

BENEFON HIRES SENIOR CHINESE EXECUTIVE TO SPEARHEAD LOCAL MARKET LAUNCH

Benefon, the leading provider of mobile GPS navigation solutions and location based software, today announced its formal entry into the rapidly growing and dynamic Chinese market with the opening of an office in Shanghai. The office is planned to have a staffing level scaling up to 15 employees.

Jeff Lin, a seasoned location technologies leader has been recruited as Managing Director to spearhead company's local activities. Mr. Lin, a digital map and technology veteran who guided NAVTEQ's entry into China, will use his experience to leverage both product development and distribution in the region. Before joining Benefon, Mr. Lin was General Manager of Nav2 (Shanghai) Co., Ltd, a Joint Venture Company between NAVTEQ and China NavInfo. Previously Mr. Lin was a product manager at NAVTEQ and held positions at Dantis Inc. and Tellabs Inc.

The creation of the new Benefon China Division is in response to strong interest on the part of consumer and business enterprise users in the company's offerings for location enabled mobile devices and software solutions. The company's goal is to be the pre-eminent provider of location based mobile technology in China. Priorities for the new division will include localizing the Benefon Twig product line, development of a personal navigation product line for vehicles, cultivating local software content, and expanding the company's Chinese-language database of Web solutions.

Tomi Raita, President of Benefon, said, "The establishment of a China division strategically reinforces our commitment to driving the evolution of China's mobile location industry." "Having a China based operation will not only enable us to fully leverage our resources and expertise in wireless solutions, but will also strengthen our capability to offer industry-leading products for our customers and new prospects in China."

Peter Bamford, Chairman of Benefon, noted, "With an estimated 500 million mobile phone users and 100 million regular internet users in China, we see the potential market for our products there to surpass that of Europe and the U.S. in three to five years. Based on all of the factors we felt would make us successful, we determined that this is the time and the place with the strongest opportunity. We expect the new division to represent a significant portion of revenues in the coming years."

BENEFON OYJ

Tomi Raita
CEO

For more information, please contact:
Tomi Raita, CEO, tel. +358-2-77400
www.benefon.com

Distribution:
Helsinki Exchanges
Principal news media

About Benefon

Benefon is a leader in GSM+GPS mobile telematics equipment and solutions.

Professional and consumer applications include personal navigation, 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.