

Interim Report

Q3 2023

19 October 2023

elisa

ELISA'S INTERIM REPORT JANUARY–SEPTEMBER 2023

Third quarter 2023 financial highlights

- Revenue increased by EUR 11m to EUR 545m, mainly due to growth in mobile services and equipment sales.
- Mobile service revenue increased by 4.2 per cent to EUR 242m.
- EBITDA grew by EUR 5m to EUR 199m.
- EBIT increased by EUR 3m to EUR 131m.
- Comparable cash flow increased by EUR 19m to EUR 107m.
- In Finland, mobile post-paid ARPU increased to EUR 22.1 (21.9 in the previous quarter), and mobile post-paid churn increased to 14.4 per cent (13.6).
- During the quarter, the number of post-paid mobile subscriptions increased by 4,000. The M2M and IoT subscription base grew by 8,600.
- Prepaid subscriptions increased by 9,700 during the quarter.
- The number of fixed broadband subscriptions increased by 5,700 during the quarter.
- Revenue and EBITDA guidance for 2023 is upgraded to “slightly higher” (previously “same level or slightly higher”).

Key indicators

EUR million	3Q23	3Q22	Δ %	1Q-3Q23	1Q-3Q22	Δ %
Revenue	545	534	2.0 %	1,617	1,567	3.2 %
EBITDA	199	194	2.4 %	565	548	3.0 %
Comparable EBITDA ⁽¹⁾	199	194	2.4 %	565	550	2.6 %
EBIT	131	128	2.7 %	364	351	3.8 %
Comparable EBIT ⁽¹⁾	131	128	2.7 %	364	353	3.2 %
Profit before tax	125	124	0.9 %	348	341	2.0 %
Comparable profit before tax ⁽¹⁾	125	124	0.9 %	348	343	1.4 %
EPS, EUR	0.63	0.63	-0.7 %	1.76	1.74	1.2 %
Comparable EPS, EUR	0.63	0.63	-0.7 %	1.76	1.75	0.7 %
Capital expenditure	78	67	15.9 %	213	192	10.5 %
Net debt	1,356	1,358	-0.1 %	1,356	1,358	-0.1 %
Net debt / EBITDA ⁽²⁾	1.8	1.9		1.8	1.9	
Gearing ratio, %	114.3 %	116.9 %		114.3 %	116.9 %	
Equity ratio, %	36.1 %	38.6 %		36.1 %	38.6 %	
Cash flow ⁽³⁾	107	79	35.0 %	286	214	33.6 %
Comparable cash flow ⁽⁴⁾	107	87	22.0 %	286	235	21.7 %

¹⁾ 1Q–3Q22 excluding EUR 2m in restructuring costs. ²⁾ (Interest-bearing debt – financial assets) / (four previous quarters' comparable EBITDA). ³⁾ Cash flow before financing activities. ⁴⁾ 3Q22 excluding EUR 8m and 1Q–3Q22 excluding EUR 21m in share investments.

Additional key performance indicators are available at elisa.com/investors (Elisa Operational Data.xlsx).

CEO's review:

Good performance continuing

In the third quarter, Elisa continued its good performance. Revenue increased by 2 per cent from the previous year to EUR 545 million. EBITDA improved by 2 per cent to EUR 199 million, and earnings per share was EUR 0.63. Elisa's performance has continued to improve despite increased salary costs, inflation and geopolitical challenges.

During the third quarter, the 5G network rollout progressed as planned, and the population coverage in Finland reached over 90 per cent. Spectrum released from the 3G network, which is currently being ramped down, will be used to strengthen the geographical coverage of the modern networks. Elisa also continued to actively develop its fibre network based on customer demand.

The Finnish Defence Forces have granted Elisa a national facility security clearance (FSC) for the processing of class III data, which complements the class II FSC granted by the EU. These corporate security clearances provide clear proof of Elisa's enduring reliability as a partner.

We announced a collaboration with the Ruutu+ service, owned by the Finnish media company Sanoma, ending our collaboration with Viaplay. Elisa Viihde original series are now available exclusively on Ruutu+.

We continued to implement our mission: a sustainable future through digitalisation. Our sustainability goals are also linked to finance, and we are accelerating sustainable growth through our Sustainability Finance Framework and the EUR 300 million Green Bond issued in September under Elisa's EUR 1.5 billion EMTN programme. Investors particularly appreciate Elisa's commitment to long-term sustainability and to stable business and financial development.

Elisa was honoured to win the Distributed Energy Storage Project of the Year award at the Energy Storage Awards 2023 in London. Implementing Elisa's Distributed Energy Storage (DES) solution in Elisa's own network is on track, and we participate daily in the Finnish Automatic Frequency Restoration Reserve market. Elisa is also offering its DES solution to teleoperators internationally.

