DNA Financial Statements 2009

High demand for mobile services promoted growth of net sales and improved profitability

2009 financial performance in brief

- DNA net sales amounted to EUR 652 million (1-12/2008: EUR 647 million), a 0.8 per cent increase year-on-year.
- EBITDA, excluding nonrecurring items, came to EUR 179 million, accounting for 27.5 per cent of net sales (1-12/2008: 166 million, 25.6 per cent).
- EBITDA for January to December amounted to EUR 167 million (1-12/2008: EUR 166 million).
- EBIT excluding nonrecurring items came to EUR 63 million, accounting for 9.7 per cent of net sales (1-12/2008: 69 million, 10.6 per cent).
- EBIT amounted to EUR -44 million, (1-12/2008: EUR 69 million). EBIT includes a non-recurring EUR 94.9 million goodwill write-down on the fixed network, provisions for the restructuring of operations, and sales profit for long-term investments in shares. The write-down was performed for Q4/2009.
- Profit before taxes, excluding nonrecurring items was EUR 62 million (1-12/2008: EUR 67 million).
- Profit before taxes was EUR -43 million (1-12/2008: 64 million).

Summary of Q4

- DNA's net sales for October-December amounted to EUR 165 million (10-12/2008: EUR 170 million).
- EBITDA adjusted for nonrecurring items came to EUR 45 million, accounting for 27.1 per cent of net sales (10-12/2008: EUR 38 million, 22.3 per cent).
- EBITDA amounted to EUR 49 million (10-12/2008: EUR 38 million).
- EBIT adjusted for nonrecurring items came to EUR 15 million, accounting for 9.1 per cent of net sales (10-12/2008: EUR 15 million, 9.0 per cent).
- EBIT amounted to EUR -76 million, (10-12/2008: EUR 15 million). EBIT includes a non-recurring EUR 94.9 million goodwill write-down on the fixed network.
- Profit before taxes, excluding nonrecurring items was EUR 14 million (10-12/2008: EUR 14 million).
- Profit before taxes was EUR -76 million (10-12/2008: 10 million).

- The DNA mobile communication subscription base (including mobile broadband) grew in Q4 by 56,000 subscriptions, reaching 1,947,000 in total (12/2008: 1,663,000; 9/2009: 1,891,000).
- The revenue per user for mobile communications amounted to EUR 21.9 (10-12/2008: 24.5; 7-9/2009: 22.3).
- Subscription turnover rate (churn) increased in contrast to the previous quarter, reaching 14.8 per cent (10-12/2008: 12.5 per cent; 7-9/2009: 14.5 per cent).

Figures are unaudited.

Key figures

EUR million	10-12/2009	10-12/2008	1-12/2009	1-12/2008
Net sales	165	170	652	647
EBITDA excluding nonrecurring items	45	38	179	166
EBITDA, per cent excluding nonrecurring items	27.1	22.3	27.5	25.7
EBITDA	49	38	167	166
EBITDA, per cent	29.6	22.1	25.6	25.7
EBIT excluding nonrecurring items	15	15	63	69
EBIT, per cent excluding nonrecurring items	9.1	9.0	9.7	10.6
EBIT	-76	15	-44	69
EBIT, per cent	-45.8	8.8	-6.7	10.7
Profit before taxes, excluding nonrecurring items	14	14	62	67
Profit before taxes	-76	10	-43	64
Profit for the financial period	-81	7	-57	47
Capital expenditure	32	44	88	97
Cash flow from operations	30	31	126	148

EUR million	31.12.2009	31.12.2008
Net debt	147	163
Net debt/EBITDA	0.88	0.97
Gearing, per cent	34.5	29.2
Equity ratio, per cent	59.4	60.8
Personnel at end of period	818	982

Riitta Tiuraniemi, President and CEO: "We overcame the economic turmoil of 2009 well: our net sales continued to grow while profit met our expectations."

Riitta Tiuraniemi, President and CEO

The global economic upheaval, characterising 2009, did not have a significant negative impact on DNA's business operations. Our net sales grew from the previous year's EUR 647 million to EUR 652 million. Our EBITDA remained at the previous year's level while EBITDA per cent amounted to 26 per cent. Our operating profit has retained a healthy level, meeting our expectations.

Our figures are negatively impacted by the nonrecurring EUR 94.9 million goodwill write-down on the fixed network, carried out in Q4. The factors impacting on the goodwill decrease were the faster-than-expected decrease in fixed-network call minutes, the transition from fixed-line broadband to mobile broadband, and decreasing sales of operator services.

