

Interim Report

Q1 2024

19 April 2024

elisa

ELISA'S INTERIM REPORT JANUARY–MARCH 2024

First quarter 2024 financial highlights

- Revenue decreased by EUR 5m to EUR 535m, mainly due to business disposals.
- Mobile service revenue increased by 5.8 per cent to EUR 249m.
- Comparable EBITDA grew by EUR 7m to EUR 190m.
- Comparable EBIT increased by EUR 5m to EUR 122m.
- Comparable cash flow increased by EUR 15m to EUR 86m, mainly due to a change in net working capital.
- In Finland, mobile post-paid ARPU increased to EUR 22.8 (22.4 in the previous quarter), and mobile post-paid churn decreased to 15.0 per cent (15.4).
- During the quarter, post-paid mobile subscriptions increased by 18,200. M2M and IoT subscriptions grew by 36,100.
- Due to seasonality, prepaid subscriptions decreased by 14,800 during the quarter.
- The number of fixed broadband subscriptions increased by 3,300 during the quarter.

Key indicators

EUR million	1Q24	1Q23	Δ %	2023
Revenue	535	540	-1.0 %	2,180
EBITDA	180	183	-2.0 %	756
Comparable EBITDA ⁽¹⁾	190	183	3.6 %	756
EBIT	112	117	-4.5 %	482
Comparable EBIT ⁽¹⁻²⁾	122	117	4.3 %	487
Profit before tax	104	112	-7.5 %	458
Comparable profit before tax ⁽¹⁻²⁾	114	112	1.6 %	464
EPS, EUR	0.52	0.57	-9.5 %	2.34
Comparable EPS, EUR ⁽¹⁻²⁾	0.57	0.57	-0.5 %	2.37
Capital expenditure	68	66	4.2 %	321
Net debt	1,260	1,217	3.5 %	1,304
Net debt / EBITDA ⁽³⁾	1.7	1.6		1.7
Gearing ratio, %	92.0 %	91.0 %		100.8 %
Equity ratio, %	43.8 %	42.6 %		41.6 %
Cash flow ⁽⁴⁾	62	71	-13.7 %	347
Comparable cash flow ⁽⁵⁾	86	71	20.6 %	361

¹⁾ 1Q2024 excluding EUR 10m in restructuring costs. ²⁾ 2023 excluding a EUR 6m impairment. ³⁾ (Interest-bearing debt – financial assets) / (four previous quarters' comparable EBITDA). ⁴⁾ Cash flow before financing activities. ⁵⁾ 1Q2024 excluding EUR 24m in share investments. 2023 excluding EUR 14m in share and business investments and sales.

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

CEO's review:

A good start to the year despite a challenging environment

In the first quarter, Elisa continued its good performance despite geopolitical and macroeconomic headwinds. Revenue decreased by EUR 5 million to EUR 535 million due to business disposals and a decrease in equipment sales and interconnection revenue. However, comparable EBITDA improved by 4 per cent to EUR 190 million, driven by mobile service revenue and efficiency improvements. Comparable earnings per share was EUR 0.57. On 12 April 2024, for the tenth consecutive year, Elisa's AGM approved a growing dividend, of EUR 2.25 per share.

During the first quarter, we continued to expand the coverage of our high-speed connections. Elisa was the first operator in Finland to launch standalone 5G subscriptions, including standalone 5G fixed wireless access (FWA) connections for consumers. We continued to expand our fibre network, and we made G.fast technology available to residential properties, allowing the speed of a building's indoor copper network to be accelerated to the speed of fibre.

As a sign of Elisa's innovativeness, the Finnish Transport and Communications Agency (Traficom) recognised Elisa with the 2024 Information Security Trailblazer award for its pioneering work in preventing scam calls and messages in Finland. The country now has a nationwide call blocking solution based on the scam call blocking solution that Elisa developed and patented. Elisa has also become the first telecom operator in Finland to register its own SMS Sender ID with Traficom, preventing scammers from sending text messages claiming to be from Elisa.

We continued to grow with bolt-on acquisitions in accordance with our strategy. In Finland, Elisa's corporate business strengthened its position as a provider of mobile value-added services by acquiring a majority stake in Moontalk Oy. The acquisition of Romaric, a provider of manufacturing automation and optimisation software solutions, strengthens Elisa IndustrIQ's software portfolio and its foothold in the US market. The acquisition of Leanware Oy, which was announced in April, will accelerate the growth of Elisa IndustrIQ's industrial software business by adding warehouse management software to the offering. It also strengthens Elisa IndustrIQ's foothold in the Finnish manufacturing customer base.

