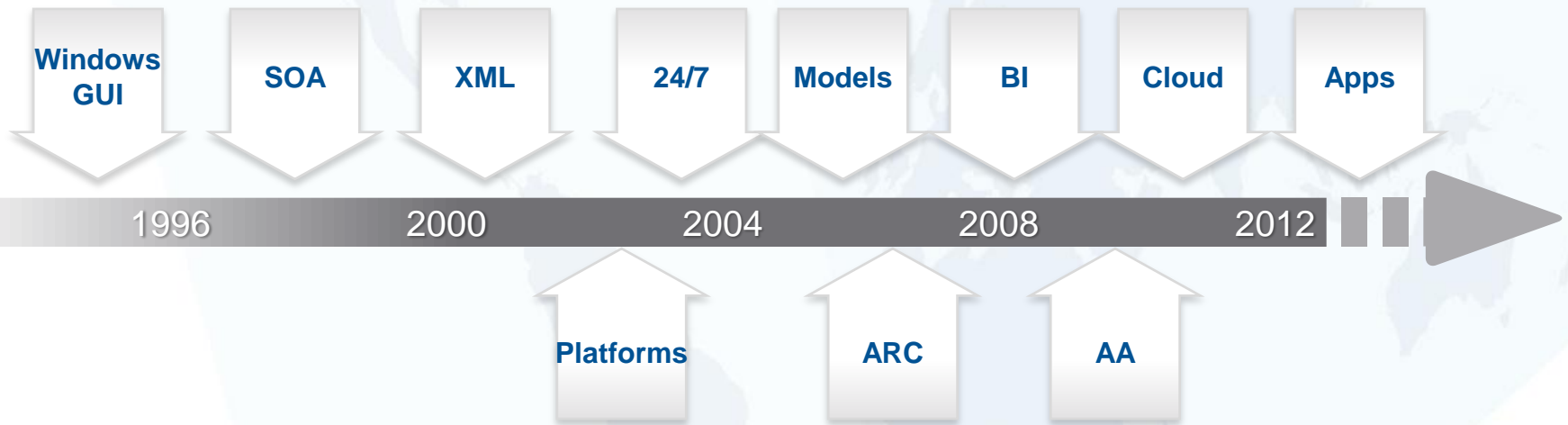


The Strongest Record on Innovation

Higher R&D
(>\$600m)*

Superior
Innovation

A long line of pioneering advances in Core banking



*to end of September 2011, Temenos had spent \$607m on R&D



TEMENOS
The Banking Software Company

Temenos' Competitive Advantage

Only Temenos delivers this

Flexible, configurable system built on open architecture



Packaged front to back integrated suite with best of breed components



Greatest functional breadth



Platform independence



Best practice Model Bank with Country-specific configurations out of box



