

Elisa Communications

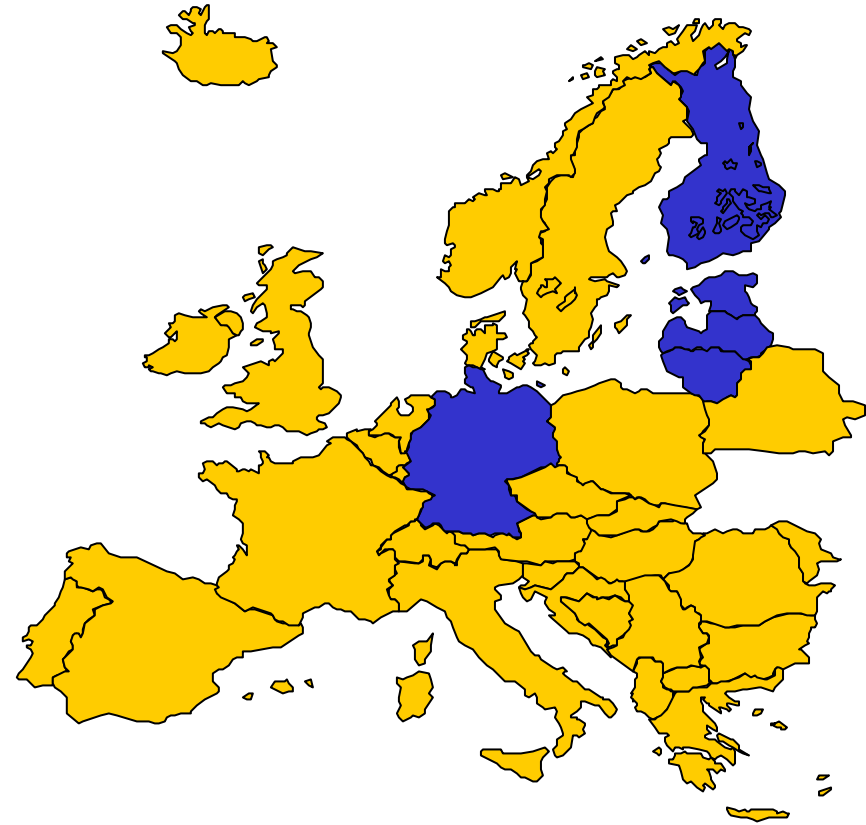
Matti Mattheiszen
CEO and President

Capital Market Day
August 29, 2001

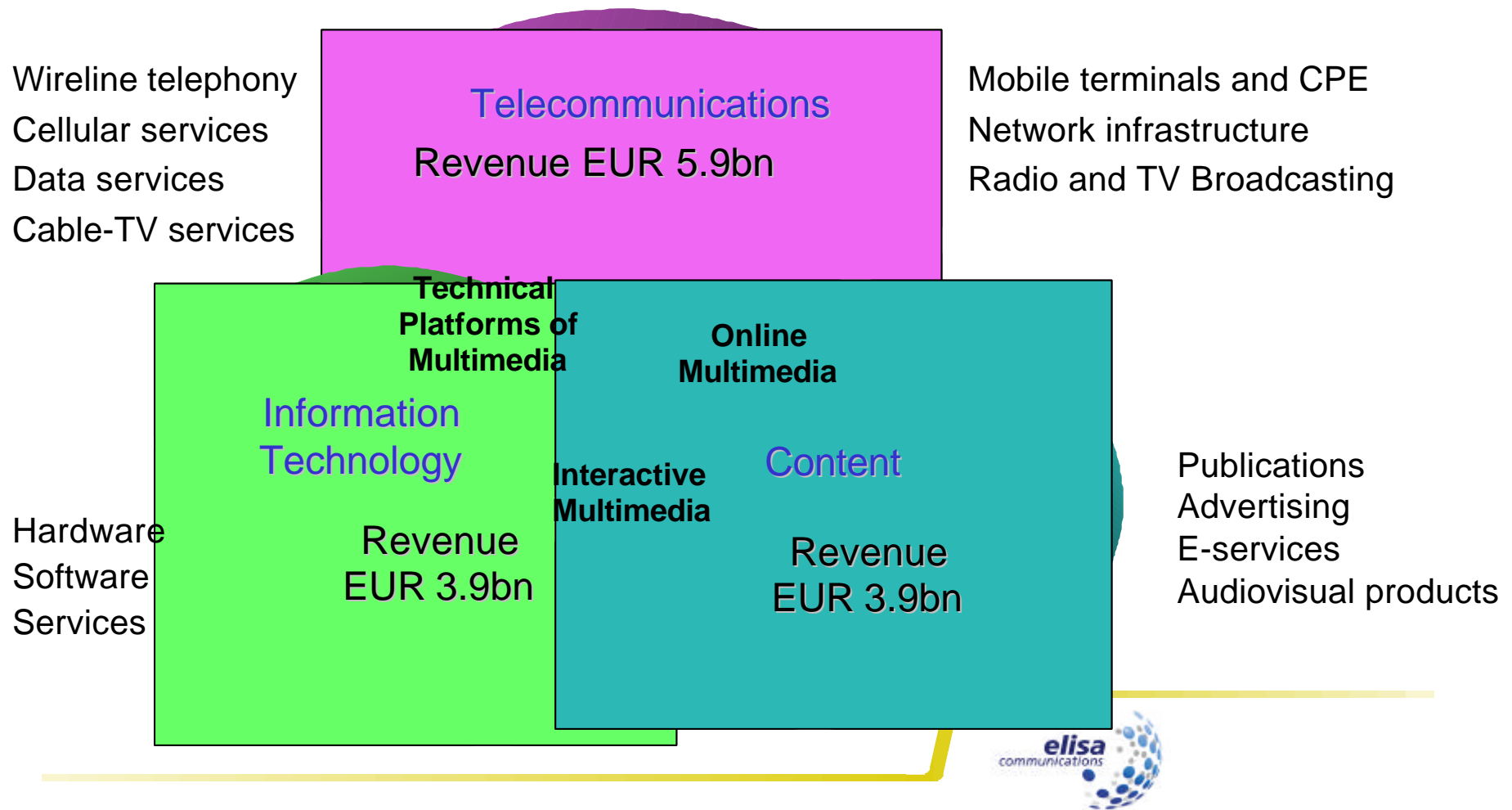


Markets and Goals of Elisa

- Domestic market: Telecommunications market leadership by year 2005
- Baltic countries: Expansion of the domestic market, strong and profitable position in mobile services in Estonia
- Germany: Expansion of core business to focussed markets, significant relative market position in 3 to 5 years
- Globally: Opportunistic niche exploitation (e.g. Comptel)



