tieto

Q4 2025

Strong profitability – execution of new strategic priorities progressing

Endre Rangnes, President and CEO
Tomi Hyryläinen, CFO

Strategy rejuvenated –execution through 4 strategic priorities

Our strategy for 2026-2028

Become European software and technology consulting market leader within selected industries

We execute through 4 strategic priorities

01	Customer first
02	Simplified core
03	Selective expansion
04	Competitive cost base

Our success is measured by our financial targets

Growth (CAGR 2027-2028)	>5%
Profitability (2028)	>16%

Solid execution of 4 strategic priorities

01 Customer first

- Long–term contracts secured in Banktech with record-high order backlog of >€1 bn
- Significant wins in Caretech in Finland securing Nordic leadership
- New sales acceleration programme launched – sales force strengthened

02 Simplified core

- New operating model with improved accountability in Tech Consulting
- Divestment of Bekk Consulting AS
- Simplification of the Group support functions
- New Tieto brand launched

03 Selective expansion

- Strategic partnerships with NTT DATA and x-tention to support Caretech's European expansion
- Acquisition of OpenSpring and GrupoOnetec to accelerate growth in Iberia

04 Competitive cost base

- Resetting the cost base – run-rate savings of €95m at the end of Q4
- Target uplifted to €130m – progressing ahead of plan

2025 – a year of profound change with early signs of performance recovery

- Divestment of Tech Services
- CEO transition
- New leadership team
- Engagement of key stakeholders
- Cost optimization program
- Rejuvenated strategy and new financial targets

Organic growth

-2%

(-1%)

Adj. EBITA

13.8%

(12.0%)

Operating cash flow

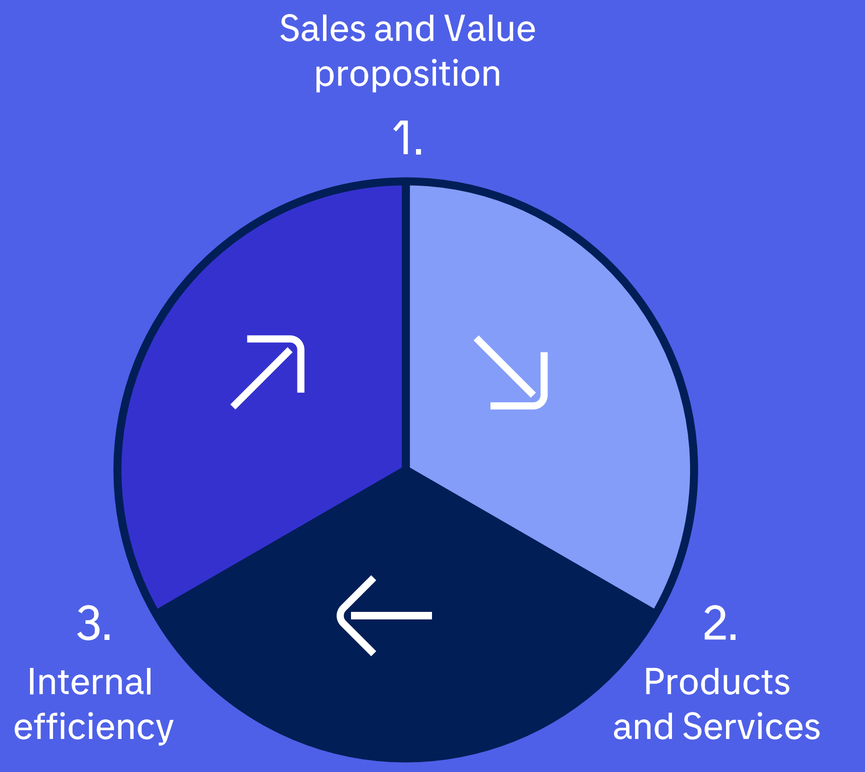
€296m

(€326m)

