



**DNA had an excellent first half of 2019;
strong growth in mobile service revenue**

DNA Plc Investor presentation
September 2019

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 in brief

Business review

- Highlights of the second quarter of 2019
- Key operational KPIs and development of subscription base
- Acquisitions in the H1/2019

Financial review

- Key figures' development

Strategic cornerstones, market outlook and financial objectives

Appendices



DNA in brief

DNA offers high-quality voice, data and TV services for communication, entertainment and work



DNA is one of the leading Finnish telecommunications groups

- Cost-efficient
- 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

Over 4 million

Mobile communications and fixed network subscriptions

EUR 912 million

Net sales in 2018

1,590

At the end of 2018, 1,590 employees working at DNA

Customer

is in the center of DNA's strategy

DNA became a listed company on November 2016

TV

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

EUR 139 million

Operating result in 2018

62 DNA stores

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

Strong employee satisfaction

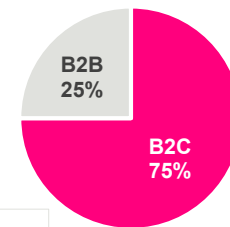
DNA was awarded as the best workplace in Finland in the category of large organisations

(Great Place to Work® survey)

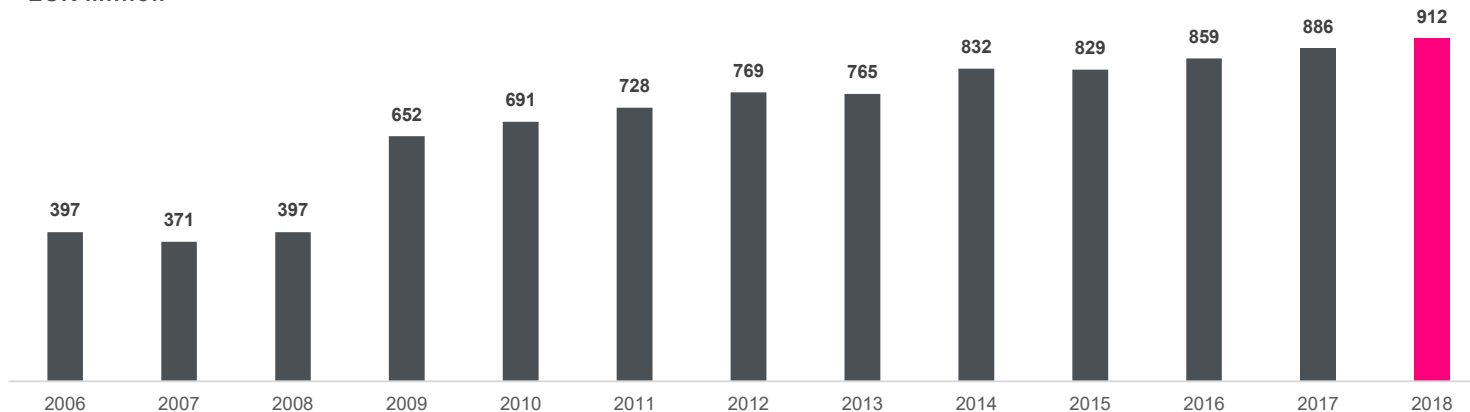
Great Place To Work	Suomen parhaat työpaikat™	Suurten yritysten sarja:
FINLAND	2019	1. DNA

From a mobile start-up to a strong player

– Both B2C and B2B with a challenger mindset



DNA's net sales have increased steadily
EUR million



'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

'17: DNA's net sales and operating result reach record levels

'18: DNA's mobile and fixed network subscriptions reached 4 million subscriptions milestone

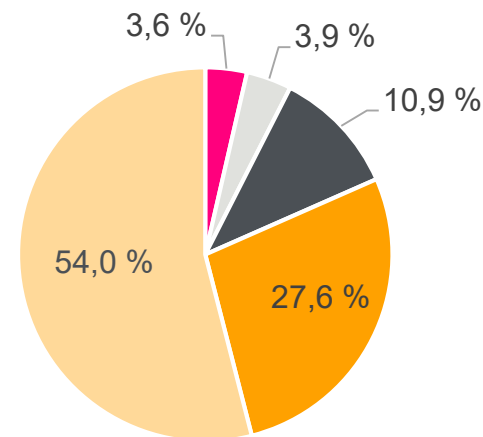
'19: DNA acquired Moi Mobili, fibre network in Tampere area and opened first phase of 5G network

DNA had an excellent start as a listed company

- Trading in the DNA share began on the Nasdaq Helsinki Stock Exchange on November 2016
- DNA has today over 14,300 shareholders
- Market cap is EUR ~2.8 billion (05 Sept 2019)

Largest shareholders, 31 August 2019	% of shares
Telenor Finland Holding	54.0
Ilmarinen Mutual Pension Insurance Company	3.5
Elo Pension Company	1.7
Lohjan Puhelin Ltd	1.7
Viria Plc	0.8
Mandatium Life Insurance Company Ltd	0.7
The State Pension Fund of Finland	0.7
Jakobstadsnejdens Telefon Ab	0.5

Ownership structure



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

Strong development in DNA's business

		2013	2018
Growth in market shares	Mobile communications market share	24%	28%
	Fixed broadband market share	21%	28%
Financial growth	Net sales	EUR 765 million	EUR 912 million
	Comparable EBITDA	25.5%	31.2%
Strong operational KPI's	Subscriptions (mobile and fixed network)	3.47 million	4.03 million
	4G coverage in Finland	42%	< 99%
	Revenue per user (ARPU)	18.2 €	18.8 €



Telecommunications market in transition

Telecommunications industry's service revenue is growing as digital services give a significant boost to the demand for mobile data.

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 live **increasingly digital lives** and want a seamless experience regardless of the service channel.

Trend 3

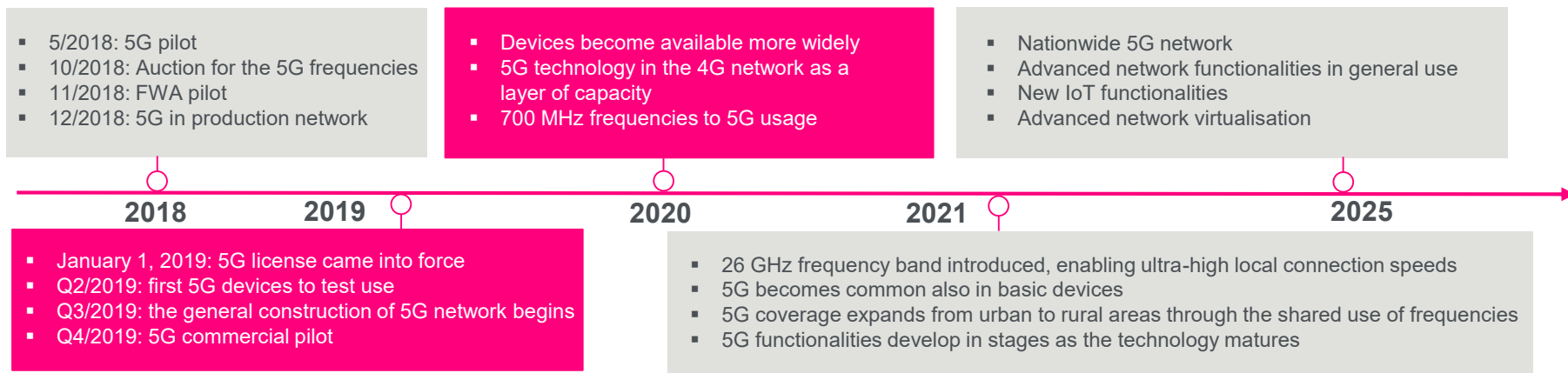
The strong growth of the variety of services and smart devices continues – **the best global services will gain a stronger foothold.**

