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Digia Plc's first quarter 2009 (IFRS)

Summary

- Consolidated net sales: EUR 30.8 million, down 2.6 per cent
- Consolidated operating profit: EUR 3.7 million, down 13.1 per cent
- Profitability (EBIT-%): 11.9 per cent (1-3/2008: 13.3 per cent)
- Product business accounted for 14.0 per cent of net sales (1-3/2008: 13.0 per cent)
- Earnings per share: EUR 0.11, down 8.3 per cent

In spite of the challenging market situation, the company managed to maintain good profitability and strong positive cash flow as well as repay its debt as planned during the period under review. Company estimates that the IT-market as a whole shall during 2009 decline somewhat compared with 2008, which is going to affect also Digia's current year turnover. Despite the reduction of demand resulting from the general market situation the company believes to be able to maintain its profitability on a good level during first half of 2009.

GROUP'S KEY FIGURES

	1-3/2009	1-3/2008	Change %	2008
Net sales	30,846	31,678	-3%	123,203
Operating profit	3,673	4,228	-13%	13,437
- % of net sales	12%	13%		11%
Net profit	2,185	2,472	-12%	7,409
- % of net sales	7%	8%		6%
Return on equity, %	12%	14%		11%
Return on investment, %	12%	14%		11%
Interest-bearing liabilities	51,784	56,543	-8%	56,950
Cash and cash equivalents	18,262	11,901	53%	18,879
Net gearing, %	45%	66%		53%
Equity ratio, %	49%	45%		47%
Earnings per share, EUR, undiluted	0.11	0.12	-8%	0.36
Earnings per share, EUR, diluted	0.11	0.12	-8%	0.36

MARKETS AND DIGIA'S BUSINESS

On the whole, the company's performance in the first quarter was in line with plans. The company's targets for 2009 are to maintain good profitability and strong positive cash flow and to reduce indebtedness. Progress towards these targets in the first quarter measured up to expectations.

The uncertainty in the markets caused by the global financial crisis remained strong during the reporting period and also impacted on demand for services among the company's clientele. In spite of this challenging situation, the company posted only a slight decline in net sales and the profitability of operations in its main business areas remains good.

Digia's new organisation – ushered in at the beginning of the year – is up and running well, and the company believes that the overhaul will enable it to harness its resources more efficiently both in sales and project delivery activities.

The company has consistently implemented its moderate internationalisation strategy. Business in China has grown and customer projects have progressed in line with plans. Business development projects in Russia and Sweden have also remained on track.

The company repaid a total of EUR 5 million in debt during the review period. Further loan repayments of EUR 2 million were made after the end of the period. Moreover, the Board has on 27 April 2009 decided on even further loan repayment of EUR 8 million to be made during the ongoing quarter, whereafter the company's loans will amount to a total of EUR 40 million.

Mobile Solutions:

The trend in the company's Mobile Solutions business was satisfactory during the review period in spite of the challenging market. Cost-savings measures and cost-effective functions enabled the company to maintain profitability at a satisfactory level. Business operations in China grew as planned.

Enterprise Solutions:

The company's Enterprise Solutions business, serving a broad clientele, was satisfactory during the review period. Business operations have remained on a growth track in the trade and public administration sectors. On the other hand, the challenging market has been reflected in demand for the company's services in the finance and industry sectors. That said, the company has been able to maintain a good overall profitability in Enterprise Solutions business by upgrading operational efficiency.

RISKS AND UNCERTAINTIES

The key risks and uncertainties of the company's business have remained unchanged. Short-term uncertainties are related to any major changes occurring in the company's core markets and the impact of the unpredictable economic situation on Digia customers' investment decisions and their liquidity, and thus also on the company's turnover and earnings. The lengthening of the recession might weaken the financial positions of customers and lead to payment difficulties, which could mean credit losses or the impairment of assets. Indications already exist that the financial situation has impacted on investment decisions and liquidity in certain sectors. Furthermore, the growth in customer project size increases the risks related to projects and their profitability.

CREDIT FACILITY 2009-2011

On 29 January 2009, Digia decreased its loans from EUR 55 million to EUR 50 million. In addition, on 3 February 2009, the company agreed on a new three-year credit facility, replacing its previous outstanding loans in their entirety.

