UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

ROBERT CHMIELINSKI, Individually and on Behalf of All Others Similarly Situated, Plaintiff, vs. NOKIA CORPORATION, STEPHEN A. ELOP and TIMO IHAMUOTILA, Defendants.	Civil Action No. <u>CLASS ACTION</u> COMPLAINT FOR VIOLATION OF THE FEDERAL SECURITIES LAWS <u>DEMAND FOR JURY TRIAL</u>

INTRODUCTION AND OVERVIEW

1. This is a class action for violations of the anti-fraud provisions of the federal securities laws on behalf of all purchasers on any U.S. exchange, or where title passed within the U.S., of the publicly traded securities of Nokia Corporation ("Nokia" or the "Company") between October 26, 2011 and April 10, 2012 (the "Class Period"), who were damaged thereby (the "Class").

2. Nokia provides telecommunications infrastructure hardware, software, and services worldwide. During the Class Period, defendants told investors that Nokia's conversion to a Windows platform would halt its deteriorating position in the smartphone market. It did not. This became apparent on April 11, 2012, when Nokia disclosed that its first quarter performance would be worse than expected. Nokia expected its first quarter 2012 non-IFRS Devices & Services operating margin to fall by 3%, and projected first quarter 2012 Devices & Services net sales of €4.2 billion. It also disclosed a glitch in its newest Windows offering – the Lumia 900. Nokia had to immediately offer customers an automatic $100, making the phone essentially free.

3. As a result of this disclosure, the price of Nokia's American Depositary Shares ("ADRs") dropped over 16% in a single day.

JURISDICTION AND VENUE

4. The claims asserted arise under §§10(b) and 20(a) of the Securities Exchange Act of 1934 ("1934 Act") and Rule 10b-5. Jurisdiction is conferred by §27 of the 1934 Act. Venue is proper pursuant to §27 of the 1934 Act. Nokia conducts business in this District and its ADRs trade on the New York Stock Exchange ("NYSE") in this District.

THE PARTIES

5. Plaintiff Robert Chmielinski purchased Nokia securities during the Class Period as set forth in the attached certification and was damaged thereby.

6. Defendant Nokia provides telecommunications infrastructure hardware, software, and services worldwide, with its headquarters located in Espoo, Finland. Nokia's ADRs are traded under the symbol NOK on the NYSE, which is an efficient market.

7. Defendant Stephen A. Elop ("Elis") was, at all relevant times, Chief Executive Officer ("CEO") and President of the Company.

8. Defendant Timo Ihamuotila ("Ihamuotila") was, at all relevant times, Chief Financial Officer ("CFO") and Executive Vice President of the Company.

SCIENTER

9. During the Class Period, defendants had both the motive and opportunity to conduct fraud. They also had actual knowledge of the misleading nature of the statements they made or acted in reckless disregard of the true information known to them at the time. In so doing, the defendants participated in a scheme to defraud and committed acts, practices and participated in a course of business that operated as a fraud or deceit on purchasers of Nokia securities during the Class Period.

BACKGROUND

10. Nokia provides telecommunications infrastructure hardware, software, and services worldwide. The Company offers smartphones and smart devices, and feature phones, and related services and applications. It provides feature phones and smartphones under the Nokia brand. The Company also develops a range of location-based products and services for consumers; platform services and local commerce services for device manufacturers, application developers, Internet services providers, merchants, and advertisers; and digital map information and related location-based content and services for mobile navigation devices, automotive navigation systems, Internet-based mapping applications, and government and business solutions.

11. Nokia was a dominant force in the important smartphone market beginning in the 1990s with the launch of its Communicator model. For many years, Nokia used the Symbian operating system for its smartphones. By the beginning of this decade, Nokia was facing much more competition, particularly by Apple and Samsung, leading to rapidly deteriorating market share. Between June 2010 and the second quarter of 2011, worldwide Nokia's Symbian smartphones dropped from 38% of the market to 15%. In the U.S. market, Nokia had a very small share – approximately 2%. In early 2011, Nokia announced it would switch to a Windows-based smartphone. Investors were led to believe this switch would reverse Nokia's trends worldwide and dramatically improve its share of the U.S. market.

