KELLOGG CO
Form 11-K
June 25, 2010
Table of Contents

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 11-K

FOR ANNUAL REPORTS OF EMPLOYEE STOCK PURCHASE, SAVINGS

AND SIMILAR PLANS PURSUANT TO SECTION 15(d) OF THE

SECURITIES EXCHANGE ACT OF 1934

(Mark One)

x **ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2009

OR

¨ **TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from ______ to ______

Commission File No.: 001-04171

A. FULL TITLE OF THE PLAN AND THE ADDRESS OF THE PLAN, IF DIFFERENT FROM THAT OF THE ISSUER NAMED BELOW:

Kellogg Company Bakery, Confectionery, Tobacco Workers and Grain Millers Savings and Investment Plan

B. NAME OF ISSUER OF THE SECURITIES HELD PURSUANT TO THE PLAN AND THE ADDRESS OF ITS PRINCIPAL EXECUTIVE OFFICE:

Kellogg Company

One Kellogg Square

Battle Creek, Michigan 49016-3599

Table of Contents

Kellogg Company

Bakery, Confectionery, Tobacco

Workers and Grain Millers

Savings and Investment Plan

Financial Statements and

Supplemental Schedule

December 31, 2009 and 2008

Table of Contents

Kellogg Company

Bakery, Confectionery, Tobacco Workers and Grain Millers

Savings and Investment Plan

Index

Note: Other schedules required by Section 2520.103-10 of the Department of Labor s Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.

Table of Contents

Report of Independent Registered Public Accounting Firm

To the Participants and Administrator of

the Kellogg Company Bakery, Confectionery,

Tobacco Workers and Grain Millers Savings

and Investment Plan

In our opinion, the accompanying statement of net assets available for benefits and the related statement of changes in net assets available for benefits present fairly, in all material respects, the net assets available for benefits of the Kellogg Company Bakery, Confectionery, Tobacco Workers and Grain Millers Savings and Investment Plan (the Plan) at December 31, 2009 and 2008, and the changes in net assets available for benefits for the years then ended in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Plan s management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of assets (held at end of year) is presented for the purpose of additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor s Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental schedule is the responsibility of the Plan s management. The supplemental schedule has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Detroit, Michigan

June 23, 2010

Table of Contents

Kellogg Company

Bakery, Confectionery, Tobacco Workers and Grain Millers

Savings and Investment Plan

Statement of Net Assets Available for Benefits

as of December 31, 2009 and 2008

	2009	2008
Assets		
Plan s interest in Master Trust at fair value	$ 479,868,474	$ 447,443,578
Loans to participants	6,149,669	6,327,786
Receivables		
Employer contribution	72,493	
Employee contribution	171,062	
Total assets	486,261,698	453,771,364
Liabilities		
Due to other Plan	1,049,369	
Accrued investment services fees	72,614	79,268
Total liabilities	1,121,983	79,268
Net assets available for benefits at fair value	485,139,715	453,692,096
Adjustment from fair value to contract value for interest in		
Master Trust related to fully benefit-responsive investment contracts	2,384,934	15,076,205
Net assets available for benefits	$ 487,524,649	$ 468,768,301

The accompanying notes are an integral part of these financial statements.

Table of Contents

Kellogg Company

Bakery, Confectionery, Tobacco Workers and Grain Millers

Savings and Investment Plan

Statement of Changes in Net Assets Available for Benefits

for the Years Ended December 31, 2009 and 2008

	2009	2008
Contributions		
Employer	$ 5,282,734	$ 5,128,883
Employee	13,311,114	13,100,419
Rollovers from other qualified plans	187,060	354,949
Total contributions	18,780,908	18,584,251
Earnings (loss) on investments		
Plan s interest in income (loss) of Master Trust	41,653,964	(37,534,368)
Interest income on loans to participants	401,327	483,017
Redemption fees	(12,677)	(62,461)
Total earnings (loss) on investments, net	42,042,614	(37,113,812)
Participant withdrawals	(42,004,367)	(43,827,065)
Trustee fees	(62,807)	(36,132)
Net increase (decrease)	18,756,348	(62,392,758)
Net assets available for benefits		
Beginning of year	468,768,301	531,161,059
End of year	$ 487,524,649	$ 468,768,301

The accompanying notes are an integral part of these financial statements.

3

Table of Contents

Kellogg Company

Bakery, Confectionery, Tobacco Workers and Grain Millers

Savings and Investment Plan

Notes to Financial Statements

December 31, 2009 and 2008 and

for the Years Ended December 31, 2009 and 2008

1. Summary of Significant Accounting Policies
Basis of accounting

The Kellogg Company Bakery, Confectionery, Tobacco Workers and Grain Millers Savings and Investment Plan (the Plan) operates as a qualified defined contribution plan and was established under Section 401(k) of the Internal Revenue Code. The Plan s financial statements have been prepared in conformity with accounting principles generally accepted in the United States (GAAP). The accounts of the Plan are maintained on the accrual basis. Expenses of administration are paid by the Plan sponsor, Kellogg Company.

In September 2006, the Financial Accounting Standards Board (FASB) issued Accounting Standards Codification (ASC) 820, Fair Value Measurements and Disclosures, to define fair value, establish a framework for measuring fair value, and expand disclosures about fair value measurements. The Plan adopted the provisions of FASB ASC 820 as of the beginning of its 2008 Plan year. Adoption of the provisions of FASB ASC 820 did not have an impact on the measurement of the Plan s assets and liabilities but did result in additional disclosures contained in Note 6 herein.

Recent accounting pronouncements

On July 1, 2009, the FASB released the authoritative version of its new ASC as the single source for GAAP, which replaces all previous GAAP accounting standards. While not intended to change GAAP, the ASC significantly changes the way in which the accounting literature is organized. The Plan adopted the ASC to reference GAAP accounting standards in its December 31, 2009 financial statements. The adoption of the ASC does not impact the Plan s financial statements except for references made to authoritative accounting literature in footnotes.

In September 2009, the FASB issued authoritative guidance requiring additional disclosures regarding the inputs and valuation techniques used to measure fair value. The guidance also requires the Plan disclose debt and equity securities by major category, on a more disaggregated basis than had previously been required. The adoption of this guidance did not materially impact the Plan s financial statements. See Note 6 for further discussion.

For the year ending December 31, 2009, the Plan adopted the FASB s update to general standards on accounting for disclosures of events that occur after the balance sheet date but before the financial statements are issued or are available to be issued. The adoption of this guidance did not materially impact the Plan s financial statements.

Table of Contents

Kellogg Company

Bakery, Confectionery, Tobacco Workers and Grain Millers

Savings and Investment Plan

Notes to Financial Statements

December 31, 2009 and 2008 and

for the Years Ended December 31, 2009 and 2008

Investment valuation and income recognition

The Plan s investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between the market participants at the measurement date. See Note 6 for discussion.

The Plan s interest in income (loss) of the Kellogg Company Master Trust (the Master Trust), which consists primarily of the realized gains or losses on the fair value of the Master Trust investments and the unrealized appreciation (depreciation) on those investments is included in the statement of changes in net assets available for benefits.

Investment contracts with insurance companies

During the plan years 2009 and 2008, the Plan entered into benefit-responsive investment contracts for which Dwight Asset Management has oversight. The contributions are maintained in a general account with each contract issuer. The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The guaranteed investment contract issuers are contractually obligated to repay the principal and a specified interest rate that is guaranteed to the Plan.

As described in FASB ASC 962-325-35, investment contracts held by a defined-contribution plan are required to be reported at fair value. The statement of net assets available for benefits presents the fair value of the investment contracts as well as the adjustment of the fully benefit-responsive investment contracts from fair value to contract value. The statement of changes in net assets available for benefits is prepared on a contract value basis.

Contract value is the relevant measurement attribute for that portion of the net assets available for benefits attributable to the fully benefit responsive guaranteed investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. Contract value, as reported to the Plan by Dwight Asset Management, represented contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value.

There are no reserves against contract value for credit risk of the contract issuers or otherwise. The crediting interest rate is based on a formula agreed upon with the issuers, but it may not be less than zero percent. Such interest rates are reviewed on a monthly basis for resetting.

Certain events limit the ability of the Plan to transact at contract value with the issuer. Such events include the following: (1) amendments to the plan documents (including complete or partial plan termination or merger with another plan), (2) bankruptcy of the plan sponsor or other plan sponsor events (for example, divestitures or spin-offs of a subsidiary) that cause a significant withdrawal from the Plan, or (3) the failure of the trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under the Employee Retirement Income Security Act of 1974 (ERISA). The plan administrator does not believe that the occurrence of any such event, which would limit the Plan s ability to transact at contract value with participants, is probable.

5

Table of Contents

Kellogg Company

Bakery, Confectionery, Tobacco Workers and Grain Millers

Savings and Investment Plan

Notes to Financial Statements

December 31, 2009 and 2008 and

for the Years Ended December 31, 2009 and 2008

The guaranteed investment contracts do not permit the contract issuers to terminate the agreement prior to the scheduled maturity date.

	2009	2008
Average Yields		
Based on actual earnings	3.53%	6.01%
Based on interest rate credited to participants	2.92%	4.05%

Allocation of net investment income to participants

Net investment income is allocated to participant accounts daily, in proportion to their respective ownership on that day.

Participant withdrawals

Benefit payments to participants are recorded when paid.

Risks and uncertainties

The Plan provides for various investment options in several investment securities. Investment securities are exposed to various risks, such as interest rate, market and credit. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risk in the near term would materially affect participants account balances and the amounts reported in the statement of net assets available for benefits and the statement of changes in net assets available for benefits.

Use of estimates in the preparation of financial statements

The preparation of financial statements in conformity with GAAP requires the Plan s management to make estimates and assumptions that affect the reported amounts of net assets available for benefits at the date of the financial statements and changes in net assets available for benefits during the reporting period. Actual results could differ from those estimates.

