

Nokia Conference Call

Third Quarter 2008 Financial Results

October 16, 2008 15.00 Helsinki time 8.00 New York time



Olli-Pekka Kallasvuo President & CEO

Rick Simonson Executive Vice President & CFO

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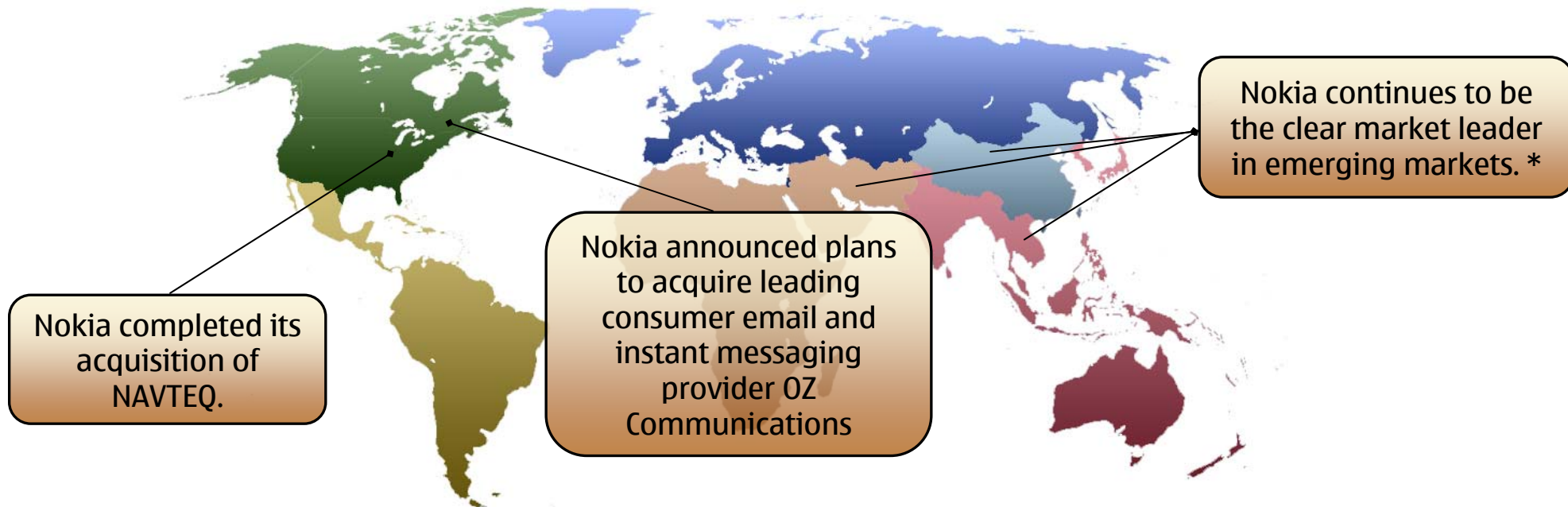
NOKIA
Connecting People

