



Q4 2025 Financial results

29 January 2026

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Nokia presents financial information on reported, comparable, constant currency, and constant currency and portfolio basis. Comparable measures presented herein exclude intangible asset amortization and other purchase price fair value adjustments, goodwill impairments, restructuring related charges, transaction and related costs, including integration costs, 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 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. Constant currency and portfolio measures are presented on a constant currency basis and assumes any meaningful acquisitions or disposals for which the IFRS financial measures have not been recast had been in place since 1 January 2024. Such measures are presented in order to better reflect the underlying business performance when reported net sales have changed not only due to changes in foreign exchange rates but also as a result of acquisitions or disposals. As comparable, constant currency or constant currency and portfolio 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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Business Highlights

Justin Hotard

President and Chief Executive Officer

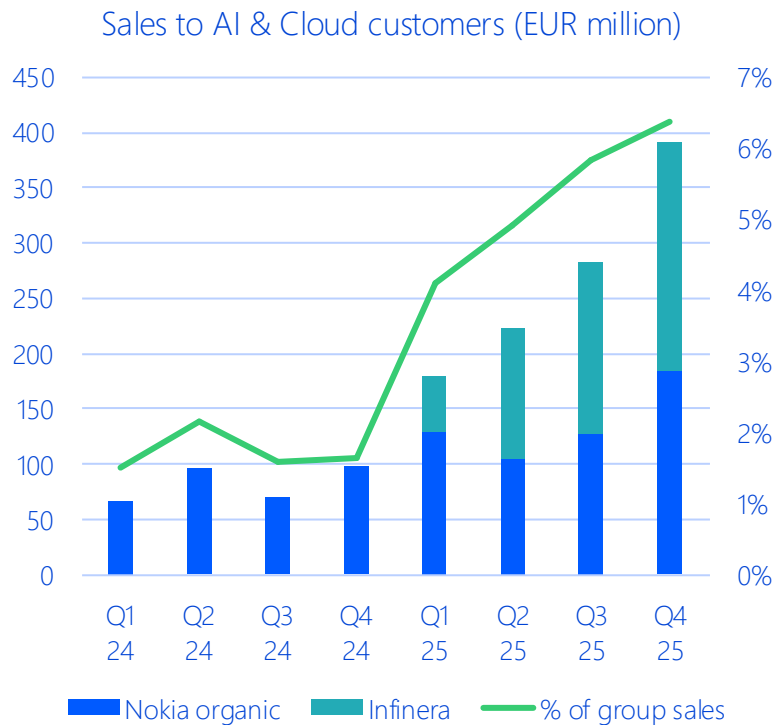


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CEO Key messages – Q4 2025

- 1 Q4 net sales grew 3% with growth in Network Infrastructure +7%
Strong contribution from Optical Networks which grew 17%.
- 2 Full year comparable operating profit of EUR 2.0bn slightly above mid-point of prior guide. Q4 comparable operating margin saw supportive product mix and leverage from higher sales volume.
- 3 Network Infrastructure continues to deliver growth in AI & Cloud. Strong order intake in Q4 with book-to-bill above 1 across both Optical and IP Networks supported by AI & Cloud customers.
- 4 2025 saw several important steps for Nokia. Infinera acquisition, progress in AI & Cloud, leadership renewal, operating model simplification and NVIDIA partnership.
- 5 Supportive demand environment as we enter 2026, expect to deliver good progress towards 2028 targets. **Guidance for 2026 comparable operating profit of EUR 2.0 to 2.5 billion.**

