NOKIA CORP
Form 6-K
October 02, 2006

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 6-K

Report of Foreign Private Issuer

Pursuant to Rule 13a -16 or 15d -16 of

the Securities Exchange Act of 1934

Report on Form 6-K dated October 2, 2006

Nokia Corporation

Nokia House

Keilalahdentie 4

02150 Espoo

Finland

(Name and address of registrant s principal executive office)

(Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.)

Form 20-F x Form 40-F o

Enclosures:

1. Nokia Press Release dated September 01, 2006 and titled: Exercises with stock options of Nokia Corporation
2. Nokia Press Release dated September 01, 2006 and titled: Nokia and SingTel to launch Dual-Mode Telephony
3. Nokia Press Release dated September 04, 2006 and titled: Nokia reorganizes its corporate support platforms to prepare for Nokia Siemens Networks
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6. Nokia Press Release dated September 05, 2006 and titled: Nokia wins GSM expansion contract with Yunnan MCC
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9. Nokia Press Release dated September 06, 2006 and titled: Nokia delivers 3.6 Mbps HSDPA solution to CSL in Hong Kong
10. Nokia Press Release dated September 07, 2006 and titled: Nokia Mobile Search intensifies with Yahoo! Search
11. Nokia Press Release dated September 08, 2006 and titled: Nokia expands Jiangxi MCC s GSM network for enhanced capacity and coverage
12. Nokia Press Release dated September 08, 2006 and titled: Nokia and Vietnam Multimedia Corporation announce first live DVB-H mobile TV service launch for Asia Pacific
13. Nokia Press Release dated September 11, 2006 and titled: Motorola and Nokia to cooperate on mobile TV interoperability
14. Nokia Press Release dated September 11, 2006 and titled: Nokia announces $150 million contract with TELUS to deploy next-generation IP broadband access network
15. Nokia Press Release dated September 12, 2006 and titled: Nokia signs Chinese agreements valued at over EUR 2 billion for the full year 2006
16. Nokia Press Release dated September 12, 2006 and titled: Nokia and China Mobile sign EUR 580 million frame agreement for GSM/GPRS network expansion in China
17. Nokia Press Release dated September 12, 2006 and titled: Nokia and China Postel deepen strategic ties
18. Nokia Press Release dated September 12, 2006 and titled: Nokia and Warner Bros. Digital Distribution announce mobile content agreement
19. Nokia Press Release dated September 12, 2006 and titled: Nokia selects Miami as site for new Latin America regional headquarters
20. Nokia Press Release dated September 12, 2006 and titled: Cingular, Nokia introduce Nokia E62

21. Nokia Press Release dated September 12, 2006 and titled: Nokia and EA Team up to Advance Mobile Gaming Worldwide

22. Nokia Press Release dated September 13, 2006 and titled: Nokia powers LMT s HSDPA network in Latvia

23. Nokia Press Release dated September 13, 2006 and titled**:** Intuitively easy to use, stylish Nokia 6085 brings balance to a busy life

24. Nokia Press Release dated September 14, 2006 and titled: DTAC selects the Nokia Connect eRefill for convenient prepaid top-ups

25. Nokia Press Release dated September 14, 2006 and titled: SFR deploys Nokia MSC Server mobile softswitch in France

26. Nokia Press Release dated September 14, 2006 and titled: Elion chooses Nokia D500 Multi Service Access Node for enhanced broadband services and IPTV in Estonia

27. Nokia Press Release dated September 18, 2006 and titled: Globe Telecom in Philippines deploys Nokia MSC Server mobile softswitch

28. Nokia Press Release dated September 19, 2006 and titled:Nokia and Sapio to offer complete solution for printing service providers

29. Nokia Press Release dated September 19, 2006 and titled:Notification under Chapter 2, Section 10 of the Finnish Securities Market Act: holdings of The Capital Group Companies, Inc. in Nokia Corporation below 5%

30. Nokia Press Release dated September 20, 2006 and titled: Nokia 6288: Captivating 3G slide phone with leading-class video playing capability

31. Nokia Press Release dated September 21, 2006 and titled: Alcatel and Nokia collaborate to extend business telephony

32. Nokia Press Release dated September 21, 2006 and titled: Mobile phone companies commit to environmental action plan

33. Nokia Press Release dated September 21, 2006 and titled: Nokia collaborates with Microsoft on Mobile Search

34. Nokia Press Release dated September 21, 2006 and titled: Nokia releases new Carbide.c++ tools for Symbian OS

35. Nokia Press Release dated September 25, 2006 and titled**:** Nokia at Photokina 2006

36. Nokia Press Release dated September 25, 2006 and titled: Enhance Yourself - Nokia introduces a selection of simple, stylish and rockin accessories

37. Nokia Press Release dated September 26, 2006 and titled: Sharing discoveries - Nokia Nseries delivers the latest in mobile multimedia

38. Nokia Press Release dated September 26, 2006 and titled: It s what computers have become - the new Nokia N95

39. Nokia Press Release dated September 26, 2006 and titled:Meet the Nokia N75: Smallest Nokia Nseries Multimedia Computer

40. Nokia Press Release dated September 26, 2006 and titled:New Nokia Nseries range shines spotlight on music

41. Nokia Press Release dated September 26, 2006 and titled: Nokia launches international community of music connoisseurs - the Music Recommenders

42. Nokia Press Release dated September 27, 2006 and titled: Nokia wins WCDMA 3G/HSDPA network expansion contract from Taiwan Mobile

43. Nokia Press Release dated September 27, 2006 and titled: Nokia 5300 XpressMusic headlines a fresh lineup of new music handsets

44. Nokia Press Release dated September 27, 2006 and titled: Nokia and Intel bring wireless broadband to future notebooks

45. Nokia Press Release dated September 28, 2006 and titled: Nokia N73 (SoftBank 705NK) chosen for Softbank Mobile s line-up

46. Nokia Press Release dated September 28, 2006 and titled**:** Notification under Chapter 2, Section 10 of the Finnish Securities Market Act: holdings of The Capital Group Companies, Inc. in Nokia Corporation exceeded 5%

PRESS RELEASE

September 01, 2006

Exercises with stock options of Nokia Corporation

A total of 169,446 shares of Nokia Corporation (Nokia) were subscribed for as of Aug 28, 2006 based on Nokia s 2003 and 2005 employee stock option plans. This resulted in an increase of EUR 10,166.76 in Nokia s share capital and an increase of EUR 2,358,813.55 in shareholders equity. The new shares carry full shareholder rights as from the registration date, September 1, 2006. The shares are admitted to public trading on the Helsinki Exchanges as of the same date together with the old Nokia share class (NOK1V).

As a result of the increase, the share capital of Nokia is currently EUR 245,655,258.42 and the total number of shares is 4,094,254,307 including the shares that are held by the company.

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PRESS RELEASE

September 01, 2006

Nokia and SingTel to launch Dual-Mode Telephony

Singapore / Espoo, Finland - Nokia and SingTel announced today their collaboration to bring together the best of two worlds, 2G/3G and WLAN (Wireless LAN) in an integrated dual-mode telephony solution on Nokia E60, Nokia E61 and Nokia N80 Internet Edition. SingTel s VoIP on mobile service, which is unique in its kind, combines the mobility of cellular and the cost-effectiveness of wireless broadband. Selected SingTel Mobile subscribers will be invited for a service trial which will allow them to use voice and data services from home and on the move through SingNet Wireless Surf Zones. The commercial launch of the service is expected to be later this year.

