



Q1 2025 Financial results

24 April 2025

NOKIA

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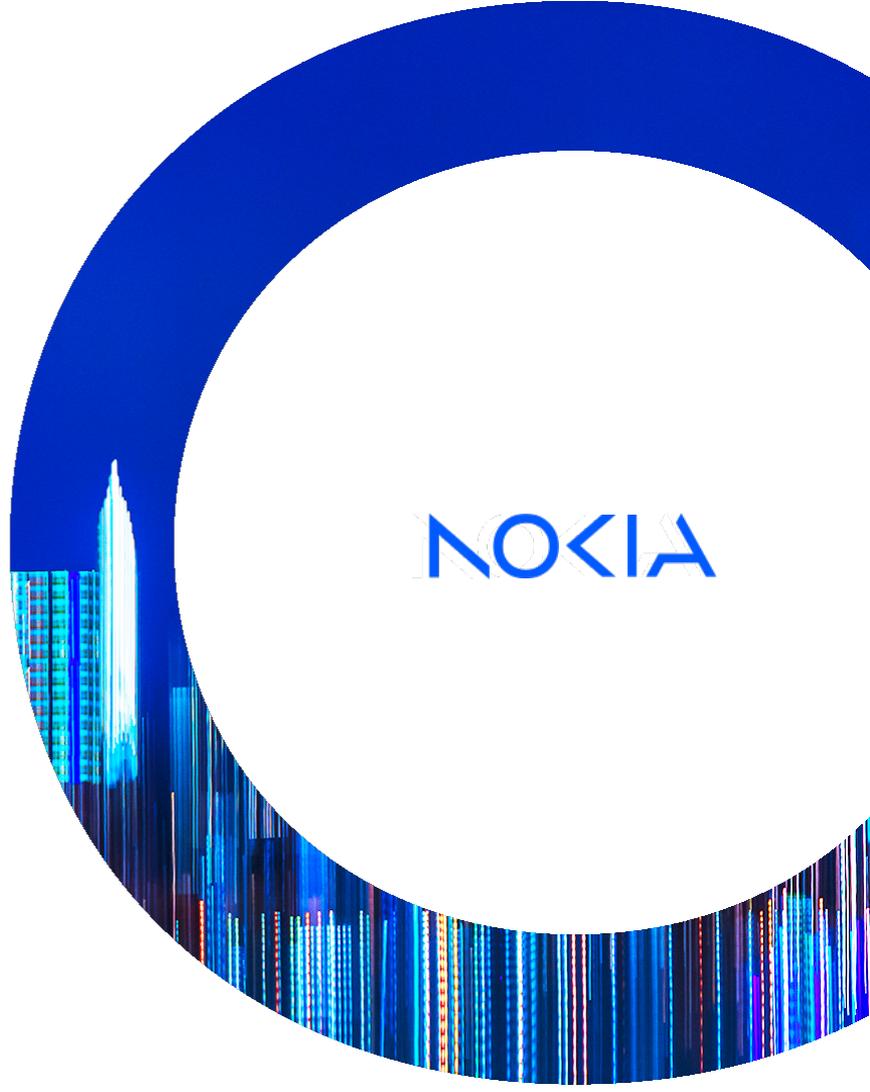
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Business Highlights

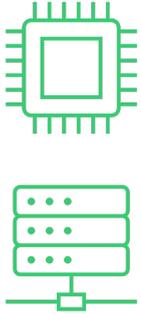
Justin Hotard

President and Chief Executive Officer

A large blue circle is positioned on the right side of the slide. Inside the circle, the word "NOKIA" is written in a blue, sans-serif font. The background of the circle is a blurred cityscape at night, with lights from buildings and streets visible. The circle is partially overlapping the white background of the slide.

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CEO initial observations



Impressive core technology base across portfolio



Nokia plays critical role as trusted partner for customers



Focus on capital allocation



Investing for long-term value creation

Key messages – Q1 2025

1 **Market recovery continued in Q1** and order intake remained strong.

