

BENEFON OYJ BULLETIN 23.11.2007 AT 9:00 HRS

INTERIM REPORT 1-9/2007

SUMMARY HIGHLIGHTS

- Listing prospectus issued in July
- Company completes 9.575 million euro financing package
- Decisions by the September Extraordinary General Meeting
- Company makes significant progress with R&D and new product development
- Industrial procedure in Salo completed
- GeoSolutions GyPSii development is accelerating
- Decisions by the November Extraordinary General Meeting

1. Highlights of the last quarter

Listing prospectus issued in July

On July 24, 2007, the Company published the prospectus approved by the Finnish Financial Supervision ("FSA"), prepared for listing new shares at Helsinki Exchanges for public trading issued in the share exchange of GeoSolutions acquisition, in the eighth financing tranche and in the set-off issue. On the same day, the Company made public with market bulletin prior undisclosed information included in the prospectus. The Prospectus is available for downloading at the Company website www.benefon.com.

Company completes 9.575 million euro financing package

Benefon Oyj informed on August 21, 2007, that the Company's Board had accepted the terms for the financing package of a total of approximately 9.575 million euros negotiated with investors and consisting of new investment series shares of the company and a convertible bond loan. The agreed financing was conditional for restructuring the ownership of the Company by issuing new investment series shares to GeoHolding B.V. without charge in order to correct the erroneous valuation of the acquisition of GeoSolutions B.V. on April 27, 2007. At first the Board decided to raise a maximum of EUR 4,950,000 by virtue of authorization granted by the Annual General Meeting of April 16, 2007, by offering new investment series shares and convertible bond loan to certain investors. In order to execute the rest of the financing, the Board called an Extraordinary General Meeting to convene on September 10, 2007 for resolving related matters. The rest of the financing, totalling a maximum of EUR 4,050,000 was decided to be raised subject to Extraordinary General Meeting granting new authorization needed also for the said directed free share issue to GeoHolding B.V.

Accordingly, the Board decided to issue new investment series shares and convertible bond loan for a total maximum of EUR 4,950,000 to investors accepted by the Board. The maximum number of new investment series shares offered for subscription was 22,000,000 and subscription price EUR 0.18 per share. In addition, each subscribed share entitled investors to subscribe for four convertible notes with a principal value of 0.01125 each. Therefore, the maximum principal amount of the convertible loan is EUR 990,000 and the maximum number of new investment series shares that can be subscribed for by virtue of the loan was 88,000,000. Of the share subscription price, EUR 0.01 was booked to share capital and the remainder in invested unrestricted equity fund. As a result of the share issue company's share capital may increase by a maximum of EUR 220,000.00 and as a result of convertible bond loan by a maximum of EUR 880,000.00. The new investment series shares offered for subscription represented at maximum 6.50 % and the convertible bond loan at maximum 26.01 % of the Company's registered shares prior the Offering.

According to the conditions set by the investors for the financing, the Company was obligated to issue new investment series shares and option rights to GeoHolding B.V without charge in order to restructure the acquisition of GeoSolutions B.V. executed on April 27th 2007 and to increase the fully diluted ownership of GeoHolding B.V. up to 30 % as agreed with the investors. Therefore, the Company agreed to issue a maximum of 221,007,003 new investment series shares and maximum of

35,305,555 new option rights to GeoHolding without charge. Of the issued shares 103,333,333 shares and all new option rights are directed in order to correct the misvaluation of the purchase price defined by the company. The corrected valuation is based on the valuations agreed with the investors. With the same, the terms of option rights 2007-1, directed to the key personnel of GeoSolutions B.V., was to be amended such that the share subscription price is decreased to correspond to the agreed price of EUR 0,045 per share.

The Board accepted the above mentioned arrangements subject to confirmation and authorization by the Extraordinary General Meeting called to convene on September 10, at which point in time the arrangements were confirmed and authorized at the EGM.

