



# **Digia Plc's Financial Statement Bulletin 2019 & strategy 2020-2022**

7.2.2020



# Content

## **Financial Statement Bulletin 2019**

Year of culture and growth

## **Strategy 2020- 2022**

Next Level

# Building sustainable and profitable growth

Demerger  
5/2016

Strategy  
2016-2019

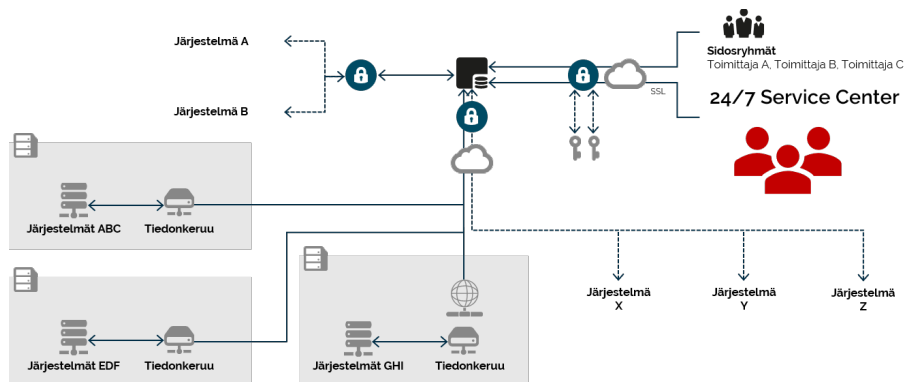
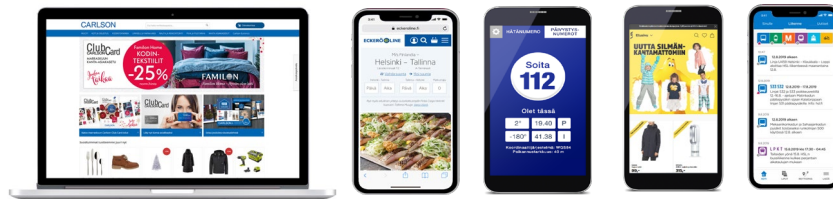
Strategy  
2020-2022

Proven  
strategy

Bolstered  
offering

Long-term  
development

## Growth in 2019: Smart, functioning entity





Net sales  
**131,8 MEUR**  
(112,1)

Operating profit  
**9,6 MEUR**  
(6.5)

Earnings per share  
**0,27 EUR**  
(0,18)

Personnel  
**1 266**  
(1091)

## **2019:** Year of company culture and growth

### Growth

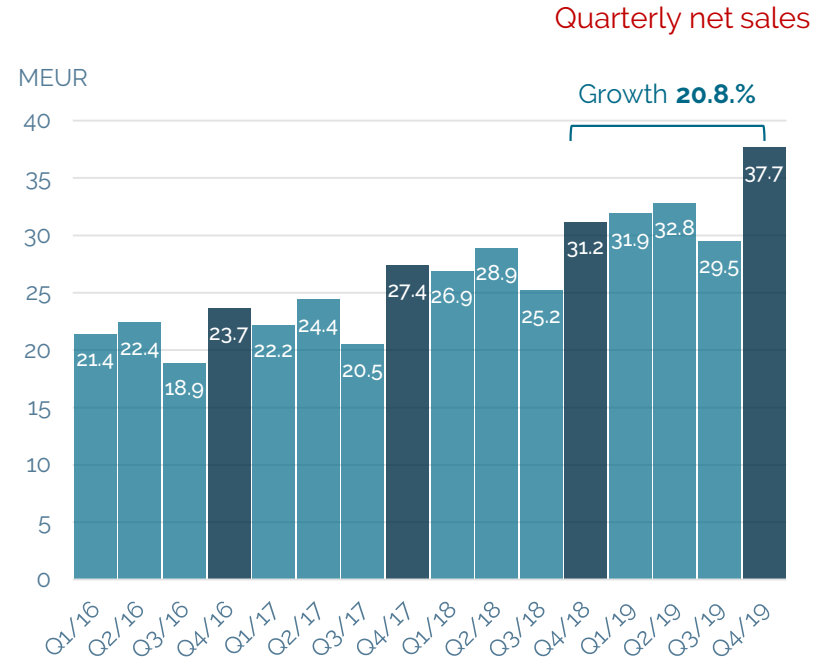
- Net sales + 18%
- Operating profit + 49%
- Earnings per share + 51%
- Personnel + 16%