Q1 net sales saw a decline in Nokia Technologies but **growth in all other businesses**:

- 2
- **Network Infrastructure** grew 11% with all units growing with strong start to enlarged Optical Networks unit growing 15%.
 - **Cloud and Network Services** grew 8% driven by strong demand for 5G core
 - **Mobile Networks** stabilized with 2% growth
-

3 **Profitability** impacted by lower net sales in Nokia Technologies and a one-time contract settlement in Mobile Networks. Network Infrastructure and Cloud and Network Service both saw profitability improve.

4 **Strong free cash flow** of EUR 0.7bn; Net cash position at EUR 3.0bn after Infinera acquisition

5 Utilizing **flexibility of global manufacturing network to minimize impact of tariffs**. Expected to have EUR 20-30 million impact to Q2 comparable operating profit under current announced rules.

6 **Full year 2025 outlook unchanged**

Optical Networks - Infinera acquisition closed in Q1

Strategic rationale...

Gain **scale** necessary to accelerate product roadmaps and innovation

Highly complementary from a geographic, customer and technology perspective

Increased presence with **hyperscale** customers

Target **EUR 200 million of operating profit synergies** by 2027



...early progress

Optical Networks market share of 26%* on proforma basis in 2024.

Strong on-going momentum with **sales growth of 15% in Q1** and **book-to-bill well above 1**

Hyperscale customers key driver of growth with several significant new orders

Target affirmed and integration already progressing quickly including aligning roadmaps.

All net sales changes are presented as year-on-year changes on a constant currency and portfolio basis

Q1 Financial Performance

Marco Wirén

Chief Financial Officer

The logo is centered within a large blue circle. The background of the circle features a stylized city skyline with vertical lines in various shades of blue and white, suggesting a modern, technological environment.

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Network Infrastructure delivers strong growth to start 2025

Q1 25 net sales (EUR)

4.4bn

(3)% y-o-y

Q1 25 gross margin

42.3%

(820)bps y-o-y

Q1 25 operating margin

3.6%

(990)bps y-o-y

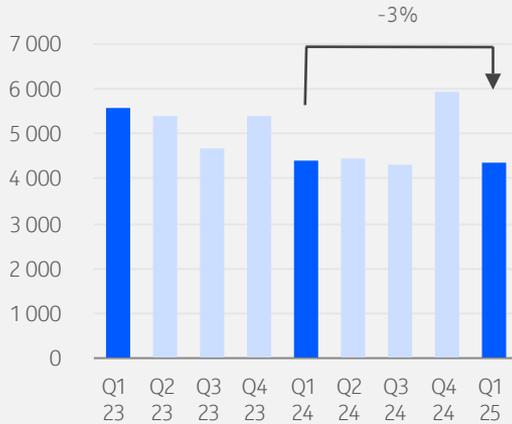
Q1 25 FCF (EUR)

0.7bn

Q1 25 net cash (EUR)

3.0bn

Net Sales (EUR million)



Gross profit (EUR million) and margin



Operating profit (EUR million) and margin

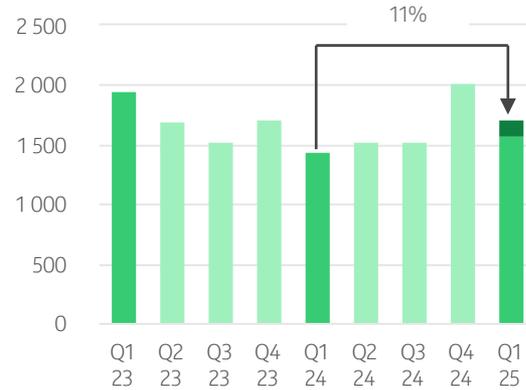


All net sales changes presented are year-on-year on a constant currency and portfolio basis and margin is on a comparable basis; Submarine Networks is now accounted for under discontinued operations. Charts show illustrative history excluding Submarine Networks for Q4 2022. Restated figures have only been provided from Q1 2023 onwards.

