TIETOENATOR'S interim report 3/2007 (January – September 2007)

Highlights

- Revised strategy, new profitability guidance and change of President and CEO announced on 16 October
- Third-quarter net sales grew by 10% to EUR 404.7 (369.4) million. Nine-month net sales totalled EUR 1 281.1 (1 191.0) million, up 8%.
- Third-quarter operating profit amounted to EUR 20.7 (27.7) million. Operating margin excluding capital gains was 5.1% (7.5). Nine-month operating profit totalled EUR 65.1 (83.8) million.
- Operating profit excluding capital gains or losses and restructuring expenses totalled EUR 25.3 (28.4) million for the third quarter and EUR 76.2 (87.4) million for the nine-month period.
- Profit after taxes was EUR 11.0 (19.5) million for the third quarter, EUR 40.1 (58.3) million for the nine-month period.
- Third-quarter EPS amounted to EUR 0.15 (0.26), nine-month EPS to EUR 0.54 (0.78).

Market development and TietoEnator's business transactions

The market situation was positive in most of TietoEnator's customer industries. In most areas prices are either stable or slightly higher than the year before. Price pressure persists in some segments, such as infrastructure services. Labour market mobility is at a high level. Pressure on personnel costs is increased not only by annual salary raises, but also by high personnel turnover. To compensate for the rise in personnel costs TietoEnator has started an internal improvement programme and reviewed its pricing policies. In addition to these, the company has started price negotiations with most of its customers.

Banking and insurance

Overall demand in the financial services sector is strong, but very competitive in certain areas e.g. in solution business. Regulatory changes in the European Union are creating new demand in the payments and capital markets areas.

In January, TietoEnator agreed to acquire the Swedish company Abaris AB, which specializes in securities processing solutions. Abaris employs some 90 people in Sweden, Finland and Norway and its net sales in 2007 are expected to amount to EUR 10 million. The acquisition took effect on 1 January 2007.

In the third quarter, three major Nordic banks selected TietoEnator's SEPA Credit Transfers solution (Single Euro Payments Area) in order to achieve full compliance with the requirements for SEPA Credit Transfers and the European Bank Association's clearing service by January 2008.

Telecom and media

The overall market situation in the telecom and media sectors is good and TietoEnator's prospects for further growth are promising. The accelerating convergence in telecom services is driving up demand for IT services. Operators are also looking for new IT solutions to boost their competitiveness. The R&D market is being restructured and relocated as customers increase their presence in countries with favourable cost-structures. R&D responsibilities are outsourced to strong partners to secure continuity, and R&D spending in low-cost countries is on the rise due to cost-efficiency considerations and the importance of new markets.

In January, TietoEnator recruited 140 people who had formerly worked for the Taiwan-based BenQ's R&D centre in Wroclaw, southern Poland. At the beginning of February, TietoEnator assumed responsibility for Ericsson's design centre in Aarhus, Denmark, with 86 employees. The design centre supplies IP software building blocks for Ericsson products.

In April, TietoEnator signed an agreement with Siemens IT Solutions and Services in Italy regarding the streamlining of business-critical and customer-related processes and services for mobile telephony. The value of the contract is expected to be EUR 40 million and the contract period is three years. In June, TietoEnator agreed on further co-operation with Nokia Siemens Networks. TietoEnator incorporated parts of Nokia Siemens Networks' Finnish R&D operations for mobile networks and took on the R&D responsibilities for certain parts of Nokia Siemens Networks' product portfolio. Approximately 230 employees were transferred to TietoEnator Telecom & Media at the beginning of July.

In the third quarter, TietoEnator agreed on an extension of a partnership deal with Blyk that was announced in April. TietoEnator is providing Blyk, the new ad-funded mobile network for young people, with Mobile Virtual Network Operator (MVNO) services. The new services encompass extended application and business process management services and a scalable, cost-efficient IT infrastructure.

In September, TietoEnator signed an agreement to acquire Fortuna Technologies Pvt. Ltd. in India. The company has approximately 300 employees and provides R&D services and develops turnkey software solutions for major European and Asian mobile device manufacturers of 3G handsets. The purchase price was approximately EUR 21 million. The impact on TietoEnator's net sales for 2008 is expected to be approximately EUR 11 million. The profitability of the acquired company is higher than TietoEnator's average level. The company will be consolidated as from October.

Government, manufacturing and retail
Overall demand is solid in all of these areas as customers are seeking to improve performance and productivity. Demand in the Finnish government sector is good. Government customers plan to start several large development projects in the coming years. The positive trend in the manufacturing industry is also expected to continue. Retail customers are in the market for IT systems to help them provide new ways to manage customer needs and changes in customer behaviour towards multichannel buying.

In September, TietoEnator divested its holding in the Swedish company TietoEnator GM&R AB, which provides application management and project services to customers within the retail and logistics industries. The company has 23 employees. The divestment will not have any material impact on the business area's net sales or operating profit.

Healthcare and welfare
The Finnish healthcare market is favourable for solution-based business. Demand is good but the market is competitive. In Sweden and Norway the market is fragmented and develops slowly. Many projects have been postponed and some projects have been scaled down to smaller deliveries. In Germany, the finances of healthcare service providers are in a squeeze, which has made the market very challenging.

Forest and energy
In the forest sector, there is steady demand for investments to harmonize IT systems and infrastructure. TietoEnator also sees good business opportunities arising from structural changes in the industry.

In the energy sector, the market situation remains favourable for the oil and gas segment as well as for the utility segment. Larger investments in finding new oil reservoirs and utilizing old ones, growing demand for energy and the good economic situation of energy companies ensure IT investments in the coming years.

Infrastructure outsourcing
The market for infrastructure outsourcing is good with a continuous flow of mid-sized tender requests. Customers are looking for more flexible solutions and request broader service agreements that provide coverage for entire business processes. Prices for traditional infrastructure services are under continuous pressure.

In June, the Swedish state-owned pharmacy chain Apoteket AB chose TietoEnator as its new supplier of ICT operations management, applications integration, applications management and workstation management and support. The average term of the contracts is close to 4 years. According to TietoEnator estimates, the total value of the order will be around EUR 57 million.

In September, TietoEnator opened a service centre in St Petersburg with a view to expanding operations in Russia and serving its current customers that operate in the country.

Net sales

Third-quarter net sales grew by 10% to EUR 404.7 (369.4) million or by 9% in local currencies. Organic growth remained at a healthy level, 12%. For the Group as a whole, average prices remained roughly at the same level as the year before.

	Q3 net sales growth, %	Q3 organic growth, %	Jan-Sept net sales growth, %	Jan-Sept organic growth, %
Banking & Insurance	-1	-2	3	1
Telecom & Media	28	28	22	22
Government, Manufacturing & Retail	-21	4	-23	2
Healthcare & Welfare	4	2	0	-1
Forest & Energy	18	12	15	10
Processing & Network	12	12	8	8

In the third quarter, Telecom & Media saw further strong development thanks to the good market situation and several new contracts. TietoEnator bolstered its position among its key customers as well. In addition, Processing & Network performed strongly and signed several deals. Processing & Network's overhauled capacity services were particularly successful.

