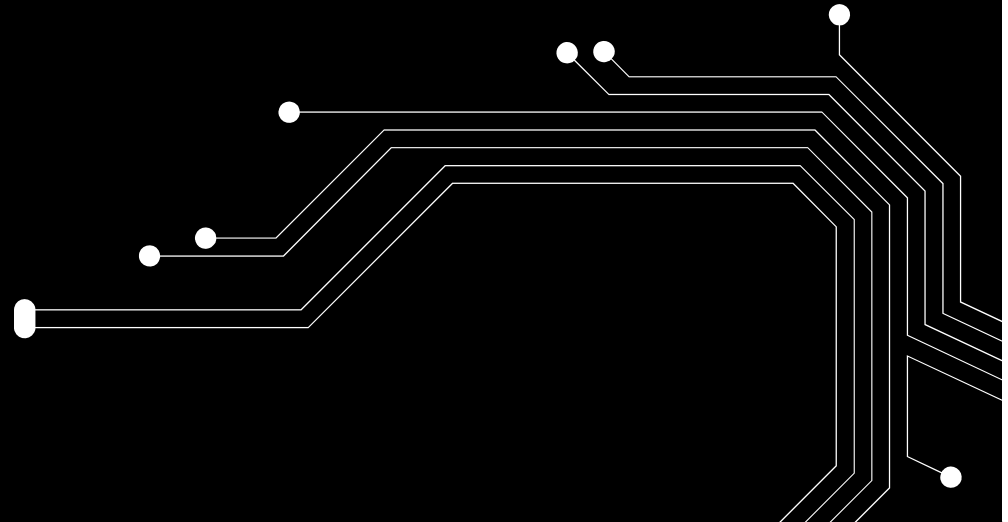


# RESULT Q3 2009

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## **Market situation Q3/2009**

### **Broadband Cable Networks**

- **The prevailing market situation and the credit crunch, in particular, have led to general caution regarding network network investments – year-on-year network investments decreased, but picked up to some degree compared with the beginning of the year**
- **Cable operators provide new services (broadband, HDTV, VoD) and tight competition with the telephone companies and alternative ISPs continues strong**
- **Services markets continue to be active – but with a drop in the holiday season, particularly in Germany**

### **Video Networks**

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

## RESULT Q3 - Group

	Q3 2009	Q3 2008	Change%
Orders Received	48.6	26.6	83%
Net Sales	41.7	24.1	73%
Operating Profit	1.6	1.5	7%
EBIT %	3.9%	6.1%	-36%
Net Profit for the Period	0.5	1.9	-74%

## RESULT Q3 - Broadband Cable Networks (BCN)

	Q3 2009	Q3 2008	Change%
Orders Received	42.8	22.8	88%
Net Sales	38.7	20.9	85%
EBIT	1.6	1.7	-6%
EBIT %	4.3%	7.9%	-46%

## RESULT Q3 - Video Networks (VN)

	Q3 2009	Q3 2008	Change%
<b>Orders Received</b>	<b>5.8</b>	<b>3.8</b>	<b>53%</b>
<b>Net Sales</b>	<b>3.0</b>	<b>3.2</b>	<b>-6%</b>
<b>EBIT</b>	<b>-0.05</b>	<b>-0.2</b>	<b>n/a</b>
<b>EBIT %</b>	<b>-1.3%</b>	<b>-6.1%</b>	<b>n/a</b>

## RESULT 1-9/2009 - Group

	1-9/2009	1-9/2008	Change%
Orders Received	104.1	93.4	11%
Net Sales	97.9	80.6	21%
Operating Profit	0.8	4.1	-80%
EBIT %	0,8 %	5,0 %	-84%
Net Profit for the Period	-0.3	3.6	n/a

