

ELISA CORPORATION STOCK EXCHANGE RELEASE 9 FEBRUARY 2006 AT 8.30 am

ELISA'S OCTOBER-DECEMBER PRE-TAX PROFIT AMOUNTED TO EUR 33 MILLION

- October-December pre-tax profit amounted to EUR 33 million (65). Revenue was EUR 343 million (351). Excluding non-recurring items, the pre-tax profit amounted to EUR 27 million (50).
- Excluding non-recurring items, the EBITDA for the period under review amounted to EUR 89 million, which is slightly better than anticipated
- Compared with the previous quarter, Elisa's number of mobile phone subscriptions, exclusive of MVNOs, increased by approximately 2,300 subscriptions, and the churn decreased further from 27.2 per cent to 22.6 per cent. The total number of subscriptions in Elisa's network was approximately two million.
- During the final quarter the number of broadband subscriptions increased by 39,000 to 385,000 subscriptions at year-end. Together with Saunalahti, the total number of subscriptions reached 420,500.

Elisa's key indicators were as follows:

Income statement EUR million	10-12/2005	10-12/2004	1-12/2005	1-12/2004
Revenue	343	351	1,337	1,356
EBITDA	95 ¹⁾	122 ²⁾	446 ³⁾	455 ⁴⁾
EBIT	38	69	233	242
Profit before taxes	33	65	212	213
Earnings per share, EUR	0.18	0.35	1.22	1.10
Capital expenditures	71	59	204	182

¹⁾ Comparable EBITDA EUR 89 million (capital gain on the divestment of Estera, EUR 6 million)

²⁾ Comparable EBITDA EUR 108 million

³⁾ Comparable EBITDA EUR 346 million

⁴⁾ Comparable EBITDA EUR 441 million

Figures describing the financial position and cash flow:

Financial position	31 Dec 2005	31 Dec 2004
Net debt	293	462
Equity ratio, %	61.7	49.3
Cash flow statement	1-12/2005	1-12/2004
Cash flow after investments	308	225

The Board of Directors will propose to the AGM that a dividend of EUR 0.70 per share be distributed for 2005, which corresponds to approximately 66 per cent of the profit for the financial period. The Group's distributable equity at year-end amounted to EUR 276 million. The Board of Directors further proposes that authorisation be sought to purchase the company's own shares, a maximum of 10 per cent of the share capital.

CEO Veli-Matti Mattila:

"A year of strong market growth for Elisa

The year 2005 was a period of strong market growth for Elisa. We were highly successful in the fierce competition in both the mobile communications and the broadband markets.

In the summer we became the market leader in broadband subscriptions. At year-end, the number of our broadband subscriptions was approximately 385,000, showing a growth of more than 70 per cent on the previous year. Our acquisition of Saunalahti brought us a further 35,000 subscriptions. We improved services in the broadband market by offering higher speeds at the same price.

Elisa's mobile phone subscriptions increased by approximately 100,000 during the year, totalling almost 1.5 million subscriptions at year-end. When Saunalahti became part of Elisa in autumn 2005, the number of mobile phone subscriptions in Elisa's network reached almost two million. Together, Elisa and Saunalahti form a strong Finnish player in the ICT market.

Competition with prices reached its peak in early autumn 2005. After that the price competition slowed down and the focus has shifted to competition with new services. The entry into force of a new Act in April, which will allow service packages including both handsets and services, gives us good opportunities for offering new services. Finland will have the opportunity of regaining its place at the leading edge of development of mobile communications services.

Elisa will continue to streamline and boost the efficiency of its operations in order to be able to offer an even better service. We also expect to see a marked improvement in revenue and operative profitability on the previous year."

ELISA CORPORATION

Vesa Sahivirta
Director, IR and Financial Communication

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Financial report 1 January to 31 December 2005

As of 1 January 2005, the Finnish Accounting Standards (FAS) were replaced by the International Financial Reporting Standards (IFRS) in Elisa Corporation's consolidated reporting.

This financial statement has been prepared in accordance with the IFRS booking and valuation principles.

Market situation

The market situation was tight throughout 2005. Prices continued to fall for the average call/minute rate in the mobile phone business, and subscriber usage increased. The year saw several marketing campaigns offering low-rate voice and SMS services. The number of Elisa's own mobile phone subscriptions continued to develop favourably.

The number of broadband subscriptions in the fixed network business continued to grow strongly, but the decrease in the number of traditional subscriptions and their usage was even stronger than before.

