

**NOKIA****PRESS RELEASE****July 22, 1999****Nokia paves the way to the mobile information society with continued strong performance**

Nokia reports strong results for the second quarter of 1999 with continued fast growth. Net sales totaled EUR 4 493 million, an increase of 45% compared to the second quarter in 1998. Operating profit increased by 56% to EUR 881 million resulting in an operating margin of 19.6%.

Jorma Ollila, Nokia Chairman and CEO, said: "Orders for our infrastructure products developed positively with increasing demand for our broadband and data solutions. To keep up with strong GSM subscriber growth, operators continued to expand network capacity and upgrade their networks to offer emerging value-added data services. At the same time, strong demand for our very competitive range of mobile phones continued and we strengthened our position as the number one mobile phone manufacturer in the world."

"Strong sales and order inflow growth continued in all geographic regions and the U.S. and China continued to be our two largest markets. Our innovativeness, strengthening market position and globally recognized brand, combined with high profitability give us the ability to lead the creation of the mobile information society and excel in performance."

Commenting on the future Ollila said: "Our overall performance during the first half of the year gives us confidence to reach or slightly exceed the high-end of our 1999 net sales growth target of 25-35%."

<b>EUR Million</b>	<b>2Q 1999</b>	<b>2Q 1998</b>	<b>Change%</b>	<b>1H 1999</b>	<b>1H 1998</b>	<b>1998</b>
Net sales	4 493	3 098	+ 45	8 363	5 599	13 326
Nokia Telecommunications	1 390	1 058	+ 31	2 498	1 948	4 390
Nokia Mobile Phones	2 922	1 849	+ 58	5 499	3 188	8 070
Other Operations	203	241	- 16	401	554	1 014
Operating profit	881	563	+ 56	1 649	953	2 489
Nokia Telecommunications	274	243	+ 13	500	456	960
Nokia Mobile Phones	671	327	+ 105	1 287	491	1 540
Other Operations	- 64	- 7		- 138	6	- 11
Profit before tax and minority interests	877	546	+ 61	1 635	933	2 456
Profit from continuing operations	581	365	+ 59	1 086	631	1 680
Net profit	581	365	+ 59	1 086	701	1 750
EPS from continuing operations, EUR						
Basic	0.51	0.32	+ 59	0.95	0.56	1.48
Diluted	0.49	0.31	+ 58	0.92	0.54	1.43

**NOKIA IN JANUARY – JUNE 1999****Second quarter 1999 results**

(International Accounting Standards, IAS, comparisons given to the second quarter 1998 results)

Nokia's net sales increased by 45% to EUR 4 493 million (EUR 3 098 million). Sales of Nokia Telecommunications increased by 31% to EUR 1 390 million (EUR 1 058 million) and sales of Nokia Mobile Phones by 58% to EUR 2 922 million (EUR 1 849 million). Sales of Other Operations decreased by 16% and totaled EUR 203 million (EUR 241 million).

Sales continued to grow rapidly in all geographic regions. Sales of infrastructure grew fastest in Europe. Continued fast market growth in all geographic regions as well as Nokia's competitive product portfolio contributed to the high growth in mobile phone sales.

Operating profit increased by 56% to EUR 881 million (EUR 563 million), representing an operating margin of 19.6% (18.2%). Operating profit in Nokia Telecommunications increased by 13% to EUR 274 million (EUR 243 million), representing an operating margin of 19.7% (22.9%). Operating profit in Nokia Mobile Phones increased by 105% to EUR 671 million (EUR 327 million), representing an operating margin of 23.0% (17.7%). Other Operations, incorporating Nokia Communications Products, Nokia Ventures Organization, Nokia Research Center and common Group functions, reported an operating loss of EUR 64 million (operating loss of EUR 7 million).

Net interest and financial expenses totaled EUR 2 million (EUR 19 million). Profit before tax and minority interests was EUR 877 million (EUR 546 million). Profit from continuing operations was EUR 581 million (EUR 365 million). Net profit totaled EUR 581 million (EUR 365 million).