Development of the number of mobile communication subscriptions continued apace in both the corporate and consumer sectors. In 2009, the number of subscriptions grew by 284,000 subscriptions, reaching 1,947,000 in total. In the fixed-line network, the number of both broadband and voice subscriptions fell in 2009. At the end of the period, DNA had a total of 647,000 broadband, cable TV and telephone subscriptions.

At the end of the year, Finnish interests assumed full ownership of DNA. In December 2009, Lännen Teletieto Ltd, Oulun Puhelin Holding Plc, and Ilmarinen Mutual Pension Insurance Company acquired its 13 per cent stake from the private equity company 3i.

One of our major achievements in 2009 was the fact that our market share of the mobile broadband market, currently enjoying rapid growth, increased to a third of the market. With a potential coverage of almost 90 per cent of Finns, our 3G network is currently the most extensive in Finland. The 4G frequencies, granted to DNA in the auction organised by FICORA in the autumn, ensure our capacity for long-term service development far into the future.

In the coming years, we will seek growth in particular in TV operations. We launched mobile TV operations in October, and in the summer we obtained two HDTV network licences for the terrestrial antenna network. Our goal is to launch HDTV services in the market at the end of 2010, while acting as both a network operator and pay TV service provider. Our long-term goal is to become the leading nationwide TV operator in Finland.

At the end of 2009, 10 December, the Union of Salaried Employees started an illegal strike which ended on 31 January 2010. One fifth of DNA Ltd's employees took part in the strike. The Labour Court ruled the strike as illegal eleven times, imposing a total of some EUR 200,000 in penalties on the Union of Salaried Employees.

In 2010, we will continue our transformation process, the objective of which is to turn DNA, in the aftermath of numerous corporate mergers, into a company characterised by clear and lucid processes and a strong uniform corporate culture. Moreover, the strong cash flow from our operations provides us with ample assets to make new investments in networks, services and business innovations, simultaneously enabling profitable growth.

Outlook for 2010

General economic conditions in Finland are expected to remain unstable, with unemployment rising slightly in 2010. In addition, the telecommunications service sector has exhibited clear "post-cyclical" tendencies during previous economic downturns.

Due to these general market developments, we do not expect to see significant growth in DNA's total net sales. We instead predict that they will remain at 2009 levels. The drop in termination charges, coming into effect in December 2009, and the decrease in the number of fixed-line telephone subscriptions also ate into the growth of DNA's total net sales.

During 2010, DNA will launch new TV business activities in the nationwide antenna network - these will not start generating actual turnover until 2011. However, due to the efficiency-enhancement measures undertaken in 2009, EBIT and EBITDA are forecast to remain at the 2009 level.

INTERIM REPORT JANUARY–DECEMBER 2009

Accounting principles

This interim report has been prepared in accordance with IFRS regulations and measurement principles. However, the report does not fully comply with all requirements of the IAS 34 Interim Financial Reporting standard.

Unless otherwise stated, the comparison figures in brackets refer to the equivalent period in the previous year.

The information presented in this interim report is unaudited.

Market situation

Competition in the consumer telecommunications market remained tight. In the mobile communication business, in addition to call time and package deals, competitive discounting of mobile broadband services picked up in 2009. Mobile broadband continues to enjoy strong demand. Demand is especially focused on high-speed broadband. The number of fixed-line broadband subscriptions continued to drop slightly, but customers are switching to higher-speed Internet connections in fixed-line broadband too. It is believed this trend will continue.

General market conditions in the corporate market have remained tense. The pressure to cut costs, resulting from the recession, is especially evident in competitive bidding related to larger customers and public administration projects, in which price competition is fierce. The market's total value remained unchanged in 2009.

Development of net sales

DNA's net sales for October–December amounted to EUR 165 million (170 million). During the reporting period, 73 per cent (70 per cent) of net sales were generated by consumer business and 27 per cent (30 per cent) by corporate business.

DNA's net sales for January–December amounted to EUR 652 million (647 million). Net sales grew by 0.8 per cent year-on-year.

The solid growth in net sales was a result of the steady increase in post-paid subscriptions and mobile broadband. On the other hand, this increase is hindered by termination charge reductions, and a decrease in net sales, following the disposal of certain businesses and the decrease in the use of conventional telephone network services.

Net sales

EUR million	10-12/2009	10-12/2008	1-12/2009	1-12/2008
Consumer business	120	118	471	451
Corporate business	45	52	181	196
Eliminations/unallocated	0	0	0	0
Total	**165**	**170**	**652**	**647**

Financial performance

DNA's EBITDA between October–December amounted to EUR 49 million, showing an increase of EUR 11 million year-on-year (38 million), accounting for 29.6 per cent of net sales. EBITDA improved as a result of increased net sales and achieved cost savings. EBITDA excluding non-recurring items came to EUR 45 million (38 million).

