

TELESTE

Result Q2 2007

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Market Situation and activities in Q2/2007

Active market situation continued

Broadband Cable Networks

- Positive market climate continued
 - Cable operators continued the development of new services
 - Broadband Internet, VoIP and Triple Play
 - Seasonal fluctuations within frame agreements
 - Asian markets (Korea, Japan) are the most advanced broadband markets
 - Continued tough price competition in specified product groups
 - Frame agreement with Canal Digital Nordic
 - Service business growing
 - Customer's and competitor's consolidation continued

Video Networks

- Need for improved security - increased demand for video surveillance
 - More large-scale network management projects
 - Active markets: USA, France and England
 - More industry specific solutions

Group Q2

	Q2 2007	Q2 2006	Change%
Orders Received	23.0	21.5	+7%
Net Sales	30.3	22.7	+34%
Operating Profit	2.7	1.9	+38%
Net Profit for the Period	2.0	1.4	+36%
EBIT-%	8.9 %	8.6 %	+3%

Broadband Cable Networks (BCN) Q2

	Q2 2007	Q2 2006	Change%
Orders Received	19.7	18.4	+7%
Net Sales	26.3	19.1	+37%
EBIT	2.6	1.9	+35%
EBIT %	9.8 %	10.0 %	-1%

Video Networks (VN) Q2

	Q2 2007	Q2 2006	Change%
Orders Received	3.3	3.0	+8%
Net Sales	4.1	3.5	+15%
EBIT	0.1	0.04	+170%
EBIT %	2.7 %	1.1%	+136%

