

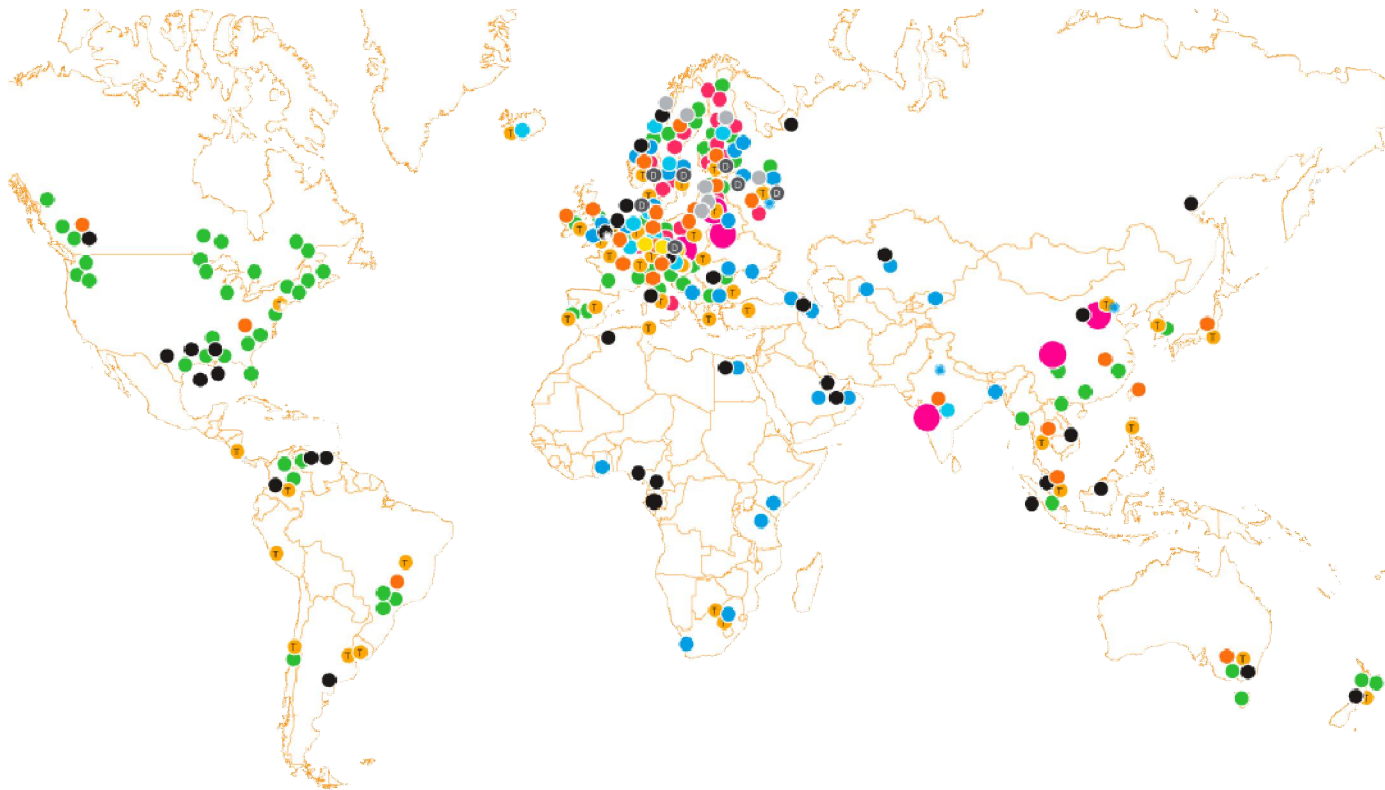
IT as a Service – opportunity or threat for Finnish IT Industry?

