



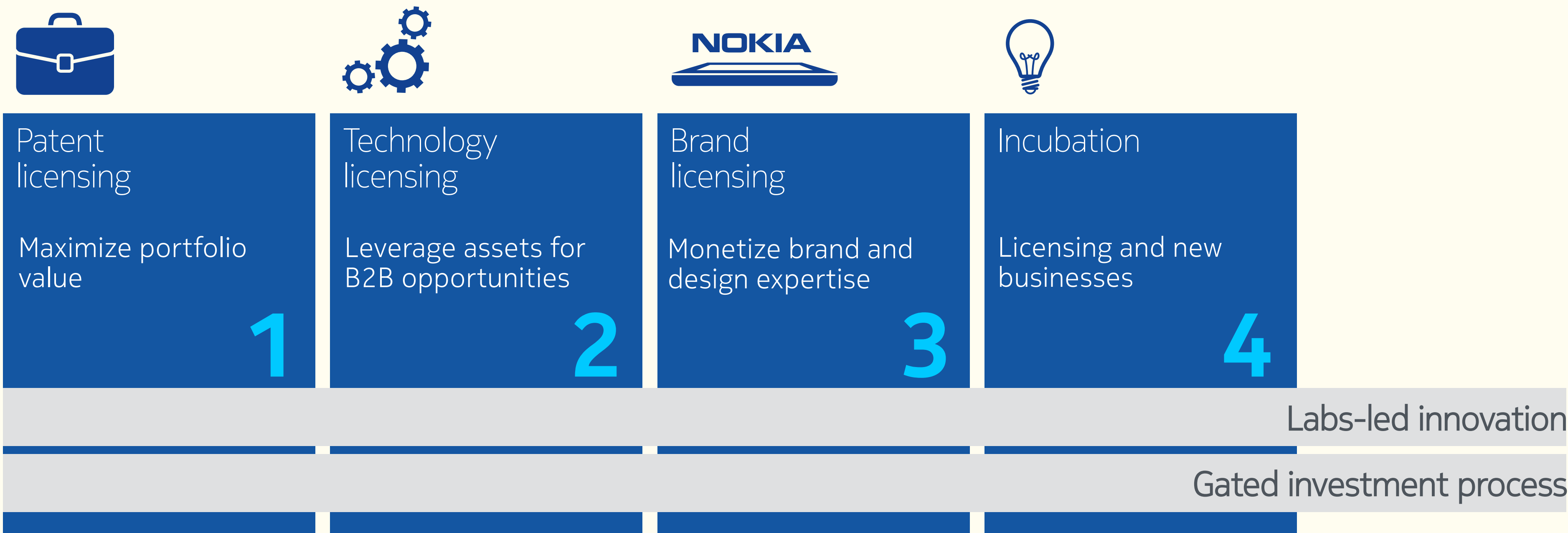
# Nokia Technologies

Ramzi Haidamus

President, Nokia Technologies



**Nokia Technologies:** Leveraging existing assets and continue innovation for renewal and growth



# Agenda

1. What is Nokia Technologies
2. Key long-term and short-term objectives
3. Why we believe we are well positioned to create value

What is Nokia Technologies?

# Nokia's newest business

Significantly expanded  
opportunities:  
More potential customers,  
and we no longer compete  
with them

Nokia's newest business

Previous focus:

Drive revenue while  
minimizing business  
risk by cross-licensing  
standard essential  
patents

Nokia's mobile device volume  
market share in 2007

38%

Nokia's newest business

Current focus:  
Maximize long-term  
profits by coordinating  
the use of patent,  
technology, and brand  
licensing

Nokia's mobile device volume  
market share in Q3 2014

0%

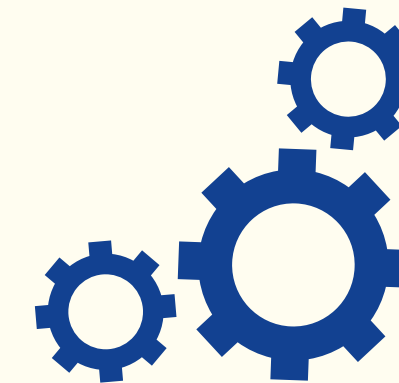
Nokia's newest business

# Key paths to monetization



## Patent licensing

Maximize value of **standard essential** and a range of **implementation** patents