Master Trust

Assets of the Plan are co-invested with the assets of other defined contribution plans sponsored by the Kellogg Company (the Company) in a commingled investment fund known as the Master Trust for which BNY Mellon Corporation serves as the trustee.

Valuation of net investment in Master Trust

The Plan s allocated share of the Master Trust s net assets and investment activities is based upon the total of each individual participant s share of the Master Trust. The Plan s net interest in the Master Trust is equal to the net investment in the Master Trust at fair value plus the adjustments from fair value to contract value related to fully benefit-responsive investment contracts on the statement of net assets available for benefits.

Table of Contents

Kellogg Company

Bakery, Confectionery, Tobacco Workers and Grain Millers

Savings and Investment Plan

Notes to Financial Statements

December 31, 2009 and 2008 and

for the Years Ended December 31, 2009 and 2008

Investment transactions and investment income from the Master Trust

An investment transaction is accounted for on the date the purchase or sale is executed. Dividend income is recorded on the ex-dividend date; interest income is recorded as earned on an accrual basis.

In accordance with the policy of stating investments at fair value, the net appreciation (depreciation) in the fair value of investments reflects both realized gains or losses and the change in the unrealized appreciation (depreciation) of investments held at year-end. Realized gains or losses from security transactions are reported on the average cost method.

2. Provisions of the Plan

The following description of the Plan is provided for general information purposes only. Participants should refer to the plan document for a more comprehensive description of the Plan s provisions.

Plan administration

The Plan is administered by trustees appointed by Kellogg Company and employees represented by the Bakery, Confectionery, Tobacco Workers and Grain Millers Union, the ERISA Finance Committee and the ERISA Administrative Committee appointed by Kellogg Company.

Redemption fees

The Plan charges a 2 percent redemption fee for transfers and/or reallocations of units that have been in a fund for less than five business days. Fees collected are used to help offset trustee expenses.

Plan participation and contribution

Generally, all Kellogg Company hourly employees belonging to the Bakery, Confectionery, Tobacco Workers and Grain Millers Union Local Nos. 3-G, 50-G, 252-G, 374-G and 401-G are eligible to participate in the Plan on the date of hire.

Subject to limitations prescribed by the Internal Revenue Service, participants may elect to contribute from 1 percent to 50 percent of their annual wages. Participants were eligible to defer $16,500 in 2009 and $15,500 in 2008. Employee contributions are matched by Kellogg Company at a 100 percent rate on the first 3 percent and a 50 percent rate on the next 2 percent with 12.5 percent of the Company match restricted for investment in the Kellogg Company Stock Fund. Employees may contribute to the Plan from their date of hire; however, the monthly contributions are not matched by the Company until the participant has completed one year of service.

Employer matching contributions held in the Kellogg Company Stock Fund can be transferred by a participant at any time to any other investment fund available under the Plan.

Plan participants may elect to invest the contributions to their accounts as well as their account balances in various equity, bond, fixed income or Kellogg Company Stock Funds or a combination thereof in multiples of one percent. Each participant s account is credited with the participant s contribution and (a) the Company s contribution and (b) plan earnings, and charged with an allocation of trust expenses. Allocations are based on participant earnings or account balances, as defined.

Table of Contents

Kellogg Company

Bakery, Confectionery, Tobacco Workers and Grain Millers

Savings and Investment Plan

Notes to Financial Statements

December 31, 2009 and 2008 and

for the Years Ended December 31, 2009 and 2008

Vesting

Participant account balances are fully vested.

Participant loans

Participants may borrow from their fund accounts a minimum of $1,000 up to a maximum equal to the lesser of $50,000 or 50% of their account balance. Participants may have only one loan outstanding at any time. Loan transactions are treated as transfers between the Loan fund and the other funds. Loan terms range from 12 to 60 months, except for principal residence loans, which must be repaid within 15 years. Interest is paid at a constant rate equal to 1 percent over the prime rate in the month the loan begins. Principal and interest are paid ratably through payroll deductions. Loans that are uncollectible are defaulted resulting in the outstanding principal being considered a deemed distribution.

Participant distributions

Participants may request an in-service withdrawal of all or a portion of certain types of contributions under standard in-service withdrawal rules. The withdrawal of any participant contributions which were not previously subject to income tax is restricted by Internal Revenue Service regulations.

Participants who terminate employment before retirement, by reasons other than death or disability, may remain in the Plan until age 65 or receive payment of their account balances in a lump sum. If the account balance is $1,000 or less, the terminated participant will receive the account balance in a lump sum. Participants are eligible to retire from the Company at age 62, with 5 years of service, upon reaching age 55 with 20 years of service, or after 30 years of service. Upon retirement, disability, or death, a participant s account balance may be received in a lump sum or installment payments.

Termination

While the Company has expressed no intentions to do so, the Plan may be terminated at any time. In the event of Plan termination, after payment of all expenses, at the discretion of the employer, each participant and each beneficiary of a deceased participant will either (a) receive his entire accrued benefit as soon as reasonably possible, provided that the employer does not maintain or establish another defined contribution plan as of the date of termination, or (b) have an annuity purchased through an insurance carrier on their behalf funded by the amount of their entire accrued benefit.

3. Income Tax Status

The plan administrator has received a favorable letter from the Internal Revenue Service dated March 18, 2004 regarding the Plan s qualification under applicable income tax regulations. The Plan has been amended since receiving the determination letter. However, the plan administrator believes the Plan is designed and is currently being operated in compliance with the applicable requirements of the Internal Revenue Code.

8

Table of Contents

Kellogg Company

Bakery, Confectionery, Tobacco Workers and Grain Millers

Savings and Investment Plan

Notes to Financial Statements

December 31, 2009 and 2008 and

for the Years Ended December 31, 2009 and 2008

4. Related Party Transactions

Certain investments held in the Master Trust are shares of Kellogg Company common stock and short term investment funds managed by BNY Mellon Corporation. Kellogg Company is the plan sponsor, and BNY Mellon Corporation is the trustee as defined by the Plan and, therefore, these transactions, as well as participant loans, qualify as exempt party-in-interest transactions.

5. Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements as of December 31, 2009 and 2008 to Form 5500.

	2009	2008
Net assets available for benefits per the financial statements	$ 487,524,649	$ 468,768,301
Less: Adjustment from fair value to contract value for interest in Master Trust related to fully benefit-responsive investment contracts (Note 1)	(2,384,934)	(15,076,205)
Net assets available for benefits per the Form 5500	$ 485,139,715	$ 453,692,096

The following is a reconciliation of the Plan s interest in income of Master Trust per the financial statements for the year ended December 31, 2009 to Form 5500.

	2009
Plan s interest in income of Master Trust per the financial statements	$ 41,653,964
Less:	
Redemption fees	(12,677)
Trustee fees	(62,807)
Change in adjustment from fair value to contract value for interest in Master Trust related to fully benefit-responsive investment contracts (Note 1)	12,691,271
Net investment gain from Master Trust investment accounts per the Form 5500	$ 54,269,751

Table of Contents

Kellogg Company

Bakery, Confectionery, Tobacco Workers and Grain Millers

Savings and Investment Plan

Notes to Financial Statements

December 31, 2009 and 2008 and

for the Years Ended December 31, 2009 and 2008

6. Fair Value Measurements

FASB ASC 820 establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;

Level 2 Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability; and
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

The asset or liability s fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2009 and 2008.

Money market funds: Valued using amortized cost, which approximates fair value.

Common stocks: Valued at the closing price reported on the active market on which the individual securities are traded.

Mutual funds: Valued at the net asset value (NAV) of shares held by the Master Trust at year end.

Participant loans: Valued at amortized cost, which approximates fair value.

Table of Contents

Kellogg Company

Bakery, Confectionery, Tobacco Workers and Grain Millers

Savings and Investment Plan

Notes to Financial Statements

December 31, 2009 and 2008 and

for the Years Ended December 31, 2009 and 2008

Guaranteed investment contracts: Valued at fair value by discounting the related cash flows based on current yields of similar instruments with comparable durations considering the credit-worthiness of the issuer (See Note 1). The fair value of each synthetic GIC contract is calculated based on the fair value of the investments underlying the contract. The fair value of the underlying investments are valued based on a quoted exchange, matrices, or models from pricing vendors. These underlying assets primarily consist of US Treasuries, Level 1; corporate bonds, asset-backed securities, mortgage-backed, and municipal bonds, Level 2; and wrapper contracts, Level 3. The fair value of each synthetic GIC wrapper is calculated by discounting the difference between the fair value of the underlying assets and the fair value of the current annual fee multiplied by the notional dollar amount of the contract.

Commingled funds: Valued at the NAV based on information reported by the investment advisor using the audited financial statements of the funds at year end. The underlying investments correspond with that of the S&P 500 index.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Kellogg Company Master Trust assets at fair value as of December 31, 2009 and 2008.

	Assets at Fair Value as of December 31, 2009			
	Level 1	**Level 2**	**Level 3**	**Total**
Money market funds	$	$ 9,654,378	$	$ 9,654,378
Mutual funds - equity	368,973,935			368,973,935
Mutual funds - debt	119,881,279			119,881,279
Commingled funds - equity index		158,699,122		158,699,122
Common stock - Kellogg Company	140,762,625			140,762,625
Synthetic guaranteed investment contracts	52,504,145	596,860,525	1,717,219	651,081,889
Guaranteed investment contracts			23,779,941	23,779,941
	$ 682,121,984	$ 765,214,025	$ 25,497,160	$ 1,472,833,169

	Assets at Fair Value as of December 31, 2008			
	Level 1	**Level 2**	**Level 3**	**Total**
Money market funds	$	$ 16,098,632	$	$ 16,098,632

Mutual funds	328,959,162			328,959,162
Commingled funds		129,130,967		129,130,967
Common stock - Kellogg Company	117,331,024			117,331,024
Guaranteed investment contracts	132,428,717	499,238,242	25,125,189	656,792,148
	$ 578,718,903	$ 644,467,841	$ 25,125,189	$ 1,248,311,933

Fair market value of the Plan s participant loans at December 31, 2009 and 2008 was $6,149,669 and $6,327,786, respectively and these participant loans are classified as Level 3.

