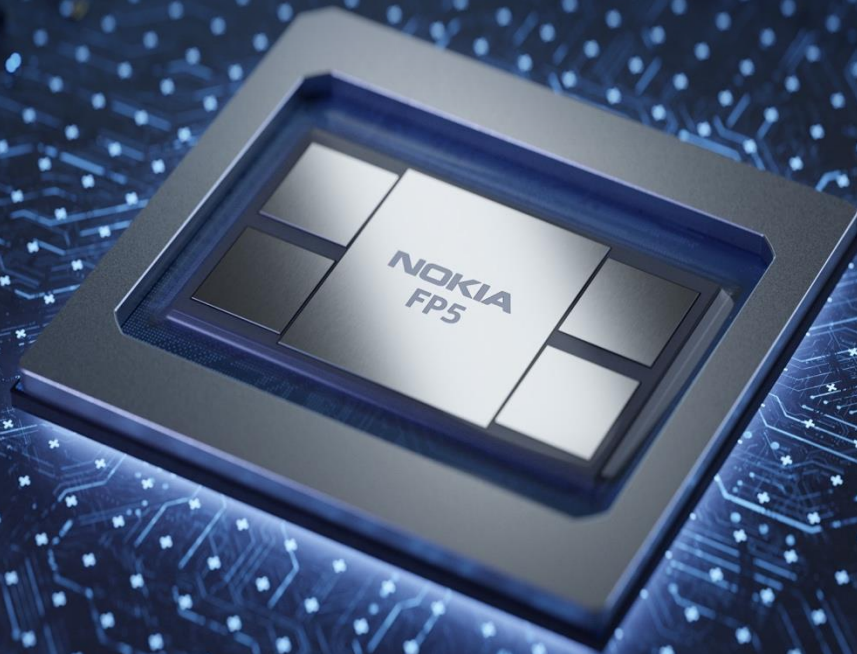


Q3 2021

Investor presentation

28 October 2021



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 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 the 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

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Welcome



Pekka Lundmark
President and CEO

- 4. Financial highlights
 - 5. Strategic progress by Business Group
 - 10. Enterprise
 - 11. Supply chain
-



Marco Wirén
CFO

- 13. Addressable market evolution
- 14. Financial performance bridges
- 16. Business Group performance
- 18. Cash flow performance

New operating model continues to deliver strong financials

Q3 21 net sales

+2%

(year-over-year at
constant currency)

Q3 21 operating margin

11.7%

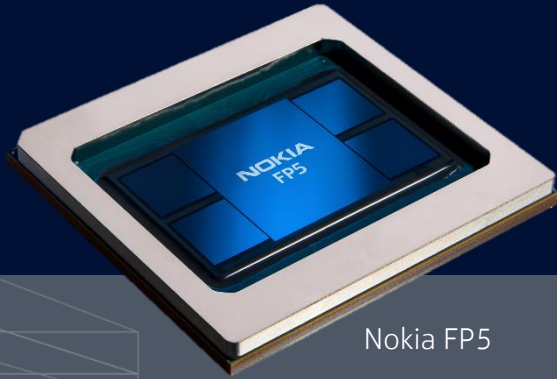
(comparable)

+250 bps
YoY

- Supply chain constrained our growth
- Strong growth in North America (+9% constant currency) despite headwinds
- Comparable gross margin expanded +340bps due to efficiency and improved cost competitiveness
- Comparable operating margin +250bps a testament to our new operating model
- We continue to invest in the business while generating strong FCF of €706m

