

Asiakastieto Group Plc

INTERIM REPORT

1.1.–30.9.2018



ASIAKASTIETO GROUP PLC, STOCK EXCHANGE RELEASE 8 NOVEMBER 2018 AT 11.00 EET

Asiakastiето Group's Interim Report 1.1. – 30.9.2018: Asiakastiето and UC – from integration to normal operation

SIGNIFICANT EVENTS

The acquisition of UC

Asiakastiето Group Plc announced on 24 April 2018 that it has signed an agreement to combine with UC AB by acquiring the shares in UC. The combination was completed as announced during the second quarter on 29 June 2018. As a result of the transaction, UC AB's consolidated balance sheet has been consolidated as part of Asiakastiето Group Plc's consolidated balance sheet from 30 June 2018 and UC AB's consolidated income statement as part of Asiakastiето Group Plc's consolidated income statement from 1 July 2018. More detailed information on the impacts of the acquisition on the Group's balance sheet are presented under Note 2.3 to the condensed financial statements, Corporate acquisitions.

To demonstrate the impacts of the acquisition on the result of operations and financial position of the Group and to improve the comparability, Asiakastiето Group has prepared unaudited pro forma financial information. In this interim report, unaudited pro forma statement of income and pro forma key ratios are shown for the year 2017 and the interim period as if the share transaction had been completed already on 1 January 2017. The pro forma financial information is titled as Pro forma information in each paragraph where they are presented in this interim report. The pro forma financial reporting principles are described in Note 1 to this interim report.

Group's new organisational structure

On 20 June 2018, Asiakastiето Group's Board of Directors decided on a new organisational structure. From 1 July 2018 on, Asiakastiето Group's new organisation consists of two types of units: business areas and functional units supporting the business. The business areas are responsible for the Group's service offering and the functional units for the production, maintenance and active development of the operations in their own focus area and business processes. The functional units are Sales Units, Marketing and Communications, IT and Technology, HR, and Finance.

Group's new business areas

1. **Risk Decisions:** Companies engaging in corporate and consumer business use decision services and solutions for general risk management, credit risk management, financial management, customer acquisition, decision-making, fraud and credit loss prevention as well as for gaining knowledge of and identifying their customers.
2. **Customer Data Management:** Customer management services help sales and marketing professionals to improve the efficiency of their work and to boost customer management by providing target group tools, services for surveying potential customers, register updates and maintenance, as well as various target group extractions.
3. **Digital Processes:** Services in this business area include, among others, real estate and apartment information, information about buildings and their valuation as well as solutions that help customers to automate their collateral management processes and digitalise the administration of housing purchases. Services of the business area are also used for compliance purposes, for instance to identify companies' beneficial owners and politically exposed persons

4. **SME and Consumers:** Digital services for small and micro companies with easy-to-use applications and user interfaces for the evaluation of risks and sales potential, acquisition of other relevant information on customers and business partners and proof of own creditworthiness. Services for consumers help consumers to understand and better manage their finances, while simultaneously protecting them from identity theft and fraud.

SUMMARY

In this summary, the reported figures for the interim period from 1 January to 30 June 2018 as well as the reference data for the periods 1 July to 30 September 2017 and 1 January to 30 September 2017 do not include UC's figures.

July – September 2018 in brief

- Net sales amounted to EUR 31,4 million (EUR 13,3 million), an increase of 135,4 %.
- Adjusted EBITDA excluding items affecting comparability was EUR 10,9 million (EUR 6,1 million), an increase of 78,2 %.
- Adjusted EBIT excluding items affecting comparability and amortisation from fair value adjustments related to the acquisitions was EUR 9,8 million (EUR 5,4 million), an increase of 82,5 %¹.
- Operating profit (EBIT) was EUR 4,4 million (EUR 5,3 million). Operating profit included items affecting comparability of EUR 2,7 million (EUR 0,1 million) mainly resulting from UC acquisition-related M&A and integration expenses and redundancy-related expenses as well as amortisation from fair value adjustments of EUR 2,8 million (EUR 0,0 million) related to the acquisitions.
- New products and services accounted for 8,6 % (12,9 %) of net sales².
- Value-added services accounted for 80,3 % (69,4 %) of net sales³.
- Free cash flow amounted to EUR 4,1 million (EUR 4,8 million). The impact of items affecting comparability on free cash flow was EUR -3,7 million (EUR -0,1 million)⁴.
- Earnings per share were EUR 0,12 (EUR 0,26).
- Comparable earnings per share were EUR 0,21 (EUR 0,27)⁵.

January – September 2018 in brief

- Net sales amounted to EUR 62,2 million (EUR 41,6 million), an increase of 49,5 %.
- Adjusted EBITDA excluding items affecting comparability was EUR 23,9 million (EUR 18,9 million), an increase of 26,6 %.
- Adjusted EBIT excluding items affecting comparability and amortisation from fair value adjustments related to the acquisitions was EUR 21,2 million (EUR 16,8 million), an increase of 25,9 %¹.
- Operating profit (EBIT) was EUR 9,6 million (EUR 16,5 million). Operating profit included items affecting comparability of EUR 8,6 million (EUR 0,2 million) mainly resulting from UC acquisition-related M&A and integration expenses and redundancy-related expenses as well as amortisation from fair value adjustments of EUR 3,0 million (EUR 0,1 million) related to the acquisitions.
- New products and services accounted for 9,3 % (14,6 %) of net sales².
- Value-added services accounted for 75,7 % (69,8 %) of net sales³.
- Free cash flow amounted to EUR 8,0 million (EUR 12,2 million). The impact of items affecting comparability on free cash flow was EUR -5,9 million (EUR -0,1 million)⁴.
- Earnings per share were EUR 0,33 (EUR 0,83).
- Comparable earnings per share were EUR 0,45 (EUR 0,84)⁵.

KEY FIGURES					
EUR million	1.7.– 30.9.2018	1.7.– 30.9.2017	1.1.– 30.9.2018	1.1.– 30.9.2017	1.1.– 31.12.2017
Net sales	31,4	13,3	62,2	41,6	56,2
Net sales growth, %	135,4	14,0	49,5	13,9	14,3
Operating profit (EBIT)	4,4	5,3	9,6	16,5	21,2
EBIT margin, %	14,0	39,4	15,4	39,6	37,8
Adjusted EBITDA ⁶	10,9	6,1	23,9	18,9	24,8
Adjusted EBITDA margin, % ⁶	34,6	45,7	38,4	45,4	44,2
Adjusted operating profit (EBIT) ^{1, 6}	9,8	5,4	21,2	16,8	22,0
Adjusted EBIT margin, % ^{1, 6}	31,3	40,3	34,0	40,4	39,1
New products and services of net sales, % ²	8,6	12,9	9,3	14,6	14,6
Free cash flow ⁴	4,1	4,8	8,0	12,2	16,5
Net debt to adjusted EBITDA, x ⁷	pro forma 3,5	2,0	pro forma 3,5	1,9	2,1

¹ The method used for calculating the adjusted operating profit (EBIT), the reported adjusted operating profit (EBIT) of the first quarter, the comparative figures for the period 1 July–30 September 2017, the interim period 1 January–30 September 2017 and the financial year 2017 have been changed from 1 April 2018 so that also amortisation from fair value adjustments related to the acquisitions and external expenses arising from significant regulatory changes are taken into account as items to be adjusted.

² The method used for calculating the share of new products and services, comparison data from the period 1 July–30 September 2017, the interim period 1 January–30 September 2017 and the financial year 2017 have been changed starting from 1 January 2018 so that the share includes the total sales of products launched during the past 24 months. Earlier, the share was calculated as the net sales of products and services launched during the past 12 months and added by the change in net sales of products and services launched during the preceding 12 months.

³ The services of Emaileri Oy have been included in value-added services starting 1 April 2018 and they have been retroactively added to reported first quarter value-added services.

⁴ The method used for calculating the free cash flow, the comparative figures for the period 1 July–30 September 2017, the interim period 1 January–30 September 2017 and the financial year 2017 have been changed from 1 January 2018 so that the impact of paid taxes is no longer added to the cash flow of business operations.

⁵ The comparable earnings per share do not contain amortisation from fair value adjustments related to the acquisitions or their tax impact.

⁶ The adjusted key ratios are calculated by adjusting the key ratios with the following items affecting comparability: M&A- and integration-related expenses, redundancy payments, damages paid and external expenses arising from significant regulatory changes.

⁷ For the third quarter and the interim period, the net debt to adjusted EBITDA has been calculated by dividing the net debt of the consolidated statement of financial position at 30 September 2018 by the pro forma adjusted EBITDA of the past 12 months.

In this pro forma summary, the figures for the interim period from 1 January to 30 September 2018 as well as for the corresponding periods 1 January to 30 September 2017 and 1 July to 30 September 2017 have been presented as if the UC transaction had occurred already on 1 January 2017. The figures for the third quarter 1 July to 30 September 2018 have been presented with actual reported figures for the period.

PRO FORMA JULY – SEPTEMBER 2018 IN BRIEF

- Net sales amounted to EUR 31,4 million (EUR 31,1 million), an increase of 1,0 % (at comparable exchange rates an increase of 6,0 %).
- Adjusted EBITDA excluding items affecting comparability was EUR 10,9 million (EUR 11,6 million), a decrease of 6,4 % (at comparable exchange rates a decrease of 2,6 %).
- Adjusted EBIT excluding items affecting comparability and amortisation from fair value adjustments related to the acquisitions amounted to EUR 9,8 million (EUR 10,8 million), a decrease of 8,9 %.
- Operating profit (EBIT) was EUR 4,4 million (EUR 7,6 million). Operating profit included items affecting comparability of EUR 2,7 million (EUR 0,4 million) and amortisation from fair value adjustments related to the acquisitions of EUR 2,8 million (EUR 2,8 million).
- The share of new products and services of net sales was 8,6 % (7,6 %).
- Earnings per share were EUR 0,12 (EUR 0,23).
- Comparable earnings per share were EUR 0,21 (EUR 0,32)¹.

PRO FORMA JANUARY – SEPTEMBER 2018 IN BRIEF

- Net sales amounted to EUR 98,4 million (EUR 95,0 million), an increase of 3,5 % (at comparable exchange rates an increase of 7,3 %).
- Adjusted EBITDA excluding items affecting comparability was EUR 29,8 million (EUR 32,4 million), a decrease of 8,0 % (at comparable exchange rates a decrease of 5,4 %).
- Adjusted EBIT excluding items affecting comparability and amortisation from fair value adjustments related to the acquisitions amounted to EUR 26,8 million (EUR 30,0 million), a decrease of 10,7 %.
- Operating profit (EBIT) was EUR 12,1 million (EUR 15,2 million). Operating profit included items affecting comparability of EUR 6,5 million (EUR 6,4 million) and amortisation from fair value adjustments related to the acquisitions of EUR 8,2 million (EUR 8,4 million).
- The share of new products and services of net sales was 7,8 % (8,3 %).
- Earnings per share were EUR 0,33 (EUR 0,40).
- Comparable earnings per share were EUR 0,60 (EUR 0,67)¹.

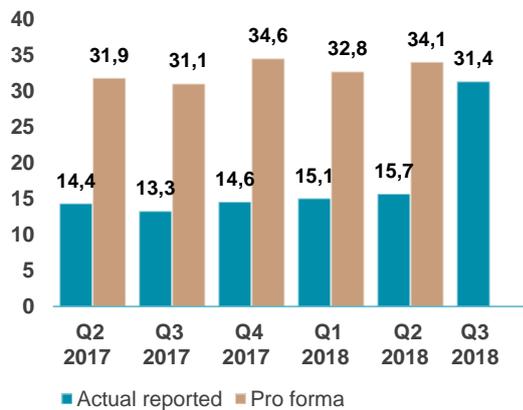
PRO FORMA KEY FIGURES

EUR million	1.7.– 30.9.2018	1.7.– 30.9.2017	1.1.– 30.9.2018	1.1.– 30.9.2017	1.1.– 31.12.2017
Net sales	31,4	31,1	98,4	95,0	129,6
Net sales growth, %	1,0	n/a	3,5	n/a	n/a
Operating profit (EBIT)	4,4	7,6	12,1	15,2	20,9
EBIT margin, %	14,0	24,5	12,3	16,0	16,1
Adjusted EBITDA	10,9	11,6	29,8	32,4	43,1
Adjusted EBITDA margin, %	34,6	37,3	30,3	34,1	33,2
Adjusted operating profit (EBIT)	9,8	10,8	26,8	30,0	39,6
Adjusted EBIT margin, %	31,3	34,6	27,3	31,6	30,6
New products and services of net sales, %	8,6	7,6	7,8	8,3	8,3
Net debt to adjusted EBITDA, x ²	3,5	n/a	3,5	n/a	n/a

¹ The comparable pro forma earnings per share does not contain amortisation from fair value adjustments related to the acquisitions or their tax impact.

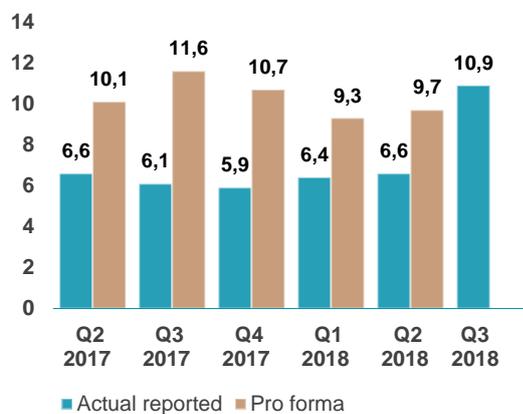
² The net debt to adjusted EBITDA has been calculated by dividing the net debt of Asiakastieto Group's consolidated statement of financial position on 30 June 2018 by the pro forma adjusted EBITDA of the past 12 months.

Net sales, EUR million



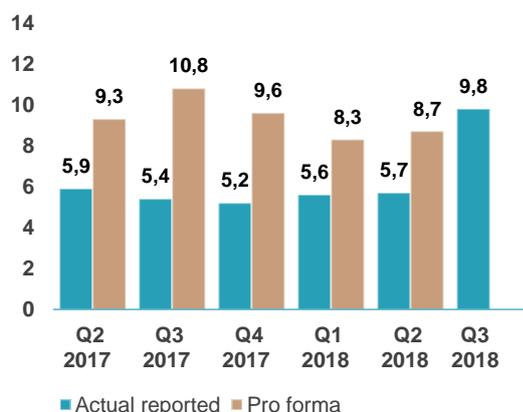
- Pro forma growth of net sales in the third quarter compared with the corresponding period of previous year was 1,0 % at reported exchange rates and 6,0 % at comparable exchange rates.
- The strong development of net sales from consumer-related risk management services continued in the third quarter.

