ELISA STOCK EXCHANGE RELEASE 17 JULY 2009 AT 8.30 am

ELISA'S INTERIM REPORT JANUARY-JUNE 2009

Second quarter 2009

- Revenue was EUR 355 million (372)
- EBITDA excluding non-recurring items was EUR 116 million (109), EBIT EUR 64 million (57)
- Profit before tax amounted to EUR 56 million (38)
- Earnings per share was EUR 0.27 (0.20)
- Cash flow after investments was strong, EUR 89 million (59)
- The full year outlook is reiterated

- Revenue per subscription (ARPU) in the mobile business was at the previous quarter's level EUR 24.0 (24.1 in the first quarter)
- Churn was 14.7 per cent (14.0 in the first quarter)
- The number of Elisa's mobile subscriptions increased by 127 000 during the quarter, due in particular to the new 3G and 2G customers, as well as mobile broadband
- The number of fixed broadband subscriptions decreased by 13,600 on the previous quarter
- Net debt / EBITDA was 1.6 (1.7 at the end of 2008) and gearing 89% (93 at the end of 2008)

January-June 2009

- Revenue was EUR 706 million (739)
- EBITDA was EUR 231 million (213), EBIT EUR 126 million (110)
- EBITDA excluding non-recurring items was EUR 231 million (220), EBIT EUR 126 million (117)
- Cash flow after investments was EUR 135 million (125)

Key indicators:

EUR million	4-6/2009	4-6/2008	1-6/2009	1-6/2008
Revenue	355	372	706	739
EBITDA	116	105	231	213
EBITDA excluding non-recurring items	116	109	231	220
EBIT	64	53	126	110
Profit before tax	56	38	109	90
Earnings per share, EUR	0.27	0.20	0.53	0.45
Capital expenditures	36	41	70	78

Financial position and cash flow:

EUR million	30.6.2009	30.6.2008	31.12.2008
Net debt	773	898	812
Net debt / EBITDA [1)]	1.6	1.9	1.7
Gearing ratio, %	89.2	109.3	92.8
Equity ratio, %	44.6	40.4	43.3

EUR million	4-6/2009	4-6/2008	1-6/2009	1-6/2008
Cash flow after investments	89	59	135	125

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

Additional information regarding the Key Performance Indicators is available on www.elisa.com/investors, in the section: Financial info, Financial Statements & Interim Reports: Elisa Quarterly Data.

CEO Veli-Matti Mattila:

“Elisa’s result good despite economic downturn

Elisa's profitability continued to be strong. Continuous improvement of productivity and service quality have created prerequisites for a good result despite the general economic downturn. In the second quarter, cash flow also continued to be strong. Revenue fell slightly from the previous year, mainly as a result of lower equipment sales volume as well as decreased interconnection fees and roaming revenue.

The competitive situation remained challenging. In the consumer business, we continued to develop an attractive service and product offering as well as to improve productivity. We launched the Elisa Viihde service – a modern, versatile digital IPTV service. Elisa was the first in Finland to launch a mobile broadband prepaid subscription, which has been well received. Elisa has also managed to strengthen its position in the corporate customer business.

We continued to build our 3G network, which has the best coverage in Finland. The network currently covers an area of almost five million inhabitants. Through our cooperation partners we can also offer excellent global mobile coverage to our customers. Together with a strong growth in subscriptions, our mobile network consolidates our position as a 3G market leader.

We continue determinedly to implement our strategy by developing the productivity of our operations and by offering our customers more services relevant to them. Our competitiveness in cost and investment efficiency, as well as good cash flow allows us to continue implementing this strategy. However, the general economic downturn will continue to affect our business to some extent. We believe that with firm improvement of productivity and expanding service offering, we can meet these challenges and that our business will continue to develop favourably in the years to come.”

ELISA

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Distribution:

NASDAQ OMX Helsinki
Principal media
www.elisa.com

INTERIM REPORT JANUARY-JUNE 2009

The interim report has been prepared in accordance with the IAS 34 standard, “Interim reports”. The information presented in this interim report is unaudited.

Market situation

The general economic downturn has so far had only a marginal impact on the telecom operator business. The impact has been felt mainly in equipment sales, roaming revenues and corporate customer business. Elisa’s Estonian business has also suffered to some extent. It is still uncertain how much the possible deterioration of the corporate business environment will impact the telecom sector.