Good market conditions in the energy sector were the main driver of Forest & Energy's healthy growth. Demand for both solutions and services has been solid in the oil and gas sector.

Net sales of Government, Manufacturing & Retail were reduced by the divestment of government businesses in Denmark, Norway and Sweden in 2006. The business area grew organically by 4%. Government was the strongest sector.

Third-quarter net sales of the Banking & Insurance business area declined mainly due to the unfavourable development in the solution business, especially in the core banking area.

In the Healtcare & Welfare business area net sales growth was negatively impacted by challenges in the solution business in Scandinavia and Germany.

Nine-month net sales grew by 8% to EUR 1 281.1 (1 191.0) million, or by 7% in local currencies. Organic growth totalled 10%.

TietoEnator's nine-month growth was 10% in Sweden and 5% in Finland. Net sales in Germany benefited from new outsourcing contracts and grew by 38%. Net sales in Denmark declined by 43% and in Norway by 3% mainly due to the divestment of government businesses in late 2006. In the UK, growth was strong at 23%.

Telecom and media posted strong growth, increasing its share of consolidated net sales to 36% (31). The banking and insurance sector generated 22% (23), whereas the public sector's contribution declined to 16% (18).

The order backlog, which only comprises services ordered with binding contracts, amounted to EUR 1 194.9 million (1 181.1) at the end of the period, on a par with the previous year. Processing & Network's share of the order backlog is about 31%. Approximately 27% (26) of the backlog is expected to be invoiced in 2007.

Profitability

Third-quarter operating profit declined to EUR 20.7 (27.7) million. Operating profit includes capital gains of EUR 0.1 (0.2) million. Excluding capital gains the operating margin totalled 5.1% (7.5).

Restructuring expenses amounted to EUR 4.7 (0.9) million, of which EUR 2.6 million was attributable to Processing & Network. The underlying operating profit (excluding capital gains and losses and restructuring expenses) totalled EUR 25.3 (28.4) million.

	Q3 EBIT excl. capital gains and losses, EUR million	Q3 EBIT% excl. capital gains and losses	Jan - Sept EBIT% excl. capital gains and losses
Banking & Insurance	-3.3 (4.7)	-5.2 (7.4)	-0.7 (6.8)
Telecom & Media	12.6 (8.5)	8.2 (7.1)	8.4 (6.5)
Government, Manufacturing & Retail	0.6 (2.3)	1.6 (4.5)	6.0 (6.9)
Healthcare & Welfare	-0.6 (1.4)	-1.8 (4.6)	-1.4 (4.6)
Forest & Energy	3.4 (1.6)	8.1 (4.3)	7.8 (4.9)
Processing & Network	12.4 (12.3)	12.5 (13.8)	9.1 (11.0)

Banking & Insurance's operating loss was due to a few delivery projects, especially in the core banking area. The negative impact of these projects was over EUR 5 million in the third quarter. Additionally, solution development costs were higher than normal, impacting the margin. The partnership and services businesses performed steadily underpinned by healthy demand in the main markets, Finland and Sweden. Project overruns, mainly from one underperforming project, burdened Government, Manufacturing & Retail's operating profit by nearly EUR 3 million.

Healthcare & Welfare's profitability was still strained by the challenges it faces in the solution business, especially in Norway, Sweden and Germany. A significant amount of resources is committed to development projects fulfilling old contracts whose costs have been higher than planned. In Scandinavia, TietoEnator is shifting its focus from a solution-based business model towards a service-oriented model. Under this model, deliveries may be based on solutions, but the proportion of related services will be higher than before. The welfare business in the Nordic countries and the solution business in Finland have continued to generate good profits.

Telecom & Media's operating margin rose to 8.2% (7.1), mainly due to strong sales growth. Processing & Network's third-quarter operating profit, excluding restructuring costs, amounted to EUR 15.0 (12.9) million. Operating margin of the underlying business remained at the previous year's level at 15.1% (14.5). The third quarter is the strongest season for Processing & Network. Forest & Energy's third-quarter operating margin rose to 8.1% (4.3) due to improvements in low-performing areas.

Due to the vacation period, the second and third quarters are weaker than the other two quarters of the year for TietoEnator. This seasonality is most evident in business areas with a high proportion of professional services like Telecom & Media and Government, Manufacturing & Retail.

Net financial expenses stood at EUR 2.9 (0.3) million in the third quarter. Net interest expenses were EUR 2.2 (0.3) million and one-time net losses from foreign exchange transactions EUR 0.4 (positive 0.1) million.

Third-quarter earnings per share (EPS) totalled EUR 0.15 (0.26). EPS was affected by amortization on intangibles of EUR 0.03 (0.03) per share and stock option expenses of EUR 0.02 (0.02) per share. EPS was not affected by capital gains in the third quarters of 2007 and 2006.

Nine-month operating profit amounted to EUR 65.1 (83.8) million. Net capital losses were EUR 3.1 million. Excluding capital losses and gains operating profit totalled EUR 68.2 (75.5) million, representing a margin of 5.3% (6.3).

Nine-month restructuring expenses amounted to EUR 8.0 (11.9) million. The underlying operating profit for the nine-month period totalled EUR 76.2 (87.4) million.

Nine-month net financial expenses stood at EUR 6.0 (1.5) million. Net interest expenses were EUR 5.6 (0.5) million and one-time net gains from foreign exchange transactions EUR 0.1 (losses 0.5) million.

Nine-month earnings per share totalled EUR 0.54 (0.77). EPS was affected by net capital losses of EUR 0.04 (gains 0.11) per share, amortization on intangibles of EUR 0.10 (0.08) per share and stock option expenses of EUR 0.04 (0.04) per share.

Operating profit (EBIT) included EUR 2.4 (2.2) million from amortization on allocated intangible assets in the third quarter and EUR 7.3 (6.4) million in the nine-month period. The costs arising from share-based payments of EUR 1.2 (1.3) million in the third quarter and EUR 3.2 (3.2) million in the nine-month period were included in employee benefit expenses.

The 12-month rolling return on capital employed (ROCE) was 18.9% and the return on shareholders' equity (ROE) 13.6%.

'Profit 2007' programme

TietoEnator launched a programme called 'Profit 2007' at the beginning of February to improve its business performance. The programme includes plans to cut costs and divest or restructure loss-making businesses.

Turnarounds of underperforming units included in the programme have proceeded as planned, whereas divestments have turned out to be more time-consuming than anticipated. The company is forging ahead with its efforts to achieve results in this area. Restructuring resulted in total expenses of EUR 8.0 million in the last nine months. The cost savings have developed according to plan.

Financing and investments

Cash flow from operations amounted to EUR 54.7 (42.7) million in the nine-month period. Operating profit contributed EUR 119.3 (121.4) million and the increase in working capital consumed EUR 47.9 (55.7) million. Tax payments amounted to EUR 13.5 million.

