

The Telesse logo is rendered in a white, italicized, sans-serif font. It is positioned in the upper right quadrant of the page, set against a background of a blue-toned network diagram with glowing nodes and connecting lines. The overall aesthetic is high-tech and digital.

Telesse

Interim Report Q3/2005

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Market Situation Q3

Positive market climate continues

Broadband Cable Networks

The overall market situation was active especially in Europe

- Cable operators continued the development of new services
 - Broadband internet, VoIP and Triple Play
- Consolidation in the customer base, Cablecom, ntl and Telewest
- Intense price competition still prevailed certain product groups

Video Networks

Need for better security - demand for video surveillance strengthened

- Investment plans for network management projects grew
 - US and France being growth markets
- Public Sector having pressure to move faster

Group Q3

	Q3 2005	Q3 2004	Change%
Orders Received	23.9	18.6	+29%
Net Sales	20.4	18.0	+13%
Operating Profit	2.7	2.0	+34%
Net Profit for the Period	1.9	1.4	+38%
EBIT-%	13.4 %	11.3 %	

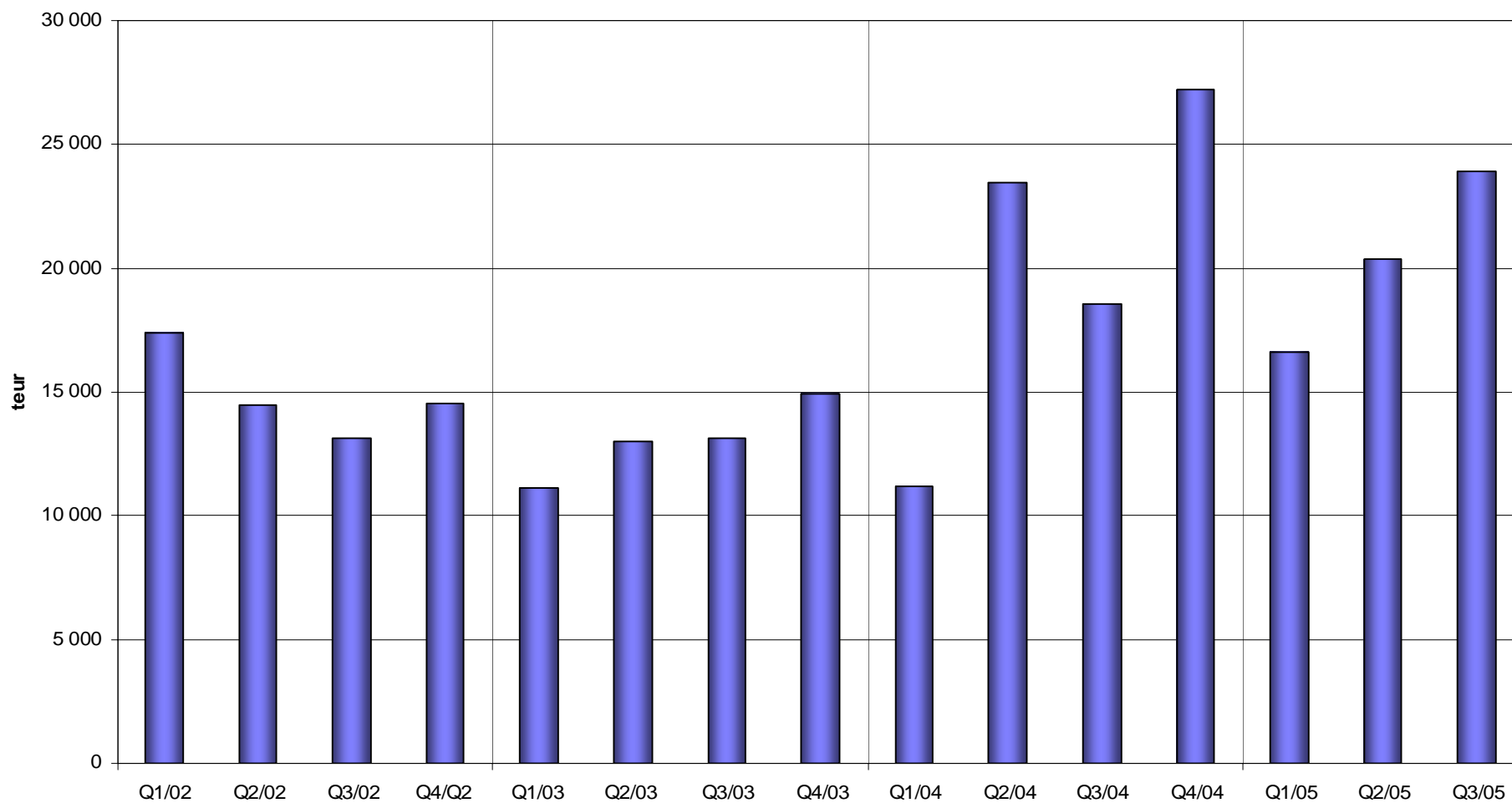
Broadband Cable Networks (BCN) Q3

	Q3 2005	Q3 2004	Change%
Orders Received	20.2	15.8	+28%
Net Sales	16.6	15.5	+8%
EBIT	2.3	2.0	+14%

