



Q1 2025

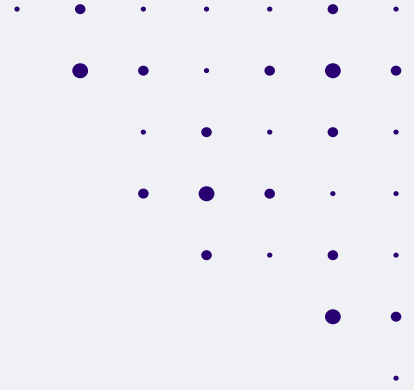
Performance as
anticipated – major step
taken in strategic renewal

Kimmo Alkio, President and CEO
Tomi Hyryläinen, CFO

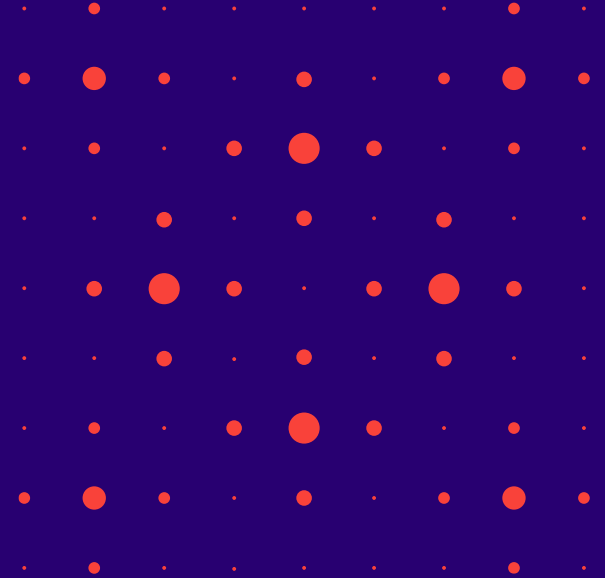


Today's agenda

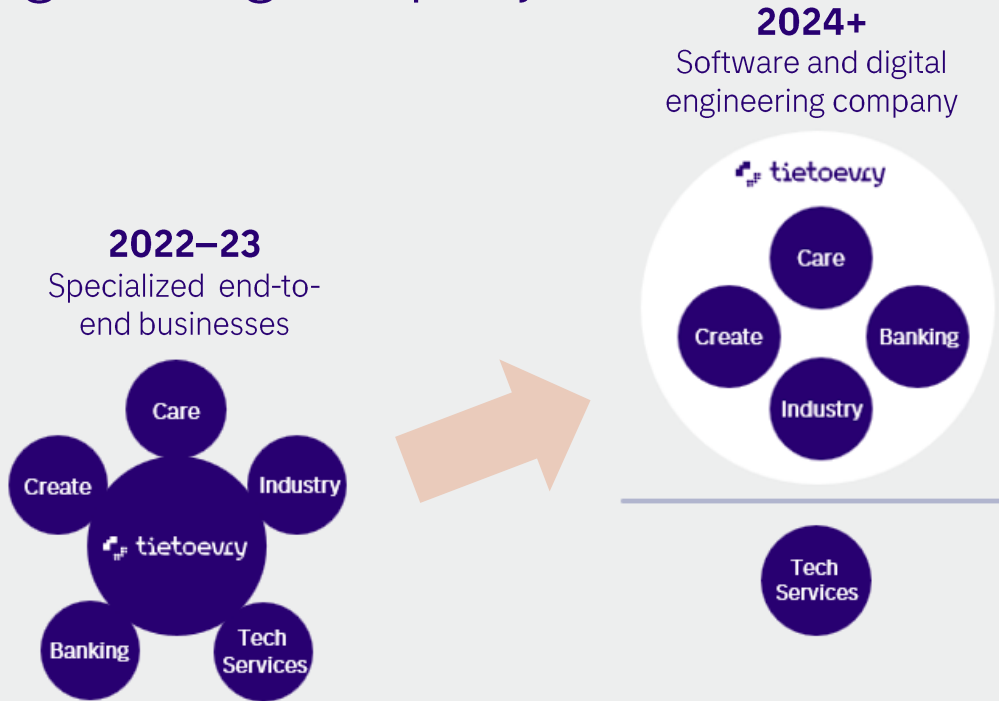
1. Firm strategy execution
2. Q1 performance
3. Way forward



1. Firm strategy execution



Repositioning Tietoevry as a leading software and digital engineering company



High expansion and value creation potential – aiming for world-class performance in each business



Agreement to sell Tech Services to funds advised by Agilitas Private Equity LLP - EV ~€400m (incl. lease liab.), closing expected during Q3'25