Network Infrastructure

- Strong net sales growth with all units contributing
- Book-to-bill above 1
- Optical Networks benefited from completion of Infinera acquisition
- Strong growth with hyperscalers and enterprise customers in Optical and IP

Network Infrastructure net sales by quarter (EUR million)



Net sales growth by unit

Fixed Networks	+9%
IP Networks	+7%
Optical Networks	+15%

Gross profit (EUR million) and margin



Operating profit (EUR million) and margin



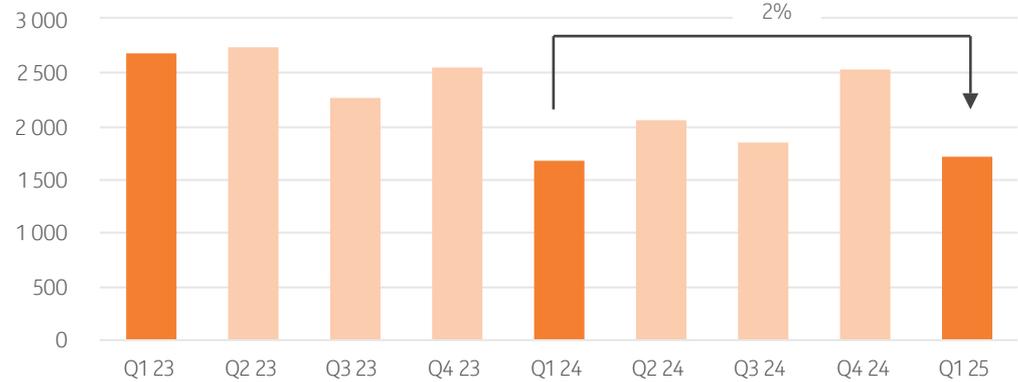
All net sales changes presented are on constant currency and portfolio basis
Charts show illustrative history excluding Submarine Networks



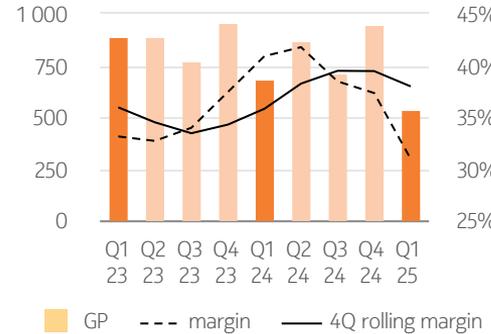
Mobile Networks

- Continue to see signs of market stabilization
- Net sales growth driven by North America
- Profitability decline due to one-time contract settlement with a net impact of EUR 120mn
- Announced important contract extension with T-Mobile US

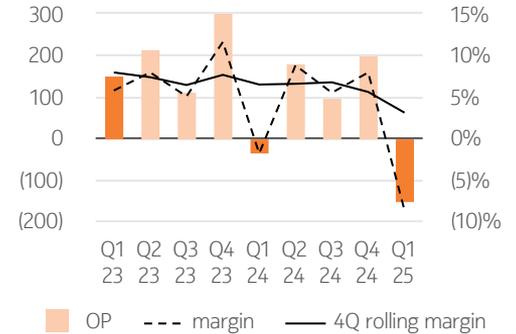
Mobile Networks net sales by quarter (EUR million)