Net asset value and fair value were equal for investments included in the previous tables. Additionally, there were no unfunded commitments to purchase investments at December 31, 2009. The Plan s ability to redeem guaranteed investment contracts at fair value is restricted in certain circumstances as described in Note 1. There are no such restrictions on redemption of other Plan investments.

Table of Contents

Kellogg Company

Bakery, Confectionery, Tobacco Workers and Grain Millers

Savings and Investment Plan

Notes to Financial Statements

December 31, 2009 and 2008 and

for the Years Ended December 31, 2009 and 2008

Level 3 Gains and Losses

The following table sets forth a summary of changes in the fair value of the Master Trust and Plan s Level 3 assets for the years ended December 31, 2009 and 2008.

	Level 3 Assets Year Ended December 31, 2009	
	Guaranteed Investment Contracts	**Participant Loans**
Balance, beginning of year	$ 25,125,189	$ 6,327,786
Purchases, sales, issuances and settlements, net	(1,678,461)	(178,117)
Unrealized gain (loss)	2,050,432	
Realized gain (loss)		
Balance, end of year	$ 25,497,160	$ 6,149,669
The amount of total gains or losses for the period included in changes in net assets attributable to the change in unrealized gains or losses relating to assets still held at the reporting date	$ 2,050,432	$

	Level 3 Assets Year Ended December 31, 2008	
	Guaranteed Investment Contracts	**Participant Loans**
Balance, beginning of year	$ 1,730,968	$ 6,652,130
Purchases, sales, issuances and settlements, net	19,954,712	(324,344)
Unrealized gain (loss)	3,439,509	
Realized gain (loss)		
Balance, end of year	$ 25,125,189	$ 6,327,786
	$ 3,439,509	$

The amount of total gains or losses for the period included in changes in net assets attributable to the change in unrealized gains or losses relating to assets still held at the reporting date

Gains and losses, realized and unrealized, included in changes in net assets for the periods above are reported in net appreciation (depreciation) in fair value of investments in the schedule of changes in net assets of Master Trust investment accounts (Note 7), and in Plan s interest in income (loss) of Master Trust in the statement of changes in net assets available for benefits.

Kellogg Company

Bakery, Confectionery, Tobacco Workers and Grain Millers

Savings and Investment Plan

Notes to Financial Statements

December 31, 2009 and 2008 and

for the Years Ended December 31, 2009 and 2008

7. Kellogg Company Master Trust

The Plan has an undivided interest in the net assets held in the Master Trust in which interests are determined on the basis of cumulative funds specifically contributed on behalf of the Plan adjusted for an allocation of income. Such income allocation is based on the Plan s funds available for investment during the year.

Kellogg Company Master Trust net assets at December 31, 2009 and 2008 and the changes in net assets for the years ended December 31, 2009 and December 31, 2008 are as follows:

Kellogg Company Master Trust

Schedule of Net Assets of Master Trust Investment Accounts

	2009	2008
Money Market Funds	$ 9,654,378	$ 16,098,632
Receivables	1,953,676	1,938,770
General Investments at fair value		
Common Stock - Kellogg Company	140,762,625	117,331,024
Commingled Funds	158,699,122	129,130,967
Mutual Funds	488,855,214	328,959,162
Guaranteed Investment Contracts	674,861,830	656,792,148
Total general investments	1,463,178,791	1,232,213,301
Total assets	1,474,786,845	1,250,250,703
Payables	(2,301,694)	(1,529,983)
Adjustment from fair value to contract value for fully benefit-responsive investment contracts	7,315,749	42,112,305
Net Assets	$ 1,479,800,900	$ 1,290,833,025
Percentage interest held by the Plan	32.6%	35.8%

13

Table of Contents

Kellogg Company

Bakery, Confectionery, Tobacco Workers and Grain Millers

Savings and Investment Plan

Notes to Financial Statements

December 31, 2009 and 2008 and

for the Years Ended December 31, 2009 and 2008

Kellogg Company Master Trust

Schedule of Changes in Net Assets of Master Trust Investment Accounts

	2009	2008
Earnings on investments		
Interest	$ 19,296,196	$ 32,242,141
Dividends	15,159,751	16,832,654
Net realized gain (loss)		
Common Stock - Kellogg Company	(886,888)	3,333,421
Commingled Funds	(2,642,013)	3,840,575
Mutual Funds	(29,970,853)	(19,999,760)
Net realized gain (loss)	(33,499,754)	(12,825,764)
Total additions	956,193	36,249,031
Net transfer of assets in (out) of investment account	1,618,172	2,010,254
Fees and commissions	(1,235,442)	(1,101,827)
Total additions/(distributions)	382,730	908,427
Change in unrealized appreciation (depreciation):		
Common Stock - Kellogg Company	26,398,523	(24,733,309)
Commingled Funds	36,290,024	(80,932,250)
Mutual Funds	124,940,405	(154,021,035)
Changes in unrealized appreciation (depreciation)	187,628,952	(259,686,594)
Net change in assets	188,967,875	(222,529,136)
Net assets		
Beginning of year	1,290,833,025	1,513,362,161
End of year	$ 1,479,800,900	$ 1,290,833,025

Table of Contents

Kellogg Company

Bakery, Confectionery, Tobacco Workers and Grain Millers

Savings and Investment Plan

Schedule H, line 4i - Schedule of Assets (Held at End of Year)

as of December 31, 2009

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(e) Current Value
	Plan s interest in Master Trust at fair value		$ 479,868,474
*	Participants	Loans, interest rates ranging from 4.25% to 10.00%, with due dates at various times through November 11, 2022.	$ 6,149,669
*	Parties-in-interest		

15

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

KELLOGG COMPANY BAKERY, CONFECTIONERY, TOBACCO WORKERS AND GRAIN MILLERS SAVINGS AND

INVESTMENT PLAN

Date: June 25, 2010

By:	/s/ Ronald L. Dissinger
Name:	Ronald L. Dissinger
Title:	Senior Vice President and Chief Financial Officer, Kellogg Company

Table of Contents

EXHIBIT INDEX

Exhibit Number	Document
23.1	Consent of Independent Registered Public Accounting Firm

#CCEEFF" style="background:#CCEEFF;padding:0in 0in 0in 0in;width:10.0%;">

3 734 349

3 733 364

From discontinued operations

3 701 307

3 712 233

4 177 840

3 711 964

3 712 079

From the profit

4 018 692

3 712 233

4 177 840

3 711 964

3 712 079

Interest expense, net of tax, on convertible bonds, where dilutive

-11

-10

-48

From continuing operations:

Depreciation and amortization

	-67
	-78
	-217
	-481
	-560
Share-based compensation expense	
	17
	12

45

30

42

CONSOLIDATED INCOME STATEMENTS, Non-IFRS, EUR million

(unaudited)

	Non-IFRS 7-9/2014	Non-IFRS 7-9/2013	Non-IFRS 1-9/2014	Non-IFRS 1-9/2013	Non-IFRS 1-12/2013
Net sales	**3 325**	2 938	8 931	9 233	12 710
Cost of sales	**-1 845**	-1 680	-4 937	-5 366	-7 364
Gross profit	**1 480**	1 259	3 994	3 868	5 346
Research and development expenses	**-614**	-591	-1 756	-1 817	-2 416
Selling, general and administrative expenses	**-392**	-372	-1 116	-1 159	-1 578
Other income	**25**	78	94	228	267
Other expenses	**-42**	-30	-108	-92	-182
Operating profit	**457**	344	1 108	1 028	1 437
Share of results of associated companies	**-3**	2	-9	-1	4
Financial income and expenses	**-22**	-63	-177	-230	-280
Profit before tax	**432**	284	923	797	1 161
Tax	**-80**	-78	-184	-234	-282
Profit from continuing operations	**353**	206	739	562	879
Profit from continuing operations attributable to equity holders of the parent	**350**	223	732	448	762
Profit/loss from continuing operations attributable to non-controlling interests	**3**	-17	7	114	117
Loss from discontinued operations	**0**	-183	-426	-471	-665
Loss from discontinued operations attributable to equity holders of the parent	**0**	-192	-432	-488	-686
Loss/profit from discontinued operations attributable to non-controlling interests	**0**	9	6	17	21
Profit/loss	**353**	23	314	91	214
Profti/loss attributable to equity holders of the parent	**350**	31	301	-40	76
Profit/loss attributable to non-controlling interests	**3**	-8	13	131	138
Profit/loss	**353**	23	314	91	214
Earnings per share, EUR					
(for profit/loss attributable to the equity holders of the parent)					
Basic earnings per share					
From continuing operations	**0.09**	0.06	0.20	0.12	0.21
From discontinued operations	**0.00**	-0.05	-0.12	-0.13	-0.19
From the profit	**0.09**	0.01	0.08	-0.01	0.02
Diluted earnings per share					
From continuing operations	**0.09**	0.06	0.19	0.12	0.20
From discontinued operations	**0.00**	-0.05	-0.12	-0.13	-0.19
From the profit	**0.09**	0.01	0.08	-0.01	0.02
Average number of shares (1 000 shares)					