Nokia is pleased to co-operate with SingTel on this industry leading initiative on our range of multiradio mobile devices , said Chris Carr, General Manager, Customer Market and Operations, Nokia Singapore, Consumers can now experience the power of mobility and benefit from accessing Internet services and calls without being connected to a computer.

Vicki Brady, Vice President (Consumer Marketing), SingTel said, SingTel is proud to be one of the first operators globally working with Nokia to bring VoIP services over Wireless LAN to our customers using Nokia devices. With SingTel s VoIP on mobile service, our customers can make local calls over the Internet with their VoIP handsets for a fixed monthly fee.

Nokia E60, Nokia E61 and the Nokia N80 Internet Edition are the first Nokia devices that are able to support SIP-based Voice over Internet Protocol (VoIP). All three devices work on 2G, 3G and WLAN networks. The Nokia N80 Internet Edition is the first ever handset to enable seamless home media networking between compatible TVs, audio systems and PCs.

SingTel s VoIP on mobile service will be available to non-business customers on postpaid mobile plans, allowing them to make unlimited local calls using their SIP-enabled VoIP devices. The service can be accessed using the WiFi network at home or through more than 330 SingTel Wireless Hotspots across the island. The subscription fees for the service will be announced in due time.

About Nokia

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

About SingTel

SingTel is Asia s leading communications group with operations and investments around the world. Serving both the corporate and consumer markets, it is committed to bringing the best of global communications to customers in the Asia Pacific and beyond.

With significant operations in Singapore and Australia (through wholly-owned subsidiary SingTel Optus), the Group provides a comprehensive portfolio of services that include voice and data services over fixed, wireless and Internet platforms.

To serve the needs of multi-national corporations, SingTel has a network of 37 offices in 19 countries and territories throughout Asia Pacific, Europe and the United States. These offices enable SingTel to deliver reliable and quality network solutions to its customers, either on its own or jointly with local partners.

The Group also has major investments in Bangladesh, India, Indonesia, the Philippines and Thailand. Together with its regional partners, SingTel is Asia s largest multi-market mobile operator, serving 92 million customers in seven markets.

SingTel employs about 20,000 people worldwide and had a turnover of S$13.14 billion (US$8.12 billion) and net profit after tax of S$4.16 billion (US$2.57 billion) for the year ended 31 March 2006. More information can be found @ www.singtel.com and www.optus.com.au.

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PRESS RELEASE

September 04, 2006

Nokia reorganizes its corporate support platforms to prepare for Nokia Siemens Networks

Espoo, Finland - Nokia s activities around establishing Nokia Siemens Networks have progressed to the point where Nokia will now start identifying which employees from its corporate support platforms will transfer to the networks business support platform. Corporate support platforms are centralized Nokia-wide organizations, such as Business Infrastructure, Human Resources, Indirect Sourcing, Nokia Research Center, Corporate Communications and several others, that support Nokia s four business groups.

This process will have no impact on the number of employees and will be carried out in accordance with local requirements.

Following the reorganization, which is due to be completed by November 1, 2006, Nokia will have in place two separate corporate support platforms; one for its device businesses and the other for its networks business. The platform supporting Nokia s networks business is expected to comprise approximately 2 000 employees.

Those employees assigned to the new networks business support platform will transfer to Nokia Siemens Networks once the merger is closed, which is expected to take place by January 1, 2007.

It should be noted that certain statements herein which are not historical facts, including, without limitation, those regarding: A) the timing of product and solution deliveries; B) our ability to develop, implement and commercialize new products, solutions and technologies; C) expectations regarding market growth, developments and structural changes; D) expectations regarding our mobile device volume growth, market share, prices and margins, E) expectations and targets for our results of operations; F) the outcome of pending and threatened litigation; G) expected timing, scope and effects of the merger of Nokia s and Siemens communications service provider businesses; and H) statements preceded by believe, expect, anticipate, foresee, target, estimate, designed, plans, will or similar expressions are forward-looking statements. Because these statements involve risks and uncertainties, actual results may differ materially from the results that we currently expect. Factors that could cause these differences include, but are not limited to: 1) the extent of the growth of the mobile communications industry, as well as the growth and profitability of the new market segments within that industry which we target; 2) the availability of new products and services by network operators and other market participants; 3) our ability to identify key market trends and to respond timely and successfully to the needs of our customers; 4) the impact of changes in technology and our ability to develop or otherwise acquire complex technologies as required by the market, with full rights needed to use; 5) competitiveness of our product portfolio; 6) timely and successful commercialization of new advanced products and solutions; 7) price erosion and cost management; 8) the intensity of competition in the mobile communications industry and our ability to maintain or improve our market position and respond to changes in the competitive landscape; 9) our ability to manage efficiently our manufacturing and logistics, as well as to ensure the quality, safety, security and timely delivery of our products and solutions; 10) inventory management risks resulting from shifts in market demand; 11) our ability to source quality components without interruption and at acceptable prices; 12) our success in collaboration arrangements relating to development of technologies or new products and solutions; 13) the success, financial condition and performance of our collaboration partners, suppliers and customers; 14) any disruption to information technology systems and networks that our operations rely on; 15) our ability to protect the complex technologies that we or others develop or that we license from claims that we have infringed third parties intellectual property rights, as well as our unrestricted use on commercially acceptable terms of certain technologies in our products and solution offerings; 16) general economic conditions globally and, in particular, economic or political turmoil in emerging market countries where we do business; 17) developments under large, multi-year contracts or in relation to major customers; 18) exchange rate fluctuations, including, in particular, fluctuations between the euro, which is our reporting currency, and the US dollar, the Chinese yuan, the UK pound sterling and the Japanese yen; 19) the management of our customer financing exposure; 20) our ability to recruit, retain and develop appropriately skilled employees; 21) the impact of changes in government policies, laws or regulations; and 22) satisfaction of the conditions to the merger of Nokia s and Siemens communications service provider businesses, and closing of transaction, and Nokia s and Siemens ability to successfully integrate the operations and employees of their respective businesses; as well as 23) the risk factors specified on pages 12 - 22 of the company s annual report on Form 20-F for the year ended December 31, 2005 under Item 3.D Risk Factors. Other unknown or unpredictable factors or underlying assumptions subsequently proving to be incorrect could cause actual results to differ materially from those in the forward-looking statements. Nokia does not undertake any obligation to update publicly or revise forward-looking statements, whether as a result of new information, future events or otherwise, except to the extent legally required.

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PRESS RELEASE

September 04, 2006

Style with substance: tribal art, ethnic decoration define the latest models of Nokia s L Amour Collection

Nokia unveils three new mobile phones for the fashion-conscious, including the first 3G fashion phone

Espoo, Finland - Building upon the success of last year s highly popular L Amour Collection, Nokia has unveiled three new mobile phones to meet the growing demand by stylish consumers the world over. From the elegantly iconic Nokia 7390, Nokia s first 3G fashion phone, to the truly desirable Nokia 7373 and the timeless Nokia 7360, each model from the latest L Amour Collection draws its design inspiration from tribal art and ethnic decoration. The result - a beautifully designed, intelligently considered and exceptionally crafted range of mobile phones, in a palate of colours and textures to meet every desire.

Finding inspiration in the faded luxury of grand architecture, the models from the L Amour Collection will be appreciated as much for their exotic design as well as their impressive sophisticated set of features. Forms remain modern, round and pure. An earthy palate of colour and traditional materials, updates the bohemian feel of the earlier collection. Aspects of embroidery, 3D appliqué, ceramic tiling and other traditional decoration are refined and modernised through a new craftsmanship - resulting in beautifully embossed leather finishes and graphics which are sublime yet eclectic. Further unexpected combinations enhance the splendour of the L Amour Collection, as does the mix of traditional handcrafts with cutting edge technology. The collection espouses a nouveau-ethnic feel - the muted tonality and bleached colour reflecting fashion s new and sophisticated way of incorporating decoration.