Elisa's unique strategy generates sustainable profit and growth. Our competitiveness is based on continuously increasing our productivity and quality, our strong investment capability, and the growth opportunities from our innovative digital services globally. Elisa and its entire personnel are engaged in creating value for our customers and a positive impact on society to ensure solid financial performance for shareholders.

Veli-Matti Mattila

CEO

INTERIM REPORT JANUARY–SEPTEMBER 2023

This interim report has been prepared in accordance with the IFRS recognition and measurement principles, although not all requirements of the IAS 34 standard have been followed. The information presented in this interim report is unaudited.

Market situation

The competitive environment has been active, especially in 4G subscriptions. The usage of mobile services has continued to evolve favourably. Brisk demand for 5G services has also continued due to the wider range of 5G devices and better network coverage. Also, the current geopolitical situation has increased the demand for cybersecurity services. Competition in the fixed broadband market has continued to be intense, and the number and usage of traditional fixed network subscriptions is decreasing.

The markets for IT services have continued to develop favourably. The entertaining video services market is growing, while competition in streaming services is keen. Demand for other digital services is also growing well. The prevailing uncertainty in the general economy and increased interest rates have delayed some companies investment decisions and project implementations.

Revenue, earnings and financial position

EUR million	3Q23	3Q22	Δ %	1Q-3Q23	1Q-3Q22	Δ %
Revenue	545	534	2.0 %	1,617	1,567	3.2 %
EBITDA	199	194	2.4 %	565	548	3.0 %
EBITDA-%	36.5 %	36.3 %		34.9 %	35.0 %	
Comparable EBITDA ⁽¹⁾	199	194	2.4 %	565	550	2.6 %
Comparable EBITDA-%	36.5 %	36.3 %		34.9 %	35.1 %	
EBIT	131	128	2.7 %	364	351	3.8 %
EBIT-%	24.1 %	24.0 %		22.5 %	22.4 %	
Comparable EBIT ⁽¹⁾	131	128	2.7 %	364	353	3.2 %
Comparable EBIT-%	24.1 %	24.0 %		22.5 %	22.5 %	
Return on equity, %	31.0 %	30.8 %		31.0 %	30.8 %	

¹⁾ 1Q-3Q22 excluding EUR 2m in restructuring costs.

Third quarter 2023

Revenue increased by 2 per cent, mostly due to growth in mobile, fixed and international digital services. Decreases in domestic and other digital services, usage and subscriptions of traditional fixed (PSTN) telecom services, and interconnection and roaming, affected revenue negatively. EBITDA increased by 2 per cent. Efficiency improvements and revenue growth impacted EBITDA positively. EBIT grew by 3 per cent.

Net financial income and expenses increased to EUR -6 million (-4), mainly due to increased interest rates. Income taxes in the income statement amounted to EUR -25 million (-23). Net profit was EUR 100 million (101), and earnings per share was EUR 0.63 (0.63).

January–September 2023

Revenue increased by 3 per cent on the previous year, mainly due to growth in mobile, fixed and digital services, as well as equipment sales. Decreases in usage and subscriptions of traditional fixed telecom services, and in interconnection and roaming revenue, affected revenue negatively.

Comparable EBITDA increased by 3 per cent and comparable EBIT by 3 per cent, mainly due to revenue growth and efficiency improvement measures.

Net financial income and expenses increased to EUR -16 million (-9), mainly due to increased interest rates. Income taxes in the income statement were EUR -66 million (-64). Net profit was EUR 281 million (277), and earnings per share were EUR 1.76 (1.74). Comparable earnings per share was EUR 1.76 (1.75).

Financial position

EUR million	3Q23	3Q22	Δ %	1Q-3Q23	1Q-3Q22	Δ %
Net debt	1,356	1,358	-0.1 %	1,356	1,358	-0.1 %
Net debt / EBITDA ¹	1.8	1.9		1.8	1.9	
Gearing ratio, %	114.3 %	116.9 %		114.3 %	116.9 %	
Equity ratio, %	36.1 %	38.6 %		36.1 %	38.6 %	
Cash flow ²	107	79	35.0 %	286	214	33.6 %
Comparable cash flow ³	107	87	22.0 %	286	235	21.7 %

¹⁾ (Interest-bearing debt – financial assets) / (four previous quarters' comparable EBITDA) ²⁾ Cash flow after financing activities.

³⁾ 3Q22 excluding EUR 8m and 1Q-3Q22 excluding EUR 21m in share investments.