Ilkka Korkiakoski
IT as a Service – evangelist

Helix

Tieto today

- Leading IT service provider in Northern Europe
 - #1 in IT services in Finland
 - #1 in project services in Finland and Sweden
 - #1 in telecom R&D in Europe
- 17 000 IT professionals in close to 30 countries
- Net sales EUR 1 706 million in 2009
- Listed in NASDAQ OMX Helsinki and Stockholm
- Founded in 1968



Vision, mission and values



Vision

Building leaders of the digital world - a world of better service, higher productivity and new opportunities.

Mission

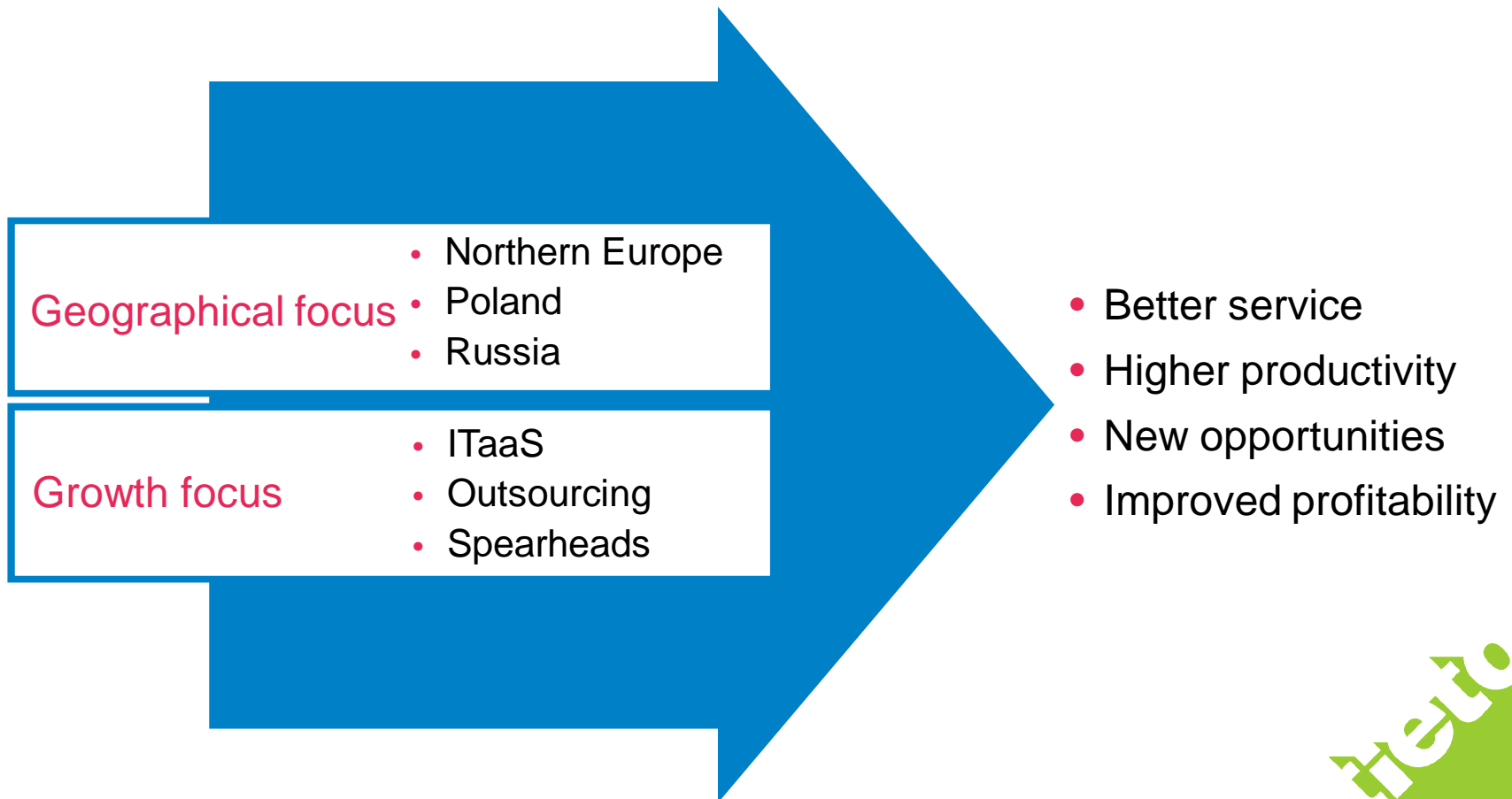
Turning knowledge and passion into sustainable results for our customers.

