



Digia Plc First Quarter 2010: Net Sales up 6.4 per cent, Operating Profit 14.2 per cent of Net Sales

Summary

- Consolidated net sales: EUR 32.8 million, up 6.4 per cent
- Consolidated operating profit: EUR 4.7 million (EUR 3.7 million)
- Profitability (EBIT %): 14.2 per cent (11.9 per cent).
- Product business accounted for 16.4 per cent (14.0 per cent)
- Earnings per share: EUR 0.14 (EUR 0.11)

The company's business operations progressed according to expectations in the reporting period. Digia fulfilled its target of organic growth in consolidated net sales at least matching the moderate growth rate forecast for the market. Profitability also remained at a good level, improving compared to the same period last year. Operating profit and earnings per share improved significantly.

Operating cash flow was once again strongly positive, which led the Board to decide to pay off a further EUR 5 million of its interest-bearing liabilities after the period under review. Following the payment made in April, the company has a total of EUR 23.0 million in loans from financial institutions.

For the rest of 2010, Digia predicts continued moderate growth on 2009 levels in overall demand for IT services. The company will continue to improve its sales and enhance its operational efficiency. Digia expects organic growth in its net sales at least matching the general market rate also for the rest of 2010. In addition to growth in sales, operational profitability is also expected to remain high.

GROUP KEY FIGURES AND RATIOS

	1-3/2010	1-3/2009	Change %	2009
Net sales	32 831	30 846	6 %	120 335
Operating profit before extraordinary items	4 680	3 673	27 %	16 936
- % of net sales	14 %	12 %		14 %
Operating profit	4 680	3 673	27 %	-7 796
- % of net sales	14 %	12 %		-6 %
Profit for the period	2 983	2 185	37 %	-13 664
- % of net sales	9 %	7 %		-11 %
Return on equity, %	20 %	12 %		-21 %
Return on investment, %	21 %	12 %		-7 %
Interest-bearing liabilities	29 260	51 784	-43 %	30 429
Cash and cash equivalents	9 703	18 262	-47 %	10 469
Net gearing, %	33 %	45 %		34 %
Equity ratio, %	52 %	49 %		52 %
Earnings per share, EUR, undiluted	0.14	0.11	27.3 %	-0.67
Earnings per share, EUR, diluted	0.14	0.11	27.3 %	-0.67



The figures for 2009 include one-off items comprising a fourth-quarter goodwill writedown of EUR -23.8 million, as well as a restructuring provision of EUR -0.9 million related to the closure of offices.

MARKETS AND DIGIA'S BUSINESS

The review period showed clear signs that the general uncertainty which has reigned since 2008, due to the economic crisis, has begun to dissipate.

Thanks to a pick up in general market demand and a more effective sales operation, net sales grew well above the same period last year. Growth in net sales, combined with the greater efficiency arising from last year's reorganisation and office streamlining measures, saw operating profit improve significantly, as did the comparative profitability of operations.

This positive development applied equally to both of the company's reporting segments.

In foreign operations, business developed according to plan in the Chinese unit. Digia will continue to develop the Chinese unit's ability to provide services covering the entire life cycle of solutions produced for customers. In addition, the number of staff working at the customer interface will be increased. The Russian unit's competences will be developed to correspond to demand for open architecture expertise in both mobile and ERP systems.

Enterprise Solutions:

The first quarter had a dual effect on the Enterprise Solutions segment. Of Enterprise Solutions' customer sectors, demand from industry and the financial markets in particular remained modest. Similarly, demand for tailored system projects was subdued. On the other hand, demand for e-business, ERP and customer experience management solutions grew in comparison with the same period last year. Investments in e-business competence and resource development somewhat abated the growth in the segment's profitability. On the whole, however, Enterprise Solutions' net sales and profitability improved moderately above those of the comparison period.

Digia expects the Enterprise market to continue its moderate growth for the rest of the year. It foresees a positive development in its market position, especially in online IT systems and ERP systems that increase the operational efficiency of customers.

