

First Quarter Results 2014

24 April 2014



ELISA'S INTERIM REPORT JANUARY-MARCH 2014

First quarter 2014

- Revenue was EUR 382 million (361)
- EBITDA was EUR 126 million (109)
- EBIT was EUR 72 million (59)
- Profit before tax amounted to EUR 64 million (53)
- Earnings per share was EUR 0.32 (0.26)
- Cash flow after investments was EUR 39 million (37)
- Mobile ARPU was EUR 15.8 (16.0 in previous quarter)
- Mobile churn was 17.2 per cent (17.6 in previous quarter)
- The number of Elisa's mobile subscriptions increased by 21,400 during the quarter
- The number of fixed broadband subscriptions decreased by 1,800 on the previous quarter
- Net debt / EBITDA was 1.8 (2.0 end 2013) and gearing 102 per cent (113 end 2013)

Key indicators

EUR million	1st Quarter		Full year
	2014	2013 ¹⁾	2013 ¹⁾
Revenue	382	361	1,547
EBITDA	126	109	491
EBIT	72	59	281
Profit before tax	64	53	255
Earnings per share, EUR	0.32	0.26	1.25
Capital expenditure	48	47	240

¹⁾ Excluding non-recurring items: Q1 2013 EBITDA EUR 111m, EBIT EUR 61m, profit before tax EUR 55m and EPS EUR 0.26. Full year 2013 EBITDA EUR 508m, EBIT EUR 298m, Profit before tax EUR 272m and EPS EUR 1.33.

Financial position and cash flow

EUR million	31.3.2014	31.3.2013	End 2013
Net debt	933	807	971
Net debt / EBITDA ¹⁾	1.8	1.7	2.0
Gearing ratio, %	101.9	118.4	112.6
Equity ratio, %	41.1	33.3	37.3

EUR million	1st Quarter		Full year
	2014	2013	2013
Cash flow after investments	39	37	84

¹⁾ (interest-bearing debt - financial assets) / (four previous quarters' EBITDA excluding non-recurring items)

Additional information regarding the Key Performance Indicators is available at www.elisa.com/investors Elisa Operational Data.xls.

CEO Veli-Matti Mattila:

“Elisa’s revenue and earnings grew from last year

The uncertainty in the general economic situation continued to be reflected in the behaviour of companies and consumers. In the challenging operating environment in this quarter, Elisa's performance has been strong. Elisa's earnings and revenue increased during the quarter compared to last year. Demand for new services and the growth of smartphone markets continued to be strong. Smartphones made up 86 per cent of overall sales.

Our mobile subscription base grew by over 21,000 during the first quarter of the year. About one third of new sales are 4G mobile broadband subscriptions, and the number is growing steadily. The number of fixed-network broadband subscriptions decreased by about 1,800. The use of mobile data services grew alongside that of smartphones due to demand for USB modems and routers among both consumers and business clients.

Elisa introduced Pilvilinna, a cloud service aimed at consumers for storing photographs, videos and other files. The service stores the files in Finland and it supports all common operating systems. Contactless payment is increasing among consumers as new payment locations are taken into use. Some major retail chains already accept contactless payment, and there are currently around 3,000 contactless payment locations. The Elisa Wallet service allows hassle-free payment at these locations.

Elisa has cooperated with public administration in projects to improve the productivity of the sector. Together with the City of Turku, we discovered potential savings of tens of millions of euros by reforming service provision models and operating methods. The key findings were related to remote transactions, customer service and efficiency in the use of facilities. A concrete measure implemented in cooperation with the Social Insurance Institution of Finland was a remote use pilot project where customers were provided with interpreters through a video link directly in their homes.

At the beginning of the year, we became the first operator in Finland to open 4G LTE 800 MHz frequencies to customers. The introduction of these new frequencies means increasingly comprehensive coverage for fast 4G mobile data services as well as improved inside coverage. Today, 4G coverage is available to 89 per cent of people living in Finland. With this development our service clearly exceeds the best international universal service obligation level.