Adjusted EBITDA, EUR million



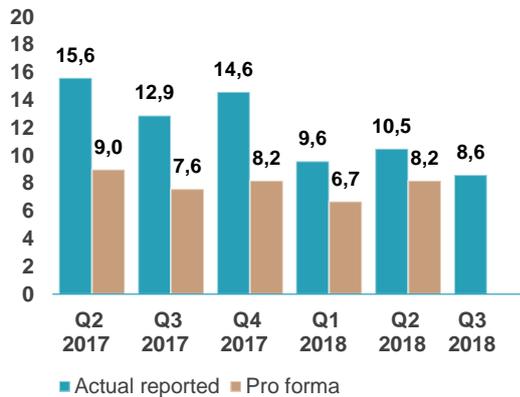
- Adjusted EBITDA for the third quarter decreased by 6,4 % at reported exchange rates and 2,6 % at comparable exchange rates compared to the pro forma adjusted EBITDA of the corresponding period of previous year.
- Compared with the corresponding period of previous year, net sales concentrated more on services involving a variable data acquisition cost, which reduced the adjusted EBITDA margin.
- Other factors affecting adjusted EBITDA included IT development projects recognised as expenses, which constituted a high proportion of overall development projects, as well as the IT production and maintenance costs of new services still at the development stage with respect to net sales.
- Adjusted EBITDA margin was 34,6 %.

Adjusted operating profit (EBIT), EUR million



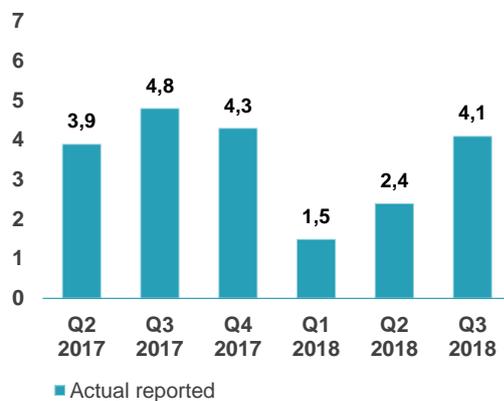
- Adjusted operating profit (EBIT) for the third quarter decreased by 8,9 % compared to the pro forma adjusted EBIT of the corresponding period of previous year.
- Amortisation related to capitalised development costs increased from the pro forma comparison period.
- Adjusted EBIT margin was 31,3 %.

New services' share of net sales, %



- New services accounted for 8,6 % of net sales in the third quarter.
- Eight new services were launched in the third quarter.

Free cash flow, EUR million



- Items affecting comparability, mainly resulting from M&A and integration expenses relating to acquisition of UC and already recognised in the results of the second quarter, decreased the cash flow from operating activities in the third quarter by EUR 3,7 million.

FUTURE OUTLOOK

Asiakastieto Group Plc expects its operating environment to remain stable in 2018 in its key markets, Finland and Sweden. The company expects to be able to initiate actions in the second half of the financial year to start to realise synergy benefits from the combination with UC AB.

JUKKA RUUSKA, CEO

“The third quarter of 2018 was a quarter of moderate growth for Asiakastieto Group. Net sales increased at comparable exchange rates by 6 % to EUR 31,4 million (EUR 29,6 million). The Group's net sales were increased in both markets by the new launched services, which accounted for 8,6 % of net sales for the third quarter. Adjusted EBITDA decreased at comparable exchange rates by 2,6 % to EUR 10,9 million (EUR 11,2 million). The Group's growth in consumer information services, the high share of operational projects' expenses of overall development projects and increased personnel costs contributed to the decrease.

Our merger with the Swedish UC AB, carried out in June, has progressed as planned. After a successful integration planning phase, we have started normal operation on 1 October 2018 in accordance with the new organisation. Even though the integration phase involved less service development compared with the previous financial year, we introduced some important compliance and consumer information services in the Swedish market.

Positive credit information is very valuable with respect to responsible credit granting and putting a stop to circle of debt. This is supported by the Group's efficient systems in both countries. In the Consumer Credit Inquiry System developed by Asiakastieto, an applicant's open credits can already be checked at the applicant's consent, even though the positive credit register proposed to be established in Finland does not yet exist. The inquiry system discloses any alarmingly high debt loads of a person as well as any problems with due repayment of existing debts. The coverage of the system will still improve, once most Finnish banks are included in the inquiry system.

The Credit Register maintained by UC in Sweden contains both payment default information and positive data related to a person's open credits. Thanks to the register, the number of people with payment defaults has decreased in recent years, even though consumers have incurred more debt at the same time. The update level of UC's credit information file will be raised from monthly to daily level.

In accordance with our performance guidance, Asiakastieto Group Plc expects its operating environment to remain stable in 2018 in its key markets, Finland and Sweden. The company expects to be able to initiate actions in the second half of the financial year to start to realise synergy benefits from the combination with UC AB.”

NET SALES

The figures indicating net sales for the interim period 1 January – 30 September 2018 and the reference periods 1 January–30 September 2017 and 1 July–30 September 2017 are presented as pro forma figures, as if the acquisition of UC had taken place already at the beginning of 2017. The third-quarter figures for 2018 are presented as actual reported figures. The actual figures for the interim period and the third quarter and their reference figures are presented in the Condensed Financial Statements section of this interim report.

July – September (actual reported 2018 vs. pro forma 2017)

Asiakastieto Group's net sales in the third quarter amounted to EUR 31,4 million (EUR 31,1 million), increasing by 1,0 % at reported exchange rates and 6,0 % at comparable exchange rates compared with the corresponding quarter of the previous year. Net sales from new products and services were EUR 2,7 million (EUR 2,4 million), representing 8,6 % (7,6 %) of the total net sales for the third quarter. In addition to new services, the drivers of net sales growth included a strong development of consumer-related risk management services in Risk Decisions and the consolidation of Emleri Oy to Group accounts from 1 October 2017. Net sales development was negatively affected by revenue recognitions that exceptionally took place in the third quarter of 2017 as well as the decision made in January 2018 to discontinue selling B2C customer management services in Sweden. The third quarter of 2018 included the same number of banking days as the corresponding quarter in 2017, both in Finland and Sweden

Net sales of the Risk Decisions business area amounted to EUR 21,4 million (EUR 20,6 million) in the third quarter. Compared with the corresponding quarter in the previous year, net sales of the business area increased by 3,5 % at reported exchange rates and 8,4 % at comparable exchange rates. Demand

for consumer-related risk management services continued to grow strongly in the third quarter both in Finland and Sweden. The increase in demand was driven by the good general economic situation and confidence among consumers as well as continued growth in the granting of consumer credit. Demand was also positively influenced by increase in the information used for establishing new customer relationships. The strong growth of consumers' positive credit information continued, particularly in Finland. New operators have joined the positive information system, and demand for more extensive information has increased. Customer gains achieved are also reflected in the sales development. The commercial success of new products and new product launches in Finland also supported growth in the third quarter.

Net sales of the Customer Data Management business area amounted to EUR 2,1 million (EUR 2,3 million) in the third quarter. The business area's net sales in the third quarter decreased by 12,3 % at reported exchange rates and 7,7 % at comparable exchange rates compared with the corresponding quarter in the previous year. The consolidation of Emleri Oy's figures had a positive effect on net sales development of the business area in the third quarter. On the other hand, the decision made in the beginning of 2018 to discontinue selling B2C customer management services in Sweden resulted in a significant decrease in net sales compared with the reference period.

Net sales of the Digital Processes business area amounted to EUR 1,8 million (EUR 1,6 million) in the third quarter. The business area's net sales in the third quarter increased by 17,7 % at reported exchange rates and 20,0 % at comparable exchange rates compared with the corresponding quarter in the previous year. Growth drivers in the business area in the third quarter included, in particular, the launch of the Tambur service in Sweden and increased demand for compliance services. Other factors included continuous service development towards a more comprehensive product range and active sales effort for services.

Net sales of the SME and Consumers business area amounted to EUR 6,2 million (EUR 6,6 million) in the third quarter. The business area's net sales in the third quarter decreased by 6,2 % at reported exchange rates and 0,3 % at comparable exchange rates compared with the corresponding quarter in the previous year. Net sales development of the business area compared with the reference period was negatively affected by revenue recognitions that exceptionally took place in the third quarter of 2017. Positive net sales development was particularly seen in online consumer services in Sweden and service packages for the SME segment in Finland.

January – September (pro forma)

Asiakastieto Group's pro forma net sales in the interim period amounted to EUR 98,4 million (EUR 95,0 million), an increase of 3,5 % year-on-year at reported exchange rates and 7,3 % at comparable exchange rates. Pro forma net sales from new products and services were EUR 7,7 million (EUR 7,9 million), representing 7,8 % (8,3 %) of the total net sales for the interim period. The drivers of net sales included, in particular, a strong development of consumer-related risk management services in Risk Decisions, the consolidation of Emleri Oy to Group accounts from 1 October 2017 and the net sales development of services sold directly to consumers in Sweden. Net sales development was negatively affected by the decision made in January 2018 to discontinue selling B2C customer management services in Sweden. In Sweden, the interim period included one more banking day than the reference period in the previous year.

Pro forma net sales of the Risk Decisions business area in the interim period amounted to EUR 64,9 million (EUR 62,2 million). Compared with the corresponding period in the previous year, net sales of the business area increased by 4,2 % at reported exchange rates and 8,0 % at comparable exchange rates. Demand for consumer-related risk management services continued to grow strongly in the interim period both in Finland and Sweden. Growth in consumer related credit markets and increase in commercial volume strengthened the demand for consumer information services, but the development of company credit market was weaker than anticipated in both market areas. Demand for positive credit information continued strong in the interim period. The coverage of positive credit information is very high in the Swedish market, while there is still growth potential in the Finnish market. Also in Finland, positive credit information has now developed into a significant factor in the granting of consumer credits. Growth of the business area was supported by commercial success of new products and services.

Pro forma net sales of the Customer Data Management business area in the interim period amounted to EUR 7,0 million (EUR 7,6 million). Compared with the corresponding period in the previous year, net sales of the business area decreased by 7,7 % at reported exchange rates and 4,2 % at comparable exchange rates. The consolidation of Emaileri Oy's figures had a positive effect on net sales development of the business area in the interim period. On the other hand, the decision made in the beginning of 2018 to discontinue selling B2C customer management services in Sweden resulted in a significant decrease in net sales compared with the reference period.

Pro forma net sales of the Digital Processes business area in the interim period amounted to EUR 5,6 million (EUR 4,6 million). Compared with the corresponding period in the previous year, net sales of the business area increased by 21,9 % at reported exchange rates and 24,0 % at comparable exchange rates. Growth drivers in the business area in the interim period included, in particular, the launch of the Tambur service in Sweden (in April 2018) as well as increased demand for compliance services and housing valuation services. Other factors included continuous service development towards a more comprehensive product range and active sales effort for services.

Pro forma net sales of the SME and Consumers business area in the interim period amounted to EUR 20,8 million (EUR 20,6 million). Compared with the corresponding period in the previous year, net sales of the business area increased by 1,3 % at reported exchange rates and 6,0 % at comparable exchange rates. The growth of net sales was particularly driven by the good sales development of online consumer services in Sweden and service packages for the SME segment in Finland.

FINANCIAL RESULTS

The figures indicating financial performance in the interim period 1 January–30 September 2018 and the reference periods 1 January–30 September 2017 and 1 July–30 September 2017 are presented as pro forma figures, as if the acquisition of UC had taken place already at the beginning of 2017. The third-quarter figures for 2018 are presented as actual reported figures. The actual figures for the interim period and the third quarter and their reference figures are presented in the Condensed Financial Statements section of this interim report.

July – September (actual reported 2018 vs. pro forma 2017)

Asiakastieto Group's operating profit (EBIT) for the third quarter amounted to EUR 4,4 million (EUR 7,6 million). Operating profit included items affecting comparability of EUR 2,7 million (EUR 0,4 million), mainly resulting from integration expenses relating to the acquisition of UC and redundancy expenses related to the reorganisation of operations.

Adjusted EBITDA for the third quarter excluding items affecting comparability amounted to EUR 10,9 million (EUR 11,6 million) and decreased by EUR 0,7 million at reported exchange rates and by EUR 0,3 million at comparable exchange rates.

Adjusted operating profit (EBIT) excluding items affecting comparability and amortisation from fair value adjustments related to the acquisitions decreased by EUR 1,0 million in the third quarter to EUR 9,8 million (EUR 10,8 million). Adjusted EBIT margin for the third quarter decreased compared with the corresponding quarter in the previous year. The decrease in the adjusted EBIT margin was affected by two factors: net sales increased mainly for services that involve a variable data acquisition cost, and IT development projects recognised as expense accounted for a high proportion of overall development projects. In addition, IT expenses were increased by the production and maintenance costs of new services still in ramp-up phase in net sales. Personnel expenses also increased from the reference period. This, however, was partially compensated for by the decrease in costs related to external temporary personnel. Amortisation related to capitalised development costs increased compared with the corresponding quarter in the previous year.

The Group's depreciation and amortisation for the third quarter amounted to EUR 3,8 million (EUR 3,6 million). Of the depreciation and amortisation, EUR 2,8 million (EUR 2,8 million) resulted from amortisation from fair value adjustments related to the acquisitions.

Net financial expenses in the third quarter were EUR 0,8 million (EUR 0,7 million).

The Group's profit before income taxes for the third quarter was EUR 3,6 million (EUR 6,9 million).

The tax amount booked as expense for the third quarter was EUR -0,7 million (EUR -1,4 million).

The Group's profit for the third quarter was EUR 2,9 million (EUR 5,5 million).

January – September (pro forma)

Asiakastieto Group's pro forma operating profit (EBIT) in the interim period amounted to EUR 12,1 million (EUR 15,2 million). Operating profit included items affecting comparability of EUR 6,5 million (EUR 6,4 million), mainly resulting from M&A and integration expenses related to acquisition of UC, redundancy expenses related to the reorganisation of operations and external expenses resulting from significant changes in regulation (GDPR).

Adjusted pro forma EBITDA for the interim period excluding items affecting comparability amounted to EUR 29,8 million (EUR 32,4 million), a decrease of EUR 2,6 million at reported exchange rates and EUR 1,7 million at comparable exchange rates.

Adjusted pro forma operating profit (EBIT) excluding items affecting comparability and amortisation from fair value adjustments related to the acquisitions amounted to EUR 26,8 million (EUR 30,0 million). Adjusted EBIT decreased by EUR 3,2 million. Adjusted EBIT margin for the interim period decreased compared with the corresponding period of the previous year. The high growth particularly in the volume of consumer information services increases data acquisition costs as the services involve a variable data acquisition cost. During the interim period, IT development projects have increasingly concentrated on projects recognised as expenses, such as data security promotion, while in the reference period the focus of IT projects was on capitalisable development projects. Amortisation related to capitalised development costs increased compared with the corresponding period in the previous year.

The Group's pro forma depreciation and amortisation for the interim period amounted to EUR 11,3 million (EUR 10,8 million). Of the depreciation and amortisation, EUR 8,2 million (EUR 8,4 million) resulted from amortisation from fair value adjustments related to the acquisitions.

