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Marja Mäkinen: Good afternoon, everybody. This is Marja Mäkinen from DNA's Investor Relations, and I would like to welcome you all to this conference call regarding DNA’s January-September 2018 interim result. With me here are DNA CEO Jukka Leinonen and CFO Timo Karppinen. Jukka and Timo will go through the results presentation, which can also be found on our investor website. Just to remind you, we will be making forward-looking statements during the presentation, and we have a disclaimer for that on the second page of the presentation set. And, please note again that you can also ask questions through the webcast page and you can send your questions all the way during the presentation, and we will then take those after the presentation on the Q&A system once we take the questions also from the telephone lines. But let's move to the results presentation. Please, Jukka, we are now ready to start.

Jukka Leinonen: Okay. Thank you, Marja. And, good afternoon, also, on my behalf, to everyone on the call. So, we're going to go through once again the business review highlights of Q3, the key operational KPIs, and also the recap of the strategic targets and market outlook for 2018, and then Timo will continue with the financial review in a more detailed level. So, let's start with the business review.

When we look at the overall result for Q3, it was a very positive quarter for us. Profitability was at an all-time high, and, at the same time, we saw a fairly nice increase in sales. The total net sales increased 4.3%, and at the same time we saw the significant increase in mobile service revenues, which was more than 5.7%. When we look at the sales in more detail, the mobile device sales were up almost 35%, which, of course, is an indication that the demand for the DNA service is increasing heavily from a customer perspective. The mobile service revenue was growing, as I said, at 5.7%, and that was mainly to do with both the increase in market sales of mobile subscriptions, but also the increase in average ARPU compared to last year.

When we look at profitability, of course, the good growth in mobile service revenue affected the EBITDA positively. EBITDA was increasing 5.4%, and the EBITDA margin of 33.5% was an all-time high for DNA. When we look at the other elements in terms of the EBITDA growth, it was also fuelled by the efficiency of our operations. So, we clearly see that the quality of the operations, the increasing usage of online transactions, and also the intensified usage of data analysis capabilities are really showing the efficiency improvements on the operational level. So, all in all, we are very, very happy with the profitability.

Operating result increased 3.4% from the reference period, and that was influenced partly by the fairly low depreciations in the reference period last year when a fairly large portion of the balance sheet assets were depreciated. All in all, we are really happy with the operating results increase.

When we look at the most important operational KPIs, we saw a growth in mobile ARPU that was increasing €0.40 per subscriber, which is the indication of the increasing amount of the more valuable 4G subscriptions, and also we are starting to see more and more migrations from the lower speed 4G into the higher speed 4G. The churn was fairly low. We are happy with the 15.8% churn in Q3. That was at about at the same level as in Q2. This might be a slight indication of the slightly easing competitive environment, even though it was still intense and we saw that the price level for the new sales in Q3 was at about the same level as in Q2.

Subscription base in mobile grew 65,000 from the reference period, and that is of course something which is very good, but especially we are happy with the growth from the end of June. 28,000 new subscribers, from which 15,000 were post-paid, is a result with which we are very, very happy. Also, when we look at the other data services and fixed side, the fixed broadband and cable TV services were also increasing heavily. A total of 32,000 new subscribers compared to the reference period, and this is, of course, an important sign to show that the data use is really the multi-access usage where we are seeing growth, both in mobile and on the fixed side.

When we look at the key figures over a longer period, we can see here very clearly that the revenue growth has been continuing at similar levels to earlier. EBITDA improvement has been continuing at about the same rate we have been seeing in earlier quarters in the last couple of years. Operative capex is slightly up compared to the last year, but this is exactly according to our own targets. You might remember that we have been traditionally having a very high capex in Q4, and now we have been trying to do the investments so that the capex distribution would be more stable from Q1 up to Q4. That has been of course leading to the situation that the operating free cash flow has been at about the same level, slightly decreasing from last year, but this is to do with the fact that we have been now having the investments done in higher intensity in the first three quarters, and we are still saying that the overall total investment level for 2018 is going to be at about the same level than 2017, so that will mean that the operating free cash flow will be then on a full-year level increasing from the levels what we are seeing after three quarters.

When we look at the first nine months total, net sales are almost 4%. I think that this is significant growth when you look at the typical growth generally in Europe, or even in Finland. EBITDA was growing more than 7%, operating free cash flow was at about the same level from the reasons I explained earlier. Net debt per EBITDA decreased to 1.32, so the leverage situation is very good.