12. By the time Nokia reported its third quarter 2011 results in mid-October 2011, investors were already anticipating the launch of its first Windows-based smartphone and the price of Nokia's securities began to increase.

FALSE AND MISLEADING STATEMENTS ISSUED DURING THE CLASS PERIOD

13. On October 26, 2011, Nokia unveiled its first Windows-based phones in a bid to recapture ground lost to its chief rivals in the tough top-end smartphone market. The Company announced the Lumia 800, priced at $580, and Lumia 710, with a price tag of $320. Defendant Elop was quoted:

> "Eight months ago, we shared our new strategy and today we are demonstrating clear progress of this strategy in action . . . . We're driving innovations throughout our entire portfolio, from new smartphone experiences to ever smarter mobile phones."

14. As *The New York Times* reported, the stakes were high:

> Nokia, the Finnish cellphone maker, on Wednesday introduced two new smartphones, the first fruits of its alliance with Microsoft, in a bid to recover its market leadership while extending Microsoft's dominant software business to mobile devices.

*   *   *

The new lineup aims to revive Nokia's tarnished reputation as an innovative force in mobile phones, an industry it pioneered and dominated until Apple and Google leveraged more user-friendly software to wrest control of the smartphone business four years ago.

Mr. Elop, a former senior Microsoft executive who made the decision to enter the software alliance with his former employer last February, said the new Lumia devices showed that Nokia, which is based in Espoo, was delivering on its promised turnaround.

"The Lumia is the first real Windows Phone," Mr. Elop told 3,000 people attending the company's Nokia World conference in London. Samsung and HTC, a Taiwanese maker, also produce Windows phones. "This signals our intent to be today's leader in smartphone design and craftsmanship."

During an interview, Mr. Elop said Nokia was planning a major push for its smartphones in the U.S. market, where it has struggled, early next year. He said Nokia was in advanced talks with the four major U.S. operators, which together sell more than 90 percent of all cellphones in the country. Nokia's new smartphones for the United States, Mr. Elop said, will run on high-speed networks that use a technology called Long Term Evolution, as well as on older 3G networks.

*   *   *

With Lumia, Nokia aims to beat Apple and Google at their own strategy: by designing handsets that are easier to use than the two best-selling smartphones, the iPhone 4S and Samsung Galaxy S II, which runs Android.

15. After this news, the price of Nokia's ADRs increased to $7.31 per share.

16. On November 29, 2011, defendant Ihamuotila appeared at the Credit Suisse Group Technology Conference and stated the following:

> Clearly, the smartphone market is a growth market where you can drive a lot of value by innovation. The dynamics, however, on this market have fundamentally changed. It's changed from battle of products to war of ecosystems, as we call it. And we think that ***Nokia and Microsoft have the right assets to win in this new game***.
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> If we look at this from battle of devices to war of ecosystems and we look at the Microsoft and Nokia assets, these assets are very complementary; for example, great hardware, operating system, software, location, search, productivity tools, and entertainment like Xbox, this is the fastest growing ecosystem at the moment. When Nokia launched its new strategy in February, there were about 5,000 applications on this ecosystem. Now there is more than 40,000. And, also, it's worth noting that ***operators are really backing this ecosystem***.

