

Nokia Conference Call

Second Quarter 2009 Financial Results

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Disclaimer

It should be noted that certain statements herein which are not historical facts, including, without limitation, those regarding: A) the timing of product, services and solution deliveries; B) our ability to develop, implement and commercialize new products, services, solutions and technologies; C) our ability to develop and grow our consumer Internet services business; D) expectations regarding market developments and structural changes; E) expectations regarding our mobile device volumes, market share, prices and margins; F) expectations and targets for our results of operations; G) the outcome of pending and threatened litigation; H) expectations regarding the successful completion of contemplated acquisitions on a timely basis and our ability to achieve the set targets upon the completion of such acquisitions; and I) statements preceded by “believe,” “expect,” “anticipate,” “foresee,” “target,” “estimate,” “designed,” “plans,” “will” or similar expressions are forward-looking statements. These statements are based on management’s best assumptions and beliefs in light of the information currently available to it. Because they involve risks and uncertainties, actual results may differ materially from the results that we currently expect. Factors that could cause these differences include, but are not limited to: 1) the deteriorating global economic conditions and related financial crisis and their impact on us, our customers and end-users of our products, services and solutions, our suppliers and collaborative partners; 2) the development of the mobile and fixed communications industry, as well as the growth and profitability of the new market segments that we target and our ability to successfully develop or acquire and market products, services and solutions in those segments; 3) the intensity of competition in the mobile and fixed communications industry and our ability to maintain or improve our market position or respond successfully to changes in the competitive landscape; 4) competitiveness of our product, services and solutions portfolio; 5) our ability to successfully manage costs; 6) exchange rate fluctuations, including, in particular, fluctuations between the euro, which is our reporting currency, and the US dollar, the Japanese yen, the Chinese yuan and the UK pound sterling, as well as certain other currencies; 7) the success, financial condition and performance of our suppliers, collaboration partners and customers; 8) our ability to source sufficient amounts of fully functional components, sub-assemblies, software and content without interruption and at acceptable prices; 9) the impact of changes in technology and our ability to develop or otherwise acquire and timely and successfully commercialize complex technologies as required by the market; 10) the occurrence of any actual or even alleged defects or other quality, safety or security issues in our products, services and solutions; 11) the impact of changes in government policies, trade policies, laws or regulations or political turmoil in countries where we do business; 12) our success in collaboration arrangements with others relating to development of technologies or new products, services and solutions; 13) our ability to manage efficiently our manufacturing and logistics, as well as to ensure the quality, safety, security and timely delivery of our products, services and solutions; 14) inventory management risks resulting from shifts in market demand; 15) our ability to protect the complex technologies, which we or others develop or that we license, from claims that we have infringed third parties’ intellectual property rights, as well as our unrestricted use on commercially acceptable terms of certain technologies in our products, services and solutions; 16) our ability to protect numerous Nokia, NAVTEQ and Nokia Siemens Networks patented, standardized or proprietary technologies from third-party infringement or actions to invalidate the intellectual property rights of these technologies; 17) any disruption to information technology systems and networks that our operations rely on; 18) developments under large, multi-year contracts or in relation to major customers; 19) the management of our customer financing exposure; 20) our ability to retain, motivate, develop and recruit appropriately skilled employees; 21) whether, as a result of investigations into alleged violations of law by some former employees of Siemens AG (“Siemens”), government authorities or others take further actions against Siemens and/or its employees that may involve and affect the carrier-related assets and employees transferred by Siemens to Nokia Siemens Networks, or there may be undetected additional violations that may have occurred prior to the transfer, or violations that may have occurred after the transfer, of such assets and employees that could result in additional actions by government authorities; 22) any impairment of Nokia Siemens Networks customer relationships resulting from the ongoing government investigations involving the Siemens carrier-related operations transferred to Nokia Siemens Networks; 23) unfavorable outcome of litigations; 24) allegations of possible health risks from electromagnetic fields generated by base stations and mobile devices and lawsuits related to them, regardless of merit; as well as the risk factors specified on pages 11-28 of Nokia’s annual report on Form 20-F for the year ended December 31, 2008 under Item 3D. “Risk Factors.” Other unknown or unpredictable factors or underlying assumptions subsequently proving to be incorrect could cause actual results to differ materially from those in the forward-looking statements. Nokia does not undertake any obligation to publicly update or revise forward-looking statements, whether as a result of new information, future events or otherwise, except to the extent legally required.

