

NOKIA CORP
Form 6-K
June 16, 2010

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 June 16, 2010

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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Enclosures:

Nokia stock exchange release dated June 16, 2010: Nokia lowers Devices & Services second quarter 2010 outlook and updates the full year 2010 outlook

STOCK EXCHANGE RELEASE

June 16, 2010

Nokia Corporation

Stock exchange release

June 16, 2010 at 15:00 (CET +1)

Nokia lowers Devices & Services second quarter 2010 outlook and updates the full year 2010 outlook

Espoo, Finland - Nokia today commented on factors impacting its business and updated its second quarter and full year 2010 outlook for Devices & Services. During the second quarter 2010, multiple factors are negatively impacting Nokia's business to a greater extent than previously expected. These factors include: the competitive environment, particularly at the high-end of the market, and shifts in product mix towards somewhat lower gross margin products. In addition, the recent depreciation of the Euro affects Nokia's cost of goods sold, operating expenses and global pricing tactics.

Updated outlook for Devices & Services for the second quarter 2010:

- Nokia now expects Devices & Services net sales to be at the lower end of, or slightly below, its previously expected range of EUR 6.7 billion to EUR 7.2 billion for the second quarter 2010. This update is primarily due to lower than previously expected average selling prices and mobile device volumes.
- Nokia now expects Devices & Services non-IFRS operating margin to be at the lower end of, or slightly below, its previously expected range of 9% to 12% for the second quarter 2010. This update is primarily due to a lower than previously expected gross margin.

Updated outlook for Devices & Services and mobile device market for the full year 2010:

- Nokia continues to expect industry mobile device volumes to be up approximately 10% in 2010, compared to 2009 (based on its revised definition of the industry mobile device market applicable beginning in 2010).
- Nokia continues to target its mobile device volume market share to be flat in 2010, compared to 2009.
- Nokia now expects its mobile device value market share to be slightly lower in 2010, compared to 2009. This update is primarily due to the competitive situation at the high-end of the market and shifts in product mix. This is an update to our previous target to increase our mobile device value market share slightly in 2010, compared to 2009.
- Nokia continues to target non-IFRS operating expenses in Devices & Services of approximately EUR 5.7 billion in 2010.
- Nokia now expects Devices & Services non-IFRS operating margin to be at the lower end of, or below, its previously targeted range of 11% to 13% for the full year 2010. This update is primarily due to the currently estimated gross margin, which is lower than previously estimated. Nokia expects Devices & Services non-IFRS operating margin during the fourth quarter 2010 to be higher than the currently expected full year Devices & Services non-IFRS operating margin.

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Nokia will provide its second quarter results and more details on its 2010 full year outlook when it reports its Q2 2010 results on July 22, 2010.

Nokia will be hosting a conference call at 13:30 UK time (8:30 EST). The dial-in number for media (listen only - the question and answer session will be limited to financial analysts and investors only) is +1 706 634 5012. Conference ID: 82113811.

The dial-in number for financial analysts and investors is US: +1 888 636 1561. Conference ID: 82113811. UK: +44 1452 560 299. Conference ID: 82236648.

A replay of the call will be available soon after the call completion. The replay number is US: +1 800 642 1687. Conference ID: 82113811. UK: +44 1452 55 0000. Conference ID: 82236648.

About Nokia

At Nokia, we are committed to connecting people. We combine advanced technology with personalized services that enable people to stay close to what matters to them. Every day, more than 1.2 billion people connect to one another with a Nokia device – from mobile phones to advanced smartphones and high-performance mobile computers. Today, Nokia is integrating its devices with innovative services through Ovi (www.ovi.com), including music, maps, apps, email and more. Nokia's NAVTEQ is a leader in comprehensive digital mapping and navigation services, while Nokia Siemens Networks provides equipment, services and solutions for communications networks globally.