From a subscriptions perspective, as I said, there were 65,000 new mobile subscribers. Mobile service revenue was up 7.3% – significant growth – one of the best in the European level. Mobile churn for the nine months was 16.7% – clearly lower compared to the previous year – and fixed broadband and cable TV subscriber base increased by 32,000 subscribers, so those are very nice figures for the total of the first nine months of this year.

When we look at the development of the subscriptions in more detail, we clearly can see that the growth in Q3 was accelerating from the previous quarters, which is very positive and that of course, we believe is the significant indication that our competitiveness in a very competitive market is in good order. When we look at fixed voice, it's decreasing steadily. We are seeing a 25% decrease when we talk about subscriber numbers in one year. Fixed network broadband subscriptions are up 5.3%. We are extremely happy with that result. Also, when we look at our cable TV subscribers, they were up about 1.3% and this of course is important because the cable TV is mainly the base infrastructure for the fixed broadband services, and increasing the coverage on the cable TV side gives us further upselling possibilities for the fixed broadband, and then further into the higher speeds on the fixed broadband.

When we look at the 4G subscription base, there is a steady increase. Now we are hitting the 60% mark in the consumer handset market. Our indication from earlier communications has been that we believe that maybe the achievable penetration in normal migration is something like 80-85%. Correctly, we are increasing our 4G penetration by about 8% per year, so we can clearly see that we still have maybe two to three years in terms of 3G to 4G migration. As we have been saying earlier, we are already starting to see more and more migration and upselling happening within 4G where customers from, for example, 50mbps speeds are increasing to 100mbps and higher. Also, when we look at the smartphone penetration, it's steadily increasing. Effectively all phones sold are smartphones, and that, of course, means that the penetration in the total base is increasing steadily and that is, of course, then creating more demand for the mobile data usage as time goes forward.

Most of the data is transferred in 4G networks, so this is really the platform for the mobile data. The total mobile data traffic volume is up about 30%. Of course, we are here starting to see that the proportional growth is starting to bend downwards. But still, when we talk about the actual terabytes, the growth is significant, and that, of course, means that people are using more and more mobile services, and different services via the mobile devices than earlier.

DNA is in a good position to serve our customers, who are more and more mobile-heavy. They use more and more content applications via mobile. tefficient is a Swedish consulting company that just released a report relating to mobile use per subscriber and, again, DNA was the number one operator in the world in terms of the amount of data used by customers. Almost 20GB per month per customer. And, we are still seeing that growing in August. The average usage in DNA’s network was 21GB, so the growth continues. All in all, we think that this is an indication that our network is in very good quality, and we believe that the quality and ability to transfer the data in the network is a key competitive advantage for DNA, currently, and also in the future.

Churn was fairly low in Q3, at 15.8%, at about the same level as we saw in Q2. As said earlier, we think that this is one indication of the slightly easing competitive environment compared to Q1 this year and Q4 last year. All in all, we see a demand in 4G growing steadily, as said earlier, and one important element here is, of course, that ARPU is increasing, which basically means that we have been avoiding the most intense price competition, and also that we have been able to charge more from the highest speed subscribers, which is our target, clearly. All in all, when we look at the churn figures, I think that this level, which is about 15% or slightly higher, is a fairly normal level compared to what we saw in earlier years, and a significantly lower figure than what we have been seeing in the quarters according to the last two years. So, it’s a positive sign, and as said, may be an indication of a slightly stabilising competitive environment.

When we look at the fixed broadband and cable TV subscribers, as said, there is a very nice development there. 24,000 new fixed broadband subscribers in one year – more than 5% growth in the base – clearly indicates two things. Our platform, which is mainly based on a hybrid fixed coaxial cable platform, already supports 1Gbps per subscriber and is very competitive, very efficient, and, secondly, it clearly indicates that customers are moving more and more into this multi-access way of operating, meaning that they will be needing ultra-high-speed fixed broadband services more and more, and, at the same time, they are using mobile services outside the home or outside the offices. Also, in cable TV, we saw a nice growth of 8,000 subscribers, and maybe the most important thing is that the growth in last quarter was 5,000, so we are also seeing here an acceleration in our ability to capture new customers, which is very positive.

