

Nokia Board of Directors convenes Annual General Meeting 2008

Increased dividend and continued stock repurchases

Nokia Equity Program 2008 in line with previous years' practice

Espoo, Finland - Nokia announced today that Nokia Board of Directors will submit the below proposals to the Annual General Meeting on May 8, 2008. The Board resolved to continue with stock repurchases during 2008, and projects to continue them also under a new authorization proposed to the Annual General Meeting. In addition, the Board resolved to establish Nokia Equity Program 2008, in line with previous years' practice.

- Proposal to pay a dividend of EUR 0.53 per share
- Stock repurchases continue
- New authorization to repurchase shares proposed to the Annual General Meeting
- Nokia Equity Program 2008

Proposal to pay a dividend

Nokia's Board of Directors proposes to the Annual General Meeting on May 8, 2008 that a dividend of EUR 0.53 per share be paid from the fiscal year 2007. The proposed dividend is 23 per cent higher than the dividend resolved to be distributed by the Annual General Meeting in 2007, which was EUR 0.43 per share. The dividend ex-date would be May 9, 2008, the record date May 13, 2008 and the pay date on or about May 27, 2008. The actual dividend pay date outside Finland will be determined by the practices of the intermediary banks transferring the dividend payments.

Nokia increases planned amount for repurchases under current authorization

The Annual General Meeting in 2007 authorized Nokia Board of Directors to repurchase a maximum of 380 million Nokia shares. Under the authorization, the Board of Directors resolved on May 3, 2007 to repurchase a maximum of 380 million Nokia shares, however, by using a maximum of EUR 4 billion for the repurchases until March 31, 2008. The Board of Directors today amended the resolution by resolving to continue the repurchases under the current authorization until the Annual General Meeting on May 8, 2008 and to use an additional maximum of up to EUR 1 billion for the repurchases, within the limits of its earlier resolution to repurchase a maximum of 380 million shares. The Board also intends to cancel a majority of the shares held by the Company prior to the Annual General Meeting 2008.

Board proposes new repurchase authorization to the Annual General Meeting

The Board of Directors proposes that the Annual General Meeting authorize the Board to resolve to repurchase a maximum of 370 million Nokia shares. The proposed amount of shares corresponds to less than 10 per cent of all shares of the Company. 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.

As in 2007, Nokia's Board of Directors projects to repurchase Nokia shares under a stock repurchase plan for 2008. The Board plans to repurchase shares by using up to EUR 4 billion until March 31, 2009 subject to the authorization proposed to the Annual General Meeting, and to

commence repurchases based on the proposed authorization as soon as possible after the Annual General Meeting.

In addition the Board of Directors' Audit Committee will propose to the Annual General Meeting that PricewaterhouseCoopers Oy be re-elected as auditor.

The complete proposals by the Board of Directors and its Committees to the Annual General Meeting will be available on Nokia's website at www.nokia.com/agm. The proposals will be included in the notice to the Annual General Meeting which will be published later.

Nokia Equity Program 2008

Nokia Equity Program 2008, following previous years' practice, has the below structure as approved by the Nokia Board of Directors:

Performance Shares - offered as the main equity-based incentive;

Stock options - used on a limited basis for senior managers;

Restricted Shares - only a small number granted to high potential and critical employees.

The Equity Program 2008 will focus on rewarding achievement and retaining critical talent, like Nokia equity programs of previous years. Similarly it intends to align the potential value received by the participants directly with the performance of the company, thus aligning the participants' interests also with the shareholders' interests.

Performance Shares under Nokia Equity Program 2008 will be delivered provided that the Company's performance reaches the required threshold level measured by two independent performance criteria. The performance criteria are as follows:

Performance Criteria	Threshold	Maximum
Earnings per share (EPS) (diluted, excluding special items) at the end of the performance period	1.72 EUR	2.76 EUR
Average annual net sales growth during the performance period	4%	16%

The Performance Share Plan 2008 has a three year performance period 2008-2010.

The grant of Performance Shares in 2008 may result in an aggregate maximum payout of 12 million Nokia shares, should the maximum level for both performance criteria be met. Nokia intends to continue to grant Performance Shares also in 2009 - 2010 up to an aggregate maximum payout of 24 million Nokia shares.

Stock options under Nokia Stock Option Plan 2007 approved by the Annual General Meeting 2007 will also be granted in 2008 as part of Nokia Equity Program 2008. The total size of Nokia Stock Option Plan 2007 is 20 million stock options, which can be granted during 2007 - 2010. The average annual grant is planned to be 5 million stock options.

Restricted Shares under Nokia Equity Program 2008 will have a three-year restriction period and therefore the shares will be delivered mainly in 2011. The grant of Restricted Shares in 2008 may result in an aggregate maximum payout of 4 million Nokia shares. Nokia intends to continue to grant Restricted Shares also in 2009 - 2010 up to an aggregate maximum payout of 8 million Nokia shares.

As of December 31, 2007, the total maximum dilution effect of Nokia's equity incentives currently outstanding, assuming that the performance shares are delivered at maximum level, is approximately 2.3 per cent. The potential maximum effect of the Nokia Equity Program 2008 would be approximately another 0.6 per cent.

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