..... MULTI-YEAR STRATEGIC TRANSFORMATION

Each business aims to be among the best in their respective markets

Tietoevry Create

Build global scale and customer base focusing on design, software engineering, data and AI expertise

Tietoevry Banking

Drive European expansion with competitive fintech software-based solutions proven in the Nordics

Tietoevry Care

Bring proven and open modular data-driven care software and platform to other European markets beyond the Nordics

Tietoevry Industry

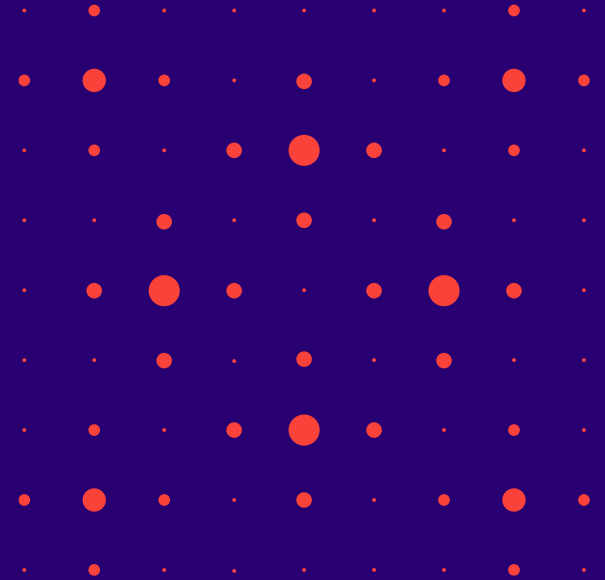
Build further scale of vertical software and data platforms, including international expansion of selected products

Sample peers (not exhaustive)



Competitive businesses with high growth opportunity, limited asset intensity and strong scalability potential

2. Q1 performance



Performance as anticipated – major step taken in strategic renewal



Organic growth of -4% impacted by weak demand environment

Adjusted EBITA of 10.6% impacted by IFRS 5-related temporary cost burden of 1.8 pp.

Strong cash flow and strengthened order backlog - important customer contracts in Banking and Care

Tech Services divestment – major step in repositioning TietoEVRY as a leading software and digital engineering company

Full-year outlook updated to reflect continuing operations

Market continues to be soft with limited visibility



Market demand for software and digital engineering remains weak

Increased macroeconomic uncertainty impacting customers investment decision making

Higher customer focus on efficiency and short-term results

AI market adoption accelerating across all software businesses and services

Regaining trust in the Norwegian finance sector, driving impact with software and digital engineering



Tietoevry Banking entered a long-term strategic partnership with the largest savings bank in Norway, Sparebanken Norge, for next-generation banking technology; advanced payment and card technologies, fraud monitoring solutions, and tools to combat financial crime.



Under 5-year strategic agreement **Tietoevry Banking** provides Fana Sparebank in Norway modernized core banking systems, card and payment services, and advanced financial crime prevention tools. The partnership will also enhance the bank's mobile and self-service offerings.



A 10-year agreement for **Tietoevry Care** with Tyresö municipality in Sweden for Lifecare welfare system. The user-friendly modern tooling and seamless integrations with other systems and welfare products improve the users' daily work and enable citizens smooth access to the services.



Tietoevry Industry continues the long-standing collaboration with UPM. Tietoevry Industry's AI-powered MES solution, designed specifically for the paper industry, provides end-to-end transparency and enables innovation across the entire value chain.



Tietoevry Create enters as a supplier for the NATO BOA (Basic Ordering Agreement) framework, signifying the increasing demand for technology and industry expertise in the defense and security sectors. The agreement enables participation in procurements of NATO and its member nations made through it.

Advancing with AI/GenAI



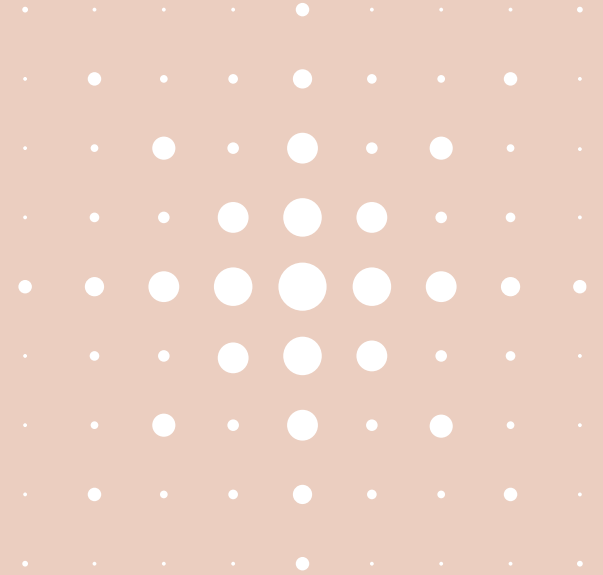
🔍 Tietoevry Care introduced Lifecare AI Search for Care Measures – the first AI solution in municipal health care in Sweden, available to 100+ municipalities and their professionals. As an embedded functionality for elderly care software, it significantly reduces administrative workload and increases speed and accuracy of documentation.

