SYSOPENDIGIA PLC’S INTERIM REPORT FOR 1 JANUARY–31 MARCH 2007 (IFRS)

Key figures in summary

- Consolidated net sales: EUR 26.3 million, up 55 per cent year on year
- Pro forma growth in reported net sales: 4 per cent
- Consolidated operating profit: EUR 2.9 million, up 76 per cent year on year
- Pro forma growth in reported operating profit: 16 per cent
- Product business net sales accounted for 18 per cent, up 233 per cent
- Net cash flow from operating activities: EUR 5.8 million (Q1/2006: EUR 0.8 million)
- Earnings per share: EUR 0.07 (Q1/2006: EUR 0.06)

BRIEFING FOR MEDIA AND ANALYSTS

SYSOPENDIGIA will hold a briefing for analysts and the media at the Scandic Grand Marina Marina hotel, Katajanokanlaituri 7, FI-00160 Helsinki, on 26 April 2007, starting at 11:00 a.m, which will be broadcast live on the internet. A link to the live broadcast will be available on SYSOPENDIGIA Plc’s website at www.sysopendigia.fi.

CEO’S REVIEW

The reporting period saw organic growth in our business, as planned. Progress made in strategic customer relationships and the phased integration of the company’s extensive knowledge capital into comprehensive solutions have strengthened our market position while improving our capability to increase market share further. The successful integration of the companies acquired last year improved our operational efficiency as planned and our pro forma profitability showed a marked increase.

Year on year, consolidated net sales for the period rose by 55 per cent and, as a result of high operational efficiency, consolidated operating profit improved by 76 per cent, or 11 per cent of net sales. Gearing fell to 66 per cent and equity ratio stood at 44 per cent. We showed strong cash flow from operating activities, EUR 5.8 million. Diluted earnings per share were EUR 0.07.

Thanks to the favourable market situation and progress made in customer relationships, the Telecommunications division reported a three per cent increase in net sales and a 37 per cent improvement in operating profit. The Finance and Services division posted a 70 per cent improvement in net sales but showed weak profitability, due to higher-than-usual employee turnover in 2006 and lower-than-planned capacity utilisation rates in early 2007. Owing to its strong market position and reorganisation carried out in the second quarter of 2006, the Industry and Trade division showed a whopping 449 increase in net sales and profitability improved markedly year on year. During the reporting period, the product business increased its share of consolidated net sales to 17.8 per cent, up by 233 per cent year on year (the product business includes licence and recurring fees).

Reported pro forma growth in consolidated net sales was 3.8 per cent. Industry and Trade showed the greatest pro forma growth rate of 8.3 per cent while

Telecommunications recorded pro forma growth of 2.7 per cent. Finance and Services' pro forma growth rate was 1.0 per cent.

During the reporting period, the Group continued to focus on the development of its customer-driven product and service offerings. Early 2007 saw the launch of a large-scale project for shared processes and operating policies, aimed primarily at improving customer relationship management, the management of the Group's shared range of solutions, resources and competencies, technology partnerships as well as a standardised management system, and their phased implementation throughout the Group during 2007.

In line with our updated 2007 growth strategy, we aim to be the number-one partner for our strategic customers in the delivery of information systems controlling their core processes. During the current strategy period, the Group has the goal of bolstering its offerings in the field of corporate mobile and real-time information systems. In February, it introduced Mobility Business Suite, a product family for mobile working as well as smartphone productivity and marketing, at the 3GSM World Congress 2007 in Barcelona.

SYSOPENDIGIA PLC'S INTERIM REPORT FOR 1 JANUARY–31 MARCH 2007 (IFRS)

GROUP KEY FIGURES AND RATIOS

	Q1/2007	Q1/2006	Change, %	2006
Net sales	26,279	16,926	55%	84,968
Operating profit	2,876	1,634	76%	8,354
- % of net sales	11%	10%		10%
Net profit	1,402	1,162	21%	4,867
- % of net sales	5%	7%		6%
Return on equity	9%	9%		8%
Return on investment	10%	9%		9%
Interest-bearing liabilities	56,317	24,828	127%	56,664
Cash and cash equivalents	15,025	11,624	29%	11,506
Gearing, %	66%	25%		72%
Equity ratio	44%	57%		44%
Earnings per share, EUR, basic	0.07	0.06	10%	0.25
Earnings per share, EUR, diluted	0.07	0.06	11%	0.25

OVERVIEW OF BUSINESS SEGMENTS

Telecommunications

SYSOPENDIGIA holds a strong position in smartphone product development and operator ICT solutions. The Group offers extensive product and service packages that help its customers – mobile handset manufacturers, semiconductor suppliers, and operators – to develop their own products and offerings.

As one of the world's leading software integrators in the smartphone market, SYSOPENDIGIA is an expert in the overall development and integration of smartphones and their software platforms. Our customers can utilise SYSOPENDIGIA's contract engineering services and products throughout the various smartphone development stages and the product lifecycle.

SYSOPENDIGIA also offers a comprehensive solution package, enabling operators and service providers to extend their service offerings and shift smoothly to IP-based services. In addition, the Group provides high-standard, cost-effective outsourcing services.

Telecommunications reported growth of 2.7 per cent year on year. Both existing and new customer relationships developed favourably while profitability remained at a sound level. Operating profit improved by 36.9 per cent over the previous year. The business division enjoyed a good project status during the first quarter.

Market conditions were good for both the operator and smartphone business. Operator customers' improved profitability and smartphone customers' investments in new projects have provided the Group with new opportunities. The markets are expected to remain active.

