



Q2 2025

Challenging quarter –
actions for a rapid step
change in execution and
performance initiated

Endre Rangnes, President and CEO
Tomi Hyryläinen, CFO



We have a solid foundation to build upon...

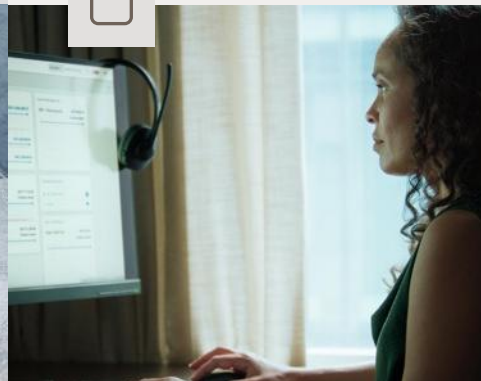
Leading market position in the Nordics



Strong customer base with active innovation agenda



Portfolio of leading-edge vertical software and digital engineering



Highly talented people



Immediate actions to get back on track is our near-term focus

01

Customer first



02

Restore growth



03

Competitive cost base



- Step-change in customer orientation
- Regain customer trust and satisfaction
- Strengthen sales capabilities
- Cost optimization of €115 million by end of 2026
- New management team focused on execution

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New management team – focus on execution



Andre Rangnes
President and CEO



Ari Järvelä
Tietoevry Care
Managing Director



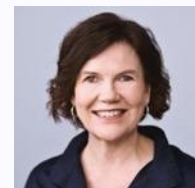
Mario Blazevic
Tietoevry Banking
Managing Director



Johan Enger Nygaard
Tietoevry Industry
Managing Director



Pär Johansson
Tietoevry Create
Interim Managing Director



Satu Kiiskinen
Tietoevry Tech Services
Managing Director



Tomi Hyryläinen
CFO



Trond Vinje
Head of HR
(Until 31 Aug, 2025)



Jonna Peltola
Head of Communications
and Brand



Oddgeir Hansen
Executive
Project Lead



Jussi Tokola
General Counsel,
Head of Group Legal
and Compliance

Latest customer wins and recognitions

CUSTOMERS

LOKALBANK

Tietoevry Banking entered a strategic agreement with Lokalbank for a comprehensive banking platform



öGIG, an Austrian fixed broadband access infrastructure provider, chose **Tietoevry Create** to help improve customer service and efficiency with AI



Tietoevry Care advances its European market presence through a collaboration project at Basel University Hospital in Switzerland



Tietoevry Industry entered into a new multi-year agreement with the leading European energy company Vattenfall.

BUSINESS QUALITY



Tietoevry Banking part of DataTech50
Tietoevry Banking one of the best 50 companies transforming data management within the financial services industry

Gartner

Recognized in the Gartner® Hype Cycle™ for Healthcare
Tietoevry Care recognized for its leadership in semantic interoperability



Recognized as one of top employers in India and Norway
– underscoring our commitment to building an inclusive, engaging, and supportive workplace

SUSTAINABILITY



Tietoevry named as one of Europe's Climate Leaders 2025
by the Financial Times and Statista

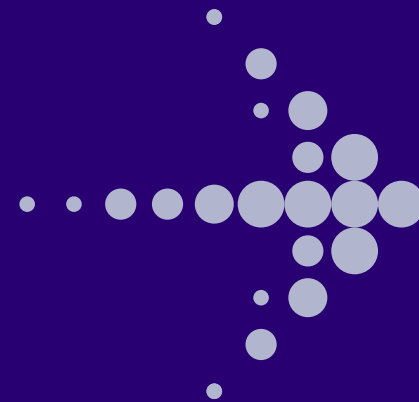


Tietoevry among the World's Greenest Companies
by Newsweek for environmental sustainability performance



Tietoevry won the Sustainability Category at the EY Nordic Risk Transformation Awards 2025

Challenging quarter – actions for a rapid step change in execution and performance initiated