Nokia 7390: Professional elegance with a modern edge

This sleek, elegant fold phone, consummately blends precision technology with groundbreaking design. As Nokia s first 3G fashion phone, the Nokia 7390 combines exquisite materials and design innovation within a fully featured phone. The 3 megapixel camera and WCDMA high-speed connectivity is subtly hidden within ceramic-inspired shell and leather panels. Ideal for a 24/7 lifestyle, the Nokia 7390 is available in two colours, a Bronze Black version provides a masculine feel, echoing cigar parlours and oak-panelled studies of a by-gone era. The Powder Pink model is a daring combination of ceramic white and powder pink, a colour palate currently found on fashion catwalks and furniture fairs.

The estimated retail price of the Nokia 7390 is expected to be approximately EUR 450, excluding taxes and subsidies.

Nokia 7373: Metropolitan style, fluid form

Ethnic patterns and a compact swivel design gives the Nokia 7373 its fresh look and perfect grip. Elaborate tribal markings provide a unique point for contemporary design interpretation, where form and decoration are married seamlessly together. This results in finely tooled surfaces, exquisite detail, embossed finishing and further decoration when the mobile phone is opened, proving that the Nokia 7373 is a veritable treasure chest of reference and culture.

The Nokia 7373 is available in Bronze black, Powder Pink and Black Chrome, with a wide array of complementary graphical themes. The estimated retail price of the Nokia 7373 is expected to be approximately EUR 350, excluding taxes and subsidies.

Nokia 7360: Subtly styled, elegantly compact

The Nokia 7360 is an elegant and compact mobile phone, subtly styled with accents inspired by metal, leather and transparent surfaces. The innovative use of materials gives this mobile phone its unique character, which evokes modern design classics. A tactile inlayed leather effect gently wraps around the phone, meeting smooth ceramic-inspired surfaces and glistening metallic details. The Nokia 7360 comes in two colour options. A chrome and black original that is strong, streamlined and reliable. The Powder Pink girlish, charming and undoubtedly the phone that Lewis Carroll s Alice would have used had she needed to make a call from Wonderland.

The estimated retail price of the Nokia 7360 is expected to be approximately EUR 200, excluding taxes and subsidies.

The renewed L Amour Collection is a universal journey of romance, a fusion of technology with traditional craft and a union of ancient art with modern communication. Each model from the L Amour Collection is expected to begin shipping this fall.

Technical highlights:

Nokia 7390

- WCDMA (3G) offering high speed streaming, video calling
- 3 Megapixel camera with autofocus and integrated flash
- Music player with one-button access

Nokia 7373

- 2 megapixel camera
- Music, video player, twin stereo speakers
- Complementary fashion headset, pouch and phone jewellery

Nokia 7360

- Stereo FM radio, integrated camera, MMS
- MP3 ring tones
- Nokia Xpress Audio Messaging

About Nokia

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Photos of the L Amour Collection can be found at: www.nokia.com/press

Services and some features may be dependent on the network and/or SIM card as well as on the compatibility of the devices used and the content formats supported.

www.nokia.com

PRESS RELEASE

September 04, 2006

Winds of change: The Nokia 8800 Sirocco Edition - sensual by nature, intuitively beautiful by design

Nature-inspired soundtrack composed by ambient musical pioneer Brian Eno

Espoo, Finland - Inspired by the forces of nature and the sculptural beauty of the body, Nokia today unveiled its latest premium mobile phone, the Nokia 8800 Sirocco Edition. Sensual by nature, intuitively beautiful by design, the Sirocco Edition s signature feature is a thumbprint, which perfectly matches the human hand. The soundtrack of the Nokia 8800 Sirocco Edition was composed by the avant-garde musical pioneer Brian Eno, considered the father of ambient music.

The Nokia 8800 Sirocco Edition draws its name from the powerful desert-born wind that originates in the Sahara when a warm, dry air mass collides with the cooler, maritime air of the Mediterrean. The striking organic shape of the Nokia 8800 Sirocco Edition references the inherent strength of the human form, a concept further implied by stainless steel polished surfaces and a scratch-resistant glass display window. Like its namesake, the Nokia 8800 Sirocco Edition consists of two variants - light and dark, the light inspired by the hot, dry air mass, the dark by the cooler, humid one.

And as it blows, the powerful sirocco makes its own unique sound - a composition from nature caused by two air masses colliding. With nature as his inspiration, Brian Eno, the world renowned music composer and ambient music innovator, has created a unique sonic texture that is organic, calm and highly evolved. It has an otherworldly feel - comprised of notes created by instruments that Eno has selected and synthesized himself.

The stainless steel case of the Sirocco Edition is treated in such a way as to give the device a unique sensual feel, which humanizes this natural masterpiece. Impeccable functionality is created through superlative craftsmanship, using techniques drawn from master watchmakers and jewellers. From the sapphire coating of the 262,000 colour display to the distinctive slide mechanism which reveals its 2 mega-pixel camera, or even its extended battery life, every seemingly minor detail of the Nokia 8800 Sirocco Edition is honed to perfection. The ergonomic keypad undulates like the glimmering dunes of the night desert, whilst the jewel-like navigation key shines like the brightest star in the darkest night. The Nokia 8800 Sirocco Edition truly is unique, created out of the inherent beauty and chaos of nature and distilled into a modern form that is graceful, sympathetic and spare.

The Nokia 8800 Sirocco Edition also features a complementary Bluetooth headset. This diminutive but distinctive wireless earpiece is also composed of stainless steel, and perfectly matches the nature-inspired Nokia 8800 Sirocco Edition.

The Nokia 8800 Sirocco Edition is now available in select markets, with an estimated retail price of EUR 1000, before taxes or subsidies.

Technical highlights:

- Exclusive sounds in AAC quality, made by Brian Eno
- Premium User Interface - Look and feel
- 2 Mpx Camera
- High quality stainless steel metal covers for superior durability

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Photos of the Nokia 8800 Sirocco Edition can be found at: www.nokia.com/press

Services and some features may be dependent on the network and/or SIM card as well as on the compatibility of the devices used and the content formats supported

www.nokia.com

PRESS RELEASE

September 05, 2006

Nokia wins GSM expansion contract with Yunnan MCC

Nokia s end-to end network solutions significantly improve rural area coverage and enable new services

Espoo, Finland - Nokia, a leading mobile telecommunications infrastructure supplier, has signed a GSM expansion contract with Yunnan Mobile Communication Co., Ltd. (Yunnan MCC) in China. The contract, valued at approximately USD 63 million, further strengthens Nokia s leading position in GSM networks and mobile softswitch systems deployment in the China area.

Under the agreement, Nokia supplies Yunnan MCC with GSM/GPRS radio and core network, including the Nokia MetroSite base stations, Nokia MSC Server mobile softswitch and Nokia Media Gateway in the Yunnan Province in the Southwest China. Nokia will also provide services including network planning, implementation and other support services. Deliveries have started and the network will be operational in November.

With the Nokia MSC Server mobile softswitch, Yunnan MCC will be able to provide its customers new services, such as Multi-SIM service, which will help Yunnan MCC to generate more revenue and improve its customer retention.

Yunnan MCC is committed to building a high-quality GSM network to extend mobile services to more people in the province. Thanks to Nokia s innovative end-to-end solutions, we are able to improve the coverage in the rural area significantly, bring higher capacity to the network, and new services to our customers, says Lin Zhenhui, General Manager of Yunnan MCC.