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) expectations regarding market growth, developments and structural changes; D) expectations regarding our mobile device volume growth, market share, prices and margins; E) expectations and targets for our results of operations; F) the outcome of pending and threatened litigation; G) 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 H) 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) competitiveness of our product, service and solutions portfolio; 2) the extent of the growth of the mobile communications industry and general economic conditions globally; 3) 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; 4) our ability to successfully manage costs; 5) the intensity of competition in the mobile communications industry and our ability to maintain or improve our market position or respond successfully to changes in the competitive landscape; 6) the impact of changes in technology and our ability to develop or otherwise acquire complex technologies as required by the market, with full rights needed to use; 7) timely and successful commercialization of complex technologies as new advanced products, services and solutions; 8) 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 solution offerings; 9) our ability to protect numerous Nokia and Nokia Siemens Networks patented, standardized or proprietary technologies from third-party infringement or actions to invalidate the intellectual property rights of these technologies; 10) Nokia Siemens Networks’ ability to achieve the expected benefits and synergies from its formation to the extent and within the time period anticipated and to successfully integrate its operations, personnel and supporting activities; 11) whether, as a result of investigations into alleged violations of law by some current or 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 ongoing violations that may have occurred after the transfer, of such assets and employees that could result in additional actions by government authorities; 12) 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; 13) occurrence of any actual or even alleged defects or other quality issues in our products, services and solutions; 14) 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; 15) inventory management risks resulting from shifts in market demand; 16) our ability to source sufficient amounts of fully functional components and sub-assemblies without interruption and at acceptable prices; 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) economic or political turmoil in emerging market countries where we do business; 20) our success in collaboration arrangements relating to development of technologies or new products, services and solutions; 21) the success, financial condition and performance of our collaboration partners, suppliers and customers; 22) exchange rate fluctuations, including, in particular, fluctuations between the euro, which is our reporting currency, and the US dollar, the Chinese yuan, the UK pound sterling and the Japanese yen, as well as certain other currencies; 23) the management of our customer financing exposure; 24) allegations of possible health risks from electromagnetic fields generated by base stations and mobile devices and lawsuits related to them, regardless of merit; 25) unfavorable outcome of litigations; 26) our ability to recruit, retain and develop appropriately skilled employees; 27) the impact of changes in government policies, laws or regulations; and 28) our ability to effectively and smoothly implement our new organizational structure; as well as the risk factors specified on pages 10-25 of Nokia’s annual report on Form 20-F for the year ended December 31, 2007 under “Item 3.D 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 update publicly or revise forward-looking statements, whether as a result of new information, future events or otherwise, except to the extent legally required.

Nokia 3Q08 Highlights

- Nokia mobile device volumes of 117.8 million (up 5.5% YoY)
- Devices & Services reported and non-IFRS gross margin of 36.5%
- Nokia Siemens Networks non-IFRS gross margin of 31.2%
- Solid cash flow of EUR 1.3 billion



** Based on Nokia's preliminary market estimates*

Estimated Global Device Market

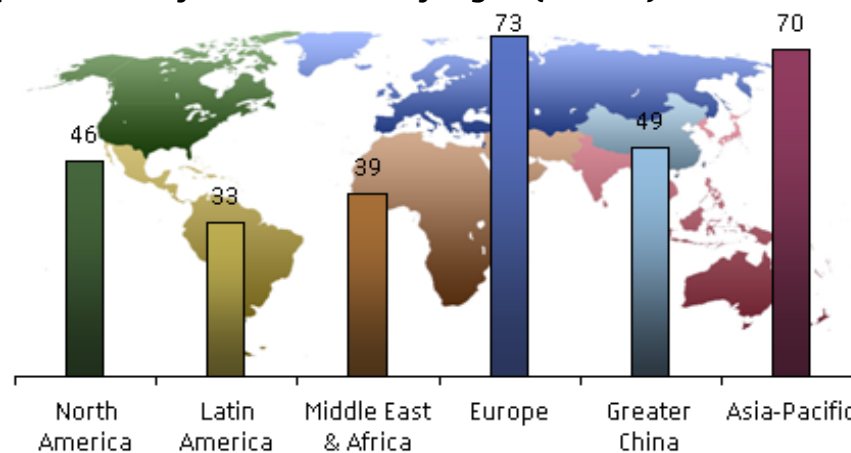
Nokia expects industry mobile volume will be approximately 1.26 billion units in 2008, up from approximately 1.14 billion units Nokia estimated for 2007

Industry Volume by Region (millions)	3Q08	2Q08	QoQ	3Q07	YoY
North America	46	43	8%	42	9%
Latin America	33	38	-13%	31	8%
Middle East & Africa	39	37	7%	33	19%
Europe	73	68	8%	74	-1%
Greater China	49	45	9%	44	12%
Asia-Pacific	70	72	-3%	62	13%
Total	310	303	3%	286	9%

