



Interim Report Q3 2024

18 October 2024

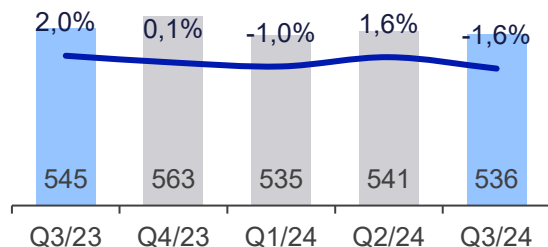
Q3 2024 highlights

- Revenue decreased by 2%, mainly due to net impact of acquisitions and disposals, lower equipment sales and regulated revenue
- EBITDA up by 4%
- Mobile service revenue increased by 4.8%
- International digital services revenue increased by 25%
- In Finland, post-paid churn increased to 16.8% (15.0% in Q2 2024)
- Post-paid subscriptions increased by 27,700. M2M and IoT subscriptions rose by 39,800.
- Fixed broadband subscription base increased by 8,200
- Good 5G momentum continuing: network covers more than 95% of Finnish population
- Full-year EBITDA outlook upgraded

Good EBITDA growth driven by MSR and efficiency

Revenue

● Revenue, €m — YoY change, %



Decrease

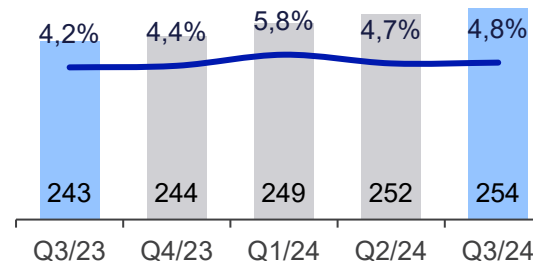
- Business disposals
- Regulated revenue
- Equipment sales
- Corporate fixed network services

Increase

- Mobile and fixed services
- IDS

Mobile service revenue

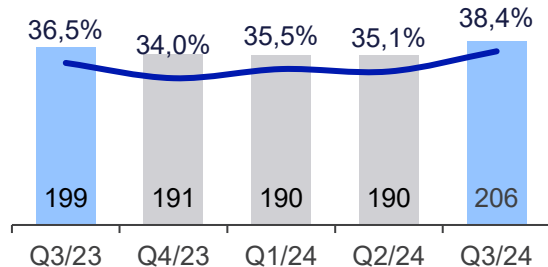
● MSR, €m — YoY change, %



- 5G upselling continuing
- Product changes

EBITDA¹⁾

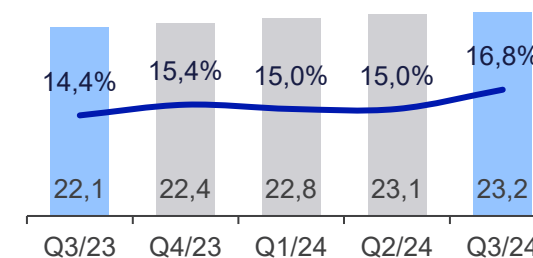
● EBITDA, €m — EBITDA-%



- Mobile services
- Business disposals
- Efficiency improvements

ARPU and churn²⁾

● Post-paid ARPU, € — Post-paid churn, %



- YoY ARPU growth 5.0%
- 5G upselling
- Campaigning in 4G continuing
- Competition remains keen

EBITDA growth in both segments

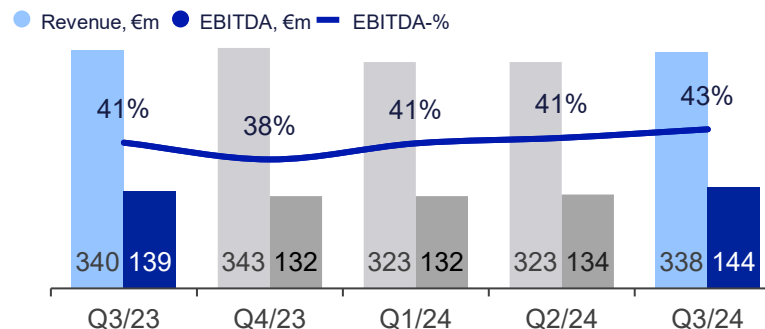
Consumer Customers

Revenue -1%

- End of video streaming cooperation (Viaplay)
- Equipment sales
- Interconnection and traditional fixed-line services
- + Mobile services