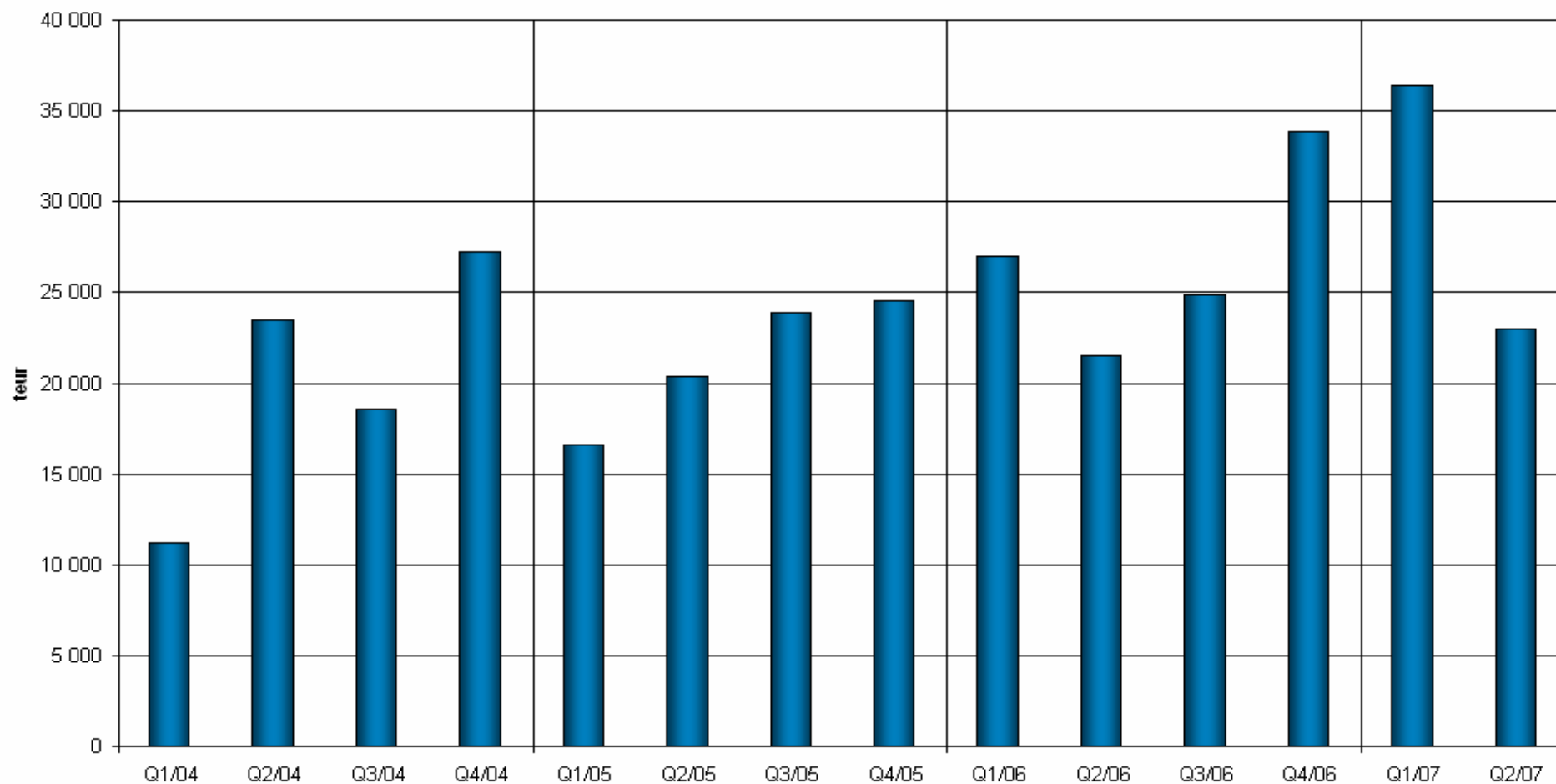
Broadband Cable Networks (BCN) H1

	2007	2006	Change%
Orders Received	52.4	42.6	23%
Net Sales	54.3	38.1	43%
EBIT	5.9	3.9	51%
EBIT%	10.8 %	10.3 %	

