



Capital Market Days

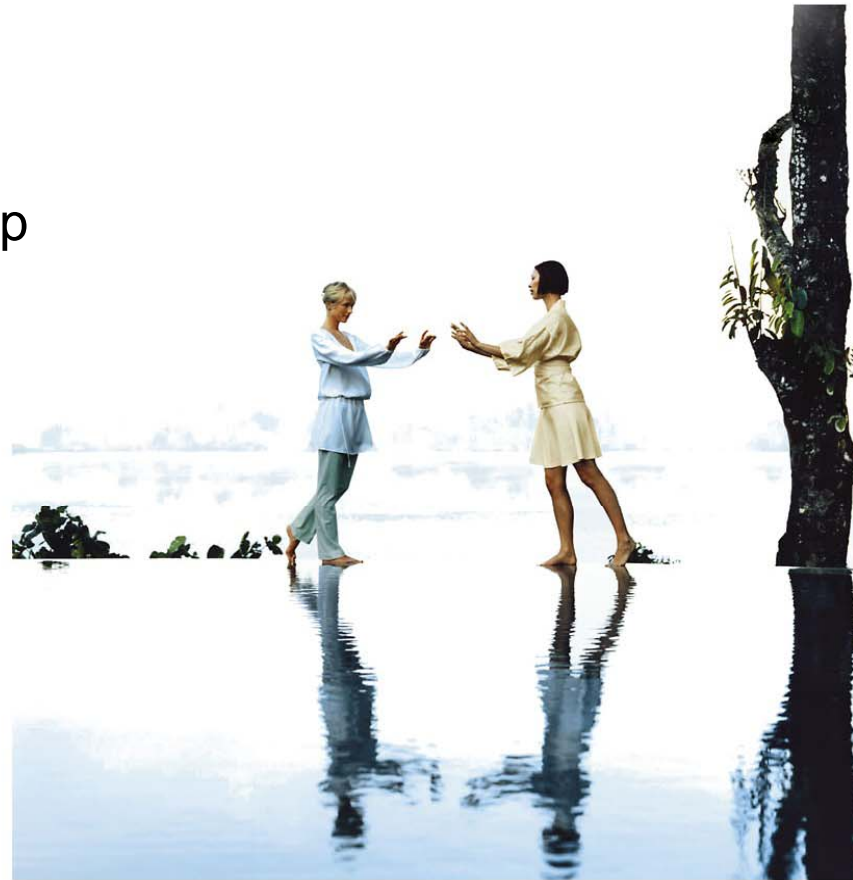
CDMA Update

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- Nokia's Commitment to CDMA Leadership
- Nokia Product Strategy Highlights



CDMA Market Update



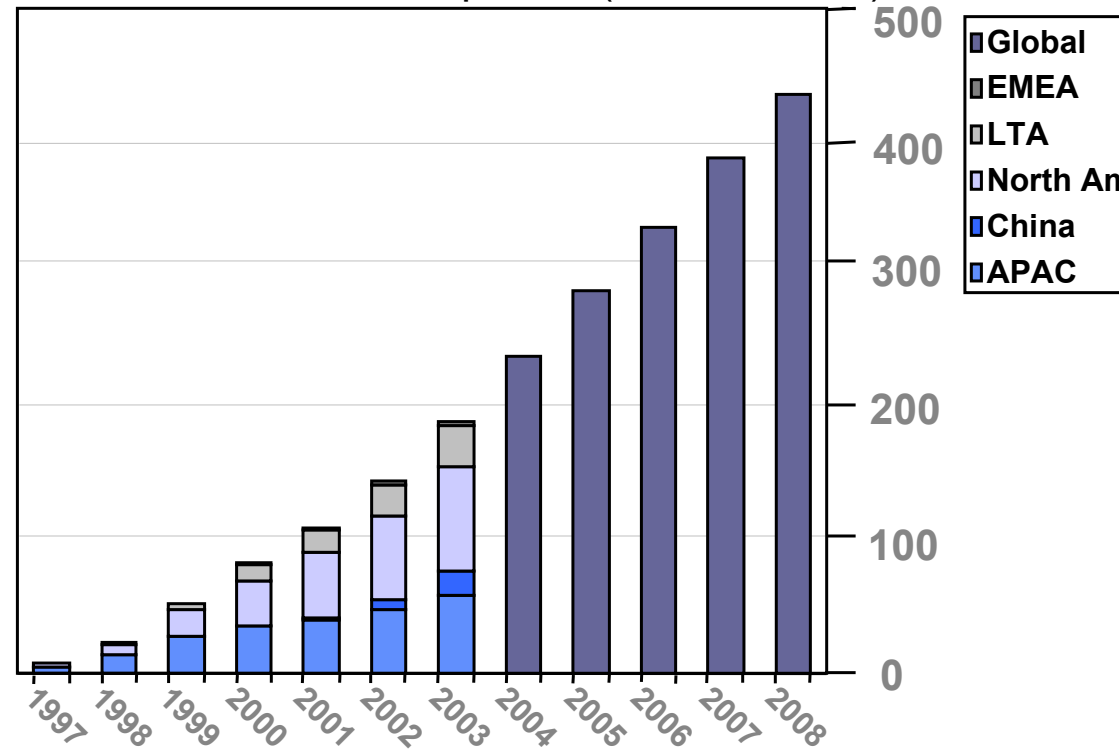
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Global CDMA handset market volume is expected to increase by >25% YoY in 2004