EBITDA +4%

Revenue and EBITDA¹⁾



Corporate Customers

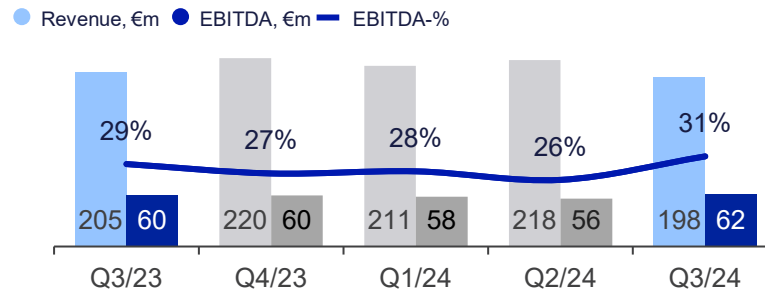
Revenue -3%

- Divestment of Videra videoconferencing service
- Corporate number regulation change
- Equipment sales and corporate fixed network services
- Interconnection and traditional fixed-line services
- + Mobile services

+ Domestic and international digital services

EBITDA +3%

Revenue and EBITDA¹⁾



¹⁾Comparable

Strategy execution

Mission

A sustainable
future through
digitalisation

Strategic focus areas

Increase mobile and fixed service revenues

Grow digital service businesses

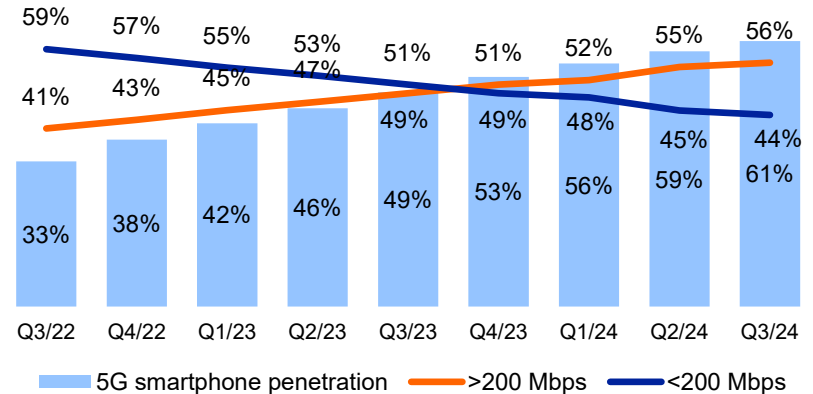
Improve efficiency and quality



Migration to higher speeds continuing

- 56% (49%) of voice subscriptions at >200 Mbps speeds¹⁾
 - Speed matters. Upselling to higher speeds continuing.
 - 5G base is growing, 4G decreasing
- 61% (49%) of smartphones are 5G devices¹⁾
- Corporate 5G sales gaining momentum

5G smartphone and speed penetration¹⁾





Elisa leading in 5G, fibre network is expanding

- 5G population coverage reached all municipalities in Finland. Population coverage over 95% in Finland and over 78% in Estonia.
- Average billing increase of over €3 in 5G upgrades intact
- Accelerated growth in standalone 5G (5G+) base
 - Improved network quality and service levels, decreases in energy consumption of devices
- Acquisition of fibre networks in the eastern and northeastern parts of Finland from Kaisanet, announced in July, further strengthens our fibre coverage



sedApta acquisition strengthens IDS business

- YoY revenue increased by 25%
 - Growth boosted by acquisitions
 - Good organic growth despite soft macro environment
- Growth in order intake continuing
- Full-year double-digit organic growth target remains



