

The background features a dynamic composition of blue liquid splashes and golden mesh ribbons. The blue liquid is in various stages of motion, with some droplets falling and others forming larger splashes. The golden mesh ribbons are layered and curved, creating a sense of depth and movement. The overall color palette is dominated by vibrant blue and bright gold.

elisa

3rd Quarter Results

2014

Agenda

CEO's review

Veli-Matti Mattila, CEO

Financial review

Jari Kinnunen, CFO

CEO's review

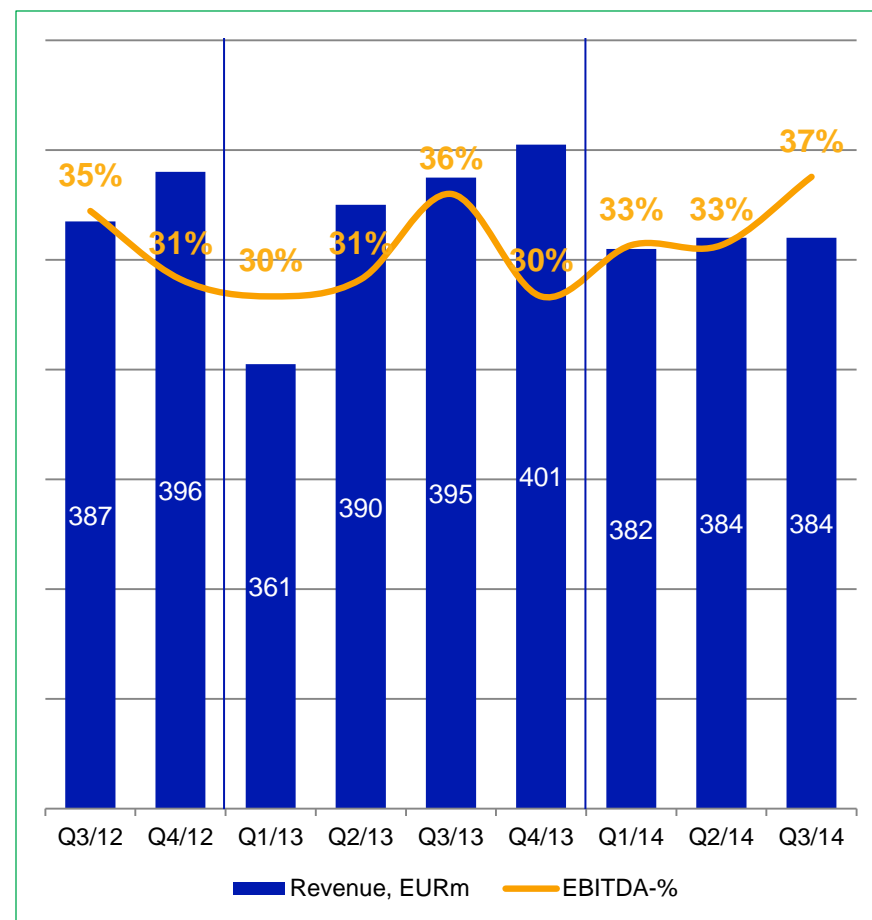
- Q3 2014 financial and operational highlights
- Segment review
- Strategy execution
- Outlook and guidance for 2014

Q3 2014 highlights

- Best ever quarter
- Mobile subscription base increased in spite of keen competition
- Weak macro environment impacting corporate customer business
- Consumer customer business performing well
- Strong mobile data growth continues, smartphone penetration already 57%
 - Smartphones above 90% of new sales, more than 50% LTE capable
- Success in Elisa Viihde IPTV continued

Result improvement continued

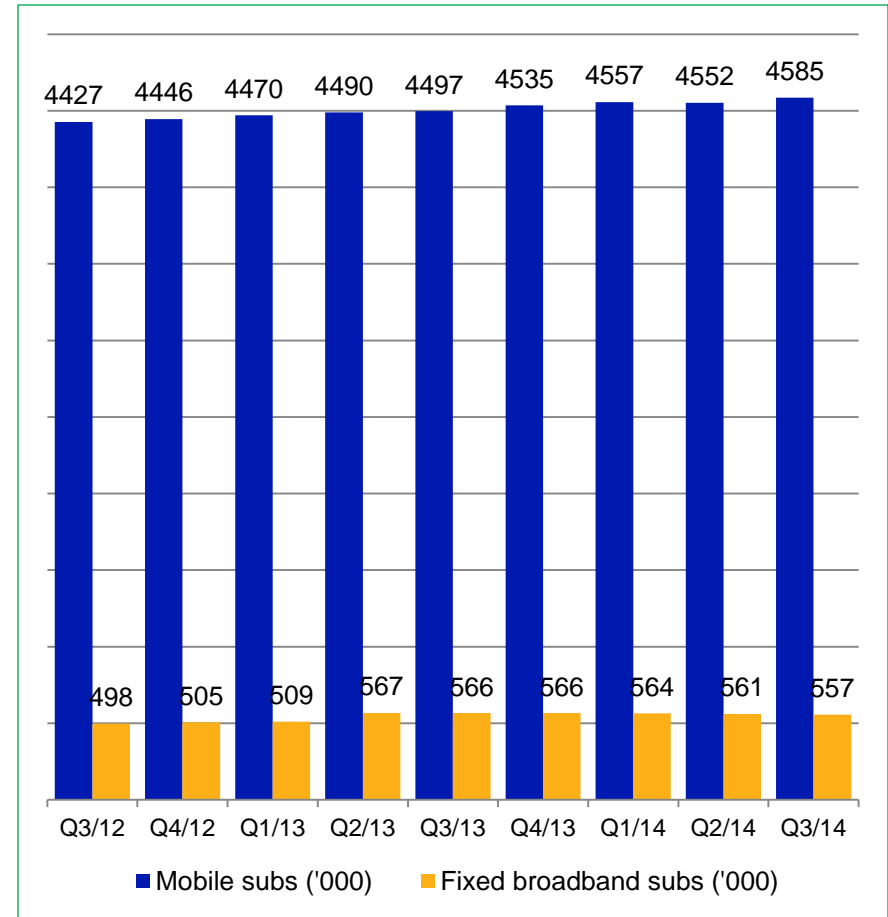
- Revenue €384m (395)
- EBITDA €142m (142*), 37% of revenue (36*)
- EPS €0.43 (0.38)
- CAPEX €52m (57), 11% of revenue (14)
- Net debt €1,043m (995)
 - Cash flow €39m (51, 61 excluding investments in shares)
 - Net debt / EBITDA 2.0 (2.0)



