

# Digia Oyj

**Interim Report 1-6/2009**

6.8.2009

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CEO



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# Summary 1-6/2009

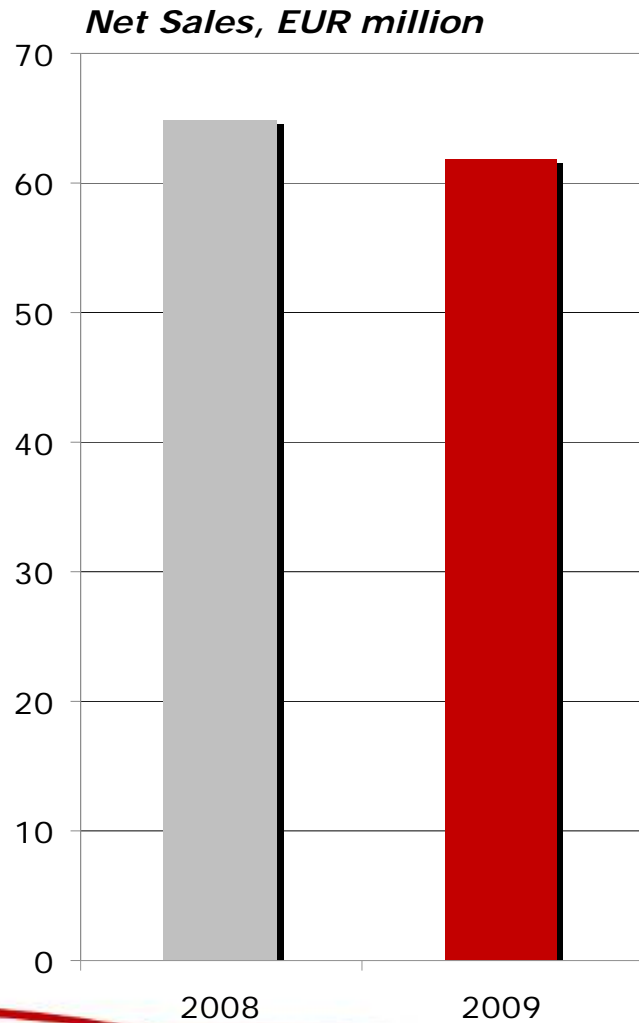


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# Summary 1-6/2009

- Net sales declined slightly
  - Consolidated net sales EUR 61,9 million, down 4,5 per cent (EUR 64,8 million 1-6/2008)
- Profitability increased and on a good level
  - Profitability (EBIT-%) 13.1 per cent (12.3 per cent 1-6/2008)
- Earnings per share increased to EUR 0,25, up 8,7 per cent (EUR 0,23, 1-6/2008,)

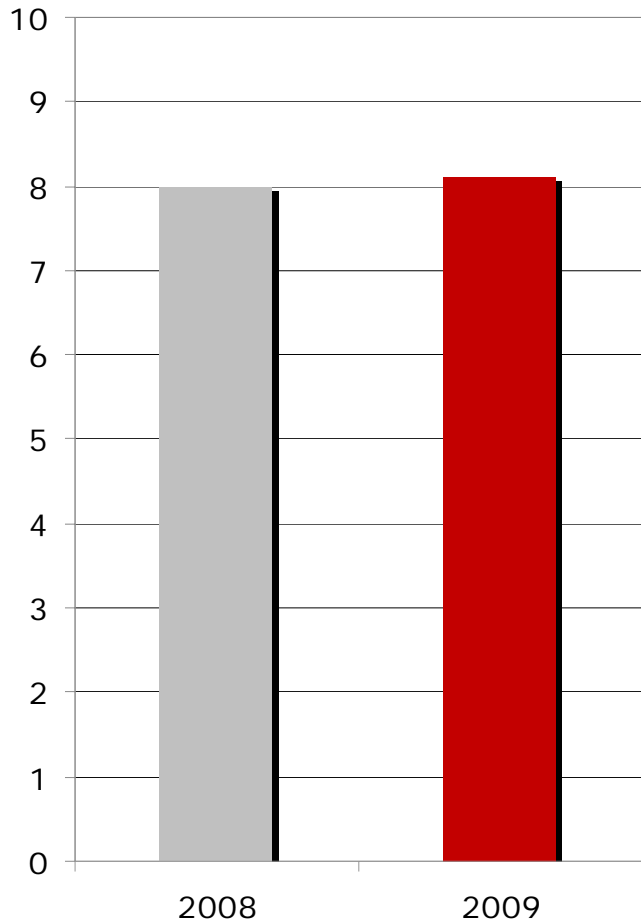
# Net sales 1-6/2009



	1-6/ 2009	1-6/ 2008
Mobile Solutions	25,4	28,9
Enterprise Solutions	36,5	35,9
<b>Digia Group</b>	<b>61,9</b>	64,8