Soft market conditions continued – organic growth of -4%

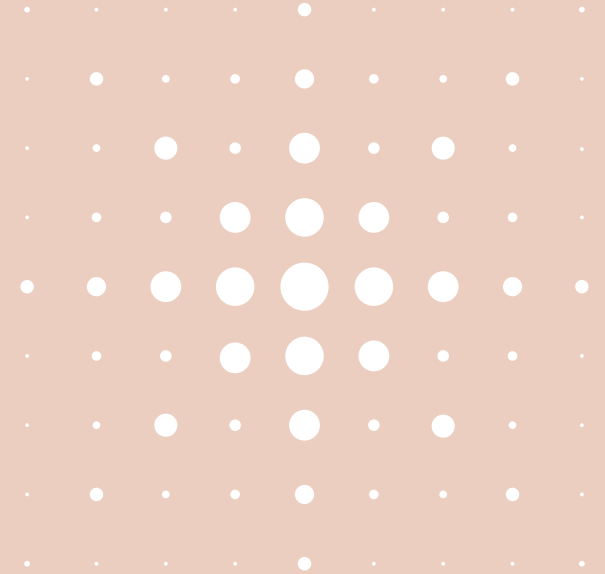
Profitability of 9.4% includes 1.3 pp negative impact of IFRS 5-related temporary cost burden

Driving a rapid step change in execution and performance – actions aiming for €115m run-rate savings by the end of 2026 initiated

Non-cash impairment of €80m related to capitalized development costs mainly for the Banking Platform in Norway

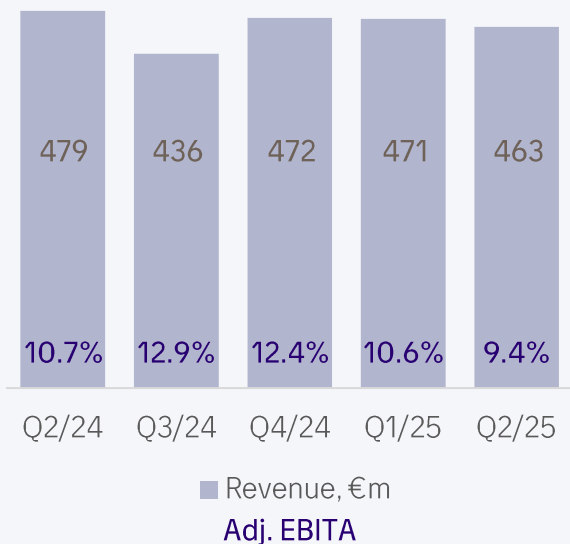
Endre Rangnes appointed as the CEO of Tietoevry – new leadership team to focus on customers and growth

Business highlights



Tietoevry Group

Challenging quarter – actions for a rapid step change in execution and performance initiated



Organic growth¹

-4%

(1%)



Adj. EBITA²

9.4%

(10.7%)

€44m (51)



Cash flow from operation³

€51m

(€68m)



Order backlog y-y / q-q

+14%/+9%¹

€2 222m

(Q2'24: 1 961 / Q1'25: 2 047)



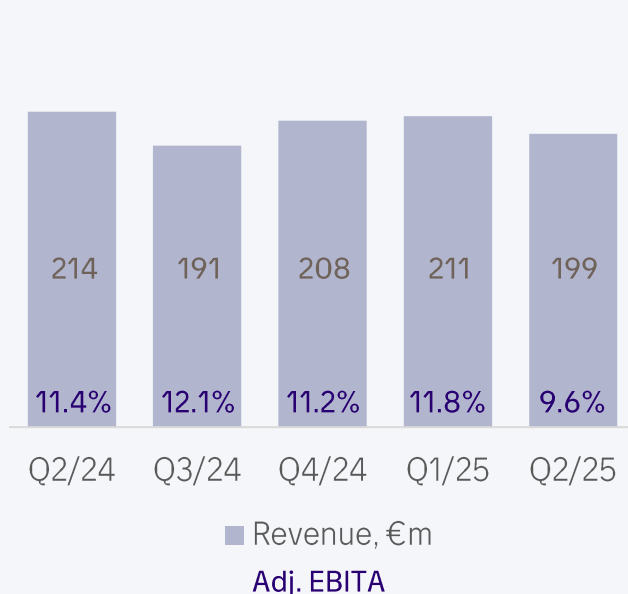
1) Adjusted for currency effects, acquisitions and divestments