This year marks the 10-year anniversary of strategic cooperation between Nokia and Yunnan MCC. We are delighted that Nokia solutions have in part enabled the new milestone of 10 million mobile users in the province. We are committed to supporting the operators to explore the potential of GSM networks, generate more revenues and bring new exciting services to the mobile users, says James Lin, Vice President, Networks, Nokia China.

Nokia has been the main supplier of Yunnan MCC for GSM/GPRS core and radio network since 1996.

Nokia leads the 3GPP compliant mobile softswitch market in China and is a leading GSM network supplier in the Chinese market with over 20 provincial customers and 20 million lines already put into operation.

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PRESS RELEASE

September 05, 2006

Nokia wins radio and core network deal with Bulgarian operator Vivatel

Espoo, Finland - Nokia has won its first network deal with Bulgarian operator Vivatel. Nokia will improve GSM coverage in the Vivatel network and prepare it for 3G launch by supplying GSM/EDGE/WCDMA 3G/HSDPA radio network and 3G core network, and related services.

Nokia will supply Vivatel radio network including GSM and Nokia Flexi WCDMA base stations, and cellular transmission. Nokia will also become Vivatel s sole 3G core network supplier and deliver Nokia IP Multimedia Subsystem (IMS), Nokia Flexi Intelligent Service Node (ISN) and Nokia MSC Server mobile softswitch. The network will be supported by the multivendor Nokia NetAct(TM) network and service management system. Deliveries started in August 2006.

Nokia s services team will ensure efficient and timely completion of the network project. Nokia will provide project management, network planning, consulting and integration, and maintenance services, and will operate the network during the initial phase of the project.

Nokia s high-quality, reliable products and their end-to-end capability sealed our decision to select Nokia, says Richard Shearer, CEO of Vivatel. This benefits our customers, as initially they will be able to enjoy improved GSM coverage, and later we will launch 3G services.

This is an important deal to Nokia and we are pleased to be bringing 3G to Bulgaria together with Vivatel, says Filip Rommelaere, General Manager, Networks, Nokia. With Nokia solutions, operators can easily evolve their networks to the advanced technologies now being developed, protecting investments.

In WCDMA 3G, Nokia has 62 customers to date. Nokia s high-performing HSDPA is a simple software upgrade to Nokia WCDMA networks, thus enabling a fast, cost-effective rollout. Nokia HSDPA offers almost 10-times faster data services than current 3G networks, meaning an enhanced service experience. Nokia is a leader in the HSDPA market, with a large number of HSDPA contracts. Many network operators have already opened their HSDPA networks with the Nokia solution.

Nokia is creating seamless user experiences in converging networks thanks to mobile softswitching and IMS for fixed and mobile. With close to 100 customers for its mobile softswitching, Nokia has delivered the majority of the world s commercial 3GPP-compliant mobile softswitching. Nokia is also the front-runner in IMS for fixed and mobile networks, with over 90 references for IMS solutions, such as Push to talk over Cellular, while paving the way for network renewal with IMS-based voice and applications in fixed networks.

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PRESS RELEASE

September 06, 2006

Nokia Announces S60 3rd Edition Challenge Finalists

Developer Companies from Around the World Vie for EUR 100,000 in Grand Prizes

Espoo, Finland - Nokia today announced results of the initial round of judging in the Forum Nokia S60 3rd Edition Challenge, a global developer competition that will award EUR 100,000 in grand prizes for the best new applications based on the S60 3rd Edition. The awards will be made October 17 in London at the Smartphone Show.

Launched in December, 2005, the S60 3rd Edition Challenge is designed to drive development of innovative new applications for the S60 3rd Edition, based on the Symbian OS, which expands creative opportunities for developers of advanced mobile applications and services. The competition comprises four categories enterprise, music, Adobe Flash Lite and location-based applications.

Co-sponsored by Forum Nokia, Nokia s global developer support program, and Adobe, the competition received 117 entries. The 20 finalists, announced today, were chosen on the basis of each entry s overall strength of concept and level of creativity, and its usability, aesthetic design and support for mobility

In addition to the four EUR 25,000 top prizes, winners and runners up in each category will be awarded a one-year free membership in Forum Nokia PRO, an exclusive developer support program, valued at EUR 4,000**. Top winners also receive a demo spot at a Nokia event, free on-site technical support and consultancy, devices and additional marketing support from Nokia partner, Handango.

The finalists, selected by a jury comprised of representatives of Adobe and Nokia business units, include:

Enterprise Applications

HansaWorld*	*HansaWorld Enterprise*
Intellisys s.r.l.	*Argus Remote Surveillance*
Quickoffice*	*Quickoffice Premier*
Thinprint	*Content Beamer*
WiB-Software	*Punch2Go*

Location Aware Applications

Agis Pte Ltd*	*Navfone*
Aspicore	*GSM tracker*
Augmentra	*ViewRanger*
Epocware, Paragon Software Group*	*Handy Weather*
Navicore*	*Navicore Personal*

Mobile Music Applications

InfoTalk Corporation*

Property rental	$	155,128	$	16,401	$		$	171,529
Management and franchise fees		13,245				(920)(**3**)		12,325
Tenant reinsurance		17,565						17,565

Total revenues	185,938	16,401	(920)	201,419
Expenses:				
Property operations	52,608	6,380	(920)**(3)**	58,068
Tenant reinsurance	3,272			3,272
Unrecovered development and acquisition costs	1,078			1,078
Loss on sublease				
General and administrative	25,185			25,185
Depreciation and amortization	33,150		5,201**(4)**	38,351
Total expenses	115,293	6,380	4,281	125,954
Income from operations	70,645	10,021	(5,201)	75,465
Interest expense	(33,925)		(3,603)**(5)**	(37,528)
Non-cash interest expense related to amortization of discount on exchangeable senior notes	(444)			(444)
Interest income	723		(221)**(6)**	502
Interest income on note receivable from Preferred Operating Partnership unit holder	2,425			2,425
Income before equity in earnings of real estate ventures and income tax expense	39,424	10,021	(9,025)	40,420
Equity in earnings of real estate ventures	4,994		(187)**(7)**	4,807
Equity in earnings of real estate ventures gain on sale of real estate assets	5,429			5,429
Income tax expense	(2,584)			(2,584)
Net income	47,263	10,021	(9,212)	48,072
Net income allocated to Preferred Operating Partnership noncontrolling interests	(3,303)		(8)**(8)**	(3,311)
Net income allocated to Operating Partnership and other noncontrolling interests	(1,333)		(23)**(8)**	(1,356)
Net income attributable to common stockholders	$ 42,627	$ 10,021	$ (9,243)	$ 43,405
Net income per common share				
Basic	$ 0.43			$ 0.44
Diluted	$ 0.43			$ 0.43
Weighted average number of shares				
Basic	98,497,788			98,497,788
Diluted	103,063,565			103,063,565
Cash dividends paid per common share	$ 0.40			$ 0.40

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Extra Space Storage Inc.

Notes to Unaudited Pro Forma Condensed Consolidated Statement of Operations

for the Six Months Ended June 30, 2012

(in thousands, except share data)

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(1) Reflects the results of operations of the Company as filed in its Form 10-Q for the six months ended June 30, 2012.

(2) Represents the pro forma revenues and operating expenses of PRISA III for the period from January 1, 2012 to June 30, 2012, which were not reflected in the historical condensed consolidated statement of operations of the Company.

(3) Adjustment to eliminate the management fee revenue earned by the Company for managing the properties owned by PRISA III. Prior to the acquisition, the Company managed the properties owned by PRISA III in exchange for a management fee of approximately 6% of cash collected by the properties. Subsequent to the acquisition by the Company, all properties are self-managed.

