



Q2 2025 Financial results

24 July 2025

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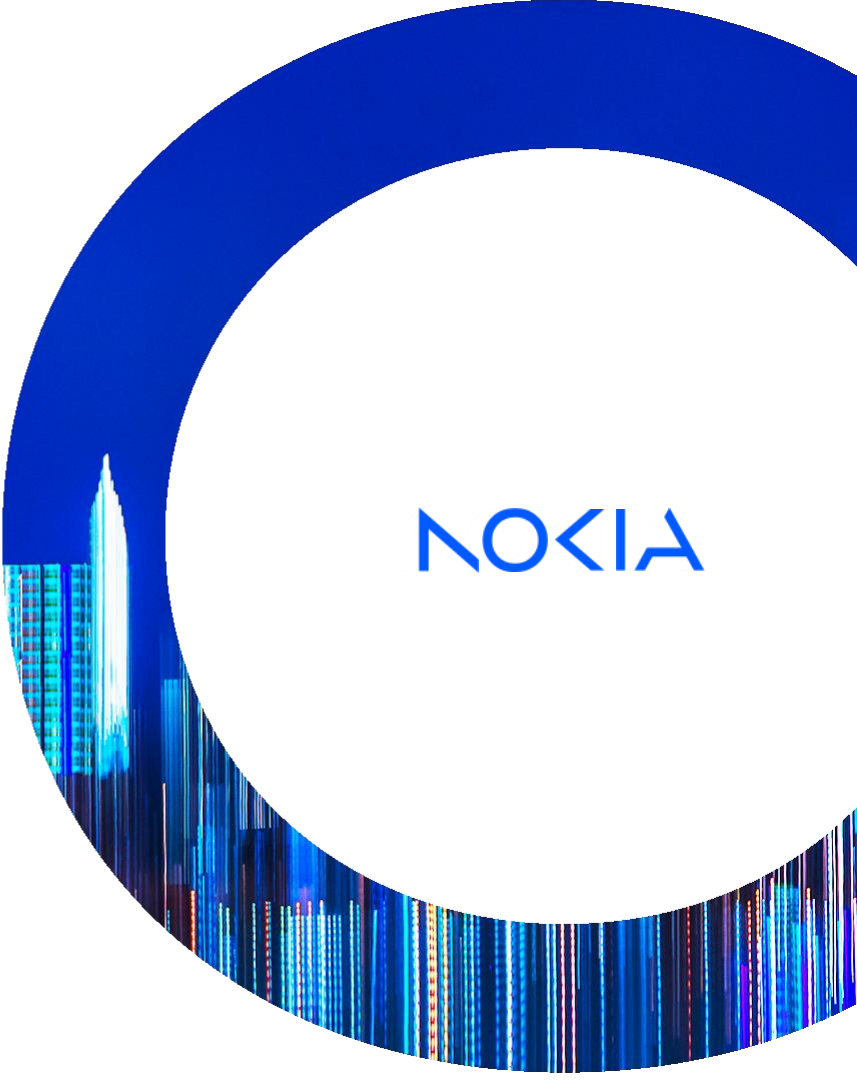
Nokia presents financial information on reported, comparable, constant currency, and constant currency and portfolio basis. Comparable measures presented herein exclude intangible asset amortization and other purchase price fair value adjustments, goodwill impairments, restructuring related charges, transaction and related costs, including integration costs, and certain other items affecting comparability. In order to allow full visibility on determining comparable results, information on items affecting comparability is presented separately for each of the components of profit or loss. Constant currency reporting provides additional information on change in financial measures on a constant currency basis in order to better reflect the underlying business performance. Therefore, change in financial measures at constant currency excludes the impact of changes in exchange rates in comparison to euro, our reporting currency. Constant currency and portfolio measures are presented on a constant currency basis and assumes any meaningful acquisitions or disposals for which the IFRS financial measures have not been recast had been in place since 1 January 2024. Such measures are presented in order to better reflect the underlying business performance when reported net sales have changed not only due to changes in foreign exchange rates but also as a result of acquisitions or disposals. As comparable, constant currency or constant currency and portfolio financial measures are not defined in IFRS they may not be directly comparable with similarly titled measures used by other companies, including those in the same industry. The primary rationale for presenting these measures is that the management uses these measures in assessing the financial performance of Nokia and believes that these measures provide meaningful supplemental information on the underlying business performance of Nokia. These financial measures should not be considered in isolation from, or as a substitute for, financial information presented in compliance with IFRS.