Revenue

	Financial statements	
	1-12/2005	1-12/2004
EUR million		
Mobile communications	740	713
Fixed network	671	654
Other businesses	38	111
Sales between segments	-112	-121
Total	1 337	1 356

The decrease in Elisa's turnover was due to the sale of Comptel, Yomi Software and Estera shares, which were not included in Elisa's core business. The comparable revenue for 2005 improved slightly on the previous year.

The revenue from the mobile phone business was affected by an increase in the number of subscriptions in Elisa's network, growth in usage of the subscriptions and the increase in traffic generated by Saunalahti's subscribers. Revenue growth was curtailed by reduced interconnection fees and consumer prices. Revenue growth in the fixed network business was attributable to the acquisition of a new subsidiary, Tikka Communications, and growth in the broadband business.

Performance

	Financial statements		Exclusive of non-recurring items	
	1-12/2005	1-12/2004	1-12/2005*	1-12/2004**
EUR million				
Mobile communications				
EBITDA	220	227	190	227
EBITDA, %	30	32	26	32
EBIT	130	138	100	138
Fixed network				
EBITDA	160	201	156	201
EBITDA, %	24	31	23	31
EBIT	45	91	41	91
Other business and corporate functions				
EBITDA	66	27	0	13
EBIT	58	12	-8	-2
Total				
EBITDA	446	455	345	441
EBITDA, %	33	34	26	33
EBIT	233	242	132	227

* Capital gain on the divestment of Yomi Software, EUR 4 million; compensations for damage in interconnection traffic, EUR 28 million; capital gain on real estate, EUR 15 million; capital gain on the disposal of Comptel shares and the related impact on earnings, EUR 40 million; IFRS adjustment relating to the transfer of pension liabilities, EUR 13 million; provision for reorganizing operations, EUR -6 million; and capital gain on the sale of Estera, EUR 6 million.

** EUR 9 million capital gain on real estate and EUR 5 million revenue recognition due to a change in the calculating principles of the pension provision

Elisa's EBITDA decreased by 2 per cent from the previous year, and relative profitability decreased by one percentage point to 33 per cent of the revenue. EBITDA for 2005 included a capital gain on the divestment of Yomi Software Ltd and Estera, a tax-free capital gain on the disposal of Comptel shares, compensation for damages received from TeliaSonera and capital gain on real estate. Thus the relative profitability, excluding non-recurring items, decreased from 33 to 26 per cent. This was affected by the price erosion in mobile communications consumer and interconnection traffic fees and diminished traffic volumes in the fixed network, frontloading of costs in the broadband business and market investments.

The Group's other financial income and expenses totalled EUR -22 million (-30). The financing income also included the share of the associated companies' results, EUR 1.2 million (1.3). The reduced financing expenses were mainly due to a significant decrease in interest-bearing liabilities.

Income taxes in the income statement amounted to EUR -34 million (-53). The Finnish tax base was altered from 29 per cent to 26 per cent at the beginning of 2005.

The group's January-December results after taxes and minority interests stood at EUR 176 million (152). The group's earnings per share (EPS) amounted to EUR 1.22 (1.10). At the end of 2005, the group shareholders' equity per share stood at EUR 8.06 (6.23 at the end of 2004).

Changes in corporate structure

Elisa sold the entire share capital of Yomi Software Ltd, a 100 per cent subsidiary of Elisa, to Sysopen Digia Plc. The selling price was EUR 12.1 million, and Elisa was also released from a EUR 1.5 million debt liability.

Elisa and IBM signed an agreement on the allocation of Elisa's application management services to IBM as of 1 April 2005. On the same date, 150 Elisa employees transferred to IBM.

The merger of Liedon Puhelin Oy with Lounet Oy was entered in the trade register on 31 March 2005. Elisa previously owned 16.8 per cent of Liedon puhelin. Following the merger, Elisa's holding in Lounet decreased from 50.2 per cent to 46.7 per cent. Lounet is consolidated in Elisa as a group company based on a rule of vote.

The merger of Kestel Oy and Kesnet Oy with Elisa was entered in the trade register on 31 March 2005, the merger of Finnet International Ltd on 31 May 2005 and the merger of Elisa Matkapuhelinpalvelut Oy on 31 December 2005.

On 29 April 2005, Elisa submitted a public tender offer for the shares of Tikka Communications Oy. In May, Elisa's holding in the company exceeded 50 per cent, after which Tikka Communications Oy was consolidated as a subsidiary as of 1 June 2005. Elisa acquired a 100 per cent holding in the company by mid-December.

