

Growing an Internationally Recognized Software Product



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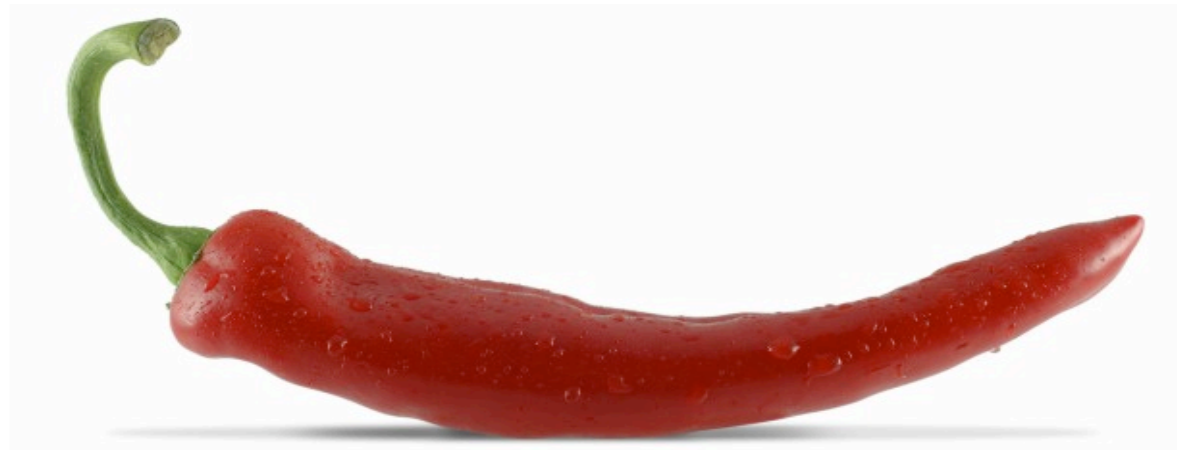
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Agenda

- Tieto and Card Suite
- History of building and exporting a software product
- Key learnings



Tieto and Card Suite



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Tieto today – fast facts

- The leading IT services company in Northern Europe
- Listed on the Global 100 list of most sustainable corporations in the world
- Net sales approximately EUR 1.8 billion
- 16 000 IT professionals in close to 30 countries
- Founded in 1968
- Listed in Nasdaq OMX Helsinki and Stockholm