Elisa's Distributed Energy Storage (DES) solution is gaining international interest. In February, DNA Tower Finland, part of Telenor Group, announced their roll-out of Elisa's DES solution in their equipment spaces, supporting the energy transition.

Elisa is rated as one of the most sustainable companies in the world. CDP, a global environmental disclosure system, recognised Elisa's leadership in corporate transparency and performance on climate change by including Elisa on its highest "A List".

As Elisa's new CEO, I'm impressed by the culture of excellence in the company and the commitment and capabilities of our people. Our competitiveness is based on continuous improvement of productivity and quality, the innovativeness of our people in creating customer value, and clear priorities in making investments. Together with the entire Elisa team, I will stay focused on the long-term execution of our strategy, and I see further potential for generating profitable growth in our home markets in Finland and Estonia, as well as through digital services internationally.

Topi Manner

CEO

INTERIM REPORT JANUARY–MARCH 2024

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. The current geopolitical situation has also 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 declining.

The markets for IT services have continued to develop favourably. The prevailing uncertainty in the general economy and high interest rates have caused some companies to delay investment decisions and project implementation.

Revenue, earnings and financial position

EUR million	1Q24	1Q23	Δ %	2023
Revenue	535	540	-1.0 %	2,180
EBITDA	180	183	-2.0 %	756
EBITDA-%	33.6 %	34.0 %		34.7 %
Comparable EBITDA ⁽¹⁾	190	183	3.6 %	756
Comparable EBITDA-%	35.5 %	34.0 %		34.7 %
EBIT	112	117	-4.5 %	482
EBIT-%	20.9 %	21.7 %		22.1 %
Comparable EBIT ⁽¹⁻²⁾	122	117	4.3 %	487
Comparable EBIT-%	22.8 %	21.7 %		22.4 %
Return on equity, %	29.6 %	31.3 %		29.4 %

¹⁾ 1Q2024 excluding EUR 10m in restructuring costs. ²⁾ 2023 excluding a EUR 6m impairment.

Revenue decreased by 1 per cent. The decrease in revenue was due to divestment of Videra and the end of Viaplay cooperation. Also, decreases in equipment sales, corporate service number regulation change, usage and subscriptions of traditional fixed (PSTN) telecom services, as well as interconnection and roaming affected revenue negatively. Growth in mobile, fixed and digital services, excluding business disposals, increased revenue. Reported EBITDA was EUR 180 million, including one-off restructuring costs of EUR 10 million related to personnel reductions. Comparable EBITDA increased by 4 per cent, mainly due to mobile services growth, business disposals and efficiency improvements. Comparable EBIT grew by 4 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 -21 million (-21). Comparable net profit was EUR 91 million (92), and comparable earnings per share was EUR 0.57 (0.57).

Financial position

EUR million	1Q24	1Q23	Δ %	2023
Net debt	1,260	1,217	3.5 %	1,304
Net debt / EBITDA ¹	1.7	1.6		1.7
Gearing ratio, %	92.0 %	91.0 %		100.8 %
Equity ratio, %	43.8 %	42.6 %		41.6 %
Cash flow ²	62	71	-13.7 %	347
Comparable cash flow ³	86	71	20.6 %	361

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

³⁾ 1Q2024 excluding EUR 24m in share investments. 2023 excluding EUR 14m in share and business investments and sales.

Net debt increased by 4 per cent to EUR 1,260 million. Comparable cash flow after investments increased by 21 per cent to EUR 86 million. Cash flow was positively affected by a change in net working capital and lower licence payments, and negatively by decreased reported EBITDA as well as higher taxes and interest expenses.

The financial position and liquidity are strong. Cash and undrawn committed credit lines totalled EUR 384 million at the end of the quarter.

Changes in corporate structure

In February, Elisa's subsidiary camLine acquired Romaric Automation Inc to strengthen its manufacturing excellence portfolio. Romaric is a US-based software provider of material control systems (MCS), and it will be integrated with camLine, part of Elisa's manufacturing software business IndustrIQ.

In March, Elisa acquired a majority stake in Moontalk Oy. The transaction supports the strategic goal of Elisa's corporate customer business to be Finland's most trusted partner in digitalisation and a leading player in mobile services.