Dividends amounting to EUR 88.3 million were paid in April and altogether EUR 32.1 million was used for the share repurchase programme in August and September of which EUR 2.1 million was paid in October.

Payments for new acquisitions totalled EUR 12.3 million in the nine-month period. Divestments generated EUR 4.2 million.

The equity ratio was 43.0% (33.3). Gearing decreased to 39.2% (80.4) as Personec Group, which had a substantial amount of debt, was divested in December 2006. Net debt totalled EUR 215.4 (354.6) million, including EUR 276.2 million in interest-bearing debt, EUR 5.2 million in finance lease liabilities, EUR 8.1 million in finance lease receivables and EUR 57.7 million in cash and cash equivalents.

The interest-bearing debt consists of two seven-year private placement bonds, at EUR 100 million and at EUR 50 million, and usage of EUR 126 million from the short-term EUR 250 million commercial paper programme. At the end of the quarter unused credit facilities totalled about EUR 250 million.

Accrual-based investments totalled EUR 65.4 (50.6) million for the period. Capital expenditure including financial leasing accounted for EUR 37.5 (34.1) million, investments in business activities for EUR 0.0 (4.4) million, and investments in subsidiary and associated company shares for EUR 28.0 (12.1) million.

Personnel

The number of full-time employees totalled 15 823 (14 710) at the end of September. Acquisitions and new outsourcing contracts added 519 employees during the nine-month period.

In total 161 employees were affected by personnel adjustments during the nine-month period, mostly in Telecom & Media and Processing & Network.

Employee turnover has continued to increase due to the very brisk labour market. The 12-month rolling figure stood at 10.5% (8.4) at the end of September. The average number of full-time employees was 15 359 (14 300) in the nine-month period.

As a result of the national salary raises agreed in the collective labour agreements in Finland and Sweden, the fourth-quarter personnel costs will increase by 3-4% compared to the corresponding quarter of 2006. In 2008, the salaries in Finland and in Sweden will increase on average by 4-5% year on year.

At the end of September the number of people in software centres in near-shore and off-shore countries totalled about 2 700 (1 830), or 16% (12) of the total headcount. The acquisition of the Indian company Fortuna Technologies will increase this number by approximately 300 people from October onwards.

Global sourcing actions

The acquisition of the Indian company Fortuna Technologies gives Telecom & Media a solid basis for future growth in India and other parts of Asia and is a strategic addition to Telecom & Media's global delivery model. The acquisition supports Telecom & Media's strategy to build highly qualified spearhead competence for telecom R&D and provides an excellent complement to its current customer base and services portfolio.

TietoEnator has decided to centralize its internal ICT support in Ostrava, the Czech Republic. ICT support currently operates in Sweden, Finland, Norway and Belgium. The decision will affect the work of around 40 service desk employees in these countries.

Management

On 16 October TietoEnator's Board of Directors and Pentti Heikkinen, President and CEO of TietoEnator agreed on a change of leadership at the company, effective immediately. The Board is in the process of selecting a new President and CEO from outside of TietoEnator in the near future. Åke Plyhm, Deputy CEO, will act as interim CEO until the new President and CEO has been appointed. For the time being, Pentti Heikkinen continues in special assignments specified by the Board of Directors.

In August, Carl-Johan Lindfors, Executive Vice President and President of Healthcare & Welfare decided to resign from TietoEnator to take a new position outside the company. Juhani Kaisanlahti was appointed acting President of the Healthcare & Welfare business area effective 17 August.

Transactions with related parties

The related parties of TietoEnator are its Board of Directors, President and CEO, the Corporate Management Team and the Group's associated companies.

Chairman of the Board of Directors Matti Lehti's service contract with TietoEnator ended on 30 June 2007 when he reached his retirement age of 60 years. He has stayed on with the company as non-executive Chairman of the Board of Directors.

Transactions with associated companies are not considered to be material.

Shares and options

On 26 June 2007, TietoEnator's Board of Directors decided to cancel 138 350 own shares held by the company. The cancellation of these shares was registered in the Trade Register on 30 July. The cancellation has no effect on the share capital of the company.

A total of 61 shares were subscribed for with the stock options 2002 A/B during the quarter. The increase in the share capital was registered in the Finnish Trade Register on 8 August 2007. At the end of September, the share capital amounts to EUR 75 841 523 and the total number of shares to 73 958 173.

The outstanding number of shares excluding the shares in the company's possession was 71 661 523 at the end of September.

TietoEnator's Annual General Meeting 2007 approved authorizations to issue share and option rights or raise convertible bond loans. The Board has not exercised these authorizations.

Share repurchase programme on hold

In July, TietoEnator's Board of Directors decided to start a new share repurchase programme. The maximum amount to be used under this new programme is EUR 80 million to purchase a maximum of 3.50 million shares.

A total of 1 935 000 shares were repurchased in August and September at an average price of EUR 16.60. At the end of the quarter, TietoEnator held a total of 2 296 650 of its own shares representing 3.1% of all the shares and voting power. The Board of Directors plans to cancel the repurchased shares.

On 25 October, the Board of Directors decided to put the repurchase programme on hold.

Events after the period
TietoEnator has entered into an agreement to sell its reinsurance and leasing operations in Germany to the current management under an MBO (management buyout) arrangement. Approximately 20 employees working for TietoEnator's Banking & Insurance business area in Hamburg, Germany will move to the new company. In 2006, the net sales of the divested operations amounted to approximately EUR 3 million.

In the fourth quarter, TietoEnator will book gains of EUR 2.9 million from the sale of a real estate option contract.

A more focused strategy
On 16 October TietoEnator published its revised strategy, which aims to restore the company's profitability and secure a sustainable basis for future growth. Under the strategy, the company will implement several changes related to the sources of future growth, operational efficiency and organization. The basic elements of the new strategy are the following:

- focused growth path, i.e. separate global and regional strategies
- repositioning of repeatable solutions by refocusing product and service portfolios, mainly in the Banking & Insurance and Healthcare & Welfare business areas, and
- accelerating quality and productivity improvement

Through its global growth strategy, TietoEnator plans to invest in expanding its leading position as a Telecom R&D partner, as well as strengthening its strong market position in Forest and Oil & Gas businesses. The regional strategy is based on the company's strong position in the Nordic countries. The aim is to even further strengthen the company's leading position as a full-scale IT service provider to Nordic-based core customers in their main markets, including Russia.

TietoEnator will step up its performance improvement programmes with the aim of gaining substantially bigger efficiency improvements than with the current "Profit 2007" programme. The improvement potential and restructuring costs will be quantified during the final quarter of 2007.

Special emphasis is placed on improving customer intimacy and the quality of services and operations. Strategy implementation and quality improvements might require changes in organizational structures, which are currently under review.

Some items affecting 2007
The net impact on net sales of the acquisitions and divestments finalized to date is expected to be about -2% for the full year 2007.

