



TERVEYSTALO GROUP INTERIM REPORT 1 JANUARY– 30 SEPTEMBER 2022

Profitability significantly weakened due to changes in the sales mix and increased costs, 50-million-euro annualized profit improvement program underway

July-September 2022 in brief

- Revenue increased by 1.2% year-on-year to EUR 276.4 (273.1) million. The revenue in Finland decreased by 0.4%. The revenue of Sweden and others segment¹⁾ increased by 31.6% and came to EUR 17.8 (13.5) million.
- Adjusted²⁾ earnings before interest, taxes, amortization, and impairment losses (EBITA) decreased by 60.4% to EUR 12.5 (31.5) million, representing 4.5% (11.5%) of revenue. Profitability was reduced year-on-year due to supply challenges, changes in the sales mix with a larger share of shorter care pathways, as well as increased costs.
- Adjusted items affecting comparability were EUR 29.9 (2.3) million. The operating result was weakened by a one-off write-down of approximately EUR 28.9 million to other intangible assets
- Result for the period was EUR -19.6 (14.5) million.
- Earnings per share (EPS) was EUR -0.15 (0.11).
- Cash flow from operating activities was EUR 4.8 (30.7) million.
- Terveystalo has launched a program targeting at least 50-million-euro annualized (run-rate) profit improvement by the end of 2024, with most of the benefits estimated to be realized already in 2023. The estimated costs for the program are EUR 25 – 30 million and the costs will be treated as items affecting comparability.
- Terveystalo confirms earlier financial targets: annual growth of at least 5 percent and adjusted EBITA margin of 12-13% medium to long term

January-September 2022 in brief

- Revenue increased by 11.8% year-on-year to EUR 924.3 (827.1) million. The revenue in Finland increased by 5.6%. The revenue of Sweden and others segment¹⁾ came to EUR 65.2 (13.5) million.
- Adjusted²⁾ earnings before interest, taxes, amortization, and impairment losses (EBITA) decreased by 23.8% to EUR 75.5 (99.1) million, representing 8.2 (12.0) percent of revenue.
- Adjusted items affecting comparability were EUR 32.2 (3.3) million.
- Result for the period was EUR 16.8 (54.6) million.
- Earnings per share (EPS) were EUR 0.13 (0.43).
- **Net debt/adjusted EBITDA (last 12 months) was 3.1 (2.6).**
- Cash flow from operating activities was EUR 64.4 (109.1) million.

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

1) Consists of the Group's business operations in Sweden, Estonia, and the Netherlands. Feelgood (Sweden) has been consolidated from 1 July 2021 onwards. Estonia and the Netherlands did not have a significant effect on revenue during the reporting period.

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

Ville Iho, CEO: Current level of profitability is far from satisfactory; a profit improvement program, including an operating model change, is underway and aiming at rapid, structural profitability improvement to support long-term value creation

Demand for healthcare services continued to be strong in the third quarter of 2022. Profitability was weak when the supply fell short of our goals, demand was focused on appointments and lower-margin care pathways, and growth investments increased our costs. Revenue grew by 1.2% year-on-year to EUR 276.4 (273.1) million led by growth in Sweden, and adjusted EBITA decreased by 60.4% to EUR 12.5 (31.5) million.

The number of appointments increased by more than 5% year-on-year, but the supply was clearly below our target. At the same time, the price and margin of the average care pathway decreased significantly due to changes in the service mix, the channel shift, and shorter care pathways. Supply growth was mainly driven by digital visits, where fewer referrals for specialists and diagnostics are made compared to physical appointments. The changes in the sales mix were also negative between customer groups. The share appointments booked by higher-margin consumer customers decreased by 2 percentage points as contracted customers took a larger part of the supply.

Covid-19 has changed the structure of demand. September was the first comparable month, based on which we can conclude the depth and permanence of the post-pandemic changes. The scenario in which the underlying demand returns to the pre-pandemic level throughout the care pathway did not materialize, and we are making immediate changes to improve the underlying profitability of our core business.

We are now rapidly improving the profitability of our business with three different levers. First, in our operating model, we make a clear division between the core business, portfolio businesses, and the Swedish business. The structure of our core business, healthcare services, will be simplified, and a profit improvement program has been launched. The program aims for inflation-adjusted, annualized run-rate EBITA improvement of at least 50 million euros by the end of 2024. Most of the targeted benefits are estimated to be realized already in 2023. The program includes direct cost savings, commercial initiatives to drive top-line and mitigate the effect of inflation, and measures to accelerate capacity growth. Measures that strengthen profitability also improve access to care and the effectiveness of the treatment when we move to efficient and scalable operating models. As the third area of profit improvement, we will develop and optimize the portfolio businesses more independently to achieve the required financial performance and drive value creation.

The already launched profit improvement program is based on a holistic approach to respond to post-pandemic market conditions and sets out to ensure that Terveystalo reaches its financial targets. The long-term growth prospects are good; underlying demand is strong, and we have maintained our position as the preferred employer of industry professionals.

Outside of operational activities, the third quarter's result was also weakened by an isolated issue, a one-off write-down of 29 million euros to other intangible assets. The impairment loss was related to the long-standing basic IT systems reform project, which included the renewal of the patient record (EMR) system. The development path of the EMR system has been redesigned. The renovation can be carried out with lighter components, and the development work of an external supplier to build a completely new EMR system was decided to be suspended. The suspension does not affect Terveystalo's in-house development of digital services and will reduce future investment needs in basic systems.

Our financial targets and strategy remain unchanged; in our core business, we aim for industry-leading profitability, and we want to continue to be the preferred choice of customers and professionals. Portfolio businesses aim at independent value creation and in Sweden we aim for significant growth in the medium term.

I am confident that the effects of the operating model change and the profit improvement program will quickly be reflected in our performance.

*Toward a better tomorrow,
Ville Iho*

Outlook

- Demand for health services continues to be strong. However, demand is focused on short care pathways and services, the growth of which is limited by supply. A tight labor market and rising inflation create growing pressure on operating costs, including wages.
- The demand for Covid-19 related services is expected to decrease and the demand for digital services to continue to grow.
- Significant employment and consumer confidence changes may be reflected in underlying demand.

These views are based on the expected development of demand for Terveystalo's services within the next six months, compared with the past six months.

Terveystalo confirms earlier financial targets: The company aims for annual growth of at least 5 percent and an adjusted EBITA margin of 12-13% medium to long term.

Key figures

Terveystalo Group, MEUR	7-9/ 2022	7-9/ 2021	Change, %	1-9/ 2022	1-9/ 2021	Change, %	2021
Revenue	276.4	273.1	1.2	924.3	827.1	11.8	1,154.6
Adjusted EBITDA, * 1)	30.9	48.6	-36.3	130.0	146.9	-11.5	206.1
Adjusted EBITDA, % * 1)	11.2	17.8	-	14.1	17.8	-	17.8
EBITDA 1)	29.9	46.2	-35.2	126.6	143.6	-11.8	201.8
EBITDA, % 1)	10.8	16.9	-	13.7	17.4	-	17.5
Adjusted EBITA * 1)	12.5	31.5	-60.4	75.5	99.1	-23.8	141.0
Adjusted EBITA, % * 1)	4.5	11.5	-	8.2	12.0	-	12.2
EBITA 1)	11.4	29.1	-60.7	72.2	95.8	-24.7	136.7
EBITA, % 1)	4.1	10.7	-	7.8	11.6	-	11.8
Adjusted EBIT * 1)	5.2	23.6	-77.8	53.3	79.6	-33.0	114.4
Adjusted EBIT, % * 1)	1.9	8.6	-	5.8	9.6	-	9.9
EBIT	-24.6	21.2	-216.1	21.1	76.3	-72.3	110.1
EBIT, %	-8.9	7.8	-	2.3	9.2	-	9.5
Return on equity (ROE), % 1)	-	-	-	7.1	13.0	-	13.6
Equity ratio, % 1)	-	-	-	40.2	43.0	-	42.2
Earnings per share (EUR)	-0.15	0.11	>-200.0	0.13	0.43	-69.1	0.63
Weighted number of shares outstanding, in thousands	126,548	127,307	-	126,348	127,307	-	127,180
Net debt	-	-	-	580.9	529.8	9.6	519.0
Gearing, % 1)	-	-	-	99.2	86.5	-	85.2
Net debt/adjusted EBITDA (last 12 months) 1)	-	-	-	3.1	2.6	-	2.5
Total assets	-	-	-	1,459.9	1,424.4	2.5	1,448.6
Adjusted EBITDA (last 12 months), excluding IFRS 16*1)	-	-	-	135.4	155.7	-13.1	156.9
Net debt, excluding IFRS 16	-	-	-	406.1	355.1	14.3	340.6
Adjusted net debt/adjusted EBITDA (last 12 months), excluding IFRS 16*1)	-	-	-	3.0	2.3	-	2.2
Average personnel (FTEs)	-	-	-	6,685	5,645	18.4	5,643
Personnel (end of period)	-	-	-	11,027	9,622	14.6	9,805
Private practitioners (end of period)	-	-	-	5,852	5,710	2.5	5,754

**) 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, and strategic projects and other items affecting comparability.*

1) Alternative performance measure. In addition to the IFRS figures, Terveystalo presents additional, alternative performance indicators which 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.

Operating environment

The long-term growth outlook for Terveystalo's addressable markets

The long-term growth prospects are good for Terveystalo's addressable markets in Finland and Sweden; underlying demand is strong, and we are well-positioned to drive growth going forward, supported by our strong market position and reputation among industry professions of being a preferred employer.

The market environment in 2022

Demand for health services continued to be strong in Terveystalo's target markets. In Finland, however, compared to the reference period, the demand was more focused on short care pathways and services, the growth of which is limited by supply. A tight labor market and rising inflation create growing pressure on operating costs, including wages. The employment situation is strong, but significant changes can affect the demand for occupational health services.

The impacts of inflation

Upward pressure on prices can be seen in all procurement categories, and Terveystalo actively negotiates with its suppliers to limit the impact of inflation on costs. Due to component shortages, delivery times have become longer in certain categories of products and materials, such as healthcare equipment.

Skill shortages, a tight labor market, and accelerating inflation put pressure also on wages. The private healthcare sector concluded a two-year, moderate salary agreement for the period 1 May 2022 to 30 April 2024. In 2022, the wage increases will be 2.0% starting on October 1, 2022, and the wage increases in 2023 will be decided according to the wage increases in the reference sectors; the salary increase is at least 1.9%.

Commercial initiatives have been and will be undertaken to mitigate the effect of inflation as a part of the announced profit improvement program. The effects will be visible in stages from the fourth quarter of 2022 onwards.

The treatment queues, Social and healthcare reform, and changes in the regulation

The contraction of non-urgent care in the private and public healthcare sectors during COVID-19 restrictions has resulted in a significant treatment gap in other illnesses. According to the Finnish Institute for Health and Welfare (THL), over 150,000 patients were waiting for access to non-urgent specialized care at the end of August 2022, which is over 12,000 patients more than a year earlier. Of those waiting for treatment, over 20,000 had been waiting for more than six months, while the number was approximately 9,500 patients a year earlier. The average waiting time for non-urgent care was 65 days in August 2022. The treatment queues continued to lengthen also in Sweden. In August 2022, close to 154,000 people in Sweden were waiting for surgery or a procedure (www.skr.se).

Under the social and healthcare reform, the responsibility for the organization of social and healthcare services will be transferred to the 21 well-being services counties and the City of Helsinki. The well-being services county councils, elected in January 2022, will decide on the well-being services county and 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 term of office of the county council is four years, commencing on March 1, 2022. In 2022, the new well-being services county councils have focused on administrative organization. Decisions on new material service procurements from the private sector are expected in the first half of 2023 at the earliest.

As a result of the social welfare and healthcare reform, some of Terveystalo's outsourcing agreements for public services will need to be renegotiated so that the new contractual terms will enter into force at the beginning of 2026 at the latest. Furthermore, there will be restrictions on the subcontracting practices for public services produced as outsourced services, but these are not expected

to have a significant impact on Terveystalo. The dismantling of the queues for non-urgent care in the public sector will require more extensive use of private healthcare services in the aftercare of the pandemic.

