



Q4

2022

Strong growth and profitability

- Growth of 9% driven by TietoEvry Create, TietoEvry Banking and TietoEvry Care
- Adjusted operating margin 15.4% driven by strong growth and performance improvement programmes
- Strategic reviews of TietoEvry Banking and TietoEvry Transform & Connect progressing according to the plans
- Increased dividend of EUR 1.45 (1.40) per share proposed

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Key figures in the fourth quarter

Revenue, EUR million

767.7 (742.0)

Organic growth¹⁾

8.6% (2.7%)

Order backlog, EUR million

3 327 (3 513)

Adjusted²⁾ operating profit
(EBITA³⁾), EUR million

118.0 / 15.4%
(103.3) (13.9%)

Operating profit (EBIT),
EUR million

103.2 / 13.4%
(113.4) (15.3%)

Adjustment²⁾ items,
EUR million

-3.5 (22.0)

Net debt/EBITDA

1.5 (1.1)

¹⁾ Adjusted for currency effects and impact from acquisitions and divestments

²⁾ Adjustment items include restructuring costs, capital gains/losses, impairment charges and other items affecting comparability

³⁾ Profit before interests, taxes and amortization of acquisition-related intangible assets. For reconciliation, see section [Alternative performance measures](#).

Full-year outlook for 2023

Tietoevry expects its organic¹⁾ growth to be 5% to 7% (revenue in 2022: EUR 2 928.1 million).

The company estimates its full-year adjusted operating margin²⁾ (adjusted EBITA) to be 13.0–13.5% (13.0% in 2022).

¹⁾ Adjusted for currency effects, acquisitions and divestments.

²⁾ Adjustment items include restructuring costs, capital gains/losses, impairment charges and other items affecting comparability.

CEO's comment

Comment regarding the interim report by Kimmo Alkio, President and CEO:



"I'm excited by our very strong fourth-quarter performance as we achieved 9% growth and profitability of over 15%. The main business contributors for the quarter were our Banking and Care software businesses, as well as the globally expanding digital engineering-focused Create business. In the full year 2022, we were able to deliver healthy performance with 6% growth and 13.0% profitability – despite the challenging macroeconomic and geopolitical conditions. This favourable financial development enables us to continue on an attractive dividend path as proposed by the Board of Directors.

Overall, 2022 was a highly transformational year for TietoEVRY as we began the execution of our new specialization-based strategy, including a fundamental change in the way we operate as a company. I thank all our employees for embracing this change and for their contributions across our operations globally. During the past year we have made solid progress in enhancing the competitiveness of our specialized businesses, identifying future avenues for profitable growth and expansion. On this note, our earlier announced strategic reviews for the Banking and Transform & Connect businesses continue to be on schedule.

We expect market conditions to remain encouraging for technology investments as customers across markets and industries are placing high emphasis on new technologies and skills to drive innovation and competitiveness in their core businesses. We expect demand for our software and digital engineering businesses to remain strong while we recognize the potential impact of macroeconomic development and the continued effects of inflation. In light of the shift in the business mix towards software and digital engineering, we anticipate favourable growth and profit development to continue towards our long-term financial ambition.

We are also delighted by the progress in both employee engagement and our sustainability agenda for the year 2022. Our employee engagement reached all-time high levels in a change-intensive era, underlining the importance of company values and support for employee well-being. It was also encouraging to see the positive trend in our reputation and employer image in several Nordic surveys. While we experienced a number of important and favourable developments in 2022 for the company, we wish to highlight our commitment to our Ukrainian colleagues and continue to take all possible measures to support their safety and well-being.

In light of the continued increase in the importance of companies' social and environmental responsibility, we have progressed significantly in key areas of our sustainability agenda. During the year, we advanced in our three-year Sustainability Plan with commitments to the Science Based Targets with the highest ambition level and achieved the highest rankings on Ecovadis (Platinum) and CDP (A) evaluations.

Looking ahead, we are seizing the opportunities digitalization is bringing for our customers and for the society at large and are committed to continued sustainable development. As a company, we continuously strive for increased impact and value for the benefit of our customers, employees and shareholders."

Tietoevry's quarter in brief

Strong growth of 9%

Demand for cloud native, and data and software engineering services remained strong during the quarter. Fourth-quarter organic growth of 9% was driven by Tietoevry Banking, revenue up by 15%, Tietoevry Care, revenue up by 14%, and Tietoevry Create with growth of 11%. Tietoevry Transform ended the year with accelerated performance with 6% organic growth whereas revenue development for Tietoevry Connect was negative due to the continued decline in traditional services.

Strong adjusted operating margin of 15.4%

Profitability with an adjusted operating margin of 15.4% was driven by strong growth and performance improvement programmes. Salary inflation remained at a high level, around 4% as expected. The impact of overall inflation is addressed through a number of measures to increase prices and improve productivity across the company.

Strategic reviews progressing according to the plans

A strategic review of Tietoevry Banking, aiming to unlock the full value potential of the business, is progressing according to plan. In January 2023, Tietoevry appointed the CEO of Tietoevry Banking, who will have the overall responsibility for the Banking business at Tietoevry, including driving a successful outcome for the ongoing strategic review. In November, Tietoevry initiated a strategic review of Tietoevry Transform and Tietoevry Connect as a combined business.

Financial ambition uplifted for 2025

Tietoevry uplifted its financial ambition at its Capital Markets Day in November. Driven by the company's specialization-based strategy, the ambition, aggregated from the businesses, is to reach annual revenue growth of 8–10% and adjusted operating margin (EBITA) of 15–16% by 2025.

Significant agreements

Significant new partnership with Aker BP for Tietoevry Transform

Aker BP, a Norwegian oil exploration and production company, selected Tietoevry Transform as a new digital services partner to accelerate its transformation to become fully data-driven. The new partnership is significant in scope in terms of both volume and breadth of services. Tietoevry will deliver a broad set of next-generation digital services, focused on systematic modernization of Aker BP's application management and core operations as well as their cloud and infrastructure environment.

Tietoevry Create continues to drive innovation in construction in Latvia

Tietoevry Create signed a frame agreement with the State Office of Construction Control in Latvia on the development of a national-level Construction Information System. Tietoevry has been a partner to the Latvian state for more than fifteen years in digital development and innovation implementation. The new system will allow all administrative processes to be handled digitally and ensures the circulation of all construction documentation, ranging from plans through to buildings' entry into service, amongst construction process participants.

Tietoevry Create a prioritized provider for the Ministry of Agriculture and Forestry of Finland

Several agencies under the Ministry of Agriculture and Forestry signed frame agreements with Tietoevry Create, covering areas such as application development and maintenance, cloud DevOps and testing. The frame agreements, involving several vendors, are estimated to be worth a total of EUR 190 million and are valid for a minimum of four years. Tietoevry is a high-ranked vendor and among the prioritized providers, e.g. in application development and testing.

Region Skåne awarded a three-year contract prolongation to Tietoevry Connect

Region Skåne, responsible for medical care and public transportation in southern Sweden, prolonged their frame agreement with Tietoevry Connect for three more years. The frame agreement covers infrastructure, operations, storage and application management. With the prolongation, Tietoevry will continue to support Region Skåne's digitization journey with a clear focus on providing safe and secure healthcare for the citizens of Region Skåne.

IT market development

The market is expected to be dynamic in 2023 with continued macroeconomic uncertainty. Technology will continue to drive resilience and productivity improvement during uncertain times, while customer priorities are expected to adapt along evolving market conditions.

The shift to cloud native technologies continues to be at the core of customers' drive for agility, productivity and competitiveness. Cloud continues to be the foundation for business agility and data at the core of competitive products and operations. Demand for cloud native and data services is expected to remain high and to result in over 10% market growth in this area.

At the same time, the focus will be on productivity and customer experience. Customers continue to emphasize data sovereignty, security and business continuity as they adopt cloud technologies, with multi-cloud becoming a default. In the current high-inflation market, outsourcing demand with embedded transformation to cloud is expected to slightly increase, resulting in further acceleration of price erosion and anticipated decline of around 10% in traditional services. Considering the inflation across the supply chain, service providers need to balance between inflation in supplier and employee costs and customer demands for price reductions, limiting their ability to increase prices and margins.

The talent market is expected to remain active, with customers continuing to build their digital capabilities. Attrition levels were slowly declining towards the end of 2022 and are likely to be slightly lower in 2023.

Strategy to drive value creation through specialized businesses

Tietoevry aims to drive value creation through specialization. Investments will be focused on businesses where the company sees competitive advantages and sustainable growth:

- cloud-native services
- data and software engineering
- scalable software businesses, including their global expansion potential.

Six specialized businesses

Tietoevry's specialized businesses have full operational responsibility, including go-to-market, service portfolio, delivery capabilities, compensation models, investments and partnerships. Reflecting the distinct market dynamics of each, the individual businesses have optionality to build scale and prioritize investments. The businesses forming the reportable segments are:

Tietoevry Create accelerates customers' digital agenda to create competitive products and data-driven businesses utilizing design, data and cloud technologies. This is a global business with software and data engineering at its core.

Tietoevry Banking is a provider of scalable Banking-as-a-Service platform and leading software products to drive digital transformation and efficiency for financial institutions.

Tietoevry Care provides modular and interoperable software, reinventing Nordic health and social care for enhanced care personnel and citizen experience.

Tietoevry Industry is a portfolio of distinct competitive software and data solutions across a wide variety of industry domains. These domains include the public sector, pulp & paper and utilities.

Tietoevry Transform drives enterprise-wide transformation across customers' business processes, applications and infrastructure. Deep customer knowledge, global cloud & data competencies and automated operations form its foundation.

Tietoevry Connect is a multi-cloud platform provider with a full range of infrastructure choices at scale – ensuring security, resilience and compliance for the customer's business.

Scalable common functions, such as Finance, Strategy and HR, continue to support the businesses in driving portfolio development, performance management and efficiency across the company.

Investment priorities to support scale in distinct businesses

The following investment priorities will drive competitiveness and value creation in each business:

- Invest to expand in Tietoevry Create, Tietoevry Care and Tietoevry Banking – invest to accelerate products, services and capabilities; prioritize M&A.
- Partner to scale in Tietoevry Transform and Tietoevry Connect – invest in capabilities to drive scale and automated managed services; seek partners to jointly invest and build scale.
- Focus for value in Tietoevry Industry – optimize investments in selected businesses and develop portfolio to increase focus.

Long-term financial ambition

Uplifted financial ambition for Tietoevry Group is to reach annual revenue growth of 8–10% and adjusted operating margin (EBITA) of 15–16% by 2025. The revenue growth and profitability ambition of Tietoevry Group is aggregated from the businesses' ambitions.

Aggregated growth ambition for software and digital engineering businesses is 12–14% and adjusted operating margin (EBITA) 17–19%, consisting of the following:

	Annual revenue growth ¹⁾ by 2025	Adjusted ²⁾ operating margin (EBITA) by 2025
Tietoevry Create	14–16%	14–16%
Tietoevry Banking	10–12%	16–18%
Tietoevry Care	12–14%	28–30%
Tietoevry Industry	8–10%	20–22%

Aggregated growth ambition for managed services and transformation businesses is 1–3% and adjusted operating margin (EBITA) 9–11%, consisting of the following:

	Annual revenue growth ¹⁾ by 2025	Adjusted ²⁾ operating margin (EBITA) by 2025
Tietoevry Transform	2–4%	10–12%
Tietoevry Connect	1–3%	8–10%

¹⁾ Mainly organic, adjusted for currency effects

²⁾ Adjustment items include restructuring costs, capital gains/losses, impairment charges and other items affecting comparability

Tietoevry's financial ambitions also include:

- maintaining net debt/EBITDA between 1–2
- continuing to increase dividends annually.

Strategic reviews proceeding according to plan – aiming to accelerate value creation

In July 2022, the company announced that it has initiated a strategic review of the Tietoevry Banking business, including a process to study its potential separation into an independent company that would be listed on a stock exchange. The aim is to accelerate the growth profile, scale and profitability of Tietoevry Banking, and enhance its strategic and financial flexibility to drive value creation for all stakeholders. The strategic review process is proceeding according to plan and is expected to be completed in the second half of 2023. Should the listing assessment proceed favourably, the company aims to subsequently list Tietoevry Banking in the second half of 2023.

In November 2022, Tietoevry initiated a strategic review of its Tietoevry Transform and Tietoevry Connect as a combined business. The company aims to evaluate strategic opportunities, including a potential sale or listing as a spin-off. The review and the subsequent potential sale or listing is expected to take 12–18 months.

The intended actions will accelerate Tietoevry's strategy implementation, positioning the company as a high-growth and -margin software and digital engineering business.

