



**Invitation to the  
TWELFTH ORDINARY GENERAL MEETING OF SHAREHOLDERS  
of  
TEMENOS Group AG ("Company")**

**to be held on Friday, 24 May 2013 at 11.30 a.m. (doors open at 11.00 a.m.)  
at TEMENOS offices : 2 rue de l'Ecole-de-Chimie, 1205 Geneva - Switzerland**

**Agenda and motions of the Board of Directors**

**1. 2012 Annual Report, 2012 annual financial statements (including the compensation report), 2012 consolidated financial statements and the auditors' reports**

The Board of Directors proposes that the 2012 Annual Report, the 2012 unconsolidated financial statements (including the compensation report) stating a profit for the year of CHF 117'765'000 and the 2012 consolidated financial statements stating a consolidated profit for the year of USD 24'159'000 be approved.

**2. Allocation of the available earnings**

The Board of Directors proposes to allocate the available earnings of CHF 191'463'000 as follows:

Appropriation to General legal reserve	CHF 6'023'000
Retained earnings to be carried forward	CHF 185'440'000

**3. Distribution of General reserve from capital contributions**

Based on the audited financial statements for the financial year 2012, the Board of Directors proposes to the General Meeting to distribute an ordinary dividend in cash amounting to CHF 0.28 per share, for a total amount up to CHF 19'351'976 (depending on the amount of treasury shares as of the ex-dividend date).

This distribution shall be declared out of the disposable amount of the General reserve from capital contributions as at 31 December 2012 taking the legal form of an ordinary dividend in cash. From a tax standpoint, this ordinary dividend constitutes a repayment of part of the general reserve from capital contributions.

As a result, the General reserve from capital contributions at 31 December 2012, amounting to CHF 216'325'678, will be reduced as follows:

General reserve from capital contributions (at the disposal of the General Meeting)	CHF 216'325'678
Distribution of general reserve from capital contributions	CHF 19'351'976
Carry forward the balance of	<u>CHF 196'973'702</u>

Provided that the proposal of the Board of Directors is approved, the last trading day with entitlement to receive the dividend will be 27 May 2013. The shares will be traded ex-dividend as of 28 May 2013 (Ex date). The dividend record date will be set on 30 May 2013 (Record date). The dividend will be payable as of 31 May 2013 (Payment date). TEMENOS treasury shares are not entitled to dividends.

**4. Discharge of the members of the Board of Directors and Senior Management**

The Board of Directors proposes that the members of the Board of Directors and Senior Management be granted discharge for the financial year 2012.

**5. Authorized Capital**

The Board of Directors recommends the General Meeting to delete the existing article 3ter of the Articles of Association and adopt the following new article 3ter authorizing the Board of Directors' to create authorized capital until 24 May 2015, which represents less than 20% of the registered share capital of the Company:

**Proposed new article 3ter para. 1**

"The Board of Directors is authorized to increase the share capital no later than May 24, 2015, by an amount not exceeding CHF 71'524'115 by issuing up to 14'304'823 fully paid-in registered shares with a nominal value of CHF 5 each. An increase in partial amounts is permitted."

The rest of article 3ter remains as per the existing wording.

**6. Amendments of the Articles of Association**

**6.1 Deletion of Article 3bis and Article 11 para.6**

• **Deletion of Article 3bis of the Articles of Association**

Pursuant to article 628 al. 4 of the Swiss Code of Obligations, provisions in the Article of Association concerning contributions in kind or acquisitions of assets may be repealed after 10 years by resolution of the General Meeting. Article 3bis was entered into the Articles of Association at the creation of the Company in 2001.

The Board of Directors recommends the General Meeting to delete the following Article 3bis:

**Article 3bis - Contributions in Kind**

"Pursuant to an Agreement on contribution in kind dated June 5, 2001, the Company acquired from George Koukis, Troinex/ GE; Kim Warren Goodall, Surrey; Global Technology Ltd., Johannesburg; Global Technology Investment Holdings (Pty.) Ltd., Johannesburg; Global Capital Investors L.P., Guernsey; Global Capital Investors II L.P., Guernsey; Picton Associates, Inc., Panama; Sea Spray SA, Panama; Financial Services Systems Ltd., Tortola B.V.I.; Anestis Fountoukides, Athens; Timothy Francis Cripps,

Sariburi/Thailand; Andrew Kenneth Radburne Fuller, Huntingdon; Charles Gilliland Renfro, Bala Cynwyd PA; Francis Joseph Rocca, Cambridge; und Terence Sydney Ward, Cambridge, in the aggregate 40'104'335.86 common shares in TEMENOS Holdings NV, Curaçao, Netherlands Antilles, with a par value of USD 0.001 each, for the total amount of CHF 200'521'680, which amount was paid by issuing 40'104'336 registered shares of the Company with a par value of CHF 5, which shares are deemed to be fully paid in. Pursuant to an Agreement on contribution in kind dated June 5, 2001, the Company acquired from Andreas Karayiannis, Strovolos, Cyprus; und Andis Scordis, Nicosia, Cyprus, in the aggregate 100 common shares in I.T. services Limited, Nicosia, Cyprus, with a par value of CY£ 1 each, for the total amount of CHF 101'500 which amount was paid by issuing 20'300 registered shares of the Company with a par value of CHF 5, which shares are deemed to be fully paid in".