👥 Tietoevry Create helped its customer, a global industry leader, to improve productivity by providing teams across the company with an AI-driven assistant; a platform for customized GenAI solutions based on Tietoevry Create's GPT for Business accelerator, connected to corporate data sources.

📄 AI is changing finance – and Eye-share from Tietoevry Industry is leading the way. With over 24 million documents processed yearly, EyePurchase-to-Pay solution is built with AI at its core, helping 80 000 users work smarter – turning complex invoice handling into clean, automated flows.

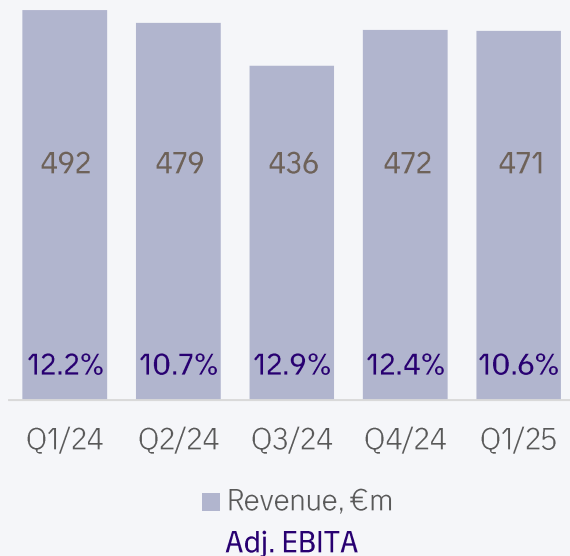
⚙️ Large Central European industrial equipment company selected Tietoevry Create as their primary partner for AI innovation.

Business highlights



Tietoevry Group

Performance as anticipated – major step taken in strategic renewal



Organic growth¹

-4%

(0%)



Adj. EBITA²

10.6%

(12.2%)

€50m (60)



Cash flow from operation³

€98m

(€72m)



Order backlog y-y / q-q

+18%/+4%¹

€2 047m

(Q1'24: 1 725 / Q4'24: 1 926)



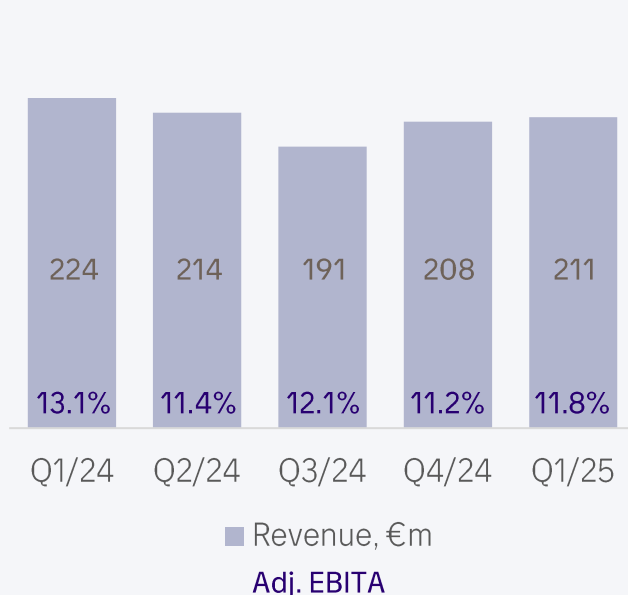
1) Adjusted for currency effects, acquisitions and divestments

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

3) Continuing and discontinued operations combined

Tietoevry Create

Continued soft market impacting performance



Organic growth

-6%

(-5%)

Adj. EBITA

11.8%

(13.1%)