EBIT came to EUR -76 million (15 million). EBIT excluding non-recurring items came to EUR 15 million (15 million).

EBIT includes the EUR 94.9 million goodwill write-down of the fixed-line network as a non-recurring negative item. The factors impacting on the goodwill decrease were the faster-than-expected decrease in fixed-network call minutes, the transition from fixed-line broadband to mobile broadband, and decreasing sales of operator services. This write-down brings about a non-recurring decrease in EBIT but has no bearing on cash flow or Group operations. The write-down was performed for Q4/2009.

DNA's profit before taxes in October–December came to EUR -76 million (10 million).

DNA's gross margin (EBITDA) for January–December amounted to EUR 167 million (166 million), accounting for 25.6 per cent of net sales.

DNA's EBITDA for January–December excluding nonrecurring items improved year-on-year. EBITDA without nonrecurring items amounted to EUR 179 million (166 million), accounting for 27.5 per cent of net sales.

EBIT totalled EUR -44 million (69 million), representing -6.7 per cent of net sales.

DNA's profit before taxes in October–December came to EUR -43 million (64 million). Profit before taxes and excluding nonrecurring items was EUR 62 million (67 million).

Consolidated financial profits and expenses for January–December amounted to EUR 1 million (-5 million). Income tax for the period under review was EUR 14 million (17 million).

Profit

EUR million	10-12/2009	10-12/2008	1-12/2009	1-12/2008
EBITDA	49	38	167	166
EBITDA excluding nonrecurring items	45	38	179	166
EBIT	-76	15	-44	69
EBIT excluding nonrecurring items	15	15	63	69
Profit before taxes	**-76**	**10**	**-43**	**64**

Consumer business

DNA's consumer business net sales for October–December amounted to EUR 120 million (118), representing a 1.6 per cent increase year-on-year. EBIT totalled EUR 0 million (9 million).

Promotional campaigns and competitive pricing remained the norm in the telecommunications voice market. Compared to the previous quarter, customer turnover remained unaltered. In the consumer business, mobile broadband continues to replace fixed-line broadband. This can be evidenced in the dropping numbers of fixed-line broadband subscriptions and the increase in the sales of the fastest mobile broadband subscriptions.

Net sales for the consumer business in January–December amounted to EUR 471 million (451 million), while EBITDA totalled EUR 113 million (104 million) and EBIT EUR 21 million (42 million).

Consumer business key indicators

EUR million	10-12/2009	10-12/2008	1-12/2009	1-12/2008
Net sales	120	118	471	451
EBITDA	33	22	113	104
EBIT	0	9	21	42

Corporate business

DNA's corporate business net sales for October–December amounted to EUR 45 million (52 million). EBIT came to EUR -75 million (6 million).

The drop in termination charges had a negative impact on net sales, but, on the other hand, they were bolstered by the positive development of mobile communication services and, especially, mobile communication data services. The use of fixed network voice services has continued to decrease.

Between January and December, corporate business net sales came to EUR 181 million (196 million), while its EBITDA amounted to EUR 54 million (62 million) and EBIT to EUR -65 million (27 million).

Corporate business key indicators

EUR million	10-12/2009	10-12/2008	1-12/2009	1-12/2008
Net sales	45	52	181	196
EBITDA	16	15	54	62
EBIT	-75	6	-65	27

Key operative indicators

The number of subscriptions in DNA's mobile communication network grew by 284,000 year-on-year to 1,947,000 subscriptions (1,663,000). In October–December, DNA's subscription base grew by 56,000. Its market share came to 25 per cent (9/09: 25 per cent).

DNA's ARPU continued to decline, mainly due to a significant drop in termination charges, with an average monthly profit by subscription of EUR 21.9 (24.5) in Q4. The customer churn rate amounted to 14.8 per cent (12.5 per cent).

With regard to fixed-line subscriptions, the greatest drop has occurred in the number of conventional telephone subscriptions. In the last year, the number of broadband subscriptions fell to 180,000 (190,000), with a market share of 12 per cent (9/09: 12 per cent). The number of conventional telephone subscriptions amounted to 197,000 (229,000) at the end of December, representing a market share of 14 per cent (9/09: 15 per cent). DNA's cable TV distribution networks had 270,000 customers (263,000), with a market share of 20 per cent (9/09: 20 per cent).

