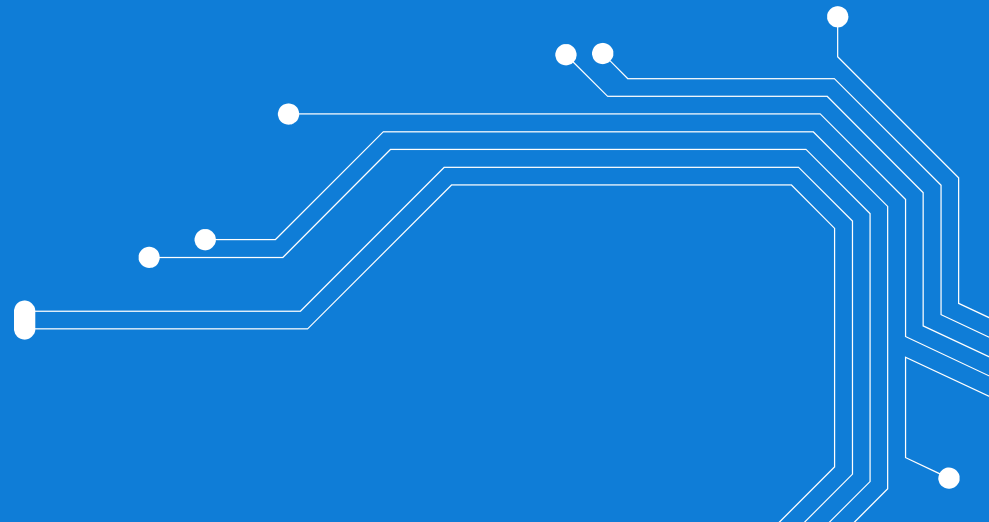


Result Q3 2012

JUKKA RINNEVAARA

CEO



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Market situation Q3 / 2012

Video and Broadband Solutions

- **The market weakened and investment activity leveled off**
 - **Active investment program before sporting events**
 - **Uncertain economic situation in Europe**
- **New video services still increase the need for greater network capacity**
- **Video surveillance project deliveries made good progress. The outlook is promising.**

Network Services

- **Market conditions were stable and steady**
- **German development program progressed as planned**
- **Net sales from the project business (Fttx) is in decline**

RESULT Q3 2012 - Group

	Q3 2012	Q3 2011	Change%
Orders Received	40.5	43.8	-7.5%
Net Sales	45.6	47.0	-2.9%
EBIT	2.9	3.8	-24.4%
EBIT %	6.3%	8.1%	n/a

RESULT Q3 - Video and Broadband Solutions (VBS)

	Q3 2012	Q3 2011	Change%
Orders Received	19.7	22.3	-11.6%
Net Sales	24.8	23.9	3.5%
EBIT	2.4	3.4	-29.1%
EBIT %	9.8%	14.3%	n/a

RESULT Q3 – Network Services (NS)

	Q3 2012	Q3 2011	Change%
Orders Received	20.8	21.5	-3.3%
Net Sales	20.8	23.0	-9.6%
EBIT	0.4	0.4	19.1%
EBIT %	2.2%	1.6%	n/a

RESULT 1-9/2012 - Group

	1-9/2012	1-9/2011	Change%
Orders Received	138.8	134.6	3.1%
Net Sales	146.4	130.2	12.5%
EBIT	8.2	5.2	56.8%
EBIT %	5.6%	4.0%	n/a
Net Profit for the Period	5.1	3.4	48.4%

