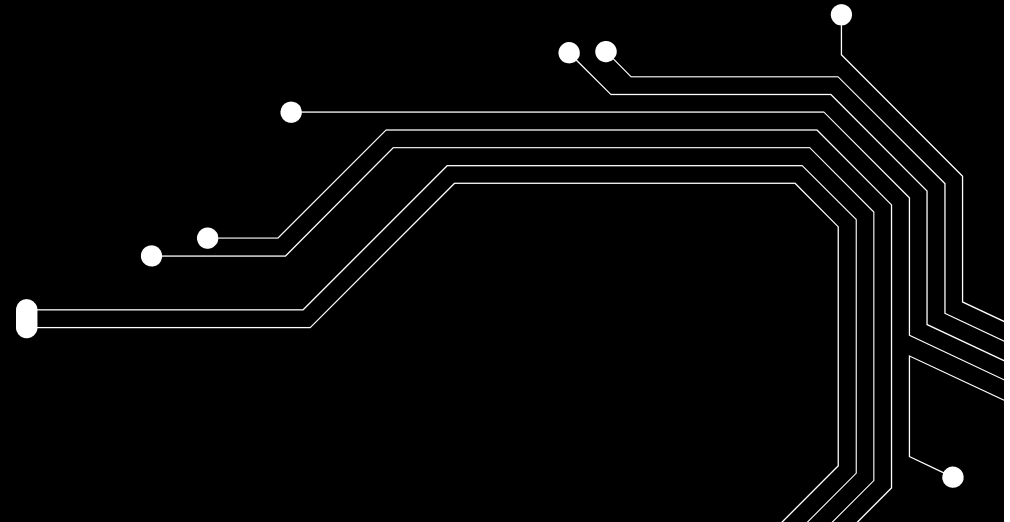


# RESULT Q1 2009

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**CEO**



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## **Market situation Q1/2009**

### **Broadband Cable Networks**

- **The prevailing market situation and the credit crunch, in particular, have led to general caution regarding network investments – network investments were delayed**
- **Cable operators provide new services (broadband, HDTV, VoD) and tight competition with the phone operators continues**
- **Steady growth in the services market continued**

### **Video Networks**

- **In Q1 the active market areas included UK, USA, France and Finland**
  - **In the uncertain market, public sector investments continued steadily**

## RESULT Q1 - Group

	Q1 2009	Q1 2008	Change%
Orders Received	26.0	29.4	-11.5%
Net Sales	25.6	27.2	-5.8%
Operating Profit	-1.2	0.9	n/a
EBIT %	-4.7%	3.2%	n/a
Net Profit for the Period	-1.5	0.7	n/a

