BUSINESS UPDATE & FINANCIAL RESULTS

QUARTER ENDED 31 MARCH 2007

DISCLAIMER

- Any remarks that we may make about future expectations, plans and prospects for the company constitute forward-looking statements. Actual results may differ materially from those indicated by these forward-looking statements as a result of various factors. In particular, the forward-looking financial information provided by the company in this conference call represents the company's estimates as of 25 April 2007. We anticipate that subsequent events and developments will cause the company's estimates to change. However, while the company may elect to update this forward-looking financial information at some point in the future, the company specifically disclaims any obligation to do so. This forward-looking information should not be relied upon as representing the company's estimates of its future financial performance as of any date subsequent to 25 April 2007.

PRESENTATION OVERVIEW

Agenda	Speaker	Position
Introduction	Max Chuard	Director
Business Update	Andreas Andreades	CEO
Financial Results	David Arnott	CFO

BUSINESS UPDATE

ANDREAS ANDREADES
CEO

TEMENOS VISION AND SUMMARY

TEMENOS' VISION is to become the leading global brand in financial services software

TEMENOS TODAY is the provider of choice for the world's leading financial institutions:

Supporting two product lines for core processing:

TEMENOS T24™ (T24): Private, Universal, Wholesale and Retail Banks

COREBANKING (TCB): Large scale Retail Banks

International Client Base: 580+ financial institutions in more than 100 countries

HQ Geneva, listed on SWX Exchange (TEMN) and global presence through 42 offices

Q1 2007 RESULTS – KEY POINTS

- Excellent start to the year with strong sales performance and business momentum. Revenues grew by 64% in the quarter and net profit by more than 8 times.

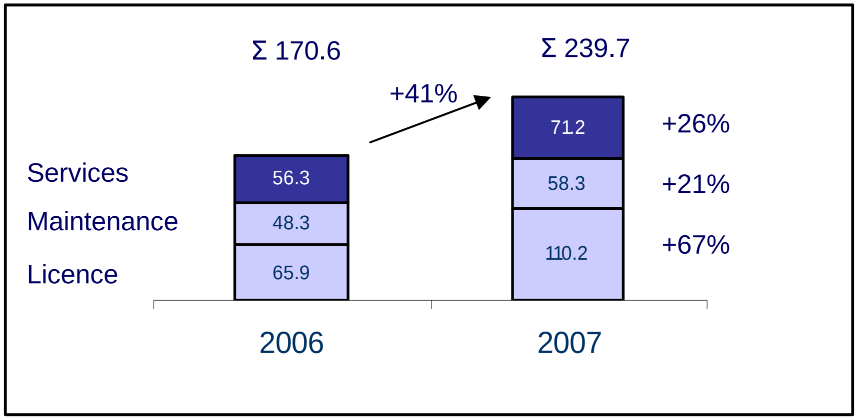
- Licence revenues for the quarter exceeded our target and grew at 110% (organic: 104%) compared to Q1 06. Acceleration of maintenance revenues growth for the quarter at 26% (organic: 22%) compared to Q1 06. Service margin was breakeven for the quarter compared to -16% for Q1 2006.

- Business model on target – 12 month comparisons favourable and point to excellent top line and licence revenues growth, cost leverage and cash flow generation. In the 12 months to 31 Mar 07:
  - Revenues up 41%
  - Licence Revenues up 67%
  - Service Revenues up 26%
  - Operating costs up 36%
  - EBITDA up 47%
  - EBIT up 67%
  - Diluted EPS up 97%
  - Cash Flow from Operations up 99% at US$30.6m compared to US$15.4m in the 12 months to 31 March 2006

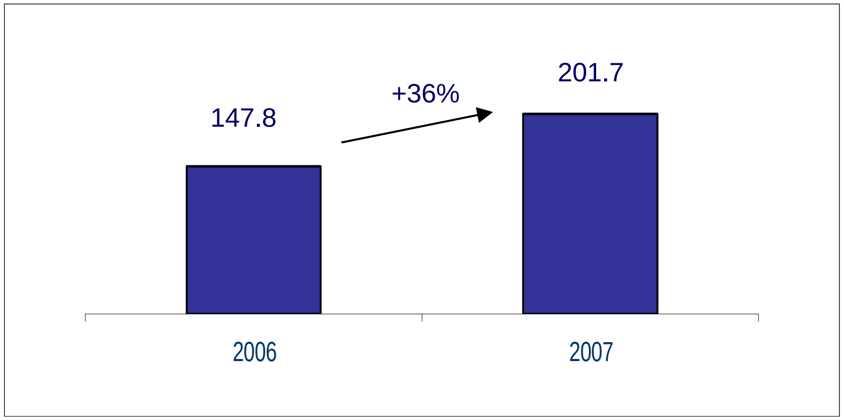
- 2007 Outlook
  - Based on our Q1 sales performance and the acquisition of Actis.BSP we are increasing our 2007 outlook for revenues and profitability (refer to slides 22-24).

