

YLE and TietoEnator to set up joint venture company

YLE, the Finnish Broadcasting Company, has selected TietoEnator as its strategic IT partner and will set up a joint venture with the company. These arrangements are scheduled to become effective on 1 January 2003 when the new company will start business. The joint venture company will be responsible for YLE's system development and operating services. Another goal is to develop new IT-based electronic services for radio and TV broadcasting.

A total of 82 IT experts from YLE and 6 from TietoEnator will be transferred to the new company. TietoEnator's stake in the joint venture will be 80% and YLE's 20%. Initially, the focus will be on TietoEnator's Telecom & Media and Processing and Network Services Business Areas. Net sales during the first year are expected to reach € 12 million, and the value of the fixed assets to be transferred to the new company at the beginning of 2003 is estimated at € 4.6 million.

"We are extremely pleased to have one of the foremost players in the business as our strategic partner. This cooperation will give YLE an excellent opportunity to develop innovative services on a broad front and offer Finnish expertise to media companies throughout Europe," says Mr Pentti Heikkinen, President of Telecom & Media Business Area at TietoEnator.

Outsourcing of IT operations is part of the on-going strategic restructuring and renewal of YLE's business concept. YLE will focus on its core activities, such as the development of radio and TV programmes, Internet content, and wireless services.

"For YLE, this means that we will have immediate access to the highest standard of IT expertise. At the same time, we will be able to keep IT cost under control. The employees will be the key members of the new company which is committed to on-going staff skills enhancement", says Mr Jorma Laiho, Director of YLE's Technical Department.

For TietoEnator, telecom and media sector is one of its focus areas. Through the arrangements agreed today, TietoEnator will strengthen its position as the leading IT company in the media industry in Scandinavia.

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With almost 12,000 employees and annual net sales of EUR 1.1 billion, **TietoEnator** is a leading supplier of high value-added IT services in Europe. TietoEnator specialises in consulting, building and hosting its customers' business operations in the digital economy. The Group's services are based on a combination of deep industry-specific expertise and latest information technology.

www.tietoenator.com

Yleisradio Oy (YLE) is a limited company engaged in public full service television and radio broadcasting. Its duties, operations and funding are defined by law. Together with its subsidiary responsible for distribution, Digita Oy, it forms a group. YLE's principal owner is the state. Turnover of the Group is 381 M€ and personnel 4511.

www.yle.fi

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