



APAC and China Infrastructure Update

Simon Beresford-Wylie
Executive Vice President
and General Manager
Networks

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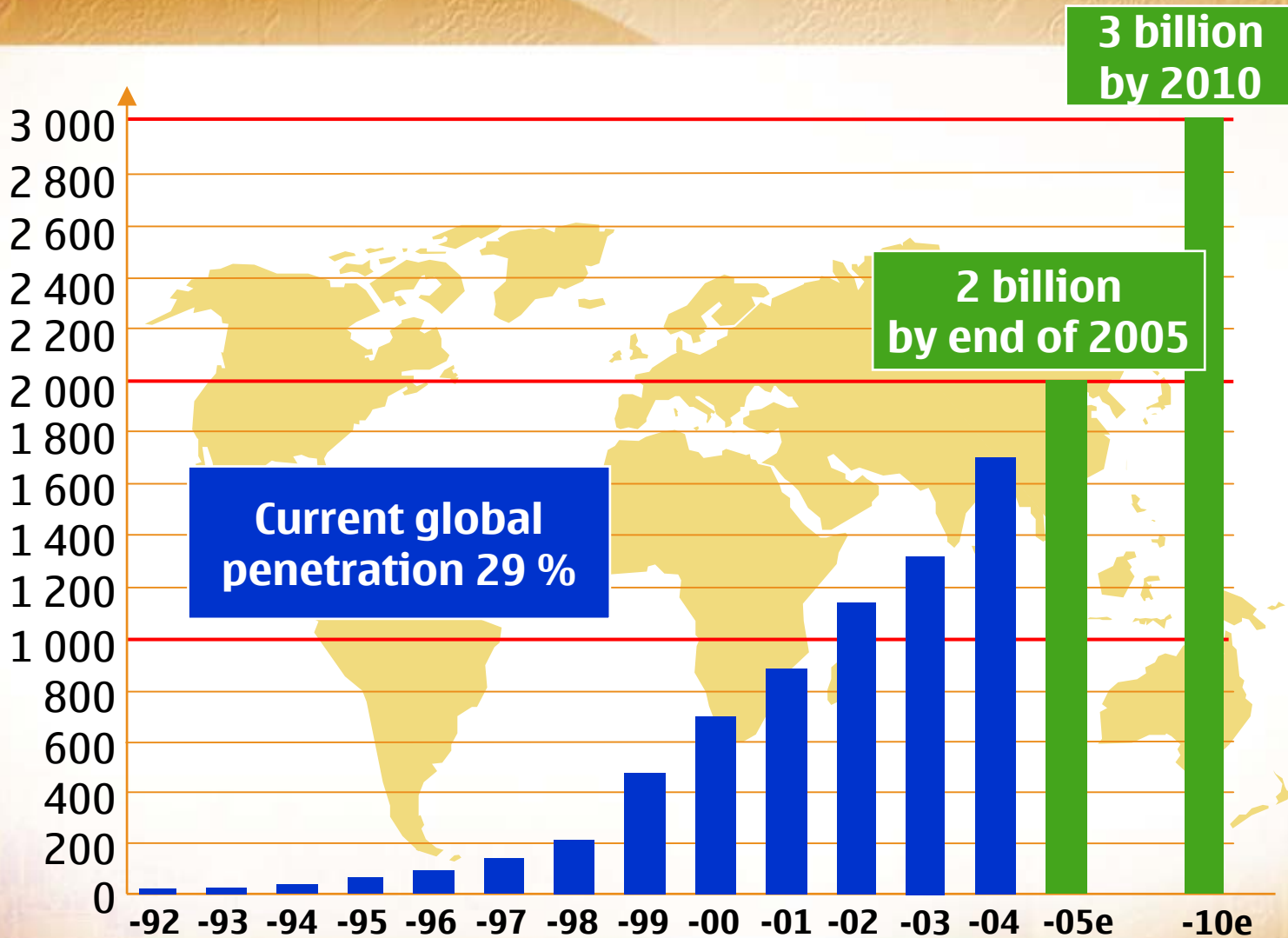




