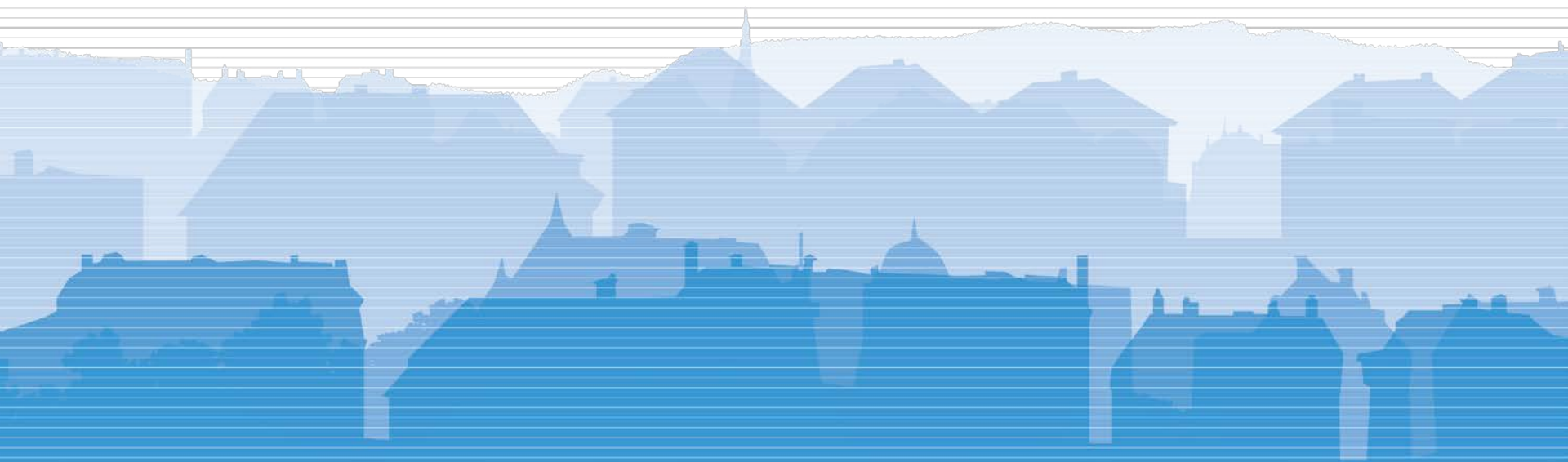


# ANNUAL GENERAL MEETING 9.4.2015

Finlandia Hall, Helsinki



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

**1**

**Teleste in brief**

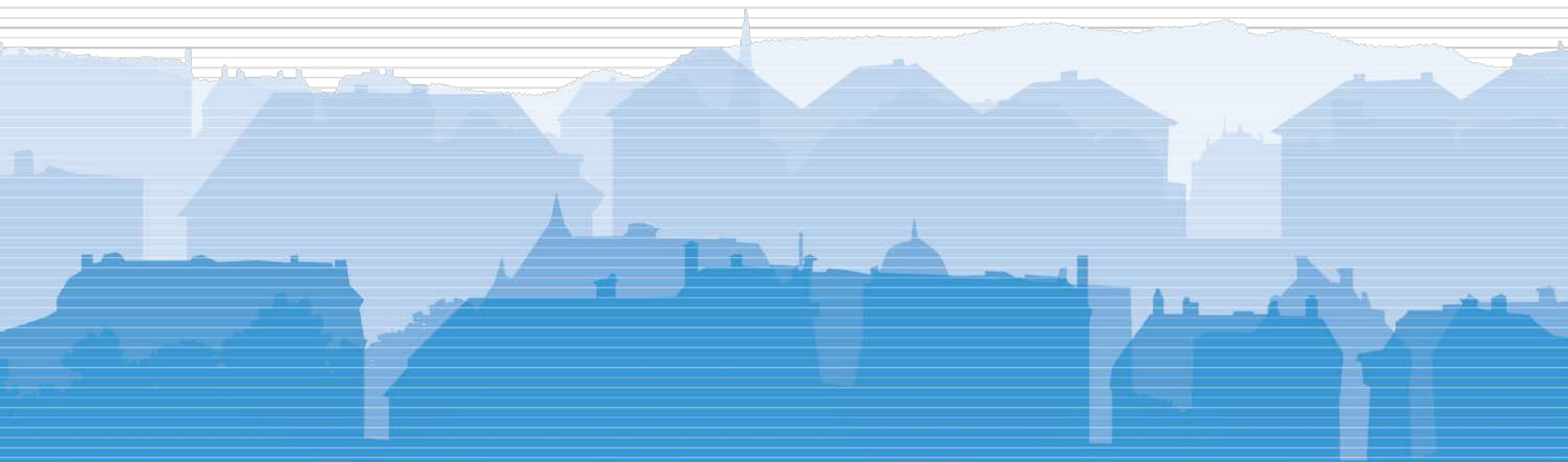