Performance in 2023

Tietoevry estimates that the good business momentum will continue and expects its organic growth to be 5–7% in the full year. Growth will be supported by strong order backlog for the year. Adjusted for the impact of exchange rates and divestments, the amount to be invoiced in 2023 is up by 6% from 2022. The company expects price increases to contribute positively while the lead time for higher customer price increases is several quarters due to the long-term nature of contracts. On the other hand, the business mix of the company and long-term contracts provide resilience in uncertain times.

Full-year adjusted operating profit margin is expected to be in the range of 13.0–13.5% (2022: 13.0). The combination of continued healthy growth and the performance improvement programmes is expected to support full-year performance while continued high inflation is anticipated to constrain profitability improvement.

Mitigating high inflation

The company estimates salary inflation to be 4–5% on average in 2023. Tietoevry is also impacted by an increase in cost inflation, visible in items such as subcontracting, premises, electricity and software licences. The negative impact is mitigated by a number of actions including further offshoring, automation, management of the competence pyramid and overall cost efficiency across businesses. Furthermore, price increases are expected to gradually help mitigate high inflation.

Performance improvement programmes continue to contribute to profitability

The performance improvement programmes in Tietoevry Connect and Tietoevry Banking, initiated in 2022, started to contribute to profitability in the second half of the year. In the case of Tietoevry Connect, around half of the targeted savings of EUR 50 million from the programme was visible in the cost base for 2022. Tietoevry Transform's efficiency measures started to accelerate performance towards the end of the third quarter of 2022. These measures are expected to support profitability in 2023. In 2023, one-time costs are expected to be around 1% of revenue, excluding costs for strategic reviews.

¹⁾ Adjusted for currency effects, acquisitions and divestments.

Financial performance in October–December

	10–12/2022	10–12/2021
Revenue, EUR million	767.7	742.0
Change, %	3.5	4.2
Operating profit (EBIT), EUR million	103.2	113.4
Operating margin (EBIT), %	13.4	15.3
Adjusted ¹⁾ operating profit (EBITA ²⁾ , EUR million	118.0	103.3
Adjusted ¹⁾ operating margin (EBITA ²⁾ , %	15.4	13.9
Profit after taxes, EUR million	74.7	88.9
EPS, EUR	0.63	0.75
Net cash flow from operations, EUR million	166.3	169.3
Return on equity, 12-month rolling, %	10.7	16.9
Return on capital employed, 12-month rolling, %	9.9	13.7
Capital expenditure, EUR million	24.3	25.0
Order backlog	3 327	3 513
Interest-bearing net debt, EUR million	679.1	610.6
Personnel on 31 December	24 320	24 389

Fourth-quarter revenue was up by 3.5% to EUR 767.7 (742.0) million. Growth was driven by Tietoevry Banking, Tietoevry Care and Tietoevry Create. Divestments had a negative impact of EUR 5 million and exchange rates a negative impact of EUR 32 million. Organically, revenue was up by 9%. Fourth-quarter operating profit (EBIT) amounted to EUR 103.2 (113.4) million, representing a margin of 13.4 (15.3). In the previous year, operating profit included a capital gain of EUR 32.6 million. Operating profit includes EUR -3.5 (22.0) million in adjustment items. Adjusted¹⁾ operating profit (EBITA) stood at EUR 118.0 (103.3) million, or 15.4% (13.9) of revenue. Further details on adjustment items are available in the [Alternative Performance Measures](#) paragraph.

Depreciation and amortization amounted to EUR 38.7 (42.0) million, including EUR 15.9 (17.2) million in depreciation of right-of-use assets (IFRS 16 impact) and EUR 11.3 (12.0) million in amortization of acquisition-related intangible assets. Net financial expenses stood at EUR 7.7 (5.9) million. Net interest expenses were EUR 5.0 (4.4) million and net losses from foreign exchange transactions EUR 2.0 (losses 1.1) million. Other financial income and expenses amounted to EUR -0.7 (-0.5) million.

Earnings per share (EPS) totalled EUR 0.63 (0.75). Adjusted¹⁾ earnings per share amounted to EUR 0.73 (0.64).

¹⁾ Adjustment items include restructuring costs, capital gains/losses, impairment charges and other items affecting comparability

²⁾ Profit before interests, taxes and amortization of acquisition-related intangible assets

Financial performance by segment

	Revenue, EUR million		Growth, %	Organic growth, % ³⁾	Adjusted ¹⁾ operating profit ²⁾ , EUR million	Adjusted ¹⁾ operating profit ²⁾ , EUR million	Adjusted ¹⁾ operating margin ²⁾ , %	Adjusted ¹⁾ operating margin ²⁾ , %
	10–12/2022	10–12/2021			10–12/2022	10–12/2021	10–12/2022	10–12/2021
Tietoevry Create	219.3	207.3	6	11	34.8	27.9	15.9	13.4
Tietoevry Banking	144.3	130.3	11	15	25.6	17.7	17.8	13.6
Tietoevry Care	63.0	57.1	10	14	20.3	19.0	32.2	33.4
Tietoevry Industry	69.7	74.6	-7	3	12.6	13.2	18.1	17.7
Tietoevry Transform	125.7	122.3	3	6	14.4	9.6	11.5	7.9
Tietoevry Connect	216.4	233.3	-7	-3	18.3	22.1	8.4	9.5
Eliminations and non-allocated costs	-70.7	-82.9	—	—	-7.9	-6.2	—	—
Group total	767.7	742.0	3	9	118.0	103.3	15.4	13.9

¹⁾ Adjustment items include restructuring costs, capital gains/losses, impairment charges and other items affecting comparability

²⁾ Profit before interests, taxes and amortization of acquisition-related intangible assets

³⁾ Adjusted for currency effects and impact from acquisitions and divestments

For a comprehensive set of segment figures, see the [tables section](#).

In **Tietoevry Create**, revenue was organically up by 11%. The market for cloud native, and data and software engineering services remained active. Create saw continued high growth in international business and Norway. The net impact (negative) of less number of working days and the contribution of the new Nanjing R&D centre on growth was 1 percentage point. Adjusted operating margin improved from the previous year's level. In the first quarter of 2023, adjusted operating margin is anticipated to be at or above the level of the corresponding quarter of 2022.

In **Tietoevry Banking**, revenue was organically up by 15%. The business saw strong growth across the portfolio, including the Payments, Cards, Core banking, Financial Crime Prevention, Credit and Wealth businesses. One-time licence sales and closing of price renegotiations with retroactive impact had an impact of approximately 4 percentage points on growth and positively contributed to profitability. Adjusted operating margin was above the previous year's level, supported by growth and measures to drive competitiveness and efficiency. In the first quarter of 2023, adjusted operating margin is anticipated to be above the level of the corresponding quarter of 2022.

In **Tietoevry Care**, revenue was organically up by 14%. Growth was strong across the Healthcare, Welfare and Custom Solutions & Laboratory Software businesses. Strong profitability continued in the fourth quarter. In the first quarter of 2023, adjusted operating margin is anticipated to be at or above the level of the corresponding quarter of 2022.

In **Tietoevry Industry**, revenue was organically up by 3%. Growth accelerated in pulp and paper software and education software businesses. A large customer contract ending in Data Platform Services had a negative impact of 3 percentage points on growth. Consistent healthy profitability continued. In the first quarter of 2023, adjusted operating margin is anticipated to be at the level of the corresponding quarter of 2022.

In **Tietoevry Transform**, revenue was organically up by 6% and order intake was strong. The Industry & Forest unit saw healthy growth whereas revenue was declining in the Retail unit. Profitability improvement was driven by growth and efficiency measures. In the first quarter of 2023, adjusted operating margin is anticipated to be at or above the level of the corresponding quarter of 2022.

In **Tietoevry Connect**, revenue was organically down by 3%. Cloud platforms and security services grew by 11% and traditional infrastructure services' revenue was down by 9%. Profitability was impacted by negative growth and overall high inflation, while it was supported by solid implementation of the performance improvement programme. In the first quarter of 2023, adjusted operating margin is anticipated to be at the level of the corresponding quarter of 2022.

Reportable segments are described in the [tables section](#).

Cash flow and investments

Fourth-quarter net cash flow from operations amounted to EUR 166.3 (169.3) million, including a decrease of EUR 34.2 (decrease of 68.5) million in net working capital.

Capital expenditure totalled EUR 24.3 (25.0) million, mainly consisting of business-related software licences, investments in data centres and the capitalized costs for the development of software. In the fourth quarter, capitalized costs for industry-specific software amounted to EUR 11.7 (10.6) million. Capital expenditure represented 3.2% (3.4) of revenue.

Financial performance in January–December

	1–12/2022	1–12/2021
Revenue, EUR million	2 928.1	2 823.4
Change, %	3.7	1.3
Operating profit (EBIT), EUR million	266.5	382.0
Operating margin (EBIT), %	9.1	13.5
Adjusted ¹⁾ operating profit (EBITA ²⁾ , EUR million	379.2	367.8
Adjusted ¹⁾ operating margin (EBITA ²⁾ , %	13.0	13.0
Profit after taxes, EUR million	188.6	291.6
EPS, EUR	1.59	2.46
Net cash flow from operations, EUR million	276.9	367.5
Return on equity, 12-month rolling, %	10.7	16.9
Return on capital employed, 12-month rolling, %	9.9	13.7
Capital expenditure, EUR million	92.9	80.8
Order backlog	3 327	3 513
Interest-bearing net debt, EUR million	679.1	610.6
Personnel on 31 December	24 320	24 389

Full-year revenue increased by 3.7% to EUR 2 928.1 (2 823.4) million. Divestments had a negative impact of EUR 38 million and exchange rates a negative impact of EUR 36 million. Organically, revenue was up by 6%. Full-year operating profit (EBIT) amounted to EUR 266.5 (382.0) million, representing a margin of 9.1% (13.5). In 2021, operating profit included capital gains of EUR 104.0 million.

Operating profit includes EUR -66.0 (61.5) million in adjustment items, Adjusted¹⁾ operating profit (EBITA) stood at EUR 379.2 (367.8) million, or 13.0% (13.0) of revenue. Further details on adjusted items are available in the [Alternative Performance Measures](#) paragraph.

Depreciation and amortization amounted to EUR 162.3 (170.1) million, including EUR 66.4 (71.2) million in depreciation of right-of-use assets (IFRS 16 impact) and EUR 46.7 (47.3) million in amortization of acquisition-related intangible assets. Net financial expenses stood at EUR 23.7 (28.1) million. Net interest expenses were EUR 19.2 (21.1) million and net losses from foreign exchange transactions EUR 1.4 (losses 4.8) million. Other financial income and expenses amounted to EUR -3.1 (-2.3) million.

Earnings per share (EPS) totalled EUR 1.59 (2.46). Adjusted¹⁾ earnings per share amounted to EUR 2.36 (2.20).

¹⁾ Adjustment items include restructuring costs, capital gains/losses, impairment charges and other items affecting comparability

²⁾ Profit before interests, taxes and amortization of acquisition-related intangible assets

Financial performance by segment

	Revenue, EUR million		Growth, %	Organic growth, % ³⁾	Adjusted ¹⁾ operating profit ²⁾ , EUR million	Adjusted ¹⁾ operating profit ²⁾ , EUR million	Adjusted ¹⁾ operating margin ²⁾ , %	Adjusted ¹⁾ operating margin ²⁾ , %
	1–12/2022	1–12/2021			1–12/2022	1–12/2021	1–12/2022	1–12/2021
Tietoevry Create	847.9	756.3	12	14	116.3	99.6	13.7	13.2
Tietoevry Banking	521.3	475.8	10	10	72.0	60.3	13.8	12.7
Tietoevry Care	231.4	221.9	4	6	72.5	69.6	31.3	31.4
Tietoevry Industry	272.6	303.4	-10	3	46.0	50.8	16.9	16.7
Tietoevry Transform	470.6	467.9	1	2	36.8	43.9	7.8	9.4
Tietoevry Connect	879.9	907.5	-3	-2	62.4	66.3	7.1	7.3
Eliminations and non-allocated costs	-295.6	-309.5	—	—	-26.8	-22.8	—	—
Total	2 928.1	2 823.4	4	6	379.2	367.8	13.0	13.0

¹⁾ Adjustment items include restructuring costs, capital gains/losses, impairment charges and other items affecting comparability

²⁾ Profit before interests, taxes and amortization of acquisition-related intangible assets

³⁾ Adjusted for currency effects and impact from acquisitions and divestments

For a comprehensive set of segment figures, see the [tables section](#).

Cash flow and investments

Full-year net cash flow from operations amounted to EUR 276.9 (367.5) million, including an increase of EUR 82.1 (increase of 26.9) million in net working capital.

Full-year tax payments were EUR 59.8 (40.6) million. Effective tax rate was 22.3% (17.6%).