Pro forma net financial expenses during the interim period were EUR 2,3 million (EUR 2,2 million).

The Group's pro forma profit before income taxes for the interim period was EUR 9,8 million (EUR 13,0 million).

The tax amount booked as expense for the interim period was EUR -1,9 million (EUR -3,4 million).

The Group's pro forma profit for the interim period was EUR 7,9 million (EUR 9,5 million).

CASH FLOW

In the interim period, cash flow from operating activities amounted to EUR 11,3 million (EUR 14,1 million). The effect of the change in the Group's working capital on cash flow was EUR 2,0 million (EUR -1,4 million). The impact of items affecting comparability on cash flow was EUR -5,9 million (EUR -0,1 million).

The Group paid EUR 3,1 million (EUR 2,7 million) of taxes during the interim period.

The cash flow from investing activities for the interim period amounted to EUR -89,1 million (EUR -2,4 million). The impact of the acquisition of UC on cash flow from investing activities for the interim period amounted to EUR -84,9 million. It consists of the cash portion of the purchase price deducted by cash and cash equivalents of UC as per acquisition date.

Cash flow from financing activities for the interim period amounted to EUR 85,6 million (EUR -13,6 million). Cash flow from financing activities for the interim period consisted mainly of the drawdown of a bridge loan of EUR 100 million to finance the acquisition of UC and EUR 14,3 million (EUR 13,6 million) payment of dividend.

STATEMENT OF FINANCIAL POSITION

At the end of the interim period, the Group's total assets were EUR 544,5 million (EUR 156,8 million). Total equity amounted to EUR 316,7 million (EUR 77,6 million) and total liabilities to EUR 227,8 million (79,2 million). Of the total liabilities, EUR 170,2 million (EUR 69,7 million) were non-current interest-bearing liabilities, EUR 25,6 million (EUR 0) deferred tax liabilities, EUR 3,8 million (EUR 0) non-current pension liabilities, EUR 0,3 million (EUR 0,5 million) non-current, non-interest bearing liabilities, EUR 0,2 million (EUR 0) current, interest-bearing liabilities and EUR 27,7 million (EUR 8,9 million) current, non-interest bearing liabilities. Goodwill amounted to EUR 349,8 million (EUR 113,9 million) at the end of the interim period. The goodwill related to the acquisition of UC in the interim period as well as the goodwill related to the Emaileri acquisition in the fourth quarter of 2017 increased the Group's goodwill.

More detailed information on the impact of the UC acquisition on the Group's balance sheet and equity can be found under notes 2.3. Corporate acquisitions and 2.4. Equity.

Asiakastieto Group's cash and cash equivalents at the end of the interim period were EUR 27,0 million (EUR 20,8 million), and net debt was EUR 143,4 million (EUR 48,9 million). Both the revolving credit facility and the bank account overdraft were unused.

CAPITAL EXPENDITURE

The majority of Asiakastieto Group's capital expenditure is related to the development of products and services as well as investments in IT infrastructure. Other capital expenditure mainly comprises purchases of company cars and office equipment. The Group's gross capital expenditure in the interim period amounted to EUR 3,8 million (EUR 2,6 million). Capital expenditure on intangible assets was EUR 2,9 million (EUR 1,9 million) and capital expenditure on tangible assets was EUR 0,9 million (EUR 0,7 million).

The product development activities of Asiakastieto Group involve development of the product and service offering. During the interim period, the capitalised development and software costs of the Group amounted to EUR 2,9 million (EUR 1,9 million). The Group had no material research activities.

During the interim period, Asiakastieto Group's pro forma gross investments¹ amounted to EUR 7,2 million (EUR 10,1 million). Pro forma capital expenditure on intangible assets was EUR 6,0 million (EUR 9,3 million) and pro forma capital expenditure on tangible assets was EUR 1,2 million (EUR 0,8 million).

PERSONNEL

The average number of personnel employed by Asiakastieto Group during the third quarter of the year was 479 (151) and during the interim period 270 (151). At the end of the interim period, the number of personnel was 462 (151), of whom 160 (151) work in companies in Finland and 302 (0) in companies in Sweden.

During the interim period, the personnel expenses of the Group amounted to EUR 16,8 million (EUR 9,0 million) and included an accrued cost of EUR 189 thousand (EUR 359 thousand) from the management's long-term incentive plan. See further details in note 2.7 to the condensed financial statements, Transactions with related parties.



¹ Pro forma gross investments have been calculated by combining the historical capital expenditures of Asiakastieto and UC during half year period 1 January–30 June 2018, adding the Group's actual reported gross investments during the period 1 July–30 September 2018 and combining the historical capital expenditures of Asiakastieto and UC during the reference period 1 January–30 September 2017. Gross investments are fixed asset acquisitions with long-term effect, from which no sales of property or disposal of business have been deducted.

Key figures describing the Group's personnel:

PERSONNEL					
	1.7.– 30.9.2018	1.7.– 30.9.2017	1.1.– 30.9.2018	1.1.– 30.9.2017	1.1.– 31.12.2017
Average number of personnel	479	151	270	151	153
Full time	465	147	260	146	148
Part time and temporary	14	4	10	5	5
Wages and salaries for the period (EUR million)	7,1	2,2	12,8	7,4	10,4

OTHER EVENTS DURING THE INTERIM PERIOD

Asiakastieto Group Plc's General Meeting of shareholders on 22 March 2018

The General Meeting of shareholders held on 22 March 2018 confirmed the financial statements for the financial period ended on 31 December 2017, and discharged the members of the Board of Directors and the Chief Executive Officer from liability.

The Meeting approved the Board of Directors' proposal to pay a dividend of EUR 0,95 per share. The dividend was paid to shareholders registered in the Company's shareholder register held by Euroclear Finland Ltd on the payment record date of 26 March 2018. The dividend was decided to be paid on 4 April 2018.

The General Meeting of shareholders decided that the annual remuneration be EUR 40 000 for the chairman of the Board of Directors and EUR 25 000 for the members. No separate fees will be paid for meetings. The Chairmen of the Committees shall receive an attendance fee of EUR 500 and members of the Committees EUR 400 per committee meeting. No remuneration is paid to the members of the Shareholders' Nomination Board. Reasonable travel expenses for the attendance to the meetings are paid to the members.

In accordance with the proposal of the Shareholders' Nomination Board, Petri Carpén, Bo Harald, Patrick Lapveteläinen, Carl-Magnus Månsson and Anni (Anna-Maria) Ronkainen were re-elected as members of the Board of Directors.

Authorised Public Accountants firm PricewaterhouseCoopers Oy was elected as the auditor of the Company, and Authorised Public Accountant Martin Grandell as the auditor in charge.

The Annual General Meeting decided to amend Section 8 of the Articles of Association in accordance with the amendment to the Audit Act, so that the Company's auditor must be an audit firm approved by the Board of Patents and Registration of Finland. In addition, Section 10 of the Articles of Association was decided to be amended in accordance with the amendment of the Companies Act so that the invitation to the Annual General Meeting must be published on the Company's website no earlier than three months before the record date of the General Meeting and no later than three weeks prior to the meeting, however, at least nine days before the said record date.

Authorisation for issue of shares

The Annual General Meeting authorised the Board of Directors to resolve on one or more issuances, which contain the right to issue new shares or dispose of the shares in the possession of the company. The authorisation would consist of up to 1 000 000 shares in the aggregate. The Board of Directors was authorised to decide on a directed issue. The authorisation is proposed to be used for material arrangements from the company's point of view, such as financing or implementing business arrangements or investments or for other such purposes determined by the Board of Directors in which case a weighty financial reason for issuing shares would exist.

The Board of Directors was authorised to resolve on all other terms and conditions of the issuance of shares, including the payment period, grounds for the determination of the subscription price and

subscription price or allocation of shares free of charge or that the subscription price may be paid besides in cash also by other assets either partially or entirely.

The authorisation is effective for 18 months from the close of the Annual General Meeting. The authorisation cancelled the corresponding share issue authorisation granted to the Board of Directors by the Annual General Meeting on 30 March 2017.

The Board of Directors of Asiakastieto Group Plc has on 4 May 2018 resolved on a directed share issue related to the reward payment from the performance period 2015 – 2018 of the Performance Share Plan 2015. The performance period has ended on 31 March 2018. In the share issue, 23 443 new Asiakastieto Group Plc shares are issued without consideration to the key employees participating in the Performance Share Plan 2015 in accordance with the terms and conditions of the plan. The resolution on the directed share issue is based on the authorisation granted to the Board of Directors by the Annual General Meeting of Shareholders held on 22 March 2018.

Authorisation for repurchasing own shares

The Annual General Meeting authorised the Board of Directors to decide on the repurchase of a maximum of 1 000 000 of the company's own shares, in one or several instalments. The shares will be repurchased with the company's unrestricted shareholders' equity, and the repurchases will reduce funds available for the distribution of profits. The shares can be repurchased, for example, to develop the company's capital structure, carry out or finance potential corporate acquisitions or other business arrangements, to be used as a part of the company's incentive programme or to be otherwise conveyed further, retained as treasury shares, or cancelled.

Shares may be repurchased in accordance with the resolution of the Board of Directors also in a proportion other than in which shares are owned by the shareholders (directed acquisition), using funds belonging to the company's unrestricted equity and at the market price of the shares quoted on the regulated market organised by Nasdaq Helsinki Ltd or otherwise established on the market at the time of the repurchase. The Board of Directors will decide how shares will be repurchased. Among other means, derivatives may be used in acquiring the shares. According to the authorisation, the Board of Directors decides on all other matters related to the repurchase of the shares.

The authorisation is effective for 18 months from the close of the Annual General Meeting. The authorisation cancelled the corresponding authorisation to repurchase the company's shares granted to the Board of Directors by the Annual General Meeting on 30 March 2017. The authorisation has not been used by 8 November 2018.

Meeting of the Board of Directors on 22 March 2018

The organisational meeting of the Board of Directors on 22 March 2018 elected among its members Patrick Lapveteläinen as Chairman of the Board of Directors and Bo Harald as Vice-Chairman of the Board of Directors.

The Board of Directors has in its organisation meeting evaluated the independence of the Directors according to the Finnish Corporate Governance Code. The Board noted that all members of the Board are independent of the Company and all except Patrick Lapveteläinen are independent of the significant shareholders. The Board of Directors noted that the Company is in compliance with recommendation 10 of the CG Code.

The Board of Directors appointed Petri Carpén, Anni (Anna-Maria) Ronkainen and Carl-Magnus Månsson as members of the Audit Committee. All the members are independent of the Company and independent of significant shareholders. Petri Carpén was elected chairman of the committee.

Asiakastieto Group Plc's Extraordinary General Meeting 25 May 2018

In order to implement the transaction with UC AB described in Asiakastieto Group Plc's Stock Exchange Release published on 24 April 2018, the Extraordinary General Meeting decided, as proposed by the Board of Directors, to authorise the Board of Directors to decide on the issuance of shares for the purpose of the directed share issue as well as to elect two new Board members of the company and

to amend the charter of the Shareholders' Nomination Board, conditional upon the completion of the transaction.

Authorisation for issue of shares

The Extraordinary General Meeting authorised the Board of Directors to decide on the issuance of new shares in deviation from the shareholders' pre-emptive rights by way of a directed issue. The Directed Share Issue shall be directed to the current shareholders of UC AB pro rata to the respective number of ordinary shares of UC AB sold in the Transaction. The number of shares to be issued in the Directed Share Issue could not exceed 8 828 343, which corresponded to approximately 58,5 per cent of all the shares in Asiakastieto at that time, and would correspond to approximately 36,9 per cent of all shares in Asiakastieto following the completion of the Transaction.

The Board of Directors was authorised to decide on all other conditions of the Directed Share Issue, including the grounds for determining the subscription price and the subscription price as well as that the subscription price may be paid besides in cash also by other assets either partially or entirely.

The authorisation is valid until 31 December 2018, and it did not revoke the authorisation of the Board of Directors to decide on the issuance of shares as granted by the Annual General Meeting on 22 March 2018.

Number and election of members of the Board of Directors

In accordance with the proposal of the Board of Directors, the Extraordinary General Meeting resolved, conditional upon the completion of the Transaction, that the number of members of the Board of Directors be seven and that two new members of the Board of Directors be elected.

Martin Johansson and Nicklas Ilebrand were elected as new members of the Board of Directors, both of them for a term that will start on the date of closing of the Transaction as set forth in the agreement concerning the Transaction and continue until the close of the next Annual General Meeting.

The new members of the Board of Directors shall be paid annual fees in proportion to the length of their term of office. A member of the Board of Directors may decide to decline the annual fees and/or meeting fees payable by the company.

Amendment of the Charter of the Shareholders' Nomination Board

In accordance with the proposal of the Board of Directors, the Extraordinary General Meeting resolved, conditional upon the completion of the Transaction, to amend the Charter of the Shareholders' Nomination Board. The amendments concern the date whereby the representatives to be elected to the Nomination Board and largest shareholders are determined.

"Section 2 Composition and Election of the Nomination Board" of the Charter of the Shareholder's Nomination Board is amended so that three of the members of the Nomination Board represent the Company's three largest shareholders who, on 30 September preceding the next Annual General Meeting, hold the largest number of votes calculated of all shares in the Company.

"Section 2.1 Largest shareholders and their rights" is amended so that the largest shareholders of the Company on 30 September are determined on the basis of the shareholders' register of the Company held by Euroclear Finland Ltd, and the holdings of a shareholder, who has flagging obligation, will be summed up when calculating the share of all the voting rights, provided that the shareholder presents a written request to that effect to the Chairperson of the Company's Board of Directors no later than on 29 September preceding the next Annual General Meeting.

In accordance with the proposal of the Board of Directors, the Extraordinary General Meeting also resolved, conditional upon the completion of the Transaction, that in deviation from the new dates proposed above, in 2018 the largest shareholders of the Company, for the purposes of Sections 2 and 2.1 of the Shareholders' Nomination Board Charter, would be determined as at 9 November 2018, and, for the purposes of paragraph 2 of Section 2.1, the written request for aggregation of holdings should be presented no later than on 8 November 2018.

Changes in Asiakastieto Group's organisation structure and Executive team

Terhi Kauppi, M.Sc. (Econ), left her position as CFO of Asiakastieto Group Oyj on 9 May 2018 after which she pursued new challenges outside Asiakastieto Group.

Antti Kauppila, M.Sc.(Econ.) was appointed Asiakastieto Group's acting CFO and member of the Executive Team from 9 May 2018. Antti Kauppila has worked in the company since August 2017.

Asiakastieto Group's Board of Directors decided on 20 June 2018 on a new organisational structure and Executive Team. Starting from 1 July 2018, the company's organisation consists of business areas and functional units. The new business areas are Risk Decisions, Customer Data Management, Digital Processes and SME and Consumers. The functional units are Sales Units, Marketing and Communications, IT and Technology, HR, and Finance.

