BULLETIN

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DNA Ltd Group – Interim report January-June 2008
DNA'S MOBILE COMMUNICATION VOLUMES CONTINUE TO GROW, PROFIT REMAINS HIGH

Summary of the second quarter, April – June

- DNA Group's profit for April-June rose more than threefold compared to the same period year-on-year, amounting to EUR 22 million (4-6/2007: EUR 6 million). This improvement was due to the better results of the fixed-line network business (business transfer taking effect on 1 July 2007) and the growth in mobile communication traffic and subscription volumes.
- Net sales amounted to EUR 163 million (4-6/2007: EUR 113 million).
- At the end of June, there were 1,492,000 subscriptions in DNA's network (6/2007: 1,170,000, 3/2008: 1,415,000).
- The revenue per user for mobile communication amounted to EUR 25.3 (4-6/2007: 27.8; 1-3/2008: 24.9).
- The customer churn rate was 13.2 per cent (4-6/2007: 11.5; 1-3/2008: 13.7).
- At the end of June, there were 191,000 DNA broadband subscriptions (3/2008: 195,000).
- The number of traditional telephone subscriptions was 242,000 (3/2008: 248,000).
- The number of customers of DNA's cable TV distribution networks was 258,000 (3/2008: 259,000).

NB! Due to the business transfers of the fixed-line network business taking effect on 1 July 2007, the figures for 2007 and 2008 are not comparable in all respects.

Figures are unaudited.

Key figures

MEUR	**4-6/2008**	4-6/2007	1–12/2007
Net sales	**163**	113	534
EBITDA	**40**	18	114
EBIT	**24**	9	65
Profit after financial items	**23**	7	59
Profit/loss for the financial period	**22**	6	59
Investments in fixed assets *	**20**	11	72
Operative cash flow **	**18**	5	36

* * Excluding fixed-line business acquisitions 1 July 2007.
** ** Excluding working capital adjustments.

Summary of January-June

- DNA Group's profit for January-April totalled EUR 47 million, accounting for 14.8 per cent of net sales (1-6/2007: EUR 15 million, 6.9 per cent).
- The gross margin (EBITDA) for January-June amounted to EUR 82 million, accounting for 25.7 per cent of net sales (1-6/2007: EUR 36 million, 17.0 per cent).
- Net sales amounted to EUR 319 million (1-6/2007: EUR 212 million), a 51 per cent increase on the equivalent period last year.

NB! Due to the business transfers of the fixed-line network business taking effect on 1 July 2007, the figures for 2007 and 2008 are not comparable in all respects.

Figures are unaudited.

Key figures

MEUR	**1–6/2008**	1–6/2007	1–12/2007
Net sales	319	212	534
EBITDA	82	36	114
EBIT	49	18	65
Profit after financial items	49	15	59
Profit/loss for the financial period	47	15	59
Investments in fixed assets *	31	32	72
Operative cash flow **	49	1	36
MEUR	**30 June 2008**	30 June 2007	31 Dec. 2007
Net liabilities	104	81	31
Net liabilities/EBITDA	0.6	1.1	0.3
Gearing, %	44	63	10
Equity ratio, %	48	42	58
Personnel at end of period	1,115	455	1,214

* * Excluding fixed-line business acquisitions 1 July 2007.
** ** Excluding working capital adjustments.

Group CEO Jan-Erik Frostdahl:

DNA's financial performance during the second quarter of the year was better than planned. We are very pleased with the profit for EUR 22 million during Q2.

The growth trend continued throughout the report period. During the first half of the year, net sales grew by 50 per cent, EBITDA more than doubled and our profit nearly tripled compared to the equivalent period year-on-year. The profit of EUR 47 million for the period is considered excellent.

Competition continues to be intense in the mobile communication business. All of our main competitors have engaged in aggressive campaign offers. Despite this, DNA's growth in terms of net sales and subscription volumes during the first half of the year clearly exceeded that of its competitors.