Trend 4

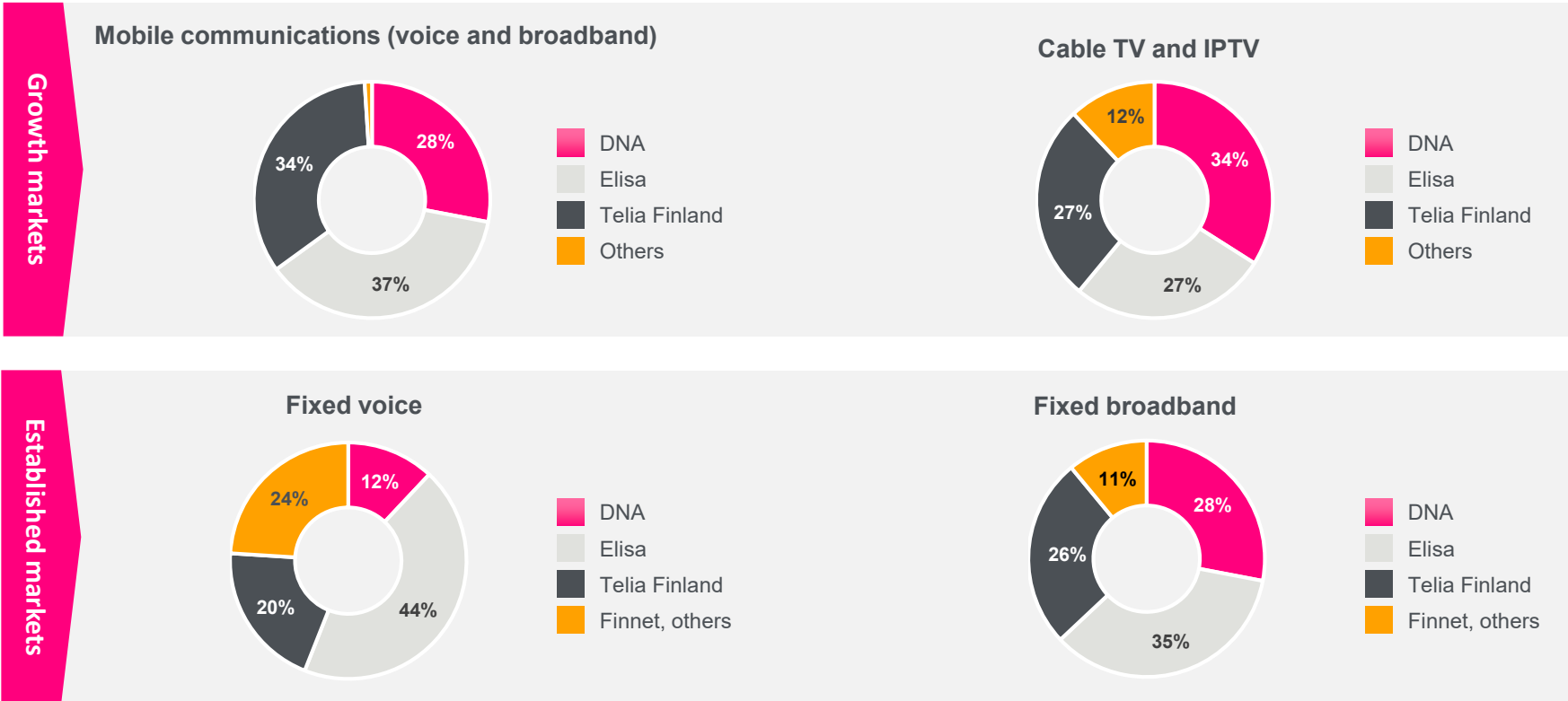
Mobile working, digitisation and the **Internet of Things** will make business more flexible and productive.

DNA's mobile network is prepared actively for 5G

- DNA has been preparing its mobile network for 5G with the introduction of 5G-capable technology and by increasing network capacity. DNA's 5G network is already available in Helsinki city centre, and next we are expanding the network to other major cities.
- Since last autumn, we have also tested fixed 5G broadband service and started using the service in the actual 5G frequency in Q2 2019. Fixed 5G will be one of DNA's first commercial services provided with the 5G technology.
- Consumers will be able to use 5G services as soon as more technologically mature 5G-capable mobile devices become available at reasonable price points - expected to happen in early 2020.



Strong foothold in the growth markets



Source: Finnish Communications Regulatory Authority, Market shares in the end of 2018

DNA's strategy summary

– The cornerstone of DNA's strategy is customer satisfaction

Main assumptions behind our strategy

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

DNA's footprint in society (2018)

DNA Value Creation

What We Build On

A Team of Top Professionals

- Motivated employees all over Finland
- Committed partners

Fast High-Quality Connections

- Excellent mobile and fixed network
- Modern high-quality TV networks
- Service platforms, cloud services and data centre services

Intangible Assets

- Good reputation and strong brand
- Trust of customers
- Sustainable operations

Financial Resources

- Nation-wide store network
- Own mobile network and fixed network
- Mobile network licences
- Strong financial position and investment capacity

The DNA Way

Offering

Products and services develop with the customers' needs

Know-how

Skilled workforce enables high-quality customer experience

Understanding

Understanding the changing service needs of customers
Understanding of customer behaviour based on data and analytics

Our Values

Fast, bold, straightforward

Our Vision

The most satisfied customers in the market

What We Produce

Private Customers

- Voice and data services in mobile networks
- Voice and broadband services in fixed networks
- Entertainment and television services
- Device sales

Corporate Customers

- Mobile and communications solutions
- Corporate network solutions
- Corporate data security services
- Value added services for corporate networks
- Device sales
- Wholesale and virtual operator services

The DNA Footprint

Societal

- Building and developing the infrastructure necessary for the society: *4G networks cover almost 100% of the population, over 4 million mobile and fixed network subscriptions*
- Digital connections and devices for consumers' everyday life
- Improving the competitiveness of corporate customers

Social

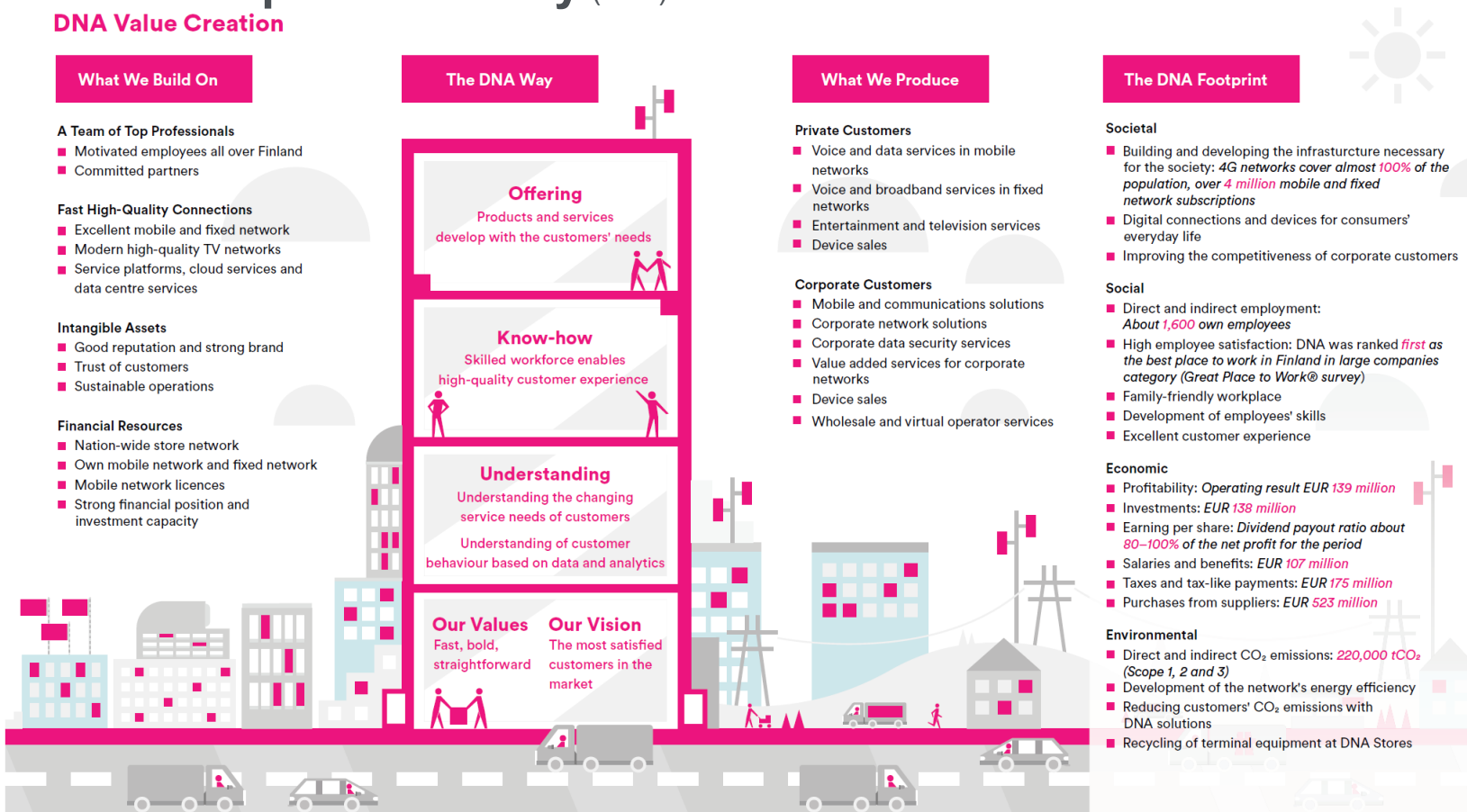
- Direct and indirect employment: *About 1,600 own employees*
- High employee satisfaction: DNA was ranked *first as the best place to work in Finland in large companies category (Great Place to Work@ survey)*
- Family-friendly workplace
- Development of employees' skills
- Excellent customer experience