Order backlog

+13%

AI remains a key focus area – client adoption progressing



Typical AI project development

Growing our AI business through our large client base

Internal efficiency and productivity by AI embedded

Advancing in sustainability

Achievements from 2025

- Rating **A** in Climate category on Carbon Disclosure Project (CDP)
- Science Based Targets initiative (SBTi) validated Tieto's new long-term ambitions and net-zero in full value chain by 2040
- Tieto India recognized as Top-Rated Mid-Sized Company, Top Workplace for Women, and Top IT/ITES Employer
- Top Female Workplace DACH 2025

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

CDP
DISCLOSURE INSIGHT ACTION

GOLD | Top 5%
ecovadis
Sustainability Rating
SEP 2024

Q4 results

Q4: Strong profitability – execution of new strategic priorities progressing

- Top line growth impacted by continued market weakness and known headwinds in Tieto Banktech and Caretech
- Adj. EBITA up by 3.8 pp. driven by cost optimization programme
- Cost optimization programme target uplifted to €130m – execution ahead of schedule
- Strategy execution advancing – acquisitions in Spain supporting European expansion, divestment of Bekk Consulting drives simplification
- Dividend of €0.88 (1.50) per share proposed – at the upper end of the payout range
- Share buyback programme of €150m launched

Organic growth

-2%

Adj. EBITA

16.2%

Tieto Group

Q4 key figures

Revenue, EUR million

464

(472)

Organic growth[1]

-2%

(-5%)

Adjusted operating profit (EBITA)[2], EUR million

75 / 16.2%

(58 / 12.4%)

Net debt/EBITDA[3]

2.2

(2.2)

Order backlog[1]

+13%

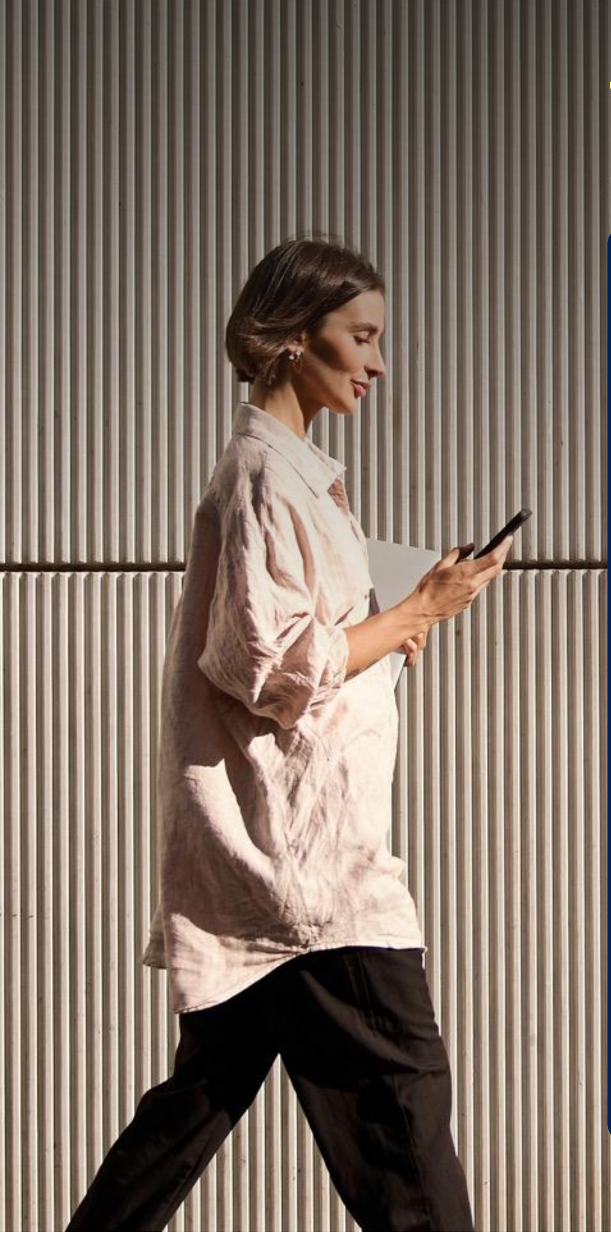
year-on-year

Cash flow from operating activities[4], EUR million

103

(128)