The improved situation of our operator customers is enabling us to develop new services. At the same time, customers' focus on their core business provides SYSOPENDIGIA with outsourcing opportunities. Our range of more versatile terminals will increase thanks to more advanced productisation. As a result of greater smartphone market penetration rates, operator customers have ability to offer more advanced value added services. SYSOPENDIGIA is in a good market position to offer these services. Device customisation for operators will remain strong in 2007. With respect to usability services, we expect growth in the smartphone and other markets in 2007.

Finance and Services

The Finance and Services segment provides its customers with comprehensive service, product and integration solutions, utilising the entire Group's expertise and resources. These solutions are based on SYSOPENDIGIA's own duplicable software products as well as duplicable project delivery models and its partners' products.

Finance and Services comprises the following four business units: Investment and Asset Management, Financing and Services, Public Sector and Associations, and Executive and ICT Architecture Consulting.

During the reporting period, Finance and Services posted 70 per cent year-on-year growth in net sales while showing markedly weaker profitability. High employee turnover towards the end of 2006 and in early 2007 eroded the division's performance. The Group initiated legal proceedings against its former partner due to breach of a contract, and the case is pending.

Within the Investment and Asset Management business unit, order books remained long. The largest system implementations in progress focus on complete upgrades of systems supporting the customers' main investment-business process. The unit will increasingly focus on custody and clearing solutions for back office systems used in securities trading, as well as solutions for the investment fund and asset management business.

Within Financing and Services, several major projects are at the tendering stage, based on Group-wide offerings as well as partnerships. As these projects move forward, the unit's business is expected to develop favourably.

The Public Sector and Associations unit agreed on system deliveries to one of the largest trade unions in Finland, which will strengthen our position further as the leading supplier in this sector.

The focus in the demand for Executive Consulting services extended from architecture and technology development to cover business and IT management development. The timing of the Senior Advisers service launch within Executive Consulting was a success and the first customer projects are already in progress.

Industry and Trade

SysOpen Digia holds a strong position in the information system market for industry and trade value chains. The company's in-depth industry expertise provides the optimum foundation for co-operation, creating a user-friendly and technically accomplished solution that supports the customer's processes. SYSOPENDIGIA's solutions streamline business processes, bring transparency to the order/supply chain and automate routine tasks.

Industry and Trade grew by 449 per cent over the same period a year ago, due not only to the division's major restructuring measures but also to brisk growth in customer numbers. The division's operating profit was at a good level compared with the same period a year ago.

Industry and Trade acquired several new customers in enterprise resource planning system sales. Business for other solutions also made good progress, and the division has extended a number of system development agreements with its current customers.

Enterprise resource planning systems showed the most vigorous organic growth in business and we are confident that this upward trend will continue this year, although we anticipate a minor shift in system sales towards small and medium-sized companies. Sales of Web and integration solutions also showed growth, and sales of content management solutions in particular are expected to increase more vigorously.

MARKETS

According to Gartner, an information and technology research and advisory firm, the global consulting and system integration market will grow from USD 244.1 billion in 2006 to USD 330.3 billion by 2010, representing combined annual growth of 6.2 per cent (Gartner, 2 January 2007). According to Gartner Dataquest's revised forecast for IT services, the market is expected to expand from USD 628.8 billion in 2005 to USD 855.6 billion by 2010. This stands for combined annual growth of 6.4 per cent, showing a slight increase from the 5.8 per cent growth rate forecast issued by Gartner in July 2006 (Gartner, 23 October 2006). The EU's ICT market is forecast to grow by 2.9 per cent in 2007. Accordingly, the 2007 growth rate predicted for the Nordic ICT market (excluding Norway) stands at 2.3 per cent and the Western European ICT market at 4 per cent (EITO and IDC, October 2006).

According to IDC Research, a market research consultancy, the first quarter saw a 10 per cent increase in mobile handset deliveries. According to ABI Research, a technology research firm, Symbian accounted for 73 per cent of the world's smartphone operating system market, although it faces strong competition from Linux and Windows Mobile.

Global industry and standardised ICT solutions as well as applications, development and integration will play an increasing role in supply chains. Information technology is playing an active role in industry restructuring, globalisation and consolidation processes. Business decisions are being governed by productivity and cost management, and the trend of adopting new technology will continue. A shift away from technology projects to business-driven development projects is underway in the system integration market.

The sector will focus on developing existing systems, using supplementary solutions such as portals, eBusiness solutions, business intelligence and mobile solutions as well as RFID technology and payment cards. Self-service and service-chain digitisation and mobilisation will form major driving forces in business development. Digital convergence and new services will become a reality as a result of technological changes.

Customers expect support for their ICT solutions throughout their lifecycle. Increasing functionalities and the growing integration level will complicate customer deliveries. Enterprise systems will become increasingly mobile and smartphones will achieve critical mass. The mobile phone industry will polarise due to competing technologies and software platforms.

PROSPECTS

Customers require a reliable strategic partner capable of supplying sophisticated solution packages and managing services throughout the lifecycle of the customer's applications. Market consolidation, the networking of value chains and the development of partnerships to strengthen customer relationships will guide business decisions.

ICT market demand is anticipated to focus on outsourcing, contract engineering, extensive turnkey deliveries and the integration of standard software products. Key value creators in near-future information system deliveries include business focus and industry expertise, usability and the user interface, scalability and the system's lifecycle as well as productivity and quality.

Customers' strategic development projects will involve wireless and mobile solutions based on the product platform architecture. The higher penetration rate and maturement of smartphone and wireless technologies will open up new, interesting business opportunities. The product development market for smartphones will develop through consolidation, operating models based on a full-responsibility concept, and alliances. SYSOPENDIGIA leads the way as a supplier of wireless and mobile solutions integrated as part of information systems related to its customers' core business.