12 MONTHS TO 31 MARCH - BUSINESS UPDATE

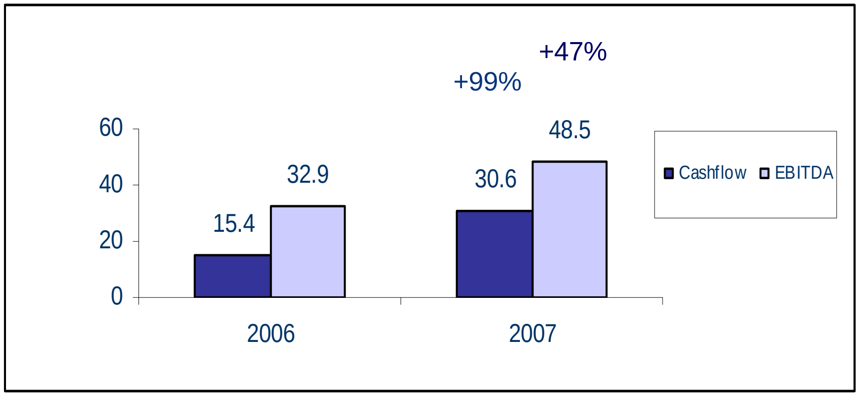
Revenues (US$ m)



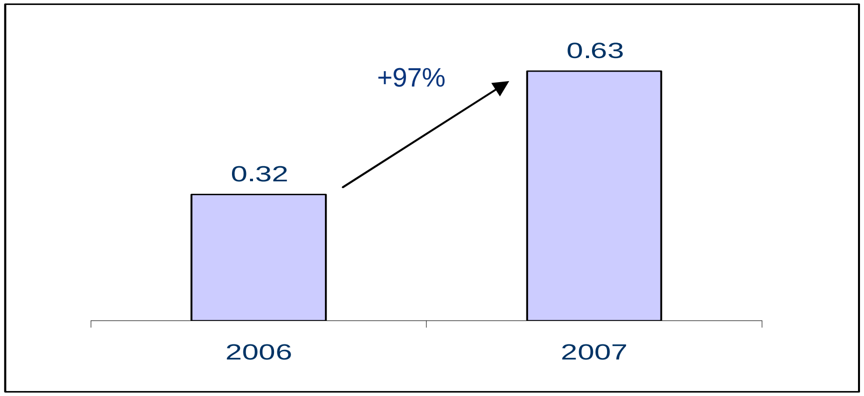
Costs (US$ m)



Cash Flow from Operations and EBITDA (US$ m)

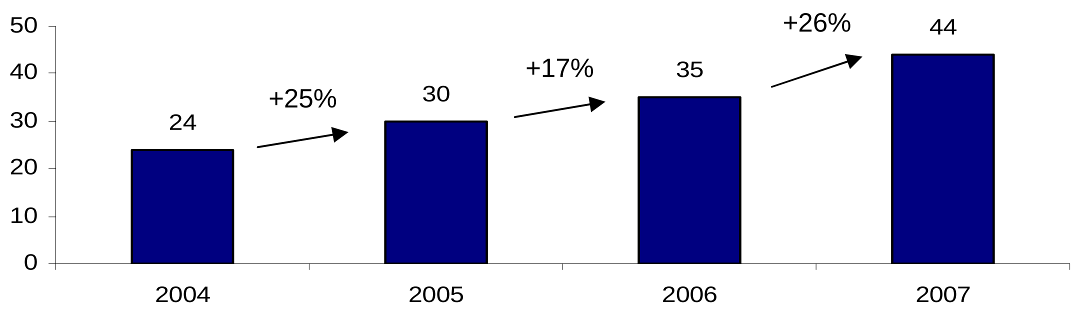


Fully Diluted EPS (US$ per share)



SALES PERFORMANCE – BUSINESS UPDATE (CONTD.)

- T24 licence revenues grew by 53% in the quarter compared to Q1 06 and by 81% in the 12M to March 2007 compared to the same period last year.
- TCB licence revenues grew by 480% in the quarter compared to Q1 06 and by 12% in the 12M to March 2007.
- New client wins under our licensing model totalled 9 in the quarter (2006: 6) and totalled 44 in the LTM (2006: 35).



- In February 2007, we signed an exclusive joint-development and distribution agreement with Metavante, a leading US software and services provider.

- Revenues and licence revenues growth per geography shown below:

	Growth LTM Q1 2007 vs Q1 2006		
	EMEA	**Asia**	**Americas**
Licensing	68%	59%	75%
Total revenues	30%	63%	58%

- Licence revenues growth per segment shown below:

	Growth LTM Q1 2007 vs Q1 2006	
	Retail/Universal	**Private/Wholesale**
Licensing	67%	67%

UPDATE ON GROWTH INITIATIVES

- Misys Replacement Programme:
  - **Following the success of our Misys Equation user replacement programme launched in February 2006, we have announced in March 2007 a tailored upgrade for Midas users with Temenos T24 Model Bank. This initiative is specifically designed to provide users of Midas and Midas Plus with a low risk, cost-efficient and fast-track upgrade path.**
  - **Since the launch of our replacement programme, six Misys customers have selected T24 of which five are live. Pipeline shows strong demand.**
- ARC:
  - **ARC has already been sold to three clients and sales are expected to accelerate following the General Availability ("GA") release in Q2 2007.**
- T-Risk:
  - **T-Risk has been selected by seven banks. Pipeline shows strong demand.**

SERVICES UPDATE

- Service revenue for the quarter grew by 60% and by 26% in the 12 months to 31 Mar 07.
- Service margin for the quarter was breakeven compared to -16% in Q1 2006.
- Service margin for the year to 31 Mar 07 was 1% compared to -11% in the same period last year.
- Our Model Bank offering has been adopted for projects starting from Q4 2006 onwards and has proven to shorten implementation timeframes and improve margins.
- TEMENOS Application Management proving successful with uptake from both existing and new clients. Up to 40% of our 2007 services revenue growth is expected to come from our Application Management business.
- As previously communicated we expect services revenue to grow by 20-25% until 2009 and net margins to reach 10-15% for 2008.