GSM	206	206	0%	201	2%
CDMA	43	42	2%	43	0%
W-CDMA	59	52	13%	39	50%
Other	2	3		3	
Total	310	303	3%	286	9%

Industry Volume by Technology (millions)	3Q08	2Q08	QoQ	3Q07	YoY
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3Q 2008 Industry Device Volumes by Region (millions)



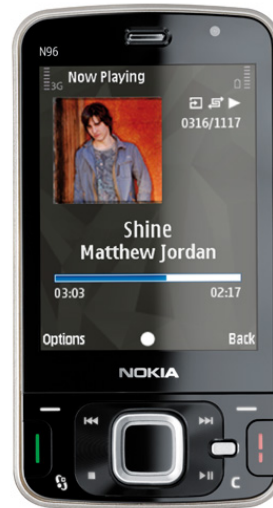
3Q 2008 Industry Device Volumes by Technology (millions)



Select Key New Products for the Fourth Quarter



Nokia E71



Nokia N96



**Nokia
5800 XpressMusic**



**Nokia
3600 slide**



**Nokia
6210 Navigator**



**Nokia
6220 classic**



**Nokia
6600 slide**



**Nokia
6600 fold**



Nokia E66



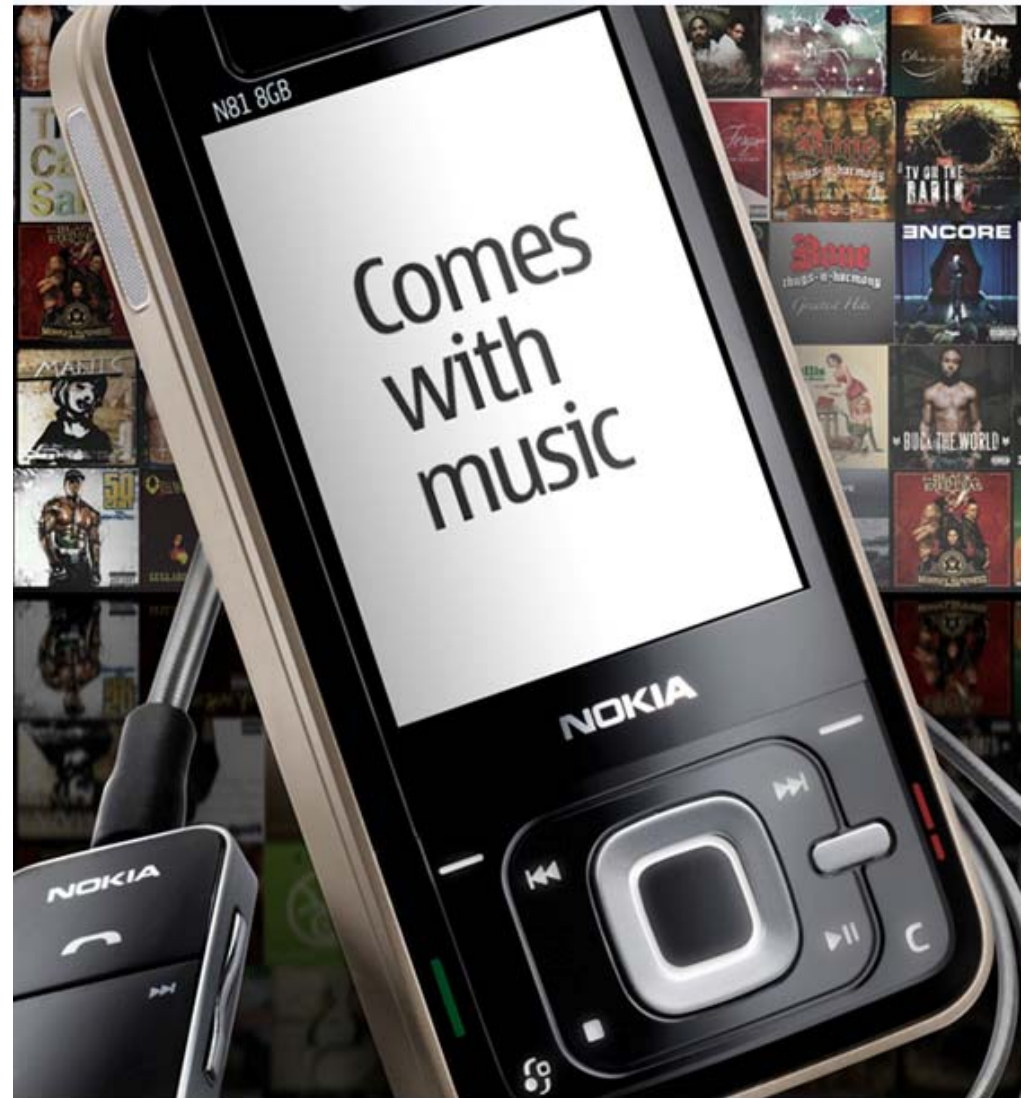
Nokia N79



Nokia N85

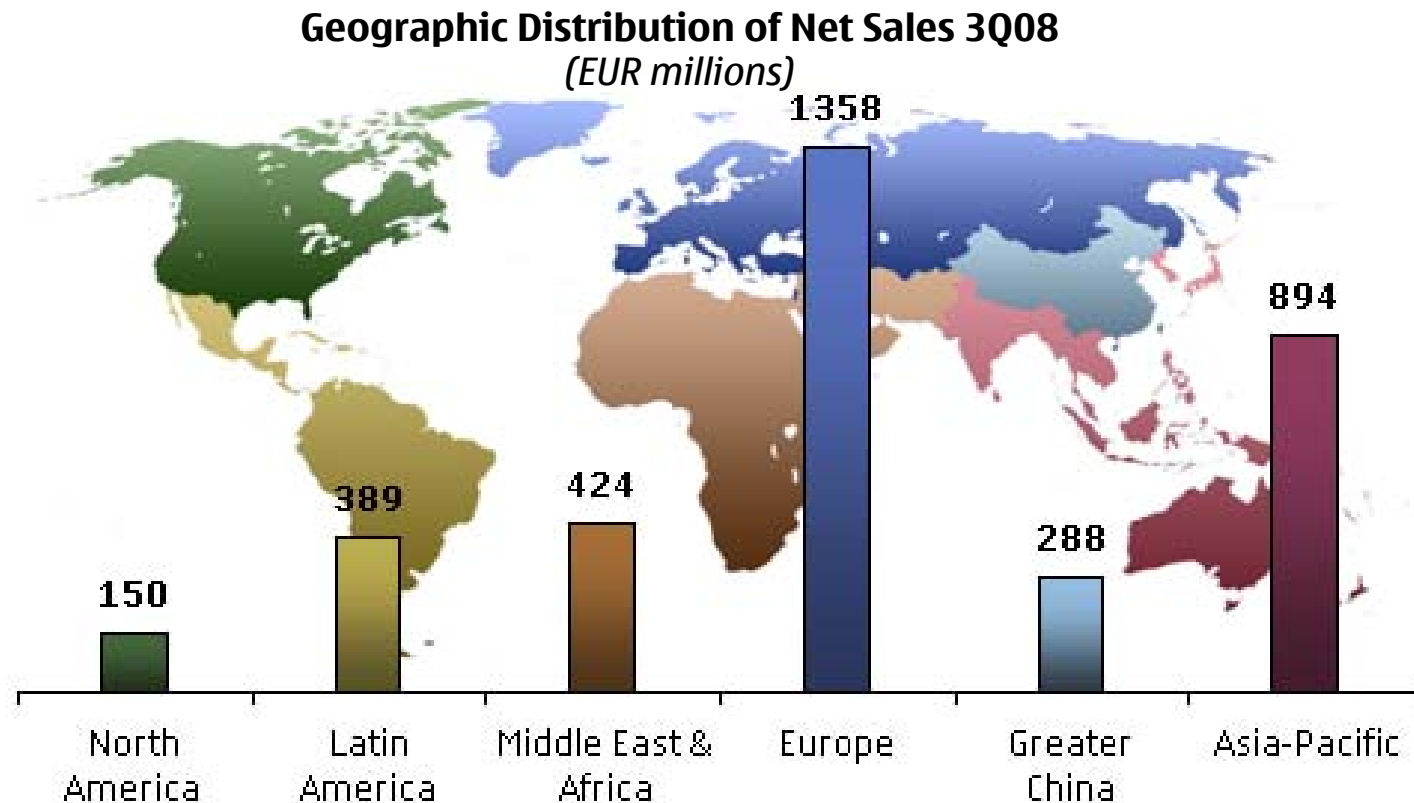
Services and Software in 3Q08: Highlights