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Business Highlights

Justin Hotard

President and Chief Executive Officer

The Nokia logo is centered within a large blue circle. The background of the slide features a stylized city skyline at night, with various buildings and lights in shades of blue, green, and yellow. The circle is partially filled with this cityscape image, while the rest of the circle is a solid blue color.

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CEO Key messages – Q2 2025

- 1 **Stakeholder engagements have increased my optimism** about our future opportunity. Nokia is uniquely positioned to lead as connectivity will be a critical differentiator in the AI supercycle. **Customers expect us to engage with them as one integrated company.**

- 2 Q2 delivered **solid underlying financial performance** offset by currency and tariffs.

- 3 **Infinera acquisition progressing well.** Strong commercial momentum. On track for synergies.

- 4 Demand environment remains supportive. Continue to expect **strong growth** in Network Infrastructure, **growth** in Cloud and Network Services and **largely stable** net sales in Mobile Networks.

- 5 **Comparable operating profit outlook lowered to EUR 1.6 billion to EUR 2.1 billion** due to currency and tariff headwinds. **FCF conversion guidance unchanged at 50% to 80%** of comparable operating profit.

Commercial highlights in Q2 across business groups

Network Infrastructure

Optical Networks

- 800G ZR/ZR+ hyperscaler award
- Win with large US CSP

IP Networks

- #1 in SP Edge Routing*
- Partnering for EU AI Gigafactories

Fixed Networks

- Strengthened #1 position in OLT

Mobile Networks

5G deals with Elisa and Optus

T-Mobile US RAN extension

Defense partnership with blackned

Cloud and Network Services

Core wins/deployments with Bharti Airtel, Elisa, O2 Czech Republic and Vodafone Qatar

57 Network API partners

Private 5G partnership with Verizon in UK

* Source: Dell'Oro rolling 4Q ending Q1 2025

2025 outlook

Full year 2025

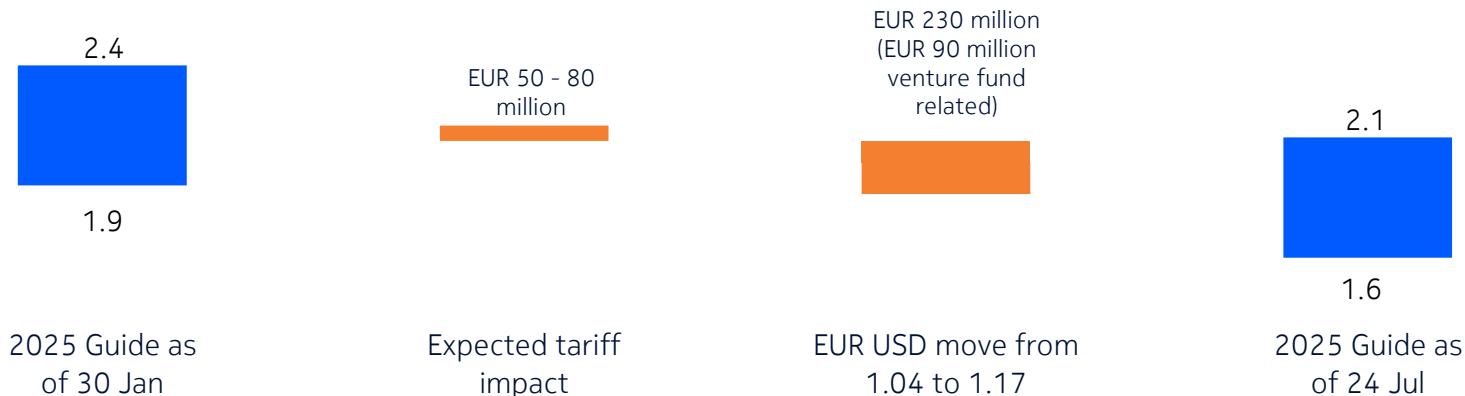
Comparable operating profit⁽¹⁾

EUR 1.6 billion to EUR 2.1 billion (was EUR 1.9 billion to EUR 2.4 billion)

