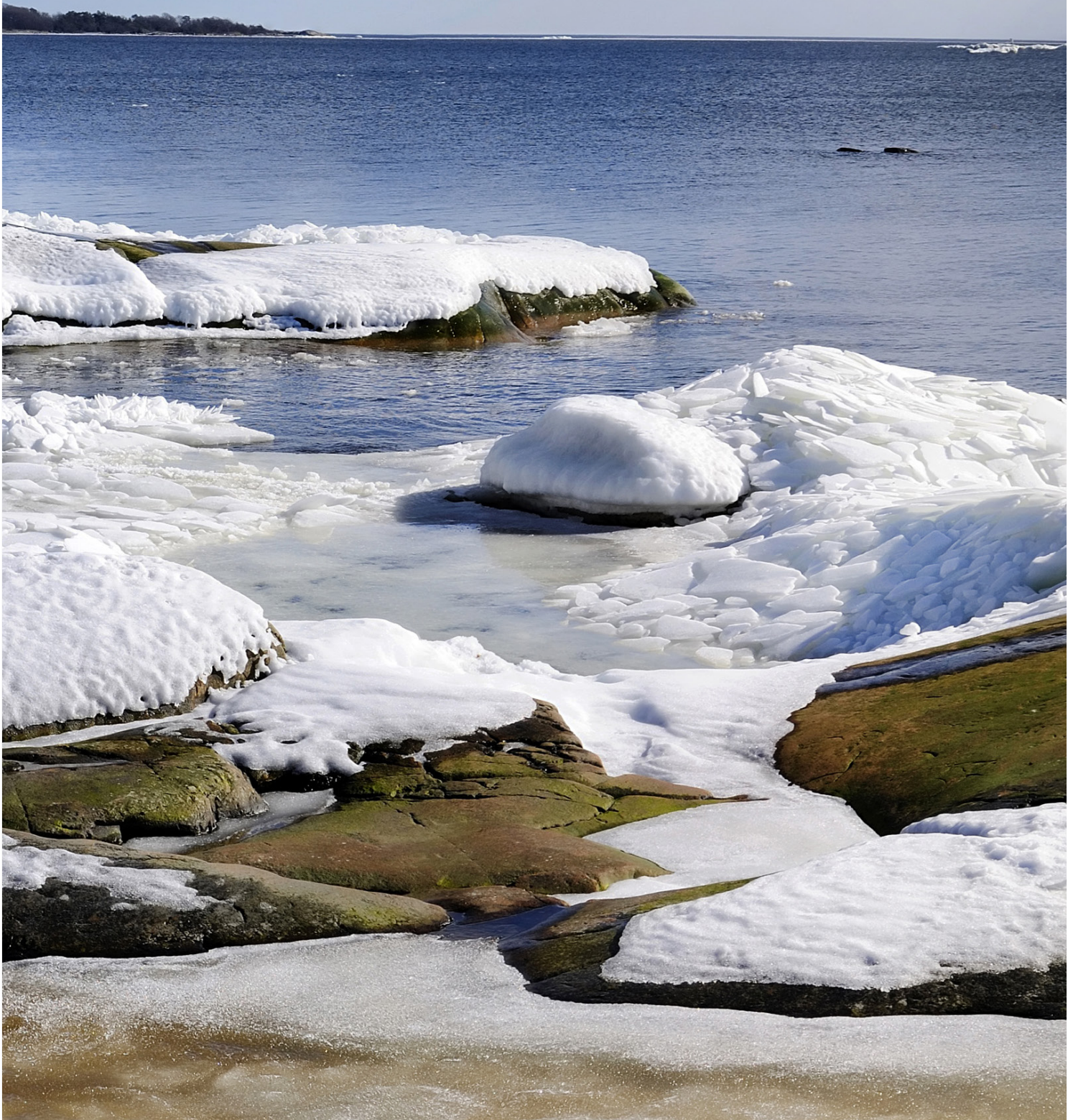


January 1 – March 31, 2016

Interim Report Q1



TELESTE CORPORATION INTERIM REPORT 1 JAN TO 31 MAR 2016

NET SALES AND ORDERS RECEIVED INCREASED, OPERATING PROFIT SAME AS LAST YEAR

First quarter of 2016

- Net sales amounted to EUR 60.6 (53.4) million, an increase of 13.4%
- Operating profit stood at EUR 2.6 (2.6) million, an increase of 0.2%
- Undiluted result per share equalled EUR 0.09 (0.12), a decrease of 25.6%
- Orders received totalled EUR 59.3 (56.9) million, an increase of 4.2%
- Cash flow from operations stood at EUR 1.6 (-1.2) million.