Decisions by September Extraordinary General Meeting

The Extraordinary General Meeting of Benefon Oyj convened on September 10, 2007, decided to confirm the remaining part of the financing and the main terms and conditions thereof in accordance with the proposal of the Board. The Board was also authorised to decide on increasing the share capital and issuing new shares, option rights and specific rights such that the maximum amount of share capital increase is EUR 8,000,000 and number of issued new investment series shares 800,000,000. The share capital can be increased by means of using the premium fund or invested unrestricted equity fund for the increase. The authorisation entitles the Board to deviate from the pre-emptive right of shareholders and also accept set-off or other consideration in kind as a payment for the shares, option rights or specific rights. The shares can also be issued without payment provided that there is an especially weighty financial reason for this as required by the Companies Act. The Board has the right to decide the terms of any issue by virtue of the authorization for all other parts. The authorisation is valid for two years from the date of the Extraordinary General Meeting. The authorisation granted by the Annual General Meeting of April 16, 2007 remains to be valid.

In addition, the Extraordinary General Meeting resolved in accordance with proposal of the Board, to amend the articles 4 and 5 of the Articles of Association such that the maximum number of all shares and number of investment series shares shall be 2,000,000,000.

In addition, the Extraordinary General Meeting resolved in accordance with proposal of the Board, to amend option rights terms 2004A and 2005B(A-D) such that the share subscription period is extended until June 15th, 2010 for all such option rights. In addition the Extraordinary General Meeting resolved, according to the proposal of the Board, to amend the terms of option rights 2007-1 such that the share subscription price for each option right is EUR 0.045. The terms of the above mentioned option rights shall remain for all other parts unchanged.

Finally, the Extraordinary General Meeting resolved that the number of Board members remains to be six and elected the following new persons to the Board: David Francis, Gary Bellot and Michael Vucekovich. Dan Harple, Jeffrey Crevoiserat and Juha Kiikeri shall continue as the members of the Board.

Company makes significant progress with R&D and new product development

Accordingly, the Company has made significant progress in its R&D efforts to accelerate and support the GyPSii geo-location platform development with a focus on mobile client developments where it sees mass market opportunities. Therefore, the Company has ceased to continue the lower margin potential smart phone hardware program informed about in February, instead focusing on the core Intellectual Property and its subsequent potential for Internationally-based licensing to OEM and ODM customers. The combination of a base Linux-based mobile operating system from the Twig product family, coupled with the location-based services features makes this software-only solution compelling and a higher margin business opportunity.

2. Developments after the end of the reporting period

Industrial procedure in Salo completed

The industrial co-operation procedure of Benefon Oyj, informed on 23.8.2007 and commenced on 30.8.2007, was completed by October 11, 2007. The solution, touching all personnel in Finland, reached in the negotiations consists of so called alternate forced leaves such that the alternate forced leaves agreed already in the spring for production personnel and comprising one week per month will be extended to comprise now two weeks per month. In addition, the alternate forced leaves will now be applied also to office personnel for whom the leaves will equally comprise two weeks per month as a rule, with some exceptions. The extended alternate forced leave program will be applied for production personnel as of 29.10.2007 and for office personnel as of 12.11.2007, and it will continue for the time being.

GeoSolutions B.V.'s GyPSii development is accelerating

On November 9, 2007, the Company announced that its GyPSii webtop client is available for users in ten different languages - US English, UK English, German, Spanish, French, Italian, Korean, Russian, Simplified Chinese and Traditional Chinese. The Gypsii webtop's extended language support comes as consumer demand increases for the GyPSii application and service from users in different countries around the world. Subscribers can now use the site for social networking, sharing user-generated content, friend-finding and accessing location based content, services and points of interest - all in their own language.

GyPSii rolled out the Windows Mobile client in September in a public beta program, for users to test the application in the real world. The current public beta Microsoft-Certified Windows Mobile client is accessible in English and Simplified Chinese, with the other languages rolling out over the coming quarter.