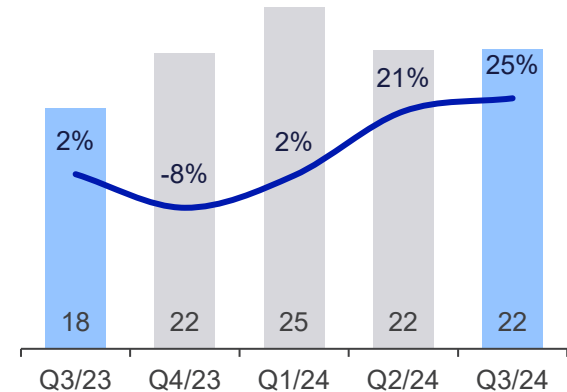
- Acquisition of the remaining share capital of sedApta Group
 - Italy-based industrial software provider specialising in IT solutions for manufacturing operation and supply chain management
 - Over 1,500 manufacturing industry customers globally



- New customer wins in Europe and APAC
- Successful renewals of multi-country customer experience assurance deals

Revenue and YoY growth

● Revenue, €m — YoY change, %





Good steps forward in developing domestic digital services

Entertaining video services

- New codec successfully implemented in Elisa Viihde reducing the amount of data transferred by up to 30%
 - Improved customer experience: same quality with lower bandwidth
 - Reduces electricity consumption
- Tenth anniversary of Elisa Viihde Original Series continued with premiere of 42nd original series, *Valhalla Project*, already gaining international interest



Strengthened competitiveness in IT and security services

- First results from deployed AI solutions in IT service desk indicate significant improvement in productivity
- Significant growth in cyber business consulting with record high NPS (>90)
- Cooperation in cyber security services started with Posti, the biggest logistics company in Finland, operating in Nordic and Baltic countries

A sustainable future through digitalisation

Key ESG indicators		3Q24	3Q23
Mobile network's energy efficiency in Finland			
Change in energy consumption per GB from Q4 2021 level		-21.6 %	-14.4 %
Population coverage of >100 Mbps connections		95.2 %	90.9 %
Proportion of female supervisors		29.4 %	28.2 %
Patent portfolio development in Elisa			
Number of active patents in portfolio ¹⁾		521	370
Number of new first applications		10	9

- ISO 14001 (Environmental Management) and ISO 50001 (Energy Management) certificates successfully updated
- Elisa plays a key role in securing Finland's cyber security and critical infrastructure
 - In July, Elisa participated in Cyber Fortress 3.0, a cyber exercise related to defence cooperation between Finland and the United States



Outlook and guidance for 2024

The development of the general economy includes many uncertainties. Growth in the Finnish economy is expected to stall. In particular, there is continuing uncertainty in global supply chains relating to Russia's war in Ukraine and other conflicts. Competition remains keen.

- Revenue at the same level or slightly higher than in 2023
- Comparable EBITDA slightly higher than in 2023
- CAPEX* 12–13% of revenue

