



**Nokia Mobile Phones
- Drivers for Growth**

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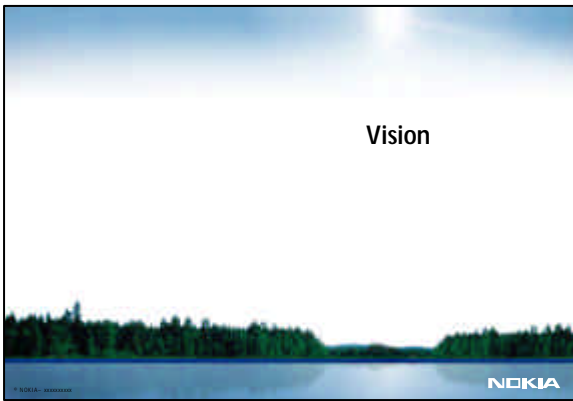
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Outline

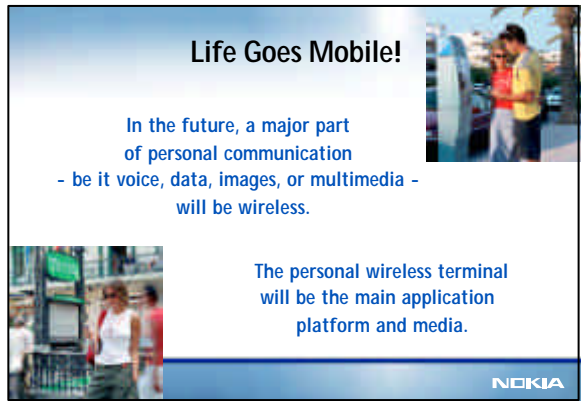
- Vision
- Nokia Mobile Phones' growth drivers
- Expanding business scope
- Operational mode
- Conclusions

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Vision

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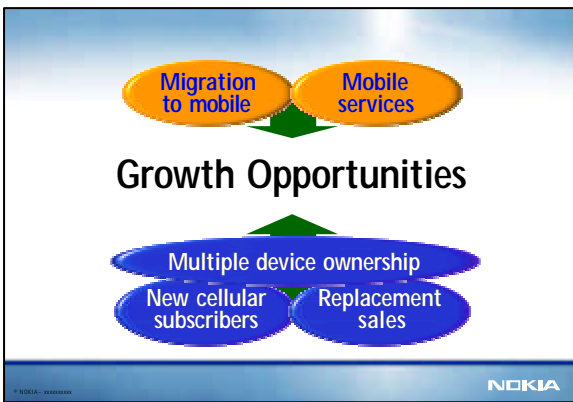


Life Goes Mobile!

In the future, a major part of personal communication - be it voice, data, images, or multimedia - will be wireless.

The personal wireless terminal will be the main application platform and media.

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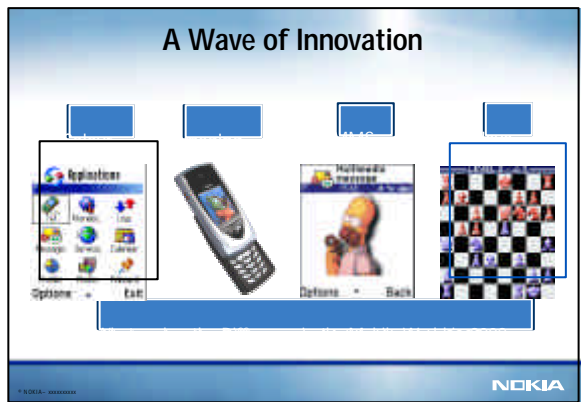
Growth Opportunities

Migration to mobile Mobile services

Multiple device ownership

New cellular subscribers Replacement sales

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A Wave of Innovation

Applications Multimedia messages Photos

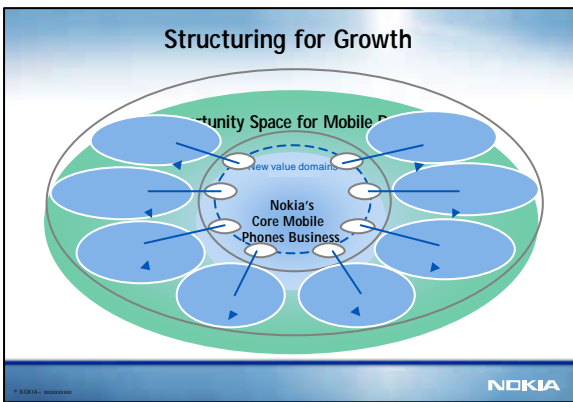
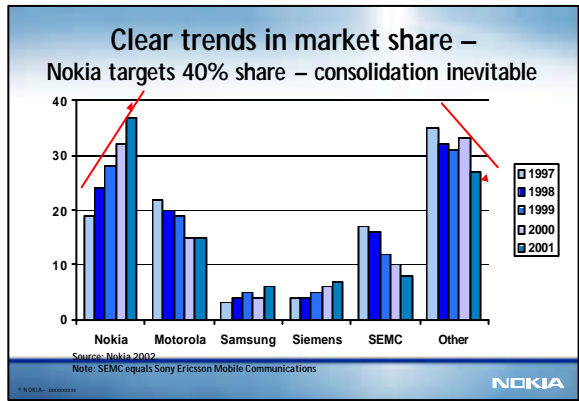
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Geographical growth opportunities