Elisa's ownership of Comptel Corporation decreased from 58.1 per cent to 19.9 per cent after Elisa sold 40,946,000 Comptel Corporation shares to investors for EUR 65.1 million at the end of May. Comptel Corporation was consolidated as a subsidiary until 31 May 2005.

On 1 June 2005, Elisa sold its 35 per cent holding of Racap Solutions Oy to Capgemini Finland Oy.

On 27 June 2005, Elisa sold a 55.1 per cent stake in Lippupiste Oy's share capital to Interavanti Oyj and a 25 per cent stake to Cardplus Oy. Elisa still has a 19.9 per cent holding in Lippupiste Oy, which the buyers have agreed to purchase from Elisa after a period of two years.

As of 1 July 2005, Elisa transferred its personnel's statutory pension coverage to Varma Mutual Pension Insurance Company and supplementary pensions to Sampo Life Insurance Company Limited.

On 7 July 2005, Elisa made a public tender offer for all shares issued by Saunalahti Group Oyj and a bid to Saunalahti option holders. Elisa's ownership of Saunalahti Group Oyj stood at approximately 97 per cent at the end of the year. In order to acquire all Saunalahti shares, Elisa made a redemption offer on all remaining shares and share options. Simultaneous with the redemption offer, Elisa initiated compulsory acquisition proceedings for minority shareholders in accordance with the Finnish Companies Act. The proceedings ended on 13 January 2006 at 4.30 pm. Elisa has initiated arbitration proceedings in

accordance with the Finnish Companies Act in relation to the redemption of the Saunalahti Group Oyj shares.

On 4 November 2005, Elisa sold the entire share capital of Estera Oy, a security business company, to ISS Security Oy. In connection with the sale, Estera Oy sold part of its business to its operative management.

On 30 November 2005, Elisa sold the entire share capital of Kiinteistö Oy Espoon Keilasatama 5, which was formerly used by Radiolinja, to Local Government Pensions Institution. The sold property is not included in the holdings that are in line with Elisa' strategy.

Mobile communication business

	9-12/2005	9-12/2004	1-12/2005	1-12/2004
Total number of subscriptions (Finland and Estonia)	2,228,101	1,609,015	2,228,101	1,609,015
Number of subscriptions in Finland *	1,962,101	1,383,515	1,962,101	1,383,515
- Network operator in Finland **	1,483,129	1,383,515	1,483,129	1,383,515
- Saunalahti subscriptions	478,973	-	478,973	-
Subscriptions in Estonia	266,000	225,500	266,000	225,500

* Elisa's network operator in Finland

** Elisa's network operator in Finland, exclusive of Saunalahti

Operative figures in Finland, exclusive of Saunalahti				
Revenue/subscription*** (ARPU), €	30.4	37.0	32.5	37.8
Churn***, %	22.6	38.9	28.4	33.7
Usage, million minutes*	1,070	659	3,509	2,498
Usage, min/subscription/month***	180	161	172	156
SMS, million msg*	275	154	827	537
SMS, msg/subscription/month***	40	38	38	34
Value-added services/revenue, %	17	14	16	14

* Elisa's network operator in Finland

*** Elisa's service operator in Finland, exclusive of Saunalahti

Elisa's network operator significantly increased the number of its subscriptions during the year as Saunalahti shifted its subscriptions to Elisa's network. At the end of 2005 Elisa's network stood at approximately two million subscriptions. Exclusive of Saunalahti subscriptions, the number of Elisa subscriptions stood at 1,483,129, showing an increase of 2,335 subscriptions from the previous quarter.

In 2005 the call minutes per subscription of Elisa's own service operator rose by approximately 10 per cent and the number of SMS messages increased by approximately 12 per cent on the previous year. The call minutes of the network operator rose by 40 per cent and SMS messages by 54 per cent. The increased volume of the network operator was substantially affected by additional traffic generated by Saunalahti after 1 September 2005.

Revenue per subscription (ARPU) decreased by approximately 14 per cent on the previous year. This was mainly due to a fall in interconnection fees and consumer prices.

The business operations of Elisa's subsidiary in Estonia were favourable. Revenue was EUR 88.1 million (75.3), EBITDA EUR 27.9 million (22.5) and EBIT 18.5 million (13.2). The number of subscriptions stood at 266,000 (225,500) at the end of 2005.

Elisa agreed on new mobile interconnection fees with TeliaSonera Finland and Finnet Networks. As of 1 June 2005, Elisa's mobile interconnection fee was reduced to 8.4 cents per minute, compared to 10 cents per minute prior to this date.