The company aims to attain a significantly better position by 2010 as a supplier of information technology systems and an outsourcing partner in Finland, and to expand its domestic market to cover Northern Europe. SYSOPENDIGIA operates globally in selected business areas and, during the strategy period, has the goal of bolstering its offerings in the field of enterprise mobile and real-time information systems.

The Group adheres to its long-term target for average net sales growth of 25 per cent. In 2007, the Group aims to continue its organic growth, and maintain profitability at a healthy level. The Group regards growth as fundamental to strengthening its market position, developing a sufficient range of products and services, and providing services throughout the customer lifecycle. Enabled by organic growth, in 2007 Group aims to post full-year net sales of EUR 100–105 million and an operating margin (EBIT %) of 10–12 per cent. For the first half of 2007, SYSOPENDIGIA has specified the objective of recording estimated net sales of EUR 51-54 million and an operating margin of 9-11 per cent.

NET SALES

SYSOPENDIGIA’s consolidated net sales for the period rose to EUR 26.3 million, up by 55 per cent over the same period a year ago (Q1/2006: EUR 16.9 million).

Net sales posted by Telecommunications improved to EUR 11.8 million, up by 3 per cent over year on year (Q1/2006: EUR 11.5 million), while those by Finance and Services totalled EUR 6.9 million, up by 70 per cent (Q1/2006: EUR 4.0 million). Industry and Trade recorded net sales of EUR 7.6 million, up by 449 per cent (Q1/2006: EUR 1.4 million).

During the reporting period, the product business accounted for EUR 4.7 million (Q1/2006: EUR 1.4 million) of consolidated net sales, or 17.8 per cent (Q1/2006: 8.3 per cent).

Comparable consolidated pro forma net sales in Q1/2006 were EUR 25.3 million, showing year-on-year growth of 3.8 per cent reported for Q1/2007. Pro forma net sales by Telecommunications in Q1/2006 were EUR 11.5 million, showing year-on-year growth of 2.7 per cent reported for Q1/2007. Pro forma net sales by Finance and Services in Q1/2006 came to EUR 6.8 million, showing a year-on-year improvement of 1.0 per cent reported for Q1/2007. Pro forma net sales by Industry and Trade in Q1/2006 amounted to EUR 7.0 million, showing year-on-year growth of 6.3 per cent for Q1/2007.

International operations accounted for 8.9 per cent of consolidated net sales (Q1/2006: 8.9 per cent).

PROFIT PERFORMANCE AND PROFITABILITY

SYSOPENDIGIA’s consolidated operating profit (EBIT) for the reporting period amounted to EUR 2.9 million, up 76.0 per cent on a year earlier (Q1/2006: EUR 1.6 million). Telecommunications reported an operating profit of EUR 1.4 million, representing a year-on-year increase of 36.9 per cent (Q1/2006: EUR 1.1 million). The business segment’s operating profit was burdened by a total of EUR 0.3 million in amortisation on allocated goodwill resulting from the merger of SysOpen Plc and Digia Inc. (Q1/2006: EUR 0.3 million). Finance and Services showed an operating profit of EUR 0.1 million, down by 78.2 per cent (Q1/2006: EUR 0.7 million). Industry and Trade posted an operating profit of EUR 1.3 million, representing a marked increase over the same period a year ago (Q1/2006: an operating loss of EUR 0.1 million).

Reported earnings before tax were EUR 2.1 million (Q1/2006: EUR 1.6 million) and net profit totalled EUR 1.4 million (Q1/2006: EUR 1.2 million).

Like-for-like consolidated pro forma operating profit in Q1/2006 was EUR 2.5 million, showing year-on-year growth of 15.6 per cent reported for Q1/2007. Pro forma operating profit by Telecommunications in Q1/2006 amounted to EUR 1.1 million, showing year-on-year growth of 36.9 per cent for Q1/2007. Pro forma operating profit by Finance and Services in Q1/2006 came to EUR 0.6 million, down by 74.6 per cent reported for Q1/2007. Pro forma operating profit by Industry and Trade in Q1/2006 amounted to EUR 0.9 million, up by 48.5 per cent reported for Q1/2007.

Earnings per share were EUR 0.07 (Q1/2006: EUR 0.06).

The Group’s net financial expenses totalled EUR 0.8 million (Q1/2006: EUR 0.04 million).

FINANCIAL POSITION AND CAPITAL EXPENDITURE

On 31 March 2007, SYSOPENDIGIA’s consolidated balance sheet total stood at EUR 146.8 million (31 December/2006: EUR 94.0 million) and equity ratio was 44 per cent (31 December/2006: 44 per cent). Gearing stood at 66 per cent (31 December/2006: 72 per cent). The period-end cash and cash equivalents totalled EUR 15.0 million (31 December/2006: EUR 11.5 million) and interest-bearing liabilities amounted to EUR 56.3 million (31 December/2006: EUR 56.7 million).

The Group annually carries out impairment tests for goodwill and intangible assets with an indefinite useful life. Goodwill has not been subject to amortisation since 1 January 2004, and residual value is tested annually.

