

A man with light brown hair, wearing a bright yellow V-neck sweater over a white t-shirt and dark jeans, stands on a balcony with a glass railing. He is smiling and talking on a mobile phone held to his ear. A dark brown messenger bag is slung over his shoulder. The background shows a modern building with glass and metal panels.

# DNA Plc

## Stronger, bolder and more straightforward

DNA Investor presentation  
November 2017

# Forward looking statement

This presentation contains, or may be deemed to contain, statements that are not historical facts but forward-looking statements. Such forward-looking statements are based on the current plans, estimates and expectations of DNA's management based on information available to it on the date of this presentation. By their nature, forward-looking statements involve risks and uncertainties, because they relate to events and depend on circumstances that may or may not occur in the future. Future results of DNA may vary from the results expressed in, or implied by, the forward-looking statements, possibly to a material degree. DNA undertakes no obligation to update this presentation after the date hereof.

## DNA today

## Business review

### Q3 & January-September 2017 highlights:

- ✓ DNA's key operational KPIs and development of subscription base
- ✓ Popularity of the over the internet watched tv-content is increasing - DNA TV-Hub
- ✓ DNA's strategic objectives

## Financial review

## Appendices



# DNA in brief



# DNA is one of the leading Finnish telecommunications groups

- Cost-efficiency
- Streamlined
- Agile
- Innovative

## OUR VALUES

### FAST

DNA's customers receive quick and helpful service

### STRAIGHTFORWARD

DNA's approach is clear and responsible

### BOLD

We are direct, open-minded and ready for change

## 3.8 million

Mobile communications and fixed network customer subscriptions

## TV

Finland's largest cable operator and the leading pay TV provider

## EUR 859 million

Net sales in 2016

## EUR 91 million

Operating result in 2016

## 1,668

At the end of 2016, there were **1,668 employees** working with DNA

## 64 DNA stores

Finland's most extensive retailer of mobile phones, other mobile devices and mobile subscriptions

## Customer

is in the center of DNA's strategy

## Strong employee satisfaction

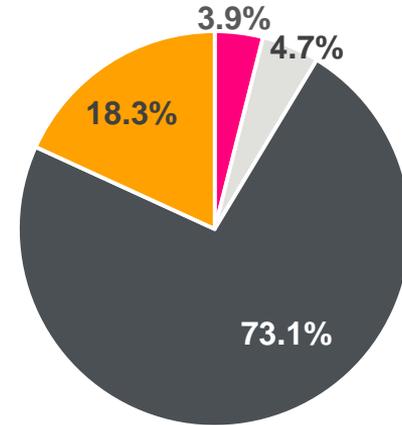
The personnel's satisfaction with DNA as an employer is at a record-breaking high level

## DNA became a listed company

- Trading in the DNA share began on the Nasdaq Helsinki Stock Exchange on 30 November 2016
- The final subscription price in the offering was EUR 10.10 per share
- DNA has today in total more than 13,000 shareholders
- Market cap is EUR ~1.9 billion  
(13 November, 2017)

## DNA's ownership structure

(31 October, 2017)

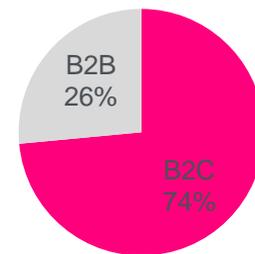
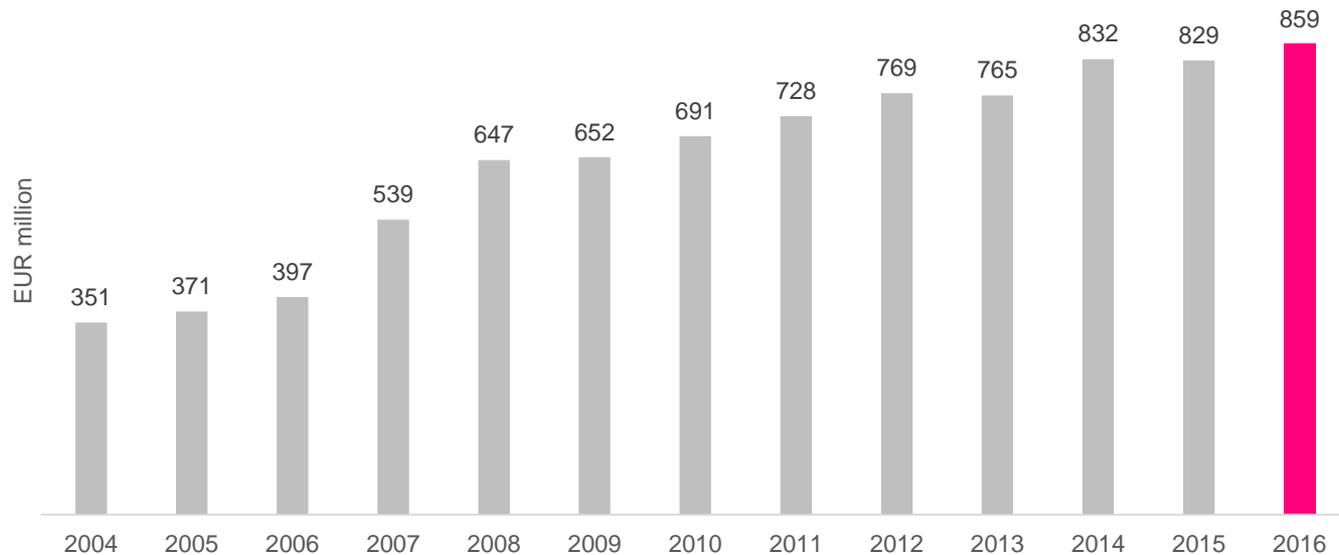


- Households
- Financial and insurance institutions
- Other Finnish institutions
- Nominee registered and non-Finnish holders