The new credit facility is financed by the banks Pohjola and Nordea as well as by Varma Mutual Pension Insurance Company. The facility covers a three-year, bank-financed package of EUR 42 million and also the re-borrowing of employee pension contributions totalling EUR 8 million. As part of the deal, the company has agreed on terms concerning the maintenance of the company's financial standing and liquidity. Digia's Board of Directors has also agreed with the providers of finance to tighten its dividend policy during the years to come as part of the financing package and its financing strategy; the company will, during 2009-2011, distribute at most 15 per cent of the profit in dividends. The previous policy had been to distribute about 30 per cent of the profit in dividends. In addition, at its meeting on 3 February 2009, the Board of Directors decided to terminate the share buyback scheme. A key element of the refinancing package is to reduce the amount of loans during the loan period at an annual rate of about EUR 6 million.

PROSPECTS FOR THE FUTURE

Digia's main goals for 2009 are to maintain strong positive cash flow and good profitability and to bolster its balance sheet by decreasing indebtedness.

The company will continue to pursue the conservative internationalisation of its business operations and to increase business volumes in countries with favourable cost levels.

It is expected that the uncertainty created by the global financial crisis will continue and that it will impact on customers' IT investments in the latter half of the year. The company estimates that the IT market as a whole will during 2009 decline somewhat compared with 2008, which is going to affect also Digia's current year turnover. Despite the reduction of demand resulting from the general market situation the company believes to be able to maintain its profitability on a good level during first half of 2009.

Digia's long-term focus is first and foremost to strengthen its organic growth and maintain good cash flow. The company will continue to develop its sales and make outlays on actions to improve the cost-effectiveness of operations.

NET SALES

Digia's consolidated first-quarter net sales amounted to EUR 30.8 million, down 2.6 per cent (1-3/2008: EUR 31.7 million).

The first-quarter net sales of the Mobile Solutions segment were EUR 13.3 million, a decrease of 7.1 per cent (1-3/2008: EUR 14.3 million). The Enterprise Solutions segment posted net sales of EUR 17.5 million, up 1.1 per cent (1-3/2008: EUR 17.4 million).

During the first quarter, the product business accounted for EUR 4.3 million (1-3/2008: EUR 4.1 million) of consolidated net sales, or 14.0 per cent (1-3/2008: 13.0 per cent).

International operations accounted for EUR 2.7 million (1-3/2008: EUR 4.9 million) of consolidated net sales during the first quarter, or 8.7 per cent (1-3/2008: 15.5 per cent).

PROFIT PERFORMANCE AND PROFITABILITY

Digia's consolidated operating profit (EBIT) for the first quarter amounted to EUR 3.7 million, a 13.1 per cent year-on-year decrease (1-3/2008: EUR 4.2 million). Profitability (EBIT-%) was 11.9 per cent (1-3/2008: 13.3 per cent).

The Mobile Solutions segment posted an operating profit of EUR 1.4 million for the first quarter, down 44.2 per cent (1-3/2008: EUR 2.5 million). The Enterprise Solutions segment recorded an operating profit of EUR 2.3 million, up 33.8 per cent (1-3/2008: EUR 1.7 million).

The Group's reported earnings before tax for the first quarter were EUR 3.0 million, down 12.0 per cent (1-3/2008: EUR 3.4 million) and net profit was EUR 2.2 million, down 11.6 per cent (1-3/2008: EUR 2.5 million).

Earnings per share for the first quarter were EUR 0.11, down 8.3 per cent (1-3/2008: EUR 0.12).

The Group's net financial expenses for the reporting period were EUR 0.7 million (1-3/2008: EUR 0.8 million).

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FINANCIAL POSITION AND CAPITAL EXPENDITURE

At the end of the reporting period, the Digia Group's consolidated balance sheet total stood at EUR 153.9 million (2008: EUR 153.4 million) and the equity ratio was 48.7 per cent (2008: 47.1 per cent). Net gearing was 45.2 per cent (2008: 52.8 per cent). Liquid assets at the end of the period totalled EUR 18.3 million (2008: EUR 18.9 million), and interest-bearing liabilities amounted to EUR 51.8 million (2008: EUR 56.9 million). Interest-bearing liabilities comprise EUR 50.0 million in loans from financial institutions, EUR 1.5 million in financial leasing liabilities and EUR 0.3 million in product development loans.