Third quarter 2023

Net debt was at last year's level: EUR 1,356 million. Comparable cash flow after investments increased by 22 per cent to EUR 107 million. Cash flow was positively affected by a change in net working capital and higher EBITDA. Cash flow was negatively affected by higher CAPEX and higher interest.

The financial position and liquidity are strong. Cash and undrawn committed credit lines totalled EUR 498 million at the end of the quarter.

January–September 2023

Comparable cash flow after investments increased by 22 per cent to EUR 286 million. Cash flow was positively affected by a change in net working capital, higher EBITDA and lower licence fee payments. Cash flow was negatively affected by higher CAPEX and higher interest rates.

Changes in corporate structure

There were no significant changes in the corporate structure during the third quarter.

Consumer Customers business

EUR million	3Q23	3Q22	Δ %	1Q-3Q23	1Q-3Q22	Δ %
Revenue	340	330	2.9 %	992	962	3.1 %
EBITDA	139	131	6.3 %	389	373	4.5 %
EBITDA-%	40.8 %	39.5 %		39.3 %	38.7 %	
Comparable EBITDA ¹	139	131	6.3 %	389	374	4.0 %
Comparable EBITDA-%	40.8 %	39.5 %		39.3 %	38.9 %	
EBIT	94	87	8.6 %	257	242	6.4 %
EBIT-%	27.8 %	26.3 %		26.0 %	25.2 %	
Comparable EBIT ¹	94	87	8.6 %	257	244	5.7 %
Comparable EBIT-%	27.8 %	26.3 %		26.0 %	25.3 %	
CAPEX	51	45	13.5 %	140	128	9.2 %

¹⁾ 1Q-3Q22 excluding EUR 1.6m in restructuring costs.

Third quarter 2023

Revenue increased by 3 per cent. Revenue was positively affected by growth in mobile, fixed and digital services. Interconnection and roaming, as well as a decrease in usage and subscriptions of traditional fixed telecom services, affected revenue negatively. Comparable EBITDA increased by 6 per cent.

January–September 2023

Revenue increased by 3 per cent. Mobile, digital and fixed services as well as equipment sales affected revenue positively, while it was negatively affected by interconnection and roaming revenue as well as the decrease in traditional fixed telecom services. Comparable EBITDA increased by 4 per cent, mainly due to revenue growth and efficiency improvement measures.

Corporate Customers business

EUR million	3Q23	3Q22	Δ %	1Q-3Q23	1Q-3Q22	Δ %
Revenue	205	204	0.5 %	625	605	3.4 %
EBITDA	60	63	-5.4 %	175	176	-0.2 %
EBITDA-%	29.3 %	31.1 %		28.0 %	29.1 %	
Comparable EBITDA ⁽¹⁾	60	63	-5.4 %	175	176	-0.4 %
Comparable EBITDA-%	29.3 %	31.1 %		28.0 %	29.1 %	
EBIT	37	41	-9.9 %	107	109	-2.0 %
EBIT-%	18.0 %	20.1 %		17.0 %	18.0 %	
Comparable EBIT ⁽¹⁾	37	41	-9.9 %	107	109	-2.4 %
Comparable EBIT-%	18.0 %	20.1 %		17.0 %	18.0 %	
CAPEX	26	22	21.0 %	73	64	13.2 %

¹⁾ 1Q-3Q22 excluding EUR 0.4m in restructuring costs.

Third quarter 2023

Revenue grew by 0.5 per cent. Revenue was positively affected by growth in mobile, fixed and international digital services. Decreases in domestic and other digital services, equipment sales, interconnection and roaming, as well as a decrease in usage and subscriptions of traditional fixed telecom services, affected revenue negatively. Comparable EBITDA decreased by 5 per cent.

January–September 2023

Revenue increased by 3 per cent. Revenue was positively affected by growth in mobile, fixed and digital services and equipment sales, whereas the decrease in traditional fixed services had a negative effect. Comparable EBITDA decreased by 0.4 per cent.

Investments

EUR million	3Q23	3Q22	1Q-3Q23	1Q-3Q22
Capital expenditure ⁽¹⁾ , of which	78	67	213	192
Consumer Customers	51	45	140	128
Corporate Customers	26	22	73	64
Shares and business acquisitions	0	10	0	25
Total investments	78	77	213	217
Licences			2	7
Leases	5	4	18	19
Capital expenditure excluding leases, licenses and business acquisitions	72	63	193	167
Capital expenditure as % of revenue	13	12	12	11

¹⁾ 1Q–3Q23 include EUR 2m for the 26 GHz frequency licence investment in Estonia. 1Q–3Q22 include EUR 7m for the 3.5 GHz frequency licence investment in Estonia.

