



# Q2

# 2024

## Steady performance in a mixed market

- Organic growth of 1% driven by software businesses
- Improved profitability of 11% supported by TietoEvry Tech Services
- Strong customer wins and order intake – book-to-bill 1.3
- Strategic review of TietoEvry Tech Services progressing – active sales process ongoing

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# Key figures in the second quarter

Revenue, EUR million	Organic growth <sup>1)</sup>	Adjusted <sup>2)</sup> operating profit (EBITA <sup>3)</sup> , EUR million
<b>715</b> <small>(695)</small>	<b>1%</b> <small>(3%)</small>	<b>78 / 11.0%</b> <small>(73) (10.5%)</small>
Cash flow from operating activities, EUR million	Net debt/EBITDA	Order backlog
<b>68</b> <small>(11)</small>	<b>2.2</b> <small>(1.6)</small>	<b>+2%</b> <sup>4)</sup>

	4–6/2024	4–6/2023	1–6/2024	1–6/2023
Revenue, EUR million	715.0	695.2	1 448.9	1 439.5
Organic growth <sup>1)</sup> , %	1	3	-1	5
Acquisitions and divestments, %	2	0	2	0
Foreign exchange rates, %	0	-8	-1	-7
Total growth, %	3	-6	1	-2
Organic growth adjusted for working days <sup>5)</sup> , %	-1	4	-1	6
Operating profit (EBIT), EUR million	47.8	41.2	110.4	109.9
Operating margin (EBIT), %	6.7	5.9	7.6	7.6
Adjusted <sup>2)</sup> operating profit (EBITA <sup>3)</sup> , EUR million	78.3	72.9	167.0	164.7
Adjusted <sup>2)</sup> operating margin (EBITA <sup>3)</sup> , %	11.0	10.5	11.5	11.4
Net profit for the period, EUR million	28.3	25.3	66.6	73.8
EPS, EUR	0.24	0.21	0.56	0.62
Cash flow from operating activities, EUR million	68.1	11.5	139.9	115.2
Capital expenditure, EUR million	24.5	18.9	48.7	39.6
Order backlog	3 440	3 350	3 440	3 350
Interest-bearing net debt, EUR million	932.3	735.2	932.3	735.2
Personnel on 30 June	23 833	23 958	23 833	23 958

## Full-year outlook for 2024 unchanged

Tietoevry expects its organic<sup>1)</sup> growth to be in the range of 0–3% (revenue in 2023: EUR 2 851.4 million).

The company estimates its full-year adjusted operating margin<sup>2)</sup> (adjusted EBITA<sup>3)</sup> to be 12.0–13.0% (12.6% in 2023)

<sup>1)</sup> Adjusted for currency effects, acquisitions and divestments

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

<sup>3)</sup> Profit before interests, taxes and amortization of acquisition-related intangible assets

<sup>4)</sup> Adjusted for the impact of exchange rates, acquisitions and divestments

<sup>5)</sup> Company estimate

For reconciliation, see section [Alternative performance measures](#).

# CEO's comment

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



"We delivered steady second-quarter performance in a mixed market environment. The company returned to growth and improved its profitability to 11%. Our software businesses, Tietoevry Banking and Tietoevry Industry posted healthy growth of 5%. Furthermore, Tietoevry Banking signed significant customer contracts and achieved a record-high order book. Our consulting and managed services businesses declined in a market with weaker demand. We continue our focus on

efficiency to remain resilient across all businesses, with the biggest profitability improvement in the second quarter seen in Tietoevry Tech Services.

As announced on 1 July, the strategic review of Tietoevry Tech Services is progressing with an active sales process ongoing. As a company, we are in the middle of a multi-year strategic transformation, which we embarked on with our specialization strategy at the beginning of 2022. We are making consistent progress in our ambition of repositioning Tietoevry as a leading software and digital engineering company. During the quarter, we launched a new unified operating model for Tietoevry Create to realize its global scale, competitive offerings and efficiency. The software businesses further expanded their footprint with customer wins, SaaS models and AI-enabled products. As an example, in healthcare we have co-created with our customers AI-augmented diagnosis and treatment solutions for patient-centred care.

Our hearts and minds remain with our colleagues and people in Ukraine as the devastating situation in the country continues.

We are also proud of the progress in our sustainability agenda - we remain focused on climate action, ethical conduct and social impact as outlined in our Sustainability Pledge launched in March. Tietoevry was recognized as one of Europe's Climate Leaders 2024 in a listing by the Financial Times and as one of the World's Most Sustainable Companies of 2024 by Time Magazine - both compiled in partnership with Statista. We also continue to have diversity and inclusion in focus, demonstrated, for example, by our long-term participation in Pride."

# Tietoevry's quarter in brief

## Organic growth of 1% driven by software businesses

Revenue was organically up by 1%, supported by growth of 5% in Tietoevry Banking and Tietoevry Industry. Revenue for Tietoevry Create was organically down by 2% and for Tech Services by 4%, impacted by the soft market. Tietoevry Tech Services' revenue was also impacted by the continued volatility in hardware and software reselling. Tietoevry Care returned to growth with revenue organically up by 1%. The Health and Social care reform continued to impact demand in Finland, as expected. On the Group level, the higher number of working days had a positive impact of 1.2 percentage points on growth. Order intake was strong with second-quarter book-to-bill of 1.3.

## Improved profitability of 11% supported by Tietoevry Tech Services

Adjusted operating margin improved to 11.0%, supported by ongoing efficiency measures. Profitability improved in Tietoevry Tech Services to 7.7%, mainly driven by continuous efficiency improvement, and in Tietoevry Industry to 15.1%. In Tietoevry Care, profitability was down, partly due to higher investments, but remained at a high level, at 26.2%. In Tietoevry Create, profitability was impacted by weak demand and adjusted operating margin was 11.4%. Capacity management activities continued in Tietoevry Create. In Tietoevry Banking, profitability was 9.9%.

## Focus on efficiency in all businesses

Efficiency measures were initiated to address the current market environment. In May, Tietoevry Tech Services announced targeted measures to strengthen competitiveness, impacting up to 110 roles. Tietoevry Create announced its renewed operating model in July, aiming to maximize customer centricity, services innovation, global scale and efficiency. The new operating model includes integrating three previously independent key subsidiaries, Infopulse, MentorMate and EVRY India. The new operating model may lead to potential redundancies in non-billable roles in administration and management. Tietoevry Create is also adjusting its billable capacity in line with market demand. As a result, the business initiated employee reductions potentially affecting around 400 employees globally. Furthermore, efficiency measures are ongoing in Tietoevry Banking, Care and Industry.

## Strategic review of Tietoevry Tech Services progressing – active sales process ongoing

The strategic review of Tietoevry Tech Services is progressing with an active sales process. The company will provide further updates by the third-quarter interim report on 24 October 2024.

## Increased visibility to financial impact of ransomware attack

During the first quarter, Tietoevry experienced a criminal ransomware attack in one of its data centres in Sweden. Restoration of services cost approximately EUR 1.2 million, of which the majority was expensed in the first quarter. The company does not expect any further incremental costs for restoration. Additionally, the impact on revenue was approximately EUR 1.8 million arising from services not rendered and contractual SLA penalties, with the majority impacting the first quarter. The company has received claims for damages from customers which are being evaluated. Based on the company's current assessment, the maximum aggregate contractual limit of liabilities for direct damages is below EUR 10 million. The company expects the resolution of customer claims and the subsequent conclusion with the insurance provider to take several quarters.

## Significant agreements

### Tietoevry Care wins digital health platform procurement for Karolinska University Hospital in Sweden

Tietoevry Care has won a significant contract to implement its Lifecare Open Platform solution at Karolinska University Hospital in Sweden. The platform is based on an open standard for electronic health records, openEHR. The Lifecare Open Platform complements existing healthcare systems by compiling information from various sources into a seamless user experience. The platform enables improved management of patient data and care processes, and more efficient and patient-centred care with less administration.

### Handelsbanken Norway extends agreement with Tietoevry Banking for another five years

Handelsbanken Norway has entered into a new agreement with Tietoevry Banking. Central to the agreement is the migration to a new modern core banking solution that is modular and based on high-level APIs, making it easy to integrate with new solutions that support Handelsbanken's channel strategy.

### Tietoevry's Lifecare client information system enhances social care services in Southwest Finland

The wellbeing services county of Southwest Finland chose Tietoevry Care's Lifecare solution with a view to helping care workers in their daily work in various locations across Southwest Finland, and enabling the provision of equal services to the county's 500 000 residents. The system covers, for example, the provision of care for families with children, the elderly, people with disabilities and child protection.

### The Norwegian Labour and Welfare Administration selects Tietoevry Industry as a provider of cloud service Public 360°

Tietoevry Industry entered into an agreement with the Norwegian Labour and Welfare Administration (NAV) to enhance the digitization and automation of NAV's information and document processes. Public 360° Online with AI embedded will simplify information management for both administration and operational activities.

### Tietoevry Create to develop Business Finland's omni-channel digital commerce

Tietoevry Create has been chosen to support, maintain and develop websites and digital service platforms intended for Business Finland's customers and stakeholders. Business Finland is an organization that promotes growth and internationalization of Finnish companies.

### Tietoevry Banking renews strategic partnership with Geldmaat for ATM Software-as-a-Service

Tietoevry Banking and Geldmaat agreed on a renewal of their strategic partnership. Following several years of successful collaboration, Geldmaat extended the partnership for an additional five years for use of ATM SaaS solutions. The service currently covers approximately 4 250 ATMs and cash recyclers in the Dutch market.