The Finnish government is proposing cuts to Kela reimbursements for private healthcare, which, if implemented, would take effect on 1 January 2023. The possible changes are estimated to impact the demand for general practitioners' and gynaecologists' appointments and imaging services. As consumers' general purchasing power weakens, the changes could also affect the use of other services. Cutting Kela reimbursements from private healthcare would most likely lengthen the queues in public healthcare, make it more difficult to dismantle long treatment queues, increase the costs of the public sector, and make the work of newly established well-being services counties more difficult.

The impacts of the war in Ukraine

The indirect impacts of the war in Ukraine on Terveystalo are assessed to be minimal, as Terveystalo does not have business operations in, or with, countries that are subject to sanctions. Indirect impacts arise from supply chain disruptions, rising inflation, and potential disruptions in the financial markets. The indirect economic impacts are already 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.

Revenue

Revenue for the third quarter increased by 1.2% year-on-year to EUR 276.4 (273.1) million. The revenue in Finland decreased by 0.4% year-on-year due to an insufficient supply of appointments and changes in sales and customer mix. Acquisitions increased revenue by approximately 4.9 million euros. The revenue of the Sweden and others segment increased 31.6% and came to EUR 17.8 (13.5) million. The growth mainly came from acquisitions.

Revenue from corporate customers increased by 0.7% due to the increased demand for preventive occupational health services. Revenue from private customers decreased by 2.1% as shorter care chains and appointments were emphasized in the sales mix. There was strong growth in revenue from insurance companies. Revenue from public sector customers was flat year-on-year. Revenue from service sales and occupational healthcare to public sector customers decreased by 4.1% mainly due to the decline in COVID-19-related services. Revenue from staffing services grew 1.3%, while the shortage of physicians restricted the growth. Revenue from the outsourcing business increased by 1.9% mainly driven by the child welfare services business.

The demand for general practitioners' appointments continued at a good level, with the growth of revenue being restricted by the limited supply of physicians. Appointments relating to various acute infections and ear, nose, and throat diseases grew substantially year-on-year. Revenue from surgical operations grew substantially year-on-year. Revenue from imaging services was flat year-on-year. Visits to laboratory services, on the other hand, decreased substantially year-on-year as COVID testing decreased. During the quarter, acute medical care and general practitioner services continued to be emphasized in the sales mix. These involve fewer laboratory and diagnostic services than specialist medical services with longer care chains. The demand for well-being services remained strong, with revenue increasing by 9% to EUR 24.5 (22.6) million. The number of digital appointments¹⁾ grew by 19% to approximately 315,000 (264,000) appointments. A total of approximately 40,000 (136,000) COVID-19 tests were performed during the third quarter, a decrease of 70% year-on-year²⁾. There were 66 (66) working days in July-September.

¹⁾ Does not include the digital appointments of the Sweden and others segment.

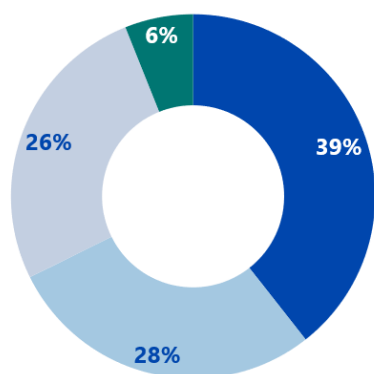
²⁾ Excludes sample collection services

Revenue in January–September increased by 11.8% year-on-year and amounted to EUR 924.3 (827.1) million. The revenue in Finland increased by 5.6%. Acquisitions increased revenue by approximately 12.5 million euros. The revenue of the Sweden and others segment came to EUR 65.2 (13.5) million. The Swedish operations were consolidated into Terveystalo's reporting as of 1 July 2021.

MEUR	7-9/ 2022	7-9/ 2021	Change, %	1-9/ 2022	1-9/ 2021	Change, %	2021
Corporate customers	108.8	108.1	0.7	374.2	349.0	7.2	481.7
Private customers	77.1	78.8	-2.1	250.4	243.8	2.7	333.2
Public sector customers	72.7	72.8	-0.1	234.5	220.7	6.2	302.8
Outsourcing	29.8	29.3	1.9	92.5	88.0	5.1	121.1
Staffing services	21.2	20.9	1.3	67.4	64.0	5.3	87.6
Service sales, occupational health, and others	21.7	22.6	-4.1	74.7	68.8	8.6	94.0
Finland in total	258.6	259.6	-0.4	859.1	813.6	5.6	1,117.7
Sweden and others*	17.8	13.5	31.6	65.2	13.5	>200.0	36.9
Total	276.4	273.1	1.2	924.3	827.1	11.8	1,154.6

* Consists of the Group's business operations in Sweden, Estonia, and the Netherlands. Feelgood (Sweden) was consolidated on 1 July 2021. Estonia and the Netherlands did not have a significant effect on revenue during the reporting period.

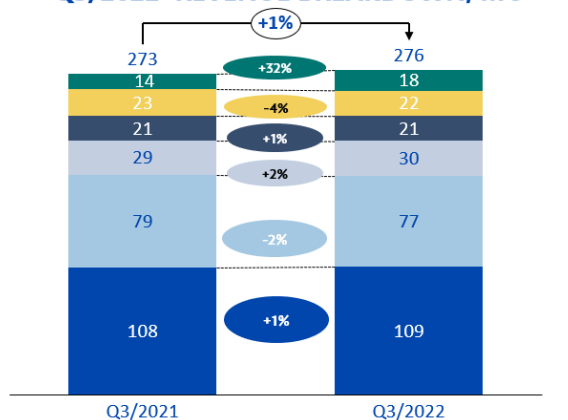
Q3/2022 REVENUE BREAKDOWN, %



Corporate Private Public Sweden and others

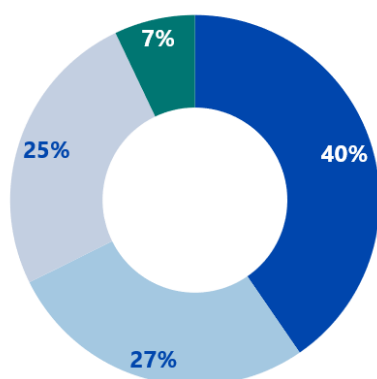
Feelgood (Sweden) was consolidated as of 1 July, 2021.

Q3/2022 REVENUE BREAKDOWN, M€



Corporate Private Outsourcing Staffing Service sales, OH and others Sweden and others

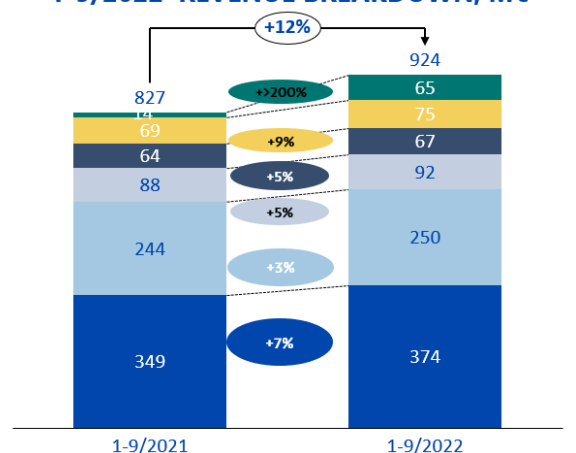
1-9/2022 REVENUE BREAKDOWN, %



Corporate Private Public Sweden and others

Feelgood (Sweden) was consolidated as of 1 July, 2021.

1-9/2022 REVENUE BREAKDOWN, M€



Corporate Private Outsourcing Staffing Service sales, OH and others Sweden and others

Revenue breakdown

Corporate customers

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. Terveystalo is the largest provider of occupational health services in Finland in terms of revenue and the number of end users. Terveystalo provides occupational healthcare services for over 25,000 companies in Finland, which have approximately 650,000 occupational health customers.

Revenue for the third quarter from corporate customers increased by 0.7% year-on-year and amounted to EUR 108.8 (108.1) million.

Revenue from preventive occupational health services¹⁾ as well as acute infection and other illness-related appointments increased year-on-year. The revenue for well-being services²⁾ increased by approximately 12% year-on-year. The growth continued to be strongest in mental well-being services. Approximately 31,000 (88,000) COVID-19 tests were performed for corporate customers during the quarter, a decrease of 65% year-on-year. The average prices of tests decreased year-on-year. Remote occupational health appointments grew by 25% year-on-year and exceeded 254,000 (203,000) appointments. The number of end customers in occupational healthcare increased year-on-year.

Revenue from corporate customers in January–September increased by 7.2% and amounted to EUR 374.2 (349.0) million.

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 workability 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.

²⁾ Well-being services include, for example, physiotherapy, mental well-being services (psychologists and psychotherapists), nutritional therapy, workability coaching, and massage services.

Private customers

Private customers are Terveystalo's second-largest customer group. Private customers include private individuals and families. The company's strong brand, easy access to services without long waiting times, extensive service portfolio for private customers, families, and senior citizens, and personalized digital services give Terveystalo a competitive edge over other private operators and public healthcare services and encourage customers to invest in their health. Services for private customers are paid for either by the customers themselves or by their insurance companies.

Revenue for the third quarter from private customers decreased by 2.1% year-on-year, amounting to EUR 77.1 (78.8) million.

Short care chains, acute medical care, and general practitioner services were emphasized in the sales mix during the quarter. The growth of revenue was restricted by limited supply. Appointments relating to various acute infections and ear, nose, and throat diseases grew year-on-year. The revenue from specialist medical services in fields such as orthopedics, gynecology, and dermatology grew year-on-year. The revenue from laboratory services declined substantially year-on-year as COVID-19 testing decreased. Approximately 2,500 (26,000) COVID-19 tests were performed for private customers during the quarter, a decrease of 91% year-on-year. The revenue from other diagnostics also decreased slightly from the comparison period. The revenue from well-being services, such as mental well-being and physical therapy services, was flat year-on-year. The revenue from surgical operations grew substantially year-on-year due to strong revenue from insurance companies. Revenue from oral health services returned to growth. The number of digital appointments decreased by 23% year-on-year and was approximately 21,000 (27,000).

Revenue from private sector customers in January–September increased by 2.7% year-on-year and amounted to EUR 250.4 (243.8) million.

Public sector customers

Terveystalo's public sector customer group consists of Finnish public sector organizations, such as municipalities, municipal federations, and hospital districts as well as municipal occupational health customers. Terveystalo's broad nationwide platform,

digital offering, good reputation, and established brand, as well as its thorough expertise and experience in healthcare services throughout the chain of care, makes Terveystalo an attractive partner for the public sector. Services for public sector customers are mainly financed from the budgets of municipalities, municipal federations, and hospital districts. The services offered to public sector customers include full and partial outsourcing, healthcare staffing services, specialized care services, other healthcare services as well as occupational health services for municipalities, municipal federations, and hospital districts. Occupational health services covered approximately 80,000 persons.

Revenue for the third quarter from public sector customers was flat year-on-year and amounted to EUR 72.7 (72.8) million.

Revenue from the outsourcing business increased by 1.9% to EUR 29.8 (29.3) million. The revenue growth came mainly from the child welfare services business.

Revenue from staffing services increased by 1.3% to EUR 21.2 (20.9) million. The demand for staffing services remained strong, but the growth of revenue was restricted by the limited supply of physicians. The demand for nurse staffing services also remained strong, even though the demand for services related to COVID-19 decreased.

Revenue from service sales, as well as services provided for municipal occupational health customers and other public sector customers, decreased by 4.1% to EUR 21.7 (22.6) million mainly due to decreased sales of COVID-19-related services. Approximately 7,000 (23,000) COVID-19 tests¹⁾ were performed for public sector customers during the quarter, a decrease of 71% year-on-year. In addition to testing, Terveystalo served as a partner to public healthcare services in sample collection. Digital appointments grew by 19% to almost 40,000 (33,500) appointments. Revenue from well-being services grew by 13% year-on-year.

1) Excludes sample collection services

Revenue from public sector customers in January–September increased by 6.2% year-on-year and amounted to EUR 234.5 (220.7) million.

Sweden and others

In 2021, Terveystalo expanded its operations to the Swedish market by acquiring Feelgood and becoming one of the leading occupational health operators in Sweden. Terveystalo has approximately 700 employees in Sweden, serving customers digitally and in person at approximately 120 locations. The company provides occupational health, management development, and substance abuse prevention services as well as digital private healthcare and well-being services. Terveystalo serves approximately 8,300 corporate customers in Sweden and has approximately 825,000 employees covered by occupational health. In addition to Sweden, Terveystalo operates on a small scale in Estonia and the Netherlands.