(4) Adjustments include depreciation and amortization expense for the period from January 1, 2012 to June 30, 2012, which was not reflected in the historical condensed consolidated statement of operations of the Company. Adjustments to depreciation and amortization expense are summarized as follows:

	Building	Customer Intangibles	Lease Intangible	Total
Assets acquired	$ 256,792	$ 5,636	$ 440	$ 262,868
Amortization/depreciation period (in years)	39.0	1.5	7.3	
Annual amortization/depreciation	6,584	3,757	61	10,402
Amortization/depreciation for period ended June 30, 2012	$ 3,292	$ 1,879	$ 30	$ 5,201

(5) Debt of $145,000 was assumed in the acquisition of PREI s interest in PRISA III. The debt assumed has a fixed rate of 4.97%. Adjustments to interest expense represent interest for the period from January 1, 2012 to June 30, 2012, which was not reflected in the historical consolidated condensed statement of operations of the Company. The amount of interest is calculated as if the acquisition occurred on January 1, 2012.

(6) Interest income was reduced by $221 for the use of net cash in the acquisition as if it had occurred on January 1, 2012.

(7) Adjustment to eliminate the equity in earnings related to PRISA III for the six months ended June 30, 2012.

(8) Income allocated to Preferred Operating Partnership noncontrolling units and Operating Partnership and other noncontrolling units was adjusted to reflect the increase in net income resulting from the acquisition and other pro forma adjustments as follows:

	Preferred Operating Partnership	Operating Partnership	Total
Increase in net income as a result of acquisitions and other pro forma adjustments:	$ 809	$ 809	$ 809
Weighted average percentage OP units held by noncontrolling interests	0.97%	2.88%	3.85%
Increase in net income allocated to Operating Partnership and other noncontrolling interests	$ 8	$ 23	$ 31

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Extra Space Storage Inc.

Unaudited Pro Forma Condensed Consolidated Statement of Operations

for the Year Ended December 31, 2011

(in thousands, except share data)

	Historical Extra Space Storage Inc. (1)	PRISA III Acquisition (2)	Pro Forma Adjustments	Pro Forma Total
Revenues:				
Property rental	$ 268,725	$ 32,357	$	$ 301,082
Management and franchise fees	29,924		(1,796)**(3)**	28,128
Tenant reinsurance	31,181			31,181
Total revenues	329,830	32,357	(1,796)	360,391
Expenses:				
Property operations	95,481	12,885	(1,796)**(3)**	106,570
Tenant reinsurance	6,143			6,143
Unrecovered development and acquisition costs	2,896			2,896
Severance costs	2,137			2,137
General and administrative	49,683			49,683
Depreciation and amortization	58,014		10,402**(4)**	68,416
Total expenses	214,354	12,885	8,606	235,845
Income from operations	115,476	19,472	(10,402)	124,546
Interest expense	(67,301)		(7,207)**(5)**	(74,508)
Non-cash interest expense related to amortization of discount on exchangeable senior notes	(1,761)			(1,761)
Interest income	1,027		(442)**(6)**	585
Interest income on note receivable from Preferred Operating Partnership unit holder	4,850			4,850
Income before equity in earnings of real estate ventures and income tax expense	52,291	19,472	(18,051)	53,712
Equity in earnings of real estate ventures	7,287		(330)**(7)**	6,957
Income tax expense	(1,155)			(1,155)
Net income	58,423	19,472	(18,381)	59,514
Net income allocated to Preferred Operating Partnership noncontrolling interests	(6,289)		(11)**(8)**	(6,300)
Net income allocated to Operating Partnership and other noncontrolling interests	(1,685)		(35)**(8)**	(1,720)
Net income attributable to common stockholders	$ 50,449	$ 19,472	$ (18,427)	$ 51,494
Net income per common share				
Basic	$ 0.55			$ 0.56
Diluted	$ 0.54			$ 0.55
Weighted average number of shares				
Basic	92,097,008			92,097,008

Diluted		96,683,508		96,683,508
Cash dividends paid per common share	$	0.56	$	0.56

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Extra Space Storage Inc.

Notes to Unaudited Pro Forma Condensed Consolidated Statement of Operations

for the Year Ended December 31, 2011

(in thousands, except share data)

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(1) Reflects the results of operations of the Company as filed in its Form 10-K for the year ended December 31, 2011.

(2) Represents the pro forma revenues and operating expenses of PRISA III for the year ended December 31, 2011, which were not reflected in the historical condensed consolidated statement of operations of the Company.

(3) Adjustment to eliminate the management fee revenue earned by the Company for managing the properties owned by PRISA III. Prior to the acquisition, the Company managed the properties owned by PRISA III in exchange for a management fee of approximately 6% of cash collected by the properties. Subsequent to the acquisition by the Company, all properties are self-managed.

(4) Adjustments include depreciation and amortization expense for the period from January 1, 2011 to December 31, 2011, which was not reflected in the historical condensed consolidated statement of operations of the Company. Adjustments to depreciation and amortization expense are summarized as follows:

	Building	Customer Intangibles	Lease Intangible	Total
Assets acquired	$ 256,792	$ 5,636	$ 440	$ 262,868
Amortization/depreciation period (in years)	39.0	1.5	7.3	
Annual amortization/depreciation	$ 6,584	$ 3,757	$ 61	$ 10,402

(5) Debt of $145,000 was assumed in the acquisition of PREI s interest in PRISA III. The debt assumed has a fixed rate of 4.97%. Adjustments to interest expense represent interest for the period from January 1, 2011 to December 31, 2011, which was not reflected in the historical consolidated condensed statement of operations of the Company. The amount of interest is calculated as if the acquisition occurred on January 1, 2011.

(6) Interest income was reduced by $442 for the use of net cash in the acquisition as if the acquisition had occurred on January 1, 2011.

(7) Adjustment to eliminate the equity in earnings related to PRISA III for the year ended December 31, 2011.

(8) Income allocated to Preferred Operating Partnership noncontrolling units and Operating Partnership and other noncontrolling units was adjusted to reflect the increase in net income resulting from the acquisitions and other pro forma adjustments as follows:

	Preferred Operating Partnership	Operating Partnership	Total
Increase in net income as a result of acquisitions and other pro forma adjustments:	$ 1,091	$ 1,091	$ 1,091
Weighted average percentage OP units held by noncontrolling interests	1.03%	3.23%	4.26%
Increase in net income allocated to Operating Partnership and other noncontrolling interests	$ 11	$ 35	$ 46

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ESS PRISA III LLC

Financial Statements and Report of Independent Auditors

For the Years ended December 31, 2011, 2010 and 2009

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Report of Independent Auditors

To the Members of

ESS PRISA III LLC

We have audited the accompanying balance sheets of ESS PRISA III LLC as of December 31, 2011, 2010, and 2009, and the related statements of operations, members equity, and cash flows for the years then ended. These financial statements are the responsibility of the management of ESS PRISA III LLC. Our responsibility is to express an opinion on this financial statement based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the 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. We were not engaged to perform an audit of ESS PRISA III LLC s internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of ESS PRISA III LLC s internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement, assessing the basis of accounting 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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of ESS PRISA III LLC at December 31, 2011, 2010, and 2009, and the results of its operations and its cash flows for the years then ended, in conformity with U.S. generally accepted accounting principles.

