

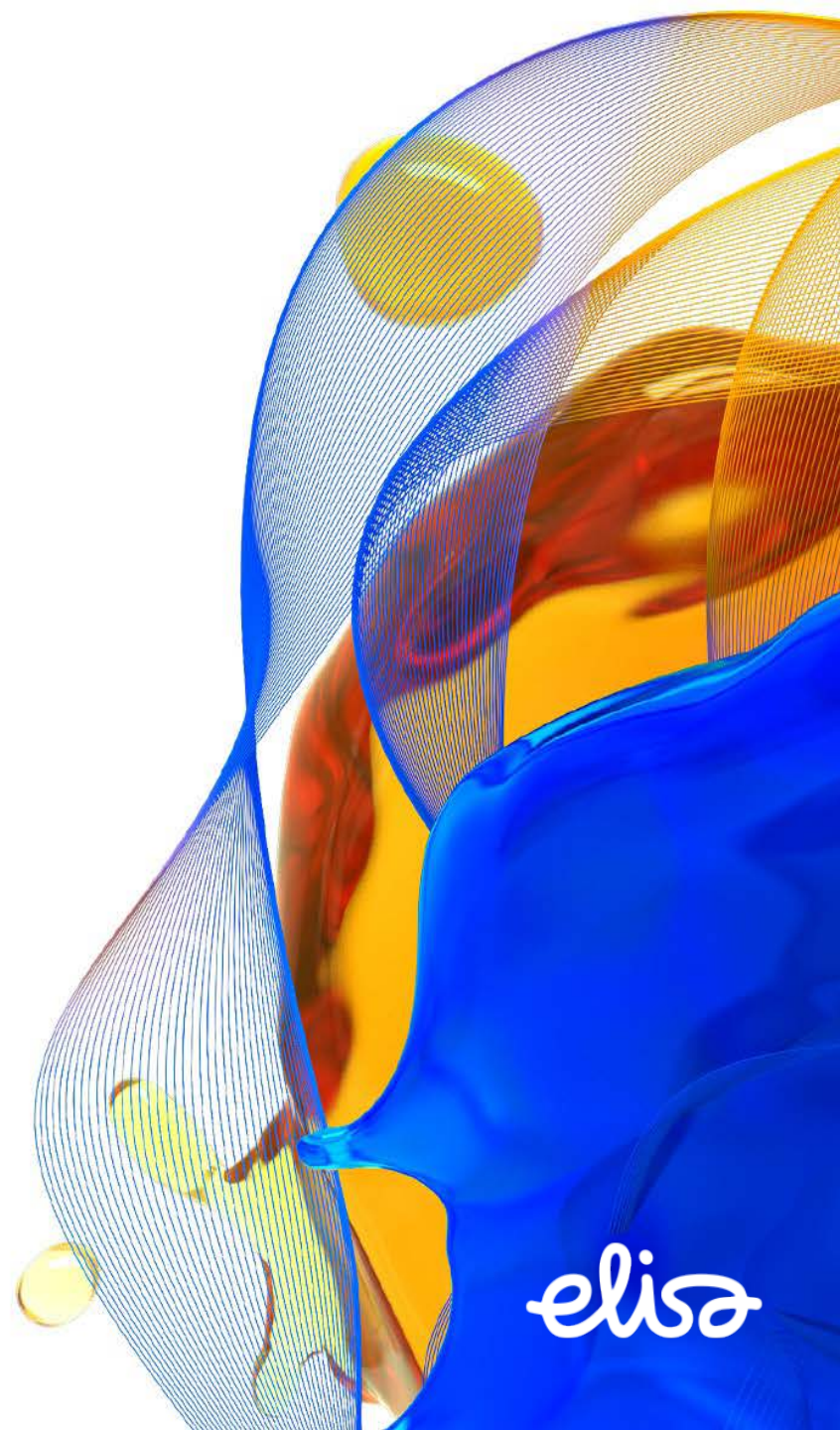


Group overview

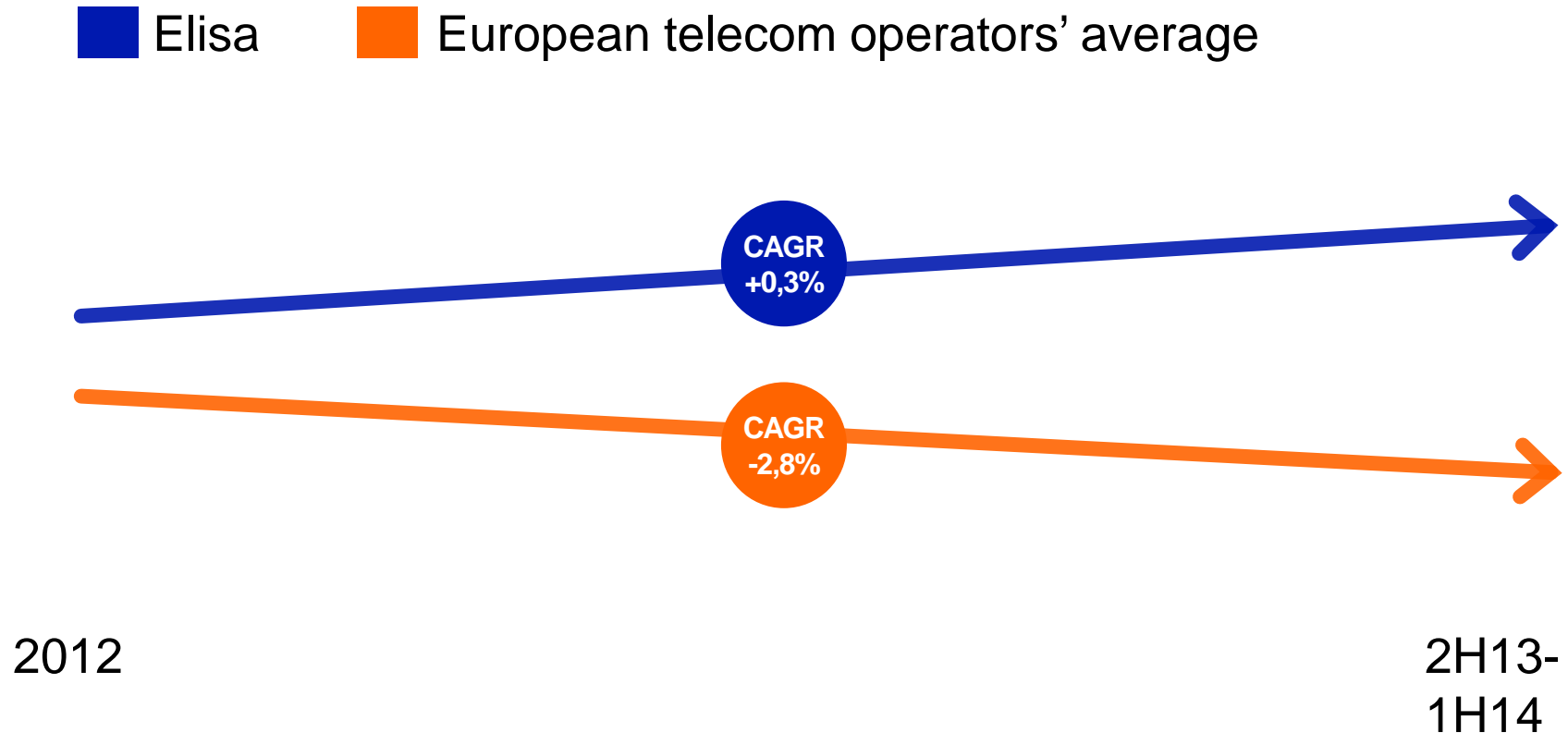
Veli-Matti Mattila
CEO

Content

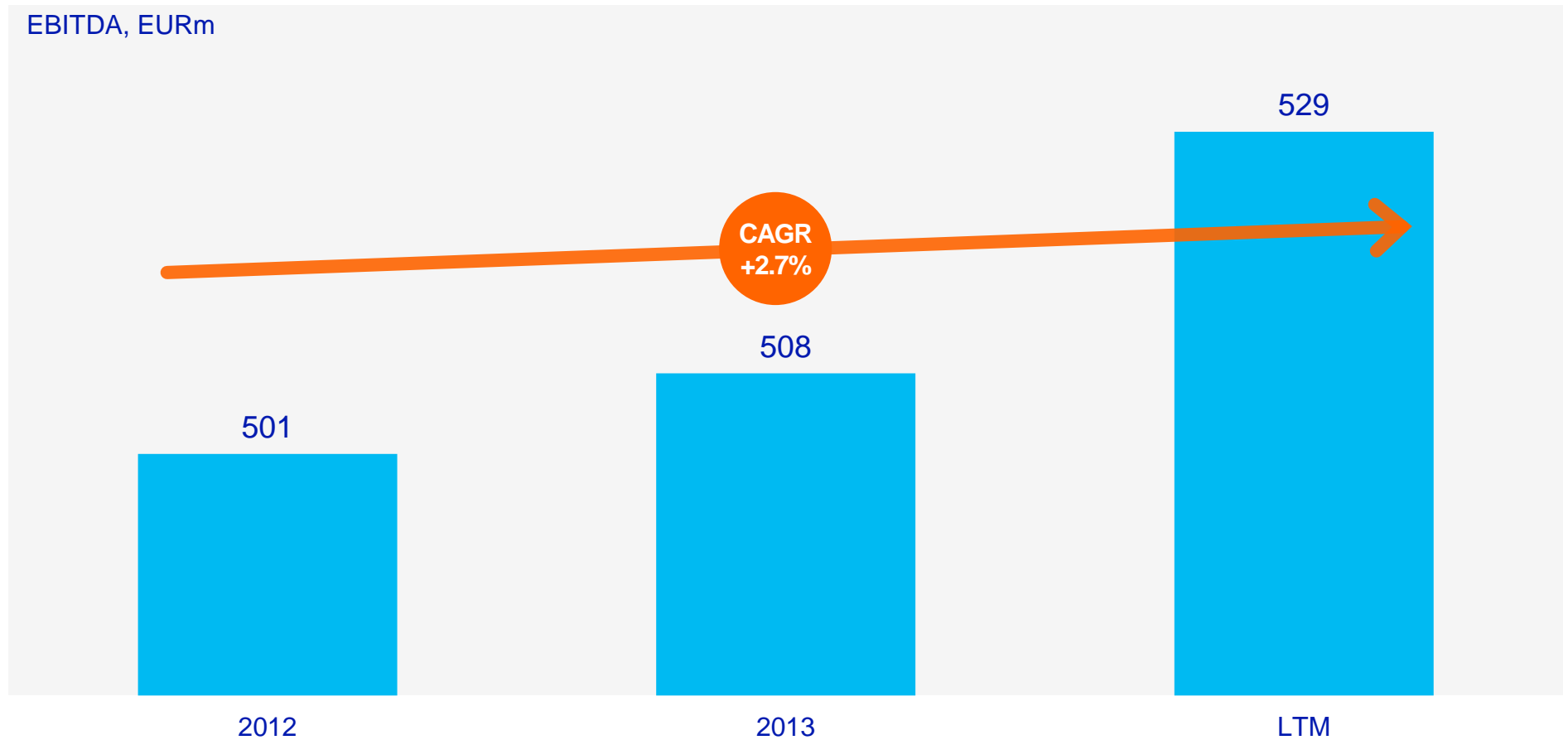
- 1 Performance update
- 2 Market environment
- 3 Strategy execution
- 4 Mid-term targets
- 5 CEO priorities



Revenue has grown above industry average...



