It should be noted that Nokia and its business are exposed to various risks and uncertainties and certain statements herein that are not historical facts are forward-looking statements. These forward-looking statements reflect Nokia’s current expectations and views of future developments and include statements preceded by “believe”, “expect”, “expectations”, “commit”, “anticipate”, “foresee”, “see”, “target”, “estimate”, “designed”, “aim”, “plan”, “intend”, “influence”, “assumption”, “focus”, “continue”, “project”, “should”, “is to”, “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, including risks and uncertainties that could cause such differences can be both external, such as general, economic and industry conditions, as well as internal operating factors. We have identified these in more detail in our Annual Report on Form 20-F for the year ended December 31, 2020 under “Operating and Financial Review and Prospects—Risk Factors”, and in our other filings or documents furnished with the U.S. Securities and Exchange Commission, including Nokia’s financial results reports. Other unknown or unpredictable factors or underlying assumptions subsequently proven to be incorrect could cause actual results to differ materially from those in the forward-looking statements. We do 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 presents financial information on reported, comparable and constant currency basis. Comparable measures presented in this document exclude intangible asset amortization and other fair value adjustments, goodwill impairments, restructuring related charges and certain other items affecting comparability. In order to allow full visibility on determining comparable results, information on items affecting comparability is presented separately for each of the components of profit or loss. Constant currency reporting provides additional information on change in financial measures at constant currency basis in order to better reflect the underlying business performance. Therefore, change in financial measures at constant currency excludes the impact of changes in exchange rates in comparison to euro, our reporting currency. As comparable or constant currency financial measures are not defined in IFRS they may not be directly comparable with similarly titled measures used by other companies, including those in the same industry. The primary rationale for presenting these measures is that the management uses these measures in assessing the financial performance of Nokia and believes that these measures provide meaningful supplemental information on the underlying business performance of Nokia. These financial measures should not be considered in isolation from, or as a substitute for, financial information presented in compliance with IFRS.

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A highly profitable and sustainable licensing business

Patent licensing
Monetizing our industry-leading patent portfolio

Technology licensing
Helping device makers integrate our technology into their products

Brand licensing
Licensing the Nokia brand to consumer device makers

Technology portfolio
Renewing our portfolio and increasing its value

Technology incubation
Incubating future opportunities
Technology leadership

Innovation leadership
Spearheaded by Nokia Bell Labs

- €130bn+ invested in cutting-edge R&D since 2000

Standards leadership
Ecosystem leadership through standardization

- 3,500+ patent families declared essential to 5G standard
- 6G leadership in Hexa-X project and beyond

Patent leadership
Constant renewal of industry-leading portfolio

- ~20,000 patent families with vast majority in force in 2030
- 1,500+ new patent families filed during 2020
Industry-leading patent portfolio

Patent leadership

#1
PA Consulting ranked Nokia as #1 in ownership of granted patents that their analysis found essential to 5G

#1
IPlytics ranked Nokia as #1 in ownership of active US or European granted patents declared as essential to 5G

Sources: PA Consulting (11/2020), IPlytics (02/2021).
NOTE: Reference to certain patent studies here does not mean that Nokia would necessarily agree on all the data, methods, and conclusions in those studies.
Our inventions enable entire industries

Our portfolio is widely used ...

- Cellular standards
- Multimedia technologies
- Device technologies
- Network technologies

... in multiple markets

- Emerging segments
- Internet of Things
- Connected vehicles
- Consumer electronics
- Mobile handsets
Mobile handset deals provide strong recurring revenue

- **1.6bn+** mobile handset shipments in 2020
- **~2%** CAGR of shipments projected for 2019-23
- High licensing maturity in our core segment
We are gaining traction in consumer electronics

- **1.2bn+** consumer electronics shipments in 2020
- **~2%** CAGR of shipments projected for 2019-23
- **Low** licensing maturity in this growth segment
On course for further growth in automotive

- Connected vehicles
- ~40m connected vehicle shipments in 2020
- ~8% CAGR of shipments projected for 2019-23
- Low licensing maturity in this growth segment
Long-term opportunity in IoT

- **Internet of Things**
- **240m+** cellular IoT device shipments in 2020
- **~19%** CAGR of shipments projected for 2019-23
- **Low** licensing maturity in this nascent segment
A licensee-friendly approach

- **Patent licensing**: Providing access to our ecosystem-powering intellectual property
- **Technology licensing**: Helping customers to integrate our technology into their products
- **Brand licensing**: Allowing customers to leverage our iconic Nokia brand

Holistic customer offering
A proven track record

Proven assets
Strong IP assets with their value proven through the legal system

Expert team
Strong patent creation, licensing, and litigation teams

Licensee-friendly
Compelling licensing offering incl. patents, technology, and brand

Patent business net sales and key deals

Cash inflows to net sales ratio
3.5 0.4 1.0 1.8 0.9 0.8 0.6

NOTE: A limited subset of example deals is presented here for illustration purposes only and may include past and/or current licensees and do not imply future license renewals. Patent business net sales are illustrated using a 3-year moving average (centered). Cash inflows to net sales ratio shown is for Nokia Technologies.
Strategic focus areas and expectations

Focus areas | Key initiatives
---|---
**Drive innovation** | • Invest in **5G and multimedia** R&D and standardization  
• Continue **renewing patent portfolio** for the long term

**Secure renewals** | • Secure renewals for **major deals** in mobile handsets  
• License remaining **uncontracted handset vendors**

**Expand coverage** | • Continue to diversify and grow in **new segments**  
• Further leverage broad **technology assets**

**Build brand partnerships** | • Build **brand partnerships** and grow brand value  
• Develop **new opportunities** for brand licensing

*Comparable results exclude amortization of acquired intangibles, restructuring and other items affecting comparability. The guidance provided reflects Nokia’s new operating model, effective January 1, 2021.*

Comparable operating margin*

2021 & 2023:  
> 75%
Key takeaways
 Delivering value from intellectual property

Strong IP portfolio
Attractive opportunities
Proven track record
World-class team