

A woman with dark hair, wearing a dark blazer over a light pink shirt, is shown in profile from the chest up. She is holding a black Samsung smartphone in her hands, taking a photograph of a large bouquet of flowers. The bouquet is filled with various flowers, including bright orange gerberas, pink hydrangeas, and purple flowers. The background is a blurred florist shop with more flowers and a pink chair. The text "Interim Report January– March 2015" is overlaid in white on the left side of the image.

Interim Report January– March 2015

DNA Ltd

Contents

- **Business review – CEO Jukka Leinonen**
 - Highlights and overview Q1/2015
 - Subscription base
 - Strategic objectives 2015
- **Financial overview – CFO Timo Karppinen**



A person wearing a bright yellow sweater is sitting and holding a tablet computer. The tablet screen displays several columns of text, which appears to be a document or a report. The person's hands are visible, holding the tablet from the sides. In the background, there is a wooden chair with a green seat and a striped cushion. The overall scene suggests a professional or academic setting.

CEO's review

Jukka Leinonen

Highlights in Q1

- Net sales remained at the same level year-on-year, profit improved by 21.2 per cent from the reference period and amounted to EUR 9.5 million
- EBITDA and operating profit grew significantly
- Already more than half of the new subscriptions are 4G subscriptions, and their share is growing steadily
- In consumer business, sales and subscription base developed positively in the first quarter – fixed-network and mobile broadband remain strong growth areas
- In corporate business, the market remained cautious due to the overall economic situation. However, DNA made successful tenders and signed significant new agreements in the first quarter
- DNA's brand and visuals were renewed in April

Summary Q1/2015



TV and broadband product offering was renewed:

the services are available to customers practically nationwide via different distribution channels; Überkaista broadband service is now available in 4G network in addition to the fixed network

The operations of DNA's new corporate business unit developed positively in the first quarter:

for example, DNA secured the Lahti region tender for communications network and voice services, a significant agreement for DNA

DNA's and Samsung's co-operation:

DNA and Samsung launched the third Samsung Experience Store in Oulu

The electronic matriculation exam pilot:

DNA built a WLAN environment for the electronic matriculation exam pilot in the Olari high school in Espoo

DNA continued to expand its 4G and 3G networks:

At the end of March 2015, DNA's 4G LTE network reached over 4.7 million Finns (2.5 million on 31 March 2014)

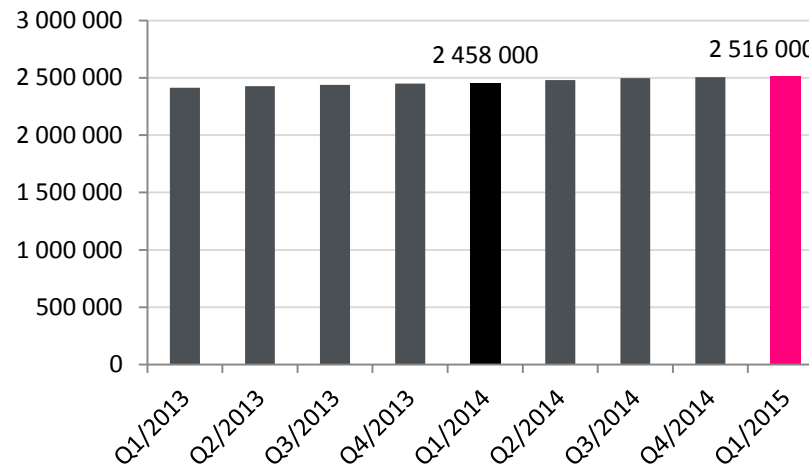
Q1: The mobile communication subscription base grew

+2.4 %

Mobile communication subscription base: 2 516 000

- Positive development due to an increase in the number of mobile broadband and voice subscriptions
- DNA's mobile communication subscription base grew by 11,000 subscriptions in the first quarter

Mobile communication subscriptions



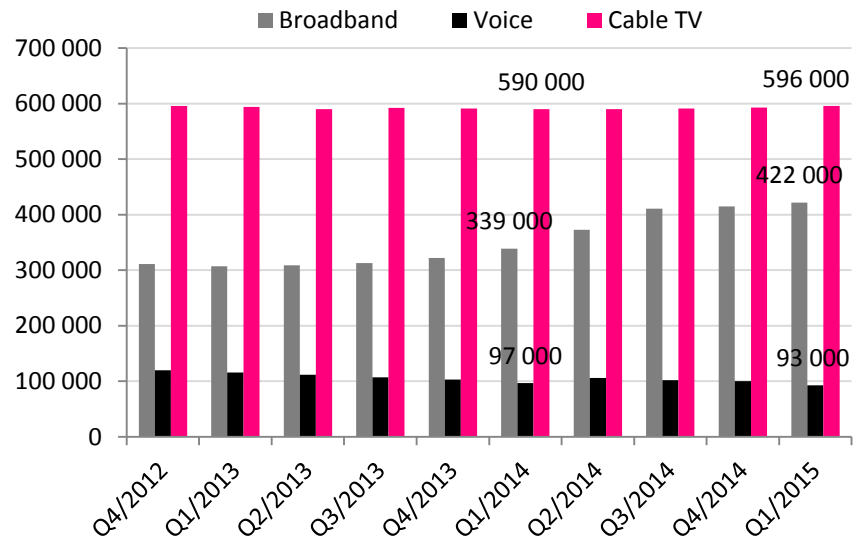
Q1: growth especially in fixed broadband subscription base