Mobile Solutions:

Investments made last year in Linux-based software development, the adoption of new practices and in training, fed into growth in net sales in these areas. Demand for user experience development services also remained positive. Thanks to the group-wide efficiency measures mentioned above in this report, the segment's profitability continued to improve compared to the same period last year, while net sales remained constant. This was despite the fact that in certain service and competence fields, demand has decreased and in part shifted to low-cost countries.

Digia believes that the technological revolution ongoing in the Mobile Solutions segment and the arrival of new technologies on the market will uphold market demand in the near future. This is expected to have a positive effect also on demand for the company's services.

RISKS AND UNCERTAINTIES

The company short-term operating risks and uncertainties are described in the 2009 financial statements. There have been no changes.

FUTURE PROSPECTS

Digia's main objective for 2010 is to achieve organic growth while maintaining a strong positive cash flow and a high level of profitability. To do this, the company will continue to increase its human resources, develop its sales operations and implement efficiency-enhancing measures.

The company will also continue to pursue the prudent internationalisation of its business operations, making a concerted effort to seek opportunities for enlarging and developing its replicable product business. Furthermore, it will step up its operations in countries with favourable cost levels, especially China.

Digia expects the global economic uncertainty to recede gradually and the IT market to grow moderately compared to its 2009 level. The company predicts organic growth in its net sales, at least matching the general market rate, accompanied by continued solid profitability.

In the long run, efforts to reinforce organic growth and maintain a good cash flow will continue as the cornerstones of Digia's operations.

NET SALES

Digia's consolidated net sales for the reporting period were EUR 32.8 million, up 6.4 per cent on the same period in 2009 (EUR 30.8 million).

The Enterprise Solutions segment posted net sales of EUR 19.4 million, up 10.4 per cent (EUR 17.5 million). The Mobile Solutions segment posted net sales of EUR 13.5 million, up 1.2 per cent (EUR 13.3 million).

During the reporting period, the product business accounted for EUR 5.4 million (EUR 4.3 million) of consolidated net sales, or 16.4 per cent (14.0 per cent).

International operations accounted for EUR 2.7 million (EUR 2.7 million) of consolidated net sales, or 8.2 per cent (8.7 per cent).

PROFIT PERFORMANCE AND PROFITABILITY

Digia's consolidated operating profit (EBIT) for the reporting period was EUR 4.7 million, up 27.4 per cent from the same period in 2009 (EUR 3.7 million). Profitability (EBIT%) was 14.2 per cent (11.9 per cent).

The Enterprise Solutions segment's operating profit was EUR 2.8 million, up 24.6 per cent (EUR 2.3 million). The Mobile Solutions segment's operating profit was EUR 1.9 million, up 31.7 per cent (EUR 1.4 million).

The Group's reported earnings before tax totalled EUR 4.2 million (EUR 3.0 million), and net profit was EUR 3.0 million (EUR 2.2 million).

Earnings per share for the review period were EUR 0.14, up by 27.3 per cent (EUR 0.11).

The Group's net financial expenses were EUR 0.5 million (EUR 0.7 million).

FINANCIAL POSITION AND CAPITAL EXPENDITURE

At the end of the reporting period, the Digia Group's consolidated balance sheet total stood at EUR 113.9 million (EUR 112.8 million in 2009) and the equity ratio was 52.0 per cent (52.3 per cent). Net gearing was 33.4 per cent (34.3 per cent). The period-end cash and cash equivalents totalled EUR 9.7 million (EUR 10.5 million).

Interest-bearing liabilities amounted to EUR 29.3 million (EUR 30.4 million). Interest-bearing liabilities comprised EUR 28.0 million in loans from financial institutions, EUR 1.2 million in financial leasing liabilities and EUR 0.1 million in product development loans. The company repaid EUR 1 million of its loans from financial institutions during the review period and a further EUR 5.0 million after the end of the period. After the payment made in April, the company has a total of EUR 23.0 million in loans from financial institutions.

The Group carries out quarterly impairment testing on goodwill and intangible assets with an indefinite useful life.