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

3) Continuing and discontinued operations combined

Tietoevry Create

Market remains soft – capacity adjustments continue



Organic growth

-7%

(-2%)

Adj. EBITA

9.6%

(11.4%)

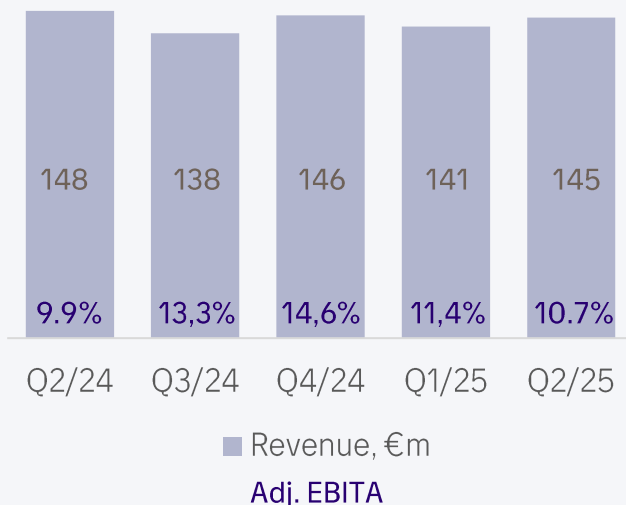
€19m (24)

Highlights

- Growth impacted by low demand environment, fewer working days, and lower internal revenue (~2 pp.)
- Continued price pressure
- Active delivery capacity management and SG&A reduction ongoing – 5% personnel reduction in H1, further actions initiated
- Several wins with new technologies and AI embedded – maintaining stable order backlog

Tietoevry Banking

Regained client confidence visible in record-high order backlog



Organic growth

-2%

(5%)

Adj. EBITA

10.7%

(9.9%)

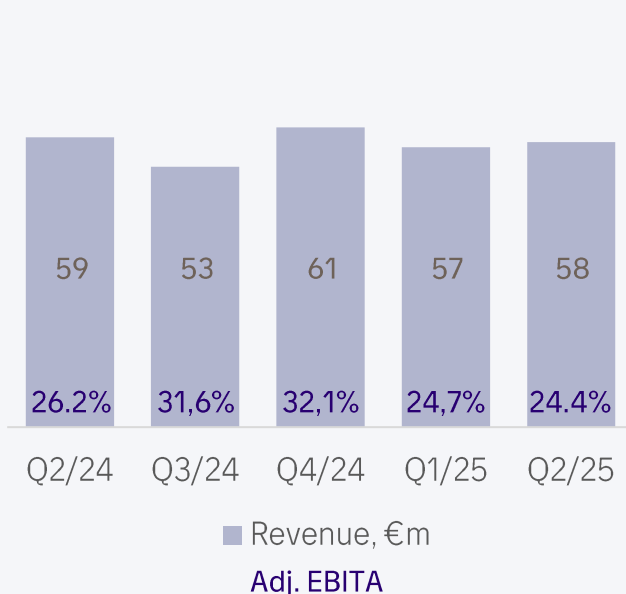
€16m (15)

Highlights

- Growth in BaaS and Financial Crime Prevention
- Organic growth impacted by Norwegian bank merger in H1/24 (-2pp.)
- Stable profitability supported by efficiency improvements
- Regained client confidence in the Norwegian market with multiple new wins
- Record-high order backlog

Tietoevry Care

Focusing on international growth



Organic growth

-3%

(1%)

Adj. EBITA

24.4%

(26.2%)

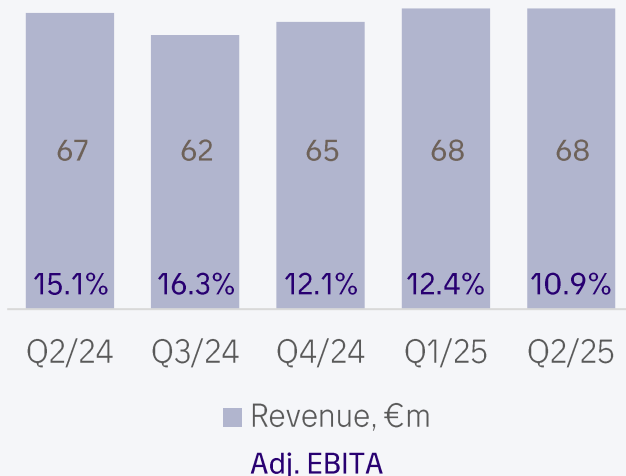
€14m (15)