TCB AND METAVANTE UPDATE

- In February 2007 we signed a joint development and distribution partnership with Metavante, a leading US software and services provider. This partnership will form the backbone of our TCB growth for the next 3 – 5 years.
- TEMENOS and Metavante will co-operate in the development of an advanced US software platform based on TCB. We initially plan to target top-tier US financial institutions through an in-house licensing model.
- Metavante will be the distributor of TCB in the US and TEMENOS will retain royalties on licence and maintenance fees, outsourcing fees, and professional services revenues. We assess the addressable in-house market for TCB in the US to be approximately 150 Tier 1&2 financial institutions.
- Under this agreement we expect to generate minimum contractual revenues of US$ 102 million until 2012.
- Internationally, TEMENOS will continue to target mass retail mainframe opportunities (over 5 to 10 million accounts).
- US partnership and progress on existing projects on target to bring TCB to positive cash flow and profitability in 2007, while continuing to provide further investment.

ACQUISITIONS UPDATE

- Organic growth model on track delivering exceptional EPS growth (2007 outlook: +46%)

- Majority of banks are expected to replace their Corebanking systems in the next five years. Vendor growth over the next 3-5 years will determine long term leadership in our market. TEMENOS aims to take advantage of the opportunity to complement an accelerating organic growth model with acquisitions in order to achieve this leadership.

- TEMENOS has a significant pipeline of potential acquisitions in its core business areas:
  - **Enhance product**
  - **Acquire client base**
  - **Strengthen delivery capability and distribution**

- In March 2007 we acquired ACTIS.BSP for USD 19 million in cash. The acquisition will provide Temenos with an effective route to market in Germany and an additional client base of over 30 financial institutions, along with expertise of ACTIS.BSP’s 144 staff. The transaction is expected to generate an IRR in excess of 20% and will generate Adjusted EPS of USD 2 cents for 2007 and USD 5 cents in 2008. This transaction will contribute approx. USD 15 million of revenues to TEMENOS in 2007.

- Management continues with a disciplined approach to conducting acquisitions and will stay focused on delivering shareholder value.

2003 – 2006: WHAT HAVE WE ACHIEVED?

- Established a growing and profitable company.
- Built product superiority and client successes.
- Strengthened management team.
- Broadened sales coverage.
- Increased Tier 1 and Tier 2 penetration.

THE NEXT 3 YEARS – OUR STRATEGIC PLAN

- Sustain organic revenue growth for the next three years of 20 - 25% per annum.
- Establish a profitable and growing services business model.
- Deliver a compelling, growing and profitable partnership for the US market with our US partner.
- Consolidate a clear leadership in high end mainframe-based retail banking with TCB, leveraging the significant up-front investment we have already made in the product. Continue to grow our investment in T24, our flagship product.
- Complete the roll out of our sales organization.
- Demonstrate a successful acquisition model to enhance organic growth.
- Continue to deliver improving margins through:
  - increasing cumulative maintenance at an accelerated growth rate
  - leveraging the significant TCB investment we have already made
  - improving services margin
  - growing our US revenue mix

FINANCIAL RESULTS

DAVID ARNOTT
CFO

Q1 2007 & 12M TO 31 MARCH 2007- FINANCIAL HIGHLIGHTS

<u>**Revenue**</u>

- **Q1 07 Revenues up 64%** at **USD 60.3 million** compared to **USD 36.8 million in Q1 06 (12m to Mar 07: up 41%).**

<u>**Operating Costs**</u>

- **Q1 07 Operating Costs up 51%** at **USD 55.1 million** compared to **USD 36.4 million in Q1 06 (12m to Mar 07: up 36%).**

<u>**EBIT**</u>

- **Q1 07 EBIT up 969%** at **USD 5.2 million** compared to **USD 0.5 million in Q1 06 (12m to Mar 07: up 67%).**

<u>**EBITDA**</u>

- **Q1 07 EBITDA up 180%** at **USD 8.4 million** compared to **USD 3.0 million in Q1 06 (12m to Mar 07 : up 47%).**

<u>**Earnings Per Share**</u>

- **Q1 07 diluted EPS up 600%** at **USD 0.07** compared to **USD 0.01 in Q1 06 (12m to Mar 07 : up 97%).**

<u>**Cash Flows from Operations**</u>

- **Q1 07 Cash Flows from Operations up 116%** at **USD 5.8 million** compared to **USD 2.7 million in Q1 06 (12m to Mar 07 : up 99%).**

INCOME STATEMENT

USD million	Quarter ended 31 March			12M to 31 March		
	2007	**2006**	***Growth***	**2007**	**2006**	***Growth***
Revenues						
Licensing	23.4	11.1	110%	110.2	65.9	67%
Maintenance	16.2	12.9	26%	58.3	48.3	21%
Services	20.6	12.9	60%	71.2	56.3	26%
Total revenues	**60.3**	**36.8**	**64%**	**239.7**	**170.6**	**41%**
Operating costs	**55.1**	**36.4**	**51%**	**201.7**	**147.8**	**36%**
EBIT	**5.2**	**0.5**	**969%**	**38.0**	**22.8**	**67%**
EBITDA	**8.4**	**3.0**	**180%**	**48.5**	**32.9**	**47%**
Net profit	**4.2**	**0.5**	**804%**	**38.1**	**18.4**	**107%**
Diluted EPS (in USD per share)	**0.07**	**0.01**	**600%**	**0.63**	**0.32**	**97%**
Adjusted EPS (in USD per share)	**0.07**	**0.01**	**600%**	**0.64**	**0.33**	**94%**
Cashflow from operations	**5.8**	**2.7**	**116%**	**30.6**	**15.4**	**99%**

CURRENCY MOVEMENTS

USD millions	Q1 07	Q1 06	%	12m to Mar 07	Mar 06	%
Revenue – as reported	60.3	36.8	64%	239.7	170.6	41%
Currency impact	n/a	1.2		n/a	3.2	
Revenue adj. for Currency	**60.3**	**38.0**	**59%**	**239.7**	**173.8**	**38%**
Operating costs – as reported	(55.1)	(36.4)	51%	(201.7)	(147.8)	36%
Currency impact	n/a	(2.3)		n/a	(4.5)	
Operating expenses adj. for Currency	**(55.1)**	**(38.7)**	**42%**	**(201.7)**	**(152.3)**	**32%**
Net operating currency impact		**(1.1)**			**(1.3)**	