Consumer Customers business

EUR million	1Q24	1Q23	Δ %	2023
Revenue	323	325	-0.7 %	1,335
EBITDA	127	123	3.2 %	521
EBITDA-%	39.2 %	37.7 %		39.0 %
Comparable EBITDA ¹	132	123	7.2 %	521
Comparable EBITDA-%	40.7 %	37.7 %		39.0 %
EBIT	81	79	2.9 %	342
EBIT-%	25.2 %	24.3 %		25.6 %
Comparable EBIT ¹⁻²	86	79	9.1 %	344
Comparable EBIT-%	26.7 %	24.3 %		25.8 %
CAPEX	43	44	-0.4 %	213

¹⁾ 1Q2024 excluding EUR 5m restructuring costs. ²⁾ 2023 excluding EUR 3m impairment.

Revenue decreased by 1 per cent. The decrease in revenue was due to the end of Viaplay cooperation. Also, decreases in equipment sales, interconnection and roaming, as well as usage and subscriptions of traditional fixed telecom services, affected revenue negatively. Revenue was positively affected by growth in mobile services. Comparable EBITDA increased by 7 per cent.

Corporate Customers business

EUR million	1Q24	1Q23	Δ %	2023
Revenue	211	214	-1.3 %	846
EBITDA	53	61	-12.6 %	235
EBITDA-%	25.1 %	28.3 %		27.8 %
Comparable EBITDA	58	61	-3.7 %	235
Comparable EBITDA-%	27.6 %	28.3 %		27.8 %
EBIT	30	38	-20.0 %	140
EBIT-%	14.3 %	17.6 %		16.6 %
Comparable EBIT ⁽¹⁾	36	38	-5.6 %	143
Comparable EBIT-%	16.9 %	17.6 %		16.9 %
CAPEX	25	22	13.1 %	108

¹⁾ 1Q2024 excluding EUR 5m in restructuring costs. ²⁾ 2023 excluding a EUR 3m impairment.

Revenue decreased by 1 per cent. The divestment of Videra affected revenue negatively. Also, decreases in equipment sales, corporate service number regulation change, interconnection and roaming, as well as a decrease in usage and subscriptions of traditional fixed telecom services, affected revenue negatively. Revenue was positively affected by growth in mobile and fixed and digital services. Comparable EBITDA decreased by 4 per cent.

Investments

EUR million	1Q24	1Q23	2023
Capital expenditure ⁽¹⁾ , of which	68	66	321
Consumer Customers	43	44	213
Corporate Customers	25	22	108
Shares	31	0	12
Total investments	99	66	333
Shares and business acquisitions	31	0	25
Licenses			2
Leases	10	9	23
Capital expenditure excluding leases, licenses, shares and business acquisitions	58	57	284
Capital expenditure as % of revenue	11	10	13

¹⁾ 2023 includes EUR 2m for the 26 GHz frequency licence investment in Estonia.

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

Personnel

In January–March, the average number of personnel at Elisa was 5,673 (5,637). Employee expenses totalled EUR 120 million (108), which includes one-off restructuring costs of EUR 10 million. Personnel by segment at the end of the period:

	31 Mar. 24	31 Mar. 23	31 Dec. 23
Consumer Customers	2,950	2,965	2,976
Corporate Customers	2,733	2,705	2,690
Total	5,683	5,670	5,666

Sustainability

Key ESG indicators	1Q24	1Q23
Energy efficiency of mobile network in Finland		
Change in energy consumption per GB from Q4 2021 level	-30.6 %	-9.0 %
Population coverage of >100 Mbps connections	93.8 %	87.8 %
Proportion of female supervisors	29.1 %	29.5 %
Patent portfolio development		
Number of active patents in portfolio ¹⁾	435	300
Number of new first applications	10	8

¹⁾ Number of active patent applications and patents.

All key figures are published in our certified annual sustainability report: elisa.com/corporate/investors/annual-report.

More key figures: elisa.com/corporate/investors/financial-key-figures/sustainability-key-figures/.

Financing arrangements and ratings

EUR million	Maximum amount	In use on 31 Mar 2024
Committed credit limits	300	0
Credit facility (not committed)	100	70
Commercial paper programme (not committed)	350	183
EMTN programme (not committed)	1,500	900

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

On 18 March 2024, Elisa paid back the remaining EUR 248 million of the bonds maturing in March 2024.