- Net sales of EUR 115 million
- Total billings of EUR 140 million (up 15% QoQ)
- Navigation bundled with over 70% of GPS devices shipped in the quarter
- Comes With Music to be offered on the Nokia 5310 XpressMusic and Nokia N95 8GB in 4Q 2008.
- Announced the pending acquisition of OZ Communications, a leading consumer email and instant messaging provider.



Nokia Siemens Networks in 3Q08: Highlights

- Net sales flat YoY at constant currency
- Non-IFRS gross margin of 31.2% (up from 29.2% in 3Q2007)
- Non-IFRS operating margin of 5.1% (up from 3.0% in 3Q2007)



Nokia Profit & Loss Account in 3Q2008: Highlights

- Nokia non-IFRS gross margin was 35.7% (up 100 bps QoQ)
- Devices & Services net sales of EUR 8.6 billion (down 5% QoQ)
- Devices & Services gross margin of 36.5% (up 40 bps QoQ)
- Devices & Services non-IFRS operating margin of 18.6% (down 150 bps QoQ)
- Services and software billings were EUR 140 million (up 15% QoQ)
- Nokia device ASP was EUR 72 (down from EUR 74 in 2Q08)
- NAVTEQ net sales of EUR 156 million
- NAVTEQ non-IFRS operating margin of 18.5%
- Nokia Siemens Networks net sales of EUR 3.5 billion (down 14% QoQ)
- Nokia Siemens Networks non-IFRS gross margin of 31.2% (down 30 bps QoQ)
- Nokia Siemens Networks non-IFRS operating margin of 5.1% (down 160 bps QoQ)

Balance Sheet & Cash Flow Metrics

EUR (million)	3Q 2008	3Q 2007	YoY	2Q 2008	QoQ
Inventories	3 246	2 890	12%	2 763	17%
Accounts Receivable	10 772	9 754	10%	11 084	-3%
Accounts Payable	6 369	6 542	-3%	5 914	8%
Operating Cash Flow	1 284	1 989	-35%	1 455	-12%
Capital Expenditure	262	248	6%	224	17%
Depreciation	490	367	34%	334	47%
Cash and Other liquid assets	7 232	9 158	-21%	10 366	-30%
Gearing (Net-Debt ratio)	-18%	-52%		-46%	
Distributions	250	1 177		3 498	
Dividends				1 999	
Buybacks	250	1 177	-79%	1 499	-83%

Nokia Going Forward





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<http://investors.nokia.com>

3Q08 Financial Results: <http://www.nokia.com/A4226070>

Estimates for Market and Nokia

4Q08 Outlook

- Mobile device market volumes: up sequentially
- Nokia mobile device market share: at the same level or slightly up sequentially

2008 Outlook

- Nokia expects industry mobile volume will be approximately 1.26 billion in 2008, up from approximately 1.14 billion units Nokia estimated for 2007
- Nokia device market share: target to increase market share
- Infrastructure market (mobile, fixed and related services): flat compared to 2007 (Euros)
- Target Nokia Siemens Networks' market share to remain constant compared to 2007