The composition of the new Executive team, according to spheres of responsibility, from 1 July 2018 on is: Jukka Ruuska (CEO), Anders Hugosson (Deputy CEO), Antti Kauppila (Finance), Heikki Koivula (Risk Decisions), Esa Kumpu (Customer Data Management), Heikki Ylpekkala (Digital Processes), Siri Bengtsson (SME and Consumers), Mikko Karemo (Sales Units), Victoria Preger (Marketing and Communications), Jari Julin until 31 August 2018 and from 1 September 2018 Anders Hugosson (IT and Technology) and Eleonor Öhlander (HR).

Asiakastieto's Deputy CEO Anders Hugosson has been appointed as the acting CIO of Asiakastieto Group as of 10 August 2018 in addition to his current role. The current CIO of Asiakastieto Group, Jari Julin, will be responsible for the IT and Technology unit in Finland. Along with the change, he will not be part of Asiakastieto Group's Executive Team from 1 September 2018.

Employer/employee negotiations concerning the new organisation

Asiakastieto Group and UC are building one of the leading Nordic companies providing digital services and data innovations. As part of this process, on 14 August 2018, Asiakastieto Group Plc announced the plan to reorganise its operations both in Finland and Sweden to gain efficiencies.

On 24 September 2018, Asiakastieto Group completed the employer/employee negotiations concerning the planned new organisation as required by Finnish and Swedish law, and the internal implementation of the new organisation began. The planned gross headcount decrease will be executed in three different ways, as described in the stock exchange release published on 14 August 2018: natural retreat, offer for retirement and redundancies. During the full year 2018, the gross headcount will decrease by approximately 40 jobs.

Asiakastieto Group will operate in accordance with the new organisation from 1 October 2018. The new organisation is planned to be integrated. It is expected to increase efficiency in terms of business development and customer experience and promote cost efficiency. The criteria for the new organisation include the creation of a completely integrated Nordic company with clearly defined roles and responsibilities as well as distinct interfaces for providing support and cooperation. The structure is a matrix organisation, which comprises the business areas and functional units, with profit responsibility lying with the business areas. The second criteria was to centralise the operations as efficiently as possible and to establish a low organisational structure with a maximum of four levels, including the CEO.

Asiakastieto Group is estimated to achieve at least EUR 17 million of synergy benefits a year. This estimate is based on the preliminary assessment of integration synergies as well as further analyses to identify synergy opportunities. The measures concerning the organisation were part of the implementation of cost synergies. Full synergy benefits are expected to be realised by 2021.

EVENTS AFTER THE INTERIM PERIOD

Refinancing of long-term loans

On 18 October 2018, Asiakastieto Group Plc signed an agreement on the refinancing of its long-term loans. The company entered into a loan agreement on a total of EUR 180 million of financing with Danske Bank A/S, OP Corporate Bank Plc and Nordea Bank Plc. Asiakastieto Group Plc used this financing to refinance the EUR 75 million term loan and revolving credit facility agreement entered into with Danske Bank A/S and Pohjola Bank Plc on 28 November 2014 and to refinance the financing agreement entered into with Danske Bank A/S and OP Corporate Bank Plc on 31 May 2018, concerning a bridge loan of EUR 100 million.

The new agreement consists of an unsecured term loan of EUR 160 million and an unsecured revolving credit facility of EUR 20 million. The company drew down the term loan on 25 October 2018 partially in euro and partially in Swedish krona in accordance with the terms of the loan agreement. The loans mature in October 2023. The new loans include a financial covenant controlled on a quarterly basis, which is Net debt to EBITDA calculated in accordance with the financing agreement.

SHARES AND SHAREHOLDERS

The Company has one share class. Each share carries one vote at the General Meeting of shareholders and each share confers equal right to dividends and net assets of the Company. The shares have no nominal value. The shares of the Company are incorporated in the book-entry securities system maintained by Euroclear Finland Ltd.

A total of 23 443 new shares were subscribed for in Asiakastieto Group Plc's share issue targeted at the company key personnel without payment and registered in the Trade Register on 29 May 2018. After the registration, the company's shares totalled 15 125 621. The new shares produce the right to dividends and other distribution of assets as well as other shareholder rights as of the registration date 29 May 2018. Trading in the new shares commenced on 30 May 2018.

Asiakastieto Group Plc issued 8 828 343 new shares as part of the consideration for the acquisition of UC AB. The consideration shares were registered in the Trade Register on 29 June 2018, after which the total number of the company's shares increased to 23 953 964 shares. All shares carry equal voting rights. On 10 September 2018, the Financial Supervisory Authority approved the listing prospectus prepared by the company. On 11 September 2018, Nasdaq Helsinki Ltd approved the listing of the new shares. Trading in the new shares commenced on 12 September 2018.

The listing prospectus prepared by Asiakastieto Group Plc is available on the company website at investors.asiakastieto.fi/listalleottoesite2018/, at the company's registered office at Hermannin rantatie 6, 00580 Helsinki, and at the Nasdaq Helsinki Ltd's service point at Fabianinkatu 14, 00100 Helsinki.

On 30 September 2018, the total number of shares was 23 953 964 (15 102 178), and the share capital of the Company amounted to EUR 80 000 (EUR 80 000).

According to the book-entry securities system, the Company had 2 507 (2 459) shareholders on 30 September 2018. A list of the largest shareholders is available on the Company's investor pages at investors.asiakastieto.fi.



SHARE-RELATED KEY FIGURES

EUR (unless otherwise stated)	1.1.– 30.9.2018	1.1.– 30.9.2017	1.1.– 31.12.2017
Share price development			
Highest price	32,60	24,00	24,35
Lowest price	21,10	17,14	17,14
Average price	28,21	19,70	20,31
Closing price	28,00	23,00	23,90
Market capitalisation, EUR million	670,7	347,4	360,9
Trading volume, pcs	2 729 733	1 508 424	1 816 212
Total exchange value of shares, EUR million	77,0	29,7	36,9

FLAGGING NOTIFICATIONS AND THE MANAGEMENT'S BUSINESS ACTIONS
Flagging notifications in the interim period
Notifications according to Chapter 9, Paragraph 10 of the Securities Markets Act on 16 May 2018

Sampo Oyj's holding in Asiakastieto Group Plc exceeded 15 per cent on 16 May 2018, and the holding of Sampo Oyj increased to 2 920 000 shares, corresponding to 19,33 per cent of the company's shares and voting rights.

The share of ownership of Mandatum Henkivakuutusosakeyhtiö and investment funds and unit-linked policies managed by it declined below the threshold of 5 per cent on 16 May 2018, and the holdings of Mandatum Henkivakuutusosakeyhtiö and investment funds and unit-linked policies managed by Mandatum Henkivakuutusosakeyhtiö fell to 21 230 shares, corresponding to 0,14 per cent of the company's shares and voting rights.

Notifications according to Chapter 9, Paragraph 10 of the Securities Markets Act on 29 June 2018

The holding of Swedbank AB (publ) in Asiakastieto Group Plc exceeded the threshold of 5 per cent on 20 June 2018 as a result of the completion of the combination of Asiakastieto Group Plc and UC AB. The holding of Swedbank AB (publ) in Asiakastieto Group Plc is 1 765 668 shares corresponding to approximately 7,37 per cent of the company's entire share stock.

The holding of Skandinaviska Enskilda Banken AB in Asiakastieto Group Plc exceeded the threshold of 10 per cent on 29 June 2018 as a result of the completion of the combination of Asiakastieto Group Plc and UC AB. The holding of Skandinaviska Enskilda Banken AB in Asiakastieto Group Plc is 2 443 280 shares corresponding to approximately 10,20 per cent of the company's entire share stock.

Notifications according to Chapter 9, Paragraph 10 of the Securities Markets Act on 2 July 2018

The holdings of Sampo plc and Sampo Group in Asiakastieto Group Plc declined below the threshold of 15 per cent on 2 July 2018 as a result of the issue and registration of Asiakastieto Group Plc's new shares. The holding of Sampo plc in Asiakastieto Group Plc is 2 920 000 shares corresponding to approximately 12,19 per cent of the company's entire share stock, and the holding of Sampo Group in Asiakastieto Group Plc is 2 940 230 shares corresponding to approximately 12,27 per cent of the company's entire share stock.

The holding of Svenska Handelsbanken AB (publ) in Asiakastieto Group Plc exceeded the threshold of 5 per cent on 2 July 2018 as a result of the completion of the combination of Asiakastieto Group Plc and UC AB. The holding of Svenska Handelsbanken AB (publ) in Asiakastieto Group Plc is 2 161 178 shares corresponding to approximately 9,02 per cent of the company's entire share stock.

The holding of Nordea Bank AB (publ) in Asiakastieto Group Plc exceeded the threshold of 5 per cent on 2 July 2018 as a result of the completion of the combination of Asiakastieto Group Plc and UC AB.

The holding of Nordea Bank AB (publ) in Asiakastieto Group Plc is 2 336 763 shares corresponding to approximately 9,76 per cent of the company's entire share stock.

The holding of OP-Rahastoyhtiö Oy in Asiakastieto Group Plc declined below the threshold of 5 per cent on 2 July 2018 as a result of the issue and registration of Asiakastieto Group Plc's new shares. The holding of OP-Rahastoyhtiö Oy in Asiakastieto Group Plc is 1 016 228 shares corresponding to approximately 4,24 per cent of the company's entire share stock.

Notification according to Chapter 9, Paragraph 10 of the Securities Markets Act on 3 July 2018

The holding of Swedbank Robur Fonder AB and its fund Swedbank Robur Småbolagsfond Norden in Asiakastieto Group Plc declined below the threshold of 5 per cent on 3 July 2018 as a result of the issue and registration of Asiakastieto Group Plc's new shares. The holding of Swedbank Robur Fonder AB and its fund Swedbank Robur Småbolagsfond Norden in Asiakastieto Group Plc is 1 152 856 shares corresponding to approximately 4,81 per cent of the company's entire share stock.

Notification according to Chapter 9, Paragraph 10 of the Securities Markets Act on 4 July 2018

The holding of Nordea Funds Ltd and its funds in Asiakastieto Group Plc declined the threshold of 5 per cent on 4 July 2018 as a result of the issue and registration of Asiakastieto Group Plc's new shares. The holding of Nordea Funds Ltd and its funds in Asiakastieto Group Plc is 834 401 shares corresponding to approximately 3,48 per cent of the company's entire share stock.

Flagging notifications after the interim period

Notification according to Chapter 9, Paragraph 10 of the Securities Markets Act on 1 October 2018

Nordea Bank Abp's holding in Asiakastieto Group Plc exceeded 5 per cent on 1 October 2018, and the holding of Nordea Bank Abp increased to 2 336 784 shares, corresponding to 9,76 per cent of the company's shares and voting rights. The holding and voting rights were transferred from Nordea Bank AB (publ) in its merger into Nordea Bank Abp.

Management's business actions

The business actions of Asiakastieto Group's management in the interim period have been published as Stock Exchange Releases and they can be read on the Company's investor pages at investors.asiakastieto.fi

RISKS AND UNCERTAINTIES IN THE NEAR FUTURE

The demand for the Group's products and services depends on the activity of the business operations of its customers. Slow economic growth or a declining economy may result in weakening demand for the services of Asiakastieto Group.

A general tendency to seek cost savings in business activities and the tightening competition in the Group's business sector may cause downward pricing pressure, which may have a negative effect on revenue and profit.

Asiakastieto Group believes that its continued success will be influenced by its ability to meet customers' needs through the development of products and services that are easy to use and that seek to increase customers' business process efficiency, offer cost savings, and facilitate better business decisions. Potential deficiencies in the management of the product development portfolio as well as a shortage of development resources may delay the introduction of new services or enhancements to the market and therefore weaken the Group's results.

Well-functioning information technology and good availability of services are essential conditions for the business operations of Asiakastieto Group. Notwithstanding the current solutions for high availability and protection solutions in accordance with best practices, the realisation of external or internal threats can never be completely eliminated. The realisation of risks of this kind could result in misuse,

modification or illegal publication of information and could have legal consequences or cause reputational harm, loss of revenue, claims or regulatory actions.

Completion of the combination of Asiakastieto Group and UC will require time from key personnel and causes uncertainty within personnel as well as activates competitors in their recruitment efforts. The Group has planned and carried out activities to mitigate these risks. Estimated synergy benefits and expenses related to the combination process are based on estimations which are by nature uncertain and subject to numerous risks and uncertainties related to business, economy and competition.

FUTURE OUTLOOK

Asiakastieto Group Plc expects its operating environment to remain stable in 2018 in its key markets, Finland and Sweden. The company expects to be able to initiate actions in the second half of the financial year to start to realise synergy benefits from the combination with UC AB.

The outlook is subject to risks related to, among other factors, the development of the Finnish and Swedish economies and the business operations of the Group. The most significant risks related to business operations include, for example, risks related to the success of product and service development activities, launches of new products and services and risks related to competitive tenders and to losing significant customer accounts.

Asiakastieto Group's business risks have been described in more detail on the Company's investor pages at investors.asiakastieto.fi as well as in the listing prospectus prepared by the Company and approved by the Financial Supervisory Authority on 10 September 2018, also available on the Company's investor pages.

Helsinki, 8 November 2018

ASIAKASTIETO GROUP PLC
Board of Directors

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CONDENSED FINANCIAL STATEMENTS AND NOTES 1.1. – 30.9.2018

The figures presented in this Interim Report are unaudited. The amounts presented in the Interim Report are rounded and the sum of individual figures may differ from the sum reported.

