ASIAKASTIETO GROUP PLC

HALF YEAR FINANCIAL REPORT

1.1.–30.6.2019

Intelligent decisions.
Bigger dreams.

ASIAKASTIETO GROUP PLC, STOCK EXCHANGE RELEASE 8 AUGUST 2019 AT 11.00 EEST

Asiakastieto Group's Half Year Report 1.1. – 30.6.2019: Continued Nordic growth

SUMMARY

Asiakastieto Group Plc acquired on 29 June 2018 the shares in UC AB. As a result of the acquisition, UC AB's consolidated balance sheet has been consolidated as part of Asiakastieto Group Plc's consolidated balance sheet from 30 June 2018 and UC AB's consolidated income statement as part of Asiakastieto Group Plc's consolidated income statement from 1 July 2018. In this half year report, the reported figures for the review time 1 January–30 June do not include UC AB's figures.

The figures presented in this half year report are unaudited.

April – June 2019 in brief

- Net sales amounted to EUR 35,6 million (EUR 15,7 million), an increase of 126,1 %.
- Adjusted EBITDA excluding items affecting comparability was EUR 12,2 million (EUR 6,6 million), an increase of 84,8 %.
- Adjusted EBITDA excluding IFRS 16 impact was EUR 11,7 million (EUR 6,6 million), an increase of 76,5 %.
- Adjusted EBIT excluding items affecting comparability and amortisation from fair value adjustments related to the acquisitions was EUR 9,2 million (EUR 5,7 million), an increase of 59,5 %.
- Operating profit (EBIT) was EUR 5,0 million (EUR 1,0 million). Operating profit included items affecting comparability of EUR 4,1 million (EUR 4,8 million), mainly arising from amortisation from fair value adjustments of EUR 2,7 million (EUR 0,1 million) related to acquisitions, M&A expenses and redundancy-related expenses associated with the restructuring of operations.
- UC KYC service was closed down in Sweden. The effect of closing down the service was EUR -0,3 million on adjusted EBITDA and EUR -1,5 million on adjusted EBIT.
- New products and services represented 4,0 % (10,5 %) of net sales.
- Free cash flow amounted to EUR 5,3 million (EUR 2,4 million). The effect of items affecting comparability on free cash flow was EUR -0,5 million (EUR -1,7 million).
- Earnings per share were EUR 0,15 (EUR -0,00).
- Comparable earnings per share were EUR 0,24 (EUR 0,00)[1].

January – June 2019 in brief

- Net sales amounted to EUR 70,1 million (EUR 30,8 million), an increase of 127,4 %.
- Adjusted EBITDA excluding items affecting comparability was EUR 24,0 million (EUR 13,0 million), an increase of 83,8 %.
- Adjusted EBITDA excluding IFRS 16 impact was EUR 22,9 million (EUR 13,0 million), an increase of 75,4 %.
- Adjusted EBIT excluding items affecting comparability and amortisation from fair value adjustments related to the acquisitions was EUR 19,0 million (EUR 11,4 million), an increase of 67,2 %.
- Operating profit (EBIT) was EUR 11,7 million (EUR 5,2 million). Operating profit included items affecting comparability of EUR 7,3 million (EUR 6,2 million), mainly arising from amortisation from fair value adjustments of EUR 5,5 million (EUR 0,2 million) related to acquisitions, M&A expenses and redundancy-related expenses associated with the restructuring of operations.
- UC KYC service was closed down in Sweden. The effect of closing down the service was EUR -0,3 million on adjusted EBITDA and EUR -1,5 million on adjusted EBIT.
- New products and services represented 4,2 % (10,1 %) of net sales.
- Free cash flow amounted to EUR 12,6 million (EUR 4,0 million). The effect of items affecting comparability on free cash flow was EUR -1,2 million (EUR -2,2 million).
- Earnings per share were EUR 0,35 (EUR 0,20).
- Comparable earnings per share were EUR 0,53 (EUR 0,21)[1].

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

KEY FIGURES

EUR million	1.4. – 30.6.2019	1.4. – 30.6.2018	1.1. – 30.6.2019	1.1. – 30.6.2018	1.1. – 31.12.2018
Net sales	35,6	15,7	70,1	30,8	98,1
Net sales growth, %	126,1	8,9	127,4	8,9	74,6
Operating profit (EBIT)	5,0	1,0	11,7	5,2	16,7
EBIT margin, %	14,1	6,3	16,7	16,8	17,0
Adjusted EBITDA	12,2	6,6	24,0	13,0	36,1
Adjusted EBITDA margin, %	34,3	42,0	34,2	42,3	36,8
Adjusted EBITDA excluding IFRS 16 impact	11,7	6,6	22,9	13,0	36,1
Adjusted EBITDA excluding IFRS 16 impact margin, %	32,8	42,0	32,6	42,3	36,8
Adjusted operating profit (EBIT)	9,2	5,7	19,0	11,4	32,0
Adjusted EBIT margin, %	25,8	36,6	27,1	36,9	32,7
New products and services of net sales, %	4,0	10,5	4,2	10,1	8,8
Free cash flow	5,3	2,4	12,6	4,0	15,9
Net debt to adjusted EBITDA, x	3,2	pro forma 3,6	3,3	pro forma 3,6	pro forma 3,3

Asiakastieto Group has prepared unaudited pro forma financial information to demonstrate the impacts of the UC acquisition, completed on 29 June 2018, on the result of operations and financial position of the Group and to improve the comparability of financial information. In this half year report, unaudited pro forma financial information is shown for the year 2018 as if the share transaction had been completed already on 1 January 2017. The pro forma financial information is indicated as Pro forma information in each instance where it appears in this half year report. The pro forma financial reporting principles are described in Note 1 to this half year report.

The figures in the pro forma summary for the comparison periods 1 January–30 June 2018 and 1 January–31 December 2018 are presented as pro forma figures, as if the acquisition of UC had taken place already at the beginning of 2017. The second half-year figures for 1 July–31 December 2018 are presented as actual reported figures.

PRO FORMA APRIL–JUNE 2019 IN BRIEF

- Net sales amounted to EUR 35,6 million (EUR 34,1 million), an increase of 4,2 % (at comparable exchange rates an increase of 5,8 %).
- Adjusted EBITDA excluding items affecting comparability was EUR 12,2 million (EUR 9,7 million), an increase of 25,8 % (at comparable exchange rates an increase of 26,5 %).
- Adjusted EBITDA excluding IFRS 16 impact was EUR 11,7 million (EUR 9,7 million), an increase of 20,1 % (at comparable exchange rates an increase of 20,8 %).
- Adjusted EBIT excluding items affecting comparability and amortisation from fair value adjustments related to the acquisitions was EUR 9,2 million (EUR 8,7 million), an increase of 5,5 %.
- Operating profit (EBIT) was EUR 5,0 million (EUR 3,2 million). Operating profit included items affecting comparability of EUR 1,4 million (EUR 2,8 million) and amortisation from fair value adjustments related to the acquisitions of EUR 2,7 million (EUR 2,7 million).
- UC KYC service was closed down in Sweden. The effect of closing down the service was EUR -0,3 million on adjusted EBITDA and EUR -1,5 million on adjusted EBIT.
- New products and services represented 4,0 % (8,2 %) of net sales.
- Earnings per share were EUR 0,15 (EUR 0,08).
- Comparable earnings per share were EUR 0,24 (EUR 0,17)[1].

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

PRO FORMA JANUARY–JUNE 2019 IN BRIEF

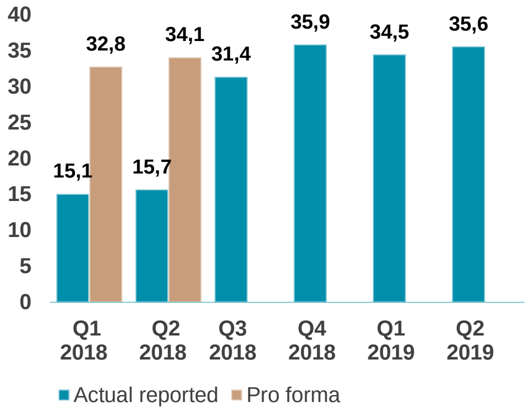
- Net sales amounted to EUR 70,1 million (EUR 66,9 million), an increase of 4,7 % (at comparable exchange rates an increase of 6,7 %).
- Adjusted EBITDA excluding items affecting comparability was EUR 24,0 million (EUR 19,0 million), an increase of 26,3 % (at comparable exchange rates an increase of 27,5 %).
- Adjusted EBITDA excluding IFRS 16 impact was EUR 22,9 million (EUR 19,0 million), an increase of 20,4 % (at comparable exchange rates an increase of 21,6 %).
- Adjusted EBIT excluding items affecting comparability and amortisation from fair value adjustments related to the acquisitions was EUR 19,0 million (EUR 17,0 million), an increase of 11,8 %.
- Operating profit (EBIT) was EUR 11,7 million (EUR 7,7 million). Operating profit included items affecting comparability of EUR 1,8 million (EUR 3,8 million) and amortisation from fair value adjustments related to the acquisitions of EUR 5,5 million (EUR 5,5 million).
- UC KYC service was closed down in Sweden. The effect of closing down the service was EUR -0,3 million on adjusted EBITDA and EUR -1,5 million on adjusted EBIT.
- New products and services represented 4,2 % (7,5 %) of net sales.
- Earnings per share were EUR 0,35 (EUR 0,21).
- Comparable earnings per share were EUR 0,53 (EUR 0,39)[1].

PRO FORMA KEY FIGURES

EUR million	Actual 1.4. – 30.6.2019	1.4. – 30.6.2018	Actual 1.1. – 30.6.2019	1.1. – 30.6.2018	1.1. – 31.12.2018
Net sales	35,6	34,1	70,1	66,9	134,3
Net sales growth, %	4,2	6,8	4,7	4,7	3,6
Operating profit (EBIT)	5,0	3,2	11,7	7,7	19,2
EBIT margin, %	14,1	9,5	16,7	11,5	14,3
Adjusted EBITDA	12,2	9,7	24,0	19,0	42,1
Adjusted EBITDA margin, %	34,3	28,5	34,2	28,3	31,3
Adjusted EBITDA excluding IFRS 16 impact	11,7	9,7	22,9	19,0	42,1
Adjusted EBITDA excluding IFRS 16 impact, %	32,8	28,5	32,6	28,3	31,3
Adjusted operating profit (EBIT)	9,2	8,7	19,0	17,0	37,7
Adjusted EBIT margin, %	25,8	25,5	27,1	25,4	28,1
New products and services of net sales, %	4,0	8,2	4,2	7,5	7,8
Net debt to adjusted EBITDA, x	3,2	3,6	3,3	3,6	3,3

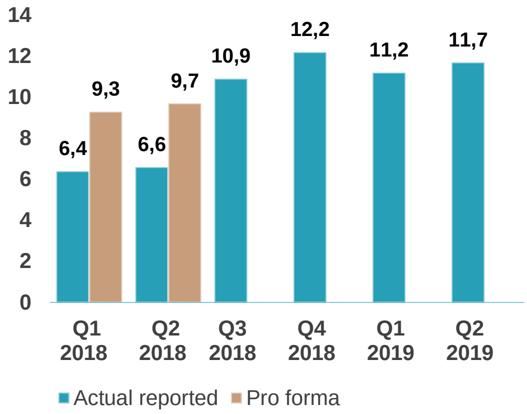
[1] The comparable pro forma earnings per share does not contain amortisation from fair value adjustments related to the acquisitions or their tax impact.