### Profitability

- Operating margin 7.3% (5.8%)
- Return on investment 13.5% (10.6%)

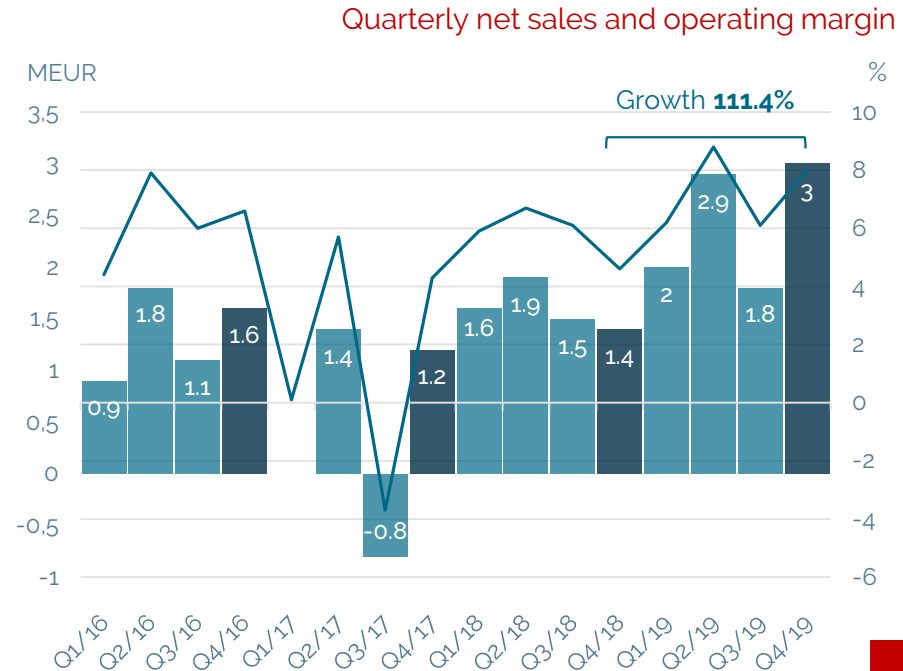
# Net sales grew 20.8%

- Net sales was 37.7 (31.2) MEUR, organic growth 8.6%
- Growth of net sales was supported especially by
  - Analytics –business area
  - Integration and API solutions
  - Core business systems
    - Business systems based on Microsoft technologies
- Service and maintenance business:
  - 22.8 MEUR, growth 12.2%
- Project business:
  - 14.9 MEUR, growth 37.1%



# Operating profit 3.0 MEUR, growth 111.4%

- Strong performance for the end of the year
- Operating profit was 3.0 (1.4) MEUR
- Operating margin 8.0% (4.6%)
- Digia Business Platforms Oy merged into Digia Finland Oy 31.12.2019



# Key figures 31 December 2019

- Return on equity (ROE) 14.0% (10.2%)
- Return on investment (ROI) 13.5% (10.6%)
- Interest bearing liabilities 22.6 (12.7) MEUR
- Net gearing 42.5% (26.6%)
- Equity ratio 47.2% (54.9%)
- Total shareholder's equity 53.2 (47.8) MEUR
- Balance sheet total 114.1 (88.1) MEUR

