



## FINANCIAL STATEMENT BULLETIN FOR THE PERIOD 1 JANUARY-31 DECEMBER 2005

### **Tieto-X turnover and operating profit grow strongly in fourth quarter**

- Turnover for the fiscal period was EUR 27.4 million (2004: EUR 24.5 million).
- Operating profit for the fiscal period was EUR 2.5 million (2004: EUR 2.9 million)
- Turnover of the Systems Services business unit was EUR 12.4 million (2004: EUR 11.3 million) and operating profit was EUR 1.2 million (2004: EUR 0.9 million).
- Turnover of the Telecommunication business unit was EUR 15.3 million (2004: EUR 13.2 million) and operating profit EUR 2.3 million (2004: EUR 3.2 million)
- The company's turnover in the first quarter of 2006 is expected to significantly exceed the first-quarter turnover of 2005, and the turnover for the fiscal year is expected to clearly exceed the turnover of 2005.
- The company's operating margin in the first quarter of 2006 is expected to clearly exceed the level of the first quarter of 2005. Twelve-month profitability is also anticipated to be better than in the previous year.

In the last quarter of 2005 Tieto-X's turnover grew strongly and exceeded the last quarter turnover of 2004 by 55.3 per cent, standing at EUR 9.1 million (2004: EUR 5.8 million). Of the last quarter turnover, EUR 1.7 million derives from Vega Technologies Oy, a Symbian software company that Tieto-X acquired in October. During the fiscal year, Tieto-X's turnover grew by 12.0 percent to EUR 27.4 million (2004: EUR 24.5 million).

As was expected, last quarter business profitability exceeded the weak profitability of the corresponding quarter in 2004 by 899.0 per cent. Operating profit was EUR 0.8 million (2004: EUR 0.1 million). Due to IFRS accounting principles, the good profitability of Vega Technologies Oy did not significantly influence the consolidated operating profit in the last quarter. Due to weak profitability in the first half of the year, Tieto-X's twelve-month operating profit fell 11.8 per cent short of the operating profit in 2004 and stood at EUR 2.5 million (2004: 2.9 million).

### REPORT BY THE BOARD OF DIRECTORS

#### BUSINESS OPERATIONS

Tieto-X operates in the IT service market, offering its customers flexible software development and maintenance solutions that support their competitiveness and risk management. Tieto-X's services range from expert work and consultation to software project deliveries and software maintenance services with comprehensive responsibility.

Tieto-X's operational business is organised into two business units, the Systems Services unit and the Telecommunications unit. The Systems Services Unit develops and maintains software that is part of the customer companies' information systems. The unit's most significant customers operate in the finance and public administration sectors.

The Telecommunications Unit offers software development, integration and testing services to manufacturers of telecommunications hardware and networks. The unit's clientele comprises leading mobile and smartphone manufacturers operating on global markets, as well as mobile network suppliers and teleoperators.

### **Systems Services**

In the second quarter of 2005, part of the new software and systems development projects that Tieto-X's customer companies and organisations run reached the implementation phase. After a weak first quarter, this project maturation increased the demand for services provided by experts in Tieto-X's Systems Services unit. Demand remained on a good level throughout the year, and the unit launched several new customer projects during the last six months of the year. The unit's 12-month turnover increased by nearly 10 per cent, which is clearly above the IT service market's general growth rate of less than 4 per cent.

The unit's profitability was weakened by the low number of billed hours in the first quarter. However, the number of billed hours increased considerably in the latter half the year. Twelve-month profitability was also weakened by the unit's investments aimed at developing its services and the organisation. These efforts, which show as an increase of personnel expenses, did already in the last part of the year raise the added value of the unit's services and they boosted the unit's business volume, which improved profitability. Nearly 50 per cent of the turnover of the Systems Services in the second half of the year was accrued from new extensive service contracts and software production services with comprehensive responsibility.

Market competition remained fierce for the Systems Services unit throughout the fiscal period due to the customer companies holding back new investments. Due to this competition, it has not been possible to transfer the entire increase of personnel expenses, caused by the incomes policy agreements signed in the spring, to the prices of services during the fiscal year. This has burdened profitability.