Net sales, EUR million



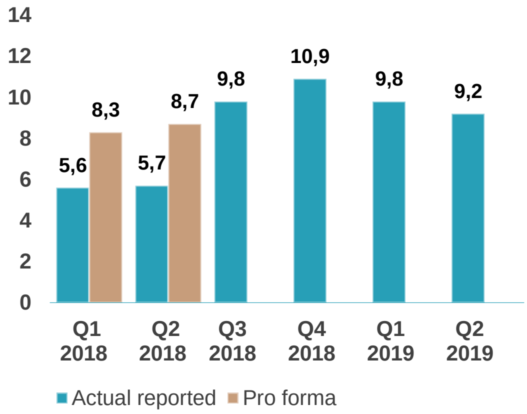
- Pro forma growth of net sales in the second quarter of 2019 was 4,2 % at reported exchange rates and 5,8 % at comparable exchange rates compared with the corresponding quarter of 2018.
- The development of net sales from consumer-related risk management services in the Risk Decisions business area continued strong in the second quarter. Launching of new products contributed in their part to the net sales growth.
- There was one banking day less in the second quarter compared to previous year both in Finland and in Sweden.

Adjusted EBITDA excluding IFRS 16 impact, EUR million



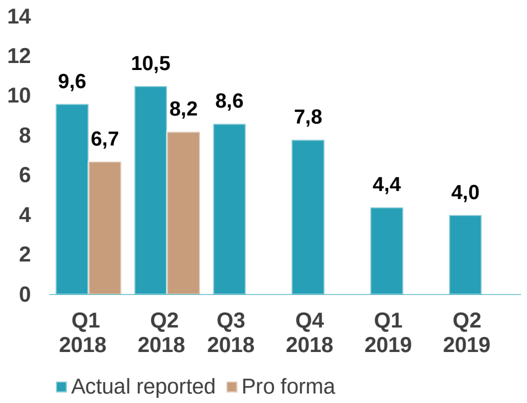
- Compared with the pro forma adjusted EBITDA for the corresponding quarter of 2018, adjusted EBITDA for the second quarter of 2019 excluding IFRS 16 impact increased by 20,1 % at reported exchange rates and 20,8 % at comparable exchange rates.
- Adjusted EBITDA was increased year-on-year by the positive development of net sales as well as the cost-efficiency effect of actions taken to leverage synergies.
- The effect of closing down the UC KYC service was EUR -0,3 million on adjusted EBITDA.
- Adjusted EBITDA margin excluding IFRS 16 impact was 32,8 % (28,5 %).

Adjusted operating profit (EBIT), EUR million



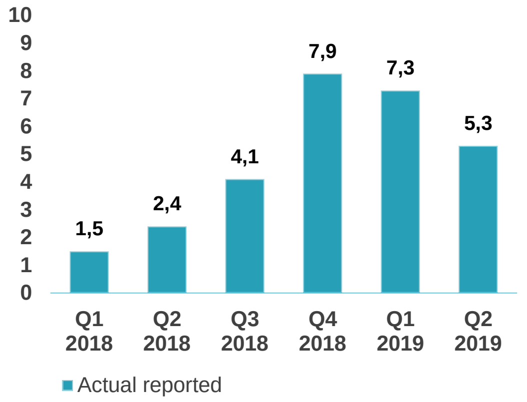
- Compared with pro forma adjusted operating profit (EBIT) in the reference period, adjusted operating profit in the second quarter of 2019 increased by 5,5 %.
- The effect of closing down the UC KYC service was EUR -1,5 million on adjusted EBIT.
- Amortisation related to capitalised development costs increased from the pro forma comparison period.
- Adjusted EBIT margin was 25,8 % (25,5 %).

New services' share of net sales, %



- New services represented 4,0 % of net sales in the second quarter.
- Attributable to integration projects and the retargeting of development portfolio at Nordic projects, the net sales contribution of new services remained below long-term target level in the second quarter.
- Fourteen new services were launched in the second quarter.

Free cash flow, EUR million



- Items affecting comparability decreased the cash flow from operating activities in the second quarter by EUR 0,5 million. The items affecting comparability consisted of M&A-related payments and redundancy-related payments arising from operational restructuring, which were mostly already recognised in the previous financial year.
- Withholding taxes related to the rewards paid under the Matching Share Plan 2015 and Performance-based Share Plan 2016 of the long-term incentive plan for the management had an impact of EUR -1,1 million on operating cash flow in the second quarter.

FUTURE OUTLOOK

Net sales: Asiakastieto Group expects its net sales growth in 2019 to be in the middle of the range of its long-term target (5–10 %) compared to the previous year's pro forma net sales.

EBITDA: Asiakastieto Group expects its adjusted EBITDA, excluding the effect of IFRS 16 transition, to grow in 2019 at a percentage rate that exceeds the rate of net sales growth compared to the previous year's pro forma adjusted EBITDA.

Capital expenditure: Asiakastieto Group expects its capitalised product development and software expenses in 2019 to exceed the previous year's level on a pro forma basis.

JUKKA RUUSKA, CEO

"Asiakastieto Group is growing and expanding. The Proff acquisition completed at the beginning of July solidifies Asiakastieto's position as the leading provider in the freemium segment of the business information services market in the Nordic countries. Following the acquisition, Asiakastieto's business information services in Finland, Sweden, Norway and Denmark serve approximately 6,5 million unique monthly visitors.

Our growth was moderate in the second quarter. Net sales increased at comparable exchange rates by 5,8 % to EUR 35,6 million (EUR 34,1 million). The Group's net sales were again boosted by the consumer credit information services of the Risk Decisions business area in both markets. At the same time, the Group's net sales were increased by new services, which represented 4,0 % of net sales in the second quarter. Overall, the number of newly launched services was in line with our targets in the second quarter as we continued our determined efforts to provide a service offering that suits customer needs and is continuously developed.

Adjusted EBITDA excluding the impact of IFRS 16 continued to see strong growth at comparable exchange rates, up 20,8 % to EUR 11,7 million (EUR 9,7 million). The increase in EBITDA was attributable to, among other things, cost-efficiencies derived from synergies, lower IT expenses and lower-than-expected personnel costs, which were partly due to the number of ongoing vacancies being higher than anticipated.

On 1 July 2019, in conjunction with the completion of the Proff acquisition, Asiakastieto Group updated its previously published outlook, which did not incorporate the impact of the acquisition. The updated outlook also incorporates the expected impacts of the devalued Swedish krona on the Group's consolidated euro-denominated full financial year figures.

By September 2019 at the latest, all European banks are required to provide access via open interfaces to bank account information when the customer so wishes. This requirement stems from the Payment Services Directive PSD2, which came into effect last year. We are already able to provide a large amount of information to support credit decisions, but more information is still needed, particularly for assessing consumers' solvency. Our PSD2 service helps in this respect by making it possible — subject to the consumer's consent — to incorporate account information into automated digital processes. Access to information on bank account transactions helps with the verification of income information and the calculation of available funds related to credit decisions, for example. The service plays a useful role in society by directly helping prevent over-indebtedness in these important contexts for consumers.

Ensuring and developing the responsibility of Asiakastieto's operations is fundamental to the success of the company. The monitoring and continuous development of corporate responsibility serve the needs of all of our stakeholders. During the review period, we published our first report on non-financial information. The report describes Asiakastieto's key events, results and impacts from the perspective of corporate responsibility in 2018 and illustrates how Asiakastieto incorporates responsibility into its operations and their development. In addition to acting responsibly as a company, we want to help our customers to act responsibly and sustainably by providing services that support corporate responsibility."

NET SALES

The net sales figures for the comparison periods 1 April 2018–30 June 2018 and 1 January 2018-30 June 2018 are presented as pro forma figures as if the acquisition of UC had taken place already at the beginning of 2017. The actual figures for the interim period and their reference figures are presented in the Condensed Financial Statements section of this half year report.

April – June (actual reported 2019 vs. pro forma 2018)

Asiakastieto Group's net sales in the second quarter amounted to EUR 35,6 million (EUR 34,1 million), increasing by 4,2 % at reported exchange rates and 5,8 % at comparable exchange rates from the corresponding quarter of the previous year. Net sales from new products and services were EUR 1,4 million (EUR 2,8 million), representing 4,0 % (8,2 %) of the total net sales for the second quarter. In the Risk Decisions business area, sales of consumer-related risk management services continued to develop strongly throughout the second quarter of 2019, with a significant effect on the growth of the Group's net sales. The number of banking days with a volume effect in the second quarter was lower than in the previous year by one day in both of the Group's main markets, Finland and Sweden.

Net sales of the Risk Decisions business area amounted to EUR 23,9 million (EUR 22,2 million) in the second quarter. Compared with the corresponding quarter in the previous year, net sales of the business area increased by 7,7 % at reported exchange rates and 9,2 % at comparable exchange rates. Consumer-related risk management services sales development continued strong in the second quarter both in Finland and Sweden. Demand for positive credit information continued to grow strongly. Service development-driven and increasingly strong emphasis of sales on value-added services had a positive effect on net sales development. Business information sales continued to see positive progress in the second quarter, which was largely attributable to new services.

Net sales of the SME and Consumers business area amounted to EUR 7,3 million (EUR 7,6 million) in the second quarter. Compared with the corresponding quarter in the previous year, net sales of the business area decreased by 3,8 % at reported exchange rates and 2,0 % at comparable exchange rates. The negative development of the business area's net sales in the second quarter was largely attributable to the decrease in the sales of offline reports and analyses in the Swedish SME market. The sales emphasis in the Swedish SME market has shifted more to subscriptions of online service packages, revenue from which is recognized over the subscription period. Online consumer services continued to develop strongly in the Swedish market, and service packages and certificates targeted at the SME segment progressed positively in Finland.

Net sales of the Customer Data Management business area amounted to EUR 2,1 million (EUR 2,2 million) in the second quarter. Compared with the corresponding quarter in the previous year, net sales of the business area decreased by 3,9 % at reported exchange rates and 2,9 % at comparable exchange rates. The negative year-on-year development of the business area's net sales is mainly due to the discontinuation of the B2C customer management services in Sweden (in Q2 2018) as well as the decline in the sales volumes of Emaileri electronic communication services, while the other parts of the business have seen moderate sales development. The sales of the B2C customer management services in Finland developed well in the second quarter as active sales efforts started to yield results. The business area is improving the efficiency of sales, and service development now focuses on the Nordic service offering and the utilisation of unstructured data.

Net sales of the Digital Processes business area amounted to EUR 2,2 million (EUR 2,1 million) in the second quarter. Compared with the corresponding quarter in the previous year, net sales of the business area increased by 5,4 % at reported exchange rates and 6,4 % at comparable exchange rates. Growth in the business area in the second quarter was driven by the good development in the sales of real estate and collateral management services as well as compliance services in the Finnish market. Transaction volumes in the Tambur housing transaction service in Sweden also continued to progress well in the second quarter. The business area launched a housing valuation service for banks in the Finnish market with first significant customers already onboarded.