The main capital expenditures were related to the capacity and coverage increases in 5G networks, fibre and other networks, as well as IT investments.

Personnel

In January–September, the average number of personnel at Elisa was 5,709 (5,486) and employee expenses totalled EUR 312 million (287). In the third quarter, employee expenses were EUR 97 million (89). Personnel by segment at the end of the period:

	30 Sep 23	30 Sep 22	31 Dec 22
Consumer Customers	2,975	2,969	2,939
Corporate Customers	2,780	2,656	2,684
Total	5,755	5,625	5,623

Sustainability

Key ESG indicators	3Q23	3Q22
Energy efficiency of mobile network in Finland		
Change in energy consumption per GB from Q4 2021 level	-14.4 %	-4.7 %
Population coverage of >100 Mbps connections	90.9 %	83.2 %
Proportion of female supervisors	28.2 %	29.7 %
Patent portfolio development		
Number of active patents in portfolio ¹⁾	370	321
Number of new first applications	9	8

¹⁾ Number of active patent applications and patents.

All key figures are published in our certified annual sustainability report:

<https://elisa.com/corporate/investors/annual-report/>

More key figures:

<https://elisa.com/corporate/investors/financial-key-figures/sustainability-key-figures/>

Financing arrangements and ratings

EUR million	Maximum amount	In use on 30 Sep 2023
Committed credit limits	300	120
Credit facilities (not committed)	100	70
Commercial paper programme (not committed)	350	152
EMTN programme (not committed)	1,500	1,148

Long-term credit ratings	Rating	Outlook
Credit rating agency		
Moody's Investor Services	Baa2	Stable
S&P Global Ratings	BBB+	Stable

On 5 September 2023, Elisa paid back a EUR 150 million loan to the European Investment Bank.

On 27 September 2023, Elisa issued a fixed-rate, EUR 300 million Green Eurobond that matures on 29 January 2029 under the EUR 1.5 billion EMTN Programme. The coupon is 4.00 per cent, and the issue price was 99.585.

On 26 September 2023, Elisa announced that it has purchased its bonds due in March 2024 in the amount of EUR 51.97 million. The purchase price was 98.57 per cent. After the purchase, EUR 248.03 million of the March 2024 bonds remain outstanding.

In September, Elisa agreed with six banks to extend its EUR 130 million Sustainability-linked Revolving Credit Facility for two years, from September 2026 to September 2028.

Share

Share trading volumes are based on trades made on the Nasdaq Helsinki and alternative marketplaces. Closing prices are based on the Nasdaq Helsinki.

Trading of shares	3Q23	3Q22	2022
Nasdaq Helsinki, millions	14.1	15.7	71.2
Other marketplaces, millions ¹⁾	46.5	49.1	208.4
Total volume, millions	60.6	64.7	279.6
Value, EUR million	2,816.5	3,417.1	14,575.8
% of shares	36.2 %	38.7 %	167.1 %

Shares and market values	30 Sep 2023	30 Sep 2022	2022
Total number of shares	167,335,073	167,335,073	167,335,073
Treasury shares	6,946,654	7,075,378	7,075,378
Outstanding shares	160,388,419	160,259,695	160,259,695
Closing price, EUR	43.89	46.35	49.46
Market capitalisation, EUR million	7,344	7,756	8,276
Treasury shares, %	4.15 %	4.23 %	4.23 %

Number of shares	Total	Treasury	Outstanding
Shares on 31 Dec 2022	167,335,073	7,075,378	160,259,695
Performance share plan, 1 Feb 2023 ²⁾		-127,539	127,539
Restricted share plan, 5 Sep 2023 ³⁾		-1,185	1,185
Shares on 30 Sep 2023	167,335,073	6,946,654	160,388,419

¹⁾ Other marketplaces: Based on Bloomberg. ²⁾ Stock exchange release, 1 February 2023. ³⁾ Stock exchange release, 5 September 2023.

On 1 February 2023, Elisa transferred 127,539 treasury shares to people included in the performance share plan for the period 2020–2022.

In February, Elisa's Board of Directors decided on the vesting period for the restricted share plan 2019. The vesting period, with a total allocation of 2,500 shares, ends on 31 December 2023. The purpose of using the plan is to engage a number of key persons in Elisa businesses.

On 5 September 2023, Elisa transferred 1,185 treasury shares to persons belonging to the restricted share plan 2019 for the commitment period 2020–2022.

