



# Corporate Customers business

**Timo Katajisto**

Executive Vice President

**CMD2018**

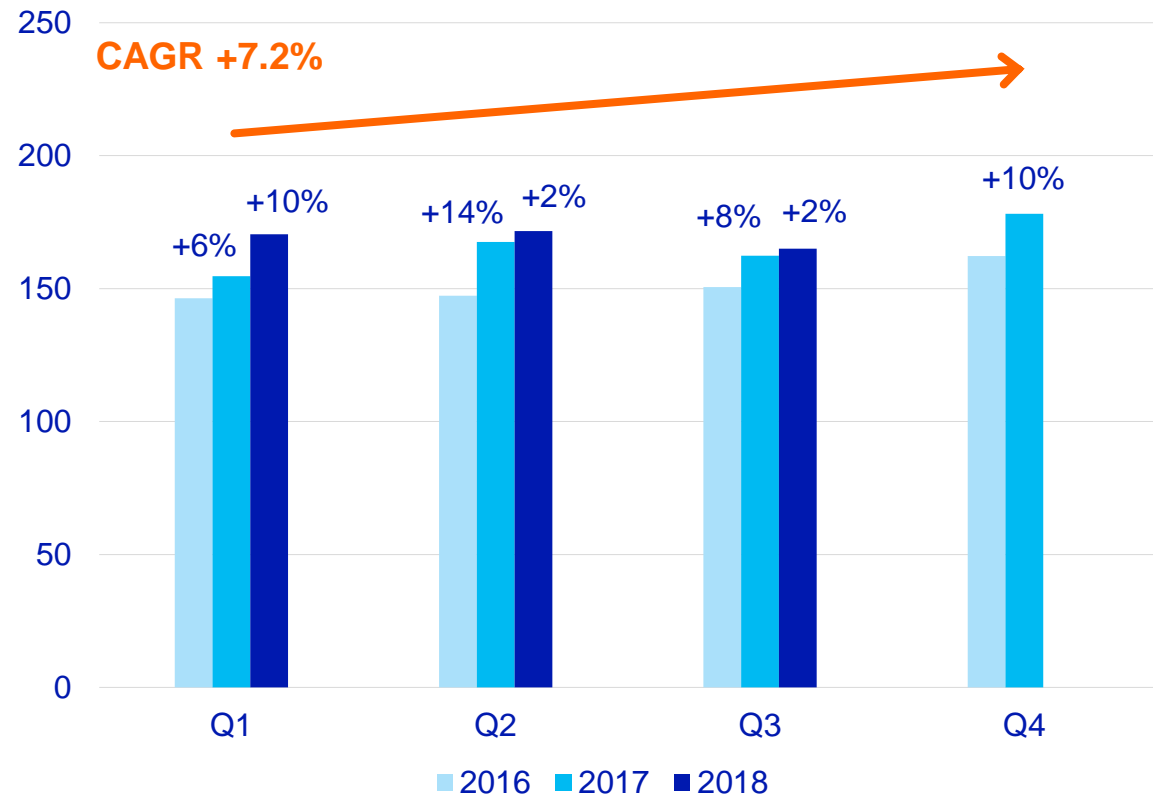
- 1 Performance update
- 2 Market environment
- 3 Profit and growth generation
- 4 Management priorities