Basic					
From continuing operations	**3 701 307**	3 712 233	3 709 407	3 711 964	3 712 079
From discontinued operations	**3 701 307**	3 712 233	3 709 407	3 711 964	3 712 079
From the profit	**3 701 307**	3 712 233	3 709 407	3 711 964	3 712 079
Diluted					
From continuing operations	**4 018 692**	4 057 748	4 177 840	4 032 273	4 121 207
From discontinued operations	**3 701 307**	3 712 233	3 709 407	3 711 964	3 712 079
From the profit	**4 018 692**	3 738 646	3 728 186	3 711 964	3 733 364
Interest expense, net of tax, on convertible bonds, where dilutive	**-11**	-10	-48	-30	-53
From continuing operations:					
Depreciation and amortization	**-51**	-63	-159	-213	-277
Share-based compensation expense	**17**	12	45	30	42

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME, Reported, EUR million

(unaudited)

	Reported 7-9/2014	Reported 7-9/2013	Reported 1-9/2014	Reported 1-9/2013	Reported 1-12/2013
Profit/Loss	**750**	-105	3 031	-721	-739
Other comprehensive income/expense					
Items that will not be reclassified to profit or loss					
Remeasurements on defined benefit pensions	**-58**	-14	-188	61	83
Items that may be reclassified subsequently to profit or loss					
Translation differences	**453**	-85	631	-270	-496
Net investment hedges	**-108**	14	-111	74	114
Cash flow hedges	**-12**	-18	-53	35	3
Available-for-sale investments	**62**	18	66	55	49
Other increase/decrease, net	**-1**	1	39	2	5
Income tax related to components of other comprehensive income/expense	**118**	8	67	-1	-2
Other comprehensive income/expense, net of tax	**454**	-76	451	-44	-244
Total comprehensive income/expense	**1 204**	-180	3 482	-765	-983
Total comprehensive income/expense attributable to					
equity holders of the parent	**1 195**	-162	3 467	-642	-863
non-controlling interests	**9**	-18	15	-123	-120
	1 204	-180	3 482	-765	-983
Total comprehensive income/expense attributable to equity holders of the parent arises from:					
Continuing operations	**1 210**	106	1 089	-25	34
Discontinued operations	**-15**	-268	2 378	-617	-897
	1 195	-162	3 467	-642	-863

CONSOLIDATED INCOME STATEMENTS, EUR million

(unaudited)

NOKIA GROUP, Continuing operations

	Non-IFRS 7-9/2014	**Special items & PPA 7-9/2014**	**Reported 7-9/2014**	**Non-IFRS 7-9/2013**	**Special items & PPA 7-9/2013**	**Reported 7-9/2013**
Net sales	**3 325**	**-1**	**3 324**	2 938		2 938
Cost of sales	**-1 845**	**-1**	**-1 846**	-1 680		-1 680
Gross profit(1)	**1 480**	**-2**	**1 478**	1 259	-1	1 258
% of net sales	***44.5***		***44.5***	*42.9*		*42.8*
Research and development expenses(2)	**-614**	**-12**	**-626**	-591	-6	-597
% of net sales	***18.5***		***18.8***	*20.1*		*20.3*
Selling, general and administrative expenses(3)	**-392**	**-12**	**-404**	-372	-9	-381
% of net sales	***11.8***		***12.2***	*12.7*		*13.0*
Impairment of goodwill(4)	***0.0***	**-1 209**	**-1 209**	*0.0*		*0.0*
% of net sales	***0.0***		***36.4***	*0.0*		*0.0*
Other income and expenses(5)	**-16**	**-32**	**-48**	48	-66	-18
Operating profit	**457**	**-1 267**	**-810**	344	-82	262
% of net sales	***13.7***		***-24.4***	*11.7*		*8.9*
Share of results of associated companies	**-3**		**-3**	2		2
Financial income and expenses(6)	**-22**		**-22**	-63		-63
Profit/loss before tax	**432**	**-1 266**	**-834**	284	-82	202
Tax(6)	**-80**	**1 674**	**1 594**	-78	14	-64
Profit/loss from continuing operations	**353**	**407**	**760**	206	-68	138
Profit/loss attributable to equity holders of the parent	**350**	**407**	**757**	223	-62	161
Profit/loss attributable to non-controlling interests	**3**		**3**	-17	-6	-23
Depreciation and amortization	***-51***	***-16***	***-67***	*-63*	*-15*	*-78*
EBITDA	***505***	***-1 251***	***-746***	*409*	*-66*	*343*
Share-based compensation expense	***17***		***17***	*12*		*12*

(1) Revenue deferrals and related costs of EUR 2 million in Q3/14.

(2) Transaction and other related costs of EUR 5 million resulting from the sale of Devices & Services business to Microsoft, and amortization of acquired intangible assets of EUR 7 million in Q3/14. Amortization of acquired intangible assets of EUR 6 million in Q3/13.

(3) Transaction and other related costs of EUR 3 million resulting from the sale of Devices & Services business to Microsoft and amortization of acquired intangible assets of EUR 9 million in Q3/14, and amortization of acquired intangible assets of EUR 9 million in Q3/13.

(4) Goodwill impairment charge of EUR 1 209 million in Q3/14.

(5) Anticipated contractual remediation costs of EUR 31 million and restructuring charges and associated charges of EUR 5 million and gain on sale of fixed assets of EUR 3 million Q3/14. Restructuring charges and associated charges of EUR 66 million Q3/13.

(6) Reversal of valuation allowances on deferred tax assets of EUR 1 999 million and allowance of EUR 325 million to deferred tax assets in Q3/14. EUR 14 million tax income from certain tax benefits related to previous years earnings in Q3/13.

NOKIA NETWORKS, EUR million

(unaudited)

	Non-IFRS 7-9/2014	Special items & PPA 7-9/2014	Reported 7-9/2014	Non-IFRS 7-9/2013	Special items & PPA 7-9/2013	Reported 7-9/2013
Net sales	**2 940**		**2 940**	2 591		2 591
Cost of sales	**-1 789**		**-1 789**	-1 643		-1 643
Gross profit	**1 151**		**1 151**	949		949
% of net sales	***39.1***		***39.1***	*36.6*		*36.6*
Research and development expenses(1)	**-440**	**-7**	**-447**	-441	-5	-446
% of net sales	***15.0***		***15.2***	*17.0*		*17.2*
Selling, general and administrative expenses(2)	**-302**	**-9**	**-311**	-292	-7	-299
% of net sales	***10.3***		***10.6***	*11.3*		*11.5*
Other income and expenses(3)	**-12**	**-33**	**-45**	1	-39	-38
Operating profit	**397**	**-48**	**349**	217	-51	166
% of net sales	***13.5***		***11.9***	*8.4*		*6.4*
Depreciation and amortization	***-38***	***-15***	***-53***	*-50*	*-12*	*-62*
EBITDA	***433***	***-33***	***400***	*271*	*-39*	*232*

(1) Amortization of acquired intangible assets of EUR 7 million in Q3/14 and EUR 5 million in Q3/13.

(2) Amortization of acquired intangible assets of EUR 9 million in Q3/14 and EUR 7 million in Q3/13.

(3) Anticipated contractual remediation costs of EUR 31 million and restructuring charges of EUR 2 million in Q3/14, and restructuring charges and associated charges of EUR 39 million in Q3/13.

HERE, EUR million

(unaudited)

	Non-IFRS 7-9/2014	Special items & PPA 7-9/2014	Reported 7-9/2014	Non-IFRS 7-9/2013	Special items & PPA 7-9/2013	Reported 7-9/2013
Net sales	**237**	**-1**	**236**	211		211
Cost of sales	**-58**	**-2**	**-60**	-37		-37
Gross profit(1)	**178**	**-2**	**176**	174		174
% of net sales	***75.1***		***74.6***	*82.5*		*82.5*
Research and development expenses(2)	**-137**	**-3**	**-140**	-114	-1	-115
% of net sales	***57.8***		***59.3***	*54.0*		*54.5*
Selling, general and administrative expenses(3)	**-41**	**-1**	**-42**	-39	-3	-42
% of net sales	***17.3***		***17.8***	*18.5*		*19.9*
Impairment of goodwill(4)	**0**	**-1 209**	**-1 209**	0		0
% of net sales	***0.0***		***512.3***	*0.0*		*0.0*
Other income and expenses(5)	**1**	**-2**	**-1**	0	-4	-4
Operating profit/loss	**0**	**-1 215**	**-1 215**	21	-7	14
% of net sales	***0.0***		***-514.8***	*10.0*		*6.6*
Depreciation and amortization	***-12***	***-2***	***-14***	*-13*	*-3*	*-16*
EBITDA	***13***	***-1 215***	***-1 202***	*34*	*-4*	*30*

(1) Revenue deferrals and related costs of EUR 2 million in Q3/14.

(2) Transaction and other related costs of EUR 3 million in Q3/14 resulting from the sale of Devices & Services business to Microsoft and EUR 1 million of amortization of intangible assets in Q3/13.

(3) Transaction and other related costs of EUR 1 million in Q3/14. Amortization of acquired intangible assets of EUR 3 million in Q3/13.

(4) Goodwill impairment charge of EUR 1 209 million in Q3/14.

(5) Restructuring and associated charges of EUR 2 million in Q3/14 and EUR 4 million in Q3/13.

NOKIA TECHNOLOGIES, EUR million

(unaudited)

	Non-IFRS 7-9/2014	Special items & PPA 7-9/2014	Reported 7-9/2014	Non-IFRS 7-9/2013	Special items & PPA 7-9/2013	Reported 7-9/2013
Net sales	**152**		**152**	140		140
Cost of sales	**-2**		**-2**	-2		-2
Gross profit	**150**		**150**	138		138
% of net sales	***98.7***		***98.7***	*98.6*		*98.6*
Research and development expenses(1)	**-37**	**-2**	**-39**	-35		-35
% of net sales	***24.3***		***25.7***	*25.0*		*25.0*
Selling, general and administrative expenses	**-17**		**-17**	-18		-18
% of net sales	***11.2***		***11.2***	*12.9*		*12.9*
Other income and expenses(2)	**2**		**2**	0	-1	-1
Operating profit	**98**	**-2**	**96**	84	-1	83
% of net sales	***64.5***		***63.2***	*60.0*		*59.3*
Depreciation and amortization						
EBITDA	***98***	***-2***	***96***	*84*	*-1*	*83*

(1) Transaction and other related costs of EUR 2 million in Q3/14 resulting from the sale of Devices & Services business to Microsoft.