**2**

**Year 2014 main events and  
financial key figures**

**3**

**Our digital future -  
Vision, trends and strategic choices**

# We make...



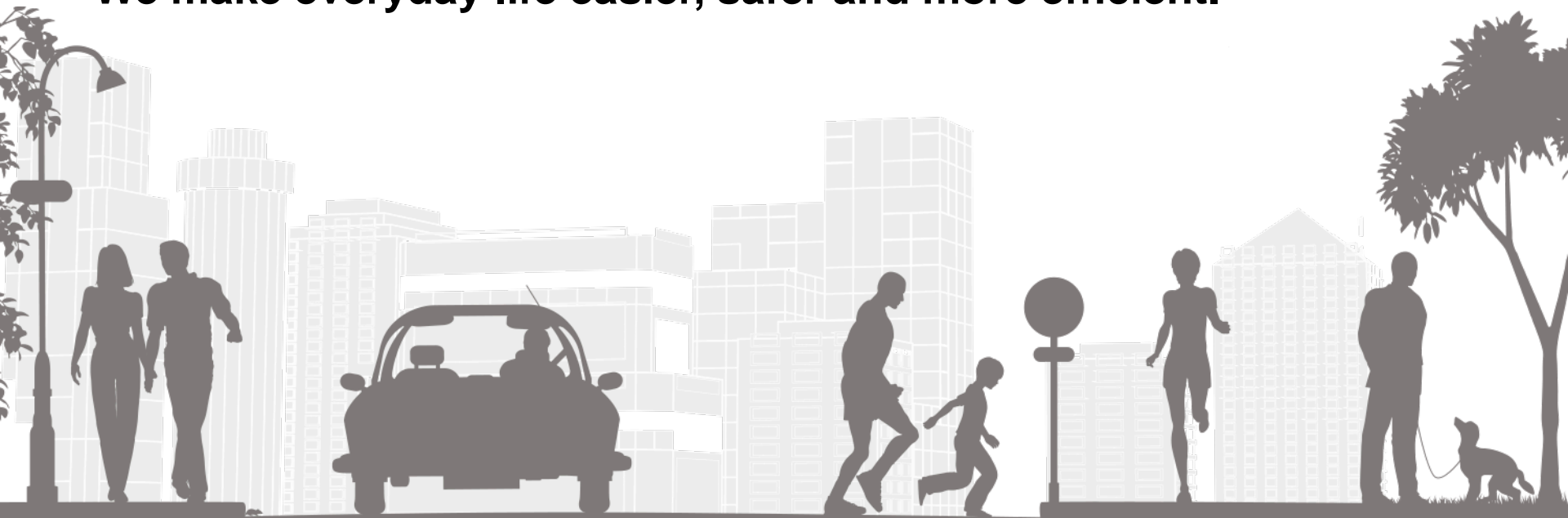
# your everyday life easier, safer and more efficient