1. Consolidated statement of comprehensive income, financial position, cash flows and changes in equity

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME					
EUR thousand	1.7.– 30.9.2018	1.7.– 30.9.2017	1.1.– 30.9.2018	1.1.– 30.9.2017	1.1.– 31.12.2017
Net sales	31 410	13 341	62 225	41 627	56 201
Other operating income	33	53	97	158	208
Materials and services	-5 532	-2 938	-12 422	-9 051	-11 963
Personnel expenses ¹	-9 905	-2 632	-16 798	-8 994	-12 635
Other operating expenses	-8 158	-2 006	-18 943	-6 030	-8 756
Work performed by the entity and capitalised	366	187	1 138	939	1 251
Depreciation and amortisation	-3 814	-753	-5 718	-2 164	-3 074
Operating profit	4 401	5 251	9 578	16 486	21 232
Finance income	114	0	115	3	4
Finance expenses	-891	-265	-1 509	-798	-1 076
Finance income and expenses	-776	-265	-1 395	-795	-1 072
Profit before income tax	3 624	4 986	8 183	15 691	20 160
Income tax expense	-707	-999	-2 191	-3 142	-4 117
Profit for the period	2 917	3 987	5 992	12 548	16 043
Items that may be reclassified to profit or loss					
Exchange differences on translation of foreign operations	4 733	-	4 733	-	-
Total comprehensive income for the period	7 650	3 987	10 725	12 548	16 043
Profit attributable to:					
Owners of the parent company	2 917	3 987	5 992	12 548	16 043
Total comprehensive income attributable to:					
Owners of the parent company	7 650	3 987	10 725	12 548	16 043
Earnings per share attributable to the owners of the parent during the period:					
Basic, EUR	0,12	0,26	0,33	0,83	1,06
Diluted, EUR	0,12	0,26	0,33	0,83	1,06

¹ Personnel expenses include an accrued expense related to the long-term incentive plan to the management amounting to EUR 57 thousand for the third quarter 1 July–30 September 2018, EUR 135 thousand for the reference period 1 July–30 September 2017, EUR 189 thousand for the interim period 1 January–30 September 2018, EUR 359 thousand for the reference period 1 January–30 September 2017 and EUR 464 thousand for the financial year 2017. Bookings related to the long-term incentive plan to the management have been changed as of 1 January 2018 on the basis of the amendments to IFRS 2. These amendments are explained in more detail in Accounting policies 2.1.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION			
EUR thousand	30.9.2018	30.9.2017	31.12.2017
ASSETS			
Non-current assets			
Goodwill	349 786	113 872	118 411
Other intangible assets	137 891	8 418	11 085
Property, plant and equipment	3 545	1 451	1 996
Deferred tax assets	1 240	2 348	1 647
Loan and other receivables	314	167	365
Total non-current assets	492 776	126 256	133 505
Current assets			
Account and other receivables	24 728	9 699	7 896
Cash and cash equivalents	26 974	20 824	18 919
Total current assets	51 701	30 524	26 815
Total assets	544 478	156 780	160 320
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent			
Share capital	80	80	80
Invested unrestricted equity reserve	351 709	112 355	112 355
Translation differences	4 733	-	-
Accumulated losses	-39 826	-34 861	-31 336
Equity attributable to owners of the parent	316 695	77 574	81 099
Share of equity held by non-controlling interest	0	-	-
Total equity	316 695	77 574	81 099
Liabilities			
Non-current liabilities			
Interest-bearing liabilities	170 199	69 746	69 775
Pension liabilities	3 820	-	-
Deferred tax liabilities	25 604	-	-
Account and other payables	250	521	652
Total non-current liabilities	199 873	70 268	70 428
Current liabilities			
Interest-bearing liabilities	162	-	-
Advances received	6 636	1 628	1 358
Account and other payables	21 111	7 311	7 434
Total current liabilities	27 909	8 939	8 793
Total liabilities	227 783	79 206	79 220
Liabilities	544 478	156 780	160 320

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY							
EUR thousand	<u>Attributable to owners of the parent</u>				Total	Non-controlling interest	Total equity
	Share capital	Invested unrestricted equity reserve	Translation differences	Accumulated losses			
Equity on 1.1.2018	80	112 355	-	-31 336	81 099	-	81 099
Adoption of amendment to IFRS 2	-	-	-	594	594	-	594
Adoption of IFRS 15	-	-	-	-22	-22	-	-22
Adjusted equity at the beginning of the period	80	112 355	-	-30 764	81 671	-	81 671
Profit for the period	-	-	-	5 992	5 992	-	5 992
Other comprehensive income for the period	-	-	4 733	-	4 733	-	4 733
Total comprehensive income for the period	-	-	4 733	5 992	10 725	-	10 725
Transactions with owners							
Distribution of dividend	-	-	-	-14 347	-14 347	-	-14 347
Management's incentive plan	-	-	-	-707	-707	-	-707
Directed share issue	-	240 131	-	-	240 131	-	240 131
Share issue and listing new shares related costs	-	-777	-	-	-777	-	-777
Share of equity held by non-controlling interest related to the acquisition of subsidiary	-	-	-	-	-	0	0
Equity on 30.9.2018	80	351 709	4 733	-39 826	316 695	0	316 695
Attributable to owners of the parent							
EUR thousand	<u>Attributable to owners of the parent</u>				Total	Non-controlling interest	Total equity
	Share capital	Invested unrestricted equity reserve	Translation differences	Accumulated losses			
Equity on 1.1.2017	80	112 355	-	-33 935	78 501	-	78 501
Profit for the period	-	-	-	12 548	12 548	-	12 548
Other comprehensive income for the period	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	12 548	12 548	-	12 548
Transactions with owners							
Distribution of dividend	-	-	-	-13 592	-13 592	-	-13 592
Management's incentive plan	-	-	-	117	117	-	117
Equity on 30.9.2017	80	112 355	-	-34 861	77 574	-	77 574

CONSOLIDATED STATEMENT OF CASH FLOWS					
EUR thousand	1.7.– 30.9.2018	1.7.– 30.9.2017	1.1.– 30.9.2018	1.1.– 30.9.2017	1.1.– 31.12.2017
Cash flows from operating activities					
Profit before income tax	3 624	4 986	8 183	15 691	20 160
Adjustments:					
Depreciation and amortisation	3 814	753	5 718	2 164	3 074
Finance income and expenses	776	265	1 395	795	1 072
Profit (-) / loss (+) on disposal of property, plant and equipment	-7	-46	-70	-139	-167
Other adjustments	-1 315	135	-1 755	359	464
Cash flows before change in working capital	6 892	6 094	13 472	18 870	24 603
Change in working capital:					
Increase (-) / decrease (+) in account and other receivables	1 482	875	-1 381	-2 369	-726
Increase (+) / decrease (-) in account and other payables	-1 302	-382	3 359	1 004	734
Change in working capital	179	493	1 978	-1 365	8
Interest and other finance expenses paid	-268	-227	-1 049	-708	-962
Interest and other finance income received	3	0	3	3	4
Income taxes paid	-1 248	-1 071	-3 112	-2 655	-3 739
Net cash from operating activities	5 559	5 289	11 292	14 146	19 914
Cash flows from investing activities					
Purchases of property, plant and equipment	-82	-308	-849	-629	-1 475
Purchases of intangible assets	-1 680	-370	-3 477	-2 000	-2 869
Purchases of subsidiaries, net of cash acquired	-	-	-84 881	-	-5 997
Proceeds from sale of property, plant and equipment	12	48	147	268	306
Non-current receivables	-	-	-	-	-1
Cash flows from investing activities	-1 750	-630	-89 060	-2 362	-10 035
Cash flows from financing activities					
Proceeds from interest-bearing liabilities	-	-	100 000	-	-
Repayments of interest-bearing liabilities	-20	-	-20	-	-
Dividends paid and other profit distribution	-	-	-14 347	-13 592	-13 592
Net cash from financing activities	-20	-	85 632	-13 592	-13 592
Net increase / decrease in cash and cash equivalents	3 788	4 659	7 864	-1 807	-3 713
Cash and cash equivalents at the beginning of the period	22 995	16 166	18 919	22 632	22 632
Net change in cash and cash equivalents	3 788	4 659	7 864	-1 807	-3 713
Exchange rate effect on cash and cash equivalents	190	-	190	-	-
Cash and cash equivalents at the end of the period	26 974	20 824	26 974	20 824	18 919

2. Notes

2.1. Accounting policies

This Interim Report has been prepared in accordance with IAS 34 Interim Financial Reporting. The accounting policies and methods applied in the Interim Report are the same as those applied in the financial statements for the financial year ended 31 December 2017, with the exception of the new and amended regulations which entered into force on 1 January 2018.

The preparation of financial statements in accordance with IFRS requires Asiakastieto Group's management to use estimates and assumptions that affect the reported amounts of assets and liabilities, as well as the reported amounts of income and expenses for the interim period. In addition, it is necessary to exercise judgement in applying the accounting policies. Because estimates and assumptions are based on the understanding as at the end of the interim period, they include risks and uncertainties. The actual results may differ from the estimates and assumptions made. Critical accounting estimates and judgements are disclosed in more detail under the note 3 to the consolidated financial statements for the year 2017.

The subsidiaries' income statements and cash flows denominated in Swedish krona have been converted into euro on a monthly basis using the monthly average exchange rate issued by the European Central Bank, and balance sheets have been converted using the exchange rate issued by the European Central Bank on the end date of the period. Conversion of the profit for the period using different exchange rates for the income statement and balance sheet causes a translation difference in the balance sheet recognised in equity. The change in equity is recognised in other comprehensive income.

The following exchange rates were used for the preparation of the interim report:

EXCHANGE RATES			
	1.9. - 30.9.2018	1.8. - 31.8.2018	1.7. - 31.7.2018
Monthly average rate			
SEK – Swedish krona	10,4426	10,4668	10,3076
Rate on the end date of the period		30.9.2018	30.6.2018
SEK – Swedish krona		10,3090	10,4530

The amounts presented in the Interim Report are consolidated figures. The amounts presented are rounded, so the sum of individual figures may thus differ from the sum reported. The figures presented in this Interim Report are unaudited.

Changes in the accounting policies

Asiakastieto Group has implemented the new IFRS 9 Financial Instruments and IFRS 15 Revenue from Contracts with Customers standards together with amendments to the IFRS 2 Share based payment standard effective for the financial period beginning on 1 January 2018. Descriptions of these new IFRS standards and a more detailed proposal on their implementation can be found in note 2 of the consolidated financial statements for the year 2017.

The amendment to the IFRS 2 standard concerns incentive schemes with net settlement features to cover withholding obligations and where the employer is obligated to withhold tax from the received benefit obtained from the share-based payment. Previously, the total remuneration was divided into the items to be paid as shareholders' equity and in cash. According to the amended standard, compensation costs will be recognised for such payments based on the entire scheme being an equity-settled payment. Compensation costs are recognised based on the number of gross shares awarded, in spite of the employee ultimately only receiving the net shares and the Group paying the portion required to meet the withholding obligations to the tax authority in cash. The withholding tax paid by the Group to the tax authority is recognised directly from equity. The consolidated financial statements for 2017 included EUR 402 thousand of long-term and EUR 192 thousand of short-term debt relating to

the share to be paid in cash. These shares have been adjusted in the opening statement of the financial position from liabilities to the retained earnings.

The IFRS 9 standard, effective as mandatory in the beginning of 2018, replaces in its entirety the IAS 39 standard. Per the IFRS 9 standard, financial assets are measured at fair value except under certain conditions when they are measured at residual acquisition cost. Valuation methods have also been simplified. The new standard brought changes to hedging calculations and a new method for impairment assessment, which requires an earlier recognition of anticipated credit losses. For Asiakastieto Group, the standard concerns account receivables and earlier recognition of their anticipated credit losses. The account receivables do not include a significant financial component in accordance with the definition of the IFRS 15 standard, so the Group has used a simplified model for assessing the expected credit losses. In the model, the expected credit losses are recognised for the entire validity period of the financial assets, its base being the amount of matured receivables and how long they have been matured. A provision matrix based on historical data has been used as an expedient in the assessment of expected credit losses. The application of the standard has no significant impact on the Group's result for the period, and the adjustment relating to its implementation has been recognised in profit or loss.

The IFRS 15 standard specifies how and when an IFRS reporter will recognise revenue. According to the standard, the revenue is recognised when the customer assumes control of the goods or service. The basic principle of IFRS 15 is that the revenue is recognised in a way describing the delivery of promised goods and services to the customer, and the recognised amount indicates the monetary amount which the company considers itself to be entitled to against the goods and services in question. In conformity with this principle, the revenue is recognised following a five-step recognition model.

Asiakastieto Group has applied the modified retrospective method in implementing the new standard, applying IFRS 15 only to contracts open on 1 January 2018, and presents these contracts as if they had been recognized as per IFRS 15 at the beginning of the contract periods. Asiakastieto Group specified revenue recognition of customer specific projects at the time of applying the new standard to comply in a more accurate way to the transfer of authority of a service. The accumulated EUR 22 thousand profit impact of the implementation of the new standard has been accounted as an adjustment to the opening balance of retained earnings as per the date of implementation, and the figures of the corresponding financial year have not been adjusted. The adjustment impact on short-term receivables is EUR -59 thousand, EUR 6 thousand on deferred tax assets and EUR -31 thousand on short-term liabilities of the opening statement of financial position. The impact of the application of the IFRS 15 standard is EUR 117 thousand on the Group's net sales in the interim period and EUR 28 thousand on the Group's operating profit in the interim period.

The impact of new and changed standards on the Group's statement of financial position:

CONSOLIDATED STATEMENT OF FINANCIAL POSITION				
EUR thousand	Book value 31.12.2017	IFRS 2	IFRS 15	Book value 1.1.2018
ASSETS				
Non-current assets	133 505	-	6	133 510
Current assets	26 815	-	-59	26 756
Total assets	160 320	-	-54	160 266
EQUITY AND LIABILITIES				
Equity	81 099	594	-22	81 671
Non-current liabilities	70 428	-402	-	70 025
Current liabilities	8 793	-192	-31	8 569
Total equity and liabilities	160 320	-	-54	160 266

New standards and interpretations not yet adopted

The IFRS 16 Leases standard will be applicable from 1 January 2019 onwards, and it establishes principles for the recognition, measurement, presentation and disclosure of leases and note requirements. Based on the standard, all leases are processed the same way so that the lessee books the assets and debts of all leases, unless the lease agreement is 12 months or less, or the lease agreement has low value. A lessor shall allocate lease agreements to financial leasing and other lease agreements. The financial statement process for the lessor's lease agreement according to the IFRS 16 standard is essentially unchanged compared to current standards. The adoption of the new standard will impact how lease agreements are presented in group financial statement and transfers off-balance sheet items to balance sheet, which increases the fixed assets and liabilities. The Group management is in the process of assessing the impact of the standard on consolidated financial statements and plans to apply the standard from the inception date 1 January 2019.

2.2. Net sales

NET SALES BY BUSINESS AREA					
EUR thousand	1.7.– 30.9.2018	1.7.– 30.9.2017	1.1.– 30.9.2018	1.1.– 30.9.2017	1.1.– 31.12.2017
Risk Decisions	21 363	9 307	42 057	28 615	38 503
Customer Data Management	2 053	941	4 937	3 217	4 723
Digital Processes	1 833	1 185	4 352	3 354	4 537
SME and Consumers	6 160	1 907	10 879	6 441	8 438
Total	31 410	13 341	62 225	41 627	56 201

On 20 June 2018, the Board of Directors of Asiakastieto Group decided on the new organisational structure. Asiakastieto Group's new organisation from 1 July 2018 on consists of two types of units: business areas and functional units. The net sales are presented both for the current year and the reference year using these new business areas.

Asiakastieto Group specified revenue recognition of customer specific projects at the time of applying the IFRS 15 standard to comply in a more accurate way to the transfer of authority of a service. The impact of the application of the IFRS 15 standard on the net sales accounted to Risk Decisions of the interim period was EUR 117 thousand.

2.3. Corporate acquisitions

Asiakastieto Group Plc's Board of Directors and the then owners of UC AB informed on 24 April 2018 to have agreed on the combination of the companies. Pursuant to the terms of the combination agreement, Asiakastieto Group Plc acquired on 29 June 2018 the shares in UC AB for a total consideration of EUR 338,9 million. The consideration consisted of EUR 98,8 million in cash and 8 828 343 newly issued shares in the Company.