+1.0 %
Cable TV:
596 000

+24.5 %
Fixed broadband:
422 000

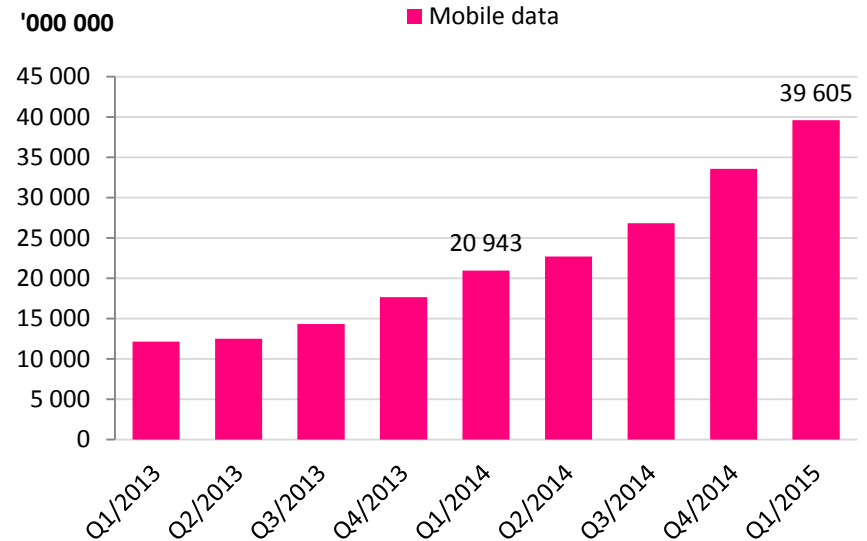
-4.1 %
Voice:
93 000

Fixed-network subscriptions



Mobile data usage continued significant growth

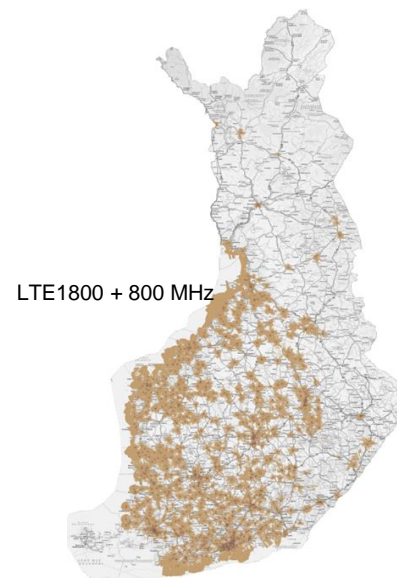
- At the end of March 2015, in excess of 300 per cent more data was transferred in DNA's 4G network than the year before
- In 2015, volumes of data transferred in the 3G network increased by some 25 per cent from 2014
- Mobile data usage grew due to the intense expansion of the 4G LTE network, the proliferation of devices constantly connected to the network and the use of TV and music services on tablets and mobile phones



DNA's 4G coverage is expanded continuously

- Terms of the 2013 LTE800MHz license require that 4G coverage reaches 97% of the population by the end of 2018
- In practice, a 99 % nationwide 4G population coverage will be reached already by the end of 2016
- This will be achieved with the fast rollout of DNA's own 4G network as well as the Joint Operations network rollout together with TeliaSonera Finland

4G LTE 2014



Coverage 2014

- ~85% population
- ~ 20% geographic

PREDICTION OF 2016

Coverage 2016

- >99% population
- >90% geographic

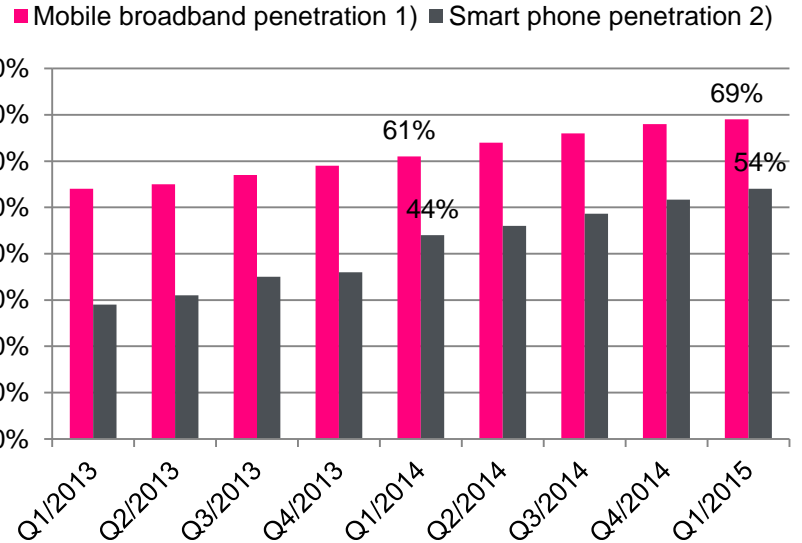
Steady growth in mobile broadband and smartphone penetration

- Growth continued in smartphone penetration during Q1
 - In the first quarter, 95 percent of sold telephones were smartphones.
- Substantial growth also in mobile broadband penetration

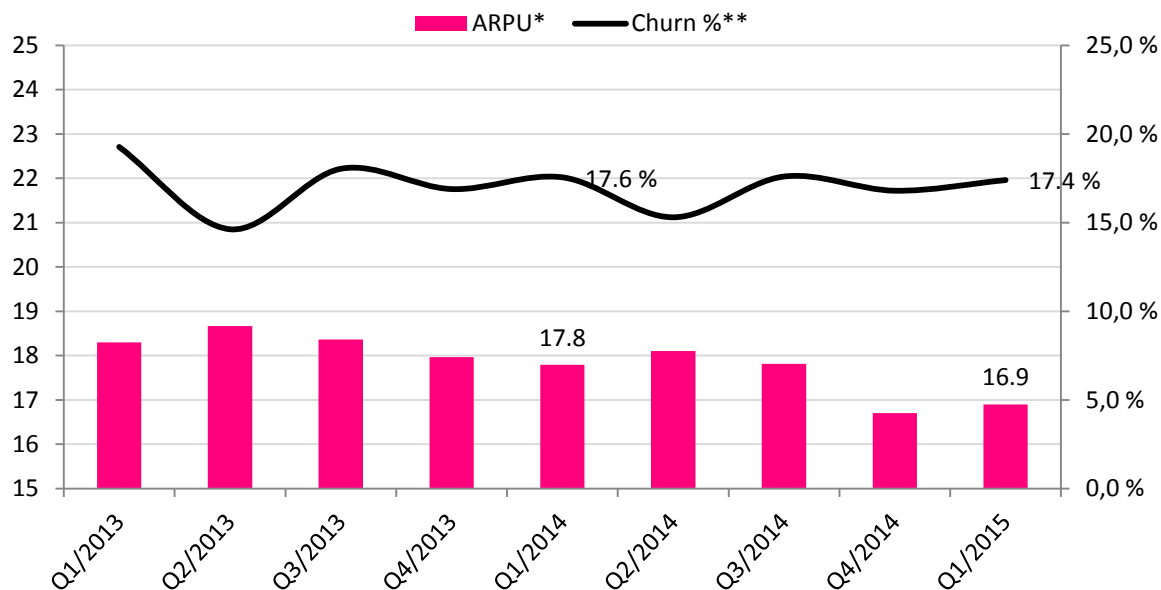
1) Share of subscriptions containing Mokka and Liikkuva laajakaista additional services of the total mobile subscription base, excluding M2M, Service operator, Prepaid and Luuri subscriptions