We will continue our determined work to improve customer satisfaction and the productivity of our operations. Improving our productivity, developing new services for our customers and maintaining our strong investment ability create a solid foundation for competitive operations in the future.”

INTERIM REPORT JANUARY-MARCH 2014

The Interim report has been prepared in accordance with the IFRS recognition and measurement principles, although not all requirements of the IAS 34 standard have been followed. The information presented in this interim report is unaudited.

Market situation

The competitive environment was intense in the first quarter of the year. However, it was slightly easier than during the exceptionally hard first quarter 2013. The mobile subscription base and the use of data services continued to evolve favourably. The mobile smartphone market is growing rapidly. Approximately 86 per cent of the mobile handsets sold are smartphones. This further increases the use of mobile data services. Another factor contributing to the mobile market growth has been the increased coverage of new 4G speeds. The number and usage of traditional fixed network subscriptions is decreasing.

The markets for new visual communications (e.g. videoconferencing), IT outsourcing and IPTV entertainment services have continued to develop favourably. The demand for other new consumer online services is also growing.

Revenue, earnings and financial position

Revenue and earnings

EUR million	1st Quarter		Full year
	2014	2013 ¹⁾	2013 ¹⁾
Revenue	382	361	1,547
EBITDA	126	109	491
EBITDA-%	33.0	30.1	31.7
EBIT	72	59	281
EBIT-%	18.8	16.4	18.1
Return on equity, % ²⁾	26.0	25.5	22.9

¹⁾ Excluding non-recurring items: Q1 2013 EBITDA EUR 111m, EBITDA-% 30.6, EBIT EUR 61m and EBIT-% 16.9. Full year 2013 EBITDA EUR 508m, EBITDA-% 32.8, EBIT EUR 298m and EBIT-% 19.3.

²⁾ Rolling 12-months profit preceding the reporting date

Revenue increased by 6 per cent on the previous year. The PPO acquisition, Corporate Customers' ICT services, such as IT outsourcing and video conferencing, and Consumer Customers' online services like the Elisa Viihde IPTV service, as well as mobile services affected revenue positively.

EBITDA increased by 16 per cent on the previous year mainly due to PPO acquisition and productivity improvements.

Financial income and expenses increased to EUR -8 million (-6) mainly due to higher net debt. Financial expenses include a EUR 1 million write down of BCC Finland Oy divestment. Income taxes in the income statement amounted to EUR -13 million (-13). Elisa's earnings after taxes were EUR 51 million (40). The Group's earnings per share amounted to EUR 0.32 (0.26).

Financial position

EUR million	31.3.2014	31.3.2013	End 2013
Net debt	933	807	971
Net debt / EBITDA ¹⁾	1.8	1.7	2.0
Gearing ratio, %	101.9	118.4	112.6
Equity ratio, %	41.1	33.3	37.3

EUR million	1st Quarter 2014	2013	Full year 2013
Cash flow after investments	39	37	84

¹⁾ (interest-bearing debt - financial assets) / (four previous quarters' EBITDA exclusive of non-recurring items)

The financial position and liquidity are good. Cash and undrawn committed credit lines totalled EUR 359 million at the end of the quarter. At the end of the first quarter, net debt was EUR 933 million.

Cash flow after investment was EUR 39 million (37). Cash flow was positively affected by higher EBITDA, lower investments in shares and lower paid taxes. Cash flow was negatively affected by a negative change in net working capital (lower payables) and higher capital expenditure.

Changes in corporate structure

There were no material changes in the corporate structure during the first quarter.

Consumer Customers business

EUR million	1st Quarter 2014	2013 ¹⁾	Full year 2013 ¹⁾
Revenue	233	220	949
EBITDA	76	63	295
EBITDA-%	32.7	28.6	31.1
EBIT	46	34	178
CAPEX	25	27	132

¹⁾ Excluding non-recurring items: Q1 2013 EBITDA EUR 64m, EBITDA-% 28.9 and EBIT EUR 35m. Full year 2013 EBITDA EUR 304m, EBITDA-% 32.1 and EBIT EUR 187m.

