TIETO's interim report 3/2012 (January–September) – Operating performance continues to improve, full-year outlook for 2012 updated

July–September highlights

- Net sales totalled EUR 423.5 (414.5) million, up by 2%. Excluding currency effects and divestments, net sales were up by 1%.
- Book-to-bill at 0.7 (0.4). Order intake amounted to EUR 307 (177) million.
- Operating profit (EBIT) amounted to EUR 31.6 (29.2) million, including one-off items of EUR 5.5 million. Operating margin stood at 7.5% (7.1).
- Operating profit excluding one-off items stood at EUR 37.1 (34.5) million, representing an operating margin of 8.8% (8.3).
- Profit after taxes was EUR 22.7 (22.5) million.
- Net cash flow from operations amounted to EUR 36.3 (40.7) million.
- Strategy implementation and cost reductions proceeded according to plan.

January–September highlights

- Net sales amounted to EUR 1 346.7 (1 338.4) million, up by 1%.
- Book-to-bill at 1.0 (1.0). Order intake amounted to EUR 1 280 (1 372) million.
- Operating profit (EBIT) amounted to EUR 69.6 (72.0) million, including a net amount of EUR 23.7 million (negative) in one-off items. Operating margin stood at 5.2% (5.4).
- Operating profit, excluding one-off items, amounted to EUR 93.3 (82.9) million, 6.9% (6.2) of net sales.
- Profit after taxes was EUR 47.9 (47.4) million.
- Net cash flow from operations amounted to EUR 101.3 (79.5) million.

Full-year outlook for 2012 updated

Tieto expects its full-year net sales to remain in line with the previous year's level (EUR 1 828 million in 2011).

As the current development in results is expected to continue during the rest of 2012, Tieto expects its full-year operating profit (EBIT) excluding one-off items to increase by more than 10% from the previous year's level (EUR 117.1 million in 2011).

In the nine-month period, Tieto booked EUR 38.6 million in costs related to the streamlining actions. It is expected that the remaining part of the estimated total one-off costs of EUR 50 million will be booked during the fourth quarter of 2012.

Previous net sales and EBIT outlook, disclosed on 20 July 2012:
Tieto expects its net sales to develop in line with the anticipated growth rate for the Western European IT services market, i.e. 0–2%. Full-year operating profit (EBIT) excluding one-off items is expected to be above the previous year's level (EUR 117.1 million in 2011).

	Q3/ 2012	Q3/ 2011	**1–9/ 2012**	1–9/ 2011
Net sales, EUR million	**423.5**	414.5	**1 346.7**	1 338.4
Change in net sales, %	**2**	7	**1**	8
Operating profit (EBITA), EUR million	**33.0**	31.0	**73.9**	77.5
Operating margin (EBITA), %	**7.8**	7.5	**5.5**	5.8
Operating profit (EBIT), EUR million	**31.6**	29.2	**69.6**	72.0
Operating margin (EBIT), %	**7.5**	7.1	**5.2**	5.4
Operating profit (EBIT) excl. one-off items, EUR million	**37.1**	34.5	**93.3**	82.9
Operating margin (EBIT) excl. one-off items, %	**8.8**	8.3	**6.9**	6.2

Profit after taxes, EUR million	**22.7**	22.5	**47.9**	47.4
Net cash flow from operations, EUR million	**36.3**	40.7	**101.3**	79.5
EPS, EUR	**0.32**	0.31	**0.67**	0.66
Return on equity, 12-month rolling, %	**10.7**	8.9	**10.7**	8.9
Return on capital employed, 12-month rolling, %	**17.6**	16.1	**17.6**	16.1
Investments, EUR million	**15.6**	11.2	**43.6**	89.8
Interest-bearing net debt, EUR million	**59.0**	111.9	**59.0**	111.9
Gearing, %	**10.2**	20.4	**10.2**	20.4
Net debt/EBITDA	**0.3**	0.7	**0.3**	0.7
Personnel on 30 Sep	**17 404**	18 145	**17 404**	18 145

Comment regarding the interim report by **Kimmo Alkio**, President and CEO:
"I am pleased with Tieto's third-quarter performance as our operating profit excluding restructuring costs increased by 8%. This confirms that we are steadily improving our results and implementing the targeted cost reduction measures as one of the elements of our strategy. During the recent months, our customer satisfaction has also developed positively, as our annual customer experience survey indicates that Tieto has shown a clear improvement in overall quality.

We have also initiated activities to speed up the implementation of the Consulting and System Integration business, while accelerating our Managed Services offshore deliveries to strengthen our competitiveness. Despite flat full-year revenue projections, we expect that our current momentum in improving our financial performance will continue during the rest of the year. Towards the end of the year, preparations to take our new operating model into use at the beginning of 2013 will also remain in our focus."

MARKET DEVELOPMENT

Tieto continues to closely monitor the European macroeconomic environment and its impact on IT spending. The growth rates of the Nordic economies have been down, but the IT services market in Tieto's core countries has remained relatively stable. Analysts' expectations of flat IT services have not materialized, and industry analysts currently estimate that the IT services market in the Nordic countries will grow by 2–3% in 2012, with IT outsourcing as the main source of growth.

Slowdown of economies might affect IT services market in 2013, with twofold impacts. Typically, the market for project services is declining, while activity in outsourcing services is picking up as customers are seeking to cut costs and improve productivity. The overall IT services market may reflect cautiousness at the beginning of 2013, although this is not evident in the estimates of industry analysts. Estimates for 2013 are slightly higher than those for 2012.

One of the major ongoing trends is the adoption of mobile services. Mobile services are supporting the increasing need for enterprises to cater to a more mobile user base, including business-to-business, business-to-consumer and business-to-employee environments. Another rapidly expanding area is the incorporation of Business Intelligence and analytics as part of outsourcing services. Enterprises are increasingly looking to leverage analytics to mine data for a variety of reasons, from improving operations to identifying new markets and opportunities.

Companies are actively developing their ICT infrastructure and application environments. Applications and ICT infrastructure are increasingly moving towards web-based scalable delivery models. Many businesses are taking a hybrid approach to cloud services, i.e. combining cloud services with a variety of legacy systems that continue to support mission-critical processes. As reducing the cost of IT is still on customers' agendas, the outsourcing of ICT infrastructure, application management and business processes is expected to remain the strongest area.

IT as a Service delivery models are starting to gradually replace traditional IT projects and this change may affect revenue and profit patterns as well. Typically, services are provided over several years and payments are scheduled over time. In the short term, solutions provided to customers as a service may generate lower revenue than traditional projects. Furthermore, profits are distributed over time. That said, profitability typically either remains at the same level or improves over time as volumes grow.

The financial services sector is still under pressure, and customers in this area remain cautious. They focus only on their ongoing and most important projects and tend to revamp existing applications instead of replacing them. On the other hand, the need to cut spending and to harmonize existing IT systems maintains high interest in outsourcing and IT as a Service delivery models.

The telecom sector is affected by R&D budget cuts made by some vendors, intensifying the offshoring and supplier consolidation trends. The market for mobile devices is still affected by fierce competition between device manufacturers seeking to gain market share and launch attractive new products with the latest technology platforms. In the network equipment manufacturers segment, the main driver is the increase in wireless traffic. Innovativeness and productivity combined with cost efficiency have remained two of the key drivers for telecom R&D. Some R&D service providers are still pricing their services aggressively to defend their position.

The manufacturing sector is typically sensitive to economic downturn, but until now, demand for IT services has remained relatively stable. Demand is based on the need to cut costs and improve business processes and service deliveries. In the healthcare and welfare sector, there is strong demand for new solutions helping to meet increasing service demand and integration of health and social care systems across primary care, hospital care and welfare services. Despite tight budgets, demand in the public sector has remained healthy.

In **Finland and the Baltic countries**, the IT services market is stable. The Finnish IT services market is expected to grow by 2–3% in 2012. In the public sector, the expected decrease in IT spending has not materialized, but the market outlook for 2012 is positive as productivity improvements will be sought from ICT development and outsourcing. Demand in the healthcare sector and the manufacturing sector has remained at a healthy level as well, whereas the financial sector continues to face challenges.

In **Scandinavia**, the Swedish IT market is estimated to grow by 2% in 2012. The growth rate is down from the previous year due to cost cutting and prolonged decision-making, especially in the financial sector. Healthy demand for IT services is expected to continue in the public and energy sectors. Price pressure has remained strong in basic services, particularly in large centralized procurement processes. In Norway, the IT market has remained active, fuelled by the energy sector. Advanced metering infrastructure is a growth driver, although the large-scale procurement process in Norway has been pushed back and will potentially be started again at the turn of the year.

In **Central Europe & Russia**, the IT services market is affected by the economic downturn, but demand for services driving cost reductions and efficiency improvements has remained stable. In Germany, growth in demand is anticipated to be in line with the Western European IT services market, i.e. around 2% in 2012. In Russia, market growth is expected to be faster, and may even reach double digits.

COMPANY STRATEGY AND FINANCIAL TARGETS

In March 2012, Tieto revised its strategy for 2012–2016. The company will build its competitiveness and future growth through industry expertise, geographical focus and simplified operations.

Tieto's strategic core choices, as communicated at the time of strategy launch, are:

- Reinforcing industry expertise – Building on the company's long customer relationships and understanding of the core process of customers
- Expanding to provide full life-cycle IT services – Investments in Consulting and System Integration (CSI) capabilities
- Focusing on markets where Tieto can be in the Top 3. The Nordic countries are Tieto's current core market, building on the company's strengths in Finland and Sweden. In other countries the company will pursue focused operations based on selected industries, repeatable solutions and profitable operations.