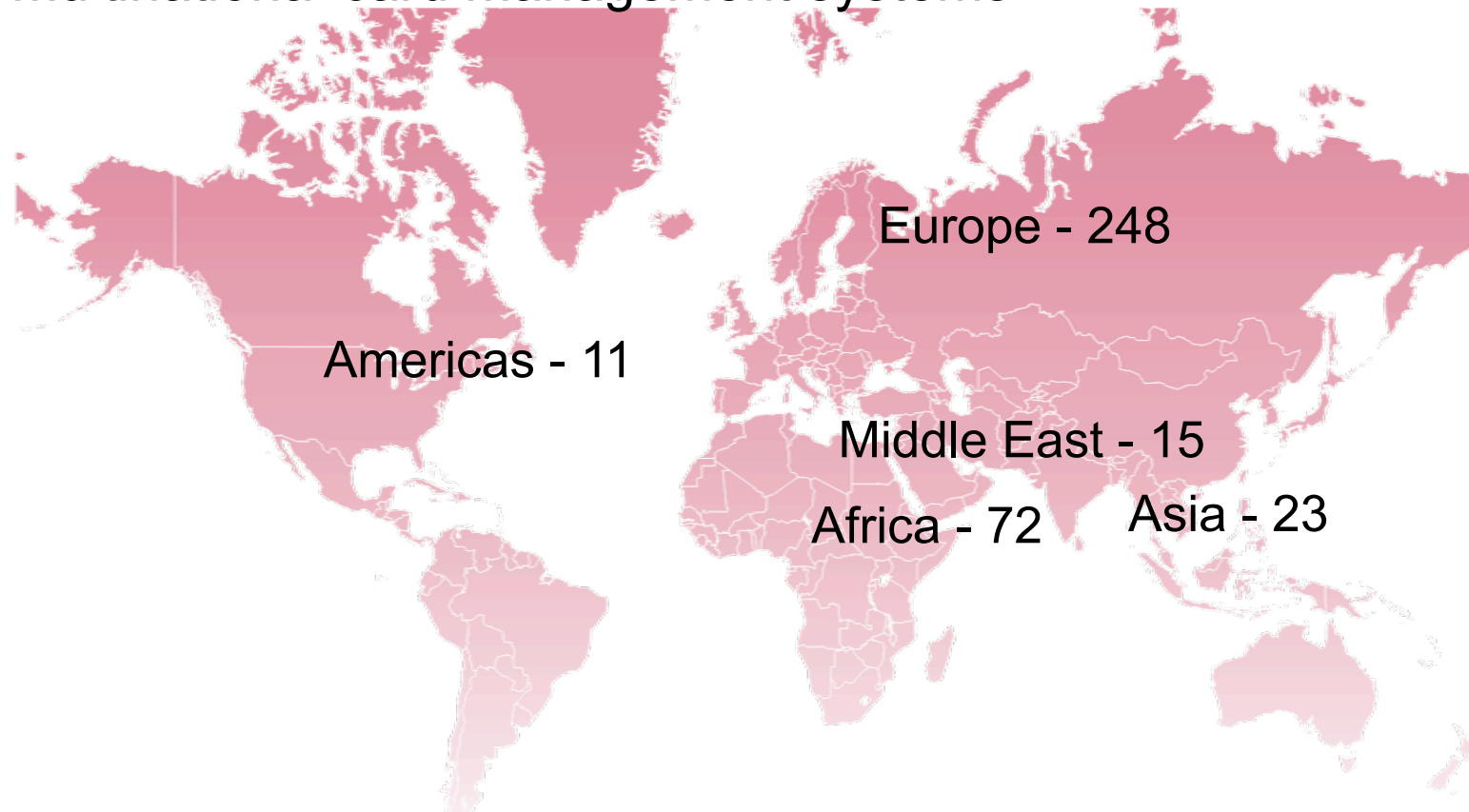


Card Suite - a software product from Tieto



Card Suite users worldwide – 369 institutions in 4 continents*

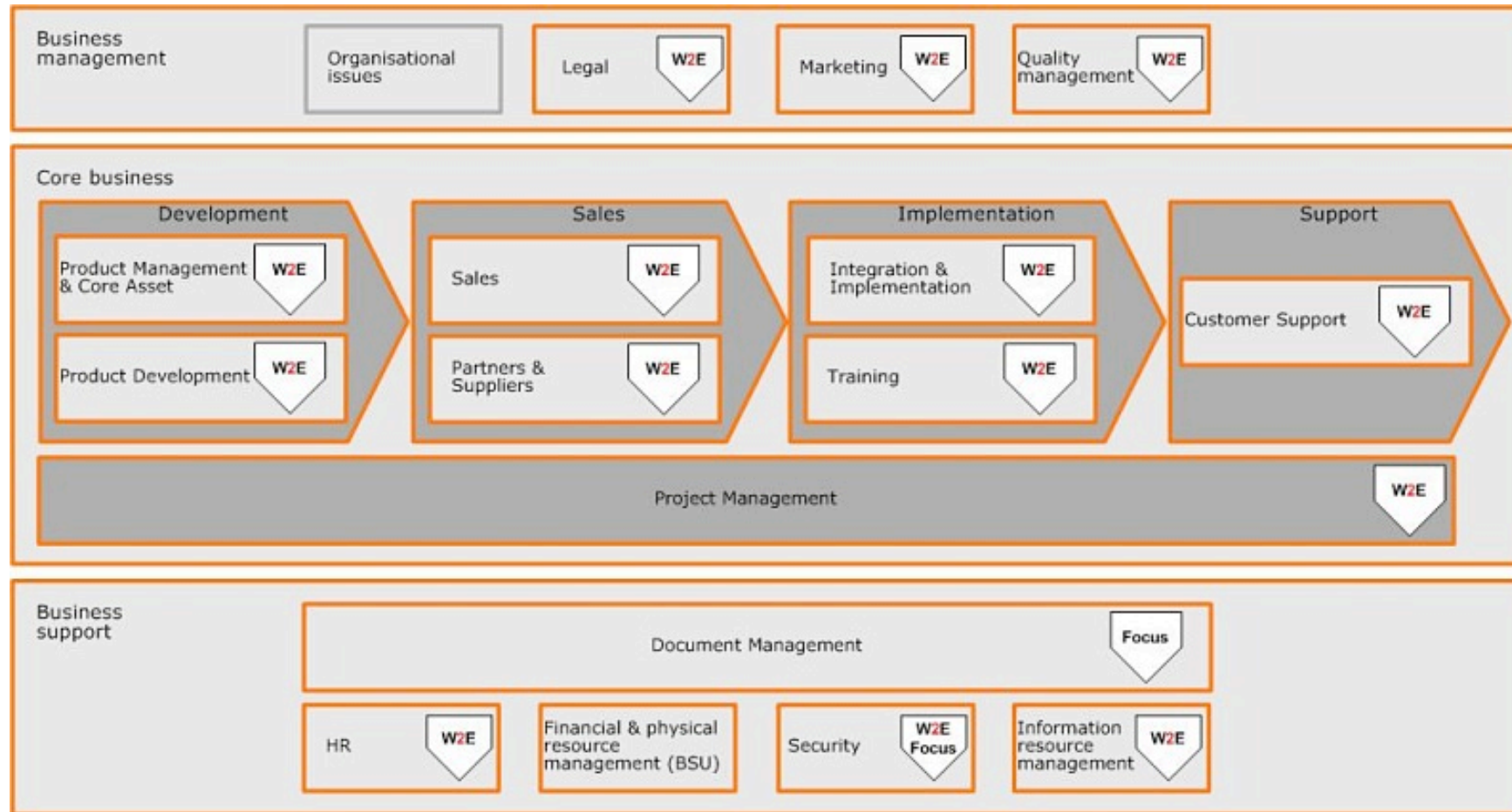
Acknowledged by industry analysts as one of the world leading multinational card management systems



