TEMENOS
The software specialist for banking and finance
Analyst and Investor Day

12 February 2016
<table>
<thead>
<tr>
<th>Time</th>
<th>Session</th>
<th>Presenter</th>
</tr>
</thead>
<tbody>
<tr>
<td>10.00 – 10.45</td>
<td>Strategy and vision</td>
<td>David Arnott, CEO</td>
</tr>
<tr>
<td>10.45 – 11.30</td>
<td>Digitizing the bank</td>
<td>Joseph Edwin, Head of Core Banking Programme, Nordea</td>
</tr>
<tr>
<td>11.30 – 11.45</td>
<td>Coffee</td>
<td></td>
</tr>
<tr>
<td>11.45 – 12.30</td>
<td>Product leadership</td>
<td>Mark Winterburn, Group Product Director</td>
</tr>
<tr>
<td>12.30 – 13.00</td>
<td>Creating shareholder value</td>
<td>Max Chuard, CFO, COO</td>
</tr>
<tr>
<td>13.00 – 13.15</td>
<td>Q&amp;A</td>
<td></td>
</tr>
<tr>
<td>13.15 – 14.00</td>
<td>Lunch</td>
<td></td>
</tr>
</tbody>
</table>
Strategy and vision

David Arnott
12 February 2016
2015 was a landmark year.

We are delivering on our strategic initiatives.

We extended our lead over the competition.

We have a significant market opportunity.

Our growth is underpinned by multiple drivers.
2015 was a landmark year

- Signed all largest deals in market – in all segments
- Extended product leadership
- Delivered unrivalled customer success
- Crossed USD 500M in revenues
- Expanded margins and increased profitability
Our strategic initiatives

1. Extending lead in core banking
2. Extending lead in private wealth
3. Penetrating the US market
4. Opening up new market with digital engagement platform
5. SAAS – taking 1st mover advantage
6. Industrialising sales & partner alignment
Excellent progress in 2015

- **Core** ➔ Signed Nordea, largest core deal ever, made significant technology investments

- **Wealth** ➔ Win ratio of nearly 100% in 2015 including Julius Baer

- **US** ➔ Increased scale and distribution capabilities, signed top 25 bank, built qualified pipeline of more than US$20m in last 6 months

- **Digital** ➔ Significant progress made in front office, real time campaigns and embedded analytics

- **SaaS** ➔ Signed first regulated bank on Azure

- **Sales/Partners** ➔ Gaining traction through integrated marketing and sales, partner engagement model moving to next level
Fund management – a further growth driver

- Multifonds rebranded as FundSuite
- Provides exposure to the growing fund services and asset management segments
- Leveraging Temenos’ global footprint
- Significant new and installed base opportunities
- Partners showing strong interest
The cross-selling opportunity

Installed base by product

No. of clients

Core banking | Analytics | Channels | Wealth front end | Risk & compliance | Fund administration | Payments

700 | 100 | 50 | 30 | 20 | 10 | 0
Clear water between Temenos and the competition

“On its way to become the category killer in the banking software vertical”

1st position again – 15th time in 16 years

Number of go-lives in 2015

137

Forrester

Top global players

Temenos

Major global players

Global players

FIS, Infosys, Misys, Polaris FT, SAP, TCS

Strong players

Avaloq, Jack Henry, Diasoft, ICS FS, SAB, Sopra Banking, SunGard*, Path Solutions

Solid players

Asseco, BMI, Captial Banking Cobiscorp, CSC, D+H, DLYA, Eri, Flexsoft, ITS, InfrasoftTech, Infrasoft, Nucleus, Profile

*SunGard had a strong focus outside of core banking.
A significant and growing market opportunity

Spend on banking software: total vs. third-party

- **USD 37bn**
  - **USD 11bn** *
    - Payments: USD 8bn *
    - Fund Admin: +10%
    - Channels: +6%
    - BI: +9%
    - Wealth: +7%
    - Core banking: +5%

*Licences and maintenance
Source: Gartner, IDC, Celent, Temenos estimates
A need to act – structural pressures are growing