17. On December 8, 2011, defendant Elop appeared at the Barclays Capital Global Technology Conference and stated the following:

> So we said on February 11, we are going to invest more here. We are going to do more here so that we can push back against the obvious competitors. And you've seen the early results. We made a significant investment in a new line of dual-SIM products, product that you can put multiple SIM cards in, crucial for markets like India. We introduced five new products in this space. We saw the first full-quarter result in Q3. We sold 18 million of those devices in Q3, which just is an amazing turnaround, an amazing recapture of share in India, and obviously says with innovation, you can differentiate.
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> Where did the share come from? It came principally from low-cost local and Chinese manufacturers. We can compete with those organizations, and we are demonstrating that there.
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> We also had the opportunity to introduce yet another family of devices for this space. We introduced it in late October, the Nokia Asha family of products. Again, new innovation, a lot of focus on QWERTY. It is amazing how much the QWERTY form fact, having the keyboard on the device, is popular in a lot of these emerging markets. It is very dominant in some markets. So a lot of focus on those opportunities there.
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> * * *
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> Now, also on February 11 we announced the partnership with Microsoft.
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> * * *
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> So we announced it on February 11, we signed the contract on April 27, and six months later, we were very proud to stand on stage in London October 26 and say, ladies and gentlemen, here are the first Nokia LUMIA devices using the Windows Phone platform, the LUMIA 800 and the LUMIA 710.
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> Now, I'm going to refer here back to the point about changing how we operate. Because when we signed the agreement with Microsoft, we did not have a plan that said, oh, we'll get this done in time for October or whatever. We didn't have that plan. But we are fundamentally changing how we are executing, bringing timelines forward, changing the clock speed of the Company, and therefore fundamentally exceeding my own expectations in terms of what we could accomplish in what period of time.
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> We showed these devices for the first time on October 26. I'm sure many of you have seen the reviews that are out there from all of the people who follow the industry. Very, very positive. The industry analysts, in terms of our strategy, how we are differentiating with software and services, very positive.

18. On January 26, 2012, Nokia issued a press release announcing its fourth quarter and annual 2011 results. The Company reported net sales of €10.0 billion and non-IFRS EPS of €0.06 for the fourth quarter 2011. Additionally, the Company reported net sales of €38.7 billion and non-IFRS EPS of €0.29 for the 2011. The release stated in part:

> **STEPHEN ELOP, NOKIA CEO**:
>
> The fourth quarter of 2011 marked a significant step in Nokia's transformation. Most notably, in Q4 we introduced new mobile phones and smartphones, which resulted from the strategy shift in our Devices & Services business.
>
> ***Overall, we are pleased with the performance of our mobile phones business, which benefited in Q4 from sequential double-digit percentage growth in our dual SIM business, with particular strength in India, Middle East and Africa and South East Asia***. In October, we introduced the Asha 200, 201, 300 and 303, which brought new mobile phones into 76 markets around the world. We are building on this foundation with R&D investments as we continue our journey to connect the next billion to the Internet.
>
> Also in October, just six months after signing an agreement with Microsoft, we introduced our first two devices based on the Windows Phones platform – the Nokia Lumia 800 and the Nokia Lumia 710. ***We brought the new devices to market ahead of schedule, demonstrating that we are changing the clock speed of Nokia***. To date, we have introduced Lumia to consumers in Europe, Hong Kong, India, Russia, Singapore, South Korea and Taiwan.
>
> We have also started our important re-entry into the North American market. Earlier this month, T-Mobile started selling the Nokia Lumia 710 as a lead device. We also announced the new Nokia Lumia 900 with AT&T, and immediately received a number of industry awards. The Nokia Lumia 900 is our third Lumia device, our first LTE device designed specifically for the North American market, and AT&T is positioning the Lumia 900 as a lead LTE device.
>
> In the war of ecosystems, clearly there are some strong contenders already on the field. And ***with Lumia, we have demonstrated that we belong on the field***. Our specific intent has been to establish a beachhead in this war of ecosystems, and country by country that is what we are now accomplishing. To date ***we have sold well over 1 million Lumia devices. From this beachhead of more than 1 million Lumia devices, you will see us push forward with the sales, marketing and successive product introductions necessary to be successful***. We also plan to bring the Lumia series to additional markets including China and Latin America in the first half of 2012.

And, while we progressed in the right direction in 2011, we still have a tremendous amount to accomplish in 2012, and thus, it is my assessment that we are in the heart of our transition.