The competitive environment has been keen but stable in Finland. The number of mobile subscriptions and the use of data services have evolved favourably in Finland with 3G subscriptions comprising a significant proportion of new subscriptions. The use of services made available through 3G subscriptions has also increased. Another factor contributing to the growth has been the use of multiple terminal devices for different purposes and mobile broadband services. Churn in mobile subscriptions has been at a normal level, and competition has been mainly in services and campaigning.

The number and usage of traditional fixed network subscriptions decreased at the same pace as in the previous year. The fixed broadband market has matured, while the strong subscription growth in mobile broadband continued.

Revenue, earnings and financial position

Revenue and earnings:

EUR million	4-6/2009	4-6/2008	1-6/2009	1-6/2008
Revenue	355	372	706	739
EBITDA	116	105	231	213
EBITDA-%	*32.8*	*28.2*	*32.8*	*28.8*
EBITDA excl. non-recurring items	116	109	231	220
EBITDA-% excl. non-recurring items	*32.8*	*29.3*	*32.8*	*29.7*
EBIT	64	53	126	110
EBIT excl. non-recurring items	64	57	126	117
EBIT-% excl. non-recurring items	*18.0*	*15.4*	*17.8*	*15.9*

Second quarter 2009
Revenue decreased by 4 per cent mainly due to lower equipment sales volumes, lower interconnection fees both in Finland and Estonia and a decrease in traditional fixed business.

EBITDA improved by 11 per cent and EBITDA excluding non-recurring items by 7 per cent on the previous year. The improvement was mainly due to improved efficiency measures. The total OPEX decreased by EUR 28million. In 2008, extra implementation costs of the billing and CRM system, as well as revenue correction affected EBITDA negatively.

Financial income and expenses totalled EUR -8 million (-15). The decrease in financial expenses was mainly due to mark-to-market valuation of the interest rate swap (negative effect in 2008), decrease in net debt and lower interest rates. Income taxes in the income statement amounted to EUR -14 million (-6). Elisa’s earnings after taxes were EUR 42 million (32). The Group’s earnings per share (EPS) amounted to EUR 0.27 (0.20).

January-June 2009
Elisa’s revenue decreased by 4 per cent on last year mainly given the same reasons as in the second quarter.

EBITDA improved by 9 per cent and EBITDA excluding non-recurring items by 5 per cent on the previous year. The improvement was mainly due to improved efficiency measures. The total OPEX decreased by EUR 51 million. In 2008, extra implementation costs of the billing and CRM system, as well as revenue correction affected EBITDA negatively. During the first half of 2009, sales costs increased due the strong growth in mobile subscriptions.

Financial income and expenses totalled EUR -16 million (-20). The decrease in financial expenses was mainly attributed to mark-to-market valuation of the interest rate swap (negative effect in 2008), a decrease in net debt and lower interest rates. Income taxes in the income statement amounted to EUR -26 million (-18). Elisa's earnings after taxes were EUR 84 million (72). The Group's earnings per share (EPS) amounted to EUR 0.53 (0.45).

Financial position:

EUR million	30.6.2009	30.6.2008	31.12.2008
Net debt	773	898	812
Net debt / EBITDA [1)]	1.6	1.9	1.7
Gearing ratio, %	89.2	109.3	92.8
Equity ratio, %	44.6	40.4	43.3

EUR million	4-6/2009	4-6/2008	1-6/2009	1-6/2008
Cash flow after investments	89	59	135	125

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

Second quarter 2009
Elisa's financial position and liquidity remained good. Elisa's net debt decreased from EUR 898 million to EUR 773 million. April – June cash flow after investments increased by 51 per cent to EUR 89 million mainly due to the improved result, the decrease in capital expenditure and investment in shares.

January-June 2009
Cash flow after investments increased by 8 per cent to EUR 135 million (125) on the previous year mainly due to the improved result and the decrease in capital expenditure.

Changes in corporate structure

January-June 2009
In February, Elisa acquired the entire share capital of Xenetic Oy. Xenetic is a hosting service company, the business of which consists of data centres, monitoring, data communications and data security services and equipment, and application leasing among other things. In February Elisa also acquired the business operations of Trackway Oy, which provides e.g. solutions for asset tracking. There were no major changes in the corporate structure in the second quarter 2009.