(2) Restructuring charges of EUR 1 million in Q3/13.

24

GROUP COMMON FUNCTIONS, EUR million

(unaudited)

	Non-IFRS 7-9/2014	Special items & PPA 7-9/2014	Reported 7-9/2014	Non-IFRS 7-9/2013	Special items & PPA 7-9/2013	Reported 7-9/2013
Net sales						
Cost of sales	**1**		**1**	-2		-2
Gross profit/loss	**1**		**1**	-2		-2
Research and development expenses				-1		-1
Selling, general and administrative expenses(1)	**-32**	**-3**	**-35**	-23		-23
Other income and expenses(2)	**-7**	**3**	**-4**	48	-23	25
Operating loss/profit	**-38**	**-1**	**-39**	22	-23	-1
Depreciation and amortization						

(1) Transaction and other related costs of EUR 4 million in Q3/14.

(2) Gain on sale of fixed assets of EUR 3 million in Q3/14. Restructuring charges of EUR 5 million and EUR 18 million resulting from the sale of Devices & Services business to Microsoft in Q3/13.

SEGMENT INFORMATION AND ELIMINATIONS, Continuing Operations

Third quarter 2014, EUR million

(unaudited)

	Mobile Broadband Non-IFRS 7-9/2014	**Global Services Non-IFRS 7-9/2014**	**Nokia Networks Other Non-IFRS(1) 7-9/2014**	**Nokia Networks Non-IFRS 7-9/2014**	**HERE Non-IFRS 7-9/2014**	**Nokia Technologies Non-IFRS 7-9/2014**	**Corporate Common Non-IFRS 7-9/2014**	**Eliminations 7-9/2014**	**Total Non-IFRS 7-9/2014**	**Exclusions Non-IFRS 7-9/2014**	**Nokia Continuing Operations Reported 7-9/2014**
Net sales	1 672	1 268		2 940	237	152		-4	3 325	-1	3 324
Costs and expenses	-1 409	-1 117	-5	-2 531	-237	-56	-31	4	-2 851	-25	-2 876
Impairment of goodwill										-1 209	-1 209
Other income and expenses	-9	-8	5	-12	1	2	-7	-1	-16	-32	-48
Operating profit/loss	**254**	**143**		**397**	**0**	**98**	**-38**		**457**	**-1 267**	**-810**
% of net sales	***15.2***	***11.3***		***13.5***	***0.0***	***64.5***			***13.7***		***-24.4***
Depreciation and amortization				-38	-12				-51	-16	-67

Third quarter 2013, EUR million

(unaudited)

	Mobile Broadband Non-IFRS 7-9/2013	**Global Services Non-IFRS 7-9/2013**	**Nokia Networks Other Non-IFRS(1) 7-9/2013**	**Nokia Networks Non-IFRS 7-9/2013**	**HERE Non-IFRS 7-9/2013**	**Nokia Technologies Non-IFRS 7-9/2013**	**Corporate Common Non-IFRS 7-9/2013**	**Eliminations 7-9/2013**	**Total Non-IFRS 7-9/2013**	**Exclusions Non-IFRS 7-9/2013**	**Nokia Continuing Operations Reported 7-9/2013**
Net sales	1 259	1 331	2	2 591	211	140		-4	2 938		2 938
Costs and expenses	-1 197	-1 167	-11	-2 375	-190	-56	-26	5	-2 642	-16	-2 657
Impairment of goodwill											0
Other income and expenses			1	1			48	-1	48	-66	-18
Operating profit/loss	**62**	**164**	**-8**	**217**	**21**	**84**	**22**		**344**	**-82**	**262**
% of net sales	***4.9***	***12.3***		***8.4***	***10.0***	***60.0***			***11.7***		***8.9***
Depreciation and amortization				-50	-13				-63	-15	-78

(1) Nokia Networks Other includes net sales and related cost of sales and operating expenses of non-core businesses, IPR net sales and related costs, as well as Optical Nokia Networks business until May 6, 2013, when its divestment was completed. It also includes restructuring and associated charges for Nokia Networks business.

SEGMENT INFORMATION AND ELIMINATIONS, Continuing Operations

January-September 2014, EUR million

(unaudited)

	Mobile Broadband Non-IFRS 1-9/2014	**Global Services Non-IFRS 1-9/2014**	**Nokia Networks Other Non-IFRS(1) 1-9/2014**	**Nokia Networks Non-IFRS 1-9/2014**	**HERE Non-IFRS 1-9/2014**	**Nokia Technologies Non-IFRS 1-9/2014**	**Corporate Common Non-IFRS 1-9/2014**	**Eliminations 1-9/2014**	**Total Non-IFRS 1-9/2014**	**Exclusions Non-IFRS 1-9/2014**	**Nokia Continuing Operations Reported 1-9/2014**
Net sales	4 279	3 526	29	7 833	678	430	1	-12	8 931	-1	8 930
Costs and expenses	-3 804	-3 093	-18	-6 917	-668	-149	-88	12	-7 809	-102	-7 911
Impairment of goodwill										-1 209	-1 209
Other income and expenses	-12	-10	-1	-22		-1	10	-1	-14	-79	-93
Operating profit/loss	**463**	**423**	**10**	**894**	**11**	**280**	**-76**		**1 108**	**-1 391**	**-283**
% of net sales	***10.8***	***12.0***	***34.5***	***11.4***	***1.6***	***65.1***			***12.4***		***-3.2***
Depreciation and amortization				-122	-37		-1		-159	-58	-217

January-September 2013, EUR million (unaudited)

	Mobile Broadband Non-IFRS 1-9/2013	**Global Services Non-IFRS 1-9/2013**	**Nokia Networks Other Non-IFRS(1) 1-9/2013**	**Nokia Networks Non-IFRS 1-9/2013**	**HERE Non-IFRS 1-9/2013**	**Nokia Technologies Non-IFRS 1-9/2013**	**Corporate Common Non-IFRS 1-9/2013**	**Eliminations 1-9/2013**	**Total Non-IFRS 1-9/2013**	**Exclusions Non-IFRS 1-9/2013**	**Nokia Continuing Operations Reported 1-9/2013**
Net sales	3 784	4 213	180	8 177	660	408		-12	9 233	-1	9 232
Costs and expenses	-3 481	-3 754	-200	-7 436	-636	-160	-87	-22	-8 342	-264	-8 606
Impairment of goodwill											0
Other income and expenses					-1		103	34	137	-519	-382
Operating profit/loss	**303**	**459**	**-20**	**741**	**23**	**248**	**16**		**1 028**	**-784**	**244**
% of net sales	***8.0***	***10.9***	***-11.1***	***9.1***	***3.5***	***60.8***			***11.1***		***2.6***
Depreciation and amortization				-162	-48		-3		-213	-268	-481

(1) Nokia Networks Other includes net sales and related cost of sales and operating expenses of non-core businesses, IPR net sales and related costs, as well as Optical Nokia Networks business until May 6, 2013, when its divestment was completed. It also includes restructuring and associated charges for Nokia Networks business.

NET SALES BY GEOGRAPHIC AREA, NOKIA GROUP, Continuing operations, EUR million

(unaudited)

Reported	**Reported 7-9/2014**	**YoY Change**	**Reported 7-9/2013**	**Reported 1-12/2013**
Europe	**1 010**	**9%**	927	3 939
Middle-East & Africa	**293**	**13%**	260	1 169
Greater China	**390**	**38%**	282	1 201
Asia-Pacific	**807**	**0%**	809	3 429
North America	**547**	**47%**	371	1 656
Latin America	**277**	**-4%**	290	1 315
Total	**3 324**	**13%**	2 938	12 709

PERSONNEL BY GEOGRAPHIC AREA, NOKIA GROUP, Continuing operations

(unaudited)

	30.9.2014	**YoY Change, %**	**30.9.2013**	**31.12.2013**
Europe	**22 952**	**3%**	22 278	21 978
Middle-East & Africa	**2 436**	**-8%**	2 660	2 539
Greater China	**9 000**	**14%**	7 902	7 847
Asia-Pacific	**15 888**	**9%**	14 537	14 964
North America	**5 645**	**9%**	5 180	4 764
Latin America	**3 114**	**-5%**	3 271	3 152
Total	**59 035**	**6%**	55 828	55 244

DISCONTINUED OPERATIONS

In September 2013, Nokia announced the sale of substantially all of its Devices & Services business to Microsoft. Subsequent to the approval for the sale received in the Extraordinary General Meeting in November 2013, Nokia Group has presented Devices & Services as discontinued business, including those items outside of the scope of the transaction. The sale was completed on April 25, 2014.

Results of discontinued operation, EUR million

	Reported 1-9/ 2014	Reported 1-9/ 2013	Reported 1-12/ 2013
Net sales	**2 452**	8 102	10 735
Cost of sales	**-2 077**	-6 428	-8 526
Gross profit	**375**	1 674	2 209
Research and development expenses	**-355**	-840	-1 130
Selling, general and administrative expenses	**-445**	-1 131	-1 559
Other income and expenses	**3 160**	-94	-109
Operating profit/loss	**2 735**	-391	-590
Financial income and expense, net	**-203**	4	9
Income tax	**-344**	-191	-200
Profit/loss	**2 188**	-579	-780
Depreciation and amortization	**0**	-147	-176

(1) Other operating income and expenses for Q2 2014 include a gain of EUR 3 200 million and transaction costs and transaction related costs of EUR 15 milllion resulting from the disposal.

(2) Financial income and expenses include exchange differences of EUR 209 million reclassified from other comprehensive income to profit and loss as a consequence of the disposal.