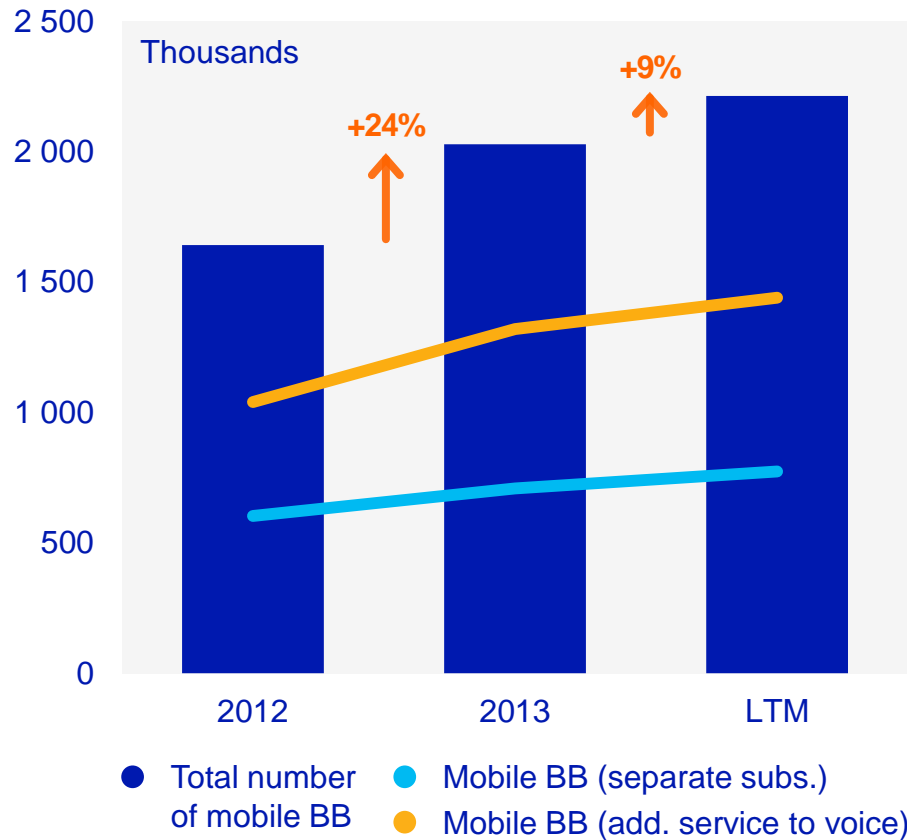
...and EBITDA has improved



EBITDA excluding one-offs
LTM = Latest twelve months, 10/2013-9/2014

Sound performance in telecom services...