- Changing competition
- Changing regulation
- Changing technology
- Changing customer
The profitability gap

Industry’s profits remain significantly below pre-crisis levels

Banks RoE levels globally

Global financial crisis  New normal

Profitability gap - 6% pts


16%  4%  7%  10%  10%  9%  9%  10%

Source: BCG, Thomson Reuters
Digitization provides an opportunity

- Capitalize on Banks’ primary assets
  - Data
  - Trust
  - Distribution
  - Scale

- To become trusted advisor
  - Recast role – from transaction provider to trusted advisor

- In turn boosting profitability
  - Greater efficiency with more effective distribution
Front to back vertically integrated solutions

Integrated products and technology for a connected world
Integrated solutions freeing up budget for innovation

Spend on enhancements vs. maintenance

Rest of banks: 21.2%

Temenos customers: 53.7%

Source: Temenos

*Adjusted to remove Temenos customers

Celent, IT Spending in Banking: A Global Perspective, 2015*
Enabling banks to exploit their competitive advantage…

Data
- Single customer view
- Embedded analytics
- Real-time campaigns

Scale
- Cloud deployable
- 99% STP
- No batch

Trust & Distribution
- Fast time to market
- Personalization - market of one
- Rewards & loyalty

Allowing banks to reinforce existing competitive advantages
…and new technology

- 10x to 100x rise in customer interactions
- Architecture & technology to handle this change
- Intelligence to turn interactions into opportunities

Opening up new opportunities

- Leveraging partner & developer ecosystem
- More innovation
- Broader range of products and services – including non-financial
Transforming the customer experience

Right products & services

- Delivered at the right place and time
- Through the right channel
- Personalised for individual needs

Experience-driven banking
Driving profitability and returns

**Return on assets**
- Legacy systems: 1.0%
- 3rd Party: 1.4%
- Temenos: 3.1%

**Return on equity**
- Legacy systems: 14%
- 3rd Party: 19%
- Temenos: 36%

**Cost/Income**
- Legacy systems: -8.6%
- 3rd Party: -8.6%
- Temenos: 50.2%

Methodology agreed when publishing white-paper “Bridging the Profitability Gap”, co-written with Deloitte.

Significantly improving returns
Looking forward
Capitalizing on the tier 1 opportunity

Core

- Building great references
- Strong partner relationships, proven delivery and go-to-market models
- Disruptive technology roadmap
- Proven scalability
- Open and integrated solutions

Wealth

Julius Bär
Accelerating our growth through progressive renovation

Line of business

Reducing risk, decreasing time to value

Build & Migrate

Front to Back

Credit Suisse

Julius Bär

Back to Front

Nordea

Leumi
Penetrating the U.S.

- Achieved critical mass and scale with strong distribution
- Built strong pipeline, more than US$20m in last six months
- Won top 25 U.S. bank, starting line of business renovation
- Differentiated product value proposition – real time, upgradable, modular architecture
- Partnerships in place

$20 billion Largest core banking market in the world
Integrated front office – a differentiated offering

- A single platform for managing customer interaction across all touchpoints
- Integrates multiple datasets – transactional, locational, contextual
- Draws real-time insights and uses this to offer the right service (product, content, offers) at the right time and over the right channel (“Experience-driven banking”)
- True, seamless multi-channel experience
- Integrates third-party products and works across different verticals

A packaged solution for the front office
Delivering experience-driven banking

- CRM
- Customer
- Product
- Core Banking
- Channel
- PFM

Decision Platform

- Branch
- Contact Centre
- Internet
- Mobile
- Email
- Post

TEMENOS
2015 was a landmark year.

We are delivering on our strategic initiatives.

We extended our lead over the competition.

We have a significant market opportunity.