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 decisions – impacting growth and profitability (-2 pp.)
- Profitability also impacted by accelerated growth investments
- International partner negotiations and sales cases ongoing - collaboration project at Basel University Hospital in Switzerland
- Tietoevry Care recognized in the Gartner® Hype Cycle™ for Healthcare 2025

Tietoevry Industry

Efficiency measures executed – improving market outlook



Organic growth

-1%

(5%)

Adj. EBITA

10.9%

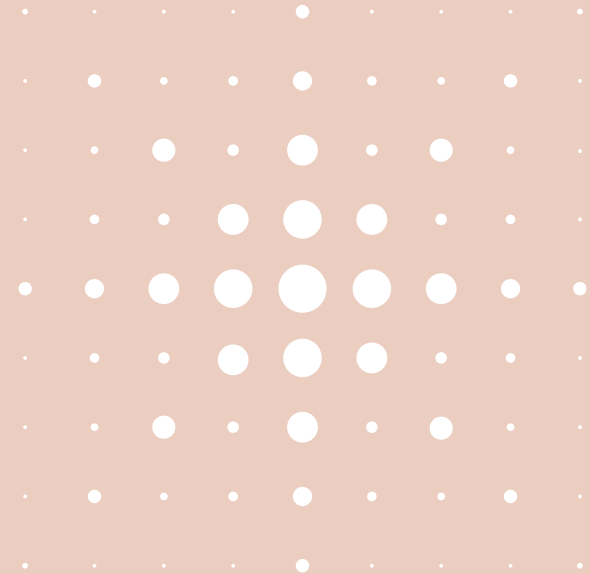
(15.1%)

€7m (10)

Highlights

- Significant decline in Pulp, Paper & Fibre continued
- Public 360° growth impacted by delayed customer decision making
- Healthy growth in Education and Data Platforms continued
- Market activity improving – multiple new wins building order backlog for H2
- Profitability continued to be impacted by overcapacity
- Significant efficiency measures in Q2 – impact starting to show in Q3

CFO report



Cost optimization activities to improve financial performance

- Tech Services divestment expected to close in Q3
- Cost optimization activities aiming for €115m run-rate savings by the end of 2026 initiated to improve financial performance and mitigate Tech Services contribution to shared costs
- As a result of the cost optimization activities, we expect full year OTI's to be ~3% of revenues (earlier 1-1.5%) for continuing operations
- Tietoevry Banking:
 - Sparebank1, Court of Appeals ruling 3 June 2025 – positive impact to Tietoevry Banking financial outlook. In case the ruling will stay, without appeal to Supreme Court, Tietoevry Banking will book the fixed fee increases to revenue of approx. €24.5m in Q3, €2.2m in Q4 and €8.6m during 2026.
 - Banking recorded a non-cash charge of €80.4m in impairment losses. This related mainly to internally developed Banking Platform in Norway. The impairment is supported by customer pre-studies and recent customer contract renewals, confirming the future demand of the developed technologies.
- Bridge-loan executed to finance the expired €300m Bond. Group refinancing activities to be initiated post Tech Services divestment

Continuing operations	Q2'25	Q2'24
Revenue and growth		
Revenue	463	479
Organic growth, %	-4	1
Acquisitions & divestments, %	0	3
Foreign exchange rates, %	0	0
Total growth, %	-3	5
Org. growth adj. for working days, %	-3	0
Order backlog	2 222	1 961
Profitability		
Adj. EBITA	44	51
Adj. EBITA margin	9.4%	10.7%
One-time items	21	11
EBIT	-66	31
EBIT margin	-14%	6.4%
CAPEX	15	15
Continuing and discontinued operations combined	Q2'25	Q2'24
Leverage		
Net debt	875	932
Leverage (net debt/EBITDA)	2.4x	2.2x
Cash flow		
Operative cash flow	51	68
Free cash flow	20	30

