

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

(October 21, 1999) -

EUR Million	3Q/1999	3Q/1998	Change %	1-3Q/1999	1-3Q/1998	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 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%.

For the first nine months of the year net sales totaled EUR 13 400 million. Sales for both infrastructure solutions and mobile phones continued to grow rapidly in all geographic regions with most rapid growth in the Americas.

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.

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

Nokia is paving the way to the mobile information society with its innovative products and solutions. Nokia is the leading mobile phone supplier and a leading supplier of mobile, fixed and IP networks including related services. It also supplies multimedia terminals and computer displays. In 1998, net sales totaled EUR 13.3 billion (USD 15.7 billion). Headquartered in Finland, Nokia is listed on the New York (NOK), Helsinki, Stockholm, London, Frankfurt and Paris stock exchanges and employs more than 53 000 people.

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www.nokia.com/investor/1999/3Q/