The integration and rationalisation of the business of six local telephone companies which transferred to the group with effect from 1 July 2007 has progressed as planned.

In June, DNA initiated its expansion in Finland in line with its strategy. During the ongoing year, DNA will introduce its communication data service through its own corporate sales in the capital region as well as in the Kotka, Jyväskylä, Tampere, Lappeenranta, Kajaani, Mikkeli and Salo economic regions.

The quality of DNA's mobile communication customer service has remained excellent throughout the review period. DNA’s outsourcing of its consumer customer service and the related order processing for the fixed-line network business was implemented in June. The aim is to achieve a level of flexibility and efficiency similar to that of the mobile communication customer service.

As a result of its sound financial situation, DNA distributed a total of EUR 100 million to its shareholders, as per each shareholder's entitlement thereof in terms of the proportion of shares held.

Market situation

Competition in the communication markets has remained fierce, accelerated by airtime-inclusive and package campaigns in the mobile communication business. Regardless of this, the prices of services have remained stable. Competition has also remained fierce in fixed-line network broadband services.

The strongest demand has been for mobile broadband services. It is estimated that sales of fixed-line network broadbands with higher subscription speeds will continue to grow. However, no increase in the total volume of fixed-network broadbands is expected.

The Competition Office performed its inspection of DNA's broadband business in June in Vantaa, Lahti, Kuopio and Oulu. The official process is likely to last a long time.

The DNA brand

The ownership, usage specification and supervision of the DNA brand was centralised in the Group's parent company DNA Ltd as of 1 July 2008.

Accounting principles

The DNA Ltd Group will adopt the IFRS accounting standards on 31 December 2008. The interim reports for 2008 will be compliant with the Finnish Accounting Standards (FAS).

Development of net sales

DNA's net sales for April-June amounted to EUR 163 million (113), representing 43 per cent growth compared to the equivalent period last year. The business transfers of fixed-line network operations implemented on 1 July 2007 had a significant impact on the increase in net sales.

The results for DNA Group in January-June came to EUR 319 million (212), of which 66 per cent (89) was generated by mobile communication and 34 per cent (11) by fixed-network business. Net sales for the period under review rose by 51 per cent year-on-year. The business transfers of the fixed-line network operations implemented on 1 July 2007 had a significant impact on this increase in net sales. Mobile communication services, especially the increase in the use of mobile broadband, also had a positive effect on net sales.

Net sales in comparison with 2007:

MEUR	**4–6/2008**	4–6/2007	**1–6/2008**	1–6/2007	**1–12/2007**
Net sales	***163***	*113*	319	212	534

Financial performance

DNA's gross margin (EBITDA) for April-June amounted to EUR 40 million, accounting for 24.7 per cent of net sales and increasing by 123 per cent during the period under review year-on-year. The increase in EBITDA was affected in particular by the business transfer of the fixed-line network business on 1 July 2007.

The results for DNA Group in April-June came to EUR 24 million. Operating profit (EBIT) increased by EUR 15 million compared to the same period in the previous year, accounting for 14.5 per cent of net sales.

Profit after taxes for DNA Group in April-June came to EUR 22 million (6).

DNA's gross margin (EBITDA) for January-June amounted to EUR 82 million, accounting for 25.7 per cent of net sales and increasing by 128 per cent during the period under review year-on-year. The increase in EBITDA was due in particular to the business transfer of the fixed-line network business on 1 July 2007. One of the key factors affecting our financial performance was the continued strong performance of mobile communication, which was very much a result of growing traffic volumes.

The results for DNA Group in January-June came to EUR 49 million. Operating profit (EBIT) increased by EUR 31 million compared to the same period in the previous year, accounting for 15.3 per cent of net sales.

Consolidated financial profits and expenses for January-June amounted to EUR -0.5 million (-2.9). Income taxes for the period under review were EUR -1.3 million (0).

Profit after taxes for DNA Group in January-June came to EUR 47 million (15).