Free cash flow

50% to 80% conversion from comparable operating profit

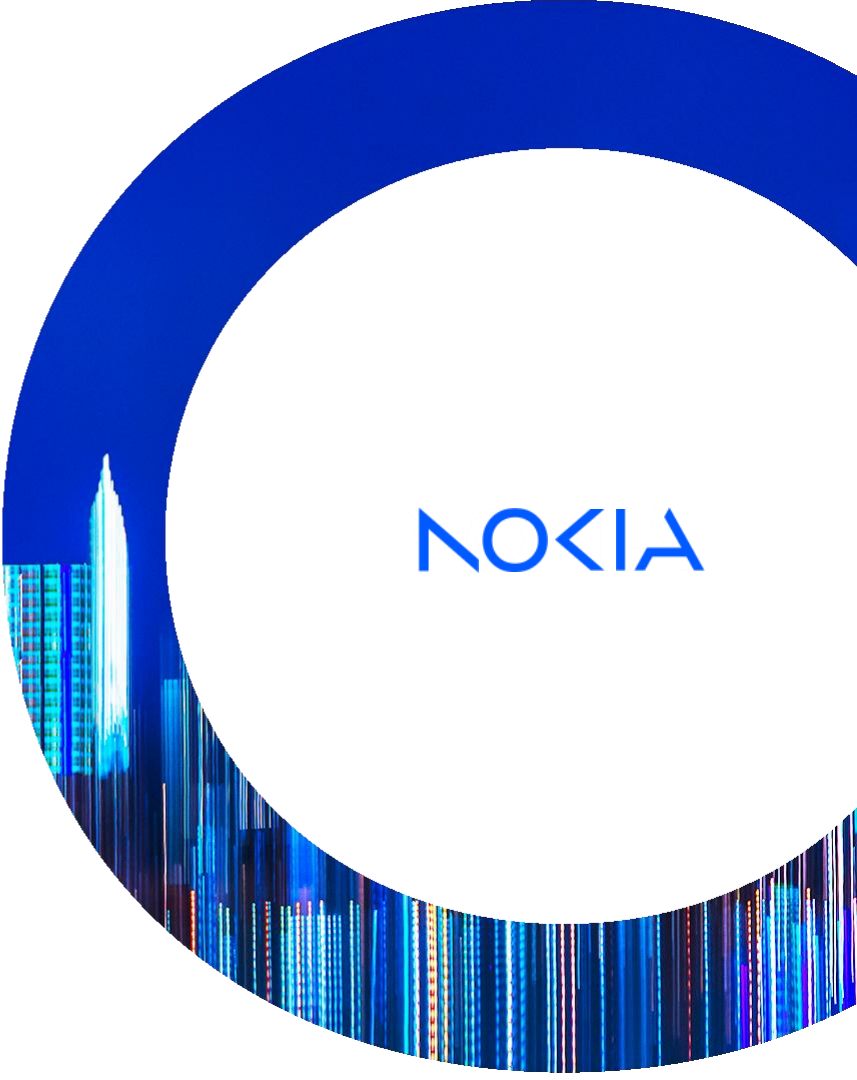
Comparable Operating Profit Bridge



Q2 Financial Performance

Marco Wirén

Chief Financial Officer

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Solid performance offset by currency impact

Q2 25 net sales (EUR)

4.55bn

(1)% y-o-y

Q2 25 gross margin

44.7%

—bps y-o-y

Q2 25 operating margin

6.6%

(290)bps y-o-y

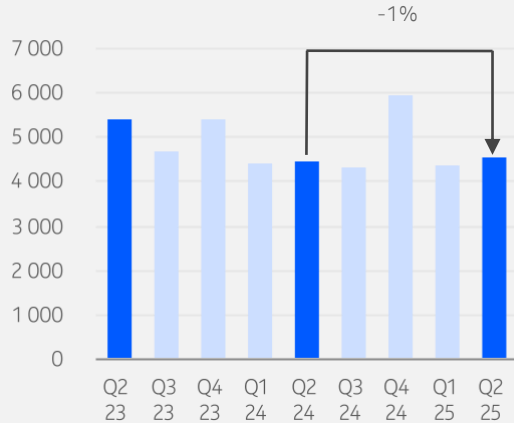
Q2 25 FCF (EUR)