Mobile communication network subscription volumes:

Number	12/2009	12/2008	9/2009	9/2008
No. of subscriptions (incl. mobile broadband)	1,947,000	1,663,000	1,891,000	1,585,000
DNA's own customers	1,846,000	1,565,000	1,788,000	1,498,000

	10-12/2009	10-12/2008	1-12/2009	1-12/2008
Revenue per subscription (ARPU), EUR	21.9	24.5	22.4	24.5
Customer churn rate (CHURN), per cent	14.8	12.5	16.2	13.7

Fixed network subscription volumes

Number	12/2009	12/2008	9/2009	9/2008
Broadband	180,000	190,000	186,000	191,000
Cable TV	270,000	263,000	267,000	259,000
Telephone subscriptions	197,000	229,000	209,000	236,000

Personnel

At the end of December, DNA employed 818 (982) people, a year-on-year reduction of 17 per cent.

Personnel were allocated as follows: consumer business, 511 people; and corporate business, 307 people.

The average number of employees in January–December was 857.

	12/2009	12/2008	9/2009	9/2008
Personnel at end of period	818	982	899	1,018

Investments

DNA's capital expenditure for October-December totalled EUR 32 million (44 million). Consumer business investment amounted to EUR 22 million (31 million) and corporate business to EUR 10 million (13 million).

Major individual items included the 3G network investments as well as investments in the fibre and transfer system.

EUR million	10-12/2009	10-12/2008	1-12/2009	1-12/2008
Capital expenditure	32	44	88	97

Financial position

The Group's financial position and liquidity have remained healthy in Q4. Cash flow from operations for October-December amounted to EUR 126 million (147 million) and the Group's liquid assets to EUR 26 million (7 million). The Group's interest-bearing liabilities amounted to EUR 159 million (149 million) while undrawn credit limits came to EUR 240 million (43 million).

EUR million	10-12/2009	10-12/2008	1-12/2009	1-12/2008
Cash flow from operations	30	31	126	148

Events in Q4

DNA acquired 4G frequencies

DNA won its preferred radio frequencies in the 4G frequency auction organised by FICORA. This enables long-term service development for future needs.

Changes to DNA's executive team

Ilkka Pitkänen, MBA, 43, was appointed DNA CFO and member of the executive team. Ilkka Pitkänen started work as DNA's CFO on 1 January 2010. In addition to finance and financing, Pitkänen's areas of responsibility include the company's personnel, legal, communications, security and administration issues. He reports to President and CEO Riitta Tiuraniemi, and acts as Deputy CEO. Simo Mustila, Vice President, Corporate Finance & Administration, resigned on 31 December 2009.

Finnish companies assume ownership of DNA

DNA came under Finnish ownership as Lännen Teletieto Ltd, Oulun Puhelin Holding Plc, and Ilmarinen Mutual Pension Insurance Company acquired its 13 per cent stake from the capital investment company 3i. Following this transaction, DNA's ownership structure is distributed as follows: Lännen Teletieto Ltd 33 per cent, Oulun Puhelin Holding Plc 22 per cent, PHP Liiketoiminta Plc 20 per cent, Kuopion Puhelin Ltd 13 per cent, Ilmarinen 3 per cent, and other owners 9 per cent.

DNA and Lännen Teletieto divest Anvia shares

DNA and its largest shareholder, Lännen Teletieto Ltd, divested their shares in Anvia Corporation on 23 December 2009. DNA and Lännen Teletieto Ltd aggregate ownership in Anvia totalled some 18 per cent. The shares were transferred to the ownership of Anvia and closely connected parties.

Significant litigation matters

Significant litigation matters remained unchanged during the reporting period.

Significant risks and uncertainties

DNA operates in the Finnish telecommunications market. This market, limited by the number of users, is characterised by fierce competition and a high penetration rate.

Net sales in the telecommunications market is not growing, but may experience a slight drop, impacting negatively on DNA's business operations. A reduction in the telecommunications market has been observed in fixed-line network telephone traffic in particular. Profitable growth continues to face significant challenges in the Finnish market.

If it continues, the economic downturn may influence consumers' confidence in the development of their own financial situation, thus affecting the demand for DNA products and services. On the other hand, customers' increased price awareness may provide opportunities for operators who can offer competitive pricing. Credit losses may increase if customers' solvency is reduced as a result of the recession.

Rapid technological development of the industry may have an effect on the Group's operations.

The Finnish telecommunications market is heavily regulated. Stringent regulation, particularly the authorities' ability to influence the price level and cost structure of DNA's products and services, may have an impact on DNA's business.

In order to manage the interest rate risk, some of the loans taken by the Group have been hedged. The Group's borrowings have been spread between fixed and variable-rate instruments. DNA Group's foreign interest risk is not significant, as the majority of its cash flow is euro denominated. In order to manage liquidity risk, the company uses credit limits in addition to liquid assets.

With respect to the relevant areas, DNA's operations have been insured against loss and business interruption.

