



Asia Pacific Area: Winning through deep market Knowledge

Urpo Karjalainen

Senior Vice President, Customer and
Market Operations



Asia Pacific: Great Diversity



Capital Market Days

GDP per Capita

India
US\$551



Japan
US\$33,774

% Youth (<15 yrs)

India
33%



Japan
15%

4 million people in Singapore,
1 BILLION people in India

41 different official languages (India has 32 official languages),
18 different mainstream religions



Developed & Developing



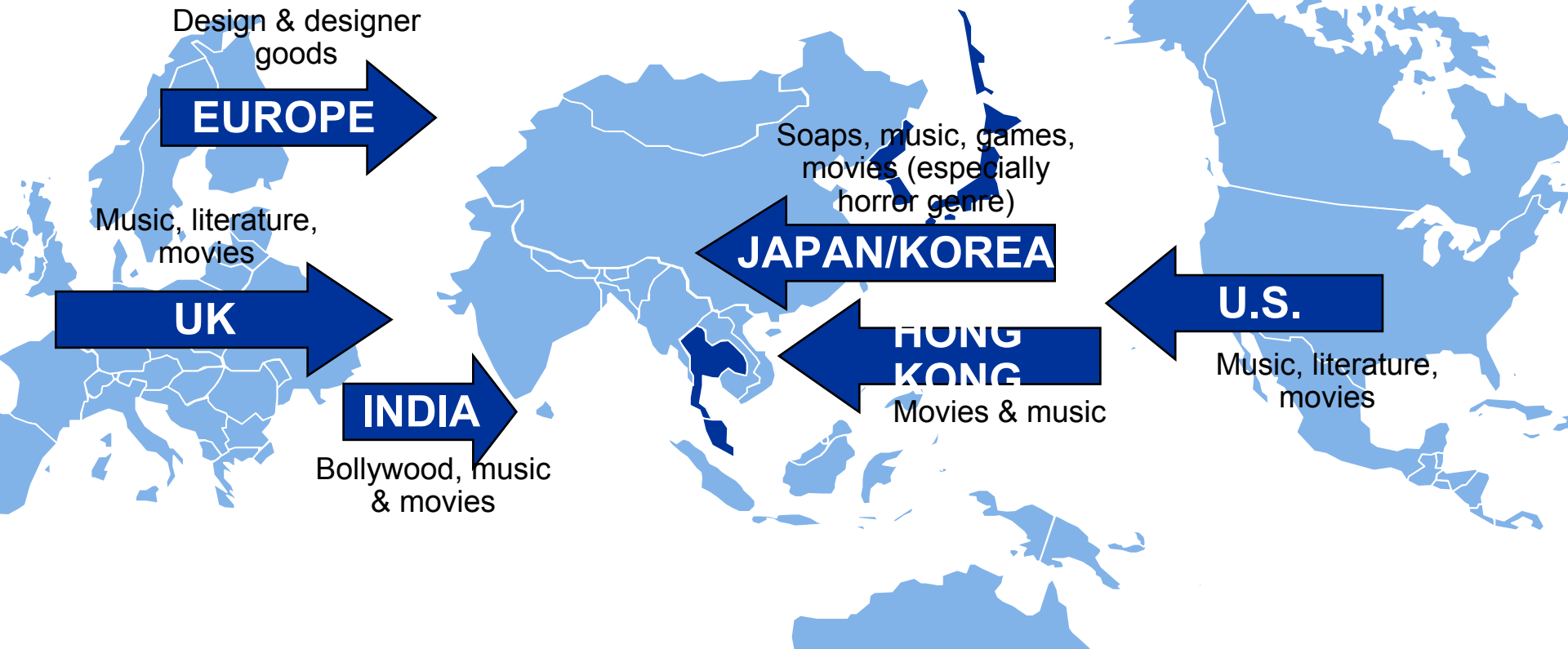
East & West



Asia Pacific: Cultural Melting Pot



Capital Market Days



“Cultural Soup” of traditional and foreign influences driving the emergence of hybrid styles and trends

High Growth in Emerging Markets



Capital Market Days

	Population (m)	GDP Growth (%)			GDP per capita (USD - 2003)	Ave. disposable income (USD-2003)	Mobile Penetration (% PS)
		2004	2005	2006			
India	1062	6.5	7.6	6.8	551	414	
Vietnam	81	7.0	6.9	7.4	479	283	
Bangladesh	147	5.5	5.9	N/A	354	n.a.	
Cambodia	14	5.4	5.5	N/A	319	n.a.	
Malaysia	25	6.8	5.5	5.0	4,130	2,451	
Thailand	64	6.4	5.5	5.1	2,237	1,234	
Indonesia	216	4.7	4.9	4.5	1,130	620	
Korea	48	6.3	4.8	4.5	12,620	7,244	
Philippines	85	5.0	4.5	4.2	937	508	
Singapore	4	8.4	4.5	4.8	21,790	12,857	
Australia	20	3.6	3.4	3.3	25,380	14,915	
New Zealand	4	3.9	3.1	2.8	19,498	11,775	
Japan	127	4.3	2.0	1.7	33,774	20,047	
China	1295	8.9	8.1	7.8	1,120	606	
Finland	5	2.9	3.0	3.0	30,800	15,577	
Germany	83	1.7	1.9	1.9	29,298	18,909	
U.S.A.	290	4.2	3.1	2.8	37,900	28,109	