(3) Income taxes include EUR 331 million of taxes resulting from the sale of the Devices & Services business.

Cash flows from / used in discontinued operations, EUR million(1)

	Reported 1-9/ 2014	Reported 1-9/ 2013	Reported 1-12/ 2013
Net cash used in operating activities	**-1 008**		-1 062
Net cash used in investing activities	**2 335**		-130
Net cash used in financing activities	**-9**		-21
Net cash flow	**1 318**		-1 213

(1)No comparative data available for quarterly information in 2013

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION, Reported, EUR million (unaudited)(1)

	Reported 30.9.2014	Reported 30.9.2013	Reported 31.12.2013
ASSETS			
Non-current assets			
Goodwill	**2 480**	4 815	3 295
Other intangible assets	**350**	345	296
Property, plant and equipment	**670**	1 163	566
Investments in associated companies	**52**	60	65
Available-for-sale investments	**795**	761	741
Deferred tax assets	**2 673**	1 028	890
Long-term loans receivable	**96**	106	96
Other non-current assets	**75**	198	97
	7 192	8 477	6 046
Current assets			
Inventories	**1 330**	1 500	804
Accounts receivable	**3 266**	3 717	2 901
Prepaid expenses and accrued income	**1 088**	2 482	660
Current income tax assets	**130**	324	146
Current portion of long-term loans receivable	**8**	45	29
Other financial assets	**244**	317	285
Investments at fair value through profit and loss, liquid assets	**402**	391	382
Available-for-sale investments, liquid assets	**2 129**	1 174	956
Available-for-sale investments, cash equivalents	**2 975**	3 880	3 957
Bank and cash	**2 133**	3 689	3 676
	13 703	17 518	13 797
Fixed assets held for sale	**0**	94	89
Assets of disposal groups classified as held for sale	**0**	0	5 260
Total assets	**20 895**	26 089	25 191
SHAREHOLDERS EQUITY AND LIABILITIES			
Capital and reserves attributable to equity holders of the parent			
Share capital	**246**	246	246
Share issue premium	**435**	612	615
Treasury shares	**-799**	-604	-603
Translation differences	**959**	614	434
Fair value and other reserves	**11**	98	80
Reserve for invested non-restricted equity	**3 091**	3 115	3 115
Retained earnings	**4 274**	2 603	2 581
	8 217	6 684	6 468
Non-controlling interests	**98**	207	192
Total equity	**8 315**	6 891	6 660
Non-current liabilities			
Long-term interest-bearing liabilities	**2 518**	4 699	3 286
Deferred tax liabilities	**235**	179	195
Deferred revenue and other long-term liabilities	**2 155**	758	630
Provisions	**301**	191	242
	5 209	5 826	4 353
Current liabilities			
Current portion of long-term loans	**1**	1 847	3 192
Short-term borrowing	**94**	175	184
Other financial liabilities	**181**	76	35
Current income tax liabilities	**520**	691	484
Accounts payable	**2 226**	3 564	1 839

Accrued expenses, deferred revenue and other liabilities	**3 775**	5 299	3 038
Provisions	**575**	1 720	680
	7 371	13 372	9 452
Liabilities of disposal groups classified as held for sale	**0**	0	4 727
Total shareholders equity and liabilities	**20 895**	26 089	25 191
Interest-bearing liabilities	**2 613**	6 721	6 662
Shareholders equity per share, EUR	**2.23**	1.80	1.74
Number of shares (1 000 shares)(2)	**3 678 282**	3 712 390	3 712 427

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(1) Devices & Services business was classified as discontinued operations in November 2013. The sale was completed on April 25, 2014.

(2) Shares owned by Group companies are excluded.

30

CONSOLIDATED STATEMENT OF CASH FLOWS, Reported, EUR million(1)

(unaudited)

	7-9/2014	7-9/2013	1-9/2014	1-9/2013	1-12/2013
Cash flow from operating activities					
Profit attributable to equity holders of the parent	**746**	-91	3 018	-590	-615
Adjustments, total	**-230**	332	-2 413	1 536	1 789
Change in net working capital	**31**	-157	1 266	-823	-945
Cash generated from operations(2)	**548**	84	1 871	123	229
Interest received	**17**	23	40	66	92
Interest paid	**-9**	-37	-288	-133	-208
Other financial income and expenses, net	**-83**	83	-66	203	345
Income taxes paid	**-74**	-144	-506	-240	-386
Net cash from/used in operating activities	**399**	9	1 051	19	72
Cash flow from investing activities					
Acquisition of businesses, net of acquired cash	**-159**		-172		
Purchase of current available-for-sale investments, liquid assets	**-711**	-358	-2 270	-1 015	-1 021
Purchase of non-current available-for-sale investments	**-20**	-10	-49	-39	-53
Purchase of shares in associated companies				-6	-8
Proceeds from (+) / payment of (-) other long-term loans receivable				-2	-1
Proceeds from (+) / payment of (-) short-term loans receivable	**-8**	17	9	20	4
Capital expenditures(3)	**-62**	-73	-219	-334	-407
Proceeds from disposal of businesses, net of disposed cash(4)	**-7**	-10	2 365	-70	-63
Proceeds from disposal of shares in associated companies			6		
Proceeds from maturities and sale of current available-for-sale investments, liquid assets	**439**	160	1 070	368	586
Proceeds from sale of non-current available-for-sale investments	**5**	56	34	94	129
Proceeds from sale of fixed assets	**13**	27	37	135	138
Dividends received				2	5
Net cash used in/from investing activities	**-510**	-191	811	-847	-691
Cash flow from financing activities					
Purchase of treasury shares	**-220**		-220		
Purchase of a subsidiary s equity instruments		-1 706		-1 706	-1 707
Proceeds from long-term borrowings	**37**	1 499	51	2 291	2 291
Repayment of long-term borrowings	**-35**	-15	-2 748	-813	-862
Proceeds from (+) / payment of (-) short-term borrowings	**15**	-56	-63	-141	-128
Dividends paid and other contributions to shareholders	**-1 374**	-8	-1 383	-51	-71
Net cash used in/from financing activities	**-1 577**	-286	-4 363	-420	-477
Foreign exchange adjustment	**35**	-46	-24	-136	-223
Net increase (+) / decrease (-) in cash and cash equivalents	**-1 653**	-514	-2 525	-1 384	-1 319
Cash and cash equivalents at beginning of period	**6 761**	8 082	7 633	8 952	8 952
Cash and cash equivalents at end of period	**5 108**	7 568	5 108	7 568	7 633

(1) The figures in the consolidated statement of cash flows cannot be directly traced from the balance sheet without additional information as a result of acquisitions and disposals of subsidiaries and net foreign exchange differences arising on consolidation.

(2) In 1-9/2014 cash generated from operations includes 1.65 billion cash inflow relating to the 10 year patent license agreement with Microsoft which was paid in connection with the sale of Devices & Services business to Microsoft.

(3)The capital expenditure cash outflow of EUR 219 million for 1-9/2014 includes EUR 33 million capital expenditure cash outflows relating to discontinued operations.

(4) In 1-9/2014 proceeds of the sale of Devices & Services business is presented net of the amount of principal and accrued interest on the repaid convertible bonds.

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS EQUITY, Reported, EUR million

(unaudited)

	Share capital	Share issue premium	Treasury shares	Translation difference	Fair value and other reserves	Reserve for invested non-restricted equity	Retained earnings	Equity holders of the parent	Non-controlling interest	Total equity
Balance at December 31, 2012	**246**	**446**	**-629**	**745**	**-5**	**3 136**	**3 997**	**7 936**	**1 303**	**9 239**
Remeasurements on defined benefit pensions, net of tax					34			34	25	59
Translation differences				-247				-247	-23	-270
Net investment hedges, net of tax				74				74		74
Cash flow hedges, net of tax					29			29	6	35
Available-for-sale investments, net of tax					56			56	0	56
Other increase/decrease, net							2	2	0	2
Loss							-590	-590	-131	-721
Total comprehensive income	**0**	**0**	**0**	**-173**	**119**	**0**	**-588**	**-642**	**-123**	**-765**
Share-based compensation		20						20		20
Excess tax benefit on share-based compensation		2						2		2
Settlement of performance and restricted shares		-7	25			-21		-3		-3
Dividend								0	-20	-20
Acquisition of non-controlling interests		-3		42	-16		-806	-783	-924	-1 707
Other change in non-controlling interest								0	-29	-29
Convertible bond - equity component		154						154		154
Total of other equity movements	**0**	**166**	**25**	**42**	**-16**	**-21**	**-806**	**-610**	**-973**	**-1 583**
Balance at September 30, 2013	**246**	**612**	**-604**	**614**	**98**	**3 115**	**2 603**	**6 684**	**207**	**6 891**

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS EQUITY, Reported, EUR million

(unaudited)

	Share capital	Share issue premium	Treasury shares	Translation difference	Fair value and other reserves	Reserve for invested non-restricted equity	Retained earnings	Equity holders of the parent	Non-controlling interest	Total equity
Balance at December 31, 2013	**246**	**615**	**-603**	**434**	**80**	**3 115**	**2 581**	**6 468**	**192**	**6 660**
Remeasurements on defined benefit pensions, net of tax					-85		-47	-132		-132
Translation differences				628				628	2	630
Net investment hedges, net of tax				-103				-103		-103
Cash flow hedges, net of tax					-48			-48		-48
Available-for-sale investments, net of tax					64			64		64
Other increase, net							40	40	0	40
Profit							3 018	3 018	13	3 031
Total comprehensive income	**0**	**0**	**0**	**525**	**-69**	**0**	**3 011**	**3 467**	**15**	**3 482**
Share-based compensation		-7						-7		-7
Excess tax benefit on share-based compensation		9						9		9
Settlement of performance and restricted shares		-17	34			-24		-7		-7
Acquisition of treasury shares			-225					-225		-225
Dividend							-1 374	-1 374		-1 374
Disposal of subsidiaries								0	-109	-109
Convertible bond - equity component		-114						-114		-114
Other movements		-51	-5				56	0		0
Total of other equity movements	**0**	**-180**	**-196**	**0**	**0**	**-24**	**-1 318**	**-1 718**	**-109**	**-1 827**
Balance at September 30, 2014	**246**	**435**	**-799**	**959**	**11**	**3 091**	**4 274**	**8 217**	**98**	**8 315**

Impairment

At September 30, 2014, the Group recorded an impairment loss of EUR 1 209 million in relation to the HERE CGU to write down the carrying value of the HERE CGU to its recoverable amount.