Annual impairment tests in accordance with the IAS 36 standard are in current situation applied per each quarter to goodwill and intangible assets with an unlimited useful life.

As from 1 January 2009, the allocation of goodwill was changed in line with the new segment structure. Goodwill is now allocated to Mobile Solutions and to Enterprise Solutions.

The table below shows goodwill and values subject to testing, by business segment, at the end of the reporting period:

EUR 1,000	Specified intangible assets	Depreciation during the reporting period	Goodwill	Other items	Total value subject to testing
Mobile Solutions	6,983	292	46,259	4,566	57,808
Enterprise Solutions	4,840	232	43,390	4,580	52,810
Digia Group, total	11,823	524	89,649	9,146	110,618

Present values are determined on the basis of actual operating profit and five-year forecasts by the CGU, with growth being three per cent and the operating margin between 8 and 11 per cent. As regards the current year both growth and profitability are, however, updated in the calculations to correspond with the company management's view on the current market development.

Cash flows following the forecast period are estimated by extrapolating the cash flows, using a steady net sales growth forecast of three per cent, with operating profit estimated at 8-10 per cent of net sales. Discount rates have been determined in view of the industry's general risk level, corresponding to an annual interest rate of 11 per cent.

Net sales growth is reckoned to constitute the most critical factor in calculating the present values of cash flows. The amount of goodwill for Mobile Solutions requires average annual long-term growth of around two per cent for business operations and 10 per cent profitability before amortisation of intangible assets. The amount of goodwill for Enterprise Solutions requires average annual growth of two per cent for business operations and seven per cent profitability before amortisation of intangible assets.

Based on a reasonable estimate, any change in key variables used in calculations during the reporting period would not lead to a situation in which the segment's carrying amount would exceed its value in use. Consequently, in the management's view, there is no need to recognise impairment losses.

The Group's cash flow from operations for the period was positive by EUR 4.9 million (1-3/2008: positive cash flow of EUR 6.1 million), cash flow from investments was negative by EUR 0.3 million (1-3/2008: negative EUR 3.5 million) and cash flow from financing was negative by EUR 5.2 million (1-3/2008: negative EUR 2.5 million). Cash flow from financing was affected negatively by the repayment of short-term loans in connection with the restructuring of loans, with a negative effect of EUR 5.0 million.

The Group's total investments in fixed assets during the period totalled EUR 0.3 million (1-3/2008: EUR 0.6 million). The Group's investments in tangible fixed assets were EUR 0.3 million (1-3/2008: EUR 0.5 million).

Return on investment (ROI) for the period was 12.0 per cent (12/2008: 11.3 per cent) and return on equity (ROE) was 12.0 per cent (12/2008: 10.5 per cent).

HUMAN RESOURCES, MANAGEMENT AND ADMINISTRATION

At the end of the period, the number of Group personnel totalled 1,335, representing a decrease of 2 employees, or 0.1 per cent, since the end of fiscal 2008 (2008: 1,337). During the reporting period, the number of employees averaged 1,336, an increase of 22 employees, or 1.7 per cent compared to 2008 (2008: 1,314).

Employees by function at the end of the period:

Mobile Solutions	50%
Enterprise Solutions	46%
Administration and Management	4%

As of the end of the period, a total of 131 employees were working abroad (2008: 123).

Digia Plc's Annual General Meeting of 10 March 2009 re-elected Pekka Sivonen, Pertti Kyttälä, Kari Karvinen and Martti Mehtälä as members of the Board and elected Heikki Mäkijärvi and Jari Pasanen as new members. At the organisation meeting of the Board, Pekka Sivonen was elected as its full-time Chairman and Pertti Kyttälä as the Vice Chairman.

Juha Varelius has been Digia's President and CEO since 1 January 2008.

Ernst & Young Oy, a firm of authorised public accountants, is the Group's auditor, with Heikki Ilkka, Authorised Public Accountant, as chief auditor.

RELATED PARTY TRANSACTIONS

The Digia Group's related parties include the CEO and the members of the Board of Directors and the Group Management Team. The Digia Group had no significant transactions with related parties during the review period.

