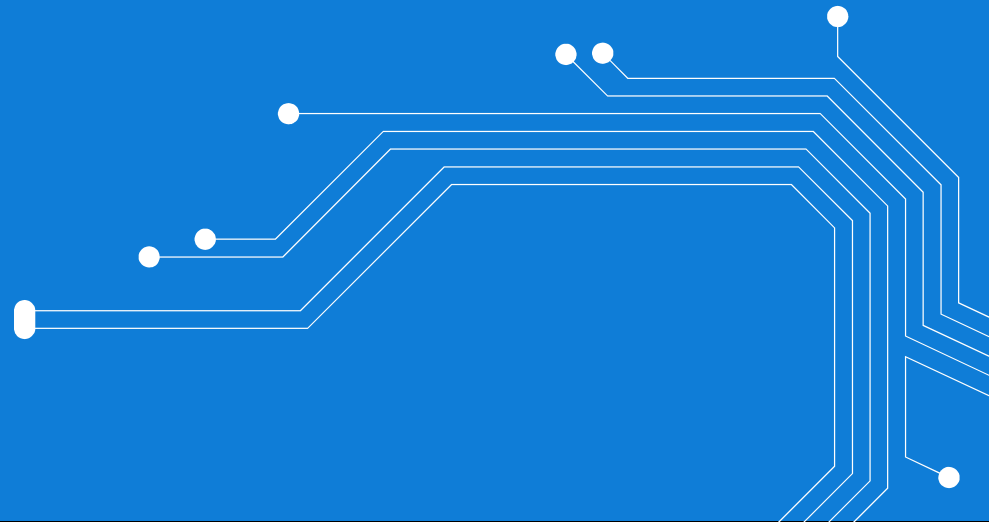


Result Q3 2011

JUKKA RINNEVAARA
CEO



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Market situation in Q3 2011

Video and Broadband Solutions

- **The market remained active, especially in France, Belgium, Israel and Russia**
 - **Optical solutions in general as well as video monitoring systems**
- **The general economic situation in Europe continues to pose a threat**
- **There is a need for increased network capacity**

Network Services

- **Market active**
- **Upgrading of networks driven by digitisation and HD**
- **Constraints in obtaining contractor resources in Germany**

RESULT Q3 2011 - Group

| | Q3 2011 | Q3 2010 | Change% |
|------------------------|-------------|-------------|--------------|
| Orders Received | 43.8 | 39.9 | 9.8% |
| Net Sales | 47.0 | 38.6 | 21.6% |
| EBIT | 3.8 | 2.0 | 91.3% |
| EBIT % | 8.1% | 5.1% | n/a |

RESULT Q3 - Video and Broadband Solutions (VBS)

| | Q3 2011 | Q3 2010 | Change% |
|------------------------|--------------|-------------|--------------|
| Orders Received | 22.3 | 21.2 | 5.3% |
| Net Sales | 23.9 | 19.9 | 20.2% |
| EBIT | 3.4 | 2.0 | 74.9% |
| EBIT % | 14.3% | 9.8% | n/a |

RESULT Q3 – Network Services (NS)

| | Q3 2011 | Q3 2010 | Change% |
|------------------------|-------------|-------------|--------------|
| Orders Received | 21.5 | 18.7 | 14.9% |
| Net Sales | 23.0 | 18.7 | 23.0% |
| EBIT | 0.4 | 0.0 | n/a |
| EBIT % | 1.6% | 0.2% | n/a |

RESULT 1-9/2011 - Group

| | 1-9/2011 | 1-9/2010 | Change% |
|----------------------------------|--------------|--------------|--------------|
| Orders Received | 134.6 | 116.4 | 15.7% |
| Net Sales | 130.2 | 121.2 | 7.4% |
| EBIT | 5.2 | 4.5 | 17.5% |
| EBIT % | 4.0% | 3.7% | n/a |
| Net Profit for the Period | 3.4 | 2.7 | 27.8% |