Nokia 5800 XpressMusic

Nokia Device Average Selling Price (ASP)

EUR	3Q08	2Q08	QoQ	3Q07	YoY
ASP	72	74	-3%	82	-12%

- Lower QoQ ASP was primarily due to a higher proportion of lower priced products.
- Lower YoY ASP was primarily due to a higher proportion of lower priced products and the negative impact of the weaker U.S. dollar.
- Approximately 50% of YoY ASP decline caused by impact of changes in exchange rates



Nokia N96

Currency

- 3Q08 EUR/USD average rate for P&L: 1.533
- 4Q08 EUR/USD Plan rate: 1.416
- Approximately 50% of YoY ASP decline caused by impact of changes in exchange rates

NOKIA THIRD QUARTER 2008 NET SALES Reported & Constant Currency ^{1,2}		
	Q3/2008 vs. Q3/2007 Change	Q3/2008 vs. Q2/2008 Change
Group net sales – reported	-5%	-7%
<i>Group net sales - constant currency¹</i>	1%	-7%
Devices & Services net sales – reported	-7%	-5%
<i>Devices & Services net sales - constant currency¹</i>	-1%	-5%
Nokia Siemens Networks net sales – reported	-5%	-14%
<i>Nokia Siemens Networks net sales - constant currency¹</i>	0%	-14%

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.

Note 2: On July 10, 2008, Nokia completed the acquisition of NAVTEQ Corporation. The map data business of NAVTEQ is a separate reportable segment of Nokia starting from the third quarter 2008. Accordingly, the results of NAVTEQ are not available for the prior periods.

Nokia Siemens Networks Integration Progress

- Nokia Siemens Networks restructuring charges and one-time items in 3Q 2008 totaled EUR 59 million.
- Nokia and Nokia Siemens Networks continued cost synergy target for Nokia Siemens Networks is to achieve substantially all of the EUR 2.0 billion of targeted annual cost synergies by the end of 2008, as previously announced.



Nokia Financial Income and Expense

- Financial Income & Expense in 3Q2008 was an expense of EUR 57 million (income of EUR 3 million in 2Q2008)
- Sequential difference due to a lower cash position resulting from the cash portion of Nokia's acquisition of NAVTEQ, higher borrowing costs related to the debt portion of Nokia's acquisition of NAVTEQ, and lower interest income resulting from Nokia's move to shorter length securities and other more liquid assets.
- Nokia expects financial income and expense to be approximately negative EUR 20-30 million per quarter going forward.

Potential Ongoing Factors Impacting Devices and Services Gross Margin & ASP

Potential Positive Drivers of Device Gross Margin

- Improving product portfolio in mid and higher end; strong performance in entry-level
- Growth of value add segments (e.g. WCDMA, smart phones, multimedia, enterprise, etc.)
- Continuing cost control

Potential Positive Drivers of ASP

- Continuously improving product portfolio
- Growth of value add segments (e.g. WCDMA, smart phones, multimedia, enterprise, etc.)

Potential Negative Drivers of Device Gross Margin

- Competitive factors in general
- Need to have an ever more competitive product portfolio

Potential Negative Drivers of ASP

- Competitive factors in general
- Shift in market to higher growth emerging markets