### **Telecommunications**

After a subdued first quarter, the business volume of the Tieto-X Telecommunications unit started growing in second quarter of the year. This growth continued in the second half of the year as the efforts done to develop business processes and services supported the Unit to win several new customer projects. Due to the weak start of the year the organic turnover growth of the unit in 2005 was about three per cent.

In the first part of the year, the profitability of the Telecommunications unit fell clearly short of the very good level of the previous year. This was due to the lower than normal number of billed hours as well as the inputs in the unit's business processes, service productisation and sales. The number of billed hours and profitability returned to normal level at the end of the second quarter and remained good throughout the second half of the year.

In October Tieto-X announced that it was acquiring Vega Technologies Oy, a company focusing on Symbian software development. Vega's software design and project competences are expected to further increase the attractiveness and competitive edge of the Symbian software services offered by the Telecommunications unit.

In October Tieto-X also announced that it had founded a subsidiary to produce testing services for Symbian smartphone software and other mobile communication device software.

The name of the company is Testhouse Oy, and it has a Tallinn-based subsidiary Testhouse Estonia OÜ. With the Testhouse concept Tieto-X will be able to offer flexible and cost-efficient solutions to the customers' growing testing needs as the production cycle of mobile communication devices speeds up. The first significant Testhouse projects were launched in the last part of the year.

Competition for software projects for leading international mobile and smartphone vendors is fierce. However, due to fierce competition in the hardware market, the hardware vendors have to extend their product range and speed up their product development cycle, which is expected to keep the software development market growing still and to become more international.

## TURNOVER

Consolidated turnover was EUR 27.4 million (2004: EUR 24.5 million), up 12.0 per cent from the previous year. Of the turnover, EUR 12.6 million (2004: EUR 13.0 million) was accrued during the first six months of the year, and EUR 14.8 million (2004: EUR 11.4 million) during the last six months. Of the turnover of the last six months of the year, EUR 1.7 million derives from Vega Technologies Oy, acquired by Tieto-X in October.

Of the turnover for the fiscal year, 45 per cent was accrued by the Systems Services unit and 55 per cent by the Telecommunications unit.

### Turnover by segment

K EURO	1-12 2005	1-12 2004
Telecommunications	15,340	13,202
Systems Services	12,432	11,266
Intragroup eliminations	- 376	0
Administration	0	0
Group total	27,396	24,468

## FINANCIAL RESULT

Consolidated operating profit was EUR 2.5 million (2004: EUR 2.9 million), and profit before taxes was EUR 2.6 million (2004: EUR 2.9 million). Profit for the period was EUR 1.9 million (2004: EUR 2.4 million), which is 7.0 per cent of turnover. Earnings per share were EUR 0.26 (2004: EUR 0.32). Cash flow from business operations was EUR 0.21 per share (2004: EUR 0.57).

### Operating profit by segment

K EURO	1-12 2005	1-12 2004
Telecommunications	2,258	3,156
Systems Services	1,174	886
Administration	- 914	- 1,187
Group total	2,517	2,854

Those administrative costs in the segment reporting that directly relate to the business operations are allocated to the business units. Thus, the figures deviate from previous interim reports.



## RETURN ON CAPITAL INVESTMENT

Consolidated return on equity (ROE) was 22.9 per cent (2004: 32.4) and return on investment was 26.1 per cent (2004: 38.6). The return percentage of both equity and investment were pulled down by the result that was weaker than in the previous year, as well as an increase in capital invested. The return percentage of equity was further weakened as a result of the debt arising from corporate acquisition.

## BALANCE SHEET AND FINANCING

The balance sheet total was EUR 20.8 million (2004: EUR 12.0 million). Shareholders' equity was EUR 8.6 million (2004: EUR 8.0 million) Equity ratio was 41.5 per cent (2004: 66.6 per cent). The drop in equity ratio resulted from the acquisition of Vega Technologies, which was mainly financed with a non-equity loan. The Group's liquid assets stood at EUR 5.0 million (2004: EUR 5.6 million) at the end of the fiscal year. Liquidity was good throughout the period.