Progressing on our growth ambition in AI & Cloud

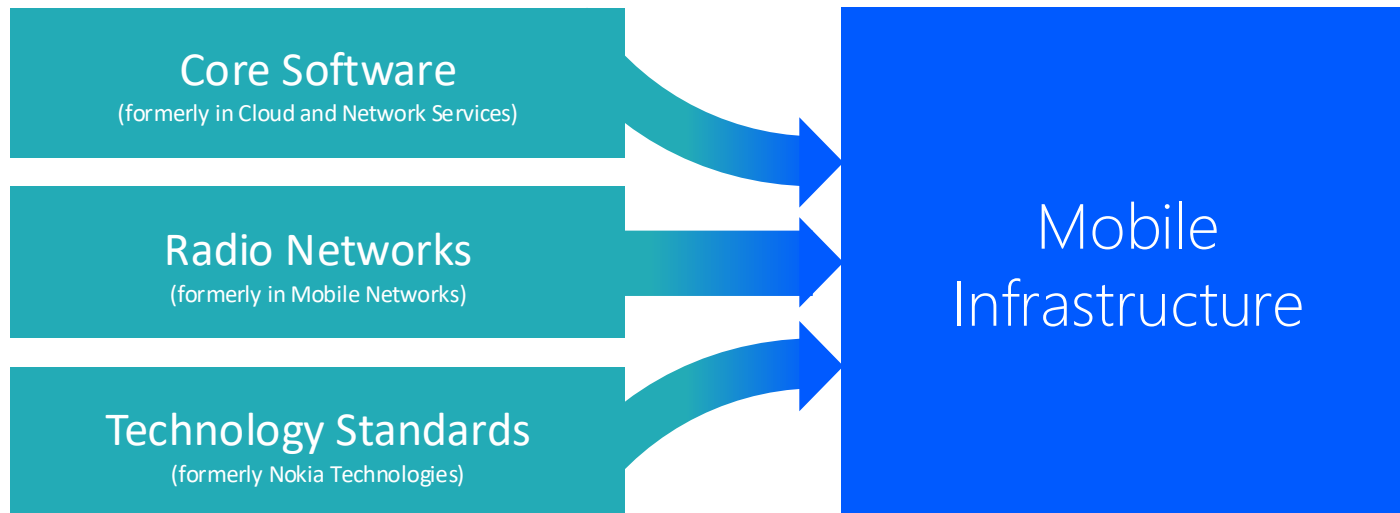


Several important milestones achieved in Q4 25

- **Strong order intake in AI & Cloud in Q4**
 - EUR 2.4 billion from AI & Cloud (FY25)
- **800G ZR/ZR+ pluggables shipping:**
 - Multiple design wins, scaling production
 - First revenue in Q4
 - Strong in-field performance
- **Progress on DC Switching expansion**
 - Key product launches in the quarter
 - 7220 IXR-H6 (1.6T) platform
 - **Agentic AI for EDA** delivering 96% less downtime
 - **Hyperscaler design win** for next-gen switch platform

Mobile Infrastructure: a single, integrated platform

Structure effective from 1 January 2026



2026 outlook and long-term KPIs

Full year 2026 outlook

Comparable operating profit⁽¹⁾

EUR 2.0 billion to EUR 2.5 billion

Long-term KPIs ⁽⁴⁾	Metric	2025 Actual ⁽²⁾	Target ⁽¹⁾
Network Infrastructure KPIs	#1 NI net sales growth ('25-'28) ⁽³⁾	8%	6-8% CAGR
	#2 NI operating margin ('28)	9.5% ⁽⁵⁾	13% – 17%
Mobile Infrastructure KPIs	#3 MI gross margin (%) ('28)	48.3%	48 to 50%
	#4 MI operating profit ('28)	€ 1.5 bn	grow from € 1.5 bn
Group KPIs	#5 Corporate center cost base	€ 180 m ⁽⁶⁾	€ 150 m
	#6 FCF conversion	72%	65% to 75%

(1) 2026 Outlook is based on a EUR:USD rate of 1.18 while long-term KPI targets are based on 1.17 which was effective rate at CMD

(2) Actuals are based on the recast financials issued following Nokia's Q4 results.

(3) Growth rate is on a constant currency and portfolio basis.

(4) These long-term KPIs are for additional information and not part of Nokia's official financial outlook.

(5) Network Infrastructure operating margin base for 2025 actual is shown pro forma if Nokia had owned Infinera for the whole of 2025.

(6) Group common cost in 2025 has been recast to €180 million from previous reporting of €373 million with more costs allocated to operating segments. As communicated at CMD, operating segments are expected to mitigate the increased cost over time.

Q4 Financial Performance

Marco Wirén

Chief Financial Officer

The Nokia logo is centered within a large blue circle. The background of the slide features a stylized city skyline at night, with various buildings and lights in shades of blue, green, and yellow. The circle is partially filled with a solid blue color, while the rest shows the city skyline.