Market Dynamics

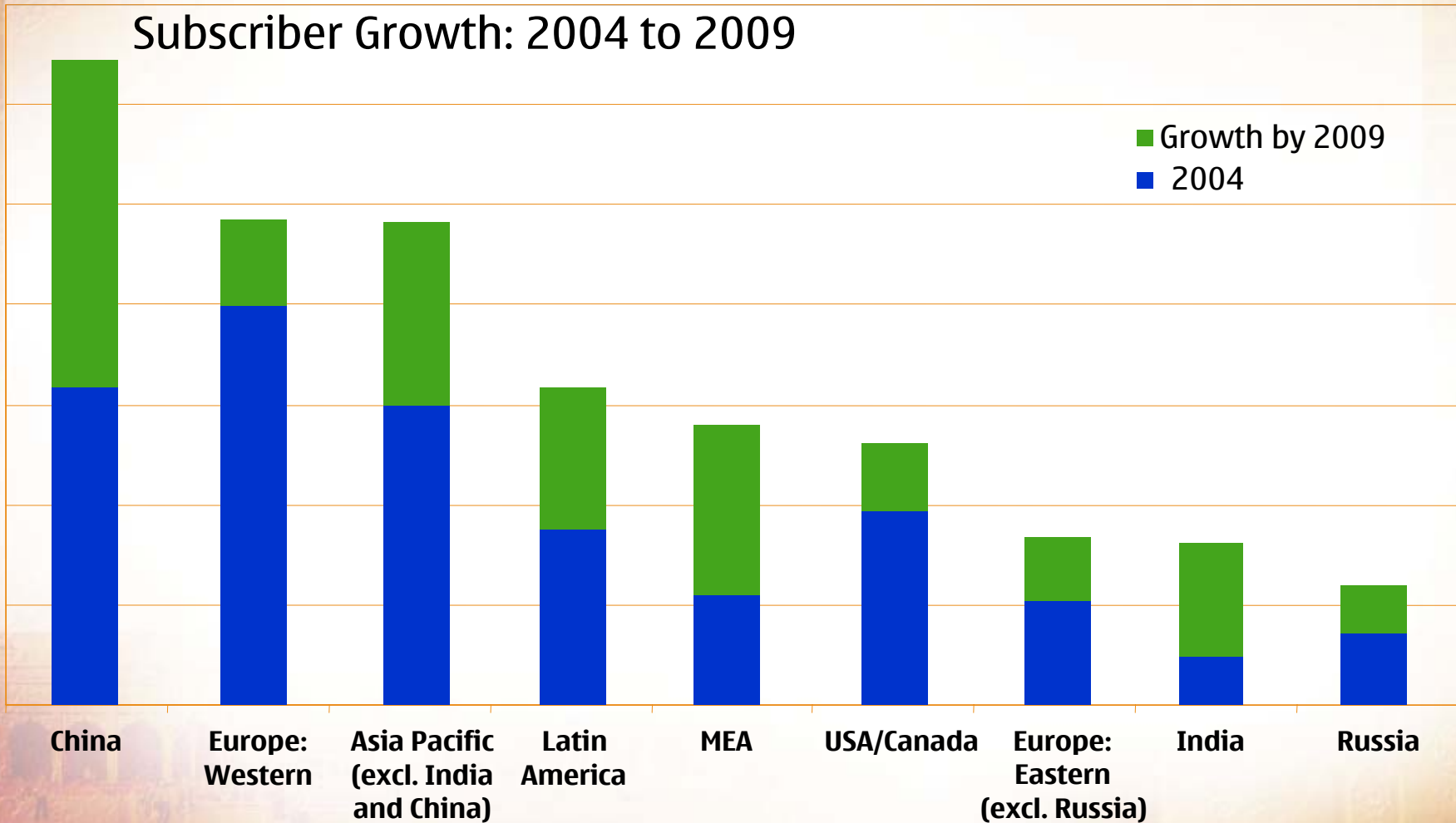
Towards the 3 Billion Milestone

Mobile phone subscriptions globally, millions