Capital expenditure totalled EUR 92.9 (80.8) million, mainly consisting of business-related software licences, investments in data centres and the capitalized costs for the development of software. Capitalized costs for industry-specific software amounted to EUR 37.2 (42.6) million. Capital expenditure represented 3.2% (2.9) of revenue.

Financial position at the end of the period

The equity ratio was 51.5% (51.6). Gearing was 39.5% (33.5). Interest-bearing net debt totalled EUR 679.1 (610.6) million, including EUR 750.0 (763.1) million in interest-bearing debt, EUR 210.0 (206.5) million in lease liabilities, EUR 2.6 (5.6) million in finance lease receivables, EUR 28.6 (29.5) million in other interest-bearing receivables and EUR 249.7 (323.8) million in cash and cash equivalents.

Interest-bearing long-term liabilities amounted to EUR 795.3 (875.6) million at the end of December. The company has two bonds outstanding, EUR 100 million maturing in September 2024 and EUR 300 million in June 2025. Additionally, interest-bearing long-term liabilities primarily consist of a syndicated term loan, a loan from the European Investment Bank and lease liabilities of EUR 155.9 million.

Interest-bearing short-term liabilities amounted to EUR 164.7 (94.0) million, mainly related to leasing liabilities and the short-term part of the term loans.

Tietoevry's sustainability-linked revolving credit facility of EUR 250 million was not in use at the end of December. The revolving credit facility matures in 2027 and has two one-year extension options. It is linked to selected sustainability targets of Tietoevry and hence supports the company's commitments to Science Based Targets.

Order backlog

Tietoevry's order backlog amounted to EUR 3 327 (3 513) million at the end of December. Of the backlog, 54% (50) is expected to be invoiced during 2023. Adjusted for the impact of exchange rates and divestments, the amount to be invoiced in 2023 is up by 6% from 2022. The order backlog includes all signed customer orders that have not been recognized as revenue, including estimates of the value of consumption-based contracts.

The significance of traditional measures for the order backlog is impacted by the shift from traditional large outsourcing agreements towards agile methods and consumption-based business models. Additionally, traditional development programmes are cut into smaller projects.

Major agreements in January–December

Tietoevry has signed a number of new agreements during the period with customers across all the businesses. However, according to the terms and conditions of these agreements, Tietoevry is not able to disclose most of the contracts.

In February, S Group, one of the largest retail groups in Finland, chose Tietoevry Transform as its partner to speed up the modernization of its IT functions and to support changes in its operating model. This co-operation will increase automation and the utilization of data in S Group's business operations. The five-year agreement covers co-operation in the management and development of services for next-generation applications.

In February, International Card Services and Tietoevry Connect prolonged the contract for the infrastructure carrying Tietoevry Banking cards software for a minimum of five additional years with an option of two more years. The agreement covers transformation of a private cloud infrastructure to a top of class hybrid cloud solution and the enablement of cloud transformation (One Cloud Platinum) including PCI/DSS compliance. The contract value is EUR 24 million.

In February, Kammarkollegiet, a central procurement function for governmental agencies in Sweden, and Tietoevry Create signed a frame agreement, securing two out of the five tender areas: Security in IT and IT projects, and IT consultancy solutions. Tietoevry has also been awarded two additional areas while appeal processes related to these areas are ongoing. These are part of one of the most extensive procurement initiatives in Sweden, providing access to purchases from all governmental agencies in Sweden.

In February, Huddinge municipality signed an agreement with Tietoevry on a delivery of a digital student administration system handling administrative processes for preschools, compulsory schools and upper secondary schools. The solution will be delivered as a cloud service including consulting and system support. The total value of the ten-year agreement is estimated to be SEK 20 million.

In February, the Swedish Central Bank (Riksbanken) chose Tietoevry as one of three vendors for a two-year frame agreement on banking and finance consultancy services that will be provided in collaboration by Tietoevry Banking and Tietoevry Create. The frame agreement, following Tietoevry's participation in Riksbankens E-krona Pilot, covers areas such as payments, financial infrastructure, financial standards and securities settlements.

In February, Tietoevry Create renewed its agreement with Goodyear, a leading automotive tire manufacturer, and will enhance co-operation in software development for tire management digital platforms during 2022. By leveraging Goodyear's patented predictive algorithms, Tietoevry continues to further develop and enrich the set of features and services the digital platform can provide, from geolocated real-time predictive tire pressure monitoring (TPMS) for fleets of trucks, to automated tire-condition control with advanced sensors (tread depth). The digital platform helps prevent tire-related accidents, reduce fuel consumption for lower CO₂ emissions and increase the overall productivity of a fleet of trucks.

In March, Butterfield Bank chose Tietoevry Banking to provide a state-of-the-art credit card processing platform as well as card production and personalization services based on sustainable payment cards produced from recycled ocean plastic. Tietoevry Banking's credit ledger will enable Butterfield Bank to reimagine credit cards for the digital era. Deployed as software-as-a-service (SaaS), Tietoevry's credit ledger offers end-to-end credit card transaction processing, dispute handling, financial crime prevention, customer support and mobile and wallet-based payments.

In March, Worldline and Tietoevry Banking extended their strategic partnership for card acquiring processing services. The three-year agreement with a contract value of EUR 17 million includes all of Worldline's authorization processing services in the Nordic market. The agreement includes an option for two additional years.

In March, Tietoevry Create and Sydved extended their partnership to create a data platform for the forest industry under the working title "Forest Data Market". This initiative's main goal is to help the forest industry become truly data driven by establishing a data platform containing business information. The platform will be flexible and adapted to the forest industry's common business processes, and customers will be able to combine data sources to gain valuable insights.

In April, Reno de Medici (RDM Group) selected Tietoevry Industry to modernize their core business processes and enable digitalization at their nine mills. RDM Group is the leading producer in the recycled carton board business and the largest producer in Italy, France, the Netherlands and the Iberian Peninsula. The renewal is based on Tietoevry's Sales and Manufacturing Execution System (MES) – TIPS Industry Solutions and Services. It will increase overall efficiency, reduce waste and improve customer service.

In April, Vattenfall Nuclear decided to continue its collaboration with Tietoevry Create. Tietoevry is helping to build an enterprise search solution called Supersök, based on the company's Findwise i3 software and Elasticsearch. Supersök is a set of search-driven tools helping maintenance personnel plan and follow up on maintenance- and facility-related activities at Forsmark nuclear plant. This is the first out of two planned steps to modernize the architecture and findability tools around Forsmark's maintenance process. The first part of this project, to be implemented during 2022, is worth SEK 5 million, on top of licences for SEK 2 million for the first three years.

In April, Tietoevry Connect concluded an agreement on cloud services with Kemira. In May, Bodø Kommune chose Tietoevry Connect as a partner for cloud services.

In May, Tietoevry Create concluded a new agreement with a leading global semiconductor company – as a continuation to over ten years' partnership in the area of specialized software engineering. With the new agreement, representing total contract value of EUR 2.9 million for 2022, Tietoevry was chosen as the go-to-market partner for new telecom products in the virtual radio access networks (vRAN) market. This takes the partnership to the next level, with Tietoevry helping the customer to gain market share in both Europe and Asia. Tietoevry's deep domain expertise in telecom software engineering will shorten time-to-market and improve the quality of the customers' products.

In May, Region Stockholm awarded Tietoevry Transform an outsourcing agreement to accelerate its digital transformation by transforming its entire IT infrastructure and application environment. As part of the agreement, Tietoevry will provide leading hybrid-cloud and AI-ops capabilities based on a cost-efficient, future-proof and cohesive delivery model. The contract is valid for five years, with an option for an extension of a maximum of seven additional years. The total contract value, including the additional years, is approximately SEK 1 billion.

In June, Lassila & Tikanoja and Tietoevry Transform decided to strengthen their strategic partnership with a new agreement with a view to speeding up digitalization at Lassila & Tikanoja and make more efficient use of data in its business operations. The five-year agreement covers end-user services, application management, service integration and management, hybrid infrastructure and transformation-related services.

In August, Tietoevry Create and Bose, a global audio company, signed a new agreement to significantly expand their collaboration in the development of consumer electronics products and automotive sound systems. As part of this initiative, the companies decided to establish a joint centre of excellence in Warsaw, Poland. Tietoevry's and Bose's co-operation in software engineering for consumer electronics is now expanding, and additionally, it will include capabilities for automotive sound system development as well.

In August, Statens vegvesen (The Norwegian Public Roads Administration) chose Tietoevry in partnership with Bouvet as the exclusive supplier within the Microsoft Office 365 field. Based on the agreement, Tietoevry is Statens vegvesen's collaboration partner for product development of the Microsoft Office 365 portfolio over time, ensuring access to the necessary capacity and expertise. The total scope over the initial two-year agreement period and four more optional years is estimated to be up to 65 consultants, including experts from Tietoevry Create, Tietoevry Connect and Bouvet, and representing a maximum contract value of up to NOK 590 million.

In August, Tietoevry prolonged its agreement with Socialstyrelsen, the National Board of Health and Welfare of Sweden. The agreement covers maintenance and support for Public 360, Tietoevry's case management solution, as well as application management. Public 360, integrated with multiple external e-Services, continues to be the key operating system for Socialstyrelsen, helping the customer to make the core processes more efficient, automated, and streamlined. Examples of activities covered by Public 360 include case handling of applications for medical staff certification and handling of government grants within the healthcare sector. It is also the document register (Public Journal) for Socialstyrelsen. The estimated value of the agreement, which has an initial period of two years with two optional years, is EUR 1.5 million.

In August, Yleisradio, the Finnish Broadcasting Company, chose Tietoevry Transform to implement a world-leading cloud-born solution enabling modern and user-friendly employee and manager self-services across key employment and talent processes. It is planned that the solution will go live in the third quarter of 2023.

In September, Skatteetaten and Tietoevry signed a new agreement related to infrastructure services. Tietoevry will deliver mainframe operation services as well as optional application and database operation services. The contract value of the five-year agreement is NOK 100 million.

In October, Region Skåne, responsible for medical care and public transportation in southern Sweden, prolonged their frame agreement with Tietoevry Connect for three more years. The frame agreement covers infrastructure, operations, storage and application management. With the prolongation, Tietoevry will continue to support Region Skåne's digitization journey with a clear focus on providing safe and secure healthcare for the citizens of Region Skåne.

In November, Tietoevry Create signed a frame agreement with the State Office of Construction Control in Latvia on the development of a national-level Construction Information System. Tietoevry has been a partner to the Latvian state for more than fifteen years in digital development and innovation implementation. The new system will allow all administrative processes to be handled digitally and ensures the circulation of all construction documentation, ranging from plans through to buildings' entry into service, amongst construction process participants. The system also provides the opportunity to manage risks related to construction processes more efficiently. The total estimated contract value is over EUR 9 million.

In December, Aker BP, a Norwegian oil exploration and production company, selected Tietoevry Transform as a new digital services partner to accelerate its transformation to become fully data-driven. The new partnership is significant in scope in terms of both the volume and breadth of services. Tietoevry will deliver a broad set of next-generation digital services, focused on systematic modernization of Aker BP's application management and core operations as well as their cloud and

infrastructure environment. The co-operation will drive flexibility and agility in the client's business operations, and pave the way for enhancing automation, enabling cloud management and driving data-driven operations. Aker BP also has an ambitious sustainability roadmap and milestones, including a decarbonization plan to be net zero across all operations by 2030 and the new partnership also contributes to these agendas.

In December, Wiener Netze chose Tietoevry Create as a vendor for SAP consultancy services as part of an ongoing six-year frame agreement. Furthermore, WienIT, the IT company of Vienna's public energy supplier, chose Tietoevry as a vendor for SAP S/4HANA consultancy services in December. The frame agreement, covering areas such as smart meters, logistics, financial and securities settlements, was contracted between WienIT and Tietoevry in 2020 and is the basis for the company-wide SAP S/4HANA transition programme.

In December, Utdanningsdirektoratet (The Norwegian Directorate for Education and Training) chose Tietoevry Create to develop a new technical solution for collecting data from primary schools and kindergartens. The development started in December and the new solution is planned to be ready for production during autumn 2024. The agreement also includes an agreement on assistance for maintenance and further development of the solution. The value of the agreement is estimated to be approximately EUR 4 million.

In December, Ystad municipality chose Tietoevry Industry as the vendor for a student administration system covering preschool, compulsory school, upper secondary school and adult school. Ystad municipality is a new customer for Tietoevry within the school area and the co-operation begins with the delivery of the Edlevo school system. The Edlevo student administration solution will support school management, system administrators, teachers, students and guardians in their daily work. The agreement initially covers six years, with planned start to go live during spring 2024. Furthermore, the client has an option to prolong the agreement with three additional plus three years.