UC AB is one of the leading business and credit reference agencies in Sweden. The company provides refined business information and comprehensive credit reports that enable companies and private individuals to make more reliable business decisions. The clientele includes companies, private individuals and the public sector. The company has over 300 employees in Stockholm, Gothenburg, Malmö, Örebro and Östersund. After the completion of the transaction, UC became the subsidiary of Asiakastieto Group Plc, and its operation continues as an own company.

The Group has made a preliminary allocation of the consideration for intangible assets identified and recognised in the acquisition. The purchase price allocation has been prepared as preliminary, and Asiakastieto continues to conform the principles for the preparation of the companies' financial statements and the detailed examination of the preliminary fair value calculations. In the preliminary allocation of the purchase consideration, EUR 20,3 million was allocated to customer relations, which will be amortised in 8–20 years, EUR 31,0 million to trademarks, which will be amortised in 15 years, and EUR 63,9 million to technology, which will be amortised in 5–12 years. The fair value of acquired accounts receivable is EUR 10,5 million, which corresponds to their book value at the moment of

acquisition. The accounts receivable are expected to be entirely collectable. Preliminary goodwill resulting from the acquisition is EUR 228,2 million. Goodwill is not deductible in taxation.

The preliminary goodwill recognised in connection with the acquisition consists of synergies directed at the customer relations, technology and cost structure of the target of acquisition and the acquiring party, expected future income from the target's knowhow and new technologies based on existing technologies, expected future income from new customer relations, and the knowledge and capabilities of the personnel of the target of acquisition.

UC's balance sheet has been consolidated into Asiakastieto Group's balance sheet starting from 30 June 2018, and the figures of the income statement from 1 July 2018. Therefore, the impact of the acquisition on the result are shown for the first time in full in the group result reported for the third quarter. At the moment of acquisition, there were no material mutual business operations between the Group and the acquired company that should have been taken into account in the combination of business activities.

CONSIDERATION TRANSFERRED

EUR thousand

Cash paid	98 800
Consideration shares	240 131
Total cost of acquisition	338 931

NET ASSETS ACQUIRED

EUR thousand

Customer relations	20 294
Trademarks	30 993
Technology	63 860
Other intangible assets	11 991
Tangible assets	1 431
Account and other receivables	14 190
Cash and cash equivalents	13 919
Deferred tax liabilities	-25 706
Interest-bearing liabilities	-446
Pension liabilities	-3 807
Advances received	-5 237
Account and other payables	-10 738
Net assets acquired	110 744
Share of equity held by non-controlling interest	0
	110 744

GOODWILL ARISING FROM BUSINESS COMBINATION

EUR thousand

Consideration transferred	338 931
Net assets acquired	110 744
Goodwill	228 187

EFFECTS OF ACQUISITION ON CASH FLOW

EUR thousand

Purchase price paid in cash	-98 800
Cash and cash equivalents of the acquired entity	13 919
	-84 881

Regulations of the Articles of Association concerning the credit register and credit register information and shareholder agreement

Asiakastieto Group Plc and the sellers have concluded a shareholder agreement, which concerns the control of UC's credit register and credit register information, as the company owned jointly by the sellers received, as part of the transaction, a small number of UC's B shares, granting their holders certain administrative rights. The B shares do not entitle to dividends or UC's result or balance sheet. Furthermore, according to UC's Articles of Association, among others, certain resolutions concerning the credit register and credit register information require a unanimous decision of the Board of Directors and the requirement for the making of such a decision at UC's General Meeting is that the minority shareholders vote in favour of the decision. These requirements are applied to changes containing a risk that UC is, from time to time, not able to fulfil its legal obligations and/or contractual obligations concerning, among others, the use, availability or processing of the credit register or credit register information, secured distribution of credit register information and the interface used for the delivery of credit information. Asiakastieto Group has further undertaken not to transfer UC's shares to any other party, unless such a party in possession of sufficient capacities and unless the party does not commit to the same restrictions as Asiakastieto Group in relation to the credit register and credit register information. According to UC's Articles of Association, the minority shareholders do not have the right to profit distribution. The purpose of these arrangements has been to ensure the maintenance of the credit register and the control of credit register information provided by the sellers.

2.4. Equity

CHANGES IN NUMBER OF SHARES		
	Number of shares	Total number of shares
1.1.2017		15 102 178
-	-	-
30.9.2017		15 102 178
-	-	-
31.12.2017		15 102 178
1.1.2018		15 102 178
Shares issued to the management's incentive system	23 443	15 125 621
Directed share issue	8 828 343	23 953 964
30.9.2018		23 953 964

A total of 23 443 new shares were subscribed for in Asiakastieto Group Plc's share issue targeted at the company's key personnel without payment and registered in the Trade Register on 29 May 2018. The new shares produce the right to dividends and other distribution of assets as well as other shareholder rights as of the registration date 29 May 2018. Trading in the new shares commenced on 30 May 2018. The issuance of shares related to the share based remuneration is disclosed in the notes to the condensed financial statements, section 2.7. Transactions with related parties.

On 29 June 2018, Asiakastieto Group Plc issued 8 828 343 new shares as part of the consideration for the acquisition of UC AB. The share subscription price was recognised in the invested unrestricted equity reserve, deducted by expenses. For this reason, the Group's invested unrestricted equity reserve increased by EUR 239,4 million. On 10 September 2018, the Financial Supervisory Authority approved the listing prospectus prepared by the company. On 11 September 2018, Nasdaq Helsinki Ltd approved the listing of the new shares. Trading in the new shares commenced on 12 September 2018.

For the financial year 2017, Asiakastieto Group Plc paid a dividend of EUR 0,95 per share, totalling EUR 14,3 million. The dividend was paid on 4 April 2018. For the financial year 2016, the company paid a dividend of EUR 0,90 per share, totalling EUR 13,6 million. The dividend payment date was 10 April 2017.

2.5. Interest-bearing liabilities

INTEREST-BEARING LIABILITIES OF THE GROUP			
EUR thousand	30.9.2018	30.9.2017	31.12.2017
Non-current			
Loans from financial institutions	169 942	69 746	69 775
Financial leasing debts	257	-	-
Total	170 199	69 746	69 775
Current			
Financial leasing debts	162	-	-
Total	162	-	-
Total interest-bearing liabilities	170 361	69 746	69 775

Loans from financial institutions are denominated in euros and financial leasing debts are denominated in Swedish krona.

On 18 October 2018, Asiakastieto Group Plc signed an agreement on the refinancing of its long-term loans. The company entered into a loan agreement on a total of EUR 180 million of financing with Danske Bank A/S, OP Corporate Bank Plc and Nordea Bank Plc. With this new financing, Asiakastieto Group Plc refinanced the below-mentioned term loan and revolving credit facility agreements and the financing agreement concerning a bridge loan. Refinancing is described in more detail in section 2.8 of this interim report, Events after the interim period.

At the end of the interim period, the Group had a term loan and revolving credit facility agreement with Danske Bank Plc and Pohjola Bank Plc of EUR 75,0 million consisting of a EUR 70,0 million term loan and a EUR 5,0 million revolving credit facility including a EUR 0,5 million bank account overdraft. In addition, to finance the acquisition of UC, on 31 May 2018 the Group had entered into a financing agreement with Danske Bank Oyj and OP Corporate Bank Plc concerning a bridge loan of EUR 100,0 million.

A financial covenant was included both in the original loan from financial institutions and the bridge loan, which was Net debt to EBITDA calculated in accordance with the financing agreement. The covenant was controlled on a quarterly basis. The relation of the Group's net debt to EBITDA adjusted according to the terms of the financing agreement was 3,8 on 30 September 2018 (2,1). The covenant limit in accordance with the financing agreement was 4,0 on 30 September 2018 and 3,5 in the financial year 2017.

Until the refinancing, Asiakastieto Group Plc and its subsidiary, Suomen Asiakastieto Oy, had guaranteed EUR 70,0 million of loans from financial institutions and EUR 5,0 million of undrawn facilities on behalf of each other.

2.6. Lease agreements

MINIMUM RENTS BASED ON NON-CANCELLABLE LEASE			
EUR thousand	30.9.2018	30.9.2017	31.12.2017
No later than 1 year	4 505	638	720
Later than 1 year and no later than 5 years	12 818	3 847	3 880
Later than 5 years	2 479	3 202	3 000
Total	19 802	7 687	7 600

The Company's lease commitments relate mainly to its office premises in Finland and Sweden and IT service contracts including the right of use of specific server capacity in Sweden.

2.7. Transactions with related parties

Related parties of the Group consist of group entities and shareholders having a significant influence over the Group. The shareholders who have had the right to nominate a representative in the Company's Board of Directors are considered having significant influence in the Company. In addition, the key management persons, including the Board of Directors, CEO and Executive Team, are related parties of the Group, as well as their close family members and companies, where above mentioned persons exercise controlling power. In connection with the acquisition of UC, the company specified the concept of related party in more detail and adjusted the related party information included in the consolidated financial statements prepared for 2017.

THE FOLLOWING TRANSACTIONS WERE CARRIED OUT WITH RELATED PARTIES			
1.1.- 30.9.2018	Sales of	Purchases of	Finance
EUR thousand	goods and	goods and	income and
	services	services	expenses
Shareholders having a significant influence over the Group	2 811	220	-
Total	2 811	220	-
30.9.2018		Receivables	Liabilities
EUR thousand			
Shareholders having a significant influence over the Group		1 118	2 068
Total		1 118	2 068
1.1.-31.12.2017	Sales of	Purchases of	Finance
EUR thousand	goods and	goods and	income and
	services	services	expenses
Shareholders having a significant influence over the Group ¹	328	-	-
Total	328	-	-
31.12.2017		Receivables	Liabilities
EUR thousand			
Shareholders having a significant influence over the Group ¹		26	-
Total		26	-

Transactions with related parties have been carried out on an arm's length basis. In the interim period, the Group's related party transactions with key persons in management and members of the Board of Directors consisted of normal salaries and fees.

Related to the acquisition of UC, certain members of the Executive Team are entitled to a stay on bonus corresponding to a maximum of three months' salary.

Long-term incentive plan to the management

Long-term incentive plan 2015 - 2018

In March 2015, the Board of Directors of the Company established an incentive plan for the management of the Group. The plan is based on the Group's management making personal investments in Asiakastieto Group Plc's shares and the opportunity for the Group's management to be awarded further shares on the basis of meeting long-term performance criteria and a commitment to the company. In order to participate in the plans and receive an award from the plans, the members of

¹ Figures of related party sales and purchases as well as receivables from and liabilities to related parties presented as reference data from the financial year 2017 have been corrected.

the Group's management acquired, in the personnel offering, the number of shares determined by the Board of Directors. Any shares acquired above the number of shares determined by the Board of Directors are not entitled to an award. The long-term incentive plan contains two elements: a performance based share plan and a matching share plan.

In general, no award shall be paid if the employment or service contract terminates before the award payment. Any award shall be paid in net amount of shares after deducting the tax-related costs.

The participants must retain at least 50 per cent of all net shares received on the basis of the plan until the participant's share ownership equals his/her annual gross base salary. Such number of shares must be held as long as the participant's employment or service at Asiakastieto Group continues.

The plan is directed to approximately ten key members of the Group's personnel, including all members of the executive team. The awards to be paid out through the performance based share plan and the matching share plan of year 2015 correspond to the value of 108 000 shares at a maximum, including also the cash proportion and with the assumption that the criteria for the performance-based share plan are achieved to their maximum.

In June 2016, the Board of Directors of Asiakastieto Group Plc resolved to continue the key employee performance share plan as resolved by the Board in March 2015. Should the targets of the plan resolved in June be attained in full, the payable rewards will correspond to a maximum total of 72 000 Asiakastieto Group shares, including also the cash proportion.

The long-term incentive plan to the management is in the scope of IFRS 2. For the interim period, an accrued expense of EUR 189 thousand (EUR 359 thousand) has been recognised in personnel expenses.

Matching Share Plan 2015

In the personnel offering, the members of the Group's management subscribed Personnel Shares, the ownership of which is a prerequisite for participating in the long-term incentive plan. The acquisition of Personnel Shares within the matching share plan entitles the participant to be awarded one additional share for each Personnel Share within the plan in four years' time, provided that the participant's employment or service at the company continues and the Personnel Shares acquired within the plan are still held by the participant at such time.

Performance Based Share Plan 2015

The long-term incentive plan includes the possibility to be awarded with further shares based on a set of performance criteria. The performance-based award for the period March 2015 – March 2018 shall be based on the total shareholder return calculated on the Asiakastieto Group Plc's share, adjusted for dividends paid. Any earned award shall be paid out to participants after the end of the performance period. Performance Based Share Plan 2015 ended on 31 March 2018 and paid out on 29 May 2018.

In the directed issue, key persons participating in the share programme were given 23 443 Asiakastieto Group Plc shares without consideration in compliance with the terms of the programme. Withholding tax of EUR 0,7 million was withheld from the shares issued and paid to the tax authorities. The resolution of a directed issue of shares was based on the authorisation given to the Board of Directors by the Annual General Meeting on 22 March 2018. The new shares were registered in the Trade Register on 29 May 2018, and they became the subject of public trading on 30 May 2018.

A person participating in the programme must own 50 per cent of net shares obtained on the basis of the programme until the time the value of the participant's holding is equivalent to their annual gross basic salary. The shares must be owned as long as the participant's employment or service relationship in the Group continues.

Performance Based Share Plan 2016

The long-term incentive plan includes the possibility to be awarded with further shares based on a set of performance criteria. The performance-based award for the period July 2016–December 2018 shall

be based on the total shareholder return calculated on the Asiakastieto Group Plc's share, adjusted for dividends paid. Any earned award shall be paid out to participants in 2019.

Long-term incentive plan from 2018 onwards

On 31 August 2018, Asiakastieto Group Plc's Board of Directors decided on a new share-based long-term incentive plan for key persons of Asiakastieto Group. The target group of the plan includes approximately 40 key persons, including the members of the Executive Team. The purpose of the plan is to continue joining the targets of the key persons and owners in order to increase the value of Asiakastieto Group and to ensure long-term commitment of key persons to the company.

In order to participate in the plan and receive award, the participant must purchase Asiakastieto Group Plc's shares or allocate previously held shares to the programme in the number determined by the Board of Directors.

The new plan consists of a commitment period and a performance period. Both periods began on 1 September 2018. The commitment period will end on 31 December 2019 and the performance period on 31 December 2020.

The possible award for the commitment period depends on the continuation of employment or service at the time of payment award and meeting of the shareholding requirement. The award for the commitment period will be paid after the end of the commitment period in 2020. Furthermore, the possible award for the performance period is based on total shareholder return (TSR) on Asiakastieto Group Plc share and the Group's adjusted EBITDA in 2020. The award for the performance period will be paid in two increments in 2021.