The external revenue of Sweden and others segment in the third quarter increased by 31.6% and amounted to EUR 17.8 (13.5) million. Demand continued strong, particularly in consultation for organizational management and harmful use. Revenue increased mainly because of acquisitions.

The external revenue of Sweden and others segment January–September amounted to EUR 65.2 (13.5) million.

The Swedish operations were consolidated into Terveystalo's reporting as of July 1, 2021.

Financial performance

The Group's adjusted earnings for the third quarter of 2022 before interest, taxes, amortization and impairment losses (EBITA) decreased by 60.4% to EUR 12.5 (31.5) million, representing 4.5% (11.5%) of revenue. Profitability was reduced year-on-year by a change in the sales mix towards a larger share of appointments, shorter care pathways, and costs which grew faster than revenue. Material expenses and service purchasing increased by 7.3% year-on-year and amounted to EUR 120.4 (112.2) million. Employee benefit expenses increased by 9.0% year-on-year and amounted to EUR 100.5 (92.1) million. Personnel costs increased due to acquisitions and new businesses, substantially higher sickness absences compared to the reference period, front-loaded

recruitment, and salary increases. Other operating expenses increased by 10.8% to EUR 26.2 (23.7) million due to acquisitions, higher IT, marketing, M&A, and administrative costs.

Adjusted EBITDA decreased by 36.3% year-on-year to EUR 30.9 (48.6) million.

Adjusted EBIT amounted to EUR 5.2 (23.6) million. Operating profit (EBIT) came to EUR -24.6 (21.2) million. Operating profit (EBIT) for the third quarter was significantly impacted by EUR 28.9 million impairment loss relating to other intangible assets. Terveystalo is modernizing its basic IT systems in stages. The basic IT system development project portfolio contains several sub-projects in different stages of readiness, some of which, in the revised plan, have been decided to be suspended. These projects are not expected to go into production as earlier planned and related impairment is considered necessary. The impairment loss has no effect on the company's cash flow or adjusted operating profit (EBIT).

Net financing costs decreased to EUR -0.3 (2.5) million mainly due to an increase in the fair value of interest rate hedges. The result before tax was EUR -24.3 (18.7) million. Income taxes were EUR 4.7 (-4.2) million. The result for the third quarter amounted to EUR -19.6 (14.5) million, and earnings per share were EUR -0.15 (0.11).

Cash flow from operating activities in the third quarter decreased to EUR 4.8 (30.7) million, mainly due to lower profit, lower accounts payables and other working capital-related payables, and an increase in taxes paid.

Cash flow from investing activities was flat year-on-year and amounted to EUR -14.3 (-14.2) million.

Cash flow from financing activities amounted to EUR -4.5 (-11.5) million. The difference vs. the comparison period was mainly due to the acquisition of non-controlling interests during the comparison period.

In the Sweden and others segment in the third quarter, adjusted earnings before interest, taxes, amortization and impairment losses (EBITA) amounted to EUR -1.9 (-1.5) million, representing -10.6 (-11.0) % of revenue. Costs related to professional resources and other activities, increased by inflation and rapid growth, had a negative impact on profitability during the seasonally weakest quarter.

In January–September 2022, adjusted operating profit before interest, taxes, amortization and impairment losses (EBITA) decreased by -23.8% to EUR 75.5 (99.1) million, representing 8.2% (12.0) of revenue. Profitability was reduced year-on-year by a change in the sales mix towards a larger share of appointments, and costs which grew faster than revenue. Material expenses and service purchasing increased by 9.1% year-on-year and amounted to EUR 384.9 (352.9) million. Employee benefit expenses increased by 24.7% year-on-year and amounted to EUR 334.6 (268.4) million. Expenses were increased by personnel costs attributable to acquisitions (including Feelgood) and new businesses. Personnel expenses also increased due to substantially higher sickness absences compared to the reference period, front-loaded recruitment, and salary increases. Other operating expenses increased by 24.1% to EUR 79.9 (64.4) million mainly due to acquisitions (including Feelgood), higher IT, marketing, M&A, and administrative costs.

Adjusted EBITDA decreased by 11.5% year-on-year to EUR 130.0 (146.9) million.

The adjusted operating profit (EBIT) amounted to EUR 53.3 (79.6) million. Operating profit (EBIT) came to EUR 21.1 (76.3) million. Operating profit (EBIT) for the third quarter was significantly impacted by EUR 28.9 million impairment loss relating to other intangible assets. Terveystalo is modernizing its basic IT systems in stages. The basic IT system development project portfolio contains several sub-projects in different stages of readiness, some of which, in the revised plan, have been decided to be suspended. These projects are not expected to go into production as earlier planned and related impairment is considered necessary. Other intangible assets capitalized in the balance sheet related to these have been impaired. The impairment loss has no effect on the company's cash flow or adjusted operating profit (EBIT).

Net financial expenses decreased to EUR 0.0 (7.0) million mainly due to an increase in the fair value of interest rate hedges. Profit before tax was EUR 21.1 (69.0) million. Taxes on income amounted to EUR -4.3 (-14.3) million. Profit for the period was EUR 16.8 (54.6) million, and earnings per share were EUR 0.13 (0.43).

Cash flow from operating activities decreased to EUR 64.4 (109.1) million. Lower profit, decrease in accounts payables and other working capital-related payables and higher taxes paid had a negative effect on the cash flow from operating activities while the change in trade receivables had a positive effect

Cash flow from investing activities was EUR -69.9 (-80.7) million. The difference vs. the comparison period is mainly due to the smaller number of acquisitions the effect of which was lessened by an increase in investments in tangible and intangible assets.

Cash flow from financing activities amounted to EUR -4.1 (-66.3) million. The year-on-year difference was mainly due to larger withdrawals of long-term loans and the acquisition of non-controlling interests during the reference period.

In the Sweden and others segment in January-September 2022, adjusted earnings before interest, taxes, amortization and impairment losses (EBITA) amounted to EUR -0.2 (-1.6) million, representing -0.3 (-11.7) % of revenue. Costs related to professional resources and other activities, increased by inflation and rapid growth, had a negative impact on profitability.

Financial position and number of shares

Terveystalo's liquidity position is good. Cash and cash equivalents at the end of the review period amounted to EUR 28.3 (39.2) million. The total assets of the Group amounted to EUR 1,459.9 (1,424.4) million.

Equity attributable to owners of the parent company totaled EUR 585.3 (610.5) million.

Gearing (including lease liabilities) was 99.2% (86.5%) and net debt amounted to EUR 580.9 (529.8) million.

During the review period, the company fulfilled the covenant requirement included in its financing agreements reflecting relative indebtedness.

During the third quarter, the company signed an agreement for a long-term loan of EUR 120 million. The loan has been drawn and the company's short-term loan of EUR 70 million has been repaid after the end of the review period. The loan is a bullet loan with three-year maturity.

During the second quarter, The Nordic Investment Bank (NIB) and Terveystalo agreed on a long-term loan of EUR 50 million for financing the company's investments in its digital healthcare services and applications during 2022-2025. The loan has been drawn in full by the end of the review period.

During the first quarter, the company signed an agreement for a EUR 100 million domestic commercial paper program and issued its first commercial papers under the program. During the second quarter, the company expanded the program to a EUR 200 million multi-bank program. Under the program, the company may issue commercial papers with a maturity of less than one year. During the first quarter, the company also signed a financing agreement that includes a credit facility of EUR 40 million and an uncommitted credit facility of EUR 80 million.

At the end of the review period, the unused part of credit based on financing agreements and bank accounts with a credit facility amounted to EUR 94.8 (67.5) million.

Return on equity for the review period was 7.1% (13.9%). The equity ratio was 40.2% (43.1%).

Cancellation of treasury shares

Terveystalo cancelled 1,000,000 treasury shares, which were acquired through share buy-backs, in line with the decision made by the Board of Directors. The cancellation of the treasury shares was registered with the Finnish Trade Register on 11 July 2022. After the cancellation, the total number of shares and the total number of votes attached to the shares in Terveystalo is 127,036,531. Terveystalo and its subsidiaries hold 488,536 shares for remuneration purposes.

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 July and August. The number of business days influences the revenue and earnings development, particularly when comparing

quarterly performance. 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.

Investments and acquisitions

Net investments* in January-September, including M&A, amounted to EUR 68.3 (93.0) million. The Group's net capital expenditure, excluding M&A, amounted to EUR 38.6 (28.4) million. The investments consisted mainly of investments in digital application and service development, IT system projects, medical equipment, and network. The relative share of intangible investments in gross investments decreased year-on-year.

Terveystalo made several acquisitions to complement its business portfolio during January-September 2022 by acquiring Vantaan Työterveys Oy, Suomen Fysiogeriatría Oy and its subsidiaries (physiotherapy and occupational therapy), Lapin Liikuntaklinikka Oy (physiotherapy), OMT-Klinikka Kokkola Oy (physiotherapy), Into Terveys Oy, Kunnon Syke Oy (physiotherapy) and FysioProfessionals Oy's operations (physiotherapy), Hammasrasti's operations (oral health), Ludus Oy Tutkimus- ja Kuntoutuspalvelut (rehabilitation), Hymyn paikka Oy's operations (oral health) and Saimaan Urheilufysioterapia Oy (physiotherapy) in Finland. In Sweden, Feelgood acquired Länshälsan Uppsala AB (occupational health), Nämndemansgården AB and its subsidiaries (addiction treatment) and Jobbhälsan i Norr AB:n (occupational health).

** 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 September 2022 was 11,027 (9,622). In addition to acquisitions, the number of personnel was increased through the recruitment of various healthcare professionals. In FTEs, the average number of personnel was 6,685 (5,645). The number of private practitioners was 5,852 (5,191).

Personnel	1-9/2022	1-9/2021	Change, %	2021
Average personnel, (FTEs*)				
Finland	5,988	5,458	9.7	5,338
Sweden and others	697	187	>200.0	305
Total	6,685	5,645	18.4	5,643
Personnel (end of period)				
Finland	10,176	8,949	13.7	9,131
Sweden and others	851	673	264	674
Total	11,027	9,622	14.6	9,805
Private practitioners (end of period)				
Finland	5,742	5,600	2.5	5,644
Sweden and others	110	110	0	110
Total	5,852	5,710	2.5	5,754

Activities following the end of the reporting period

Terveystalo has launched a 50-million-euro annualized profit improvement program and confirms earlier financial targets

Terveystalo announced on 14 October 2022 that it strengthens the implementation of its growth strategy by launching a program to speed up the achievement of strategic and financial goals. The program consists of strategic and operational initiatives to

increase revenue and improve profitability in line with the company's financial targets. Terveystalo's financial targets are intact: The company is aiming for at least 5 percent revenue growth and an adjusted EBITA margin of 12-13 percent.

To strengthen long-term value creation, focus on high medical quality, and the execution of the program, Terveystalo is planning to change its operating model and organizational structure. The planned changes clarify roles and responsibilities, strengthen the independent and efficient management of separate businesses, and strengthen the implementation of intact care pathways and high-quality care.

The new organization would consist of three business areas: Healthcare Services, Portfolio Businesses which would include outsourcing, staffing, oral health, rehabilitation, child protection, and massage services, and Feelgood in Sweden. In Healthcare Services, Terveystalo targets high profitability and growth exceeding the market growth. In Portfolio Businesses, the company aims for independent value creation. In Sweden, Terveystalo seeks strong growth in the medium term.

Program content and goals

The program aims for an inflation-adjusted, annualized (run-rate) EBITA improvement of at least 50 million euros by the end of 2024. Most of the targeted benefits are estimated to be realized already in 2023.

The costs related to the program are estimated to be 25-30 million euros. The costs are related to restructuring and advisory fees. Advisory fees are tied to the results achieved by the program. The costs of the program are treated as items affecting comparability.

Measures to strengthen profitability also improve access to effective care when moving to efficient and scalable operating models. The program applies to all of Terveystalo's operations in Finland.

The program boosts growth by developing commercial operations, strengthening the recruitment and retention of professionals, and optimizing resource planning. Efficiency is strengthened by developing customer journey and care pathways, optimizing the physical service network and procurement, improving the productivity of fixed assets, and simplifying the operating model and organization.