2) iOS (iPhone)-, Bada-, MeeGo-, Android-, Blackberry-, Symbian 3^ and Windows phones of the total phone base

Penetration in DNA's network



Q1/2015: Key figures for mobile communications subscription base



Q1/2015:

ARPU was 16.9 euros (17.8)
 CHURN was 17.4 % (17.6 %)

* ARPU =
 Revenue per user, EUR
 ** CHURN =
 Mobile communication subscription
 turnover rate, %

Our vision and mission:

THE MOST SATISFIED CUSTOMERS

We want to make our customer's life more **inspiring, productive and entertaining**

We offer connections, services and devices
– **clearly, cost-efficiently and easily.**

DNA's strategic goals

Most loyal customers in our customer segments

- Objective to have most satisfied consumer and corporate customers

Industry-leading financial development

- Our aim is to develop better than the competitors in terms of operating free cash flow

Faster than average market growth

- We aim to have stronger net sales development than the competition

DNA is a great place to work

- We aim to be one of the most desired employers in Finland.



DNA's renewed brand:
All brands were fused into a single DNA brand



A young woman with brown hair tied back, wearing a brown textured coat, is smiling and looking down at her smartphone. She is standing at night, with a blurred background of city lights and a yellow structure, possibly a tram or bus. The scene is lit with warm, ambient light.

Financial review

Timo Karppinen

Q1: EBITDA and operating profit grew significantly

+1.5 % Net sales: 201.3 M €

- Net sales were fuelled by the growth of corporate business as a result of the acquisition of TDC’s Finnish operations and broadband service sales also had a positive impact on net sales
- Net sales were burdened by decreased mobile device sales and interconnection prices

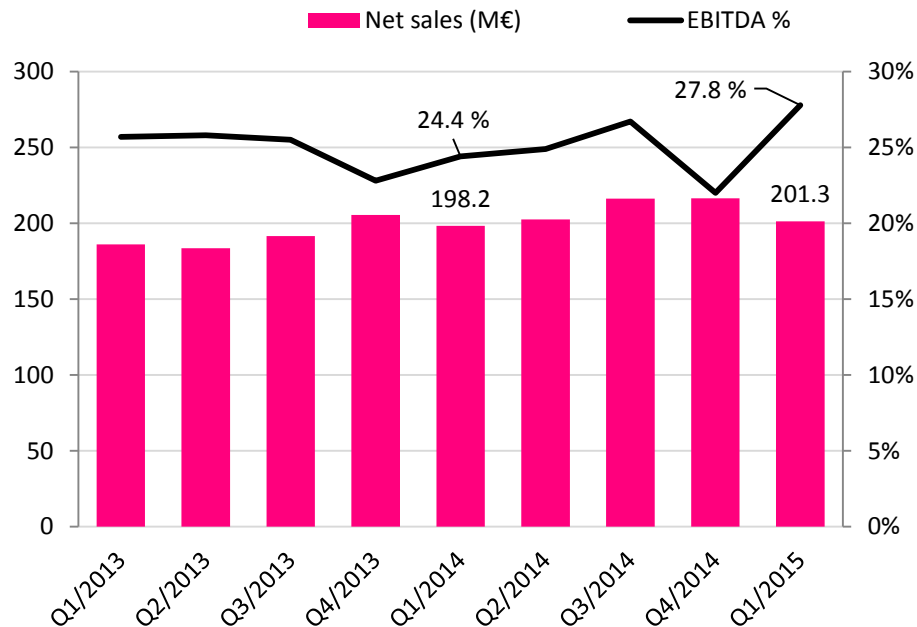
+15.5 % EBITDA: 55.9 M €

- The increase was fuelled by the acquisition of TDC’s Finnish operations and improved operational efficiency
- The EBITDA percentage of net sales increased and came to 27.8 per cent (24.4 %)

+27.6 % Operating profit: 14.9 M €

- 7.4 per cent of net sales (5.9 %)

Earnings per share: 1.1 € (0.9 €)

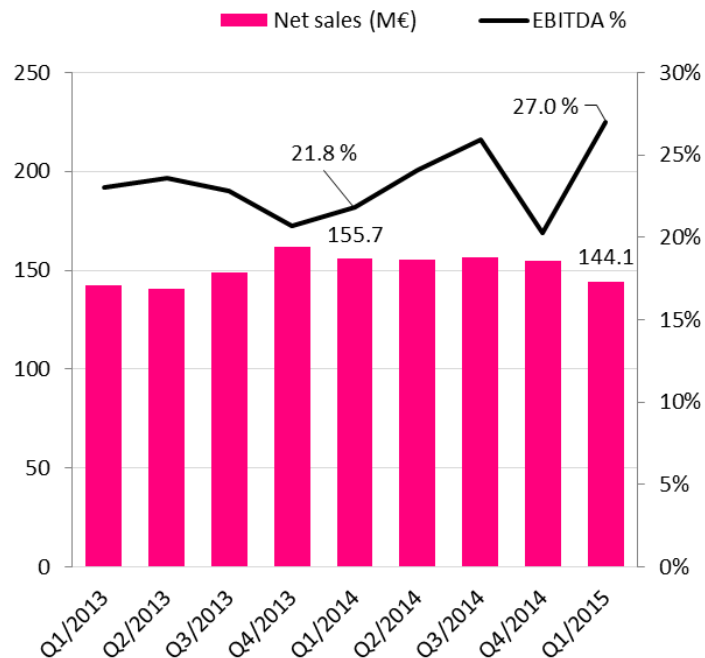


Consumer business:

EBITDA and operating profit were fuelled by the development of net sales for services and improved operational efficiency

Q1/2015

- Net sales (-7.5 %) decreased due to weaker demand for mobile devices and the decrease in interconnection prices
- EBITDA increased (+14,9 %) ja oli and came to EUR 38.9 million
 - The EBITDA percentage of net sales increased to 27.0 (21.8 %)
 - EBITDA was affected by the development of net sales for services (net sales - interconnection prices - sales for goods) and improved operational efficiency
- Operating profit increased by 40.5 per cent to EUR 13.6 million