Earnings per share from continuing operations increased to EUR 0.51 (basic) and to EUR 0.49 (diluted) compared to EUR 0.32 (basic) and EUR 0.31 (diluted).

### **First half year 1999 results**

(International Accounting Standards, IAS, comparisons given to the first half year 1998 results)

Nokia's net sales increased by 49% and totaled EUR 8 363 million (EUR 5 599 million). Sales of Nokia Telecommunications increased by 28% to EUR 2 498 million (EUR 1 948 million) and sales of Nokia Mobile Phones by 72% to EUR 5 499 million (EUR 3 188 million). Sales of Other Operations decreased by 28% and totaled EUR 401 million (EUR 554 million). During the the first half year, Europe accounted for 56% of Nokia's net sales, Asia Pacific for 23% and the Americas for 21%. The five single largest markets were the U.S., China, the UK., Germany and Italy.

Operating profit increased by 73% to EUR 1 649 million (EUR 953 million). Operating profit in Nokia Telecommunications increased by 10% to EUR 500 million (EUR 456 million). Operating profit in Nokia Mobile Phones increased by 162% to EUR 1 287 million (EUR 491 million). Other Operations reported an operating loss of EUR 138 million (operating profit of EUR 6 million).

Net interest and financial expenses totaled EUR 10 million (EUR 23 million). Profit before tax and minority interests was EUR 1 635 million (EUR 933 million). Profit from continuing operations was EUR 1 086 million (EUR 631 million). Net profit totaled EUR 1 086 million (EUR 701 million).

Earnings per share from continuing operations increased to EUR 0.95 (basic) and to EUR 0.92 (diluted) compared to EUR 0.56 (basic) and EUR 0.54 (diluted). At the end of June 1999, the total number of issued shares was 1 212 621 528.

At June 30, 1999, net debt-to-equity ratio (gearing) was -38% (-36% at the end of 1998). During the January-June period 1999, capital expenditures amounted to EUR 512 million (EUR 314 million).

The average number of employees during the first half year period was 48 281. At June 30, Nokia employed a total of 51 849 people (41 596 people at June 30, 1998).

### **Main developments in the second quarter 1999**

During the second quarter 1999, Nokia continued to enhance its capabilities to exploit the emerging market for third generation mobile communications by introducing new products and solutions. Nokia's Global IP Mobility vision paves the way to the mobile information society by combining IP and wireless access, and enabling secure IP access with two separate, complementary paths: one originating in cellular communications and one in IP networking.

Nokia continued to develop and sell mobile Internet Protocol (IP) solutions, Wireless Application Protocol (WAP) and General Packet Radio Service (GPRS) based products, as well as solutions for broadband wireless connectivity and IP security. Releasing the WAP Server and the Nokia WAP Browser were further steps in Nokia's commitment to open standards and bringing the Internet to

mobile phone users. In addition, Nokia expects to bring the world's first fully WAP-compliant media phone, the Nokia 7110, to the markets during the ongoing quarter.

In May, Nokia introduced a comprehensive Wireless LAN solution as part of its Global IP Mobility vision using the access point technology developed for Nokia's Wireless LAN product portfolio. It allows wireless broadband access to the Internet, corporate databases and e-mail. Incorporating Nokia Wireless LAN Access Points and Nokia Wireless LAN Cards, the solution currently provides up to 2 Mbits per second connectivity from mobile devices, enabling transfer of graphics and e-mails with large attachments as well as videoconferencing.

In June, Nokia joined the Wireless LAN Alliance (WLANA), a trade association for the wireless LAN industry. Nokia also agreed to work together with Ubiquity Software Corporation to deliver high value applications for next generation IP Telephony based networks, allowing services such as IP-enabled voice messaging and advanced call control solutions. Geotele.Com, Inc., a U.S.-based long distance carrier, chose Nokia IP Gateways for the deployment of its international Voice-over-IP network.