5G is coming fast. A significant event on the 5G front was the 5G 3.5 GHz auction that took place at the end of September. On 1 October, we were basically finalising the auction and we won one of the blocks available at the minimum price of €21 million. So, the auction went exactly according to our own indications and planning. Now, what's going to happen is that we are starting to do the commercial piloting in the first half of next year. We will come out with the more wide commercial offering in the second half of next year, and then we believe that from 2020 onwards, we will start to see more midsize handsets supporting 5G and that will then start to be an era for upselling 4G into 5G. So, we are clearly seeing that the fixed wireless access is the first and most important business case for the 5G, then comes the handset availability increase into this kind of upselling era, and then, of course, a few years from now, we will start to see these new features and functions from 5G. Network slicing, edge computing, low latency, etc., creating new opportunities in remote robotics, automotive, etc., etc. So, clearly, 5G – from our perspective – is a very interesting opportunity to increase the ARPU in the marketplace, create new services, offer high-speed broadband, and create totally new B2B solutions in a purely wireless environment. A very interesting opportunity.

So, all in all, when we look at our core strategy, and the foundation of the company, we have been very successful in our implementation and execution. We are going to continue on that path. So, a team of top experts, clearly high-quality 4G and 5G fibre optic and cable networks and service platforms are at the bottom, and we have been very active in terms of investing in the new IT systems, data analysis capabilities. Online capabilities have been developing very fast, and we believe that even though the multi-channel approach is what we believe in, the clear indication is that the proportional importance of digital channels will be increasing. And also, the way we operate speed-cost effectiveness is something that allows us to turn the revenue into profits, and also it's appreciated by our customers, and we believe that the way of working is one of the competitive reasons why we have been succeeding so well during the last quarters and last years.

When we look at our core targets on a company level, I think that Q3 was also very positive in terms of us reaching all these targets. We have a very good company environment in terms of customer and employee satisfaction. Our customer satisfaction in terms of the NPS figures, customer satisfaction, and lowest churn in the market are indications of happy customers. We clearly have been growing the fastest in the market in terms of organic growth, and we clearly have been developing our profitability faster than our competitors. So all in all, I think that we are really happy with the results related to these targets we have set ourselves.

So now, we go into the market outlook. Clearly, we see no significant changes in the remaining part of the year, so the total economy seems to be remaining at a moderate growth level. Customer confidence, both in B2B and on the consumer side, stays fairly high. We are seeing a continuing growth in the total value of the mobile service market. The demand clearly is there, and we are seeing that there is an increasing need for higher speed mobile services, which, of course, will be giving us opportunities to grow the mobile service revenues. All in all, mobile data usage will continue to grow. Services are more and more OTP services, cloud services, and we are also going to see that the amount of IP-based devices is increasing in the networks, and that, of course, is still increasing the traffic in the network. The traditional SMS, traditional voice, and traditional paid TV markets are declining, but we clearly see that this kind of OTP and cloud transformation, an increase in quality in the content, means that both the consumers and business customers are demanding higher speed, higher quality broadband services, both in a mobile environment and a fixed environment. On the B2B side, we clearly see the industrial internet solutions increasing. Not great breakthroughs at the moment yet, but a lot of piloting. We see that as a coming opportunity, and also, the movement towards the cloud-based services applications and entertainment increases the usage of the high-quality networks.

So, all in all, that is a fairly positive view for the rest of the year at the moment, and we see no big changes in customer demand or market environment for Q4. So, now we jump into the financial review, and Timo Karppinen will continue on a more detailed level. Thank you.

Timo Karppinen: Good afternoon also from my part. Here, the financial result is presented with the IFRS-15 and excluding the 15 impact. Developments here compared to the last year's numbers is without the IFRS-15 impact. So we are now at Page 19, and I will go through the key financial items.

So, in the sales and profitability again, this quarter was the highest in the history of DNA. For the sales explanation, I will go into more detail in the next slide. The EBITDA growth in Q3 was 5.4%, and for the whole year so far, 7.2%. This good growth is a combined impact from continued strong service revenue growth, especially in the mobile service revenue increase of our subscriber base, and then supported by the improvement in our operational efficiency. For example, despite the fact that we had a strong service revenue growth during the year, we have had a reduction in our absolute level of fixed cost base of more than €2 million so far this year.