0.1bn

Q2 25 net cash (EUR)

2.9bn

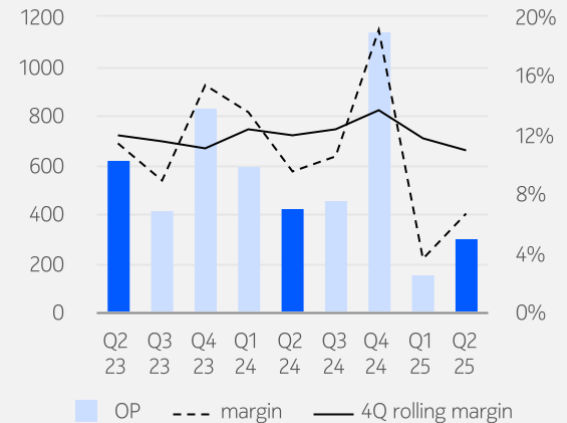
Net Sales (EUR million)



Gross profit (EUR million) and margin



Operating profit (EUR million) and margin



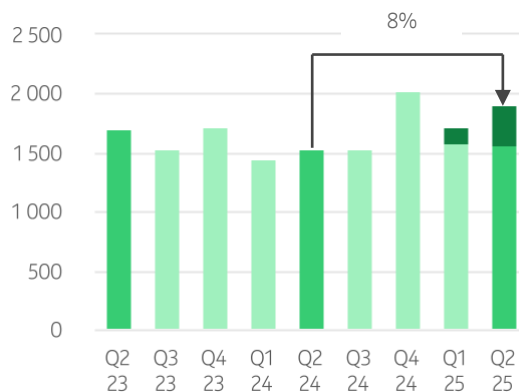
All net sales changes presented are year-on-year on a constant currency and portfolio basis and margin is on a comparable basis; Submarine Networks is now accounted for under discontinued operations. Charts show illustrative history excluding Submarine Networks for Q4 2022. Restated figures have only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

Network Infrastructure

- Net sales growth across the three business units
- Optical Networks growth impacted by supply constraints
- Optical Networks book –to–bill well above 1

	Q2 25	Q2 24	YoY
Net Sales (EUR m)	1,904	1,522	8 %
Gross Profit	728	585	
Gross Margin	38.2 %	38.4 %	
Operating Profit	109	97	
Operating Margin	5.7 %	6.4 %	

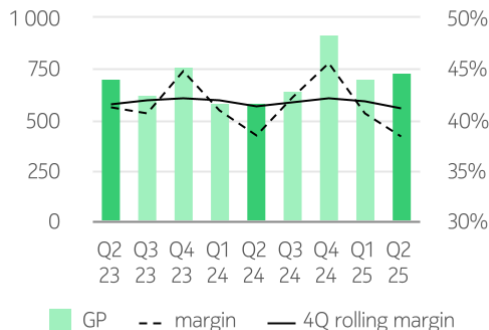
Network Infrastructure net sales by quarter (EUR million)



