

Mobile Multimedia

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Multimedia

NOKIA

Internet convergence

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Nokia is a major force in the converging Internet industry



YAHOO!



NOKIA
Nseries

Google™



Windows Live™



Web 2.0 – now you can share your story with the world

Social Networking is key driver for Internet today

Mobility to add location and context sensitive services to Internet



Evolution of the computer

1960s



Mainframe

1970s



Mini

1980s



Personal

1990s



Laptop

Multimedia Computer – optimized for Web 2.0



All of my **connected applications**, always with me

Building the new category with retail partners



Retailers see value of the Multimedia Computer category for their own business

Experience led product business

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Experience led product business model

**Applications
and services**



Best devices



Best connectivity



**Nokia will offer comprehensive media experience
including the ability to purchase content**

Experience led product business model

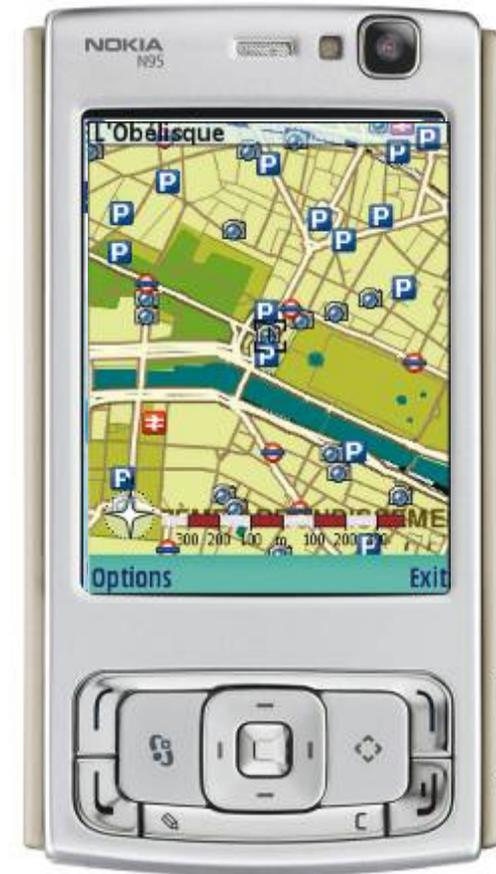


Consumer services will be an important part of the Nokia multimedia experiences

- **Services is a means to deliver the full experience to consumers**
- **Services drive device ASP**
- **Services enhance the Nokia brand perception**
- **Services will create incremental revenue to Nokia but main business model continues to be device sales driven**

Service example - navigation

- Nokia N95 owners can:
 - Purchase a navigation licence/ subscribe to a navigation service
 - Purchase city guides
 - Purchase other location based apps
- Navigation license fee expected to be app. 50-100 euros per annum
 - Operator or Credit card billing



Navigation service will be an integral part of the Nokia Nseries location based experiences