Nokia must develop new skill sets

- The mobile industry is undergoing the biggest change in its twenty year history
- Nokia is accelerating the pace of change towards a solutions mode of operation
- A vibrant partner ecosystem is important to Nokia's solutions mode
- Inherent in Nokia's solutions mode is its commitment to build direct and continuous consumer relationships
- Nokia will track its progress and link employee incentives to a clear target: Active Users



Estimated Global Device Market

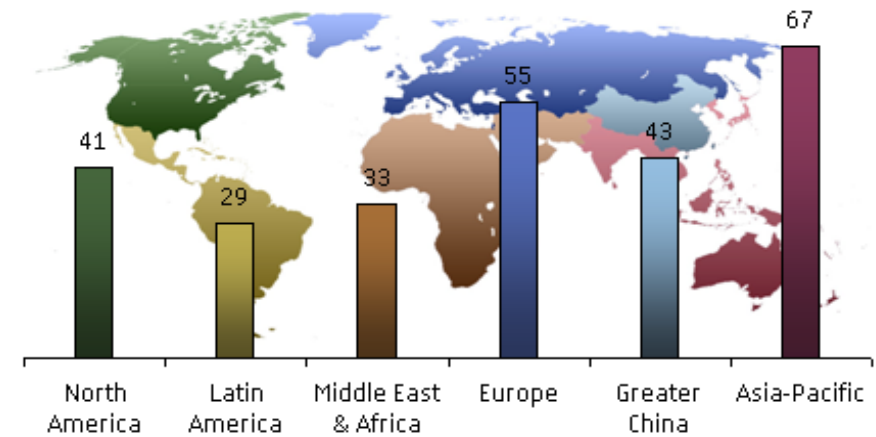
Industry mobile device volumes in 2Q 2009 estimated to be 268 million, up 5% QoQ and down 12% YoY.

Industry Volume by Region (millions)	2Q09	1Q09	QoQ	2Q08	YoY
North America	41	38	8%	43	-5%
Latin America	29	22	32%	38	-24%
Middle East & Africa	33	29	14%	37	-11%
Europe	55	56	-2%	65	-15%
Greater China	43	45	-4%	45	-4%
Asia-Pacific	67	65	3%	75	-11%
Total	268	255	5%	303	-12%

GSM	167	157	6%	205	-19%
CDMA	40	40	0%	42	-5%
W-CDMA	59	56	5%	53	11%
Other	2	2		3	
Total	268	255	5%	303	-12%

Industry Volume by Technology (millions)	2Q09	1Q09	QoQ	2Q08	YoY
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2Q 2009 Industry Device Volumes by Region (millions)



2Q 2009 Industry Device Volumes by Technology (millions)



Devices and Services in 2Q09: Highlights

- Shipped 4.7 million Eseries devices (up 41% QoQ; 148% YoY)
- Nokia Messaging rolled out in over 40 countries
- Shipped 3.7 million 5800 XpressMusic devices
- Launched Ovi Store
- Shipped half a million N97's in June



Widgets on Nokia N97

Nokia Siemens Networks

- Net sales of EUR 3.2 billion (down 21% YoY and up 7% QoQ)
- Non-IFRS gross margin of 28.0% (up 240 bps QoQ)
- Non-IFRS operating profit of EUR 2 million (up from loss of EUR 122 million in 1Q 2009)
- NSN market share expected to decline moderately in 2009, compared to 2008, with a strong performance in Services expected to be offset by declines in certain product businesses



Quick progress on cost savings

Sustainable cost savings achieved

- Nokia has achieved sustainable cost savings during H1 2009. Year-to-date, the headcount impact of measures we have announced totals approximately 4 000 people

The measures taken to reduce costs in Q2

- Actions to adjust our Services business and open up greater opportunities for third party partner services (approx. 450 people affected)
- Measures to improve cost-efficiency in logistics, production management and production support operations (approx. 170 people affected)
- Approximately 320 people leaving through a voluntary resignation package at our mobile device manufacturing facility in Salo, Finland
- In Q2, we took charges of EUR 83 million related to these and other cost reduction actions

We booked restructuring charges in Q2

Nokia Income Statement in 2Q2009: Highlights

- Nokia non-IFRS gross margin was 32.9% (up 90 bps QoQ)
- Devices & Services net sales of EUR 6.6 billion (up 7% QoQ)
- Devices & Services gross margin of 34.0% (up 20 bps QoQ)
- Devices & Services non-IFRS operating margin of 12.2% (up 180 bps QoQ)
- Services net sales were EUR 140 million (not comparable QoQ)
- Nokia device ASP was EUR 62 (down from EUR 65 in 1Q09)
- NAVTEQ net sales of EUR 147 million (up from EUR 132 million in 1Q09)
- NAVTEQ non-IFRS operating margin of 12.8% (up from 3.7% in 1Q09)
- Nokia Siemens Networks net sales of EUR 3.2 billion (up 7% QoQ)
- Nokia Siemens Networks non-IFRS gross margin of 28.0% (up 240 bps QoQ)
- Nokia Siemens Networks non-IFRS operating margin of 0.1% (-4.1% in 1Q09)

