

MERGER PLAN (unofficial translation)

The Boards of Directors of the assigned companies have approved the content of the merger plan:

1. Companies participating in the merger

The Receiving Company:

Business name: Elisa Oyj

Business ID: 0116510-6

Domicile: Helsinki, Finland

Postal Address: PO Box 1, 00061 ELISA

(Hereinafter referred to as "Elisa" or the "Receiving Company")

The Merging Company:

Business name: Telekarelia Oy

Business ID: 0160241-7

Domicile: Joensuu, Finland

Postal address: Vaskelantie 1, 81100 KONTIOLAHTI

(Hereinafter referred to as "Telekarelia" or the "Merging Company")

(Elisa and Telekarelia hereinafter referred to collectively as the "Parties" or the "Merging Companies")

2. The merger and its motive

The above-mentioned Merging Company will merge with the Receiving Company as stated in the Limited Liability Companies Act, Chapter 16, Section 2(1), paragraph 1) by way of absorption in accordance with the terms and conditions. All the Merging Company's assets and liabilities will be transferred without liquidation to the Receiving Company and the Merging Company will be dissolved in this merger.

It is the opinion of the Boards of Directors of the companies participating in the merger that the business activities of the companies participating in the merger on the whole complement each other, and that combining these activities will generate a stronger and more competitive entity.

3. Articles of Association of the Receiving Company

The merger will not require any amendments to the Articles of Association of the Receiving Company.

4. Shares issued as merger consideration

The shareholders of Telekarelia will receive a merger consideration in the form of new Elisa shares such that each share in Telekarelia will be exchanged for twenty-five (25), Elisa shares (hereinafter the "Conversion Rate").

At the time the merger is signed, Elisa Oyj holds a total of three thousand one hundred and eighty-one (3.181) Telekarelia shares. Elisa's wholly-owned subsidiary PPO-Yhtiöt Oy owns a total of fifteen thousand, four hundred and two (15.402) Telekarelia shares. Telekarelia shares owned by Elisa's other subsidiaries are listed in Section 11.

Telekarelia does not have any treasury shares. Shares owned by subsidiaries of Telekarelia are listed in Section 11.

Shareholders other than the Elisa Group of companies own nine thousand, two hundred and eighteen (9.218), Telekarelia shares.

The above-mentioned shares held by Elisa Group companies are to be transferred before the merger to the ownership of Elisa Oyj. In view of the Limited Liability Companies Act, Chapter 16, Section 16, shares in the Merging Company which are owned by the Receiving Company or the Merging Company are not included in the merger consideration. The aggregate merger consideration is reduced by the number of shares of the Merging Company which are held by the Receiving Company and the Merging Company at the time of registration of the merger.

In the merger, a merger consideration shall be no more than six hundred and fifteen thousand and five hundred (615,500) Elisa shares. If the above-mentioned share transfers from subsidiaries to the ownership of Elisa Oyj has been carried out by the merger, the merger consideration is approximately two hundred and thirty thousand, four hundred and fifty (230,450), Elisa shares.

No other consideration shall be paid than that referred to in this paragraph.

5. Proposal for the division of the merger consideration, time of merger consideration payment, and other terms related to the merger consideration payment, and the grounds thereof

The merger consideration, as defined in Section 4, will be distributed to shareholders of Telekarelia in relation to their shareholding, provided that:

- the recipient of the consideration has informed Elisa or a third party named by Elisa of their book-entry account number;

- the recipient of the consideration has provided Elisa or a third party named by Elisa with share certificates, if share certificates have been issued for the shares owned by the recipient of the consideration;
- if no share certificates have been issued for the shares owned by the recipient of the consideration, the recipient was, on the date on which the execution of the merger was registered, registered in the Telekarelia share register, or can provide Elisa or a third party named by Elisa with a sufficient, reliable and acceptable account of their title and ownership.

The merger consideration shall be recorded in book-entry accounts immediately after the execution of the merger has been registered.

If a Telekarelia shareholder entitled to merger consideration has not handed over any share certificates issued for Telekarelia shares to Elisa or a third party named by Elisa, or provided their book-entry account number or a bank account number for the payment of merger consideration before the registration of the execution of the merger, the merger consideration shall not be paid until the recipient of the consideration has handed over the share certificates and/or provided the information regarding the book-entry account.