Banking 24 X 7 processing

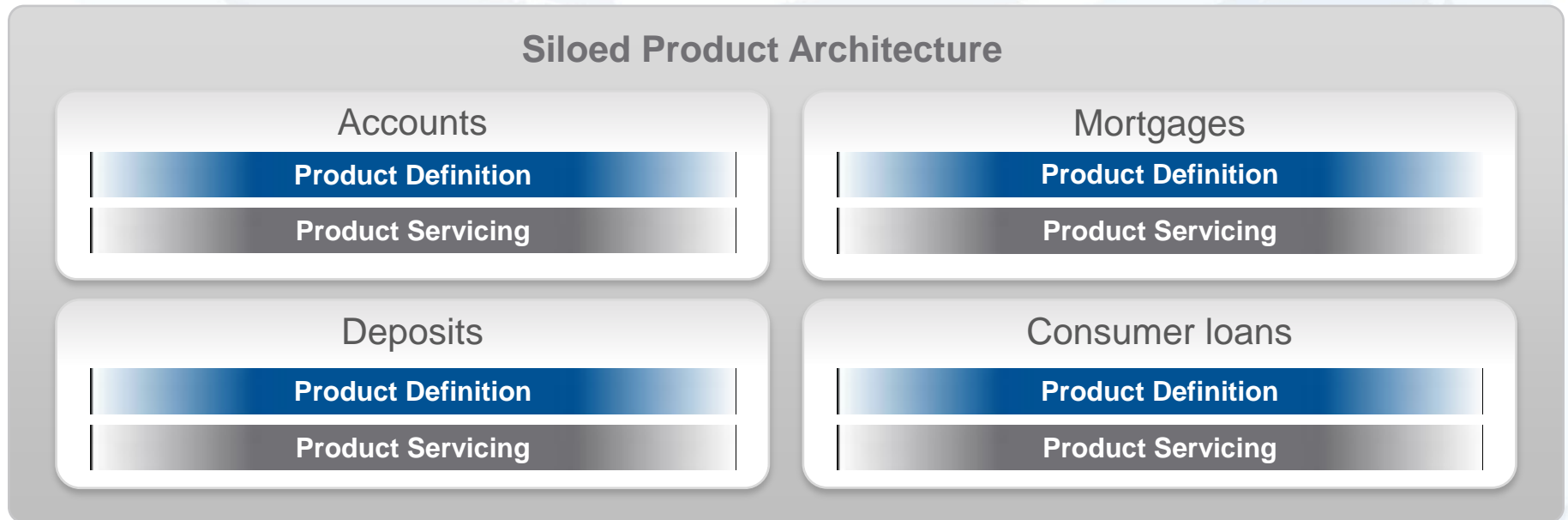


Powerful product building tools via Temenos Arrangement Architecture



Product Issues confronting the Banks

Traditionally banking solutions contain product silos
Functionality and product features exist within their silos



It takes too long and costs too much
Innovation is difficult

Arrangement Architecture – Game changing products

Product design and servicing become enterprise level functions

Business feature / functions are encapsulated in a set of re-usable product components