Mobile broadband subscriptions

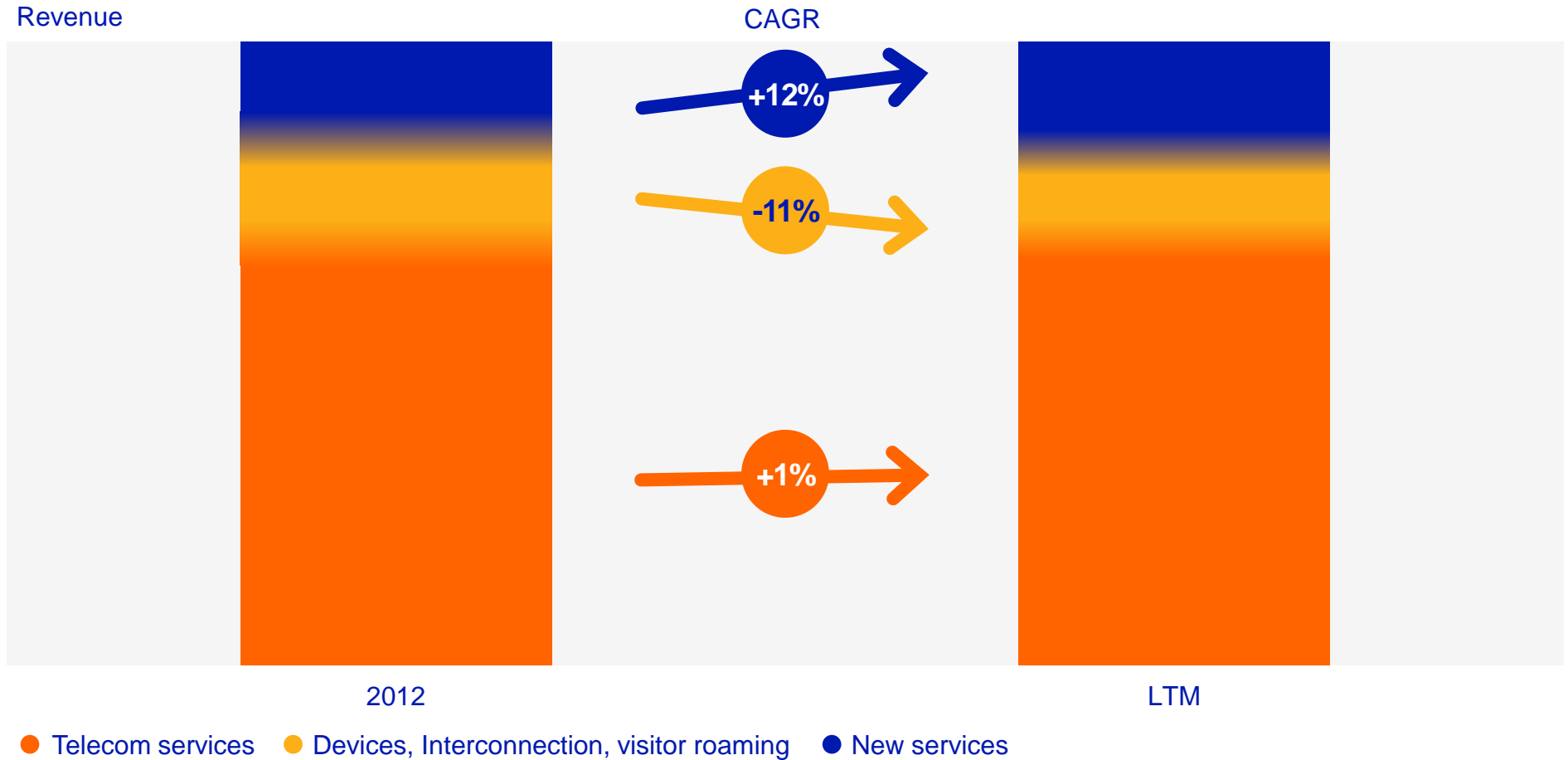


OPEX / subscriptions



OPEX excluding one-offs

...progress with new services well underway...



...and all mid-term targets on track

Parameter

Revenue growth

EBITDA margin

CAPEX-to-sales

Capital structure
Net debt / EBITDA
Equity ratio

Target by end of 2015

Above industry¹⁾ average

Above 35%

≤12%

1.5-2x
>35%



= Below track



= On track



= Achieved

¹⁾ European telecom operators

Favourable market environment...

Megatrends create demand

- Digitalisation incl. mobility, video and cloud
- Internet of everything
- Climate change and resource scarcity
- Ageing population
- Urbanisation

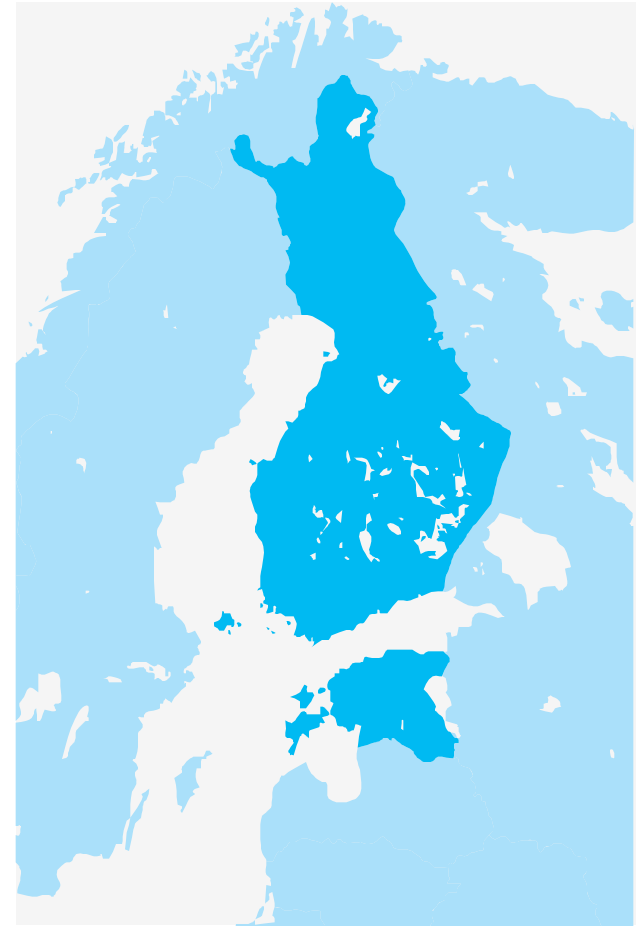
Developed EU economies

Finland

- Number 4 in global competitiveness index¹⁾
- Credit ratings AAA, Aaa, AA+²⁾

Estonia

- Lowest national debt in EU (10% of GDP)³⁾
- Credit ratings A+, A1, AA-²⁾



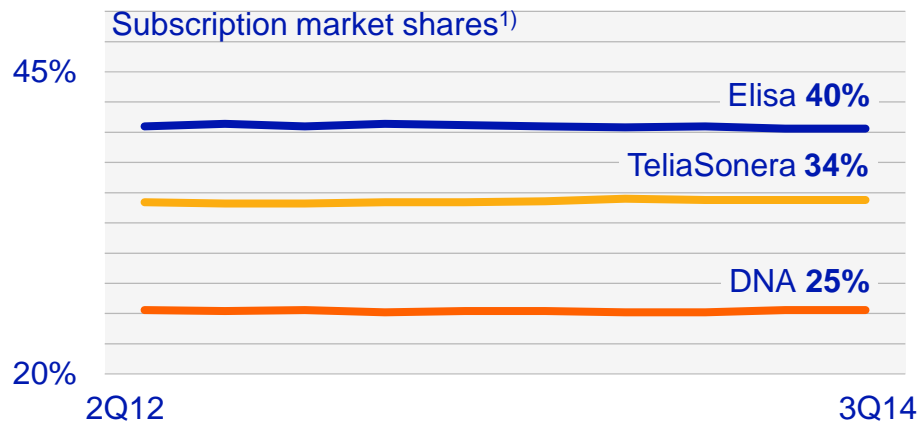
1) WEF Global competitiveness report 2014-2015