The timing of the program also aims to mitigate the impact of a weakening macro environment. Despite the changes in the market environment, the demand for health services continues to be strong.

Terveystalo communicates the progress of the program in connection with its regular financial reporting.

The goals mentioned in this announcement are based on the preliminary plans of the company's management, and no goals or measures related to possible reorganizations have been decided.

Changes in Terveystalo's Executive Team and operating model

Terveystalo announced on 14 October 2022 that it strengthens long-term value creation, customer focus, and the execution of the profit improvement program announced on 14 October 2022, Terveystalo is planning to change its operating model and organizational structure. The planned changes clarify roles and responsibilities, strengthen the independent and efficient management of separate businesses, and strengthen the implementation of intact care pathways and high-quality care. The new organization would consist of three business areas: Healthcare Services, Portfolio Businesses, and Feelgood Sweden.

Changes in Terveystalo's Executive Team

With the planned operating model and organizational changes, the responsibilities of the current members of the management team will change as follows:

- Siina Saksi, Chief Operating Officer, Healthcare Services
The planned organization would be responsible for the operational functions of Healthcare Services.
- Marja-Leena Tuomola, Chief Commercial Officer, Healthcare Services

The planned organization would be responsible for the commercial operations of Healthcare Services in all customer segments.

- Mikko Tainio, Senior Vice President, Portfolio Businesses
- The planned Portfolio Businesses would include outsourcing, staffing, digital services for the public sector, oral health, rehabilitation, child protection as well as massage services and training. The change strengthens the independent development and management of these businesses.

Tainio will continue as interim CFO until the newly appointed CFO Juuso Pajunen joins the company.

In addition to the above-mentioned executives, Terveystalo's Executive team will include Chief Medical Officer Petri Bono, Chief Financial Officer Juuso Pajunen, who will start his position at the end of November, Senior Vice President, Digital Business Kati Sulin, and Senior Vice President, People and Careers Minttu Sinisalo.

All the above report to CEO Ville Iho.

Elina Saviharju continues in her role as the General Counsel of Terveystalo.

In the new operating model, the role of the consumer business will change, and Veera Siivonen, Senior Vice President, Consumer Business has decided to leave the company after a very successful and productive career in the company.

The changes to the Executive Team will take effect on 1 November 2022 and reporting according to the new organization and operating model is estimated to start at the beginning of 2023. In connection with the introduction of the new operating model, its effects on segment reporting for 2023 will be evaluated, and possible changes will be communicated separately.

Katri Viippola elected as a member of the Remuneration Committee

Terveystalo's Board of Directors elected from among its members Katri Viippola as member of the Remuneration Committee to replace Dag Andersson, who passed away suddenly. Katri Viippola is independent of the company. Kari Kauniskangas acts as Chairman of the Remuneration Committee and Carola Lemne as the second member.

New long-term loan of EUR 120 million and repayment of a short-term loan

During the third quarter, the company signed an agreement for a long-term loan of EUR 120 million. The loan has been drawn and the company's short-term loan of EUR 70 million has been repaid after the end of the review period. The loan is a bullet loan with a three-year maturity.

The second installment of the dividend was paid on 19 October 2022

In accordance with the resolution of Terveystalo Plc's AGM, held on April 7, 2022, a total of EUR 0.28 per share was paid as a dividend for the financial year 2021. The dividend has been paid in two installments of equal size (EUR 0.14/share), the first of which was paid on 20 April 2022 and the second on 19 October 2022. A total of EUR 35.4 million in dividends was paid.

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.

- Achieving the targeted financial effects of the launched profit improvement program is necessary to combat the impact of high inflation and to achieve the financial targets set by the company.
- 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 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.
- The company may not be able to find suitable acquisition targets or expansion opportunities under favorable 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 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.
- Endangered information security or privacy can lead to losses and claims for damages and endanger reputation.
- The COVID-19 pandemic and other potential 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 labor disruptions or disputes.
- 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 and Annual General Meeting 2023

In 2023, Terveystalo will publish financial information as follows:

Financial statements release 2022	10 February 2023
Annual Report 2022	Week 7
Interim Report, January - March 2023	28 April 2023
Half-yearly Report, January - June 2023	18 July 2023
Interim Report, January - September 2023	27 October 2023

The financial reports will be published at approximately 9:00 a.m. EET. Financial reports are published in Finnish and English.

Terveystalo observes a silent period of 30 days before the publication of financial information.

Terveystalo Plc's Annual General Meeting (AGM) is planned to be held on Thursday 23 March 2023. The meeting will be convened by the company's Board of Directors separately later.

Briefing

Terveystalo will arrange a webcast and a conference call in English on its result on Thursday 27 October 2022 starting at 10:30 EEST.

You can watch the webcast online at: <https://terveystalo.videosync.fi/2022-q3-results>

You can access the teleconference by registering at the link below. After the registration, you will be provided phone numbers and a conference ID to access the conference.

<https://call.vsy.io/access-8594>

Helsinki, 26 October 2022

Terveystalo Plc

Board of Directors

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Nasdaq Helsinki Oy

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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 360 clinics across Finland. In Sweden, we offer occupational health services at 120 clinics. Terveystalo is listed on the Helsinki Stock Exchange.

In 2021, Terveystalo had approximately 1.3 million individual customers in Finland and the number of customer appointments was approximately 8 million, with more than a quarter of these being conducted via remote channels. Terveystalo employs over 15,500 healthcare and well-being professionals. www.terveystalo.com

Consolidated statement of comprehensive income

EUR mill.	Note	7-9/2022	7-9/2021	Change, %	1-9/2022	1-9/2021	Change, %	2021
Revenue	4	276.4	273.1	1.2	924.3	827.1	11.8	1,154.6
Other operating income		0.6	1.1	-43.6	1.7	2.2	-20.1	3.4
Materials and services	5	-120.4	-112.2	7.3	-384.9	-352.9	9.1	-488.9
Employee benefit expenses	6	-100.5	-92.1	9.0	-334.6	-268.4	24.7	-378.2
Depreciation, amortization and impairment	10, 11	-54.6	-25.0	118.3	-105.5	-67.3	56.6	-91.7
Other operating expenses	7	-26.2	-23.7	10.8	-79.9	-64.4	24.1	-89.2
Operating result		-24.6	21.2	>-200.0	21.1	76.3	-72.3	110.1
Financial income		2.6	0.1	>200.0	6.6	0.5	>200.0	0.8
Financial expenses		-2.2	-2.5	-11.2	-6.6	-7.5	-12.3	-9.9
Net finance income and expenses		0.3	-2.5	-113.8	0.0	-7.0	-100.1	-9.0
Share of result in associated companies		0.0	-0.0	-100.0	-0.1	-0.3	-69.4	-0.3
Result before taxes		-24.3	18.7	>-200.0	21.1	69.0	-69.5	100.7
Income tax expense	8	4.7	-4.2	>-200.0	-4.3	-14.3	-70.2	-20.3
Net income		-19.6	14.5	>-200.0	16.8	54.6	-69.3	80.4
Net income attributable to:								
Owners of the parent company		-19.6	14.5	>-200.0	16.8	54.7	-69.3	80.5
Non-controlling interests		0.0	-0.0	-101.1	0.0	-0.0	-107.1	-0.0
Other comprehensive income								
Items that may be reclassified to profit or loss		-0.9	-0.3	167.1	-3.9	-0.3	>200.0	-0.8
Items that will not be reclassified to profit or		0.1	-	-	0.3	-	-	0.1
Other comprehensive income for the period, net of tax		-0.8	-0.3	>200.0	-3.6	-0.3	>200.0	-0.6
Total comprehensive income		-20.4	14.2	>-200.0	13.2	54.3	-75.7	79.8
Total comprehensive income attributable to:								
Owners of the parent company		-20.4	14.2	>-200.0	13.2	54.3	-75.7	79.8
Non-controlling interest		0.0	-0.0	-101.1	0.0	-0.0	-107.1	-0.0
Earnings per share for profit attributable to the shareholders of the parent company, in euro								
Basic earnings per share		-0.15	0.11	>-200.0	0.13	0.43	-69.0	0.63
Diluted earnings per share		-0.15	0.11	>-200.0	0.13	0.43	-69.0	0.63

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

Consolidated statement of financial position

EUR mill.	Note	30 Sep 2022	30 Sep 2021	31 Dec 2021
ASSETS				
Non-current assets				
Property, plant and equipment	10	78.4	70.5	72.0
Right-of-use assets	12	168.8	168.7	172.5
Goodwill	11	875.5	835.5	848.6
Other intangible assets	11	143.0	167.3	175.2
Investment properties		0.5	0.5	0.5
Investments in associates		0.0	0.7	0.6
Loan receivables		0.1	0.1	0.1
Deferred tax assets		5.6	5.1	5.4
Other non-current assets		0.8	0.8	0.8
Total non-current assets		1,272.6	1,249.2	1,275.8
Current assets				
Inventories		7.6	6.7	6.4
Trade and other receivables		151.5	129.3	128.3
Cash and cash equivalents		28.3	39.2	38.1
Total current assets		187.4	175.2	172.8
TOTAL ASSETS		1,459.9	1,424.4	1,448.6
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		-15.8	-6.7	-18.0
Retained earnings		108.2	124.4	134.0
Equity attributable to equity holders of the Company total		585.3	610.5	608.9
Non-controlling interest		0.0	1.6	0.0
TOTAL EQUITY		585.3	612.2	608.9
Non-current liabilities				
Non-current financial liabilities	13	288.5	285.0	257.9
Non-current lease liabilities		127.4	128.5	131.4
Deferred tax liabilities		27.6	28.2	28.5
Provisions		8.7	7.3	8.5
Other liabilities		12.5	13.7	15.6
Total non-current liabilities		464.8	462.8	441.9
Current liabilities				
Current financial liabilities	13	145.9	109.4	120.9
Current lease liabilities		47.3	46.1	47.1
Current tax liabilities		0.4	9.1	13.3
Provisions		2.7	2.1	2.5
Trade and other payables		195.7	182.8	214.1
Dividend liabilities		17.7	-	-
Total current liabilities		409.8	349.5	397.9
TOTAL LIABILITIES		874.6	812.3	839.7
TOTAL EQUITY AND LIABILITIES		1,459.9	1,424.4	1,448.6

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	Total	Non-controlling interest	Total equity
Equity 1 Jan 2022	0.1	492.8	-18.0	134.0	608.8	0.0	608.9
Comprehensive income							
Profit for the period	-	-	-	16.8	16.8	0.0	16.8
Other comprehensive income	-	-	-	-3.6	-3.6	-	-3.6
Transactions with owners							
Dividend	-	-	-	-35.4	-35.4	-	-35.4
Share-based payments	-	-	2.2	-3.6	-1.4	-	-1.4
Transactions with non-controlling interest							
Transactions with non-controlling interest	-	-	-	-	-	0.0	0.0
Equity 30 Sep 2022	0.1	492.8	-15.8	108.2	585.3	0.0	585.3

Equity attributable to owners of the parent company							
EUR mill.	Share capital	Invested non-restricted equity reserve	Treasury shares	Retained earnings	Total	Non-controlling interests	Total equity
Equity 1 Jan 2021	0.1	492.8	-6.7	85.3	571.4	-	571.4
Comprehensive income							
Profit for the period	-	-	-	54.7	54.7	-0.0	54.7
Other comprehensive income	-	-	-	-0.3	-0.3	-0.0	-0.3
Transactions with owners							
Share-based payments	-	-	-	1.3	1.3	-	1.3
Equity repayment	-	-	-	-16.5	-16.5	-	-16.5
Transactions with non-controlling interests							
Non-controlling interest on acquisition of subsidiary	-	-	-	-	-	12.8	12.8
Transactions with non-controlling interest	-	-	-	-	-	-11.1	-11.1
Equity 30 Sep 2021	0.1	492.8	-6.7	124.4	610.5	1.6	612.2

