Financial Statements 2015

29 January 2016

ELISA'S FINANCIAL STATEMENTS 2015

Fourth quarter 2015

- Revenue amounted to EUR 404m (386)
- EBITDA was EUR 128m (125) and EBIT was EUR 68m (71)
- EBITDA and EBIT excluding non-recurring items were EUR 131m (125) and 77m (71), respectively
- Earnings per share were EUR 0.35 (0.31), excluding non-recurring items EUR 0.37
- Cash flow after investments was EUR 30m (42)

- Mobile ARPU was EUR 16.5 (15.9 in previous quarter)
- Mobile churn was 16.2 per cent (16.1 in previous quarter)
- Mobile service revenue increased by 11 per cent to EUR 188m (169)
- The number of Elisa's mobile subscriptions decreased by 8,700 during the quarter
- The number of fixed broadband subscriptions decreased by 2,200 during the quarter
- Net debt / EBITDA was 1.8 (1.9) and gearing 104 per cent (114)

Year 2015

- Revenue was EUR 1,569m (1,535)
- EBITDA was EUR 532m (520) and EBIT was EUR 312m (305)
- EBITDA and EBIT excluding non-recurring items were EUR 536m (520) and 322m (305), respectively
- Earnings per share were EUR 1.52 (1.41), excluding non-recurring items EUR 1.54 (1.41)
- Cash flow after investments was EUR 253m (185), excl. acquisitions EUR 266 (224)
- The number of Elisa's mobile subscriptions increased by 16,800 during the year
- The number of fixed broadband subscriptions decreased by 23,500 during the year
- The Board of Directors proposes a dividend of EUR 1.40 per share

Key indicators

	4th Quarter		Full year	
EUR million	2015	2014	2015	2014
Revenue	404	386	1,569	1,535
EBITDA	128	125	532	520
EBITDA excl. non-recurring item	131	125	536	520
EBIT [1)]	68	71	312	305
Profit before tax [1)]	62	63	291	278
Earnings per share, EUR [1)]	0.35	0.31	1.52	1.41
Capital expenditure	50	47	196	191

[1)] Excluding non-recurring items: Q4 2015 EBIT EUR 77m, Profit before tax EUR 71m and EPS EUR 0.37, full year 2015 EBIT EUR 322m, Profit before tax EUR 300m and EPS EUR 1.54

Financial position and cash flow

EUR million	End 2015	End 2014
Net debt	962	1,001
Net debt / EBITDA [1)]	1.8	1.9
Gearing ratio, %	103.9	114.0
Equity ratio, %	41.4	39.4

	4th Quarter		Full year	
EUR million	2015	2014	2015	2014
Cash flow after investments	30	42	253	185

[1)] (interest-bearing debt – financial assets) / (4 previous quarters' EBITDA exclusive of non-recurring items)

The Board of Directors proposes to the Annual General Meeting a dividend of EUR 1.40 (1.32) per share. The Board of Directors decided also to propose an authorisation to acquire a maximum of 5 million treasury shares, which corresponds to 3 per cent of the total shares.

CEO Veli-Matti Mattila:

Upgrades to faster mobile data speeds resulted in Elisa's best ever earnings in 2015

Elisa's competitiveness strengthened further and earnings grew despite the challenging general economic situation. Both revenue and EBITDA increased compared with the previous year. Elisa's result was particularly improved by the growth in mobile service revenue during the year. In addition, Elisa's operational efficiency improved.

The demand for faster subscriptions grew strongly as a result of the use of smartphones and apps among consumers, corporate customers and organisations. Accordingly, we launched a subscription that enables speeds of up to 300 Mbps for customer sales. Our mobile subscription base grew by approximately 17,000 during the year. The decline in the number of fixed broadband subscriptions amounted to 24,000. In the last quarter of the year the mobile subscription base reduced by approximately 9,000 subscriptions, and the number of fixed broadband subscriptions fell by 2,000.

The Elisa Viihde offering expanded significantly during the year. We continued our significant and long-term investments in domestic films by co-producing the first original series in the history of Elisa Viihde, *Downshiftaajat* ("Downshifters"). Of our other new services, Elisa Kirja, the largest Finnish e-book service, has increased its popularity, and almost one in ten Finns has purchased at least one e-book.

The uncertainty in the financial situation creates a natural need for companies to look for alternative digital solutions. We launched the Elisa Internet of Things (IoT) service in Finland and Estonia, which is an open cloud platform that lets corporate customers start to innovate new business operations and gain significant competitive advantages. We established the Elisa Cyber Security Centre to protect companies and the public administration against cyber-threats. The centre observes, reports on and combats cyber-threats 24/7.

Elisa's determined construction of the 4G network progressed at record speed. Already, some 98 per cent of Finns live within the scope of the 4G network with the widest coverage in Finland, and it extends to over 290 localities. Fast Internet connections have been set up using new frequencies in sparsely populated areas, in particular. Since the beginning of the year, our customers have used more data in our 4G network than in the 2G and 3G networks combined.

We actively invested in providing jobs for young people. Elisa, together with its subsidiaries and employment agencies, employed 200 young people in summer jobs. We participated in the Responsible Summer Job campaign and were involved in the Work for the Young programme. We also continued to arrange popular digital schools for children.

We will continue our determined work to improve the customer experience and our operations. Improving our productivity, developing digital services for our customers and maintaining our strong investment capability create a solid foundation for competitive operations in the future.

FINANCIAL STATEMENTS 2015

The Interim Report has been prepared in accordance with the IAS 34 standard.

Market situation

The competitive environment has been intense during the last year, typically having some campaigning and quite long discount periods in campaigns. The smartphone market grew and the usage of data services continued to evolve favourably. Approximately 92 per cent of the mobile handsets sold in 2015 were smartphones. Another factor contributing to mobile market growth has been the increased network coverage of new 4G speeds. The competition in the fixed broadband market has been fierce in multi-dwelling units. The number and usage of traditional fixed network subscriptions is decreasing.

