



Nokia renews its chipset development strategy

Espoo, Finland – Nokia today announced that it is introducing a licensing and multisourcing model for its chipset strategy. This will allow Nokia to focus on its core competencies in chipset development, leverage external innovation, and foster competition in the chipset industry. Under this renewed strategy Nokia will discontinue parts of its own chipset development and expand its use of commercially available chipsets.

Nokia will however continue to develop its leading modem technology*, which includes protocol software and related digital design for WCDMA/GSM and its evolution. Nokia will then license this modem technology to its chipset manufacturers, who will use it in the chipsets they develop and produce for Nokia and – if they so decide – in the chipsets they produce for the open market.

This licensing and multisourcing strategy will allow Nokia to broaden its pool of chipset suppliers and leverage external innovation to support its wide range of products. It will also allow Nokia to focus on its core competence in modem technology and invest in R&D areas besides radio technology, such as in software to power internet services.

“This is a pragmatic move in the face of an increasingly complex technology environment,” said Niklas Savander, Executive Vice President, Nokia Technology Platforms. “Companies in this industry need to focus on areas where they can add value and partner with others where it makes sense. We believe that our renewed strategy will allow us to concentrate on developing core chipset technologies, while increasing our R&D efficiencies and improving our agility in a fast-moving marketplace.”

Based on this renewed strategy, Nokia is now working with four chipset suppliers. Texas Instruments continues to be a broad scope supplier across all protocols, Broadcom has been chosen as a supplier in EDGE, Infineon Technologies as a supplier in GSM, and STMicroelectronics as a supplier in 3G.

* A modem converts the digital language of a chip to the analogue language of radio, allowing one device to communicate with another over radio signals.

About Nokia

Nokia is the world leader in mobility, driving the transformation and growth of the converging Internet and communications industries. Nokia makes a wide range of mobile devices and provides people with experiences in music, navigation, video, television, imaging, games and business mobility through these devices. Nokia also provides equipment, solutions and services for communications networks.

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Note to editors: Nokia will have a live audiocast today at 2pm Helsinki time (+1 CET), which can be followed from the Nokia website at www.nokia.com/press. You may also post your questions while

listening to the audiocast.