## RESULT 1-9/2009 - Broadband Cable Networks (BCN)

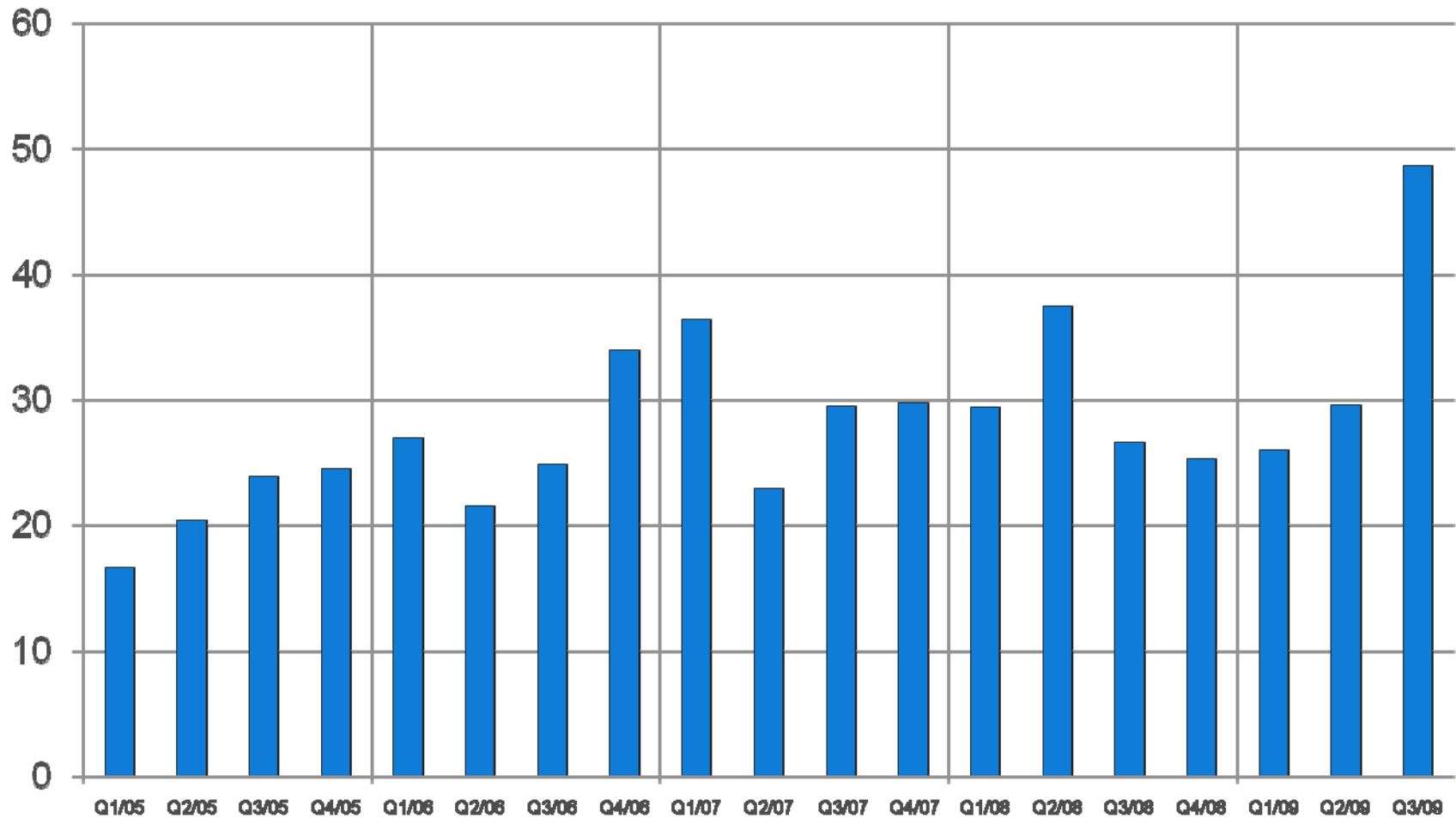
	1-9/2009	1-9/2008	Change%
Orders Received	91.0	81.8	11.3 %
Net Sales	86.2	68.8	25.3 %
EBIT	0.5	4.4	-89%
EBIT %	0.5 %	6.4 %	-92%