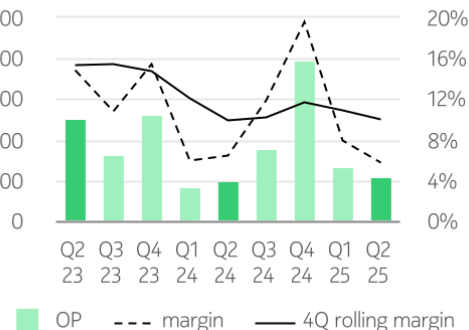
Net sales growth by unit

Fixed Networks	+17%
IP Networks	+3%
Optical Networks	+6%

Gross profit (EUR million) and margin



Operating profit (EUR million) and margin

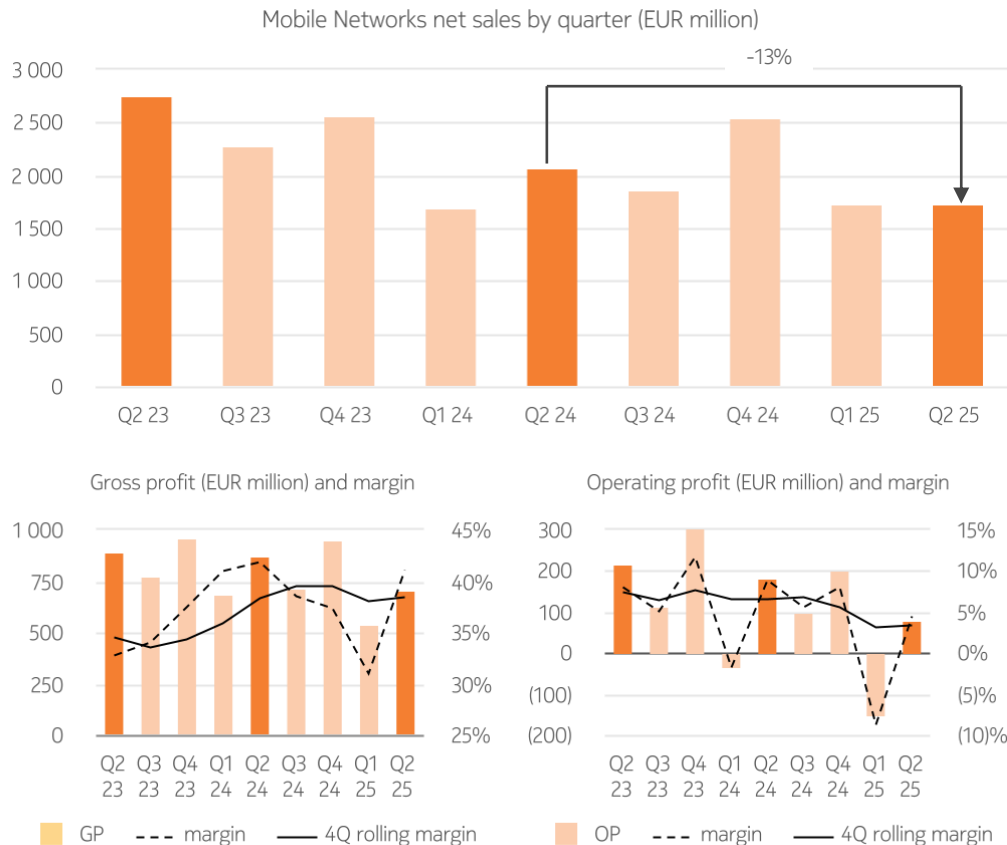


All net sales changes presented on slide are on a constant currency and portfolio basis

Mobile Networks

- Decline primarily driven by contract settlement in year-ago quarter
- Project timing delay in India
- Favorable mix benefiting gross margin Q2 2025

	Q2 25	Q2 24	YoY
Net Sales (EUR m)	1,732	2,078	(13)%
Gross Profit	711	868	
Gross Margin	41.1 %	41.8 %	
Operating Profit	77	182	
Operating Margin	4.4 %	8.8 %	

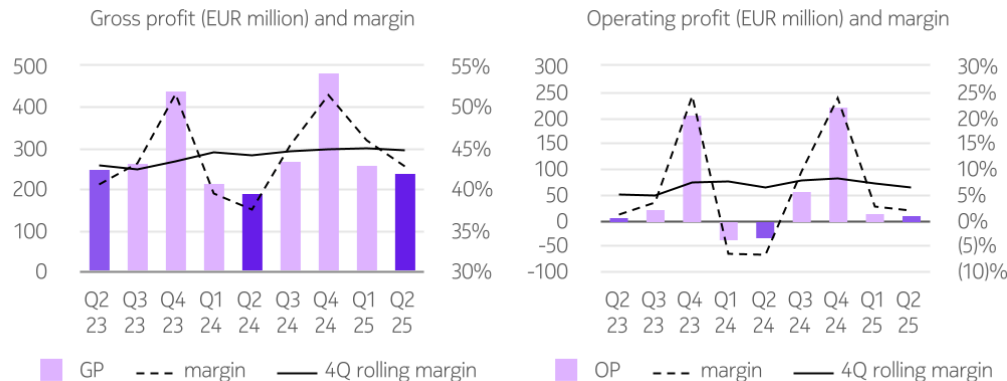
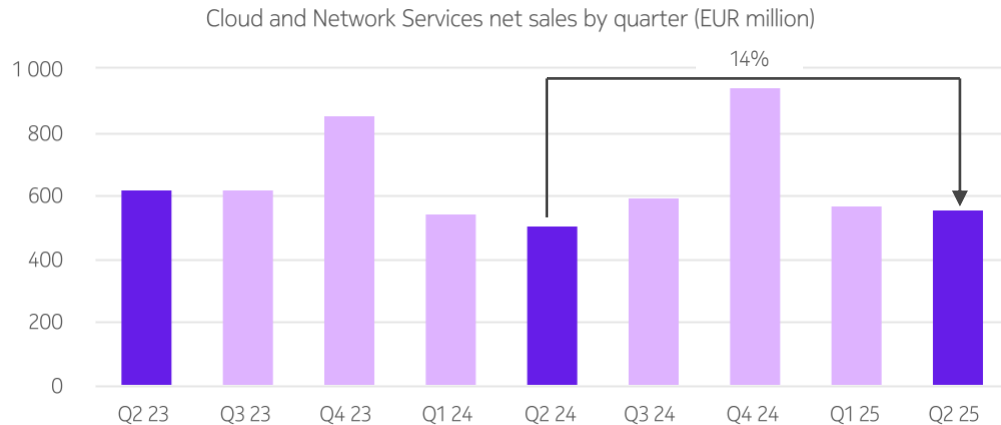