NET EARNINGS ANALYSIS

USD million	Quarter ended 31 March			12M to 31 March		
	2007	**2006**	***Growth***	**2007**	**2006**	***Growth***
EBIT	**5.2**	**0.5**	**969%**	**38.0**	**22.8**	**67%**
Foreign Exchange	(0.6)	0.2		4.9	(1.1)	
Other Financing	(0.4)	(0.1)		(0.6)	(0.9)	
Tax	(0.0)	(0.1)		(4.2)	(2.4)	
Net Earnings	**4.2**	**0.5**	**804%**	**38.1**	**18.4**	**107%**
Tax Rate	0%	13%		10%	12%	

• Foreign Exchange results from mark to market adjustment of our foreign currency forward contracts for 2007 and 2008.

• Our natural hedge has increased from 63% in 2006 to a forecast 75% in 2007 and 85% in 2009. We have hedged the majority of the residual exposure for 2007 with forward contracts.

• Effective tax rate of 0% following tax restructuring (see appendices).

CASHFLOW CONVERSION – 12M TO 31 MARCH

USD million	EBITDA	Cash Flow from Operations	% EBITDA conversion 2007	2006
T24	52.5	36.0	69%	76%
TCB	(4.0)	(5.4)	n/a	n/a
TOTAL	**48.5**	**30.6**	**63%**	**47%**

- Cash flow from operations for 12m to 31 Mar 07 growing by 99% compared to the same period in 2006 driven by increase in conversion rate from 47% to 63%.

- 12m to 31 Mar 07 T24 conversion of EBITDA to Cash Flow from Operations at 69% consistent with full year assumptions.

- TCB cash flow already improved from negative USD 16.7 million for 2006 to a negative USD 5.4 million for the twelve months to 31 Mar 07.

- 2007 cash flow from operations will benefit from a marginally cash flow positive TCB business.

- As Operating Cash Flows continue to grow faster than EBITDA, we aim to convert approx. 75% of EBITDA into cash flow from operations in 2007.

SHARE BUY BACK

- In Q1 2007 we continued our share buyback programme and purchased 931,522 shares for an average price of CHF21.15 and a total consideration of US$16.5 million.
- During April 2007 we have already bought 150,000 TEMENOS shares at an average price of CHF 24.01, or an equivalent of US$3.0 million, bringing our total buyback in 2007 to US$19.5 million, net of proceeds from stock options.
- This is consistent with our target to use Free Cash Flow generation to fund stock option obligations. During 2007 we intend to buy back shares for a total of US$35 million, restricting dilution from our stock option programme to 3% year on year.
- We are reporting on the progress of our buy back programme every 10 days on our website in accordance with Swiss Takeover Board regulations.

2007 OUTLOOK

USD million	Previous	Change	New organic outlook	Acquisitions	Revised	2006	Growth
Licence revenues	115.0	0 - 5	115 - 120	5.0	120 - 125	97.9	25%
Total revenues	270.0	5.0	275.0	15.0	290.0	216.3	34%
EBIT	54.0	1.0	55.0	-	55.0	33.3	65%
EBIT margin	20%	-	20%	-	19%	15%	4 pts
EPS	81 cents	2 cents	83 cents	-	83 cents	57 cents	46%
Adjusted EPS*	N/A	-	83 cents	3 cents	86 cents	57 cents	51%

* Adjusted EPS: EPS adjusted for amortisation of acquired assets

2007 OUTLOOK (CONTD.)

USD million	convertible as debt	convertible as equity
Outlook operating profit	55.0	55.0
Net Financial Costs & Foreign Exchange	-2.3	-2.3
Tax	0.0	0.0
Outlook net earnings	52.7	52.7
add back convertible interest expense	0.0	4.8
Net earnings for EPS	**52.7**	**57.5**
Outlook Dilutive shares	62.1	62.1
add shares underlying convertible	-	7.3
Dilutive shares for EPS	**62.1**	**69.4**
Diluted EPS	0.85	0.83
Outlook EPS (lower of the two methods)		**0.83**
Adjusted EPS		**0.86**

The dilutive impact of our Convertible Bond included in our outlook statement is USD 2 cents in 2007 EPS or approx. 2% EPS dilution and for the three years 2007-2009 to an average of 4% per year.

OUTLOOK ASSUMPTIONS

In arriving at our 2007 guidance we have made the following assumptions:

- **Tax rate:**

  Zero effective tax rate.

- **Foreign exchange:**

  USD 1 : EUR 1.28

  USD 1 : CHF 1.20

  USD 1 : GBP 1.90

APPENDICES

US STRATEGY UPDATE

- In February 2007 TEMENOS entered into an exclusive joint development and distribution agreement with Metavante, a leading US software and services company.

- Metavante will be the distributor of TCB in the US and TEMENOS will retain royalties on licence and maintenance fees, outsourcing fees, and professional services revenues. We assess the addressable in-house market for TCB in the US to be approximately 150 Tier 1&2 financial institutions.

- TEMENOS and Metavante will co-operate in the development of an advanced US software platform based on TCB. We initially plan to target top-tier US financial institutions through an in-house licensing model. Metavante is also evaluating specific components for use in its core service bureau offering.

- TEMENOS and Metavante have also entered into a non-exclusive agreement to deploy TCB for service bureau processing in selected markets outside of the United States.

US STRATEGY UPDATE (CONTD.)

- We expect that the combination of Metavante's leading position and development and distribution prowess in the banking software market, its expertise in outsourcing services, along with the product superiority of TCB, will prove a formidable combination both in the United States and Internationally.