Source : EIU & EMC



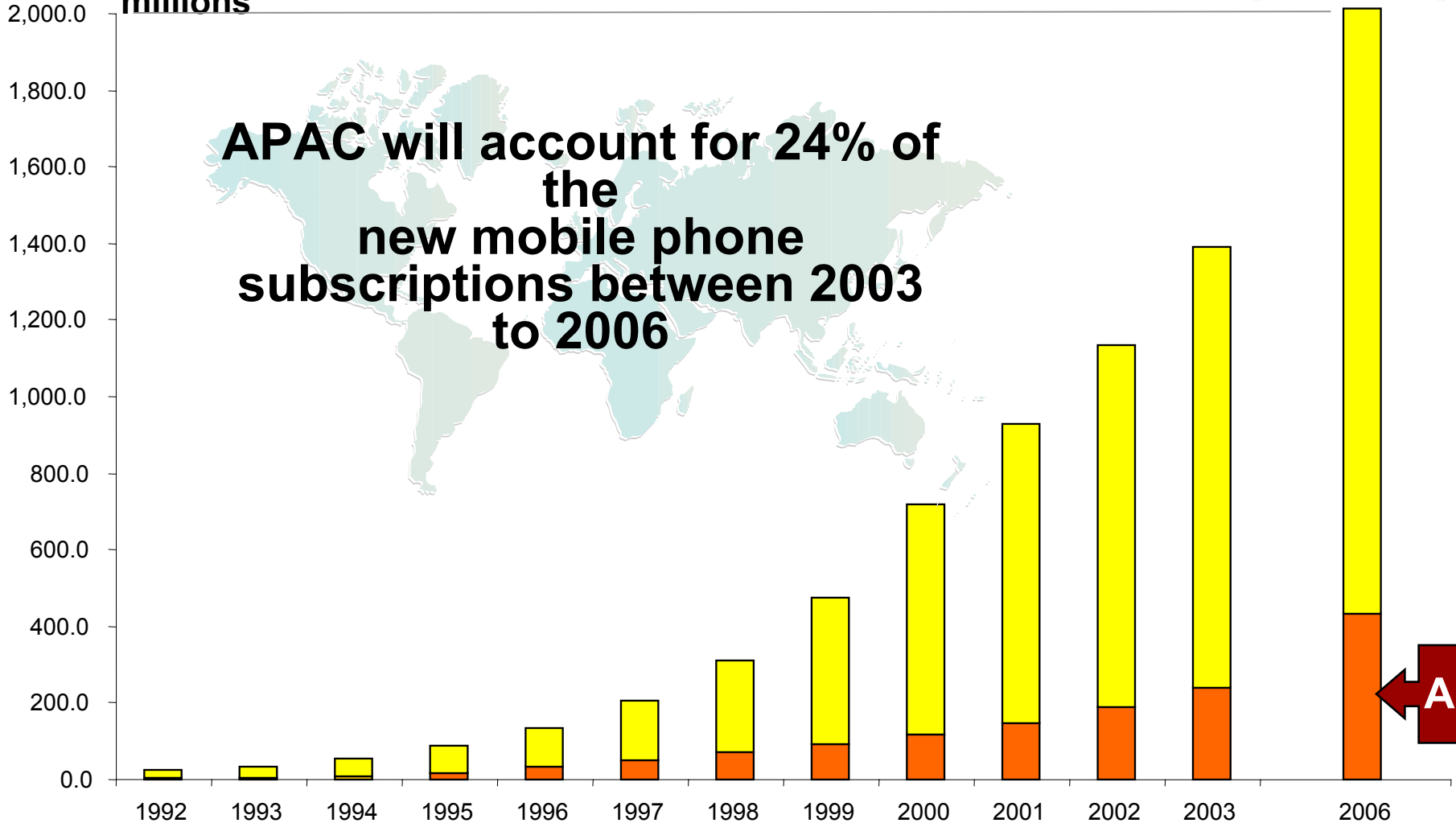
WTO driven market liberalisation continues to fuel growth