1) Adjusted for currency effects, acquisitions and divestments
2) Adjustment items include restructuring costs, capital gains/losses, impairment charges and other items affecting comparability
3) Comparative information not restated
4) Comparative information includes cash flow for the discontinued operations



Tieto Tech Consulting

Organic growth

-6%

(-8%)
€196m (208)

Adj. EBITA

13.6%

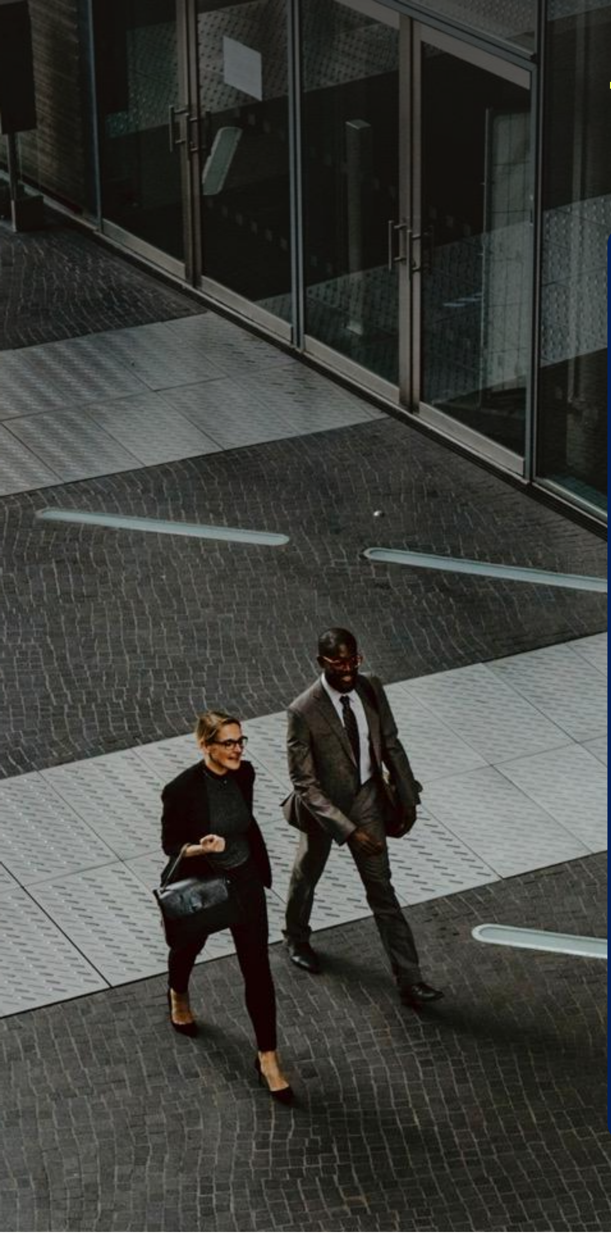
(11.2%)
€27m (23)

Strategy execution advancing – new, simplified operating model implemented

- Growth pressured by challenging market conditions
- Profitability improved through effective capacity management and SG&A reductions
- New, country based, operating model, with improved accountability implemented
- Commercial momentum maintained with several new wins
- New leadership in place in the Americas and Norway
- Bekk Consulting divestment – transaction closed on 2 February

fimea ASFINAG GATX TRAFICOM Liikenne- ja viestintävirasto

Tieto Banktech



Organic growth

-3%

(-2%)
€142m (146)

Adj. EBITA

18.1%

(14.6%)
€26m (21)

Strong profitability and solid order backlog supporting long-term growth

- Growth in software portfolio continued – soft market impacting professional services demand
- Growth impacted by expiry of margin-dilutive contract (–5 pp.)
- Strong order backlog with long-term revenue visibility (from 2027)
- Improved profitability supported by cost optimization measures