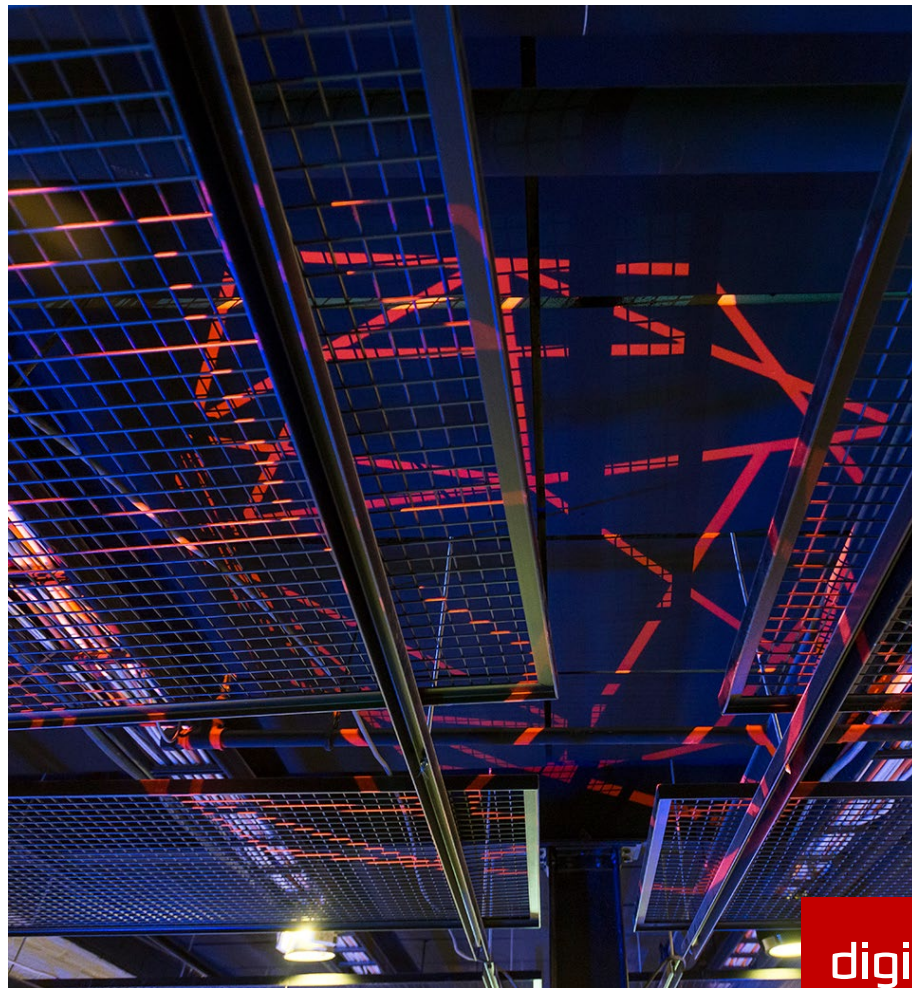


# Digia proceeds to EBITA guidance

## EBITA

*Operating profit before amortisation of acquisition costs*

- Digia has grown during the past strategy period both organically and through acquisitions
  - Helps to perceive the company's true operative performances
  - Comparing the development of profitability with comparable companies





# Proposal for the distribution of profit

- The Board of Directors will propose that a dividend of EUR 0.10 per share be paid (EUR 0.07 per share in 2018)

# Profit guidance for 2020

- Digia's net sales will grow and operating profit (EBITA) will improve compared to 2019.