All numbers in €m

Cost optimization – aiming for €115 million run rate savings¹⁾ by end of 2026

Actions decided in H1'25 ²⁾

€40m



Potential reduction of approx. 800 employees

- Delivery capacity and SG&A (50/50), include employee transfers to Tech Services
- Primarily in Create and Industry
- One-time costs ~€20m

New cost optimization programme ³⁾

€75m



Potential reduction of up to 450 employees

- Right-size Group SG&A post Tech Services, reduce overlap with businesses
- Optimize SG&A in businesses
- Further delivery capacity optimization
- One-time costs €15–20m

~40%



External costs, incl. facilities

- Rationalize and right-size facilities
- Consolidate supplier base and reduce purchasing volumes
- One-time cost €5-10m

~60%

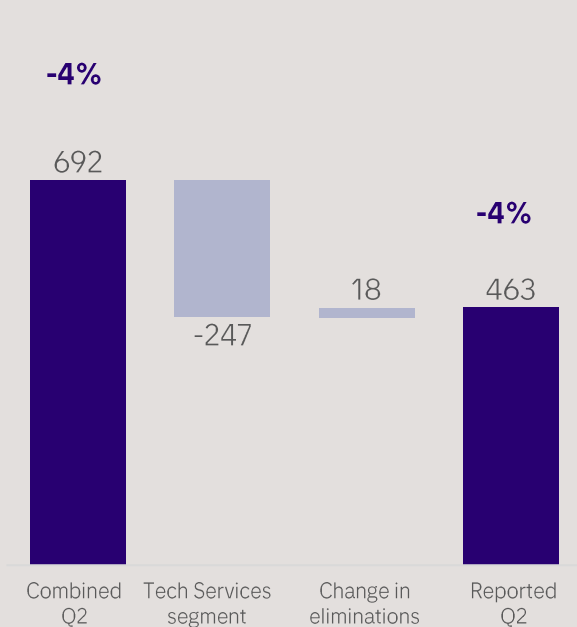
1) baseline 2024, €70-80m combined run-rate savings by end of 2025