### Tietoevry Tech Services to accelerate digital transformation at Gjensidige Forsikring

Building on 20 years of close collaboration, the Norwegian insurance company Gjensidige Forsikring has extended their contract with Tietoevry Tech Services. The renewed partnership covers modernization and securing Gjensidige's technology roadmap to support the insurance company's growth ambitions.

# IT market development

Macroeconomic uncertainty has resulted in continued weak market demand, which is primarily impacting digital engineering services, as well as managed services and transformation. In digital engineering, customers are focusing on resilience, impacting digital engineering investments. In managed services and transformation, the weaker demand is visible in non-critical time and material work.

Tietoevry expects its addressable market to grow by 0–2% during the current year. Tietoevry's business mix provides resilience, as specialized businesses comprise a significant proportion of long-term customer engagements. Demand for specialized software is expected to be stable.

The shift to cloud native and data-driven technologies continues to be at the core of customers' drive for agility, productivity and competitiveness, as well as IT security and data resilience. 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, including Artificial Intelligence, is expected to remain high and to result in over 10% market growth in this area. In Tietoevry's view, Generative AI (GenAI) will provide diverse opportunities for enhancing productivity and competitiveness both among its customers and in its own operations. It is expected to have profound impact in both driving productivity and bringing enhanced software products and services to customers.

At the same time, customers' focus will be on user experience, driving new business opportunities and growth. Customers also continue to emphasize data sovereignty, security and business continuity as they adopt cloud technologies, with multi-cloud becoming a default. As customers remain cautious about their spending, outsourcing demand with embedded transformation to cloud is expected to continue, resulting in volume decline of up to 10% over time in traditional services. Service providers may be affected by customer demands for price reductions. IT service companies' ability to increase prices and margins is limited in the short term.

## Specialization-based strategy for greater value to all stakeholders

Tietoevry's strategy aims to capture cloud-native and AI-enabled market opportunities through specialized software, digital engineering and managed services businesses. Each business aims to be among the best in the market and all structural (M&A and divestments) and operational actions are considered to enable that agenda. Specialization drives a best-in-class customer proposition and attracts talent. Shareholder value creation is also supported by structural actions to unlock the value of the group and individual businesses.

### Specialized businesses taking advantage of cloud, data and software market growth

Specialization forms the cornerstone of Tietoevry's strategy. The company's five specialized end-to-end businesses aim to take advantage of cloud, data and software market growth. The individual businesses have optionality to build scale and prioritize investments, reflecting the distinct market dynamics, business proposition and value potential of each. The businesses are described on the [company's website](#).

### Repositioning Tietoevry as a leading software and digital engineering player globally

The strategic review of Tietoevry Banking was concluded in April. The company decided to further develop Tietoevry Banking as a specialized business within the Group. Tietoevry aims to unlock value through a strategic review of Tietoevry Tech Services. With the strategic review, the company seeks to drive the competitiveness of the business. The success of businesses with an outsourcing foundation relies on the scale of capabilities and infrastructure volumes needed to drive customers' continuous efficiency, agility and modernization needs. The strategic review of Tietoevry Tech Services is progressing with an active sales process.

Tietoevry seeks to reposition itself as a leading software and digital engineering player globally. The company's longer-term M&A agenda, together with the strategic review of Tietoevry Tech Services, forms a solid foundation for the ongoing transformation of the company.

# Financial performance in April–June

	4–6/2024	4–6/2023
Revenue, EUR million	715.0	695.2
Change, %	3	-6
Organic growth, %	1	3
Operating profit (EBIT), EUR million	47.8	41.2
Operating margin (EBIT), %	6.7	5.9
Adjusted operating profit (EBITA), EUR million	78.3	72.9
Adjusted operating margin (EBITA), %	11.0	10.5
EPS, EUR	0.24	0.21
Cash flow from operating activities, EUR million	68.1	11.5
Capital expenditure, EUR million	24.5	18.9

Second-quarter revenue was up by 3% to EUR 715.0 (695.2) million. Exchange rates had a positive impact of EUR 1 million on revenue compared to the corresponding quarter of 2023. Net impact of acquisitions and divestments was positive at EUR 15 million. Organically, revenue was up by 1%. Second-quarter operating profit (EBIT) amounted to EUR 47.8 (41.2) million, representing a margin of 6.7% (5.9). Operating profit includes EUR -19.6 (-22.0) million in adjustment items. Adjusted operating profit (EBITA) stood at EUR 78.3 (72.9) million, or 11.0% (10.5) of revenue. Further details on adjustment items are available in the [Alternative Performance Measures](#) paragraph.

Depreciation and amortization amounted to EUR 40.8 (36.9) million, including EUR 14.7 (14.7) million in depreciation of right-of-use assets and EUR 11.0 (9.8) million in amortization of acquisition-related intangible assets. Net financial expenses stood at EUR 11.6 (8.7) million. Net interest expenses were EUR 8.9 (6.8) million and net losses from foreign exchange transactions EUR 0.3 (losses 1.0) million. Other financial income and expenses amounted to EUR -2.4 (-0.9) million.

Earnings per share (EPS) totalled EUR 0.24 (0.21). Adjusted earnings per share amounted to EUR 0.44 (0.43).

## Cash flow and investments

Second-quarter net cash flow from operating activities amounted to EUR 68.1 (11.5) million, including a decrease of EUR 1.0 (increase of 40.7) million in net working capital.

Capital expenditure totalled EUR 24.5 (18.9) million, mainly consisting of capitalized costs for the development of software, investments in data centres and business-related software licences. In the second quarter, capitalized costs for industry-specific software amounted to EUR 11.7 (10.6) million. Capital expenditure represented 3.4% (2.7) of revenue.

## Financial performance by segment

	Revenue, EUR million 4–6/2024	Revenue, EUR million 4–6/2023	Growth, %	Organic growth, %	Adjusted operating profit, EUR million 4–6/2024	Adjusted operating profit, EUR million 4–6/2023	Adjusted operating margin, % 4–6/2024	Adjusted operating margin, % 4–6/2023
Tietoevry Create	213.9	204.8	4	-2	24.3	24.4	11.4	11.9
Tietoevry Banking	148.2	139.8	6	5	14.7	14.8	9.9	10.6
Tietoevry Care	58.6	58.2	1	1	15.3	17.0	26.2	29.1
Tietoevry Industry	67.3	63.8	5	5	10.1	9.4	15.1	14.7
Tietoevry Tech Services	256.1	265.4	-4	-4	19.8	13.1	7.7	4.9
Eliminations and non-allocated costs	-29.2	-37.0	—	—	-6.0	-5.7	—	—
<b>Group total</b>	<b>715.0</b>	<b>695.2</b>	<b>3</b>	<b>1</b>	<b>78.3</b>	<b>72.9</b>	<b>11.0</b>	<b>10.5</b>

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

In **Tietoevry Create**, revenue was organically down by 2%. Revenue development was mixed with growth in Finland and International (including the US) while declining in Sweden. Tietoevry Create initiated capacity adjustments as a result of the operating model renewal and to address the continued soft market environment. In the third quarter, adjusted operating margin is anticipated to be at or below the level of the corresponding quarter of 2023.

In **Tietoevry Banking**, revenue was organically up by 5%. Growth was solid in the Cards, Financial Crime Prevention, Credit and Wealth businesses. Tietoevry Banking signed significant contracts during the quarter, especially in Banking as a Service, resulting in strong book-to-bill and record-high order backlog. Profitability was impacted by high technology costs and an increase of approximately EUR 2 million in depreciation of capitalized R&D. In the third quarter, adjusted operating margin is anticipated to be at or above the level of the corresponding quarter of 2023.

In **Tietoevry Care**, revenue was organically up by 1%. Growth continued to be impacted by the health and social care reform in Finland. The company anticipates that the impact will be lower in the second half of the year. Investments in sales as well as the localization of Lifecare to Norway impacted profitability. In the third quarter, adjusted operating margin is anticipated to be at or below the level of the corresponding quarter of 2023.

In **Tietoevry Industry**, revenue was organically up by 5%. Growth was strong in Data Platform Services. Profitability remained healthy. In the third quarter, adjusted operating margin is anticipated to be at the level of the corresponding quarter of 2023.

In **Tietoevry Tech Services**, revenue was organically down by 4%. Performance was impacted by continued market softness and volatility in hardware and software reselling. Revenue for cloud platform and security services was organically up by 17% whereas the market decline of traditional infrastructure services continued with revenue down by 5%. In data and application services, revenue was up by 1% and in end-user services down by 16%, impacted by lower hardware and software reselling. Second-quarter book-to-bill was healthy. Profitability improved, driven by continued efficiency management. In the third quarter, adjusted operating margin is anticipated to be at or above the level of the corresponding quarter of 2023.