January – June (actual reported 2019 vs. pro forma 2018)

Asiakastieto Group's net sales in the review period amounted to EUR 70,1 million (EUR 66,9 million), increasing by 4,7 % at reported exchange rates and 6,7 % at comparable exchange rates from the corresponding period of the previous year. Net sales from new products and services were EUR 2,9 million (EUR 5,0 million), representing 4,2 % (7,5 %) of the total net sales for the review period. In the Risk Decisions business area, sales of consumer-related risk management services continued to develop strongly throughout the first half of 2019, with a significant effect on the growth of the Group's net sales. The number of banking days with a volume effect during the review period was lower than in the previous year by one day in both of the Group's main markets, Finland and Sweden.

Net sales of the Risk Decisions business area amounted to EUR 47,3 million (EUR 43,5 million) in the review period. Compared with the corresponding period in the previous year, net sales of the business area increased by 8,6 % at reported exchange rates and 10,7 % at comparable exchange rates. Demand for consumer-related risk management services continued to see strong growth in the review period both in Finland and Sweden. The growth of consumer-related credit markets and increase of commercial volume boosted demand for consumer information services, and demand for positive credit information continued to grow strongly. While the coverage of positive credit information is very high in the Swedish market, positive credit information has developed into a significant factor in the granting of consumer credit also in Finland, and the coverage is increasing with still significant further growth potential. The customer gains achieved, as well as the service development-driven and increasingly strong emphasis of sales on value-added services, also had a positive effect on net sales. Business information sales made moderately positive progress in the review period, which was largely attributable to new services.

Net sales of the SME and Consumers business area amounted to EUR 14,5 million (EUR 15,0 million) in the review period. Compared with the corresponding period in the previous year, net sales of the business area decreased by 3,3 % at reported exchange rates and 0,9 % at comparable exchange rates. The negative development of the business area's net sales in the review period was largely attributable to the decrease in the sales of offline reports and analyses in the Swedish SME market, as well as weaker than expected development of online consumer services in Finland. The sales emphasis in the Swedish SME market has shifted more to subscriptions of online service packages, revenue from which is recognized over the subscription period. Online consumer services continued to develop strongly in the Swedish market, and service packages and certificates targeted at the SME segment progressed positively in Finland.

Net sales of the Customer Data Management business area amounted to EUR 4,2 million (EUR 4,7 million) in the review period. Compared with the corresponding period in the previous year, net sales of the business area decreased by 11,6 % at reported exchange rates and 10,2 % at comparable exchange rates. The decision made at the beginning of the second quarter of 2018 to discontinue selling B2C customer management services in Sweden resulted in a significant decrease in net sales compared with the reference period. In addition, the volume of Emaileri's electronic communications services decreased from the reference period. According to our estimate, the coming into force of the EU's General Data Protection Regulation (GDPR) in May 2018 has had a negative effect on demand for customer management services, as companies have been uncertain about the effects of the regulation on the information content used for the targeting of marketing efforts. The business area is improving the efficiency of sales, and service development now focuses on the Nordic service offering and the utilisation of unstructured data.

Net sales of the Digital Processes business area amounted to EUR 4,2 million (EUR 3,8 million) in the review period. Compared with the corresponding period in the previous year, net sales of the business area increased by 11,5 % at reported exchange rates and 12,6 % at comparable exchange rates. Growth in the business area in the review period was particularly driven by the Tambur service launched in Sweden in April 2018 and the real estate and collateral information services in Finland. Also, the sales of compliance services in Finland developed well especially towards the latter half of the review period. Other factors included continuous service development towards a more comprehensive product range and active sales effort for services.

FINANCIAL RESULTS

The financial result figures for the comparison periods 1 April 2018–30 June 2018 and 1 January 2018-30 June 2018 are presented as pro forma figures as if the acquisition of UC had taken place already at the beginning of 2017. The actual figures for the interim period and their reference figures are presented in the Condensed Financial Statements section of this half year report.

April – June (actual reported 2019 vs. pro forma 2018)

Asiakastieto Group's operating profit (EBIT) for the second quarter amounted to EUR 5,0 million (EUR 3,2 million). Operating profit included items affecting comparability of EUR 1,4 million (EUR 2,8 million), mainly resulting from expenses related to M&A as well as redundancy expenses related to the reorganisation of operations.

Second-quarter adjusted EBITDA excluding items affecting comparability was EUR 12,2 million (EUR 9,7 million). Adjusted EBITDA increased by EUR 2,5 million at reported exchange rates and by EUR 2,6 million at comparable exchange rates.

Adjusted EBITDA excluding IFRS 16 impact was EUR 11,7 million (EUR 9,7 million) for the second quarter. Adjusted EBITDA excluding IFRS 16 impact increased by EUR 2,0 million at reported exchange rates and by EUR 2,0 million at comparable exchange rates.

Adjusted operating profit (EBIT) for the second quarter excluding items affecting comparability and amortisation from fair value adjustments related to the acquisitions increased by EUR 0,5 million to EUR 9,2 million (EUR 8,7 million). Adjusted EBIT margin for the second quarter improved compared with the corresponding quarter in the previous year. The improvement in the adjusted EBIT margin was attributable to positive net sales development, a considerable decrease in IT costs and a lower than planned level of personnel expenses. The actions taken to leverage synergies reduced personnel expenses and other operating expenses in the second quarter compared with the reference period. Amortisation related to capitalised development costs increased compared with the corresponding quarter in the previous year.

The Group's depreciation and amortisation in the second quarter amounted to EUR 5,8 million (EUR 3,7 million). Of the depreciation and amortisation, EUR 2,7 million (EUR 2,7 million) resulted from amortisation from fair value adjustments related to the acquisitions. The Group's depreciation on the right-of-use assets (IFRS 16) in the second quarter amounted to EUR 0,5 million (EUR 0).

The UC KYC service was discontinued in Sweden because the future cash flows generated by the service concept — which was developed in 2017–2018 and was functional as such — are unlikely to cover the necessary continued development and future overhead expenses associated with the service. The Group will continue to invest in the development of services that make it easier for customers to meet compliance obligations with respect to KYC-related services, among other things. The write-down of capitalised development expenses arising from the closure of the service had an impact of EUR -1,5 million on adjusted operating profit and EUR -0,3 million on adjusted EBITDA in the second quarter. The closure of the service does not have a significant impact on the Group's net sales or cash flow.

Net financial expenses in the second quarter were EUR 0,6 million (EUR 0,8 million). Financial expenses related to lease liabilities (IFRS 16) were EUR 0,0 million (EUR 0) in the second quarter, and recognised exchange rate loss was EUR 0,0 million (EUR 0).

The Group's profit before income taxes for the second quarter was EUR 4,4 million (EUR 2,5 million).

The tax amount booked as expense for the second quarter was EUR -0,9 million (EUR -0,6 million).

The Group's profit for the second quarter was EUR 3,5 million (EUR 1,9 million).

January – June (actual reported 2019 vs. pro forma 2018)

Asiakastieto Group's operating profit (EBIT) for the first half year 2019 amounted to EUR 11,7 million (EUR 7,7 million). Operating profit included items affecting comparability of EUR 1,8 million (EUR 3,8 million), mainly resulting from integration and other expenses related to M&A as well as redundancy expenses related to the reorganisation of operations.

Adjusted EBITDA excluding items affecting comparability was EUR 24,0 million (EUR 19,0 million) for the review period. Adjusted EBITDA increased by EUR 5,0 million at reported exchange rates and by EUR 5,2 million at comparable exchange rates.

Adjusted EBITDA excluding IFRS 16 impact was EUR 22,9 million (EUR 19,0 million) for the review period. Adjusted EBITDA excluding IFRS 16 impact increased by EUR 3,9 million at reported exchange rates and by EUR 4,1 million at comparable exchange rates.

Adjusted operating profit (EBIT) for the review period excluding items affecting comparability and amortisation from fair value adjustments related to the acquisitions increased by EUR 2,0 million to EUR 19,0 million (EUR 17,0 million). Adjusted EBIT margin for the review period improved compared with the corresponding period in the previous year. The improvement in the adjusted EBIT margin was attributable to good net sales growth, a considerable decrease in IT costs and a lower than planned level of personnel expenses. The actions taken to leverage synergies reduced personnel expenses and other operating expenses in the first half year compared with the reference period. During the review period, strategic investments were made in areas including Nordic integration, personnel competence and service marketing, while maintaining growth in profitability. Amortisation related to capitalised development costs increased compared with the corresponding quarter in the previous year.

The Group's depreciation and amortisation in the review period amounted to EUR 10,5 million (EUR 7,4 million). Of the depreciation and amortisation, EUR 5,5 million (EUR 5,5 million) resulted from amortisation from fair value adjustments related to the acquisitions. The Group's depreciation on the right-of-use assets (IFRS 16) in the review period amounted to EUR 1,1 million (EUR 0).

The UC KYC service was discontinued in Sweden because the future cash flows generated by the service concept — which was developed in 2017–2018 and was functional as such — are unlikely to cover the necessary continued development and future overhead expenses associated with the service. The Group will continue to invest in the development of services that make it easier for customers to meet compliance obligations with respect to KYC-related services, among other things. The write-down of capitalised development expenses arising from the closure of the service had an impact of EUR -1,5 million on adjusted operating profit and EUR -0,3 million on adjusted EBITDA in the review period. The closure of the service does not have a significant impact on the Group's net sales or cash flow.

Net financial expenses in the review period were EUR 1,4 million (EUR 1,5 million). Financial expenses related to lease liabilities (IFRS 16) were EUR 0,1 million (EUR 0) in the review period, and recognised exchange rate loss was EUR 0,1 million (EUR 0).

The Group's profit before income taxes for the review period was EUR 10,2 million (EUR 6,2 million).

The tax amount booked as expense for the review period was EUR -1,9 million (EUR -1,2 million).

The Group's profit for the review period was EUR 8,3 million (EUR 5,0 million).

CASH FLOW

In the review period, cash flow from operating activities amounted to EUR 17,1 million (EUR 5,7 million). The change in the Group's working capital was EUR 0,0 million (EUR 1,8 million). The impact of items affecting comparability on operating cash flow was EUR -1,2 million (EUR -2,2 million). Withholding taxes related to the rewards paid under the long-term incentive plan for the management had an impact on operating cash flow of EUR -1,1 million (EUR -0,2 million) during the review period.

The Group paid EUR 2,9 million (EUR 1,9 million) in taxes during the review period.

Cash flow from investing activities for the review period amounted to EUR -5,7 million (EUR -87,3 million). The cash flow from investing activities consisted of acquisitions of property, plant and equipment and intangible assets.

Cash flow from financing activities for the interim period amounted to EUR -23,9 million (EUR 85,7 million). The cash flow from financing activities for the interim period consisted of payment of dividend and capital repayment, and repayments of lease liabilities (IFRS 16).

STATEMENT OF FINANCIAL POSITION

At the end of the review period, the Group's total assets were EUR 535,1 million (EUR 539,1 million). Total equity amounted to EUR 299,4 million (EUR 309,5 million) and total liabilities to EUR 235,6 million (229,7 million). Of the total liabilities EUR 176,8 million (EUR 169,9 million) were non-current interest-bearing liabilities, EUR 24,0 million (EUR 25,7 million) deferred tax liabilities, EUR 4,3 million (EUR 3,8 million) non-current pension liabilities, EUR 0 (EUR 0,3 million) non-current non-interest bearing liabilities, EUR 2,1 million (EUR 0,2) current interest-bearing liabilities and EUR 28,4 million (EUR 29,8 million) current non-interest bearing liabilities. Goodwill amounted to EUR 343,8 million (EUR 346,6 million) at the end of the review period.