# From a mobile start-up to a strong player

– Both B2C and B2B with a challenger mindset

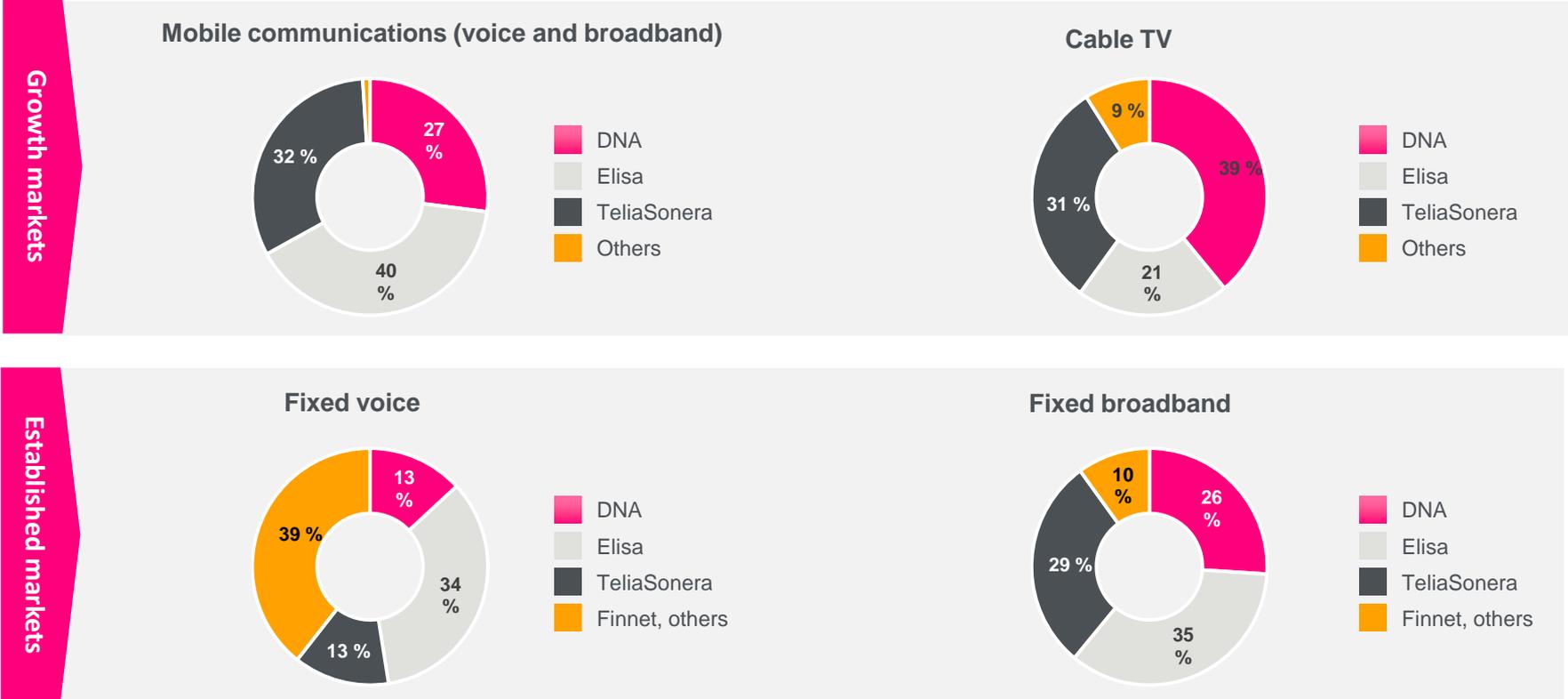
DNA's net sales have increased steadily



'01: DNA launches mobile services	'03: DNA acquires Telia Mobile Finland	'07: 6 local fixed line operators merged to DNA	'10: DNA acquires Welho, the leading cable company in Finland	'11: DNA acquires Forte Netservices	'13: DNA acquires PlusTV, the leading pay-TV operator	'14: DNA acquires TDC's Finnish operations & Finnish Shared Networks Ltd is founded	'15: All DNA business operations under a single brand	'16: DNA becomes a listed company
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# Strong foothold in the growth markets

– DNA's market shares increased in mobile communications and fixed broadband in 2016



# DNA's strategy summary

— The cornerstone of DNA's strategy is customer satisfaction

## Main assumptions behind our strategy

- |  |   |  |  |
|--|---|--|--|
| <b>1</b><br>Growing demand for faster, good quality mobile connections accelerates | <b>2</b> Seamless, multi-channel customer experience and personal customer relationship - digitalization and physical channels unites | <b>3</b> The best ecosystems and end-customer solutions globally, gets stronger foothold | <b>4</b> B2B: Mobile work, digitalization, IoT, and centralized ICT sourcing |
|--|---|--|--|

## Our vision and mission

### THE MOST SATISFIED CUSTOMERS

We want to make our customers' lives more inspiring, productive and entertaining. We provide connections, services and devices – in a clear, easy and cost-effective manner.

## Aspired differentiation

Customer experience – especially in essential interaction with DNA  
 Attitude – Service minded attitude according to our values

*Positive memory trace as a goal – in every customer meeting*

## Our values

**Fast – Straightforward – Bold**

## Our strategic goals

1. The most satisfied consumer and corporate customers
2. Industry-leading financial development
3. Faster than average market growth
4. Becoming one of the most desired employers in Finland

## Telecommunications market in transition

The **exponential growth of mobile data** has been an important industry trend in recent years.

The emerging **Industrial Internet applications** will further expand the volume of data traffic, providing new kinds of growth opportunities.

### Trend 1

The demand for **faster and better-quality connections** is growing at an increasing pace – mobile broadband traffic volumes are fuelled by the growing number of smart phones and other smart devices.

### Trend 2

Customers lead increasingly **digital lives** and want a seamless experience regardless of the service channel

### Trend 3

The strong growth of the variety of services and smart devices continues – **the best global services will gain a stronger foothold**

### Trend 4

**Mobile working, digitisation and the Internet of Things** will make business more flexible and productive

## We make sustainable business

### Reducing climate impact

We use renewable energy in our direct procurement of electricity. Green electricity is estimated to reduce our indirect greenhouse gas emissions by 40 per cent, which means about 13,000 tonnes less greenhouse gases per year. This amount equals about 2,000 trips around the world in a car.

### Record high job satisfaction

DNA's results in the Great Place to Work survey improved significantly again, despite the good results of the previous year. Results improved across the board for the organisation as a whole.

### Active in the society

We are a main partner of the "HundrED – 100 Koulua" initiative. Together with schools and experts, the initiative develops, produces and evaluates 100 innovations for the best education. In addition, we are a long term partner of the SOS Children's Village Association.



# Business Review

## Q3/2017: Comparable operating profit improved and net sales decreased slightly



### Net sales decreased -1.2% and was EUR 218.8 million (221.5 million).

- Service revenue\* grew somewhat. Growth came mainly from the improvement in the mobile subscription base and increased share of 4G subscriptions
- Mobile devices sale was at a good level, but didn't reach the strong comparison period



### Good development of service revenue improved profitability further, comparable EBITDA share of net sales was 33.2%

- Comparable EBITDA increased +2.3% and was EUR 72.6 million (70.9 million) mainly due to increase in service revenue
- The increase was fueled also by improved cost-efficiency of our modern network platforms
- The comparable operating result increased +10.1% and was EUR 37.3 million (33.9 million). Comparable operating result as a percentage of net sales increased and was 17.0% (15.3%)



### Strong momentum of operational KPI's

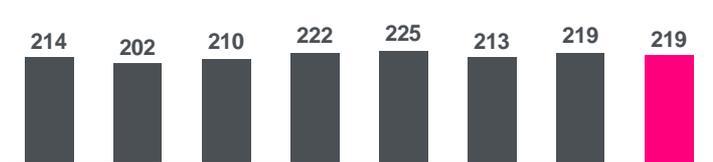
- Revenue per user for mobile communications (ARPU) increased further and was EUR 18.5 (EUR 17.7)
- The subscription turnover rate (CHURN) increased and was 19.1% (17.8%)
- Mobile subscription base grew +2.2% from the comparison period and was 2.790,000 (2.731,000) subscriptions
- Subscription base for fixed broadband, cable and fixed voice services subscriptions increased +15,000 and totalled 1.130,000 subscriptions

\* Service revenue = net sales – (devices sales and interconnection charges)