Source: Nokia at 3GSM Cannes, February 2005

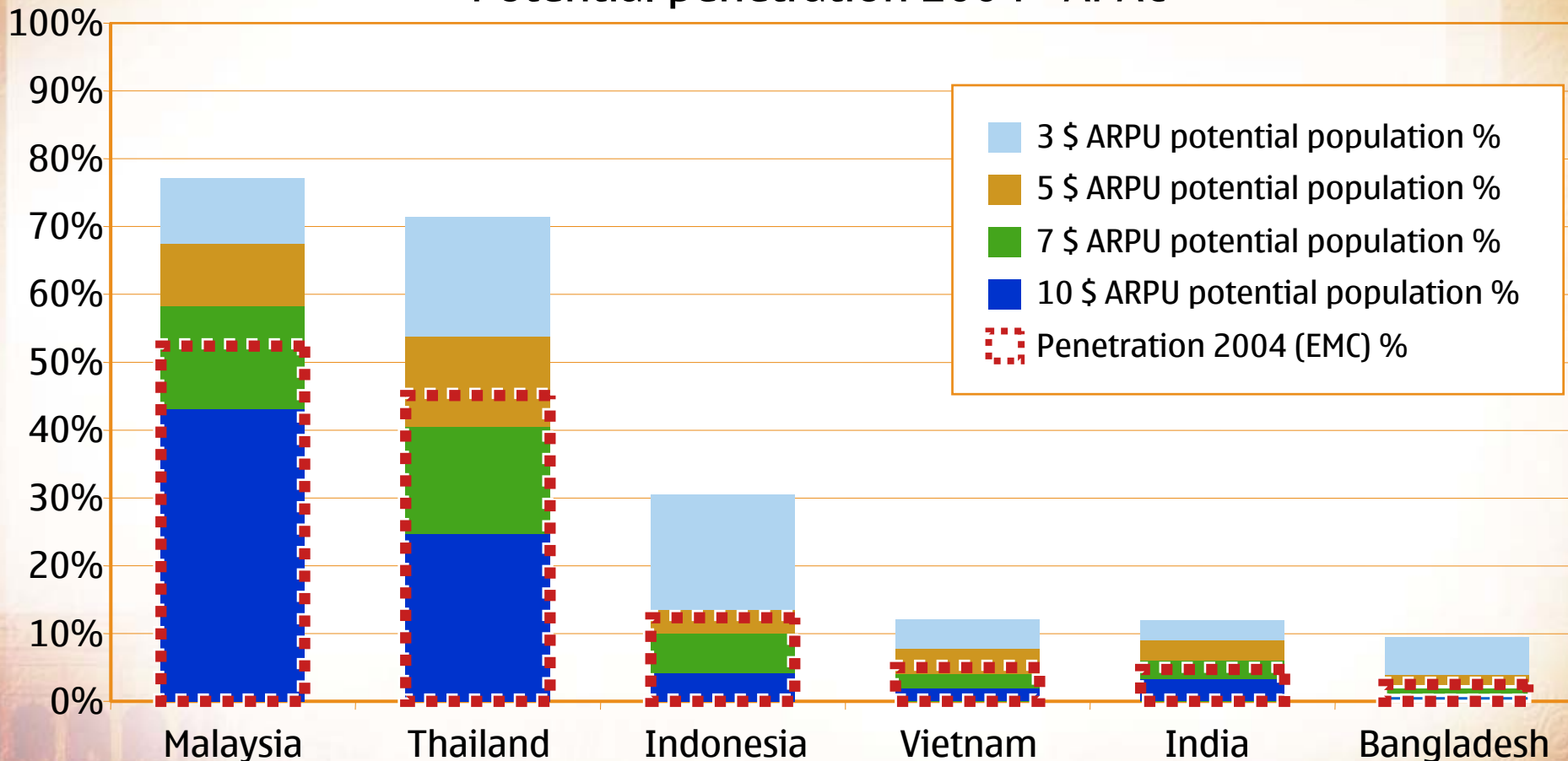
Strong User Growth in the New Growth Markets