In December, Posti Group chose to continue with Tietoevry Connect as its main partner for IT infrastructure services. The long-lasting co-operation will be fortified with a customer-centric service delivery team harnessing Tietoevry's state-of-the-art artificial intelligence operations platform and sovereign cloud services. These will enable Posti to achieve higher agility, availability, and performance.

In December, Euronext Securities Oslo – the central securities depository of Norway, which provides an efficient infrastructure and services for the settlement of transactions in securities – chose Tietoevry Connect as their sourcing partner for the next five years. The agreement covers the operation of critical IT infrastructure services delivered from Tietoevry's modern data centres.

In December, the Norwegian Tax Authorities (Skatteetaten) prolonged their contract for end-user services for an additional year. The contract with Tietoevry Connect includes delivery and lifecycle management of 18 000 devices as a service, operation of self-service PCs at Tax Offices, operation of Macs for developers and end-user support for more than 9 000 users. The contract is of crucial importance for the Norwegian Tax Authorities in order to ensure high-quality services for society.

In December, the municipality of Vellinge and Tietoevry Connect prolonged their contract for IT services. The full stack delivery includes all parts of IT services, including application, server and network operations, workplace management as well as service desk and on-site support. Tietoevry will continue to run the services until the end of 2024 with a possibility to prolong with one more year.

In the fourth quarter, several agencies under the Ministry of Agriculture and Forestry signed frame agreements with Tietoevry Create, covering areas such as application development and maintenance, cloud DevOps and testing. The frame agreements, involving several vendors, are estimated to be worth a total of EUR 190 million and are valid for a

minimum of four years. Tietoevry is a high-ranked vendor and among the prioritized providers, e.g. in application development and testing

Changes in Group structure

Tietoevry sold its Russian operations through a local management buy-out in 2022. With this transaction, completed on 18 April, Tietoevry has ended all its local operations in Russia and transitioned all its responsibilities including employees, customers, suppliers, legal and regulatory to the new owners.

As part of a new partnership agreement with Ilmarinen, a change in the service delivery model resulted in a decision to ramp down Tietollmarinen Oy. Related to these changes, Tietoevry agreed to acquire the 30% share of the joint venture from Ilmarinen on 22 December, turning the entity into a wholly owned subsidiary.

Related to the strategic reviews of the Banking business as well as the Connect and Transform businesses, Tietoevry has established companies in countries such as the Czech Republic, Finland, Slovakia and India during the year.

Personnel

The number of full-time employees amounted to 24 320 (24 389) at the end of December. The number of full-time employees in the global delivery centres totalled 12 633 (12 197), or 51.9% (50.0) of all personnel.

The 12-month rolling employee turnover stood at 14.4% (14.6) at the end of December. This demonstrates a continued downward trend from 15.3% at the end of the third quarter.

Group-level salary inflation is expected to be 4–5% on average in 2023. It is offset by a number of actions including price increases, further offshoring, automation, management of the competence pyramid and overall cost efficiency across businesses.

Shareholders' Meeting

Tietoevry Corporation's Annual General Meeting (AGM) held on 24 March approved the financial statements 2021 and discharged the company's officers from liability for the financial year 2021. The meeting also approved the Remuneration Report. The AGM decided on a total dividend of EUR 1.40 per share, paid in two instalments.

The meeting reelected Timo Ahopelto, Tomas Franzén, Liselotte Hägertz Engstam, Harri-Pekka Kaukonen, Angela Mazza Teufer, Katharina Mosheim, Niko Pakalén and Endre Rangnes. Tomas Franzén was reelected as the Chairperson of the Board of Directors.

Shareholders' Nomination Board

The composition of the Shareholders' Nomination Board was determined based on holdings on 31 August 2022. The Shareholders' Nomination Board comprises the following persons:

- Petter Söderström, Investment Director, Solidium Oy
- Alexander Kopp, Investment Manager, Incentive AS
- Gustav Moss, Vice President, Cevian Capital AB
- Mikko Mursula, Deputy CEO, Ilmarinen Mutual Pension Insurance Company and
- Tomas Franzén, Chairperson of the Board of Directors, Tietoevry Corporation.

Auditors

The AGM 2022 elected the firm of authorized public accountants Deloitte Oy as the company's auditor for the financial year 2022. Deloitte Oy notified the company that Authorized Public Accountant Jukka Vattulainen acts as principal auditor.

Shares

Tietoevry's issued and registered share capital amounts to EUR 76 555 412.00 and on 31 December, the number of shares totalled 118 425 771. Tietoevry's shares have no par value and their book counter value is one euro. The company's shares are listed on NASDAQ in Helsinki and Stockholm and Oslo Børs. The company has one class of shares, with each share conferring equal dividend rights and one vote.

The company had around 61 750 registered shareholders at the end of 2022 based on the ownership records of the Finnish, Swedish and Norwegian central securities depositories. Tietoevry received the following flagging announcements during the year:

On 10 February, Silchester International Investors LLP announced that its holding had increased to 5 939 679 shares, representing 5.02% of the total number of shares.

On 31 December, Tietoevry had one shareholder holding 10% or more of the shares: Solidium Oy.

In February, Tietoevry purchased 145 000 own shares (0.12% of the total number of shares) in trading organized by Nasdaq Helsinki Ltd. The average purchase price was EUR 25.3516 per share. Related to the company's share-based reward plans, a total of 140 119 shares held by Tietoevry (0.12% of the total number of shares) were transferred to the participants of the plan during the second quarter. At the end of the year, the number of shares in the company's or its subsidiaries' possession totalled 12 468, representing 0.01% of the total number of shares and voting rights. The number of outstanding shares, excluding the treasury shares, was 118 413 303.

The members of the Board of Directors, the President and CEO and their close associates together held 0.10% of the shares and votes registered in the book-entry system on 31 December 2022. The President and CEO is also participating in the company's long-term share-based incentive plans and potential rewards will be paid partly in Tietoevry shares. As the number of additional shares related to these incentives is dependent on the company's performance, these are not included in this aggregate number.

The company's Articles of Association include a restriction on voting at the Annual General Meeting, where no-one is allowed to vote with more than one-fifth of the votes represented at the meeting. The Articles of Association are available at www.tietoevry.com/investors.

Dividend

The distributable funds of the parent company amount to EUR 1 479.5 million, of which net profit for 2022 amounts to EUR 21.1 million. The Board of Directors proposes to the Annual General Meeting that for the financial year ended on 31 December 2022, a dividend of EUR 1.45 per share be paid from the distributable profits of the company. The Board of Directors proposes that the dividend shall be paid in two instalments:

- The first dividend instalment of EUR 0.725 per share shall be paid to shareholders who on the record date for the dividend payment on 27 March 2023 are recorded in the shareholders' register held by Euroclear Finland Oy or the registers of Euroclear Sweden AB or Verdipapirsentralen ASA (VPS).
- The second dividend instalment of EUR 0.725 per share shall be paid to shareholders who on the record date for the dividend payment on 5 October 2023 are recorded in the shareholders' registers.

The proposed dividend payout does not endanger the solvency of the company.

Significant risks and uncertainties

Consolidated revenue and operating profit are sensitive to volatility in exchange rates, especially that of the Swedish Krona and Norwegian Krone. Sales in Sweden and Norway represent around two thirds of the Group's sales.

To address the war in Ukraine, the company has taken actions to ensure the safety of its employees in the country and business continuity for its clients. The geopolitical situation remains unstable and has resulted in a weaker economic outlook as well as higher inflation and energy prices in the company's main markets.

While there are some early signals of postponements of new projects, customers have increased their focus on cybersecurity and continuity of operations. The company's portfolio comprises services based on multi-year agreements in infrastructure and application services as well as in industry-specific software businesses. The consulting business has shorter contractual periods and is likely to be more affected during times of economic uncertainty.

Due to the Covid-19 pandemic, the market outlook in Tietoevry's main markets involves uncertainties while sensitivity to uncertainty varies by business. Tietoevry operates in multiple countries, balancing workforce availability. The company has taken several measures to secure the health and safety of employees and ensure critical services to customers.

The active global talent market has increased personnel attrition. While the company has accelerated new hirings globally, higher attrition levels may impact performance.

In light of the global supply shortage of semiconductors and associated technology products, software and service companies such as Tietoevry may experience delays in deliveries.

New disruptive technologies, such as cloud computing, drive customer demand towards standardized and less labour-intensive solutions where automation plays an important role. These changes may result in accelerated volume reductions in traditional infrastructure services and the need for restructuring.

The company's development is relatively sensitive to changes in the demand from large customers, as Tietoevry's top 10 customers currently account for 22% of its revenue, with Tietoevry Transform having the highest customer concentration in the company.

Typical risks faced by the IT service industry relate to partnerships with external vendors. A potential failure in deliveries by partners could lead to quality and financial consequences.

Risks in the IT services industry include the development and implementation of new technologies and software. In Tietoevry's case, implementations relate to both own software development, the scope of related project deliveries and integration of third-party software. Additional technology licence fees and failures to meet both the agreed quality and schedule of deliveries could pose potential risks.

Risks related to cybersecurity breaches or malicious attacks could seriously affect Tietoevry's ability to provide its services and have an adverse impact on the company's financials and reputation.

The new EU General Data Protection Regulation took effect in May 2018. The company continues to develop its GDPR practices across businesses and functions, and with its customers. In light of the overall regulatory development of GDPR, there continues to be uncertainty with regards to how the authorities will interpret the regulation and Schrems II judgement by the Court of Justice of the European Union – and impose fines in cases involving personal data breaches.

Companies around the world are facing new risks arising from tax audits and some countries may introduce new regulation. Additionally, changes in the tax authorities' interpretations could have unfavourable impacts on taxpayers.

Full-year outlook for 2023

Tietoevry expects its organic¹⁾ growth to be 5% to 7% (revenue in 2022: EUR 2 928.1 million).

The company estimates its full-year adjusted operating margin²⁾ (adjusted EBITA) to be 13.0–13.5% (13.0% in 2022).

¹⁾ Adjusted for currency effects, acquisitions and divestments.

²⁾ Adjustment items include restructuring costs, capital gains/losses, impairment charges and other items affecting comparability.

Events after the period

On 12 January, Tietoevry announced that Klaus Andersen has been appointed as CEO of Tietoevry Banking effective 1 February 2023. Klaus Andersen will have the overall responsibility for the Banking business at Tietoevry, including driving a successful outcome for the ongoing strategic review. In his role as CEO of Tietoevry Banking, Klaus Andersen will report to Kimmo Alkio, CEO of Tietoevry Group, and will become a member of the Group Executive Management Team.

On 31 January, Tietoevry published the proposals of the Shareholders' Nomination Board to the Annual General Meeting 2023, including election and remuneration of the members of the Board of Directors. The Shareholders' Nomination Board proposes that the current members of the Board of Directors Tomas Franzén, Liselotte Hågertz Engstam, Harri-Pekka Kaukonen, Katharina Mosheim, and Endre Rangnes be reelected and Bertil Carlsén, Elisabetta Castiglioni, Gustav Moss and Petter Söderström be elected as new members. Timo Ahopelto, Angela Mazza Teufer and Niko Pakalén have informed that they are not available for re-election.

In November 2022, Tietoevry announced that the company is conducting a strategic review of its Tietoevry Transform and Tietoevry Connect as a combined business, including a potential sale or listing as a spin-off. On 13 February, Tietoevry announced that Satu Kiiskinen has been appointed as Managing Director of the businesses to be called Tietoevry Tech Services. Tietoevry Tech Services is planned to be operational and report its financials, as a new reportable segment, from the second quarter of 2023. Tietoevry Tech Services' Managing Director appointment becomes effective 1 April.

