

PROPOSAL TO GRANT SHARE REPURCHASE AUTHORIZATION TO THE BOARD OF DIRECTORS

The Board of Directors of Teleste Corporation (the "Company") proposes to Annual General Meeting to be held on 7 April 2016 that the Board of Directors be authorized to decide on the repurchase of the Company's own shares on the following terms and conditions:

1. Maximum number of shares to be repurchased

By virtue of authorization, the Board of Directors is entitled to decide on repurchasing a maximum of 1,200,000 own shares of the Company.

2. Directed repurchase and consideration to be paid for shares

The Company's own shares shall be repurchased otherwise than in proportion to the holdings of the shareholders by using the non-restricted equity through trading on regulated market organized by Nasdaq Helsinki Ltd at the market price prevailing at the time of acquisition.

The shares shall be repurchased and paid in accordance with the rules of Nasdaq Helsinki Ltd and Euroclear Finland Ltd.

3. Holding, cancelling and conveying of shares

The shares shall be repurchased for use as consideration in possible acquisitions or other arrangements related to the Company's business, as financing for investments or as part of the Company's incentive program or to be held by the Company, to be conveyed by other means or to be cancelled.

4. Other terms and validity

The Board of Directors shall decide on other terms and conditions related to the repurchase of the Company's own shares.

The repurchase authorization shall be valid for 18 months from the resolution of the Annual General Meeting.

In Turku, 9 March 2016

Teleste Corporation
The Board of Directors