

NOKIA CORP  
Form 6-K  
January 23, 2014

# 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 January 23, 2014**

**(Commission File No. 1-13202)**

## **Nokia Corporation**

**Nokia House**

**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:**

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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):

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:

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Enclosures:

Nokia stock exchange release dated January 23, 2014: Nokia Board of directors decided on issuance of shares for settlement of long term incentive plans

Nokia stock exchange release dated January 23, 2014: Nokia Corporation Report for Q4 2013 and Full Year 2013

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*STOCK EXCHANGE RELEASE*

January 23, 2014

**Nokia Board of directors decided on issuance of shares for settlement of long term incentive plans**

Nokia Corporation  
Stock Exchange Release  
January 23, 2014 at 13.30 (CET +1)

Espoo, Finland - Nokia announced today that Nokia's Board of Directors has decided on the issuance of shares held by the company for the settlement of the long term incentive plans in 2014. To fulfill the Company's obligations under the 2010 and 2011 Restricted Share plans to be settled in 2014, Nokia's Board of Directors has resolved to issue a total maximum number of 3,030,200 Nokia shares (NOK1V) held by the Company without consideration to settle its commitment to approximately 250 participants, employees of the Nokia Group.

The performance period for the Performance Share Plan 2011 and 2012 ended on December 31, 2013, and as the threshold performance criteria for net sales and EPS were not met, there will be no settlement to the participants under the plans.

About Nokia

Nokia is a global leader in mobile communications whose products have become an integral part of the lives of people around the world. Every day, more than 1.3 billion people use their Nokia to capture and share experiences, access information, find their way or simply to speak to one another. Nokia's technological and design innovations have made its brand one of the most recognized in the world. For more information, visit <http://www.nokia.com/about-nokia>.

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**RESULTS REPORT**

Nokia Corporation

January 23, 2014 at 13:00 (CET +1)

**Nokia Corporation Report for Q4 2013 and Full Year 2013**

**FINANCIAL AND OPERATING HIGHLIGHTS**

Fourth quarter 2013 highlights for continuing operations\*:

**Nokia's non-IFRS EPS in Q4 2013 of EUR 0.08 (0.06 in Q3 2013); reported EPS of EUR 0.05 (0.04 in Q3 2013)**

**Nokia's net sales in Q4 2013 were EUR 3.5 billion, up 18% compared to Q3 2013**

- In Q4 2013, underlying operating profitability for Nokia's continuing operations increased to EUR 408 million or 11.7% of net sales, compared to EUR 344 million or 11.7% of net sales in Q3 2013.
- NSN achieved solid underlying operating profitability, with Q4 2013 non-IFRS operating margin of 11.2% compared to 8.4% in Q3 2013. This reflected strong gross margin and continued progress relative to its strategy in a seasonally strong quarter, partially offset by higher than normal non-IFRS other expenses.
- HERE's external net sales grew to EUR 225 million, an increase of 10% year-on-year and 28% sequentially.
- Nokia announced that Samsung extended a patent license agreement between Nokia and Samsung for 5 years. Samsung will pay compensation to Nokia for the period commencing from January 1, 2014. The amount to be paid by Samsung will be finally settled in a binding arbitration, which is expected to be concluded during 2015.

Full year 2013 highlights for continuing operations\*:

**Nokia's full year 2013 non-IFRS EPS of EUR 0.21 (0.13 in 2012); reported EPS of EUR 0.05 (-0.20 in 2012)**

**Nokia's full year net sales 2013 were EUR 12.7 billion, down 17% compared to full year 2012**

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- Despite NSN's lower top line, underlying operating profitability improved to EUR 1.1 billion or 9.7% of net sales, compared to EUR 0.8 billion or 5.7% of net sales in 2012, reflecting strong gross margin and continued progress relative to its strategy.
- NSN achieved its target to reduce non-IFRS annualized operating expenses and production overheads by more than EUR 1.5 billion by the end of 2013, compared to the end of 2011.
- NSN reported net profit improved to EUR 15 million, compared to a reported net loss of EUR 1.4 billion in 2012, reflecting lower levels of restructuring charges, strong operational performance in both Global Services and Mobile Broadband, and lower purchase price accounting related expenses.

### Balance sheet highlights:

- Nokia Group ended 2013 with a strong balance sheet and solid cash position with gross cash of EUR 9.0 billion and net cash of EUR 2.3 billion compared to EUR 9.1 billion and EUR 2.4 billion, respectively, at the end of Q3 2013. At the end of 2013, NSN's contribution to Nokia Group gross and net cash was EUR 2.8 billion and EUR 1.7 billion, respectively, compared to EUR 2.7 billion and EUR 1.5 billion at the end of Q3 2013.

