

Nokia Strategy and Financial Briefing

NOKIA
Connecting People

Disclaimer

It should be noted that certain statements herein which are not historical facts are forward-looking statements, including, without limitation, those regarding: A) the intention to form a strategic partnership with Microsoft to combine complementary assets and expertise to form a global mobile ecosystem and to adopt Windows Phone as our primary smartphone platform, including the expected plans and benefits of such partnership; B) the timing and expected benefits of our new strategy, including expected operational and financial benefits and targets as well as changes in leadership and operation structure; C) the timing of the deliveries of our products and services and their combinations; D) our ability to develop, implement and commercialize new technologies, products and services and their combinations; E) expectations regarding market developments and structural changes; F) expectations and targets regarding our industry volumes, market share, prices, net sales and margins of products and services; G) expectations and targets regarding our operational priorities and results of operations; H) the outcome of pending and threatened litigation; I) expectations regarding the successful completion of acquisitions or restructurings on a timely basis and our ability to achieve the financial and operational targets set in connection with any such acquisition or restructuring; and J) statements preceded by "believe," "expect," "anticipate," "foresee," "target," "estimate," "designed," "plans," "will" or similar expressions. 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) whether definitive agreements can be entered into with Microsoft for the potential partnership in a timely manner, or at all, and on terms beneficial to us; 2) our ability to continue to innovate and maintain the vibrancy of our Symbian-based smartphones during the negotiation of the Microsoft partnership and thereafter; 3) the negotiation and implementation of the Microsoft partnership will require significant time, attention and resources of our senior management and others within the company potentially diverting their attention from other aspects of our business; 4) in choosing to negotiate a partnership with Microsoft and utilize Windows Phone as our primary smartphone platform, we may forego more competitive alternatives achieving greater acceptance and profitability in the smartphone market; 5) the Microsoft Windows Phone smartphone platform may not be preferred by application developers, content providers and other partners impairing our ability to build a sufficiently competitive ecosystem for our smartphones; 6) the Microsoft partnership may not achieve the stated goal of producing smartphones which are differentiated from those of our competitors and preferred by our customers and consumers in the expected timeframe, or at all; 7) our ability to change our business model, way of working and culture sufficiently to work effectively and efficiently with Microsoft in order to realize the stated benefits of the partnership in a timely manner, or at all; 8) our ability to effectively and smoothly implement our new leadership and operational structure and to realize the anticipated benefits in a timely manner; 9) the implementation of the Microsoft partnership and the new operational structure may cause disruption and dissatisfaction among employees potentially reducing focus and productivity in some or all areas of our business; as well as the risk factors specified on pages 11-32 of Nokia's annual report Form 20-F for the year ended December 31, 2009 under Item 3D. "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 publicly update or revise forward-looking statements, whether as a result of new information, future events or otherwise, except to the extent legally required.

Nokia Strategy and Financial Briefing

Stephen Elop
President and CEO
February 11, 2011

NOKIA
Connecting People

Great Mobile Products

Great Mobile Products

Smartphones

**Mobile
Phones**

**Future
Disruptions**

Great Mobile Products

Smartphones

**Mobile
Phones**

**Future
Disruptions**

NOKIA + *Microsoft*[®]



