

The slide features a dark blue background with a large, stylized white 'N' logo on the right side. The logo is composed of a vertical bar and a diagonal bar. The background is decorated with vibrant, glowing light trails in shades of blue, purple, and pink, which appear to be swirling and radiating from the center. The text is positioned on the left side of the slide.

NOKIA

Q1 2026
Financial
Results

23 April 2026

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Business Highlights

Justin Hotard
President and CEO

Q1 highlights

+4%

Net sales growth

+200bps

Comparable operating margin

+49%

AI & Cloud sales growth

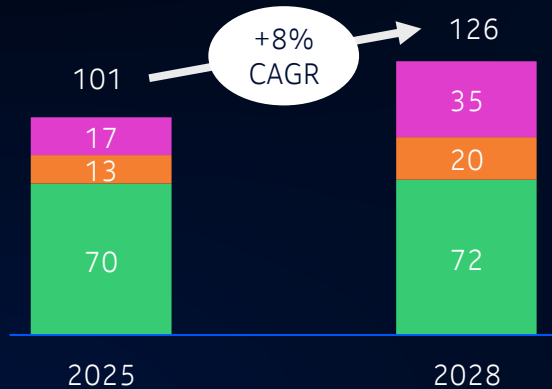
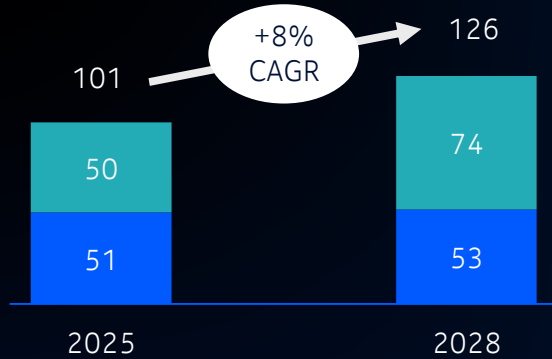
€1.0bn

AI & Cloud orders

CEO Key messages – Q1 2026

- 1** **Q1 net sales grew 4%.** Network Infrastructure grew +6%. Strong contribution from Optical Networks which grew 20%. Gross margin expanded 320bps and operating margin expanded 200bps.
- 2** **AI & Cloud net sales grew 49%** and accounted for 8% of sales in Q1. Strong order intake with **EUR 1 billion of AI & Cloud orders** in the quarter.
- 3** **New suite of application optimized Optical Networks solutions launched at OFC.** 4 new DSPs introduced that power 13 new solutions unlocking new applications and delivering up to 70% TCO savings for customers.
- 4** **Progressing well on AI-RAN with 10 publicly committed customers.** On track to begin customer trials later this year.
- 5** Expect Network Infrastructure to grow between 12% and 14% for full year. **Tracking somewhat above the mid-point of full year comparable operating profit outlook of EUR 2.0 to 2.5 billion.**

AI supercycle is accelerating Nokia's addressable market growth



	2025-2028 CAGR (Nov'25)	2025-2028 CAGR (now)
Network Infrastructure	9%	14%
Mobile Infrastructure	1%	2%
AI & Cloud	16%	27%
Mission Critical Enterprise & Defense	11%	14%
Telecommunication Providers	1%	1%

Rethinking optical innovation in the AI era

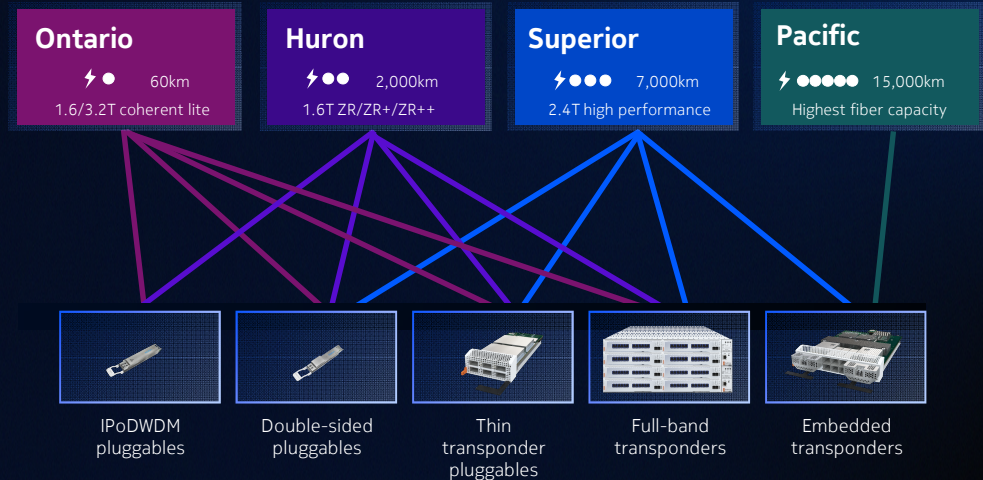
Before

Two engines per generation



Announced at OFC

4 key coherent optical building blocks
Integrated across **13** application-optimized solutions
Providing up to **70%** reduced TCO