*directly or through multi-institution processors



All processes are managed from Tieto Latvian office





Tieto Corporation

History

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Development 1992-1995

1992

- Konts SIA established
- Bankserviss established

1993

- First generation product: KCS

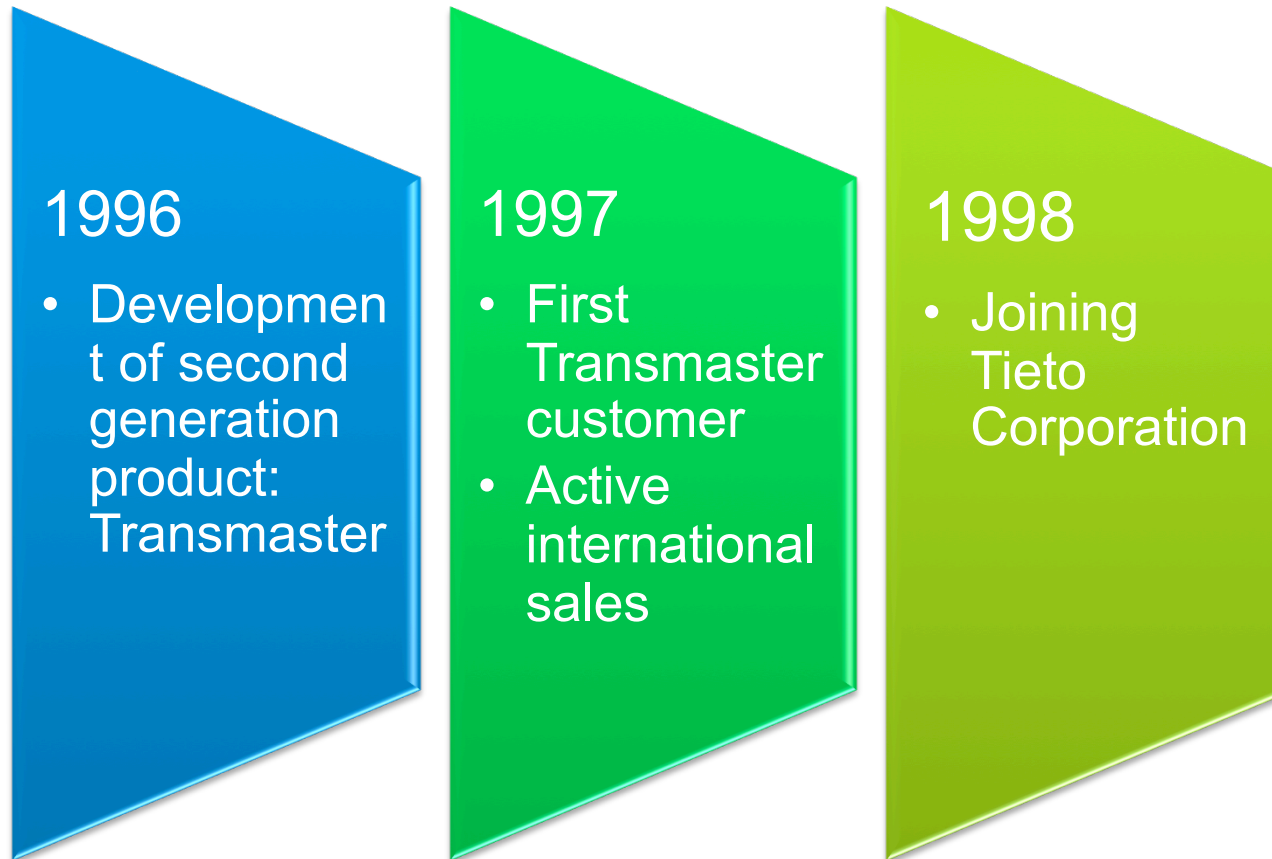
1994

- First KCS customers outside Latvia

1995

- International certification (Visa, MasterCard)

Development 1996-1998