Share

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

Trading of shares, millions	1Q24	1Q23	2023
Nasdaq Helsinki	19.7	19.1	64.4
Cboe	40.1	37.0	148.8
London Stock Exchange	5.8	8.2	29.8
Other marketplaces	2.8	2.8	10.3
Total volume ¹⁾	68.4	67.2	253.3
Value, EUR million	2,900	3,509	12,375
% of shares	41.4 %	40.6 %	153.2 %

Shares and market values	31 Mar 2024	31 Mar 2023	2023
Total number of shares	167,335,073	167,335,073	167,335,073
Treasury shares	6,812,476	6,947,839	6,946,654
Outstanding shares	160,522,597	160,387,234	160,388,419
Closing price, EUR	41.35	55.56	41.87
Market capitalisation, EUR million	6,919	9,297	7,006
Treasury shares, %	4.07 %	4.15 %	4.15 %

Number of shares	Total	Treasury	Outstanding
Shares on 31 Dec 2023	167,335,073	6,946,654	160,388,419
Performance Share Plans 31 January 2024 ²⁾		-134,178	134,178
Shares on 31 Mar 2024	167,335,073	6,812,476	160,522,597

¹⁾ Sources: Nasdaq and Modular Finance. Reporting has been changed to reflect more transparent information available.

²⁾ Stock exchange release 31 January 2024.

On 31 January 2024, Elisa transferred 134,178 treasury shares to people included in the Performance Share Plan for the period 2020–2022 and Restricted Share Plan 2019 for the period 2022–2023.

In January, Elisa's Board of Directors decided on the vesting periods for the Restricted Share Plan 2023 for the CEO. The first vesting period, with a total allocation of 4,782 shares, ends on 31 December 2024, and the second with 7,172 shares, ends on 31 December 2025.

Significant legal and regulatory issues

After a tax audit on foreign dividend withholding tax, Elisa received a decision in April 2021 according to which it is required to pay a total of EUR 1.7 million in allegedly wrongly levied withholding taxes relating to the years 2015 and 2016. The Administrative Court ruled in favour of Elisa in February 2024. The ruling is final and binding.

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' interpretations of tax laws may lead to an increase in the tax burden for corporations.

Uncertainty relating to regional conflicts globally, especially Russia's war in Ukraine, is continuing. 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 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 2023.

Events after the reporting period

In April, Elisa announced the acquisition of the Finnish company Leanware Oy, which offers production, supply chain and logistics software. Acquiring Leanware strengthens Elisa's industrial software business, Elisa IndustrIQ. The acquisition requires the approval of the competition authority and is expected to be completed in the second quarter of 2024.

On 10 April 2024, Elisa signed a seven-year, EUR 100 million sustainability-linked loan agreement with the Nordic Investment Bank.

Annual General Meeting 2024

On 12 April 2024, Elisa's Annual General Meeting decided to pay a dividend of EUR 2.25 per share based on the adopted financial statements 31 December 2023. According to the decision, the dividend will be paid in two instalments. The first instalment of the dividend, EUR 1.13 per share, will be paid to shareholders registered in the shareholders' register of the Company held by Euroclear Finland Oy on the dividend payment record date of the first instalment, 16 April 2024. The first instalment will be paid on 23 April 2024. The second instalment of the dividend, EUR 1.12 per share, will be paid to shareholders registered in the shareholders' register of the Company held by Euroclear Finland Oy on the dividend payment record date of the second instalment, 23 October 2024. The second instalment of the dividend will be paid on 30 October 2024.

The AGM adopted the financial statements for 2023. The members of the Board of Directors and the CEO were discharged from liability for 2023.

The AGM approved the Remuneration Report for the Company's governing bodies for 2023. The AGM did not approve the Board of Directors' proposal for the Remuneration Policy for the Elisa's governing bodies. The resolutions are advisory in accordance with the Finnish Limited Liabilities Companies Act.

The number of the members of the Board of Directors was confirmed at eight. Maher Chebbo, Kim Ignatius, Katariina Kravi, Pia Käll, Eva-Lotta Sjöstedt, Anssi Vanjoki and Antti Vasara were re-elected as members of the Board of Directors. Christoph Vitzthum was elected as a new member of the Board of Directors. Anssi Vanjoki was appointed as the Chair and Katariina Kravi as the Deputy Chair of the Board of Directors.