GROUP STRUCTURE AND ORGANISATION

At the end of the period, the Digia Group consisted of parent company Digia Plc and its active subsidiaries: Digia Finland Ltd (parent company holding 100%); Digia Sweden AB (100%); Digia Estonia Oü (100%); Sunrise Resources Ltd (100%), which has an active subsidiary, OOO Sunrise-r Spb (100%), in Russia; and Digia Hong Kong Ltd (100%), which has a wholly-owned company, Digia Software (Chengdu) Co. Ltd, operating in China. Digia Finland Ltd also has the wholly-owned active subsidiaries Digia Service Ltd (100%) and Digia Financial Software Ltd (100%). The company intends to merge Digia Service Ltd into Digia Finland Ltd during 2009.

SHAREHOLDERS' MEETINGS

Annual General Meeting on 10 March 2009

Convening on 10 March 2009, Digia Plc's Annual General Meeting (AGM) adopted the financial statements for 2008, released the Board members and the CEO from liability, determined Board emoluments, resolved to raise the number of Board members to six (6), and elected the company's Board of Directors for a new term. The AGM granted the following authorisations to the Board:

Authorising the Board of Directors to decide on the payment of dividends

The AGM authorised the Board of Directors to decide at its discretion, and when the financial situation of the company favours it, on the payment of dividend for 2008 such that:

- The dividend shall amount to no more than EUR 0.05 per share;
- The Board of Directors shall decide on the record date for the dividend and its payment date, which can at the earliest be the fifth banking day from the record date; and
- The authorisation shall be valid until the beginning of the next AGM.

Authorising the Board of Directors to decide on a share issue and granting of special rights

The AGM authorised the Board of Directors to decide on a rights issue or a capitalisation issue and on granting option rights and other special rights as set forth in Section 1, Chapter 10 of the Companies Act, subject to the following conditions:

- On the basis of the authorisation, the Board of Directors can decide on the conveyance in one or more instalments of a maximum total of 4,000,000 own shares held by the company;
- The Board of Directors is also entitled to decide on the sale of own shares in public trading. By virtue of the authorisation, the Board of Directors has the right to decide on share issues and the granting of special rights, waiving the pre-emptive subscription rights of the shareholders (directed issue);
- The Board of Directors is otherwise authorised to decide on all terms relating to the share issue, including the subscription price, its payment and its recognition in the company's balance sheet; and
- The authorisation replaces the authorisation granted by the Shareholders' Meeting on 11 March 2008 and shall be valid for 18 months from the issue date of the authorisation, i.e. until 10 September 2010.

Authorising the Board of Directors to decide on the buyback of own shares

The AGM authorised the Board of Directors to decide on the buyback of the company's own shares subject to the following conditions:

- A maximum total of 2,000,000 shares may be bought back in one or more instalments;
- The Board shall decide on how the shares are acquired. Own shares can be bought back in disproportion to the holdings of the shareholders. The authorisation also includes the acquisition of shares through public trading organised by NASDAQ OMX Helsinki Oy in accordance with its rules and instructions or through offers made to shareholders;
- The shares shall be acquired at the going price in public trading. The minimum price of the shares to be acquired shall be the lowest quotation in public trading while the authorisation is in force and correspondingly the maximum price shall be the highest quotation in public trading while the authorisation is in force;
- Own shares can be bought back only with non-restricted equity. Share buyback thus reduces the company's distributable funds;
- The Board of Directors is otherwise authorised to decide on all terms relating to the share issue; and
- The authorisation replaces the authorisation granted by the Shareholders' Meeting on 11 March 2008 and shall be valid for 18 months from the issue date of the authorisation, i.e. until 10 September 2010.

During the review period, the Board of Directors did not take decisions on exercising the authorisations.

SHARE CAPITAL AND SHARES

As of the end of the period, the number of Digia Plc shares totalled 20,853,645.