The markets for new visual communications (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	2015	2014	2013
Revenue	1,569	1,535	1,547
EBITDA	532	520	491
EBITDA excl. non-recurring items	536	520	508
EBITDA-%	*33.9*	*33.8*	*31.7*
EBITDA-% excl. non-recurring items	*34.1*	*33.8*	*32.8*
EBIT	312	305	281
EBIT excl. non-recurring items	322	305	298
EBIT-%	*19.9*	*19.9*	*18.1*
EBIT-% excl. non-recurring items	*20.5*	*19.9*	*19.3*
Return on equity, %	27.0	25.6	22.9

Year 2015

Revenue increased by 2 per cent. Growth in the mobile service business and equipment sales in both Finland and Estonia, as well as new services in the Consumer Customers segment affected revenue positively. Lower mobile interconnection rates, Corporate Customers' visual communication services, and the decrease in usage and subscriptions of traditional fixed telecom services and operator sales in both segments affected revenue negatively.

Reported EBITDA includes non-recurring item of EUR 3 million, which relates to personnel reductions. EBITDA excluding non-recurring items increased by 3 per cent mainly due to revenue growth and productivity improvement measures. EBIT excluding non-recurring items increased by 5 per cent. Depreciation includes a EUR 6 million goodwill impairment write-down relating to Sulake Corporation.

Net financial income and expenses were EUR -24 million (-27), mainly due to lower interest rates and net debt. Income taxes in the income statement decreased to EUR -47 million (-55). Taxes include a positive change in deferred tax assets of EUR 6 million relating to Sulake Corporation. Elisa's net profit was EUR 244 million (223). The Group's earnings per share amounted to EUR 1.52, excluding non-recurring items EUR 1.54 (1.41).

Fourth quarter 2015

Revenue increased by 5 per cent from EUR 386 million to EUR 404 million. Revenue was positively affected by growth in mobile services and equipment sales in both Finland and

Estonia, as well as new services in the Consumer Customers segment. Lower visual communication business revenue, lower interconnection prices, as well as decrease in usage and subscriptions of traditional fixed telecom services and operator sales in both segments, affected revenue negatively.

Reported EBITDA includes a non-recurring item of EUR 3 million, which relates to personnel reductions. EBITDA excluding non-recurring items increased by 5 per cent from EUR 125 million to EUR 131 million, mainly due to revenue growth and productivity improvement measures. EBIT excluding non-recurring items increased by 9 per cent. Depreciation includes a EUR 6 million goodwill impairment write-down relating to Sulake Corporation.

Net financial income and expenses improved to EUR -6 million (-7), mainly due to lower interest rates and net debt. Income taxes in the income statement amounted to EUR -6 million (-14). Taxes include a positive change in deferred tax assets of EUR 6 million relating to Sulake Corporation. Elisa's net profit was EUR 56 million (50). The Group's earnings per share amounted to EUR 0.35, excluding non-recurring items EUR 0.37 (0.31).

Financial position

EUR million	End 2015	End 2014	End 2013
Net debt	962	1,001	971
Net debt / EBITDA [1)]	1.8	1.9	2.0
Gearing ratio, %	103.9	114.0	112.6
Equity ratio, %	41.4	39.4	37.3

EUR million	Full year 2015	Full year 2014	Full year 2013
Cash flow after investments	253	185	84

[1)] (interest-bearing debt – financial assets) / (4 previous quarters' EBITDA exclusive of non-recurring items)

Year 2015

Cash flow after investments was EUR 253 million, excluding acquisition EUR 266 million (185, excluding acquisitions 224). Cash flow excluding acquisitions grew, mainly due to increased EBITDA, improved net working capital change and lower net financial costs.

The financial and liquidity positions are good. Net debt decreased to EUR 962 million as a result of growth in cash flow and fewer share acquisitions compared to 2014. Cash and undrawn committed loans and credit lines totalled EUR 479 million at the end of the fourth quarter.

Fourth quarter 2015

Cash flow after investments was EUR 30 million (42). Cash flow was negatively affected by EUR 22 million due to changes in net working capital (higher inventories and lower payables) and positively by higher EBITDA and lower investments in shares.

Changes in corporate structure

Elisa made a tender offer to all shareholders of Anvia at a price of EUR 2,000 per share from 15 April 2015 to 26 June 2015. Elisa's holding in Anvia increased to 32.5 per cent calculated without the disputed transaction of Anvia's treasury shares.

Consumer Customers business

EUR million	4th Quarter 2015	2014	Full year 2015	2014)
Revenue	254	239	983	954
EBITDA	86	81	348	327
EBITDA excl. non-recurring items	87	81	349	327
EBITDA-%	*33.6*	*33.9*	*35.4*	*34.3*
EBITDA-% excl. non-recurring items	*34.1*	*33.9*	*35.5*	*34.3*
EBIT	50	50	221	204
EBIT excl. non-recurring items	57	50	229	204
CAPEX	28	27	111	105

Year 2015
Revenue increased by 3 per cent. Mobile services, equipment sales and growth in new services contributed positively to revenue. The decrease in usage and subscriptions of traditional fixed telecom services and operator sales affected revenue negatively, as did the lower mobile interconnection rates.

Reported EBITDA includes a non-recurring item of EUR 1 million, which relates to personnel reductions. EBITDA excluding non-recurring items increased by 7 per cent, mainly due to revenue growth and productivity improvement measures.

Fourth quarter 2015
Revenue increased by 6 per cent, mainly due to growth in mobile services, equipment sales and new services. The decrease in traditional fixed network services and operator sales as well as the lower mobile interconnection rate, affected revenue negatively.

Reported EBITDA includes a non-recurring item of EUR 1 million, which relates to personnel reductions. EBITDA excluding non-recurring items increased by 7 per cent, mainly due to revenue growth and productivity improvement measures.

Corporate Customers business

EUR million	4th Quarter 2015	2014	Full year 2015	2014
Revenue	150	146	586	581
EBITDA	42	44	185	193
EBITDA excl. non-recurring items	44	44	187	193
EBITDA-%	*28.1*	*29.8*	*31.5*	*33.2*
EBITDA-% excl. non-recurring items	*29.6*	*29.8*	*31.9*	*33.2*
EBIT	18	20	91	101
EBIT excl. non-recurring items	20	20	93	101
CAPEX	22	20	85	87

Year 2015
Revenue increased by 1 per cent. Growth in mobile services, equipment sales and IT services contributed positively to revenue. Lower mobile interconnection rates, a decrease in visual communication services as well as a decrease in usage and subscriptions of traditional fixed telecom services and operator sales affected revenue negatively.

