

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

	Three Months Ended December 31,	
	2006	2005
Revenue		
Recurring revenue	\$ 45,363	\$ 41,553
Non-recurring revenue	43,109	33,287
Total revenue	<u>88,472</u>	<u>74,840</u>
Cost of revenue		
Recurring revenue	25,015	23,760
Non-recurring revenue	19,280	16,319
Total cost of revenue	<u>44,295</u>	<u>40,079</u>
Gross profit	44,177	34,761
Operating expenses		
Research and development	10,982	6,992
Selling, general and administrative	22,961	21,296
Amortization of other intangible assets	1,243	289
Total operating expenses	<u>35,186</u>	<u>28,577</u>
Income from operations	8,991	6,184
Interest income	1,051	987
Interest expense	(850)	(836)
Income before provision for income taxes	9,192	6,335
Provision for income taxes	(1,646)	(71)
Net income	<u>\$ 7,546</u>	<u>\$ 6,264</u>
Net income per share:		
Basic	<u>\$ 0.18</u>	<u>\$ 0.15</u>
Diluted (1)	<u>\$ 0.16</u>	<u>\$ 0.14</u>
Weighted average shares outstanding:		
Basic	<u>42,744</u>	<u>41,519</u>
Diluted (1)	<u>46,273</u>	<u>45,518</u>
Other financial data (2):		
Adjusted EBITDA	\$ 17,779	\$ 12,804
12-month backlog	\$ 213,300	\$ 185,100
Total backlog	\$ 858,200	\$ 703,400

(1) For the quarters ended December 31, 2006 and 2005, the 5.3 million shares from the assumed conversion of the long-term convertible debt were antidilutive. Accordingly, diluted shares excludes the 5.3 million convertible shares, and convertible debt is reflected as debt in reported diluted EPS.

(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
(unaudited and in thousands, except per share amounts)

	Twelve Months Ended December 31,	
	2006	2005
Revenue		
Recurring revenue	\$ 175,505	\$ 160,137
Non-recurring revenue	172,432	132,082
Total revenue	<u>347,937</u>	<u>292,219</u>
Cost of revenue		
Recurring revenue	98,887	95,699
Non-recurring revenue	80,517	65,706
	<u>179,404</u>	<u>161,405</u>
Recurring revenue - loss on contracts	-	(2,877)
Total cost of revenue	<u>179,404</u>	<u>158,528</u>
Gross profit	168,533	133,691
Operating expenses		
Research and development	42,789	31,655
Selling, general and administrative	103,809	76,758
Amortization of other intangible assets	4,987	2,885
Total operating expenses	<u>151,585</u>	<u>111,298</u>
Income from operations	16,948	22,393
Interest income	3,823	1,619
Interest expense	(3,342)	(1,579)
Other income	180	-
Income before provision for income taxes	17,609	22,433
Provision for income taxes	(2,494)	(412)
Net income	<u>\$ 15,115</u>	<u>\$ 22,021</u>
Net income per share:		
Basic	<u>\$ 0.36</u>	<u>\$ 0.52</u>
Diluted (1)	<u>\$ 0.33</u>	<u>\$ 0.48</u>
Weighted average shares outstanding:		
Basic	<u>42,389</u>	<u>41,948</u>
Diluted (1)	<u>45,691</u>	<u>45,503</u>
Other financial data (2):		
Adjusted EBITDA	\$ 66,710	\$ 48,191
12-month backlog	\$ 213,300	\$ 185,100
Total backlog	\$ 858,200	\$ 703,400

(1) For the years ended December 31, 2006 and 2005, the 5.3 million shares from the assumed conversion of the long-term convertible debt were antidilutive. Accordingly, diluted shares excludes the 5.3 million convertible shares, and convertible debt is reflected as debt in reported diluted EPS.

(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)

	December 31,	
	2006 (unaudited)	2005
Assets		
Current assets:		
Cash and cash equivalents	\$ 107,057	\$ 106,940
Restricted cash	921	1,543
Accounts receivable, net	64,386	41,745
Deferred tax assets	406	-
Prepaid expenses and other current assets	11,279	11,375
Total current assets	184,049	161,603
Property and equipment, net	26,777	25,730
Capitalized software development costs, net	27,913	28,724
Goodwill	90,863	87,170
Other intangible assets, net	27,347	3,335
Other assets	12,348	11,177
Total assets	\$ 369,297	\$ 317,739
Liabilities and Stockholders' Equity		
Current liabilities:		
Notes payable	\$ 115	\$ 120
Current portion of capital lease obligations	1,461	1,979
Accounts payable	18,091	14,959
Accrued liabilities	62,391	56,957
Deferred revenue	30,508	35,625
Total current liabilities	112,566	109,640
Long-term convertible debt	100,000	100,000
Long-term revolving line of credit	12,000	-
Other long-term liabilities	2,340	1,752
Capital lease obligations	2,030	1,065
Deferred revenue	6,453	3,924
Total liabilities	235,389	216,381
Common stock	44	42
Additional paid-in capital	376,633	362,186
Deferred stock compensation	-	(2,986)
Accumulated deficit	(242,769)	(257,884)
Total stockholders' equity	133,908	101,358
Total liabilities and stockholders' equity	\$ 369,297	\$ 317,739