Market **opportunity** and competition

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Competitive landscape

Traditional phone competitors



Non connected single purpose devices



Multimedia devices addressable market

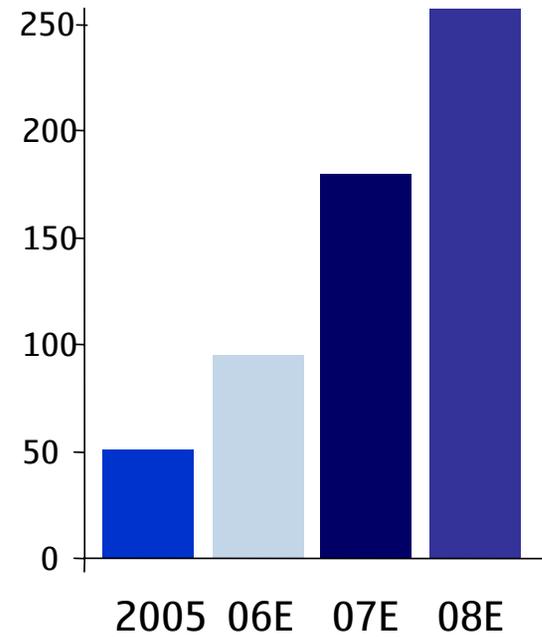


Multimedia device market: Estimated 500 million units in 2006

Multimedia market opportunity



Converged device market
(Millions of units)*

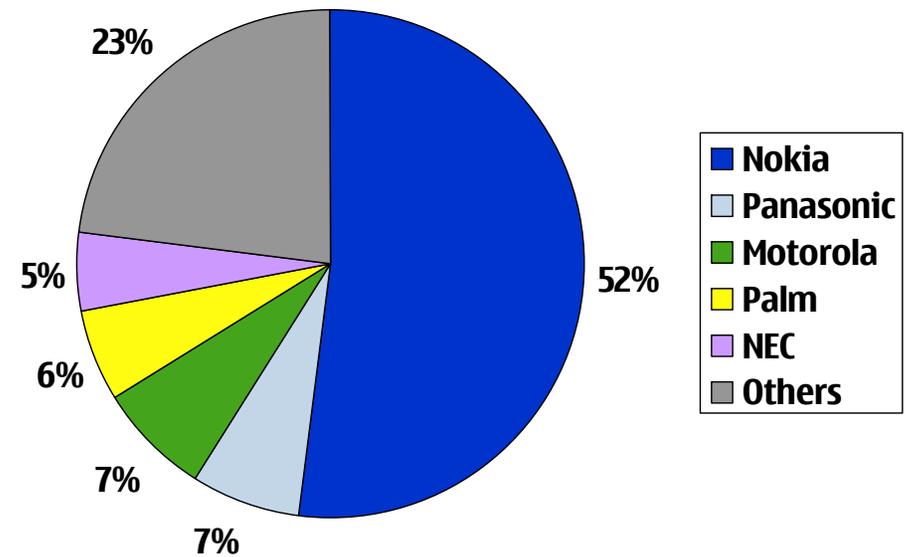


* Source: Gartner, Aug 2006

Nokia is the clear #1 in the converged device market



Global converged device market shares Q2 2006



Source: Gartner, Sep 2006

Nokia's competitive advantage in the converged device market

Trusted brand

Nokia is in the pockets of 850 million consumers that trust us

Volumes

Nokia expected to sell more music players in '06 than lifetime iPod units

Technology

Multiradio and S60 platform

Global reach

Nokia has local presence in more than 150 markets

Attractive partner

Content and service providers are optimizing their offering on Nokia devices

Nokia Nseries product highlights

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Nokia N73 – winning awards and tests

“We thought Nokia did itself proud when it first showed off the N70. then came the N80 with its Wi-Fi and 3MP camera.

But now there’s a new clever caller in town with a huge screen, killer camera and ultra-skinny frame. Say hello to the Smartphone that’s going to take over the world...”



Source: Stuff magazine July '06



**First thoughts...
Nokia N73 vs Sony Ericsson K800i**

The N73 does everything the K800i does plus a whole lot more, thanks to its superb Series 60 interface. Wi-Fi and A2DP aside, this might be the summer blockbuster of 2006.

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Nokia N93 – winning awards and tests



The Sunday Mail (Aug 2006):

"The new Nokia N93's got everything you need in one machine."



EUROPEAN MEDIA
PHONE OF THE YEAR
2006-2007 – EISA



Nokia N93



American Photo
Magazine (July 2006)

Editor's Choice
Award

Nokia Nseries enables higher ARPU

Nokia ARPU research 2006

- 30 000 respondents, selected randomly across UK, France, Germany, Italy, Spain and Sweden
- Top 3 highest ARPU generating 3G devices were from Nokia:
 - Nokia N80, Nokia N70, Nokia 6680