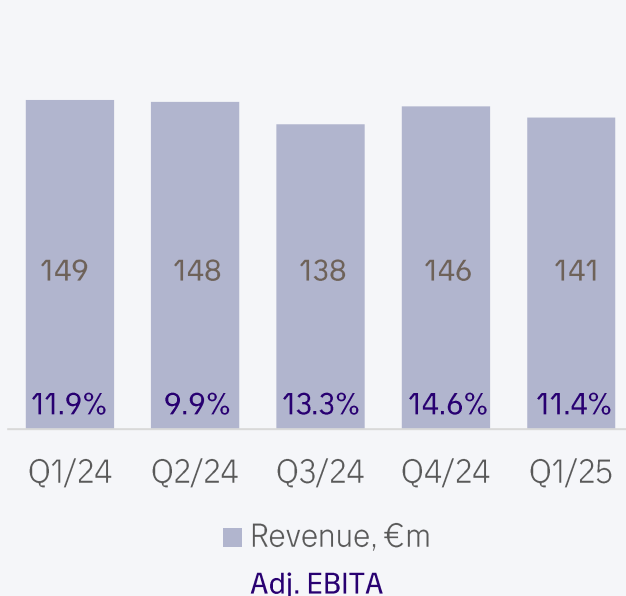
€25m (29)

Highlights

- Low demand environment continues in all markets
- Lower internal revenue impacting growth by ~2 pp.
- Profitability impacted by price pressure and overcapacity vs. short-term demand – efficiency measures accelerated
- Multiple important AI wins, including a large Central European industrial equipment company selecting Create as their primary partner for AI innovation

Tietoevry Banking

Stable profitability and significant new core banking contracts in Norway



Organic growth

-4%

(8%)

Adj. EBITA

11.4%

(11.9%)

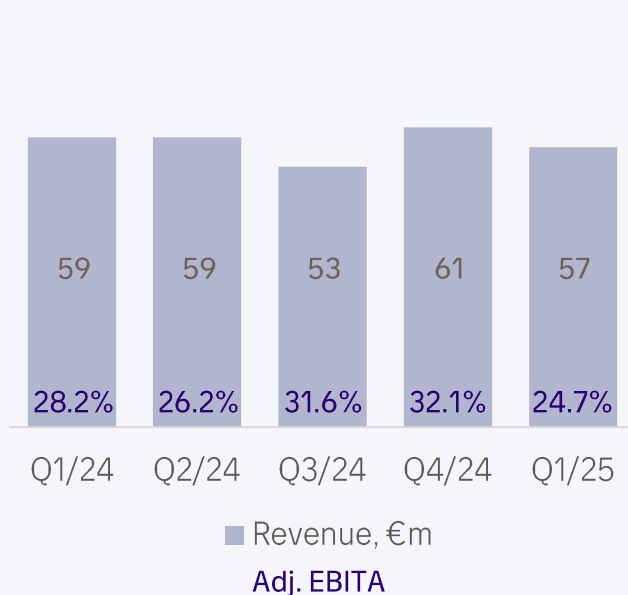
€16m (18)

Highlights

- Growth impacted by Norwegian bank merger (-4 pp.) and soft market
- Growth continued in Credit, Cards and Financial Crime Prevention
- Stable profitability supported by operational efficiency improvement
- Strong order backlog – multiple new wins
- Regained client confidence in the Norwegian market – new long-term contracts with Sparebanken Norge and Fana Sparebank

Tietoevry Care

Healthy underlying performance



Organic growth

-2%

(-5%)

Adj. EBITA

24.7%

(28.2%)

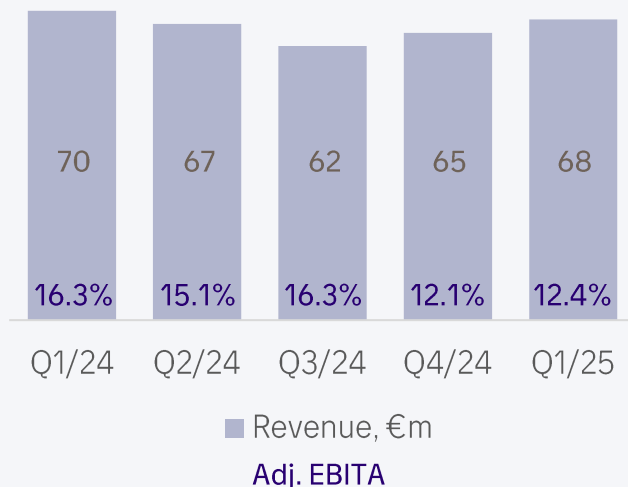
€14m (16)

Highlights

- Growth impacted by decline of legacy product business (-4 pp.) and lower public sector demand in Finland
- Three won customer contracts waiting for market court decision in Finland
- Profitability impacted by continued investments in go-to-market activities and Lifecare localization for Norway
- Solid development in social care Sweden – Tyresö municipality selected Lifecare as their welfare system

Tietoevry Industry

Market headwinds continued



Organic growth

-2%

(4%)