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Fourth quarter in-line with expectations

Q4 25 net sales (EUR)

6.1bn

3% y-o-y

Q4 25 gross margin

48.1%

+90 bps y-o-y

Q4 25 operating margin

17.3%

(90)bps y-o-y

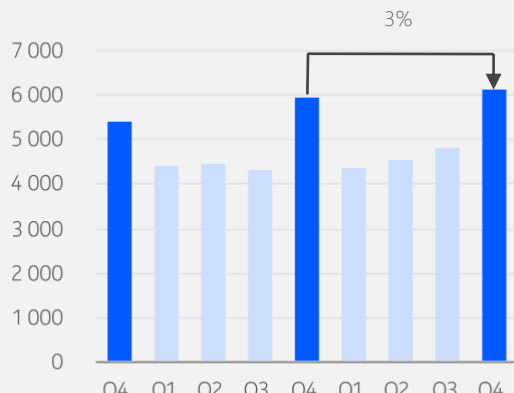
Q4 25 FCF (EUR)

0.2bn

Q4 25 net cash (EUR)

3.4bn

Net Sales (EUR million)



Gross profit (EUR million) and margin



Operating profit (EUR million) and margin



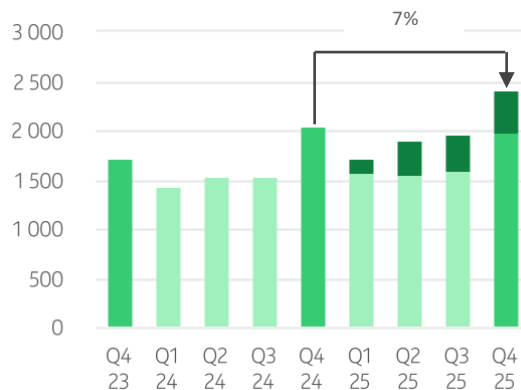
All net sales changes presented are year-on-year on a constant currency and portfolio basis. All profit and margin figures are shown on a comparable basis.

Network Infrastructure

- Optical Networks key growth driver with strong demand from AI & Cloud
- IP Networks +3% against strong Q4'24
- Fixed Networks stable as portfolio actions offset growth in fiber OLT.
- Book-to-bill well above 1 with strength in both Optical and IP Networks
- Gross margin largely stable y-o-y
- Operating margin declined due to combination of growth-related investments and integration of Infinera

	Q4 25	Q4 24	YoY
Net sales (EUR m)	2 407	2 031	7 %
Gross profit	1 074	923	
Gross margin	44.6 %	45.4 %	
Operating profit	397	398	
Operating margin	16.5 %	19.6 %	

Network Infrastructure net sales by quarter (EUR million)