Equity attributable to owners of the parent company							
EUR mill.	Share capital	Invested non-restricted equity reserve	Treasury shares	Retained earnings	Total	Non-controlling interest	Total equity
Equity 1 Jan 2021	0.1	492.8	-6.7	85.3	571.4	-	571.4
Comprehensive income							
Profit for the period	-	-	-	80.5	80.5	-0.0	80.4
Other comprehensive income	-	-	-	-0.6	-0.6	0.0	-0.6
Transactions with owners							
Acquisition of treasury shares	-	-	-11.3	-	-11.3	-	-11.3
Share-based payments	-	-	-	1.9	1.9	-	1.9
Dividend	-	-	-	-33.1	-33.1	-	-33.1
Transactions with non-controlling interest							
Non-controlling interest on acquisition of subsidiary	-	-	-	-	-	12.8	12.8
Transactions with non-controlling interest	-	-	-	0.1	0.1	-12.8	-12.8
Equity 31 Dec 2021	0.1	492.8	-18.0	134.0	608.9	0.0	608.9

Consolidated statement of cash flows

EUR mill.	7-9/2022	7-9/2021	1-9/2022	1-9/2021	2021
Cash flows from operating activities					
Profit before taxes	-24.3	18.7	21.1	69.0	100.7
Adjustments for					
Depreciation, amortization and impairment losses	54.6	25.0	105.5	67.3	91.7
Change in provisions	2.0	0.0	0.4	-0.8	0.9
Other transactions	-0.3	1.3	-3.6	1.2	1.3
Gains and losses on sale of property, plant and equipment	-0.1	0.0	-0.2	0.0	-0.1
Net finance expenses	-0.4	2.5	0.0	7.0	9.0
Changes in working capital					
Trade and other receivables	1.8	-5.8	-2.6	-18.3	-17.0
Inventories	-0.3	0.0	-1.2	0.2	0.6
Trade and other payables	-22.3	-8.4	-26.2	1.6	28.5
Interest received	0.1	0.1	0.2	0.2	0.3
Income taxes paid	-6.0	-2.5	-29.0	-18.3	-20.7
Net cash from operating activities	4.8	30.7	64.4	109.1	195.2
Cash flows from investing activities					
Acquisition of subsidiaries, net of cash acquired	-1.3	-2.6	-29.1	-53.4	-65.3
Acquisition of property, plant and equipment	-7.5	-7.2	-20.8	-14.8	-21.0
Acquisition of intangible assets	-5.1	-4.3	-19.9	-12.5	-22.1
Acquisition of business operation, net of cash acquired	-0.7	-0.1	-0.7	-0.1	-0.1
Proceeds from the disposal of associates	0.1	-	0.1	-	-
Proceeds from sale of property, plant and equipment	0.2	0.0	0.5	0.1	0.5
Dividends received	0.0	0.0	0.0	0.0	0.0
Net cash from investing activities	-14.3	-14.2	-69.9	-80.7	-108.1
Cash flows from financing activities					
Acquisition of treasury shares	-	-	-	-	-11.3
Acquisition of non-controlling interest	-0.0	-11.1	-0.0	-11.1	-12.7
Proceeds from non-current borrowings	25.0	-	49.9	-	-
Repayment of non-current borrowings	0.0	-0.1	-15.0	-15.8	-41.9
Proceeds from current borrowings	1.5	15.1	41.0	60.1	77.0
Repayment of current borrowings	-16.2	-1.2	-16.4	-41.6	-46.5
Payment of lease liabilities	-12.2	-11.2	-36.6	-30.6	-42.4
Payment of hire purchase liabilities	-1.3	-1.5	-4.1	-4.5	-5.9
Interests and other financial expenses paid	-1.2	-1.6	-5.2	-6.4	-9.3
Dividends paid	-0.0	-	-17.7	-16.5	-33.1
Net cash from financing activities	-4.5	-11.5	-4.1	-66.3	-126.1
Net change in cash and cash equivalents	-14.0	5.0	-9.7	-37.9	-39.0
Cash and cash equivalents at the beginning of the period	42.3	34.2	38.1	77.1	77.1
Cash and cash equivalents at the end of the period	28.3	39.2	28.3	39.2	38.1

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 2021. The accounting principles adopted are consistent with those of the annual financial statements for 2021. 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 mainly the same as those that applied to the consolidated financial statements for 2021.

3. Events after the reporting period

Changes in Terveystalo's Executive Team and organizational structure

Terveystalo announced 14 October 2022 that it strengthens long-term value creation, customer focus, and the execution of the profit improvement program announced on 14 October 2022, Terveystalo is planning to change its operating model and organizational structure. The planned changes clarify roles and responsibilities, strengthen the independent and efficient management of separate businesses, and strengthen the implementation of intact care pathways and high-quality care.

The changes to the Executive Team will take effect on 1 November 2022 and reporting according to the new operating model is planned to start at the beginning of 2023. In connection with the introduction of the new operating model, its effects on segment reporting will be evaluated, and possible changes will be communicated separately.

New long-term loan of EUR 120 million and repayment of short-term loan

During the third quarter, the company signed an agreement for a long-term loan of EUR 120 million. The loan has been drawn and the company's short-term loan of EUR 70 million has been repaid after the end of the review period. The loan is a bullet loan with three-year maturity.

The second installment of the dividend was paid on 19 October 2022

In accordance with the resolution of Terveystalo Oyj's AGM, held on April 7, 2022, a total of EUR 0.28 per share was paid as a dividend for the financial year 2021. The dividend has been paid in two installments of equal size (EUR 0.14/share), the first of which was paid on 20 April 2022 and the second on 19 October 2022. A total of EUR 35.4 million in dividends was paid.

4. Revenue and segment information

The Group's distribution of revenue is based on the customer types. The Group does not have customers whose revenue exceeds 10 percent of the Group's total revenue. Terveystalo offers its primary and outpatient secondary health care services to three distinct customer groups: corporate customers, private customers and public customers.

Corporate customers constitute Terveystalo's largest customer group. Terveystalo's corporate customers consist of the company's occupational health care customers, excluding municipal occupational health care customers. The company provides statutory occupational health services and other occupational health and well-being services for corporate customers of all sizes. Terveystalo is the largest provider of occupational healthcare services in Finland in terms of revenue and the number of end-users. Terveystalo provides occupational healthcare services for over 25,000 companies.

Private customers are Terveystalo's second-largest customer group. Private customers include private individuals and families. The company's strong brand, easy access to services without long waiting times, leading service portfolio for private customers, families, and senior citizens, and personalized digital services give Terveystalo a competitive edge over public health care services and encourage customers to invest in their own health. Services for private customers are paid for either by the customers themselves or by their insurance companies.

Terveystalo's public customer group is made up of Finnish public sector organizations, such as municipalities, municipal federations, and hospital districts, as well as municipal occupational health care customers. Terveystalo's broad nationwide platform, digital offering, good reputation, and established brand, as well as its thorough expertise and experience in health care services throughout the chain of care, make Terveystalo an attractive partner for the public sector. Terveystalo's services for public sector customers are mainly financed from budgets of municipalities, municipal federations, and hospital districts. The services offered to public sector customers include full and partial outsourcings, health care staffing services, specialized care services, other health care services, as well as occupational health care services for municipalities, municipal federations, and hospital districts.

Disaggregation of revenue

EUR mill.	7-9/2022	7-9/2021	Change, %	1-9/2022	1-9/2021	Change, %	2021
Corporate	108.8	108.1	0.7	374.2	349.0	7.2	481.7
Private	77.1	78.8	-2.1	250.4	243.8	2.7	333.2
Public	72.7	72.8	-0.1	234.5	220.7	6.2	302.8
<i>Outsourcing</i>	<i>29.8</i>	<i>29.3</i>	<i>1.9</i>	<i>92.5</i>	<i>88.0</i>	<i>5.1</i>	<i>121.1</i>
<i>Staffing services</i>	<i>21.2</i>	<i>20.9</i>	<i>1.3</i>	<i>67.4</i>	<i>64.0</i>	<i>5.3</i>	<i>87.6</i>
<i>Service sales, such as occupational health and others</i>	<i>21.7</i>	<i>22.6</i>	<i>-4.1</i>	<i>74.7</i>	<i>68.8</i>	<i>8.6</i>	<i>94.0</i>
Finland	258.6	259.6	-0.4	859.1	813.6	5.6	1,117.7
Sweden and other*	17.8	13.5	31.6	65.2	13.5	>200.0	36.9
Total	276.4	273.1	1.2	924.3	827.1	11.8	1,154.6

*Consists of Group operations in Sweden, Estonia and Netherlands. The impact of Estonia and Netherlands to the revenue of the reporting period has not been material.

Timing of satisfying performance obligations

EUR mill.	7-9/2022	7-9/2021	Change, %	1-9/2022	1-9/2021	Change, %	2021
At a point in time	244.9	243.0	0.8	829.4	736.6	12.6	1,030.1
Over time	31.5	30.1	4.5	94.9	90.5	4.9	124.5
Total	276.4	273.1	1.2	924.3	827.1	11.8	1,154.6

Segment information

Revenue EUR mill.	7-9/2022	7-9/2021	Change, %	1-9/2022	1-9/2021	Change, %	2021
Finland	258.6	259.6	-0.4	859.1	813.5	5.6	1,117.7
Sweden and other	17.9	13.6	31.4	65.4	13.7	>200.0	37.2
Internal eliminations	-0.0	-0.0	0.0	-0.1	-0.1	0.0	-0.3
Total	276.4	273.2	1.2	924.3	827.1	11.8	1,154.6

Adjusted EBITA EUR mill.	7-9/2022	7-9/2021	Change, %	1-9/2022	1-9/2021	Change, %	2021
Finland	14.3	33.0	-56.6	75.7	100.7	-24.8	140.2
Sweden and other	-1.9	-1.5	21.0	-0.2	-1.6	-86.8	0.8
Total	12.5	31.5	-60.4	75.5	99.1	-23.8	141.0

Depreciations EUR mill.	7-9/2022	7-9/2021	Change, %	1-9/2022	1-9/2021	Change, %	2021
Finland	16.7	15.7	6.1	49.5	46.4	6.6	62.3
Sweden and other	1.8	1.4	31.3	5.0	1.4	>200.0	2.8
Total	18.5	17.1	8.1	54.4	47.8	13.9	65.1

The reconciliation of adjusted EBITA to result for the period is presented in the Note 17.

Personnel	1-9/2022	1-9/2021	Change, %	2021
Average personnel (FTEs)				
Finland	5,988	5,458	9.7	5,338
Sweden and others	697	187	>200.0	305
Total	6,685	5,645	18.4	5,643
Personnel (end of period)				
Finland	10,176	8,949	13.7	9,131
Sweden and others	851	673	26.4	674
Total	11,027	9,622	14.6	9,805
Private practitioners (end of period)				
Finland	5,742	5,600	2.5	5,644
Sweden and others	110	110	0.0	110
Total	5,852	5,710	2.5	5,754

5. Materials and services

EUR mill.	7-9/2022	7-9/2021	Change, %	1-9/2022	1-9/2021	Change, %	2021
Purchase of materials	-10.1	-7.3	38.1	-32.3	-24.4	32.4	-34.8
Change in inventories	0.3	0.0	>-200.0	1.2	-0.2	>-200.0	-0.6
External services	-110.6	-104.9	5.5	-353.8	-328.2	7.8	-453.4
Total	-120.4	-112.2	7.3	-384.9	-352.9	9.1	-488.9

6. Employee benefit expenses

EUR mill.	7-9/2022	7-9/2021	Change, %	1-9/2022	1-9/2021	Change, %	2021
Salaries and fees	-83.3	-76.5	9.0	-278.8	-222.3	25.4	-314.1
Share-based payments	-0.5	-0.5	7.2	-1.5	-1.3	8.9	-1.9
Other personnel expenses	-16.6	-15.2	9.3	-54.4	-44.8	21.4	-62.3
Total	-100.5	-92.1	9.0	-334.6	-268.4	24.7	-378.2

7. Other operating expenses

EUR mill.	7-9/2022	7-9/2021	Change, %	1-9/2022	1-9/2021	Change, %	2021
Rents, leases and premises	-6.3	-5.4	15.8	-16.0	-13.4	19.1	-18.1
ICT expenses	-9.7	-7.9	23.2	-29.2	-23.0	26.9	-31.7
Marketing and communication expenses	-2.5	-1.6	60.6	-7.1	-5.0	41.3	-7.3
Other operating expenses	-7.8	-8.8	-12.1	-27.7	-23.0	20.6	-32.0
Total	-26.2	-23.7	10.8	-79.9	-64.4	24.1	-89.2

8. Income taxes

Income taxes in the statement of income

EUR mill.	7-9/2022	7-9/2021	Change, %	1-9/2022	1-9/2021	Change, %	2021
Current tax for the reporting year	3.9	-5.2	-175.0	-5.2	-16.8	-68.8	-23.4
Income taxes for prior periods	0.0	0.1	-38.2	0.0	0.1	-46.9	0.1
Change in deferred taxes	0.7	1.0	-23.6	0.9	2.4	-61.3	3.1
Total income taxes	4.7	-4.2	>-200.0	-4.3	-14.3	-70.2	-20.3

9. Share-based payments

During the first half of year 2022, Terveystalo granted a new long-term incentive plan to the members of executive team and other key persons. Vesting period for the Performance Share Plan is three years and the rewards are conditional on the fulfillment of a three-year service condition and performance conditions tied to total shareholder return. The reward is granted and settled in Terveystalo shares on top of which Terveystalo pays taxes and tax-related expenses. The program's impact to the result for the nine months ended 30 September 2022 has been EUR 0.4 million and the expected total cost of the program is EUR 2.3 million. 69 persons are included in the arrangement.