## 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.**

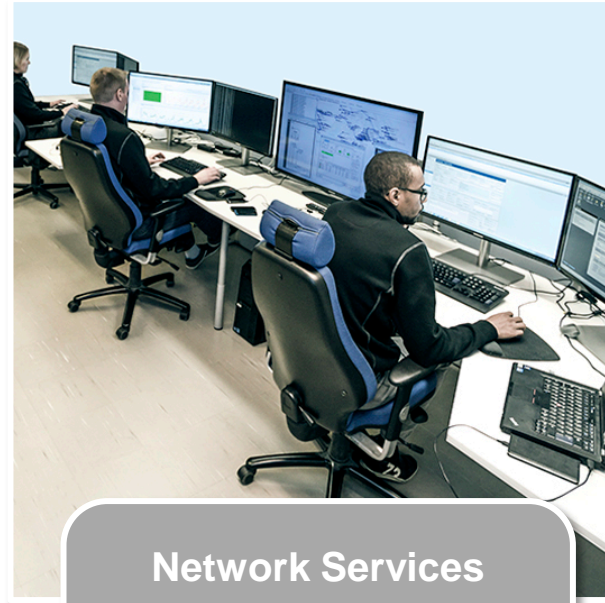


# Business Areas



## Video and Broadband Solutions

Broadband networks and video security and information applications



## Network Services

Comprehensive service solutions for cable networks

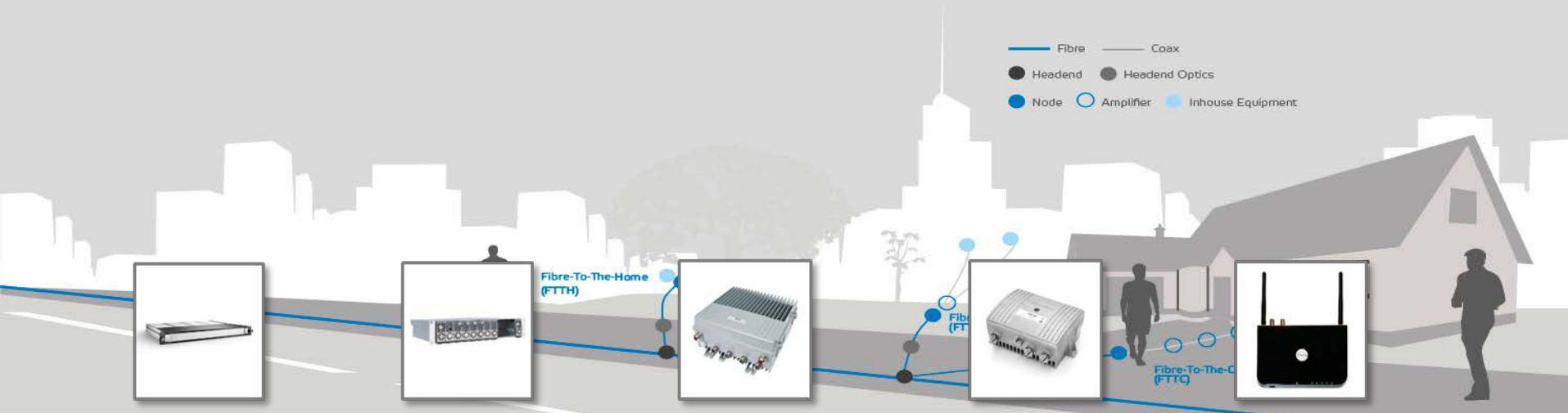


# Access Networks and video service platforms

We offer to our customers all the products needed for cable operator access network from the digital IP headend all the way to subscriber wall outlet.

The most important product groups are access network active equipment and passives, digital headends as well as solutions for on-demand TV services.