Adj. EBITA

12.4%

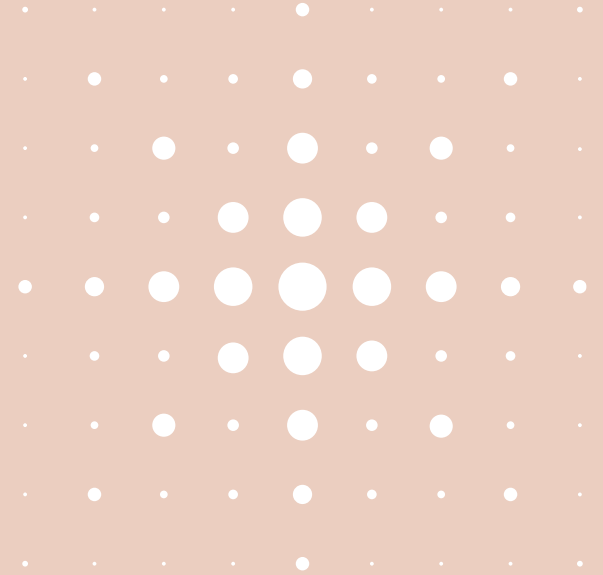
(16.3%)

€8m (11)

Highlights

- Significant decline in pulp, paper & fibre industry continued – customers postponing investments
- Public 360° growth impacted by delayed customer decision making
- Healthy growth in Data Platforms and Education
- Market activity improving – increased pipeline, except in Pulp, Paper & Fibre
- Profitability continued to be impacted by overcapacity – efficiency measures ongoing

CFO report



Continued soft market and macroeconomic uncertainty

Q1'25 financial update - continuing operations

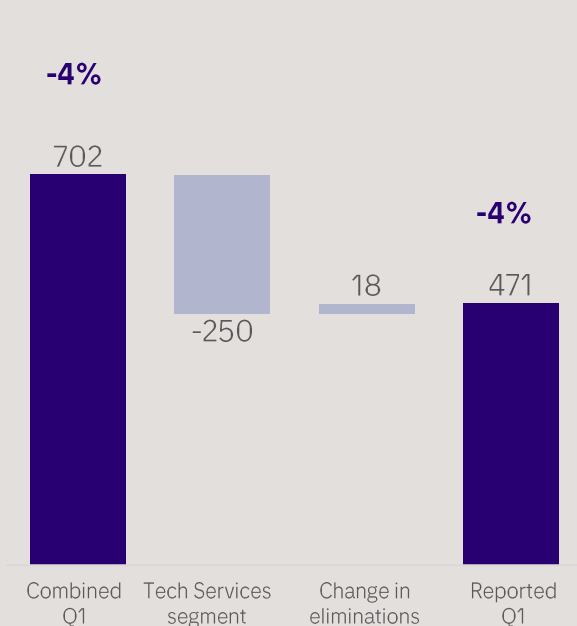
- Tech Services classified as discontinued operations
- Organic growth -4%, impacted by weak demand environment and 0.5 less working days
- Adj. EBITA 10.6%, impacted negatively by IFRS 5 cost burden of approx. €8.5m/~1.8p.p. Negative working day impact on profit appr. -0.4 pp.
- Active cost base management ongoing in all businesses
- Strong operative cash flow of €97m, supported by seasonal working capital improvement
- Discontinued operations Q1'25 performance (IFRS5):
 - Organic growth -5%
 - Net profit/loss of €-92.3m, includes impairment loss of €107m, due to remeasurement (fair value less cost to sell)
 - Fair value less cost to sell of €254m used in the remeasurement, includes initial management estimate of the present value of the future earnout of €30m. Earnout estimate is updated at each reporting date.

Continuing operations	Q1'25	Q1'24
Revenue and growth		
Revenue	471	492
Organic growth, %	-4	0
Acquisitions & divestments, %	0	3
Foreign exchange rates, %	0	-2
Total growth, %	-4	2
Org. growth adj. for working days, %	-3	1
Order backlog	2 047	1 725
Profitability		
Adj. EBITA	50	60
Adj. EBITA margin	10.6%	12.2%
One-time items	15	9
EBIT	26	42
EBIT margin	5.5%	8.6%
CAPEX	21	24
Continuing and discontinued operations combined	Q1'25	Q1'24
Leverage		
Net debt	807	880
Leverage (net debt/EBITDA)	2.2x	2.2x
Cash flow		
Operative cash flow	97	72
Free cash flow	63	34