DNB Cultura Bank Luminor

Tieto Caretech

Organic growth

1%

(0%)
€63m (61)

Adj. EBITA

28.9%

(32.1%)
€18m (20)

Solid profitability and strengthening of partnerships to drive growth

- Strong growth in modern software portfolio, largely offset by legacy business decline (–4 pp.)
- Consistent solid profitability maintained
- European expansion progressing – signed partnership with x-tention in Austria
- Strengthening market position in Finland, supported by extended partnerships with four private-sector care providers modernizing EHR systems

Etelä-Savon hyvinvointialue ELOISA | xtention IT with care. | PIKKUJÄTTI LASTEN JA NUORTEN LÄÄKÄRIASEMA | Pihlajalinna | Aava | MEHILÄINEN www.mehilainen.fi | Terveystalo

Tieto Indtech

Organic growth

6%

(-5%)
€70m (65)

Adj. EBITA

17.0%

(12.1%)
€12m (8)

Performance improvement continued

- Growth improved in 6 product units – Pulp, Paper & Fibre and Energy & Utilities declined
- Market activity continued to improve, order backlog strengthened
- Profitability improved driven by stronger business momentum and cost optimization measures

Bank Norwegian
Branch of NOBA Bank Group

entercard

CFO report

Strong Q4 profitability – success in cost optimization programme

- Organic growth -2%
  - Negative 2pp impact from known headwinds in Banktech and Caretech
- Adj. EBITA 16.2%
  - Strong profitability across all businesses
  - Supported by Cost optimization programme, approx. €22m of savings
- One-time items in the quarter as expected at €8m, mainly related to cost optimization programme
- Solid order backlog, up by 13% YoY driven by Banktech and Indtech
- Seasonally strong operating cash flow of €103m
- Dividend* of €0.88 per share proposed – upper end of the payout range, as announced in CMD
- Divestment of BEKK closed on 2 February 2026 with sales proceeds of approx. €150m. Share buyback programme of €150m launched
- Delisting from the Oslo Stock Exchange proposed, delisting from Nasdaq Stockholm considered

	Q4'25	Q4'24
Revenue and growth		
Revenue	464	472
Organic growth, %	-2%	-5%
Acquisitions & divestments, %	0%	0%
Foreign exchange rates, %	1%	0%
Total growth, %	-2%	-6%
Org. growth adj. for working days, %	-2%	-5%
Order backlog	2 180	1 925
Profitability		
Adj. EBITA[1]	75	58
Adj. EBITA margin[1]	16.2%	12.4%
One-time items	8	15
EBIT[1]	59	34
EBIT margin[1]	12.7%	7.2%
CAPEX	13	13
Cash flow and Leverage[2]		
Operating cash flow	103	128
Free cash flow	81	108
Net debt	556	872
Leverage (net debt/EBITDA)	2.2x	2.2x

All numbers in €m

1) Comparatives include cost burden due to IFRS 5, €7m / 1.5pp
2) Comparatives for Cash flow and Net debt include Discontinued Operations

* Distributed from retained earnings or other unrestricted equity

Dividend proposal €0.88/share (€104m), representing upper end of the payout range

Dividend policy

Annual dividend of
60-80%
of net profit

(Adj. for non-cash one-time items)

2025 Dividend proposal	€m
Net profit	26
Adjustments	
Non-cash impairments	+86
IFRS 5 cost burden	+19
Net profit after adjustments	130
80% of net profit after adjustments	104
DPS	€0.88
Dividend yield[1]	5%

