

Interim Report

**Q3 2022**

19 October 2022

*elisa*

# ELISA'S INTERIM REPORT JANUARY–SEPTEMBER 2022

## Third quarter 2022 financial highlights

- Revenue increased by EUR 38m to EUR 534m, mainly due to growth in mobile and digital services as well as in equipment sales.
- Mobile service revenue increased by 6.9 per cent to EUR 233m.
- EBITDA grew by EUR 8m to EUR 194m.
- EBIT increased by EUR 7m to EUR 128m.
- Comparable cash flow decreased by EUR 2m to EUR 87m.
- In Finland, mobile post-paid ARPU increased to EUR 21.1 (21.0 in the previous quarter), and mobile post-paid churn increased to 18.6 per cent (15.3).
- During the quarter, the number of post-paid mobile subscriptions increased by 35,400. The M2M and IoT subscription base grew by 37,200.
- Prepaid subscriptions increased by 29,500 during the quarter.
- The number of fixed broadband subscriptions decreased by 1,700 during the quarter.
- Revenue and EBITDA guidance for 2022 is upgraded to “slightly higher” (previously “same level or slightly higher”).

## Key indicators

EUR million	3Q22	3Q21	Δ %	1Q-3Q22	1Q-3Q21	Δ %
Revenue	534	496	7.6 %	1,567	1,462	7.1 %
EBITDA	194	186	4.2 %	548	522	5.1 %
Comparable EBITDA <sup>(1)</sup>	194	186	4.2 %	550	528	4.3 %
EBIT	128	121	6.1 %	351	322	8.9 %
Comparable EBIT <sup>(1)</sup>	128	121	6.1 %	353	328	7.6 %
Profit before tax	124	118	5.3 %	341	313	8.7 %
Comparable PBT <sup>(1)</sup>	124	118	5.3 %	343	319	7.4 %
EPS, EUR	0.63	0.60	4.4 %	1.74	1.61	7.9 %
Comparable EPS, EUR	0.63	0.60	4.4 %	1.75	1.64	6.6 %
Capital expenditure	67	64	5.2 %	192	184	4.8 %
Net debt	1,358	1,298	4.6 %	1,358	1,298	4.6 %
Net debt / EBITDA <sup>(2)</sup>	1.9	1.9		1.9	1.9	
Gearing ratio, %	116.9 %	116.1 %		116.9 %	116.1 %	
Equity ratio, %	38.6 %	38.5 %		38.6 %	38.5 %	
Cash flow <sup>(3)</sup>	79	86	-7.9 %	214	237	-9.6 %
Comparable Cash flow <sup>(4)</sup>	87	89	-2.1 %	235	250	-6.2 %

<sup>1)</sup> 1Q–3Q2022 excluding EUR 2m and 1Q–3Q2021 excluding EUR 6m in restructuring costs. <sup>2)</sup> (Interest-bearing debt – financial assets) / (four previous quarters' comparable EBITDA). <sup>3)</sup> Cash flow before financing activities. <sup>4)</sup> 3Q22 excluding EUR 8m and 1Q–3Q22 excluding EUR 21m in share investments; 3Q21 excluding EUR 4m and 1Q–3Q21 excluding EUR 14m in share investments.

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

## CEO's review:

### Solid performance continuing

Elisa continued its solid development. Revenue increased by 8 per cent from the previous year to EUR 534 million. EBITDA improved by 4 per cent to EUR 194 million and earnings per share by 4 per cent to EUR 0.63. Despite geopolitical challenges and increasing uncertainties, all of our businesses have had solid performance.

Our 5G expansion has proceeded according to plan. Finland's most comprehensive 5G network now reaches more than 200 locations and covers over 83 per cent of Finns. We are happy with how quickly customers have adopted 5G – the new-generation mobile network has met the increasing needs of our customers very well.

Our digital services businesses continued to grow during the quarter. Demand for cyber services increased among corporate customers. Internationally, Elisa IndustrIQ businesses continued their positive development, for example by winning new customers.

The effect of inflation on Elisa, particularly increases in energy prices and salaries, has been moderate. Improving energy efficiency has been part of Elisa's strategy since 2009. We are also committed to improving the environmental impact of our business and promoting more environmentally friendly operations. In second quarter 2023, Elisa's wind power contract will cover half of the electricity needed for Elisa's entire mobile network in Finland. In Finland and Estonia, we have increased energy-saving measures in our network as well as in stores and offices during the autumn.