2) run-rate savings by end of 2025

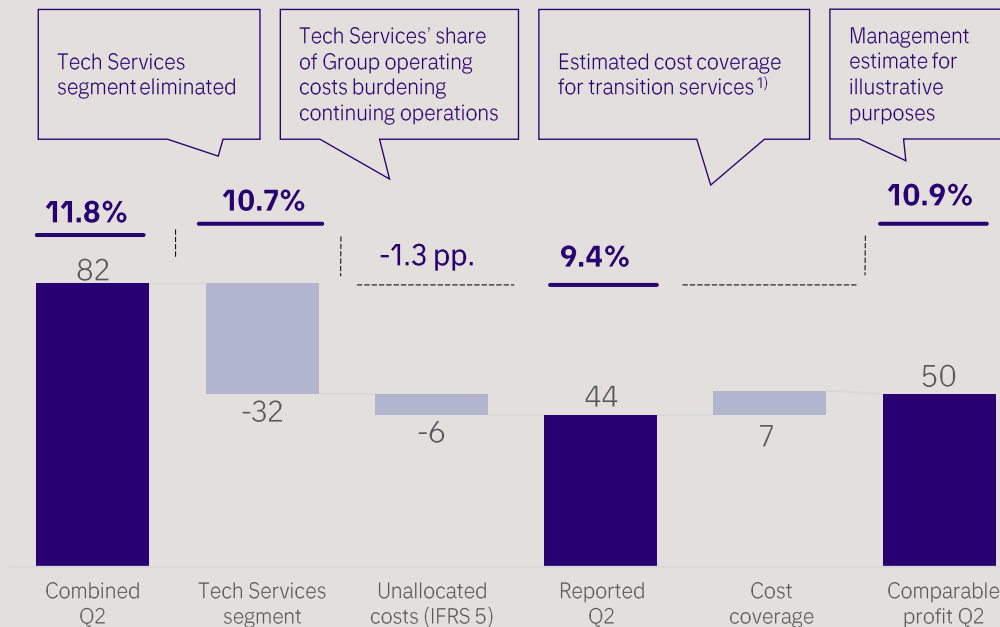
3) run-rate savings by end of 2026

Reported figures do not reflect underlying profitability

Revenue and organic growth



Adjusted EBITA

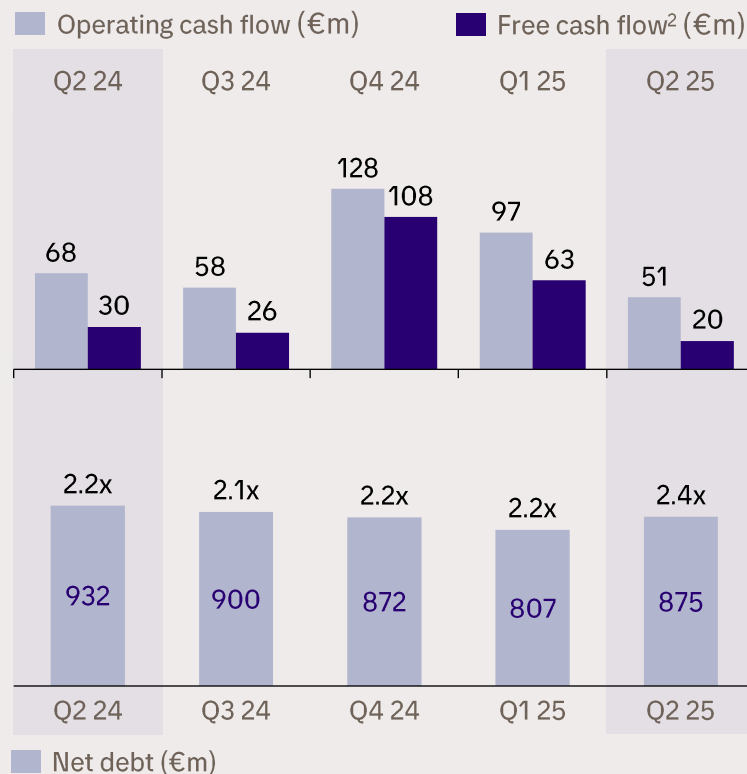


1) As from the closing, Tietoevry to provide transition services to enable Tech Services standalone operations.

Healthy Q2 cash flow from operations of €51 million

- Healthy cash flow from operations¹ €51m (68)
 - Net working capital decrease of €4m – seasonal headwind in working capital liabilities offset by accounts receivable decrease
- Free cash flow² of €20m (30)
- Overall cash generation foundation remains strong
- Interest bearing net debt €875m – impacted by dividend payment (€89m)
- Net debt/EBITDA 2.4x at end of Q2'25 – 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



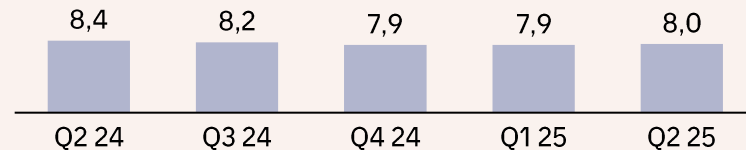
¹ Consolidated cash flows from both the continuing and the discontinued operations

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

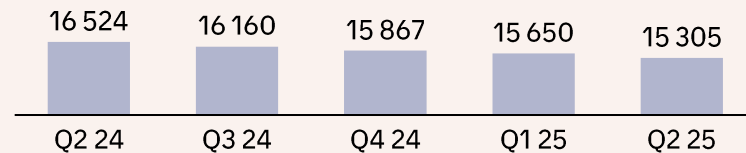
Capacity optimization ongoing – LTM attrition reflecting soft market environment

- LTM attrition at 8.0%, reflecting continued soft market environment
- Cost optimization measures in Q2 to improve financial performance
 - Tietoevry Create capacity reduced by 230 FTEs
 - Tietoevry Industry capacity reduced by 80 FTEs
 - Tietoevry Banking capacity reduced by 35 FTEs
- Group-level salary inflation expected to be 4-4.5% in 2025 (prior year approx. 4.5%)

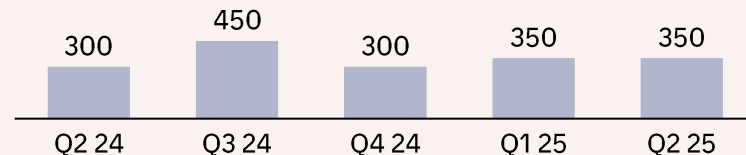
Attrition
% last twelve months
(voluntary)