If a Telekarelia shareholder entitled to merger consideration has not handed over any share certificates issued for the shares they own and/or provided their book-entry account number to Elisa or a third party named by Elisa for the payment of the merger consideration within ten (10) years of the registration of the execution of the merger, shareholders at a shareholders' meeting of Elisa may decide to cancel the right to the merger consideration and any rights based on it.

The merger consideration shall be determined on the basis of the mutual relationship between the values of Elisa and Telekarelia. The parties and their shares have been valued on the basis of generally used valuation principles. For Telekarelia, the valuation has primarily relied on a financial analysis based on the company's projected cash flows and on a peer company analysis. Elisa's value is based on the long volume-weighted average price on the NASDAQ OMX Helsinki.

On the basis of negotiations and various reports, the Boards of Directors of the Merging Companies have come to the conclusion that the proposed payment of consideration is correct and justified.

6. Statement of the stock options and other share-based special rights of the Merging Company

The Merging Company has not issued any stock options or other special rights entitling to shares.

7. Issue of Elisa shares

To pay the merger consideration, a share issue of shares in Elisa will be executed by the date of the merger registration on the basis of a decision of Elisa's Annual General Meeting on 18 March 2010. The share issue shall consist of no more than six hundred and fifteen thousand, five hundred (615,500) new Elisa shares. Shares will be issued as merger consideration to shareholders of Telekarelia other than Elisa in accordance with this merger plan. There is an important financial reason for waiving the pre-emptive rights of existing shareholders as it enables the execution of the merger.

In connection with the share issue related to the merger, the consideration of the share issue will be recorded in the invested free equity fund. The amount to be recorded on the balance sheet is determined in accordance with paragraph 8 of the merger plan.

The shares offered as merger consideration shall entitle the holder to equal rights with other Elisa shares following the registration of the execution of the merger. Elisa's share capital will not be increased at the time of the merger.

8. Statement on the assets, liabilities and shareholders' equity of the Merging Company and factors affecting their measurement, the effect of the merger on Elisa's balance sheet, and the accounting methods applied to the merger

The assets, liabilities and shareholders' equity of the Merging Company as at 31 December 2012 are shown in Annex 1.

The balance sheet items of the Merging Company will be recognized on the balance sheet of the Receiving Company, applying the accounting principles below.

The merger of the accounts of the Merging Companies is made using the acquisition cost method, so that the assets and liabilities of the Merging Company are transferred to the Receiving Company. The valuation principle of assets and liabilities in the indicated carrying amounts in the final financial statement of the Merging Company.

The values for the transferring assets and liabilities to be recorded in the balance sheet of the Receiving Company will be finally determined on the basis of the final account of the Merging Company, to be prepared on the date on which the execution of the merger is registered. In accordance with the final accounts of the Merging Company, liabilities will be recognised in the liabilities of the Receiving Company, with the exception of potential liabilities of the Merging Company to the Receiving Company (the corresponding amounts have been recorded on the assets of the Receiving Company). These liabilities and/or assets will cease to exist, at the time of the merger.

The potential merger gain or loss is treated in the host company accounting rules. The

estimated amount of the merger loss is one million Euros (EUR 1,000,000).

9. Proposal for the right of the companies participating in the merger to decide on arrangements other than standard business practice

During the merger procedure, the Merging Company agrees not to engage in or decide to engage in any unusual or far-reaching or otherwise non-standard business activities, or substantially increase its liabilities without the consent of the Receiving Company. The Merging Company shall obtain the consent of the Receiving Company to issue new or transfer existing shares, or to pay dividends, or to plan or carry out distributions or repurchases or redeem its own shares, or plan or take other arrangements which affect or may affect the share capital or number of shares of the Merging Company.

The Receiving Company has the right to take or decide to take actions regarding the capital or number of shares of the Receiving Company, as well as other arrangements affecting the normal course of business in measures and schemes, provided that such measures and/or arrangements will not significantly change the financial basis on which the merger consideration has been determined.

The host company has the right to repurchase its own shares under the authorization granted in its Annual General Meeting on 25 March 2013, provided that it will be based on a regulated market in continuous trading at the market price and it does not significantly change the financial basis on which the merger consideration has been determined.