Events after the review period

DNA, the Employers' Association TIKLI and the Union of Salaried Employees reach settlement

On 31 January 2010, DNA, the Employers' Association TIKLI and the Union of Salaried Employees reached a settlement which was satisfactory to all parties, following negotiations concerning the industrial action. Strikes and sympathy strikes were immediately terminated.

DNA applies for a digital UMTS network licence for Åland

In January 2010, DNA applied for an operating licence for a digital UMTS network in the province of Åland, declared for application by the State Council. Decisions regarding the granting of operating licences will be made by 30 April 2010.

DNA appoints a new Chief Operating Officer

Petteri Niemi (M.Sc.Tech), 39, was appointed DNA's Chief Operating Officer (COO) on 9 February 2010. His areas of responsibility cover DNA's sales & marketing, customer service, technology and product development operations, and he reports to Riitta Tiuraniemi, CEO.

Niemi has been employed at DNA since 2000, becoming a member of DNA Ltd's executive team in 2009. In addition to the duties of COO, he will continue as Vice President, Customer Processes.

Long-term incentive plan for key personnel

In the beginning of 2010, DNA introduced a long-term incentive plan for its key personnel.

Outlook for 2010

General economic conditions in Finland are expected to remain unstable, with unemployment rising slightly in 2010. In addition, the telecommunications service sector has exhibited clear "post-cyclical" tendencies during previous economic downturns.

Due to these general market developments, we do not expect to see significant growth in DNA's total net sales, instead forecasting them to remain at 2009 levels. The drop in termination charges, coming into effect in December 2009, and the decrease in the number of fixed-line telephone subscriptions also ate into the growth of DNA's total net sales.

During 2010, DNA will launch new TV business activities in the nationwide antenna network; these will not start generating actual turnover until 2011. However, owing to the efficiency-enhancement measures undertaken in 2009, EBIT and EBITDA are forecast to remain at the 2009 level. In Q1/2010, EBIT and EBITDA are forecast to remain comparable to the figures from Q1/2009.

Consumer business

Net sales for the consumer business are expected to continue growing, albeit at a slower rate than in the previous year. Continued growth is expected in mobile communication network voice subscriptions. The decline in fixed-line network voice subscriptions and traffic will continue. The growth of mobile broadband subscriptions is anticipated to continue, with demand focused on faster subscriptions in the future. The fall in the number of broadband subscriptions in the fixed-line network is estimated to continue.

The customer churn of voice subscriptions in the mobile communication network is expected to remain at the level of the previous quarter, while the slight decline in the average revenue per user (ARPU) should continue. Competition in the consumer market will remain relatively tight, which will manifest itself particularly in marketing pushes and price discounts for voice and mobile broadband subscriptions in the mobile communication network.

Enabled by obtaining a HDTV licence for the terrestrial network, the expansion of TV business operations will proceed according to plan, with DNA launching commercial operations in late 2010 in accordance with the schedule determined by the licence terms. DNA has also participated in an application process for new network licences for the terrestrial network. Decisions on the application process results are expected in the first part of 2010.

Corporate business

Net sales for DNA's corporate business are expected to see moderate growth, promoted by positive development in the sales of mobile telephone subscriptions and mobile data communication services. However, tightening competition will be apparent in an increase in customer turnover and in customer prices. Use of fixed-line network voice services is likely to continue falling as companies switch to using more mobile phone services. The requirement for high-speed fixed-line data connections is expected to remain at last year's level as companies increasingly use services online.

DNA Ltd.
Board of Directors

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Distribution:

Key media

Publication schedule for DNA's financial information:

Interim report January–March	4 May 2010
Interim report January–June	10 August 2010
Interim report January–September	2 November 2010

www.dna.fi

TABLES ATTACHED TO THE INTERIM REPORT

This interim report has been prepared in accordance with IFRS regulations and measurement principles. However, the report does not fully comply with all requirements of the IAS 34 Interim Financial Reporting standard. The information has been prepared in accordance with the valid International Financial Reporting Standards, as approved to be applied in the European Union. The accounting principles are identical to those applied to the financial statements of 31 December 2008. This interim report should be read observing the 2008 financial statements. This interim report also takes account of the requirements of the revised IAS 1 standard on presenting a statement of comprehensive income and changes in a company's equity. The revised IAS 23 standard, which entered into force at the beginning of the financial period, will have no essential impact on the consolidated financial statements.

