

Interim Report 1.1. – 31.3.2013

Jukka Rinnevaara
CEO

Disclaimer

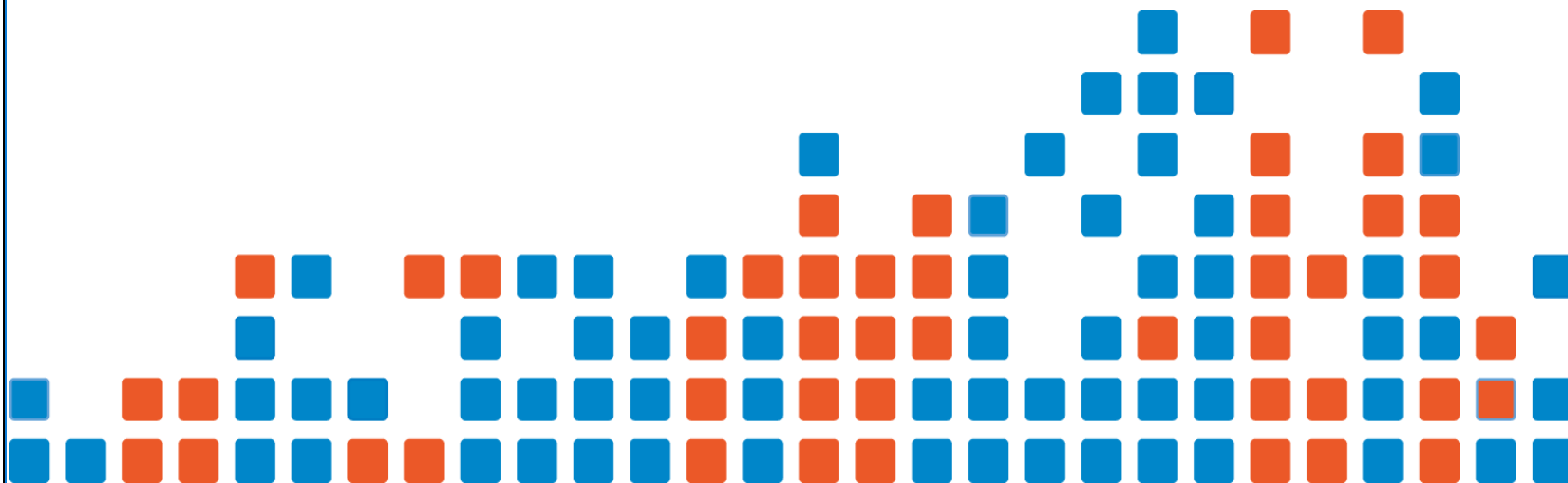
This presentation has been prepared by the Company. The information on which it is based has not been independently verified by any other person.

This presentation is not intended to provide the basis of any investment decision and should not be considered as a recommendation by the Company or any other person to the recipients of the presentation. Each person to whom this presentation is made must make his/her own independent assessment of the Company after making such investigations as he/she deems necessary. This presentation does not constitute an offer of or invitation to acquire any shares or other securities in the Company.

Nothing in this presentation is, or should be relied upon as, a promise or representation as to the future.

Our mission

We develop and offer video and broadband products, services and solutions for cable operators and the public sector. We make everyday life easier, safer and more efficient.



Market situation Q1 2013

Video and Broadband Solutions

The market quieter than the comparable period as expected

- **Cable operators' investments in network infrastructure at a lower level**
 - **Exceptionally strong comparative period**
- **Deliveries for video surveillance projects at a good level (CTA)**
- **Uncertain economic situation in Europe**

New video services will continue to increase the need for network capacity expansion

Network Services

The market was at a lower level than the comparable period

- **Demand for new broadband connections in Germany was lower than the seasonal average**
- **The exceptionally long winter period slowed down network maintenance and fiber projects**

RESULT Q1 - Group

	Q1 2013	Q1 2012	Change%
Orders Received	43.4	49.1	-11.7%
Net Sales	45.8	51.1	-10.5%
EBIT	2.6	2.9	-11.4%
EBIT %	5.7%	5.7%	n/a
Net Profit for the Period	1.8	2.0	-11.2%