The table below shows goodwill and values subject to testing by business segment:

EUR 1,000	Allocated goodwill	Unallocated goodwill	Other items	Total value subject to testing
Telecommunications	9,009	46,829	3,952	59,789
Finance and Services	1,230	12,729	3,083	17,042
Industry and Trade	4,355	26,464	3,191	34,010
Group total	14,594	86,022	10,226	110,842

Telecommunication’s goodwill is mainly associated with the combination of Digia Inc. and SysOpen Plc, as well as the acquisition of Yomi Software Ltd. Finance and Services goodwill is mainly associated with the acquisitions of Sentera Plc and Samstock Ltd. Industry and Trade goodwill is mainly associated with the acquisition of Sentera Plc and Yomi Software Ltd.

The Group has defined its business segments as cash-generating units (CGU). Testing goodwill for any impairment loss is based on comparing the present value of the CGU’s recoverable cash flows with the carrying amount. The present values of cash flows are based on the continuous use of an asset, as well as the financial plans and estimates of the CGU’s future development approved by the relevant CGU management.

Present values are determined on the basis of actual operating profit and five-year forecasts by the CGU, with growth varying between three and eight per cent and the operating margin between 10 and 13 per cent.

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 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 in 2006.

Net sales growth is reckoned to constitute the most critical factor in calculating the present values of cash flows. The amount of goodwill for Telecommunications requires average annual long-term growth of around two per cent in its net sales and an operating margin of 10 per cent before amortisation on allocated goodwill. The amount of goodwill for Finance and Services requires average annual growth of two per cent in its net sales and an operating margin of five percent before amortisation on allocated goodwill. The amount of goodwill for Industry and Trade requires average annual long-term growth of two per cent in its net sales and an operating margin of nine percent before amortisation on allocated goodwill.

In the management’s opinion, the greatest risk of impairment loss is associated with Telecommunications. However, any change in key variables used in calculations during the reporting period, based on a reasonable estimate, would not lead to a situation in which the segment’s carrying amount would exceed its recoverable amount. Consequently, in the management’s view, there is no need to recognise impairment losses.

Consolidated net cash flow from operating activities totalled EUR 5.8 million (Q1/2006: EUR 0.8 million)

Net investments came to EUR 0.8 million (Q1/2006: EUR 0.1 million).

Return on investment (ROI) stood at 10 per cent (Q1/2006: 9 per cent) and return on equity (ROE) at nine per cent (Q1/2006: nine per cent).

RISK ASSESSMENT

Customer, personnel, project, data-security, integration and goodwill risks number among the key risks subject to monitoring in SYSOPENDIGIA's risk management.

The company manages customer risks by actively developing its customer portfolio structure and avoiding any potential risk positions. The customer portfolio’s structure and strategic customer relationships are expected to make progress in 2007 when the Group adopts shared customer relationship management processes and operating models.

The Group assesses and manages personnel risks by carrying our quarterly performance reviews with key personnel. With a view to enhancing employee motivation and commitment, SYSOPENDIGIA has taken measures aimed at more systematised and effective internal communication by staging monthly personnel events and making the management more visible within the organisation. On the basis of the results of a job satisfaction survey carried out at the end of the first quarter of 2007, the Group will develop its internal policies and practices further, with the aim of improving working conditions and job satisfaction. In addition, the Group seeks to upgrade a quarterly pulse method for job satisfaction measurement in all of its businesses, in order to identify areas in need of immediate improvement.

The Group carries out project audits with a view to enhancing project risk management and securing the success of project deliveries to customers. In addition, the Group’s certified quality management systems have undergone a re-evaluation and approval, and the Group has streamlined its project delivery reporting procedures and plans further investments in order to ensure high project delivery capacity and error-free projects.

In order to manage data-security risks, the Group carries out data-security audits and is continuously developing operating models as well as practices and processes that promote data security. The Management Group is tasked with managing risks associated with the integration of businesses, shared operating models and best practices, as well as their integrated development. The integration of corporate culture is an ongoing process and its successful implementation requires sustained and determined efforts at all organisational levels. With respect to

IFRS-compliant accounting policies, the Group actively monitors goodwill and the related impairment tests as part of prudent and proactive risk management practices within financial management.

PERSONNEL, MANAGEMENT AND ADMINISTRATION

On 31 March 2007, the number of Group employees totalled 1,091, up by 4, or 0.4 per cent, from the staff number on 31 December 2006 (2006: 1,087). During the reporting period, the number of employees averaged 1,087, showing an increase of 106, or 10.8 per cent (2006: 981)over the same period a year ago.

Reported cumulative employee turnover came to 4.0 per cent (Q1/2006: 1.7 per cent).

Employees by function on 31 March 2007:

Telecommunications	49%
Finance and Services	24%
Industry and Trade	22%
Administration and management	5%

On 31 March 2007, one per cent of SYSOPENDIGIA’s personnel worked abroad.

The Annual General Meeting (AGM) of 28 February 2007 elected the following Board members: Pekka Sivonen (Chairman), Pertti Kyttälä (Vice Chairman), Kari Karvinen, Matti Mujunen, Mikko Terho, Eero Makkonen and Martti Mehtälä. Jari Mielonen acts as the Group’s CEO and Seppo Laaksonen is his deputy. On 21 March 2007, Mikko Terho resigned from SYSOPENDIGIA Plc’s Board of Directors for personal reasons.

The AGM re-elected KPMG Oy Ab, a firm of authorised public accountants, the Group’s auditor, with Ari Ahti, Authorised Public Accountant, as the chief auditor.

CORPORATE AND BUSINESS ACQUISITIONS

The reporting period saw neither corporate nor business acquisitions.