Nokia's 5th generation FP5 IP routing silicon

The industry's most advanced network processor for Service Provider IP networks



Nokia FP5



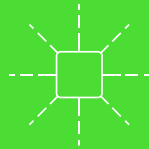
Network
Security

ANYsec line-rate encryption



Flexible
Capability

Fully programmable to
support future requirements



Power
Efficiency

75% better power efficiency



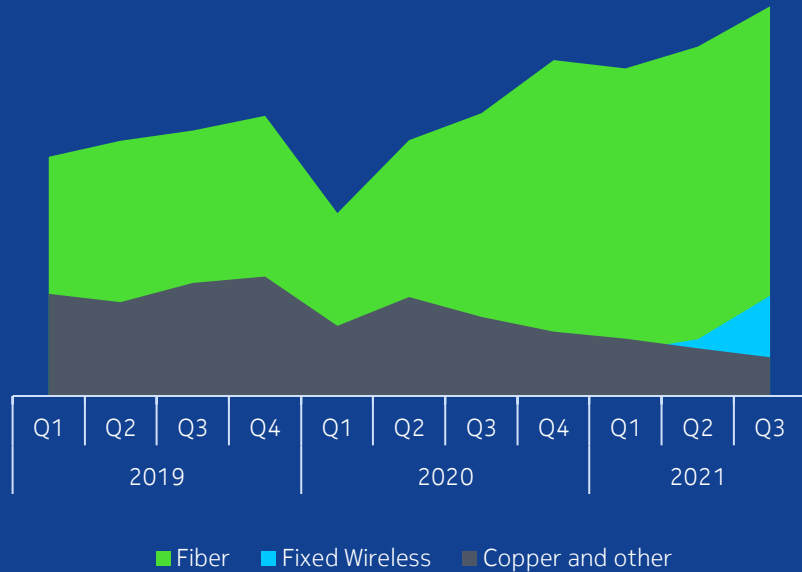
Speed &
Capacity

3x increase in capacity
1st with 800GE interfaces

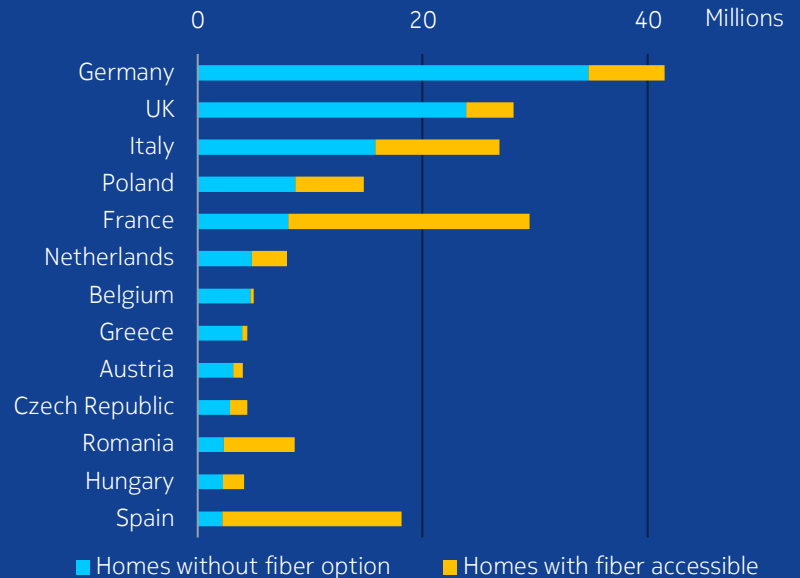
Fixed Networks opportunity remains significant