## Technology licensing

Transform into a software and solutions company

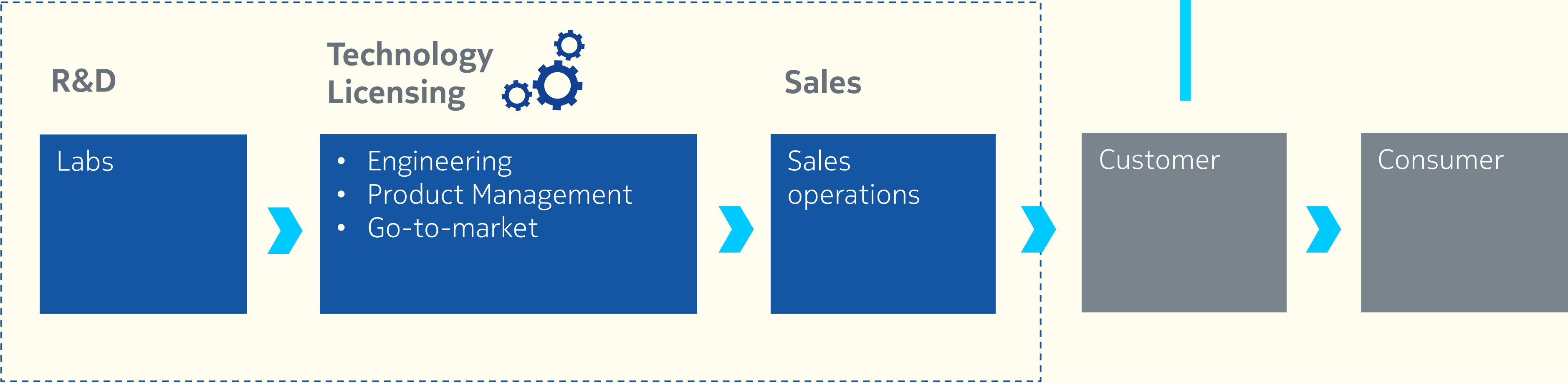
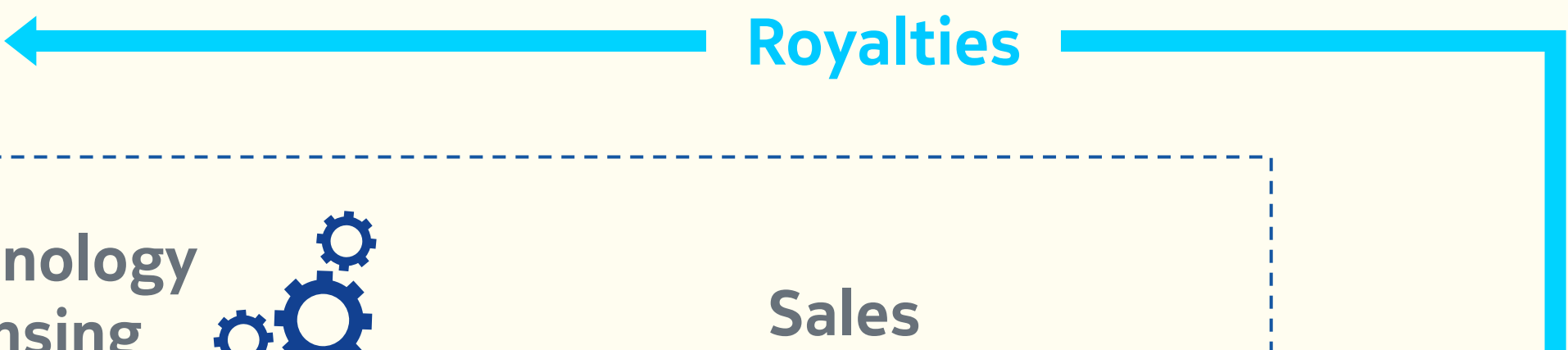


## Brand licensing

Monetize Nokia's brand and design expertise

Technology Licensing

Nokia Technologies



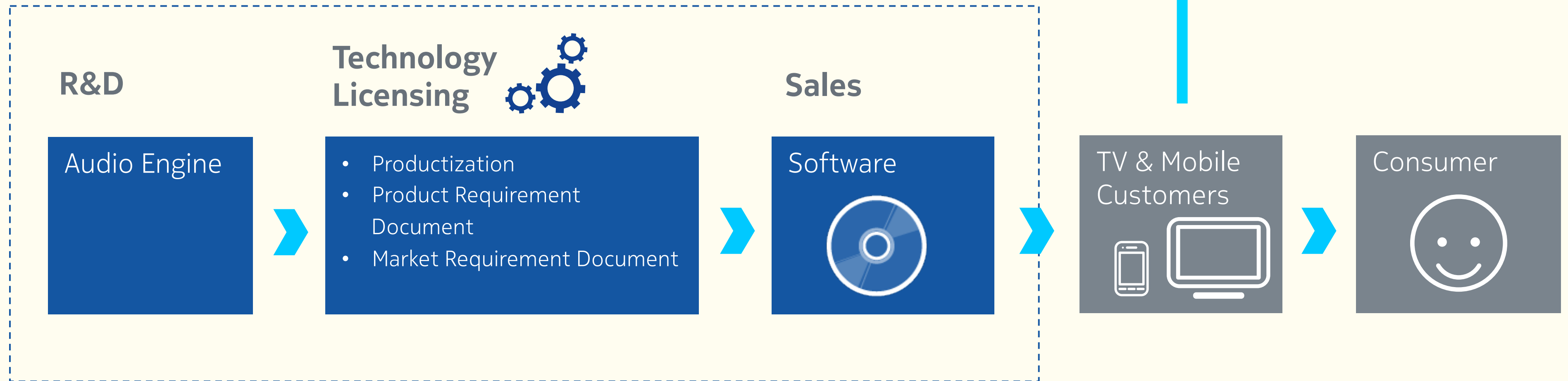
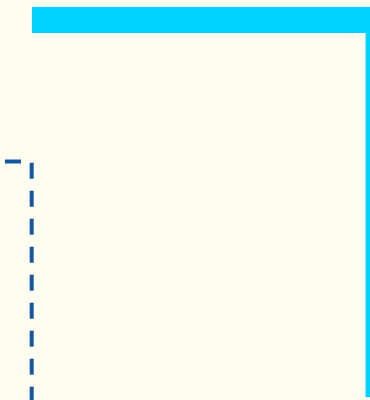