Information Society in Finland

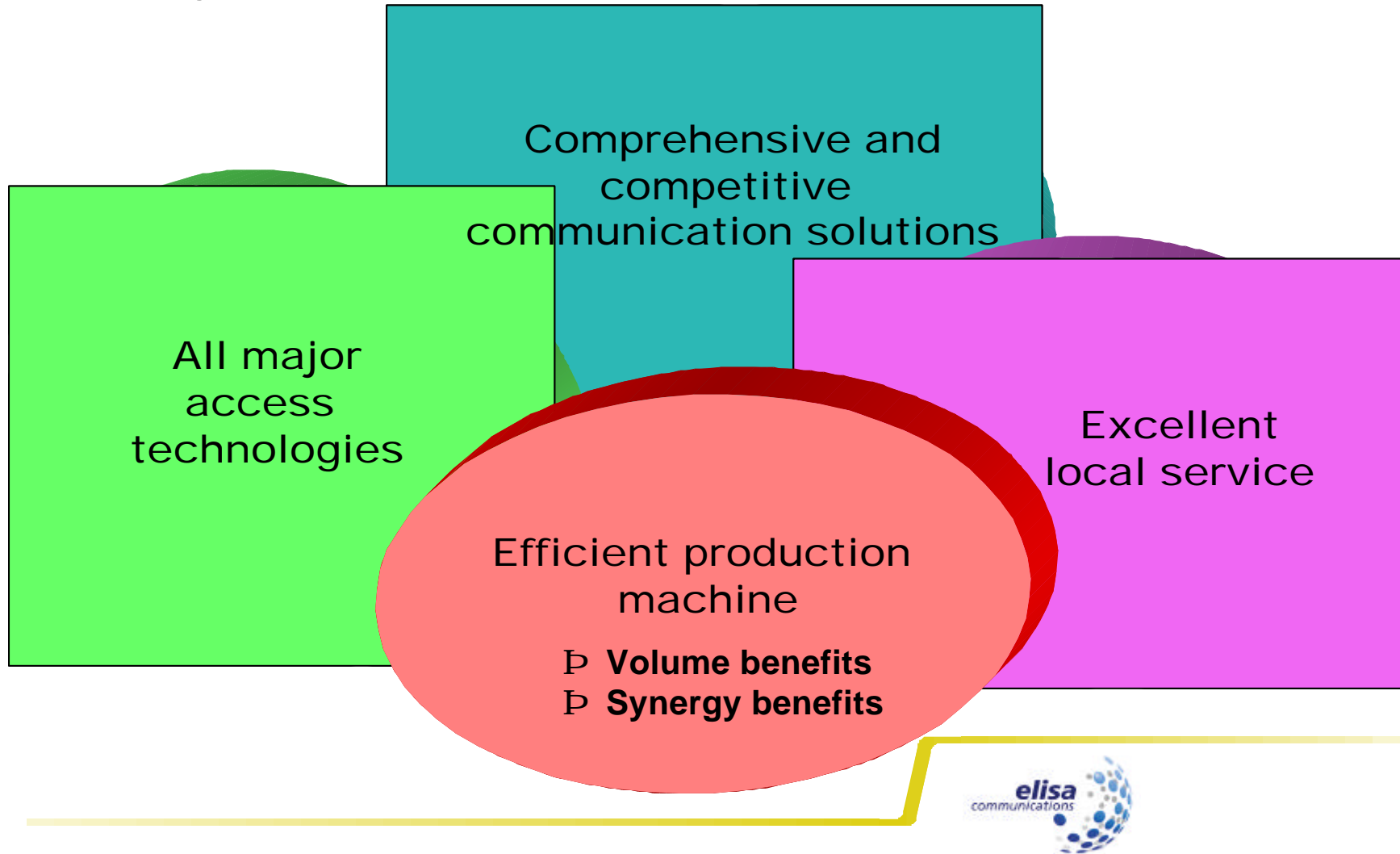


Execution of Elisa's Strategic Agenda

- Domestic consolidation has made remarkable progress
 - Radiolinja is wholly-owned
 - Holding in Soon Communications close to 90% (share exchange)
 - KSP Group and Finnet International have become group companies
 - Holding in Riihimäen Puhelin almost 90% (private placement and share exchange)
 - Lounet has become a group company (private placement)
- ➔ Excellent position for national business operations, sustainable competitive edge and exploiting of synergies has been achieved



Why Domestic Consolidation?



Execution of Elisa's Strategic Agenda (cont'd)

Mobile business strategy of addressing the corporate and heavy-user segments as well as early movers produces results

- ARPU and subscription usage have continued to grow
- Use of content services has increased
- Market share of the network operator is 34% as of June 30, 2001
- GPRS will be commercially launched this autumn
- UMTS network will be implemented in 2002, in accordance with the license terms



Execution of Elisa's Strategic Agenda (cont'd)

Fixed network business is being restructured

- Services have been expanded to major economic regions
- Sales of broadband access products have developed well
- A group-level decision was made to incorporate network and service businesses in spring
 - More efficient and market-aligned business structure
 - More transparency (financial markets, regulators, control)
 - Facilitates exploiting of synergies in the expanded Group
- Results of synergies are expected to show from 2002 onwards