Great Mobile Products

Nokia
+
Microsoft

Mobile
Phones

Future
Disruptions



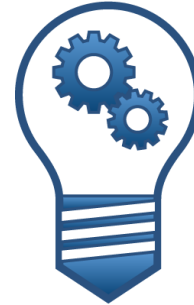
S30/40



Services



Browsers



**3rd Party
Innovation**



Future

Great Mobile Products

**Nokia
+
Microsoft**

**Next
Billion**

**Future
Disruptions**

Great Mobile Products

Nokia
+
Microsoft

Next
Billion

Future
Disruptions

Differentiate

**Unique
Experiences**

Distinctive Design

Local and Global

Compelling Hardware

**Brand, Supply Chain, Distribution
and Relationships**

Great Mobile Products

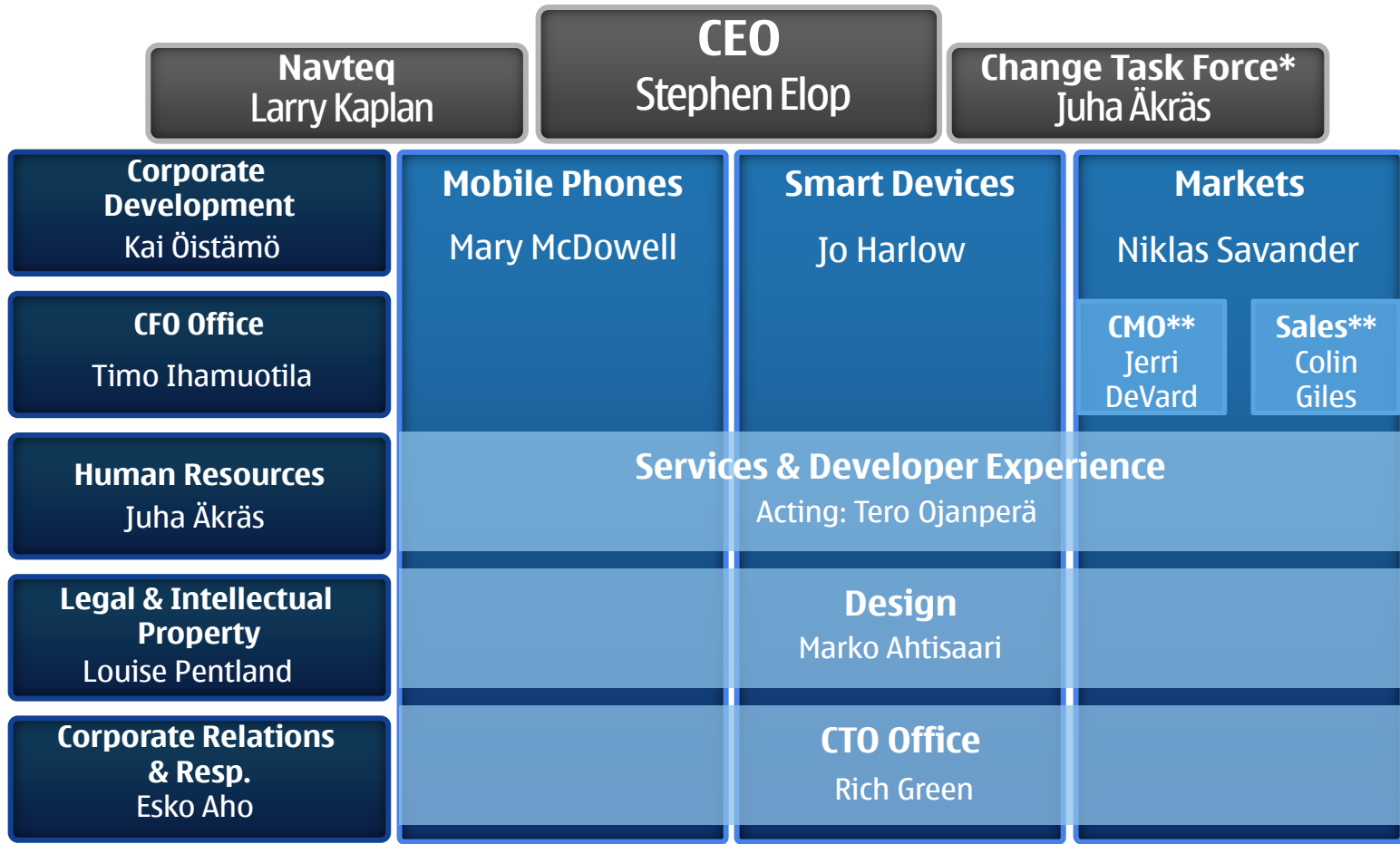
**Nokia
+
Microsoft**

**Next
Billion**

**Future
Disruptions**

Differentiate

Change How We Operate



* A temporary program organization

** Not reporting to CEO, but member of NLT

Great Mobile Products

**Nokia
+
Microsoft**

**Next
Billion**

**Future
Disruptions**

Differentiate

Change How We Operate

The image features the Nokia logo in white, bold, sans-serif capital letters, centered horizontally. The background is a vibrant blue with a dense pattern of small, white, out-of-focus water droplets. A large, semi-transparent blue circular shape is positioned on the right side, partially overlapping the text. The overall aesthetic is clean and modern, with a focus on texture and color.