* Excluding one-offs

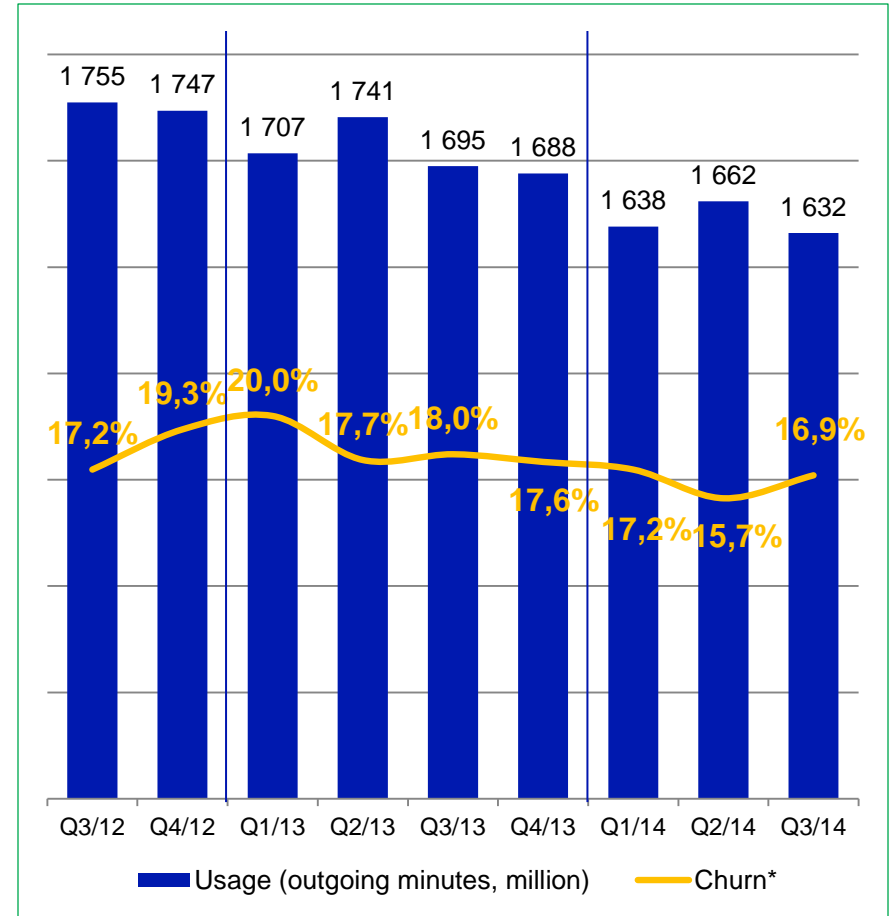
Mobile subscription base growing

- Mobile subs increased by 33,600 in Q3
 - Growth in both customer segments
 - Estonia +9,500 subscriptions
- Fixed broadband subscriptions decreased from previous quarter
- Elisa Viihde IPTV customer base continued to grow



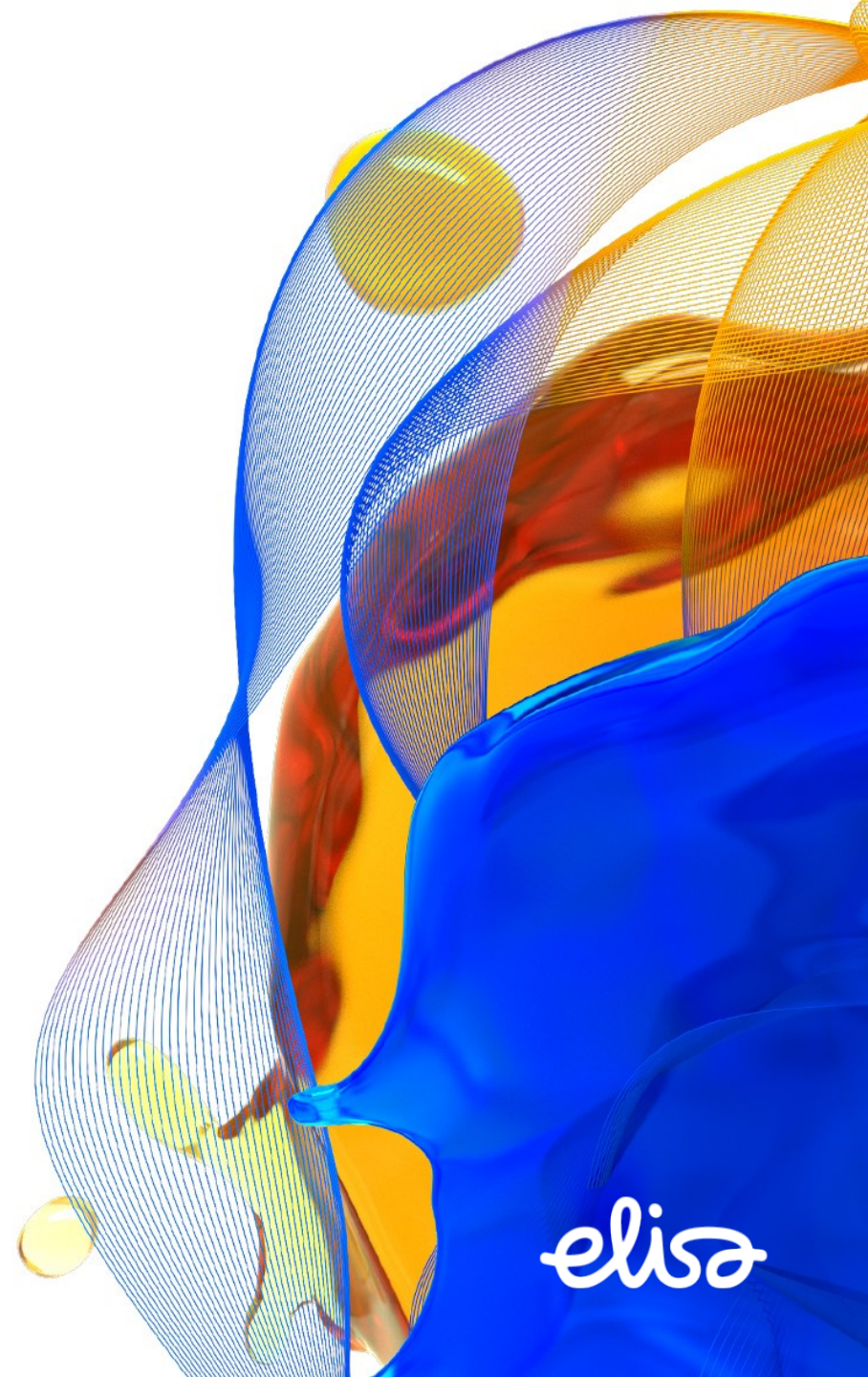
Growth in data, minutes slightly decreasing

