Disclaimer

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 the statements in the Outlook section and 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, 2019 under "Operating and Financial Review and Prospects—Risk Factors", our financial report for Q1/2020 published on 30 April 2020 on Form 6-K, 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, non-IFRS and constant currency basis. Non-IFRS measures presented in this document exclude costs related to the acquisition of Alcatel-Lucent and related integration, goodwill impairment charges, intangible asset amortization and other purchase price fair value adjustments, restructuring and associated charges and certain other items that may not be indicative of Nokia’s underlying business performance. In order to allow full visibility on determining non-IFRS results, information on non-IFRS exclusions is presented separately for each of the components of profit or loss.

Constant currency reporting provides additional information on change in financial measures on a 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. Non-IFRS or constant currency financial measures should not be considered in isolation from, or as a substitute for, financial information presented in compliance with IFRS, and either of these financial measures as used by Nokia may not be comparable to similarly titled measures used by other companies or persons. Please see our complete financial report for more information on our results and financial performance for the indicated periods as well as our operating and reporting structure.

Proposed organizational changes referenced in this release may be subject to consultation with employee representatives in certain jurisdictions and are not considered final until such processes are completed.

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Welcome

Pekka Lundmark
President and CEO

5. Q4 and full year performance
6. Regions and customers
8. Cash flow
9. Business groups

Marco Wirén
CFO

20. Group Common and Other
21. Cash and liquidity position
23. Deferred tax assets
24. 2021 Outlook
Q4 and full year performance
Q4 and full year 2020 results summary

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4 20 Net sales (non-IFRS)</td>
<td>€6.6bn</td>
<td>€6.9bn</td>
</tr>
<tr>
<td>Q4 19</td>
<td>€6.9bn</td>
<td></td>
</tr>
<tr>
<td>Q4 20 Gross margin (non-IFRS)</td>
<td>41.8%</td>
<td>40.0%</td>
</tr>
<tr>
<td>Q4 19</td>
<td>40.0%</td>
<td></td>
</tr>
<tr>
<td>Q4 20 Operating margin (non-IFRS)</td>
<td>16.6%</td>
<td>16.4%</td>
</tr>
<tr>
<td>Q4 19</td>
<td>16.4%</td>
<td></td>
</tr>
<tr>
<td>Q4 20 EPS, diluted (non-IFRS)</td>
<td>€0.14</td>
<td>€0.15</td>
</tr>
<tr>
<td>Q4 19</td>
<td>€0.15</td>
<td></td>
</tr>
<tr>
<td>2020 Net sales (non-IFRS)</td>
<td>€21.9bn</td>
<td>€23.3bn</td>
</tr>
<tr>
<td>2019: €23.3bn</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2020 Gross margin (non-IFRS)</td>
<td>39.0%</td>
<td>36.5%</td>
</tr>
<tr>
<td>2019: 36.5%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2020 Operating margin (non-IFRS)</td>
<td>9.7%</td>
<td>8.6%</td>
</tr>
<tr>
<td>2019: 8.6%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2020 EPS, diluted (non-IFRS)</td>
<td>€0.26</td>
<td>€0.22</td>
</tr>
<tr>
<td>2019: €0.22</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Q4 2020 net sales by region

Q4 2019 – Q4 2020, reported

<table>
<thead>
<tr>
<th>Region</th>
<th>YoY constant currency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asia Pacific</td>
<td>-15%</td>
</tr>
<tr>
<td>Europe</td>
<td>+2%</td>
</tr>
<tr>
<td>Greater China</td>
<td>-9%</td>
</tr>
<tr>
<td>Latin America</td>
<td>-29%</td>
</tr>
<tr>
<td>Middle East &amp; Africa</td>
<td>-2%</td>
</tr>
<tr>
<td>North America</td>
<td>+19%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Region</th>
<th>Net Sales €000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asia Pacific</td>
<td>1 500</td>
</tr>
<tr>
<td>Europe</td>
<td>2 000</td>
</tr>
<tr>
<td>Greater China</td>
<td>1 000</td>
</tr>
<tr>
<td>Latin America</td>
<td>2 500</td>
</tr>
<tr>
<td>Middle East &amp; Africa</td>
<td>2 000</td>
</tr>
<tr>
<td>North America</td>
<td>2 500</td>
</tr>
</tbody>
</table>