Outlook for 2016

We estimate that net sales and operating profit for 2016 will exceed the 2015 level.

Comments on the first quarter of 2016 by CEO Jukka Rinnevaara:

"The demand for Teleste's products and services continued at a good level in the first quarter of 2016. Net sales grew from the comparative period due to the successful product offering by Video and Broadband Solutions. Operating profit reached the level of the comparative period. Earnings per share were decreased by financial items, which were weakened by changes in exchange rates.

Orders received by Video and Broadband Solutions increased in video security and passenger information solutions, particularly in Switzerland, Poland, and the USA. The orders for access network products fell short of the comparative period. The net sales and operating profit of the business area increased on account of access network products. Deliveries grew most in Belgium, Switzerland, and the UK.

Net sales of Network Services remained at par with the comparative period, whereas the year-on-year operating profit fell. The result was weakened by expenses related to ramp-up of services for main client in a new geographical area in southern Germany and by sales-mix based to lower-margin services compared to reference period. As for the expansion of our business in the UK, profitability improved from the comparative period being, however, slightly at a loss."

Group Operations in January to March 2016

Key figures	1-3/2016	1-3/2015	Change %	1-12/2015
Orders received, M€	59.3	56.9	+4.2%	251.3
Net sales, M€	60.6	53.4	+13.4%	247.8
Operating profit, M€	2.6	2.6	+0.2%	14.3
Operating profit, %	4.3%	4.9%		5.8%
Profit for the period, M€	1.7	2.2	-24.6%	11.0
Earnings per share, €	0.09	0.12	-25.6%	0.61
Cash flow from operations, M€	1.6	-1.2		4.9
Net gearing, %	25.5%	21.9%		26.3%
Equity ratio, %	50.6%	49.0%		48.3%
Personnel at period-end	1,496	1,462	+2.3%	1,506

In the first quarter, orders received by the Group totalled EUR 59.3 (56.9) million, which is 4.2% above the reference period. Order backlog decreased by 4.8% to EUR 40.3 (42.3) million. Net sales were EUR 60.6 (53.4) million, up 13.4% from the comparative period.

Expenses for material and production services increased amounting to 52.2% (47.8%) of the net sales. Personnel expenses amounted to EUR 17.6 (17.0) million. Personnel expenses rose as a result of increased number of employees in Video and Broadband Solutions. Depreciation, amortisation, and other operating expenses increased by 3.1% to EUR 9.1 (8.8) million. Operating profit was at par with the reference period standing at EUR 2.6 (2.6) million, or 4.3% (4.9%) of the net sales.

Financial expenses equalled EUR 0.4 million. In the comparative period, financial items improved the result by EUR 0.3 million due to exchange rate gains. Taxes amounted to EUR 0.5 (0.7) million while the implicit tax rate was 24.1% (24.0 %). Undiluted result per share equalled EUR 0.09 (0.12), i.e. a decrease of 25.6%.

Cash flow from operations stood at EUR 1.6 (-1.2) million. Operating cash flow improved over the comparative period. Working capital was disengaged from accounts receivable and inventories.

Video and Broadband Solutions in January to March 2016

1,000 euros	1-3/2016	1-3/2015	Change	1-12/2015
Orders received	36,392	33,990	+7.1%	157,951
Net sales	37,693	30,532	+23.5%	154,396
EBIT	2,449	2,003	+22.2%	12,781
EBIT %	6.5%	6.6%		8.3%

Year-on-year orders received improved by 7.1% standing at EUR 36.4 (34.0) million. Order backlog decreased by 4.8% to EUR 40.3 (42.3) million. Net sales grew by 23.5% amounting to EUR 37.7 (30.5) million. Net sales were improved by increased sales volumes both in access network products and in passives and indoor network products. Operating profit increased by 22.2% to EUR 2.4 (2.0) million, representing 6.5% (6.6%) of the net sales.

