Financial and operational highlights in Q2 2022

“I am pleased to say we continued to execute well in the second quarter. We improved net sales growth to 3% in constant currency despite ongoing supply chain constraints. We delivered another quarter of robust profitability with a 12.2% comparable operating margin, slightly down year-on-year due to timing effects of contract renewals in Nokia Technologies and a one-off software deal last year. Excluding these factors, we can see continued strong improvement in the underlying profitability of the business.”

Pekka Lundmark, President and CEO

<table>
<thead>
<tr>
<th>Financial highlights</th>
<th>Net sales</th>
<th>Gross margin (comparable)</th>
<th>Operating margin (comparable)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total net sales</td>
<td>€5.9bn</td>
<td>40.6%</td>
<td>12.2%</td>
</tr>
<tr>
<td>Q2 21: €5.3bn</td>
<td></td>
<td>Q2 21:42.3%</td>
<td>Q2 21:12.8%</td>
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</tbody>
</table>

| EPS, diluted (comparable) | €0.10 | Q2 21: €0.09 |
| Net cash and interest-bearing financial investments | €4.5bn | Q4 21: €4.6bn |
| Total cash and interest-bearing financial investments | €9.2bn | Q4 21: €9.3bn |

Net sales

By segment

- Mobile Networks: €2,593m (13% of total net sales)
- Network Infrastructure: €2,153m (12%)
- Cloud and Network Services: €305m (6%)
- Nokia Technologies: €287m (16%)
- Submarine Networks: €287m (5%)
- Total net sales: €5,873m (3%)

By customer type

- Communications service providers: €4,903m (27%)
- Enterprise: €409m (7%)
- Licenses: €305m (5%)
- Other: €356m (9%)
- Total net sales: €5,873m (3%)

By region

- North America: €2,216m (38%)
- Europe: €1,378m (23%)
- Asia Pacific: €575m (10%)
- Middle East & Africa: €484m (8%)
- Greater China: €418m (7%)
- Latin America: €275m (5%)
- India: €241m (4%)
- Submarine Networks: €287m (5%)
- Total net sales: €5,873m (3%)

Business and operational highlights

- Mobile Networks Operating margin: 11.2% (Q2 21: 10.5%)
- Network Infrastructure Operating margin: 11.5% (Q2 21: 9.1%)
- Cloud and Network Services Operating margin: (0.7)% (Q2 21: 1.4%)
- Nokia Technologies Operating margin: 71.1% (Q2 21: 82.8%)

Commercial 5G deals 21 July 2022: 230
Live 5G networks 21 July 2022: 77
“5G Powered by ReefShark” proportion of 5G shipments: 91%
Enterprise Customers added in Q2: 76

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