GROUP STRUCTURE AND ORGANISATION

On 31 March 2007, SYSOPENDIGIA Group consisted of SYSOPENDIGIA Plc, the parent company, and the following active subsidiaries: SysOpen Digia Integration Ltd (parent company holding: 100 per cent), SysOpen Digia Smartphone Ltd (100 per cent), SysOpen Digia Industry and Trade Ltd (100 per cent), SYSOPENDIGIA Financial Software Ltd (100 per cent) and SysOpen Digia Object Team Ltd (100 per cent). In addition, SysOpen Digia Integration Ltd has a wholly owned active subsidiary, SysOpen Digia Service Ltd.

SYSOPENDIGIA has begun to simplify its Group structure. Its active subsidiaries SysOpen Digia Integration Ltd, SysOpen Digia Smartphone Ltd, SYSOPENDIGIA Financial Software Ltd and SysOpen Digia Object Team Ltd will merge with SysOpen Digia Industry and Trade Ltd. With the merger process underway, the companies should merge by 1 September 2007. In addition, based on voluntary liquidation, SYSOPENDIGIA has dissolved the following inactive subsidiaries: SysOpen Digia Design Ltd, SysOpen Digia Tools Ltd and Digivision Ltd. It will also dissolve an inactive subsidiary, SysOpen Digia Project Ltd, during the spring of 2007.

SYSOPENDIGIA has a common Group administration and the Group’s business is divided into the following three business divisions: Telecommunications, Finance and Services, and Trade and Industry.

EVENTS AFTER THE BALANCE SHEET DATE

No significant events.

ANNUAL GENERAL MEETING

Annual General Meeting on 28 February 2007

Convened on 28 February 2007, SYSOPENDIGIA Plc’s Annual General Meeting (AGM) adopted the financial statements for 2006, discharged Board members and the CEO from liability and, as proposed by the Board of Directors, approved the profit distribution for 2006, determined Board emoluments and elected the company’s Board of Directors for a new term. In addition, the AGM decided to alter the Articles of Association throughout, which also resulted in a new company name, SYSOPENDIGIA Plc.

The AGM also decided on the following Board authorisations:

1. The AGM authorised the Board of Directors to decide on a rights issue or a capitalisation issue on the following terms and conditions:

- The authorisation is valid for 18 months from the issue date of the authorisation, or until 28 August 2008;
- On the basis of the share issue authorisation and/or the authorisation for an issue of special rights, as proposed below, the Company may, in one or several tranches, issue shares or dispose of treasury shares held by the Company, their combined number not exceeding 4,000,000, which accounts for roughly twenty percent of the Company’s issued and outstanding shares; and
- The Board of Directors is otherwise authorised to decide on all terms and conditions of the share issue, including the right to decide on a private placement and to exercise the authorisation for the purpose of motivating and incentivising Group key employees.

2. The AGM authorised the Board to decide on issuing special rights, entitling their holders to receive against payment new Company shares or any treasury shares held by the Company, on the following terms and conditions:
- The authorisation is valid for 18 months from the issue date of the authorisation, or until 28 August 2008;
- On the basis of this authorisation, the Company may, in one or several tranches, issue special rights not exceeding the number of shares as stated above with respect to the share issue authorisation; and
- The Board of Directors is otherwise authorised to decide on other terms and conditions of the special rights, including the right to decide on issuing said special rights on a private placement basis and to exercise the authorisation for the purpose of motivating and incentivising Group key employees.

3. The AGM authorised the Board to decide on buying back own shares on the following terms and conditions:

- The authorisation is valid for 18 months from the issue date of the authorisation, or until 28 August 2008;
- On the basis of the authorisation, the Company may, in one or several tranches, buy back a maximum of 2,000,000 own shares;
- The shares shall be bought back for the value determined by the Board of Directors, based on the fair value quoted in public trading on the buyback date;
- Only unrestricted equity may be used to buy back own shares; and
- The Board of Directors is otherwise authorised to decide on other terms and conditions of the buyback of own shares, including the right to decide on buying back own shares in a proportion other than that of the shares held by Company shareholders.

BOARD COMMITTEES

SYSOPENDIGIA’S Board of Directors has established two committees: the Compensation Committee and the Audit Committee.

Tasked with preparing remuneration schemes and monitoring their effectiveness in meeting Group targets, safeguarding objective decision-making and securing transparent and systematic remuneration schemes, the Compensation Committee comprises Pekka Sivonen (Chairman), Kari Karvinen and Martti Mehtälä. It held one meeting during the reporting period.

The Audit Committee assists the Board of Directors in ensuring that the company’s financial reporting, accounting methods, financial statements and other financial information provided by the company are balanced, transparent and unambiguous. Comprising the non-executive Board members Pertti Kyttälä (Chairman), Matti Mujunen and Eero Makkonen, the Audit Committee held one meeting during the reporting period.

SHARE CAPITAL AND SHARES

On 31 March 2007, the number of company shares totalled 20,312,318 and the number of shareholders 3,451. The ten largest shareholders:

Shareholder	Shareholding and votes
Pekka Sivonen	13.9%
Evli Bank Plc	8.1%
Kari Karvinen	7.8%
Matti Savolainen	6.5%
Nordea Bank Finland Plc	5.0%
Jorma Kylätie’s estate	4.7%
OP-Suomi Pienyhtiöt mutual fund	4.3%
Varma Mutual Pension Insurance Company	3.7%
Skandinaviska Enskilda Banken	2.4%
Veikko Laine Oy	2.1%

Shareholding by number of shares held on 31 March 2007

Number of shares	Percentage of holdings	Shareholding and votes
1–100	23.2%	0.3%
101–1,000	53.2%	4.3%
1,001–10,000	20.7%	10.4%
10,001–100,000	2.2%	11.7%
100,001-1,000,000	0.6%	32.0%
1,000,001–3,000,000	0.1%	41.3%