# Profitability 1-6/2009

*Profitability (EBIT), EUR million*



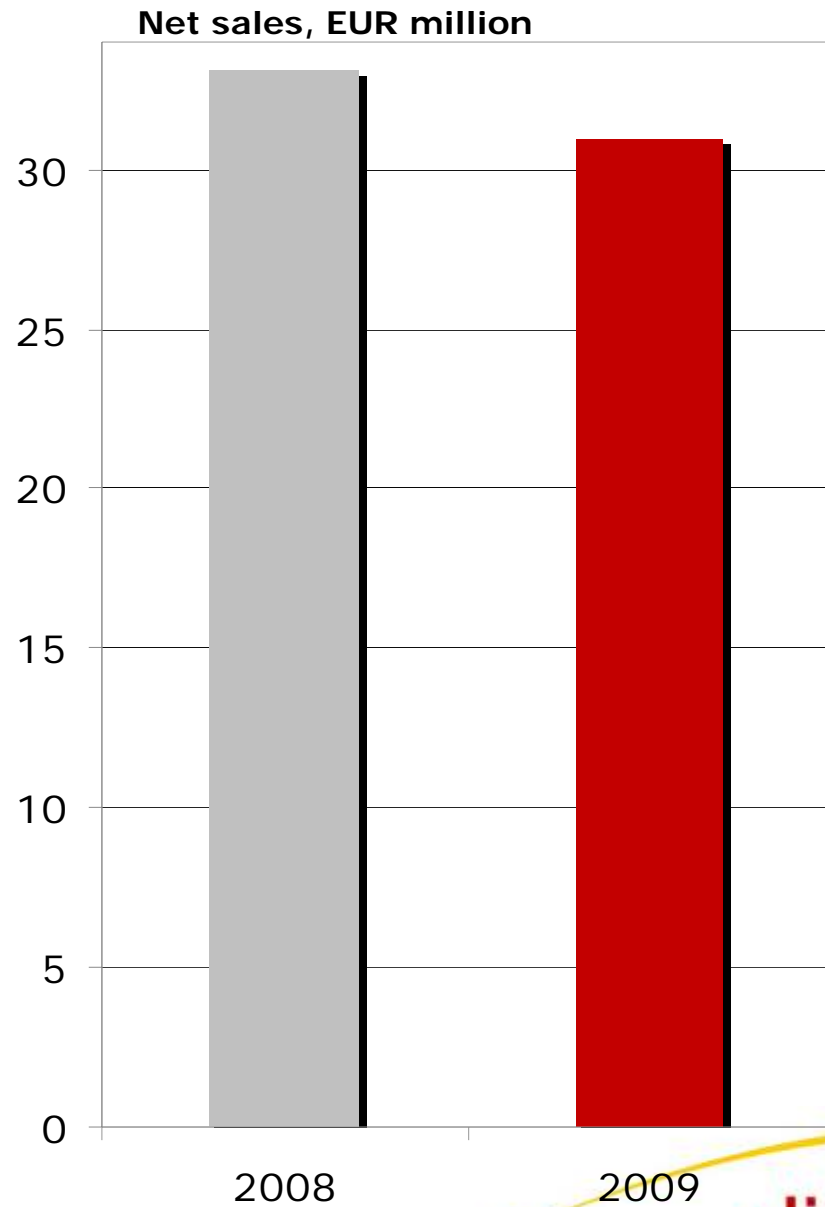
	1-6/ 2009	1-6/ 2008
Mobile Solutions	2,1	4,4
Enterprise Solutions	6,0	3,5
<b>Digia Group</b>	<b>8,1</b>	8,0

# Summary 4-6/2009

- Net sales declined slightly
  - Consolidated net sales EUR 31,0 million, down 6,4 per cent (EUR 33.1, 4-6/2008)
- Profitability increased considerably
  - Probitability (EBIT-%) 14.3 per cent (11.3 per cent 1-6/2008)
- Earnings per share increased to EUR 0,14, up 27,3 per cent (EUR 0,11, 4-6/2008,)