Economic

- Profitability: *Operating result EUR 139 million*
- Investments: *EUR 138 million*
- Earning per share: *Dividend payout ratio about 80–100% of the net profit for the period*
- Salaries and benefits: *EUR 107 million*
- Taxes and tax-like payments: *EUR 175 million*
- Purchases from suppliers: *EUR 523 million*

Environmental

- Direct and indirect CO₂ emissions: *220,000 tCO₂ (Scope 1, 2 and 3)*
- Development of the network's energy efficiency
- Reducing customers' CO₂ emissions with DNA solutions
- Recycling of terminal equipment at DNA Stores



We make sustainable business

Digital inclusion

DNA contributes to the promotion of digital inclusion in Finland. To this end, DNA places special emphasis on comprehensive networks, fast connections, easily understandable products and services and excellent customer service. In addition, DNA launched a charity programme to support digital inclusion among those in vulnerable position in Finland.

Great place to work

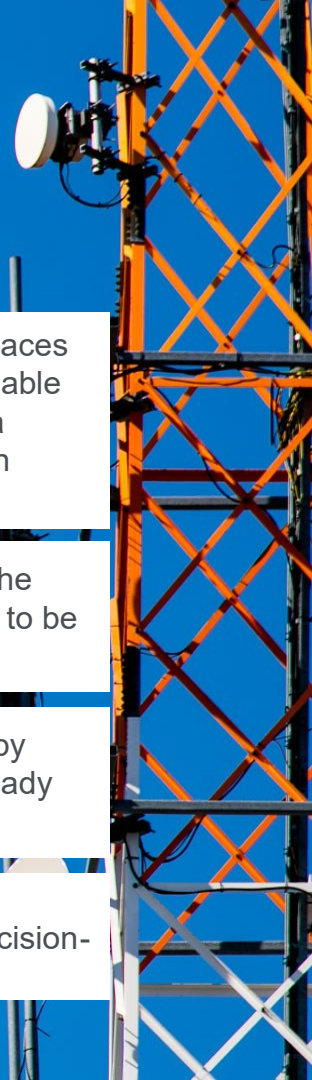
DNA was named Finland's best workplace in the Large Organisations category of the Great Place to Work awards. In addition, DNA was the first publicly listed company to be recognised as a Family Friendly Workplace by the Family Federation of Finland.

Climate friendly business

DNA's objective is to reduce energy indirect greenhouse gas emissions (Scope 2) by 100% by 2023 from the level reported in 2014. DNA's Scope 2 emissions have already reduced by some 40% since 2014, due to e.g. procurement of renewable energy.

Good governance

Responsible operations at DNA covers DNA's personnel, suppliers and subcontractors. The promotion of Code of Conduct compliancy and responsible decision-making is continuous.



Business Review



Q2/2019: Net sales increase was fuelled by strong mobile device sales and mobile service revenue



Net sales increased 3.1% and amounted to EUR 232.0 million (225.0)

- Mobile device sales and mobile service revenue increased net sales
- Growth in mobile service revenue*, +8.1%, was boosted by the positive development of the subscription base, mobile broadband services and average billing per customer
- Mobile device sales were up 13.3% from the reference period



EBITDA increased 7.2%

- EBITDA was EUR 77.8 million (72.6); 33.6% of net sales (32.3%)
- The positive development in EBITDA is mostly due to the impact of IFRS 16, growth of service revenue also contributed to it
- The operating result remained on the reference period level and was EUR 35.7 million (36.0), 15.4% of net sales (16.0%). Operating result was weakened by an increase in depreciation



Strong momentum of operational KPI's

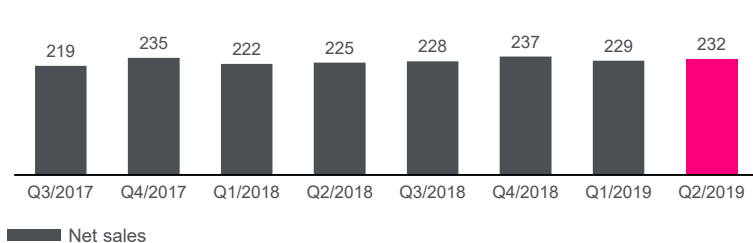
- Average revenue per user for mobile communications (ARPU) increased from the reference period and was EUR 18.6 (EUR 18.4)
- CHURN was at a very low level of 13.7% (15.4%)
- Mobile subscription base decreased by 0.7% or 20,000 subscriptions y-on-y; postpaid subscriptions increased by 65,000 y-on-y and prepaid subscriptions decreased by 86,000 subs.
- Subscription base for fixed broadband increased strongly; by 90,000 subscriptions. In addition to good organic growth DNA gained more than 30,000 fixed broadband and almost 25,000 new cable TV customers as a result of the ICT Elmo business acquisition

*Mobile service revenue = revenue generated by mobile subscriptions. Consumer and corporate mobile communication and mobile broadband services, corporate M2M services and corporate mobile virtual network operator (MVNO) services.