## Technology Licensing - example

**Nokia Technologies**

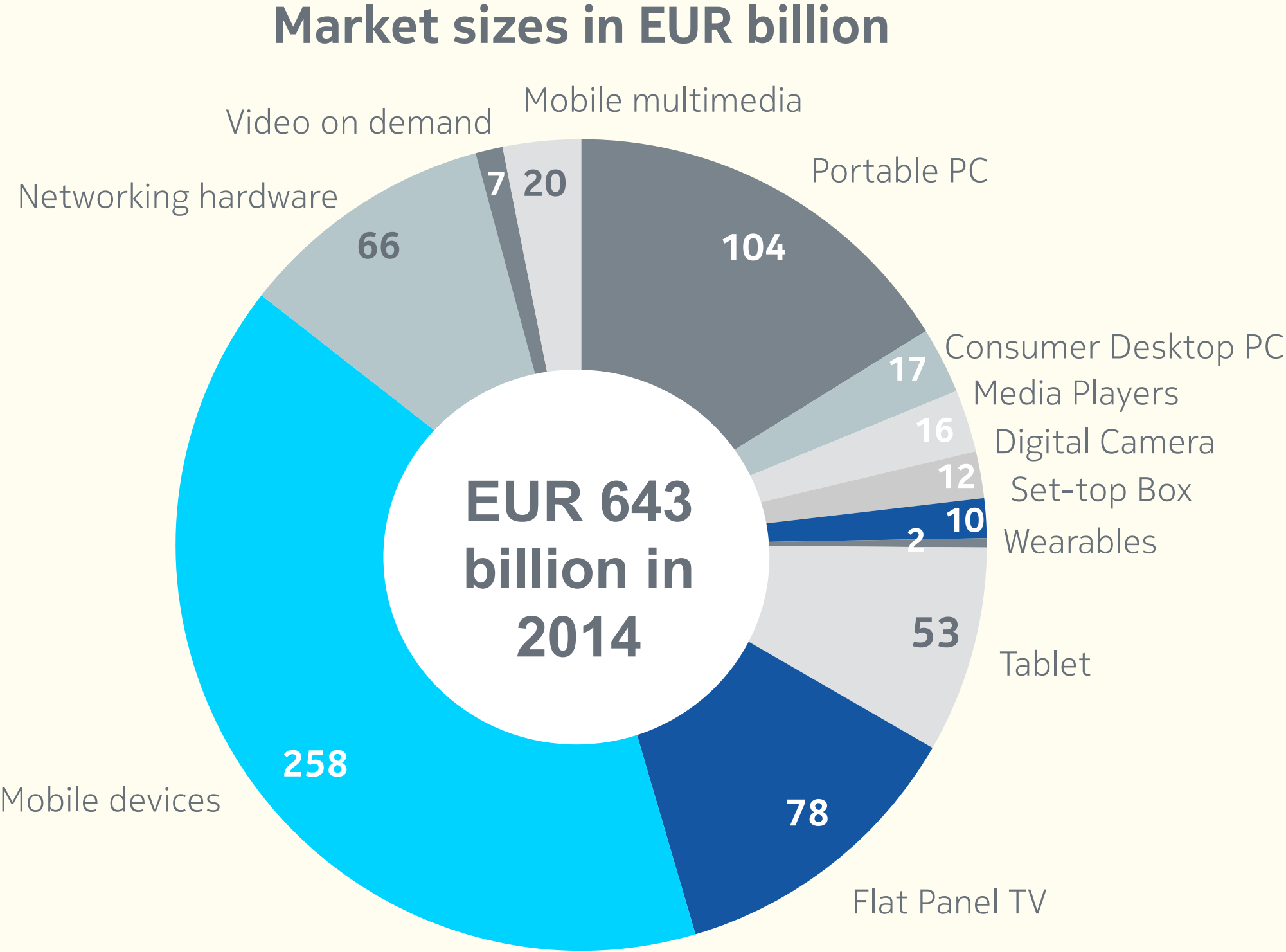


**Unit volumes x €0.xx**



Nokia's newest business

# Our addressable markets



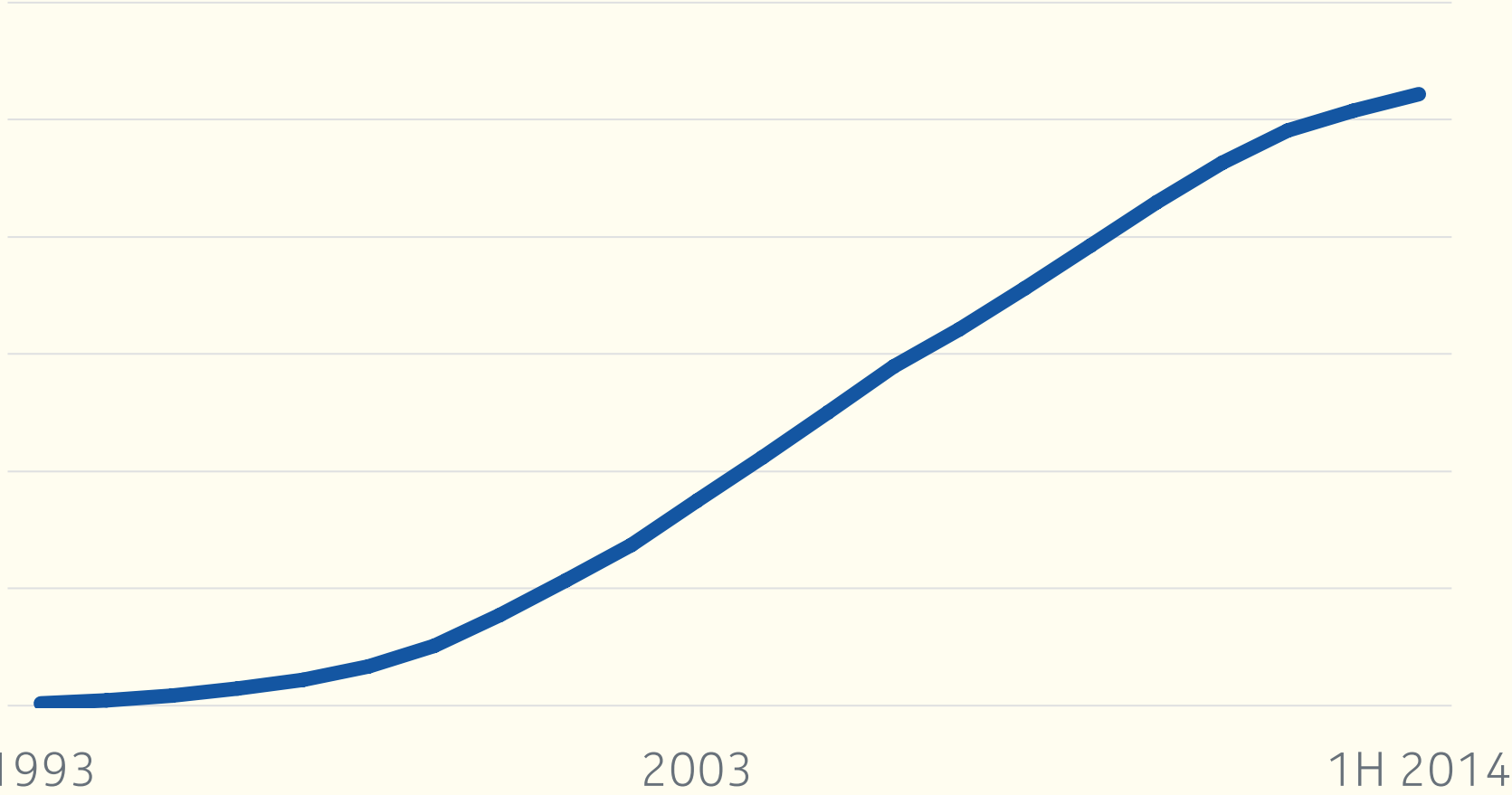
What is Nokia Technologies?

