



PROPOSAL OF THE BOARD OF DIRECTORS TO THE GENERAL MEETING

The Board of Directors has decided to propose to the company's shareholders the following matters:

1. Change of company form to a European Company

The Board of Directors has decided to propose to the extraordinary general meeting that the company's form be changed to a European Company (Societas Europaea) and, in this connection, that the company's articles of association be amended in the manner described in the articles of association appended to the Conversion Plan signed on October 8, 2004 and registered in the Trade Register on October 14, 2004 in all other respects except for the company's name, which the Board proposes to be changed in a manner different from that presented in the Conversion Plan.

Grant Thornton/Joakim Rehn has submitted the statement of an independent expert addressed to the company's shareholders and required as part of the process of changing the company form.

2. Change of company name

The Board of Directors has decided to propose to the extraordinary general meeting that, deviating from the Conversion Plan signed on October 8, 2004 and registered on October 14, 2004, the company be renamed Elcoteq SE.

3. Convening of extraordinary general meeting and matters to be presented to the meeting

The Board of Directors has decided to convene an extraordinary general meeting to be held in the Ball Room of the Scandic Hotel Continental (Mannerheimintie 46-48, Helsinki) on Tuesday, September 27, 2005, commencing at 2.00 pm to consider the conversion of the company into a European Company, the requisite amendments to the articles of association, and changing of the company name.

The Board of Directors has decided to publish the Notice of Meeting as a stock exchange release, on the company's website, and in the Finnish newspapers Kauppalehti and Iltalehti.