Elisa announced the launch of the Vodafone Push Email service, which will make sending and receiving email with a mobile phone easier.

Elisa and Nokia introduced a new mobile communications concept, which integrates the handset and services into one package. Elisa's Mobi menu gives users easy access to value-added and entertainment services as well as the main features of the mobile phone.

Elisa introduced the citizen certificate on a GSM SIM card for its customers. The service is provided in collaboration with the Population Register Centre and offers consumers easy, safe and user-friendly access to electronic services.

Fixed network business

Number of subscriptions	31 Dec 2005	31 Dec 2004	Change, %
Broadband subscriptions, total	420,465	250,390	68
- Elisa subscriptions	384,909	222,307	73
- Saunalahti subscriptions	35,556	28,083	27
ISDN channels	128,665	159,591	-19
Cable TV subscriptions	214,054	198,447	8
Analogue and other subscriptions	578,002	639,202	-10
Subscriptions, total	1,305,630	1,219,547	7

The demand for Elisa's broadband subscriptions continued briskly throughout 2005. The number of subscriptions showed an increase of 73 per cent on the previous year. Elisa achieved market leadership in the Finnish broadband market.

The target set in the national broadband strategy – one million subscriptions – was exceeded in June. The number of traditional subscriptions continued to decrease steadily as voice calls shifted to the mobile communication networks and data transfers to broadband subscriptions.

Changes in the pricing principles applied to calls made from the fixed network to mobile phones took effect at the beginning of March. This made it possible to reduce the price of these calls for end customers.

Personnel

The average number of personnel at Elisa was 4,989 (5,590) during 2005. At the end of 2005, the number of personnel stood at 4,681 (5,376).

	31 Dec 2005	31 Dec 2004	Change, %
Mobile communications	1,629	1,477	+10
Fixed network	3,001	3,015	-0
Other business operations	-	814	
Corporate functions	51	70	-27
Total	4,681	5,376	-13

During the year, the disposal of Comptel reduced the number of personnel by approximately 420, the disposal of Estera by approximately 160 and the disposal of Yomi Software by approximately 260. The consolidation of Tikka Communications and Saunalahti increased the number of personnel by approximately 260 people for each company.

Elisa executed a major business reorganisation in spring and summer 2005. It was further specified at the year-end. As part of extensive streamlining measures, Elisa initiated a reorganisation of operations, aiming at simplifying and rationalising operations. This led to outsourcing and a need for fewer personnel. Reductions in the number of personnel were achieved through pension arrangements and support packages.

Investments

EUR million	1-12/2005	1-12/2004
Capital expenditures, of which	204	182
- mobile communications business	86	68
- GSM leasing liability buy-backs	4	20
- fixed network business	112	88
- others	2	6
Shares	415	61
- of which achieved through an exchange of shares	361	47
Total	619	243

Financial position

Elisa's financial position and liquidity remained good throughout the year. At the end of the year cash flow after investments amounted to EUR 308 million (225). This was particularly affected by divestment of non-core businesses, loan receivables and fixed assets, and compensations for damages received.

On 17 June 2005, Elisa entered into a seven-year EUR 170 million revolving credit facility. The facility replaced a comparable arrangement that Elisa had entered into in June 2003.

Before shifting Elisa's TEL pension liabilities to Varma Mutual Pension Insurance Company, Elisa repaid EUR 64 million in pension loans to the Elisa Group's Pension Fund ahead of schedule.

On 7 November 2005, Elisa updated the EMTN programme in compliance with the new directive requirements.

Financial key indicators

EUR million	31 Dec 2005	31 Dec 2004
Net debt	293	462
Gearing, %	21.7	50.6
Equity ratio, %	61.7	49.3
	1-12/05	1-12/04
Cash flow after investments	308	225

Valid finance arrangements

EUR million	Maximum amount	In use on 31 December 2005
Committed credit limit	170	0
Commercial paper programme ¹⁾	150	0
EMTN programme ²⁾	1,000	452

1) The programme is not committed

2) European Medium Term Note programme, not committed.

Long-term credit ratings

Credit rating agency	Rating	Outlook
Moody's Investor Services	Baa2	Stable
Standard & Poor's	BBB	Negative

Share

At the end of 2005 the company's total number of shares was 166,066,016 (141,989,109). The market capitalisation on 31 December stood at EUR 2,596 million (1,682).