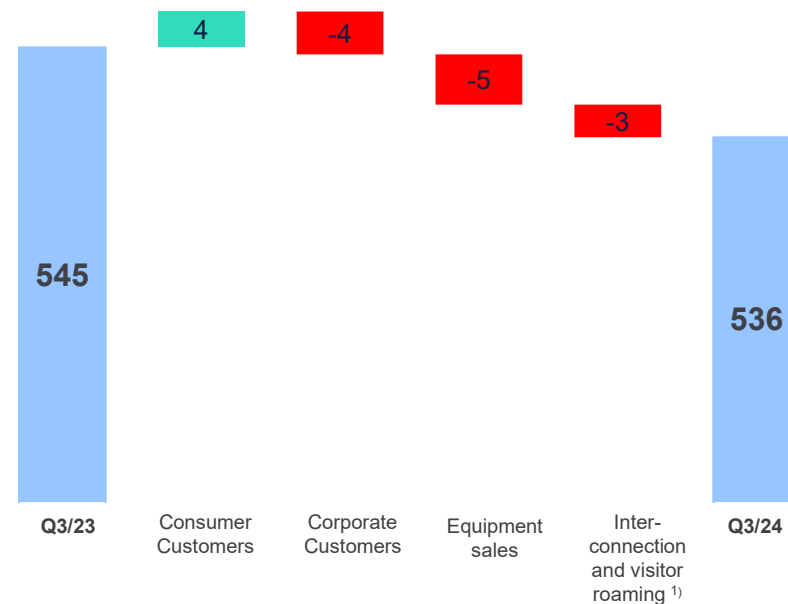


Financial review Q3 2024

Good EBITDA growth continuing

EUR million ¹⁾	Q3/24	Q3/23	Change	%	2023
Revenue	535.9	544.7	-8.8	-1.6%	2,180
Other operating income	1.1	1.7	-0.6	-35.6%	10
Materials and services	-189.1	-205.7	16.5	-8.0%	-818
Employee expenses	-93.2	-97.1	3.9	-4.0%	-417
Other operating expenses	-48.7	-45.0	-3.7	8.2%	-199
EBITDA	205.9	198.6	7.3	3.7%	756
<i>EBITDA %</i>	<i>38.4%</i>	<i>36.5%</i>	<i>2.0 %</i>		<i>34.7%</i>
Depreciation	-69.8	-67.2	-2.6	3.9%	-268
EBIT	136.0	131.3	4.7	3.6%	487
<i>EBIT %</i>	<i>25.4%</i>	<i>24.1%</i>	<i>1.3 %</i>		<i>22.4%</i>
Financial expenses net	-10.5	-6.3	-4.2	66.9%	-24
Profit before tax	125.5	125.0	0.5	0.4%	464
Net profit	100.2	100.2	0.1	0.1%	379
EPS, €	0.63	0.63	0.00	0.3%	2.37

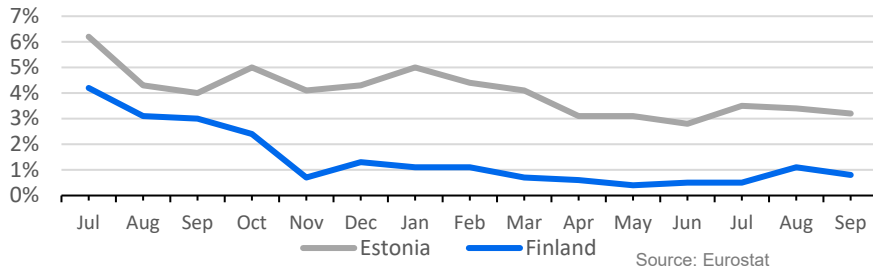
Q3 2024 YoY revenue change: -€9m



Profitability improved in Estonia

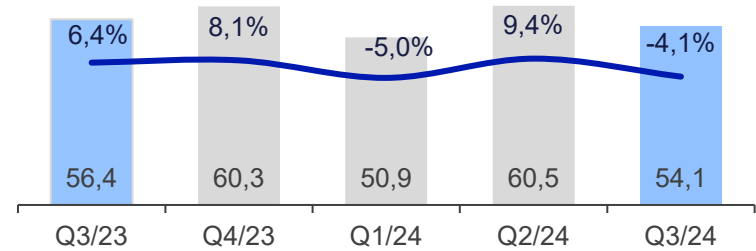
- Revenue decreased by EUR 2m, -4%
 - Decrease in equipment sales and interconnection revenue
 - Growth in service revenue
- EBITDA increase 4%
- Sales mix change, cost efficiency measures
- Mobile post-paid base +600, pre-paid +3,000
- Churn 9.4% (11.9 in Q2)