Gross profit (EUR million) and margin



Operating profit (EUR million) and margin



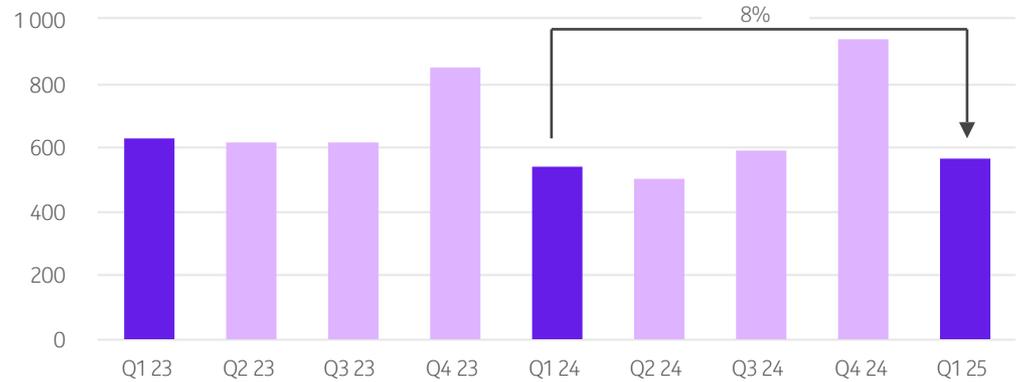
All net sales changes presented are in constant currency



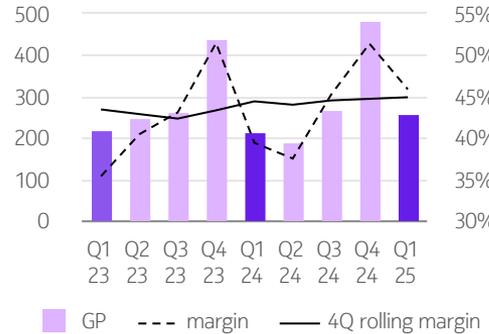
Cloud and Network Services

- Strong Q1 growth driven by Core Networks
- Both gross and operating margin benefit from mix and leverage
- 5G Core momentum continue with wins at AT&T, Boost Mobile, Ooredoo

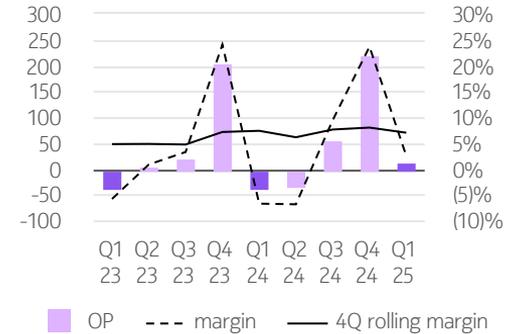
Cloud and Network Services net sales by quarter (EUR million)



