

DECISIONS OF THE ANNUAL GENERAL MEETING OF TELESTE CORPORATION

The Annual General Meeting of Teleste Corporation held on 1 April 2014 adopted the financial statements and the consolidated financial statements. The members of the Board of Directors as well as the CEO were discharged from liability for the financial year 2013.

The Annual General Meeting resolved in accordance with the proposal of the Board of Directors to distribute a dividend of EUR 0.19 per share for year 2013 for shares other than those held by the Company. The record date for the dividend payment is 4 April 2014 and the dividend will be paid on 11 April 2014.

The Annual General Meeting decided the number of members of the Board of Directors to be six. Mr. Pertti Ervi, Ms. Jannica Fagerholm, Mr. Esa Harju, Ms. Marjo Miettinen, Mr. Kai Telanne and Mr. Petteri Walldén were re-elected as members of the Board of Directors.

The annual remunerations to be paid to the members of the Board of Directors were decided to be kept unchanged, and thus, they are as follows: EUR 40,000 per year for the chairman and EUR 28,000 per year for each member. Out of the annual remuneration to be paid to the Board members, 40 % of the total gross remuneration amount will be used to purchase Teleste's shares for the Board members through trading on regulated market organized by NASDAQ OMX Helsinki Ltd, or alternatively the shares may be conveyed by using the own shares held by the Company, and the rest will be paid in cash. The shares will be purchased and/or conveyed as soon as possible after the Annual General Meeting.

The Annual General Meeting decided that the number of auditors of Teleste Corporation shall be one. KPMG Oy Ab, Authorized Public Accountants, was elected as the auditor of the Company and KPMG Oy Ab has appointed Mr. Esa Kailiala, APA, as the principally responsible auditor. It was decided to pay the auditor's compensation against an invoice approved by the Company.

AUTHORIZING THE BOARD OF DIRECTORS TO DECIDE ON THE REPURCHASE OF THE COMPANY'S OWN SHARES

The Annual General Meeting decided to authorize the Board of Directors to decide on repurchasing the Company's own shares in accordance with the proposal of the Board of Directors. Based on the authorization, the Board of Directors may repurchase a maximum of 1,200,000 own shares of the Company otherwise than in proportion to the holdings of the shareholders by using the non-restricted equity through trading on regulated market organized by NASDAQ OMX Helsinki Ltd at the market price prevailing at the time of acquisition.

The authorization to repurchase own shares is valid for 18 months from the resolution of the Annual General Meeting.

AUTHORIZING THE BOARD OF DIRECTORS TO DECIDE ON THE ISSUANCE OF SHARES AND SPECIAL RIGHTS ENTITLING TO SHARES

The Annual General Meeting accepted the proposal of the Board of Directors to authorize the Board of Directors to decide on issuing new shares and/or conveying the Company's own shares held by the Company and/or granting special rights referred to in Chapter 10, Section 1 of the Finnish Companies Act.

New shares may be issued and the Company's own shares held by the Company may be conveyed either against payment or for free. New shares may be issued and the Company's own shares held by the Company may be conveyed to the Company's shareholders in proportion to their current shareholdings in the Company, or by waiving the shareholder's pre-emption right, through a directed share issue if the Company has a weighty financial reason to do so. The new shares may also be issued in a free share issue to the Company itself.

Based on the authorization, a maximum of 4,000,000 new shares may be issued and a maximum of 1,800,000 of the Company's own shares held by the Company or its group company may be conveyed.

The maximum number of new shares that may be subscribed and own shares held by the Company that may be conveyed by virtue of the special rights granted by the Company is 2,500,000 shares in total which number is included in the above maximum numbers of new shares and own shares held by the Company or its group company.

The authorizations are valid for three (3) years from the resolution of the Annual General Meeting.

ORGANISATIONAL MEETING OF THE BOARD OF DIRECTORS

The Board of Directors, which convened after the Annual General Meeting, re-elected Marjo Miettinen as its Chairman.

[Review by the CEO](#)

[Stock exchange release 1.4.2014](#)