Inflation in Estonia and Finland



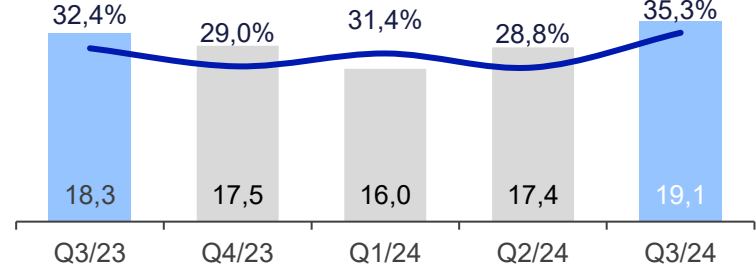
Revenue

● Revenue, €m — YoY change, %



EBITDA

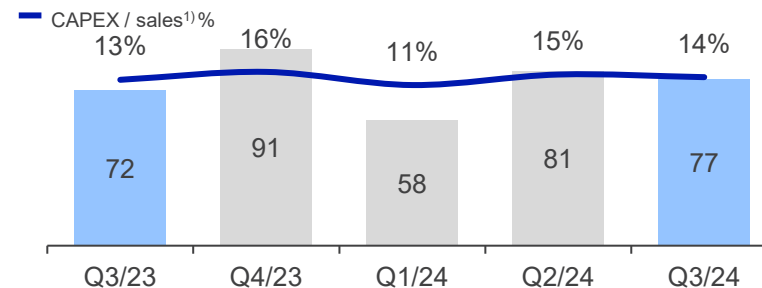
● EBITDA, €m — EBITDA-%



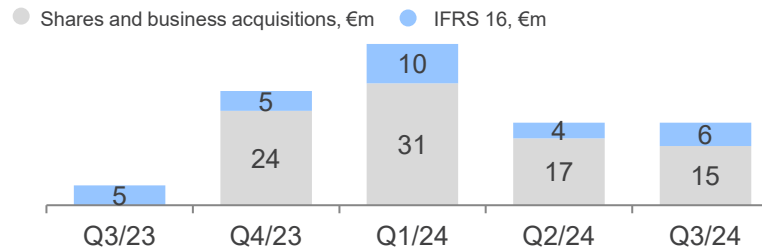
YTD CAPEX in line with guidance

- CAPEX €93m (78), excl. licences, lease agreements and acquisitions €77m (72)
 - Consumer €67m (51)
 - Corporate €26m (26)
- Main CAPEX areas
 - 5G coverage increase
 - Fibre and other networks
 - IT investments

CAPEX¹⁾



Shares, business acquisitions, licences and rental agreements (IFRS 16)

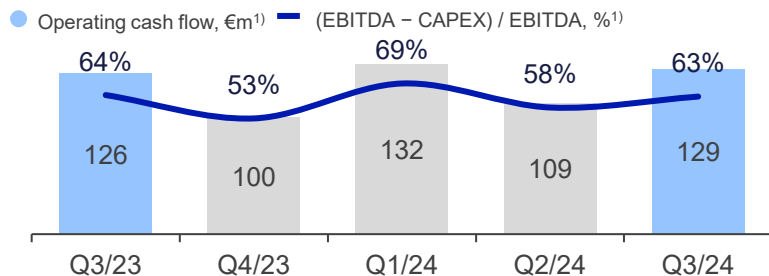


¹⁾ Investments excluding shares, business acquisitions, licences and rental agreements (IFRS 16)

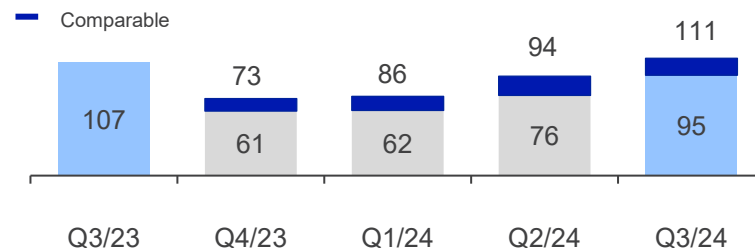
Comparable cash flow improving

- Comparable cash flow €111m (107), increase 4%
 - + Higher EBITDA, lower licence fee payments, positive NWC change
 - Higher CAPEX
- YTD comparable cash flow €291m (286), +2%
 - + Higher EBITDA, lower licence fee payments, positive NWC change
 - Higher CAPEX, taxes and interest