# Key assets

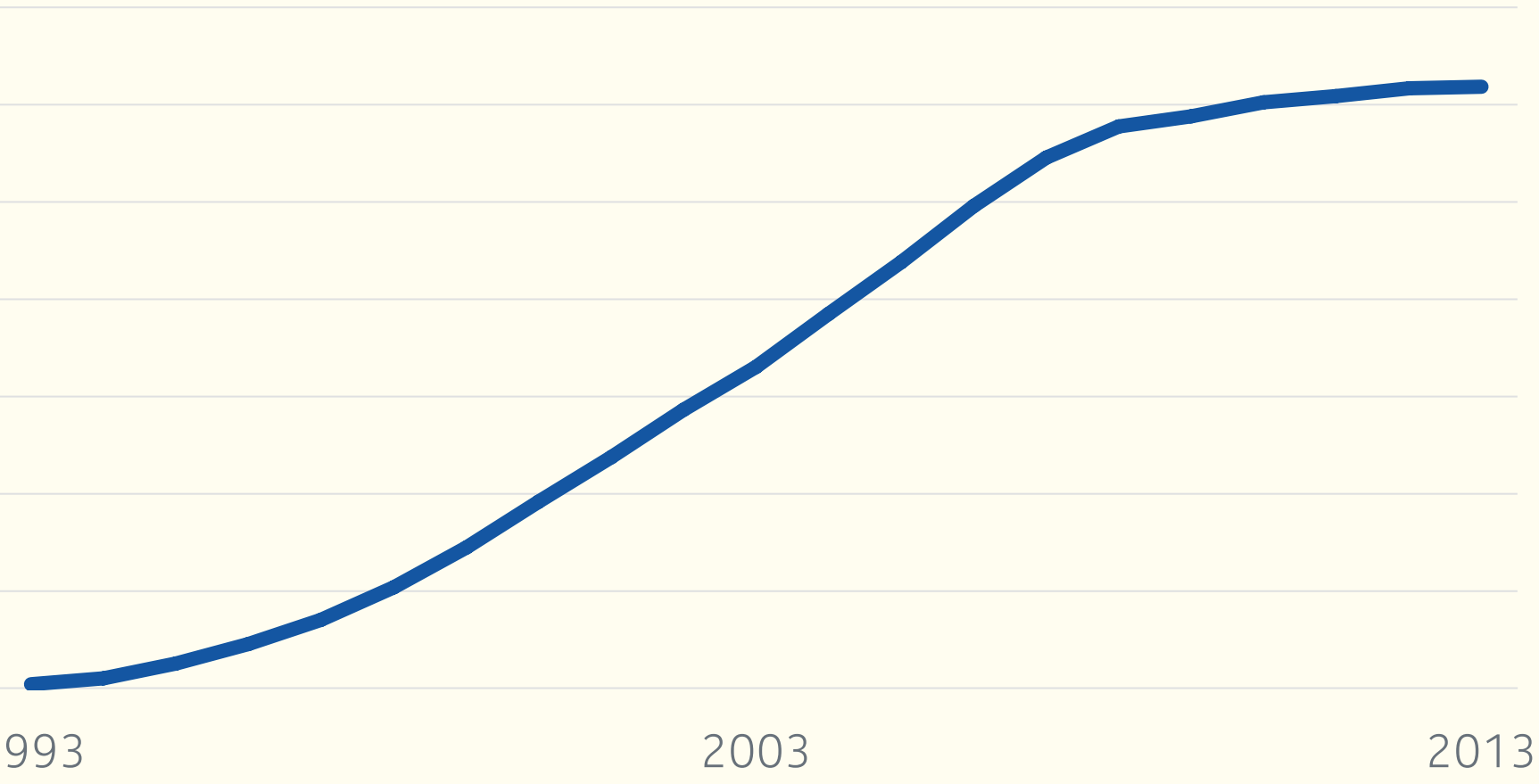
- Industry leading patent portfolio and patent licensing team
- Industry leading innovation team
- Valuable and recognized brand