Continuing to strengthen its research and development, Nokia acquired a software R&D team from Fujitsu Ltd in Finland. Nokia also established three new R&D centers, in Finland, Denmark and the U.S., and announced that it will expand its R&D activities in India.

**Nokia Telecommunications** announced GSM expansion contracts with M1 in Singapore, PKT Centertel in Poland and Yunnan PTA and Zhejiang Mobile Communications in China. Nokia also signed three new contracts with China United Telecommunications Corporation (China Unicom) for its Anhui, Gansu and Inner Mongolia branches. In addition, Amena selected Nokia as a GSM 1800 supplier in Spain, further strengthening Nokia's position as a leading supplier of GSM infrastructure in Europe. In Russia, Nokia won a new customer as Vimpelcom chose Nokia for the expansion of its dual band GSM network.

Mobile operators continued to prepare their networks for new value added services, investing in packet switched GPRS and WAP technology. Nokia signed new GPRS contracts with Hongkong Telecom in China, Sonofon in Denmark, Polkomtel in Poland and with Radiolinja in Finland. GPRS brings IP based services to the mobile mass market.

In June, Nokia signed a development agreement with SK Telecom in Korea, which operates the world's largest IS-95 CDMA network, to further the development of third generation Wideband Code Division Multiple Access (WCDMA) network planning technology. Nokia is one of the leading manufacturers developing end-to-end WCDMA network systems, management tools and customer services to operators worldwide.

Sales developed very favorably in IP security and Fast Internet Access solutions. During the second quarter, Nokia introduced a range of innovative products. They include the Nokia IP 330 security solution aimed at securing networks and simplifying firewall deployment, and the Speedlink Release 4.0 Digital Subscriber Line Access Multiplexer (DSLAM) that offers compatibility with leading voice gateway products, enabling service providers to offer integrated voice and priority data services. Nokia also introduced new High Speed Digital Subscriber Line (HDSL2) products offering a broad range of service capability.

Nokia launched the Artus Picture Messaging Application that enables users to send pixel images to mobile phones supporting the function, such as the Nokia 3210.

To strengthen its radio network planning competence and accelerate related product creation, Nokia acquired a 40% holding in the UK-based AIRCOM International in June.

Infrastructure customers have received Nokia's Year 2000 preparations well. Many operators are in the process of implementing Year 2000 upgrades to their operative networks, but there are also indications that some operators are considering delaying of certain software upgrades over the

change of the millennium. Nokia believes that its proactive customer cooperation concerning Year 2000 issues should help the company to minimize the actual business consequences of Year 2000 related issues.

**Nokia Mobile Phones'** strong sales volume growth continued in all geographic regions, further solidifying Nokia's global mobile phone market leadership.

Nokia continued to increase its market share in GSM phones in China, the world's single largest GSM market. Current estimates put the number of cellular subscribers in China at 37 million with approximately 30 million of them using GSM. To meet the growing demand for its mobile phones in China and also for export from China, Nokia invested in additional manufacturing capacity in its two local joint venture mobile phone factories.

According to preliminary market estimates, the global mobile phone subscriber base reached 375 million users at the end of June 1999. Nokia estimates that the number of mobile subscribers will exceed one billion in 2003.

Deliveries of the tri-mode Nokia 6185 CDMA 800/1900/AMPS, the Nokia 5170 for CDMA 1900 and the dual band Nokia 3210 GSM 900/1800 started in June and deliveries of the dual-mode Nokia 5180 for CDMA 800/AMPS started in July. Deliveries of the premium category tri-mode Nokia 8860 for TDMA 800/1900/AMPS and the Nokia 7110 media phone are expected to start during the third quarter.

In June, Nokia announced an agreement with the U.S.-based Sprint PCS for Internet capable tri-mode Nokia 6185 phones and single band Nokia 5170 phones. The value of the contract is USD 360 million with the potential to increase it to over USD 500 million.