[1)] Based on share price at 10.2.2026 of €17.6

Share buyback programme of €150m launched

€150m share buyback programme launched

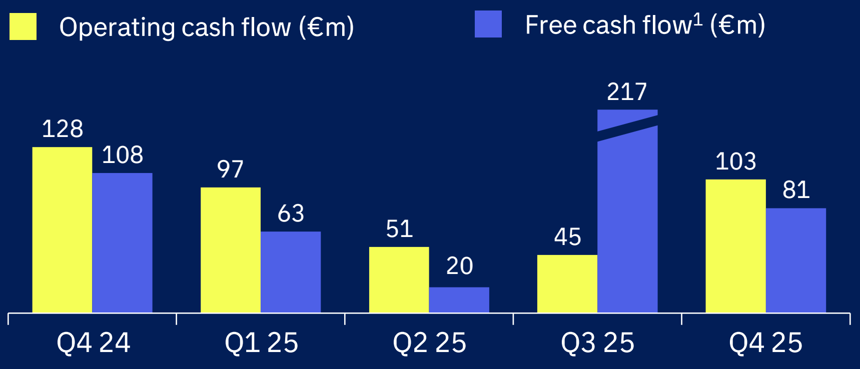
- Represents approx. 7% of all shares with the current share price
- Execution expected to take up to 12 months depending on the trading volumes in the stock exchange
- Share to be bought in public trading in Nasdaq Helsinki
- Shares to be cancelled on monthly basis

Aligned with our capital allocation principles to maintain efficient capital structure

- Invest in organic growth
- Dividend 60-80% of net profit
- Deleveraging to <2x net debt/EBITDA
- With excess capital – share buybacks or extraordinary dividends

Seasonally strong Q4 operating cash flow of €103m

- Cash flow from operations €103m (128)
  - Supported by improved profitability
  - Seasonal net working capital decrease of €30m
  - Free cash flow[1] of €81m (108)
- Overall cash generation foundation remains healthy



Cash flow includes contribution from Discontinued Operations until divestment in Q3’25

- Interest bearing net debt €556m (872)
- Net debt/EBITDA 2.2x at end of Q4’25 – leverage at 2.1x excluding IFRS5 cost burden
- Leverage target level <2x

	Q4’24	Q1’25	Q2’25	Q3’25	Q4’25
Net debt	872	807	875	552	556
EBITDA R12m	394	372	359	228	252
Leverage	2.2x	2.2x	2.4x	2.4x	2.2x
Leverage excl. IFRS5 cost burden				2.2x	2.1x

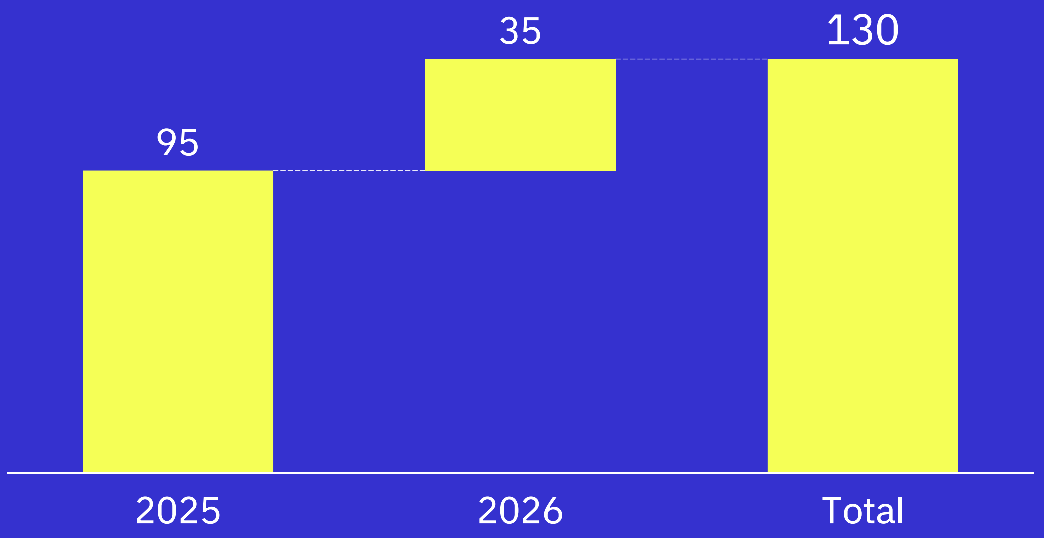
From Q3’25 onwards leverage (net debt/EBITDA) fully excludes Discontinued Operations