Despite growth already seen, fiber penetration opportunities remain substantial

Fixed Networks products sales ex. services



Opportunities for fiber coverage to grow in Europe



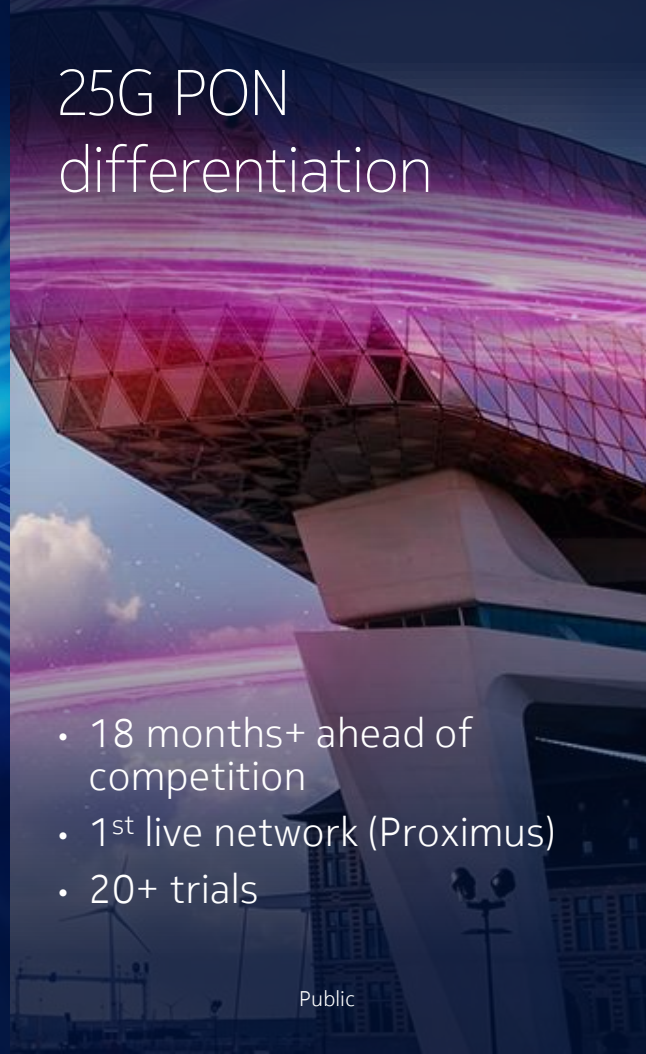
Source: iDATE DigiWorld / FTTH Council Europe (Data in millions as of Sept'20)

In-house ASIC Lead GPON/XGS-PON



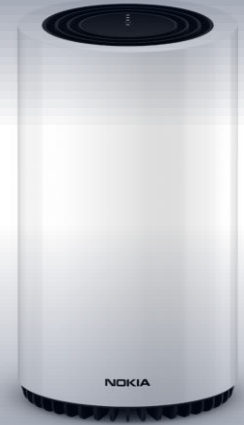
- #1 in GPON and XGS-PON
- PON market shifting to XGS
- Quillion ASIC in 150 customers

25G PON differentiation



- 18 months+ ahead of competition
- 1st live network (Proximus)
- 20+ trials

FWA / mmWave innovation



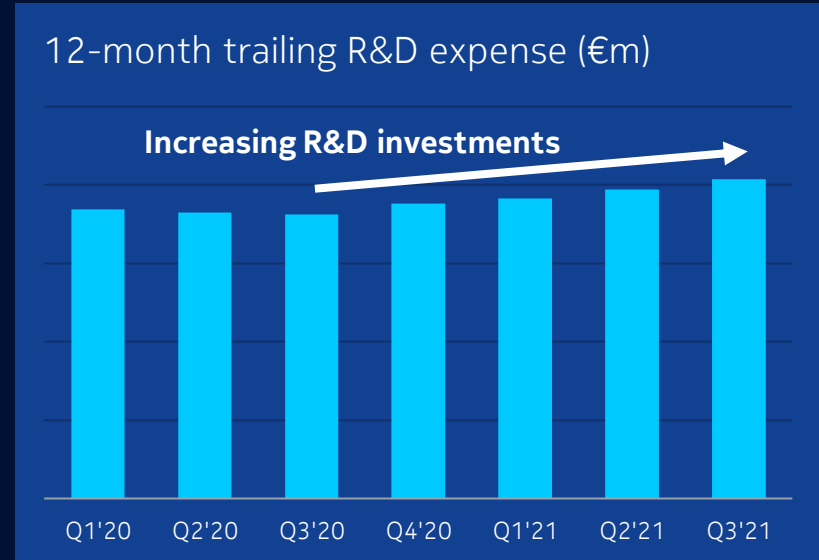
- #1 in 5G FWA
- Innovating to make mmWave viable
- 25+ customers

Mobile Networks – strong progress on strategy

Despite headwinds, cost competitiveness improving and ramping R&D investment



Improving cost competitiveness in Mobile Networks...