Values

We work together.
We care for our people & customers.
We are committed to quality.
We learn and grow.

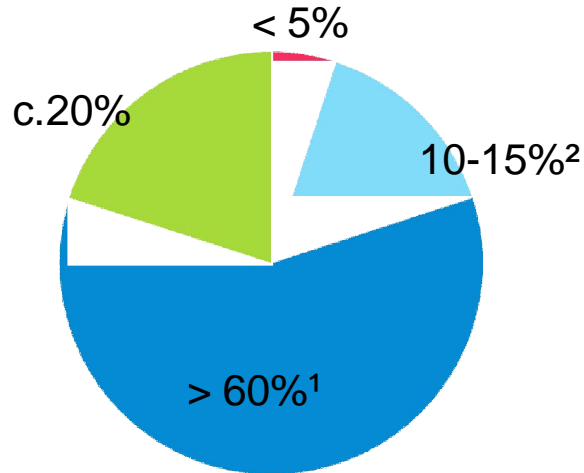
Driving sharper business scope

Tieto is an **IT service company** focusing on serving large and medium-sized local and regional organisations



Distribution of net sales

Net sales by services and products in 2009

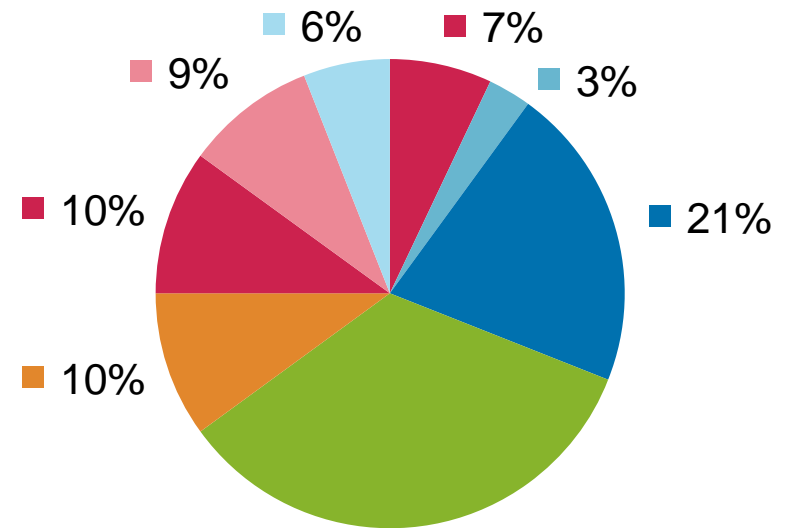


- Other
- Products
- Project services and application management
- Infrastructure services