Personnel
End of period



New hires
In quarter



Performance drivers – Q3'25

Growth drivers



- Tietoevry Create: Impacted by continued weak demand across all markets
- Tietoevry Banking: Impacted by ending of a significant (margin-dilutive) mainframe contract– negative ~2 pp. Potential positive impact from Sparebank1 Court of Appeals ruling.
- Tietoevry Care: Wellbeing county wins in Finland and market expansion in Sweden supporting growth. Headwind from declining legacy product business in Norway and Sweden (negative ~4pp.) and six won customer contracts waiting for market court decision.
- Tietoevry Industry: Strengthened order backlog supporting Q3 growth. Customer investment postponements continue in pulp, paper and fiber.
- 0.2 less working days in Q3'25 – negative 0.2 pp. impact on organic growth

Profit drivers



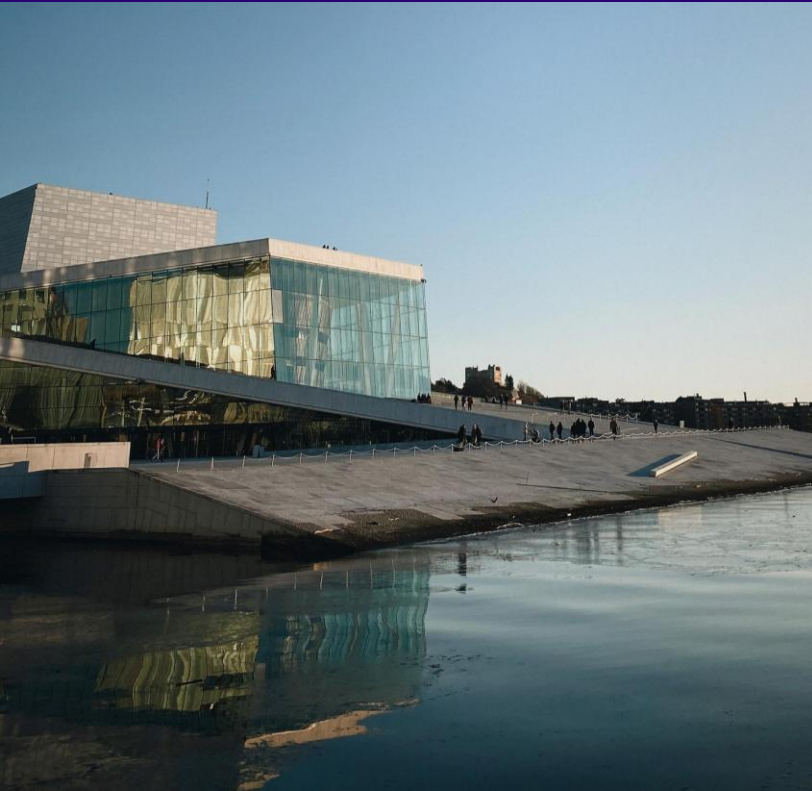
- Continued price pressure in Create
- Cost optimization activities contribute to profit
- Less working days impact on profitability ~0.2 pp.