Our growth is underpinned by multiple drivers.
TEMENOS
The software specialist for banking and finance
Digitizing The Bank

Joseph Edwin, 12 February 2016
Background

• Head of Core Banking Programme at Nordea Bank AB

• Prior roles
  • Chief Information Officer, CommSec – a fully owned subsidiary of Commonwealth Bank of Australia (CBA)
  • Overall Head of Delivery on the multi-year CBA Core Banking Modernisation programme
  • Various positions with Silicon Valley startups and consulting firms

• Based in Copenhagen, Denmark
Nordea is the largest financial services group in the Nordics

Nordea = Nordic ideas

11 million customers
- Approx. 10 million personal customers
- 590,000 corporate customers, incl. Nordic Top 500

Distribution power
- Approx. 650 branch office locations

Financial strength
- EUR 10.1bn in full year income (2015)
- EUR 679.9bn of assets (Q3 2015)
- EUR 30.0bn in equity capital (Q3 2015)
- AA credit rating
- Common equity tier 1 capital ratio of 16.3% (Q3 2015)

EUR ~40bn in market cap
- One of the largest Nordic corporations
- A top-10 European retail bank
Nordea is the most diversified bank in the Nordics...

A Nordic centric portfolio (97 %)

Credit portfolio by country
EUR 306bn*

- Baltic: 3%
- Russia: 1%
- Sweden: 30%
- Denmark: 27%
- Finland: 21%
- Norway: 18%

Lending: 55% Corporate and 44% Household

Credit portfolio by sector
EUR 349bn

- Public Sector: 13%
- Household: 44%
- Real estate: 12%
- Other financial institutions: 4%
- Industrial commercial services: 4%
- Consumer: 3%
- Retail trade: 3%
- Shipping and offshore: 3%
- Other: 13%

* Excluding repos

Q3 2015
1. An industry in transition
2. A need to act
3. The Prize
4. Getting there
An industry in transition

Mobile – distribution separated from manufacturing

Big Data – deep personalization of banking services

Social Media – new banking media

Cloud – profitability at a lower scale, unbundling of banking

A digital revolution
A changing relationship between banks and their customers

Customer switching was as low as 2% as recently as 2003
Customers want a different kind of relationship

% of customers who would expand relationship with a bank which

- Helps them to meet financial goals: 72%
- Rewards loyalty: 65%
- Helps them to save money: 64%
- Recommends products they really need: 60%

Source: EY
An industry in transition

3pp

Estimated adverse impact of Basel III on global bank RoE

Source: McKinsey

“...greater resilience against future financial crises and removing risks from banks to the public finances...”

Vicker’s Report on Future of Banking
Exploiting regulatory arbitrage, high costs, high friction

Lending
- LendingClub
- OnDeck
- Funding Circle

Automated financial management
- wealthfront
- nutmeg
- Betterment

FX
- the currency cloud
- TransferWise

Corporate banking
- ethereum
- ripple Labs
- traxpay

Neobanks
- fidor BANK
- NUMBER26

Payments
- Square
- Apple Pay
- venmo
1. An industry in transition
2. A need to act
3. The Prize
4. Getting there
A need to act

Customers with Negative Customer Experience (%): 2014-2015

- North America: 2.7% (2014), 5.2% (2015) [Change: +2.5%]
- Central Europe: 5.1% (2014), 6.7% (2015) [Change: +1.6%]
- Latin America: 6.2% (2014), 7.7% (2015) [Change: +1.5%]
- Western Europe: 4.9% (2014), 11.7% (2015) [Change: +6.8%]
- Middle East & Africa: 6.8% (2014), 9.0% (2015) [Change: +2.2%]
- Japan: 6.3% (2014), 20.0% (2015) [Change: +13.7%]

Only 47% of Gen Y customers in North America are likely to stay with their bank over next 6 months.