Customer base includes all major European cable operators.



# Networks Services

**We offer high-quality services in planning, design, engineering, documentation and construction of networks, as well as installation and maintenance.**

**We also provide project management capabilities for larger programmes.**

**Main market area include Germany, Belgium, Switzerland, the UK and Finland.  
In Germany Kabel Deutschland is the major operator customer.**



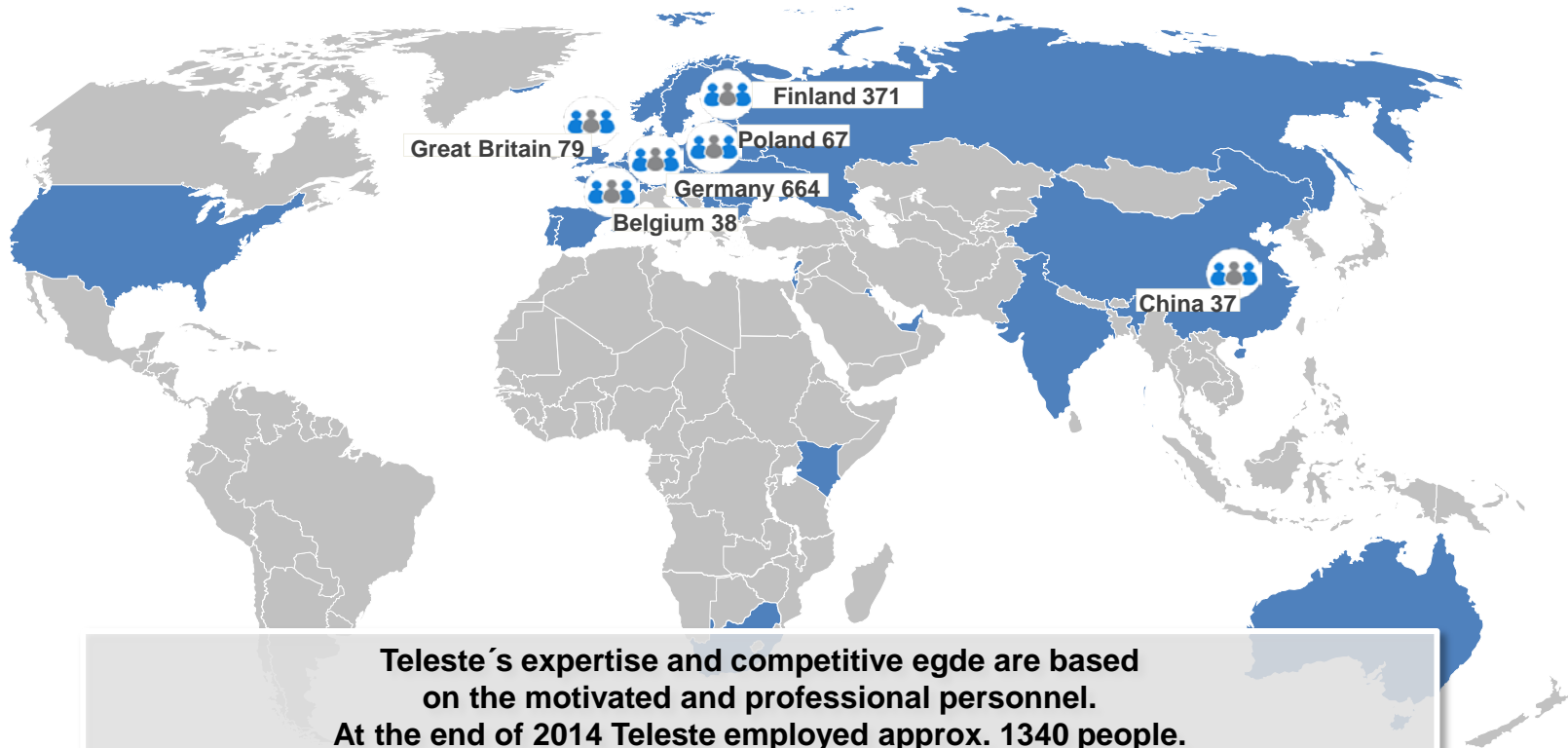


# Video Security and Information

**We offer comprehensive video security solutions based on own and third party products and our own products cover video transmission, storage and management.**