[1)] Operating cash flow less cash flow from investing activities less payments of lease liabilities

Cost optimization programme target uplifted to €130m (€115m) – execution ahead of schedule

- Cost optimization target increased to €130m (€115m). Further potential identified primarily in Tech Consulting operational simplification and external purchases.
- Execution ahead of schedule with €95m run rate executed by end of Q4’25
- Total one-time programme costs estimated to be in the range of €55-60m (€45-50m) of which one-time costs of €45m were booked in 2025

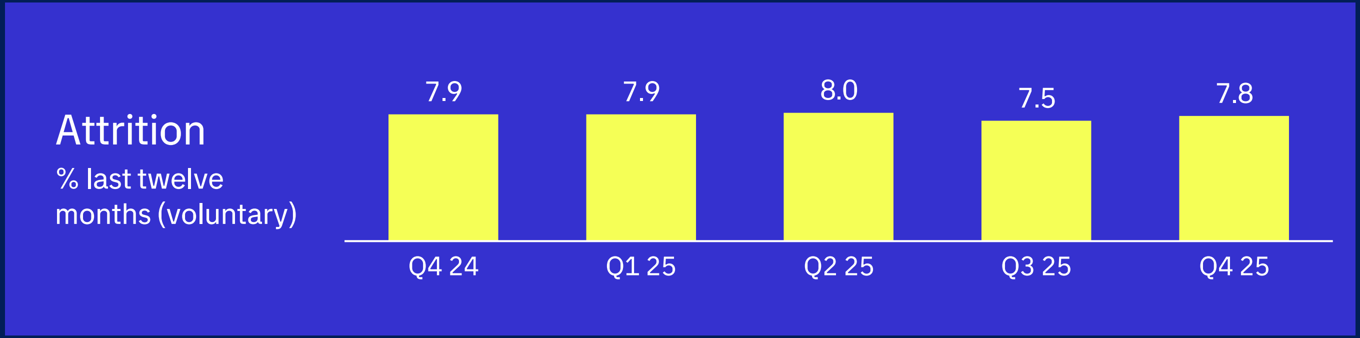
€130m cost optimization programme

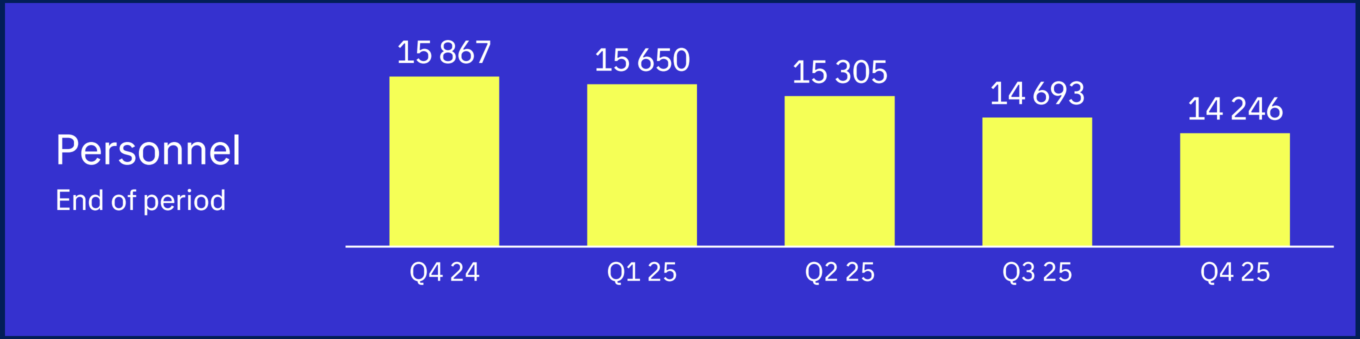


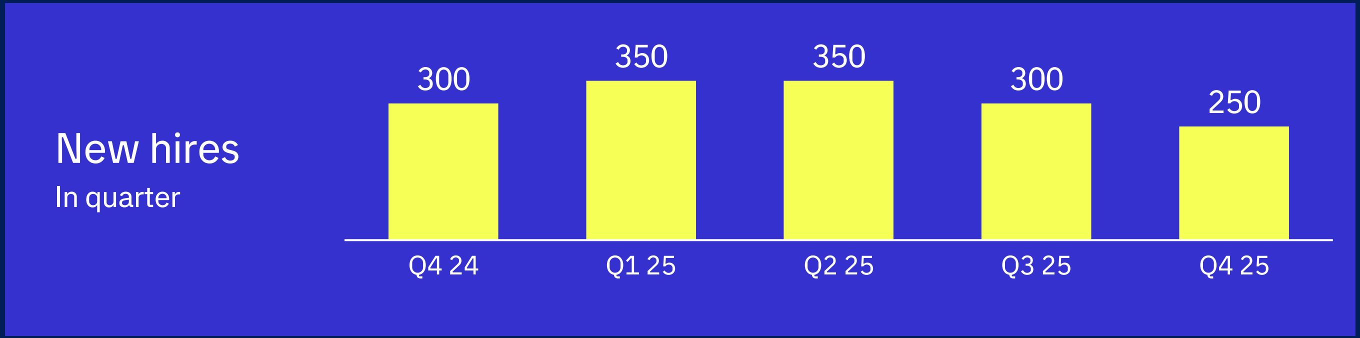
Cost optimization run rate savings by end of year (€m)

Personnel reductions across all businesses

- LTM attrition at 7.8%, reflecting continued soft market environment
- Cost optimization ongoing in all businesses – net reduction of ~450 FTEs during the quarter
  - Tech Consulting personnel reduced by ~210 FTEs
  - Tieto Banktech, Caretech and Indtech personnel reduced by ~180 FTEs
  - Group functions reduced by ~60 FTEs
- Overall Group personnel reduction of ~10% year-over-year (1 600 FTEs)
- Group-level salary inflation ~4% in 2025 (prior year approx. 4.5%)







Outlook remarks – Q1'26

Growth drivers

Group revenue growth at Q4 level

- **Tieto Tech Consulting:** Impacted by continued weak demand across all markets
- **Tieto Banktech:** Impacted by ending of a significant (margin-dilutive) mainframe contract (negative ~5 pp.)