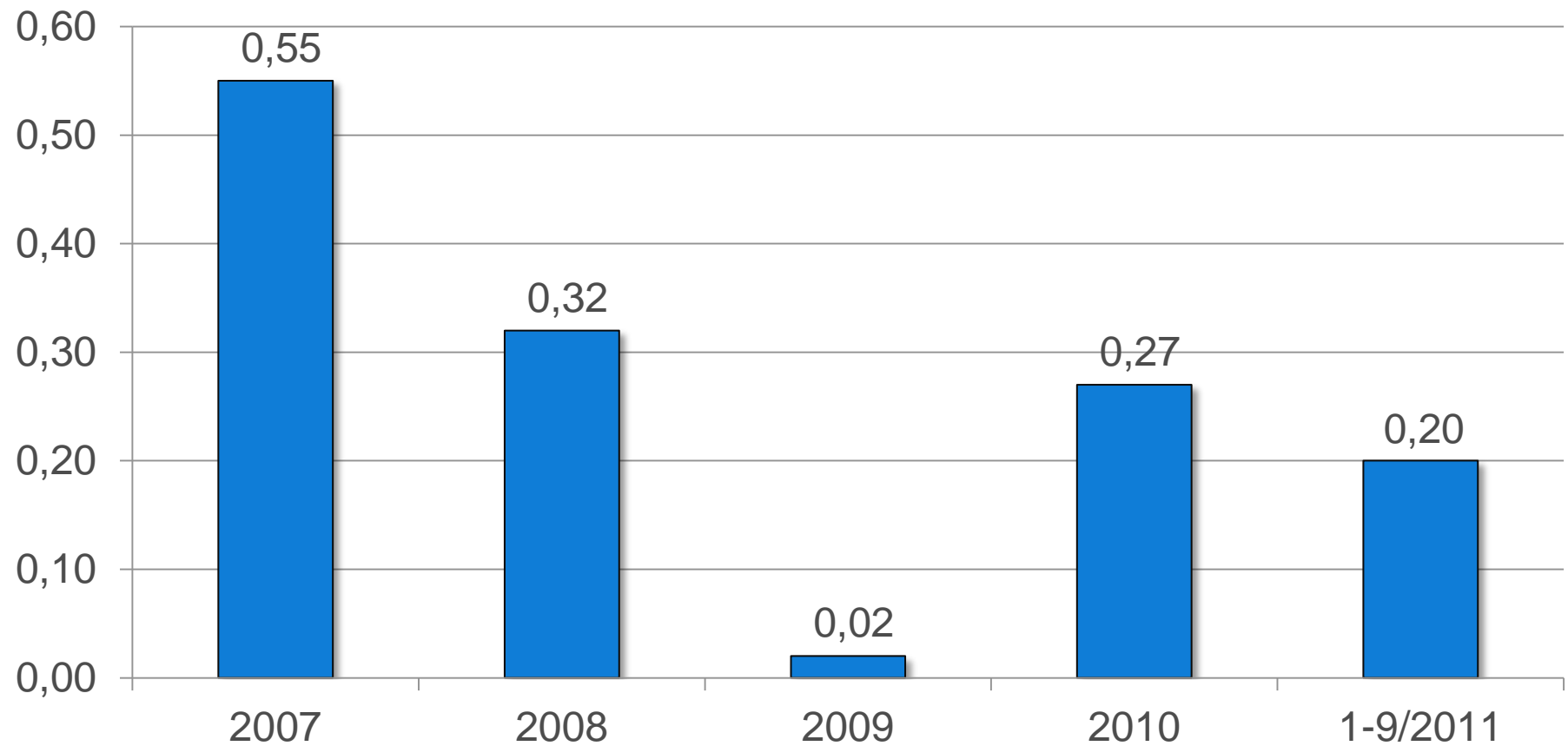
RESULT 1-9/2011 - Video and Broadband Solutions (VBS)

| | 1-9/2011 | 1-9/2010 | Change% |
|------------------------|-------------|-------------|--------------|
| Orders Received | 64.6 | 59.5 | 8.7% |
| Net Sales | 62.0 | 59.2 | 4.8% |
| EBIT | 5.2 | 4.0 | 29.7% |
| EBIT % | 8.3% | 6.7% | n/a |