Key assets: Industry leading patent portfolio

Cumulative R&D of over EUR 50 billion



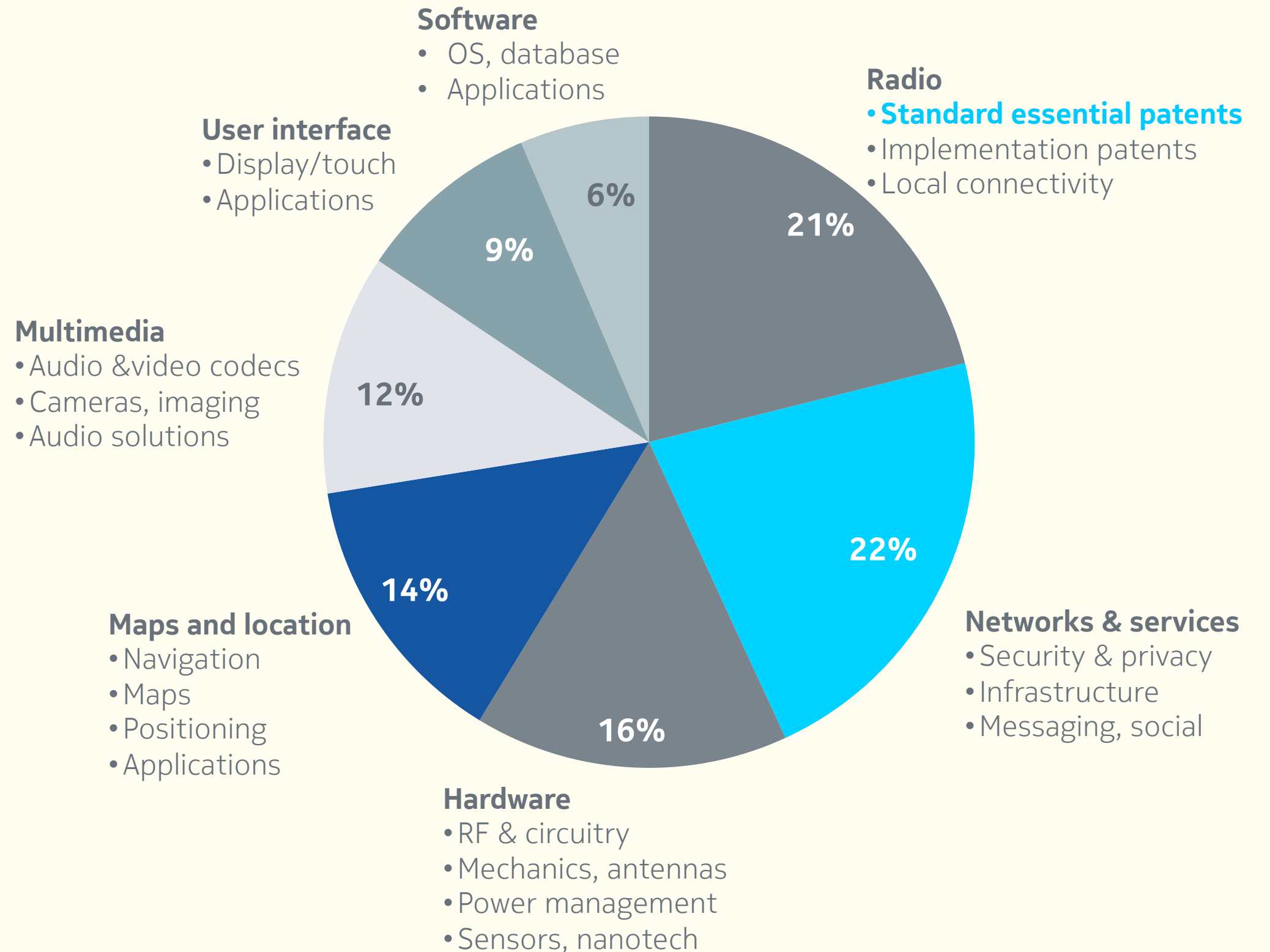
~1,200 standard essential patent families, of which 2/3 will still be in force in 2024





Key assets: Industry leading patent portfolio

Strength in mobile  
and adjacent  
markets:  
10 000 patent  
families



Key assets: Industry leading innovation team

Nokia's best  
innovation  
talent  
retained

914

new patent families  
filed in 2013

75%

filed by innovation talent we  
have retained

Key assets: Valuable and recognized brand

# NOKIA

One of the top 100  
Best Global Brands

Ranked 98<sup>th</sup> of Best Global Brands  
by Interbrand

Valued at €3.2 billion

- Microsoft has a 10-year license to use the Nokia brand on feature phones
- Nokia can license the Nokia brand for handsets from Q4 2016 and for other devices already now

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## Key long-term objectives

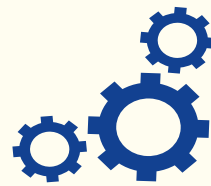
# Nokia Technologies Labs and R&D

- Research
- Invention & innovation
- Technology strategy & development
- Standardization
- Exploration of new areas



### Patent Licensing

- Standard essential patents
- Implementation patents



### Technology Licensing

- Integration support
- Brand
- Copyright & trade secrets
- Patents



### Brand Licensing

- Design
- Quality assurance & quality control
- Brand



### Incubation

- Design & development
- Brand
- Copyright & trade secrets
- Patents

## Key Investment Areas

# Nokia Technologies Labs and R&D

- Patent portfolio renewal
- Research in emerging areas
- Graphene/multimedia/5G/wifi



### Patent Licensing

- Non-essential patents
- Non-mobile markets



### Technology Licensing

- Engineering
- Sales and marketing
- Commercial capabilities
- Audio/video/sensors