In connection with the strategy revision, Tieto defined its financial targets for 2012–2016 and launched a programme to simplify its operations and achieve a competitive cost structure with a view to gaining annualized net savings of EUR 50 million by 2014. The financial targets are described in detail at www.tieto.com/Investors. One of the targets is to reach an operating margin (EBIT) of 10% during the strategy period 2012–2016. Key means of achieving the target level are described below.

Margin improvement enablers during 2012–2016

- the EUR 50 million cost programme to create a competitive cost structure, which is anticipated to drive an improvement of around 3 percentage points
- increase in the share of high-margin business
- improvements in quality
- increase in offshoring
- efficiency improvement in managed services through automation
- rationalization of the business portfolio

Factors straining margins during 2012–2016

- additional investments in the development of CSI business, offerings and the automation and industrialization of managed services
- price pressure
- salary inflation

Price pressure and salary inflation are anticipated to be offset by growing use of offshore resources as well as efficiency improvements in managed services.

With these measures, Tieto expects to achieve an EBIT margin of 10% during the strategy period.

IMPLEMENTATION OF STRATEGY AND COMPETITIVE COST STRUCTURE PROGRAMME

In the first quarter, Tieto agreed to divest its financial services products business based in the UK and its Danish unions business. In the second quarter, the company decided to close down its global delivery centre for R&D services in Bangalore, India, during the second half of 2012. Going forward, operations in India will be based on one major site for IT services in Pune.

The company has been preparing for the full implementation of the new operating model, effective as of the beginning of 2013. In August, Tieto made management appointments in order to ensure the execution of the strategy based on this new model. The roles will be effective as of 1 January 2013. The composition of the new Leadership Team is described in the section entitled "Management".

During 2012, the focus has also been on the programme to create a competitive cost structure. Group-wide actions to reduce non-customer-centric work, cut overlapping tasks and improve productivity and the utilization rate are ongoing. The related personnel negotiations are expected to lead to a reduction of about 1 300 employees. The negotiations will be implemented in two phases, the first of which was concluded during the second quarter. The second phase was started in September and it will be completed by early 2013.

Owing to the actions taken during the nine-month period, Tieto has reduced a total of more than 1 100 positions, of which more than 350 in Finland, around 200 in Sweden, more than 150 in Germany and the rest in other countries. Of these redundancies, Product Engineering Solutions accounts for more than 350. During 2012, the number of full-time employees has decreased by a net amount of around 700. In addition to 1 100 job cuts, divestments have decreased the number of employees by close to 200. On the other hand, new outsourcing deals have added more than 300 employees and Tieto has recruited a total of close to 300 key competences.

The programme is proceeding on schedule and the company currently anticipates that around one third of the targeted annualized net savings of EUR 50 million will materialize in 2012. The full-year operating profit for 2014 is expected to see the full effect of the actions.

The successful implementation of the second phase in personnel negotiations is expected to yield further improvements in the cost structure and utilization rate. Additionally, growing use of offshore resources, especially in IT services, as well as further improvements in efficiency and productivity, are expected to contribute to improved profitability during the strategy period.

Industrialization and automation in managed services, a new operating model supporting efficient staffing of projects as well as changes in Tieto's business mix leveraging the company's repeatable solutions, for example, are expected to contribute to the company's productivity and utilization rate improvements. Further automation in managed services is expected to materialize largely during late 2013 and in 2014. Tieto is actively seeking to develop its operations during the strategy period in all of these areas to offset the negative impact of factors straining the margins, such as salary inflation and price erosion.

One-off costs related to the planned streamlining actions are estimated at around EUR 50 million. In the nine-month period, Tieto booked EUR 38.6 million in one-off costs, which were recognized mainly in personnel costs. It is expected that the remaining part of the EUR 50 million one-off costs will be booked during the fourth quarter of 2012.

In the first quarter, Tieto booked capital gains of EUR 15.4 million related to the divestment of the financial services products business in the UK and EUR 0.5 million in impairment related to the divestment of the Danish unions business.

ORDER BACKLOG

The order backlog, which only comprises services ordered with binding contracts, is solid. At the end of the period, the backlog amounted to EUR 1 652 (1 608) million. In total, 23% (24) of the backlog is expected to be invoiced during 2012. Third-quarter order intake amounted to EUR 307 (177) million and book-to-bill stood at 0.7 (0.4).

FINANCIAL PERFORMANCE IN JULY–SEPTEMBER

Third-quarter net sales amounted to EUR 423.5 (414.5) million. Currency changes had a positive impact of EUR 13 million on third-quarter net sales. On the other hand, the divestment of the financial services products business in the UK and the unions business in Denmark had a negative impact of around EUR 7 million on net sales. Excluding currency effects and divestments, net sales were up by 1%. Industry Solutions saw further good growth and the sales drop in Product Engineering Solutions stabilized during the quarter.

Third-quarter operating profit (EBIT) amounted to EUR 31.6 (29.2) million, representing a margin of 7.5% (7.1). Operating profit includes EUR 5.5 (5.3) million in one-off costs related to the streamlining actions. Operating profit excluding one-off items stood at EUR 37.1 (34.5) million, or 8.8% (8.3) of net sales. In the third quarter, subcontracting costs were down by around EUR 7 million, or by 17%. Additionally, currency changes had a positive impact of around EUR 3 million on operating profit. On the other hand, divestments had a negative impact of close to EUR 2 million.

The programme to create a competitive cost structure proceeded according to plan. However, third-quarter personnel expenses excluding one-off costs and currency effects were up by 1%, mainly due to salary inflation and incentive accruals, which partly offset the positive impact of redundancies implemented during 2012. As planned, the second phase of the programme was started in the latter part of the quarter to achieve further improvements in the cost structure and utilization rate.

Depreciation amounted to EUR 21.8 (22.1) million. Net financial expenses stood at EUR 0.1 (1.3) million in the third quarter. Net interest expenses were EUR 0.9 (2.0) million and net gains from foreign exchange transactions EUR 0.9 (0.7) million. Other financial income and expenses amounted to EUR 0.1 (0.0) million.

Third-quarter earnings per share (EPS) totalled EUR 0.32 (0.31). Earnings per share excluding one-off items amounted to EUR 0.38 (0.37).

Financial performance by market unit

	Net sales Q3/2012, EUR million	Net sales Q3/2011, EUR million	Change, %	**Operating margin Q3/2012, %**	Operating margin Q3/2011, %
Finland and the Baltic countries	**176**	169	4	**10.8**	10.2
Scandinavia	**129**	120	8	**6.3**	5.0
Central Europe & Russia	**30**	31	-4	**-14.0**	-11.5
Global Accounts	**150**	162	-7	**7.7**	7.4
Group elimination	**-61**	-68			
Total	**423**	415	2	**7.5**	7.1

Operating profit excluding one-off items by market unit

	Operating profit excl. one-off items Q3/2012, EUR million	Operating profit excl. one-off items Q3/2011, EUR million	**Operating margin excl. one-off items Q3/2012, %**	Operating margin excl. one-off items Q3/2011, %
Finland and the Baltic countries	**19.3**	19.4	**11.0**	11.5
Scandinavia	**10.7**	8.6	**8.3**	7.2
Central Europe & Russia	**-3.2**	-3.6	**-10.6**	-11.4
Global Accounts	**12.9**	12.5	**8.6**	7.7
Steering Functions and Group Management	**-2.5**	-2.4		
Total	**37.1**	34.5	**8.8**	8.3

In **Finland and the Baltic countries**, higher volumes in outsourcing and the new deals made during the first half of 2012 contributed to growth. Positive sales development continued in most sectors, with the manufacturing, finance and public sectors enjoying the strongest growth. Third-quarter operating profit amounted to EUR 19.0 (17.3) million, or 10.8% (10.2) of net sales. Operating profit excluding one-off items amounted to EUR 19.3 (19.4) million, or 11.0% (11.5) of net sales. Improved quality and higher net sales contributed to good profitability, but the improvement was partly offset by higher incentive accruals.

In **Scandinavia**, net sales were up by EUR 9 million. The stronger Swedish krona had a positive impact of EUR 7 million on third-quarter net sales. On the other hand, the divestment of the unions business in Denmark had a negative impact of around EUR 1 million on net sales. Excluding currency effects and the divestment, net sales were up by 3%. Both Sweden and Norway saw growth, especially in the finance sector and healthcare and welfare solutions. Operating profit amounted to EUR 8.1 (6.0) million, or 6.3% (5.0) of net sales. Operating profit excluding one-off items rose to EUR 10.7 (8.6) million, or 8.3% (7.2) of net sales. Profit development was attributable mainly to higher volumes and healthy profitability of Industry Solutions. Additionally, Managed Services in Sweden improved its performance.

In **Central Europe & Russia**, net sales declined by 4%. However, due to internal business transfers, sales figures are not fully comparable. External sales were up by 6%. The largest increase was seen in the finance sector, where demand for Digital Business Consulting was healthy. Operating profit amounted to EUR -4.2 (-3.6) million, or -14.0% (-11.5) of net sales. Operating profit excluding one-off items rose to EUR -3.2 (-3.6) million, or -10.6% (-11.4) of net sales.

Profitability in Germany and Russia remained unsatisfactory. To address weak performance, streamlining actions in these countries are continuing. In Germany, weak profitability is attributable mainly to Product Engineering Solutions. In Russia, Tieto’s objective is to focus on selected products and industries. The healthy Russian IT market has supported Tieto’s growth, especially in the Cards business, which represents one of the selected target industries.