Consumer business, key figures

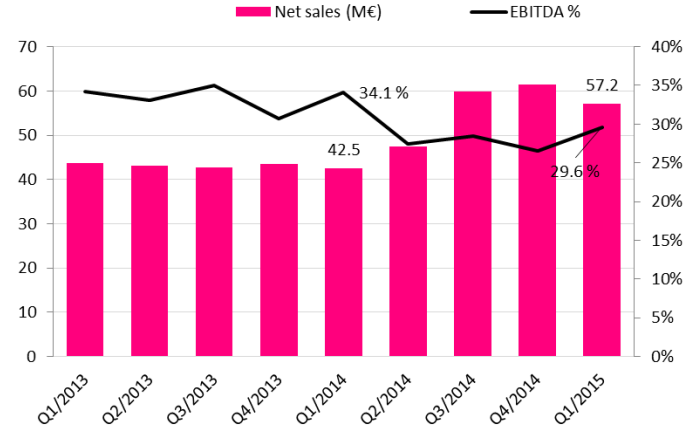
Consumer business				
EUR millions	1–3/2015	1–3/2014	Change, %	1–12/2014
Net sales	144.1	155.7	-7.5 %	622.4
EBITDA	38.9	33.9	14.9 %	143.3
- % of net sales	27.0 %	21.8 %		23.0 %
EBITDA without non-recurring items	38.9	33.9	14.9 %	145.0
- % of net sales	27.0 %	21.8 %		23.3 %
Operating profit	13.6	9.7	40.5 %	25.0
- % of net sales	9.5 %	6.2 %		4.0 %
Operating profit without non-recurring items	13.6	9.7	40.5 %	45.8
- % of net sales	9.5 %	6.2 %		7.4 %

Corporate business:

Net sales grew due to the acquisition of TDC’s Finnish operations

Q1/2015

- Net sales were fuelled by (+34.6 %) the acquisition of TDC’s Finnish operations
- EBITDA increased (+16.8 %) and came to EUR 16.9 million
 - 29.6 per cent of net sales (34.1 %)
- Operating profit decreased to EUR 1.3 million (2.0 million)
 - Operating profit fell due to an increase in depreciations; depreciation to the amount of EUR 15.7 million (12.5 million) was allocated to Corporate Business
 - 2.2 per cent of net sales (4.7 %)

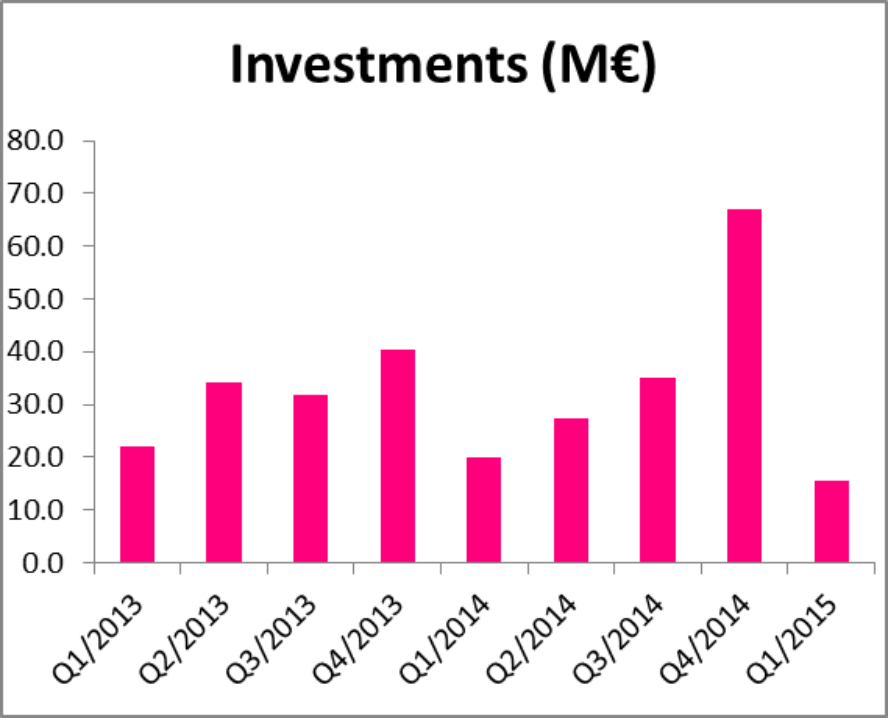


Corporate business, key figures

Corporate business				
EUR millions	1-3/2015	1-3/2014	Change, %	1-12/2014
Net sales	57.2	42.5	34.6 %	211.2
EBITDA	16.9	14.5	16.8 %	60.9
- % of net sales	29.6 %	34.1 %		28.8 %
EBITDA without non-recurring items	16.9	14.5	16.8 %	65.1
- % of net sales	29.6 %	34.1 %		30.8 %
Operating profit	1.3	2.0	-35.9 %	2.6
- % of net sales	2.2 %	4.7 %		1.2 %
Operating profit without non-recurring items	1.3	2.0	-35.9 %	9.0
- % of net sales	2.2 %	4.7 %		4.3 %

DNA's investments decreased in the first quarter

<p>Investments Q1/2015: EUR 15.6 million (2013: 20.1)</p> <ul style="list-style-type: none"> ▪ 7.8 per cent of net sales (10.1) 	<p>Investments decreased by 27.9 per cent from the year 2014</p>
<p>The first quarter's investments were on a lower level than planned</p>	<p>Investments in the 3G and 4G networks and in fibre and transfer systems</p>

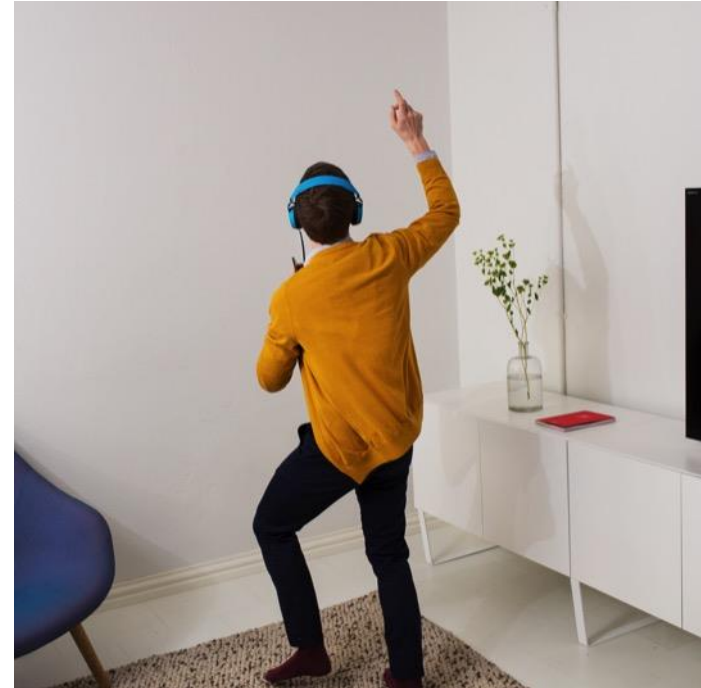


Market outlook for 2015

<p>Overall economic situation remains challenging and market competition remains intense</p>	<p>Network and mobile device technologies are developing at an increasingly fast pace</p>	<p>The increasingly important role of content and value added services</p>	<p>Mobile and fixed-network broadband as well as entertainment and business services are important segments in terms of future growth</p>
	<p>Mobile and versatile ways of working along the need for industrial Internet solutions boost demand in the corporate segment</p>	<p>Decrease in fixed voice services</p>	<p>The strong growth of the variety of services and smart devices continues, and the best global services will gain a stronger foothold</p>