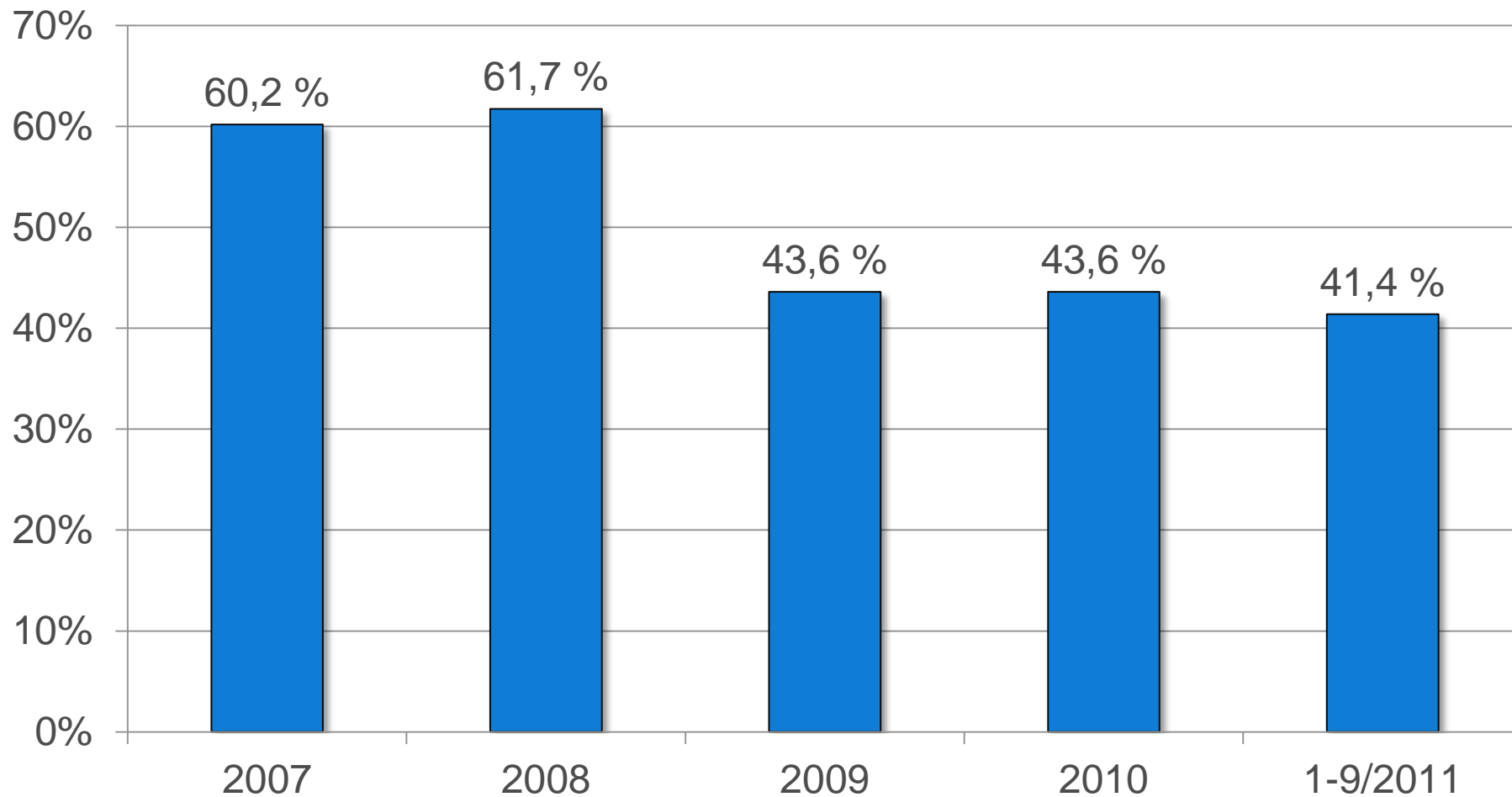
RESULT 1-9/2011 – Network Services (NS)

| | 1-9/2011 | 1-9/2010 | Change% |
|------------------------|-------------|-------------|---------------|
| Orders Received | 70.0 | 56.9 | 23.0% |
| Net Sales | 68.2 | 62.0 | 9.9% |
| EBIT | 0.1 | 0.5 | -81.6% |
| EBIT % | 0.1% | 0.8% | n/a |