- **China**
 - Continued penetration growth
 - Nokia has a clear upside potential in market share in China
- **India, Russia and other emerging markets**
 - Fastest market growth phase starting – Nokia the clear market leader
- **Japan**
 - Market moving towards global standards – both in radio technologies and middleware software layers

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Vertical Focus of Nokia Mobile Phones

- **CDMA:** global leadership
- **TDMA:** keep market share
- **Mobile Entry Products:** market expansion
- **Mobile Phones:** renewal value, market share
- **Imaging:** strong profitable growth
- **Entertainment and Media:** games, music, media
- **Business Applications:** mobile corporate solutions
- **Mobile Enhancements:** innovative peripherals



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CDMA: Leadership in Global CDMA Market

- Product competitiveness
- Advances in component technology
- CDMA carriers prefer global middleware platforms – positive attitude towards OMA



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TDMA: Keep High Market Share

- Wide product portfolio
- Supporting carriers migration plans
- Market expansion opportunities in Latin America



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Mobile Entry Products: Expanding Market for Mobile Voice

- Lower the total cost of ownership
- New segments in emerging markets
- Address non-users in developed markets



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Mobile Phones: Maximum Value and Market Share

- Increase market share through rapid product renewal
- Emerging multiple-device ownership
- Balanced customisation and platformization



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Imaging: From Voice to Visual Communications

- Changing the way people communicate
- Most desirable icon products
- New revenues for operators



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Entertainment and Media: Make Games, Music and Media mobile

- Product leadership through innovation
- Win-win with the leading content companies
- Expanded channel coverage



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Business Applications: Mobile Office and Solutions to Corporate market

- Added value through end-to-end architecture and solutions for critical business applications
- Optimal products and complete, future proof mobile office solutions for corporate users
- Mobility and productivity gains for enterprises



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Mobile Enhancement: Innovative Peripherals to Nokia Devices

- **Terminal Necessities**
Part of terminal, must have
- **Terminal Enhancements**
Total offering, make terminal better
- **Complementary Products**
Complementary mobile experience - usable also without terminal
- **Car Communications**
Car industry line fit and selective after market
- **Environment Connectivity Products**
Your non-mobile infrastructure



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Mobile Services

Generate a revenue stream through close collaboration with operators to sell branded, Nokia terminal-enhancing entertainment and personalisation services and content primarily to Club Nokia members but also to other Nokia terminal users.



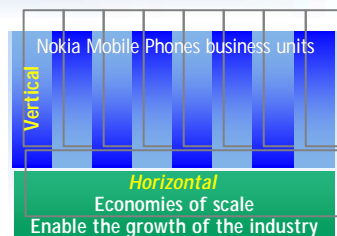
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Operational Mode



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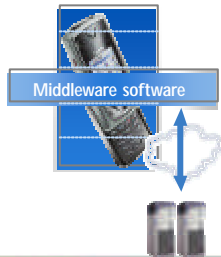
Nokia – a Vertical Player with Balanced Horizontal Influence



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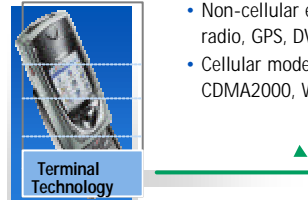
Nokia Mobile software – Horizontal contribution to industry growth

- Open Mobile Alliance
- Client software components
- Series 60 smartphone platform
- Server software platforms



Technology Unit – Economies of scale to business units

- Application engines
- Non-cellular engines (W-LAN, FM radio, GPS, DVB-T, BT)
- Cellular modem GSM/GPRS/EDGE, CDMA2000, WCDMA



Value through efficient Demand-Supply Network

Clockspeed

- Flexible and responsive supply
- Demand Supply Planning and Execution Clockspeed

Finger on the Market Pulse

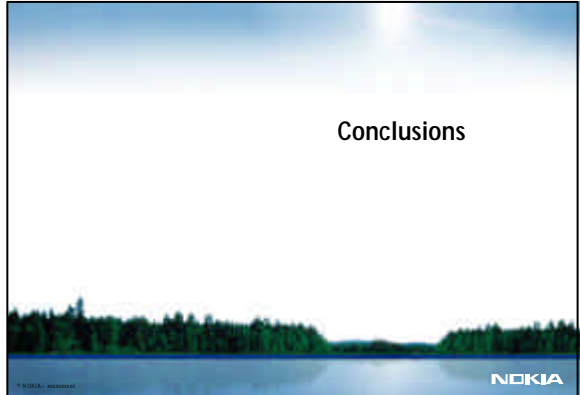
- Channel visibility



Extended Enterprise

- Customer Collaboration
- Supplier Integration
- Building basic processes from Nokia-wide to network wide

Conclusions



Conclusions

- New innovations in mobile terminals
- Expanding business scope
- Market share target at 40%

Enrich people's lives by branded mobility solutions

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