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

EUR1000	Specified intangible assets	Depreciation during the reporting period	Goodwill	Other items	Total value subject to testing
Enterprise Solutions	4 051	179	43 244	4 298	51 592
Mobile Solutions	5 816	292	22 301	4 216	32 333
Group total	9 867	471	65 545	8 514	83 925

Present values for the Enterprise Solutions segment were calculated for the forecast period based on the following assumptions: net sales for 2010 in line with the most recent forecast, after which an annual growth of 3 per cent; operating profit for 2010 in accordance with the latest forecast and then growth of 10 per cent, with discount rates of 11.2 per cent. Cash flows following the forecast period are estimated by extrapolating the cash flows, using the assumptions given above.

Present values for the Mobile Solutions segment were calculated for the forecast period based on the following assumptions: net sales for 2010 according to the latest forecast, after which annual growth of 0 per cent; operating profit for 2010 in accordance with the latest forecast and then growth of 8 per cent, with discount rates of 14.7 per cent. Cash flows following the forecast period are estimated by extrapolating the cash flows, using the assumptions given above.

Net sales growth is reckoned to constitute the most critical factor in calculating the present values of cash flows. The amount of goodwill for Enterprise Solutions requires average annual growth of two per cent for business operations and six per cent profitability. For Mobile Solutions, the goodwill requires business to be maintained at the current level, with 8 per cent profitability.

Digia's management sees no need for goodwill write-downs in either segment.

The Group's cash flow from business operations for the period was positive by EUR 3.1 million (positive by EUR 4.9 million), cash flow from investments was negative by EUR 0.3 million (negative by EUR 0.3 million) and cash flow from financing was negative by EUR 3.5 million (negative by EUR 5.2 million). Cash flow from financing was negatively affected by the repayment of loans totalling EUR 1.0 million, as well as the payment of dividends for a total of EUR 2.5 million.

The Group's total investments in fixed assets were EUR 0.3 million (EUR 0.3 million). Investments in tangible assets totalled EUR 0.2 million (EUR 0.3 million).

Return on investment (ROI) for the period was 21.2 per cent (12.0 per cent) and return on equity (ROE) was 20.5 per cent (12.0 per cent).

HUMAN RESOURCES, MANAGEMENT AND ADMINISTRATION

At the end of the period, the number of Group personnel totalled 1,495, representing an increase of 24 employees or 1.6 per cent since the end of 2009 (2009: 1,471). During the reporting period, the number of employees averaged 1,477, an increase of 90 employees or 6.5 per cent compared to 2009 (2009: 1,387).

Employees by function at the end of the period:

Enterprise Solutions	45 %
Mobile Solutions	51 %
Administration and management	4 %

As of the end of the period, a total of 201 employees were working abroad (2009: 219).

Digia Plc's Annual General Meeting of 3 March 2010 re-elected Kari Karvinen, Pertti Kyttälä, Martti Mehtälä and Pekka Sivonen as members of the Board, and elected Robert Ingman, Tommi Uhari and Marjatta Virtanen as new members. At the organisation meeting of the Board, Pertti Kyttälä was elected as Chairman of the Board and Martti Mehtälä as Vice Chairman. The separate employment contract applying to Pekka Sivonen's term as full-time Chairman of the Board ended upon the conclusion of the Annual General Meeting.

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

Ernst & Young Oy, authorised public accountants, are the Group's auditors, with Heikki Ilkka, Authorised Public Accountant, as the 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 reporting 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%), Digia Hong Kong Ltd (100%) and Sunrise Resources Oy (100%).



Digia Finland Ltd has the wholly owned active subsidiaries Digia Financial Software Ltd (100%) and Digia Service Ltd (100%).

Digia Hong Kong Ltd has the wholly owned subsidiary Digia Software (Chengdu) Co. Ltd (100%), with a registered branch in Beijing.

Sunrise Resources Oy has a subsidiary, OOO Digia RUS (100%), operating in Russia.

SHAREHOLDERS' MEETINGS

Convening on 3 March 2010, Digia Plc's Annual General Meeting (AGM) adopted the financial statements for 2009, released the Board members and the CEO from liability, determined Board emoluments, resolved to raise the number of Board members to seven (7), and elected the company's Board of Directors for a new term. The AGM also decided to amend the terms regarding the convocation of the AGM in the company's Articles of Association.

