



Terveystalo Group Half-Year Report January–June 2024

Strong and rapid progress towards the financial targets

Terveystalo

April–June 2024 in brief

- **Revenue increased by 5.5 percent year-on-year to EUR 340.1 (322.4) million.**
Q2 had one more working day vs. the comparison period.
The Healthcare Services segment revenue increased by 11.4 percent and was EUR 261.4 (234.7) million. Portfolio Businesses revenue decreased by 8.7 percent and was EUR 62.7 (68.6) million. The revenue from Sweden decreased by 10.2 percent and came to EUR 22.1 (24.6) million.
- **Adjusted¹⁾ earnings before interest, taxes, amortization, and impairment losses (EBITA) increased by 49.1 percent year-on-year to EUR 42.5 (28.5) million, representing 12.5 (8.8) percent of revenue.**
The profitability strengthened in Healthcare Services and Portfolio Businesses. The profit improvement program, including improved operational efficiency, better sales mix, and successful commercial actions drove profit improvement.
In Sweden, the profitability clearly weakened from the comparison period mainly due to decreased revenue caused by ended contracts and lower demand.
- Items affecting comparability¹⁾ with a negative effect on EBITA were EUR 10.4 (5.5) million.
- The result for the period was EUR 14.3 (7.5) million.
- Earnings per share (EPS) was EUR 0.11 (0.06).
- Cash flow from operating activities was EUR 44.4 (25.9) million.
- NPS (Net Promoter Score) for appointments was 86.4 (85.8). NPS for hospitals was 95.2 (95.9).

January–June 2024 in brief

- **Revenue increased by 4.1 percent year-on-year to EUR 690.4 (663.4) million.**
The Healthcare Services segment revenue increased by 9.3 percent and was EUR 529.4 (484.5) million. Portfolio Businesses revenue decreased by 8.6 percent and was EUR 127.3 (139.4) million. The revenue from Sweden decreased by 9.9 percent and came to EUR 45.1 (50.1) million.
- **Adjusted¹⁾ earnings before interest, taxes, amortization, and impairment losses (EBITA) increased by 38.1 percent year-on-year to EUR 89.7 (64.9) million, representing 13.0 (9.8) percent of revenue.**
The profitability strengthened in Healthcare Services and Portfolio Businesses. The profit improvement program, including improved operational efficiency, better sales mix, and successful commercial actions drove profit improvement.
In Sweden, the profitability clearly weakened from the comparison period, mainly due to decreased revenue caused by ended contracts and lower demand. A profit improvement program was launched in Sweden during the fourth quarter of 2023 targeting a structural improvement in profitability. The program progressed as planned during the first half of the year.
- Items affecting comparability¹⁾ with a negative effect on EBITA were EUR 14.6 (14.9) million.
- The result for the period was EUR 37.9 (18.6) million.
- Earnings per share (EPS) was EUR 0.3 (0.1).
- Net debt/adjusted EBITDA was 2.5 (3.3).
- Cash flow from operating activities was EUR 93.5 (61.8) million.

The figures in parentheses refer to the corresponding period one year ago.

1) Adjustments are material items outside the ordinary course of business, associated with acquisition-related expenses, restructuring-related expenses, gains and losses on the sale of assets, impairment losses, strategic projects, and other items affecting comparability. Adjustments related to the profit improvement programs were approximately EUR 4.9 million during the second quarter and EUR 9.4 million during January–June.

President and CEO Ville Iho: We are on track to reach our financial targets faster than anticipated

Terveystalo's second quarter of 2024 was record strong in terms of revenue and profitability, and the profit improvement program showed its strength especially in May-June. Revenue increased by approximately 6 percent to EUR 340 million and our profitability strengthened significantly year-on-year. Adjusted EBITA increased by nearly 50 percent to EUR 43 million, representing 12.5 percent of revenue. Earnings per share increased by 91 percent year-on-year to EUR 0.11. Our profit improvement measures have had an even faster impact than expected and clearly improved our profitability also during the seasonally lower demand in the summer. We have raised our guidance for 2024 on 11 July 2024: We expect our full-year 2024 adjusted EBITA to be 11.5–12.5 percent of revenue.

The Healthcare Services segment's excellent performance continued for the fifth quarter in a row. The segment's revenue grew by more than 11 percent year-on-year to EUR 261 million in the second quarter. In addition to a strong supply, revenue was boosted by a more favourable customer and service mix and successful commercial actions. Revenue growth and improved operational efficiency increased the segment's adjusted EBITA by 67 percent to EUR 39 million, representing 15 percent of revenue. After running the profit improvement program for 20 months, our core business is on a solid footing and continues to strengthen. We continue to focus on profitable growth through operational excellence and by delivering superior customer value.

The profitability of the Portfolio businesses also strengthened significantly. The segment's adjusted EBITA increased by almost 52 percent year-on-year to approximately EUR 3 million despite the decrease in revenue. EBITA margin was 5 percent. The segment's revenue decreased by approximately 9 percent to EUR 63 million. The planned contraction of the outsourcing agreement portfolio continued. Revenue was also reduced by the proactive customer selection of staffing services and the continued subdued demand for dental services. The sales pipeline in the public market continues to develop slowly, and new tenders have been seen mainly in digital services.

In Sweden, the revenue decreased by approximately 10 percent year-on-year due to expired contracts and weakened demand and was EUR 22 million. The turnaround of business operations is being built systematically. The cost structure has been adjusted to meet demand, and in the next phase, the program will focus on increasing operational efficiency and commercial activities. We expect the impact of the program to be visible as a turnaround from the beginning of 2025 and the full runrate impact to take place during 2025.

Over the past twenty months, we have turned the company around and created a very strong foundation for its development in the coming years. We are on track to reach our financial targets faster than anticipated.

The profit improvement program has demanded a lot from Terveystalo's employees. Achieving the turnaround has also required hard measures, which has inevitably been reflected in our eNPS results. As the program reaches its final stretch, our agenda will also change, and in the future, our actions to drive profitability will be guided even more strongly by customer and personnel experience.

I would like to thank everyone at Terveystalo for their excellent work. Our results are created through your work.

Meaningful matters,
Ville Iho

Guidance for 2024

Terveystalo expects its full-year 2024 revenue to grow (2023: EUR 1,286 million) and adjusted EBITA to be 11.5–12.5 percent of revenue (2023: 9.8 percent).

The estimates are based on the second quarter of 2024 projections for inflation, consumer demand and employment, and normal morbidity. The performance improvement program has significantly exceeded its initial target and the measures are having an impact faster than previously estimated. The estimates include an annual decrease of approximately EUR 10 million in revenue in the Portfolio Businesses segment's outsourcing business. The Sweden segment's revenue is expected to decline due to macro weakness and the exchange rate is expected to remain stable. The increase in the VAT rate in Finland does not significantly impact the 2024 result. The estimates do not include material acquisitions or divestments.

Guidance on 26 April 2024:

Terveystalo estimates its revenue for 2024 to grow (2023: EUR 1,286 million) and its adjusted EBITA margin to be between 10.5 and 11.5 percent (9.8 percent in 2023).

The estimates are based on the first quarter 2024 projections for inflation, consumer demand and employment, normal morbidity, and a predictable labour market in Finland. The estimates include the impact of the successful completion of the profit improvement program and an annual decrease of approximately EUR 10 million in revenue in the Portfolio Businesses segment's outsourcing business. The Sweden segment's revenue is expected to decline due to macro weakness and the exchange rate is expected to remain stable. The possible increase in the VAT rate in Finland is not expected to have a significant impact on the 2024 result. The estimates do not include material acquisitions or divestments.

Financial targets

Terveystalo's financial targets are:

- annual revenue growth of at least 5 percent through organic growth and acquisitions
- an adjusted EBITA margin of at least 12 percent in 2025
- net debt/adjusted EBITDA ratio of 3.5x or less
However, indebtedness may temporarily exceed the target level, such as in conjunction with acquisitions.
- to distribute a minimum of 40 percent of net profit as dividends annually
However, the dividend proposal must consider Terveystalo's long-term development potential and financial position.

Key figures

EUR mill. unless stated otherwise	4-6/2024	4-6/2023	Change, %	1-6/2024	1-6/2023	Change, %	2023
Revenue	340.1	322.4	5.5	690.4	663.4	4.1	1,286.4
Adjusted EBITA * ¹⁾	42.5	28.5	49.1	89.7	64.9	38.1	125.6
Adjusted EBITA, % * ¹⁾	12.5	8.8 -		13.0	9.8 -		9.8
EBITA ¹⁾	32.1	25.0	28.5	75.1	52.0	44.4	104.4
EBITA, % ¹⁾	9.4	7.7 -		10.9	7.8 -		8.1
Operating profit (EBIT)	24.6	15.0	64.2	60.3	34.0	77.1	-14.7
Operating profit (EBIT), %	7.2	4.6 -		8.7	5.1 -		-1.1
Return on equity (ROE) (LTM), % ¹⁾	-	-	-	-4.5	1.1 -		-7.6
Equity ratio, % ¹⁾	-	-	-	36.9	39.0 -		36.5
Earnings per share, EUR	0.11	0.06	90.8	0.30	0.15	103.4	-0.3
Weighted average number of shares outstanding, in thousands	126,605	126,556 -		126,605	126,554 -		126,555
Net debt ¹⁾	-	-	-	569.8	601.7	-5.3	598.1
Gearing, % ¹⁾	-	-	-	110.8	105.3 -		116.0
Net debt/Adjusted EBITDA (LTM) * ¹⁾	-	-	-	2.5	3.3 -		3.0
Adjusted EBITDA (LTM), excluding IFRS 16 * ¹⁾	-	-	-	169.3	124.5	36.0	142.8
Net debt, excluding IFRS 16 ¹⁾	-	-	-	365.2	399.9	-8.7	379.0
Net debt/Adjusted EBITDA (LTM), excluding IFRS 16 * ¹⁾	-	-	-	2.2	3.2 -		2.7
Average personnel (FTEs)	-	-	-	5,956	6,563	-9.2	6,426
Private practitioners (end of period)	-	-	-	6,020	6,145	-2.0	6,092
Sustainability							
PEI-index ²⁾	-	-	-	3.0	2.9	3.4	2.9
Net Promoter Score (NPS), appointments	-	-	-	86.4	85.8	0.7	84.8
Net Promoter Score (NPS), hospitals	-	-	-	95.2	95.9	-0.7	94.5
Employee Net Promoter Score (eNPS) ³⁾	-	-	-	10	23	-56.5	18

*) Adjustments are material items outside the ordinary course of business, associated with acquisition-related expenses, restructuring-related expenses, gain on sale of assets, impairment losses, strategic projects, and other items affecting comparability.

1) Alternative performance measure. In addition to the IFRS figures, Terveystalo presents additional, alternative performance indicators that the company monitors internally, and which provide the company management, investors, stock market analysts, and other stakeholders with important additional information concerning the company's financial performance, financial position, and cash flows. These performance indicators should not be reviewed separately from the IFRS figures, and they should not be considered to replace the IFRS figures.

2) PEI index (Patient Enablement Instrument) is used to measure whether the patient feels that he is coping with his symptoms or illness much better, better, as before, or worse after the reception. The scale is 1-4

3) Includes only Finland, as in Sweden eNPS is measured only once a year.

Operating environment

Target markets

Demand for healthcare services in Finland continued to be strong during the second quarter of 2024. The supply and booking rates were at a good level. Demand from corporate and insurance customers remained strong. The overall employment remains decent. However, significant changes could affect the demand for occupational health services in Finland. In particular, demand for out-of-pocket dental care services and massage services was dampened by weaker consumer confidence and purchasing power, although a slight pick-up in demand was seen during the quarter. Only smaller tenders for digital services were seen in the publicly funded market.

In Sweden, the demand for occupational health services was at a satisfactory level, while demand for organisation and leadership consultation

and harmful use rehabilitation services continued to be weak. The termination of public sector contracts at the beginning of the year reduced revenue. 2024 is expected to remain challenging.

Terveystalo continued to invest in the recruitment of professionals and was successful in steadily increasing supply. To strengthen supply, development efforts have been increasingly shifted towards solutions that enhance the work and productivity of professionals.

The long-term growth prospects for Terveystalo's addressable markets in Finland and Sweden are solid; the underlying demand is strong, and megatrends, such as the ageing population, digitalisation of healthcare, and lengthening queues in public healthcare, support growth in the future. As the most preferred employer, Terveystalo is well-positioned to drive growth going forward, supported by its strong market position.

The impacts of inflation

Inflation has levelled off compared to the comparison period. Terveystalo has actively negotiated with its suppliers to limit the impact of inflation on costs. Electricity prices levelled off from the comparison period. One of the key areas of the profit improvement program has been to mitigate the impacts of inflation and reduce costs in selected product and service categories.

During the spring, a new two-year collective agreement was negotiated for the private healthcare sector for the period 1 May 2024 - 30 April 2026, covering the largest group of employees at Terveystalo, nurses. In 2024, salaries will be increased by 2.4 percent with a general and scale increase on 1 September 2024, plus a one-off payment of 500 euros in December 2024 and a local instalment of 0.4 percent. In 2025, from 1 May 2025 to 30 April 2026 (12 months), salaries will be increased by a general and scaled increase, the amount and timing of which will be determined by the salary increase in certain benchmark sectors.