In 2005 a total of 248.3 million shares were traded on the Helsinki Stock Exchange for an aggregate of EUR 3,464 million. The exchange was 171.5 per cent of the number of outstanding shares.

Elisa did not have any valid warrants on 31 December 2005.

Treasury shares

At the end of 2005 the total number of Elisa's shares owned by the subsidiaries was 180,000 (210,672 at the end of 2004). The nominal value of the shares totalled EUR 90,000, and their proportion of the share capital and voting rights was 0.11 per cent.

Research and development

The group invested EUR 8 million (17) in research and development in 2005. Important research trends included IP technologies, development of terminals and service-oriented architecture. Customer-centred R&D is of key importance in developing new services. As a

measure of enhancing customer-centeredness, the R&D unit was relocated in to the business units.

Elisa's Extraordinary General Meeting

On 5 December 2005, Elisa Corporation's Extraordinary General Meeting resolved to pay an extra dividend of EUR 0.40 per share in accordance with the Board of Director's proposal. The number of members at the company's Board of Directors was also increased by two to eight members. President and CEO Lasse Kurkilahti and attorney Matti Manner were elected new members. Voting limitation was removed from the Articles of Association.

The Board of Directors' authorisations

On 14 March 2005 the Annual General Meeting approved the Board of Directors' proposal authorising the Board of Directors to decide on increasing the company's share capital. The authorisation is valid for one year. A maximum aggregate of 28.3 million of the company's shares can be issued, and the company's share capital can be increased by a maximum of EUR 14,150,000 in total.

The Annual General Meeting approved the Board of Directors' proposal concerning the authorisation to acquire and assign own shares. The authorisation applies to a maximum of 6,888,000 own shares.

The Annual General Meeting adopted the Board of Directors proposal concerning the sale of shares in the joint book-entry account in accordance with Chapter 3a, section 3a of the Finnish Companies Act.

Directed issue

On 7 July 2005, Elisa made a public tender offer for all shares issued by Saunalahti Group Oyj. The consideration offered by Elisa in the tender offer was 1 Elisa share for 5.6 Saunalahti shares. The calculated total value of the consideration offered by Elisa was approximately 27 per cent higher than the average volume-weighted price of the Saunalahti shares traded in the previous 12 months. Elisa also made an offer to Saunalahti option holders, offering EUR 1.53 in cash for each share option of the 2002 option programme, and EUR 1.82 in cash for each share option of the 2003 option programme. The calculated total amount of the consideration offered by Elisa was approximately EUR 320 million at the time of the offering.

Following Elisa's tender offer for Saunalahti shares and share options, which ended on 4 November 2005, Elisa's proportion of Saunalahti shares and voting rights exceeded two thirds (2/3) of the voting rights of Saunalahti shares. On 11 November 2005 Elisa decided to complete the public tender offer, and the right of ownership to Saunalahti shares was transferred to Elisa on 14 November 2005. By the end of 2005 Elisa held approximately 97 per cent of Saunalahti shares and voting rights.

On 12 December 2005, Elisa made a redemption offer for Saunalahti shares and share options. The offer expired on 13 January 2006 at 4.30 pm. Simultaneous with the redemption offer, Elisa initiated compulsory acquisition proceedings for minority

shareholders in accordance with the Finnish Companies Act to acquire all Saunalahti shares.

Major legal issues

Elisa and TeliaSonera agreed to abandon the legal proceedings regarding the claim for restitution and compensation of mobile interconnection fees and the patent action brought on by TeliaSonera. As part of the overall solution, TeliaSonera Finland paid Elisa EUR 30 million in compensation. Elisa also reached an agreement over mobile interconnection fees regarding Finnet Networks, and paid Finnet Networks EUR 2 million in compensation. In the beginning of 2006, Finnet Verkot initiated arbitration proceedings concerning Saunalahti interconnection fees.

In the redemption proceeding regarding the merger of Yomi Plc, the arbitration court set the redemption price at EUR 7.30 per share. The redemption concerned 636,294 former shares of Yomi Plc. The handling of the matter with regard to 428,600 shares is continuing in the district court.

The Helsinki District Court issued a ruling in favour of Elisa and dismissed the action for annulment of the decision taken at Elisa Matkapuhelinpalvelut Oy's (previously known as Oy Radiolinja Ab) Annual General Meeting in the spring of 2000. The plaintiffs have appealed against the decision. The merger of Elisa Matkapuhelinpalvelut Oy with Elisa was entered in the trade register on 31 December 2005.

