



## PRESS RELEASE

October 21, 1999

### Nokia strengthened its market position with rapid growth and new solutions for the Mobile Information Society

Nokia reports continued strong growth and profits for the third quarter of 1999. Net sales continued to grow rapidly and totaled EUR 5 037 million, an increase of 49% compared to the third quarter a year ago. Operating profit increased by 38% to EUR 951 million resulting in an operating margin of 18.9%.

Jorma Ollila, Nokia Chairman and CEO, said: "Our performance in the third quarter gives us every reason to be satisfied. The very strong sales growth reflects our increased market share and the further consolidation of our number one market position in mobile handsets. We have a solid base to meet the demands of the Mobile Information Society and our ambition is to continue to grow faster than the market. I am happy to note that our net cash-flow from operations for the first nine months of the year was positive at EUR 2 257 million, further strengthening our strong financial position."

"During the third quarter we launched numerous products and solutions and made several changes to our structure. The continuing development of our product offering as well as our structure to meet evolving market requirements are among our core strengths."

"Based on the very strong third quarter, we feel confident that our full year 1999 sales growth will exceed 40%", said Ollila commenting on the future.

EUR Million	3Q 1999	3Q 1998	Change%	1-3Q1999	1-3Q1998	1998
Net sales	5 037	3 375	49	13 400	8 974	13 326
Nokia Networks	1 435	1 040	38	3 933	2 988	4 390
Nokia Mobile Phones	3 437	2 179	58	8 936	5 367	8 070
Other Operations	191	194	- 2	592	748	1 014
Operating profit	951	687	38	2 600	1 639	2 489
Nokia Networks	248	221	12	748	677	960
Nokia Mobile Phones	753	468	61	2 040	959	1 540
Other Operations	- 50	- 2		- 188	3	- 11
Profit before tax and minority interests	937	687	36	2 572	1 620	2 456
Profit from continuing operations	638	464	38	1 724	1 095	1 680
Net profit	638	464	38	1 724	1 165	1 750
EPS from continuing operations, EUR						
Basic	0.56	0.41	37	1.50	0.96	1.48
Diluted	0.54	0.39	38	1.46	0.93	1.43

### NOKIA IN JANUARY – SEPTEMBER 1999

#### Third quarter 1999 results

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

Nokia's net sales increased by 49% to EUR 5 037 million (EUR 3 375 million). Sales of Nokia Networks (formerly Nokia Telecommunications) increased by 38% to EUR 1 435 million (EUR 1 040 million) and sales of Nokia Mobile Phones increased by 58% to EUR 3 437 million (EUR 2 179 million). Sales of Other Operations decreased by 2% and totaled EUR 191 million (EUR 194 million).

Sales for both infrastructure solutions and mobile phones continued to grow rapidly in all geographic regions with most rapid growth in the Americas.

Operating profit increased by 38% to EUR 951 million (EUR 687 million), representing an operating margin of 18.9% (20.3%). Operating profit in Nokia Networks increased by 12% to EUR 248 million (EUR 221 million), representing an operating margin of 17.3% (21.2%). Operating profit in Nokia Mobile Phones increased by 61% to EUR 753 million (EUR 468 million), representing an operating margin of 21.9% (21.5%). Other Operations, incorporating Nokia Communications Products, Nokia Ventures Organization, Nokia Research Center and common Group functions, reported an operating loss of EUR 50 million (operating loss of EUR 2 million).

Net interest and financial expenses totaled EUR 17 million (EUR 2 million). Profit before tax and minority interests was EUR 937 million (EUR 687 million). Profit from continuing operations was EUR 638 million (EUR 464 million). Net profit totaled EUR 638 million (EUR 464 million).

Earnings per share from continuing operations increased to EUR 0.56 (basic) and to EUR 0.54 (diluted) compared to EUR 0.41 (basic) and EUR 0.39 (diluted).

### **January-September 1999 results**

(International Accounting Standards, IAS, comparisons given to the 1998 January-September results)

Nokia's net sales increased by 49% and totaled EUR 13 400 million (EUR 8 974 million). Sales of Nokia Networks increased by 32% to EUR 3 933 million (EUR 2 988 million) and sales of Nokia Mobile Phones increased by 66% to EUR 8 936 million (EUR 5 367 million). Sales of Other Operations decreased by 21% and totaled EUR 592 million (EUR 748 million). During the first nine months, Europe accounted for 55% of Nokia's net sales, Asia Pacific for 22% and the Americas for 23%. The five single largest markets were the U.S., China, the UK, Germany and Italy.