We announced an agreement to transfer waste heat from Elisa's Pasila data centre to heat homes and business premises in the Helsinki area. Waste heat from Elisa's large data centres in Espoo has been redirected for heating for years already, and 100 per cent of the district cooling used in all our data centres is renewable.

We will continue to focus strongly on continuous improvement of the customer experience and quality. Increasing productivity, innovating and expanding our digital services internationally, creating value with data, and our strong investment capability continue to lay a solid foundation for competitively creating value in the future.

### Veli-Matti Mattila

CEO

## INTERIM REPORT JANUARY–SEPTEMBER 2022

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 post-COVID-19 situation has continued to impact the market situation to some extent. The amount of travel to Asia is still very limited. On the other hand, 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 in multi-dwelling units, and the number and usage of traditional fixed network subscriptions is decreasing.

The markets for IT services have continued to develop favourably. The IPTV entertainment services market is growing, while competition in streaming services is keen. Demand for other digital services is also growing well.

### Revenue, earnings and financial position

EUR million	3Q22	3Q21	Δ %	1Q-3Q22	1Q-3Q21	Δ %
Revenue	534	496	7.6 %	1,567	1,462	7.1 %
EBITDA	194	186	4.2 %	548	522	5.1 %
EBITDA-%	36.3 %	37.5 %		35.0 %	35.7 %	
Comparable EBITDA <sup>(1)</sup>	194	186	4.2 %	550	528	4.3 %
Comparable EBITDA-%	36.3 %	37.5 %		35.1 %	36.1 %	
EBIT	128	121	6.1 %	351	322	8.9 %
EBIT-%	24.0 %	24.3 %		22.4 %	22.0 %	
Comparable EBIT <sup>(1)</sup>	128	121	6.1 %	353	328	7.6 %
Comparable EBIT-%	24.0 %	24.3 %		22.5 %	22.4 %	
Return on equity, %	30.8 %	29.6 %		30.8 %	29.6 %	

<sup>1)</sup> 1Q-3Q22 excluding EUR 2m and 1Q-3Q21 excluding EUR 6m in restructuring costs.

#### Third quarter 2022

Revenue increased by 8 per cent, mostly due to growth in mobile, fixed and digital services as well as equipment sales. Decreased usage and subscriptions of traditional fixed (PSTN) telecom services and a decrease in interconnection revenue affected revenue negatively. EBITDA increased by 4 per cent. Efficiency improvements and revenue growth impacted EBITDA positively. EBIT grew by 6 per cent.

Net financial income and expenses were EUR -4 million (-3). Income taxes in the income statement amounted to EUR -23 million (-21). Net profit was EUR 101 million (97), and earnings per share was EUR 0.63 (0.60).

#### January–September 2022

Revenue increased by 7 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 revenue affected revenue negatively.

EBITDA includes EUR 2 million in one-off restructuring costs relating to personnel reductions. Comparable EBITDA increased by 4 per cent and comparable EBIT by 8 per cent, mainly due to revenue growth and efficiency improvement measures.

Net financial income and expenses were EUR -9 million (-8). Income taxes in the income statement were EUR -64 million (-56). Net profit was EUR 277 million (257), and earnings per share were EUR 1.74 (1.61). Comparable earnings per share was EUR 1.75 (1.64).

#### Financial position

EUR million	3Q22	3Q21	Δ %	1Q-3Q22	1Q-3Q21	Δ %
Net debt	1,358	1,298	4.6 %	1,358	1,298	4.6 %
Net debt / EBITDA <sup>1)</sup>	1.9	1.9		1.9	1.9	
Gearing ratio, %	116.9 %	116.1 %		116.9 %	116.1 %	
Equity ratio, %	38.6 %	38.5 %		38.6 %	38.5 %	
Cash flow <sup>2)</sup>	79	86	-7.9 %	214	237	-9.6 %
Comparable cash flow <sup>3)</sup>	87	89	-2.1 %	235	250	-6.2 %

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

<sup>3)</sup> 3Q22 excluding EUR 8m and 1Q-3Q22 excluding EUR 21m in share investments; 3Q21 excluding EUR 4m and 1Q-3Q21 excluding EUR 14m in share investments.