The Symbian & Java/ J2ME Blackberry mobile clients are currently being user tested in private beta.

A concurrent significant product announcement is made on 23 November, 2007 describing the release of the Nokia-supported and certified GyPSii mobile application for Nokia handsets. GyPSii is current in testing with several large telecomm OEM's and network operators on various mobile operating platforms, in global geographies.

Decisions by November Extraordinary General Meeting

The Extraordinary General Meeting of Benefon Oyj convened on November 16, 2007, decided to alter the Company's Articles of Association in entirety. The main contents of the decided amendments are as follows:

Article 1 of the Articles of Association:

The article was amended such that the Company's Finnish business name and English parallel business name be changed to GeoSentric Oyj and GeoSentric Plc, respectively.

Article 2 of the Articles of Association:

The article was amended such that "developing and providing location based services" be added to the Company's field of purpose.

Article 3, 4, 5, 6, 7 and 17 of the Articles of Association:

The articles were amended such that all of the Company's ordinary shares and investment series shares are combined to form a single series of shares. By implementing the combination, the Company will have only one series of publicly traded shares entitling their holders to equal rights. Hence the articles 5, 6, 7 and 17 will be annulled in their entirety. Combining these two share series will be implemented by removing provisions related to differences between the share series from the Articles of Association in such a way that each ordinary share be converted into a share whose rights correspond to the current investment series share. Respectfully to the combination of the share series the articles regarding the minimum and maximum share capital (article 3) and the amount of shares (article 4) will be annulled.

Article 10 and 11 of the Articles of Association:

The articles will be combined and amended such that the company shall be legally represented by the Chairman of the Board of Directors or the Managing Director individually, or jointly by the majority of the members of the Board of Directors. In addition the Board of Directors would have authority to grant authorisations to other persons to represent the Company jointly with another authorised official of the Company or a holder of procuration.

In addition, the Extraordinary General Meeting decided to appoint PriceWaterHouseCoopers as the deputy auditor of the company.

3. Outlook for the remainder of 2007

GyPSii will be making available to users a full selection of mobile clients on multiple phone sets in Q4 and Q1, that will include Symbian, Java, Blackberry and Windows Mobile operating systems. The mobile clients will be made available in multiples languages, US English, UK English, German, Spanish, French, Italian, Korean, Russian, Simplified Chinese and Traditional Chinese, with more languages to be added as dictated by the market growth. This will give GyPSii the opportunity to provide users with a compelling mobile location based application in a global market of over 3BN mobile phone subscribers.

In addition the GyPSii strategy of working with other providers and web social networks, will include integrations to Facebook, MySpace and other leading Web 2.0 applications along with the new Open Social industry initiatives.

4. Financial Review

Financial Performance in the Period

The net sales of the company in Q3/2007 were 1170 teuros and in period Q1+Q2+Q3/2007 3543 teuros. The comparable net sales in Q3/2006 were 644 teuros and in period Q1+Q2+Q3/2006 3904 teuros.

The operating profit in Q3/2007 was -5359 teuros and in period Q1+Q2+Q3/2007 -15176 teuros. The comparable operating profit in Q3/2006 was -1704 teuros and in period Q1+Q2+Q3/2006 -3830 teuros.

The total of the balance sheet at the end of Q3/2007 was 20844 teuros. The total of the balance sheet at the end of the previous year 2006 was 17397 teuros and at the end of the same period Q3/2006 in the previous year it was 15074 teuros.

The total shareholders' equity at the end of Q3/2007 was 10042 teuros, or about 48% of the balance sheet, when at the end of the previous year 2006 it was 10421 teuros, or about 60%. At the end of the same period Q3/2006 in the previous year it was 9606 teuros, or about 64%.