Product Design & Definition

Product Components



Arrangement Architecture – Game changing products

Different products can be constructed by combining existing components

Product Design & Definition

Product Lines

Lending

Term Deposits

Accounts

Product Bundles

Product Components

Customer

Attributes Actions

Activity Restriction

Attributes Actions

Term Amount

Attributes Actions

Interest

Attributes Actions

Change Product

Attributes Actions

Availability

Attributes Actions

Officer

Attributes Actions

Activity Mapping

Attributes Actions

Payment Schedule

Attributes Actions

Charge

Attributes Actions

Closure

Attributes Actions

Interest Compensation

Attributes Actions

Limit

Attributes Actions

Activity Presentation

Attributes Actions

Payment Rules

Attributes Actions

Activity Charge

Attributes Actions

Alerts

Attributes Actions

Bundle

Attributes Actions

Account

Attributes Actions

Activity Messaging

Attributes Actions

Overdue

Attributes Actions

Payout Rules

Attributes Actions

Settlement

Attributes Actions

Accounting

Attributes Actions

Activity API

Attributes Actions

Payoff

Attributes Actions

Tax

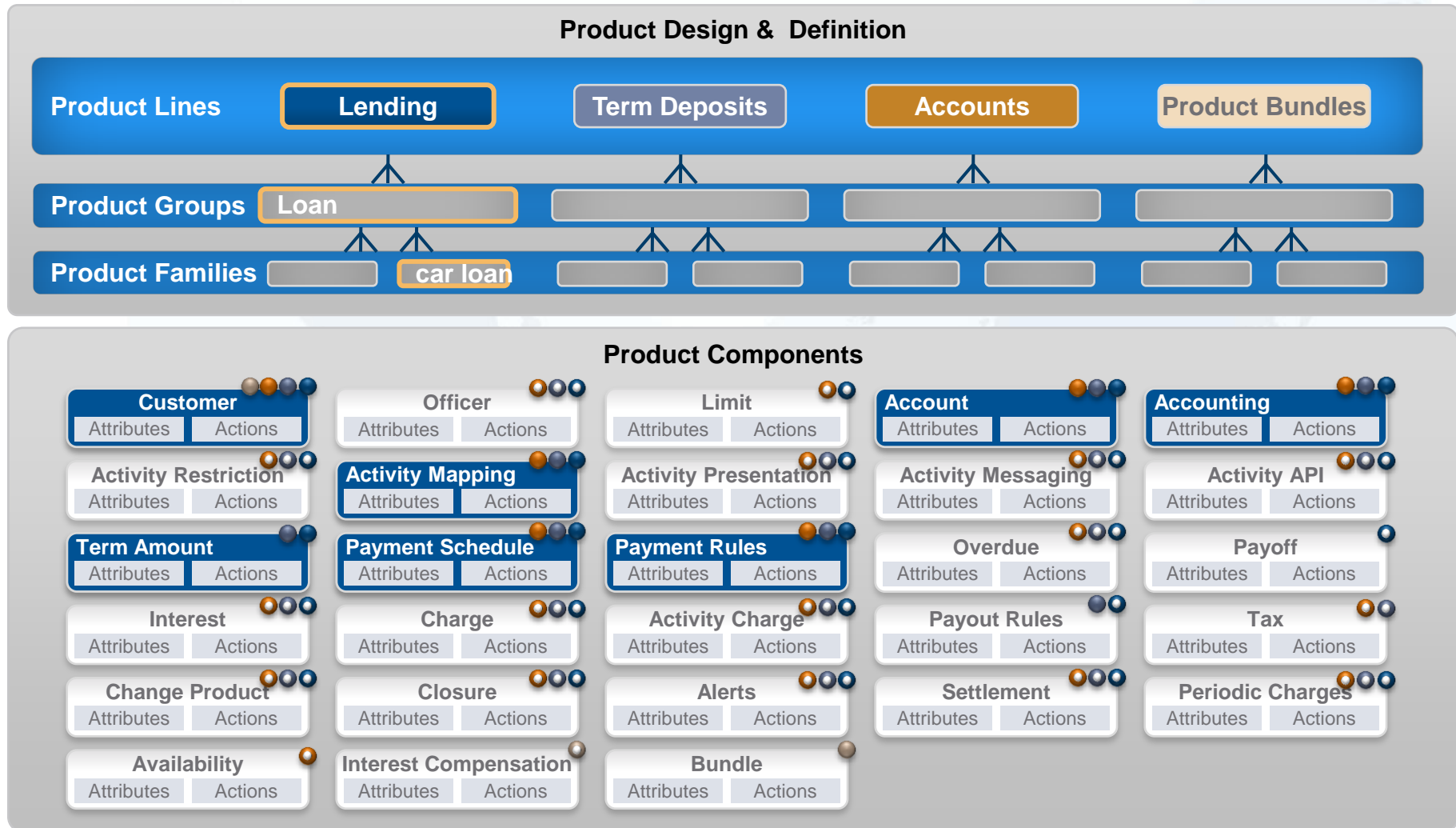
Attributes Actions

Periodic Charges

Attributes Actions

Arrangement Architecture – Game changing products

Banks can define product hierarchies with product groups and families
New products can be launched simply and quickly using the hierarchy