In other professions, wage inflation is also present. Most of the physicians who work in Terveystalo are private practitioners (approximately 96 percent), who are not in employment with the company. At the beginning of 2024, Terveystalo introduced a new remuneration model for private practitioners in occupational health, which enables more effective inflation management.

In addition, Terveystalo has implemented commercial initiatives to mitigate the effect of inflation as a part of the profit improvement program.

From 1 September 2024, the general VAT rate in Finland will go up from 24 percent to 25.5 percent. The increase in the VAT rate is estimated to increase Terveystalo's costs by approximately EUR 2 million annually.

The treatment queues and regulatory environment in Finland

The contraction of non-urgent care during COVID-19 restrictions resulted in a significant treatment gap for other illnesses. Treatment queues for specialised care in Finland's well-being services counties are still long, although they improved in the right direction during the first half of the year. According to Finnish Institute for Health and Welfare (THL), at the end of April 2024, more than 162 000 patients were waiting for non-urgent specialist care in the well-being services counties, which was 10 000 less than in December 2023. In April, almost 17 percent, or more than 27 000 patients, had been waiting more than six months for access to treatment. The number fell by almost 2 000 patients during the spring 2024.

The responsibility for the organisation of social and healthcare services was transferred to the 21 wellbeing services counties and the City of Helsinki at the beginning of 2023. The wellbeing services county councils decide on the service strategies, principles of the service network, service level of emergency services, budget and financial planning of the well-being services county, and appointment of members to governing bodies. The wellbeing services counties have launched smaller tenders for example digital service solutions, but no decisions on larger tenders from the private sector have so far been made.

The government program published in the summer of 2023 aims to increase cooperation between private and public healthcare and to improve the effectiveness and cost-efficiency of the healthcare system. As a first concrete measure, higher Kela reimbursements came into effect on 1 January 2024 (<https://www.kela.fi/medical-expenses>). In total, Kela compensations will be increased by 500 million between 2024 and 2027, of which the state's financial contribution is 335 million. The aim of increasing the reimbursements is to shorten the treatment queues in primary care. The measures of the government program are estimated to support the growth of demand for private service production and will bring new opportunities for the implementation of publicly funded and privately provided services.

Impact of the global political situation and conflicts

The direct impacts of political tensions and conflicts, such as the war in Ukraine, have been minimal to Terveystalo. The company does not have business operations in or with Ukraine, Israel, or countries that are subject to sanctions. The indirect financial impact arises from inflation and potential disruptions in the supply chain and financial markets. The indirect economic impacts are visible in weakened consumer confidence and purchasing power. The impacts may also have a delayed economic impact through declining employment, which could negatively impact the demand for Terveystalo's services.

Financial development

Revenue

In the second quarter of 2024, the Group's revenue increased by 5.5 percent year-on-year to EUR 340.1 (322.4) million.

EUR mill.	4-6/2024	4-6/2023	Change, %	1-6/2024	1-6/2023	Change, %	2023
Healthcare services	261.4	234.7	11.4	529.4	484.5	9.3	948.6
Portfolio business	62.7	68.6	-8.7	127.3	139.4	-8.6	267.2
Sweden	22.1	24.6	-10.2	45.1	50.1	-9.9	92.5
Segments total	346.2	327.9	5.6	701.9	674.0	4.1	1,308.2
Other	-6.0	-5.5	-9.3	-11.5	-10.5	-9.6	-21.8
Total	340.1	322.4	5.5	690.4	663.4	4.1	1,286.4

Other section's reported figures mainly consist of parent company expenses, unallocated Group level adjustments, and provisions. Other section's revenue includes eliminations between reporting segments.

The Healthcare Services segment revenue increased by 11.4 percent and was EUR 261.4 (234.7) million. The revenue increase was mainly driven by improved sales mix and successful commercial actions. Revenue grew in all customer and service groups.

The Portfolio Businesses segment revenue decreased by 8.7 percent due to expired outsourcing contracts and was EUR 62.7 (68.6) million. Revenue decreased in all service groups.

The revenue from Sweden decreased by 10.2 percent due to lower demand and ended contracts and came to EUR 22.1 (24.6) million. Without the currency effect, the revenue decreased by 10.0 percent. Acquisitions increased revenue in Sweden by approximately EUR 0.7 million.

There were 61 (60) working days in April-June.

In January-June 2024, the Group's revenue increased by 4.1 percent year-on-year to EUR 690.4 (663.4) million.

The Healthcare Services segment revenue increased by 9.3 percent and was EUR 529.4 (484.5) million. The revenue increase was mainly driven by improved sales mix and successful commercial actions. Revenue grew in all customer and service groups.

The Portfolio Businesses segment revenue decreased by 8.6 percent due to expired outsourcing contracts and was EUR 127.3 (139.4) million. Revenue decreased in all service groups.

The revenue from Sweden decreased by 9.9 percent due to lower demand and ended contracts and came to EUR 45.1 (50.1) million. Without the currency effect, the revenue decreased by 9.5 percent. Acquisitions increased revenue in Sweden by approximately EUR 1.3 million.

There were 124 (124) working days in January-June.

Financial performance and cash flow

The Group's adjusted earnings for the second quarter of 2024 before interest, taxes, amortization, and impairment losses (EBITA) increased by 49.1 percent to EUR 42.5 (28.5) million, representing 12.5 (8.8) percent of revenue.

Adjusted EBITA							
EUR mill.	4-6/2024	4-6/2023	Change, %	1-6/2024	1-6/2023	Change, %	2023
Healthcare services	39.3	23.5	67.3	82.5	54.9	50.3	109.0
Portfolio business	3.1	2.0	51.6	6.5	4.9	31.6	8.7
Sweden	-0.2	1.6	-110.5	-0.1	3.4	-103.0	3.7
Segments total	42.2	27.1	55.9	88.9	63.2	40.6	121.4
Other	0.3	1.4	-80.1	0.8	1.8	-53.8	4.2
Total	42.5	28.5	49.1	89.7	64.9	38.1	125.6

The profitability improved in Healthcare Services and Portfolio Businesses. Profitability was strengthened by successful commercial actions; better sales mix and the improved operational efficiency. In Sweden, profitability weakened clearly from the comparison period, mainly due to decreased revenue caused by lower demand and ended contracts.

Material expenses and service purchasing increased by 3.5 percent year-on-year and amounted to EUR -139.6 (-134.9) million. Employee benefit expenses decreased by 3.5 percent year-on-year and amounted to EUR -109.6 (-113.5) million. Personnel costs decreased due to the actions of the profit improvement program, lower sick leaves and terminated outsourcing contracts. Personnel costs, on the other hand, increased due to new recruitments, as well as salary increases. Other operating expenses increased by 33.0 percent to EUR -41.5 (-31.2) million. Of the other expenses, around EUR 6 million was related to renovation and maintenance liabilities in a single location.

The Group's adjusted EBITDA increased by 28.8 percent year-on-year to EUR 60.7 (47.1) million. Adjusted EBIT amounted to EUR 34.9 (20.5) million. Operating profit (EBIT) came to EUR 24.6 (15.0) million.

Net financing costs increased to EUR -7.1 (-5.1) million mainly due to higher interest rates, the impact of which the changes in the fair value of interest rate hedges increased. The result before tax was EUR 17.5 (9.8) million. Income taxes were EUR -3.1 (-2.3) million. The result for the first quarter amounted to EUR 14.3 (7.5) million, and earnings per share were EUR 0.11 (0.06).

Cash flow from operating activities in the second quarter increased to EUR 44.4 (25.9) million, driven mainly by improved profitability development and seasonal variation in working capital.

Cash flow from investing activities decreased to EUR -14.8 (-12.2) million. The change from the comparison period mainly consisted of an increase in investments in acquisitions, as well as decrease in investments in intangible assets.

Cash flow from financing activities amounted to EUR -61.6 (-43.9) million. The change from the comparison period was mainly due the timing of the first dividend instalment payment, as well as increased financing costs.

The Group's adjusted earnings for January–June 2024 before interest, taxes, amortization, and impairment losses (EBITA) increased by 38.1 percent to EUR 89.7 (64.9) million, representing 13.0 (9.8) percent of revenue.

The profitability improved in Healthcare Services and Portfolio Businesses. Profitability was strengthened by successful commercial actions; better sales mix and the improved operational efficiency. In Sweden, profitability weakened clearly from the comparison period, mainly due to decreased revenue caused by lower demand and ended contracts.

Material expenses and service purchasing increased by 2.2 percent year-on-year and amounted to EUR -283.3 (-277.3) million. Employee benefit expenses decreased by 3.7 percent year-on-year and amounted to EUR -221.6 (-230.0) million. Personnel costs decreased due to the actions of the profit improvement program, lower sick leaves and terminated outsourcing contracts. Personnel costs, on the other hand, increased due to new recruitments, as well as salary increases. Other operating expenses increased by 10.2 percent to EUR -75.8 (-68.8) million. Of the other expenses, around EUR 6 million was related to renovation and maintenance liabilities in a single location.

The Group's adjusted EBITDA increased by 23.4 percent year-on-year to EUR 126.4 (102.4) million. Adjusted EBIT amounted to EUR 75.1 (49.0) million. Operating profit (EBIT) came to EUR 60.3 (34.0) million.

Net financing costs increased to EUR -13.2 (-10.1) million mainly due to higher interest rates, the impact of which the changes in the fair value of interest rate hedges reduced. The result before tax was EUR 47.0 (23.9) million. Income taxes were EUR -9.1 (-5.3) million. The result for the reporting period amounted to EUR 37.9 (18.6) million, and earnings per share were EUR 0.3 (0.1).

Cash flow from operating activities increased to EUR 93.5 (61.8) million, driven mainly by improved profitability development.

Cash flow from investing activities decreased to EUR -22.9 (-21.9) million. The change from the comparison period mainly consisted of an increase in investments in acquisitions, as well as decrease in investments in intangible assets.

Cash flow from financing activities amounted to EUR -78.2 (-67.8) million. The difference with the comparison period was mainly due to the timing of interest payments of long-term loans, repayments of long-term and short-term loans and withdrawals of short-term loans.

Profit improvement programs

During the fourth quarter of 2022, Terveystalo launched a profit improvement program, which aims for an inflation-adjusted, annualised (run-rate) EBITA improvement of at least EUR 50 million by the end of 2024. The overall target of the program was exceeded at the end of 2023, when the measures implemented were estimated to have an annual run-rate impact of over EUR 60 million on profitability. The adjusted EBITA impact of the program during 2023 was EUR 37 million. In 2024, measures are focused on achieving the 12 percent profitability target (adjusted EBITA-%) during 2025.

During the fourth quarter of 2023, a profit improvement program was launched in Sweden targeting a structural change in the profitability in 2025. The program progressed as planned in the first half of the year. The cost structure has been adjusted to reflect the weakened demand. The program will now focus on improving operational efficiency and commercial measures.

The total costs related to the programs in 2022–2024 are estimated to be EUR 35–40 million. The costs are related to restructuring and advisory fees. Advisory fees are tied to the results achieved by the programs. The costs of the programs are treated as items affecting comparability. The costs of the programs were approximately EUR 9.4 million during January–June. In 2023, the costs amounted to EUR 21.7 million.

Financial position

Terveystalo's liquidity position is good. Cash and cash equivalents at the end of the reporting period amounted to EUR 30.1 (12.0) million. The total assets of the Group amounted to EUR 1,398.7 (1,469.7) million.

Equity attributable to owners of the parent company totalled EUR 514.2 (571.6) million.

Gearing (including lease liabilities) was 110.8 (105.3) percent and net debt amounted to EUR 569.8 (601.7) million. Net debt, excluding IFRS 16 (lease liabilities) amounted to EUR 365.2 (399.9) million. The average maturity of Terveystalo's financial loans was 2.6 (2.8) years, and the weighted average interest rate for the quarter was 4.9 (3.6) percent at the end of the second quarter of 2024. During the reporting period, the company fulfilled the covenant requirement included in its financing agreements reflecting relative indebtedness.

At the end of the reporting period, the unused part of credit based on financing agreements and bank accounts with a credit facility amounted to EUR 98.0 (98.0) million.

Return on equity (LTM) for the reporting period was -4.5 (1.1) percent. The equity ratio was 36.9 (39.0) percent.

Seasonal variation and the impact of the number of business days

Terveystalo's revenue from corporate and private customers has typically been lower during the vacation seasons, particularly in the summer months. The number of business days influences the revenue and earnings development, particularly when comparing quarterly performance. There was 61 (60) working days in April–June 2024. In 2024, there are 252 working days. Because of the seasonal nature of business, the

required net working capital varies during the year. Variation is caused by the timing of pension and VAT payments, vacation pay obligations, and service fees related to occupational healthcare, etc.

Number of working days by quarter	2022	2023	2024
Q1	63	64	63
Q2	61	60	61
Q3	66	65	66
Q4	63	62	62
Full year	253	251	252

Investments and acquisitions

Net investments* in January–June 2024, including M&A, amounted to EUR 22.9 (21.6) million. The Group's net capital expenditure, excluding M&A, amounted to EUR 17.0 (19.5) million. The investments consisted mainly of investments in the digital application and service development, IT system projects, medical equipment, and network. The relative share of tangible investments in gross investments increased year-on-year as the total investment level decreased.