Operating result growth was 3.4% in Q3 and 12.4% for the whole year. The operating result is EBITDA including depreciation, the depreciation was at a lower level in Q3 2017 when some of the old network items became fully written off, and this had an impact on the comparison to this quarter. We see that the depreciation overall for 2018 is the same level as in 2017. The net result growth of 4.4% this quarter and 11.3% for the whole year, again, is a continuation from the good EBITDA growth and operating result itself, and here we see some decline in our financing expenses, with the help of our refinancing that we did in the first quarter of this year, and that's impacting positively into the result.

The operative capex remained somewhat higher level than in 2017, here we have the impact from the timing of the operating capex as per our plan. This year, they have been more upfronted due to the Q1 and Q3, and the impact here was about 15 million. But the whole year, operative capex will be around the same level as it was 2017. The operating free cash flow was strong, but here we had an impact from the timing of the operating capex, as we explained earlier. We will see the operating free cash flow to grow in Q4 compared to what we had in 2017. Net debt to EBITDA was impacted by the high dividend payment in spring, but remains at the healthy level of 1.32. This is down from 1.45 in Q2.

Then, the revenue split and the explanation on this side. We had a strong development in basically all areas that were contributing to our margin. The mobile service revenue growth for Q3 was about 6%, and about 7.3% for the whole year so far. This is due to the growth in the subscriber base, the continuation of the migration of 2G to 4G customers. The consumer mobile 4G base is now at the 60% level. And then, in addition, we have had growth in upselling into the 4G base itself. ARPU growth continued from the Q2 levels and, compared to Q3 last year, growth was 2%.

Mobile equipment sales was very strong and is up by 35%. The key driver here is our good ability to sell into our subscriber base, and this is also strongly helping the subscription sales itself. Interconnection and roaming was up by 2.1%, and the increase here is coming from the interconnection revenues, as our subscriber base has been growing from the Q3 2017.

Revenues on fixed voice continue to decline as estimated. The fixed non-voice revenue was impacted negatively by the paid TV sales, and here we expect the paid TV market itself alone to decline in the market in total. But, the fixed broadband sales itself has been about the same level as it was about a year ago.

Then, moving onto the segment result. Here, basically all the indicators for consumer business were positive. Net sales was growing by 6.2% and, again, the good sales is driven by the mobile service revenue and the mobile device sales itself. The ARPU increase was 2.3% and ARPU itself was 20.5%. The good result from the service revenue growth is positively impacting EBITDA. Plus, together with the operational efficiency improvements, therefore the EBITDA improvement was 11.4%.

On the corporate side, as explained in the Q2 result, ARPU itself came back at the same level of 13.3% as it was a year ago, and here we see the somewhat negative impact on net sales coming from the fixed voice net sales. The EBITDA was slightly down by 11%, and here the decrease is coming through from the fixed voice service revenue decline, and from the slightly higher cost that we had in the changes of our customer products.

Then, moving on to the operative capex. As explained earlier, we have seen some increase in the capex level in Q3, as we have had overall in the year so far. The operative capex spending so far this year, compared to last year, has been about €15 million higher. But, here we can see, as said earlier, that the operative capex in Q4 is at least this amount lower than it was a year ago. Therefore, the whole year operative capex is at about the same level as it was in 2017.

Then, next, the operating free cash flow. The operating free cash flow overall was about, like I said, the same level as it was a year ago, despite the fact that the EBITDA itself had a significant growth overall. Like I said, the changes in the capex pending in the first three quarters had the impact that the free cash flow itself remained at the same level as it was in 2017, but, like I said earlier, we expect that this operating free cash flow itself grows in Q4 with the help of reduction in the capex compared to the 2017 level.

Then, moving on to the… what's the impact from when you look at the cash flow to equity. Here we have, first of all, two items that are impacting the free cash flow to equity, which is interest and then the network capital change. The interest paid overall is about €10 million higher than it was a year ago, and this is a result of refinancing of the bonds that gave us one of our cost items. The networking capital change increase this year is related to the trade payables increase, which is the result of the high capex investment that we had in Q4 2017. But, the free cash flow to equity improvement in Q2 to Q3 was €27 million and we should expect at least a similar level of improvement happening in Q4.