Gross profit (EUR million) and margin



Operating profit (EUR million) and margin

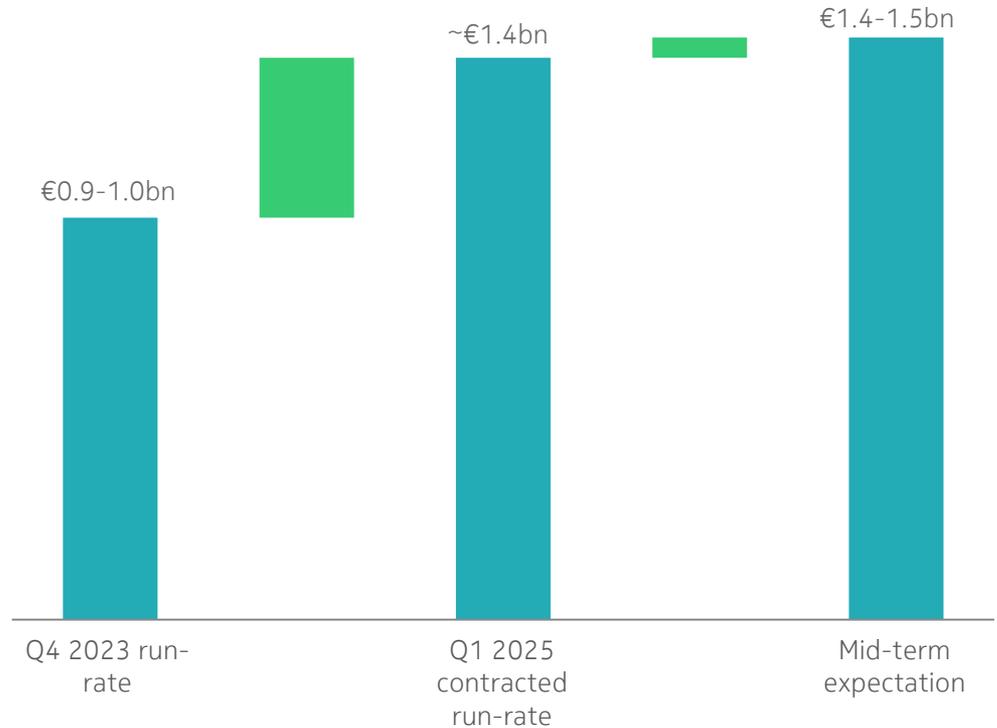


All net sales changes presented are on constant currency and portfolio basis



Nokia Technologies

- Challenging YoY comparison related to over EUR 400mn of catch-up net sales in Q1 2024
- Agreements signed in Q1 2025 with Amazon and other companies
- Continued execution led to contracted run-rate of EUR 1.4bn



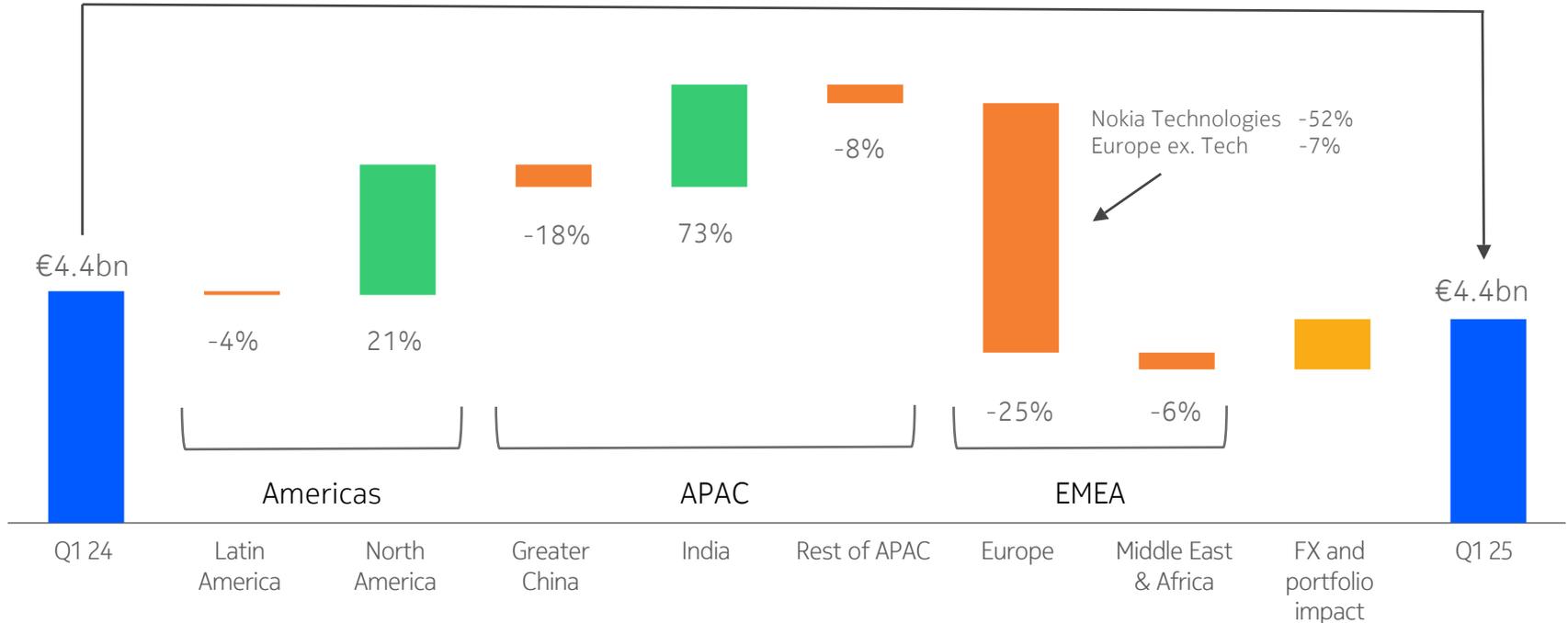
This chart is to illustrate our current financial planning assumptions. This chart is not illustrative of our view on deal valuations. Actual outcomes of negotiations may be different.