Operating profit increased by 59% to EUR 2 600 million (EUR 1 639 million). Operating profit in Nokia Networks increased by 11% to EUR 748 million (EUR 677 million). Operating profit in Nokia Mobile Phones increased by 113% to EUR 2 040 million (EUR 959 million). Other Operations reported an operating loss of EUR 188 million (operating profit of EUR 3 million).

Net interest and financial expenses totaled EUR 27 million (EUR 24 million). Profit before tax and minority interests was EUR 2 572 million (EUR 1 620 million). Profit from continuing operations was EUR 1 724 million (EUR 1 095 million). Net profit totaled EUR 1 724 million (EUR 1 165 million).

Earnings per share from continuing operations increased to EUR 1.50 (basic) and to EUR 1.46 (diluted) compared to EUR 0.96 (basic) and EUR 0.93 (diluted). At the end of September 1999, the total number of issued shares was 1,213,626,846.

At September 30, 1999, net debt-to-equity ratio (gearing) was -40% (-36% at the end of 1998). During the January-September period 1999, capital expenditures amounted to EUR 909 million (EUR 533 million).

The average number of employees during the first nine month period was 49 972. At September 30, Nokia employed a total of 53 713 people (42 327 people at September 30, 1998).

Nokia currently has four employee stock option plans established in 1994, 1995, 1997 and 1999. The approximate number of participants in these plans is 50 in the 1994 plan, 350 in the 1995 plan, 2 000 in the 1997 plan and 5 000 in the 1999 plan. On October 21, 1999 Nokia applied to the Helsinki Exchanges to list the A and B warrants of the 1997 stock option plan from November 1, 1999 and the B warrants of the 1995 plan from December 1, 1999.

## Main developments in the third quarter 1999

Nokia introduced numerous new solutions and equipment paving the way towards the Mobile Information Society during the third quarter. Nokia's Third Generation System Solution provides a complete Wideband Code Division Multiple Access (WCDMA) network for mobile operators enabling personal mobile multimedia applications and services. Nokia's Enhanced Data Rates for Global Evolution (EDGE) technology solution increases GSM network data speeds to even beyond 400 kbit/s allowing operators to meet the demand of mobile multimedia applications and mass market deployment.

Nokia is driving the Wireless Application Protocol (WAP) initiative and is a founding member of the WAP Forum, an industry association with more than 200 members. Leading the market, Nokia was the first manufacturer to provide end-to-end solutions for WAP. Nokia's WAP product and concept portfolio consists of mobile phones, gateways and servers for operator and corporate businesses, as well as support and toolkits and WAP microbrowsers for handset manufacturers.

Nokia continued to work closely together with content and service providers, such as media houses and banks as well as system integrators to offer new WAP-based services through digital wireless phones. During the third quarter Nokia signed a global cooperation agreement with Reuters, the world's largest news and television agency, to develop and deliver financial, sport and general news services. Nokia and Deutsche Bank formed a partnership to develop mobile banking services. Nokia also announced that it will partner with Hewlett-Packard to develop and promote business-critical mobile Internet solutions based on WAP. With Spyglass Inc., Nokia established a worldwide distribution agreement for the Nokia WAP microbrowser.

Nokia's Broadband IP Access solution enables a wide variety of high volume services, such as Fast Internet Access, to network operators and Internet Service Providers (ISP). For users, this means access to simultaneous voice and data with the use of a normal telephone or a Voice over IP (VoIP) telephone carrying ISDN telephony on the same line as Asymmetric Digital Subscriber Line (ADSL).

To strengthen its capabilities in Fast Internet Access technologies, Nokia acquired Rooftop Communications Corporation in September. Rooftop Communications is a US-based start-up company specializing in multipoint-to-multipoint radio systems that enable wireless broadband access to the Internet.

In August, Nokia together with other investors established LifeChart.com to launch innovative e-health services. It combines Nokia's health-related wireless applications business (WellMate) with a Silicon Valley-based health monitoring company.