# Net sales 4-6/2009

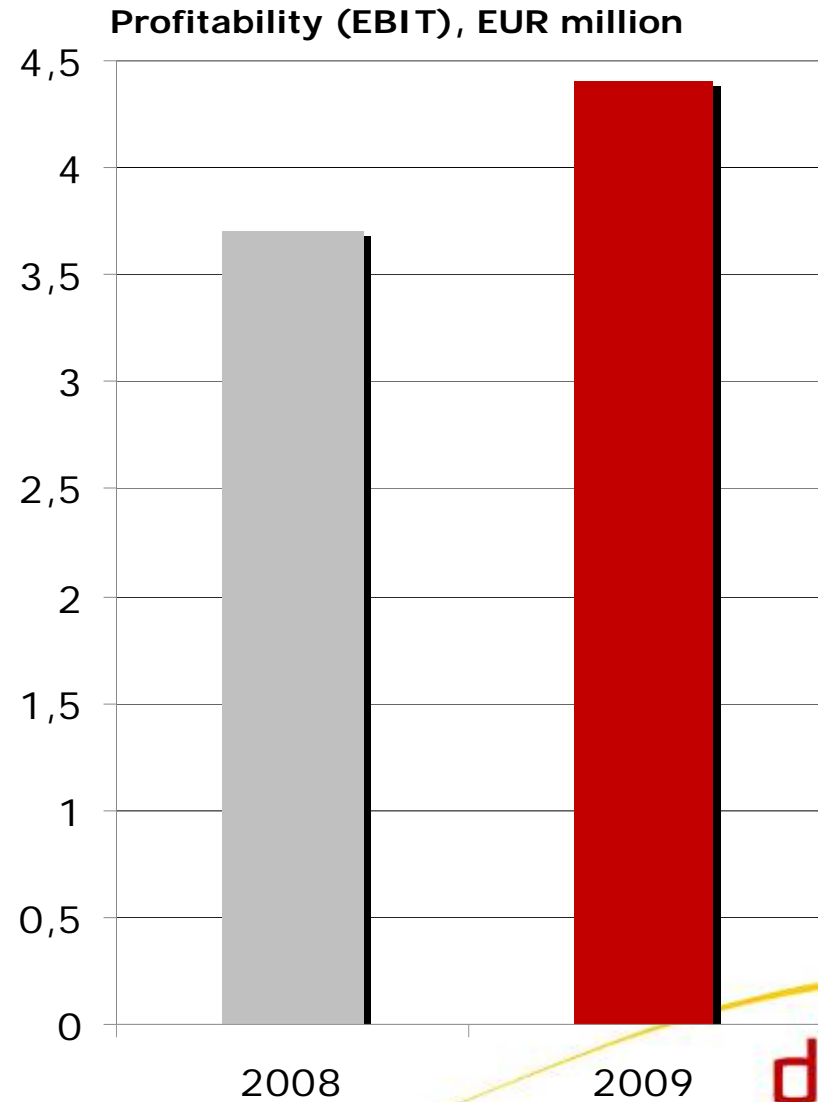
	4-6/ 2009	4-6/ 2008
Mobile Solutions	12,1	14,6
Enterprise Solutions	18,9	18,5
<b>Digia Group</b>	<b>31,0</b>	<b>33,1</b>



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# Profitability 4-6/2009

	4-6/ 2009	4-6/ 2008
Mobile Solutions	0,7	1,9
Enterprise Solutions	3,7	1,8
<b>Digia Group</b>	<b>4,4</b>	<b>3,7</b>



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# Credit facility

- Company has in February agreed on a new EUR 50 million credit facility of 3-years term, by which the current loans will be repaid in their entirety
- Credit facility covers a bank-financed package of EUR 42 million (Pohjola, Nordea ja Varma) and re-borrowing of employee pension contributions totalling EUR 8 million
- One of Company's main targets has been to bolster its balance sheet by decreasing indebtedness
  - In January – EUR 5 million
  - In April – EUR 2 million
  - In May – EUR 8 million
  - After these payments the Company's long-term debts amount to a total of EUR 40 million in the end of reporting period

# Markets and Digia's business



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# Markets and Digia's business

- First half of 2009 succeeded well in the prevailing circumstances
  - Good profitability and strong positive cash flow maintained
  - Repayment of loans by a total of EUR 15 million during the reporting period.
- Market situation is very challenging
  - Company estimates that the effects of the general economical recession to the IT-market will continue the entire year resulting in decline of the market as a whole in 2009
- Company will continue the conservative internationalisation strategy
  - Personnel and business in China have grown and customer projects have progressed in line with plans
  - New branch office opened in Peking in June

# Markets and Digia's business

- Mobile Solutions business has maintained satisfactory profitability despite the slow-down of telecommunications sector and increasing price pressure
  - UIQ bankruptcy burdens the result of the reporting period compared to H1/2008
  - Company has developed expertise in new technology platforms
  - Growth during the reporting period centred in China
- Enterprise Solutions business grew slightly and has improved its profitability significantly (+70 % vs. H1/2008) by developing project business and raising the utilization rate
  - Demand in public sector has continued on a satisfactory level and even shows signs of improvement during Q2, other sectors still struggling

# Outlook and Targets for 2009



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# Outlook and Targets for 2009

- Global recession will result in decline of the IT-market, which will have an effect also on the demand of Digia's services
- Digia nevertheless believes to be able to maintain good profitability also during the latter half of 2009 by upgrading operational efficiency and exercising strict control of costs
- In addition to maintaining good profitability level Digia's targets for 2009 are to maintain strong positive cash flow and continue repayment of its debts.
- Digia will continue its internationalisation by actively searching for possibilities to develop its product business. Activities in China will continue to increase.

# Thank you!

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[www.digia.com](http://www.digia.com)

The Digia logo is located in the bottom-left corner of the slide. It consists of the word "digia" in a white, lowercase, sans-serif font, set against a dark red background. The background of the entire slide features a decorative pattern of overlapping, wavy lines in shades of red, orange, and yellow, creating a sense of movement and energy.

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