Towards the 2 Billion Milestone



Mobile phone subscriptions globally, millions

Capital Market Days



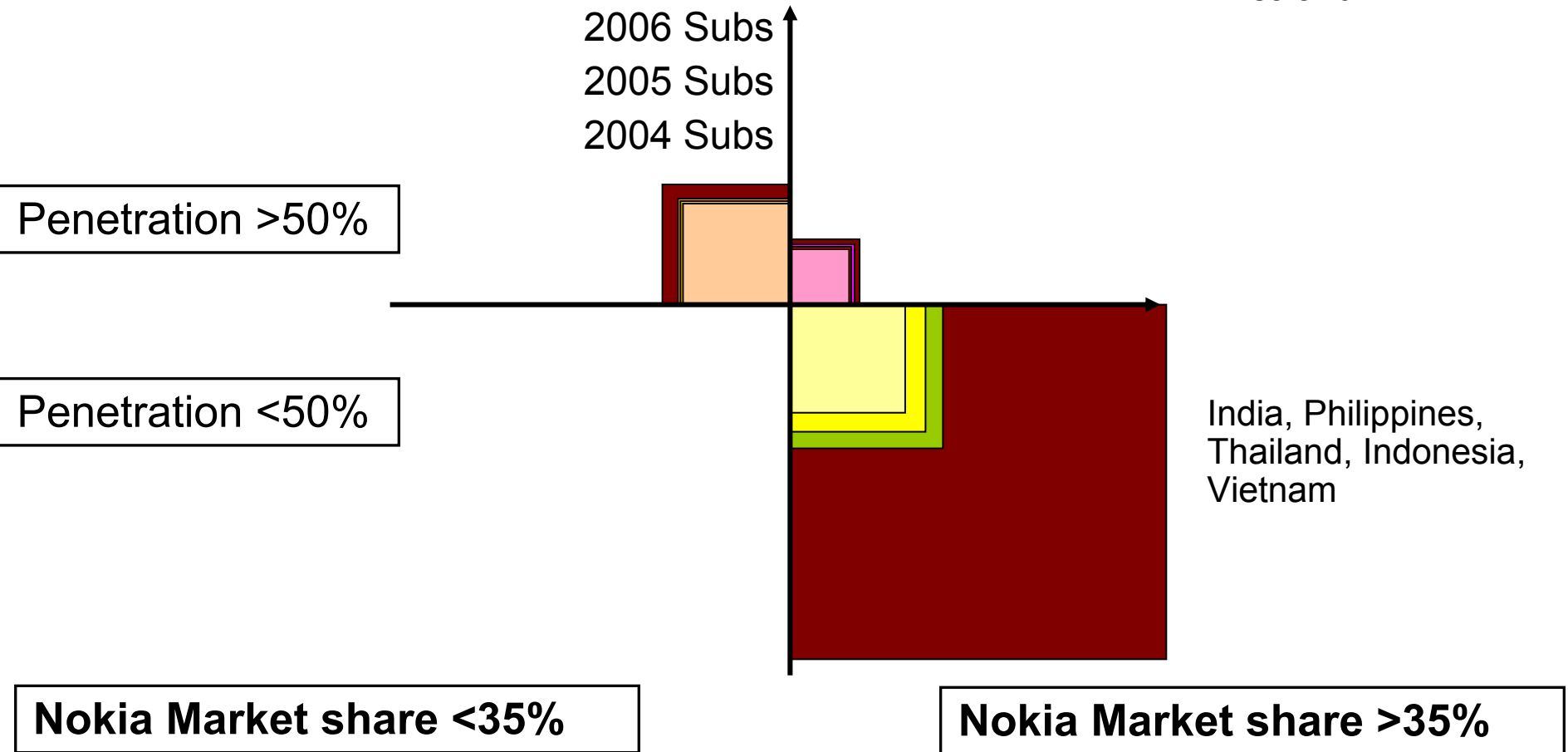
Source: Nokia Internal Estimates, 2004

APAC Subscriber Development 2004-2006



Japan, Korea

Capital Market Days
Australia, Malaysia,
Singapore, New
Zealand



Source: Nokia Internal Estimates

© NOKIA CMD APAC V7.PPT / 3 Nov 2004 / UK

NOKIA

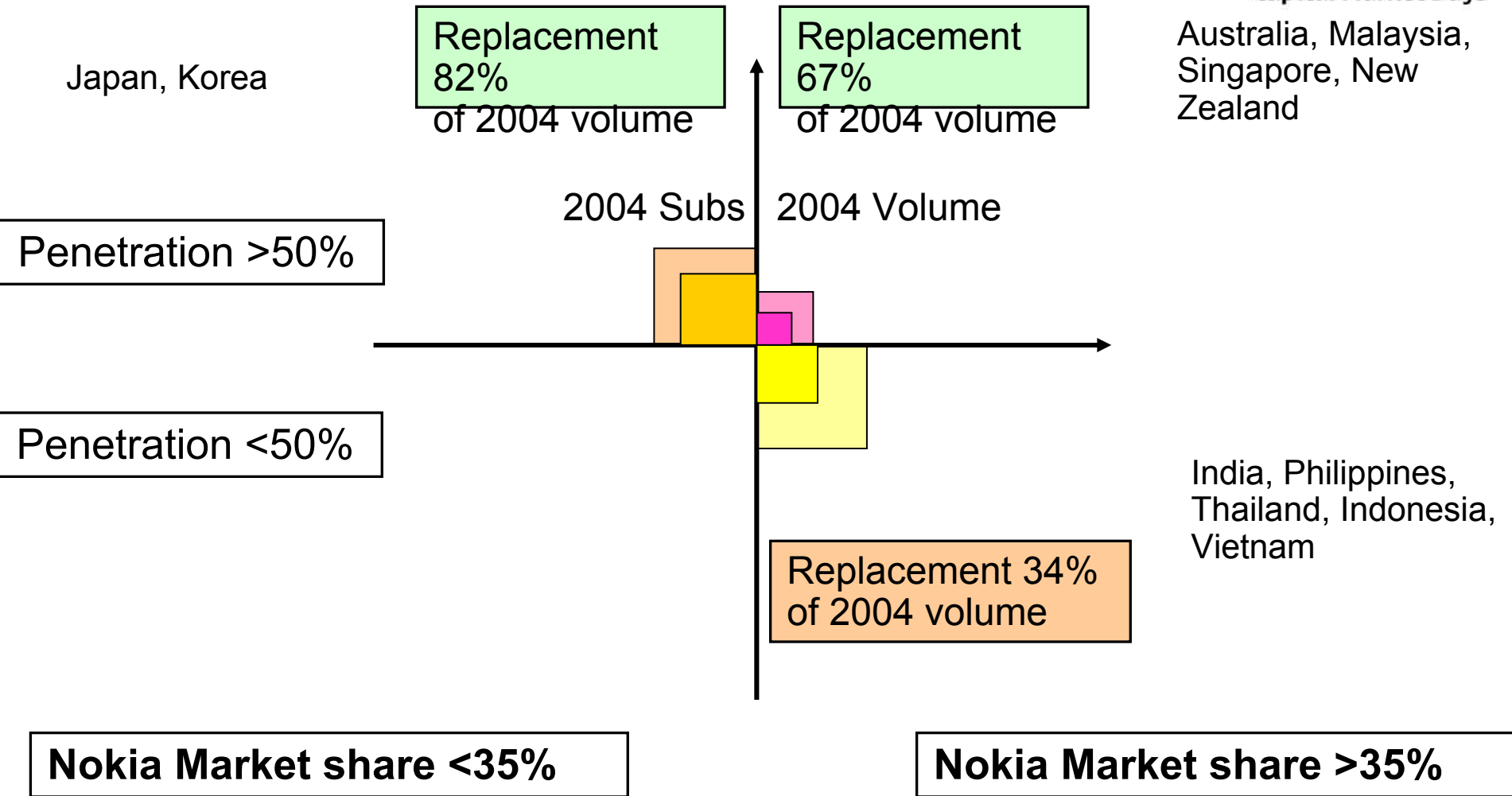
APAC 2004 device Volumes vs. Subscriber Base