Nokia introduced its new premium category mobile phone model, the Nokia 8850 in June. This dual band GSM 900/1800 phone combines an extensive set of features, including voice dialing with a high-class design as well as outstanding performance levels. The phone is expected to be available in the fourth quarter.

Nokia also introduced the world's first dual-band (GSM 900/1800) high speed data terminal. This Nokia Card Phone 2.0. is a PC card with a built-in GSM phone supporting High Speed Circuit Switched Data (HSCSD). It enables data transmission of up to 43.2 Kbit/s without data compression, and is expected to be commercially available in the fourth quarter. In addition, Nokia introduced a new phone for NMT 450 networks. The Nokia 640 is an innovative and easy to use analog mobile phone that features 3 volt technology and the Nokia NaviKey concept. It is expected to be available in the third quarter.

### **Other Operations**

Nokia Multimedia Terminals continued to strengthen its market position in Europe and in the Asia Pacific region. Nokia is among the first suppliers to deliver multimedia terminals for digital terrestrial services reception in the UK and Sweden. In Malaysia, Nokia is a partner in a venture to set up the first major digital broadband multimedia platform in the Asia Pacific region.

Nokia Industrial Electronics signed two significant OEM product agreements. Deliveries of these 17" to 21" CRT monitors will start during the second half of the year.

At Nokia Ventures Organization, Nokia Wireless Business Communications now incorporates the former InTalk Corporation that Nokia acquired in February. The unit focuses on developing access point technology for Nokia's wireless LAN product portfolio, supporting the next generations of higher speed wireless solutions. Sales of these products began in June in North America, and are expected to begin during the second half of the year in other parts of the world.

Nokia Wireless Software Solutions continued to develop WAP-based mobile software solutions. Nokia's WAP Toolkit has been downloaded by almost 15 000 customers through the Internet since January. In June, Nokia introduced the Nokia WAP Browser and is currently testing the Beta version of the Nokia WAP Server product.

### **Statement by Jorma Ollila, Chairman and CEO**

I am pleased to report that our sales growth and operating profit development continued positively during the second quarter of the year. Strong sales and order inflow growth continued in all geographic regions and the U.S. and China continued to be our two largest markets.

Orders for our infrastructure products developed positively with increasing demand for our broadband and data solutions. To keep up with strong GSM subscriber growth, operators continued to expand network capacity and upgrade their networks to offer emerging value-added data services through WAP, HSCSD and GPRS. Our Wireless LAN concept has been well received by the markets. We have also become a leading supplier of GPRS core networks with orders to deliver seven networks this year. Our GPRS solution delivers leading-edge packet radio mobility management with high packet throughput and best-in-class security.

Strong demand for our very competitive range of mobile phones continued and we strengthened our position as the number one mobile phone manufacturer in the world. During the quarter we introduced new CDMA phones for carriers in the U.S., Canada and Latin America, strengthening our position in this technology. We will continue to introduce new products to the markets during the coming months as part of our strategy to continuously renew our product lines.

Our innovativeness, strengthening market position and globally recognized brand combined with high profitability give us the ability to lead the creation of the mobile information society and excel in performance.

Our vision for the mobile information society meets the two dominating user requirements of today: freedom of mobility and Internet information and services. Global implementation of the mobile Internet is proceeding rapidly and enabling technologies, such as WAP and GPRS, will become commercial in the months to come. We expect a number of WAP compliant products and services to be launched later this year, and in line with our intent we are at the forefront of this development. We are preparing for the world's first WAP terminals, the Nokia 7110 media phones, to be in the hands of consumers during the ongoing quarter along with the introduction of WAP services. The Nokia 7110 makes the concept of 'Internet in your pocket' a reality.

