

The TriZetto Group, Inc.
Condensed Consolidated Statements of Operations
Adjusted EBITDA Presentation (1)
(unaudited and in thousands)

	Three Months Ended September 30,	
	2006	2005
Revenue		
Recurring revenue	\$ 42,755	\$ 39,445
Non-recurring revenue	43,682	33,608
Total revenue	<u>86,437</u>	<u>73,053</u>
Cost of revenue		
Recurring revenue	22,220	21,174
Non-recurring revenue	17,959	13,817
Total cost of revenue	<u>40,179</u>	<u>34,991</u>
Gross profit	46,258	38,062
Operating expenses		
Research and development	10,179	7,613
Sales and marketing	6,173	5,465
General and administrative	12,018	11,695
	<u>28,370</u>	<u>24,773</u>
Adjusted EBITDA	17,888	13,289
Operating depreciation and amortization	5,601	5,895
Amortization of other intangible assets	1,168	856
Stock-based compensation	1,921	408
Restructuring, impairment and other	96	-
Legal settlement	15,000	-
	<u>23,786</u>	<u>7,159</u>
(Loss) income from operations	(5,898)	6,130
Interest income	937	261
Interest expense	(825)	(206)
(Loss) income before benefit from income taxes	(5,786)	6,185
Benefit from income taxes	103	295
Net (loss) income	<u>\$ (5,683)</u>	<u>\$ 6,480</u>

(1) See accompanying notes for a definition of Adjusted EBITDA and a reconciliation of Net (loss) income to Adjusted EBITDA

The TriZetto Group, Inc.
Condensed Consolidated Statements of Operations
(unaudited and in thousands, except per share amounts)

	Three Months Ended September 30,	
	2006	2005
Revenue		
Recurring revenue	\$ 42,755	\$ 39,445
Non-recurring revenue	43,682	33,608
Total revenue	<u>86,437</u>	<u>73,053</u>
Cost of revenue		
Recurring revenue	24,374	23,772
Non-recurring revenue	20,702	15,962
Total cost of revenue	<u>45,076</u>	<u>39,734</u>
Gross profit	41,361	33,319
Operating expenses		
Research and development	10,586	7,748
Selling, general and administrative	35,505	18,585
Amortization of other intangible assets	1,168	856
Total operating expenses	<u>47,259</u>	<u>27,189</u>
(Loss) income from operations	(5,898)	6,130
Interest income	937	261
Interest expense	(825)	(206)
(Loss) income before benefit from income taxes	(5,786)	6,185
Benefit from income taxes	103	295
Net (loss) income	<u>\$ (5,683)</u>	<u>\$ 6,480</u>
Net (loss) income per share:		
Basic	<u>\$ (0.13)</u>	<u>\$ 0.15</u>
Diluted (1)	<u>\$ (0.13)</u>	<u>\$ 0.14</u>
Weighted average shares outstanding:		
Basic	<u>42,526</u>	<u>42,567</u>
Diluted	<u>42,526</u>	<u>46,921</u>
Other financial data (2):		
Adjusted EBITDA	\$ 17,888	\$ 13,289
12-month backlog	\$ 191,600	\$ 194,500
Total backlog	\$ 747,800	\$ 663,100

(1) For the quarter ended September 30, 2006, the 5,305,040 shares from the assumed conversion of the long-term convertible debt were antidilutive.

(2) See accompanying notes for a definition of 12-month and total backlog, and for a definition of Adjusted EBITDA and a reconciliation of Net (loss) income to Adjusted EBITDA

The TriZetto Group, Inc.
Condensed Consolidated Statements of Operations
Adjusted EBITDA Presentation (1)
(unaudited and in thousands)

	Nine Months Ended September 30,	
	2006	2005
Revenue		
Recurring revenue	\$ 130,142	\$ 118,584
Non-recurring revenue	129,323	98,795
Total revenue	<u>259,465</u>	<u>217,379</u>
Cost of revenue		
Recurring revenue	67,035	63,990
Non-recurring revenue	53,322	43,167
Total cost of revenue	<u>120,357</u>	<u>107,157</u>
Gross profit	139,108	110,222
Operating expenses		
Research and development	30,765	24,226
Sales and marketing	19,380	17,221
General and administrative	40,032	33,388
	<u>90,177</u>	<u>74,835</u>
Adjusted EBITDA	48,931	35,387
Operating depreciation and amortization	16,665	17,396
Amortization of other intangible assets	3,744	2,596
Stock-based compensation	5,465	952
Loss on contracts, net	-	(2,877)
Restructuring, impairment and other	100	1,111
Legal settlement	15,000	-
	<u>40,974</u>	<u>19,178</u>
Income from operations	7,957	16,209
Interest income	2,772	632
Interest expense	(2,492)	(743)
Other income	180	-
	<u>180</u>	<u>-</u>
Income before provision for income taxes	8,417	16,098
Provision for income taxes	(848)	(341)
	<u>(848)</u>	<u>(341)</u>
Net income	<u>\$ 7,569</u>	<u>\$ 15,757</u>