Consumer Customer business

EUR million	4-6/2009	4-6/2008	1-6/2009	1-6/2008
Revenue	209	218	410	439
EBITDA	68	56	132	123
EBITDA-%	*32.5*	*25.8*	*32.1*	*28.0*
EBIT	38	27	71	64
CAPEX	19	22	37	43

Second quarter 2009
The Consumer Customer business revenue was EUR 209 million (218) and EBITDA EUR 68 million (56). The decrease in revenue was mainly a result of lower equipment sales volumes, lower interconnection fees both in Finland and Estonia and a decrease in the traditional fixed business. EBITDA was positively affected by productivity improvement measures. Total OPEX decreased by

EUR 22 million. The decrease in the Estonian business due to the general economic downturn had a negative effect on EBITDA.

January-June 2009
The Consumer Customer business revenue was EUR 410 million (439) and EBITDA EUR 132 million (123). The decrease in revenue was mainly attributable to the to same reasons as in the second quarter. EBITDA was positively affected by productivity improvement measures and interconnection costs. Total OPEX decreased by EUR 38 million. The decrease in the Estonian business due to the general economic downturn had a negative effect on EBITDA.

Corporate Customer business

EUR million	4-6/2009	4-6/2008	1-6/2009	1-6/2008
Revenue	146	153	296	299
EBITDA	48	48	100	90
EBITDA-%	*33,2*	*31,6*	*33,7*	*30,1*
EBIT	26	26	54	47
CAPEX	17	19	33	35

Second quarter 2009
Corporate Customers business revenue was EUR 146 million (153) and EBITDA EUR 48 million (48). The decrease in revenue was mainly due to lower interconnection fees, a decrease in mobile revenue and a decrease in the traditional fixed business. Growth in ICT services increased revenue. EBITDA was positively affected by productivity improvement measures and negatively by decreased revenue. Total OPEX decreased by EUR 7 million.

January-June 2009
Corporate Customers business revenue was EUR 296 million (299) and EBITDA EUR 100 million (90). The decrease in revenue was mainly due to lower interconnection fees, decrease in equipment sales volumes and decrease in the traditional fixed business. Growth in ICT services increased revenue. Increase in EBITDA was mainly due to productivity improvement. Total OPEX decreased by EUR 13 million.

Personnel

In January-June the average number of personnel at Elisa was 3,143 (2,970).
Personnel by segment at the end of the period:

	30.6.2009	30.6.2008	31.12.2008
Consumer Customers	1,596	1,545	1,522
Corporate Customers	1,725	1,309	1,495
Total	3,321	2,854	3,017

The number of personnel increased by about 300 from the beginning of the year. Personnel growth mainly occurred in call centers as a result of an increase in the customer service business. The call center headcount varies flexibly according to customer demand and business activity.

Investments

EUR million	4-6/2009	4-6/2008	1-6/2009	1-6/2008
Capital expenditures, of which	36	41	70	78
- Consumer Customers	19	22	37	43
- Corporate Customers	17	19	33	35
Shares	1	11	6	13
Total	37	52	76	91

The main capital expenditures arose from the capacity and coverage increase of the 3G network.

Financing arrangements and ratings

Valid financing arrangements:

EUR million	Maximum amount	In use on 30.6.2009
Committed credit limits	300	5
Commercial paper programme [1)]	250	119
EMTN programme [2)]	1,000	600

1) The programme is not committed.
2) European 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 credit lines totalled EUR 324 million at 30 June 2009 (EUR 258 million at the end of 2008). There are no major refinancing needs expected before the year 2011.

Share

Trading of shares	4-6/2009	4-6/2008	1-6/2009	1-6/2008
Shares traded, millions	57.2	94.4	106.4	177.2
Volume, EUR million	602.3	1,372	1156.6	2,984
% of shares	34	57	64	107

Shares and market values	30.6.2009	30.6.2008	31.12.2008
Total number of shares	166,307,586	166,307,586	166,307,586
Treasury shares	10,688,629	7,688,629	10,688,629
Outstanding shares	155,618,957	158,618,957	155,618,957
Closing price, EUR	11.73	13.33	12.30
Market capitalisation, EUR million	1,825	2,114	1,914
Treasury shares, %	6.4	4.6	6.4

In March, Elisa distributed a dividend of 0.60 euros per share, totalling EUR 93.4 million, in accordance with the decision of the Annual General Meeting.

In June, the Government of Finland transferred its Elisa shares to its fully-owned company Solidium Oy. Following this transfer, the Government of Finland has no direct ownership in Elisa. The number of shares that transferred to Solidium Oy was 16,006,000 representing 9.62 per cent of the share capital and votes.