- Mobile data YoY growth 80%
 - 36.0bn megabytes (20.2)
- Outgoing minutes 16bn, slight decrease
- 597m SMS, at previous year's level
- Churn* down to 16.9% (18.0)



* Annualised

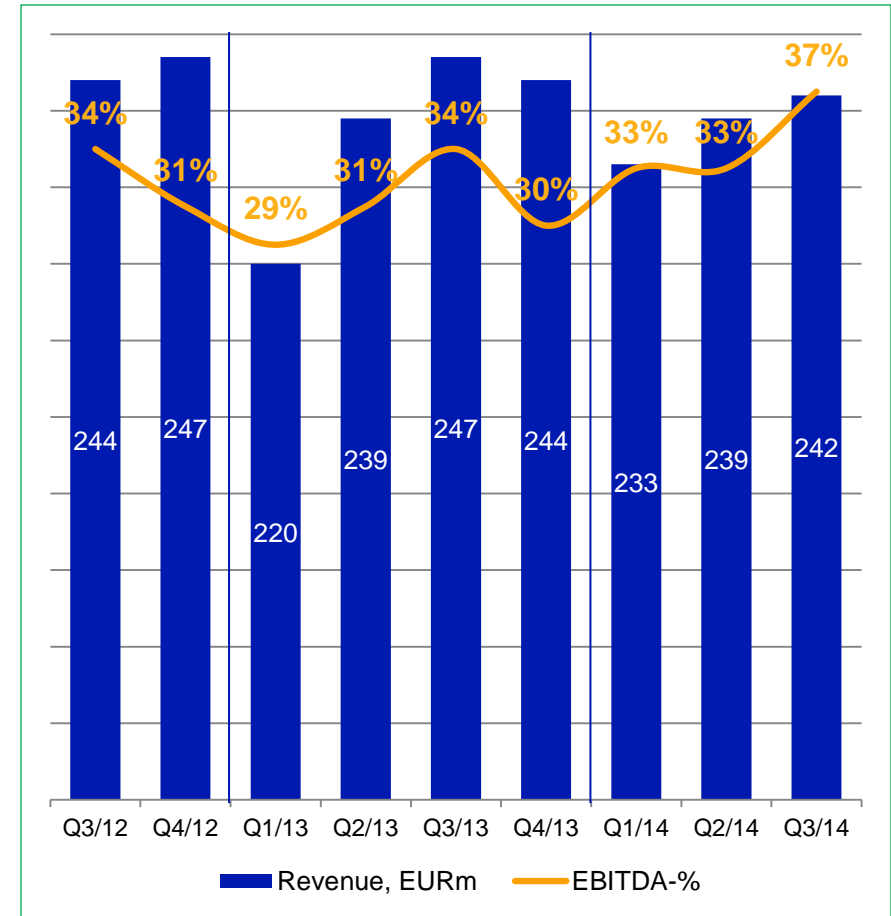
Business Segments



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Growth in EBITDA and profitability

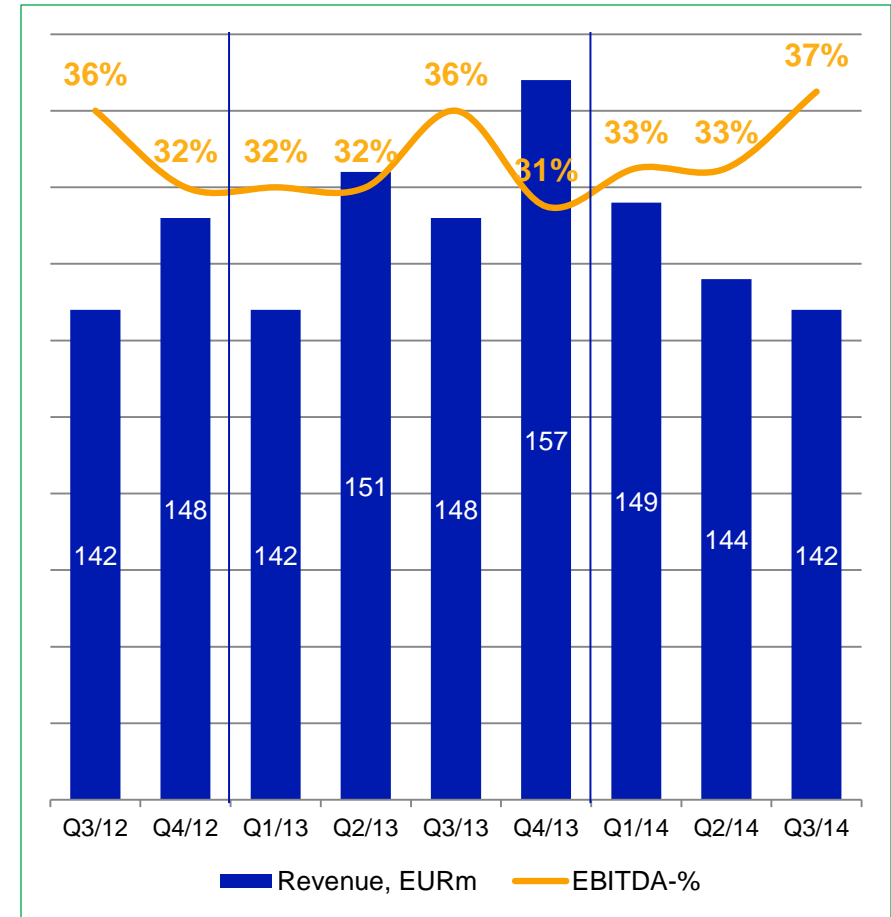
- Revenue €242m (247)
 - Growth through mobile and new services
 - Decrease in traditional fixed network, divestments, equipment sales and interconnection revenue
- EBITDA €90m (88*), 37% of revenue (35*)
 - Acquisition synergies and improved efficiency
- CAPEX €24m (33)