(1) See accompanying notes for a definition of Adjusted EBITDA and a reconciliation of Net income to Adjusted EBITDA

The TriZetto Group, Inc.
Condensed Consolidated Statements of Operations
(unaudited and in thousands, except per share amounts)

	Nine Months Ended September 30,	
	2006	2005
Revenue		
Recurring revenue	\$ 130,142	\$ 118,584
Non-recurring revenue	129,323	98,795
Total revenue	<u>259,465</u>	<u>217,379</u>
Cost of revenue		
Recurring revenue	73,872	71,939
Non-recurring revenue	61,237	49,387
	<u>135,109</u>	<u>121,326</u>
Recurring revenue - loss on contracts	-	(2,877)
Total cost of revenue	<u>135,109</u>	<u>118,449</u>
Gross profit	124,356	98,930
Operating expenses		
Research and development	31,807	24,663
Selling, general and administrative	80,848	55,462
Amortization of other intangible assets	3,744	2,596
Total operating expenses	<u>116,399</u>	<u>82,721</u>
Income from operations	7,957	16,209
Interest income	2,772	632
Interest expense	(2,492)	(743)
Other income	180	-
Income before provision for income taxes	8,417	16,098
Provision for income taxes	(848)	(341)
Net income	<u>\$ 7,569</u>	<u>\$ 15,757</u>
Net income per share:		
Basic	<u>\$ 0.18</u>	<u>\$ 0.37</u>
Diluted (1)	<u>\$ 0.17</u>	<u>\$ 0.35</u>
Weighted average shares outstanding:		
Basic	<u>42,270</u>	<u>42,093</u>
Diluted	<u>45,466</u>	<u>45,475</u>
Other financial data (2):		
Adjusted EBITDA	\$ 48,931	\$ 35,387
12-month backlog	\$ 191,600	\$ 194,500
Total backlog	\$ 747,800	\$ 663,100

(1) For the nine months ended September 30, 2006, the 5,305,040 shares from the assumed conversion of the long-term convertible debt were antidilutive.

(2) See accompanying notes for a definition of 12-month and total backlog, and for a definition of Adjusted EBITDA and a reconciliation of Net income to Adjusted EBITDA

The TriZetto Group, Inc.
Condensed Consolidated Balance Sheets
(in thousands)

	September 30, 2006	December 31, 2005
	(unaudited)	
Assets		
Current assets:		
Cash and cash equivalents	\$ 87,471	\$ 106,940
Restricted cash	921	1,543
Accounts receivable, net	58,507	41,745
Prepaid expenses and other current assets	12,493	11,375
Total current assets	<u>159,392</u>	<u>161,603</u>
Property and equipment, net	25,113	25,730
Capitalized software development costs, net	28,520	28,724
Goodwill	75,845	87,170
Other intangible assets, net	28,590	3,335
Other assets	10,807	11,177
Total assets	<u>\$ 328,267</u>	<u>\$ 317,739</u>
Liabilities and Stockholders' Equity		
Current liabilities:		
Notes payable	\$ 405	\$ 120
Current portion of capital lease obligations	1,089	1,979
Accounts payable	14,968	14,959
Accrued liabilities	47,052	56,957
Deferred revenue	29,825	35,625
Total current liabilities	<u>93,339</u>	<u>109,640</u>
Long-term convertible debt	100,000	100,000
Long-term revolving line of credit	6,000	-
Other long-term liabilities	1,719	1,752
Capital lease obligations	867	1,065
Deferred revenue	4,422	3,924
Total liabilities	<u>206,347</u>	<u>216,381</u>
Common stock	44	42
Additional paid-in capital	372,191	362,186
Deferred stock compensation	-	(2,986)
Accumulated deficit	(250,315)	(257,884)
Total stockholders' equity	<u>121,920</u>	<u>101,358</u>
Total liabilities and stockholders' equity	<u>\$ 328,267</u>	<u>\$ 317,739</u>