2) Fitch Ratings, Moody's and Standard & Poor's, respectively

3) Eurostat

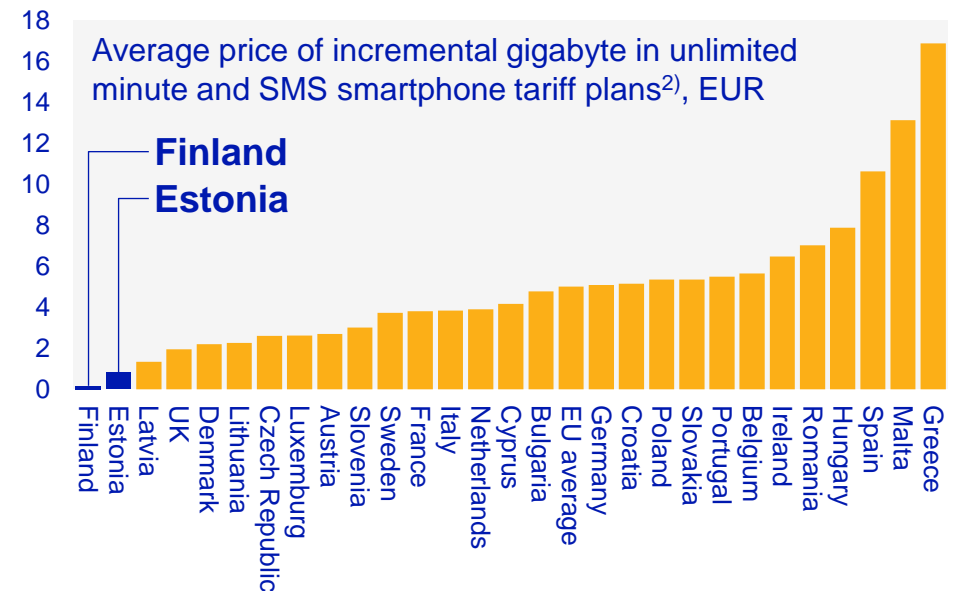
...is a basis for an attractive telecom market...

Market shares stable despite campaigning



- Three player mobile markets in Finland and Estonia
- Domestic consolidation creates value

Price decline risk lowest in EU



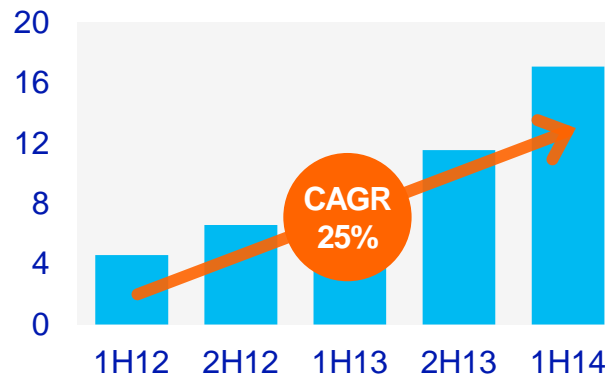
- OTT risk well mitigated

¹⁾ Company reports and Elisa estimates
²⁾ Rewheel Digital Fuel Monitor 1-2/2014
Over the top (OTT)

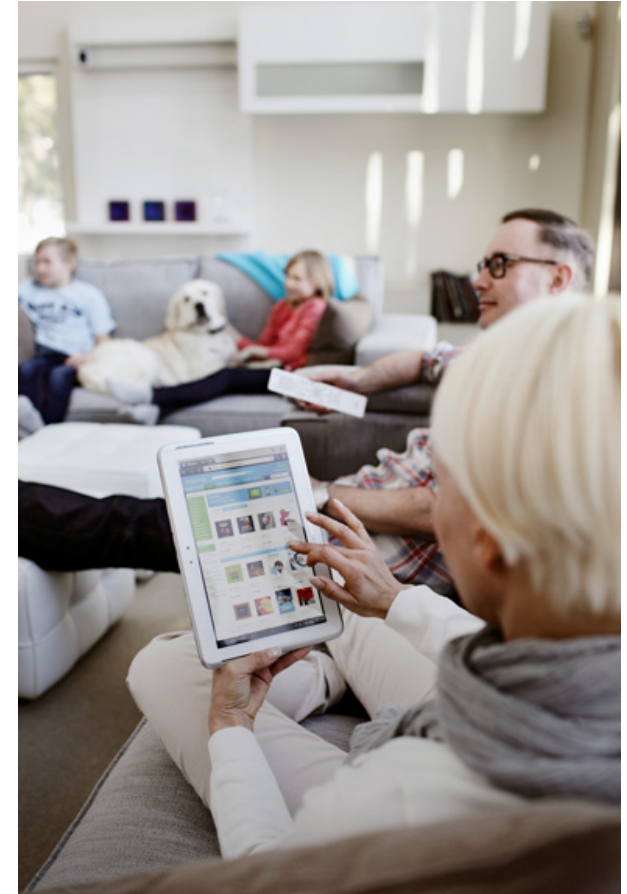
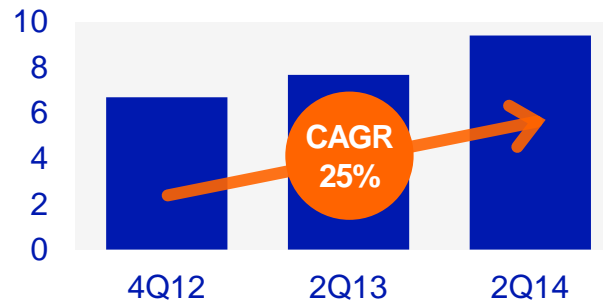
...and provide potential to further increase customer perceived value

- Need for speed growing
- Quality increasingly important
- New services provide additional opportunities, internationally

Average download speed¹⁾
Mbps, mobile data



Corporate customers' video usage
Minutes, million



¹⁾ European Communications Engineering and Elisa

Elisa has a strong position...