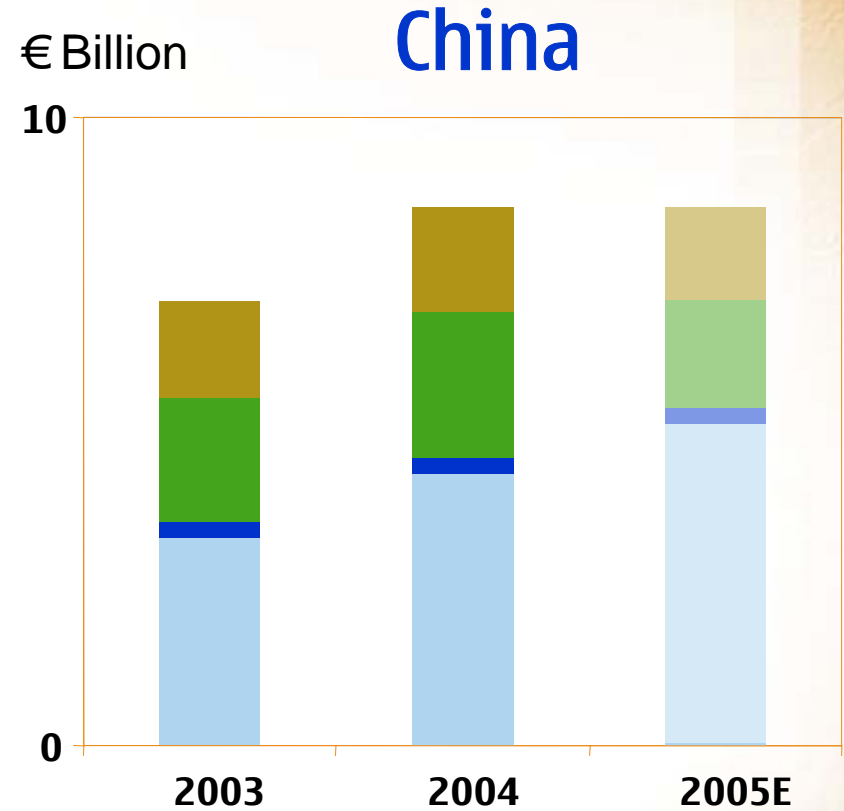
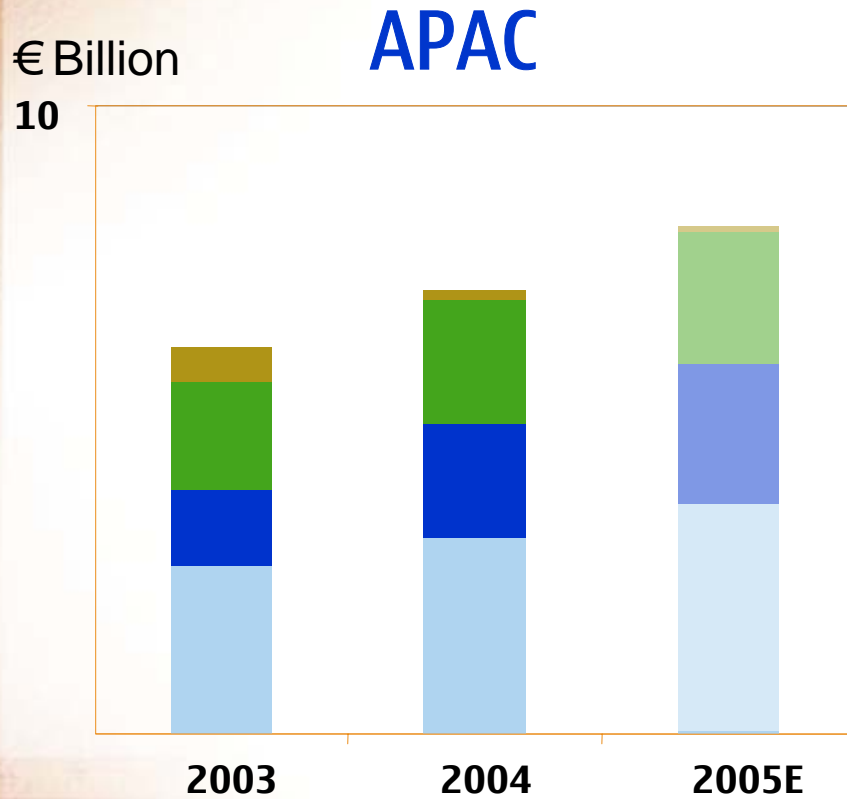
Source: EMC Mobile Subscribers Forecast 2005