*Operating profit before amortisation of acquisition costs (EBITA)*



**digia**



# Strategy 2020-2022

## Next Level



# Content

## **Summary of 2016-2019**

## **Strategy 2020-2022**

- The future world
- Objectives
- Focus areas

# Building sustainable and profitable growth

Demerger  
5/2016

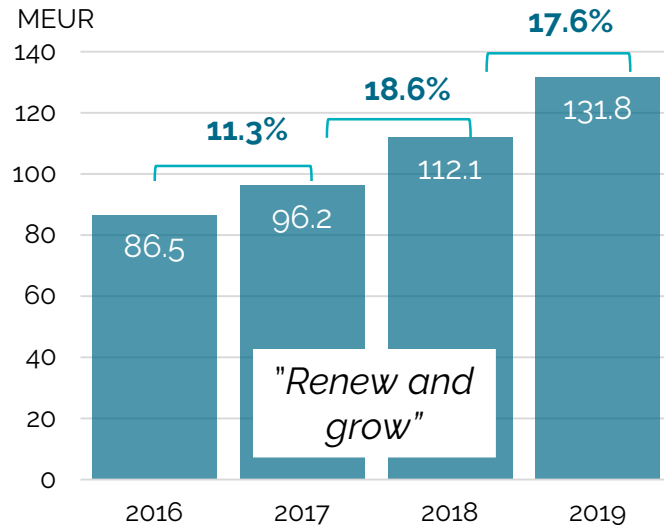
Strategy  
2016-2019



Strategy  
2020-2022

# Digia's growth journey 1.5.2016-2019

## Digia's net sales



## Digia's operating profit

2016: 5.4 MEUR » 2019: 9.6 MEUR

## Digia's cultural principles

### LEARNING

Every Digia employee  
is a Senior Trainee

### SHARING

Together we  
know more

### COURAGE

It will not sting  
that bad

### PROFESSIONAL PRIDE

I stand by my work

# Continuous improving and creating new

## Personnel

- Continuous learning
- Recruiting
- Culture

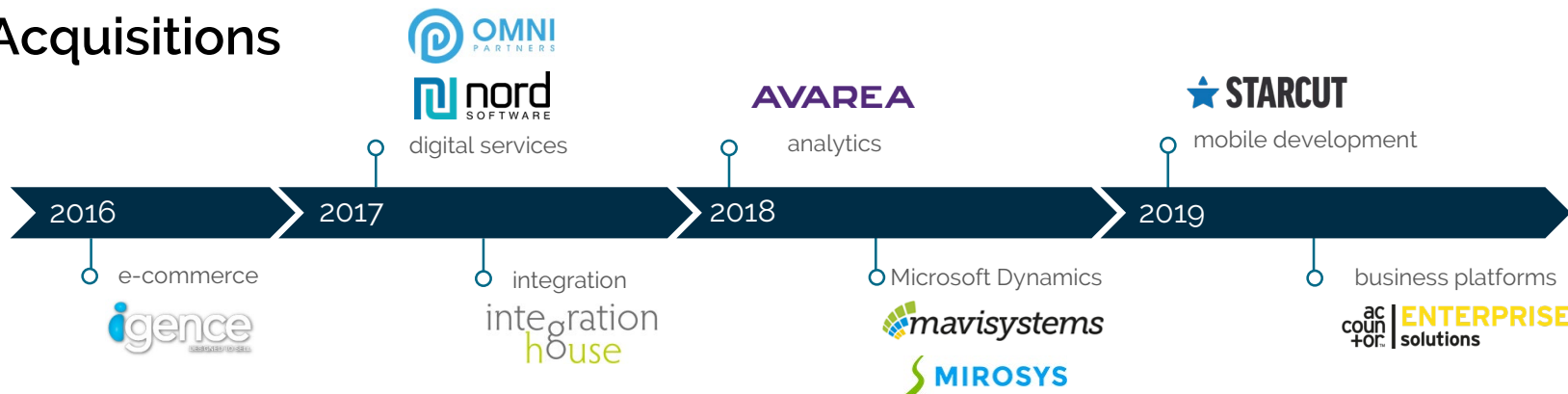
## Offering

- Strong entity
- Monitoring and maintenance 24/7

## Operating model

- Account management model
- Efficiency and quality

## Acquisitions



# Building sustainable and profitable growth

Demerger  
5/2016

Strategy  
2016-2019

Strategy  
2020-2022

# Strategy 2020-2022

1

**The future world**

2

Objectives

3

Focus areas



# Market outlook and direction of development

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Digitalisation is becoming an increasingly important part of **our customers' core operations**.

The world is becoming more networked and **digital platforms** enable new business models.

**Smart and responsible data utilisation** in business processes creates a competitive advantage.

Good **user experience** in services is a critical success factor.

The importance of **cloud technologies** as a platform for developing and operating services is becoming the norm

# Future business

VALUE IS CREATED  
IN ECOSYSTEMS  
THROUGH SMART DATA  
MANAGEMENT

DATA  
UTILISATION

DIGITALISATION OF  
SERVICES AND  
PROCESSES

## SUCCESSFUL COMPANIES:

When data is in shape,  
people work with  
meaningful tasks  
supported by smart  
software.  
The symbiosis between  
humans and software  
becomes the norm.