The AGM decided that the amount of annual remuneration for the members of the Board of Directors be changed. The Chair of the Board will be paid annual remuneration of EUR 150,000, the Deputy Chair of the Board and the Chairs of the Committees EUR 87,000, and other Board members EUR 72,000. Additionally, a meeting fee of EUR 800 per meeting of the Board and of a Committee will be paid. If a Board member is physically present at a Board or Committee meeting that is held in a country other than his/her permanent home country, the meeting fee is EUR 1,600.

Ernst & Young Oy, Authorised Public Accountants Organisation, was elected as the company's auditor. APA Terhi Mäkinen is the responsible auditor. The auditor will be remunerated and travel expenses reimbursed in accordance with the invoice accepted by the Company.

The AGM decided to authorise the Board of Directors to resolve to repurchase or accept as pledge the company's own shares. The repurchase may be directed. The number of shares under this authorisation is five million shares at maximum. The authorisation is valid for 18 months from the date of the resolution of the General Meeting.

The AGM decided to authorise the Board of Directors to pass a resolution concerning the share issue, the right of assignment of treasury shares and/or the granting of special rights referred to in the Companies Act. The authorisation entitles the Board of Directors to execute the issue as directed. The number of shares under this authorisation is 15 million shares at maximum. The authorisation is valid for 18 months from the date of the resolution of the General Meeting.

The AGM decided that, for shares of Kymen Puhelin Oy and Telekarelia Oy for which no claim on merger consideration has been presented and no share certificate or other similar document and possible account on title that proves the right of ownership, as well as claims on registering based on these, have been presented by 12 April 2024 at the latest, the right to Elisa Corporation shares given as merger consideration and rights based on them would be forfeited. If the share certificate or other similar document has been lost, the merger consideration must be claimed, and the claim on registering must be presented, by the deadline set out above at the latest, and the judgment regarding the annulment of the share certificate or other similar document must be presented to Elisa Corporation on 29 November 2024 at the latest. The forfeited considerations will be received by Elisa Corporation as the transferee company in the merger, and the rules and regulations applicable to own shares held by the company will be applied to such shares.

Composition of the Committees of Elisa's Board of Directors

The Board of Directors held its organising meeting and appointed Katariina Kravi (chair), Maher Chebbo and Eva-Lotta Sjöstedt to the People and Compensation Committee. Kim Ignatius (chair), Pia Kåll, Antti Vasara and Christoph Vitzthum were appointed to the Audit Committee.

Outlook and guidance for 2024

The development in the general economy includes many uncertainties. Growth in the Finnish economy is expected to stall. In particular, there is continuing uncertainty in e.g. inflation and energy prices relating to Russia's war in Ukraine and other conflicts. 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 at the same level or slightly higher than in 2023. Mobile data and digital services are expected to increase revenue. Full-year comparable EBITDA is anticipated to be at the same level or slightly higher than in 2023. Capital expenditure is expected to be 12–13 per cent of revenue.

Elisa continues 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	1-3 2024	1-3 2023	1-12 2023
Revenue	1	534.5	539.7	2,180.5
Other operating income		0.7	4.5	9.8
Materials and services		-185.2	-205.0	-817.9
Employee expenses		-120.0	-108.2	-417.1
Other operating expenses		-50.3	-47.6	-199.3
EBITDA	1	179.7	183.4	755.9
Depreciation, amortisation and impairment	1	-68.1	-66.5	-274.1
EBIT	1	111.7	116.9	481.8
Financial income		2.4	1.5	8.7
Financial expenses		-8.8	-5.9	-32.0
Share of associated companies' profit		-1.2	-0.1	-0.4
Profit before tax		104.0	112.4	458.1
Income taxes		-21.4	-20.9	-84.1
Profit for the period		82.6	91.5	374.0
Attributable to				
Equity holders of the parent		82.9	91.6	375.2
Non-controlling interests		-0.4	-0.1	-1.2
		82.6	91.5	374.0
Earnings per share (EUR)				
Basic		0.52	0.57	2.34
Diluted		0.52	0.57	2.34
Average number of outstanding shares (1000 shares)				
Basic		160,477	160,342	160,376
Diluted		160,517	160,406	160,530