Financial performance compared to 2007:

MEUR	**4–6/2008**	4–6/2007	**1–6/2008**	1–6/2007	**1–12/2007**
EBITDA	**40**	18	82	36	114
EBIT	**24**	9	49	18	65
Profit after financial items	**23**	7	49	15	59
Profit/loss for the financial period	**22**	6	47	15	59

Mobile communication – strongly approaching the landmark of 2 million subscriptions

Mobile communication's brisk growth continued during the second quarter of 2008. In April-June, the subscription volume increased by 77,000 subscriptions, net sales grew by 14 per cent and profit improved by 29 per cent year-on-year.

In January-June, mobile communication's net sales came to EUR 208 million (181), its gross margin (EBITDA) amounted to EUR 42 million (36), and the profit was EUR 24 million (19). The key indicators were improved by growing subscription and traffic volumes in particular. In January-June, the subscription number increased by 174,000 subscriptions.

In mobile communication, the strongest growth was in mobile broadband services. "Mokkula" became the established term for mobile broadband among the Finnish people.

The Taloustutkimus survey published in April showed that DNA has the most satisfied mobile communication customers. The most important factors contributing to customer satisfaction include network reception, good customer service and affordable pricing.

DNA's 3G network is being built at a more intensive rate than ever before in DNA's history, resulting in 3G reception continuously expanding to new regions. According to a benchmarking survey performed in May, DNA's 3G network hosted the best broadband speeds in the country. Since DNA wants to continue to ensure its high customer satisfaction rates in the future, the company will invest heavily in the capacity and coverage of its 3G network. The more 3G network capacity there is available, the faster and more reliably mobile broadband used by customers will work.

The total subscription volume of DNA's mobile communication business increased by 77,000 subscriptions in April-June, totalling 1,492,000 subscriptions. DNA's average monthly revenue per user (ARPU) amounted to EUR 25.0 (27.6) in January-June and EUR 25.3 (27.8) in April-June. The weakened ARPU from January-June 2007 is due to a significant cut in termination and roaming charges. The customer churn rate (CHURN) in Q2 was 13.2 per cent (11.5) and in January-June, 13.4 per cent (11.9).

Mobile communication key figures:

MEUR	**4–6/2008**	4–6/2007	**1–6/2008**	1–6/2007	**1–12/2007**
Net sales	***107***	*94*	***208***	181	*395*
EBITDA	***21***	*18*	42	36	78
EBIT	***12***	*9*	***24***	*19*	44

	6/2008	6/2007	**3/2008**	3/2007	**12/2007**
Number of subscriptions	1,492 000	*1,170 000*	*1,415 000*	1,116 000	1,318 000
DNA's own customers	***1,413 000***	*1,095 000*	*1,340 000*	1,034 000	1,245 000

	4–6/2008	4–6/2007	**1–6/2008**	1–6/2007	**1–12/2007**
Revenue per subscription (ARPU), EUR	***25.3***	*27.8*	***25.0***	*27.6*	27.7
Customer churn rate (CHURN), %	***13.2***	*11.5*	***13.4***	*11.9*	12.6

Fixed-line network business

Net sales for the fixed-line network business in April-June amounted to EUR 60 million (12), the gross margin (EBITDA) was EUR 19 million (1), and profit came to EUR 12 million (1).

Net sales for the fixed-line network business in January-June amounted to EUR 123 million (21), the gross margin (EBITDA) was EUR 39 million (2), and profit came to EUR 26 million (1). The significant increase in net sales and profit was due to the business transfers of the fixed-line network business taking effect on 1 July 2007, due to which the figures for 2007 and 2008 are not comparable.

In the fixed-network business, the volume of broadband subscriptions decreased slightly during the first half of the year. Sales were affected by strongly increasing demand for mobile broadband at slower data speeds. The number of cable TV subscriptions remained on the same level, while the drop in traditional telephone subscription volumes continued. Comparable data from the equivalent period in 2007 is not available, as the business in question was not part of the Group at the time.