#### Third quarter 2022

Net debt increased by 5 per cent to EUR 1,358 million. Comparable cash flow after investments decreased by 2 per cent to EUR 87 million. Cash flow was negatively affected by a change in net working capital and higher taxes, and it was positively affected by increased EBITDA.

The financial position and liquidity are strong. Cash and undrawn committed credit lines totalled EUR 378 million at the end of the quarter.

#### January–September 2022

Comparable cash flow after investments decreased by 6 per cent to EUR 235 million. The negative change in net working capital, higher taxes paid and the fee paid for the Estonian 5G licence affected cash flow negatively, while higher EBITDA, lower capital expenditure and financial items had positive effects.

## Changes in corporate structure

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

## Consumer Customers business

EUR million	3Q22	3Q21 <sup>1)</sup>	Δ %	1Q-3Q22	1Q-3Q21 <sup>1)</sup>	Δ %
Revenue	330	314	5.1 %	962	915	5.1 %
EBITDA	131	125	4.6 %	373	358	3.9 %
EBITDA-%	39.5 %	39.7 %		38.7 %	39.2 %	
Comparable EBITDA <sup>2)</sup>	131	125	4.6 %	374	361	3.7 %
Comparable EBITDA-%	39.5 %	39.7 %		38.9 %	39.4 %	
EBIT	87	82	6.6 %	242	228	6.1 %
EBIT-%	26.3 %	26.0 %		25.2 %	24.9 %	
Comparable EBIT <sup>2)</sup>	87	82	6.6 %	244	230	5.8 %
Comparable EBIT-%	26.3 %	26.0 %		25.3 %	25.2 %	
CAPEX	45	40	12.6 %	128	115	11.9 %

<sup>1)</sup> Allocation rules between segments have been specified in 2022 and the comparable figures have been updated. <sup>2)</sup> 1Q-3Q22 excluding EUR 1.6m and 1Q-3Q21 excluding EUR 2.3m in restructuring costs.

### Third quarter 2022

Revenue increased by 5 per cent. Revenue was positively affected by growth in mobile and digital services as well as in equipment sales. Decreases in interconnection revenue and in usage and subscriptions of traditional fixed telecom services affected revenue negatively. EBITDA increased by 5 per cent, mainly due to revenue growth and efficiency improvements.

### January–September 2022

Revenue increased by 5 per cent. Mobile and digital services as well as equipment sales affected revenue positively, while it was negatively affected by interconnection revenue and the decrease in traditional fixed telecom services. EBITDA includes EUR 1.6 million in one-off restructuring costs relating to personnel reductions. Comparable EBITDA increased by 4 per cent, mainly due to revenue growth and efficiency improvement measures.

## Corporate Customers business

EUR million	3Q22	3Q21 <sup>1)</sup>	Δ %	1Q-3Q22	1Q-3Q21 <sup>1)</sup>	Δ %
Revenue	204	182	11.7 %	605	547	10.6 %
EBITDA	63	61	3.4 %	176	163	7.6 %
EBITDA-%	31.1 %	33.6 %		29.1 %	29.9 %	
Comparable EBITDA <sup>2)</sup>	63	61	3.4 %	176	167	5.6 %
Comparable EBITDA-%	31.1 %	33.6 %		29.1 %	30.5 %	
EBIT	41	39	5.0 %	109	94	15.5 %
EBIT-%	20.1 %	21.4 %		18.0 %	17.2 %	
Comparable EBIT <sup>2)</sup>	41	39	5.0 %	109	98	11.7 %
Comparable EBIT-%	20.1 %	21.4 %		18.0 %	17.9 %	
CAPEX	22	23	-7.6 %	64	69	-7.0 %

<sup>1)</sup> Allocation rules between segments have been specified in 2022 and the comparable figures have been updated. <sup>2)</sup> 1Q-3Q22 excluding EUR 0.4m and 1Q-3Q21 excluding EUR 3.5m in restructuring costs.