With regard to profit distribution for 2009, the AGM approved the Board's proposal to pay a dividend of EUR 0.14 per share to all shareholders listed in the shareholder list maintained by Euroclear Finland Ltd on the reconciliation date of 8 March 2010. The dividend payment date was 15 March 2010.

The AGM granted the following authorisations to the Board:

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

The AGM authorised the Board to decide on the buyback of a maximum of 2,000,000 shares in the company using the company's unrestricted equity. 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 the rules and instructions of NASDAQ OMX Helsinki and Euroclear Finland Ltd, or through offers made to shareholders. Shares may be acquired in order to improve the company's capital structure, to fund acquisitions or other business transactions, to offer share-based incentive schemes, to sell on or to be annulled. The shares must be acquired at the going price in public trading. The authorisation replaces the authorisation granted by the Shareholders' Meeting on 10 March 2009 and is valid for 18 months from the authorisation, i.e. until 3 September 2011.

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

The AGM authorised the Board to decide on an ordinary or bonus issue of shares and the granting of special rights in one or more instalments, as follows: the issue can total a maximum of 4,000,000 shares. The authorisation applies both to new shares and own shares held by the company. By virtue of the authorisation, the Board 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 authorisation can be used to fund or complete acquisitions or other business transactions, to offer share-based incentive schemes, to develop the company's capital structure, or for other purposes. The Board was authorised to decide on all terms relating to the share issue or special rights, including the subscription price, its payment and its recognition in the company's balance sheet. The authorisation replaces the authorisation granted by the Shareholders' Meeting on 10 March 2009 and is valid for 18 months from the authorisation, i.e. until 3 September 2011.

SHARE CAPITAL AND SHARES

On 31 March 2010 the number of Digia Plc shares totalled 20,853,645.

At the end of the period, according to Finnish Central Securities Depository Ltd, Digia had 4,435 shareholders.

The ten major shareholders were:

Shareholder	Shares and votes
Pekka Sivonen	14.4 %
Ingman Group Oy Ab	12.0 %
Jyrki Hallikainen	10.2 %
Kari Karvinen	7.6 %
Matti Savolainen	6.3 %
Varma Mutual Pension Insurance Company	3.6 %
Veikko Laine Oy	2.8 %
Skandinaviska Enskilda Banken (nominee-registered)	1.8 %
Nordea Bank Finland Plc (nominee-registered)	1.2 %
Etola Oy	1.0 %

Distribution of holdings by number of shares held on 31 March 2010

Number of shares	Holding (%)	Shares and votes
1 – 100	20.6 %	0.3 %
101 – 1,000	56.5 %	5.6 %
1,001 – 10,000	20.4 %	11.9 %
10,001 – 100,000	2.0 %	12.3 %
100,001 – 1,000,000	0.4 %	19.4 %
1,000,001 – 3,000,000	0.1 %	50.5 %

Shareholding by sector on 31 March 2010

	Holding (%)	Shares (%)
Companies	4.8 %	19.8 %
Financial institutions and insurance companies	0.2 %	4.0 %
Non-corporate public sector	0.1 %	3.8 %
Non-profit organisations	0.2 %	0.4 %
Households	94.3 %	70.9 %
Foreign holding	0.4 %	1.1 %

REPORTED SHARE PERFORMANCE ON THE HELSINKI STOCK EXCHANGE

Digia Plc shares are listed on NASDAQ OMX Helsinki exchange under Information Technology. The company's short name is DIG1V. The lowest reported share quotation was EUR 3.36 and the highest was EUR 5.20. The share officially closed at EUR 5.17 on the last trading day. The trade-weighted average was EUR 4.17. The Group's market capitalisation totalled EUR 107,813,345 at the end of the period.

The company received no flagging notifications during the reporting period.

STOCK OPTION SCHEMES

During the reporting period, Digia Plc had a stock option scheme from 2005 as a part of its key personnel incentive scheme. The number of warrants under that scheme totalled 900,000, of which 300,000 were marked as 2005A, 300,000 as 2005B and 300,000 as 2005C. The warrants entitle their holders to subscribe a maximum total of 900,000 Digia Plc shares.