Reported EBITDA includes non-recurring items of EUR 2 million, which relates to personnel reductions. EBITDA excluding non-recurring items decreased by 3 per cent, mainly due to personnel increases and lower profitability in the visual communication business.

Fourth quarter 2015
Revenue increased by 3 per cent. Growth in mobile services, corporate fixed telecom services and IT services contributed positively to revenue. Lower mobile interconnection rates, a decrease in visual communication services as well as a decrease in operator sales affected revenue negatively.

Reported EBITDA includes a non-recurring item of EUR 2 million, which relates to personnel reductions. EBITDA excluding non-recurring items increased by 2 per cent mainly due to revenue growth and productivity improvement measures.

Personnel

In 2015, the average number of personnel at Elisa was 4,146 (4,138). Employee expenses increased to EUR 266 million (248), mainly due to changes in collective labour agreements and performance-based bonuses. Personnel at the end of 2015 amounted to 4,083 (4,089). Personnel by segment at the end of the period:

	End 2015	End 2014
Consumer Customers	2,290	2,338
Corporate Customers	1,793	1,751
Total	4,083	4,089

Investments

	4th Quarter		Full year	
EUR million	2015	2014	2015	2014
Capital expenditure, of which	50	47	196	191
- Consumer Customers	28	27	111	105
- Corporate Customers	22	20	85	87
Shares	1	14	18	43
Total	50	62	213	235

Year 2015
In 2015, the main capital expenditures related to the capacity and coverage increase of the 4G networks, as well as to other network and IT investments. Investments in shares in 2015 relate to the ownership increase in Anvia.

Fourth quarter 2015
The main capital expenditures related to the capacity and coverage increase of the 4G 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 Dec 2015
Committed credit lines	300	0
EIB loan commitment	150	0
Commercial paper programme [1)]	250	171
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+	Stable

The Group's cash and undrawn committed loans and credit lines totalled EUR 479 million (341) on 31 December 2015.

Standard & Poors upgraded Elisa's rating to 'BBB+' and affirmed the outlook as stable on 18 March 2015.

On 6 October 2015, Elisa signed a EUR 150 million loan agreement with the European Investment Bank. The loan can be drawn within 12 months from signing and its maturity is seven years.

Shares

Share trading volumes and closing prices are based on trades made on the Nasdaq Helsinki.

	4th Quarter		Full year	
Trading of shares	2015	2014	2015	2014
Shares traded, millions	24.3	29.8	113.3	112.7
Volume, EUR million	818.7	637.0	3,214.4	2,359.4
% of shares	14.5	21.3	67.7	67.4

Shares and market values	End 2015	End 2014
Total number of shares	167,335,073	167,335,073
Treasury shares	7,851,006	7,986,043
Outstanding shares	159,484,067	159,349,030
Closing price, EUR	34.79	22.61
Market capitalisation, EUR million	5,822	3,783
Treasury shares, %	4.69	4.77

Elisa shares are also traded in alternative marketplaces. According to the Fidessa Fragmentation Index, the trading volumes in these markets during the fourth quarter were approximately 165 per cent (119), and in 2015, 153 per cent (112) of that of the Nasdaq Helsinki. The total trading volume in all marketplaces represents approximately 171 per cent (143) of outstanding shares.

Number of shares	Total number of shares	Treasury shares	Outstanding shares
Shares at 31 Dec 2014	167,335,073	7,986,043	159,349,030
Performance Share Plan 4.2.2015 1)		-133,197	133.197
Restricted Share Plan 5.11.2015 1)		-1,840	1.840
Shares at 31 Dec 2015	167,335,073	7,851,006	159,484,067

1) Stock exchange bulletins 5 February 2015 and 5 November 2015

Research and development

The majority of the service development occurs during the ordinary course of business and is accounted for as a normal operating expense. Elisa invested EUR 15 million (13) in research and development, of which EUR 13 million was capitalised in 2015 (EUR 11 million in 2014 and EUR 8 million in 2013), corresponding to 0.9 per cent of revenue (0.8 per cent in 2014 and 0.6 per cent in 2013).

Annual General Meeting

On 26 March 2015, Elisa's Annual General Meeting decided to pay a dividend of EUR 1.32 per share based on the 2014 financial statements. The dividend was paid to shareholders on 8 April 2015.

The Annual General Meeting adopted the financial statements for 2014. The members of the Board of Directors and the CEO were discharged from liability for 2014.

The number of the members of the Board of Directors was confirmed at six. Mr Raimo Lind, Mr Petteri Koponen, Ms Leena Niemistö, Ms Seija Turunen, Mr Jaakko Uotila and Mr Mika Vehviläinen were re-elected as members of the Board of Directors. Mr Raimo Lind was elected as the Chairman of the Board and Mr Mika Vehviläinen as the Deputy Chairman.

Mr Raimo Lind (Chair), Ms Leena Niemistö and Mr Mika Vehviläinen were appointed to the Compensation & Nomination Committee. Ms Seija Turunen (Chair), Mr Petteri Koponen and Mr Jaakko Uotila were appointed to the Audit Committee.

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

Board of Directors' authorisations

The Annual General Meeting decided on to authorise 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 authorisation is 5 million shares at maximum. The authorisation is effective until 30 June 2016.

The Annual General Meeting decided to authorise 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 authorisation is effective until 30 June 2016.

Elisa Shareholders' Nomination Board

As of 4 September 2015, the composition of Elisa's Shareholders' Nomination Board is as follows:
- Mr Kari Järvinen, Chief Executive Officer, nominated by Solidium Oy
- Mr Reima Rytsölä, Chief Investment Officer, nominated by Varma Mutual Pension Insurance Company
- Mr Timo Ritakallio, Chief Executive Officer, nominated by Ilmarinen Mutual Pension Insurance Company
- Mr Ted Roberts, Head of Finnish Equities, nominated by Nordea Funds
- Mr Raimo Lind, Chairman of the Board of Elisa

The Nomination Board elected Mr Kari Järvinen as the chair.

