

Benefon Oyj BULLETIN January 16, 2007 at 9:00

BENEFON RECEIVES €3,750,000 CHINESE ORDER

Benefon Oyj today announced an extension of its distribution agreement with China Potevio's Capitel group and Lextel to sell, market, and distribute Benefon's navigation and location products to customers including value added resellers (VARs), mobile virtual network operators, (MVNOs), agents, and dealers throughout mainland China.

Under the terms of this agreement, Lextel Group has committed to an opening order of €3,750,000 of Benefon mobile units to be co-branded with Capitel for the China market. The order is conditional for getting the CTA approval, Benefon expects the deliveries to start during the second quarter of 2007.

Lextel and its local Chinese partner, Takko Communication, will jointly market and distribute Benefon's high performing navigation and tracking product line, including the Twig Discovery and future products set for release in 2007, to the consumer market in China.

In China, Benefon's GPS technology will provide a new and emerging wireless communication solution for densely populated areas and a more cost effective alternative to traditional navigation and logistics networks.

Benefon GPS phones provide unique features such as integrated real-time navigation, unique tracking features, performance enhanced battery consumption, and stylish cutting edge design. Benefon's products have been developed for people who want mobility, convenience and safety but have become frustrated by overly complicated navigation devices and expensive pay-monthly navigation service plans.

"This is Benefon's first entrance ever into the Chinese market and signifies a huge step for the company into a navigation market that is fast growing" stated Mike Choy, Lextel President and CEO

About Benefon

Benefon is a leader in GSM+GPS mobile telematics equipment and solutions. Professional and consumer applications include professional security, personal safety, field and workflow management, asset tracking, and health. Headquartered in Salo, Finland, Benefon has designed and manufactured mobile equipment for GSM and NMT cellular systems since 1988. For more information, please visit our website at www.benefon.com.

About China Potevio

China Potevio (Formerly named China Putian) is the leading company among the top 100 enterprises in China's IT industry and ranked number one among China's largest enterprise groups in the manufacture sector of electronic and communications equipment industry. The company was founded in 1980 and was originally called China Posts and Telecommunication Industry Corporation. China Potevio consists of 7 companies which include Potevio Capitel, Potevio Eastcom and Ningbo Electronics.

About Lextel and Takko

Lextel, located in Hong Kong, is the marketing partner of Benefon for China and Hong Kong since October 2005. Lextel focuses on the distribution and marketing of telecommunication products in the global market. Takko, based in China, specializes in the distribution of GSM terminal products and equipments in China and is expanding its products to GPS/GSM phones and GPS solutions to the consumer and B2B market in China.

Benefon Oyj

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