Regional sales: Growth in NAM, India offset by Nokia Technologies

Year-on-year on constant currency and portfolio basis

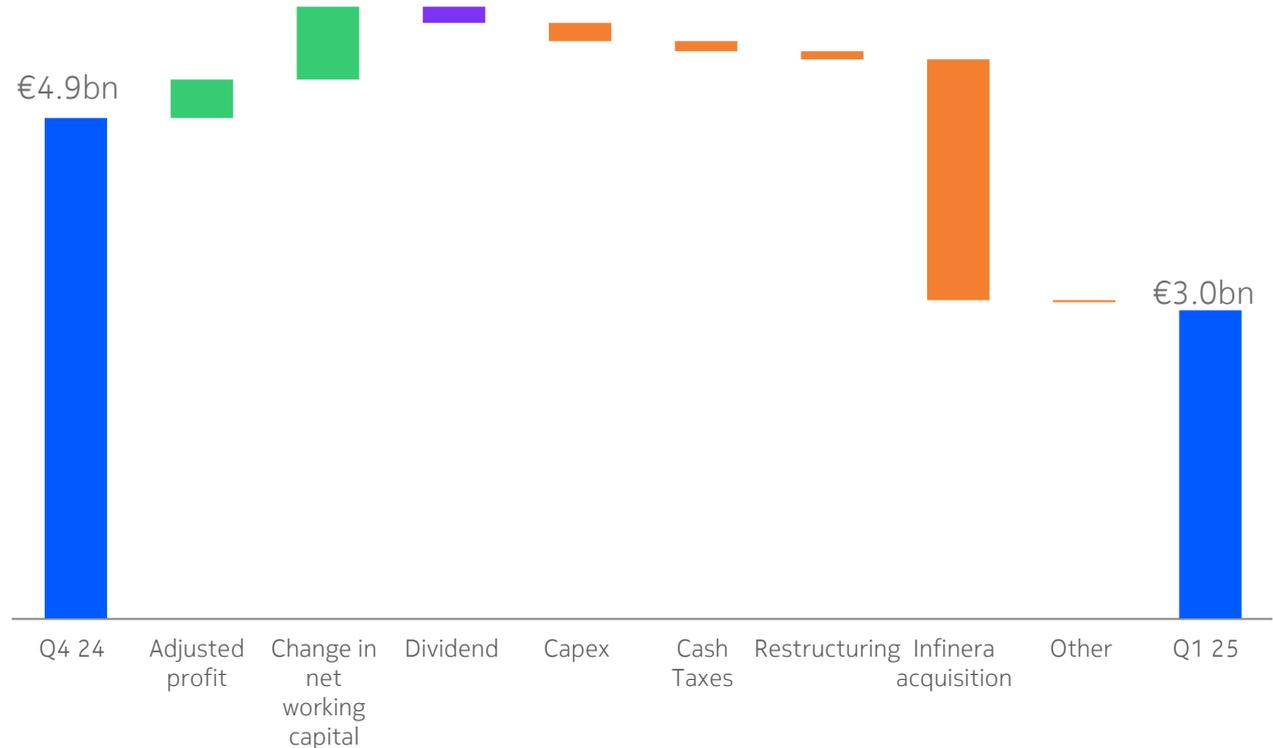
-1% reported

-3% constant currency and portfolio



Strong free cash flow offset by Infinera acquisition

- Receivables driving working capital inflows
- Negative EUR 2.3bn impact to net cash from Infinera acquisition
- Free cash flow of EUR 0.7 billion