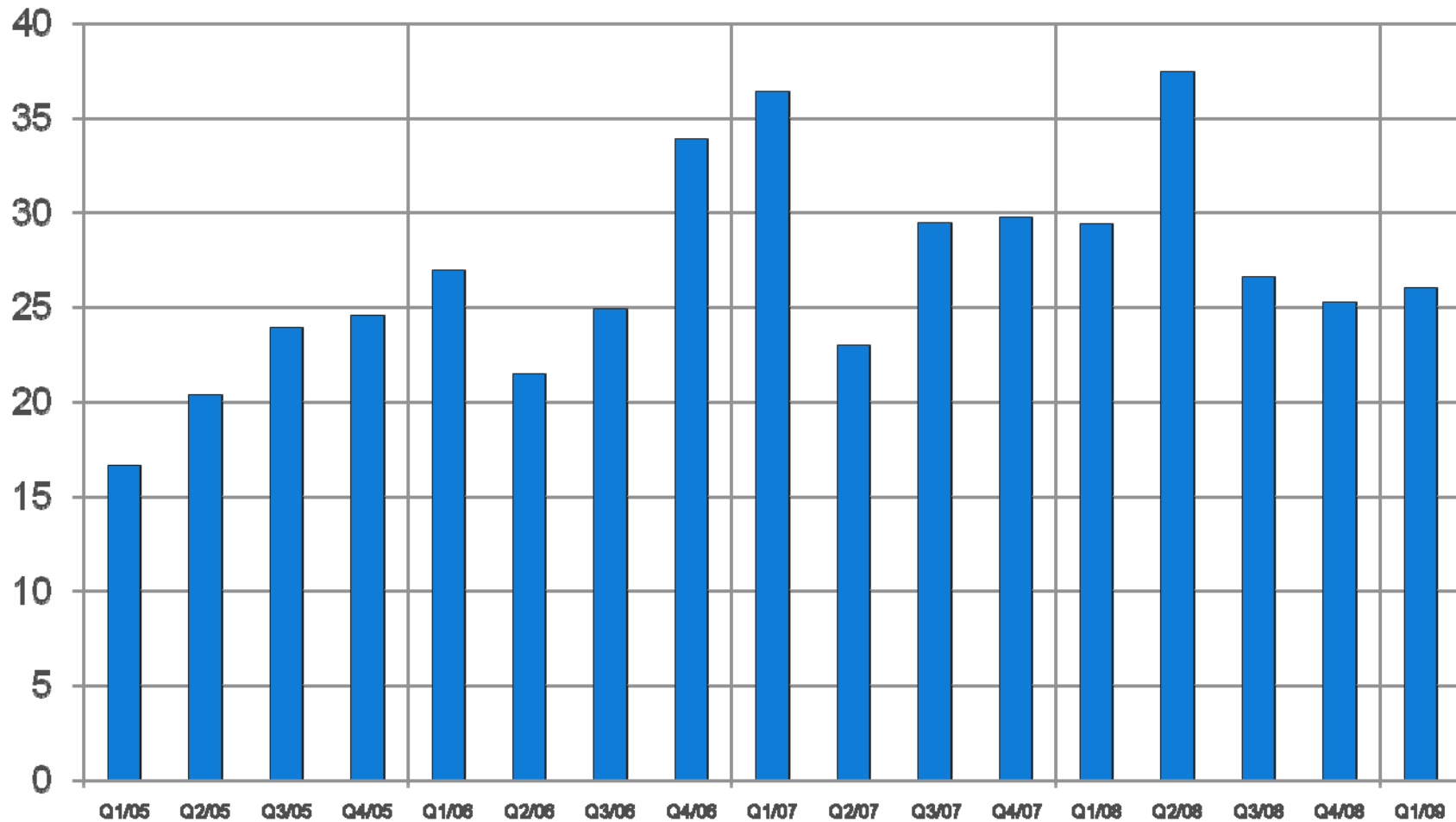
## RESULT Q1 - Broadband Cable Networks

	Q1 2009	Q1 2008	Change%
Orders Received	22.6	26.0	-13.3%
Net Sales	21.3	23.0	-7.3%
EBIT	-1.4	0.9	n/a
EBIT %	-6.4%	3.9%	n/a