TietoEnator expects amortization of intangible assets to total about EUR 10 (8.8) million and stock option expenses around EUR 2 (4.0) million. Costs related to the share-based incentive programme depend on the company's performance in 2007 and are currently expected to amount to a maximum of about EUR 5 (0) million.

Risks and uncertainties
The main risks TietoEnator is facing and actively managing are: a more commoditized market, price pressure, new low-cost competition, customers' demands for tighter contract terms, the availability and cost of resources, and the ability to control challenging deliveries.

Prospects for 2007
TietoEnator expects the general IT market to remain active. On average prices are expected to stay roughly in line with 2006 levels.

The turnaround of underperforming units will take time and there are some deliveries with low margins. Higher personnel turnover and active labour market will result in higher subcontracting costs than in 2006. As a part of its new strategy published on 16 October, TietoEnator decided to speed up performance improvement programmes to gain substantially bigger efficiency improvements than with the current "Profit 2007" programme. The improvement potential and restructuring costs will be quantified during the final quarter of 2007.

TietoEnator expects its full-year organic growth in 2007 to exceed the earlier forecast of more than 2%.

On 16 October, TietoEnator changed its profitability guidance and stated that full-year underlying operating profit will not reach the 2006 level of EUR 124 million. This is mainly due to the development in product-based businesses in Banking & Insurance and Healthcare & Welfare business areas. The underlying operating profit does not include potential capital gains, capital losses and restructuring expenses.

Financial calendar in 2008

Interim report for January-December 2007 and Financial Statement Bulletin for 2007 on 6 February
Financial Review and Annual Review 2007 on website in week beginning 11 February
Financial Review and Annual Review 2007 printed on 5 March
Interim report for January-March 2008 on 24 April
Interim report for January-June 2008 on 18 July
Interim report for January-September 2008 on 28 October

The figures in this report are for continuing operations. The Personec Group business divested in December 2006 is treated as a discontinued operation for the whole of 2006.

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 31 December 2006 and as described in the annual financial statements. In addition IFRS 7 "Financial Instruments: Disclosures" has been applied as from the beginning of 2007, but will not have any major impact on the Group. The required information will be disclosed in the annual financial statements for the year ending 31 December 2007.

The figures in this report are unaudited.

Key figures	**2007 7-9**	**2006 7-9**	**2007 4-6**	**2007 1-3**	**2007 1-9**	**2006 1-9**	**2006 1-12**
Earnings per share, EUR							
- basic	0.15	0.26	0.07	0.33	0.54	0.78	3.25
- diluted	0.15	0.26	0.07	0.33	0.54	0.78	3.25
- basic from continuing operations	0.15	0.26	0.07	0.33	0.54	0.77	1.15
- basic from discontinued operations	-	0.00	-	-	-	0.01	2.10
Earnings per share from continuing operations, EUR a)	0.20	0.31	0.18	0.34	0.72	0.78	1.18
Equity per share, EUR		5.98	7.75	7.70	7.66	5.98	8.51
Return on equity rolling 12 month, %	13.6	24.0	14.8	17.5	13.6	24.0	15.5
Return on capital employed rolling 12 month, %	18.9	20.9	18.7	21.8	18.9	20.9	18.7
Equity ratio %	43.0	33.3	44.4	44.5	43.0	33.3	48.4
Net interest-bearing liabilities, EUR million	215.4	354.6	177.7	72.6	215.4	354.6	93.4
Gearing, %	39.2	80.4	31.2	12.9	39.2	80.4	14.9
Investments in continuing operations, EUR million	25.2	6.1	12.9	27.3	65.4	50.6	77.9

a) Excluding goodwill impairments, amortization on allocated intangible assets from acquisitions, stock option expenses and one-time capital gains.

Income statement, EUR million	**2007 7-9**	**2006 7-9**	**2007 1-9**	**2006 1-9**	**change %**	**2006 1-12**
Continuing operations						
Net sales	**404.7**	369.4	**1 281.1**	1191.0	8	1 646.5
Other operating income	**1.8**	2.8	**9.2**	14.8	-38	25.1
Employee benefit expenses	**223.1**	207.8	**734.3**	689.8	6	938.5
Depreciation and amortization	**17.1**	14.4	**49.3**	43.6	13	59.4
Impairment of goodwill	**-**	-	-	-	-	-
Other operating expenses	**145.7**	122.4	**441.7**	388.9	14	546.2
Share of associated companies' result	**0.1**	0.1	**0.1**	0.3	-67	0.2
Operating profit (EBIT)	**20.7**	27.7	**65.1**	83.8	-22	127.7
Net interest expenses	**-2.2**	-0.3	**-5.6**	-0.5	1 020	-2.1
Net exchange losses/gains	**-0.4**	0.1	**0.1**	-0.5	-120	-0.6
Other financial income and expenses	**-0.3**	-0.1	**-0.5**	-0.5	0	-0.5
Profit before taxes	**17.8**	27.4	**59.1**	82.3	-28	124.5
Income taxes	**-6.8**	-7.9	**-19.0**	-24.0	-21	-37.2
Net profit for the period from continuing operations	**11.0**	19.5	**40.1**	58.3	-31	87.3
Discontinued operations						
Net profit for the period from discontinued operations	**-**	0.6	**-**	1.8		159.7
Net profit for the period	**11.0**	20.1	**40.1**	60.1	-33	247.0
Net profit for the period attributable to						
Shareholders of the parent company	**10.8**	19.7	**39.6**	58.4	-32	243.9
Minority interest in continuing operations	**0.2**	0.1	**0.5**	0.8	-38	1.0
Minority interest in discontinued operations	**-**	0.3	**-**	0.9		2.1
	11.0	20.1	**40.1**	60.1	-33	247.0
Earnings attributable to the shareholders of the parent company per share, EUR						
Basic	**0.15**	0.26	**0.54**	0.78	-31	3.25
Diluted	**0.15**	0.26	**0.54**	0.78	-31	3.25
Basic from continuing operations	**0.15**	0.26	**0.54**	0.77	-30	1.15
Basic from discontinued operations	**-**	0.00	**-**	0.01		2.10

Employee benefit expenses include rental payments on company cars and non-statutory employee benefits, such as meals, healthcare and leisure time activities.

The result-based bonuses were EUR 17.6 million (11.1 previous year) and the stock option expenses (share based payments) were EUR 3.2 million (3.2).

Other operating expenses include EUR 4.9 million of capital losses.