In October, Nokia signed an agreement to divest its fully-owned subsidiary Salcomp Oy to a private equity fund. The initial sale price is approximately EUR 140 million with an additional amount of approximately EUR 13 million to be paid later based on Salcomp's performance.

As of October, Nokia Telecommunications changed its name to Nokia Networks and its mode of operation to better reflect its present business scope. Nokia Networks also created a new Customer Operations division to further sharpen the focus on carrier and ISP customers and to broaden the range of services and system integration capabilities for telecom, datacom and IP networks.

Nokia also combined units from Nokia Networks and Nokia Ventures Organization into one unit called Nokia Internet Communications, offering Nokia's Enterprise and ISP customers a wide range of products and services as well as access to expertise in the areas of IP and mobility.

**Nokia Networks** signed several GSM expansion contracts as strong subscriber growth worldwide continued to drive mobile operators to invest in network expansions and new value added services.

Nokia won a new GSM customer when Primatel, a new Hungarian operator, selected Nokia to supply a complete GSM dual band network. In addition, TeleDanmark, the leading operator in Denmark became a new customer after choosing Nokia's dual band equipment. Nokia also signed network expansion contracts in the Philippines, Thailand, Italy and China, including four agreements with China Unicom to enhance its mobile networks. In addition to a major GSM expansion deal in Italy, Nokia also entered into an agreement for the delivery of its first TETRA professional mobile radio network in Italy.

As data traffic increases in mobile networks and the importance of services and applications continues to grow, several operators in Europe and Asia have already launched High Speed Circuit Switched Data (HSCSD) services, using Nokia's solutions. Nokia already has more than 20 HSCSD customers worldwide.

Mobile operators continued to develop their networks to deliver advanced packet data and WAP services. During the quarter, Nokia signed General Packet Radio Services (GPRS) contracts with operators including M1 in Singapore and Telenor Mobil in Norway, further strengthening its position in GPRS solutions. Nokia also launched the Nokia Artus Messaging Platform supporting the WAP 1.1 specification for advanced value-added messaging services for both GSM and TDMA networks.

Nokia's Broadband Solutions businesses continued to develop strongly, as operators invested in Asymmetric Digital Subscriber Line (ADSL) based technologies to enable the delivery of fast Internet services. Nokia signed agreements with Covad and Picus Communications in the U.S. to supply equipment for approximately 2 million new Digital Subscriber Line connections.

During the quarter, Nokia strengthened its product portfolio with a range of innovations for fixed and mobile networks. Nokia launched its complete third generation network solution, providing a total WCDMA network, with complementary services, for mobile operators. The system includes the new cutting-edge triple-mode Nokia UltraSite base station and site solution supporting GSM, EDGE and WCDMA.

Nokia also introduced the Nokia DX 220 IP Access solution with the Nokia Always on Net service enabling operators and Internet Service Providers the ability to offer a constant connection to the Internet, integrating the Public Switched Telephone Network (PSTN) and IP services. In addition, Nokia introduced the Nokia MW111, an ADSL and ADSL.Lite modem for wireless Internet access in the home or office, combining fast Internet and Wireless LAN technologies. Nokia also introduced the Nokia TariffZone and Nokia HomeZone solutions, which allow network operators to address new market segments and revenue sources.

To date, Nokia has not experienced any significant delays in orders for certain software upgrades as a result of operators delaying upgrades over the change of the millennium.

**Nokia Mobile Phones'** strong sales volume growth continued and further solidified Nokia's leadership in all market areas. The growth of the global mobile phone market continued and Nokia estimates that there are presently approximately 420 million mobile subscribers worldwide.

During the third quarter, Nokia started volume deliveries of the Nokia 3210 to all GSM 900/1800 markets and deliveries of the Nokia 6090 GSM car phone. Deliveries of the Nokia 8850, the new premium category mobile phone, and the Nokia Card Phone 2.0, the world's first dual-band (GSM 900/1800) high speed data terminal, are expected to start during the fourth quarter.

WAP-based products, services and applications are emerging in various markets. Nokia started deliveries of the Nokia 7110 media phone at the end of the quarter. Nokia also expanded the Nokia 7100 media phone family with the Nokia 7160 (TDMA 800/1900/AMPS) and the Nokia 7190 (GSM 1900) models, which were introduced for the American markets in September. The phones are expected to be available during the first half of 2000.