Specifically, changing market conditions are putting increased pressure on Symbian. In certain markets, there has been an acceleration of the anticipated trend towards lower-priced smartphones with specifications that are different from Symbian's traditional strengths. As a result of the changing market conditions, combined with our increased focus on Lumia, we now believe that we will sell fewer Symbian devices than we previously anticipated.

During Q4, we also formed the Location & Commerce business to drive value from our leading mapping and location-based services platform. We conducted annual impairment testing in Q4 in the context of our new structure and plans for the future, and valued the Location & Commerce business at EUR 4.1 billion, resulting in an impairment of goodwill of EUR 1.1 billion. The Location & Commerce business is an important asset that is bringing differentiating location-based services to Nokia, the Windows Phone ecosystem, and other Microsoft products such as Bing. We believe this is the leading location-based services platform with an opportunity to become tremendously powerful as computing goes more mobile, and location increasingly becomes a critical organizing dimension for a person's experiences.

In summary, with a strong balance sheet, our performance in mobile phones and the new excitement around Lumia, we are confident that we are on the right track to build long-term value.

19. After releasing its fourth quarter and annual 2011 financial results on January 26, 2012, Nokia hosted a conference call with analysts, investors and media representatives, during which defendant Elop represented the following:

Most notably, in Q4 we introduced new mobile phones and smartphones, further evidence of the strategy shift in our devices and services business. Overall, we are pleased with the performance of our mobile phones business, which benefited in Q4 from sequential double-digit percentage growth in our dual SIM business, with particular strength in India, Middle East and Africa, and Southeast Asia.

* * *

Shifting now to our smart devices business. In October, just six months after signing an agreement with Microsoft, we introduced our first two devices based on the Windows phone platform, the Lumia 800 and the 710.We brought the Lumia 800 and 710 to market ahead of schedule, demonstrating that we are changing the clock speed of Nokia. . . .

We have also started our important re-entry into the North American market. Earlier this month, T-Mobile started selling the Lumia 710, and they are targeting the 150 million Americans still to make the transition to smartphones. The Lumia 800 will also arrive in Microsoft retail and online stores in February. And, starting in February, we expect to launch the Lumia 710 with Rogers, and the 800 with TELUS to bring the Lumia experience to Canada.

And, of course, we announced the new Lumia 900 for the US market in an exclusive partnership with AT&T. It is our third Lumia device, and our first LTE device. Designed for the North American market, we expect the Lumia 900 to be available in the months ahead. The early reviews of the Lumia 900 have garnered an ***exceptionally positive pre-sales reception***.

* * *

With Lumia, our specific intent has been to establish a beach head in this war of ecosystems, and country-by-country, that is precisely what we are now accomplishing. To-date, we have sold well over 1 million Lumia devices. Since mid-November, we went from zero markets to 15 markets, from zero devices to well over 1 million devices. From no presence in the US to being a lead in AT&T's LTE launch. I'm pleased that we are moving from a standing start to gaining speed. From this beach head, you will see us push forward with the sales, marketing, and successive product introductions necessary to be successful.

* * *

We're adjusting our retail tactics by increasing the quantity and quality of our retail associate training programs, seeding more Lumia devices into the market, and increasing point-of-sales activities.

20. On March 26, 2012, AT&T announced that the Lumia 900 would be on its shelves on April 8, 2012, priced at $99.99 with a two-year contract.

21. On April 10, 2012, Nokia's ADRs closed at $5.03 per share.

22. Then, on April 11, 2012, before the market opened, Nokia issued a press release that stated in relevant part:

Nokia today provided preliminary information on certain aspects of its first quarter 2012 financial performance, including a lowered first quarter 2012 outlook for Devices & Services. During the first quarter 2012, multiple factors negatively affected Nokia's Devices & Services business to a greater extent than previously expected. These factors included:

- Competitive industry dynamics, which negatively affected net sales in the Mobile Phones and Smart Devices business units, particularly in India, the Middle East and Africa and China; and

- Gross margin declines, particularly in the Smart Devices business unit.