Source: Capgemini
New competition

Estimated impact of FinTech disruption on consumer finance

$ billion

<table>
<thead>
<tr>
<th>2025 before disruption</th>
<th>Lost volumes</th>
<th>Price erosion</th>
<th>Captured by FinTechs</th>
<th>2025 after disruption</th>
</tr>
</thead>
<tbody>
<tr>
<td>674</td>
<td>14</td>
<td>300</td>
<td>35</td>
<td>396</td>
</tr>
</tbody>
</table>

- 40%

Source: McKinsey
A need to act

Banking profitability has not recovered since the financial crisis

Source: The Economist
1. An industry in transition
2. A need to act
3. The Prize
4. Getting there
Capitalizing on technology and changing customer behaviour

Turn interactions into opportunities

Relationship banking is turning digital fast

Creating an eco-system

Transaction Millions

Q1/10 Q1/15

8 0

18

3

Mobile

Branches

Nordea

Startup Accelerator

powered by Nestholma
The Bank of Things & The Customer Definable Bank

- **if** then **Facebook ON**
  
  When I reach my savings goal, post on Facebook “Dream car coming soon!”

- **if** then **ON**
  
  When I go overdrawn, transfer money from my savings account to clear overdraft
Benefits of experience-driven banking

- Partner network
- Social Media
- Location
- Transaction Data
- Contextual info (e.g. saving ambitions)

Bank as facilitator and trusted advisor

- Help achieving financial goals
- Real-time location-based offers
- Access to best rates on financial services across market
- Access to complementary services (e.g. legal advice) at preferred rates
- Frictionless payments
- Peer/crowd interaction
- Digital vaults & wallets
- Loyalty rewards
What this really means

Bank as facilitator and trusted advisor

- Higher customer engagement
- Better customer outcomes
- Increased loyalty & wallet share
- Higher profitability
1. An industry in transition
2. A need to act
3. The Prize
4. Getting there
The journey

Ditching the legacy

Complex, risky, expensive - prevents compelling customer experience
Realizing experience-driven banking

It all starts with core

Analytics
Treasury
CRM
Channels
Payments
Wealth Management
Loyalty
PFM
Best practices to realize experience-driven banking

- Simplify First
- Buy a package
- Renovate progressively
Benefits of core banking renewal

- **Productised**: Model Bank, upgradable, integrated
- **Single view, embedded analytics**: Real-time analysis based on complete customer data
- **Real-time, front to back**: No down-time for batch processing; instant customer fulfilment
- **Digital banking starts with a digital core**
- **Linearly Scalable & Efficient**: Ability to grow with customer changes and rise in interactions
- **Fast time to market**: Single product catalogue to remove silos
- **Open**: Supporting open architecture & Open Banking

*Digital banking starts with a digital core*
Nordea investor day

You are invited to join us for a presentation and Q&A
An update on the Nordea Core Banking Programme

Joseph Edwin, Head of Core Banking, Nordea

Wednesday 2\textsuperscript{nd} March
13:00 - 14:00: Presentation and Q&A
Lunch will be served from 12:00

The event will be held at Goldman Sachs International
Peterborough Court
133 Fleet Street
London EC4A 2BB
The presentation will be webcasted at Nordea.com

Please register your attendance with
Helen Wogel by Friday 26\textsuperscript{th} February
E:mail helen.wogel@gs.com
Thank you!

Joseph Edwin
joseph.edwin@nordea.com
Temenos software

RISK & COMPLIANCE

- Marketing
- Sales

FRONT OFFICE

CORE BANKING & PAYMENTS

PRIVATE WEALTH
- Corporate

PRIVATE WEALTH
- Retail
- Corporate
- Treasury

REPORTING & ANALYTICS

CHANNELS

- Branch
- Agent
- Call Centre
- Mobile
- ATM
- Internet
- RM
- Open API
The market view - Suites

RetailSuite

WealthSuite

CorporateSuite

MicroBankingSuite

UniversalSuite

IslamicSuite

FundSuite

Lifecycle ManagementSuite
Integrated solutions freeing up budget for innovation

Rest of Banks* | Temenos Clients
---|---
21.2% Maintenance | 53.7% Innovation

Source: Temenos

*Adjusted to remove Temenos customers

Celent, IT Spending in Banking: A Global Perspective, 2015*
Strength in depth - RetailSuite