* Excluding one-offs

Revenue decreased, profitability up

- Revenue €142m (148)
 - Weak general economy
 - Decrease in traditional fixed network, interconnection and roaming revenue, and divestments of non-core business
 - Growth in ICT and mobile services
- EBITDA €52m (54*), 37% of revenue (37*)
 - Lower revenue
- CAPEX €19m (24)



* Excluding one-offs

Strategy execution

Build value on data

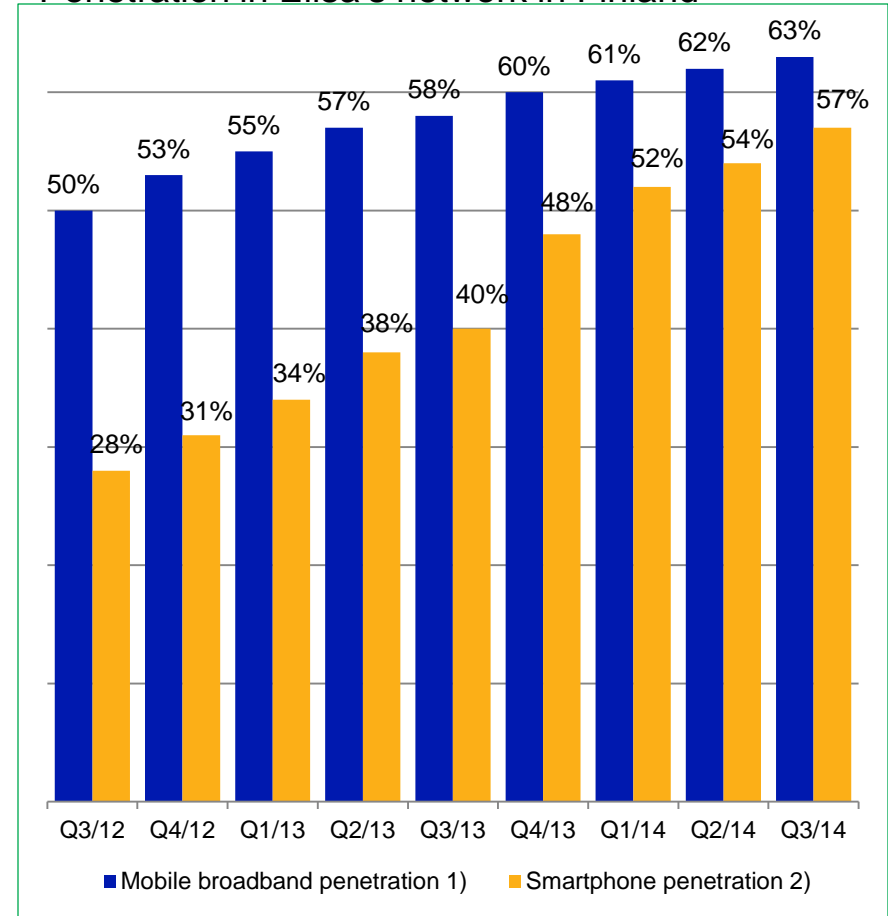
Accelerate new services businesses

Improve performance with
customer intimacy and operational excellence

Strong smartphone base growth continues

- 57% of customers use smartphones
 - 27% of total device base is LTE-capable
- 46% of voice subscriptions* are data bundles
- Most-sold phones in September
 1. Samsung Galaxy S4
 2. Apple iPhone 6
 3. Samsung Galaxy Trend Plus
 4. Apple iPhone 5S
 5. Samsung Galaxy S4 Mini
- Of all models sold in Q3
 - >91% were smartphones, >50% were LTE-capable

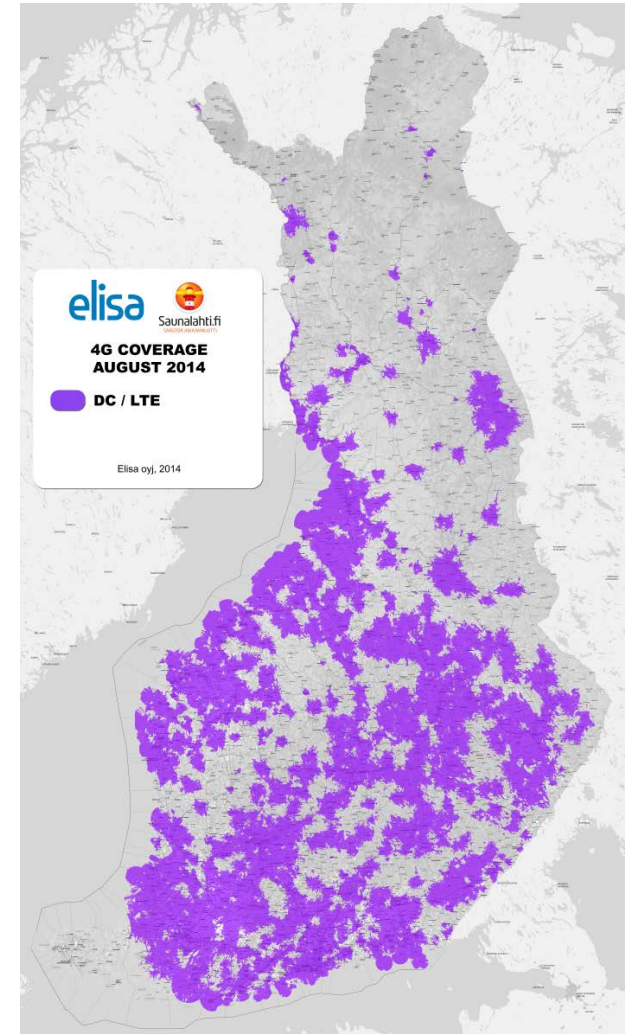
Penetration in Elisa's network in Finland