¹ Application management accounts for around half of the share

² Products include license fees and maintenance

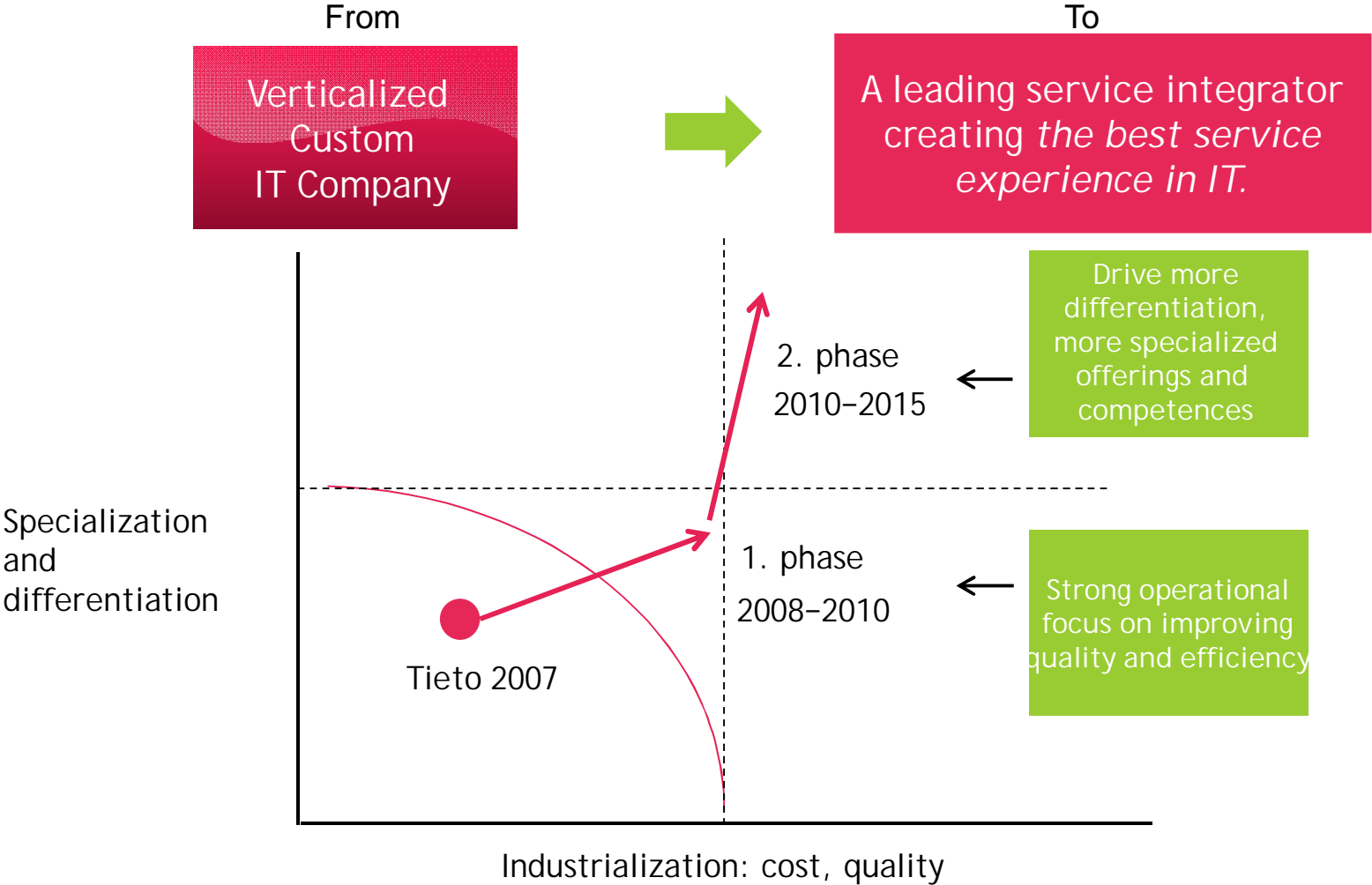
Net sales by customer sector in 2009