Development 1999-2009

- Offices in Russia and Ukraine
- ISO 9001 certification
- Sales partners in Africa and Asia
- Customers in >30 countries
- Consolidation of card expertise within Tieto Corporation
- Largest customer has issued > 20 million cards
- High ratings by industry analysts (Gartner, PayX)

- Development of third generation product: Card Suite





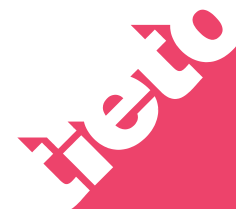
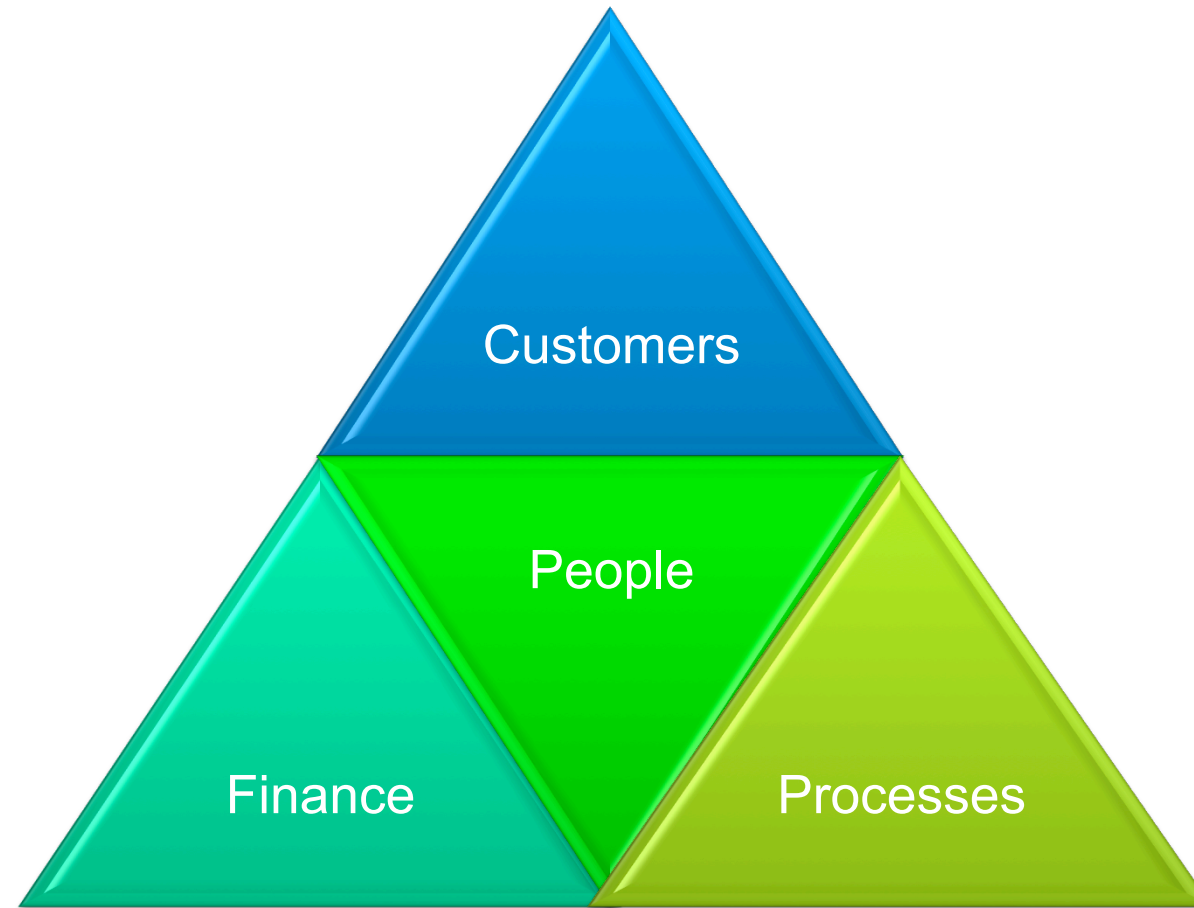
Key learnings