Asiakastieto Group's cash and cash equivalents at the end of the review period were EUR 20,2 million (EUR 23,0 million), and net debt was EUR 158,7 million (EUR 147,1 million). The effect of IFRS 16 transition on net debt reported for the first half year was EUR 10,7 million.

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 review period amounted to EUR 5,8 million (EUR 2,5 million). Capital expenditure on intangible assets was EUR 5,5 million (EUR 1,7 million) and capital expenditure on property, plant and equipment was EUR 0,3 million (EUR 0,8 million).

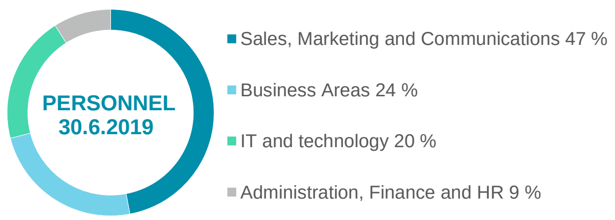
The product development activities of Asiakastieto Group involve development of the product and service offerings. During the review period, the capitalised development and software costs of the Group amounted to EUR 5,5 million (EUR 1,7 million). The Group had no material research activities.

Asiakastieto Group's gross investments in the interim period, compared with pro forma investments in the reference period, amounted to EUR 5,8 million (EUR 5,9 million)[1]. Capital expenditure on intangible assets was EUR 5,5 million (EUR 4,8 million) and capital expenditure on property, plant and equipment was EUR 0,3 million (EUR 1,1 million).

PERSONNEL

The average number of personnel employed by Asiakastieto Group during the second quarter of the year was 430 (167). At the end of the review period, the number of personnel was 459 (513), of whom 167 (169) worked in the Group's companies in Finland and 292 (344) in the Swedish companies.

During the review period, the personnel expenses of the Group amounted to EUR 20,3 million (EUR 6,9 million) and included an accrued cost of EUR 450 thousand (EUR 131 thousand) from the management's long-term incentive plan. See further details in section 2.7. Concerning transactions with related parties, see the notes 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 Group and UC during the reference period 1 January–30 June 2018. 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	1.4. – 30.6.2019	1.4. – 30.6.2018	1.1. – 30.6.2019	1.1. – 30.6.2018	1.1. – 31.12.2018
Average number of personnel	430	167	428	165	315
Full time	419	157	419	157	305
Part time and temporary	11	10	9	8	10
Geographical distribution					
Finland	162	167	160	165	162
Sweden	268	-	268	-	153
Wages and salaries for the period (EUR million)	7,9	2,8	15,2	5,7	20,2

OTHER EVENTS DURING THE REVIEW PERIOD

Asiakastieto Group Plc's General Meeting of shareholders on 28 March 2019

The General Meeting of shareholders held on 28 March 2019 confirmed the financial statements for the financial period ended on 31 December 2018, 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 distribute funds of EUR 0,95 per share. The funds were paid to shareholders registered in the Company's shareholder register held by Euroclear Finland Ltd on the payment record date of 1 April 2019. It was decided that the funds would be paid on 11 April 2019.

The Annual General Meeting decided, in accordance with the proposal of the Shareholders' Nomination Board, that the number of the company's Board members be six (6). In accordance with the proposal of the Shareholders' Nomination Board, Petri Carpén, Patrick Lapveteläinen, Carl-Magnus Månsson and Martin Johansson were re-elected as members of the Board of Directors. Petri Nikkilä and Tiina Kuusisto were elected as new Board members.

The General Meeting of shareholders decided that the annual remuneration is EUR 50 000 for the chairman of the Board of Directors and EUR 35 000 for the members. In addition, an attendance fee of EUR 500 is paid for attending a Board meeting. 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 attendance to meetings are paid to Board members and members of the Shareholder's Nomination Board.

Authorised Public Accountants firm PricewaterhouseCoopers Oy was selected as the auditor of the Company, and Authorised Public Accountant Martin Grandell as the auditor in charge. The auditor's fee is paid according to a reasonable invoice approved by the Audit Committee of Board of Directors.

Authorisation for issue of shares

The Annual General Meeting authorised the Board of Directors to resolve on one or more issuances, which include the right to issue new shares or dispose of the shares in the possession of the company. The authorisation would consist of up to 1 500 000 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 for which a weighty financial reason for issuing shares would exist, as determined by the Board of Directors.

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 until 28 September 2020. The authorisation revoked the corresponding share issue authorisation granted to the Board of Directors by the Annual General Meeting on 22 March 2018. The authorisation has not been used as of 8 August 2019.

Asiakastieto Group Plc's Board of Directors decided on 11 February 2019 on a directed share issue related to the reward payment from the performance period 2015–2018 of the Matching Share Plan 2015 and from the performance period 2016–2018 of the Performance Share Plan 2016. In the share issue, 39 328 new Asiakastieto Group Plc shares were issued without consideration to the key employees participating in the Matching Share Plan 2015 and the Performance Share Plan 2016 in accordance with the terms and conditions of each plan. The decision on 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.

Authorisation for repurchasing own shares

The Annual General Meeting authorised the Board of Directors to decide on the repurchase of a maximum of 1 500 000 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.

In accordance with the resolution of the Board of Directors, shares may be repurchased also in a proportion other than that in which shares are owned by the shareholders (directed acquisition) at the market price of the shares at marketplaces on which the company shares are traded or a price otherwise established on the market at the time of the repurchase. The Board of Directors decides how shares are repurchased. Among other means, derivatives may be used in acquiring the shares. According to the authorisation, the Board of Directors decides on any other matters related to the repurchase of shares.

The authorisation is effective for 18 months from the close of the Annual General Meeting until 28 September 2020. The authorisation revoked the corresponding authorisation to repurchase the Company's shares granted to the Board of Directors by the Annual General Meeting on 22 March 2018. The authorisation has not been used as of 8 August 2019.

Meeting of the Board of Directors on 28 March 2019

The organizational meeting of the Board of Directors elected among its members Patrick Lapveteläinen as Chairman of the Board of Directors.

The Board of Directors has in its organization 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 and Martin Johansson are independent of the significant shareholders. The Board of Directors noted the Company is in compliance with recommendation 10 of the CG Code.

The Board of Directors re-nominated Petri Carpén and Carl-Magnus Månsson as members of the Audit Committee and nominated Martin Johansson as a new member of the Committee. Petri Carpén was elected chairman of the committee.

Changes in Asiakastieto Group's Executive team

Karl-Johan Werner started as Asiakastieto Group's Director of Customer Data Management business area on 4 March 2019. He replaced Esa Kumpu in the Executive Team. Esa Kumpu left Asiakastieto Group on 31 March 2019 to pursue new challenges outside Asiakastieto Group.

Elina Stråhlman, M.Sc. (Econ.) has been appointed Asiakastieto Group's CFO. She will start in her position on 16 September 2019. The Group's current CFO Antti Kauppila will continue in his position and as a member of Asiakastieto's Executive Management Team until 16 September 2019, and after that as the Group's Head of Financial Planning & Analysis. Elina Stråhlman will consequently replace Antti Kauppila in Asiakastieto's Executive Management Team.

Jörgen Olofsson has been appointed Asiakastieto Group's CIO and member of the Executive Management Team. He will start in this position on 1 October 2019. Jörgen Olofsson will replace acting CIO Anders Hugosson on the Executive Management Team.

Asiakastieto Group's Deputy CEO Anders Hugosson will leave the company on 31 January 2020. He will also leave his role as CEO of UC Group, which he has held since 2007. Anders Hugosson will not be a member of the Asiakastieto Group's Executive Management Team effective from 1 October 2019.

Asiakastieto Group acquires the business of Solidinfo.SE and strengthens company information services in Sweden

On 12 February 2019, UC Affärsinformation AB, part of Asiakastieto Group, signed an agreement to buy the business operations of Solidinfo.SE from Social Media Support Sverige AB. Through the acquisition of these business operations, Asiakastieto Group strengthened its business information service offering in Sweden. The core of the Solidinfo.SE service consists of a free-of-charge business and financial information search service, similar to the business information service on Swedish companies provided by UC Affärsinformation AB. The transaction was closed on 28 February 2019, and it has no material effect on Asiakastieto Group's cash flow or financial position. The acquisition price is not disclosed.

Asiakastieto Group acquired Proff, the leading business information service in Norway and Denmark, to strengthen its business information offering in the Nordic region

Asiakastieto Group acquired the shares of the business information service Proff in Norway, Sweden and Denmark from its previous owner Eniro under an agreement signed on 20 May 2019. The transaction was completed on 1 July 2019. More detailed information on the acquisition is presented under Note 2.3. Corporate Acquisitions in the notes to the condensed financial statements.

The acquisition strengthens Asiakastieto's position in the market as the leading provider of business information services in the Nordic countries. Proff's business information services in Norway, Sweden and Denmark have altogether approximately three million unique monthly visitors, and Proff's freemium business information services correspond to Asiakastieto's allabolag.se service in Sweden and asiakastieto.fi/yritykset service in Finland.

Asiakastieto Group expects the acquisition to add value by creating the leading Nordic business information service as well as synergy opportunities, which are expected to lead to faster growth and improved cost efficiency. The objective is to achieve annual synergies of at least SEK 8 million, expected to be realised to their full extent by the year 2021.

Asiakastieto Group outsources its telemarketing unit in Sweden

Asiakastieto Group Plc and UC Affärsfakta AB signed an agreement regarding the outsourcing of telesales operations on 14 May 2019. The letter of intent was signed on 16 January 2019. According to the agreement, Asiakastieto will transfer Affärsfakta's telesales operations to a new company founded by the current management of Affärsfakta. By outsourcing telesales, Asiakastieto increases its efficiency and encourages an entrepreneurial approach to the operations.

Affärsfakta has 111 employees, of whom 103 work in telesales. Affärsfakta operates in four locations in Sweden. As a result of the outsourcing, the telesales employees will be transferred to the new company with their current benefits and obligations. The unit's current Managing Director, Krister Ahlberg, will be the Managing Director of the new company. The plan is to finalise the outsourcing by the end of the third quarter of the year.

EVENTS AFTER THE INTERIM PERIOD

Adjustments of financial guidance

Due to the Acquisition of Proff, Asiakastieto Group updated its previously published outlook which did not incorporate the impact of the Acquisition. The updated outlook also incorporates the expected impacts of the devalued Swedish krona on the Group's consolidated euro-denominated full financial year figures.

The Company released on 1 July 2019 a Stock Exchange Release, in which it adjusted the financial guidance for 2019 as follows:

Net sales: Asiakastieto Group expects its net sales growth in 2019 to be in the middle of the range of its long-term target (5–10 %) compared to the previous year's pro forma net sales.

EBITDA: Asiakastieto Group expects its adjusted EBITDA, excluding the effect of IFRS 16 transition, to grow in 2019 at a percentage rate that exceeds the rate of net sales growth compared to the previous year's pro forma adjusted EBITDA.

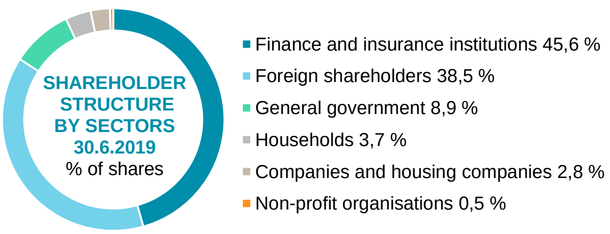
Capital expenditure: Asiakastieto Group expects its capitalised product development and software expenses in 2019 to exceed the previous year's level on a pro forma basis.