**Elisa's unique strategy generates profit and growth**

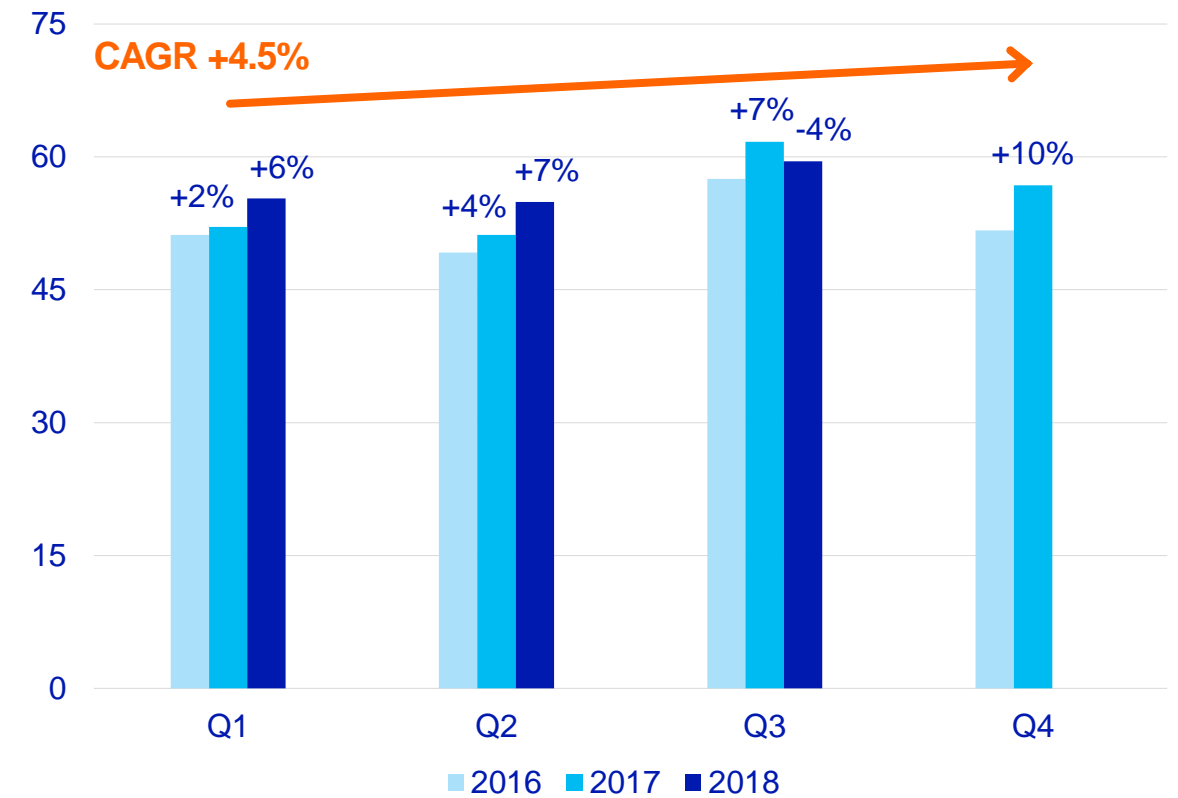
Performance update

# Elisa's unique strategy generates profit and growth in B2B business

## Revenue, EURm



## EBITDA<sup>1)</sup>, EURm

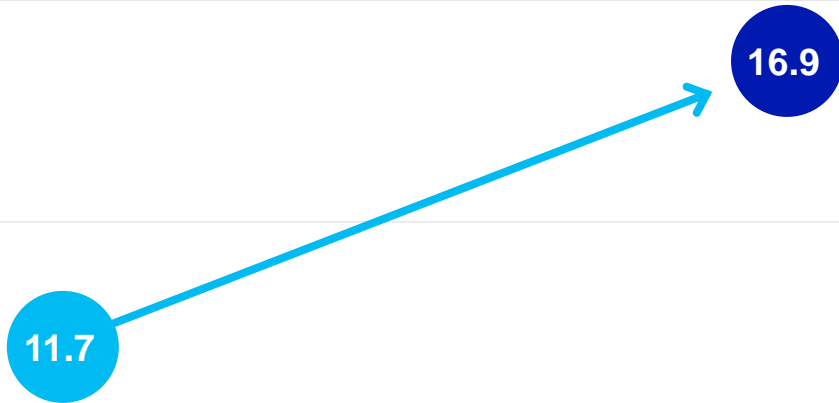


<sup>1)</sup> Comparable EBITDA (excluding one-offs)  
CAGR = 2016 – LTM (Last twelve months, 10/2017-9/2018)

Performance update

# We continuously develop customer satisfaction

Corporate customers NPS in Finland, 2016-present

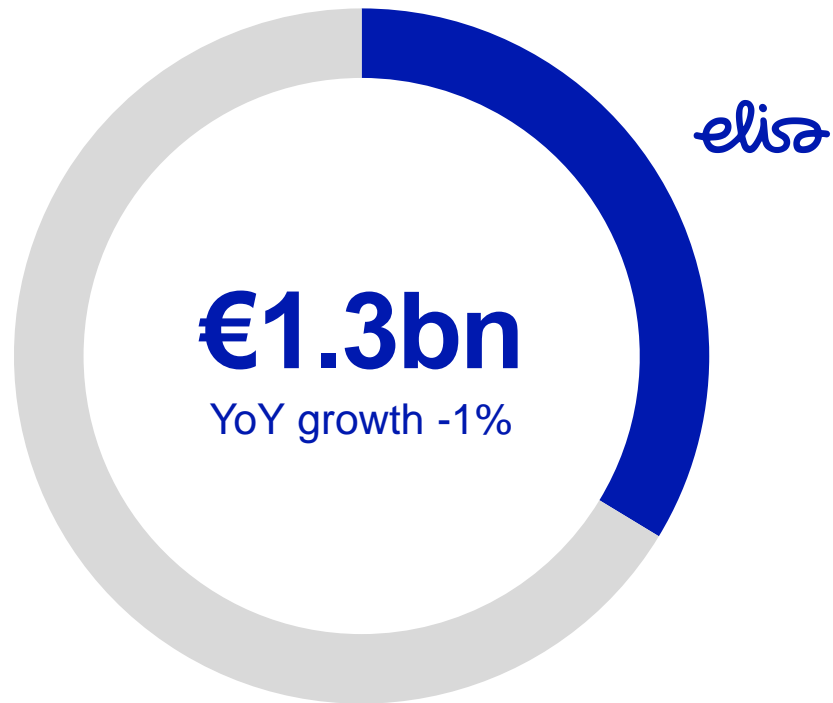


NPS = Net Promoter Score  
Sources: IRO Research, Elisa analysis

Market environment

# We are operating in two markets

### Corporate telecom services market 2017



### IT services addressable market 2017<sup>1)</sup>



<sup>1)</sup> Finland only, IT Outsourcing & Cloud services  
Sources: Gartner, Elisa analysis