/s/ Ernst & Young LLP

Salt Lake City, Utah

April 2, 2012

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ESS PRISA III LLC

BALANCE SHEETS

(dollars in thousands)

	December 31, 2011	2010	2009
Assets			
Investment in real estate:			
Land	$ 66,728	$ 66,581	$ 66,173
Buildings and equipment	175,763	174,647	174,166
	242,491	241,228	240,339
Less: accumulated depreciation and amortization	(32,034)	(26,735)	(21,458)
Investment in real estate, net	210,457	214,493	218,881
Cash and cash equivalents	2,854	1,236	907
Restricted cash	1,286	1,141	1,291
Accounts receivable, net of allowance for doubtful accounts of $6, $7 and $7, respectively	422	431	471
Deferred financing costs, net	175	498	821
Prepaid expenses and other assets	682	561	647
Total assets	$ 215,876	$ 218,360	$ 223,018
Liabilities and members equity			
Liabilities:			
Note payable	$ 145,000	$ 145,000	$ 145,000
Payable to related party	260	109	353
Accounts payable and accrued expenses	909	677	685
Property taxes payable	568	541	550
Rents received in advance	1,616	1,555	1,512
Total liabilities	148,353	147,882	148,100
Commitments and contingencies (note 4)			
Members equity	67,523	70,478	74,918
Total liabilities and members equity	$ 215,876	$ 218,360	$ 223,018

See accompanying notes.

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ESS PRISA III LLC

STATEMENTS OF OPERATIONS

(dollars in thousands)

	For the Year Ended December 31, 2011	2010	2009
Operating revenues:			
Rental income	$ 30,965	$ 29,644	$ 29,222
Other income	1,392	1,432	1,470
Total operating revenues	32,357	31,076	30,692
Operating expenses:			
Property operations	5,026	5,166	5,367
Payroll expense	2,842	2,726	2,646
Property taxes	3,221	3,371	3,464
Management fees	1,796	1,722	1,686
Depreciation and amortization	5,314	5,277	5,213
Total operating expenses	18,199	18,262	18,376
Income from operations	14,158	12,814	12,316
Interest expense	(7,630)	(7,630)	(7,630)
Gain on sale of real estate assets	167		
Net income	$ 6,695	$ 5,184	$ 4,686

See accompanying notes.

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ESS PRISA III LLC

STATEMENTS OF MEMBERS EQUITY

(dollars in thousands)

	ESS LLC	Prudential	Total
Balance at January 1, 2009	$ 4,122	$ 77,166	$ 81,288
Member distributions	(559)	(10,497)	(11,056)
Net income	237	4,449	4,686
Balance at December 31, 2009	3,800	71,118	74,918
Member distributions	(487)	(9,137)	(9,624)
Net income	263	4,921	5,184
Balance at December 31, 2010	3,576	66,902	70,478
Member distributions	(488)	(9,162)	(9,650)
Net income	338	6,357	6,695
Balance at December 31, 2011	$ 3,426	$ 64,097	$ 67,523

See accompanying notes.

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ESS PRISA III LLC

STATEMENTS OF CASH FLOWS

(dollars in thousands)

	For the Year Ended December 31, 2011	2010	2009
Operating activities			
Net income	$ 6,695	$ 5,184	$ 4,686
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	5,314	5,277	5,213
Amortization of deferred financing costs	323	323	323
Gain on sale of real estate assets	(167)		
Changes in assets and liabilities:			
Accounts receivable, net	9	40	79
Prepaid expenses and other assets	(121)	86	(8)
Payable to related party	151	(244)	209
Accounts payable and accrued expenses	232	(8)	16
Property taxes payable	27	(9)	35
Rents received in advance	61	43	(136)
Net cash provided by operating activities	12,524	10,692	10,417
Investing activities			
Change in restricted cash	(145)	150	1,033
Investment in real estate assets	(1,384)	(889)	(894)
Proceeds from sale of real estate assets	273		
Net cash provided by (used in) investing activities	(1,256)	(739)	139
Financing activities			
Payment of transition liabilities			(588)
Member distributions	(9,650)	(9,624)	(11,056)
Net cash used in financing activities	(9,650)	(9,624)	(11,644)
Net increase (decrease) in cash	1,618	329	(1,088)
Cash and cash equivalents at beginning of the year	1,236	907	1,995
Cash and cash equivalents at end of the year	$ 2,854	$ 1,236	$ 907
Supplemental disclosure of cash flow information			
Cash paid for interest	$ 7,307	$ 7,307	$ 7,307

See accompanying notes.

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ESS PRISA III LLC

Notes to Financial Statements

(dollars in thousands)

1. Description of Business and Summary of Significant Accounting Policies

Business

ESS PRISA III LLC, (the Company), a Delaware limited liability company, is engaged in the business of owning, leasing, managing and operating self-storage facilities located throughout the United States of America. On July 14, 2005, the Company was formed by Prudential Insurance Company of America, an affiliate of Prudential Financial, Inc (Prudential) and Extra Space Storage LLC (ESS LLC) and, unless terminated or extended by mutual agreement of the members, will continue until December 31, 2055. The Company owned 36 self-storage facilities at December 31, 2011, 2010 and 2009.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Investment in Real Estate

Real estate assets are stated at cost less accumulated depreciation and amortization. Costs associated with the development, construction, renovation and improvement of real estate assets are capitalized. Interest, property taxes and other costs associated with development incurred during the construction period are capitalized as building costs. Expenditures for maintenance and repairs are charged to expense as incurred. Major replacements and betterments that improve or extend the life of the asset are capitalized. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, which are generally between 3 and 39 years. The cost of real estate sold, or otherwise disposed of, and the related accumulated depreciation or amortization, are removed from the accounts and any gain or loss is reflected in earnings.

Intangible lease rights represent the value assigned to one property that is subject to a land and building lease. These rights, which totaled $1,176, at December 31, 2011, 2010 and 2009, are classified as buildings in the accompanying balance sheets and are being amortized over the term of the lease through October 31, 2039. As of December 31, 2011, 2010 and 2009, accumulated amortization totaled $511, $488 and $464, respectively.

Intangible Assets Tenant Relationships

In connection with the Company s acquisition of real estate assets, the purchase price is allocated to the tangible and intangible assets and liabilities acquired based on their estimated fair values. The values of the tangible assets, consisting of land and buildings, are determined as if vacant, that is, at replacement cost. Intangible assets, which represent the value of tenant relationships, are recorded at their fair values.

ESS PRISA III LLC

Notes to Financial Statements (continued)

(dollars in thousands)

1. Description of Business and Summary of Significant Accounting Policies (continued)

Because the Company s leases are month-to-month, no value is assigned to acquired in-place leases other than the tenant relationships, which are recorded at their fair values based on the avoided cost to replace the current leases. The Company measures the value of tenant relationships based on the rent lost due to the amount of time required to replace existing customers which is based on the Company s historical experience with turnover in its facilities. The Company amortizes the tenant relationships on a straight-line basis over the estimated life that a tenant utilizes the facility (18 months). At December 31, 2011, 2010 and 2009, intangible assets related to tenant relationships of $4,823 were fully amortized.

Asset Impairment

The Company evaluates real estate assets, which are held for use, for impairment whenever events or circumstances indicate an impairment may exist. An impairment loss is recorded if the net carrying value of the asset exceeds the undiscounted future net operating cash flows attributable to the asset. The impairment loss recognized equals the excess of net carrying value over the related fair value of the asset. No impairment charges have been recognized for the years ended December 31, 2011, 2010 or 2009.

When real estate assets are identified as held for sale, the Company discontinues depreciating the assets and estimates the fair value, net of selling costs. If the estimated fair value, net of selling costs, is less than the net carrying value of the asset, a valuation allowance is established. The operations of assets classified as held for sale or sold during the period are presented as discontinued operations. Management has determined no property was held for sale at December 31, 2011, 2010 or 2009.