Digia is a visionary  
and reliable partner  
in a connected and  
data driven world.

digia

# Strategy 2020-2022

1

Mihin maailma menee?

2

**Mitä tavoittelemme?**

3

Mihin panostamme?





# Objectives

## Financial objectives

An annual net sales growth exceeding 10%

The target level of profitability improvement is an EBITA margin of 10 per cent by the end of the strategy period.

## Value for customers

A visionary and reliable partner in a connected and data-driven world.

## Digia as a company

A responsible community where people learn and work with meaningful tasks supported by smart software.

# Strategy 2020-2022

1

The future world

2

Objectives

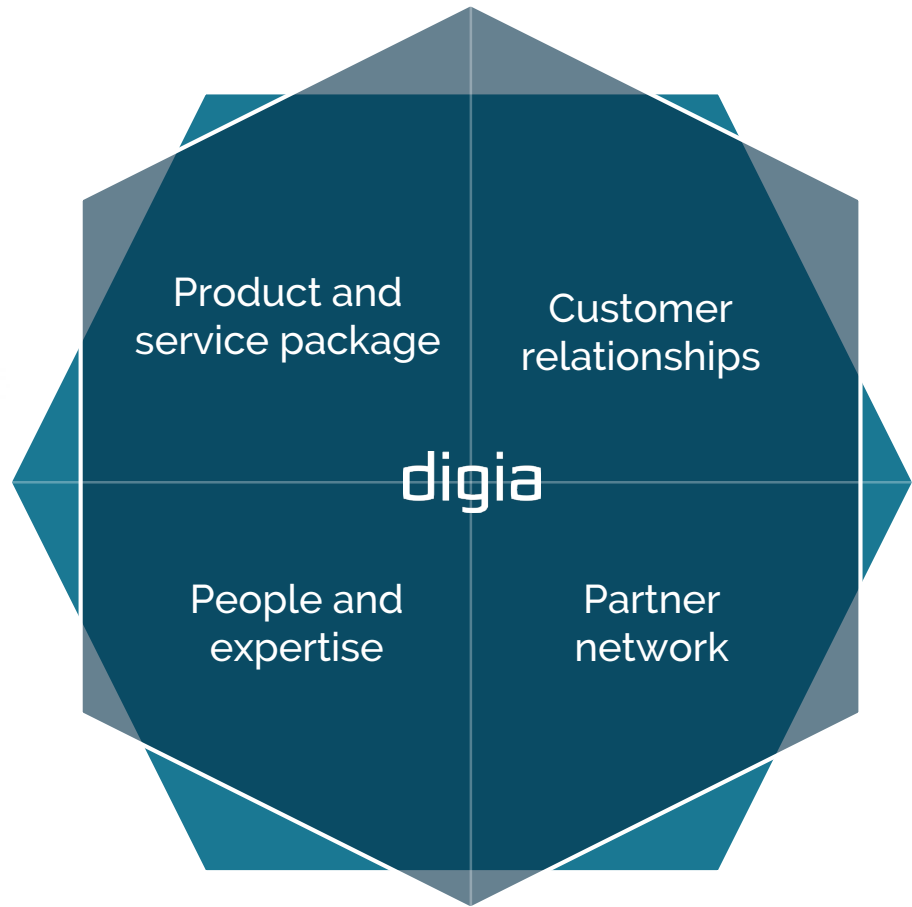
3

**Focus areas**



Digia has a  
**competitive base**  
which has been  
proven to work

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LEARNING | SHARING | PROFESSIONAL PRIDE | COURAGE

digia

# Focus areas

- 1 **Smart and responsible data utilisation**
- 2 **Service business**
- 3 **Productivity and scalability**
- 4 **Cloud technologies**
- 5 **Culture and continuous learning**





## **Digia Next Level:**

A visionary and reliable partner in a connected and data-driven world.



digia

Digitalisation that  
makes a difference.

**Thank you.**