

Highlights of the year

ANOTHER YEAR OF SUCCESS

TOTAL SOFTWARE LICENSING

2018		USD 383m
2017		USD 316m

+21%

MAINTENANCE

2018		USD 308m
2017		USD 275m

+12%

TOTAL REVENUE

2018		USD 847m
2017		USD 737m

+15%

EBIT MARGIN

2018		31.5%
2017		30.3%

31.5%

OPERATING CASH FLOW CONVERSION

2018		USD 365m
2017		USD 300m

117%

EARNINGS PER SHARE

2018		USD 2.96
2017		USD 2.45

+21%

DIVIDEND PER SHARE

2018		CHF 0.75
2017		CHF 0.65

+15%

2018 NON-IFRS FINANCIAL HIGHLIGHTS

- > Total software licensing revenue growth of 21%
- > Maintenance revenue growth of 12%
- > Total revenue growth of 15%
- > Services margin of 11.5%, improvement of 1.9 percentage points
- > EBIT margin of 31.5%, up 1.1 percentage points
- > Operating cash flows of USD 365 million, up 22%
- > Operating cash conversion of 117% with DSOs down five days in the year
- > Strength of cash flows and growth in profit support 2018 dividend of CHF 0.75 per share, an increase of 15% (2017: CHF 0.65 per share).

2018 OPERATIONAL HIGHLIGHTS

- > Outstanding performance in 2018 with broad based demand across geographies and tiers
- > Digital and regulatory pressures and move to Open Banking are driving market growth
- > Strong incremental growth in demand for SaaS and cloud adoption, exceeding our expectations
- > Temenos sees growing appetite for large institutions to optimize delivery through cloud
- > Strong momentum in the US market with two strategically important deals signed with a top tier US bank for visionary front office replacement and PayPal, Inc. for loan management in the cloud
- > Temenos won a total of 76 new clients in 2018 with competitive deals contributing 40% of total software licensing in the year
- > Continued high levels of activity with Tier 1 and 2 banks which contributed 53% of total software licensing in 2018
- > Temenos is the market leader, raising barriers to entry and pulling ahead of the competition
- > We started 2019 with very high levels of revenue visibility and a strong pipeline, driven by recurring revenue, committed spend and our installed base
- > There are now over 5,000 third party Temenos consultants, with a critical mass of experts available to support clients across implementation, testing and training.

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