The awards will be paid partly in shares and partly in cash. The purpose of the cash payment is to cover taxes and tax-like charges incurred by the participant for the award. In general, no award will be paid if the employment or service contract terminates before the payment of award. Awards payable under the plan will not total more than the value of approximately 300 000 Asiakastieto Group Plc shares, including also the amount paid in cash.

Executive Team members must hold the net shares received under the plan until the value of the member's shareholding in the company equals their annual gross basic salary. The shares must be held for as long as the participant's employment or service relationship in Asiakastieto Group continues.

The new long-term incentive plan for the management is within the scope of IFRS 2. The commitment date for the members of the Executive Team was 21 September 2018 and the share purchase programme was carried out in the last week of September. For this reason, no accrued expense for the new incentive plan was recognised for the interim period.

2.8. Events after the interim period

Refinancing of long-term loans

On 18 October 2018, Asiakastieto Group Plc signed an agreement on the refinancing of its long-term loans. The company entered into a loan agreement on a total of EUR 180 million of financing with Danske Bank A/S, OP Corporate Bank Plc and Nordea Bank Plc. Asiakastieto Group Plc used this financing to refinance the EUR 75 million term loan and revolving credit facility agreement entered into with Danske Bank A/S and Pohjola Bank Plc on 28 November 2014 and to refinance the financing agreement entered into with Danske Bank A/S and OP Corporate Bank Plc on 31 May 2018, concerning a bridge loan of EUR 100 million.

The new agreement consists of an unsecured term loan of EUR 160 million and an unsecured credit facility of EUR 20 million. The company drew down the term loan on 25 October 2018, partially in euro and partially in Swedish krona in accordance with the terms of the loan agreement. The loans mature in October 2023. The new loans include a financial covenant controlled on a quarterly basis, which is Net debt to EBITDA calculated in accordance with the financing agreement.

NOTE 1. CONSOLIDATED PRO FORMA FINANCIAL INFORMATION

The following unaudited pro forma financial information is presented to illustrate the impact of the acquisition of UC and the related bridge financing on Asiakastieto Group's results of operations. More information on the acquisition of UC is presented under Note 2.3. to the condensed financial statements of the interim report. Corporate acquisitions and bridge financing are included under Note 2.5 to the condensed financial statements, Interest-bearing liabilities.

Consolidated pro forma statement of income data

CONSOLIDATED PRO FORMA STATEMENT OF INCOME					
EUR million	Actual reported				
	1.7.– 30.9.2018	1.7.– 30.9.2017	1.1.– 30.9.2018	1.1.– 30.9.2017	1.1.– 31.12.2017
Net sales	31,4	31,1	98,4	95,0	129,6
Other operating income	0,0	0,1	0,1	0,3	0,4
Materials and services	-5,5	-5,0	-16,8	-15,8	-21,3
Personnel expenses	-9,9	-8,2	-30,7	-28,2	-39,1
Other operating expenses	-8,2	-7,4	-29,1	-28,0	-37,6
Work performed by the entity and capitalised	0,4	0,6	1,5	2,7	3,7
Depreciation and amortisation	-3,8	-3,6	-11,3	-10,8	-14,6
Operating profit	4,4	7,6	12,1	15,2	20,9
Finance income	0,1	0,0	0,1	0,0	0,1
Finance expenses	-0,9	-0,7	-2,4	-2,3	-3,0
Finance income and expenses	-0,8	-0,7	-2,3	-2,2	-3,0
Profit before income tax	3,6	6,9	9,8	13,0	18,0
Income tax expense	-0,7	-1,4	-1,9	-3,4	-4,5
Profit for the period	2,9	5,5	7,9	9,5	13,4
Items that may be reclassified to profit or loss					
Exchange differences on translation of foreign operations	4,7	-	4,7	-	-
Items that will not be reclassified to profit or loss					
Remeasurements of post-employment benefit obligations	-	0,3	1,2	0,7	1,0
Income tax relating to these items	-	-0,1	-0,3	-0,1	-0,2
Other comprehensive income for the period, net of tax	4,7	0,2	5,7	0,5	0,8
Total comprehensive income for the period	7,6	5,7	13,6	10,1	14,2

CONSOLIDATED PRO FORMA STATEMENT OF INCOME 1.1. - 30.9.2018

EUR million	1.1.–	1.4.–	Actual reported 1.7.–	1.1.–
	31.3.2018	30.6.2018	30.9.2018	30.9.2018
Net sales	32,8	34,1	31,4	98,4
Other operating income	0,1	0,1	0,0	0,1
Materials and services	-5,3	-6,0	-5,5	-16,8
Personnel expenses	-10,1	-10,7	-9,9	-30,7
Other operating expenses	-9,9	-11,0	-8,2	-29,1
Work performed by the entity and capitalised	0,6	0,5	0,4	1,5
Depreciation and amortisation	-3,7	-3,7	-3,8	-11,3
Operating profit	4,5	3,2	4,4	12,1
Finance income	0,0	0,0	0,1	0,1
Finance expenses	-0,7	-0,8	-0,9	-2,4
Finance income and expenses	-0,7	-0,8	-0,8	-2,3
Profit before income tax	3,7	2,5	3,6	9,8
Income tax expense	-0,6	-0,6	-0,7	-1,9
Profit for the period	3,2	1,9	2,9	7,9
Items that may be reclassified to profit or loss				
Exchange differences on translation of foreign operations	-	-	4,7	4,7
Items that will not be reclassified to profit or loss				
Remeasurements of post-employment benefit obligations	1,1	0,1	-	1,2
Income tax relating to these items	-0,2	0,0	-	-0,3
Other comprehensive income for the period, net of tax	0,8	0,1	4,7	5,7
Total comprehensive income for the period	4,0	2,0	7,6	13,6

Basis of presentation of the unaudited pro forma financial information

The pro forma financial information for the interim period and the financial year ended 31 December 2017 combines historical consolidated statements of comprehensive income of Asiakastieto Group and UC and the impact of the acquisition of UC including the bridge financing to give effect to the transaction as if it had occurred on 1 January 2017. UC's balance sheet has been consolidated into Asiakastieto Group's balance sheet starting from 30 June 2018 and the figures of the income statement from 1 July 2018. Therefore, the figures for the third quarter of 2018 are taken into account in the pro forma calculations as actual reported figures.

The pro forma financial information for the financial year ended 31 December 2017 is prepared in accordance with the accounting policies applied in Asiakastieto Group's audited consolidated financial statements for the year ended 31 December 2017. The pro forma financial information for the interim period is prepared in accordance with the accounting policies applied in Asiakastieto Group's unaudited interim report for the interim period ended 30 September 2018. On 1 January 2018, Asiakastieto Group adopted IFRS 9, Financial Instruments, and IFRS 15, Revenue from Contracts with Customers. Asiakastieto Group has not restated prior year comparatives. On 1 January 2017, in connection with transition to IFRS, UC adopted IFRS 9 and IFRS 15. The adoption of IFRS 9 and IFRS 15 did not have a material impact on Asiakastieto Group's financial information.

The unaudited pro forma financial information is prepared on the basis of the historical consolidated statements of comprehensive income of Asiakastieto Group and UC, prepared in accordance with IFRS. More information on Asiakastieto Group's historical performance is available in Asiakastieto Group's audited financial statements and Asiakastieto Group's half year financial report for this year. The basis of presentation of the pro forma financial information and the notes to unaudited comprehensive pro forma income statements are also presented in more detail in the report. Asiakastieto Group's audited financial statements and half year report are available at www.asiakastieto.fi.

All amounts are presented in millions of euros unless otherwise stated. The pro forma financial information set forth herein has been rounded. Accordingly, in certain instances, the sum of figures may not conform exactly to the total amount given for that column or row.

Additional pro forma information

The following tables present the net sales distribution by business area, applying the same principles as those applied to the pro forma income statement information, and the basic and diluted pro forma earnings per share attributable to the owners of the parent company.

PRO FORMA NET SALES BY BUSINESS AREAS					
	Actual reported				
	1.7.–	1.7.–	1.1.–	1.1.–	1.1.–
EUR million	30.9.2018	30.9.2017	30.9.2018	30.9.2017	31.12.2017
Risk Decisions	21,4	20,6	64,9	62,2	83,9
Customer Data Management	2,1	2,3	7,0	7,6	10,5
Digital Processes	1,8	1,6	5,6	4,6	6,2
SME and Consumers	6,2	6,6	20,8	20,6	29,0
Total	31,4	31,1	98,4	95,0	129,6

PRO FORMA NET SALES BY BUSINESS AREAS 1.1.–30.9.2018

EUR million	1.1.–	1.4.–	Actual reported	1.1.–
	31.3.2018	30.6.2018	1.7.– 30.9.2018	30.9.2018
Risk Decisions	21,3	22,2	21,4	64,9
Customer Data Management	2,6	2,4	2,1	7,0
Digital Processes	1,7	2,1	1,8	5,6
SME and Consumers	7,2	7,5	6,2	20,8
Total	32,8	34,1	31,4	98,4

PRO FORMA EARNINGS PER SHARE

EUR million (unless otherwise stated)	Actual reported	1.7.–	1.1.–	1.1.–	1.1.–
	1.7.– 30.9.2018	30.9.2017	30.9.2018	30.9.2017	31.12.2017
Pro forma profit attributable to the owners of the parent company	2,9	5,5	7,9	9,5	13,4
Weighted average number of shares in issue, historical (pcs)	23 953 964	15 102 178	15 112 912	15 102 178	15 102 178
Pro forma adjustment regarding new shares (pcs)	-	-	-	-	-
New shares issued as part of consideration (pcs)	-	8 828 343	8 828 343	8 828 343	8 828 343
Pro forma weighted average number of shares in issue, basic (pcs)	23 953 964	23 930 521	23 941 255	23 930 521	23 930 521
Pro forma basic earnings per share (EUR)	0,12	0,23	0,33	0,40	0,56
Pro forma weighted average number of shares in issue, basic (pcs)	23 953 964	23 930 521	23 941 255	23 930 521	23 930 521
Management's incentive plan (pcs)	41 479	60 398	41 479	60 398	64 095
Pro forma number of shares, weighted average, diluted (pcs)	23 995 443	23 990 919	23 982 734	23 990 919	23 994 616
Pro forma diluted earnings per share (EUR)	0,12	0,23	0,33	0,40	0,56

Pro forma key figures

In addition to pro forma operating profit (EBIT) and pro forma EBITDA, Asiakastieto Group presents on a pro forma basis comparable earnings per share excluding amortisation from fair value adjustments related to the business acquisitions and their tax impact, adjusted operating profit (EBIT) and adjusted EBITDA, to reflect the financial development of its business operations and to enhance comparability from period to period. Information regarding the formulas for key figures and reasons for the use of alternative performance measures are presented in Note 2 to this interim report, Key financial information for the group.

PRO FORMA KEY FIGURES					
EUR million	1.7.– 30.9.2018	1.7.– 30.9.2017	1.1.– 30.9.2018	1.1.– 30.9.2017	1.1.– 31.12.2017
Net sales	31,4	31,1	98,4	95,0	129,6
Net sales growth, %	1,0	n/a	3,5	n/a	n/a
EBITDA	8,2	11,3	23,4	26,0	35,6
EBITDA margin, %	26,2	36,2	23,8	27,4	27,4
Adjusted EBITDA	10,9	11,6	29,8	32,4	43,1
Adjusted EBITDA margin, %	34,6	37,3	30,3	34,1	33,2
Operating profit (EBIT)	4,4	7,6	12,1	15,2	20,9
EBIT margin, %	14,0	24,5	12,3	16,0	16,1
Adjusted operating profit (EBIT)	9,8	10,8	26,8	30,0	39,6
Adjusted EBIT margin, %	31,3	34,6	27,3	31,6	30,6
Net sales from new products and services	2,7	2,4	7,7	7,9	10,7
New products and services share of net sales, %	8,6	7,6	7,8	8,3	8,3
Earnings per share, basic, EUR	0,12	0,23	0,33	0,40	0,56
Earnings per share, diluted, EUR	0,12	0,23	0,33	0,40	0,56
Earnings per share, comparable, EUR ¹	0,21	0,32	0,60	0,67	0,93
Net debt to adjusted EBITDA, x ²	3,5	n/a	3,5	n/a	n/a

¹ The comparable pro forma earnings per share result does not contain amortisation from fair value adjustments related to the acquisitions or their tax impact.

² The net debt to adjusted EBITDA has been calculated by dividing the net debt of Asiakastieto Group's consolidated statement of financial position at 30 September 2018 by the pro forma adjusted EBITDA of the past 12 months.

Matching of pro forma alternative key figures to the closest IFRS key figure

PRO FORMA ADJUSTED EBITDA					
	Actual reported				
EUR million	1.7.– 30.9.2018	1.7.– 30.9.2017	1.1.– 30.9.2018	1.1.– 30.9.2017	1.1.– 31.12.2017
Operating profit (IFRS)	4,4	7,6	12,1	15,2	20,9
Depreciation and amortisation	3,8	3,6	11,3	10,8	14,6
EBITDA	8,2	11,3	23,4	26,0	35,6
Items affecting comparability					
M&A and integration related expenses	0,9	0,2	3,7	6,0	6,4
Redundancy payments	1,6	0,0	1,8	0,2	0,4
External expenses arising from significant regulatory changes	0,1	0,1	0,9	0,2	0,7
Compensations paid	0,1	-	0,1	-	-
Total items affecting comparability	2,7	0,4	6,5	6,4	7,5
Adjusted EBITDA	10,9	11,6	29,8	32,4	43,1

PRO FORMA ADJUSTED OPERATING PROFIT					
	Actual reported				
EUR million	1.7.– 30.9.2018	1.7.– 30.9.2017	1.1.– 30.9.2018	1.1.– 30.9.2017	1.1.– 31.12.2017
Operating profit (IFRS)	4,4	7,6	12,1	15,2	20,9
Amortisation from fair value adjustments related to the acquisitions	2,8	2,8	8,2	8,4	11,2
Items affecting comparability					
M&A and integration related expenses	0,9	0,2	3,7	6,0	6,4
Redundancy payments	1,6	0,0	1,8	0,2	0,4
External expenses arising from significant regulatory changes	0,1	0,1	0,9	0,2	0,7
Compensations paid	0,1	-	0,1	-	-
Total items affecting comparability	2,7	0,4	6,5	6,4	7,5
Adjusted operating profit	9,8	10,8	26,8	30,0	39,6

PRO FORMA COMPARABLE EARNINGS PER SHARE					
EUR million (unless otherwise stated)	Actual reported		1.1.– 30.9.2018	1.1.– 30.9.2017	1.1.– 31.12.2017
	1.7.– 30.9.2018	1.7.– 30.9.2017			
Pro forma profit attributable to the owners of the parent company (IFRS)	2,9	5,5	7,9	9,5	13,4
Amortisation from fair value adjustments related to the acquisitions	2,8	2,8	8,2	8,4	11,2
Tax impact of amortisation from fair value adjustments related to the acquisitions	-0,6	-0,6	-1,8	-1,8	-2,5
Pro forma comparable profit attributable to the owners of the parent company	5,1	7,6	14,4	16,1	22,2
Pro forma weighted average number of shares in issue, basic (pcs)	23 953 964	23 930 521	23 941 255	23 930 521	23 930 521
Pro forma comparable earnings per share (EUR)	0,21	0,32	0,60	0,67	0,93

NOTE 2. KEY FINANCIAL INFORMATION FOR THE GROUP

Asiakastieto Group Plc presents alternative performance measures as additional information for key performance measures in the consolidated statements of income, financial position and cash flows prepared according to IFRS to reflect the financial development of its business operations and to enhance comparability from period to period. According to the management's view, alternative performance measures provide substantial supplemental information on the result of the Group's operations, financial position and cash flows to the management and investors, securities analysts and other parties. Alternative performance measures are not, as such, included in the consolidated financial statements prepared according to IFRS, but they are derived from the IFRS consolidated financial statements by adjusting items in the consolidated statements of income, financial position and cash flows and/or by proportioning them to each other. Alternative performance measures should not be considered as a substitute for measures in accordance with IFRS. All companies do not calculate alternative performance measures in a uniform way. Therefore, the company's alternative performance measures are not necessarily comparable with similarly named performance measures of other companies.