R&D expenses amounted to EUR 2.7 (2.9) million, i.e. 7.3% (9.4%) of the business area's net sales. Capitalized R&D expenses amounted to EUR 0.5 (0.4) million. Product development projects focused on network products complying with the DOCSIS 3.1 standard, video security and information solutions, as well as customer-specific projects. Depreciation on capitalised R&D expenses equalled EUR 0.3 (0.3) million.

Network Services in January to March 2016

1,000 euros	1-3/2016	1-3/2015	Change	1-12/2015
Orders received	22,923	22,911	+0.1%	93,362
Net sales	22,923	22,911	+0.1%	93,362
EBIT	154	595	-74.2%	1,520
EBIT %	0.7%	2.6%		1.6%

Orders received and net sales for the first quarter were at par with the previous year, i.e. EUR 22.9 (22.9) million, an increase of 0.1%. Operating profit of Network Services stood at EUR 0.2 (0.6) million, down 74.2% from the comparative period. Operating profit was 0.7% (2.6%) of net sales. The result was weakened by expenses related to ramp-up of services for main client in a new geographical area in southern Germany and by sales-mix based to lower-margin services compared to reference period. As for the expansion of our business in the UK, profitability improved from the comparative period being, however, slightly at a loss."

Personnel and Organisation in January to March 2016

In the period under review, the Group had an annual average of 1,499 people (1,466/2015, 1,262/2014), of whom 726 (665) were employed by Video and Broadband Solutions, and 773 (801) by Network Services. At the end of the review period, the figure totalled 1,496 (1,462/2015, 1,260/2014) of whom 67% (68%/2015, 71%/2014) were stationed overseas. About 3% of the Group's employees were working outside Europe.

Personnel expenses increased over the previous year amounting to EUR 17.6 (17.0/2015, 14.0/2014) million. Personnel expenses rose as a result of increased number of employees in Video and Broadband Solutions.

Investments and Product Development in January to March 2016

In the period under review, investments by the Group totalled EUR 1.2 (12.4) million accounting for 1.9% (23.3%) of net sales. As for the year-on-year investments, EUR 11.5 million involved an acquisition. Investments in product development equalled EUR 0.5 (0.3) million. Investments of EUR 0.1 (0.1) million were carried out under financial lease arrangements.

Product development projects focused on network products complying with the DOCSIS 3.1 standard, video security and information solutions, as well as customer-specific projects.

Financing and Capital Structure in January to March 2016

Cash flow from operations stood at EUR 1.6 (-1.2) million. Operating cash flow improved over the comparative period. Working capital was disengaged from accounts receivable and inventories. The Group's net sales increased proportionally more than the net working capital.

The parent company has at its disposal the financial and credit facilities amounting to a total of EUR 45.0 million. These binding contracts are valid until the end of March 2018. At the end of the period under review, the amount of unused binding stand-by credits amounted to EUR 15.4 (17.0) million.

The Group's equity ratio equalled 50.6% (49.0%) while net gearing was 25.5% (21.9%). On 31 March 2016, the Group's interest-bearing debt stood at EUR 34.4 (30.5) million.

Key Risks Faced by the Business Areas

Founded in 1954, Teleste is a technology and services company consisting of two business areas – Video and Broadband Solutions and Network Services. With Europe as the main market area, our clients include European cable operators and specified organisations in the public sector.

As to Video and Broadband Solutions, client-specific and integrated deliveries of solutions create favourable conditions for growth, even if the concerned resource allocation and technical implementation pose a challenge involving, therefore, also reasonable risks. In particular, deliveries of integrated security and information solutions for the passenger transport may be large in size, setting high demands for the project quotation calculation and management and, consequently, there are risks involved. Our customers' network investments vary based on the relevant need for upgrading and their financial structure.