The shareholders' Nomination Board was established in 2012 by Annual General Meeting. Its duty is to prepare proposals for the election and remuneration of the members of the Board of Directors of Elisa for the Annual General Meeting.

Significant legal and regulatory issues

The paper invoice case initiated by the Consumer Ombudsman is still pending in the Supreme Court. The Consumer Ombudsman is asking that paper invoices for mobile subscriptions should be free of charge.

Elisa and Anvia are in dispute over the ownership arrangement of Anvia's treasury shares and their use at the General Meeting on 20 May 2015 and 19 August 2015. Elisa has requested that the aforementioned arrangement be confirmed to be invalid. Companies owned by Anvia, in turn, have brought an action for annulment in order to amend or annul the decisions made at the General Meeting. The consideration of the matters in the court instances is ongoing.

In April 2015, the Finnish Communications Regulatory Authority (FICORA) released the decisions on price levels of copper and fibre access lines. According to the decisions, Elisa and other major Finnish fixed-line operators must apply monthly maximum rental prices of EUR 10.70 in copper access lines and EUR 75.50 in fibre access lines. Elisa and some other fixed-line operators have appealed against the decision to the Supreme Administrative Court. On 6 July 2015, the Supreme Administrative Court has issued interim decisions, in which it suspended the implementation of the FICORA decisions until the appeals are resolved in the Supreme Administrative Court or until otherwise ordered.

On 8 April 2015, according to the Finnish Competition Act, the Finnish Competition and Consumer Authority (FCCA) approved the transaction in which Elisa gains control over Anvia.

On 13 March 2015, Helsinki District Court dismissed Visual Data Oy’s claim demanding EUR 3.5 million damages from Elisa and several other telecommunication companies under the Competition Act (relates to publishing of subscribers’ contact information). Visual Data has lodged an appeal.

In August 2015, FICORA issued a decision on the maximum interconnection fees for Finnish mobile operators. This decision is valid for three years. All Finnish mobile operators have an equal interconnection fee. From 1 December 2015, the interconnection fee reduced to 1.25 cents per minute. The MTR price reduction lowers both Elisa’s revenue and costs, and thus has no material impact on profitability. Operators have appealed the decision to the Supreme Administrative Court. The Supreme Administrative Court has issued an interim decision not to suspend, so far, the implementation of the FICORA decision.

The new EU regulation regarding roaming and net neutrality has been officially approved and will come into force on 30 April 2016. Retail roaming charges will end in June 2017 provided that the new wholesale regulation is in force. Several substantial issues (e.g. fair use limits and wholesale regulation) are still open and were left to be decided later with separate regulation. Therefore, the final effects on Elisa remain open.

During the transitional period, starting from April 2016 and ending in June 2017, operators may charge an additional charge to domestic prices for all roaming use. The additional charge may not be higher than the current regulated wholesale roaming prices. Consequently, retail roaming prices will decrease and this is expected to have a slightly negative impact on Elisa’s result.

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 payback times.

The final effects of the new EU regulation regarding roaming and net neutrality are still open, and therefore it might have a financial impact on Elisa's mobile business.

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 into 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 broad.

A detailed description of financial risk management can be found in Note 34 to the Annual Report 2014.

Corporate responsibility

Elisa's key role in society is to enhance sustainable digitalisation by continuously improving the reliability, safety and availability of services and mitigating their climate impacts. Elisa's focus is on customer satisfaction and, in environmental responsibility, on climate responsibility and energy efficiency, which can be influenced significantly through Elisa's services and actions.

Customer demand for environmentally friendly ICT and online services continued to increase in 2015. Increasing usage enabled a further reduction in our customers carbon dioxide footprint of a total of 32,313 tCO_2 (30,971), showing a 4 per cent reduction.

Elisa's own carbon footprint continued to decline, and the footprint of mobile data is now zero. Elisa has purchased renewable energy with guarantees of origin since 2013. In 2015, expanded purchases covered all of electricity usage in Finland and Estonia. Energy efficiency in Elisa's data centres continued to improve, showing savings of 6,075 tCO_2 (5,029). Elisa saved 914 tCO_2 (823) through e-billing.

Elisa reports on its carbon footprint every year in the international CDP survey. In the CDP Nordic Climate Change 2015 report, Elisa's climate reporting received a perfect score of 100 out of 100 and Elisa made the Climate Disclosure Leadership 2015 (CDLI) index. The average score for Nordic companies was 84. Elisa's climate report for investors and global markets has received the highest ratings of Nordic enterprises and best of telecom companies.

Elisa is a pioneer in changing working culture and promoting flexible work using different kinds of virtual tools to support work and replace travelling. In 2015 employees teleworked on average 75 (70) days and participated in 211,014 (202,771) virtual meetings. Personnel survey reached an all-time high over a twelve-year period.

Elisa will publish its third online responsibility report as part of the Annual Report 2015. The responsibility report incorporates the GRI index.

2015 Annual Report and Corporate Governance Statement

Elisa will publish its 2015 Annual Report, which contains the report by the Board of Directors and the financial statements for 2015, as well as a separate Corporate Governance Statement during week 10 (beginning 7 March 2016) on the company website at www.elisa.com.

Events after the financial period

The Shareholders' Nomination Board of Elisa Corporation proposes to the Annual General Meeting of 31 March 2016 that the number of members of the Board of Directors be seven. The Nomination Board proposes that Mr Raimo Lind, Mr Petteri Koponen, Ms Leena Niemistö, Ms Seija Turunen, Mr Jaakko Uotila and Mr Mika Vehviläinen be re-elected as members of the Board. The Nomination Board further proposes that Ms Clarisse Berggårdh be elected as a new member of the board.

Outlook and guidance for 2016

The macroeconomic environment in Finland is still expected to be weak in 2016. Competition in the Finnish telecommunications market also remains challenging.

Full-year revenue is estimated to be at the same level as in 2015. Mobile data, ICT and new online services are expected to increase revenue. Full-year EBITDA, excluding non-recurring items, is anticipated to be at the same level as in 2015. 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 productivity improvement measures, for example by streamlining the product portfolio and IT systems and operations. Additionally, Elisa is continuing to increase customer service and sales efficiency, as well as to reduce general administrative 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.