...while reinvesting in R&D for technology leadership

Emerging areas in Cloud and Network Services growing strongly

5G Core customers

>150

- +12% constant currency growth
- Driven by our emerging focus areas
- Strong progress in refocusing R&D

Rebalance to
Target Growth

5G CORE



ANALYTICS
& AI



PRIVATE
WIRELESS



DIGITAL
OPERATIONS



MONETIZATION



MANAGED
SECURITY



Disrupting and
Differentiating

Technology Leadership – Cloud, Automation, AI/ML, Security, XaaS

Enterprise: Strong private wireless growth

Q3 21 net sales

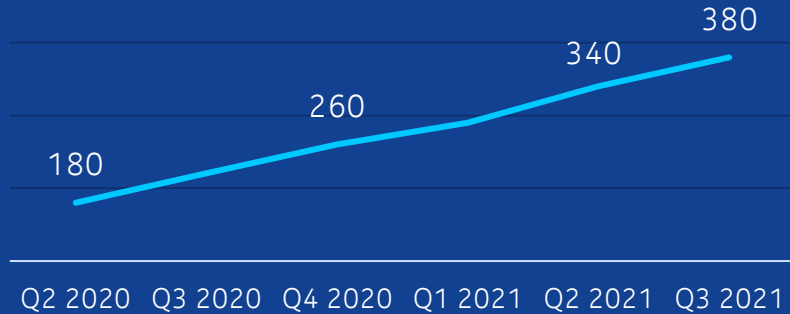
-4%

(year-over-year at constant currency)

Jan-Sept net sales

+3%

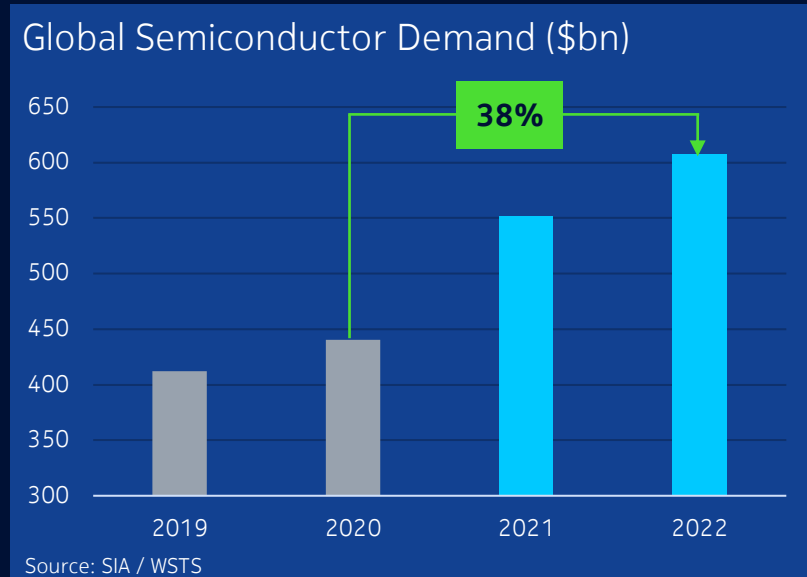
Private Wireless customers



- Double-digit growth in private wireless
- 2021 weakness from NI product areas
- Engagements continue to be strong
- 101 new enterprise customers in Q3
- Now >380 private wireless customers
- Broadest portfolio to best serve market
- Ramping our investment in the space to extend our market leadership

Supply chain management maintains intense focus

Lead times continue to increase



Unprecedented increase in semiconductor demand is driving increase in component lead times

- Supply chain increasingly challenging...
- ...yet we remain on track to meet targets
- Monitoring situation actively and intense communication with suppliers/customers
- Visibility remains lower than normal
- Component / raw material prices rising
- Working with suppliers on lead-times
- Working with customers to mitigate effect of cost inflation our industry faces