### Third quarter 2022

Revenue grew by 12 per cent. Revenue was positively affected by growth in mobile, fixed and digital services and equipment sales as well as the Frinx and Cardinality acquisitions. Decreases in traditional

fixed services and interconnection revenue affected revenue negatively. EBITDA increased by 3 per cent, mainly due to revenue growth and efficiency improvements.

### January–September 2022

Revenue increased by 11 per cent. Revenue was positively affected by growth in mobile, fixed and digital services and equipment sales as well as the Frinx and Cardinality acquisitions, whereas the decrease in traditional fixed services and interconnection revenue had a negative effect. EBITDA includes EUR 0.4 million in one-off restructuring costs relating to personnel reductions. Comparable EBITDA increased by 6 per cent.

## Investments

EUR million	3Q22	3Q21	1Q-3Q22	1Q-3Q21
Capital expenditure <sup>(1)</sup> , of which	67	64	192	184
Consumer Customers	45	40	128	115
Corporate Customers	22	23	64	69
Shares and business acquisitions	10	15	25	25
Total investments	77	79	217	209
Licences			7	
Leases	4	4	19	11
Capital expenditure excluding leases, licences and business acquisitions	63	60	167	173
Capital expenditure as % of revenue	12	12	11	12

<sup>1)</sup> 1Q-3Q22 include EUR 7m for the 3.5 GHz frequency licence investment in Estonia.

The main capital expenditures related to the capacity and coverage increases in the 5G and 4G networks, as well as to other network and IT investments.

## Personnel

In January–September, the average number of personnel at Elisa was 5,486 (5,398) and employee expenses totalled EUR 287 million (273). In the third quarter, employee expenses were EUR 89 million (80). Personnel by segment at the end of the period:

	3Q22	3Q21	2021
Consumer Customers	2 969	2 857	2 845
Corporate Customers	2 656	2 530	2 526
Total	5 625	5 387	5 371

The growth in personnel was impacted by the Frinx and Cardinality acquisitions.

## Sustainability

Key ESG indicators	3Q22	3Q21	4Q21
Mobile network energy efficiency in Finland			
Change in energy consumption per GB from Q4 2021 level	-4.7 %	-	-
Population coverage of >100 Mbps connections in Finland	83.2 %	64.4 %	72.6 %
Proportion of female supervisors	29.7 %	29.2 %	27.4 %
Patent portfolio development			
Size of active patent portfolio <sup>1)</sup>	321	228	265
Number of first applications	8	1	19

<sup>1)</sup> 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 2022
Committed credit limits	300	0
Credit facilities (not committed)	100	30
Commercial paper programme (not committed)	350	169
EMTN programme (not committed)	1,500	900
	0	
Long-term credit ratings	Rating	Outlook
Credit rating agency		
Moody's Investor Services	Baa2	Stable
S&P Global Ratings	BBB+	Stable



## 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	3Q22	3Q21	2021
Nasdaq Helsinki, millions	15.7	15.7	81.6
Other marketplaces, millions <sup>1)</sup>	49.1	31.3	167.3
Total volume, millions	64.7	47.0	248.9
Value, EUR million	3,417.1	2,537.1	12,698.1
% of shares	38.7 %	28.1 %	148.7 %

Shares and market values	30 Sep 2022	30 Sep 2021	2021
Total number of shares	167,335,073	167,335,073	167,335,073
Treasury shares	7,075,378	7,147,772	7,147,772
Outstanding shares	160,259,695	160,187,301	160,187,301
Closing price, EUR	46.35	53.64	54.12
Market capitalisation, EUR million	7,756	8,976	9,056
Treasury shares, %	4.23 %	4.27 %	4.27 %

Number of shares	Total	Treasury	Outstanding
Shares on 31 Dec 2021	167,335,073	7,147,772	160,187,301
Performance share plan, 1 Feb 2022 <sup>2)</sup>		-72,394	72,394
Shares on 30 Sep 2022	167,335,073	7,075,378	160,259,695

<sup>1)</sup> Other marketplaces: Based on Bloomberg. <sup>2)</sup> Stock exchange release, 1 February 2022.

On 1 February 2022, Elisa transferred 72,394 treasury shares to people involved in the performance share plan for the period 2019–2021.

## Elisa Shareholders' Nomination Board

The biggest shareholders were determined according to the shareholder register of Elisa on 31 August 2022, and they named the members of the Nomination Board. The composition of the Nomination Board since September 2022 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
- Ms Hanna Hiidenpalo, Chief Investment Officer, 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.