At the end of the 2009 financial year, all A options in the 2005 scheme had expired. 22,000 B options were held by previous employees of the company, while all the rest had been returned to the company. All C options had been returned. The returned options will not be exercised for subscribing shares. The maximum dilution effect of the outstanding options was only 0.1 per cent on 31 March 2010.

SIGNIFICANT EVENTS AFTER THE REVIEW PERIOD

The company repaid EUR 5.0 million in interest-bearing liabilities after the period, on 22 April 2010, after which loans from financial institutions totalled EUR 23.0 million.

Helsinki, 28 April 2010

Digia Plc

Board of Directors

BRIEFING FOR MEDIA AND ANALYSTS

Digia will hold a briefing on its Financial Statement for analysts and the media on Thursday 29 April 2010 at 11 am, at WTC Sodexo in the Marski cabinet of the World Trade Center, Aleksanterinkatu 17, 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.fi from 11 am.

DISTRIBUTION

NASDAQ OMX Helsinki

Key media

ABBREVIATED FINANCIAL STATEMENTS AND 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 the IAS 34 standard. This interim report is based on unaudited figures.



CONSOLIDATED INCOME STATEMENT, EUR 1,000

	1-3/2010	1-3/2009	Change %	2009
NET SALES	32 830.8	30 846.4	6.4 %	120 335.2
Other operating income	62.6	3.3	1809.5 %	219.7
Materials and services	-2 776.2	-1 721.4	61.3 %	-7 996.5
Depreciation and impairment	-936.7	-1 104.9	-15.2 %	-28 051.3
Other operating expenses	-24 500.6	-24 350.5	0.6 %	-92 303.1
Operating profit	4 679.9	3 672.9	27.4 %	-7 796.1
Financial expenses (net)	-479.1	-653.2	-26.6 %	-2 323.2
Pre-tax profit	4 200.8	3 019.7	39.1 %	-10 119.3
Direct tax	-1 217.7	-834.6	45.9 %	-3 544.6
NET PROFIT	2 983.1	2 185.1	36.5 %	-13 663.9
Components of statement of comprehensive income:				
Exchange differences on translating foreign operations	129.0	-10.6	-1315.6 %	128.3
TOTAL COMPREHENSIVE INCOME	3 112.2	2 174.5	43.1 %	-13 535.6
Distribution of net profit:				
Parent company shareholders	2 983.1	2 185.1	36.5 %	-13 663.9
Minority shareholders	0.0	0.0		0.0
Distribution of comprehensive income:				
Parent company shareholders	3 112.2	2 174.5	43.1 %	-13 535.6
Minority shareholders	0.0	0.0		0.0
Earnings per share, EUR	0.14	0.11	27.3 %	-0.67
Earnings per share (diluted), EUR	0.14	0.11	27.3 %	-0.67

CONSOLIDATED BALANCE SHEET, EUR 1,000

Assets	31.3.2010	31.12.2009	Change %
Non-current assets			
Intangible assets	76 165.0	76 577.3	-1 %
Tangible assets	2 414.5	2 616.7	-8 %
Financial assets	628.0	628.0	0 %
Long-term receivables	205.0	202.9	1 %
Deferred tax assets	974.2	1 211.6	-20 %
Total fixed and other non-current assets	80 386.7	81 236.6	-1 %
Current assets			
Current receivables	23 768.2	21 048.3	13 %
Available-for-sale financial assets	293.4	293.4	0 %
Cash and cash equivalents	9 409.2	10 175.2	-8 %
Total current assets	33 470.8	31 517.0	6 %
Total assets	113 857.4	112 753.5	1 %

