

NEWS RELEASE

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For Immediate Release**Fundtech and First Data Government Solutions Partner to Integrate Tax Payments with CASHplus™ Cash Management.**

Full service tax payment solution that's easy to use makes banks more competitive.

Jersey City, N.J., August 5, 2004 — Fundtech Ltd. (NASDAQ: FNDT), a leading provider of payments, cash management and settlement software and services, today announced the signing of an OEM agreement with First Data Government Solutions, LP (formerly govONE Solutions, LP), that will embed its tax payment solution, remitONE, into Fundtech's CASHplus cash management system. Banks who use Fundtech's CASHplus will now be able to offer their corporate clients an easy-to-use, seamless and secure method for paying all federal, state and most local taxes.

First Data Government Solutions' remitONE product supports more than 1,700 tax types to 175 individual tax authorities. It also ensures that each payment complies with the latest requirements of each tax authority. The tax payment service is a convenient way to electronically pay business taxes eliminating formatting requirements, check writing, coupon payments and visits to local bank branches.

"Our relationship with First Data Government Solutions enables Fundtech to offer its clients the most advanced tax payment system available," said Paul Campbell, senior vice president of cash management for Fundtech.

"We believe this will make our bank clients more competitive in the market place by allowing them to offer a cash management service with a comprehensive business tax payment service that is convenient and easy to use."

"We are pleased to partner with Fundtech because they are a leading cash management solution provider," said Neil Bern, director of business development for First Data Government Solutions. "Our unique, joint solution offers the market a highly competitive cash management system that will help banks acquire and retain corporate customers."

About Fundtech

Fundtech (www.fundtech.com) is a leading provider of software solutions and services that facilitate payments, settlement and cash management by enabling businesses and their banks to electronically manage cash, process payments and transfer funds. The Company's products are designed to increase efficiency while enabling banks to better serve their corporate clients. Fundtech operates the world's largest SWIFTNet service bureau through its Swiss subsidiary *bbp*; and the company is the leading developer of CLS systems having been selected by 20 of the CLS Settlement Members Banks. Fundtech was established in 1993 and is a public company listed on the NASDAQ and the Tel Aviv Stock exchange.

About First Data Government Solutions, LP

First Data Government Solutions, LP (formerly govONE Solutions) offers electronic payment, tax calculation and compliance and IT advisory services to federal, state and local agencies, financial institutions and businesses. First Data Government Solutions serves more than two million taxpayers, processing 40 million payments valued at \$1 trillion annually. First Data Government Solutions is a leader in emerging payment technologies and systems spanning the government, mobile and enterprise marketplaces. First Data Government Solutions is majority owned by the world's largest

payments processor First Data Corp. (NYSE: FDC). To learn more about First Data Government Solutions, please visit www.govonesolutions.com.

Forward Looking Statements:

Statements included in this news release may contain forward-looking statements. Such forward-looking statements are made pursuant to the safe-harbor provisions of the Private Securities Litigation Reform Act of 1995. Such statements may relate, but are not limited, to projections of revenues, income or loss, capital expenditures, plans for growth and future operations, competition and regulation as well as assumptions relating to the foregoing. Forward-looking statements are inherently subject to risks and uncertainties, many of which cannot be predicted or quantified. When used in this Release, the words, "estimates," "expects," "anticipates," "believes," "plans," "intends," and variations of such words and similar expressions are intended to identify forward-looking statements that involve risks and uncertainties. Future events and actual results could differ materially from those set forth in, contemplated by or underlying the forward-looking statements. The factors that could cause actual results to differ materially from those discussed or identified from time to time in Fundtech's public filings, including it's Annual Report on Form 20-F for the year ending December 31, 2003, including general economic and market conditions, changes in regulations and taxes and changes in competition in pricing environment. Undo reliance should not be placed on these forward-looking statements, which are applicable only as of the date hereof. Fundtech undertakes no obligation to revise or update these forward-looking statements to reflect events or circumstances that arise after the date of this Release or to reflect the occurrence of unanticipated events.

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