- Under this agreement we expect to generate minimum contractual revenues of US$ 102 million until 2012.

- As part of this agreement TEMENOS intends to issue 2.5 million warrants over TEMENOS stock at a strike price of CHF19.90. Two million of these warrants will vest in 2013 subject to achievement of incremental revenues to the minimum contracted revenues. These warrants will be highly accretive to shareholders as they will generate additional profits significantly in excess of the fair value of the warrants.

Cumulative 2012 Revenues Target:	Cumulative Warrants Issued:
US$ 128 million	1.0 million
US$ 145 million	2.0 million
US$ 195 million	2.5 million

OPERATING COSTS BY QUARTER

USD million	Q1 06	Q2 06	Q3 06	Q4 06	Q1 07
Reported costs	36.4	50.3	44.4	51.9	55.1
Non-trend costs	(2.3)	(15.3)	(6.9)	(13.4)	(9.0)
Trend costs	34.1	35.0	37.5	38.5	46.1
Closing headcount	1429	1497	1648	1724	1947

RESEARCH AND DEVELOPMENT

USD millions	Q1 07	Q1 06	%	12M to MAR 07	MAR 06	%
R&D costs – as reported	10.7	7.5	43%	37.0	24.9	49%
Capitalised development costs	3.2	3.2		14.8	12.4	
Non cash items	(2.7)	(1.9)		(8.8)	(8.1)	
Less Actis	(0.8)	-		(0.8)	-	
Cash R&D costs	**10.4**	**8.8**	**18%**	**42.2**	**29.2**	**45%**
Of which:						
T24	**65%**	**53%**		**57%**	**58%**	**41%**
TCB	**35%**	**47%**		**43%**	**42%**	**50%**

- **Capitalised development decreasing as % of cash R&D at 35% for 12M to Mar 07 vs 42% for 2006**
- **In 2007 Capitalisation and Depreciation & Amortisation forecast at approx US$16 million each**

SERVICES

USD millions	Q1 07	Q1 06	%	12M to MAR 07	MAR 06	%
Service revenues	20.6	12.9	60%	71.2	56.3	26%
Less Actis	(0.6)	-		(0.6)		
Currency impact	n/a	0.5		n/a	1.0	
Service revenues underlying	**20.0**	**13.4**	**49%**	**70.6**	**57.3**	**23%**
Service costs – as reported	20.7	15.0	38%	70.6	62.4	13%
Less Actis	(0.5)	-		(0.5)	-	
Currency impact	n/a	0.9		n/a	2.2	
Service costs underlying	**20.2**	**15.9**	**27%**	**70.1**	**64.6**	**9%**
Service margin as reported	- %	(16%)		1%	(11%)	
Service margin underlying	(1%)	(19%)		1%	(13%)	

SALES AND MARKETING

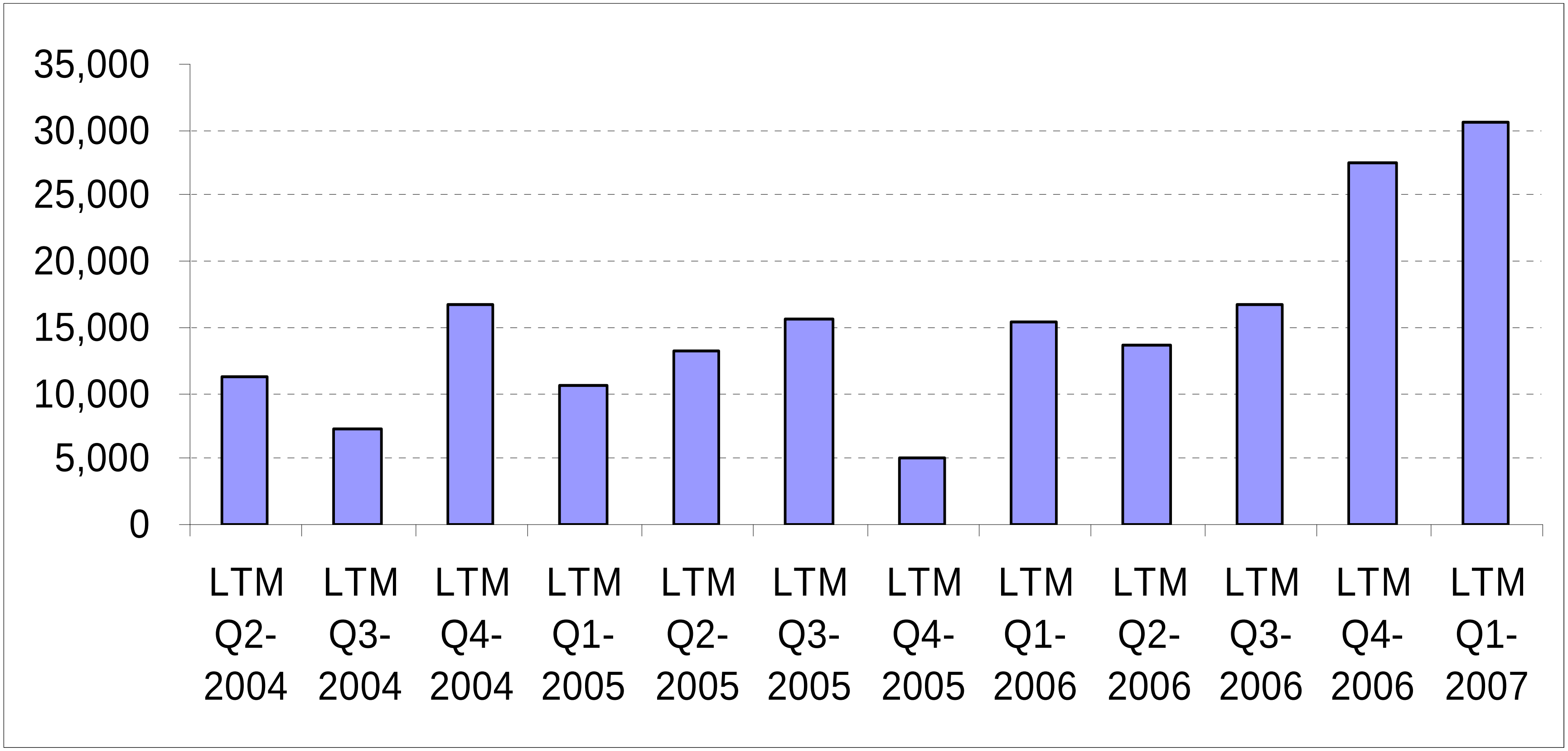
USD millions	Q1 07	Q1 06	%	12M to MAR 07	MAR 06	%
S&M costs – as reported	14.6	7.8	87%	55.1	33.7	63%
Less Actis	(0.1)	-		(0.1)	-	
Currency impact	n/a	0.5		n/a	1.1	
S&M costs underlying	**14.5**	**8.3**	**75%**	**55.0**	**34.8**	**58%**