### Brand Licensing

- Industrial and software design
- ODM management



### Incubation

- Prototyping
- Experimentation

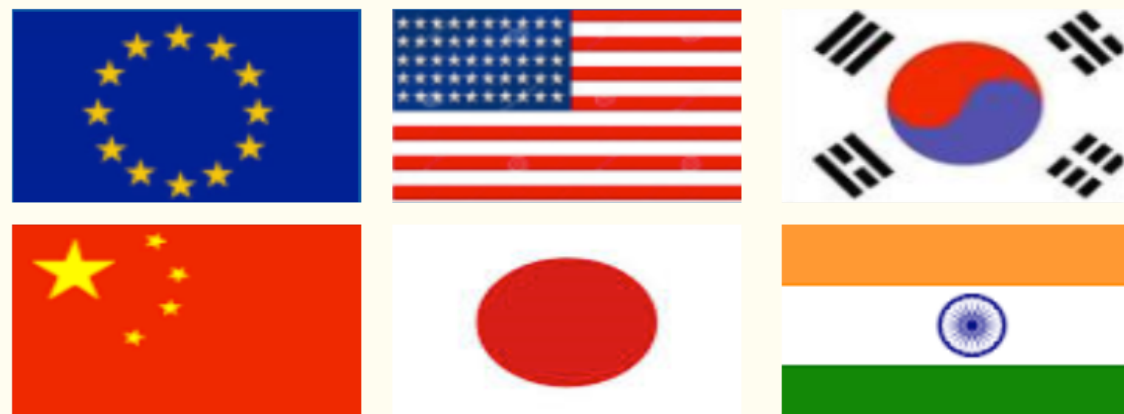
## Key short-term objectives



# Patent licensing

- Drive successful patent licensing outcomes with large mobile device vendors
- Currently in arbitration with Samsung, outcome expected in 2015
- Expand licensing of standard essential and implementation patents beyond the mobile device industry

# Best practice FRAND licensing



- No authority has ever requested Nokia to change the way Nokia licenses its Standard Essential Patents
- We are in active dialogue with authorities and regulators globally for maintenance of a balanced regulatory environment



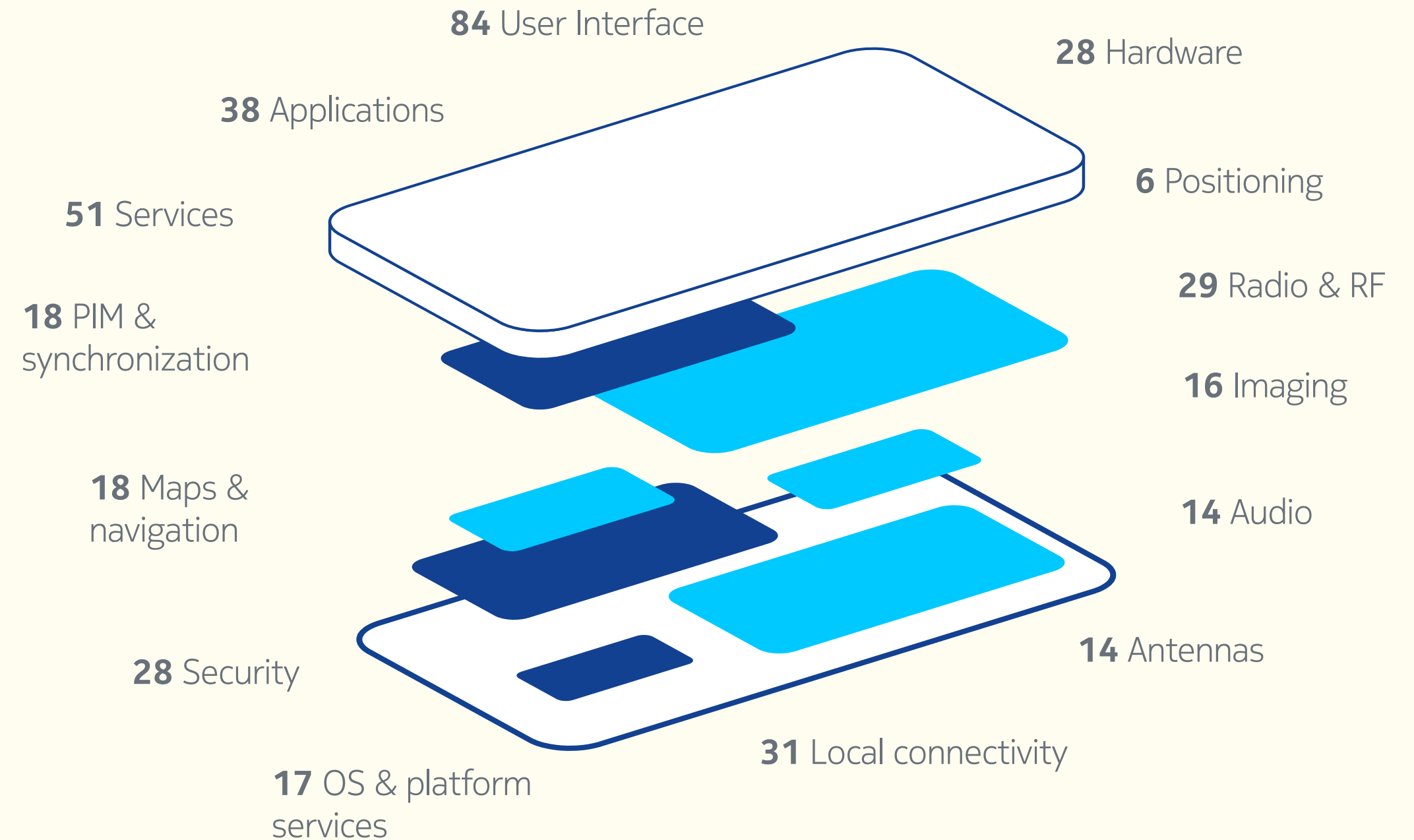
## Agenda

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Why we believe we are well positioned to create value

Significantly  
increased  
amount of  
licensable  
technologies in  
mobile devices