NOKIA

Nokia Strategy and Financial Briefing

Timo Ihamuotila

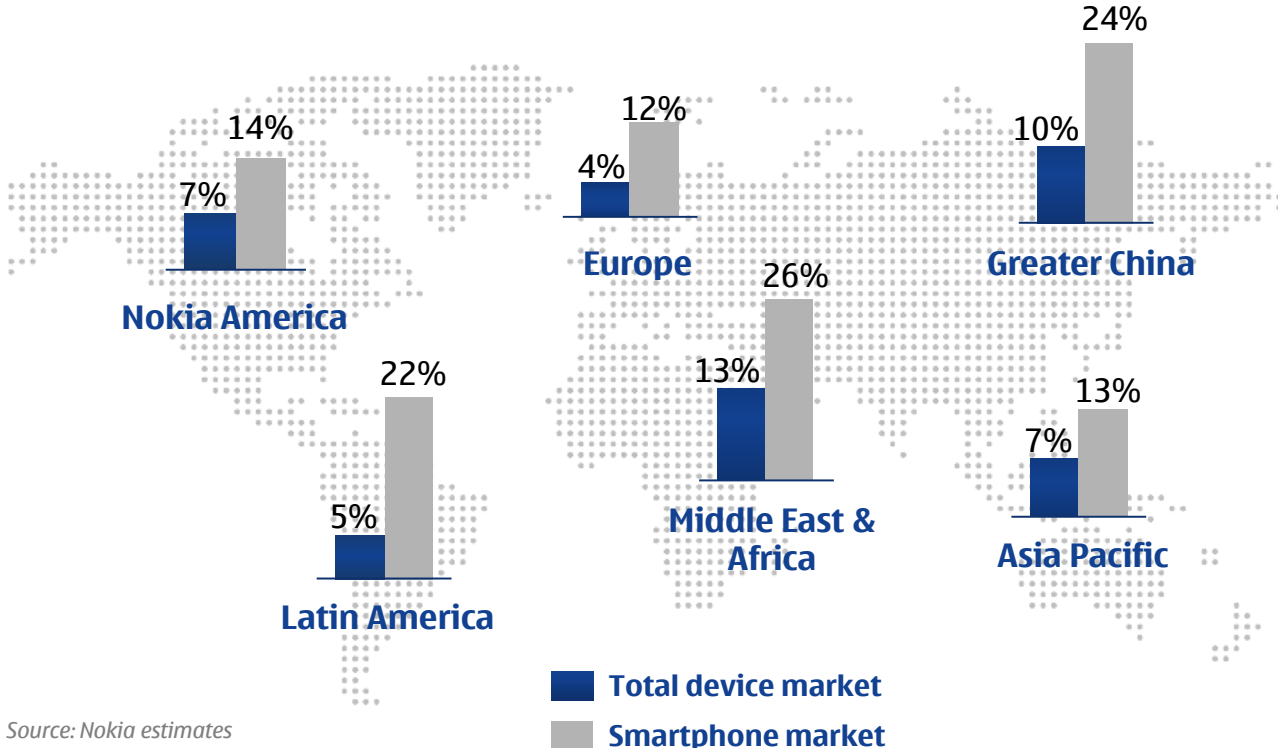
CFO

February 11, 2011

Mobile Devices Industry and Nokia Assessment

Expected Industry Trends: Revenue and Margins

Approximate Revenue CAGR by Geographic Area, 2010-2014



Approximate Revenue CAGR 2010-2014

Total device market: **+7%**
Smartphones: **+16%**

...but mobile device industry gross margin expected to come under pressure, longer-term