The Receiving Company still has the right to cancel its own shares in its possession. Even though the cancellation will reduce the number of shares in the Receiving Company, the opinion of the Parties is that it will not alter the financial basis on which the merger consideration has been determined.

The Receiving Company shall continue to have the right to make decisions regarding share issues under a decision of an Annual General Meeting of Elisa, or of the Board of Directors, if the share price to be paid in the share issue is the same as the market price of Elisa shares on the NASDAQ OMX Helsinki. In the opinion of the Parties, it will not alter the financial basis on which the merger consideration has been determined.

Making decisions referred to in Chapter 16, Section 3, paragraph 2(10) of the Limited Liability Companies Act for both Parties requires the prior consent of the Boards of Directors of both Parties.

10. Capital loans

The companies participating in the merger have no capital loans as referred to in Chapter 16, Section 3, paragraph 2(11) of the Limited Liability Companies Act.

11. Shareholdings of the Merging Companies

The Merging Company and its subsidiaries do not own shares in the Receiving Company.

Elisa and its subsidiary companies own shares in the Merging Company as follows:

- Elisa Oyj, 3,181 shares
- PPO-Yhtiöt Oy, 15,402 shares.

Telekarelia and its subsidiaries do not own shares in the company being acquired.

12. Commercial mortgages

The commercial mortgages given by the Merging Company are listed in Annex 2. The commercial mortgages are given as collateral for the company's obligations.

No mortgage for assets of Elisa has been given.

13. The benefits and rights granted in connection with the merger

Members of the Telekarelia Supervisory Board, Board members of the companies participating in the merger, their managing directors and auditors shall not be offered any special benefits or rights in connection with the merger, as stated in the Limited Liability Companies Act, Chapter 16, Section 3, paragraph 2(14), nor will any such benefits be offered to the authorized public accountants issuing a statement on the merger.

The auditor issuing the statement of the merger shall be paid reasonable invoiced fee.

14. Proposal for a planned registration of the execution of merger

The merger will take effect once the notification of the execution of merger has been registered. The planned registration date is 31 December 2013.

15. Other merger terms and conditions

The companies participating in the merger undertake to act in line with the objectives and purpose of this merger plan and to take it duly into consideration in all their decision-making, unless otherwise agreed in this merger plan.

If the merging company's financial viability of the business in quality or extent or liabilities or responsibilities will after signing of the merger plan face material adverse change that can not be rectified in good time before the execution of the merger notification of the registration period for expiration, and if such a change can be expected to have a significant negative impact

on the company's value i.e. alter the financial basis on which the merger consideration was determined, other party of the merging entities is entitled to withdraw from the proposed merger with effect from the implementation of the merger will lapse. Before the withdrawal decision is made, the merging companies have to negotiate a solution to avoid expiration of the merger if the negotiations are possible to schedule.

If either of the merging companies is acting in contrary to the principles agreed in paragraph 9, the other merging company is entitled to withdraw from the proposed merger with effect that the merger will lapse. The corresponding withdraw ability for the merging companies exists in the event that the other merging company has not given to the other party the right and adequate information in its knowledge of the substantial facts that effect the merger.

The Boards of Directors of the Merging Companies are hereby authorised to make joint decisions regarding any technical modifications in the merger plan or its appendices possibly required by the authorities or otherwise deemed appropriate.

The Merging Companies purpose is, and the companies will operate in such a way, that this merger of the merger plan is treated as a going concern basis, i.e. tax neutral as stated for the taxation of business income in the Income Tax Act, Sections 52a and 52b, and elsewhere in the tax laws.

16. Date and signatures

This merger plan has been drawn up in three (3) copies, one (1) for the Merging Company, one (1) for the Receiving Company, and one (1) for the authorities.

Kontiolahti, 10 June 2013
TELEKARELIA OY

Paul Korpi-Tassi
Ari Punkkinen

Juha Koljonen
Jyrki Arjanne

Arto Kuosmanen

Helsinki, 10 June 2013
ELISA OYJ

Raimo Lind
Eira Palin-Lehtinen
Mika Vehviläinen

Ari Lehtosaari
Mika Salmi

Leena Niemistö
Jaakko Uotila