## 2014 smartphone manufacturer example: our implementation patents being used



Why we believe we are well positioned to create value

Industry leading  
patent licensing  
team with  
strong track  
record

Agreement reached	Company	Achieved objectives
2008	Qualcomm	✓
2008	Huawei	✓
2008	Blackberry	✓
2011	Apple	✓
2012	Blackberry	✓
2012	Viewsonic	✓
2014	HTC	✓
Expected in 2015	Samsung	Pending - in arbitration

Why we believe we are well positioned to create value

Strong  
understanding of  
how to build long-  
term relationships  
with customers

- Help our customers build great products by leveraging Nokia's patented innovations and brand
- Our licensing approach aims at:
  - Greater overall results
  - Lower regulatory risk
  - More predictable results over time

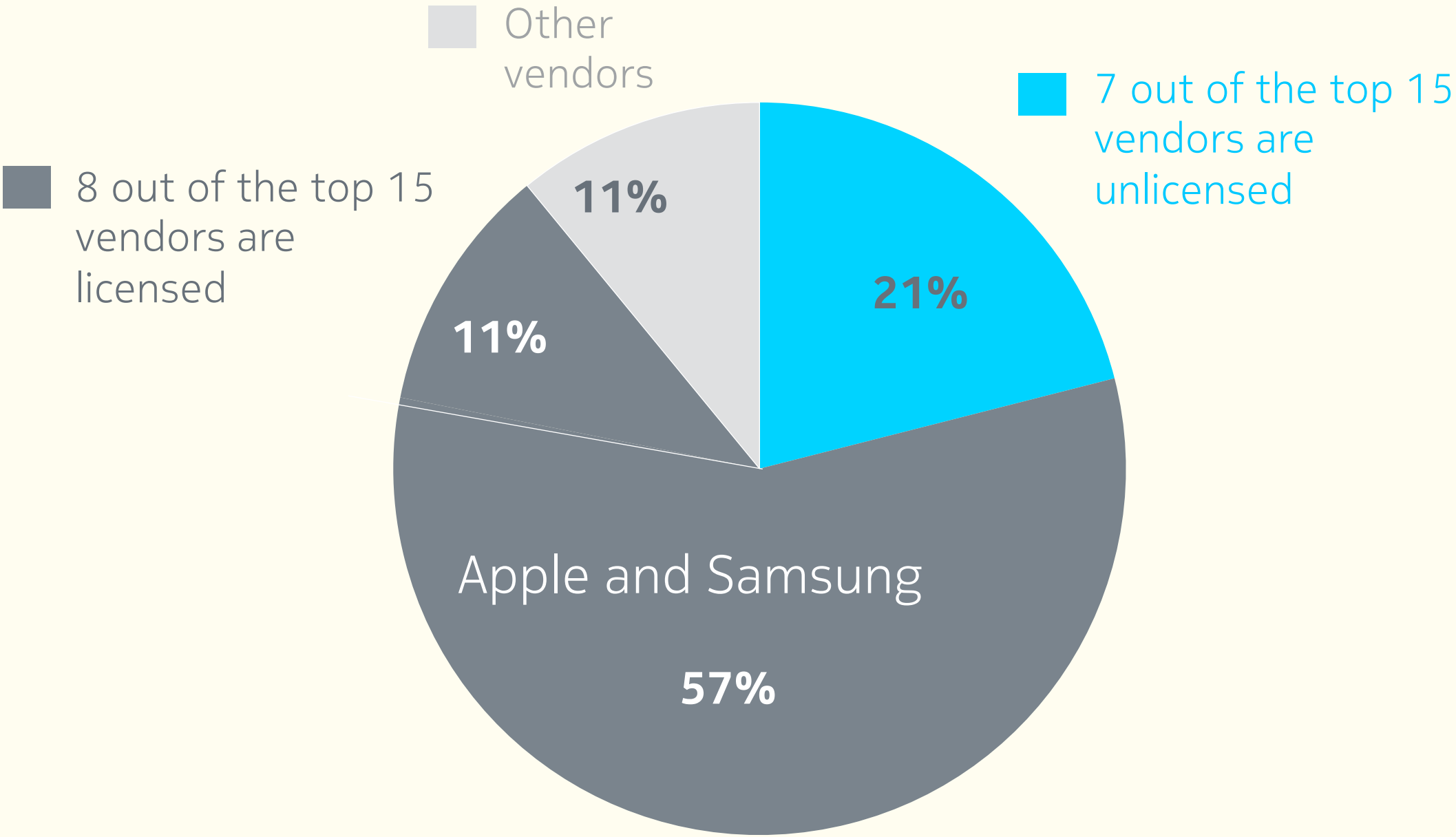


Why we believe we are well positioned to create value

Attractive  
opportunities in  
the mobile  
handset market

**Q2 2014 value market share for mobile devices**

Market size EUR 57 billion in Q2 2014

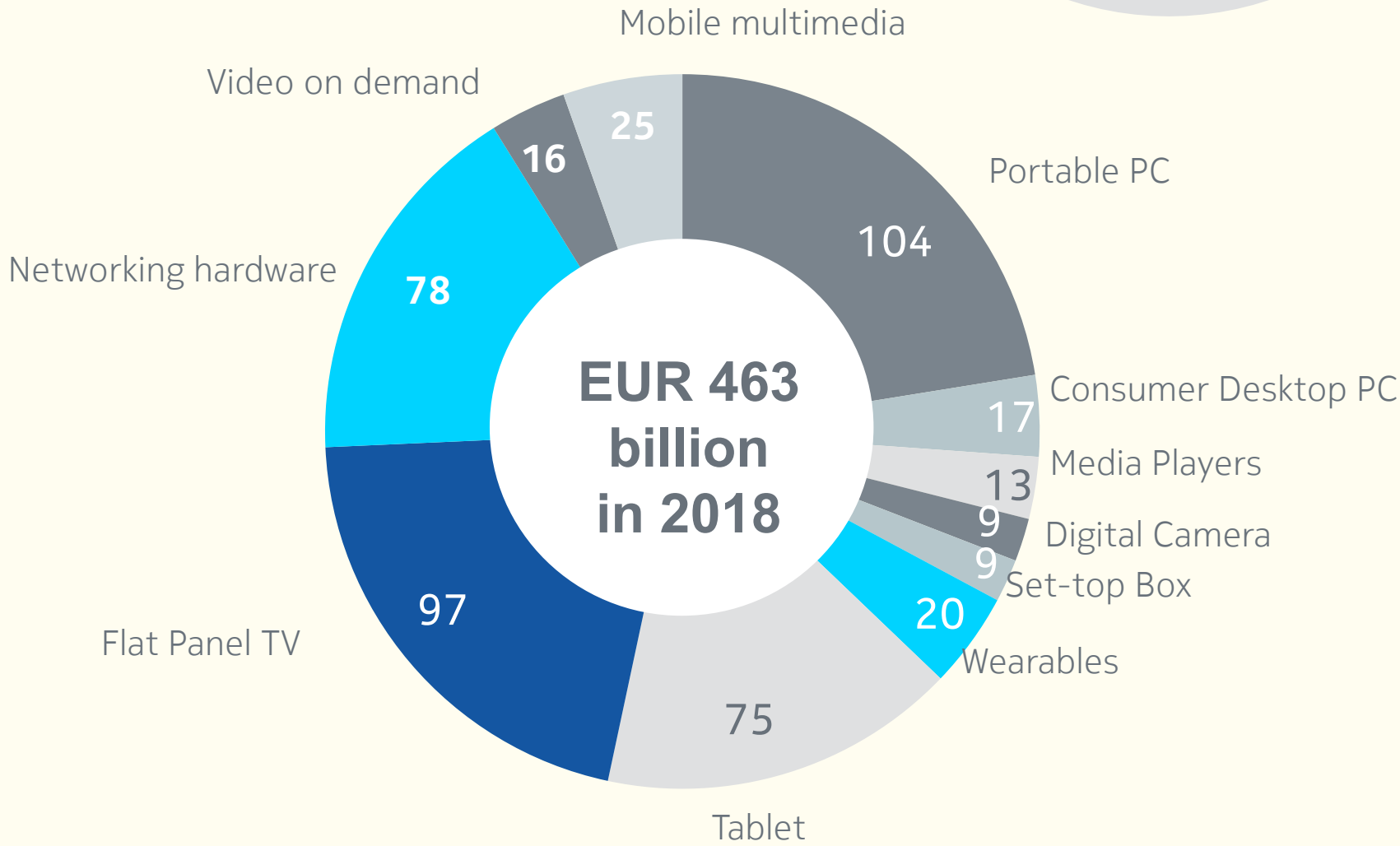