Financial calendar 2023

By 1 March	Annual Report 2022 will be published
23 March	Annual General Meeting

Tietoevry will publish three interim reports in 2023:

4 May	Interim report 1/2023 (8.00 a.m. EET)
21 July	Interim report 2/2023 (8.00 a.m. EET)
26 October	Interim report 3/2023 (8.00 a.m. EET)



Consolidated interim financial statements

Income statement

	2022	2021	2022	2021	Change
EUR million	10–12	10–12	1–12	1–12	%
Revenue	767.7	742.0	2 928.1	2 823.4	4
Other operating income	33.4	41.2	50.2	125.1	-60
Materials and services ¹⁾	-141.2	-140.9	-546.5	-513.5	6
Employee benefit expenses	-395.4	-390.3	-1 597.2	-1 527.0	5
Depreciation and amortization	-38.7	-42.0	-162.3	-170.1	-5
Impairment losses	-20.2	-3.7	-20.2	-5.3	> 100
Other operating expenses ¹⁾	-102.8	-93.6	-386.7	-352.0	10
Share of results in joint ventures	0.4	0.6	1.0	1.5	-29
Operating profit (EBIT)	103.2	113.4	266.5	382.0	-30
Interest and other financial income	1.5	0.8	3.9	1.9	> 100
Interest and other financial expenses	-7.1	-5.6	-26.2	-25.3	3
Net foreign exchange gains/losses	-2.0	-1.1	-1.4	-4.8	-71
Profit before taxes	95.5	107.4	242.8	353.8	-31
Income taxes	-20.8	-18.5	-54.2	-62.2	-13
Net profit for the period	74.7	88.9	188.6	291.6	-35
Net profit for the period attributable to					
Owners of the Parent company	74.7	88.9	188.6	291.6	-35
Non-controlling interest	—	0.0	—	0.0	—
	74.7	88.9	188.6	291.6	-35
Earnings per share attributable to owners of the Parent company, EUR per share					
Basic	0.63	0.75	1.59	2.46	-35
Diluted	0.63	0.75	1.59	2.46	-35

¹⁾ Tietoevry has clarified its accounting policy for costs related to shared platforms in infrastructure services. These costs are recognized in other operating expenses when they are not directly linked to any specific customer. Due to the clarification, Tietoevry reclassified costs between Materials and Services and Other operating expenses in the comparative periods.

Statement of other comprehensive income

	2022	2021	2022	2021	Change
EUR million	10–12	10–12	1–12	1–12	%
Net profit for the period	74.7	88.9	188.6	291.6	-35
Items that may be reclassified subsequently to profit or loss					
Translation differences	-7.7	24.0	-126.7	60.2	> 100
Items that will not be reclassified subsequently to profit or loss					
Remeasurements of the defined benefit plans, net of tax	-2.4	-1.4	1.6	-1.6	> 100
Total comprehensive income	64.6	111.5	63.5	350.3	-82
Total comprehensive income attributable to					
Owners of the Parent company	64.6	111.5	63.5	350.3	-82
Non-controlling interest	—	0.0	—	0.0	—
	64.6	111.5	63.5	350.3	-82

Statement of financial position

Assets

	2022	2021	Change
EUR million	31 Dec	31 Dec	%
Goodwill	1 846.5	1 943.7	-5
Other intangible assets	336.7	387.9	-13
Property, plant and equipment	97.2	87.4	11
Right-of-use assets	201.9	192.4	5
Interests in joint ventures	14.2	16.7	-15
Deferred tax assets	14.6	19.1	-24
Defined benefit plan assets	0.6	0.7	-19
Finance lease receivables	0.2	2.7	-91
Other financial assets at amortized cost	15.0	15.7	-4
Other financial assets at fair value	0.6	0.6	-1
Other non-current receivables	20.4	35.4	-42
Total non-current assets	2 548.0	2 702.3	-6
Inventories	5.6	7.2	-22
Trade and other receivables	547.8	517.0	6
Financial assets at fair value	23.6	23.3	1
Finance lease receivables	2.4	2.9	-16
Current tax assets	16.8	10.8	55
Cash and cash equivalents ¹⁾	249.7	323.8	-23
Total current assets	845.8	884.9	-4
Total assets	3 393.8	3 587.2	-5

¹⁾ Cash and cash equivalents includes restricted cash of EUR 14.0 million held within bank accounts in Ukraine.

Equity and Liabilities

	2022	2021	Change
EUR million	31 Dec	31 Dec	%
Share capital, share issue premiums and other reserves	115.9	118.0	-2
Invested unrestricted equity reserve	1 203.5	1 203.5	—
Retained earnings	399.9	499.6	-20
Total equity	1 719.2	1 821.1	-6
Loans	639.4	731.6	-13
Lease liabilities	155.9	144.0	8
Deferred tax liabilities	10.7	9.1	17
Provisions	2.6	2.8	-5
Defined benefit obligations	28.4	38.7	-27
Other non-current liabilities	21.0	34.7	-39
Total non-current liabilities	858.0	960.8	-11
Trade and other payables	616.7	672.3	-8
Financial liabilities at fair value	2.0	0.8	> 100
Current tax liabilities	13.9	18.5	-25
Loans	110.6	31.5	> 100
Lease liabilities	54.1	62.5	-13
Provisions	19.1	19.6	-3
Total current liabilities	816.5	805.3	1
Total equity and liabilities	3 393.8	3 587.2	-5

Statement of changes in shareholders' equity

EUR million	Owners of the Parent company						Retained earnings	Total equity
	Share capital	Share premium and other reserves	Own shares	Cumulative translation differences	Invested unrestricted equity reserve			
31 Dec 2021	76.6	41.5	-0.2	-66.0	1 203.5	565.8	1 821.1	
Comprehensive income								
Net profit for the period	—	—	—	—	—	188.6	188.6	
Other comprehensive income, net of tax								
Remeasurements of the defined benefit plans, net of tax	—	—	—	—	—	1.6	1.6	
Translation differences	—	-2.2	—	-127.5	—	2.9	-126.7	
Total comprehensive income	—	-2.2	—	-127.5	—	193.2	63.5	
Transactions with owners								
Contributions and distributions								
Share-based incentive plans	—	—	3.6	—	—	0.5	4.1	
Dividends	—	—	—	—	—	-165.8	-165.8	
Repurchase of own shares	—	—	-3.7	—	—	—	-3.7	
Total transactions with owners	—	—	-0.1	—	—	-165.3	-165.4	
31 Dec 2022	76.6	39.3	-0.3	-193.5	1 203.5	593.7	1 719.2	

EUR million	Owners of the Parent company							Non-controlling interest	Total equity
	Share capital	Share premium and other reserves	Own shares	Cumulative translation differences	Invested unrestricted equity reserve	Retained earnings	Total		
31 Dec 2020	76.6	42.1	-0.3	-133.8	1 203.5	438.2	1 626.2	0.0	1 626.2
Comprehensive income									
Net profit for the period	—	—	—	—	—	291.6	291.6	0.0	291.6
Other comprehensive income, net of tax									
Remeasurements of the defined benefit plans, net of tax	—	—	—	—	—	-1.6	-1.6	—	-1.6
Translation differences	—	-0.6	—	67.8	—	-7.0	60.2	—	60.2
Total comprehensive income	—	-0.6	—	67.8	—	283.0	350.3	0.0	350.3
Transactions with owners									
Contributions and distributions									
Share-based incentive plans	—	—	3.9	—	—	1.1	5.0	—	5.0
Dividends	—	—	—	—	—	-156.3	-156.3	-0.0	-156.3
Repurchase of own shares	—	—	-3.8	—	—	—	-3.8	—	-3.8
Changes in ownership interests									
Acquisition of non-controlling interest without change in control	—	—	—	—	—	-0.3	-0.3	0.0	-0.3
Total transactions with owners	—	—	0.1	—	—	-155.4	-155.3	0.0	-155.4
31 Dec 2021	76.6	41.5	-0.2	-66.0	1 203.5	565.8	1 821.1	—	1 821.1

Statement of cash flows

	2022	2021	2022	2021
EUR million	10–12	10–12	1–12	1–12
Cash flow from operating activities				
Net profit for the period	74.7	88.9	188.6	291.6
Adjustments				
Depreciation, amortization and impairment losses	58.9	45.7	182.5	175.5
Profit/loss on sale of property, plant and equipment, subsidiaries and business operations	-0.4	-32.6	7.8	-104.1
Share of results in joint ventures	-0.4	-0.6	-1.0	-1.5
Other adjustments	0.3	-0.1	-7.5	0.2
Net financial expenses	7.7	5.9	23.7	28.1
Income taxes	20.8	18.5	54.2	62.2
Change in net working capital	34.2	68.5	-82.1	-26.9
Cash generated from operating activities before interests and taxes	195.8	194.1	366.2	425.2
Net financial expenses paid	-7.0	-4.5	-30.8	-19.2
Dividends received	—	—	1.4	2.1
Income taxes paid	-22.4	-20.3	-59.8	-40.6
Cash flow from operating activities	166.3	169.3	276.9	367.5
Cash flow from investing activities				
Capital expenditure	-24.9	-25.0	-95.4	-80.8
Disposal of subsidiaries and business operations, net of cash disposed	0.3	38.2	-0.3	179.5
Proceeds from sale of property, plant and equipment	0.2	0.1	0.5	0.8
Change in loan receivables	1.2	0.6	3.2	0.3
Cash flow used in/from investing activities	-23.2	14.0	-92.0	99.8
Cash flow from financing activities				
Dividends paid	-82.9	-78.2	-165.8	-156.3
Repurchase of own shares	—	—	-3.7	-3.8
Repayments of lease liabilities	-16.3	-17.8	-66.3	-73.1
Other short-term financing, net	6.2	-6.0	-1.5	-19.7
Repayments of long-term borrowings	-13.1	—	-13.1	-145.8
Cash flow used in/from financing activities	-106.1	-102.1	-250.4	-398.8
Change in cash and cash equivalents	37.0	81.2	-65.4	68.5
Cash and cash equivalents at the beginning of period	222.6	241.1	323.8	252.3
Foreign exchange differences	-10.0	1.4	-8.6	3.0
Change in cash and cash equivalents	37.0	81.2	-65.4	68.5
Cash and cash equivalents at the end of period¹⁾	249.7	323.8	249.7	323.8

¹⁾ Cash and cash equivalents includes restricted cash of EUR 14.0 million held within bank accounts in Ukraine.

Notes to the interim financial statements

This interim report is unaudited and it is prepared in accordance with IAS 34 Interim Financial Reporting, as adopted by the EU. The accounting policies adopted are consistent with those used in the annual financial statements for the year ended on 31 December 2021. Changes to IFRSs which have been effective from 1 January 2022 have had no material impact on the Group's financial statements.

All presented figures in this interim report have been rounded and consequently, the sum of individual figures can deviate from the presented sum figure. Key figures have been calculated using exact figures.

Revenue and profitability of Tietoevry are subject to seasonal variations. Usually, the third-quarter sales are affected by vacation period and the reversal of vacation accruals has a positive effect on profitability. Typically, the fourth-quarter sales and margins are positively affected by higher license sales for Tietoevry's industry-specific software.

New reporting structure

Tietoevry has established six specialized end-to-end businesses which form the reportable segments as from 1 January 2022. More information in [Segment information](#).

As part of this new strategy, the Group introduced internal trade at market terms between the businesses (segments). During the first half of 2022, the principles for internal trade were aligned and segment revenues have been recast due to minor changes between segments. Group numbers remain unchanged.

Divestments

Tietoevry has sold its Russian operations through a local management buy-out. With this transaction, completed on 18 April, Tietoevry has ended all its local operations in Russia and transitions all its responsibilities including employees, customers, suppliers, legal and regulatory to the new owners. The loss recognised on the disposal was EUR 9.1 million.

Critical accounting estimates and assumptions

The preparation of the financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the amounts reported and disclosed at the reporting date. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from the estimates. The areas requiring the exercise and judgement where a different opinion could result in significant changes to reported results are the same as reported in the 2021 consolidated financial statements.

Other operating income and impairment losses

In the fourth quarter of 2022, Tietoevry Banking reached a settlement with a customer following their decision to exit a Nordic market and therefore to terminate an implementation project. Tietoevry received compensation of EUR 29.4 million, of which EUR 13.5 million was realized against unbilled revenue within contract assets and EUR 15.9 million was recognized as Other operating income. Capitalized development work specific for this customer was written-off resulting in an impairment loss of EUR 18.7 million. In addition, Tietoevry Industry received insurance compensation of EUR 12.3 million related to the ending of Tietoevry's SmartUtilities platform in 2020.

As part of a new partnership agreement with Ilmarinen and a change in the service delivery model, it was decided to ramp down Tietollmarinen Oy. In connection with these changes, Tietoevry agreed to acquire the remaining 30% share of the joint venture from Ilmarinen. Tietoevry Transform recognized an impairment loss of EUR 1.4 million for the joint venture and bought the remaining 30% share of the company in December. Tietollmarinen is consolidated as a 100% owned subsidiary as at 31 December 2022.

Events after the end of the reporting period

On 12 January, Tietoevry announced that Klaus Andersen has been appointed as CEO of Tietoevry Banking effective 1 February 2023. Klaus Andersen will have the overall responsibility for the Banking business at Tietoevry, including driving a successful outcome for the ongoing strategic review. In his role as CEO of Tietoevry Banking, Klaus Andersen will report to Kimmo Alkio, CEO of Tietoevry Group, and will become a member of the Group Executive Management Team.