Number of shares	2007 7-9	2007 4-6	2007 1-3	2007 1-9	2006 7-9
Outstanding shares, end of period					
Basic	71 661 523	73 596 462	73 596 462	71 661 523	73 596 462
Diluted	71 661 523	73 842 024	73 654 512	71 661 523	73 596 462
Outstanding shares, average					
Basic	72 931 280	73 596 462	73 596 462	73 372 298	74 910 484
Diluted	72 931 280	73 787 320	73 654 512	73 372 298	74 910 484
Company's possession of its own shares,					
End of period	2 296 650	500 000	500 000	2 296 650	2 245 000
Average	1 063 229	500 000	965 333	841 589	930 978

Balance Sheet, EUR million	**2007 30 Sep**	2006 30 Sep	change %	2006 31 Dec
Goodwill	**450.5**	473.9	-5	448.4
Other intangible assets	**89.0**	84.0	6	82.6
Property, plant and equipment	**82.4**	86.1	-4	87.9
Deferred tax assets	**66.6**	82.7	-19	75.2
Investments in associated companies	**1.6**	3.3	-52	2.3
Other non-current assets	**1.4**	1.9	-26	1.4
Total non-current assets	***691.5***	*731.9*	*-6*	*697.8*
Trade and other receivables	**586.1**	535.7	9	503.0
Current income tax receivables	**28.1**	19.6	43	22.3
Interest-bearing current assets	**8.2**	15.2	-46	12.7
Cash and cash equivalents	**57.7**	84.6	-32	138.9
Total current assets	***680.1***	*655.1*	*4*	*676.9*
Total assets	**1 371.6**	1 387.0	-1	1 374.7
Share capital, share issue premiums and other reserves	**143.5**	142.5	1	144.6
Retained earnings	**402.0**	287.8	40	477.8
Parent shareholders equity	**545.5**	*430.3*	27	622.4
Minority interest	**3.4**	9.8	-65	4.0
Total Equity	***548.9***	*440.1*	*25*	*626.4*
Finance lease liability	**5.2**	15.0	-65	13.5
Shareholders' loan	**-**	44.6		0.8
Other interest-bearing loans	**150.9**	127.6	18	153.6
Deferred tax liabilities	**26.2**	22.4	17	20.0
Pension obligations	**39.9**	51.2	-22	46.4
Provisions	**5.2**	5.7	-9	3.4
Other non-current liabilities	**3.3**	1.1	200	3.2
Total non-current liabilities	***230.7***	*267.6*	*-14*	*240.9*
Trade and other payables	**450.9**	404.0	12	410.6
Current income tax liabilities	**15.8**	8.8	80	19.7
Interest-bearing loans	**125.3**	266.5	-53	77.1
Total current liabilities	***592.0***	*679.3*	*-13*	*507.4*
Total equity and liabilities	**1 371.6**	1 387.0	-1	1 374.7

Other intangible assets end of September 2007 includes the pre-payment for shares in Fortuna Technologies Pvt. Ltd EUR 15.2 million.

Deferred tax assets end of September 2007 include the remaining EUR 21 million, which rose from the loss incurred in the parent company related to the intra-group transaction carried out in April 2004.

Net working capital in the balance sheet, EUR million	**2007 30 Sep**	2006 30 Sep	change %	2006 31 Dec
Accounts receivable	**336.2**	310.6	8	321.3
Other working capital receivables	**248.6**	225.1	10	181.7
Working capital receivables included in assets	**584.8**	535.7	9	503.0
Operative accruals	**209.2**	211.8	-1	215.6
Other working capital liabilities	**233.3**	181.8	28	192.2
Pension obligations and provisions	**45.2**	56.9	-21	49.7
Working capital liabilities included in current liabilities	**487.7**	450.5	8	457.5
Net working capital in the balance sheet	**97.1**	85.2	14	45.5

The change in net working capital in the balance sheet does not equal to that in the cash flow due to acquisitions and disposals.

Cash Flow, EUR million	**2007 7-9**	2006 7-9	2007 4-6	2007 1-3	**2007 1-9**	2006 1-9	2006 1-12
Cash flow from operations							
Operating profit	**20.7**	27.7	9.9	34.5	**65.1**	83.8	127.7
Adjustments to operating profit							
Depreciation and amortization	**17.1**	14.3	16.2	16.0	**49.3**	43.5	59.4
Profit/loss on sale of fixed assets and shares	**-0.2**	-0.3	4.8	-1.7	**2.9**	-8.6	-15.7
Share of associated companies' result	**-0.1**	-0.1	0.0	0.0	**-0.1**	-0.3	-0.2
Other adjustments	**0.8**	1.0	1.0	0.3	**2.1**	3.0	3.5
Change in net working capital	**-11.2**	-50.8	-29.9	-6.8	**-47.9**	-55.7	-37.8
Cash generated from continuing operations	**27.1**	-8.2	2.0	42.3	**71.4**	65.7	136.9
Net financial items	**-2.5**	-2.4	1.0	-1.7	**-3.2**	-3.7	-2.8
Income taxes paid	**-4.7**	-5.0	-7.0	-1.8	**-13.5**	-21.0	-24.8
Net cash flow from continuing operations	**19.9**	-15.6	-4.0	38.8	**54.7**	41.0	109.3
Net cash flow from discontinued operations	**-**	-6.7	-	-	**-**	1.7	3.7
Total net cash flow from operations	**19.9**	-22.3	-4.0	38.8	**54.7**	42.7	113.0
Cash flow from investing activities							
Acquisition of Group companies and business operations, net of cash acquired	**0.2**	-3.9	-3.2	-9.3	**-12.3**	-16.8	-24.6
Capital expenditures	**-12.8**	-3.2	-12.6	-12.1	**-37.5**	-34.0	-50.6
Disposal of business operations and associated companies	**0.7**	0.0	-1.7	1.9	**0.9**	9.4	30.4
Other investing activities	**-15.4**	-0.5	4.0	0.4	**-11.0**	-0.1	1.6
Net cash used in investing activities from							
- continuing operations	**-27.3**	-7.6	-13.5	-19.1	**-59.9**	-41.5	-43.2
- discontinued operations	**-**	-0.4	-	-	**-**	-25.2	-4.2
Total net cash used in investing activities	**-27.3**	-8.0	-13.5	-19.1	**-59.9**	-66.7	-47.4
Cash flow from financing activites							
Dividends	**0.0**	0.0	-88.3	-0.2	**-88.5**	-65.9	-65.8
Repurchase of own shares	**-30.0**	-39.9	0.0	0.0	**-30.0**	-52.3	-52.3
Proceeds from finance lease liabilities	**0.1**	0.1	0.2	0.0	**0.3**	0.1	0.6
Payment of finance lease liabilities	**-2.9**	-2.2	-3.5	-2.2	**-8.6**	-7.3	-9.3
Change in interest-bearing liabilities	**26.9**	56.4	88.6	-69.2	**46.3**	115.8	41.6
Net cash used in other financing activities	**0.4**	-7.0	1.6	2.9	**4.9**	-6.4	-4.3
Net cash used in financing activities from							
- continuing operations	**-5.5**	7.4	-1.4	-68.7	**-75.6**	-16.0	-89.5
- discontinued operations	**-**	0.0	-	-	**-**	24.9	63.0
Total net cash used in financing activities	**-5.5**	7.4	-1.4	-68.7	**-75.6**	8.9	-26.5
Change in cash and cash equivalents	**-12.9**	-22.9	-18.9	-49.0	**-80.8**	-15.1	39.1
Cash and cash equivalents at beginning of period	**-70.9**	-107.3	-89.6	-138.9	**-138.9**	-99.8	-99.8
Foreign exchange differences	**0.3**	-0.2	-0.2	0.3	**0.4**	0.1	0.0
Cash and cash equivalents at end of period	**57.7**	84.6	70.9	89.6	**57.7**	84.6	138.9
	-12.9	-22.9	-18.9	-49.0	**-80.8**	-15.1	39.1

Other investing activities include the pre-payment for Fortuna Technologies Pvt. Ltd shares EUR 15.2 million.