## CASH FLOW

Consolidated cash flow from business operations was EUR 1.6 million (2004: EUR 4.1 million). In addition to the drop in operating profit, cash flow from business operations was also weakened as a result of an increase in sales receivables compared to the previous year, during which sales receivables were on an extraordinarily low level, as well as to the high taxes paid compared to the previous year.

## PERSONNEL

The number of personnel averaged 355 (331) during the period and stood at 438 at the end of the period (327). The average age of the Group's personnel was 34.9 years. Of the Group's personnel 20 per cent were women and 80 per cent were men. Of the Group's personnel 39 per cent had a university degree, 27 per cent a higher vocational degree, 22 per cent a vocational degree and 12 per cent other education.

## PERSONNEL EXPENSES

Salaries and fees including employer's social costs came to EUR 14.9 million (2004: EUR 13.4 million), pension expenses to EUR 2.5 million (2004: EUR 2.4 million) and other indirect employee costs to EUR 0.9 million (2004: EUR 0.8 million). Personnel expenses totalled EUR 18.3 million (2004: EUR 16.6 million), which was approximately 75 per cent of total costs.

## SHARES AND SHARE CAPITAL

Tieto-X's share capital is EUR 292,468.00, and the total number of shares is 7,311,700. In accordance with the Articles of Association, the share capital is a minimum of EUR 217,668 and a maximum of EUR 870,672.

The accounting countervalue of the share is EUR 0.04. The ISIN code used in international securities trading is FI0009008007 and the trading symbol is TIX1V.

## SHAREHOLDERS

There were 1,861 shareholders on 31 December 2005. Private persons owned 60 per cent and institutions 40 per cent of the company's shares. Foreign ownership was 4 per cent.

## OPTIONS SCHEMES

During the fiscal year the company implemented the stock option plan authorized by the Annual General Meeting of 10 April 2001. The option rights issued under this plan have been offered, in deviation from the pre-emptive rights of the company's shareholders, to the President and CEO of the company and the Group companies, to the management and to key personnel, as determined by the Board. The stock options entitle their holders to subscribe for a total of 500,000 Tieto-X Plc shares, and correspondingly the company share capital due to share subscriptions may increase by a maximum of EUR 20,000. The maximum dilution effect is 6.4 per cent.

The extended subscription periods for all option series of the option plan have ended on 31 December 2005 at the latest. The subscription period for all options ends on 31 December 2008 at the latest. A total number of 500,000 options had been allocated to the company's key persons by the end of the fiscal period. At the end of the fiscal year 28,000 company shares had been subscribed with the options.

## BOARD AUTHORIZATIONS

At the end of the fiscal year the Board of Directors held the following valid authorizations:

Authorization granted by the Annual General Meeting on 8 March 2005 to decide to raise share capital in one or more new issues, to grant option rights and/or to float a convertible bond, resulting in an increase in share capital of a maximum of EUR 58,413,60. This authorization was unutilized in its entirety at the end of the financial period. The authorization is valid for one year from the date of the Annual General Meeting. The purpose of the authorization is to facilitate the use of company shares in acquisitions and other corporate structuring, strengthening or developing the financial and capital structure of the company, realization of the objectives to seek motivation and commitment from personnel or other initiatives which need to be undertaken to further the company's business. The maximum dilution effect of the authorization with the present number of shares is 16.7 per cent.

The authorization by the Annual General Meeting on 8 March 2005 gives the Board the authority to acquire and dispose of a maximum of 365,085 of the company's shares. This authorization was unutilized in its entirety at the end of the financial period. The authorization is valid for one year from the date of the Annual General Meeting. Own shares can be acquired to develop the company's capital structure, to finance acquisition or other corporate structuring or to be conveyed or cancelled.

## INVESTMENTS

The investments for the period totalled EUR 8.6 million, including the acquisition of Vega Technologies Oy for EUR 8.5 million. Of this sum EUR 3.9 million has been entered as a short-term debt that was paid on 26 January 2006.