Revenue increased by 6 per cent mainly due to the PPO acquisition, mobile and online services. The decrease in fixed network usage and equipment sales affected revenue negatively.

EBITDA increased by 21 per cent mainly due to the PPO acquisition and productivity improvements.

Corporate Customers business

EUR million	1st Quarter		Full year 2013 ¹⁾
	2014	2013 ¹⁾	
Revenue	149	142	598
EBITDA	50	46	195
EBITDA-%	33.4	32.4	32.7
EBIT	27	25	103
CAPEX	23	20	108

¹⁾ Excluding non-recurring items: Q1 2013 EBITDA EUR 47m, EBITDA-% 33.3 and EBIT EUR 26m. Full year 2013 EBITDA EUR 204m, EBITDA-% 34.1 and EBIT EUR 111m.

Revenue increased by 5 per cent. The PPO acquisition and growth in ICT services affected revenue positively. The decline in usage and subscriptions in traditional fixed telecom services and lower unit prices and usage in roaming decreased revenue.

EBITDA increased by 9 per cent mainly due to the PPO acquisition and productivity improvements.

Personnel

In January-March, the average number of personnel at Elisa was 4,181 (4,080). Employee expenses totalled EUR 65 million (64). Personnel by segment at the end of the period:

	31.3.2014	31.3.2013	End 2013
Consumer Customers	2,365	2,514	2,424
Corporate Customers	1,759	1,651	1,793
Total	4,124	4,165	4,217

The decrease in the number of personnel was attributable mainly to outsourcings and personnel reductions. The PPO acquisition in 2013 and growth in the corporate ICT service increased the number of personnel.

Investments

EUR million	1st Quarter		Full year 2013
	2014	2013	
Capital expenditures, of which	48	47	240 ¹⁾
- Consumer Customers	25	27	132
- Corporate Customers	23	20	108
Shares	0	6	150
Total	48	53	390

¹⁾ Full year 2013 capital expenditure includes 4G license fees of EUR 38m

The main capital expenditures relate to the capacity and coverage increase of the 3G and 4G/LTE networks, as well as to other network and IT investments.

Financing arrangements and ratings

Valid financing arrangements

EUR million	Maximum amount	In use on 31.3.2014
Committed credit limits	300	0
Commercial paper programme ¹⁾	250	152
EMTN programme ²⁾	1,000	600

¹⁾ The programme is not committed.

²⁾ Euro Medium Term Note programme, not committed.

Long-term credit ratings

Credit rating agency	Rating	Outlook
Moody's Investor Services	Baa2	Stable
Standard & Poor's	BBB	Positive

Standard & Poor's affirmed Elisa's 'BBB' rating and revised the outlook to Positive on 17 March 2014.

Share

Trading volumes and closing prices are based on trades made on the NASDAQ OMX Helsinki.

Trading of shares	1st Quarter		Full year
	2014	2013	2013
Shares traded, millions	32.6	40.1	128.1
Volume, EUR million	649.7	626.2	2,068.4
% of shares	19.5	24.1	76.6

Shares and market value	31.3.2014	31.3.2013	31.12.2013
Total number of shares	167,335,073	167,174,182	167,335,073
Treasury shares	7,986,043	10,288,562	7,986,043
Outstanding shares	159,349,030	156,885,620	159,349,030
Closing price, EUR	20.89	14.49	19.26
Market capitalisation, EUR million	3,329	2,273	3,069
Treasury shares, %	4.77	6.15	4.77

Elisa shares are also traded in alternative marketplaces. According to the Fidessa Fragmentation index, the trading volumes in these markets during the first quarter were approximately 92 (89) per cent of the NASDAQ OMX Helsinki. The total trading volume in all marketplaces represents approximately 37 (45) per cent of outstanding shares.

Number of shares	Total number of shares	Treasury shares	Outstanding shares
Shares at 31.12.2013	167,335,073	7,986,043	159,349,030
Shares at 31.3.2014	167,335,073	7,986,043	159,349,030

Significant legal and regulatory issues

At the request of the Consumer Ombudsman, the Market Court prohibited Elisa from charging a separate fee of EUR 1.90 or more for mobile subscription paper invoices. The decision includes a conditional fine. The Market Court did not impose a prohibition on charging a separate fee for paper invoices in general. Elisa has applied to the Supreme Court for leave to appeal against the decision.