Total number of shares:
20,312,318

Shareholding by sector on 31 March 2007

	Percentage of holdings	Percentage of shares
Non-banking corporate sector	6.2%	10.5%
Financial institutions and insurance companies	0.5%	23.5%
Public-sector entities	0.1%	3.8%
Non-profit organisations	0.4%	0.6%
Households	92.2%	60.1%
Foreign holding	0.6%	1.5%

REPORTED SHARE PERFORMANCE ON THE HELSINKI STOCK EXCHANGE

SYSOPENDIGIA Plc shares are listed on the Nordic Exchange under Information Technology IT Services. The company's short name is SYS1V. During the reporting period, the company's share registered a low of EUR 3.37, a high of EUR 3.99 and closed at EUR 3.63 on the period's last trading day. The share's trade weighted average price amounted to EUR 3.66. On 31 March 2007, the company's market capitalisation totalled EUR 73,733,714.

During the reporting period, no notifications under Section 9, Chapter 2 of the Securities Market Act were brought to the company's attention.

STOCK OPTION SCHEMES

Stock option scheme 2003

Under the 2003 stock option scheme, the number of warrants originally issued totals 670,000 as follows: 210,000 warrants under 2003A, 160,000 warrants under 2003B, 150,000 warrants under 2003C and 150,000 warrants under 2003D. All of the warrants have been exercised for subscription. The share subscription period for the 2003A warrants was between 2 May 2004 and 31 October 2005 (expired) and for the 2003B warrants between 1 November 2004 and 31 October 2006 (expired), and the share subscription period for the 2003C warrants is between 1 November 2005 and 31 October 2007 and for the 2003D warrants between 1 November 2006 and 31 October 2008. The current dividend-adjusted share subscription price for 2003C is EUR 3.62 per share and for 2003D EUR 4.19 per share. Dividends paid will be deducted from the subscription prices in accordance with the terms and conditions of the scheme. On 31 March 2007, SysOpen Digia Partners Oy, a SYSOPENDIGIA Plc wholly owned subsidiary, held a total of 47,582 stock options under the 2003 stock option scheme. Warrants within the 2003C scheme have been listed on the Helsinki Stock Exchange since 1 November 2005 and those within 2003D since 15 November 2006.

By 31 March 2007, 316,429 new shares had been subscribed for under the 2003 stock option scheme. The shares were subscribed for using 172,515 of now already expired 2003A warrants, 143,114 of the now expired 2003B warrants, and 800 of the 2003C warrants.

Stock option scheme 2005K

Under the 2005K stock option scheme, the number of warrants originally issued totals 663,049, 105,408 of which were marked with 2005K1 and 557,641 with 2005K2. All of the warrants have been exercised for subscription. The warrants entitle their holders to subscribe for a maximum total of 663,049 SYSOPENDIGIA Plc shares of a nominal value of EUR 0.10.

The share subscription price for 2005K1 warrants was EUR 1.21 and, for 2005K2 warrants, it is EUR 2.28 (dividend-adjusted). On each dividend record date, the share subscription price based on the stock options will be deducted by the amount of dividends decided after 1 June 2005 and before the share subscription. The share subscription period for the 2005K1 warrants began on 12 August 2005, when the 2005K warrants were registered in the Trade Register, and will end on 31 December 2007. The share subscription period for the 2005K2 warrants began on 1 January 2006 and will end on 31 December 2007. The 2005K warrants entitle their holders to use them only for share subscriptions. On 31 March 2007, SysOpen Digia Partners Ltd, a SYSOPENDIGIA Plc wholly owned subsidiary, held a total of 5,657 warrants under the 2005K2 stock option scheme.

All of the 2005K1 warrants (105,408 warrants) have been exercised to subscribe for shares. By 31 March, 9,279 new shares had been subscribed for under the 2005K2 stock option scheme. Warrants within the 2005K2 stock option scheme have been quoted on the Helsinki Stock Exchange since 2 January 2006.

Stock option scheme 2005

The number of warrants under the 2005 stock option scheme totals 900,000, 300,000 of which are marked with 2005A, 300,000 with 2005B and 300,000 with 2005C. The warrants entitle their holders to subscribe for a maximum total of 900,000 SYSOPENDIGIA Plc shares of a nominal value of EUR 0.10.

The share subscription price for the 2005A warrants is EUR 4.20 (dividend-adjusted) and for the 2005B warrants it is EUR 3.90. The share subscription price for the 2005C warrants is determined by the trade-weighted average price of a SYSOPENDIGIA Plc share quoted on the Helsinki Stock Exchange during the 20 trading days following the release of the Q1/2007 Interim Report. On each dividend record date, the share subscription price based on the stock options will be deducted by the amount of dividends for which the decision to distribute has been made between the beginning of the share price determination period and the date of share subscription. The share subscription period for the 2005A warrants will be between 1 November 2007 and 30 November 2009, for the 2005B warrants between 1 November 2008 and 30 November 2010 and for the 2005C warrants between 1 November 2009 and 30 November 2011. As a result of the share subscriptions based on the 2005A, 2005B and 2005C warrants, SYSOPENDIGIA Plc’s share capital may increase by a maximum of EUR 90,000 and the number of shares by a maximum of 900,000 new shares. On 31 March 2007, SysOpen Digia Partners Ltd, a SYSOPENDIGIA Plc wholly owned subsidiary, held a total of 512,000 warrants under the 2005 stock option scheme.