## FINANCING

The company agreed on an external financing package with interest to finance the acquisition of Vega Technologies Oy in October 2005. The financing package included a non-equity loan of max. EUR 7.0 million to finance the corporate acquisition. At the end of the fiscal period EUR 3.0 million of this package had been used.

## RISKS

The aim of Tieto-X's risk management is to ensure undisturbed and continuous business operations and development, and to support the implementation of the company's operational target and increase its value.

The risk related to software development and maintenance processes are regarded as the most significant risks threatening the company's business development. These risks are managed with service production supervision and monitoring instruments that are in accordance with the quality system. Risks related to information systems and data security are managed with data administration regulations. Other risks that are perceived as significant are market and competition risks as well as economical risks that are managed in accordance with company's and business units' strategies and business plans and regulations of economic planning and control. In addition, the risk management aim at minimizing personnel risks by employing measures in line with the personnel strategy. Contractual, product liability and other legal threats are managed with the help of the company's administrative and quality system practices as well as with proper liability insurances. The threats that possible accidents and injuries cause are prepared for office-specific instructions and insurances.

Risk management planning, development and control are part of the responsibilities of Tieto-X's CFO, who reports to the President and CEO. The administrative units and the business units that implement the company's business operations are responsible for the assessment and prevention of risks related to their functions.

The Board of Directors deal s with significant business risks. The Board of Directors monitors the implementation of the company's risk management policy as part of the strategy, business plan and budgeting processes.

## BOARD OF DIRECTORS, PRESIDENT AND CEO, AND AUDITORS

The Annual General Meeting on 8 March 2005 elected Tero Laaksonen, Eero Hurme, Juhani Pääkkö, Esko Siik, Risto Terho and Seppo Jaatinen as members of the Board. The Board elected Tero Laaksonen as Chairman of the Board. Up to the General Meeting Ralf W. Saxén acted as Chairman of the Board.

Kari Happonen has been President and CEO since 1 May 2002.

The Board of Directors met 24 times during the financial period.

The auditors were PricewaterhouseCoopers Oy, Authorized Public Accounting Firm, with Authorized Accountant Heikki Lassila as principal auditor.

## EVENTS AFTER THE REVIEW PERIOD

The company completed the acquisition of Vega Technologies Oy on 20 January 2006. The final acquisition sum paid on 26 January 2006 amounted to EUR 3.9 million, which gives a total acquisition price of EUR 8.5 million. To finance the latter part of the acquisition, the company took an additional loan of EUR 3.0 million, raising the total amount of non-equity loan to EUR 6.0 million.

## FUTURE PROSPECTS

Several research institutes forecast that the Finnish IT service market will see a 3-4 per cent growth during 2006. If the general economic atmosphere remains positive, companies will most likely somewhat increase their investments aimed at renewing and developing information systems and software during the year. The investments may grow somewhat more strongly in public administration than in companies.

The customer companies and organisations of Tieto-X's Systems Services unit are expected to continue their cautious and carefully calculated IT investments during the ongoing year, which is expected to increase the demand for the unit's services. In addition, the demand for the new service concepts developed within the unit is expected to increase during the ongoing year.

The business of the Telecommunications unit is also predicted to develop positively, boosted by the new project and service models with comprehensive responsibility.

Thanks to good organic growth in the last quarter of 2005, as well as the acquisition of Vega Technologies Oy, Tieto-X's business volume at the turn of the year was on a significantly higher level than a year earlier. Thus, judging from the company's order backlogs and tender prospects, the company's turnover in the first quarter is expected to significantly beat that of the previous year. Thanks to a high number of billed hours in both business units, operating margin is also expected to clearly exceed that of the first quarter last year.

The company's twelve-month turnover is anticipated to be clearly higher than that of 2005. Twelve-month operating margin is predicted to be somewhat better than in the previous year.

## BOARD OF DIRECTORS' PROPOSAL TO THE ANNUAL GENERAL MEETING

The parent company's disposable funds on 31 December 2005 were EUR 3,734,640.24.  
The Group's disposable funds on 31 December 2005 were EUR 4,495,931.03

The Board of Directors proposes that the disposable funds be disposed of as follows:

-	a dividend to shareholders of EUR 0.18 per share	EUR 1.316.106,00
-	carried over in shareholders' equity	EUR 2.418.534,24
		<hr/> EUR 3.734.640,24.

