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Nokia Managed Services moves forward with new contract, strategic step

- Hutchison Essar to further benefit from Nokia's cost savings know-how
- Managed Services will be led globally from India effective July
- Nokia Global Networks Solutions Center in Chennai now operational

Singapore (Nokia Connection 2006) – Nokia's Services Business Unit announced today a new managed services contract and a strategic step up of the business, showing its mission of helping operators thrive by lowering their costs is bearing fruit, and the broader shift by the Networks Business Group from a product to a solutions focus is gathering pace.

Nokia unveiled a managed service contract extension with India's Hutchison Essar that will see it eventually run 19 of the operator's 23 circles in India, as well as take on more Essar personnel. The agreement pads Nokia's track record of 39 managed service references in 30 countries, one of the strongest in this growing business field.

Nokia also announced that Managed Services will be led globally from India effective July. Ashish Chowdhary, currently the Country Head for Networks in India, will transition over as the new global head of Managed Services by the end of the year. Ashish has played a key role in leading Nokia to the number 1 position in the fast-growing Indian infrastructure market (source: Voice & Data, June 2006) on the back of a dominant presence in the managed services business.

The move underscores Nokia's commitment to tap global services market growth, as well as India's outstanding outsourcing ecosystem and innovation pedigree.

"These announcements show Nokia's commitment to working with its customers to help them meet the challenges of today's fierce market conditions," said Bosco Novák, Senior Vice President for Services, Networks, Nokia. "Our Services strategy is firmly on track. The fact that our Global Networks Solutions Center (GNSC) in Chennai is now up and running is further proof of that."

The GNSC started operations in the first half, and will eventually act as the hub for other Nokia operations centers around the world, offering a wide variety of services including remote care, remote integration, consulting, planning and optimization.

Nokia Services boasts a broad business solution portfolio that gives operators the best tools to increase their efficiency and differentiate their offerings, with close to 20 years of experience in the field. In addition to Managed Services, which covers field operations, network availability, mobility hosting, and network performance, Nokia continues to expect growth especially in the areas of Consulting and Integration (C&I) and Service Management.

Services comprises over 30 percent of Nokia Networks' revenues, and the figure is growing.

About Nokia

Nokia is a world leader in mobile communications, driving the growth and sustainability of the broader mobility industry. Nokia connects people to each other and the information that matters to them with easy-to-use and innovative products like mobile phones, devices and solutions for imaging, games, media and businesses. Nokia provides equipment, solutions and services for network operators and corporations. <u>www.nokia.com</u>.

Media Enquiries:

Networks, Nokia Communications



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2 (2)

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Tel. + 358 7180 34379

Nokia Communications Tel. +358 7180 34900 E-mail: press.office@nokia.com