Cash and Cash Equivalents

Cash equivalents are short-term, highly liquid instruments with original maturities of 30 days or less. The Company s cash is deposited with financial institutions located primarily in California and North Carolina, and at times may exceed federally insured limits.

Restricted Cash

Restricted cash comprises funds held by the Company s lender for property taxes and funds which have been restricted for capital improvements. These balances are deposited with a financial institution located in California, and at times may exceed federally insured limits.

Deferred Financing Costs

Deferred financing costs are amortized on a straight-line basis, which approximates the effective interest method, over the term of the respective loan agreement.

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ESS PRISA III LLC

Notes to Financial Statements (continued)

(dollars in thousands)

1. Description of Business and Summary of Significant Accounting Policies (continued)

Fair Value of Financial Instruments

The carrying values of cash and cash equivalents, restricted cash, accounts receivable, payable to related party, accounts payable and accrued expenses at December 31, 2011, 2010 and 2009 approximate fair value due to the short-term nature of these instruments. The fair value of the note payable at December 31, 2011, 2010 and 2009, which was based on the present value of estimated future cash flows using interest rates available to the Company for similar debt, was approximately $147,600, $149,400 and $150,000, respectively.

Members Equity

Members profits, losses and distributions are allocated in accordance with the terms of the operating agreement of the Company. Membership equity interests are held 95% by Prudential and 5% by ESS LLC. Preferred returns are paid on member equity interests under the following schedule:

	Preferred Return
July 14, 2005 December 31, 2007	10.00%
January 1, 2008 December 31, 2009	11.00
January 1, 2010 December 31, 2011	12.00
January 1, 2012 and thereafter	13.00

As of December 31, 2011, 2010 and 2009 the cumulative unpaid preferred return on members equity for Prudential was $6,015, $3,360 and $946, respectively. For the same periods, the cumulative unpaid preferred return on members equity for ESS LLC was $321, $179 and $50, respectively. Excess profit participation interests over the preferred return are held 80% by Prudential and 20% by ESS LLC.

Revenue and Expense Recognition

Rental revenues are recognized as earned based upon amounts that are currently due from tenants. Leases are generally on month-to-month terms. Prepaid rents are recognized on a straight-line basis over the term of the leases. Promotional discounts are recognized as a reduction to rental income over the promotional period. Late charges, administrative fees, merchandise sales and truck rentals are recognized in other income when earned. Interest income is recognized as earned.

Property expenses, including utilities, repairs and maintenance and other costs to manage the facilities are recognized as incurred. The Company accrues for property tax expense based upon estimates and historical trends.

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ESS PRISA III LLC

Notes to Financial Statements (continued)

(dollars in thousands)

1. Description of Business and Summary of Significant Accounting Policies (continued)

Real Estate Sales

The Company evaluates real estate sales for both sale recognition and profit recognition. In general, sales of real estate and related profits/losses are recognized when all consideration has changed hands, and when risks and rewards of ownership have been transferred. Certain types of continuing involvement preclude sale treatment and related profit recognition; other forms of continuing involvement allow for sale recognition but require deferral of profit recognition.

Advertising Costs

The Company incurs advertising costs primarily attributable to directory, direct mail, internet and other advertising. Recurring phonebook advertising costs are deferred and amortized over the expected benefit period, determined to be 12 months. At December 31, 2011, prepaid advertising costs of $83 were included in prepaid expenses and other assets. All other advertising costs are expensed as incurred. The Company recognized advertising expense of $535, $638 and $646, respectively, for the years ended December 31, 2011, 2010 and 2009.

Income Taxes

The Company has elected partnership status for income tax purposes and, accordingly, is generally not directly subject to tax. The tax effects of the Company s operations are passed directly to the members. Therefore, no provision for income taxes has been recorded in the financial statements.

2. Note Payable

The note payable is a mortgage loan bearing interest at a fixed rate of 4.97%. The loan is collateralized by real estate assets and the assignment of rents. Interest payments are made monthly with all principal and remaining interest due August 11, 2012. Management expects to refinance the loan before the due date because of strong property performance and a current favorable lending environment for properties with low loan-to-value ratios.

3. Related Party Transactions

The Company has entered into various transactions with related parties as summarized below:

a. The Company s management agreement with Extra Space Management Incorporated (ESMI), a subsidiary of ESS LLC, provides for management fees of 5.6% of gross rental revenues actually received for the management of all operations at the Company s self-storage facilities. During the years ended December 31, 2011, 2010 and 2009, management fee expense of $1,796, $1,722 and $1,686, respectively, was recognized for services provided by ESMI. At December 31, 2011, 2010 and 2009, $156, $110 and $143, respectively, related to management fees was included in payable to related party.

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ESS PRISA III LLC

Notes to Financial Statements (continued)

(dollars in thousands)

3. Related Party Transactions (continued)

b. The Company uses ESMI to service payroll and other administrative activities. The Company reimburses ESMI only for the costs incurred, and no service fee is paid to ESMI. At December 31, 2011, 2010 and 2009, payables to ESMI of $103, $0 and $209, respectively, related to these activities, was included in payable to related party.

c. Prior to 2011, Prudential bound coverage for the Company s property insurance as part of a larger insurance binder including properties not owned by the Company. The Company reimbursed Prudential for the direct costs related to the property insurance coverage. Those costs totaled $267 and $239, respectively, for the years ended December 31, 2010 and 2009. At December 31, 2010 and 2009, there were no payables due to Prudential for property insurance.

4. Commitments and Contingencies

The Company owns one self-storage facility that is subject to a land and building lease. During 2009, the lease was renegotiated. The new lease term, including all extensions, ends in 2039. At December 31, 2011, future minimum rental payments under this noncancelable operating lease were as follows:

Year Ending December 31,		
2012	$	181
2013		181
2014		181
2015		181
2016		181
Thereafter		4,143

Under the terms of the lease, the Company is responsible for property taxes and operating expenses. Rent expense for the years ended December 31, 2011, 2010 and 2009 totaled $161, $175 and $225, respectively.

5. Recently Issued Accounting Standards

In December 2007, the Financial Accounting Standards Board (FASB) issued revised Statement No. 141, *Business Combinations* (ASC 805) (FAS 141(R)). This guidance establishes principles and requirements for how an acquirer in a business combination recognizes and measures in its financial statements the assets acquired and liabilities assumed. Generally, assets acquired and liabilities assumed in a transaction are recorded at the acquisition-date fair value with limited exceptions. The guidance also changed the accounting treatment and disclosure for certain specific items in a business combination. The Company adopted this guidance for all acquisitions subsequent to January 1, 2009.

In May 2009, the FASB issued Statement of Financial Accounting Standards No. 165, *Subsequent Events* (ASC 855). This guidance is intended to establish general standards of accounting for and disclosures of events that occur after the balance sheet date but before the financial statements are issued or are available to be issued. This guidance requires disclosure of the date through which an entity has evaluated subsequent events and the basis for selecting

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ESS PRISA III LLC

Notes to Financial Statements (continued)

(dollars in thousands)

5. Recently Issued Accounting Standards (continued)

this date, that is, whether this date represents the date the financial statements were issued or were available to be issued. The Company adopted this guidance effective for the year ended December 31, 2009.