- 1) 3G/4G dongles and mobile BB add-on services (min. 384 kb/s) of the total subscription base excluding M2M and service operator subs
- 2) iOS (iPhone), Android, Symbian 3^ and Windows phones of the total phone base (no tablets)

Elisa's 4G LTE network has the widest coverage

- Active network building continued
 - 3000th 4G LTE base station opened
- 4G* covers over 95% of Finns
- 4G LTE covers over 90% of Finns



* 4G = 3G DC and LTE

Elisa Viihde IPTV and Elisa Kirja eBook success continues

- New content in Elisa Viihde
 - Sports
 - Travel
 - Crime dramas
- Elisa Kirja strengthened it's position as the leading publisher of Finnish e-books
 - Sales of e-books doubled compared to last summer



Strong capability in cybersecurity solutions and video conferencing services

- Investment in cyber security solutions
 - The most extensive data security services as a service from single operator/player
 - Nixu Ltd, an information security consultant, as a partner
- CMSP certificate* for the highest tier of video conferencing services in Finland
 - Granted by Cisco (Elisa one out of 19 globally)
 - Improves competitiveness in international video conferencing service



* Cloud and Managed Services Program

Outlook and guidance for 2014

- Macroeconomic environment still weak in 2014
- Competition remains challenging
- Revenue at the previous year's level, or slightly higher
- EBITDA excluding one-offs slightly higher than last year
- CAPEX maximum 12 per cent of revenue

Agenda

CEO's review

Veli-Matti Mattila, CEO

Financial review

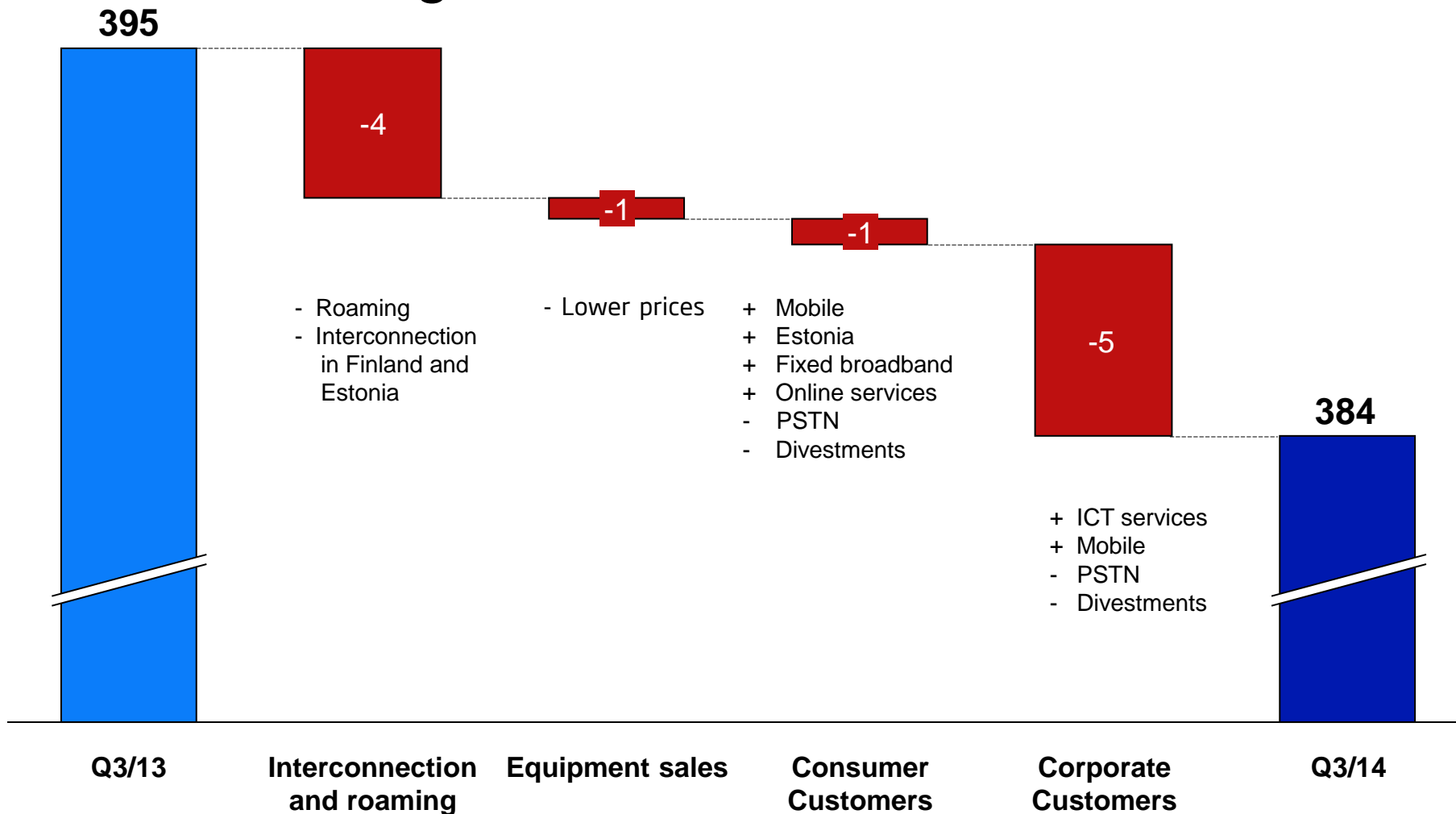
Jari Kinnunen, CFO

Strong growth in EPS continued

EURm	Q3/14	Q3/13	Δ ¹⁾	Δ %	1-9/14	1-9/13	Δ ¹⁾	Δ %	2013
Revenue	384	395	-11	-3%	1,150	1,146	3	0%	1,547
Other operating income	1	0			6	2			4
Operating expenses	-243	-257			-760	-779			-1,061
EBITDA	142	138	3	2%	395	369	26	7%	491
<i>EBITDA-%</i>	<i>37%</i>	<i>35%</i>			<i>34%</i>	<i>32%</i>			<i>32%</i>
EBITDA excl. one-offs	142	142	0	0%	395	374	21	6%	508
<i>EBITDA-% excl. one-offs</i>	<i>37%</i>	<i>36%</i>			<i>34%</i>	<i>33%</i>			<i>33%</i>
Depreciation	-52	-55			-161	-157			-210
EBIT	89	84	6	7%	234	212	23	11%	281
EBIT excl. one-offs	89	87	3	3%	234	217	17	8%	298
<i>EBIT-% excl. one-offs</i>	<i>23%</i>	<i>22%</i>			<i>20%</i>	<i>19%</i>			<i>19%</i>
Profit before tax	83	78	5	7%	214	195	20	10%	255
Income taxes	-16	-19			-41	-47			-58
Profit for the period	68	59	8	14%	173	147	26	18%	196
EPS, EUR/share	0.43	0.38	0.05	14%	1.10	0.93	0.16	18%	1.25
<i>EPS, excl. one-offs</i>	0.43	0.40	0.03	7%	1.10	0.96	0.14	15%	1.33