Capital Market Days

Australia, Malaysia, Singapore, New Zealand

India, Philippines, Thailand, Indonesia, Vietnam

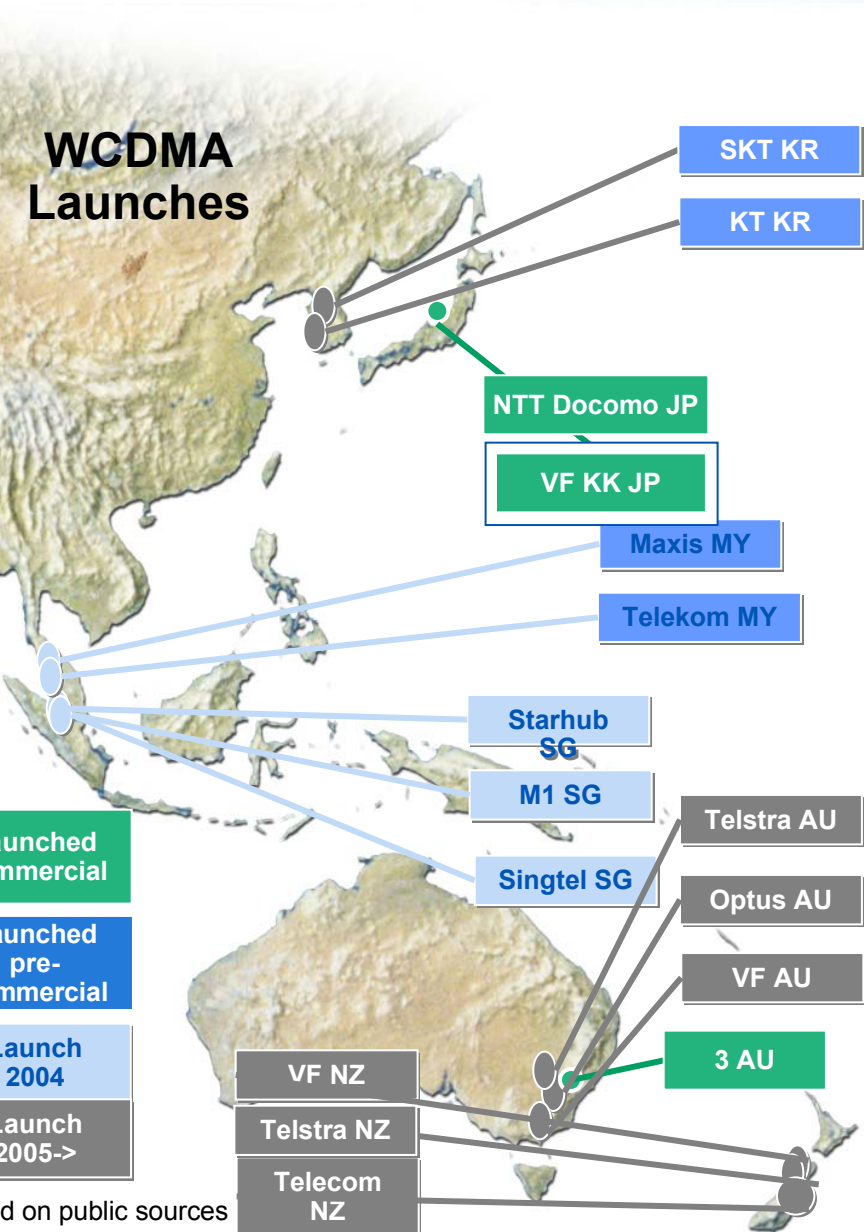


Source: Nokia Internal Estimates

WCDMA in APAC



Capital Market Days



Japan is leading the way for WCDMA

- > 6.7m WCDMA subscribers by September 2004
- Quarterly growth 40+%
- > 62% of global WCDMA subscribers
- Higher ARPU than 2-2.5G

The N6630 marks Nokia's commitment to WCDMA and provides the initial platform for successful WCDMA roll-out and uptake

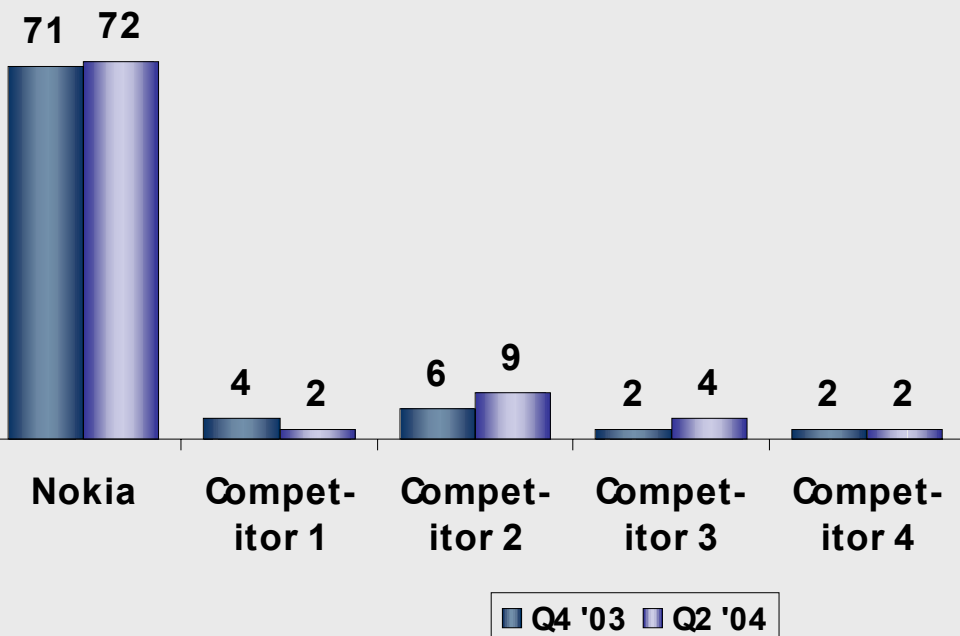


NOKIA is the clear market leader in SEAP



Capital Market Days

Spontaneous Brand Preference



Source: Nokia Brand Tracking Study, Mobile Phone Users & Potential Users, SEAP

Asia's Cool Youth Brands		
Rank	Brand	%
1	Sony	84.4
2	Nokia	78.9
2	Nike	78.9
4	Adidas	73.4
5	Levis	68.8
6	Coca Cola	61.5
7	Starbucks	60.6
8	iPod	52.3
9	McDonald's	51.4
10	Diesel	50.5
10	Samsung	50.5