Elisa Shareholders' Nomination Board

The biggest shareholders were determined according to the shareholder register of Elisa on 31 August 2023, and they named the members of the Nomination Board. The composition of the Nomination Board since September 2023 has been as follows:

- Mr Pauli Anttila, Investment Director, nominated by Solidium Oy
- Mr Jouko Pölonen, President and CEO, nominated by Ilmarinen Mutual Pension Insurance Company
- Mr Markus Aho, Chief Investment Officer, nominated by Varma Mutual Pension Insurance Company
- Mr Jukka Vähäpesola, Head of Equities (Ms Hanna Hiidenpalo, until 15 September 2023), nominated by Elo Mutual Pension Insurance Company
- Mr Anssi Vanjoki, Chair of the Board of Elisa

The Nomination Board elected from amongst its members Mr Pauli Anttila as the chair.

Elisa's Shareholders' Nomination Board was established in 2012 by the Annual General Meeting. Its duty is to prepare proposals for the election and remuneration of the members of the Board of Directors of Elisa for the Annual General Meeting.

Topi Manner appointed as CEO of Elisa Corporation

On 18 August 2023, Elisa announced that the Board of Directors of Elisa had decided to appoint Mr Topi Manner as the new CEO. The current CEO, Mr Veli-Matti Mattila, will continue until the new CEO starts in the position, on 1 March 2024 at the latest.

Significant legal and regulatory issues

The Finnish transposition of EU Directive 2022/2523 ensuring a global minimum level of taxation for multinational enterprise groups and large-scale domestic groups in the Union is expected to be completed in the fourth quarter of 2023, and the legislation will come into force on 1 January 2024. Elisa is assessing its impacts and preparing for the implementation.

Substantial risks and uncertainties associated with Elisa's operations

Risk management is part of Elisa's internal control system. It aims to ensure that risks affecting the company's business are identified, influenced and monitored. The company classifies risks into strategic, operational, hazard and financial risks.

Strategic and operational risks:

The telecommunications industry is intensely competitive in Elisa's main market areas, which may have an impact on Elisa's business. The telecommunications industry is subject to heavy regulation. Elisa and its businesses are monitored and regulated by several public authorities. This regulation also affects the price level of some products and services offered by Elisa and may also require investments that have long payback times.

Elisa processes different kinds of data, including personal and traffic data. Therefore, the applicable data protection legislation, especially the General Data Protection Regulation, has a significant impact on Elisa and its businesses.

The rapid developments in telecommunications technology may have a significant impact on Elisa's business.

Changes in governmental relationships, including in the security environment, may increase the risk of restrictions being imposed on equipment from particular network providers that is also used in Elisa's network. This could have financial or operational impacts on Elisa's business.

Elisa's main market is Finland, where the number of mobile phones per inhabitant is among the highest in the world and growth in subscriptions is therefore limited. Furthermore, the volume of phone traffic on the fixed network has been decreasing during recent years. These factors may limit opportunities for growth. New international business expansion and possible future acquisitions abroad may increase risks.

Elisa is liable to pay direct and indirect taxes and withholding taxes in the countries in which it operates. Changes in tax authorities' interpretation of tax laws may lead to an increase in the tax burden for corporations.

Uncertainty continues relating to Russia's war in Ukraine. This is expected to affect the general economic environment, e.g. inflation and energy prices. Challenges in global supply chains may also result in uncertainties in volumes and prices. Disturbances related to running infrastructure may also occur, for example due to cyber incidents. Elisa's business in Russia was not essential, and Elisa withdrew from the Russian market already in 2022.

Hazard risks:

The company's core operations are covered by insurance against damage and interruptions caused by accidents and disasters. Accident risks also include litigation and claims.

Financial risks:

In order to manage the interest rate risk, the Group's loans and investments are diversified into fixed- and variable-rate instruments. Interest rate swaps can be used to manage the interest rate risk.

As most of Elisa's operations and cash flow are denominated in euros, the exchange rate risk is minor. Currency derivatives can be used to manage the currency risk.

The objective of liquidity risk management is to ensure the Group's financing in all circumstances. Elisa has cash reserves, committed credit facilities and a sustainable cash flow to cover its foreseeable financing needs.

Liquid assets are invested within confirmed limits in financially solid banks, domestic companies and institutions. Credit risk concentrations in accounts receivable are minor, as the customer base is broad.

Russia's war in Ukraine and higher inflation have increased volatility in the financial markets. This might have an effect on Elisa's ability to raise funds and may increase financing costs.

A detailed description of financial risk management can be found in Note 7.1 to the Annual Report 2022.

Events after the reporting period

There have been no substantial events after the reporting period.