We believe CDMA handset market continues to grow slightly faster than total market through 2008

Growth is fuelled both by the rapid subscriber in-take in developing markets, especially Brazil, as well as increasing renewal rates in the more mature, developed economies, especially in the U.S.

Cumulative CDMA subscriptions (EOY, millions)*



*IS-95, 1xRTT and 1xEV included

Source: Nokia, August 2004

Nokia's Commitment to CDMA Leadership



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- 13 year history of dedicated CDMA research headquartered in San Diego
- Pioneering development in next generation technologies
- Major standards influencer and contributor
- Continued strong investment to Nokia CDMA core technology and chipsets
- Full line-up of products: ~50 million CDMA handsets and 48 models produced
- In 2004 we have developed and sold CDMA phones to more than 60 customers in 27 countries
- Solid market share position in top 4 in CDMA globally



Product Strategy Highlights

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2004

2005



- Bluetooth connectivity
 - Removable memory (MMC)
 - Camera/camcorder w/flash
 - Video streaming
- MP3 player
- FM radio

- Continued product line expansion
- Series 60
- Already 2H05 majority of products non-monoblocks

Product Strategy Highlights: 1xEV-DO

- 1xEV-DO market will emerge beyond Korea and Japan during 2005-2006
- Nokia is developing 1xEV-DO chipsets and handsets
- Co-development with selected partners will be used to complement own development



Product Strategy Highlights: Platform Benefits, Customization Flexibility



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SW Platform

- Large percentage of SW shared, rest tailored to meet or exceed CDMA customer requirements
- OS
- UI
- MMS
- Java
- Calendar
- Phonebook
- etc.



Components

- Platform benefits in both design & sourcing areas
- ASICs
- Base band
- Memories etc.

Electromechanics & Accessories

- Synergies in both design & sourcing areas
- LCDs, batteries, cameras
- Accessories
- Covers & keypads shared or customized



6012/6015/
6015i/6019i



6016i

Customization Examples



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- Physical customization
- Operator brand elements
- Operator service access elements

Wake up graphics, Screen savers, Wallpapers



Icons and shortcuts for operators services



Customization Examples: Java & BREW



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- Java is required in CDMA
 - 22 CDMA carriers already deployed Java
 - Nokia's Preminet® Solution is deployed by several CDMA carriers
- BREW is required in CDMA
 - Nokia is supporting CDMA carriers deploying BREW by offering BREW versions of selected handsets
 - By doing that, Nokia is the only company to commercialize a BREW handset without a Qualcomm chipset



Summary



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- Global CDMA handset market volume is expected to increase by >25% YoY in 2004
- Nokia will continue investment commitment in CDMA, including 1xEV-DO and Series 60 products, resulting in further portfolio expansion
- CDMA product strategy combines a full line-up of tiers, form factors, and feature sets – majority of products in 2H 2005 already non-monoblocks
- Nokia product strategy combines platform benefits and strong customization capabilities





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Thank You!