### Additional information\*:

- Nokia received shareholder approval for the sale of substantially all of its Devices & Services business at our Extraordinary General Meeting. As a result, Nokia has commenced reporting substantially all of its Devices & Services business as discontinued operations. In Q4 2013, discontinued operations net sales were EUR 2.6 billion and non-IFRS operating margin was -7.3%. Full year 2013 discontinued operations net sales were EUR 10.7 billion and non-IFRS operating margin was -4.8%. Within discontinued operations, we continue to focus on innovation as well as working capital efficiency and the overall cash flow performance.
- Nokia achieved its target to reduce its Devices & Services non-IFRS operating expenses to an annualized run rate of approximately EUR 3.0 billion by the end of 2013.

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\*See note 3 to our Summary Financial Information table below concerning our current operational and reporting structure.

### **Risto Siilasmaa, Nokia Chairman and interim CEO commented on the company's progress:**

The fourth quarter of 2013 was a watershed moment in Nokia's history. Having received overwhelmingly strong support from our shareholders at our extraordinary general meeting in November for the sale of our phones business to Microsoft, we are diligently working towards defining Nokia's future direction. I am pleased with the progress we have made thus far in our strategy evaluation and excited by the opportunities ahead for each of our three continuing businesses: NSN, HERE and Advanced Technologies.

During the fourth quarter, Nokia's continuing businesses produced a healthy underlying operating margin of 12%. While the first quarter of the year is seasonally weak for our continuing operations, we continue to expect the closing of the Microsoft transaction to significantly improve Nokia's earnings profile.

The strength of NSN's underlying profitability highlights just how fundamentally different the company is today, compared with two years ago when it started its restructuring and transformation program. Today, we are more focused, more innovative and more disciplined. With these fundamental elements in place, we believe NSN is well-positioned to deliver solid business performance for the year ahead.



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For HERE, we see long-term transformational growth opportunities in the automotive market, as well as in other industries. Thus, we are planning to increase investment levels in 2014 to capture these exciting opportunities in the coming years.

For Advanced Technologies, we are focused on continuing to invest in innovation, implementing our successful business strategy of licensing our industry leading intellectual property to companies interested in Nokia's innovations, and are planning to add further value to our partners through technology licensing.

**SUMMARY FINANCIAL INFORMATION**

EUR million	Reported and Non-IFRS fourth quarter 2013 results(1)-(4)					Reported and Non-IFRS full year 2013 results(1)-(5)		
	Q4/13	Q4/12	YoY Change	Q3/13	QoQ Change	2013	2012	YoY Change
<b>Nokia's continuing operations</b>								
Net sales	3 476	4 413	-21%	2 939	18%	12 709	15 400	-17%
Operating profit	274	329	-17%	262	5%	519	-821	
Operating profit (non-IFRS)	408	670	-39%	344	19%	1 436	1 142	26%
EPS, EUR diluted	0.05	0.06	-17%	0.04	25%	0.05	-0.21	
EPS, EUR diluted (non-IFRS)	0.08	0.10	-20%	0.06	33%	0.21	0.13	62%
Net cash from operating activities						1 152	1 930	-40%
Net cash and other liquid assets(6)	2 309	4 360	-47%	2 413	-4%	2 309	4 360	-47%
<b>Nokia Solutions and Networks</b>								
Net sales	3 105	3 988	-22%	2 592	20%	11 282	13 779	-18%
Mobile Broadband net sales	1 563	1 776	-12%	1 259	24%	5 347	6 043	-12%
Global Services net sales	1 540	1 979	-22%	1 331	16%	5 753	6 929	-17%
Operating profit	243	252	-4%	166	46%	420	-795	
Operating profit (non-IFRS)	349	576	-39%	218	60%	1 089	782	39%
Operating margin %	7.8%	6.3%		6.4%		3.7%	-5.8%	
Operating margin % (non-IFRS)	11.2%	14.4%		8.4%		9.7%	5.7%	
<b>HERE</b>								
Net sales	254	278	-9%	211	20%	914	1 103	-17%
Operating profit	18	-56		14	29%	-154	-301	
Operating profit (non-IFRS)	25	40	-38%	20	25%	48	154	-69%
Operating margin %	7.1%	-20.1%		6.6%				