In June, Solidium Oy announced that it has exceeded 10 per cent ownership in Elisa. Solidium Oy's ownership increased to 16,631,000 shares, or 10.00 per cent of the share capital and votes.

The Board of Directors' authorisations

On 18 March 2009, the Annual General Meeting accepted the proposal to authorize the Board of Directors to decide on the distribution of funds from the unrestricted equity to a maximum of EUR 150,000,000. The authorization is effective until the beginning of the following Annual General Meeting.

The Annual General Meeting decided on the authorization to repurchase or accept as pledge the company's own shares. The repurchase may be directed. The amount of shares under this authorization is 15,000,000 shares at maximum. The authorization is effective until June 30, 2010.

The Annual General Meeting approved the proposal of the Board of Directors on the issuance of shares as well as the issuance of special rights entitling to shares. The issue may be directed. The authorization is effective until June 30, 2013. A maximum aggregate of 50 million of the company's shares can be issued under the authorization.

Regulatory issues

On April 2009, Elisa was handed a decision made by the Finnish Communications Regulatory Authority, that Elisa was allocated more frequencies in both the 1,800Mhz and 2,100Mhz wavebands. In the 1,800Mhz waveband, the radio license is valid until November 2017 and in the 2,100Mhz waveband, the radio licence is valid to March 2019. The 1,800Mhz frequencies can be used for the LTE (Long Term Evolution technology).

Significant legal issues

On 28 May 2009, The Court of Appeal of Helsinki rendered its verdict in the proceedings concerning the stock exchange disclosures of the Jippii Group in 2001. Jippii is Saunalahti Group's predecessor, which Elisa acquired in 2005. The Court has ordered Elisa to pay a corporate fine of EUR 200,000 and a forfeiture of EUR 85,000 concerning the events of 2001.

The Finnish Competition Authority has withdrawn its intent to make a report concerning the pricing of Elisa's broadband and removed the matter from the agenda.

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, insurable 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.

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, which means that growth in subscriptions is limited. Furthermore, the volume of phone traffic in Elisa's fixed network has decreased in the past few years. These factors may limit the opportunities for growth.

The deterioration of the economic environment may impact the demand for Elisa's services and products, and therefore growth prospects. However, a good demand for communication services is expected to continue also during a recession.

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

Financial risks:
In order to manage interest rate risk, the Group's loans and investments are diversified in fixed- and variable-rate instruments. Interest rate derivatives are used to manage interest rate risk.

As most of Elisa Group's cash flow is denominated in euros, the exchange rate risk is minor. Elisa's Estonian business, which is approximately 7 per cent of the consolidated revenue is denominated in Estonian crowns.

The objective of liquidity risk management is to ensure the Group's financing in all circumstances. The Group's cash and undrawn committed credit lines totalled EUR 324 million at 30 June 2009 (EUR 258 million at the end of 2008).

Liquid assets are invested within confirmed limits to investment targets with a good credit rating. Credit risk concentrations in accounts receivable are minor as the customer base is wide.

In connection to the counterparty risk hedging Elisa provided a maximum USD 60 million guarantee for a credit derivative portfolio (CDO). The risk for the guarantee being called increased due to the credit crisis in 2008, after which there have not been any material changes. The rating of the portfolio is at B1 level. The guarantee is valid until 15 December 2012. The maximum liability USD 60 million, if realised, would mean cash payments of USD 0.5 million in 2010, USD 33.0 million in 2011 and USD 26.5 million in 2012.

Given the recent financial market turmoil, the banking sector has suffered and the banks' ability to finance companies have deteriorated, with some capital market activities not operating fully. However, Elisa has cash reserves, committed credit facilities and a sustainable cash flow to cover its foreseeable financing needs.

A detailed description of the financial risk management can be found in the 2008 Annual Report on page 15.

Events after the financial period

There have not been any significant events following the reporting period.

Outlook for 2009

The current economic environment and financial market turmoil creates uncertainty for the 2009 outlook. Competition in the Finnish telecommunications market remains challenging.

The general economic downturn has so far had a slight impact on the Elisa's Estonian business and the Corporate Customer segment. The main risks still relate to the development of the Estonian economy and the corporate customer business.