TEMENOS™

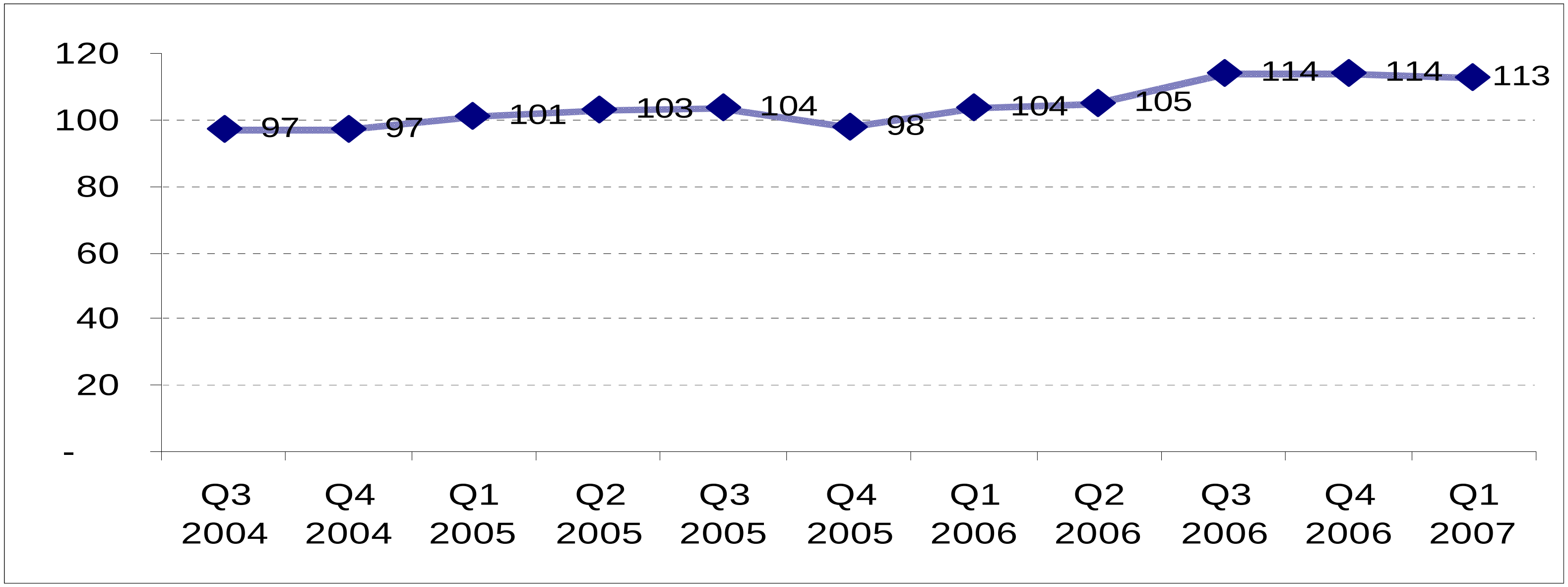
GENERAL & ADMINISTRATIVE COSTS

USD millions	Q1 07	Q1 06	%	12M to MAR 07	MAR 06	%
G&A costs – as reported	9.2	6.1	50%	39.0	26.8	46%
Less Actis	(0.3)	-		(0.3)	-	
Currency impact	n/a	0.4		n/a	1.0	
G&A costs underlying	**8.9**	**6.5**	**37%**	**38.7**	**27.8**	**39%**

12 MONTH ROLLING CASHFLOW FROM OPERATIONS (USD'000)



DSOs ANALYSIS



• DSO definition (see below) based on using average 12M receivables. This allows trend comparisons without the distortion of deal lumpiness and seasonality.

• Medium term trend at approximately 100 days.

* DSOs defined as average of lagging 12 months receivables and divided by lagging 12 months revenues adjusted for maintenance invoicing (see appendix for calculation).