All net sales changes presented on slide are in constant currency

Cloud and Network Services

- Q2 growth driven by momentum in 5G SA Core
- Both gross and operating margin benefit from mix and leverage

	Q2 25	Q2 24	YoY
Net Sales (EUR m)	557	507	14 %
Gross Profit	238	190	
Gross Margin	42.7 %	37.5 %	
Operating Profit	9	(35)	
Operating Margin	1.6 %	(6.9)%	

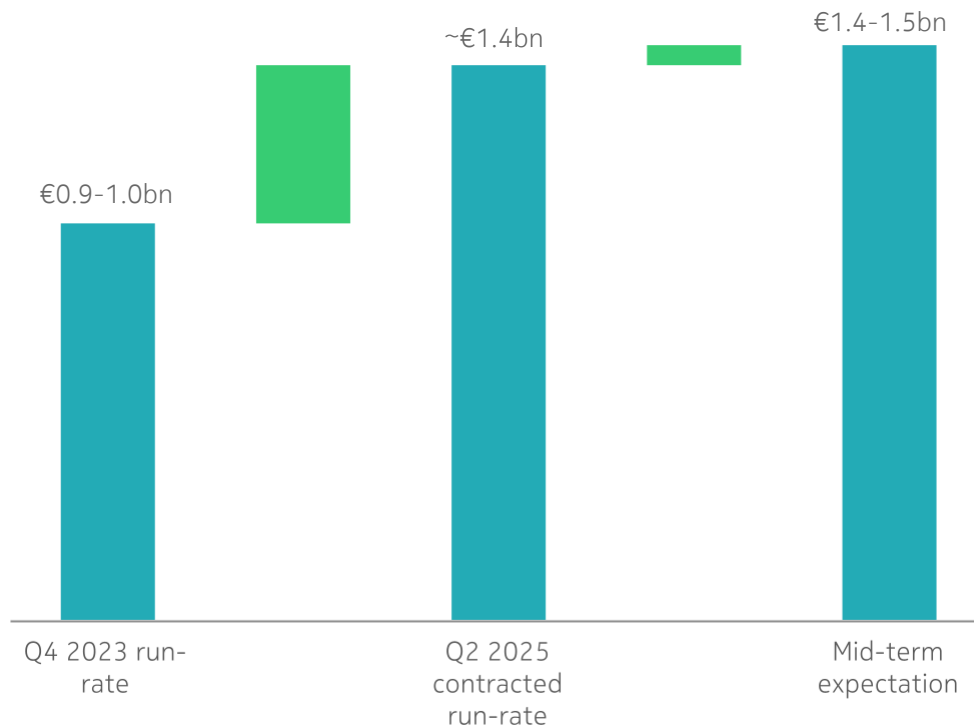


All net sales changes presented on slide are in constant currency

Nokia Technologies

- Continued momentum with several deals signed in the quarter
- Steady progress towards EUR 1.4 to 1.5 billion run-rate target