Regarding publishing of subscribers' contact information, Visual Data Oy has claimed damages from Elisa and several other telecommunication companies under Competition Act. The claim is joint and several liabilities and totaled EUR 3.5 million including interest and legal costs. The process started in 2004 and is now continuing in a district court.

Substantial risks and uncertainties associated with Elisa's operations

Risk management is part of Elisa's internal control system. It aims to ensure that risks affecting the company's business are identified, influenced and monitored. The company classifies risks into strategic, operational, hazard and financial risks.

Strategic and operational risks:

The telecommunications industry is under intense competition in Elisa's main market areas, which may have an impact on Elisa's business. The telecommunications industry is subject to heavy regulation. Elisa and its businesses are monitored and regulated by several public authorities. This regulation also affects the price level of some products and services offered by Elisa. Regulation may also require investments which have long pay-back times.

The rapid developments in telecommunications technology may have a significant impact on Elisa's business.

Elisa's main market is Finland, where the number of mobile phones per inhabitant is among the highest in the world, and growth in subscriptions is thus limited. Furthermore, the volume of phone traffic on Elisa's fixed network has decreased during the last few years. These factors may limit opportunities for growth.

Hazard risks:

The company's core operations are covered by insurance against damage and interruptions caused by accidents and disasters. Accident risks also include litigation and claims.

Financial risks:

In order to manage the interest rate risk, the Group's loans and investments are diversified in fixed- and variable-rate instruments. Interest rate swaps can be used to manage the interest rate risk.

As most of Elisa's operations and cash flow are denominated in euros, the exchange rate risk is minor.

The objective of liquidity risk management is to ensure the Group's financing in all circumstances. Elisa has cash reserves, committed credit facilities and a sustainable cash flow to cover its foreseeable financing needs.

Liquid assets are invested within confirmed limits in financially solid banks, domestic companies and institutions. Credit risk concentrations in accounts receivable are minor as the customer base is wide.

A detailed description of the financial risk management can be found in Note 34 of the Annual Report 2013.

Events after the financial period

On 15 April 2014, Elisa paid a dividend of EUR 1.30 per share, total of EUR 207 million, according to the decision of the AGM.

On 8 April 2014, Elisa divested BCC Finland Oy to Atea Finland Oy. BCC is an IT hardware, software and service solutions provider, which was part of the PPO group.

Elisa's Annual General Meeting 2014

On 2 April 2014, Elisa's Annual General Meeting decided to pay a dividend of EUR 1.30 per share based on the adopted financial statements 2013. The dividend was paid on 15 April 2014.

The Annual General Meeting adopted the financial statements for 2013. The members of the Board of Directors and the CEO were discharged from liability for 2013.

The number of the members of the Board of Directors was confirmed at seven (7). Raimo Lind, Leena Niemistö, Eira Palin-Lehtinen, Jaakko Uotila and Mika Vehviläinen were re-elected as members of the Board of Directors and Petteri Koponen and Seija Turunen as new members of the Board of Directors.

KPMG Oy Ab, authorised public accountants, was appointed the company's auditor. APA Esa Kailiala is the responsible auditor.

The Board of Directors' authorisations

The Annual General Meeting decided to authorize the Board of Directors to resolve to repurchase or accept as pledge the company's own shares. The repurchase may be directed. The amount of shares under this authorization is 5 million shares at maximum. The authorization is effective until 30 June 2015.

The Annual General Meeting decided to authorize the Board of Directors to pass a resolution concerning the share issue, the right of assignment of treasury shares and/or the granting of special rights entitling to shares. A maximum aggregate of 15 million of the company's shares can be issued under the authorization. The authorization is effective until 30 June 2016.

Outlook and guidance for 2014

The macroeconomic environment in Finland is still expected to be weak in 2014. Competition in the Finnish telecommunications market also remains challenging.