On 31 January, Tietoevry published the proposals of the Shareholders' Nomination Board to the Annual General Meeting 2023, including election and remuneration of the members of the Board of Directors. The Shareholders' Nomination Board proposes that the current members of the Board of Directors Tomas Franzén, Liselotte Hägertz Engstam, Harri-Pekka Kaukonen, Katharina Mosheim, and Endre Rangnes be reelected and Bertil Carlsén, Elisabetta Castiglioni, Gustav Moss and Petter Söderström be elected as new members. Timo Ahopelto, Angela Mazza Teufer and Niko Pakalén have informed that they are not available for re-election.

In November 2022, Tietoevry announced that the company is conducting a strategic review of its Tietoevry Transform and Tietoevry Connect as a combined business, including a potential sale or listing as a spin-off. On 13 February, Tietoevry announced that Satu Kiiskinen has been appointed as Managing Director of the businesses to be called Tietoevry Tech Services. Tietoevry Tech Services is planned to be operational and report its financials, as a new reportable segment, from the second quarter of 2023. Tietoevry Tech Services' Managing Director appointment becomes effective 1 April.

Segment information

Tietoevry Group comprises six operating segments: Tietoevry Create, Tietoevry Banking, Tietoevry Care, Tietoevry Industry, Tietoevry Transform and Tietoevry Connect. The operating segments are reported in a manner consistent with the internal reporting provided to the Group Executive Management, which has been identified as Tietoevry's chief operating decision maker being responsible for allocating resources and assessing performance of the operating segments as well as deciding on strategy.

The Group Executive Management assesses the profitability of segments principally on the basis of adjusted operating profit (EBITA). Operating profit (EBIT) is, however, also an essential measure and is disclosed in this segment note as it is most consistent with the result reported in accordance with IFRS. Transactions between the segments are made on a market-terms basis.

Eliminations include internal revenues between operating segments and Group function sales of internal services to the businesses.

Non-allocated costs relate to Global management and Support functions and are shown separately in the operating profit (EBIT).

Tietoevry Create

Tietoevry Create is a leading accelerator for digital innovation and cloud-native development, providing business advisory and design, data engineering and specialized software R&D services across a range of industry sectors. It is a high-growth, market-leading vendor in the Nordics and expanding in international markets, which currently represent over 40% of Tietoevry Create revenue. Tietoevry Create has almost 9 000 employees in competence centres in Europe, India and China – they leverage their expertise and the latest technologies to support clients from nearly 20 countries.

Tietoevry Banking

Tietoevry Banking is modernizing the financial sector in the Nordics and globally with modular, pre-integrated Banking-as-a-Service and a full suite of market-leading, scalable software and services within domains such as payments, cards, wealth management, financial crime prevention and credit. Built by unmatched industry expertise, the solutions help accelerate growth through digital customer engagement, real-time operational efficiency and regulatory compliance. Tietoevry Banking's team consists of around 3 500 specialists.

Tietoevry Care

Tietoevry Care offers modular, open and interoperable software for customers in the health and social care sectors to enhance the care experience across the Nordics. Using advanced analytics and embedded AI, it provides decision support and process automation. Demand for software and services in healthcare segments such as hospitals, primary and secondary care, as well as elderly, home and family care is increasing rapidly on the back of the growing demand for better care outcomes, improved citizen experience, higher staff satisfaction and increased efficiency. Tietoevry Care employs over 1 400 specialists.

Tietoevry Industry

Tietoevry Industry provides industry-specific software and data platform services for customers looking to enhance their critical processes – with software increasingly delivered as a service. Product areas include software for case management, pulp & paper, education, and energy and utilities. Furthermore, data platform services deliver data in processes such as billing & invoicing and industry messaging. Its team consists of close to 1 700 specialists with extensive industry knowledge and in-depth expertise of utilizing data to create insights and add value across core business and operational processes.

Tietoevry Transform

Tietoevry Transform drives enterprise-wide transformation for customers across their business processes and applications by means of automation, cloud and data capabilities. It helps customers improve enterprise agility and reduce time to market. Its team of over 3 000 experts provides full stack IT services across modernizing existing IT infrastructure, the renewal of core business applications, next-generation services as well as data and AI services for selected large and mid-sized customers in both public and private enterprises in the Nordics.

Tietoevry Connect

Tietoevry Connect is a Nordic multi-cloud platform provider with a full range of infrastructure choices at scale – aiming to ensure resilience, security and compliance for customers' business. Its business comprises cloud platforms and security services, traditional infrastructure services, end-user services and hardware/software reselling. It is the leading provider of managed services in the Nordics, and the partner of choice for businesses looking to drive and achieve cloud adoption at scale. Its team of almost 5 000 experts delivers services to customer operations in more than 90 countries.

Revenue by segment

EUR million	2022	2021	Change	2022	2021	Change
	10–12	10–12	%	1–12	1–12	%
Tietoevry Create	219.3	207.3	6	847.9	756.3	12
Tietoevry Banking	144.3	130.3	11	521.3	475.8	10
Tietoevry Care	63.0	57.1	10	231.4	221.9	4
Tietoevry Industry	69.7	74.6	-7	272.6	303.4	-10
Tietoevry Transform	125.7	122.3	3	470.6	467.9	1
Tietoevry Connect	216.4	233.3	-7	879.9	907.5	-3
Eliminations	-70.7	-82.9	-15	-295.6	-309.5	-4
Group total	767.7	742.0	3	2 928.1	2 823.4	4

Customer revenue from fixed-price contracts by segment

EUR million	2022	2021	2022	2021
	10-12	10-12	1-12	1-12
Tietoevry Create	5.0	4.5	18.3	16.0
Tietoevry Banking	4.4	8.5	21.8	25.2
Tietoevry Care	2.4	0.5	3.5	1.0
Tietoevry Industry	0.5	1.1	2.5	5.0
Tietoevry Transform	4.7	3.4	13.8	7.1
Tietoevry Connect	0.3	0.6	1.8	6.1
Group total	17.2	18.7	61.6	60.5

No single customer represents 10% or more of revenue.

Operating profit (EBIT) by segment

EUR million	2022	2021	Change	2022	2021	Change
	10-12	10-12	%	1-12	1-12	%
Tietoevry Create	30.1	24.9	21	90.2	88.6	2
Tietoevry Banking	16.2	12.2	33	39.8	38.1	5
Tietoevry Care	20.2	18.8	8	72.2	68.3	6
Tietoevry Industry	23.1	47.4	-51	51.9	149.8	-65
Tietoevry Transform	14.1	8.8	59	31.6	40.8	-23
Tietoevry Connect	13.4	17.3	-23	21.1	38.5	-45
Non-allocated costs	-13.9	-16.0	-13	-40.2	-42.1	-5
Group total	103.2	113.4	-9	266.5	382.0	-30

For more information, see [Notes to the interim financial statements](#).

Operating margin (EBIT) by segment

%	2022	2021	Change	2022	2021	Change
	10-12	10-12	pp	1-12	1-12	pp
Tietoevry Create	13.7	12.0	2	10.6	11.7	-1
Tietoevry Banking	11.2	9.4	2	7.6	8.0	0
Tietoevry Care	32.1	32.9	-1	31.2	30.8	0
Tietoevry Industry	33.2	63.5	-30	19.0	49.4	-30
Tietoevry Transform	11.2	7.2	4	6.7	8.7	-2
Tietoevry Connect	6.2	7.4	-1	2.4	4.2	-2
Operating margin (EBIT)	13.4	15.3	-2	9.1	13.5	-4

Personnel by segment

	End of period				Average ¹⁾	
	2022	2021	Change	Share	2021	2022
	1–12	1–12	%	%	1–12	1–12
Tietoevry Create	8 989	8 653	4	37	8 653	8 871
Tietoevry Banking	3 454	3 495	-1	14	3 495	3 500
Tietoevry Care	1 480	1 346	10	6	1 346	1 425
Tietoevry Industry	1 682	1 819	-8	7	1 819	1 703
Tietoevry Transform	3 271	3 395	-4	13	3 395	3 381
Tietoevry Connect	4 766	4 994	-5	20	4 994	4 832
Group functions	678	687	-1	3	687	689
Group total	24 320	24 389	0	100	24 389	24 401

¹⁾ 2021 comparative information for the average number of personnel by segment is not available due to the implementation of the group's new organization structure as of 1 January 2022.

Personnel by country

	End of period				Average	
	2022	2021	Change	Share	2022	2021
	1–12	1–12	%	%	1–12	1–12
Sweden	4 029	4 286	-6	17	4 097	4 321
Norway	3 990	4 274	-7	16	4 102	4 373
Finland	3 134	3 130	0	13	3 151	3 102
India	4 499	4 592	-2	18	4 601	4 362
Czech Republic	2 694	2 505	8	11	2 631	2 478
Ukraine	2 037	2 123	-4	8	2 135	1 996
Latvia	1 072	999	7	4	1 041	970
China	1 066	842	27	4	978	503
Poland	776	710	9	3	720	734
Other	1 023	928	10	4	947	985
Group total	24 320	24 389	0	100	24 401	23 824
Onshore countries	11 687	12 192	-4	48	11 869	12 296
Offshore countries	12 633	12 197	4	52	12 533	11 528
Group total	24 320	24 389	0	100	24 401	23 824

Non-current assets by country

EUR million	2022	2021	Change
	31 Dec	31 Dec	%
Finland	119.0	85.2	40
Sweden	120.1	117.6	2
Norway	368.4	433.5	-15
Other	28.3	31.3	-10
Total non-current assets	635.8	667.7	-5

Non-current assets include property, plant and equipment, right-of-use assets and intangible assets excluding goodwill.

Depreciation by segment

EUR million	2022			2021		
	10-12	10-12	Change %	1-12	1-12	Change %
Tietoevry Create	1.6	1.8	-16	6.7	8.0	-16
Tietoevry Banking	1.2	1.1	4	4.8	4.1	15
Tietoevry Care	0.3	0.2	55	0.9	0.7	31
Tietoevry Industry	0.2	0.2	-39	0.6	1.0	-40
Tietoevry Transform	0.5	0.2	> 100	1.6	0.5	> 100
Tietoevry Connect	10.2	10.5	-2	40.9	43.4	-6
Group functions	11.2	12.8	-13	48.4	53.5	-10
Group total	25.1	26.9	-7	103.8	111.2	-7

Amortization of other intangible assets by segment

EUR million	2022			2021		
	10-12	10-12	Change %	1-12	1-12	Change %
Tietoevry Create	0.0	0.1	> 100	0.1	0.3	-56
Tietoevry Banking	0.7	0.8	-12	2.8	3.3	-17
Tietoevry Care	0.4	0.4	—	1.6	0.9	85
Tietoevry Industry	0.1	0.2	-67	0.3	1.1	-73
Tietoevry Transform	0.0	0.0	0	0.2	0.1	70
Tietoevry Connect	1.0	1.0	3	6.4	4.1	54
Group functions	0.1	0.6	-81	0.4	1.8	-79
Group total	2.4	3.1	-23	11.7	11.6	1

Amortization of acquisition-related intangible assets by segment

EUR million	2022			2021		
	10-12	10-12	Change %	1-12	1-12	Change %
Tietoevry Create	2.4	2.6	-9	10.1	10.5	-4
Tietoevry Banking	5.2	5.5	-5	21.6	21.7	-1
Tietoevry Care	0.0	0.0	0	0.2	0.2	-4
Tietoevry Industry	1.5	1.6	-7	6.2	6.3	-1
Tietoevry Transform	—	—	—	—	—	—
Tietoevry Connect	2.1	2.2	-5	8.7	8.7	0
Group functions	—	—	—	—	—	—
Group total	11.3	12.0	-6	46.7	47.3	-1

Impairment losses

In December 2022, Tietoevry Banking reached a settlement with a customer following their decision to exit a Nordic market and therefore to terminate an implementation project. Capitalized development work specific for this customer was written-off resulting in an impairment loss of EUR 18.7 million.

In addition, Tietoevry Transform recognized an impairment loss of EUR 1.4 million for the joint venture Tietollmarinen, and bought the remaining 30% share of the company. As at 31 December, Tietollmarinen is consolidated as a 100% owned subsidiary.

For more information, see [Notes to the interim financial statements](#).

Derivatives

Nominal amounts of derivatives

Includes the gross amount of all nominal values for contracts that have not yet been settled or closed. The amount of nominal value outstanding is not necessarily a measure or indication of market risk, as the exposure of certain contracts may be offset by other contracts.

	2022	2021
EUR million	31 Dec	31 Dec
Forward contracts outside hedge accounting at fair value through profit or loss	406.5	479.7
Interest rate swaps	40.0	—

Fair values of derivatives

EUR million	31 Dec 2022			31 Dec 2021		
	Gross positive fair values	Gross negative fair values	Net fair values	Gross positive fair values	Gross negative fair values	Net fair values
Forward contracts outside hedge accounting at fair value through profit or loss	3.4	-2.0	1.4	4.2	-0.8	3.2
Interest rate swaps	2.9	-2.9	—	—	—	—
The fair values at the reporting date	6.3	-4.9	1.4	4.2	-0.8	3.2

Derivatives are used for economic hedging purposes only.