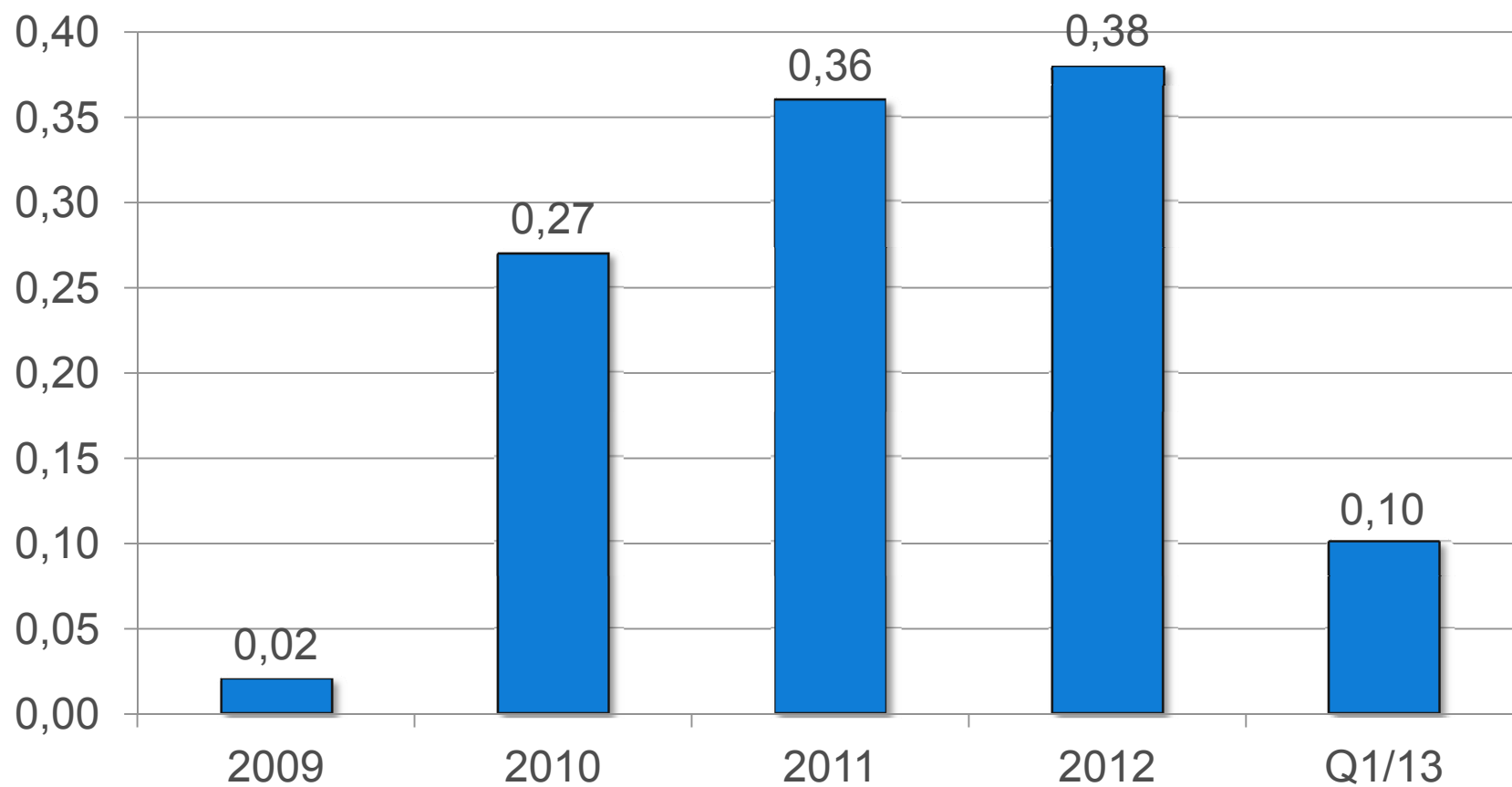
RESULT Q1 - Video and Broadband Solutions

	Q1 2013	Q1 2012	Change%
Orders Received	21.4	26.4	-18.8%
Net Sales	23.8	27.5	-13.4%
EBIT	2.4	2.5	-3.5%
EBIT %	10.2%	9.2%	n/a