DNA's outlook for 2015 has changed

- Net sales are expected to remain at a similar level and operating profit without non-recurring items is expected to grow significantly in 2015. The Group's financial position is expected to remain fairly healthy.
- In the fourth quarter of 2014, net sales were expected to increase slightly and operating profit without non-recurring items significantly in 2015. The Group's financial position was expected to remain at a fairly healthy level.



Thank you!

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Appendices

HIGHLIGHTS IN 2014

DNA and Sonera established a joint network company, Suomen Yhteisverkko Oy

At the end of 2014, DNA's 4G LTE network reached over 4.5 million Finns

Development and reorganization of DNA's entertainment business with objective to build the best overall entertainment service in Finland

DNA acquired TDC Ltd Finland and TDC Hosting Ltd

DNA merged its DNA Business unit, Forte Netservices Oy and TDC Oy and TDC Hosting Oy into one strong corporate business unit

DNA's customers are satisfied: DNA Business as well as DNA Welho's fixed-network broadband and pay-TV services have the most satisfied customers (EPSI Rating -survey 2014)

(EPSI Rating -study 2014)



DNA has merged its DNA Business unit into one strong corporate business unit

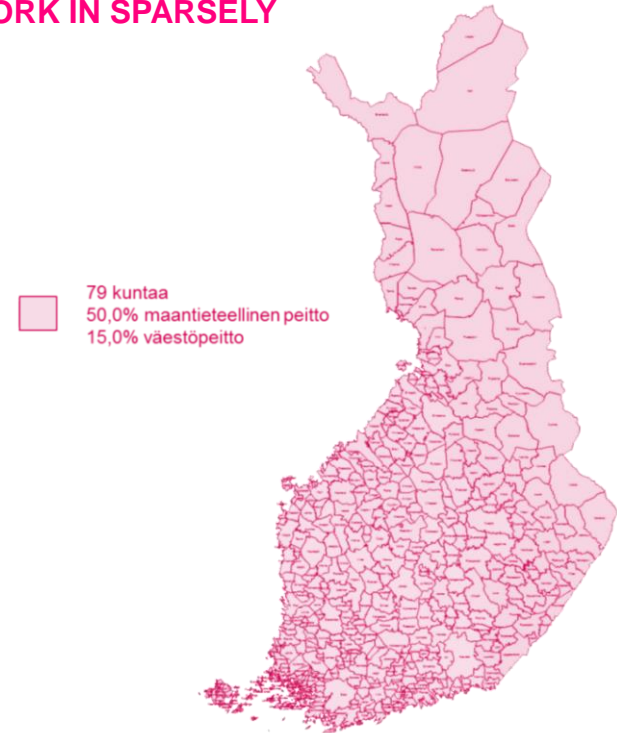
- DNA Business brings together DNA's and TDC's expertise in mobile and fixed networks, and Forte Netservices' expertise in data security as well as network monitoring and management. TDC Hosting Ltd adds strength to server centre services.
- With these combined strengths DNA is even better equipped to serve the needs of medium-sized and large businesses
- The strategic cooperation with TDC Nordic and an international partner network enforce DNA's position in the fixed-network segment, in particular in the Nordic and Baltic countries



DNA'S JOINT OPERATION WITH TELIASONERA

COST EFFICIENCY FOR INVESTING IN MOBILE BROADBAND NETWORK IN SPARSELY POPULATED AREAS

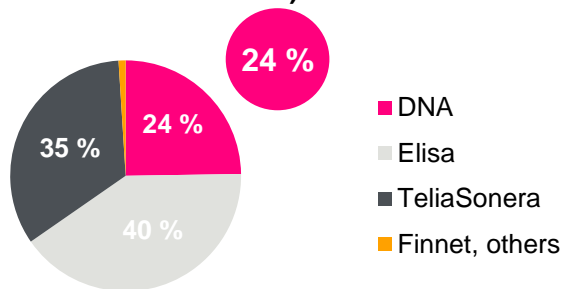
- DNA and TeliaSonera will share network resources and spectrum in the sparsely populated Northern and Eastern regions of Finland
- Areas make up 50% of Finland's total territory and only approximately 15% of the population
- The joint operation company, Finnish Shared Network Ltd, will build and operate network for 2G, 3G and 4G technologies. DNA and TeliaSonera will use the networks to offer services to their customers in the area



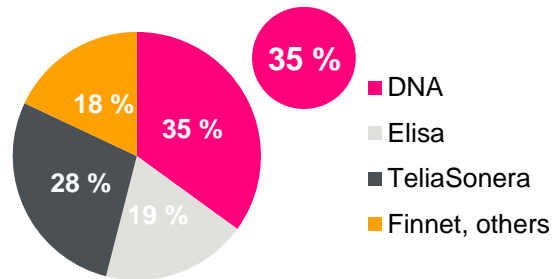
A STRONG FOOTHOLD IN THE GROWTH MARKET

Growth markets

Mobile communications (voice and broadband)