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 39 328 new shares were subscribed for in Asiakastieto Group Plc's share issue directed to the company key personnel without payment. The shares were registered into the Trade Register on 8 March 2019. After the registration, the company's shares totalled 23 993 292. The new shares produce the right to dividends and other distribution of assets as well as other shareholder rights as of the registration date 8 March 2019. The trading of new shares commenced on 11 March 2019.

On 30 June 2019, the total number of shares was 23 993 292 (23 953 964), 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 2 699 (2 501) shareholders on 30 June 2019. 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. – 30.6.2019	1.1. – 30.6.2018	1.1. – 31.12.2018
Share price development			
Highest price	29,60	32,40	32,60
Lowest price	22,00	21,10	21,10
Average price	24,67	27,98	27,82
Closing price	28,80	27,20	24,60
Market capitalisation, EUR million	691,0	411,4	589,3
Trading volume, pcs	1 236 508	2 207 609	3 533 838
Total exchange value of shares, EUR million	30,5	61,8	98,3

MANAGERS' TRANSACTIONS

Transactions by Asiakastieto Group's management during the review 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 a 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.

Execution of M&A activities and integration will require time from key personnel and causes uncertainty within personnel as well as activating 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

Net sales: Asiakastieto Group expects its net sales growth in 2019 to be in the middle of the range of its long-term target (5–10 %) compared to the previous year's pro forma net sales.

EBITDA: Asiakastieto Group expects its adjusted EBITDA, excluding the effect of IFRS 16 transition, to grow in 2019 at a percentage rate that exceeds the rate of net sales growth compared to the previous year's pro forma adjusted EBITDA.

Capital expenditure: Asiakastieto Group expects its capitalised product development and software expenses in 2019 to exceed the previous year's level on a pro forma basis.

The outlook is subject to risks related to, among other factors, the economic development of the operating countries of the Group as well as the development of 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 and in the company's listing prospectus, approved by the Financial Supervisory Authority on 10 September 2018 and also available on the investor pages of the company website.

Helsinki, 8 August 2019

ASIAKASTIETO GROUP PLC
Board of Directors

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CONDENSED FINANCIAL STATEMENTS AND NOTES 1.1. – 30.6.2019

The figures presented in this half year report are unaudited. The amounts presented in the half year report are rounded, so 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	1.4. – 30.6.2019	1.4. – 30.6.2018	1.1. – 30.6.2019	1.1. – 30.6.2018	1.1. – 31.12.2018
Net sales	**35 565**	**15 728**	**70 088**	**30 815**	**98 135**
Other operating income	8	14	33	64	86
Materials and services	-6 150	-3 712	-11 759	-6 890	-18 334
Personnel expenses[1]	-10 481	-3 424	-20 310	-6 893	-26 763
Other operating expenses	-8 660	-7 021	-16 999	-10 786	-28 055
Work performed by the entity and capitalised	510	390	1 075	771	1 630
Depreciation and amortisation	-5 771	-977	-10 452	-1 905	-9 995
Operating profit	**5 021**	**997**	**11 677**	**5 177**	**16 704**
Finance income	90	0	100	0	7
Finance expenses	-701	-327	-1 529	-619	-2 195
Finance income and expenses	-611	-326	-1 429	-618	-2 188
Profit before income tax	**4 410**	**671**	**10 248**	**4 559**	**14 516**
Income tax expense	-877	-704	-1 915	-1 485	-3 598
Profit for the period	**3 533**	**-33**	**8 333**	**3 075**	**10 918**
Items that may be reclassified to profit or loss:					
Translation differences on foreign units	-4 256	-	-8 216	-	5 450
Hedging of net investments in foreign units	996	-	1 884	-	-858
Income tax relating to these items	-199	-	-377	-	172
	-3 460	**-**	**-6 709**	**-**	**4 763**
Items that will not be reclassified to profit or loss:					
Remeasurements of post-employment benefit obligations	-	-	-	-	-687
Income tax relating to these items	-	-	-	-	142
	-	**-**	**-**	**-**	**-546**
Other comprehensive income for the period, net of tax	**-3 460**	**-**	**-6 709**	**-**	**4 218**
Total comprehensive income for the period	**73**	**-33**	**1 624**	**3 075**	**15 136**

[1] Personnel expenses include an accrued expense related to the long-term incentive plan to the management amounting to EUR 249 thousand for the second quarter 1 April–30 June 2019, EUR 76 thousand for the reference period 1 April–30 June 2018, EUR 450 thousand for the interim period 1 January-30 June 2019, EUR 131 thousand for the reference period 1 January-30 June 2018 and EUR 415 thousand for the financial year 2018.

EUR thousand	1.4. – 30.6.2019	1.4. – 30.6.2018	1.1. – 30.6.2019	1.1. – 30.6.2018	1.1. – 31.12.2018
Profit attributable to:					
Owners of the parent company	3 533	-33	8 333	3 075	10 918
Total comprehensive income attributable to:					
Owners of the parent company	73	-33	1 624	3 075	15 136
Earnings per share attributable to the owners of the parent during the period:					
Basic, EUR	0,15	-0,00	0,35	0,20	0,56
Diluted, EUR	0,15	-0,00	0,35	0,20	0,56

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

EUR thousand	30.6.2019	30.6.2018	31.12.2018
ASSETS			
Non-current assets			
Goodwill	343 775	346 598	348 654
Other intangible assets	130 748	138 443	137 877
Property, plant and equipment	2 560	3 745	3 285
Right-of-use assets	10 846	-	-
Deferred tax assets	922	1 311	1 127
Loan and other receivables	177	384	187
Total non-current assets	**489 029**	**490 481**	**491 130**
Current assets			
Account and other receivables	25 824	25 640	21 526
Cash and cash equivalents	20 202	22 995	33 215
Total current assets	**46 025**	**48 635**	**54 741**
Total assets	**535 054**	**539 116**	**545 871**

EUR thousand	30.6.2019	30.6.2018	31.12.2018
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent			
Share capital	80	80	80
Invested unrestricted equity reserve	340 173	352 180	351 690
Translation differences	-1 946	-	4 592
Accumulated losses	-38 876	-42 801	-35 071
Equity attributable to owners of the parent	**299 432**	**309 459**	**321 290**
Share of equity held by non-controlling interest	0	0	0
Total equity	**299 432**	**309 459**	**321 290**
Liabilities			
Non-current liabilities			
Interest-bearing liabilities	176 789	169 882	170 113
Pension liabilities	4 260	3 807	4 445
Deferred tax liabilities	24 009	25 706	25 482
Account and other payables	-	250	-
Total non-current liabilities	**205 058**	**199 646**	**200 040**
Current liabilities			
Interest-bearing liabilities	2 148	180	130
Advances received	7 714	7 306	6 375
Account and other payables	20 702	22 525	18 036
Total current liabilities	**30 564**	**30 011**	**24 541**
Total liabilities	**235 622**	**229 657**	**224 581**
Total equity and liabilities	**535 054**	**539 116**	**545 871**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

EUR thousand	Share capital	Invested unrestricted equity reserve	Translation differences	Accumulated losses	Total	Share of equity held by non-controlling interest	Total equity
	Attributable to owners of the parent						
Equity at 1.1.2019	**80**	**351 690**	**4 592**	**-35 071**	**321 290**	**0**	**321 290**
Profit for the period	-	-	-	8 333	8 333	-	8 333
Other comprehensive income for the period	-	-	-6 537	-172	-6 709	-	-6 709
Total comprehensive income for the period	-	-	-6 537	8 161	1 624	-	1 624
Transactions with owners							
Distribution of funds	-	-11 517	-	-11 277	-22 794	-	-22 794
Management's incentive plan	-	-	-	-689	-689	-	-689
Equity at 30.6.2019	**80**	**340 173**	**-1 946**	**-38 876**	**299 432**	**0**	**299 432**

EUR thousand	Share capital	Invested unrestricted equity reserve	Translation differences	Accumulated losses	Total	Share of equity held by non-controlling interest	Total equity
	Attributable to owners of the parent						
Equity at 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	-	-	-	3 075	3 075	-	3 075
Other comprehensive income for the period	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	3 075	3 075	-	3 075
Transactions with owners							
Distribution of funds	-	-	-	-14 347	-14 347	-	-14 347
Management's incentive plan	-	-	-	-765	-765	-	-765
Directed share issue	-	240 131	-	-	240 131	-	240 131
Share issue and listing new shares related costs	-	-306	-	-	-306	-	-306
Share of equity held by non-controlling interest related to the acquisition of subsidiary	-	-	-	-	-	0	0
Equity at 30.6.2018	**80**	**352 180**	**-**	**-42 801**	**309 459**	**0**	**309 459**

CONSOLIDATED STATEMENT OF CASH FLOWS

EUR thousand	1.4. – 30.6.2019	1.4. – 30.6.2018	1.1. – 30.6.2019	1.1. – 30.6.2018	1.1. – 31.12.2018
Cash flow from operating activities					
Profit before income tax	4 410	671	10 248	4 559	14 516
Adjustments:					
Depreciation and amortisation	5 771	977	10 452	1 905	9 995
Finance income and expenses	611	326	1 429	618	2 188
Profit (-) / loss (+) on disposal of property, plant and equipment	-	-14	-21	-63	-71
Other adjustments	-934	-490	-784	-440	-1 662
Cash flows before change in working capital	9 858	1 470	21 323	6 580	24 966
Change in working capital:					
Increase (-) / decrease (+) in account and other receivables	-346	677	-4 137	-2 863	834
Increase (+) / decrease (-) in account and other payables	404	2 219	4 168	4 651	-633
Change in working capital	58	2 897	31	1 788	200
Paid interests and other financing expenses	-1 393	-521	-1 470	-782	-2 092
Received interest and other financing income	90	0	161	0	7
Income taxes paid	-1 383	-909	-2 934	-1 863	-3 554
Cash flow from operating activities	**7 231**	**2 938**	**17 111**	**5 723**	**19 527**
Cash flows from investing activities					
Purchases of property, plant and equipment	-99	-283	-307	-767	-893
Purchases of intangible assets	-3 099	-731	-5 482	-1 786	-4 799
Purchases of subsidiaries, net of cash acquired	-	-84 881	-	-84 881	-85 247
Proceeds from sale of property, plant and equipment	-9	63	98	135	170
Cash flows from investing activities	**-3 207**	**-85 832**	**-5 691**	**-87 300**	**-90 769**
Cash flows from financing activities					
Proceeds from interest-bearing liabilities	-	100 000	-	100 000	269 573
Repayments of interest-bearing liabilities	-510	-	-1 090	-	-170 000
Dividends paid and other profit distribution	-22 794	-14 347	-22 794	-14 347	-14 347
Cash flows from financing activities	**-23 304**	**85 653**	**-23 883**	**85 653**	**85 226**
Net increase / decrease in cash and cash equivalents	**-19 280**	**2 758**	**-12 464**	**4 076**	**13 985**
Cash and cash equivalents at the beginning of the period	39 630	20 237	33 215	18 919	18 919
Net change in cash and cash equivalents	-19 280	2 758	-12 464	4 076	13 985
Translation differences of cash and cash equivalents	-148	-	-550	-	311
Cash and cash equivalents at the end of the period	**20 202**	**22 995**	**20 202**	**22 995**	**33 215**

2. Notes

2.1. Accounting policies

This half year report has been prepared in accordance with IAS 34 Interim Financial Reporting. The accounting policies and methods applied in the half year report are the same as those applied in the financial statements for the financial year ended 31 December 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 review period. In addition, it is necessary to exercise judgment 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 judgments are disclosed in more detail under Note 3 to the consolidated financial statements for the year 2018.