Lowering Total Cost of Ownership Drives Growth

Potential penetration 2004 - APAC



Regional Market Forecast by Standard



Source: Nokia,
analyst reports
16.08.2005



Includes mobile infrastructure and related services

China includes Taiwan

China Brings Major Dynamics During Next 3 Years

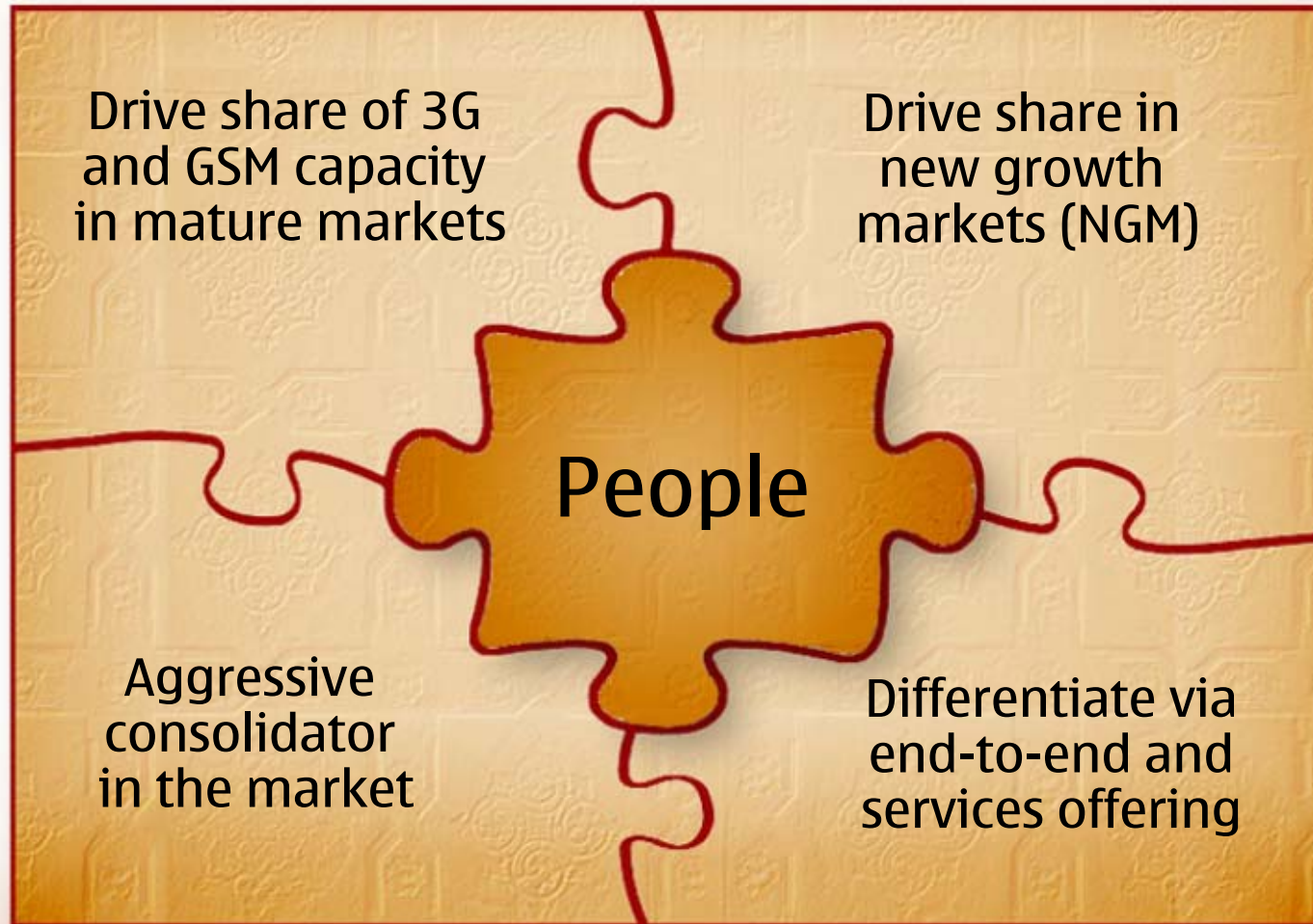
- 200 million new subs next 3 years
- Operator consolidation
- 3G licenses within 1H/2006
- 2G networks used in 3G rollouts
- WCDMA, cdma2000 and TD-SCDMA deployed
- Potentially a \$10 billion WCDMA market first 3 years of roll-out