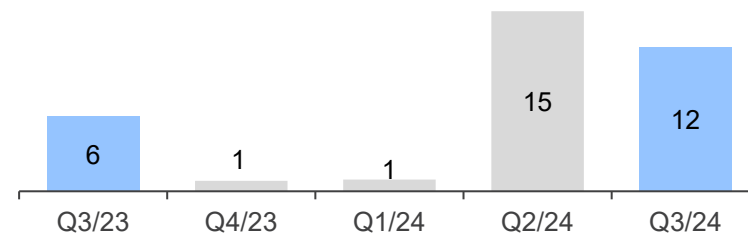
Cash conversion



Cash flow and comparable cash flow, €m



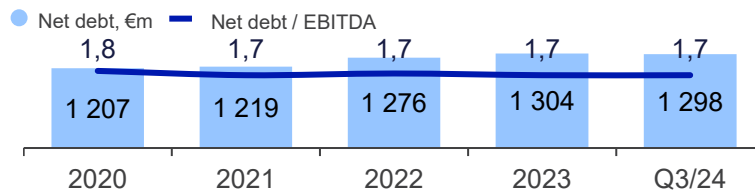
Change in net working capital, €m



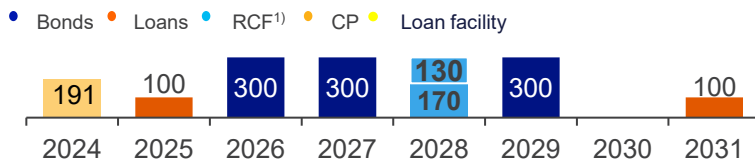
Efficient capital structure and good returns

- Capital structure in accordance with target
 - Net debt / EBITDA 1.7× (target 1.5–2×)
 - Equity ratio 38% (target >35%)
- Return ratios at good level
 - Efficient capital structure
- Average interest expense ~2.5%

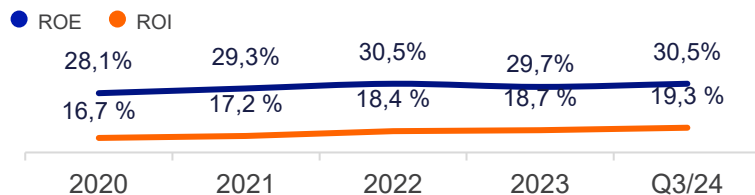
Net debt



Maturities as of 30 Sep 2024, €m



Return ratios²⁾



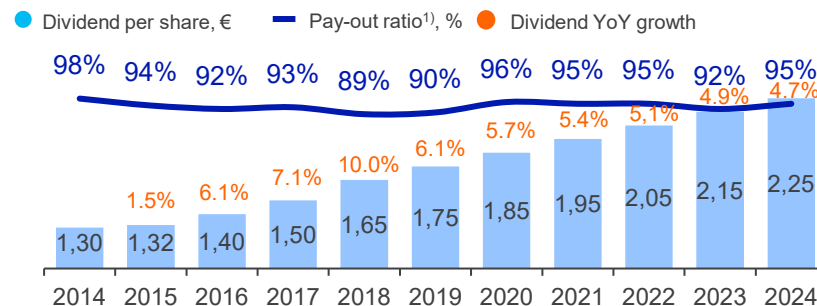
¹⁾ RCFs were undrawn as of 30 Sep 2024

²⁾ Comparable

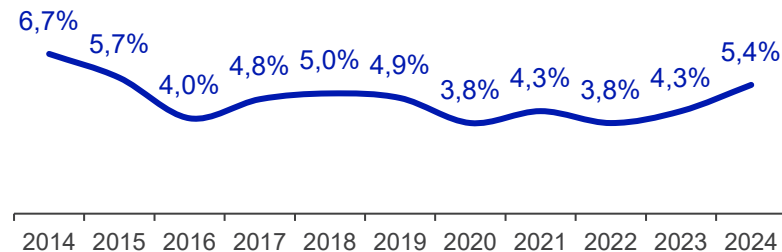
Dividend payment in October

- 2nd tranche of €1.12 per share
 - Payment date: 30 October 2024
- Pay-out ratio: 95%
 - Dividend yield: 5.4%²⁾
- 5m share buyback authorisation
- Strong commitment to competitive shareholder remuneration
 - Distribution policy: 80–100% of net profit

Dividend



Dividend yield²⁾



¹⁾ Calculated from comparable EPS

²⁾ Based on share price on last trading day of year (€41.87 in 2023)