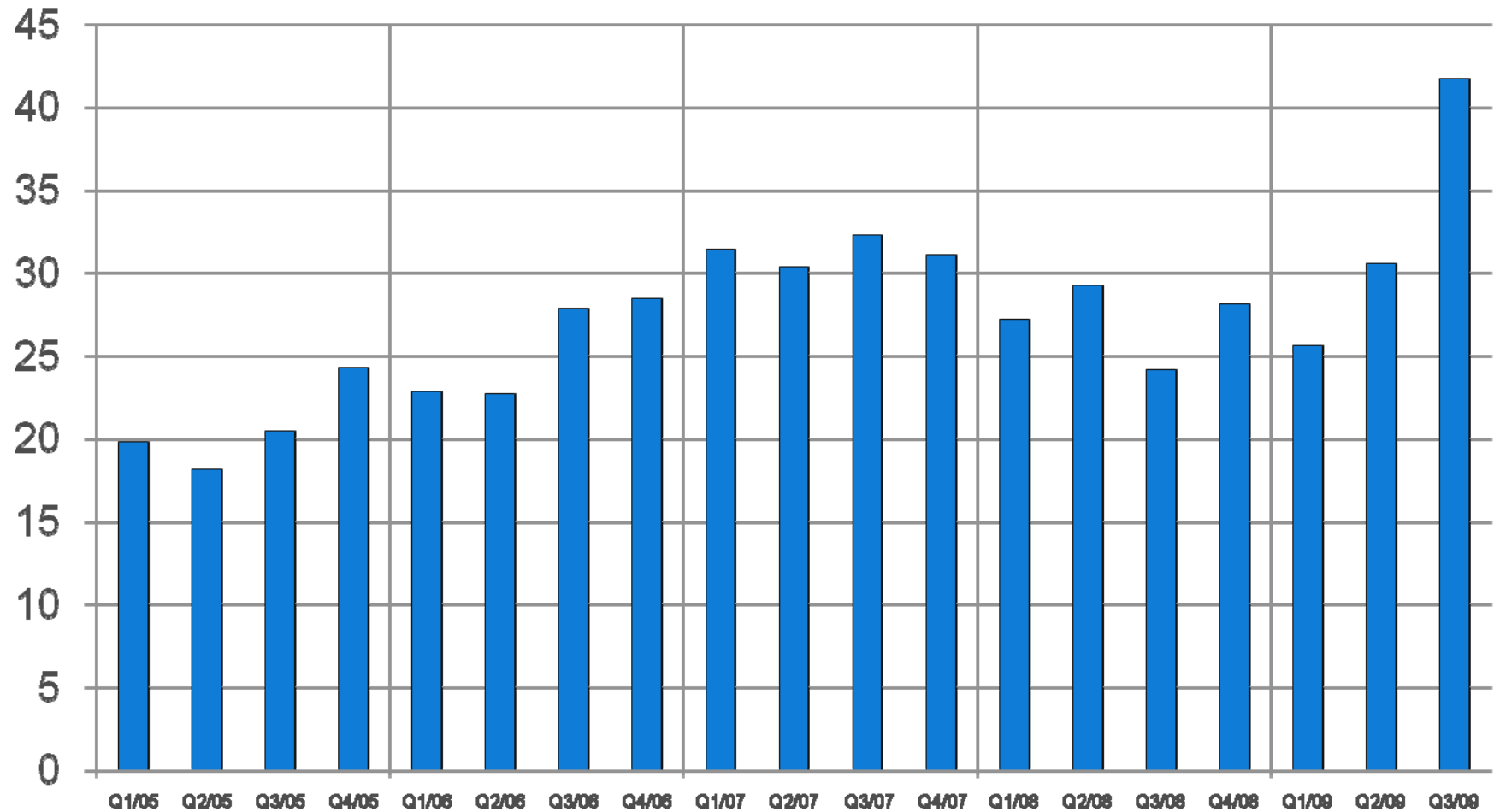
**RESULT 1-9/2009 - Video Networks (VN)**

	1-9/2009	1-9/2008	Change%
<b>Orders Received</b>	<b>13.2</b>	<b>11.6</b>	<b>13.6 %</b>
<b>Net Sales</b>	<b>11.6</b>	<b>11.7</b>	<b>-0.8 %</b>
<b>EBIT</b>	<b>0.3</b>	<b>-0.3</b>	<b>n/a</b>
<b>EBIT %</b>	<b>2.9 %</b>	<b>-2.8 %</b>	<b>n/a</b>