Statement of changes in Shareholders equity

	Parent shareholders equity					Minority interest	Total equity
EUR million	Share capital	Share issue premiums and other reserves	Own shares	Trans-lation diffe-rences	Retained earnings		
Balance at 31 Dec 2005	78.7	62.7	-80.0	-8.2	435.5	12.2	500.9
Translation difference		1.2		-4.3	-1.4		-4.5
Minority interest						-4.1	-4.1
Cancellation of own shares	-2.9	2.9					0.0
Transfer between restricted and non-restricted equity		0.1			-0.1		0.0
Share based payments recognised against equity					3.1		3.1
Dividend					-64.5		-64.5
Own shares purchased					-52.3		-52.3
Other changes					1.5		1.5
Net profit for the period					58.3	1.7	60.0
At 30 September 2006	**75.8**	**66.9**	**-80.0**	**-12.5**	**380.1**	**9.8**	**440.1**
Balance at 31 Dec 2006	75.8	68.8	-52.3	-6.6	536.7	4.0	626.4
Translation difference		-1.1		0.4	2.5		1.8
Minority interest						-1.1	-1.1
Cancellation of own shares			43.3		-43.3		0.0
Share based payments recognised against equity					2.1		2.1
Dividend					-88.3		-88.3
Own shares purchased			-32.1				-32.1
Exercise of share options	0.0	0.0					0.0
Net profit for the period					39.6	0.5	40.1
At 30 September 2007	**75.8**	**67.7**	**-41.1**	**-6.2**	**449.3**	**3.4**	**548.9**

SEGMENT INFORMATION

Net sales by business area, EUR million (primary segment)

Continuing operations	2007 7-9	2006 7-9	Change %	2007 1-9	2006 1-9	Change %	2006 1-12
Banking & Insurance	**62**	63	-1	**211**	206	3	284
Telecom & Media	**153**	119	28	**476**	389	22	542
Government, Manufacturing & Retail	**40**	51	-21	**137**	178	-23	236
Healthcare & Welfare	**31**	30	4	**99**	100	0	144
Forest & Energy	**42**	36	18	**132**	116	14	161
Processing & Network	**100**	89	12	**294**	274	8	374
Group elimination incl other	**-23**	-19	28	**-68**	-69	-2	-95
Group total	**405**	369	10	**1 281**	1 191	8	1 646

Country Sales, EUR million (secondary segment)

Continuing operations	2007 1-9	Change %	Share %	2006 1-9	Share %	2006 1-12	Change %
Finland	**578**	5	45	550	46	751	3
Sweden	**356**	10	28	325	27	454	-3
Germany	**113**	38	9	82	7	124	21
Norway	**61**	-3	5	63	5	81	4
Great Britain	**42**	23	3	34	3	48	48
Denmark	**22**	-43	2	38	3	51	-1
Italy	**21**	77	2	12	1	17	-
France	**17**	28	1	13	1	18	-14
Netherlands	**15**	-15	1	17	1	25	61
Other	**56**	-1	4	57	5	77	11
Group total	**1 281**	8	100	1 191	100	1 646	5

In the third quarter the net sales in Denmark has been decreased with EUR 5 million, due to sales that in the previous quarters has been reported as external.

Net sales by industry segment, EUR million

Continuing operations	2007 1-9	Change %	Share %	2006 1-9	Share %	2006 1-12	Change %
Banking and insurance	**282**	5	22	270	23	374	23
Public	**200**	-5	16	212	18	292	4
Telecom and media	**464**	25	36	371	31	515	-6
Forest	**64**	0	5	64	5	88	-1
Energy	**70**	26	5	56	5	79	6
Manufacturing	**71**	9	6	65	5	89	11
Retail & Logistics	**61**	-5	5	64	5	88	-9
Other	**68**	-24	5	90	8	122	21
Group total	**1 281**	8	100	1 191	100	1 646	5

Operating profit (EBIT), EUR million

Continuing operations	**2007 7-9**	2006 7-9	Change %	**2007 1-9**	2006 1-9	Change %	2006 1-12
Banking & Insurance	**- 3.3**	4.7	-169.9	**-5.3**	14.0	-137.6	20.1
Telecom & Media	**12.6**	8.5	48.8	**39.9**	25.3	57.7	37.5
Government, Manufacturing & Retail	**0.7**	2.3	-68.7	**7.4**	17.0	-56.7	31.2
Healthcare & Welfare	**-0.6**	1.4	-141.6	**0.1**	4.6	-97.4	12.5
Forest & Energy	**3.4**	1.6	118.4	**10.3**	5.6	83.9	7.8
Processing & Network	**12.4**	12.3	1.0	**26.8**	30.4	-11.7	39.7
Business areas	**25.3**	30.6	-17.3	**79.3**	97.0	-18.2	148.9
Group Operations incl other	**-4.7**	-3.1	-52.1	**-14.3**	-16.8	15.3	- 24.7
Associated companies outside BA	**0.0**	0.0	-	**0.0**	0.0	-	0.0
Group capital gain	**0.0**	0.2	-100.0	**0.1**	3.5	-98.5	3.5
Operating profit (EBIT)	**20.7**	27.7	-25.4	**65.1**	83.8	-22.4	127.7

Operating profit, EUR million
excl capital gains and impairment losses

Continuing operations	**2007 7-9**	2006 7-9	Change %	**2007 1-9**	2006 1-9	Change %	2006 1-12
Banking & Insurance	**- 3.3**	4.7	-169.9	**-1.5**	14.0	-110.7	20.1
Telecom & Media	**12.6**	8.5	48.9	**40.0**	25.3	57.8	38.7
Government, Manufacturing & Retail	**0.6**	2.3	-72.9	**8.2**	12.3	-33.0	18.0
Healthcare & Welfare	**-0.6**	1.4	-141.6	**-1.4**	4.6	-130.5	12.5
Forest & Energy	**3.4**	1.6	118.4	**10.3**	5.6	83.9	7.8
Processing & Network	**12.4**	12.3	1.0	**26.8**	30.2	-11.2	39.5
Business areas	**25.2**	30.6	-17.6	**82.5**	92.0	-10.4	136.6
Group Operations incl other	**-4.7**	-3.1	-52.1	**- 14.3**	-16.8	15.3	- 24.7
Associated companies outside BA	**0.0**	0.0	-	**0.0**	0.0	-	0.0
Operating profit (EBIT excl cap gain)	**20.6**	27.5	-25.3	**68.2**	75.5	-9.7	112.0

