

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

	Three Months Ended June 30,	
	2006	2005
<b>Revenue</b>		
Recurring revenue	\$ 43,677	\$ 40,116
Non-recurring revenue	44,033	32,392
<b>Total revenue</b>	<u>87,710</u>	<u>72,508</u>
<b>Cost of revenue</b>		
Recurring revenue	21,567	21,919
Non-recurring revenue	18,699	15,100
<b>Total cost of revenue</b>	<u>40,266</u>	<u>37,019</u>
<b>Gross profit</b>	47,444	35,489
<b>Operating expenses</b>		
Research and development	10,417	8,363
Sales and marketing	7,331	6,489
General and administrative	14,372	10,565
	<u>32,120</u>	<u>25,417</u>
<b>Adjusted EBITDA</b>	15,324	10,072
Operating depreciation and amortization	5,501	5,913
Amortization of other intangible assets	1,068	857
Stock-based compensation	2,016	293
Loss on contracts, net	-	(2,877)
Restructuring, impairment and other	79	550
	<u>8,664</u>	<u>4,736</u>
<b>Income from operations</b>	6,660	5,336
Interest income	945	182
Interest expense	(835)	(178)
<b>Income before provision for income taxes</b>	6,770	5,340
Provision for income taxes	(356)	(361)
<b>Net income</b>	<u>\$ 6,414</u>	<u>\$ 4,979</u>

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

**The TriZetto Group, Inc.**  
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(unaudited and in thousands, except per share amounts)

	Three Months Ended June 30,	
	2006	2005
<b>Revenue</b>		
Recurring revenue	\$ 43,677	\$ 40,116
Non-recurring revenue	44,033	32,392
<b>Total revenue</b>	<u>87,710</u>	<u>72,508</u>
<b>Cost of revenue</b>		
Recurring revenue	23,803	24,769
Non-recurring revenue	21,409	17,214
	<u>45,212</u>	<u>41,983</u>
Recurring revenue - loss on contracts	-	(2,877)
<b>Total cost of revenue</b>	<u>45,212</u>	<u>39,106</u>
<b>Gross profit</b>	42,498	33,402
<b>Operating expenses</b>		
Research and development	10,743	8,434
Selling, general and administrative	24,027	18,775
Amortization of other intangible assets	1,068	857
<b>Total operating expenses</b>	<u>35,838</u>	<u>28,066</u>
<b>Income from operations</b>	6,660	5,336
Interest income	945	182
Interest expense	(835)	(178)
<b>Income before provision for income taxes</b>	6,770	5,340
Provision for income taxes	(356)	(361)
<b>Net income</b>	<u>\$ 6,414</u>	<u>\$ 4,979</u>
<b>Net income per share:</b>		
Basic	<u>\$ 0.15</u>	<u>\$ 0.12</u>
Diluted (1)	<u>\$ 0.14</u>	<u>\$ 0.11</u>
<b>Weighted average shares outstanding:</b>		
Basic	<u>42,370</u>	<u>41,988</u>
Diluted	<u>45,394</u>	<u>44,816</u>
<b>Other financial data (2):</b>		
Adjusted EBITDA	\$ 15,324	\$ 10,072
12-month backlog	\$ 186,100	\$ 174,800
Total backlog	\$ 717,500	\$ 638,900

(1) For the quarter ended June 30, 2006, both debt and equity treatment of the long-term convertible debt yielded the same diluted earnings per share results.

(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 Statements of Operations**  
**Adjusted EBITDA Presentation (1)**  
**(unaudited and in thousands)**

	Six Months Ended June 30,	
	2006	2005
<b>Revenue</b>		
Recurring revenue	\$ 87,387	\$ 79,139
Non-recurring revenue	85,641	65,187
<b>Total revenue</b>	<u>173,028</u>	<u>144,326</u>
<b>Cost of revenue</b>		
Recurring revenue	44,815	42,816
Non-recurring revenue	35,363	29,350
<b>Total cost of revenue</b>	<u>80,178</u>	<u>72,166</u>
<b>Gross profit</b>	92,850	72,160
<b>Operating expenses</b>		
Research and development	20,586	16,613
Sales and marketing	13,207	11,756
General and administrative	28,014	21,693
	<u>61,807</u>	<u>50,062</u>
<b>Adjusted EBITDA</b>	31,043	22,098
Operating depreciation and amortization	11,064	11,501
Amortization of other intangible assets	2,576	1,740
Stock-based compensation	3,544	544
Loss on contracts, net	-	(2,877)
Restructuring, impairment and other	4	1,111
	<u>17,188</u>	<u>12,019</u>
<b>Income from operations</b>	13,855	10,079
Interest income	1,835	371
Interest expense	(1,667)	(537)
Other income	180	-
	<u>180</u>	<u>-</u>
<b>Income before provision for income taxes</b>	14,203	9,913
Provision for income taxes	(951)	(636)
<b>Net income</b>	<u>\$ 13,252</u>	<u>\$ 9,277</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)