Profit distribution

According to Elisa’s distribution policy, profit distribution is 80–100 per cent of the previous fiscal year’s net profit. In addition, any possible excess capital can be distributed to shareholders. When making the distribution proposal or decision, the Board of Directors will take into consideration the company's financial position, future financial needs and financial targets. Profit distribution includes dividend payment, capital repayment and purchase of treasury shares.

The Board of Directors proposes to the Annual General Meeting a dividend of EUR 1.40 per share. The dividend payment corresponds to 92 per cent of the financial period’s net profit.

Shareholders who are listed in the company’s register of shareholders maintained by Euroclear Finland Ltd on 4 April 2016 are entitled to funds distributed by the General Meeting. The Board of Directors proposes that the payment date be 12 April 2016. The profit for the period will be added to retained earnings.

The Board of Directors also decided to propose to the General Meeting that the Board of Directors be authorised to acquire a maximum of 5 million treasury shares, which corresponds to 3 per cent of the total shares.

BOARD OF DIRECTORS

The annual financial statements figures presented in this release are based on the company's audited financial statements. The auditor's report was issued on 28 January 2016.

Consolidated Income Statement

EUR million	Note	**10-12 2015**	10-12 2014	**1-12 2015**	1-12 2014
Revenue	1	**404,3**	385,6	**1 569,5**	1 535,2
Other operating income		**3,0**	2,5	**4,8**	8,2
Materials and services		**-164,4**	-153,7	**-609,0**	-606,1
Employee expenses		**-71,1**	-64,6	**-266,3**	-247,7
Other operating expenses		**-44,2**	-45,1	**-166,5**	-170,0
EBITDA	1	**127,7**	124,8	**532,5**	519,7
Depreciation, amortisation and impairment		**-59,9**	-54,2	**-220,4**	-214,7
EBIT	1	**67,8**	70,6	**312,1**	305,0
Financial income		**0,7**	0,8	**3,6**	4,7
Financial expense		**-6,5**	-7,6	**-27,4**	-31,9
Share of associated companies' profit		**0,1**	-0,3	**2,3**	-0,1
Profit before tax		**62,0**	63,4	**290,6**	277,7
Income taxes		**-6,1**	-13,5	**-47,1**	-54,7
Profit for the period		**55,9**	49,9	**243,5**	222,9
Attributable to:					
Equity holders of the parent		**55,8**	49,8	**243,1**	224,9
Non-controlling interests		**0,1**	0,2	**0,4**	-1,9
		55,9	49,9	**243,5**	222,9
Earnings per share (EUR)					
Basic		**0,35**	0,31	**1,52**	1,41
Diluted		**0,35**	0,31	**1,52**	1,41
Average number of outstanding shares (1000 shares)					
Basic		**159 483**	159 349	**159 470**	159 349
Diluted		**159 483**	159 349	**159 470**	159 349

Consolidated Statement of Comprehensive Income

	10-12 2015	10-12 2014	**1-12 2015**	1-12 2014
Profit for the period	**55,9**	49,9	**243,5**	222,9
Other comprehensive income, net of tax				
Items which may be reclassified subsequently to profit or loss:				
Financial assets available-for-sale	**9,2**	5,0	**12,0**	7,3
Cash flow hedge	**0,3**	-0,2	**-0,9**	-0,1
Translation difference	**0,0**	0,1	**0,0**	0,2
	9,5	4,9	**11,1**	7,3
Items which are not reclassified subsequently to profit or loss:				
Remeasurements of the net defined benefit liability	**1,8**	-3,6	**1,8**	-3,6
Total comprehensive income	**67,2**	51,2	**256,5**	226,7
Total comprehensive income attributable to:				
Equity holders of the parent	**67,1**	51,0	**256,1**	228,6
Non-controlling interest	**0,1**	0,2	**0,4**	-1,9
	67,2	51,2	**256,5**	226,7

Consolidated Statement of Financial Position

EUR million	31.12. 2015	31.12. 2014
Non-current assets		
Property, plant and equipment	**677,4**	692,0
Goodwill	**830,1**	831,5
Other intangible assets	**134,8**	137,0
Investments in associated companies	**59,5**	48,8
Financial assets available-for-sale	**30,3**	20,4
Deferred tax assets	**23,3**	13,5
Trade and other receivables	**73,7**	72,4
	1 829,1	1 815,5
Current assets		
Inventories	**54,8**	53,2
Trade and other receivables	**333,4**	330,4
Tax receivables	**0,2**	2,9
Cash and cash equivalents	**29,1**	41,3
	417,5	427,8
Total assets	**2 246,6**	2 243,4
Equity attributable to equity holders of the parent	**925,4**	878,0
Non-controlling interests	**0,5**	0,6
Total shareholders' equity	**925,9**	878,6
Non-current liabilities		
Deferred tax liabilities	**22,7**	21,0
Pension obligations	**15,6**	18,2
Provisions	**3,4**	3,1
Financial liabilities	**686,0**	818,0
Trade payables and other liabilities	**23,9**	28,2
	751,6	888,5
Current liabilities		
Trade and other payables	**255,5**	246,0
Tax liabilities	**2,9**	1,7
Provisions	**5,4**	3,8
Financial liabilities	**305,2**	224,9
	569,1	476,3
Total equity and liabilities	**2 246,6**	2 243,4

Condensed Consolidated Statement of Cash Flows

EUR million	1-12 2015	1-12 2014
Cash flow from operating activities		
Profit before tax	**290,6**	277,7
Adjustments		
Depreciation, amortisation and impairment	**220,4**	214,7
Other adjustments	**22,6**	14,5
	243,0	229,2
Change in working capital		
Increase (-) / decrease (+) in trade and other receivables	**-1,6**	-4,8
Increase (-) / decrease (+) in inventories	**-5,6**	-1,6
Increase (+) / decrease (-) in trade and other payables	**6,9**	-14,1
	-0,4	-20,5
Financial items, net	**-18,5**	-24,2
Taxes paid	**-52,0**	-50,1
Net cash flow from operating activities	**462,8**	412,1
Cash flow from investing activities		
Capital expenditure	**-199,8**	-197,8
Investments in shares and business combinations	**-12,7**	-38,7
Repayment of loan assets	**0,1**	0,3
Proceeds from asset disposal	**2,6**	9,2
Net cash used in investing activities	**-209,8**	-227,0
Cash flow before financing activities	**253,0**	185,0
Cash flow from financing activities		
Proceeds from long-term borrowings	**0,2**	0,1
Repayment of long-term borrowings	**-10,7**	-172,7
Increase (+) / decrease (-) in short-term borrowings	**-39,5**	108,1
Repayment of finance lease liabilities	**-4,8**	-4,6
Acquisition of non-controlling interest		-5,6
Dividends paid	**-210,3**	-206,7
Net cash used in financing activities	**-265,2**	-281,5
Change in cash and cash equivalents	**-12,2**	-96,4
Cash and cash equivalents at the beginning of period	**41,3**	137,8
Cash and cash equivalents at the end of period	**29,1**	41,3