# Market area and personnel



**Teleste's expertise and competitive edge are based on the motivated and professional personnel.**  
**At the end of 2014 Teleste employed approx. 1340 people.**  
**Outside Finland worked 72% of the personnel.**

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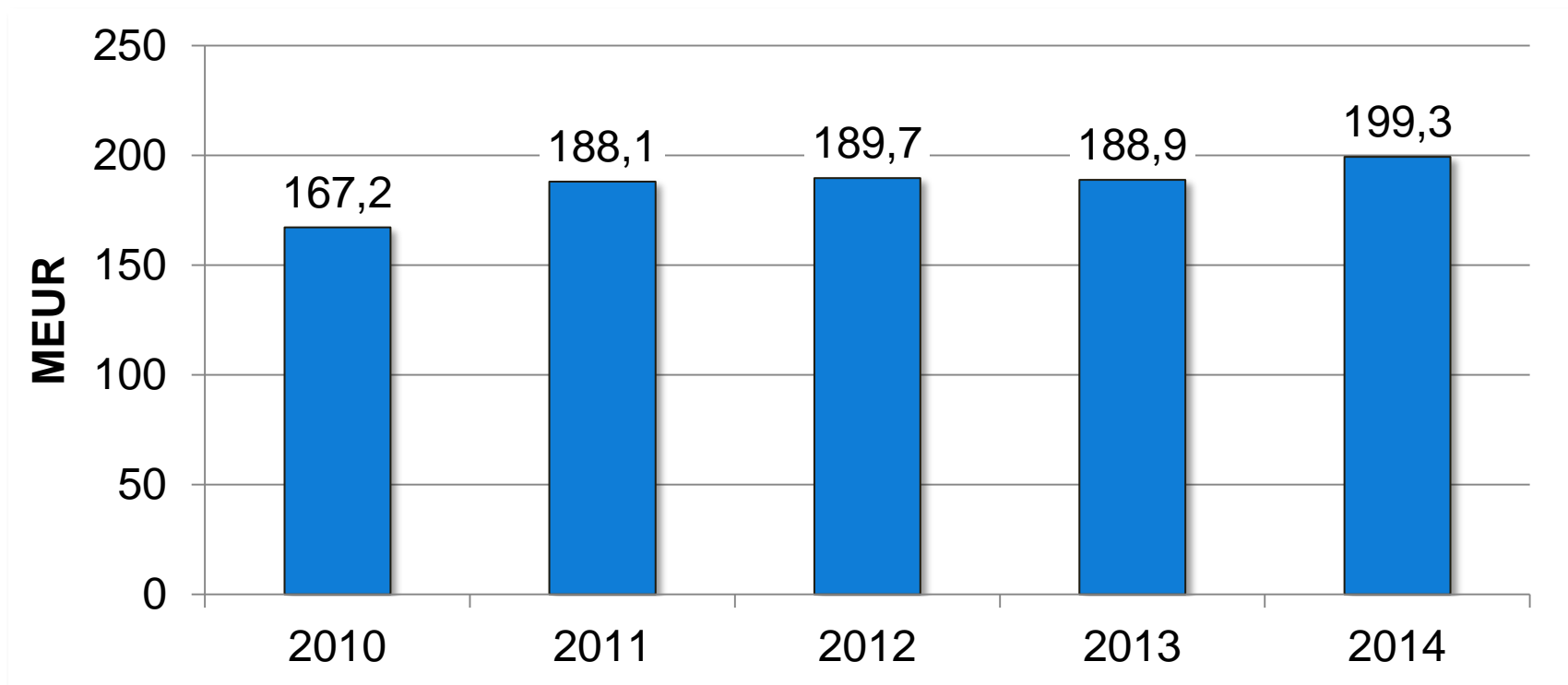
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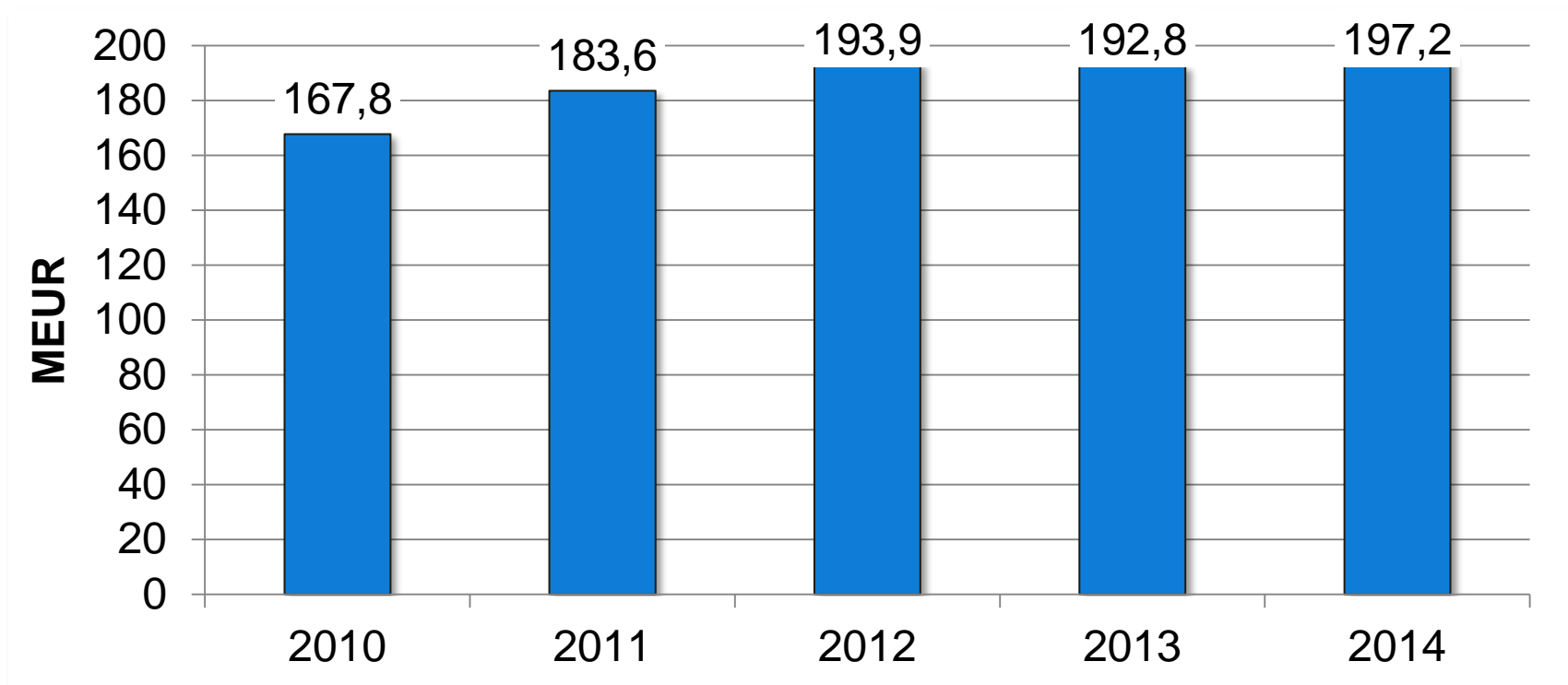
## RESULT 2014 - Group