Consolidated statement of comprehensive income

Profit for the period	82.6	91.5	374.0
Other comprehensive income, net of tax			
Items that may be reclassified subsequently to profit or loss			
Cash flow hedge	-0.9	-1.4	-0.1
Translation differences	-2.5	-1.3	-0.4
	-3.4	-2.6	-0.5
Items that are not reclassified subsequently to profit or loss			
Remeasurements of the net defined benefit liability			1.2
Total comprehensive income	79.2	88.9	374.8
Total comprehensive income attributable to			
Equity holders of the parent	79.6	89.0	376.0
Non-controlling interest	-0.3	-0.1	-1.2
	79.2	88.9	374.8

Consolidated statement of financial position

EUR million	31 Mar. 2024	31 Dec. 2023
Non-current assets		
Property, plant and equipment	811.8	815.6
Right-of-use assets	91.4	87.3
Goodwill	1,183.5	1,157.2
Intangible assets	214.3	210.3
Investments in associated companies	19.5	20.8
Other financial assets	16.1	16.0
Trade and other receivables	107.4	107.9
Deferred tax assets	12.7	11.5
	2,456.6	2,426.6
Current assets		
Inventories	76.3	77.1
Trade and other receivables	518.3	555.8
Tax receivables	3.0	1.7
Cash and cash equivalents	84.1	63.4
	681.8	698.0
Total assets	3,138.4	3,124.6
Equity attributable to equity holders of the parent	1,366.8	1,290.4
Non-controlling interests	2.7	3.3
Total shareholders' equity	1,369.5	1,293.7
Non-current liabilities		
Deferred tax liabilities	25.3	24.7
Interest-bearing financial liabilities	997.7	996.7
Interest-bearing lease liabilities	71.9	67.8
Trade payables and other liabilities	21.4	19.4
Pension obligations	9.2	9.3
Provisions	4.5	3.4
	1,129.9	1,121.3
Current liabilities		
Interest-bearing financial liabilities	253.1	282.2
Interest-bearing lease liabilities	21.2	20.8
Trade and other payables	353.3	402.5
Tax liabilities	2.6	3.1
Provisions	8.8	1.0
	639.1	709.6
Total equity and liabilities	3,138.4	3,124.6

Condensed consolidated cash flow statement

EUR million	1-3 2024	1-3 2023	1-12 2023
Cash flow from operating activities			
Profit before tax	104.0	112.4	458.1
Adjustments			
Depreciation, amortisation and impairment	68.1	66.5	274.1
Other adjustments	6.3	-7.6	0.3
	74.4	59.0	274.4
Change in working capital			
Increase (-) / decrease (+) in trade and other receivables	48.4	43.9	-2.4
Increase (-) / decrease (+) in inventories	1.3	0.5	15.0
Increase (+) / decrease (-) in trade and other payables	-48.8	-58.6	2.4
	1.0	-14.2	15.1
Financial items, net	-12.0	-8.2	-18.1
Taxes paid	-23.5	-19.2	-81.6
Net cash flow from operating activities	143.8	129.8	647.8
Cash flow from investing activities			
Capital expenditure	-57.8	-61.8	-304.7
Investments in shares and business combinations	-24.4	-0.3	-4.7
Proceeds from disposal of assets	0.0	3.7	8.6
Net cash used in investing activities	-82.2	-58.5	-300.8
Cash flow before financing activities	61.5	71.3	347.0
Cash flow from financing activities			
Proceeds from long-term borrowings			298.2
Repayments of long-term borrowings	-249.1	-0.1	-201.7
Increase (+) / decrease (-) in short-term borrowings	218.5	33.5	-90.5
Repayment of lease liabilities	-6.1	-6.3	-25.4
Acquisition of non-controlling interests			-7.3
Dividends paid	-3.5	-2.1	-343.5
Net cash used in financing activities	-40.1	25.1	-370.1
Change in cash and cash equivalents	21.4	96.4	-23.1
Translation differences	-0.8	-0.2	1.1
Cash and cash equivalents at beginning of period	63.4	85.4	85.4
Cash and cash equivalents at end of period	84.1	181.6	63.4

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 2023	83.0	-124.5	90.9	373.9	823.2	5.4	1,251.9
Profit for the period					91.6	-0.1	91.5
Translation differences					-1.2	0.0	-1.3
Cash flow hedge				-1.4			-1.4
Total comprehensive income				-1.4	90.4	-0.1	88.9
Share-based compensation		2.8					2.8
Other changes					-6.6	0.0	-6.6
Balance at 31 March 2023	83.0	-121.7	90.9	372.5	906.9	5.3	1,336.9
EUR million							
Balance at 1 January 2024	83.0	-121.7	90.9	375.1	863.1	3.3	1,293.7
Profit for the period					82.9	-0.4	82.6
Translation differences					-2.5	0.0	-2.5
Cash flow hedge				-0.9			-0.9
Total comprehensive income				-0.9	80.4	-0.3	79.2
Share-based compensation		2.9					2.9
Acquisition of subsidiary with non-controlling interests						-0.3	-0.3
Other changes					-6.0		-6.0
Balance at 31 March 2024	83.0	-118.8	90.9	374.2	937.5	2.7	1,369.5

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 2023.