Then, moving onto the cost of the capital structure itself and the cost of that. Again, with the help of the refinancing that we have done of our own total loan base in the early part of the year, the cost to debt has come down significantly from the level that we had a year ago, and is now at 1.62, where a year ago it was more than 2%. The net debt to EBITDA is at the very strong level of 1.32.

And, then, finally, the financial guidance for this year and our midterm financial targets. As you know, a week ago, we did upgrade our guidance for this year, and now we see both the net sales and operative result are expected to improve somewhat in 2018 compared to 2017, and when looking at the midterm financial guidance overall, we are developing well in all areas in the guidance and this year, and we are actually developing in all aspects of these targets. But, this is the end of my part and we come onto questions.

Marja Mäkinen: Thank you, Jukka and Timo, for the presentations. Operator, we are now ready to take questions from telephone lines, please.

Operator: Thank you, ladies and gentlemen. If you have a question for the speakers, please press 01 on your telephone keypad. There will be a brief pause while questions are being registered. [pause] Our first question comes from the line of Simon Coles from Barclays. Please go ahead, your line is now open.

Simon Coles: Hi, guys. Thanks for taking the questions. I guess the obvious first one is, could you give us your view on how you see competition progressing throughout Q3 and maybe how you've seen it progressing in the last couple of weeks, but also tied to that, how you're able to keep your churn lower than peers, because it's quite dramatically lower at the moment. Then, looking forwards, you obviously upgraded your guidance last week, saying that you're seeing a growing share of the more expensive 4G subscriptions. I assume you're referring to the roaming tariff that you launched last summer. Could you give us an indication of how the uptake of that has been progressing since then, and how it's going today, and what tools are left that continue driving ARPU growth in the market? And then the final question is just on fixed non-voice revenues. The decline there is slowing but it's still quite negative. Earlier this year, you said that we could be approaching a turnaround, I was just wondering if you could give us any more colour on how that's progressing so far. Thank you.

Jukka Leinonen: Okay, thank you, Simon. Maybe I will take the first two questions, and if Timo then answers the roaming issues, or the subscriptions and the fixed non-voice. When we look at the competition, I think that it's a fairly complicated issue of course, but let's say if I try to kind of explain it by two indicators. The other one is that what is basically the selling level of new subscribers, and then churn, and what we have been basically seeing was that in Q4 last year and Q1 this year, we had a fairly aggressive pricing what we saw in the market, and that was leading to the situation that the average sale price of the new subscriptions was lower than what we have been used to, and at the same time, there was a fairly high churn with all the kind of players. What happened in Q2 was that we clearly saw a decline in churn, and we also were seeing a somewhat higher selling price as an average for the new sales, and therefore we can say that the situation has been improving starting from Q2 compared to Q4 last year and Q1 this year, and we are not seeing any – let's say – significant changes from Q2 to Q3, so I could say that the competitive situation is at about the same level as what we saw in Q2, but it's clearly better than what we have been experiencing in Q1 and Q4 last year.

Then, when we look at the churn, you pointed quite rightly to us having a fairly low churn, and that is, of course, very important for us. We have been earlier saying that when we talk about the net additions and net growth in our subscribers, we are clearly seeing that the most important element in terms of the net additions is larger, so we don't want to be too aggressive on the kind of cross-sale or new sale market, we are defending of course our customer base, we will be responding to whatever campaigns or price levels or competitors are offering, but we are not initiating those ourselves, and the logic behind this one is that we have a great belief that the quality of our network, customer satisfaction, good processes, are the elements which enable us to keep the churn at the lower level, which then leads to the – let's say – reasonable net growth, even though we are not pressing too hard into the new sale market. So, these are the components we clearly believe. Of course, in addition to those is, as we have been explaining earlier, we have a certain part of our customer base under fixed-term contracts, which of course is safeguarding in one aspect that further and this is going to continue like this also when we go to the fourth quarter. So this is basically for the first two questions and if you Timo take the next one.

Timo Karppinen: I think your question was about the 4G upselling itself. So, here, basically, if you look at the whole 4G base that we have at the moment – so, it's about 60% of the total consumer mobile subscribers – and out of this, say, 60% of the base, we still have maturity of… the customers are still using the old type of subscription which had a 50mbps speed, and typically no roaming inclusive of that, so we see clearly a strong demand for the new type of subscriptions, which have a higher speed domestically and also include of the roaming. And if you look at the new offer, the lowest speed that you can get on the 4G tariffs is 100 mbps, and then other types of product have a higher speed than 100 mbps. Basically, up to 300 mbps. Then, also at the low… we had the renewal of our low-end products, and now basically all the low-end products have data included, which again has increased the entry-level prices of those. So, overall, the upselling itself is developing quite strongly.