The impact of these factors on the non-IFRS Devices & Services operating margin in the first quarter 2012 was partially offset by a significant benefit from lower warranty costs.

Updated outlook for Devices & Services for the first quarter 2012:

Nokia currently estimates that its non-IFRS Devices & Services operating margin in the first quarter 2012 was approximately negative 3 percent, compared to the previously expected range of "around breakeven, ranging either above or below by approximately 2 percentage points" primarily due to the factors noted above.

Outlook for Devices & Services for the second quarter 2012:

Nokia expects its non-IFRS Devices & Services operating margin in the second quarter 2012 to be similar to or below the first quarter 2012 level. This outlook reflects that the first quarter 2012 benefit related to lower warranty costs is expected to be non-recurring, as well as expectations regarding a number of factors including:

- competitive industry dynamics continuing to negatively affect the Smart Devices and Mobile Phones business units;

- timing, ramp-up, and consumer demand related to new products; and

- the macroeconomic environment.

"Our disappointing Devices & Services first quarter 2012 financial results and outlook for the second quarter 2012 illustrates that our Devices & Services business continues to be in the midst of transition," said Stephen Elop, President and CEO of Nokia. "Within our Smart Devices business unit, we have established early momentum with Lumia, and we are increasing our investments in Lumia to achieve market success. Our operator and distributor partners are providing solid support for Windows Phone as a third ecosystem, as evidenced most recently by the launch of the Lumia 900 by AT&T in the United States."

Additional commentary on the first quarter 2012 for Devices & Services and Nokia:

Nokia currently estimates that Devices & Services net sales in the first quarter 2012 were EUR 4.2 billion, comprised of Mobile Phones net sales of EUR 2.3 billion (71 million units), Smart Devices net sales of EUR 1.7 billion (12 million units), and Devices & Services Other net sales of EUR 0.2 billion. Based on the preliminary view, Nokia ended the first quarter 2012 around the high end of our normal 4 to 6 week channel inventory range, but on an absolute unit basis, channel inventories declined sequentially.

* * *

Nokia currently estimates that at the end of the first quarter 2012, the company's gross cash and other liquid assets were approximately EUR 9.8 billion, and Nokia's net cash and other liquid assets were approximately EUR 4.9 billion. The sequential decline in net cash and other liquid assets was driven by Devices & Services, which experienced unfavorable and mostly non-recurring net working capital changes as well as operating losses. Nokia Siemens Networks contributed positively to Nokia's cash flow in the first quarter 2012 due to net working capital improvements. This was despite Nokia Siemens Networks having a preliminarily estimated non-IFRS operating margin of approximately negative 5 percent in the first quarter 2012, in line with the previously provided outlook.

* * *

"We are continuing to increase the clock speed of the company," said Stephen Elop, President and CEO of Nokia. "The change is tangible, and we are proud of the way Nokia employees are quickly responding to the needs of consumers and partners."

23. Within two days of the Lumia 900 launch, Nokia had to admit that the software glitch could cause the 900s to lose their high-speed data connection. Commentators speculated that Nokia had known about the glitch prior to the launch.

24. Analysts reacted extremely negatively to these disclosures:

We have downgraded our recommendation to Reduce from Accumulate and target price to 3.0 EUR from 4.60 EUR following Nokia's profit warning. The changes are drastic, but so was the magnitude of the warning.

Back to square one

Before the warning, we had been slightly encouraged by two decent quarters and quick ramp-up of the Lumia product line. However, given the poor initial sales of Lumia we have re-evaluate [sic] the rationale of Nokia's strategy decision. After the profit warning, we have no visibility going forward (except that Q1 was horrible and Q2 will be terrible) and the high risks need to be priced in.