Source: MindShare

Study covers: Aus, Ind, Phil, Msia, Thai, Sing, Viet, NZ, China, Pak, HK, Taiwan

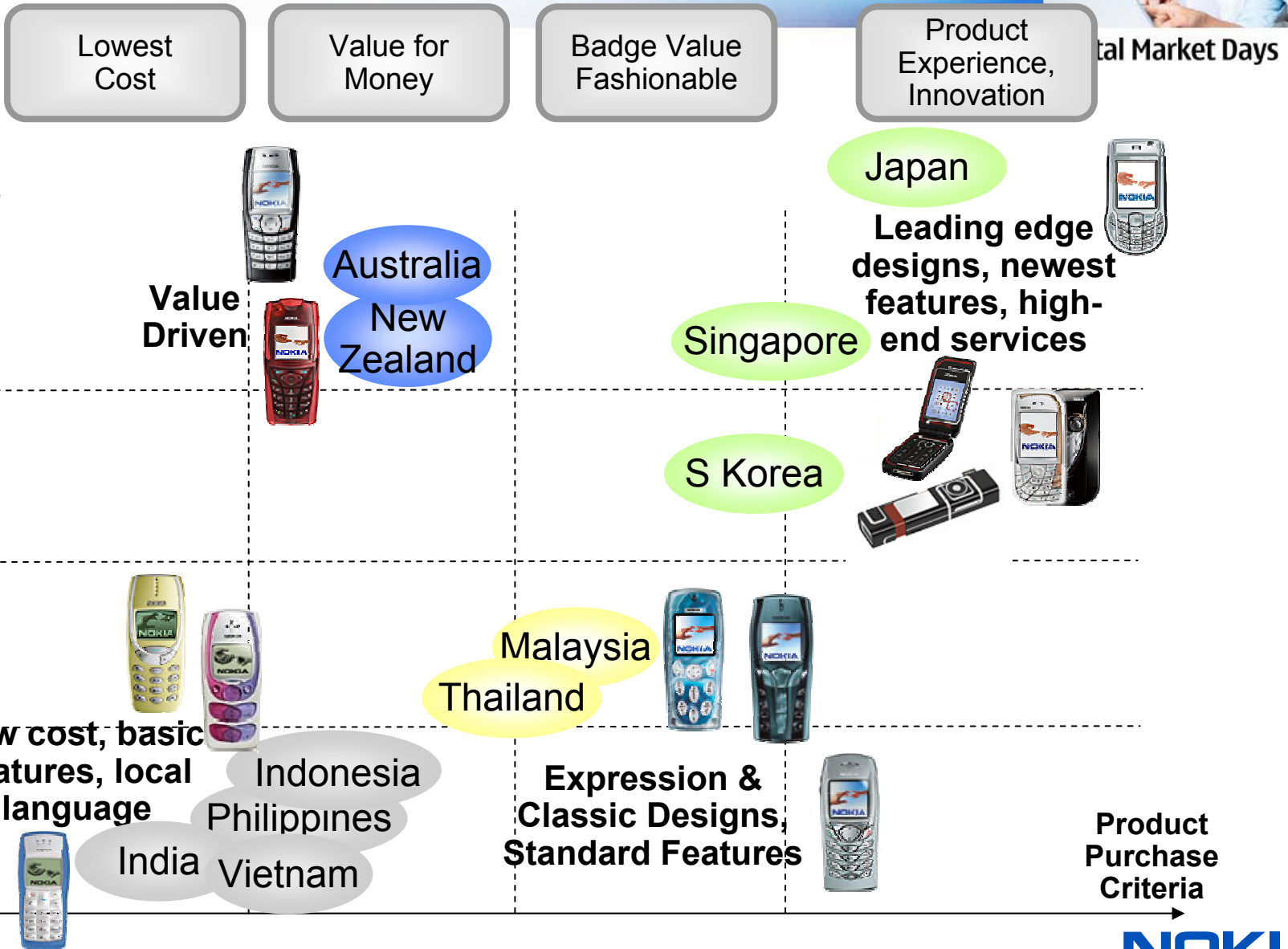
Best Mobile Phone Brand

Rank	Brand	%
1	Nokia	71.4
2	Motorola	20.7
3	Sony Ericsson	13.0
4	Samsung	12.4
5	Siemens	4.5
6	Panasonic	3.8
7	BIRD	2.7
8	Alcatel	1.3
9	BenQ	1.2
10	TCL	0.9

Source: Synovate, Asia's Top 10 Brands

Study covers: Phil, Thai, Msia, India, China, HK, Twn,

Consumer Insight Driving Product Mix



Winning Consumer Insight

NOKIA 1100
Made for India



Capital Market Days

NOKIA
Connecting People

Built-in Torchlight

In a land where the environment is as diverse as the culture, and light plays hide-and-seek with shadows, it comes as a breath of fresh air to have a phone designed specially for our country. With an Anti-Slip Grip, built-in torchlight and a Dust Resistant Cover, the new Nokia 1100 truly is a phone Made for India.

NOKIA 1100
MADE FOR INDIA

Nokia 1100 is a registered & trade mark belonging to copyright owner Nokia. All other trademarks are the property of their respective owners. Nokia India Pvt. Ltd. is authorized only for devices manufactured by Nokia India Pvt. Ltd. © 2004 Nokia. All rights reserved. Nokia, the Nokia Connecting People logo and the Nokia 1100 logo are trademarks of Nokia Corporation. Nokia, the Nokia Connecting People logo and the Nokia 1100 logo are trademarks of Nokia Corporation. Nokia, the Nokia Connecting People logo and the Nokia 1100 logo are trademarks of Nokia Corporation.

NOKIA
Connecting People

Dust Resistant

In a land where the environment is as diverse as the culture, and light plays hide-and-seek with shadows, it comes as a breath of fresh air to have a phone designed specially for our country. With an Anti-Slip Grip, built-in torchlight and a Dust Resistant Cover, the new Nokia 1100 truly is a phone Made for India.

NOKIA 1100
MADE FOR INDIA

Nokia 1100 is a registered & trade mark belonging to copyright owner Nokia. All other trademarks are the property of their respective owners. Nokia India Pvt. Ltd. is authorized only for devices manufactured by Nokia India Pvt. Ltd. © 2004 Nokia. All rights reserved. Nokia, the Nokia Connecting People logo and the Nokia 1100 logo are trademarks of Nokia Corporation. Nokia, the Nokia Connecting People logo and the Nokia 1100 logo are trademarks of Nokia Corporation.

NOKIA
Connecting People

Anti-Slip Grip

In a land where the environment is as diverse as the culture, and light plays hide-and-seek with shadows, it comes as a breath of fresh air to have a phone designed specially for our country. With features like an Anti-Slip Grip, Built-in Torchlight and a Dust Resistant Cover, it truly is a phone Made for India. The new Nokia 1100, Celebrating India.

NOKIA 1100
MADE FOR INDIA

Nokia 1100 is a registered & trade mark belonging to copyright owner Nokia. All other trademarks are the property of their respective owners. Nokia India Pvt. Ltd. is authorized only for devices manufactured by Nokia India Pvt. Ltd. © 2004 Nokia. All rights reserved. Nokia, the Nokia Connecting People logo and the Nokia 1100 logo are trademarks of Nokia Corporation. Nokia, the Nokia Connecting People logo and the Nokia 1100 logo are trademarks of Nokia Corporation.

Nokia 1100 is a registered & trade mark belonging to copyright owner Nokia. All other trademarks are the property of their respective owners. Nokia India Pvt. Ltd. is authorized only for devices manufactured by Nokia India Pvt. Ltd. © 2004 Nokia. All rights reserved. Nokia, the Nokia Connecting People logo and the Nokia 1100 logo are trademarks of Nokia Corporation. Nokia, the Nokia Connecting People logo and the Nokia 1100 logo are trademarks of Nokia Corporation.

NOKIA

Winning Consumer Insight

NOKIA 1100
Made for India



Capital Market Days

NOKIA
Connecting People

Built-in Torchlight

In a land where the environment is as diverse as the culture, and light plays hide-and-seek with shadows, it comes as a breath of fresh air to have a phone designed specially for our country. With an Anti-Slip Grip, built-in torchlight and a Dust Resistant Cover, the new Nokia 1100 truly is a phone Made for India.

NOKIA 1100
MADE FOR INDIA

Nokia 1100 is a registered & trade mark belonging to copyright owner Nokia. All other trademarks are the property of their respective owners. Nokia India Pvt. Ltd. is authorized only for services provided by Nokia India Pvt. Ltd. © 2004 Nokia. All rights reserved. Nokia, the Nokia Connecting People logo and the Nokia 1100 logo are trademarks of Nokia Corporation. Nokia, the Nokia Connecting People logo and the Nokia 1100 logo are trademarks of Nokia Corporation. Nokia, the Nokia Connecting People logo and the Nokia 1100 logo are trademarks of Nokia Corporation. Nokia, the Nokia Connecting People logo and the Nokia 1100 logo are trademarks of Nokia Corporation.