Outlook and guidance for 2023

Development in the general economy includes many uncertainties. Growth in the Finnish economy is expected to stall. In particular, uncertainty relating to Russia's war in Ukraine, such as inflation and energy prices, is continuing. Challenges in global supply chains may also result in uncertainties in volumes and prices. Competition in the Finnish telecommunications market remains keen.

Full-year revenue is estimated to be slightly higher than in 2022. Mobile data and digital services are expected to increase revenue. Full-year comparable EBITDA is anticipated to be slightly higher than in 2022. Capital expenditure is expected to be a maximum of 12 per cent of revenue.

Elisa is continuing to develop to improve productivity, for example by increasing automation and data analytics in different processes, such as customer interaction, network operations and delivery. Additionally, Elisa's continuous quality improvement measures will increase customer satisfaction and efficiency, and reduce costs.

Elisa's transformation into a provider of exciting, new and relevant services for its customers is continuing. Long-term revenue growth and profitability improvement will derive from growth in the mobile data market, as well as domestic and international digital services.

BOARD OF DIRECTORS

Unaudited

Consolidated income statement

EUR million	Note	7-9 2023	7-9 2022	1-9 2023	1-9 2022	1-12 2022
Revenue	1	544.7	534.0	1,617.1	1,566.9	2,129.5
Other operating income		1.7	1.3	7.4	3.4	6.9
Materials and services		-205.7	-208.4	-604.2	-596.9	-820.8
Employee expenses		-97.1	-89.1	-312.1	-286.8	-394.8
Other operating expenses		-45.0	-44.1	-143.6	-138.2	-187.5
EBITDA	1	198.6	193.9	564.7	548.3	733.3
Depreciation, amortisation and impairment	1	-67.2	-65.9	-200.7	-197.6	-263.4
EBIT	1	131.3	127.9	364.0	350.7	469.8
Financial income		2.6	1.6	6.4	5.0	5.6
Financial expenses		-8.2	-5.4	-22.0	-14.2	-18.7
Share of associated companies' profit		-0.7	-0.1	-0.8	-0.8	-0.7
Profit before tax		125.0	124.0	347.5	340.7	456.0
Income taxes		-24.9	-23.2	-66.4	-63.5	-83.2
Profit for the period		100.2	100.8	281.1	277.2	372.8
Attributable to						
Equity holders of the parent		100.5	101.1	281.8	278.1	374.1
Non-controlling interests		-0.3	-0.3	-0.7	-1.0	-1.3
		100.2	100.8	281.1	277.2	372.8
Earnings per share (EUR)						
Basic		0.63	0.63	1.76	1.74	2.33
Diluted		0.63	0.63	1.76	1.73	2.33
Average number of outstanding shares (1000 shares)						
Basic		160,388	160,260	160,372	160,251	160,253
Diluted		160,488	160,369	160,473	160,361	160,410

Consolidated statement of comprehensive income

Profit for the period	100.2	100.8	281.1	277.2	372.8
Other comprehensive income, net of tax					
Items that may be reclassified subsequently to profit or loss					
Cash flow hedge	0.2	0.7	-1.1	4.7	-0.3
Translation differences	1.9	-0.4	-2.7	-1.9	-4.7
	2.2	0.2	-3.9	2.8	-5.1
Items that are not reclassified subsequently to profit or loss					
Remeasurements of the net defined benefit liability					0.4
Total comprehensive income	102.3	101.0	277.3	279.9	368.0
Total comprehensive income attributable to					
Equity holders of the parent	102.6	101.3	277.9	280.8	369.3
Non-controlling interest	-0.3	-0.3	-0.7	-0.8	-1.3
	102.3	101.0	277.3	279.9	368.0

Consolidated statement of financial position

EUR million	30 Sep 2023	31 Dec 2022
Non-current assets		
Property, plant and equipment	780.8	766.7
Right-of-use assets	88.8	90.4
Goodwill	1,155.3	1,157.3
Intangible assets	209.2	210.5
Investments in associated companies	9.1	9.9
Other financial assets	16.1	16.2
Trade and other receivables	107.6	116.8
Deferred tax assets	13.2	13.1
	2,380.0	2,380.9
Current assets		
Inventories	87.1	95.5
Trade and other receivables	514.9	537.1
Tax receivables	1.9	1.8
Cash and cash equivalents	318.4	85.4
	922.3	719.9
Total assets	3,302.4	3,100.8
Equity attributable to equity holders of the parent	1,182.2	1,246.5
Non-controlling interests	4.5	5.4
Total shareholders' equity	1,186.7	1,251.9
Non-current liabilities		
Deferred tax liabilities	24.2	25.7
Interest-bearing financial liabilities	996.2	995.0
Lease liabilities, interest-bearing	69.4	70.8
Trade payables and other liabilities	25.8	30.3
Pension obligations	13.0	12.9
Provisions	4.0	2.9
	1,132.6	1,137.7
Current liabilities		
Interest-bearing financial liabilities	588.8	275.0
Lease liabilities, interest-bearing	20.5	20.4
Trade and other payables	363.6	412.9
Tax liabilities	8.7	2.1
Provisions	1.6	0.8
	983.1	711.2
Total equity and liabilities	3,302.4	3,100.8