According to Finnish Central Securities Depository Ltd, Digia had 3,382 shareholders on 31 March 2009. The ten major shareholders were:

Shareholder	Percentage of shares and votes
Pekka Sivonen	24.4%
Jyrki Hallikainen	10.2%
Kari Karvinen	7.6%
Matti Savolainen	6.3%
Varma Mutual Pension Insurance Company	3.6%
Veikko Laine Oy	2.8%
Nordea Bank Finland Plc/Nominee-registered	2.4%
Digia Plc	1.6%
Irish Life International	1.3%
Scandinaviska Enskilda Banken/Nominee-registered	1.3%

Distribution of holdings by number of shares held on 31 March 2009

Number of shares	Holding (%)	Shares and votes (%)
1 – 100	21.4%	0.3%
101 – 1,000	51.8%	4.0%
1,001 – 10,000	23.3%	10.8%
10,001 – 100,000	2.8%	12.8%
100,001 – 1,000,000	0.6%	23.5%
1,000,001 – 3,000,000	0.1%	48.6%

Shareholding by sector on 31 March 2009

	Holding (%)	Shares (%)
Companies	6.2%	10.8%
Financial institutions and insurance companies	0.5%	5.6%
Non-corporate public sector	0.1%	3.8%
Non-profit organisations	0.4%	0.4%
Households	92.4%	78.0%
Foreign ownership	0.4%	1.4%

REPORTED SHARE PERFORMANCE ON THE HELSINKI STOCK EXCHANGE

During the review period, Digia Plc shares were listed on the Nordic Exchange under Information Technology IT Services. The company's short name is DIG1V. The lowest reported share quotation was EUR 1.39 and the highest was EUR 2.05, with the share closing at EUR 1.50 on the final trading day. The trading-weighted average was EUR 1.67. The Group's market capitalisation totalled EUR 31,280,468 at the end of the period.

The company received the following flagging notifications during the reporting period:

- Jyrki Hallikainen announced on 6 March 2009 that his holding in the company had exceeded the 5% flagging threshold and amounted to 9.12% of the company's shares and votes.
- Jyrki Hallikainen announced on 27 March 2009 that his holding in the company had exceeded the 10% flagging threshold and amounted to 10.24%.

STOCK OPTION SCHEMES

Digia Plc's current option schemes include the stock option scheme 2005A-C, on the basis of which a maximum number of 900,000 Digia shares can be subscribed.

On 31 March 2009, the remaining number of warrants issued by Digia totalled 900,000. Shares subscribed for using the warrants represent a maximum of 4.13 per cent of the company's share capital and voting rights after any potential increase in share capital. On 31 March 2009, the number of valid warrants still held by Digia totalled 527,000. The maximum dilution effect of the issued warrants stood at 1.8 per cent on 31 March 2009.

Helsinki, 28 April 2009

Digia Plc

Board of Directors

BRIEFING FOR MEDIA AND ANALYSTS

Digia will hold a briefing on its financial statements for analysts and the media on Tuesday, 28 April 2009 at 1.00 p.m. at the Pavilion Cabinet of Scandic Hotel Simonkenttä, Simonkatu 9, 00100 Helsinki, Finland. All are welcome.

FURTHER INFORMATION

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The interim report and access to the related live briefing for the media and analysts (in Finnish) will be available in the Investors' section at www.digia.com beginning at 1 p.m.

DISTRIBUTION
NASDAQ OMX Helsinki
Key media

ATTACHMENTS
Consolidated income statement
Consolidated balance sheet
Consolidated cash flow statement
Consolidated statement of changes in shareholders' equity
Notes to the accounts

The interim report has been prepared in compliance with IFRS and standard IAS 34. This interim report is based on unaudited figures.

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CONSOLIDATED INCOME STATEMENT, EUR 1,000

	1-3/2009	1-3/2008	Change, %	2008
NET SALES	30,846.4	31,678.4	-3%	123,203.4
Other operating income	3.3	5.3	-38%	59.6
Materials and services	-1,721.4	-2,822.5	-39%	-10,048.7
Depreciation and impairment	-1,104.9	-1,276.8	-13%	-4,762.6
Other operating expenses	-24,350.5	-23,356.9	4%	-95,014.3
Operating profit	3,672.9	4,227.6	-13%	13,437.4
Financial expenses (net)	-653.2	-797.1	-18%	-3,031.3
Pre-tax profit	3,019.7	3,430.5	-12%	10,406.1
Income taxes	-834.6	-958.6	-13%	-2,997.1
NET PROFIT	2,185.1	2,471.9	-12%	7,409.0
Components of comprehensive income statement:				
Exchange differences on translating foreign operations	-10.6	7.4	-243%	-242.4
TOTAL COMPREHENSIVE INCOME	2,174.5	2,479.3	-12%	7,166.6
Distribution of net profit:				
Parent company shareholders	2,185.1	2,471.9	-12%	7,409.0
Minority shareholders	0.0	0.0		0.0
Distribution of comprehensive income:				
Parent company shareholders	2,174.5	2,479.3	-12%	7,166.6
Minority shareholders	0.0	0.0		0.0
Earnings per share, EUR	0.11	0.12	-8.3%	0.36
Earnings per share, EUR, diluted	0.11	0.12	-8.3%	0.36