# Q3/2017 – strong development in profitability

## Net sales decreased from the comparison period -1.2%

EUR million y-on-y -1.2% in Q3/2017

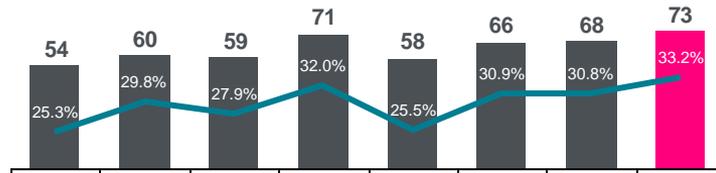


Q4/2015 Q1/2016 Q2/2016 Q3/2016 Q4/2016 Q1/2017 Q2/2017 Q3/2017

■ Net sales

## Strong EBITDA<sup>1</sup> margin expansion in each quarter (year-on-year)

EUR million y-on-y +2.3% in Q3/2017

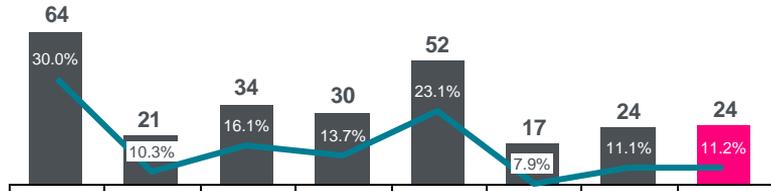


Q4/2015 Q1/2016 Q2/2016 Q3/2016 Q4/2016 Q1/2017 Q2/2017 Q3/2017

— Comparable EBITDA as a % of Revenue ■ Comparable EBITDA<sup>1</sup>

## Operative capex<sup>2</sup> was at a low level during Q3 but we expect it to increase towards the year end

EUR million y-on-y 9.4% in Q3/2017

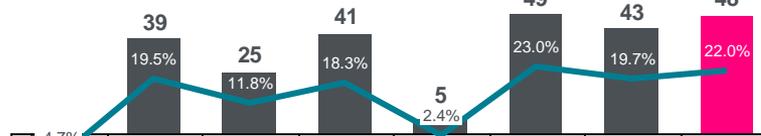


Q4/2015 Q1/2016 Q2/2016 Q3/2016 Q4/2016 Q1/2017 Q2/2017 Q3/2017

— Operative Capex as a % of Revenue ■ Operative Capex<sup>2</sup>

## Operating cash flow<sup>3</sup> improved through increase in profitability and decrease in investments

EUR million



Q4/2015 Q1/2016 Q2/2016 Q3/2016 Q4/2016 Q1/2017 Q2/2017 Q3/2017

— Operating FCF as a % of Revenue ■ Operating Free Cash Flow<sup>3</sup>

### Notes

1. EBITDA excluding items affecting comparability
2. Operative capex excluding capex for spectrum licenses
3. Operating free cash flow defined as comparable EBITDA minus operative capex

## January-September 2017: Net sales and profitability improved

EUR 651.5  
million  
+2.8%<sup>2</sup>

Net sales

2.790,000  
+59 000<sup>2</sup>

Mobile communications subscriptions

EUR 206.1  
million  
+8.7%<sup>2</sup>

Comparable EBITDA

1.130,000  
+15,000<sup>2</sup>

Fixed-network subscriptions

EUR 140.6  
million  
+34.2%<sup>2</sup>

Operative free cash flow

1.073,000  
+26,000<sup>2</sup>

Fixed broadband and cable TV subscriptions

EUR 302.0  
million  
1.17

Net debt

Net debt/ EBITDA (rolling 12 months)

18.4%

Mobile CHURN for postpaid subscriptions

### Notes

1. Includes subscribers who hold contract for DNA's TV packages transmitted via cable or a bundle package including a Cable-TV product

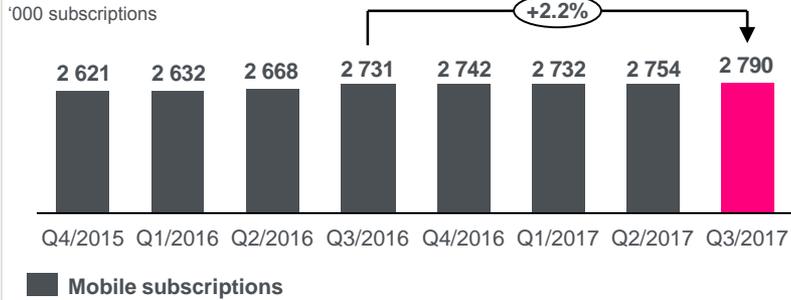
2. Compared to Q3/2016

CHURN = Customer turnover rate

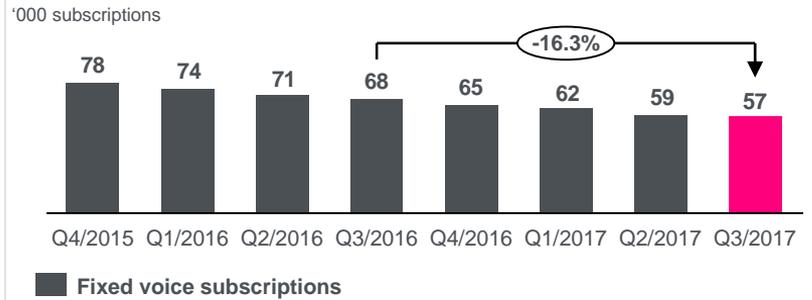
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# Q3/2017: Both mobile communications network as well as fixed network subscriptions increased from the comparison period

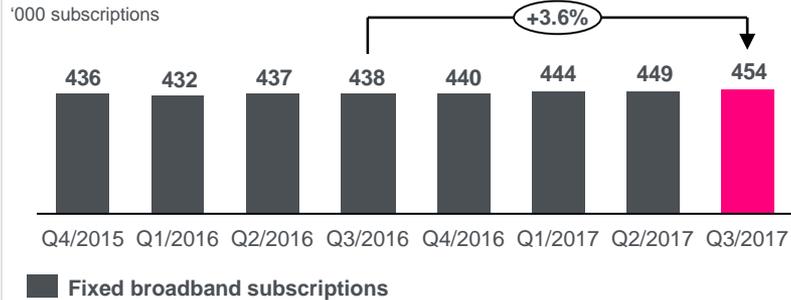
Mobile communication network subscription volumes up by 59,000 from the comparison period



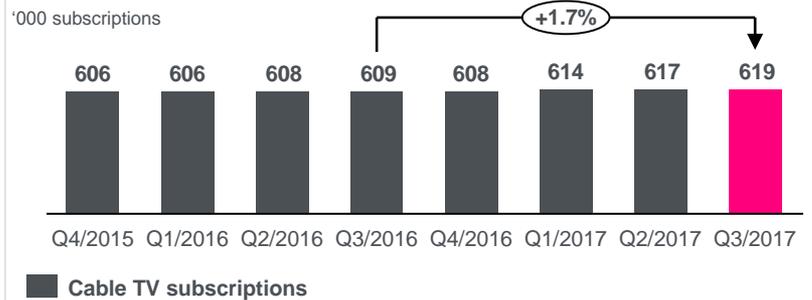
Our customers kept moving away from using fixed-voice subscriptions



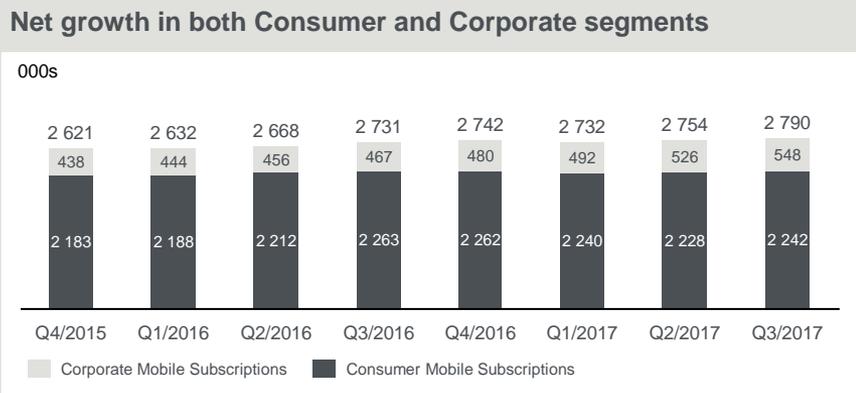
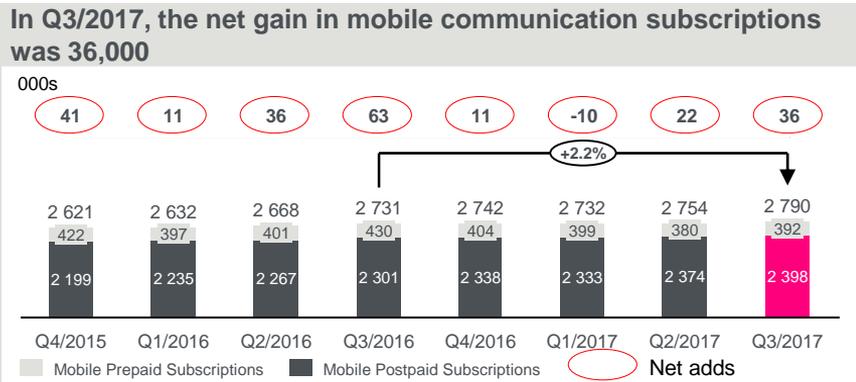
Our fixed network broadband subscription base increased by 16,000 subscriptions