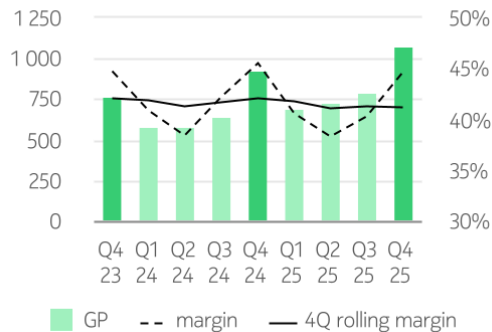
Net sales growth by unit

Optical Networks **+17%**

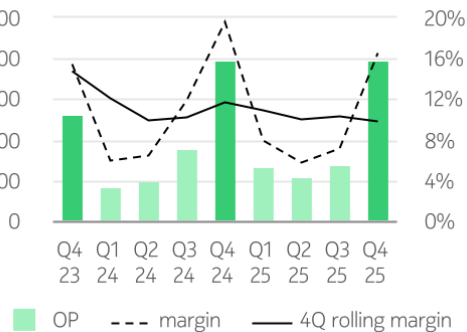
IP Networks **+3%**

Fixed Networks **0%**

Gross profit (EUR million) and margin



Operating profit (EUR million) and margin



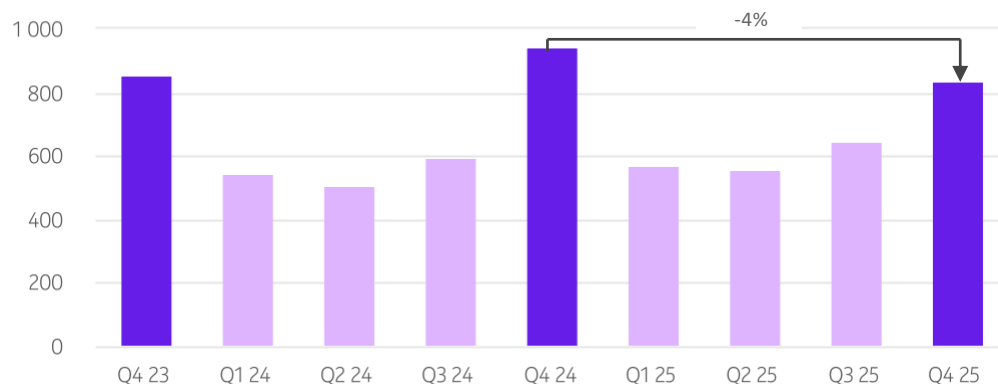
All net sales changes presented are on constant currency and portfolio basis. The darker bar in the net sales chart illustrates the contribution from the Infinera business acquired during Q1'25.

Cloud and Network Services

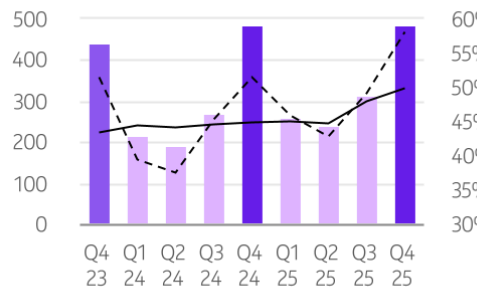
- Slight y-o-y decline in Q4. Full year net sales grew +6% with strong Core Networks demand.
- Q4 Gross margin benefited from a modest provision reversal of EUR 37 million but even excluding this margin improved.
- Continue to focus on improving margin profile of the business.

	Q4 25	Q4 24	YoY
Net sales (EUR m)	837	940	(4) %
Gross profit	485	483	
Gross margin	57.9 %	51.4 %	
Operating profit	237	222	
Operating margin	28.3 %	23.6 %	

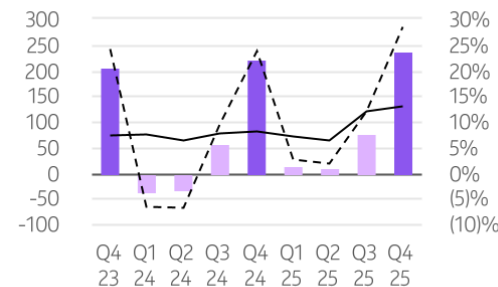
Cloud and Network Services net sales by quarter (EUR million)



Gross profit (EUR million) and margin



Operating profit (EUR million) and margin



GP --- margin — 4Q rolling margin

OP --- margin — 4Q rolling margin

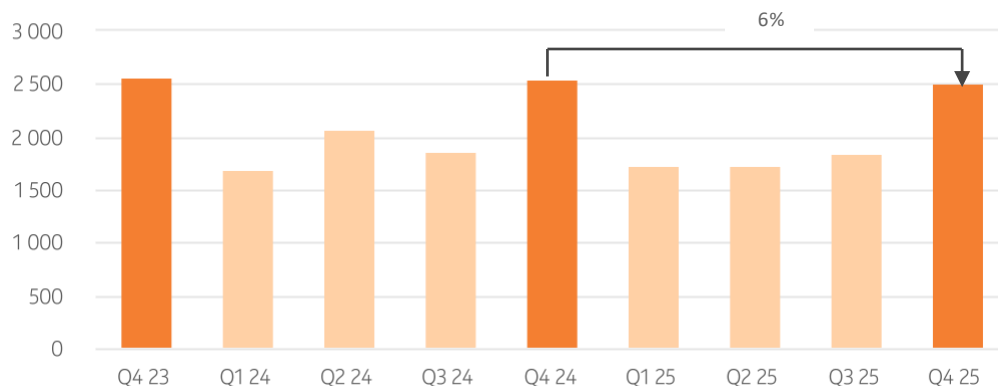
All net sales changes presented are on constant currency and portfolio basis

Mobile Networks

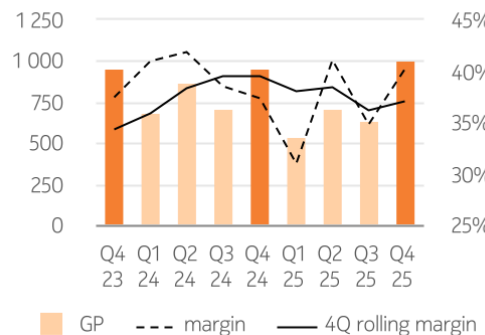
- Strong year-end demand drove 6% net sales growth in Q4.
- Q4 gross margin benefited from supportive product mix in the quarter.
- Continue to focus on driving topline stability and improving margin profile.