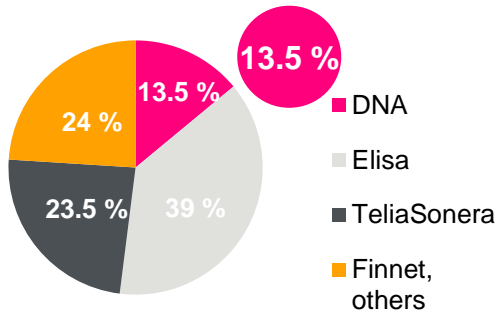


Cable TV

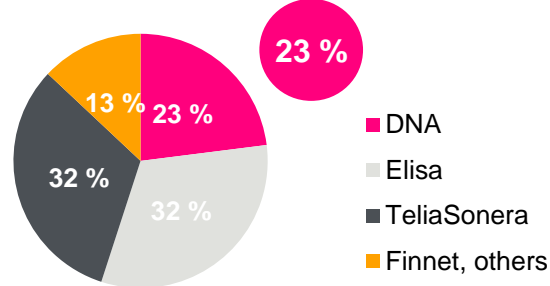


Established markets

Fixed line voice



Fixed broadband



Sources: Interim reports from operators Q4/2014, FiCom, the Finnish Communications Regulatory Authority

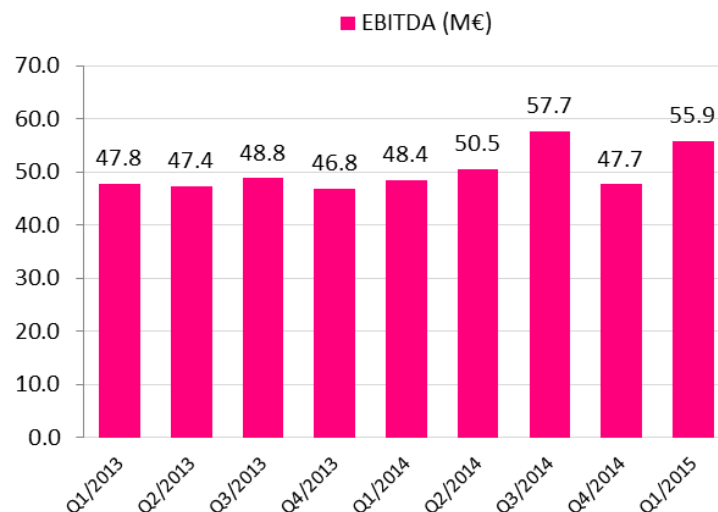
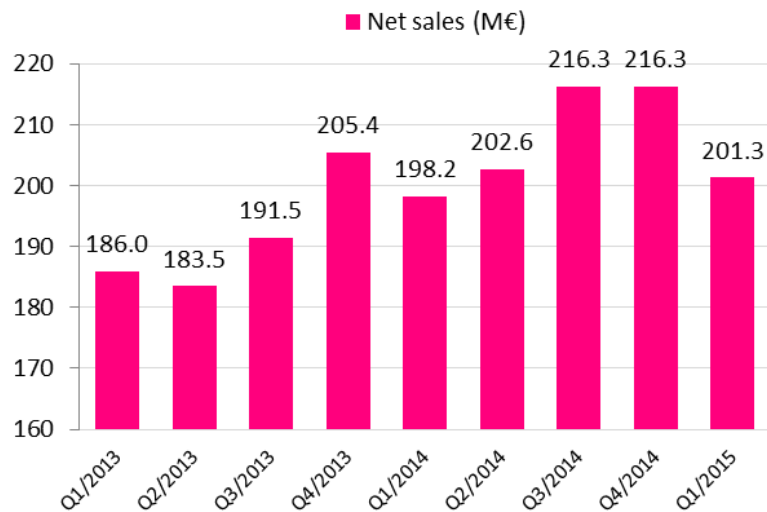
Key figures 1(2)

EUR millions	1-3/2015	1-3/2014	Change, %	1-12/2014
Net sales	201.3	198.2	1.5 %	833.5
EBITDA	55.9	48.4	15.5 %	204.2
- % of net sales	27.8 %	24.4 %		24.5 %
EBITDA without non-recurring items	55.9	48.4	15.5 %	210.1
- % of net sales	27.8 %	24.4 %		25.2 %
Depreciation	40.9	36.7		176.6
Operating profit	14.9	11.7	27.6 %	27.6
- % of net sales	7.4 %	5.9 %		3.3 %
Operating profit without non-recurring items	14.9	11.7	27.6 %	54.8
- % of net sales	7.4 %	5.9 %		6.6 %
Investments	14.5	20.1	-27.9 %	149.6
Cash flow after investments	37.4	15.9		-123.9

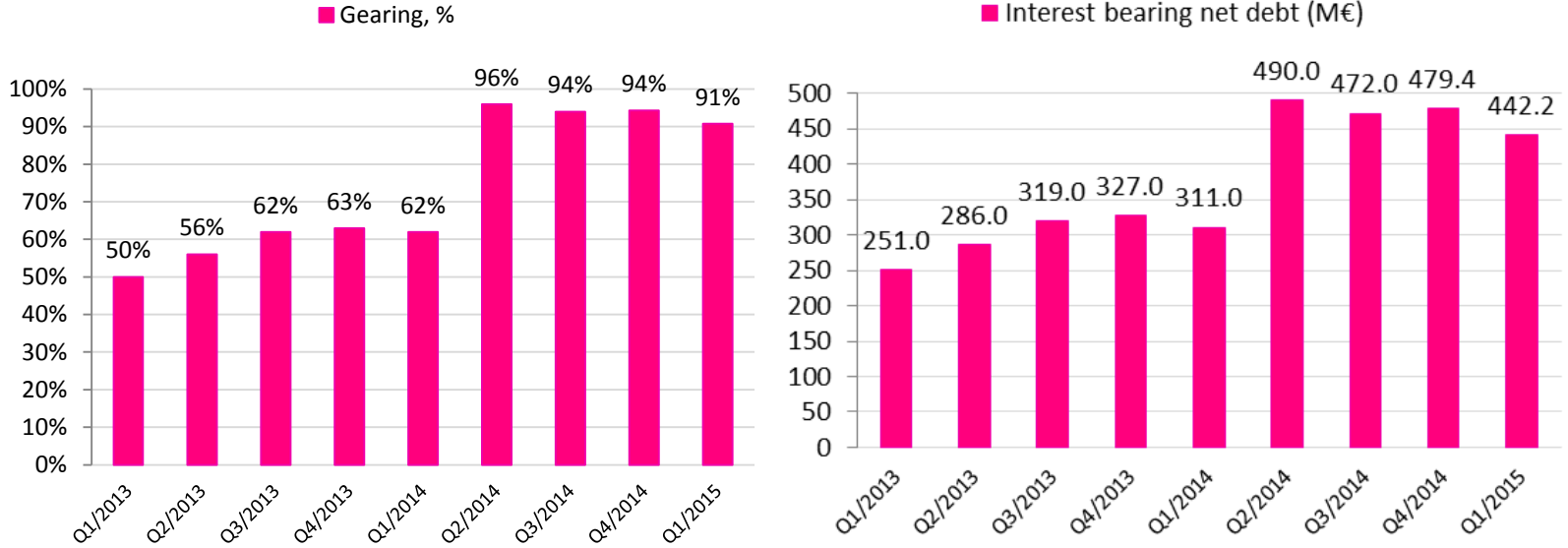
Key figures 2(2)