The rationalisation of the fixed-line network business continued. The most significant project implemented was the outsourcing of our customer call service. In addition to rationalising our operations, the objective is to develop customer service more strongly than before.

During the first year of operation, the integration of the businesses of six local telephone companies transferred to the group in the previous year has progressed as planned.

In April-June, the number of broadband subscriptions came to 191,000 (3/2008: 195,000). The number of traditional telephone subscriptions continued to decrease, amounting to 242,000 at the end of the period under review (3/2008: 248,000). By the end of the review period, 258,000 households were covered by the DNA cable network (3/2008: 259,000).

Fixed-line network key figures:

MEUR	**4–6/2008**	4–6/2007	**1–6/2008**	1–6/2007	**1–12/2007**
Net sales	60	12	123	21	*150*
EBITDA	19	*1*	39	*2*	38
EBIT	12	*1*	***26***	*1*	24

Number of subscriptions	**6/2008**	**3/2008**	**12/2007**
Broadband	***191,000***	*195,000*	*195,000*
Cable TV	***258,000***	*259,000*	*258,000*
Fixed-line network subscriptions	***242,000***	*248,000*	*253,000*

Personnel

By the end of June, DNA Group employed 1,115 (455) people, a reduction of 8 per cent in comparison with the figures for Q4 in 2007. The average number of employees in January-June was 1,157. DNA's fixed-line network customer service was outsourced in June, as a result of which the Group's personnel was reduced by 76 people.

Number of employees compared to 2007:

	6/2008	6/2007	**3/2008**	3/2007	**12/2007**
Personnel at the end of period	***1,115***	*455*	*1,144*	*358*	*1,214*

Investments

DNA Group's investments in fixed assets amounted to EUR 20 million (11) in April-June. Investments in the mobile communication business amounted to EUR 13 million (10) and in the fixed-line network to EUR 6 million (1).

Investments compared to 2007:

MEUR	**4–6/2008**	4–6/2007	**1–6/2008**	1–6/2007	**1–12/2007**
Capital expenditure	***20***	11	31	32	72

DNA's Board of Directors decided on an additional investment of EUR 10.7 million to ensure the quality of mobile broadband and to meet demand, which has exceeded forecasts. These additional investments will increase DNA Group's investments in 2008 by 13 per cent.

Financial position

The Group's liquidity remained solid during April-June. Its operative cash flow in Q2 amounted to EUR 18 million (5) and in January-June to EUR 49 million (1). At the end of June, the Group's liquid assets amounted to EUR 39 million (24).

Operative cash flow compared to 2007:

MEUR	**4–6/2008**	4–6/2007	**1–6/2008**	1–6/2007	**1–12/2007**
Operative cash flow *	***18***	*5*	49	1	36

* Excluding working capital adjustments.

DNA has agreed a loan arrangement with Sampo Bank Plc and Nordea Bank Finland Plc to the value of EUR 150 million.

Significant litigation matters

The National board of Patents and Registration of Finland turned down DNA's petition concerning the Mokkula trademark. DNA did find it appropriate to appeal against this decision since the term "Mokkula" is already commonly associated with DNA.

The German company Deutsche Telecom AG has petitioned the Helsinki District Court to forbid DNA Ltd from using the pink colour in its marketing of communication services. DNA is opposing this petition.

Refund of capital

According to the decision taken by the Extraordinary General Meeting on 10 December 2007, the company issued EUR 13.21 per share, i.e. a total of EUR 100 million to its shareholders.

Management incentive system

On the basis of the authorisation of the management incentive system determined at the Annual General Meeting, on 28 May 2008 the Board of Directors decided on a rights issue, subject to a charge, to be subscribed by the company's management.

Near-term uncertainties and risks

Intensifying competition in DNA's mobile communication business area may affect operations. The share of fixed-line network telephone traffic has declined in recent years and growth in the market for fixed-line network broadband subscriptions is receding. These factors may limit the growth opportunities for DNA's fixed-line network business.

