

NOKIA CORP
Form 6-K
July 21, 2011

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 6-K

Report of Foreign Private Issuer

Pursuant to Rule 13a -16 or 15d -16 of

the Securities Exchange Act of 1934

Report on Form 6-K dated July 21, 2011

(Commission File No. 1-13202)

Nokia Corporation

Keilalahdentie 4

02150 Espoo

Finland

(Name and address of registrant's principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F:

Form 20-F: **Form 40-F:**

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

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Yes: No:

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Yes: No:

Indicate by check mark whether the registrant by furnishing the information contained in this form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes: No:

Enclosures:

Nokia stock exchange release dated July 21, 2011: Nokia Q2 2011 net sales EUR 9.3 billion, non-IFRS EPS EUR 0.06 (reported EPS EUR -0.10)

INTERIM REPORT

Nokia Corporation

July 21, 2011 at 13:30 (CET +1)

Nokia Q2 2011 net sales EUR 9.3 billion, non-IFRS EPS EUR 0.06 (reported EPS EUR -0.10)

6.7% Devices & Services non-IFRS operating margin, benefiting from IPR royalty income related to the second quarter 2011 and settling prior periods

EUR million	Reported and Non-IFRS second quarter 2011 results(1),(2)				QoQ Change
	Q2/2011	Q2/2010	YoY Change	Q1/2011	
<u>Nokia</u>					
Net sales	9 275	10 003	-7%	10 399	-11%
Operating profit	-487	295		439	
Operating profit (non-IFRS)	391	660	-41%	704	-44%
EPS, EUR diluted	-0.10	0.06		0.09	
EPS, EUR diluted (non-IFRS)(3)	0.06	0.11	-45%	0.13	-54%
Net cash from operating activities	-176	944		-173	
Net cash and other liquid assets(4)	3 891	4 088	-5%	6 372	-39%
<u>Devices & Services(5)</u>					
Net sales	5 467	6 799	-20%	7 087	-23%
Smart Devices net sales	2 368	3 503	-32%	3 528	-33%
Mobile Phones net sales	2 551	3 190	-20%	3 407	-25%
Mobile device volume (million units)	88.5	111.0	-20%	108.5	-18%
Smart Devices volume (million units)	16.7	25.2	-34%	24.2	-31%
Mobile Phones volume (million units)	71.8	85.8	-16%	84.3	-15%
Mobile device ASP(6)	62	61	2%	65	-5%
Smart Devices ASP(6)	142	139	2%	146	-3%
Mobile Phones ASP(6)	36	37	-3%	40	-10%
Operating profit	-247	643		690	
Operating profit (non-IFRS)	369	647	-43%	694	-47%
Operating margin %	-4.5%	9.5%		9.7%	
Operating margin % (non-IFRS)	6.7%	9.5%		9.8%	
<u>NAVTEQ</u>					
Net sales	245	252	-3%	232	6%
Operating profit	-58	-81		-62	
Operating profit (non-IFRS)	53	50	6%	54	-2%
Operating margin %	-23.7%	-32.1%		-26.7%	
Operating margin % (non-IFRS)	21.5%	19.8%		23.3%	
<u>Nokia Siemens Networks(7)</u>					
Net sales	3 642	3 039	20%	3 171	15%
Operating profit	-111	-179		-142	
Operating profit (non-IFRS)	40	51	-22%	3	1233%
Operating margin %	-3.0%	-5.9%		-4.5%	
Operating margin % (non-IFRS)	1.1%	1.7%		0.1%	

Note 1 relating to January-June 2011 results: *Nokia reported net sales were EUR 19 674 million and reported earnings per share (diluted) were EUR -0.01 for the period from January 1 to June 30, 2011. Further information about the results for the period from January 1 to June 30, 2011 can be found on pages 16, 18, 26, 27 and 29 of the complete Q2 2011 interim report with tables.*

Note 2 relating to non-IFRS results: *Non-IFRS results exclude special items for all periods. In addition, non-IFRS results exclude intangible asset amortization, other purchase price accounting related items and inventory value adjustments arising from i) the formation of Nokia Siemens Networks and ii) all business acquisitions completed after June 30, 2008. More specific information about the exclusions from the non-IFRS results may be found in our complete interim report with tables for Q2 2011 on pages 4 and 20-22 and 24. Nokia believes that these non-IFRS financial measures provide meaningful supplemental information to both management and investors regarding Nokia's performance by excluding the above-described items that may not be indicative of Nokia's business operating results. These non-IFRS financial measures should not be viewed in isolation or as substitutes to the equivalent IFRS measure(s), but should be used in conjunction with the most directly comparable IFRS measure(s) in the reported results. A reconciliation of the non-IFRS results to our reported results for Q2 2011 and Q2 2010*

can be found in the tables on pages 17, 20-24 of our complete interim report with tables. A reconciliation of our Q1 2011 non-IFRS results can be found on pages 11-12 and 14-18 of our complete Q1 2011 interim report with tables which was published on April 21, 2011.

Note 3 relating to non-IFRS Nokia EPS: Nokia taxes continued to be unfavorably impacted by Nokia Siemens Networks taxes as no tax benefits are recognized for certain Nokia Siemens Networks deferred tax items. In Q2, this was partially offset by lower Devices & Services taxes. If Nokia's estimated long-term tax rate of 26% had been applied, non-IFRS Nokia EPS would have been approximately 0.3 Euro cent higher in Q2 2011.

Note 4 relating to Nokia net cash and other liquid assets: Calculated as total cash and other liquid assets less interest-bearing liabilities.

Note 5 relating to Devices & Services reporting structure: Effective from April 1, 2011, our Devices & Services business includes two new operating and reportable segments – Smart Devices, which focuses on smartphones, and Mobile Phones, which focuses on mass market mobile devices – as well as Devices & Services Other. Prior period results for each quarter and the full year 2010 and Q1 2011 have been regrouped (on an unaudited basis) for comparability purposes according to the new reporting format. The regrouped financial information can be accessed at: <http://www.nokia.com/investors>

Note 6 relating to average selling prices (ASP): Mobile device ASP represents total Devices & Services net sales (Smart Devices net sales, Mobile Phones net sales, and Devices & Services Other net sales) divided by total Devices & Services volumes. Devices & Services Other net sales includes net sales of Nokia's luxury phone business Vertu and spare parts, as well as intellectual property royalty income. Smart Devices ASP represents Smart Devices net sales divided by Smart Devices volumes. Mobile Phones ASP represents Mobile Phones net sales divided by Mobile Phones volumes.