## Significant legal and regulatory issues

The Estonian 700 MHz spectrum auction is scheduled to begin on 8 November 2022. There are three qualified participants in the auction (including Elisa Estonia AS) and six licences. The reserve price for

one licence is EUR 1 million. The maximum number of licences that any participant may obtain is two. The frequencies can be used for 5G networks.

## **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. The tax authorities have taken a slightly more intense approach to tax inspection of late. Tax payments may be challenged by local tax authorities, and this may have a negative financial impact on Elisa.

There is an increasing level of uncertainty 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 has withdrawn from the Russian market.

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.

The direct and indirect effects of the coronavirus (COVID-19) pandemic are uncertain. If the pandemic continues for a prolonged period, this may significantly contribute to a slowdown in economic growth, which may have negative effects on Elisa through customer demand, suppliers' security of supply and employee health. Elisa has adapted its operations and taken many proactive measures due to the COVID-19 pandemic, e.g. more intensive follow-up of customer demand for existing services, as well as

emerging demand for new business opportunities. Also, the company has moved to hybrid working in the duties where that is possible.

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.

COVID-19, 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 increase financing costs.

A detailed description of financial risk management can be found in Note 7.1 to the Annual Report 2021.

## Energy price and inflation

Increase in energy prices and inflation has impacted to the market. In Finland, however, the effects of these have been less severe compared to many other European markets. Elisa is well hedged against electricity price increases and continues to develop energy efficiency measures. Cost efficiency and price changes are expected to mitigate the economic impacts of energy price increases and inflation.

## Events after the reporting period

There have been no substantial events after the reporting period.

## Outlook and guidance for 2022

Growth in the Finnish economy is expected to slow down to some extent. Increasing levels of uncertainty relating to Russia's war in Ukraine, such as inflation and energy prices, are 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 2021. Mobile data and digital services are expected to increase revenue. Full-year comparable EBITDA is anticipated to be slightly higher than in 2021. Capital expenditure is expected to be a maximum of 12 per cent of revenue.

Elisa is continuing its productivity improvement development, 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 2022	7-9 2021	1-9 2022	1-9 2021	1-12 2021
<b>Revenue</b>	1	<b>534.0</b>	<b>496.5</b>	<b>1,566.9</b>	<b>1,462.4</b>	<b>1,997.9</b>
Other operating income		1.3	1.6	3.4	7.2	9.0
Materials and services		-208.4	-188.3	-596.9	-551.3	-763.6
Employee expenses		-89.1	-80.4	-286.8	-273.4	-373.8
Other operating expenses		-44.1	-43.4	-138.2	-123.0	-172.2
<b>EBITDA</b>	1	<b>193.9</b>	<b>186.0</b>	<b>548.3</b>	<b>521.9</b>	<b>697.4</b>
Depreciation, amortisation and impairment	1	-65.9	-65.4	-197.6	-199.7	-266.6
<b>EBIT</b>	1	<b>127.9</b>	<b>120.6</b>	<b>350.7</b>	<b>322.1</b>	<b>430.8</b>
Financial income		1.6	1.3	5.0	3.6	4.6
Financial expenses		-5.4	-4.1	-14.2	-12.1	-16.5
Share of associated companies' profit		-0.1	-0.1	-0.8	-0.3	-0.5
<b>Profit before tax</b>		<b>124.0</b>	<b>117.7</b>	<b>340.7</b>	<b>313.4</b>	<b>418.4</b>
Income taxes		-23.2	-21.0	-63.5	-55.9	-74.9
<b>Profit for the period</b>		<b>100.8</b>	<b>96.7</b>	<b>277.2</b>	<b>257.5</b>	<b>343.5</b>
<b>Attributable to</b>						
Equity holders of the parent		101.1	96.8	278.1	257.6	343.6
Non-controlling interests		-0.3	-0.1	-1.0	-0.2	-0.2
		100.8	96.7	277.2	257.5	343.5
<b>Earnings per share (EUR)</b>						
Basic		0.63	0.60	1.74	1.61	2.15
Diluted		0.63	0.60	1.73	1.61	2.15
<b>Average number of outstanding shares (000s)</b>						
Basic		160,260	160,187	160,251	160,170	160,174
Diluted		160,369	160,187	160,361	160,170	160,174