Condensed consolidated cash flow statement

EUR million	1-9 2023	1-9 2022	1-12 2022
Cash flow from operating activities			
Profit before tax	347.5	340.7	456.0
Adjustments			
Depreciation, amortisation and impairment	200.7	197.6	263.4
Other adjustments	-0.9	-0.2	-5.2
	199.8	197.4	258.2
Change in working capital			
Increase (-) / decrease (+) in trade and other receivables	50.8	25.6	-16.2
Increase (-) / decrease (+) in inventories	7.3	-18.7	-13.3
Increase (+) / decrease (-) in trade and other payables	-43.9	-61.4	2.0
	14.2	-54.6	-27.5
Financial items, net	-15.4	-8.3	-10.0
Taxes paid	-61.3	-61.1	-85.0
Net cash flow from operating activities	484.8	414.2	591.8
Cash flow from investing activities			
Capital expenditure	-201.1	-179.1	-270.9
Investments in shares and business combinations	-2.3	-21.1	-21.0
Repayment of loan receivables		0.1	0.1
Proceeds from disposal of assets	4.5	-0.1	-0.1
Net cash used in investing activities	-198.9	-200.2	-291.9
Cash flow before financing activities	285.9	214.0	299.9
Cash flow from financing activities			
Proceeds from long-term borrowings	298.2		
Repayments of long-term borrowings	-201.6	-0.2	-100.3
Increase (+) / decrease (-) in short-term borrowings	216.5	98.8	124.8
Repayment of lease liabilities	-19.0	-18.3	-24.9
Dividends paid	-346.7	-330.1	-328.1
Net cash used in financing activities	-52.7	-249.9	-328.5
Change in cash and cash equivalents	233.2	-35.9	-28.6
Translation differences	-0.2	-0.1	-0.1
Cash and cash equivalents at beginning of period	85.4	114.1	114.1
Cash and cash equivalents at end of period	318.4	78.1	85.4

Consolidated statement of changes in equity

EUR million	Share capital	Treasury shares	Reserve for invested non-restricted equity	Other reserves	Retained earnings	Non-controlling interests	Total equity
Balance at 1 January 2022	83.0	-126.1	90.9	373.9	776.1	6.3	1,204.1
Profit for the period					278.1	-1.0	277.2
Translation differences					-2.0	0.1	-1.9
Cash flow hedge				4.7			4.7
Total comprehensive income				4.7	276.1	-0.8	279.9
Dividend distribution					-328.5	-0.1	-328.7
Share-based compensation		1.6					1.6
Other changes					3.8	0.5	4.3
Balance at 30 September 2022	83.0	-124.5	90.9	378.6	727.4	5.9	1,161.3
EUR million							
Balance at 1 January 2023	83.0	-124.5	90.9	373.9	823.2	5.4	1,251.9
Profit for the period					281.8	-0.7	281.1
Translation differences					-2.8	0.0	-2.7
Cash flow hedge				-1.1			-1.1
Total comprehensive income				-1.1	279.0	-0.7	277.3
Dividend distribution					-344.8	-0.2	-345.1
Share-based compensation		2.8					2.8
Other changes					-0.2	-0.1	-0.3
Balance at 30 September 2023	83.0	-121.7	90.9	372.8	757.2	4.5	1,186.7

Notes

ACCOUNTING PRINCIPLES

The interim report has been prepared in accordance with the IFRS recognition and measurement principles, although not all requirements of IAS 34 *Interim Financial Reporting* have been followed. The information has been prepared in accordance with the International Financial Reporting Standards (IFRS) effective at the time of preparation and adopted for use by the European Union. Apart from the changes in accounting principles stated below, the accounting principles applied in the interim report are the same as in the financial statements on 31 December 2022.

Changes in the accounting principles

Amendments to IFRS standards adopted as of 1 January 2023 do not have a material impact on the Company's consolidated financial statements.