COMPREHENSIVE CONSOLIDATED INCOME STATEMENT FOR THE REPORTING PERIOD

EUR million	10-12/2009	10-12/2008	1-12/2009	1-12/2008
NET SALES	165	170	652	647
Other operating income	3	1	5	5
Materials and services	-82	-88	-324	-326
Employment benefit expenditure	-15	-17	-63	-61
Depreciation	-30	-23	-116	-97
Depreciation on goodwill	-95	0	-95	0
Other operating expenses	-23	-29	-102	-99
Profit	**-76**	**15**	**-44**	**69**
Financial income	0	1	4	4
Profit/loss on financial assets recognised at fair value against profit or loss	0	-3	2	-3
Financial income and expenses	-1	-2	-5	-5
Share of associated company's profits	0	0	0	0
Profit before taxes	**-76**	**10**	**-43**	**64**
Income taxes	-4	-3	-14	-17
Profit for the financial period	**-81**	**7**	**-57**	**47**
Other comprehensive income items:				
Financial assets available for sale	0	-1	0	0
Cash flow hedge	0	-1	0	-1
Other comprehensive income items, net:	-1	-1	0	-1
Total comprehensive income for the reporting period	**-81**	**9**	**-57**	**46**
Income attributable to:				
Parent company shareholders	-81	11	-57	47
Minority interests	0	0	0	
	-81	**11**	**-57**	**47**
Comprehensive income attributable to:				
Parent company shareholders	-81	9	-57	46
Minority interests	0	0	0	0
	-81	**9**	**-57**	**46**
Earnings per share of the profit attributable to parent company equity holders:				
Basic earnings/share (EUR)	-10.72	1.42	-7.46	6.19
Average number of shares (1,000):				
-basic	7,581	7,568	7,568	7,569

CONSOLIDATED BALANCE SHEET

EUR million	31 December 2009	31 December 2008
Assets		
Long-term assets		
Goodwill	97	192
Other intangible assets	59	61
Property, plant and equipment	398	416
Equity in associates	1	1
Financial assets available for sale	0	12
Other receivables	11	6
Deferred tax assets	32	33
Total long-term assets	**597**	**721**
Short-term assets		
Inventories	8	11
Sales receivables and other receivables	140	137
Financial assets at fair value through profit or loss		36
Liquid assets	26	7
Total short-term assets	**174**	**191**
Assets total	**772**	**912**
Shareholders' equity		
Share capital	73	72
Issue premium fund	0	42
Current value fund and other funds	406	406
Accrued profits	-54	33
Equity attributable to equity holders of the parent company	**425**	**553**
Minority interest	0	0
Shareholders' equity	**425**	**553**
Long-term liabilities		
Deferred tax	55	61
Financial liabilities	123	120
Provisions	9	5
Pension liabilities	1	0
Other long-term liabilities	1	2
Total long-term liabilities	**190**	**188**
Short-term liabilities		
Financial liabilities	50	51
Provisions	3	2
Accounts payable and other liabilities	105	118
Total short-term liabilities	**158**	**170**
Total shareholders' equity and liabilities	**772**	**912**

CHANGES IN CONSOLIDATED EQUITY (IFRS)

EUR million	Share capital	Premium fund	Current value fund	Hedge instrument fund	Free equity fund	Accrued profits	Equity attributable to equity holders of the parent company	Minority interest	**Total shareholders' equity**
Total shareholders' equity 01/01/2008	72	142	0	0	405	-6	613	0	**613**
Distribution of funds	0	-100	0	0	0	-9	-109	0	**-109**
Other changes	0	0	0	0	1	1	2	0	**2**
Unregistered share issue	0	0	0	0	2	0	2	0	**2**
Total comprehensive income for the reporting period	0	0	0	-1	0	47	46	0	**46**
Total shareholders' equity 31/12/2008	72	42	0	-1	407	33	553	0	**553**
Total shareholders' equity 01/01/2009	72	42	0	-1	407	33	553	0	**553**
Distribution of funds	0	-42	0	0	0	-30	-72	0	**-72**
Share issue	0	0	0	0	0	0	0	0	**0**
Transfers between items	0	0	0	0	0	0	0	0	**0**
Total comprehensive income for the reporting period	0	0	0	0	0	-57	-57	0	**-57**
Total shareholders' equity 31/12/2009	73	0	0	-1	407	-54	425	0	**425**

CONSOLIDATED CASH FLOW STATEMENT

EUR million	1-12/2009	1-12/2008
Cash flow from operations		
Profit for the financial period	-57	47
Adjustments		
Depreciation and impairment	211	97
Change in working capital	-17	-1
Other adjustments	-11	5
Net cash flow from operations	**126**	**148**
Cash flow from investments		
Investments in tangible and intangible assets	-88	-95
Sales of tangible and intangible assets	2	1
Net sales a of shares	14	-8
Other shares	-2	0
Net cash flow from investments	**-73**	**-103**
Cash flow from financing		
Fees received from share issue	0	3
Dividend distribution	-10	-9
Capital refund	-42	-100
Withdrawal and repayments of short-term loans, net	-62	-27
Withdrawal and repayments of long-term loans, net	66	95
Increase/decrease in long-term receivables	-5	1
Other	19	-34
Net cash flow from financing	**-33**	**-70**
Change in liquid assets	**19**	**-24**
Liquid assets at the beginning of the financial term	7	32
Liquid assets at the end of the financial term	**26**	**7**