CFO remarks



Marco Wirén
CFO

- 13. Addressable market evolution
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Outlook for 2021 addressable market stable

Supply constraining strong end market demand

Estimated, in €	2021 (as of Q3 2021)	YoY (at const. ccy)	YoY (prior estimate)
Mobile Networks ¹	46bn	+5%	+6%
Network Infrastructure ²	43bn	+5%	+4%
Cloud and Network Services	26bn	+4%	+4%
Total addressable market	114bn	+5%	+5%

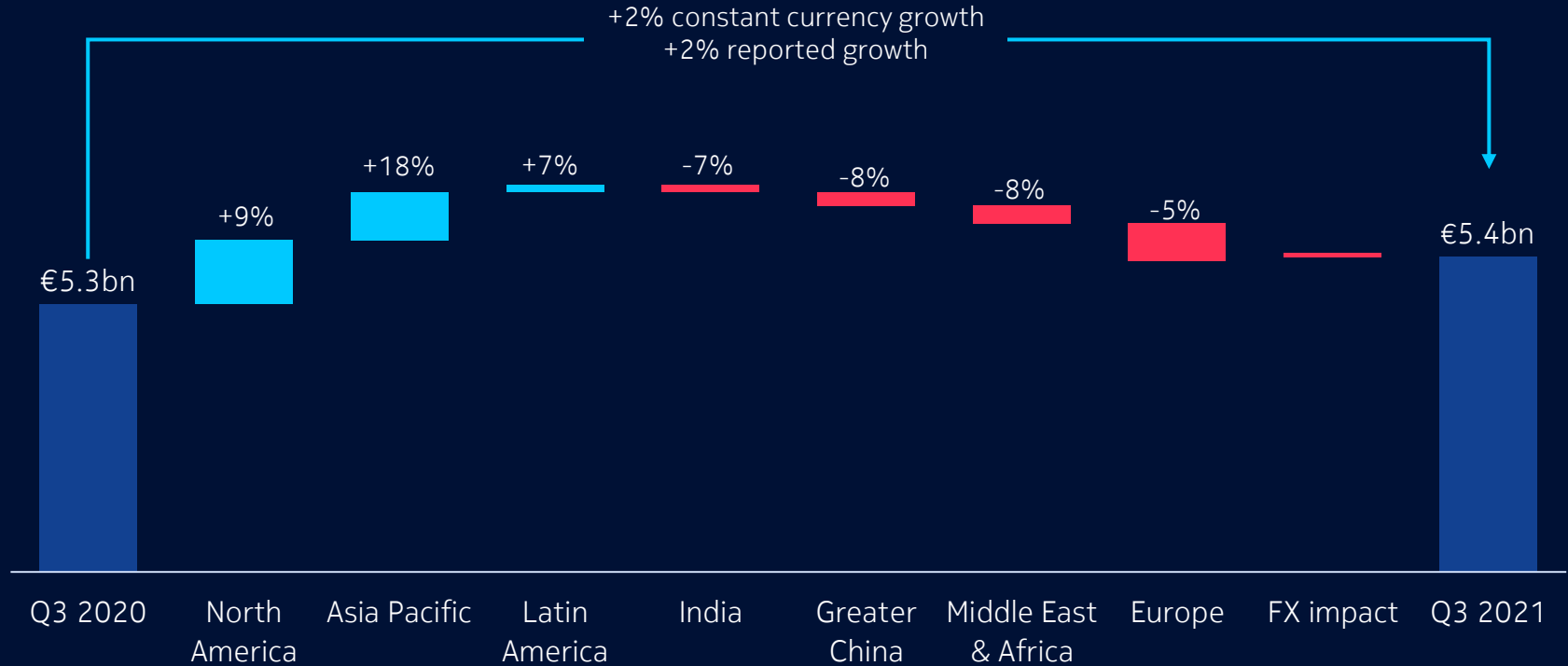
¹Excluding China

²Excluding Submarine Networks

Market size calculated assuming actual currency rates for first nine months of 2021 and end of September EUR/USD rate of 1.16 continues for the remainder of 2021

