

## Nokia up on revamp hopes, E7 starts deliveries

Shares in Nokia Oyj, the world's largest cellphone maker, jumped to a four-month high as a delayed top of the range model finally started deliveries and hopes grew for a strategy revamp due later this week.

A magazine report said Nokia was likely to sack several executive board members in a management rejig, raising hopes for a shakeup of the underperforming company to be unveiled by Chief Executive Stephen Elop on Friday.

"It is not just the expectation on executive board changes, but general strategy lines, anticipation of new things," said analyst Hannu Rauhala at banking group Pohjola. "The current strategy has not brought the expected results. A new strategy would give a new chance."

Nokia shares were 3.1 percent higher at 8.38 euros by 11:12 a.m. EST, having risen as high as 8.42 euros, their highest since October.

Nokia said it had started deliveries of its delayed top-of-the range E7 model, a key product for the Finnish firm as it tries to recover ground lost to Apple and Google in the smartphone market.

A weak offering of smartphones and software problems were seen as the main reasons for Nokia replacing CEO Olli-Pekka Kallasvuo last September with Elop from Microsoft.

The E7 is expected to be the top sales generator in 2011, a senior company official was quoted as saying in Finnish daily Kauppalehti.

"The E7 is by far the most important model for us this year when looking at sales expectations," Ukko Lappalainen, a senior Nokia official was quoted saying.

Nokia had postponed the rollout of the E7 in December "to ensure the best possible user experience."

The E7 is similar to Nokia's N8 model but has a full slideout keyboard. The N8 was also delayed and, after launch, Nokia admitted some of the phones had power problems.

(Additional reporting by Terhi Kinnunen and Jussi Rosendahl; Editing by Will Waterman and David Holmes)

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<http://www.ecnmag.com/news/2011/02/nokia-revamp-hopes-e7-starts-deliveries>