And, then, your second question, or the last question, was about the fixed non-voice. So, here, it has basically three elements in it. So, it has the fixed broadband sales itself, or the service sales, and then fixed broadband equipment, and then the paid TV. So, in fixed broadband business itself, that is developing as we've been saying earlier in our result announcement in Q1 and Q2 – the fixed broadband business itself is stable, or slightly growing. But, when a change in the market where these paid TV packages and the market of those are declining, and in our case, the decline is coming from the paid TV sales, but we have to remind here that the paid TV sales decline has no margin, or very limited margin impact, because the content cost will go down at the same speed, and also reduces the distribution cost itself.

Simon Coles: That's great, thank you for the colour, guys.

Operator: Thank you. Our next question comes from the line of Roman Arbuzov from JP Morgan. Please go ahead, your line is now open.

Roman Arbuzov: Thank you very much for taking the questions. So, they are actually about mobile service revenue growth, please. So, the first one is just some clarification, I just wanted to check that there were no one-offs affecting the performance this quarter, and the reason I am asking is because if I look at your corporate segment mobile ARPU, that has rebounded quite strongly from the Q2 numbers, because of the reverse of the one-off. So, that was very nice to see. But at the same time, the consumer was down marginally, but if I do the math, basically on my numbers the corporate segment should have more than offset the consumer segment, but it hasn't. So, I'm just checking if there's anything else within the mix, or is it as a simple as consumer basically dragging down the overall mobile service revenue growth, so that it's slower quarter on quarter. So, that's the first one.

The second one was just, at the previous conference call, at the second quarter, you were talking about mobile service revenue growth being slightly lower in H2 versus H1, and, of course, in H1 growth was 8.2%. Now, you've delivered 5.7% in Q3, and then in comm sales also getting tougher in Q4, so how do you think about this outlook, and do you for example therefore expect the mobile service revenue growth the rebound in Q4, or is this unlikely and therefore there will probably be a material difference between H1 and H2 trends? So, that's the second one.

And then just a third one, if I may. Just on the medium term again, mobile service revenue growth outlook. Without going into too much detail in this, I guess previously we were discussing, or at least hypothetically discussing, that high single-digit growth is not completely out of the question. It won't be easy, but at least it was reasonable to speculate on this front, and hypothesise that it's within reach. So, after the Q3 numbers, and given this state of competition which seems to be improving only very, very modestly according to you, do you think it's still reasonable to even speculate about high single-digit growth going forward, or do you think that the 5.7% we've seen in Q3 is kind of a peak – this is as good as it gets – and then we will see more moderation thereafter. Thank you very much.

Jukka Leinonen: Okay, thank you. First of all, concerning the MSR growth figures in Q3, there were no special one-off items, it was just a normal kind of business. So, that was very clear. When we talk about the mobile service revenue growth for Q4, I think that we are basically staying with our guidance that we gave after Q2, basically saying that the second half is going to be slightly lower than it was in the first half, and I think that we basically have more or less delivered that in Q3 and I think that that's all that we can say at the moment. We all know that there are kind of issues which we can affect, and then the issues like competitive intensity which we are not able to control, and as you know, in Q4, we are going to have these kind of very commercial times – Black Friday, Singles' Day, Christmas sales, so a lot of things can happen, and those can basically influence the revenue, so we basically stick with our guidance what we gave after Q2.

Concerning the medium-term MSR growth capabilities, I don't want to give out any figures at the moment. As I have been saying earlier, I strongly believe myself that when we think about the customer demand and customer behaviour changes, we are seeing more and more customers using services via their mobile devices and mobile networks, more and more services are from a platforms perspective, moving into the cloud, or moving into the OTP. The quality of the content, whether it's video or anything else is increasing, and all of these are driving the increasing need for the both data amount but also the speed, and therefore we strongly believe that there is a underlying demand for the higher speed in larger quantities in the marketplace, which should grow a fairly decent MSR growth in the long term. And, then, of course, when we talk about the market growth, in addition to that, there is an issue that how the players in the field are kind of performing against each other. So far, we have been able to do a very nice job in that respect. Our strategy is very much customer-driven, based on the good customer processes and high-quality networks, so I'm looking at the future fairly positively, but I'm not prepared to give you any numbers in terms of the indicating the long-term broad opportunities at this stage. We are looking at this after the full-year results, and when we see more about what's going to happen in the next year, and what 5G, for example, is going to be in terms of device availability.