#1 in Finland, #2 in Estonia

- Scale

Industry leading in new services businesses

- Share of revenues almost 15%

Determined to improve productivity and quality

- Track record, further potential

Strong financial position

- Solid credit ratings, average interest rate 2%



Unique
telecom operator with
strong commitment to
shareholder remuneration

...and focus on three strategy execution areas



Build value on data

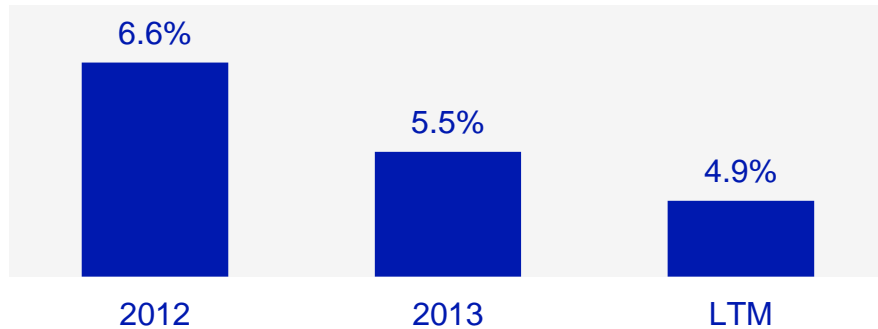
Accelerate new services businesses

Improve performance with customer intimacy
and operational excellence

Significant potential in performance improvement with solid track record

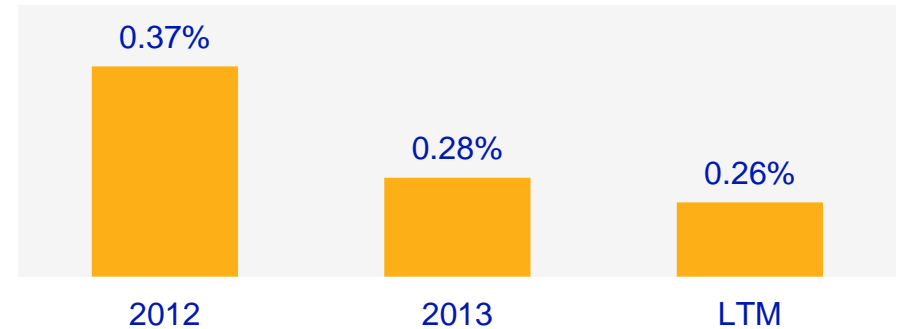
Process development

E.g. Customer contacts / user base



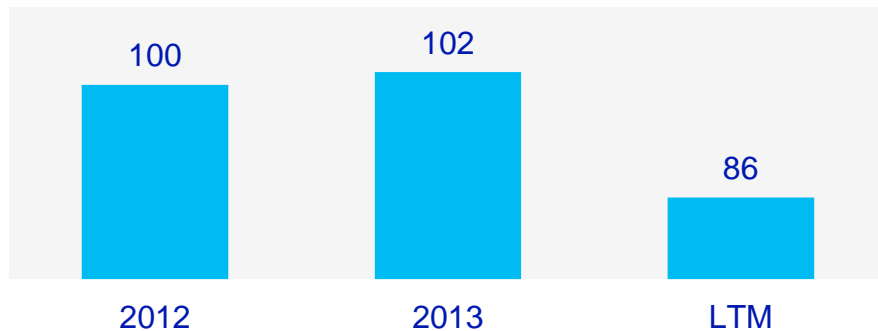
User experience

E.g. Incidents / user base



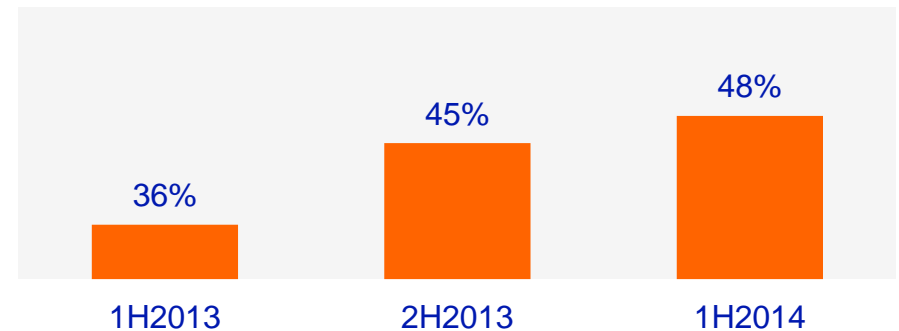
IT performance improvement (incl. outsourcing)