Statement of Changes in Equity

EUR million	Share capital	Treasury shares	Other reserves	Reserve for invested non-restricted equity	Retained earnings	Non-controlling interests	**Total equity**
Balance at 1 January 2014	83,0	-148,2	381,2	90,9	453,4	1,9	**862,2**
Profit for the period					224,9	-1,9	**222,9**
Translation differences					0,2		**0,2**
Financial assets available-for-sale			7,3				**7,3**
Cash flow hedge			-0,1				**-0,1**
Remeasurements of the net defined benefit liability			-3,6				**-3,6**
Total comprehensive income			3,5		225,1	-1,9	**226,7**
Dividends					-207,2	-0,3	**-207,5**
Share-based compensation					2,3		**2,3**
Acquisition of non-controlling interests					-6,3	1,0	**-5,3**
Other changes					0,4		**0,4**
Balance at 31 December 2014	83,0	-148,2	384,8	90,9	467,5	0,6	**878,6**

EUR million							
Balance at 1 January 2015	83,0	-148,2	384,8	90,9	467,5	0,6	**878,6**
Profit for the period					243,1	0,4	**243,5**
Translation differences					0,0		**0,0**
Financial assets available-for-sale			12,0				**12,0**
Cash flow hedge			-0,9				**-0,9**
Remeasurements of the net defined benefit liability			1,8				**1,8**
Total comprehensive income			12,9		243,1	0,4	**256,5**
Dividends					-210,5	-0,5	**-211,0**
Share-based compensation		2,7			1,5		**4,2**
Other changes					-2,3		**-2,3**
Balance at 31 December 2015	83,0	-145,5	397,7	90,9	499,3	0,5	**925,9**

Notes

ACCOUNTING PRINCIPLES

The Interim consolidated financial statements are in compliance with IAS 34 Interim Financial Reporting. The information has been prepared in accordance with International Financial Reporting Standards (IFRS) effective at the time of preparation and adopted for use by the 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 2014.

Changes in the accounting principles

The Group adopted the following standards, amendments to standards and interpretations as from 1 January 2015 onward:
- Annual improvements of IFRS-standards

1. Segment Information

10-12/2015 EUR million	Consumer Customers	Corporate Customers	Unallocated Items	Group Total
Revenue	254,1	150,2		404,3
EBITDA	85,5	42,2		127,7
Depreciation, amortisation and impairment	-35,9	-24,0		-59,9
EBIT	49,6	18,2		67,8
Financial income			0,7	0,7
Financial expense			-6,5	-6,5
Share of associated companies' profit			0,1	0,1
Profit before tax				62,0
Investments	27,9	21,9		49,8

10-12/2014 EUR million	Consumer Customers	Corporate Customers	Unallocated Items	Group Total
Revenue	239,4	146,2		385,6
EBITDA	81,2	43,6		124,8
Depreciation, amortisation and impairment	-31,1	-23,1		-54,2
EBIT	50,1	20,5		70,6
Financial income			0,8	0,8
Financial expense			-7,6	-7,6
Share of associated companies' profit			-0,3	-0,3
Profit before tax				63,4
Investments	27,5	19,8		47,3

1-12/2015 EUR million	Consumer Customers	Corporate Customers	Unallocated Items	Group Total
Revenue	983,2	586,3		1 569,5
EBITDA	347,7	184,8		532,5
Depreciation, amortisation and impairment	-126,3	-94,2		-220,4
EBIT	221,5	90,6		312,1
Financial income			3,6	3,6
Financial expense			-27,4	-27,4
Share of associated companies' profit			2,3	2,3
Profit before tax				290,6
Investments	110,6	85,2		195,8
Total assets	1 271,6	832,1	143,0	2 246,6

1-12/2014 EUR million	Consumer Customers	Corporate Customers	Unallocated Items	Group Total
Revenue	954,1	581,1		1 535,2
EBITDA	326,9	192,8		519,7
Depreciation, amortisation and impairment	-122,7	-92,0		-214,7
EBIT	204,2	100,7		305,0
Financial income			4,7	4,7
Financial expense			-31,9	-31,9
Share of associated companies' profit			-0,1	-0,1
Profit before tax				277,7
Investments	104,9	86,6		191,5
Total assets	1 248,2	868,1	127,1	2 243,4

2. Acquisitions and disposals

Acquisition of Banana Fingers Ltd

Elisa acquired all shares of Banana Fingers Ltd, which is a part of EpicTV business. The purchase price was EUR 3.3 million including a contingent consideration of EUR 1.4 million. The business combination resulted in goodwill of EUR 2.9 million. The goodwill resulted from the acquisition of e-commerce know-how and a business concept and faster access to the sports equipment e-commerce market for consumer customers. Goodwill is not tax deductible.

Banana Fingers is consolidated from 1 January 2015 onwards.

There were no pre-existing relationships between the Group and the acquired company at the time of the acquisition that should be taken into account in the consolidation of the business operations.

Analysis of net assets acquired EUR million	Carrying amount
Inventories	0,3
Cash and cash equivalents	0,3
Trade payables and other current liabilities	-0,2
	0,4

Effects of acquisition on cash flow EUR million	
Purchase price paid in cash	-1,9
Cash and cash equivalents of the acquired entity	0,3
	-1,6

Acquisition of Datawell Oy's MDM (Master Data Management) business

On 31 August 2015 Elisa Appelsiini acquired Datawell Oy's MDM business. The purchase price was EUR 2.0 million. The business combination resulted in goodwill of EUR 0.8 million. The acquisition strengthens the supply of Elisa's digital helthcare services and supports the development of new services. Goodwill is not tax deductible.