A significant part of Teleste's competition comes from the USA so the exchange rate of euro up against the US dollar affects our competitiveness. The exchange rate development of the US dollar and the Chinese renminbi to the euro affects our product costs. The company hedges against short-term currency exposure by means of forward exchange contracts. The modest development in economic growth and the financial challenges faced by the European public sector may slow down the implementation of our customers' investment plans. Furthermore, a weakening in the consumer purchasing power in Europe could slow down the network investments by the cable operators. Competition increased by the new service providers (OTT) may undermine the cable operators' ability to invest. Consequences of natural phenomena or accidents such as fire, may reduce the availability of components in the order-delivery chain of electronics industry or suspend our own manufacturing operations. Correct technological choices and their timing are vital to our success. A variety of technologies are used in products and solutions, and the intellectual property rights associated with the application of these technologies can be interpreted in different ways by different parties. Such

divergences can lead to costly investigations or litigation. Regardless of careful planning and quality assurance, complex products may fail in the customer's network and lead to expensive repair obligations.

Net sales of Network Services comes, for the most part, from a small number of large European customers, so a significant change in the demand for our services by any one of them is reflected in the actual deliveries and profitability. Improvements in customer satisfaction and productivity require efficient control of service process management as well as innovative solutions in processes, products, and logistics to ensure the quality of services and cost effectiveness. Smooth operation of cable networks necessitates efficient technical management of the networks and functional solutions for devices in accordance with contractual obligations. This, in turn, demands continuous and determined development of skills and competencies in Teleste's own personnel as well as those of our subcontractors. In addition, adequacy and utilisation rates of our own personnel and subcontractor network capacity affect the Company's delivery capacity and profitability. Tender calculation and management of larger projects with overall responsibility are complex and risky. Severe weather conditions may affect the supply conditions of our products and services.

Teleste's strategy involves risks and uncertainties: new business opportunities may fail to be identified or they cannot be acted upon successfully. Our business areas will have to keep an eye on market movements, such as consolidations among the customers and competitors. Intensifying competition may decrease the prices of products and solutions faster than we manage to reduce the manufacturing and delivery costs of our products. Various information systems are critical to the development, manufacturing and supply of products to our customers. Maintenance of information systems and deployment of new systems involve risks that may affect our ability to deliver products and services. Information systems may also be subject to external threats, from which we aim to protect ourselves. Acquisition of skilled personnel and maintenance of their competence require encouragement, development and recruitment, which can fail.

The Board of Directors annually reviews any essential risks related to the company operation and the management thereof. Risk management constitutes an integral part of the strategic and operative practices of our business areas. Risks are reported to the Board on a regular basis.

The company has covered any major risks of loss related to the business areas through insurance policies. Insurance will also cover credit loss risks related to sales receivables. In the period under review, no such legal proceedings or judicial procedures were pending that would have had any essential significance for the Group operation.

Group Structure

Parent company Teleste has branch offices in Australia, the Netherlands, and Denmark with subsidiaries in 14 countries outside Finland.

Shares and Changes in Share Capital

On 31 March 2016, EM Group Oy was the largest single shareholder with a holding of 23.2%.

In the period under review, the lowest company share price was EUR 7.29 (5.32) while the highest was EUR 9.89 (7.38). Closing price on 31 March 2016 stood at EUR 8.69 (6.94). According to Euroclear Finland Ltd, the number of shareholders at the end of the period under review was 5,586 (5,151). Holdings of foreign and nominee-registered owners accounted for 6.7% (5.0%) of the shares. The share exchange in the period 1 January to 31 March 2016 was 1.0 (1.1) million. The value of this exchange amounted to EUR 8.2 (7.5) million.

At the end of March 2016, the Group held 863,953 (1,059,086) of its own shares, of which the parent company Teleste Corporation had 321,953 (517,086) shares and the controlled companies had 542,000 (542,000) shares, respectively. At the end of the period, the Group's holding of the total amount of shares amounted to 4.6% (5.6%).

On 31 March 2016, the registered share capital of Teleste stood at EUR 6,966,932.80 divided into 18,985,588 shares.