Terveystalo sold the entire share capital of Sivupersoon Oy, a company providing sign language interpreting services, to the company's management with an agreement dated on 29 February 2024. In addition, Terveystalo acquired the share capital of SRK Group Oy at the end of March. Terveystalo's subsidiary Feelgood Svenska AB signed an agreement in June to acquire the share capital in Clarahälsan AB.

** Net investments do not include increases in right-of-use assets related to leases for business premises. Net investments include the acquisition of non-controlling interests.*

Personnel

The number of Terveystalo's employed staff on 30 June 2024 in Finland was 8,510 (9,176), in Sweden 739 (918), and in total 9,249 (10,094). In FTEs, the average number of personnel in Finland was 5,229 (5,718), in Sweden 728 (845) and in total 5,956 (6,563). The number of private practitioners in Finland was 5,964 (6,072), in Sweden 56 (105) and in total 6,020 (6,145). The decrease in the number of employees in Finland was affected by the measures of the profit improvement program and the termination of outsourcing contracts. In Sweden the number of employed staff and private practitioners was reduced due to ended customer contracts.

Personnel	1-6/2024	1-6/2023	Change, %	2023
Average personnel, (FTEs)				
Finland	5,229	5,718	-8.6	5,597
Sweden	728	845	-13.8	829
Total	5,956	6,563	-9.2	6,426
Employed staff (at the end of period)				
Finland	8,510	9,176	-7.3	8,950
Sweden	739	918	-19.5	874
Total	9,249	10,094	-8.4	9,824
Private practitioners (at the end of period)				
Finland	5,964	6,072	-1.8	5,987
Sweden	56	105	-46.7	105
Total	6,020	6,145	-2.0	6,092

Reporting segments

Terveystalo Group comprises of three reporting segments: Healthcare Services, Portfolio Businesses, and Sweden.

Healthcare Services

Healthcare Services – business segment offers customers in Finland integrated care paths from preventive occupational health services to primary care services and to different fields of specialized care, diagnostic, and day surgery. In Healthcare Services, Terveystalo aims for industry-leading profitability and the best care outcomes.

- Revenue increased from the comparison period mainly due to strong supply, improved sales mix and successful commercial actions. Revenue increased in all customer and service groups. The strikes in laboratory and imaging services in May (four days in total) did not have a material impact on revenue.
- Profitability clearly increased from the comparison period due to successful commercial actions, improved operational efficiency and improved sales mix.

Key figures

	4-6/2024	4-6/2023	Change, %	1-6/2024	1-6/2023	Change, %	2023
Revenue, MEUR	261.4	234.7	11.4	529.4	484.5	9.3	948.6
EBITA, MEUR	33.5	23.2	44.7	76.0	54.3	39.9	107.1
EBITA, % of revenue	12.8 %	9.9 %	2,2%-p.	14.4 %	11.2 %	3,2%-p.	11.3 %
Adjusted EBITA, MEUR	39.3	23.5	67.3	82.5	54.9	50.3	109.0
Adjusted EBITA, % of revenue	15.0 %	10.0 %	5,0%-p.	15.6 %	11.3 %	4,3%-p.	11.5 %

The revenue from Healthcare Services in the second quarter increased by 11.4 percent and was 261.4 (234.7) million euros. Revenue increased in all customer and service groups. There was one working day more in the reporting period than in the comparison period. The strikes in laboratory and imaging services in May (four days in total) did not have a material impact on revenue.

The revenue from corporate customers increased by 16.8 percent to EUR 159.6 (136.7) million. Revenue from preventive occupational health services¹⁾ increased year-on-year. Revenue from healthcare appointments also increased year-on-year. The revenue from consumers increased by 4.7 percent to EUR 79.0 (75.5) million. Revenue increased due to higher sales from services produced for insurance companies and successful commercial actions. The revenue from public sector customers increased by 1.2 percent to EUR 22.8 (22.5) million.

The revenue from appointment services increased by 12.8 percent to EUR 171.7 (152.3) million mainly due to improved customer mix and successful commercial actions in all customer groups. The number of physical appointments increased by 2.2 percent, while the number of remote appointments decreased by 1.0 percent from the comparison period. Revenue from diagnostics services (laboratory and imaging) increased by 10.6 percent and was 63.5 (57.4) million euros. The revenue from other services increased by 5.0 percent and was 26.2 (25.0) driven by surgical operations.

Healthcare Services, revenue by customer groups, and services

Healthcare services, revenue							
EUR mill.	4-6/2024	4-6/2023	Change, %	1-6/2024	1-6/2023	Change, %	2023
By customer							
Corporate	159.6	136.7	16.8	323.6	285.3	13.4	564.0
Consumer	79.0	75.5	4.7	159.3	153.2	4.0	296.1
Public sector	22.8	22.5	1.2	46.5	46.0	1.1	88.5
Total	261.4	234.7	11.4	529.4	484.5	9.3	948.6
By service							
Appointments	171.7	152.3	12.8	346.1	312.8	10.7	618.3
Diagnostics	63.5	57.4	10.6	129.3	120.2	7.6	229.6
Other	26.2	25.0	5.0	54.0	51.5	4.8	100.7
Total	261.4	234.7	11.4	529.4	484.5	9.3	948.6

Corporate customers constitute Terveystalo's largest customer group. Terveystalo's corporate customers consist of the company's occupational health customers, excluding municipal occupational healthcare customers, which are included in the public sector customer group. The company provides statutory occupational health services and other occupational health and well-being services for corporate customers of all sizes.

Consumer customers are Terveystalo's third-largest customer group. Consumer customers include private individuals and families. Services for consumers are paid for either by the customers themselves or by their insurance companies.

The services offered to **public sector** customers include specialized care services, other healthcare services produced in the clinic network, as well as occupational health services for the public sector. Outsourcing and staffing services are included in Portfolio Businesses.

Healthcare Services, number of visits

Visits							
	4-6/2024	4-6/2023	Change, %	1-6/2024	1-6/2023	Change, %	2023
Appointments	1,491,799	1,469,621	1.5 %	3,030,901	3,056,953	-0.9 %	6,069,111
Physical appointments	1,177,312	1,151,868	2.2 %	2,385,414	2,403,912	-0.8 %	4,750,619
Remote appointments	314,487	317,753	-1.0 %	645,487	653,041	-1.2 %	1,318,492
Diagnostics	321,940	319,992	0.6 %	660,953	678,466	-2.6 %	1,285,980
Other	14,961	10,058	48.7 %	32,401	21,309	52.1 %	48,984
Total	1,828,700	1,799,671	1.6 %	3,724,254	3,756,728	-0.9 %	7,404,075

The revenue from Healthcare Services in January–June 2024 increased by 9.3 percent and was 529.4 (484.5) million euros. Revenue increased in all customer and service groups. The number of working days was the same as in the comparison period.

The revenue from corporate customers increased by 13.4 percent to EUR 323.6 (285.3) million. Revenue from preventive occupational health services¹⁾ increased year-on-year. Revenue from healthcare appointments also increased year-on-year. The revenue from consumers increased by 4.0 percent to EUR 159.3 (153.2) million. Revenue increased due to higher sales from services produced for insurance companies and successful commercial actions. The revenue from public sector customers increased by 1.1 percent to EUR 46.5 (46.0) million.

The revenue from appointment services increased by 10.7 percent to EUR 346.1 (312.8) million mainly due to improved customer mix and successful commercial actions in all customer groups. The number of physical appointments decreased by 0.8 percent, and the number of remote appointments by 1.2 percent from the comparison period. Revenue from diagnostics services (laboratory and imaging) increased by 7.6 percent and was 129.3 (120.2) million euros. The revenue from other services increased by 4.8 percent and was 54.0 (51.5) driven by surgical operations.

¹⁾ The statutory task of occupational healthcare is to prevent work-related adverse health effects. Preventive services include, for example, workplace surveys to examine the conditions and exposures at the workplace; health examinations; suggested measures to improve work conditions and to promote the employees' ability to work; guidance and counselling; participation in the planning and implementation of measures that maintain work ability; promotion of coping at work and, when necessary, referrals to rehabilitation in case of reduced work ability; guidance in first aid preparedness at the workplace; and assessment and monitoring of the quality and impact of occupational healthcare activities.

In the Healthcare Services in the second quarter, adjusted earnings before interest, taxes, amortization, and impairment losses (EBITA) increased by 67.3 percent and amounted to EUR 39.3 (23.5) million, representing 15.0 (10.0) percent of revenue. Profitability was supported by successful commercial actions, improved operational efficiency and improved sales mix.

In the Healthcare Services January–June 2024, adjusted earnings before interest, taxes, amortization, and impairment losses (EBITA) increased by 50.3 percent and amounted to EUR 82.5 (54.9) million, representing 15.6 (11.3) percent of revenue. Profitability was supported by successful commercial actions, improved operational efficiency and improved sales mix.

Portfolio Businesses

The Portfolio Businesses segment consists of business areas that aim for independent value creation utilising Terveystalo's capabilities according to their needs. Portfolio Businesses include public sector outsourcing, staffing services, and dental care, as well as other businesses such as public sector digital services, rehabilitation, child welfare, and massage services.

- Revenue decreased year-on-year due to proactive customer selection in staffing services, weakened demand for dental care and a continuation of the planned reduction in the outsourcing portfolio.
- Profitability improved year-on-year due to the termination of low-margin outsourcing contracts, successful commercial actions and improved operational efficiency. The improvement was partially offset by cost inflation.

Key figures

	4-6/2024	4-6/2023	Change, %	1-6/2024	1-6/2023	Change, %	2023
Revenue, MEUR	62.7	68.6	-8.7	127.3	139.4	-8.6	267.2
EBITA, MEUR	3.0	2.2	40.5	6.0	4.9	22.1	8.3
EBITA, % of revenue	4.9 %	3.2 %	1,7%-p.	4.7 %	3.5 %	1,2%-p.	3.1 %
Adjusted EBITA, MEUR	3.1	2.0	51.6	6.5	4.9	31.6	8.7
Adjusted EBITA, % of revenue	4.9 %	3.0 %	1,9%-p.	5.1 %	3.5 %	1,6%-p.	3.3 %

In the Portfolio Businesses in the second quarter, revenue decreased by 8.7 percent and amounted to EUR 62.7 (68.6) million. Revenue from outsourcing services decreased by 9.2 percent due to the planned reduction of the outsourcing portfolio and amounted to EUR 20.9 (23.1) million. Revenue from staffing services decreased by 6.0 percent mainly due to proactive customer selection and amounted to EUR 20.2 (21.5) million. Revenue from dental care decreased by 8.6 percent due to lower demand and amounted to EUR 13.3 (14.5) million. Revenue from other services decreased by 13.3 percent and amounted to EUR 8.2 (9.5) million.

In the Portfolio Businesses in January–June 2024, revenue decreased by 8.6 percent and amounted to EUR 127.3 (139.4) million. Revenue from outsourcing services decreased by 5.5 percent and amounted to EUR 45.2 (47.8) million. The planned reduction of the outsourcing portfolio continued, but additional invoicing increased the revenue. Revenue from staffing services decreased by 11.4 percent mainly due to proactive customer selection and amounted to EUR 38.7 (43.7) million. Revenue from dental care decreased by 10.7 percent due to lower demand and amounted to EUR 26.4 (29.5) million. Revenue from other services decreased by 6.8 percent and amounted to EUR 17.1 (18.3) million.

Portfolio businesses, revenue							
EUR mill.	4-6/2024	4-6/2023	Change, %	1-6/2024	1-6/2023	Change, %	2023
Outsourcing services	20.9	23.1	-9.2	45.2	47.8	-5.5	91.1
Staffing services	20.2	21.5	-6.0	38.7	43.7	-11.4	84.7
Dental care	13.3	14.5	-8.6	26.4	29.5	-10.7	54.5
Other	8.2	9.5	-13.3	17.1	18.3	-6.8	36.9
Total	62.7	68.6	-8.7	127.3	139.4	-8.6	267.2

In the Portfolio Businesses in the second quarter, adjusted earnings before interest, taxes, amortization, and impairment losses (EBITA) increased by 51.6 percent and amounted to EUR 3.1 (2.0) million, representing 4.9 (3.0) percent of revenue. Termination of low-margin outsourcing contracts, successful commercial actions and improved operational efficiency improved profitability year-on-year. The

improvement was partially offset by cost inflation.

In the Portfolio Businesses in January–June 2024, adjusted earnings before interest, taxes, amortization, and impairment losses (EBITA) increased by 31.6 percent and amounted to EUR 6.5 (4.9) million, representing 5.1 (3.5) percent of revenue. Termination of low-margin outsourcing contracts, successful commercial actions and improved operational efficiency improved profitability year-on-year. The improvement was partially offset by cost inflation.

Sweden

The Sweden segment consists of Feelgood subsidiaries' operations in Sweden, which are focused on occupational health and consultation for organizational management and harmful use. In Sweden, Terveystalo aims for profitable growth in the medium and long term.

- Revenue decreased year-on-year due to expired contracts and weaker demand.
- In the second quarter, adjusted EBITA decreased year-on-year mainly due to the lower revenue and cost inflation. During the fourth quarter of 2023, a profit improvement program was launched in Sweden targeting a structural change in the profitability in 2025. The program progressed as planned in the first half of the year. The cost structure has been adjusted to reflect the weakened demand. The program will now focus on improving operational efficiency and commercial measures.