Profit and growth generation

# Strategic priorities remain intact

Increase mobile and fixed service revenues

Grow digital service businesses

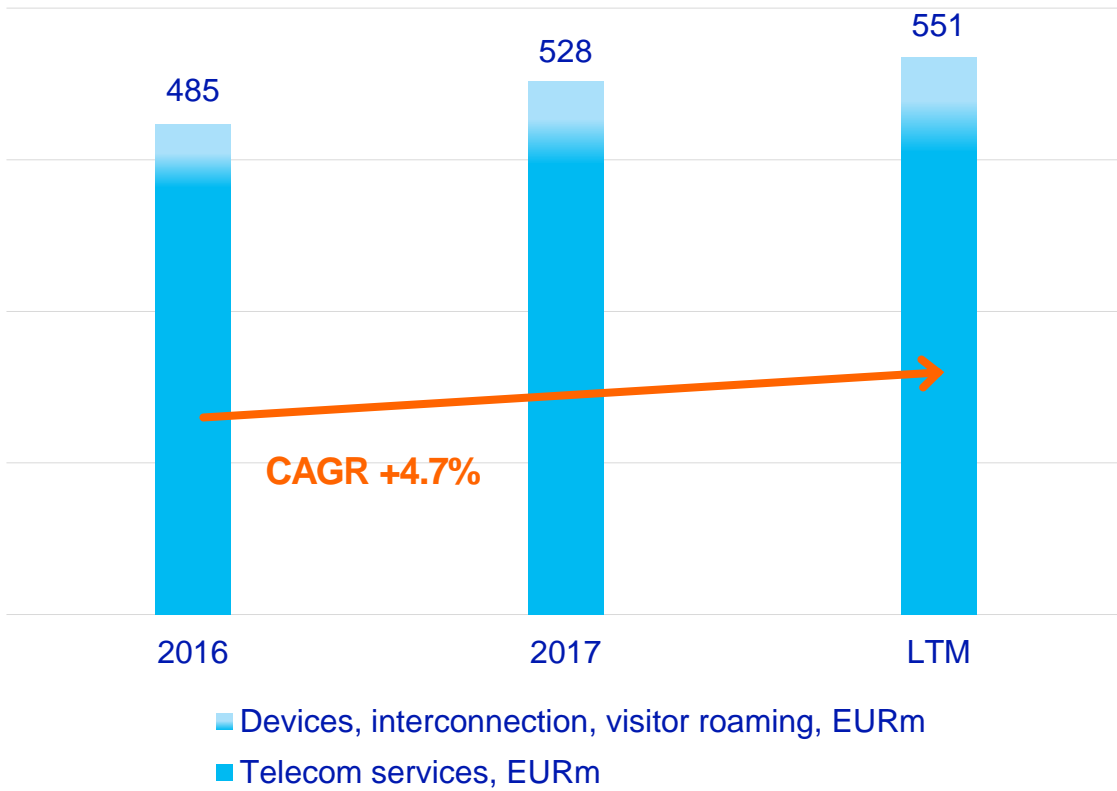
Improve efficiency and quality

Profit and growth generation

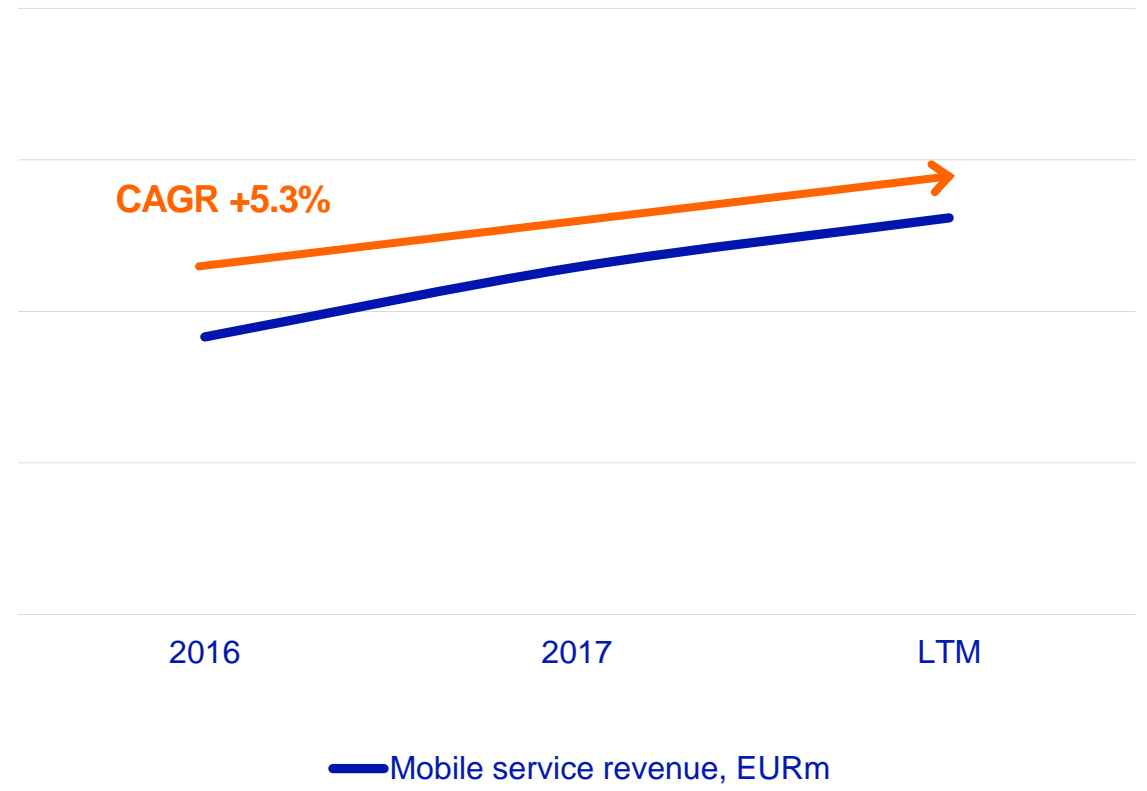
# We build value on data growth...