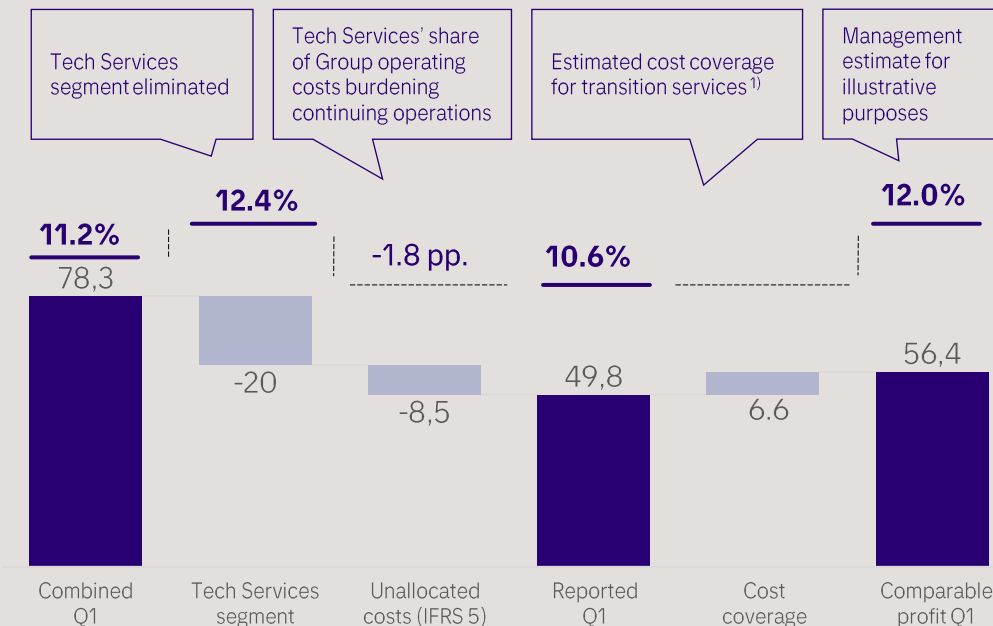
All numbers in €m

Improved financial profile on comparable basis – reported figures not reflecting underlying profitability

Revenue and organic growth



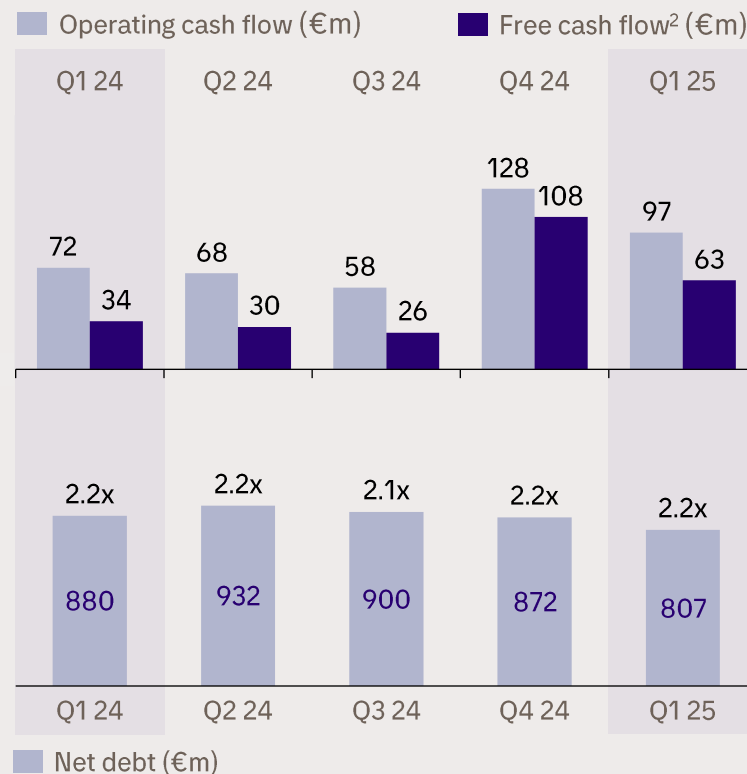
Adjusted EBITA



Q1 strong operating cash flow of €97m

- Strong cash flow from operations¹ €97m (72)
 - Net working capital decrease of €31m, supported by seasonal working capital development
- Strong free cash flow² of €63m (34)
- Healthy cash generation foundation
- Interest bearing net debt €807m
- Net debt/EBITDA 2.2x at end of Q1'25 – leverage target level 1.0x - 2.0x
- Tech Services divestment will reduce Group net debt by the transaction proceeds and approximately €100m reduction of lease liabilities

Cash flow and leverage metrics include both the continuing and the discontinued operations



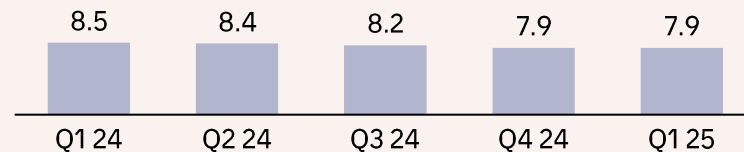
¹ Consolidated cash flows from both the continuing and the discontinuing operations