Shareholders' equity and liabilities	31.3.2010	31.12.2009	Change %
Share capital	2 085.4	2 085.4	0 %
Issue premium fund	7 899.5	7 899.5	0 %
Other reserves	5 203.8	5 203.8	0 %
Unrestricted invested shareholders' equity reserve	35 447.8	35 447.8	0 %
Translation difference	3.1	-126.0	-102 %
Retained earnings	4 859.5	21 337.1	-77 %
Profit for the period	2 983.1	-13 663.9	-122 %
Equity attributable to parent company shareholders	58 482.2	58 183.7	1 %
Minority interest	0.0	0.0	
Total shareholders' equity	58 482.2	58 183.7	1 %
Liabilities			
Long-term interest-bearing liabilities	23 518.6	23 601.3	-0.4 %
Deferred tax liabilities	2 545.4	2 672.3	-5 %
Total long-term liabilities	26 064.0	26 273.7	-1 %
Short-term interest-bearing liabilities	5 741.5	6 827.4	-16 %
Other short-term liabilities	23 569.7	21 468.7	10 %
Total short-term liabilities	29 311.2	28 296.1	4 %
Total liabilities	55 375.2	54 569.8	1 %
Shareholders' equity and liabilities	113 857.4	112 753.5	1 %

CONSOLIDATED CASH FLOW STATEMENT, EUR 1,000

	1.1.2010 - 31.3.2010	1.1.2009 - 31.3.2009	1.1.2009 - 31.12.2009
Cash flow from business operations:			
Profit for the period	2 983	2 185	-13 664
Adjustments to net profit	2 633	2 593	33 919
Change in working capital	-1 521	794	6 817
Interest paid	-254	-548	-1 929
Interest received	2	59	91
Income tax paid	-744	-214	-5 002
Net cash flow from operating activities	3 099	4 868	20 232
Cash flow from investments:			
Purchase of tangible and intangible assets	-322	-304	-1 342
Cash flow from investments	-322	-304	-1 342
Cash flow from financing:			
Acquisition of own shares	-	-33	-33
Repayment of current term loans	-1 044	-55 149	-58 242
Repayments of non-current loans	-	-	-18 000
Withdrawals of current loans	-	5 000	5 000
Withdrawals of non-current loans	-	45 000	45 000
Dividends paid and other profit distribution	-2 499	-	-1 024
Cash flow from financing	-3 543	-5 182	-27 300
Change in liquid assets	-766	-617	-8 410
Liquid assets at beginning of period	10 469	18 879	18 879
Change in fair value of liquid assets	-	-	-
Change in liquid assets	-766	-617	-8 410
Liquid assets at end of period	9 703	18 262	10 469

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

	a	b	c	d	e	f	g
SHAREHOLDERS' EQUITY 1							
Jan 2009	2 085	7 893	34 938	5 204	-254	22 210	72 083
Net profit						2 185	2 185
Items of comprehensive income					-11		-11
Increase in share capital							
Dividends							
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	b	c	d	e	f	g
SHAREHOLDERS' EQUITY 1							
Jan 2010	2 085	7 899	35 448	5 204	-126	7 673	58 184
Net profit						2 983	2 983
Items of comprehensive income					129		129
Dividends						-2 885	-2 885
Own share redemption fund							
Share-based payments recognised against equity						72	72
SHAREHOLDERS' EQUITY 31							
Mar 2010	2 085	7 899	35 448	5 204	3	7 843	58 482

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

NOTES TO THE ACCOUNTS

Accounting principles:

The interim report has been drafted in line with IFRS, applying the same accounting principles as in the 2009 financial statements. The accounting principles and formulas for the calculation of key figures and ratios are unchanged and are presented in the 2009 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:

Dividends paid during the reporting period totalled EUR 2,499,155.92.

Events after the review period:

The company repaid EUR 5.0 million in interest-bearing liabilities after the period, on 22 April 2010, after which loans from financial institutions totalled EUR 23.0 million.