## Steady growth in telecom revenue



## Organic growth in mobile service revenue



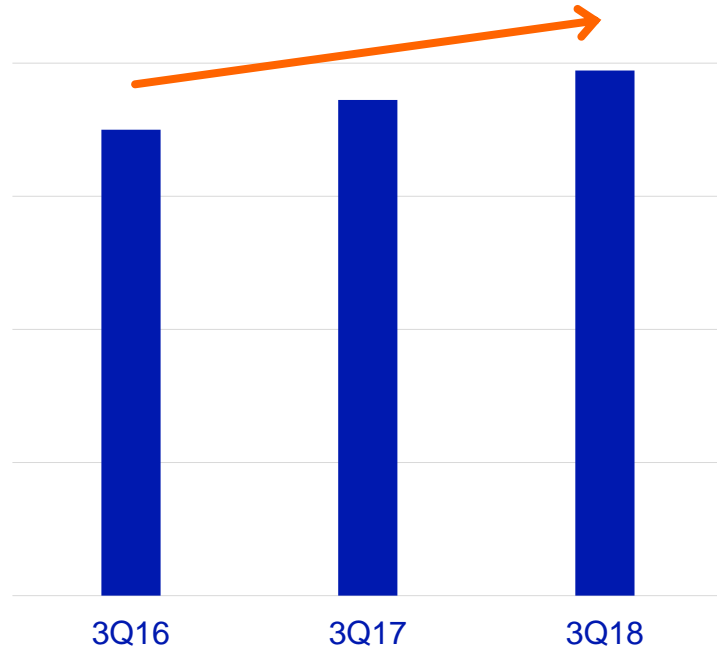
Profit and growth generation

# ...and have good pace in 4G upgrades with a growing subscription base...



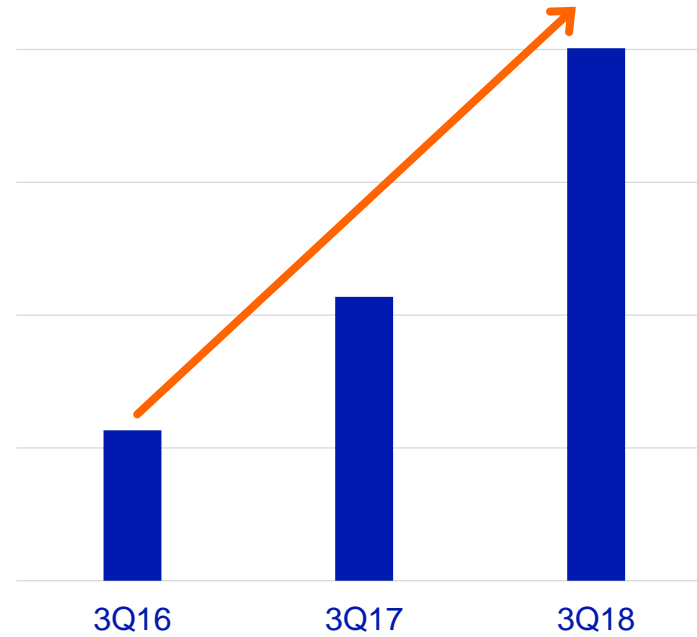
## Mobile handset subscriptions

CAGR +6.2%

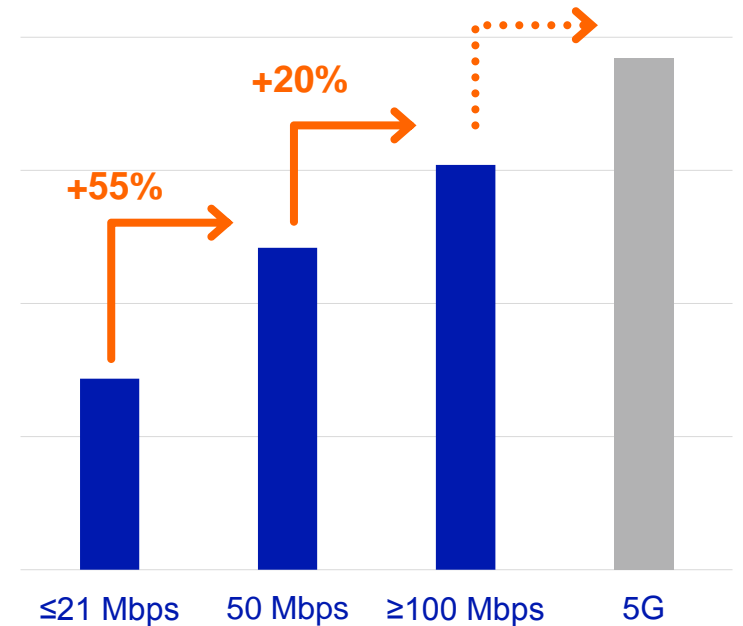


## ≥100 Mbps mobile handset subscriptions

CAGR +88%



## Mobile handset average billing per user<sup>1)</sup>, EUR per subscription



<sup>1)</sup> Finland only

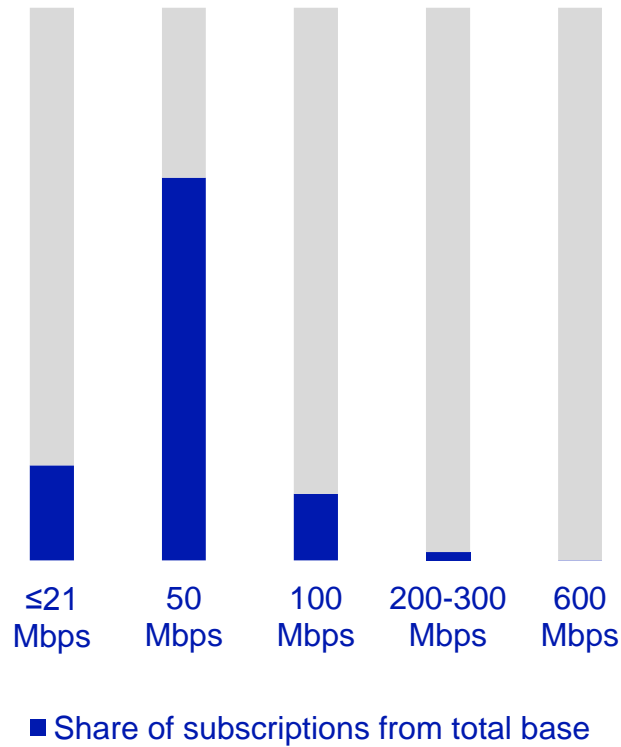


Profit and growth generation

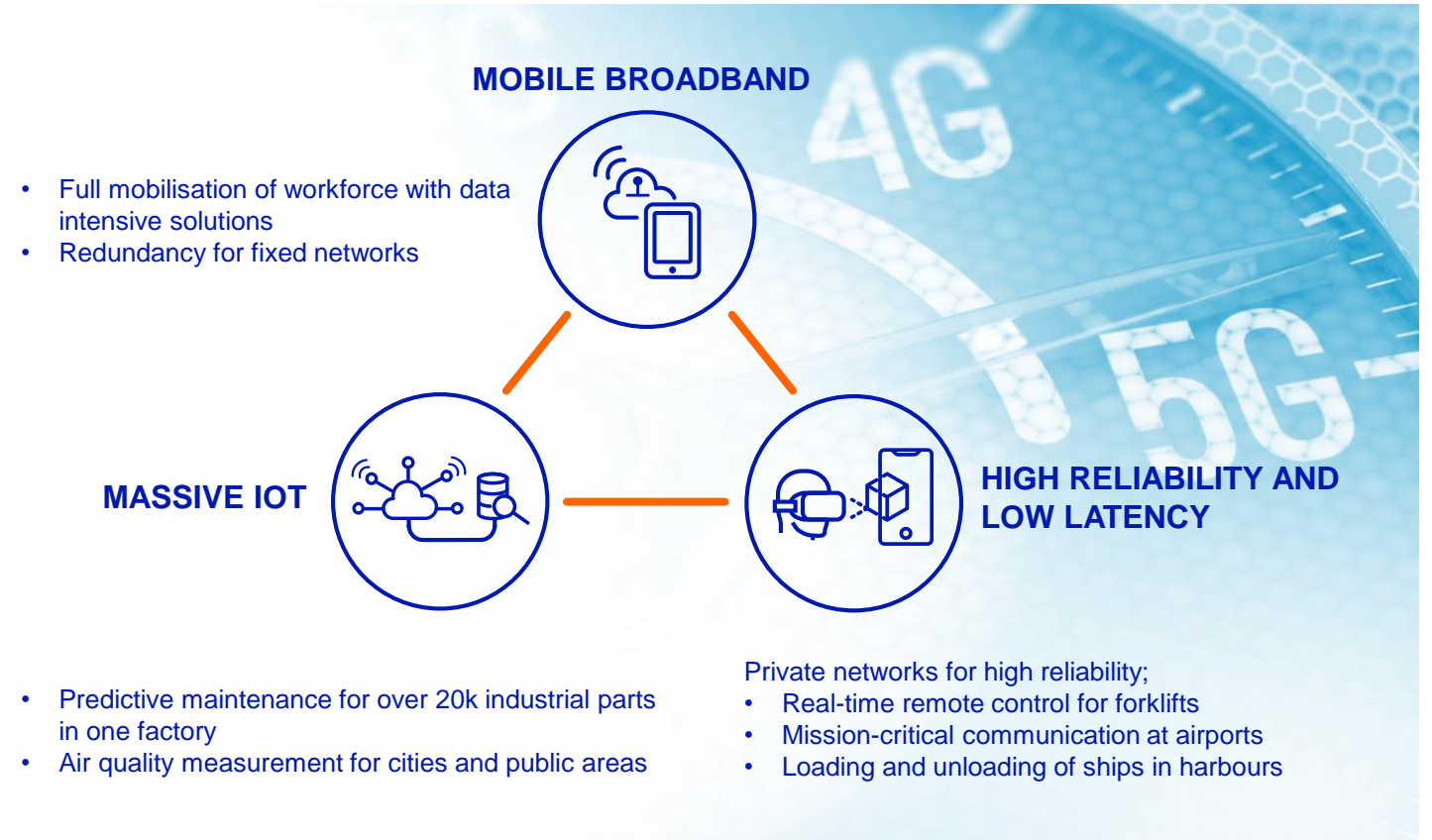
# ...with further potential in 4G and 5G