OVERVIEW

RISK & COMPLIANCE

Reporting & Analytics

Business Intelligence

Core Banking & Payments

Channels

Front Office
Why we win in Tier 1 Retail

- The Biggest banks now want packaged software
- Modern Core a prerequisite for Digital
- Our Frameworks deliver the right architecture
- Lower risk implementations via progressive renovation
- The right Partners for Tier 1
- Massive and linear scalability on commodity hardware and cloud
Why we win the biggest Private Banks

- Integrated best of breed components
- Quick value from progressive renovation
- 90% plus out of the box
- Features and investment no-one else can match
- Strong digital offer
- Global and proven in more than 30 countries
- Seamless support for Retail > Mass Affluent > Private
How we upgrade client software – decoupled innovation cycle

Channels (6m - 2 years)

Front – Office (1-3 years)

Core Banking (2-5 years)

Upgrading product family independently reducing risk and decreasing Time To Market
The architectural perspective

Platform Framework

Integration Framework

Interaction Framework

Component Framework

Data Framework

Channels: Branch, Agent, Call Centre, Mobile, ATM, Internet, RM, Open API

Integration: Marketing, Sales, Retail, Corporate, Private Wealth, Treasury

Design Framework

Data Framework

Component Framework: Core Banking & Payments, Front Office, Service

Temenos
The architectural perspective

- **Flexibility**: Lowest TCO through choice of stacks including Cloud.
- **Usability**: 85% faster UI development
- **Agility**: 3x faster integration
- **Maintainability**: Partial software upgrades across all software
- **Scaleability**: 70% reduction in db size – in-memory core banking
- **Productivity**: 10X increase in customisation productivity
Track record of innovation...

1993 2015

Windows GUI, SOA, XML, Open Database, Multitenancy, 24/7 Process Workflow, Model Banks, Cloud, SmartHybrid™, Reporting database

Technology

Constantly expanding functionality; constantly evolving technology

Functionality

Retail banking, Corporate banking, Treasury, Lending, Securities

Trade finance
Internet banking
Product builder
Financial Crime
Mobile banking
Risk & Compliance
Analytics & Reporting
Relationship-pricing, loyalty & rewards
Payments
Marketplace
Funds
…extending into the future

- Retail banking, Corporate banking, Treasury, Lending, Payments, back office, Securities
- Trade finance
- Internet banking
- Product Builder
- Financial Crime
- Mobile banking
- Risk & Compliance
- Analytics & Reporting
- Relationship-pricing
- Payments
- Marketplace
- Funds

Online upgrades
- Graphical product builder
- Real-time campaigns
- User Agents
- Gamification
- Componentised origination
- $100M general improvements

Partial Upgrades
- In-memory
- Instant COB

Compelling and unrivalled product roadmap

Windows GUI SOA XML Open Database Multitenancy 24/7 Process Workflow Model Banks Cloud SmartHybrid™ Reporting database

Online upgrades Partial Upgrades In-memory Instant COB

Graphical product builder Real-time campaigns User Agents Gamification Componentised origination $100M general improvements

Compelling and unrivalled product roadmap
Agile is a discipline that delivers software frequently with continuous learning through iteration. It ensures we deliver software faster, with better quality, minimal risk that meets our client’s requirements.
Temenos
Software in action
The Biggest banks now want packaged software

Modern Core a prerequisite for Digital

Our Frameworks deliver the right architecture

Lower risk implementations via progressive renovation

The right Partners for Tier 1

Massive and linear scalability on commodity hardware and cloud
Business Perspective – RetailSuite

OVERVIEW

RISK & COMPLIANCE

REPORTING & ANALYTICS

CHANNELS

FRONT OFFICE

CORE BANKING & PAYMENTS

PRODUCT CATALOGUE

CRITICAL PATHS

FLOW MAPS
Why we win the biggest Private Banks

- Integrated best of breed components
- Quick value from progressive renovation
- 90% plus out of the box
- Features and investment no-one else can match
- Strong digital offer
- Global and proven in more than 30 countries
- Seamless support for Retail > Mass Affluent > Private
Business Perspective – WealthSuite