- **Tieto Caretech:** Headwind from declining legacy product business to increase (negative ~6 pp.)
- **Tieto Indtech:** Order backlog supporting growth

Profit drivers

- Cost optimization programme across all businesses and support functions contributing to profit

Other drivers

- Negative FX impact on revenue of approx. -€3m
- Positive 0.1pp impact from working days

Q1 profitability outlook

Business	Q1’25 adj. EBITA %	Profitability outlook
Tech Consulting	11.8%	**Above** Q1’25 level
Banktech	11.4%	**Above** Q1’25 level
Caretech	24.7%	**Above** Q1’25 level
Indtech	12.4%	**Above** Q1’25 level

2026 outlook

Guidance for 2026 – step-change in profitability

- Soft market environment expected to continue into 2026, affecting Tech Consulting growth
- ~3 pp. known growth headwinds
  - ~2 pp. run-off of legacy contracts in Banktech and Caretech
  - ~1 pp. one-off SB1 court ruling compensation recognized in 2025
- Profitability improvement driven by the cost optimization programme. Impact of SB1 compensation in 2025 and the IFRS 5 impact no longer affecting is net zero

Organic growth

-2% to 0%

2025: €1 852m / -2%

Adj. EBITA

14.8-15.8%

2025: €256m / 13.8%

2026 revenue growth dynamics

Colors illustrate directional growth dynamics by quarter, reflecting relative growth momentum rather than quantified guidance.

Focused execution in 2026 – building momentum towards 2028

2026

- Strengthen client relationships
- Reinforce sales capabilities
- Leverage strategic partnerships
- Continue simplification activities
- Finalize the reset of the cost base
- Regain stakeholder confidence