In addition to above mentioned new incentive plan Terveystalo has performance share plan 2021-2023 and bridge plan ongoing during the review period. Descriptions of these plans are included in financial statements 2021.

10. Property, plant and equipment

1-9/2022	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 2022	2.1	144.4	55.0	3.0	204.4
Business combination	0.2	0.2	0.5	0.0	1.0
Additions	-	13.3	2.7	5.4	21.4
Disposals	-	-0.3	-	-	-0.3
Translation differences	-0.0	-0.1	-0.0	-	-0.2
Transfers between items	-	0.8	2.6	-3.4	0.1
Acquisition cost 30 Sep 2022	2.3	158.3	60.7	5.0	226.3
Accumulated depreciation and impairment losses 1 Jan 2022	-1.1	-101.7	-29.6	-	-132.4
Depreciation and impairment losses for the reporting period	-0.0	-11.0	-4.5	-	-15.5
Accumulated depreciation and impairment losses 30 Sep 2022	-1.1	-112.7	-34.1	-	-148.0
Carrying amount 1 Jan 2022	1.0	42.6	25.4	2.9	72.0
Carrying amount 30 Sep 2022	1.2	45.6	26.6	5.0	78.4

1-9/2021	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 2021	2.1	127.4	49.5	1.8	180.8
Business combination	-	2.3	0.3	0.0	2.7
Additions	-	9.1	1.6	4.1	14.8
Disposals	-	-0.3	-	-	-0.3
Transfers between items	-	1.1	2.8	-3.9	-
Acquisition cost 30 Sep 2021	2.1	139.7	54.2	2.0	198.0
Accumulated depreciation and impairment losses 1 Jan 2021	-1.1	-88.1	-24.1	-	-113.3
Depreciation for the reporting period	-0.0	-10.2	-4.1	-	-14.3
Accumulated depreciation and impairment losses 30 Sep 2021	-1.1	-98.3	-28.2	-	-127.6
Carrying amount 1 Jan 2021	1.0	39.3	25.5	1.8	67.6
Carrying amount 30 Sep 2021	1.0	41.4	26.1	2.0	70.5

2021	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 2021	2.1	127.4	49.5	1.8	180.8
Business combination	-	2.6	0.4	0.0	3.0
Additions	-	13.5	1.7	5.8	21.1
Disposals	-	-0.4	-0.0	-	-0.5
Translation differences	-	-0.0	-0.0	-	-0.0
Transfers between items	-	1.3	3.4	-4.7	-
Acquisition cost 31 Dec 2021	2.1	144.4	55.0	3.0	204.4
Accumulated depreciation and impairment losses 1 Jan 2021	-1.1	-88.1	-24.1	-	-113.3
Depreciation and impairment losses for the reporting period	-0.0	-13.6	-5.5	-	-19.2
Accumulated depreciation and impairment losses 31 Dec 2021	-1.1	-101.7	-29.6	-	-132.4
Carrying amount 1 Jan 2021	1.0	39.3	25.5	1.8	67.6
Carrying amount 31 Dec 2021	1.0	42.6	25.4	2.9	72.0

11. Intangible assets

1-9/2022	Goodwill	Customer relationships	Trademarks	Other intangible assets and advances paid	Total
EUR mill.					
Acquisition cost 1 Jan 2022	916.6	166.5	88.8	111.0	1,282.9
Business combination	29.5	2.0	-	0.2	31.7
Additions	-	-	-	17.1	17.1
Translation differences	-2.7	-0.5	-0.1	-0.7	-4.0
Reclassifications	-	-	-	-0.1	-0.1
Acquisition cost 30 Sep 2022	943.5	167.9	88.7	127.6	1,327.7
Accumulated amortizations and impairment losses 1 Jan 2022	-68.0	-107.4	-33.7	-50.0	-259.1
Amortization	-	-7.5	-3.6	-10.2	-21.3
Impairment losses*	-	-	-	-29.0	-29.0
Accumulated amortizations and impairment losses 30 Sep 2022	-68.0	-114.8	-37.3	-89.2	-309.4
Carrying amount 1 Jan 2022	848.6	59.1	55.1	61.0	1,023.8
Carrying amount 30 Sep 2022	875.5	53.1	51.4	38.4	1,018.4

* Impairment of EUR 28.9 million related to discontinued sub-projects of the basic IT system development.

1-9/2021	Goodwill	Customer relationships	Trademarks	Other intangible assets and advances paid	Total
EUR mill.					
Acquisition cost 1 Jan 2021	849.8	154.2	82.9	80.9	1,167.8
Business combination	54.1	10.4	6.0	4.5	74.9
Additions	-	-	-	12.5	12.5
Translation differences	-0.3	0.0	0.0	0.0	-0.3
Acquisition cost 30 Sep 2021	903.5	164.6	88.8	98.0	1,255.0
Accumulated amortizations and impairment losses 1 Jan 2021	-68.0	-97.3	-29.2	-39.3	-233.9
Amortization and impairment losses for the reporting period	-	-7.4	-3.3	-7.6	-18.3
Accumulated amortizations and impairment losses 30 Sep 2021	-68.0	-104.7	-32.5	-46.9	-252.1
Carrying amount 1 Jan 2021	781.8	56.9	53.6	41.6	933.9
Carrying amount 30 Sep 2021	835.5	59.9	56.3	51.1	1,002.8

2021	Goodwill	Customer relationships	Trademarks	Other intangible assets and advances paid	Total
EUR mill.					
Acquisition cost 1 Jan 2021	849.8	154.2	82.9	80.9	1,167.8
Business combination	67.3	12.3	6.0	5.1	90.6
Additions	-	-	-	25.1	25.1
Disposals	-	-	-	-0.0	-0.0
Translation differences	-0.4	-0.1	-0.1	-0.0	-0.5
Acquisition cost 31 Dec 2021	916.6	166.5	88.8	111.0	1,282.9
Accumulated amortizations and impairment losses 1 Jan 2021	-68.0	-97.3	-29.2	-39.3	-233.9
Amortization and impairment losses for the reporting period	-	-10.0	-4.5	-10.8	-25.3
Accumulated amortizations and impairment losses 31 Dec 2021	-68.0	-107.4	-33.7	-50.0	-259.1
Carrying amount 1 Jan 2021	781.8	56.9	53.6	41.6	933.9
Carrying amount 31 Dec 2021	848.6	59.1	55.1	61.0	1,023.8

12.1 Right-of-use assets

1-9/2022			
EUR mill.	Premises	Other right-of-use assets	Total
Acquisition cost 1 Jan 2022	278.7	41.1	319.8
Business combination	3.5	-	3.5
Additions	36.5	0.5	37.0
Disposals	-4.2	-0.3	-4.6
Translation differences	-0.8	0.0	-0.8
Acquisition cost 30 Sep 2022	313.8	41.2	355.0
Accumulated depreciation and impairment losses 1 Jan 2022	-119.0	-28.3	-147.3
Depreciation for the reporting period	-36.3	-2.7	-38.9
Accumulated depreciation and impairment losses 30 Sep 2022	-155.3	-31.0	-186.2
Carrying amount 1 Jan 2022	159.7	12.7	172.5
Carrying amount 30 Sep 2022	158.5	10.2	168.8

1-9/2021			
EUR mill.	Premises	Other right-of-use assets	Total
Acquisition cost 1 Jan 2021	234.9	38.9	273.8
Business combination	12.8	0.5	13.3
Additions	17.3	1.3	18.6
Disposals	-2.1	-	-2.1
Acquisition cost 30 Sep 2021	262.8	40.8	303.6
Accumulated depreciation and impairment losses 1 Jan 2021	-76.8	-24.6	-101.4
Depreciation for the reporting period	-30.8	-2.7	-33.5
Accumulated depreciation and impairment losses 30 Sep 2021	-107.6	-27.3	-134.9
Carrying amount 1 Jan 2021	158.1	14.3	172.4
Carrying amount 30 Sep 2021	155.3	13.4	168.7

2021			
EUR mill.	Premises	Other right-of-use assets	Total
Acquisition cost 1 Jan 2021	234.9	38.9	273.8
Business combination	17.3	0.6	17.9
Additions	29.7	1.8	31.5
Disposals	-3.0	-0.2	-3.2
Translation differences	-0.1	-0.0	-0.1
Acquisition cost 31 Dec 2021	278.7	41.1	319.8
Accumulated depreciation and impairment losses 1 Jan 2021	-76.8	-24.6	-101.4
Depreciation for the reporting period	-42.2	-3.7	-45.9
Accumulated depreciation and impairment losses 31 Dec 2021	-119.0	-28.3	-147.3
Carrying amount 1 Jan 2021	158.1	14.3	172.4
Carrying amount 31 Dec 2021	159.7	12.7	172.5

12.2. Lease liabilities

30 Sep 2022			
EUR mill.	Premises	Other	Total
Non-current lease liabilities	118.2	9.2	127.4
Current lease liabilities	44.1	3.2	47.3
Total lease liabilities	162.3	12.4	174.8

30 Sep 2021			
EUR mill.	Premises	Other	Total
Non-current lease liabilities	116.4	12.1	128.5
Current lease liabilities	42.3	3.7	46.1
Total lease liabilities	158.7	15.9	174.6

31 Dec 2021			
EUR mill.	Premises	Other	Total
Non-current lease liabilities	120.0	11.4	131.4
Current lease liabilities	43.4	3.7	47.1
Total lease liabilities	163.3	15.1	178.5

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

EUR mill. 30 Sep 2022	Financial assets and liabilities at fair value	Financial assets and liabilities at amortized cost	Carrying amount	Fair value	Fair value hierarchy
Financial assets					
Non-current					
Loan receivables	0.1	-	0.1	0.1	Level 2
Unquoted equity investments	0.8	-	0.8	0.8	Level 3
Current					
Trade receivables	-	86.5	86.5	86.5	
Contract assets	-	40.4	40.4	40.4	
Other receivables	-	-	-	-	
Cash and cash equivalents	-	28.3	28.3	28.3	
Interest rate derivatives	7.2	-	7.2	7.2	Level 2
Total	8.0	155.3	163.3	163.3	
Financial liabilities					
Non-current					
Loans from financial institutions	-	283.8	283.8	283.8	
Hire purchase liabilities	-	4.7	4.7	4.7	
Contingent considerations	2.2	-	2.2	2.2	Level 3
Current					
Loans from financial institutions	-	116.3	116.3	116.3	
Commercial papers	-	25.0	25.0	25.0	
Hire purchase liabilities	-	4.6	4.6	4.6	
Trade payables	-	43.5	43.5	43.5	
Contingent considerations	7.1	-	7.1	7.1	Level 3
Interest rate derivatives	1.4	-	1.4	1.4	Level 2
Total	10.8	477.9	488.7	488.7	

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 realized. 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 -1.2 million (2021: EUR 0.3 million).