	2014	2013	Change
Orders Received	199.3	188.9	5.5 %
Net Sales	197.2	192.8	2.3 %
EBIT	11.1	11.0	0.8 %
EBIT %	5.6 %	5.7 %	n/a
Net Profit for the Period	8.5	8.1	4.1 %

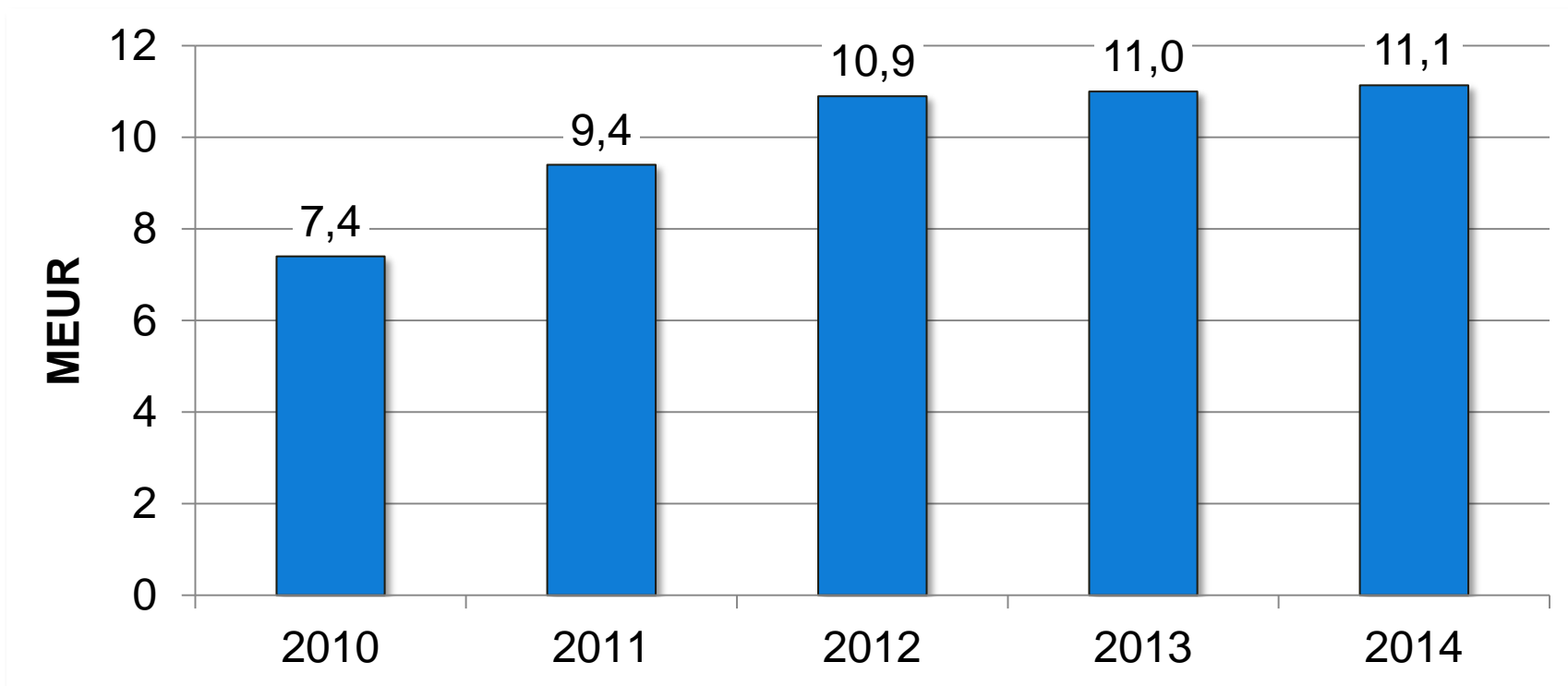
## Orders received



# Net Sales

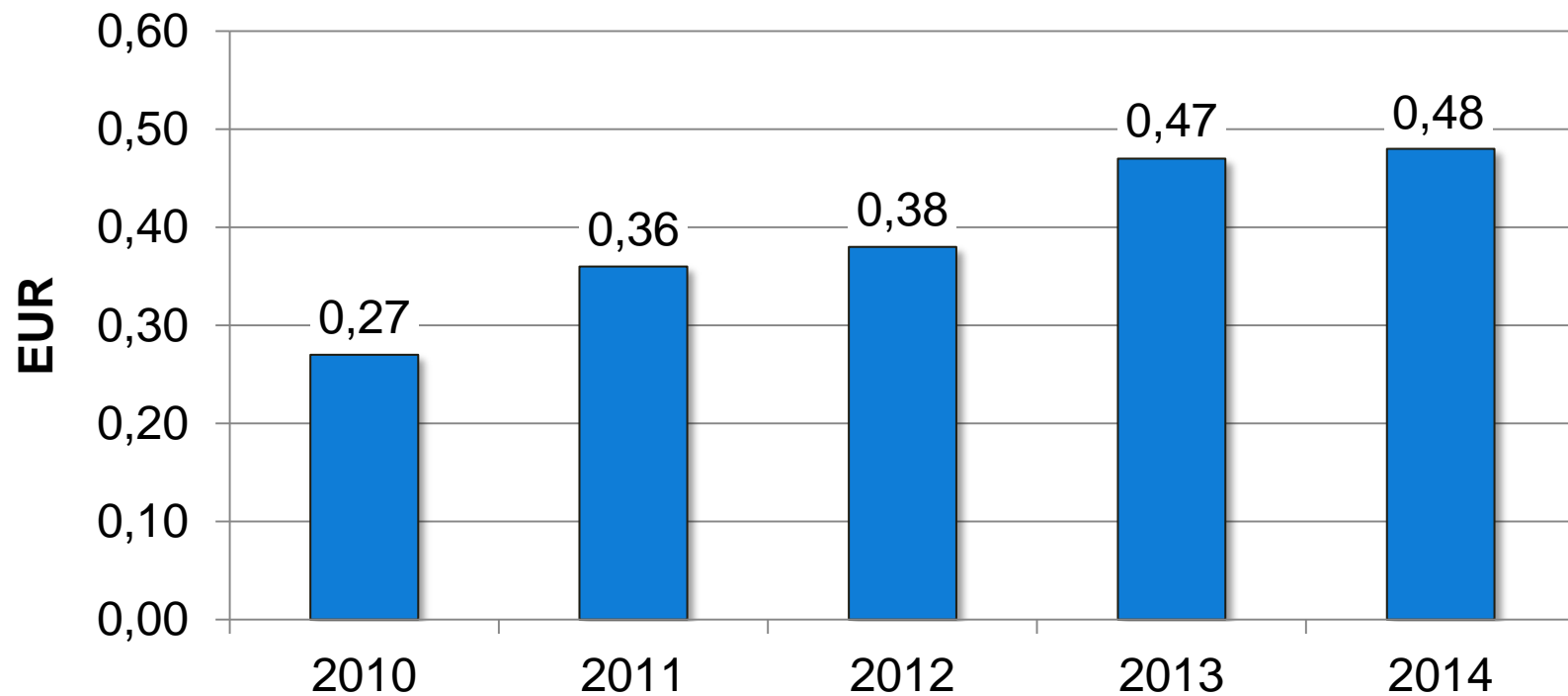


# EBIT

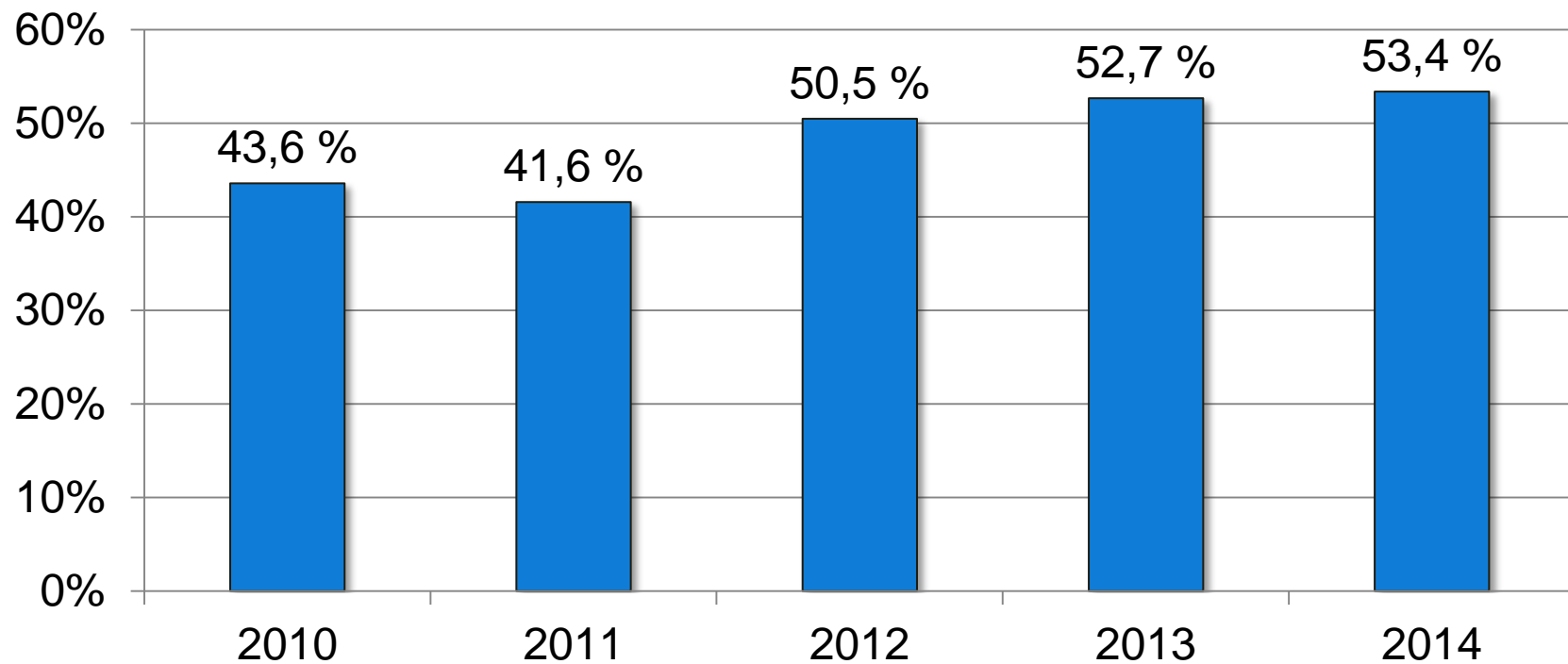




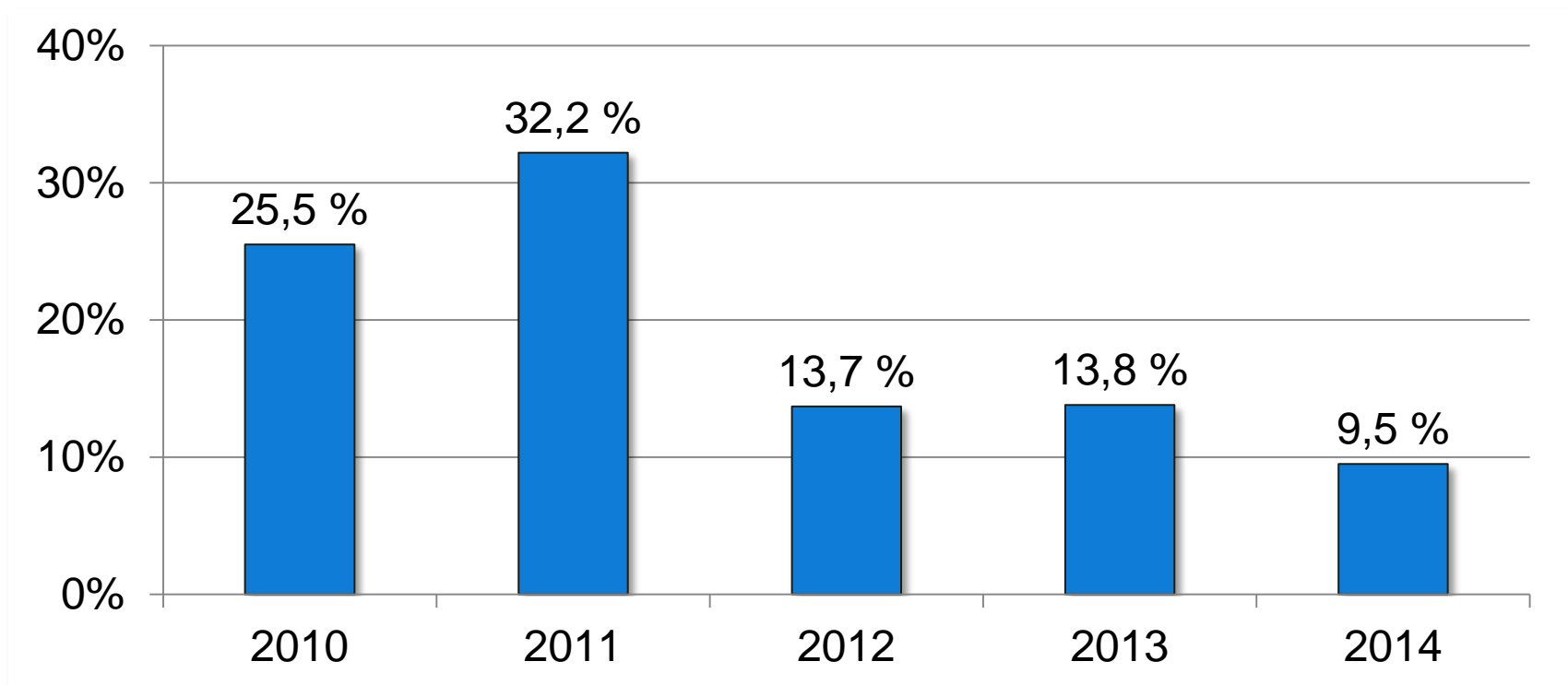
# EPS



# Equity Ratio



# Gearing



# Teleste / Mitron acquisition

**Teleste Corporation has acquired 100% of the shares of Mitron Group Oy Ltd.**

**Signing and closing took place on January 7, 2015.**

**Mitron will be part of Teleste's Video Security and Information business unit.**



# Outlook for 2015

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 **video security** and rail traffic data management market continues, but the public sector decisions concerning initiation of projects may be delayed by the current economic situation. In addition to organic growth, we estimate the Mitron acquisition to increase our net sales by more than EUR 22 million and its impact on our operating profit to be positive.