¹⁾ Difference is calculated using exact figures prior to rounding

Revenue change, EURm



Divestments total EUR -3m
Changes are rounded to millions

Efficiency measures decreased OPEX

- OPEX decreases in Q3/14
 - Productivity improvements and synergies, e.g. IT and personnel expenses
 - Interconnection and roaming
 - Equipment purchase costs
- OPEX increases in Q3/14
 - Collective labour agreements 1.9% Nov 2013
- Activities in Q4/14
 - Brand renewal
 - Acquired companies' integration costs

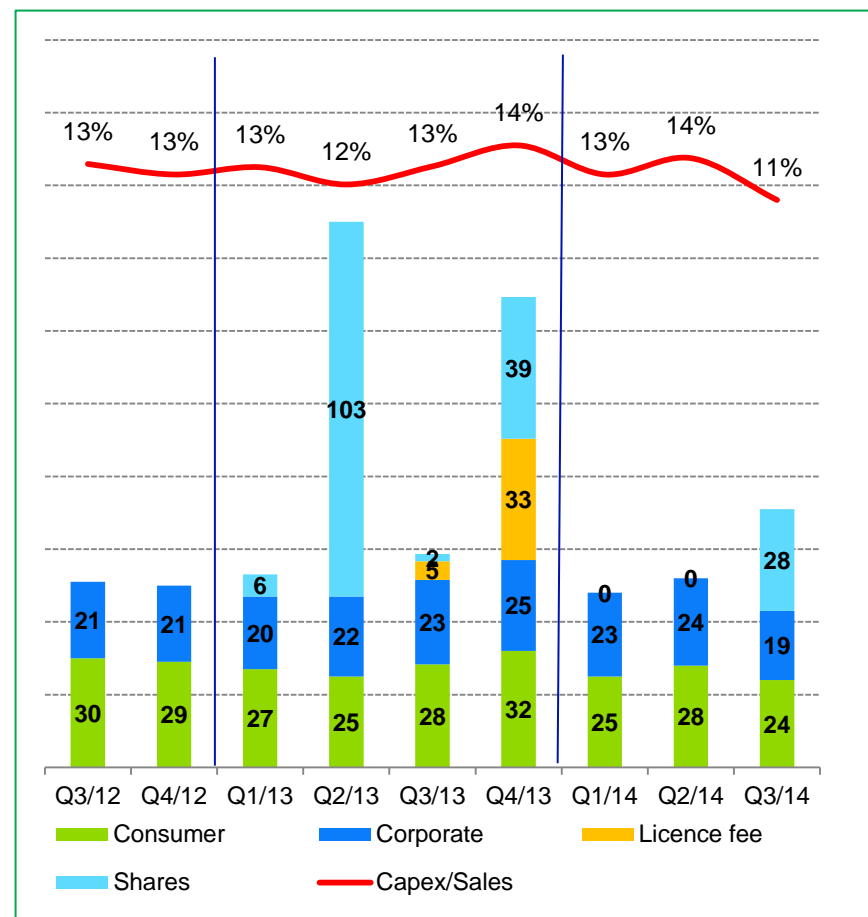
EURm	Q3	Q4	Q1	Q2	Q3
	13	13	14	14	14
Materials and services	157	161	150	153	149
Employee benefit expenses ¹⁾	62	78	65	63	54
Other operating expenses	38	42	42	44	39
Total expenses ²⁾	257	282	257	261	243
Depreciation	55	53	54	54	52

¹⁾ Excluding one-offs Q3/13 €58m and Q4/13 €66m

²⁾ Excluding one-offs Q3/13 €254m and Q4/13 €270m

CAPEX in line with guidance

- Q3 CAPEX €43m (51*)
 - Consumer €24m (28*)
 - Corporate €19m (23*)
- 2014 CAPEX / sales guidance 12%
- Major CAPEX areas
 - 4G/LTE rollout
 - Fixed-access and backbone networks
 - IT systems
 - Customer equipment



CAPEX/sales excluding investments in shares and licence fees.
 Q4/13 share issue of €39m for Telekarelia and Kymen Puhelin mergers
 Q3/14 includes purchases of Anvia and Videra shares.

Comparable cash flow improved

EURm	Q3/14	Q3/13	Δ ¹⁾	1-9/14	1-9/13	Δ ¹⁾	2013
EBITDA	142	138	3	395	369	26	491
Change in receivables	0	-8	8	-13	3	-17	-13
Change in inventories	0	1	-1	2	6	-4	6
Change in payables	-22	-3	-19	-18	-10	-8	2
Change in NWC	-22	-9	-12	-29	-1	-28	-5
Financials (net)	-2	-3	1	-15	-16	0	-25
Taxes for the year	-13	-17	4	-38	-47	9	-65
Taxes for the previous year	0	0	0	1	-1	2	0
Taxes	-13	-17	4	-37	-48	11	-65
CAPEX	-43	-52	8	-145	-147	2	-201
800 MHz licences ²⁾	0	-5	5	0	-5	5	-12
Investments in shares ³⁾	-22	-1	-21	-24	-89	65	-93
Sale of assets and adjustments	-1	-1	0	-2	-5	3	-6
Cash flow after investments	39	51	-12	143	58	84	84
Cash flow after investments excl. acquisitions ⁴⁾	61	51	10	166	146	20	177