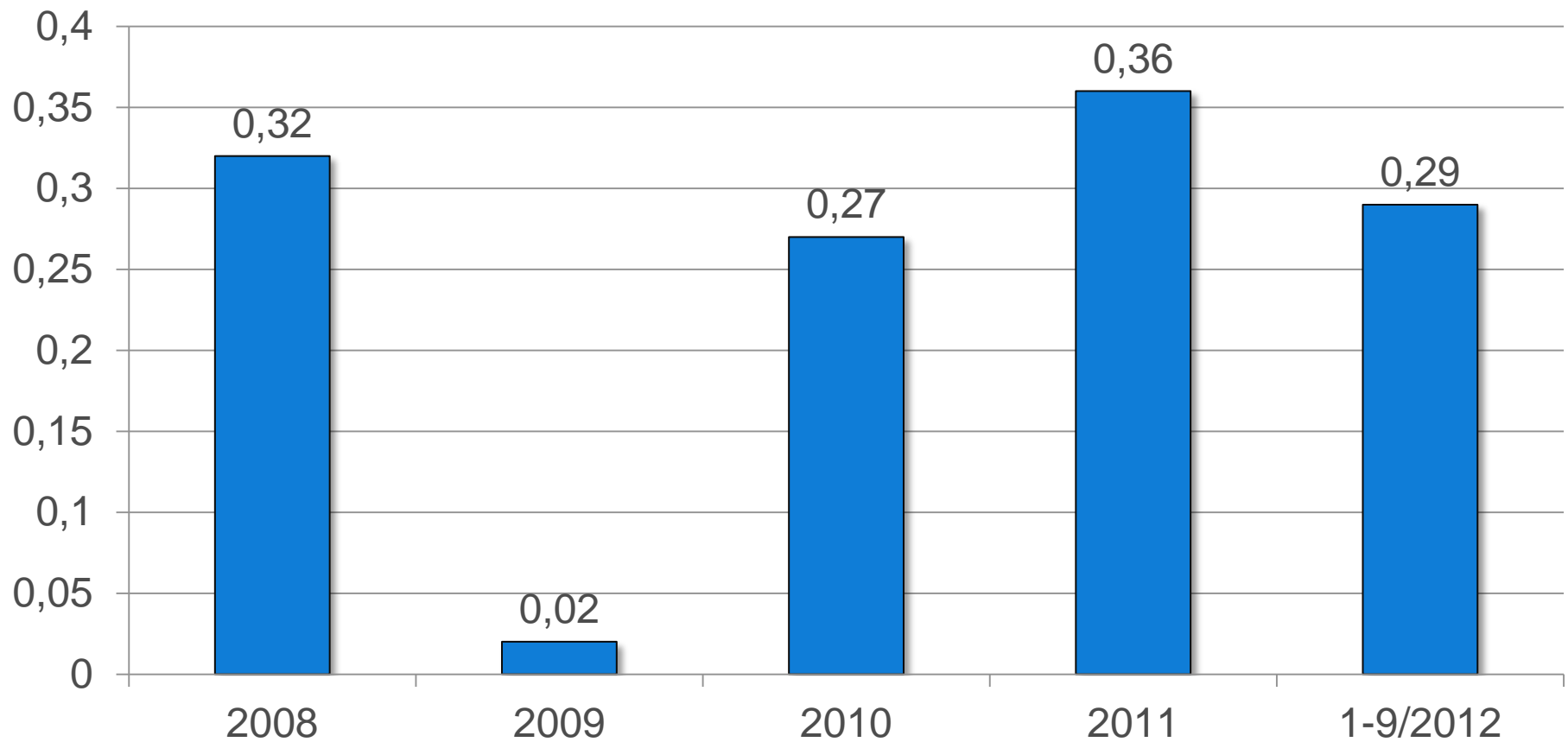
RESULT 1-9/2012 - Video and Broadband Solutions (VBS)

	1-9/2012	1-9/2011	Change%
Orders Received	69.9	64.6	8.2%
Net Sales	76.6	62.0	23.5%
EBIT	6.5	5.2	25.9%
EBIT %	8.5%	8.3%	n/a