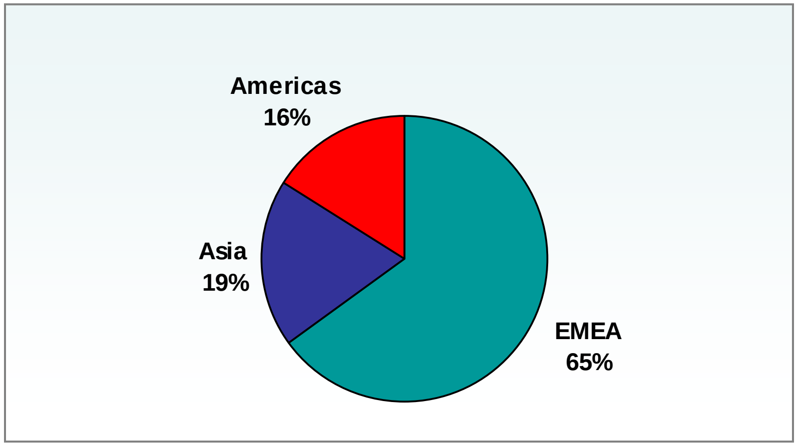
CALCULATION OF DSO's

	DSOs	Average receivables ('000 USD)	12M revenues*('000 USD)
Q1 2005	101	74,707	192,967
Q2 2005	103	75,924	191,579
Q3 2005	104	76,746	192,471
Q4 2005	98	80,463	214,174
Q1 2006	104	87,245	217,145
Q2 2006	105	95,790	236,646
Q3 2006	114	106,666	242,216
Q4 2006	114	116,396	265,530
Q1 2007	113	127,454	292,671

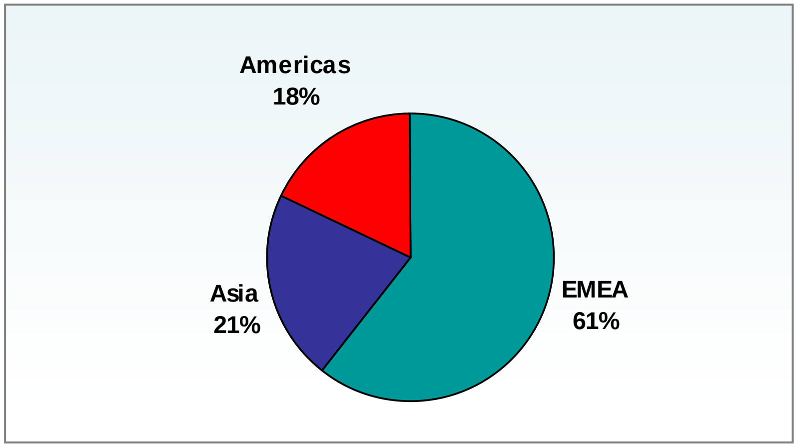
* revenues adjusted for maintenance invoicing
• DSO's = (Average receivables divided by 12M revenues*)*52*5