Segment information:

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

NET SALES, EUR 1,000	1-3/2010	1-3/2009	Change %	2009
Enterprise Solutions	19 370	17 541	10.4 %	70 841
Mobile Solutions	13 461	13 305	1.2 %	49 494
Digia Group	32 831	30 846	6.4 %	120 335

OPERATING PROFIT BEFORE EXTRAORDINARY ITEMS, EUR 1,000	1-3/2010	1-3/2009	Change %	2009
Enterprise Solutions	2 809	2 254	24.6 %	12 301
Mobile Solutions	1 870	1 419	31.7 %	4 634
Digia Group	4 680	3 673	27.4 %	16 936

OPERATING PROFIT, EUR 1,000	1-3/2010	1-3/2009	Change %	2009
Enterprise Solutions	2 809	2 254	24.6 %	12 211
Mobile Solutions	1 870	1 419	31.7 %	-20 007
Digia Group	4 680	3 673	27.4 %	-7 796

ASSETS, EUR 1,000	31.3.2010	31.12.2009
Enterprise Solutions	62 515	61 240
Mobile Solutions	39 832	39 205
Unallocated	11 510	12 308
Digia Group	113 857	112 753

Consolidated income statement by quarter:

EUR 1,000	1-3/2010	10-12/2009	7-9/2009	4-6/2009	1-3/2009
Net sales	32 830.8	33 189.4	25 281.5	31 017.9	30 846.4
Other operating income	62.6	90.6	81.7	44.1	3.3
Materials and services	-2 776.2	-2 041.9	-1 496.0	-2 737.3	-1 721.4
Depreciation and impairment	-936.7	-24 826.4	-1 012.8	-1 107.3	-1 104.9
Other operating expenses	-24 500.6	-25 747.1	-19 426.2	-22 779.4	-24 350.5
Operating profit	4 679.9	-19 335.4	3 428.3	4 438.1	3 672.9
Financial expenses (net)	-479.1	-477.8	-669.5	-522.8	-653.2
Pre-tax profit	4 200.8	-19 813.1	2 758.8	3 915.3	3 019.7
Direct tax	-1 217.7	-1 037.1	-617.5	-1 055.3	-834.6
Net profit	2 983.1	-20 850.3	2 141.3	2 859.9	2 185.1
Allocation:					
Parent company shareholders	2 983.1	-20 850.3	2 141.3	2 859.9	2 185.1
Minority shareholders	0	0	0.0	0.0	0.0
Earnings per share, EUR	0.14	-1.01	0.10	0.14	0.11
Earnings per share (diluted), EUR	0.14	-1.01	0.10	0.14	0.11

Group key figures and ratios:

	1-3/2010	1-3/2009	2009
Extent of business			
Net sales	32 831	30 846	120 335
- change from previous year	6 %	-3 %	-2 %
Average capital invested	88 177	127 532	108 823
Personnel at period-end	1 495	1 335	1 471
Average number of personnel	1 477	1 336	1 387
Profitability			
Operating profit before extraordinary items and impairment	4 680	3 673	16 936
- % of net sales	14 %	12 %	14 %
Operating profit	4 680	3 673	-7 796
- % of net sales	14 %	12 %	-6 %
Pre-tax profit	4 201	3 020	-10 119
- % of net sales	13 %	10 %	-8 %
Net profit	2 983	2 185	-13 664
% of net sales	9 %	7 %	-11 %
Return on equity, %	20 %	12 %	-21 %
Return on investment, %	21 %	12 %	-7 %
Financing and financial standing			
Interest-bearing liabilities	29 260	51 784	30 429
Short-term investments & cash and bank receivables	9 703	18 262	10 469
Net gearing	33 %	45 %	34 %
Equity ratio	52 %	49 %	52 %
Net cash flow from operating activities	3 099	4 868	20 232
Basic earnings per share (EUR)	0.14	0.11	-0.67
Earnings per share, diluted (EUR)	0.14	0.11	-0.67
Equity per share	2.80	3.56	2.79
Lowest share price	3.36	1.39	1.39
Highest share price	5.20	2.05	3.88
Average share price	4.17	1.67	2.72
Market capitalisation	107 813	31 280	71 528

The formulae for the key figures and ratios are available in the financial statements section. 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, was 20,855,861. The number of outstanding shares totalled 20,632,942 at the end of the review period.



The company held a total of 129,964 treasury shares at the end of reporting period. The accounting countervalue of own shares is EUR 0.10 per share. The company held about 0.6 per cent of the capital stock as of 31 March 2010. The buyback programme 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. Said shares were not distributed at the end of the review period and Evli Alexander Management Ltd holds 90,739 shares.