	Q2 25	Q2 24	YoY
Net Sales (EUR m)	357	356	3 %
Gross Profit	357	356	
Gross Margin	100 %	100 %	
Operating Profit	255	258	
Operating Margin	71.4 %	72.5 %	



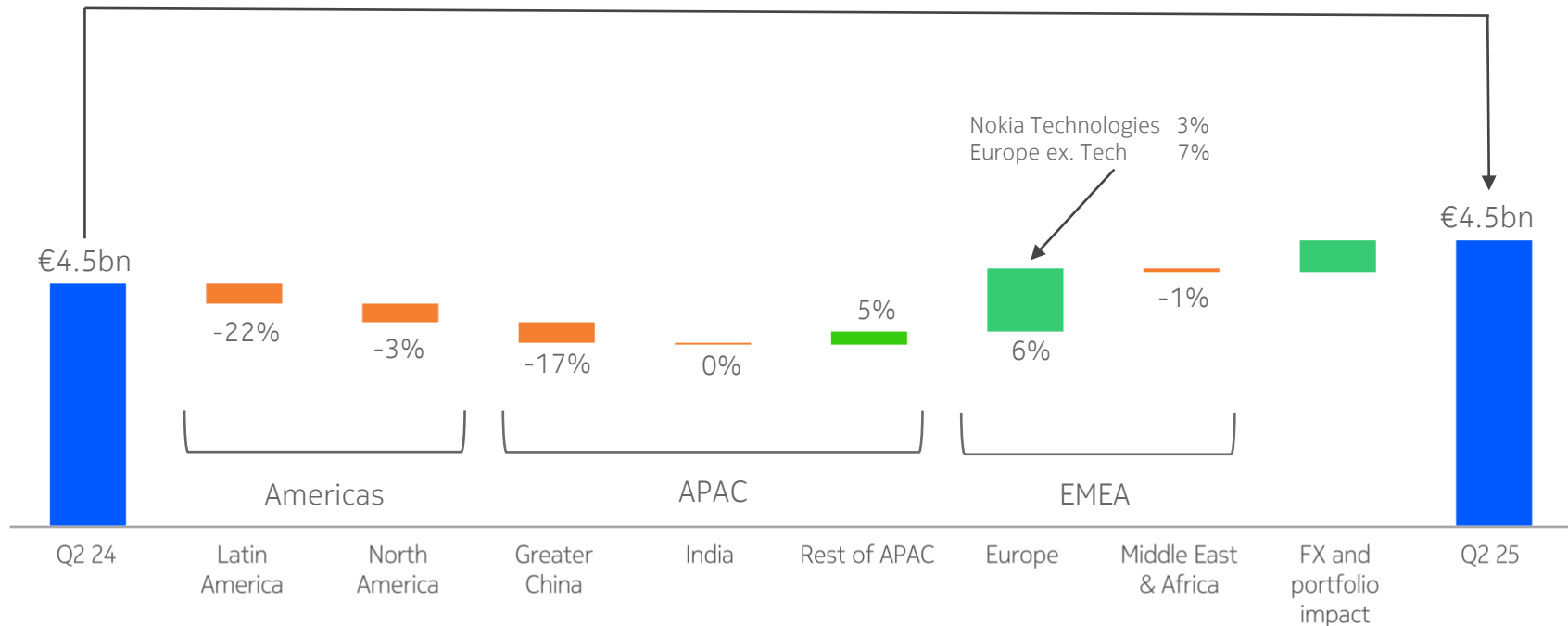
This chart is to illustrate our current financial planning assumptions. This chart is not illustrative of our view on deal valuations. Actual outcomes of negotiations may be different.
All net sales changes presented on slide are in constant currency