In **Global Accounts**, net sales declined by 7%. The divestment of the financial services products business in the UK had a negative impact of close to EUR 6 million on net sales. Excluding the divestment and currency fluctuations, net sales were down by 4%. The decline is attributable to the development of Enterprise Solutions and Managed Services, whereas product engineering sales stabilized during the quarter. Profitability improved in the third quarter as the company has successfully adjusted its operations to demand. This is particularly evident in the substantially lower subcontracting costs and other cost savings. Third-quarter operating profit amounted to EUR 11.6 (11.9) million, or 7.7% (7.4) of net sales. Operating profit excluding one-off items amounted to EUR 12.9 (12.5) million, or 8.6% (7.7) of net sales.

The Global Accounts segment includes approximately 20 accounts, sales offices in Italy, Spain, the UK and the USA/Canada as well as the offshore countries China, the Czech Republic and India.

Customer sales by business line

The comparison figures for 2011 have changed from the figures published for 2011 due to the transfer of businesses between the business lines at the beginning of 2012.

	Customer sales Q3/2012, EUR million	Customer sales Q3/2011, EUR million	Change, %
Industry Solutions	**126**	119	6
Enterprise Solutions	**58**	59	-1
Managed Services and Transformation	**163**	159	2
Product Engineering Solutions	**76**	77	0
Total	**423**	415	2

In **Industry Solutions**, demand for product-based solutions and consulting remained solid. Sales were strained by the divestment of the financial services products business in the UK, but this was partly offset by the currency impact. In the healthcare and welfare sector, strong growth continued with good sales pipeline for Tieto's Lifecare solutions. The energy sector saw good growth as well, as did the manufacturing sector, boosted by good demand for Tieto's Integrated Paper Solution. Sales to the finance sector continued to decline. Profitability remained solid.

In **Enterprise Solutions**, customer sales remained at the previous year's level. Finland was the strongest market with healthy sales to the retail, public and forest sectors, whereas sales to Global Accounts customers were declining. Digitalization of business processes as well as the launch of cloud services and cost-efficient mobile solutions to interact with customers are two of the key growth drivers. Profitability improved but is still below the company target. Streamlining actions to improve profitability are ongoing.

In **Managed Services and Transformation**, customer sales were up with good performance in Finland and Sweden. Sales were strained by the divestment of the unions business in Denmark, but the negative impact was partly offset by currency changes. Due to more focused investments in offerings and customers as well as the decrease in subcontracting, third-quarter operating profit remained at a healthy level.

In **Product Engineering Solutions**, the drop in sales stabilized. Sales to one key customer in the mobile device manufacturers' segment continued to slide, but increased sales to several other customers compensated for this. The network equipment manufacturers' segment saw double-digit growth. The business line has actively adjusted its operations to demand, resulting in a turnaround in profitability compared with the first half of the year. There is still room to improve the utilization rate.

FINANCIAL PERFORMANCE IN JANUARY–SEPTEMBER

Nine-month net sales were up by 1% and amounted to EUR 1 346.7 (1 338.4) million. The divestment of the financial services products business in the UK and the unions business in Denmark had a negative impact of around EUR 15 million on net sales. On the other hand, currency changes had a positive impact of EUR 18 million in the nine-month period. Excluding the currency effect and divestments, net sales remained at the previous year's level.

Nine-month operating profit (EBIT) amounted to EUR 69.6 (72.0) million, representing a margin of 5.2% (5.4). Operating profit includes EUR 15.4 million in capital gains related to the divestment of the financial services products business in the UK and EUR 0.5 million in impairment related to the divestment of the Danish unions business. Additionally, Tieto booked EUR 38.6 (10.9) million in one-off costs, mainly related to the streamlining actions. Operating profit excluding one-off items stood at EUR 93.3 (82.9) million, or 6.9% (6.2) of net sales.

Net financial expenses stood at EUR 3.9 (4.7) million in the nine-month period. Net interest expenses were EUR 3.6 (4.4) million and net gains from foreign exchange transactions EUR 0.3 (0.8) million. Other financial income and expenses amounted to EUR 0.6 (1.1) million.

Nine-month earnings per share (EPS) totalled EUR 0.67 (0.66). Earnings per share excluding one-off items amounted to EUR 0.89 (0.79).

Financial performance by market unit

	Net sales 1–9/2012, EUR million	Net sales 1–9/2011, EUR million	Change, %	**Operating margin 1–9/2012, %**	Operating margin 1–9/2011, %
Finland and the Baltic countries	**558**	531	5	**7.9**	6.6
Scandinavia	**404**	401	1	**2.7**	4.1
Central Europe & Russia	**94**	95	-1	**-19.0**	-14.9
Global Accounts	**495**	544	-9	**9.5**	8.4
Group elimination	**-205**	-233	-12		
Total	**1 347**	1 338	1	**5.2**	5.4

Operating profit excluding one-off items by market unit

	Operating profit excl. one-off items 1–9/2012, EUR million	Operating profit excl. one-off items 1–9/2011, EUR million	**Operating margin excl. one-off items 1–9/2012, %**	Operating margin excl. one-off items 1–9/2011, %
Finland and the Baltic countries	**52.1**	37.2	**9.3**	7.0
Scandinavia	**24.6**	23.1	**6.1**	5.8
Central Europe & Russia	**-10.9**	-13.9	**-11.6**	-14.6
Global Accounts	**38.3**	46.4	**7.7**	8.5
Steering Functions and Group Management	**-10.8**	-9.8		
Total	**93.3**	82.9	**6.9**	6.2

Customer sales by business line

The comparison figures for 2011 have changed from the figures published for 2011 due to the transfer of businesses between the business lines at the beginning of 2012.

	Customer sales 1–9/2012, EUR million	Customer sales 1–9/2011, EUR million	Change, %
Industry Solutions	**407**	388	5
Enterprise Solutions	**197**	179	10
Managed Services and Transformation	**500**	511	-2
Product Engineering Solutions	**243**	261	-7
Total	**1 347**	1 338	1

CASH FLOW AND FINANCING

Third-quarter net cash flow from operations, including the increase of EUR 14.3 (2.4) million in net working capital, amounted to EUR 36.3 million (40.7). The increase in net working capital was mainly due to high accounts receivable. Cash flow is expected to be stronger in the fourth quarter of 2012.

Nine-month net cash flow from operations amounted to EUR 101.3 (79.5) million. Net cash flow from operations includes an increase of EUR 15.5 (35.4) million in net working capital.

Tax payments were only EUR 3.0 million in the nine-month period due to a refund in Finland (23.1 million).

Payments for acquisitions totalled EUR 0.5 (0.5) million and divestments amounted to EUR 19.2 (0.0) million in the nine-month period.

The equity ratio was 50.4% (47.7). Gearing decreased to 10.2% (20.4). Net debt totalled EUR 59.0 (111.9) million, including EUR 116.8 million in interest-bearing debt, EUR 6.6 million in finance lease liabilities, EUR 8.5 million in finance lease receivables and EUR 55.9 million in cash and cash equivalents.

The interest-bearing long-term debt includes a EUR 100 million bond, maturing in December 2013. The syndicated revolving credit facility of EUR 100 million maturing in May 2016 was not in use and there were no commercial papers issued under the EUR 250 million commercial paper programme at the end of September. Other long-term interest-bearing loans of EUR 3.6 million and short-term interest-bearing loans of EUR 13.1 million were mainly related to an agreement for mainframes and software. The bond of EUR 50 million (private placement) matured in July 2012. Due to the company's good liquidity, Tieto decided not to refinance the EUR 50 million bond.

INVESTMENTS

Nine-month investments totalled EUR 43.6 (89.8) million. The decline in investments is mainly attributable to the exceptionally high comparison figure due to one major mainframe and software agreement in 2011. Capital expenditure accounted for EUR 43.3 (89.8) million. Investments in shares in the nine-month period were EUR 0.3 million.

BUSINESS TRANSACTIONS AND MAJOR AGREEMENTS IN JANUARY–SEPTEMBER

In February, Tieto agreed to sell its financial services products business, with 145 employees, based in the UK to Sopra Group, a global technical consulting company. Net sales of the divested business amounted to EUR 22 million in 2011. Tieto has booked capital gains of EUR 15.4 million in its first-quarter results.

In March, Tieto agreed to divest its Danish unions business with 36 employees to Netcompany, an IT solutions and consulting company in Denmark. In 2011, net sales of the divested business amounted to EUR 5.4 million. Tieto has booked EUR 0.5 million in impairment in its first-quarter results.

In January, Helsinki Region Transport (HSL/HRT) selected Tieto as the supplier of its new ticket and information system. The contract, signed in May, covers the delivery of the ticketing and information system as well as support and maintenance services for a period of five years. The total contract value including the delivery and five years of support and maintenance is approximately EUR 90 million.

In March, Tieto and Nokia Siemens Networks signed an agreement on the outsourcing of part of the maintenance, technical support and R&D for Nokia Siemens Networks' mobile network Operations Support System (OSS) and Subscriber Data Management (SDM) activities in Finland. As part of the outsourcing, approximately 240 employees have transferred to Tieto as existing employees.

In May, Tieto announced the delivery of a contactless technology solution for the mobile NFC project of MTS and MasterCard in Russia. Tieto has provided an advanced Tieto Card Suite Contactless host solution for MTS Bank, an issuer and acquirer of payment cards. The delivery is part of the Near Field Communication (NFC) project implemented by telecommunications operator MTS and MasterCard.

In May, Tieto announced a mobile application launched for the Finnish retail company Ruokakesko. Tieto created a Pirkka recipe and shopping list mobile application that can be downloaded from the Apple App Store and Google Play. The application runs on iPhones, iPads and Android devices.