Pros and Cons of software product business

- Pros
 - Good profitability, if successful
 - Predictable revenue from maintenance and support
 - Easier to expand internationally (to compare with software services)
- Cons
 - Risky investments
 - Competition
 - Relatively small scale (niche)
 - Specific management and expert skills are required



Key elements in successful software product business



Customers

- Everything starts with a customer!
No customer – no product
- Listen to customers
- Customer relationship – references are important
- Brand building and marketing support
- Partners and alliances to extend geography
- Sell, sell, sell...



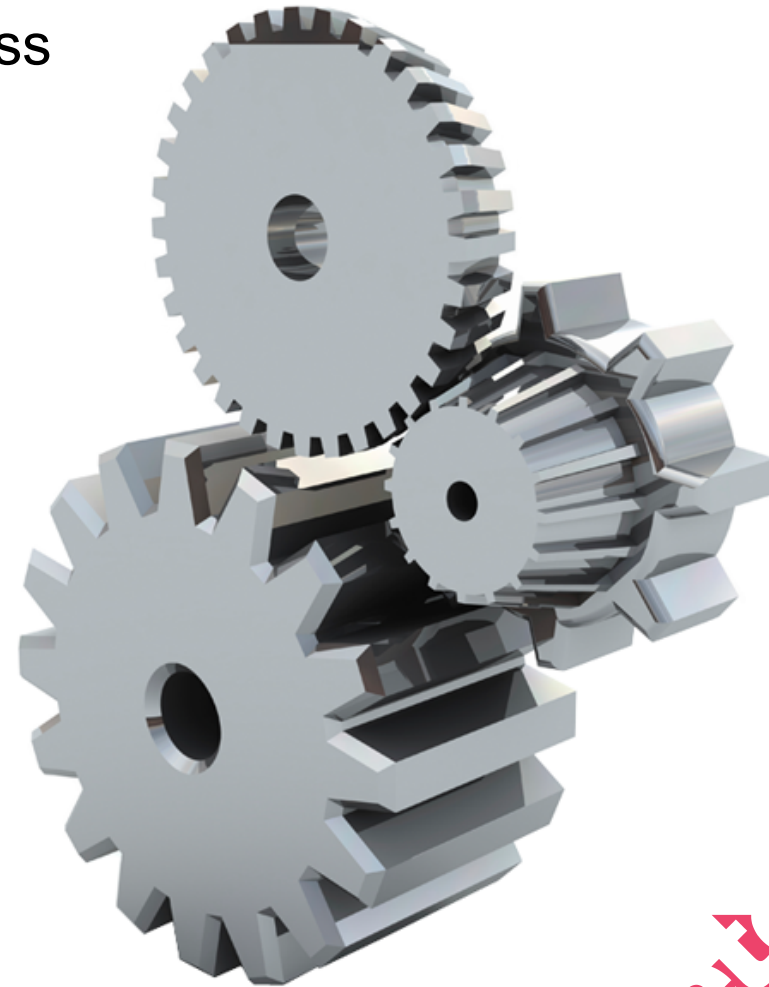
Finance

- Financial discipline is very important
- Understanding of revenue and cost elements
- Controlled investments
- Creative pricing models



Process

- Build processes for product business
- Renewal of product portfolio
- Investments in quality
- Continuous development



People

- Treat people as a key asset
- Invest in loyalty, skills and motivation
- Set demanding targets
- Find a good balance between discipline and creativity
- Award and reward for success
😊



Knowledge. Passion. Results.

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