With an estimated 375 million mobile subscribers at the end of June and upgrade sales accounting for over 40% of total units sold, the importance of brand, design and segmentation is increasing. Our philosophy is to combine the most sophisticated technologies with user-friendly interface and high-class design. We have been pleased to note that our Connecting People approach, an essential element of the Nokia brand, has been widely accepted across the markets worldwide. A recent study ranked Nokia the 11th most valuable brand worldwide owned by a public company.

We have successfully concluded a series of acquisitions in key technology areas and integrated these businesses faster than originally envisioned. They have already contributed to the broadening of our product offering, especially in the areas of IP networking and wireless LAN. We will continue our acquisition strategy in line with our ambition to expand competences in new emerging areas of communications.

Our actual results will always depend not only on our performance but on a variety of external factors, including general economic and industry conditions. However, our overall performance during the first half of the year gives us confidence to reach or slightly exceed the high-end of our 1999 net sales growth target of 25-35%.

**CONSOLIDATED PROFIT AND LOSS ACCOUNT, IAS, EUR million**  
(unaudited)

	4-6/99	4-6/98	1-6/99	1-6/98	1-12/98
<b>Net sales</b>	<b>4 493</b>	3 098	<b>8 363</b>	5 599	13 326
Cost of goods sold	<b>-2 783</b>	-1 898	<b>-5 112</b>	-3 512	-8 299
Research and development expenses	<b>-395</b>	-275	<b>-747</b>	-515	-1 150
Selling, general and administrative expenses	<b>-434</b>	-362	<b>-855</b>	-619	-1 388
<b>Operating profit</b>	<b>881</b>	563	<b>1 649</b>	953	2 489
Share of results of associated companies	<b>-2</b>	2	<b>-4</b>	3	6
Financial income and expenses	<b>-2</b>	-19	<b>-10</b>	-23	-39
<b>Profit before tax and minority interests</b>	<b>877</b>	546	<b>1 635</b>	933	2 456
Tax	<b>-280</b>	-164	<b>-526</b>	-279	-737
Minority interests	<b>-16</b>	-17	<b>-23</b>	-23	-39
<b>Profit from continuing operations</b>	<b>581</b>	365	<b>1 086</b>	631	1 680
Cumulative prior year net effect of change in accounting policies	-	-	-	70	70
<b>Net profit</b>	<b>581</b>	365	<b>1 086</b>	701	1 750
<b>Earnings per share, EUR</b>					
Continuing operations					
Basic	<b>0.51</b>	0.32	<b>0.95</b>	0.56	1.48
Diluted	<b>0.49</b>	0.31	<b>0.92</b>	0.54	1.43
Net profit					
Basic	<b>0.51</b>	0.32	<b>0.95</b>	0.62	1.54
Diluted	<b>0.49</b>	0.31	<b>0.92</b>	0.60	1.49
<b>Average number of shares</b> (1 000 shares)					
Basic	<b>1 147 985</b>	1 138 054	<b>1 147 435</b>	1 136 634	1 138 341
Diluted	<b>1 184 408</b>	1 171 873	<b>1 183 575</b>	1 168 472	1 173 301
Depreciation	<b>140</b>	128	<b>284</b>	240	509

Currency rate June 30, 1999, 1 EUR = 1.034 USD, 1 EUR = 5.94573 FIM

**NET SALES BY BUSINESS GROUP, EUR million**  
(unaudited)

	<b>4-6/99</b>	4-6/98	<b>1-6/99</b>	1-6/98	1-12/98
Nokia Telecommunications	<b>1 390</b>	1 058	<b>2 498</b>	1 948	4 390
Nokia Mobile Phones	<b>2 922</b>	1 849	<b>5 499</b>	3 188	8 070
Other Operations	<b>203</b>	241	<b>401</b>	554	1 014
Inter-business group eliminations	<b>-22</b>	-50	<b>-35</b>	-91	-148
<b>Nokia Group</b>	<b>4 493</b>	3 098	<b>8 363</b>	5 599	13 326