EUR millions	1-3/2015	1-3/2014	Change, %	1-12/2014
Net debt, EUR million	442.2	310.9	42.2 %	479.4
Net debt/EBITDA	1.98	1.61		2.35
Gearing, %	90.9	62.2		94.6
Equity ratio, %	41.0	48.3		41.5
Return on investment (ROI), %	6.2	5.6		3.0
Return on equity (ROE), %	7.7	6.1		2.7
Personnel at the end of period	1 623	1 558	4.2 %	1 748

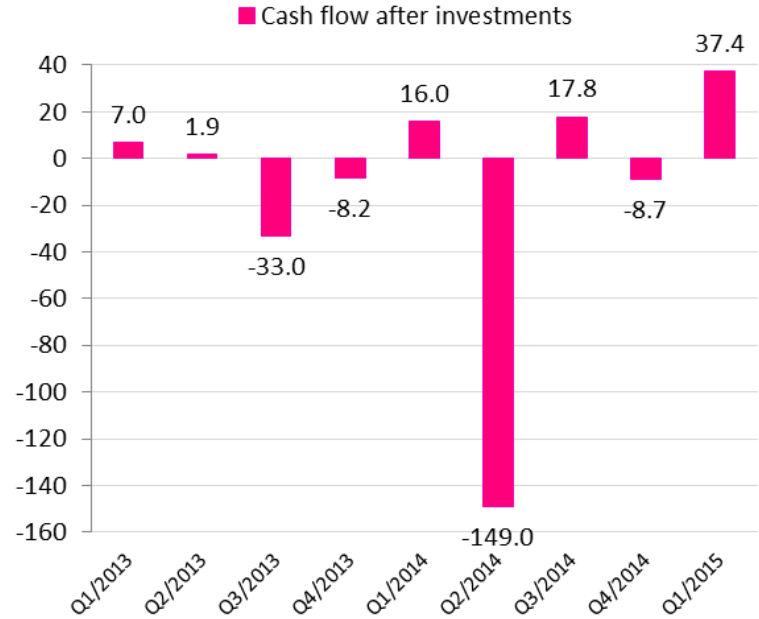
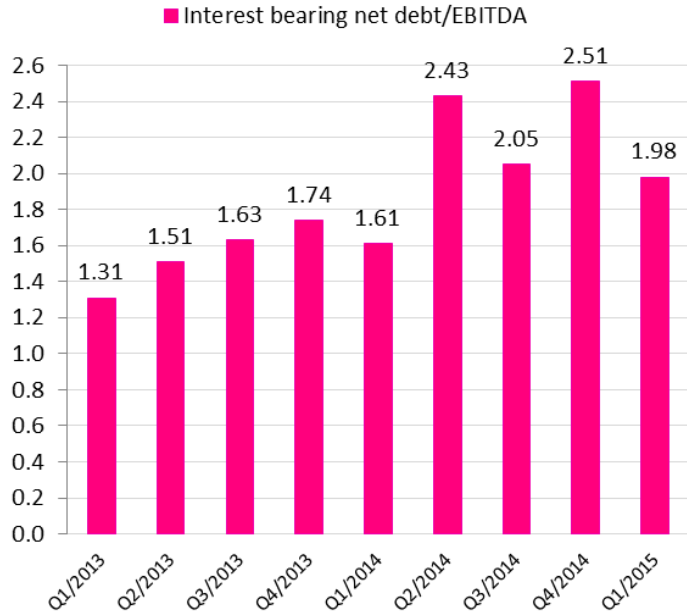
Net sales and EBITDA



Gearing and interest-bearing net debt were affected by the acquisition of TDC's Finnish operations