# Financial performance in January–June

	1–6/2024	1–6/2023
Revenue, EUR million	1 448.9	1 439.5
Change, %	1	-2
Organic growth, %	-1	5
Operating profit (EBIT), EUR million	110.4	109.9
Operating margin (EBIT), %	7.6	7.6
Adjusted operating profit (EBITA), EUR million	167.0	164.7
Adjusted operating margin (EBITA), %	11.5	11.4
EPS, EUR	0.56	0.62
Cash flow from operating activities, EUR million	139.9	115.2
Capital expenditure, EUR million	48.7	39.6

First-half revenue was up by 1% to EUR 1 448.9 (1 439.5) million. Exchange rates had a negative impact of EUR 11 million on revenue compared to the corresponding period of 2023. Net impact of acquisitions and divestments was positive at EUR 32 million. Organically, revenue was down by 1%. First-half operating profit (EBIT) amounted to EUR 110.4 (109.9) million, representing a margin of 7.6% (7.6). Operating profit includes EUR -34.5 (-34.6) million in adjustment items. Adjusted operating profit (EBITA) stood at EUR 167.0 (164.7) million, or 11.5% (11.4) of revenue. Further details on adjustment items are available in the [Alternative Performance Measures](#) paragraph.

Depreciation and amortization amounted to EUR 81.3 (75.5) million, including EUR 29.4 (30.7) million in depreciation of right-of-use assets and EUR 22.1 (20.3) million in amortization of acquisition-related intangible assets. Net financial expenses stood at EUR 23.8 (15.2) million. Net interest expenses were EUR 20.2 (12.8) million and net losses from foreign exchange transactions EUR 0.4 (losses 0.8) million. Other financial income and expenses amounted to EUR -3.2 (-1.6) million.

Earnings per share (EPS) totalled EUR 0.56 (0.62). Adjusted earnings per share amounted to EUR 0.94 (0.99).

## Cash flow and investments

First-half net cash flow from operating activities amounted to EUR 139.9 (115.2) million, including a decrease of EUR 3.9 (increase of 26.5) million in net working capital.

Capital expenditure totalled EUR 48.7 (39.6) million, mainly consisting of capitalized costs for the development of software, investments in data centres and business-related software licences. First-half capitalized costs for industry-specific software amounted to EUR 23.9 (21.1) million. Capital expenditure represented 3.4% (2.7) of revenue.

## Financial performance by segment

	Revenue,	Revenue,	Growth, %	Organic growth, %	Adjusted operating profit,	Adjusted operating profit,	Adjusted operating margin, %	Adjusted operating margin, %
	EUR million	EUR million			EUR million	EUR million	margin, %	margin, %
	1–6/2024	1–6/2023			1–6/2024	1–6/2023	1–6/2024	1–6/2023
Tietoevry Create	437.7	428.0	2	-4	53.7	58.7	12.3	13.7
Tietoevry Banking	297.0	282.1	5	7	32.5	29.5	10.9	10.4
Tietoevry Care	117.2	120.1	-2	-2	31.8	36.0	27.2	30.0
Tietoevry Industry	137.1	132.5	3	4	21.5	21.2	15.7	16.0
Tietoevry Tech Services	519.4	553.9	-6	-6	39.9	34.1	7.7	6.2
Eliminations and non-allocated costs	-59.5	-77.1	—	—	-12.5	-14.7	—	—
<b>Group total</b>	<b>1 448.9</b>	<b>1 439.5</b>	<b>1</b>	<b>-1</b>	<b>167.0</b>	<b>164.7</b>	<b>11.5</b>	<b>11.4</b>

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

# Financial position at the end of the period

The equity ratio was 44.0% (45.7). Gearing was 63.2% (51.9). Interest-bearing net debt totalled EUR 932.3 (735.2) million, including EUR 931.8 (744.2) million in interest-bearing debt, EUR 208.3 (212.1) million in lease liabilities, EUR 1.6 (2.0) million in finance lease receivables, EUR 32.8 (29.5) million in other interest-bearing receivables and EUR 173.4 (189.6) million in cash and cash equivalents.

Interest-bearing long-term liabilities amounted to EUR 389.3 (752.8) million at the end of June. The company's interest-bearing long-term liabilities primarily comprise a five-year term loan of EUR 174 million from OP Corporate Bank plc, a loan from the European Investment Bank and lease liabilities of EUR 156.7 million.

Interest-bearing short-term liabilities amounted to EUR 750.8 (203.5) million, mainly comprising a EUR 100 million bond, a EUR 300 million bond, a syndicated term loan, commercial papers, leasing liabilities and the short-term part of the term loan from the European Investment Bank. The company has signed committed credit facilities of EUR 350 million in total to cover the 2024 refinancing needs.

Tietoevry's sustainability-linked revolving credit facility of EUR 250 million was not in use at the end of June. The revolving credit facility matures in 2028 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.

## Performance in 2024

Tietoevry anticipates that the business mix of the company and long-term contracts provide resilience in uncertain times. Tietoevry expects its organic growth to be in the range of 0–3% in 2024. The lower end of the range assumes that market uncertainty will continue in the second half of the year whereas the upper end assumes that the market will gradually pick up during the year. The company anticipates that the first quarter represents the lowest growth rate for 2024. The IT services market is anticipated to remain soft during the second half of the year.

### Mitigating high inflation

The company estimates its full-year adjusted operating margin to be 12.0–13.0%, partly depending on the outcome of growth. Continued high inflation is anticipated to constrain profitability improvement. The company estimates salary inflation to be around 4.5% on average for 2024. Tietoevry is also impacted by overall high cost inflation, visible in items such as subcontracting, technology costs, premises, electricity and software licences. The negative impact is mitigated by a number of actions including price increases, further offshoring, automation, management of the competence pyramid and overall cost efficiency across businesses.

### Ongoing efficiency measures continue to contribute to profitability

Execution of efficiency measures, most notably within Tietoevry Tech Services and Tietoevry Create, is expected to support profitability in 2024. In 2024, one-time costs for the Group are expected to be around 1.5% of revenue excluding potential capital gains. Additionally, costs for strategic reviews, including transaction costs, legal separation costs, refinancing costs and costs for operational simplification and efficiency measures in Tietoevry Tech Services implemented in 2023, are estimated to be in total 1.5–2% of Group revenue. Of these costs, approximately 1.6 percentage points had materialized by the end of the second quarter of 2024.

## Order backlog

Tietoevry's order backlog amounted to EUR 3 440 (3 350) million at the end of June. Adjusted for the impact of exchange rates, acquisitions and divestments, the order backlog was up by 2% from the level of the corresponding quarter of 2023. 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.

# Personnel

The number of full-time employees amounted to 23 833 (23 958) at the end of June. The number of full-time employees in the global competence centres totalled 12 571 (12 239), or 52.7% (51.1) of all personnel. The 12-month rolling employee turnover stood at 9.0% (12.5) at the end of June. Tietoevry believes that a normal attrition level is 10–12%.

Group-level salary inflation is expected to be around 4.5% for 2024. 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.

# Changes in Group structure

In June, Tietoevry Create bought the remaining 20% share of the joint venture Tieto Esy Oy, which resulted in an impairment loss of EUR 0.3 million. As at 30 June 2024, Tieto Esy is consolidated as a 100% owned subsidiary.

In June, Tietoevry and Norsk Tipping, both with 50% ownership in Buypass AS, jointly entered into an agreement with Total Specific Solutions (TSS) on the sale of their shares in Buypass AS. Buypass was co-founded by Tietoevry and Norsk Tipping in 2001 and reported revenue of EUR 29.3 million in 2023. See the [Notes to the interim financial statements](#) for further details.

# Shareholders' Meeting

Tietoevry Corporation's Annual General Meeting (AGM) held on 13 March approved the financial statements 2023 and discharged the company's officers from liability for the financial year 2023. The meeting also approved the Remuneration Report and the new Remuneration Policy. The AGM decided on a total dividend of EUR 1.47 per share, to be paid in two instalments. The first instalment was paid beginning from 3 April and the second beginning from 3 October.

The meeting re-elected the current members of the Board of Directors Bertil Carlsén, Elisabetta Castiglioni, Tomas Franzén, Liselotte Hägertz Engstam, Harri-Pekka Kaukonen, Katharina Mosheim, Gustav Moss, Endre Rangnes and Petter Söderström. Tomas Franzén was re-elected as the Chairperson of the Board of Directors.

# Management

On 13 May, Tietoevry announced that Cosimo De Carlo has been appointed as Managing Director of Tietoevry Create, effective 1 September 2024.

# Shares

On 24 April 2024, the Board of Directors resolved on a directed share issue without payment in order to pay the rewards of the Performance Share Plan 2021–2023 and Restricted Share Plan 2021–2023 for key employees of the Group. A total of 214 379 new shares were registered with the Trade Register on 14 May 2024. On 30 June, the number of shares totalled 118 640 150. The number of shares in the company's or its subsidiaries' possession totalled 34 679, representing 0.03% of the total number of shares and voting rights. The number of outstanding shares, excluding the treasury shares, was 118 605 471.

# 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.

The geopolitical situation remains unstable. Uncertainty in economic outlook as well as high inflation and increased volatility in energy prices continue in the company's main markets. To address the war in Ukraine, the company continues to take actions to ensure the safety of its employees in the country and business continuity for its clients.

Market volatility is high, which may result in less or postponement of investments by customers and lower-level customer engagements. 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. The company's ability to adapt, innovate, and maintain strong client relationships is crucial in navigating the challenges.

New disruptive technologies drive customer demand towards standardized and less labour-intensive solutions where automation plays an important role. These changes may result in, for example, accelerated volume reductions in traditional infrastructure services and the need for further efficiency and potential restructuring. Artificial Intelligence (AI), General AI and machine learning can be used for purposes such as support or development, and the usage of AI can involve risks, such as privacy, fairness concerns, and ethical dilemmas. Also, training AI models can consume significant amounts of energy, having a negative impact on carbon emissions and energy costs.