Nokia Financial Income and Expenses

- Financial Income & Expenses in 2Q2009 was an expense of EUR 61 million (expense of EUR 77 million in 1Q2009)
- The sequential improvement was due to a less volatile FX environment, which was partly offset by higher expenses related to the new debt transactions that Nokia and NSN entered into

Nokia Income Statement

EUR (million)	Reported Devices & Services	Reported NAVTEQ	Reported Nokia Siemens Networks	Reported Nokia 2009	Non-IFRS Devices & Services	Non- IFRS NAVTEQ	Non-IFRS Nokia Siemens Networks	Non-IFRS Nokia 2009
Net sales	6 586	147	3 199	9 912	6 586	148	3 199	9 913
<i>YoY growth</i>	<i>-28%</i>		<i>-21%</i>	<i>-25%</i>	<i>-28%</i>		<i>-21%</i>	<i>-25%</i>
Gross profit	2 241	126	860	3 227	2 241	127	897	3 265
<i>Gross margin, %</i>	<i>34.0%</i>	<i>85.7%</i>	<i>26.9%</i>	<i>32.6%</i>	<i>34.0%</i>	<i>85.8%</i>	<i>28.0%</i>	<i>32.9%</i>
R&D	-733	-158	-566	-1 458	-731	-70	-524	-1 326
<i>% of net sales</i>	<i>11.1%</i>	<i>107.5%</i>	<i>17.7%</i>	<i>14.7%</i>	<i>11.1%</i>	<i>47.3%</i>	<i>16.4%</i>	<i>13.4%</i>
S&M	-599	-55	-349	-1 003	-599	-25	-274	-898
<i>% of net sales</i>	<i>9.1%</i>	<i>37.4%</i>	<i>10.9%</i>	<i>10.1%</i>	<i>9.1%</i>	<i>16.9%</i>	<i>8.6%</i>	<i>9.1%</i>
AG&O	-146	-13	-133	-339	-109	-13	-97	-266
<i>% of net sales</i>	<i>2.2%</i>	<i>8.8%</i>	<i>4.2%</i>	<i>3.4%</i>	<i>1.7%</i>	<i>8.8%</i>	<i>3.0%</i>	<i>2.7%</i>
Operating profit	763	-100	-188	427	802	19	2	775
<i>Operating margin, %</i>	<i>11.6%</i>	<i>-68.0%</i>	<i>-5.9%</i>	<i>4.3%</i>	<i>12.2%</i>	<i>12.8%</i>	<i>0.1%</i>	<i>7.8%</i>
Financial income and expenses				-61				-61
Profit before tax				380				728
Profit attributable to equity holders of the parent				380				552
EPS, Basic (EUR)				0.10				0.15
EPS, Diluted (EUR)				0.10				0.15

Financial Position & Cash Flow Metrics

EUR (million)	2Q 2009	2Q 2008	YoY	1Q 2009	QoQ
Inventories	1 973	2 763	-29%	2 292	-14%
Accounts Receivable	8 725	11 084	-21%	8 931	-2%
Accounts Payable	5 276	5 914	-11%	5 223	1%
Operating Cash Flow	716	1 455	-51%	276	159%
Capital Expenditure	137	224	-39%	144	-5%
Depreciation	443	334	33%	462	-4%
Cash and Other liquid assets	6 994	7 981	-12%	8 114	-14%
Gearing (Net-Debt ratio)	-10%	-47%		-14%	
Distributions	1 519	3 498	-57%	0	
Dividends	1 519	1 999	-24%	0	
Buybacks	0	1 499	-100%	0	

Currency

- 2Q09 EUR/USD average rate for P&L: 1.316
- 3Q09 EUR/USD Plan rate: 1.392

NOKIA SECOND QUARTER 2009 NET SALES Reported & Constant Currency ¹		
	Q2/2009 vs. Q2/2008 Change	Q2/2009 vs. Q1/2009 Change
Group net sales – reported	-25%	7%
<i>Group net sales - constant currency¹</i>	-24%	7%
Devices & Services net sales – reported	-28%	7%
<i>Devices & Services net sales - constant currency¹</i>	-28%	7%
Nokia Siemens Networks net sales – reported	-21%	7%
<i>Nokia Siemens Networks net sales - constant currency¹</i>	-20%	8%

Note 1: Change in net sales at constant currency excludes the impact of changes in exchange rates in comparison to the Euro, our reporting currency.

Moving Forward





NOKIA

Incremental quarterly disclosure beginning Q3 2009

Devices & Services

- Number of active users
- Solutions net sales (consists of smartphone net sales and services sold on smartphones)
- Solutions ASP
- Products net sales (consists of S30 and S40 device net sales and services sold on these platforms)
- Products ASP

Nokia Siemens Networks

- Services net sales
- NSN contribution to Nokia operating cash flow and cash position