REVENUES BY REGION 12M TO 31 MARCH

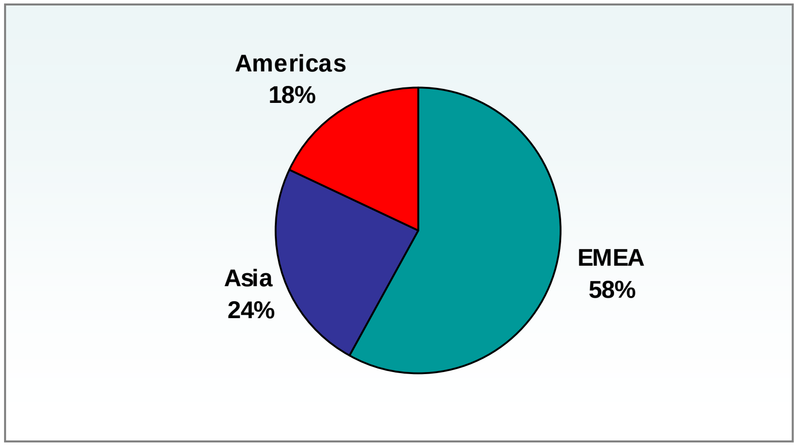
Revenues – 2006



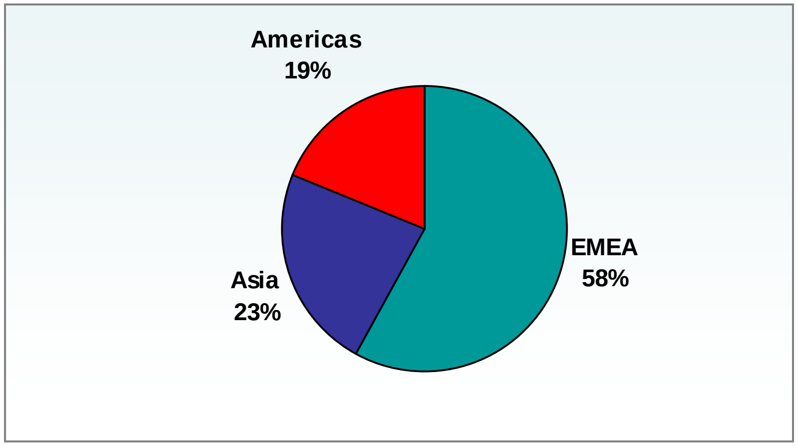
Revenues – 2007



licence Revenues – 2006



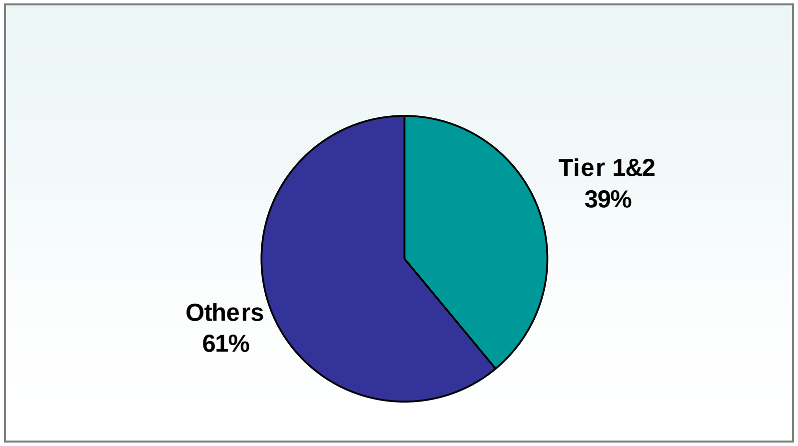
licence Revenues – 2007



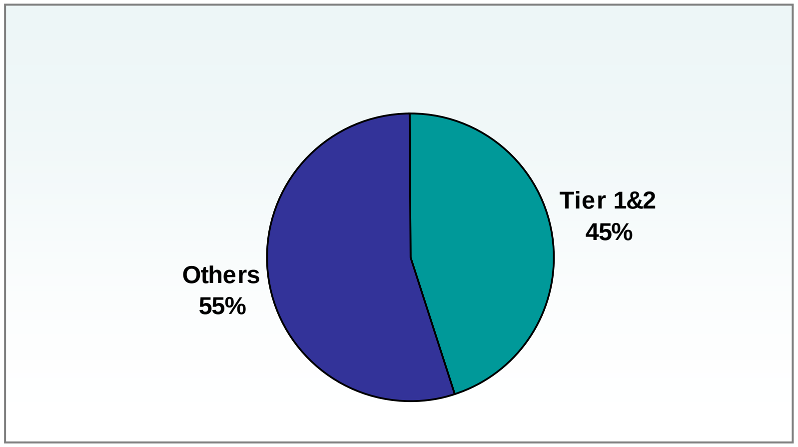
(1) On a $ basis

REVENUES BY TIER & SEGMENT – 12M TO 31 MARCH

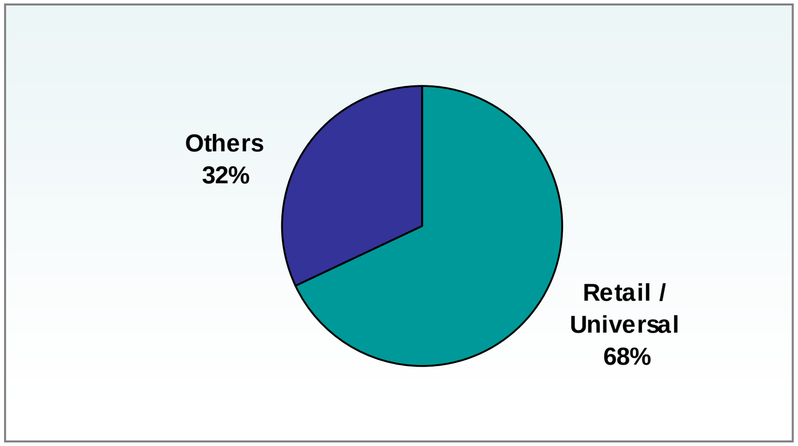
licence Revenues – 2006



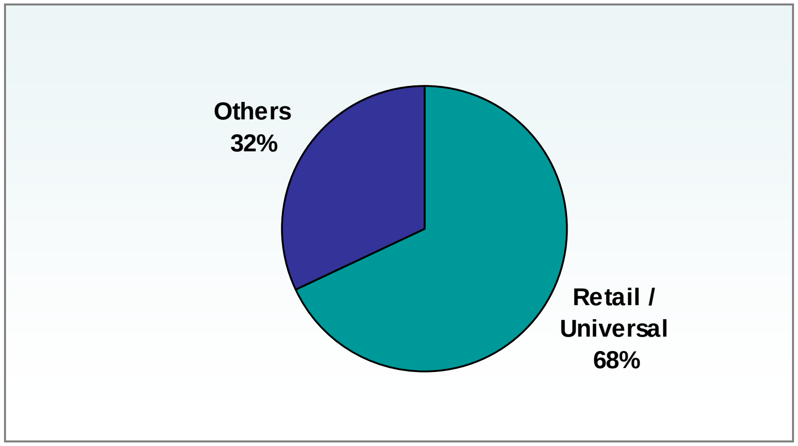
licence Revenues – 2007



licence Revenues – 2006



licence Revenues – 2007



(1) On a $ basis

EFFECTIVE TAX RATE

- Temenos has significant unrecognised deferred tax assets (DTAs) relating to losses carried forward as well as arising from our agreement with the Swiss authorities reached during 2005 to repatriate the group's IP to Switzerland. The majority of these DTAs are currently not recognised on our balance sheet (figures as at 31 December 2006):

US$ m.		of which:	
Deferred tax asset arising from:	Total DTA	recognised	unrecognised
Loss carryforwards	**35.8**	1.5	34.3
Swiss IP repatriation agreements	**47.8**	3.9	43.9
	83.6	**5.4**	**78.2**
		6%	94%

- DTAs are recognised to the extent that realisation of the related tax benefit through future taxable profits is probable. As we continue to improve our profitability it will become increasingly appropriate to recognise these DTAs on our balance sheet.

- Excluding the impact of DTAs, our Effective Tax Rate for the next 7 years will be between 11% and 13%, as previously communicated (no change). This rate is expected to be significantly reduced by the recognition of DTAs in the next few years.

- For 2007, based on our forecast Profit before Tax, our underlying tax rate of 11-13% implies a tax charge of approximately US$6 million. We expect to reduce this to approximately zero by recognising approximately the same amount of DTAs in the year (approximately 8% of currently unrecognised DTAs).

ANALYST COMMENTS

TEMENOS "…offers the strongest overall core banking functionality, without particular functional weak spots. TEMENOS also scored best on international versatility: If a bank needs a strong core banking solution that can comprehensively support multiple languages and character sets in terms of presentation and storage or that needs a strong Islamic banking offering, TEMENOS is one of the core banking vendors to short-list…"

The Forrester Wave™: Core Banking Suites, Q1 2007, Jan 2007. ***Forrester***

"T24 was a best of suite solution that has surprising breadth of functionality as well as a large installed customer base using the product for commercial lending."

Commercial Lending: Global Trends and the Systems that Enable Them, Dec 2006. ***Celent***