The company's development is relatively sensitive to changes in the demand from large customers, as Tietoevry's top 10 customers currently account for around 20% of its revenue, with Tietoevry Banking and Tech Services 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.

Tietoevry operates in multiple jurisdictions and is required to comply with a wide range of laws and regulations enacted both at the European and international level, e.g. data protection and privacy laws, public procurement, anti-corruption, health and safety regulations, environmental regulations, labour regulations, competition regulations as well as securities markets, corporate and tax laws. Failing to comply with the regulations or implement new requirements may subject the company to regulatory interventions or penalties.

## Financial calendar 2024

24 October

Interim report 3/2024 (9:00 a.m. EEST)



## Consolidated interim financial statements

## Income statement

	2024	2023	2024	2023	Change	2023
EUR million	4-6	4-6	1-6	1-6	%	1-12
Revenue	715.0	695.2	1 448.9	1 439.5	1	2 851.4
Other operating income	1.9	5.1	4.5	12.4	-64	22.2
Materials and services	-137.2	-138.3	-281.3	-288.7	-3	-567.2
Employee benefit expenses	-405.2	-397.9	-812.5	-811.0	0	-1 566.0
Depreciation and amortization	-40.8	-36.9	-81.3	-75.5	8	-152.4
Impairment losses	-0.3	-0.7	-0.3	-2.6	-87	-4.8
Other operating expenses	-85.6	-85.4	-168.1	-164.9	2	-328.9
Share of results in joint ventures	0.1	0.1	0.7	0.6	22	1.3
<b>Operating profit (EBIT)</b>	<b>47.8</b>	<b>41.2</b>	<b>110.4</b>	<b>109.9</b>	<b>0</b>	<b>255.6</b>
Interest and other financial income	2.5	2.0	6.7	9.2	-27	23.7
Interest and other financial expenses	-13.8	-9.7	-30.1	-23.7	27	-61.7
Net foreign exchange gains/losses	-0.3	-1.0	-0.4	-0.8	-53	3.1
<b>Profit before taxes</b>	<b>36.2</b>	<b>32.4</b>	<b>86.6</b>	<b>94.7</b>	<b>-9</b>	<b>220.8</b>
Income taxes	-7.9	-7.1	-20.0	-20.8	-4	-48.6
<b>Net profit for the period</b>	<b>28.3</b>	<b>25.3</b>	<b>66.6</b>	<b>73.8</b>	<b>-10</b>	<b>172.2</b>
<b>Net profit for the period attributable to</b>						
Owners of the Parent company	28.3	25.3	66.6	73.8	-10	172.2
<b>Earnings per share attributable to owners of the Parent company, EUR per share</b>						
Basic	0.24	0.21	0.56	0.62	-10	1.45
Diluted	0.24	0.21	0.56	0.62	-10	1.45

## Statement of other comprehensive income

	2024	2023	2024	2023	Change	2023
EUR million	4-6	4-6	1-6	1-6	%	1-12
Net profit for the period	28.3	25.3	66.6	73.8	-10	172.2
Items that may be reclassified subsequently to profit or loss						
Translation differences	47.9	-64.8	-30.6	-193.6	-84	-99.8
Items that will not be reclassified subsequently to profit or loss						
Remeasurements of the defined benefit plans, net of tax	-0.1	0.2	-0.1	0.2	> 100	0.5
<b>Total comprehensive income</b>	<b>76.2</b>	<b>-39.3</b>	<b>36.0</b>	<b>-119.6</b>	<b>&gt; 100</b>	<b>72.9</b>
<b>Total comprehensive income attributable to</b>						
Owners of the Parent company	76.2	-39.3	36.0	-119.6	> 100	72.9

## Statement of financial position

### Assets

	2024	2023	Change	2023
EUR million	30 Jun	30 Jun	%	31 Dec
Goodwill	1 885.8	1 695.9	11	1 907.3
Other intangible assets	330.3	305.6	8	339.6
Property, plant and equipment	90.0	90.4	0	88.8
Right-of-use assets	191.6	201.4	-5	195.9
Interests in joint ventures	8.5	12.6	-33	11.6
Deferred tax assets	8.5	10.7	-20	11.8
Defined benefit plan assets	1.1	0.8	30	1.0
Other financial assets at amortized cost	17.4	15.8	10	15.1
Other financial assets at fair value	0.6	0.6	1	0.6
Other non-current receivables	32.1	18.7	72	34.7
<b>Total non-current assets</b>	<b>2 565.8</b>	<b>2 352.5</b>	<b>9</b>	<b>2 606.4</b>
Inventories	8.2	7.4	11	8.6
Trade and other receivables	635.4	579.6	10	653.6
Financial assets at fair value	13.7	24.3	-43	17.5
Current tax assets	15.4	23.0	-33	12.7
Cash and cash equivalents <sup>1)</sup>	173.4	189.6	-9	219.6
<b>Total current assets</b>	<b>846.1</b>	<b>823.8</b>	<b>3</b>	<b>912.0</b>
<b>Total assets</b>	<b>3 412.0</b>	<b>3 176.3</b>	<b>7</b>	<b>3 518.4</b>

<sup>1)</sup> Cash and cash equivalents include restricted cash of EUR 12.0 million held within bank accounts in Ukraine. At 31 Dec 2023, cash and cash equivalents included restricted cash of EUR 28.5 million, including EUR 18.2 million held within bank accounts in Ukraine, as well as EUR 10.3 million restricted for 3 working days in connection with the sale of a data centre and office building in Norway at year-end.

### Equity and liabilities

	2024	2023	Change	2023
EUR million	30 Jun	30 Jun	%	31 Dec
Share capital, share issue premiums and other reserves	115.3	114.4	1	115.9
Invested unrestricted equity reserve	1 203.5	1 203.5	—	1 203.5
Retained earnings	156.2	99.3	57	293.0
<b>Total equity</b>	<b>1 475.0</b>	<b>1 417.1</b>	<b>4</b>	<b>1 612.3</b>
Loans	232.6	594.1	-61	539.5
Lease liabilities	156.7	158.7	-1	161.4
Deferred tax liabilities	28.9	13.5	> 100	27.5
Provisions	1.8	3.6	-49	2.5
Defined benefit obligations	24.9	26.6	-7	26.5
Other non-current liabilities	7.8	14.0	-44	10.8
<b>Total non-current liabilities</b>	<b>452.8</b>	<b>810.5</b>	<b>-44</b>	<b>768.4</b>
Trade and other payables	700.8	712.5	-2	636.0
Financial liabilities at fair value	4.5	2.1	> 100	4.9
Current tax liabilities	13.3	11.2	19	20.0
Loans	699.1	150.1	> 100	411.9
Lease liabilities	51.6	53.4	-3	50.3
Provisions	14.9	19.4	-23	14.6
<b>Total current liabilities</b>	<b>1 484.2</b>	<b>948.7</b>	<b>56</b>	<b>1 137.7</b>
<b>Total equity and liabilities</b>	<b>3 412.0</b>	<b>3 176.3</b>	<b>7</b>	<b>3 518.4</b>

## Statement of changes in shareholders' equity

EUR million	Owners of the Parent company						Total equity
	Share capital	Share premium and other reserves	Own shares	Cumulative translation differences	Invested unrestricted equity reserve	Retained earnings	
<b>31 Dec 2023</b>	<b>76.6</b>	<b>39.4</b>	<b>-1.1</b>	<b>-276.8</b>	<b>1 203.5</b>	<b>570.9</b>	<b>1 612.3</b>
<b>Comprehensive income</b>							
Net profit for the period	—	—	—	—	—	66.6	66.6
<b>Other comprehensive income, net of tax</b>							
Remeasurements of the defined benefit plans, net of tax	—	—	—	—	—	-0.1	-0.1
Translation differences	—	-0.6	—	-24.9	—	-5.1	-30.6
<b>Total comprehensive income</b>	<b>—</b>	<b>-0.6</b>	<b>—</b>	<b>-24.9</b>	<b>—</b>	<b>61.5</b>	<b>36.0</b>
<b>Transactions with owners</b>							
<b>Contributions and distributions</b>							
Share-based incentive plans	—	—	—	—	—	0.7	0.7
Dividends	—	—	—	—	—	-174.0	-174.0
Repurchase of own shares	—	—	—	—	—	—	—
<b>Total transactions with owners</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>-173.3</b>	<b>-173.3</b>
<b>30 Jun 2024</b>	<b>76.6</b>	<b>38.8</b>	<b>-1.1</b>	<b>-301.8</b>	<b>1 203.5</b>	<b>459.1</b>	<b>1 475.0</b>