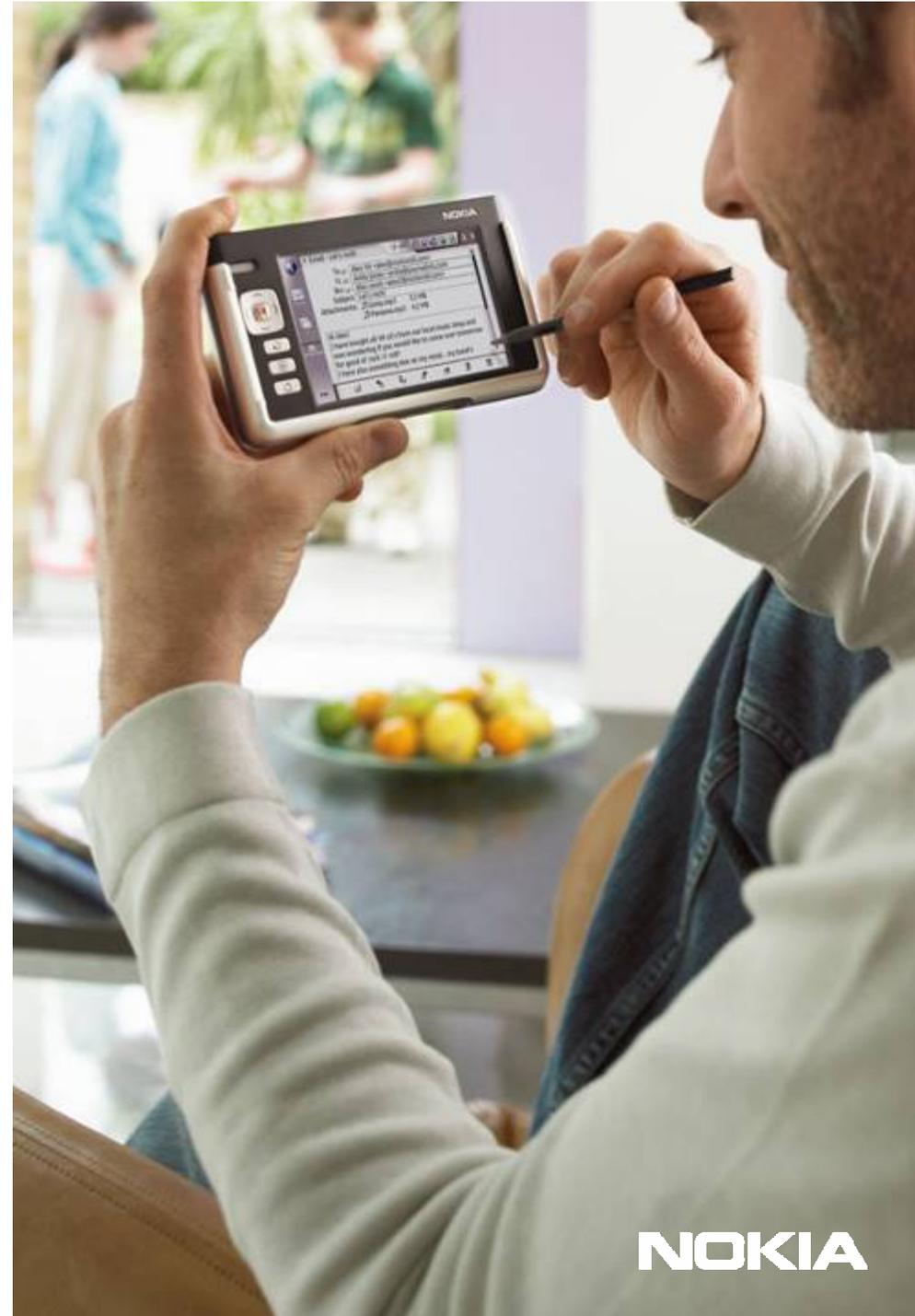
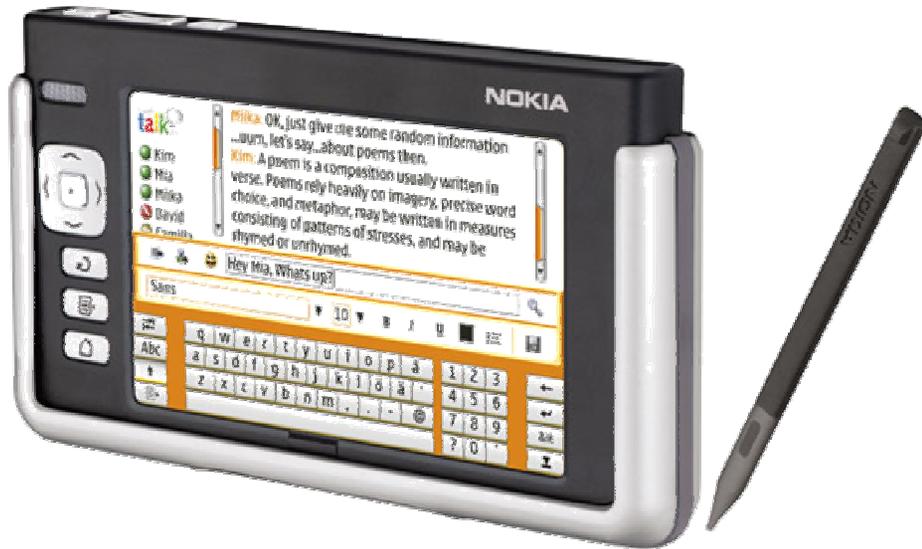
€63 per month