E.g. IT OPEX, Index 2012 = 100



Online development

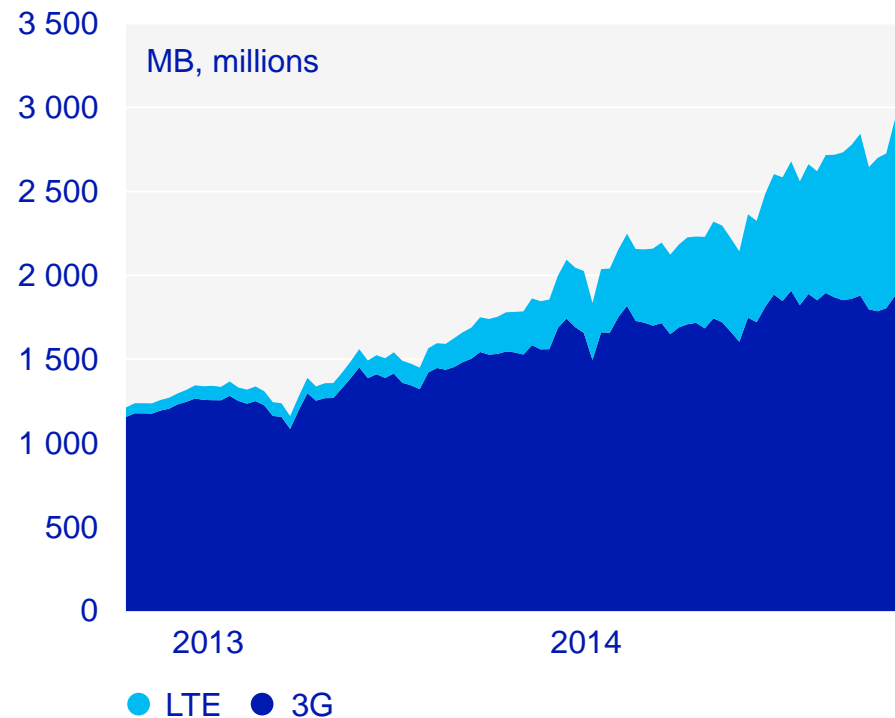
E.g. eCommerce NPS (Elisa Saunalahti)



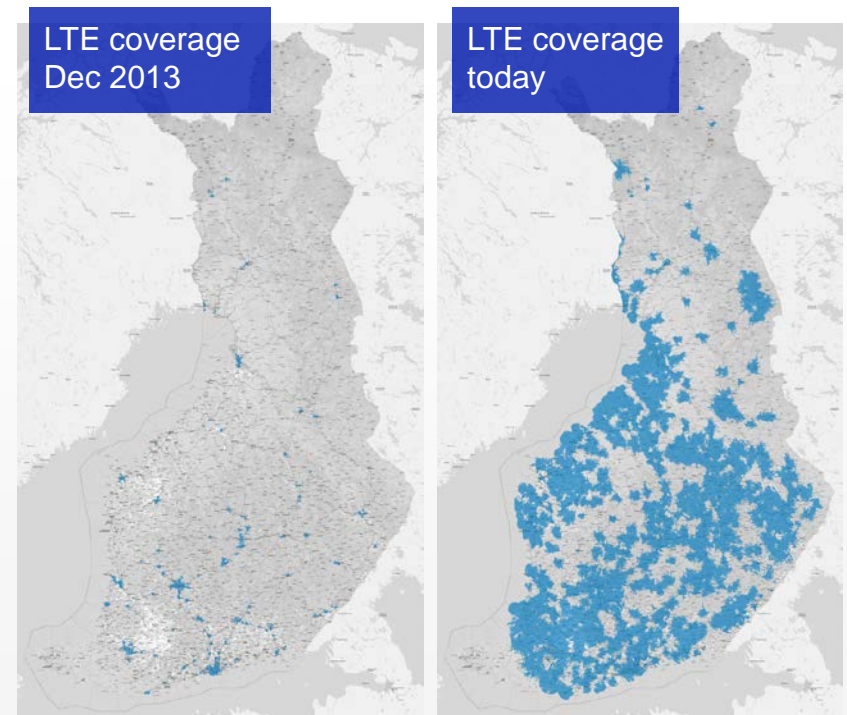
NPS = Net promoter score

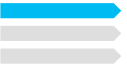
Growing value of mobile data and LTE investments...

Expanding 4G penetration drives traffic growth in LTE with EUR 5-10 / month premium...