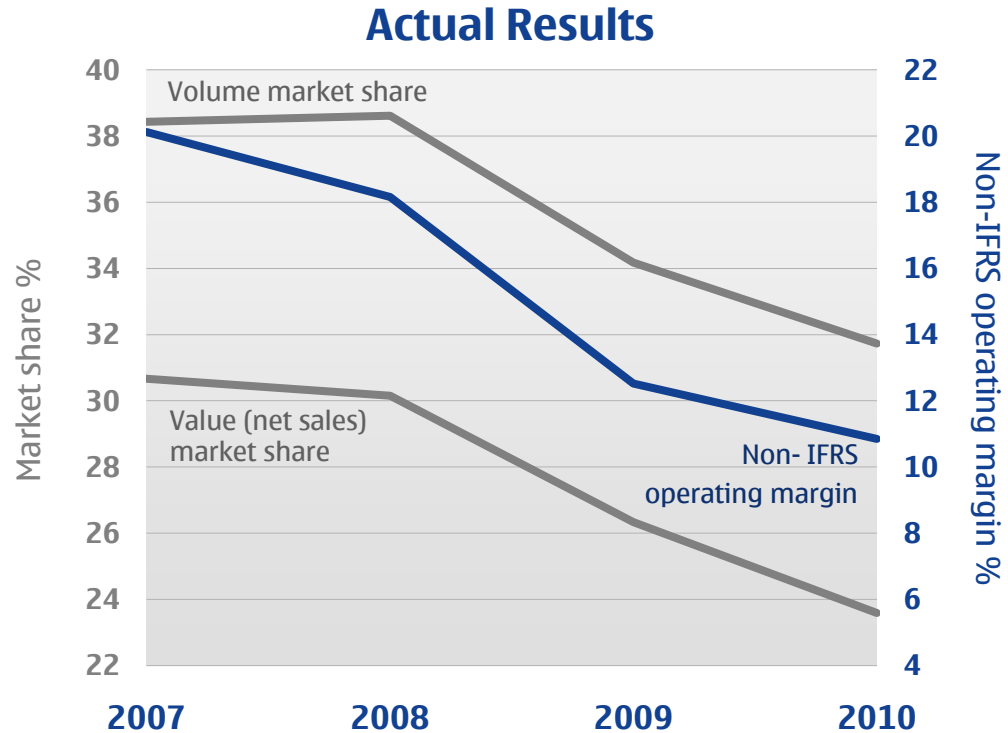
Devices & Services: Nokia Must Change Faster

Original 2010 Targets, as Set at 2009 CMD*

- Nokia mobile device volume market share flat, compared to 2009
- Nokia mobile device value market share up slightly, compared to 2009
- Non-IFRS operating margin: 12-14%

**Note: Targets set on Dec 2, 2009; Does not reflect updates made during 2010
Source: Nokia estimates*

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Speed, Results & Accountability

The image features a solid blue background. In the upper left corner, the text "Speed, Results & Accountability" is written in a bold, white, sans-serif font. A white, curved line sweeps across the bottom of the image. On the right side, there is a pattern of small, white, irregular dots or speckles that appear to be scattered across the blue surface.

Two Separate Business Units Leveraging Nokia's Assets

Smart Devices



symbian OS MeeGo

Mobile Phones



Scale

Brand

Distribution

Hardware

Logistics & Manufacturing

Operator Relationships

Under the planned partnership with Microsoft, we would adopt Windows Phone as our primary smartphone platform

Two Separate Business Units Leveraging Nokia's Assets

Smart Devices



symbian OS MeeGo

Mobile Phones



Location Based Services



Store



IPR



Under the planned partnership with Microsoft, we would adopt Windows Phone as our primary smartphone platform

Expected Financial Impact from Planned Microsoft Partnership

The background of the slide is a gradient of blue, transitioning from a darker blue at the top to a lighter blue at the bottom. There are several small, white, out-of-focus water droplets scattered across the right side of the image, giving it a fresh and clean appearance.

Maximize Shareholder Value vs. Alternatives

Winning Ecosystem with Microsoft

Sustainable Differentiation	Long-term benefits to Net Sales and Margins	+
Royalty Payments to Microsoft	Lower Gross Margin %	-
Sales and Marketing Support from Microsoft	Lower S&M OPEX	+
Focus on Differentiation	Lower R&D OPEX	+
Services Partnership	Enhanced Monetization Potential	+