In May, Tieto, the Finnish Federation of the Local Insurance Group and Tapiola signed a five-year agreement concerning the infrastructure services connected with the solutions for the information technology environment of the Local Insurance and Tapiola. The value of the agreement is approximately EUR 35 million. In connection with the arrangements, 34 employees of the Local Insurance and Tapiola have transferred to Tieto Finland.

In May, Tieto closed a five-year operating agreement with the Swedish Governmental Service Center (Statens Servicecenter, SSC). The contract is valid for five years and may be extended by two years. The order value during the five-year period amounts to approximately EUR 7.8 million.

In June, Sollentuna Municipality in Sweden decided to exercise its option on a three-year extension of the agreement entered into with Tieto in February 2010. The value of the order over the next three years will be around EUR 8.5 million (SEK 75 million). The agreement relates to operational services, support services via a Service Desk and consultancy services.

In June, Apotekens Service in Sweden, which is responsible for IT deliveries to all players in the deregulated pharmacy market, extended its partnership with Tieto as a supplier of IT services. The original agreement was signed in 2009 and includes operational services and consultancy support. The one-year extension represents an order value of around EUR 6.3 million (SEK 56 million).

In June, Tieto and Nordea signed a framework agreement for using Tieto's IT service offshore centre. The signed agreement enables Tieto to offer and provide project deliveries, application service management and expert services from Tieto's offshore centre.

In July, Tieto and ÅF signed a new global three-year agreement regarding IT services. The agreement represents an order value of around EUR 10 million and it includes an option of two additional years.

In August, Tieto and Green Investment Holding in Poland agreed on CSI services related to LTE (Long-Term Evolution) equipment. The agreement has an order value of around EUR 3 million and covers solution integration from the design to the testing and maintenance of the software.

In September, Tieto and Itella signed a contract for SAP Dynamic Landscape services with an order value of more than EUR 4 million.

In September, Tieto and Continental in Germany agreed on co-operation covering R&D services. The order value of the contract amounts to around EUR 2 million.

PERSONNEL

As a result of personnel negotiations implemented in 2012, the number of personnel is down. On the other hand, Tieto has concluded several outsourcing deals that have added employees. At the end of September, the number of full-time employees amounted to 17 404 (18 145).

The number of full-time employees in the global delivery centres totalled 7 078 (7 147), or 40.7% (39.4) of personnel. In Product Engineering Solutions, the offshore rate was 59%, temporarily down by close to 2 percentage points from the beginning of the year. In IT services, the offshore rate rose by more than 1% and stood at 34% at the end of September.

The 12-month rolling employee turnover stood at 10.4% (11.6) at the end of September. The average number of full-time employees was 17 873 (18 096) in the nine-month period.

At the group level, salary inflation is expected to be above 3% on average. In markets like India, China and Russia, salary inflation is forecast to remain in the double-digits.

MANAGEMENT

Tieto revised its strategy in March 2012 and in August made management appointments in order to ensure the execution of the strategy based on its new operating model. The existing operating structure and management responsibilities will remain in place until the end of 2012. The composition of the new Leadership Team as of 1 January 2013 is the following:

Kimmo Alkio, President and CEO
Per Johanson, Financial Services Industry Group (currently heading Industry Solutions Business Line)
Eva Gidlöf, Telecom, Media, Energy and Utilities Industry Group (currently heading Scandinavia Market Unit)
Ari Järvelä, Manufacturing, Retail and Logistics Industry Group (currently heading Finland and Baltics Market Unit)
The head of the Public, Healthcare and Welfare Industry Group will be announced later
Ari Karppinen, Managed Services Service Line
Henrik Sund, Consulting and System Integration Service Line
Kolbjørn Haarr, New Markets (previously known as Central Europe and Russia)
Antti Vasara, Product Engineering Services (joining from outside the company)
Lasse Heinonen, CFO
Katariina Kravi, Human Resources

SHAREHOLDERS' NOMINATION BOARD

Tieto's Shareholders' Nomination Board comprises four members who are annually nominated by the largest shareholders and the Chairman of the Board of Directors of the company. The largest shareholders were determined on the basis of the shareholdings registered in the Finnish and Swedish book-entry systems on 31 August 2012. The following members have been nominated to the Shareholders' Nomination Board:

Lars Förberg, Managing Partner, Cevian Capital,
Kari Järvinen, Managing Director, Solidium Oy,
Timo Ritakallio, Deputy CEO, Ilmarinen Mutual Pension Insurance Company,
Pekka Pajamo, Chief Financial Officer, Varma Mutual Pension Insurance Company,
Markku Pohjola, Chairman of the Board of Directors, Tieto Corporation.

SHARES AND SHARE-BASED INCENTIVES

Between 5 June and 12 September 2012, a total of 49 801 new Tieto Corporation shares were subscribed for with the company's stock options 2006C, and a total of 13 325 shares with stock options 2009A. The shares subscribed for were registered in the Trade Register on 28 September 2012. As a result of the subscriptions, the number of Tieto shares rose to 72 337 993 and the share capital increased to EUR 75 924 474.

At the end of the third quarter, the number of shares in the company's possession totalled 553 700, representing 0.8% of the total number of shares and voting rights. The number of outstanding shares, excluding the treasury shares, was 71 784 293. There were no changes in the number of shares in the company's possession during the first nine months of 2012.

Tieto's share price rose by 18% during January–September and the total shareholder return totalled 28%.

NEAR-TERM RISKS AND UNCERTAINTIES
The slowdown of European economies might lead to a downturn in the IT services market as well.

In telecom R&D, demand is relatively weak due to budget cuts made by some of Tieto's key customers. The challenging business environment in this area might have a negative impact on the company in the near term. However, the company has a proven track record of being agile in adjusting its operations when necessary.

The ongoing transformation of the IT sector towards offshore production as well as the planned organizational changes and restructuring within the company might create uncertainty among the company's personnel and pose risks related to the company's performance.

Price pressure might lead to weak profitability for IT service companies. Additionally, as is typical of the industry, the large size of individual deals may have a strong effect on growth. Negative development of prices and volumes might result in the need for further redundancies.

Typical risks faced by the IT service industry involve the quality of deliveries and related project overruns. Transitions to offshore delivery centres as well as the ongoing organizational change pose risks of project losses and penalties.

FULL-YEAR OUTLOOK FOR 2012 UPDATED
Tieto expects its full-year net sales to remain in line with the previous year's level (EUR 1 828 million in 2011).

As the current development in results is expected to continue during the rest of 2012, Tieto expects its full-year operating profit (EBIT) excluding one-off items to increase by more than 10% from the previous year's level (EUR 117.1 million in 2011).

In the nine-month period, Tieto booked EUR 38.6 million in costs related to the streamlining actions. It is expected that the remaining part of the estimated total one-off costs of EUR 50 million will be booked during the fourth quarter of 2012.

Previous net sales and EBIT outlook, disclosed on 20 July 2012:
Tieto expects its net sales to develop in line with the anticipated growth rate for the Western European IT services market, i.e. 0–2%. Full-year operating profit (EBIT) excluding one-off items is expected to be above the previous year's level (EUR 117.1 million in 2011).

Auditing
The figures in this report are unaudited.

Financial calendar

29 November 2012	Capital Market Day
6 February 2013	Interim report 4/2012 and financial statements bulletin for 2012
Week 8/2013	Annual Report 2012 on Tieto's website
25 March 2013	Annual General Meeting
25 April 2013	Interim report 1/2013
19 July 2013	Interim report 2/2013
23 October 2013	Interim report 3/2013

Accounting policies in 2012

The interim report has been prepared in accordance with International Accounting Standard (IAS) 34, Interim Financial Reporting, as adopted by the EU. The accounting policies adopted are consistent with those used in the annual financial statements for the year ended on 31 December 2011. The accounting policies, standards, interpretations and amendments taken into use in 2012 are described in the annual financial statements. The effects of the changes are immaterial.

Key figures

	2012 7-9	2011 7-9	2012 4-6	2012 1-3	**2012 1-9**	2011 1-9	2011 1-12
Earnings per share, EUR							
- basic	**0.32**	0.31	-0.10	0.45	**0.67**	0.66	0.84
- diluted	**0.32**	0.31	-0.10	0.45	**0.67**	0.66	0.84
Equity per share, EUR	**8.06**	7.66	7.60	7.69	**8.06**	7.66	7.90
Return on equity rolling 12 month, %	**10.7**	8.9	11.2	14.7	**10.7**	8.9	10.7
Return on capital employed rolling 12 month, %	**17.6**	16.1	17.4	20.8	**17.6**	16.1	18.3
Equity ratio, %	**50.4**	47.7	45.8	44.7	**50.4**	47.7	46.4
Interest-bearing net debt, EUR million	**59.0**	111.9	80.0	11.7	**59.0**	111.9	82.7
Gearing, %	**10.2**	20.4	14.7	2.1	**10.2**	20.4	14.6
Investments, EUR million	**15.6**	11.2	13.6	14.4	**43.6**	89.8	103.6

Number of shares

	2012 7-9	2012 4-6	2012 1-3	**2012 1-9**	2011 1-9	2011 1-12
Outstanding shares, end of period						
Basic	**71 784 293**	71 721 167	71 469 473	**71 784 293**	71 469 473	71 469 473
Diluted	**71 971 672**	71 966 580	71 873 088	**71 968 113**	71 624 833	71 656 129
Outstanding shares, average						
Basic	**71 723 225**	71 652 870	71 469 473	**71 615 584**	71 469 473	71 469 473
Diluted	**71 926 247**	71 954 736	71 873 088	**71 922 177**	71 624 833	71 656 129
Company's possession of its own shares						
End of period	**553 700**	553 700	553 700	**553 700**	553 700	553 700
Average	**553 700**	553 700	553 700	**553 700**	553 700	553 700