EUR million	Owners of the Parent company						Total equity
	Share capital	Share premium and other reserves	Own shares	Cumulative translation differences	Invested unrestricted equity reserve	Retained earnings	
<b>31 Dec 2022</b>	<b>76.6</b>	<b>39.3</b>	<b>-0.3</b>	<b>-193.5</b>	<b>1 203.5</b>	<b>593.7</b>	<b>1 719.2</b>
<b>Comprehensive income</b>							
Net profit for the period	—	—	—	—	—	73.8	73.8
<b>Other comprehensive income, net of tax</b>							
Remeasurements of the defined benefit plans, net of tax	—	—	—	—	—	0.2	0.2
Translation differences	—	-1.5	—	-171.1	—	-21.0	-193.6
<b>Total comprehensive income</b>	<b>—</b>	<b>-1.5</b>	<b>—</b>	<b>-171.1</b>	<b>—</b>	<b>53.0</b>	<b>-119.6</b>
<b>Transactions with owners</b>							
<b>Contributions and distributions</b>							
Share-based incentive plans	—	—	9.0	—	—	-10.1	-1.1
Dividends	—	—	—	—	—	-171.7	-171.7
Repurchase of own shares	—	—	-9.8	—	—	—	-9.8
<b>Total transactions with owners</b>	<b>—</b>	<b>—</b>	<b>-0.8</b>	<b>—</b>	<b>—</b>	<b>-181.8</b>	<b>-182.6</b>
<b>30 Jun 2023</b>	<b>76.6</b>	<b>37.8</b>	<b>-1.1</b>	<b>-364.6</b>	<b>1 203.5</b>	<b>465.0</b>	<b>1 417.1</b>

## Statement of cash flows

	2024	2023	2024	2023	2023
EUR million	4-6	4-6	1-6	1-6	1-12
<b>Cash flow from operating activities</b>					
Net profit for the period	28.3	25.3	66.6	73.8	172.2
Adjustments					
Depreciation, amortization and impairment losses	41.1	37.5	81.7	78.1	157.2
Profit/loss on sale of property, plant and equipment, and business operations	-0.1	-0.0	—	-1.0	-7.0
Share of results in joint ventures	-0.1	-0.1	-0.7	-0.6	-1.3
Other adjustments	0.0	1.9	0.0	5.0	12.2
Net financial expenses	11.6	8.7	23.8	15.2	34.9
Income taxes	7.9	7.1	20.0	20.8	48.6
Change in net working capital	1.0	-40.7	3.9	-26.5	-95.2
<b>Cash generated from operating activities before interests and taxes</b>	<b>89.7</b>	<b>39.8</b>	<b>195.2</b>	<b>164.9</b>	<b>321.5</b>
Net financial expenses paid	-13.1	-16.8	-32.5	-26.6	-29.1
Dividends received	1.0	1.3	1.0	1.3	1.3
Income taxes paid	-9.6	-12.8	-23.9	-24.4	-27.7
<b>Cash flow from operating activities</b>	<b>68.1</b>	<b>11.5</b>	<b>139.9</b>	<b>115.2</b>	<b>266.1</b>
<b>Cash flow from investing activities</b>					
Acquisition of business operations, net of cash acquired	-1.0	—	-1.0	—	-156.3
Capital expenditure	-23.9	-19.5	-48.5	-40.6	-84.1
Disposal of business operations, net of cash disposed	0.0	0.0	—	0.5	0.4
Proceeds from sale of property, plant and equipment	1.1	0.2	1.1	0.3	10.6
Change in loan receivables	0.2	-0.3	0.3	0.2	0.1
<b>Cash flow used in investing activities</b>	<b>-23.7</b>	<b>-19.6</b>	<b>-48.1</b>	<b>-39.6</b>	<b>-229.3</b>
<b>Cash flow from financing activities</b>					
Dividends paid	-87.0	-85.8	-87.0	-85.8	-171.7
Repurchase of own shares	—	—	—	-9.8	-9.8
Repayments of lease liabilities	-14.7	-15.4	-28.5	-30.0	-58.1
Proceeds from short-term borrowings	54.6	—	184.1	—	195.2
Repayments of short-term borrowings	-48.2	39.8	-176.0	39.9	-131.3
Proceeds from long-term borrowings	—	—	—	—	214.0
Repayments of long-term borrowings	-29.5	-46.5	-29.5	-46.5	-99.5
<b>Cash flow used in financing activities</b>	<b>-124.7</b>	<b>-108.0</b>	<b>-136.8</b>	<b>-132.2</b>	<b>-61.2</b>
<b>Change in cash and cash equivalents</b>	<b>-80.3</b>	<b>-116.1</b>	<b>-45.0</b>	<b>-56.7</b>	<b>-24.5</b>
Cash and cash equivalents at the beginning of period	252.4	305.6	219.6	249.7	249.7
Foreign exchange differences	1.2	0.1	-1.3	-3.4	-5.5
Change in cash and cash equivalents	-80.3	-116.1	-45.0	-56.7	-24.5
<b>Cash and cash equivalents at the end of period<sup>1)</sup></b>	<b>173.4</b>	<b>189.6</b>	<b>173.4</b>	<b>189.6</b>	<b>219.6</b>

<sup>1)</sup> Cash and cash equivalents include restricted cash of EUR 12.0 million held within bank accounts in Ukraine. At 31 Dec 2023, cash and cash equivalents included restricted cash of EUR 28.5 million, including EUR 18.2 million held within bank accounts in Ukraine, as well as EUR 10.3 million restricted for 3 working days in connection with the sale of a data centre and office building in Norway at year-end.

# Notes to the interim financial statements

This interim report 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 31 December 2023. Amendments to International Financial Reporting Standards (IFRS) which have been effective from 1 January 2024 have had no material impact on the Group's financial statements. This interim report is unaudited.

All figures presented in this interim report have been rounded and consequently, the sum of individual figures may deviate from the sum totals presented. 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.

## 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 of judgement where a different opinion could result in significant changes to reported results are the same as reported in the 2023 consolidated financial statements.

During the first quarter, Tietoevry experienced a criminal ransomware attack in one of its data centres in Sweden. Restoration of services cost approximately EUR 1.2 million and the impact on revenue was approximately EUR 1.8 million arising from services not rendered and contractual SLA penalties, with the main impacts on revenue and expenses arising in the first quarter. Further, Tietoevry has received claims for damages from customers. Management's assessment of the potential impact on the financial results and financial position of Tietoevry is ongoing in accordance with legal considerations, commercial considerations and the applicable accounting policies. As at 30 June, management expects the maximum aggregate contractual limit of liabilities for direct damages to be less than EUR 10 million, and the resolution of customer claims and the subsequent conclusion with the insurance provider to take several quarters.

## Changes in joint ventures

In June, Tietoevry Create bought the remaining 20% share of the joint venture Tieto Esy Oy, which resulted in an impairment loss of EUR 0.3 million. As at 30 June 2024, Tieto Esy is consolidated as a 100% owned subsidiary.

Tietoevry and Norsk Tipping, both with 50% ownership in Buypass AS, jointly entered into an agreement with Total Specific Solutions (TSS) on the sale of their shares in Buypass AS in June. Buypass was co-founded by Tietoevry and Norsk Tipping in 2001 and has been accounted for as a joint venture in Tietoevry's consolidated financial statements, included in Tietoevry Banking. Tietoevry's share of the joint venture's results was EUR 0.8 million in the first half of 2024 and EUR 1.3 million for the full year 2023.

## Events after the end of the reporting period

There were no material events after the reporting period.

# Segment information

Tietoevry Group is comprised of five operating segments: Tietoevry Create, Tietoevry Banking, Tietoevry Care, Tietoevry Industry, and Tietoevry Tech Services.

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 market-leading vendor in the Nordics and expanding in international markets. Tietoevry Create has competence centres in Europe, India, China and the Americas – 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 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 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. Tietoevry Industry has extensive industry knowledge and in-depth expertise in utilizing data to create insights and add value across core business and operational processes.

## Tietoevry Tech Services

Tietoevry Tech Services 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 application and data services, cloud platforms and security services, traditional Infrastructure services and user experience services. It drives enterprise-wide transformation for customers from modernizing existing IT infrastructure and the renewal of core business applications to next-generation services and data and AI services. Tietoevry Tech Services is the leading provider of managed services in the Nordics, and delivers services to customer operations in more than 90 countries.

## Revenue by segment

	2024	2023	Change	2024	2023	Change	2023
EUR million	4–6	4–6	%	1–6	1–6	%	1–12
Tietoevry Create	213.9	204.8	4	437.7	428.0	2	852.3
Tietoevry Banking	148.2	139.8	6	297.0	282.1	5	567.2
Tietoevry Care	58.6	58.2	1	117.2	120.1	-2	232.8
Tietoevry Industry	67.3	63.8	5	137.1	132.5	3	262.6
Tietoevry Tech Services	256.1	265.4	-4	519.4	553.9	-6	1 072.7
Eliminations	-29.2	-37.0	-21	-59.5	-77.1	-23	-136.1
<b>Group total</b>	<b>715.0</b>	<b>695.2</b>	<b>3</b>	<b>1 448.9</b>	<b>1 439.5</b>	<b>1</b>	<b>2 851.4</b>

In Q1 2024, comparative information for segment revenue, operating profit (EBIT) and adjusted operating profit (EBITA) was recast to reflect minor changes between segments arising due to structural changes. Group numbers remained unchanged.