EUR mill. 31 Dec 2021	Financial assets and liabilities at fair value	Financial assets and liabilities at amortized cost	Carrying amount	Fair value	Fair value hierarchy
Financial assets					
Non-current					
Loan receivables	0.1	-	0.1	0.1	Level 2
Unquoted equity investments	0.8	-	0.8	0.8	Level 3
Current					
Trade receivables	-	103.4	103.4	103.4	
Contract assets	-	15.0	15.0	15.0	
Cash and cash equivalents	-	38.1	38.1	38.1	
Interest rate derivatives	0.6	-	0.6	0.6	Level 2
Total	1.6	156.5	158.1	158.1	
Financial liabilities					
Non-current					
Loans from financial institutions	-	249.8	249.8	249.8	
Hire purchase liabilities	-	8.1	8.1	8.1	Level 2
Contingent considerations	5.4	-	5.4	5.4	Level 3
Current					
Loans from financial institutions	-	115.6	115.6	115.6	
Hire purchase liabilities	-	5.3	5.3	5.3	
Trade payables	-	57.1	57.1	57.1	
Contingent considerations	2.8	-	2.8	2.8	Level 3
Interest rate derivatives	1.2	-	1.2	1.2	Level 2
Total	9.4	435.8	445.2	445.2	

14. Business Combinations

During the nine months ended 30 September 2022, the Group has made 11 corporate acquisitions and 3 business acquisitions.

On 1 February 2022 Terveystalo Healthcare Oy acquired 100 percent of the shares of the occupational health provider Vantaan Työterveys Oy.

On 1 February 2022 Feelgood Företagshälsovård AB acquired 100 percent of the Swedish occupational health provider Länshälsan Uppsala Ab.

On 31 March 2022 Terveystalo Healthcare Oy acquired 100 percent of the shares of the physiotherapy service provider Lapin Liikuntaklinikka Oy.

On 31 March 2022 Terveystalo Healthcare Oy acquired 100 percent of the shares of the physiotherapy service provider OMT Klinikka Kokkola Oy.

On 31 March 2022 Terveystalo Healthcare Oy acquired 100 percent of the shares of the physiotherapy and occupational therapy service provider Suomen Fysiogeriatría Oy and an indirect 100 percent ownership in its subsidiaries Aktiivi-Fysioterapia Tampere Oy, Mimmin Terapia Oy and toi.minna Oy.

On 1 May 2022 Feelgood Företagshälsovård AB acquired 100 percent of the shares of the Swedish occupational health provider Jobbhälsan i Norr AB.

On 1 May 2022 Feelgood Svenska AB acquired 100 percent of the shares of the Swedish addiction treatment provider Nämndemansgården AB and its subsidiaries.

On 31 May 2022 Terveystalo Healthcare Oy acquired 100 percent of the shares of the physiotherapy service provider Into Terveys Oy.

On 30 June 2022 Terveystalo Healthcare Oy acquired 100 percent of the shares of the physiotherapy service provider Kunnon Syke Oy.

On 31 August 2022 Terveystalo Healthcare Oy acquired 100 percent of the shares of the therapy service provider Ludus Oy Tutkimus- ja Kuntoutuspalvelut.

On 31 August 2022 Suomen Terveystalo Oy acquired the dental clinic business of Hammasrasti.

On 31 August 2022 Suomen Terveystalo Oy acquired the physiotherapy and therapy businesses of FysioProfessionals.

On 30 September 2022 Terveystalo Healthcare Oy acquired 100 percent of the shares of the physiotherapy service provider Saimaan Urheilufysioterapia Oy.

On 30 September 2022 Suomen Terveystalo Oy acquired the dental clinic business of Hymyn Paikka.

The following table summarizes the acquisition date fair values of the consideration transferred as well as the recognized amounts of assets acquired and liabilities assumed at the acquisition date. The statement of financial position of acquired companies has been prepared in accordance with IFRS and Terveystalo's accounting principles in all material respect. The following table is partially preliminary, and the information has been consolidated, because the acquisitions are not material individually.

Consideration transferred

EUR mill.	
Purchase price, payable in cash	31.2
Contingent consideration	3.8
Total consideration transferred	35.1

Identifiable assets acquired and liabilities assumed

EUR mill.	
Cash and cash equivalents	4.2
Intangible assets	2.2
Property, plant and equipment	1.0
Right-of-use assets	3.5
Inventories	0.1
Trade and other receivables	4.7
Financial liabilities	-0.3
Lease liabilities	-3.5
Trade and other payables	-5.7
Deferred tax liabilities	-0.4
Interest bearing liabilities	-0.1
Total identifiable net assets acquired	5.7

Goodwill	29.5
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As a result of these business combinations, a preliminary goodwill amounting to EUR 29.5 million was recognized. The goodwill is attributable to skills of the workforce and synergies expected to be achieved. EUR 1.0 million of the recognized goodwill is deductible in taxation. Cashflow impact of the acquisitions made during 2022 was EUR 27.1 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 4.7 million, for which the risk of impairment has been deemed as non-significant.

The Group has incurred acquisition-related expenses of EUR 1.0 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 nine months ended 30 September 2022 was EUR 12.5 million and loss was EUR 0.1 million.

If the acquisition had occurred on 1 January 2022, management estimates that the Group's consolidated revenue during the nine months ended 30 September 2022 would have been EUR 932.4 million and the consolidated result for the period would have been EUR 16.9 million.

Business combinations 2021

During the year 2021, the Group made ten corporate acquisitions and one business acquisitions. The acquisition of Feelgood Svenska AB group is presented separately, whereas other smaller acquisitions are disclosed in aggregate.

Acquisition of Feelgood Svenska AB group

On 14 June 2021 Terveystalo Healthcare Oy acquired 72.14 percent of the shares of Feelgood Svenska AB (publ) which is the parent company of the Swedish Feelgood group. At the same time, Terveystalo Healthcare announced a recommended mandatory cash offer for all the remaining shares of Feelgood for a consideration of SEK 5.70 (approximately EUR 0.57) in cash per share. The cash offer ended on 26 July 2021 and through the cash offer Terveystalo ownership in Feelgoods shares and votes reached 97.42 percent. In August 2021, Terveystalo has initiated a mandatory redemption procedure for the remaining shares in Feelgood and Feelgood's shares were delisted from Nasdaq Stockholm on August 6.

Feelgood is one of Sweden's leading healthcare companies. Feelgood employs approximately 700 employees who serve customers both digitally and physically on 120 locations in Sweden. Feelgood offers services within occupational healthcare, organization and leadership, substance abuse in the workplace, as well as digital private healthcare and well-being services. Feelgood was listed on Nasdaq Stockholm. The acquisition is Terveystalo's first step in expanding its presence and services to the Swedish market. The deal brings together two industry leading platforms that complement each other in terms of people, service offering and geographical network and provides significant potential for value creation.

Immediately before obtaining control, Terveystalo Healthcare's ownership in Feelgood was 2.8 percent. The carrying amount of previous ownership corresponded its fair value at the acquisition date and the business combination achieved in stages did not have an impact on the profit and loss. Feelgood has been consolidated to Group's financial statements from the end of June 2021 onwards.

The following tables summarize the consideration transferred, acquisition date fair values of the assets acquired and liabilities assumed, non-controlling interest and the cash flow impact of the acquisition.

Consideration transferred

EUR million	
Purchase price, payable in cash	47.2
Total consideration transferred	47.2

Identifiable assets acquired and liabilities assumed, non-controlling interest and goodwill

EUR million	
Property, plant and equipment	2.0
Right-of-use assets	10.7
Other intangible assets	18.1
Deferred tax assets	0.1
Other non-current assets	0.1
Trade and other receivables	16.6
Cash and cash equivalents	2.7
Financial liabilities	-3.9
Lease liabilities	-9.9
Deferred tax liabilities	-3.7
Other non-current liabilities (pension obligations)	-1.9
Trade and other liabilities	-12.2
Total identifiable net assets acquired	18.6
Non-controlling interest	12.8
Goodwill	41.4

Cash flow impact of the acquisition

EUR million	
Cash paid	47.2
Less: cash and cash equivalents acquired	-2.7
Cash flow impact at the acquisition date	44.5
Acquisition of non-controlling interests	12.7
Total cash flow impact of the acquisition	57.2

The non-controlling interest from the acquisition has been recognized at fair value. The fair value of the non-controlling interest was determined based on the consideration of SEK 5.70 offered by Terveystalo Healthcare in the cash offer and the number of shares held by the minority at the acquisition date. After the acquisition date, Terveystalo has acquired the remaining non-controlling interests and reached a 100 percent ownership in Feelgood in December 2021.

Customer relationships, trademarks and technology related intangible assets were recognized in the determination of fair values and the combined fair value of these assets was measured at EUR 18.0 million. A deferred tax liability of EUR 3.7 million was recognized for the beforementioned assets. The fair values of customer relationships and trademarks have been determined through the use of income approach which requires an estimate or forecast of expected future cash flows. The fair value of technology has been determined using the estimated replacement cost. The acquisition resulted in a goodwill amounting to EUR 41.4 million. The goodwill is attributable to skills of the workforce and synergies expected to be achieved. The recognized goodwill is not deductible for tax purposes.

The fair value of the acquired trade and other receivables amounts to EUR 16.6 million which materially corresponds their carrying amount and for which the risk of impairment has been deemed non-significant.

The Group incurred acquisition-related expenses of EUR 1.5 million related to consulting and valuation services. The expenses have been included in other operating expenses in the consolidated statement of income.

The revenue recognized from the acquisition during the year 2021 was EUR 36.9 million and the impact to the result of the period was EUR -0.7 million.

If the acquisition had occurred on 1 January 2021, management estimates that the Group's consolidated revenue during the year 2021 would have been EUR 1,194.1 million and the consolidated result for the period would have been EUR 80.7 million.

Other acquisitions

On 28 February 2021 Terveystalo Healthcare Oy acquired 100 percent of the shares of the therapy service provider Attentio Oy.

On 28 February 2021 Terveystalo Healthcare Oy acquired 100 percent of the shares of the dental clinic Espoon Keskuksen Hammaslääkärit Oy.

On 31 March 2021 Terveystalo Healthcare Oy acquired 100 percent of the shares of the advanced child welfare service provider Keltaisen Kartanon Kuntoutus Oy.

On 30 April 2021 Terveystalo Healthcare Oy acquired 100 percent of the shares of the medical clinic Helsinki Hospital Oy.

On 31 August 2021 Terveystalo Healthcare Oy acquired 100 percent of the shares of the therapy service provider Sivupersoon Oy.

On 31 August 2021 Suomen Terveystalo Oy acquired the business of Fysiopiste Mervi Nivukoski.

On 1 September 2021 Feelgood Företagshälsövärd AB acquired 100 percent of the Swedish occupational health provider Dalarnas Företagshälsa AB.

On 1 October 2021 Terveystalo Healthcare Oy acquired 100 percent of the shares of the advanced child welfare service provider Hoitokoti Ankkuri Oy and an indirect 100 percent ownership in Ankkurin Huoltamo Oy, Jyväskylän Lastensuojelupalvelut Oy, Terapiatelakka Oy ja Lastensuojelupalvelut Väylä Oy.

On 29 October Suomen Terveystalo Oy acquired 94 percent of the shares of the medical clinic Medimar Skandinavia Ab. A non-controlling interest of EUR 15 thousand was recognized in the acquisition. The non-controlling interest is measured based on the proportionate share of the acquired identifiable net assets.

On 30 November Terveystalo Healthcare Oy acquired 100 percent of the shares of the Suomen Hierojakoulut Oy.

The following table summarizes the acquisition date fair values of the consideration transferred as well as the recognized amounts of assets acquired and liabilities assumed at the acquisition date. The statement of financial position of acquired companies has been prepared in accordance with IFRS and Terveystalo's accounting principles in all material respect. The following table is partially preliminary, and the information has been consolidated, because the acquisitions are not material individually.

Consideration transferred

EUR mill.	
Purchase price, payable in cash	24.0
Contingent consideration	7.3
Total consideration transferred	31.4

Identifiable assets acquired and liabilities assumed

EUR mill.	
Cash and cash equivalents	3.6
Intangible assets	5.5
Property, plant and equipment	0.9
Right-of-use assets	7.2
Inventories	0.2
Trade and other receivables	3.5
Financial liabilities	-0.8
Lease liabilities	-7.2
Trade and other payables	-6.6
Deferred tax liabilities	-1.0
Total identifiable net assets acquired	5.4

Goodwill	26.0
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As a result of these business combinations, a goodwill amounting to EUR 26.0 million was recognized. The goodwill is attributable to skills of the workforce and synergies expected to be achieved. EUR 0.4 million of the recognized goodwill is deductible in taxation. The cash flow impact of the acquisitions was EUR 20.3 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 3.5 million, for which the risk of impairment has been deemed as non-significant.