NOTES TO THE FINANCIAL STATEMENTS

Accounting principles
This interim report has been prepared in accordance with IFRS regulations and measurement principles. However, the report does not fully comply with all requirements of the IAS 34 Interim Financial Reporting standard. The information has been prepared in accordance with the valid International Financial Reporting Standards, as approved to be applied in the European Union. The accounting principles are identical to those applied to the financial statements of 31 December 2008. This interim report should be read observing the 2008 financial statements. This interim report also takes account of the requirements of the revised IAS 1 standard on presenting a statement of comprehensive income and changes in a company's equity. The revised IAS 23 standard, which entered into force at the beginning of the financial period, will have no essential impact on the consolidated financial statements.

1. SEGMENT INFORMATION UNDER IFRS 8

The reporting of DNA's operating segments under IFRS 8 has materially changed at the beginning of 2009. The change in reporting concerns the presentation of information in the financial statements and has no impact on the Group's financial performance or position. Reference data is presented in accordance with the new segment division and re-allocation of goodwill.

The Standard requires that the presented segment information is based on the internal reporting to the management. Previously, the operating segments were defined as the mobile communication business, fixed-line business and store business. DNA's new internal organisational and management structure is based on a customer-focused operating model, where the reporting segments comprise consumer customers and corporate customers.

DNA's consumer business offers consumers diverse telecommunication services, such as voice and data services for communication and information retrieval, and telecommunication services for security and entertainment.

DNA's corporate business offers nationwide, standardised and easy-to-use telecommunication, communication and networking solutions. Our operator services are part of the corporate business.

The company established via the annual impairment testing that indications regarding the previously reported fixed-line business goodwill impairment loss had existed early in the year; therefore goodwill impairment testing should have been performed prior to the implementation of the new reported segments. Impairment testing has thus also been performed in accordance with the previously reported allocation of DNA's cash-generating units, resulting in a EUR 94.9 million goodwill write-down on the fixed-line business.

The remaining goodwill, EUR, 96.7 million, has been allocated to the new segments, divided according to the consumer–corporate division, in accordance with the current values of their incoming cash flows as follows: Consumer business EUR 57.8 million; and corporate business EUR 38.9 million.

Business segments, €1,000	Consumer	Corporate	Unallocated	Group total
1 Oct – 31 Dec 2009				
Net sales	120,477	44,726	0	165,204
EBITDA	33,497	15,532	-52	48,977
Depreciations	33,894	90,700	-5	124,589
Profit	-397	-75,168	-47	-75,612
Financial items				-700
Profit before taxes				-76,311
Profit for the financial period				-81,254
Investments	21,723	10,038	0	31,761
Personnel at end of period	511	307	0	818
1 Oct – 31 Dec 2008				
Net sales	118,350	51,772	261	170,383
EBITDA	22,432	14,953	204	37,588
Depreciations	13,915	8,825	-79	22,660
Profit	8,517	6,129	283	14,928
Financial items				847
Profit before taxes				10,422
Profit for the financial period				7,354
Investments	30,674	13,419	52	44,145
Personnel at end of period	554	428	0	982
1 Jan – 31 Dec 2009				
Net sales	471,022	181,052	88	652,162
EBITDA	112,992	54,435	-271	167,155
Depreciations	91,924	119,048	-21	210,951
Profit	21,068	-64,614	-250	-43,796
Financial items				1,024
Profit before taxes				-42,772
Profit for the financial period				-56,550
Investments	59,945	27,788	143	87,876
Personnel at end of period	511	307	0	818
Segment assets	425,783	284,601	61,259	771,643
1 Jan – 31 Dec 2008				
Net sales	450,607	196,267	261	647,136
EBITDA	104,080	61,772	73	165,925
Depreciations	62,163	34,703	-100	96,766
Profit	41,917	27,069	174	69,159
Financial items				-4,837
Profit before taxes				64,322
Profit for the financial period				46,834
Investments	66,564	29,997	164	96,725
Personnel at end of period	554	428		982
Segment assets	430,110	374,112	107,858	912,080

2. INVESTMENTS

Capital expenditure, €1,000	10-12/2009	10-12/2008	1-12/2009	1-12/2008
Intangible assets	8,104	9,694	14,554	24,313
Tangible assets	23,652	34,453	72,867	72,413
Total	**31,756**	**44,147**	**87,421**	**96,725**

3. SHAREHOLDERS' EQUITY

Premium refund and payment of dividend
DNA Ltd's Extraordinary General Meeting of 10 September 2008 approved a refund of capital (approximately EUR 5.5 per share), totalling EUR 42. The refund was paid by 31 March 2009.