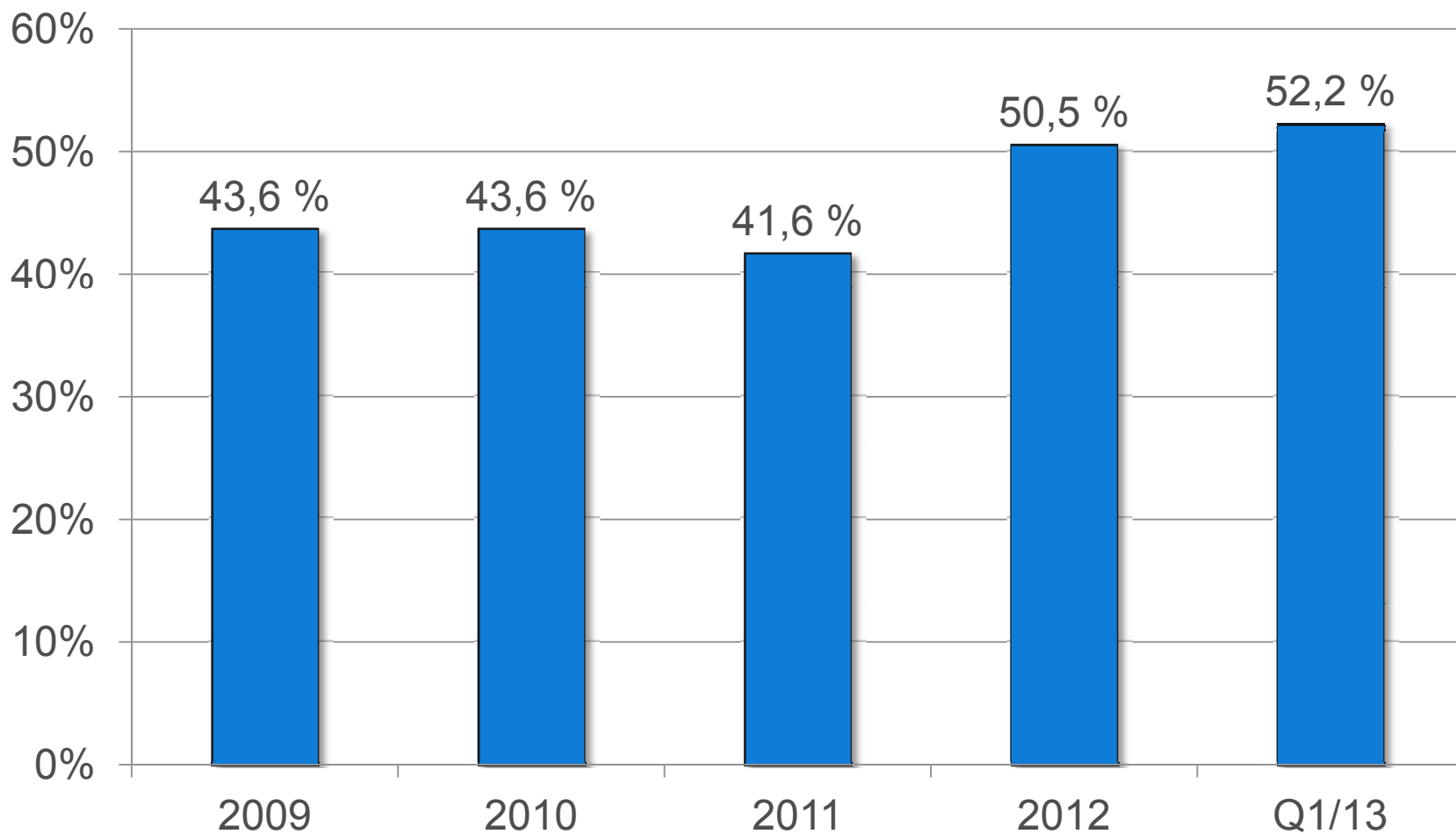
RESULT Q1 – Network Services

	Q1 2013	Q1 2012	Change%
Orders Received	21.9	22.7	-3.5%
Net Sales	21.9	23.6	-7.1%
EBIT	0.2	0.4	-59.9%
EBIT %	0.8%	1.7%	n/a