Operating margin (EBIT), %

Continuing operations	**2007 7-9**	2006 7-9	Change %	**2007 1-9**	2006 1-9	Change %	2006 1-12
Banking & Insurance	**-5.2**	7.4	-12.6	**-2.5**	6.8	-9.3	7.1
Telecom & Media	**8.2**	7.1	1.1	**8.4**	6.5	1.9	6.9
Government, Manufacturing & Retail	**1.8**	4.5	-2.7	**5.4**	9.6	-4.2	13.2
Healthcare & Welfare	**-1.8**	4.6	-6.4	**0.1**	4.6	-4.5	8.7
Forest & Energy	**8.1**	4.3	3.7	**7.8**	4.9	2.9	4.9
Processing & Network	**12.5**	13.8	-1.4	**9.1**	11.1	-2.0	10.6
Business areas	**6.3**	8.3	-2.0	**6.2**	8.1	-2.0	9.0
Operating margin (EBIT)	**5.1**	7.5	-2.4	**5.1**	7.0	-2.0	7.8

Operating margin (EBIT) excl capital gains and impairment losses, %

Continuing operations	**2007 7-9**	2006 7-9	Change %	**2007 1-9**	2006 1-9	Change %	2006 1-12
Banking & Insurance	**-5.2**	7.4	-12.6	**-0.7**	6.8	-7.6	7.1
Telecom & Media	**8.2**	7.1	1.1	**8.4**	6.5	1.9	7.2
Government, Manufacturing & Retail	**1.6**	4.5	-2.9	**6.0**	6.9	-0.9	7.6
Healthcare & Welfare	**-1.8**	4.6	-6.4	**-1.4**	4.6	-6.0	8.7
Forest & Energy	**8.1**	4.3	3.7	**7.8**	4.9	2.9	4.9
Processing & Network	**12.5**	13.8	-1.4	**9.1**	11.0	-1.9	10.5
Business areas	**6.2**	8.3	-2.1	**6.4**	7.7	-1.3	8.3
Operating margin (EBIT), excl capital gains and impairment losses	**5.1**	7.5	-2.4	**5.3**	6.3	-1.0	6.8

Personnel

Continuing operations By business area (primary segment)	**2007 1-9**	End of period Change %	Share %	2006 1-9	2006 1-12	Average **2007 1-9**	2006 1-9
Banking & Insurance	**2 234**	1	14	2 204	2 193	**2 237**	2 184
Telecom & Media	**5 651**	13	36	5 006	5 107	**5 425**	4 781
Government, Manufacturing & Retail	**1 560**	- 20	10	1 954	1 532	**1 572**	1 974
Healthcare & Welfare	**1 112**	9	7	1 022	1 079	**1 090**	1 002
Forest & Energy	**1 285**	4	8	1 236	1 286	**1 286**	1 238
Processing & Network	**2 104**	7	13	1 965	1 966	**2 073**	1 984
Software Centres	**1 326**	62	8	818	925	**1 119**	640
Other Group Operations	**551**	9	3	502	507	**557**	493
Group total	**15 823**	8	100	14 710	14 597	**15 359**	14 300

From Jan 2007, 216 persons in India were moved from BA Healthcare & Welfare to Software Centre in Group Operations. Figures for 2006 have been restated. The change had a positive effect of 0.3 MEUR on EBIT 2006 in Group Operations and a corresponding negative effect in Healthcare & Welfare.

	End of period					Average	
Continuing operations	**2007**	Change	Share	2006	2006	**2007**	2006
By country (secondary segment)	**1-9**	%	%	1-9	1-12	**1-9**	1-9
Finland	**6 409**	3	41	6 217	6 163	**6 263**	6 309
Sweden	**3 358**	0	21	3 348	3 239	**3 341**	3 415
Germany	**1 346**	15	9	1 166	1 342	**1 351**	977
Czech	**1 069**	57	7	681	769	**909**	550
Norway	**738**	- 18	5	899	742	**749**	871
Latvia	**558**	12	4	497	521	**550**	453
Poland	**364**	145	2	149	153	**307**	46
Denmark	**326**	- 10	2	364	221	**311**	360
Great Britain	**321**	2	2	316	314	**319**	322
India	**271**	27	2	213	231	**266**	179
Italy	**233**	32	1	176	176	**223**	171
France	**125**	17	1	107	114	**121**	105
Estonia	**118**	23	1	96	116	**112**	89
Lithuania	**122**	19	1	102	102	**104**	91
Netherlands	**115**	52	1	76	85	**103**	73
Other	**352**	16	2	303	310	**329**	288
Group total	**15 823**	8	100	14 710	14 597	**15 359**	14 300

The personnel figures for the associated companies under TietoEnator's management responsiblity are reported according to our holding. Personnel figures including these associated companies to 100% give a total of 16 215 (15 108) at the end of the period.

Total assets by business area, EUR million (primary segment)

Continuing operations	**2007 30 Sep**	2006 30 Sep	Change %	2006 31 Dec
Banking & Insurance	**260.4**	237.5	9	256.0
Telecom & Media	**458.1**	414.2	16	414.7
Government, Manufacturing & Retail	**61.2**	80.8	-25	64.1
Healthcare & Welfare	**86.2**	75.4	13	93.5
Forest & Energy	**117.4**	104.3	12	112.1
Processing & Network	**176.7**	170.5	-3	187.3
Group elimination	**-23.7**	-24.6	-4	-34.0
Business areas	**1 136.3**	1 058.0	8	1 093.9
Group Operations	**235.2**	319.0	-29	280.9
Group total	**1 371.6**	1 377.0	-1	1 374.7
Discontinued operations, net impact	**0.0**	10.0	-100	-
Total assets	**1 371.6**	1 387.0	-1	1 374.7

Total liabilities by business area, EUR million (primary segment)

Continuing operations	**2007 30 Sep**	2006 30 Sep	Change %	2006 31 Dec
Banking & Insurance	**113.5**	84.8	34	93.2
Telecom & Media	**189.5**	151.6	25	166.6
Government, Manufacturing & Retail	**37.3**	43.2	-14	39.2
Healthcare & Welfare	**36.5**	28.5	28	32.0
Forest & Energy	**72.2**	50.1	44	52.3
Processing & Network	**68.7**	78.8	-13	76.3
Group elimination	**-21.3**	- 49.2	-57	-31.0
Business areas	**496.4**	387.8	28	428.6
Group Operations	**326.3**	396.6	-18	319.7
Group total	**820.6**	784.4	5	748.3
Discontinued operations, net impact	**-**	162.5	-100	-
Total liabilities	**822.7**	946.9	-13	748.3

Segment assets by country, EUR million (secondary segment)