² Operating cash flow less cash flow from investing activities less payments of lease liabilities

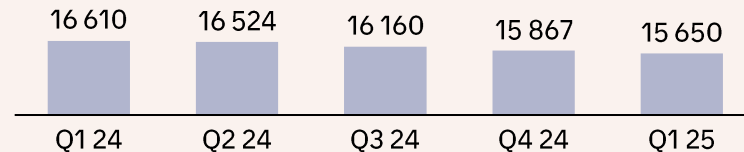
Capacity optimization ongoing – LTM attrition reflecting soft market environment

- LTM attrition at 7.9%, reflecting soft market environment
- Cost optimization ongoing in all businesses in response to weak market environment
 - Tietoevry Create capacity reduction in Q1 of 200 FTEs. Capacity adjustments, including SG&A reductions will continue in Q2.
 - Minor FTE reductions in Tietoevry Banking and Tietoevry Industry
- Group-level salary inflation approx. 4.5% in 2024 - expected to be 4-5% in 2025

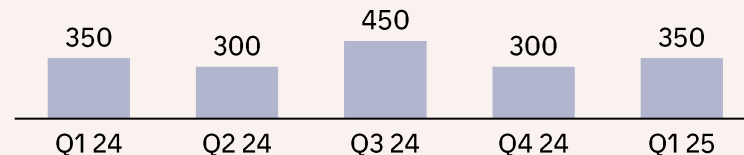
Attrition % last twelve months (voluntary)



Personnel End of period



New hires In quarter



Performance drivers – Q2'25

Growth drivers



Q2 growth expected to be negative while improving from Q1 –market softness continues

- Tietoevry Create impacted by continued weak demand across all markets and reducing internal revenue with negative ~2 pp. on growth
- Tietoevry Banking impacted by Norwegian bank merger – negative ~2 pp. impact on growth
- Tietoevry Care impacted by declining legacy product business in Norway and Sweden with negative impact of ~4% and lower public sector demand in Finland. Three won customer contracts waiting for market court decision in Finland.
- Tietoevry Industry continues to be impacted by customer investment postponements in pulp, paper and fiber and constrained public sector budgets in Finland
- 0.7 less working days in Q2'25 – negative 0.7 pp. impact on organic growth

Profit drivers



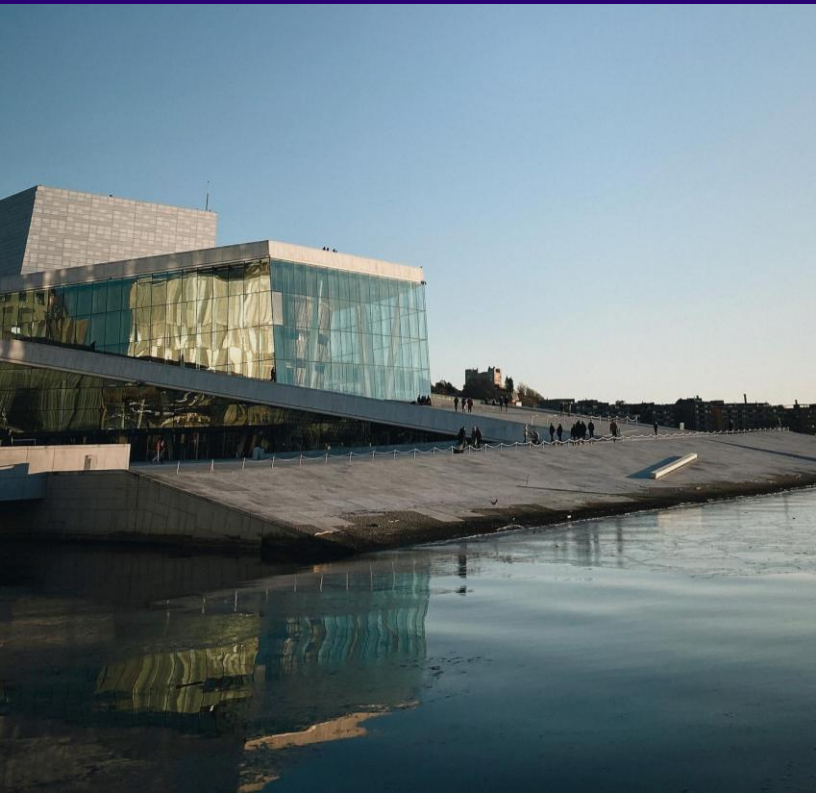
- Soft market conditions increase pressure on margins
- Annual salary increases taking effect from April
- Higher technology costs impacting Banking
- Less working days impact on profitability ~0.5 pp.