A photograph of a man and a woman in professional attire. The man, on the right, is holding a silver smartphone and looking at it with a smile. The woman, on the left, is also smiling and looking towards the phone. They are standing in front of a textured, golden-brown wall with a subtle pattern. The image is partially overlaid by a white semi-transparent shape on the right side.

APAC and China Strategy

Cornerstones of APAC and China strategy

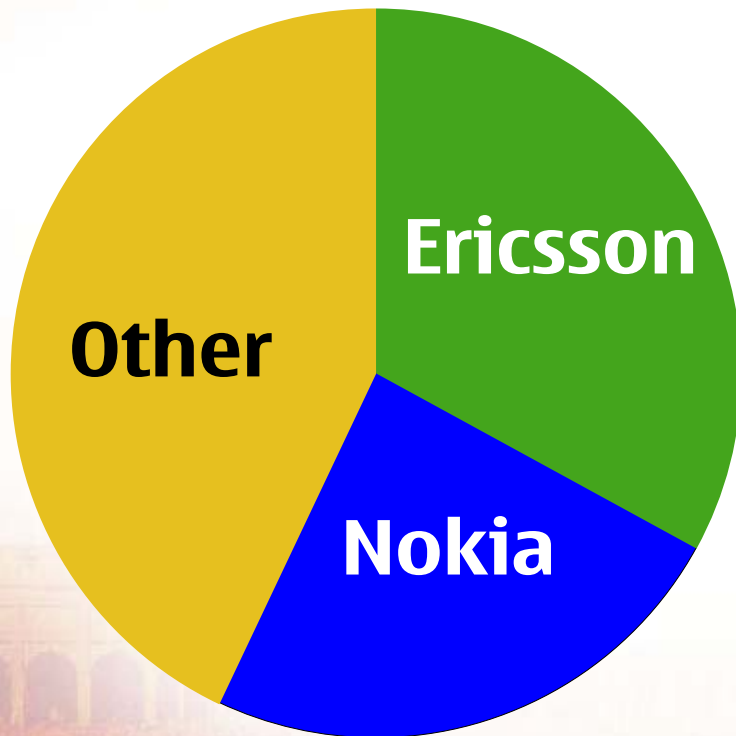




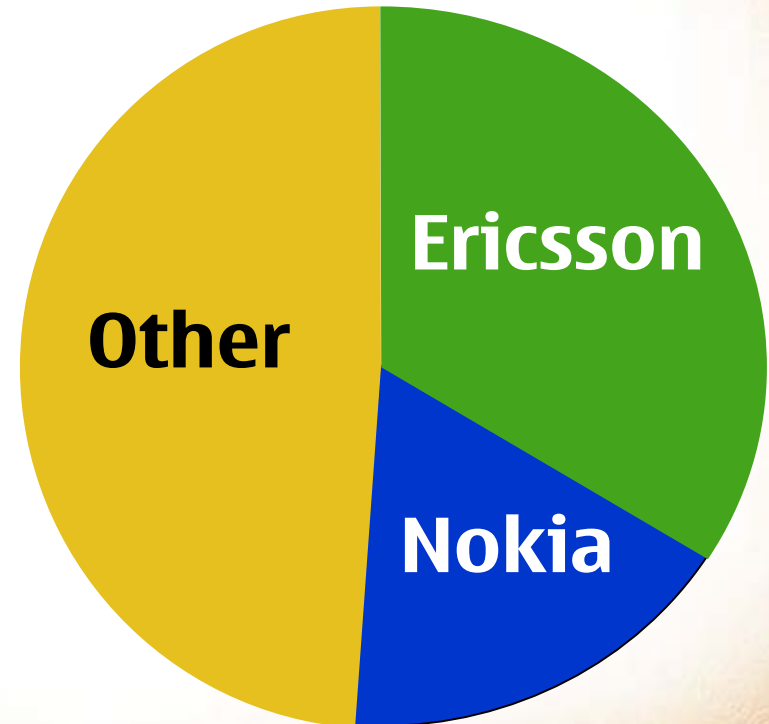
Infrastructure Market Share

Networks – a strong #2 position as starting point

APAC GSM BSS & Core



China GSM BSS & Core



Leading supplier of WCDMA networks in APAC & China



Nokia Supplies to 12 operators out of 22 WCDMA 3G networks in the Asia Pacific/China Regions

Market Share Opportunities in APAC

- Build on strong position in the high growth India and Indonesia markets
- Expand business & footprint in new markets (Vietnam, Bangladesh and Pakistan)
- New entrants in Japan open new opportunity
- Continue significant WCDMA momentum
- Managed services, turnkey deployments and system integration

Nokia Networks is poised to continue to gain market share in both 3G and NGM markets



Market Share Opportunities in China

- China Mobile GSM core network modernization
- China Unicom GSM network modernization with MSC Server and EDGE, commercial trial in progress.
- Intelligent Edge market with China Mobile: WAP, SMSC, MMSC, PoC, LBS and ICD
- WCDMA overlay brings substantial GSM/GPRS replacement opportunities
- Managed service opportunity with 3G