	Q4 25	Q4 24	YoY
Net Sales (EUR m)	2 502	2 545	6 %
Gross Profit	1 004	950	
Gross Margin	40.1 %	37.3 %	
Operating Profit	283	201	
Operating Margin	11.3 %	7.9 %	

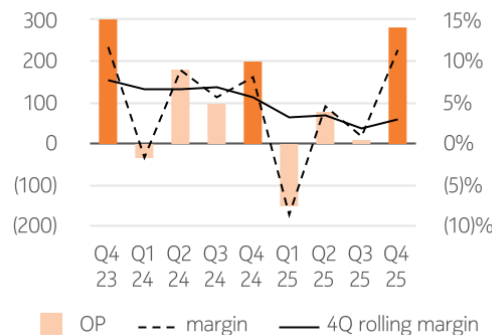
Mobile Networks net sales by quarter (EUR million)



Gross profit (EUR million) and margin



Operating profit (EUR million) and margin



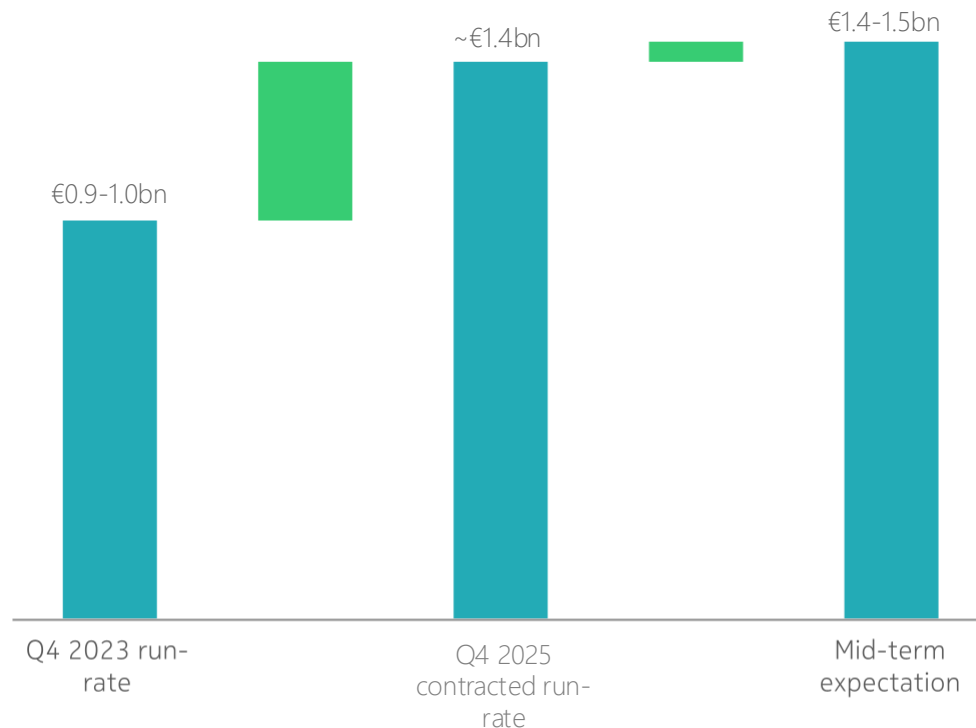
All net sales changes presented are in constant currency



Nokia Technologies

- Several deals signed in Q4, contracted net sales run-rate remains approximately EUR 1.4bn
- Q4 operating expenses saw an approximately EUR 20 million charge as we continue to optimize our patent portfolio.