The book value of interest-carrying debt at the end of Q3/2007, including the capital loans, was 2055 teuros. The total liabilities at the end of Q3/2007 were 10802 teuros, whereas they were 6976 teuros at the end of year 2006 and 5468 teuros at the end of the same quarter Q3/2006 in the previous year. Cash and cash equivalents at the end of the period was 8682 teuros of which 373 teuros were pledged.

The Company adopted the International Financial Reporting System (IFRS) during financial year 2005 and the financial statements for the year 2005 and onwards, including the interim reports, have been prepared according to IFRS.

Report on sufficient liquidity in period 10/2007-12/2008

The below cash flow statement assumes that sales targets set in financial projections for financial years 2007 and 2008 are met. These projections are highly dependent on timely deliveries and sales success of the Company's products and services.

Cash Flow Statement 10/2007-12/2008	million euros
Cash flow from operations	-7.2
Share subscription payments	0.0
Investments	-0.3
Change in cash	-7.5
Cash in the beginning of the period	8.7
Cash at the end of the period	1.2

5. Company information

Founded in 1988 in Finland by early mobile phone pioneers, Benefon is a leader in devising means for exploitation of the service potential offered by GSM networks, the Internet and the GPS system. Benefon is at forefront of research and innovation in this domain.

Benefon currently provides solutions, products and technologies for location based services and social networks. Its products include the GyPSii mobile social networking and geo-location based services platform, together with ready-to-use integrated GPS/GSM devices for navigation and object tracking and customisable software solutions for industry specific uses. In addition, the Company offers Internet-based locating service enabling the user to locate other Benefon devices.

The number of personnel in quarter 3Q/2007 averaged 79, of whom 23 persons were affected by alternate forced leaves.

Benefon share (BNFSV) is listed on the small cap -list of OMX Nordic Exchange in Helsinki.

Benefon Oyj

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BENEFON OYJ INTERIM REPORT 3Q/2007 (not audited)
GROUP INCOME STATEMENT

1000 EUR	3Q/2007	1-3Q/2007	3Q/2006	1-3Q/2006	2006
Net sales	1170	3543	644	3904	6959
Other operating income	6	32	1	15	25
Increase (+)/decrease (-) in inventories of finished products	-423	-305	689	686	2625
Production for own use	0	0	0	0	0
Use of raw materials and consumables	-1152	-3869	-1015	-3157	-7190
Total expense of employees	-1513	-4862	-1232	-3431	-4915
Depreciations	-1279	-3238	-15	-59	-563
Impairment loss	-440	-440	0	0	-872
Other operating expenses	-1728	-6037	-1795	-5451	-11775
Capitalised R&D expenses	0	0	1019	3663	4163
Operating result	-5359	-15176	-1704	-3830	-11543
Financial income	8	26	55	104	145
Financial expenses	-15	-334	-21	-127	-162
Result before taxes	-5366	-15484	-1670	-3853	-11560
Income taxes	128	255	0	0	0
Result for the period	-5238	-15229	-1670	-3853	-11560
Earnings per share, eur					
Basic earnings per share, eur	-0,02	-0,05	-0,01	-0,02	-0,05

Diluted earnings per share not been computed because dilution effect would improve the key figure.

The interim financial statements have not been audited.

GROUP BALANCE SHEET

1000 EUR	Note	30.9.2007	30.9.2006	31.12.2006
ASSETS				
Non-current assets				
Property, plant and equipment		216	236	244
Development costs		250	3663	2841
Goodwill		216	0	0
Other intangible assets		5035	24	32
Other financial assets		62	61	61
Deferred tax assets		0	0	0
		5779	3984	3178
Current assets				

Inventories		3338	3177	6194
Trade receivables and other receivables		2425	3079	4585
Prepaid expenses		620	1809	898
Cash and cash equivalents		8682	3025	2542
		<u>15065</u>	<u>11090</u>	<u>14219</u>

Total assets		20844	15074	17397
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EQUITY AND LIABILITIES