Devices & Services

Longer-Term Targets

Post-Transition Financial Targets

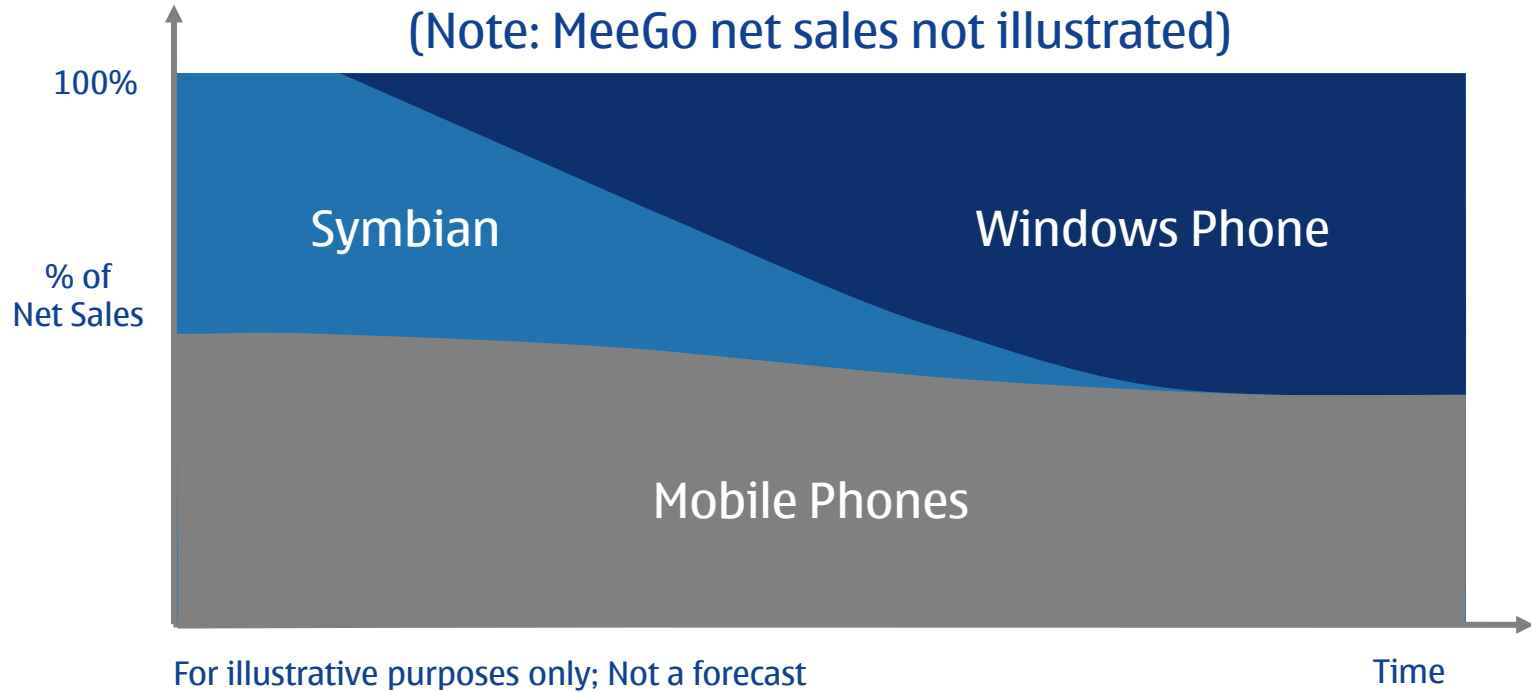
Longer-Term Financial Targets

- D&S Net Sales: grow faster than the market
- D&S Non-IFRS Operating Margin: 10% or more

Transition Period

The background of the slide features a smooth blue gradient that transitions from a darker shade at the top to a lighter shade at the bottom. On the right side, there are several small, realistic water droplets of varying sizes, some in focus and others blurred, creating a sense of depth and texture.