The amount of cable TV subscriptions increased by 10,000 from the comparison period



# In Q3/2017, subscriptions in DNA's mobile network increased by 59,000

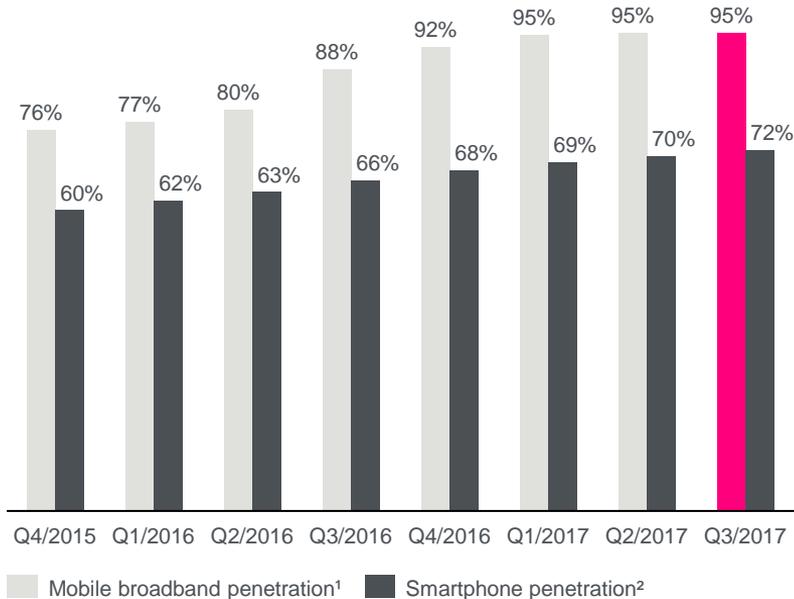


## Key highlights in Q3 2017

- Mobile communication network subscription volumes were up + 59,000 year-on-year
    - ✓ -38,000 prepaid mobile subscriptions
    - ✓ + 97,000 postpaid mobile subscriptions
  - or
  - ✓ -21,000 new Consumer Business customer subscriptions
  - ✓ + 81,000 new Corporate Business customer subscriptions
- 
- The amount of mobile subscriptions increased during Q3/2017 compared to end of Q2/2017 by +36,000
    - ✓ +22,000 new corporate customer subscriptions
    - ✓ +14,000 consumer customer subscriptions

# Steady growth of mobile broadband and smartphone penetration

## Mobile broadband and smartphone penetration



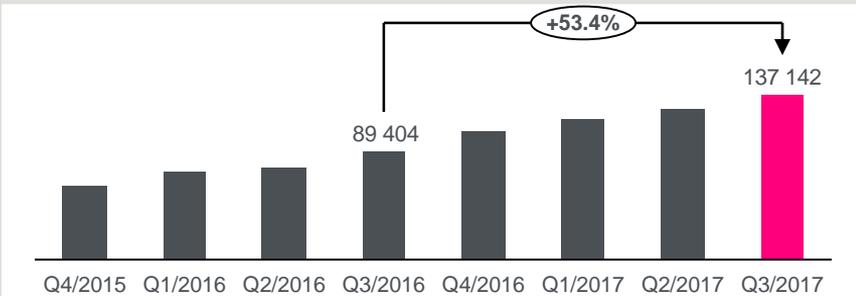
## Key highlights in Q3 2017

- ✓ Smartphone penetration continues to increase and was 72%
  - Practically all phones sold in the market in the third quarter were smart phones and mostly 4G models
- ✓ Mobile broadband penetration level was 95%

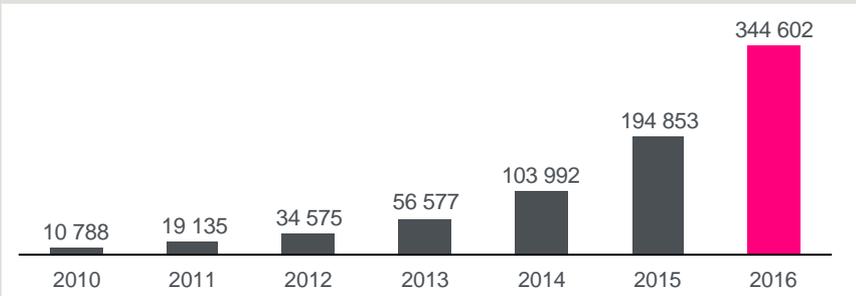
**Notes**  
 1. Share of mobile postpaid and mobile data subscriptions with data services, of the total mobile subscription base, excluding M2M (machine to machine), Service operator, Prepaid and Luuri subscriptions. The calculation method of mobile broadband penetration changed and one subscription type added in Q2/2017  
 2. iOS (iPhone)-, Bada-, MeeGo-, Android-, BlackBerry-, Symbian 3+ and Windows phones of the total phone base

# 87% of all mobile data usage was transferred in 4G network

Mobile data traffic (GB, '000)



Mobile data traffic (GB, '000)



Key highlights in Q3 2017

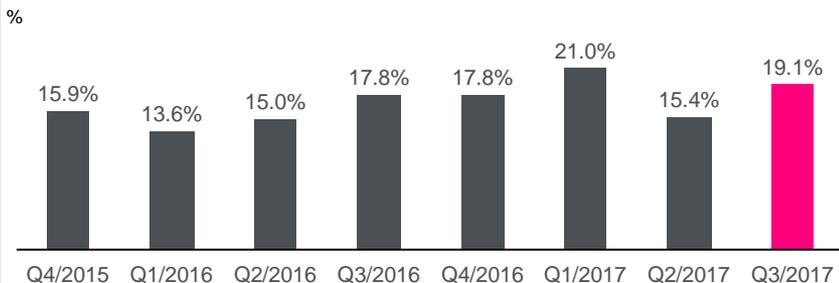
- DNA's 4G mobile data traffic increased more than 70% from the comparison period
- DNA's total data traffic volume in the mobile communications network grew by 53%. Also data volume per subscription continued to grow in DNA's network
- We make continuous investments in mobile networks and fixed-network broadband to support the customers' growing use of subscriptions, devices and services

# Revenue per user (ARPU) for mobile communications improved

## Positive mobile postpaid ARPU development



## Mobile postpaid CHURN increased during third quarter due to tight competitive environment



## Key highlights in Q3 2017

- Steady growth of 4G subscriptions drives increase in ARPU, as customers are prepared to pay more for faster data connections
  - ✓ 4.5% increase in ARPU
  - ✓ 4G subscription base 52.3% (Q3/2016: 41.3%)<sup>2</sup>
- Mobile communications subscription base grew +2.2% from Q3/2016
  - ✓ +59,000 subscriptions
- In the third quarter, tight competitive environment and certain product changes impacted our subscription turnover rate (CHURN)
  - ✓ CHURN increased and was 19.1% (17.8%)

<sup>1</sup> ARPU in Q1 2016 affected as interconnection revenues declined as MTR fees decreased from 1.87 eurocents per minute to 1.25 eurocents per minute in December 2015 (fixed at this level to December 2018)