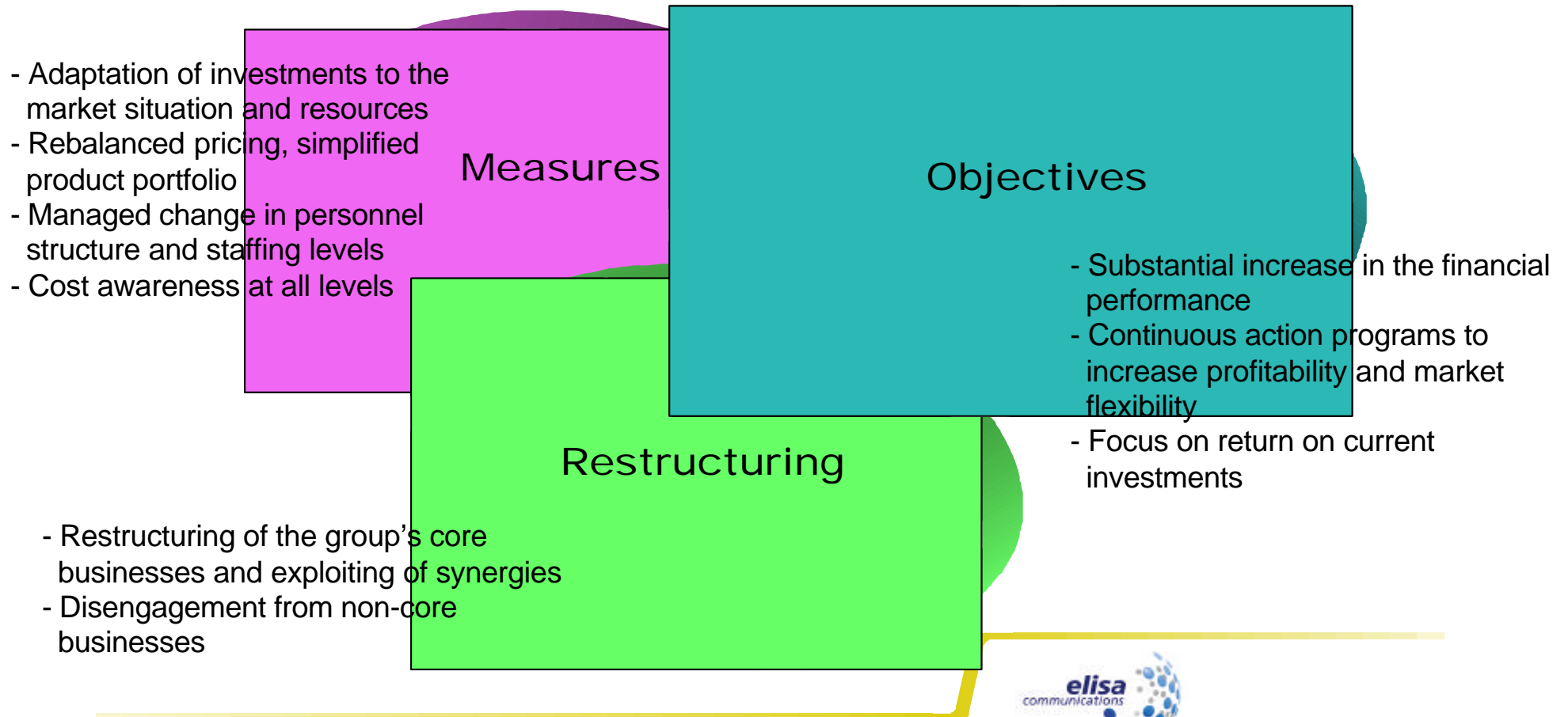
Execution of Elisa's Strategic Agenda (cont'd)

German operations proceed on track

- 1H/2001 revenue was EUR 26 million (full year 2000 EUR 17 million)
- Consolidation level has risen as planned, minority shareholdings have been sold
- The anticipated turn in earnings has taken place - negative EBITDA margin is halved H1/00 to H1/01
- Strategy is adapted to the changes in the German market
- Focus in improving earnings as soon as possible, even with less growth in mid-term turnover



Elisa Consistently Adapts Its Operations into the Changing Market Situation



Position of Elisa's Management to Partnerships, e.g. to "Nordic Consolidation" 1/2

- Elisa has seen no explicit partnership bids so far
- Nordic consolidation discussions are going on and Elisa has a significant role in the Finnish market
- The task of the management is to create sustainable shareholder value rather than a one-time speculation gain
- The executive management of Elisa measures any partnership scenario by (a) enhancement of our end-customer services for more revenues or better scope of service and/or (b) improvement of margins and earnings by cost and CAPEX saving synergies
- To date, the Nordic consolidation scenarios have not convinced Elisa management of such positive contributions to Elisa's operations



Position of Elisa's Management to Partnerships, e.g. to "Nordic Consolidation" 2/2

- Summary:
 - The doors of Elisa's management are open for serious, long-term value-creating partners to discuss joint perspectives
 - Elisa's management have opened and continue to open ourselves doors for such discussions as well
 - So far, shareholder value is best assured by continuing to execute the Strategic Agenda which we have communicated to our investors.