1) Difference is calculated using exact figures prior to rounding

2) LTE 800 MHz licence in Finland Q4/13 €7m, Estonia Q3/13 €5m

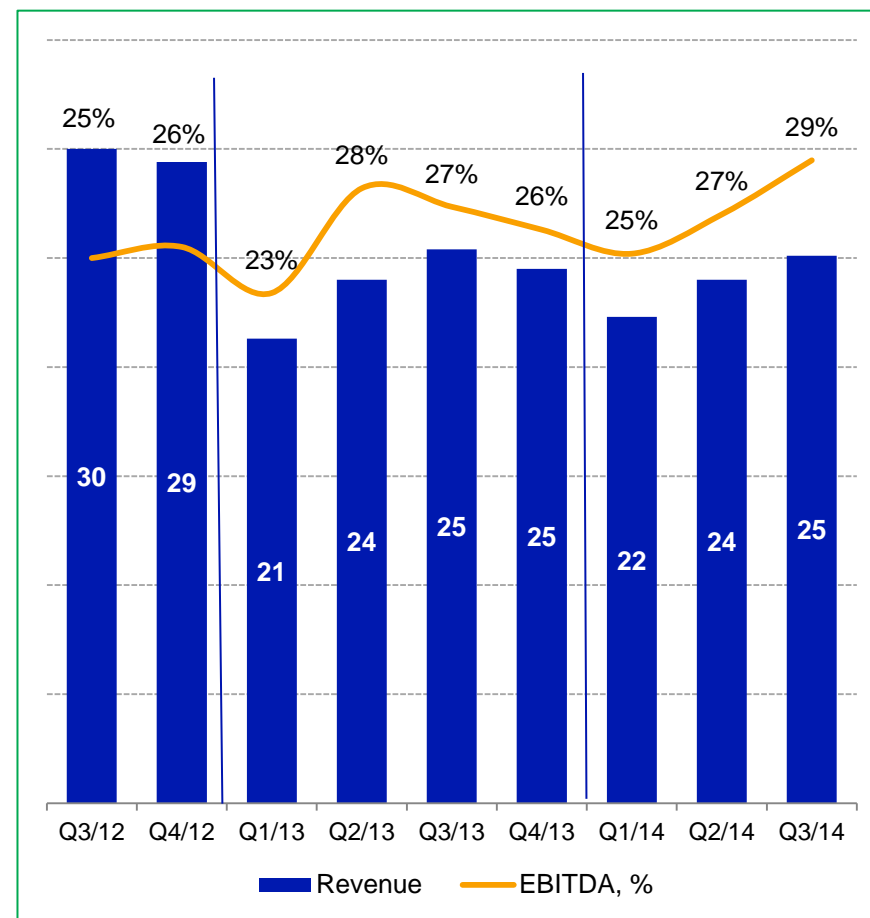
3) Investment in Sulake and PPO companies in 2013, Anvia shares in Q3/14

4) Without Sulake and PPO Acquisitions 2013, Anvia 2014

Stable revenue and EBITDA in Estonia

- Revenue €25m (25)
 - Decrease in MTRs
 - Growth in mobile data
- EBITDA €7m (7)
- CAPEX €2m (2 excl. licence fee)
 - 4G/LTE, 3G Coverage
- Growth in mobile subs 9,500 QoQ

Estonian MTRs	Q2	Q2
	2013	2014
All operators, euro cents	1.47	1.29
MTR change, YoY		-12%

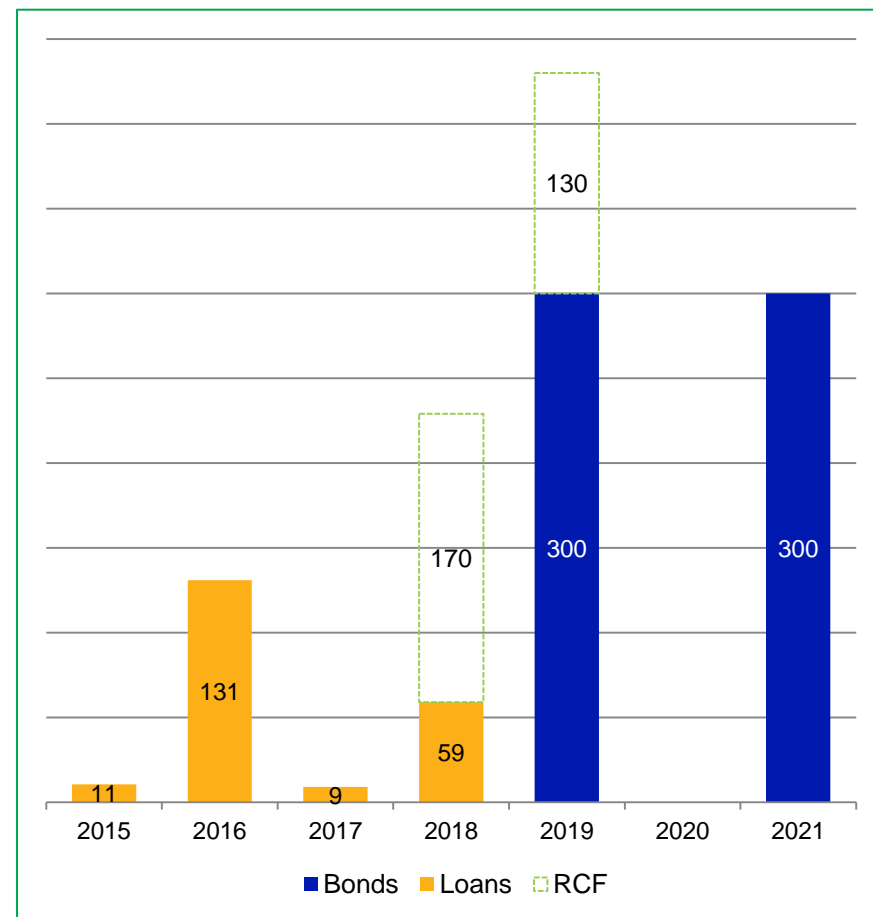


EBITDA margin is calculated using exact figures prior to rounding

Solid liquidity position

- Cash and undrawn committed facilities €290m (506)
 - Revolving Credit Facilities €50m drawn
- Commercial paper programme
 - €200m in use as of 30 September 2014
- Solid credit ratings since 2003
 - S&P BBB Positive outlook
 - Moody's Baa2 Stable outlook