DNA Ltd's Annual General Meeting of 27 March 2009 approved a payment of dividend (approximately EUR 3.95 per share), totalling EUR 30. The dividends were paid in August but the amount was less than agreed due to the redemption of treasury shares.

Treasury shares
During the financial period, following a decision taken by the Extraordinary General Meeting on 4 August 2009, the company purchased 2,500 treasury shares at a redemption price of EUR 287,208.75.

Date	Amount	Nominal value, EUR	Performed payment, EUR
4 Aug. 2009	2,500.00	0.00	287,208.75
Total	**2,500.00**	**0.00**	**287,208.75**

The shares redeemed during the financial period account for 0.03 per cent of the votes. The redemption of treasury shares did not have any significant effect on the ownership and distribution of votes in the company.

4. NET LIABILITIES

€1,000	31 December 2009	31 December 2008
Long- and short-term loans	172,969	170,442
Less short-term investments, cash and bank balances	26,304	43,650*
Total	**146,665**	**126,792**

* Includes financial assets recognised in profit 36,311.

5. PROVISIONS

Reorganisation of DNA's businesses
DNA Group's mobile, fixed-line network and store businesses have been merged into a single operational entity. As part of this business restructuring, DNA initiated cooperative negotiations in January. The negotiations were concluded on 27 February 2009.

As a result of the restructuring, 103 DNA Group employees were made redundant, 30 through pension arrangements. With regard to the restructuring, a total of EUR 6 was recognised in the personnel expenses for the arrangement and EUR 0,7 for pension obligations.

€1,000	Decommissioning costs	Onerous contracts	Restructuring provisions
Provisions 1.1.2009	4,482	704	1,698
Increase		8,283	5,661
Used provisions/discount effect	226	-4,350	-4,359
Provisions 31 December 2009	**4,708**	**4,637**	**3,000**
Provisions 1.1.2008	4,789	0	3,754
Increase		1,089	443
Used provisions/discount effect	-307	-385	-2,499
Provisions 31 December 2008	**4,482**	704	**1,698**

6. RELATED PARTY TRANSACTIONS

The Group's related parties include associated undertakings and members of the Board of Directors and the management teams, including the CEO and the Deputy CEO

The following related party transactions were carried out:

€1,000	Sales	Purchases	Receivables	Liabilities
12/2009				
Organisations exercising significant influence	53	3,671	0	0
Associated undertakings	0	290	0	9
Other related parties		42		
12/2008				
Organisations exercising significant influence	821	3,176	28	1,822
Associated undertakings	553	214	52	
Other related parties		86		6

KEY FIGURES

	10-12/2009	10-12/2008	1-12/2009	1-12/2008
Equity per share	56	73	56	73
Interest-bearing net liabilities	147	163	147	163
Gearing, per cent	34.5	29.5	34.5	29.5
Equity ratio, per cent	59.4	60.8	59.4	60.8
Net debt/EBITDA	0.31	1.08	0.88	0.98
Return on investment (ROI), per cent	-33.3	6.8	-6.1	9.9
Return on equity (ROE), per cent	-59.9	4.1	-11.6	8.0
Gross investments*, EUR million	32	44	88	97
Gross investment, per cent of net sales	19.2	25.9	13.5	15.0
Personnel at end of period	818	982	818	982

* incl. financial leasing-based investments

CALCULATION OF THE KEY INDICATORS

Equity per share (EUR) = $\dfrac{\text{Equity attributable to equity holders of the parent company}}{\text{Number of outstanding shares at end of period}}$

Interest-bearing net liabilities (EUR) = Interest-bearing liabilities – liquid assets

Gearing, per cent = $\dfrac{\text{Interest-bearing liabilities – liquid assets}}{\text{Total shareholders' equity}} \times 100$

Equity ratio, per cent = $\dfrac{\text{Shareholders' equity}}{\text{Balance sheet total – advance payments received}} \times 100$

EBITDA (EUR) = Profit + depreciation and amortisation

Return on investment (ROI), per cent = $\dfrac{\text{Profit before taxes + interest and other financing expenditure}}{\text{Balance sheet total – non-interest bearing liabilities (annual average)}} \times 100$

Return on equity (ROE), per cent = $\dfrac{\text{Profit for the financial period}}{\text{Total shareholders' equity (annual average)}} \times 100$

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