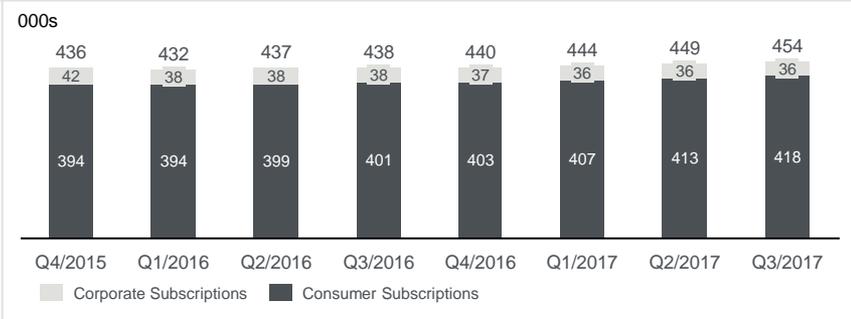
<sup>2</sup> Share of mobile subscriptions in Consumer business

ARPU = Average billing per user

CHURN = Subscription turnover rate

# Stable growth in fixed broadband and cable-TV subscription base

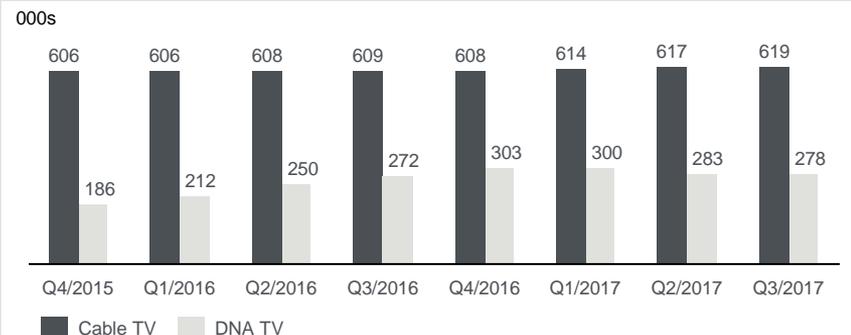
## Fixed broadband subscriptions



## Key highlights in Q3 2017

- Ongoing stable growth of consumer fixed broadband subscriptions, with net +16,000 subscriptions added
  - ✓ Large consumer customer base provides an opportunity to upsell additional DNA services
- Fixed-network broadband customers are expected to continue to switch to housing association broadband subscriptions and faster speeds.

## Steady increase in TV subscriptions



## Key highlights in Q3 2017

- Stable cable-TV subscription base, with net growth of +10,000 subscriptions added
- The use of streaming and on-demand video services continued to grow
- DNA's remaining DVB-T format pay-TV channels switched to new technology (DVB-T2) over the terrestrial network. Some customers were left outside the coverage as a consequence of the change.
- DNA TV subscriptions increased year-on-year with some +6,000 subscriptions

# DNA TV-hubi

- ✓ Finns are watching more TV content than before, and in more versatile ways \*)
- ✓ The increase is particularly noticeable among young people: up to 42% of them said they had increased their consumption of TV content.
- ✓ The increase is mostly due to content viewed online.
- ✓ We responded by launching a new Android TV device, called “DNA TV-hubi” in the third quarter. The device combines a set-top box, online applications, games and music to one, easy-to-use entertainment system which also has a smart phone-style app store.
- ✓ Sales of the device took off immediately, giving a clear signal that Finns are embracing the new way of watching TV.

\*) DNA carried out a survey in the spring regarding the digital way of life.



# We continue to strengthen the foundation for our competitiveness

## Team of top experts

### We develop our personnel

- Every task is performed by a dedicated and qualified person
- We aim to be one of the most desired employers in Finland



## 4G, Fibre-Optic and cable networks and service platforms

### We invest in a very competitive and cost-effective network and service platform infrastructure

- Good networks
- Cost-effective, linear TV distribution
- Service platforms that enable high-quality entertainment distribution and competitive business solutions

## Modern IT systems and analytics

### IT systems, customer-, product- and network-databases and analytics tools to enable

- Measurably good customer experience
- Efficient and agile productisation and packaging, sales, invoicing and customer service



## Speed and cost-effectiveness

### We beat the competition in terms of speed and cost-effectiveness

- The most customer-oriented and agile processes
- Increased automation
- Rapid dismantling of ageing technologies and systems as well as continuous internal optimisation
- Boldly making changes, even major ones

# We are on track to achieve our strategic objectives

The most satisfied  
consumer and corporate  
customers

DNA is a great place to work:  
DNA aims to be one of the most  
desired employers in Finland

Industry-leading  
financial development

Faster than average market  
growth

# Market outlook for 2017

The Finnish economy has returned to the growth path and the value of telecommunications market has also returned to the growth.

Competition is expected to remain intense for the rest of the year 2017.

Mobile data traffic is growing strongly, boosted by the growing number of 4G subscriptions and increased mobile data usage per user.

Use of mobile devices that have a constant network connection and IP-based communication solutions is increasing strongly among both business and private users.

The SMS and voice revenue in the mobile communication network is forecasted to decrease somewhat.

In the consumer market, demand for broadband and entertainment services in particular is expected to increase.

The market for fixed-network voice services is expected to continue declining.

The demand for Industrial Internet solutions, and subsequently for M2M subscriptions, is expected to grow.

More mobile and versatile ways of working will boost demand for services such as cloud and video conference services.

# Financial review

# Strong momentum in profitability and low capex level increased cash flow

EUR, millions	Q3/2017	Q3/2016	Change %	1-9/2017	1-9/2016	Change %	FY 2016
Net sales	<b>218.8</b>	221.5	-1.2%	<b>651.5</b>	633.7	2.8%	<b>858.9</b>
EBITDA	<b>72.6</b>	66.4	9.3%	<b>206.1</b>	185.0	11.4%	<b>236.3</b>
Comparable EBITDA	<b>72.6</b>	70.9	2.3%	<b>206.1</b>	189.6	8.7%	<b>247.1</b>
% of Net Sales	<b>33.2%</b>	32.0%		<b>31.6%</b>	29.9%		<b>28.8%</b>
Comparable Operating Result	<b>37.3</b>	33.9	10.1%	<b>96.6</b>	81.3	18.9%	<b>102.1</b>
% of Net Sales	<b>17.0%</b>	15.3%		<b>14.8%</b>	12.8%		<b>11.9%</b>
Net Result	<b>27.8</b>	21.5	29.3%	<b>71.5</b>	55.6	28.7%	<b>65.2</b>
% of Net Sales	<b>12.7%</b>	9.7%		<b>11.0%</b>	8.8%		<b>7.6%</b>
Operative Capex	<b>24.4</b>	30.3	-19.4%	<b>65.6</b>	84.9	-22.8%	<b>136.9</b>
% of Net Sales	<b>11.2%</b>	13.7%		<b>10.1%</b>	13.4%		<b>15.9%</b>
Operating FCF <sup>1</sup>	<b>48.1</b>	40.6	18.4%	<b>140.6</b>	104.7	34.2%	<b>110.2</b>
Net Debt	<b>302.0</b>	373.1		<b>302.0</b>	373.1		<b>321.7</b>
Net Debt / EBITDA	<b>1.04</b>	1.41		<b>1.10</b>	1.51		<b>1.36</b>

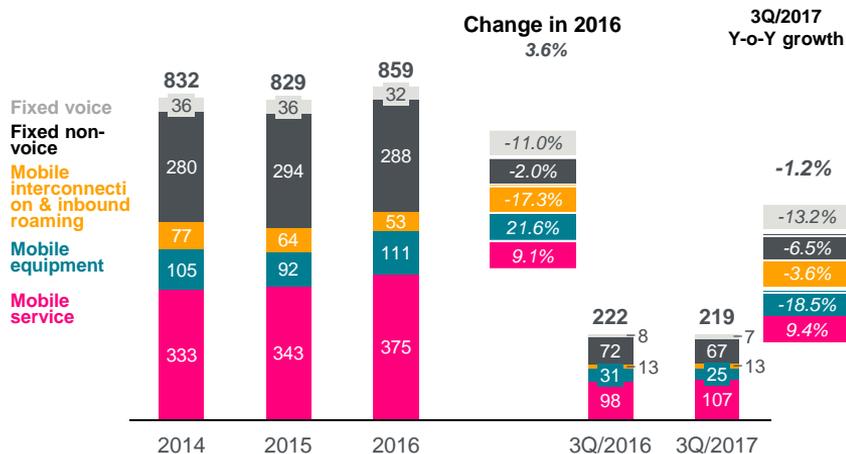
**Note**

<sup>1</sup> Operating free cash flow defined as comparable EBITDA minus operative capex  
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# Growth in high-margin mobile services

Net sales for the quarter were supported by positive development in mobile services

EUR million



## Key highlights in Q3 2017

- Mobile service revenue continued to grow strongly during the third quarter
  - ✓ Growth was +9.4% in Q3/2017
  - ✓ Average revenue per user (ARPU) grew 4.5% and was EUR 18.5
- Mobile equipment sales was exceptionally high in the comparison quarter
- Revenue from fixed voice and interconnection continued to decline
- Fixed non-voice was affected by decline in pay TV, eg. due to the DVB-T2 change.