Full year revenue is estimated to be at the same level or slightly higher than in 2013. Mobile data, ICT and new online services as well as completed acquisitions are expected to increase revenue. Full-year EBITDA, excluding non-recurring items, is anticipated to be at the same level as in 2013 or slightly higher. Full-year capital expenditure is expected to be a maximum of 12 per cent of revenue. Elisa's financial position and liquidity are good.

Elisa is continuing its cost efficiency measures, for example by streamlining product portfolio and IT systems and operations. Additionally, Elisa is continuing to increase customer service and sales efficiency, as well as to reduce general administration costs.

Elisa's transformation into a provider of exciting, new and relevant services for its customers is continuing. Long-term growth and profitability improvement will derive from mobile data market growth, as well as new online and ICT services.

BOARD OF DIRECTORS

Consolidated Income Statement

EUR million	Note	1-3 2014	1-3 2013	1-12 2013
Revenue	1	382,3	361,3	1 547,4
Other operating income		1,0	0,4	4,0
Materials and services		-150,0	-145,6	-619,9
Employee expenses		-65,2	-64,4	-270,0
Other operating expenses		-41,9	-42,8	-170,8
EBITDA	1	126,2	108,8	490,7
Depreciation and amortisation		-54,1	-49,7	-210,1
EBIT	1	72,0	59,1	280,6
Financial income		1,9	2,6	10,3
Financial expense		-10,2	-8,5	-36,2
Share of associated companies' profit		0,0	0,0	0,0
Profit before tax		63,7	53,3	254,6
Income taxes		-12,6	-13,2	-58,2
Profit for the period		51,1	40,0	196,3
Attributable to:				
Equity holders of the parent		51,6	40,1	196,6
Non-controlling interests		-0,5	0,0	-0,2
		51,1	40,0	196,3
Earnings per share (EUR)				
Basic		0,32	0,26	1,25
Diluted		0,32	0,26	1,25
Average number of outstanding shares (1,000 shares)				
Basic		159 349	156 880	157 269
Diluted		159 349	157 005	157 269

Consolidated Statement of Comprehensive Income

Profit for the period		51,1	40,0	196,3
Other comprehensive income, net of tax				
Items which may be reclassified subsequently to profit or loss:				
Financial assets available-for-sale		0,7		1,1
Cash flow hedge		-0,1		
Translation differences		0,2	0,1	-0,2
		0,9	0,1	0,9
Items which are not reclassified subsequently to profit or loss:				
Remeasurements of the net defined benefit liability				-6,3
Total comprehensive income		52,0	40,1	190,9
Total comprehensive income attributable to:				
Equity holders of the parent		52,5	40,1	191,2
Non-controlling interests		-0,5	0,0	-0,2
		52,0	40,1	190,9

Consolidated Statement of Financial Position

EUR million	31.3. 2014	31.12. 2013
Non-current assets		
Property, plant and equipment	708,1	713,6
Goodwill	831,7	832,4
Other intangible assets	141,2	143,3
Investments in associated companies	2,4	2,4
Financial assets available-for-sale	23,3	22,5
Deferred tax assets	13,6	13,5
Other receivables	70,3	70,5
	1 790,5	1 798,3
Current assets		
Inventories	55,7	55,5
Trade and other receivables	325,1	327,3
Tax receivables	5,5	5,4
Cash and cash equivalents	58,9	137,8
	445,2	526,0
Total assets	2 235,7	2 324,3
Equity attributable to equity holders of the parent	913,7	860,3
Non-controlling interests	1,5	1,9
Total shareholders' equity	915,1	862,2
Non-current liabilities		
Deferred tax liabilities	19,6	21,0
Pension obligations	13,5	13,8
Provisions	2,6	2,4
Financial liabilities	824,5	829,7
Other liabilities	35,4	35,6
	895,7	902,5
Current liabilities		
Trade and other payables	247,0	267,4
Tax liabilities	1,4	0,3
Provisions	9,2	12,6
Financial liabilities	167,3	279,3
	424,9	559,6
Total equity and liabilities	2 235,7	2 324,3