Q2/2019 – Mobile service revenue increased by 8.1%

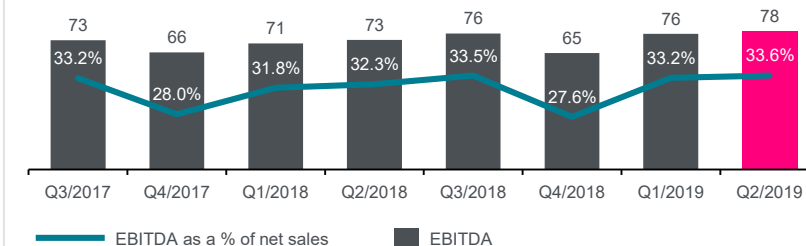
Growth in mobile service revenue (+8.1%) and mobile device sales (+13.3%) boosted quarter's net sales

EUR million y-on-y + 3.1% in Q2/2019



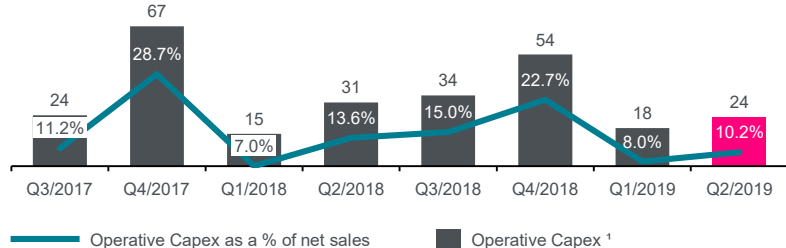
EBITDA increased 7.2% from the reference period and margin was 33.6%

EUR million y-on-y 7.2% in Q2/2019



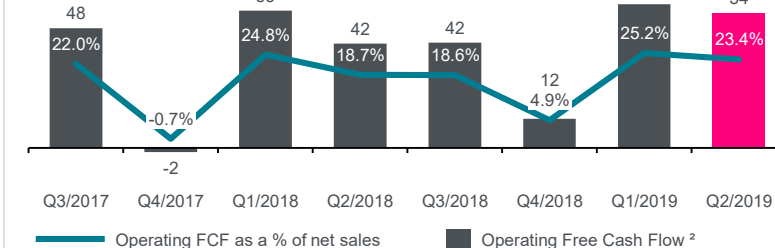
Operative capex¹ decreased 22.8% year-on-year

EUR million y-on-y -22.8% in Q2/2019



Operative free cash flow² increased from the reference period

EUR million



Notes

- 1. Operative capex = investments excluding capitalised spectrum license payments and lease investments (IFRS 16)
- 2. Operating free cash flow defined as EBITDA minus operative capex

January-June 2019: DNA had a strong first half year

**EUR 460.9
million**
+3.0%

Net sales

2,807,000
-20,000

Mobile communications subscriptions

Postpaid subscriptions +65,000

**EUR 153.9
million**
+7.4%

EBITDA

**EUR 238.8
million**
+6,7%

Mobile service revenue

**EUR 111.9
million**
+15.3%

Operative free cash flow

15.5%

Mobile CHURN for postpaid subscriptions

**EUR 607.5
million**
1.97

Net debt

Net debt/ EBITDA

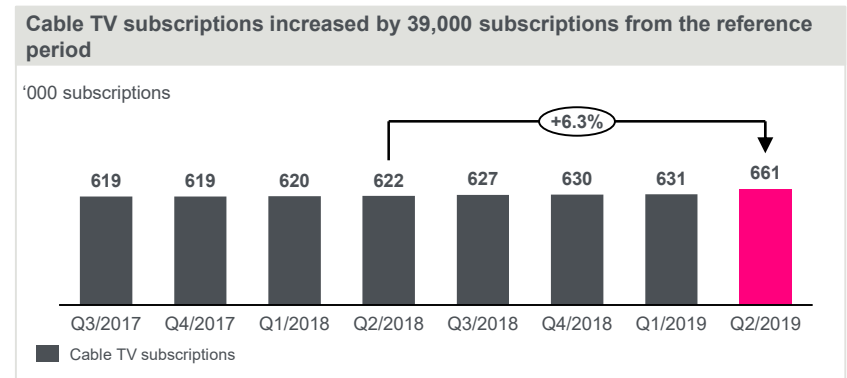
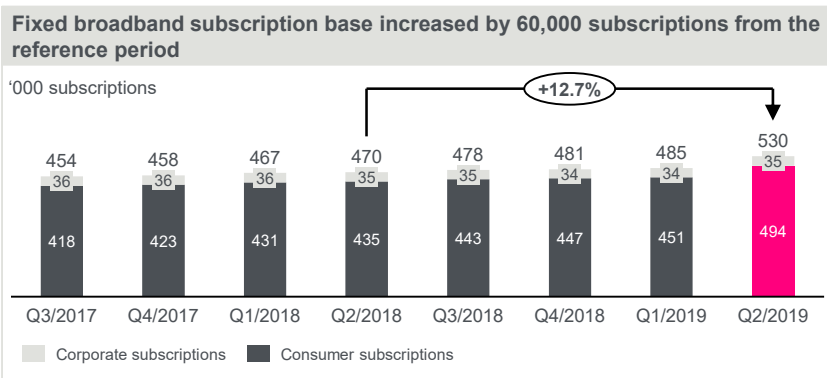
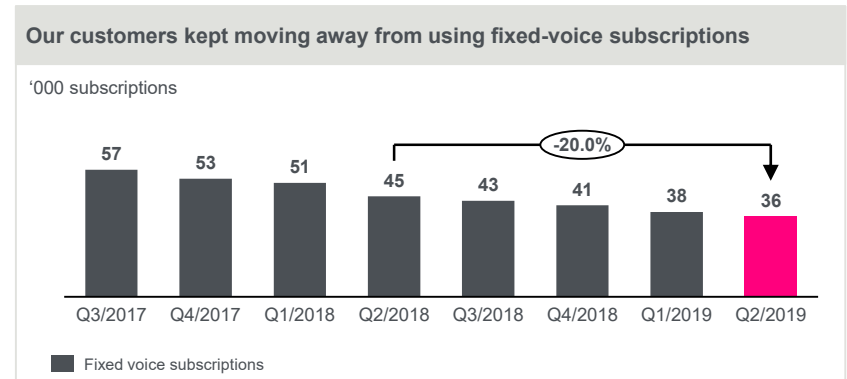
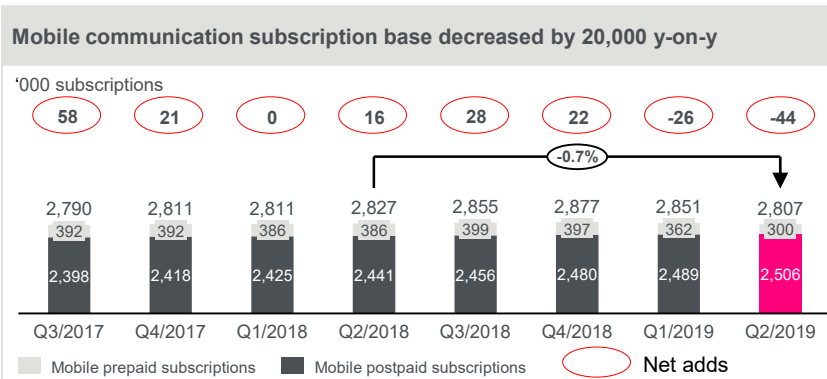
1,191,000
+99,000

Fixed broadband and cable TV subscriptions

Notes
Compared to H1/2018

CHURN = Customer turnover rate

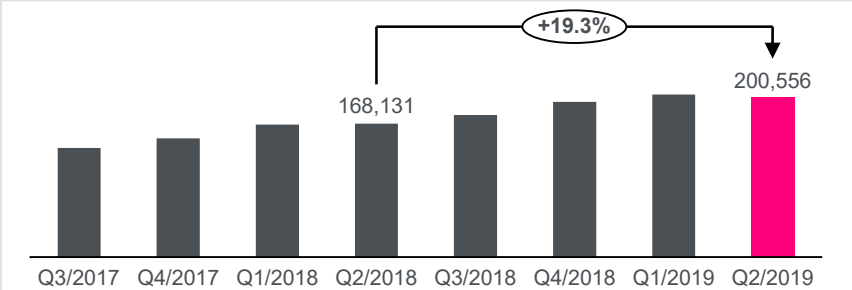
DNA's mobile postpaid subscription base continued to increase (+65,000), prepaid subscriptions decreased



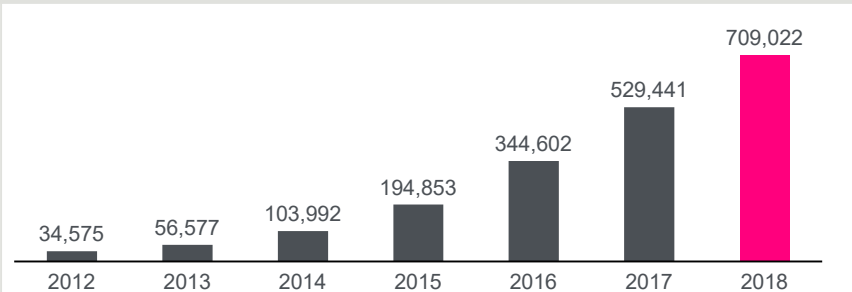
Please note - as a result of rounding differences, numbers or percentages may not add up to the total.