NOKIA
Connecting People

Dust Resistant

In a land where the environment is as diverse as the culture, and light plays hide-and-seek with shadows, it comes as a breath of fresh air to have a phone designed specially for our country. With an Anti-Slip Grip, built-in torchlight and a Dust Resistant Cover, the new Nokia 1100 truly is a phone Made for India.

NOKIA 1100
MADE FOR INDIA

Nokia 1100 is a registered & trade mark belonging to copyright owner Nokia. All other trademarks are the property of their respective owners. Nokia India Pvt. Ltd. is authorized only for services provided by Nokia India Pvt. Ltd. © 2004 Nokia. All rights reserved. Nokia, the Nokia Connecting People logo and the Nokia 1100 logo are trademarks of Nokia Corporation. Nokia, the Nokia Connecting People logo and the Nokia 1100 logo are trademarks of Nokia Corporation. Nokia, the Nokia Connecting People logo and the Nokia 1100 logo are trademarks of Nokia Corporation. Nokia, the Nokia Connecting People logo and the Nokia 1100 logo are trademarks of Nokia Corporation.

NOKIA
Connecting People

Anti-Slip Grip

In a land where the environment is as diverse as the culture, and light plays hide-and-seek with shadows, it comes as a breath of fresh air to have a phone designed specially for our country. With features like an Anti-Slip Grip, Built-in Torchlight and a Dust Resistant Cover, it truly is a phone Made for India. The new Nokia 1100, Celebrating India.

NOKIA 1100
MADE FOR INDIA

Nokia 1100 is a registered & trade mark belonging to copyright owner Nokia. All other trademarks are the property of their respective owners. Nokia India Pvt. Ltd. is authorized only for services provided by Nokia India Pvt. Ltd. © 2004 Nokia. All rights reserved. Nokia, the Nokia Connecting People logo and the Nokia 1100 logo are trademarks of Nokia Corporation. Nokia, the Nokia Connecting People logo and the Nokia 1100 logo are trademarks of Nokia Corporation. Nokia, the Nokia Connecting People logo and the Nokia 1100 logo are trademarks of Nokia Corporation. Nokia, the Nokia Connecting People logo and the Nokia 1100 logo are trademarks of Nokia Corporation.

In a land where the environment is as diverse as the culture, and light plays hide-and-seek with shadows, it comes as a breath of fresh air to have a phone designed specially for our country. With an Anti-Slip Grip, built-in torchlight and a Dust Resistant Cover, the new Nokia 1100 truly is a phone Made for India.

NOKIA

APAC Key Focus Areas



Capital Market Days

1. Strategic Deployment & Management of Different Channels
2. Industry Best Retail Segmentation & Management
3. Lead market development in India
4. Market entry into the Japanese market