CONSOLIDATED BALANCE SHEET, EUR 1,000

Assets	31 Mar. 2009	31 Dec. 2008	Change, %
Non-current assets			
Intangible assets	102,366.7	103,045.2	-1%
Tangible assets	3,003.1	3,125.6	-4%
Long-term investments	628.0	628.0	0%
Deferred tax assets	1,793.1	1,756.1	2%
Total non-current assets	107,790.8	108,554.9	-1%
Current assets			

Current receivables	27,831.6	25,957.4	7%
Available-for-sale financial assets	273.2	273.2	0%
Cash and cash equivalents	17,988.3	18,605.6	-3%
Total current assets	46,093.1	44,836.3	3%
Total assets	153,883.9	153,391.2	0%

Shareholders' equity and liabilities	31 Mar. 2009	31 Dec. 2008	Change, %
Share capital	2,085.4	2,085.4	0%
Premium fund	7,899.5	7,899.5	0%
Other reserves	5,203.8	5,203.8	0%
Unrestricted invested shareholders' equity	35,085.3	34,938.2	0%
Translation difference	-264.9	-254.3	4%
Retained earnings	22,053.3	14,801.0	49%
Net profit	2,185.1	7,409.0	-71%
Shareholders' equity attributable to the equity holders of the parent company	74,247.5	72,082.6	3%
Minority interest	0.0	0.0	
Total shareholders' equity	74,247.5	72,082.6	3%
Liabilities			
Non-current interest-bearing liabilities	45,892.7	935.2	4,807%
Deferred tax liabilities	3,188.6	3,137.8	2%
Total non-current liabilities	49,081.4	4,073.0	1,105%
Current interest-bearing liabilities	5,891.7	56,014.8	-89%
Other current liabilities	24,663.4	21,220.8	16%
Total current liabilities	30,555.0	77,235.6	-60%
Total liabilities	79,636.4	81,308.6	-2%
Shareholders' equity and liabilities	153,883.9	153,391.2	0%

CONSOLIDATED CASH FLOW STATEMENT, EUR 1,000

Cash flow from operations:	1 Jan. 2009 – 31 Mar. 2009	1 Jan. 2008 – 31 Mar. 2008	1 Jan. 2008 – 31 Dec. 2008
Net profit	2,185	2,472	7,409
Adjustments to profit for the period	2,593	3,048	10,821
Change in working capital	794	1,548	1,321
Interest paid	-548	-836	-3,533
Interest income	59	101	596
Taxes paid	-214	-208	-1,141
Cash flow from operations	4,868	6,125	15,473
Cash flow from investments:			
Investments in property, plant, equipment and intangible assets	-304	-637	-2,512
Proceeds from sale of intangible assets and PPE	-		-
Acquisitions of subsidiaries	-	-2,816	-2,803
Proceeds of sale of other investments	-	-	-

Dividends received	-	-	-
Cash flow from investments	-304	-3,452	-5,315
Cash flow from financing:			
Paid share issue	-	7	7
Purchase of own shares	-33	-476	-951
Equity financing of share-based bonus scheme	-	-	-
Repayment of current loans	-55,149	-	-33
Repayment of non-current loans	-	-	-
Withdrawal of current loans	5,000	-	-
Withdrawal of non-current loans	45,000	-	-
Dividends paid and other profit distribution	-	-2,041	-2,041
Cash flow from financing	-5,182	-2,510	-3,019
Change in cash and cash equivalents	-617	162	7,140
Cash and cash equivalents at the beginning of the period	18,879	11,739	11,739
Change in fair value	-	-	-
Change in cash and cash equivalents	-617	162	7,140
Cash and cash equivalents at the end of the period	18,262	11,901	18,879