Valid authorisations at the end of the review period:

- Purchases of own shares: maximum 1,200,000 of the Company's own shares, valid until 8 October 2016.
- Issue of new shares: maximum 4,000,000 shares, valid until 31 March 2017.
- Disposal of own shares in possession: maximum 1,800,000 shares, valid until 31 March 2017.
- Based on the special rights granted by the Company, the number of shares to subscribe may not exceed 2,500,000 shares; these special rights are included in the maximum warrants concerning new shares and the Group's own shares mentioned above. This authorisation is valid until 31 March 2017.

Events after the End of the Review Period

The Annual General Meeting (AGM) of Teleste Corporation on 7 April 2016 confirmed the financial statements for 2015 and discharged the Board of Directors and the CEO from liability for the financial period. The AGM confirmed the dividend of EUR 0.23 per share as proposed by the Board. The dividend was paid to non-treasury shares on 18 April 2016.

The AGM decided that the Board of Directors consists of six members. Mr. Pertti Ervi, Ms. Jannica Fagerholm, Mr. Esa Harju and Mr. Kai Telanne were re-elected as members of Teleste Corporation's Board of Directors. New Members of the Board were elected Messrs. Timo Luukkainen and Timo Miettinen. Mr. Timo Miettinen was elected Chair of the Board in the organising meeting held immediately after the AGM.

The Annual General Meeting decided that the number of auditors of Teleste Corporation shall be one. KPMG Oy Ab, Authorised Public Accountants, was elected as the auditor of the Company and KPMG Oy Ab has appointed Mr. Petri Kettunen, APA, as the principally responsible auditor.

The Annual General Meeting decided to authorise the Board of Directors to decide on repurchasing the Company's own shares. Based on this authorisation, 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 the regulated market on Nasdaq Helsinki Ltd at the market price prevailing at the time of acquisition. The authorisation to repurchase own shares is valid for 18 months from the resolution of the Annual General Meeting.

Outlook for 2016

The business objective of Video and Broadband Solutions is to maintain its strong market position in Europe and to strengthen this market position in selected new markets outside Europe. Network capacity will continue to increase driven by the new broadband and video services provided by the operators. Our new products in line with the DOCSIS 3.1 communication standard allow the cable operators to increase their network capacity competitively. Price erosion in the market continues. Changes in the value of the euro, particularly against the US dollar and the Chinese renminbi, affect Teleste's competitiveness, on the one hand, and product manufacturing costs, on the other. The positive trend in the markets for video security and passenger information solutions will continue whereas the public sector decisions concerning the initiation of projects may be delayed by the current economic situation. The security solution for public areas introduced in Paris provides new opportunities for other major cities of the world. Train manufacturers and public transport operators benefit from Teleste's video security and passenger information solutions.

As to Network Services, our business objective is to further develop the operational efficiency and increase the share of those services that provide our customers with higher value. In the UK, our aim is to improve the profitability of the provided services. We estimate the demand for all-inclusive network services in our key target markets to continue at least at the previous year level.

We estimate that net sales and operating profit for 2016 will exceed the 2015 level.

27 April 2016

Teleste Corporation
Board of Directors

Jukka Rinnevaara
President and CEO

This interim report has been compiled in compliance with IAS 34, as it is accepted within EU, using the recognition and valuation principles with those used in the Annual Report. Teleste has prepared this interim report applying the same accounting principles as those described in detail in its the consolidated financial statements. The data stated in this report is unaudited. The changes in IAS1, IFRS13 and IAS19 have been applied in this interim report and they do not have any material impact on the financial reporting.