**OPERATING PROFIT BY BUSINESS GROUP, EUR million**

	<b>4-6/99</b>	4-6/98	<b>1-6/99</b>	1-6/98	1-12/98
Nokia Telecommunications	<b>274</b>	243	<b>500</b>	456	960
Nokia Mobile Phones	<b>671</b>	327	<b>1 287</b>	491	1 540
Other Operations	<b>-64</b>	-7	<b>-138</b>	6	-11
<b>Nokia Group</b>	<b>881</b>	563	<b>1 649</b>	953	2 489

**CONDENSED CASH FLOW STATEMENT, IAS, EUR million**  
(unaudited)

	<b>1-6/1999</b>	1-6/1998	1-12/1998
Net cash from operating activities	<b>1 520</b>	615	1 687
Net cash used in investing activities	<b>-663</b>	-324	-780
Net cash used in financing activities	<b>-931</b>	-434	-63
Net increase in cash and cash equivalents	<b>-74</b>	-143	844
Cash and cash equivalents at beginning of period	<b>2 970</b>	2 080	2 047
Cash and cash equivalents at end of period	<b>2 896</b>	1 937	2 891

**Dividends**

Net cash used in financing activities 1-6/99 includes dividends paid EUR 563 million (1-6/98 EUR 358 million).

Currency rate June 30, 1999, 1 EUR = 1.034 USD, 1 EUR = 5.94573 FIM

**CONSOLIDATED BALANCE SHEET, IAS, EUR million**  
(unaudited)

	30.6.1999	30.6.1998	31.12.1998
<b>ASSETS</b>			
<b>Fixed assets and other non-current assets</b>			
Intangible assets	663	367	484
Property, plant and equipment	1 617	1 178	1 331
Deferred tax assets	259	227	196
Other assets	214	171	209
	<u>2 753</u>	<u>1 943</u>	<u>2 220</u>
<b>Current assets</b>			
Inventories	1 634	1 291	1 292
Receivables	4 010	2 712	3 631
Short-term investments	2 054	1 576	2 165
Bank and cash	843	361	726
	<u>8 541</u>	<u>5 940</u>	<u>7 814</u>
<b>Total assets</b>	<u>11 294</u>	<u>7 883</u>	<u>10 034</u>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
<b>Shareholders' equity</b>	<u>5 670</u>	<u>4 018</u>	<u>5 109</u>
<b>Minority interests</b>	<u>89</u>	<u>67</u>	<u>63</u>
<b>Long-term liabilities</b>			
Long-term interest bearing liabilities	290	172	257
Deferred tax liabilities	86	90	88
Other long-term liabilities	48	46	64
	<u>424</u>	<u>308</u>	<u>409</u>
<b>Current liabilities</b>			
Short-term borrowings and current portion of long-term debt	436	517	760
Accounts payable	1 845	1 007	1 357
Accrued expenses	2 830	1 966	2 336
	<u>5 111</u>	<u>3 490</u>	<u>4 453</u>
<b>Total shareholders' equity and liabilities</b>	<u>11 294</u>	<u>7 883</u>	<u>10 034</u>
<b>Interest-bearing liabilities</b>	726	689	1 017
<b>Shareholders' equity per share, EUR</b>	4.94	3.53	4.45
<b>Number of shares (1000 shares) *</b> (split-adjusted)	1 148 300	1 138 906	1 146 871

\* Shares owned by Group companies are excluded

Currency rate June 30, 1999, 1 EUR = 1.034 USD, 1 EUR = 5.94573 FIM



**SHAREHOLDERS' EQUITY, EUR million**

(unaudited)