The fair values of foreign exchange derivatives are calculated according to foreign exchange and interest rates on the closing date. All outstanding currency derivative contracts will expire within 12 months after the reporting date.

The fair values of interest rate swaps are based on values of corresponding agreements confirmed by the bank.

Fair value measurement of financial assets and liabilities

There have been no changes in fair value methodology and input levels: foreign exchange forward contracts and interest rate swaps are valued based on Level 2 inputs and Other financial assets at fair value through profit or loss (EUR 0.6 million on 31 Dec 2022), for which fair value measurement is based on their initial value. The fair market value cannot be reliably estimated due to lack of proper market for the assets.

Trade receivables to be sold under non-recourse factoring agreements (EUR 20.2 million on 31 Dec 2022) are classified as Financial assets at fair value through profit or loss. The company estimates that the carrying amount approximates the fair value due to their short-term nature.

Number of shares

	2022	2021	2022	2021
	10-12	10-12	1-12	1-12
Outstanding shares, end of period				
Basic	118 413 303	118 418 184	118 413 303	118 418 184
Effect of dilutive share-based incentive plans	204 277	269 684	203 952	276 585
Diluted	118 617 580	118 687 868	118 617 255	118 694 769
Outstanding shares, average				
Basic	118 413 303	118 418 184	118 405 657	118 408 223
Effect of dilutive share-based incentive plans	204 277	269 684	203 952	276 585
Diluted	118 617 580	118 687 868	118 609 609	118 684 808
Company's possession of its own shares				
End of period	12 468	7 587	12 468	7 587
Average	12 468	7 587	20 114	17 548

Alternative performance measures (APMs)

Tietoevry presents certain financial measures, which, in accordance with the "Alternative Performance Measures" guidance issued by the European Securities and Markets Authority, are not accounting measures defined or specified in IFRS and are, therefore, considered alternative performance measures. Tietoevry believes that alternative performance measures provide meaningful supplemental information to the financial measures presented in the consolidated financial statements prepared in accordance with IFRS and increase the understanding of the profitability of Tietoevry's operations. In addition, they are seen as useful indicators of the Group's financial position and ability to obtain funding. Alternative performance measures are not accounting measures defined or specified in IFRS and, therefore, they are considered non-IFRS measures, which should not be viewed in isolation or as a substitute to the IFRS financial measures.

Adjusted operating profit (EBITA) by segment

	2022	2021	Change	2022	2021	Change
EUR million	10-12	10-12	%	1-12	1-12	%
Tietoevry Create	34.8	27.9	25	116.3	99.6	17
Tietoevry Banking	25.6	17.7	45	72.0	60.3	19
Tietoevry Care	20.3	19.0	6	72.5	69.6	4
Tietoevry Industry	12.6	13.2	-5	46.0	50.8	-9
Tietoevry Transform	14.4	9.6	50	36.8	43.9	-16
Tietoevry Connect	18.3	22.1	-17	62.4	66.3	-6
Non-allocated costs	-7.9	-6.2	29	-26.8	-22.8	18
Group total	118.0	103.3	14	379.2	367.8	3

Adjusted operating margin (EBITA) by segment

	2022	2021	Change	2022	2021	Change
%	10-12	10-12	pp	1-12	1-12	pp
Tietoevry Create	15.9	13.4	2	13.7	13.2	1
Tietoevry Banking	17.8	13.6	4	13.8	12.7	1
Tietoevry Care	32.2	33.4	-1	31.3	31.4	0
Tietoevry Industry	18.1	17.7	0	16.9	16.7	0
Tietoevry Transform	11.5	7.9	4	7.8	9.4	-2
Tietoevry Connect	8.4	9.5	-1	7.1	7.3	0
Adjusted operating margin (EBITA)	15.4	13.9	1	13.0	13.0	0

Reconciliation of adjusted operating profit (EBITA)

	2022	2021	2022	2021
EUR million	10–12	10–12	1–12	1–12
Operating profit (EBIT)	103.2	113.4	266.5	382.0
+ Amortization of intangible assets recognized at fair value from acquisitions	11.3	12.0	46.7	47.3
Adjustment items:				
+ Restructuring costs	1.2	-0.7	12.6	7.1
- Capital gains	-0.3	-32.6	-1.1	-104.0
+ Strategic reviews	2.1	—	2.6	—
+/- Other M&A related items	0.4	0.1	1.7	1.0
+ Tietoevry Connect performance improvement programme	2.2	—	31.0	—
+ War in Ukraine and exit from Russia	0.7	—	13.3	—
+ Tietoevry integration	4.0	11.0	9.2	25.8
+/- Other items ¹⁾	-6.7	0.2	-3.3	8.6
Adjusted operating profit (EBITA)	118.0	103.3	379.2	367.8

¹⁾ Costs related to new strategy implementation, insurance compensation, settlement compensation and an impairment loss related to a terminated customer project in Tietoevry Banking, and other minor non-recurring items. See also [Notes to the interim financial statements](#).

Other key figures

	2022	2021	2022	2021
	10–12	10–12	1–12	1–12
Adjusted earnings per share, EUR	0.73	0.64	2.36	2.20
Equity per share, EUR	14.52	15.38	14.52	15.38
Return on equity, 12-month rolling, %	10.7	16.9	10.7	16.9
Return on capital employed, 12-month rolling, %	9.9	13.7	9.9	13.7
Equity ratio, %	51.5	51.6	51.5	51.6
Interest-bearing net debt, EUR million	679.1	610.6	679.1	610.6
Gearing, %	39.5	33.5	39.5	33.5
Net debt/EBITDA	1.5	1.1	1.5	1.1
Capital expenditure, EUR million	24.3	25.0	92.9	80.8

Calculation of alternative performance measures

Adjusted earnings per share	=	$\frac{\text{Net profit for the period excluding adjustment items, amortization of acquisition-related intangible assets and related tax impact per country}}{\text{Weighted average number of shares}}$
Adjustment items	=	Restructuring costs + capital gains/losses + impairment charges + other items affecting comparability
Operating profit (EBIT)	=	Net profit + interests + taxes
Operating margin (EBIT), %	=	$\frac{\text{Operating profit (EBIT)}}{\text{Revenue}}$
Adjusted operating profit (EBITA)	=	Operating profit (EBITA) + adjustment items
Adjusted operating margin (EBITA), %	=	$\frac{\text{Adjusted operating profit (EBITA)}}{\text{Revenue}}$
Equity per share	=	$\frac{\text{Total equity}}{\text{Number of shares at the year-end}}$
Capital expenditure	=	Acquisitions of intangible assets and property, plant and equipment
Acquisitions	=	Acquisitions of subsidiaries and business operations, net of cash acquired
Return on equity, 12-month rolling, %	=	$\frac{\text{Profit before taxes and non-controlling interests – income taxes}}{\text{Total equity (12-month average)}} * 100$
Return on capital employed, 12-month rolling, %	=	$\frac{\text{Profit before taxes + interest and other financial expenses}}{\text{Total assets – non-interest-bearing liabilities (12-month average)}} * 100$
Equity ratio, %	=	$\frac{\text{Total equity}}{\text{Total assets – advance payments}} * 100$
Interest-bearing net debt	=	Interest-bearing liabilities – interest-bearing receivables – cash and cash equivalents
Net debt/EBITDA	=	$\frac{\text{Interest-bearing net debt}}{\text{EBITDA (12-month average)}}$
Gearing, %	=	$\frac{\text{Interest-bearing net debt}}{\text{Total equity}} * 100$

Quarterly figures

Key figures

	2022	2022	2022	2022	2021	2021	2021	2021
	10-12	7-9	4-6	1-3	10-12	7-9	4-6	1-3
Earnings per share, EUR								
Basic	0.63	0.50	0.18	0.28	0.75	0.41	0.99	0.31
Diluted	0.63	0.50	0.18	0.28	0.75	0.41	0.99	0.31
Adjusted earnings per share, EUR	0.73	0.63	0.46	0.53	0.64	0.55	0.52	0.48
Equity per share, EUR	14.52	13.95	13.82	14.57	15.38	14.42	14.06	13.24
Return on equity, 12-month rolling, %	10.7	12.1	11.6	17.5	16.9	16.2	14.2	6.3
Return on capital employed, 12-month rolling, %	9.9	10.6	10.4	13.8	13.7	13.1	11.2	5.7
Equity ratio, %	51.5	49.8	48.7	48.1	51.6	49.6	48.3	42.9
Interest-bearing net debt, EUR million	679.1	700.3	716.2	586.2	610.6	702.3	772.1	825.7
Gearing, %	39.5	42.4	43.8	34.0	33.5	41.1	46.4	52.7
Net debt/EBITDA	1.5	1.6	1.6	1.1	1.1	1.4	1.6	2.3
Capital expenditure, EUR million	24.3	23.6	23.9	21.1	25.0	15.7	18.5	21.6

Income statement

	2022	2022	2022	2022	2021	2021	2021	2021
EUR million	10-12	7-9	4-6	1-3	10-12	7-9	4-6	1-3
Revenue	767.7	690.4	739.1	730.9	742.0	648.1	721.7	711.5
Other operating income	33.4	7.0	4.5	5.3	41.2	6.0	74.6	3.2
Materials and services ¹⁾	-141.2	-129.5	-144.1	-131.7	-140.9	-110.6	-131.4	-130.5
Employee benefit expenses	-395.4	-359.7	-414.0	-428.2	-390.3	-337.2	-396.3	-403.2
Depreciation, amortization and impairment losses	-58.9	-39.8	-41.6	-42.2	-45.7	-41.8	-42.8	-45.2
Other operating expenses ¹⁾	-102.8	-91.2	-104.4	-88.3	-93.6	-92.7	-86.1	-79.6
Share of results in joint ventures	0.4	0.3	0.1	0.2	0.6	0.3	0.0	0.5
Operating profit (EBIT)	103.2	77.5	39.7	46.1	113.4	72.2	139.7	56.7
Financial income and expenses	-7.7	-2.4	-9.2	-4.4	-5.9	-7.7	-6.2	-8.3
Profit before taxes	95.5	75.1	30.5	41.7	107.4	64.5	133.5	48.4
Income taxes	-20.8	-16.0	-8.7	-8.8	-18.5	-16.4	-15.9	-11.3
Net profit for the period	74.7	59.1	21.8	32.9	88.9	48.1	117.6	37.0

¹⁾ Tietoevry has clarified its accounting policy for costs related to shared platforms in infrastructure services. These costs are recognized in other operating expenses when they are not directly linked to any specific customer. Due to the clarification, Tietoevry reclassified costs between Materials and Services and Other operating expenses in the comparative periods.