Income statement

	2012 7-9	2011 7-9	**2012 1-9**	2011 1-9	Change %	2011 1-12
Net sales	**423.5**	414.5	**1 346.7**	1 338.4	1	1 828.1
Other operating income	**1.8**	1.6	**21.9**	6.1	259	9.0
Employee benefit expenses	**234.3**	223.7	**808.3**	759.9	6	1 028.7
Depreciation, amortization and impairment charges	**21.8**	22.1	**64.0**	67.8	-6	96.5
Other operating expenses	**137.6**	141.1	**426.7**	444.8	-4	613.8
Operating profit (EBIT)	**31.6**	29.2	**69.6**	72.0	-3	98.1
Interest and other financial income	**2.5**	4.0	**7.9**	7.5	5	9.9
Interest and other financial expenses	**-3.5**	-6.0	**-12.1**	-13.0	-7	-17.1
Net exchange losses/gains	**0.9**	0.7	**0.3**	0.8	-63	0.4
Profit before taxes	**31.5**	27.9	**65.7**	67.3	-2	91.3
Income taxes	**-8.8**	-5.4	**-17.8**	-19.9	-11	-31.4
Net profit for the period	**22.7**	22.5	**47.9**	47.4	1	59.9
Net profit for the period attributable to						
Shareholders of the Parent company	**22.7**	22.5	**47.9**	47.4	1	59.9
Non-controlling interest	**0.0**	0.0	**0.0**	0.0	-	0.0
	22.7	22.5	**47.9**	47.4	1	59.9

Earnings per share attributable to the shareholders of the Parent company, EUR

Basic	**0.32**	0.31	**0.67**	0.66	2	0.84
Diluted	**0.32**	0.31	**0.67**	0.66	2	0.84

Statement of comprehensive income, EUR million

Net profit for the period	**22.7**	22.5	**47.9**	47.4	1	59.9
Translation difference from net investment in subsidiaries (net of tax)	**6.6**	-1.4	**9.3**	-5.2	-279	1.0
Translation differences	**0.9**	-1.4	**3.4**	-3.9	-187	-4.9
Cash flow hedges	**1.5**	-1.0	**2.3**	-0.4	-675	-1.7
Total comprehensive income	**31.7**	18.7	**62.9**	37.9	66	54.3
Total comprehensive income attributable to						
Shareholders of the Parent company	**31.7**	18.7	**62.9**	37.9	66	54.3
Non-controlling interest	**0.0**	0.0	**0.0**	0.0	-	0.0
	31.7	18.7	**62.9**	37.9	66	54.3

Balance sheet, EUR million

	2012 30 Sep	2011 30 Sep	Change %	2011 31 Dec
Goodwill	**423.3**	416.6	2	413.2
Other intangible assets	**61.8**	82.3	-25	77.1
Property, plant and equipment	**99.7**	109.7	-9	103.2
Deferred tax assets	**46.9**	59.0	-21	49.4
Finance lease receivables	**5.8**	4.5	29	3.4
Available-for-sale financial assets	**0.7**	0.8	-13	0.8
Total non-current assets	***638.2***	*672.9*	-5	*647.1*
Trade and other receivables	**480.1**	450.6	7	469.6
Pension benefit assets	**11.4**	8.2	39	9.5
Finance lease receivables	**2.7**	2.6	4	1.7
Current income tax receivables	**9.7**	18.4	-47	14.8
Cash and cash equivalents	**55.9**	69.4	-19	95.8
Total current assets	***559.8***	*549.2*	*2*	*591.4*
Assets classified as held for sale	**18.5**	-	-	41.4
Total assets	**1 216.5**	1 222.1	0	1 279.9
Share capital, share issue premiums and other reserves	**117.5**	113.6	3	114.8
Retained earnings	**460.8**	433.7	6	449.8
Parent shareholders' equity	***578.3***	*547.3*	*6*	*564.6*
Non-controlling interest	**0.1**	0.1	0	0.2
Total equity	***578.4***	*547.4*	*6*	*564.8*
Loans	**107.2**	122.7	-13	117.9
Deferred tax liabilities	**41.9**	37.0	13	37.9
Provisions	**5.2**	8.9	-42	7.0
Pension obligations	**24.3**	22.8	7	23.4
Other non-current liabilities	**4.5**	5.7	-21	4.9
Total non-current liabilities	***183.1***	*197.1*	*-7*	*191.1*
Trade and other payables	**371.5**	370.5	0	390.4
Current income tax liabilities	**15.7**	14.0	12	9.2
Provisions	**38.2**	27.4	39	30.1
Loans	**16.1**	65.7	-75	65.7
Total current liabilities	***441.5***	*477.6*	*-8*	*495.4*
Liabilities classified as held for sale	**13.5**	-	-	28.6
Total equity and liabilities	**1 216.5**	1 222.1	0	1 279.9

Net working capital in the balance sheet, EUR million

	2012 30 Sep	2011 30 Sep	Change %	2012 30 Jun	2012 31 Mar	2011 31 Dec
Accounts receivable	**339.5**	318.5	7	355.6	335.4	354.7
Other working capital receivables	**124.1**	125.9	-1	130.9	119.7	111.8
Working capital receivables included in assets	**463.6**	444.4	4	486.5	455.1	466.5
Accounts payable	**75.7**	76.6	-1	83.6	81.5	96.9
Personnel related accruals	**141.2**	125.6	12	163.6	159.7	144.6
Other working capital liabilities	**192.2**	200.0	-4	201.3	197.0	186.8
Working capital liabilities included in current liabilities	**409.1**	402.2	2	448.5	438.2	428.3
Net working capital in the balance sheet	**54.5**	42.2	29	38.0	16.9	38.2

Cash flow, EUR million

	2012 7-9	2011 7-9	2012 4-6	2012 1-3	**2012 1-9**	2011 1-9	2011 1-12
Cash flow from operations							
Net profit	**22.7**	22.5	-6.8	32.0	**47.9**	47.4	59.9
Adjustments							
Depreciation, amortization and impairment charges	**21.8**	22.1	21.0	21.2	**64.0**	67.8	96.5
Share-based payments	**0.2**	0.0	0.6	0.8	**1.6**	2.2	2.9
Profit/loss on sale of fixed assets and shares	**0.0**	0.3	0.0	-15.4	**-15.4**	0.6	1.1
Other adjustments	**1.5**	-0.6	0.6	-1.4	**0.7**	-1.9	0.3
Net financial expenses	**0.1**	1.3	1.7	2.1	**3.9**	4.7	6.8
Income taxes	**8.8**	5.4	1.4	7.6	**17.8**	19.9	31.4
Change in net working capital	**-14.3**	-2.4	-18.0	16.8	**-15.5**	-35.4	-40.5
Cash generated from operations	**40.8**	48.6	0.5	63.7	**105.0**	105.3	158.4
Net financial expenses paid	**0.2**	-0.8	0.4	-1.3	**-0.7**	-2.7	-7.9
Income taxes paid	**-4.7**	-7.1	-4.7	6.4	**-3.0**	-23.1	-27.3
Net cash flow from operations	**36.3**	40.7	-3.8	68.8	**101.3**	79.5	123.2
Cash flow from investing activities							
Acquisition of Group companies and business operations, net of cash acquired	**-0.1**	-	-0.1	-0.3	**-0.5**	-0.5	-0.5
Capital expenditures	**-12.1**	-11.3	-13.4	-14.2	**-39.7**	-42.6	-56.1
Disposal of Group companies and business operations, net of cash disposed	**0.0**	-	1.5	17.7	**19.2**	-	0.0
Sales of fixed assets	**0.1**	0.2	0.2	0.0	**0.3**	0.1	0.1
Change in loan receivables	**-3.7**	0.8	0.2	0.3	**-3.2**	-0.8	1.4
Net cash used in investing activities	**-15.8**	-10.3	-11.6	3.5	**-23.9**	-43.8	-55.1
Cash flow from financing activities							
Dividends paid	**-**	-	-53.7	-	**-53.7**	-50.0	-50.0
Exercise of stock options	**0.6**	-	1.3	0.5	**2.4**	-	-
Payments of finance lease liabilities	**-2.6**	-0.6	-0.5	-0.6	**-3.7**	-5.3	-5.8
Change in interest-bearing liabilities	**-53.3**	-2.7	-3.3	-3.6	**-60.2**	-10.0	-13.4
Net cash used in financing activities	**-55.3**	-3.3	-56.2	-3.7	**-115.2**	-65.3	-69.2
Change in cash and cash equivalents	**-34.8**	27.1	-71.6	68.6	**-37.8**	-29.6	-1.1
Cash and cash equivalents at the beginning of period	**91.1**	47.4	162.9	95.8	**95.8**	98.0	98.0
Foreign exchange differences	**-0.7**	-5.1	-0.3	0.0	**-1.0**	1.0	0.4
Assets classified as held for sale	**0.3**	-	0.1	-1.5	**-1.1**	-	-1.5
Change in cash and cash equivalents	**-34.8**	27.1	-71.6	68.6	**-37.8**	-29.6	-1.1
Cash and cash equivalents at the end of period	**55.9**	69.4	91.1	162.9	**55.9**	69.4	95.8