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY, EUR 1,000

	a	b	c	d	e	f	g
Shareholders' equity, 1 Jan. 2008	2,085	7,893	38,111	5,204	-12	15,322	68,602
Net profit						2,472	2,472
Other comprehensive income					7		7
Increase in share capital		7					7
Dividends			-2,041				-2,041
Own share redemption fund			-1,000			524	-476
Share-based payments recognised against equity						-742	-742
SHAREHOLDERS' EQUITY, 31 Mar. 2008	2,085	7,899	35,069	5,204	-4	17,576	67,829

	a	b	c	d	e	f	g
Shareholders' equity, 1 Jan. 2009	2,085	7,899	34,938	5,204	-254	22,210	72,083
Net profit						2,185	2,185
Other comprehensive income					-11		-11
Own share redemption fund			147			-169	-22
Share-based payments recognised against equity						13	13
SHAREHOLDERS' EQUITY, 31 Mar. 2009	2,085	7,899	35,085	5,204	-265	24,238	74,248

a = share capital
b = share premium
c = unrestricted invested shareholders' equity reserve
d = other reserves
e = currency translation differences
f = retained earnings
g = total shareholders' equity

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NOTES TO THE ACCOUNTS

Accounting principles:

The interim report has been drafted in line with IFRS. As from 1 January 2009, the Group has applied the following new and revised standards: IFRS 8 Operating Segments and IAS 1 Presentation of Financial Statements. In other respects, the same accounting principles have been applied as in the 2008 financial statements. The accounting principles and formulas for the calculation of key figures are unchanged and are presented in the 2008 financial statements.

Seasonal nature of business:

The Group's business is affected by the number of workdays each month as well as by holiday seasons.

Dividends paid:

No dividends were paid during the review period.

Interest hedge of bank loans:

On 31 March 2009, the Group had a total of EUR 42 million in bank loans that are hedged with interest rate cap and floor agreements. The cap agreement covers loan capital of EUR 25 million and the floor agreement covers loan capital of EUR 12.5 million. The threshold interest rate is 5% and agreements that will expire on 9 November 2009 have been valued at fair value. Hedge accounting is not applied to the agreements.

Events after the balance sheet date:

On 14 April 2009, the company repaid a further EUR 2 million of its loans, decreasing them to EUR 48 million.

The company paid the additional purchase price agreed for Sunrise Resources Ltd – EUR 576,413 – after the end of the review period. Own shares totalled 198,080 and the share price applied was EUR 2.91 per share as set forth in the sale agreement.

Segment information:

Since the beginning of 2009, a new organisation has been in force, merging the company's sales, products, services and competencies. Digia's business operations are now divided into two main business segments: Mobile Solutions and Enterprise Solutions. The Mobile Solutions segment is divided into Contract Engineering Services and User Experience Services. Enterprise Solutions is divided into ERP and Financial Administration, Digital Services and Integration Solutions.

Reference figures for 2008 in line with the new segments:

NET SALES, EUR 1,000	1-3/2008	4-6/2008	7-9/2008	10-12/2008	2008
Mobile Solutions	14,321	14,592	10,623	13,872	53,408
Enterprise Solutions	17,357	18,541	15,007	18,890	69,795
Digia Group	31,678	33,133	25,630	32,762	123,203

OPERATING PROFIT, EUR 1,000	1-3/2008	4-6/2008	7-9/2008	10-12/2008	2008
Mobile Solutions	2,543	1,906	377	-209	4,617
Enterprise Solutions	1,685	1,833	2,179	3,124	8,821
Digia Group	4,228	3,739	2,556	2,916	13,437

The profitability of Mobile Solutions is impacted by a credit loss provision of EUR 0.8 million on accounts receivable from UIQ Technology Ab in the third quarter, increased further by EUR 1.0 million in the fourth quarter. These credit loss provisions thus have a total effect of EUR 1.8 million on profitability in the second half of the year.