Key figures

	4-6/2024	4-6/2023	Change, %	1-6/2024	1-6/2023	Change, %	2023
Revenue, MEUR	22.1	24.6	-10.2	45.1	50.1	-9.9	92.5
EBITA, MEUR	-1.6	1.5	>-200,0	-2.4	3.3	-174.1	2.1
EBITA, % of revenue	-7.1 %	6.2 %	-13,3%-p.	-5.4 %	6.5 %	-11,9%-p.	2.3 %
Adjusted EBITA, MEUR	-0.2	1.6	-110.5	-0.1	3.4	-103.0	3.7
Adjusted EBITA, % of revenue	-0.7 %	6.3 %	-7,0%-p.	-0.2 %	6.8 %	-7,0%-p.	4.0 %

In the Sweden segment in the second quarter, revenue decreased by 10.2 percent and amounted to EUR 22.1 (24.6) million. Without the currency effect, the revenue decreased by 10.0 percent. Lower demand for organizational leadership consultation and the harmful use rehabilitation services and ended contracts had a negative year-on-year impact on revenue. Acquisitions increased revenue in Sweden by approximately EUR 0.7 million.

In the Sweden segment in January–June 2024, revenue decreased by 9.9 percent and amounted to EUR 45.1 (50.1) million. Without the currency effect, the revenue decreased by 9.5 percent. The increased economic uncertainty affected the demand for organizational leadership consultation and the harmful use rehabilitation services, which are sensitive to macroeconomic changes. Ended contracts also had a negative year-on-year impact on revenue. Acquisitions increased revenue in Sweden by approximately EUR 1.3 million.

In the Sweden segment in the second quarter, adjusted earnings before interest, taxes, amortization, and impairment losses (EBITA) decreased to EUR -0.2 (1.6) million, representing -0.7 (6.3) percent of revenue. Profitability was weakened by the decline in revenue, as well as cost inflation.

In the Sweden segment in January–June 2024, adjusted earnings before interest, taxes, amortization, and impairment losses (EBITA) decreased to EUR -0.1 (3.4) million, representing -0.2 (6.8) percent of revenue. Profitability was weakened by the decline in revenue, as well as cost inflation. In the business area, a profit improvement program was launched in the fourth quarter of 2023 to achieve a structural change in profitability in 2025. The program progressed as planned in the first half of the year. The cost structure has been adjusted to reflect the weakened demand. The program will now focus on improving operational efficiency and commercial measures.

Shares and shareholders

At the end of the second quarter of 2024, Terveystalo's market value was EUR 1,093 (1,049) million and the closing price was EUR 8.60 (8.26). During January-June 2024, the highest price of Terveystalo's share was EUR 9.21 (8.53), the lowest price was EUR 9.09 (6.43), and the average price was EUR 8.05 (7.50). A total of 6.0 (13.2) million shares were traded. At the end of the reporting period, the number of Terveystalo shares registered in the Trade Register was 127,036,531 (127,036,531). The total number of shareholders was 33,065 (32,654) at the end of the second quarter of 2024. Terveystalo and its subsidiaries hold 431,705 (480,230) own shares for reward purposes, corresponding to 0.3 (0.4)% of all outstanding shares.

Notifications of major shareholdings

On 28 June Terveystalo Plc received a notification under Chapter 9, Section 5 of the Securities Market Act, according to which the holding of Rettig Investment AB in Terveystalo Plc's shares and votes had risen above 15 per cent on 27 June 2024. The holding of Rettig Investment AB has increased to 16.65 per cent and 21,153,191 shares of the total of Terveystalo's shares and votes. This notification relates to an internal restructuring within the group, in which Rettig Group AB, the previous direct holder of the shareholding notified herein, had on 27 June 2024 merged with and into Rettig Investment AB. Therefore, Rettig Investment AB owns directly 21 153 191 shares in Terveystalo Plc, which have transferred to the ownership of Rettig Investment AB from Rettig Group AB as a result of the merger.

Changes in the management team

Petra Gräsbeck, born in 1976, M.A., has been appointed Terveystalo's Senior Vice President of Communications and Public Affairs and a member of the Executive Team from 1st August 2024. Gräsbeck will report to President and CEO Ville Iho.

Events after the end of the reporting period

After the end of the reporting period, on 11 July 2024, Terveystalo published a positive profit warning, raised its profitability guidance for 2024 and provided preliminary information on revenue and profitability for the second quarter of 2024.

The most significant short-term risks and uncertainty factors

Terveystalo's risk management is governed by the risk management policy approved by the Board. The policy defines goals, principles, organizations, responsibilities, and practices for risk management. The management of financial risks complies with the Group's financing policy approved by Terveystalo's Board.

The risks and uncertainty factors described below are considered to potentially have a significant impact on the company's business operations, financial results, and outlook within the next 12 months. The list is not intended to be exhaustive. The order in which the risks are presented does not describe the magnitude of the impact of the risks' realization or the probability of their occurrence.

- The company's business operations rely on its capacity to identify, recruit, and retain competent and professional healthcare professionals, employees, and executives. The increased supply of services and increased competition may affect the availability of healthcare professionals, particularly in major cities. Turnover in key employees involves the risk of losing knowledge and expertise.
- Weak general economic performance and high inflation in Finland and their effects on the financial circumstances of private individuals, employers, and public entities may adversely affect Terveystalo's business and results of operations by decreasing the demand for Terveystalo's services, as well as may adversely affect the availability of financing.
- The company's business is very dependent on functioning information systems, data communication, and external service providers. Interruptions can result from hardware failure, software failure, or cyber threats. Long-lasting malfunction of information systems or payment transfers can lead to significant loss of sales and a decline in customer satisfaction.
- The company may not be able to find suitable acquisition targets or expansion opportunities under favourable terms, and the integration of acquisition targets is not necessarily realized as planned.

- Terveystalo's expansion to new geographical locations involves several risks, and failure to identify expansion opportunities, recruit new employees, and achieve estimated benefits may adversely affect Terveystalo's business and the results of operations.
- The development and implementation of information system projects and services, service products, and operating models involve risks. The company develops new digital customer solutions, which increases the overall risk related to information systems. A failure in the development of digital systems may expose Terveystalo to potential technical faults and disturbances.
- Endangered information security or privacy can lead to losses, claims for damages, and endanger reputation.
- Pandemics or epidemics and related restrictive measures may adversely affect the business operations of Terveystalo through, among other things, demand for certain healthcare services and challenges in the supply chain.
- Changes in the competitive landscape, new competitors entering the markets, and increasing price competition may have a negative impact on the company's profitability and growth potential.
- Terveystalo is exposed to changes in demand for occupational healthcare services due to demographic trends, aging and shrinking working-age population.
- The Social Welfare and Healthcare Reform in Finland and its legal interpretations may have impacts on Terveystalo's business and results of operations.
- Changes in compensation systems for healthcare services may adversely affect Terveystalo's business, financial position, and results of operations.
- Failures or deficiencies in the operational risk management, medical quality, and internal control processes may result in failure of quality control, including medical quality, or otherwise adversely affect Terveystalo's profitability and reputation.
- Terveystalo's operations could be subject to labour disruptions or disputes.
- Ongoing profit improvement programmes may fall short of their targets and / or the improvements may not be sustainable.
- The company is a party to and may become a party to, legal action or administrative procedures initiated by the authorities, patients, or third parties. According to the company's opinion, its currently pending legal obligations and court cases are not significant in nature.

Risk management at Terveystalo and risks related to the company's business are described in more detail on the company's website and in the company's Annual Review.

Financial reporting in 2024

In 2024, Terveystalo will publish financial information as follows:

Interim Report, 1 January – 30 September 2024 25 October 2024

The financial reports will be published at approximately 9:00 a.m. EEST. Financial reports are published in Finnish and English. Terveystalo observes a silent period of 30 days before the publication of financial information.

Capital Markets Day 2024

Terveystalo will organise a Capital Markets Day for investors and analysts in Helsinki on Wednesday 4 December 2024. The event can be attended face-to-face at the premises or remotely via webcast. The actual invitation and a more detailed program for Terveystalo's Capital Markets Day will be distributed closer to the event.

Result briefing

Terveystalo will arrange a webcast and a conference call in English on its result on Wednesday 17 July 2024 starting at 10:30 EEST. You can watch the webcast online at: <https://terveystalo.videosync.fi/q2-2024>

You can access the teleconference by registering at the link below.

<https://palvelu.flik.fi/teleconference/?id=50048571>

After the registration, you will be provided phone numbers and a conference ID to access the conference.

Helsinki, 16 July 2024

Terveystalo Plc

Board of Directors

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Terveystalo in brief

Terveystalo is the largest private healthcare service provider in Finland in terms of revenue and network. Terveystalo is also a leading occupational health provider in the Nordic region. We offer a wide variety of primary health care, specialized care, and well-being services for corporate and private customers and the public sector. Terveystalo's digital services are available 24/7, regardless of time and place. Health and well-being services are also provided by over 377 clinics across Finland. In Sweden, we offer occupational health services at 152 clinics. Terveystalo is listed on the Helsinki Stock Exchange.

In 2023, Terveystalo had approximately 1.2 million individual customers in Finland and the number of customer appointments was approximately 7.6 million. Terveystalo employs over 15,500 healthcare and well-being professionals. www.terveystalo.com

Consolidated statement of comprehensive income

EUR mill.	Note	4-6/2024	4-6/2023	Change, %	1-6/2024	1-6/2023	Change, %	2023
Revenue	4	340.1	322.4	5.5	690.4	663.4	4.1	1,286.4
Other operating income		0.9	1.0	-7.1	2.1	2.3	-5.1	4.2
Materials and services	5	-139.6	-134.9	3.5	-283.3	-277.3	2.2	-536.2
Employee benefit expenses	6	-109.6	-113.5	-3.5	-221.6	-230.0	-3.7	-447.0
Depreciation, amortisation and impairment losses	10, 11	-25.8	-28.7	-10.4	-51.5	-55.5	-7.2	-193.8
Other operating expenses	7	-41.5	-31.2	33.0	-75.8	-68.8	10.2	-128.2
Operating result		24.6	15.0	64.2	60.3	34.0	77.1	-14.7
Financial income		0.7	0.4	94.5	2.1	0.6	>200.0	1.2
Financial expenses		-7.8	-5.5	42.5	-15.3	-10.7	43.2	-25.4
Net finance income and expenses		-7.1	-5.1	38.9	-13.2	-10.1	31.1	-24.2
Share of result in associated companies		-	0.0	>-200.0	-	0.0	>-200.0	0.0
Result before taxes		17.5	9.8	77.3	47.0	23.9	96.4	-38.9
Income tax expense	8	-3.1	-2.3	34.0	-9.1	-5.3	71.5	-3.3
Net income		14.3	7.5	90.9	37.9	18.6	103.6	-42.2
Net income attributable to:								
Owners of the parent company		14.3	7.5	90.8	37.9	18.6	103.5	-42.2
Non-controlling interests		-	0.0	>-200.0	-	0.0	>-200.0	-
Other comprehensive income								
Items that may be reclassified to profit or loss		0.8	-2.9	-126.8	-1.5	-3.8	-61.8	0.1
Items that will not be reclassified to profit or loss		-	-	-	-	-	-	-0.1
Other comprehensive income for the period, net of tax		0.8	-2.9	-126.8	-1.5	-3.8	-61.8	0.0
Total comprehensive income		15.1	4.6	>200.0	36.4	14.8	146.5	-42.2
Total comprehensive income attributable to:								
Owners of the parent company		15.1	4.6	>200.0	36.4	14.8	146.5	-42.2
Non-controlling interest		-	0.0	>-200.0	-	0.0	>-200.0	-
Earnings per share for profit attributable to the shareholders of the parent company, in euro								
Basic earnings per share		0.11	0.06	90.8	0.30	0.15	103.4	-0.33
Diluted earnings per share		0.11	0.06	90.8	0.30	0.15	103.5	-0.33

The notes are an integral part of the consolidated interim financial statements.

Consolidated statement of financial position

EUR mill.	Note	30 Jun 2024	30 Jun 2023	31 Dec 2023
ASSETS				
Non-current assets				
Property, plant and equipment	10	84.4	82.1	84.2
Right-of-use assets	12	196.2	195.7	212.1
Goodwill	11	826.5	875.1	823.5
Intangible assets	11	91.6	136.5	100.0
Deferred tax assets		5.9	6.0	6.0
Other non-current assets		1.3	1.3	1.1
Total non-current assets		1,206.0	1,296.7	1,226.8
Current assets				
Inventories		7.0	6.8	7.1
Trade and other receivables		154.4	151.9	143.1
Current tax receivables		1.3	2.2	4.8
Cash and cash equivalents		30.1	12.0	37.7
Total current assets		192.8	173.0	192.6
TOTAL ASSETS		1,398.7	1,469.7	1,419.5
EQUITY AND LIABILITIES				
Equity attributable to equity holders of the Company				
Share capital		0.1	0.1	0.1
Invested non-restricted equity reserve		492.8	492.8	492.8
Treasury shares		-15.2	-15.7	-15.7
Translation differences		-6.5	-8.5	-5.2
Retained earnings		43.1	102.9	43.5
Equity attributable to equity holders of the Company total		514.2	571.6	515.4
TOTAL EQUITY		514.2	571.6	515.4
Non-current liabilities				
Non-current financial liabilities	13	374.1	380.6	394.4
Non-current lease liabilities	12	157.1	153.2	172.6
Deferred tax liabilities		19.1	27.1	20.2
Other liabilities		12.2	14.8	13.7
Provisions		2.6	3.7	2.8
Total non-current liabilities		565.1	579.4	603.7
Current liabilities				
Current financial liabilities	13	21.5	31.3	22.3
Current lease liabilities	12	47.4	48.6	46.5
Current tax liabilities		6.7	0.4	3.6
Dividend liabilities		19.0	17.7	-
Trade and other payables		221.8	218.3	224.7
Provisions		2.9	2.3	3.3
Total current liabilities		319.4	318.6	300.3
TOTAL LIABILITIES		884.5	898.1	904.1
TOTAL EQUITY AND LIABILITIES		1,398.7	1,469.7	1,419.5

The notes are an integral part of the consolidated interim financial statements.