With regard to the redemption procedure of Oy Radiolinja Ab's shares pursuant to the Finnish Companies Act, the arbitration court set the redemption price at EUR 7,904.83 in 2001. Processes related to the redemption price concerning 325 shares are still pending.

Elisa has initiated arbitration proceedings pursuant to the Finnish Companies Act aimed at the redemption of Tikka Communications Oy shares. The right of ownership to the shares to be redeemed was transferred to Elisa in December 2005.

Elisa has initiated arbitration proceedings pursuant to the Finnish Companies Act aimed at the redemption of Saunalahti Group Oyj shares. Elisa demands the redemption price be set at EUR 2.29 per share. The redemption price concerning approximately 3.8 million shares is pending a decision by the arbitration court.

The public authorities are currently conducting investigations into Elisa concerning the pricing of broadband and fixed network traffic and interconnection fees.

Substantial risks associated with Elisa

The competition in telecommunication business is extremely tight in Elisa's main markets: The competitive situation may affect Elisa's business.

The rapid developments in telecommunications technology may have a significant impact on Elisa's business.

Elisa's main market is Finland, where the number of mobile phones per inhabitant is among the highest in the world. Thus the overall market of mobile subscriptions in Finland

cannot grow significantly. Furthermore, the share of fixed network traffic, which utilises Elisa's fixed network, has decreased in the past few years. These factors may restrict growth potential.

The telecommunications industry is subject to heavy regulation. Elisa and its business are monitored and regulated by several public authorities. This regulation also affects the price level of some products and services offered by Elisa.

Events after the financial period

On 2 January 2006, Elisa and Manpower signed an agreement concerning the outsourcing of the outbound telemarketing services of Elisa's Contact Centers to Manpower Business Solutions Oy from the beginning of February. In connection with the business transfer, 134 employees transferred from Elisa's Contact Centers to Manpower as established employees.

Elisa revised its business model, aiming at enhanced customer-orientation and efficiency in line with Elisa's strategic choices. As part of this effort, Elisa invited some Saunalahti executives to its Executive Board, also rotating other members and redistributing responsibilities.

Outlook for 2006

Competition in the Finnish telecommunications market remains challenging, while the focus is increasingly shifting to services. The use of mobile communications and broadband products continues to increase. Elisa's aim is to further reinforce its position as the leading service supplier.

Elisa's revenue is expected to increase clearly on the previous year. Changes in the operating environment are creating uncertainty concerning the predictability of the company's performance. However, Elisa expects to see an improvement in EBITDA and EBIT excluding non-recurring items in 2006. This will be due to e.g. the synergy benefits created by the Saunalahti deal and Elisa's rationalisation procedures.

Capital expenditures during the year are estimated to total 13 to 15 per cent of the revenue, and cash flow will be clearly positive. Certain non-recurring items related to IT and production system reforms, which will support the "One Elisa" operational model, are scheduled for 2006.

BOARD OF DIRECTORS

Information in this release is based on the company's audited financial statements.
The auditor's report has been given on 8 February 2006.

CONSOLIDATED INCOME STATEMENT

EUR million	10-12 2005	10-12 2004	1-12 2005	1-12 2004
Revenue	343,0	350,8	1 337,3	1 356,0
Other operating income	12,4	16,1	113,9	27,0
Operating expenses	-260,9	-244,9	-1 005,1	-928,2
EBITDA	94,5	122,0	446,1	454,8
Depreciation and amortisation	-56,8	-52,7	-213,2	-213,2
EBIT	37,7	69,3	232,9	241,6
Share of associated companies' profit	0,0	1,4	1,2	1,3
Financial income and expenses	-5,1	-5,9	-22,2	-30,4
Profit before tax	32,6	64,8	211,9	212,5
Income taxes	-4,6	-13,3	-34,1	-53,2
Profit for the period	28,0	51,5	177,8	159,3
Attributable to:				
Equity holders of the parent	27,2	48,5	176,2	151,7
Minority interest	0,8	3,0	1,6	7,6
Profit for the period	28,0	51,5	177,8	159,3
Earnings per share (EUR)				
Basic	0,18	0,35	1,22	1,10
Diluted	0,18	0,35	1,22	1,10
Average number of outstanding shares (1000 shares)				
Basic	153 822	137 570	144 807	137 321
Diluted	153 822	137 570	144 807	137 321