On June 30, 2009, the FASB issued Statement No. 168, *The FASB Accounting Standards Codification and the Hierarchy of Generally Accepted Accounting Principles a replacement of FASB Statement No. 162* (ASC 105-10-05). The standard establishes the FASB Codification (the Codification) as the source of authoritative accounting principles recognized by the FASB to be applied by nongovernmental entities in the preparation of financial statements in conformity with GAAP. The Codification is effective for financial statements issued for interim and annual periods ending after September 15, 2009. The Company adopted the Codification effective December 31, 2009 and has included the references to the Codification, as appropriate, in these financial statements.

6. Subsequent Events

The Company has evaluated subsequent events through April 2, 2012, the date the financial statements are available to be issued. There were no subsequent events that require disclosure.

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ESS PRISA III LLC

Unaudited Financial Statements for the Six Months Ended June 30, 2012

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ESS PRISA III LLC

BALANCE SHEET

(dollars in thousands)

		June 30, 2012 (unaudited)
Assets		
Investment in real estate:		
Land	$	66,849
Buildings and equipment		176,032
		242,881
Less: accumulated depreciation and amortization		(34,701)
Investment in real estate, net		208,180
Cash and cash equivalents		3,405
Restricted cash		1,675
Accounts receivable, net of allowance for doubtful accounts of $4		408
Receivable from related party		171
Deferred financing costs, net		13
Prepaid expenses and other assets		83
Total assets	$	213,935
Liabilities and members equity		
Liabilities:		
Note payable	$	145,000
Accounts payable and accrued expenses		587
Property taxes payable		458
Rents received in advance		1,625
Total liabilities		147,670
Commitments and contingencies		
Members equity		66,265
Total liabilities and members equity	$	213,935

See accompanying notes.

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ESS PRISA III LLC

STATEMENTS OF OPERATIONS

(dollars in thousands)

	For the Six Months Ended June 30, 2012 (unaudited)	For the Six Months Ended June 30, 2011 (unaudited)
Operating revenues:		
Rental income	$ 15,710	$ 15,040
Other income	691	675
Total operating revenues	16,401	15,715
Operating expenses:		
Property operations	2,227	2,377
Payroll expense	1,455	1,401
Property taxes	1,778	1,416
Management fees	920	880
Depreciation and amortization	2,667	2,658
Total operating expenses	9,047	8,732
Income from operations	7,354	6,983
Interest expense	(3,825)	(3,805)
Net income	$ 3,529	$ 3,178

See accompanying notes.

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ESS PRISA III LLC

STATEMENT OF CASH FLOWS

(dollars in thousands)

		For the Six Months Ended June 30, 2012 (unaudited)
Operating activities		
Net income	$	3,529
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization		2,667
Amortization of deferred financing costs		162
Changes in assets and liabilities:		
Accounts receivable, net		14
Prepaid expenses and other assets		599
Payable to related party		(431)
Accounts payable and accrued expenses		(322)
Property taxes payable		(110)
Rents received in advance		9
Net cash provided by operating activities		6,117
Investing activities		
Change in restricted cash		(389)
Investment in real estate assets		(390)
Net cash used in investing activities		(779)
Financing activities		
Member distributions		(4,787)
Net cash used in financing activities		(4,787)
Net increase in cash		551
Cash and cash equivalents at beginning of the year		2,854
Cash and cash equivalents at end of the year	$	3,405
Supplemental disclosure of cash flow information		
Cash paid for interest	$	3,663

See accompanying notes.

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ESS PRISA III LLC

Notes to Unaudited Interim Financial Statements

(dollars in thousands)

1. Description of Business and Summary of Significant Accounting Policies

Business

ESS PRISA III LLC, (the Company), a Delaware limited liability company, is engaged in the business of owning, leasing, managing and operating self-storage facilities located throughout the United States of America. On July 14, 2005, the Company was formed by Prudential Insurance Company of America, an affiliate of Prudential Financial, Inc (Prudential) and Extra Space Storage LLC (ESS LLC) and, unless terminated or extended by mutual agreement of the members, will continue until December 31, 2055. The Company owned 36 self-storage facilities at June 30, 2012.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Investment in Real Estate

Real estate assets are stated at cost less accumulated depreciation and amortization. Costs associated with the development, construction, renovation and improvement of real estate assets are capitalized. Interest, property taxes and other costs associated with development incurred during the construction period are capitalized as building costs. Expenditures for maintenance and repairs are charged to expense as incurred. Major replacements and betterments that improve or extend the life of the asset are capitalized. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, which are generally between 3 and 39 years. The cost of real estate sold, or otherwise disposed of, and the related accumulated depreciation or amortization, are removed from the accounts and any gain or loss is reflected in earnings.

Intangible lease rights represent the value assigned to one property that is subject to a land and building lease.

Intangible Assets Tenant Relationships

In connection with the Company s acquisition of real estate assets, the purchase price is allocated to the tangible and intangible assets and liabilities acquired based on their estimated fair values. The values of the tangible assets, consisting of land and buildings, are determined as if vacant, that is, at replacement cost. Intangible assets, which represent the value of tenant relationships, are recorded at their fair values.

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ESS PRISA III LLC

Notes to Unaudited Financial Statements (continued)

(dollars in thousands)

1. Description of Business and Summary of Significant Accounting Policies (continued)

Because the Company s leases are month-to-month, no value is assigned to acquired in-place leases other than the tenant relationships, which are recorded at their fair values based on the avoided cost to replace the current leases. The Company measures the value of tenant relationships based on the rent lost due to the amount of time required to replace existing customers which is based on the Company s historical experience with turnover in its facilities. The Company amortizes the tenant relationships on a straight-line basis over the estimated life that a tenant utilizes the facility (18 months).

Asset Impairment

The Company evaluates real estate assets, which are held for use, for impairment whenever events or circumstances indicate an impairment may exist. An impairment loss is recorded if the net carrying value of the asset exceeds the undiscounted future net operating cash flows attributable to the asset. The impairment loss recognized equals the excess of net carrying value over the related fair value of the asset.

When real estate assets are identified as held for sale, the Company discontinues depreciating the assets and estimates the fair value, net of selling costs. If the estimated fair value, net of selling costs, is less than the net carrying value of the asset, a valuation allowance is established. The operations of assets classified as held for sale or sold during the period are presented as discontinued operations.

Fair Value of Financial Instruments

The carrying values of cash and cash equivalents, restricted cash, accounts receivable, payable to related party, accounts payable and accrued expenses at June 30, 2012 approximate fair value due to the short-term nature of these instruments. The fair value of the note payable at June 30, 2012, which was based on the present value of estimated future cash flows using interest rates available to the Company for similar debt, was approximately $145,000.

Revenue and Expense Recognition

Rental revenues are recognized as earned based upon amounts that are currently due from tenants. Leases are generally on month-to-month terms. Prepaid rents are recognized on a straight-line basis over the term of the leases. Promotional discounts are recognized as a reduction to rental income over the promotional period. Late charges, administrative fees, merchandise sales and truck rentals are recognized in other income when earned. Interest income is recognized as earned.

Property expenses, including utilities, repairs and maintenance and other costs to manage the facilities are recognized as incurred. The Company accrues for property tax expense based upon estimates and historical trends.

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SIGNATURES

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

	EXTRA SPACE STORAGE INC.		
Date: September 18, 2012	By	/s/ P. Scott Stubbs	
		Name:	P. Scott Stubbs
		Title:	Executive Vice President and Chief Financial Officer

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EXHIBITS

Exhibit Number	Description of Exhibit
10.1	Membership Interest Purchase Agreement, dated as of April 13, 2012, between Extra Space Properties Sixty Three LLC and PRISA III Co-Investment LLC (incorporated by reference to the Company s Form 8-K filed on April 16, 2012).
23.1	Consent of Ernst & Young LLP, Independent Auditors.