# Profitability was boosted by increased service revenue and improved operational efficiency

## Consumer business in Q3

Net sales EUR 162.5 million (-1.4%)

- + Service revenue increased somewhat.
- Mobile device sales continued at a good level but didn't reach the strong comparison period
- + Revenue per user (ARPU)<sup>1</sup> +6.9% -> EUR 20.1

Comparable EBITDA EUR 53.1 million (+7.1%)

- + The increase was fuelled by the positive development of service revenue and improved operational efficiency.

## Corporate business in Q3

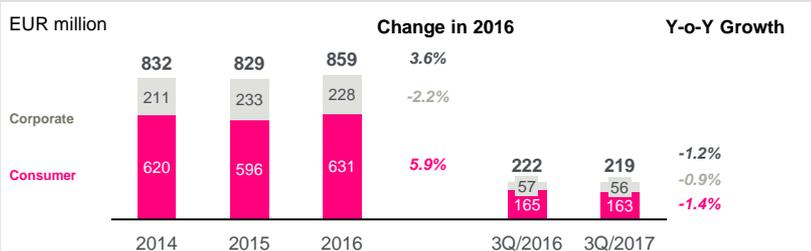
Net sales EUR 56.2 million (-0.9%)

- + Net sales were positively impacted by the increase in mobile subscriptions
- Interconnection revenues declined

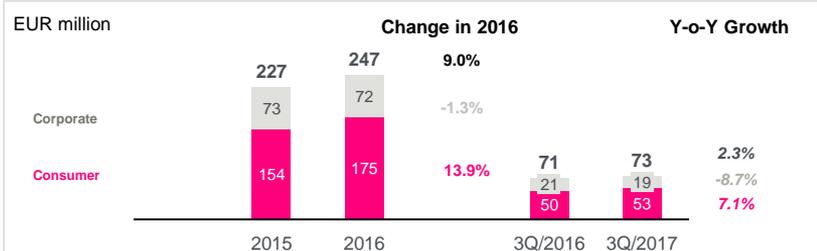
Comparable EBITDA EUR 19.5 million (-8.7%)

- + Improved cost-efficiency of our modern network platforms and increase in mobile subscriptions
- In the comparison period, a reduction of the provision for unused premises had a positive effect on the EBITDA

### Net sales, EUR million



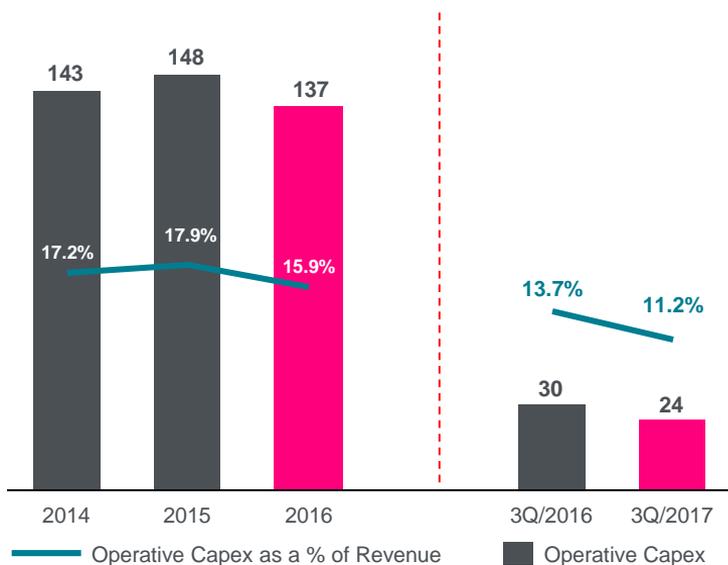
### Comparable EBITDA, EUR million



# Operative capital expenditure

## Shifting investments from coverage into capacity expansion leads to lower operative capex <sup>1</sup>

EUR million



## Key highlights in Q3 2017

- Operative capital expenditure decreased -19.4% from the reference period and was EUR 24.4 million (30.3 million), or 11.2% of net sales (13.7%).
  - ✓ We expect operative capital expenditure to increase during the fourth quarter of 2017, however, full year operative capex will remain on a somewhat lower level than in 2016.

## Key investments in January-September 2017

- Major individual items included in capital expenditure in the review period are 4G network capacity expansion, fibre optics networks and transmission systems
- The focus of DNA's mobile communication network investments has shifted from coverage to capacity expansion

Source: Company Information

1. Operative capex excluding capex for spectrum licenses

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# Free cash flow to equity at a good level

CASH FLOW SUMMARY				
EUR million	2014	2015	2016	1-9/2017
<b>Comparable EBITDA</b>	<b>211</b>	<b>227</b>	<b>247</b>	<b>206</b>
Operative Capex	(143)	(148)	(137)	(66)
<b>Operating FCF</b>	<b>68</b>	<b>79</b>	<b>110</b>	<b>141</b>
<i>Margin %</i>	8.2%	9.5%	12.8%	21.6 %
<i>Cash Conversion %</i>	32.3%	34.7%	44.6%	68.2 %
Interest paid, net	(9)	(8)	(9)	(5)
Income taxes, paid	(11)	2	(5)	(18)
Adjusted Change in NWC	(2)	38	(1)	0
Change in Provisions	3	(9)	(2)	(4)
<b>FCFE</b>	<b>49</b>	<b>101</b>	<b>93</b>	<b>114</b>
<i>Margin %</i>	5.9%	12.2%	10.8%	17.5 %

## Key highlights in Q3 2017

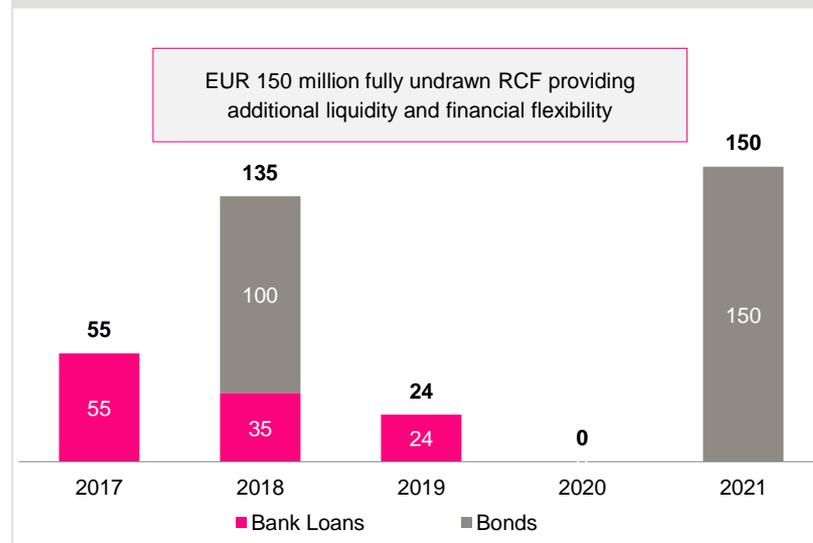
- Operating free cash flow to comparable EBITDA was high due to favorable EBITDA and low operative capex
- In January-September, paid taxes were higher than in the comparison period, but on a more normal level (the comparison period included tax refunds from 2015)
- Adjusted change in net working capital was affected by an increase in trade payables