• **Deletion of Article 11 para. 6 of the Articles of Association**

As TEMENOS is a listed company the concept of Universal General Meeting, according to which all shareholders would need to participate, would be impossible to apply and therefore the Board of Directors recommends the General Meeting to delete the following Article 11 para.6:

**Article 11 para. 6 - Convocation, Invitations, Agenda**

"The owners or representatives of all shares may, if no objection is raised, hold a General Meeting of Shareholders without observing the formal requirements for the convening of the General Meeting of Shareholders (Universal General Meeting of Shareholders). As long as the owners or representatives of all the shares are present, all the subjects falling within the scope of business of the General Meeting of Shareholders may be validly discussed and resolutions passed at such meeting".

The rest of article 11 remains as per the existing wording.

**6.2 Amendment to Article 16 of the Articles of Association**

To comply with international trend and best corporate governance practice regarding directorship terms the Board of Directors recommends the General Meeting to amend Article 16 so that as a rule the term of office shall be one year for each new election or re-election as from 2013.

**Proposed new Article 16 para. 2 and deletion of para.3**

"As a rule the term of office of the members of the Board of Directors shall be **one (1) year**, whereby one year shall be understood to be the period from one ordinary General Meeting of Shareholders to the next ordinary General Meeting of Shareholders. Upon the expiration of their terms of office the members may be re-elected immediately and without limitations.

~~The Board of Directors shall organize the election of its members in such a way as to ensure that at each ordinary General Meeting of Shareholders one third of the members shall complete their term of office at any one ordinary General Meeting of Shareholders. Members newly appointed during a term of office shall complete the term of office of their predecessor".~~

The rest of article 16 remains as per the existing wording.

**7. Elections of members of the Board of Directors**

**7.1** The Board of Directors proposes the re-election of **Mr. Andreas Andreades** as a member of the Board of Directors for a new term of office of one (1) year.

**7.2** The Board of Directors proposes the election of **Mr. Erik Hansen** as a member of the Board of Directors for a term of office of one (1) year.

Erik Hansen is a recognised software industry veteran with over 30 years of experience as a senior executive at leading software companies. Mr Hansen is currently executive Chairman of the Board of Myriad Group AG having previously been CEO and Board Member at Day Software (2008-2011) which was acquired by Adobe in 2010. Prior to this, Mr Hansen held several senior leadership roles at companies including TIBCO Software (2000-2004), TA Triumph Adler (1994-1997) and Apple (1990-1994), both in Europe and in the United States. Mr. Hansen was born in 1952, is a Danish citizen and holds a degree from the business college in Horsens, Denmark.

**8. Election of Auditors**

The Board of Directors proposes the re-election of PricewaterhouseCoopers SA, Geneva, as Auditors for a new term of office of one (1) year.

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**Documentation**

The 2012 Annual Report, annual financial statements (including the remuneration report), consolidated financial statements, auditors reports, minutes of the last Ordinary General Meeting of Shareholders as well as the Articles of Association may be ordered at Company's headquarters and are also available on [www.temenos.com](http://www.temenos.com).

**Participation**

From 3 May 2013 until 27 May 2013, the share register is closed and therefore no additional shares can be registered in the share register; nevertheless, the Company does not prevent the sale or purchase of its shares during this closing period.

Shareholders recorded in the share register, with the right to vote, by **3 May 2013 at 12:00 noon** (record date) are entitled to exercise their voting rights at this General Meeting and will receive by post their admission card, proxy form and the agenda including the motions of the Board of Directors.

**Representation and proxy**

Shareholders who are unable to attend in person may appoint a representative by written proxy. The representative is required to provide the proxy form and admission card at the entrance.

Shareholders may alternatively appoint their custodian bank, the Company or the independent proxy holder, Georges Fournier, holder of notary's license, as their representative for this General Meeting. Any such proxy must be received either by the Company or by the above-mentioned independent proxy holder, by **22 May 2013** at the latest.

On behalf of the Board of Directors

**Andreas Andreades**

Chairman

19 April 2013