FORWARD-LOOKING STATEMENTS

It should be noted that certain statements herein which are not historical facts are forward-looking statements, including, without limitation, those regarding: A) the timing of the deliveries of our products and services and their combinations; B) our ability to develop, implement and commercialize new technologies, products and services and their combinations; C) expectations regarding market developments and structural changes; D) expectations and targets regarding our industry volumes, market share, prices, net sales and margins of products and services and their combinations; E) expectations and targets regarding our operational priorities and results of operations; F) the outcome of pending and threatened litigation; G) expectations regarding the successful completion of acquisitions or restructurings on a timely basis and our ability to achieve the financial and operational targets set in connection with any such acquisition or restructuring; and H) statements preceded by believe, expect, anticipate, foresee, target, estimate, designed, plans, will or similar expressions. These statements are based on best assumptions and beliefs in light of the information currently available to it. Because they involve risks and uncertainties, actual results may differ materially from the results that we currently expect. Factors that could cause these differences include, but are not limited to: 1) the competitiveness and quality of our portfolio of products and services and their combinations; 2) our ability to timely and successfully develop or otherwise acquire the appropriate technologies and commercialize them as new advanced products and services and their combinations, including our ability to attract application developers and content providers to develop applications and provide content for use in our devices; 3) our ability to effectively, timely and profitably adapt our business and operations to the requirements of the converged mobile device market and the services market; 4) the intensity of competition in the various markets where we do business and our ability to maintain or improve our market position or respond successfully to changes in the competitive environment; 5) the occurrence of any actual or even alleged defects or other quality, safety or security issues in our products and services and their combinations; 6) the development of the mobile and fixed communications industry and general economic conditions globally and regionally; 7) our ability to successfully manage costs; 8) exchange rate fluctuations, including, in particular, fluctuations between the euro, which is our reporting currency, and the US dollar, the Japanese yen and the Chinese yuan, as well as certain other currencies; 9) the success, financial condition and performance of our suppliers, collaboration partners and customers; 10) our ability to source sufficient amounts of fully functional components, sub-assemblies, software, applications and content without interruption and at acceptable prices and quality; 11) our success in collaboration arrangements with third parties relating to the development of new technologies, products and services, including applications and content; 12) our ability to manage efficiently our manufacturing and logistics, as well as to ensure the quality, safety, security and timely delivery of our

products and services and their combinations; 13) our ability to manage our inventory and timely adapt our supply to meet changing demands for our products; 14) our ability to protect the complex technologies, which we or others develop or that we license, from claims that we have infringed third parties' intellectual property rights, as well as our unrestricted use on commercially acceptable terms of certain technologies in our products and services and their combinations; 15) our ability to protect numerous Nokia, NAVTEQ and Nokia Siemens Networks patented, standardized or proprietary technologies from third-party infringement or actions to invalidate the intellectual property rights of these technologies; 16) the impact of changes in government policies, trade policies, laws or regulations and economic or political turmoil in countries where our assets are located and we do business; 17) any disruption to information technology systems and networks that our operations rely on; 18) our ability to retain, motivate, develop and recruit appropriately skilled employees; 19) unfavorable outcome of litigations; 20) allegations of possible health risks from electromagnetic fields generated by base stations and mobile devices and lawsuits related to them, regardless of merit; 21) our ability to achieve targeted costs reductions and increase profitability in Nokia Siemens Networks and to effectively and timely execute related restructuring measures; 22) developments under large, multi-year contracts or in relation to major customers in the networks infrastructure and related services business; 23) the management of our customer financing exposure, particularly in the networks infrastructure and related services business; 24) whether ongoing or any additional governmental investigations into alleged violations of law by some former employees of Siemens AG (Siemens) may involve and affect the carrier-related assets and employees transferred by Siemens to Nokia Siemens Networks; 25) any impairment of Nokia Siemens Networks customer relationships resulting from ongoing or any additional governmental investigations involving the Siemens carrier-related operations transferred to Nokia Siemens Networks; as well as the risk factors specified on pages 11-32 of Nokia's annual report Form 20-F for the year ended December 31, 2009 under Item 3D.

Risk Factors. Other unknown or unpredictable factors or underlying assumptions subsequently proving to be incorrect could cause actual results to differ materially from those in the forward-looking statements. Nokia does not undertake any obligation to publicly update or revise forward-looking statements, whether as a result of new information, future events or otherwise, except to the extent legally required.

Nokia, Helsinki June 16, 2010

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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant, Nokia Corporation, has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: June 16, 2010

Nokia Corporation

By: /s/ Kaarina Ståhlberg

Name:

Kaarina Ståhlberg

Title:

Assistant General Counsel