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- Nokia leadership position in wireless standard essential patents expected to continue in 5G
- Nokia expects that for mobile phones, its licensing rate for the Nokia 5G SEP portfolio will be capped at €3 per device

Nokia today outlined its licensing rate expectations for 5G mobile phones. Nokia is a long-term innovator in the development of fundamental technologies for wireless communications and has made significant contributions to the development of related standards for more than two decades.

This research and development investment has resulted in a significant portfolio of standard essential patents (SEPs), which Nokia has committed to license on fair, reasonable and non-discriminatory (FRAND) terms, in line with the applicable intellectual property rights policies of relevant standard setting organizations (SSOs).Our innovation continues in 5G, where significant parts of the emerging 5G standards will be based on Nokia innovations, and Nokia expects to have a significant position in SEPs once the standards are finalized later in 2018.Nokia expects that for mobile phones which implement the 5G New Radio standard, the licensing rate for the Nokia 5G SEP portfolio will be capped at €3 per device.

Nokia licensing practices for licensing 5G SEPs for mobile phones will be consistent with our licensing undertakings made to relevant SSOs. Our licensing approach reflects the value that Nokia inventions bring to end user devices, and we follow recognized industry licensing practices for wireless communication SEPs.Beyond mobile phones, Nokia believes that there will be an unprecedented variety of end user devices that will use Nokia innovation. For other categories of devices, Nokia will determine its licensing rates separately and seeks to engage in constructive dialogue with relevant industry participants to define the licensing models best suited for those industries."Nokia innovation combined with our commitment to open standardization has helped build the networks of today and lay the foundations for 5G/NR," said Ilkka Rahnasto, head of Patent Business at Nokia. "This announcement is an important step in helping companies plan for the introduction of 5G/NR capable mobile phones, with the first commercial launches expected in 2019."This announcement is based on current assumptions of the Nokia 5G SEP portfolio and its anticipated growth, excluding any major acquisitions or changes to corporate structure.**Forward-looking statements**

It should be noted that Nokia and its businesses are exposed to various risks and uncertainties and certain statements herein that are not historical facts are forward-looking statements, including, without limitation, those regarding: A) our ability to integrate acquired businesses into our operations and achieve the targeted business plans and benefits, including targeted benefits, synergies, cost savings and efficiencies; B) expectations, plans or benefits related to our strategies and growth management; C) expectations, plans or benefits related to future performance of our businesses; D) expectations, plans or benefits related to changes in organizational and operational structure; E) expectations regarding market developments, general economic conditions and structural changes; F) expectations and targets regarding financial performance, results, operating expenses, licensing rates, taxes, currency exchange rates, hedging, cost savings and competitiveness, as well as results of operations including targeted synergies and those related to market share, prices, net sales, income and margins; G) expectations, plans or benefits related to any future collaboration or to business collaboration agreements or patent license agreements or arbitration awards, including income to be received under any collaboration or partnership, agreement or award; H) timing of the deliveries of our products and services; I) expectations and targets regarding collaboration and partnering arrangements, joint ventures or the creation of joint ventures, and the related administrative, legal, regulatory and other conditions, as well as our expected customer reach; J) outcome of pending and threatened litigation, arbitration, disputes, regulatory proceedings or investigations by authorities; K) expectations regarding restructurings, investments, capital structure optimization efforts, uses of proceeds from transactions, acquisitions and divestments and our ability to achieve the financial and operational targets set in connection with any such restructurings, investments, capital structure optimization efforts, divestments and acquisitions; and L) statements preceded by or including "believe", "expect", "anticipate", "foresee", "sees", "target", "estimate", "designed", "aim", "plans", "intends", "focus", "continue", "project", "should", "is to", "will" or similar expressions. These statements are based on management's best assumptions and beliefs in light of the information currently available to it. Because they involve risks and uncertainties, actual results may differ materially from the results that we currently expect. Factors, including risks and uncertainties that could cause these differences include, but are not limited to: 1) our strategy is subject to various risks and uncertainties and we may be

*unable to successfully implement our strategic plans, sustain or improve the operational and financial performance of our business groups, correctly identify or successfully pursue business opportunities or otherwise grow our business; 2) general economic and market conditions and other developments in the economies where we operate; 3) competition and our ability to effectively and profitably invest in new competitive high-quality products, services, upgrades and technologies and bring them to market in a timely manner; 4) our dependence on the development of the industries in which we operate, including the cyclicality and variability of the information technology and telecommunications industries; 5) Nokia Technologies' ability to protect its IPR and to maintain and establish new sources of patent, brand and technology licensing income and IPR-related revenues, particularly in the smartphone market, which may not materialize as planned, 6) our dependence on IPR technologies, including those that we have developed and those that are licensed to us, and the risk of associated IPR-related legal claims, licensing costs and restrictions on use, 7) factors that may affect our expected licensing rates. For instance, the expected Nokia licensing rates are based on current assumptions of our 5G standard essential patent portfolio and its anticipated growth, excluding any changes to corporate structure, as well as the risk factors specified on pages 71 to 89 of our 2017 annual report on Form 20-F published on March 22, 2018 under "Operating and financial review and prospects-Risk factors" and in our other filings or documents furnished with the U.S. Securities and Exchange Commission. Other unknown or unpredictable factors or underlying assumptions subsequently proven to be incorrect could cause actual results to differ materially from those in the forward-looking statements. We do not undertake any obligation to publicly update or revise forward-looking statements, whether as a result of new information, future events or otherwise, except to the extent legally required.***About Nokia**

We create the technology to connect the world. Powered by the research and innovation of Nokia Bell Labs, we serve communications service providers, governments, large enterprises and consumers, with the industry's most complete, end-to-end portfolio of products, services and licensing. *** -- NOKIA