

## BENEFON COMMENCE THE CO-OPERATION PROCEDURE IN FINLAND

Benefon Oyj has decided to commence a formal industrial co-operation negotiation with its personnel in accordance with the Co-operation Act in order to rationalise and re-organise the operations of the company according to the Company's refocused strategy. The industrial co-operation procedure, with the negotiation call presented to the personnel today, will relate to improving operational efficiency and personnel re-organisation at Benefon's main unit in Salo.

Co-operation procedure will involve all employees of the Company in Finland, and the presented eventual adaptation measures include also forced leaves, possibly touching all personnel in Finland, and redundancies. According to the preliminary plan, savings measures on personnel costs would be made through lay-offs, due to which the Company is not able to estimate the extent of eventual redundancies at this point.

Benefon employs currently 63 people in Finland.

The action plan for the Company's Finland operations presented in negotiations is part of the profitability improvement program needed by the Company. It is based on the Company's newly refocused business strategy to increasingly concentrate on services and service solutions where it is possible to reach significantly higher profitability compared to manufacturing of mobile devices, and where fluctuations of working capital are more readily manageable.

BENEFON OYJ

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CEO