DNA's total mobile data traffic increased about 19%

Total mobile data traffic (GB, '000) increased again over 19%



Mobile data traffic (GB, '000)



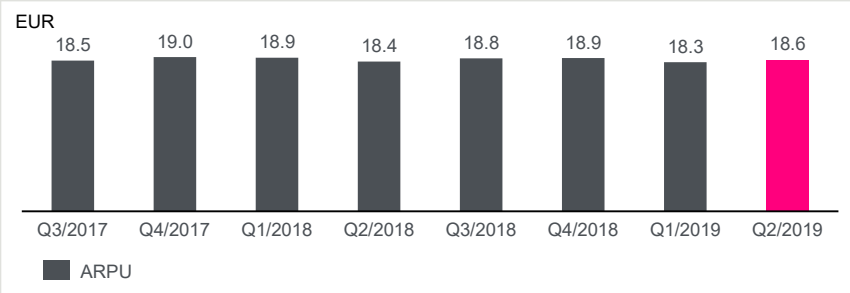
Key highlights in April-June 2019

- DNA's mobile data traffic increased about 19% from the reference period
- 93% of all mobile data was transferred in the 4G network
- DNA's mobile data usage was 23.5 gigabytes/month/subscription
- According to the report published by Tefficient* in March 2019, DNA's customers had the second-highest mobile data usage per subscription in the world in 2018 - averaging 20.8 gigabytes per month, in the previous year, the average figure was 15.9 gigabytes

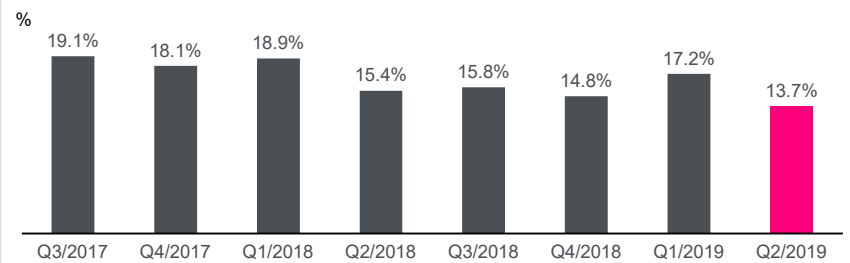
* Tefficient's report 1/2019: <https://tefficient.com/all-operators-climbed-the-tree-4g-turned-usage-growth-into-arpu-growth/>
 Tefficient is an international telecommunications specialist providing analysis, benchmarks and consulting services.

The subscription turnover rate (CHURN) was at a very low level; 13.7%

Mobile postpaid ARPU increased compared to the reference period



Mobile communication CHURN (postpaid) decreased and was on a really low level



Notes

1. Share of mobile postpaid handset subscriptions in Consumer business, includes subscriptions with data transfer of 50 megabits per second or more

ARPU = Average revenue per user

CHURN = Subscription turnover rate

Key highlights in April-June 2019

- Demand of 4G subscriptions continued to grow steadily
 - 4G subscription base has increased 6.1%-points year-on-year and its' share of mobile subscriptions was 64.0%¹ (57.9%)
- ARPU increased y-on-y 1.1% and was EUR 18.6 (18.4)
 - Customer billing per subscription increased
 - Even though the number of prepaid subscriptions fell by over 60,000 during the quarter, their ARPU increased to EUR 4.5 (3.5)
- CHURN improved from the reference period and was at a very low level of 13.7% (15.4%)
 - This was due to high customer satisfaction and DNA's ability to react quickly to competitors' campaigns

DNA's main events during April-June 2019

DNA purchased an extensive fibre network infrastructure used by ICT Elmo Oy as well as Elmo's consumer and housing company business.

- DNA is taking over ICT Elmo's extensive fibre-optic network infrastructure (around 1,700 km of fibre-optic cable) which will facilitate the introduction of 5G in the Tampere region and improve our competitiveness
- The net sales of the acquired business in 2018 was around EUR 8 million. The total acquisition price is EUR 27.5 million, which equates to an EV/EBITDA of approximately 6.1x with cost synergies considered
- DNA will be taking over fewer than 20 ICT Elmo's employees
- The acquired business will not have a significant impact on DNA's net sales or EBITDA in 2019; the acquired business operations was consolidated into DNA's figures from the beginning of June

Study on mobile network speeds: DNA's speed top-notch

- In a study published in May, DNA's 4G network achieved the highest average data transfer rate in inbound traffic direction. The study covered 20 of the largest cities in Finland, and four popular resort areas in Northern Finland

(Omnitele's study 05/2019)

According to consumers, DNA is the most responsible company in its industry in Finland.

- The annual Sustainable Brand Index study is based on the principles of responsibility and the objectives of sustainable development of the UN Global Compact, and it is the largest independent study in its field in the Nordic countries
- The study was conducted from January to March 2019, and in Finland 10300 consumers responded

DNA's acquisitions in 2019:

January: **Moi Mobiili Oy**



- Moi Mobiili Oy provides mobile services to private and corporate customers
- Moi has operated since 2016 as a service operator in DNA's mobile network
- The transaction is not expected to have a significant impact on DNA's net sales or EBITDA for 2019
- The acquired business operations are consolidated into DNA's consumer business figures from Q1/2019 onwards
- Moi will continue to serve its customers under its own brand separately from DNA
- Some 10 employees continues in the service of bought company

May: **ICT Elmo's consumer and housing company businesses and extensive fibre network**

- The acquisition strengthens DNA's market position in the Tampere region - Finland's 2nd largest economic area
- Acquired network consists of around 1,700 km of fibre-optic cable
- > 30,000 new fixed broadband and around 25,000 new cable TV customers
- Net sales of the acquired business in 2018 was around EUR 8 million
- The total acquisition price is EUR 27.4 million, equates to an EV/EBITDA of 6.1x with cost synergies considered
- The full extent of the cost synergies will be realised from 2020 onwards, consisting mainly of lower network leasing, operating and building costs
- Employees: <20 members of ICT Elmo's staff
- The acquired business will not have a significant impact on DNA's net sales or EBITDA in 2019.
- Acquired business operations are consolidated into DNA as of the beginning of June

A photograph of two young girls running outdoors. The girl in the foreground is wearing a red top and denim overalls, smiling broadly. The girl behind her is wearing a pink and white striped tank top. They are holding hands and running towards the right. The background is a blurred outdoor setting with trees and a building.