Full year revenue is estimated to be at the same or slightly lower level than last year. The use of mobile communications and mobile broadband products is continuing to rise. The equipment sales volumes and service sales in some customer segments may decrease. EBITDA excluding non-recurring items is also expected to be at the same or slightly lower level than last year. Elisa will determinedly continue to stimulate demand for its services and continue to drive productivity improvements of its operations. Likewise, capital expenditure will be actively controlled to a maximum 12 per cent of revenue, and it may be reduced clearly if the general economy deteriorates further.

The contributory factors for long-term growth and profitability improvement include the 3G market growth and efficiency measures, which are continuing as expected. Elisa's financial position and liquidity are good. There are no major refinancing needs expected before the year 2011.

BOARD OF DIRECTORS

Elisa Corporation
1.1. - 30.6.2009
Unaudited

CONSOLIDATED INCOME STATEMENT

EUR million	Note	**4-6 2009**	4-6 2008	**1-6 2009**	1-6 2008	1-12 2008
Revenue	1	**354,9**	371,5	**705,9**	738,5	1 485,0
Other operating income		**1,1**	1,1	**2,0**	2,0	6,5
Materials and services		**-143,6**	-169,2	**-289,3**	-327,7	-652,4
Employee expenses	7	**-47,6**	-41,7	**-94,5**	-87,0	-162,5
Other operating expenses		**-48,4**	-57,0	**-92,8**	-112,9	-205,0
EBITDA	1	**116,4**	104,7	**231,3**	212,9	471,6
Depreciation and amortisation	3	**-52,5**	-51,5	**-105,7**	-102,5	-207,1
EBIT	1	**63,9**	53,2	**125,6**	110,4	264,5
Financial income		**2,7**	1,9	**6,1**	8,7	17,1
Financial expense		**-10,8**	-17,3	**-22,5**	-28,9	-54,0
Share of associated companies' profit		**0,0**	0,0	**0,0**	0,0	0,0
Profit before tax		**55,8**	37,8	**109,2**	90,2	227,6
Income taxes		**-13,5**	-6,0	**-25,7**	-18,2	-50,6
Profit for the period		**42,3**	31,8	**83,5**	72,0	177,0
Attributable to:						
Owners of the parent		**42,1**	31,7	**83,1**	71,7	176,3
Non-controlling interests		**0,2**	0,1	**0,4**	0,3	0,7
		42,3	31,8	**83,5**	72,0	177,0
Earnings per share (EUR)						
Basic and diluted		**0,27**	0,20	**0,53**	0,45	1,12
Average number of outstanding shares (1000 shares)						
Basic and diluted		**155 619**	158 492	**155 619**	158 375	157 450

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	4-6 2009	4-6 2008	**1-6 2009**	1-6 2008	1-12 2008
Profit for the period	**42,3**	31,8	**83,5**	72,0	177,0
Other comprehensive income, net of tax:					
Available-for-sale investments	**1,0**	-2,3	**-0,1**	-1,8	-10,4
Total comprehensive income	**43,3**	29,5	**83,4**	70,2	166,6
Total comprehensive income attributable to:					
Owners of the parent	**43,1**	29,4	**83,0**	69,9	165,9
Non-controlling interests	**0,2**	0,1	**0,4**	0,3	0,7
	43,3	29,5	**83,4**	70,2	166,6

Elisa Corporation
1.1. - 30.6.2009
Unaudited

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

EUR million	Note	**30.6. 2009**	31.12. 2008
Non-current assets			
Property, plant and equipment	3	**610,2**	630,5
Goodwill	3	**781,6**	778,6
Other intangible assets	3	**166,8**	177,5
Investments in associated companies		**0,1**	0,1
Available-for-sale investments		**29,2**	29,0
Receivables		**12,5**	12,4
Deferred tax assets		**27,7**	28,3
		1 628,1	1 656,4
Current assets			
Inventories	4	**22,3**	21,7
Trade and other receivables		**272,9**	319,4
Cash and cash equivalents		**28,8**	33,0
		324,0	374,1
Total assets		**1 952,1**	2 030,5
Equity attributable to owners of the parent	5	**864,8**	873,4
Non-controlling interests		**1,2**	1,6
Total equity		**866,0**	875,0
Non-current liabilities			
Deferred tax liabilities		**26,3**	30,9
Provisions		**5,1**	5,6
Interest-bearing debt	6	**622,5**	672,3
Other non-current liabilities		**14,1**	14,0
		668,0	722,8
Current liabilities			
Trade and other payables		**232,3**	255,5
Tax liabilities		**5,5**	3,4
Provisions		**1,4**	1,5
Interest-bearing debt	6	**178,9**	172,3
		418,1	432,7
Total equity and liabilities		**1 952,1**	2 030,5