Other drivers



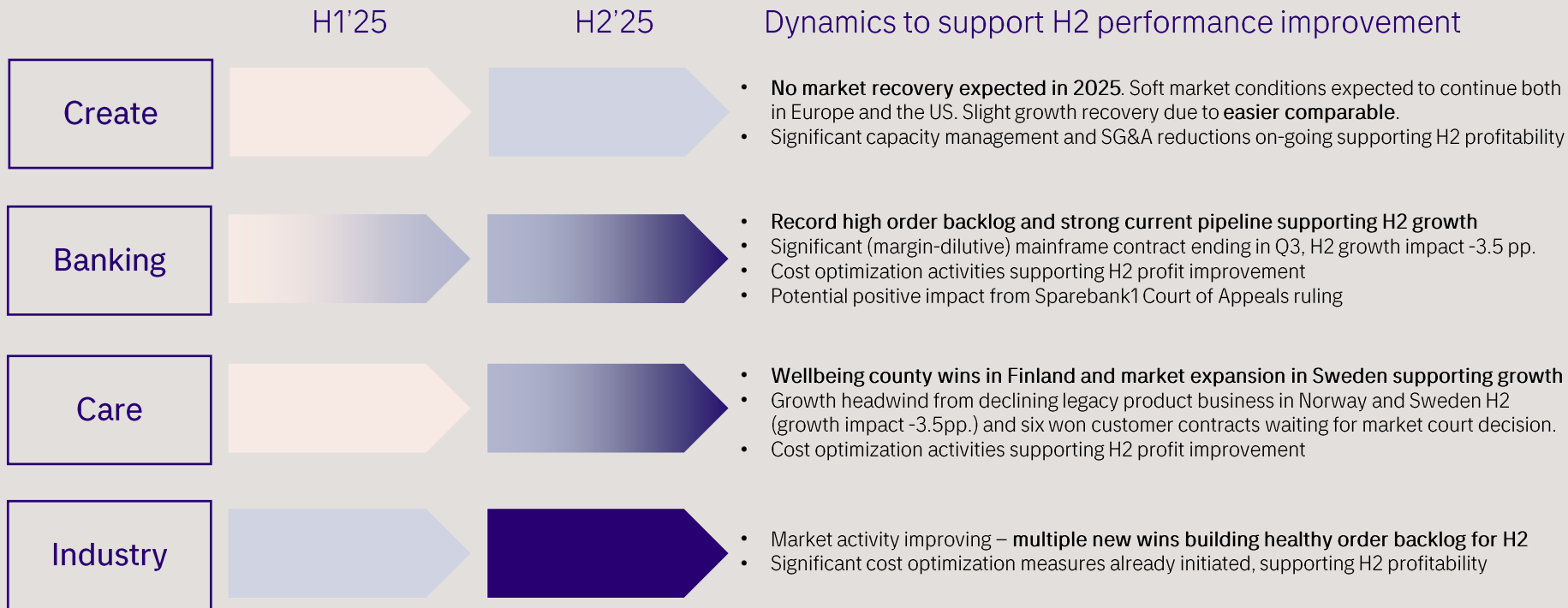
- Positive FX impact on revenue of €6.1m

Q3 profitability outlook



Business	Q3'24 adj. EBITA %	Profitability outlook
Tietoevry Create	12.1%	Below Q3'24 level
Tietoevry Banking	13.3%	Above Q3'24 level
Tietoevry Care	31.6%	Below Q3'24 level
Tietoevry Industry	16.3%	Above Q3'24 level

Performance improvement expected in H2



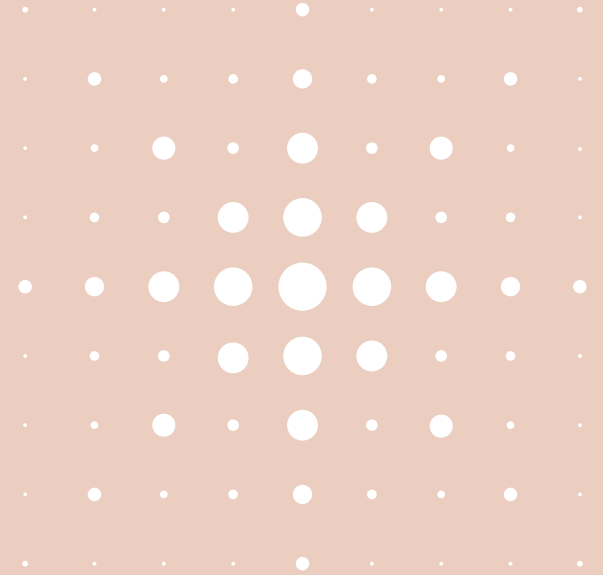
Contribution towards business performance

● Negative

● Neutral

● Positive

Way forward



Our near-term focus

01

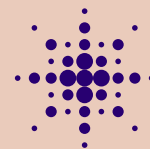
Customer first

02

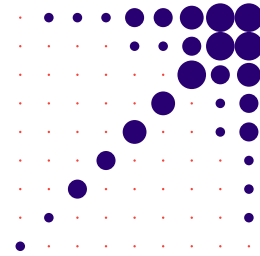
Restore growth

03

Competitive cost base



Create value for
shareholders



Tietoevry Capital Markets Day

on 25 Nov 2025
in London