€59 per month

Nokia 770 Internet Tablet

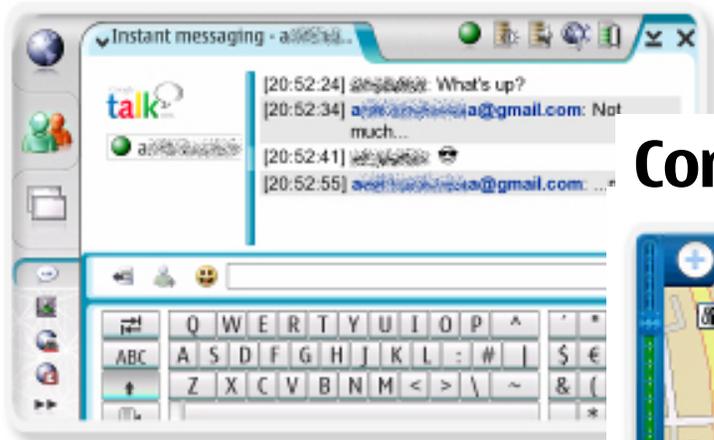
Best Internet experience to-go



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Open Source efficient way of doing R&D

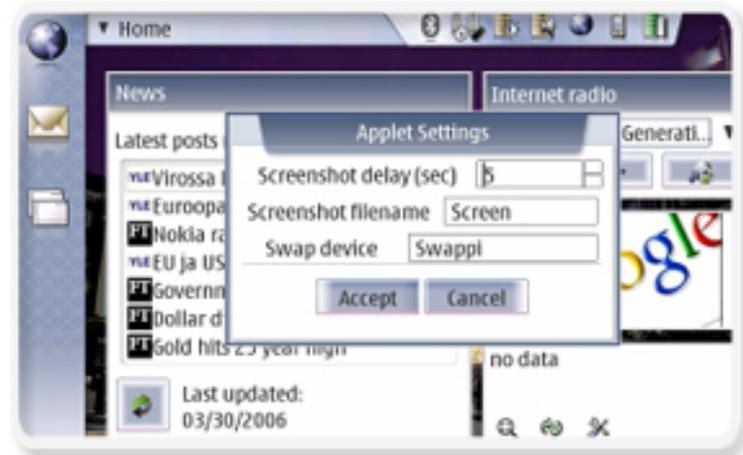
Speed of Innovation



Commercial Innovation



Problem Solving & quality



Financial Framework

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Multimedia Business Group business update

January – September 2006 (YoY Growth)

>10M

Nokia Nseries multimedia computers sold

45%

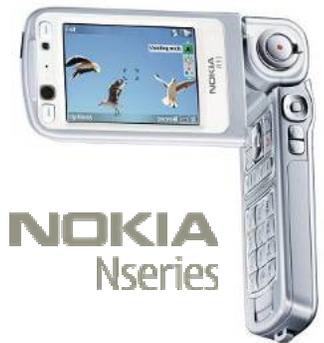
Revenue growth
- 5.7 billion euros in sales

91%

Profit growth
- 17% operating margin

>250€

Average Selling Price



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Nseries



Figures exclude all special
items

Summary

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Web 2.0

opens up new possibilities for Nokia



**Nokia Nseries
multimedia computers
capture value from
single purposed
product categories**



Experience led product business

In Web 2.0 services drive ASP and create incremental revenue



Nokia N95 – It's what computers have become

HOT STUFF
THE BEST NEW GEAR MONEY CAN BUY

1st HOT FIVE

BEST... PHONE... EVER!
Nokia's 5MP sat-nav smartie

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