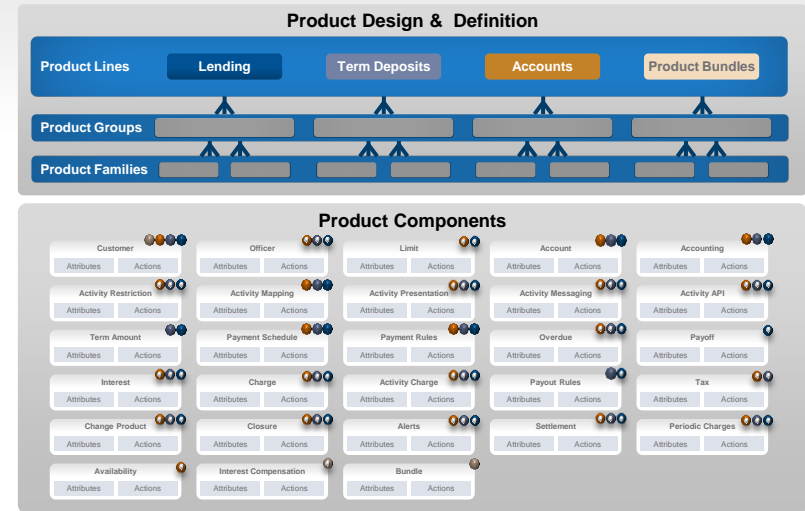


Arrangement Architecture – One Solution, Multiple Markets

One consolidated system to serve all lines of business

The value proposition for Tier 3 & 4

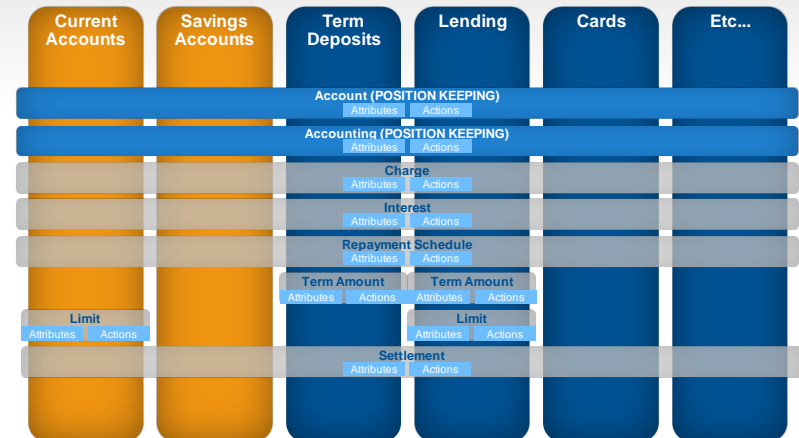
- Fast time to market
- Low maintenance comprehensive product catalog
- Low TCO



Only the components you need, when you need them

The value proposition for Tier 1 & 2

- Phased renovation – no 'big bang' cutover
- Vertical renovation
- Horizontal renovation



Leadership Through Constant Innovation



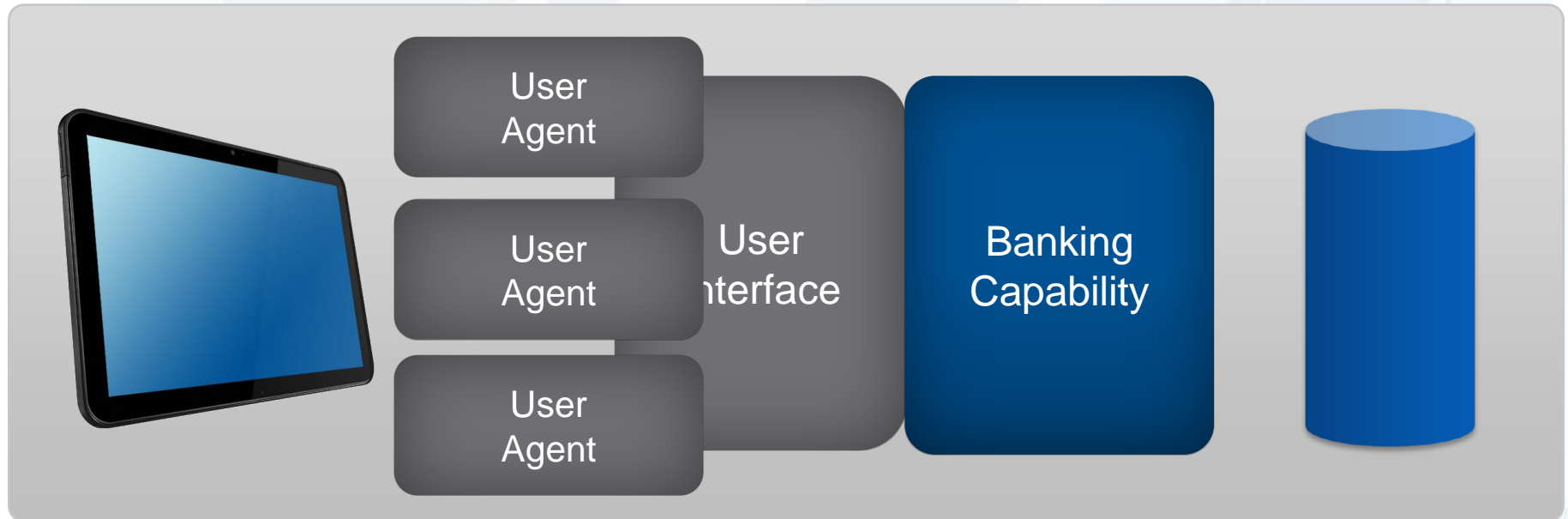
- AA underpinning product innovation across the Roadmap
- Enterprise Architecture
- Complete componentisation