On 31 March 2007, the number of all remaining stock options issued by SYSOPENDIGIA totalled 1,747,562. Shares to be subscribed using warrants account for a maximum of 7.92 per cent of company shares and voting rights, as a result of any possible increase of the company’s share capital. On 31 March 2007, the number of warrants held by SysOpen Digia Partners totalled 565,239 of all valid warrants. On 31 March 2007, the maximum dilution effect of the issued warrants was of 5.50 per cent.

Helsinki, 26 April 2007

SYSOPENDIGIA PLC

Board of Directors

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The Interim Report will be available, and the related live briefing for the media and analysts will be held in finnish, in the 'Investors' section at www.sysopendigia.fi starting at 11.00 a.m.

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APPENDICES
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Consolidated statement of changes in shareholders' equity
Consolidated cash flow statement, IFRS
Consolidated income statement by quarter, IFRS
Group key figures and ratios, IFRS

This Interim Report is based on unaudited figures.

CONSOLIDATED INCOME STATEMENT, EUR 1,000

	Q1/2007	Q1/2006	Change, %	2006
Net sales	26,278.9	16,925.9	55%	84,968.1
Other operating income	123.4	35.3	249%	280.2
Materials and services	-1,922.2	-556.0	246%	-4,699.6
Depreciation, amortisation and impairment losses	-1,270.1	-912.6	39%	-4,557.3
Other operating expenses	-20,333.8	-13,858.7	47%	-67,637.4
Operating profit	2,876.2	1,633.9	76%	8,354.1
Financial expenses (net)	-790.4	-37.9	1,987%	-1,659.3
Earnings before tax	2,085.8	1,596.0	31%	6,694.8
Income tax expense	-684.1	-434.4	57%	-1,827.6
Net profit	1,401.6	1,161.6	21%	4,867.2

Attributable to:				
Equity holders of the parent company	1,401.6	1,157.9	21%	4,854.1
Minority interest	0.0	3.7	-100%	13.1
Basic earnings per share (EUR)	0.07	0.06	10%	0.25
Earnings per share, diluted (EUR)	0.07	0.06	11%	0.25

SEGMENT INFORMATION, EUR 1,000

NET SALES	Q1/2007	Q1/2006	Change, %	2006
Telecommunications	11,798	11,491	3%	43,618
Finance and Services	6,861	4,046	70%	23,633
Industry and Trade	7,620	1,389	449%	17,717
Group total	26,279	16,926	55%	84,968

OPERATING PROFIT	Q1/2007	Q1/2006	Change, %	2006
Telecommunications	1,439	1,051	37%	4,018
Finance and Services	144	662	-78%	2,322
Industry and Trade	1,292	-80		2,014
Group total	2,876	1,634	76%	8,354

CONSOLIDATED BALANCE SHEET, EUR 1,000

Assets	31 March 2007	31 March 2006	Change, %	31 Dec. 2006
Non-current assets				
Intangible assets	102,625.0	62,893.3	63%	103,210.0
Property, plant and equipment	3,073.8	2,967.1	4%	3,251.6
Investments	608.4	242.2	151%	608.4
Deferred tax assets	3,631.5	1,301.0	179%	2,909.9
Total non-current assets	109,938.6	67,403.6	63%	109,979.9
Current assets				
Current receivables	21,861.9	14,926.3	46%	24,836.9
Available-for-sale financial assets	2,805.1	1,094.1	156%	2,778.3
Cash and cash equivalents	12,219.8	10,529.9	16%	8,727.3
Total current assets	36,886.8	26,550.3	39%	36,342.5
Total assets	146,825.4	93,953.9	56%	146,322.4

Shareholders’ equity and liabilities	31 March 2007	31 March 2006	Change, %	31 Dec. 2006
Share capital	2,031.2	1,840.3	10%	2,031.2
Share premium	6,730.9	39,735.5	-83%	6,729.5
Other reserves	5,203.8	5,203.8	0%	5,203.8
Unrestricted invested shareholders’ equity	39,735.5	-	-	39,735.5
Fair value reserve	-	191.1	-100%	-
Translation difference	0.8	23.1	-97%	-6.6
Retained earnings	7,738.4	4,275.3	81%	4,458.0
Net profit	1,401.6	1,158.0	21%	4,854.1
Capital and reserves attributable to equity holders of the parent company	62,842.4	52,427.1	20%	63,005.6
Minority interest	0.0	104.4	-100%	113.8
Total shareholders’ equity	62,842.4	52,531.5	20%	63,119.4
Liabilities				
Non-current interest-bearing liabilities	55,901.8	21,132.6	165%	56,081.5
Deferred tax liabilities	3,861.4	3,123.9	24%	3,822.3
Total non-current liabilities	59,763.2	24,256.5	146%	59,903.8
Current interest-bearing liabilities	415.6	3,695.4	-89%	582.6
Other current liabilities	23,804.2	13,470.5	77%	22,716.7
Total current liabilities	24,219.8	17,165.9	41%	23,299.2
Total liabilities	83,983.0	41,422.4	103%	83,203.0
Shareholders’ equity and liabilities	146,825.4	93,953.9	56%	146,322.4

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

	a	b	c	d	e	f	g	h
Balance 1 Jan. 2006	1,840	39,718	5,204	23	166	5,128	111	52,189
Available-for-sale investments:								0
Fair value gains/losses					-166			-166
Other						255	0	264
Items recognised directly in equity	0	0	0	0	-166	255	0	97
Net profit						4,854	13	4,867