Consolidated statement of changes in equity

Equity attributable to owners of the parent company						
EUR mill.	Share capital	Invested non-restricted equity reserve	Treasury shares	Retained earnings	Translation differences	Total equity
Equity 1 Jan 2024	0.1	492.8	-15.7	43.5	-5.2	515.4
Comprehensive income						
Profit for the period	-	-	-	37.9	-	37.9
Other comprehensive income	-	-	-	-0.3	-1.2	-1.5
Transactions with owners						
Dividend	-	-	-	-38.0	-	-38.0
Share-based payments	-	-	0.4	-0.0	-	0.4
Equity 30 Jun 2024	0.1	492.8	-15.2	43.1	-6.5	514.2

Equity attributable to owners of the parent company								
EUR mill.	Share capital	Invested non-restricted equity reserve	Treasury shares	Retained earnings	Translation differences	Total	Non-controlling interests	Total equity
Equity 1 Jan 2023	0.1	492.8	-15.8	120.2	-5.3	592.0	0.0	592.0
Comprehensive income								
Profit for the period	-	-	-	18.6	-	18.6	0.0	18.6
Other comprehensive income	-	-	-	-0.7	-3.1	-3.8	-	-3.8
Transactions with owners								
Equity repayment	-	-	-	-35.4	-	-35.4	-	-35.4
Share-based payments	-	-	0.1	0.1	-	0.2	-	0.2
Transactions with non-controlling interests								
Transactions with non-controlling interest	-	-	-	-	-	-	-0.0	-0.0
Equity 30 Jun 2023	0.1	492.8	-15.7	102.9	-8.5	571.6	-	571.6

Equity attributable to owners of the parent company								
EUR mill.	Share capital	Invested non-restricted equity reserve	Treasury shares	Retained earnings	Translation differences	Total	Non-controlling interest	Total equity
Equity 1 Jan 2023	0.1	492.8	-15.8	120.2	-5.3	592.0	0.0	592.0
Comprehensive income								
Profit for the period	-	-	-	-42.2	-	-42.2	-	-42.2
Other comprehensive income	-	-	-	-0.1	0.1	0.0	-	0.0
Transactions with owners								
Dividend	-	-	-	-35.4	-	-35.4	-	-35.4
Share-based payments	-	-	0.1	1.3	-	1.4	-	1.4
Transactions with non-controlling interest								
Transactions with non-controlling interest	-	-	-	-	-	-	-0.0	-0.0
Other								
Other Corrections*	-	-	-	-0.4	-	-	-	-0.4
Equity 31 Dec 2023	0.1	492.8	-15.7	43.5	-5.2	515.4	-	515.4

*Correction to previous financial years figures.

Consolidated statement of cash flows

EUR mill.	4-6/2024	4-6/2023	1-6/2024	1-6/2023	1-12/2023
Cash flows from operating activities					
Profit before taxes	17.5	9.8	47.0	23.9	-38.9
Adjustments for					
Depreciation, amortisation and impairment losses	25.8	28.7	51.5	55.5	193.8
Change in provisions	-0.8	-1.5	-0.6	-2.2	-2.1
Other transactions	-0.1	-4.6	-2.0	-5.9	-6.7
Gains and losses on sale of property, plant and equipment	-0.1	0.1	-0.1	-0.0	-0.2
Net finance expenses	7.1	5.1	13.2	10.1	24.2
Changes in working capital					
Trade and other receivables	0.1	-0.8	-12.8	-18.3	-8.7
Inventories	0.3	-0.2	0.1	-0.2	-0.5
Trade and other payables	-2.9	-8.3	1.7	1.6	2.5
Interest received	0.2	0.3	0.5	0.5	1.0
Income taxes paid	-2.7	-2.8	-5.1	-3.1	-6.6
Net cash from operating activities	44.4	25.9	93.5	61.8	157.8
Cash flows from investing activities					
Acquisition of property, plant and equipment	-6.6	-6.2	-11.5	-11.8	-24.6
Acquisition of intangible assets	-2.4	-4.6	-5.9	-8.1	-16.4
Proceeds from sale of property, plant and equipment	0.2	0.2	0.3	0.4	0.8
Acquisition of subsidiaries, net of cash acquired	-6.0	-1.8	-6.2	-2.7	-4.0
Proceeds from the disposal of subsidiaries, net of cash disposed of	-	-	0.3	-	-
Acquisition of business operation, net of cash acquired	-	-0.0	-0.0	-0.0	-0.3
Sale of business operation, net of cash disposed of	-	0.3	-	0.3	0.3
Dividends received	-	0.0	0.0	0.0	0.0
Net cash from investing activities	-14.8	-12.2	-22.9	-21.9	-44.2
Cash flows from financing activities					
Acquisition of non-controlling interest	-	-	-	-0.1	-0.1
Proceeds from non-current borrowings	-	99.6	-	99.6	224.6
Repayment of non-current borrowings	-20.0	-100.0	-20.0	-100.0	-210.0
Proceeds from current borrowings	0.0	0.1	0.0	10.0	26.8
Repayment of current borrowings	-	-22.0	-0.0	-22.0	-47.1
Payment of lease liabilities	-11.9	-12.4	-24.3	-25.5	-50.9
Payment of hire purchase liabilities	-0.6	-1.2	-1.4	-2.4	-4.3
Interests and other financial expenses paid	-11.8	-6.9	-16.4	-9.6	-19.9
Interests and other financial income received	1.7	-	2.8	-	0.2
Dividends paid	-19.0	-1.1	-19.0	-17.7	-35.4
Net cash from financing activities	-61.6	-43.9	-78.2	-67.8	-116.0
Net change in cash and cash equivalents	-32.0	-30.2	-7.6	-27.8	-2.4
Cash and cash equivalents at the beginning of the period	62.1	42.4	37.7	40.2	40.2
Translation differences	0.0	-0.2	-0.0	-0.3	-0.1
Cash and cash equivalents at the end of the period	30.1	12.0	30.1	12.0	37.7

The notes are an integral part of the consolidated interim financial statements.

Notes to the interim financial statements

1. Basis of accounting principles

The figures in these interim financial statements are unaudited and have been prepared in accordance with IAS 34 Interim Financial Reporting - standard and should be read in conjunction with the Group's latest annual consolidated financial statements as at and for the year ended 31 December 2023. The accounting principles adopted are consistent with those of the annual financial statements for 2023. All presented figures have been rounded. Financial ratios have been calculated using exact figures.

2. Use of judgments and estimates

In preparing these interim financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for 2023.

3. Events after the reporting period

After the end of the reporting period, on 11 July 2024, Terveystalo published a positive profit warning, raised its profitability guidance for 2024 and provided preliminary information on revenue and profitability for the second quarter of 2024.

4. Revenue and segment information

Terveystalo Group comprises of three operating segments that are reportable segments: Healthcare Services, Portfolio Businesses, and Sweden. Monitoring of profitability is primarily based on operating segments. In addition, Terveystalo provides disclosure on revenue for Healthcare Services on customer and service level and for Portfolio Businesses on service level.

Terveystalo offers services to three customer groups: corporate customers, private customers, and public customers. The Group does not have customers whose revenue exceeds 10 percent of the Group's total revenue.

Healthcare Services offers customers in Finland integrated care paths from preventive occupational health services to primary care services and to different fields of specialized care, diagnostic, and day surgery. In Healthcare Services, Terveystalo aims for industry-leading profitability and the best care outcomes.

The Portfolio Businesses segment consists of business areas that aim for independent value creation utilising Terveystalo's capabilities according to their needs. Portfolio Businesses include public sector outsourcing, staffing services, and dental care, as well as other businesses such as public sector digital services, rehabilitation, child welfare, and massage services, as well as interpretation services.

The Sweden segment consists of Feelgood subsidiaries' operations in Sweden, which are focused on occupational health and consultation for organizational management and harmful use. In Sweden, Terveystalo aims for profitable growth in the medium and long term.

In addition to operating segments, Terveystalo provides information for Other section. Other reported figures mainly consist of parent company expenses, unallocated Group level adjustments and provisions. Other section's revenue includes eliminations between reporting segments.

Disaggregation of revenue

EUR mill.	4-6/2024	4-6/2023	Change, %	1-6/2024	1-6/2023	Change, %	2023
Healthcare services	261.4	234.7	11.4	529.4	484.5	9.3	948.6
Portfolio business	62.7	68.6	-8.7	127.3	139.4	-8.6	267.2
Sweden	22.1	24.6	-10.2	45.1	50.1	-9.9	92.5
Segments total	346.2	327.9	5.6	701.9	674.0	4.1	1,308.2
Other	-6.0	-5.5	-9.3	-11.5	-10.5	-9.6	-21.8
Total	340.1	322.4	5.5	690.4	663.4	4.1	1,286.4

Healthcare services, revenue							
EUR mill.	4-6/2024	4-6/2023	Change, %	1-6/2024	1-6/2023	Change, %	2023
By customer							
Corporate	159.6	136.7	16.8	323.6	285.3	13.4	564.0
Consumer	79.0	75.5	4.7	159.3	153.2	4.0	296.1
Public sector	22.8	22.5	1.2	46.5	46.0	1.1	88.5
Total	261.4	234.7	11.4	529.4	484.5	9.3	948.6
By service							
Appointments	171.7	152.3	12.8	346.1	312.8	10.7	618.3
Diagnostics	63.5	57.4	10.6	129.3	120.2	7.6	229.6
Other	26.2	25.0	5.0	54.0	51.5	4.8	100.7
Total	261.4	234.7	11.4	529.4	484.5	9.3	948.6

Portfolio businesses, revenue							
EUR mill.	4-6/2024	4-6/2023	Change, %	1-6/2024	1-6/2023	Change, %	2023
Outsourcing services	20.9	23.1	-9.2	45.2	47.8	-5.5	91.1
Staffing services	20.2	21.5	-6.0	38.7	43.7	-11.4	84.7
Dental care	13.3	14.5	-8.6	26.4	29.5	-10.7	54.5
Other	8.2	9.5	-13.3	17.1	18.3	-6.8	36.9
Total	62.7	68.6	-8.7	127.3	139.4	-8.6	267.2

Timing of satisfying performance obligations

EUR mill.	4-6/2024	4-6/2023	Change, %	1-6/2024	1-6/2023	Change, %	2023
At a point in time	318.7	298.7	6.7	644.2	614.5	4.8	1,192.9
Over time	21.4	23.7	-9.6	46.2	49.0	-5.7	93.5
Total	340.1	322.4	5.5	690.4	663.4	4.1	1,286.4

Other segment information

Adjusted EBITA

EUR mill.	4-6/2024	4-6/2023	Change, %	1-6/2024	1-6/2023	Change, %	2023
Healthcare services	39.3	23.5	67.3	82.5	54.9	50.3	109.0
Portfolio business	3.1	2.0	51.6	6.5	4.9	31.6	8.7
Sweden	-0.2	1.6	-110.5	-0.1	3.4	-103.0	3.7
Segments total	42.2	27.1	55.9	88.9	63.2	40.6	121.4
Other	0.3	1.4	-80.1	0.8	1.8	-53.8	4.2
Total	42.5	28.5	49.1	89.7	64.9	38.1	125.6

EBITA

EUR mill.	4-6/2024	4-6/2023	Change, %	1-6/2024	1-6/2023	Change, %	2023
Healthcare services	33.5	23.2	44.7	76.0	54.3	39.9	107.1
Portfolio business	3.0	2.2	40.5	6.0	4.9	22.1	8.3
Sweden	-1.6	1.5	>-200,0	-2.4	3.3	-174.1	2.1
Segments total	35.0	26.9	30.3	79.6	62.5	27.3	117.5
Other	-2.9	-1.9	-52.6	-4.5	-10.5	57.2	-13.1
Total	32.1	25.0	28.5	75.1	52.0	44.4	104.4

Reconciliation of the total of the reportable segment's adjusted EBITA to the Group's profit before taxes

EUR mill.	4-6/2024	4-6/2023	1-6/2024	1-6/2023	2023
Profit before taxes	17.5	9.8	47.0	23.9	-38.9
Net finance expenses	7.1	5.1	13.2	10.1	24.2
Amortisation and impairment losses	7.5	10.0	14.8	18.0	119.1
Adjustments	10.4	3.5	14.6	13.0	21.2
Other	-0.3	-1.4	-0.8	-1.8	-4.2
Adjusted EBITA	42.2	27.1	88.9	63.2	121.4