To meet the strong demand for mobile phones in the U.S. market, Nokia announced in August that it will continue to increase the manufacturing capacity in Fort Worth, Texas by converting the GSM base station manufacturing facility to mobile phone production. This additional capacity is expected to be available by the end of June 2000, when the transfer of the manufacture of network base stations from Fort Worth to Finland and the UK has been completed.

Enabling the development of even smaller and lighter mobile phones, Nokia introduced its first ultra-thin Lithium Polymer (Li-Polymer) battery in September. These batteries are compatible with the present Nokia 5100, 6100 and 7100 series digital phones as well as the Nokia 640 (NMT 450), 650 (NMT 450) and Nokia RinGO (ETACS) analog mobile phones.

**Other Operations.** Nokia Ventures Organization continued to demonstrate its wireless LAN solution, a key component of Nokia's Global IP Mobility strategy. The high rate wireless LAN solution comprises Nokia's wireless LAN access points, wireless LAN cards and sophisticated software providing seamless extension to a wired network. Nokia also announced its participation in two initiatives aimed at ensuring vendor interoperability, Wireless Ethernet Compatibility Alliance (WECA) and the HiperLAN2 Global Forum.

During the quarter, Nokia announced several enhancements to its IP Telephony portfolio in the areas of scalability, resiliency and functionality. Nokia introduced IPRelay, the world's first two-line personal gateway network peripheral that allows a connection from an IP network to the PSTN or an existing Private Branch Exchange (PBX).

Nokia continued to strengthen its position in the high-end IP routing hardware market with a virtual private network (VPN) solution. In September, Nokia announced the addition of high availability virtual private networking functionality in its VPN 200 line of security appliances.

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

Our performance in the third quarter of the year gives us every reason to be satisfied. The very strong sales growth reflects our increased market share and the further consolidation of our number one market position in mobile handsets. We have a solid base to meet the demands of the Mobile Information Society and our ambition is to continue to grow faster than the market. I am happy to note that our net cash-flow from operations for the first nine months of the year was positive at EUR 2 257 million, further strengthening our strong financial position.

During the third quarter we launched numerous products and solutions and made several changes to our structure. The continuing development of our product offering as well as our structure to meet evolving market requirements are among our core strengths. We prepared the divestment of Salcomp, a profitable and growing business which was not central to our Global IP Mobility strategy. We reorganized Nokia Networks (formerly Nokia Telecommunications) to be better prepared to meet emerging customer needs. Finally, we created Nokia Internet Communications by combining units from Nokia Networks and Nokia Ventures Organization, to strengthen our offering for corporate customers and Internet Service Providers.

As we head towards the Mobile Information Society, we see that the two dominating user requirements continue to be those of freedom of mobility and Internet information and services. During the past weeks, we have been delighted at the pace of progress supporting our Global IP Mobility strategy. At the recent Telecom '99 exhibition in Geneva, we saw the continued convergence of IT and datacom industries with telecommunications well demonstrated by not only our new solutions and products but also by those of other industry players. Our success to date gives us confidence to continue to lead the way towards the convergence of the Internet and mobility - putting the net in your pocket.

There has been a growing number of WAP service introductions during the third quarter. With WAP terminals, such as the Nokia 7110 media phone, we expect to see an increasing number of commercial product offerings. We believe that we are well positioned to provide complete WAP business solutions, from application software and development to terminals. We intend to remain at the forefront of this development.

Operators in Europe and Asia are showing increasing interest for both GPRS and HSCSD solutions. We have successfully increased the number of our customers for these technologies. In fast Internet solutions, ADSL based technologies have increased the rate of growth. Having already signed several ADSL agreements, we believe we have a very solid position in this emerging market.

With the mobile phone subscriber base now estimated at approximately 420 million users, we continue to develop phones to meet the demands of new user segments. In October, we introduced the Nokia 8210 that is targeted to fashion-conscious consumers. It is our lightest phone to-date and also the lightest GSM phone in the world. At the same time, we are acquiring competencies and forming alliances for the emerging category of media phones.

Our actual results always depend both on our performance and on a variety of external factors, including general economic and industry conditions. However, based on the very strong third quarter, we feel confident that our full year 1999 sales growth will exceed 40%.