The Board of Directors proposes that the dividend be paid on shares entered in the shareholders' register kept by the Finnish Central Securities Depository on the balancing date, 17 March 2006. The Board of Directors proposes that the dividend be paid on 24 March 2006.  
TIETO-X GROUP

The figures in the income statement and balance sheet have been consolidated. All group companies are included in the consolidated figures. The original financial statement is in Finnish. The English financial statement is a translation. The figures are unaudited.

<b>CONSOLIDATED PROFIT AND LOSS ACCOUNT, K EURO</b>	<b>1.1.- 31.12.2005</b>	<b>1.1.-31.12.2004</b>	<b>Change</b>
Turnover	27,396	24,468	12.0 %
Operating costs	- 24,890	- 21,634	15.2 %
<b>OPERATING PROFIT</b>	<b>2,517</b>	<b>2,854</b>	<b>- 11.8 %</b>
Financial income and expenses	101	70	44.6 %
Profit before extraordinary items	2,618	2,924	- 10.5 %
Extraordinary income and expenses	0	0	0
Profit before provisions and taxes	2,618	2,924	- 10.5 %
Taxes	- 713	- 570	25.2 %
<b>NET PROFIT FOR THE PERIOD</b>	<b>1,905</b>	<b>2,354</b>	<b>- 19.1 %</b>

#### **CONSOLIDATED BALANCE SHEET, K EURO**

<b>ASSETS</b>	<b>31.12.2005</b>	<b>31.12.2004</b>
<b>FIXED ASSETS</b>		
Property, plant and equipment	245	193
Goodwill	8,621	1,965
Intangible assets	473	312
Deferred tax claim	0	325
Long-term receivables	28	0
Other investments	30	19
<b>LONG-TERM ASSETS TOTAL</b>	<b>9,397</b>	<b>2,814</b>
<b>CURRENT ASSETS</b>		
Accounts receivable and other receivables	6,446	3,551
Financial assets	1,993	3,674
Liquid assets	2,968	1,931
<b>TOTAL CURRENT ASSETS</b>	<b>11,406</b>	<b>9,156</b>

TOTAL ASSETS	20,804	11,970
	<hr/>	
SHAREHOLDERS' EQUITY AND LIABILITIES	<b>31.12.2005</b>	<b>31.12.2004</b>
SHAREHOLDERS' EQUITY		
Share capital	292	291
Premium fund	3,746	3,704
Share issue	0	28
Own shares fund	0	0
Fair value and other reserves	108	46
Retained earnings	2,591	1,551
Net profit for the period	1,905	2,354
TOTAL SHAREHOLDERS' EQUITY	<hr/> 8,643	<hr/> 7,975
LIABILITIES		
Long-term liabilities	2,960	185
Current liabilities	9,201	3,810
TOTAL LIABILITIES	<hr/> 12,161	<hr/> 3,995
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	<hr/> 20,804	<hr/> 11,970
	<hr/>	

CHANGE IN EQUITY K EURO	Shareholders' equity	Premium fund	Share issue	Own shares fund	Fair value and other reserves	Retained earnings	Total
Share-holders' equity 1.1. January 2004	303	3,692	0	- 499	12	3,070	6,577
Transfer to reserves					35		35
Invalidation of own shares	- 12	12		499		- 499	
Share issue			28				28
Dividend						-	- 1,020
Profit for the period						1,020	2,354
Share-holders' equity 31.12.2004	291	3,704	28	0	46	3,905	7,975
Share-holders' equity 1 January 2005	291	3,704	28	0	46	3,905	7,975
Transfer to reserves					62		62
Share issue	1	43	- 28				16
Dividend						-	- 1,314
Conversion difference						1,314	0
Profit for the period						1,905	1,905
Share-holder's equity	292	3,746	0	0	108	4,496	8,643