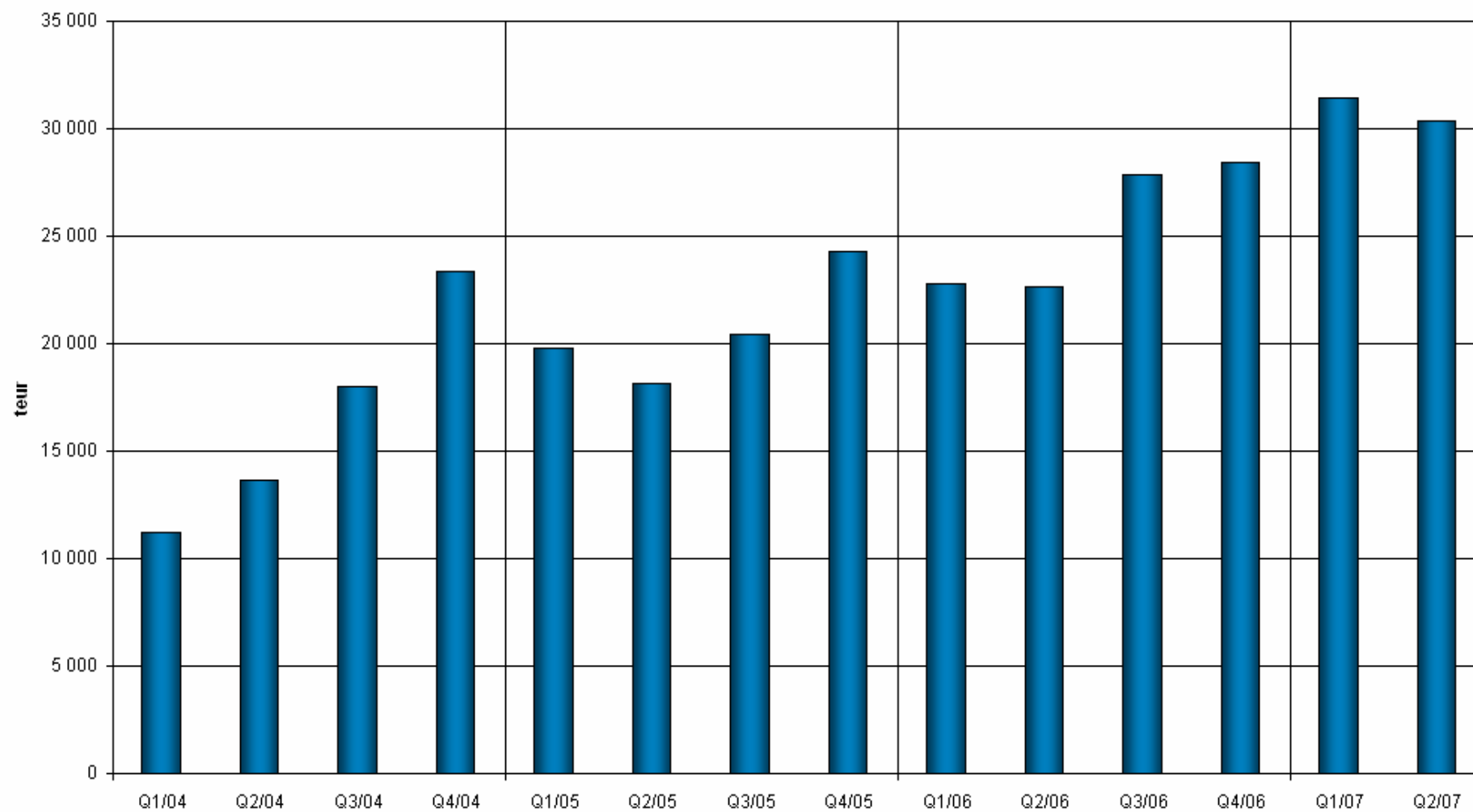
Video Networks (VN) H1

	2007	2006	Change%
Orders Received	6.9	5.8	18%
Net Sales	7.5	7.4	1%
EBIT	-0,40	0.19	Neg.
EBIT%	-5,4 %	2.6 %	