Mobile communication regulations and the high number of authorities supervising and governing the industry may continue to affect the price levels of DNA's products and services.

As a result of the strong internationalisation of the competitive environment, DNA's main competitors may fall subject to consolidation, the long-term indirect effects of which may be unfavourable to DNA.

The current economic recession may also slow down the renewal rate of mobile terminals and customer-specific traffic volumes.

Near-term prospects

The mobile communication market in Finland will grow as mobile broadband becomes more common both in the consumer and business segment. The increase in mobile broadband volumes is being spurred on by the furious pace of network and terminal technology developments and the mushrooming of 3G terminals. In addition, the mobile use of the Internet's versatile service range is quickly becoming common. DNA's aim is to further strengthen its market position in the mobile communication business and heavily invest in its 3G coverage, capacity and services.

The markets for fixed-line network broadbands are thought to be saturated. However, subscriptions' transfer speeds have increased as the number of services requiring higher speed has grown. In Cable television operations, demand for pay TV services is thought to remain strong. The volume of traditional telephone subscriptions continues to decline. As a whole, DNA's fixed-line network operations are not expected to grow during the second half of the year.

DNA's financial performance during the second half of the year is expected to reach at least the same levels as in the first quarter. Net sales will increase slightly, although tough competition may restrict growth.

Events after the review period

DNA Ltd has made a financial investment in Elisa's shares and now holds circa 1.8 per cent of the related shares and votes. In addition, some of the companies owning DNA have also invested in Elisa, making the joint total holding in Elisa circa 5.3 per cent as of 5 August 2008.

One of the key objectives of the DNA Group is to be a leading Finnish operator in the near future. This growth will take place organically and, if suitable opportunities arise, through corporate acquisitions. In recent times, various attempts at corporate acquisitions have been made among Nordic and Finnish operators. If implemented, these would also provide opportunities for enhancing DNA's operations. The investment in Elisa's shares can be utilised when such opportunities arise.

DNA Ltd.
Board of Directors

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TABLES ATTACHED TO THE INTERIM REPORT (consolidated and by segment)

Consolidated

MEUR	**4–6/2008**	4–6/2007	**1–6/2008**	1–6/2007	**1–12/2007**
Turnover*	**163**	113	319	212	534
EBITDA	**40**	18	82	36	114
Profit	**24**	9	49	18	65
Profit after financial items	**23**	7	49	15	59
Profit/loss for the financial period	**22**	6	47	15	59
Capital expenditure	**20**	11	31	32	72
Operative cash flow	**18**	5	49	1	36
Personnel at the end of period	1,115	455	1,115	455	1,214

*) The praxis of per pulse-charges was changed in September 2007, reference data changed accordingly.

Mobile communication business

MEUR	**4–6/2008**	4–6/2007	**1–6/2008**	1–6/2007	**1–12/2007**
Net sales*	***107***	*94*	***208***	181	*395*
EBITDA	***21***	*18*	42	36	78
Profit	***12***	*9*	***24***	*19*	44
Capital expenditure	13	10	19	31	53
Personnel at the end of period	247	310	247	310	207

*) The praxis of per pulse-charges was changed in September 2007, reference data changed accordingly.

Fixed-line network business

MEUR	**4–6/2008**	4–6/2007	**1–6/2008**	1–6/2007	**1–12/2007**
Net sales	60	12	123	21	*150*
EBITDA	19	*1*	39	*2*	38
Profit	12	*1*	***26***	*1*	24
Capital expenditure	6	1	11	1	17
Personnel at the end of period	802	132	802	132	951