**GROUP CASH FLOW  
CALCULATION,  
K EURO**

**Business operations**

	1.1.- 31.12.2005	1.1.- 31.12.2004
Profit before extraordinary items	2,618	2,924

Depreciation and amortisation	411	123
Adjustments	131	149
Changes in net working capital	- 1,077	984
Financial income and expenses	- 19	- 14
Fixed assets sales profit	- 10	- 21
Taxes	- 498	0
<b>Cash flow from business operations</b>	<b>1,555</b>	<b>4,145</b>

**Investments**

Investments in fixed assets	- 71	- 272
Transfer income from fixed assets	34	83
Change in financial assets	1,989	- 1,677
Acquisition of subsidiaries	- 4,182	- 988
<b>Cash flow from investments total</b>	<b>- 2,230</b>	<b>- 2,853</b>
<b>Cash flow before financing</b>	<b>- 675</b>	<b>1,291</b>

**Financing**

Dividend paid	- 1,314	- 1,020
Financial income and expenses	19	14
Acquisition of own shares	0	0
Increase of long-term debt	3,000	0
Repayment of long-term debt		- 71
Share issue	16	28
Converted certificates of deposits	0	52
Short-term loan receivables decrease	- 9	18
<b>Total cash flow from financing</b>	<b>1,712</b>	<b>- 978</b>

Change in cash	1,037	314
Cash at start of month	1,931	1,617
<b>Cash at end of month</b>	<b>2,968</b>	<b>1,931</b>

**CONSOLIDATED PROFIT AND LOSS ACCOUNT, QUARTERLY, K EURO**

	Q4/2005	Q3/2005	Q2/2005	Q1/2005	Q4/2004
	<b>1.10.05-</b>	<b>1.7.05-</b>	<b>1.4.05-</b>	<b>1.1.05-</b>	<b>1.10.04-</b>
	<b>31.12.05</b>	<b>30.9.05</b>	<b>30.6.05</b>	<b>31.3.05</b>	<b>31.12.04</b>
Turnover	9,064	5,729	6,592	6,011	5,836
Operating costs	- 8,299	- 5,179	- 5,870	- 5,532	- 5,759
<b>OPERATING PROFIT</b>	<b>766</b>	<b>550</b>	<b>722</b>	<b>479</b>	<b>77</b>
Financial income and expenses	43	18	17	23	25
Profit before provisions and taxes	809	569	739	502	101
Extraordinary items	0	0	0	0	0

Profit before provisions and taxes	809	569	739	502	101
Taxes	- 224	- 235	- 170	- 84	5
<b>PROFIT FOR THE PERIOD</b>	<b>585</b>	<b>334</b>	<b>569</b>	<b>418</b>	<b>107</b>

**SEGMENT REPORTING**

	1.1.-31.12.2005	1.1.-31.12.2004
Turnover by segment		
Telecommunications	15,340	13,202
Systems Services	12,423	11,266
Intragroup eliminations	- 376	0
Administration	0	0
Turnover total	<u>27,396</u>	<u>24,468</u>
Operating profit by segment		
Telecommunications	2,258	3,156
Systems Services	1,174	886
Administration	- 914	- 1,187
Total operating profit	<u>2,517</u>	<u>2,854</u>
Operating profit of turnover %	9.2	11.7
Interest and financial income	<u>101</u>	<u>70</u>
Profit before taxes	<u>2,618</u>	<u>2,924</u>
Taxes	<u>- 713</u>	<u>- 570</u>
<b>PROFIT FOR THE PERIOD</b>	<u>1,905</u>	<u>2,354</u>

**FINANCIAL RATIOS**

	1.1.-31.12.2005	1.1.-31.12.2004
Earnings per share, EUR	0.26	0.32
Equity per share, EUR	1.17	1.07
Operating cash flow per share, EUR	0.21	0.57
Return on investment, %	26.1	38.6
Return on equity, %	22.9	32.4
Operating profit/turnover, %	9.2	11.7

**OTHER INFORMATION**

	1.1.-31.12.2005	1.1.-31.12.2004
Average number of personnel during the period	355	331
Personnel at the end of the period	438	327