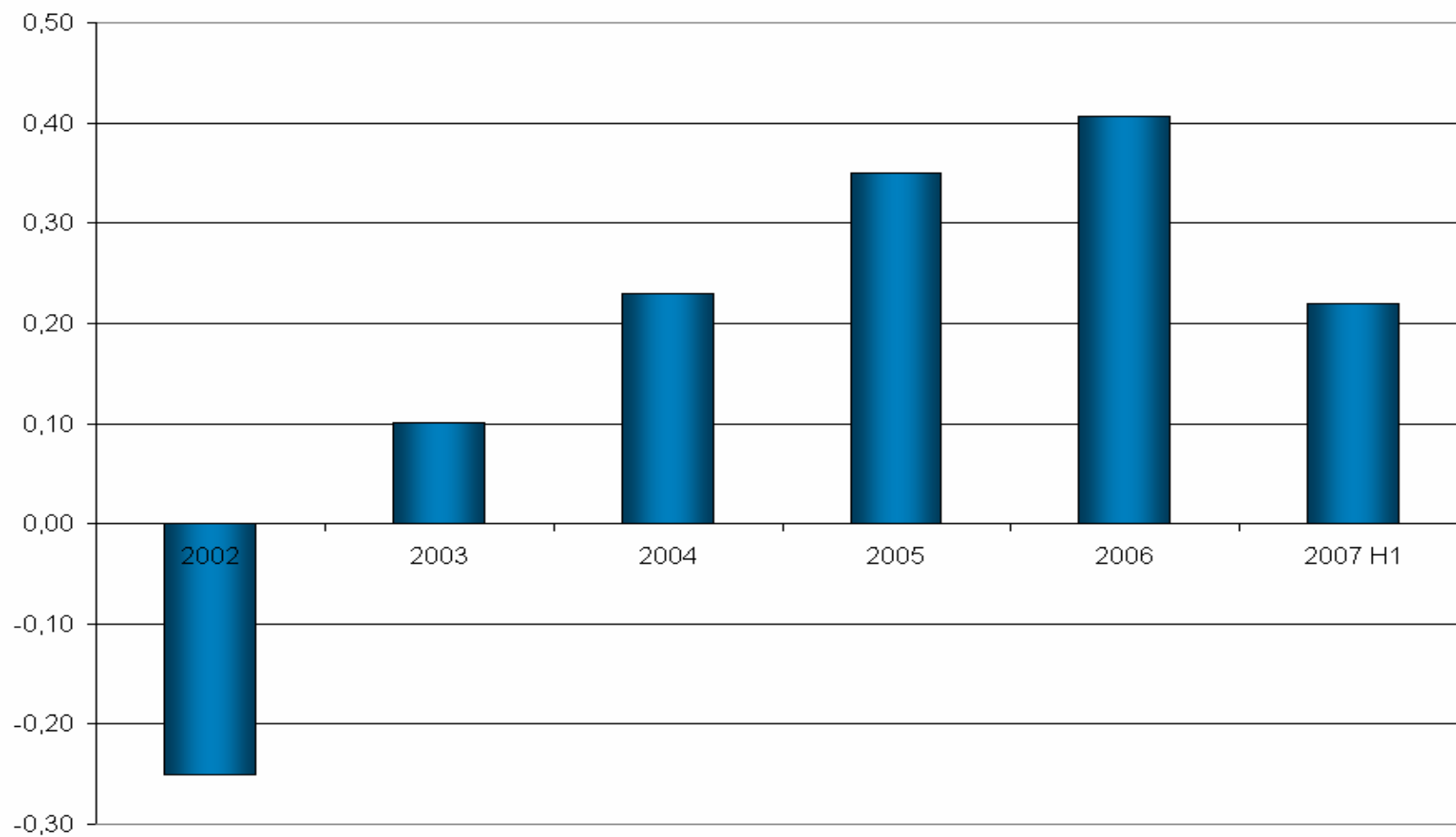
Orders Received by Quarters



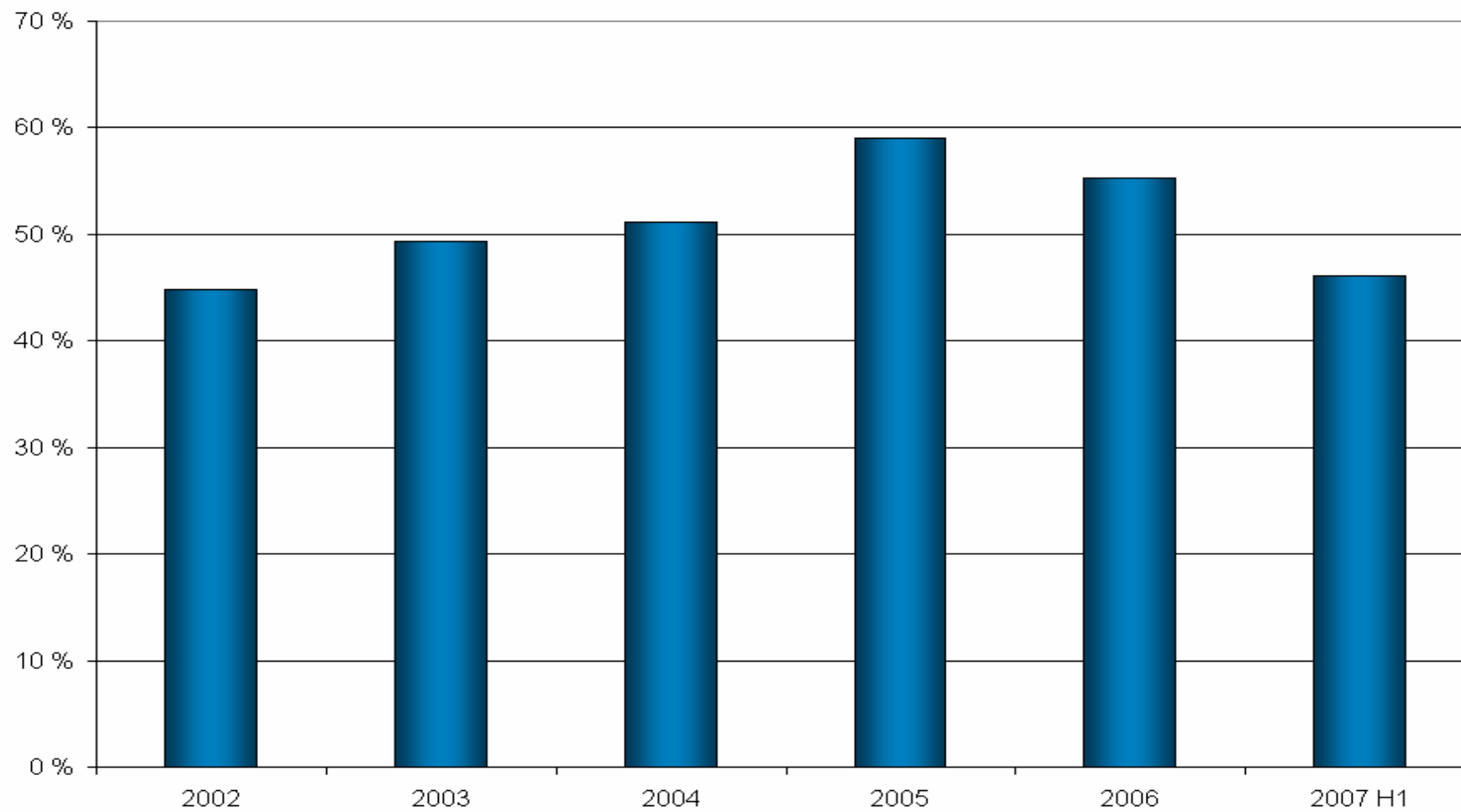
Net Sales by Quarters



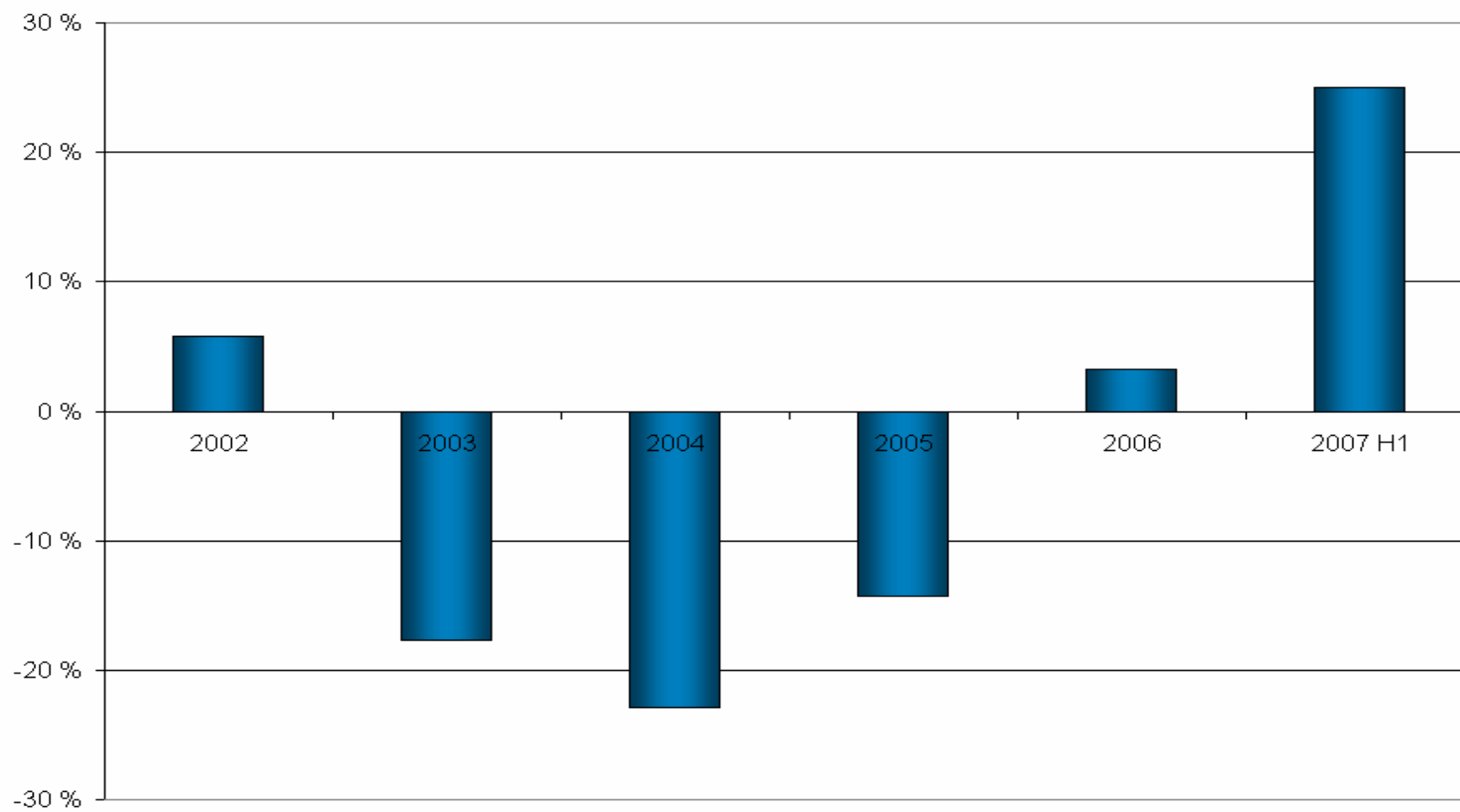
EPS



Equity Ratio



Gearing



Outlook

Broadband Cable Networks – Market situation is believed to continue active

- Cable operators' are expanding their service offering
- Video (HDTV, IPTV, WebTV) is driving network demand and broadband Internet access growth continues
- Investments in network upgrades continue, market situation active in Germany
- Demand for services are growing
- Leveraging on Hanaro EttH reference in Asian and European markets
- Consolidation of cable operators continues
 - We expect positive market climate to continue in 2007

Video Networks – Particularly large-scale network management projects and industry specific solutions are on the increase. Demand for new and more intelligent solutions growing.

- We expect positive market situation to continue in year 2007
- We will reach clear profitable growth for year 2007