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 amounts presented in the half year 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 half year report are unaudited.

Changes in Accounting policies

Asiakastieto Group has adopted new IFRS 16 *Leases* standard starting 1 January 2019. Description of the new standard and details concerning the adoption can be found in Note 2 to the Group Consolidated Financial Statements for 2018.

IFRS 16 *Leases* standard establishes principles for the recognition, measurement, presentation and disclosure of leases and note requirements. As a result of the implementation of the standard, the differentiation between operating leases and finance leases will no longer apply and lessees must treat all leases the same way, so that the lessee recognises an asset (the right to use the leased asset) and a lease liability for all leases, unless the lease term is 12 months or less, or the lease agreement has low value. In the income statement depreciation on the right-of-use asset and interest expenses on the lease liability are recognised instead of a lease expense. The lease rent payment is divided into interest expense and debt repayment.

The Group has applied the simplified approach for adoption, and the figures for the comparison year have not been adjusted. All agreements with a lease term less than 12 months and low value agreements are recognised as straight line expenses during the duration of the agreement. All right-of-use assets and corresponding lease liabilities have been measured at the value corresponding to the present value of the lease rent payments and any residual payments. Discount rates used in the net present value calculations vary between 1,2 % and 2,2 %, weighted average being 1,7 %. All right-of-use assets have been valued at the lease liability as at the adoption date (adjusted for prepaid or accrued rent). The Group has applied practical expedients and has not recognised a liability for lease agreements ending during 2019. IFRS 16 mainly affects the accounting of the Group's operating leases. As the Group's finance leases have already been treated as right-of-use assets and financial liabilities, the adoption of the new standard has no effect with regard to these items.

Lessors are still required to categorise lease agreements as either financial leases or operating leases. The IFRS 16 accounting treatment of leases from the lessor's side is essentially unchanged compared to current standards. As the Group does not operate as a lessor to a significant degree, the adoption of the standard will not have a significant effect on the Group's future financial statements in this regard.

Reconciliation between operating lease commitments in the financial statements 2018 and IFRS 16 lease liabilities:

LEASE LIABILITIES	
EUR thousand	**1.1.2019**
Operating lease commitments 31 Dec 2018	18 712
Short-term lease agreements	-254
Low-value lease agreements	-371
Agreements assessed as service agreements	-5 091
Lease liabilities before discounting 1 Jan 2019	12 996
Discounted lease liabilities using incremental borrowing rate 1 Jan 2019	11 876
Finance lease liabilities 31 Dec 2018	394
Adjustment for value added tax for finance lease liabilities	-76
Lease liabilities 1 Jan 2019	**12 194**
Short-term lease liability	2 181
Long-term lease liability	10 013
Total	**12 194**

Right-of-use assets have been recognised at the value corresponding the lease liability on the adoption date.

RIGHT-OF-USE ASSETS		
EUR thousand	**30.6.2019**	**1.1.2019**
Premises	10 536	11 760
Machinery and equipment	310	434
Total	**10 846**	**12 194**

At the end of the financial year 2018 the Group had EUR 18,7 million in undiscounted non-cancellable lease commitments based on operating leases and finance lease liabilities for EUR 0,4 million. At the implementation, EUR 12,2 million was recognised as right-of-use assets and EUR 12,2 million was recognised as lease liabilities, of which EUR 2,2 million were short term and EUR 10,0 million long term lease liabilities.

The Group leases office premises, IT equipment and cars. The duration of lease agreements vary between less than 12 months to 9 years and part of the agreements include extension options. Lease agreements are negotiated on an agreement by agreement basis and they include normal and ordinary agreement terms and conditions.

Adoption of the IFRS 16 standard has a significant impact on adjusted EBITDA which is one of the main key performance indicators used to present the development of profitability. As a result, the Group will present an alternative performance measure, Adjusted EBITDA excluding the IFRS 16 impact, starting 1 January 2019. The impact of implementing IFRS 16 standard on adjusted EBITDA has been described in Note 2. Key financial information for the Group.

2.2. Net Sales

NET SALES BY BUSINESS AREA					
EUR thousand	1.4. – 30.6.2019	1.4. – 30.6.2018	1.1. – 30.6.2019	1.1. – 30.6.2018	1.1. – 31.12.2018
Risk Decisions	23 888	10 650	47 271	20 694	65 192
SME and Consumers	7 338	2 384	14 472	4 801	19 565
Customer Data Management	2 147	1 364	4 166	2 802	7 042
Digital Processes	2 192	1 330	4 180	2 519	6 337
Total	**35 565**	**15 728**	**70 088**	**30 815**	**98 135**

On 20 June 2018, Asiakastieto Group's Board of Directors decided on a new organisational structure. Asiakastieto Group's new organisation from 1 July 2018 onwards consists of two types of units: business areas and functional units. The net sales are presented for the reference year using these new business areas. Net sales for refence periods have been restated to match the current fiscal year business area allocation of products. Certain products have been moved from Customer Data Management to SME and Consumers business area.

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 control of a service. The impact of the application of the IFRS 15 standard on the net sales of the Risk Decisions business area for the reference period 1 April 2018 – 30 June 2018 was EUR 88 thousand and for the financial year 2018 EUR 117 thousand.

2.3. Corporate acquisitions

Proff acquisition

Asiakastieto Group acquired the shares of the business information service Proff in Norway, Sweden and Denmark from its previous owner Eniro under an agreement signed on 20 May 2019. The transaction was completed on 1 July 2019. The purchase consideration for the acquisition was SEK 120,0 million, which was paid in cash in one instalment. Interest of 5 per cent per annum, calculated for the period between 1 January – 1 July 2019, was added to the purchase consideration. The interest payable at completion was SEK 3,0 million. The purchase price allocation calculations pertaining to the acquisition of the Proff companies are currently being prepared.

The acquisition strengthens Asiakastieto's position in the market as the leading provider of business information services in the Nordic countries. Proff's business information services in Norway, Sweden and Denmark have altogether approximately three million unique monthly visitors, and Proff's freemium business information services correspond to Asiakastieto's allabolag.se service in Sweden and asiakastieto.fi/yritykset service in Finland.

The Proff companies' net sales in 2018 amounted to approximately SEK 101 million, and they employ approximately 60 persons. The acquired business operations consist of the Proff and Proff Forvalt business information services. Proff is an internet-based service for free-of-charge business and financial information. The business is based on the visibility purchased by companies, display advertising and a subscription-based revenue model. Proff Forvalt is a fee-based service that offers comprehensive financial and background information on companies and credit ratings to its Norwegian customers.

The EBITDA margin of the Proff companies, adjusted by Asiakastieto Group's management's estimated carve-out adjustments and items affecting comparability, was approximately 16 % in 2018. The combined net cash of the Proff companies amounted to approximately SEK 37 million on 31 December 2018.

Acquisition of business of Solidinfo.SE

On 12 February 2019, UC Affärsinformation AB, part of Asiakastieto Group, signed an agreement to buy the business operations of Solidinfo.SE from Social Media Support Sverige AB. Through the acquisition of these business operations, Asiakastieto Group strengthened its business information service offering in Sweden. The core of the Solidinfo.SE service consists of a free-of-charge business and financial information search service, similar to the business information service on Swedish companies provided by UC Affärsinformation AB. The transaction was closed on 28 February 2019, and it has no material effect on Asiakastieto Group's cash flow or financial position. The acquisition price is not disclosed.

Purchase of shares in UC AB

Asiakastieto Group Plc's Board of Directors and the then owners of UC AB informed on 24 April 2018 that they had 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.

In addition, the sellers of Asiakastieto Group Plc and UC shares signed a shareholder agreement concerning the control of UC's credit register and credit register information. 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 results or balances.

In the 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 65,4 million to technology, which will be amortised in 5–12 years. Goodwill in the amount of EUR 227,0 million was recognised in connection with the acquisition. Advisory fees of EUR 7,3 million relating to the purchase of the shares and the integration of the companies were recognised as expenses in the financial year 2018.

The consolidated income statement 2018 includes EUR 36,6 million in UC AB's post-acquisition net sales and EUR 0,8 million in UC AB's profit. The full-year net sales of the Group created by the acquisition would have amounted to EUR 134,3 million and profit for the period EUR 12,9 million if the business combination had taken effect at the beginning of the financial year 2018. 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.

2.4. Equity

CHANGES IN NUMBER OF SHARES	Number of shares	Total number of shares
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
31.12.2018		**23 953 964**
1.1.2019		**23 953 964**
Shares issued to the management's incentive system	39 328	23 993 292
30.6.2019		**23 993 292**

A total of 39 328 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 8 March 2019. The new shares produce the right to dividends and other distribution of assets as well as other shareholder rights as of the registration date 8 March 2019. Trading in the new shares commenced on 11 March 2019. The issuance of shares related to share-based remuneration is disclosed in the notes to the condensed financial statements, in Note 2.7 Transactions with related parties.

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 share-based remuneration is disclosed in the notes to the condensed financial statements, in Note 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. 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 2018, Asiakastieto Group Plc distributed EUR 0,95 of funds per share, totalling EUR 22,8 million. The dividend and capital repayment were paid on 11 April 2019. For the financial year 2017, Asiakastieto Group Plc paid a dividend of EUR 0,95 per share, totalling EUR 14,3 million. The dividend payment date was 4 April 2018.

2.5. Interest-bearing liabilities

INTEREST-BEARING LIABILITIES OF THE GROUP			
EUR thousand	**30.6.2019**	**30.6.2018**	**31.12.2018**
Non-current			
Loans from financial institutions	168 031	169 617	169 849
Lease liabilities	8 758	-	-
Financial leasing debts	-	266	264
Total	**176 789**	**169 882**	**170 113**
Current			
Lease liabilities	2 148	-	-
Financial leasing debts	-	180	130
Total	**2 148**	**180**	**130**
Total interest-bearing liabilities	**178 937**	**170 062**	**170 243**

Of the loans from financial institutions, EUR 105,4 million (EUR 169,9 million) are EUR-denominated and EUR 62,6 million (EUR 0) are SEK-denominated on 30 June 2019.

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 a term loan of EUR 160 million and a 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. Of the revolving credit facility, EUR 10 million was utilised on 30 June 2019.

To facilitate efficient cash management in the Group a Multi-currency cash pool arrangement was implemented during the second quarter with Danske Bank A/S. An overdraft of EUR 15,0 million was included in the cash pool arrangement. The overdraft had not been utilised on 30 June 2019.

The loans include a financial covenant reviewed on a quarterly basis, which is Net debt to EBITDA calculated in accordance with the financing agreement. The relation of the Group's net debt to EBITDA adjusted according to the terms of the financing agreement was 3,2 (3,7) on 30 June 2019. The covenant limit in accordance with the financing agreement was 4,5 (4,0) on 30 June 2019.

2.6. Lease agreement commitments

LEASE AGREEMENT COMMITMENTS			
EUR thousand	**30.6.2019**	**30.6.2018**	**31.12.2018**
No later than 1 year	44	4 497	4 406
Later than 1 year and no later than 5 years	-	13 378	12 000
Later than 5 years	-	2 653	2 306
Total	**44**	**20 527**	**18 712**

Lease agreement commitments are not shown for the interim period, unless the lease period is 12 months or less or the value of the lease agreement is low. Group does not report low value agreements or IT service agreements as minimum rents. Reference period is based on IAS 17 standard, review period is based on IFRS 16 standard.