Lumia sales not encouraging

2 million Lumias in three months is not encouraging, that's the same number that the Nokia N97 (a product which was a large scale failure) shipped back in 2009

in first three months. Today, if you bring a hit product to market, 5 million in three months should not be a problem (Samsung Galaxy S2). In addition, 10 million Symbian smartphones shipped was expected, but the 16 % gross margin in smartphones says these phones were shipped with big discounts in order to defend market shares.

* * *

Nokia's pre-announcement revealed clearly-worse-than-expected development[s] in both the smartphone and the feature phone businesses. Devices and Services sales were down by 41% y/y to around €4.2 billion (FIMe: €4.8 billion) and the non-IFRS EBIT margin was 3% negative, compared to an earlier expectation of break-even ([+/-] 2%) EBIT. The net cash position was cut by €700 million to 4.9 billion at the end of March (5.6 billion in 12/2011), mainly due to unfavourable net working capital changes and operating losses. For the current quarter, Nokia expects the device margin to be similar to or below the Q1 level. The company does not provide any sales guidance given the poor visibility.

* * *

Although it is still early to consider Nokia's Windows Phone strategy doomed, this definitely casts some very dark shadows over the future of Nokia's smartphone business.

25. As a result of these disclosures, the price of Nokia's ADRs dropped from a closing price of $5.03 per share on April 10, 2012 to $4.24 per share on April 11, 2012, on extraordinary volume of over 195 million shares. This decrease in the price of Nokia's securities was the result of the disclosure of previously concealed information being revealed.

DEFENDANTS' STATEMENTS WERE FALSE AND MISLEADING

26. Defendants' statements set forth above were materially false and misleading because Nokia's migration to a Windows platform was not going as well as represented. The Lumia 900 had a glitch which forced Nokia to offer a $100 credit and earlier Lumia offerings were not as well accepted as represented.

LOSS CAUSATION/ECONOMIC LOSS

27. During the Class Period, as detailed herein, defendants made false and misleading statements and engaged in a scheme to deceive the market. This artificially inflated the price of

Nokia's securities and operated as a fraud or deceit on the Class. Later, when defendants' prior misrepresentations and fraudulent conduct became apparent to the market, the price of Nokia's securities fell precipitously, as the prior artificial inflation came out of the price over time. As a result of their purchases of Nokia securities during the Class Period, plaintiff and other members of the Class suffered economic loss, *i.e.*, damages, under the federal securities laws.

NO SAFE HARBOR

28. Nokia's verbal "Safe Harbor" warnings accompanying its oral forward-looking statements ("FLS") issued during the Class Period were ineffective to shield those statements from liability.

29. The defendants are also liable for any false or misleading FLS pleaded because, at the time each FLS was made, the speaker knew the FLS was false or misleading and the FLS was authorized and/or approved by an executive officer of Nokia who knew that the FLS was false. None of the historic or present tense statements made by defendants were assumptions underlying or relating to any plan, projection or statement of future economic performance, as they were not stated to be such assumptions underlying or relating to any projection or statement of future economic performance when made, nor were any of the projections or forecasts made by defendants expressly related to or stated to be dependent on those historic or present tense statements when made.

APPLICABILITY OF PRESUMPTION OF RELIANCE: FRAUD ON THE MARKET

30. Plaintiff will rely upon the presumption of reliance established by the fraud-on-the-market doctrine in that, among other things:

(a) Defendants made public misrepresentations or failed to disclose material facts during the Class Period;

(b) The omissions and misrepresentations were material;

(c) The Company's securities traded in an efficient market;

(d) The misrepresentations alleged would tend to induce a reasonable investor to misjudge the value of the Company's securities; and

(e) Plaintiff and other members of the Class purchased Nokia securities between the time defendants misrepresented or failed to disclose material facts and the time the true facts were disclosed, without knowledge of the misrepresented or omitted facts.

31. At all relevant times, the market for Nokia securities was efficient for the following reasons, among others:

(a) As a regulated issuer, Nokia filed periodic public reports with the SEC; and

(b) Nokia regularly communicated with public investors via established market communication mechanisms, including through regular disseminations of press releases on the major news wire services and through other wide-ranging public disclosures, such as communications with the financial press, securities analysts and other similar reporting services.