Financial review

Positive development in January-June financial KPI's

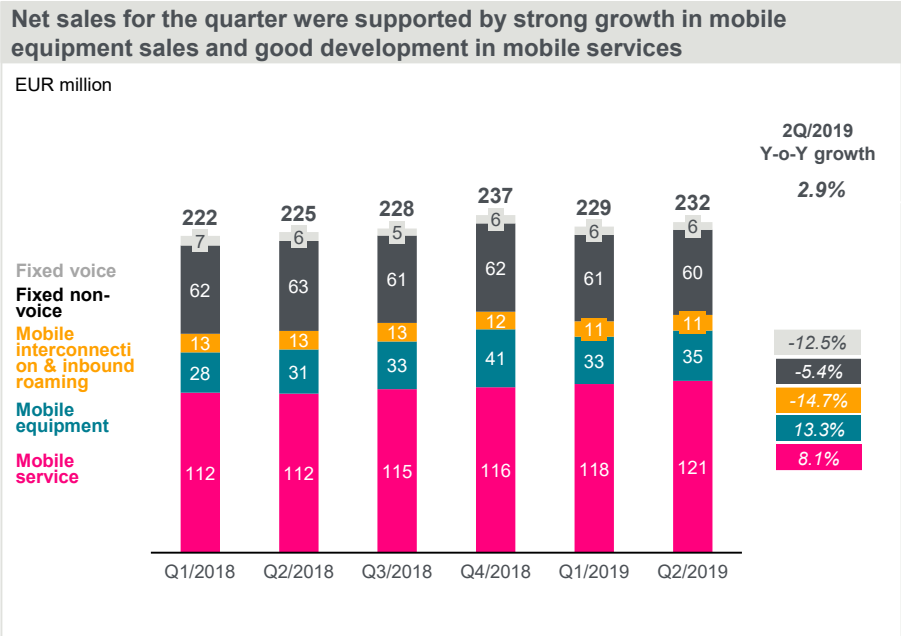
EUR, million	4-6/2019	4-6/2018	Change %	1-6/2019	1-6/2018	Change %	1-12/2018
Net sales	232.0	225.0	3.1%	460.9	447.3	3.0%	911.8
EBITDA	77.8	72.6	7.2%	153.9	143.3	7.4%	284.9
% of Net Sales	33.6%	32.3%		33.4%	32.0%		31.2%
Operating Result	35.7	36.0	-0.8%	70.5	71.2	-1.0%	138.9
% of Net Sales	15.4%	16.0%		15.3%	15.9%		15.2%
Net Result	26.2	27.0	-3.1%	51.4	51.4	0.0%	102.2
% of Net Sales	11.3%	12.0%		11.2%	11.5%		11.2%
Operative Capex	23.7	30.6	-22.8%	42.0	46.1	-9.0%	133.9
% of Net Sales	10.2%	13.6%		9.1%	10.3%		14.7%
Operating FCF ¹	54.2	42.0	29.2%	111.9	97.1	15.3%	151.0
Net Debt				607.5	418.9		379.3
Net Debt / EBITDA	1.95	1.44		1.97	1.46		1.33

Notes

1. Operating free cash flow defined EBITDA minus operative capex



Q2/2019: Mobile service revenue grew 8.1% from the reference period



- Key highlights in April-June 2019**
- Mobile service revenue grew 8.1% from the reference period
 - The growth was fuelled by an increase in the mobile subscriptions base, by the positive development in mobile broadband services and in the average billing per customer
 - Average revenue per user (ARPU) was EUR 18.6 (18.4)
 - Mobile equipment sales were strong and increased by 13.3%
 - Revenue from fixed voice continued to decline as expected
 - Mobile interconnection revenue decreased due to the decrease in interconnection prices effective since December 2018
 - Fixed non-voice has been impacted in particular by declined sales of pay TV

Demand for mobile services was strong both in Consumer and Corporate business

Q2/2019: Consumer business

Net sales EUR 176.7 million (+4.9%)

- + Net sales were driven by the growth in mobile service revenue and mobile device sales
- Revenue per user (ARPU)¹ remained steady y-on-y and was EUR 20.0 (20.3)

EBITDA EUR 59.6 million (+6.2%)

- + EBITDA was improved as a result of IFRS 16, as well as by an increase in mobile service revenue

Q2/2019: Corporate business

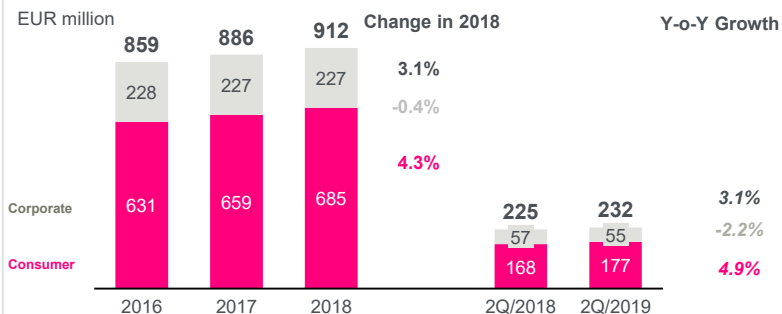
Net sales EUR 55.3 million (-2.2%)

- The decrease in net sales was mainly due to the change in the reporting of Moi Mobiili, which is disclosed under consumer business, as well as the decrease in interconnection charges
- + Corporate customers' mobile ARPU increased y-on-y by 12% and was EUR 13.6 (11.9)

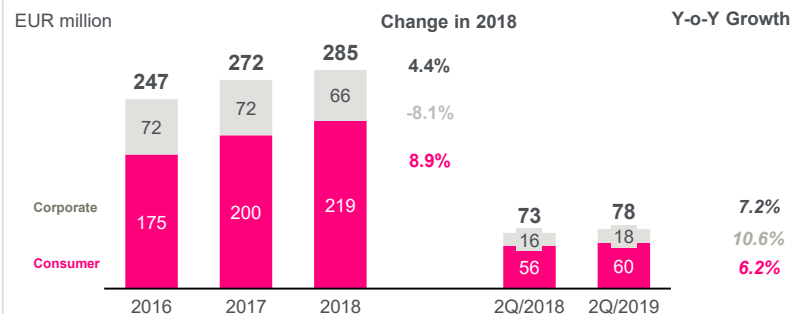
EBITDA EUR 18.2 million (+10.6%)

- + EBITDA was improved by a change in calculation method according to IFRS 16 and by the growth in mobile service revenue

Consumer and corporate net sales, EUR million



Consumer and corporate EBITDA, EUR million



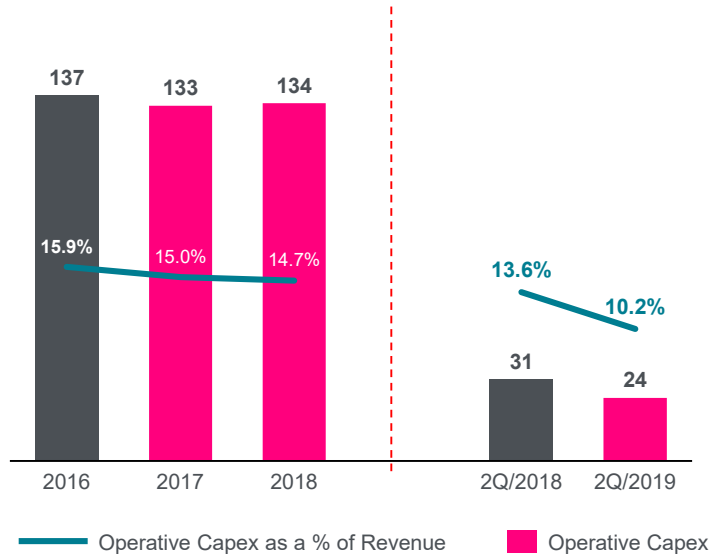
Notes

1. Consumer mobile postpaid handset subscription ARPU

Operative CAPEX was slightly lower compared to the reference period

Operative capex¹ was 10.2% of net sales in April-June

EUR million



Notes

1. Operative capital expenditure is reported capital expenditure excluding cash instalments for spectrum licenses capitalized and lease investments (IFRS 16 impact)

Key highlights in April-June 2019

- Operative capital expenditure was EUR 23.7 million (30.6), or 10.2% of net sales (13.6%)
- Typical for the first half of the year, operative capital expenditure were on a low level
- We expect the operative capex for the whole year to remain in the same level as in 2018
- Major individual items included in capital expenditure are 4G network capacity expansion and network development towards 5G, fibre optics networks and transmission systems
- Total capital expenditure include in addition to operative capex lease investments (IFRS 16), which was in 2Q/2019 EUR 1.6 million