Statement of changes in shareholders' equity, EUR million

	Parent shareholders' equity							Non-controlling interest	Total equity
	Share capital	Share issue premiums and other reserves	Own shares	Translation differences	Cash flow hedges	Retained earnings	Total		
At 31 Dec 2010	**75.8**	**38.8**	**-11.6**	**21.5**	**-0.1**	**433.0**	**557.4**	**0.1**	**557.5**
Comprehensive income									
Net profit for the period						47.4	47.4	0.0	47.4
Other comprehensive income									
Translation difference from net investment in subsidiaries (net of tax)						-5.2	-5.2		-5.2
Translation difference		-1.0		-16.3		13.4	-3.9		-3.9
Cash flow hedges					-0.4		-0.4		-0.4
Total comprehensive income		**-1.0**		**-16.3**	**-0.4**	**55.6**	**37.9**	**0.0**	**37.9**
Transactions with owners									
Share-based payments recognized against equity						2.0	2.0		2.0
Dividend						-50.0	-50.0		-50.0
Non-controlling interest								0.0	0.0
Total transactions with owners						**-48.0**	**-48.0**	**0.0**	**-48.0**
At 30 Sep 2011	**75.8**	**37.8**	**-11.6**	**5.2**	**-0.5**	**440.6**	**547.3**	**0.1**	**547.4**

	Parent shareholders' equity							Non-controlling interest	Total equity
	Share capital	Share issue premiums and other reserves	Own shares	Translation differences	Cash flow hedges	Retained earnings	Total		
At 31 Dec 2011	**75.8**	**39.0**	**-11.6**	**19.6**	**-1.8**	**443.6**	**564.6**	**0.2**	**564.8**
Comprehensive income									
Net profit for the period						47.9	47.9	0.0	47.9
Other comprehensive income									
Translation difference from net investment in subsidiaries (net of tax)						9.3	9.3		9.3
Translation difference		1.8		23.3		-21.7	3.4		3.4
Cash flow hedges					2.3		2.3		2.3
Total comprehensive income		**1.8**		**23.3**	**2.3**	**35.5**	**62.9**	**0.0**	**62.9**
Transactions with owners									
Share-based payments recognized against equity						2.0	2.0		2.0
Dividend						-53.6	-53.6		-53.6
Share subscriptions based on stock options	0.1	0.8				1.5	2.4		2.4
Non-controlling interest								-0.1	-0.1
Total transactions with owners	**0.1**	**0.8**				**-50.1**	**-49.2**	**-0.1**	**-49.3**
At 30 Sep 2012	**75.9**	**41.6**	**-11.6**	**42.9**	**0.5**	**429.0**	**578.3**	**0.1**	**578.4**

Net sales by market unit, EUR million

	2012 7-9	2011 7-9	Change %	**2012 1-9**	2011 1-9	Change %	2011 1-12
Finland and the Baltic countries	**176**	169	4	**558**	531	5	733
Scandinavia	**129**	120	8	**404**	401	1	548
Central Europe & Russia	**30**	31	-4	**94**	95	-1	131
Global Accounts	**150**	162	-7	**495**	544	-9	729
Group elimination	**-61**	-68	-9	**-205**	-233	-12	-313
Group total	**423**	415	2	**1 347**	1 338	1	1 828

Customer sales by market unit, EUR million

	2012 7-9	2011 7-9	Change %	**2012 1-9**	2011 1-9	Change %	2011 1-12
Finland and the Baltic countries	**155**	145	7	**492**	453	9	629
Scandinavia	**113**	103	10	**351**	342	3	467
Central Europe & Russia	**26**	25	6	**82**	75	10	102
Global Accounts	**129**	142	-9	**422**	468	-10	629
Group total	**423**	415	2	**1 347**	1 338	1	1 828

Internal sales by market unit, EUR million

	2012 7-9	2011 7-9	Change %	**2012 1-9**	2011 1-9	Change %	2011 1-12
Finland and the Baltic countries	**20**	24	-16	**66**	78	-15	104
Scandinavia	**16**	17	-8	**53**	59	-9	80
Central Europe & Russia	**4**	7	-40	**13**	21	-40	29
Global Accounts	**21**	20	4	**73**	76	-5	100
Group total	**61**	68	-10	**205**	233	-12	313

Sales between segments are carried out at arm's length.

Net sales by country, EUR million

	2012 1-9	Change %	Share %	2011 1-9	Share %	2011 1-12
Finland	**608**	1	45	602	45	823
Sweden	**424**	3	32	413	31	565
Other	**315**	-3	23	323	24	440
Group total	**1 347**	1	100	1 338	100	1 828

Customer sales by business line, EUR million

	2012 7-9	2011 7-9	Change %	**2012 1-9**	2011 1-9	Change %	2011 1-12
Industry Solutions	**126**	119	6	**407**	388	5	534
Enterprise Solutions	**58**	59	-1	**197**	179	10	249
Managed Services and Transformation	**163**	159	2	**500**	511	-2	693
Product Engineering Solutions	**76**	77	0	**243**	261	-7	351
Group total	**423**	415	2	**1 347**	1 338	1	1 828

The comparison figures for 2011 have changed due to the transfer of businesses between the business lines at the beginning of 2012.

Net sales by customer sector, EUR million

	2012 7-9	2011 7-9	Change %	**2012 1-9**	2011 1-9	Change %	2011 1-12
Telecom	**135**	129	5	**423**	428	-1	579
Finance	**85**	85	0	**270**	276	-2	374
Industry sectors	**204**	200	2	**654**	635	3	875
Group total	**423**	415	2	**1 347**	1 338	1	1 828

Revenues derived from any single external customer during January–September in 2012 do not exceed the 10% level of the total net sales of the Group.

Operating profit (EBIT) by market unit, EUR million

	2012 7-9	2011 7-9	Change %	**2012 1-9**	2011 1-9	Change %	2011 1-12
Finland and the Baltic countries	**19.0**	17.3	9.9	**44.2**	34.9	26.9	58.8
Scandinavia	**8.1**	6.0	36.4	**11.1**	16.3	-32.2	18.7
Central Europe & Russia	**-4.2**	-3.6	14.9	**-17.9**	-14.2	26.3	-21.0
Global Accounts	**11.6**	11.9	-2.2	**46.8**	45.8	2.3	55.3
Steering Functions and Global Management	**-2.9**	-2.3	26.3	**-14.6**	-10.8	35.2	-13.7
Operating profit (EBIT)	**31.6**	29.2	8.5	**69.6**	72.0	-3.2	98.1

Operating margin (EBIT) by market unit, %

	2012 7-9	2011 7-9	Change	**2012 1-9**	2011 1-9	Change	2011 1-12
Finland and the Baltic countries	**10.8**	10.2	0.6	**7.9**	6.6	1.4	8.0
Scandinavia	**6.3**	5.0	1.3	**2.7**	4.1	-1.3	3.4
Central Europe & Russia	**-14.0**	-11.5	-2.4	**-19.0**	-14.9	-4.1	-16.0
Global Accounts	**7.7**	7.4	0.3	**9.5**	8.4	1.1	7.6
Operating margin (EBIT)	**7.5**	7.1	0.4	**5.2**	5.4	-0.2	5.4

Operating profit (EBIT) excl. one-off items by market unit, EUR million

	2012 7-9	2011 7-9	Change %	**2012 1-9**	2011 1-9	Change %	2011 1-12
Finland and the Baltic countries	**19.3**	19.4	-0.7	**52.1**	37.2	40.1	61.7
Scandinavia	**10.7**	8.6	24.7	**24.6**	23.1	6.6	25.5
Central Europe & Russia	**-3.2**	-3.6	-11.5	**-10.9**	-13.9	-21.8	-19.2
Global Accounts	**12.9**	12.5	3.3	**38.3**	46.4	-17.5	61.7
Steering Functions and Global Management	**-2.5**	-2.4	4.9	**-10.8**	-9.8	10.0	-12.6
Operating profit (EBIT)	**37.1**	34.5	7.7	**93.3**	82.9	12.5	117.1

Operating margin (EBIT) excl. one-off items by market unit, %

	2012 7-9	2011 7-9	Change	**2012 1-9**	2011 1-9	Change	2011 1-12
Finland and the Baltic countries	**11.0**	11.5	-0.5	**9.3**	7.0	2.3	8.4
Scandinavia	**8.3**	7.2	1.1	**6.1**	5.8	0.3	4.7
Central Europe & Russia	**-10.6**	-11.4	0.9	**-11.6**	-14.6	3.1	-14.7
Global Accounts	**8.6**	7.7	0.9	**7.7**	8.5	-0.8	8.5
Operating margin (EBIT)	**8.8**	8.3	0.5	**6.9**	6.2	0.7	6.4

Personnel by market unit

	End of period					Average	
	2012	Change	Share	2011	2011	**2012**	2011
	1-9	%	%	1-9	1-12	**1-9**	1-9
Finland and the Baltic countries	**4 775**	-3	27	4 907	4 843	**4 847**	5 014
Scandinavia	**2 528**	-5	15	2 667	2 672	**2 605**	2 732
Central Europe & Russia	**1 074**	-20	6	1 339	1 340	**1 159**	1 295
Global Accounts	**8 252**	-1	47	8 352	8 426	**8 448**	8 251
Steering Functions and Global Management	**774**	-12	4	882	842	**814**	804
Group total	**17 404**	-4	100	18 145	18 123	**17 873**	18 096