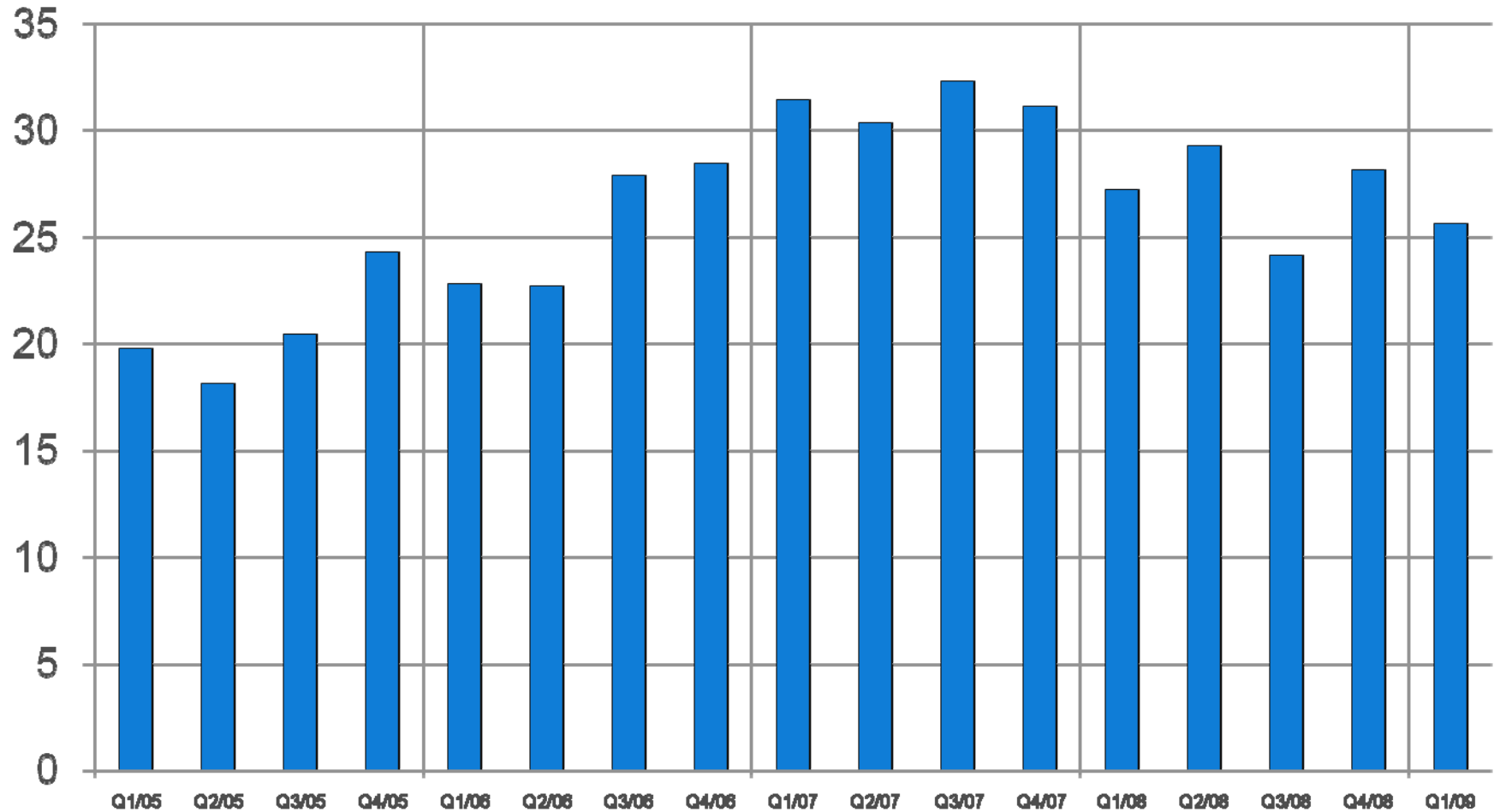
## RESULT Q1 - Video Networks

	Q1 2009	Q1 2008	Change%
<b>Orders Received</b>	<b>3.4</b>	<b>3.3</b>	<b>2.6%</b>
<b>Net Sales</b>	<b>4.3</b>	<b>4.2</b>	<b>2.0%</b>
<b>EBIT</b>	<b>0.2</b>	<b>-0.02</b>	<b>n/a</b>
<b>EBIT %</b>	<b>3.9%</b>	<b>-0.5%</b>	<b>n/a</b>