There were no pre-existing relationships between the Group and the acquired business at the time of the acquisition that should be taken into account in the consolidation of the business operations.

Analysis of net assets acquired EUR million	Carrying amount
Customer base	1,5
Current receivables	0,1
Deferred tax liabilities	-0,3
Accruals and other liabilities	-0,1
	1,2

Effects of acquisition on cash flow EUR million	
Purchase price paid in cash	-2,0

Acquisition of Fonum Oy

On 7 September 2015 Elisa acquired all shares of Fonum Oy. The purchase price was EUR 0.6 million. The business combination resulted in EUR 0.4 million goodwill relating to market access in the mobile phone service and repair business. Goodwill is not tax deductible.

Fonum is consolidated from 1 September 2015 onwards.

There were no pre-existing relationships between the Group and the acquired company at the time of the acquisition that should be taken into account in the consolidation of the business operations.

Analysis of net assets acquired EUR million	Carrying amount
Intangible assets	0,1
Tangible assets	0,0
Inventories	0,1
Trade and other receivables	0,0
Cash and cash equivalents	0,1
Accruals and other liabilities	-0,2
	0,2

Effects of acquisition on cash flow EUR million	
Purchase price paid in cash	-0,6
Cash and cash equivalents of the acquired entity	0,1
	-0,5

Acquisition of Livezhat business

On 31 October 2015 Elisa acquired ZEF Oy's Livezhat service business. The purchase price was EUR 0.5 million. The business combination resulted in EUR 0.3 million goodwill relating to the improvement of corporate customers range of services. Goodwill is not tax deductible.

There were no pre-existing relationships between the Group and the acquired business at the time of the acquisition that should be taken into account in the consolidation of the business operations.

Analysis of net assets acquired EUR million	Carrying amount
Customer base	0,2
Deferred tax liabilities	0,0

Effects of acquisition on cash flow EUR million	
Purchase price paid in cash	-0,5

There were no disposals during 2015.

3. Property, plant and equipment and intangible assets

31.12.2015 EUR million	Property plant and equipment	Goodwill	Other intangible assets
Acquisition cost at 1 January 2015	3 257,1	831,5	596,7
Additions	155,6		40,2
Business acquisitions	0,0	4,6	1,8
Disposals	-25,6		-0,3
Reclassifications	-0,3		-0,1
Translation differences	0,0		0,0
Aquisition cost at 31 December 2015	3 386,8	836,1	638,2
Accumulated depreciation, amortisation and impairment at 1 January 2015	2 565,1		459,6
Depreciation, amortisation and impairment	170,0	6,0	44,4
Accumulated depreciation and amortisation on disposals and reclassifications	-25,7		-0,6
Translation differences	0,0		0,0
Accumulated depreciation, amortisation and impairment at 31 December 2015	2 709,4	6,0	503,5
Book value at 1 January 2015	692,0	831,5	137,0
Book value at 31 December 2015	677,4	830,1	134,8

31.12.2014 EUR million	Property plant and equipment	Goodwill	Other intangible assets
Acquisition cost at 1 January 2014	3 125,4	832,4	558,4
Additions	152,7		38,8
Business disposals	-26,0		-0,2
Companies sold	-0,1	-0,9	0,0
Reclassifications	5,0		-0,5
Translation differences	0,2		0,1
Aquisition cost at 31 December 2014	3 257,1	831,5	596,7
Accumulated depreciation, amortisation and impairment at 1 January 2014	2 411,8		415,1
Depreciation, amortisation and impairment	170,0		44,6
Accumulated depreciation and amortisation on disposals and reclassifications	-16,9		-0,2
Translation differences	0,2		0,2
Accumulated depreciation, amortisation and impairment at 31 December 2014	2 565,1		459,6
Book value at 1 January 2014	713,6	832,4	143,3
Book value at 31 December 2014	692,0	831,5	137,0

Commitments to purchase property, plant and equipment and intangible assets amounts to EUR 46.1 million (52.7) at 31 December 2015.

4. Carrying amounts of financial assets and liabilities by category

31 December 2015 EUR million	Financial assets available-for-sale	Loans and receivables	Financial assets/liabilities recognised at fair value through profit or loss [1]	Financial liabilities measured at amortised cost	Book values	Fair values
Non-current financial assets						
Financial assets available-for-sale	30,3				30,3	30,3
Trade and other receivables		73,7			73,7	73,7
Current financial assets						
Trade and other receivables		333,4			333,4	333,4
	30,3	407,1			437,4	437,4
Non-current financial liabilities						
Financial liabilities				686,0	686,0	731,8
Trade and other payables [2]			0,7	17,8	18,5	18,5
Current financial liabilities						
Financial liabilities				305,2	305,2	305,2
Trade and other payables [2]				251,6	251,6	251,6
			0,7	1 260,5	1 261,2	1 307,1

31 December 2014 EUR million	Financial assets available-for-sale	Loans and receivables	Financial assets/liabilities recognised at fair value through profit or loss [1]	Financial liabilities measured at amortised cost	Book values	Fair values
Non-current financial assets						
Financial assets available-for-sale	20,4				20,4	20,4
Trade and other receivables		72,4			72,4	72,4
Current financial assets						
Trade and other receivables		330,4			330,4	330,4
	20,4	402,7			423,1	423,1
Non-current financial liabilities						
Financial liabilities				818,0	818,0	875,1
Trade payables and other liabilities [2]			0,4	22,2	22,6	22,6
Current financial liabilities						
Financial liabilities				224,9	224,9	224,9
Trade and other payables [2]				239,7	239,7	239,7
			0,4	1 304,7	1 305,1	1 362,2

1) Assets classified as such at initial recognition

2) Excluding advances received

Equity investments are classified as financial assets available-for-sale and are generally measured at fair value. Equity investments for which values cannot be measured reliably are reported at cost less impairment.

Loans and receivables are valued at amortised cost less impairment loss.

Derivatives are recognised at cost on the date of acquisition and are subsequently remeasured at fair value. They are classified as financial assets or liabilities recognised at fair value through profit or loss.