2025 Outlook

Full year 2025

Comparable operating profit⁽¹⁾

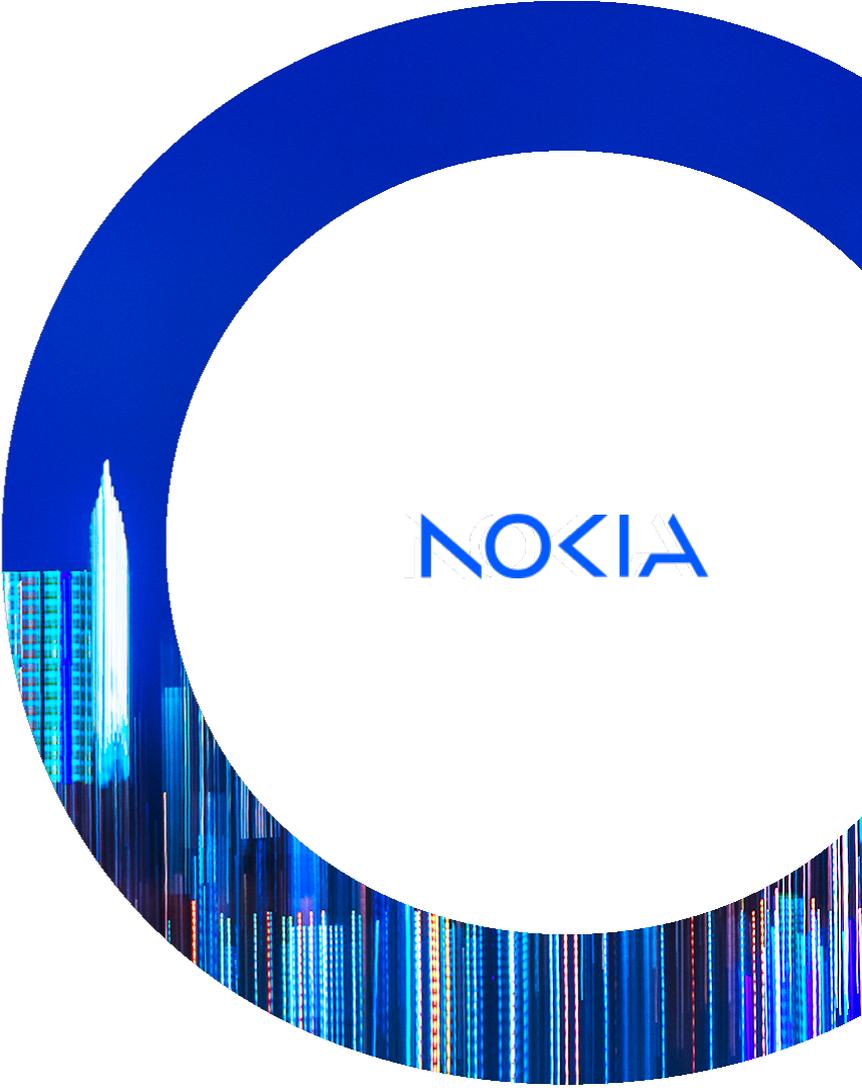
EUR 1.9 billion to EUR 2.4 billion

Free cash flow⁽¹⁾

50% to 80% conversion from comparable operating profit

⁽¹⁾ Please refer to the Alternative performance measure section of our Interim Report for Q1 2025 for a full explanation of how these terms are defined.

Q&A

A large circular graphic on the right side of the slide. The outer ring is a solid dark blue. The inner circle is white and contains the Nokia logo in blue. The background of the slide is a blurred city skyline at night with lights in shades of blue and purple.

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The image features the Nokia logo in a large, white, sans-serif font, centered horizontally. The background is a dark blue night cityscape with numerous skyscrapers. The buildings are illuminated with vibrant, multi-colored light trails in shades of blue, cyan, orange, and purple, creating a sense of motion and digital connectivity. The overall aesthetic is modern and technological.

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