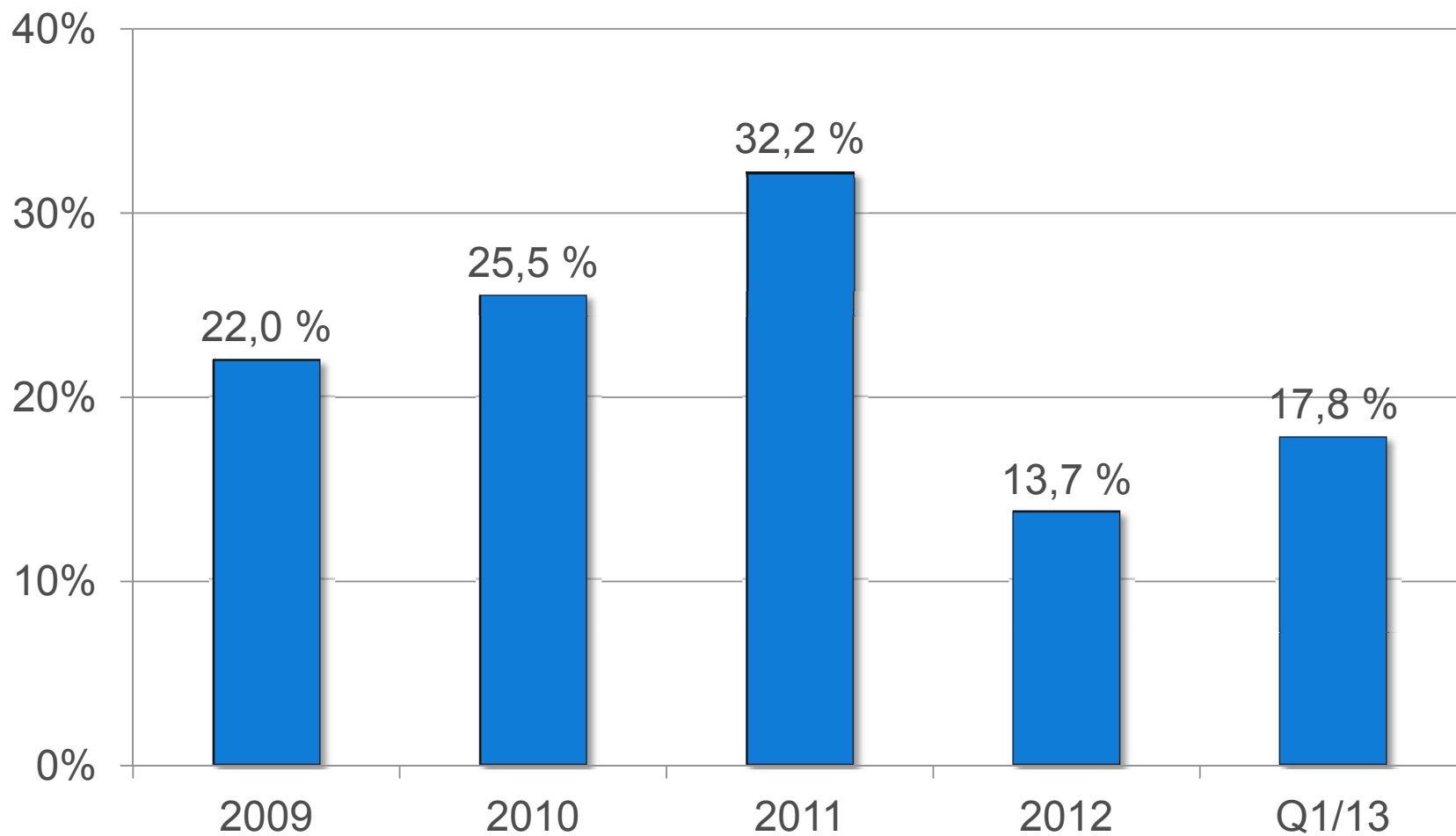
EPS



Equity Ratio



Gearing



Outlook unchanged

Given the new video services offered by the operators, there is a continuous need for increased cable network capacity, so we estimate the deliveries by **Video and Broadband Solutions** in our target markets to reach at least the 2012 level. In our view, investments by cable operators will be given more weight during the second half of the year.

We estimate that **Network Services**' net sales in our target markets will reach at least the 2012 level and that the profitability will improve from the 2012 level with the developments in productivity.

- **We expect net sales and operating profit for 2013 to reach the 2012 level. In our assessment, net sales and operating profit for the first half of 2013 will remain below the comparative period.**



Our vision

- As the leading provider in our field, we build a modern networked society with new broadband and video solutions.