Roman Arbuzov: Thank you very much. Can I just ask one very quick follow-up? In terms of upselling the later stages of 4G tariffs, the ones which are 100 mbps and higher, and including roaming, can you maybe say roughly what is the average ARPU uplift that you're seeing from these sales? And is that higher than the 3G to 4G one? So, I guess the 3G to 4G one has come down somewhat and is potentially in the region of around €2.00, but is the 4G to 4G plus a higher ARPU uplift?

Timo Karppinen: Okay. I think it's a bit difficult to compare the 3G to 4G uplift because they are different packages in both of those, but when you look at these new types of packages that we offer in 4G, starting from 100 mbps, the typical uplift is between €2.00 to €3.00, but that, of course, keeps on changing depending on the promotional timings and campaigning overall, but in the longer term, the average difference is about €2.00 to €3.00.

Roman Arbuzov: So, this is a normalised longer term level you think? €2.00 to €3.00? Or, do you think it can be a bit higher?

Timo Karppinen: Well, it's… we cannot give exact details on this, because it's a mix of different types. So, the types are 100 mbps, 200 mbps, 300 mbps, and when you go in higher speeds, the ARPU uplift is then significantly higher, but we can't give exact details on this.

Roman Arbuzov: Thank you.

Operator: Thank you. Our next question comes from the line of Terrence Su from Morgan Stanley. Please go ahead, your line is now open.

Terrence Su: Yeah, thanks everyone. I've got a few questions, please. So, for us, just on the mobile outlook. What do you think about the activity level around promotional campaigns coming up in Q4? Are you expecting a bit of step up versus last year? Or, maybe do you think it will be a bit less than last year? I know there are some special days around Independence Day and Singles' Day, which are quite ripe for promotional campaigns, so just wanted to hear your thoughts on that.

And secondly, just on your midterm guidance, you're clearly running above the 32% EBITDA margin in the first nine months, just wondered why you didn't take a look at that target when you published results today. And then just lastly, on the capital structure. So you talked about it being in an extremely sound position with net debt to EBITDA only 1.3 times. Just wondering if you can share your thoughts around shareholder remuneration, and whether you think it's realistic to expect another special dividend. Thank you.

Jukka Leinonen: Okay, if I take the market outlook for Q4, and then Timo will go into the second question and third question related to the guidance and capital structure. Of course, when we talk about what we think about the market activity in Q4, that is of course always a big question mark, because we are not able to control the other guys, what they want to do. But, let's put it this way. If you want my opinion, my opinion is basically such that what we have been seeing in Q4 last year, what we have been seeing in this year, has been a result of campaigning that those most aggressive campaigns which were initiated by some of our competitors in Q4 last year, for example, they were basically leading to the negative impact for the party who actually initiated them, because all the other players were matching the offers very fast and nobody was basically winning in that marketplace, and we have been since then during this year in similar type of activities. If you are basically looking that what is the amount of net additions with the three Finnish operators in each and every quarter, there is not much change there, irrespective of the intensity of the campaign levels, and, if I would be thinking about that logically, I would actually say that there is no sense of being too aggressive in campaigning because it's not going to lead to anything. So, my belief at the moment is that we are not going to see any overly aggressive campaigning in Q4. At least, we are not going to initiate those. But, I think that this might be the outcome for the Q4 campaigning level.

Timo Karppinen: Okay, and then you asked about the midterm guidance and the EBITDA margin there of at least 32%. So, basically, the midterm guidance means that what our financial targets in the period of two to three years, and here in EBITDA if you read it carefully, it says "margin of at least 32%," so we are… how we see this is that first you need to read at the full-year level of margin of 32% and above. So, the midterm guidance is something which we always look at only after the full calendar year is completed.