IAS 36, Impairment of assets, requires goodwill acquired in a business combination to be assessed for impairment if there is an indication of impairment, and at least annually. The goodwill impairment assessment for the HERE CGU was carried out as at September 30, 2014, which is one day less than one year from the previous assessment date of October 1, 2013. The assessment date was brought forward to September 30, 2014 due to an adjustment to the HERE strategy and the related new long-range plan, which resulted in a triggering event.

The recoverable amount of the HERE CGU was determined using the fair value less costs of disposal method. In the absence of observable market prices, the recoverable amount was estimated based on an income approach, specifically the net present value of discounted future free cash flows. The cash flow projections used in calculating the recoverable amount are based on financial plans approved by management covering an explicit forecast period. The level of fair value hierarchy within which the fair value measurement is categorized is level 3, which means that the valuation reflects management judgment regarding the assumptions market participants would use in determining the fair value of the CGU. The recoverable amount of the HERE CGU at September 30, 2014 was EUR 2 031 million. The impairment loss is the result of an evaluation of the projected financial performance and net cash flows of the HERE CGU and was allocated in its entirety against the carrying value of HERE goodwill. The remaining carrying value of HERE goodwill is EUR 2 273 million.

The evaluation incorporates the slower than expected ramp-up of net sales related to direct to consumer monetization, and the Group s plans to curtail its investment in certain higher-risk and longer-term growth opportunities. It also reflects the current assessment of risks related to the growth opportunities that management plans to continue pursuing, as well as the related terminal value growth assumptions. After consideration of all relevant factors, management reduced the net sales projections for the HERE CGU, particularly in the latter years of the valuation which, in turn, reduced projected profitability and cash flows.

Deferred taxes

At September 30, 2014, following a reassessment in accordance with IAS 12, Income taxes, of the recoverability of previously unrecognized deferred tax assets, the Group recognized EUR 2.1 billion deferred tax assets related to Finland and Germany, resulting in a non-cash tax benefit of EUR 2.0 billion in the income statement. Based on recent profitability and latest forecasts of future financial performance, the Group has been able to re-establish a pattern of sufficient tax profitability in Finland and Germany to utilize the cumulative losses, foreign tax credits and other temporary differences. A significant portion of the Group s Finnish and German deferred tax assets are indefinite in nature and available against future Finnish and German tax liabilities.

At September 30, 2014, following a reassessment in accordance with IAS 12 of the recoverability of previously recognized deferred tax assets, the Group derecognized net EUR 325 million deferred tax asset previously recognized mainly related to HERE s historical Dutch tax losses, resulting in a non-cash tax expense in the income statement. During the third quarter 2014, HERE s Dutch taxable results over the past three years moved from a cumulative profit position to a cumulative loss position.

When the Group has a history of recent losses in taxable jurisdictions, the Group recognizes deferred tax assets arising from unused losses or tax credits to the extent it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which the unused tax losses or unused tax credits can be utilized in the future. Favorable evidence of future taxable profits may be assigned lesser weight in assessing the appropriateness of recording a deferred tax asset when there is other unfavorable evidence such as cumulative losses, which are considered strong evidence that future taxable profits may not be available.

FAIR VALUE OF FINANCIAL INSTRUMENTS, Nokia Group, Continuing Operations, Reported

(unaudited)

At September 30, 2014	Current available-for-sale financial assets EURm	Non-current available-for-sale financial assets EURm	Carrying amounts Financial instruments at fair value through profit or loss EURm	Loans and receivables measured at amortized cost EURm	Financial liabilities measured at amortized cost EURm	Total carrying amounts EURm	Fair value(1) EURm
Available-for-sale investments, publicly quoted equity shares		13				13	13
Available-for-sale investments, carried at fair value		534				534	534
Available-for-sale investments, carried at cost less impairment		248				248	248
Long-term loans receivable				96		96	85
Accounts receivable				3 266		3 266	3 266
Current portion of long-term loans receivable				8		8	8
Other current financial assets, derivatives			207			207	207
Other current financial assets, other				36		36	36
Investments at fair value through profit and loss, liquid assets			402			402	402
Available-for-sale investments, liquid assets carried at fair value	2 129					2 129	2 129
Available for-sale investments, cash equivalents carried at fair value	2 975					2 975	2 975
Total financial assets	**5 104**	**795**	**609**	**3 406**		**9 914**	**9 903**
Long-term interest-bearing liabilities(2)					2 518	2 518	4 039
Current portion of long-term loans(2)					1	1	1
Short-term borrowing					94	94	94
Other financial liabilities			181			181	181
Other liabilities, dividend payable							
Accounts payable					2 226	2 226	2 226
Total financial liabilities			**181**		**4 839**	**5 020**	**6 541**

At December 31, 2013	Current available-for-sale financial assets EURm	Non-current available-for-sale financial assets EURm	Carrying amounts Financial instruments at fair value through profit or loss EURm	Loans and receivables measured at amortized cost EURm	Financial liabilities measured at amortized cost EURm	Total carrying amounts EURm	Fair value(1) EURm
Available-for-sale investments, publicly quoted equity shares		11				11	11
Available-for-sale investments, carried at fair value		503				503	503
Available-for-sale investments, carried at cost less impairment		227				227	227
Long-term loans receivable				96		96	85
Accounts receivable				2 901		2 901	2 901
Current portion of long-term loans receivable				29		29	29
Other current financial assets, derivatives			191			191	191
Other current financial assets, other				94		94	94
Investments at fair value through profit and loss, liquid assets			382			382	382
Available-for-sale investments, liquid assets carried at fair value	956					956	956
Available for-sale investments, cash equivalents carried at fair value	3 957					3 957	3 957
Total financial assets	**4 913**	**741**	**573**	**3 120**		**9 347**	**9 336**
Long-term interest-bearing liabilities(2)					3 286	3 286	4 521
Current portion of long-term loans(2)					3 192	3 192	3 385
Short-term borrowing					184	184	184
Other financial liabilities			35			35	35
Accounts payable					1 839	1 839	1 839
Total financial liabilities			**35**		**8 501**	**8 536**	**9 964**

(1) For items not carried at fair value the following fair value measurement methods are used. The fair value is set to carrying amount for available-for-sale investments carried at cost less impairment for which no reliable fair value has been possible to estimate. The fair value of loan receivables and payables is estimated based on the current market values of similar instruments. The fair value is estimated to be equal to the carrying amount for short-term financial assets and financial liabilities due to limited credit risk and short time to maturity.

(2) The fair value of EUR Convertible Bonds (total of EUR 1 500 million maturing 2018-2020) as at end of 2013 was based on the bonds being redeemed at par plus accrued interest at the close of the sale of the Devices & Services business to Microsoft (level 3). The fair values of other

long-term interest bearing liabilities are based on discounted cash flow analysis (level 2) or quoted prices (level 1).

Financial assets and liabilities recorded at fair value are categorized based on the amount of unobservable inputs used to measure their fair value. Three hierarchical levels are based on an increasing amount of judgment associated with the inputs used to derive fair valuation for these assets and liabilities, Level 1 being market values and Level 3 requiring most management judgment. At the end of each reporting period Nokia categorizes its financial assets and liabilities to appropriate level of fair value hierarchy. Items included in the following tables are measured at fair value on a recurring basis.

At September 30, 2014	Instruments with quoted prices in active markets (Level 1) EURm	Valuation technique using observable data (Level 2) EURm	Valuation technique using non-observable data (Level 3) EURm	Total EURm
Available-for-sale investments, publicly quoted equity shares	13			13
Available-for-sale investments, carried at fair value	5	13	516	534
Other current financial assets, derivatives		207		207
Investments at fair value through profit and loss, liquid assets	402			402
Available-for-sale investments, liquid assets carried at fair value	2 117	11		2 129
Available for-sale investments, cash equivalents carried at fair value	2 975			2 975
Total assets	5 512	231	516	6 260
Derivative liabilities		181		181
Total liabilities		181		181

At December 31, 2013	Instruments with quoted prices in active markets (Level 1) EURm	Valuation technique using observable data (Level 2) EURm	Valuation technique using non-observable data (Level 3) EURm	Total EURm
Available-for-sale investments, publicly quoted equity shares	11			11
Available-for-sale investments, carried at fair value	56	18	429	503
Other current financial assets, derivatives		191		191
Investments at fair value through profit and loss, liquid assets	382			382
Available-for-sale investments, liquid assets carried at fair value	945	11		956
Available for-sale investments, cash equivalents carried at fair value	3 957			3 957
Total assets	5 351	220	429	6 000
Derivative liabilities		35		35
Total liabilities		35		35

Level 3 investments mainly include a large number of unlisted equities and unlisted funds where fair value is determined based on relevant information such as operating performance, recent transactions and available market data on peer companies. No individual input has a significant impact on the total fair value. The following table shows a reconciliation of the opening and closing balances of Level 3 financial assets:

EURm	Other available-for-sale investments carried at fair value
Balance at December 31, 2013	**429**
Total gains (+)/losses (-) in income statement	8
Total gains (+)/losses (-) recorded in other comprehensive income	46
Purchases	50
Sales	-38
Translation differences	21
Balance at September 30, 2014	**517**

The gains and losses from financial assets categorized in level 3 are included in other operating income and expenses in cases where the investment and disposal objectives for these investments are business driven. In other cases the gains and losses are included in financial income and expenses. A net gain of EUR 13 million (net loss of EUR 4 million in 2013) related to level 3 financial instruments held at September 30, 2014, was included in the profit and loss during 2014.