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Double-digit Enterprise growth in full year 2020

<table>
<thead>
<tr>
<th></th>
<th>YoY reported</th>
<th>YoY constant currency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4 2020</td>
<td>+1%</td>
<td>+5%</td>
</tr>
<tr>
<td>Full year 2020</td>
<td>+11%</td>
<td>+14%</td>
</tr>
</tbody>
</table>

Percentage breakdown:
- CSP: 7%
- Enterprise: 7%
- Licensees: 4%
- Other: 82%
Third consecutive quarter of positive free cash flow

Q4 2020 benefited from an early customer payment of ~EUR 0.5bn, which was expected in Q1 2021

<table>
<thead>
<tr>
<th></th>
<th>Q4 2020</th>
<th>Change compared to Q3 2020</th>
<th>Change compared to Q4 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total cash and current financial investments</td>
<td>€8.1bn</td>
<td>+0.4bn</td>
<td>+2.1bn</td>
</tr>
<tr>
<td>Net cash and current financial investments</td>
<td>€2.5bn</td>
<td>+0.6bn</td>
<td>+0.8bn</td>
</tr>
</tbody>
</table>
Networks

• Net sales decreased primarily due to Mobile Access and Optical Networks
• Gross margin increased primarily due to Mobile Access:
  - higher 5G gross margin
  - partially offset by a project-related loss provision
• Operating profit decreased primarily due to loss allowances on certain trade receivables and increased R&D in Mobile Access
Networks

Mobile Access

• Net sales decreased primarily due to decrease in network deployment and planning services
• Overall growth in radio access products driven by growth in 5G
• Five-year T-Mobile 5G expansion deal
• 5G powered by ReefShark shipments at 43%
• 5G conversion rate, excluding China, at 90%
• 4G+5G market share at ~27 ~ 28%, excluding China, at the end of 2020
• Financial headwinds expected in Mobile Networks in 2021, primarily due to loss of footprint and price erosion in North America, as well as additional R&D investments to ensure leadership in 5G
Networks

Fixed Access

• Decrease in reported net sales primarily due to:
  - decrease in copper access and related services
  - partially offset by growth in digital home and fiber access
• Slight growth in constant currency net sales
• Order book at record level

Net sales

-5% reported
+1% constant currency
Networks

IP Routing

• Slight decrease in reported net sales primarily due to North America and Latin America, partially offset by growth in Asia-Pacific and Europe
• Solid growth in constant currency net sales
• We continue to have a strong pipeline and business momentum
• Net sales performance was in comparison to a particularly strong Q4 2019, which benefited from the timing of completion and acceptances of certain projects

• Introduction of new WaveFabric Elements based platforms will provide a solid foundation for the optical business moving into 2021 and beyond
Nokia Software

- Slight decrease in reported net sales primarily due to:
  - decreases in Asia-Pacific, Europe, Latin America and Greater China
  - partially offset by strong growth in North America
- Solid growth in constant currency net sales
- Order book at solid level
- Gross margin was negatively affected by unfavorable mix, with a higher proportion of lower margin services
- Cloud-native 5G core deal with Softbank and partnership with Google
Nokia Technologies

• Growth in net sales was primarily due to:
  - growth in patent licensing and higher catch-up net sales due to a renewed patent license agreement
  - partially offset by decrease in brand licensing

• Decrease in operating profit primarily due to higher R&D expenses related to:
  - higher investments to drive creation of intellectual property
  - higher costs to maintain our patent portfolio

• Excluding catch-up net sales, annualized net sales run rate approximately EUR 1.4 billion in Q4 2020
New operating model effective January 1, 2021