## Mobile handset subscriptions upgrade potential



## 5G opportunities

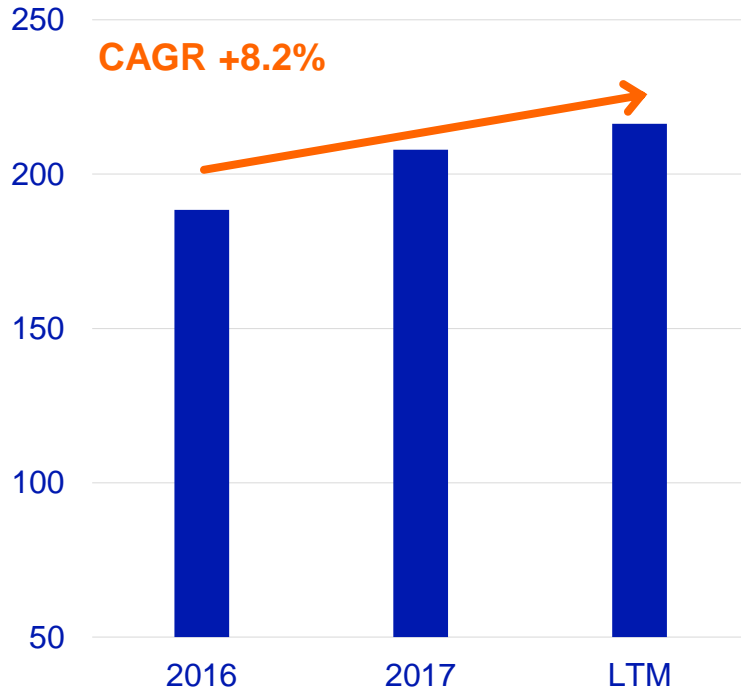


Profit and growth generation

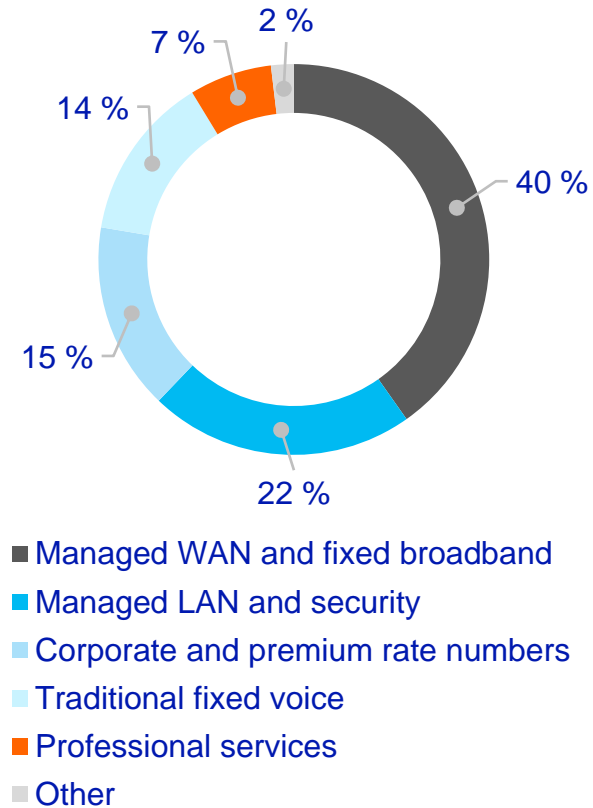
# Our fixed network business is growing with a high single-digit growth



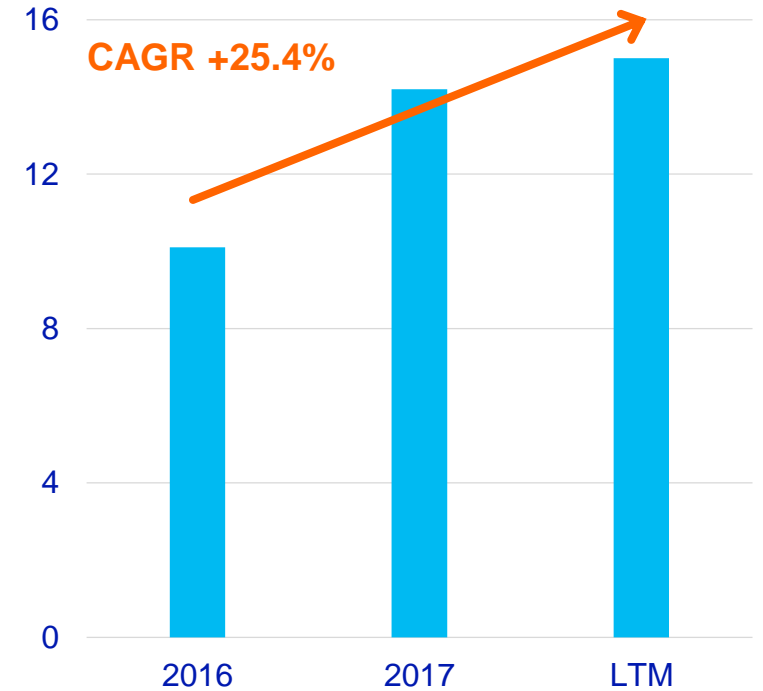
Fixed service revenue<sup>1)</sup>, EURm