**STATEMENT OF COMPREHENSIVE
INCOME (tEUR)**

	1-3/2016	1-3/2015	Change %	1-12/2015
Net Sales	60,616	53,443	13.4 %	247,758
Other operating income	316	446	-29.1 %	2,854
Materials and services	-31,637	-25,537	23.9 %	-128,300
Personnel expenses	-17,639	-16,976	3.9 %	-70,532
Depreciation	-1,197	-1,209	-0.9 %	-4,874
Other operating expenses	-7,857	-7,570	3.8 %	-32,604
Operating profit	2,602	2,598	0.2 %	14,302
Financial income and expenses	-409	306	n/a	-363
Profit after financial items	2,194	2,904	-24.5 %	13,939
Profit before taxes	2,194	2,904	-24.5 %	13,939
Taxes	-530	-698	-24.1 %	-2,928
Net profit	1,664	2,206	-24.6 %	11,011
Attributable to:				
Equity holders of the parent	1,664	2,206	-24.6 %	11,011
Earnings per share for result of the year attributable to the equity holders of the parent (expressed in € per share)				
Basic	0.09	0.12	-25.6 %	0.61
Diluted	0.09	0.12	-25.6 %	0.61
Total comprehensive income for the period (tEUR)				
Net profit	1,664	2,206	-24.6 %	11,011
Possible items with future net profit effect				
Translation differences	-4	398	n/a	240
Fair value reserve	-149	4	n/a	31
Total comprehensive income for the period	1,511	2,608	-42.1 %	11,282
Attributable to:				
Equity holders of the parent	1,511	2,608	-42.1 %	11,282

**STATEMENT OF FINANCIAL POSITION
(tEUR)**

	31/03/2016	31/03/2015	Change %	31/12/2015
Non-current assets				
Property, plant, equipment	11,459	10,473	9.4 %	11,648
Goodwill	37,653	38,425	-2.0 %	37,849
Other intangible assets	6,676	6,934	-3.7 %	6,653
Deferred tax assets	1,677	1,885	-11.0 %	1,843
Available-for-sale Investments	707	713	-1.0 %	704
	58,171	58,430	-0.4 %	58,698

Current assets				
Inventories	32,076	29,566	8.5 %	32,661
Trade and other receivables	54,243	51,803	4.7 %	60,422
Cash and cash equivalents	14,214	14,373	-1.1 %	12,677
	100,533	95,742	5.0 %	105,760
Total assets	158,704	154,173	2.9 %	164,458
Shareholder's equity and liabilities				
Share capital	6,967	6,967	0.0 %	6,967
Other equity	72,126	66,414	8.6 %	70,578
Non-controlling interest	0	477	n/a	0
	79,093	73,858	7.1 %	77,545
Non-current liabilities				
Provisions	1,027	1,294	-20.6 %	1,026
Deferred tax liabilities	1,581	1,922	-17.7 %	1,662
Non interest bearing liabilities	2,183	3,527	-38.1 %	2,730
Interest bearing liabilities	33,101	29,744	11.3 %	30,723
	37,892	36,487	3.9 %	36,141
Current liabilities				
Trade payables and other liabilities	38,742	41,777	-7.3 %	46,505
Current tax payable	977	615	58.9 %	1,062
Provisions	689	650	5.9 %	889
Interest bearing liabilities	1,311	786	66.9 %	2,315
	41,719	43,828	-4.8 %	50,772
Total shareholder's equity and liabilities	158,704	154,173	2.9 %	164,458

**CONSOLIDATED CASH FLOW
STATEMENT (tEUR)**

	1-3/2016	1-3/2015	Change %	1-12/2015
Cash flows from operating activities				
Profit for the period	1,664	2,206	-24.6 %	11,011
Adjustments	2,195	1,601	37.1 %	7,056
Interest and other financial expenses and incomes	-409	306	n/a	-363
Paid Taxes	-618	-269	129.6 %	-2,400
Change in working capital	-1,261	-5,023	-74.9 %	-10,384
Cash flow from operating activities	1,571	-1,179	n/a	4,920
Cash flow from investing activities				
A conditional supplementary contract price for prior subsidiary acquisition	-485	0	n/a	-1,147
Purchases of property, plant and equipment (PPE)	-290	-260	11.5 %	-1,258
Proceeds from sales of PPE	7	17	-58.8 %	17
Purchases of intangible assets	-538	-338	59.2 %	-1,644
Acquisition of subsidiaries, net of cash acquired	0	-6,826	n/a	-6,826
Net cash used in investing activities	-1,306	-7,407	-82.4 %	-10,858
Cash flow from financing activities				
Proceeds from borrowings	4,000	5,000	-20.0 %	44,300
Payments of borrowings	-2,724	-111	2354.1 %	-38,521
Dividends paid	0	0	n/a	-3,694
Proceeds from issuance of ordinary shares	0	0	n/a	-1,382
Net cash used in financing activities	1,276	4,889	-73.9 %	703