Growth in AI & Cloud supporting higher NI growth assumptions

Net sales growth on a constant currency and portfolio basis	2026 assumption (Jan'26)		2026 assumption (now)
Network Infrastructure	6% to 8%	↑	12% to 14%
Optical Networks and IP Networks	10% to 12%	↑	18% to 20%

Assumption increase due to:

- Demand acceleration in AI & Cloud
- EUR 1 billion order intake in Q1
- Increased supply visibility
- Wins in IP Networks, expanding presence in Data Center Networks

Solid start to Mobile Infrastructure

Core Software

Continue to grow cloud-native Core platforms

Completed 6 competitive swaps in Q1

Technology Standards

Signed new deals in the quarter in Consumer Electronics and Multimedia.

On track to deliver stable performance for 2026

Radio Networks

Margin performance driven by cost discipline and product mix

Deal announced with Virgin Media O2

10 customers publicly committed to work with us on AI-RAN

 T-Mobile

 indosat
OOREDOO HUTCHISON

 NTT docomo

 Deutsche Telekom


 elisa

 BT

 Telia

 vodafone

 orange

 SoftBank



Q1 Financial Performance

Marco Wirén
Chief Financial Officer

Q1 a solid start to 2026

Net sales (EUR)

4.5bn

+4% y-o-y

Gross margin

45.5%

+320 bps y-o-y

Operating margin

6.2%

+200 bps y-o-y

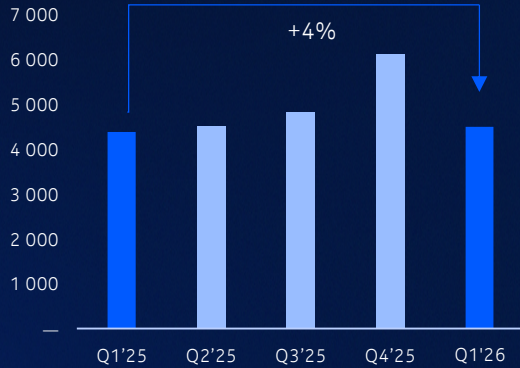
FCF (EUR)

0.6bn

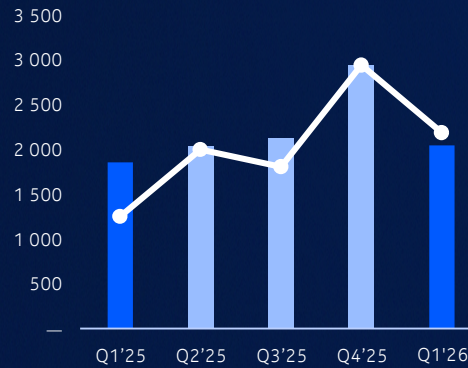
Net cash (EUR)

3.8bn

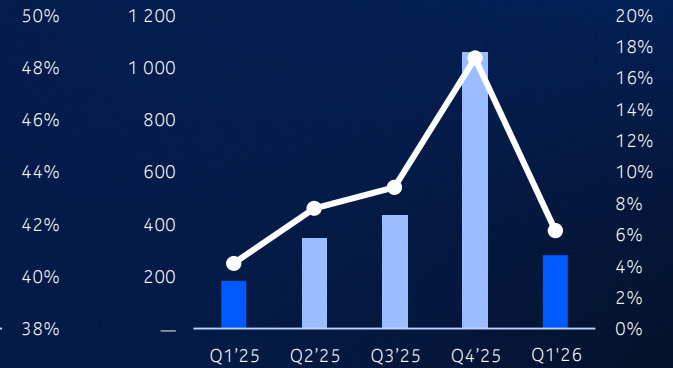
Net sales (EUR million)



Gross profit (EUR million) and margin



Operating profit (EUR million) and margin



Network Infrastructure

Optical Networks Net sales

+20%

EUR 821 million

IP Networks Net sales

+3%

EUR 626 million

Fixed Networks Net sales (EUR)

-13%

EUR 383 million

Gross margin

43.4%

+150 bps y-o-y

Operating margin

6.7%

-30 bps y-o-y

Net sales (EUR million)