REVENUE BY BUSINESS SEGMENTS

	10-12	10-12	1-12	1-12
EUR million	2005	2004	2005	2004
Mobile	197,3	179,9	739,9	712,8
Fixed Network	173,0	162,0	670,9	653,6
Other Companies	1,5	33,5	38,2	108,4
Unallocated		2,4		2,4
Intra-segment sales elimination	-28,8	-27,0	-111,7	-121,2
Corporation total	343,0	350,8	1 337,3	1 356,0

EBITDA BY BUSINESS SEGMENTS

	10-12	10-12	1-12	1-12
EUR million	2005	2004	2005	2004
Mobile	51,8	56,7	220,1	227,0
Fixed Network	36,8	48,2	159,6	200,7
Other Companies	5,2	7,5	55,8	20,3
Unallocated	0,7	9,6	10,5	6,8
Corporation total	94,5	122,0	446,1	454,8

EBIT BY BUSINESS SEGMENTS

	10-12	10-12	1-12	1-12
EUR million	2005	2004	2005	2004
Mobile	27,1	34,6	129,9	138,1
Fixed Network	3,4	20,8	44,8	91,1
Other Companies	5,2	3,6	47,3	10,2
Unallocated	2,0	10,3	10,9	2,2
Corporation total	37,7	69,3	232,9	241,6

CONSOLIDATED BALANCE SHEET

EUR million	31.12. 2005	31.12. 2004
Non-current assets		
Intangible assets	178,7	68,7
Consolidated goodwill	770,6	473,3
Tangible assets	660,6	724,2
Investments in associated companies	0,4	11,7
Available-for-sale investments	44,2	9,3
Deferred tax receivable	42,5	42,5
Other receivables	10,6	47,6
	1 707,6	1 377,3
Current assets		
Inventories	20,3	15,1
Trade and other receivables	261,8	308,5
Cash and cash equivalents	212,7	162,8
	494,8	486,4
Total assets	2 202,4	1 863,7
Equity attributable to equity holders of the parent	1 337,3	883,5
Minority interest	12,4	31,0
Total equity	1 349,7	914,5
Non-current liabilities		
Deferred tax liabilities	40,6	29,8
Provisions	9,4	21,4
Interest-bearing debt	393,7	593,4
Other non-current liabilities	12,7	10,3
	456,4	654,9
Current liabilities		
Provisions	3,4	3,3
Interest-bearing debt	112,4	31,8
Current liabilities	280,4	259,2
	396,3	294,3
Total equity and liabilities	2 202,4	1 863,7

STATEMENT OF CHANGES IN EQUITY

EUR million	Share		Treasury shares	Other reserves	Retained earnings	Minority interest	Total equity
	Share capital	issue premium					
Total equity at 31.12.2003	69,0	516,7	0,0	3,4	110,0	77,4	776,5
Effects of adopting IFRS			-24,7			-4,1	-28,8
Restated balance at 1.1.2004	69,0	516,7	-24,7	3,4	110,0	73,3	747,7
Investments in subsidiaries					1,1	-37,1	-36,0
Available for sale investments				-0,4			-0,4
Other changes					-12,0	0,3	-11,7
Items recognised directly in equity				-0,4	-10,9	-36,8	-48,1
Profit for the period					151,7	7,6	159,3
Total recognised income and expense for the period				-0,4	140,8	-29,2	111,1
Dividends						-13,1	-13,1
Issue of share capital	2,0	13,7		31,5			47,2
Sales of treasury shares			21,6				21,6
Total equity at 31.12.2004	71,0	530,4	-3,1	34,5	250,8	31,0	914,5
Total equity at 1.1.2005	71,0	530,4	-3,1	34,5	250,8	31,0	914,5
Sales of subsidiaries						-15,8	-15,8
Investments in subsidiaries			-0,2			-0,2	-0,4
Available for sale investments				34,7			34,7
Other changes					3,7		3,7
Items recognised directly in equity			-0,2	34,7	3,7	-16,0	22,2
Profit for the period					176,2	1,6	177,8
Total recognised income and expense for the period			-0,2	34,7	179,9	-14,4	200,0
Dividends					-123,2	-4,2	-127,4
Issue of share capital	12,0			349,7			361,7
Sales of treasury shares			0,8				0,8
Total equity at 31.12.2005	83,0	530,4	-2,5	418,9	307,5	12,4	1 349,7