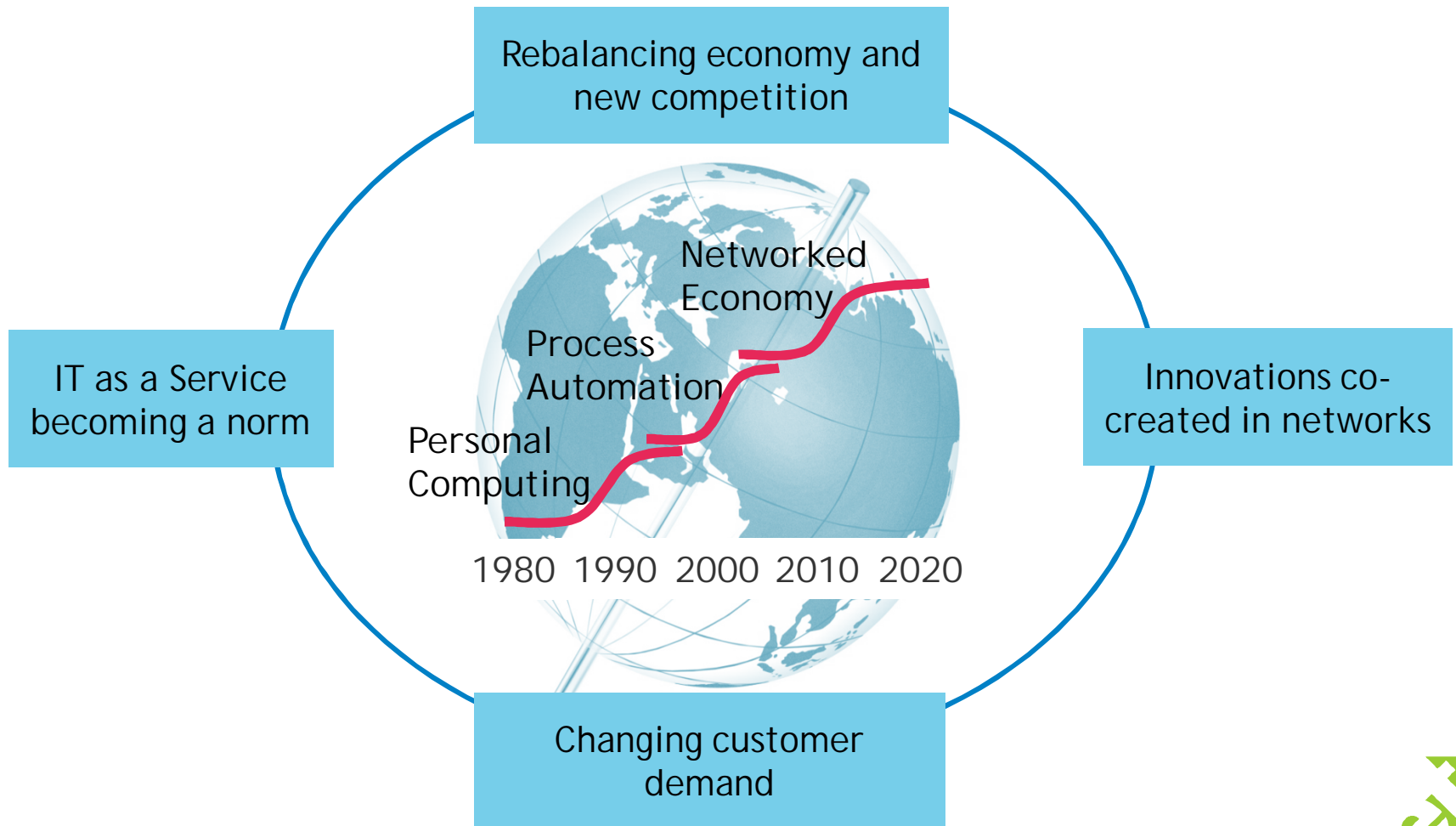
- Retail and logistics
- Finance
- Manufacturing
- Public
- Telecom and media
- Healthcare and welfare
- Energy
- Other