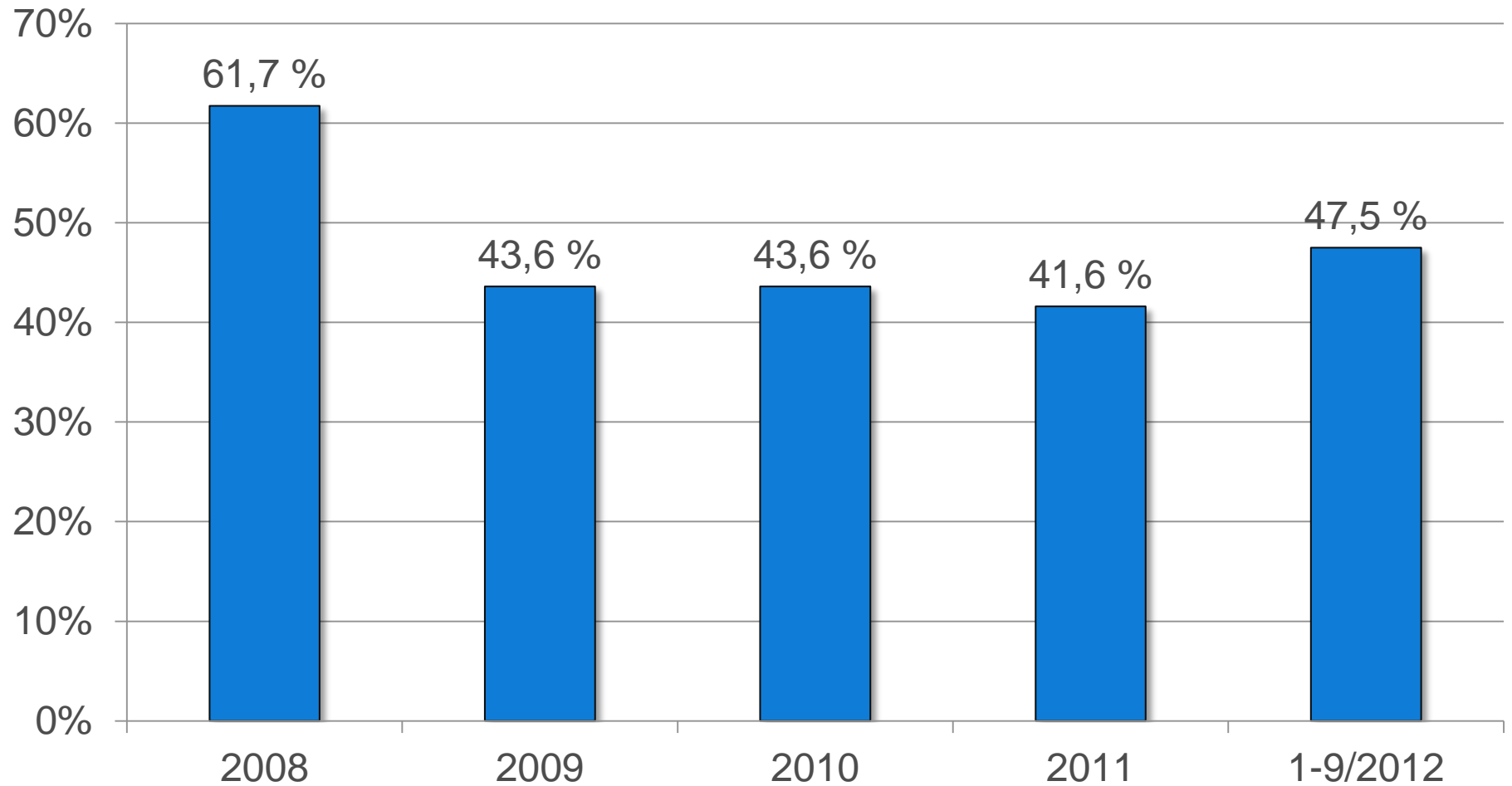
RESULT 1-9/2011 – Network Services (NS)

	1-9/2012	1-9/2011	Change%
Orders Received	68.9	70.0	-1.5%
Net Sales	69.8	68.2	2.5%
EBIT	1.7	0.1	n/a
EBIT %	2.5%	0.1%	n/a

