

Nokia continues to consolidate strong leadership position, announcing excellent fourth quarter and 2000 results

Nokia today announced the strongest annual operating results in its history. The company increased its market share in both the networks and mobile phone businesses and again achieved high profitability.

EUR million	2000	1999	Change%	4Q/2000	4Q/1999
Net sales	30 376	19 772	+54	9 284	6 372
Nokia Networks	7 714	5 673	+36	2 361	1 740
Nokia Mobile Phones	21 887	13 182	+66	6 709	4 246
Nokia Ventures Organization	854	415	+106	241	226
Operating profit	5 776	3 908	+48	1 726	1 308
Nokia Networks	1 358	1 082	+26	388	334
Nokia Mobile Phones	4 879	3 099	+57	1 429	1 059
Nokia Ventures Organization	-387	-175	-121	-127	-84
Common Group Expenses	-74	-98		36	-1
Operating margin	19.0%	19.8%		18.6%	20.5%
Profit before tax and minority interests	5 862	3 845	+52	1 770	1 273
Net profit	3 938	2 577	+53	1 204	853
EPS, EUR (split adjusted)					
Basic	0.84	0.56	+50	0.26	0.19

Diluted	0.82	0.54	+52	0.25	0.18
Proposed dividend, EUR	0.28	0.20	+40		

Commenting on the results, Jorma Ollila, Nokia's Chairman and CEO said: "Nokia's financial figures for the fourth quarter and the full year 2000 are nothing short of extraordinary. They confirm that we executed our business plans in accordance with our stated forecast, and, building on this strong base we look forward to the transition towards next generation technologies."

"We entered the year in a leadership role and again proved that we could convert that leadership into faster-than-market growth. Backed by the success of 2000, I feel confident that with our solid financial position, leading products, flexible operations and strong Nokia brand, we are well prepared for the future," said Ollila.

The current economic environment and the ongoing evolution of wireless technologies have made it challenging to forecast short-term market developments. Nokia estimates first-quarter sales growth in the region of 25-30% and EPS at the same level as the first quarter 2000. This reflects somewhat slower-than-anticipated market growth during the first quarter and the company's strategy of aggressively gaining market share especially in mobile phones. The profitability outlook for the balance of the year in Nokia Networks remains as previously stated, with operating margins estimated in the high teens, while margins for Nokia Mobile Phones are expected to reach 20% at the latest in the fourth quarter 2001.

Currency rate December 31, 2000, 1 EUR = 0.890 USD, 1 EUR = 5.94573 FIM

For more information:

Lauri Kivinen, Corporate Communications, tel. + 358 7180 34495

Ulla James, Investor Relations, tel. + 1 972 894 4880

Antti Rääkkönen, Investor Relations, tel. + 358 7180 34290

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