Changes in the accounting principles

Revisions to IFRS standards applied since 1 January 2024 did not have a material impact on the consolidated financial statements.

1. Segment information

1-3/2024	Consumer	Corporate	Unallocated	Group
EUR million	Customers	Customers	items	total
Revenue	323.1	211.4		534.5
EBITDA	126.7	53.0		179.7
Depreciation, amortisation and impairment	-45.3	-22.8		-68.1
EBIT	81.4	30.2		111.7
Financial income			2.4	2.4
Financial expenses			-8.8	-8.8
Share of associated companies' profit			-1.2	-1.2
Profit before tax				104.0
Investments	43.3	24.9		68.2
1-3/2023	Consumer	Corporate	Unallocated	Group
EUR million	Customers	Customers	items	total
Revenue	325.4	214.2		539.7
EBITDA	122.7	60.7		183.4
Depreciation, amortisation and impairment	-43.6	-22.9		-66.5
EBIT	79.1	37.8		116.9
Financial income			1.5	1.5
Financial expenses			-5.9	-5.9
Share of associated companies' profit			-0.1	-0.1
Profit before tax				112.4
Investments	43.5	22.0		65.5
1-12/2023	Consumer	Corporate	Unallocated	Group
EUR million	Customers	Customers	items	total
Revenue	1,334.7	845.8		2,180.5
EBITDA	520.8	235.1		755.9
Depreciation, amortisation and impairment	-179.3	-94.9		-274.1
EBIT	341.6	140.3		481.8
Financial income			8.7	8.7
Financial expenses			-32.0	-32.0
Share of associated companies' profit			-0.4	-0.4
Profit before tax				458.1
Investments	213.0	108.4		321.4
Total assets	1,900.5	1,110.7	113.4	3,124.6

2. Off-balance sheet lease commitments

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

EUR million	31 Mar. 2024	31 Dec. 2023
Within one year	14.9	14.4
Later than one year, not later than five years	4.9	5.1
Later than five years	1.2	1.4
	21.0	20.9

Lease commitments are exclusive of value added tax.

3. Contingent liabilities

EUR million	31 Mar. 2024	31 Dec. 2023
For our own commitments		
Mortgages	4.8	3.8
Guarantees	2.8	0.8
Deposits	0.5	0.5
Collateral	0.4	
On behalf of others		
Guarantees	0.5	0.5
	9.1	5.6
Other contractual obligations		
Venture capital investment commitment	0.2	0.2
	0.2	0.2

4. Derivative instruments

EUR million	31 Mar. 2024	31 Dec. 2023
Nominal values of derivatives		
Electricity derivatives	4.0	3.5
Currency derivatives	3.3	3.3
	7.3	6.8
Fair values of derivatives		
Electricity derivatives	0.0	1.0
Currency derivatives	-0.1	0.1
	-0.1	1.0

5. Key figures

EUR million	1-3 2024	1-3 2023	1-12 2023
Shareholders' equity per share, EUR	8.51	8.30	8.05
Interest-bearing net debt	1,259.8	1,216.7	1,304.1
Gearing, %	92.0 %	91.0 %	100.8 %
Equity ratio, %	43.8 %	42.6 %	41.6 %
Return on investment (ROI), % *)	17.7 %	18.1 %	18.5 %
Gross investments in fixed assets, of which right-of-use assets	68.2 10.2	65.5 8.9	321.4 23.3
Gross investments as % of revenue	12.8 %	12.1 %	14.7 %
Investments in shares and business combinations	30.5	0.1	11.8
Average number of employees	5,673	5,637	5,721

*) Rolling 12 months' profit preceding the reporting date

Financial calendar

Half-Year Financial Report 2024
Interim Report Q3 2024

16 July 2024
18 October 2024

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