Channel & Retail: Leaping Forward



Capital Market Days

*Nokia will take
mobile device distribution
& retail to the **NEXT LEVEL***

1
Best
Distribution

2
Differentiated
Channel Value
Propositions

3
Industry
Best Retail
Management



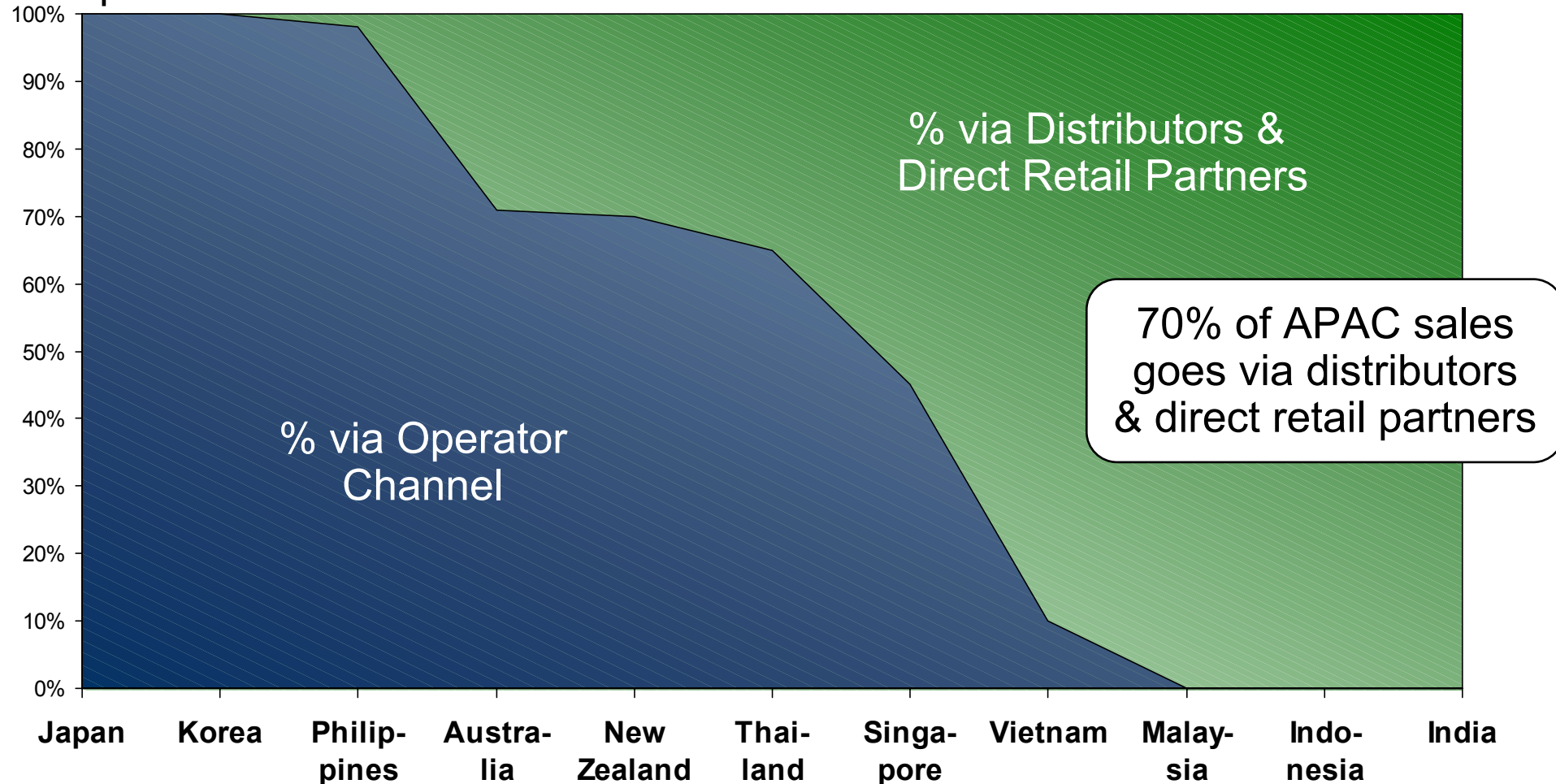
NOKIA

APAC: Fundamental Difference in Channel Structure



Capital Market Days

Operator % of Sales

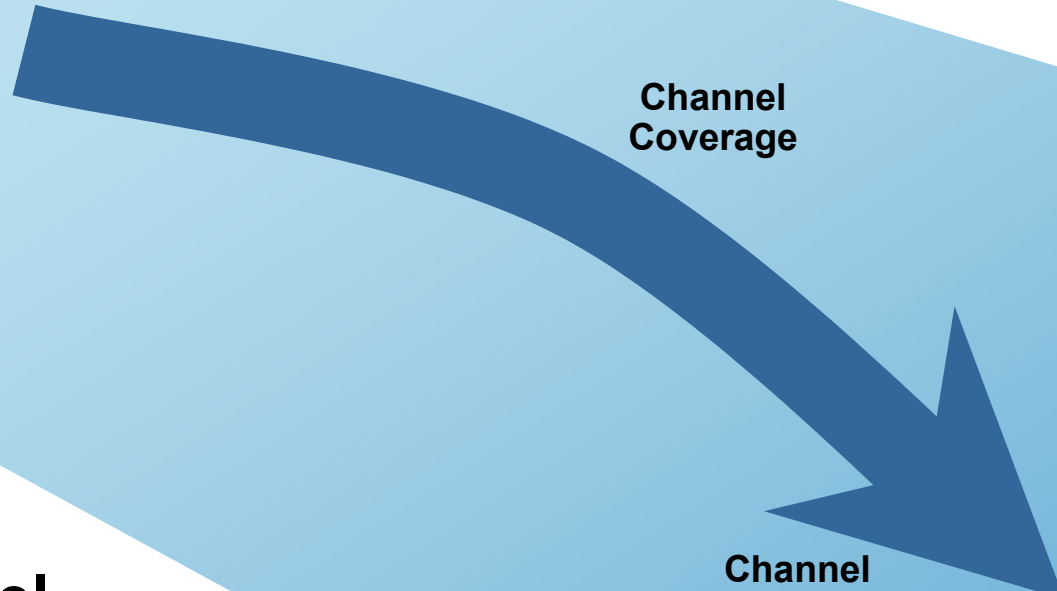


Source: Nokia Internal Estimates

Strategic Deployment & Management of Different Channels



Capital Market Days



Channel Coverage

Channel IT Tools

Channel Structure & Economics

Retail Universe

Channel Value Add

Consumer Segments

Consumer Insight



One channel framework and tools but country application

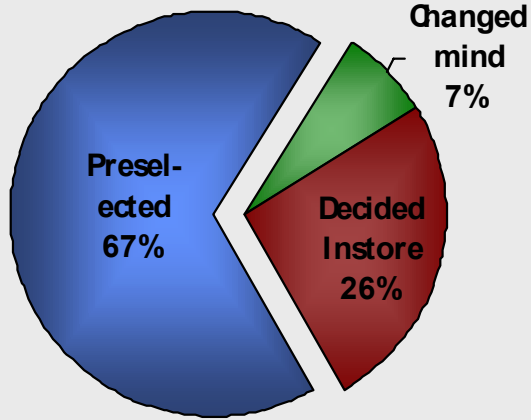
Strong Retail and Channel Value Proposition are Key