5. Materials and services

EUR mill.	4-6/2024	4-6/2023	Change, %	1-6/2024	1-6/2023	Change, %	2023
Purchase of materials	-10.5	-10.7	-2.2	-21.7	-21.6	0.2	-40.8
Change in inventories	-0.3	0.2	>-200.0	-0.1	0.2	-142.8	0.5
External services	-128.9	-124.4	3.6	-261.5	-255.9	2.2	-495.9
Total	-139.6	-134.9	3.5	-283.3	-277.3	2.2	-536.2

6. Employee benefit expenses

EUR mill.	4-6/2024	4-6/2023	Change, %	1-6/2024	1-6/2023	Change, %	2023
Wages and salaries	-89.4	-94.9	-5.7	-181.4	-192.8	-5.9	-374.3
Share-based payments	-0.5	-0.2	142.6	-0.8	-0.3	179.0	-1.4
Other personnel expenses	-19.7	-18.4	6.9	-39.5	-36.9	6.9	-71.3
Total	-109.6	-113.5	-3.5	-221.6	-230.0	-3.7	-447.0

7. Other operating expenses

EUR mill.	4-6/2024	4-6/2023	Change, %	1-6/2024	1-6/2023	Change, %	2023
Leases and premises	-6.9	-5.7	21.9	-13.6	-12.3	11.0	-23.5
ICT expenses	-10.5	-10.0	4.8	-20.8	-20.0	3.8	-40.4
Marketing and communication expenses	-2.9	-2.7	5.8	-5.7	-5.1	12.5	-8.7
Other operating expenses*	-21.3	-12.8	65.8	-35.7	-31.5	13.6	-55.6
Total	-41.5	-31.2	33.0	-75.8	-68.8	10.2	-128.2

* During six months ended 30 June 2024, including a one-off item of EUR 5.6 million related to renovation and maintenance liabilities in a single location.

8. Income taxes

Income taxes in the statement of income

EUR mill.	4-6/2024	4-6/2023	Change, %	1-6/2024	1-6/2023	Change, %	2023
Current tax for the reporting year	-4.1	-2.2	82.4	-10.1	-5.9	70.5	-10.8
Income taxes for prior periods	-0.0	-0.0	-99.3	-0.0	-0.0	-64.0	-0.1
Change in deferred taxes	0.9	-0.1	>-200.0	0.9	0.6	58.1	7.6
Total income taxes	-3.1	-2.3	34.0	-9.1	-5.3	71.5	-3.3

9. Share-based payments

During the second quarter of 2024, Terveystalo granted a new performance period to long-term incentive plan 2021 to the members of executive team and other key persons. Vesting period is three years and the rewards are conditional on the fulfilment of a three-year service condition, performance conditions tied to total shareholder return and to financial targets that are set separately. The reward is granted as a gross number of Terveystalo shares, including a cash portion for taxes and tax-related expenses arising from the reward to the employee. The reward is settled as net shares. The program's impact to the result for the six months of the year 2024 has been EUR 0.1 million and the expected total cost of the program is EUR 1.7 million. 72 persons are included in the arrangement.

During the second quarter of 2024, Terveystalo granted a new performance period to restricted share plan to individually selected employees. Vesting period is three years and the rewards are conditional on the fulfilment of a service condition. The reward is granted as a gross number of Terveystalo shares, including a cash portion for taxes and tax-related expenses arising from the reward to the employee. The reward is settled as net shares. The program's impact to the result for the six months of the year 2024 has been EUR 0.0 million and the expected total cost of the program is EUR 0.1 million. 4 persons are included in the arrangement.

During the first quarter of 2024, long-term performance share plan 2021 vesting period 2021-2023 as well as restricted share plan vesting period 2021-2023 ended and in consequence, the shares earned were granted according to realization of the plan's conditional performance measures. In total 48 525 shares were granted. Rewards were conditional on the fulfilment of a three-year service condition and performance conditions tied to financial targets that were set separately. The plan is fully accounted for as an equity settled share-based payment. The plan's impact to the result for the period has been EUR 0.2 million.

In addition to above mentioned incentive plan, Terveystalo has performance share plan 2021 vesting periods 2022-2024 and 2023-2025 as well as restricted share plan vesting periods 2022-2024 and 2023-2025 ongoing during the review period. Descriptions of these plans are included in financial statements 2023.

10. Property, plant and equipment

1-6/2024	Land and water, buildings and constructions	Machinery and equipment	Improvement to premises	Other tangible assets and advances paid	Total
EUR mill.					
Acquisition cost 1 Jan 2024	2.3	179.7	76.6	1.1	259.7
Business combination	-	0.4	0.0	-	0.4
Additions	-	5.8	0.5	4.8	11.1
Disposals	-	-0.2	-	-	-0.2
Translation differences	-0.0	-0.1	-0.0	-0.0	-0.1
Transfers between items	-	0.1	1.8	-1.9	-
Acquisition cost 30 Jun 2024	2.3	185.7	78.9	4.1	271.0
Accumulated depreciation and impairment losses 1 Jan 2024	-1.2	-132.1	-42.2	-	-175.5
Depreciation	-0.1	-7.5	-3.5	-	-11.0
Impairment losses	-0.1	-0.0	-0.0	-	-0.2
Translation differences	0.0	0.0	0.0	-	0.0
Accumulated depreciation and impairment losses 30 Jun 2024	-1.4	-139.5	-45.7	-	-186.6
Carrying amount 1 Jan 2024	1.2	47.5	34.5	1.1	84.2
Carrying amount 30 Jun 2024	0.9	46.2	33.2	4.1	84.4

1-6/2023	Land and water, buildings and constructions	Machinery and equipment	Improvement to premises	Other tangible assets and advances paid	Total
EUR mill.					
Acquisition cost 1 Jan 2023	2.3	165.1	64.4	4.2	236.0
Additions	-	6.5	0.3	4.6	11.4
Disposals	-	-0.3	-0.1	-	-0.4
Translation differences	-0.0	-0.2	-0.0	-0.0	-0.2
Transfers between items	-	0.5	2.1	-2.6	-
Acquisition cost 30 Jun 2023	2.3	171.6	66.7	6.2	246.8
Accumulated depreciation and impairment losses 1 Jan 2023	-1.2	-117.1	-35.8	-	-154.0
Depreciation	-0.0	-7.6	-3.2	-	-10.8
Translation differences	0.0	0.1	0.0	-	0.1
Accumulated depreciation and impairment losses 30 Jun 2023	-1.2	-124.6	-39.0	-	-164.8
Carrying amount 1 Jan 2023	1.2	47.9	28.7	4.2	82.0
Carrying amount 30 Jun 2023	1.2	47.0	27.8	6.2	82.1

2023	Land and water, buildings and constructions	Machinery and equipment	Improvement to premises	Other tangible assets and advances paid	Total
EUR mill.					
Acquisition cost 1 Jan 2023	2.3	165.1	64.4	4.2	236.0
Business combination	-	0.0	-	-	0.0
Additions	-	13.8	1.7	8.8	24.3
Disposals	-	-0.5	-0.1	-	-0.6
Translation differences	0.0	0.0	0.0	0.0	0.0
Transfers between items	-	1.2	10.6	-11.8	-
Acquisition cost 31 Dec 2023	2.3	179.7	76.6	1.1	259.7
Accumulated depreciation and impairment losses 1 Jan 2023	-1.2	-117.1	-35.8	-	-154.0
Depreciation	-0.0	-14.9	-6.4	-	-21.3
Impairment losses	-	-0.0	-0.0	-	-0.0
Translation differences	-0.0	-0.0	-0.0	-	-0.0
Accumulated depreciation and impairment losses 31 Dec 2023	-1.2	-132.1	-42.2	-	-175.5
Carrying amount 1 Jan 2023	1.2	47.9	28.7	4.2	82.0
Carrying amount 31 Dec 2023	1.2	47.5	34.5	1.1	84.2

11. Intangible assets

1-6/2024	Goodwill	Customer relationships	Trademarks	Other intangible assets and advances paid	Total
EUR mill.					
Acquisition cost 1 Jan 2024	948.8	167.8	88.7	156.6	1,361.9
Business combination	5.1	-	-	0.1	5.3
Additions	-	-	-	5.8	5.8
Disposals*	-1.1	-0.1	-	-	-1.2
Translation differences	-1.0	-0.1	-0.1	-0.3	-1.5
Acquisition cost 30 Jun 2024	951.8	167.6	88.6	162.3	1,370.3
Accumulated amortisations and impairment losses 1 Jan 2024	-125.3	-156.2	-43.2	-113.9	-438.6
Amortisation	-	-1.3	-2.3	-10.1	-13.8
Impairment losses	-	-	-	-0.1	-0.1
Translation differences	-	0.0	0.0	0.1	0.2
Accumulated amortisations and impairment losses 30 Jun 2024	-125.3	-157.5	-45.5	-124.0	-452.3
Carrying amount 1 Jan 2024	823.5	11.6	45.6	42.8	923.4
Carrying amount 30 Jun 2024	826.5	10.1	43.1	38.3	918.1

* Disposals to goodwill and customer relationships relate to the sale of entire share capital of Sivupersoon Oy, a company providing sign language interpreting services.

1-6/2023	Goodwill	Customer relationships	Trademarks	Other intangible assets and advances paid	Total
EUR mill.					
Acquisition cost 1 Jan 2023	947.5	167.8	88.7	140.2	1,344.2
Business combination	0.3	-	-	-	0.3
Additions	-	-	-	8.1	8.1
Translation differences	-2.5	-0.3	-0.2	-0.6	-3.7
Acquisition cost 30 Jun 2023	945.3	167.4	88.6	147.7	1,349.0
Accumulated amortizations and impairment losses 1 Jan 2023	-68.0	-117.5	-38.5	-95.6	-319.6
Amortization	-	-5.1	-2.3	-8.6	-16.0
Impairment losses	-2.2	-	-	-	-2.2
Translation differences	-	0.1	0.0	0.2	0.3
Accumulated amortizations and impairment losses 30 Jun 2023	-70.2	-122.5	-40.8	-104.0	-337.4
Carrying amount 1 Jan 2023	879.5	50.3	50.2	44.6	1,024.7
Carrying amount 30 Jun 2023	875.1	45.0	47.7	43.8	1,011.6

2023	Goodwill	Customer relationships	Trademarks	Other intangible assets and advances paid	Total
EUR mill.					
Acquisition cost 1 Jan 2023	947.5	167.8	88.7	140.2	1,344.2
Business combination	1.3	0.1	-	-	1.4
Additions	-	-	-	16.3	16.3
Disposals	-0.2	-	-	-0.0	-0.2
Translation differences	0.1	0.0	0.0	0.1	0.2
Acquisition cost 31 Dec 2023	948.8	167.8	88.7	156.6	1,361.9
Accumulated amortizations and impairment losses 1 Jan 2023	-68.0	-117.5	-38.5	-95.6	-319.6
Amortization	-	-9.4	-4.7	-18.2	-32.2
Impairment losses*	-57.3	-29.3	-	-0.0	-86.6
Translation differences	-	-0.0	-0.0	-0.1	-0.1
Accumulated amortizations and impairment losses 31 Dec 2023	-125.3	-156.2	-43.2	-113.9	-438.6
Carrying amount 1 Jan 2023	879.5	50.3	50.2	44.6	1,024.7
Carrying amount 31 Dec 2023	823.5	11.6	45.6	42.8	923.4

* As a result of the impairment test, EUR 55.3 million write-offs related to goodwill and EUR 29.3 million write-offs to purchase price allocations relating to public outsourcing customer relationships within the Portfolio Businesses segment public payor CGU were made. The impaired goodwill was recognised mainly in the acquisition of Attendo Healthcare Services in 2018. Customer relationship write-offs relate solely to the legacy Outsourcing business, acquired in the Attendo transaction that is gradually being phased out. In addition, during the year 2023 an EUR 2.0 million impairment of goodwill made related to reorganisation of Portfolio businesses in connection to sale of business operations.

In addition to previously mentioned write-offs, a write-off from investment properties of EUR 0.2 million was during the financial year 2023.