Condensed Consolidated Statement of Cash Flows

EUR million	1-3 2014	1-3 2013	1-12 2013
Cash flow from operating activities			
Profit before tax	63,7	53,3	254,6
Adjustments			
Depreciation and amortisation	54,1	49,7	210,1
Other adjustments	1,6	5,7	17,8
	55,7	55,4	227,9
Change in working capital			
Change in trade and other receivables	0,4	7,7	-13,5
Change in inventories	1,5	1,3	6,4
Change in trade and other payables	-7,9	0,4	2,1
	-5,9	9,4	-4,9
Financial items, net	-11,7	-11,4	-24,6
Taxes paid	-13,0	-14,8	-64,9
Net cash flow from operations	88,8	91,9	388,1
Cash flow from investing activities			
Capital expenditure ⁽¹⁾	-49,8	-48,8	-212,5
Investments in shares	-0,8	-6,2	-93,1
Proceeds from asset disposal	0,8	0,0	1,5
Net cash used in investing activities	-49,8	-55,0	-304,1
Cash flow before financing activities	39,1	36,9	84,0
Cash flow from financing activities			
Proceeds from long-term borrowings	0,1		300,1
Repayment of long-term borrowings	-167,0	-75,1	-82,1
Change in short-term borrowings	50,1	83,0	1,5
Repayment of finance lease liabilities	-1,2	-1,3	-4,8
Proceeds from increase in reserve for invested non-restricted equity		0,1	2,9
Proceeds from the sale of treasury shares			4,6
Acquisition of non-controlling interests	0,0		-4,0
Dividends paid	0,0	0,0	-204,2
Net cash used in financing activities	-118,0	6,7	14,0
Change in cash and cash equivalents	-78,9	43,5	98,1
Cash and cash equivalents at the beginning of the period	137,8	39,8	39,8
Cash and cash equivalents at the end of the period	58,9	83,3	137,8

Statement of Changes in Shareholders' Equity

EUR million	Share capital	Treasury shares	Other reserves	Reserve for invested non-restricted equity	Retained earnings	Non-controlling interests	Total shareholders equity
Balance at 1 January 2013	83,0	-194,1	391,0	52,7	516,1	2,8	851,4
Adoption of IAS 19R			-4,5		-2,0		-6,5
Balance at 1 January 2013	83,0	-194,1	386,4	52,7	514,2	2,8	844,9
Profit for the period					40,1	0,0	40,0
Translation differences					0,1		0,1
Total comprehensive income					40,1	0,0	40,1
Dividends					-204,0		-204,0
Share-based compensation					0,8		0,8
Options exercised				0,1			0,1
Balance at 31 March 2013	83,0	-194,1	386,4	52,8	351,0	2,8	681,9

EUR million	Share capital	Treasury shares	Other reserves	Reserve for invested non-restricted equity	Retained earnings	Non-controlling interests	Total shareholders equity
Balance at 1 January 2014	83,0	-148,2	381,2	90,9	453,4	1,9	862,2
Profit for the period					51,6	-0,5	51,1
Translation differences					0,2	0,0	0,2
Financial assets available-for-sale			0,7				0,7
Cash flow hedge			-0,1				-0,1
Total comprehensive income			0,7		51,8	-0,5	52,0
Share-based compensation					1,0		1,0
Acquisition of non-controlling interests					-0,1	0,1	0,0
Balance at 31 March 2014	83,0	-148,2	381,9	90,9	506,1	1,5	915,1

Notes

ACCOUNTING PRINCIPLES

The Interim report has been prepared in accordance with the IFRS recognition and measurement principles, although all requirements of IAS 34 Interim Financial Reporting have not been followed. The information has been prepared in accordance with International Financial Reporting Standards (IFRS) effective at the time of preparation and adopted for use by European Union. Apart from the changes in accounting principles stated below, the accounting principles applied in the interim report are the same as in the financial statements at 31 December 2013.