elisa

Q&A

P&L by quarter

EUR million	Q3/24	Q2/24	Q1/24	Q4/23	Q3/23	Q2/23	Q1/23	Q4/22	Q3/22
Revenue	535.9	541.4	534.5	563.3	544.7	532.7	539.7	562.6	534.0
<i>YoY growth</i>	-1.6%	1.6%	-1.0%	0.1%	2.0%	2.2%	5.5%	5.1%	7.6%
Other operating income	1.1	1.8	0.7	2.4	1.7	1.3	4.5	3.5	1.3
Materials and services	-189.1	-192.4	-185.2	-213.7	-205.7	-193.5	-205.0	-223.9	-208.4
Employee expenses	-93.2	-106.8	-120.0	-105.0	-97.1	-106.8	-108.2	-108.0	-89.1
Other operating expenses	-48.7	-54.0	-50.3	-55.7	-45.0	-51.0	-47.6	-49.3	-44.1
EBITDA	205.9	189.9	179.7	191.3	198.6	182.7	183.4	184.9	193.9
<i>EBITDA %</i>	38.4%	35.1%	33.6%	34.0%	36.5%	34.3%	34.0%	32.9%	36.3%
<i>YoY Growth</i>	3.7%	4.0%	-2.0%	3.4%	2.4%	3.0%	3.5%	5.4%	4.2%
Comparable EBITDA	205.9	189.9	190.0	191.3	198.6	182.7	183.4	184.9	193.9
<i>YoY Growth</i>	3.7%	4.0%	3.6%	3.4%	2.4%	1.8%	3.5%	3.9%	4.2%
<i>Comparable EBITDA %</i>	38.4%	35.1%	35.5%	34.0%	36.5%	34.3%	34.0%	32.9%	36.3%
Depreciation, amortisation and impairment	-69.8	-68.6	-68.1	-73.4	-67.2	-66.9	-66.5	-65.8	-65.9
EBIT	136.0	121.3	111.7	117.9	131.3	115.7	116.9	119.1	127.9
Comparable EBIT	136.0	121.3	121.9	123.5	131.3	115.7	116.9	119.1	127.9
Financial income	1.3	2.7	2.4	2.3	2.6	2.4	1.5	0.6	1.6
Financial expense	-11.4	-11.8	-8.8	-10.0	-8.2	-8.0	-5.9	-4.5	-5.4
Share of associated companies' profit	-0.3	1.4	-1.2	0.5	-0.7	-0.1	-0.1	0.1	-0.1
Profit before tax	125.5	113.7	-104.0	110.6	125.0	110.0	112.4	115.3	124.0
Comparable profit before tax	125.5	113.7	114.3	116.2	125.0	110.0	112.4	115.3	124.0
Income taxes	25.3	-22.3	-21.4	-17.7	-24.9	-20.6	-20.9	-19.7	-23.2
Profit for the period	100.2	91.4	82.6	92.9	100.2	89.4	91.5	95.6	100.8
Comparable Profit	100.2	91.4	90.8	97.4	100.2	89.4	91.5	95.6	100.8
Earnings per share (EUR)	0.63	0.57	0.52	0.58	0.63	0.56	0.57	0.60	0.63
Comparable EPS	0.63	0.57	0.57	0.61	0.63	0.56	0.57	0.60	0.63
<i>YoY Growth</i>	0.3%	2.4%	-0.5%	2.0%	-0.7%	-0.9%	3.8%	8.9%	4.4%

Cash flow YoY comparison

EUR million	Q3/24	Q3/23	Change ¹⁾	%	1-9/2024	1-9/2023	Change ¹⁾	%	2023
EBITDA	206	199	7	4 %	576	565	11	2 %	756
Change in receivables	38	-0	39		90	51	39		-2
Change in inventories	2	-0	2		4	7	-3		15
Change in payables	-28	7	-35		-65	-44	-21		2
Change in NWC	12	6	6		29	14	15		15
Financials (net)	-3	-4	1	-26 %	-19	-15	-4	25 %	-18
Taxes for the year	-21	-21	0	0 %	-64	-61	-3	4 %	-81
Taxes for the previous year		0	0		-2	0	-2		-0
Taxes	-21	-21	0	0 %	-66	-61	-5	8 %	-82
CAPEX	-88	-72	-15	21 %	-226	-193	-33	17 %	-296
Licence fees ²⁾	-1	-1	0		-1	-8	7		-8
Investments in shares ³⁾	-6	-0	-5		-48	-2	-46		-5
Sale of shares					0	0	0		4
Sale of assets and adjustments	-4	1	-5		-11	-13	2		-18
Cash flow after investments	95	107	-11	-11 %	233	286	-53	-19 %	347
Cash flow after investments excl. acquisitions ⁴⁾	111	107	4	4 %	291	286	5	2 %	361

¹⁾ Difference is calculated using exact figures prior to rounding.