RECONCILIATION OF NET PROFIT FOR COMPARISON PERIODS 2004

EUR million	10-12 2004	1-12 2004
Profit for the period before minority interest according to FAS	38,3	113,9
Effects of adopting IFRS:		
Reversal of goodwill amortisation	10,9	44,6
Employee benefits	7,1	10,7
Finance leases	-4,3	-9,6
Financial instruments	0,0	0,5
Income tax	-0,5	-0,8
IFRS adjustments, total	13,2	45,4
Profit for the period according to IFRS	51,5	159,3
Attributable to:		
Equity holders of the parent	48,5	151,7
Minority interest	3,0	7,6
	51,5	159,3

RECONCILIATION OF EQUITY FOR COMPARISON PERIODS 2004

EUR million	1.1. 2004	31.12. 2004
Total equity according to FAS	699,1	851,0
Effects of adopting IFRS:		
Reversal of goodwill amortisation		44,6
Employee benefits	-24,0	-13,5
Finance leases	4,7	-4,9
Reversal of revaluations	-11,1	
Financial instruments	0,9	1,1
Other adjustments	1,7	1,6
Income tax	3,2	3,6
IFRS adjustments, total	-24,6	32,5
Equity holders of the parent	674,5	883,5
Minority interest according to FAS	77,4	33,6
IFRS adjustments	-4,1	-2,6
Minority interest	73,3	31,0
Total equity according to IFRS	747,8	914,5

CONSOLIDATED CASH FLOW STATEMENT

EUR million	1-12 2005	1-12 2004
Cash flow from operating activities		
Profit before tax	211,9	212,5
Adjustments to profit before tax	146,9	199,7
Change in working capital	-23,7	4,9
Cash flow from operating activities	335,1	417,1
Received dividends and interests and interest paid	-20,4	-45,8
Taxes paid	-5,1	-16,0
Net cash flow from operating activities	309,6	355,3
Cash flow in investments		
Capital expenditure	-194,9	-171,4
Investments in shares and other investments	-4,1	-10,4
Proceeds from asset disposal	197,4	51,4
Net cash used in investment	-1,6	-130,4
Cash flow after investments	308,0	224,9
Cash flow in financing		
Sales of treasury shares	0,8	6,4
Change in interest-bearing receivables	0,8	24,3
Repayment of long-term debt	-102,4	-110,7
Change in short-term debt	-18,6	-15,3
Repayment of financing leases	-16,7	-21,0
Dividends paid	-122,0	-13,0
Cash flow in financing	-258,1	-129,3
Change in cash and cash equivalents	49,9	95,6
Cash and cash equivalents at beginning of period	162,8	67,2
Cash and cash equivalents at end of period	212,7	162,8

LIABILITIES

	31.12.	31.12.
EUR million	2005	2004
Mortgages, pledges and guarantees		
Mortgages		
For own and group companies	18,7	27,6
Pledges given		
Pledges given as surety	0,9	0,2
Guarantees given		
For others	3,1	
Mortgages, pledges and guarantees total	22,6	27,8
Derivative contracts		
Forward contracts and swap agreements		
Nominal value of underlying instrument		13,5
Leasing contracts and other commitments		
Leasing commitments	14,3	18,3
Repurchase commitments	0,7	1,2
Real estate leases	63,3	77,2
Lease liabilities total	78,3	96,7
Other commitments		
Lease-leaseback agreement (QTE facility)		
Termination risk	23,5	22,8
Total value of the arrangement	171,5	149,8
Other commitments	0,6	9,1

KEY FIGURES

EUR million	10-12 2005	10-12 2004	1-12 2005	1-12 2004
Shareholders' equity/share, EUR			8,06	6,23
Net debt			293,5	462,2
Gearing			21,7 %	50,6 %
Equity ratio			61,7 %	49,3 %
Gross investments in fixed assets	71,3	59,2	204,4	181,8
of which finance lease investments	0,3	4,9	9,5	10,4
Gross investments as % of revenue	20,8 %	16,9 %	15,3 %	13,4 %
Investments in shares,	374,7	52,6	414,8	61,1
of which paid in equity issue	361,2		361,2	47,2
Average number of personnel			4 989	5 590

Formulae for financial indicators

Gearing % $\frac{\text{Interest-bearing debt - cash and cash equivalents}}{\text{Total equity}} \times 100$

Equity ratio % $\frac{\text{Total equity}}{\text{Balance sheet total - advances received}} \times 100$

Net debt Interest-bearing debt - cash and cash equivalents

Shareholders' equity/share $\frac{\text{Equity attributable to equity holders of the parent}}{\text{Number of shares outstanding at end of period}}$

Earnings/share $\frac{\text{Profit for the period attributable to equity holders of parent}}{\text{Average number of outstanding shares}}$