Capital Market Days

Nokia Consumer Insight

33% make brand choice instore



Source: Nokia Study

Holistic approach to ensure best partner support and ensuring profitability

Nokia Channel Value Proposition

Products & Service Offerings

Logistics Services

Relationship Management

Sales Tools & Merchandising



Trading Terms

Care Service

Training Service

Demand Generation

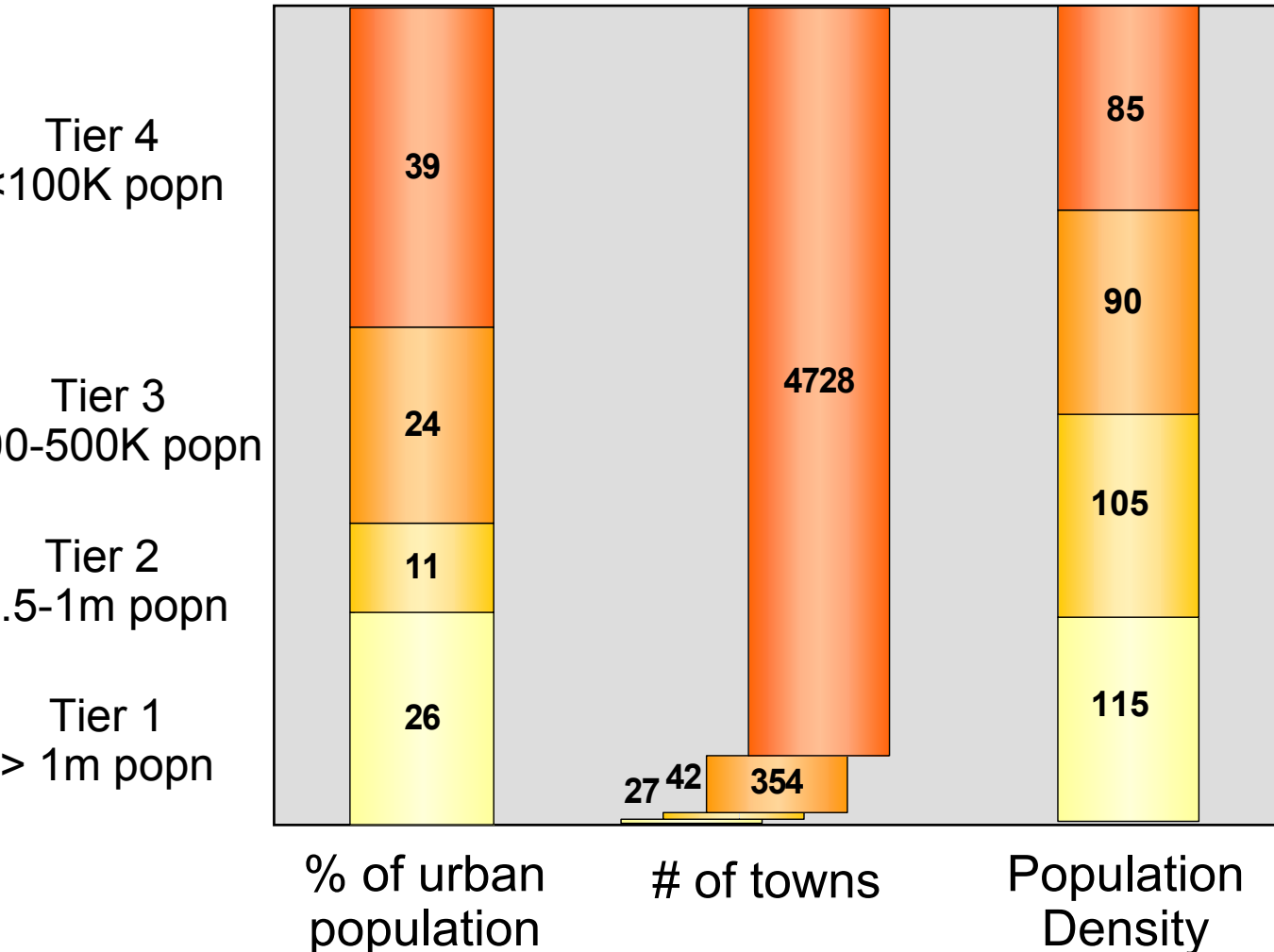


India – Population Distribution



Capital Market Days

Urban Pop= 27% of Total Pop
 Total= 5151 towns



- > 1 a billion people, 73% rural
- 318+ million workforce, another 120+ million will join in the next 5 years*
- Highly fragmented retail trade structure – total 12 million retail outlets

* Enskilada Securities



India Channel Structure: Horses for Courses



Capital Market Days

Palletized
Transportation!!



2004:

- Nokia covers over 27000 outlets
- Established strong regional distribution network
- Mobile Vans to provide care & education

2005-2008:

- Industry Best Distribution Efficiency
 - Number of tiers
 - Greater retail control

Micro-
distributors:
Transport
& “Warehouse”



Phone Clinic



Mobile Van



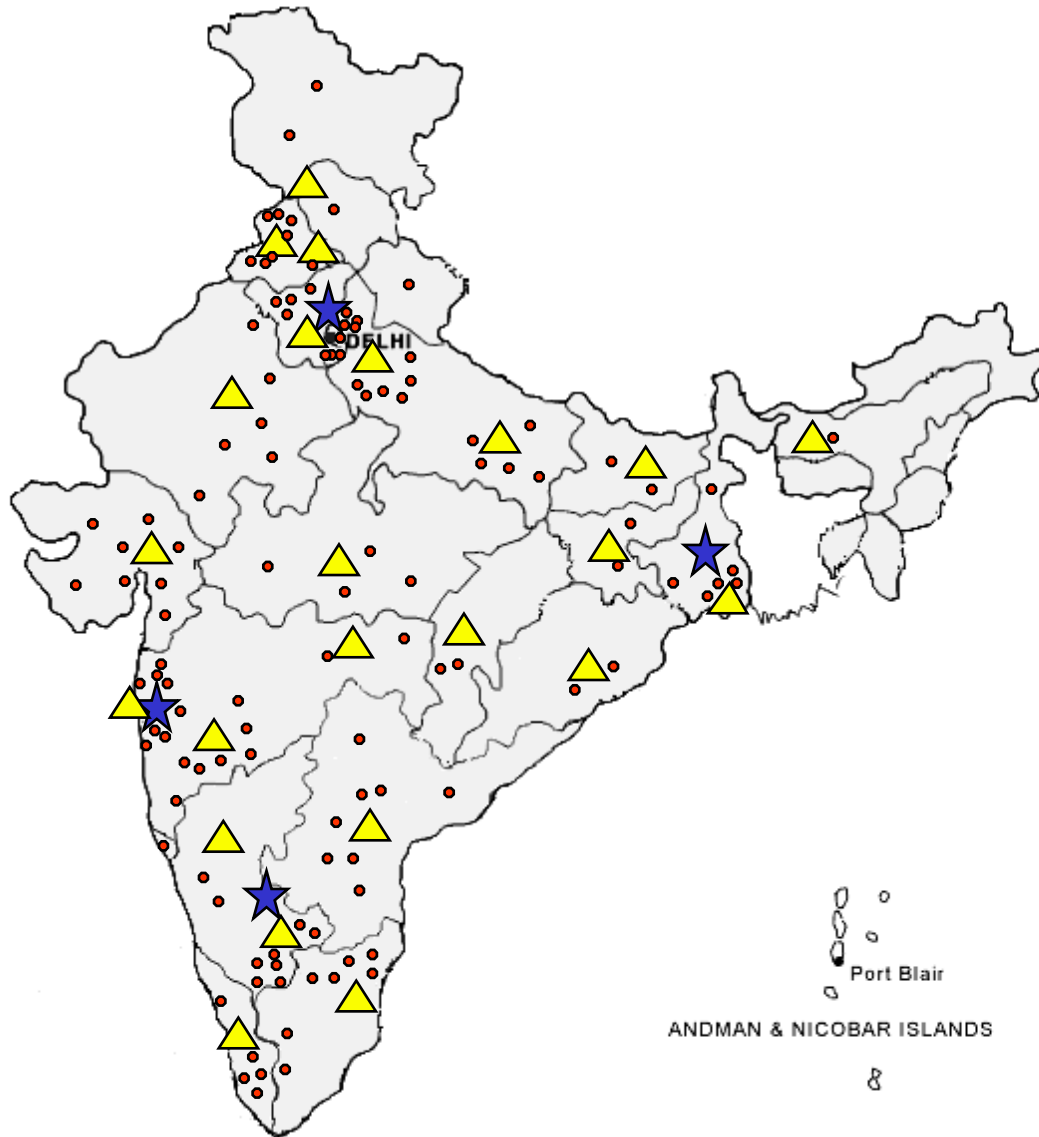
NOKIA



India – Country Organisation



Capital Market Days



APAC : In Summary



Capital Market Days

1. Market Diversity requires deep understanding of markets and consumer insights
2. Different market needs requires strong management of product mix
3. Successful Channel and Retail Strategy will provide competitive advantage
4. India & Japan are key focus markets





Capital Market Day

Thank You!