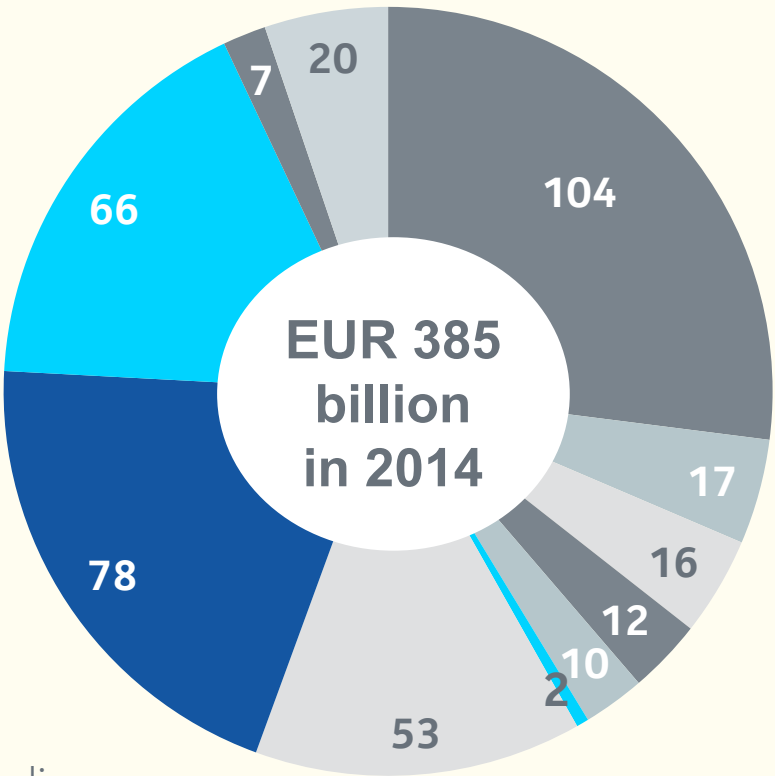


Source: Gartner, Strategy Analytics

Why we believe we are well positioned to create value

Attractive  
opportunities  
beyond the mobile  
handset market

Market sizes in EUR billion



Source: Gartner, Strategy Analytics

# Nokia Technologies

- Significantly expanded opportunities, since we no longer compete with our customers
- Strategic and coordinated use of patent licensing, technology licensing, and brand licensing
- Industry leading patent portfolio and patent licensing team
- Industry leading innovation team

# Key objectives

- Long-term: Build new core capabilities and become an industry leading provider of software and solutions
- Short-term: Drive successful patent licensing outcomes

# Well positioned to create value

- Market dynamics and our patent licensing track record over the past 5+ years are supportive
- Strong understanding of how to build long-term relationships with customers
- Attractive opportunities within and beyond the mobile handset market

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