# MATERIAL CHANGE REPORT

**Filed pursuant to Section 75(2) of the *Securities Act*, Ontario and corresponding provisions of the securities legislation in other provinces**

1. **<u>Reporting Issuer</u>**

The name and address of the reporting issuer is:

Aastra Technologies Limited
155 Snow Boulevard
Concord, Ontario
L4K 4N9

2. **<u>Date of Material Change</u>**

The material change occurred on May 24th, 2001.

3. **<u>Press Release</u>**

The press release reporting the material change was issued on May 24, 2001, through Canadian Corporate News wire service.

4. **<u>Summary of Material Change</u>**

Aastra Technologies Limited acquired certain assets of Nortel Networks' MBS Centrex and ISDN Terminals Business for up to US$28 million (or CAD$43 million).

5. **<u>Full Description of Material Change</u>**

**See press release attached.**

6. **<u>Reliance on Section 75(3) of the Act</u>**

Not applicable.

7. **<u>Omitted Information</u>**

Not applicable.

8. **<u>Senior Officers</u>**

Mr. Allan Brett (905)760-4160
V-P Finance & CFO

9. **<u>Statement of Senior Officer</u>**

The foregoing accurately discloses the material change referred to herein.

SIGNED this 25th day of May, at Concord, Ontario, Canada.

Name "Allan Brett"
Signature

Office V-P Finance & CFO
Office

**PRESS RELEASE**

For Immediate Release

# Aastra Technologies Acquires certain assets of Nortel Networks MBS Centrex and ISDN Terminals Business for up to US$28 million (or CAD$43 million)

TORONTO, Ontario (May 24, 2001) - Aastra Technologies Limited - (TSE: “AAH”) announces that it has acquired certain assets relating to Nortel Networks* MBS (Meridian* Business Sets) Centrex and ISDN terminals for a purchase price of up to approximately US$28 million, of which US$8 million is conditional upon meeting certain revenue objectives. Aastra intends to continue the design, development and distribution of these terminals.

The MBS Centrex telephones operate with Nortel Networks DMS*-100*, Meridian* SL*-100, DMS-500*, DMS-10*, and AccessNode* systems. The MBS telephones are sold globally, but primarily in North America, Australia, New Zealand, Hong Kong and the United Kingdom. The ISDN terminals are primarily sold to Service Providers or Carriers for use with Nortel Networks’ DMS-100, Meridian SL-100 and DMS-10.

The acquired assets include product manufacturing tools, certain intellectual property, test equipment, contracts and inventory. Nortel Networks will also license certain intellectual property rights to the MBS Centrex and ISDN Terminals. The assigned contracts represent over 80 customers, of which some are also currently customers of Aastra.

“We are pleased to have the opportunity to acquire these assets from Nortel Networks,” said Francis Shen, Chairman and CEO of Aastra. “Similar to our successful acquisition in January, 2000 of certain assets of Nortel Networks Access Solutions Division, which included a family of analog Centrex terminals, the MBS and ISDN Terminals fit well into our operational and business model. Moreover, this portfolio allows Aastra to enter into the digital and data world in a meaningful way.”

“The Nortel Networks MBS terminals are digital Centrex telephones that we believe perfectly compliment our analog Centrex telephones,” said Anthony Shen, President and COO of Aastra. “Both the digital and analog Centrex terminals are sold primarily to the same customers. We believe that by offering both portfolios, our customers can enjoy a one stop solution from Aastra for their Centrex terminal requirements.”

Aastra Technologies Limited develops and distributes telecommunications equipment. Aastra offers a full line of products ranging from Caller ID devices and custom-engineered telephone sets that incorporate Telco services. Aastra sells to the majority of the telecommunication companies in North America. In the retail market, Aastra’s products are distributed to Wal-Mart, Circuit City, Radio Shack and other mass retailers.

* Nortel Networks, DMS, DMS-100, DMS-500, DMS-10, Meridian, Meridian SL and AccessNode are trademarks of Nortel Networks.

*The Toronto Stock Exchange has neither approved nor disapproved of the information included in this press release.*

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