Pekka Lundmark
President and Chief Executive Officer

Business group presidents

Tommi Uitto
President of Mobile Networks

Raghav Sahgal
President of Cloud and Network Services

Federico Guillén
President of Network Infrastructure

Ricky Corker
Chief Customer Experience Officer

Nokia Technologies

Jenni Lukander
President of Nokia Technologies

Functional group chief officers

Marco Wirén
Chief Financial Officer

Nassib Abou-Khalil
Chief Legal Officer

Nishant Batra
Chief Strategy and Technology Officer

Stephanie Werner-Dietz
Chief People Officer

tbc
Chief Corporate Affairs Officer
CFO remarks
CFO remarks

20. Group Common and Other
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Group Common and Other

- Growth driven by Alcatel Submarine Networks (ASN), partially offset by Radio Frequency Systems
- ASN order book at strong level
- Group Common and Other operating profit positively impacted by net positive fluctuation in the value of our venture fund investments

### Net sales and gross margin

<table>
<thead>
<tr>
<th>Quarter</th>
<th>€ 0m</th>
<th>€ 100m</th>
<th>€ 200m</th>
<th>€ 300m</th>
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<tbody>
<tr>
<td>Q4'19</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q1'20</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q2'20</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q3'20</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q4'20</td>
<td></td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

-20% to 30%

### Operating profit and margin

<table>
<thead>
<tr>
<th>Quarter</th>
<th>EUR +134mn</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4'19</td>
<td></td>
</tr>
<tr>
<td>Q1'20</td>
<td></td>
</tr>
<tr>
<td>Q2'20</td>
<td></td>
</tr>
<tr>
<td>Q3'20</td>
<td></td>
</tr>
<tr>
<td>Q4'20</td>
<td></td>
</tr>
</tbody>
</table>
Change in net cash

Free cash flow of EUR 778 million
Solid liquidity position and well balanced debt maturity profile

**Total and net cash and current financial investments**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Net cash</th>
<th>Total Cash</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4 2019</td>
<td>€ 1 000m</td>
<td>€ 2.5bn</td>
</tr>
<tr>
<td>Q1 2020</td>
<td>€ 2 000m</td>
<td>€ 4 000m</td>
</tr>
<tr>
<td>Q2 2020</td>
<td>€ 3 000m</td>
<td>€ 6 000m</td>
</tr>
<tr>
<td>Q3 2020</td>
<td>€ 4 000m</td>
<td>€ 8 000m</td>
</tr>
<tr>
<td>Q4 2020</td>
<td>€ 5 000m</td>
<td>€ 10 000m</td>
</tr>
</tbody>
</table>

**Debt maturities**

- **Bonds**
- **Loans**

Debt maturities from 2021 to 2039.
Q4 2020 reported results impacted by derecognition of Finnish deferred tax assets

- One-time derecognition of EUR 2.9bn, with no impact to cash flow
- The tax assets remain available for utilization, and the derecognition can be reversed
- The derecognition was required by accounting rules, as Nokia Finland is moving from a cumulative profit position to a cumulative loss position
- Nokia has done similar derecognitions and reversals in the past
Full Year 2021 Outlook

Net sales, adjusted for currency fluctuations

€20.6bn to €21.8bn

assuming continuation of 2020 year-end EUR/USD rate of 1.23

Comparable operating margin

7% to 10%

Comparable measures exclude intangible asset amortization and other fair value adjustments, goodwill impairments, restructuring related charges and certain other items affecting comparability
Full Year 2021 Outlook

Free cash flow\(^1\)

Positive

Dividend policy

In connection with the work on long term financial targets, Nokia will also assess its dividend policy, and intends to provide an update, latest at Capital Markets Day on March 18, 2021.

\(^1\)Free cash flow = net cash from/(used in) operating activities - capital expenditures + proceeds from sale of property, plant and equipment and intangible assets - purchase of non-current financial investments + proceeds from sale of non-current financial investments.
Looking forward

Capital Markets Day

March 18, 2021