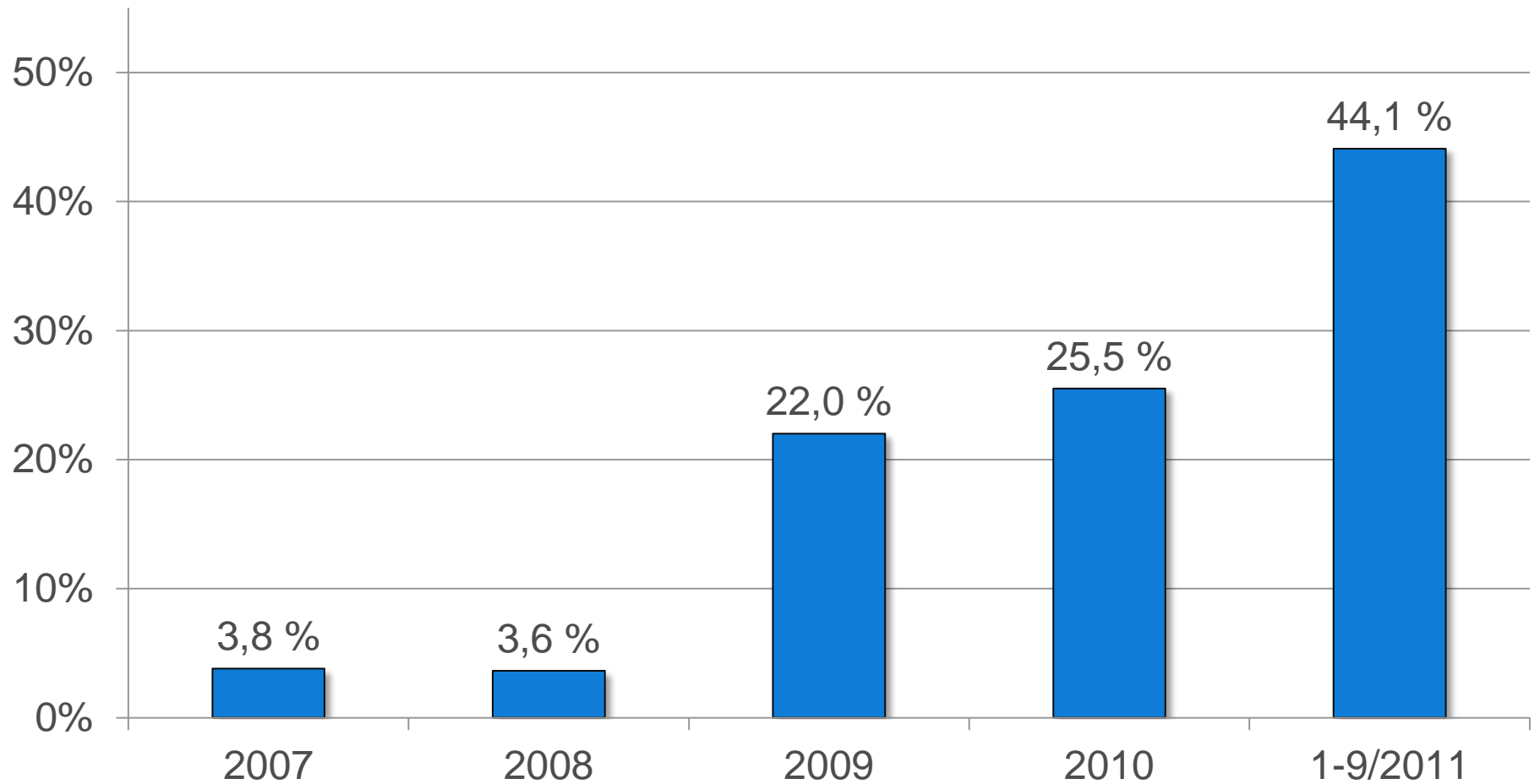
EPS



Equity Ratio



Gearing



Outlook

In 2011, deliveries of equipment and solutions **by Video and Broadband Solutions** to its customer base of operators in our target markets will, in our estimation, at least achieve the level of 2010. European telecom operators have launched their investments into the TV distribution infrastructure, and we believe that our video headend and optical network products will be competitive in this new emerging market. Due to postponements in a number of medium-sized projects Teleste's deliveries related to security and traffic control will remain at the level of the comparative period.

On the annual basis, demand by our current clientele for the services provided **by Network Services** will remain relatively active. We expect that in Germany, the main market, profitability for the current year will improve from the 2010 level with the increase in net sales and the gradual introduction of the streamlining measures.

We keep the outlook for 2011 unchanged. We estimate net sales to increase slightly and the operating profit to improve somewhat over the 2010 level.