	<b>Six Months Ended June 30,</b>	
	<b>2006</b>	<b>2005</b>
<b>Revenue</b>		
Recurring revenue	\$ 87,387	\$ 79,139
Non-recurring revenue	85,641	65,187
<b>Total revenue</b>	<u>173,028</u>	<u>144,326</u>
<b>Cost of revenue</b>		
Recurring revenue	49,498	48,167
Non-recurring revenue	40,535	33,425
	<u>90,033</u>	<u>81,592</u>
Recurring revenue - loss on contracts	-	(2,877)
<b>Total cost of revenue</b>	<u>90,033</u>	<u>78,715</u>
<b>Gross profit</b>	82,995	65,611
<b>Operating expenses</b>		
Research and development	21,221	16,915
Selling, general and administrative	45,343	36,877
Amortization of other intangible assets	2,576	1,740
<b>Total operating expenses</b>	<u>69,140</u>	<u>55,532</u>
<b>Income from operations</b>	13,855	10,079
Interest income	1,835	371
Interest expense	(1,667)	(537)
Other income	180	-
<b>Income before provision for income taxes</b>	14,203	9,913
Provision for income taxes	(951)	(636)
<b>Net income</b>	<u>\$ 13,252</u>	<u>\$ 9,277</u>
<b>Net income per share:</b>		
Basic	<u>\$ 0.31</u>	<u>\$ 0.22</u>
Diluted (1)	<u>\$ 0.29</u>	<u>\$ 0.21</u>
<b>Weighted average shares outstanding:</b>		
Basic	<u>42,140</u>	<u>41,852</u>
Diluted	<u>45,548</u>	<u>44,383</u>
<b>Other financial data (2):</b>		
Adjusted EBITDA	\$ 31,043	\$ 22,098
12-month backlog	\$ 186,100	\$ 174,800
Total backlog	\$ 717,500	\$ 638,900

(1) For the six months ended June 30, 2006, both debt and equity treatment of the long-term convertible debt yielded the same diluted earnings per share results.

(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)

	<b>June 30, 2006</b>	<b>December 31, 2005</b>
	(unaudited)	
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 75,495	\$ 106,940
Restricted cash	992	1,543
Accounts receivable, net	62,081	41,745
Prepaid expenses and other current assets	11,127	11,375
Total current assets	<u>149,695</u>	<u>161,603</u>
Property and equipment, net	25,425	25,730
Capitalized software development costs, net	28,804	28,724
Goodwill	75,545	87,170
Other intangible assets, net	30,058	3,335
Other assets	10,633	11,177
<b>Total assets</b>	<b><u>\$ 320,160</u></b>	<b><u>\$ 317,739</u></b>
<b>Liabilities and Stockholders' Equity</b>		
Current liabilities:		
Notes payable	\$ 754	\$ 120
Current portion of capital lease obligations	1,029	1,979
Accounts payable	12,001	14,959
Accrued liabilities	27,591	56,957
Deferred revenue	43,027	35,625
Total current liabilities	<u>84,402</u>	<u>109,640</u>
Long-term convertible debt	100,000	100,000
Long-term revolving line of credit	4,000	-
Other long-term liabilities	1,984	1,752
Capital lease obligations	674	1,065
Deferred revenue	4,026	3,924
Total liabilities	<u>195,086</u>	<u>216,381</u>
Common stock	44	42
Additional paid-in capital	369,662	362,186
Deferred stock compensation	-	(2,986)
Accumulated deficit	(244,632)	(257,884)
Total stockholders' equity	<u>125,074</u>	<u>101,358</u>
<b>Total liabilities and stockholders' equity</b>	<b><u>\$ 320,160</u></b>	<b><u>\$ 317,739</u></b>