Reported vs. non-IFRS: 3Q08

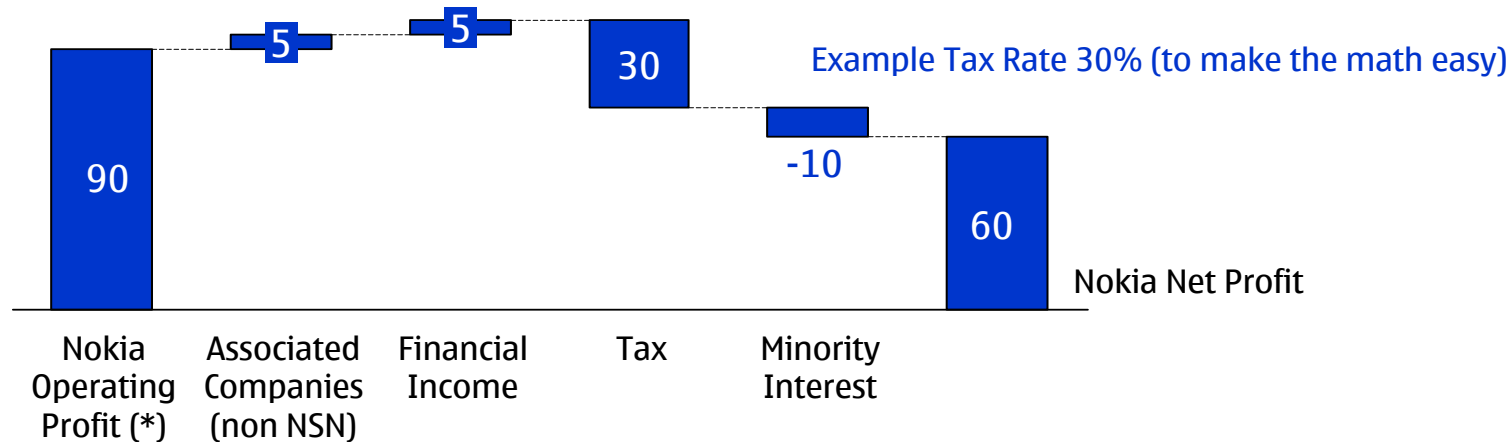
EUR (million)	Devices & Services	NAVTEQ	Nokia Siemens Networks	Reported Nokia 3Q08	Non-IFRS Devices & Services	Non-IFRS NAVTEQ	Non-IFRS Nokia Siemens Networks	Non-IFRS Nokia 3Q08
Net sales	8 605	156	3 503	12 237	8 605	157	3 504	12 239
<i>YoY growth</i>	-7%		-5%	-5%	-7%		-5%	-5%
Gross profit	3 141	138	1 080	4 359	3 141	139	1 092	4 372
<i>Gross margin, %</i>	36.5%	88.5%	30.8%	35.6%	36.5%	88.5%	31.2%	35.7%
R&D	-719	-158	-586	-1 466	-719	-77	-538	-1 337
<i>% of net sales</i>	8.4%	101.3%	16.7%	12.0%	8.4%	49.0%	15.4%	10.9%
S&M	-684	-50	-334	-1 068	-684	-23	-260	-967
<i>% of net sales</i>	7.9%	32.1%	9.5%	8.7%	7.9%	14.6%	7.4%	7.9%
AG&O	-136	-10	-161	-356	-136	-10	-117	-312
<i>% of net sales</i>	1.6%	6.4%	4.6%	2.9%	1.6%	6.4%	3.3%	2.5%
Operating profit	1 602	-80	-1	1 469	1 602	29	177	1 756
<i>Operating margin, %</i>	18.6%	-51.3%	0.0%	12.0%	18.6%	18.5%	5.1%	14.3%
Financial income and expenses				-57				-57
Profit before tax and minority interests				1 410				1 697
Net profit				1 087				1 219
EPS, Basic (EUR)				0.29				0.33
EPS, Diluted (EUR)				0.29				0.33

Q3 2008 — Non-IFRS exclusions of EUR 287 million consisting of:

- EUR 59 million restructuring charge and other one-time items in Nokia Siemens Networks.
- EUR 119 million of intangible asset amortization and other purchase price accounting related items arising from the formation of Nokia Siemens Networks.
- EUR 109 million of intangible asset amortization and other purchase price accounting related items arising from the acquisition of NAVTEQ.

Nokia Siemens Networks Accounting Mechanics

Theoretical example with Nokia Profit Before Taxes of 100, excluding special items



Theoretical example, reported including special items