²⁾ Finland last payment of 3.5 GHz licence in Q1/23 EUR 5.3m. Finland 26 GHz licence payment EUR 1.4m in Q3/23 and Q3/24 and Estonia EUR 1.6m in Q2/23.

³⁾ Romarc and Moontalk in Q1/24. Leanware and loans granted in Q2/24, Koillisnet in Q3/24.

⁴⁾ Excludes share and business acquisitions and sales.

Cash flow by quarter

EUR million	Q3/24	Q2/24	Q1/24	Q4/23	Q3/23	Q2/23	Q1/23	Q4/22	Q3/22
EBITDA	206	190	180	191	199	183	183	185	194
Change in receivables	38	3	48	-53	0	7	44	-42	0
Change in inventories	2	0	1	8	0	7	0	5	-9
Change in payables	-28	12	-49	46	7	8	-59	63	-9
Change in NWC	12	15	1	1	6	22	-14	27	-19
Financials (net)	-3	-5	-12	-3	-4	-4	-8	-2	-1
Taxes for the year	-21	-21	-21	-20	-21	-21	-19	-24	-23
Taxes for the previous year			-2	0					
Taxes	-21	-21	-24	-20	-21	-21	-19	-24	-23
CAPEX	-88	-80	-58	-104	-72	-64	-57	-90	-62
Licence fees	-1	0		0	-1	-2	-5	-2	-1
Investments in shares	-6	-18	-24	-2	0	-1	0	0	-8
Sale of shares		0		4		0		0	
Sale of assets and adjustments	-4	-6	-1	-5	1	-6	-8	-9	-1
Cash flow after investments	95	76	62	61	107	108	71	86	79
Cash flow after investments excl. acquisitions	111	94	86	73	107	108	71	86	87

Debt structure

EUR million at the end of the quarter	Q3/24	Q2/24	Q1/24	Q4/23	Q3/23	Q2/23	Q1/23	Q4/22	Q3/22
Bonds and notes	895	895	894	1,141	1,140	894	893	892	891
Commercial papers	191	230	183	35	152	241	159	125	169
Credit facility	0	40	70	0	70	100	0	0	0
Loans from financial institutions	204	204	103	103	103	253	253	253	283
Lease liabilities ¹⁾	90	91	93	89	90	91	94	91	93
Committed credit lines ²⁾					120				
Interest-bearing debt, total	1,381	1,460	1,344	1,367	1,675	1,578	1,398	1,361	1,436
Cash and cash equivalents	82	77	84	63	318	120	182	85	78
Net debt ³⁾	1,298	1,383	1,260	1,304	1,356	1,459	1,217	1,276	1,358

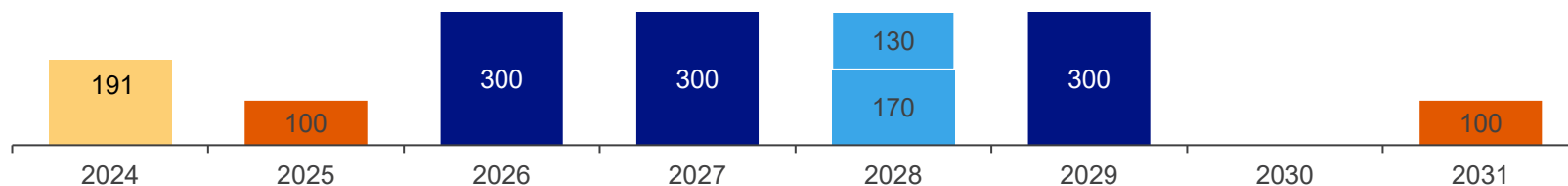
¹⁾ Lease liabilities are classified as interest-bearing debt in accordance with IFRS 16 from Q1/2019 onwards.

²⁾ The committed credit lines are €130m and €170m facilities that Elisa may use flexibly at agreed-upon pricing.

³⁾ Net debt is interest-bearing debt less cash and interest-bearing receivables.

Nominal values of bond, bank loan and CP maturities, 30 September 2024

● Bonds ● Loans ● RCF¹⁾ ● CP ● Loan facility





A SUSTAINABLE FUTURE THROUGH DIGITALISATION

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