**CONSOLIDATED PROFIT AND LOSS ACCOUNT, IAS, EUR million**

(unaudited)

	7-9/99	7-9/98	1-9/99	1-9/98	1-12/98
<b>Net sales</b>	<b>5 037</b>	3 375	<b>13 400</b>	8 974	13 326
Cost of goods sold	<b>-3 165</b>	-2 046	<b>-8 277</b>	-5 559	-8 299
Research and development expenses	<b>-429</b>	-272	<b>-1 176</b>	-787	-1 150
Selling, general and administrative expenses	<b>-477</b>	-365	<b>-1 303</b>	-975	-1 368
Amortization of goodwill	<b>-15</b>	-5	<b>-44</b>	-14	-20
<b>Operating profit</b>	<b>951</b>	687	<b>2 600</b>	1 639	2 489
Share of results of associated companies	<b>3</b>	2	<b>-1</b>	5	6
Financial income and expenses	<b>-17</b>	-2	<b>-27</b>	-24	-39
<b>Profit before tax and minority interests</b>	<b>937</b>	687	<b>2 572</b>	1 620	2 456
Tax	<b>-281</b>	-209	<b>-807</b>	-488	-737
Minority interests	<b>-18</b>	-14	<b>-41</b>	-37	-39
<b>Profit from continuing operations</b>	<b>638</b>	464	<b>1 724</b>	1 095	1 680
Cumulative prior year net effect of change in accounting policies	<b>-</b>	-	<b>-</b>	70	70
<b>Net profit</b>	<b>638</b>	464	<b>1 724</b>	1 165	1 750
<b>Earnings per share, EUR</b>					
Continuing operations					
Basic	<b>0.56</b>	0.41	<b>1.50</b>	0.96	1.48
Diluted	<b>0.54</b>	0.39	<b>1.46</b>	0.93	1.43
Net profit					
Basic	<b>0.56</b>	0.41	<b>1.50</b>	1.02	1.54
Diluted	<b>0.54</b>	0.39	<b>1.46</b>	0.99	1.49
<b>Average number of shares</b>					
(1 000 shares)					
Basic	<b>1 148 688</b>	1 139 524	<b>1 147 857</b>	1 137 608	1 138 341
Diluted	<b>1 185 263</b>	1 175 843	<b>1 184 190</b>	1 172 361	1 173 301
Depreciation and amortization, total	<b>174</b>	131	<b>458</b>	371	509

Currency rate September 30, 1999, 1 EUR = 1.037 USD, 1 EUR = 5.94573 FIM

**NET SALES BY BUSINESS GROUP, EUR million**

(unaudited)

	<b>7-9/99</b>	7-9/98	<b>1-9/99</b>	1-9/98	1-12/98
Nokia Networks	<b>1 435</b>	1 040	<b>3 933</b>	2 988	4 390
Nokia Mobile Phones	<b>3 437</b>	2 179	<b>8 936</b>	5 367	8 070
Other Operations	<b>191</b>	194	<b>592</b>	748	1 014
Inter-business group eliminations	<b>-26</b>	-38	<b>-61</b>	-129	-148
<b>Nokia Group</b>	<b>5 037</b>	3 375	<b>13 400</b>	8 974	13 326

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

	<b>7-9/99</b>	7-9/98	<b>1-9/99</b>	1-9/98	1-12/98
Nokia Networks	<b>248</b>	221	<b>748</b>	677	960
Nokia Mobile Phones	<b>753</b>	468	<b>2 040</b>	959	1 540
Other Operations	<b>-50</b>	-2	<b>-188</b>	3	-11
<b>Nokia Group</b>	<b>951</b>	687	<b>2 600</b>	1 639	2 489

**CONDENSED CASH FLOW STATEMENT, IAS, EUR million**

(unaudited)

	<b>1-9/99</b>	1-9/98	1-12/98
Net cash from operating activities	<b>2 257</b>	1 178	1 687
Net cash used in investing activities	<b>-989</b>	-542	-780
Net cash used in financing activities	<b>-902</b>	-423	-63
Net increase in cash and cash equivalents	<b>366</b>	213	844
Cash and cash equivalents at beginning of period	<b>2 966</b>	2 045	2 047
Cash and cash equivalents at end of period	<b>3 332</b>	2 258	2 891

**Dividends**

Net cash used in financial activities 1-9/99 includes dividends paid EUR 579 million (1-9/98 EUR 369 million).