## Low cost capital structure

Low weighted average cost of debt of 2.15%

	Maturity	Nominal Amount € MM	Book Value € MM	Cost of Debt
Unsecured € Bond 2.875% Coupon	Mar-2021	150	149	2.93 %
Unsecured € Bond 2.625% Coupon	Nov-2018	100	99	2.73 %
Bank Loans and Commercial Paper		123	123	0.83 %
<b>Total</b>		<b>373</b>	<b>372</b>	<b>2.15 %</b>
<b>Cash &amp; Cash Equivalents</b>			<b>-69</b>	
<b>Net Debt</b>			<b>302</b>	
<b>Net Debt/EBITDA<sup>1</sup></b>			<b>1.17</b>	

Debt maturity schedule, EUR million



### Notes

1. Defined as net debt divided by comparable EBITDA, rolling 12 months.

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## Financial objectives and policy

### Financial guidance for 2017 revised

- DNA's net sales are expected to remain at the same level and the comparable operating result is expected to improve substantially in 2017 compared to 2016. The Group's financial position and liquidity is expected to remain at a healthy level.

### Mid-term financial targets re-iterated

- Net sales growth – faster than average market growth
- EBITDA margin of at least 30%
- Operative capital expenditure<sup>1</sup> less than 15% of sales

### Leverage policy

- Net debt/EBITDA less than 2.0x
  - Can be temporarily exceeded in case of potential attractive bolt-on in-market M&A opportunities

### Dividend policy and dividend in 2017

- Target dividend payout of 70-90% of free cash flow to equity
- A dividend of EUR 0.55 per share was paid on April 2017, a total of EUR 73 million - dividend yield 5.4% (per 30 Dec 2016)

<sup>1</sup> Operative capex excluding capex for spectrum licenses  
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# Thank you!

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# Appendices

# KPI Overview

## Mobile KPIs

	2014	2015	2016	3Q/2016	3Q/2017
<b>Mobile Revenue (€ MM)</b>	<b>515</b>	<b>499</b>	<b>539</b>	<b>142</b>	<b>145</b>
Service	333	343	375	98	107
Equipment Sales	105	92	111	31	25
Interconnection & Inbound Roaming	77	64	53	13	13
<b>Mobile Subscriptions (000s)<sup>1</sup></b>	<b>2 505</b>	<b>2 621</b>	<b>2 742</b>	<b>2 731</b>	<b>2 790</b>
Postpaid	2 086	2 199	2 338	2 301	2 398
Prepaid	419	422	404	430	392
Consumer	2 070	2 183	2 262	2 263	2 242
Corporate	435	438	480	467	548
<b>ARPU, Mobile Handset Subscriptions (€/month)<sup>2</sup></b>					
Postpaid	17.8	17.0	17.1	17.7	18.5
Prepaid	4.6	4.1	3.8	3.8	4.3
Consumer (postpaid)	18.3	17.7	18.0	18.8	20.1
Corporate (postpaid)	15.8	14.6	13.9	13.8	13.2
<b>Annualised Mobile Handset Subscriptions Churn (%)</b>					
Postpaid	16.9%	16.0%	16.1%	17.8%	19.1%

## Fixed KPIs

	2014	2015	2016	3Q/2016	3Q/2017
<b>Fixed Revenue (€ MM)</b>	<b>316</b>	<b>330</b>	<b>320</b>	<b>80</b>	<b>74</b>
Non-Voice Revenues	280	294	288	72	67
Voice Revenues	36	36	32	8	7
<b>Fixed Broadband Subscriptions (000s)</b>	<b>415</b>	<b>436</b>	<b>440</b>	<b>438</b>	<b>454</b>
Consumer	374	394	403	401	418
Corporate	41	42	37	38	36
<b>Fixed Voice Subscriptions (000s)</b>	<b>100</b>	<b>78</b>	<b>65</b>	<b>68</b>	<b>57</b>
Consumer	51	37	30	32	26
Corporate	49	41	35	36	31
<b>Cable-TV Subscriptions (000s)</b>	<b>593</b>	<b>606</b>	<b>608</b>	<b>609</b>	<b>619</b>

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1. Excludes M2M subscriptions

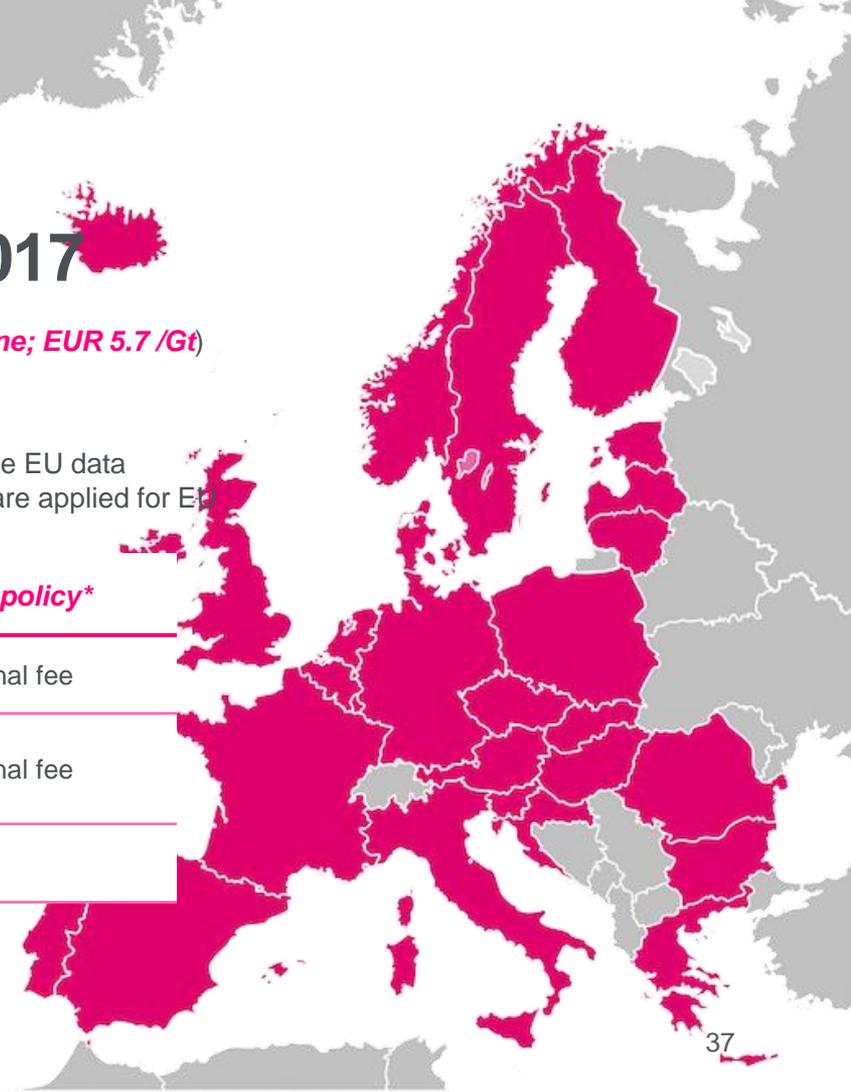
2. Includes interconnection revenues

# EU roaming as of 15 June 2017

- 90% price cut for data (until 14 June: EUR 62.0 /Gt, **as of 15 June; EUR 5.7 /Gt**)
- No price increases in domestic prices for existing customers
- Receiving calls will be completely free
- In June, we launch new products with fast 4G data and a sizeable EU data package of 10GB/month. Within the package, no extra charges are applied for EU data transfer.