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 line with this objective, we will continue to expand the new services business in the UK. 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 2015 will exceed the 2014 level.**



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# Megatrends

## Increasing volume of video and data traffic

- The capacity and quality of networks are improved
- There will be new players in the market and the offering to consumers will expand



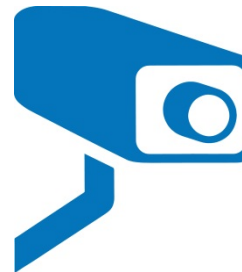
## Technology development is fast

- The development of new video and data transmission technologies continues
- Consumer devices develop and become more diversified
- Digital systems are replacing analogue
- New business and earning models will be generated



## Growing need to ensure the safety of people

- There is a growing demand for reliable, intelligent and cost-effective security solutions





**SMOOTH FLOW  
OF PUBLIC  
TRANSPORT IS  
IMPORTANT**

**PASSENGERS  
NEED  
UO-TO-DATE  
INFORMATION**

**SECURITY IN  
TRANSPORT AND  
PUBLIC  
SPACES ARE  
INCREASING**

**PEOPLE TAKE  
CARE OF THEIR  
BUSINESS  
REGARDLESS OF  
TIME AND PLACE**

**INTERNET  
VIDEO  
IS INCREASING  
RAPIDLY**

**DIVERSITY OF  
TERMINAL  
EQUIPMENT IS  
INCREASING**

**NEW  
TECHNOLOGIES  
ARE USED FOR  
BUILDING NEXT  
GENERATION  
NETWORKS**





INTELLIGENCE  
AND QUALITY  
OF NETWORKS  
INCREASE

FASTER  
NETWORKS  
ENABLE  
NEW SERVICES

BROADBAND  
IS WITHIN  
ALMOST  
EVERYONE'S  
REACH

VIDEO  
SECURITY  
SYSTEMS  
ARE MISSION  
CRITICAL

SMART HOME  
SYSTEMS  
WILL GROW

BUILDING  
TECHNOLOGY  
ARE MONITORED  
AND CONTROLLED  
REMOTELY

# STRATEGY

We are close to our customers and we keep our promises.

We continue our strong investments into the development of access network products and services.

We develop solutions that enable innovative video services.

We focus on comprehensive and segment specific video security and information solutions.

We improve our performance and cost-efficiency.

# GOALS

Be a valued partner for our customers and a preferred employer.

Profitable growth.

# VISION

As leading player in our industry we are creating the modern networked world by means of new broadband, video security and information solutions.