## Consolidated statement of comprehensive income

<b>Profit for the period</b>	<b>100.8</b>	<b>96.7</b>	<b>277.2</b>	<b>257.5</b>	<b>343.5</b>
<b>Other comprehensive income, net of tax</b>					
<b>Items that may be reclassified subsequently to profit or loss</b>					
Cash flow hedge	0.7	0.5	4.7	0.3	0.9
Translation differences	-0.4	-0.1	-1.9	-1.0	-1.2
	0.2	0.3	2.8	-0.6	-0.3
<b>Items that are not reclassified subsequently to profit or loss</b>					
Remeasurements of the net defined benefit liability					-2.8
<b>Total comprehensive income</b>	<b>101.0</b>	<b>97.0</b>	<b>279.9</b>	<b>256.9</b>	<b>340.4</b>
<b>Total comprehensive income attributable to</b>					
Equity holders of the parent	101.3	97.1	280.8	257.0	340.5
Non-controlling interest	-0.3	-0.1	-0.8	-0.1	-0.1
	101.0	97.0	279.9	256.9	340.4

## Consolidated statement of financial position

EUR million	30.9. 2022	31.12. 2021
<b>Non-current assets</b>		
Property, plant and equipment	740.4	752.7
Right-of-use assets	91.5	91.0
Goodwill	1,159.5	1,139.4
Intangible assets	206.1	198.1
Investments in associated companies	9.8	10.6
Other financial assets	16.2	16.4
Trade and other receivables	113.6	103.2
Deferred tax assets	14.6	13.1
	2,351.7	2,324.5
<b>Current assets</b>		
Inventories	101.2	82.8
Trade and other receivables	493.7	506.3
Tax receivables	1.7	0.7
Cash and cash equivalents	78.1	114.1
	674.7	703.9
<b>Total assets</b>	<b>3,026.4</b>	<b>3,028.4</b>
<b>Equity attributable to equity holders of the parent</b>	<b>1,155.4</b>	<b>1,197.8</b>
<b>Non-controlling interests</b>	<b>5.9</b>	<b>6.3</b>
<b>Total shareholders' equity</b>	<b>1,161.3</b>	<b>1,204.1</b>
<b>Non-current liabilities</b>		
Deferred tax liabilities	24.8	25.3
Interest-bearing financial liabilities	994.2	1,141.4
Lease liabilities, interest-bearing	72.5	73.4
Trade payables and other liabilities	34.8	41.0
Pension obligations	14.4	14.4
Provisions	2.8	2.8
	1,143.5	1,298.3
<b>Current liabilities</b>		
Interest-bearing financial liabilities	349.0	100.2
Lease liabilities, interest-bearing	20.0	18.1
Trade and other payables	341.0	401.6
Tax liabilities	9.8	2.9
Provisions	1.8	3.1
	721.6	526.0
<b>Total equity and liabilities</b>	<b>3,026.4</b>	<b>3,028.4</b>