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

EUR million	**1-6 2009**	1-6 2008	1-12 2008
Cash flow from operating activities			
Profit before tax	**109,2**	90,2	227,6
Adjustments			
Depreciation and amortisation	**105,7**	102,5	205,8
Other adjustments	**15,5**	20,3	32,1
	121,2	122,8	237,9
Change in working capital			
Change in trade and other receivables	**51,0**	110,0	132,5
Change in inventories	**-0,5**	3,6	6,7
Change in trade and other payables	**-16,3**	-61,2	-56,2
	34,2	52,4	83,0
Financial items, net	**-17,0**	-19,8	-38,8
Taxes paid	**-34,5**	-33,6	-59,5
Net cash flow from operating activities	**213,1**	212,0	450,2
Cash flow from investing activities			
Capital expenditure	**-69,6**	-77,4	-179,2
Purchase of shares	**-9,3**	-10,0	-11,6
Proceeds from asset disposal	**0,8**	0,4	0,8
Net cash used in investing activities	**-78,1**	-87,0	-190,0
Cash flow before financing activities	**135,0**	125,0	260,2
Cash flow from financing activities			
Purchase of treasury shares			-43,3
Proceeds from long-term borrowings		80,0	80,0
Repayment of long-term borrowings	**-36,0**	-30,0	-30,0
Change in short-term borrowings	**-6,9**	109,9	38,6
Repayment of finance lease liabilities	**-2,4**	-2,0	-4,0
Dividends paid and capital repayment	**-93,9**	-284,9	-285,4
Net cash used in financing activities	**-139,2**	-127,0	-244,1
Change in cash and cash equivalents	**-4,2**	-2,0	16,1
Cash and cash equivalents at beginning of period	**33,0**	16,9	16,9
Cash and cash equivalents at end of period	**28,8**	14,9	33,0

Elisa Corporation
1.1. - 30.6.2009
Unaudited

STATEMENT OF CHANGES IN EQUITY

EUR million	Share capital	Treasury shares	Other reserves	Reserve for invested non-restricted equity	Retained earnings	Minority interest	**Total equity**
Balance at January 1, 2008	83,0	-165,8	403,9	535,7	176,6	2,0	**1 035,4**
Capital repayment				-284,9			**-284,9**
Dividends						-0,6	**-0,6**
Share-based compensation		7,0			-5,7		**1,3**
Total comprehensive income			-1,8		71,7	0,3	**70,2**
Balance at June 30, 2008	83,0	-158,8	402,1	250,8	242,6	1,7	**821,4**

EUR million							
Balance at January 1, 2009	83,0	-202,0	393,5	250,8	348,1	1,6	**875,0**
Dividends					-93,4	-0,8	**-94,2**
Share-based compensation					1,8		**1,8**
Total comprehensive income			-0,1		83,1	0,4	**83,4**
Balance at June 30, 2009	83,0	-202,0	393,4	250,8	339,6	1,2	**866,0**

Elisa Corporation
1.1. - 30.6.2009
Unaudited

NOTES

BASIS OF PREPARATION
The Interim consolidated financial statements are in compliance with IAS 34 "Interim Financial Reporting". The interm consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) effective at the time of preparation and adopted for use by the European Union. This Interim consolidated financial statements should be read in conjunction with the 2008 consolidated financial statements.
Except for accounting principle changes listed below, the accounting principles applied in this Interim report are the same as in the Consolidated financial statements at December 31, 2008.

Changes in accounting principles
The Group adopted the following standards, amendments to standards and interpretations as from 1 January 2009 onward:
- IFRS 8 Operating Segments standard which requires segment information to be presented on the basis of internal reporting provided to management. Elisa's internal organizational and management structure is based on a customer-oriented operating model. The new operating segments to be presented are Consumer Customer and Corporate Customers. Accounting principles and comparable figures for 2008 have been published on 17 April, 2009.
- IAS 1 Presentation of Financial Statements. The amendments concerning the income statement and statement of changes in equity have affected the presentation of Interim consolidated financial statements.