In addition, Asiakastieto Group Plc presents some performance measures reflecting the productivity of its business operations on a pro forma basis to describe the impact of UC's acquisition and bridge loan financing as if these transactions had been realized on an earlier date. The information on the preparation basis of Pro forma financial information and the unaudited pro forma income statements used as the basis for the calculation are found in Note 1, Consolidated pro forma financial information.

The alternative performance measures of this interim report have been calculated applying the same principles as presented in the Board of Directors' Annual Report for 2017, with the exception of the calculation of net sales of new products and services and free cash flow. In addition, the definition of adjusted operating profit has been updated because of the acquisition of UC, which is why the adjusted EBIT and adjusted EBIT margin have been adjusted retroactively from 1 January 2017 to match the new definition. The update of this definition of adjusted operating profit has not had a substantial impact on the adjusted operating profits reported earlier.

KEY INCOME STATEMENT AND CASH FLOW FIGURES AND RATIOS					
EUR million	1.7.– 30.9.2018	1.7.– 30.9.2017	1.1.– 30.9.2018	1.1.– 30.9.2017	1.1.– 31.12.2017
Net sales	31,4	13,3	62,2	41,6	56,2
Growth of net sales, %	135,4	14,0	49,5	13,9	14,3
EBITDA	8,2	6,0	15,3	18,7	24,3
EBITDA margin, %	26,2	45,0	24,6	44,8	43,3
Adjusted EBITDA ⁵	10,9	6,1	23,9	18,9	24,8
Adjusted EBITDA margin, % ⁵	34,6	45,7	38,4	45,4	44,2
EBIT	4,4	5,3	9,6	16,5	21,2
EBIT margin, %	14,0	39,4	15,4	39,6	37,8
Adjusted EBIT ^{1, 5}	9,8	5,4	21,2	16,8	22,0
Adjusted EBIT margin, % ^{1, 5}	31,3	40,3	34,0	40,4	39,1
Free cash flow ⁴	4,1	4,8	8,0	12,2	16,5
Cash conversion, % ⁴	49,4	80,6	52,4	65,5	68,0
Net sales from new products and services ²	2,7	1,7	5,8	6,1	8,2
Net sales from new products and services share of net sales, % ²	8,6	12,9	9,3	14,6	14,6
Net sales from value-added services ³	25,2	9,3	47,1	29,1	38,9
Value-added services share of net sales, % ³	80,3	69,4	75,7	69,8	69,2
Earnings per share, basic, EUR	0,12	0,26	0,33	0,83	1,06
Earnings per share, diluted, EUR	0,12	0,26	0,33	0,83	1,06
Earnings per share, comparable, EUR ⁷	0,21	0,27	0,45	0,84	1,07

KEY BALANCE SHEET RATIOS					
EUR million	1.7.– 30.9.2018	1.7.– 30.9.2017	1.1.– 30.9.2018	1.1.– 30.9.2017	1.1.– 31.12.2017
Balance sheet total	544,5	156,8	544,5	156,8	160,3
Net debt	143,4	48,9	143,4	48,9	50,9
Net debt to adjusted EBITDA, x ⁶	pro forma 3,5	2,0	pro forma 3,5	1,9	2,1
Return on equity, %	3,7	21,1	4,0	21,4	20,1
Return on capital employed, %	3,7	14,5	4,1	14,9	14,2
Gearing, %	45,3	63,1	45,3	63,1	63,0
Equity ratio, %	58,9	50,0	58,9	50,0	51,0
Gross investments	1,3	0,6	3,8	2,6	4,3

¹ The method used for calculating the adjusted operating profit (EBIT), the reported adjusted operating profit (EBIT) of the first quarter, the comparative figures for the period 1 July–30 September 2017, the interim period 1 January–30 September 2017 and the financial year 2017 have been changed from 1 April 2018 so that also amortisation from fair value adjustments related to the acquisitions and external expenses arising from significant regulatory changes are taken into account as items to be adjusted.

² The method used for calculating the share of new products and services, comparison data from the period 1 July–30 September 2017, the interim period 1 January–30 September 2017 and the financial year 2017 have been changed starting from 1 January 2018 so that the share includes the total sales of products launched during the past 24 months. Earlier, the share was calculated as the net sales of products and services launched during the past 12 months and added by the change in net sales of products and services launched during the preceding 12 months.

³ The services of Emaileri Oy have been included in value-added services starting 1 April 2018 and they have been retroactively added to reported first quarter value-added services.

⁴ The method used for calculating the free cash flow, the comparative figures for the period 1 July–30 September 2017, the interim period 1 January–30 September 2017 and the financial year 2017 have been changed from 1 January 2018 so that the impact of paid taxes is no longer added to the cash flow of business operations.

⁵ The adjusted performance measures are calculated by adjusting the performance measures with the following items affecting comparability: M&A- and integration-related expenses, redundancy payments, compensations paid and external expenses arising from significant regulatory changes.

⁶ Due to the impact of UC acquisition on the net debt of Asiakastieto, the net debt to adjusted EBITDA for the third quarter and the interim period has been calculated by dividing the net debt of the consolidated statement of financial position at 30 September 2018 by the pro forma adjusted EBITDA of the past 12 months.

⁷ The comparable earnings per share does not contain amortisation from fair value adjustments related to the acquisitions or their tax impact.

Matching of the alternative key figures to the closest IFRS key figure

EBITDA AND ADJUSTED EBITDA					
EUR thousand	1.7.– 30.9.2018	1.7.– 30.9.2017	1.1.– 30.9.2018	1.1.– 30.9.2017	1.1.– 31.12.2017
EBIT	4 401	5 251	9 578	16 486	21 232
Depreciation and amortisation	3 814	753	5 718	2 164	3 074
EBITDA	8 214	6 004	15 296	18 650	24 307
Items affecting comparability					
M&A and integration related expenses	896	95	6 836	122	409
Redundancy payments	1 581	-	1 581	107	107
External expenses arising from significant regulatory changes	94	-	103	-	-
Compensations paid	80	-	80	-	-
Total items affecting comparability	2 651	95	8 600	229	516
Adjusted EBITDA	10 865	6 099	23 897	18 879	24 822

EBIT AND ADJUSTED EBIT					
EUR thousand	1.7.– 30.9.2018	1.7.– 30.9.2017	1.1.– 30.9.2018	1.1.– 30.9.2017	1.1.– 31.12.2017
EBIT	4 401	5 251	9 578	16 486	21 232
Amortisation from fair value adjustments related to the acquisitions	2 766	34	3 001	103	221
Items affecting comparability					
M&A and integration related expenses	896	95	6 836	122	409
Redundancy payments	1 581	-	1 581	107	107
External expenses arising from significant regulatory changes	94	-	103	-	-
Compensations paid	80	-	80	-	-
Total items affecting comparability	2 651	95	8 600	229	516
Adjusted EBIT	9 817	5 380	21 180	16 818	21 969

FREE CASH FLOW					
EUR thousand	1.7.– 30.9.2018	1.7.– 30.9.2017	1.1.– 30.9.2018	1.1.– 30.9.2017	1.1.– 31.12.2017
Cash flow from operating activities	5 559	5 289	11 292	14 146	19 914
Paid interests and other financing expenses	268	227	1 049	708	962
Received interests and other financing income	-3	-0	-3	-3	-4
Acquisition of tangible assets and intangible assets	-1 762	-678	-4 326	-2 629	-4 344
Free cash flow	4 062	4 837	8 012	12 222	16 529

Matching of alternative performance measures in Pro forma format are shown in Note 1. Consolidated pro forma financial information of this Interim Report.

Calculation formulas for alternative performance measures

Of the alternative performance measures, the methods for calculating new products and services and free cash flow have been changed from 1 January 2018 on. The method for calculating free cash flow has been changed so that the impact of paid taxes is no longer added to the cash flow of business operations. Free cash flow is thus formed of business cash flow before interest and other financing expenses and interest and other financing income deducted by acquisitions of tangible assets and intangible assets. The method for calculating the share of new products and services has been changed so that the total sales of products launched during the past 24 months are included in the shares. Previously, the share was calculated as the net sales for products and services launched during the past 12 months added by the change in net sales for products and services launched during the preceding 12 months.

In addition to this, the definition for adjusted operating profit has been updated due to the acquisition of UC, because of which the adjusted operating profit and adjusted operating profit margin have been adjusted retroactively from 1 January 2017 to correspond to the new definition. In the future, the Company will include, according to the new definition, also amortisation from fair value adjustments related to the acquisitions and external expenses arising from significant regulatory changes in the items to be adjusted. This update of the definition for adjusted operating profit has had no substantial impact on the adjusted operating profits reported earlier.

FORMULAS FOR KEY FIGURES

EBITDA	Operating profit + depreciation and amortisation
Items affecting comparability	Material items outside ordinary course of business that concern i) M&A and integration related expenses, ii) redundancy payments, iii) compensations paid and iv) external expenses arising from significant regulatory changes
Adjusted EBITDA	Operating margin + items affecting comparability
Adjusted operating profit (EBIT)	Operating profit excluding amortisation from fair value adjustments related to the acquisitions + items affecting comparability
Net sales from new products and services	Net sales of new products and services is calculated as net sales of those products and services introduced within the past twenty-four months.
Net sales from value-added services	Net sales generated from value-added products and services during the period
Free cash flow	Cash flow from operating activities added by paid interests and other financing expenses, deducted by received interests and other financing income and deducted by acquisition of tangible and intangible assets
Cash conversion, %	$\frac{\text{Free cash flow}}{\text{EBITDA}} \times 100$
Net debt	Interest-bearing liabilities - Cash and cash equivalents
Net debt to adjusted EBITDA, x	$\frac{\text{Net debt}}{\text{Adjusted EBITDA}}$

Return on equity, %	$\frac{\text{Profit (loss) for the period}}{\text{Total equity (average for the period)}} \times 100$
Return on capital employed, %	$\frac{\text{Profit (loss) before taxes + Financial expenses}}{\text{Total assets - Non-interest-bearing liabilities (average for the period)}} \times 100$
Gearing, %	$\frac{\text{Interest-bearing liabilities - Cash and cash equivalents}}{\text{Total equity}} \times 100$
Equity ratio, %	$\frac{\text{Total equity}}{\text{Total assets - Advances received}} \times 100$
Earnings per share, basic	Profit for the period attributable to the owners of the parent company divided by weighted average number of shares in issue
Earnings per share, diluted	Profit for the period attributable to the owners of the parent company divided by weighted average number of shares in issue taken into consideration the possible impact of the Group's management's long-term incentive plan
Earnings per share, comparable	Profit for the period attributable to the owners of the parent company excluding amortisation from fair value adjustments related to the acquisitions and their tax impact divided by weighted average number of shares in issue
Gross investments	Gross investments are fixed asset acquisitions with long-term effect, from which no sales of property or disposal of business have been deducted. As a general rule, fixed assets comprise tangible assets and intangible assets

Purpose of use of alternative performance measures

EBITDA, adjusted EBITDA and adjusted EBIT are presented as alternative performance measures as they, according to the Company's view, enhance the understanding of the Group's results of operations and are frequently used by analysts, investors and other parties.

Net sales from new products and services and net sales from value-added services are presented as alternative performance measures, as they, according to the Company's views, describe the development and structure of the Company's net sales.

Free cash flow, cash conversion and gross investments are presented as alternative performance measures, as they provide, according to the Company's view, a good insight into the needs relating to the Group's business cash flow and are frequently used by analysts, investors and other parties.

Net debt, net debt to adjusted EBITDA, return on equity and return on capital employed are presented as alternative performance measures, as they are, according to the Company's view, useful measures of the Group's ability to obtain financing and pay their debts, and they are frequently used by analysts, investors and other parties.

Gearing and equity ratio are presented as alternative performance measures, as they, according to the Company's views, reflect the level of risk related to financing and help to monitor the level of capital employed in the Group's business.

Comparable earnings per share is presented as an alternative performance measure as it, according to the Company's view, helps to reflect the profit attributable to the owners.

Quarterly consolidated statements of income

CONSOLIDATED STATEMENT OF INCOME						
EUR thousand	Q3 2018	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Q2 2017
Net sales	31 410	15 728	15 088	14 574	13 341	14 436
Other operating income	33	14	49	50	53	56
Materials and services	-5 532	-3 712	-3 178	-2 913	-2 938	-3 138
Personnel expenses	-9 905	-3 424	-3 469	-3 641	-2 632	-3 268
Other operating expenses	-8 158	-7 021	-3 765	-2 726	-2 006	-1 973
Work performed by the entity and capitalised	366	390	381	312	187	369
Depreciation and amortisation	-3 814	-977	-928	-910	-753	-713
Operating profit	4 401	997	4 180	4 746	5 251	5 770
Finance income	114	0	0	1	0	2
Finance expenses	-891	-327	-292	-278	-265	-261
Finance income and expenses	-776	-326	-292	-277	-265	-259
Profit before income tax	3 624	671	3 888	4 469	4 986	5 511
Income tax expense	-707	-704	-780	-975	-999	-1 103
Profit for the period	2 917	-33	3 108	3 494	3 987	4 408
Items that may be reclassified to profit or loss						
Exchange differences on translation of foreign operations	4 733	-	-	-	-	-
Total comprehensive income for the period	7 650	-33	3 108	3 494	3 987	4 408
Profit attributable to:						
Owners of the parent company	2 917	-33	3 108	3 494	3 987	4 408
Total comprehensive income attributable to:						
Owners of the parent company	7 650	-33	3 108	3 494	3 987	4 408
Earnings per share attributable to the owners of the parent during the period:						
Basic, EUR	0,12	-0,00	0,21	0,23	0,26	0,29
Diluted, EUR	0,12	-0,00	0,20	0,23	0,26	0,29