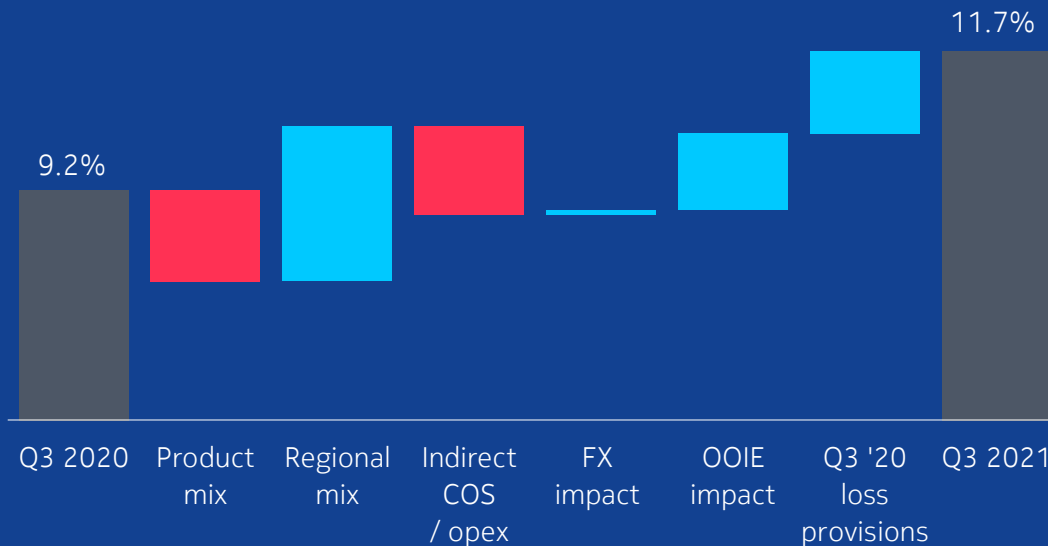
Notable strength in North America and Asia Pacific

Year-over-year at constant currency



Regional mix a strong tailwind in Q3

Group comparable operating margin



- Regional mix strongly positive
- Investments in R&D and higher incentive accruals
- Venture fund investments provide further tailwind in Q3 of approx. €40m
- Loss provisions in Q3'20 also drive y-o-y comparison

OOIE = Other operating income and expense

MN driving cost competitiveness and NI still growing strongly

Figures shown based on comparable reporting with revenues in EUR million

Mobile Networks	Q3 2021	Q3 2020	YoY at CC
Net Sales	2,315	2,448	-5%
Gross margin	37.8%	35.6%	
Operating margin	7.3%	8.4%	

Network Infrastructure	Q3 2021	Q3 2020	YoY at CC
Net Sales	1,915	1,793	6%
Gross margin	35.9%	36.1%	
Operating margin	9.8%	11.8%	

- MN revenue constrained by headwinds we faced in North America
- Continued progress on our cost competitiveness while investing in R&D

- NI continues to grow strongly driven by Fixed Networks and ASN
- R&D investments ramping and higher incentive accruals limit margin expansion y-o-y but still up strongly year-to-date

