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AUDITORS' STATEMENT

TRANSLATION

To Teleste Corporation's Annual General Meeting of the Shareholders (AGM)

As a statement pursuant to the Companies Act, Chapter 4, Section 4a, Paragraph 2 we as auditors of Teleste Corporation hereby state that to our understanding the proposal by the Board of Directors dated February 28th, 2005 concerning the new issue gives a true and fair information of the grounds on the basis of which the subscription price shall be determined and the reason for the deviation of the pre-emptive subscription right.

Turku, March 7th, 2005

KPMG OY AB

Esa Kailiala
Authorised Public Accountant