

Nokia Board of Directors convenes Annual General Meeting 2006 and projects a new stock repurchase plan

Nokia Board of Directors submits proposals to the Annual General Meeting on March 30, 2006 and projects to continue with stock repurchases.

- Proposal to pay a dividend of EUR 0.37 per share
- Projection for a stock repurchase plan for 2006
- Proposal to reduce the share capital through cancellation of a minimum of 261 010 000 shares and a maximum of 382 710 000 shares held by the Company
- Proposal to renew authorizations of the Board to resolve to increase the share capital, repurchase Nokia shares and dispose them

Proposal to pay a dividend

Nokia's Board of Directors will propose to the Annual General Meeting on March 30, 2006 that a dividend of EUR 0.37 per share be paid. The dividend record date is proposed to be April 4, 2006 and pay date April 21, 2006. Accordingly, the dividend ex date will be March 31, 2006. The actual dividend pay date outside Finland will be determined by the practices of the intermediary banks transferring the dividend payments.

Projection for a stock repurchase plan for 2006

As in 2005, Nokia Board of Directors projects to repurchase Nokia shares under a stock repurchase plan during 2006. Therefore, the Board proposes to the Annual General Meeting a renewal of the authorization of the Board to repurchase Nokia shares, as described below. The Board plans to repurchase shares with up to EUR 6.5 billion subject to and within the limits of the authorization. The repurchases based on this new authorization are intended to commence after the Annual General Meeting of March 30, 2006.

Proposal to reduce the share capital through cancellation of Nokia shares

Nokia Board of Directors will propose that the share capital be reduced through cancellation of Nokia shares currently held by the Company as well as the shares possibly repurchased until the Annual General Meeting. The aggregate par value of these shares is a minimum of EUR 15 660 600 and a maximum of EUR 22 962 600, corresponding to a minimum of 261 010 000 and a maximum of 382 710 000 shares. The Board further proposes that the amount to be cancelled be transferred from the share capital to the share issue premium. As a result of the reduction, the shareholders' equity of the Company will not be reduced. As of December 31, 2005, the Company held a total of 261 010 000 Nokia shares as a result of the repurchases made in 2005.

Proposals to renew authorizations of the Board

Nokia Board of Directors will propose that the Annual General Meeting authorize the Board to resolve to repurchase a maximum of 405 million Nokia shares. The proposed amount of shares corresponds to nearly 10 per cent of the share capital of the Company and the total voting rights.

The shares may be repurchased in order to develop the capital structure of the Company, which includes carrying out the announced projection for a stock repurchase plan. In addition, the shares may be repurchased in order to finance or carry out acquisitions or other arrangements, to settle the Company's equity-based incentive plans, to be transferred for other purposes, or to be cancelled. The shares may be repurchased either through a tender offer made to all shareholders on equal terms, or through public trading from the market, including also the use of certain derivative, share lending or other arrangements.

The Board will also propose that it be authorized to resolve to dispose a maximum of 405 million Nokia shares at a price determined by the Board. The authorization is proposed to allow disposal of shares in another proportion than prescribed by the shareholders' pre-emptive rights to the Company's shares. The shares may also be disposed through public trading.

Furthermore, the Board will propose that it be authorized to increase the share capital of the Company by issuing new shares, stock options or convertible bonds in one or more issues. The Board proposes to be authorized to increase the share capital disapplying the shareholders' pre-emptive rights to the Company's shares. The increase of the Company's share capital may amount to an aggregate maximum of EUR 48 540 000, corresponding to 809 million shares. The total proposed amount corresponds to approximately 19.9 per cent of the currently registered share capital and the total voting rights assuming the cancellation of the maximum number of shares according to the other proposal by the Board.

The complete proposals by the Board of Directors to the Annual General Meeting will be available on Nokia's website at www.nokia.com/agm as of February 8, 2006.

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