Tieto's strategic journey continue

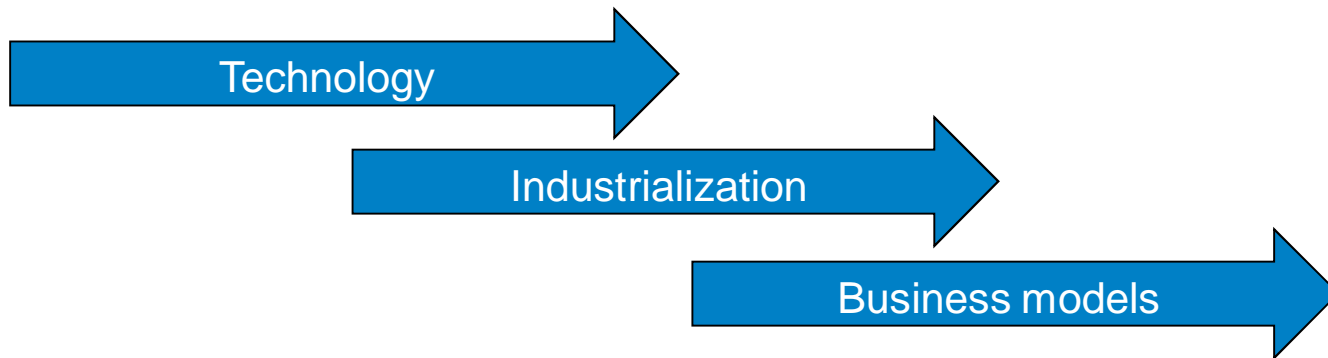


IT market trends

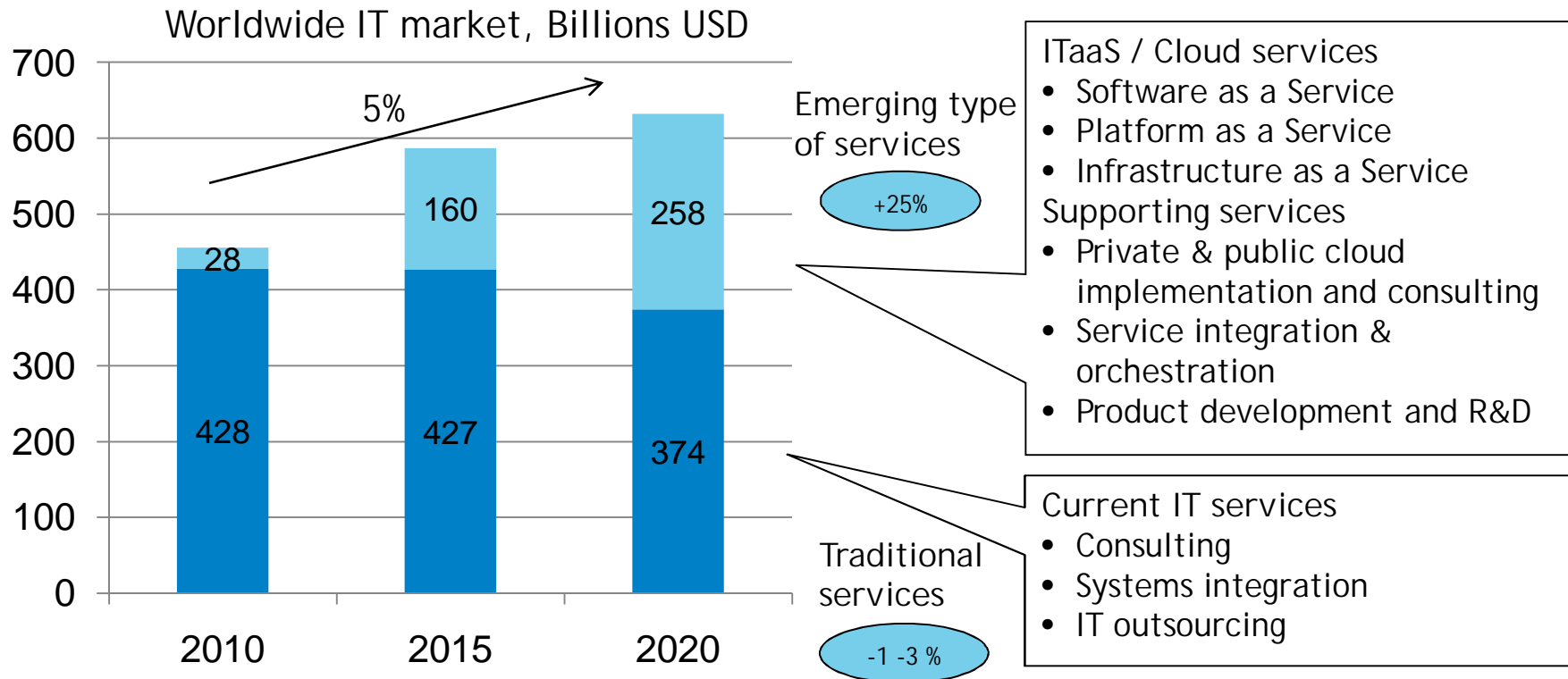


ITaaS is the theme for the next decade

1990's	2000's	2010's
Internet	Industrialization	IT as a Service
<ul style="list-style-type: none">• Internet technologies• Consumer services• Networked processes	<ul style="list-style-type: none">• Standardization• Offshoring• Global delivery and production• Lean IT	<ul style="list-style-type: none">• As a service - business model• Internet of the things - Embedded IT• Big Data• Consumerization