Together enabling independent component releases – game-changing banking applications

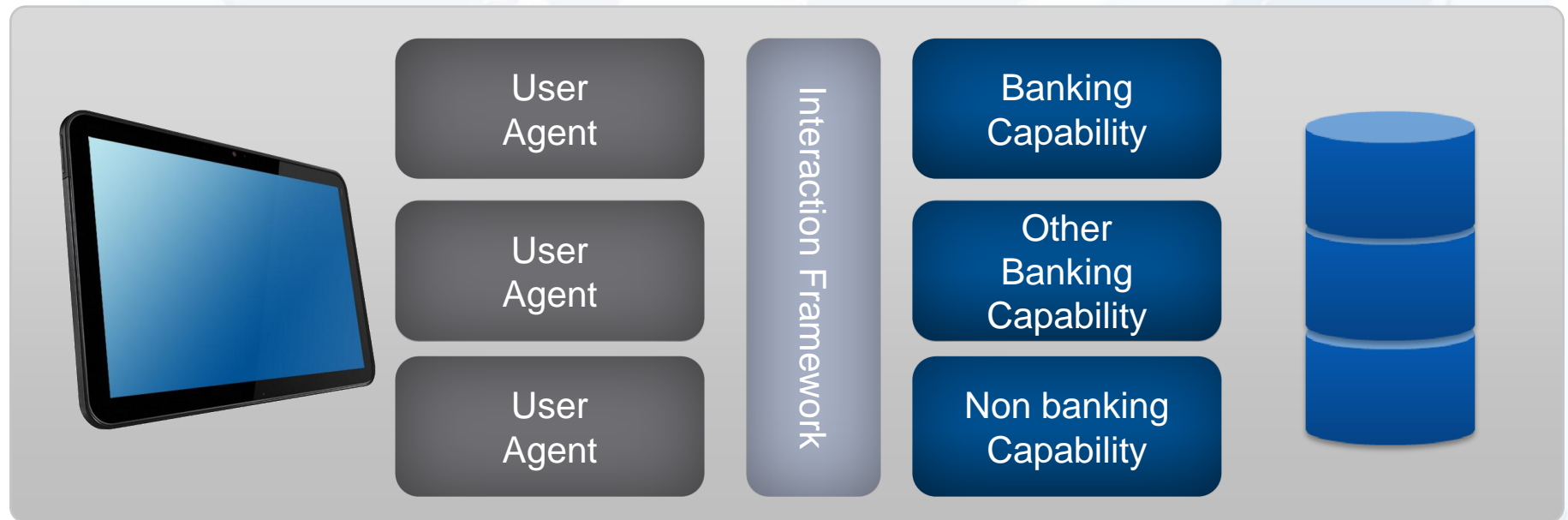
Mid-term

Competitive Advantage for our Customers

We are evolving the architecture of the product



We are evolving the architecture of the product



We are evolving the architecture of the product



Banking App Store

We are evolving the architecture of the product

Component Framework



Banking App Store

Component Banking

Evolving the Architecture



1. We have the best track record for innovation
2. We are extending our product leadership
3. Our evolving architecture opens new markets
4. We have the right team to deliver the roadmap





Customer centricity drives our growth



TEMENOS
The Banking Software Company

1. Driving revenue from our customer base
2. Taking services to the next level
3. Ensuring our sales engine delivers growth target



Driving revenue from our customer base



Provide solutions for today's environment

Temenos Insight – BI market \$7.8bn, 7% growth
Temenos Wealth Manager – \$3.8bn, 8% growth



Invest in sales and marketing to the base

Increase Account Management focus
Inside Sales – drive 20% increase in leads
Targeted Installed Base Campaigns



Understand our changing customer needs

Align around customer markets - PBG
Focus on banking growth sectors eg Retail



Opportunity to increase revenue from the base from 46% to >55%

Taking services to the next level



Organise around
the customer

Create one single customer group – CSG
New executive leadership



Make customer
satisfaction a key metric

Invest in external customer sat programme
Achieve best in class NPS score



Expand services and
support offerings

Temenos 24DWM – 24 days, weeks, months
Create portfolio of 3 premium support offerings



Focus on customer centricity will drive growth

Ensuring our sales engine delivers growth target

JPMORGAN CHASE & CO.