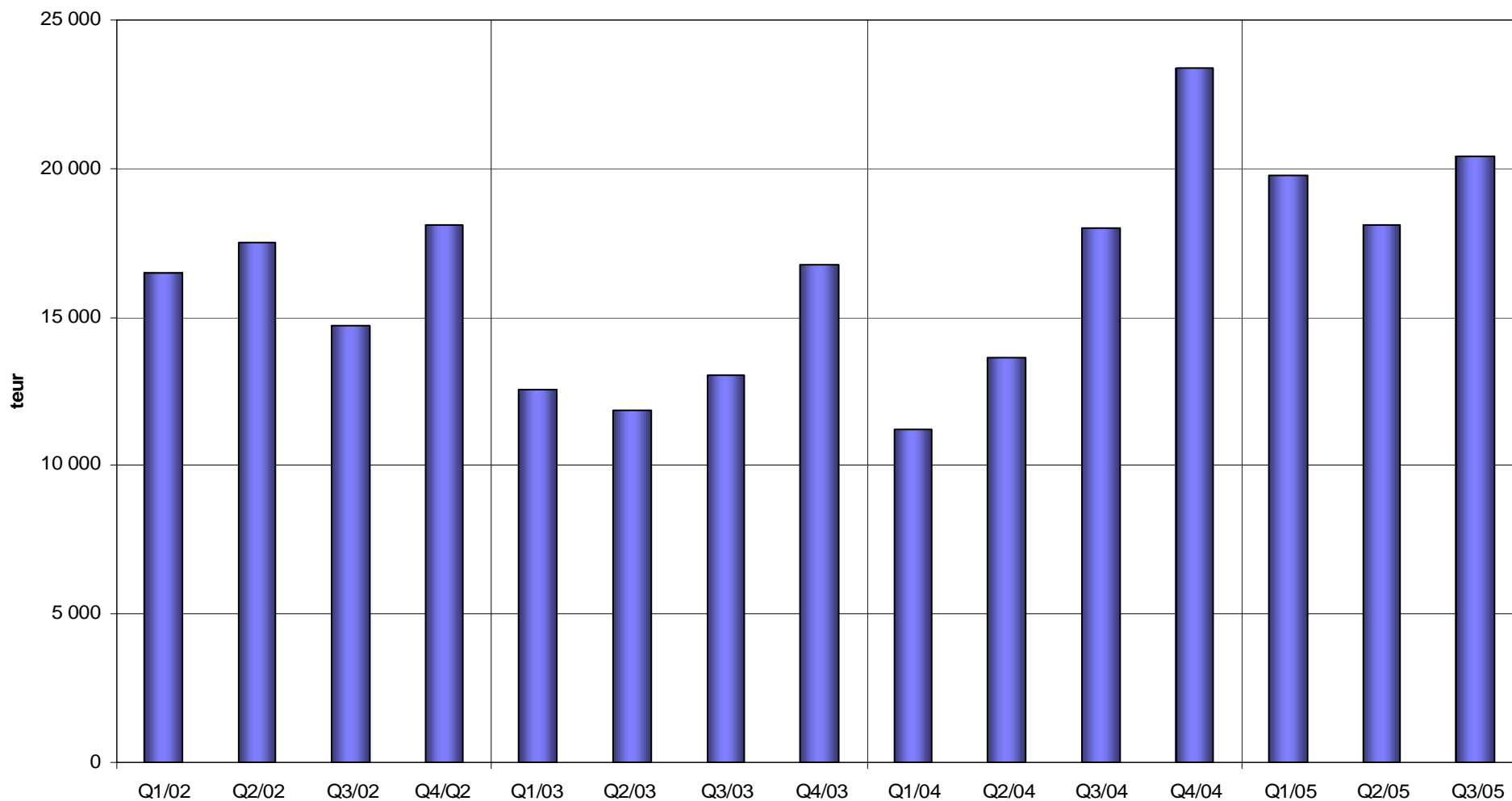
Video Networks (VN) Q3

	Q3 2005	Q3 2004	Change%
Orders Received	3.7	2.8	+33%
Net Sales	3.8	2.6	+48%
EBIT	0.5	0.1	+671%