Change in cash				
Cash in the beginning	12,677	17,672	-28.3 %	17,672
Effect of currency changes	-4	398	n/a	240
Change	1,541	-3,697	n/a	-5,235
Cash at the end	14,214	14,373	-1.1 %	12,677

KEY FIGURES	1-3/2016	1-3/2015	Change %	1-12/2015
Earnings per share, EUR	0.09	0.12	-25.6 %	0.61
Earnings per share fully diluted, EUR	0.09	0.12	-25.6 %	0.61
Shareholders' equity per share, EUR	4.36	4.09	6.6 %	4.28
Return on equity	8.5 %	12.2 %	-30.3 %	14.9 %
Return on capital employed	9.4 %	12.4 %	-24.6 %	14.2 %
Equity ratio	50.6 %	49.0 %	3.3 %	48.3 %
Gearing	25.5 %	21.9 %	16.4 %	26.3 %
Investments, tEUR	1,158	12,426	-90.7 %	16,948
Investments % of net sales	1.9 %	23.3 %	-91.8 %	6.8 %
Order backlog, tEUR	40,304	42,342	-4.8 %	42,150
Personnel, average	1,499	1,466	2.3 %	1,485
Number of shares (thousands) including own shares	18,986	18,986	0.0 %	18,986
Highest share price, EUR	9.89	7.38	34.0 %	9.88
Lowest share price, EUR	7.29	5.32	37.0 %	5.32
Average share price, EUR	8.49	6.52	30.2 %	7.42
Turnover, in million shares	1.0	1.1	-16.1 %	3.3
Turnover, in MEUR	8.2	7.5	9.2 %	24.6
Treasury shares				
	Number of shares		% of shares	% of votes
Possession of company's own shares 31.3.2016	863,953		4.55%	4.55%
Contingent liabilities and pledged assets (tEUR)				
Leasing and rent liabilities	8,786	5,756	52.6 %	7,858
Derivative instruments (tEUR)				
Value of underlying forward contracts	20,014	20,031	-0.1 %	24,599
Market value of forward contracts	18	117	-84.6 %	-27
Interest rate swap	10,000	11,000	-9.1 %	10,000
Market value of interest swap	-149	-27	451.9 %	0

Taxes are computed on the basis of the tax on the profit for the period.

OPERATING SEGMENTS (tEUR)	1-3/2016	1-3/2015	Change %	1-12/2015
Video and Broadband Solutions				
Orders received	36,392	33,990	7.1 %	157,951
Net sales	37,693	30,532	23.5 %	154,396
EBIT	2,449	2,003	22.2 %	12,781
EBIT%	6.5 %	6.6 %		8.3 %
Network Services				
Orders received	22,923	22,911	0.1 %	93,362
Net sales	22,923	22,911	0.1 %	93,362
EBIT	154	595	-74.2 %	1,520
EBIT%	0.7 %	2.6 %		1.6 %
Total				
Orders received	59,315	56,901	4.2 %	251,313
Net sales	60,616	53,443	13.4 %	247,758
EBIT	2,602	2,598	0.2 %	14,302
EBIT%	4.3 %	4.9 %		5.8 %
Financial items	-409	306	n/a	-363
Operating segments net profit before taxes	2,194	2,904	-24.5 %	13,939

Information per quarter (tEUR)	1-3/16	10-12/15	7-9/15	4-6/15	1-3/15	4/2015-3/2016
Video and Broadband Solutions						
Orders received	36,392	43,419	39,616	40,926	33,990	160,353
Net sales	37,693	43,584	43,760	36,519	30,532	161,556
EBIT	2,449	2,666	5,113	2,999	2,003	13,227
EBIT %	6.5 %	6.1 %	11.7 %	8.2 %	6.6 %	8.2 %
Network Services						
Orders received	22,923	24,809	22,432	23,211	22,911	93,374
Net sales	22,923	24,809	22,432	23,211	22,911	93,374
EBIT	154	607	811	-492	595	1,079
EBIT %	0.7 %	2.4 %	3.6 %	-2.1 %	2.6 %	1.2 %
Total						
Orders received	59,315	68,228	62,048	64,137	56,901	253,727
Net sales	60,616	68,393	66,192	59,730	53,443	254,930
EBIT	2,602	3,273	5,924	2,507	2,598	14,306
EBIT %	4.3 %	4.8 %	8.9 %	4.2 %	4.9 %	5.6 %