In Q3 2014 Nokia Group has concluded that there are no real estate properties that meet the criteria of assets held for sale.

INTEREST-BEARING LIABILITIES, Nokia Group, Continuing operations, EUR million

(unaudited)

	Issuer/Borrower	Final Maturity	30.9.2014	30.9.2013	31.12.2013
Revolving Credit Facility (EUR 1 500 million)	Nokia Corporation	March 2016	0	0	0
USD Bond 2039 (USD 500 million 6.625%)	Nokia Corporation	May 2039	397	375	364
USD Bond 2019 (USD 1 000 million 5.375%)	Nokia Corporation	May 2019	795	750	727
EUR Bond 2019 (EUR 500 million 6.75%)	Nokia Corporation	February 2019	500	500	500
EUR Convertible Bond 2017 (EUR 750 million 5%)	Nokia Corporation	October 2017	750	750	750
EUR Bond 2014 (EUR 1 250 million 5.5%)	Nokia Corporation	February 2014	0	1 250	1 250
EUR EIB R&D Loan	Nokia Corporation	February 2014	0	500	500
Prepaid liabilities(1)	Nokia Corporation	April 2014	0	1 500	1 500
Prepaid liabilities(2)	Nokia Solutions and Networks Finance B.V. and Nokia Solutions and Networks Oy	June 2014	0	984	958
Differences between Bond nominal and carrying values(3)	Nokia Corporation		7	-177	-182
Other liabilities(4)	Nokia Corporation and various subsidiaries		165	289	295
Total			**2 614**	**6 721**	**6 662**

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(1) *On April 25, 2014 Nokia completed the sale of substantially all of its Devices & Services business to Microsoft and EUR 500 million 1.125% convertible bonds due September 2018, EUR 500 million 2.5% convertible bonds due September 2019 and EUR 500 million 3.625% convertible bonds due September 2020, all issued by Nokia Corporation to Microsoft, were repaid and netted against the deal proceeds by the amount of principal and accrued interest.*

(2) On June 19, 2014 Nokia Solutions and Networks Finance B.V. redeemed the EUR 450 million 6.75% bonds due April 2018 and the EUR 350 million 7.125% bonds due April 2020. During the second quarter 2014 Nokia Solutions and Networks Finance B.V. prepaid the EUR 88 million Finnish Pension Loan due October 2015, the EUR 50 million R&D Loan from European Investment Bank, the EUR 16 million Loan from Nordic Investment Bank and cancelled the EUR 750 million Revolving Credit Facility due June 2015.

(3) This line includes mainly Fair Value adjustments for bonds that are designated under Fair value hedge accounting and difference between Convertible Bond nominal value and carrying value of the financial liability component.

(4) This line includes also EUR 1 million (EUR 80 million and EUR 76 million, at September 30, 2013 and December 31, 2013 respectively) of non-interest bearing payables relating to cash held temporarily due to the divested businesses where Nokia Networks continues to perform services within a contractually defined scope for a specified timeframe.

Upon completion of the above redemptions and cancellations, Nokia Corporation is the issuer or borrower in all material Nokia Group borrowings. All of these borrowings are senior unsecured and have no financial covenants.

COMMITMENTS AND CONTINGENCIES, Nokia Group, EUR million

(unaudited)

	Continuing operations 30.09.2014	Nokia Group 30.09.2013	Continuing operations 31.12.2013
Collateral for own commitments			
Assets pledged	**9**	38	38
Contingent liabilities on behalf of Group companies			
Other guarantees	**744**	846	778
Contingent liabilities on behalf of associated companies			
Financial guarantees on behalf of third parties	**17**	16	16
Contingent liabilities on behalf of other companies			
Financial guarantees on behalf of third parties	**6**	12	12
Other guarantees	**163**	198	103
Leasing obligations	**545**	974	550
Financing commitments			
Customer finance commitments	**8**	30	25
Venture fund commitments	**272**	231	215

Basis of preparation

The unaudited, consolidated interim financial statements of Nokia have been prepared in accordance with International Accounting Standard 34 (IAS 34, Interim Financial Reporting). The same accounting policies and methods of computation are followed in these interim financial statements as were followed in the consolidated financial statements of Nokia for 2013.

These interim financial statements were authorized for issue by management.

Percentages and figures presented herein may include rounding differences and therefore may not add up precisely to the totals presented and may vary from previously published financial information.

RISKS AND FORWARD-LOOKING STATEMENTS

It should be noted that Nokia and its businesses are exposed to various risks and uncertainties and certain statements herein that are not historical facts are forward-looking statements, including, without limitation, those regarding: A) expectations, plans or benefits related to Nokia s strategies; B) expectations, plans or benefits related to future performance of Nokia s businesses Nokia Networks, HERE and Nokia Technologies; C) expectations, plans or benefits related to changes in leadership and operational structure; D) expectations regarding market developments, general economic conditions and structural changes; E) expectations and targets regarding performance, including those related to market share, prices, net sales and margins; F) timing of the deliveries of our products and services; G) expectations and targets regarding our financial performance, cost savings and competitiveness, as well as results of operations; H) expectations and targets regarding collaboration and partnering arrangements; I) outcome of pending and threatened litigation, arbitration, disputes, regulatory proceedings or investigations by authorities; J) expectations regarding restructurings, investments, uses of proceeds from transactions, acquisitions and divestments and our ability to achieve the financial and operational targets set in connection with any such restructurings, investments, divestments and acquisitions, including any expectations, plans or benefits related to or caused by the transaction where Nokia sold substantially all of the Devices & Services business to Microsoft on April 25, 2014 (Sale of the D&S Business); K) statements preceded by or including believe , expect , anticipate , fores sees , target , estimate , designed , aim , plans , intends , focus , continue , project , should , will or similar expressions. These s the management s 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, including risks and uncertainties that could cause such differences include, but are not limited to: 1) our ability to execute our strategies successfully and in a timely manner, and our ability to successfully adjust our operations; 2) our ability to sustain or improve the operational and financial performance of our businesses and correctly identify business opportunities or successfully pursue new business opportunities; 3) our ability to execute Nokia Networks strategy and effectively, profitably and timely adapt its business and operations to the increasingly diverse needs of its customers and technological developments; 4) our ability within our Nokia Networks business to effectively and profitably invest in and timely introduce new competitive high-quality products, services, upgrades and technologies; 5) our ability to invent new relevant technologies, products and services, to develop and maintain our intellectual property portfolio and to maintain the existing sources of intellectual property related revenue and establish new such sources; 6) our ability to protect numerous patented standardized or proprietary technologies from third-party infringement or actions to invalidate the intellectual property rights of these technologies; 7) our ability within our HERE business to maintain current sources of revenue, historically derived mainly from the automotive industry, create new sources of revenue, for instance in the enterprise business, successfully recognize and pursue growth opportunities and extend the reach of our location services; 8) our dependence on the development of the mobile and communications industry in numerous diverse markets, as well as on general economic conditions globally and regionally; 9) Nokia Networks dependence on a limited number of customers and large, multi-year contracts; 10) our ability to retain, motivate, develop and recruit appropriately skilled employees; 11) the potential complex tax issues and obligations we may face, including the obligation to pay additional taxes in various jurisdictions and our actual or anticipated performance, among other factors, could result in allowances related to deferred tax assets; 12) our ability to manage our manufacturing, service creation and delivery, and logistics efficiently and without interruption, especially if the limited number of suppliers we depend on fail to deliver sufficient quantities of fully functional products and components or deliver timely services; 13) any inefficiency, malfunction or disruption of a system or network that our operations rely on or any impact of a possible cybersecurity breach; 14) our ability to reach targeted results or improvements by managing and improving our financial performance, cost savings and competitiveness; 15) management of Nokia Networks customer financing exposure; 16) the performance of the parties we partner and collaborate with, as well as financial counterparties, and our ability to achieve successful collaboration or partnering arrangements; 17) our ability to protect the technologies, which we develop, license, use or intend to use, from claims that we have infringed third parties intellectual property rights, as well as, impact of possible licensing costs, restriction on our usage of certain technologies, and litigation related to intellectual property rights; 18) the impact of regulatory, political or other developments, including those caused by the impact of trade sanctions, natural disasters or disease outbreaks on our operations and sales in those various countries or regions where we conduct business; 19) exchange rate fluctuations, particularly 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; 20) effects of impairments or charges to carrying values of assets, including goodwill, or liabilities; 21) our ability to successfully implement planned transactions, such as acquisitions, divestments, mergers or joint ventures, manage unexpected liabilities related thereto and achieve the targeted benefits; 22) the impact of unfavorable outcome of litigation, arbitration, contract related disputes or allegations of health hazards associated with our business; 23) potential exposure to contingent liabilities due to the Sale of the D&S Business and possibility that the agreements we have entered into with Microsoft may have terms that prove to be unfavorable for us, as well as the risk factors specified on pages 12-35 of Nokia s annual report on Form 20-F for the year ended December 31, 2013 under Item 3D. Risk Factors. Other unknown or unpredictable factors or underlying assumptions subsequently proven 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 Management, Helsinki October 23, 2014

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- Nokia plans to publish its fourth quarter and annual 2014 results on January 29, 2015

- Nokia will hold a Capital Markets Day for institutional investors in London, UK on November 14, 2014. Institutional investors who are planning to attend are encouraged to register for the event, as space is limited. Any questions related to Nokia s Capital Markets Day can be addressed to cmd2014@nokia.com.