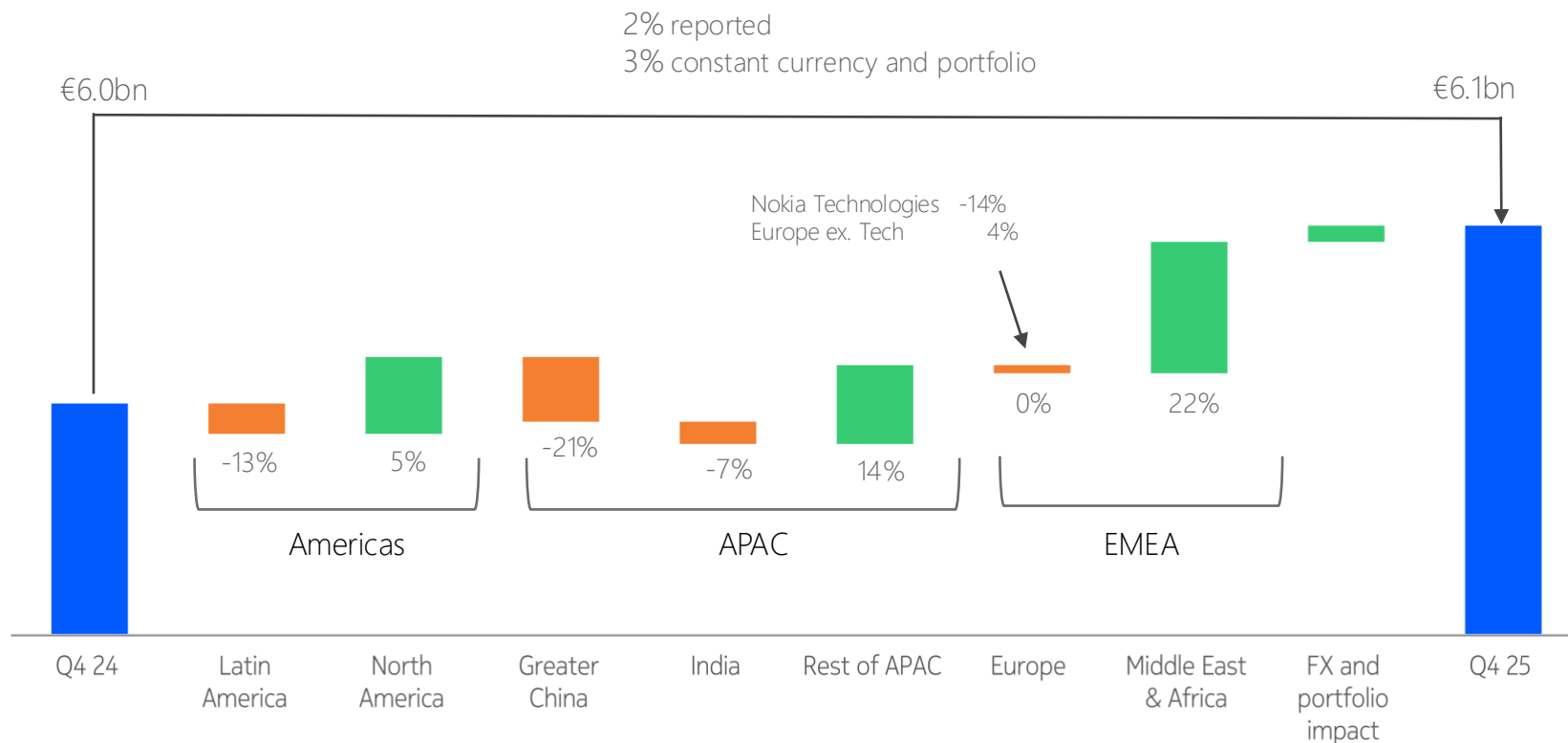
	Q4 25	Q4 24	YoY
Net sales (EUR m)	384	463	(14) %
Gross profit	384	462	
Gross margin	100.0 %	99.8 %	
Operating profit	250	356	
Operating margin	65.1 %	76.9 %	



This chart is to illustrate our current financial planning assumptions. This chart is not illustrative of our view on deal valuations. Actual outcomes of negotiations may be different.