Changes in the accounting principles

The Group adopted the following standards, amendments to standards and interpretations effective 1 January 2014:

- IFRS 10 Consolidated Financial Statements
- IFRS 11 Joint Arrangements
- IFRS 12 Disclosure of Interest in Other Entities
- IAS 27 Separate Financial Statements
- IAS 28 Investments in Associates and Joint Ventures
- Annual improvements of IFRS-standards

1. Segment Information

1-3/2014	Consumer	Corporate	Unallocated	Group
EUR million	Customers	Customers	Items	Total
Revenue	233,3	148,9		382,3
EBITDA	76,3	49,8		126,2
Depreciation and amortisation	-30,8	-23,3		-54,1
EBIT	45,5	26,5		72,0
Financial income			1,9	1,9
Financial expense			-10,2	-10,2
Share of associated companies' profit			0,0	0,0
Profit before tax				63,7
Investments	25,5	22,9		48,4
1-3/2013	Consumer	Corporate	Unallocated	Group
EUR million	Customers	Customers	Items	Total
Revenue	219,8	141,5		361,3
EBITDA	62,9	45,9		108,8
Depreciation and amortisation	-28,5	-21,2		-49,7
EBIT	34,4	24,7		59,1
Financial income			2,6	2,6
Financial expense			-8,5	-8,5
Share of associated companies' profit			0,0	0,0
Profit before tax				53,3
Investments	26,7	20,2		47,0
1-12/2013	Consumer	Corporate	Unallocated	Group
EUR million	Customers	Customers	Items	Total
Revenue	949,1	598,3		1 547,4
EBITDA	295,2	195,5		490,7
Depreciation and amortisation	-117,6	-92,5		-210,1
EBIT	177,6	103,0		280,6
Financial income			10,3	10,3
Financial expense			-36,2	-36,2
Share of associated companies' profit			0,0	0,0
Profit before tax				254,6
Investments	132,4	107,7		240,1
Assets	1 211,9	835,6	276,8	2 324,3

2. Operating Leases

The future minimum lease payments under non-cancellable operating leases:

EUR million	31.3. 2014	31.12. 2013
Not later than one year	28,4	28,8
Later than one year not later than than five years	33,4	37,0
Later than five years	6,6	6,9
	68,4	72,7

3. Contingent Liabilities

EUR million	31.3. 2014	31.12. 2013
For our own commitments		
Mortgages	13,8	14,5
Pledged securities	0,1	2,9
Deposits	0,9	0,8
Guarantees	1,1	1,1
On behalf of associated companies		
Other	0,0	0,0
On behalf of others		
Guarantees	0,6	0,6
Other	0,0	0,0
	16,5	20,0
Other contractual obligations		
Repurchase obligations	0,1	0,1
Letter of credit	0,1	0,1

4. Derivative Instruments

EUR million	31.3. 2014	31.12. 2013
Nominal values of derivatives		
Interest rate swap	0,5	150,5
Currency swap	3,5	4,0
Electricity derivatives	3,0	
	7,0	154,5
Fair values of derivatives		
Interest rate swap	0,0	0,1
Currency swap	0,0	0,0
Electricity derivatives	-0,1	
	-0,2	0,0

¹⁾ EUR 150.0 million interest rate swap matured at the same date as the bond on 3 March 2014.

²⁾ Elisa has started to hedge electricity purchases by derivatives during 2014. Earlier company bought electricity by advance contracts.

Key Indicators

EUR million	1-3 2014	1-3 2013	1-12 2013
Shareholders' equity per share, EUR	5,73	4,33	5,40
Interest bearing net debt	932,9	807,3	971,2
Gearing, %	101,9	118,4	112,6
Equity ratio, %	41,1	33,3	37,3
Return on investment (ROI), % *)	16,9	17,6	15,3
Gross investments in fixed assets	48,4	47,0	240,1
of which finance lease investments	0,1	0,1	2,9
Gross investments as % of revenue	12,7	13,0	15,5
Investments in shares	0,0	6,2	149,7
Average number of employees	4 181	4 080	4 320

*) rolling 12 months profit preceding the reporting date

Financial Calendar

Second quarter 2014

16 July 2014

Third quarter 2014

17 October 2014

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