Gross profit (EUR million) and margin



Operating profit (EUR million) and margin



Mobile Infrastructure

Core Software
Net sales

+5%

EUR 530 million

Radio Networks
Net sales

flat

EUR 1 580 million

Technology Standards
Net sales

+10%

EUR 385 million

Gross margin

48.5%

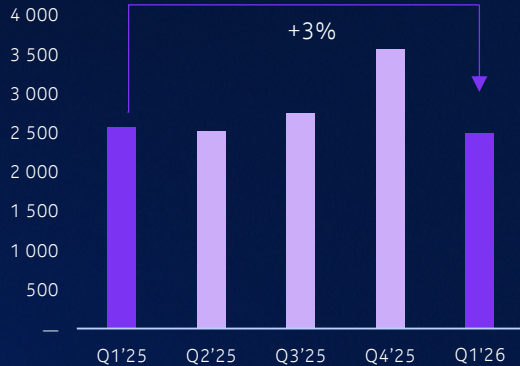
+430 bps y-o-y

Operating margin

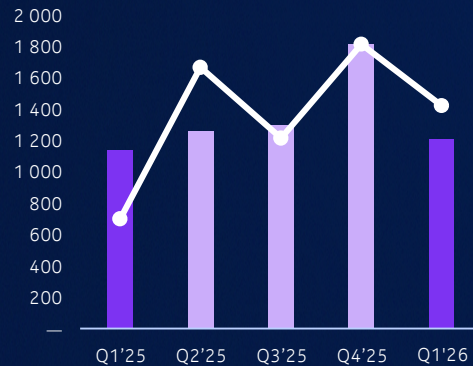
8.9%

+380 bps y-o-y

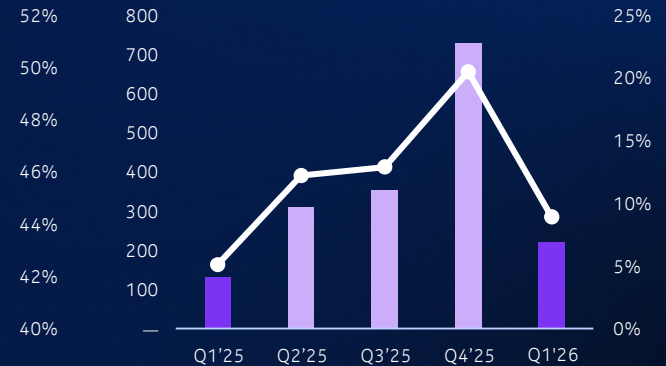
Net sales (EUR million)