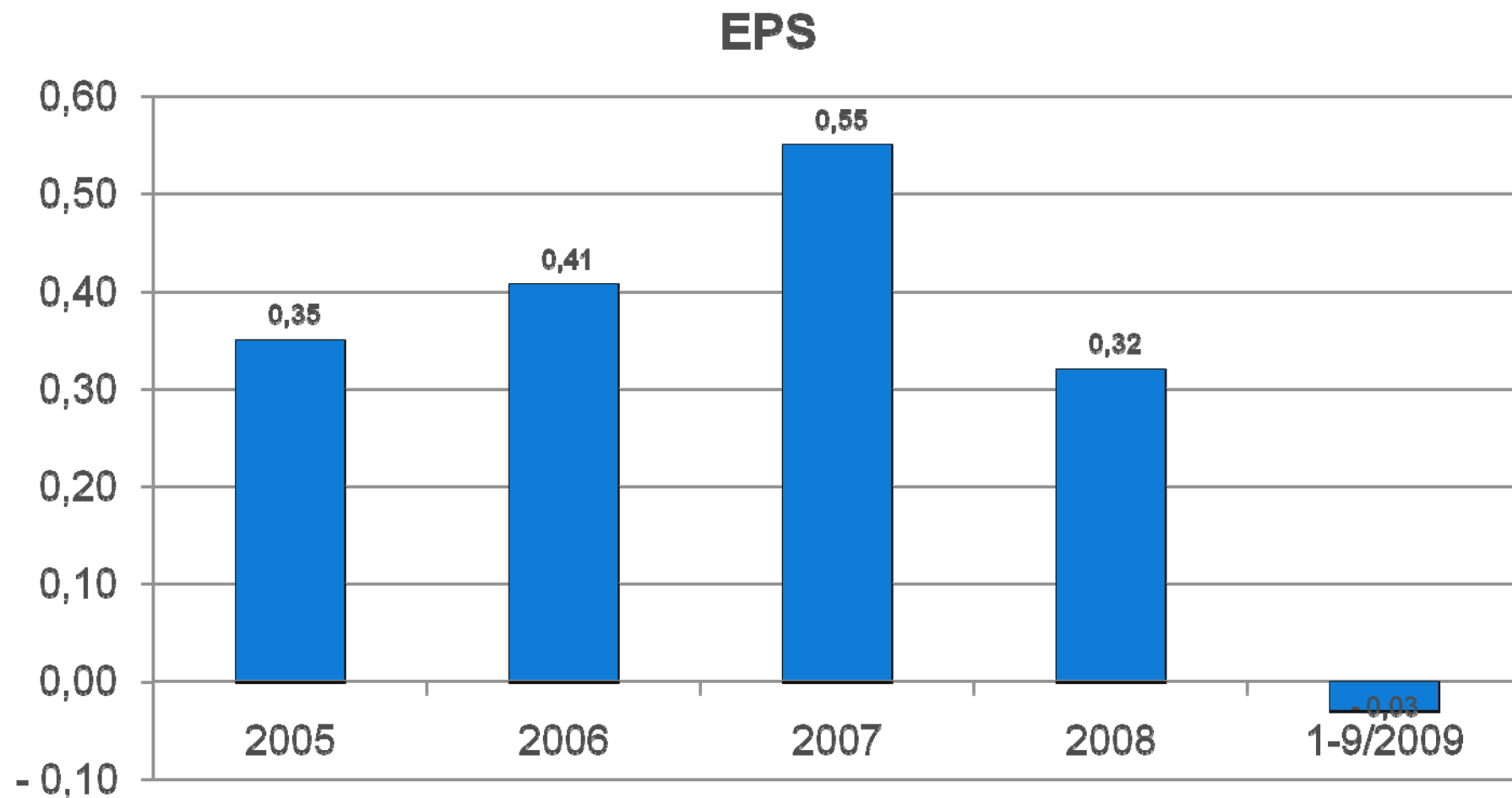
## Orders Received by Quarters



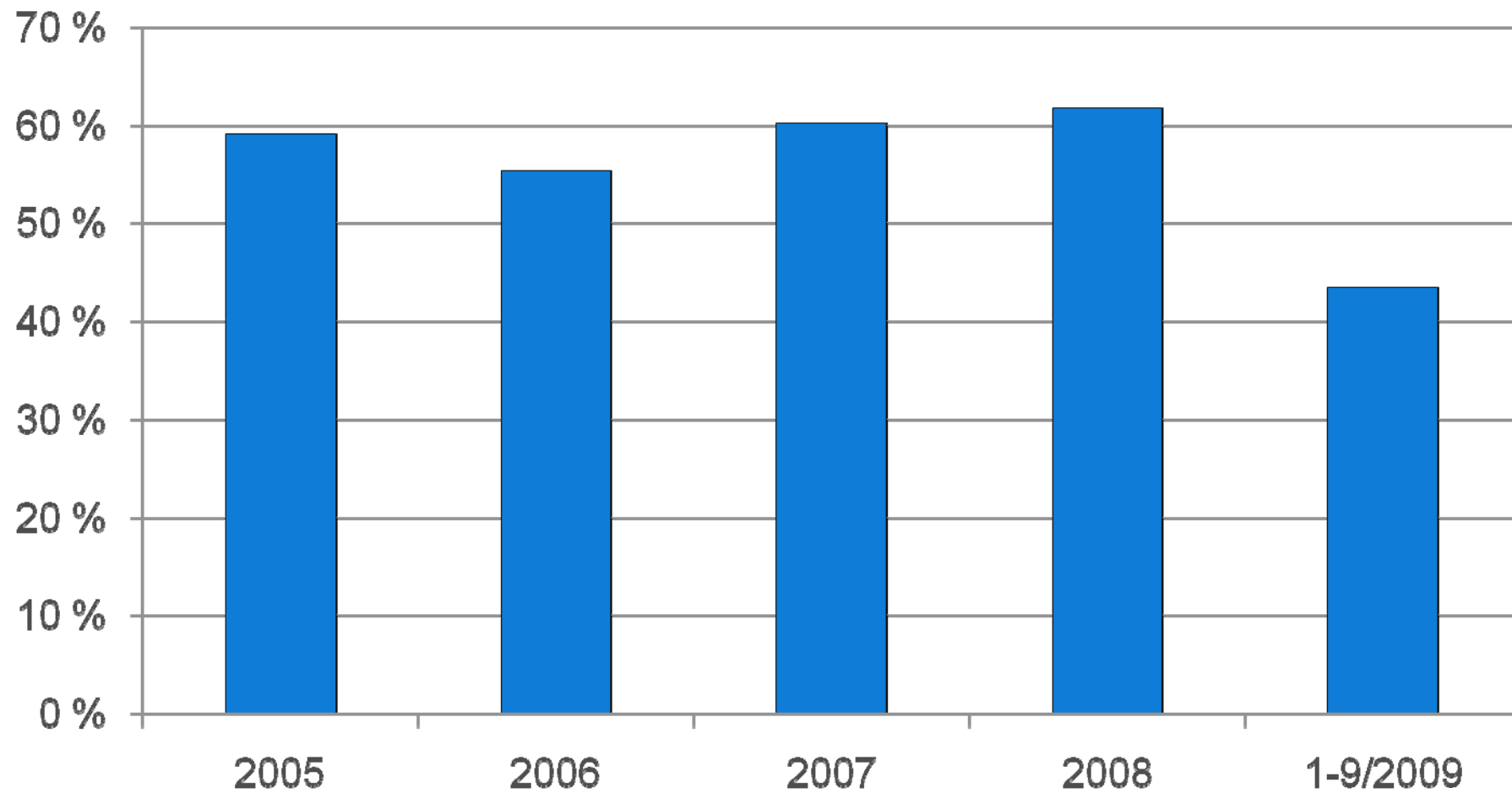
## Net Sales by Quarters



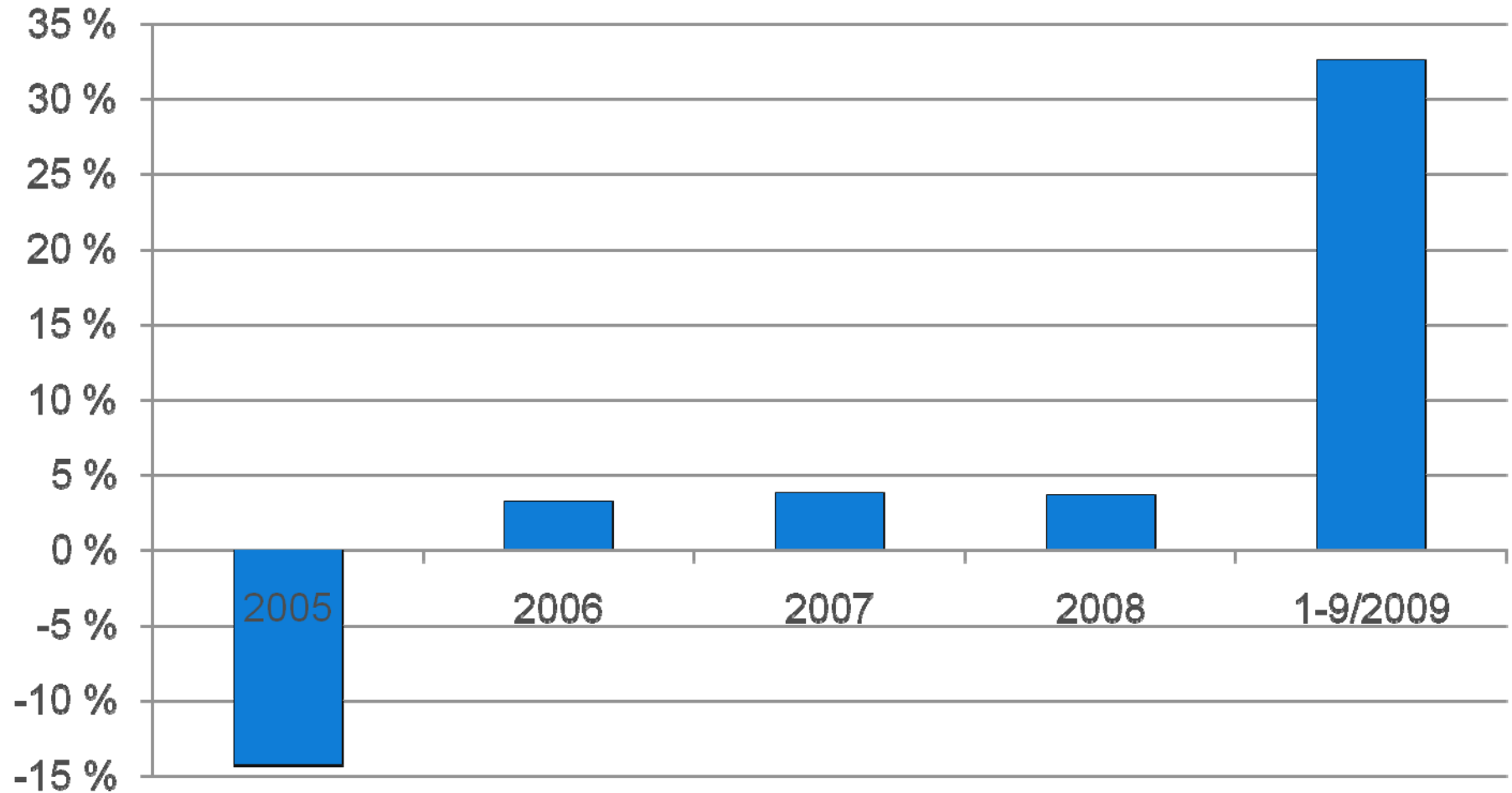
## EPS



## 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
- This year deliveries of product solutions fall clearly short of the 2008 level while price competition continues.
  - Uncertain economic situation delays investment decisions by customers, services business is growing

## Video Networks

- Increased need for security and more efficient traffic will maintain demand for VN business on last year's level
  - Public sector development is stable regardless of business cycle

## Teleste

- We will keep our strong market position and continue to implement our strategy in a goal-directed manner while adapting our cost structure are required by the economic situation.
- Sales of products and systems will fall below the level of last year due to decreased demand for network investments.
- Given the increased offering of network services we estimate net sales to exceed the last year's level whereas operating profit for the whole year will fall clearly from the last year's level.