Shareholders' equity				
Share capital	5	3533	2206	2634
Share issue		3960	0	400
Share premium account	5	15925	15936	15936
Invested distributable equity account	5	14200	0	4866
Retained earnings		<u>-27576</u>	<u>-8536</u>	<u>-13415</u>

Total shareholders' equity		10042	9606	10421
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Non-current liabilities

Deferred tax liabilities		1275	0	0
Interest bearing debt	7,8	<u>930</u>	<u>946</u>	<u>2319</u>
		2205	946	2319

Current liabilities

Trade payables and other payables		7315	4452	4500
Provisions		157	47	157
Interest bearing debt	7,8	<u>1125</u>	<u>23</u>	<u>0</u>
		8597	4522	4657

Total liabilities		10802	5468	6976
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Total shareholders' equity and liabilities		20844	15074	17397
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GROUP CASH FLOW STATEMENT

1000 EUR		1-3Q/2007	1-3Q/2006	2006
Cash flow from operations				
Result of the period		-15229	-3853	-11560
Adjustments		3955	191	4391
Changes in working capital				
Change of trade and other receivables		2438	-2753	-3343
Change of inventories		2856	-1895	-4912
Change of trade and other liabilities		-626	957	2540
Paid interests		-2	-38	-62
Received interest payments		21	97	140
Cash flow from operations, net		-6587	-7294	-12806
Cash flow from investments, net		-130	-3823	-4393

Cash flow from financing			
Proceeds from issue of share capital	6953	11676	16476
Transaction expenses of share issues	-269	-296	-1022
Proceeds from long-term borrowings, equity	0	0	1225
Proceeds from long-term borrowings, liabilities	6173	1425	1725
Cash flow from financing, net	12857	12805	18404
Change in cash	6140	1688	1205
Cash in the beginning of the period	2542	1337	1337
Cash at the end of the period	8682	3025	2542

GROUP STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Share capital (1000eur)	Share issue (1000eur)	Share premium account (1000eur)	Inv. distrib. equity account (1000eur)	Accrued result (1000eur)	Total (1000eur)
Shareholders' equity 31.12.2005	1313	0	1211	0	-4855	-2331
Share issue, cash	556	0	11120	0	0	11676
Share issue, offset with capital						
Loans and trade receivables	227	0	4407	0	0	4634
Conversion of convertible bonds into shares	110	0	425	0	0	535
Share issue expenses	0	0	-1227	0	0	-1227
Booked expense of stock options to key personnel and partners	0	0	0	0	172	172
Result of the period	0	0	0	0	-3853	-3853
Shareholders' equity 30.09.2006	2206	0	15936	0	-8536	9606
Shareholders' equity 31.12.2006	2634	400	15936	4866	-13415	10421
Share issue, cash	189	3560	0	3153	0	6902
Share issue, dept set-off	80	0	0	1054	0	1134
Share issue, share premium acc.	11	0	-11	0	0	0
Share exchange, GeoSolutions	300	0	0	3900	0	4200
Conversion of convertible bonds into shares	319	0	0	2020	0	2339
Share issue expenses	0	0	0	-793	0	-793
Booked expense of stock options to key personnel and partners	0	0	0	0	1068	1068
Result of the period	0	0	0	0	-15229	-15229
Shareholders' equity 30.09.2007	3533	3960	15925	14200	-27576	10042

KEY FIGURES

	3Q/2007	1-3Q/2007	3Q/2006	1-3Q/2006	2006	
Net sales, 1000 EUR		1170	3543	644	3904	6959

Operating result, 1000 EUR	-5359	-15176	-1704	-3830	-11543
Result before taxes, 1000 EUR	-5366	-15484	-1670	-3853	-11560
Gross investments, 1000 EUR	13	6279	1007	3823	4393
Average personnel	79	82	84	81	82
Earnings per share, EUR	-0,02	-0,05	-0,01	-0,02	-0,05
Equity per share, EUR	0,03	0,03	0,03	0,03	0,04
Weighted average number of shares in period, 1000 pcs	303402	339527	220576	206104	213490
Number of shares at the end of the period, 1000 pcs	353321	353321	220576	220576	263416