Gross profit (EUR million) and margin

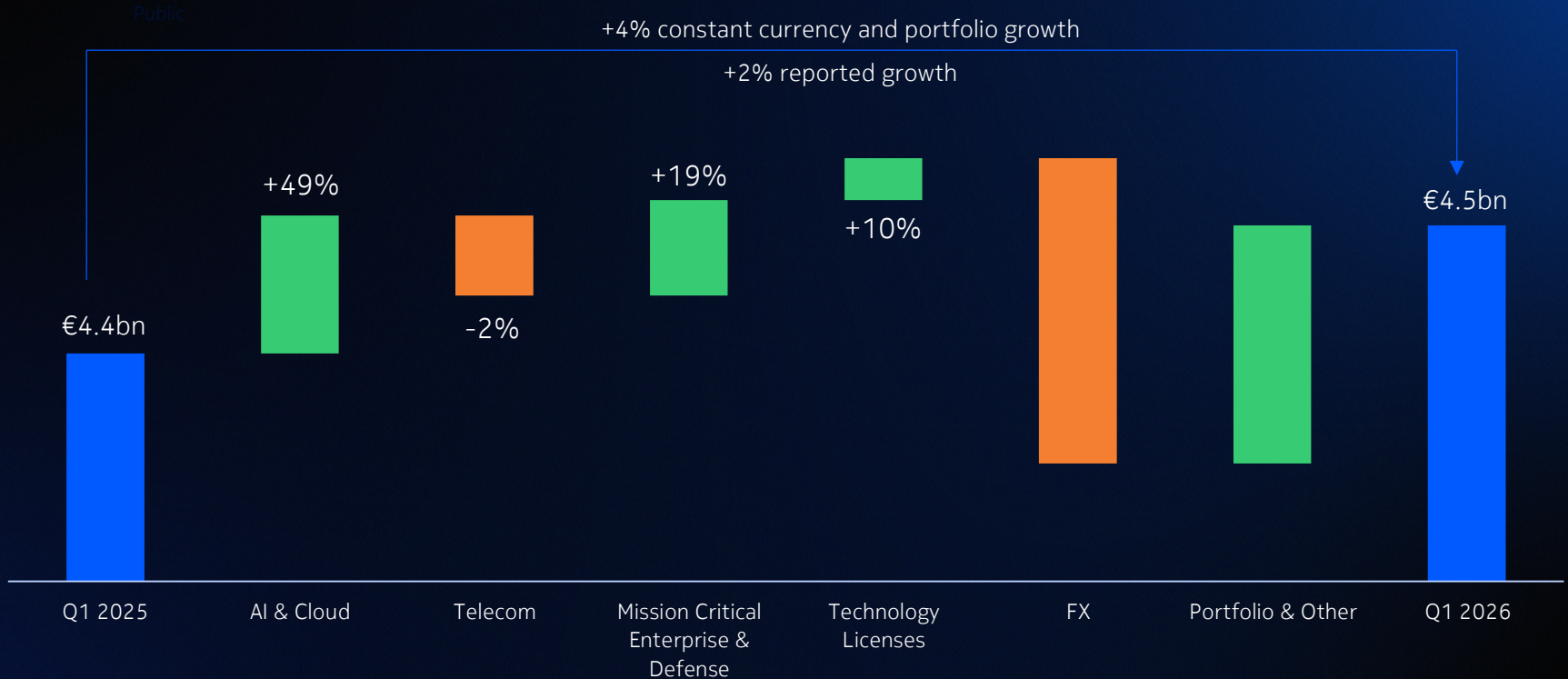


Operating profit (EUR million) and margin



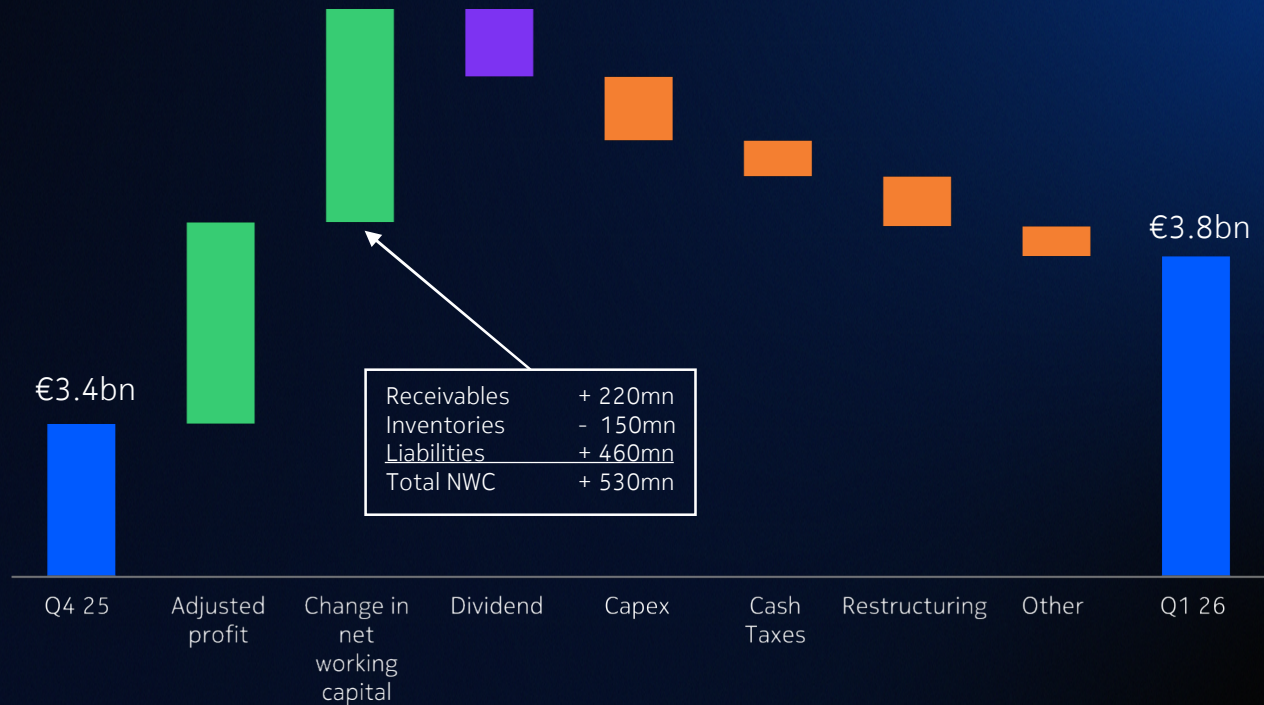
Sales trends by customer type

Year-on-year on constant currency and portfolio basis



Solid Q1 FCF linked to working capital seasonality

- Q1 strong quarter for cash generation due to working capital seasonality
- EUR 0.2 billion in dividends
- Free cash flow of EUR 0.6 billion



2026 outlook and additional assumptions

Full year 2026 financial outlook

Comparable operating profit⁽¹⁾ EUR 2.0 billion to EUR 2.5 billion

Supporting Assumptions

Q2 seasonality	Net sales: 5-9% q-o-q increase in net sales in Q2. Comparable operating profit: Q2 12-16% of full year.
2026 Comparable financial income and expenses	Positive EUR 150 to 250 million (update)
2026 Comparable income tax rate	~26-27%
2026 Cash outflows related to income taxes	EUR 500 million
2026 Capital expenditures	EUR 900 - 1 000 million
2026 Free cash flow conversion from comparable operating profit	55% to 75%

NOKIA Connecting
Intelligence