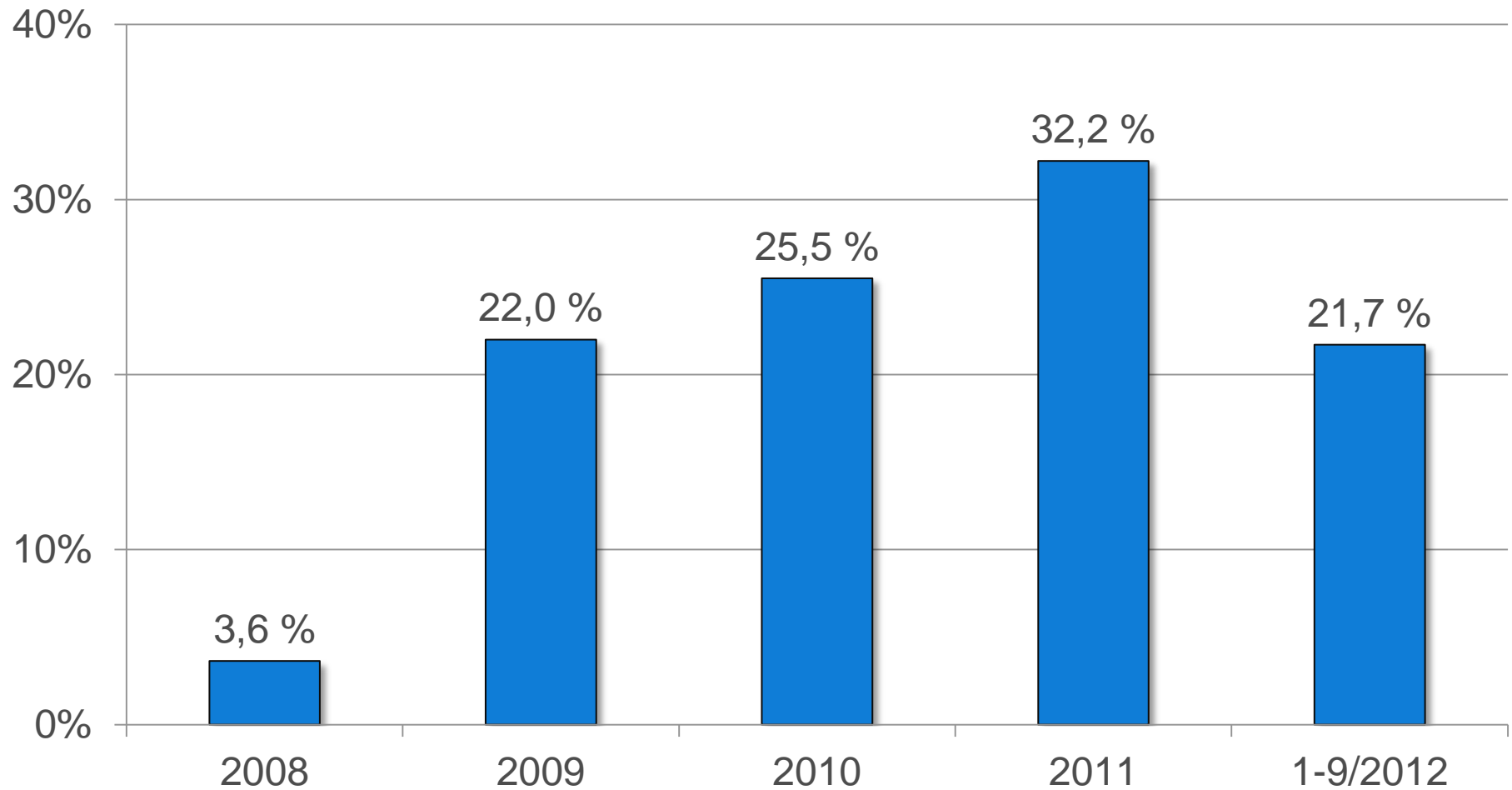
EPS



Equity Ratio



Gearing



Outlook

In terms of the whole year, we estimate that deliveries of equipment and solutions for the operator clientele of **Video and Broadband Solutions** will increase from the 2011 level.

On the annual basis, demand by the current clientele of **Network Services** will remain stable. Profitability in our main market of Germany will improve markedly for the entire year over the 2011 level.

Net sales and profitability for Teleste's fourth quarter of 2012 will fall short of the comparative period due to leveling off in demand.

- We estimate the 2012 net sales and operating profit to increase from the level of 2011.