## Condensed consolidated cash flow statement

EUR million	1-9 2022	1-9 2021	1-12 2021
<b>Cash flow from operating activities</b>			
Profit before tax	340.7	313.4	418.4
Adjustments			
Depreciation, amortisation and impairment	197.6	199.7	266.6
Other adjustments	-0.2	-0.3	-2.9
	197.4	199.4	263.7
Change in working capital			
Increase (-) / decrease (+) in trade and other receivables	25.6	21.5	-31.7
Increase (-) / decrease (+) in inventories	-18.7	-8.3	-17.6
Increase (+) / decrease (-) in trade and other payables	-61.4	-20.6	52.6
	-54.6	-7.3	3.3
Financial items, net	-8.3	-13.2	-14.0
Taxes paid	-61.1	-56.1	-75.7
<b>Net cash flow from operating activities</b>	<b>414.2</b>	<b>436.2</b>	<b>595.7</b>
<b>Cash flow from investing activities</b>			
Capital expenditure	-179.1	-186.6	-258.8
Equity investments and business acquisitions	-21.1	-13.2	-15.7
Loans granted		-0.5	-0.5
Repayment of loan receivables	0.1		
Proceeds from disposal of assets	-0.1	0.8	0.8
<b>Net cash used in investing activities</b>	<b>-200.2</b>	<b>-199.5</b>	<b>-274.1</b>
<b>Cash flow before financing activities</b>	<b>214.0</b>	<b>236.7</b>	<b>321.6</b>
<b>Cash flow from financing activities</b>			
Proceeds from long-term borrowings		100.4	100.4
Repayment of long-term borrowings	-0.2	-174.0	-174.1
Increase (+) / decrease (-) in short-term borrowings	98.8	35.5	-19.6
Repayment of lease liabilities	-18.3	-17.1	-23.1
Dividends paid	-330.1	-312.6	-310.9
<b>Net cash used in financing activities</b>	<b>-249.9</b>	<b>-367.9</b>	<b>-427.4</b>
<b>Change in cash and cash equivalents</b>	<b>-35.9</b>	<b>-131.1</b>	<b>-105.8</b>
Translation differences	-0.1	-0.1	-0.2
Cash and cash equivalents at beginning of period	114.1	220.1	220.1
<b>Cash and cash equivalents at end of period</b>	<b>78.1</b>	<b>88.8</b>	<b>114.1</b>

## 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
<b>Balance at 1 January 2021</b>	<b>83.0</b>	<b>-128.4</b>	<b>90.9</b>	<b>375.7</b>	<b>761.5</b>	<b>1.5</b>	<b>1,184.2</b>
Profit for the period					257.6	-0.2	257.5
Translation differences					-1.0	0.0	-1.0
Cash flow hedge				0.3			0.3
Total comprehensive income				0.3	256.6	-0.1	256.9
Dividend distribution					-312.4	0.0	-312.4
Share-based compensation		2.3					2.3
Acquisition of non-controlling interests						5.1	5.1
Other changes					-17.9		-17.9
<b>Balance at 30 September 2021</b>	<b>83.0</b>	<b>-126.1</b>	<b>90.9</b>	<b>376.1</b>	<b>687.8</b>	<b>6.4</b>	<b>1,118.1</b>
EUR million							
<b>Balance at 1 January 2022</b>	<b>83.0</b>	<b>-126.1</b>	<b>90.9</b>	<b>373.9</b>	<b>776.1</b>	<b>6.3</b>	<b>1,204.1</b>
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
<b>Balance at 30 September 2022</b>	<b>83.0</b>	<b>-124.5</b>	<b>90.9</b>	<b>378.6</b>	<b>727.4</b>	<b>5.9</b>	<b>1,161.3</b>

## 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 2021.

### Changes in the accounting principles

Amendments to IFRS standards adopted as of 1 January 2022 do not have a material impact on the Groups' consolidated financial statements.

### 1. Segment information

<b>7-9/2022</b> EUR million	Consumer Customers	Corporate Customers	Unallocated Items	Group 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
<b>7-9/2021</b> EUR million	Consumer Customers	Corporate Customers	Unallocated Items	Group Total
Revenue	314.2	182.2		496.5
EBITDA	124.8	61.3		186.0
Depreciation, amortisation and impairment	-43.1	-22.3		-65.4
EBIT	81.6	38.9		120.6
Financial income			1.3	1.3
Financial expenses			-4.1	-4.1
Share of associated companies' profit			-0.1	-0.1
Profit before tax				117.7
Investments	40.2	23.4		63.6

<sup>1)</sup> Allocation rules of the revenue and expenses allocated to the segments have been specified in 2022 and the comparable figures have been updated to reflect the advanced allocations. In the comparison period 7-9/2021, Consumer Customers revenue was EUR 314.1 million; EBITDA was EUR 124.7 million; depreciation, amortisation and impairment totalled EUR -39.7 million; and EBIT was EUR 85.0 million. In the comparison period 7-9/2021, Corporate Customers revenue was EUR 182.4 million; EBITDA was EUR 61.3 million; depreciation, amortisation and impairment totalled EUR -25.7 million; and EBIT was EUR 35.6 million.