Personnel by country

	End of period					Average	
	2012	Change	Share	2011	2011	**2012**	2011
	1-9	%	%	1-9	1-12	**1-9**	1-9
Finland	**5 429**	-4	31	5 628	5 512	**5 530**	5 731
Sweden	**3 077**	-1	18	3 120	3 121	**3 132**	3 095
Czech	**1 922**	-2	11	1 956	1 957	**1 965**	1 922
India	**1 541**	-6	9	1 646	1 646	**1 610**	1 602
China	**1 245**	-5	7	1 306	1 395	**1 337**	1 227
Poland	**1 161**	0	7	1 166	1 191	**1 185**	1 084
Germany	**692**	-24	4	909	867	**776**	978
Latvia	**626**	8	4	578	589	**626**	580
Norway	**450**	-4	3	468	470	**458**	484
Italy	**278**	7	2	261	276	**277**	251
Lithuania	**152**	-6	1	161	152	**148**	160
Netherlands	**106**	-12	1	121	122	**114**	126
Denmark	**72**	-47	0	134	131	**95**	166
Other	**653**	-6	4	691	696	**621**	688
Group total	**17 404**	-4	100	18 145	18 123	**17 873**	18 096
Onshore countries	**10 326**	-6	59	10 998	10 873	**10 638**	11 166
Offshore countries	**7 078**	-1	41	7 147	7 250	**7 236**	6 929
Group total	**17 404**	-4	100	18 145	18 123	**17 873**	18 096

Non-current assets by country, EUR million

	2012 30 Sep	2011 30 Sep	Change %	2011 31 Dec
Finland	**113.3**	134.9	-16	128.0
Sweden	**33.5**	33.6	0	33.9
Other	**14.8**	23.6	-37	18.5
Total countries	**161.6**	192.1	-16	180.3
Non-current assets classified as held for sale	**1.0**	0.0	-	3.1
Total non-current assets	**162.6**	192.1	-15	183.4

Goodwill is allocated to the Cash Generating Units, which include several countries and therefore goodwill is not included in the country specific non-current assets shown above.

Capital expenditure by market unit, EUR million

	2012 7-9	2011 7-9	Change %	**2012 1-9**	2011 1-9	Change %	2011 1-12
Finland and the Baltic countries	**9.9**	7.7	28	**31.2**	77.0	-59	85.8
Scandinavia	**5.0**	2.2	129	**9.6**	6.6	45	9.4
Central Europe & Russia	**0.2**	1.2	-83	**0.9**	3.7	-75	3.9
Global Accounts	**0.5**	0.1	438	**1.6**	2.0	-17	3.9
Steering Functions and Global Management	**0.0**	0.0	-	**0.0**	0.5	-100	0.5
Group total	**15.6**	11.1	40	**43.3**	89.8	-52	103.6

Depreciation by market unit, EUR million

	2012 7-9	2011 7-9	Change %	**2012 1-9**	2011 1-9	Change %	2011 1-12
Finland and the Baltic countries	**15.2**	15.1	1	**44.8**	46.8	-4	61.7
Scandinavia	**3.3**	3.1	8	**8.8**	9.0	-2	11.6
Central Europe & Russia	**0.6**	0.8	-15	**2.1**	2.2	-7	3.7
Global Accounts	**0.9**	0.9	-2	**2.7**	2.7	0	4.1
Steering Functions and Global Management	**0.3**	0.5	-36	**0.8**	1.6	-49	2.1
Group total	**20.4**	20.3	0	**59.2**	62.3	-5	83.2

Amortization on allocated intangible assets from acquisitions by market unit, EUR million

	2012 7-9	2011 7-9	Change %	**2012 1-9**	2011 1-9	Change %	2011 1-12
Finland and the Baltic countries	**0.1**	0.1	-21	**0.3**	0.3	-13	0.4
Scandinavia	**0.3**	0.3	-16	**0.8**	0.9	-18	1.2
Central Europe & Russia	**0.2**	0.3	-41	**0.8**	1.0	-18	1.4
Global Accounts	**0.8**	1.1	-21	**2.4**	3.2	-25	4.3
Steering Functions and Global Management	**0.0**	0.0	0	**0.0**	0.0	0	0.0
Group total	**1.4**	1.8	-24	**4.3**	5.5	-22	7.3

Impairment losses by market unit, EUR million

	2012 7-9	2011 7-9	Change %	**2012 1-9**	2011 1-9	Change %	2011 1-12
Finland and the Baltic countries	**0.0**	0.0	0	**0.0**	0.0	0	0.0
Scandinavia	**0.0**	0.0	0	**0.5**	0.0	-	0.2
Central Europe & Russia	**0.0**	0.0	0	**0.0**	0.0	0	0.0
Global Accounts	**0.0**	0.0	0	**0.0**	0.0	0	5.8
Steering Functions and Global Management	**0.0**	0.0	0	**0.0**	0.0	0	0.0
Group total	**0.0**	0.0	0	**0.5**	0.0	-	6.0

Commitments and contingencies, EUR million

	30 Sep 2012	31 Dec 2011
For Tieto obligations		
Pledges	**-**	-
On behalf of joint ventures	**-**	-
Other Tieto obligations		
Rent commitments due in one year	**54.7**	53.7
Rent commitments due in 1-5 years	**150.7**	118.3
Rent commitments due after 5 years	**33.5**	42.4
Operating lease commitments due in one year	**7.7**	8.2
Operating lease commitments due in 1-5 years	**7.4**	8.5
Operating lease commitments due after 5 years	**0.0**	0.0
Other commitments		
Performance guarantees	**46.8**	39.3
Lease guarantees	**9.8**	10.4
Other	**2.2**	0.8

Derivatives, EUR million

Notional amounts of derivatives

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

	30 Sep 2012	31 Dec 2011
Foreign exchange forward contracts	**203.8**	235.6
Forward contracts outside hedge accounting	**144.2**	187.2
Forward contracts within hedge accounting	**59.6**	48.5
Electricity price futures contracts	**2.5**	3.4
Interest rate swaps	**200.0**	250.0

Fair values of derivatives

The net fair values of derivative financial instruments at the balance sheet date were:	**30 Sep 2012**	31 Dec 2011
Foreign exchange forward contracts	**-0.7**	-5.1
Electricity price futures contracts	**-0.4**	-0.7
Interest rate swaps	**-0.3**	-0.6

Derivatives are used for economic hedging purposes only.

Gross positive fair values of derivatives:	**Positive 30 Sep 2012**	Positive 31 Dec 2011
Foreign exchange forward contracts	**1.8**	0.9
Forward contracts outside hedge accounting	**0.8**	0.8
Forward contracts within hedge accounting *)	**1.0**	0.1
Electricity price futures contracts	**0.0**	-
Interest rate swaps	**6.2**	2.5

Gross negative fair values of derivatives:	**Negative 30 Sep 2012**	Negative 31 Dec 2011
Foreign exchange forward contracts	**-2.5**	-5.9
Forward contracts outside hedge accounting	**-2.2**	-3.5
Forward contracts within hedge accounting *)	**-0.4**	-2.4
Electricity price futures contracts	**-0.4**	-0.7
Interest rate swaps	**-6.6**	-3.1

*) Forward contracts within hedge accounting (net)	**0.7**	-2.3
The amount recognized in equity with deferred tax	**0.5**	-2.2
Net periodic interest rate difference recognized in interest income/expenses	**0.2**	-0.1

QUARTERLY FIGURES

Key figures

	2012 7-9	2012 4-6	2012 1-3	2011 10-12	2011 7-9	2011 4-6	2011 1-3
Earnings per share, EUR							
- basic	**0.32**	-0.10	0.45	0.18	0.31	0.16	0.19
- diluted	**0.32**	-0.10	0.45	0.18	0.31	0.16	0.19
Equity per share, EUR	**8.06**	7.60	7.69	7.90	7.66	7.40	7.28
Return on equity rolling 12 month, %	**10.7**	11.2	14.7	10.7	8.9	9.6	9.9
Return on capital employed rolling 12 month, %	**17.6**	17.4	20.8	18.3	16.1	14.9	16.1
Equity ratio, %	**50.4**	45.8	44.7	46.4	47.7	46.4	43.3
Interest-bearing net debt, EUR million	**59.0**	80.0	11.7	82.7	111.9	136.4	76.2
Gearing, %	**10.2**	14.7	2.1	14.6	20.4	25.8	14.6
Investments, EUR million	**15.6**	13.6	14.4	13.8	11.2	13.3	65.3

Income statement, EUR million

	2012 7-9	2012 4-6	2012 1-3	2011 10-12	2011 7-9	2011 4-6	2011 1-3
Net sales	**423.5**	456.1	467.1	489.7	414.5	462.3	461.6
Other operating income	**1.8**	3.1	17.0	2.9	1.6	2.8	1.7
Employee benefit expenses	**234.3**	299.3	274.7	268.8	223.7	270.9	265.3
Depreciation, amortization and impairment charges	**21.8**	21.0	21.2	28.7	22.1	22.8	22.9
Other operating expenses	**137.6**	142.6	146.5	169.0	141.1	152.2	151.5
Operating profit (EBIT)	**31.6**	-3.7	41.7	26.1	29.2	19.2	23.6
Financial income and expenses	**-0.1**	-1.7	-2.1	-2.1	-1.3	-1.4	-2.0
Profit before taxes	**31.5**	-5.4	39.6	24.0	27.9	17.8	21.6
Income taxes	**-8.8**	-1.4	-7.6	-11.5	-5.4	-6.4	-8.1
Net profit for the period	**22.7**	-6.8	32.0	12.5	22.5	11.4	13.5