OVERVIEW

Branch | Agent | Call Centre | Mobile
---|---|---|---

CHANNLES

ATM | Internet | RM | Open API

FRONT OFFICE

Loan origination | Social Media Management | Treasury front office

CORE BANKING & PAYMENTS

Accounts | Cash Management
---|---
Derivatives & Structured Products | Limits and Collateral
GL & Accounting | Master Data Management

Business Intelligence

Customer Onboarding | Risk & Compliance

REPORTING & ANALYTICS

SWIFT | Trade Banking | Securities
---|---|---
Payments | Treasury & Capital Markets | Reconciliation & Matching

Operational Intelligence

Basle II/III | IFRS | Market Risk and ALM
---|---|---

RISK & COMPLIANCE

Operational Intelligence | AML | Suspicious Behaviour
---|---|---

Temenos
Highly differentiated product

- Packaged, upgradable
- Front-to-back, vertically integrated
- Progressive renovation
- Scalable
- Model bank
- Open architecture
TEMENOS
The software specialist for banking and finance
Creating shareholder value

Max Chuard, CFO, COO
1. Creating shareholder value
2. Growth strategy
3. Medium term targets
Temenos drivers of value

- Substantial revenue growth
- Business model drives margin expansion
- Significant free cash flow generation
- Disciplined capital allocation

Shareholder value
Substantial license revenue growth

Non-IFRS Total Software License Revenues

Medium term target of c.15% CAGR
Significant growth in recurring revenue

Non-IFRS Maintenance, SaaS and Subscription revenues and as percentage of total revenues

USDm

<table>
<thead>
<tr>
<th>Year</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-IFRS Maintenance, SaaS and Subscription revenues</td>
<td>200</td>
<td>220</td>
<td>240</td>
<td>260</td>
</tr>
<tr>
<td>Percentage of total revenues</td>
<td>45%</td>
<td>46%</td>
<td>49%</td>
<td>51%</td>
</tr>
</tbody>
</table>

11% CAGR
Business model drives margin improvement – packaged, upgradable, recurring

Non-IFRS EBIT margin

- 2012: 19.3%
- 2013: 24.1%
- 2014: 27.3%
- 2015: 28.1%

Medium term target of 100 to 150 bps expansion p.a.

880 bps improvement
Consistent growth in profitability

Non-IFRS EBIT (USD m)

<table>
<thead>
<tr>
<th>Year</th>
<th>EBIT (USD m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>87</td>
</tr>
<tr>
<td>2013</td>
<td>113</td>
</tr>
<tr>
<td>2014</td>
<td>128</td>
</tr>
<tr>
<td>2015</td>
<td>157</td>
</tr>
</tbody>
</table>

22% CAGR

Non-IFRS EPS (USD)

<table>
<thead>
<tr>
<th>Year</th>
<th>EPS (USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>0.90</td>
</tr>
<tr>
<td>2013</td>
<td>1.22</td>
</tr>
<tr>
<td>2014</td>
<td>1.44</td>
</tr>
<tr>
<td>2015</td>
<td>1.73</td>
</tr>
</tbody>
</table>

24% CAGR
Exceptional Cash Flow generation

Operating Cash Flow and DSOs

- **2012**: 226 days
- **2013**: 198 days
- **2014**: 180 days
- **2015**: 154 days

**Medium term target DSO reduction of 10 to 15 days p.a**

- **32% CAGR**

USDm

<table>
<thead>
<tr>
<th>Year</th>
<th>Days</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>226</td>
</tr>
<tr>
<td>2013</td>
<td>198</td>
</tr>
<tr>
<td>2014</td>
<td>180</td>
</tr>
<tr>
<td>2015</td>
<td>154</td>
</tr>
</tbody>
</table>
Disciplined capital allocation

Capital allocation 2012 - 2015

- Share buyback: 57%
- Dividends: 30%
- Acquisitions: 13%
Track record of M&A
Track record of M&A