Other drivers



- Positive FX impact on revenue of €6m

Q2 profitability outlook



Business	Q2'24 adj. EBITA %	Profitability outlook
Tietoevry Create	11.4%	Below Q2'24 level
Tietoevry Banking	9.9%	At or above Q2'24 level
Tietoevry Care	26.2%	Below Q2'24 level
Tietoevry Industry	15.1%	Below Q2'24 level



2025 outlook
updated to reflect
continuing
operations

Organic growth
-2 to +1%

(2024: €1 880m / -1%)

Adjusted EBITA
12.0–13.0%

(2024: €225m / 12.0%)

Market continues to be
soft with limited visibility
into H2'25

Guidance range reflects
macroeconomic
uncertainty

Negative net impact of
~1.4 pp. on adj. EBITA from
IFRS 5 – includes
estimated cost burden
and transition services
income post closing

Strategic transformation towards software and digital engineering future

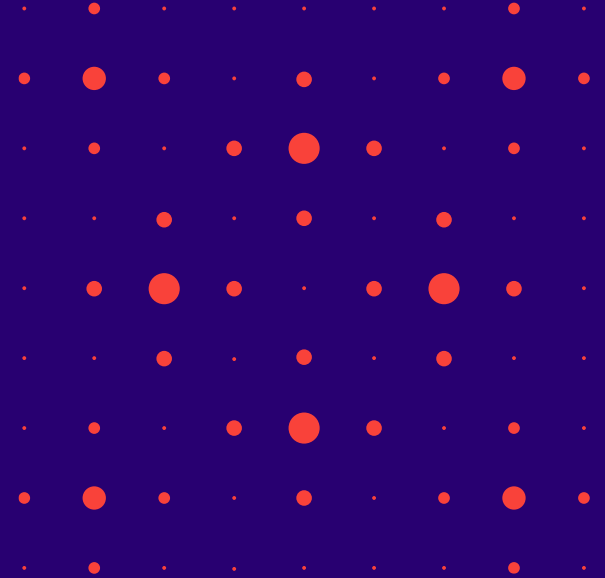


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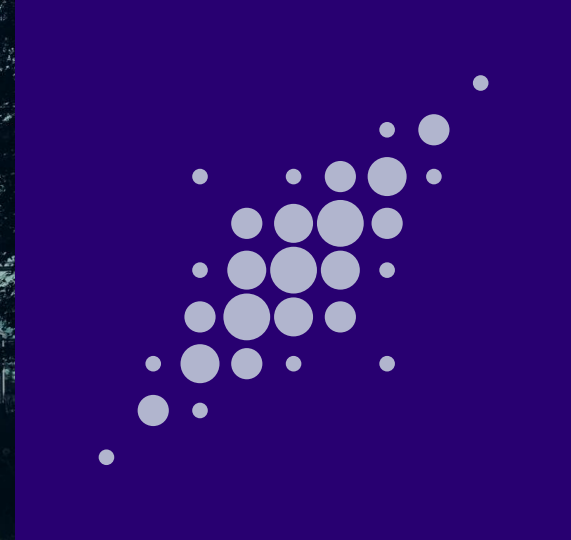
We continue to focus
on resilience in all
businesses, while
investing into future
growth

We plan to host CMD in
Q4 – more details to
follow

3. Way forward



CEO transition announced with Kimmo Alkio stepping down – Endre Rangnes appointed as interim CEO



President and CEO
Kimmo Alkio has
decided to step down
after 14 years in the
position

The Board of Directors
has appointed
Endre Rangnes as
interim CEO
effective 5 May, 2025

Tietoevry's Board of
Directors will initiate a
global search for the
permanent CEO
position

Endre Rangnes has gained over two decades extensive leadership experience, including C-suite positions, in the technology sector



Endre Rangnes

- Born 1959
- Nationality Norwegian
- Education Bachelor of Business Administration, Oslo Business School, and IBM Management & Executive Education (Brussels, Milan, Armonk)
- Professional experience
 - 2024– Managing Director, Tietoevry Banking
 - 2021–2024 CEO, Zolva Group
 - 2014–2019 CEO, Axactor AS
 - 2010–2014 CEO, Lindorff Group
 - 2003–2010 CEO, EDB Business Partner
 - 1999–2003 Country General Manager, IBM Norway
 - 1997–1999 Senior Vice President, IBM Nordic board memberships
 - 2003–2005 Chairman of the ICT Association (Norway)

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Strong cash flow and strengthened order backlog - important customer contracts in Banking and Care

Tech Services divestment – major step in repositioning TietoEVRY as a leading software and digital engineering company

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