	Share capital	Share issue premium	Treasury shares	Other reserves	Conversion differences	Retained earnings	Total
<b>Balance at December 31, 1997</b>	252	803	-110	2	182	2 491	3 620
Share issue	1	40					41
Dividend						-378	-378
Conversion differences					16		16
Other increase/ decrease, net				-1		18	17
Net profit						702	702
<b>Balance at June 30, 1998</b>	253	843	-110	1	198	2 833	4 018
<b>Balance at December 31, 1998</b>	255	909	-110	1	182	3 872	5 109
Share issue		14					14
Bonus issue	36	-36					-
Dividend						-586	-586
Conversion differences					31		31
Other increase/ decrease, net						16	16
Net profit						1 086	1 086
<b>Balance at June 30, 1999</b>	291	887	-110	1	213	4 388	5 670

**COMMITMENTS AND CONTINGENCIES, EUR million**

(unaudited)

	30.6.1999	GROUP 30.6.1998	31.12.1998
<b>Collateral for own commitments</b>			
Mortgages	6	6	6
Assets pledged	7	7	9
<b>Collateral given on behalf of other companies</b>			
Mortgages	-	-	1
<b>Contingent liabilities on behalf of Group companies</b>			
Other guarantees	441	240	283
<b>Contingent liabilities on behalf of associated companies</b>			
Guarantees for loans	-	1	1
<b>Contingent liabilities on behalf of other companies</b>			
Guarantees for loans	143	66	84
Other guarantees	-	1	-
<b>Leasing obligations</b>	642	409	463

Currency rate June 30, 1999, 1 EUR = 1.034 USD, 1 EUR = 5.94573 FIM

**NOTIONAL AMOUNTS OF DERIVATIVE FINANCIAL INSTRUMENTS, EUR million <sup>1)</sup>**

(unaudited)

	<b>30.6.1999</b>	30.6.1998	31.12.1998
Foreign exchange forward contracts <sup>2) 3)</sup>	<b>9 050</b>	11 004	15 638
Currency options bought	<b>689</b>	982	741
Currency options sold	<b>698</b>	1 242	876
Interest rate forward and futures contracts <sup>2)</sup>	<b>315</b>	2 063	-
Interest rate swaps	<b>50</b>	71	67
Interest rate options bought	-	18	-

1) The notional amounts of derivatives summarized here do not represent amounts exchanged by the parties and, thus are not a measure of the exposure of Nokia caused by its use of derivatives.

2) Notional amounts outstanding include positions, which have been closed off.

3) Notional amount includes contracts used to hedge the net investments in foreign subsidiaries.

Currency rate June 30, 1999, 1 EUR = 1.034 USD, 1 EUR = 5.94573 FIM

*It should be noted that certain statements herein which are not historical facts, including, without limitation those regarding 1) the timing of product deliveries; 2) the Company's ability to develop new products and technologies; 3) expectations regarding market growth and developments; 4) expectations for growth and profitability; 5) the impact of Year 2000 issues (including the extent and timing of such issues); and 6) statements preceded by "believes", "expects", "anticipates", "foresees", or similar expressions, are forward-looking statements. Because such statements involve risks and uncertainties, actual results may differ materially from the results currently expected by the Company. Factors that could cause such differences include, but are not limited to 1) general economic conditions, such as the rate of economic growth in the Company's principal geographic markets or fluctuations in exchange rates; 2) industry conditions, such as the strength of product demand, the intensity of competition, pricing pressures, the acceptability of new product introductions, the introduction of new products by competitors, changes in technology or the ability of the Company to source components from third parties without interruption and at reasonable prices and the financial condition of the Company's customers; 3) operating factors, such as continued success of manufacturing activities and the achievement of efficiencies therein, continued success of product development or inventory risks due to shifts in market demand; 4) the risks, costs and uncertainties (including lack of available information and difficulties in addressing and identifying Year 2000 issues) associated with Year 2000 issues as well as the failure of suppliers to identify, disclose and address Year 2000 issues accurately and on a timely basis; as well as 5) the risk factors specified in the Company's Form 20-F for the year ended December 31, 1998.*

**NOKIA**

Helsinki, July 22, 1999

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Nokia will report its 3Q 1999 results on October 21, 1999, and its 4Q and whole year 1999 results on February 1, 2000.