



digia

Interim Report 1-3/2012

Juha Varelius, CEO

27 April 2012

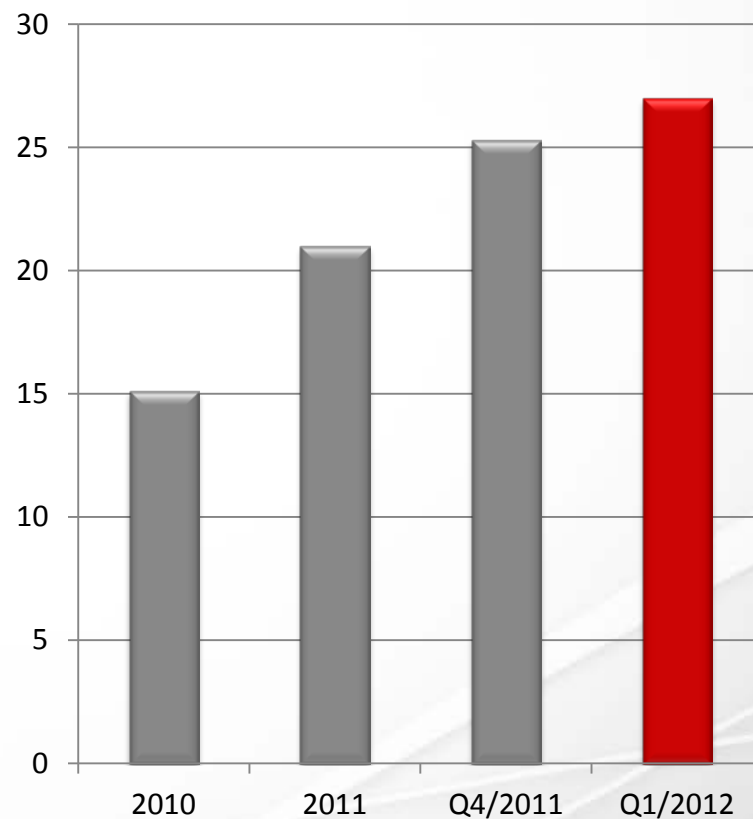
SUMMARY FOR 1-3/2012

- ▶ Revenue and operating profit decreased notably
 - ▶ Turnover EUR 26.1 (33.4) million
 - ▶ Operating profit EUR 1.4 (2.3) million
 - ▶ Decrease mainly due to significant drop in the demand of contract engineering services
- ▶ Domestic business went as planned and with a profitability close to targeted good level
- ▶ Investments in international product business burdened international business operations and also entire company profitability
 - ▶ Profitability (EBIT-%) 5.4 (6.8) per cent
- ▶ Earnings per share before one-off items EUR 0.04 (0.07)

SUMMARY 1-3/2012

- ▶ Product business grew significantly
 - ▶ Product business accounted for EUR 7.0 (4.8) million and 27.0 (14.5) per cent, up 45.8 per cent

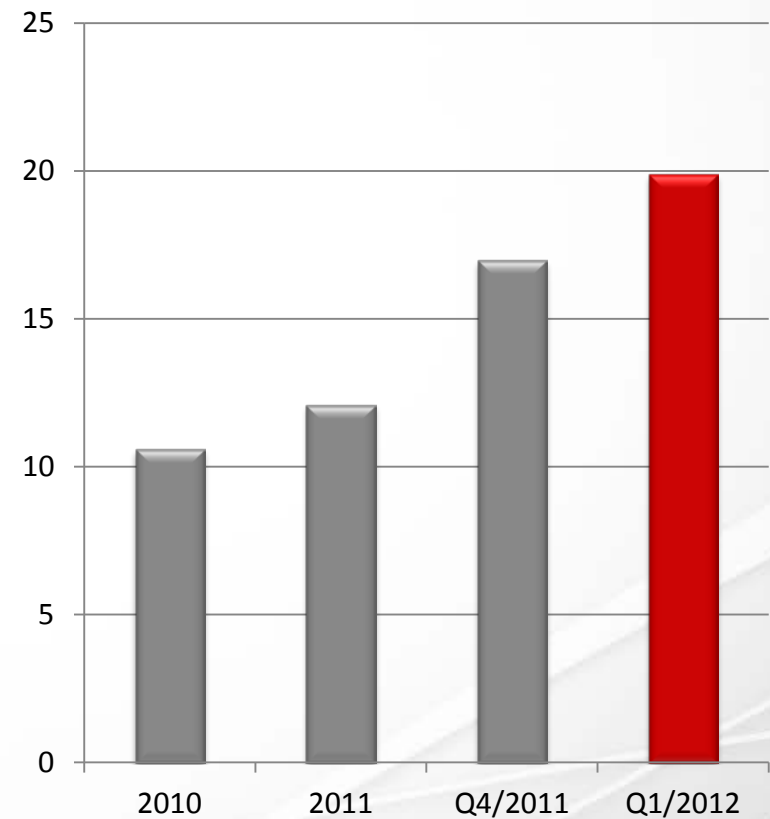
	Q1/ 2012	Q4/ 2011	2011	2010
Digia Group	27.0%	25.3%	21.0%	15.1%



SUMMARY 1-3/2012

- ▶ International business grew significantly
 - ▶ International business accounted for EUR 5.2 (2.5) million and 19.9 (7.5) per cent, up 108.0 per cent

	Q1/ 2012	Q4/ 2011	2011	2010
Digia Group	19.9%	17.0%	12.1%	10.6%



SUMMARY 1-3/2012

- ▶ New organization started in the beginning of the reporting period. Start of operations has gone well
 - ▶ Four managed portfolios

- ▶ Qt-business has grown and developed as planned
 - ▶ Revenue EUR 3.4 million
 - ▶ Sales expanded to China
 - ▶ Good demand for license sales
 - ▶ Consulting business has grown significantly
 - ▶ Expansion of applicable usage areas developed smoothly within real time operating systems and embedded systems
 - ▶ Expertise strengthened further

MARKETS AND DIGIA'S BUSINESS

- ▶ IT-service demand relatively steady, occasional projects have been postponed due to the uncertainty of overall economic situation
- ▶ Shortage of experienced architecture and business professionals causes longer recruitment times and pressure for cost increase
- ▶ Demand for ERP and other operative systems as well as integration services in the reporting period was reasonable
- ▶ Unit in Russia expanded its operations and got new local customers especially through delivery of Business Intelligence solutions
- ▶ Operation of China unit redirected more towards local customers and supporting Qt-sales

OUTLOOK

- ▶ Company expects IT market to remain in 2012 on the previous year level or growing slightly
- ▶ Improved efficiency gained from new organization are expected to start gradually materializing and affecting positively to the development of Company's profitability
- ▶ Also the performance of the international business units is expected to improve
- ▶ In conclusion, company's profitability is estimated to improve and raise to a good level during H2/2012

digia

www.digia.com