Strong growth in CNS and Tech

Figures shown based on comparable reporting with revenues in EUR million

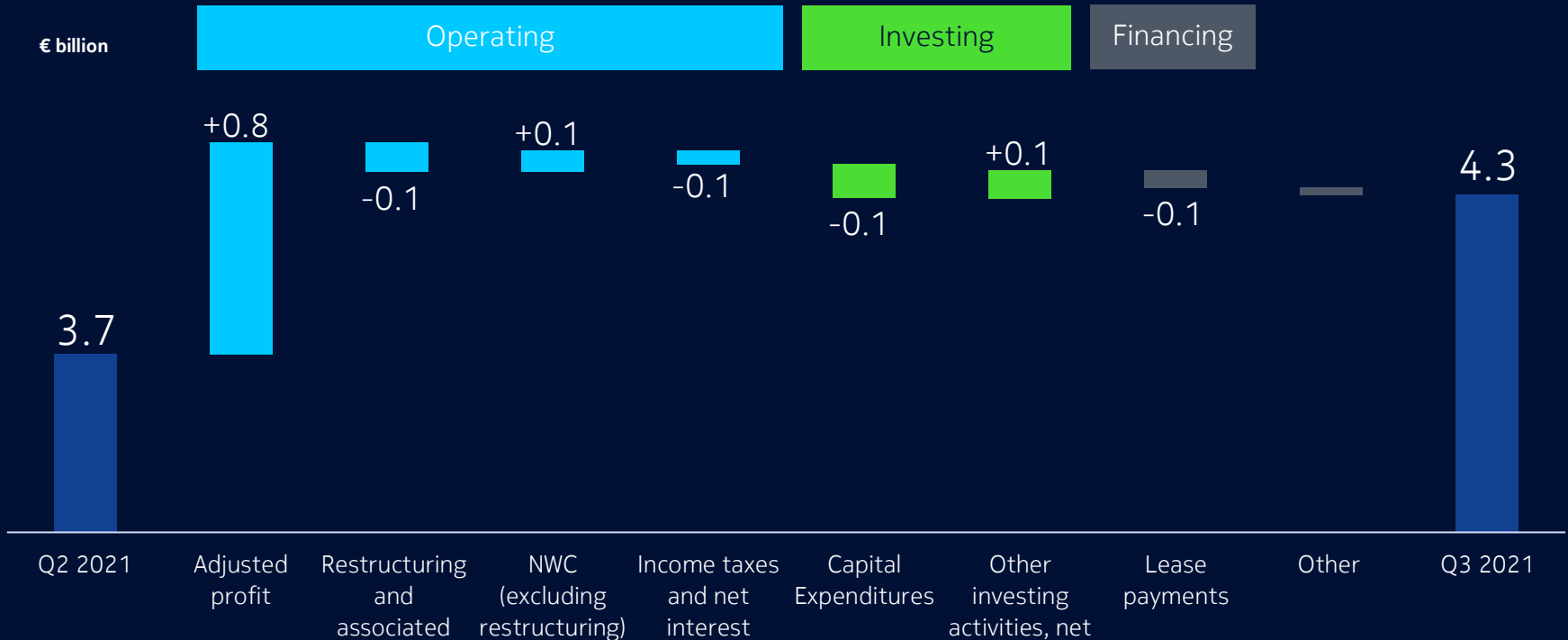
Cloud and Network Services	Q3 2021	Q3 2020	YoY at CC
Net Sales	748	663	12%
Gross margin	37.6%	19.6%	
Operating margin	4.1%	-17.9%	

Nokia Technologies	Q3 2021	Q3 2020	YoY at CC
Net Sales	367	331	11%
Operating margin	77.7%	79.8%	