## Operating profit (EBIT) by segment

	2024	2023	Change	2024	2023	Change	2023
EUR million	4–6	4–6	%	1–6	1–6	%	1–12
Tietoevry Create	18.6	21.5	-13	42.1	52.8	-20	95.5
Tietoevry Banking	7.5	8.2	-8	19.4	17.1	14	42.9
Tietoevry Care	13.9	15.6	-11	30.3	34.6	-12	68.3
Tietoevry Industry	7.1	7.1	-1	16.6	18.2	-9	36.9
Tietoevry Tech Services	10.8	-2.4	> 100	23.6	8.9	> 100	51.9
Non-allocated costs	-10.1	-8.9	14	-21.6	-21.7	0	-39.8
<b>Group total</b>	<b>47.8</b>	<b>41.2</b>	<b>16</b>	<b>110.4</b>	<b>109.9</b>	<b>0</b>	<b>255.6</b>

## Operating margin (EBIT) by segment

	2024	2023	Change	2024	2023	Change	2023
%	4–6	4–6	pp	1–6	1–6	pp	1–12
Tietoevry Create	8.7	10.5	-2	9.6	12.3	-3	11.2
Tietoevry Banking	5.1	5.9	-1	6.5	6.1	0	7.6
Tietoevry Care	23.7	26.9	-3	25.9	28.8	-3	29.3
Tietoevry Industry	10.5	11.1	-1	12.1	13.7	-2	14.0
Tietoevry Tech Services	4.2	-0.9	5	4.5	1.6	3	4.8
<b>Operating margin (EBIT)</b>	<b>6.7</b>	<b>5.9</b>	<b>1</b>	<b>7.6</b>	<b>7.6</b>	<b>0</b>	<b>9.0</b>

## Personnel by segment

	End of period				Average		
	2024	2023	Change	Share	2023	2024	2023
	1-6	1-6	%	%	1-12	1-6	1-6
Tietoevry Create	9 301	8 977	4	39	9 618	9 389	8 908
Tietoevry Banking	3 464	3 525	-2	15	3 509	3 476	3 511
Tietoevry Care <sup>1)</sup>	1 603	1 528	5	7	1 529	1 580	1 492
Tietoevry Industry	1 603	1 667	-4	7	1 644	1 619	1 679
Tietoevry Tech Services <sup>1)</sup>	7 309	7 669	-5	31	7 283	7 286	7 893
Group functions	552	593	-7	2	576	557	595
<b>Group total</b>	<b>23 833</b>	<b>23 958</b>	<b>-1</b>	<b>100</b>	<b>24 159</b>	<b>23 906</b>	<b>24 079</b>

<sup>1)</sup> In Q1 2024, personnel were transferred from Tietoevry Care to Tietoevry Tech Services and the comparative information was recast accordingly.

## Personnel by country

	End of period				Average		
	2024	2023	Change	Share	2023	2024	2023
	1-6	1-6	%	%	1-12	1-6	1-6
Sweden	3 760	4 009	-6	16	3 856	3 794	4 023
Norway	3 844	4 023	-4	16	3 922	3 826	3 963
Finland	3 089	3 152	-2	13	3 015	3 034	3 133
India	4 290	4 385	-2	18	4 308	4 314	4 445
Czech Republic	2 328	2 486	-6	10	2 381	2 353	2 580
Ukraine	1 574	1 845	-15	7	1 728	1 631	1 903
Latvia	1 115	1 101	1	5	1 070	1 091	1 099
China	1 025	1 050	-2	4	1 044	1 030	1 056
Poland	851	831	2	4	839	845	820
Bulgaria	737	46	> 100	3	780	758	36
Other	1 220	1 029	19	5	1 217	1 230	1 021
<b>Group total</b>	<b>23 833</b>	<b>23 958</b>	<b>-1</b>	<b>100</b>	<b>24 159</b>	<b>23 906</b>	<b>24 079</b>
Onshore countries	11 261	11 718	-4	47	11 370	11 230	11 654
Offshore countries	12 571	12 239	3	53	12 789	12 676	12 425
<b>Group total</b>	<b>23 833</b>	<b>23 958</b>	<b>-1</b>	<b>100</b>	<b>24 159</b>	<b>23 906</b>	<b>24 079</b>

## Non-current assets by country

EUR million	2024	2023	Change	2023
	30 Jun	30 Jun	%	31 Dec
Finland	115.5	117.0	-1	110.9
Sweden	105.6	125.2	-16	110.7
Norway	317.0	326.1	-3	331.4
Other	73.7	29.1	> 100	71.3
<b>Total non-current assets</b>	<b>611.8</b>	<b>597.4</b>	<b>2</b>	<b>624.3</b>

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

## Depreciation by segment

	2024	2023	Change	2024	2023	Change	2023
EUR million	4–6	4–6	%	1–6	1–6	%	1–12
Tietoevry Create	1.7	1.5	12	3.5	3.1	14	6.6
Tietoevry Banking	1.6	1.1	45	3.0	2.2	36	4.8
Tietoevry Care	0.3	0.2	30	0.5	0.5	12	1.0
Tietoevry Industry	0.2	0.2	7	0.4	0.3	8	0.7
Tietoevry Tech Services	12.1	11.0	10	23.2	22.0	6	44.6
Group functions <sup>1)</sup>	8.8	10.2	-14	18.5	21.6	-15	40.8
<b>Group total</b>	<b>24.7</b>	<b>24.3</b>	<b>2</b>	<b>49.1</b>	<b>49.7</b>	<b>-1</b>	<b>98.5</b>

<sup>1)</sup> Includes depreciation of right-of-use assets relating to shared premises. In operating profit (EBIT) and adjusted operating profit (EBITA), such costs are fully allocated to the operating segments.

## Amortization of other intangible assets by segment

	2024	2023	Change	2024	2023	Change	2023
EUR million	4–6	4–6	%	1–6	1–6	%	1–12
Tietoevry Create	0.0	0.0	0	0.0	0.0	0	0.1
Tietoevry Banking	2.8	0.8	> 100	5.6	1.6	> 100	3.6
Tietoevry Care	0.6	0.6	-0	1.3	1.2	6	2.5
Tietoevry Industry	0.0	0.1	> 100	0.1	0.1	-46	0.2
Tietoevry Tech Services	1.6	1.3	28	3.1	2.5	26	5.4
Group functions	0.0	0.1	> 100	0.1	0.1	-45	0.3
<b>Group total</b>	<b>5.1</b>	<b>2.8</b>	<b>82</b>	<b>10.2</b>	<b>5.6</b>	<b>82</b>	<b>12.0</b>

## Amortization of acquisition-related intangible assets by segment

	2024	2023	Change	2024	2023	Change	2023
EUR million	4–6	4–6	%	1–6	1–6	%	1–12
Tietoevry Create	3.1	2.0	59	6.3	4.1	55	10.0
Tietoevry Banking	4.8	4.7	1	9.6	9.7	-1	19.3
Tietoevry Care	0.0	0.0	0	0.1	0.1	-1	0.2
Tietoevry Industry	1.1	1.1	1	2.3	2.5	-9	4.7
Tietoevry Tech Services	1.9	1.9	0	3.8	3.9	-2	7.7
Group functions	—	—	—	—	—	—	—
<b>Group total</b>	<b>11.0</b>	<b>9.8</b>	<b>12</b>	<b>22.1</b>	<b>20.3</b>	<b>9</b>	<b>41.8</b>

## Impairment losses

In June 2024, Tietoevry Create bought the remaining 20% share of the joint venture Tieto Esy Oy, which resulted in an impairment loss of EUR 0.3 million. As at 30 June 2024, Tieto Esy is consolidated as a 100% owned subsidiary.

In 2023, the Group recognised impairment losses on lease agreements for office and other facilities in Finland and Czech Republic totalling EUR 2.7 million. In addition, as a result of annual impairment testing, Tietoevry Create recognized a goodwill impairment loss of EUR 2.1 million for the carrying value of Tieto Esy Oy.

# Financial assets and liabilities

## Derivatives

The nominal values of derivatives include 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.

### Nominal values of derivatives

	2024	2023
EUR million	30 Jun	31 Dec
Forward contracts outside hedge accounting at fair value through profit or loss	383.2	523.9
Interest rate swaps	280.0	280.0

### Fair values of derivatives

EUR million	30 Jun 2024			31 Dec 2023		
	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	1.4	-4.5	-3.1	5.8	-4.9	0.9
Interest rate swaps	16.8	-18.3	-1.5	15.5	-20.0	-4.5
<b>The fair values at the reporting date</b>	<b>18.2</b>	<b>-22.8</b>	<b>-4.6</b>	<b>21.3</b>	<b>-24.9</b>	<b>-3.6</b>

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 the values of corresponding agreements confirmed by the banks.

### 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 30 Jun 2024), 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 via non-recourse arrangements for the sale of receivables, but not yet derecognized at the reporting date, are classified as Financial assets at fair value through profit or loss (EUR 12.4 million at 30 Jun 2024). Management estimates that the carrying amount approximates the fair value due to their short-term nature.

# Number of shares

	2024	2023	2024	2023	2023
	4-6	4-6	1-6	1-6	1-12
<b>Outstanding shares, end of period</b>					
Basic <sup>1)</sup>	118 605 471	118 391 092	118 605 471	118 391 092	118 391 092
Effect of dilutive share-based incentive plans	87 564	251 810	100 072	261 355	271 334
Diluted	118 693 035	118 642 902	118 705 543	118 652 447	118 662 426
<b>Outstanding shares, average</b>					
Basic <sup>1)</sup>	118 504 171	118 391 092	118 447 632	118 360 191	118 375 769
Effect of dilutive share-based incentive plans	87 564	251 810	100 072	261 355	271 334
Diluted	118 591 735	118 642 902	118 547 704	118 621 546	118 647 103
<b>Company's possession of its own shares</b>					
End of period	34 679	34 679	34 679	34 679	34 679
Average	34 679	34 679	34 679	65 580	50 002

<sup>1)</sup> On 24 April 2024, the Board of Directors resolved on a directed share issue without payment in order to pay the rewards of the Performance Share Plan 2021–2023 and Restricted Share Plan 2021–2023 to the eligible reward recipients. A total of 214 379 new shares were registered with the Trade Register on 14 May 2024.