As a result of adoption of IFRS 16 standard lease agreement commitments have decreased due to recognition of short term and long term lease liabilities on the balance sheet. A reconciliation between Financial Statements 2018 lease commitments and IFRS 16 lease liabilities has been presented in note 2.1 Accounting Policies.

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 as 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 the above-mentioned persons exercise controlling power.

THE FOLLOWING TRANSACTIONS WERE CARRIED OUT WITH RELATED PARTIES			
1.1.-30.6.2019 EUR thousand	**Sales of goods and services**	**Purchases of goods and services**	**Finance income and expenses**
Shareholders having a significant influence over the Group	5 596	-348	-404
Total	**5 596**	**-348**	**-404**
30.6.2019 EUR thousand		**Receivables**	**Liabilities**
Shareholders having a significant influence over the Group		1 319	56 360
Total		**1 319**	**56 360**
1.1.-31.12.2018 EUR thousand	**Sales of goods and services**	**Purchases of goods and services**	**Finance income and expenses**
Shareholders having a significant influence over the Group	5 389	-482	-181
Total	**5 389**	**-482**	**-181**
31.12.2018 EUR thousand		**Receivables**	**Liabilities**
Shareholders having a significant influence over the Group		1 091	57 516
Total		**1 091**	**57 516**

Transactions with related parties have been carried out on an arm's length basis. During the review 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.

Long-term incentive plans for the management

Long-term incentive plan for the management 2015–2018

In March 2015, the Board of Directors established an incentive plan for the management of the Group. The plan was 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 the Group's management acquired, in the personnel offering, the number of shares determined by the Board of Directors. The long-term incentive plan contained two elements: a performance based share plan and a matching share plan.

The possible award was contingent on the continuation of employment or service at the time of payment award and meeting of the shareholding requirement. The awards paid out through the performance based share plan and the matching share plan of the year 2015 corresponded to a value of 108 000 shares at a maximum, including also the cash proportion.

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 be attained in full, the payable rewards would correspond to a maximum total of 72 000 Asiakastieto Group shares, including also the cash proportion.

The long-term incentive plan to the management was within the scope of IFRS 2. For the period under review, an accrued expense of EUR 27 thousand (EUR 131 thousand) has been recognised in personnel expenses.

Performance-based Share Plan 2015

The performance-based share plan award for the period March 2015–March 2018 was based on the total shareholder return calculated on the Asiakastieto Group Plc's share, adjusted for dividends paid. The share plan's performance period ended on 31 March 2018 and the rewards were paid out on 29 May 2018.

Matching Share Plan 2015 and Performance-based Share Plan 2016

The acquisition of personnel shares within the matching share plan 2015 entitled the participant to be awarded one additional share for each personnel share within the plan in four years' time, provided that the terms and conditions of the plan were met. The rewards earned under the matching share plan were paid to the participants on 8 March 2019.

The performance-based share plan 2016 award for the period July 2016–December 2018 was based on the total shareholder return calculated on the Asiakastieto Group Plc's share, adjusted for dividends paid. The rewards earned were paid to the participants on 8 March 2019.

In the directed issue, key persons participating in the performance-based share plans 2015 and 2016 were given altogether 39 328 new shares of Asiakastieto Group Plc without consideration, in accordance with the terms of the programme. Withholding tax of EUR 1,1 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 8 March 2019, and they became the subject of public trading on 11 March 2019.

Long-term incentive plan for the management 2018–2021

In August 2018, the 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. In order to participate in the plan and receive award, the participant must purchase Asiakastieto Group Plc's shares or allocate previously held Asiakastieto shares to the programme in the number determined by the Board of Directors.

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.

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. For the financial year, an accrued expense of EUR 424 thousand (EUR 0) has been recognised in personnel expenses.

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. To finance the acquisition of UC, the Group entered on 31 May 2018 in a financing agreement of EUR 100,0 million concerning a bridge loan. The bridge loan was drawn down on 29 June 2018, and it was replaced by refinancing of the loans on 25 October 2018. The consolidated pro forma financial information purports to reflect the effect of the bridge loan facility to financial expenses in Asiakastieto Group's consolidated statements of income during the periods presented. The effective interest rate used for pro forma purposes for the bridge loan facility was 1,7 percent. More information on the acquisition of UC is presented under Note 2.3. Corporate Acquisitions in the Notes to the condensed financial statements.

Consolidated pro forma statement of income data

CONSOLIDATED PRO FORMA STATEMENT OF INCOME

EUR million	Actual 1.4. – 30.6.2019	1.4. – 30.6.2018	Actual 1.1. – 30.6.2019	1.1. – 30.6.2018	1.1. – 31.12.2018
Net sales	**35,6**	**34,1**	**70,1**	**66,9**	**134,3**
Other operating income	0,0	0,1	0,0	0,1	0,1
Materials and services	-6,2	-6,0	-11,8	-11,3	-22,8
Personnel expenses	-10,5	-10,7	-20,3	-20,8	-40,7
Other operating expenses	-8,7	-11,0	-17,0	-20,9	-38,2
Work performed by the entity and capitalised	0,5	0,5	1,1	1,1	2,0
Depreciation and amortisation	-5,8	-3,7	-10,5	-7,4	-15,5
Operating profit	**5,0**	**3,2**	**11,7**	**7,7**	**19,2**
Finance income	0,1	0,0	0,1	0,0	0,0
Finance expenses	-0,7	-0,8	-1,5	-1,5	-3,1
Finance income and expenses	-0,6	-0,8	-1,4	-1,5	-3,1
Profit before income tax	**4,4**	**2,5**	**10,2**	**6,2**	**16,2**
Income tax expense	-0,9	-0,6	-1,9	-1,2	-3,3
Profit for the period	**3,5**	**1,9**	**8,3**	**5,0**	**12,9**
Items that may be reclassified to profit or loss:					
Translation differences on foreign units	-4,3	-	-8,2	-	5,4
Hedging of net investments in foreign units	1,0	-	1,9	-	-0,9
Income tax relating to these items	-0,2	-	-0,4	-	0,2
	-3,5	**-**	**-6,7**	**-**	**4,8**
Items that will not be reclassified to profit or loss:					
Remeasurements of post-employment benefit obligations	-	0,1	-	1,2	0,5
Income tax relating to these items	-	0,0	-	-0,3	-0,1
	-	**0,1**	**-**	**0,9**	**0,4**
Other comprehensive income for the period, net of tax	**-3,5**	**0,1**	**-6,7**	**0,9**	**5,2**
Total comprehensive income for the period	**0,1**	**2,0**	**1,6**	**6,0**	**18,0**

Accounting policies of the unaudited pro forma financial information

The pro forma financial information for the financial year ended 31 December 2018 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 and fourth quarters 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 2018 is prepared in accordance with the accounting policies applied in Asiakastieto Group's audited consolidated financial statements for the year ended 31 December 2018.

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 year 2018. 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 for year 2018 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 basic and diluted pro forma earnings per share attributable to the owners of the parent company and the net sales distribution by business area, applying the same principles as those applied to the pro forma income statement information.

PRO FORMA EARNINGS PER SHARE

EUR million (unless otherwise stated)	Actual 1.4. – 30.6.2019	1.4. – 30.6.2018	Actual 1.1. – 30.6.2019	1.1. – 30.6.2018	1.1. – 31.12.2018
Pro forma profit attributable to the owners of the parent company	3,5	1,9	8,3	5,0	12,9
Weighted average number of shares in issue, historical (pcs)	23 993 292	15 304 709	23 978 734	15 204 003	15 116 115
Pro forma adjustment regarding new shares (pcs)	-	-194 030	-	-97 551	-
New shares issued as part of consideration (pcs)	-	8 828 343	-	8 828 343	8 828 343
Pro forma weighted average number of shares in issue, basic (pcs)	23 993 292	23 939 022	23 978 734	23 934 795	23 944 458
Pro forma basic earnings per share (EUR)	**0,15**	**0,08**	**0,35**	**0,21**	**0,54**
Pro forma weighted average number of shares in issue, basic (pcs)	23 993 292	23 939 022	23 978 734	23 934 795	23 944 458
Management's incentive plan (pcs)	5 146	40 523	5 146	40 523	46 465
Pro forma number of shares, weighted average, diluted (pcs)	23 998 438	23 979 545	23 983 880	23 975 318	23 990 923
Pro forma diluted earnings per share (EUR)	**0,15**	**0,08**	**0,35**	**0,21**	**0,54**

PRO FORMA NET SALES BY BUSINESS AREA					
EUR million	Actual 1.4. – 30.6.2019	1.4. – 30.6.2018	Actual 1.1. – 30.6.2019	1.1. – 30.6.2018	1.1. – 31.12.2018
Risk Decisions	23,9	22,2	47,3	43,5	88,0
SME and Consumers	7,3	7,6	14,5	15,0	29,7
Customer Data Management	2,1	2,2	4,2	4,7	8,9
Digital Processes	2,2	2,1	4,2	3,8	7,6
Total	**35,6**	**34,1**	**70,1**	**66,9**	**134,3**

Net sales for reference periods have been restated to match the current fiscal year business area allocation of products. Certain products have been moved from Customer Data Management to SME and Consumers business area.

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 to this half year report in Note 2 Key financial information for the group.

PRO FORMA KEY FIGURES					
EUR million	Actual 1.4. – 30.6.2019	1.4. – 30.6.2018	Actual 1.1. – 30.6.2019	1.1. – 30.6.2018	1.1. – 31.12.2018
Net sales	35,6	34,1	70,1	66,9	134,3
Net sales growth, %	4,2	6,8	4,7	4,7	3,6
EBITDA	10,8	6,9	22,1	15,1	34,8
EBITDA margin, %	30,3	20,3	31,6	22,6	25,9
Adjusted EBITDA	12,2	9,7	24,0	19,0	42,1
Adjusted EBITDA margin, %	34,3	28,5	34,2	28,3	31,3
Adjusted EBITDA excluding IFRS 16 impact	11,7	9,7	22,9	19,0	42,1
Adjusted EBITDA excluding IFRS 16 impact, %	32,8	28,5	32,6	28,3	31,3
Operating profit (EBIT)	5,0	3,2	11,7	7,7	19,2
EBIT margin, %	14,1	9,5	16,7	11,5	14,3
Adjusted operating profit (EBIT)	9,2	8,7	19,0	17,0	37,7
Adjusted EBIT margin, %	25,8	25,5	27,1	25,4	28,1
Net sales from new products and services	1,4	2,8	2,9	5,0	10,5
New products and services of net sales, %	4,0	8,2	4,2	7,5	7,8
Earnings per share, basic, EUR	0,15	0,08	0,35	0,21	0,54
Earnings per share, diluted, EUR	0,15	0,08	0,35	0,21	0,54
Earnings per share, comparable, EUR[1]	0,24	0,17	0,53	0,39	0,90
Net debt to adjusted EBITDA, x	3,2	3,6	3,3	3,6	3,3