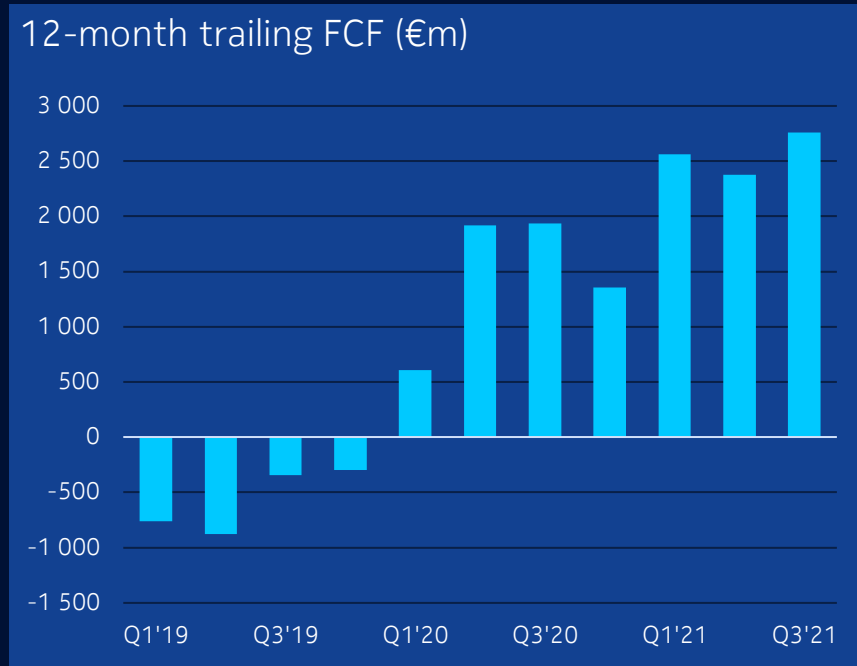
- CNS delivering strong growth in the areas we are driving our investments into, particularly 5G Core
- Operating margin expansion flattered by contract loss provisions in Q3'20 but even excluding good progress
- Tech growth driven by prior signed contracts
- Net sales run-rate approx. €1.4-1.5bn

Very strong FCF conversion again in Q3 2021

Generated positive free cash flow for the sixth quarter in a row



Now delivering consistent FCF generation



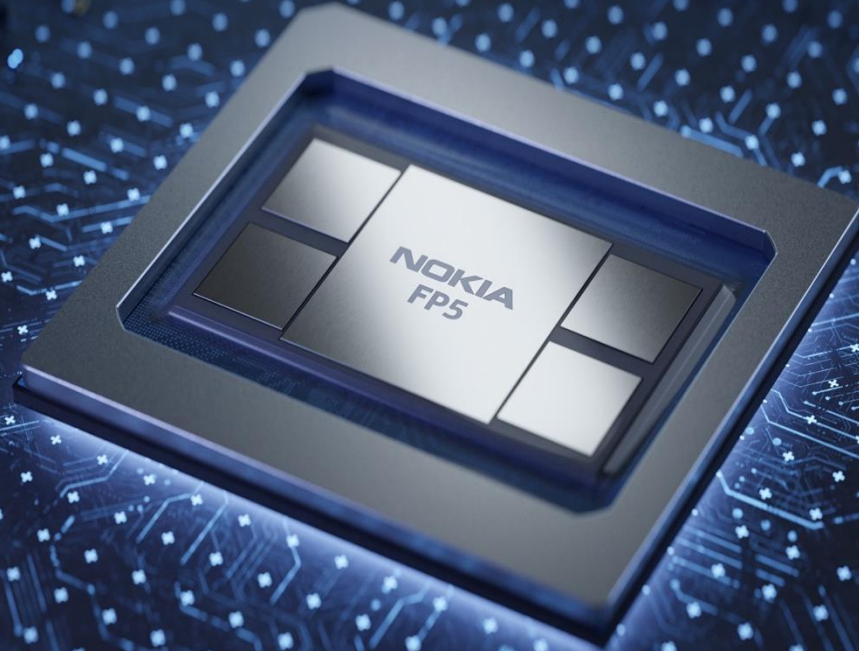
- Consistent track record of FCF generation
- Headwinds to FCF in restructuring and reducing sale of receivables balance
- Very strong liquidity position

Full Year 2021 Outlook reiterated

	Full year 2021	Full year 2023
Net sales	€21.7 billion to €22.7 billion	Grow faster than the market
Comparable operating margin	10 to 12%	10 to 13%
Free cash flow	Clearly positive	Clearly positive
Comparable ROIC	17 to 21%	15 to 20%

Please see our Q3 2021 earnings release for a full explanation of the terms used and the assumptions embedded in our financial outlook.

Q&A



NOKIA