12. Right of-use-assets and lease liabilities

12.1 Right-of-use assets

1-6/2024			
EUR mill.	Premises	Other right-of-use assets	Total
Acquisition cost 1 Jan 2024	424.0	40.9	464.9
Business combination	0.1	-	0.1
Additions	15.7	0.2	15.9
Disposals	-4.9	-0.0	-4.9
Translation differences	-0.6	-0.0	-0.6
Acquisition cost 30 Jun 2024	434.2	41.0	475.2
Accumulated depreciation and impairment losses 1 Jan 2024	-217.9	-34.9	-252.8
Depreciation for the reporting period	-24.4	-1.3	-25.7
Impairment losses	-0.4	-0.4	-0.8
Translation differences	0.3	0.0	0.3
Accumulated depreciation and impairment losses 30 Jun 2024	-242.4	-36.7	-279.0
Carrying amount 1 Jan 2024	206.1	6.0	212.1
Carrying amount 30 Jun 2024	191.8	4.4	196.2

1-6/2023			
EUR mill.	Premises	Other right-of-use assets	Total
Acquisition cost 1 Jan 2023	331.7	41.5	373.1
Additions	53.3	-	53.3
Disposals	-3.8	-	-3.8
Translation differences	-1.4	-	-1.4
Acquisition cost 30 Jun 2023	379.8	41.5	421.3
Accumulated depreciation and impairment losses 1 Jan 2023	-167.5	-31.8	-199.3
Depreciation for the reporting period	-25.2	-1.5	-26.8
Translation differences	0.4	0.0	0.5
Accumulated depreciation and impairment losses 30 Jun 2023	-192.2	-33.3	-225.6
Carrying amount 1 Jan 2023	164.2	9.7	173.9
Carrying amount 30 Jun 2023	187.6	8.1	195.7

2023			
EUR mill.	Premises	Other right-of-use assets	Total
Acquisition cost 1 Jan 2023	331.7	41.5	373.1
Business combination	0.3	-	0.3
Additions	108.2	0.6	108.9
Disposals	-16.5	-1.2	-17.7
Translation differences	0.2	0.0	0.3
Acquisition cost 31 Dec 2023	424.0	40.9	464.9
Accumulated depreciation and impairment losses 1 Jan 2023	-167.5	-31.8	-199.3
Depreciation for the reporting period	-50.2	-3.1	-53.3
Translation differences	-0.2	-0.0	-0.2
Accumulated depreciation and impairment losses 31 Dec 2023	-217.9	-34.9	-252.8
Carrying amount 1 Jan 2023	164.2	9.7	173.9
Carrying amount 31 Dec 2023	206.1	6.0	212.1

12.2. Lease liabilities

30 Jun 2024			
EUR mill.	Premises	Other	Total
Non-current lease liabilities	152.5	4.7	157.1
Current lease liabilities	45.1	2.3	47.4
Total lease liabilities	197.6	7.0	204.6

30 Jun 2023			
EUR mill.	Premises	Other	Total
Non-current lease liabilities	145.7	7.5	153.2
Current lease liabilities	45.9	2.7	48.6
Total lease liabilities	191.6	10.2	201.8

31 Dec 2023			
EUR mill.	Premises	Other	Total
Non-current lease liabilities	166.8	5.8	172.6
Current lease liabilities	44.0	2.5	46.5
Total lease liabilities	210.8	8.3	219.1

13. Financial assets and liabilities – carrying amount, fair values and fair value hierarchy

EUR mill. 30 Jun 2024	Financial assets and liabilities at fair value	Financial assets and liabilities at amortised cost	Carrying amount	Fair value	Fair value hierarchy
Financial assets					
Non-current					
Loan receivables	0.0	-	0.0	0.0	Level 2
Unquoted equity investments	0.8	-	0.8	0.8	Level 3
Current					
Trade receivables	-	137.2	137.2	137.2	
Cash and cash equivalents	-	30.1	30.1	30.1	
Interest rate derivatives	4.0	-	4.0	4.0	Level 2
Total	4.8	167.3	172.0	172.0	
Financial liabilities					
Non-current					
Loans from financial institutions	-	274.2	274.2	274.2	Level 2
Bonds	-	99.2	99.2	101.7	Level 1
Hire purchase liabilities	-	0.7	0.7	0.7	Level 2
Contingent considerations	2.2	-	2.2	2.2	Level 3
Current					
Loans from financial institutions	-	19.8	19.8	19.8	Level 2
Hire purchase liabilities	-	1.7	1.7	1.7	Level 2
Trade payables	-	60.9	60.9	60.9	
Contingent considerations	1.5	-	1.5	1.5	Level 3
Total	3.7	456.5	460.2	462.8	

Financial assets and liabilities classified at fair value hierarchy level 3 consist of unquoted equity investments and contingent considerations from business combinations. The measurement of unquoted equity investments is based on the managements estimate of future cash flows arising from the investments and the measurement of contingent considerations is based on the amounts specified in purchase agreements and the management estimate on whether the consideration will be realised. The effect on earnings arising from the changes of fair values of financial assets and liabilities classified at fair value hierarchy level 3 has been EUR 1.0 million (2023: EUR 1.0 million).

EUR mill. 31 Dec 2023					
	Financial assets and liabilities at fair value	Financial assets and liabilities at amortised cost	Carrying amount	Fair value	Fair value hierarchy
Financial assets					
Non-current					
Loan receivables	0.0	-	0.0	0.0	Level 2
Unquoted equity investments	0.8	-	0.8	0.8	Level 3
Current					
Trade receivables	-	127.6	127.6	127.6	
Cash and cash equivalents	-	37.7	37.7	37.7	
Interest rate derivatives	4.8	-	4.8	4.8	Level 2
Total	5.6	165.3	170.8	170.8	
Financial liabilities					
Non-current					
Loans from financial institutions	-	294.0	294.0	294.0	Level 2
Bonds	-	99.1	99.1	102.7	Level 1
Hire purchase liabilities	-	1.3	1.3	1.3	Level 2
Contingent considerations	3.3	-	3.3	3.3	Level 3
Current					
Loans from financial institutions	-	19.8	19.8	19.8	Level 2
Hire purchase liabilities	-	2.5	2.5	2.5	Level 2
Trade payables	-	49.5	49.5	49.5	
Contingent considerations	2.6	-	2.6	2.6	Level 3
Interest rate derivatives	0.1	-	0.1	0.1	Level 2
Total	6.0	466.2	472.2	475.7	

14. Business Combinations

Business Combinations 2024

During the six months ended 30 June 2024, the Group has made one corporate acquisition.

On 31 March 2024 Terveystalo Healthcare Oy acquired 100 percent of the imaging services provider SRK Group Oy and an indirect 100 percent ownership in its subsidiaries Suomen Radiologikeskus Oy, iRad Oy and Kajaanin Radiologikeskus Oy.

The consideration transferred for the corporate acquisition was EUR 4.9 million. As a result of the business combination, a preliminary goodwill amounting to EUR 5.1 million was recognized. The goodwill is attributable to skills of the workforce and synergies expected to be achieved. The recognized goodwill is not tax-deductible. Cashflow impact of the acquisition made during 2024 was EUR 4.9 million.

The fair value of the acquired trade and other receivables amounted to EUR 0.7 million, for which the risk of impairment has been deemed as non-significant.

The Group has incurred acquisition related expenses of EUR 0.1 million related to transfer tax, consulting, valuation or equivalent services. The expenses have been included in other operating expenses.

The contributed revenue recognized from the acquisitions during the six months ended 30 June 2024 was EUR 1.7 million and loss was EUR 0.0 million.

If the acquisition had occurred on 1 January 2024, management estimates that the Group's consolidated revenue during the six months ended 30 June 2024 would have been EUR 692.2 million and the consolidated result for the period would have been EUR 37.8 million.

In 2024, cashflow impact arising from business combinations made in previous financial years was EUR -1.3 million due to additional purchase prices paid.

Terveystalo's subsidiary Feelgood Svenska AB signed an agreement in June to acquire the share capital in Clarahälsan AB. According to agreement, Terveystalo obtained control of the acquiree on 1 July 2024.

Business Combinations 2023

During the year 2023, the Group has made one corporate acquisition and one business acquisition.

On 15 August 2023 Feelgood Företagshälsovård AB acquired 100 percent of the Swedish occupational health provider Växjö Hälsoforum AB.

On 2 October 2023 Feelgood Sjukvård AB acquired the occupational health business of Quality Care AB.

The consideration transferred for the corporate acquisition was EUR 1.0 million. As a result of the business combination, a preliminary goodwill amounting to EUR 1.0 million was recognized. The goodwill is attributable to skills of the workforce and synergies expected to be achieved. EUR 0.7 million of the recognized goodwill is deductible in taxation. Cashflow impact of the acquisition made during 2023 was EUR 0.3 million.

In these business combinations, the Group has acquired customer relationships. The fair value of customer contracts and related customer relationships included in other intangible assets has been determined on the basis of the estimated duration of customer relationships and the discounted net cash flows from existing customer contracts.

The fair value of the acquired trade and other receivables amounted to EUR 0.1 million, for which the risk of impairment has been deemed as non-significant.

The Group has incurred acquisition-related expenses of EUR 0.1 million related to consulting, valuation or equivalent services. The expenses have been included in the other operating expenses.

The contributed revenue recognized from the acquisitions during the year 2023 was EUR 0.4 million and loss was EUR 0.0 million.

If the acquisition had occurred on 1 January 2023, management estimates that the Group's consolidated revenue in 2023 would have been EUR 1,286.9 million and the consolidated result for the period would have been EUR -42.2 million.

In 2023, effect to goodwill arising from corporate acquisitions made in year 2022 was EUR 0.3 million. The cash flow effect was EUR -4.0 million due to adjustments to purchase prices and additional purchase price paid.

15. Collateral and other contingent liabilities

EUR mill.	30 Jun 2024	30 Jun 2023	31 Dec 2023
Business mortgages	0.7	7.1	7.5
Total	0.7	7.1	7.5
Securities for own debts			
Deposits	0.2	0.2	0.2
Guarantees	0.1	0.4	0.2
Total	0.3	0.6	0.4

As part of the normal development and maintenance of its branch and hospital network, the Group has entered into a 20-year lease agreement with an estimated annual rent of EUR 3.5 million. The transfer of control of the lease property is planned to take place in 2027.

16. Group's key financial ratios

EUR mill. unless stated otherwise	4-6/2024	4-6/2023	Change, %	1-6/2024	1-6/2023	Change, %	2023
Revenue	340.1	322.4	5.5	690.4	663.4	4.1	1,286.4
Adjusted EBITDA, * ¹⁾	60.7	47.1	28.8	126.4	102.4	23.4	200.2
Adjusted EBITDA, % * ¹⁾	17.8	14.6	-	18.3	15.4	-	15.6
EBITDA ^{1) 2)}	50.3	43.7	15.1	111.8	89.6	24.8	179.2
EBITDA, % ¹⁾	14.8	13.6	-	16.2	13.5	-	13.9
Adjusted EBITA * ¹⁾	42.5	28.5	49.1	89.7	64.9	38.1	125.6
Adjusted EBITA, % * ¹⁾	12.5	8.8	-	13.0	9.8	-	9.8
EBITA ¹⁾	32.1	25.0	28.5	75.1	52.0	44.4	104.4
EBITA, % ¹⁾	9.4	7.7	-	10.9	7.8	-	8.1
Adjusted operating profit (EBIT) * ¹⁾	34.9	20.5	70.7	75.1	49.0	53.3	93.1
Adjusted operating profit (EBIT), % * ¹⁾	10.3	6.3	-	10.9	7.4	-	7.2
Operating profit (EBIT)	24.6	15.0	64.2	60.3	34.0	77.1	-14.7
Operating profit (EBIT), %	7.2	4.6	-	8.7	5.1	-	-1.1
Return on equity (ROE) (LTM), % ¹⁾	-	-	-	-4.5	1.1	-	-7.6
Equity ratio, % ¹⁾	-	-	-	36.9	39.0	-	36.5
Earnings per share, EUR	0.11	0.06	90.8	0.30	0.15	103.4	-0.33
Weighted average number of shares outstanding, in thousands	126,605	126,556	-	126,605	126,554	-	126,555
Net debt ¹⁾	-	-	-	569.8	601.7	-5.3	598.1
Gearing, % ¹⁾	-	-	-	110.8	105.3	-	116.0
Net debt/Adjusted EBITDA (LTM) * ¹⁾	-	-	-	2.5	3.3	-	3.0
Total assets	-	-	-	1,398.7	1,469.7	-4.8	1,419.5
Adjusted EBITDA (LTM), excluding IFRS 16 * ¹⁾	-	-	-	169.3	124.5	36.0	142.8
Net debt, excluding IFRS 16 ¹⁾	-	-	-	365.2	399.9	-8.7	379.0
Net debt/Adjusted EBITDA (LTM), excluding IFRS 16 * ¹⁾	-	-	-	2.2	3.2	-	2.7
Average personnel (FTEs)	-	-	-	5,956	6,563	-9.2	6,426
Personnel (end of period)	-	-	-	9,249	10,094	-8.4	9,824
Private practitioners (end of period)	-	-	-	6,020	6,145	-2.0	6,092

* Adjustments are material items outside the ordinary course of business, and these relate to acquisition-related expenses, restructuring-related expenses, gains and losses on sale of assets (net), impairment losses, strategic projects and other items affecting comparability.

¹⁾ Alternative performance measure. Terveystalo presents alternative performance measures as additional information to financial measures defined in IFRS. Those are performance measures that the company monitors internally, and they provide management, investors, securities analysts and other parties significant additional information related to the company's results of operations, financial position and cash flows. These should not be considered in isolation or as a substitute to the measures under IFRS.

17. Calculation of financial ratios and alternative performance measures

Financial ratios

$$\text{Earnings per share, (EUR)} = \frac{\text{Profit for the period attributable to owners of the parent company}}{\text{Average number of shares during the period}}$$

Terveystalo presents alternative performance measures as additional information to the financial measures defined in IFRS. Those are performance measures that the company monitors internally, and they provide significant additional information related to the company's results of operations, financial position and cash flows to the management, investors, securities analysts and other parties. These should not be considered in isolation or as a substitute to the measures under IFRS.