Consolidated income statement

MEUR	**4–6/2008**	4–6/2007	**1–6/2008**	1–6/2007	**1–12/2007**
NET SALES	***163***	113	***319***	*212*	534
Other operating income	***2***	*1*	***3***	*1*	6
Operating expenses	***125***	96	241	177	427
EBITDA	***40***	18	***82***	36	114
Depreciations	***16***	*9*	33	*18*	49
Profit/Loss	***24***	*9*	***49***	*18*	65
Financial income and expenses	***0***	*2*	***1***	*3*	5
Profit/loss before extraordinary items	***23***	*7*	***49***	*15*	59
Extraordinary items	***0***	*0*	***0***	*0*	0
Profit/loss after extraordinary items	***23***	*7*	***49***	*15*	59
Direct taxes and deferred tax liabilities	***2***	*0*	***1***	*0*	1
Minority interest	***0***	*0*	***0***	*0*	0
Profit/Loss for the financial period	***22***	*6*	***47***	*15*	59

Consolidated balance sheet

MEUR	**30 June 2008**	30 June 2007	**31 March 2008**	31 March 2007	**31 Dec. 2007**
ASSETS					
FIXED AND OTHER NON-CURRENT ASSETS					
Goodwill	***4***	*7*	5	8	6
Consolidated difference	***10***	*10*	10	0	11
Other intangible assets	***23***	*17*	20	17	20
Total intangible assets	***35***	*34*	35	25	37
Total tangible assets	***245***	*105*	243	91	248
Total investments	***13***	*3*	7	3	5
TOTAL FIXED ASSETS	***293***	*142*	285	93	289
INVENTORIES AND OTHER NON-CURRENT ASSETS					
Total non-current assets	***8***	*1*	8	0	3
Total long-term receivables	***38***	*27*	36	27	36
Total short-term receivables	***120***	*114*	132	115	146
Total securities	***6***	*6*	6	8	6
Cash and bank receivables	***33***	*18*	64	19	32
TOTAL CURRENT ASSETS	***206***	*166*	246	170	228
TOTAL ASSETS	***499***	*308*	531	288	517

MEUR	**30 June 2008**	30 June 2007	**31 March 2008**	31 March 2007	**31 Dec. 2007**
LIABILITIES					
SHAREHOLDERS' EQUITY					
Share capital	***72***	*40*	72	40	72
Other tied equity	***108***	*149*	207	142	207
Accrued profits	**11**	*-74*	21	–74	–39
Profit for the financial period	***47***	*15*	26	8	59
Total shareholders' equity	***239***	*129*	327	115	299
MINORITY INTEREST PROVISIONS FOR LIABILITIES AND CHARGES	***1***	*0*	2	0	2
CONSOLIDATED	***2***	*1*	2	1	2

RESERVE

LIABILITIES					
Total long-term	133	*81*	59	80	60
Total short-term	***124***	*96*	142	92	155
LIABILITIES	***257***	*177*	201	172	215
TOTAL EQUITY AND LIABILITIES	***499***	*308*	531	288	517

Consolidated key figures

	4–6/2008	4–6/2007	**1–6/2008**	1–6/2007	**1–12/2007**
Net investments, MEUR	***20***	*11*	31	37	*76*
Net investments, % of net sales	***12.2***	9.5	***9.8***	17.4	*14.3*
	6/2008	6/2007	**3/2008**	3/2007	**12/2007**
Personnel at the end of period	***1,115***	455	***1,144***	358	1,214

* incl. financial-leasing-based investments

Financial situation

MEUR	**30 June 2008**	30 June 2007	**31 March 2008**	31 March 2007	**31 Dec. 2007**
Interest-bearing long-term liabilities	***115***	*80*	***42***	*80*	*42*
Interest-bearing short-term liabilities	***29***	*25*	***27***	*34*	*27*
Total interest-bearing liabilities	***144***	*105*	***69***	*114*	*69*
Net liabilities	***104***	*81*	***–2***	*87*	*31*

Financial key figures	**30 June 2008**	30 June 2007	**31 March 2008**	31 March 2007	**31 Dec. 2007**
Gearing, %	***44***	*63*	***–1***	*75*	*10*
Equity ratio, %	***48***	*42*	***62***	*40*	*58*
Net liabilities/EBITDA	0.6	1.1	-0.0	1.2	*0.3*