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

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

PRO FORMA ADJUSTED EBITDA					
EUR million	Actual 1.4. – 30.6.2019	1.4. – 30.6.2018	Actual 1.1. – 30.6.2019	1.1. – 30.6.2018	1.1. – 31.12.2018
Operating profit (IFRS)	**5,0**	**3,2**	**11,7**	**7,7**	**19,2**
Depreciation and amortisation	5,8	3,7	10,5	7,4	15,5
EBITDA	**10,8**	**6,9**	**22,1**	**15,1**	**34,8**
Items affecting comparability					
M&A and integration related expenses	0,6	2,2	0,9	2,8	4,2
Redundancy payments	0,8	0,2	1,0	0,2	2,1
External expenses arising from significant regulatory changes	-	0,3	-	0,8	0,9
Compensation paid for damages	-	-	-	-	0,1
Total items affecting comparability	1,4	2,8	1,8	3,8	7,3
Adjusted EBITDA	**12,2**	**9,7**	**24,0**	**19,0**	**42,1**
IFRS 16 -lease expenses	-0,5	-	-1,1	-	-
Adjusted EBITDA excluding IFRS 16 impact	**11,7**	**9,7**	**22,9**	**19,0**	**42,1**

PRO FORMA ADJUSTED OPERATING PROFIT					
EUR million	Actual 1.4. – 30.6.2019	1.4. – 30.6.2018	Actual 1.1. – 30.6.2019	1.1. – 30.6.2018	1.1. – 31.12.2018
Operating profit (IFRS)	**5,0**	**3,2**	**11,7**	**7,7**	**19,2**
Amortisation from fair value adjustments related to acquisitions	2,7	2,7	5,5	5,5	11,1
Items affecting comparability					
M&A and integration related expenses	0,6	2,2	0,9	2,8	4,2
Redundancy payments	0,8	0,2	1,0	0,2	2,1
External expenses arising from significant regulatory changes	-	0,3	-	0,8	0,9
Compensation paid for damages	-	-	-	-	0,1
Total items affecting comparability	1,4	2,8	1,8	3,8	7,3
Adjusted operating profit	**9,2**	**8,7**	**19,0**	**17,0**	**37,7**

PRO FORMA COMPARABLE EARNINGS PER SHARE					
EUR million (unless otherwise stated)	Actual 1.4. – 30.6.2019	1.4. – 30.6.2018	Actual 1.1. – 30.6.2019	1.1. – 30.6.2018	1.1. – 31.12.2018
Pro forma profit attributable to the owners of the parent company (IFRS)	3,5	1,9	8,3	5,0	12,9
Amortisation from fair value adjustments related to acquisitions	2,7	2,7	5,5	5,5	11,1
Tax impact of amortisation from fair value adjustments related to the acquisitions	-0,6	-0,6	-1,2	-1,2	-2,4
Pro forma comparable profit attributable to the owners of the parent company	5,7	4,0	12,7	9,3	21,6
Pro forma weighted average number of shares in issue - basic (pcs)	23 993 292	23 939 022	23 978 734	23 934 795	23 944 458
Pro forma comparable earnings per share (EUR)	**0,24**	**0,17**	**0,53**	**0,39**	**0,90**

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 realised 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 of the Group.

The alternative performance measures of this Half Year Report have been calculated applying the same principles as presented in the Board of Directors' Annual Report for 2018.

KEY INCOME STATEMENT AND CASH FLOW FIGURES AND RATIOS

EUR million	1.4. – 30.6.2019	1.4. – 30.6.2018	1.1. – 30.6.2019	1.1. – 30.6.2018	1.1. – 31.12.2018
Net sales	35,6	15,7	70,1	30,8	98,1
Net sales growth, %	126,1	8,9	127,4	8,9	74,6
EBITDA	10,8	2,0	22,1	7,1	26,7
EBITDA margin, %	30,3	12,6	31,6	23,0	27,2
Adjusted EBITDA	12,2	6,6	24,0	13,0	36,1
Adjusted EBITDA margin, %	34,3	42,0	34,2	42,3	36,8
Adjusted EBITDA excluding IFRS 16 impact	11,7	6,6	22,9	13,0	36,1
Adjusted EBITDA excluding IFRS 16 impact, %	32,8	42,0	32,6	42,3	36,8
Operating profit (EBIT)	5,0	1,0	11,7	5,2	16,7
EBIT margin, %	14,1	6,3	16,7	16,8	17,0
Adjusted operating profit (EBIT)	9,2	5,7	19,0	11,4	32,0
Adjusted EBIT margin, %	25,8	36,6	27,1	36,9	32,7
Free cash flow	5,3	2,4	12,6	4,0	15,9
Cash conversion, %	49,4	123,8	57,1	55,8	59,6
Net sales from new products and services	1,4	1,6	2,9	3,1	8,6
New products and services of net sales, %	4,0	10,5	4,2	10,1	8,8
Earnings per share, basic, EUR	0,15	-0,00	0,35	0,20	0,56
Earnings per share, diluted, EUR	0,15	-0,00	0,35	0,20	0,56
Earnings per share, comparable, EUR[1]	0,24	0,00	0,53	0,21	0,78

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

KEY BALANCE SHEET RATIOS

EUR million	1.4. – 30.6.2019	1.4. – 30.6.2018	1.1. – 30.6.2019	1.1. – 30.6.2018	1.1. – 31.12.2018
Balance sheet total	535,1	539,1	535,1	539,1	545,9
Net debt	158,7	147,1	158,7	147,1	137,0
		pro forma		pro forma	pro forma
Net debt to adjusted EBITDA, x	3,2	3,6	3,3	3,6	3,3
Return on equity, %	4,7	-0,1	5,4	3,1	5,4
Return on capital employed, %	4,3	0,4	4,9	0,6	5,2
Gearing, %	53,0	47,5	53,0	47,5	42,6
Equity ratio, %	56,8	58,2	56,8	58,2	59,6
Gross investments	3,2	1,0	5,8	2,5	5,6

Matching of alternative key figures to the closest IFRS key figure

EBITDA AND ADJUSTED EBITDA					
EUR thousand	1.4. – 30.6.2019	1.4. – 30.6.2018	1.1. – 30.6.2019	1.1. – 30.6.2018	1.1. – 31.12.2018
Operating profit	**5 021**	**997**	**11 677**	**5 177**	**16 704**
Depreciation and amortisation	5 771	976	10 452	1 905	9 995
EBITDA	**10 792**	**1 974**	**22 129**	**7 082**	**26 699**
Items affecting comparability					
M&A and integration related expenses	638	4 625	863	5 940	7 266
Redundancy payments	782	-	966	-	1 935
External expenses arising from significant regulatory changes	-	9	-	9	142
Compensation paid for damages	-	-	-	-	80
Total items affecting comparability	1 420	4 634	1 829	5 949	9 424
Adjusted EBITDA	**12 212**	**6 608**	**23 958**	**13 031**	**36 122**
IFRS 16 -lease expenses	-550	-	-1 106	-	-
Adjusted EBITDA excluding IFRS 16 impact	**11 662**	**6 608**	**22 852**	**13 031**	**36 122**

EBIT AND ADJUSTED EBIT					
EUR thousand	1.4. – 30.6.2019	1.4. – 30.6.2018	1.1. – 30.6.2019	1.1. – 30.6.2018	1.1. – 31.12.2018
Operating profit	**5 021**	**997**	**11 677**	**5 177**	**16 704**
Amortisation from fair value adjustments related to the acquisitions	2 727	118	5 497	236	5 915
Items affecting comparability					
M&A and integration related expenses	638	4 625	863	5 940	7 266
Redundancy payments	782	-	966	-	1 935
External expenses arising from significant regulatory changes	-	9	-	9	142
Compensation paid for damages	-	-	-	-	80
Total items affecting comparability	1 420	4 634	1 829	5 949	9 424
Adjusted operating profit	**9 169**	**5 749**	**19 002**	**11 362**	**32 042**

FREE CASH FLOW					
EUR thousand	1.4. – 30.6.2019	1.4. – 30.6.2018	1.1. – 30.6.2019	1.1. – 30.6.2018	1.1. – 31.12.2018
Cash flow from operating activities	**7 231**	**2 938**	**17 111**	**5 723**	**19 527**
Paid interests and other financing expenses	1 393	521	1 470	782	2 092
Received interest and other financing income	-90	-0	-161	-0	-7
Acquisition of tangible assets and intangible assets	-3 198	-1 015	-5 789	-2 554	-5 691
Free cash flow	**5 336**	**2 443**	**12 631**	**3 950**	**15 921**

Matching of pro forma alternative performance measures is shown in Note 1 Consolidated pro forma financial information of the Group to this half year report.

Calculation formulas for alternative performance measures

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	EBITDA + items affecting comparability
Adjusted EBITDA excluding IFRS 16 impact	Adjusted EBITDA + IFRS 16 -lease expenses
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.
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.

Adjusted EBITDA excluding IFRS 16 impact is presented as alternative performance measure starting 1 January 2019 as, according to the Company's view, it will improve the understanding of Group's profitability compared to prior year. Implementation of IFRS 16 Lease Agreements standard will have a significant impact on adjusted EBITDA, which is one of the main alternative performance measures used to describe the development of Group profitability.

Net sales from new products and services is presented as alternative performance measure, as it, according to the Company's views, describes 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	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Net sales	**35 565**	**34 522**	**35 910**	**31 410**	**15 728**	**15 088**
Other operating income	8	25	-11	33	14	49
Materials and services	-6 150	-5 609	-5 912	-5 532	-3 712	-3 178
Personnel expenses	-10 481	-9 828	-9 965	-9 905	-3 424	-3 469
Other operating expenses	-8 660	-8 339	-9 111	-8 158	-7 021	-3 765
Work performed by the entity and capitalised	510	566	492	366	390	381
Depreciation and amortisation	-5 771	-4 681	-4 276	-3 814	-977	-928
Operating profit	**5 021**	**6 656**	**7 126**	**4 401**	**997**	**4 180**
Finance income	90	10	-107	114	0	0
Finance expenses	-701	-827	-686	-891	-327	-292
Finance income and expenses	-611	-818	-793	-776	-326	-292
Profit before income tax	**4 410**	**5 838**	**6 333**	**3 624**	**671**	**3 888**
Income tax expense	-877	-1 038	-1 406	-707	-704	-780
Profit for the period	**3 533**	**4 800**	**4 926**	**2 917**	**-33**	**3 108**
Items that may be reclassified to profit or loss						
Translation differences on foreign units	-4 256	-3 960	717	4 733	-	-
Hedging of net investments in foreign units	996	888	-858	-	-	-
Income tax relating to these items	-199	-178	172	-	-	-
	-3 460	**-3 249**	**31**	**4 733**	**-**	**-**
Items that will not be reclassified to profit or loss						
Remeasurements of post-employment benefit obligations	-	-	-687	-	-	-
Income tax relating to these items	-	-	142	-	-	-
	-	**-**	**-546**	**-**	**-**	**-**
Other comprehensive income for the period, net of tax	**-3 460**	**-3 249**	**-515**	**4 733**	**-**	**-**
Total comprehensive income for the period	**73**	**1 551**	**4 411**	**7 650**	**-33**	**3 108**
Profit attributable to:						
Owners of the parent company	3 533	4 800	4 926	2 917	-33	3 108
Total comprehensive income attributable to:						
Owners of the parent company	73	1 551	4 411	7 650	-33	3 108
Earnings per share attributable to the owners of the parent during the period:						
Basic, EUR	0,15	0,20	0,21	0,12	-0,00	0,21
Diluted, EUR	0,15	0,20	0,21	0,12	-0,00	0,20

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