## 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

	2024	2023	Change	2024	2023	Change	2023
EUR million	4-6	4-6	%	1-6	1-6	%	1-12
Tietoevry Create	24.3	24.4	0	53.7	58.7	-8	114.6
Tietoevry Banking	14.7	14.8	0	32.5	29.5	10	68.9
Tietoevry Care	15.3	17.0	-10	31.8	36.0	-11	70.2
Tietoevry Industry	10.1	9.4	8	21.5	21.2	2	43.4
Tietoevry Tech Services	19.8	13.1	51	39.9	34.1	17	85.7
Non-allocated costs	-6.0	-5.7	5	-12.5	-14.7	-15	-24.0
<b>Group total</b>	<b>78.3</b>	<b>72.9</b>	<b>7</b>	<b>167.0</b>	<b>164.7</b>	<b>1</b>	<b>358.7</b>

### Adjusted operating margin (EBITA) by segment

	2024	2023	Change	2024	2023	Change	2023
%	4-6	4-6	pp	1-6	1-6	pp	1-12
Tietoevry Create	11.4	11.9	-1	12.3	13.7	-1	13.4
Tietoevry Banking	9.9	10.6	-1	10.9	10.4	0	12.1
Tietoevry Care	26.2	29.1	-3	27.2	30.0	-3	30.1
Tietoevry Industry	15.1	14.7	0	15.7	16.0	-0	16.5
Tietoevry Tech Services	7.7	4.9	3	7.7	6.2	2	8.0
<b>Adjusted operating margin (EBITA)</b>	<b>11.0</b>	<b>10.5</b>	<b>0</b>	<b>11.5</b>	<b>11.4</b>	<b>0</b>	<b>12.6</b>

## Reconciliation of adjusted operating profit (EBITA)

	2024	2023	2024	2023	2023
EUR million	4–6	4–6	1–6	1–6	1–12
Operating profit (EBIT)	47.8	41.2	110.4	109.9	255.6
+ Amortization of intangible assets recognized at fair value from acquisitions	11.0	9.8	22.1	20.3	41.8
<b>Adjustment items:</b>					
- Capital gains <sup>1)</sup>	—	-0.0	—	-1.0	-6.9
+ Strategic reviews <sup>2)</sup>	5.1	14.1	11.2	16.5	32.3
+/- Other M&A related items	0.2	0.5	0.2	0.6	1.5
+ Restructuring costs	7.1	2.0	10.0	3.1	11.1
+ Tietoevry Tech Services performance improvement programme	6.1	3.7	9.2	11.1	15.1
+ War in Ukraine and exit from Russia	0.5	0.8	1.1	1.7	3.2
+ Ransomware attack	0.2	—	1.2	—	—
+/- Other items <sup>3)</sup>	0.4	0.9	1.5	2.5	4.9
<b>Adjusted operating profit (EBITA)</b>	<b>78.3</b>	<b>72.9</b>	<b>167.0</b>	<b>164.7</b>	<b>358.7</b>

<sup>1)</sup> Capital gains include a gain on the sale of property, plant and equipment in 2023.

<sup>2)</sup> The costs relating to strategic reviews are expected to total around 1.5–2.0% of Group revenue, distributed mainly over 2023 and 2024.

<sup>3)</sup> Include impairment losses and other minor non-recurring items. See also [Notes to the interim financial statements](#).

## Other key figures

	2024	2023	2024	2023	2023
	4–6	4–6	1–6	1–6	1–12
Adjusted earnings per share, EUR	0.44	0.43	0.94	0.99	2.14
Equity per share, EUR	12.44	11.97	12.44	11.97	13.62
Return on equity, 12-month rolling, %	11.4	13.6	11.4	13.6	10.3
Return on capital employed, 12-month rolling, %	10.7	11.9	10.7	11.9	9.8
Equity ratio, %	44.0	45.7	44.0	45.7	46.7
Interest-bearing net debt, EUR million	932.3	735.2	932.3	735.2	911.8
Gearing, %	63.2	51.9	63.2	51.9	56.6
Net debt/EBITDA	2.2	1.6	2.2	1.6	2.2
Capital expenditure, EUR million	24.5	18.9	48.7	39.6	85.3

## 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

	2024	2024	2023	2023	2023	2023
	4-6	1-3	10-12	7-9	4-6	1-3
Earnings per share, EUR						
Basic	0.24	0.32	0.46	0.37	0.21	0.41
Diluted	0.24	0.32	0.46	0.37	0.21	0.41
Adjusted earnings per share, EUR	0.44	0.50	0.63	0.53	0.43	0.57
Equity per share, EUR	12.44	11.83	13.62	12.97	11.97	12.82
Return on equity, 12-month rolling, %	11.4	11.3	10.3	12.0	13.6	12.8
Return on capital employed, 12-month rolling, %	10.7	10.4	9.8	10.7	11.9	11.5
Equity ratio, %	44.0	41.3	46.7	45.3	45.7	44.6
Interest-bearing net debt, EUR million	932.3	879.8	911.8	953.9	735.2	632.2
Gearing, %	63.2	62.8	56.6	62.1	51.9	43.5
Net debt/EBITDA	2.2	2.2	2.2	2.1	1.6	1.3
Capital expenditure, EUR million	24.5	24.2	28.1	17.7	18.9	20.7

## Income statement

	2024	2024	2023	2023	2023	2023
EUR million	4-6	1-3	10-12	7-9	4-6	1-3
Revenue	715.0	733.9	752.2	659.7	695.2	744.3
Other operating income	1.9	2.6	8.6	1.3	5.1	7.3
Materials and services	-137.2	-144.1	-149.1	-129.5	-138.3	-150.3
Employee benefit expenses	-405.2	-407.4	-402.9	-352.1	-397.9	-413.1
Depreciation, amortization and impairment losses	-41.1	-40.6	-40.5	-38.6	-37.5	-40.6
Other operating expenses	-85.6	-82.5	-84.6	-79.4	-85.4	-79.5
Share of results in joint ventures	0.1	0.6	0.4	0.3	0.1	0.5
<b>Operating profit (EBIT)</b>	<b>47.8</b>	<b>62.7</b>	<b>84.1</b>	<b>61.6</b>	<b>41.2</b>	<b>68.7</b>
Financial income and expenses	-11.6	-12.2	-13.6	-6.1	-8.7	-6.5
<b>Profit before taxes</b>	<b>36.2</b>	<b>50.4</b>	<b>70.5</b>	<b>55.6</b>	<b>32.4</b>	<b>62.2</b>
Income taxes	-7.9	-12.1	-15.5	-12.2	-7.1	-13.7
<b>Net profit for the period</b>	<b>28.3</b>	<b>38.3</b>	<b>55.0</b>	<b>43.4</b>	<b>25.3</b>	<b>48.5</b>

## Statement of financial position

	2024	2024	2023	2023	2023	2023
EUR million	30 Jun	31 Mar	31 Dec	30 Sep	30 Jun	31 Mar
Goodwill	1 885.8	1 848.3	1 907.3	1 894.1	1 695.9	1 745.1
Other intangible assets	330.3	328.0	339.6	337.4	305.6	314.0
Property, plant and equipment	90.0	86.8	88.8	88.4	90.4	94.7
Right-of-use assets	191.6	193.8	195.9	201.9	201.4	207.8
Interests in joint ventures	8.5	11.8	11.6	13.2	12.6	14.0
Other non-current assets	59.7	61.8	63.3	45.1	46.6	50.4
<b>Total non-current assets</b>	<b>2 565.8</b>	<b>2 530.5</b>	<b>2 606.4</b>	<b>2 580.0</b>	<b>2 352.5</b>	<b>2 426.0</b>
Trade receivables and other current assets	672.8	679.0	692.4	718.2	634.2	618.0
Cash and cash equivalents	173.4	252.4	219.6	164.4	189.6	305.6
<b>Total current assets</b>	<b>846.1</b>	<b>931.4</b>	<b>912.0</b>	<b>882.6</b>	<b>823.8</b>	<b>923.6</b>
<b>Total assets</b>	<b>3 412.0</b>	<b>3 461.9</b>	<b>3 518.4</b>	<b>3 462.6</b>	<b>3 176.3</b>	<b>3 349.5</b>
<b>Total equity</b>	<b>1 475.0</b>	<b>1 400.5</b>	<b>1 612.3</b>	<b>1 536.0</b>	<b>1 417.1</b>	<b>1 454.1</b>
Non-current loans	389.3	696.8	701.0	708.9	752.8	802.9
Other non-current liabilities	63.5	65.2	67.4	62.7	57.7	61.7
<b>Total non-current liabilities</b>	<b>452.8</b>	<b>762.0</b>	<b>768.4</b>	<b>771.6</b>	<b>810.5</b>	<b>864.6</b>
Trade payables and other current liabilities	718.6	823.0	660.9	697.9	725.8	851.0
Provisions	14.9	9.5	14.6	17.7	19.4	14.6
Current loans	750.8	467.0	462.2	439.4	203.5	165.2
<b>Total current liabilities</b>	<b>1 484.2</b>	<b>1 299.5</b>	<b>1 137.7</b>	<b>1 155.0</b>	<b>948.7</b>	<b>1 030.8</b>
<b>Total equity and liabilities</b>	<b>3 412.0</b>	<b>3 461.9</b>	<b>3 518.4</b>	<b>3 462.6</b>	<b>3 176.3</b>	<b>3 349.5</b>