Attributable to equity holders of the parent (tEUR)

A	Share capital									
B	Share premium									
C	Translation differences									
D	Retained earnings									
E	Invested free capital									
F	Other funds									
G	Total									
H	Share of non-controlling interest									
I	Total equity									
(tEUR)		A	B	C	D	E	F	G	H	I
Shareholder's equity 1.1.2016		6,967	1,504	-99	66,034	3,140	0	77,545	0	77,545
Total comprehensive income for the period				-4	1,664		-149	1,511	0	1,511
Equity-settled share-based payments					37			37	0	37
Shareholder's equity 31.3.2016		6,967	1,504	-103	67,735	3,140	-149	79,093	0	79,093
Shareholder's equity 1.1.2015		6,967	1,504	-339	58,139	3,954	-31	70,194	487	70,682
Total comprehensive income for the period				398	2,206		4	2,608	0	2,608
Used options						568		568	0	568
Interest, non-control party					10			10	-10	0
Shareholder's equity 31.3.2015		6,967	1,504	59	60,355	4,522	-27	73,380	477	73,858

CALCULATION OF KEY FIGURES

Return on equity:	Profit/loss for the financial period ----- * 100 Shareholders' equity (average)
Return on capital employed:	Profit/loss for the period after financial items + financing charges ----- * 100 Total assets - non-interest-bearing liabilities (average)
Equity ratio:	Shareholders' equity ----- * 100 Total assets - advances received
Gearing:	Interest bearing liabilities - cash in hand and in bank - interest bearing assets ----- * 100 Shareholders' equity

Earnings per share:	Profit for the period attributable to equity holder of the parent ----- Weighted average number of ordinary shares outstanding during the period
Earnings per share, diluted:	Profit for the period attributable to equity holder of the parent (diluted) ----- Average number of shares - own shares + number of options at the period-end

Major shareholders 31.3.2016	Number of shares	% of share capital
EM Group Oy	4,409,712	23.23
Mandatum Life Insurance Company Limited	1,679,200	8.84
Ilmarinen Mutual Pension Insurance Company	1,008,860	5.31
Kaleva Mutual Insurance Company	824,641	4.34
Teleste Management II Oy	542,000	2.85
Varma Mutual Pension Insurance Company	521,150	2.74
The State Pension Fund	500,000	2.63
Teleste Oyj	321,953	1.70
Danske Invest Finnish Small Cap Fund	290,000	1.53
Julius Tallberg Corp.	255,350	1.34

Shareholders by sector 31.3.2016	Number of shareholders	% of Owners	Number of shares	Number of shares
Households	5,241	93.82	4,837,150	25.5
Public sector institutions	3	0.05	2,030,010	10.7
Financial and insurance institutions	20	0.36	3,492,015	18.4
Corporations	256	4.58	7,158,128	37.7
Non-profit institutions	30	0.54	194,748	1.0
Foreign and nominee registered owners	36	0.64	1,273,537	6.7
Total	5,586	100.00	18,985,588	100.0

Number of shares 31.3.2016	Number of shareholders	% of shareholders	Number of shares	% of shares
1 - 100	1,369	24.5	87,055	0.5
101 - 500	2,455	43.9	666,322	3.5
501 - 1 000	792	14.2	644,428	3.4
1 001 - 5 000	784	14.0	1,708,900	9.0
5 001 - 10 000	83	1.5	582,160	3.1
10 001 - 50 000	70	1.3	1,444,986	7.6
50 001 - 100 000	10	0.2	722,292	3.8
100 001 - 500 000	16	0.3	3,513,850	18.5
500 001 -	7	0.1	9,615,595	50.6
Total	5,586	100.0	18,985,588	100.0
of which nominee registered	8	0.1	1,091,887	5.8



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