Fixed service revenue breakdown 2017



Professional services revenue<sup>2)</sup>, EURm



<sup>1)</sup> Excluding interconnection and wholesales

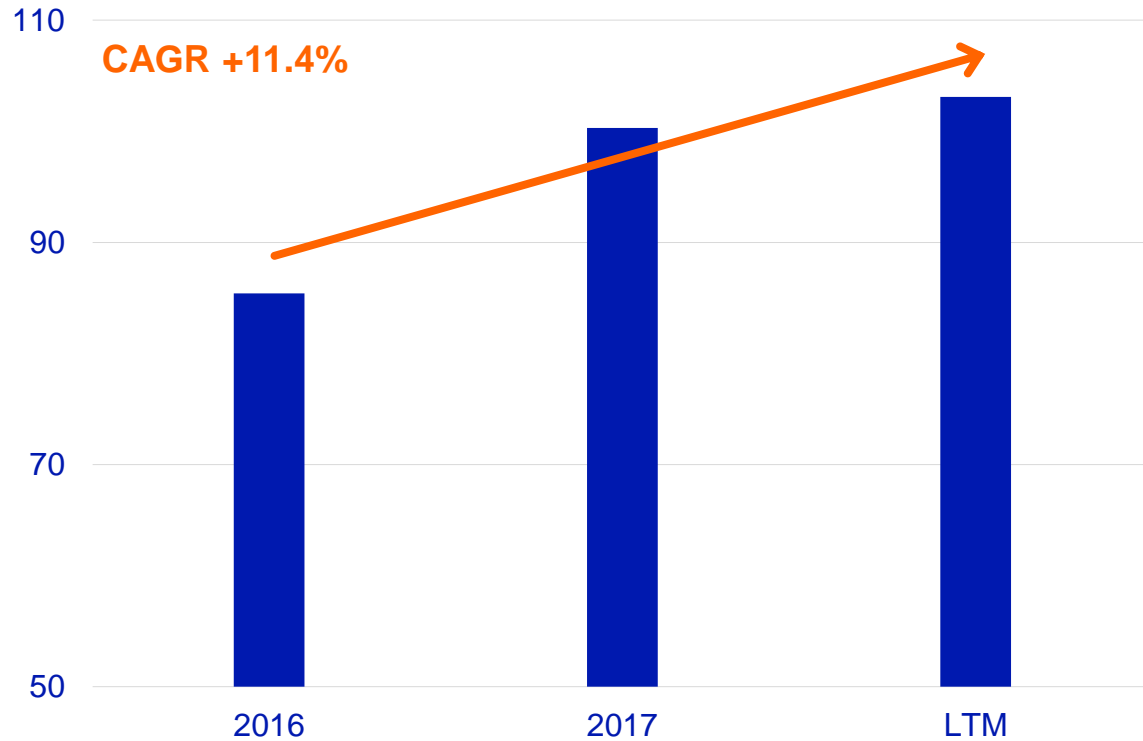
<sup>2)</sup> Finland only

Profit and growth generation

# We have expanded to the IT business...

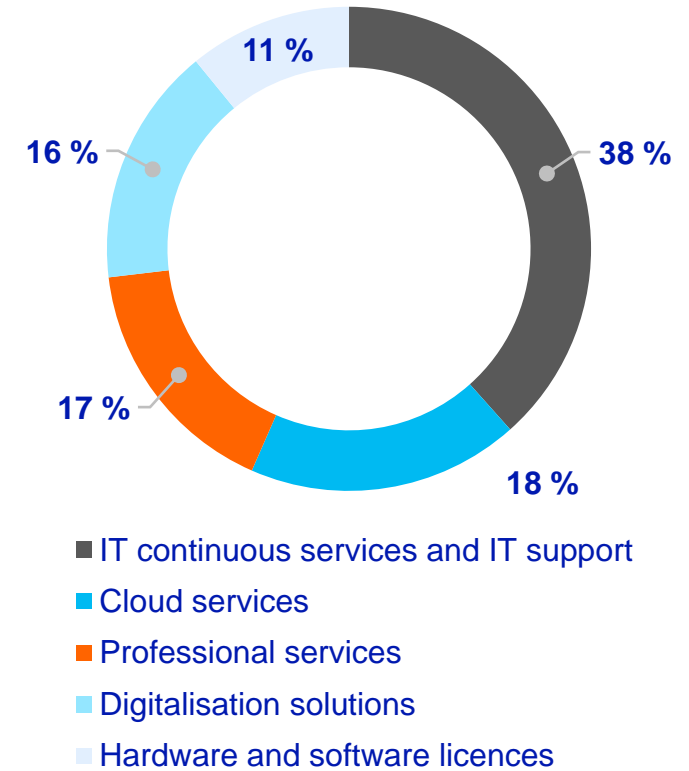


## IT revenue<sup>1,2)</sup>, EURm



## Emphasis on recurring revenue services<sup>2)</sup>

IT revenue breakdown 2017



<sup>1)</sup> Excluding divestments

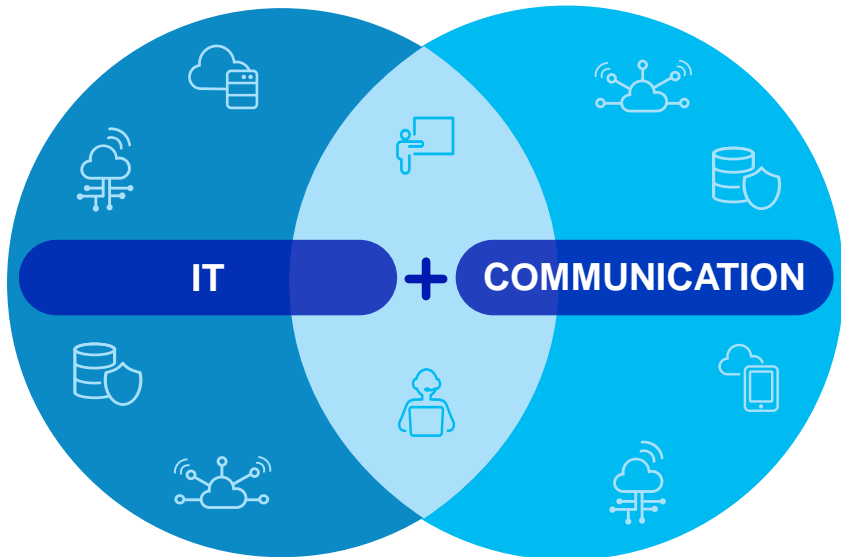
<sup>2)</sup> Finland only

Profit and growth generation

# ...and converging IT and Communication services...



We have created a new category for the Finnish market:  
**Integrated IT and Communication services**