First-quarter segment information:

NET SALES, EUR 1,000	1-3/09	1-3/08	Change, %
Mobile Solutions	13,305	14,321	-7.1%
Enterprise Solutions	17,541	17,357	1.1%
Digia Group	30,846	31,678	-2.6%

OPERATING PROFIT, EUR 1,000	1-3/09	1-3/08	Change, %
Mobile Solutions	1,419	2,543	-44%
Enterprise Solutions	2,254	1,685	34%
Digia Group	3,673	4,228	-13%

ASSETS, EUR 1,000	31.3.2009
Mobile Solutions	67 587
Enterprise Solutions	65 614
Non-allocated	20 683
Digia Group	153 884

Consolidated income statement by quarter:

EUR 1,000	1-3/2009	10-12/2008	7-9/2008	4-6/2008	1-3/2008
Net sales	30,846.4	32,761.6	25,630.2	33,133.1	31,678.4
Other operating income	3.3	32.9	17.5	4.0	5.3
Materials and services	-1,721.4	-1,958.5	-1,996.5	-3,271.2	-2,822.5
Depreciation and impairment	-1,104.9	-1,169.7	-1,156.8	-1,159.4	-1,276.8
Other operating expenses	-24,350.5	-26,750.8	-19,938.7	-24,967.9	-23,356.9
Operating profit	3,672.9	2,915.5	2,555.7	3,738.6	4,227.6
Financial expenses (net)	-653.2	-820.6	-692.2	-721.4	-797.1
Pre-tax profit	3,019.7	2,094.9	1,863.4	3,017.2	3,430.5
Income taxes	-834.6	-745.5	-561.3	-731.6	-958.6
Net profit	2,185.1	1,349.4	1,302.1	2,285.6	2,471.9
Distribution:					
Parent company shareholders	2,185.1	1,349.4	1,302.1	2,285.6	2,471.9
Minority shareholders	0.0	0.0	0	0.0	0
Earnings per share, EUR	0.11	0.07	0.06	0.11	0.12
Earnings per share, EUR, diluted	0.11	0.07	0.06	0.11	0.12

Group key figures and ratios:

	1-3/2009	1-3/2008	2008
Scope of operations			
Net sales	30,846	31,678	123,203
- change on previous year	-3%	21%	16%
Average capital invested	127,532	124,693	127,023
Personnel at end of period	1,335	1,281	1,337
Average number of personnel	1,336	1,252	1,314

Profitability			
Operating profit	3,673	4,228	13,437
- % of net sales	12%	13%	11%
Earnings before taxes	3,020	3,431	10,406
- % of net sales	10%	11%	8%
Net profit	2,185	2,472	7,409
- % of net sales	7%	8%	6%
Return on equity, %	12%	14%	11%
Return on investment, %	12%	14%	11%
Financing and financial position			
Interest-bearing liabilities	51,784	56,543	56,950
Short-term investments & cash and bank receivables	18,262	11,901	18,879
Net gearing, %	45%	66%	53%
Equity ratio, %	49%	45%	47%
Cash flow from operations	4,868	6,125	15,473
Earnings per share, EUR, undiluted	0.11	0.12	0.36
Earnings per share, EUR, diluted	0.11	0.12	0.36
Equity per share	3.56	3.25	3.46
Lowest share price	1.39	2.55	1.73
Highest share price	2.05	3.25	3.35
Average share price	1.67	2.99	2.83
Market capitalisation	31,280	62,561	38,788

The formulae for the key figures and ratios are available in the presentation of the year-end accounts. These formulae remained unchanged during the reporting period.

The weighted average number of shares during the reporting period, adjusted for share issues, totalled 20,853,645. The weighted average number of shares during the reporting period, adjusted for dilution, totalled 20,853,645. The number of outstanding shares totalled 20,853,645 at the end of the reporting period.

The company held a total of 328,044 treasury shares at the end of the reporting period. The accounting countervalue of own shares is EUR 0.10 per share. The company held about 1.6 per cent of the capital stock as of 31 March 2009. The buyback program was terminated by the Board at its meeting on 3 February 2009.

Relating to the company's performance-based incentive system, Digia has financed the acquisition of 300,000 own shares. In the coming years, these shares are intended for distribution to key personnel as rewards for targets achieved as per the conditions of the performance-based incentive system. In accordance with the Board of Directors' decision, performance-based incentives to key personnel will be paid in company shares. In June and July 2008, 62,110 of said 300,000 shares were distributed to key personnel as performance-based rewards for 2007.