**COMMITMENTS**

	31.12.2005	31.12.2004
Commitments for group		
Bank deposits as a security for rent	85	83

k Euro		
Amounts payable for leasing contracts,	712	378
k Euro		

<b>CONSOLIDATED PROFIT AND LOSS ACCOUNT RECONCILIATION 1 JANUARY-31 DECEMBER 2004, K EURO</b>	<b>Reported (FAS) 1.1.- 31.12.2004</b>	<b>Effect of transfer to IFRS</b>	<b>IFRS 1.1.- 31.12.2004</b>
Turnover	24,468	0	24,468
Operating costs	- 23,311	- 1,677	- 21,634
<b>OPERATING PROFIT</b>	<b>1,178</b>	<b>1,677</b>	<b>2,854</b>
Financial income and expenses	70	0	70
Profit before extraordinary items	1,247	1,677	2,924
Extraordinary income and expenses	0	0	0
Profit before provisions and taxes	1,247	1,677	2,924
Taxes	- 21	- 548	- 570
<b>NET PROFIT FOR THE PERIOD</b>	<b>1,226</b>	<b>- 1,128</b>	<b>2,354</b>

<b>CONSOLIDATED BALANCE SHEET RECONCILIATION 31.12.2004, K EURO</b>	<b>Reported (FAS) 31.12.2004</b>	<b>Effect of transfer to IFRS</b>	<b>IFRS 31.12.2004</b>
<b>ASSETS</b>	<b>31.12.2004</b>		<b>31.12.2004</b>
<b>FIXED ASSETS</b>			
Property, plant and equipment	193	0	193
Goodwill	1,615	350	1,965
Intangible assets	312	0	312
Deferred tax claim	0	325	325
Other investments	19	0	19
<b>LONG-TERM ASSETS TOTAL</b>	<b>2,139</b>	<b>675</b>	<b>2,814</b>
<b>CURRENT ASSETS</b>			
Accounts receivable and other receivables	3,551	0	3,551
Liquid assets	5,604	0	5,604
<b>TOTAL CURRENT ASSETS</b>	<b>9,156</b>		<b>9,156</b>
<b>TOTAL ASSETS</b>	<b>11,295</b>	<b>675</b>	<b>11,970</b>

SHAREHOLDERS' EQUITY AND LIABILITIES	31.12.2004	31.12.2004	31.12.2004
<b>SHARE-HOLDERS' EQUITY</b>			
Share capital	291	0	291
Premium fund	3,704	0	3,704
Share issue	28	0	28
Own shares fund	0	0	0
Fair value and other reserves	0	46	46
Retained earnings	2,087	- 537	1,551
Net profit for the period	1,226	1,128	2,354
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>7,336</b>	<b>638</b>	<b>7,975</b>
<b>LIABILITIES</b>			
Long-term liabilities	149	37	185
Current liabilities	3,810	0	3,810
<b>TOTAL LIABILITIES</b>	<b>3,959</b>	<b>37</b>	<b>3,995</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>11,295</b>	<b>675</b>	<b>11,670</b>

TIETO-X PLC  
BOARD OF DIRECTORS

#### **INFORMATION MEETING**

A briefing will be held for analysts and the press on 31 January 2006 at 2.00 pm at Hotel Marski, meeting room Neptun, Mannerheimintie 10, 2<sup>nd</sup> floor, 00100 Helsinki.

#### **THE ANNUAL GENERAL MEETING**

The Annual General Meeting of Tieto-X shareholders will be held on Tuesday 14 March 2006 at 5.00 pm at Opus Business Park Auditorium, Hitsajankatu 20, 00810 Helsinki.

The Annual Report of Tieto-X Group for the period 1 January-31 December 2005 will be issued at the end of March.

#### **INTERIM REPORTS**

The interim reports in 2006 will be published as follows:

- Interim report 1-3/2006, Wednesday 26 April 2006
- Interim report 1-6/2006, Tuesday 25 July 2006
- Interim report 1-9/2006, Wednesday 25 October 2006

#### **ADDITIONAL INFORMATION:**

Tieto-X Plc

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