## Customer case: large industrial company

### Digitalisation solutions



Smart factory IoT for predictive maintenance for 20k devices

### Professional services



Consulting  
Integration services  
Project management

### Security services



Security information and event management (SIEM)

### Support services (SPOC)



2,200 monthly end user requests handled

### Cloud / Data center



600 servers hosted  
Public cloud services

### Networks



2,600 Mobile subscriptions  
70 Corporate network (WAN) connections  
Local area network (LAN) management

### Devices



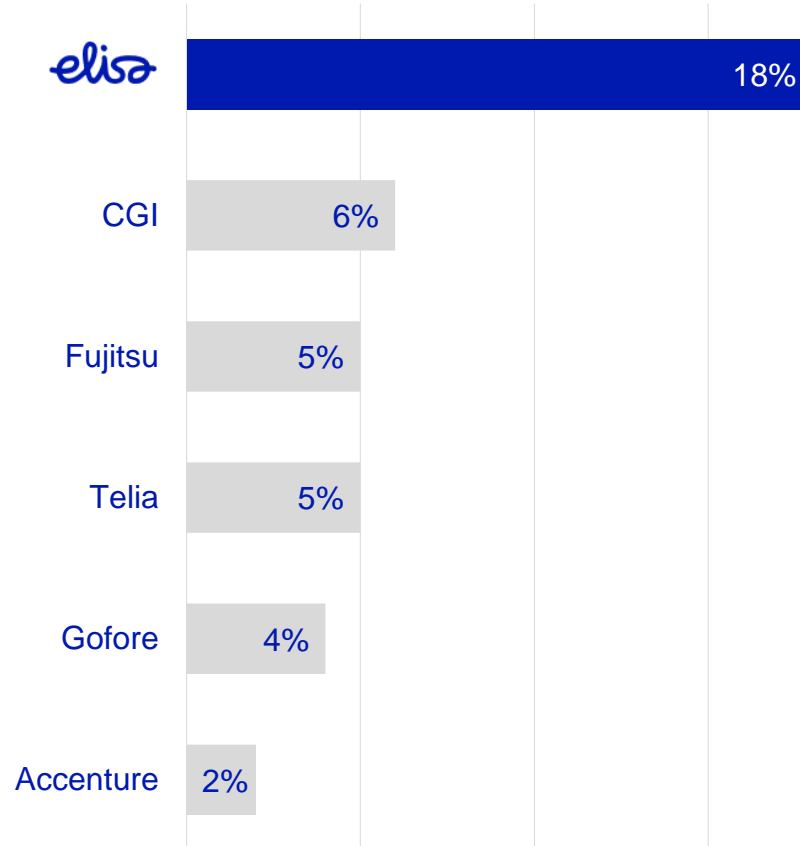
2,900 Workstations  
1,200 managed mobile devices

Profit and growth generation

# ...which has positioned us as the most interesting IT service provider in the market

**Q:**

Which IT service provider is the most positively distinguishable regarding services such as service innovation, excellent customer care and continuous service development?



Source: Gartner: IT-service provider awareness in 2018 in Finland



Profit and growth generation

# Automation is our spearhead in improving performance...



## High growth in RPA transactions

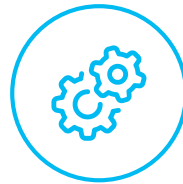


## Advanced use cases



### Artificial intelligence (AI)

Virtual production manager  
Allocating service requests directly to the best possible service specialist



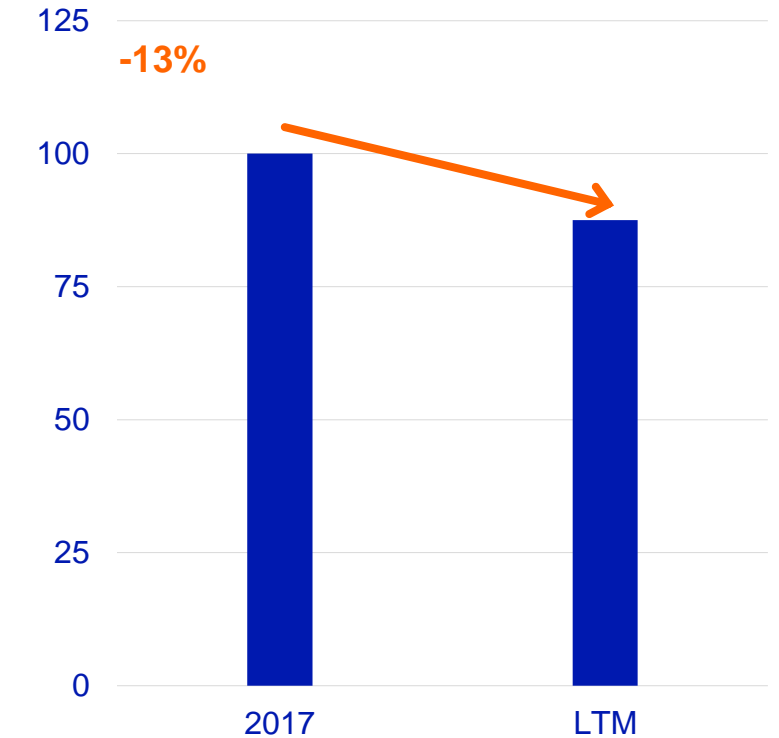
### Robotic process automation (RPA)

Ticket queue handling  
Automatic e-invoice handling

- Fast response to errors
- No mistakes caused by human error
- Constantly improving data quality