Operating free cash flow increased from reference period

Cash flow summary				
EUR million	2016	2017	2018	1-6/2019
Comparable EBITDA	247	272	285	154
Operative Capex	(137)	(133)	(134)	(42)
Operating FCF	110	139	151	112
<i>% of net sales</i>	<i>12.8%</i>	<i>15.7%</i>	<i>16.6%</i>	<i>24.3%</i>
<i>Cash Conversion %</i>	<i>44.6%</i>	<i>51.1%</i>	<i>53.0%</i>	<i>72.7%</i>
Interest paid, net	(9)	(9)	(17)	(7)
Income taxes, paid	(5)	(26)	(12)	(15)
Adjusted Change in NWC	(1)	19	(48)	(44)
Change in Provisions	(2)	(5)	(2)	0
FCFE	93	119	72	47
<i>% of net sales</i>	<i>10.8%</i>	<i>13.4%</i>	<i>7.9%</i>	<i>10.1%</i>

Key highlights in January-June 2019

- Operating free cash flow was EUR 111.9 million (EUR 97.1 million)
 - + EBITDA higher year-on-year
 - + Operating FCF increased 15.3% from the reference period
- Free cash flow to equity EUR 46.6 million (in the end of Q1/2019: EUR 15 million)
 - Growth in working capital was mainly due to decrease in trade payables

Low cost capital structure

Weighted average cost of debt decreased: 1.02% (Q1/2019: 1.31%)

	Maturity	Nominal Amount EUR million	Book Value EUR million	Cost of Debt
Unsecured € Bond 1.375% Coupon	Mar-2025	250	243	1.43 %
Unsecured € Bond 2.875% Coupon	Mar-2021	60	60	2.93 %
Bank Loans and Commercial Paper		261	261	0.18 %
Total		571	564	1.02 %
Lease liabilities (IFRS16)			80	
Cash & Cash Equivalents			-37	
Net Debt			608	
Net Debt/EBITDA¹			1.97	

DNA's long-term credit rating (09/2019)

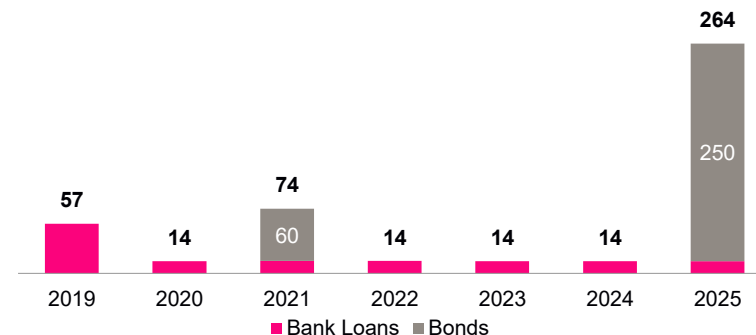
Assigned Rating	BBB+ (S&P)
Outlook	Stable

Notes

1. Defined as net debt divided by EBITDA from the beginning of year (adjusted)

Debt maturity schedule, EUR million

EUR 150 million fully undrawn revolving credit facility providing additional liquidity and financial flexibility

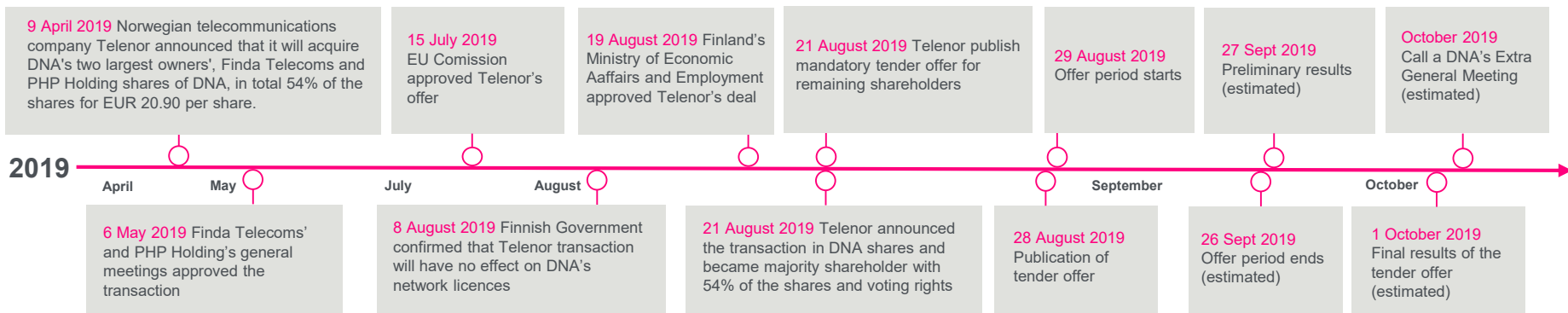


**Strategic cornerstones,
market outlook
and
financial
objectives**



Telenor becomes DNA's majority shareholder

- ✓ Telenor see potential for DNA to continue to grow through its focus on customer satisfaction, strengthening the Corporate business segment, and leveraging on Telenor's global scale and strong position in the Nordic region
- ✓ Telenor's interest in DNA as a majority shareholder is focused on driving shareholder value in a long-term perspective
- ✓ Estimated cost synergies from procurement and roaming and also in best practice sharing
- ✓ Telenor has launched a mandatory public tender offer for all the remaining shares in DNA with cash consideration of EUR 20.90 per share
- ✓ The tender offer will have no immediate material effects on the personnel or management of DNA
- ✓ DNA's board of directors recommends that the shareholders of DNA accept the tender offer (3 September 2019)
- ✓ Offer price has a premium of approx. 7.4% compared to the closing price on 8 April 2019, the last trading day prior to the original disclosure date; and a premium of approx. 21.3% compared to the volume-weighted average trading price of the Shares on Nasdaq Helsinki during the three-month trading period prior to and when adjusted for the cash dividend of EUR 1.10 per share



We are on track to achieve our strategic objectives



**The most satisfied
customers**



**Excellent
employer**



**Industry-leading
financial
development**



**Faster than
average market
growth**

Market outlook for 2019

The Finnish economy will continue to expand, but growth has passed its cyclical peak. (the Bank of Finland)

We expect the mobile network service market growth to moderate and competition to remain intense for mobile communication services.

The share of 4G subscriptions is expected to grow, but at a more moderate rate. The number of high-speed 4G subs. and mobile data usage per subscription increases.

The SMS and voice revenue in the mobile communication network is forecasted to continue decreasing.

Demand for fast broadband and entertainment services is expected to increase driven by the popularity of streaming and on-demand video services.

The demand for traditional pay-TV services is expected to decline.

The demand for Industrial Internet solutions, and subsequently for M2M* subscriptions, is expected to grow. The role of data security gain in importance.

DNA sees fixed wireless broadband access as the first application to strongly benefit from 5G technology. 5G devices are expected to be launched during 2019.

*Machine to Machine

Financial objectives and dividend policy

DNA financial guidance for 2019

- DNA's net sales are expected to remain at the same level as in 2018, and EBITDA is expected to increase substantially from 2018. DNA's financial position and liquidity are expected to remain at a healthy level.

DNA's guidance for 2019 is disclosed with consideration to the impact of the adoption of IFRS 16. The adoption of IFRS 16 from the beginning of 2019, is estimated to have EUR 17 million positive impact on EBITDA in 2019. The impact of IFRS 16 on operating result (EBIT) is insignificant.

Mid-term financial targets

- Net sales growth – faster than average market growth
- EBITDA margin of at least 34%, including IFRS16 impact
- Operative capital expenditure¹ less than 15% of sales

Leverage policy

- Net debt/EBITDA less than 2.0

Can be temporarily exceeded in case of potential attractive bolt-on in-market M&A opportunities

Dividend policy

- DNA's goal is to pay a growing dividend or by other means to return capital equalling 80-100% of the net profit for the period. In addition, the Board may consider the distribution of excess profit to shareholders for a specific financial period
- DNA paid a dividend of EUR 0.70 per share and an extra dividend of EUR 0.40 per share from 2018
- In total EUR 1.10 per share, 6.4% payout ratio (as of number of shares and closing price of 31 Dec 2018)
- Total payout in April was EUR 145.4 million

Notes

1. Operative capex is capital expenditure excluding spectrum license payments and lease investments (IFRS16 impact).

Thank you!