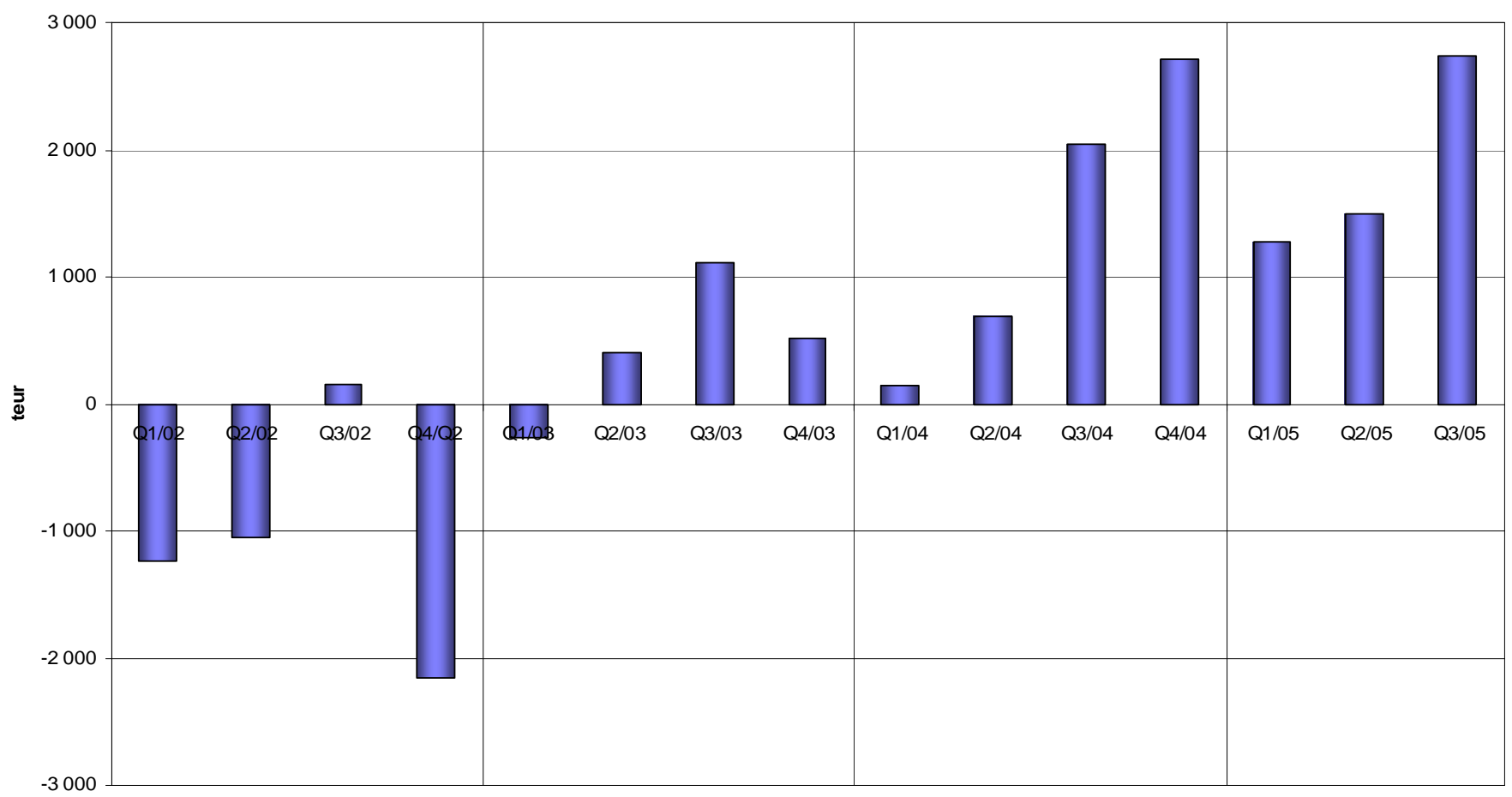
Orders Received by Quarters



Net Sales by Quarters

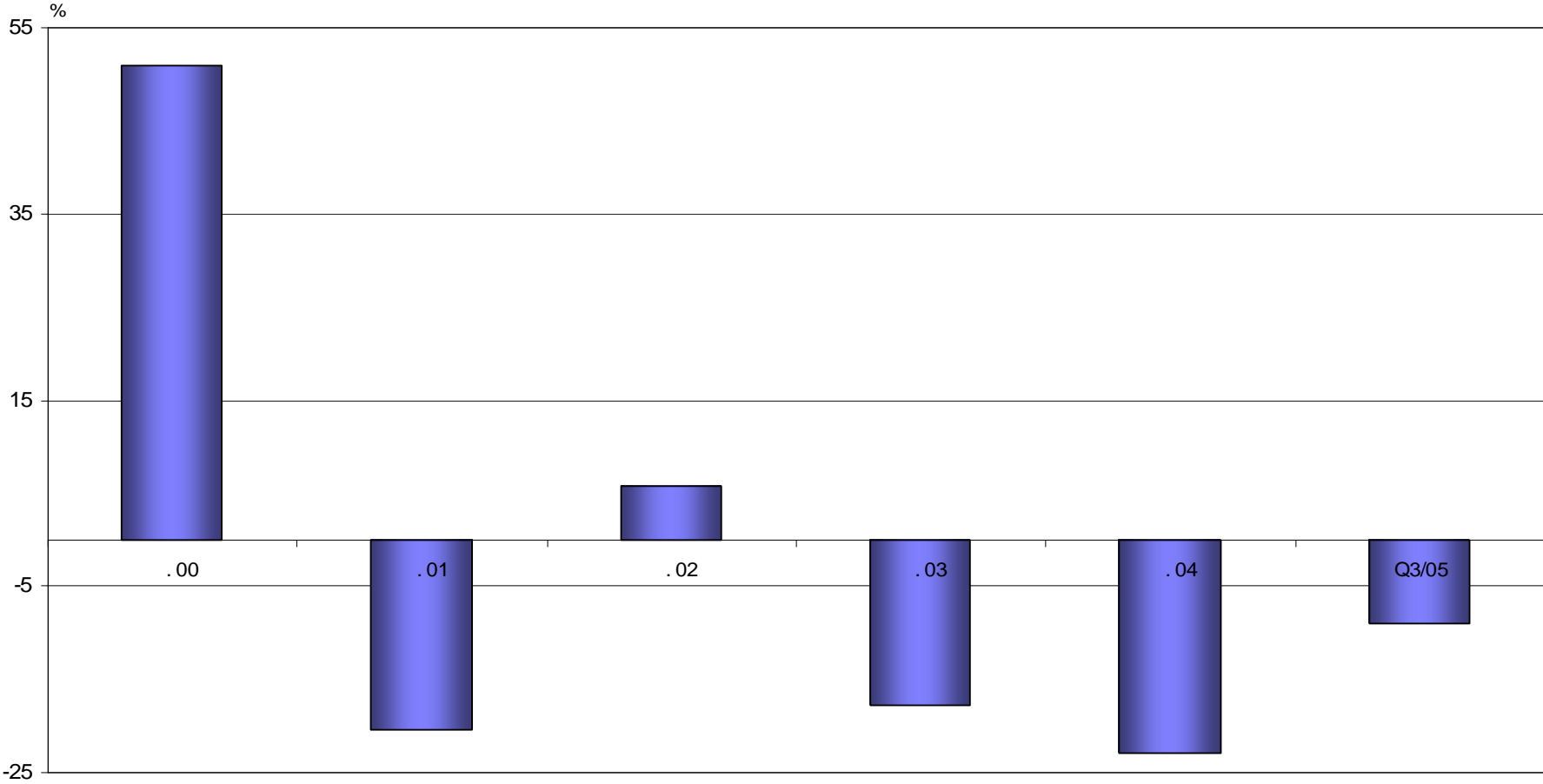


Operating Profit by Quarters

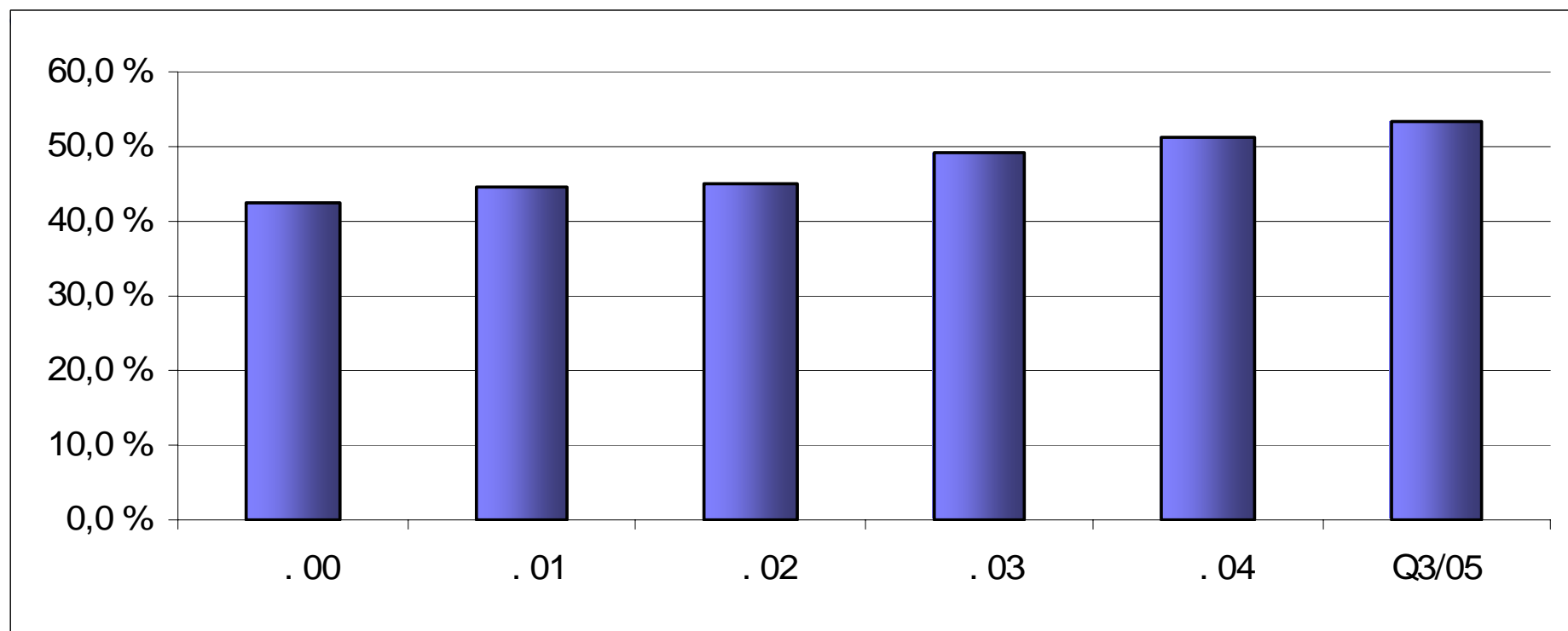




Gearing



Equity Ratio



Future Outlook

Broadband Cable Networks - We expect the market climate to continue being active

- Cable operator's operative business has improved
- Investment plans for network upgrades continuing
- Demand for broadband Internet connections and other new services growing
- Bandwidth battle going on...
 - We expect the market growth to continue this and next year

Video Networks - We particularly expect the demand for network management projects to strengthen

We will reach profitable growth for the full year

We expect the favourable market conditions to continue also year 2006



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