Mixed performance across regions, impacted by FX

Year-on-year on constant currency and portfolio basis

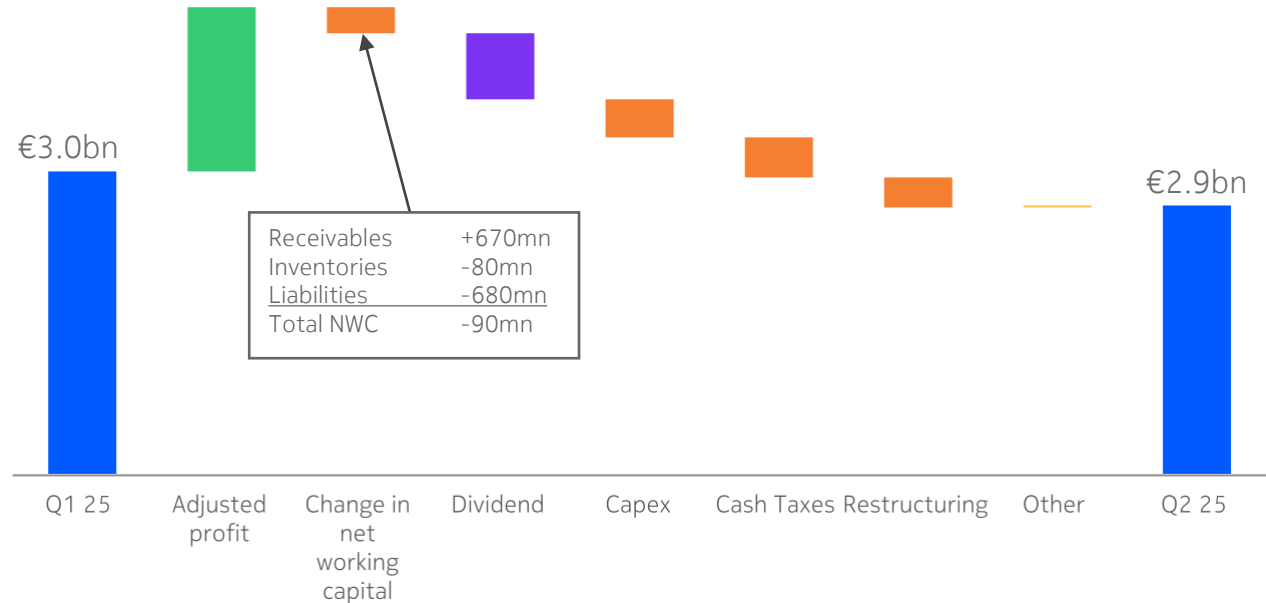
2% reported

-1% constant currency and portfolio



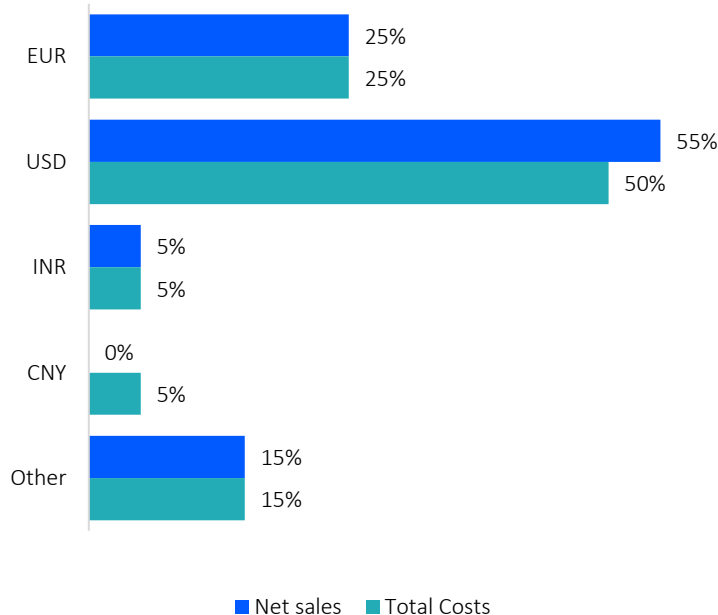
Working capital management well managed in Q2

- Working capital well managed as receivables offset 2024 variable pay outflows
- EUR 0.2 billion in dividends
- Free cash flow of EUR 0.1 billion



High level of natural hedging inherent in the business

Currency exposure (Q2'25)



Change in EUR/USD:

10% weaker USD

Net sales impact:

-5%

Operating margin
impact before hedging:

Slightly negative

Q&A

SAVE THE DATE

Nokia Capital Markets Day 2025

New York

19 November 2025



The image features the Nokia logo in a large, white, sans-serif font, centered horizontally. The background is a dark blue night sky with a city skyline. The buildings are represented by numerous vertical lines of varying heights and colors, including blue, orange, and white, creating a sense of light trails or digital data. The overall composition is modern and tech-oriented.

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