 SWISSQUOTE



三井住友銀行

SUMITOMO MITSUI BANKING CORPORATION



Increase productivity
and predictability

Deploy new sales methodology and tooling
Multi-product sales strategy to increase deal size



Reallocate investment
to sales and marketing

Move to best in class levels
Bias in investment over three years to S&M
Increase coverage through more partners



More feet on the right
streets

Share of revenue from Asia & Americas to >40%
Share of revenue from Tier 1/2 to >25%
Partners to deliver 15-20% of revenue



Investment in sales and marketing will underpin consistent growth



TEMENOS

Partner remains key driving force

Temenos and IBM announce deepening relationship

GENEVA, Switzerland – 1st December 2011 - Temenos (SIX: TEMN) the market leading provider of banking software and IBM today announce an agreement under which IBM will provide consulting and integration services and software and hardware resources for Temenos implementations. Building on an 11 year technology collaboration, this new agreement combines IBM's deep industry expertise in complex, large scale transformation programmes with Temenos' proven, market leading solutions. This will benefit joint clients such as Industrial Bank of Korea, and Marfin Bank by providing them with the collective local market insight and regulatory understanding of the two companies', combined with a consistent level of service both within and across markets.

Highest scalability; results to date; continues high performance, low TCO technology option for large banks

GENEVA — 18 November 2011 —Temenos (SIX: TEMN), a global provider of banking software, today showcased record-breaking results of a TEMENOS T24 (T24) performance benchmark, proving scale of support and cost efficiency for large banks. Conducted in September 2011, at the Microsoft Platform Adoption Center in Redmond, Washington, the tests measured the high-end performance and scalability of T24 R12 on a pre-release version of Microsoft SQL Server 2012. The standardised benchmark reflected tier 1 retail banking activity volumes of 25 million accounts, 15 million customers across 2,000 branches.

We continue to grow and strengthen our partner ecosystem

1. Driving revenue from our customer base
2. Taking services to the next level
3. Ensuring our sales engine delivers growth target





Mid-term financial goals



TEMENOS
The Banking Software Company

- 1. We are outlining mid-term financials goals**
- 2. We are moving cost structure towards benchmarks**
- 3. We commit to significant margin improvement and cash flow generation**



Mid-term Goals

- 1 Return to 10-15% annual licence growth
- 2 Restore Services to double-digit margins
- 3 Keep Services Contribution to c.25% of total revenues
- 4 Increase Adj. EBIT margins by 100-150bps on average p.a.
- 5 Maintain 100% conversion of EBITDA into Cash from Ops

We aim for steady and sustainable growth

Moving cost structure towards benchmark

	LTM*	Direction
S&M	17%	↗
R&D	22%	↘
G&A	12%	↘
Services	27%	↘
Total Costs	79%	Leading to substantial margin improvement

** Adjusted cost represented as % of total revenues in the Last Twelve Months*

We will move towards benchmark cost structure
with costs shifting towards sales and marketing

Margin and Cashflow Goals

Committed to 100-150bps average annual margin improvements delivered by cumulative incremental maintenance revenue

Growth initiatives to be funded through rebalancing our investments until markets are less volatile

DSOs will continue to decline over the medium term through improving cash payment terms and reducing project implementation times

Margin expansion coupled with DSO reduction will maintain operating cashflow at least at 100% of EBITDA for the medium term

Strong operating cashflow generation, coupled with an efficient tax and financing structure, will drive strong cashflow growth over the medium term

Cashflow to be used to pay down debt, finance acquisitions, or return to shareholders through a buyback programme

Significant margin improvement and cashflow generation expected over medium term



1. **Our market supports sustainable, mid-term growth**
2. **Our value proposition answers the industry's challenges**
3. **We have the strategy to extend our leadership**
4. **We are outlining mid-term financial goals and have the right team to deliver**





Q&A



TEMENOS
The Banking Software Company