Market change will be dramatic

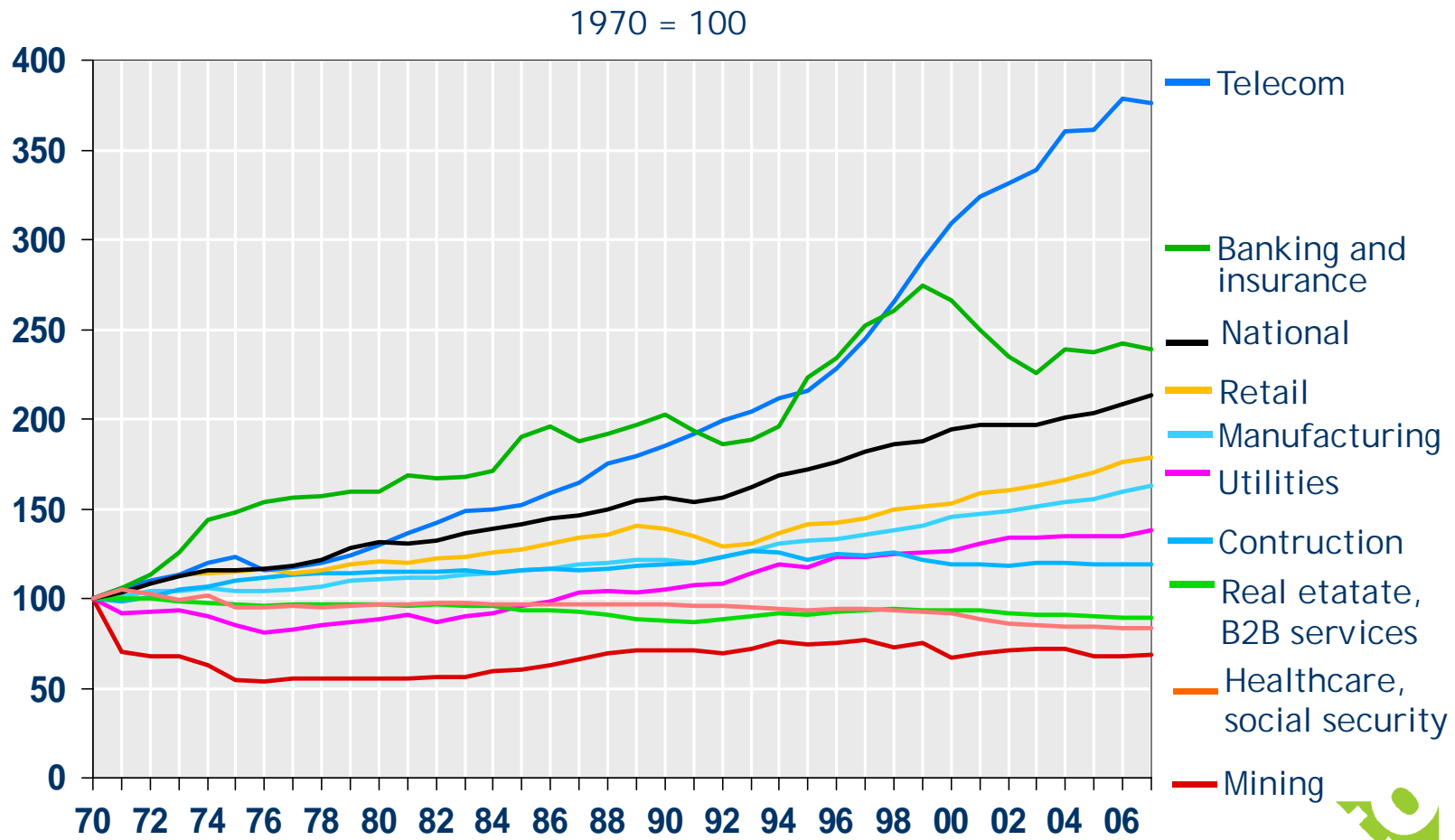


New imperatives

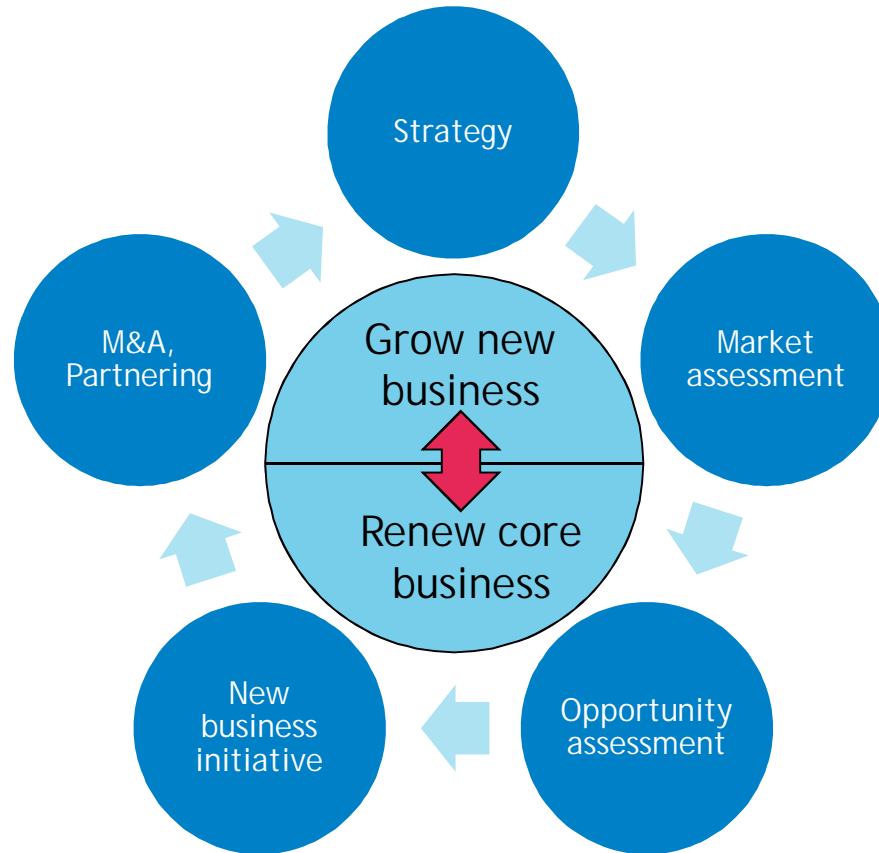
- **Ecosystem thinking**
 - Innovations co-created, new go-to-market opportunities
- **Service innovations**
 - Concepts, packaging, business models
- **Scaling mechanism**
 - How to scale critical capabilities? How to reach large enough market ?
- **Productization of services**
 - Change of culture, more investment driven business model
- **Step change in productivity**
 - From cost-efficiency to productivity thinking
- **New talents and leadership culture**
 - Non-industrial performance culture



IT as a Service – potential source for productivity improvements



Strategy, new business and M&A



Questions?