NOTES TO THE GROUP INTERIM REPORT

1. BASIC INFORMATION ABOUT THE COMPANY

Benefon Oyj ("Group") is a provider of navigation devices intended for personal and professional use, and that of services enabling navigation, tracking and locating by means of personal mobile devices. The Group sells products in 30 countries. The parent company of the Group is Benefon Oyj. Its registered domicile is Salo, Finland, with street address Meriniitynkatu 11, 24100 Salo, Finland, and mail address PL 84, FIN-24101 Salo, Finland. Copy of the Group financial statements FY2006 is available at the internet address www.benefon.com or at the company head office at address Meriniitynkatu 11, FIN-24100 Salo, Finland.

2. ACCOUNTING PRINCIPLES FOR THE FINANCIAL STATEMENTS

Foundation:

The group interim report has been prepared in accordance with the International Financial Reporting Standards ("IFRS"), and it has been prepared according to the accounting standard IAS 34. Interim reports. An interim report shall be read together with the financial statements for year 2006.

Principles of preparation:

The utilised principles of preparation are identical with those utilised by the Group in financial statements for FY 2006.

IASB has published new standards and interpretations and changes in existing standards, application of which is mandatory on 1.1.2007, and which the group has not adopted earlier voluntarily. The group has adopted the following standards (and their amendments) and interpretations from 1.1.2007 onwards:

IAS 1, Presentation of financial statements, amendments in sections 124A-C.

IFRS 7, Financing instruments: Notes.

IFRS 8, Business segments. The Company provides an assessment about segment reporting in context of the business acquisition.

IFRIC 11, Group and Treasury Share transactions.

IFRIC 12, Service Concession Arrangements. Its new interpretation is not applicable to Group's industry.

New standards, interpretations or amendments have not had significance or essential effect to information in the interim report.

3. SEGMENT INFORMATION

The primary reported segments of the group comprise business segments. Number of distinct segments at the moment is one: mobile telematics equipment. Its share of net sales, result and assets was almost 100% in the reporting period and in the prior period.

4. ACQUISITIONS

Benefon Oyj has on 2.5.2007 acquired the entire share stock of the Dutch firm GeoSolutions BV. The acquisition was realised as a share exchange in which the Company issued 21,000,000 new shares and, after the terms of the share exchange agreement had been met, further 9,000,000 new shares. In the acquisition cost calculation, it has been assumed that also the latter part will be realised.

	1000 EUR
Acquisition cost to Benefon:	
Share issued as payment	4200
Transaction costs	486
Total	<u>4686</u>
Assets and liabilities at fair value according to IFRS:	
IPR	6000
Goodwill	216
Deferred tax liability	<u>-1530</u>
Acquired net assets at fair value	4686
Net assets of the acquired company at fair value:	
IPR	6000

5. SHAREHOLDERS' EQUITY

	Number of shares (1000)	Share capital (1000eur)	Share premium account (1000eur)	Inv. distrib. equity account (1000eur)	Total (1000eur)
31.12.2006	263416	2634	15936	4867	23437
Share issue 1.2.2007	1667	16		334	350
Share conversion of CBL2007A 22.3.2007	556	6		44	50
Share issue 22.3.2007	4703	47		940	987
Share conversion of CBL2007B 10.4.2007	21071	211		1604	1815
Share issue 10.4.2007	2045	21		409	430
Share exchange 25.5.2007, GeoSolutions	21000	210		3900	4110
Share issue 28.5.2007	2400	24		336	360
Share issue 28.5.2007, share premium acc.	1111	11	-11		0
Share conversion of CBL2007D 28.5.2007	2630	26		105	131
Share conversion of CBL2007E 13.6.2007	1600	16		24	40
Share issue 13.6.2007	8100	81		1134	1215
Share issue 24.7.2007	7975	80		1054	1134
Share conversion of CBL2007C 5.9.2007	6047	60		242	302

Share exchange 5.9.2007, GeoSolutions	9000	90	0	90
Costs of share issues			-793	-793
30.09.2007	353321	3533	15925	14200
				33658

Maximum number of shares in the Company, as stipulated in the articles of association, is 1000 million. The share carries no nominal value but the book parity value at the moment is 0.01 euros per share. Maximum share capital is 50 million euros. All outstanding shares are fully paid.