Service	According the <i>fare use policy</i> *
 <b>Outgoing calls</b>	Domestic price, no additional fee
 <b>Sending text &amp; multimedia messages</b>	Domestic price, no additional fee
 <b>Data transfer</b>	EU base fare 5.706 €/Gt

\* Fare use policy; The new EU pricing scheme is valid within fair usage limits and for periodic roaming. EU-roaming is considered periodic as long as domestic usage surpasses EU-roaming usage. Subscription specific fair usage limits are introduced for EU-roaming data.



# Examples of DNA subscription charges

**DNA Nopea 4G –subscriptions** – Unlimited 100 Mbit/s 4G-internet at home and 10 Gt/month EU data package. Unlimited / package or / per usages calls and text messages.

## DNA Nopea 4G Rajaton

Monthly fee		EUR 34,90 /month
Data transfer speed		100 Mbit/s
EU-data package		10 Gt/month in EU /ETA area
Domestic calls		unlimited
Domestic text & multimedia messages		unlimited

## DNA Nopea 4G Paketti

Monthly fee		EUR 28,90 /month
Data transfer speed		100 Mbit/s
EU-data package		10 Gt/month in EU /ETA area
Domestic calls		200 min
Domestic text messages		200 pcs
Calls and text messages exceeding the package: EUR 0.09 /min or pc		

## DNA Nopea 4G Jämpti

Monthly fee		EUR 26,90/month
Data transfer speed		100 Mbit/s
EU-data package		10 Gt/month in EU /ETA area
Domestic & in EU /ETA area calls		EUR 0.07 / min
Domestic & in EU /ETA area text & multimedia messages		EUR 0.07 / pc

**DNA Rajaton** – Unlimited use, unlimited domestic calls, text and multimedia messages, and data transfer.

**DNA Rajaton 4G Super** – incl. 600 Mb/month data transfer in EU and EEA -countries.

Monthly fee	EUR 39,90/month
Data transfer speed	300 Mbp
Includes 600 Mb/month data transfer in EU and EEA –countries.	

## DNA Rajaton 4G Teho

Monthly fee	EUR 29,90/month
Data transfer speed	50 Mbps

## DNA Rajaton 3G Perus

Monthly fee	EUR 24,90/month
Data transfer speed	21 Mbps

**DNA SuperÄlypaketti** – Unlimited data transfer.

## DNA SuperÄlypaketti 4G 200

Data transfer	Unlimited data
Data transfer speed	50 Mps
Monthly fee	EUR 24.50/month
Standard-priced domestic calls	200 min
Standard-priced domestic text messages	200 pcs

## DNA SuperÄlypaketti 2M 500

Data transfer	Unlimited data
Data transfer speed	2 Mbps
Monthly fee	EUR 21.90/month
Standard-priced domestic calls	500 min
Standard-priced domestic text messages	500 pcs

**DNA Äly 21M** – Unlimited data transfer. Inexpensive phone calls and text messages.

Monthly fee	EUR 13.90
Standard-priced domestic calls	EUR 0.045/min
Standard-priced domestic text messages	EUR 0.045/pc
Data transfer speed	21 Mbps

**DNA Mini Data** – Inexpensive basic subscription with internet access.

Monthly fee	EUR 4.90
Standard-priced domestic calls	0.07/min
Standard-priced domestic text messages	0.07/pc
Data transfer speed	256 Kbps

**Fast DNA 4G** – Mobile broadband for a tablet or Mokkula.

## DNA Hypernetti 4G

Monthly fee	EUR 49.90/month
Data transfer speed	300 Mbps

## DNA Supernetti 4G

Monthly fee	EUR 29,90/month
Data transfer speed	150 Mbps

## DNA Tehonetti 4G

Monthly fee	EUR 21,90/month
Data transfer speed	50 Mbps

## DNA Perusnetti 4G

Monthly fee	EUR 14,90/month
Data transfer speed	10 Mbps

# Consumer business

(73.5 % OF NET SALES IN 2016)

DNA provides its consumer customers with diverse services for communication and entertainment: smart phones, tablets and accessories; voice services in mobile and fixed networks; broadband services in mobile and fixed networks; and diverse entertainment services in cable, terrestrial and broadband networks.

Smart phones and subscriptions

Broadband subscriptions (mobile and fixed)

Modern entertainment services

## STRENGTHS

- Strong retail and online store sales
- We aim to provide straightforward, high-quality service in every channel, every time
- Clear and competitive product-service combinations for customers

## GROWTH DRIVERS

- TV and entertainment business
- Mobile data market
  - The increased adoption of smart phones, tablets and other smart devices as well as the wider availability of 4G speeds significantly boosted data transfer volumes

## DNA's consumer business in brief

### Customer satisfaction is the key

We improve the quality of our customer service and the efficiency of our operations systematically and introduce easy-to-use services needed by customers into the market. Our customer service metrics have shown extremely positive development.

### Handset Business

Our rapidly expanded 4G network and 4G mobile devices, whose prices keep going down, make us well-equipped to provide our customers with increasingly faster connections.

### Entertainment Business

We want it to be easy for everyone to find the entertainment content they want, regardless of the technology or devices. When our cable, terrestrial and mobile TV customers are put together, DNA had over million television service customers at the end of 2016.

### 4G subscriptions

Of the phones we sell, about 99% are smart phones and almost all of them are 4G capable. The demand for 4G subscriptions is increasing steadily.

### Growth drivers

Increasingly networked lifestyles, new TV and home entertainment services and growth of mobile data volumes are trends boosting operators' business.

### Net sales increased

Net sales of our Consumer Business increased in 2016, amounting to EUR 631 million. Operating result increased significantly and was EUR 75 million.

# Corporate business

(26.5 % OF NET SALES IN 2016)

DNA provides easily deployable and high-quality mobile and fixed network communications and network services for companies and communities.

Data security services

Network management and monitoring services

Hosting services

Access and networking services

Social communication

Internet of Things (IoT)

## STRENGTHS

- Extensive own fibre, backbone and distribution networks
- Efficient and extensive mobile network, largely with IPv6 protocol
- Strong regional presence
- Excellent price-quality ratio and customer-oriented product development

## GROWTH DRIVERS

- Both the public and private sector are digitalising their businesses and expanding mobile working at an increasing pace
- Companies are using more and more cloud services
- The Industrial Internet and its future possibilities

## DNA's Corporate Business in brief

Customer satisfaction  
is the key

Strong partner for companies, public corporations and integrators. Good services and expert customer service.

Comprehensive  
partner network

Our comprehensive and modern backbone network reaches Stockholm, Amsterdam and Frankfurt: flexible and convenient access points to global cloud services.

Customer numbers  
are increasing

The number of DNA's corporate customers has grown steadily over many years.

Pioneer in new ways  
of working

Digitalisation is speeding up change in the working culture. We are creating new ways of working with the help of innovative tools, fast connections and reliable network services.

Net sales remained  
steady

Net sales remained at a similar level year-on-year, amounting to EUR 227.5 million. Net sales were boosted by the increase in the mobile broadband subscription base and burdened by the reduction in interconnection prices and lower voice traffic volumes.

Industrial Internet

The addition of sensors to vehicles, machines and structures to monitor their status and condition automatically, together with increasing health and well-being monitoring of people, will expand the M2M subscription base many times over by 2020. The Industrial Internet is one of DNA's main priority areas.

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### Next events:

- ✓ Capital Markets Day on 21 November 2017 in Helsinki
- ✓ Q4 & FY 2017 results on 2 February 2017



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