Mobile Devices Net Sales Mix



Mobile Phones: Web for the Next Billion

Strong Market Position



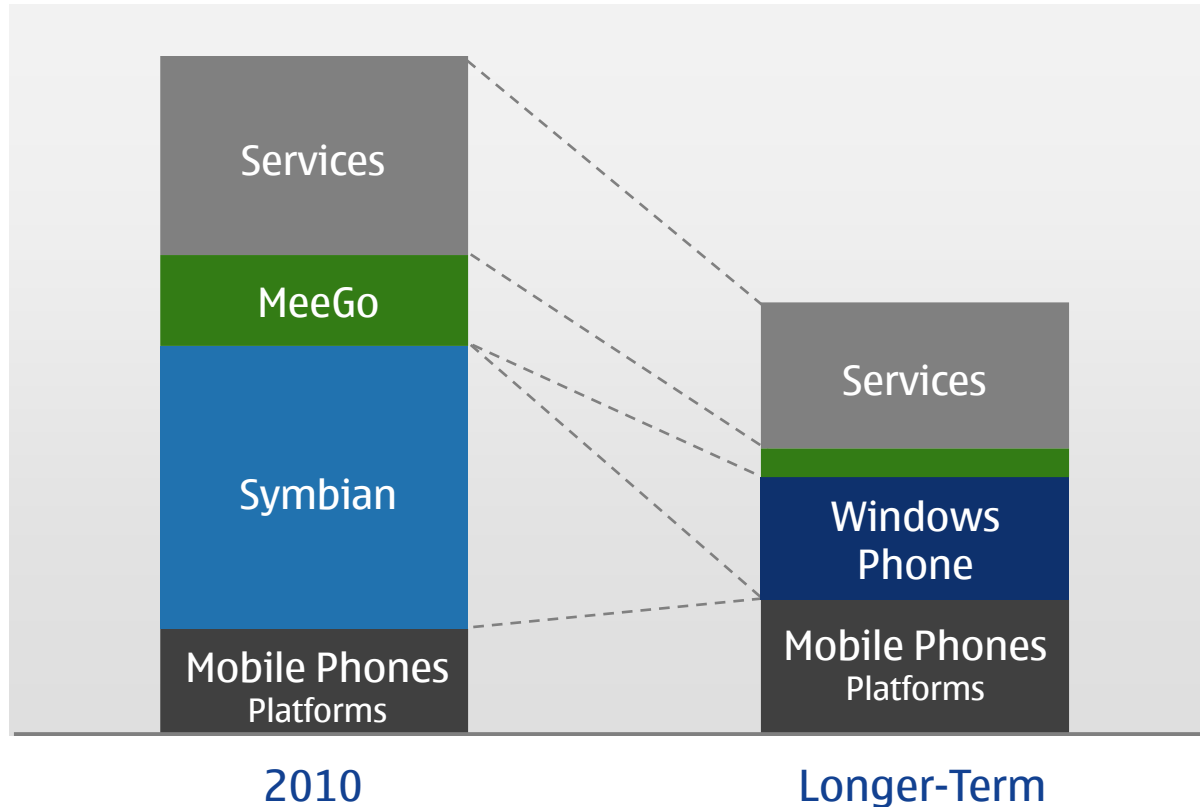
**Unique Services Assets
and Local capabilities**



**Bring Modern Mobile
Experience to New
Price Points**



Focus Our “Direct R&D” Investment



For illustrative purposes only; Does not represent total R&D spend; Not a forecast

Nokia Siemens Networks and NAVTEQ

Nokia Siemens Networks' Key Priorities

- **In 2010, Nokia Siemens Network delivered on key priorities:**
 - Driving for growth
 - Cost leadership
 - Reinvigorating the organization
- **In 2011, Nokia Siemens Networks' key priorities include:**
 - Driving for growth
 - Driving for value

Nokia Siemens Networks 2011 Targets

- Nokia and Nokia Siemens Networks target overall industry revenue to grow slightly in 2011, compared to 2010.
- **Nokia and Nokia Siemens Networks target:**
 - Net sales growth to outperform the market in 2011.
 - Non-IFRS operating margin to be above breakeven in 2011.
 - To reduce non-IFRS annualized operating expenses and production overheads by EUR 500 million by the end of 2011, compared to the end of 2009.

NAVTEQ Overview

- Competitive industry environment.
- Longer-term, NAVTEQ is expected to benefit from Nokia's planned partnership with Microsoft.

Summary

The image features a solid blue background. In the top-left corner, the word "Summary" is written in a large, white, sans-serif font. A white, wavy horizontal line runs across the bottom of the image. On the right side, there is a pattern of small, white, irregular dots or speckles that appear to be scattered across the blue surface.

Thank you.

The image features a solid blue background. In the bottom-left corner, there is a white curved line that sweeps across the bottom of the frame. On the right side, there is a pattern of small, white, irregular dots or speckles that appear to be scattered across the blue surface.