Alternative performance measures to the statement of financial position

The company presents the following alternative performance measures to the statement of financial position as they are, in the company's view, useful indicators of the company's ability to obtain financing and service its debt.

$$\text{Return on equity, \%} = \frac{\text{Profit/loss for the period (LTM)}}{\text{Equity (including non-controlling interest) (average)}} \times 100\%$$

$$\text{Equity ratio, \%} = \frac{\text{Equity (including non-controlling interest)}}{\text{Total assets - advances received}} \times 100\%$$

$$\text{Gearing, \%} = \frac{\text{Interest-bearing liabilities - interest-bearing receivables and cash and cash equivalents}}{\text{Equity}} \times 100\%$$

$$\text{Net debt/Adjusted EBITDA (LTM) *} = \frac{\text{Interest-bearing liabilities - interest-bearing receivables and cash and cash equivalents}}{\text{Adjusted EBITDA (LTM)}}$$

$$\text{Net debt/Adjusted EBITDA (LTM), excluding IFRS 16 *} = \frac{\text{Interest-bearing liabilities excluding lease liabilities - interest-bearing receivables and cash and cash equivalents}}{\text{Adjusted EBITDA (LTM), excluding IFRS 16}}$$

Alternative performance measures to the statement of income

The company presents the following alternative performance measures to the statement of income, as in the company's view, they increase understanding of the company's results of operations. In addition, the adjusted alternative performance measures are widely used by analysts, investors and other parties and facilitates comparability between periods.

$$\text{Adjusted EBITDA*} = \text{Earnings Before Interest, Taxes, Depreciation, Amortisation, Impairment losses and adjustments}$$

$$\text{Adjusted EBITDA, \%*} = \frac{\text{Earnings Before Interest, Taxes, Depreciation, Amortisation, Impairment losses and adjustments}}{\text{Revenue}} \times 100\%$$

$$\text{Adjusted EBITA*} = \text{Earnings Before Interest, Taxes, Amortisation, Impairment losses and adjustments}$$

Adjusted EBITA, %*	=	$\frac{\text{Earnings Before Interest, Taxes, Amortisation, Impairment losses and adjustments}}{\text{Revenue}}$	x 100%
Adjusted operating profit (EBIT)*	=	$\frac{\text{Earnings Before Interest, Taxes and Share of profits in associated companies, and adjustments}}{\text{Revenue}}$	
Adjusted operating profit (EBIT), %*	=	$\frac{\text{Earnings Before Interest, Taxes and Share of profits in associated companies, and adjustments}}{\text{Revenue}}$	x 100%
EBITDA	=	$\frac{\text{Earnings Before Interest, Taxes, Depreciation and Amortisation and Impairment losses}}{\text{Revenue}}$	
EBITDA, %	=	$\frac{\text{Earnings Before Interest, Taxes, Depreciation and Amortisation and Impairment losses}}{\text{Revenue}}$	x 100%
EBITA	=	$\frac{\text{Earnings Before Interest, Taxes, Amortisation and Impairment losses}}{\text{Revenue}}$	
EBITA, %	=	$\frac{\text{Earnings Before Interest, Taxes, Amortisation and Impairment losses}}{\text{Revenue}}$	x 100%
Operating profit (EBIT)	=	$\frac{\text{Earnings Before Interest, Taxes and Share of profits in associated companies}}{\text{Revenue}}$	
Operating profit (EBIT), %	=	$\frac{\text{Earnings Before Interest, Taxes and Share of profits in associated companies}}{\text{Revenue}}$	x 100%
Adjusted EBITDA, excluding IFRS 16 *	=	$\frac{\text{Earnings Before Interest, Taxes, Depreciation, Amortisation, Impairment losses and adjustments, excluding IFRS 16 lease adjustments}}{\text{Revenue}}$	

* Adjustments are material items outside the ordinary course of business, and these relate to acquisition-related expenses, restructuring-related expenses, gains and losses on sale of assets (net), impairment losses strategic projects and other items affecting comparability.

18. Reconciliation of alternative performance measures

Adjusted EBITDA, EUR mill.	4-6/2024	4-6/2023	1-6/2024	1-6/2023	1-12/2023
Profit (loss) for the period	14.3	7.5	37.9	18.6	-42.2
Income tax expense	3.1	2.3	9.1	5.3	3.3
Share of profits in associated companies	-	0.0	-	0.0	0.0
Net finance expenses	7.1	5.1	13.2	10.1	24.2
Depreciation, amortisation and impairment losses	25.8	28.7	51.5	55.5	193.8
Adjustments*	10.4	3.4	14.6	12.9	21.1
Adjusted EBITDA	60.7	47.1	126.4	102.4	200.2

Adjusted EBITDA, %	4-6/2024	4-6/2023	1-6/2024	1-6/2023	1-12/2023
Adjusted EBITDA	60.7	47.1	126.4	102.4	200.2
Revenue	340.1	322.4	690.4	663.4	1,286.4
Adjusted EBITDA, %	17.8	14.6	18.3	15.4	15.6

EBITDA, EUR mill.	4-6/2024	4-6/2023	1-6/2024	1-6/2023	1-12/2023
Profit (loss) for the period	14.3	7.5	37.9	18.6	-42.2
Income tax expense	3.1	2.3	9.1	5.3	3.3
Share of profits in associated companies	-	0.0	-	0.0	0.0
Net finance expenses	7.1	5.1	13.2	10.1	24.2
Depreciation, amortisation and impairment losses	25.8	28.7	51.5	55.5	193.8
EBITDA	50.3	43.7	111.8	89.6	179.2

EBITDA, %	4-6/2024	4-6/2023	1-6/2024	1-6/2023	1-12/2023
EBITDA	50.3	43.7	111.8	89.6	179.2
Revenue	340.1	322.4	690.4	663.4	1,286.4
EBITDA, %	14.8	13.6	16.2	13.5	13.9

Adjusted EBITA, EUR mill.	4-6/2024	4-6/2023	1-6/2024	1-6/2023	1-12/2023
Profit (loss) for the period	14.3	7.5	37.9	18.6	-42.2
Income tax expense	3.1	2.3	9.1	5.3	3.3
Share of profits in associated companies	-	0.0	-	0.0	0.0
Net finance expenses	7.1	5.1	13.2	10.1	24.2
Amortisation and impairment losses	7.5	10.0	14.8	18.0	119.1
Adjustments*	10.4	3.5	14.6	13.0	21.2
Adjusted EBITA	42.5	28.5	89.7	64.9	125.6

Adjusted EBITA, %	4-6/2024	4-6/2023	1-6/2024	1-6/2023	1-12/2023
Adjusted EBITA	42.5	28.5	89.7	64.9	125.6
Revenue	340.1	322.4	690.4	663.4	1,286.4
Adjusted EBITA, %	12.5	8.8	13.0	9.8	9.8

EBITA, EUR mill.	4-6/2024	4-6/2023	1-6/2024	1-6/2023	1-12/2023
Profit (loss) for the period	14.3	7.5	37.9	18.6	-42.2
Income tax expense	3.1	2.3	9.1	5.3	3.3
Share of profits in associated companies	-	0.0	-	0.0	0.0
Net finance expenses	7.1	5.1	13.2	10.1	24.2
Amortisation and impairment losses	7.5	10.0	14.8	18.0	119.1
EBITA	32.1	25.0	75.1	52.0	104.4

EBITA, %	4-6/2024	4-6/2023	1-6/2024	1-6/2023	1-12/2023
EBITA	32.1	25.0	75.1	52.0	104.4
Revenue	340.1	322.4	690.4	663.4	1,286.4
EBITA, %	9.4	7.7	10.9	7.8	8.1

Adjusted operating profit (EBIT), EUR mill.	4-6/2024	4-6/2023	1-6/2024	1-6/2023	1-12/2023
Profit (loss) for the period	14.3	7.5	37.9	18.6	-42.2
Income tax expense	3.1	2.3	9.1	5.3	3.3
Share of profits in associated companies	-	0.0	-	0.0	0.0
Net finance expenses	7.1	5.1	13.2	10.1	24.2
Adjustments*	10.4	5.5	14.8	14.9	107.8
Adjusted operating profit (EBIT)	34.9	20.5	75.1	49.0	93.1

Adjusted operating profit, (EBIT), %	4-6/2024	4-6/2023	1-6/2024	1-6/2023	1-12/2023
Adjusted operating profit (EBIT)	34.9	20.5	75.1	49.0	93.1
Revenue	340.1	322.4	690.4	663.4	1,286.4
Adjusted operating profit (EBIT), %	10.3	6.3	10.9	7.4	7.2

Operating profit (EBIT), EUR mill.	4-6/2024	4-6/2023	1-6/2024	1-6/2023	1-12/2023
Profit (loss) for the period	14.3	7.5	37.9	18.6	-42.2
Income tax expense	3.1	2.3	9.1	5.3	3.3
Share of profits in associated companies	-	0.0	-	0.0	0.0
Net finance expenses	7.1	5.1	13.2	10.1	24.2
EBIT	24.6	15.0	60.3	34.0	-14.7

Operating profit, (EBIT), %	4-6/2024	4-6/2023	1-6/2024	1-6/2023	1-12/2023
EBIT	24.6	15.0	60.3	34.0	-14.7
Revenue	340.1	322.4	690.4	663.4	1,286.4
EBIT, %	7.2	4.6	8.7	5.1	-1.1

Return on equity (LTM), %	30 Jun 24	30 Jun 23	31 Dec 23
Profit/loss for the period (LTM)	-22.9	6.7	-42.2
Equity (including non-controlling interest) (average)	514.8	581.8	553.7
Return on equity, %	-4.5	1.1	-7.6

Equity ratio, %	30 Jun 24	30 Jun 23	31 Dec 23
Equity (including non-controlling interest)	514.2	571.6	515.4
Total assets	1,398.7	1,469.7	1,419.5
Advances received	3.7	4.2	6.4
Equity ratio, %	36.9	39.0	36.5

Gearing, %	30 Jun 24	30 Jun 23	31 Dec 23
Interest-bearing liabilities	600.2	613.8	635.8
Interest-bearing receivables and cash and cash equivalents	30.4	12.1	37.7
Equity	514.2	571.6	515.4
Gearing, %	110.8	105.3	116.0

Net debt/Adjusted EBITDA (LTM)	30 Jun 24	30 Jun 23	31 Dec 23
Interest-bearing liabilities	600.2	613.8	635.8
Interest-bearing receivables and cash and cash equivalents	30.4	12.1	37.7
Adjusted EBITDA (LTM)	224.2	181.4	200.2
Net debt/Adjusted EBITDA (LTM)	2.5	3.3	3.0

Adjusted EBITDA (LTM), excluding IFRS 16	30 Jun 24	30 Jun 23	31 Dec 23
Profit (loss) for the period	-22.9	6.6	-42.2
Income tax expense	7.1	2.9	3.3
Share of profits in associated companies	-	0.0	0.0
Net finance expenses	27.3	12.6	24.2
Depreciation, amortisation and impairment losses	189.8	139.5	193.8
Adjustments*	22.8	19.8	21.1
IFRS 16 lease expense adjustment	-54.9	-56.9	-57.4
Adjusted EBITDA (LTM), excluding IFRS 16	169.3	124.5	142.8

Net debt/Adjusted EBITDA (LTM), excluding IFRS 16	30 Jun 24	30 Jun 23	31 Dec 23
Interest-bearing liabilities	395.6	411.9	416.7
Interest-bearing receivables and cash and cash equivalents	30.4	12.1	37.7
Adjusted EBITDA (LTM)	169.3	124.5	142.8
Net debt/Adjusted EBITDA (LTM), excluding IFRS 16	2.2	3.2	2.7

Adjustments*, EUR mill.	4-6/2024	4-6/2023	1-6/2024	1-6/2023	1-12/2023
Acquisition-related expenses ¹⁾	-0.2	-0.3	-0.9	-0.7	-0.8
Restructuring-related expenses ²⁾	0.1	0.2	0.3	0.6	3.2
Gains and losses on sale of assets, net ³⁾	0.0	-	0.6	-	-
Impairment losses	-	2.0	0.2	2.0	80.8
Strategic projects and other items affecting to comparability	10.4	3.7	14.6	13.1	18.8
Adjustments	10.4	5.5	14.8	14.9	101.9

Adjustments by segments (EBITA) *, EUR mill.	4-6/2024	4-6/2023	1-6/2024	1-6/2023	1-12/2023
Healthcare services	5.7	0.3	6.1	0.5	1.9
Portfolio businesses	0.0	-0.1	0.2	0.0	0.4
Sweden	1.4	0.0	2.1	0.1	1.6
Other	3.2	5.3	6.3	14.3	17.3
Total	10.4	5.5	14.6	14.9	21.2

* Adjustments are material items outside the ordinary course of business, and these relate to acquisition-related expenses, restructuring-related expenses, gains and losses on sale of assets (net), strategic projects, impairment losses and other items affecting comparability. Adjustments in Other section are mainly related to the profit improvement program. Healthcare services segment adjustments in the six months ended 30 June 2024 includes a one-off item of EUR 5.6 million related to renovation and maintenance liabilities in a single location over a period of more than ten years.

¹⁾ Including transaction costs and expenses from integration of acquired businesses.

²⁾ Including restructuring of network and business operations.

³⁾ Including sales of business operations.