6. OPTION RIGHTS

In the financial year, 9,778,500 new option rights according to IFRS 2 have been issued to key personnel of GeoSolutions and 1,500,000 option rights to other key persons of Benefon. Share subscription price with these options was 0,14 euros.

The EGM of Benefon Oyj resolved on 10.9.2007 to amend option rights terms, such that share subscription price to key personnel of GeoSolutions is 0,045 euros and such that share subscription period of certain other option rights is extended until 15.6.2010.

1000 EUR		1-3Q/2007	1-3Q/2006	2006
Option expense booked in the period according to IFRS 2.				
Received service is compensated as options. In cost booking the counter item is shareholders' equity.				
Options issued in 2005		70	171	58
Options issued in 2006		122	0	2942
Options issued in 2007		876	0	0
Total		1068	171	3000

7. DEBTS WITH NOMINAL INTEREST

1000 EUR	Nominal loan value 3Q/2007	3Q/2007	3Q/2006	2006
Non-current loans:				
CBL 2004A	955	930	946	898
Current loans:				
CBL 2004A		0	23	0
CBL 2007C	135	135	0	0
CBL 2007F	990	990	0	0
		1125	23	0

8. DEBTS WITH NO NOMINAL VALUE

1000 EUR		3Q/2007	3Q/2006	2006
Non-current loans:				
Interest-free loan 1450 teur, year 2006		0	0	703
Interest-free loan 1500 teur, year 2006		0	0	718
Total		0	0	1421

Interest-free loans from year 2006 with nominal value of 1450 teur and 1500 teur. In March 2007, these loans were converted into convertible loan 2007B. Convertible loan 2007B was converted into shares in April 2007.

9. COLLATERAL COMMITMENTS AND CONTINGENCIES

1000 EUR	3Q/2007	3Q/2006	2006
Contingent liabilities relating to chattel mortgage	1723	1678	1689
Collateral for own liabilities:			
Chattel mortgage as collateral for contingent liabilities	12068	12068	12068
Pledged non-current financial assets	42	41	41
Pledged current financial assets	373	358	373

10. RELATED PARTY TRANSACTIONS

Relations between mother company and subsidiaries are as follows: Benefon Oyj is the mother company in the group, in which there are the following 100 % subsidiary companies: Benefon UK Ltd., Benefon Solutions B.V., GeoSolutions B.V. and Benefon China.

Inner circle transactions have been presented in the financial statements for year 2006. No essential changes have taken place in the reporting period.

Interest free loans with a nominal capital of 2950 teuros, raised from Luben Limited in year 2006, were converted in March 2007 into convertible loan 2007B, which was converted into shares in April 2007. In addition, of related party firms, Ashland Partners, Horizon Trustees and Cercle Investment have participated in share issues, and Campbell Investment and Octagon Solutions in set-off issues, of year 2007.

11. EVENTS AFTER THE END OF THE PERIOD

Market bulletin on 11.10.2007

The industrial co-operation procedure of Benefon Oyj touching all personnel in Finland was completed. The alternate forced leaves agreed already in the spring for production personnel and comprising one week per month will be extended to comprise now two weeks per month. In addition, the alternative forced leaves will now be applied also to office personnel for whom the leaves will equally comprise two weeks per month as a rule, with some exceptions.

Extraordinary general meeting on 16.11.2007

The meeting decided to alter the Articles of Association in entirety and to change the name of the Company into GeoSentric Oyj.