Financial liabilities are initially recognised at fair value equalling the net proceeds received and are subsequently measured at amortised cost by using the effective interest method.

The classification and measurement of each financial asset and liability item are presented in more detail under the financial statements accounting principles at 31 December 2014.

5. Financial assets and liabilities recognised at fair value

EUR million	31.12.2015	Level 1	Level 2	Level 3
Financial assets/liabilities recognised at fair value [1]	-0,7		-0,7	
Financial assets available-for-sale [2]	26,2	26,2		
Other liabilities [3]	-1,8			-1,8
	23,7	26,2	-0,7	-1,8

EUR million	31.12.2014	Level 1	Level 2	Level 3
Financial assets/liabilities recognised at fair value [1]	-0,4		-0,4	
Financial assets available-for-sale [2]	14,2	14,2		
Other liabilities [3]	-1,2			-1,2
	12,5	14,2	-0,4	-1,2

Level 1 includes instruments with quoted prices in active markets. Level 2 includes instruments with observable prices based on market data. Level 3 includes instruments with prices that are not based on verifiable market data but instead on the company's internal information, for example.

1) Interest rate and currency swap and electricity derivatives. The fair value is expected to approximate the quoted market price or, if this is not available it is estimated using commonly used valuation methods.

2) Publicly listed equity investments and funds. Fair values are measured by using quoted marked rates.

3) Contingent considerations relating to business combinations.

6. Financial assets available-for-sale

EUR million	31.12.2015	31.12.2014
Publicly listed equity investments and funds	26,2	14,2
Unlisted equity investments and funds	4,1	6,2
	30,3	20,4

The most significant unlisted equity investments

EUR million		
Datawell Oy [1]		2,1
		2,1

Listed shares are measured at fair value. The unlisted equity investments are recognised at acquisition cost less possible impairment, because the fair value of the equity investment cannot be determined reliably.

1) Elisa acquired Datawell Oy's MDM (Master Data Management) business and its rights. Simultaneously Elisa sold its ownership (18.9 per cent) in Datawell Oy.

7. Inventories

Write-down of inventories of EUR 4.5 million (5.3) was recorded during the accounting period.

8. Equity

	Number of shares pcs	Treasury shares pcs	Holding, % of shares and votes
Shares at 31 December 2014	167 335 073	7 986 043	4,77 %
Disposal of treasury shares		-135 037	
Shares at 31 December 2015	167 335 073	7 851 006	4,69 %

Dividend

On 26 March 2015 Elisa's Annual General Meeting decided of a dividend of 1.32 euros per share. The total dividend amounts to EUR 210.5 million and payment started on 8 April 2015.

9. Issuances and repayment of debt

The group has not issued bonds during 1 January - 31 December 2015.

The unused amount of EUR 1,000 million EMTN program is EUR 400 million as at 31 December 2015. The base prospectus has been updated on 2 June 2015.

EUR million	**31.12. 2015**	31.12. 2014
Issued commercial papers	**170,5**	210,0
Withdrawn committed credit lines	**0,0**	0,0

10. Provisions

EUR million	**Termination benefits**	**Other**	**Total**
1 January 2015	4,4	2,5	6,8
Increases in provisions	5,6		5,6
Reversals of unused provisions	-0,3		-0,3
Utilised provisions	-3,0	-0,4	-3,4
31 December 2015	6,8	2,1	8,9

EUR million	**Termination benefits**	**Other**	**Total**
1 January 2014	12,8	2,3	15,1
Increases in provisions	2,9	1,0	3,9
Reversals of unused provisions	-2,2	-0,6	-2,9
Utilised provisions	-9,1	-0,2	-9,2
31 December 2014	4,4	2,5	6,8

11. Operating Lease Commitments

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

EUR million	**31.12. 2015**	31.12. 2014
Not later than one year	**29,0**	28,1
Later than one year not later than than five years	**42,3**	27,9
Later than five years	**28,0**	6,5
	99,4	62,5

12. Contingent Liabilities

EUR million	**31.12. 2015**	31.12. 2014
For our own commitments		
Mortgages	**2,3**	1,5
Pledged securities	**0,1**	0,1
Deposits	**0,7**	0,9
Guarantees	**1,1**	1,1
On behalf of others		
Guarantees	**0,5**	0,6
Other		0,0
	4,8	4,3
Other contractual obligations		
Repurchace obligations	**0,1**	0,0
Letter of credit	**0,1**	0,1
Capital loan's unrecognised interest payable	**0,0**	0,0

13. Derivative Instruments

EUR million	**31.12. 2015**	31.12. 2014
Nominal values of derivatives		
Interest rate and currency swap	**1,5**	3,0
Electricity derivatives	**5,6**	7,4
	7,1	10,4
Fair values of derivatives		
Interest rate and currency swap	**-0,1**	-0,2
Electricity derivatives	**-0,6**	-0,3
	-0,7	-0,4

14. Related party transactions

Elisa Group's related parties include the parent company, subsidiaries, associates, joint ventures and key management. Key management consists of Elisa's Board of Directors, the CEO and the Executive Board.

Acquisitions and disposals during the period are presented in Note 2.

Related party transactions with associated companies

EUR million	1-12/2015	1-12/2014
Sales	**0,4**	0,3
Purchases	**2,7**	2,6
Receivables	**0,8**	0,1

There were no related party transactions with key management.
Management remuneration will be announced in Annual financial statements.

Key Figures

EUR million	**1-12 2015**	1-12 2014
Shareholders' equity per share, EUR	**5,80**	5,51
Interest bearing net debt	**962,0**	1 001,5
Gearing, %	**103,9**	114,0
Equity ratio, %	**41,4**	39,4
Return on investment (ROI), % *)	**16,5**	15,7
Gross investments in fixed assets	**195,8**	191,5
of which finance lease investments	**1,8**	1,0
Gross investments as % of revenue	**12,5**	12,5
Investments in shares and business combinations	**17,6**	43,5
Average number of employees	**4 146**	4 138

*) rolling 12 months profit preceding the reporting date

Financial Calendar

First quarter 2016	15 April 2016
Second quarter 2016	15 July 2016
Third quarter 2016	19 October 2016

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