1. Segment information

7-9/2023	Consumer	Corporate	Unallocated	Group
EUR million	Customers	Customers	items	total
Revenue	340.1	204.6		544.7
EBITDA	138.7	59.9		198.6
Depreciation, amortisation and impairment	-44.2	-23.0		-67.2
EBIT	94.5	36.9		131.3
Financial income			2.6	2.6
Financial expenses			-8.2	-8.2
Share of associated companies' profit			-0.7	-0.7
Profit before tax				125.0
Investments	51.4	26.2		77.5
7-9/2022	Consumer	Corporate	Unallocated	Group
EUR million	Customers	Customers	items	total
Revenue	330.4	203.6		534.0
EBITDA	130.5	63.3		193.9
Depreciation, amortisation and impairment	-43.5	-22.4		-65.9
EBIT	87.0	40.9		127.9
Financial income			1.6	1.6
Financial expenses			-5.4	-5.4
Share of associated companies' profit			-0.1	-0.1
Profit before tax				124.0
Investments	45.2	21.6		66.9

1-9/2023	Consumer	Corporate	Unallocated	Group
EUR million	Customers	Customers	items	total
Revenue	991.7	625.5		1,617.1
EBITDA	389.2	175.4		564.7
Depreciation, amortisation and impairment	-131.9	-68.8		-200.7
EBIT	257.4	106.6		364.0
Financial income			6.4	6.4
Financial expenses			-22.0	-22.0
Share of associated companies' profit			-0.8	-0.8
Profit before tax				347.5
Investments	139.9	72.7		212.6
1-9/2022	Consumer	Corporate	Unallocated	Group
EUR million	Customers	Customers	items	total
Revenue	961.8	605.2		1,566.9
EBITDA	372.5	175.8		548.3
Depreciation, amortisation and impairment	-130.6	-67.0		-197.6
EBIT	241.9	108.8		350.7
Financial income			5.0	5.0
Financial expenses			-14.2	-14.2
Share of associated companies' profit			-0.8	-0.8
Profit before tax				340.7
Investments	128.2	64.2		192.4
1-12/2022	Consumer	Corporate	Unallocated	Group
EUR million	Customers	Customers	items	total
Revenue	1,300.9	828.6		2,129.5
EBITDA	495.7	237.6		733.3
Depreciation, amortisation and impairment	-174.0	-89.5		-263.4
EBIT	321.7	148.1		469.8
Financial income			5.6	5.6
Financial expenses			-18.7	-18.7
Share of associated companies' profit			-0.7	-0.7
Profit before tax				456.0
Investments	190.6	99.1		289.7
Total assets	1,891.9	1,082.4	126.5	3,100.8

2. Off-balance sheet lease commitments

The future minimum lease payments under non-cancellable off-balance sheet leases:

EUR million	30 Sep 2023	31 Dec 2022
Within one year	13.4	13.2
Later than one year, not later than five years	3.9	4.3
Later than five years	1.1	1.0
	18.5	18.4

Lease commitments are exclusive of value added tax.

3. Contingent liabilities

EUR million	30 Sep 2023	31 Dec 2022
For our own commitments		
Mortgages	3.8	3.8
Guarantees	0.8	0.6
Deposits	0.5	0.6
On behalf of others		
Guarantees	0.6	0.3
	5.6	5.2
Other contractual obligations		
Venture capital investment commitment	0.2	0.5
	0.2	0.5

4. Derivative instruments

EUR million	30 Sep 2023	31 Dec 2022
Nominal values of derivatives		
Electricity derivatives	2.3	5.8
Currency derivatives	3.1	3.3
	5.5	9.1
Fair values of derivatives		
Electricity derivatives	-0.3	1.2
Currency derivatives	0.0	0.0
	-0.3	1.1

5. Key figures

EUR million	1-9 2023	1-9 2022	1-12 2022
Shareholders' equity per share, EUR	7.37	7.21	7.78
Interest-bearing net debt	1,356.4	1,357.7	1,275.8
Gearing, %	114.3 %	116.9 %	101.9 %
Equity ratio, %	36.1 %	38.6 %	40.6 %
Return on investment (ROI), % *)	18.0 %	17.6 %	18.3 %
Gross investments in fixed assets, of which right-of-use assets	212.6 18.2	192.4 18.7	289.7 25.5
Gross investments as % of revenue	13.1 %	12.3 %	13.6 %
Investments in shares and business combinations	0.4	24.7	24.8
Average number of employees	5,709	5,486	5,523

*) Rolling 12 months' profit preceding the reporting date

Financial calendar

Financial Results for 2023	26 January 2024
Interim Report Q1 2024	19 April 2024
Half-Year Financial Report 2024	16 July 2024
Interim Report Q3 2024	18 October 2024

Contact information

Investor Relations:

investor.relations@elisa.fi

Press:

mediadesk@elisa.fi

Elisa website:

www.elisa.com