Following newly adopted standards and interpretations have not had any effect on Interim consolidated financial statements.
- Revised IAS 23 Borrowing Costs
- Revised IFRS 2 Share-based Payment
- IFRIC 13 Customer Loyalty Programmes
- IFRIC 14 The Limit on a Defined Benefit Assets, Minimum Funding Requirements and their Interaction

1. SEGMENT INFORMATION

4-6/2009 EUR million	Consumer Customers	Corporate Customers	Unallocated Items	Group Total
Revenue	208,7	146,2		354,9
EBITDA	67,9	48,5		116,4
Depreciation and amortisation	-30,1	-22,4		-52,5
EBIT	37,8	26,1		63,9
Financial income			2,7	2,7
Financial expense			-10,8	-10,8
Share of associated companies' profit			0,0	0,0
Profit before tax				55,8
Investments	18,9	17,4		36,3

4-6/2008 EUR million	Consumer Customers	Corporate Customers	Unallocated Items	Group Total
Revenue	218,3	153,2		371,5
EBITDA	56,3	48,4		104,7
Depreciation and amortisation	-29,6	-21,9		-51,5
EBIT	26,7	26,5		53,2
Financial income			1,9	1,9
Financial expense			-17,3	-17,3
Share of associated companies' profit			0,0	0,0
Profit before tax				37,8
Investments	22,2	18,5		40,7

Elisa Corporation
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1-6/2009 EUR million	Consumer Customers	Corporate Customers	Unallocated Items	Group Total
Revenue	410,2	295,7		705,9
EBITDA	131,7	99,6		231,3
Depreciation and amortisation	-60,5	-45,2		-105,7
EBIT	71,2	54,4		125,6
Financial income			6,1	6,1
Financial expense			-22,5	-22,5
Share of associated companies' profit			0,0	0,0
Profit before tax				109,2
Investments	37,2	33,0		70,2

1-6/2008 EUR million	Consumer Customers	Corporate Customers	Unallocated Items	Group Total
Revenue	439,2	299,3		738,5
EBITDA	122,8	90,1		212,9
Depreciation and amortisation	-59,0	-43,5		-102,5
EBIT	63,8	46,6		110,4
Financial income			8,7	8,7
Financial expense			-28,9	-28,9
Share of associated companies' profit			0,0	0,0
Profit before tax				90,2
Investments	42,8	35,5		78,3

1-12/2008 EUR million	Consumer Customers	Corporate Customers	Unallocated Items	Group Total
Revenue	881,5	603,5		1 485,0
EBITDA	267,3	204,3		471,6
Depreciation and amortisation	-118,7	-88,4		-207,1
EBIT	148,6	115,9		264,5
Financial income			17,1	17,1
Financial expense			-54,0	-54,0
Share of associated companies' profit			0,0	0,0
Profit before tax				227,6
Total assets	1 143,3	780,8	106,4	2 030,5
Investments	101,8	82,1		183,9

2. ACQUISITIONS

Elisa Oyj acquired all shares of Xenetic Oy on February 13, 2009. Xenetic was founded in 2000 and it is a leading Finnish hosting service company, the business of which consists of computer rooms, monitoring, control, data communications, data security services and equipment, and application leasing. Xenetic Oy was consolidated with the Group since March 2009. If the acquisition had been made as of the beginning of the financial period 2009, it would not have had any major impact in Group's revenue or earnings for the period.

In a business deal signed on 6 February 2009, Elisa Oyj has acquired the asset management and logistics system business of Trackway Oy.

The total acquisition cost was EUR 5.1 million, of which EUR 6.2 million effected on cash flow (including cash limit repayment). The business combinations resulted in goodwill of EUR 2.0 million.

Additional purchase price relating to previous year's acquisitions resulted in goodwill of EUR 1.0 million.

3. PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

EUR million	Property plant and equipment	Goodwill	Other intangible assets
Cost, 1 January 2009	2 320,3	778,6	379,3
Additions	57,6		12,6
Acquisitions of subsidiaries	2,2	3,0	2,5
Disposals	-0,5		
Reclassifications	0,5		-0,5
30 June 2009	2 380,1	781,6	393,9
Accumulated depreciation/amortisation, 1 January 2009	1 689,8		201,8
Depreciation for the period	80,5		25,3
Disposals and reclassifications	-0,4		
30 June 2009	1 769,9		227,1
Net carrying amounts:			
1 January 2009	630,5	778,6	177,5
30 June 2009	610,2	781,6	166,8

Commitments to purchase property, plant and equipment and intangible assets amounts to EUR 33,9 million as at 30 June 2009.