Currency rate September 30, 1999, 1 EUR = 1.037 USD, 1 EUR = 5.94573 FIM

**CONSOLIDATED BALANCE SHEET, IAS, EUR million**

(unaudited)

	30.9.1999	30.9.1998	31.12.1998
<b>ASSETS</b>			
<b>Fixed assets and other non-current assets</b>			
Intangible assets	743	406	484
Property, plant and equipment	1 794	1 236	1 331
Deferred tax assets	285	253	196
Other assets	275	218	209
	<b>3 097</b>	2 113	2 220
<b>Current assets</b>			
Inventories	1 791	1 356	1 292
Receivables	4 485	3 001	3 631
Short-term investments	2 543	1 809	2 165
Bank and cash	789	449	726
	<b>9 608</b>	6 615	7 814
<b>Total assets</b>	<b>12 705</b>	8 728	10 034
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
<b>Shareholders' equity</b>	<b>6 372</b>	4 475	5 109
<b>Minority interests</b>	<b>82</b>	73	63
<b>Long-term liabilities</b>			
Long-term interest bearing liabilities	275	168	257
Deferred tax liabilities	86	86	88
Other long-term liabilities	47	46	64
	<b>408</b>	300	409
<b>Current liabilities</b>			
Short-term borrowings and current portion of long-term debt	452	502	760
Accounts payable	2 271	1 144	1 357
Accrued expenses	3 120	2 234	2 336
	<b>5 843</b>	3 880	4 453
<b>Total shareholders' equity and liabilities</b>	<b>12 705</b>	8 728	10 034
<b>Interest-bearing liabilities</b>	<b>727</b>	670	1 017
<b>Shareholders' equity per share, EUR</b>	<b>5.54</b>	3.92	4.45
<b>Number of shares (1000 shares) *</b>	<b>1 149 305</b>	1 140 189	1 146 871
(split-adjusted)			

\* Shares owned by Group companies are excluded.

Currency rate September 30, 1999, 1 EUR = 1.037 USD, 1 EUR = 5.94573 FIM

**SHAREHOLDERS' EQUITY, EUR million**

(unaudited)

	Share capital	Share issue premium	Treasury shares	Other reserves	Translation differences	Retained earnings	Total
<b>Balance at December 31, 1997</b>	252	803	-110	2	182	2 491	3 620
Share issue	1	54					55
Dividend						-378	-378
Translation differences					2		2
Other increase/decrease, net				-1		10	9
Net profit						1 166	1 166
<b>Balance at September 30, 1998</b>	253	857	-110	1	184	3 289	4 474
<b>Balance at December 31, 1998</b>	255	909	-110	1	182	3 872	5 109
Share issue		61					61
Bonus issue	36	-36					0
Dividend						-586	-586
Translation differences					35		35
Other increase/decrease, net						29	29
Net profit						1 724	1 724
<b>Balance at September 30, 1999</b>	291	934	-110	1	217	5 039	6 372

**COMMITMENTS AND CONTINGENCIES, EUR million**

(unaudited)

	30.9.1999	GROUP 30.9.1998	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	389	249	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	160	73	84
Other guarantees	-	1	-
<b>Leasing obligations</b>	590	413	463

Currency rate September 30, 1999, 1 EUR = 1.037 USD, 1 EUR = 5.94573 FIM

**NOTIONAL AMOUNTS OF DERIVATIVE FINANCIAL INSTRUMENTS, EUR million 1)**

(unaudited)

	<b>30.9.1999</b>	30.9.1998	31.12.1998
Foreign exchange forward contracts 2) 3)	<b>8 874</b>	13 659	15 638
Currency options bought	<b>1 106</b>	870	741
Currency options sold	<b>1 288</b>	1 267	876
Interest rate forward and futures contracts 2)	<b>314</b>	443	-
Interest rate swaps	<b>200</b>	71	67
Interest rate options bought	-	17	-

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 September 30, 1999, 1 EUR = 1.037 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 and provide new products, solutions, applications, services and technologies; 3) expectations regarding market growth and developments; 4) the impact of Year 2000 issues, including the extent and timing of such issues; 5) the Company's positioning to meet market demands and developments; 6) the Company's ability to remain at the forefront of market developments in particular in complete WAP business solutions; 7) expectations for sales growth; and 8) 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 development of an appropriate organizational structure, 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, October 21, 1999

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