Nokia targets to maintain its #1 position in WCDMA in the Greater China Area





Lowering Cost of Ownership

Lowering the Total Cost of Ownership



Enhancing availability of prepaid

- Micro prepaid
- SMS-based prepaid recharging
- Balance transfer



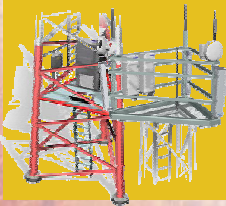
Entry handsets

- Affordable
- Reliable
- Easy to use



Value added services

- Nokia Connect eRefill
- Nokia Prepaid Tracker



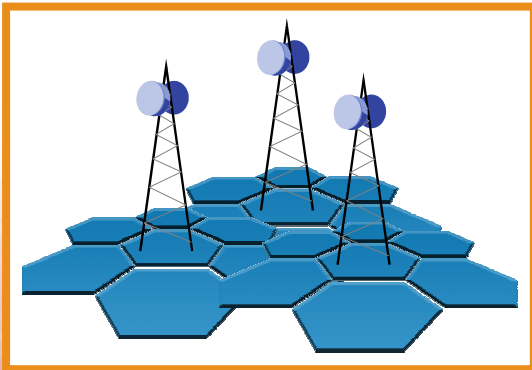
Lowering network costs

- Features-enhancing radio coverage & capacity
- Cost-effective site solutions
- Network management solutions

Elements of Cost Effective Radio Network

Effective coverage & capacity solutions

- Nokia Smart Radio Concept to reduce number of sites by up to 50%
- Adaptive Multirate Codec for added coverage & double capacity
- Extended cell for selected sites



Lean site solutions

- Outdoor BTS sites
- Shelterless sites



Elements of Cost Effective Radio Network

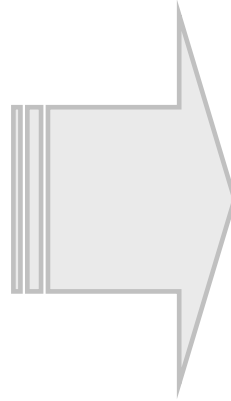


Shelter with fencing: Nokia UltraSite

Elements of Cost Effective Radio Network



Shelter with fencing: Nokia UltraSite



Shelterless site:
Nokia MetroSite BTS



Summary



APAC and China Summary

- Markets in APAC & China are on a dynamic growth path
- Networks has focus on both the advanced WCDMA 3G and the New Growth segments
- Networks will take a significant market share of the high growth Indian and Indonesia Markets – strong volume growth brings scale benefits
- Our end-to-end and service capabilities represent a key component our growth Strategy





Thank You