Total recognised income and expenses for the period	0	0	0	0	0	4,854	13	4,867
Increase of share capital	180	6,723						6,903
Distribution of dividends						-920	-10	-930
Other		-39,712	39,736	-23		-8		-7
BALANCE 31 Dec. 2006	2,031	6,729	44,939	0	0	9,305	114	63,119

	a	b	c	d	e	f	g	h
Balance 1 Jan. 2007	2,031	6,729	44 ,39	0	0	9,305	114	63,119
Available-for-sale investments:								0
Fair value gains/losses								0
Other	12					51		51
Items recognised directly in equity	12	0	0	0	0	51	0	51
Net profit						1,401	0	1,401
Total recognised income and expenses for the period	0	0	0	0	0	1,452	0	1,452
Increase of share capital	0	1						1
Distribution of dividends						- 1,625		-1,625
Other						8	-114	-106
BALANCE 31 March 2007	2,031	6,731	44,939	0	0	9,140	0	62,842

a = Share capital
b = Share premium
c = Other reserves and invested unrestricted equity
d = Currency translation differences
e = Fair value reserve
f = Retained earnings
g = Minority interest
h = Total shareholders’ equity

CONSOLIDATED CASH FLOW STATEMENT, EUR 1,000

Cash flow from operating activities:	1 Jan.–31 March 2007	1 Jan.–31 March 2006	2006
Net profit	1,401	1,158	4,854
Adjustments to net profit	2,796	1,456	8,323
Change in net working capital	2,776	-1,566	-4,093
Interest paid	-711	-208	-1,917
Interest received	35	39	271
Income tax paid	-480	-33	-1,682
Net cash flow from operating activities	5,817	846	5,756
Cash flows from investing activities:			

Purchases of intangible assets and property, plant and equipment (PPE)	-507	-116	-1,876
Proceeds from sale of intangible assets and PPE		376	376
Acquisition of subsidiary, net of cash acquired	-209		-34,229
Proceeds of sale of other investments			-1
Dividends received			12
Net cash used in investing activities	-716	260	-35,718
Cash flows from financing activities:			
Proceeds from share issue	2	18	320
Repayment of current loans			-41,208
Repayments of non-current loans	-150	-1,042	-21,875
Proceeds from current loans			38,000
Proceeds from non-current loans			55,000
Dividends paid and other distribution of profit	-1,433	-809	-930
Net cash used in financing activities	-1,582	-1,833	29,307
Net change in cash and cash equivalents	3,519	-727	-655
Cash and cash equivalents at period-start	11,505	12,326	12,326
Change in fair value of cash and cash equivalents		25	-166
Net change in cash and cash equivalents	3,519	-727	-655
Cash and cash equivalents at period-end	15,025	11,624	11,505

CONSOLIDATED INCOME STATEMENT BY QUARTER, EUR 1,000

	Q1/2007	Q4/2006	Q3/2006	Q2/2006	Q1/2006
Net sales	26,278.9	26,620.8	21,661.0	19,760.4	16,925.9
Other operating income	123.4	80.1	140.5	24.3	35.3
Materials and services	-1,922.2	-1,939.8	-1,170.9	-1,032.9	-556.0
Depreciation, amortisation and impairment losses	-1,270.1	-1,304.1	-1,280.9	-1,059.6	-912.6
Other operating expenses	-20,333.8	-20,471.5	-16,629.4	-16,677.7	-13,858.7
Operating profit	2,876.2	2,985.4	2,720.3	1,014.5	1,633.9
Financial expenses (net)	-790.4	-646.6	-618.9	-355.9	-37.9
Earnings before tax	2,085.8	2,338.8	2,101.3	658.6	1,596.0
Income tax expense	-684.1	-713.5	-506.6	-173.2	-434.4
Net profit	1,401.6	1,625.3	1,594.8	485.4	1,161.6
Attributable to:					
Equity holders of the parent company	1,401.6	1,629.8	1,586.7	479.6	1,157.9
Minority interest	0.0	-4.5	8.0	5.8	3.7
Basic earnings per share (EUR)	0.07	0.08	0.08	0.03	0.06
Earnings per share, diluted (EUR)	0.07	0.08	0.08	0.02	0.06

GROUP KEY FIGURES AND RATIOS

	Q1/2007	Q1/2006	2006
Extent of operations			
Net sales	26,279	16,926	84,968
- year-on-year change	55%	103%	40%
Average capital invested	119,472	77,789	99,015
Personnel at period-end	1,091	803	1,087
Average personnel	1,087	800	981
Profitability			
Operating profit	2,876	1,634	8,354
- % of net sales	11%	10%	10%
Earnings before tax	2,086	1,596	6,695
- % of net sales	8%	9%	8%
Net profit	1,402	1,158	4,854
- % of net sales	5%	7%	6%
Return on equity	9%	9%	8%
Return on investment	10%	9%	9%
Financing and financial position			
Interest-bearing liabilities	56,317	24,828	56,664
Financial assets + cash and bank receivables	15,025	11,624	11,506
Gearing	66%	25%	72%
Equity ratio	44%	57%	44%
Net cash flow from operating activities	5,817	846	5,756
Basic earnings per share (EUR)	0.07	0.06	0.25
Earnings per share (EUR), diluted	0.07	0.06	0.25
Equity per share	3.09	2.85	3.10
Lowest share price	3.37	4.38	3.00
Highest share price	3.99	4.97	4.97
Average share price	3.66	4.64	3.75
Market capitalisation	73,734	85,205	69,669

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 20,312,239. The weighted average number of shares during the reporting period, adjusted for dilution, totalled 20,511,302. The number of shares outstanding at the end of the reporting period was 20,312,318.

The company has no treasury shares.

The Group does not have any liabilities arising from derivative contracts.