Balance sheet, EUR million

	2012 30 Sep	2012 30 Jun	2012 31 Mar	2011 31 Dec	2011 30 Sep	2011 30 Jun	2011 31 Mar
Goodwill	**423.3**	416.6	415.3	413.2	416.6	418.0	421.3
Other intangible assets	**61.8**	67.3	72.4	77.1	82.3	88.1	93.4
Property, plant and equipment	**99.7**	99.2	101.8	103.2	109.7	116.0	119.5
Other non-current assets	**53.4**	50.5	48.7	53.6	64.3	66.7	67.4
Total non-current assets	***638.2***	*633.6*	*638.2*	*647.1*	*672.9*	*688.8*	*701.6*
Trade receivables and other current assets	**503.9**	525.1	490.2	495.6	479.8	488.5	494.7
Cash and cash equivalents	**55.9**	91.1	162.9	95.8	69.4	47.4	113.4
Total current assets	***559.8***	*616.2*	*653.1*	*591.4*	*549.2*	*535.9*	*608.1*
Assets classified as held for sale	**18.5**	17.8	25.6	41.4	-	-	-
Total assets	**1 216.5**	1 267.6	1 316.9	1 279.9	1 222.1	1 224.7	1 309.7
Total equity	***578.4***	*545.4*	*549.7*	*564.8*	*547.4*	*528.9*	*520.3*
Non-current loans	**107.2**	110.3	114.3	117.9	122.7	176.4	185.6
Other non-current liabilities	**75.9**	74.0	74.0	73.2	74.4	72.2	66.7
Total non-current liabilities	***183.1***	*184.3*	*188.3*	*191.1*	*197.1*	*248.6*	*252.3*
Trade payables and other current liabilities	**387.2**	416.0	477.7	399.6	384.5	396.1	486.3
Provisions	**38.2**	42.7	19.6	30.1	27.4	35.7	37.7
Current loans	**16.1**	65.3	65.1	65.7	65.7	15.4	13.1
Total current liabilities	***441.5***	*524.0*	*562.4*	*495.4*	*477.6*	*447.2*	*537.1*
Liabilities classified as held for sale	**13.5**	13.9	16.5	28.6	-	-	-
Total equity and liabilities	**1 216.5**	1 267.6	1 316.9	1 279.9	1 222.1	1 224.7	1 309.7

Cash flow, EUR million

	2012 7-9	2012 4-6	2012 1-3	2011 10-12	2011 7-9	2011 4-6	2011 1-3
Cash flow from operations							
Net profit	**22.7**	-6.8	32.0	12.5	22.5	11.5	13.5
Adjustments	**32.4**	25.3	14.9	45.7	28.5	30.2	34.5
Change in net working capital	**-14.3**	-18.0	16.8	-5.1	-2.4	-34.2	1.2
Cash generated from operations	**40.8**	0.5	63.7	53.1	48.6	7.5	49.2
Net financial expenses paid	**0.2**	0.4	-1.3	-5.2	-0.8	0.6	-2.5
Income taxes paid	**-4.7**	-4.7	6.4	-4.2	-7.1	-8.1	-7.9
Net cash flow from operations	**36.3**	-3.8	68.8	43.7	40.7	0.0	38.8
Net cash used in investing activities	**-15.8**	-11.6	3.5	-11.3	-10.3	-13.7	-19.8
Net cash used in financing activities	**-55.3**	-56.2	-3.7	-3.9	-3.3	-56.2	-5.8
Change in cash and cash equivalents	**-34.8**	-71.6	68.6	28.5	27.1	-69.9	13.2
Cash and cash equivalents at the beginning of period	**91.1**	162.9	95.8	69.4	47.4	113.4	98.0
Foreign exchange differences	**-0.7**	-0.3	0.0	-0.6	-5.1	3.9	2.2
Assets classified as held for sale	**0.3**	0.1	-1.5	-1.5	-	-	-
Change in cash and cash equivalents	**-34.8**	-71.6	68.6	28.5	27.1	-69.9	13.2
Cash and cash equivalents at the end of period	**55.9**	91.1	162.9	95.8	69.4	47.4	113.4

QUARTERLY FIGURES BY SEGMENTS

Net sales by market unit, EUR million

	2012 7-9	2012 4-6	2012 1-3	2011 10-12	2011 7-9	2011 4-6	2011 1-3
Finland and the Baltic countries	**176**	190	193	202	169	178	184
Scandinavia	**129**	135	141	147	120	140	141
Central Europe & Russia	**30**	31	34	36	31	33	31
Global Accounts	**150**	170	175	185	162	193	190
Group elimination	**-61**	-69	-75	-80	-68	-80	-85
Group total	**423**	456	467	490	415	462	462

Customer sales by business line, EUR million

	2012 7-9	2012 4-6	2012 1-3	2011 10-12	2011 7-9	2011 4-6	2011 1-3
Industry Solutions	**126**	138	143	147	119	138	130
Enterprise Solutions	**58**	67	72	71	59	53	67
Managed Services and Transformation	**163**	166	172	182	159	179	172
Product Engineering Solutions	**76**	86	81	90	77	92	92
Group total	**423**	456	467	490	415	462	462

The comparison figures for 2011 have changed due to transfer of businesses between the business lines at the beginning of 2012.

Net sales by customer sector, EUR million

	2012 7-9	2012 4-6	2012 1-3	2011 10-12	2011 7-9	2011 4-6	2011 1-3
Telecom	**135**	143	145	152	129	151	147
Finance	**85**	88	96	98	85	95	96
Industry sectors	**204**	223	226	240	200	216	219
Group total	**423**	456	467	490	415	462	462

Operating profit (EBIT) by market unit, EUR million

	2012 7-9	2012 4-6	2012 1-3	2011 10-12	2011 7-9	2011 4-6	2011 1-3
Finland and the Baltic countries	**19.0**	7.9	17.3	23.9	17.3	4.2	13.4
Scandinavia	**8.1**	-2.5	5.5	2.4	6.0	5.1	5.2
Central Europe & Russia	**-4.2**	-9.5	-4.2	-6.8	-3.6	-5.6	-5.0
Global Accounts	**11.6**	5.1	30.2	9.6	11.9	18.5	15.4
Steering Functions and Global Management	**-2.9**	-4.7	-7.0	-2.9	-2.3	-3.1	-5.4
Operating profit (EBIT)	**31.6**	-3.7	41.7	26.1	29.2	19.2	23.6

Operating margin (EBIT) by market unit, %

	2012 7-9	2012 4-6	2012 1-3	2011 10-12	2011 7-9	2011 4-6	2011 1-3
Finland and the Baltic countries	**10.8**	4.2	9.0	11.9	10.2	2.4	7.3
Scandinavia	**6.3**	-1.9	3.9	1.6	5.0	3.7	3.7
Central Europe & Russia	**14.0**	31.1	12.5	-18.9	11.5	17.1	15.9
Global Accounts	**7.7**	3.0	17.3	5.2	7.4	9.6	8.1
Operating margin (EBIT)	**7.5**	-0.8	8.9	5.3	7.1	4.1	5.1

Operating profit (EBIT) excl. one-off items by market unit, EUR million

	2012 7-9	2012 4-6	2012 1-3	2011 10-12	2011 7-9	2011 4-6	2011 1-3
Finland and the Baltic countries	**19.3**	15.6	17.2	24.6	19.4	4.1	13.6
Scandinavia	**10.7**	7.7	6.2	2.4	8.6	9.2	5.2
Central Europe & Russia	**-3.2**	-3.7	-4.1	-5.3	-3.6	-5.4	-5.0
Global Accounts	**12.9**	9.8	15.6	15.3	12.5	18.5	15.4
Steering Functions and Global Management	**-2.5**	-1.3	-7.0	-2.8	-2.4	-2.1	-5.3
Operating profit (EBIT)	**37.1**	28.2	28.0	34.2	34.5	24.5	23.9

Operating margin (EBIT) excl. one-off items by market unit, %

	2012 7-9	2012 4-6	2012 1-3	2011 10-12	2011 7-9	2011 4-6	2011 1-3
Finland and the Baltic countries	**11.0**	8.2	8.9	12.2	11.5	2.3	7.4
Scandinavia	**8.3**	5.7	4.4	1.6	7.2	6.6	3.7
Central Europe & Russia	**10.6**	11.9	12.1	-14.7	11.4	16.5	15.8
Global Accounts	**8.6**	5.7	8.9	8.3	7.7	9.6	8.1
Operating margin (EBIT)	**8.8**	6.2	6.0	7.0	8.3	5.3	5.2

Major shareholders on 30 September 2012

		Shares	%
1	Cevian Capital *)	11 073 614	15.3
2	Solidium Oy	7 415 418	10.3
3	Ilmarinen Mutual Pension Insurance Co.	3 467 111	4.8
4	Etera Mutual Pension Insurance Co.	3 000 000	4.1
5	Varma Mutual Pension Insurance Co.	2 859 749	4.0
6	OP-Pohjola Group Central Cooperative	2 351 665	3.3
7	Swedbank Robur fonder	1 675 627	2.3
8	Svenska Litteratursällskapet i Finland	1 041 345	1.4
9	The State Pension fund	873 000	1.2
10	Tapiola Pension	700 000	1.0
		34 457 529	47.6
	Nominee registered	33 223 011	45.9
	Others	4 657 453	6.5
	Total	**72 337 993**	**100.0**

Based on the ownership records of Euroclear Finland Oy and Euroclear Sweden AB.

*) Based on the ownership records of Euroclear Finland Oy, Cevian Capital´s holding on 31 August 2012 was 11 073 614 shares, representing 15.3% of the shares and voting rights.

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Press conference for analysts and media will be held at Tieto's premises in Helsinki (address: Aku Korhosen tie 2–6) at 2.30 pm EET (1.30 pm CET 12.30 pm UK time). The results will be presented in English by Kimmo Alkio, President and CEO.

The conference will be webcasted and published live on Tieto's website www.tieto.com/investors and there will be a possibility to present questions online. An on-demand video will be available after the conference.

Tieto publishes financial information in English, Finnish and Swedish. All releases are posted in full on Tieto's website as soon as they are published.

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