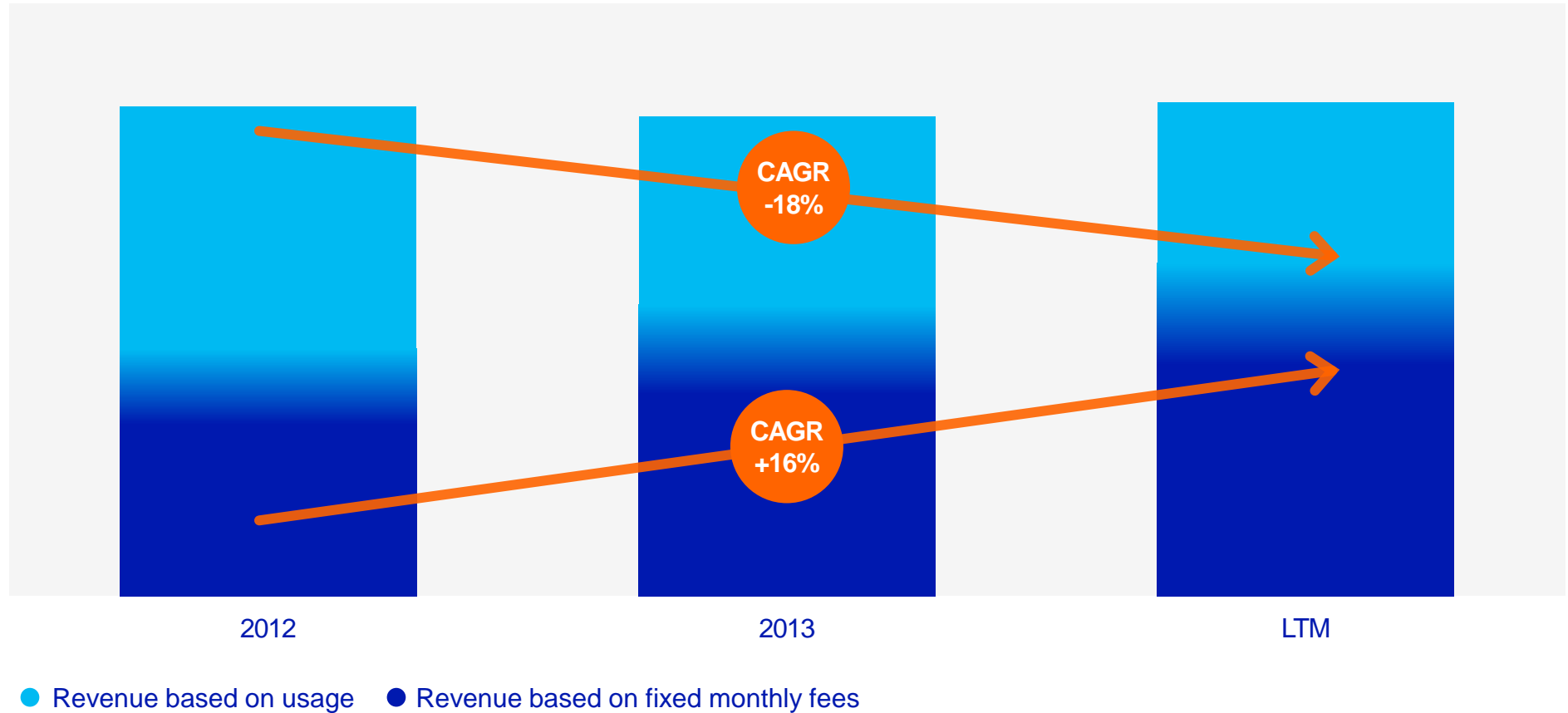


...and to build this momentum Elisa has focused its investments on LTE.





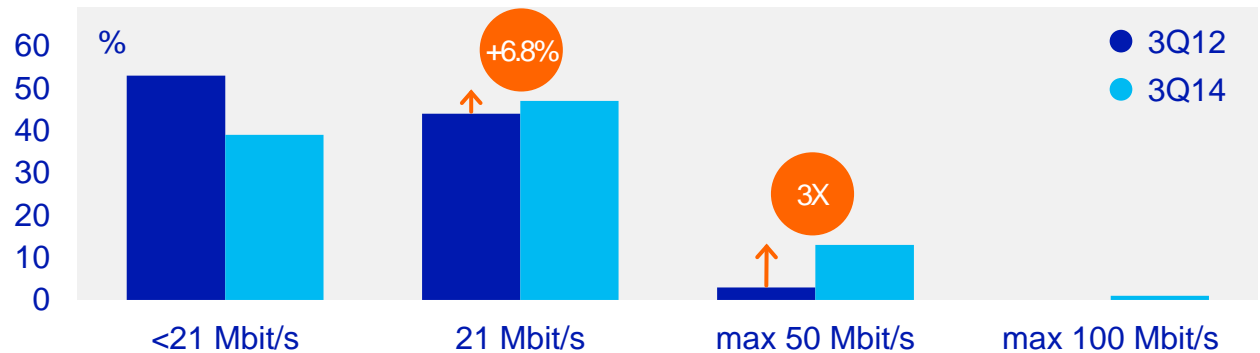
...drive mobile service revenue transformation...



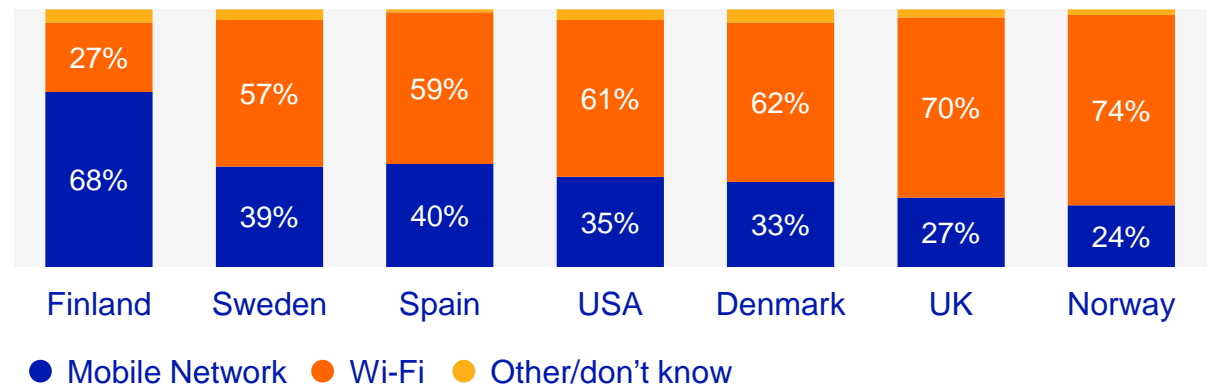
...with upside potential from speed upgrades

- Customers are willing to pay more for higher speeds
- Speed based pricing enhances stickiness of mobile networks
- Network cost control: e.g. category based traffic management

Mobile customers by data speed categories



Connectivity used most often on smartphones¹⁾



¹⁾ Deloitte Global Mobile Consumer Survey 2014

Portfolio of new services...



New services,
international



New services,
domestic



Additional
telecom
services



Examples



Visual communications



EpicTV



Viihde



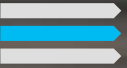
Cloud based IT



Information security



Personal storage



... continues to create value in several dimensions

To customers

Experiences, e.g.

- thrilling experiences from videos
- entertainment on demand

Productivity, e.g.

- flexibility through cloud
- cost savings through reduced travel

To Elisa

- Synergy by utilisation of competencies and assets of core business
- Valuable learnings to improve core business
- Brand value and stickiness
- New revenue streams
- Internationalisation opportunities

Mid-term targets updated

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¹⁾ European telecom operators

CEO priorities



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Improve performance with customer intimacy
and operational excellence

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.



Thank you