## Orders Received by Quarters

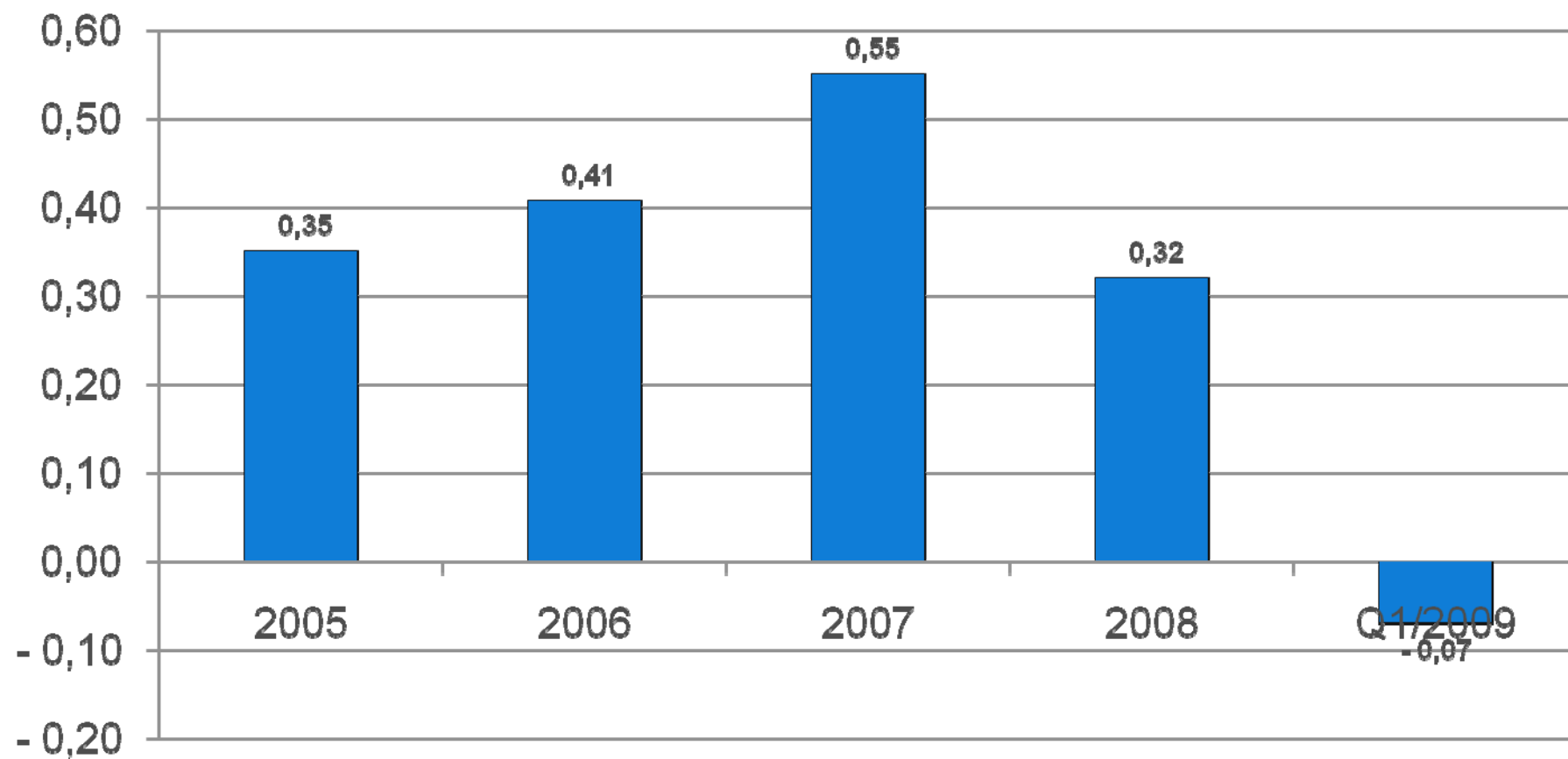


## Net Sales by Quarters

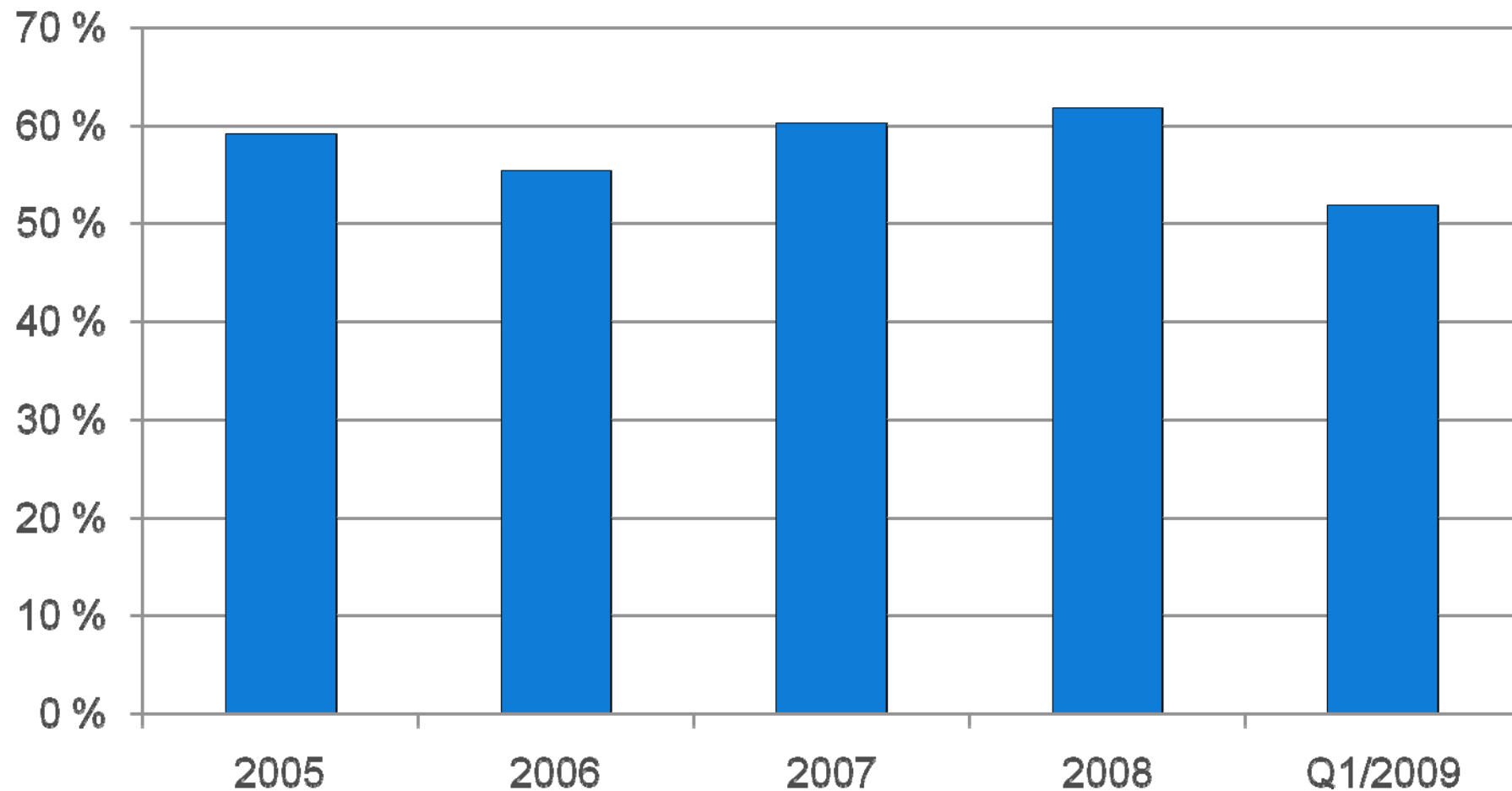




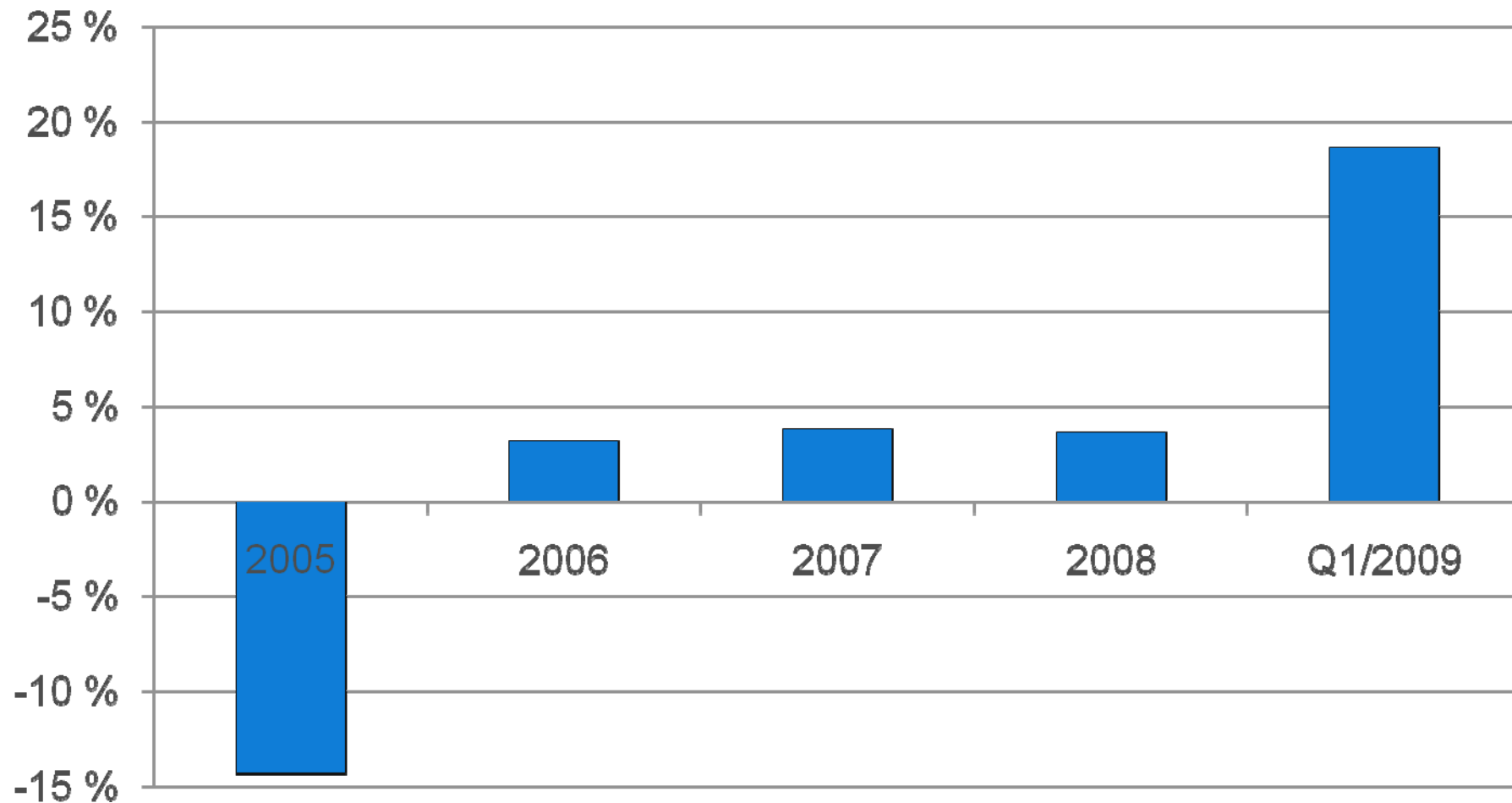
## EPS



## Equity Ratio



## Gearing



# Outlook

## Broadband Cable Networks

- Continued demand for greater network capacity driven by video (HDTV, IPTV, WebTV) and growth in broadband Internet access
- The general economic uncertainty is not expected to affect consumer demand for the end-customer operator services – investments are limited by financing arrangements of the venture capitalists
- Operators outsource their technical network services
- Continued toughening price competition
  - Uncertain economic situation delays investment decisions by customers, services business is growing

## Video Networks

- Particular growth areas include large-scale network management and recording projects as well as industry-specific solutions
  - Public sector development is stable regardless of business cycle

## Teleste

- Need for network investments is strengthened by increased provision of services and end-customer demand, whereas final investment decisions are delayed in the current market situation
- Cost level is adapted to the market situation in a flexible manner
- The company action plan prepares for net sales lower than that of the previous year and for a clear drop in profitability in the first half of the year
- In the second half of the year, we expect the market to pick up to some degree based on the investment plans of the operators. However, we estimate that profitability for the whole year will fall clearly from the last year's level.