## Declining call centre queue time

Index: 2017 = 100



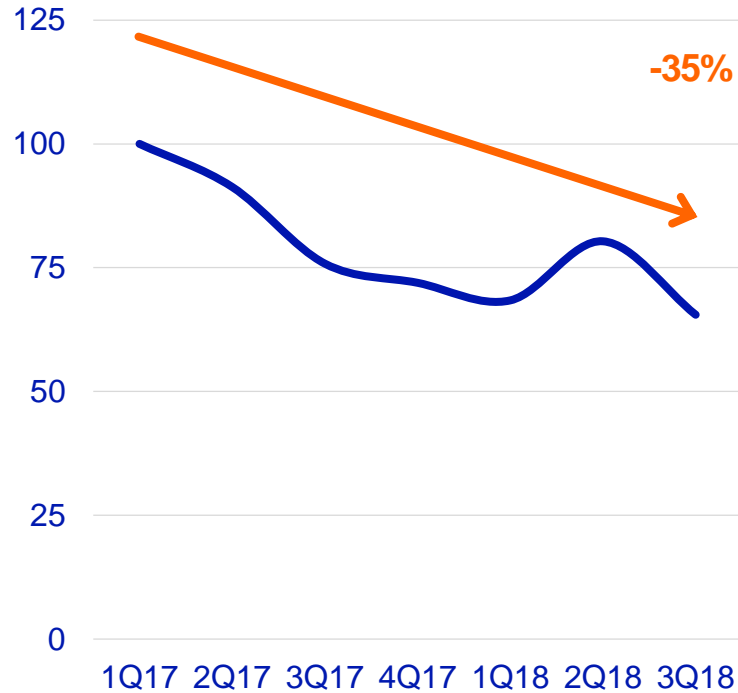
Profit and growth generation

# ...and is contributing to our continuous improvement of productivity and service quality



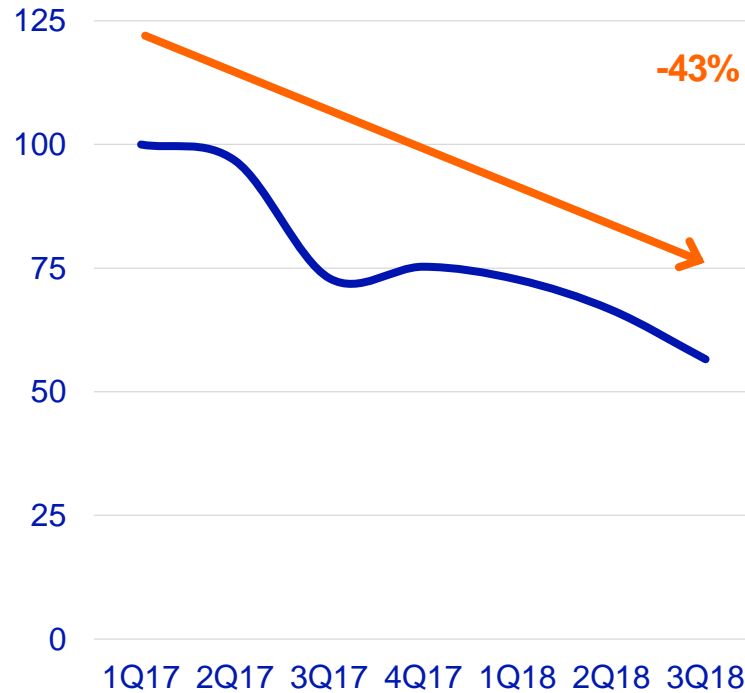
## Fewer customer contacts concerning billing

Index: 1Q17 = 100



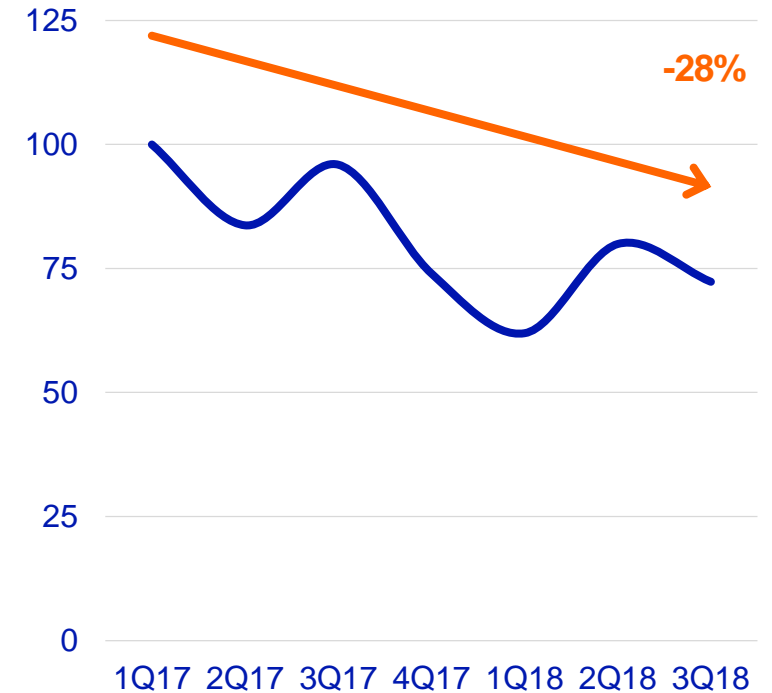
## Fewer incidents per customer workstation

Index: 1Q17 = 100



## Declining delivery project lead time

Index: 1Q17 = 100



Management priorities

# Elisa's unique strategy generates profit and growth

## Elisa's strategy

## Profit and growth generation

Increase mobile and fixed service revenues

- Continue upgrading 4G mobile and build on 5G
- Grow managed and professional services

Grow digital service businesses

- Leverage Elisa's IT momentum
- Scale recurring revenue

Improve efficiency and quality

- Strive continuous improvement in NPS
- Focus on automation and AI



*elisa*

---

CMD 2018

THANK YOU.

## CMD2018 FORWARD-LOOKING STATEMENTS

Statements made in this document relating to the future, including future performance and other trend projections, are forward-looking statements. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that will occur in the future. There can be no assurance that actual results will not differ materially from those expressed or implied by these forward-looking statements, due to many factors, many of which are outside of Elisa's control.