4. INVENTORIES

Write-downs of inventories amounting to EUR 0,7 million were recognised at 30 June, 2009 (EUR 1,6 million, 31 December, 2008)

5. EQUITY

Dividends
On 18 March, 2009 Elisa's Annual General Meeting decided of a dividend of 0,60 euros per share. The total dividend amounts to EUR 93,4 million and payment started on 30 March, 2009.

6. ISSUANCES AND REPAYMENTS OF DEBT

No bonds have been issued during the first half of 2009.

Repayments of Bonds

EUR million	Nominal value	Book value	Nominal interest rate	Effective interest	Maturity date
EMTN programme 2001/EUR 1,000 million					
III/2002	20,0	20,0	6-month euribor + 1,02%	6,439 %	8.4.2009
V/2002	6,0	6,0	6-month euribor + 1,00%	6,419 %	8.4.2009
VI/2002	10,0	10,0	6-month euribor + 1,00%	6,419 %	8.4.2009
Total of repayments	36,0	36,0			

The unused amount of EUR 1,000 million EMTN program is EUR 400 million as at 30 June 2009.

7. RELATED PARTY TRANSACTIONS

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

Changes in subsidiary relationships during the period are as follows:

Xenetic Oy	aquired	100 %

Related party transactions with associated companies	1-6/2009
Sales	**0,0**
Purchases	**0,3**

Management remuneration will be announced in Annual financial statements.

8. OPERATING LEASE COMMITMENTS

EUR million	**30.6. 2009**	31.12. 2008
Due within 1 year	**20,9**	22,2
Due after 1 year but within 5 years	**35,9**	36,8
Due after 5 years	**15,6**	15,2
Total	**72,4**	74,2

9. CONTINGENT LIABILITIES

EUR million	**30.6. 2009**	31.12. 2008
Mortgages		
For own and group companies	**0,7**	0,4
Pledges given		
Pledges given as surety		0,8
Guarantees given		
For others (*	**43,4**	44,3
Mortgages, pledges and guarantees total	**44,1**	45,5
Other commitments		
Repurchase commitments	**0,0**	0,1

**) EUR 42.5 million is related to the guarantee given on a CDO portfolio.*

10. DERIVATIVE INSTRUMENTS

EUR million	**30.6. 2009**	31.12. 2008
Interest rate swaps		
Nominal value	**150,0**	150,0
Fair value recognised in the balance sheet	**1,6**	1,0
Credit default swaps (*		
Nominal value	**44,8**	47,4

**) CDS is related to hedging of the guarantor bank in the QTE-arrangement. In 2008 Elisa wrote down the fair value of the CDS agreement.*

11. EVENTS AFTER THE BALANCE SHEET DATE

No significant events have taken place after the balance sheet date.

KEY FIGURES

EUR million	**1-6 2009**	1-6 2008	1-12 2008
Shareholders' equity per share, EUR	**5,56**	5,17	5,61
Interest bearing net debt	**772,6**	898,1	811,6
Gearing	**89,2 %**	109,3 %	92,8 %
Equity ratio	**44,6 %**	40,4 %	43,3 %
Return on investment (ROI) *)	**17,0 %**	16,3 %	15,6 %
Gross investments in fixed assets	**70,2**	78,3	183,9
of which finance lease investments	**0,6**	0,9	4,7
Gross investments as % of revenue	**10,0 %**	10,6 %	12,4 %
Investments in shares	**6,2**	12,6	14,8
Average number of employees	**3 143**	2 970	2 946

*) rolling 12 months profit preceding the reporting date

Formulae for financial indicators

Gearing %

$$\frac{\text{Interest-bearing debt - cash and cash equivalents}}{\text{Total equity}} \times 100$$

Equity ratio %

$$\frac{\text{Total equity}}{\text{Balance sheet total - advances received}} \times 100$$

Return on investment % (ROI)

$$\frac{\text{Profit before taxes + interest and other financial expenses}}{\text{Total equity + interest bearing liabilities (average)}} \times 100$$

Net debt

Interest-bearing debt - cash and cash equivalents

Shareholders' equity per share

$$\frac{\text{Equity attributable to equity holders of the parent}}{\text{Number of shares outstanding at end of period}}$$

Earnings/share

$$\frac{\text{Profit for the period attributable to equity holders of parent}}{\text{Average number of outstanding shares}}$$