Viveo Group
Financial Objects
Odyssey
TriNovus
Accelerant
Multifonds

Building success
## Balance sheet strength

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weighted average interest rate</td>
<td>5.1%</td>
<td>3.7%</td>
</tr>
<tr>
<td>Weighted average maturity</td>
<td>1.5 years</td>
<td>2.6 years</td>
</tr>
<tr>
<td>Total available financing</td>
<td>USD 350m</td>
<td>USD 725m</td>
</tr>
<tr>
<td>Leverage ratio</td>
<td>0.8x</td>
<td>1.3x</td>
</tr>
</tbody>
</table>

Low-cost debt structure with significant flexibility
We have created significant shareholder value

<table>
<thead>
<tr>
<th>Total shareholder return* (31/12/15)</th>
<th>1 year</th>
<th>3 years</th>
<th>10 years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Temenos</td>
<td>48%</td>
<td>210%</td>
<td>458%</td>
</tr>
<tr>
<td>Swiss Market Index</td>
<td>1%</td>
<td>31%</td>
<td>106%</td>
</tr>
<tr>
<td>Stoxx Euro 600</td>
<td>-1%</td>
<td>19%</td>
<td>56%</td>
</tr>
<tr>
<td>Nasdaq</td>
<td>7%</td>
<td>72%</td>
<td>155%</td>
</tr>
<tr>
<td>Peer group average</td>
<td>24%</td>
<td>66%</td>
<td>282%</td>
</tr>
</tbody>
</table>

* in USD

Exceptional shareholder value creation
Growth strategy
We have grown our addressable market

Addressable market (USD billions)

2005 2012 2015 Medium term

Core banking  Wealth  BI  Channels  Fund Admin  Payments

Expanded addressable market 5x in ten years
8% CAGR medium term
Consistent growth in revenues from Tier 1+2 clients

Tier 1+2 non-IFRS total software licensing revenues

- 2005: $27m
- 2012: $46m
- 2015: $101m

Medium term: x1.5-2 in medium term

Tier 1+2 clients engaged in progressive renovation buy average of $3-5m additional new license p.a.

x4 in last 10 years, x2 in last 3 years
Maximising the installed base

Installed base will continue to represent 60%+ of non-IFRS total software licensing going forward

Breakdown of the installed base

- Cross selling
- Tier 1+2 progressive renovation
- Relicensing

2012

2015

Medium term

c.15-20% CAGR growth driven by multi-product penetration, progressive renovation and relicensing
Our North America strategy will drive incremental growth

Non-IFRS total software licensing, North America vs. Rest of World

North America to become increasingly important
SaaS and Subscription revenues are growing rapidly

Non-IFRS Software licensing vs. SaaS and subscription revenues

SaaS and subscription

- 2012
- 2015
- Medium term

SaaS and subscription revenues expected to grow rapidly

- 20%+
- c.20% CAGR

Medium term
A three-pronged approach to M&A

- Increased scale
- Accelerated growth in key markets and segments
- Complementary products
Medium term targets
## Medium term targets

<table>
<thead>
<tr>
<th>Metric (Non-IFRS)</th>
<th>2012-2015 performance</th>
<th>Medium term targets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total software licensing</td>
<td>20% CAGR</td>
<td>15% CAGR</td>
</tr>
<tr>
<td>Total revenue</td>
<td>7% CAGR</td>
<td>10% CAGR</td>
</tr>
<tr>
<td>EBIT</td>
<td>293bps p.a.</td>
<td>100-150bps</td>
</tr>
<tr>
<td>EPS</td>
<td>24% CAGR</td>
<td>15% CAGR</td>
</tr>
<tr>
<td>Cash conversion</td>
<td>118% p.a.</td>
<td>100%+ of EBITDA</td>
</tr>
<tr>
<td>Tax rate</td>
<td>14% p.a.</td>
<td>17-18%</td>
</tr>
<tr>
<td>DSO reduction</td>
<td>24 days p.a.</td>
<td>10-15 days reduction</td>
</tr>
</tbody>
</table>
Thank you