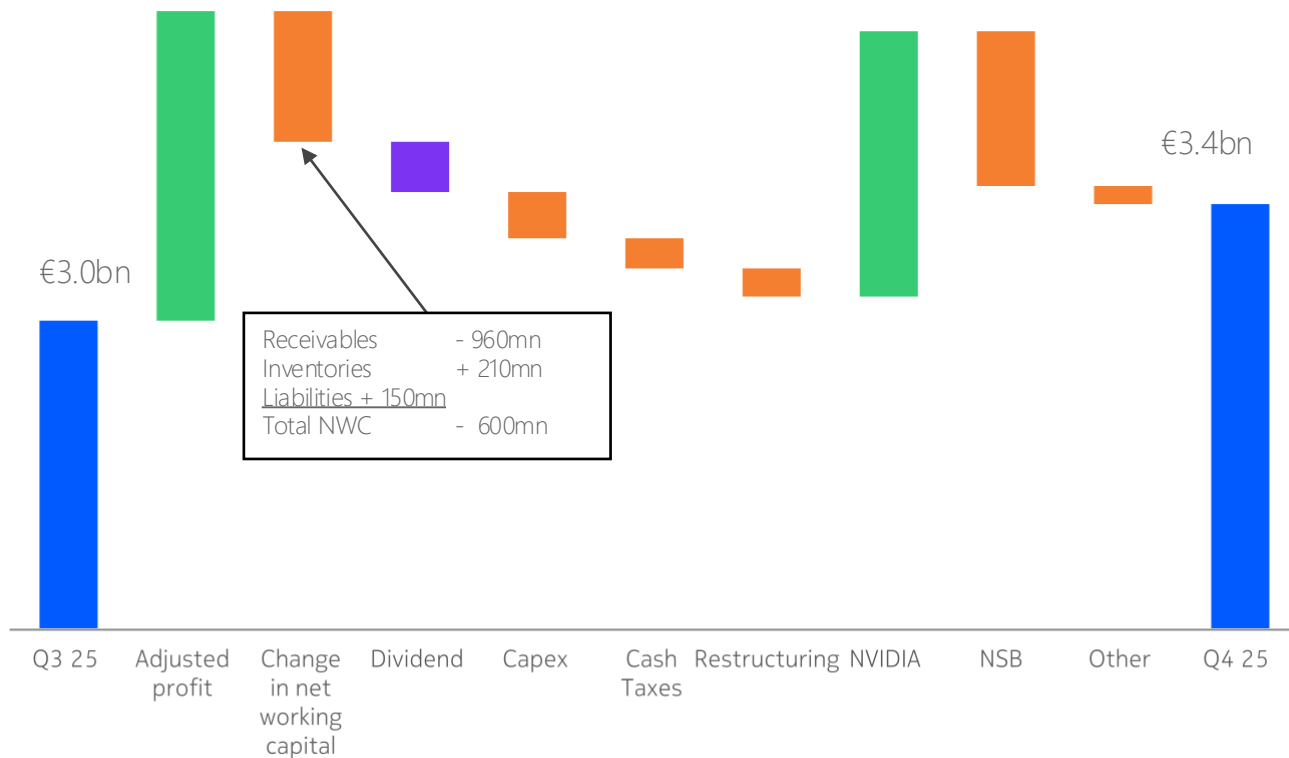
Regional sales trends

Year-on-year on constant currency and portfolio basis



Q4 net cash benefited from solid FCF and NVIDIA investment

- Q4 Free cash flow of EUR 0.2 billion
- EUR 0.2 billion in dividends
- NVIDIA equity investment benefited cash by EUR 0.9 billion
- Acquisition of unowned share of NSB impacted cash by EUR 0.5 billion.



Nokia recast comparative financials under operating model effective 1 Jan 2026

2025 FY EUR billion	Network Infrastructure	Mobile Infrastructure	Portfolio Businesses	Group Common & Other	Nokia Group
Net sales	7.65	11.41	0.85		19.90
Gross profit	3.28	5.52	0.18		8.97
Gross margin %	42.9%	48.3%	21.7%		45.1%
Operating profit	0.77	1.53	(0.09)	(0.18)	2.02
Operating margin %	10.1%	13.4%	-10.7%		10.2%

All profit and margin figures are shown based on Nokia's comparable reporting. Recast financials only incorporate 10 months of Infinera following the acquisition closing at the end of February 2025.

The image features the Nokia logo in a large, white, sans-serif font, centered horizontally. The background is a dark blue night sky with a city skyline. The buildings are represented by numerous vertical lines of varying heights and colors, including blue, orange, and white, creating a sense of depth and light trails. The Nokia logo is superimposed over the center of the image, with the 'O' being particularly prominent.

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