Bond and bank loan maturities 30.9.2014



Net debt at target level

- Capital Structure

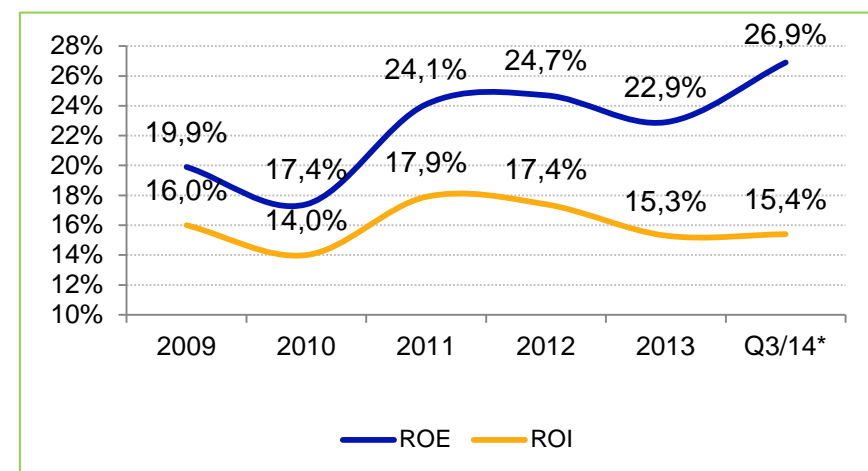
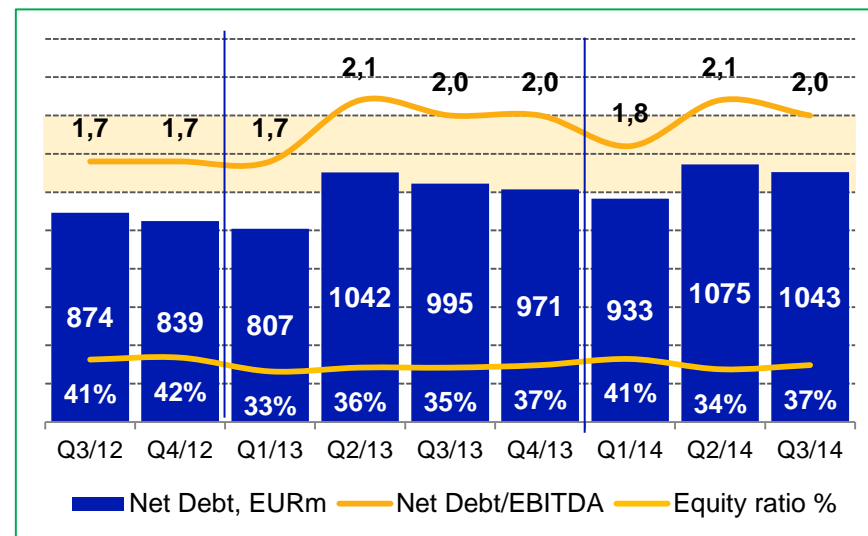
- Net debt / EBITDA 2.0x
- Gearing 126%
- Equity ratio 37.2%

- Target setting

- Net debt / EBITDA 1.5–2x
- Equity ratio >35%

- Return ratios improved

- ROE 26.9%
- ROI 15.4%



* Rolling 12-month profit preceding the reporting date





Thank you!

Elisa IR App now available for iPhone, iPad and Android devices



Consolidated cash flow statement

EUR million	3Q14	2Q14	1Q14	4Q13	3Q13	2Q13	1Q13	4Q12	3Q12
Cash flow from operating activities									
Profit before tax	83	67	64	60	78	63	53	64	78
Adjustments to profit before tax	57	57	56	59	60	54	55	58	54
Change in working capital	-22	-1	-6	-4	-9	0	9	-17	-24
Cash flow from operating activities	119	123	114	114	128	117	118	104	108
Received dividends and interests and interest paid 1)	-2	-2	-12	-9	-3	-2	-11	-7	-2
Taxes paid	-13	-11	-13	-17	-17	-17	-15	-15	-20
Net cash flow from operating activities	104	110	89	89	109	98	92	82	86
Cash flow in investments									
Capital expenditure	-43	-51	-50	-61	-57	-47	-49	-49	-49
Investments in shares and other investments	-22	-1	-1	-4	-1	-82	-6	0	0
Repayment of loan assets	0	0							
Proceeds from asset disposal	0	7	1	2	0	0	0	0	0
Net cash used in investment	-65	-46	-50	-63	-58	-128	-55	-49	-49
Cash flow after investments	39	64	39	26	51	-30	37	34	37
Cash flow in financing									
Share Buy Backs and sales (net)				0	0	5			
Change in long-term debt	-6		-167	-2	296	0	-75	151	0
Change in short-term debt	-37	135	50	-90	-184	192	83	-163	-54
Repayment of financing leases	-1	-1	-1	-1	-1	-1	-1	-2	-1
Increase in reserve for invested non-restricted equity				0	0	3	0	2	
Acquisition of non-controlling interests w/o a change in control	-6			0	-4				
Dividends paid	0	-206		0	0	-203	0	0	-1
Cash flow in financing	-50	-72	-118	-94	107	-5	7	-11	-56
Change in cash and cash equivalents	-11	-8	-79	-68	158	-35	44	22	-19

Financial situation

EUR million	3Q14	2Q14	1Q14	4Q13	3Q13	2Q13	1Q13	4Q12	3Q12
Interest-bearing debt									
Bonds and notes	590	590	589	750	750	451	450	525	375
Commercial Papers	200	217	152	101	192	204	179	96	170
Loans from financial institutions	211	216	216	223	224	229	225	221	221
Financial leases	32	33	34	35	36	36	37	37	38
Committed credit lines 1)	50	70	0	0	0	171	0	0	89
Interest-bearing debt, total	1 083	1 126	992	1 109	1 201	1 090	891	878	892
Cash and cash equivalents	40	51	59	138	206	48	83	40	18
Interest-bearing receivables	40	51	59	138	206	48	83	40	18
Net debt 2)	1 043	1 075	933	971	995	1 042	807	839	874

1) The committed credit lines are EUR 130 million and EUR 170 million revolving credit facilities with five banks, which

Elisa Corporation may use flexibly on agreed pricing. The loan arrangements are valid until 11 June 2019 and 3 June 2018.

2) Net debt is interest-bearing debt less cash.