Continuing operations	**2007 30 Sep**	2006 30 Sep	Change %	2006 31 Dec
Finland	**338.2**	334.1	1	329.0
Sweden	**323.2**	293.0	10	317.4
Norway	**96.6**	90.5	7	97.5
Germany	**174.5**	139.0	26	174.6
Great Britain	**90.1**	88.1	2	99.1
Other	**113.7**	113.4	0	76.2
Business areas	**1 136.3**	1 058.0	7	1 093.9

Depreciation, EUR million

Continuing operations		2007 7-9	2006 7-9	Change %	2007 1-9	2006 1-9	Change %	2006 1-12
Processing & Network		**9.4**	7.4	27	**27.4**	22.9	20	31.5
whereof	*Finland*	*8.0*	*6.0*	*33*	*23.1*	*20.1*	*15*	*27.0*
	Sweden	*1.3*	*1.5*	*-14*	*3.8*	*2.6*	*45*	*3.8*
	Other countries	*0.2*	*- 0.1*	*-263*	*0.6*	*0.2*	*179*	*0.7*
Other		**5.3**	4.8	11	**14.6**	14.4	1	19.2
Group total		**14.7**	12.2	21	**42.0**	37.2	13	50.7

Amortization on allocated intangible assets from acquisitions, EUR million

Continuing operations	2007 7-9	2006 7-9	Change %	2007 1-9	2006 1-9	Change %	2006 1-12
Telecom & Media	**1.3**	1.2	6	**3.8**	3.6	5	4.9
Other	**1.1**	1.0	13	**3.5**	2.8	27	3.8
Group total	**2.4**	2.2	9	**7.3**	6.4	15	8.7

No impairment losses have been recognised during 2007 and 2006.

Capital expenditure by business area EUR million

Continuing operations		2007 7-9	2006 7-9	Change %	2007 1-9	2006 1-9	Change %	2006 1-12
Processing & Network		**9.3**	0.0	-	**26.0**	25.2	3	35.3
whereof	*Finland*	*7.4*	*- 1.7*	*- 527*	*21.5*	*13.6*	*58*	*22.1*
	Sweden	*1.9*	*1.5*	*30*	*4.5*	*11.3*	*- 60*	*13.2*
	Other countries	*0.0*	*0.3*	*-*	*0.0*	*0.3*	*-*	*0.0*
Other		**3.5**	3.3	7	**11.5**	8.9	29	15.6
Group total		**12.8**	3.3	289	**37.5**	34.1	10	50.9

Commitments and contingencies, EUR million	**2007 30 Sep**	2006 31 Dec	change %
For TietoEnator obligations			
Pledges	**-**	-	
On behalf of associated companies			
Guarantees	**1.4**	1.4	0
Other TietoEnator obligations			
Rent commitments due in one year	**47.7**	62.4	-24
Rent commitments due in 1-5 years	**136.2**	174.3	-22
Rent commitments due after 5 years	**1.1**	5.7	-81
Operating lease commitments due in one year	**8.5**	7.2	18
Operating lease commitments due in 1-5 years	**15.1**	7.0	116
Operating lease commitments due after 5 years	**0.0**	0.0	
Other commitments *)	**19.7**	25.8	-24

Operating lease commitments are principally three-year lease agreements that do not include buyout clauses.
*) Including EUR 3.3 (19.3 year 2006) million commitment mainly for purchase of hardware.

Notional amounts of derivative financial instruments, EUR million	**2007 30 Sep**	2006 31 Dec
Foreign exchange contracts	**444.0**	423.2
Interest rate swaps	**102.0**	2.0

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 that of other contracts.

Fair values of derivatives, EUR million

The net fair values of derivative financial instruments at the balance sheet date were:	**2007 30 Sep**	2006 31 Dec
Foreign exchange contracts	**0.0**	-0.9
Interest rate swaps	**-1.7**	-0.2

Derivatives are used for hedging purposes only.

Ongoing legal disputes
TietoEnator has an ongoing VAT dispute with the Finnish tax authorities concerning a sum of EUR 3.2 million. Certain other old legal disputes are also ongoing; as these are minor and insubstantial, no provisions have been made for them.

Contingent assets
The Finnish tax authorities have confirmed an additional loss of EUR 41.0 million on the loss incurred by the parent company in connection with the intra-group transaction carried out in April 2004. If the decision is not contested before the end of October 2007, the corresponding deferred tax asset, amounting to EUR 10.7 million, will be recognized in the fourth quarter of 2007.

Major shareholders 30 September 2007

		Shares	%
1	TietoEnator	2 296 650	3.1%
2	Didner & Gerge Aktiefond	2 116 000	2.9%
3	Roburs fonder	1 677 598	2.3%
4	Mutual Pension Insurance Company Ilmarinen	1 415 751	1.9%
5	Svenska Litteratursällskapet i Finland	1 298 000	1.8%
6	Alfred Berg funds	885 135	1.2%
7	The State Pension Funds	811 500	1.1%
8	Pekka Viljakainen	649 447	0.9%
9	Tapiola pension	600 000	0.8%
10	OP funds	581 274	0.8%
	Remaining Nominee registered	46 661 488	63.1%
	Others	14 965 330	20.2%
	Total	**73 958 173**	**100.0%**

Based on ownership records of the Finnish and Swedish central security depositories.

The number of shares in TietoEnator's possession includes 361 650 shares repurchased in May 2006 for the three-year share-based incentive plan and 1 935 000 shares repurchased during the third quarter of 2007.

In June Goldman Sachs Group, Inc. announced that its holding in TietoEnator Corporation had increased to 3 905 502 shares, which represents 5.27% of the share capital and voting rights.

TIETOENATOR CORPORATION

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Press conference for analysts and media will be held in Stockholm, Scandic Hotel Anglais, cabinet Birk, Humlegårdsgatan 23, at 9.30 am CET, (10.30 am EET, 8.30 am UK time).

The conference will be hosted in English by Interim CEO Åke Plyhm, CFO Timo Salmela, EVP Communications and Investor Relations Reeta Kaukiainen and Investor Relations Manager Paula Liimatta.

The conference will be webcast and published live on TietoEnator's website www.tietoenator.com/conference and materials and there will be a possibility to present questions on-line. An on-demand video will be available after the conference.

Conference call hosted by management starting at 4.00 pm EET, (3.00 pm CET, 2.00 pm UK time) will also be available as live audio webcast on www.tietoenator.com/conference and materials . Callers may access the conference directly at the following telephone numbers: US callers: +1 866 966 5335, non-US callers: +44 20 3023 4402, no code. Lines to be reserved ten minutes before start of conference call.

An on-demand audiocast of the conference will also be published on TietoEnator's website later during the day. A replay will be available until 2 November 2007 in the following numbers: US callers: +1 866 583 1035, non-US callers: +44 20 8196 1998, access code 141 833#.

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

TietoEnator is among the leading architects in building a more efficient information society and one of the largest IT services providers in Europe. TietoEnator specializes in consulting, developing and hosting its customers' business operations in the digital economy. The Group's services are based on a combination of deep industry-specific expertise and the latest information technology. TietoEnator has about 16 000 experts in close to 30 countries.
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