

PROPOSAL BY THE BOARD OF DIRECTORS TO AUTHORIZE THE BOARD OF DIRECTORS TO RESOLVE ON THE ISSUANCE OF SHARES AND SPECIAL RIGHTS ENTITLING TO SHARES

The Board proposes that the Annual General Meeting authorize the Board to resolve to issue a maximum of 800 000 000 shares through issuance of shares or special rights entitling to shares (including stock options) under Chapter 10, Section 1 of the Companies Act in one or more issues. The Board may issue either new shares or shares held by the Company. The proposed maximum amount corresponds to approximately 19.54 per cent of the Company's current total number of shares.

The Board proposes that the authorization be used to finance or carry out acquisitions or other arrangements, to settle the Company's equity-based incentive plans, or to other purposes resolved by the Board. In practice, the Board could use the authorization also to settle performance share and restricted share grants under the Company's equity-based incentive plans, provided and to the extent the settlement conditions of the respective plans are met. All performance shares and restricted shares based on the Company's equity-based incentive plans from years 2004, 2005 and 2006 will be settled under the plan terms prior to June 30, 2010. The Company estimates that approximately 6 million shares will be settled under the plans between the Annual General Meetings in 2007 and 2008. More information on Nokia's equity-based incentives and their settlement conditions will be available in Nokia's annual accounts 2006.

It is proposed that the authorization includes the right for the Board to resolve on all the terms and conditions of the issuance of shares and special rights under Chapter 10, Section 1 of the Companies Act, including to whom shares or special rights may be issued as well as the consideration to be paid. The authorization thereby includes the right for issuance in deviation from the shareholders' pre-emptive rights within the limits set by law.

It is proposed that the authorization be effective until June 30, 2010.

Espoo, January 25, 2007

Board of Directors