## Statement of cash flows

	2024	2024	2023	2023	2023	2023
EUR million	4–6	1–3	10–12	7–9	4–6	1–3
<b>Cash flow from operating activities</b>						
Net profit for the period	28.3	38.3	55.0	43.4	25.3	48.5
Adjustments	60.4	64.4	65.4	61.6	55.1	62.4
Change in net working capital	1.0	2.8	28.4	-97.1	-40.7	14.2
<b>Cash generated from operating activities before interests and taxes</b>	<b>89.7</b>	<b>105.5</b>	<b>148.8</b>	<b>7.8</b>	<b>39.8</b>	<b>125.2</b>
Net financial expenses paid	-13.1	-19.4	3.4	-5.9	-16.8	-9.9
Dividends received	1.0	—	-0.1	0.1	1.3	—
Income taxes paid	-9.6	-14.3	0.8	-4.0	-12.8	-11.6
<b>Cash flow from operating activities</b>	<b>68.1</b>	<b>71.8</b>	<b>152.9</b>	<b>-2.0</b>	<b>11.5</b>	<b>103.7</b>
<b>Cash flow from investing activities</b>	<b>-23.7</b>	<b>-24.4</b>	<b>-13.9</b>	<b>-175.8</b>	<b>-19.6</b>	<b>-20.1</b>
<b>Cash flow from financing activities</b>	<b>-124.7</b>	<b>-12.1</b>	<b>-85.2</b>	<b>156.2</b>	<b>-108.0</b>	<b>-24.2</b>
<b>Change in cash and cash equivalents</b>	<b>-80.3</b>	<b>35.2</b>	<b>53.8</b>	<b>-21.6</b>	<b>-116.1</b>	<b>59.4</b>
Cash and cash equivalents at the beginning of period	252.4	219.6	164.4	189.6	305.6	249.7
Foreign exchange differences	1.2	-2.5	1.5	-3.6	0.1	-3.5
Change in cash and cash equivalents	-80.3	35.2	53.8	-21.6	-116.1	59.4
<b>Cash and cash equivalents at the end of period</b>	<b>173.4</b>	<b>252.4</b>	<b>219.6</b>	<b>164.4</b>	<b>189.6</b>	<b>305.6</b>

# Quarterly figures by segments

## Revenue by segment

	2024	2024	2023	2023	2023	2023
EUR million	4-6	1-3	10-12	7-9	4-6	1-3
Tietoevry Create	213.9	223.8	228.6	195.7	204.8	223.2
Tietoevry Banking	148.2	148.8	149.6	135.4	139.8	142.3
Tietoevry Care	58.6	58.6	61.2	51.5	58.2	61.8
Tietoevry Industry	67.3	69.8	68.6	61.4	63.8	68.7
Tietoevry Tech Services	256.1	263.3	276.4	242.4	265.4	288.5
Eliminations	-29.2	-30.4	-32.2	-26.8	-37.0	-40.1
<b>Group total</b>	<b>715.0</b>	<b>733.9</b>	<b>752.2</b>	<b>659.7</b>	<b>695.2</b>	<b>744.3</b>

In Q1 2024, comparative information for segment revenue, operating profit (EBIT) and adjusted operating profit (EBITA) was recast to reflect minor changes between segments arising due to structural changes. Group numbers remained unchanged.

## Operating profit (EBIT) by segment

	2024	2024	2023	2023	2023	2023
EUR million	4-6	1-3	10-12	7-9	4-6	1-3
Tietoevry Create	18.6	23.5	25.3	17.3	21.5	31.3
Tietoevry Banking	7.5	11.9	15.0	10.8	8.2	8.9
Tietoevry Care	13.9	16.4	18.0	15.7	15.6	19.0
Tietoevry Industry	7.1	9.6	10.2	8.5	7.1	11.1
Tietoevry Tech Services	10.8	12.8	27.4	15.6	-2.4	11.3
Non-allocated costs	-10.1	-11.5	-11.8	-6.3	-8.9	-12.8
<b>Group total</b>	<b>47.8</b>	<b>62.7</b>	<b>84.1</b>	<b>61.6</b>	<b>41.2</b>	<b>68.7</b>

## Operating margin (EBIT) by segment

	2024	2024	2023	2023	2023	2023
%	4-6	1-3	10-12	7-9	4-6	1-3
Tietoevry Create	8.7	10.5	11.1	8.9	10.5	14.0
Tietoevry Banking	5.1	8.0	10.0	8.0	5.9	6.2
Tietoevry Care	23.7	28.0	29.4	30.5	26.9	30.7
Tietoevry Industry	10.5	13.7	14.8	13.9	11.1	16.1
Tietoevry Tech Services	4.2	4.9	9.9	6.4	-0.9	3.9
<b>Operating margin (EBIT)</b>	<b>6.7</b>	<b>8.5</b>	<b>11.2</b>	<b>9.3</b>	<b>5.9</b>	<b>9.2</b>

## Adjusted operating profit (EBITA) by segment

	2024	2024	2023	2023	2023	2023
EUR million	4-6	1-3	10-12	7-9	4-6	1-3
Tietoevry Create	24.3	29.4	34.3	21.6	24.4	34.4
Tietoevry Banking	14.7	17.8	21.4	18.0	14.8	14.7
Tietoevry Care	15.3	16.5	18.4	15.7	17.0	19.0
Tietoevry Industry	10.1	11.4	11.4	10.9	9.4	11.8
Tietoevry Tech Services	19.8	20.1	28.5	23.1	13.1	21.0
Non-allocated costs	-6.0	-6.5	-5.6	-3.7	-5.7	-9.0
<b>Group total</b>	<b>78.3</b>	<b>88.6</b>	<b>108.4</b>	<b>85.6</b>	<b>72.9</b>	<b>91.9</b>

## Adjusted operating margin (EBITA) by segment

	2024	2024	2023	2023	2023	2023
%	4-6	1-3	10-12	7-9	4-6	1-3
Tietoevry Create	11.4	13.1	15.0	11.0	11.9	15.4
Tietoevry Banking	9.9	11.9	14.3	13.3	10.6	10.3
Tietoevry Care	26.2	28.2	30.1	30.6	29.1	30.7
Tietoevry Industry	15.1	16.3	16.6	17.7	14.7	17.2
Tietoevry Tech Services	7.7	7.6	10.3	9.5	4.9	7.3
<b>Adjusted operating margin (EBITA)</b>	<b>11.0</b>	<b>12.1</b>	<b>14.4</b>	<b>13.0</b>	<b>10.5</b>	<b>12.3</b>

## Depreciation by segment

	2024	2024	2023	2023	2023	2023
EUR million	4-6	1-3	10-12	7-9	4-6	1-3
Tietoevry Create	1.7	1.8	1.8	1.7	1.5	1.6
Tietoevry Banking	1.6	1.4	1.3	1.3	1.1	1.1
Tietoevry Care	0.3	0.2	0.2	0.2	0.2	0.3
Tietoevry Industry	0.2	0.2	0.2	0.2	0.2	0.2
Tietoevry Tech Services	12.1	11.1	10.8	11.9	11.0	10.9
Group functions <sup>1)</sup>	8.8	9.7	9.7	9.5	10.2	11.4
<b>Group total</b>	<b>24.7</b>	<b>24.4</b>	<b>24.0</b>	<b>24.8</b>	<b>24.3</b>	<b>25.4</b>

<sup>1)</sup> Includes depreciation of right-of-use assets relating to shared premises. In operating profit (EBIT) and adjusted operating profit (EBITA), such costs are fully allocated to the operating segments.

## Amortization of other intangible assets by segment

	2024	2024	2023	2023	2023	2023
EUR million	4-6	1-3	10-12	7-9	4-6	1-3
Tietoevry Create	0.0	0.0	0.0	0.0	0.0	0.0
Tietoevry Banking	2.8	2.8	1.1	0.9	0.8	0.8
Tietoevry Care	0.6	0.6	0.6	0.6	0.6	0.6
Tietoevry Industry	0.0	0.0	0.1	0.1	0.1	0.1
Tietoevry Tech Services	1.6	1.5	1.6	1.3	1.3	1.2
Group functions	0.0	0.0	0.1	0.1	0.1	0.1
<b>Group total</b>	<b>5.1</b>	<b>5.0</b>	<b>3.4</b>	<b>3.0</b>	<b>2.8</b>	<b>2.8</b>

## Amortization of acquisition-related intangible assets by segment

	2024	2024	2023	2023	2023	2023
EUR million	4-6	1-3	10-12	7-9	4-6	1-3
Tietoevry Create	3.1	3.2	3.1	2.8	2.0	2.1
Tietoevry Banking	4.8	4.8	4.7	4.8	4.7	5.0
Tietoevry Care	0.0	0.0	0.0	0.0	0.0	0.0
Tietoevry Industry	1.1	1.1	1.1	1.1	1.1	1.4
Tietoevry Tech Services	1.9	1.9	1.9	1.9	1.9	2.0
Group functions	—	—	—	—	—	—
<b>Group total</b>	<b>11.0</b>	<b>11.1</b>	<b>10.9</b>	<b>10.7</b>	<b>9.8</b>	<b>10.5</b>

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**A teleconference for analysts and media** will be held on 23 July 2024 at **10.00 a.m. EEST** (09.00 a.m. CEST, 08.00 a.m.. 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, user ID 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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