CLASS ACTION ALLEGATIONS

32. Plaintiff brings this action as a class action pursuant to Rule 23 of the Federal Rules of Civil Procedure on behalf of all persons who purchased the publicly traded securities of Nokia during the Class Period on any U.S. exchange, or where title passed within the U.S. (the "Class"). Excluded from the Class are defendants and their families, directors and officers of Nokia and their families and affiliates.

33. The members of the Class are so numerous that joinder of all members is impracticable. The disposition of their claims in a class action will provide substantial benefits to the parties and the Court. Several million Nokia shares trade on the NYSE, owned by thousands of persons.

34. There is a well-defined community of interest in the questions of law and fact involved in this case. Questions of law and fact common to the members of the Class which predominate over questions which may affect individual Class members include:

(a) Whether the 1934 Act was violated by defendants;

(b) Whether defendants omitted and/or misrepresented material facts;

(c) Whether defendants' statements omitted material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading;

(d) Whether defendants knew or recklessly disregarded that their statements were false and misleading;

(e) Whether the prices of Nokia securities were artificially inflated; and

(f) The extent of damage sustained by Class members and the appropriate measure of damages.

35. Plaintiff's claims are typical of those of the Class because plaintiff and the Class sustained damages from defendants' wrongful conduct.

36. Plaintiff will adequately protect the interests of the Class and has retained counsel who are experienced in class action securities litigation. Plaintiff has no interests which conflict with those of the Class.

37. A class action is superior to other available methods for the fair and efficient adjudication of this controversy.

COUNT I

For Violation of §10(b) of the 1934 Act and Rule 10b-5 Against All Defendants

38. Plaintiff incorporates ¶¶1-37 by reference.

39. During the Class Period, defendants disseminated or approved the false statements specified above, which they knew or recklessly disregarded were misleading in that they contained misrepresentations and failed to disclose material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.

40. Defendants violated §10(b) of the 1934 Act and Rule 10b-5 in that they:

(a) Employed devices, schemes, and artifices to defraud;

(b) Made untrue statements of material facts or omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or

(c) Engaged in acts, practices, and a course of business that operated as a fraud or deceit upon plaintiff and others similarly situated in connection with their purchases of Nokia securities during the Class Period.

41. Plaintiff and the Class have suffered damages in that, in reliance on the integrity of the market, they paid artificially inflated prices for Nokia securities. Plaintiff and the Class would not have purchased Nokia securities at the prices they paid, or at all, if they had been aware that the market prices had been artificially and falsely inflated by defendants' misleading statements.

42. As a direct and proximate result of these defendants' wrongful conduct, plaintiff and the other members of the Class suffered damages in connection with their purchases of Nokia securities during the Class Period.

COUNT II

For Violation of §20(a) of the 1934 Act
Against All Defendants

43. Plaintiff incorporates ¶¶1-42 by reference.

44. Defendants Elop and Ihamuotila acted as controlling persons of Nokia within the meaning of §20 of the 1934 Act. By virtue of their positions and their power to control public statements about Nokia, defendants Elop and Ihamuotila had the power and ability to control the actions of Nokia and its employees. Nokia controlled defendants Elop and Ihamuotila and its other officers and employees. By reason of such conduct, defendants are liable pursuant to §20(a) of the 1934 Act.

PRAYER FOR RELIEF

WHEREFORE, plaintiff prays for judgment as follows:

A. Declaring this action to be a proper class action pursuant to Fed. R. Civ. P. 23;

B. Awarding plaintiff and the members of the Class damages and interest;

C. Awarding plaintiff's reasonable costs, including attorneys' fees; and

D. Awarding such equitable/injunctive or other relief as the Court may deem just and proper.

JURY DEMAND

Plaintiff demands a trial by jury.

DATED: May 3, 2012

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