The Group has incurred acquisition-related expenses of EUR 0.9 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 2021 was EUR 15.7 million and the impact to the profit for the period was EUR 0.7 million.

If the acquisition had occurred on 1 January 2021, management estimates that the Group's consolidated revenue in 2021 would have been EUR 1,176.6 million and the consolidated result for the period would have been EUR 79.2 million.

15. Collateral and other contingent liabilities

EUR mill.	30 Sep 2022	30 Sep 2021	31 Dec 2021
Business mortgages	11.4	12.1	11.4
Total	11.4	12.1	11.4
Securities for own debts			
Deposits	0.2	0.2	0.2
Guarantees	0.5	0.8	0.9
Total	0.7	1.0	1.1

16. Group's key financial ratios

EUR mill. unless stated otherwise	7-9/2022	7-9/2021	Change, %	1-9/2022	1-9/2021	Change, %	2021
Revenue	276.4	273.1	1.2	924.3	827.1	11.8	1,154.6
Adjusted EBITDA, * ¹⁾	30.9	48.6	-36.3	130.0	146.9	-11.5	206.1
Adjusted EBITDA, % * ¹⁾	11.2	17.8	-	14.1	17.8	-	17.8
EBITDA ^{1) 2)}	29.9	46.2	-35.2	126.6	143.6	-11.8	201.8
EBITDA, % ¹⁾	10.8	16.9	-	13.7	17.4	-	17.5
Adjusted EBITA * ¹⁾	12.5	31.5	-60.4	75.5	99.1	-23.8	141.0
Adjusted EBITA, % * ¹⁾	4.5	11.5	-	8.2	12.0	-	12.2
EBITA ¹⁾	11.4	29.1	-60.7	72.2	95.8	-24.7	136.7
EBITA, % ¹⁾	4.1	10.7	-	7.8	11.6	-	11.8
Adjusted operating profit (EBIT) * ¹⁾	5.2	23.6	-77.8	53.3	79.6	-33.0	114.4
Adjusted operating profit (EBIT), % * ¹⁾	1.9	8.6	-	5.8	9.6	-	9.9
Operating profit (EBIT)	-24.6	21.2	>-200.0	21.1	76.3	-72.3	110.1
Operating profit (EBIT), %	-8.9	7.8	-	2.3	9.2	-	9.5
Return on equity (ROE), % ¹⁾	-	-	-	7.1	13.0	-	13.6
Equity ratio, % ¹⁾	-	-	-	40.2	43.0	-	42.2
Earnings per share (€)	-0.15	0.11	>-200.0	0.13	0.43	-69.1	0.63
Weighted average number of shares outstanding, in thousands	126,548	127,307	-	126,348	127,307	-	127,180
Net debt ¹⁾	-	-	-	580.9	529.8	9.6	519.0
Gearing, % ¹⁾	-	-	-	99.2	86.5	-	85.2
Net debt/Adjusted EBITDA (LTM) * ¹⁾	-	-	-	3.1	2.6	-	2.5
Total assets	-	-	-	1,459.9	1,424.4	2.5	1,448.6
Adjusted EBITDA (LTM), excluding IFRS 16 * ¹⁾	-	-	-	135.4	155.7	-13.1	156.9
Net debt, excluding IFRS 16 ¹⁾	-	-	-	406.1	355.1	14.3	340.6
Net debt/Adjusted EBITDA (LTM), excluding IFRS 16 * ¹⁾	-	-	-	3.0	2.3	-	2.2
Average personnel (FTEs)	-	-	-	6,685	5,645	18.4	5,643
Personnel (end of period)	-	-	-	11,027	9,622	14.6	9,805
Private practitioners (end of period)	-	-	-	5,852	5,710	2.5	5,754

* 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 with 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 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 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 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.

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

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

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

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

* 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 and other items affecting comparability.

18. Reconciliation of alternative performance measures

Adjusted EBITDA, EUR mill.	7-9/2022	7-9/2021	1-9/2022	1-9/2021	1-12/2021
Profit (loss) for the period	-19.6	14.5	16.8	54.6	80.4
Income tax expense	-4.7	4.2	4.3	14.3	20.3
Share of profits in associated companies	0.0	0.0	0.1	0.3	0.3
Net finance expenses	-0.3	2.5	0.0	7.0	9.0
Depreciation, amortization and impairment losses	54.6	25.0	105.5	67.3	91.7
Adjustments*	1.0	2.3	3.4	3.3	4.3
Adjusted EBITDA	30.9	48.6	130.0	146.9	206.1

Adjusted EBITDA, %	7-9/2022	7-9/2021	1-9/2022	1-9/2021	1-12/2021
Adjusted EBITDA	30.9	48.6	130.0	146.9	206.1
Revenue	276.4	273.1	924.3	827.1	1,154.6
Adjusted EBITDA, %	11.2	17.8	14.1	17.8	17.8

EBITDA, EUR mill.	7-9/2022	7-9/2021	1-9/2022	1-9/2021	1-12/2021
Profit (loss) for the period	-19.6	14.5	16.8	54.6	80.4
Income tax expense	-4.7	4.2	4.3	14.3	20.3
Share of profits in associated companies	0.0	0.0	0.1	0.3	0.3
Net finance expenses	-0.3	2.5	0.0	7.0	9.0
Depreciation, amortization and impairment losses	54.6	25.0	105.5	67.3	91.7
EBITDA	29.9	46.2	126.6	143.6	201.8

EBITDA, %	7-9/2022	7-9/2021	1-9/2022	1-9/2021	1-12/2021
EBITDA	29.9	46.2	126.6	143.6	201.8
Revenue	276.4	273.1	924.3	827.1	1,154.6
EBITDA, %	10.8	16.9	13.7	17.4	17.5

Adjusted EBITA, EUR mill.	7-9/2022	7-9/2021	1-9/2022	1-9/2021	1-12/2021
Profit (loss) for the period	-19.6	14.5	16.8	54.6	80.4
Income tax expense	-4.7	4.2	4.3	14.3	20.3
Share of profits in associated companies	0.0	0.0	0.1	0.3	0.3
Net finance expenses	-0.3	2.5	0.0	7.0	9.0
Amortization and impairment losses	36.1	7.9	51.0	19.6	26.6
Adjustments*	1.0	2.3	3.4	3.3	4.3
Adjusted EBITA	12.5	31.5	75.5	99.1	141.0

Adjusted EBITA, %	7-9/2022	7-9/2021	1-9/2022	1-9/2021	1-12/2021
Adjusted EBITA	12.5	31.5	75.5	99.1	141.0
Revenue	276.4	273.1	924.3	827.1	1,154.6
Adjusted EBITA, %	4.5	11.5	8.2	12.0	12.2

EBITA, EUR mill.	7-9/2022	7-9/2021	1-9/2022	1-9/2021	1-12/2021
Profit (loss) for the period	-19.6	14.5	16.8	54.6	80.4
Income tax expense	-4.7	4.2	4.3	14.3	20.3
Share of profits in associated companies	0.0	0.0	0.1	0.3	0.3
Net finance expenses	-0.3	2.5	0.0	7.0	9.0
Amortization and impairment losses	36.1	7.9	51.0	19.6	26.6
EBITA	11.4	29.1	72.2	95.8	136.7

EBITA, %	7-9/2022	7-9/2021	1-9/2022	1-9/2021	1-12/2021
EBITA	11.4	29.1	72.2	95.8	136.7
Revenue	276.4	273.1	924.3	827.1	1,154.6
EBITA, %	4.1	10.7	7.8	11.6	11.8

Adjusted operating profit (EBIT), EUR mill.	7-9/2022	7-9/2021	1-9/2022	1-9/2021	1-12/2021
Profit (loss) for the period	-19.6	14.5	16.8	54.6	80.4
Income tax expense	-4.7	4.2	4.3	14.3	20.3
Share of profits in associated companies	0.0	0.0	0.1	0.3	0.3
Net finance expenses	-0.3	2.5	0.0	7.0	9.0
Adjustments*	29.9	2.3	32.2	3.3	4.3
Adjusted operating profit (EBIT)	5.2	23.6	53.3	79.6	114.4

Adjusted operating profit, (EBIT), %	7-9/2022	7-9/2021	1-9/2022	1-9/2021	1-12/2021
Adjusted operating profit (EBIT)	5.2	23.6	53.3	79.6	114.4
Revenue	276.4	273.1	924.3	827.1	1,154.6
Adjusted operating profit (EBIT), %	1.9	8.6	5.8	9.6	9.9

Operating profit (EBIT), EUR mill.	7-9/2022	7-9/2021	1-9/2022	1-9/2021	1-12/2021
Profit (loss) for the period	-19.6	14.5	16.8	54.6	80.4
Income tax expense	-4.7	4.2	4.3	14.3	20.3
Share of profits in associated companies	0.0	0.0	0.1	0.3	0.3
Net finance expenses	-0.3	2.5	0.0	7.0	9.0
EBIT	-24.6	21.2	21.1	76.3	110.1

Operating profit, (EBIT), %	7-9/2022	7-9/2021	1-9/2022	1-9/2021	1-12/2021
EBIT	-24.6	21.2	21.1	76.3	110.1
Revenue	276.4	273.1	924.3	827.1	1,154.6
EBIT, %	-8.9	7.8	2.3	9.2	9.5

Return on equity, %	30 Sep 22	30 Sep 21	31 Dec 21
Profit/loss for the period (LTM)	42.6	77.1	80.4
Equity (including non-controlling interest) (average)	597.1	591.8	590.1
Return on equity, %	7.1	13.0	13.6

Equity ratio, %	30 Sep 22	30 Sep 21	31 Dec 20
Equity (including non-controlling interest)	585.3	612.2	608.9
Total assets	1,459.9	1,424.4	1,448.6
Advances received	4.0	2.0	6.1
Equity ratio, %	40.2	43.0	42.2

Gearing, %	30 Sep 22	30 Sep 21	31 Dec 21
Interest-bearing liabilities	609.2	569.0	557.2
Interest-bearing receivables and cash and cash equivalents	28.4	39.3	38.2
Equity	585.3	612.2	608.9
Gearing, %	99.2	86.5	85.2

Net debt/Adjusted EBITDA (LTM)	30 Sep 22	30 Sep 21	31 Dec 21
Interest-bearing liabilities	609.2	569.0	557.2
Interest-bearing receivables and cash and cash equivalents	28.4	39.3	38.2
Adjusted EBITDA (LTM)	189.1	201.5	206.1
Net debt/Adjusted EBITDA (LTM)	3.1	2.6	2.5

Adjusted EBITDA (LTM), excluding IFRS 16	30 Sep 22	30 Sep 21	31 Dec 21
Profit (loss) for the period	42.6	77.1	80.4
Income tax expense	10.2	19.8	20.3
Share of profits in associated companies	0.1	0.3	0.3
Net finance expenses	2.0	9.9	9.0
Depreciation, amortization and impairment losses	129.8	90.3	91.7
Adjustments*	4.3	4.1	4.3
IFRS 16 lease expense adjustment	-53.7	-45.8	-49.2
Adjusted EBITDA (LTM), excluding IFRS 16	135.4	155.7	156.9

Net debt/Adjusted EBITDA (LTM), excluding IFRS 16	30 Sep 22	30 Sep 21	31 Dec 21
Interest-bearing liabilities	434.4	394.4	378.8
Interest-bearing receivables and cash and cash equivalents	28.4	39.3	38.2
Adjusted EBITDA (LTM)	135.4	155.7	156.9
Net debt/Adjusted EBITDA (LTM), excluding IFRS 16	3.0	2.3	2.2

Adjustments*, EUR mill.	7-9/2022	7-9/2021	1-9/2022	1-9/2021	1-12/2021
Acquisition related expenses ⁽¹⁾	0.5	2.0	2.1	2.5	3.1
Restructuring related expenses ⁽²⁾	0.1	0.1	0.6	0.3	0.3
Gains and losses on sale of assets, net	-	-	-	-	-
Impairment losses	28.9	-	28.9	-	-
Strategic projects and other items affecting to comparability	0.4	0.2	0.7	0.6	0.8
Adjustments	29.9	2.3	32.2	3.3	4.3

* 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.

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

²⁾ Including restructuring of network and business operations.