Then, your question was about the capital structure, so yes, the 1.3 net debt to EBITDA is a very strong indication of strong balance sheet that we have, so it allows us to do many different things. One is a good dividend payment, but also flexibility to do M&A and other things. Regarding the dividend, it really… what you need to be looking at is the dividend policy itself, and what we are saying is that the dividend payout is 70-90% of free cash flow to equity, and here we can comfortably say that, based on that guidance, that part of the dividend will grow from the levels that we had a year ago. Whether there would be any additional extra dividends that we can only see and decide and communicate after the full-year result is available.

Terrence Su: Thank you for that.

Operator: Thank you. Our next question comes from the line of Panu Laitinmaki from Danske Bank. Please go ahead, your line is now open.

Panu Laitinmaki: Thank you. I have three questions. Firstly, on free cash flow, which was down by about 50% in the first nine months of the year. What is your view on the full-year level? How close to the last year's level could you get if this working capital is to reverse in Q4?

Timo Karppinen: Okay, so when you look at the free cash flow to equity. In the first three quarters, we were at the same level as we were a year ago, and like I said, the capex level was €15 million lower than it was a year ago for the whole year, so that will almost automatically result in that Q4, we will be at least around €15 million less in capex spending than we did in Q4 2017. And also the EBITDA itself is expected to be higher than it was a year ago, so that automatically will mean that our operating free cash flow for the whole year will be higher than it was a year ago. And, then when it comes down to the free cash flow to equity, there we have like I said, a couple of items that are impacting that. So, the interest paid is about €10 million higher than it was a year ago and is coming from the refinancing costs. And then the networking capital change, so a networking capital change is due to the high trade payables that we had as a result this year of last year's high investment, so we could say there that in this working capital change will mostly even itself out during Q4, probably will be somewhat lower than it was a year ago, and then there will be this €10 million impact from the interest page. So overall, probably, free cash flow to equity will be about the same level or somewhat lower than it was a year ago.

Panu Laitinmaki: Thank you. My second question is about this profit distribution again, but from a different angle. Does distributable funds on the balance sheet limit your dividend payments? You had about €200 million a year at the end of last year, but now it's lower I assume, so could you give an indication of what the maximum distribution level is at the end of this year?

Timo Karppinen: Well, we cannot go into too much detail on that, in the end it all depends on what's going to be the whole year final profit, but we don't see any problem of even theoretically continuing paying the same amount of dividends that we did a year ago, but this is something that we can only really comment on in more detail after the full-year result is available.

Panu Laitinmaki: Thank you. And the third question is still about the mobile service revenue growth. Going forward, where do you expect it to come from? I mean, it's probably ARPU and subscription growth going forward, but if I look at your consumer ARPU it's been quite unchanged for the past four quarters, and during that time you have had higher 4G penetration, and perhaps some of the 4G customers taking a better plan at that moment. So, the question really is: what do you think would trigger a change in the trend in consumer ARPU and then would the growth come from subscription market shares if you cannot increase the consumer ARPU?

Jukka Leinonen: I think that when we look at the growth that we are still expecting that we would be able to take some market share, so the higher number of subscription base will be delivering growth into the mobile service revenues. We also have been planning some kind of product changes in the consumer low-ARPU subscription market, which would be leading to the somewhat higher mobile service revenue as a result, and then we clearly are seeing that as Timo said, there clearly is a demand for the higher speed 4G subscriptions besides the still-continuing 3G to 4G growth, and we clearly see that how much from that migration we are able to turn into the growth in mobile service revenue is heavily dependent on the competitive environment and situation. But, as said earlier, Q2 and Q3 have been better than the Q1 and Q4 last year, and as I said earlier, I'm believing that the competitive intensity is not going to be any overkills during Q4, because we have seen earlier that it's not resulting in anything good for anybody, so I think that there is also the possibility to get some growth in the upselling into the highest speed subscription, so it's the combination of these three elements as we see the sources of growth in mobile service revenues.

Panu Laitinmaki: Okay, thank you very much.

Operator: Thank you. I will remind you, ladies and gentleman, if you wish to ask a question, please press 01 on your telephone keypad now. There will be a further pause while questions are being registered. [pause] As there are no questions registered at this time, I will hand the call back to you, speakers. Please, go ahead.

Marja Mäkinen: So, thank you everybody for your participation and questions. Thank you, Jukka and Timo. This concludes our conference call for today. Next result publication is for our full-year 2018 report, which will be published on 1 February next year. Thank you, and goodbye.