<b>1-9/2022</b>	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
<b>1-9/2021</b>	Consumer	Corporate	Unallocated	Group
EUR million	Customers	Customers	Items	Total
Revenue	915.4	547.0		1,462.4
EBITDA	358.5	163.4		521.9
Depreciation, amortisation and impairment	-130.5	-69.2		-199.7
EBIT	228.0	94.2		322.1
Financial income			3.6	3.6
Financial expenses			-12.1	-12.1
Share of associated companies' profit			-0.3	-0.3
Profit before tax				313.4
Investments	114.5	69.1		183.6

<sup>1)</sup> Allocation rules of the revenue and expenses allocated to the segments have been specified in 2022 and the comparable figures have been updated to reflect the advanced allocations. In the comparison period 1-9/2021, Consumer Customers revenue was EUR 914.3 million; EBITDA was EUR 357.1 million; depreciation, amortisation and impairment totalled EUR -120.9 million; and EBIT was EUR 236.2 million. In the comparison period 1-9/2021, Corporate Customers revenue was EUR 548.1 million; EBITDA was EUR 164.7 million; depreciation, amortisation and impairment totalled EUR -78.8 million; and EBIT was EUR 85.9 million.

<b>1-12/2021</b>	Consumer	Corporate	Unallocated	Group
EUR million	Customers	Customers	Items	Total
Revenue	1,242.5	755.4		1,997.9
EBITDA	476.0	221.4		697.4
Depreciation, amortisation and impairment	-174.0	-92.5		-266.6
EBIT	302.0	128.8		430.8
Financial income			4.6	4.6
Financial expenses			-16.5	-16.5
Share of associated companies' profit			-0.5	-0.5
Profit before tax				418.4
Investments	168.7	96.3		265.1
Total assets	1,822.3	1,051.2	154.9	3,028.4

<sup>1)</sup> Allocation rules of the revenue and expenses allocated to the segments have been specified in 2022 and the comparable figures have been updated to reflect the advanced allocations. In the comparison period 1-12/2021, Consumer Customers revenue was EUR 1,241.3 million; EBITDA was EUR 475.1 million; depreciation, amortisation and impairment totalled EUR -160.7 million; and EBIT was EUR 314.4 million. In the comparison period 1-12/2021, Corporate Customers revenue was EUR 756.6 million; EBITDA was EUR 222.3 million; depreciation, amortisation and impairment totalled EUR -105.8 million; and EBIT was EUR 116.5 million.

## 2. Off-balance sheet lease commitments

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

EUR million	30.9. 2022	31.12. 2021
Within one year	12.4	12.5
Later than one year, not later than five years	4.4	4.7
Later than five years	0.9	1.2
	17.7	18.4

Lease commitments are exclusive of value added tax.

## 3. Contingent liabilities

EUR million	30.9. 2022	31.12. 2021
For our own commitments		
Mortgages	3.8	3.8
Guarantees	0.8	0.4
Deposits	0.4	0.4
	5.0	4.6
Other contractual obligations		
Venture capital investment commitment	0.5	0.8
Repurchase obligations		0.0
	0.5	0.8

## 4. Derivative instruments

EUR million	30.9. 2022	31.12. 2021
Nominal values of derivatives		
Electricity derivatives	3.9	1.9
Currency derivatives	3.4	3.5
	7.3	5.5
Fair values of derivatives		
Electricity derivatives	7.5	1.6
Currency derivatives	-0.1	0.0
	7.4	1.6

## Key figures

EUR million	1-9 2022	1-9 2021	1-12 2021
Shareholders' equity per share, EUR	7.21	6.94	7.48
Interest-bearing net debt	1,357.7	1,298.4	1,219.1
Gearing, %	116.9 %	116.1 %	101.2 %
Equity ratio, %	38.6 %	38.5 %	39.9 %
Return on investment (ROI), % *)	17.6 %	16.6 %	16.9 %
Gross investments in fixed assets	192.4	183.6	265.1
of which right-of-use assets	18.7	11.0	18.0
Gross investments as % of revenue	12.3 %	12.6 %	13.3 %
Investments in shares and business combinations	24.7	25.3	28.1
Average number of employees	5,486	5,398	5,391

\*) rolling 12 months profit preceding the reporting date

## Financial calendar

Financial Results for 2022	27 January 2023
Interim Report Q1 2023	20 April 2023
Half-Year Financial Report 2023	14 July 2023
Interim Report Q3 2023	19 October 2023

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