Statement of Financial Position

	2022	2022	2022	2022	2021	2021	2021	2021
EUR million	31 Dec	30 Sep	30 Jun	31 Mar	31 Dec	30 Sep	30 Jun	31 Mar
Goodwill	1 846.5	1 843.8	1 876.5	1 978.3	1 943.7	1 931.7	1 935.1	1 950.3
Other intangible assets	336.7	353.9	365.6	392.5	387.9	384.2	388.1	397.3
Property, plant and equipment	97.2	96.3	91.5	87.0	87.4	87.4	89.3	94.3
Right-of-use assets	201.9	190.4	200.9	188.8	192.4	199.1	209.9	227.0
Interests in joint ventures	14.2	15.4	15.3	17.2	16.7	15.9	18.4	19.4
Other non-current assets	51.4	54.5	57.7	62.8	74.2	67.2	75.2	74.8
Total non-current assets	2 548.0	2 554.3	2 607.6	2 726.7	2 702.3	2 685.5	2 715.9	2 763.0
Trade receivables and other current assets	596.1	596.0	598.5	604.9	561.1	580.8	619.0	586.9
Cash and cash equivalents	249.7	222.6	220.3	342.5	323.8	241.1	186.3	307.5
Total current assets	845.8	818.7	818.8	947.4	884.9	822.0	805.3	894.5
Assets held for sale	—	—	—	—	—	—	—	88.1
Total assets	3 393.8	3 373.0	3 426.4	3 674.2	3 587.2	3 507.4	3 521.2	3 745.5
Total equity	1 719.2	1 652.3	1 636.0	1 725.0	1 821.1	1 707.7	1 665.2	1 567.7
Non-current loans	795.3	830.8	838.6	871.8	875.6	881.9	888.2	1 056.1
Other non-current liabilities	62.7	60.8	64.3	72.7	85.2	85.2	88.9	90.2
Total non-current liabilities	858.0	891.7	902.9	944.4	960.8	967.1	977.1	1 146.3
Trade payables and other current liabilities	632.7	676.3	729.0	882.5	691.6	710.5	751.1	880.5
Provisions	19.1	28.0	32.1	33.7	19.6	26.1	25.3	30.7
Current loans	164.7	124.7	126.3	88.6	94.0	96.0	102.5	111.5
Total current liabilities	816.5	829.0	887.5	1 004.8	805.3	832.6	878.9	1 022.7
Liabilities attributable to assets held for sale	—	—	—	—	—	—	—	8.8
Total equity and liabilities	3 393.8	3 373.0	3 426.4	3 674.2	3 587.2	3 507.4	3 521.2	3 745.5

Statement of cash flows

	2022	2022	2022	2022	2021	2021	2021	2021
EUR million	10–12	7–9	4–6	1–3	10–12	7–9	4–6	1–3
Cash flow from operating activities								
Net profit for the period	74.7	59.1	21.8	32.9	88.9	48.1	117.6	37.0
Adjustments	86.9	53.6	69.5	49.6	36.7	67.2	-7.3	63.7
Change in net working capital	34.2	-56.3	-56.7	-3.3	68.5	-11.6	-83.9	0.1
Cash generated from operating activities before interests and taxes	195.8	56.4	34.7	79.2	194.1	103.8	26.4	100.9
Net financial expenses paid	-7.0	-6.4	-13.0	-4.5	-4.5	-4.7	-9.3	-0.7
Dividends received	—	—	1.4	—	—	—	2.1	—
Income taxes paid	-22.4	-9.9	-14.7	-12.7	-20.3	-7.0	-8.0	-5.3
Cash flow from operating activities	166.3	40.2	8.4	62.0	169.3	92.1	11.2	94.8
Cash flow from investing activities	-23.2	-23.4	-27.6	-17.8	14.0	-17.7	124.3	-20.7
Cash flow from financing activities	-106.1	-16.6	-105.3	-22.4	-102.1	-21.9	-252.8	-22.0
Change in cash and cash equivalents	37.0	0.1	-124.4	21.8	81.2	52.5	-117.3	52.1
Cash and cash equivalents at the beginning of period	222.6	220.3	342.5	323.8	241.1	186.3	307.5	205.4
Foreign exchange differences	-10.0	2.3	2.1	-3.1	1.4	2.4	-4.0	4.4
Cash classified as assets held for sale	—	—	—	—	—	—	—	-1.2
Change in cash and cash equivalents	37.0	0.1	-124.4	21.8	81.2	52.5	-117.3	52.1
Cash and cash equivalents at the end of period	249.7	222.6	220.3	342.5	323.8	241.1	186.3	307.5

Quarterly figures by segments

The tables below include previous quarters' reported figures restated in accordance with the new segment structure.

Revenue by segment

	2022	2022	2022	2022	2021	2021	2021	2021
EUR million	10-12	7-9	4-6	1-3	10-12	7-9	4-6	1-3
Tietoevry Create	219.3	203.4	209.4	215.7	207.3	172.3	188.4	188.4
Tietoevry Banking	144.3	123.2	130.4	123.4	130.3	111.8	120.2	113.5
Tietoevry Care	63.0	53.6	58.2	56.6	57.1	48.9	61.5	54.4
Tietoevry Industry	69.7	64.1	68.0	70.8	74.6	67.4	78.5	82.9
Tietoevry Transform	125.7	105.5	118.4	121.0	122.3	105.1	119.1	121.4
Tietoevry Connect	216.4	209.1	230.4	224.0	233.3	215.5	231.4	227.3
Eliminations	-70.7	-68.6	-75.8	-80.5	-82.9	-72.9	-77.3	-76.4
Group total	767.7	690.4	739.1	730.9	742.0	648.1	721.7	711.5

During the first half of 2022, the principles for internal trade were aligned and segment revenues have been recast due to minor changes between segments. Group numbers remain unchanged.

Operating profit (EBIT) by segment

	2022	2022	2022	2022	2021	2021	2021	2021
EUR million	10-12	7-9	4-6	1-3	10-12	7-9	4-6	1-3
Tietoevry Create	30.1	23.6	11.6	24.9	24.9	19.0	20.2	24.3
Tietoevry Banking	16.2	13.2	2.9	7.5	12.2	11.2	8.6	6.0
Tietoevry Care	20.2	18.1	17.4	16.5	18.8	16.9	19.0	13.7
Tietoevry Industry	23.1	9.5	8.6	10.6	47.4	11.8	79.0	11.6
Tietoevry Transform	14.1	2.2	5.1	10.1	8.8	7.8	11.3	12.9
Tietoevry Connect	13.4	15.9	6.4	-14.6	17.3	10.1	9.4	1.8
Non-allocated costs	-13.9	-5.2	-12.3	-8.8	-16.0	-4.7	-7.9	-13.6
Group total	103.2	77.5	39.7	46.1	113.4	72.2	139.7	56.7

Operating margin (EBIT) by segment

	2022	2022	2022	2022	2021	2021	2021	2021
%	10-12	7-9	4-6	1-3	10-12	7-9	4-6	1-3
Tietoevry Create	13.7	11.6	5.5	11.5	12.0	11.1	10.7	12.9
Tietoevry Banking	11.2	10.7	2.3	6.0	9.4	10.0	7.2	5.3
Tietoevry Care	32.1	33.8	29.9	29.1	32.9	34.6	30.9	25.1
Tietoevry Industry	33.2	14.8	12.7	15.0	63.5	17.5	100.7	14.0
Tietoevry Transform	11.2	2.1	4.3	8.4	7.2	7.4	9.5	10.6
Tietoevry Connect	6.2	7.6	2.8	-6.5	7.4	4.7	4.0	0.8
Operating margin (EBIT)	13.4	11.2	5.4	6.3	15.3	11.1	19.4	8.0

Adjusted operating profit (EBITA) by segment

	2022	2022	2022	2022	2021	2021	2021	2021
EUR million	10-12	7-9	4-6	1-3	10-12	7-9	4-6	1-3
Tietoevry Create	34.8	26.9	25.6	29.0	27.9	21.8	23.1	26.9
Tietoevry Banking	25.6	19.5	13.9	13.0	17.7	16.6	14.4	11.6
Tietoevry Care	20.3	18.2	17.5	16.6	19.0	17.4	19.5	13.7
Tietoevry Industry	12.6	10.8	11.6	11.1	13.2	13.7	11.0	12.8
Tietoevry Transform	14.4	6.6	5.4	10.4	9.6	9.3	11.9	13.1
Tietoevry Connect	18.3	20.6	12.6	10.9	22.1	18.5	15.6	10.1
Non-allocated costs	-7.9	-4.6	-7.9	-6.3	-6.2	-3.3	-7.2	-6.1
Group total	118.0	97.9	78.7	84.6	103.3	94.0	88.3	82.1

Adjusted operating margin (EBITA) by segment

	2022	2022	2022	2022	2021	2021	2021	2021
%	10-12	7-9	4-6	1-3	10-12	7-9	4-6	1-3
Tietoevry Create	15.9	13.2	12.2	13.5	13.4	12.7	12.2	14.3
Tietoevry Banking	17.8	15.9	10.6	10.5	13.6	14.9	12.0	10.2
Tietoevry Care	32.2	33.9	30.1	29.3	33.4	35.5	31.7	25.2
Tietoevry Industry	18.1	16.8	17.1	15.6	17.7	20.3	14.1	15.5
Tietoevry Transform	11.5	6.3	4.5	8.6	7.9	8.8	10.0	10.8
Tietoevry Connect	8.4	9.9	5.5	4.8	9.5	8.6	6.7	4.5
Adjusted operating margin (EBITA)	15.4	14.2	10.7	11.6	13.9	14.5	12.2	11.5

Depreciation by segment

	2022	2022	2022	2022	2021	2021	2021	2021
EUR million	10-12	7-9	4-6	1-3	10-12	7-9	4-6	1-3
Tietoevry Create	1.6	1.6	1.9	1.7	1.8	1.9	2.1	2.1
Tietoevry Banking	1.2	1.2	1.2	1.2	1.1	1.0	1.0	1.0
Tietoevry Care	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Tietoevry Industry	0.2	0.2	0.1	0.1	0.2	0.2	0.3	0.2
Tietoevry Transform	0.5	0.4	0.4	0.3	0.2	0.1	0.1	0.1
Tietoevry Connect	10.2	10.3	10.1	10.2	10.5	10.8	11.0	11.2
Group functions	11.2	11.7	13.5	12.0	12.8	13.1	13.5	14.1
Group total	25.1	25.6	27.4	25.7	26.9	27.3	28.2	28.9

Amortization of other intangible assets by segment

	2022	2022	2022	2022	2021	2021	2021	2021
EUR million	10-12	7-9	4-6	1-3	10-12	7-9	4-6	1-3
Tietoevry Create	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.1
Tietoevry Banking	0.7	0.7	0.7	0.7	0.8	0.8	0.8	0.8
Tietoevry Care	0.4	0.4	0.4	0.4	0.4	0.2	0.2	0.2
Tietoevry Industry	0.1	0.1	0.1	0.1	0.2	0.3	0.3	0.3
Tietoevry Transform	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Tietoevry Connect	1.0	1.0	1.1	3.2	1.0	0.9	0.9	1.3
Group functions	0.1	0.1	0.0	0.1	0.6	0.4	0.4	0.5
Group total	2.4	2.4	2.3	4.6	3.1	2.6	2.7	3.2

Amortization of acquisition-related intangible assets by segment

	2022	2022	2022	2022	2021	2021	2021	2021
EUR million	10-12	7-9	4-6	1-3	10-12	7-9	4-6	1-3
Tietoevry Create	2.4	2.5	2.6	2.6	2.6	2.6	2.6	2.6
Tietoevry Banking	5.2	5.4	5.4	5.5	5.5	5.3	5.4	5.4
Tietoevry Care	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Tietoevry Industry	1.5	1.6	1.6	1.6	1.6	1.7	1.5	1.6
Tietoevry Transform	—	—	—	—	—	—	—	—
Tietoevry Connect	2.1	2.2	2.2	2.2	2.2	2.2	2.2	2.2
Group functions	—	—	—	—	—	—	—	—
Group total	11.3	11.7	11.8	11.9	12.0	11.8	11.8	11.8

Major shareholders on 31 Dec 2022

	Shares	%
1 Solidium Oy	12 857 918	10.9
2 Cevian Capital Partners Ltd ¹⁾	9 381 731	7.9
3 Incentive Investment Funds ICAV ²⁾	6 041 221	5.1
4 Silchester International Investors LLP ³⁾	5 939 679	5.0
5 Ilmarinen Mutual Pension Insurance Company	1 927 095	1.6
6 Elo Mutual Pension Insurance Company	1 484 000	1.3
7 The State Pension fund	1 100 000	0.9
8 Nordea funds	1 081 997	0.9
9 Evli funds	938 231	0.8
10 Swedbank Robur fonder	685 000	0.6
Top 10 shareholders total	41 436 872	35.0
- of which nominee registered	22 047 631	18.6
Nominee registered other	49 103 791	41.5
Others	27 885 108	23.5
Total	118 425 771	100.0

Based on the ownership records of Euroclear Finland Oy, Euroclear Sweden AB and Norwegian Central Securities Depository (VPS).

¹⁾ Based on the ownership records of Euroclear Finland Oy, Cevian Capital Partners Ltd's holding on 31 August 2022 was 9 381 731 shares, representing 7.9% of shares and voting rights.

²⁾ On 21 September 2021, Incentive AS announced that the holding of Incentive Investment Funds ICAV was 6 041 221 shares, representing 5.1% of the shares.

³⁾ On 10 February 2022, Silchester International Investors LLP has announced that its holding has increased to 5 939 679 shares, representing 5.02% of the total number of shares.

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A teleconference for analysts and media will be held on Wednesday 15 February 2023 at 10.00 a.m. EEST (09.00 am CET, 08.00 am. UK time). Kimmo Alkio, President and CEO, and Tomi Hyryläinen, CFO, will present the results online in English. [The presentation](#) can be followed on [Tietoevry's website](#).

To take part in the questions and answers session after the presentation you will need to dial in by phone. You can access the teleconference by registering on [this link](#). After the registration you will be provided phone numbers and a conference ID to access the conference.

The event is recorded and it will be available on demand later during the day. Tietoevry publishes its financial information in English and Finnish.

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Our 24 000 experts globally specialize in cloud, data, and software, serving thousands of enterprise and public-sector customers in more than 90 countries. Tietoevry's annual turnover is approximately EUR 3 billion and the company's shares are listed on the NASDAQ exchange in Helsinki and Stockholm, as well as on Oslo Børs. www.tietoevry.com

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