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Appendices

- ✓ Operational and financial KPI's
- ✓ IFRS 16 impact
- ✓ Subscription prices
- ✓ Introduction for Consumer business
- ✓ Introduction for Corporate business
- ✓ Corporate responsibility and sustainability
- ✓ IR contact information



KPI Overview

Mobile KPIs

	2016	2017	2018	2Q/2018	2Q/2019
Mobile Revenue (EUR million)	539	586	640	156	167
Service	375	420	454	112	121
Equipment Sales	111	114	134	31	35
Interconnection & Inbound Roaming	53	52	52	13	11
Mobile Subscriptions (000s)¹	2 742	2 811	2 877	2 827	2 807
Postpaid	2 338	2 418	2 480	2 441	2 506
Prepaid	404	392	397	386	300
Consumer	2 262	2 252	2 287	2 253	2 264
Corporate	480	559	590	574	543
ARPU, Mobile Handset Subscriptions (EUR/month)²					
Postpaid	17.1	18.4	18.7	18.4	18.6
Prepaid	3.8	3.8	3.9	3.5	4.5
Consumer (postpaid)	18.0	19.6	20.3	20.3	20.0
Corporate (postpaid)	13.9	13.8	13.2	11.9	13.6
Annualised Mobile Handset Subscriptions Churn (%)					
Postpaid	16.1%	18.3%	16.2%	15.4%	13.7%

Fixed KPIs

	2016	2017	2018	2Q/2018	2Q/2019
Fixed Revenue (EUR Million)	320	300	272	69	65
Non-Voice Revenues	288	273	248	63	60
Voice Revenues	32	28	24	6	6
Fixed Broadband Subscriptions (000s)	440	458	481	470	530
Consumer	403	423	447	435	494
Corporate	37	36	34	35	35
Fixed Voice Subscriptions (000s)	65	53	41	45	36
Consumer	30	25	21	23	18
Corporate	35	29	20	22	18
Cable-TV Subscriptions (000s)	608	619	630	622	661

Notes


1. Excludes M2M subscriptions
 2. Includes interconnection revenues
- *Including IFRS 15

IFRS 16 impact on DNA's Income Statement and Balance Sheet in 2019

Impact of IFRS 16 is mainly coming from long-term leasing contracts of premises, equipment facilities and leasing cars
 → Instead of leasing expenses, depreciation and interests will be recorded into the income statement:

- Liabilities increase about EUR 81 million and property, plant and equipment about EUR 84 million
- EBITDA, positive impact of about EUR 17 million
 - Depreciation increase about EUR 17 million
 - Finance expenses increase about EUR 1 million
- Net debt/EBITDA ratio will deteriorate about 0.2
- Investments will increase about EUR 8 million.
IFRS 16 won't have an impact on operative capex.

EUR, million	2019
Net sales	
Other operating expenses	-17
EBITDA	17
Depreciation, amortisation and impairments	17
Operating result, EBIT	0
Financial expenses	1
Net result before income tax	-1



Examples of DNA mobile subscription prices

DNA Max 4G Rajaton (Fastest)

Monthly fee	EUR 49,90/month
Data transfer speed	4G maxim speed in Finland
EU-data package	20 Gt/month
Domestic data and calls	unlimited
Domestic text & multimedia messages	unlimited

DNA Super 4G Rajaton

Monthly fee	EUR 39,90/month
Data transfer speed	300 Mbit/s (4G in Finland)
EU-data package	15 Gt/month
Domestic data and calls	unlimited
Domestic text messages	unlimited

DNA Nopea 4G Rajaton Plus

Monthly fee	EUR 34.90/month
Data transfer speed	150 Mbit/s (4G in Finland)
EU-data package	10 Gt/month
Domestic data and calls	unlimited
Domestic text messages	unlimited

DNA Nopea 4G Jämpä

Monthly fee	EUR 26.90/month
Data transfer speed	100 Mbit/s (4G in Finland)
EU-data package	10 Gt/month
Domestic & in EU /ETA area calls	EUR 0.07 / min
Domestic & in EU /ETA area text & multimedia messages	EUR 0.07 / pc

DNA Rajaton

Monthly fee	EUR 24,90/month
Data transfer speed	1 Mbits/s
EU-data package	10 Gt/month
Domestic data and calls	unlimited
Domestic text & multimedia messages	unlimited

DNA Jämpä

Monthly fee	EUR 12.90/month
Data transfer speed	1 Mbit/s
EU-data package	5 Gt/month
Domestic & in EU /ETA area calls	EUR 0.07 / min
Domestic & in EU /ETA area text & multimedia messages	EUR 0.07 / pc

DNA Puhe Plus

Monthly fee	EUR 7,90/month
Data transfer speed	0,256 Mbit/s
EU-data package	2 Gt/month
Domestic & in EU /ETA area calls	EUR 0.07 / min
Domestic & in EU /ETA area text & multimedia messages	EUR 0.07 / pc

Notes

*Updated 12 September 2019

Consumer business

(75% OF NET SALES IN 2018)

- 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
- The increased adoption of smart phones, tablets and other smart devices as well as the wider availability of 4G speeds significantly boosts 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, introduce easy-to-use services needed by customers. Our customer service metrics have shown positive development in 2018 and DNA Store received record-high scores in NPS.

Mobile communications

Our extensive and fast 4G network makes us well-equipped to provide our customers with increasingly faster, high-quality connections. Our ARPU has strengthened in particular because DNA's customers switch to faster 4G subscriptions. We will start to offer 5G services during 2019 when 5G devices become to the market.

Entertainment Business

We want it to be easy for everyone to find the entertainment content they want, regardless of the technology or devices. While traditional TV viewing minutes decreased, the use of streaming and on-demand video services continued to grow.

Fixed broadband

Households are increasingly using both fixed-network and mobile broadband. DNA's fixed-network broadband subscription base grows steadily and the base increased by 23 000 subscriptions in 2018.

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 in 2018, amounting to EUR 685 million. Net sales were driven by the increasing demand for mobile services as well as good mobile device sales.

Corporate Business

(25% OF NET SALES IN 2018)

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

Mobile Network and Communications Services

Enterprise Network Services

Enterprise Network Security

Enterprise Network Solution

IoT – Smart Connectivity

STRENGTHS

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

GROWTH DRIVERS

- The digitalisation of businesses and increasing use of cloud services require fast and high-quality network services
- The Industrial Internet and IoT require more intelligent controlling and new technologies

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, fast and reliable network

High-quality networks are playing increasingly important role in the ecosystem of machines, information and people as the volume of data traffic is increasing. The network must be reliable and suited to the company's needs.

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.

Industrial Internet

DNA introduced new DNA Connectivity IoT service developed with Cisco Jasper. With the service DNA's customers can develop and increase their IoT services businesses across both national and international markets.

Net sales remained steady

Net sales in 2018 remained at a similar level year-on-year, amounting to EUR 227 million.

Significant new agreements with enterprises and the public sector

Veikkaus

- A four-year agreement on the delivery of network.
- Measured in terms of the number of business locations, the nationwide gaming network will cover a total of almost 7000 Veikkaus sales outlets.



Sense of Intelligence/Anaxeos

- A three-year agreement on the delivery of M2M-subscriptions.
- With Anaxeos intelligence vest you can measure dog's tracking activity with help of NB-IoT sim cards.



Additional information on corporate responsibility and sustainability

- DNA's corporate responsibility reporting is conducted in accordance with the Global Reporting Initiative (GRI) framework and published annually with the Annual Report
- DNA's Corporate Responsibility Reports are available on our investor website: <https://corporate.dna.fi/reports-and-presentations/#vuosikertomukset-ja-vastuullisuusraportit>
- DNA's Corporate Responsibility Report has been assured by an independent external party
- DNA also reports to the CDP survey in terms of climate performance

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Next events:

- ✓ October 22, 2019: Q3/2019 results webcast
- ✓ November 26, 2019: DNA CMD 2019 in Helsinki
- ✓ December 3, 2019: CMD Briefing in London