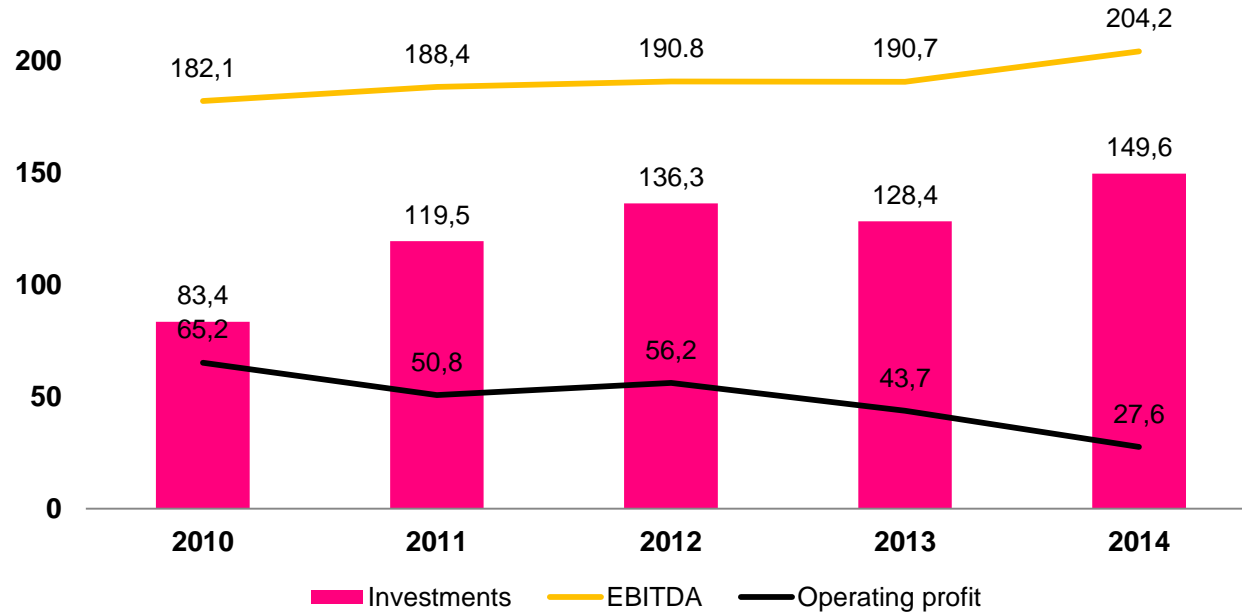


Interest-bearing net debt/EBITDA and cash flow after investments

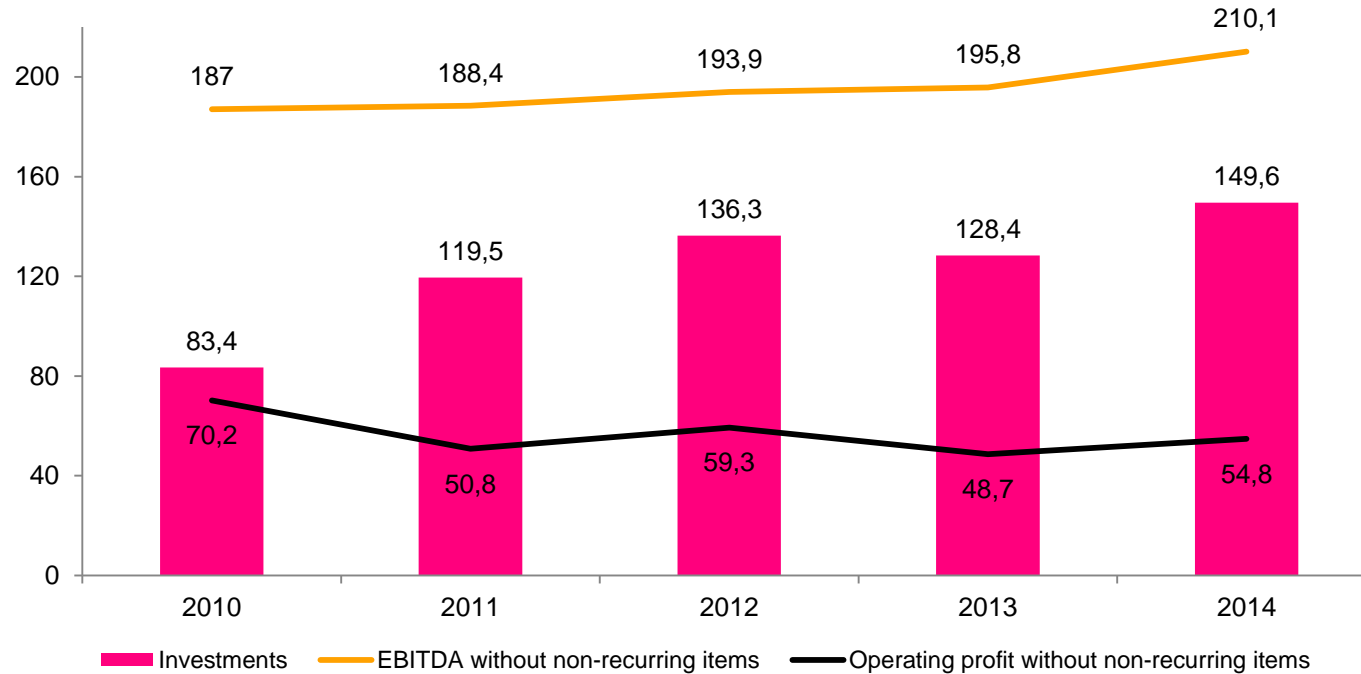


EBITDA increased

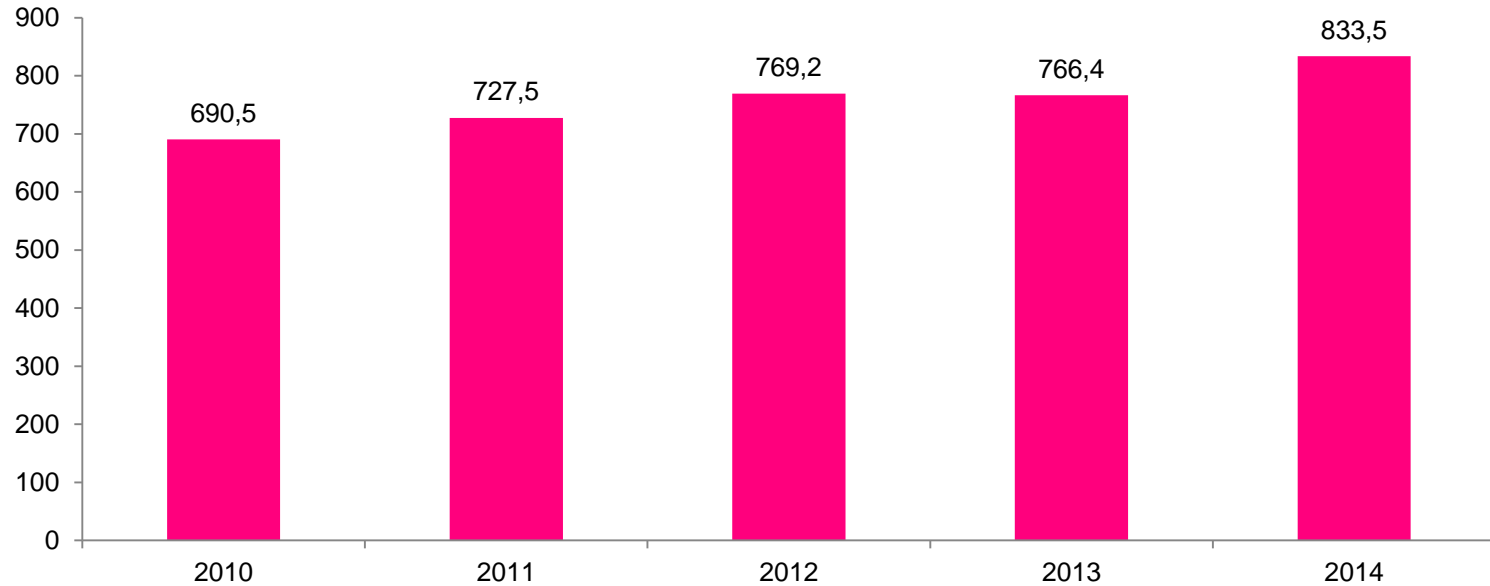
Operating profit decreased due to non-recurring items



Without non-recurring items EBITDA and operating profit increased in 2014



Net sales have increased steadily



Majority of ownership in Finland

DNA LTD, BIGGEST OWNERS ON 31ST OF MARCH 2015

Finda Ltd	49.90 %
PHP Holding Ltd	37.56 %
Ilmarinen Mutual Pension Insurance Company	5.01 %
Other owners in total	7.53 %
<hr/>	
In total	100 %

